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Erik C. Lybeck
elybeck@simsfunk.com
(615) 425-7030 - direct
(615) 649-8565 - fax

July 3, 2025

David Foster
Director, Utilities Division
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, TN 37242

Vance L. Broemel, Esq.
Karen Stachowski, Esq.
Shilina Brown, Esq.
Victoria Glover, Esq.
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, TN 37202

RE: Atmos Energy Corporation – Notice of Termination of Special Contract

Dear Sirs and Madams:

In Paragraph 13(d) of the Stipulation and Settlement Agreement in Docket 14-00146, Atmos Energy agreed, in relevant part, to provide notice to the Commission and the Consumer Advocate at least 120 days prior to the termination of any existing special contract. By this letter, Atmos Energy hereby gives formal notice that its Special Contract with Mountain Home Energy Center, LLC (“MHEC”) expired on March 1, 2024. The Special Contract was not replaced, as MHEC’s contract as energy services provider for the Mountain Home VA Medical Center in Johnson City expired. The customer being served by MHEC pursuant to that Special Contract (Mountain Home VA Medical Center in Johnson City) became a Tariff customer following termination of the Special Contract. The Tariff rates now being charged are higher than the amounts Atmos Energy was receiving under the Special Contract.

Due to an administrative oversight, no notice was given of this termination within the time frame set forth in Docket 14-00146. It is our understanding that this was harmless error, both because (i) no Commission approval was deemed necessary in connection with the termination of Atmos Energy’s Special Contract with Middle Tennessee State University, notice of which was timely provided on November 21, 2018, and (ii) switching the customer previously served by the Special Contract to service under Tariff rates has benefitted Atmos Energy’s other customers

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through the operation of Atmos Energy's annual rate review mechanism. Please let me know if you disagree.

We are happy to answer any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erik Lybeck". The signature is fluid and cursive, with the first name "Erik" and last name "Lybeck" clearly distinguishable.

Erik C. Lybeck

CC: Brannon Taylor (brannon.taylor@atmosenergy.com)