

**Exhibit PJC-1
and
Exhibit GKW-1**

**Tennessee Distribution System
Cost of Service
Twelve Months Ended May 31, 2016**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Cost of Gas	Schedule 3	\$87,478,439
2			
3	Operation & Maintenance Expense	Schedule 4	20,016,504
4			
5	Taxes Other Than Income Taxes	Schedule 5	6,879,384
6			
7	Depreciation & Amortization Expense	Schedule 6	12,468,039
8			
9	Return	Schedule 7	21,856,220
10			
11	Federal Income and State Excise Tax	Schedule 8	9,742,552
12			
13	AFUDC	Wp 1-2	(66,220)
14			
15	Interest on Customer Deposits	Wp 1-1	<u>118,049</u>
16			
17	Total Cost of Service		<u>\$ 158,492,968</u>
18			
19			
20	Revenue at Present Rates	Schedule 2	<u>\$ 152,604,356</u>
21			
22	Net Revenue Deficiency		<u><u>\$ 5,888,612</u></u>

**Tennessee Distribution System
Interest on Customer Deposits
Twelve Months Ended May 31, 2016**

Line No.	Description	Amount
	(a)	(b)
1	Average Customer Deposit Balance	\$ 3,632,272
2		
3	Interest Rate on Customer Deposits	<u>3.25%</u>
4		
5	Adjusted Customer Deposit Interest	<u><u>\$ 118,049</u></u>

Tennessee Distribution System
Allowance for Funds Used During Construction
Twelve Months Ended May 31, 2016

Line No.	Description (a)	Amount (b)
1	Base Period AFUDC per books - Div 093 (1)	\$ (108,959)
2		
3	Less State Excise Tax Effect	<u>(7,082)</u>
4		
5		\$ (101,877)
6		
7	Less Federal Tax Effect	<u>(35,657)</u>
8		
9	Net AFUDC - Base Period	\$ (66,220)
10		
11	Change from Base Period to Attrition Year	<u>-</u>
12		
13	Projected Attrition Year Net AFUDC	<u><u>\$ (66,220)</u></u>
14		
15	Note:	
16	1. Twelve months ended June 30, 2014 - Account 432	

Tennessee Distribution System
Summary of Revenue at Present Rates
Twelve Months Ended May 31, 2016

Line	Description	Amount
	(a)	(b)
		(c)
1	Base period per books revenue (1)	\$ 150,583,201
2		
3	Change from Base Period to Attrition Year	<u>2,021,155</u>
4		
5	Projected Attrition Year Revenue:	
6	Margin at proposed WNA	\$ 65,125,917
7	Gas cost	<u>87,478,439</u>
8	Total	<u>\$ 152,604,356</u>
9		
10	Note:	
11	1. Twelve months ended June 30, 2014	

Tennessee Distribution System
Cost of Gas
Twelve Months Ended May 31, 2016

Line No.	Description (a)	Amount (b)
1	Base period per books cost of gas (1)	\$ 88,684,395
2		
3	Adjustments	
4	Net Elimination of Intercompany Leased Storage Property	<u>(1,205,956)</u>
5		
6	Total Adjusted Gas Cost	\$ 87,478,439
7		
8	Change from Base Period to Attrition Year	<u>-</u>
9		
10	Projected Attrition Year Gas Cost	<u><u>\$ 87,478,439</u></u>
11		
12	Note:	
13	1. Twelve months ended June 30, 2014	

Tennessee Distribution System
ELIMINATION OF LEASED PROPERTY-RENT
Twelve Months Ended May 31, 2016

Line No.	Description	Building Rent O&M	Storage Expense O&M	Leased Property Depreciation	Storage Expense Other Taxes	Storage Rent Gas Cost
	(a)	(b)				(c)
1	July-13	\$ (44,333)	\$ 23,344	\$ 21,607	\$ 1,083	\$ (108,645)
2	August-13	(44,333)	24,048	21,607	1,083	(108,645)
3	September-13	(44,333)	83,934	21,607	1,083	(108,645)
4	October-13	(44,333)	32,801	21,607	1,967	(108,645)
5	November-13	(44,333)	30,600	21,607	1,967	(108,645)
6	December-13	(44,333)	29,021	21,607	2,288	(108,645)
7	January-14	(44,333)	40,286	21,607	2,017	(108,645)
8	February-14	(44,333)	27,715	21,607	2,017	(108,645)
9	March-14	(44,333)	49,711	21,607	2,017	(47,530)
10	April-14	(44,333)	55,083	21,607	2,017	(96,422)
11	May-14	(44,333)	26,342	21,738	2,017	(96,422)
12	June-14	(44,333)	53,196	21,738	2,017	(96,422)
13						
14	Total Per Books	<u>\$ (532,000)</u>	<u>\$ 476,081</u>	<u>\$ 259,544</u>	<u>\$ 21,573</u>	<u>\$ (1,205,956)</u>

**Tennessee Distribution System
Operation and Maintenance Expenses
Twelve Months Ended May 31, 2016**

Line No.	Description (b)	Amount (c)
1	Base period per books O&M Expense (1)	\$ 20,691,412
2		
3	Change from Base Period to Attrition Year	<u>(618,989)</u>
4		
5	Attrition Year O&M Expenses - Before Eliminations	\$ 20,072,423
6		
7	<u>Adjustments to O&M</u>	
8	Elimination of Intercompany Leased Property - Rent	\$ (532,000)
9	Inclusion of Barnsley Storage Operating Expense	\$ 476,081
10		
11	Total Adjustments	<u>\$ (55,919)</u>
12		
13	Total Adjusted Operation and Maintenance Expenses	<u><u>\$ 20,016,504</u></u>
14		
15	Note:	
16	1. Twelve months ended June 30, 2014	

Tennessee Distribution System
Operation and Maintenance Expenses
Twelve Months Ended May 31, 2016

Line No.	Tennessee			SSU			General Office			Total		
	Historic Base	Attrition	Difference	Historic Base	Attrition	Difference	Historic Base	Attrition	Difference	Historic Base	Attrition	Difference
1 Labor	\$ 3,833,106	\$ 3,555,677	\$ (277,429)	\$ 2,988,616	\$ 3,258,726	\$ 270,110	\$ 830,668	\$ 1,101,169	\$ 270,501	\$ 7,652,390	\$ 7,915,572	\$ 263,182
2 Benefits	2,042,645	1,292,506	(750,138)	1,092,592	936,113	(156,479)	216,528	521,295	304,766	3,351,765	2,749,914	(601,851)
3 Employee Welfare	43,233	49,932	6,699	1,940,675	1,572,025	(368,651)	796,294	421,128	(375,166)	2,780,203	2,043,085	(737,117)
4 Insurance	221,454	24,620	(196,835)	748,809	833,818	85,009	21,054	189,967	168,913	1,048,405	991,318	(57,087)
5 Rent, Maint., & Utilities	578,875	478,610	(100,265)	352,221	346,060	(6,161)	162,704	99,837	(62,867)	1,093,800	924,507	(169,293)
6 Vehicles & Equip	621,268	682,388	61,120	6,587	7,330	743	26,632	33,884	7,231	654,508	723,602	69,094
7 Materials & Supplies	327,985	298,661	(29,324)	29,900	39,809	9,909	141,309	108,220	(33,089)	499,194	446,690	(52,504)
8 Information Technologies	-	-	-	639,959	688,694	48,736	37,245	66,731	29,485	677,204	755,425	78,221
9 Telecom	151,489	140,164	(11,324)	129,039	127,764	(1,275)	152,011	257,149	105,138	432,538	525,077	92,539
10 Marketing	76,887	70,831	(6,057)	16,767	25,745	8,978	113,813	184,311	70,498	207,468	280,886	73,418
11 Directors & Shareholders & PR	951	1,294	343	214,115	223,606	9,492	-	1,650	1,650	215,066	226,550	11,484
12 Dues & Donations	48,527	32,906	(15,621)	19,498	17,625	(1,874)	45,519	75,421	29,902	113,544	125,952	12,408
13 Print & Postages	9,759	14,549	4,790	7,889	12,241	4,352	3,429	6,926	3,497	21,077	33,716	12,639
14 Travel & Entertainment	216,924	152,528	(64,396)	111,987	128,271	16,284	182,841	221,533	38,692	511,752	502,332	(9,420)
15 Training	7,395	13,042	5,647	62,144	56,715	(5,428)	22,415	32,370	9,954	91,954	102,127	10,173
16 Outside Services	1,664,907	2,004,370	339,463	643,523	531,667	(111,857)	1,117,517	1,542,248	424,731	3,425,947	4,078,284	652,337
17 Provision for Bad Debt	651,500	283,200	(368,300)	-	-	-	(1,913)	-	1,913	649,587	283,200	(366,388)
18 Miscellaneous	6,634	20,126	13,492	(2,664,909)	(2,877,843)	(212,935)	(19,627)	(10,183)	9,445	(2,677,903)	(2,867,900)	(189,997)
19 Total O&M Expenses	\$ 10,503,538	\$ 9,115,403	\$ (1,388,135)	\$ 6,339,414	\$ 5,928,367	\$ (411,048)	\$ 3,848,459	\$ 4,853,653	\$ 1,005,194	\$ 20,691,412	\$ 19,897,423	\$ (793,989)
20												
21 Rate Case Expense		175,000	175,000								175,000	175,000
22												
23 Pension Benchmark												
24												
25 Total O&M	\$ 10,503,538	\$ 9,290,403	\$ (1,213,135)	\$ 6,339,414	\$ 5,928,367	\$ (411,048)	\$ 3,848,459	\$ 4,853,653	\$ 1,005,194	\$ 20,691,412	\$ 20,072,423	\$ (618,989)

**Tennessee Distribution System
Operation and Maintenance Expenses by FERC
Twelve Months Ended May 31, 2016**

Division 093			
Line No.	FERC Account	Historic Base Period	Attrition Year
1	7350	1,305	1,113
2	8180	572	1,009
3	8210	31	22
4	8560	623	756
5	8600	8,490	7,821
6	8670	11	10
7	8700	2,361,658	2,312,870
8	8711	16,308	14,850
9	8740	2,070,827	2,221,422
10	8750	121,646	113,638
11	8770	7,659	7,596
12	8780	600,254	557,564
13	8800	110,435	104,272
14	8810	398,508	344,410
15	8860	14,655	12,500
16	8870	18,660	17,364
17	8890	24,379	28,106
18	8920	5,234	4,801
19	8930	17,605	16,160
20	8940	(3,084)	(9,356)
21	9010	6,324	5,812
22	9020	691,800	668,400
23	9030	196,461	180,797
24	9040	651,500	283,203
25	9070	94	87
26	9090	143,931	132,433
27	9100	350	596
28	9110	347,428	305,715
29	9120	33,840	27,885
30	9130	1,600	1,474
31	9160	515	349
32	9200	194,222	180,165
33	9210	65,160	21,682
34	9220	10,187,875	10,782,020
35	9230	157,985	188,067
36	9240	132,462	14,726
37	9250	53,662	51,524
38	9260	2,055,011	1,306,814
39	9280	(74,610)	(68,848)
40	9302	13,199	9,127
41	9310	56,826	48,471
42	Total	20,691,413	19,897,426

**Tennessee Distribution System
Operation and Maintenance Expenses by FERC
Twelve Months Ended May 31, 2016**

Division 091			
Line	FERC	Historic Base	
No.	Account	Period	Attrition Year
43	8170	500	312
44	8180	531	331
45	8190	10,223	6,371
46	8210	4,589	2,860
47	8240	401	250
48	8250	27,080	16,876
49	8500	587	722
50	8560	8,920	11,266
51	8570	1,000	623
52	8650	7,311	10,146
53	8700	3,210,235	4,745,208
54	8711	59,652	46,396
55	8740	67,177	84,514
56	8750	43,813	34,088
57	8760	1,382	1,075
58	8770	117,080	91,072
59	8780	344	268
60	8800	2,944	3,874
61	8810	316,444	197,203
62	8870	791	615
63	8940	122	95
64	9030	2,727,144	3,814,215
65	9040	(4,630)	-
66	9100	1,352	2,235
67	9110	72,274	95,687
68	9120	3,558	5,852
69	9130	15,697	25,817
70	9200	(51,047)	(26,896)
71	9210	5,282	10,512
72	9220	(9,310,483)	(11,931,454)
73	9230	91,198	127,845
74	9240	(3,576)	(32,768)
75	9250	525,243	1,400,849
76	9260	1,931,984	1,068,454
77	9302	104,766	175,833
78	9310	14,347	8,941
79	9320	394	717
80	Total	4,630	(0)

**Tennessee Distribution System
Operation and Maintenance Expenses by FERC
Twelve Months Ended May 31, 2016**

Division 002			
Line	FERC	Historic Base	
No.	Account	Period	Attrition Year
81	8140	541	781
82	8210	4,468	3,869
83	8560	479	654
84	8700	100,986	113,004
85	8740	97,800	105,975
86	8760	200	178
87	8800	4,220	5,692
88	8850	1,553	2,124
89	8860	12	16
90	9010	125	171
91	9020	47,412	53,786
92	9030	25,234	28,762
93	9120	29,391	45,270
94	9130	(6,063)	(6,877)
95	9200	(22,447,731)	(24,982,207)
96	9210	18,501,335	25,370,448
97	9220	(84,875,857)	(86,263,859)
98	9230	8,101,170	8,397,724
99	9240	179,210	211,975
100	9250	16,678,193	19,556,422
101	9260	53,634,862	46,246,521
102	9301	306	437
103	9302	4,624,832	4,917,688
104	9310	5,200,477	5,430,286
105	9320	538,395	761,162
106	Total	441,553	0

**Tennessee Distribution System
Operation and Maintenance Expenses by FERC
Twelve Months Ended May 31, 2016**

Division 012			
Line No.	FERC Account	Historic Base Period	Attrition Year
107	8700	10,212	2,849
108	8740	13,188	24,083
109	8800	179	144
110	9010	5,441,762	5,770,293
111	9020	14,190	14,569
112	9030	21,552,990	22,926,728
113	9050	1,257	920
114	9100	2,977	1,191
115	9200	5,019,864	5,355,018
116	9210	10,455,699	3,334,138
117	9220	(57,004,824)	(49,208,005)
118	9230	351,640	147,468
119	9240	188,310	-
120	9250	850	340
121	9260	12,410,091	10,041,944
122	9301	244	228
123	9302	180	56
124	9310	1,697,889	1,587,762
125	9320	19,527	273
126	Total	176,224	0

Atmos Energy Corp - Tennessee Distribution System
Attrition Year Pension Benchmark Calculation
Twelve Months Ended May 31, 2016

Line No.	Description	Number of Participants	Estimated Liability	Percent of Contribution	Estimated 2015 Contribution	Allocation Factor to Tennessee	Amount Allocable to Tennessee
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	All Other (not allocable to Tennessee)	5,078	\$ 354,513,000	76.4%	\$ -	0.00%	\$ -
2	Co 010 - Shared Services	574	50,472,000	10.9%	-	4.36%	-
3	Co 010 - CSO	448	13,252,000	2.9%	-	4.41%	-
4	Active Tennessee Jurisdiction Employees	123	13,714,000	3.0%	-	100.00%	-
5	Inactive Tennessee Jurisdiction Employees	242	18,153,000	3.9%	-	100.00%	-
6	Active Division General Office Employees	28	4,620,000	1.0%	-	40.68%	-
7	Inactive Division General Office Employees (pre-merge)	72	8,090,000	1.7%	-	26.55%	-
8	Inactive Division General Office Employees (post-merge)	5	1,374,000	0.3%	-	40.68%	-
9							
10	Total Amount of Contribution Allocable to Tennessee	6,570	\$ 464,188,000	100.00%	\$ -		\$ -

1 For General Office employees who worked at United Cities Gas Company prior to the merger with Atmos Energy, the Company has applied the allocation factor used to allocate labor expense in Docket No. 95-02258.

