

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

**PETITION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL)
OF ITS 2026 ANNUAL RATE) DOCKET NO. 26-00009
REVIEW FILING PURSUANT TO)
TENN. CODE ANN. § 65-5-103(d)(6))**

**REBUTTAL TESTIMONY OF MAUREEN H. MELSON
ON BEHALF OF ATMOS ENERGY CORPORATION**

May 1st, 2026

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Attachments:

Exhibit MHM-R-1 RN Revenue Requirements Schedules

Exhibit MHM-R-2 TN AFUDC Computation FY25

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I. INTRODUCTION OF WITNESS

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

A. My name is Maureen H. Melson. My business address is 5420 LBJ Freeway, 1600 Lincoln Centre, Dallas, Texas, 75240.

Q. BY WHOM ARE EMPLOYED AND WHAT IS YOUR POSITION?

A. I am employed by Atmos Energy Corporation (“Atmos Energy” or the “Company”) as Manager, Rates and Regulatory Affairs.

Q. DID YOU PREVIOUSLY FILE TESTIMONY ON BEHALF OF ATMOS ENERGY IN THIS DOCKET?

A. Yes.

Q. HAVE YOU REVIEWED THE TESTIMONY OF THE INTERVENING PARTY?

A. Yes. I have reviewed the testimony of David N. Dittmore, Bradley O. Dixon and Clark D. Kaml on behalf of the Consumer Advocate Unit of the Tennessee Attorney General’s Office (“Consumer Advocate”).

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony serves two primary purposes. First, I respond to the comments made by all three of the Consumer Advocate’s witnesses regarding the operation of the ARM and their proposed changes. As outlined below, the Consumer Advocate has not demonstrated a need for these changes, which mainly aim to revisit issues already settled during the creation of this version of the ARM in Docket 18-00112. Nevertheless, the Company is willing to provide additional information on the

1 issues raised by the Consumer Advocate in future proceedings, without requiring
2 structural changes to the ARM.

3 Second, I address the Consumer Advocate’s proposed adjustments, which I
4 partially endorse and partially reject. A summary of the Consumer Advocate’s
5 recommendations and the Company’s position on these is presented in table R-1
6 below.

7 **Q. ARE YOU SPONSORING ANY EXHIBITS AS PART OF YOUR**
8 **REBUTTAL TESTIMONY?**

9 A. Yes. I am sponsoring Exhibit MHM-R-1, which is the Company’s updated revenue
10 requirement and MHM-R-2 which supports the Company calculation of AFUDC.

11 **III. ANALYSIS OF ARM METHODOLOGIES AND RECOMMENDATIONS**

12 **Q. DO YOU HAVE ANY GENERAL OBSERVATIONS REGARDING THE**
13 **CONSUMER ADVOCATE’S COMMENTS ON THE ARM AS A WHOLE?**

14 A. Yes. The Consumer Advocate’s concerns seem to fall into two main categories.
15 First, many of their requests—such as annual filings of the Distribution Integrity
16 Management Plan, more detailed explanations of “underlying drivers” for any
17 increases beyond what the Approved Methodologies¹ require, and forward-looking
18 budgets and forecasts—appear to be attempts to revisit the scope of the Company’s
19 initial filing, which was settled in TPUC Docket 18-00112 and has functioned
20 effectively since then. The Company is always willing to provide additional
21 information to ensure that the Commission and the Consumer Advocate can verify
22 that expenses are reasonably and prudently incurred. However, we believe that the

¹ As adopted in in Docket Nos. 14-00146 and 18-00112.

1 issues underlying these requests can be adequately addressed through existing
2 discovery procedures and the other changes outlined below, achieving the same
3 goals more efficiently. Additionally, we respectfully argue that reopening
4 discussions about the filing contents would undermine the ARM's goal of
5 enhancing efficiency by minimizing the legal disputes typical in a general rate
6 case.²

7 Second, the Consumer Advocate has expressed concerns about potential
8 incentives to raise rates or incur imprudent costs.³ However, these concerns are
9 largely hypothetical and have been disproven in practice. For instance, despite their
10 apprehensions regarding prudence, the Consumer Advocate has not identified any
11 specific expense it deems imprudently incurred, whether compared to prior filings
12 or based on discovery information.

13 **Q. IN YOUR OPINION, DO ANY OF THE CONSUMER ADVOCATE'S**
14 **CONCERNS CREATE LEGITIMATE QUESTIONS REGARDING**
15 **WHETHER THE ARM REMAINS IN THE PUBLIC INTEREST?**

16 A. No, they do not. As the Commission has consistently determined in recent ARM
17 filings, the Company's ARM is indeed in the public interest. While the Consumer
18 Advocate's testimony focused primarily on the cost savings and rate stabilization
19 provided by the ARM, they acknowledged in discovery that the current structure of
20 the ARM⁴ not only achieves the cost savings and rate stabilization highlighted by

2 Tennessee General Assembly, House Business and Utilities Committee, HB 0191, Hearing at 9:00/59:17 minutes (March 6, 2013) (Rep. McCorkmick; "We're bringing in CPAs to review it more regularly, and probably not using lawyers as much"); *see also id.* at 35:50 (Then Chairman Allison: "The intent of this bill is to make the process more accounting driven, analyst driven, than it is attorney driven.")

³ See Direct Testimony of David N. Dittmore at pp. 5-6.

⁴ See Consumer Advocate's Response to DR 1-29.

1 the Consumer Advocate but also fulfills the broader objectives of alternative
2 ratemaking methods.

3 **Q. LET'S TURN TO SOME OF THOSE PARTICULAR CONCERNS. FOR**
4 **EXAMPLE, MR. DITTEMORE SUGGESTS THAT AN ARM MAY NOT BE**
5 **APPROPRIATE WHEN IT RESULTS IN DOUBLE-DIGIT ANNUAL RATE**
6 **INCREASES.⁵ IS THAT AN ACCURATE SUMMARY OF HOW THE**
7 **COMPANY'S ARM HAS ACTUALLY OPERATED IN RECENT YEARS?**

8 A. No. Since switching to a single filing ARM in 2020 following TPUC Docket No.
9 18-00112, the Company's filings have not regularly resulted in double-digit rate
10 increases. While the needs of the Company's system have occasionally resulted in
11 years with larger increases, such as this year's filing, that is not always or even
12 usually the case.

13 For example, in last year's filing, the ARM resulted in a modest revenue
14 deficiency of only \$1,431,674, representing an increase of only 1%.⁶ Moreover, the
15 Company's 2023 ARM filing actually *decreased* the Company's rates for the next
16 year, as it resulted in a revenue *sufficiency* of \$1,156,523.⁷ As a result, any
17 suggestion that the Company's ARM is nothing more than an expedited way to
18 regularly implement significant rate increases simply has not been borne out in
19 practice, which instead reflects a mix that also includes modest increases and even
20 decreases.

⁵ Direct Testimony of David N. Dittimore at p. 6.

⁶Order Approving Settlement Agreement," Docket No. 25-00007, filed July 15, 2025 at p.10.

⁷Order Approving Settlement Agreement," Docket No. 23-00008, filed June 22, 2023 at p.11

1 **Q. MR. DITTEMORE RAISED CONCERNS ABOUT ATMOS NOT**
2 **PROVIDING CERTAIN INFORMATION, AND MR. KAML ARGUED**
3 **THAT THERE WAS A LACK OF TRANSPARENCY. TO BE CLEAR, DOES**
4 **THE CONSUMER ADVOCATE CONTEND THAT THE COMPANY**
5 **FAILED TO MAKE ANY OF THE FILINGS REQUIRED BY EITHER THE**
6 **TARIFF OR THE APPROVED METHODOLOGIES?**

7 A. No, that is not the case. We were very surprised by the Consumer Advocate's
8 assertions. Notably, we promptly met and conferred with the Consumer Advocate
9 and, to our knowledge, resolved any discovery dispute that arose. Moreover, in
10 testimony and discovery the Consumer Advocate's witnesses acknowledged that
11 the Company provided all legally required information related to its filing.⁸

12 The Company responded to a total of 125 separately numbered requests,
13 often within just six business days, and even agreed to an unprecedented third set
14 of discovery. Out of all these requests, the Company withheld responsive
15 information on only about 10 requests due to impossibility or because they fell
16 outside the scope of the ARM.⁹ Markedly, the Company issued significantly fewer
17 discovery requests to the Consumer Advocate, yet the Consumer Advocate objected
18 to nearly the same number of requests, including objections to the entirety of five
19 separate requests.¹⁰

⁸ Direct Testimony of David N. Dittimore at p.7; see also the Consumer Advocate Response to DR 1-7.

⁹ See DRs: 1-1, 1-09, 1-10, 1-14, 1-16, 1-28, 1-29, 1-36, 2-05, and 2-11.

¹⁰ See Consumer Advocate's Responses to 1-8, 1-21, 1-42, 1-43, and 1-44.

1 **Q. PLEASE EXPLAIN THE COMPANY’S ALTERNATIVE SUGGESTIONS**
2 **FOR PROVIDING THE KIND OF INFORMATION THE CONSUMER**
3 **ADVOCATE IS REQUESTING IN FUTURE DOCKETS.**

4 A. It appears that most of the concerns raised by the Consumer Advocate in this docket
5 relate to a desire for additional information regarding the Company’s capital
6 investments. Respectfully, however, the requests made by the Consumer Advocate
7 in this docket do not effectively or efficiently get information about that issue.

8 For example, Mr. Dixon justifies his request for annual filing of the
9 Company’s DIMP and its outputs by reference to his desire to understand the
10 Company’s capital planning process. As explained in the Rebuttal Testimony of
11 Ryan Chastain, however, the DIMP will not provide the information that Mr. Dixon
12 is seeking, nor will production of the specific data he is requesting be feasible. As
13 an alternative, the Company regularly provides project-specific information
14 explaining its capital expenditures in discovery in other jurisdictions. Because this
15 information may only be relevant in some test years, we do not believe it is
16 necessary or appropriate to require it to be filed annually as part of the initial filing.
17 Nevertheless, the Company would be happy to provide such information in
18 Tennessee as part of the discovery process moving forward.

