

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE

**RECEIVED**

**MAR 29 2018**

IN RE:

**TN PUBLIC UTILITY COMMISSION**

**DOCKET OFFICE**

ATMOS ENERGY CORPORATION )  
ANNUAL RECONCILIATION )  
OF ANNUAL REVIEW MECHANISM )

**DOCKET NO. 17-00091**

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**RESPONSE OF ATMOS ENERGY CORPORATION TO  
CONSUMER ADVOCATE'S MOTION IN LIMINE  
TO EXCLUDE TESTIMONY AND CONSIDERATION OF  
POTENTIAL TAX NORMALIZATION VIOLATIONS  
AND CONSUMER ADVOCATE'S PRE-HEARING BRIEF**

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As Atmos Energy has said in this docket since October, combining tax expense from one period with ADIT from another violates IRS normalization rules, which require tax expense, rate base, depreciation, and ADIT to be taken from the same period, and prohibit using an ADIT amount greater than what it was during the period of time from which the tax expense figure is taken. The Consumer Advocate's position would violate these rules by combining tax expense from September 2016 with ADIT from May 2017; ADIT was greater at May 2017 than it was at September 2016 (on a 13-month average basis). Atmos Energy's position would not violate the normalization rules, because tax expense and ADIT would come from the same period, ending May 2017. Under Atmos Energy's ARM Tariff, the end result of this docket will be an Annual Reconciliation Revenue Requirement figure that ultimately will be implemented in rates beginning June 1. Failing to use a normalization method of accounting in this docket would be a normalization violation; a violation cannot be avoided by delaying consideration of the normalization issues to a future docket. If the end result of this docket violates IRS normalization rules (as it will if the Consumer Advocate's position is adopted), this would have serious detrimental consequences for Tennessee ratepayers under IRS rules. The normalization

consequences of the decision in this docket are, therefore, relevant to the public interest and the TPUC should not exclude evidence or argument about the IRS tax normalization rules or their application here.

Tax normalization issues are not new in this case. Atmos Energy explained the normalization problem with combining September 2016 tax expense and May 2017 ADIT in October 2017, in response to the Advocate's discovery requests. *See, e.g.*, Atmos Energy Responses to CPAD DR 1-03(g) (filed October 19, 2017). Citing applicable Treasury Regulations, Atmos Energy stated that a "taxpayer DOES NOT use a normalization method if, for ratemaking purposes, the amount of the accumulated deferred federal income tax reserve [ADIT] which is excluded from rate base exceeds the amount in the reserve for deferred taxes for the period used in determining the taxpayer's cost of service." *Id.* This is the rule sometimes referred to as the "Limitation." *See* Pre-Hearing Brief of Atmos Energy Concerning Tax Normalization at 3. The Company's response also explained that "the normalization provisions require a utility to align the ADIT reserve included as a reduction to rate base with the deferred taxes included in tax expense in cost of service." Response to CPAD DR 1-03(g). This rule is sometimes referred to as the "Consistency Rule." *See* Pre-Hearing Brief of Atmos Energy Concerning Tax Normalization at 4. Atmos Energy further stated in its October discovery response that "To include a per-books tax expense number from a period other than the test period and a reduction to rate base for deferred taxes for the text period would clearly violate these provisions." Response to DR 1-03(g). *See also* Rebuttal Test. of Jennifer Story at 9 *et seq.*

Atmos Energy has shown that mixing September 2016 tax expense with May 2017 ADIT would violate two normalization requirements – the Consistency Rule and the Limitation. *See* Pre-Hearing Brief of Atmos Energy Concerning Tax Normalization (citing IRC § 168(i)(9)(B) and

Treas. Reg. § 1.167(l)-1(h)(6)(i)). Atmos Energy's Brief analyzed the applicable legal authorities on these issues. For brevity, that briefing is incorporated by reference herein. The Consistency Rule requires the use of consistent time periods for tax expense, ADIT, rate base, and depreciation. And the Limitation prohibits using an ADIT figure greater than what it was during the period from which the tax expense figure is taken. As the record here shows, ADIT for the period ending May 2017 exceeds ADIT for the period ending September 2016 (the period from which the Advocate seeks to take the tax expense figure). *See id* (citing Exhibit GKW-R-1, WP 7-1; Atmos Energy Resp. to CPAD DR 1-10, Att. 3, Plant Balances 2017 TN True-Up Filing.xlsx (filed October 19, 2017)). And responding to the Advocate's recent questions, this is true when comparing *thirteen-month average* ADIT, the metric the Advocate insists is required. Thirteen-month average ADIT was \$50,065,229 for the period ending September 30, 2016 and \$50,680,474 for the period ending May 31, 2017. *See* Exhibit GKW-R-1, WP 7-1, and Atmos Energy Resp. to CPAD DR 1-10, Att.3, Plant Balances 2017 TN True-Up Filing.xlsx (filed October 19, 2017). Copies of the relevant pages from these spreadsheets are attached.

The Advocate offers nothing in response: no Treasury Regulation, no Private Letter Ruling, and no testimony demonstrating that it would be allowable under the normalization rules to combine September 2016 tax expense with May 2017 ADIT. This should be little surprise given the clarity of the normalization issues here.

