Filed Electronically in TPUC Docket Room on 2/8/2019 at 10:49 a.m.

NEAL & HARWELL, PLC
ATTORNEYS AT LAW
1201 DEMONBREUN STREET
SUITE 1000
NASHVILLE, TENNESSEE 37203

TELEPHONE
(615) 244-1713

FACSIMILE
(615) 726-0573

NEALHARWELL.COM

A. SCOTT ROSS

SROSS@NEALHARWELL.COM
(615) 238-3524 (DIRECT)

February 8, 2019

Victoria Lawless
Docket Manager
Tennessee Public Utility Commission
502 Deaderick Street, Fourth Floor
Nashville, TN 37243

VIA E-MAIL AND HAND DELIVERY
tpuc.docketroom@tn.gov

RE: Docket No. 18-00034 – Response of Atmos Energy Corporation to the Commission's Order Opening an Investigation and Requiring Deferred Accounting Treatment

Dear Ms. Lawless:

Enclosed is Atmos Energy Corporation's response to TPUC Staff's data requests dated February 1, and February 4, 2019.

Best regards.

Sincerely,

A. Scott Ross

ASR:prd

Enclosure

REQUEST:

Provide position on whether amortization of Protected excess ADIT should be an income tax expense or a credit to amortization expense. Provide justification for your position; and

RESPONSE:

The Company's position is that all excess ADIT amortization (protected and unprotected) should be recorded as a deferred income tax benefit. This is the manner in which the Company records this amortization to its audited financial statements. Since the deferred taxes on the Company's books were recorded to deferred income tax expense when generated, it is appropriate to record the amortization of these amounts to deferred income tax expense as they are flowed back to customers. This topic was discussed extensively with the Company's external auditors (Ernst & Young) upon enactment of the TCJA. In addition, the Company participated in many industry calls that included member companies that engaged other large audit firms. The public accounting firms were consistent in their position that the amortization should be reflected as a deferred income tax benefit.

The Company would like to note that the excess deferred tax regulatory liability included in the Tennessee filings has been grossed up for income tax expense. Therefore, the classification of this amortization as amortization expense versus income tax expense would not change the revenue requirement.

REQUEST:

Complete the attached Schedule No. 1 and Atmos Corporation Schedule No. 2.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-02_Att1 - Schedules.xlsx, 8 Pages.

TPUC Docket 18-00034
Impacts of Federal Tax Reform on the
Revenue Requirements of Atmos Energy Corp.

Schedule 1

	Atmos		Consumer Advocate		
Excess ADIT	$	**(29,024,530)**	$	**(29,243,198)**	
Unprotected ADIT		672,969		(10,163,169)	
Adjustments:		-		-	
		-		-	
		-		-	
		-		-	
Adjusted Unprotected ADIT	$	**672,969**	$	**(10,163,169)**	
Propsed Amortization Period	$	**28**	$	**3**	*Docket 18-00034 Direct Testimony* of Mr. David Dittemore at page 26 lines 21-23
Protected ADIT		(29,697,498)		(19,080,029)	
Adjustment:		-		-	
		-		-	
		-		-	
		-		-	
Adjusted Protected ADIT	$	**(29,697,498)**	$	**(19,080,029)**	
Proposed Amortization Period		28		28	*Docket 18-00034 Direct Testimony* of Mr. David Dittemore at page 26 lines 7-9

Provide schedule with supporting calculations for all amounts or reference to specific schedule/workpaper previously provided.

Atmos Corporation
Schedule 2

TPUC Docket 18-00034
Impacts of Federal Tax Reform on the
Revenue Requirements of Atmos Energy Corp.