19 **Q. IS THERE ANY OTHER INFORMATION THAT THE COMPANY**
20 **BELIEVES COULD BE REQUESTED BY THE CONSUMER ADVOCATE**
21 **IN FUTURE DOCKETS TO ACCOMPLISH THIS GOAL?**

22 A. Yes. The Consumer Advocate could also request and review capital expenditure
23 budgets as part of future ARM filings, which should address the Consumer

1 Advocate's remaining concerns. For example, Mr. Kaml asks for certain
2 unspecified information regarding the Company's capital investments and capital
3 investment plans,¹¹ and Mr. Dittmore takes issue with the Company's objection to
4 a request asking the Company to provide a projected revenue sufficiency or
5 deficiency for the ongoing test year.¹²

6 **Q. DID THE COMPANY PREVIOUSLY PROVIDE SUCH INFORMATION IN**
7 **CONNECTION WITH ARM FILINGS?**

8 A. Yes. When the ARM was first instituted in TPUC Docket 14-00146, it contained a
9 forward-looking portion that required the submission of, among other things, the
10 most recently completed capital budget.¹³

11 **Q. ARE THOSE FORWARD-LOOKING FILINGS STILL REQUIRED?**

12 A. No. When the Company changed to a single annual filing in TPUC Docket 18-
13 00112, it began using methodologies that refer solely to a historic test year. As such,
14 forward-looking projections are no longer a part of the ARM, and, to my
15 knowledge, they have not been requested or provided in any single-filing ARM
16 until this year's docket.

17 **Q. DOES THE CONSUMER ADVOCATE PROVIDE ANY EXPLANATION**
18 **FOR THE PURPORTED NEED TO REVISIT THIS SETTLED ISSUE IN**
19 **THIS YEAR'S DOCKET?**

20 A. The only justifications provided are (i) general policy-based arguments that could
21 have been raised in Docket 18-00112 when elimination of the forward-looking

¹¹ See Direct Testimony of Clark D. Kaml at p. 24, Lines 20-23.

¹² See Direct Testimony of David N. Dittmore at p. 7, lines 1-20.

¹³ See Stipulation and Settlement, Docket No. 14-00146, at Pg. 19, § 13.k(i).

1 portion of the filing was discussed and (ii) hypothetical concerns about the
2 operation of the ARM which, as discussed above, are not supported by the actual
3 history of the ARM.

4 **Q. IS THE COMPANY NEVERTHELESS WILLING TO MAKE CERTAIN**
5 **FORWARD-LOOKING INFORMATION AVAILABLE TO THE**
6 **CONSUMER ADVOCATE IN FUTURE ARM PROCEEDINGS?**

7 A. Yes. In particular, the Company would be willing to provide its capital additions
8 budget prepared and submitted under TPUC Rule 1220-04-01-.01 in response to
9 discovery in future proceedings. Although the personnel involved in the decision
10 are no longer with the Company, it is my understanding that the capital budget
11 required by the original Approved Methodologies in Docket 14-00146 included all
12 information required by TPUC Rule 1220-04-01-.01. As such, the Company did not
13 make a separate filing under that Rule while that version of the ARM was in effect.
14 The Company plans to resume a stand-alone submission under TPUC Rule 1220-
15 04-01-.01, which should contain much of the forward-looking information the
16 Consumer Advocate is seeking. The Company would be happy to make that
17 information available to the Consumer Advocate in future ARM proceedings.

18 **Q. DO YOU HAVE ANY CONCLUDING REMARKS ABOUT THE ARM?**

19 A. Yes. We believe the ARM continues to operate as intended and serves the public
20 interest. While we acknowledge the Consumer Advocate's view that prudence
21 reviews should be incorporated into the ARM review process, we respectfully
22 maintain that the current system of targeted discovery for specific areas of the
23 annual submissions that raise questions is both efficient and effective. This
24 approach aligns with the original policy objectives behind adopting the ARM.

1 Therefore, the Company believes that no changes to the ARM or the Approved
 2 Methodologies are necessary or appropriate at this time.

3 **IV. REVENUE REQUIRMENT ADJUSTMENTS**

4 **Q. WHAT IS THE PURPOSE OF TABLE R-1 PRESENTED BELOW?**

5 A. Table R-1 outlines the Consumer Advocate Recommendations and the impact of
 6 those recommendations on the revenue requirement. The table also presents the
 7 Company's position on the recommendations.

8 **Table R-1**

Consumer Advocate Recommendation	Revenue Requirement Change (Per Consumer Advocate)	Atmos Energy Position to Consumer Advocate Recommendation
Current Year		
Advertising Expense Disallowance	(184,261)	Agree
Injury Expense Disallowance	(255,059)	Reject
Legal Expense Disallowance	(156,801)	Reject
AFUDC	(758,983)	Partially Agree
Return	(4,851,691)	Reject
Current Year Consumer Advocate Recommendation	(6,206,795)	
Reconciling Year		
Advertising Expense Disallowance	(184,261)	Agree
Injury Expense Disallowance	(255,059)	Reject
Legal Expense Disallowance	(156,801)	Reject
Carrying Costs and Flow Through Impacts	(667,719)	Reject
Reconciling Year Consumer Advocate Recommendation	(1,263,840)	
Total Consumer Advocate Recommended Adjustments	(7,470,635)	

9

10 **Q. HAVE YOU UPDATED THE COMPANY'S REVENUE REQUIRMENT**
 11 **MODEL TO REFLECT THE ADJUSTMENTS AND YOUR POSITIONS**
 12 **OUTLINED IN TABLE R-1?**

13 A. Yes, I present the Company's updated revenue requirement model reflecting its
 14 rebuttal position in Exhibit MHM-R-1.

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

3 A. The Company's updated revenue requirement model reflects:

- 4 • Agree to CAD recommendation on advertising expense decrease to O&M
5 expense by \$184,261.
- 6 • Partially agree to CAD recommendation for AFUDC.
- 7 • Reject the CAD's recommendation for an adjustment to legal costs.
- 8 • Reject the CAD's recommendation for an adjustment to the Injuries and
9 Damages costs.
- 10 • Reject the CAD's recommendation for reverting to the capital structure
11 established in TPUC Docket No. 14-00146.

12 **Q. WHAT IS THE COMPANY'S REVENUE DEFICIENCY IN THIS**
13 **PROCEEDING AFTER THESE ADJUSTMENTS AS SHOWN IN IN TABLE**
14 **R-1?**

15 A. The impact of these adjustments results in a revenue deficiency of \$14,281,594
16 which is \$396,755 lower than the Company's original revenue requirement request.

17 **Q. DOES THE COMPANY AGREE WITH THE CONSUMER ADVOCATE'S**
18 **ADJUSTMENTS FOR ADVERTISING EXPENSE?**

19 A. Yes, the Company agrees with CAD's adjustment to advertising expense and has
20 included this adjustment in the Rebuttal model.

1 **Q. PLEASE EXPAIN THE COMPANY’S POSITION ON THE TAXABILITY**
2 **OF AFUDC.**

3 A Mr. Dittmore states that “AFUDC does not give rise to a current tax liability.” The
4 Company disagrees with this statement as current AFUDC revenue creates a current
5 tax liability. Additionally, as also stated in Mr. Dittmore’s testimony, the prior
6 ARM filings (including the settlement of methodologies in TPUC Docket No. 18-
7 00112) presented AFUDC net-of-tax; therefore, the Company considers this a
8 settled matter and consistent with the approved methodologies.

9 **Q. GIVEN THE COMPANY’S POSTION ON THE TAXABILITY OF AFUDC,**
10 **PLEASE EXPLAIN THE COMPANY’S PARTIAL AGREEMENT WITH**
11 **MR. DITEMORE’S AFUDC ADJUSTMENT.**

12 A Mr. Dittmore supports an adjustment to AFUDC revenue of \$758,983, which
13 represents the tax portion of AFUDC included in CWIP as calculated on WP 1-2.
14 In agreeing to this update, it is necessary to update WP 10-1, specifically the Net
15 Operating Income Before Income Tax (Line 1) to also incorporate AFUDC revenue
16 as part of the income tax expense calculation.

17 Attached in Exhibit MHM-R-2, is the FY25 calculation of the AFUDC rate
18 utilized, by month, for the AFUDC accrual calculation. As demonstrated in the
19 exhibit, the Company utilizes a pre-tax rate for the equity component of AFUDC.
20 As the Company records AFUDC on a pre-tax basis, a current income tax expense
21 exists in the period that AFUDC is recorded. As submitted in the filed model, the
22 Company chose to calculate the current tax expense as a component of the AFUDC

1 workpaper, WP 1-2, and excluded AFUDC from the income tax expense calculation
2 (WP 10-1).

3 The Company is neutral as to which presentation method is employed for
4 calculating the income tax attributable to AFUDC revenue; however, the attached
5 model has been updated to reflect the AFUDC adjustment per Mr. Dittimore's
6 testimony and additionally incorporates the adjustment to WP 10-1 discussed
7 above.

8 **Q. DOES THE COMPANY AGREE WITH THE ADJUSTMENT OF LEGAL**
9 **EXPENSES RECOMMENDED IN MR. DITTEMORE'S PRE-FILED**
10 **TESTIMONY?**

11 A. Respectfully, no. Mr. Dittimore's recommendation to disallow legal costs based
12 on the lack of "support"¹⁴ provided is presented without necessary context.

13 **Q. WHAT ADDITIONAL INFORMATION SHOULD BE CONSIDERED?**

14 A. Specifically, in evaluating this issue, the Commission should consider both (i) the
15 fact that this level of detailed support is not required by the Approved
16 Methodologies and has not been requested on this scale in any prior ARM
17 proceeding and (ii) the fact that significant information supporting these expenses
18 was nevertheless provided in this docket.

19 Consumer Advocate DR 2-53 requested the Company to identify all vendors
20 in Division 093 with over \$50,000 in expenses for fiscal year 2025, provide a
21 description of the services provided, and provide associated invoices. Attachment
22 1 to the Company's response listed the vendors and amounts. Attachment 3

¹⁴ Direct Testimony of David N. Dittimore, beginning at 12.