Contrary to what has been suggested by the Advocate, Atmos Energy has in fact shown that its proposed solution (to determine income tax expense by applying statutory rates to required return for the period ending May 2017) would comply with the normalization requirements: "the normalization provisions require a utility to align the ADIT reserve included as a reduction to rate base with the deferred taxes included in tax expense in cost of service. *The Company has done*

*so in this filing.*” Atmos Energy Responses to CPAD DR1-03(g) (filed October 19, 2017) (emphasis added); *see also* Rebuttal Test. of Jennifer K. Story at 12, lines 3-6. It is difficult to understand what more the Company is supposed to have said. As explained in Atmos Energy’s Pre-Hearing Brief Concerning Tax Normalization, the normalization problem arises from misalignment of the time periods for tax expense and ADIT. Atmos Energy’s solution fixes the problem by taking ADIT and tax expense from the same time period (ending May 2017). *See* Rebuttal Test. of Jennifer K. Story at 11-12.

And contrary to the Advocate’s arguments, Atmos Energy’s proposed solution would in fact determine “actual” income tax expense for the May 2017 period being reconciled, whereas September 2016 booked tax expense would not:

*Actual income tax expense is reflected in the proposed rates for Atmos Tennessee in the current filing.* As described in Ms. Story’s testimony on page 3, income tax expense in the filing was calculated by applying the federal and Tennessee statutory income tax rates to the required return, as shown on Schedule 8. This calculation results in the actual income tax expense for the period and the proper collection of income tax associated with the TN operations and the associated required return. *The methodology yields the actual amount of income tax that will be remitted by the Company either currently or in the future based upon the required return earned for the period associated with this filing. . . .* [I]ncluding per-books income tax for Atmos Tennessee would not be reflective of actual Tennessee income tax expense. Instead, actual income tax expense is the amount resulting from applying the federal and Tennessee statutory income tax rates to the required return.

Atmos Energy Responses to CPAD DR1-03(i) (filed October 19, 2017) (emphasis added).

Similarly, Atmos Energy witness Jennifer Story testified:

The inclusion of income tax expense using the statutory income tax rate . . . results in the including of both current and deferred income taxes resulting from [the] revenue requirement reflected in this filing. This calculation aligns the income tax liability incurred by the Company with the operations included in the revenue requirement for the Test Year ended May 31, 2017 and therefore results in matching of the income tax included in this filing with the revenues that gave rise to the income tax liability. By its very definition, this calculation of income tax expense *meets the definition of ‘actual results’* as required by the Settlement Agreement

for the ARRR. Mr. Novak's proposal to require the Company to include the per books income tax expense from a prior period would not result in actual results being substituted in place of forecasted amounts for the reconciliation filing. His proposal neither meets the stated requirements nor the spirit of the Settlement Agreement.

Rebuttal Test. of Jennifer K. Story at 3 (citation omitted, emphasis added); *see also* Direct Test. of Jennifer K. Story at 4. Income tax expense calculated at statutory rates does in fact *equal* "actual results" for income tax expense applicable to the revenue requirement for the period being reconciled, including both current and deferred taxes, as required by IRS normalization accounting rules. *Id.* This point bears emphasis. Calculating tax expense by multiplying statutory tax rates by the May 2017-period revenue requirement does in fact measure the Company's actual income tax expense (current and deferred) for the period under review. The Consumer Advocate has not attempted to show otherwise. Instead, it argues that the Commission must use an incorrect tax expense figure from September 2016 because the Settlement Agreement in Docket 14-00146 refers to "actual results," and because this term requires the slavish use of a book entry of some sort for every number, even when that number is undisputedly wrong, the right number is known, and use of the wrong number would cause a tax normalization violation. In its most recent briefing, the Advocate goes so far as to suggest that Atmos Energy should simply make a different May 31, 2017 book entry for tax expense. Consumer Advocate's Pre-Hearing Reply Brief at 20. But the operative language refers to "actual results," not booked results. It does not call for Atmos Energy to change the way in which its tax expenses are booked at the corporate level, or to deviate from GAAP and IRS accounting rules.<sup>1</sup> It does not require the use of a tax expense number that is undisputedly incorrect when the correct number is known. And it does not require mixing September 2016 tax expense with May 2017 ADIT in violation of IRS normalization rules.

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<sup>1</sup> See Direct Testimony of Jennifer K. Story at 6-12; January 16, 2018 TPUC Hearing Transcript in Docket 17-00091 at 80-82.

Under Atmos Energy's ARM tariff, this reconciliation proceeding was filed to determine the Annual Reconciliation Revenue Requirement. The tariff provides: "New rates shall be calculated to produce a net rate adjustment comprised of the Annual Reconciliation Revenue Requirement from the most recently completed Forward Looking Test Year and the revenue sufficiency/deficiency for the ensuing Forward Looking Test Year, all determined in accordance with the Approved Methodologies. The resulting rates shall be effective on bills rendered on and after June 1 of each year." Atmos Energy Tariff Sheet 34.6. Under the tariff, the Annual Reconciliation Revenue Requirement determined in this docket will be implemented in rates. If it is determined in contravention of IRS normalization rule requirements, the Company will be in violation of the normalization rules. That will be the case whether or not testimony or argument about normalization is admitted at the hearing of this matter. There is no requirement that a taxpayer (or a regulator) intend to flow through all or part of the benefit of accelerated depreciation for a procedure to violate the normalization rules. Any procedure that achieves that economic effect will give rise to a violation. Having attempted to correct its inadvertent normalization violation from Docket 16-00105 at the next available opportunity (this docket), in accordance with Revenue Procedure 2017-47 concerning inadvertent normalization violations, the Company would no longer be entitled to dispensation under that Revenue Procedure. The Company would be required to report the normalization violation to the IRS. And the effect would be to disqualify Atmos Energy from claiming accelerated depreciation in the future, allowing only regulatory depreciation for tax purposes. *See, e.g.,* PLR 200824001 (June 13, 2008). If that were to occur, the Company would, in the future, create no more depreciation-related deferred taxes to replace the "run down" of the existing ADIT balance as the underlying timing differences reverse. This inability to generate additional cost-free capital in conjunction with the depletion of the Company's

existing stock of cost-free capital would have a serious and long-term detrimental impact on ratepayers.