	Atmos Class Excess ADIT Deferred Income Taxes	Atmos Customer Count	Atmos Average Excess ADIT per Customer
Excess Protected ADIT	$ (29,697,498)		
Class of Customer			
Residential	$ (15,299,870)	128,003	$ (120)
Commercial	$ (8,827,085)	16,602	$ (532)
Industrial	$ (1,215,211)	353	$ (3,445)
Public Authority	$ (97,901)	746	$ (131)
Transportation	$ (4,257,431)	117	$ (36,518)
Excess Protected ADIT	$ (29,697,498)	145,821	$ (204)
Excess UnProtected ADIT	$ 672,969		
Class of Customer			
Residential	$ 346,707	128,003	$ 3
Commercial	$ 200,029	16,602	$ 12
Industrial	$ 27,538	353	$ 78
Public Authority	$ 2,219	746	$ 3
Transportation	$ 96,477	117	$ 828
Excess UnProtected ADIT	$ 672,969	145,821	$ 5

Provide schedule with supporting calculations for all amounts or reference to specific schedule/workpaper previously provided.

Consumer Advocate
Schedule 2

TPUC Docket 18-00034
Impacts of Federal Tax Reform on the
Revenue Requirements of Atmos Energy Corp.

	Consumer Advocate Class Excess ADIT Deferred Income Taxes		Consumer Advocate Customer Count	Consumer Advocate Average Excess ADIT per Customer	
Excess Protected ADIT	$	(19,080,029)			
Class of Customer					
Residential	$	(9,625,197)	127,021	$	(76)
Commercial	$	(5,677,275)	16,547	$	(343)
Industrial	$	(788,961)	352	$	(2,241)
Public Authority	$	(60,231)	697	$	(86)
Transportation	$	(2,928,365)	117	$	(25,118)
Excess Protected ADIT	$	(19,080,029)	144,733	$	(132)
Excess UnProtected ADIT	$	(10,163,169)			
Class of Customer					
Residential	$	(5,126,958)	127,021	$	(40)
Commercial	$	(3,024,058)	16,547	$	(183)
Industrial	$	(420,248)	352	$	(1,194)
Public Authority	$	(32,083)	697	$	(46)
Transportation	$	(1,559,823)	117	$	(13,379)
Excess UnProtected ADIT	$	(10,163,169)	144,733	$	(70)

Provide schedule with supporting calculations for all amounts or reference to specific schedule/workpaper previously provided.

Atmos Energy Corporation
Regulatory Liability Analysis
9/30/2018

	Excess Deferreds Excl Gross Up			Excess Deferreds by Type Excl Gross Up			Gross Up by Type			Regulatory Liability Incl Gross Up by Type		
	After TCJA (DTL)/DTA	**Before TCJA** (DTL)/DTA	**Change** (expense)/benefit	**Plant**	**Non Plant**	**Total**	**Plant**	**Non Plant**	**Total**	**Plant**	**Non Plant**	**Total**
Tennessee (093)	(58,857,346)	(96,880,381)	38,023,035	36,506,215	1,516,820	38,023,035	10,792,044	448,406	11,240,449	47,298,258	1,965,226	49,263,484
Allocated from Div 002	28,011,136	44,048,632	(16,037,496)	(14,312,751)	(1,724,745)	(16,037,496)	(4,231,165)	(509,873)	(4,741,038)	(18,543,916)	(2,234,618)	(20,778,534)
Allocated from Div 012	(904,417)	(1,410,403)	505,986	479,899	26,087	505,986	141,869	7,712	149,581	621,768	33,799	655,567
Allocated from Div 091	(219,767)	(130,244)	(89,523)	248,057	(337,580)	(89,523)	73,331	(99,796)	(26,465)	321,388	(437,376)	(115,988)
Total TN	**(31,970,393)**	**(54,372,396)**	**22,402,003**	**22,921,420**	**(519,417)**	**22,402,003**	**6,776,078**	**(153,551)**	**6,622,527**	**29,697,498**	**(672,969)**	**29,024,530**

Amortization - Q1 FY19	(247,081)
Regulatory Liability Balance at 12/31/2018	**28,777,449**

Calculation of Amortization

Regulatory Liability - Docket No. 18-00067 (WP 7-9)	27,673,070
Amortization Period (Years)	28
Annual Amortization	988,324