1 provided invoice-level detail for the costs that were non-legal. Subsequently, on
2 April 1st the Consumer Advocate inquired about the actual legal invoices. On April
3 6th, the Company responded with a supplement to the request consisting of a list of
4 descriptions as a proxy for the purpose of each invoice and offering to provide
5 redacted copies of any particular invoices about which the CAD had questions.
6 After providing the invoice description details, no additional inquires were made
7 by the CAD. Nevertheless, out of an abundance of caution, a second supplemental
8 response was filed on April 17th, which provided specific account level details and
9 further stated “Atmos Energy is willing to produce redacted versions or summaries
10 of any specific invoices or matters about which the Consumer Advocate or Staff
11 has questions.”¹⁵. The Company received no additional follow-up requesting
12 summaries or specific invoices. Nevertheless, the Company again reached out to
13 the Consumer Advocate to ensure that any remaining concerns were addressed, and,
14 as a further effort to resolve this issue, submitted a selection of redacted invoices
15 on April 30th.

16 **Q. DID MR. DITTEMORE PROVIDE ANY EXPLANATION FOR HIS**
17 **POSITION THAT THESE EXPENSES SHOULD BE DISALLOWED?**

18 A. Yes. In response to Atmos Data Request 1-13, Mr. Dittmore cites the Tennessee
19 Court of Appeals view on rate case expenses and also states:

20 *The TPUC’s authority operates within a broader regulatory*
21 *accounting framework informed by the National Association of*
22 *Regulatory Utility Commissioners and the Federal Energy*
23 *Regulatory Commission Uniform Systems of Accounts. These*
24 *standards classify “regulatory commission expenses”—including*
25 *legal fees incurred in rate cases and other formal proceedings—*

¹⁵ See Supplemental Response to 2-53, filed April 17, 2026.

1 *as ordinary operating expenses, provided they meet prudence*
2 *criteria. This classification supports their inclusion in the revenue*
3 *requirement, subject to regulatory approval.*
4

5 **Q. THE CONSUMER ADVOCATE SEEMINGLY ARGUES THAT MORE**
6 **DOCUMENTATION IS REQUIRED TO SUPPORT LEGAL EXPENSES.**
7 **DOES THAT AUTHORITY SAY A UTILITY MUST WAIVE PRIVILEGE**
8 **OR DISCLOSE PRIVILEGED COMMUNICATIONS TO JUSTIFY LEGAL**
9 **FEES?**

10 A. No. The Consumer Advocate admitted in its Response to Company DR 1-9 that
11 submission of the invoices underlying costs and expenses, including legal costs, is
12 not required by the ARM Tariff or the Approved Methodologies adopted in Docket
13 Nos. 14-00146 and 18-00112. And, in its Response to Company DR 1-11 the
14 Consumer Advocate further admitted that it did not recommend disallowance of
15 legal costs on this ground in any recent ARM docket. The Company provided an
16 explanation of each invoice, the matter it related to, and the overall fees charged.
17 Nothing in the ARM tariff or Commission rules requires disclosure of privileged
18 communications or attorney work product to support legal expense recovery. The
19 information that the Company provided is sufficient for the Commission to find
20 that the legal expenses were prudently incurred.

1 Q. THE CONSUMER ADVOCATE SUGGESTS EXCLUSION OF COSTS
2 WHERE DOCUMENTS ARE WITHHELD ON PRIVILEGE GROUNDS.
3 WOULD EXCLUDING ALL LEGAL COSTS WHENEVER PRIVILEGE IS
4 ASSERTED BE CONSISTENT WITH TENNESSEE PRECEDENT?

5 A. A blanket exclusion of legal fees would be arbitrary and contrary to precedent that
6 requires case-specific review, explanation, or remand rather than automatic
7 disallowance. On this issue, the Consumer Advocate’s reliance on *Nashville Gas v.*
8 *TPSC* is misplaced.¹⁶ There the Tennessee Supreme Court remanded the utility’s
9 claimed legal fees to the Commission because the utility filed a post-hearing exhibit
10 that (1) was submitted several days after the hearing and (2) sought roughly double
11 the amount the Commission had previously authorized. The Court made clear that
12 recovery of rate-case/legal expenses is permissible so long as the expenses are
13 documented and supported in the record, and that late or unsupported submissions
14 may be reexamined through an appropriate process—not summarily approved or
15 summarily excluded.¹⁷ Crucially, *Nashville Gas* affirms that legal fees may be
16 recovered; it does not endorse a rule of blanket exclusion. And *Nashville Gas* is
17 distinguishable here in any case: Atmos’s invoice descriptions and amounts were
18 timely provided and they are not double the amount previously allowed.

19 The Consumer Advocate’s contention that it is entitled to unredacted legal
20 invoices also conflicts with basic discovery principles, which permit disclosure
21 only of **non-privileged**, relevant matter.¹⁸ Atmos has asserted privilege but has

¹⁶ See Consumer Advocate’s Response to DR 1-17.

¹⁷ *Tennessee Public Service Com. v. Nashville Gas Co.*, 551 S.W.2d 315 (1977).

¹⁸ Tenn. R. Civ. P. 26.01.

1 offered a reasonable accommodation—redacted invoices or targeted summaries
2 and an offer to produce redacted copies or summaries for any specific invoices the
3 Consumer Advocate wishes to examine. The Consumer Advocate never requested
4 those redacted invoices or identified particular items for review. That offer remains
5 open, and the Consumer Advocate’s decision not to accept it does not somehow
6 make the Company’s submissions insufficient. The fact remains that the Company
7 provided all of the information required by the Approved Methodologies, which
8 has been deemed sufficient to support for approval of these expenses in each of the
9 Company’s prior ARM proceedings. The Consumer Advocate presents no argument
10 for why that same information is suddenly insufficient in this year’s docket.

11 **Q. DOES THE COMPANY AGREE WITH THE CONSUMER ADVOCATE’S**
12 **ADJUSTMENT OF INJURIES AND DAMAGES AS DISCUSSED IN MR.**
13 **DITTEMORE’S PRE-FILED TESTIMONY?**

14 A. No. Mr. Dittmore’s recommendation to disallow Injury and Damages is twofold,
15 first he states that “to the extent Atmos or its employees were at fault in a civil
16 matter that resulted in damages, it is reasonable to assign those costs to Atmos
17 shareholders.”¹⁹ Second, he claims that Atmos did not provide adequate
18 documentation regarding these claims, and essentially states that Atmos should be
19 forced to disclose settlement and litigation positions.²⁰

¹⁹ Direct Testimony of David N. Dittmore, at p. 15.

²⁰ Direct Testimony of David N. Dittmore, at pp. 14-15.

1 **Q. WHAT EXPENSES ARE INCLUDED WITHIN INJURIES AND**
2 **DAMAGES?**

3 A. As discussed in the Company's responses to Consumer Advocate DRs 2-06 and
4 Staff DR 1-06, costs recorded Injuries and Damages primarily related to property
5 damages allegedly caused by the Company. Examples of damage include
6 landscaping, sprinkler system or plumbing. Additionally, costs for fleet vehicle
7 accidents paid by 3rd party provider Travelers are recorded within this expense
8 category.

9 **Q. IS IT A REASONABLE ASSUMPTION BY MR. DITTEMORE THAT THE**
10 **COMPANY CANNOT RECOVER ANY DAMAGES DUE TO VEHICLE**
11 **INCIDENTS?²¹**

12 A. No. Based on the nature of the business, the Company has company vehicles and
13 equipment required to execute our duties. The Company engages in many
14 mitigating activities including, but not limited to Smith driving methods, cameras
15 in a portion of the Company vehicles, background checks at hiring, and insurance
16 policies tailored towards coverage of potentially costly events; however the
17 Company cannot mitigate risk down to zero; therefore, there exists an inherent risk
18 in operating a fleet of vehicles that can result in damages. Additionally, settlements
19 are not an admittance of liability.

²¹ Direct Testimony of David N. Dittimore, at 15.

1 **Q. IS THE COMPANY OBLIGATED TO DISCLOSE ATTORNEY-CLIENT**
2 **COMMUNICATION OR WORK PRODUCT RELATED TO THESE**
3 **INCIDENTS?**

4 A. No. The Company is required to provide enough information for the Commission
5 to determine if this expense was prudent, but it is not required to provide attorney-
6 client communication or work product in anticipation of litigation related to these
7 claims. Along those lines, confidential Attachment 1 for the Account 925 detail with
8 descriptions was provided for the incidents.²² Any insurance reimbursement is
9 credited to the account.

10 Again, the Company was surprised with the Consumer Advocate’s assertion
11 that we did not provide enough information; and specifically took issue with the
12 Company’s objection to withhold the requested “internal documentation” that was
13 prepared in anticipation of litigation and is protected from disclosure pursuant to
14 the attorney-client privilege and/or the work product doctrine. Again, discovery is
15 limited to disclosure only of **non-privileged**, relevant matter.²³

²² *Atmos Energy Response to the Consumer Advocate’s Second Discovery Request*, p. 5, CA DR No. 2-05, TPUC Docket No. 26-00009 (March 27, 2026).

²³ Tenn. R. Civ. P. 26.01.

1 **Q. FINALLY, YOUR SPONSORED REVENUE REQUIREMENT SCHEDULE**
2 **INCLUDES THE AS-FILED POSITION ON CAPITAL STRUCTURE,**
3 **REFLECTING A REJECTION OF MR. KAML'S RECOMMENDATIONS**
4 **ON THAT POINT. WHO IS PRESENTING THE COMPANY'S POSITION**
5 **ON CAPITAL STRUCTURE?**

6 A. Testimony supporting the Company position of capital structure can be found in the
7 rebuttal testimony of Mr. Gregory Waller.

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

9 A. Yes.

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

IN RE:

PETITION OF ATMOS ENERGY CORPORATION)
FOR APPROVAL OF ITS 2026 ANNUAL RATE) DOCKET NO. 26-00009
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CODE ANN. § 65-5-103(d)(6))

VERIFICATION

STATE OF TEXAS)
COUNTY OF DALLAS)

I, Maureen H. Melson, 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 Maureen H. Melson in support of Atmos Energy Corporation's filing is true and correct to the best of my knowledge, information and belief.

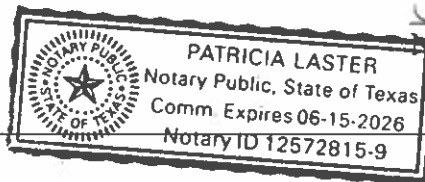
Maureen H Melson
Maureen H. Melson

Sworn and subscribed before me this 29 day of April, 2026.