Such public interest considerations are certainly material. Evidence and argument concerning these tax normalization issues is relevant and admissible. Tenn. R. Evid. 401 (“‘Relevant evidence’ means evidence having any tendency to make the existence of any fact that is of consequence to the determination of the action more probable or less probable than it would be without the evidence.”); 402 (“All relevant evidence is admissible except as provided by the Constitution of the United States, the Constitution of Tennessee, these rules, or other rules or laws of general application in the courts of Tennessee. Evidence which is not relevant is not admissible.”).

### **CONCLUSION**

For these reasons, the Consumer Advocate’s motion in limine should be denied.

Respectfully submitted,

**NEAL & HARWELL, PLC**

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing has been served, via the method(s) indicated below, on the following counsel of record, this the 29th day of March, 2018.

<input type="checkbox"/> Hand	Wayne M. Irvin
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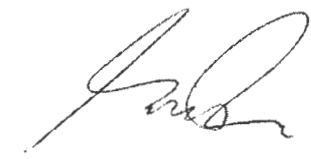
  
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Exhibit GKW-R-1, WP 7-1  
(filed 12/20/2017)

	Division 093	Division 091	Division 012	CKV	Division 002	Greenville	AEAM	ALGN
FY 16	43.23%	4.46%	0.97%	4.43%	1.33%	5.31%	0.00%	
Oct FY17	41.81%	4.52%	1.86%	4.26%	1.29%	5.20%	0.00%	
Nov-Dec FY17	41.88%	4.52%	1.86%	4.36%	1.29%	5.37%	0.00%	

