

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**IN RE:**

**PETITION OF ATMOS ENERGY )  
CORPORATION FOR APPROVAL )  
OF ITS 2025 ANNUAL RATE ) DOCKET NO. 25-00007  
REVIEW FILING PURSUANT TO )  
TENN. CODE ANN. § 65-5-103(d)(6) )**

**REBUTTAL TESTIMONY OF WILLIAM D. MATTHEWS  
ON BEHALF OF ATMOS ENERGY CORPORATION**

1 **I. INTRODUCTION OF WITNESS**

2 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

3 A. My name is William D. Matthews. I am Manager, Rates and Regulatory Affairs  
4 with Atmos Energy Corporation (“Atmos Energy” or “Company”). My business  
5 address is 5420 LBJ Freeway, Ste. 1600, Dallas, Texas 75240.

6 **Q. ARE YOU THE SAME WILLIAM MATTHEWS THAT SUBMITTED PRE-  
7 FILED DIRECT TESTIMONY IN THIS DOCKET?**

8 A. Yes.

9 **Q. HAVE YOU REVIEWED THE TESTIMONY OF THE INTERVENING  
10 PARTY?**

11 A. Yes. I have reviewed the testimony of William H. Novak on behalf of the Consumer  
12 Advocate Unit of the Tennessee Attorney General’s Office (“Consumer  
13 Advocate”).

14 **II. PURPOSE OF TESTIMONY**

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 A. The Consumer Advocate presented its proposed adjustment to rates in the direct

testimony of Mr. Novak. I concur in part with the Consumer Advocate's recommendations and reject in part. The recommendations of the Consumer Advocate, and the Company's position regarding each recommendation, are summarized in the following table:

**Table R-1**

<b>Consumer Advocate Recommendation</b>	<b>Revenue Requirement Change (per Consumer Advocate)</b>	<b>Atmos Energy Position to Consumer Advocate Recommendation</b>
Various Miscellaneous Adjustments	(\$26,297)	Accept
Adjustments to Cash Working Capital	(\$139)	Accept
Adjustment to Pension Expense	(\$552,207)	Reject

The purpose of my testimony is twofold:

1. Present the Company's updated revenue requirement model reflecting its rebuttal position in Exhibit WDM-R-1; and
2. Concur in part with the Consumer Advocate's recommendations and corresponding adjustments and reject in part as listed in Table R-1.

**Q. HAVE YOU UPDATED THE COMPANY'S REVENUE REQUIREMENT MODEL TO REFLECT THESE ADJUSTMENTS AND YOUR RECOMMENDATIONS?**

A. Yes. The updated revenue requirement model is attached to this rebuttal testimony as Exhibit WDM-R-1.

### **III. REVENUE REQUIREMENT ADJUSTMENTS**

**Q. PLEASE DISCUSS THE ADJUSTMENTS MADE BY THE COMPANY IN ITS REBUTTAL POSITION AS SHOWN ON EXHIBIT WDM-R-1.**

- 1 A. The Company's updated revenue requirement model is summarized in Table R-2,  
2 below. The request in response to which the Company made each adjustment, as  
3 well as the workpaper or tab on WDM-R-1 which reflects each adjustment, are as  
4 follows:
- 5 • Agree to CAD recommendation of miscellaneous expense adjustments of  
6 (\$26,297). Please also see Company's response to Consumer Advocate Data  
7 Requests Nos. 1-9, 1-10, 1-12, 1-14, 1-18, and 2-5. The location of adjustments  
8 made can be found in a summary table located at the bottom of Schedule 1 of  
9 WDM-R-1.
  - 10 • Agree to CAD recommendation of adjustments to the Company's Lead/Lag  
11 analysis and Cash Working Capital
  - 12 • Reject the CAD's recommendation for an adjustment to Pension Expense
- 13 Table R-2 shows the impact of the individual adjustments:

**Table R-2**

Adjustment	Location	Description	\$ Impact
Miscellaneous	Various	Various adjustments agreed to in discovery	(\$26,297)
Lead/Lag of Cash Working Capital	WP 7-7	Long-Term Debt Adjustment	(\$139)

14

15 **Q. WHAT IS THE COMPANY'S REVENUE DEFICIENCY IN THIS**  
16 **PROCEEDING AFTER THESE ADJUSTMENTS AS SHOWN IN WDM-R-**  
17 **1?**

18 A. The impact of these adjustments results in a revenue deficiency of \$1,691,384  
19 which is \$26,436 lower than the Company's original revenue requirement request.

1   **Q.   PLEASE BRIEFLY DESCRIBE THE CONSUMER ADVOCATE’S**  
2       **ADJUSTMENT TO THE LEAD/LAG ANALYSIS AND CASH WORKING**  
3       **CAPITAL.**

4   A.   The Consumer Advocate’s adjustment in essence “hard codes” the Lead/Lag factors  
5       back to the amounts from the Company’s original Docket No. 14-00146 which  
6       established the Approved Methodologies, rather than having these factors update  
7       annually based on the test period information in the approved Cash Working Capital  
8       relied upon used in the calculation of revenue requirement. While this formula has  
9       been used for several years, the Company does not oppose this recommended  
10      adjustment and will accept the adjustment in this case as well as going forward as  
11      the approved methodology in future ARM filings.

12   **Q.   DOES THE COMPANY AGREE WITH THE CONSUMER ADVOCATE’S**  
13      **ADJUSTMENT TO PENSION EXPENSE?**

14   A.   No.

15   **Q.   PLEASE DESCRIBE MR. NOVAK’S RECOMMENDATION.**

16   A.   Mr. Novak recommends the exclusion of all pension funding in the Company’s  
17      ARM filing in this docket. Mr. Novak claims that because the Company’s pension  
18      plan was overfunded at the beginning of the test period that the pension contribution  
19      should be deemed imprudent. Mr. Novak’s recommendation to exclude all pension  
20      funding results in a (\$552,207) impact to the Company’s filing.

21   **Q.   WHY DOES THE COMPANY DISAGREE WITH MR. NOVAK’S**  
22      **PROPOSED ADJUSTMENT TO PENSION EXPENSE?**

23   A.   For three reasons. First, it is against the Approved Methodologies. Second, it has

1 already been rejected by the Commission in past dockets. Third, it is inconsistent  
2 with the Company's stated investment philosophy and could result in large rate  
3 swings.

4 **Q. PLEASE DISCUSS HOW THE COMPANY'S TREATMENT OF PENSION**  
5 **EXPENSE IS CONSISTENT WITH THE APPROVED METHODOLOGIES.**

6 A. The Company's current treatment of actual cash contributions to its pension fund,  
7 to which Mr. Novak objects, is expressly consistent with the Approved  
8 Methodologies.<sup>1</sup> As stated in the 14-00146 Settlement Agreement:

9 *The Company shall remove from O&M any amounts related to FAS*  
10 *87 expenses (subaccount 01202, and any amount in any successor*  
11 *or replacement account or subaccount containing FAS 87 expenses).*  
12 *In years that the Company makes actual cash contributions to its*  
13 *pension fund, it shall be allowed to recover those cash contributions*  
14 *as part of the annual reconciliation process described below. The*  
15 *amount of cash contribution allocable to and recoverable from*  
16 *Tennessee shall be consistent with the methodology represented in*  
17 *WP 4-4 of this Settlement Agreement and be based on the amount of*  
18 *future liability allocable to Tennessee as defined by the Company's*  
19 *actuary. The allocation methodology is consistent with that used in*  
20 *Docket Nos. 08-00197 and 12-00064.*

21  
22 This methodology was reiterated in the Company's Docket No. 18-00112  
23 Settlement Agreement, which included the Pension Expense as shown on WP4-1 in  
24 Exhibit B to the 18-00112 Settlement Agreement.<sup>2</sup>

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<sup>1</sup> *In re: Petition of Atmos Energy Corporation for a General Rate Increase Under T.C.A. 65-5-103(a) and Adoption of an Annual Rate Review Mechanism Under T.C.A. 65-5-103(d)(6), Docket No. 14-00146, Order Approving Settlement, p. 14 (November 4, 2015); see also In re: Docket to Investigate and Consider Modifications to Atmos Energy Corporation's Annual Rate Review Mechanism Under Tenn. Code Ann. § 65-5-103(d)(6), Docket No. 18-00112, Order Approving Stipulation and Settlement Agreement, p. 10 (December 16, 2019).*

<sup>2</sup> *In re: Docket to Investigate and Consider Modifications to Atmos Energy Corporation's Annual Rate Review Mechanism Under Tenn. Code Ann. § 65-5-103(d)(6), Docket No. 18-00112, Order Approving Stipulation and Settlement Agreement, Exhibit B, WP 4-1 (December 16, 2019).*

1   **Q.    LET’S TURN TO THE SECOND REASON THE COMPANY REJECTS MR.**  
2       **NOVAK’S PROPOSED ADJUSTMENT TO PENSION EXPENSE. HAS THE**  
3       **COMMISSION ADDRESSED THE ISSUE OF THE REASONABLENESS**  
4       **OF THE COMPANY’S PRACTICE OF MAKING PENSION**  
5       **CONTRIBUTIONS IN YEARS WHEN THE PENSIONS ARE**  
6       **“OVERFUNDED” BEFORE?**

7   **A.**   Yes.   In Case No. 19-00076, as in this docket, the Consumer Advocate  
8       recommended the disallowance of the Company’s entire actual pension  
9       contribution.   Although the Consumer Advocate also relied on additional  
10      precedential authority which it does not cite here, the underlying issue, facts, and  
11      reasoning in case No. 19-00076 are identical to the issue, facts, and reasoning on  
12      which Mr. Novak relies in this proceeding.   In the final Order, the Commission  
13      presented the following facts regarding Mr. Novak’s recommendation to remove  
14      the Company’s actual allocated pension funding:

15               *Mr. Novak’s recommendations centered on Atmos’ \$15.5*  
16               *million funding committed to its pension plan during the ARM*  
17               *reconciliation period.   Of the total amount, \$1,092,288 was*  
18               *allocated by the Company to Tennessee.   A portion was capitalized*  
19               *resulting in a net funding amount of \$824,764.   Atmos included this*  
20               *amount in its O&M expense within the ARM reconciliation.*

21  
22               *While Mr. Novak acknowledged that the Company in fact*  
23               *funded this amount, he took issue with the Company seeking to*  
24               *recover this funding from ratepayers through its ARM tariff.   **Mr.***  
25               ***Novak asserted the Company’s pension plan was overfunded by***  
26               ***\$26,972,000 at September 30, 2018, and that the Company’s***  
27               ***actuary recommended a minimum required contribution of \$0 for***  
28               ***2019.   For this reason, Mr. Novak excluded the entire pension***  
29               ***funding amount in this ARM reconciliation.***<sup>3</sup> (emphasis added)  
30

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<sup>3</sup> *In re: Atmos Energy Corporation – 2019 ARM Reconciliation Filing, Docket No. 19-00076, Order Approving Revised Petition, pp. 5-6 (August 25, 2020).*

1 Although Mr. Novak attempts to distinguish Docket No. 19-00076 from this current  
2 proceeding, the facts are identical in both dockets in which Mr. Novak is  
3 recommending the exclusion of the Company's entire pension contribution on the  
4 argument that the Company's pension plan at the point in time was overfunded and  
5 that the Company's actuary recommended a minimum required contribution of \$0.

6 **Q. DID THE COMMISSION REJECT THE CONSUMER ADVOCATE'S**  
7 **POSITION WHEN IT WAS PREVIOUSLY PRESENTED IN DOCKET NO.**  
8 **19-00076?**

9 A. Yes. The Commission ruled in that docket that the cash pension contributions made  
10 by Atmos Energy were reasonable and should be included for recovery.<sup>4</sup> In  
11 speaking about the fundamental nature of the ARM in comparison to general rate  
12 cases, the Commission noted in its findings that:

13 *As with all other rate elements in a traditional rate case, the*  
14 *level of forecasted pension contributions approved in the attrition*  
15 *years would be reflected in rates **each** year until the next rate case,*  
16 *regardless of whether a pension contribution was made every year*  
17 *the rates were in effect. Thus, it is reasonable to limit pension*  
18 *expense to the minimum contribution so as not to avoid setting*  
19 *inflated rates, which may not be reviewed for years. In contrast, the*  
20 *ARM of the Company recovers only those pension expenses that are*  
21 *incurred during the period and can be adjusted when no pension*  
22 *expense is paid. The fundamental nature of the ARM allows for such*  
23 *adjustments within reason.*<sup>5</sup>  
24

25 **Q. DID MR. NOVAK ATTEMPT TO DISTINGUISH THE FACTS IN THIS**  
26 **CASE FROM THE FACTS IN 19-00076 REGARDING ACTUAL PENSION**  
27 **CONTRIBUTIONS?**

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<sup>4</sup> *In re: Atmos Energy Corporation – 2019 ARM Reconciliation Filing*, Docket No. 19-00076, *Order Approving Revised Petition*, p. 10 (August 25, 2020).

<sup>5</sup> *In re: Atmos Energy Corporation – 2019 ARM Reconciliation Filing*, Docket No. 19-00076, *Order Approving Revised Petition*, p. 10 (August 25, 2020).

1 A. Yes. Mr. Novak claims that he argued for the removal of the pension funding based  
2 on prior rate case precedent, and that in this docket he is recommending exclusion  
3 of recovery of pension funding based on it being an imprudent expenditure.<sup>6</sup>

4 **Q. DOES THE COMPANY AGREE WITH THIS ARGUMENT?**

5 A. Respectfully, no. Although he certainly did rely upon prior rate case precedent in  
6 Docket No. 19-00076 that he chose not to cite in this docket, he *also* relied upon  
7 exactly the same argument as he is advancing here. Indeed, the Consumer Advocate  
8 has admitted that it made precisely the same arguments in Docket No. 19-00076 as  
9 it is making now in this docket.<sup>7</sup> This admission is consistent with the facts  
10 presented in the 19-00076 Commission order cited above, which explains that Mr.  
11 Novak recommended a disallowance at that time in part because he argued the  
12 pension plan was overfunded and the minimum required contribution was \$0. This  
13 is identical to the argument he is making here. In addition, Mr. Novak's direct  
14 testimony in Docket No. 19-00076, clearly states:

15 ***Q. DID YOU ALSO INCLUDE THIS SAME TENNESSEE***  
16 ***ALLOCATED PENSION FUNDING OF \$824,764 IN YOUR***  
17 ***CALCULATION OF O&M EXPENSE?***

18 *A. No. As shown on Attachment WHN-4, the company's pension plan*  
19 *was **overfunded** by \$26,972,000 or approximately 5.3% at*  
20 *September 30, 2018. In addition, the Company's actuary noted that*  
21 *Atmos' minimum required contribution to its pension plan for 2019*  
22 *was \$0. Therefore, I excluded all pension funding in the current*  
23 *ARM reconciliation in accordance with my own previous testimony*  
24 *on this issue as well as the Commission's stated policy on pension*  
25 *funding.*  
26

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<sup>6</sup> *In re: Atmos Energy Corporation – 2019 ARM Reconciliation Filing*, Docket No. 19-00076, *Direct Testimony of William H. Novak on Behalf of the Consumer Protection United of the Office of the Tennessee Attorney General*, p. 9 (February 18, 2020).

<sup>7</sup> Consumer Advocate's Responses to Atmos First Set of Discovery Request, Data Request 1-03.



1 Thus, Mr. Novak is at the very least arguing the same fact pattern for removal of  
2 the actual allocable pension expense as an “imprudent” expenditure based on an  
3 overfunded amount and the minimum required contribution. These facts were  
4 clearly noted by the Commission in its final order in Docket No. 19-00076 and the  
5 Commission conclusively stated that, notwithstanding those identical arguments,  
6 the Company’s cash pension contributions were reasonable and should be included  
7 for recovery. As such, this appears to be a settled issue.

8 **Q. DOES MR. NOVAK ATTEMPT TO DEFINE THE COMPANY’S PENSION**  
9 **CONTRIBUTION AND ITS OVERFUNDED STATUS AS A NEW**  
10 **MATTER?**

11 A Yes. In response to Company Data Request No. 1-05 Mr. Novak claims his  
12 argument about the pension contribution with an “overfunded” status is a New  
13 Matter.

14 **Q. DO YOU AGREE WITH MR. NOVAK’S ASSERTION THAT THE**  
15 **PENSION CONTRIBUTION IS A NEW MATTER?**

16 A. I do not. The Company’s pension expense contribution as an Approved  
17 Methodology has been well established since Docket No. 14-00146. The exact  
18 issue of the Company making an actual pension contribution during a year in which  
19 the Pension Plan was “overfunded” at that point in time was litigated and  
20 determined by the Commission in Docket No. 19-00076. The Company’s treatment  
21 of actual contributions to its Pension Plan is a long-settled issue and has been  
22 consistent in every docket since both Case Nos. 14-00146 and 18-00112.

1   **Q.    FINALLY, PLEASE DISCUSS THE THIRD REASON THE COMPANY**  
2       **DISAGREES WITH THE CONSUMER ADVOCATE’S POSITION**  
3       **REGARDING PENSION EXPENSE.**

4    A.   In addition to being inconsistent with the Approved Methodologies and already  
5       having been rejected by the Commission, the Consumer Advocate’s proposed  
6       treatment of pension expense is also inconsistent with the Company’s stated  
7       investment philosophy and may result in large rate swings, especially in years in  
8       which the pension is underfunded as the funding status of the pension depends on  
9       a variety of external factors beyond the Company’s control.

10   **Q.   FOLLOWING THE OVERFUNDED STATUS THAT MR. NOVAK**  
11       **POINTED OUT IN DOCKET NO. 19-00076, HAS THE COMPANY**  
12       **EXPERIENCED AN UNDERFUNDED POSITION IN ITS PENSION FOR**  
13       **CERTAIN YEARS?**

14   A.   Yes. In the Company’s ARM filings made in Docket Nos. 21-00019 and 22-00010  
15       the Company was underfunded by \$47,161,000 or 8.2% underfunded, and  
16       \$75,340,000 or 12.5% underfunded, respectively.

17   **Q.   WHAT FACTORS LED TO THE COMPANY’S UNDERFUNDED STATUS**  
18       **IMMEDIATELY FOLLOWING A YEAR THAT THE COMPANY WAS**  
19       **CALCULATED TO BE OVERFUNDED BY \$26,972,000?**

20   A.   As the Company has previously explained in discovery, many factors outside the  
21       Company’s control besides the Company’s contributions contribute to the funded  
22       status of its pension.<sup>8</sup> These factors, which can fluctuate, have a significant

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<sup>8</sup> See Company Response to CAD DR No. 1-17, including supplemental response.

1 influence whether on any given year the Company's pension plan is deemed  
2 overfunded or underfunded. The pension going from overfunded to underfunded  
3 as shown above is an example of how these factors can affect the pension status  
4 and quickly cause the pension to be underfunded despite contributions being made  
5 recently at a point in time when the pension is technically overfunded.

6 **Q. PLEASE DESCRIBE SOME OF THE CONTRIBUTING FACTORS THAT**  
7 **MAY CHANGE WHETHER THE PENSION IS OVERFUNDED OR**  
8 **UNDERFUNDED REGARDLESS OF THE COMPANY'S RECENT**  
9 **CONTRIBUTIONS.**

10 A. Those factors outside the Company's control include, but are not limited to: (i) the  
11 discount rate used to value the projected benefit obligation ("PBO") based on  
12 current interest rates; (ii) the overall performance of the invested assets in the  
13 market; (iii) the expected future return on plan assets; (iv) differences in  
14 demographic experience from those assumed; and (v) likely retirement timing and  
15 lump sum election.

16 **Q. IS THE CURRENT FUNDING STATUS OF THE MOST RECENT**  
17 **PENSION ACCOUNT PLAN REPORT THE ONLY DATA POINT THE**  
18 **COMPANY RELIES ON WHEN DECIDING TO MAKE MANDATORY OR**  
19 **DISCRETIONARY CONTRIBUTIONS?**

20 A. No. As stated on page 64 in the Company's 2024 10-K, several other factors are  
21 considered before a decision to make a contribution is made:

22 *During fiscal 2024 and 2023, we contributed \$5.0 million and \$8.0*  
23 *million in cash to the Pension Plan to achieve a desired level of*  
24 *funding while maximizing the tax deductibility of this payment.*  
25 *Based upon market conditions at September 30, 2024, the current*

1                   *funded position of the Pension Plan, and the funding requirements*  
2                   *under the PPA, we do not anticipate a minimum required*  
3                   *contribution for fiscal 2025. However, we may consider whether a*  
4                   *voluntary contribution is prudent to maintain certain funding levels.*  
5

6                   *We make investment decisions and evaluate performance of the*  
7                   *assets in the Master Trust on a medium-term horizon of at least three*  
8                   *to five years. We also consider our current financial status when*  
9                   *making recommendations and decisions regarding the Master*  
10                  *Trust's assets. Finally, we strive to ensure the Master Trust's assets*  
11                  *are appropriately invested to maintain an acceptable level of risk*  
12                  *and meet the Master Trust's long-term asset investment policy*  
13                  *adopted by the Qualified Retirement Plans and Trusts Committee,*  
14                  *comprised of a group of executives appointed by the Board of*  
15                  *Directors to oversee the Company's employee pension plan, defined*  
16                  *contribution plan and postretirement benefit plan.*<sup>9</sup>  
17

18       **Q.     DOES THE COMPANY'S CONTRIBUTION TO THE PENSION PLAN IN**  
19               **YEARS IN WHICH THE PLAN IS OVERFUNDED HELP PREVENT**  
20               **LARGER SWINGS IN YEARS THE PLAN IS UNDERFUNDED?**

21       **A.**     Yes. By funding on a consistent basis incorporating these other factors beyond just  
22               the minimum required contribution the Company is expected to contribute less cash  
23               over the future years relative to contributing only the minimum required  
24               contribution every year. This funding incorporating other factors reduces the  
25               likelihood of unexpected, large contributions in future years. Please also see  
26               Exhibit WDM-R-2 attached to my testimony. This response was utilized by the  
27               Company in Docket No. 19-00076 in response to the CAD over the timing of  
28               pension contributions as mentioned previously in my testimony.

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<sup>9</sup>Atmos Energy's 2024 10-K may be found at:  
<https://www.atmosenergy.com/static/fc9bf8c5941fe2f017a6cfc87b55d6c2/ATMOS%20ENERGY%20CORP%20Form%2010-K%202024-11-18.pdf>

1

**IV. CONCLUSION**

2   **Q.     DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

3   **A.     Yes.**

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

IN RE:

PETITION OF ATMOS ENERGY CORPORATION )  
FOR APPROVAL OF ITS 2025 ANNUAL RATE ) DOCKET NO. 25-00007  
REVIEW FILING PURSUANT TO TENN. )  
CODE ANN. § 65-5-103(d)(6) )

VERIFICATION

STATE OF TEXAS )

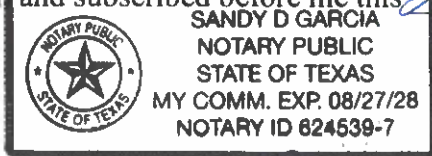
COUNTY OF DALLAS )

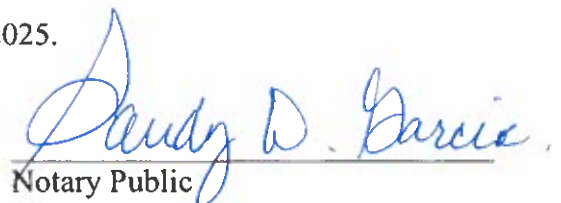
I, William D. Matthews, being first duly sworn, state that I am the Manager of Rates and Regulatory Affairs for Atmos Energy Corporation, that I am authorized to testify on behalf of Atmos Energy Corporation in the above referenced docket, that the Rebuttal Testimony of William D. Matthews in support of Atmos Energy Corporation's filing is true and correct to the best of my knowledge, information and belief.



William D. Matthews

Sworn and subscribed before me this 28th day of April, 2025.