Patricia Laster

Notary Public

My Commission Expires:



ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
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TEST YEAR ENDING SEPTEMBER 30, 2025

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ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
REVENUE REQUIREMENT AND REVENUE DEFICIENCY CALCULATION
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Cost of Gas	Sch 3	\$ 72,820,372
2			
3	Operation & Maintenance Expense	Sch 4	26,466,600
4			
5	Taxes Other Than Income Taxes	Sch 5	10,076,571
6			
7	Depreciation & Amortization Expense	Sch 6	23,998,358
8			
9	Return	Sch 7	52,487,389
10			
11	Federal Income and State Excise Tax	Sch 8	14,561,496
12			
13	AFUDC	WP_ 1-2	(2,904,086)
14			
15	Interest on Customer Deposits	WP_ 1-1	<u>146,436</u>
16			
17	Total Cost of Service	Sum (Ln 1 : Ln 15)	<u>\$ 197,653,135</u>
18			
19			
20	Revenue at Present Rates	Sch 11-2 + Ln 1	<u>\$ 189,538,644</u>
21			
22	Net Revenue Deficiency (Sufficiency)	Ln 17 - Ln 20	\$ 8,114,491
23	Amortization of EDITL	WP_ 7-9	(255,213)
24	Annual Reconciliation Revenue Requirement	Schedule 1R	6,422,316
25			
26	Total Revenue Deficiency (Sufficiency)	Sum (Ln 22 : Ln 24)	<u><u>\$ 14,281,594</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, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Cost of Gas	Sch 3	\$ 72,820,372
2			
3	Operation & Maintenance Expense	Sch 4	26,466,600
4			
5	Taxes Other Than Income Taxes	Sch 5	10,076,571
6			
7	Depreciation & Amortization Expense	Sch 6	20,670,184
8			
9	Return	Sch 7R	48,232,841
10			
11	Federal Income and State Excise Tax	Sch 8R	12,623,089
12			
13	AFUDC	WP_1-2	(2,145,103)
14			
15	Interest on Customer Deposits	WP_1-1	<u>146,436</u>
16			
17	Total Cost of Service	Sum (Ln 1 : Ln 15)	<u>\$ 188,890,989</u>
18			
19			
20	Actual Adjusted Revenue	Sch 2	<u>\$ 183,133,646</u>
21			
22	Net Revenue Deficiency (Sufficiency)	Ln 17 - Ln 20	\$ 5,757,343
23	Carrying Costs	Sch 9	<u>664,973</u>
24	Annual Reconciliation Revenue Requirement	Ln 22 + Ln 23	<u><u>\$ 6,422,316</u></u>

**ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
INTEREST ON CUSTOMER DEPOSITS
TEST YEAR ENDING SEPTEMBER 30, 2025**

Line No.	Description (a)	Reference (b)	Amount (c)
1	Average Customer Deposits Balance	Sch 7	\$ 1,952,486
2			
3	Interest Rate on Customer Deposits ⁽¹⁾		<u>7.50%</u>
4			
5	Adjusted Customer Deposits Interest	Ln 1 x Ln 3	<u><u>\$ 146,436</u></u>
6			
7	Note:		
8	1. Per the PUC's Department of Regulatory Agencies Letter dated September 17, 2025 for the Fourth Quarter of Calendar Year 2025.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period AFUDC per books - Div 093 ⁽¹⁾		\$ (2,904,086)
2			
3	Less State Excise Tax Effect	Ln 1 x 0.065	<u> </u>
4			
5	AFUDC net of state excise tax effect	Ln 1 - Ln 3	\$ (2,904,086)
6			
7	Less Federal Tax Effect	Ln 5 x 0.21	<u> </u>
8			
9	Net AFUDC - Base Period	Ln 5 - Ln 7	<u><u>\$ (2,904,086)</u></u>
10			
11	Note:		
12	1. Twelve months ended September 30, 2025 - FERC Accounts 419.1 and 432.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period AFUDC per books - Div 093 ⁽¹⁾		\$ (2,904,086)
2			
3	Less State Excise Tax Effect	Ln 1 x 0.065	<u>(188,766)</u>
4			
5	AFUDC net of state excise tax effect	Ln 1 - Ln 3	\$ (2,715,320)
6			
7	Less Federal Tax Effect	Ln 5 x 0.21	<u>(570,217)</u>
8			
9	Net AFUDC - Base Period	Ln 5 - Ln 7	<u><u>\$ (2,145,103)</u></u>
10			
11	Note:		
12	1. Twelve months ended September 30, 2025 - FERC Accounts 419.1 and 432.		

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, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books revenue ⁽¹⁾		\$ 187,569,672
2			
3	Adjustments:		
4	Reconciliation Revenue (Oct-May)		\$ (3,797,183)
5	Reconciliation Revenue (Jun-Sep)		(894,056)
6	EDITL (Oct-May)		190,949
7	EDITL (Jun-Sep)		64,264
8	Actual Adjusted Revenue	Sum (Ln 1 : Ln 7)	<u>\$ 183,133,646</u>
9			
10	Test Year Revenue:		
11	Ongoing Gross Margin	Ln 13 - Ln 12	\$ 110,313,275
12	Adjusted Gas cost	Sch 3	<u>72,820,372</u>
13	Total Test Year Revenue	Ln 8	<u>\$ 183,133,646</u>
14			
15	Note:		
16	1. Twelve months ended September 30, 2025.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
COST OF GAS
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books cost of gas ⁽¹⁾		\$ 73,926,395
2			
3	Adjustment:		
4	Net Elimination of Intercompany Leased Storage Property	WP_3-1	(1,106,023)
5			
6			
7	Total Adjusted Gas Cost	Sum (Ln 1 + Ln 4)	<u>\$ 72,820,372</u>
8			
9	Note:		
10	1. Twelve months ended September 30, 2025.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
ELIMINATION OF LEASED PROPERTY-RENT
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Building Rent O&M	Storage Expense O&M ⁽¹⁾	Leased Property Depreciation	Storage Expense Other Taxes	Storage Rent Gas Cost
	(a)	(b)	(c)	(d)	(e)	(f)
1	Oct-24	\$ -	\$ 30,758	\$ 15,446	\$ 209	\$ (92,169)
2	Nov-24	-	33,694	15,446	209	(92,169)
3	Dec-24	-	36,281	15,240	209	(92,169)
4	Jan-25	-	45,021	15,240	3,209	(92,169)
5	Feb-25	-	45,653	15,240	3,209	(92,169)
6	Mar-25	-	52,296	15,213	3,209	(92,169)
7	Apr-25	-	24,191	14,579	10,824	(92,169)
8	May-25	-	45,088	14,579	3,209	(92,169)
9	Jun-25	-	40,182	14,579	3,128	(92,169)
10	Jul-25	-	77,317	14,508	3,200	(92,169)
11	Aug-25	-	26,708	14,508	3,200	(92,169)
12	Sep-25	-	28,888	14,508	68	(92,169)
13	TY FY25	<u>\$ -</u>	<u>\$ 486,078</u>	<u>\$ 179,085</u>	<u>\$ 33,883</u>	<u>\$ (1,106,023)</u>

14

15 Note:

16 1. C232, Intercompany Leased Property, Twelve months ended September 30, 2025.

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATION AND MAINTENANCE ("O&M") EXPENSES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books O&M Expense net of ratemaking adjustments ⁽¹⁾	WP_4-1	\$ 26,164,784
2			
3			
4	<u>Adjustments:</u>		
5			
6	Inclusion of Barnsley Storage Operating Expense	WP_3-1	486,078
7	Reduction of Advertising Expense	WP_4-5	(184,261)
8			
9			
10			
11	Total Adjusted O&M for Sch 1R	Sum (Ln 1 + Ln 9)	<u>\$ 26,466,600</u>
12	Pension contribution FY25 adj for Sch 1 ⁽²⁾	WP_4-1	<u>-</u>
13	Total Adjusted O&M for Sch 1	Ln 12 + Ln 13	<u>\$ 26,466,600</u>
14			
15	Notes:		
16	1. Twelve months ended September 30, 2025.		
17	2. Per Final order Settlement of Docket Docket No. 25-00007 actual pension contributions would be evaluated as part of the reconciliation and true-up process related to the Company's test period only.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE ("O&M") EXPENSE ADJUSTMENTS
TEST YEAR ENDING SEPTEMBER 30, 2025

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	\$ 4,117,817	\$ 3,984,105	\$ 1,467,004	\$ 9,568,925
2	Benefits	506,494	1,009,748	182,255	1,698,497
3	Employee Welfare	45,850	2,013,253	336,467	2,395,570
4	Insurance	45,850	2,575,978	20,817	2,642,644
5	Rent, Maint., & Utilities	588,316	439,475	93,912	1,121,704
6	Vehicles & Equip	553,563	3,604	39,140	596,308
7	Materials & Supplies	803,645	62,083	59,868	925,596
8	Information Technologies	59,263	1,749,271	95,953	1,904,488
9	Telecom	15,791	230,212	79,727	325,731
10	Marketing	290,418	13,332	149,581	453,330
11	Directors & Shareholders & PR	-	257,713	36	257,749
12	Dues & Donations	149,716	55,519	5,330	210,565
13	Print & Postages	37,574	21,141	12,197	70,912
14	Travel & Entertainment	469,862	126,590	214,277	810,729
15	Training	69,875	45,956	43,532	159,362
16	Outside Services	6,059,800	1,137,962	1,862,906	9,060,668
17	Provision for Bad Debt	664,432	-	-	664,432
18	Miscellaneous	107,792	(5,349,254)	(65,929)	(5,307,391)
19	Total O&M Expenses Per Book	\$ 14,586,058	\$ 8,376,687	\$ 4,597,073	\$ 27,559,818
20					
21	Disallowed Items:				
22	Other (Sub 05416 and 05412)	\$ (1,695)	\$ (586)	\$ (1,045)	\$ (3,326)
23	Incentive Comp (MFR 38)	-	(916,134)	(281,540)	(1,197,675)
24	FAS 87 Accrual (Sub Account 01202)	(86,878)	(24,954)	(29,163)	(140,994)
25	SERP (07489,07490,07492,07493,07497)	-	(34,656)	(18,384)	(53,040)
26					
27	Rate Case Expenses	\$ -	\$ -	\$ -	\$ -
28					
29	Actual Allocable Pension Contribution	\$ -	\$ -	\$ -	\$ -
30					
31					
32	Total Adjusted O&M	\$ 14,497,485	\$ 7,400,358	\$ 4,266,941	\$ 26,164,784