Source: Relied Upon\TN-FYE2014-AcctAllocation.pdf

**Tennessee Distribution System
Taxes Other Than Income Taxes
Twelve Months Ended May 31, 2016**

Line No.	Description (a)	Total (b)
1	Base period per books Other Taxes Expense (1)	\$ 6,190,722
2		
3	Change from Base Period to Attrition Year	<u>667,089</u>
4		
5	Attrition Year Other Taxes Expense	<u>\$ 6,857,811</u>
6		
7	Inclusion of Barnsley Storage Other taxes	<u>21,573</u>
8		
9	Attrition Year Adjusted Taxes Other Than Income Taxes	<u>\$ 6,879,384</u>
10		
11	Note:	
12	1. Twelve months ended June 30, 2014 - Account 408	

Tennessee Distribution System
Taxes Other Than Income Taxes
Twelve Months Ended June 30, 2014

Line No.	Description	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-13	May-14	Jun-14	Base Period
1	Division 093													
2	FICA	13,058	14,714	17,500	11,261	52,163	7,679	25,172	24,869	14,256	14,695	22,762	28,635	246,765
3	FUTA	9	6	2	4	37	10	8,700	(1,707)	(79)	(97)	5	11	6,901
4	SUTA	34	17	13	(21)	69	18	2,554	1,251	(232)	(63)	(24)	13	3,629
5	Ad Valorem	275,655	275,655	275,655	275,655	275,655	269,026	304,920	304,920	304,920	304,920	304,920	304,920	3,476,821
6	30105 Corp/State Franchise Tax	50,417	50,417	50,417	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	616,254
7	30107 City Franchise	167	167	167	167	167	167	167	167	167	167	167	167	2,000
8	30109 State Gross Receipts	43,189	43,806	43,132	52,117	97,192	161,526	203,484	144,001	129,162	79,012	44,103	43,612	1,084,335
9	30104 State Supv & Inspection	31,044	31,044	31,044	31,044	31,044	31,044	31,044	31,044	44,174	44,174	44,174	44,174	425,046
10	30108 Dot Transmission User Tax	-	-	-	0	0	0	0	0	0	19,392	-	-	19,392
11	Division 91 Allocations	7,158	7,517	7,973	6,695	14,835	(38,125)	11,016	8,918	7,704	7,666	9,523	11,046	61,928
12	Division 12 Allocations	10,745	10,418	9,839	10,721	19,602	(19,774)	14,691	11,038	11,633	11,305	10,471	10,027	110,716
13	Division 02 Allocations	13,679	12,642	11,450	10,925	26,213	(14,261)	16,007	11,473	11,930	12,121	13,571	11,185	136,934
14	Total	\$ 445,154	\$ 446,403	\$ 447,192	\$ 450,234	\$ 568,644	\$ 448,978	\$ 669,422	\$ 587,641	\$ 575,301	\$ 544,957	\$ 501,338	\$ 505,458	\$ 6,190,722
15														
16	Division 002													
17	FICA	240,480	226,916	200,694	206,173	442,148	190,605	247,305	203,961	224,048	232,114	264,046	209,624	2,888,113
18	FUTA	157	194	212	211	98	110	21,115	2,302	277	(341)	14	245	24,594
19	SUTA	485	518	514	540	449	312	49,505	10,886	2,990	(246)	(247)	875	66,581
20	Ad Valorem	50,000	50,000	50,000	36,000	36,000	(508,191)	38,000	38,000	38,000	38,000	38,000	38,000	(58,191)
21	30105 Corp/State Franchise Tax	167	167	167	0	0	0	0	0	0	0	0	0	501
22	Total	\$ 291,289	\$ 277,794	\$ 251,387	\$ 242,923	\$ 478,694	\$ (317,164)	\$ 355,925	\$ 255,149	\$ 265,315	\$ 269,528	\$ 301,813	\$ 248,744	\$ 2,921,597
23														
24	Division 012													
25	FICA	170,201	162,758	149,667	198,709	387,478	163,311	215,344	183,306	205,509	202,069	230,851	178,914	2,448,116
26	FUTA	110	139	158	203	85	95	18,351	2,183	313	(331)	10	209	21,525
27	SUTA	340	371	383	518	392	268	43,025	9,996	2,895	(325)	(226)	748	58,385
28	Ad Valorem	72,000	72,000	72,000	39,000	48,000	(603,439)	50,000	50,000	50,000	50,000	50,000	50,000	(439)
29	Total	\$ 242,651	\$ 235,268	\$ 222,208	\$ 238,429	\$ 435,955	\$ (439,765)	\$ 326,720	\$ 245,485	\$ 258,717	\$ 251,413	\$ 280,635	\$ 229,871	\$ 2,527,587
30														
31	Division 091													
32	FICA	7,018	7,905	9,022	6,151	25,713	4,247	11,346	11,679	8,661	8,563	12,970	16,616	129,890
33	FUTA	5	3	1	2	18	5	3,971	(769)	(13)	(52)	3	7	3,181
34	SUTA	18	9	7	(11)	35	9	1,165	590	(74)	(31)	(14)	8	1,711
35	Ad Valorem	10,000	10,000	10,000	10,000	10,000	(96,173)	10,000	10,000	10,000	10,000	10,000	10,000	13,827
36	30105 Corp/State Franchise Tax	417	417	417	0	0	0	0	0	0	0	0	0	1,251
37	Total	\$ 17,041	\$ 17,918	\$ 19,029	\$ 16,141	\$ 35,765	\$ (91,911)	\$ 26,482	\$ 21,500	\$ 18,574	\$ 18,481	\$ 22,959	\$ 26,631	\$ 149,860

Tennessee Distribution System
Taxes Other Than Income Taxes
Twelve Months Ended May 31, 2016

Line No.	Description	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Attrition Year
1	Division 093													
2	FICA	29,494	13,853	15,610	18,566	11,947	55,339	8,147	26,705	26,384	15,125	15,590	24,148	260,908
3	FUTA	12	10	7	2	4	39	11	9,230	(1,811)	(84)	(103)	5	7,321
4	SUTA	14	36	19	13	(22)	74	19	2,709	1,328	(247)	(67)	(26)	3,850
5	Ad Valorem	314,954	314,954	314,954	314,954	314,954	314,954	314,954	314,954	314,954	314,954	314,954	314,954	3,779,448
6	30105 Corp/State Franchise Tax	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	620,004
7	30107 City Franchise	167	167	167	167	167	167	167	167	167	167	167	167	2,000
8	30109 State Gross Receipts	52,982	57,815	57,586	61,639	63,178	109,142	179,834	220,548	167,723	141,482	75,003	55,030	1,241,962
9	30104 State Supv & Inspection	44,174	44,174	44,174	44,174	44,174	44,174	44,174	44,174	44,174	44,174	44,174	44,174	530,084
10	30108 Dot Transmission User Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Division 91 Allocations	11,036	7,106	7,485	7,965	6,718	15,187	5,907	11,181	9,031	7,768	7,728	9,660	106,774
12	Division 12 Allocations	10,375	10,189	9,843	9,232	11,535	20,355	9,862	15,151	11,351	11,970	11,628	12,995	144,489
13	Division 02 Allocations	11,418	13,113	12,489	11,278	11,525	22,422	10,790	16,655	11,997	12,467	12,662	14,154	160,970
14	Total	\$ 526,292	\$ 513,084	\$ 514,000	\$ 519,657	\$ 515,846	\$ 633,521	\$ 625,532	\$ 713,142	\$ 636,964	\$ 599,443	\$ 533,402	\$ 526,929	\$ 6,857,811
15														
16	Division 002													
17	FICA	215,912	255,125	240,735	212,916	218,729	469,074	202,213	262,366	216,382	237,692	246,250	280,127	3,057,521
18	FUTA	252	166	205	225	224	104	117	22,401	2,442	294	(361)	15	26,084
19	SUTA	901	514	550	546	572	476	331	52,520	11,549	3,172	(261)	(262)	70,609
20	Ad Valorem	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	540,000
21	30105 Corp/State Franchise Tax	0	167	167	167	0	0	0	0	0	0	0	0	501
22	Total	\$ 262,066	\$ 300,973	\$ 286,657	\$ 238,854	\$ 264,525	\$ 514,654	\$ 247,660	\$ 382,287	\$ 275,374	\$ 286,158	\$ 290,628	\$ 324,879	\$ 3,694,715
23														
24	Division 012													
25	FICA	184,281	180,566	172,670	158,781	210,810	411,076	173,257	228,458	194,469	218,025	214,375	244,910	2,591,678
26	FUTA	216	117	147	168	215	90	100	19,469	2,316	332	(351)	11	22,829
27	SUTA	770	361	394	407	549	416	284	45,646	10,605	3,071	(345)	(240)	61,918
28	Ad Valorem	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
29	Total	\$ 235,267	\$ 231,044	\$ 223,211	\$ 209,356	\$ 261,574	\$ 461,581	\$ 223,642	\$ 343,572	\$ 257,390	\$ 271,428	\$ 263,679	\$ 294,681	\$ 3,276,425
30														
31	Division 091													
32	FICA	17,115	7,446	8,386	9,571	6,525	27,278	4,506	12,037	12,391	9,188	9,085	13,760	137,287
33	FUTA	7	5	4	1	2	19	6	4,213	(815)	(14)	(55)	3	3,375
34	SUTA	8	19	10	7	(12)	37	10	1,236	626	(78)	(33)	(15)	1,815
35	Ad Valorem	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
36	30105 Corp/State Franchise Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
37	Total	\$ 27,129	\$ 17,469	\$ 18,400	\$ 19,579	\$ 16,515	\$ 37,334	\$ 14,521	\$ 27,486	\$ 22,201	\$ 19,096	\$ 18,997	\$ 23,748	\$ 262,476

**Tennessee Distribution System
Depreciation and Amortization Expense
Twelve Months Ended May 31, 2016**

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books Depreciation Expense (1)		\$ 10,441,142
2			
3	Change from Base Period to Attrition Year		<u>1,118,108</u>
4			
5	Attrition Year Depreciation Expense at current Depreciation Rates	Wp 6-2	\$ 11,559,250
6			
7	Adjustment to reflect Proposed Depreciation Rates		<u>-</u>
8			
9	Attrition Year Depreciation Expense at proposed Depreciation Rates	Wp 6-1	11,559,250
10			
11	Amortization of Deferred Pension Regulated Asset	Wp 7-3	649,245
12			
13	Net Elimination of Intercompany Leased Property	Wp 3-1	<u>259,544</u>
14			
15	Total Depreciation and Amortization Expense, As Adjusted		<u>\$ 12,468,039</u>
16			
17	Note:		
18	1. Twelve months ended June 30, 2014		

**Tennessee Distribution System
Depreciation Expense Adjustment
Proforma SSU Depreciation at Proposed Depreciation Rates
Twelve Months Ended May 31, 2016**

Line No.	Description	Amount	Allocation	Allocated
	(a)	(b)	(c)	(d)
1	Proforma Depreciation			
2	Tennessee Operations	\$ 10,319,270	100.00%	\$ 10,319,270
3	Mid-States General Office	551,944	40.68%	224,528
4	SSU Div 12 - Customer Service	9,774,813	4.41%	431,064
5	SSU Div 02 - General Office	13,413,327	4.36%	584,388
6				
7	Proforma Depreciation Adjustment			<u>\$ 11,559,250</u>

Tennessee Distribution System
Depreciation Expense Adjustment
Proforma SSU Depreciation at Current Depreciation Rates
Twelve Months Ended May 31, 2016

Line No.	Description	Amount	Allocation	Allocated
	(a)	(b)	(c)	(d)
1	Proforma Depreciation			
2	Tennessee Operations	\$ 10,319,270	100.00%	\$ 10,319,270
3	Mid-States General Office	551,944	40.68%	224,528
4	SSU Div 12 - Customer Service	9,774,813	4.41%	431,064
5	SSU Div 02 - General Office	13,413,327	4.36%	584,388
6				
7	Proforma Depreciation Expense			<u>\$ 11,559,250</u>

**Tennessee Distribution System
Rate Base & Return
Twelve Months Ended May 31, 2016
Thirteen Month Average**

Line No.	Description	Historic Base Period (1)	Change	Attrition Year	Reference
	(a)	(b)	(c)	(d)	(e)
1	Original Cost of Plant	\$ 432,469,950	\$ 52,781,798	\$ 485,251,748	Wp 7-1 Wp7-2
2					
3	Accumulated Depreciation and Amortization	(181,393,329)	(12,763,292)	(194,156,621)	Wp 7-1 Wp7-2
4					
5	Construction Work in Progress per Books	13,489,444	(4,886,668)	8,602,776	Wp 7-1 Wp7-2
6					
7	Storage Gas Investment	6,482,564	(98,081)	6,384,483	Wp 7-1 Wp7-2
8					
9	Cash Working Capital	1,210,783	(254,375)	956,408	Wp 7-5
10					
11	Material & Supplies	6,005	(112)	5,893	Wp 7-1 Wp7-2
12					
13	Deferred Pension Regualted Asset Balance	-	973,868	973,868	Wp 7-3
14					
15	Accumulated Deferred Income Tax	(40,562,870)	(14,286,072)	(54,848,941)	Wp 7-1
16					
17	Customer Advances for Construction	(73,942)	(1,135)	(75,078)	Wp 7-1 Wp7-2
18					
19	Customer Deposits	(3,392,069)	(240,203)	(3,632,272)	Wp 7-1 Wp7-2
20					
21	Accumulated Interest on Customer Deposits	(56,907)	6,328	(50,578)	Wp 7-1 Wp7-2
22					
23	Unadjusted Rate Base	\$ 228,179,630	\$ 21,232,056	\$ 249,411,686	
24					
25	Adjustments:				
26					
27	Net Elimination of Intercompany Leased Property	\$ 5,822,234	\$ (499,423)	\$ 5,322,811	Wp 7-1 Wp7-2
28					
29	Total Rate Base	<u>\$ 234,001,864</u>	<u>\$ 20,732,633</u>	<u>\$ 254,734,497</u>	
30					
31	Return at Overall Cost of Capital on Rate Base	<u>\$ 20,077,360</u>	<u>\$ 1,778,860</u>	<u>\$ 21,856,220</u>	
32					
33	Note:				
34	1. Twelve months ended June 30, 2014				

**Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended May 31, 2016**

Line No.	Division 093 - Tennessee		Division 091 - Mid-States General Office		Division 012 - SSU Customer		CKV	Division 002 - SSU General		Greenville	Division 093		Division 091		Division 012		CKV	Division 002		Greenville
	Month	(b)	(c)	(d)	(e)	(f)		(g)	100%		(i)	(j)	(k)	(l)	(m)	(n)				
1	Gas Plant in Service (Account 101) 13 month average Balances																			
2																				
3	May-15	451,832,794	8,305,735	148,372,576	12,967,182	186,407,218	9,218,027	451,832,794	3,378,730	6,543,152	108,413	8,121,337	117,754	470,102,179						
4	Jun-15	454,127,823	9,065,298	149,132,608	12,970,389	187,257,130	9,218,027	454,127,823	3,687,716	6,576,669	108,439	8,158,366	117,754	472,776,766						
5	Jul-15	456,424,836	9,824,861	149,418,462	12,971,596	187,991,252	9,218,027	456,424,836	3,996,702	6,589,275	108,450	8,190,350	117,754	475,427,366						
6	Aug-15	458,900,949	10,584,424	149,597,782	12,972,353	188,696,386	9,218,027	458,900,949	4,305,688	6,597,183	108,456	8,221,071	117,754	478,251,101						
7	Sep-15	460,922,694	11,343,987	149,775,022	12,973,101	189,636,224	9,218,027	460,922,694	4,614,675	6,604,999	108,462	8,262,018	117,754	480,630,602						
8	Oct-15	463,673,275	11,789,564	149,949,554	12,973,837	191,485,628	9,218,027	463,673,275	4,795,933	6,612,696	108,468	8,342,592	117,754	483,650,719						
9	Nov-15	466,564,773	12,720,660	150,131,013	12,974,603	195,632,705	9,218,027	466,564,773	5,174,698	6,620,698	108,475	8,552,271	117,754	487,209,669						
10	Dec-15	468,735,649	12,720,660	150,312,287	12,975,368	196,659,949	9,218,027	468,735,649	5,174,698	6,628,692	108,481	8,608,026	117,754	489,333,300						
11	Jan-16	470,329,297	12,720,660	150,501,523	12,976,167	197,768,070	9,218,027	470,329,297	5,174,698	6,637,037	108,488	8,616,304	117,754	490,983,578						
12	Feb-16	471,678,325	12,720,660	150,782,383	12,977,353	199,170,280	9,218,027	471,678,325	5,174,698	6,649,432	108,498	8,677,395	117,754	492,406,102						
13	Mar-16	473,408,030	12,720,660	151,062,643	12,978,535	199,950,894	9,218,027	473,408,030	5,174,698	6,661,782	108,508	8,711,405	117,754	494,182,176						
14	Apr-16	474,602,403	12,720,660	151,341,881	12,979,714	200,843,672	9,218,027	474,602,403	5,174,698	6,674,097	108,517	8,750,301	117,754	495,427,770						
15	May-16	476,999,235	12,720,660	152,144,527	12,983,102	201,563,544	9,218,027	476,999,235	5,174,698	6,709,493	108,546	8,781,664	117,754	497,891,390						
16	Average	465,253,853	11,535,268	150,194,035	12,974,869	194,081,766	9,218,027	465,253,853	4,692,487	6,623,477	108,477	8,455,700	117,754	485,251,748						
17																				
18	Construction Work in Process (Account 1070)																			
19																				
20	May-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
21	Jun-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
22	Jul-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
23	Aug-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
24	Sep-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
25	Oct-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
26	Nov-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
27	Dec-15	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
28	Jan-16	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
29	Feb-16	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
30	Mar-16	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
31	Apr-16	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
32	May-16	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
33	Average	7,834,846	(16,064)	1,399,985	0	16,359,036	0	7,834,846	(6,535)	61,739	0	712,726	0	8,602,776						
34																				

**Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended May 31, 2016**

Line No.	Month	Division 091 -		Division 012 -	CKV	Division 002-SSU General	Greenville	Division 093		Division 091	Division 012	CKV	Division 002	Greenville
		Division 093 - Tennessee	Mid-States General Office					100%	40.68%					
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
<u>Inventories- Plant Materials (Account 1540)</u>														
35	May-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
36	Jun-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
38	Jul-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
39	Aug-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
40	Sep-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
41	Oct-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
42	Nov-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
43	Dec-15	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
44	Jan-16	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
45	Feb-16	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
46	Mar-16	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
47	Apr-16	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
48	May-16	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
49	Average	0	14,487	0	0	0	0	0	5,893	0	0	0	0	5,893
50														
51														
<u>Inventories- Gas Stored (Account 1641)</u>														
52	May-15	2,562,319	0	0	0	0	0	2,562,319	0	0	0	0	0	2,562,319
53	Jun-15	4,147,362	0	0	0	0	0	4,147,362	0	0	0	0	0	4,147,362
54	Jul-15	5,741,210	0	0	0	0	0	5,741,210	0	0	0	0	0	5,741,210
55	Aug-15	7,345,961	0	0	0	0	0	7,345,961	0	0	0	0	0	7,345,961
56	Sep-15	8,955,744	0	0	0	0	0	8,955,744	0	0	0	0	0	8,955,744
57	Oct-15	10,563,849	0	0	0	0	0	10,563,849	0	0	0	0	0	10,563,849
58	Nov-15	12,184,115	0	0	0	0	0	12,184,115	0	0	0	0	0	12,184,115
59	Dec-15	11,203,817	0	0	0	0	0	11,203,817	0	0	0	0	0	11,203,817
60	Jan-16	8,539,281	0	0	0	0	0	8,539,281	0	0	0	0	0	8,539,281
61	Feb-16	5,589,687	0	0	0	0	0	5,589,687	0	0	0	0	0	5,589,687
62	Mar-16	2,640,093	0	0	0	0	0	2,640,093	0	0	0	0	0	2,640,093
63	Apr-16	955,853	0	0	0	0	0	955,853	0	0	0	0	0	955,853
64	May-16	2,568,991	0	0	0	0	0	2,568,991	0	0	0	0	0	2,568,991
65	Average	6,384,483	0	0	0	0	0	6,384,483	0	0	0	0	0	6,384,483
66														
67														

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended May 31, 2016

WP 7-1

Line No.	Month	Division 091 - Mid-States		Division 012 - SSU Customer	CKV	Division 002- SSU General		Greenville	Division 093		Division 091	Division 012	CKV	Division 002	Greenville	Total Tennessee
		(a)	(b)			(c)	(d)		(e)	(f)						
Customers Deposits (Account 2350)																
69	May-15	(3,569,139)	0	0	0	0	0	0	(3,569,139)	0	0	0	0	0	0	(3,569,139)
70	Jun-15	(3,579,549)	0	0	0	0	0	0	(3,579,549)	0	0	0	0	0	0	(3,579,549)
71	Jul-15	(3,589,990)	0	0	0	0	0	0	(3,589,990)	0	0	0	0	0	0	(3,589,990)
72	Aug-15	(3,600,460)	0	0	0	0	0	0	(3,600,460)	0	0	0	0	0	0	(3,600,460)
73	Sep-15	(3,610,962)	0	0	0	0	0	0	(3,610,962)	0	0	0	0	0	0	(3,610,962)
74	Oct-15	(3,621,494)	0	0	0	0	0	0	(3,621,494)	0	0	0	0	0	0	(3,621,494)
75	Nov-15	(3,632,056)	0	0	0	0	0	0	(3,632,056)	0	0	0	0	0	0	(3,632,056)
76	Dec-15	(3,642,650)	0	0	0	0	0	0	(3,642,650)	0	0	0	0	0	0	(3,642,650)
77	Jan-16	(3,653,274)	0	0	0	0	0	0	(3,653,274)	0	0	0	0	0	0	(3,653,274)
78	Feb-16	(3,663,930)	0	0	0	0	0	0	(3,663,930)	0	0	0	0	0	0	(3,663,930)
79	Mar-16	(3,674,616)	0	0	0	0	0	0	(3,674,616)	0	0	0	0	0	0	(3,674,616)
80	Apr-16	(3,685,334)	0	0	0	0	0	0	(3,685,334)	0	0	0	0	0	0	(3,685,334)
81	May-16	(3,696,083)	0	0	0	0	0	0	(3,696,083)	0	0	0	0	0	0	(3,696,083)
82	Average	(3,632,272)	0	0	0	0	0	0	(3,632,272)	0	0	0	0	0	0	(3,632,272)
Accumulated Deferred FIT (Total Accounts 1900, 2830, 2830) adjusted to remove a non-utility item																
86	May-15	(72,688,955)	9,406,385	(29,893,462)	0	485,484,583	0	485,484,583	(72,688,955)	3,826,468	(1,318,286)	0	21,151,456	0	0	(49,029,316)
87	Jun-15	(73,073,583)	9,473,591	(29,782,708)	0	485,595,787	0	485,595,787	(73,073,583)	3,853,807	(1,313,402)	0	21,156,301	0	0	(49,376,876)
88	Jul-15	(73,459,174)	9,543,177	(29,655,459)	0	485,712,555	0	485,712,555	(73,459,174)	3,882,115	(1,307,790)	0	21,161,389	0	0	(49,723,461)
89	Aug-15	(73,861,485)	9,615,144	(29,524,396)	0	485,831,155	0	485,831,155	(73,861,485)	3,911,390	(1,302,010)	0	21,166,556	0	0	(50,085,549)
90	Sep-15	(74,224,721)	9,689,491	(29,393,097)	0	485,940,514	0	485,940,514	(74,224,721)	3,941,634	(1,296,220)	0	21,171,320	0	0	(50,407,986)
91	Oct-15	(79,682,222)	9,699,722	(29,234,003)	0	485,957,726	0	485,957,726	(79,682,222)	3,945,796	(1,289,204)	0	21,172,070	0	0	(55,853,560)
92	Nov-15	(85,260,673)	9,710,142	(29,074,887)	0	485,960,828	0	485,960,828	(85,260,673)	3,950,035	(1,282,187)	0	21,172,205	0	0	(61,420,620)
93	Dec-15	(84,453,983)	9,721,471	(28,915,565)	0	485,984,166	0	485,984,166	(84,453,983)	3,954,643	(1,275,161)	0	21,173,222	0	0	(60,601,278)
94	Jan-16	(83,396,051)	9,732,799	(28,756,240)	0	486,007,164	0	486,007,164	(83,396,051)	3,959,252	(1,268,135)	0	21,174,224	0	0	(59,530,710)
95	Feb-16	(82,207,176)	9,744,128	(28,598,990)	0	486,028,497	0	486,028,497	(82,207,176)	3,963,860	(1,261,200)	0	21,175,153	0	0	(58,329,362)
96	Mar-16	(81,206,532)	9,755,457	(28,441,402)	0	486,053,954	0	486,053,954	(81,206,532)	3,968,469	(1,254,251)	0	21,176,263	0	0	(57,316,052)
97	Apr-16	(79,976,466)	9,766,785	(28,283,484)	0	486,078,835	0	486,078,835	(79,976,466)	3,973,077	(1,247,287)	0	21,177,347	0	0	(56,023,328)
98	May-16	(79,253,422)	9,778,114	(28,138,277)	0	486,104,945	0	486,104,945	(79,253,422)	3,977,686	(1,240,883)	0	21,178,484	0	0	(55,338,135)
99	Average	(78,668,803)	9,664,339	(29,053,228)	0	485,903,131	0	485,903,131	(78,668,803)	3,931,403	(1,281,232)	0	21,169,692	0	0	(54,848,941)

**Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended May 31, 2016**

Line No.	Month	Division 093 - Tennessee		Division 091 - Mid-States General Office		Division 012 - SSU Customer		CKV	Division 002-SSU General		Greenville	Division 093		Division 091		Division 012		CKV	Division 002		Total Tennessee	
		(a)	(b)	(c)	(d)	(e)	(f)		(g)	(h)		(i)	(j)	(k)	(l)	(m)	(n)					
104	Accumulated Depreciation (Account 1080)																					
105	May-15	(181,371,115)	(3,510,418)	(47,721,381)	(3,173,363)	(116,276,065)	(3,404,854)	(181,371,115)	(1,428,020)	(2,104,488)	(26,331)	(5,065,883)	(43,495)	(190,039,531)								
106	Jun-15	(181,983,738)	(3,549,913)	(48,397,911)	(3,206,642)	(117,116,341)	(3,430,548)	(181,983,758)	(1,444,086)	(2,134,322)	(26,809)	(5,102,492)	(43,823)	(190,735,291)								
107	Jul-15	(182,598,729)	(3,590,807)	(49,137,200)	(3,239,926)	(117,989,198)	(3,456,241)	(182,598,729)	(1,460,722)	(2,166,924)	(27,088)	(5,140,520)	(44,151)	(191,438,134)								
108	Aug-15	(183,193,980)	(3,633,100)	(49,891,220)	(3,273,211)	(118,873,393)	(3,481,935)	(183,193,980)	(1,477,926)	(2,200,176)	(27,366)	(5,179,043)	(44,479)	(192,122,970)								
109	Sep-15	(183,854,110)	(3,676,791)	(50,646,484)	(3,306,498)	(119,706,370)	(3,507,628)	(183,854,110)	(1,495,699)	(2,233,483)	(27,644)	(5,213,334)	(44,807)	(192,871,078)								
110	Oct-15	(184,388,391)	(3,721,303)	(51,403,058)	(3,339,788)	(120,329,919)	(3,533,322)	(184,388,391)	(1,513,807)	(2,266,848)	(27,922)	(5,242,500)	(45,136)	(193,484,604)								
111	Nov-15	(184,895,678)	(3,766,636)	(52,159,735)	(3,373,079)	(120,421,222)	(3,559,015)	(184,895,678)	(1,532,248)	(2,300,217)	(28,201)	(5,246,478)	(45,464)	(194,048,285)								
112	Dec-15	(185,460,567)	(3,815,924)	(52,917,434)	(3,406,373)	(121,275,866)	(3,584,709)	(185,460,567)	(1,552,298)	(2,333,631)	(28,479)	(5,283,713)	(45,792)	(194,704,480)								
113	Jan-16	(186,098,168)	(3,865,211)	(53,675,146)	(3,439,669)	(122,117,648)	(3,610,402)	(186,098,168)	(1,572,348)	(2,367,045)	(28,757)	(5,320,387)	(46,120)	(195,432,827)								
114	Feb-16	(186,774,032)	(3,914,499)	(54,422,555)	(3,472,968)	(122,896,625)	(3,636,096)	(186,774,032)	(1,592,398)	(2,400,006)	(29,036)	(5,354,326)	(46,449)	(196,196,246)								
115	Mar-16	(187,397,486)	(3,963,787)	(55,171,634)	(3,506,271)	(123,831,206)	(3,661,789)	(187,397,486)	(1,612,448)	(2,433,040)	(29,314)	(5,395,043)	(46,777)	(196,914,108)								
116	Apr-16	(188,101,399)	(4,013,075)	(55,922,354)	(3,539,577)	(124,744,018)	(3,687,483)	(188,101,399)	(1,632,498)	(2,466,146)	(29,593)	(5,434,812)	(47,103)	(197,711,553)								
117	May-16	(188,634,048)	(4,062,363)	(56,609,951)	(3,572,892)	(125,703,183)	(3,713,176)	(188,634,048)	(1,652,548)	(2,496,459)	(29,871)	(5,476,601)	(47,433)	(198,336,971)								
118	Average	(184,980,882)	(3,775,679)	(52,159,697)	(3,373,097)	(120,867,773)	(3,559,015)	(184,980,882)	(1,535,927)	(2,300,215)	(28,201)	(5,265,933)	(45,464)	(194,156,621)								
119																						
120																						
121																						
122	Customers Advances (Account 2520)																					
123	May-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
124	Jun-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
125	Jul-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
126	Aug-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
127	Sep-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
128	Oct-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
129	Nov-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
130	Dec-15	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
131	Jan-16	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
132	Feb-16	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
133	Mar-16	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
134	Apr-16	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
135	May-16	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
136	Average	(75,078)	0	0	0	0	0	(75,078)	0	0	0	0	0	(75,078)								
137																						
138																						