  
Notary Public

My Commission Expires August 27, 2028

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
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2	<a href="#">Sch 1R</a>	REVENUE REQUIREMENT AND REVENUE DEFICIENCY CALCULATION
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37	<a href="#">WP 9-1R</a>	COST OF CAPITAL
38	<a href="#">WP 9-2</a>	COST OF CAPITAL - SHORT TERM DEBT RATE
39	<a href="#">WP 9-3</a>	COST OF CAPITAL - LONG TERM DEBT RATE
40	<a href="#">Sch 10</a>	RATE OF RETURN
41	<a href="#">Sch 10R</a>	RATE OF RETURN
42	<a href="#">WP 10-1</a>	COMPUTATION OF STATE EXCISE & FEDERAL INCOME TAXES FOR SCHEDULE 1C
43	<a href="#">WP 10-1R</a>	COMPUTATION OF STATE EXCISE & FEDERAL INCOME TAXES FOR SCHEDULE 1C
44	<a href="#">Sch 11-1</a>	PROOF OF REVENUES AND CALCULATION OF RATES
45	<a href="#">Sch 11-2</a>	PROOF OF REVENUES AND CALCULATION OF RATES
46	<a href="#">Sch 11-3</a>	PROOF OF REVENUES AND CALCULATION OF RATES
47	<a href="#">Sch 11-4</a>	PROOF OF REVENUES AND CALCULATION OF RATES
48	<a href="#">1 Rev Deficiency - Surplus</a>	REVENUE DEFICIENCY (SURPLUS)
49	<a href="#">2RB</a>	RATE BASE
50	<a href="#">3 IS</a>	INCOME STATEMENT
51	<a href="#">4 O&amp;M</a>	OPERATIONS AND MAINTENANCE EXPENSES
52	<a href="#">5 Tax</a>	OPERATIONS AND MAINTENANCE EXPENSE
53	<a href="#">6 FIT</a>	FEDERAL AND EXCISE TAXES
54	<a href="#">7 GU</a>	GROSS REVENUE CONVERSION FACTOR
55	<a href="#">8 CC</a>	COST OF CAPITAL



**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**REVENUE REQUIREMENT AND REVENUE DEFICIENCY CALCULATION**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Cost of Gas	Sch 3	\$ 55,645,870
2			
3	Operation & Maintenance Expense	Sch 4	24,524,464
4			
5	Taxes Other Than Income Taxes	Sch 5	6,699,112
6			
7	Depreciation & Amortization Expense	Sch 6	21,970,994
8			
9	Return	Sch 7	46,673,352
10			
11	Federal Income and State Excise Tax	Sch 8	12,450,621
12			
13	AFUDC	WP_ 1-2	(1,371,547)
14			
15	Interest on Customer Deposits	WP_ 1-1	<u>188,668</u>
16			
17	Total Cost of Service	Sum (Ln 1 : Ln 15)	<u>\$ 166,781,534</u>
18			
19			
20	Revenue at Present Rates	Sch 11-2	<u>\$ 168,384,801</u>
21			
22	Net Revenue Deficiency (Sufficiency)	Ln 17 - Ln 20	\$ (1,603,266)
23	Amortization of EDITL	WP_ 7-9	(255,213)
24	Annual Reconciliation Revenue Requirement	Schedule 1R	3,549,863
25			
26	Total Revenue Deficiency (Sufficiency)	Sum (Ln 22 : Ln 24)	<u><u>\$ 1,691,384</u></u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**REVENUE REQUIREMENT AND REVENUE DEFICIENCY CALCULATION**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Cost of Gas	Sch 3	\$ 55,645,870
2			
3	Operation & Maintenance Expense	Sch 4	24,524,464
4			
5	Taxes Other Than Income Taxes	Sch 5	6,699,112
6			
7	Depreciation & Amortization Expense	Sch 6	18,768,695
8			
9	Return	Sch 7R	43,301,322
10			
11	Federal Income and State Excise Tax	Sch 8R	11,516,133
12			
13	AFUDC	WP_1-2	(1,371,547)
14			
15	Interest on Customer Deposits	WP_1-1	188,668
16			
17	Total Cost of Service	Sum (Ln 1 : Ln 15)	<u>\$ 159,272,717</u>
18			
19			
20	Actual Adjusted Revenue	Sch 2	<u>\$ 156,093,545</u>
21			
22	Net Revenue Deficiency (Sufficiency)	Ln 17 - Ln 20	\$ 3,179,172
23	Carrying Costs	Sch 9	370,691
24	Annual Reconciliation Revenue Requirement	Ln 22 + Ln 23	<u><u>\$ 3,549,863</u></u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**INTEREST ON CUSTOMER DEPOSITS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Average Customer Deposits Balance	Sch 7	\$ 2,219,619
2			
3	Interest Rate on Customer Deposits <sup>(1)</sup>		<u>8.50%</u>
4			
5	Adjusted Customer Deposits Interest	Ln 1 x Ln 3	<u><u>\$ 188,668</u></u>
6			
7	Note:		
8	1. Per the PUC's Department of Regulatory Agencies Letter dated September 11, 2024 for the Fourth Quarter of Calendar Year 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period AFUDC per books - Div 093 <sup>(1)</sup>		\$ (1,856,830)
2			
3	Less State Excise Tax Effect		<u>(120,694)</u>
4			
5	AFUDC net of state excise tax effect	Ln 1 - Ln 3	\$ (1,736,136)
6			
7	Less Federal Tax Effect		<u>(364,589)</u>
8			
9	Net AFUDC - Base Period	Ln 5 - Ln 7	<u><u>\$ (1,371,547)</u></u>
10	<div style="border: 1px solid black; padding: 10px; text-align: center;"> <p><i>This section intentionally left blank.</i></p> </div>		
11			
12			
13			
14			
15	Note:		
16	1. Twelve months ended September 30, 2024 - Accounts 4320 and 4191.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**SUMMARY OF ACTUAL REVENUES FOR THE HISTORIC TEST PERIOD**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period per books revenue <sup>(1)</sup>		\$ 153,562,736
2			
3	Adjustments:		
4	Reconciliation Revenue (Oct-May)		\$ 290,459
5	Reconciliation Revenue (Jun-Sep)		(1,272,699)
6	EDITL (Oct-May)		3,449,049
7	EDITL (Jun-Sep)		64,000
8	Actual Adjusted Revenue		<u>\$ 156,093,545</u>
9			
10	Test Year Revenue:		
11	Ongoing Gross Margin	Ln 13 - Ln 12	\$ 100,447,675
12	Adjusted Gas cost	Sch 3	55,645,870
13	Total Test Year Revenue	Sum (Ln 1 : Ln 7)	<u>\$ 156,093,545</u>
14			
15			
16			
17			
18	Note:		
19	1. Twelve months ended September 30, 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**COST OF GAS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period per books cost of gas <sup>(1)</sup>		\$ 56,785,651
2			
3	Adjustment:		
4	Net Elimination of Intercompany Leased Storage Property	WP_3-1	(1,139,781)
5			
6			
7			
8	Total Adjusted Gas Cost	Sum (Ln 1 + Ln 4)	<u>\$ 55,645,870</u>
9			
10	Note:		
11	1. Twelve months ended September 30, 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**ELIMINATION OF LEASED PROPERTY-RENT**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

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)	(d)	(e)	(f)
1	Oct-23	\$ -	\$ 32,314	\$ 20,603	\$ 908	\$ (99,604)
2	Nov-23	-	24,204	20,603	908	(99,604)
3	Dec-23	-	34,236	20,603	908	(99,604)
4	Jan-24	-	35,486	20,603	3,408	(99,604)
5	Feb-24	-	38,361	20,603	3,408	(87,278)
6	Mar-24	-	35,861	20,397	3,408	(93,441)
7	Apr-24	-	30,067	15,446	19,516	(93,441)
8	May-24	-	36,768	15,446	3,408	(93,441)
9	Jun-24	-	28,171	15,446	3,408	(93,441)
10	Jul-24	-	28,658	15,446	3,409	(93,441)
11	Aug-24	-	36,625	15,446	3,409	(93,441)
12	Sep-24	-	12,750	15,446	3,338	(93,441)
13						
14	TY FY24	<u>\$ -</u>	<u>\$ 373,500</u>	<u>\$ 216,087</u>	<u>\$ 49,436</u>	<u>\$ (1,139,781)</u>

Note:

1. C232, Intercompany Leased Property, Twelve months ended September 30, 2024

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATION AND MAINTENANCE ("O&M") EXPENSES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period per books O&M Expense net of ratemaking adjustments <sup>(1)</sup>	WP_4-1	\$ 24,157,365
2			
3			
4			
5			
6			
7	<u>Adjustment:</u>		
8			
9	Inclusion of Barnsley Storage Operating Expense	WP_3-1	\$ 373,500
10			
11	Misc. adjs to get to CAD's position		(6,401)
12			
13			
14			
15	Total Adjusted O&M	Sum (Ln 1 + Ln 9)	<u>\$ 24,524,464</u>
16			
17	Note:		
18	1. Twelve months ended September 30, 2024.		



**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE ("O&M") EXPENSE ADJUSTMENTS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Tennessee (Div 093)		Shared Services (Div 002 & 012)		General Office (Div 091)		Total	
		Historic Base		Historic Base		Historic Base		Historic Base	
1	Labor	\$ 3,604,552	<i>This section intentionally left blank.</i>	\$ 3,753,547	<i>This section intentionally left blank.</i>	\$ 1,395,448	<i>This section intentionally left blank.</i>	\$ 8,753,546	<i>This section intentionally left blank.</i>
2	Benefits	422,801		851,535		152,175		1,426,511	
3	Employee Welfare	59,116		1,815,910		414,531		2,289,557	
4	Insurance	43,138		2,323,634		8,091		2,374,863	
5	Rent, Maint., & Utilities	547,779		439,721		155,644		1,143,143	
6	Vehicles & Equip	488,528		8,612		42,576		539,716	
7	Materials & Supplies	746,191		66,325		(54,144)		758,373	
8	Information Technologies	62,544		1,819,518		102,924		1,984,987	
9	Telecom	56,353		203,401		85,057		344,812	
10	Marketing	246,715		13,594		244,449		504,758	
11	Directors & Shareholders & PR	78		262,511		986		263,574	
12	Dues & Donations	152,956		62,820		4,176		219,953	
13	Print & Postages	36,281		23,072		6,436		65,789	
14	Travel & Entertainment	420,572		111,379		215,393		747,345	
15	Training	79,084		63,425		38,655		181,164	
16	Outside Services	6,009,380		1,096,669		773,511		7,879,559	
17	Provision for Bad Debt	801,009		-		0		801,009	
18	Miscellaneous	29,226		(4,839,501)		(92,148)		(4,902,422)	
19	Total O&M Expenses Per Book	<u>\$ 13,806,304</u>		<u>\$ 8,076,172</u>		<u>\$ 3,493,760</u>		<u>\$ 25,376,235</u>	
20									
21	Disallowed Items:								
22	Other (Sub 05416 and 05412)	\$ (323)		\$ (849)		\$ (1,211)		\$ (2,383)	
23	Incentive Comp (MFR 38)	-		(835,182)		(371,124)		(1,206,306)	
24	FAS 87 Accrual (Sub Account 01202)	(93,718)		(85,203)		(34,252)		(213,173)	
25	SERP (Sub 07489,07490,07492,07493,07497)	-		(35,259)		(15,209)		(50,468)	
26									
27	Rate Case Expenses	\$ -		\$ -		\$ -		\$ -	
28									
29	Actual Allocable Pension Contribution	\$ 253,459		\$ -		\$ -		\$ 253,459	
30									
31									
32	Total Adjusted O&M	<u>\$ 13,965,722</u>		<u>\$ 7,119,679</u>		<u>\$ 3,071,964</u>		<u>\$ 24,157,365</u>	

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Tennessee (Div 093)			
Line No.	FERC Account		Test Year
1	7350	\$	668
2	8400		-
3	8500		-
4	8560		33,242
5	8570		-
6	8700		2,083,896
7	8711		68,322
8	8740		6,345,838
9	8750		895,668
10	8760		288
11	8770		287
12	8780		334,044
13	8790		-
14	8800		1,851
15	8810		55,736
16	8860		-
17	8870		104,799
18	8890		240,563
19	8900		176
20	8910		737
21	8920		4,096
22	8930		841
23	8940		(1,661)

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

24	9020	366,707
25	9030	867,950
26	9040	799,454
27	9080	-
28	9090	202,792
29	9100	-
30	9110	205,397
31	9120	72,971
32	9130	195,158
33	9160	335
34	9200	(0)
35	9210	25,576
36	9220	11,570,590
37	9230	233,782
38	9240	(7,969)
39	9250	113,279
40	9260	426,846
41	9270	403
42	9280	-
43	9301	5,793
44	9302	127,220
45	Total	<u>\$ 25,375,673</u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

General Office (Div 091)			
Line No.	FERC Account		Historic Base Period
46	8160	\$	-
47	8170		605
48	8180		1,451
49	8190		-
50	8210		1,156
51	8240		-
52	8250		4,511
53	8410		-
54	8500		-
55	8560		1,865
56	8570		1,242
57	8600		5,235
58	8700		2,913,491
59	8710		-
60	8740		362,391
61	8750		123,896
62	8760		-
63	8770		-
64	8780		137,862
65	8800		645,807
66	8810		344,415
67	8870		330
68	8890		-
69	8900		-
70	8910		79
71	8920		-

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

72	9010	117,511
73	9020	43,300
74	9030	2,313,925
75	9040	1,555
76	9090	186,916
77	9100	4,746
78	9110	202,989
79	9120	7,594
80	9130	13,443
81	9160	-
82	9200	(220,846)
83	9210	(327,296)
84	9220	(8,259,082)
85	9230	55,338
86	9240	(2,876)
87	9250	58,673
88	9260	1,251,320
89	9302	8,452
90	Total	<u>\$ 0</u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

SSU Division 002 (excluding CC 1903)			
Line No.	FERC Account	Historic Base Period	
91	8210	\$	693
92	8250		-
93	8510		-
94	8520		105,923
95	8560		97,996
96	8650		-
97	8660		-
98	8670		-
99	8700		23,513
100	8740		167,206
101	8800		345,454
102	8810		193,621
103	8850		-
104	9010		-
105	9020		132,184
106	9030		478,809
107	9090		-

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

108	9100	476
109	9110	-
110	9120	139,286
111	9130	15,237
112	9160	-
113	9200	(52,342,435)
114	9210	50,795,937
115	9220	(136,549,217)
116	9230	17,509,935
117	9240	131,453
118	9250	53,627,918
119	9260	51,038,471
120	9302	6,594,595
121	9310	6,857,425
122	9320	635,520
123	Total	<u>\$ (0)</u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OPERATIONAL AND MAINTENANCE EXPENSES BY FERC**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

SSU Division 012			
Line No.	FERC Account	Historic Base Period	
124	8210	\$	-
125	8700		-
126	8740		9,347
127	8780		26
128	8800		-
129	8810		106,727
130	9010		3,085,911
131	9020		4,762
132	9030		26,231,720
133	9070		170
134	9100		1
135	9160		-
136	9120		-
137	9200		4,852,023
138	9210		12,744,793
139	9220		(60,953,485)
140	9230		695,554
141	9240		74,286
142	9250		547
143	9260		11,520,591
144	9302		-
145	9310		1,625,566
146	9320		1,460
147	Total	\$	(0)



**ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
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TEST YEAR ENDING SEPTEMBER 30, 2024**

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ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
PENSION BENCHMARK CALCULATION  
TEST YEAR ENDING SEPTEMBER 30, 2024

Line No.	Description	Number of Participants	Estimated Liability	Percent of Contribution Applicable to Group	Actual Year Contribution	Allocation Factor to Tennessee	Amount Allocable to Tennessee	Composite Labor Capitalization Rate	Pension Contribution Assigned to Capital/Reduction to O&M Costs
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	All Other (not allocable to Tennessee)	3,515	\$ 334,485,000	77.5%	\$ 3,875,301	0.00%	\$ -		\$ -
2	Co 010 - Shared Services	454	50,474,000	11.7%	584,785	3.86%	22,588		-
3	Co 010 - CSO	241	16,172,000	3.7%	187,367	4.79%	8,969		-
4	Active Tennessee Jurisdiction Employees	59	8,173,000	1.9%	94,691	100.00%	94,691	61.64%	(58,371)
5	Inactive Tennessee Jurisdiction Employees	176	13,596,000	3.2%	157,522	100.00%	157,522		-
6	Active Division General Office Employees	13	2,722,000	0.6%	31,537	42.31%	13,343	54.79%	(7,311)
7	Inactive Division General Office Employees (pre-merger) <sup>(1)</sup>	47	3,877,000	0.9%	44,918	26.55%	11,926		-
8	Inactive Division General Office Employees (post-merger)	8	2,061,000	0.5%	23,878	42.31%	10,103		-
9									
10	Total Amount of Contribution Allocable to Tennessee	4,513	\$ 431,560,000	100.00%	\$ 5,000,000		\$ 319,142		\$ (65,682)
11									
12	Note:								
13	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								

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**TAXES OTHER THAN INCOME TAXES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period per books Other Taxes Expense <sup>(1)</sup>	WP_5-1	\$ 6,649,676
2			
3			
4			
5			
6			
7	Inclusion of Barnsley Storage Other taxes	WP_3-1	<u>49,436</u>
8			
9	Adjusted Taxes Other Than Income Taxes	Sum (Ln 1 + Ln 7)	<u>\$ 6,699,112</u>
10			
11	Note:		
12	1. Twelve months ended September 30, 2024 - Account 4081		

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
TAXES OTHER THAN INCOME TAXES  
TEST YEAR ENDING SEPTEMBER 30, 2024

Line No.	Description	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Fiscal Year 2024
1	<b>Division 093</b>													
2	FICA	\$ 13,766	\$ 42,442	\$ 19,512	\$ 14,409	\$ 12,782	\$ 14,120	\$ 9,745	\$ 35,456	\$ 15,479	\$ 16,940	\$ 14,381	\$ 17,920	\$ 226,951
3	FUTA	9	25	6	1,434	(151)	(72)	7	59	34	13	14	(0)	1,380
4	SUTA	7	8	4	439	120	(40)	(10)	15	13	9	4	6	575
5	Payroll Tax Projects	-	-	-	-	378	(378)	-	-	-	-	-	-	-
6	Ad Valorem	(38,352)	440,448	201,048	386,425	(400,730)	399,270	399,270	399,270	426,013	426,013	426,013	426,013	3,490,701
7	30105 Corp/State Franchise Tax	125,833	125,833	125,833	125,833	125,833	125,833	125,833	125,833	(1,330,270)	75,834	75,834	338,654	166,716
8	30107 City Franchise	167	167	167	167	167	167	167	167	167	167	1,430	167	3,263
9	30109 State Gross Receipts	88,224	121,923	203,147	234,952	192,507	125,906	99,249	66,123	54,842	51,590	51,171	53,777	1,343,411
10	30104 State Supv & Inspection	78,815	78,815	78,815	78,815	78,815	78,815	58,124	58,124	58,124	58,124	58,124	58,124	821,631
11	30108 Dot Transmission User Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Division 91 Allocations	122,455	(116,696)	22,337	18,150	16,631	15,202	20,052	17,565	14,985	26,757	16,307	14,798	188,542
13	Division 12 Allocations	12,946	11,712	13,457	18,441	13,805	13,883	14,484	20,312	6,535	17,705	11,453	12,272	167,004
14	Division 02 Allocations	16,515	34,454	11,382	23,141	18,600	18,429	19,294	28,382	8,987	26,376	16,496	17,446	239,502
15	Div 093 Total	\$ 420,383	\$ 739,131	\$ 675,707	\$ 902,204	\$ 58,757	\$ 791,136	\$ 746,215	\$ 751,305	\$ (745,092)	\$ 699,527	\$ 671,226	\$ 939,176	\$ 6,649,676
16														
17	<b>Division 091</b>													
18	FICA	\$ 41,010	\$ (28,306)	\$ 52,356	\$ 40,923	\$ 39,232	\$ 35,946	\$ 47,293	\$ 41,343	\$ 35,281	\$ 63,124	\$ 38,427	\$ 34,870	\$ 441,499
19	FUTA	7	27	4	1,435	(142)	(74)	8	57	26	9	11	(0)	1,368
20	SUTA	6	8	3	439	128	(41)	(10)	14	10	7	3	5	572
21	Payroll Tax Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Ad Valorem	248,400	(247,540)	430	100	100	100	100	100	100	100	100	100	2,190
23	30103 Occupational Licences	-	-	-	-	(10)	-	-	-	-	-	-	-	(10)
24	30105 Corp/State Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Div 091 Total	\$ 289,422	\$ (275,811)	\$ 52,793	\$ 42,897	\$ 39,308	\$ 35,930	\$ 47,392	\$ 41,514	\$ 35,417	\$ 63,240	\$ 38,541	\$ 34,975	\$ 445,619
26														
27	<b>Division 002</b>													
28	FICA	\$ 385,208	\$ 255,202	\$ 408,575	\$ 468,413	\$ 428,068	\$ 430,229	\$ 439,640	\$ 676,598	\$ 175,564	\$ 591,578	\$ 369,488	\$ 394,338	\$ 5,022,900
29	FUTA	398	658	(21)	31,219	(229)	(146)	(61)	835	355	499	653	431	34,591
30	SUTA	771	856	110	37,688	3,313	(9,404)	3,025	1,031	504	610	778	755	40,035
31	Payroll Tax Projects	556	571	348	282	146	690	730	562	535	668	421	407	5,914
32	Ad Valorem	40,400	638,900	(114,353)	61,300	50,200	55,700	55,700	55,700	55,700	55,700	55,700	55,700	1,066,347
33	30103 Occupational Licences	-	-	-	-	-	-	441	-	-	1,492	-	-	1,933
34	30106 Excise Taxes	186	-	-	161	-	-	-	-	-	32,249	-	-	32,595
35	Div 002 Total	\$ 427,517	\$ 896,188	\$ 294,658	\$ 599,062	\$ 481,498	\$ 477,070	\$ 499,474	\$ 734,726	\$ 232,657	\$ 682,795	\$ 427,040	\$ 451,630	\$ 6,204,316
36														
37	<b>Division 012</b>													
38	FICA	\$ 211,980	\$ 181,707	\$ 215,745	\$ 293,997	\$ 246,920	\$ 251,514	\$ 256,593	\$ 379,018	\$ 91,849	\$ 325,029	\$ 194,283	\$ 211,508	\$ 2,860,142
39	FUTA	219	387	(17)	19,485	(365)	(93)	(42)	477	185	273	344	231	21,085
40	SUTA	423	506	55	23,524	1,707	(5,617)	1,795	587	263	334	410	404	24,391
41	Ad Valorem	57,800	57,800	65,320	48,200	40,100	44,200	44,200	44,200	44,200	44,200	44,200	44,200	578,620
42	30105 Corp/State Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Div 012 Total	\$ 270,422	\$ 240,400	\$ 281,103	\$ 385,206	\$ 288,362	\$ 290,003	\$ 302,546	\$ 424,282	\$ 136,497	\$ 369,835	\$ 239,238	\$ 256,343	\$ 3,484,238

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**DEPRECIATION AND AMORTIZATION EXPENSES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Base period per books Depreciation Expense <sup>(1)</sup>		\$ 18,853,634
2			
3	Adjustment to Reflect Year End Plant Levels	Ln 5 - Ln 1	3,202,299
4			
5	Total Proforma Depreciation Expense	WP_ 6-2	<u>\$ 22,055,933</u>
6			
7	Adjustment to reflect Proposed Depreciation Rates	Ln 9 - Ln 5	-
8			
9	Total Proforma Depreciation Expense	WP_ 6-1	<u>\$ 22,055,933</u>
10			
11	Amortization of Deferred Pension Regulated Asset <sup>(2)</sup>	WP_ 7-3	-
12			
13	Intercompany Leased Property Depreciation	WP_ 3-1	216,087
14			
15	Adjustment for Depreciation Expense on Capitalized Incentive Compensation	WP_ 7-8	<u>(301,026)</u>
16			
17	Total Depreciation and Amortization Expense, As Adjusted	Sum (Ln 9 : Ln 15)	<u><u>\$ 21,970,994</u></u>
18			
19	Notes:		
20	1. Twelve months ended September 30, 2024.		
21	2. Amortization schedule to a Pension regulatory asset was fully amortized in May 2017.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**DEPRECIATION EXPENSE ADJUSTMENT**  
**PROFORMA DEPRECIATION AT PROPOSED DEPRECIATION RATES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Amount	Allocation	Allocated
	(a)	(b)	(c )	(d)
1	Proforma Depreciation			
2	Tennessee Operations (Div 093)	\$ 20,731,419	100.00%	\$ 20,731,419
3	Mid-States General Office (Div 091)	21,426	42.31%	9,065
4	Shared Services - Customer Service (Div 012)	9,808,769	4.79%	469,539
5	Shared Services - General Office (Div 002)	21,899,996	3.86%	845,910
6				
7	Proforma Depreciation Expense Adjustment			<u>\$ 22,055,933</u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**DEPRECIATION EXPENSE ADJUSTMENT**  
**PROFORMA DEPRECIATION AT CURRENT DEPRECIATION RATES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Amount	Allocation	Allocated
	(a)	(b)	(c )	(d)
1	Proforma Depreciation			
2	Tennessee Operations (Div 093)	\$ 20,731,419	100.00%	\$ 20,731,419
3	Mid-States General Office (Div 091)	21,426	42.31%	9,065
4	Shared Services - Customer Service (Div 012)	9,808,769	4.79%	469,539
5	Shared Services - General Office (Div 002)	21,899,996	3.86%	845,910
6				
7	Proforma Depreciation Expense			<u>\$ 22,055,933</u>

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**RATE BASE AND RETURN**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Test Year Ending Balance	Reference
	(a)	(b)	(c)
1	Original Cost of Plant <sup>(2)</sup>	\$ 951,086,909	WP_7-10 & WP_7-2
2			
3	Accumulated Depreciation and Amortization	(261,177,345)	WP_7-2
4			
5	Construction Work in Progress per Books	34,592,339	WP_7-2
6			
7	Storage Gas Investment	4,641,765	WP_7-2
8			
9	Cash Working Capital	4,242,319	WP_7-5
10			
11	Material & Supplies	382,214	WP_7-2
12			
13	Regulatory Assets/Liabilities (EDITL & Deferral)	(8,422,014)	WP_7-9
14			
15	Accumulated Deferred Income Tax	(106,064,194)	WP_7-2
16			
17	Customer Advances for Construction	(20,280)	WP_7-2
18			
19	Customer Deposits	(2,219,619)	WP_7-2
20			
21	Accumulated Interest on Customer Deposits	(42,050)	WP_7-2
22			
23	Unadjusted Rate Base	<u>\$ 617,000,045</u>	Sum (Ln 1 : Ln 21)
24			
25	Capitalized Incentive Compensation & SERP Adjustments	(11,825,872)	WP_7-8
26			



27	Intercompany Leased Property	6,265,935	WP_7-2
28			
29	Cloud Projects <sup>(3)</sup>	<u>268,310</u>	WP_7-2
30			
31	Total Rate Base	<u>\$ 611,708,417</u>	Sum (Ln 23 : Ln 29)
32		<u>(0)</u>	
33	Return at Overall Cost of Capital on Rate Base	<u>\$ 46,673,352</u>	Sch 9
34			

35 Notes:

36 1. Twelve months ended September 30, 2024.

37 2. Per Docket 18-00112 Settlement Agreement, Original cost of Plant calculation includes ending balance as of the end of the Test Year FY24 of the Total Deferral Regulatory Asset , FERC Account 186 and sub account 14218 , please see tab "WP\_7-10" for more details.

38 3. The Cloud Computing Projects Regulatory Asset represents amounts recorded to FERC accounts 174, 182.3 and 186 for information technology software as a service rather than a purchase. Please see tab, "WP\_7-2" for a more detailed description.

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**RATE BASE AND RETURN**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Test Year Ending Balance	Reference
	(a)	(b)	(c)
1	Original Cost of Plant <sup>(2)</sup>	\$ 904,039,006	WP_7-10 & WP_7-2
2			
3	Accumulated Depreciation and Amortization	(255,622,008)	WP_7-2
4			
5	Construction Work in Progress per Books	24,817,491	WP_7-2
6			
7	Storage Gas Investment	4,641,765	WP_7-2
8			
9	Cash Working Capital	4,242,319	WP 7-5
10			
11	Material & Supplies	382,214	WP_7-2
12			
13	Regulatory Assets/Liabilities (EDITL & Deferral)	(9,109,341)	WP 7-9
14			
15	Accumulated Deferred Income Tax	(98,257,780)	WP_7-2
16			
17	Customer Advances for Construction	(20,280)	WP_7-2
18			
19	Customer Deposits	(2,219,619)	WP_7-2
20			
21	Accumulated Interest on Customer Deposits	(42,050)	WP_7-2
22			
23	Unadjusted Rate Base	<u>\$ 572,851,718</u>	Sum (Ln 1 : Ln 21)
24			
25	Capitalized Incentive Compensation & SERP Adjustments	(11,825,872)	WP_7-8
26			

27	Intercompany Leased Property	6,263,844	WP_7-2
28			
29	Cloud projects	<u>224,362</u>	WP_7-2
30			
31	Total Rate Base	<u>\$ 567,514,053</u>	Sum (Ln 23 : Ln 29)
32			
33	Return at Overall Cost of Capital on Rate Base	<u>\$ 43,301,322</u>	Sch 9
34			
35	Notes:		
36	1. Thirteen months Average ended September 30, 2024.		
37	2. Per Docket 18-00112 Settlement Agreement, Original cost of Plant calculation includes 13 months average balance of the Total Deferral Regulatory Asset excluding Interest & RWIP Interest, FERC Account 186 and sub account 14218, please see tab "WP_7-10" for more details.		
38	3. The Cloud Computing Projects Regulatory Asset represents amounts recorded to FERC accounts 174, 182.3 and 186 for information technology software as a service rather than a purchase. Please see tab, "WP_7-2" for a more detailed description.		

**ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
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TEST YEAR ENDING SEPTEMBER 30, 2024**

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ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
REALLOCATION OF RATE BASE ITEMS PROFORMA ALLOCATION FACTORS  
TEST YEAR ENDING SEPTEMBER 30, 2024

		Factors		Division 093		Division 091		Division 012		CKV		Division 002		Greenville		AEAM		ALGN																	
		FY24		100%		41.69%		4.76%		2.87%		3.87%		1.26%		4.78%		1.37%																	
Line No.	Month	Division 093 - Tennessee	Division 091 - Mid-States General Office	Division 012 - SSU Customer	Division 002 - SSU General		Greenville	AEAM	ALGN	FY24	100%	42.31%	4.79%	2.65%	3.86%	1.27%	4.73%	1.42%	Total Tennessee																
		(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)																
70	Customers Deposits (Account 235)																																		
71																																			
72	Sep-23	\$	(2,250,882)	\$	-	\$	-	\$	-	\$	(2,250,882)	\$	-	\$	-	\$	-	\$	-	\$	(2,250,882)														
73	Oct-23	\$	(2,300,648)	-	-	-	-	-	-	-	(2,300,648)	-	-	-	-	-	-	-	-	(2,300,648)															
74	Nov-23	(2,306,771)	-	-	-	-	-	-	-	-	(2,306,771)	-	-	-	-	-	-	-	-	(2,306,771)															
75	Dec-23	(2,269,980)	-	-	-	-	-	-	-	-	(2,269,980)	-	-	-	-	-	-	-	-	(2,269,980)															
76	Jan-24	(2,238,679)	-	-	-	-	-	-	-	-	(2,238,679)	-	-	-	-	-	-	-	-	(2,238,679)															
77	Feb-24	(2,228,439)	-	-	-	-	-	-	-	-	(2,228,439)	-	-	-	-	-	-	-	-	(2,228,439)															
78	Mar-24	(2,237,518)	-	-	-	-	-	-	-	-	(2,237,518)	-	-	-	-	-	-	-	-	(2,237,518)															
79	Apr-24	(2,228,779)	-	-	-	-	-	-	-	-	(2,228,779)	-	-	-	-	-	-	-	-	(2,228,779)															
80	May-24	(2,215,673)	-	-	-	-	-	-	-	-	(2,215,673)	-	-	-	-	-	-	-	-	(2,215,673)															
81	Jun-24	(2,177,795)	-	-	-	-	-	-	-	-	(2,177,795)	-	-	-	-	-	-	-	-	(2,177,795)															
82	Jul-24	(2,157,482)	-	-	-	-	-	-	-	-	(2,157,482)	-	-	-	-	-	-	-	-	(2,157,482)															
83	Aug-24	(2,124,118)	-	-	-	-	-	-	-	-	(2,124,118)	-	-	-	-	-	-	-	-	(2,124,118)															
84	Sep-24	(2,118,276)	-	-	-	-	-	-	-	-	(2,118,276)	-	-	-	-	-	-	-	-	(2,118,276)															
85	13-Month Average	\$	(2,219,619)	\$	-	\$	-	\$	-	\$	(2,219,619)	\$	-	\$	-	\$	-	\$	-	\$	(2,219,619)														
86																																			
87	Accumulated Deferred FIT (Total Accounts 190,255, 282, 283)																																		
89																																			
90	Sep-23	\$	(104,188,181)	\$	(5,967,626)	\$	(11,066,384)	\$	-	\$	443,875,705	\$	-	\$	-	\$	-	\$	-	\$	(90,011,198)														
91	Oct-23	(104,319,755)	(5,967,626)	(11,066,384)	-	434,898,135	-	-	-	-	(104,319,755)	(2,524,903)	(529,740)	-	16,798,388	-	-	-	-	(90,376,009)															
92	Nov-23	(104,451,329)	(5,967,626)	(11,066,384)	-	446,531,118	-	-	-	-	(104,451,329)	(2,524,903)	(529,740)	-	17,247,724	-	-	-	-	(90,258,247)															
93	Dec-23	(108,521,825)	(6,810,407)	(10,658,061)	-	441,212,683	-	-	-	-	(108,521,825)	(2,881,483)	(510,194)	-	17,042,294	-	-	-	-	(94,871,208)															
94	Jan-24	(108,653,399)	(6,810,407)	(10,658,061)	-	435,821,475	-	-	-	-	(108,653,399)	(2,881,483)	(510,194)	-	16,834,053	-	-	-	-	(95,211,023)															
95	Feb-24	(108,784,973)	(6,810,407)	(10,658,061)	-	433,266,778	-	-	-	-	(108,784,973)	(2,881,483)	(510,194)	-	16,735,376	-	-	-	-	(95,441,275)															
96	Mar-24	(112,672,880)	(8,942,964)	(10,606,696)	-	383,104,345	-	-	-	-	(112,672,880)	(3,783,768)	(507,735)	-	14,797,800	-	-	-	-	(102,166,583)															
97	Apr-24	(112,679,196)	(8,942,964)	(10,606,696)	-	373,529,832	-	-	-	-	(112,679,196)	(3,783,768)	(507,735)	-	14,427,974	-	-	-	-	(102,542,725)															
98	May-24	(112,685,513)	(8,942,964)	(10,606,696)	-	376,116,367	-	-	-	-	(112,685,513)	(3,783,768)	(507,735)	-	14,557,882	-	-	-	-	(102,449,584)															
99	Jun-24	(113,332,770)	(9,788,092)	(9,899,458)	-	394,081,598	-	-	-	-	(113,332,770)	(4,141,342)	(473,880)	-	15,221,808	-	-	-	-	(102,726,184)															
100	Jul-24	(113,338,328)	(9,788,092)	(9,899,458)	-	397,955,443	-	-	-	-	(113,338,328)	(4,141,342)	(473,880)	-	15,371,439	-	-	-	-	(102,582,111)															
101	Aug-24	(113,343,886)	(9,788,092)	(9,899,458)	-	401,487,312	-	-	-	-	(113,343,886)	(4,141,342)	(473,880)	-	15,507,861	-	-	-	-	(102,451,247)															
102	Sep-24	(118,598,552)	(10,876,512)	(10,141,977)	-	456,213,058	-	-	-	-	(118,598,552)	(4,601,852)	(485,489)	-	17,621,699	-	-	-	-	(106,064,194)															
103	13-Month Average	\$	(110,428,507)	\$	(8,107,983)	\$	(10,525,675)	\$	-	\$	416,776,450	\$	-	\$	-	\$	-	\$	-	\$	(98,257,780)														
104																																			
105	Accumulated Depreciation (Account 108)																																		
106																																			
107	Sep-23	\$	(242,142,237)	\$	(184,922)	\$	(82,807,681)	\$	(5,714,033)	\$	(86,565,835)	\$	(5,361,607)	\$	(23,292,410)	\$	(10,914,447)	\$	(242,142,237)	\$	(77,094)	\$	(3,941,993)	\$	(163,750)	\$	(3,352,770)	\$	(67,672)	\$	(1,113,831)	\$	(149,892)	\$	(251,009,240)
108	Oct-23	(242,253,257)	(186,778)	(83,580,788)	(5,760,232)	(87,578,254)	(5,399,262)	(23,522,693)	(11,039,045)	-	(242,253,257)	(79,026)	(4,000,951)	(152,556)	(3,382,800)	(68,734)	(1,113,593)	(156,494)	(251,207,411)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(251,009,240)	
109	Nov-23	(243,148,687)	(188,635)	(84,334,567)	(5,806,457)	(88,593,141)	(5,436,917)	(23,752,591)	(11,163,712)	-	(243,148,687)	(79,811)	(4,037,034)	(153,780)	(3,422,001)	(69,213)	(1,124,477)	(158,261)	(252,193,266)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(252,193,266)	
110	Dec-23	(244,425,214)	(191,074)	(85,059,274)	(5,852,667)	(89,901,910)	(5,469,088)	(23,736,048)	(11,295,271)	-	(244,425,214)	(80,843)	(3,736,640)	(155,004)	(3,124,920)	(69,623)	(1,123,693)	(160,126)	(252,876,064)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(252,876,064)	
111	Jan-24	(245,557,009)	(193,514)	(86,767,542)	(5,899,199)	(91,940,181)	(5,501,259)	(23,967,248)	(11,426,813)	-	(245,557,009)	(81,876)	(3,770,545)	(156,237)	(3,165,024)	(70,032)	(1,134,639)	(161,991)	(254,097,352)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(254,097,352)	
112	Feb-24	(246,450,315)	(195,953)	(87,483,370)	(5,945,730)	(92,958,753)	(5,533,431)	(24,203,662)	(11,558,335)	-	(246,450,315)	(82,908)	(3,804,811)	(157,469)	(3,204,367)	(70,442)	(1,145,831)	(163,856)	(255,079,999)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(255,079,999)	
113	Mar-24	(246,838,229)	(175,067)	(88,192,051)	(5,960,469)	(93,996,433)	(5,565,602)	(24,435,484)	(11,689,854)	-	(246,838,229)	(74,071)	(3,838,735)	(157,859)	(3,244,449)	(70,852)	(1,156,806)	(165,720)	(255,546,720)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(255,546,720)	
114	Apr-24	(247,370,632)	(177,356)	(89,900,731)	(6,006,993)	(94,986,916)	(5,597,312)	(24,683,016)	(11,821,337)	-	(247,370,632)	(75,009)	(3,872,659)	(159,141)	(3,282,707)	(71,261)	(1,168,818)	(166,984)	(256,167,490)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(256,167,490)	
115	May-24	(247,795,859)	(179,645)	(91,609,454)	(6,054,151)	(96,012,398)	(5,629,945)	(24,930,505)	(11,952,814)	-	(247,795,859)	(76,008)	(3,906,585)	(160,340)	(3,322,317)	(71,671)	(1,180,241)	(169,448)	(256,682,469)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(256,682,469)	
116	Jun-24	(248,822,453)	(181,890)	(92,349,122)	(5,989,072)	(97,106,977)	(5,662,116)	(25,178,401)	(12,084,130)	-	(248,822,453)	(76,958)	(3,941,992)	(158,617)	(3,364,597)	(72,080)	(1,191,976)	(171,310)	(257,799,982)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(257,799,982)	
117	Jul-24	(249,926,140)	(183,700)	(93,071,747)	(6,035,049)	(98,235,399)	(5,694,287)	(25,424,342)	(12,215,443)	-	(249,926,140)	(77,724)	(3,976,584)	(159,834)	(3,408,183)	(72,490)	(1,203,619)	(173,171)	(258,997,745)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(258,997,745)	
118	Aug-24	(251,077,282)	(185,511)	(93,775,641)	(6,081,024)	(99,540,397)	(5,726,458)	(25,713,461)	(12,352,110)	-	(251,077,282)	(78,490)	(4,010,279)	(161,052)	(3,458,590)	(72,899)	(1,217,307)	(175,109)	(260,251,007)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(260,251,007)	
119	Sep-24	(251,897,165)	(187,322)	(94,473,468)	(6,126,908)	(99,964,603)	(5,760,177)	(26,002,703)	(12,488,652)	-	(251,897,165)	(79,256)	(4,043,683)	(162,267)	(3,513,601)	(73,328)	(1,231,000)	(177,044)	(261,177,345)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(261,177,345)	
120	13-Month Average	\$	(246,746,498)	\$	(185,490)	\$	(81,800,418)	\$	(5,940,921)	\$	(86,106,248)	\$	(5,564,455)	\$	(24,526,351)	\$	(11,692,459)	\$	(246,746,498)	\$	(78,393)	\$	(3,914,038)	\$	(158,297)	\$	(3,326,641)	\$	(70,792)	\$	(1,161,964)	\$	(165,385)	\$	(255,622,008)
121																																			
122	Customers Advances (Account 252)																																		
124																																			
125	Sep-23	\$	(20,280)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(20,280)														
126	Oct-23	(20,280)	-	-	-	-	-	-	-	-	(20,280)	-	-	-	-	-	-	-	-	(20,280)															
127	Nov-23	(20,280)	-	-	-	-	-	-	-	-	(20,280)	-	-	-	-	-	-	-	-	(20,280)															
128	Dec-23	(20,280)	-	-	-	-	-	-	-	-	(20,280)	-	-	-	-	-	-	-	-	(20,280)															
129	Jan-24	(20,280)	-	-	-	-	-	-	-	-	(20,280)	-	-	-	-	-	-	-	-	(20,280)															
130	Feb-24	(20,280)	-	-	-	-	-	-	-	-	(20,280)	-	-	-	-	-	-	-	-	(20,280)															
131	Mar-24	(20,280)	-	-	-	-	-	-	-																										

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
REALLOCATION OF RATE BASE ITEMS PROFORMA ALLOCATION FACTORS  
TEST YEAR ENDING SEPTEMBER 30, 2024

											Factors FY23	Division 093 100%	Division 091 41.69%	Division 012 4.76%	CKV 2.87%	Division 002 3.87%	Greenville 1.26%	AEAM 4.78%	ALGN 1.37%		
Line No.	Month	Division 093 - Tennessee	Division 091 - Mid- States General Office	Division 012 - SSU Customer	CKV	Division 002 - SSU General	Greenville	AEAM	ALGN	FY24	100%	42.31%	4.79%	2.65%	3.86%	1.27%	4.73%	1.42%	Total Tennessee		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(o)	(p)	(q)	(r)	(s)	(t)		
140	Interest on Customer Deposits (Account 237-26919)																				
141																					
142	Sep-23	\$ (36,287)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(36,287)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(36,287)	
143	Oct-23	(39,645)	-	-	-	-	-	-	-	-	(39,645)	-	-	-	-	-	-	-	-	(39,645)	
144	Nov-23	(42,824)	-	-	-	-	-	-	-	-	(42,824)	-	-	-	-	-	-	-	-	(42,824)	
145	Dec-23	(45,186)	-	-	-	-	-	-	-	-	(45,186)	-	-	-	-	-	-	-	-	(45,186)	
146	Jan-24	(48,357)	-	-	-	-	-	-	-	-	(48,357)	-	-	-	-	-	-	-	-	(48,357)	
147	Feb-24	(33,140)	-	-	-	-	-	-	-	-	(33,140)	-	-	-	-	-	-	-	-	(33,140)	
148	Mar-24	(35,657)	-	-	-	-	-	-	-	-	(35,657)	-	-	-	-	-	-	-	-	(35,657)	
149	Apr-24	(38,267)	-	-	-	-	-	-	-	-	(38,267)	-	-	-	-	-	-	-	-	(38,267)	
150	May-24	(42,253)	-	-	-	-	-	-	-	-	(42,253)	-	-	-	-	-	-	-	-	(42,253)	
151	Jun-24	(44,461)	-	-	-	-	-	-	-	-	(44,461)	-	-	-	-	-	-	-	-	(44,461)	
152	Jul-24	(46,153)	-	-	-	-	-	-	-	-	(46,153)	-	-	-	-	-	-	-	-	(46,153)	
153	Aug-24	(47,022)	-	-	-	-	-	-	-	-	(47,022)	-	-	-	-	-	-	-	-	(47,022)	
154	Sep-24	(47,397)	-	-	-	-	-	-	-	-	(47,397)	-	-	-	-	-	-	-	-	(47,397)	
155	13-Month Average	\$ (42,050)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(42,050)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(42,050)	
156																					
157																					
158	Net elimination of intercompany leased property																				
159																					
160	Sep-23	\$ 5,812,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,812,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,812,516	
161	Oct-23	5,791,912	-	-	-	-	-	-	-	-	5,791,912	-	-	-	-	-	-	-	-	5,791,912	
162	Nov-23	6,440,815	-	-	-	-	-	-	-	-	6,440,815	-	-	-	-	-	-	-	-	6,440,815	
163	Dec-23	6,420,212	-	-	-	-	-	-	-	-	6,420,212	-	-	-	-	-	-	-	-	6,420,212	
164	Jan-24	6,399,608	-	-	-	-	-	-	-	-	6,399,608	-	-	-	-	-	-	-	-	6,399,608	
165	Feb-24	6,379,005	-	-	-	-	-	-	-	-	6,379,005	-	-	-	-	-	-	-	-	6,379,005	
166	Mar-24	6,358,608	-	-	-	-	-	-	-	-	6,358,608	-	-	-	-	-	-	-	-	6,358,608	
167	Apr-24	6,343,162	-	-	-	-	-	-	-	-	6,343,162	-	-	-	-	-	-	-	-	6,343,162	
168	May-24	6,327,717	-	-	-	-	-	-	-	-	6,327,717	-	-	-	-	-	-	-	-	6,327,717	
169	Jun-24	6,312,271	-	-	-	-	-	-	-	-	6,312,271	-	-	-	-	-	-	-	-	6,312,271	
170	Jul-24	6,296,826	-	-	-	-	-	-	-	-	6,296,826	-	-	-	-	-	-	-	-	6,296,826	
171	Aug-24	6,281,380	-	-	-	-	-	-	-	-	6,281,380	-	-	-	-	-	-	-	-	6,281,380	
172	Sep-24	6,265,935	-	-	-	-	-	-	-	-	6,265,935	-	-	-	-	-	-	-	-	6,265,935	
173	13-Month Average	\$ 6,263,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,263,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,263,844	
174																					
175																					
176	Cloud Projects (Accounts 174, 182.3 & 186) <sup>(2)</sup>																				
177																					
178	Sep-23	\$ -	\$ -	2,002,845	\$ -	\$ 2,219,421	\$ -	\$ -	\$ -	\$ -	-	\$ -	95,344	\$ -	\$ 85,960	\$ -	\$ -	\$ -	\$ -	181,304	
179	Oct-23	-	-	1,965,627	-	2,133,669	-	-	-	-	-	-	94,093	-	82,415	-	-	-	-	176,508	
180	Nov-23	-	-	1,932,673	-	2,049,900	-	-	-	-	-	-	92,516	-	79,179	-	-	-	-	171,695	
181	Dec-23	-	-	1,899,048	-	3,598,538	-	-	-	-	-	-	90,906	-	138,997	-	-	-	-	229,903	
182	Jan-24	-	-	1,865,623	-	3,470,373	-	-	-	-	-	-	89,306	-	134,047	-	-	-	-	223,353	
183	Feb-24	-	-	1,832,471	-	3,293,264	-	-	-	-	-	-	87,719	-	127,206	-	-	-	-	214,925	
184	Mar-24	-	-	1,799,036	-	3,267,677	-	-	-	-	-	-	86,119	-	126,217	-	-	-	-	212,336	
185	Apr-24	-	-	1,765,601	-	3,325,161	-	-	-	-	-	-	84,518	-	128,438	-	-	-	-	212,956	
186	May-24	-	-	1,732,166	-	3,128,790	-	-	-	-	-	-	82,918	-	120,850	-	-	-	-	203,768	
187	Jun-24	-	-	1,698,732	-	4,670,511	-	-	-	-	-	-	81,317	-	180,403	-	-	-	-	261,720	
188	Jul-24	-	-	1,665,297	-	5,278,022	-	-	-	-	-	-	79,717	-	203,869	-	-	-	-	283,586	
189	Aug-24	-	-	1,631,862	-	5,132,024	-	-	-	-	-	-	78,116	-	198,230	-	-	-	-	276,346	
190	Sep-24	-	-	1,598,428	-	4,965,413	-	-	-	-	-	-	76,516	-	191,794	-	-	-	-	268,310	
191	13-Month Average	\$ -	\$ -	1,799,185	\$ -	3,579,439	\$ -	\$ -	\$ -	\$ -	-	\$ -	86,085	\$ -	138,277	\$ -	\$ -	\$ -	\$ -	224,362	

Notes:

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

195

2. The information technology industry has evolved and now offers software as a service rather than purchase. The Company now has several software packages that are purchased as a service ("Cloud Computing Projects"). These expenditures for software as a service are recorded to FERC Accounts 182.3, Other Regulatory Assets; 174, Miscellaneous Current and Accrued Assets; and 186, Miscellaneous Deferred Debits. The benefit of these expenditures extend beyond the current period when the payment is made to the vendor. These software packages provide long-term customer benefits.

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
PENSION REGULATED ASSET  
TEST YEAR ENDING SEPTEMBER 30, 2024

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**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**ACCUMULATED DEFERRED INCOME TAX**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Month	Total Div 002 Adjusted ADIT	Non-regulated NOL (2)	Adjusted Regulated Utility NOL (3)	Other ADIT	SSU Utility ADIT
	(a)	(b)	(c)	(d)	(e) = (b) - (c) - (d)	(f) = (b) - (c)
1	Sep-23	\$ 271,493,701	\$ (172,382,004)	\$ 604,725,664	\$ (160,849,960)	\$ 443,875,705
2	Oct-23	262,516,131	(172,382,004)	604,725,664	(169,827,529)	434,898,135
3	Nov-23	274,149,114	(172,382,004)	604,725,664	(158,194,547)	446,531,118
4	Dec-23	266,445,494	(174,767,189)	588,091,032	(146,878,349)	441,212,683
5	Jan-24	261,054,286	(174,767,189)	588,091,032	(152,269,557)	435,821,475
6	Feb-24	258,499,589	(174,767,189)	588,091,032	(154,824,255)	433,266,778
7	Mar-24	206,764,689	(176,339,656)	555,258,810	(172,154,464)	383,104,345
8	Apr-24	197,190,176	(176,339,656)	555,258,810	(181,728,978)	373,529,832
9	May-24	199,776,711	(176,339,656)	555,258,810	(179,142,443)	376,116,367
10	Jun-24	215,815,923	(178,265,675)	556,547,425	(162,465,827)	394,081,598
11	Jul-24	219,689,768	(178,265,675)	556,547,425	(158,591,982)	397,955,443
12	Aug-24	223,221,637	(178,265,675)	556,547,425	(155,060,114)	401,487,312
13	Sep-24	277,815,012	(178,398,046)	600,752,861	(144,539,803)	456,213,058

14

15 Notes:

16 1. Summary of Shared Services, Divison 002 adjusted ADIT.

17 2. FD - NOL Credit Carryforward - Non Reg & Other.

18 3. Includes adjustment to remove the impact of Winter Storm Uri. Please see Relied file, "o. Plant Balances 2025 TN Case", Tab "Winter Storm URI Fed NOL SSU".

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**CASH WORKING CAPITAL LEAD/LAG ANALYSIS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Base Period
	(a)	(b)	(c)
1	Revenue Lag	CWC	37.50
2			
3	Expense Lag	WP_7-7	28.06
4			
5	Net Lag	Ln 1 - Ln 3	9.44
6			
7	Daily Cost of Service	WP_7-7	\$ 449,324.30
8			
9	Cash Working Capital	Ln 5 x Ln 7	\$ 4,242,319

**ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
BLANK SHEET  
TEST YEAR ENDING SEPTEMBER 30, 2024**

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**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**CASH WORKING CAPITAL LEAD/LAG ANALYSIS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year	Expense Lag	CWC Requirement
	(a)	(b)	(c)	(d)	(e) = (c) x (d)
1	Gas Supply Expense				
2	Purchased Gas	Sch 3	\$ 55,645,870	39.33	\$ 2,188,552,070
3					
4	Operation and Maintenance Expense				
5	O&M, Labor	WP_4-1	\$ 8,753,546	14.07	\$ 123,162,392
6	O&M, Non-Labor	Ln 7 - Ln 5	15,770,918	29.40	463,664,991
7	Total O&M Expense	Sch 4	\$ 24,524,464		\$ 586,827,383
8					
9					
10	Taxes Other Than Income				
11	Ad Valorem	WP_5-1 & Sch 5	\$ 3,540,137	241.50	\$ 854,943,018
12	State Gross Receipts Tax	WP_5-1	1,343,411	(151.50)	(203,526,770)
13	Payroll Taxes	WP_5-1	228,906	16.55	3,788,402
14	Franchise Tax	WP_5-1	169,979	37.50	6,374,220
15	TRA Inspection Fee	WP_5-1	821,631	272.50	223,894,366
16	DOT	WP_5-1	\$ -	59.00	\$ -
17					
18	Allocated Taxes-Shared Services				
19	Ad Valorem	0%	\$ -	241.50	\$ -
20	Payroll Taxes	100%	\$ 406,506	16.55	\$ 6,727,678
21					
22	Allocated Taxes-Business Unit				
23	Ad Valorem	0%	\$ 927	241.50	\$ 223,771
24	Payroll Taxes	100%	187,615	16.55	3,105,028
25	Total Taxes Other Than Income		\$ 6,699,112		\$ 895,529,714

Line No.	Description	Reference	Test Year	Expense Lag	CWC Requirement
	(a)	(b)	(c)	(d)	(e) = (c) x (d)
26					
27	Federal Income Tax	WP_10-1	\$ 9,672,692		
28	Current Taxes		-	37.50	-
29	Deferred Taxes	WP_7-2	9,672,692	-	-
30					
31	State Excise Tax	WP_10-1	3,202,063		
32	Current Taxes		-	37.50	-
33	Deferred Taxes	WP_7-2	3,202,063	-	-
34					
35	Depreciation	Sch 6	18,768,695	-	-
36					
37	Interest on Customer Deposits	WP_1-1	188,668	182.50	34,431,832
38					
39	Interest Expense - LTD	Sch 7 & Sch 9	9,726,164	91.25	887,512,450
40					
41	Interest Expense - STD	Sch 7 & Sch 9	367,025	24.05	8,826,464
42					
43	Return on Equity	Sch 7 & WP_1-2	\$ 35,208,616		\$ -
44					
45					
46	TOTAL		\$ 164,003,369	28.06	\$ 4,601,679,913
47					
48	Daily Cost of Service		\$ 449,324		\$ 12,607,342

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**AMORTIZATION SCHEDULE OF CAPITALIZED INCENTIVE COMPENSATION & SERP ADJUSTMENTS**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Rate Base	Depreciation Expense
	(a)	(b)	(c)
1	<i>This section intentionally left blank.</i>		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11	<u>Historic Base Period</u>		
12	Docket No. 16-00013, 2016 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 5-31-16	\$ 983,283	\$ 29,796
13	Docket No. 17-00012, 2017 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-17	1,074,479	29,847
14	Docket No. 18-00067, 2018 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-18	848,734	22,939
15	Docket No. 19-00076, 2019 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-19	927,943	24,420
16	Docket No. 21-00019, 2020 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-20	1,114,974	28,589
17	Docket No. 22-00010, 2021 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-21	1,732,440	43,311
18	Docket No. 23-00008, 2022 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-22	1,402,441	33,391
19	Docket No. 24-00006, 2023 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-23	1,515,726	36,969
20	Docket No. 25-xxxxx, 2024 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-24	2,225,851	51,764
21	Total	<u>\$ 11,825,872</u>	<u>\$ 301,026</u>
22			
23			
24	Note:		
25	1. Historic Base Period Amounts for the period of 12 months ended Septmeber 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**DEFERRED REGULATORY LIABILITY AMORTIZATION**

Date of Next Rate Implementation:	6/1/2024	Final Reg Liability	29,337,265	Unprotected Amortization Period:	3
Final Amortization Month:	9/30/2057	Unprotected Balance:	18,853,052	Final Amortization Protected Period POST COR updated:	39
		Protected Balance:	10,484,213	Max. Monthly Protected Amortization POST COR update	\$ 21,268

