

ATMOS ENERGY CORPORATION

(NAME OF UTILITY)

PBR

Performance Based Rate Mechanism

CANCELLED

June 20, 2022

**KENTUCKY PUBLIC
SERVICE COMMISSION**

Applicable

To all gas sold.

Rate Mechanism

The amount computed under each of the rate schedules to which this Performance Based Rate Mechanism is applicable shall be increased or decreased by the Performance Based Rate Recovery Factor (PBRRF) at a rate per 1,000 cubic feet (Mcf) of monthly gas consumption. Demand costs and commodity costs shall be accumulated separately and included in the pipeline suppliers Demand Component and the Gas Supply Cost Component of the Gas Cost Adjustment (GCA), respectively. The PBRRF shall be determined for each 12-month period ended October 31 during the effective term of these performance based ratemaking mechanisms, which 12-month period shall be defined as the PBR period.

The PBRRF shall be computed in accordance with the following formula:

$$PBRRF = (CSPBR + BA) / ES$$

Where:

ES = Expected Mcf sales, as reflected in the Company's GCA filing for the upcoming 12-month period beginning February 1.

CSBPR = Company Share of Performance Based Ratemaking Mechanism savings or expenses. The CSPBR shall be calculated as follows:

$$CSPBR = TPBRR \times ACSP$$

Where:

ACSP = Applicable Company Sharing Percentage

TPBRR = Total Performance Based Ratemaking Results. The TPBRR shall be savings or expenses created during the PBR period. TPBRR shall be calculated as follows:

$$TPBRR = (GAIF + TIF + OSSIF)$$

DATE OF ISSUE May 19,2022
Month/Date/Year

DATE EFFECTIVE May 20,2022
Month/Date/Year


Issued by Authority of an Order of the Public Service Commission in
Case No. 2021-00214 dated May 19,2022

ISSUED BY /s/ Brannon C. Taylor
Signature of Officer

TITLE Vice President – Rates and Regulatory Affairs

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**Linda C. Bridwell
Executive Director**



EFFECTIVE

5/20/2022

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

CANCELLED

June 20, 2022

ATMOS ENERGY CORPORATION

(NAME OF UTILITY)

**KENTUCKY PUBLIC
SERVICE COMMISSION**

FOR ENTIRE SERVICE AREA

PSC KY. No. 2

First Revised SHEET No. 29

Cancelling

Original SHEET No. 29

PBR

Performance Based Rate Mechanism (Continued)

(T)

ACSP

ACSP = Applicable Company Sharing Percentage. The ACSP shall be determined based on the PTAGSC.

Where:

PTAGSC = Percentage of Total Actual Gas Supply Costs. The PTAGSC shall be the TPBRR stated as a Percentage of Total Actual Gas Supply Costs and shall be calculated as follows:

PTAGSC = TPBRR / TAGSC

Where:

TAGSC = Total Actual Gas Supply Costs. The TAGSC shall be calculated as follows:

TAGSC = TAAGCCBL + TAAGCCSL + TAATC

If the absolute value of the PTAGSC is less than or equal to 2.0%, then the ACSP of 30% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 2.0%, then the ACSP of 30% shall be applied to the amount of TPBRR that is equal to 2.0% of TAGSC to determine a portion of CSPBR, and the ACSP of 50% shall be applied to the amount of TPBRR that is in excess of 2.0% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR.

BA

BA = Balance Adjustment. The BA is used to reconcile the difference between the amount of revenues billed or credited through the CSPBR and previous application of the BA and revenues which should have been billed or credited, as follows:

1. For the CSPBR, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the CSPBR and the actual amount used to establish the CSPBR for the period.
2. For the BA, the balance adjustment amount will be the difference between the amount billed in a 12-month period from the application of the BA and the actual amount used to establish the BA for the period.

Annual Reports

Atmos Energy shall file annual reports to the Kentucky Public Service Commission, describing activities and financial results under the PBR program. These reports shall be filed by August 31 of each calendar year, commencing in 2007.

Review

Within 90 days of the end of the fourth year of the five year extension, the Company will file an evaluation report on the results of the PBR mechanism for the first four years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism.

DATE OF ISSUE August 27, 2015
Month/Date/Year

DATE EFFECTIVE March 31, 2016
Month/Date/Year

Issued by Authority of an Order of the Public Service Commission in
Case No. 2015-0098

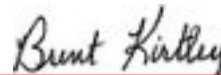
ISSUED BY /s/ Mark A. Martin
Signature of Officer

TITLE Vice President – Rates and Regulatory Affairs

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**Aaron D. Greenwell
ACTING EXECUTIVE DIRECTOR**

TARIFF BRANCH



EFFECTIVE

3/31/2016

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)