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended May 31, 2016

WP 7-1

Line No.	Month	Division 091 -		Division 012 -	CKV	Division 002 -		Division 093	Division 091	Division 012	CKV	Division 002	Greenville	Total Tennessee
		Division 093 - Tennessee	Mid-States General Office	SSU Customer		SSU General	Greenville	100%	40.68%	4.41%	0.84%	4.56%	1.28%	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Interest on Customer Deposits (Account 2370-26919)														
139	May-15	(50,490)	0	0	0	0	0	(50,490)	0	0	0	0	0	(50,490)
140	Jun-15	(50,505)	0	0	0	0	0	(50,505)	0	0	0	0	0	(50,505)
141	Jul-15	(50,519)	0	0	0	0	0	(50,519)	0	0	0	0	0	(50,519)
142	Aug-15	(50,534)	0	0	0	0	0	(50,534)	0	0	0	0	0	(50,534)
143	Sep-15	(50,549)	0	0	0	0	0	(50,549)	0	0	0	0	0	(50,549)
144	Oct-15	(50,563)	0	0	0	0	0	(50,563)	0	0	0	0	0	(50,563)
145	Nov-15	(50,578)	0	0	0	0	0	(50,578)	0	0	0	0	0	(50,578)
146	Dec-15	(50,593)	0	0	0	0	0	(50,593)	0	0	0	0	0	(50,593)
147	Jan-16	(50,608)	0	0	0	0	0	(50,608)	0	0	0	0	0	(50,608)
148	Feb-16	(50,622)	0	0	0	0	0	(50,622)	0	0	0	0	0	(50,622)
149	Mar-16	(50,637)	0	0	0	0	0	(50,637)	0	0	0	0	0	(50,637)
150	Apr-16	(50,652)	0	0	0	0	0	(50,652)	0	0	0	0	0	(50,652)
151	May-16	(50,667)	0	0	0	0	0	(50,667)	0	0	0	0	0	(50,667)
152	Average	(50,578)	0	0	0	0	0	(50,578)	0	0	0	0	0	(50,578)
Net elimination of intercompany leased property														
153	May-15	5,453,240	0	0	0	0	0	5,453,240	0	0	0	0	0	5,453,240
154	Jun-15	5,431,502	0	0	0	0	0	5,431,502	0	0	0	0	0	5,431,502
155	Jul-15	5,409,764	0	0	0	0	0	5,409,764	0	0	0	0	0	5,409,764
156	Aug-15	5,388,026	0	0	0	0	0	5,388,026	0	0	0	0	0	5,388,026
157	Sep-15	5,366,287	0	0	0	0	0	5,366,287	0	0	0	0	0	5,366,287
158	Oct-15	5,344,549	0	0	0	0	0	5,344,549	0	0	0	0	0	5,344,549
159	Nov-15	5,322,811	0	0	0	0	0	5,322,811	0	0	0	0	0	5,322,811
160	Dec-15	5,301,073	0	0	0	0	0	5,301,073	0	0	0	0	0	5,301,073
161	Jan-16	5,279,335	0	0	0	0	0	5,279,335	0	0	0	0	0	5,279,335
162	Feb-16	5,257,596	0	0	0	0	0	5,257,596	0	0	0	0	0	5,257,596
163	Mar-16	5,235,858	0	0	0	0	0	5,235,858	0	0	0	0	0	5,235,858
164	Apr-16	5,214,120	0	0	0	0	0	5,214,120	0	0	0	0	0	5,214,120
165	May-16	5,192,382	0	0	0	0	0	5,192,382	0	0	0	0	0	5,192,382
166	Average	5,322,811	0	0	0	0	0	5,322,811	0	0	0	0	0	5,322,811

Line No.	Month	Division 091 - Mid-		Division 012 - SSU		Division 002 - SSU		Factors FY13	Division 093 100%	Division 091 41.10%	Division 012 4.32%	CKV 1.52%	Division 002 4.56%	Greenville 1.31%	Total Tennessee										
		Division 093 - Tennessee	States General Office	Customer	General	CKV	General																		
<u>Gas Plant in Service (Account 101)</u>																									
1	Jun-13	\$	4,206,295	\$	138,810,847	\$	12,935,810	\$	166,406,959	\$	9,218,027	\$	401,921,898	\$	1,728,800	\$	6,001,597	\$	196,793	\$	7,591,710	\$	120,642	\$	417,561,440
2	Jul-13	\$	4,206,295	\$	138,822,106	\$	12,949,991	\$	166,475,230	\$	9,218,027	\$	404,683,924	\$	1,728,800	\$	6,002,083	\$	197,009	\$	7,594,825	\$	120,642	\$	420,327,283
3	Aug-13	\$	4,211,622	\$	138,857,212	\$	12,949,991	\$	166,496,381	\$	9,218,027	\$	406,109,303	\$	1,730,990	\$	6,003,601	\$	197,008	\$	7,595,790	\$	120,642	\$	421,757,334
4	Sep-13	\$	4,958,561	\$	140,069,160	\$	12,949,956	\$	165,919,624	\$	9,218,027	\$	410,265,159	\$	2,037,984	\$	6,056,001	\$	197,008	\$	7,569,477	\$	120,642	\$	426,246,271
5	Oct-13	\$	4,958,561	\$	140,161,126	\$	12,949,956	\$	166,993,088	\$	9,218,027	\$	413,114,863	\$	2,056,743	\$	6,114,023	\$	198,119	\$	7,508,480	\$	120,629	\$	429,112,856
6	Nov-13	\$	4,979,948	\$	143,514,638	\$	12,949,956	\$	168,046,548	\$	9,218,027	\$	413,722,800	\$	2,065,614	\$	6,260,308	\$	198,119	\$	7,555,847	\$	120,629	\$	429,923,315
7	Dec-13	\$	4,993,956	\$	143,269,925	\$	12,949,956	\$	168,580,018	\$	9,218,027	\$	415,334,429	\$	2,071,424	\$	6,249,633	\$	198,119	\$	7,579,833	\$	120,629	\$	431,554,066
8	Jan-14	\$	4,993,956	\$	144,283,027	\$	12,949,956	\$	167,576,925	\$	9,218,027	\$	416,883,041	\$	2,071,424	\$	6,293,826	\$	198,119	\$	7,534,731	\$	120,629	\$	433,101,770
9	Feb-14	\$	5,010,663	\$	144,283,027	\$	12,949,956	\$	167,607,080	\$	9,218,027	\$	417,650,685	\$	2,078,354	\$	6,293,826	\$	198,119	\$	7,536,087	\$	120,629	\$	433,877,699
10	Mar-14	\$	4,988,938	\$	144,284,984	\$	12,949,956	\$	167,683,605	\$	9,218,027	\$	426,280,982	\$	2,069,343	\$	6,293,912	\$	198,119	\$	7,539,528	\$	120,629	\$	442,502,511
11	Apr-14	\$	4,988,877	\$	144,290,670	\$	12,949,956	\$	168,874,483	\$	9,218,027	\$	427,676,167	\$	2,069,317	\$	6,294,160	\$	198,119	\$	7,593,673	\$	120,629	\$	443,951,464
12	May-14	\$	4,988,868	\$	144,290,782	\$	12,949,956	\$	168,887,517	\$	9,218,027	\$	429,057,626	\$	2,069,314	\$	6,294,164	\$	198,119	\$	7,593,659	\$	120,629	\$	445,333,511
13	Jun-14	\$	4,988,874	\$	144,291,226	\$	12,949,956	\$	169,263,998	\$	9,218,027	\$	430,366,996	\$	2,069,316	\$	6,294,184	\$	198,119	\$	7,610,587	\$	120,629	\$	446,859,830
14	Average	\$	4,805,801	\$	142,248,364	\$	12,948,873	\$	167,600,881	\$	9,218,027	\$	416,405,221	\$	1,988,263	\$	6,188,563	\$	197,761	\$	7,569,310	\$	120,633	\$	432,469,950
<u>Construction Work in Process (Account 1070)</u>																									
15	Jun-13	\$	1,153,175	\$	2,040,418	\$	-	\$	9,930,935	\$	-	\$	13,307,538	\$	473,959	\$	88,219	\$	-	\$	453,063	\$	-	\$	14,322,778
16	Jul-13	\$	1,191,431	\$	2,052,383	\$	0	\$	8,730,857	\$	0	\$	13,051,136	\$	489,682	\$	88,736	\$	0	\$	398,313	\$	0	\$	14,027,868
17	Aug-13	\$	869,803	\$	2,325,929	\$	0	\$	7,191,934	\$	0	\$	15,256,455	\$	357,492	\$	100,563	\$	0	\$	328,106	\$	0	\$	16,042,616
18	Sep-13	\$	725,359	\$	2,586,861	\$	0	\$	10,857,359	\$	0	\$	13,865,904	\$	298,125	\$	111,845	\$	0	\$	493,327	\$	0	\$	14,771,201
19	Oct-13	\$	509,020	\$	2,451,695	\$	0	\$	12,726,160	\$	0	\$	12,865,275	\$	211,135	\$	106,946	\$	0	\$	572,204	\$	0	\$	13,755,560
20	Nov-13	\$	437,832	\$	(774,033)	\$	0	\$	15,488,481	\$	0	\$	14,994,028	\$	181,607	\$	(33,764)	\$	0	\$	696,406	\$	0	\$	15,838,276
21	Dec-13	\$	46,974	\$	(652,608)	\$	0	\$	10,407,275	\$	0	\$	15,831,148	\$	19,484	\$	(28,468)	\$	0	\$	467,940	\$	0	\$	16,290,105
22	Jan-14	\$	217,327	\$	(465,052)	\$	0	\$	13,525,869	\$	0	\$	16,161,956	\$	90,144	\$	(20,286)	\$	0	\$	608,161	\$	0	\$	16,839,975
23	Feb-14	\$	249,334	\$	10,334	\$	0	\$	14,059,524	\$	0	\$	16,847,162	\$	103,420	\$	451	\$	0	\$	632,156	\$	0	\$	17,583,189
24	Mar-14	\$	(69,617)	\$	162,715	\$	0	\$	21,691,111	\$	0	\$	8,317,186	\$	(28,876)	\$	7,098	\$	0	\$	975,294	\$	0	\$	9,270,701
25	Apr-14	\$	23,233	\$	383,908	\$	0	\$	15,529,175	\$	0	\$	8,513,464	\$	9,637	\$	16,747	\$	0	\$	698,235	\$	0	\$	9,238,083
26	May-14	\$	(47,018)	\$	790,139	\$	0	\$	19,917,292	\$	0	\$	8,026,968	\$	(19,502)	\$	34,467	\$	0	\$	715,686	\$	0	\$	8,757,619
27	Jun-14	\$	(16,064)	\$	1,399,985	\$	0	\$	16,359,036	\$	0	\$	7,834,846	\$	(6,663)	\$	61,069	\$	0	\$	735,548	\$	0	\$	8,624,801
28	Average	\$	406,984	\$	947,129	\$	-	\$	13,262,693	\$	-	\$	12,682,544	\$	167,665	\$	41,048	\$	-	\$	598,188	\$	-	\$	13,489,444

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended June 31, 2014

WP 7-2

Line No.	Month	Division 091 - Mid-States General Office		Division 012 - SSU Customer		CKV	Division 002 - SSU General		Greenville	FY14	Division 093 100%	Division 091 41.10%	Division 012 4.32%	CKV 1.52%	Division 002 4.56%	Greenville 1.31%	Total Tennessee	
		(a)	(b)	(c)	(d)		(e)	(f)										(g)
34																		
35	Inventories- Plant Materials (Account 1540)																	
36																		
37	Jun-13	\$		14,887	\$	-	\$	-	\$		\$	-	\$	6,119	\$	-	\$	6,119
38	Jul-13	-		14,487		0		0						5,954	0		5,954	
39	Aug-13	-		14,487		0		0						5,954	0		5,954	
40	Sep-13	-		14,487		0		0						5,954	0		5,954	
41	Oct-13	-		14,487		0		0						6,009	0		6,009	
42	Nov-13	-		14,487		0		0						6,009	0		6,009	
43	Dec-13	-		14,487		0		0						6,009	0		6,009	
44	Jan-14	-		14,487		0		0						6,009	0		6,009	
45	Feb-14	-		14,487		0		0						6,009	0		6,009	
46	Mar-14	-		14,487		0		0						6,009	0		6,009	
47	Apr-14	-		14,487		0		0						6,009	0		6,009	
48	May-14	-		14,487		0		0						6,009	0		6,009	
49	Jun-14	-		14,487		0		0						6,009	0		6,009	
50	Average	\$	-	\$ 14,518	\$	-	\$	-	\$	-	\$	-	\$	6,005	\$	-	\$	6,005
51																		
52																		
53	Inventories- Gas Stored (Account 1641)																	
54	Includes Tennessee stored gas in Division 93 and an allocated portion of Tennessee stored gas in Division 96																	
55	Jun-13	\$	3,594,943	\$	-	\$	-	\$	-	\$	3,594,943	\$	-	\$	-	\$	-	\$ 3,594,943
56	Jul-13		5,403,263		0		0		0		5,403,263		0		0		0	5,403,263
57	Aug-13		7,049,470		0		0		0		7,049,470		0		0		0	7,049,470
58	Sep-13		8,732,803		0		0		0		8,732,803		0		0		0	8,732,803
59	Oct-13		10,288,624		0		0		0		10,288,624		0		0		0	10,288,624
60	Nov-13		11,728,348		0		0		0		11,728,348		0		0		0	11,728,348
61	Dec-13		10,451,616		0		0		0		10,451,616		0		0		0	10,451,616
62	Jan-14		7,668,537		0		0		0		7,668,537		0		0		0	7,668,537
63	Feb-14		4,806,866		0		0		0		4,806,866		0		0		0	4,806,866
64	Mar-14		886,189		0		0		0		886,189		0		0		0	886,189
65	Apr-14		2,838,404		0		0		0		2,838,404		0		0		0	2,838,404
66	May-14		4,519,761		0		0		0		4,519,761		0		0		0	4,519,761
67	Jun-14		6,304,505		0		0		0		6,304,505		0		0		0	6,304,505
68	Average	\$	6,482,564	\$	-	\$	-	\$	-	\$	6,482,564	\$	-	\$	-	\$	-	\$ 6,482,564

Inventories- Gas Stored (Account 1641)

Includes Tennessee stored gas in Division 93 and an allocated portion of Tennessee stored gas in Division 96