Date	Liability			Amortization				GL Balance Div 093				
	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization		Accts 242-27909, 253-27909	Reg liab vs GL diff	Total Reg Liab.
Beginning	\$ (9,888,366)	\$ (17,784,704)	\$ (27,673,070)									
Amortized Through 5/31/21	-	-	-									
10/31/2018	(9,858,239)	(17,732,471)	(27,590,710)	\$ (30,127)	\$ (52,233)		\$ (82,360)	\$ (82,360)				\$ (27,673,070)
11/30/2018	(9,828,112)	(17,680,237)	(27,508,349)	(30,127)	(52,233)		(82,360)	(164,721)				(27,673,070)
12/31/2018	(9,797,985)	(17,628,004)	(27,425,989)	(30,127)	(52,233)		(82,360)	(247,081)				(27,673,070)
1/31/2019	(9,767,858)	(17,575,771)	(27,343,629)	(30,127)	(52,233)		(82,360)	(329,441)				(27,673,070)
2/28/2019	(9,737,731)	(17,523,537)	(27,261,268)	(30,127)	(52,233)		(82,360)	(411,802)				(27,673,070)
3/31/2019	(9,707,604)	(17,471,304)	(27,178,908)	(30,127)	(52,233)		(82,360)	(494,162)				(27,673,070)
4/30/2019	(9,677,477)	(17,419,071)	(27,096,548)	(30,127)	(52,233)		(82,360)	(576,522)				(27,673,070)
5/31/2019	(9,647,350)	(17,366,837)	(27,014,187)	(30,127)	(52,233)		(82,360)	(658,883)				(27,673,070)
Adj. with 6/1/2019 Implementation	(482,915)	(868,545)	(1,351,460)									(1,351,460)
6/30/2019	(10,100,138)	(18,179,127)	(28,279,265)	(30,127)	(56,256)		(86,383)	(745,265)				(29,024,530)
7/31/2019	(10,070,011)	(18,122,871)	(28,192,882)	(30,127)	(56,256)		(86,383)	(831,648)				(29,024,530)
8/31/2019	(10,039,884)	(18,066,616)	(28,106,500)	(30,127)	(56,256)		(86,383)	(918,030)				(29,024,530)
9/30/2019	(10,009,757)	(18,010,360)	(28,020,117)	(30,127)	(56,256)		(86,383)	(1,004,413)	(28,331,420)	311,302		(29,024,530)
10/31/2019	(9,979,630)	(17,954,105)	(27,933,735)	(30,127)	(56,256)		(86,383)	(1,090,795)	(28,249,059)	315,325		(29,024,530)
11/30/2019	(9,949,503)	(17,897,849)	(27,847,352)	(30,127)	(56,256)		(86,383)	(1,177,178)	(28,166,699)	319,347		(29,024,530)
12/31/2019	(9,919,376)	(17,841,594)	(27,760,970)	(30,127)	(56,256)		(86,383)	(1,263,560)	(28,072,272)	311,302		(29,024,530)
1/31/2020	(9,889,249)	(17,785,338)	(27,674,587)	(30,127)	(56,256)		(86,383)	(1,349,943)	(27,985,890)	311,302		(29,024,530)
2/29/2020	(9,859,122)	(17,729,083)	(27,588,205)	(30,127)	(56,256)		(86,383)	(1,436,325)	(27,899,507)	311,302		(29,024,530)
3/31/2020	(9,828,995)	(17,672,827)	(27,501,822)	(30,127)	(56,256)		(86,383)	(1,522,708)	(27,813,125)	311,303		(29,024,530)
4/30/2020	(9,798,868)	(17,616,572)	(27,415,440)	(30,127)	(56,256)		(86,383)	(1,609,090)	(27,726,742)	311,303		(29,024,530)
5/31/2020	(9,768,741)	(17,560,316)	(27,329,057)	(30,127)	(56,256)		(86,383)	(1,695,473)	(27,640,360)	311,303		(29,024,530)
6/30/2020	(9,738,614)	(17,504,060)	(27,242,674)	(30,127)	(56,256)		(86,383)	(1,781,856)	(27,553,977)	311,302		(29,024,530)
7/31/2020	(9,708,487)	(17,447,805)	(27,156,292)	(30,127)	(56,256)		(86,383)	(1,868,238)	(27,467,594)	311,302		(29,024,530)
8/31/2020	(9,678,360)	(17,391,549)	(27,069,909)	(30,127)	(56,256)		(86,383)	(1,954,621)	(27,381,212)	311,302		(29,024,530)
9/30/2020	(9,648,233)	(17,335,294)	(26,983,527)	(30,127)	(56,256)		(86,383)	(2,041,003)	(27,294,830)	311,303		(29,024,530)
10/31/2020	(9,618,106)	(17,279,038)	(26,897,144)	(30,127)	(56,256)		(86,383)	(2,127,386)	(27,208,447)	311,303		(29,024,530)
11/30/2020	(9,587,979)	(17,222,783)	(26,810,762)	(30,127)	(56,256)		(86,383)	(2,213,768)	(27,122,065)	311,303		(29,024,530)
12/31/2020	(9,557,852)	(17,166,527)	(26,724,379)	(30,127)	(56,256)		(86,383)	(2,300,151)	(27,035,681)	311,302		(29,024,530)
1/31/2021	(9,527,725)	(17,110,272)	(26,637,997)	(30,127)	(56,256)		(86,383)	(2,386,533)	(26,949,298)	311,302		(29,024,530)
2/28/2021	(9,497,598)	(17,054,016)	(26,551,614)	(30,127)	(56,256)		(86,383)	(2,472,916)	(26,862,916)	311,302		(29,024,530)
Adj. with 3/1/2021 Implementation	(112,932)	(199,803)	(312,735)									(312,735)
3/31/2021	(9,580,403)	(16,774,546)	(26,354,949)	(30,127)		(479,273)	(509,400)	(2,982,316)	(26,353,518)	(1,432)		(29,337,265)
4/30/2021	(9,550,276)	(16,295,274)	(25,845,550)	(30,127)		(479,273)	(509,400)	(3,491,715)	(25,844,118)	(1,432)		(29,337,265)
5/31/2021	(9,520,149)	(15,816,001)	(25,336,150)	(30,127)		(479,273)	(509,400)	(4,001,115)	(25,334,718)	(1,432)		(29,337,265)
6/30/2021	(9,490,022)	(15,336,728)	(24,826,750)	(30,127)		(479,273)	(509,400)	(4,510,515)	(24,825,317)	(1,433)		(29,337,265)
7/31/2021	(9,459,895)	(14,857,455)	(24,317,350)	(30,127)		(479,273)	(509,400)	(5,019,915)	(24,315,918)	(1,433)		(29,337,265)
8/31/2021	(9,429,768)	(14,378,183)	(23,807,951)	(30,127)		(479,273)	(509,400)	(5,529,314)	(23,806,518)	(1,433)		(29,337,265)
9/30/2021	(9,399,641)	(13,898,910)	(23,298,551)	(30,127)		(479,273)	(509,400)	(6,038,714)	(23,297,122)	(1,429)		(29,337,265)
10/31/2021	(9,369,514)	(13,419,637)	(22,789,151)	(30,127)		(479,273)	(509,400)	(6,548,114)	(22,787,722)	(1,429)		(29,337,265)
11/30/2021	(9,339,387)	(12,940,364)	(22,279,751)	(30,127)		(479,273)	(509,400)	(7,057,514)	(22,278,322)	(1,429)		(29,337,265)
12/31/2021	(9,309,260)	(12,461,092)	(21,770,352)	(30,127)		(479,273)	(509,400)	(7,566,913)	(21,768,922)	(1,429)		(29,337,265)
1/31/2022	(9,279,133)	(11,981,819)	(21,260,952)	(30,127)		(479,273)	(509,400)	(8,076,313)	(21,259,523)	(1,429)		(29,337,265)
2/28/2022	(9,249,006)	(11,502,546)	(20,751,552)	(30,127)		(479,273)	(509,400)	(8,585,713)	(20,750,123)	(1,429)		(29,337,265)
3/31/2022	(9,218,879)	(11,023,273)	(20,242,152)	(30,127)		(479,273)	(509,400)	(9,095,113)	(20,240,724)	(1,429)		(29,337,265)
4/30/2022	(9,188,752)	(10,544,001)	(19,732,753)	(30,127)		(479,273)	(509,400)	(9,604,512)	(19,731,324)	(1,429)		(29,337,265)
5/31/2022	(9,158,625)	(10,064,728)	(19,223,353)	(30,127)		(479,273)	(509,400)	(10,113,912)	(19,221,924)	(1,429)		(29,337,265)
6/30/2022	(9,128,498)	(9,585,455)	(18,713,953)	(30,127)		(479,273)	(509,400)	(10,623,312)	(18,712,523)	(1,430)		(29,337,265)
7/31/2022	(9,098,371)	(9,106,182)	(18,204,553)	(30,127)		(479,273)	(509,400)	(11,132,712)	(18,203,123)	(1,430)		(29,337,265)
8/31/2022	(9,068,244)	(8,626,910)	(17,695,154)	(30,127)		(479,273)	(509,400)	(11,642,111)	(17,693,724)	(1,430)		(29,337,265)
9/30/2022	(9,038,117)	(8,147,637)	(17,185,754)	(30,127)		(479,273)	(509,400)	(12,151,511)	(17,184,326)	(1,428)		(29,337,265)
10/31/2022	(9,007,990)	(7,668,364)	(16,676,354)	(30,127)		(479,273)	(509,400)	(12,660,911)	(16,674,926)	(1,428)		(29,337,265)
11/30/2022	(8,977,863)	(7,189,091)	(16,166,954)	(30,127)		(479,273)	(509,400)	(13,170,311)	(16,165,526)	(1,428)		(29,337,265)
12/31/2022	(8,947,736)	(6,709,819)	(15,657,555)	(30,127)		(479,273)	(509,400)	(13,679,710)	(15,656,125)	(1,430)		(29,337,265)
1/31/2023	(8,917,609)	(6,230,546)	(15,148,155)	(30,127)		(479,273)	(509,400)	(14,189,110)	(15,146,725)	(1,430)		(29,337,265)

Liability				Amortization				GL Balance Div 093			
Date	Protected	Unprotected	Total Reg Liability	Protected	Unprotected	Accelerated	Total Amortization	Cumulative Balance	Accts 242-27909,	Reg liab vs GL	Total Reg Liab.
	Balance	Balance	Balance			Unprotected		- Amortization	253-27909	diff	
2/28/2023	(8,887,482)	(5,751,273)	(14,638,755)	(30,127)		(479,273)	(509,400)	(14,698,510)	(14,637,326)	(1,430)	(29,337,265)
3/31/2023	(8,857,355)	(5,272,000)	(14,129,355)	(30,127)		(479,273)	(509,400)	(15,207,910)	(14,127,927)	(1,429)	(29,337,265)
4/30/2023	(8,827,228)	(4,792,728)	(13,619,956)	(30,127)		(479,273)	(509,400)	(15,717,309)	(13,618,527)	(1,429)	(29,337,265)
5/31/2023	(8,797,101)	(4,313,455)	(13,110,556)	(30,127)		(479,273)	(509,400)	(16,226,709)	(13,109,127)	(1,429)	(29,337,265)
6/30/2023	(8,772,933)	(3,834,182)	(12,607,115)	(24,168)		(479,273)	(503,441)	(16,730,150)	(12,605,686)	(1,429)	(29,337,265)
7/31/2023	(8,748,765)	(3,354,909)	(12,103,675)	(24,168)		(479,273)	(503,441)	(17,233,590)	(12,102,245)	(1,429)	(29,337,265)
8/31/2023	(8,724,597)	(2,875,637)	(11,600,234)	(24,168)		(479,273)	(503,441)	(17,737,031)	(11,598,805)	(1,429)	(29,337,265)
9/30/2023	(8,700,430)	(2,396,364)	(11,096,793)	(24,168)		(479,273)	(503,441)	(18,240,472)	(11,095,365)	(1,429)	(29,337,265)
10/31/2023	(8,676,262)	(1,917,091)	(10,593,353)	(24,168)		(479,273)	(503,441)	(18,743,912)	(10,591,924)	(1,429)	(29,337,265)
11/30/2023	(8,652,094)	(1,437,818)	(10,089,912)	(24,168)		(479,273)	(503,441)	(19,247,353)	(10,088,483)	(1,429)	(29,337,265)
12/31/2023	(8,627,926)	(958,546)	(9,586,472)	(24,168)		(479,273)	(503,441)	(19,750,793)	(9,585,042)	(1,429)	(29,337,265)
1/31/2024	(8,603,758)	(479,273)	(9,083,031)	(24,168)		(479,273)	(503,441)	(20,254,234)	(9,081,602)	(1,429)	(29,337,265)
2/29/2024	(8,579,590)	0	(8,579,590)	(24,168)		(479,273)	(503,441)	(20,757,675)	(8,578,161)	(1,429)	(29,337,265)
3/31/2024	(8,555,422)	0	(8,555,422)	(24,168)			(24,168)	(20,781,843)	(8,553,993)	(1,429)	(29,337,265)
4/30/2024	(8,531,255)	0	(8,531,255)	(24,168)			(24,168)	(20,806,010)	(8,529,825)	(1,429)	(29,337,265)
5/31/2024	(8,507,087)	0	(8,507,087)	(24,168)			(24,168)	(20,830,178)	(8,505,658)	(1,429)	(29,337,265)
6/30/2024	(8,485,819)	0	(8,485,819)	(21,268)			(21,268)	(20,851,446)	(8,484,391)	(1,428)	(29,337,265)
7/31/2024	(8,464,551)	0	(8,464,551)	(21,268)			(21,268)	(20,872,714)	(8,463,123)	(1,428)	(29,337,265)
8/31/2024	(8,443,284)	0	(8,443,284)	(21,268)			(21,268)	(20,893,981)	(8,441,855)	(1,428)	(29,337,265)
9/30/2024	(8,422,016)	0	(8,422,016)	(21,268)			(21,268)	(20,915,249)	(8,422,014)	(2)	(29,337,265)
10/31/2024	(8,400,748)	0	(8,400,748)	(21,268)			(21,268)	(20,936,517)			(29,337,265)
11/30/2024	(8,379,480)	0	(8,379,480)	(21,268)			(21,268)	(20,957,785)			(29,337,265)
12/31/2024	(8,358,213)	0	(8,358,213)	(21,268)			(21,268)	(20,979,052)			(29,337,265)
1/31/2025	(8,336,945)	0	(8,336,945)	(21,268)			(21,268)	(21,000,320)			(29,337,265)
2/28/2025	(8,315,677)	0	(8,315,677)	(21,268)			(21,268)	(21,021,588)			(29,337,265)
3/31/2025	(8,294,410)	0	(8,294,410)	(21,268)			(21,268)	(21,042,855)			(29,337,265)
4/30/2025	(8,273,142)	0	(8,273,142)	(21,268)			(21,268)	(21,064,123)			(29,337,265)
5/31/2025	(8,251,874)	0	(8,251,874)	(21,268)			(21,268)	(21,085,391)			(29,337,265)
6/30/2025	(8,230,606)	0	(8,230,606)	(21,268)			(21,268)	(21,106,659)			(29,337,265)
7/31/2025	(8,209,339)	0	(8,209,339)	(21,268)			(21,268)	(21,127,926)			(29,337,265)
8/31/2025	(8,188,071)	0	(8,188,071)	(21,268)			(21,268)	(21,149,194)			(29,337,265)
9/30/2025	(8,166,803)	0	(8,166,803)	(21,268)			(21,268)	(21,170,462)			(29,337,265)
10/31/2025	(8,145,536)	0	(8,145,536)	(21,268)			(21,268)	(21,191,729)			(29,337,265)
11/30/2025	(8,124,268)	0	(8,124,268)	(21,268)			(21,268)	(21,212,997)			(29,337,265)
12/31/2025	(8,103,000)	0	(8,103,000)	(21,268)			(21,268)	(21,234,265)			(29,337,265)
1/31/2026	(8,081,732)	0	(8,081,732)	(21,268)			(21,268)	(21,255,533)			(29,337,265)
2/28/2026	(8,060,465)	0	(8,060,465)	(21,268)			(21,268)	(21,276,800)			(29,337,265)
3/31/2026	(8,039,197)	0	(8,039,197)	(21,268)			(21,268)	(21,298,068)			(29,337,265)
4/30/2026	(8,017,929)	0	(8,017,929)	(21,268)			(21,268)	(21,319,336)			(29,337,265)
5/31/2026	(7,996,662)	0	(7,996,662)	(21,268)			(21,268)	(21,340,603)			(29,337,265)
6/30/2026	(7,975,394)	0	(7,975,394)	(21,268)			(21,268)	(21,361,871)			(29,337,265)
7/31/2026	(7,954,126)	0	(7,954,126)	(21,268)			(21,268)	(21,383,139)			(29,337,265)
8/31/2026	(7,932,858)	0	(7,932,858)	(21,268)			(21,268)	(21,404,407)			(29,337,265)
9/30/2026	(7,911,591)	0	(7,911,591)	(21,268)			(21,268)	(21,425,674)			(29,337,265)
10/31/2026	(7,890,323)	0	(7,890,323)	(21,268)			(21,268)	(21,446,942)			(29,337,265)
11/30/2026	(7,869,055)	0	(7,869,055)	(21,268)			(21,268)	(21,468,210)			(29,337,265)
12/31/2026	(7,847,787)	0	(7,847,787)	(21,268)			(21,268)	(21,489,478)			(29,337,265)
1/31/2027	(7,826,520)	0	(7,826,520)	(21,268)			(21,268)	(21,510,745)			(29,337,265)
2/28/2027	(7,805,252)	0	(7,805,252)	(21,268)			(21,268)	(21,532,013)			(29,337,265)
3/31/2027	(7,783,984)	0	(7,783,984)	(21,268)			(21,268)	(21,553,281)			(29,337,265)
4/30/2027	(7,762,717)	0	(7,762,717)	(21,268)			(21,268)	(21,574,548)			(29,337,265)
5/31/2027	(7,741,449)	0	(7,741,449)	(21,268)			(21,268)	(21,595,816)			(29,337,265)
6/30/2027	(7,720,181)	0	(7,720,181)	(21,268)			(21,268)	(21,617,084)			(29,337,265)
7/31/2027	(7,698,913)	0	(7,698,913)	(21,268)			(21,268)	(21,638,352)			(29,337,265)
8/31/2027	(7,677,646)	0	(7,677,646)	(21,268)			(21,268)	(21,659,619)			(29,337,265)
9/30/2027	(7,656,378)	0	(7,656,378)	(21,268)			(21,268)	(21,680,887)			(29,337,265)
10/31/2027	(7,635,110)	0	(7,635,110)	(21,268)			(21,268)	(21,702,155)			(29,337,265)
11/30/2027	(7,613,843)	0	(7,613,843)	(21,268)			(21,268)	(21,723,422)			(29,337,265)
12/31/2027	(7,592,575)	0	(7,592,575)	(21,268)			(21,268)	(21,744,690)			(29,337,265)
1/31/2028	(7,571,307)	0	(7,571,307)	(21,268)			(21,268)	(21,765,958)			(29,337,265)
2/29/2028	(7,550,039)	0	(7,550,039)	(21,268)			(21,268)	(21,787,226)			(29,337,265)
3/31/2028	(7,528,772)	0	(7,528,772)	(21,268)			(21,268)	(21,808,493)			(29,337,265)
4/30/2028	(7,507,504)	0	(7,507,504)	(21,268)			(21,268)	(21,829,761)			(29,337,265)
5/31/2028	(7,486,236)	0	(7,486,236)	(21,268)			(21,268)	(21,851,029)			(29,337,265)
6/30/2028	(7,464,969)	0	(7,464,969)	(21,268)			(21,268)	(21,872,296)			(29,337,265)
7/31/2028	(7,443,701)	0	(7,443,701)	(21,268)			(21,268)	(21,893,564)			(29,337,265)
8/31/2028	(7,422,433)	0	(7,422,433)	(21,268)			(21,268)	(21,914,832)			(29,337,265)
9/30/2028	(7,401,165)	0	(7,401,165)	(21,268)			(21,268)	(21,936,100)			(29,337,265)



Liability				Amortization				GL Balance Div 093			
Date	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization	Accts 242-27909, 253-27909	Reg liab vs GL diff	Total Reg Liab.
10/31/2028	(7,379,898)	0	(7,379,898)	(21,268)				(21,268)	(21,957,367)		(29,337,265)
11/30/2028	(7,358,630)	0	(7,358,630)	(21,268)				(21,268)	(21,978,635)		(29,337,265)
12/31/2028	(7,337,362)	0	(7,337,362)	(21,268)				(21,268)	(21,999,903)		(29,337,265)
1/31/2029	(7,316,095)	0	(7,316,095)	(21,268)				(21,268)	(22,021,170)		(29,337,265)
2/28/2029	(7,294,827)	0	(7,294,827)	(21,268)				(21,268)	(22,042,438)		(29,337,265)
3/31/2029	(7,273,559)	0	(7,273,559)	(21,268)				(21,268)	(22,063,706)		(29,337,265)
4/30/2029	(7,252,291)	0	(7,252,291)	(21,268)				(21,268)	(22,084,974)		(29,337,265)
5/31/2029	(7,231,024)	0	(7,231,024)	(21,268)				(21,268)	(22,106,241)		(29,337,265)
6/30/2029	(7,209,756)	0	(7,209,756)	(21,268)				(21,268)	(22,127,509)		(29,337,265)
7/31/2029	(7,188,488)	0	(7,188,488)	(21,268)				(21,268)	(22,148,777)		(29,337,265)
8/31/2029	(7,167,221)	0	(7,167,221)	(21,268)				(21,268)	(22,170,044)		(29,337,265)
9/30/2029	(7,145,953)	0	(7,145,953)	(21,268)				(21,268)	(22,191,312)		(29,337,265)
10/31/2029	(7,124,685)	0	(7,124,685)	(21,268)				(21,268)	(22,212,580)		(29,337,265)
11/30/2029	(7,103,417)	0	(7,103,417)	(21,268)				(21,268)	(22,233,848)		(29,337,265)
12/31/2029	(7,082,150)	0	(7,082,150)	(21,268)				(21,268)	(22,255,115)		(29,337,265)
1/31/2030	(7,060,882)	0	(7,060,882)	(21,268)				(21,268)	(22,276,383)		(29,337,265)
2/28/2030	(7,039,614)	0	(7,039,614)	(21,268)				(21,268)	(22,297,651)		(29,337,265)
3/31/2030	(7,018,347)	0	(7,018,347)	(21,268)				(21,268)	(22,318,918)		(29,337,265)
4/30/2030	(6,997,079)	0	(6,997,079)	(21,268)				(21,268)	(22,340,186)		(29,337,265)
5/31/2030	(6,975,811)	0	(6,975,811)	(21,268)				(21,268)	(22,361,454)		(29,337,265)
6/30/2030	(6,954,543)	0	(6,954,543)	(21,268)				(21,268)	(22,382,722)		(29,337,265)
7/31/2030	(6,933,276)	0	(6,933,276)	(21,268)				(21,268)	(22,403,989)		(29,337,265)
8/31/2030	(6,912,008)	0	(6,912,008)	(21,268)				(21,268)	(22,425,257)		(29,337,265)
9/30/2030	(6,890,740)	0	(6,890,740)	(21,268)				(21,268)	(22,446,525)		(29,337,265)
10/31/2030	(6,869,473)	0	(6,869,473)	(21,268)				(21,268)	(22,467,792)		(29,337,265)
11/30/2030	(6,848,205)	0	(6,848,205)	(21,268)				(21,268)	(22,489,060)		(29,337,265)
12/31/2030	(6,826,937)	0	(6,826,937)	(21,268)				(21,268)	(22,510,328)		(29,337,265)
1/31/2031	(6,805,669)	0	(6,805,669)	(21,268)				(21,268)	(22,531,596)		(29,337,265)
2/28/2031	(6,784,402)	0	(6,784,402)	(21,268)				(21,268)	(22,552,863)		(29,337,265)
3/31/2031	(6,763,134)	0	(6,763,134)	(21,268)				(21,268)	(22,574,131)		(29,337,265)
4/30/2031	(6,741,866)	0	(6,741,866)	(21,268)				(21,268)	(22,595,399)		(29,337,265)
5/31/2031	(6,720,599)	0	(6,720,599)	(21,268)				(21,268)	(22,616,666)		(29,337,265)
6/30/2031	(6,699,331)	0	(6,699,331)	(21,268)				(21,268)	(22,637,934)		(29,337,265)
7/31/2031	(6,678,063)	0	(6,678,063)	(21,268)				(21,268)	(22,659,202)		(29,337,265)
8/31/2031	(6,656,795)	0	(6,656,795)	(21,268)				(21,268)	(22,680,470)		(29,337,265)
9/30/2031	(6,635,528)	0	(6,635,528)	(21,268)				(21,268)	(22,701,737)		(29,337,265)
10/31/2031	(6,614,260)	0	(6,614,260)	(21,268)				(21,268)	(22,723,005)		(29,337,265)
11/30/2031	(6,592,992)	0	(6,592,992)	(21,268)				(21,268)	(22,744,273)		(29,337,265)
12/31/2031	(6,571,724)	0	(6,571,724)	(21,268)				(21,268)	(22,765,541)		(29,337,265)
1/31/2032	(6,550,457)	0	(6,550,457)	(21,268)				(21,268)	(22,786,808)		(29,337,265)
2/29/2032	(6,529,189)	0	(6,529,189)	(21,268)				(21,268)	(22,808,076)		(29,337,265)
3/31/2032	(6,507,921)	0	(6,507,921)	(21,268)				(21,268)	(22,829,344)		(29,337,265)
4/30/2032	(6,486,654)	0	(6,486,654)	(21,268)				(21,268)	(22,850,611)		(29,337,265)
5/31/2032	(6,465,386)	0	(6,465,386)	(21,268)				(21,268)	(22,871,879)		(29,337,265)
6/30/2032	(6,444,118)	0	(6,444,118)	(21,268)				(21,268)	(22,893,147)		(29,337,265)
7/31/2032	(6,422,850)	0	(6,422,850)	(21,268)				(21,268)	(22,914,415)		(29,337,265)
8/31/2032	(6,401,583)	0	(6,401,583)	(21,268)				(21,268)	(22,935,682)		(29,337,265)
9/30/2032	(6,380,315)	0	(6,380,315)	(21,268)				(21,268)	(22,956,950)		(29,337,265)
10/31/2032	(6,359,047)	0	(6,359,047)	(21,268)				(21,268)	(22,978,218)		(29,337,265)
11/30/2032	(6,337,780)	0	(6,337,780)	(21,268)				(21,268)	(22,999,485)		(29,337,265)
12/31/2032	(6,316,512)	0	(6,316,512)	(21,268)				(21,268)	(23,020,753)		(29,337,265)
1/31/2033	(6,295,244)	0	(6,295,244)	(21,268)				(21,268)	(23,042,021)		(29,337,265)
2/28/2033	(6,273,976)	0	(6,273,976)	(21,268)				(21,268)	(23,063,289)		(29,337,265)
3/31/2033	(6,252,709)	0	(6,252,709)	(21,268)				(21,268)	(23,084,556)		(29,337,265)
4/30/2033	(6,231,441)	0	(6,231,441)	(21,268)				(21,268)	(23,105,824)		(29,337,265)
5/31/2033	(6,210,173)	0	(6,210,173)	(21,268)				(21,268)	(23,127,092)		(29,337,265)
6/30/2033	(6,188,906)	0	(6,188,906)	(21,268)				(21,268)	(23,148,359)		(29,337,265)
7/31/2033	(6,167,638)	0	(6,167,638)	(21,268)				(21,268)	(23,169,627)		(29,337,265)
8/31/2033	(6,146,370)	0	(6,146,370)	(21,268)				(21,268)	(23,190,895)		(29,337,265)
9/30/2033	(6,125,102)	0	(6,125,102)	(21,268)				(21,268)	(23,212,163)		(29,337,265)
10/31/2033	(6,103,835)	0	(6,103,835)	(21,268)				(21,268)	(23,233,430)		(29,337,265)
11/30/2033	(6,082,567)	0	(6,082,567)	(21,268)				(21,268)	(23,254,698)		(29,337,265)
12/31/2033	(6,061,299)	0	(6,061,299)	(21,268)				(21,268)	(23,275,966)		(29,337,265)
1/31/2034	(6,040,032)	0	(6,040,032)	(21,268)				(21,268)	(23,297,233)		(29,337,265)
2/28/2034	(6,018,764)	0	(6,018,764)	(21,268)				(21,268)	(23,318,501)		(29,337,265)
3/31/2034	(5,997,496)	0	(5,997,496)	(21,268)				(21,268)	(23,339,769)		(29,337,265)
4/30/2034	(5,976,228)	0	(5,976,228)	(21,268)				(21,268)	(23,361,037)		(29,337,265)
5/31/2034	(5,954,961)	0	(5,954,961)	(21,268)				(21,268)	(23,382,304)		(29,337,265)