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ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

Tennessee (Div 093)			
Line No.	FERC Account	Test Year	
1	7350	\$	839
2	8400		903
3	8500		-
4	8560		77,661
5	8570		2,406
6	8700		1,850,073
7	8711		30,485
8	8740		7,199,942
9	8750		725,866
10	8760		-
11	8770		313
12	8780		454,463
13	8790		-
14	8800		4,879
15	8810		72,403
16	8860		-
17	8870		129,159
18	8890		65,002
19	8900		-
20	8910		(261)
21	8920		3,553
22	8930		5,887
23	8940		-
24	9020		320,156

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

25	9030	869,210
26	9040	664,432
27	9080	13,765
28	9090	198,334
29	9100	-
30	9110	234,625
31	9120	66,198
32	9130	366,521
33	9160	-
34	9200	-
35	9210	48,518
36	9220	13,103,489
37	9230	191,208
38	9240	(8,937)
39	9250	388,138
40	9260	513,948
41	9270	-
42	9280	-
43	9301	-
44	9302	130,900
45	Total	\$ 27,724,080

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

General Office (Div 091)		
Line No.	FERC Account	Historic Base Period
46	8160	\$ -
47	8170	548
48	8180	690
49	8190	-
50	8210	1,127
51	8240	-
52	8250	3,945
53	8410	-
54	8500	-
55	8560	887
56	8570	1,095
57	8600	1,006
58	8700	3,082,273
59	8710	-
60	8740	349,184
61	8750	224,711
62	8760	-
63	8770	-
64	8780	80,828
65	8800	2,534,100
66	8810	205,813
67	8850	53
68	8870	1,503
69	8890	12
70	8900	183

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

71	8910	-
72	8920	195
73	9010	125,565
74	9020	31,991
75	9030	2,635,900
76	9040	(1,555)
77	9090	188,492
78	9100	787
79	9110	215,314
80	9120	38,009
81	9130	21,296
82	9160	-
83	9200	(137,779)
84	9210	(70,629)
85	9220	(10,807,457)
86	9230	79,117
87	9240	(5,650)
88	9250	188,787
89	9260	1,000,778
90	9302	8,880
91	Total	\$ (0)

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

SSU Division 002 (excluding CC 1903)			
Line No.	FERC Account	Historic Base Period	
92	8200	\$	(53)
93	8210		1,908
94	8250		-
95	8500		7,134
96	8510		-
97	8520		53,013
98	8560		401,770
99	8650		-
100	8660		(2,493)
101	8670		-
102	8700		29,112
103	8740		184,806
104	8780		53
105	8790		35
106	8800		468,196
107	8810		500,776
108	8850		3,915
109	9010		2,813
110	9020		132,426

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OPERATIONAL AND MAINTENANCE EXPENSES BY FERC
TEST YEAR ENDING SEPTEMBER 30, 2025

111	9030	548,868
112	9090	-
113	9100	2,109
114	9110	-
115	9120	13,528
116	9130	34,001
117	9160	-
118	9200	(68,826,989)
119	9210	52,984,176
120	9220	(153,580,137)
121	9230	19,556,185
122	9240	132,474
123	9250	66,201,157
124	9260	64,666,648
125	9302	8,450,046
126	9310	7,268,534
127	9320	765,990
128	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, 2025

SSU Division 012 (excluding CC 1903)			
Line No.	FERC Account	Historic Base Period	
129	8210	\$	119
130	8700		-
131	8740		9,594
132	8780		-
133	8800		-
134	8810		92,064
135	9010		2,945,691
136	9020		-
137	9030		23,823,882
138	9070		-
139	9100		165
140	9160		-
141	9120		-
142	9200		10,765,402
143	9210		13,159,334
144	9220		(65,942,394)
145	9230		1,203,710
146	9240		69,009
147	9250		537
148	9260		12,356,722
149	9302		-
150	9310		1,511,372
151	9320		4,793
152	Total	\$	(0)

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
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TEST YEAR ENDING SEPTEMBER 30, 2025

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ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
PENSION BENCHMARK CALCULATION
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Number of Participants	Estimated Liability	Percent of Contribution Applicable to Group	Actual Year Contribution ⁽²⁾	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)	3,369	\$ 363,764,000	77.2%	\$ -	0.00%	\$ -		\$ -
2	Co 010 - Shared Services	444	56,258,000	11.9%	-	3.79%	-		-
3	Co 010 - CSO	222	18,118,000	3.8%	-	4.80%	-		-
4	Active Tennessee Jurisdiction Employees	52	8,658,000	1.8%	-	100.00%	-	60.38%	-
5	Inactive Tennessee Jurisdiction Employees	175	14,817,000	3.1%	-	100.00%	-		-
6	Active Division General Office Employees	12	3,153,000	0.7%	-	42.53%	-	54.88%	-
7	Inactive Division General Office Employees (pre-merger) ⁽¹⁾	45	3,825,000	0.8%	-	26.55%	-		-
8	Inactive Division General Office Employees (post-merger)	9	2,309,000	0.5%	-	42.53%	-		-
9									
10	Total Amount of Contribution Allocable to Tennessee	4,328	\$ 470,902,000	100.00%	\$ -		\$ -		\$ -

11
12 Notes:

- 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.
14 2. In FY25 there was no contribution made by the Company to the Pension Plan.

Line No.	Month	Journal Source	Journal Name	Company	Company Description	Cost Center	Cost Center Description	Account	Account Description	Sub Account	Sub Account Description	Division	Division Description
1	APR-25	Payables	APR-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	04044	Advertising	093000	Mid-States-Tennessee
2	APR-25	Payables	APR-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	04044	Advertising	093000	Mid-States-Tennessee
3	JUN-25	Payables	JUN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	04044	Advertising	093000	Mid-States-Tennessee
4	JAN-25	Payables	JAN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
5	JAN-25	Payables	JAN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
6	MAY-25	Payables	MAY-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
7	MAY-25	Payables	MAY-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
8	MAY-25	Payables	MAY-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
9	MAY-25	Payables	MAY-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3308	KMD-Industrial & Admin Mktg	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
10	APR-25	Payables	APR-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
11	APR-25	Payables	APR-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
12	APR-25	Payables	APR-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
13	FEB-25	Payables	FEB-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
14	JUN-25	Payables	JUN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
15	JUN-25	Payables	JUN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
16	JUN-25	Payables	JUN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
17	OCT-24	Payables	OCT-24 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
18	OCT-24	Payables	OCT-24 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
19	OCT-24	Payables	OCT-24 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
20	OCT-24	Payables	OCT-24 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
21	SEP-25	Payables	SEP-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
22	SEP-25	Payables	SEP-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
23	SEP-25	Payables	SEP-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
24	SEP-25	Payables	SEP-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	2732	KMD-Residential & Commercial	9130	Sales-Advertising expens	06111	Contract Labor	093000	Mid-States-Tennessee
25	FEB-25	Payables	FEB-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3333	KMD-Public Affairs	9130	Sales-Advertising expens	04040	Community Rel&Trade Sho	093000	Mid-States-Tennessee
26	JAN-25	Payables	JAN-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3333	KMD-Public Affairs	9130	Sales-Advertising expens	04044	Advertising	093000	Mid-States-Tennessee
27	SEP-25	Payables	SEP-25 Purchase Invoices US	050	Atmos Energy-KY/Mid-Sta	3333	KMD-Public Affairs	9130	Sales-Advertising expens	04044	Advertising	093000	Mid-States-Tennessee

Line No.	Line Description	Text	Vendor Name	Invoice Number	Amount	Adjustment
1	digital advertising media for Kentucky	Its not a Dream Home without natural gas / Use less energy enjoying your home with i	THREADGILL AGENCY LLC THE	INV14346	6,666	3,333
2	digital advertising media for Tennessee	Its not a Dream Home without natural gas / Use less energy enjoying your home with i	THREADGILL AGENCY LLC THE	INV14346	40,000	20,000
3	MLT digital ad campaign management	Its not a Dream Home without natural gas / Use less energy enjoying your home with i	THREADGILL AGENCY LLC THE	INV14566	23,333	11,667
4	Sabrix Tax Expense	Logo	MAURY COUNTY SHERRIFFS RODE	CHE212227	24	24
5	Journal Import Created	Logo	MAURY COUNTY SHERRIFFS RODE	CHE212227	250	250
6	Sabrix Tax Expense	Logo	HABITAT FOR HUMANITY	CHE219476	98	98
7	Journal Import Created	Logo	HABITAT FOR HUMANITY	CHE219476	1,000	1,000
8	Journal Import Created	Logo	MARYVILLE HIGH SCHOOL	CHE218845	250	250
9	Sabrix Tax Expense	Logo	MARYVILLE HIGH SCHOOL	CHE218845	24	24
10	Journal Import Created	Low-impact energy, High-impact living	LAMAR COMPANIES	116965951	23,750	-
11	Journal Import Created	Low-impact energy, High-impact living	LAMAR COMPANIES	116965963	34,200	-
12	Journal Import Created	Low-impact energy, High-impact living	LAMAR COMPANIES	116965956	38,300	-
13	MLT Billboard Initiative for FY25	Low-impact energy, High-impact living	OUTFRONT MEDIA SPORTS	P0029290	32,790	-
14	Journal Import Created	Cook with confidence. Cook with natural gas.	OUTFRONT MEDIA SPORTS	P0031321	13,940	13,940
15	Journal Import Created	Cook with confidence. Cook with natural gas.	OUTFRONT MEDIA SPORTS	P0031320	18,780	18,780
16	LAMAR CONTRACT NO 4945536	Posters - This invoice should have been charged to Kentucky	LAMAR COMPANIES	116914064	2,625	2,625
17	FY25 expense for billboard campaign	Home chefs agree, natural gas really cooks.	OUTFRONT MEDIA SPORTS	P0025443	31,390	31,390
18	LAMAR CUSTOMER NO 769166	Home chefs agree, natural gas really cooks.	LAMAR COMPANIES	116395535	10,200	10,200
19	4736394	Home chefs agree, natural gas really cooks.	LAMAR COMPANIES	116395536	21,030	21,030
20	Journal Import Created	Home chefs agree, natural gas really cooks.	LAMAR COMPANIES	116395537	40,225	40,225
21	MLT Imitative FY25	Cook with confidence. Cook with natural gas.	OUTFRONT MEDIA SPORTS	07213605	3,500	3,500
22	MLT Imitative FY25	Cook with confidence. Cook with natural gas.	OUTFRONT MEDIA SPORTS	07213604	3,600	3,600
23	MLT Imitative FY25	Outfront Media includes BillBoard Advertising - See billboard text below	OUTFRONT MEDIA SPORTS	07187486	9,110	-
24	MLT Imitative FY25	Outfront Media includes BillBoard Advertising - See billboard text below	OUTFRONT MEDIA SPORTS	07207513	9,110	-
25	Journal Import Created	Logo	UNITED WAY	CHE213760	1,000	1,000
26	Journal Import Created	Veterans Day Ad with logo	WILLIAMSON HERALD	CHE211383	625	625
27	Journal Import Created	Football ad: We go the extra yard to support the home team	WILLIAMSON HERALD	CHE226919	700	700
					366,521	184,261