55	Jun-13	\$ 3,594,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,594,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,594,943
56	Jul-13	5,403,263	0	0	0	0	0	5,403,263	0	0	0	0	0	0	5,403,263
57	Aug-13	7,049,470	0	0	0	0	0	7,049,470	0	0	0	0	0	0	7,049,470
58	Sep-13	8,732,803	0	0	0	0	0	8,732,803	0	0	0	0	0	0	8,732,803
59	Oct-13	10,288,624	0	0	0	0	0	10,288,624	0	0	0	0	0	0	10,288,624
60	Nov-13	11,728,348	0	0	0	0	0	11,728,348	0	0	0	0	0	0	11,728,348
61	Dec-13	10,451,616	0	0	0	0	0	10,451,616	0	0	0	0	0	0	10,451,616
62	Jan-14	7,668,537	0	0	0	0	0	7,668,537	0	0	0	0	0	0	7,668,537
63	Feb-14	4,806,866	0	0	0	0	0	4,806,866	0	0	0	0	0	0	4,806,866
64	Mar-14	886,189	0	0	0	0	0	886,189	0	0	0	0	0	0	886,189
65	Apr-14	2,838,404	0	0	0	0	0	2,838,404	0	0	0	0	0	0	2,838,404
66	May-14	4,519,761	0	0	0	0	0	4,519,761	0	0	0	0	0	0	4,519,761
67	Jun-14	6,304,505	0	0	0	0	0	6,304,505	0	0	0	0	0	0	6,304,505
68	Average	\$ 6,482,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,482,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,482,564

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended June 31, 2014

WP 7-2

Line No.	Month	Division 091 - Mid-States General Office		Division 012 - SSU Customer		CKV	Division 002 - SSU General		Greenville	Factors FY13	Division 093 100%	Division 091 41.10%	Division 012 4.32%	CKV 1.52%	Division 002 4.56%	Greenville 1.31%	Total Tennessee		
		(a)	(b)	(c)	(d)		(e)	(f)										(g)	(h)
69																			
70		Customers Deposits (Account 2350)																	
71																			
72	Jun-13	\$	(3,444,837)	0	0	0	0	0	0	\$	(3,444,837)	0	0	0	0	0	\$	(3,444,837)	
73	Jul-13	\$	(3,391,938)	0	0	0	0	0	0		(3,391,938)	0	0	0	0	0		(3,391,938)	
74	Aug-13	\$	(3,360,293)	0	0	0	0	0	0		(3,360,293)	0	0	0	0	0		(3,360,293)	
75	Sep-13	\$	(3,340,530)	0	0	0	0	0	0		(3,340,530)	0	0	0	0	0		(3,340,530)	
76	Oct-13	\$	(3,321,396)	0	0	0	0	0	0		(3,321,396)	0	0	0	0	0		(3,321,396)	
77	Nov-13	\$	(3,333,255)	0	0	0	0	0	0		(3,333,255)	0	0	0	0	0		(3,333,255)	
78	Dec-13	\$	(3,369,934)	0	0	0	0	0	0		(3,369,934)	0	0	0	0	0		(3,369,934)	
79	Jan-14	\$	(3,390,776)	0	0	0	0	0	0		(3,390,776)	0	0	0	0	0		(3,390,776)	
80	Feb-14	\$	(3,410,607)	0	0	0	0	0	0		(3,410,607)	0	0	0	0	0		(3,410,607)	
81	Mar-14	\$	(3,431,899)	0	0	0	0	0	0		(3,431,899)	0	0	0	0	0		(3,431,899)	
82	Apr-14	\$	(3,438,742)	0	0	0	0	0	0		(3,438,742)	0	0	0	0	0		(3,438,742)	
83	May-14	\$	(3,406,076)	0	0	0	0	0	0		(3,406,076)	0	0	0	0	0		(3,406,076)	
84	Jun-14	\$	(3,456,608)	0	0	0	0	0	0		(3,456,608)	0	0	0	0	0		(3,456,608)	
85	Average	\$	(3,392,069)	\$	-	\$	-	\$	-	\$	(3,392,069)	\$	-	\$	-	\$	-	\$	(3,392,069)
86																			
87																			
88		Accumulated Deferred FIT (Total Accounts 1900, 2820, 2830)																	
89																			
90	Jun-13	\$	(58,952,526)	\$	38,261,356	\$	(23,586,174)	\$	-	\$	(58,952,526)	\$	15,725,537	\$	(1,019,767)	\$	-	\$	(28,046,417)
91	Jul-13		(58,952,525)		38,261,356		(23,586,174)		-		(58,952,525)		15,725,537		(1,019,767)		0		(28,420,909)
92	Aug-13		(58,952,525)		39,086,252		(23,586,174)		-		(58,952,525)		16,064,572		(1,019,767)		0		(28,543,104)
93	Sep-13		(64,055,632)		10,948,144		(30,660,400)		-		(64,055,632)		4,499,721		(1,325,627)		0		(42,616,722)
94	Oct-13		(64,055,632)		10,948,144		(30,660,400)		-		(64,055,632)		4,541,139		(1,337,449)		0		(42,751,946)
95	Nov-13		(64,055,632)		10,948,144		(30,660,400)		-		(64,055,632)		4,541,139		(1,337,449)		0		(43,040,223)
96	Dec-13		(64,055,632)		9,477,949		(30,660,400)		-		(64,055,632)		3,931,322		(1,337,449)		0		(44,092,876)
97	Jan-14		(64,055,632)		9,477,949		(30,660,400)		-		(64,055,632)		3,931,322		(1,337,449)		0		(43,566,459)
98	Feb-14		(64,055,632)		9,477,949		(30,660,400)		-		(64,055,632)		3,931,322		(1,337,449)		0		(43,481,551)
99	Mar-14		(64,055,632)		4,744,119		(30,660,400)		-		(64,055,632)		1,967,795		(1,337,449)		0		(46,270,840)
100	Apr-14		(64,055,632)		4,744,119		(30,660,400)		-		(64,055,632)		1,967,795		(1,337,449)		0		(46,050,770)
101	May-14		(64,055,632)		4,744,119		(30,660,400)		-		(64,055,632)		1,967,795		(1,337,449)		0		(45,657,473)
102	Jun-14		(63,456,220)		2,168,138		(30,389,095)		-		(63,456,220)		899,314		(1,325,615)		0		(44,778,013)
103	Average	\$	(62,831,884)	\$	14,868,287	\$	(29,007,017)	\$	-	\$	(62,831,884)	\$	6,130,332	\$	(1,262,318)	\$	-	\$	(40,562,870)

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended June 31, 2014

WP 7-2

Line No.	Month	Division 093 - Tennessee		Division 091 - Mid-States General Office		Division 012 - SSU Customer		Division 002 - SSU General		Greenville	Factors FY13	Division 093 100%	Division 091 41.10%	Division 012 4.32%	CKV 1.52%	Division 002 4.56%	Greenville 1.31%	Total Tennessee						
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)										(i)	(j)	(k)	(l)	(m)	(n)
104																								
105		Accumulated Depreciation (Account 1080)																						
106																								
107	Jun-13	\$	(171,279,819)	\$	(2,951,876)	\$	(31,062,227)	\$	(2,397,228)	\$	(2,431,494)	\$	(171,279,819)	\$	(1,213,230)	\$	(1,343,000)	\$	(4,595,213)	\$	(31,822)	\$	(178,499,553)	
108	Jul-13		(171,837,778)		(2,970,039)		(31,836,311)		(2,432,146)		(2,489,413)		(171,837,778)		(1,220,695)		(1,376,468)		(4,638,938)		(32,580)		(179,143,460)	
109	Aug-13		(172,414,467)		(2,988,282)		(32,610,873)		(2,467,064)		(2,547,332)		(172,414,467)		(1,228,193)		(1,409,957)		(4,682,143)		(33,338)		(179,805,630)	
110	Sep-13		(172,928,298)		(3,011,389)		(33,515,225)		(2,501,981)		(2,605,252)		(172,928,298)		(1,237,690)		(1,449,057)		(4,727,086)		(34,096)		(180,414,291)	
111	Oct-13		(173,291,841)		(3,027,422)		(34,156,358)		(2,536,859)		(2,663,172)		(173,291,841)		(1,255,733)		(1,489,948)		(4,702,591)		(34,851)		(180,813,774)	
112	Nov-13		(173,654,885)		(3,043,454)		(34,933,737)		(2,571,737)		(2,721,092)		(173,654,885)		(1,262,383)		(1,523,858)		(4,746,239)		(35,609)		(181,262,318)	
113	Dec-13		(174,269,567)		(3,058,151)		(35,284,213)		(2,606,616)		(2,779,013)		(174,269,567)		(1,268,479)		(1,539,146)		(4,653,416)		(36,367)		(181,806,854)	
114	Jan-14		(174,907,741)		(3,074,175)		(36,105,800)		(2,640,301)		(2,836,442)		(174,907,741)		(1,275,125)		(1,574,985)		(4,694,714)		(37,118)		(182,550,077)	
115	Feb-14		(175,346,647)		(3,090,305)		(36,871,233)		(2,673,987)		(2,893,871)		(175,346,647)		(1,281,816)		(1,608,374)		(4,738,363)		(37,870)		(183,053,979)	
116	Mar-14		(174,218,678)		(3,084,303)		(37,636,678)		(2,707,673)		(2,951,300)		(174,218,678)		(1,279,326)		(1,641,764)		(4,781,867)		(38,621)		(182,001,681)	
117	Apr-14		(174,928,413)		(3,100,434)		(38,402,150)		(2,741,359)		(3,008,729)		(174,928,413)		(1,286,017)		(1,675,155)		(4,825,551)		(39,373)		(182,796,449)	
118	May-14		(174,825,083)		(3,120,795)		(39,140,899)		(2,774,488)		(3,065,477)		(174,825,083)		(1,294,463)		(1,707,380)		(4,874,795)		(40,115)		(182,784,282)	
119	Jun-14		(175,156,355)		(3,141,156)		(39,879,651)		(2,807,618)		(3,122,226)		(175,156,355)		(1,302,908)		(1,739,606)		(4,918,249)		(40,858)		(183,200,929)	
120	Average	\$	(173,773,813)	\$	(3,050,906)	\$	(35,495,027)	\$	(2,604,543)	\$	(2,778,062)	\$	(173,773,813)	\$	(1,262,005)	\$	(1,544,515)	\$	(4,736,859)	\$	(36,355)	\$	(181,393,329)	
121																								
122																								
123																								
124																								
125	Jun-13	\$	(72,538)		0		0		0		0		(72,538)		0		0		0		0		(72,538)	
126	Jul-13	\$	(72,538)		0		0		0		0		(72,538)		0		0		0		0		(72,538)	
127	Aug-13	\$	(72,538)		0		0		0		0		(72,538)		0		0		0		0		(72,538)	
128	Sep-13	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
129	Oct-13	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
130	Nov-13	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
131	Dec-13	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
132	Jan-14	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
133	Feb-14	\$	(73,888)		0		0		0		0		(73,888)		0		0		0		0		(73,888)	
134	Mar-14	\$	(75,078)		0		0		0		0		(75,078)		0		0		0		0		(75,078)	
135	Apr-14	\$	(75,078)		0		0		0		0		(75,078)		0		0		0		0		(75,078)	
136	May-14	\$	(75,078)		0		0		0		0		(75,078)		0		0		0		0		(75,078)	
137	Jun-14	\$	(75,078)		0		0		0		0		(75,078)		0		0		0		0		(75,078)	
138	Average	\$	(73,942)	\$	-	\$	-	\$	-	\$	-	\$	(73,942)	\$	-	\$	-	\$	-	\$	-	\$	-	(73,942)

Customers Advances (Account 2520)

Tennessee Distribution System
Reallocation of Rate Base Items at Proforma Allocation Factors
Twelve Months Ended June 31, 2014

WP 7-2

Line No.	Month	Division 093 - Tennessee	Division 091 - Mid-States General Office	Division 012 - SSU Customer	CKV	Division 002 - General	Greenville	FY13	Division 093 100%	Division 091 41.10%	Division 012 4.32%	CKV 1.52%	Division 002 4.56%	Greenville 1.31%	Total Tennessee
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	FY14	(h)	(i)	(j)	(k)	(l)	(m)	(n)
139															
140	Interest on Customer Deposits (Account 2370-26919)														
141															
142	Jun-13	\$ (32,937)	12,646	0	0	0	0	\$ (32,937)	5,198	0	0	0	0	0	(27,739)
143	Jul-13	(43,807)	12,646	0	0	0	0	(43,807)	5,197	0	0	0	0	0	(38,610)
144	Aug-13	(54,559)	12,646	0	0	0	0	(54,559)	5,197	0	0	0	0	0	(49,362)
145	Sep-13	(73,804)	0	0	0	0	0	(73,804)	0	0	0	0	0	0	(73,804)
146	Oct-13	(81,802)	0	0	0	0	0	(81,802)	0	0	0	0	0	0	(81,802)
147	Nov-13	(89,866)	0	0	0	0	0	(89,866)	0	0	0	0	0	0	(89,866)
148	Dec-13	(98,712)	0	0	0	0	0	(98,712)	0	0	0	0	0	0	(98,712)
149	Jan-14	(107,835)	0	0	0	0	0	(107,835)	0	0	0	0	0	0	(107,835)
150	Feb-14	(2,455)	0	0	0	0	0	(2,455)	0	0	0	0	0	0	(2,455)
151	Mar-14	(17,056)	0	0	0	0	0	(17,056)	0	0	0	0	0	0	(17,056)
152	Apr-14	(40,547)	0	0	0	0	0	(40,547)	0	0	0	0	0	0	(40,547)
153	May-14	(61,671)	0	0	0	0	0	(61,671)	0	0	0	0	0	0	(61,671)
154	Jun-14	(50,328)	0	0	0	0	0	(50,328)	0	0	0	0	0	0	(50,328)
155	Average	\$ (58,106)	\$ 2,918	\$ -	\$ -	\$ -	\$ -	\$ (58,106)	\$ 1,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (56,907)
156															
157															
158	Net elimination of intercompany leased property														
159															
160	Jun-13	5,951,905	0	0	0	0	0	5,951,905	0	0	0	0	0	0	5,951,905
161	Jul-13	5,930,298	0	0	0	0	0	5,930,298	0	0	0	0	0	0	5,930,298
162	Aug-13	5,908,691	0	0	0	0	0	5,908,691	0	0	0	0	0	0	5,908,691
163	Sep-13	5,887,084	0	0	0	0	0	5,887,084	0	0	0	0	0	0	5,887,084
164	Oct-13	5,865,478	0	0	0	0	0	5,865,478	0	0	0	0	0	0	5,865,478
165	Nov-13	5,843,871	0	0	0	0	0	5,843,871	0	0	0	0	0	0	5,843,871
166	Dec-13	5,822,264	0	0	0	0	0	5,822,264	0	0	0	0	0	0	5,822,264
167	Jan-14	5,800,657	0	0	0	0	0	5,800,657	0	0	0	0	0	0	5,800,657
168	Feb-14	5,779,051	0	0	0	0	0	5,779,051	0	0	0	0	0	0	5,779,051
169	Mar-14	5,757,444	0	0	0	0	0	5,757,444	0	0	0	0	0	0	5,757,444
170	Apr-14	5,735,837	0	0	0	0	0	5,735,837	0	0	0	0	0	0	5,735,837
171	May-14	5,714,099	0	0	0	0	0	5,714,099	0	0	0	0	0	0	5,714,099
172	Jun-14	5,692,361	0	0	0	0	0	5,692,361	0	0	0	0	0	0	5,692,361
173	Average	\$ 5,822,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,822,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,822,234