Line No.	Month	Division 093 -	Division 091 -	Division 012 -	Division 002-		Greenville	AEAM	ALGN	100%	41.88%	4.52%	1.86%	4.33%	1.29%	5.36%	0.00%	Total Tennessee
		Tennessee	Mid-States General Office	SSU Customer	CKV	SSU General												
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	
1	Gas Plant in Service (Account 101) 13 month average Balances																	
2																		
3	May-16	471,781,613	3,844,891	149,321,871	12,955,099	166,700,805	9,196,755	21,720,201	0	471,781,613	1,662,298	6,662,579	125,056	7,380,108	122,748	1,153,154	0	488,887,557
4	Jun-16	472,633,989	3,837,361	149,400,613	12,955,099	166,749,207	9,196,755	21,720,201	0	472,633,989	1,659,130	6,666,093	125,056	7,382,251	122,748	1,153,154	0	489,742,421
5	Jul-16	475,718,600	3,838,277	149,406,119	12,955,099	167,413,171	9,196,755	21,720,201	0	475,718,600	1,659,439	6,666,338	125,056	7,411,646	122,748	1,153,154	0	492,856,982
6	Aug-16	479,025,599	3,838,277	149,325,218	15,056,078	165,513,148	9,196,755	21,694,056	0	479,025,599	1,659,439	6,662,728	145,337	7,327,529	122,748	1,151,766	0	496,095,147
7	Sep-16	488,567,203	3,838,257	125,095,393	15,067,448	133,411,908	9,196,755	21,970,034	17,637,860	488,567,203	1,659,431	5,581,620	145,447	5,906,356	122,748	1,166,418	0	503,149,223
8	Oct-16	490,955,226	3,838,257	125,312,693	15,067,448	136,534,428	9,196,755	21,970,034	17,713,576	490,955,226	1,664,886	5,663,485	280,082	5,823,077	118,539	1,141,858	0	505,587,154
9	Nov-16	497,240,207	3,838,257	125,312,554	15,067,448	138,730,739	9,196,755	21,970,034	17,840,215	497,240,207	1,607,365	5,663,478	280,082	6,047,892	118,539	1,179,504	0	512,137,068
10	Dec-16	500,874,792	3,532,066	124,480,648	15,067,448	143,947,579	9,196,755	22,527,307	18,095,299	500,874,792	1,479,140	5,625,980	280,082	6,275,317	118,539	1,299,422	0	515,863,173
11	Jan-17	502,584,981	3,569,607	124,588,243	15,229,806	145,492,815	9,196,755	22,527,307	18,115,631	502,584,981	1,494,862	5,630,743	283,100	6,306,124	118,539	1,208,479	0	517,626,828
12	Feb-17	505,104,362	3,569,607	124,606,630	15,244,500	145,505,267	9,196,755	22,527,307	18,157,511	505,104,362	1,494,862	5,631,574	283,373	6,306,664	118,539	1,208,479	0	520,147,853
13	Mar-17	506,783,305	3,582,953	124,711,811	15,250,689	140,984,161	9,196,755	22,527,307	18,160,101	506,783,305	1,500,451	5,636,328	283,488	6,110,705	118,539	1,208,479	0	521,641,295
14	Apr-17	509,204,724	3,582,953	124,756,304	15,782,243	141,006,278	9,196,755	22,527,307	18,160,101	509,204,724	1,500,451	5,638,339	293,371	6,111,663	118,539	1,208,479	0	524,075,565
15	May-17	510,667,644	3,582,953	124,532,578	15,792,825	141,266,366	9,196,755	22,527,307	18,160,101	510,667,644	1,500,451	5,628,227	293,566	6,122,936	118,539	1,208,479	0	525,539,842
16	Average	493,164,788	3,714,916	132,373,129	14,730,102	148,711,990	9,196,755	22,148,354	12,464,492	493,164,788	1,575,554	5,950,570	226,392	6,500,944	120,158	1,180,833	0	508,719,239
17																		
18	Construction Work in Process (Account 1070)																	
19																		
20	May-16	11,228,471	750,911	1,873,986	0	25,332,896	0	0	0	11,228,471	324,649	83,615	0	1,121,527	0	0	0	12,758,262
21	Jun-16	13,124,282	663,366	2,120,281	0	28,458,555	0	0	0	13,124,282	286,800	94,605	0	1,259,905	0	0	0	14,765,591
22	Jul-16	11,983,706	846,475	2,281,485	0	28,786,709	0	0	0	11,983,706	365,965	101,797	0	1,274,433	0	0	0	13,725,901
23	Aug-16	11,534,764	479,088	2,699,372	0	29,472,446	0	0	0	11,534,764	207,129	120,443	0	1,304,792	0	0	0	13,167,127
24	Sep-16	5,923,408	478,270	3,463,099	0	14,245,888	0	0	0	5,923,408	206,775	154,546	0	630,688	0	0	0	6,915,418
25	Oct-16	7,930,419	409,022	3,457,249	0	12,792,468	0	0	0	7,930,419	171,024	156,250	0	545,588	0	0	0	8,803,281
26	Nov-16	9,344,680	392,928	3,748,167	0	15,016,644	0	0	0	9,344,680	164,548	169,398	0	654,642	0	0	0	10,333,269
27	Dec-16	8,309,413	747,893	2,139,615	0	5,911,075	0	0	0	8,309,413	313,199	96,699	0	257,600	0	0	0	8,977,001
28	Jan-17	11,238,408	578,465	2,160,833	0	5,730,948	0	0	0	11,238,408	242,247	97,658	0	248,308	0	0	0	11,826,711
29	Feb-17	11,056,540	669,905	2,489,320	0	7,419,945	0	0	0	11,056,540	280,539	112,504	0	321,604	0	0	0	11,771,188
30	Mar-17	11,840,976	1,069,745	3,073,692	0	8,701,524	0	0	0	11,840,976	447,982	138,915	0	377,152	0	0	0	12,863,025
31	Apr-17	12,602,332	1,060,264	2,654,976	0	9,295,460	0	0	0	12,602,332	444,012	119,591	0	402,895	0	0	0	13,569,231
32	May-17	16,432,691	980,617	2,851,995	0	7,905,731	0	0	0	16,432,691	410,638	128,805	0	322,660	0	0	0	17,314,904
33	Average	10,965,392	702,073	2,693,436	0	15,313,099	0	0	0	10,965,392	297,348	121,178	0	672,460	0	0	0	12,056,378
34																		
35	Inventories- Plant Materials (Account 1540)																	
36																		
37	May-16	0	76,110	0	0	0	0	0	0	0	32,906	0	0	0	0	0	0	32,906
38	Jun-16	0	76,110	0	0	0	0	0	0	0	32,906	0	0	0	0	0	0	32,906
39	Jul-16	0	76,110	0	0	0	0	0	0	0	32,906	0	0	0	0	0	0	32,906
40	Aug-16	0	76,110	0	0	0	0	0	0	0	32,906	0	0	0	0	0	0	32,906
41	Sep-16	0	76,110	0	0	0	0	0	0	0	32,906	0	0	0	0	0	0	32,906
42	Oct-16	0	76,110	0	0	0	0	0	0	0	31,824	0	0	0	0	0	0	31,824
43	Nov-16	0	76,110	0	0	0	0	0	0	0	31,873	0	0	0	0	0	0	31,873
44	Dec-16	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
45	Jan-17	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
46	Feb-17	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
47	Mar-17	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
48	Apr-17	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
49	May-17	0	76,075	0	0	0	0	0	0	0	31,858	0	0	0	0	0	0	31,858
50	Average	0	76,094	0	0	0	0	0	0	0	32,260	0	0	0	0	0	0	32,260
51																		
52	Inventories- Gas Stored (Account 1641)																	
53																		
54	May-16	2,183,997	0	0	0	0	0	0	0	2,183,997	0	0	0	0	0	0	0	2,183,997
55	Jun-16	2,793,403	0	0	0	0	0	0	0	2,793,403	0	0	0	0	0	0	0	2,793,403
56	Jul-16	3,802,379	0	0	0	0	0	0	0	3,802,379	0	0	0	0	0	0	0	3,802,379
57	Aug-16	4,707,445	0	0	0	0	0	0	0	4,707,445	0	0	0	0	0	0	0	4,707,445
58	Sep-16	5,650,158	0	0	0	0	0	0	0	5,650,158	0	0	0	0	0	0	0	5,650,158

## WP 7.1

|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|



Atmos Energy Resp. to CPAD DR 1-10  
Att. 3 Plant Balances 2017 TN  
True-Up Filing.xlsx,  
Plant Balances Tab  
(filed October 19, 2017)

ATMOS ENERGY CORPORATION

Row	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	Allocation Factors:				Fiscal 2014	100%	41.48%	4.36%	4.50%	
					Fiscal 2015	100%	40.68%	4.41%	4.36%	

c. Inventories - Plant Materials (Account 1540) 13 month average balances.