Liability				Amortization				GL Balance Div 093			
Date	Protected	Unprotected	Total Reg Liability	Protected	Unprotected	Accelerated	Total Amortization	Cumulative Balance	Accts 242-27909,	Reg liab vs GL	Total Reg Liab.
	Balance	Balance	Balance			Unprotected		- Amortization	253-27909	diff	
6/30/2034	(5,933,693)	0	(5,933,693)	(21,268)				(23,403,572)			(29,337,265)
7/31/2034	(5,912,425)	0	(5,912,425)	(21,268)				(23,424,840)			(29,337,265)
8/31/2034	(5,891,158)	0	(5,891,158)	(21,268)				(23,446,107)			(29,337,265)
9/30/2034	(5,869,890)	0	(5,869,890)	(21,268)				(23,467,375)			(29,337,265)
10/31/2034	(5,848,622)	0	(5,848,622)	(21,268)				(23,488,643)			(29,337,265)
11/30/2034	(5,827,354)	0	(5,827,354)	(21,268)				(23,509,911)			(29,337,265)
12/31/2034	(5,806,087)	0	(5,806,087)	(21,268)				(23,531,178)			(29,337,265)
1/31/2035	(5,784,819)	0	(5,784,819)	(21,268)				(23,552,446)			(29,337,265)
2/28/2035	(5,763,551)	0	(5,763,551)	(21,268)				(23,573,714)			(29,337,265)
3/31/2035	(5,742,284)	0	(5,742,284)	(21,268)				(23,594,981)			(29,337,265)
4/30/2035	(5,721,016)	0	(5,721,016)	(21,268)				(23,616,249)			(29,337,265)
5/31/2035	(5,699,748)	0	(5,699,748)	(21,268)				(23,637,517)			(29,337,265)
6/30/2035	(5,678,480)	0	(5,678,480)	(21,268)				(23,658,785)			(29,337,265)
7/31/2035	(5,657,213)	0	(5,657,213)	(21,268)				(23,680,052)			(29,337,265)
8/31/2035	(5,635,945)	0	(5,635,945)	(21,268)				(23,701,320)			(29,337,265)
9/30/2035	(5,614,677)	0	(5,614,677)	(21,268)				(23,722,588)			(29,337,265)
10/31/2035	(5,593,410)	0	(5,593,410)	(21,268)				(23,743,855)			(29,337,265)
11/30/2035	(5,572,142)	0	(5,572,142)	(21,268)				(23,765,123)			(29,337,265)
12/31/2035	(5,550,874)	0	(5,550,874)	(21,268)				(23,786,391)			(29,337,265)
1/31/2036	(5,529,606)	0	(5,529,606)	(21,268)				(23,807,659)			(29,337,265)
2/29/2036	(5,508,339)	0	(5,508,339)	(21,268)				(23,828,926)			(29,337,265)
3/31/2036	(5,487,071)	0	(5,487,071)	(21,268)				(23,850,194)			(29,337,265)
4/30/2036	(5,465,803)	0	(5,465,803)	(21,268)				(23,871,462)			(29,337,265)
5/31/2036	(5,444,536)	0	(5,444,536)	(21,268)				(23,892,729)			(29,337,265)
6/30/2036	(5,423,268)	0	(5,423,268)	(21,268)				(23,913,997)			(29,337,265)
7/31/2036	(5,402,000)	0	(5,402,000)	(21,268)				(23,935,265)			(29,337,265)
8/31/2036	(5,380,732)	0	(5,380,732)	(21,268)				(23,956,533)			(29,337,265)
9/30/2036	(5,359,465)	0	(5,359,465)	(21,268)				(23,977,800)			(29,337,265)
10/31/2036	(5,338,197)	0	(5,338,197)	(21,268)				(23,999,068)			(29,337,265)
11/30/2036	(5,316,929)	0	(5,316,929)	(21,268)				(24,020,336)			(29,337,265)
12/31/2036	(5,295,661)	0	(5,295,661)	(21,268)				(24,041,604)			(29,337,265)
1/31/2037	(5,274,394)	0	(5,274,394)	(21,268)				(24,062,871)			(29,337,265)
2/28/2037	(5,253,126)	0	(5,253,126)	(21,268)				(24,084,139)			(29,337,265)
3/31/2037	(5,231,858)	0	(5,231,858)	(21,268)				(24,105,407)			(29,337,265)
4/30/2037	(5,210,591)	0	(5,210,591)	(21,268)				(24,126,674)			(29,337,265)
5/31/2037	(5,189,323)	0	(5,189,323)	(21,268)				(24,147,942)			(29,337,265)
6/30/2037	(5,168,055)	0	(5,168,055)	(21,268)				(24,169,210)			(29,337,265)
7/31/2037	(5,146,787)	0	(5,146,787)	(21,268)				(24,190,478)			(29,337,265)
8/31/2037	(5,125,520)	0	(5,125,520)	(21,268)				(24,211,745)			(29,337,265)
9/30/2037	(5,104,252)	0	(5,104,252)	(21,268)				(24,233,013)			(29,337,265)
10/31/2037	(5,082,984)	0	(5,082,984)	(21,268)				(24,254,281)			(29,337,265)
11/30/2037	(5,061,717)	0	(5,061,717)	(21,268)				(24,275,548)			(29,337,265)
12/31/2037	(5,040,449)	0	(5,040,449)	(21,268)				(24,296,816)			(29,337,265)
1/31/2038	(5,019,181)	0	(5,019,181)	(21,268)				(24,318,084)			(29,337,265)
2/28/2038	(4,997,913)	0	(4,997,913)	(21,268)				(24,339,352)			(29,337,265)
3/31/2038	(4,976,646)	0	(4,976,646)	(21,268)				(24,360,619)			(29,337,265)
4/30/2038	(4,955,378)	0	(4,955,378)	(21,268)				(24,381,887)			(29,337,265)
5/31/2038	(4,934,110)	0	(4,934,110)	(21,268)				(24,403,155)			(29,337,265)
6/30/2038	(4,912,843)	0	(4,912,843)	(21,268)				(24,424,422)			(29,337,265)
7/31/2038	(4,891,575)	0	(4,891,575)	(21,268)				(24,445,690)			(29,337,265)
8/31/2038	(4,870,307)	0	(4,870,307)	(21,268)				(24,466,958)			(29,337,265)
9/30/2038	(4,849,039)	0	(4,849,039)	(21,268)				(24,488,226)			(29,337,265)
10/31/2038	(4,827,772)	0	(4,827,772)	(21,268)				(24,509,493)			(29,337,265)
11/30/2038	(4,806,504)	0	(4,806,504)	(21,268)				(24,530,761)			(29,337,265)
12/31/2038	(4,785,236)	0	(4,785,236)	(21,268)				(24,552,029)			(29,337,265)
1/31/2039	(4,763,969)	0	(4,763,969)	(21,268)				(24,573,296)			(29,337,265)
2/28/2039	(4,742,701)	0	(4,742,701)	(21,268)				(24,594,564)			(29,337,265)
3/31/2039	(4,721,433)	0	(4,721,433)	(21,268)				(24,615,832)			(29,337,265)
4/30/2039	(4,700,165)	0	(4,700,165)	(21,268)				(24,637,100)			(29,337,265)
5/31/2039	(4,678,898)	0	(4,678,898)	(21,268)				(24,658,367)			(29,337,265)
6/30/2039	(4,657,630)	0	(4,657,630)	(21,268)				(24,679,635)			(29,337,265)
7/31/2039	(4,636,362)	0	(4,636,362)	(21,268)				(24,700,903)			(29,337,265)
8/31/2039	(4,615,095)	0	(4,615,095)	(21,268)				(24,722,170)			(29,337,265)
9/30/2039	(4,593,827)	0	(4,593,827)	(21,268)				(24,743,438)			(29,337,265)
10/31/2039	(4,572,559)	0	(4,572,559)	(21,268)				(24,764,706)			(29,337,265)
11/30/2039	(4,551,291)	0	(4,551,291)	(21,268)				(24,785,974)			(29,337,265)
12/31/2039	(4,530,024)	0	(4,530,024)	(21,268)				(24,807,241)			(29,337,265)
1/31/2040	(4,508,756)	0	(4,508,756)	(21,268)				(24,828,509)			(29,337,265)

Liability				Amortization				GL Balance Div 093			
Date	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization	Accts 242-27909, 253-27909	Reg liab vs GL diff	Total Reg Liab.
2/29/2040	(4,487,488)	0	(4,487,488)	(21,268)				(21,268)	(24,849,777)		(29,337,265)
3/31/2040	(4,466,221)	0	(4,466,221)	(21,268)				(21,268)	(24,871,044)		(29,337,265)
4/30/2040	(4,444,953)	0	(4,444,953)	(21,268)				(21,268)	(24,892,312)		(29,337,265)
5/31/2040	(4,423,685)	0	(4,423,685)	(21,268)				(21,268)	(24,913,580)		(29,337,265)
6/30/2040	(4,402,417)	0	(4,402,417)	(21,268)				(21,268)	(24,934,848)		(29,337,265)
7/31/2040	(4,381,150)	0	(4,381,150)	(21,268)				(21,268)	(24,956,115)		(29,337,265)
8/31/2040	(4,359,882)	0	(4,359,882)	(21,268)				(21,268)	(24,977,383)		(29,337,265)
9/30/2040	(4,338,614)	0	(4,338,614)	(21,268)				(21,268)	(24,998,651)		(29,337,265)
10/31/2040	(4,317,347)	0	(4,317,347)	(21,268)				(21,268)	(25,019,918)		(29,337,265)
11/30/2040	(4,296,079)	0	(4,296,079)	(21,268)				(21,268)	(25,041,186)		(29,337,265)
12/31/2040	(4,274,811)	0	(4,274,811)	(21,268)				(21,268)	(25,062,454)		(29,337,265)
1/31/2041	(4,253,543)	0	(4,253,543)	(21,268)				(21,268)	(25,083,722)		(29,337,265)
2/28/2041	(4,232,276)	0	(4,232,276)	(21,268)				(21,268)	(25,104,989)		(29,337,265)
3/31/2041	(4,211,008)	0	(4,211,008)	(21,268)				(21,268)	(25,126,257)		(29,337,265)
4/30/2041	(4,189,740)	0	(4,189,740)	(21,268)				(21,268)	(25,147,525)		(29,337,265)
5/31/2041	(4,168,472)	0	(4,168,472)	(21,268)				(21,268)	(25,168,793)		(29,337,265)
6/30/2041	(4,147,205)	0	(4,147,205)	(21,268)				(21,268)	(25,190,060)		(29,337,265)
7/31/2041	(4,125,937)	0	(4,125,937)	(21,268)				(21,268)	(25,211,328)		(29,337,265)
8/31/2041	(4,104,669)	0	(4,104,669)	(21,268)				(21,268)	(25,232,596)		(29,337,265)
9/30/2041	(4,083,402)	0	(4,083,402)	(21,268)				(21,268)	(25,253,863)		(29,337,265)
10/31/2041	(4,062,134)	0	(4,062,134)	(21,268)				(21,268)	(25,275,131)		(29,337,265)
11/30/2041	(4,040,866)	0	(4,040,866)	(21,268)				(21,268)	(25,296,399)		(29,337,265)
12/31/2041	(4,019,598)	0	(4,019,598)	(21,268)				(21,268)	(25,317,667)		(29,337,265)
1/31/2042	(3,998,331)	0	(3,998,331)	(21,268)				(21,268)	(25,338,934)		(29,337,265)
2/28/2042	(3,977,063)	0	(3,977,063)	(21,268)				(21,268)	(25,360,202)		(29,337,265)
3/31/2042	(3,955,795)	0	(3,955,795)	(21,268)				(21,268)	(25,381,470)		(29,337,265)
4/30/2042	(3,934,528)	0	(3,934,528)	(21,268)				(21,268)	(25,402,737)		(29,337,265)
5/31/2042	(3,913,260)	0	(3,913,260)	(21,268)				(21,268)	(25,424,005)		(29,337,265)
6/30/2042	(3,891,992)	0	(3,891,992)	(21,268)				(21,268)	(25,445,273)		(29,337,265)
7/31/2042	(3,870,724)	0	(3,870,724)	(21,268)				(21,268)	(25,466,541)		(29,337,265)
8/31/2042	(3,849,457)	0	(3,849,457)	(21,268)				(21,268)	(25,487,808)		(29,337,265)
9/30/2042	(3,828,189)	0	(3,828,189)	(21,268)				(21,268)	(25,509,076)		(29,337,265)
10/31/2042	(3,806,921)	0	(3,806,921)	(21,268)				(21,268)	(25,530,344)		(29,337,265)
11/30/2042	(3,785,654)	0	(3,785,654)	(21,268)				(21,268)	(25,551,611)		(29,337,265)
12/31/2042	(3,764,386)	0	(3,764,386)	(21,268)				(21,268)	(25,572,879)		(29,337,265)
1/31/2043	(3,743,118)	0	(3,743,118)	(21,268)				(21,268)	(25,594,147)		(29,337,265)
2/28/2043	(3,721,850)	0	(3,721,850)	(21,268)				(21,268)	(25,615,415)		(29,337,265)
3/31/2043	(3,700,583)	0	(3,700,583)	(21,268)				(21,268)	(25,636,682)		(29,337,265)
4/30/2043	(3,679,315)	0	(3,679,315)	(21,268)				(21,268)	(25,657,950)		(29,337,265)
5/31/2043	(3,658,047)	0	(3,658,047)	(21,268)				(21,268)	(25,679,218)		(29,337,265)
6/30/2043	(3,636,780)	0	(3,636,780)	(21,268)				(21,268)	(25,700,485)		(29,337,265)
7/31/2043	(3,615,512)	0	(3,615,512)	(21,268)				(21,268)	(25,721,753)		(29,337,265)
8/31/2043	(3,594,244)	0	(3,594,244)	(21,268)				(21,268)	(25,743,021)		(29,337,265)
9/30/2043	(3,572,976)	0	(3,572,976)	(21,268)				(21,268)	(25,764,289)		(29,337,265)
10/31/2043	(3,551,709)	0	(3,551,709)	(21,268)				(21,268)	(25,785,556)		(29,337,265)
11/30/2043	(3,530,441)	0	(3,530,441)	(21,268)				(21,268)	(25,806,824)		(29,337,265)
12/31/2043	(3,509,173)	0	(3,509,173)	(21,268)				(21,268)	(25,828,092)		(29,337,265)
1/31/2044	(3,487,906)	0	(3,487,906)	(21,268)				(21,268)	(25,849,359)		(29,337,265)
2/29/2044	(3,466,638)	0	(3,466,638)	(21,268)				(21,268)	(25,870,627)		(29,337,265)
3/31/2044	(3,445,370)	0	(3,445,370)	(21,268)				(21,268)	(25,891,895)		(29,337,265)
4/30/2044	(3,424,102)	0	(3,424,102)	(21,268)				(21,268)	(25,913,163)		(29,337,265)
5/31/2044	(3,402,835)	0	(3,402,835)	(21,268)				(21,268)	(25,934,430)		(29,337,265)
6/30/2044	(3,381,567)	0	(3,381,567)	(21,268)				(21,268)	(25,955,698)		(29,337,265)
7/31/2044	(3,360,299)	0	(3,360,299)	(21,268)				(21,268)	(25,976,966)		(29,337,265)
8/31/2044	(3,339,032)	0	(3,339,032)	(21,268)				(21,268)	(25,998,233)		(29,337,265)
9/30/2044	(3,317,764)	0	(3,317,764)	(21,268)				(21,268)	(26,019,501)		(29,337,265)
10/31/2044	(3,296,496)	0	(3,296,496)	(21,268)				(21,268)	(26,040,769)		(29,337,265)
11/30/2044	(3,275,228)	0	(3,275,228)	(21,268)				(21,268)	(26,062,037)		(29,337,265)
12/31/2044	(3,253,961)	0	(3,253,961)	(21,268)				(21,268)	(26,083,304)		(29,337,265)
1/31/2045	(3,232,693)	0	(3,232,693)	(21,268)				(21,268)	(26,104,572)		(29,337,265)
2/28/2045	(3,211,425)	0	(3,211,425)	(21,268)				(21,268)	(26,125,840)		(29,337,265)
3/31/2045	(3,190,158)	0	(3,190,158)	(21,268)				(21,268)	(26,147,107)		(29,337,265)
4/30/2045	(3,168,890)	0	(3,168,890)	(21,268)				(21,268)	(26,168,375)		(29,337,265)
5/31/2045	(3,147,622)	0	(3,147,622)	(21,268)				(21,268)	(26,189,643)		(29,337,265)
6/30/2045	(3,126,354)	0	(3,126,354)	(21,268)				(21,268)	(26,210,911)		(29,337,265)
7/31/2045	(3,105,087)	0	(3,105,087)	(21,268)				(21,268)	(26,232,178)		(29,337,265)
8/31/2045	(3,083,819)	0	(3,083,819)	(21,268)				(21,268)	(26,253,446)		(29,337,265)
9/30/2045	(3,062,551)	0	(3,062,551)	(21,268)				(21,268)	(26,274,714)		(29,337,265)

Liability				Amortization				GL Balance Div 093			
Date	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization	Accts 242-27909, 253-27909	Reg liab vs GL diff	Total Reg Liab.
10/31/2045	(3,041,284)	0	(3,041,284)	(21,268)				(21,268)	(26,295,981)		(29,337,265)
11/30/2045	(3,020,016)	0	(3,020,016)	(21,268)				(21,268)	(26,317,249)		(29,337,265)
12/31/2045	(2,998,748)	0	(2,998,748)	(21,268)				(21,268)	(26,338,517)		(29,337,265)
1/31/2046	(2,977,480)	0	(2,977,480)	(21,268)				(21,268)	(26,359,785)		(29,337,265)
2/28/2046	(2,956,213)	0	(2,956,213)	(21,268)				(21,268)	(26,381,052)		(29,337,265)
3/31/2046	(2,934,945)	0	(2,934,945)	(21,268)				(21,268)	(26,402,320)		(29,337,265)
4/30/2046	(2,913,677)	0	(2,913,677)	(21,268)				(21,268)	(26,423,588)		(29,337,265)
5/31/2046	(2,892,409)	0	(2,892,409)	(21,268)				(21,268)	(26,444,856)		(29,337,265)
6/30/2046	(2,871,142)	0	(2,871,142)	(21,268)				(21,268)	(26,466,123)		(29,337,265)
7/31/2046	(2,849,874)	0	(2,849,874)	(21,268)				(21,268)	(26,487,391)		(29,337,265)
8/31/2046	(2,828,606)	0	(2,828,606)	(21,268)				(21,268)	(26,508,659)		(29,337,265)
9/30/2046	(2,807,339)	0	(2,807,339)	(21,268)				(21,268)	(26,529,926)		(29,337,265)
10/31/2046	(2,786,071)	0	(2,786,071)	(21,268)				(21,268)	(26,551,194)		(29,337,265)
11/30/2046	(2,764,803)	0	(2,764,803)	(21,268)				(21,268)	(26,572,462)		(29,337,265)
12/31/2046	(2,743,535)	0	(2,743,535)	(21,268)				(21,268)	(26,593,730)		(29,337,265)
1/31/2047	(2,722,268)	0	(2,722,268)	(21,268)				(21,268)	(26,614,997)		(29,337,265)
2/28/2047	(2,701,000)	0	(2,701,000)	(21,268)				(21,268)	(26,636,265)		(29,337,265)
3/31/2047	(2,679,732)	0	(2,679,732)	(21,268)				(21,268)	(26,657,533)		(29,337,265)
4/30/2047	(2,658,465)	0	(2,658,465)	(21,268)				(21,268)	(26,678,800)		(29,337,265)
5/31/2047	(2,637,197)	0	(2,637,197)	(21,268)				(21,268)	(26,700,068)		(29,337,265)
6/30/2047	(2,615,929)	0	(2,615,929)	(21,268)				(21,268)	(26,721,336)		(29,337,265)
7/31/2047	(2,594,661)	0	(2,594,661)	(21,268)				(21,268)	(26,742,604)		(29,337,265)
8/31/2047	(2,573,394)	0	(2,573,394)	(21,268)				(21,268)	(26,763,871)		(29,337,265)
9/30/2047	(2,552,126)	0	(2,552,126)	(21,268)				(21,268)	(26,785,139)		(29,337,265)
10/31/2047	(2,530,858)	0	(2,530,858)	(21,268)				(21,268)	(26,806,407)		(29,337,265)
11/30/2047	(2,509,591)	0	(2,509,591)	(21,268)				(21,268)	(26,827,674)		(29,337,265)
12/31/2047	(2,488,323)	0	(2,488,323)	(21,268)				(21,268)	(26,848,942)		(29,337,265)
1/31/2048	(2,467,055)	0	(2,467,055)	(21,268)				(21,268)	(26,870,210)		(29,337,265)
2/29/2048	(2,445,787)	0	(2,445,787)	(21,268)				(21,268)	(26,891,478)		(29,337,265)
3/31/2048	(2,424,520)	0	(2,424,520)	(21,268)				(21,268)	(26,912,745)		(29,337,265)
4/30/2048	(2,403,252)	0	(2,403,252)	(21,268)				(21,268)	(26,934,013)		(29,337,265)
5/31/2048	(2,381,984)	0	(2,381,984)	(21,268)				(21,268)	(26,955,281)		(29,337,265)
6/30/2048	(2,360,717)	0	(2,360,717)	(21,268)				(21,268)	(26,976,548)		(29,337,265)
7/31/2048	(2,339,449)	0	(2,339,449)	(21,268)				(21,268)	(26,997,816)		(29,337,265)
8/31/2048	(2,318,181)	0	(2,318,181)	(21,268)				(21,268)	(27,019,084)		(29,337,265)
9/30/2048	(2,296,913)	0	(2,296,913)	(21,268)				(21,268)	(27,040,352)		(29,337,265)
10/31/2048	(2,275,646)	0	(2,275,646)	(21,268)				(21,268)	(27,061,619)		(29,337,265)
11/30/2048	(2,254,378)	0	(2,254,378)	(21,268)				(21,268)	(27,082,887)		(29,337,265)
12/31/2048	(2,233,110)	0	(2,233,110)	(21,268)				(21,268)	(27,104,155)		(29,337,265)
1/31/2049	(2,211,843)	0	(2,211,843)	(21,268)				(21,268)	(27,125,422)		(29,337,265)
2/28/2049	(2,190,575)	0	(2,190,575)	(21,268)				(21,268)	(27,146,690)		(29,337,265)
3/31/2049	(2,169,307)	0	(2,169,307)	(21,268)				(21,268)	(27,167,958)		(29,337,265)
4/30/2049	(2,148,039)	0	(2,148,039)	(21,268)				(21,268)	(27,189,226)		(29,337,265)
5/31/2049	(2,126,772)	0	(2,126,772)	(21,268)				(21,268)	(27,210,493)		(29,337,265)
6/30/2049	(2,105,504)	0	(2,105,504)	(21,268)				(21,268)	(27,231,761)		(29,337,265)
7/31/2049	(2,084,236)	0	(2,084,236)	(21,268)				(21,268)	(27,253,029)		(29,337,265)
8/31/2049	(2,062,969)	0	(2,062,969)	(21,268)				(21,268)	(27,274,296)		(29,337,265)
9/30/2049	(2,041,701)	0	(2,041,701)	(21,268)				(21,268)	(27,295,564)		(29,337,265)
10/31/2049	(2,020,433)	0	(2,020,433)	(21,268)				(21,268)	(27,316,832)		(29,337,265)
11/30/2049	(1,999,165)	0	(1,999,165)	(21,268)				(21,268)	(27,338,100)		(29,337,265)
12/31/2049	(1,977,898)	0	(1,977,898)	(21,268)				(21,268)	(27,359,367)		(29,337,265)
1/31/2050	(1,956,630)	0	(1,956,630)	(21,268)				(21,268)	(27,380,635)		(29,337,265)
2/28/2050	(1,935,362)	0	(1,935,362)	(21,268)				(21,268)	(27,401,903)		(29,337,265)
3/31/2050	(1,914,095)	0	(1,914,095)	(21,268)				(21,268)	(27,423,170)		(29,337,265)
4/30/2050	(1,892,827)	0	(1,892,827)	(21,268)				(21,268)	(27,444,438)		(29,337,265)
5/31/2050	(1,871,559)	0	(1,871,559)	(21,268)				(21,268)	(27,465,706)		(29,337,265)
6/30/2050	(1,850,291)	0	(1,850,291)	(21,268)				(21,268)	(27,486,974)		(29,337,265)
7/31/2050	(1,829,024)	0	(1,829,024)	(21,268)				(21,268)	(27,508,241)		(29,337,265)
8/31/2050	(1,807,756)	0	(1,807,756)	(21,268)				(21,268)	(27,529,509)		(29,337,265)
9/30/2050	(1,786,488)	0	(1,786,488)	(21,268)				(21,268)	(27,550,777)		(29,337,265)
10/31/2050	(1,765,220)	0	(1,765,220)	(21,268)				(21,268)	(27,572,045)		(29,337,265)
11/30/2050	(1,743,953)	0	(1,743,953)	(21,268)				(21,268)	(27,593,312)		(29,337,265)
12/31/2050	(1,722,685)	0	(1,722,685)	(21,268)				(21,268)	(27,614,580)		(29,337,265)
1/31/2051	(1,701,417)	0	(1,701,417)	(21,268)				(21,268)	(27,635,848)		(29,337,265)
2/28/2051	(1,680,150)	0	(1,680,150)	(21,268)				(21,268)	(27,657,115)		(29,337,265)
3/31/2051	(1,658,882)	0	(1,658,882)	(21,268)				(21,268)	(27,678,383)		(29,337,265)
4/30/2051	(1,637,614)	0	(1,637,614)	(21,268)				(21,268)	(27,699,651)		(29,337,265)
5/31/2051	(1,616,346)	0	(1,616,346)	(21,268)				(21,268)	(27,720,919)		(29,337,265)