**Tennessee Distribution System
Pension Regulated Asset
Twelve Months Ended May 31, 2016**

Line No.				
1	Annual benchmark per Docket 12-00064	2,086,819		
2	Quarterly benchmark	521,705		
3				
4		Contribution	Benchmark	Difference
5	Quarter ended 3/31/13	521,705	521,705	-
6	Quarter ended 6/30/13	641,911	521,705	120,206
7	Quarter ended 9/30/13	1,038,413	521,705	516,708
8	Quarter ended 12/31/13	417,671	521,705	(104,034)
9	Quarter ended 3/30/14	390,181	521,705	(131,524)
10	Quarter ended 6/30/14	1,418,839	521,705	897,134
11		\$ 4,428,719	\$ 3,130,229	\$ 1,298,490
12				
13	Monthly Amortization			
14	2 years amortization			\$ 54,104
15				
16		Regulated Asset		
17		Amortization Expense	Balance	
17	May-15	-	1,298,490	
18	Jun-15	54,104	1,244,386	
19	Jul-15	54,104	1,190,283	
20	Aug-15	54,104	1,136,179	
21	Sep-15	54,104	1,082,075	
22	Oct-15	54,104	1,027,971	
23	Nov-15	54,104	973,868	
24	Dec-15	54,104	919,764	
25	Jan-16	54,104	865,660	
26	Feb-16	54,104	811,556	
27	Mar-16	54,104	757,453	
28	Apr-16	54,104	703,349	
29	May-16	54,104	649,245	
30	Annual Amortization	\$ 649,245	\$ 973,868	13 month average

**Tennessee Distribution System
Accumulated Deferred Income Tax
Shared Services Division 002
Twelve Months Ended May 31, 2016**

Line No.	Month	Total SSU 002	Non-regulated NOL[1]	Regulated Utility NOL	Other ADIT	SSU Utility ADIT
	(a)	(b)	(c)	(d)	(e)	(f)
1	Jun-13	154,128,596	(200,975,728)	352,057,428	3,046,896	355,104,324
2	Jul-13	145,919,884	(200,975,728)	352,057,428	(5,161,816)	346,895,612
3	Aug-13	136,438,570	(200,347,089)	346,167,066	(9,381,406)	336,785,660
4	Sep-13	195,885,794	(204,470,954)	389,816,215	10,540,533	400,356,748
5	Oct-13	198,083,808	(204,470,954)	389,816,215	12,738,547	402,554,762
6	Nov-13	191,672,347	(204,470,954)	389,816,215	6,327,086	396,143,301
7	Dec-13	179,196,615	(207,097,743)	395,636,604	(9,342,246)	386,294,358
8	Jan-14	190,904,433	(207,097,743)	395,636,604	2,365,572	398,002,176
9	Feb-14	192,792,834	(207,097,743)	395,636,604	4,253,973	399,890,577
10	Mar-14	162,357,534	(219,167,600)	377,175,208	4,349,926	381,525,134
11	Apr-14	167,252,026	(219,167,600)	377,175,208	9,244,418	386,419,626
12	May-14	175,999,196	(219,167,600)	377,175,208	17,991,588	395,166,796
13	Jun-14	205,011,038	(219,884,627)	405,828,177	19,067,488	424,895,665
14	Jul-14	208,298,312	(219,884,627)	405,828,177	22,354,762	428,182,939
15	Aug-14	224,949,437	(219,079,036)	405,022,586	39,005,887	444,028,473
16	Sep-14	267,982,820	(217,201,876)	444,334,650	40,850,046	485,184,696
17	Oct-14	267,680,686	(217,201,876)	444,334,650	40,547,912	484,882,562
18	Nov-14	267,653,966	(217,201,876)	444,334,650	40,521,192	484,855,842
19	Dec-14	267,755,046	(217,201,876)	444,334,650	40,622,272	484,956,922
20	Jan-15	267,853,720	(217,201,876)	444,334,650	40,720,946	485,055,596
21	Feb-15	267,941,546	(217,201,876)	444,334,650	40,808,772	485,143,422
22	Mar-15	268,055,296	(217,201,876)	444,334,650	40,922,522	485,257,172
23	Apr-15	268,165,195	(217,201,876)	444,334,650	41,032,421	485,367,071
24	May-15	268,282,707	(217,201,876)	444,334,650	41,149,933	485,484,583
25	Jun-15	268,393,911	(217,201,876)	444,334,650	41,261,137	485,595,787
26	Jul-15	268,510,679	(217,201,876)	444,334,650	41,377,905	485,712,555
27	Aug-15	268,629,279	(217,201,876)	444,334,650	41,496,505	485,831,155
28	Sep-15	268,738,638	(217,201,876)	444,334,650	41,605,864	485,940,514
29	Oct-15	268,755,850	(217,201,876)	444,334,650	41,623,076	485,957,726
30	Nov-15	268,758,952	(217,201,876)	444,334,650	41,626,178	485,960,828
31	Dec-15	268,782,290	(217,201,876)	444,334,650	41,649,516	485,984,166
32	Jan-16	268,805,288	(217,201,876)	444,334,650	41,672,514	486,007,164
33	Feb-16	268,826,621	(217,201,876)	444,334,650	41,693,847	486,028,497
34	Mar-16	268,852,078	(217,201,876)	444,334,650	41,719,304	486,053,954
35	Apr-16	268,876,959	(217,201,876)	444,334,650	41,744,185	486,078,835
36	May-16	268,903,069	(217,201,876)	444,334,650	41,770,295	486,104,945

[1] FD - NOL Credit Carryforward - Non Reg

Atmos Energy Corporation-Tennessee
Cash Working Capital Lead/Lag Analysis
For Forward Looking Attrition Year Twelve Months Ended May 31, 2016

Line No.		Base Period	Attrition Year
1	Revenue Lag	37.50	37.50
2			
3	Expense Lag	34.63	35.29
4			
5	Net Lag	2.87	2.21
6			
7	Daily Cost of Service	422,184	433,041
8			
9	Cash Working Capital	1,210,783	956,408

Atmos Energy Corporation-Tennessee
Cash Working Capital Lead/Lag Analysis
For Forward Looking Attrition Year Twelve Months Ended May 31, 2016

Line No.	Description	Attrition Year Expenses	Expense Lag	CWC Requirement (b) x (c)
	(a)	(b)	(c)	(d)
1	Gas Supply Expense			
2	Purchased Gas	87,478,439	39.33	3,440,527,025
3				
4	Operation and Maintenance Expense			
5	O&M, Labor	7,915,572	14.07	111,372,097
6	O&M, Non-Labor	12,100,932	29.40	355,767,403
7	Total O&M Expense	20,016,504		467,139,500
8				
9				
10	Taxes Other Than Income			
11	Ad Valorem	3,801,021	241.50	917,946,572
12	State Gross Receipts Tax	1,241,962	(151.50)	(188,157,243)
13	Payroll Taxes	272,080	16.55	4,501,739
14	Franchise Tax	622,004	37.50	23,325,152
15	TRA Inspection Fee	530,084	272.50	144,447,966
16	DOT	-	59.00	-
17				
18	Allocated Taxes-Shared Services			
19	Ad Valorem	16% 49,974	241.50	12,068,736
20	Payroll Taxes	84% 255,485	16.55	4,227,167
21				
22	Allocated Taxes-Business Unit			
23	Ad Valorem	46% 48,815	241.50	11,788,913
24	Payroll Taxes	54% 57,959	16.55	958,965
25	Total Taxes Other Than Income	6,879,384		931,107,967
26				
27	Federal Income Tax	8,128,108		
28	Current Taxes	2,864,727	37.50	107,427,257
29	Deferred Taxes	5,263,381	-	-
30				
31	State Excise Tax	1,614,444		
32	Current Taxes	569,006	37.50	21,337,727
33	Deferred Taxes	1,045,438	-	-
34				
35	Depreciation	12,468,039	-	-
36				
37	Interest on Customer Deposits	118,049	182.50	21,543,913
38				
39	Interest Expense - LTD	6,623,097	91.25	604,357,601
40				
41	Return on Equity	15,166,903	-	-
42				
43				
44	TOTAL	158,492,968	35.29	5,593,440,989
	Daily Cost of Service	433,041		

Atmos Energy Corporation-Tennessee
Cash Working Capital Lead/Lag Analysis
For Historic Base Period June 30, 2014

Line No.	Description	Histori Base Period	Expense Lag	CWC Requirement (b) x (c)
	(a)	(b)	(c)	(d)
1	Gas Supply Expense			
2	Purchased Gas	87,478,439	39.33	3,440,527,025
3				
4	Operation and Maintenance Expense			
5	O&M, Labor	7,652,390	14.07	107,669,132
6	O&M, Non-Labor	12,983,103	29.40	381,703,215
7	Total O&M Expense	20,635,493		489,372,347
8				
9				
10	Taxes Other Than Income			
11	Ad Valorem	3,498,394	241.50	844,862,151
12	State Gross Receipts Tax	1,084,335	(151.50)	(164,276,753)
13	Payroll Taxes	257,296	16.55	4,257,132
14	Franchise Tax	618,254	37.50	23,184,527
15	TRA Inspection Fee	425,046	272.50	115,825,068
16	DOT	19,392	59.00	1,144,149
17				
18	Allocated Taxes-Shared Services			
19	Ad Valorem	0% -	241.50	-
20	Payroll Taxes	100% 247,649	16.55	4,097,523
21				
22	Allocated Taxes-Business Unit			
23	Ad Valorem	10% 6,231	241.50	1,504,740
24	Payroll Taxes	90% 55,697	16.55	921,546
25	Total Taxes Other Than Income	6,212,295		831,520,083
26				
27	Federal Income Tax	7,465,832		
28	Current Taxes	-	37.50	-
29	Deferred Taxes	7,465,832	-	-
30				
31	State Excise Tax	1,483,046		
32	Current Taxes	-	37.50	-
33	Deferred Taxes	1,483,046	-	-
34				
35	Depreciation	10,700,686	-	-
36				
37	Interest on Customer Deposits	110,242	182.50	20,119,207
38				
39	Interest Expense - LTD	6,084,048	91.25	555,169,422
40				
41	Return on Equity	13,927,092	-	-
42				
43				
44	TOTAL	154,097,173	34.63	5,336,708,083
	Daily Cost of Service	422,184		

Tennessee Distribution System
Computation of State Excise & Income Taxes
Twelve Months Ended May 31, 2016

Line No.	Description (a)	Tax Rate (b)	Base Period (1) (c)	Change (d)	Attrition Year (e)
1	Required Return		\$ 20,077,360	\$ 1,778,860	\$ 21,856,220
2					
3	Interest Deduction		6,084,048	539,049	6,623,097
4					
5	Equity Portion of Return		13,993,312	1,239,811	15,233,123
6					
7	Application of Tax Rate to Equity Return - Tennessee	6.5%	909,565	80,588	990,153
8					
9	Application of Tax Rate to Equity Return - Federal	35%	4,579,311	405,729	4,985,040
10					
11			\$ 5,488,876	\$ 486,317	\$ 5,975,193
12					
13	Tax Expansion Factor		1.6305	1.6305	1.6305
14					
15	Income Tax Liability		\$ 8,949,612	\$ 792,940	\$ 9,742,552
16					
17	Less: ITC Amortization		735	(735)	-
18					
19	Total Income Tax Liability		\$ 8,948,878	\$ 793,674	\$ 9,742,552
20					
21					
22	Note:				
23	1. Twelve months ended June 30, 2014				

**Tennessee Distribution System
Amortization of UCG Deferred Utility ITC
Twelve Months Ended May 31, 2016**

Line No.	Description	Amortization	Allocation Factor [1]	Tennessee Allocation
	(a)	(b)	(c)	(d)
1	Fiscal year ended September 30, 2011	50,990		
2	Fiscal year ended September 30, 2012	12,229		
3	Fiscal year ended September 30, 2013	5,820		
4	Fiscal year ended September 30, 2014	-		
5				
6	Base Period ended June 30, 2014	1,455	50%	735
7				
8	Attrition Year ended May 31, 2016	-	50%	-
9				
10	[1] Division 091 - Mid-States General Office allocation factor excluding Kentucky			

**Tennessee Distribution System
Revenue Conversion Factor
Twelve Months Ended May 31, 2016**

<u>Line No.</u>		Attrition Year	
		<u>Amount</u>	<u>Balance</u>
1	Operatin Revenues		1.000000
2			
3	Add: Forfeited Discounts	0.011045	<u>0.011045</u>
4			
5	Balance		1.011045
6			
7	Uncollectible Ratio	0.001870	<u>0.001890</u>
8			
9	Balance		1.009154
10			
11	State Excise Tax	0.065000	<u>0.065595</u>
12			
13	Balance		0.943559
14			
15	Federal Income Tax	0.350000	<u>0.330246</u>
16			
17	Balance		0.613314
18			
19	Revenue Conversion Factor (Line 1/Line 9)		1.630487

Tennessee Distribution System
Overall Cost of Capital
Twelve Months Ended May 31, 2016

Line No.	Description (a)	Percent (b)	Cost Rate (c)	Overall Cost of Capital (d)	
1	Long Term Debt Capital	44.07%	5.90%	2.60%	
2	Short Term Debt	0.00%	1.07%	0.00%	
3	Equity Capital	55.93%	10.70%	5.98%	
4					
5	Total Capital	100.0%		8.58%	

**Tennessee Distribution System
Cost of Capital
Twelve Months Ended May 31, 2016**

Line No.	Description	<u>June 30, 2014</u>	
		\$	%
	(a)	(b)	(c)
1	LT Debt	\$ 2,455,907,240	44.07%
2	ST Debt	0	0.00%
3	Equity	3,116,684,772	55.93%
4			
5	Total Capital	<u>\$ 5,572,592,012</u>	<u>100.00%</u>

[illegible]

Tennessee Distribution System
Cost of Capital- Long Term Debt Rate
Twelve Months Ended May 31, 2016

Line No.	Debt Series (a)	Issued (b)	Outstanding 6/30/2013 (c)	Outstanding 7/31/2013 (d)	Outstanding 8/31/2013 (e)	Outstanding 9/30/2013 (f)	Outstanding 10/31/2013 (g)	Outstanding 11/30/2013 (h)	Outstanding 12/31/2013 (i)	Outstanding 1/31/2014 (j)	Outstanding 2/28/2014 (k)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	-	-	-	-	-	-	-	-	-
2	6.75% Debentures Unsecured due July 2028	07/27/98	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
3	5.125% Senior Notes due Jan 2013	01/13/03	-	-	-	-	-	-	-	-	-
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	-	-	-	-	-	-	-	-
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	-	-	-	-	-	-	-	-
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	-	-	-	-	-	-	-	-
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	-	-	-	-	-	-	-	-
8	6.67% MTN A1 due Dec 2025	12/15/95	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
9	(1) 4.125% Sr Note due 10/15/2044	10/15/2014	-	-	-	-	-	-	-	-	-
10	5.95% Sr Note due 10/15/2034	10/22/04	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
11	6.35% Sr Note due 6/15/2017	6/20/07	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000
13	8.50% Sr Note due 3/15/2019	03/23/09	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000
14	4.15% Sr Note due 1/15/2043	01/15/13	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
15	Debt Issuance Cost - Amort is pending new debt issue	10/20/14	-	-	-	-	-	-	-	-	-
16	Debt Issuance Cost - Amort is pending new debt issue	06/20/17	-	-	-	-	-	-	-	-	-
17	March 2019 - Swap Position	03/2019	-	-	-	-	-	-	-	-	-
18	Subtotal -- Utility Long-Term Debt		\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000
19	Amos Leasing, Inc.	1991	-	-	-	-	-	-	-	-	-
20	Industrial Develop Revenue Bond 07/13		-	-	-	-	-	-	-	-	-
21	Total Long-Term Debt		1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000	1,960,000,000
22	Less Unamortized Debt Discount		\$ 4,407,210	\$ 4,381,006	\$ 4,354,801	\$ 4,328,597	\$ 4,302,393	\$ 4,276,189	\$ 4,249,985	\$ 4,223,781	\$ 4,197,576
23	Annualized Amortization of T- Lock Settlement, Debt Exp. & Debt Disc.		-	-	-	-	-	-	-	-	-
24	Effective Avg Cost of Consol Debt		-	-	-	-	-	-	-	-	-