Schedule 11-2

Tennessee Distribution System
Proof of Revenues and Calculation of Rates
Forward Looking Test Year Margin at Present Rates
Historic Base Period Ended September 30, 2018 and Forward Looking Test Year Ended May 31, 2020

Line No	Description	12 Mths Ended Sep 18 Base Count	Weather Adj. Vol Mcf	Rates effective Sep 18 Monthly Customer chg	Commodity Charge/Mcf	12 mths Sep18 Weather adj Margin at Sep18 rates	NOTE	Customer Changes Base Count	Customer Changes Volumes Mcf	Customer Growth Base Count (210,211,225 / 220,221,230C)	Customer Growth Volumes Mcf (2.32% / 1.22%)	Declining Usage Volumes Mcf (0.00% / 0.00%)	Adjusted Base Count	Adjusted Volumes Mcf	Total Adjusted Margin Rev	Total Adjusted Margin Rev Adjusted	% of Total Rev
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)		
1	RESIDENTIAL																
2	210 Residential Gas Service (Summer)	640,540	981,068	$16.65	$1.291	$11,931,575				24,794	37,976	0	665,334	1,019,063	$12,393,419	$12,393,419	
3	210 Residential Gas Service (Winter) (weather sensitive)	894,302	7,072,219	$18.65	$1.291	25,808,967				34,616	273,749	0	928,918	7,345,968	26,807,971	$26,807,971	
4	210 Residential Gas Service Senior Citizen (Summer)	488	443	$0.00	$1.291	571				19	17	0	507	460	593	$593	
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensi	691	5,015	$0.00	$1.291	6,474				27	194	0	718	5,209	6,724	$6,724	
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling Serv	15	283	$15.75	$0.788	459				1	11	0	16	294	477	$477	
7	Total Residential	1,536,036	8,059,047			37,743,046		0	0	59,456	311,947	0	1,595,492	8,370,993	39,209,184	$39,209,184	51.5%
8																	
9	COMMERCIAL																
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling Serv	12	133	15.75	0.788	293				0	5		12	138	305	$305	
11	220 Commercial Gas Service (weather sensitive)	199,204	5,518,454	39.00	2.607	22,155,566				4,064	112,584	0	203,268	5,631,038	22,607,563	$22,607,568	
12	230 Large Commercial Gas Service (weather sensitive)	0	0	420.00	2.285	0							0	0	0	$0	
13	250 Commercial Interruptible Gas Service	0		440.00		0							0	0	0	$0	
14	Block 1 Volumes		0		1.281	0							0	0	0	$0	
15	Block 2 Volumes		0		0.848	0							0	0	0	$0	
16	Block 3 Volumes		0		0.393	0							0	0	0	$0	
17	293 Large Tonnage Air Conditioning Gas Service	12		39.00		468							12	0	468	$468	
18	Block 1 Volumes		8,996		1.281	11,524							0	8,996	11,524	$11,524	
19	Block 2 Volumes		1,683		0.848	1,427							0	1,683	1,427	$1,427	
20	Block 3 Volumes		0		0.393	0							0	0	0	$0	
21	Total Commercial	199,228	5,529,265			22,169,278		0	0	4,064	112,589	0	203,292	5,641,854	22,621,291	$22,621,291	29.7%
22																	
23	INDUSTRIAL																
24	220 Industrial Gas Service (weather sensitive)	3,844	704,325	39.00	2.607	1,966,091		(9)	(32,836)	78	13,699		3,913	685,188	1,938,903	$1,938,903	