See Below for Examples of the Billboard Advertising



ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
TAXES OTHER THAN INCOME TAXES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books Other Taxes Expense ⁽¹⁾	WP_5-1	\$ 10,042,687
2			
3			
4			
5			
6			
7	Inclusion of Barnsley Storage Other taxes	WP_3-1	<u>33,883</u>
8			
9	Adjusted Taxes Other Than Income Taxes	Sum (Ln 1 + Ln 7)	<u><u>\$ 10,076,571</u></u>
10			
11	Note:		
12	1. Twelve months ended September 30, 2025 - Account 4081.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
TAXES OTHER THAN INCOME TAXES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	FY25
1	Division 093													
2	FICA	\$ 13,458	\$ 74,875	\$ 7,215	\$ 21,005	\$ 19,958	\$ 16,177	\$ 13,948	\$ 38,278	\$ 12,731	\$ 12,655	\$ 19,279	\$ 18,002	\$ 267,581
3	FUTA	2	40	5	1,818	(287)	(88)	5	29	(2)	11	32	29	1,593
4	SUTA	(2)	6	0	565	187	(87)	(8)	2	3	1	8	5	680
5	Payroll Tax Projects	-	-	-	-	-	-	-	31	-	-	-	-	31
6	30101 Ad Valorem	107,692	107,692	409,871	422,670	426,468	426,468	426,468	426,468	456,334	456,334	456,334	(8,666)	4,114,132
7	30102 Taxes Property and Other	-	-	-	(3,474)	-	-	-	-	-	-	-	-	(3,474)
8	30104 State Supv & Inspection	58,124	58,124	58,124	58,124	58,124	58,124	57,241	57,241	57,241	57,241	57,241	57,241	692,187
9	30105 Corp/State Franchise Tax	75,834	75,834	75,834	75,834	75,834	75,834	75,834	75,834	542,626	126,667	126,667	126,667	1,529,298
10	30107 City Franchise	167	167	167	167	167	167	167	167	167	167	167	167	2,000
11	30108 Dot Transmission User Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
12	30109 State Gross Receipts	73,080	124,190	160,991	218,628	160,808	118,359	82,291	62,065	68,765	47,627	45,072	1,654,902	2,816,779
13	Division 91 Allocations	20,913	(26,330)	28,018	18,144	20,742	12,520	30,297	9,714	18,638	27,501	17,533	16,575	194,266
14	Division 12 Allocations	13,717	8,485	13,095	18,820	17,323	15,071	16,035	16,599	14,190	19,058	12,845	4,669	169,906
15	Division 02 Allocations	19,529	37,439	17,230	24,577	22,716	19,490	21,796	23,359	20,305	29,366	18,903	2,997	257,708
16	Div 093 Total	\$ 382,513	\$ 460,522	\$ 770,551	\$ 856,877	\$ 802,039	\$ 742,036	\$ 724,074	\$ 709,785	\$ 1,190,997	\$ 776,627	\$ 754,080	\$ 1,872,587	\$ 10,042,687
17														
18	Division 091													
19	FICA	\$ 49,172	\$ (61,942)	\$ 65,799	\$ 40,122	\$ 48,877	\$ 29,587	\$ 71,240	\$ 22,814	\$ 43,823	\$ 64,654	\$ 41,189	\$ 38,876	\$ 454,211
20	FUTA	1	29	4	1,610	(262)	(75)	5	25	(2)	9	28	19	1,391
21	SUTA	(1)	4	0	501	156	(73)	(7)	2	2	1	7	3	594
22	Payroll Tax Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
23	30101 Ad Valorem	-	-	-	429	-	-	-	-	-	-	-	74	503
24	30103 Occupational Licences	-	-	75	-	-	-	-	-	-	-	-	-	75
25	30105 Corp/State Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Div 091 Total	\$ 49,172	\$ (61,909)	\$ 65,878	\$ 42,661	\$ 48,771	\$ 29,439	\$ 71,238	\$ 22,840	\$ 43,823	\$ 64,664	\$ 41,224	\$ 38,972	\$ 456,774
27														
28	Division 002													
29	FICA	\$ 455,724	\$ 264,503	\$ 398,849	\$ 503,794	\$ 538,637	\$ 453,195	\$ 509,171	\$ 551,050	\$ 471,794	\$ 674,374	\$ 434,605	\$ 441,026	\$ 5,696,721
30	FUTA	591	634	65	36,639	(2,664)	(1,259)	194	810	428	384	413	535	36,770
31	SUTA	692	879	267	44,446	603	(336)	(389)	1,009	537	631	504	746	49,588
32	Payroll Tax Projects	624	791	227	84	352	112	1,132	1,039	488	420	668	360	6,298
33	30101 Ad Valorem	55,800	55,800	55,800	63,200	63,200	63,200	63,200	63,200	63,200	63,200	63,200	52,200	725,200
34	30103 Occupational Licences	1,103	-	-	1,099	-	-	1,112	-	-	968	-	-	4,282
35	30105 Corp/State Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	(384,933)	(384,933)
36	30106 Excise Taxes	1,411	666,500	-	24	-	-	1,409	-	-	35,835	-	-	705,179
37	Div 002 Total	\$ 515,946	\$ 989,107	\$ 455,207	\$ 649,286	\$ 600,128	\$ 514,911	\$ 575,828	\$ 617,108	\$ 536,447	\$ 775,812	\$ 499,390	\$ 109,935	\$ 6,839,105
38														
39	Division 012													
40	FICA	\$ 238,793	\$ 129,712	\$ 226,333	\$ 294,263	\$ 311,441	\$ 264,620	\$ 283,892	\$ 294,497	\$ 244,815	\$ 346,146	\$ 216,861	\$ 214,440	\$ 3,065,813
41	FUTA	308	347	40	21,434	(1,445)	(752)	96	437	221	195	205	279	21,363
42	SUTA	360	481	154	26,002	536	(203)	(261)	541	276	320	250	388	28,845
43	30101 Ad Valorem	46,100	46,100	46,100	50,100	50,100	50,100	50,100	50,100	50,100	50,100	50,100	(117,900)	421,200
44	30105 Corp/State Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Div 012 Total	\$ 285,561	\$ 176,640	\$ 272,627	\$ 391,799	\$ 360,632	\$ 313,765	\$ 333,827	\$ 345,575	\$ 295,412	\$ 396,761	\$ 267,416	\$ 97,207	\$ 3,537,220

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
DEPRECIATION AND AMORTIZATION EXPENSES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Amount (c)
1	Base period per books Depreciation Expense ⁽¹⁾		\$ 20,854,299
2			
3	Adjustment to Reflect Year End Plant Levels	Ln 5 - Ln 1	3,328,174
4			
5	Total Proforma Depreciation Expense	WP_ 6-2	<u>\$ 24,182,473</u>
6			
7	Adjustment to reflect Proposed Depreciation Rates	Ln 9 - Ln 5	-
8			
9	Total Proforma Depreciation Expense	WP_ 6-1	<u>\$ 24,182,473</u>
10			
11	Amortization of Deferred Pension Regulated Asset ⁽²⁾	WP_ 7-3	-
12			
13	Intercompany Leased Property Depreciation	WP_ 3-1	179,085
14			
15	Adjustment for Depreciation Expense on Capitalized Incentive Compensation	WP_ 7-8	<u>(363,200)</u>
16			
17	Total Depreciation and Amortization Expense, As Adjusted	Sum (Ln 9 : Ln 15)	<u><u>\$ 23,998,358</u></u>

19 Notes:

20 1. Twelve months ended September 30, 2025.