Note

1. Notes issued in October of 2014 represents the refinancing of the 4.95% 500M Sr Note due October 2014.

Tennessee Distribution System
Cost of Capital- Long Term Debt Rate
Twelve Months Ended May 31, 2016

Line No.	Debt Series (a)	Issued (b)	Outstanding 3/31/2014 (c)	Outstanding 4/30/2014 (d)	Outstanding 5/31/2014 (e)	Outstanding 6/30/2014 (f)	End Int Rate (g)	Annual Int at June 30, 2014 (h)	Annualized 4270 Amort for Table (w)	Annualized 4280-81 Amort Debt Exp & Disc (x)	Exp 1810 Penalty 1890 Disc 2260 1/01/2002 (y)
1	9.40% First Mortgage Bond T due May 2021/RET 2005	04/01/91	-	-	-	-	9.40%	0	0	560,397	3,829,383
2	6.75% Debentures Unsecured due July 2028	07/27/98	150,000,000	150,000,000	150,000,000	150,000,000	6.75%	10,125,000	0	99,938	1,403,776
3	5.125% Senior Note due Jan 2013	01/13/03	-	-	-	-	5.13%	0	0	0	0
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	-	-	-	10.43%	0	0	33,837	112,789
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	-	-	-	9.75%	0	0	337,581	1,969,221
6	9.33% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	-	-	-	9.32%	0	0	362,746	2,508,996
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	-	-	-	8.77%	0	0	568,719	2,888,300
8	6.67% MTN A1 due Dec 2025	12/15/95	10,000,000	10,000,000	10,000,000	10,000,000	6.67%	667,000	0	7,790	90,137
9	(1) 4.125% Sr Note due 10/15/2044	10/15/2014	-	-	-	-	4.125%	20,625,000	(445,478)	210,035	6,380,601
10	5.95% Sr Note due 10/15/2034	10/22/04	200,000,000	200,000,000	200,000,000	200,000,000	5.95%	11,900,000	(7,047)	115,724	2,349,669
11	6.35% Sr Note due 6/15/2017	6/20/07	250,000,000	250,000,000	250,000,000	250,000,000	6.35%	15,875,000	(474,980)	307,042	921,125
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	400,000,000	400,000,000	400,000,000	400,000,000	5.50%	22,000,000	(669,302)	186,860	5,029,637
13	8.50% Sr Note due 3/15/2019	03/23/09	450,000,000	450,000,000	450,000,000	450,000,000	8.50%	38,250,000	(777,734)	1,161,169	5,515,555
14	4.15% Sr Note due 1/15/2043	01/15/13	500,000,000	500,000,000	500,000,000	500,000,000	4.15%	20,750,000	2,220,857	378,080	10,789,734
15	Debt Insurance Cost - Amort is pending new debt issue	10/20/14	-	-	-	-	-	0	0	0	82,170
16	Debt Insurance Cost - Amort is pending new debt issue	06/20/17	-	-	-	-	-	0	0	0	41,380
17	March 2019 - Swap Position	03/20/19	-	-	-	-	-	0	0	0	0
18	Subtotal -- Utility Long Term Debt		\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 2,460,000,000		\$ 140,192,000	\$ 546,316	\$ 4,129,918	\$ 43,912,672
19											
20	Amos Leasing, Inc.		-	-	-	-	7.90%	-	0	0	0
21	Industrial Develop Revenue Bond 07/13	1991	-	-	-	-	-	-	-	-	-
22	Total Long-Term Debt		\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 2,460,000,000		\$ 140,192,000	\$ 546,316	\$ 4,129,918	\$ 43,912,672
23	Less Unamortized Debt Discount		\$ 4,171,372	\$ 4,143,168	\$ 4,118,964	\$ 4,092,760		\$ 4,676,234			
24	Annualized Amortization of T-Lock Settlement, Debt Exp. & Debt Disc.							\$ 144,868,234			
25	Effective Avg Cost of Consolidated Debt						5.90% end of period				
26											

Note

1. Notes Issued in October of 2014 represents the refinancing of the 4.95% 500M Sr Note du

Tennessee Distribution System
Rate of Return
Twelve Months Ended May 31, 2016

Line No.	Description (a)	Reference (b)	Historic Base Period (1) (c)	Change (d)	Attrition Year (e)	Rate-making Adjustments (f)	Adjusted Amount (g)
1	Total Revenues	Sch. 2	\$ 150,583,201	\$ 2,021,155	\$ 152,604,356	\$ -	\$ 152,604,356
2							
3	Gas Cost	Sch. 3	87,478,439	-	87,478,439	-	87,478,439
4							
5	Operation & Maintenance Expense	Sch. 4	20,635,493	(618,989)	20,016,504	-	20,016,504
6							
7	Taxes Other Than Income Taxes	Sch. 5	6,212,295	667,089	6,879,384	-	6,879,384
8							
9	Depreciation & Amortization Expense	Sch. 6	10,700,686	1,118,108	11,818,794	649,245	12,468,039
10							
11	Federal Income and State Excise Tax	Wp 10-1	7,619,983	176,603	7,796,587	(309,686)	7,486,901
12							
13	Interest on Customer Deposits	Wp 1-1	110,242	7,807	118,049	-	118,049
14							
15	Return on Rate Base		\$ 17,826,062	\$ 670,537	\$ 18,496,599	\$ (339,559)	\$ 18,157,040
16							
17	Total Rate Base	Sch. 7	\$ 234,001,864	\$ 15,409,822	\$ 249,411,686	\$ 5,322,811	\$ 254,734,497
18							
19	Rate of Return on Rate Base		7.62%		7.42%		7.13%
20							
21	Interest Expense	Sch. 8	6,084,048	400,655	6,484,704	138,393	6,623,097
22							
23	AFUDC Interest credit	Wp 1-2	(66,220)	-	(66,220)	-	(66,220)
24							
25	Return on Equity		\$ 11,808,234	\$ -	\$ 12,078,115	\$ -	\$ 11,600,163
26							
27	Rate of Return on Equity		9.02%		8.66%		8.14%
28							

29 Note:

30 1. Twelve months ended June 30, 2014

Tennessee Distribution System
Computation of State Excise and Federal Income Taxes for Sch 10
Twelve Months Ended May 31, 2016

Lin e	Description (a)	Tax Rate (b)	Historic Base Period (1) (c)	Projected Amount (d)	Adjusted Amount (e)
1	Net Operating Income Before Income Tax		\$ 25,446,046	\$ 26,293,186	\$ 25,643,941
2					
3	Interest Deduction		6,017,829	6,418,484	6,556,877
4					
5	Equity Portion of Return		\$ 19,428,217	\$ 19,874,702	\$ 19,087,064
6					
7	Application of Tax Rate to Equity Return - Tennessee	6.5%	1,262,834	1,291,856	1,240,659
8					
9	Application of Tax Rate to Equity Return - Federal	35%	6,357,884	6,503,996	6,246,242
10					
11	Income Tax Expense		\$ 7,620,718	\$ 7,795,852	\$ 7,486,901
12					
13	Less: ITC Amortization		735	(735)	-
14					
15	Total Income Tax Liability		\$ 7,619,983	\$ 7,796,587	\$ 7,486,901
16					

17 Note:

18 1. Twelve months ended June 30, 2014

Tennessee Distribution System
Proof of Revenues and Calculation of Rates
Historic Base Period Margin at Present Rates
Actual Twelve Months Ended June 30, 2014

Line No.	Description	12 Mths Ended Jun 14		Rates effective Jun 14		12 mths Jun 14	Weather	12 mths Jun 14	12 mths Jun 14	12 mths Jun 14
		Base Count	Volumes Mcf	Monthly Customer chg	Commodity Charge/Mcf	Margin at Jun 14 rates	Adjustment Volumes Mcf	WNA Adjusted Volumes Mcf	Weather adj at Jun 14 rates	WNA \$ Adj at Jun 14 rates
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	RESIDENTIAL									
2	210 Residential Gas Service (Summer)	584,867	835,236	\$13.85	\$1.227	9,125,242		835,236	9,125,242	\$0
3	210 Residential Gas Service (Winter) (weather sensitive)	826,242	7,536,096	16.85	\$1.227	23,168,967	(657,216)	6,878,880	22,362,563	(\$806,404)
4	210 Residential Gas Service Senior Citizen (Summer)	714	521	0.00	\$1.227	640		521	640	\$0
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	1,027	8,779	0.00	\$1.227	10,772		8,779	10,772	\$0
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling	12	278	13.85	\$0.719	366	(36)	239	338	(\$27)
7	Total Residential	1,412,862	8,380,910			32,305,987	(657,254)	7,723,655	31,499,555	(806,432)
8										
9	COMMERCIAL									
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling	12	299	13.85	0.719	316		209	316	\$0
11	220 Commercial Gas Service (weather sensitive)	190,262	5,429,449	35.00	2.332	19,320,644	(296,219)	5,133,229	18,629,860	(\$690,784)
12	230 Large Commercial Gas Service (weather sensitive)	15	31,415	375.00	2.036	69,586	(1,714)	29,701	68,097	(\$3,490)
13	250 Commercial Interruptible Gas Service			425.00		0		0	0	
14	Block 1 Volumes				1.141	0		0	0	
15	Block 2 Volumes				0.755	0		0	0	
16	Block 3 Volumes				0.349	0		0	0	
17	293 Large Tonnage Air Conditioning Gas Service	12		35.00		420		0	420	
18	Block 1 Volumes		14,318		1.141	16,337		14,318	16,337	
19	Block 2 Volumes		2,111		0.755	1,594		2,111	1,594	
20	Block 3 Volumes		0		0.349	0		0	0	
21	Total Commercial	190,301	5,477,502			19,408,897	(297,933)	5,179,568	18,714,624	(694,273)
22										
23	INDUSTRIAL									
24	220 Industrial Gas Service (weather sensitive)	3,883	572,879	35.00	2.332	1,471,158	(31,255)	541,624	1,398,272	(\$72,887)
25	230 Large Industrial Gas Service	108	290,206	375.00	2.036	631,360		290,206	631,360	
26	240 DEMAND/COMM GS	0		425.00		0		0	0	
27	Block 1 Volumes		0		1.141	0		0	0	
28	Block 2 Volumes		0		0.755	0		0	0	
29	Block 3 Volumes		0		0.349	0		0	0	
30	Demand Volumes		0		16.283	0		0	0	
31	250 Industrial Interruptible Gas Service	295		425.00		125,375		0	125,375	
32	Block 1 Volumes		301,042		1.141	343,489		301,042	343,489	
33	Block 2 Volumes		277,758		0.755	209,707		277,758	209,707	
34	Block 3 Volumes		0		0.349	0		0	0	
35	280/250 Economic Development Gas Service	0		425.00		0		0	0	
36	Block 1 Volumes		0		1.141	0		0	0	
37	Block 1 Volumes @ Discount Rate		0		0.856	0		0	0	
38	Block 2 Volumes		0		0.755	0		0	0	
39	Block 2 Volumes @ Discount Rate		0		0.566	0		0	0	
40	Block 3 Volumes		0		0.349	0		0	0	
41	Block 3 Volumes @ Discount Rate		0		0.282	0		0	0	
42	292 Cogeneration, CNG, Prime Movers Service	12		35.00		420		0	420	
43	Block 1 Volumes		2,949		1.141	3,365		2,949	3,365	
44	Block 2 Volumes		0		0.755	0		0	0	
45	Block 3 Volumes		0		0.349	0		0	0	
46	Total Industrial	4,278	1,444,835			2,784,876	(31,255)	1,413,580	2,711,989	
47										
48	PUBLIC AUTHORITY									
49	211 Residential/Sm. Commercial/Industrial Heating & Cooling	0	0	13.85	\$0.719	0		0	0	\$0
50	221 Experimental School Gas Service	61	73,267	35.00	1.134	85,220	(3,997)	69,270	80,687	(\$4,633)
51	225 Public Authority Gas Service (Sr. Citizen) (Summer)	0	0	0.00	1.227	0		0	0	\$0
52	225 Public Authority Gas Service (Sr. Citizen) (Winter)	0	0	0.00	1.227	0		0	0	\$0
53	225 Public Authority Gas Service (Summer)	2,983	9,107	13.85	1.227	52,489		9,107	52,489	\$0
54	225 Public Authority Gas Service (Winter)	4,142	47,713	16.85	1.227	128,335	(4,458)	43,257	122,669	(5,467)
55	Total Public Authority	7,186	130,987			266,045	(8,453)	121,634	256,045	(10,000)
56										
57	TRANSPORTATION									
58	260 - TRANSP (220 SML COM/INDG)	132	142,224	425.00	2.332	387,767		142,224	387,767	
59	260 - TRANSP (230 LRG COM/INDG)	497	1,121,093	425.00	2.036	2,493,770		1,121,093	2,493,770	
60	260 - TRANSP (240 DEMAND)	48		425.00		20,400		0	20,400	
61	Block 1 Volumes		96,000		1.141	109,536		96,000	109,536	
62	Block 2 Volumes		237,929		0.755	179,637		237,929	179,637	
63	Block 3 Volumes		0		0.349	0		0	0	
64	Demand Volumes		16,126		16.283	262,580		16,126	262,580	
65	260 - TRANSP (250 OPT GS)	641		425.00		272,425		0	272,425	
66	Block 1 Volumes		1,217,594		1.141	1,389,274		1,217,594	1,389,274	
67	Block 2 Volumes		3,978,062		0.755	3,003,437		3,978,062	3,003,437	
68	Block 3 Volumes		0		0.349	0		0	0	
69	260 - TRANSP (280/250 ECON DEV - OPT GS)	5		425.00		2,125		0	2,125	
70	Block 1 Volumes		10,000		1.141	11,410		10,000	11,410	
71	Block 1 Volumes @ Discount Rate		0		0.856	0		0	0	
72	Block 2 Volumes		203,360		0.755	153,537		203,360	153,537	
73	Block 2 Volumes @ Discount Rate		6,000		0.566	3,398		6,000	3,398	
74	Block 3 Volumes		0		0.349	0		0	0	
75	Block 3 Volumes @ Discount Rate		165,165		0.282	43,232		165,165	43,232	
76	SPECIAL CONTRACTS	43	1,284,296			460,017		1,284,296	460,017	
77	Total Transportation	1,366	8,461,723			8,792,543	0	8,461,723	8,792,543	
78										
79	TOTALS	1,615,993	23,895,057			\$63,558,349	(994,896)	22,900,161	\$61,974,757	(\$1,510,705)
80										
81	4870 - Forfeited Discount					\$811,372			\$811,372	
82	4880 - Miscellaneous Service charges					\$427,876			\$427,876	
83	TOTAL MARGIN REVENUES					<u>\$64,797,597</u>			<u>\$63,214,005</u>	