Liability				Amortization				GL Balance Div 093			
Date	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization	Accts 242-27909, 253-27909	Reg liab vs GL diff	Total Reg Liab.
6/30/2051	(1,595,079)	0	(1,595,079)	(21,268)				(21,268)	(27,742,186)		(29,337,265)
7/31/2051	(1,573,811)	0	(1,573,811)	(21,268)				(21,268)	(27,763,454)		(29,337,265)
8/31/2051	(1,552,543)	0	(1,552,543)	(21,268)				(21,268)	(27,784,722)		(29,337,265)
9/30/2051	(1,531,276)	0	(1,531,276)	(21,268)				(21,268)	(27,805,989)		(29,337,265)
10/31/2051	(1,510,008)	0	(1,510,008)	(21,268)				(21,268)	(27,827,257)		(29,337,265)
11/30/2051	(1,488,740)	0	(1,488,740)	(21,268)				(21,268)	(27,848,525)		(29,337,265)
12/31/2051	(1,467,472)	0	(1,467,472)	(21,268)				(21,268)	(27,869,793)		(29,337,265)
1/31/2052	(1,446,205)	0	(1,446,205)	(21,268)				(21,268)	(27,891,060)		(29,337,265)
2/29/2052	(1,424,937)	0	(1,424,937)	(21,268)				(21,268)	(27,912,328)		(29,337,265)
3/31/2052	(1,403,669)	0	(1,403,669)	(21,268)				(21,268)	(27,933,596)		(29,337,265)
4/30/2052	(1,382,402)	0	(1,382,402)	(21,268)				(21,268)	(27,954,863)		(29,337,265)
5/31/2052	(1,361,134)	0	(1,361,134)	(21,268)				(21,268)	(27,976,131)		(29,337,265)
6/30/2052	(1,339,866)	0	(1,339,866)	(21,268)				(21,268)	(27,997,399)		(29,337,265)
7/31/2052	(1,318,598)	0	(1,318,598)	(21,268)				(21,268)	(28,018,667)		(29,337,265)
8/31/2052	(1,297,331)	0	(1,297,331)	(21,268)				(21,268)	(28,039,934)		(29,337,265)
9/30/2052	(1,276,063)	0	(1,276,063)	(21,268)				(21,268)	(28,061,202)		(29,337,265)
10/31/2052	(1,254,795)	0	(1,254,795)	(21,268)				(21,268)	(28,082,470)		(29,337,265)
11/30/2052	(1,233,528)	0	(1,233,528)	(21,268)				(21,268)	(28,103,737)		(29,337,265)
12/31/2052	(1,212,260)	0	(1,212,260)	(21,268)				(21,268)	(28,125,005)		(29,337,265)
1/31/2053	(1,190,992)	0	(1,190,992)	(21,268)				(21,268)	(28,146,273)		(29,337,265)
2/28/2053	(1,169,724)	0	(1,169,724)	(21,268)				(21,268)	(28,167,541)		(29,337,265)
3/31/2053	(1,148,457)	0	(1,148,457)	(21,268)				(21,268)	(28,188,808)		(29,337,265)
4/30/2053	(1,127,189)	0	(1,127,189)	(21,268)				(21,268)	(28,210,076)		(29,337,265)
5/31/2053	(1,105,921)	0	(1,105,921)	(21,268)				(21,268)	(28,231,344)		(29,337,265)
6/30/2053	(1,084,654)	0	(1,084,654)	(21,268)				(21,268)	(28,252,611)		(29,337,265)
7/31/2053	(1,063,386)	0	(1,063,386)	(21,268)				(21,268)	(28,273,879)		(29,337,265)
8/31/2053	(1,042,118)	0	(1,042,118)	(21,268)				(21,268)	(28,295,147)		(29,337,265)
9/30/2053	(1,020,850)	0	(1,020,850)	(21,268)				(21,268)	(28,316,415)		(29,337,265)
10/31/2053	(999,583)	0	(999,583)	(21,268)				(21,268)	(28,337,682)		(29,337,265)
11/30/2053	(978,315)	0	(978,315)	(21,268)				(21,268)	(28,358,950)		(29,337,265)
12/31/2053	(957,047)	0	(957,047)	(21,268)				(21,268)	(28,380,218)		(29,337,265)
1/31/2054	(935,780)	0	(935,780)	(21,268)				(21,268)	(28,401,485)		(29,337,265)
2/28/2054	(914,512)	0	(914,512)	(21,268)				(21,268)	(28,422,753)		(29,337,265)
3/31/2054	(893,244)	0	(893,244)	(21,268)				(21,268)	(28,444,021)		(29,337,265)
4/30/2054	(871,976)	0	(871,976)	(21,268)				(21,268)	(28,465,289)		(29,337,265)
5/31/2054	(850,709)	0	(850,709)	(21,268)				(21,268)	(28,486,556)		(29,337,265)
6/30/2054	(829,441)	0	(829,441)	(21,268)				(21,268)	(28,507,824)		(29,337,265)
7/31/2054	(808,173)	0	(808,173)	(21,268)				(21,268)	(28,529,092)		(29,337,265)
8/31/2054	(786,906)	0	(786,906)	(21,268)				(21,268)	(28,550,359)		(29,337,265)
9/30/2054	(765,638)	0	(765,638)	(21,268)				(21,268)	(28,571,627)		(29,337,265)
10/31/2054	(744,370)	0	(744,370)	(21,268)				(21,268)	(28,592,895)		(29,337,265)
11/30/2054	(723,102)	0	(723,102)	(21,268)				(21,268)	(28,614,163)		(29,337,265)
12/31/2054	(701,835)	0	(701,835)	(21,268)				(21,268)	(28,635,430)		(29,337,265)
1/31/2055	(680,567)	0	(680,567)	(21,268)				(21,268)	(28,656,698)		(29,337,265)
2/28/2055	(659,299)	0	(659,299)	(21,268)				(21,268)	(28,677,966)		(29,337,265)
3/31/2055	(638,032)	0	(638,032)	(21,268)				(21,268)	(28,699,233)		(29,337,265)
4/30/2055	(616,764)	0	(616,764)	(21,268)				(21,268)	(28,720,501)		(29,337,265)
5/31/2055	(595,496)	0	(595,496)	(21,268)				(21,268)	(28,741,769)		(29,337,265)
6/30/2055	(574,228)	0	(574,228)	(21,268)				(21,268)	(28,763,037)		(29,337,265)
7/31/2055	(552,961)	0	(552,961)	(21,268)				(21,268)	(28,784,304)		(29,337,265)
8/31/2055	(531,693)	0	(531,693)	(21,268)				(21,268)	(28,805,572)		(29,337,265)
9/30/2055	(510,425)	0	(510,425)	(21,268)				(21,268)	(28,826,840)		(29,337,265)
10/31/2055	(489,157)	0	(489,157)	(21,268)				(21,268)	(28,848,108)		(29,337,265)
11/30/2055	(467,890)	0	(467,890)	(21,268)				(21,268)	(28,869,375)		(29,337,265)
12/31/2055	(446,622)	0	(446,622)	(21,268)				(21,268)	(28,890,643)		(29,337,265)
1/31/2056	(425,354)	0	(425,354)	(21,268)				(21,268)	(28,911,911)		(29,337,265)
2/29/2056	(404,087)	0	(404,087)	(21,268)				(21,268)	(28,933,178)		(29,337,265)
3/31/2056	(382,819)	0	(382,819)	(21,268)				(21,268)	(28,954,446)		(29,337,265)
4/30/2056	(361,551)	0	(361,551)	(21,268)				(21,268)	(28,975,714)		(29,337,265)
5/31/2056	(340,283)	0	(340,283)	(21,268)				(21,268)	(28,996,982)		(29,337,265)
6/30/2056	(319,016)	0	(319,016)	(21,268)				(21,268)	(29,018,249)		(29,337,265)
7/31/2056	(297,748)	0	(297,748)	(21,268)				(21,268)	(29,039,517)		(29,337,265)
8/31/2056	(276,480)	0	(276,480)	(21,268)				(21,268)	(29,060,785)		(29,337,265)
9/30/2056	(255,213)	0	(255,213)	(21,268)				(21,268)	(29,082,052)		(29,337,265)
10/31/2056	(233,945)	0	(233,945)	(21,268)				(21,268)	(29,103,320)		(29,337,265)
11/30/2056	(212,677)	0	(212,677)	(21,268)				(21,268)	(29,124,588)		(29,337,265)
12/31/2056	(191,409)	0	(191,409)	(21,268)				(21,268)	(29,145,856)		(29,337,265)
1/31/2057	(170,142)	0	(170,142)	(21,268)				(21,268)	(29,167,123)		(29,337,265)

Date	Liability			Amortization				GL Balance Div 093		Accts 242-27909, 253-27909		Reg liab vs GL diff		Total Reg Liab.
	Protected Balance	Unprotected Balance	Total Reg Liability Balance	Protected	Unprotected	Accelerated Unprotected	Total Amortization	Cumulative Balance - Amortization						
2/28/2057	(148,874)	0	(148,874)	(21,268)				(21,268)	(29,188,391)					(29,337,265)
3/31/2057	(127,606)	0	(127,606)	(21,268)				(21,268)	(29,209,659)					(29,337,265)
4/30/2057	(106,339)	0	(106,339)	(21,268)				(21,268)	(29,230,926)					(29,337,265)
5/31/2057	(85,071)	0	(85,071)	(21,268)				(21,268)	(29,252,194)					(29,337,265)
6/30/2057	(63,803)	0	(63,803)	(21,268)				(21,268)	(29,273,462)					(29,337,265)
7/31/2057	(42,535)	0	(42,535)	(21,268)				(21,268)	(29,294,730)					(29,337,265)
8/31/2057	(21,268)	0	(21,268)	(21,268)				(21,268)	(29,315,997)					(29,337,265)
9/30/2057	0	0	0	(21,268)				(21,268)	(29,337,265)					(29,337,265)
Total Amortized from 10/15/2018 - 09/30/2057				\$ (10,484,213)	\$ (1,599,233)	\$ (17,253,819)	\$	(29,337,265)						-

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING  
TN DEFERRED INTEREST, DEPRECIATION, & AD VALOREM TAX EXPENSE  
TEST YEAR ENDING SEPTEMBER 30, 2024

Line No.	Description	Company	Cost Center	Account	Sub Account	Service Area	Sep-24														
1	Depr Exp to Reg Asset	50	0000	4030	30005	093	\$ 5,561,272														
2	Interest to Reg Asset	50	0000	4310	30130	093	16,074,759														
3	RWIP Interest to Reg Asset	50	0000	4310	30130	093	521,072														
4	Prop Tax to Reg Asset	50	0000	4081	30101	093	1,620,312														
5							<b>\$ 23,777,415</b>														
6																					
7	Description	Company	Cost Center	Account	Sub Account	Service Area	Sep-24	Relieved June-21 <sup>(1)</sup>	Relieved July-22 <sup>(2)</sup>	Relieved June-23 <sup>(3)</sup>	Relieved June-24 <sup>(4)</sup>	Sep-24 After Relief									
8	Depr Exp to Reg Asset	50	0000	1860	14218	093	\$ 5,561,272	\$ (134,262)	\$ (650,582)	\$ (1,385,442)	\$ (1,669,343)	\$ 1,721,643									
9	Interest to Reg Asset	50	0000	1860	14218	093	16,074,759	(81,854)	(1,624,822)	(3,783,039)	(5,061,318)	5,523,726									
10	RWIP Interest to Reg Asset	50	0000	1860	14218	093	521,072	(1,529)	(41,865)	(110,321)	(147,739)	219,619									
11	Prop Tax to Reg Asset	50	0000	1860	14218	093	1,620,312		(105,687)	(337,111)	(553,346)	624,168									
12							<b>\$ 23,777,415</b>	<b>\$ (217,645)</b>	<b>\$ (2,422,956)</b>	<b>\$ (5,615,913)</b>	<b>\$ (7,431,745)</b>	<b>\$ 8,089,156</b>									
13																					
14																					
15	Division	Division Description	Account	Account Description	Sub Account	Sub Account Description	Description	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Average
16	093	Tennessee Division	186	Miscellaneous deferred debits	14218	Rule 8209	Total Deferral	7,430,874	8,088,779	8,772,186	9,486,938	10,261,808	11,063,820	11,886,101	12,734,668	13,631,007	6,530,542	6,918,474	7,373,654	8,089,156	9,405,231
17	093	Tennessee Division	186	Miscellaneous deferred debits	14218	Rule 8209	Interest & RWIP Interest	(5,209,057)	(5,696,851)	(6,206,802)	(6,740,878)	(7,292,592)	(7,877,363)	(8,478,104)	(9,099,520)	(9,757,697)	(4,774,970)	(5,032,881)	(5,325,326)	(5,743,345)	(6,710,414)
18								2,221,818	2,391,928	2,565,384	2,746,060	2,969,216	3,186,457	3,407,998	3,635,148	3,873,310	1,755,571	1,885,592	2,048,329	2,345,811	2,694,817
19	Notes:																				
20	1. For Company 50, 100% of the deferrals during the time period 06.20 and 09.20 were relieved in June-21 business.																				
21	2. For Company 50, 100% of the deferrals during the time period 10.20 and 09.21 were relieved in July-22 business.																				
22	2. For Company 50, Ad Valorem deferral base was reduced by 75% of calendar 2020 additions to plant in service in July-22 business.																				
23	3. For Company 50, 100% of the deferrals during the time period 10.21 and 09.22 were relieved in June-23 business.																				
24	3. For Company 50, Ad Valorem deferral base was reduced by 25% of calendar 2020 additions and 75% of Calendar 2021 to plant in service in June-23 business.																				
25	4. For Company 50, 100% of the deferrals during the time period 10.22 and 09.23 were relieved in June-24 business.																				
26	4. For Company 50, Ad Valorem deferral base as reduced by 25% of calendar of 2021 and 75% of calendar 2022 to plant in service in June-24 business.																				

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**COMPUTATION OF STATE EXCISE & INCOME TAXES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year
	(a)	(b)	(c)
1	Required Return	Schedule 7	\$ 46,673,352
2			
3	Current Return	Schedule 10	\$ 47,852,484
4			
5	Pre-Tax Deficiency from Current Return	Ln 1 - Ln 3	(1,179,132)
6	Tax Expansion Factor	WP_8-2	1.3597
7	After-Tax Deficiency from Current Return	Ln 5 x Ln 6	\$ (1,603,266)
8			
9	Tax Liability Increase / Decrease	Ln 7 - Ln 5	(424,134)
10	Current Tax Liability	Schedule 10	\$ 12,874,755
11			
12	Income Tax Liability	Ln 9 + Ln 10	\$ 12,450,621
13			
14	Less: ITC Amortization <sup>(2)</sup>		-
15			
16	Total Income Tax Liability	Ln 12 - Ln 14	\$ 12,450,621
17			
18	Notes:		
19	1. Twelve months ended September 30, 2024.		
20	2. UCG amortization schedule was completed in 2013.		



**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**COMPUTATION OF STATE EXCISE & INCOME TAXES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year
	(a)	(b)	(c)
1	Required Return	Schedule 7R	\$ 43,301,322
2			
3	Current Return	Schedule 10R	\$ 40,963,180
4			
5	Pre-Tax Deficiency from Current Return	Ln 1 - Ln 3	2,338,142
6	Tax Expansion Factor	WP_8-2	1.3597
7	After-Tax Deficiency from Current Return	Ln 5 x Ln 6	\$ 3,179,172
8			
9	Tax Liability Increase / Decrease	Ln 7 - Ln 5	841,030
10	Current Tax Liability	Schedule 10R	\$ 10,675,103
11			
12	Income Tax Liability	Ln 9 + Ln 10	\$ 11,516,133
13			
14	Less: ITC Amortization <sup>(2)</sup>		-
15			
16	Total Income Tax Liability	Ln 12 - Ln 14	\$ 11,516,133
17			
18	Notes:		
19	1. Thirteen months average ended September 30, 2024.		
20	2. UCG amortization schedule was completed in 2013.		

**ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING  
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TEST YEAR ENDING SEPTEMBER 30, 2024**

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**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**REVENUE CONVERSION FACTOR**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year <sup>(1)</sup> Amount	Balance
	(a)	(b)	(c)	(d)
1	Operating Revenues			1.000000
2				
3	Add: Forfeited Discounts	Sch 11-2 & Sch2	0.003670	<u>0.003670</u>
4				
5	Balance	Ln 1 + Ln 3		1.003670
6				
7	Uncollectible Ratio	WP_4-1 & Sch 2	0.007974	<u>0.008004</u>
8				
9	Balance	Ln 5 - Ln 7		0.995666
10				
11	State Excise Tax	Ln 9 x Ln 11	0.065000	<u>0.064718</u>
12				
13	Balance	Ln 9 - Ln 11		0.930948
14				
15	Federal Income Tax	Ln 13 x Ln 15	0.210000	<u>0.195499</u>
16				
17	Balance	Ln 13 - Ln 15		0.735449
18				
19	Revenue Conversion Factor	Ln 1 / Ln 17		1.359700
20				
21	Note:			
22	1. Twelve months ended September 30, 2024.			

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OVERALL COST OF CAPITAL**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Percent	Cost Rate	Overall Cost of Capital
	(a)	(b)	(c)	(d)
1	Long Term Debt Capital	38.86%	4.08%	1.59%
2	Short Term Debt	0.09%	68.88%	0.06%
3	Equity Capital <sup>(1)</sup>	61.05%	9.80%	5.98%
4				
5	Total Capital	100.0%		7.63%
6				
7	Note:			
8	1. Allowed rate of return established per TRA Docket No. 14-00146.			

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**OVERALL COST OF CAPITAL**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Percent	Cost Rate	Overall Cost of Capital
	(a)	(b)	(c)	(d)
1	Long Term Debt Capital	38.96%	4.08%	1.59%
2	Short Term Debt	0.10%	68.88%	0.07%
3	Equity Capital <sup>(1)</sup>	60.95%	9.80%	5.97%
4				
5	Total Capital	100.0%		7.63%
6				
7	Note:			
8	1. Allowed rate of return established per TRA Docket No. 14-00146.			

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING**  
**COST OF CAPITAL**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Capital	Cost Rate
	(a)	(b)	(c)
1	Long Term Debt	\$ 7,737,539,666	38.86%
2	Short Term Debt	18,610,241	0.09%
3	Equity	12,157,669,740	61.05%
4			
5	Total Capital	<u>\$ 19,913,819,647</u>	<u>100.00%</u>
6			
7	Notes:		
8	1. As of the end of the Test Period September 2024.		
9	2. Excluding AEKS Securitized Debt and Other LT Lease Debt.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**COST OF CAPITAL**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Capital	Cost Rate
	(a)	(b)	(c)
1	Long Term Debt	\$ 7,432,613,361	38.96%
2	Short Term Debt	18,610,241	0.10%
3	Equity	11,628,127,061	60.95%
4			
5	Total Capital	<u>\$ 19,079,350,662</u>	<u>100.00%</u>
6			
7	Notes:		
8	1. Thirteen months Average ended September 30, 2024.		
9	2. Excluding AEKS Securitized Debt and Other LT Lease Debt.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**COST OF CAPITAL - SHORT TERM DEBT RATE**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Atmos Consolidated Balances					12 Month Avg Atmos Consolidated - calc of STD rate			Detail of Colm (f) Consolidated Int Exp & Fees		
Line No.	Date	Long-Term Debt <sup>(1)</sup>	Short-Term Debt	Equity	STD Avg Daily Bal	STD Int Exp & fees	STD Avg rate	Interest on CP or Interest on Draws on Credit Facility	Commitment Fees on Credit Facility	Bank Fees on AEC Credit Facility with RBS
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	30165, 30171, 30175, 30176	30120,30121,30187	30121,30187
1	Sep-23	\$ 6,505,307,443	241,933,133	\$ 10,870,063,643	\$ 300,306,667	\$ 1,708,022		\$ 1,364,167	\$ 202,260	\$ 141,595
2	Oct-23	7,394,989,701	0	10,966,260,926	87,903,226	762,641		412,044	209,002	141,595
3	Nov-23	7,395,346,844	0	10,908,976,223	-	343,855		-	202,260	141,595
4	Dec-23	7,395,703,987	0	11,273,208,145	-	350,597		-	209,002	141,595
5	Jan-24	7,396,061,130	0	11,457,733,202	-	350,583		-	208,988	141,595
6	Feb-24	7,396,418,274	-	11,503,568,642	-	337,099		-	195,504	141,595
7	Mar-24	7,396,775,416	-	11,618,639,177	-	356,583		-	214,988	141,595
8	Apr-24	7,397,132,559	-	11,720,832,709	-	419,635		-	247,246	172,389
9	May-24	7,397,489,702	-	12,138,563,363	-	429,466		-	255,488	173,979
10	Jun-24	7,736,826,151	-	12,183,077,097	-	419,635		-	247,246	172,389
11	Jul-24	7,737,075,318	-	12,223,284,754	-	427,877		-	255,488	172,389
12	Aug-24	7,737,307,494	-	12,143,774,170	-	427,877		-	255,488	172,389
13	Sep-24	7,737,539,666	-	12,157,669,740	-	419,635		-	247,246	172,389
14						\$ 5,045,483		\$ 412,044	\$ 2,747,945	\$ 1,885,495
15										
16	Average	\$ 7,432,613,361	\$ 18,610,241	\$ 11,628,127,061	\$ 7,325,269		68.88%	Per STD reports 12 Months :	\$ 5,045,483	

Notes:

1. Long Term Debt, Column (b) has been adjusted to exclude Long-Term Lease Liability and AEKS Securitization.



ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING  
COST OF CAPITAL - LONG TERM DEBT RATE  
TEST YEAR ENDING SEPTEMBER 30, 2024

Line No.	Debt Series (a)	Issued (b)	Outstanding 9/30/2022 (c)	Outstanding 10/31/2023 (d)	Outstanding 11/30/2023 (e)	Outstanding 12/31/2023 (f)	Outstanding 1/31/2024 (g)	Outstanding 2/28/2024 (h)	Outstanding 3/31/2024 (i)	Outstanding 4/30/2024 (j)	Outstanding 5/31/2024 (k)	Outstanding 6/30/2024 (l)	Outstanding 7/31/2024 (m)	Outstanding 8/31/2024 (n)	Outstanding 9/30/2024 (o)
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	150,000,000	150,000,000	150,000,000	150,000,000
3	5.125% Senior Note 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	10,000,000	10,000,000	10,000,000	10,000,000
9	4.95% Sr Note due 10/15/2014	10/22/04	-	-	-	-	-	-	-	-	-	-	-	-	-
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	200,000,000	200,000,000	200,000,000	200,000,000
11	4.3% Sr Note due 10/12/048	10/26/08	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
12	Sr Note 5.50% Due 06/15/2041	6/10/11	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	400,000,000	400,000,000	400,000,000	400,000,000
13	8.50% Sr Note due 3/15/2019	03/23/09	-	-	-	-	-	-	-	-	-	-	-	-	-
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	500,000,000	500,000,000	500,000,000	500,000,000
15	4.125% Sr Note due 10/15/2044 (500MM(2014) & 250MM(2017))	10/15/14	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000	750,000,000
16	3.00% Sr Note due 6/15/2027	06/20/17	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	500,000,000	500,000,000	500,000,000	500,000,000
17	4.125% Sr Note due 3/15/49	03/20/19	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	450,000,000	450,000,000	450,000,000	450,000,000
18	2.625% Sr Notes Due 2029 (300MM(2019) & 200MM(2022))	10/20/19	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	500,000,000	500,000,000	500,000,000	500,000,000
19	3.375% Sr Notes Due 2049	10/20/19	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	500,000,000	500,000,000	500,000,000	500,000,000
20	1.500% Sr Notes Due 2031	10/01/20	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
21	0.625% Sr Notes Due 2023	03/20/21	-	-	-	-	-	-	-	-	-	-	-	-	-
22	FRN Sr Notes Due 2023	03/20/21	-	-	-	-	-	-	-	-	-	-	-	-	-
23	2.850% Sr Notes Due 2052	10/20/21	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
24	5.450% Sr Notes Due 2032	10/20/22	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
25	5.750% Sr Notes Due 2052	10/20/22	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	500,000,000	500,000,000	500,000,000	500,000,000
26	5.000% Sr Notes Due 2054 - Placeholder	10/20/24	-	-	-	-	-	-	-	-	-	-	-	-	-
27	5.900% Sr Notes Due 2033 400MM(2023)& 325MM(2024)	10/20/23	-	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	725,000,000	725,000,000	725,000,000	725,000,000
28	6.200% Sr Notes Due 2053	10/20/23	-	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	500,000,000	500,000,000	500,000,000
29	October 2025 - Swap Position	07/2020	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Subtotal - Utility Long-Term Debt		\$6,560,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,785,000,000	\$7,785,000,000	\$7,785,000,000
31			-	-	-	-	-	-	-	-	-	-	-	-	-
32	Other Long-Term Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
33	<b>Total Long-Term Debt</b>		\$6,560,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,460,000,000	\$7,785,000,000	\$7,785,000,000	\$7,785,000,000
34	Less Unamortized Debt Discount & Debt Premium		\$ 6,104,538	\$ 7,794,115	\$ 7,758,692	\$ 7,723,269	\$ 7,687,846	\$ 7,652,423	\$ 7,617,038	\$ 7,581,576	\$ 7,546,153	\$ 7,510,730	\$ 7,475,307	\$ 7,440,884	\$ 7,406,461
35	Less Unamortized Debt Expense		48,588,018	57,216,183	56,894,464	56,572,744	56,251,024	55,929,304	55,607,584	55,285,864	54,964,144	54,642,424	54,320,704	54,000,000	53,678,280
36	Annualized Amortization of T-Lock Settlement, Debt Exp. & Debt Disc.		\$6,505,307,443	\$7,394,989,701	\$7,395,346,844	\$7,395,703,987	\$7,396,061,130	\$7,396,418,274	\$7,396,775,416	\$7,397,132,559	\$7,397,489,702	\$7,397,846,846	\$7,398,203,989	\$7,398,561,132	\$7,398,918,275
37			-	-	-	-	-	-	-	-	-	-	-	-	-
38	Effective Avg Cost of Consol Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
39	Consolidated & Utility		-	-	-	-	-	-	-	-	-	-	-	-	-
40	Other Long-Term Real Estate Lease		\$ 50,393,173	\$ 50,304,359	\$ 50,178,668	\$ 50,052,183	\$ 49,925,333	\$ 49,798,117	\$ 49,670,054	\$ 49,541,621	\$ 49,412,817	\$ 49,282,617	\$ 49,152,041	\$ 49,021,086	\$ 48,889,752
41	AEKS 5.155% Sr Secured Securitized Utility Tariff Bonds	06/2023	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000	95,000,000	89,261,606	89,261,606	89,261,606	89,261,606	89,261,606	89,261,606	85,078,012
42	<b>Total Long-Term Debt Including Capital Leases</b>		<b>\$6,650,700,617</b>	<b>\$7,540,294,060</b>	<b>\$7,540,525,513</b>	<b>\$7,540,756,170</b>	<b>\$7,540,986,463</b>	<b>\$7,541,216,390</b>	<b>\$7,535,707,076</b>	<b>\$7,535,935,786</b>	<b>\$7,536,164,125</b>	<b>\$7,536,395,734</b>	<b>\$7,536,626,181</b>	<b>\$7,536,857,237</b>	<b>\$7,537,087,793</b>
43	Note: includes current maturities		-	-	-	-	-	-	-	-	-	-	-	-	-
44			-	-	-	-	-	-	-	-	-	-	-	-	-
45	<b>LT Debt Adjustments:</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
46	Other Long-Term Real Estate Lease		\$ (50,393,173)	\$ (50,304,359)	\$ (50,178,668)	\$ (50,052,183)	\$ (49,925,333)	\$ (49,798,117)	\$ (49,670,054)	\$ (49,541,621)	\$ (49,412,817)	\$ (49,282,617)	\$ (49,152,041)	\$ (49,021,086)	\$ (48,889,752)
47	AEKS 5.155% Sr Secured Securitized Utility Tariff Bonds	06/2023	(95,000,000)	(95,000,000)	(95,000,000)	(95,000,000)	(95,000,000)	(95,000,000)	(89,261,606)	(89,261,606)	(89,261,606)	(89,261,606)	(89,261,606)	(89,261,606)	(85,078,012)
48			<b>\$ (145,393,173)</b>	<b>\$ (145,304,359)</b>	<b>\$ (145,178,668)</b>	<b>\$ (145,052,183)</b>	<b>\$ (144,925,333)</b>	<b>\$ (144,798,117)</b>	<b>\$ (138,931,660)</b>	<b>\$ (138,803,227)</b>	<b>\$ (138,674,422)</b>	<b>\$ (138,545,216)</b>	<b>\$ (138,416,010)</b>	<b>\$ (138,286,804)</b>	<b>\$ (138,157,592)</b>
49			-	-	-	-	-	-	-	-	-	-	-	-	-
50	<b>Total Adjusted Long-Term Debt</b>		<b>\$6,505,307,443</b>	<b>\$7,394,989,701</b>	<b>\$7,395,346,844</b>	<b>\$7,395,703,987</b>	<b>\$7,396,061,130</b>	<b>\$7,396,418,274</b>	<b>\$7,396,775,416</b>	<b>\$7,397,132,559</b>	<b>\$7,397,489,702</b>	<b>\$7,397,846,846</b>	<b>\$7,398,203,989</b>	<b>\$7,398,561,132</b>	<b>\$7,398,918,275</b>