25	230 Large Industrial Gas Service	74	47,783	420.00	2.285	140,264		0	0				74	47,783	140,264	$140,264	
26	240 DEMAND/COMM GS	0		440.00		0							0	0	0	$0	
27	Block 1 Volumes		0		1.281	0							0	0	0	$0	
28	Block 2 Volumes		0		0.848	0							0	0	0	$0	
29	Block 3 Volumes		0		0.393	0							0	0	0	$0	
30	Demand Volumes		0		16.283	0							0	0	0	$0	
31	250 Industrial Interruptible Gas Service	291		440.00		128,040		0					291	0	128,040	$128,040	
32	Block 1 Volumes		277,417		1.281	355,371			0				0	277,417	355,371	$355,371	
33	Block 2 Volumes		569,158		0.848	482,646			0				0	569,158	482,646	$482,646	
34	Block 3 Volumes		74,718		0.393	29,364			0				0	74,718	29,364	$29,364	
35	250/240/280 Industrial/Demand/Economic Dev	0		440.00		0		0					0	0	0	$0	
36	Block 1 Volumes		0		1.281	0			0				0	0	0	$0	
37	Block 1 Volumes @ Discount Rate		0		0.961	0			0				0	0	0	$0	
38	Block 2 Volumes		0		0.848	0			0				0	0	0	$0	
39	Block 2 Volumes @ Discount Rate		0		0.636	0			0				0	0	0	$0	
40	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
41	Block 3 Volumes @ Discount Rate		0		0.295	0			0				0	0	0	$0	
42	Demand Volumes		0		16.283	0			0				0	0	0	$0	
43	Demand Volumes @ Discount Rate		0		12.212	0			0				0	0	0	$0	
44	280/250 Economic Development Gas Service	12		440.00		5,280		0					12	0	5,280	$5,280	
45	Block 1 Volumes		0		1.281	0			0				0	0	0	$0	
46	Block 1 Volumes @ Discount Rate		23,899		0.961	22,961			0				0	23,899	22,961	$22,961	
47	Block 2 Volumes		0		0.848	0			0				0	0	0	$0	
48	Block 2 Volumes @ Discount Rate		17,204		0.636	10,941			0				0	17,204	10,941	$10,941	
49	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
50	Block 3 Volumes @ Discount Rate		0		0.295	0			0				0	0	0	$0	
51	292 Cogeneration, CNG, Prime Movers Service	12		39.00		468		0					12	0	468	$468	
52	Block 1 Volumes		0		1.281	0			0				0	0	0	$0	
53	Block 2 Volumes		0		0.848	0			0				0	0	0	$0	
54	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
55	Total Industrial	4,233	1,714,503			3,161,427		(9)	(32,836)	78	13,699	0	4,302	1,695,367	3,114,238	$3,114,238	4.1%
56																	
57	PUBLIC AUTHORITY																
58	211 Residential/Sm. Commercial/Industrial Heating & Cooling Serv	0	0	15.75	0.788	0							0	0	0	$0	
59	221 Experimental School Gas Service	36	25,180	39.00	1.267	33,307				1	514		37	25,694	33,966	$33,966	
60	225 Public Authority Gas Service (Sr. Citizen) (Summer)	0	0	0.00	1.291	0							0	0	0	$0	
61	225 Public Authority Gas Service (Sr. Citizen) (Winter) (weather Ser	0	0	0.00	1.291	0							0	0	0	$0	
62	225 Public Authority Gas Service (Summer)	3,716	6,560	16.65	1.291	70,340				144	254		3,860	6,814	73,063	$73,063	
63	225 Public Authority Gas Service (Winter) (weather Sensitive)	5,201	32,134	18.65	1.291	138,483				201	1,244		5,402	33,378	143,844	$143,844	
