

ATMOS ENERGY CORPORATION

(NAME OF UTILITY)

PBR**Performance Based Rate Mechanism (Continued)****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 9.4%, then the ACSP of 30% shall be applied to TPBRR to determine CSPBR. If the absolute value of the PTAGSC is greater than 9.4%, then the ACSP of 30% shall be applied to the amount of TPBRR that is equal to 9.4% 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 9.4% of TAGSC to determine a portion of CSPBR. These two portions are added together to produce the total CSPBR. (T)

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 2022. (T)

Review

Within 60 days after May 31, 2024, the Company will file an evaluation report on the results of the PBR mechanism for the final year of the previous approval period and the first three years of the extension period. In that report and assessment, the Company will make any recommended modifications to the PBR mechanism. (T)

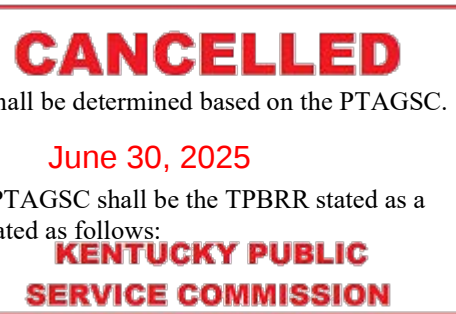
DATE OF ISSUE June 20, 2022
Month/Date/Year

DATE EFFECTIVE June 20, 2022
Month/Date/Year

Issued by Authority of an Order of the Public Service Commission in
Case No. 2020-00289

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

6/20/2022

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