Projection Method: Maintain October 2015 Balance										
	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Total
	093	091	012	002	093	091	012	002		
Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee	
1 Sep-14	0	14,487	0	0	0	6,009	0	0	0	6,009
2 Oct-14	0	14,487	0	0	0	5,893	0	0	0	5,893
3 Nov-14	0	13,310	0	0	0	5,415	0	0	0	5,415
4 Dec-14	0	13,310	0	0	0	5,415	0	0	0	5,415
5 Jan-15	0	13,310	0	0	0	5,415	0	0	0	5,415
6 Feb-15	0	13,310	0	0	0	5,415	0	0	0	5,415
7 Mar-15	0	13,310	0	0	0	5,415	0	0	0	5,415
8 Apr-15	0	13,310	0	0	0	5,415	0	0	0	5,415
9 May-15	0	13,310	0	0	0	5,415	0	0	0	5,415
10 Jun-15	0	13,310	0	0	0	5,415	0	0	0	5,415
11 Jul-15	0	13,310	0	0	0	5,415	0	0	0	5,415
12 Aug-15	0	12,038	0	0	0	4,897	0	0	0	4,897
13 Sep-15	0	12,038	0	0	0	4,897	0	0	0	4,897
14 Oct-15	0	12,038	0	0	0	5,205	0	0	0	5,205
15 Nov-15	0	12,038	0	0	0	5,205	0	0	0	5,205
16 Dec-15	0	12,038	0	0	0	5,205	0	0	0	5,205
17 Jan-16	0	12,038	0	0	0	5,205	0	0	0	5,205
18 Feb-16	0	12,038	0	0	0	5,205	0	0	0	5,205
19 Mar-16	0	12,038	0	0	0	5,205	0	0	0	5,205
20 Apr-16	0	12,038	0	0	0	5,205	0	0	0	5,205
21 May-16	0	76,110	0	0	0	32,906	0	0	0	32,906
22 Jun-16	0	76,110	0	0	0	32,906	0	0	0	32,906
23 Jul-16	0	76,110	0	0	0	32,906	0	0	0	32,906
24 Aug-16	0	76,110	0	0	0	32,906	0	0	0	32,906
25 Sep-16	0	76,110	0	0	0	32,906	0	0	0	32,906
26 Oct-16	0	76,110	0	0	0	32,906	0	0	0	32,906
27 Nov-16	0	76,110	0	0	0	32,906	0	0	0	32,906
28 Dec-16	0	76,075	0	0	0	32,890	0	0	0	32,890
29 Jan-17	0	76,075	0	0	0	32,890	0	0	0	32,890
30 Feb-17	0	76,075	0	0	0	32,890	0	0	0	32,890
31 Mar-17	0	76,075	0	0	0	32,890	0	0	0	32,890
32 Apr-17	0	76,075	0	0	0	32,890	0	0	0	32,890
33 May-17	0	76,075	0	0	0	32,890	0	0	0	32,890

c. Inventories - Gas Stored (Account 1641) 13 month average balances.

Projection Method: See separate file										
Includes Tennessee stored gas not on Tennessee books.										
	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Total
	093	091	012	002	093	091	012	002		
Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee	
1 Sep-14	10,977,031	0	0	0	10,977,031	0	0	0	0	10,977,031
2 Oct-14	12,389,639	0	0	0	12,389,639	0	0	0	0	12,389,639
3 Nov-14	11,417,285	0	0	0	11,417,285	0	0	0	0	11,417,285
4 Dec-14	9,601,496	0	0	0	9,601,496	0	0	0	0	9,601,496
5 Jan-15	5,415,338	0	0	0	5,415,338	0	0	0	0	5,415,338
6 Feb-15	2,068,982	0	0	0	2,068,982	0	0	0	0	2,068,982
7 Mar-15	1,249,171	0	0	0	1,249,171	0	0	0	0	1,249,171
8 Apr-15	2,228,674	0	0	0	2,228,674	0	0	0	0	2,228,674
9 May-15	2,863,249	0	0	0	2,863,249	0	0	0	0	2,863,249
10 Jun-15	3,943,954	0	0	0	3,943,954	0	0	0	0	3,943,954
11 Jul-15	5,063,337	0	0	0	5,063,337	0	0	0	0	5,063,337
12 Aug-15	6,011,913	0	0	0	6,011,913	0	0	0	0	6,011,913
13 Sep-15	6,991,712	0	0	0	6,991,712	0	0	0	0	6,991,712
14 Oct-15	7,900,453	0	0	0	7,900,453	0	0	0	0	7,900,453
15 Nov-15	7,356,415	0	0	0	7,356,415	0	0	0	0	7,356,415
16 Dec-15	6,956,958	0	0	0	6,956,958	0	0	0	0	6,956,958
17 Jan-16	4,731,251	0	0	0	4,731,251	0	0	0	0	4,731,251
18 Feb-16	3,343,955	0	0	0	3,343,955	0	0	0	0	3,343,955
19 Mar-16	1,671,951	0	0	0	1,671,951	0	0	0	0	1,671,951
20 Apr-16	1,687,406	0	0	0	1,687,406	0	0	0	0	1,687,406
21 May-16	2,189,335	0	0	0	2,189,335	0	0	0	0	2,189,335
22 Jun-16	2,908,433	0	0	0	2,908,433	0	0	0	0	2,908,433
23 Jul-16	4,053,565	0	0	0	4,053,565	0	0	0	0	4,053,565
24 Aug-16	5,097,507	0	0	0	5,097,507	0	0	0	0	5,097,507