64	Total Public Authority	8,953	63,874			242,131		0	0	346	2,011	0	9,299	65,885	250,893	$250,893	0.3%
65																	
66	TRANSPORTATION																
67	260 - TRANSP (220 SML COM/NDG)	132	148,601	440.00	2.607	445,483		0	0				132	148,601	445,483	$445,483	
68	260 - TRANSP (230 LRG COM/NDG)	521	1,459,221	440.00	2.285	3,663,561		22	35,270				543	1,494,492	3,653,833	$3,653,833	
69	260 - TRANSP (240 DEMAND)	60		440.00		26,400		0					60	0	26,400	$26,400	
70	Block 1 Volumes		120,000		1.281	153,720			0				0	120,000	153,720	$153,720	
71	Block 2 Volumes		274,654		0.848	232,907			0				0	274,654	232,907	$232,907	
72	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
73	Demand Volumes		21,838		16.283	355,595			(922)				0	20,916	340,575		Constant Rate
74	260 - TRANSP (250 OPT GS)	637		440.00		280,280		13					650	0	286,000	$286,000	
75	Block 1 Volumes		1,214,044		1.281	1,555,191			42,072				0	1,256,116	1,609,084	$1,609,084	
76	Block 2 Volumes		4,285,655		0.848	3,634,235			891,325				0	5,176,979	4,390,078	$4,390,078	
77	Block 3 Volumes		116,405		0.393	45,747			171,308				0	287,713	113,071	$113,071	
78	260 - TRANSP (280/240 ECON DEV/DEMAND)	-		440.00		0		0					0	0	0	$0	
79	Block 1 Volumes		0		1.281	0			0				0	0	0	$0	
80	Block 1 Volumes @ Discount Rate		0		0.961	0			0				0	0	0	$0	
81	Block 2 Volumes		0		0.848	0			0				0	0	0	$0	
82	Block 2 Volumes @ Discount Rate		0		0.636	0			0				0	0	0	$0	
83	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
84	Block 3 Volumes @ Discount Rate		0		0.295	0			0				0	0	0	$0	
85	Demand Volumes		0		16.283	0			0				0	0	0	$0	
86	Demand Volumes @ Discount Rate		0		12.212	0			0				0	0	0	$0	
87	260 - TRANSP (280/250 ECON DEV - OPT GS)	13		440.00		5,720		(13)					0	0	0	$0	
88	Block 1 Volumes		26,000		1.281	33,306			(26,000)				0	0	0	$0	
89	Block 1 Volumes @ Discount Rate		0		0.961	0			0				0	0	0	$0	
90	Block 2 Volumes		295,289		0.848	250,405			(295,289)				0	0	0	$0	
91	Block 2 Volumes @ Discount Rate		54,448		0.636	34,629			(54,448)				0	0	0	$0	
92	Block 3 Volumes		0		0.393	0			0				0	0	0	$0	
93	Block 3 Volumes @ Discount Rate		58,141		0.295	17,137			(58,141)				0	0	0	$0	
94	SPECIAL CONTRACTS	36	3,201,690			1,073,096		(12)	(680,218)				24	2,521,472	836,241		Constant Rate
95	Total Transportation	1,399	11,254,149			11,707,411		10	25,878	0	0	0	1,409	11,280,026	12,087,393	$10,910,577	14.3%
96																	
97	TOTALS	1,749,849	26,620,837			$75,028,293		1	(6,958)	63,945	440,246	0	1,813,795	27,054,125	$77,283,000	$76,106,183	100.0%
98																	
99	4870 - Forfeited Discount					791,453									$745,643		
100	4880 - Miscellaneous Service charges					426,897									434,840		
101	TOTAL MARGIN REVENUES					$76,246,642									$78,463,483		