ATMOS ENERGY CORPORATION												
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING												
Cost of Capital- Long Term Debt Rate												
TEST YEAR ENDING SEPTEMBER 30, 2024												
Line No.	Debt Series (a)	Issued (b)	End Int Rate (p)	Annual Int at 9/30/2024 (q)	Outstanding 13 mth Average (r)	Avg Int Rate (s)	Annual Int 13 mth Average (t)	Annualized 4270 Amort for T-lock (u)	4280, 4281, 4290 & 4310 Amort Debt Exp&Dcst (v)	Unamort Debt Exp 2241,1650,1860 Penalty 1890 Dcst 2260 9/30/2024 (w)		
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	9.400%	-	-	9.400%	-	-	-	0		
2	6.75% Debentures Unsecured due July 2028	07/27/98	6.750%	10,125,000	150,000,000	6.750%	10,125,000	-	99,943	379,409		
3	5.125% Senior Note due Jan 2013	01/13/03	5.125%	-	-	5.125%	-	-	-	-		
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	10.430%	-	-	10.430%	-	-	-	0		
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	9.750%	-	-	9.750%	-	-	-	(0)		
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	9.320%	-	-	9.320%	-	-	-	(0)		
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	8.770%	-	-	8.770%	-	-	-	0		
8	6.67% MTN A1 due Dec 2025	12/15/95	6.670%	667,000	10,000,000	6.670%	667,000	-	7,777	9,397		
9	4.95% Sr Note due 10/15/2014	10/22/04	4.950%	-	-	4.950%	-	-	-	-		
10	5.95% Sr Note due 10/15/2034	10/22/04	5.950%	11,900,000	200,000,000	5.950%	11,900,000	(7,047)	115,718	1,163,503		
11	4.3% Sr Note due 10/1/2048	10/2018	4.300%	25,800,000	600,000,000	4.300%	25,800,000	-	315,367	7,568,657		
12	Sr Note 5.50% Due 06/15/2041	6/10/11	5.500%	22,000,000	400,000,000	5.500%	22,000,000	(669,302)	186,868	3,114,326		
13	8.50% Sr Note due 3/15/2019	03/23/09	8.500%	-	-	8.500%	-	-	-	-		
14	4.15% Sr Note due 1/15/2043	01/15/13	4.150%	20,750,000	500,000,000	4.150%	20,750,000	2,220,857	378,075	6,914,412		
15	4.125% Sr Note due 10/15/2044 (500MM(2014) & 250MM(2017))	10/15/14	4.125%	30,937,500	750,000,000	4.125%	30,937,500	908,016	(43,555)	(874,222)		
16	3.00% Sr Note due 6/15/2027	06/2017	3.000%	15,000,000	500,000,000	3.000%	15,000,000	-	555,073	1,503,320		
17	4.125% Sr Note due 3/15/49	03/2019	4.125%	18,562,500	450,000,000	4.125%	18,562,500	3,004,713	220,257	5,377,467		
18	2.625% Sr Notes Due 2029 (300MM(2019) & 200MM(2022))	10/2019	2.625%	13,125,000	500,000,000	2.625%	13,125,000	-	157,904	789,528		
19	3.375% Sr Notes Due 2049	10/2019	3.375%	16,875,000	500,000,000	3.375%	16,875,000	-	187,962	4,699,539		
20	1.500% Sr Notes Due 2031	10/01/20	1.500%	9,000,000	600,000,000	1.500%	9,000,000	428,328	743,521	4,709,017		
21	0.625% Sr Notes Due 2023	03/2021	0.625%	-	-	0.625%	-	-	-	-		
22	FRN Sr Notes Due 2023	03/2021	5.103%	-	-	0.000%	-	-	-	-		
23	2.850% Sr Notes Due 2052	10/2021	2.850%	17,100,000	600,000,000	2.850%	17,100,000	(2,049,211)	338,424	9,250,692		
24	5.450% Sr Notes Due 2032	10/2022	5.450%	16,350,000	300,000,000	5.450%	16,350,000	-	320,833	2,566,715		
25	5.750% Sr Notes Due 2052	10/2022	5.750%	28,750,000	500,000,000	5.750%	28,750,000	(6,569,089)	247,405	6,927,500		
26	5.000% Sr Notes Due 2054 - Placeholder	10/2024	5.000%	-	-	5.000%	-	-	-	-		
27	5.900% Sr Notes Due 2033 400MM(2023)& 325MM(2024)	10/2023	5.90%	42,775,000	469,230,769	5.900%	27,684,615	(6,610,505)	(1,100,382)	(10,028,413)		
28	6.200% Sr Notes Due 2053	10/2023	6.20%	31,000,000	461,538,462	6.200%	28,615,385	(3,501,323)	222,739	6,459,928		
29	October 2025 - Swap Position	07/2020	-	-	-	0.000%	-	-	-	-		
30	Subtotal - Utility Long-Term Debt			330,717,000	\$ 7,490,769,231		\$ 313,242,000	(12,844,563)	2,953,929	50,530,776		
31												
32	Other Long-Term Debt											
33	<b>Total Long-Term Debt</b>			330,717,000	7,490,769,231		313,242,000	\$(12,844,563)	\$ 2,953,929	\$ 50,530,776		
34	Less Unamortized Debt Discount & Debt Premium				\$ 2,345,071							
35	Less Unamortized Debt Expense				\$ 55,810,799							
36	Annualized Amortization of T-Lock Settlement, Debt Exp. & Debt Disc.			\$ (9,890,633)	\$ 49,663,217		\$ (9,890,633)					
37				\$320,826,367	\$ 7,482,276,578		\$ 303,351,367					
38	Effective Avg Cost of Consol Debt											
39	Consolidated & Utility											
40	Other Long-Term Real Estate Lease											
41	AEKS 5.155% Sr Secured Securititized Utility Tariff Bonds	06/2023		(49,663,217)								
42	<b>Total Long-Term Debt Including Capital Leases</b>											
43	Note: includes current maturities											
44												
45	<b>LT Debt Adjustments:</b>											
46	Other Long-Term Real Estate Lease											
47	AEKS 5.155% Sr Secured Securititized Utility Tariff Bonds	06/2023		(91,588,280)								
48				\$ (141,251,497)								
49												
50	<b>Total Adjusted Long-Term Debt</b>				\$7,432,613,361							

13 mo Avg Total Adjusted		
LTD	Int Rate	Annual Interest Rate
\$7,432,613,361	4.08%	\$ 303,351,367

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**RATE OF RETURN**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year <sup>(1)</sup>
	(a)	(b)	(c)
1	Total Revenues	Sch 1	\$ 168,384,801
2			
3	Gas Cost	Sch 3	55,645,870
4			
5	Operation & Maintenance Expense	Sch 1	24,524,464
6			
7	Taxes Other Than Income Taxes	Sch 5	6,699,112
8			
9	Depreciation & Amortization Expense	Sch 1	21,970,994
10			
11	Federal Income and State Excise Tax	WP_10-1	12,874,755
12			
13	Interest on Customer Deposits	Sch 1	188,668
14			
15	AFUDC	WP_1-2	<u>(1,371,547)</u>
16			
17	Return on Rate Base	Ln 1 - sum (Ln 3 : Ln 15)	<u><u>\$ 47,852,484</u></u>

18			
19	Total Rate Base	Sch 7	\$ 611,708,417
20			
21	Rate of Return on Rate Base	Ln 17 / Ln 19	7.82%
22			
23	Interest Expense	Sch 9, Sch 7	10,093,189
24			
25			
26	Return on Equity	Ln 17 - Ln 23	<u>\$ 37,759,295</u>
27			
28	Rate of Return on Equity	Sch 9	10.11%
29			
30	Note:		
31	1. Twelve months ended September 30, 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**RATE OF RETURN**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Test Year <sup>(1)</sup>
	(a)	(b)	(c)
1	Total Revenues	Sch 1R	\$ 156,093,545
2			
3	Gas Cost	Sch 3	55,645,870
4			
5	Operation & Maintenance Expense	Sch 1R	24,524,464
6			
7	Taxes Other Than Income Taxes	Sch 5	6,699,112
8			
9	Depreciation & Amortization Expense	Sch 1R	18,768,695
10			
11	Federal Income and State Excise Tax	WP_10-1R	10,675,103
12			
13	Interest on Customer Deposits	Sch 1R	188,668
14			
15	AFUDC Interest credit	WP_1-2	<u>(1,371,547)</u>
16			
17	Return on Rate Base	Ln 1 - Sum (Ln 3 : Ln 15)	<u><u>\$ 40,963,180</u></u>

18			
19	Total Rate Base	Sch 7R	\$ 567,514,053
20			
21	Rate of Return on Rate Base	Ln 17 / Ln 19	7.22%
22			
23	Interest Expense	Sch 9R, Sch 7R	9,420,733
24			
25			
26	Return on Equity	Ln 17 - Ln 23	<u>\$ 31,542,447</u>
27			
28	Rate of Return on Equity	Sch 9	9.12%
29			
30	Note:		
31	1. Twelve months ended September 30, 2024.		

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**COMPUTATION OF STATE EXCISE & FEDERAL INCOME TAXES FOR SCHEDULE 10**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Tax Rate	Test Year <sup>(1)</sup>
	(a)	(b)	(c)	(d)
1	Net Operating Income Before Income Tax	Sch 10		\$ 59,355,692
2				
3	Interest Deduction	Sch 10		<u>10,093,189</u>
4				
5	Equity Portion of Return	Ln 1 - Ln 3		\$ 49,262,503
6				
7	Application of Tax Rate to Equity Return - Tennessee	Ln 5 x Ln 7	6.5%	3,202,063
8				
9	Application of Tax Rate to Equity Return - Federal		21%	<u>9,672,692</u>
10				
11	Income Tax Expense	Ln 7 + Ln 9		<u>\$ 12,874,755</u>
12				
13	Less: ITC Amortization <sup>(2)</sup>			<u>-</u>
14				
15	Total Income Tax Liability	Ln 11 - Ln 13		<u>\$ 12,874,755</u>
16				
17	Notes:			
18	1. Twelve months ended September 30, 2024.			
19	2. UCG amortization schedule was completed in 2013.			

**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**COMPUTATION OF STATE EXCISE & FEDERAL INCOME TAXES FOR SCHEDULE 10**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Reference	Tax Rate	Test Year <sup>(1)</sup>
	(a)	(b)	(c)	(d)
1	Net Operating Income Before Income Tax	Sch 10		\$ 50,266,736
2				
3	Interest Deduction	Sch 10		<u>9,420,733</u>
4				
5	Equity Portion of Return	Ln 1 - Ln 3		\$ 40,846,003
6				
7	Application of Tax Rate to Equity Return - Tennessee	Ln 5 x Ln 7	6.5%	2,654,990
8				
9	Application of Tax Rate to Equity Return - Federal		21%	<u>8,020,113</u>
10				
11	Income Tax Expense	Ln 7 + Ln 9		<u><u>\$ 10,675,103</u></u>
12				
13	Less: ITC Amortization <sup>(2)</sup>			<u>-</u>
14				
15	Total Income Tax Liability	Ln 11 - Ln 13		<u><u>\$ 10,675,103</u></u>
16				
17	Notes:			
18	1. Twelve months ended September 30, 2024.			
19	2. UCG amortization schedule was completed in 2013.			



**ATMOS ENERGY CORPORATION**  
**TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING**  
**PROOF OF REVENUES AND CALCULATION OF RATES**  
**HISTORIC TEST PERIOD MARGIN AT PRESENT RATES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	12 Mths Ended Sep 24 Base Count	Volumes Mcf	Rates effective Sep 24 Monthly Customer chg	Commodity Charge/Mcf	12 mths Sep 24 Margin at Sep 24 Rates	Weather Adjustment Volumes Mcf	12 mths Sep 24 WNA Adjusted Volumes Mcf	12 mths Sep 24 Weather adj Margin at Sep 24 Rates	12 mths Sep 24 WNA \$ Adj at Sep 24 Rates
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	<b>RESIDENTIAL</b>									
2	210 Residential Gas Service (Summer)	719,381	1,039,720	\$ 22.50	\$ 1.751	\$ 18,006,622	-	1,039,720	\$ 18,006,622	\$ -
3	210 Residential Gas Service (Winter) (weather sensitive)	1,005,284	7,023,650	\$ 24.50	\$ 1.751	36,927,870	1,170,227	8,193,877	38,976,937	2,049,067
4	210 Residential Gas Service Senior Citizen (Summer)	294	219	\$ -	\$ 1.751	383	-	219	383	-
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	465	2,889	\$ -	\$ 1.751	5,059	-	2,889	5,059	-
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	-	-	-	-	-
7	Total Residential	1,725,424	8,066,478			\$ 54,939,933	1,170,227	9,236,705	\$ 56,989,000	\$ 2,049,067
8										
9	<b>COMMERCIAL</b>									
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	\$ -	-	-	\$ -	\$ -
11	220 Commercial Gas Service (weather sensitive)	215,675	5,628,034	\$ 50.00	\$ 3.551	30,768,899	547,615	6,175,649	32,713,481	1,944,582
12	230 Large Commercial Gas Service (weather sensitive)	-	-	\$ 500.00	\$ 3.087	-	-	-	-	-
13	250 Commercial Interruptible Gas Service	-	-	\$ 500.00		-	-	-	-	-
14	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
15	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
16	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
17	293 Large Tonnage Air Conditioning Gas Service	12	-	\$ 50.00		600	-	-	600	-
18	Block 1 Volumes	-	8,683		\$ 1.725	14,978	-	8,683	14,978	-
19	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
20	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
21	Total Commercial	215,687	5,636,717			\$ 30,784,477	547,615	6,184,332	\$ 32,729,059	\$ 1,944,582
22										
23	<b>INDUSTRIAL</b>									
24	220 Industrial Gas Service (weather sensitive)	3,765	627,527	\$ 50.00	\$ 3.551	\$ 2,416,597	61,059	688,586	\$ 2,633,419	\$ 216,821
25	230 Large Industrial Gas Service	94	431,825	\$ 500.00	\$ 3.087	1,380,042	-	431,825	1,380,042	-
26	240 DEMAND/COMM GS	-	-	\$ 500.00		-	-	-	-	-
27	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
28	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
29	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
30	Demand Volumes	-	-		\$ 23.250	-	-	-	-	-
31	250 Industrial Interruptible Gas Service	224	-	\$ 500.00		112,000	-	-	112,000	-
32	Block 1 Volumes	-	231,936		\$ 1.725	400,090	-	231,936	400,090	-
33	Block 2 Volumes	-	805,122		\$ 1.142	919,449	-	805,122	919,449	-
34	Block 3 Volumes	-	745,960		\$ 0.529	394,613	-	745,960	394,613	-
35	250/240/280 Industrial/Demand/Economic Dev	-	-	\$ 500.00		-	-	-	-	-
36	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
37	Block 1 Volumes @ Discount Rate	-	-		\$ 1.294	-	-	-	-	-
38	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
39	Block 2 Volumes @ Discount Rate	-	-		\$ 0.857	-	-	-	-	-
40	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
41	Block 3 Volumes @ Discount Rate	-	-		\$ 0.397	-	-	-	-	-
42	Demand Volumes	-	-		\$ 23.250	-	-	-	-	-
43	Demand Volumes @ Discount Rate	-	-		\$ 17.438	-	-	-	-	-
44	280/250 Economic Development Gas Service	-	-	\$ 500.00		-	-	-	-	-
45	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
46	Block 1 Volumes @ Discount Rate	-	-		\$ 1.294	-	-	-	-	-
47	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
48	Block 2 Volumes @ Discount Rate	-	-		\$ 0.857	-	-	-	-	-
49	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
50	Block 3 Volumes @ Discount Rate	-	-		\$ 0.397	-	-	-	-	-

Line No.	Description	12 Mths Ended Sep 24		Rates effective Sep 24		12 mths Sep 24	Weather	12 mths Sep 24	12 mths Sep 24	12 mths Sep 24
		Base Count	Volumes Mcf	Monthly Customer chg	Commodity Charge/Mcf	Margin at Sep 24 Rates	Adjustment Volumes Mcf	WNA Adjusted Volumes Mcf	Weather adj Margin at Sep 24 Rates	WNA \$ Adj at Sep 24 Rates
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
51	292 Cogeneration, CNG, Prime Movers Service	12	-	\$ 50.00		600	-	-	600	
52	Block 1 Volumes	-	2,035		\$ 1.725	3,510	-	2,035	3,510	
53	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	
54	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	
55	Total Industrial	4,095	2,844,404			\$ 5,626,902	61,059	2,905,463	\$ 5,843,723	\$ 216,821
56										
57	<b><u>PUBLIC AUTHORITY</u></b>									
58	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	\$ -	-	-	\$ -	\$ -
59	221 Experimental School Gas Service	36	21,676	\$ 50.00	\$ 1.697	38,584	2,109	23,785	42,163	3,579
60	225 Public Authority Gas Service (Sr. Citizen) (Summer)	-	-	\$ -	\$ 1.751	-	-	-	-	-
61	225 Public Authority Gas Service (Sr. Citizen) (Winter)	-	-	\$ -	\$ 1.751	-	-	-	-	-
62	225 Public Authority Gas Service (Summer)	2,996	4,418	\$ 22.50	\$ 1.751	75,147	-	4,418	75,147	-
63	225 Public Authority Gas Service (Winter)	4,297	20,818	\$ 24.50	\$ 1.751	141,730	3,661	24,480	148,140	6,411
64	Total Public Authority	7,329	46,913			\$ 255,460	5,770	52,683	\$ 265,450	\$ 9,990
65										
66	<b><u>TRANSPORTATION</u></b>									
67	260 - TRANSP (220 SML COM/INDG)	101	104,256	\$ 500.00	\$ 3.551	\$ 420,714	-	104,256	\$ 420,714	\$ -
68	260 - TRANSP (230 LRG COM/INDG)	470	1,388,885	\$ 500.00	\$ 3.087	4,522,488	-	1,388,885	4,522,488	-
69	260 - TRANSP (240 DEMAND)	84	-	\$ 500.00		42,000	-	0	42,000	-
70	Block 1 Volumes	-	168,000		\$ 1.725	289,800	-	168,000	289,800	-
71	Block 2 Volumes	-	474,969		\$ 1.142	542,415	-	474,969	542,415	-
72	Block 3 Volumes	-	-		\$ 0.529	-	-	0	0	-
73	Demand Volumes	-	31,197		\$ 23.250	725,340	-	31,197	725,340	-
74	260 - TRANSP (250 OPT GS)	678	-	\$ 500.00		339,000	-	0	339,000	-
75	Block 1 Volumes	-	1,351,933		\$ 1.725	2,332,085	-	1,351,933	2,332,085	-
76	Block 2 Volumes	-	5,165,789		\$ 1.142	5,899,331	-	5,165,789	5,899,331	-
77	Block 3 Volumes	-	266,402		\$ 0.529	140,927	-	266,402	140,927	-
78	260 - TRANSP (280/240 ECON DEV/DEMAND)	-	-	\$ 500.00		-	-	-	-	-
79	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
80	Block 1 Volumes @ Discount Rate	-	-		\$ 1.294	-	-	-	-	-
81	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
82	Block 2 Volumes @ Discount Rate	-	-		\$ 0.857	-	-	-	-	-
83	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
84	Block 3 Volumes @ Discount Rate	-	-		\$ 0.397	-	-	-	-	-
85	Demand Volumes	-	-		\$ 23.250	-	-	-	-	-
86	Demand Volumes @ Discount Rate	-	-		\$ 17.438	-	-	-	-	-
87	260 - TRANSP (280/250 ECON DEV - OPT GS)	-	-	\$ 500.00		-	-	-	-	-
88	Block 1 Volumes	-	-		\$ 1.725	-	-	-	-	-
89	Block 1 Volumes @ Discount Rate	-	-		\$ 1.294	-	-	-	-	-
90	Block 2 Volumes	-	-		\$ 1.142	-	-	-	-	-
91	Block 2 Volumes @ Discount Rate	-	-		\$ 0.857	-	-	-	-	-
92	Block 3 Volumes	-	-		\$ 0.529	-	-	-	-	-
93	Block 3 Volumes @ Discount Rate	-	-		\$ 0.397	-	-	-	-	-
94	SPECIAL CONTRACTS	18	2,591,390			828,507	-	2,591,390	828,507	-
95	Total Transportation	1,351	11,511,625			\$ 16,082,607	-	11,511,625	\$ 16,082,607	\$ -
96										
97	TOTALS	1,953,886	28,106,137			\$107,689,379	1,784,671	29,890,809	\$ 111,909,839	\$ 4,220,460
98										
99	Other					\$ (1)			\$ -	
100	4870 - Forfeited Discount					572,807			572,807	
101	4880 - Miscellaneous Service charges					256,284			256,284	
102	4960 - Tax Reform Cost of Service Reserve					-			-	
103	TOTAL MARGIN REVENUES					<u>\$108,518,470</u>			<u>\$ 112,738,930</u>	

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING  
PROOF OF REVENUES AND CALCULATION OF RATES  
RATE EFFECTIVE YEAR AT PRESENT RATES  
TEST YEAR ENDING SEPTEMBER 30, 2024

Line No.	Description	12 Mths Ended Sep 24 Base Count	Weather Adj. Vol Mcf	Rates effective Sep 24 Monthly Customer chg	Commodity Charge/Mcf	12 mths Sep 24 Weather adj Margin at Sep 24 Rates	Adjusted Base Count	Adjusted Volumes Mcf	Total Adjusted Margin Rev
	(a)	(b)	(c)	(d)	(e)	(f)	(m)	(n)	(o)
1	<b>RESIDENTIAL</b>								
2	210 Residential Gas Service (Summer)	719,381	1,039,720	\$ 22.50	\$ 1.75	\$18,006,622	719,381	1,039,720	\$18,006,622
3	210 Residential Gas Service (Winter) (weather sensitive)	1,005,284	8,193,877	\$ 24.50	\$ 1.75	38,976,937	1,005,284	8,193,877	38,976,937
4	210 Residential Gas Service Senior Citizen (Summer)	294	219	\$ -	\$ 1.75	383	294	219	383
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	465	2,889	\$ -	\$ 1.75	5,059	465	2,889	5,059
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$ 16.75	\$ 0.87	0	0	0	0
7	Total Residential	1,725,424	9,236,705			\$ 56,989,000	1,725,424	9,236,705	\$ 56,989,000
8									
9	<b>COMMERCIAL</b>								
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$ 16.75	\$ 0.87	\$ -	-	-	\$ -
11	220 Commercial Gas Service (weather sensitive)	215,675	6,175,649	\$ 50.00	\$ 3.55	32,713,481	215,675	6,175,649	32,713,481
12	230 Large Commercial Gas Service (weather sensitive)	0	0	\$ 500.00	\$ 3.09	-	-	-	-
13	250 Commercial Interruptible Gas Service	0	0	\$ 500.00		-	-	-	-
14	Block 1 Volumes		0		\$ 1.73	-	-	-	-
15	Block 2 Volumes		0		\$ 1.14	-	-	-	-
16	Block 3 Volumes		0		\$ 0.53	-	-	-	-
17	293 Large Tonnage Air Conditioning Gas Service	12		\$ 50.00		600	12	-	600
18	Block 1 Volumes		8,683		\$ 1.73	14,978	-	8,683	14,978
19	Block 2 Volumes		0		\$ 1.14	-	-	-	-
20	Block 3 Volumes		0		\$ 0.53	-	-	-	-
21	Total Commercial	215,687	6,184,332			\$ 32,729,059	215,687	6,184,332	\$ 32,729,059
22									
23	<b>INDUSTRIAL</b>								
24	220 Industrial Gas Service (weather sensitive)	3,765	688,586	\$ 50.00	\$ 3.55	\$ 2,633,419	3,765	688,586	\$ 2,633,419
25	230 Large Industrial Gas Service	94	431,825	\$ 500.00	\$ 3.09	1,380,042	94	431,825	1,380,042
26	240 DEMAND/COMM GS	0	0	\$ 500.00		-	-	-	-
27	Block 1 Volumes		0		\$ 1.73	-	-	-	-
28	Block 2 Volumes		0		\$ 1.14	-	-	-	-
29	Block 3 Volumes		0		\$ 0.53	-	-	-	-
30	Demand Volumes		0		\$ 23.25	-	-	-	-
31	250 Industrial Interruptible Gas Service	224		\$ 500.00		112,000	224	-	112,000
32	Block 1 Volumes		231,936		\$ 1.73	400,090	-	231,936	400,090
33	Block 2 Volumes		805,122		\$ 1.14	919,449	-	805,122	919,449
34	Block 3 Volumes		745,960		\$ 0.53	394,613	-	745,960	394,613
35	250/240/280 Industrial/Demand/Economic Dev	0	0	\$ 500.00		-	-	-	-
36	Block 1 Volumes		0		\$ 1.73	-	-	-	-
37	Block 1 Volumes @ Discount Rate		0		\$ 1.29	-	-	-	-
38	Block 2 Volumes		0		\$ 1.14	-	-	-	-
39	Block 2 Volumes @ Discount Rate		0		\$ 0.86	-	-	-	-
40	Block 3 Volumes		0		\$ 0.53	-	-	-	-
41	Block 3 Volumes @ Discount Rate		0		\$ 0.40	-	-	-	-
42	Demand Volumes		0		\$ 23.25	-	-	-	-
43	Demand Volumes @ Discount Rate		0		\$ 17.44	-	-	-	-

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44	280/250 Economic Development Gas Service	-		\$	500.00	-			-	-	-
45	Block 1 Volumes	0		\$	1.73	-			-	-	-
46	Block 1 Volumes @ Discount Rate	0		\$	1.29	-			-	-	-
47	Block 2 Volumes	0		\$	1.14	-			-	-	-
48	Block 2 Volumes @ Discount Rate	0		\$	0.86	-			-	-	-
49	Block 3 Volumes	0		\$	0.53	-			-	-	-
50	Block 3 Volumes @ Discount Rate	0		\$	0.40	-			-	-	-
51	292 Cogeneration, CNG, Prime Movers Service	12		\$	50.00	600			12	-	600
52	Block 1 Volumes		2,035	\$	1.73	3,510			-	2,035	3,510
53	Block 2 Volumes		0	\$	1.14	-			-	-	-
54	Block 3 Volumes		0	\$	0.53	-			-	-	-
55	Total Industrial	4,095	2,905,463			\$ 5,843,723			4,095	2,905,463	\$ 5,843,723
56											
57	<b><u>PUBLIC AUTHORITY</u></b>										
58	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$	16.75	\$ 0.87	\$ -		-	-	\$ -
59	221 Experimental School Gas Service	36	23,785	\$	50.00	\$ 1.70	42,163		36	23,785	42,163
60	225 Public Authority Gas Service (Sr. Citizen) (Summer)	0	0	\$	-	\$ 1.75	-		-	-	-
61	225 Public Authority Gas Service (Sr. Citizen) (Winter) (weather Sensitive)	0	0	\$	-	\$ 1.75	-		-	-	-
62	225 Public Authority Gas Service (Summer)	2,996	4,418	\$	22.50	\$ 1.75	75,147		2,996	4,418	75,147
63	225 Public Authority Gas Service (Winter) (weather Sensitive)	4,297	24,480	\$	24.50	\$ 1.75	148,140		4,297	24,480	148,140
64	Total Public Authority	7,329	52,683			\$ 265,450			7,329	52,683	\$ 265,450
65											
66	<b><u>TRANSPORTATION</u></b>										
67	260 - TRANSP (220 SML COM/INDG)	101	104,256	\$	500.00	\$ 3.55	\$ 420,714		101	104,256	\$ 420,714
68	260 - TRANSP (230 LRG COM/INDG)	470	1,388,885	\$	500.00	\$ 3.09	4,522,488		470	1,388,885	4,522,488
69	260 - TRANSP (240 DEMAND)	84		\$	500.00		42,000		84	-	42,000
70	Block 1 Volumes		168,000		\$ 1.73		289,800		-	168,000	289,800
71	Block 2 Volumes		474,969		\$ 1.14		542,415		-	474,969	542,415
72	Block 3 Volumes		0		\$ 0.53		-		-	-	-
73	Demand Volumes		31,197		\$ 23.25		725,340		-	31,197	725,340
74	260 - TRANSP (250 OPT GS)	678		\$	500.00		339,000		678	-	339,000
75	Block 1 Volumes		1,351,933		\$ 1.73		2,332,085		-	1,351,933	2,332,085
76	Block 2 Volumes		5,165,789		\$ 1.14		5,899,331		-	5,165,789	5,899,331
77	Block 3 Volumes		266,402		\$ 0.53		140,927		-	266,402	140,927
78	260 - TRANSP (280/240 ECON DEV/DEMAND)	-		\$	500.00		-		-	-	-
79	Block 1 Volumes		0		\$ 1.73		-		-	-	-
80	Block 1 Volumes @ Discount Rate		0		\$ 1.29		-		-	-	-
81	Block 2 Volumes		0		\$ 1.14		-		-	-	-
82	Block 2 Volumes @ Discount Rate		0		\$ 0.86		-		-	-	-
83	Block 3 Volumes		0		\$ 0.53		-		-	-	-
84	Block 3 Volumes @ Discount Rate		0		\$ 0.40		-		-	-	-
85	Demand Volumes		0		\$ 23.25		-		-	-	-
86	Demand Volumes @ Discount Rate		0		\$ 17.44		-		-	-	-
87	260 - TRANSP (280/250 ECON DEV - OPT GS)	-		\$	500.00		-		-	-	-
88	Block 1 Volumes		0		\$ 1.73		-		-	-	-
89	Block 1 Volumes @ Discount Rate		0		\$ 1.29		-		-	-	-
90	Block 2 Volumes		0		\$ 1.14		-		-	-	-
91	Block 2 Volumes @ Discount Rate		0		\$ 0.86		-		-	-	-
92	Block 3 Volumes		0		\$ 0.53		-		-	-	-
93	Block 3 Volumes @ Discount Rate		0		\$ 0.40		-		-	-	-
94	SPECIAL CONTRACTS	18	2,591,390				828,507		18	2,591,390	828,507
95	Total Transportation	1,351	11,511,625			\$ 16,082,607			1,351	11,511,625	\$ 16,082,607
96											
97	TOTALS	1,953,886	29,890,809			\$ 111,909,839			1,953,886	29,890,809	\$ 111,909,839
98											
99	4870 - Forfeited Discount					\$ 572,807					\$ 572,807
100	4880 - Miscellaneous Service charges					256,284					256,284
101	TOTAL MARGIN REVENUES					<u>\$ 112,738,930</u>					<u>\$ 112,738,930</u>

ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING  
PROOF OF REVENUES AND CALCULATION OF RATES  
RATE DESING FOR RATE EFFECTIVE YEAR  
TEST YEAR ENDING SEPTEMBER 30, 2024

Additional Revenue: 1,691,384

Line No.	Description	Rates effective Sep 24 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 %	% of Total Rev	Allocated Amount of Increase	Proposed Cust Charge	Proposed Commodity Charge	Proposed Cust Rev	Proposed Commodity Rev	Total	Cust Charge %	Commodity Charge %	% of Total Rev
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)		
1	Rate Schedule 210/225																				
2	210/225 SUMMER	\$22.50	\$1.751	722,377	1,044,138	\$ 18,081,769	\$ 16,253,483	\$ 1,828,286						22.85	1.780	\$ 16,504,147	\$ 1,858,566	\$ 18,362,714			
3	210/225 WINTER (weather sensitive)	\$24.50	\$1.751	1,009,581	8,218,357	39,125,077	24,734,735	14,390,342						24.85	1.780	25,085,059	14,628,675	39,713,734			
4	210/225 SR CIT	\$0.00	\$1.751	759	3,108	5,441	-	5,441						0.00	1.780	-	5,532	5,532			
5	Total 210/225			1,732,717	9,265,603	\$ 57,212,287	\$ 40,988,217	\$ 16,224,070	71.6%	28%	52%	871,145				\$ 41,589,206	\$ 16,492,773	\$ 58,081,979	71.6%	28%	52%
6																					
7	Rate Schedule 211																				
8	211 HVAC	\$16.75	\$0.872	0	0	\$ -	\$ -	\$ -	0%	0%	0%	0	16.75	0.872		\$0	\$0	0	0%	0%	0%
9																					
10	Rate Schedule 220																				
11	220 Commercial / Industrial Gas Service	\$50.00	\$3.551	219,440	6,864,235	\$ 35,346,899	\$ 10,972,000	\$ 24,374,899	31%	69%			50.64	3.609	\$ 11,113,319	\$ 24,771,652	\$ 35,884,971	31%	69%		
12	220 Transportation	\$500.00	\$3.551	101	104,256	420,714	50,500	370,214	12%	88%			505.00	3.609	51,005	376,240	427,245	12%	88%		
13	Total 220			219,541	6,968,491	\$ 35,767,613	\$ 11,022,500	\$ 24,745,113	31%	69%	32%	544,617				\$ 11,164,324	\$ 25,147,892	\$ 36,312,216	31%	69%	32%
14																					
15	Rate Schedule 221																				
16	221 Experimental School Gas Service	\$50.00	\$1.697	36	23,785	\$ 42,163	\$ 1,800	\$ 40,363	4%	96%	0%	642	50.64	1.697	\$ 1,823	\$ 40,363	\$ 42,186	4%	96%	0%	
17																					
18	Rate Schedule 230																				
19	230 Large Commercial / Industrial Gas Service	\$500.00	\$3.087	94	431,825	\$ 1,380,042	\$ 47,000	\$ 1,333,042	3%	97%			505.00	3.134	\$ 47,470	\$ 1,353,338	\$ 1,400,808	3%	97%		
20	230 Transportation	\$500.00	\$3.087	470	1,388,885	4,522,488	235,000	4,287,488	5%	95%			505.00	3.134	237,350	4,352,765	4,590,115	5%	95%		
21	Total 230			564	1,820,709	\$ 5,902,530	\$ 282,000	\$ 5,620,530	5%	95%	5%	89,875				\$ 284,820	\$ 5,706,103	\$ 5,990,923	5%	95%	5%
22																					
23	Rate Schedule 240/250/280/292/293																				
24	240 Demand/Commodity Gas Service	\$500.00		84		\$ 42,000	\$ 42,000						505.00			\$42,420		\$ 42,420			
25	Block 1 Volumes		\$1.725		168,000	289,800		289,800							1.753		294,504	294,504			
26	Block 2 Volumes		\$1.142		474,969	542,415		542,415							1.161		551,202	551,202			
27	Block 3 Volumes		\$0.529		0	-		-							0.538		-	-			
28	Demand Volumes		\$23.250		31,197	725,340		725,340							23.450		731,579	731,579			
29	250 Interruptible Gas Service	\$500.00		902		451,000	451,000						505.00			455,510		455,510			
30	Block 1 Volumes		\$1.725		1,583,870	2,732,175		2,732,175							1.753		2,776,523	2,776,523			
31	Block 2 Volumes		\$1.142		5,970,911	6,818,781		6,818,781							1.161		6,929,243	6,929,243			
32	Block 3 Volumes		\$0.529		1,012,362	535,540		535,540							0.538		544,215	544,215			
33	280 ECON DEV - OPT GS	\$500.00		0		-	-						505.00			-		-			
34	Block 1 Volumes		\$1.725		0	-		-							1.753		-	-			
35	Block 1 Volumes @ Discount Rate		\$1.294		0	-		-							1.315		-	-			
36	Block 2 Volumes		\$1.142		0	-		-							1.161		-	-			
37	Block 2 Volumes @ Discount Rate		\$0.857		0	-		-							0.870		-	-			
38	Block 3 Volumes		\$0.529		0	-		-							0.538		-	-			
39	Block 3 Volumes @ Discount Rate		\$0.40		0	-		-							0.403		-	-			
40	292 Cogeneration, CNG, Prime Movers Service	\$50.00		12		600	600						50.64			608		608			
41	Block 1 Volumes		\$1.725		2,035	3,510		3,510							1.753		3,567	3,567			
42	Block 2 Volumes		\$1.142		0	-		-							1.161		-	-			
43	Block 3 Volumes		\$0.529		0	-		-							0.538		-	-			
44	293 Large Tonnage Air Conditioning Gas Service	\$50.00		12		600	600						50.64			608		608			
45	Block 1 Volumes		\$1.725		8,683	14,978		14,978							1.753		15,222	15,222			
46	Block 2 Volumes		\$1.142		0	-		-							1.161		-	-			
47	Block 3 Volumes		\$0.529		0	-		-							0.538		-	-			
48	Total 240/250/280/292/293			1,010	9,220,830	\$ 12,156,738	\$ 494,200	\$ 11,662,538	4%	96%	11%	185,105				\$ 499,145	\$ 11,846,055	\$ 12,345,200	4%	96%	11%
49																					
50	TOTALS			1,953,868	27,299,419	\$ 111,081,332	\$ 52,788,717	\$ 58,292,615	48%	52%	100%	1,691,384				\$ 53,539,319	\$ 59,233,186	\$ 112,772,505	47%	53%	100%

**ATMOS ENERGY CORPORATION  
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING  
PROOF OF REVENUES AND CALCULATION OF RATES  
SUMMARY OF PRESENT AND PROPOSED RATES  
FOR THE RATE EFFECTIVE YEAR**

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
<b>Sales and Transportation Revenues:</b>		
210 Residential Gas Service (WINTER)		
Customer Charge	\$24.50	\$24.85
Commodity Charge	\$1.751	\$1.780
210 Residential Gas Service (SUMMER)		
Customer Charge	\$22.50	\$22.85
Commodity Charge	\$1.751	\$1.780
211 Residential & Small Commercial/Industrial Heating & Cooling		
Customer Charge	\$16.75	\$16.75
Commodity Charge	\$0.872	\$0.872
220 Commercial & Industrial Gas Service		
Customer Charge	\$50.00	\$50.64
Commodity Charge	\$3.551	\$3.609
221 Experimental School Gas Service		
Customer Charge	\$50.00	\$50.64
Commodity Charge	\$1.697	\$1.697
225 Public Housing Authority Gas Service (WINTER)		
Customer Charge	\$24.50	\$24.85
Commodity Charge	\$1.751	\$1.780
225 Public Housing Authority Gas Service (SUMMER)		
Customer Charge	\$22.50	\$22.85
Commodity Charge	\$1.751	\$1.780

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
<b>Sales and Transportation Revenues:</b>		
230 Large Commercial & Industrial Gas Service		
Customer Charge	\$500.00	\$505.00
Commodity Charge	\$3.087	\$3.134
240 Demand/Commodity Gas Service		
Customer Charge	\$500.00	\$505.00
1 - 2,000 Mcf	\$1.725	\$1.753
Next 48,000 Mcf	\$1.142	\$1.161
Over 50,000 Mcf	\$0.529	\$0.538
Demand Charge	\$23.250	\$23.450
250 Interruptible Gas Service		
Customer Charge	\$500.00	\$505.00
1 - 2,000 Mcf	\$1.725	\$1.753
Next 48,000 Mcf	\$1.142	\$1.161
Over 50,000 Mcf	\$0.529	\$0.538
260 Transportation Service / 250 Interruptible Gas Service		
Customer Charge	\$500.00	\$505.00
1 - 2,000 Mcf	\$1.725	\$1.753
Next 48,000 Mcf	\$1.142	\$1.161
Over 50,000 Mcf	\$0.529	\$0.538
260 Transportation Service / 220 Commercial & Industrial Gas Service		
Customer Charge	\$500.00	\$505.00
Commodity Charge	\$3.551	\$3.609
260 Transportation Service / 230 Large Commercial & Industrial Gas Service		
Customer Charge	\$500.00	\$505.00
Commodity Charge	\$3.087	\$3.134

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
<b>Sales and Transportation Revenues:</b>		
Schedule 280 Economic Development Gas Service		
Customer Charge	\$500.00	\$505.00
1 - 2,000 Mcf	\$1.725	\$1.753
1 - 2,000 Mcf @ Discount Rate	\$1.294	\$1.315
Next 48,000 Mcf	\$1.142	\$1.161
Next 48,000 Mcf @ Discount Rate	\$0.857	\$0.870
Over 50,000 Mcf	\$0.529	\$0.538
Over 50,000 Mcf@ Discount Rate	\$0.397	\$0.403
Schedule 292 Cogeneration, CNG. Prime Movers, Fuel Cell Service		
Customer Charge	\$50.00	\$50.64
1 - 2,000 Mcf	\$1.725	\$1.753
Next 48,000 Mcf	\$1.142	\$1.161
Over 50,000 Mcf	\$0.529	\$0.538
Schedule 293 Large Tonnage Air Conditioning Gas Service		
Customer Charge	\$50.00	\$50.64
1 - 2,000 Mcf	\$1.725	\$1.753
Next 48,000 Mcf	\$1.142	\$1.161
Over 50,000 Mcf	\$0.529	\$0.538



Docket 14-00146  
Schedule 1

**ATMOS ENERGY CORPORATION  
REVENUE DEFICIENCY (SURPLUS)  
TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Rate Base	\$ 611,708,417	See 2RB
2	Operating Income at Present Rates	47,852,485	See 3 IS
3	Earned Rate of Return (L 2 / L 1)	7.82%	
4	Fair Rate of Return	7.63%	See 8 CC
5	Required Operating Income (L 1 x L 4)	46,673,352	
6	Operating Income Deficiency (Surplus) (L 5 - L 2)	(1,179,132)	
7	Gross Revenue Conversion Factor	<u>1.359700</u>	See 7 GU
8	Revenue Deficiency (Surplus)	<u><u>\$ (1,603,266)</u></u>	

Docket 14-00146  
Schedule 2

**ATMOS ENERGY CORPORATION**  
**RATE BASE**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Utility Plant in Service	\$ 951,086,909	Sch 7, Col (b), Ln 1
2	Construction Work in Progress	34,592,339	Sch 7, Col (b), Ln 5
3	Working Capital/Deferred Rate Case	4,242,319	Sch 7, Col (b), Ln 9
4	Materials and Supplies / Storage Gas	5,023,980	Sch 7, Col (b), Ln 11
5	Net Elimination of Intercompany Leased Property	6,265,935	Sch 7, Col (b), Ln 27
6	Cloud Projects	268,310	Sch 7, Col (b), Ln 29
7			
8	Total Additions	<u>\$ 1,001,479,791</u>	
9	Deductions:		
10	Accumulated Depreciation	\$ 261,177,345	Sch 7, Col (b), Ln 3
11	Deferred Pension Regulated Asset	8,422,014	Sch 7, Col (b), Ln 13
12	Accumulated Deferred Tax-Accel. Depreciation	106,064,194	Sch 7, Col (b), Ln 15
13	Contributions and Advances in Aid of Construction	20,280	Sch 7, Col (b), Ln 17
14	Customer Deposits	2,219,619	Sch 7, Col (b), Ln 19
15	Accrued Interest on Customer Deposits	42,050	Sch 7, Col (b), Ln 21
16	Adjustment for Capitalized Incentive Compensation	11,825,872	Sch 7, Col (b), Ln 25
17	Total Deductions	<u>\$ 389,771,374</u>	
18	Rate Base	<u>\$ 611,708,417</u>	

Docket 14-00146  
Schedule 3

**ATMOS ENERGY CORPORATION**  
**INCOME STATEMENT**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Revenues - Sales, forfeited discounts & other	168,384,801	Sch 1, Col (c), Ln 20
2	Cost of Gas	<u>55,645,870</u>	Sch 1, Col (c), Ln 1
3	Gross margin on sales and service	112,738,930	
4	-	-	
5	-	-	
4	AFUDC	<u>1,371,547</u>	Sch 1, Col (c), Ln 13
5	Operating Margin	<u><u>114,110,477</u></u>	
6	Other Operation and Maintenance	24,524,463	See 4 O&M
7	Interest on Customer Deposits	188,668	Sch 1, Col (c), Ln 13
8	Depreciation and Amortization Exp.	21,970,994	Sch 1, Col (c), Ln 13
9	Taxes Other Than Income	6,699,112	See 5 Tax
10	State Excise Tax	3,202,063	See 6 FIT
11	Federal Income Tax	<u>9,672,693</u>	See 6 FIT
12	Total Operating Expense	<u>66,257,993</u>	
13	Net Operating Income for Return	<u><u>47,852,485</u></u>	
14	Plus amortization-Gain	-	
15	Plus adjustments	-	
16	Adjusted Net Operating Income	<u><u>47,852,485</u></u>	

Docket 14-00146  
Schedule 4

**ATMOS ENERGY CORPORATION**  
**OPERATIONS AND MAINTENANCE EXPENSES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Labor	\$ 8,753,546	WP 4-1, Excel Col O, Ln 1
2	Benefits	1,679,970	WP 4-1, Excel Col O, Ln 2 + Ln 29
3	Employee Welfare	2,289,557	WP 4-1, Excel Col O, Ln 3
4	Insurance	2,374,863	WP 4-1, Excel Col O, Ln 4
5	Rent, Maint., & Utilities	1,143,143	WP 4-1, Excel Col O, Ln 5
6	Vehicles & Equip	539,716	WP 4-1, Excel Col O, Ln 6
7	Materials and Supplies	758,373	WP 4-1, Excel Col O, Ln 7
8	Information Technologies	1,984,987	WP 4-1, Excel Col O, Ln 8
9	Telecom	344,812	WP 4-1, Excel Col O, Ln 9
10	Marketing	504,758	WP 4-1, Excel Col O, Ln 10
11	Directors & Shareholders & PR	263,574	WP 4-1, Excel Col O, Ln 11
12	Dues & Donations	219,953	WP 4-1, Excel Col O, Ln 12
13	Print & Postage	65,789	WP 4-1, Excel Col O, Ln 13
14	Travel & Entertainment	747,345	WP 4-1, Excel Col O, Ln 14
15	Training	181,164	WP 4-1, Excel Col O, Ln 15
16	Outside Services	7,879,559	WP 4-1, Excel Col O, Ln 16
17	Provision for Bad Debt	801,009	WP 4-1, Excel Col O, Ln 17
18	Miscellaneous	(4,902,422)	WP 4-1, Excel Col O, Ln 18
19	Rate Case Expense	-	WP 4-1, Excel Col O, Ln 27
20	Elimination of Intercompany Leased Property - Rent	-	WP 3-1, Excel Col C, Ln 14
21	Inclusion of Barnsley Storage Operating Expense	373,500	WP 3-1, Excel Col D, Ln 14
22	Interest Expense	10,093,189	WP 7-7, Excel Col E, Ln 39 & Ln 41
23	Disallowed Items	(1,472,330)	WP 4-1, Excel Col O, Ln 22 : Ln 25
24	Legal Invoices Adjustment	-	WP 4-1, Excel Col O, Ln 30
25	Misc. adjs to get to CAD's position	(6,402)	
26	Total O&M Expense	<u>\$ 34,617,652</u>	

Docket 14-00146  
Schedule 5

**ATMOS ENERGY CORPORATION**  
**OPERATIONS AND MAINTENANCE EXPENSE**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Property Taxes	\$ 3,541,063	WP 7-7, Col (b), Ln 11+Ln 19+Ln 23
2	State Gross Receipts Tax	1,343,411	WP 7-7, Col (b), Ln 12
3	Payroll Taxes	823,028	WP 7-7, Col (b), Ln 13+Ln 20+Ln 24
4	State Franchise Tax	169,979	WP 7-7, Col (b), Ln 14
5	Other General Taxes	-	WP 7-7, Col (b), Ln 16
6	TRA Inspection Fee	821,631	WP 7-7, Col (b), Ln 15
7			
8	Total Taxes Other Than Income Taxes	<u>\$ 6,699,112</u>	

Docket 14-00146  
Schedule 6

**ATMOS ENERGY CORPORATION**  
**FEDERAL AND EXCISE TAXES**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Company	Reference
1	Operating Margin	\$ 112,738,930	See 3 IS
2	Other Operation and Maintenance	24,524,463	See 4 O&M
3	Depreciation and Amortization Expense	21,970,994	See 3 IS
4	Taxes Other Than Income	6,699,112	See 3 IS
5	NOI Before Excise and Income Taxes	59,544,361	
6	less Interest on Customer Deposits	188,668	See 3 IS
7	less Interest Expense	10,093,189	See 4 O&M
8	Pre-tax Book Income	49,262,504	
9	Schedule M Adjustments	-	
10	Excise Taxable Income	49,262,504	
11	Excise Tax Rate	6.50%	See 7 GU
12	Excise Tax	3,202,063	
13	Pre-tax Book Income	49,262,504	
14	Excise Tax	3,202,063	
15	Schedule M Adjustments	-	
16	FIT Taxable Income	46,060,442	
17	FIT Rate	21.00%	See 7 GU
18	Subtotal FIT	9,672,693	
19	Less: ITC Amortization	-	
20	Federal Income Tax Expense	\$ 9,672,693	

Docket 14-00146  
Schedule 7

**ATMOS ENERGY CORPORATION**  
**GROSS REVENUE CONVERSION FACTOR**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Amount	Balance	Reference
1	Operating Revenues		1.000000	
2	Add: Forfeited Discounts	0.003670 A/	<u>0.003670</u>	WP 8-2, Excel Col D, Ln 3
3	Balance		1.003670	
4	Uncollectible Ratio	0.007974 B/	<u>0.008004</u>	WP 8-2, Excel Col D, Ln 7
5	Balance		0.995666	
6	State Excise Tax	0.065000 C/	<u>0.064718</u>	WP 8-2, Excel Col D, Ln 11
7	Balance		0.930948	
8	Federal Income Tax	0.210000 C/	<u>0.195499</u>	WP 8-2, Excel Col D, Ln 15
9	Balance		<u>0.735449</u>	
10	Revenue Conversion Factor (1 / Line 9)		<u><u>1.359700</u></u>	

A/ Forfeited discounts on gross revenues = forfeited discounts/gross revenues (excluding  
forfeited discounts)

B/ Uncollectible expense/Gross margin on sales

C/ Statutory Rate

Docket 14-00146  
Schedule 8

**ATMOS ENERGY CORPORATION**  
**COST OF CAPITAL**  
**TEST YEAR ENDING SEPTEMBER 30, 2024**

Line No.	Description	Ratio	Cost	Weighted Cost	Reference
1	Short Term Debt	0.09%	68.88%	0.1%	Sch 9, Ln 2
2	Long Term Debt	38.86%	4.08%	1.6%	Sch 9, Ln 1
3	Preferred Stock				
4	Stockholder's Equity	<u>61.05%</u>	9.80%	<u>6.0%</u>	Sch 9, Ln 3
5	Total	<u><u>100.00% A/</u></u>		<u><u>7.63%</u></u>	

A/ Should be 100%



**Docket No. 19-00076**  
**Atmos Energy Corporation, Tennessee Division**  
**CPAD DR Set No. 4**  
**Question No. 4-01**  
**Page 1 of 1**

**REQUEST:**

Refer to Page 2 of Attachment 1 included with the Company's response to CA3-1 regarding pension funding. Specifically note that the "Funding Update" from the Company's actuary here states that "The Minimum Required Contribution for 2019 is \$0." Given that the required minimum contribution was zero during 2019, explain the Company's rationale to fund a total of \$15.5 million in pension contributions (separate \$7.0 million and \$8.5 million contributions as shown on Atmos workpapers 4-4 and 4-4A) during the ARM reconciliation period.

**RESPONSE:**

The Company's funding policy is to contribute an amount equal to the minimum required contribution and determine from time to time whether to make additional contributions depending on cash, tax or other considerations.

For 2018 and 2019, the Company made additional contributions to avoid the Pension Benefit Guaranty Corporation (PBGC) variable rate premium (VRP). For the 2018 and 2019 plan years, these amounts were \$7.0 million and \$8.5 million, respectively.

If the plan is less than 100% funded on a VRP basis, then the plan must pay to the PBGC (from the trust) a VRP equal to 4.5% of the unfunded liability. To avoid this expense to the PBGC, the Company made additional contributions to the trust. Over time, this decision is expected to improve the funded status and lower the required contributions in future years.

The minimum required contribution (MRC) to be paid for a plan year is based on a liability measure that is lower than a market value because of temporary pension funding relief (the Moving Ahead for Progress in the 21<sup>st</sup> Century Act, or MAP-21, as extended). By pre-funding on a basis that ignores the temporary funding relief, the Company is expected to contribute less cash over the next 10 years relative to contributing only the MRC each year. The likelihood of unexpected large contributions in later years is expected to be reduced by accelerating contributions to earlier years.

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**REQUEST:**

Refer to Attachment 1 included with the Company's response to CA3-2 regarding pension assets and liabilities. Specifically note that Attachment 1 shows that the Company's pension assets are approximately \$531.7 million at September 30, 2018 while the pension liabilities are approximately \$504.7 million at this same time giving an over-funded balance of approximately \$27.0 million. Given that the Company's pension plan is overfunded, explain the Company's rationale to fund a total of \$15.5 million in pension contributions (separate \$7.0 million and \$8.5 million contributions as shown on Atmos workpapers 4-4 and 4-4A) during the ARM reconciliation period.

**RESPONSE:**

The pension liability shown in Attachment 1 to the Company's response to CPAD DR No. 3-02 is the liability for purposes of year-end financial reporting as required by Accounting Standards Codification Topic 715-20-50 (ASC 715). The comparison of accounting obligations for balance sheet and income statement purposes cannot be relied upon to determine the need for future cash contributions because the accounting liability is determined differently than the liability measures described in the Company's response to CPAD DR No. 4-01, including differences in measurement date, demographic assumptions, economic assumptions, and actuarial cost methods. The Company's rationale for funding \$15.5 million during the reconciliation period is described in the Company's response to CPAD DR No. 4-01. Note that as of September 30, 2019, pension liabilities on an accounting basis are \$577.3 million and pension assets are \$530.1 million, resulting in a net balance sheet liability of \$47.2 million.

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**REQUEST:**

Refer to pages 45-47 of the Commission's Order in Docket No. 18-00017 regarding pension expense for Chattanooga Gas Company's in its last rate case. Specifically note here that the Commission addresses its policy for pension expense as follows:

J(3). Pension and OPEB Assets

The Company forecasts a rate base addition of \$9.0 million related to pension and other post-retirement ("OPEB") assets whereas the Consumer Advocate did not include any provision for pension and OPEB assets in its rate base forecast. In this case, CGC proposes a change to how pension and OPEB expenses and related accruals are treated by this Commission. Mr. Tucker offered testimony recommending the usage of the accounting standards for pensions and OPEBs issued by the Financial Accounting Standards Board ("FASB") to determine the amount of pensions and OPEB costs for ratemaking purposes. The Consumer Advocate, however, states that pension and OPEB expenses should be limited to cash contributions only, which results in no accrued assets in this case. Mr. Novak correctly testified that the Commission has a long-established ratemaking policy of only allowing rate recovery of the minimum required contribution for pension and OPEB expenses. Further Mr. Novak pointed out that there is no requirement for the Commission to follow the accounting principles established by other authorities, including the "generally accepted accounting principles" promulgated by FASB, as requested by the Company in this case.

The panel concurred with the Consumer Advocate's position on this issue. For decades this Commission has recognized the expense of pension and post-retirement benefits in service rates in accordance with the actuarially-determined minimum contribution requirement, as opposed to the FASB accounting standards proposed by the Company. The panel found that this long-standing ratemaking policy should be maintained going forward. Further, the panel agreed with the Consumer Advocate that determining service rates based on minimum required contributions for pensions and post-retirement benefits is appropriate policy, because it: (1) applies consistently to all utilities, (2) most closely matches today's costs with today's customers, (3) is not subject to the same changes in assumptions for market conditions as the actuary's recommended contribution, and (4) is a more stable and consistent amount for setting rates in the near-term. Therefore, the panel voted unanimously to adopt pension and OPEB assets of zero for the attrition year in this case, consistent with established Commission precedent. [Emphasis added.]

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Given that the required minimum contribution for pension funding was zero during 2019, explain the Company's rationale to request recovery of \$15.5 million in pension funding through the current ARM reconciliation and therefore deviate from the Commission's policy in this area.

**RESPONSE:**

The Company believes that the situation described in the referenced Chattanooga Gas Company proceeding is distinguishable from what is presented in the Company's ARM filing. The Company is not trying to forecast a rate base addition relating to a pension contribution. Rather, the Company is trying to reflect a known and measurable pension contribution. The Company's contribution was prudent because it enabled the Company to avoid making a mandatory payment to the Pension Benefit Guaranty Corporation.

Further, unlike Chattanooga Gas Company, the Company has a comprehensive ARM. There is no need to consider what is "a more stable and consistent amount for setting rates in the near-term." Unlike setting rates in traditional ratemaking, the amounts of the Company's actual pension contributions will be annually updated and reflected in rates.

Lastly, adopting the approach from the Chattanooga Gas Company proceeding is inconsistent with one of the stated goals of the Company's ARM - to allow the Company an opportunity to achieve its awarded rate of return. Minimum required contributions in future years are in part determined by past contributions. As described in the Company's response to 4-01, by contributing more than the minimum required contribution in one time period, the Company will reduce the minimum required contribution in future periods. If the Company contributes funds in excess of the minimum required contribution level and it were disallowed recovery, it could never reflect those contributions in rates.