ATMOS ENERGY CORPORATION

Row	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	Allocation Factors:				Fiscal 2014	100%	41.48%	4.36%	4.50%	
					Fiscal 2015	100%	40.68%	4.41%	4.36%	
25	Sep-16	6,040,874	0	0	0	6,040,874	0	0	0	6,040,874
26	Oct-16	7,459,943	0	0	0	7,459,943	0	0	0	7,459,943
27	Nov-16	6,719,832	0	0	0	6,719,832	0	0	0	6,719,832
28	Dec-16	5,551,825	0	0	0	5,551,825	0	0	0	5,551,825
29	Jan-17	4,896,545	0	0	0	4,896,545	0	0	0	4,896,545
30	Feb-17	2,857,800	0	0	0	2,857,800	0	0	0	2,857,800
31	Mar-17	1,095,961	0	0	0	1,095,961	0	0	0	1,095,961
32	Apr-17	2,191,141	0	0	0	2,191,141	0	0	0	2,191,141
33	May-17	3,548,409	0	0	0	3,548,409	0	0	0	3,548,409

f. Customers Deposits (Account 2350) 13 month average balances.

Projection Method: Assume 0.35% annualized growth rate from October 2015 forward for direct only

	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	
	093	091	012	002	093	091	012	002	Total
Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee
1	Sep-14	(3,653,647)	0	0	0	(3,653,647)	0	0	(3,653,647)
2	Oct-14	(3,718,222)	0	0	0	(3,718,222)	0	0	(3,718,222)
3	Nov-14	(3,831,710)	0	0	0	(3,831,710)	0	0	(3,831,710)
4	Dec-14	(4,019,037)	0	0	0	(4,019,037)	0	0	(4,019,037)
5	Jan-15	(4,109,420)	0	0	0	(4,109,420)	0	0	(4,109,420)
6	Feb-15	(4,185,300)	0	0	0	(4,185,300)	0	0	(4,185,300)
7	Mar-15	(4,263,935)	0	0	0	(4,263,935)	0	0	(4,263,935)
8	Apr-15	(4,406,482)	0	0	0	(4,406,482)	0	0	(4,406,482)
9	May-15	(4,458,811)	0	0	0	(4,458,811)	0	0	(4,458,811)
10	Jun-15	(4,519,055)	0	0	0	(4,519,055)	0	0	(4,519,055)
11	Jul-15	(4,586,802)	0	0	0	(4,586,802)	0	0	(4,586,802)
12	Aug-15	(4,618,476)	0	0	0	(4,618,476)	0	0	(4,618,476)
13	Sep-15	(4,648,844)	0	0	0	(4,648,844)	0	0	(4,648,844)
14	Oct-15	(4,735,437)	0	0	0	(4,735,437)	0	0	(4,735,437)
15	Nov-15	(4,812,967)	0	0	0	(4,812,967)	0	0	(4,812,967)
16	Dec-15	(4,823,925)	0	0	0	(4,823,925)	0	0	(4,823,925)
17	Jan-16	(4,846,090)	0	0	0	(4,846,090)	0	0	(4,846,090)
18	Feb-16	(4,854,041)	0	0	0	(4,854,041)	0	0	(4,854,041)
19	Mar-16	(4,867,719)	0	0	0	(4,867,719)	0	0	(4,867,719)
20	Apr-16	(4,790,060)	0	0	0	(4,790,060)	0	0	(4,790,060)
21	May-16	(4,760,196)	0	0	0	(4,760,196)	0	0	(4,760,196)
22	Jun-16	(4,740,792)	0	0	0	(4,740,792)	0	0	(4,740,792)
23	Jul-16	(4,737,015)	0	0	0	(4,737,015)	0	0	(4,737,015)
24	Aug-16	(4,701,580)	0	0	0	(4,701,580)	0	0	(4,701,580)
25	Sep-16	(4,700,779)	0	0	0	(4,700,779)	0	0	(4,700,779)
26	Oct-16	(4,688,575)	0	0	0	(4,688,575)	0	0	(4,688,575)
27	Nov-16	(4,711,651)	0	0	0	(4,711,651)	0	0	(4,711,651)
28	Dec-16	(3,316,843)	0	0	0	(3,316,843)	0	0	(3,316,843)
29	Jan-17	(2,493,914)	0	0	0	(2,493,914)	0	0	(2,493,914)
30	Feb-17	(2,151,848)	0	0	0	(2,151,848)	0	0	(2,151,848)
31	Mar-17	(1,999,819)	0	0	0	(1,999,819)	0	0	(1,999,819)
32	Apr-17	(1,897,832)	0	0	0	(1,897,832)	0	0	(1,897,832)
33	May-17	(1,855,686)	0	0	0	(1,855,686)	0	0	(1,855,686)

g. Interest on Customers Deposits (Account 2370-26919) 13 month average balances.