Comparison of Atmos vs Consumer Advocate Excess ADIT

Table DND-1

	Atmos \1	Reclassify Repair to Unprotected ADIT /2	Eliminate ADIT Associated w Excluded O&M \3	Consumer Advocate Excess ADIT Balances
Protected	29,697,498	(10,617,470)		19,080,029
Unprotected	(672,969)	10,617,470	218,668	10,163,169
Total	29,024,530	0	218,668	29,243,198

\1 Atmos Updated Financials Filed 11/21/18
\2 Exhibit DND-2
\3 Table DND-2

Table DND-2

Class of Customer	Class Excess Accumulated Deferred Income Taxes Amount	Customer Count	Average Excess Accumulated Deferred Income Taxes per Customer
Residential	$ (14,641,844)	127,021	$ (115)
Commerical	$ (8,636,268)	16,547	$ (522)
Industrial	$ (1,200,167)	352	$ (3,409)
Public Authority	$ (91,623)	697	$ (131)
Transportation	$ (4,454,628)	117	$ (38,210)
Total Excess ADIT	$ (29,024,530)	144,733	$ (201)

12 Mos Ended May 31, 2018
Excess Deferred Balance

Account 2530 - 27909 (29,024,530) A/

Description	Actual Base Count	B/ Actual Volumes Mcf	Actual Margin Rev	Percent of total Margin	EDIT * Percentage of total Margin	Customer Count	Excess/Customer	Total Class EDIT / Total Class Count
RESIDENTIAL								
210 Residential Gas Service (Summer)	628,711	1,006,816	$ 12,576,749	15.73%	(4,565,262)	52,393	$ (87)	
210 Residential Gas Service (Winter) (weather sensitive)	894,302	7,032,718	$ 27,751,455	34.71%	(10,073,562)	74,525	$ (135)	
210 Residential Gas Service Senior Citizen (Summer)	532	528	$ 741	0.00%	(269)	44	$ (6)	$ (115)
210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	691	5,015	$ 7,151	0.01%	(2,596)	58	$ (45)	
211 Residential/Sm. Commericial/Industrial Heating & Cooling Service	12	275	$ 431	0.00%	(156)	1	$ (156)	
Total Residential	1,524,248	8,045,351	40,336,526	50.45%	(14,641,844)	127,021	$ (430)	
COMMERCIAL								
211 Residential/Sm. Commericial/Industrial Heating & Cooling Service	12	132	$ 312	0.00%	(113)	1	$ (113)	
220 Commercial Gas Service (weather sensitive)	198,535	5,496,430	$ 23,775,176	29.73%	(8,630,203)	16,545	$ (522)	
230 Large Commercial Gas Service (weather sensitive)	-	0	$ -	0.00%	-	-	$ -	$ (522)
250 Commercial Interruptible Gas Service	0	0	0	0.00%	-	-	$ -	
293 Large Tonnage Air Conditioning Gas Service	12	11,573	$ 16,394	0.02%	(5,951)	1	$ (5,951)	
Total Commercial	198,559	5,508,135	23,791,883	29.76%	(8,636,268)	16,547	$ (6,586)	
INDUSTRIAL								
220 Industrial Gas Service (weather sensitive)	3823	683,585	$ 2,077,104	2.60%	(753,973)	319	$ (2,367)	
230 Large Industrial Gas Service	75	50,384	$ 156,678	0.20%	(56,873)	6	$ (9,100)	
240 DEMAND/COMM GS	0	-	$ -	0.00%	-	-	$ -	$ (3,409)
250 Industrial Interruptible Gas Service	285	843,888	$ 1,024,906	1.28%	(372,033)	24	$ (15,665)	
280/250 Economic Development Gas Service	30	41,762	$ 42,016	0.05%	(15,252)	3	$ (6,101)	
292 Cogeneration, CNG, Prime Movers Service	12	-	$ 5,613	0.01%	(2,037)	1	$ (2,037)	
Total Industrial	4,225	1,619,618	3,306,317	4.14%	(1,200,167)	352	$ (35,269)	
PUBLIC AUTHORITY								
211 Residential/Sm. Commericial/Industrial Heating & Cooling Service	-	-	$ -	0.00%	-	-	$ -	
221 Experimental School Gas Service	36	25,799	$ 38,008	0.05%	(13,797)	3	$ (4,599)	
225 Public Authority Gas Service (Sr. Citizen) (Summer)	-	-	$ -	0.00%	-	-	$ -	
225 Public Authority Gas Service (Sr. Citizen) (Winter) (weather Sensitive)	-	-	$ -	0.00%	-	-	$ -	$ (131)
225 Public Authority Gas Service (Summer)	3,126	7,264	$ 65,724	0.08%	(23,857)	261	$ (92)	
225 Public Authority Gas Service (Winter) (weather Sensitive)	5,201	31,944	$ 148,678	0.19%	(53,969)	433	$ (125)	
Total Public Authority	8,363	65,007	252,410	0.32%	(91,623)	697	$ (4,815)	
TRANSPORTATION								
260 - TRANSP (220 SML COM/INDG)	135	148,327	$ 471,281	0.59%	(171,071)	11	$ (15,206)	
260 - TRANSP (230 LRG COM/INDG)	502	1,444,889	$ 3,711,614	4.64%	(1,347,287)	42	$ (32,206)	
260 - TRANSP (240 DEMAND)	69	397,664	$ 789,190	0.99%	(286,470)	6	$ (49,821)	
260 - TRANSP (250 OPT GS)	635	5,075,942	$ 5,489,227	6.87%	(1,992,546)	53	$ (37,654)	$ (38,210)
260 - TRANSP (280/240 ECON DEV/DEMAND)	-	-	$ -	0.00%	-	-	$ -	
260 - TRANSP (280/250 ECON DEV - OPT GS)	24	954,160	$ 785,909	0.98%	(285,279)	2	$ (142,639)	
Special Contracts	34	3,049,684	$ 1,024,745	1.28%	(371,974)	3	$ (131,285)	
Total Transportation	1,399	11,070,666	12,271,966	15.35%	(4,454,628)	117	(408,812)	
TOTALS	1,736,794	26,308,777	79,959,102	100.00%	(29,024,530)	144,733	(201)	