Line No.	Description	12 Mths Ended Jun 14		Rates effective Jun 14		12 mths Jun 14 Weather adj at Jun 14 rates	N O T F	Customer Changes Base Count	Customer Changes Volumes Mcf	210,211,225 220,221,230C		1.62% 0.99%	0.00% 0.00%	Adjusted Base Count	Adjusted Volumes Mcf	Total Adjusted Margin Rev
		Base Count	Weather Adj. Vol Mcf	Monthly Customer chg	Commodity Charge/Mcf					Base Count	Volumes Mcf	Declining Usage Volumes Mcf				
1	RESIDENTIAL															
2	210 Residential Gas Service (Summer)	584,867	835,236	\$13.85	\$1.227	\$9,125,242				18,204	25,997	0		663,071	861,233	\$8,406,270
3	210 Residential Gas Service (Winter) (weather sensitive)	826,242	6,878,880	\$16.85	\$1.227	22,362,563				25,717	214,108	0		851,959	7,092,988	23,058,608
4	210 Residential Gas Service Senior Citizen (Summer)	714	521	\$0.00	\$1.227	840				22	16	0		736	537	659
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	1,027	6,779	\$0.00	\$1.227	10,772				32	273	0		1,059	9,052	11,107
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling	12	239	\$13.85	\$0.719	338				0	7	0		12	247	348
7	Total Residential	1,412,862	7,723,655			31,490,555		0	0	43,976	240,402	0		1,456,838	7,964,058	32,479,994
8																
9	COMMERCIAL															
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling	12	209	13.85	0.719	318				0	6			12	215	326
11	220 Commercial Gas Service (weather sensitive)	190,262	5,133,229	35.00	2.332	18,829,860				3,610	97,989	0		193,872	5,230,618	18,983,312
12	230 Large Commercial Gas Service (weather sensitive)	15	29,701	375.00	2.036	66,097				0	564			15	30,265	87,351
13	250 Commercial Interruptible Gas Service	0		425.00		0								0	0	0
14	Block 1 Volumes	0	0		1.141	0								0	0	0
15	Block 2 Volumes	0	0		0.755	0								0	0	0
16	Block 3 Volumes	0	0		0.349	0								0	0	0
17	293 Large Tonnage Air Conditioning Gas Service	12		35.00		420								12	0	420
18	Block 1 Volumes		14,318		1.141	16,337									14,318	16,337
19	Block 2 Volumes		2,111		0.755	1,594									2,111	1,594
20	Block 3 Volumes		0		0.349	0									0	0
21	Total Commercial	190,301	5,179,568			16,714,624		0	0	3,610	97,989	0		193,911	5,277,527	19,069,340
22																
23	INDUSTRIAL															
24	220 Industrial Gas Service (weather sensitive)	3,863	541,624	35.00	2.332	1,398,272				73	10,276			3,936	551,900	1,424,800
25	230 Large Industrial Gas Service	108	290,206	375.00	2.036	631,360		(12)	(225,328)					96	64,878	168,092
26	240 DEMAND/COMM GS	0		425.00		0								0	0	0
27	Block 1 Volumes	0	0		1.141	0								0	0	0
28																

Tennessee Distribution System
Proof of Revenues and Calculation of Rates
Rate Design

Historic Base Period Ended June 30, 2014 and Forward Looking Test Year Ended May 31, 2016

Additional Revenue: 5,888,612

Line No.	Description	Rate Effective Jan 14 Monthly Customer chg	Commodity Charge/Mcf	Adjusted Base Count	Adjusted Volumes Mcf	Total Adjusted Margin Rev	Cust Charge Rev	Commodity Charge Rev	Cust Charge %	Commodity Charge %	% Total Rev	Allocated Amount of Increase	Proposed Cust Charge	Proposed Commodity Charge	Proposed Cust Rev	Proposed Commodity Rev	Total	Cust Charge %	Commodity Charge %	% Total Rev
1	Rate Schedule 210/225																			
2	210/225 SUMMER	\$13.85	\$1,227	606,147	870,624	\$2,463,393	\$6,395,137	\$1,068,265	70%	30%	\$1.91%	3,055,910	15.25	1.353	\$2,243,743	\$1,177,892	10,421,626	70%	30%	\$1.91%
3	210/225 WINTER (weather sensitive)	\$16.85	\$1,227	859,230	713,591	\$2,185,901	\$14,427,477	\$6,757,824					18.25	1.353	\$16,526,199	\$3,656,573	25,232,772			
4	210/225 SR CIT	\$0.00	\$1,227	1,795	9,560	\$11,167	\$0	\$1,167					0.00	1.353	\$0	\$12,974	12,974			
5	Total 210/225			1,464,172	8,017,955	32,660,461	22,822,614	9,337,944	70%	30%	\$1.91%	3,055,910			24,669,943	10,847,429	35,717,372	70%	30%	\$1.91%
6	Rate Schedule 211																			
7	211 HVAC	\$13.85	\$0.719	25	462	676	\$343	\$332	51%	49%	0.00%	63	15.25	0.701	\$377	\$361	738	51%	49%	0.00%
8	Rate Schedule 220																			
9	220 Commercial / Industrial Gas Service	\$35.00	\$2,332	197,908	5,762,618	20,408,112	\$6,923,280	\$13,484,832	34%	66%			36.00	2.560	\$7,516,704	\$14,804,066	22,320,770	34%	66%	
10	220 Transportation	\$425.00	\$2,332	132	142,224	387,767	\$56,100	\$331,667	14%	86%			435.00	2.560	\$57,420	\$364,114	421,534	14%	86%	
11	Total 220			497,940	5,924,742	20,795,879	6,979,380	13,816,499	34%	66%	33.05%	1,946,425			7,574,124	15,168,180	22,742,304	33%	67%	33.05%
12	Rate Schedule 221																			
13	221 Experimental School Gas Service	\$35.00	\$1,134	62	70,564	82,218	\$2,176	\$80,042	3%	97%	0.13%	7,695	36.00	1.240	\$2,362	\$87,552	89,914	3%	97%	0.13%
14	Rate Schedule 230																			
15	230 Large Commercial / Industrial Gas Service	\$375.00	\$2,036	111	95,143	235,143	\$44,732	\$193,111	16%	82%			386.00	2.239	\$42,945	\$213,019	255,964	17%	83%	
16	230 Transportation	\$425.00	\$2,036	487	1,328,851	2,912,103	\$211,225	\$2,700,878	7%	93%			435.00	2.239	\$216,195	\$2,970,097	3,186,292	7%	93%	
17	Total 230			603	1,421,704	3,147,546	252,957	2,894,958	8%	92%	5.00%	294,600			259,140	3,183,106	3,442,146	8%	92%	5.00%
18	Rate Schedule 240/250/260/292/293																			
19	240 Demand/Commodity Gas Service	\$425.00		48		20,440	\$20,400	\$109,336					435.00	1.254	\$20,880	\$120,352	20,880			
20	Block 1 Volumes		\$1,141		96,000	109,536		\$179,637									120,352			
21	Block 2 Volumes		\$0.755		237,929	179,637		\$0									197,396			
22	Block 3 Volumes		\$0.349		0	0		\$0									0			
23	250 Interruptible Gas Service			924		382,700	\$382,700	\$1,701,382					435.00	1.254	\$401,940	\$1,665,380	401,940			
24	Block 1 Volumes		\$1,141		1,491,133	1,701,382		\$3,046,610									1,669,380			
25	Block 2 Volumes		\$0.755		4,035,245	3,046,610		\$0									3,347,640			
26	Block 3 Volumes		\$0.349		0	0		\$0									0			
27	260 ECON DEV - OPT GS			36		15,300	\$15,300	\$54,768					435.00	0.383	\$15,660	\$55,176	15,660			
28	Block 1 Volumes		\$1,141		42,000	54,768		\$20,538									60,176			
29	Block 2 Volumes @ Discount Rate		\$0.856		24,000	20,538		\$462,982					0.940	0.940	\$22,566	\$22,566	22,566			
30	Block 3 Volumes		\$0.755		699,976	452,982		\$163,075					0.830	0.830	\$487,740	\$487,740	487,740			
31	Block 1 Volumes @ Discount Rate		\$0.565		287,992	163,075		\$0					0.622	0.622	\$175,169	\$175,169	175,169			
32	Block 2 Volumes		\$0.349		0	0		\$0					0.383	0.383	\$0	\$0	0			
33	Block 3 Volumes @ Discount Rate		\$0.262		186,887	48,916		\$48,916					0.288	0.288	\$53,751	\$53,751	53,751			
34	Block 1 Volumes		\$1,141		2,949	420		\$3,365					36.00	1.254	\$465	\$3,698	465			
35	Block 2 Volumes		\$0.755		0	0		\$0					0.830	0.830	\$0	\$0	0			
36	Block 3 Volumes		\$0.349		0	0		\$0					0.383	0.383	\$0	\$0	0			
37	Block 1 Volumes		\$1,141		14,318	16,337		\$19,337					36.00	1.254	\$465	\$17,950	465			
38	Block 2 Volumes		\$0.755		2,111	1,594		\$1,594					0.830	0.830	\$1,752	\$1,752	1,752			
39	Block 3 Volumes		\$0.349		0	0		\$0					0.383	0.383	\$0	\$0	0			
40	Block 1 Volumes		\$1,141		7,026,541	8,227,932		\$7,993,742							\$490,392	\$6,371,578	8,810,970	6%	94%	9.00%
41	Block 2 Volumes		\$0.755		0	0		\$0									0			
42	Block 3 Volumes		\$0.349		0	0		\$0									0			
43	292 Cogeneration, CNG, Prime Movers Service			12		420	\$420	\$3,365									3,698			
44	Block 1 Volumes		\$1,141		2,949	420		\$3,365					36.00	1.254	\$465	\$17,950	465			
45	Block 2 Volumes		\$0.755		0	0		\$0					0.830	0.830	\$1,752	\$1,752	1,752			
46	Block 3 Volumes		\$0.349		0	0		\$0					0.383	0.383	\$0	\$0	0			
47	293 Large Tonnage Air Conditioning Gas Service			12		420	\$420	\$3,365									3,698			
48	Block 1 Volumes		\$1,141		14,318	16,337		\$19,337					36.00	1.254	\$465	\$17,950	465			
49	Block 2 Volumes		\$0.755		2,111	1,594		\$1,594					0.830	0.830	\$1,752	\$1,752	1,752			
50	Block 3 Volumes		\$0.349		0	0		\$0					0.383	0.383	\$0	\$0	0			
51	Total 240/250/260/292/293			1,032	7,026,541	8,227,932	428,240	5,799,742	7%	93%	9.00%	582,916			\$490,392	\$6,371,578	6,810,970	6%	94%	9.00%
52	TOTALS			1,663,840	22,461,838	62,914,761	30,466,709	32,428,051	48%	52%	100.00%	5,888,612			33,145,228	35,659,206	68,803,444	48%	52%	100.00%

Atmos Energy Corp - Tennessee Distribution System
Proof of Revenues and Calculation of Rates
Summary Of Present And Proposed Rates
Forward Looking Test Year Ended May 31, 2016

Schedule 11-4

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
Sales and Transportation Revenues:		
210 Residential Gas Service (WINTER)		
Customer Charge	\$16.85	\$18.25
Commodity Charge	\$1.227	\$1.353
210 Residential Gas Service (SUMMER)		
Customer Charge	\$13.85	\$15.25
Commodity Charge	\$1.227	\$1.353
211 Residential & Small Commercial/Industrial Heating & Cooling		
Customer Charge	\$13.85	\$15.25
Commodity Charge	\$0.719	\$0.781
220 Commercial & Industrial Gas Service		
Customer Charge	\$35.00	\$38.00
Commodity Charge	\$2.332	\$2.560
221 Experimental School Gas Service		
Customer Charge	\$35.00	\$38.00
Commodity Charge	\$1.134	\$1.240
225 Public Housing Authority Gas Service (WINTER)		
Customer Charge	\$16.85	\$18.25
Commodity Charge	\$1.227	\$1.353
225 Public Housing Authority Gas Service (SUMMER)		
Customer Charge	\$13.85	\$15.25
Commodity Charge	\$1.227	\$1.353
230 Large Commercial & Industrial Gas Service		
Customer Charge	\$375.00	\$385.00
Commodity Charge	\$2.036	\$2.239
240 Demand/Commodity Gas Service		
Customer Charge	\$425.00	\$435.00
1 - 2,000 Mcf	\$1.141	\$1.254
Next 48,000 Mcf	\$0.755	\$0.830
Over 50,000 Mcf	\$0.349	\$0.383
Demand Charge	\$16.283	\$16.283
250 Interruptible Gas Service		
Customer Charge	\$425.00	\$435.00
1 - 2,000 Mcf	\$1.141	\$1.254
Next 48,000 Mcf	\$0.755	\$0.830
Over 50,000 Mcf	\$0.349	\$0.383
260 Transportation Service / 250 Interruptible Gas Service		
Customer Charge	\$425.00	\$435.00
1 - 2,000 Mcf	\$1.141	\$1.254
Next 48,000 Mcf	\$0.755	\$0.830
Over 50,000 Mcf	\$0.349	\$0.383
260 Transportation Service / 220 Commercial & Industrial Gas Service		
Customer Charge	\$425.00	\$435.00
Commodity Charge	\$2.332	\$2.560
260 Transportation Service / 230 Large Commercial & Industrial Gas Service		
Customer Charge	\$425.00	\$435.00
Commodity Charge	\$2.036	\$2.239
Schedule 280 Economic Development Gas Service		
Customer Charge	\$425.00	\$435.00
1 - 2,000 Mcf	\$1.141	\$1.254
1 - 2,000 Mcf @ Discount Rate	\$0.856	\$0.940
Next 48,000 Mcf	\$0.755	\$0.830
Next 48,000 Mcf @ Discount Rate	\$0.566	\$0.622
Over 50,000 Mcf	\$0.349	\$0.383
Over 50,000 Mcf @ Discount Rate	\$0.262	\$0.288
Schedule 292 Cogeneration, CNG, Prime Movers, Fuel Cell Service		
Customer Charge	\$35.00	\$38.00
1 - 2,000 Mcf	\$1.141	\$1.254
Next 48,000 Mcf	\$0.755	\$0.830
Over 50,000 Mcf	\$0.349	\$0.383
Schedule 293 Large Tonnage Air Conditioning Gas Service		
Customer Charge	\$35.00	\$38.00
1 - 2,000 Mcf	\$1.141	\$1.254
Next 48,000 Mcf	\$0.755	\$0.830
Over 50,000 Mcf	\$0.349	\$0.383