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, 2025

Line No.	Description (a)	Amount (b)	Allocation (c)	Allocated (d)
1	Proforma Depreciation:			
2	Tennessee Operations (Div 093)	\$ 22,774,294	100.00%	\$ 22,774,294
3	Mid-States General Office (Div 091)	21,426	42.53%	9,112
4	Shared Services - Customer Service (Div 012)	9,986,228	4.80%	479,676
5	Shared Services - General Office (Div 002)	\$ 24,289,260	3.79%	<u>\$ 919,390</u>
6				
7	Proforma Depreciation Expense Adjustment			<u><u>\$ 24,182,473</u></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, 2025

Line No.	Description	Amount	Allocation	Allocated
	(a)	(b)	(c)	(d)
1	Proforma Depreciation:			
2	Tennessee Operations (Div 093)	\$ 22,774,294	100.00%	\$ 22,774,294
3	Mid-States General Office (Div 091)	21,426	42.53%	9,112
4	Shared Services - Customer Service (Div 012)	9,986,228	4.80%	479,676
5	Shared Services - General Office (Div 002)	\$ 24,289,260	3.79%	<u>\$ 919,390</u>
6				
7	Proforma Depreciation Expense			<u><u>\$ 24,182,473</u></u>

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
RATE BASE AND RETURN
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Test Year Ending Balance (b)	Reference (c)
1	Original Cost of Plant ⁽²⁾	\$ 1,050,218,684	WP_7-10 & WP_7-2
2			
3	Cloud Computing ⁽³⁾	612,190	WP_7-2
4			
5	Accumulated Depreciation and Amortization ⁽³⁾	(267,849,922)	WP_7-2
6			
7	Construction Work in Progress per Books	35,781,814	WP_7-2
8			
9	Storage Gas Investment	4,779,021	WP_7-2
10			
11	Cash Working Capital	4,961,516	WP_7-5
12			
13	Material & Supplies	374,431	WP_7-2
14			
15	Regulatory Assets/Liabilities (EDITL & Deferral)	(8,166,800)	WP_7-9
16			
17	Accumulated Deferred Income Tax	(117,278,599)	WP_7-2
18			
19	Customer Advances for Construction	652	WP_7-2
20			
21	Customer Deposits	(1,952,486)	WP_7-2
22			
23	Accumulated Interest on Customer Deposits	(31,112)	WP_7-2
24			
25	Unadjusted Rate Base	<u>\$ 701,449,388</u>	Sum (Ln 1 : Ln 21)

26			
27	Capitalized Incentive Compensation & SERP Adjustments	(14,198,334)	WP_7-8 & WP_4-4
28			
29	Intercompany Leased Property	<u>7,026,572</u>	WP_7-2
30			
31	Total Rate Base	<u>\$ 694,277,626</u>	Sum (Ln 23 : Ln 27)
32			
33	Return at Overall Cost of Capital on Rate Base	<u>\$ 52,487,389</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 of the Total Deferral Regulatory Asset , FERC Account 186 and sub account 14218 , please see tab "WP_7-10" for more details.

38 3. Cloud Computing Projects are recorded to FERC Accounts 182.3, Other Regulatory Assets; 174, Miscellaneous Current and Accrued Assets; and 186, Miscellaneous Deferred Debits. Please refer to "WP_7-2" and relied file "SSU & KMD Detail Trial Balance FY25.xlsx", Tab "Cloud Computing", for details. The Company proposes that, upon approval of rates in this docket, cloud computing implementation costs recorded in accounts 174, 186, and 182.3 effective June 1, 2026 for software as a service arrangement be moved and recorded in plant account 399.08.

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
RATE BASE AND RETURN
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Test Year Ending Balance (b)	Reference (c)
1	Original Cost of Plant ⁽²⁾	\$ 985,560,618	WP_7-10 & WP_7-2
2			
3	Cloud Computing ⁽³⁾	414,368	WP_7-2
4			
5	Accumulated Depreciation and Amortization	(265,355,387)	WP_7-2
6			
7	Construction Work in Progress per Books	39,245,541	WP_7-2
8			
9	Storage Gas Investment	4,779,021	WP_7-2
10			
11	Cash Working Capital	4,904,053	WP 7-5R
12			
13	Material & Supplies	374,431	WP_7-2
14			
15	Regulatory Assets/Liabilities (EDITL & Deferral)	(8,294,408)	WP 7-9
16			
17	Accumulated Deferred Income Tax	(114,673,272)	WP_7-2
18			
19	Customer Advances for Construction	(7,399)	WP_7-2
20			
21	Customer Deposits	(1,952,486)	WP_7-2
22			
23	Accumulated Interest on Customer Deposits	(31,112)	WP_7-2
24			
25	Unadjusted Rate Base	<u>\$ 644,963,969</u>	Sum (Ln 1 : Ln 21)

26			
27	Capitalized Incentive Compensation & SERP Adjustments	(14,198,334)	WP_7-8
28			
29	Intercompany Leased Property	6,392,105	WP_7-2
30			
31	Total Rate Base	<u>\$ 637,157,740</u>	Sum (Ln 23 : Ln 27)
32			
33	Return at Overall Cost of Capital on Rate Base	<u>\$ 48,232,841</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. Cloud Computing Projects are recorded to FERC Accounts 182.3, Other Regulatory Assets; 174, Miscellaneous Current and Accrued Assets; and 186, Miscellaneous Deferred Debits. Please refer to "WP_7-2" and relied file "SSU & KMD Detail Trial Balance FY25.xlsx", Tab "Cloud Computing", for details. The Company proposes that, upon approval of rates in this docket, cloud computing implementation costs recorded in accounts 174, 186, and 182.3 effective June 1, 2026 for software as a service arrangement be moved and recorded in plant account 399.08.

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
BLANK SHEET
TEST YEAR ENDING SEPTEMBER 30, 2025

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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, 2025

Line No.	Month	Division 091 - Mid-States									Division 093 - Tennessee										Total Tennessee														
		General Office			SSU Customer			SSU General			Greenville	AEAM	ALGN	Factors FY24	Division 093 100%	Division 091 42.31%	Division 012 4.79%	CKV 2.65%	Division 002 3.86%	Greenville 1.27%		AEAM 4.73%	ALGN 1.42%												
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)														
87	Customers Deposits (Account 235)																																		
88																																			
89	Sep-24	\$	(2,118,276)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$													
90	Oct-24		(2,080,805)		-		-		-		-		-		-		-		-		-														
91	Nov-24		(2,026,437)		-		-		-		-		-		-		-		-		-														
92	Dec-24		(1,942,296)		-		-		-		-		-		-		-		-		-														
93	Jan-25		(1,868,093)		-		-		-		-		-		-		-		-		-														
94	Feb-25		(1,867,761)		-		-		-		-		-		-		-		-		-														
95	Mar-25		(1,882,052)		-		-		-		-		-		-		-		-		-														
96	Apr-25		(1,902,526)		-		-		-		-		-		-		-		-		-														
97	May-25		(1,918,138)		-		-		-		-		-		-		-		-		-														
98	Jun-25		(1,906,994)		-		-		-		-		-		-		-		-		-														
99	Jul-25		(1,914,689)		-		-		-		-		-		-		-		-		-														
100	Aug-25		(1,961,810)		-		-		-		-		-		-		-		-		-														
101	Sep-25		(1,992,440)		-		-		-		-		-		-		-		-		-														
102	13-Month Average	\$	(1,952,486)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$													
103																																			
104																																			
105	Accumulated Deferred FIT (Total Accounts 190,255, 282, 283)																																		
106																																			
107	Sep-24	\$	(118,598,552)	\$	(10,876,512)	\$	(10,141,977)	\$	-	\$	456,213,058	\$	-	\$	-	\$	(118,598,552)	\$	(4,601,852)	\$	(485,525)	\$	-	\$	17,623,068	\$	-	\$	-	\$	-	\$	-	\$	(106,062,861)
108	Oct-24		(118,604,110)		(10,876,512)		(10,141,977)		-		453,640,223		-		-		(118,604,110)		(4,625,781)		(487,158)		-		17,171,054		-		-		-		(106,545,995)		
109	Nov-24		(118,609,669)		(10,876,512)		(10,141,977)		-		454,698,209		-		-		(118,609,669)		(4,625,781)		(487,158)		-		17,211,100		-		-		-		(106,511,507)		
110	Dec-24		(123,384,067)		(10,552,072)		(9,799,685)		-		438,327,438		-		-		(123,384,067)		(4,487,796)		(470,716)		-		16,591,439		-		-		-		(111,751,140)		
111	Jan-25		(123,389,625)		(10,552,072)		(9,799,685)		-		438,092,812		-		-		(123,389,625)		(4,487,796)		(470,716)		-		16,582,558		-		-		-		(111,765,580)		
112	Feb-25		(123,395,184)		(10,552,072)		(9,799,685)		-		440,441,045		-		-		(123,395,184)		(4,487,796)		(470,716)		-		16,671,442		-		-		-		(111,682,253)		
113	Mar-25		(128,851,512)		(10,349,783)		(9,648,008)		-		389,328,287		-		-		(128,851,512)		(4,401,763)		(463,430)		-		14,736,738		-		-		-		(118,979,967)		
114	Apr-25		(128,857,070)		(10,349,783)		(9,648,008)		-		389,305,172		-		-		(128,857,070)		(4,401,763)		(463,430)		-		14,735,863		-		-		-		(118,986,401)		
115	May-25		(128,862,628)		(10,349,783)		(9,648,008)		-		387,799,703		-		-		(128,862,628)		(4,401,763)		(463,430)		-		14,678,878		-		-		-		(119,048,943)		
116	Jun-25		(131,254,559)		(10,684,028)		(9,493,428)		-		411,339,107		-		-		(131,254,559)		(4,543,917)		(456,005)		-		15,569,884		-		-		-		(120,684,537)		
117	Jul-25		(131,260,117)		(10,684,028)		(9,493,428)		-		410,547,251		-		-		(131,260,117)		(4,543,917)		(456,005)		-		15,539,911		-		-		-		(120,720,128)		
118	Aug-25		(131,265,676)		(10,684,028)		(9,493,428)		-		410,312,796		-		-		(131,265,676)		(4,543,917)		(456,005)		-		15,531,037		-		-		-		(120,734,561)		
119	Sep-25		(129,680,571)		(10,602,372)		(8,563,904)		-		457,641,747		-		-		(129,680,571)		(4,509,189)		(411,357)		-		17,322,518		-		-		-		(117,278,599)		
120	13-Month Average	\$	(125,847,180)	\$	(10,614,581)	\$	(9,677,939)	\$	-	\$	425,975,911	\$	-	\$	-	\$	(125,847,180)	\$	(4,512,541)	\$	(464,742)	\$	-	\$	16,151,191	\$	-	\$	-	\$	-	\$	(114,673,272)		
121																																			
122	Accumulated Depreciation (Account 108)																																		
123																																			
124	Sep-24	\$	(251,897,165)	\$	(187,322)	\$	(84,473,468)	\$	(6,126,908)	\$	(90,964,603)	\$	(5,760,177)	\$	(26,002,703)	\$	(12,488,652)	\$	(251,897,165)	\$	(79,256)	\$	(4,043,981)	\$	(162,267)	\$	(3,513,874)	\$	(73,328)	\$	(1,231,095)	\$	(177,044)	\$	(261,178,012)
125	Oct-24		(252,569,435)		(189,107)		(85,158,640)		(6,173,326)		(92,178,962)		(5,792,604)		(26,319,701)		(12,621,686)		(252,569,435)		(80,427)		(4,090,491)		(154,598)		(3,489,130)		(73,487)		(1,224,598)		(174,127)		(261,856,295)
126	Nov-24		(253,929,219)		(190,892)		(85,835,651)		(6,219,785)		(93,396,946)		(5,825,030)		(26,637,176)		(12,754,874)		(253,929,219)		(81,187)		(4,123,011)		(155,762)		(3,535,233)		(73,899)		(1,239,370)		(175,964)		(263,313,644)
127	Dec-24		(255,269,433)		(192,678)		(86,270,777)		(6,151,781)		(91,283,711)		(5,832,269)		(26,953,721)		(12,888,030)		(255,269,433)		(81,946)		(4,143,912)		(154,059)		(3,455,244)		(73,990)		(1,254,098)		(177,801)		(264,610,483)
128	Jan-25		(255,778,170)		(194,463)		(86,948,746)		(6,198,278)		(92,481,523)		(5,864,663)		(27,292,326)		(13,021,081)		(255,778,170)		(82,705)		(4,176,477)		(155,223)		(3,500,583)		(74,401)		(1,269,852)		(179,637)		(265,217,049)
129	Feb-25		(255,386,291)		(196,249)		(87,626,592)		(6,244,811)		(93,693,521)		(5,897,057)		(27,614,527)		(13,154,116)		(255,386,291)		(83,465)		(4,209,036)		(156,388)		(3,546,459)		(74,812)		(1,284,844)		(181,472)		(264,922,768)
130	Mar-25		(255,849,704)		(198,034)		(88,333,100)		(6,291,357)		(94,875,565)		(5,929,451)		(27,976,120)		(13,287,151)		(255,849,704)		(84,224)		(4,242,973)		(157,554)		(3,591,201)		(75,223)		(1,301,668)		(183,308)		(265,485,855)
131	Apr-25		(256,510,421)		(199,820)		(89,015,874)		(6,337,862)		(96,056,562)		(5,961,846)		(28,337,862)		(13,420,186)		(256,510,421)		(84,983)		(4,275,769)		(158,719)		(3,635,904)		(75,634)		(1,318,499)		(185,143)		(266,245,072)
132	May-25		(256,754,999)		(201,605)		(89,596,974)		(6,384,366)		(97,235,109)		(5,994,240)		(28,695,721)		(13,553,221)		(256,754,999)		(85,743)		(4,308,485)		(159,883)		(3,680,514)		(76,045)		(1,335,335)		(186,978)		(266,587,983)
133	Jun-25		(257,358,635)		(203,391)		(90,385,714)		(6,432,397)		(98,444,462)		(6,026,295)		(29,066,841)		(13,686,471)		(257,358,635)		(86,502)		(4,341,567)		(161,086)		(3,726,290)		(76,452)		(1,352,417)		(188,817)		(267,291,767)
134	Jul-25		(257,547,712)		(205,176)		(91,072,037)		(6,480,428)		(99,661,829)		(6,058,351)		(29,433,738)		(13,819,721)		(257,547,712)		(87,261)		(4,374,534)		(162,289)		(3,772,370)		(76,859)		(1,369,488)		(190,655)		(267,581,168)
135	Aug-25		(257,338,925)		(206,962)		(91,801,259)		(6,527,330)		(100,985,209)		(6,088,697)		(29,828,197)		(13,953,000)		(257,338,925)		(88,021)		(4,409,561)		(163,464)		(3,822,462)		(77,244)		(1,387,841)		(192,494)		(267,480,011)
136	Sep-25		(257,596,517)		(208,747)		(92,564,754)		(6,572,671)		(102,324,550)		(6,119,044)		(30,275																				