Projection Method: Assume 0.35% annualized growth rate from October 2015 forward for direct only

	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	Service Area	
	093	091	012	002	093	091	012	002	Total
Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee
1	Sep-14	(87,733)	0	0	0	(87,733)	0	0	(87,733)
2	Oct-14	(100,956)	0	0	0	(100,956)	0	0	(100,956)
3	Nov-14	(112,898)	0	0	0	(112,898)	0	0	(112,898)
4	Dec-14	(125,476)	0	0	0	(125,476)	0	0	(125,476)
5	Jan-15	(137,635)	0	0	0	(137,635)	0	0	(137,635)
6	Feb-15	(56)	0	0	0	(56)	0	0	(56)
7	Mar-15	(14,982)	0	0	0	(14,982)	0	0	(14,982)
8	Apr-15	(29,496)	0	0	0	(29,496)	0	0	(29,496)
9	May-15	(43,882)	0	0	0	(43,882)	0	0	(43,882)
10	Jun-15	(54,324)	0	0	0	(54,324)	0	0	(54,324)
11	Jul-15	(64,875)	0	0	0	(64,875)	0	0	(64,875)
12	Aug-15	(75,570)	0	0	0	(75,570)	0	0	(75,570)
13	Sep-15	(85,557)	0	0	0	(85,557)	0	0	(85,557)
14	Oct-15	(96,005)	0	0	0	(96,005)	0	0	(96,005)
15	Nov-15	(106,207)	0	0	0	(106,207)	0	0	(106,207)
16	Dec-15	(116,603)	0	0	0	(116,603)	0	0	(116,603)

**ATMOS ENERGY CORPORATION**

Row	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	Allocation Factors:				Fiscal 2014	100%	41.48%	4.36%	4.50%	
					Fiscal 2015	100%	40.68%	4.41%	4.36%	
17	Jan-16	(132,121)	0	0	0	(132,121)	0	0	0	(132,121)
18	Feb-16	(1,231)	0	0	0	(1,231)	0	0	0	(1,231)
19	Mar-16	(19,225)	0	0	0	(19,225)	0	0	0	(19,225)
20	Apr-16	(35,587)	0	0	0	(35,587)	0	0	0	(35,587)
21	May-16	(43,837)	0	0	0	(43,837)	0	0	0	(43,837)
22	Jun-16	(55,351)	0	0	0	(55,351)	0	0	0	(55,351)
23	Jul-16	(67,262)	0	0	0	(67,262)	0	0	0	(67,262)
24	Aug-16	(78,189)	0	0	0	(78,189)	0	0	0	(78,189)
25	Sep-16	(88,900)	0	0	0	(88,900)	0	0	0	(88,900)
26	Oct-16	(99,956)	0	0	0	(99,956)	0	0	0	(99,956)
27	Nov-16	(110,824)	0	0	0	(110,824)	0	0	0	(110,824)
28	Dec-16	(42,541)	0	0	0	(42,541)	0	0	0	(42,541)
29	Jan-17	(49,705)	0	0	0	(49,705)	0	0	0	(49,705)
30	Feb-17	(871)	0	0	0	(871)	0	0	0	(871)
31	Mar-17	(8,450)	0	0	0	(8,450)	0	0	0	(8,450)
32	Apr-17	(14,918)	0	0	0	(14,918)	0	0	0	(14,918)
33	May-17	(29,971)	0	0	0	(29,971)	0	0	0	(29,971)