A/ 3) 2018-08-31 TN Annual Reconciliation Filing - Exhibit GKW-1 Reconciliation Revenue Requirement Model, Workpaper 7-10
B/ 3) 2018-08-31 TN Annual Reconciliation Filing - Exhibit GKW-1 Reconciliation Revenue Requirement Model, Schedule 11-5

#/ TN Excess Deferreds (True-Up) submitted by Atmos on 11/21/18

REQUEST:

Based on the latest financial information what is the total excess ADIT? Provide all supporting documents and calculations.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-03_Att1 - TN Excess Deferreds 9-30-18 Plant and NonPlant Updated 12-31-18.xlsx, 1 Page.

Atmos Energy Corporation
Regulatory Liability Analysis
9/30/2018

	Excess Deferreds Excl Gross Up			Excess Deferreds by Type Excl Gross Up		
	After TCJA (DTL)/DTA	**Before TCJA** (DTL)/DTA	**Change** (expense)/benefit	**Plant**	**Non Plant**	**Total**
Tennessee (093)	(58,857,346)	(96,880,381)	38,023,035	36,506,215	1,516,820	38,023,035
Allocated from Div 002	28,011,136	44,048,632	(16,037,496)	(14,312,751)	(1,724,745)	(16,037,496)
Allocated from Div 012	(904,417)	(1,410,403)	505,986	479,899	26,087	505,986
Allocated from Div 091	(219,767)	(130,244)	(89,523)	248,057	(337,580)	(89,523)
Total TN	**(31,970,393)**	**(54,372,396)**	**22,402,003**	**22,921,420**	**(519,417)**	**22,402,003**

	Gross Up by Type			Regulatory Liability Incl Gross Up by Type		
	Plant	**Non Plant**	**Total**	**Plant**	**Non Plant**	**Total**
Tennessee (093)	10,792,044	448,406	11,240,449	47,298,258	1,965,226	49,263,484
Allocated from Div 002	(4,231,165)	(509,873)	(4,741,038)	(18,543,916)	(2,234,618)	(20,778,534)
Allocated from Div 012	141,869	7,712	149,581	621,768	33,799	655,567
Allocated from Div 091	73,331	(99,796)	(26,465)	321,388	(437,376)	(115,988)
Total TN	**6,776,078**	**(153,551)**	**6,622,527**	**29,697,498**	**(672,969)**	**29,024,530**

Amortization - Q1 FY19	(247,081)
Regulatory Liability Balance at 12/31/2018	**28,777,449**

Calculation of Amortization

Regulatory Liability - Docket No. 18-00067 (WP 7-9)	27,673,070
Amortization Period (Years)	28
Annual Amortization	988,324