**i. Accumulated Deferred FIT (Total Accounts 1900, 2820, 2830) 13 month average balances.**

Projection method: tax department analysis

		Service Area 093	Service Area 091	Service Area 012	Service Area 002	Service Area 093	Service Area 091	Service Area 012	Service Area 002	Total
	Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee
1	Sep-14	(67,798,345)	8,903,021	(30,894,967)	488,132,094	(67,798,345)	3,692,850	(1,347,681)	21,947,795	(43,505,381)
2	Oct-14	(67,798,345)	8,903,021	(30,894,967)	497,045,057	(67,798,345)	3,621,702	(1,362,452)	21,655,120	(43,883,974)
3	Nov-14	(67,798,345)	8,903,021	(30,894,967)	505,124,573	(67,798,345)	3,621,702	(1,362,452)	22,007,126	(43,531,968)
4	Dec-14	(67,798,345)	1,621,499	(30,894,967)	543,668,629	(67,798,345)	659,617	(1,362,452)	23,686,403	(44,814,777)
5	Jan-15	(67,798,345)	1,621,499	(30,894,967)	576,543,622	(67,798,345)	659,617	(1,362,452)	25,118,691	(43,382,488)
6	Feb-15	(67,798,345)	1,621,499	(30,894,967)	556,168,424	(67,798,345)	659,617	(1,362,452)	24,230,990	(44,270,189)
7	Mar-15	(67,798,345)	(4,792,653)	(30,894,967)	517,310,088	(67,798,345)	(1,949,626)	(1,362,452)	22,538,021	(48,572,402)
8	Apr-15	(67,798,345)	(4,792,653)	(30,894,967)	508,622,634	(67,798,345)	(1,949,626)	(1,362,452)	22,159,528	(48,950,894)
9	May-15	(67,798,345)	(4,792,653)	(30,894,967)	503,306,374	(67,798,345)	(1,949,626)	(1,362,452)	21,927,911	(49,182,512)
10	Jun-15	(67,798,345)	1,364,820	(30,894,967)	482,689,062	(67,798,345)	555,202	(1,362,452)	21,029,662	(47,575,933)
11	Jul-15	(67,798,345)	1,364,820	(30,894,967)	494,351,050	(67,798,345)	555,202	(1,362,452)	21,537,748	(47,067,847)
12	Aug-15	(67,798,345)	1,364,820	(30,894,967)	496,696,817	(67,798,345)	555,202	(1,362,452)	21,639,948	(46,965,647)
13	Sep-15	(76,912,475)	8,011,333	(29,747,509)	585,362,725	(76,912,475)	3,258,969	(1,311,849)	25,502,919	(49,462,437)
14	Oct-15	(76,912,475)	8,011,333	(29,747,509)	583,793,934	(76,912,475)	3,463,617	(1,327,301)	25,845,480	(48,930,680)
15	Nov-15	(76,912,475)	8,011,333	(29,747,509)	585,380,979	(76,912,475)	3,463,617	(1,327,301)	25,915,741	(48,860,419)
16	Dec-15	(76,912,475)	863,370	(29,747,509)	618,167,022	(76,912,475)	373,269	(1,327,301)	27,367,231	(50,499,277)
17	Jan-16	(76,912,475)	863,370	(29,747,509)	639,069,178	(76,912,475)	373,269	(1,327,301)	28,292,602	(49,573,906)
18	Feb-16	(76,912,475)	863,370	(29,747,509)	653,780,034	(76,912,475)	373,269	(1,327,301)	28,943,875	(48,922,633)
19	Mar-16	(76,874,173)	(4,517,544)	(29,747,509)	618,078,371	(76,874,173)	(1,953,113)	(1,327,301)	27,363,306	(52,791,282)
20	Apr-16	(76,874,173)	(4,517,544)	(29,747,509)	615,706,495	(76,874,173)	(1,953,113)	(1,327,301)	27,258,299	(52,896,288)
21	May-16	(76,874,173)	(4,517,544)	(29,747,509)	619,806,244	(76,874,173)	(1,953,113)	(1,327,301)	27,439,802	(52,714,786)
22	Jun-16	(76,874,173)	(5,155,095)	(29,747,509)	668,737,418	(76,874,173)	(2,228,752)	(1,327,301)	29,606,062	(50,824,164)
23	Jul-16	(76,874,173)	(5,155,095)	(29,747,509)	677,286,857	(76,874,173)	(2,228,752)	(1,327,301)	29,984,559	(50,445,667)
24	Aug-16	(76,874,173)	(5,155,095)	(29,747,509)	681,942,595	(76,874,173)	(2,228,752)	(1,327,301)	30,190,676	(50,239,550)
25	Sep-16	(85,402,622)	9,861,808	(28,491,717)	852,089,534	(85,402,622)	4,263,651	(1,271,269)	37,723,350	(44,686,890)
26	Oct-16	(85,402,622)	9,861,808	(28,491,717)	834,285,863	(85,402,622)	4,263,651	(1,271,269)	36,935,153	(45,475,087)
27	Nov-16	(85,402,622)	9,861,808	(28,491,717)	805,188,489	(85,402,622)	4,263,651	(1,271,269)	35,646,967	(46,763,274)
28	Dec-16	(85,402,622)	65,097	(28,491,717)	833,511,220	(85,402,622)	28,144	(1,271,269)	36,900,859	(49,744,889)
29	Jan-17	(85,402,622)	65,097	(28,491,717)	831,184,241	(85,402,622)	28,144	(1,271,269)	36,797,840	(49,847,908)
30	Feb-17	(85,402,622)	65,097	(28,491,717)	829,570,986	(85,402,622)	28,144	(1,271,269)	36,726,418	(49,919,329)
31	Mar-17	(85,402,622)	(6,249,570)	(28,491,717)	793,306,676	(85,402,622)	(2,701,937)	(1,271,269)	35,120,940	(54,254,888)
32	Apr-17	(85,402,622)	(6,249,570)	(28,491,717)	801,236,549	(85,402,622)	(2,701,937)	(1,271,269)	35,472,008	(53,903,820)
33	May-17	(85,402,622)	(6,249,570)	(28,491,717)	807,248,913	(85,402,622)	(2,701,937)	(1,271,269)	35,738,185	(53,637,643)

**m. Customer Advances (Account 2520) 13 month average balances.**

Projection Method: Maintain October 2015 Balance

		Service Area 093	Service Area 091	Service Area 012	Service Area 002	Service Area 093	Service Area 091	Service Area 012	Service Area 002	Total
	Month	Tennessee	KMSBU	Customer	Other SSU	Tennessee	KMSBU	Customer	Other SSU	Tennessee
1	Sep-14	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
2	Oct-14	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
3	Nov-14	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
4	Dec-14	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
5	Jan-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
6	Feb-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
7	Mar-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
8	Apr-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
9	May-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)



ATMOS ENERGY CORPORATION

Row	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
	Allocation Factors:				Fiscal 2014	100%	41.48%	4.36%	4.50%	
					Fiscal 2015	100%	40.68%	4.41%	4.36%	
10	Jun-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
11	Jul-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
12	Aug-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
13	Sep-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
14	Oct-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
15	Nov-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
16	Dec-15	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
17	Jan-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
18	Feb-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
19	Mar-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
20	Apr-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
21	May-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
22	Jun-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
23	Jul-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)
24	Aug-16	(76,428)	0	0	0	(76,428)	0	0	0	(76,428)