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, 2025

Line No.	Month	Division 091 - Mid-States										Factors FY24	Division 093	Division 091	Division 012	CKV	Division 002	Greenville	AEAM	ALGN	Total Tennessee
		Division 093 - Tennessee	General Office	Division 012 - SSU Customer ⁽²⁾	CKV	Division 002 - SSU General ⁽²⁾	Greenville	AEAM	ALGN	FY25	100%	42.53%	4.80%	2.50%	3.79%	1.27%	4.65%	1.38%			
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)
156	Interest on Customer Deposits (Account 237-26919)																				
157																					
158	Sep-24	\$	(47,397)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(47,397)
159	Oct-24		(46,534)		-		-		-		-		-		-		-		-		(46,534)
160	Nov-24		(46,814)		-		-		-		-		-		-		-		-		(46,814)
161	Dec-24		(47,759)		-		-		-		-		-		-		-		-		(47,759)
162	Jan-25		(47,576)		-		-		-		-		-		-		-		-		(47,576)
163	Feb-25		(4,373)		-		-		-		-		-		-		-		-		(4,373)
164	Mar-25		(9,844)		-		-		-		-		-		-		-		-		(9,844)
165	Apr-25		(14,866)		-		-		-		-		-		-		-		-		(14,866)
166	May-25		(19,559)		-		-		-		-		-		-		-		-		(19,559)
167	Jun-25		(23,737)		-		-		-		-		-		-		-		-		(23,737)
168	Jul-25		(27,916)		-		-		-		-		-		-		-		-		(27,916)
169	Aug-25		(32,119)		-		-		-		-		-		-		-		-		(32,119)
170	Sep-25		(35,965)		-		-		-		-		-		-		-		-		(35,965)
171	13-Month Average	\$	(31,112)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(31,112)
172																					
173																					
174	Net elimination of intercompany leased property																				
175																					
176	Sep-24	\$	6,265,935	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	6,265,935
177	Oct-24		6,250,489		-		-		-		-		-		-		-		-		6,250,489
178	Nov-24		6,235,043		-		-		-		-		-		-		-		-		6,235,043
179	Dec-24		6,219,804		-		-		-		-		-		-		-		-		6,219,804
180	Jan-25		6,204,564		-		-		-		-		-		-		-		-		6,204,564
181	Feb-25		6,189,324		-		-		-		-		-		-		-		-		6,189,324
182	Mar-25		6,174,111		-		-		-		-		-		-		-		-		6,174,111
183	Apr-25		6,159,532		-		-		-		-		-		-		-		-		6,159,532
184	May-25		6,144,953		-		-		-		-		-		-		-		-		6,144,953
185	Jun-25		6,130,373		-		-		-		-		-		-		-		-		6,130,373
186	Jul-25		7,055,588		-		-		-		-		-		-		-		-		7,055,588
187	Aug-25		7,041,080		-		-		-		-		-		-		-		-		7,041,080
188	Sep-25		7,026,572		-		-		-		-		-		-		-		-		7,026,572
189	13-Month Average	\$	6,392,105	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	6,392,105
190																					
191	Notes:																				
192	1. 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.																				
193	2. New Plant accounts 399.0801 & 399.0802 have been added in Shared Services Div 002 and Div 012. Account 399.0801 contains cloud software related to Mid-Tex Unincorporated Ares, Mid-Tex ATM Cities, and all West Texas. Account 399.0802 includes cloud computing software recorded to Plant-in-Service for Kentucky as approved in Case No. 2024-00276. For details, please see relied file, "g. Plant Balances 2026 TN Case.xlsx".																				
194	3. Please see relied file "SSU & KMD Detail Trial Balance FY25.xlsx", Tab "Cloud Computing", for details and refer to the testimony of Company witness Maureen Melson for additional details related to this adjustment. Please note that Remaining Cloud Computing Costs for the months June 2025 through September 2025, lines 29 through 32, have already been allocated using TN Allocation Factor.																				
195	4. Includes Tennessee stored gas in Division 93 and an allocated portion of Tennessee stored gas in Division 96.																				

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
PENSION REGULATED ASSET
TEST YEAR ENDING SEPTEMBER 30, 2025

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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, 2025

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-24	\$ 277,815,012	\$ (178,398,046)	\$ 600,752,861	\$ (144,539,803)	\$ 456,213,058
2	Oct-24	275,242,177	(178,398,046)	600,752,862	(147,112,639)	453,640,223
3	Nov-24	276,300,163	(178,398,046)	600,752,862	(146,054,653)	454,698,209
4	Dec-24	258,410,784	(179,916,654)	586,423,784	(148,096,346)	438,327,438
5	Jan-25	258,176,158	(179,916,654)	586,423,784	(148,330,972)	438,092,812
6	Feb-25	260,524,391	(179,916,654)	586,423,784	(145,982,739)	440,441,045
7	Mar-25	207,490,979	(181,837,308)	542,613,048	(153,284,761)	389,328,287
8	Apr-25	207,467,864	(181,837,308)	542,613,048	(153,307,876)	389,305,172
9	May-25	205,962,395	(181,837,308)	542,613,048	(154,813,345)	387,799,703
10	Jun-25	227,211,471	(184,127,636)	561,269,878	(149,930,771)	411,339,107
11	Jul-25	226,419,615	(184,127,636)	561,269,878	(150,722,627)	410,547,251
12	Aug-25	226,185,160	(184,127,636)	561,269,878	(150,957,082)	410,312,796
13	Sep-25	274,512,191	(183,129,556)	601,429,418	(143,787,671)	457,641,747

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, "g. Plant Balances 2026 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, 2025

Line No.	Description (a)	Reference (b)	Base Period (c)
1	Revenue Lag	CWC	37.50
2			
3	Expense Lag	WP_7-7	28.08
4			
5	Net Lag	Ln 1 - Ln 3	9.42
6			
7	Daily Cost of Service	WP_7-7	\$ 526,548.49
8			
9	Cash Working Capital	Ln 5 x Ln 7	\$ 4,961,516

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
CASH WORKING CAPITAL LEAD/LAG ANALYSIS
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Base Period (c)
1	Revenue Lag	CWC	37.50
2			
3	Expense Lag	WP_7-7R	28.16
4			
5	Net Lag	Ln 1 - Ln 3	9.34
6			
7	Daily Cost of Service	WP_7-7R	\$ 525,016.15
8			
9	Cash Working Capital	Ln 5 x Ln 7	\$ 4,904,053

**ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
BLANK SHEET
TEST YEAR ENDING SEPTEMBER 30, 2025**

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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, 2025

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	\$ 72,820,372	39.33	\$ 2,864,025,222
3					
4	Operation and Maintenance Expense				
5	O&M, Labor	WP_4-1	\$ 9,568,925	14.07	\$ 134,634,780
6	O&M, Non-Labor	Ln 7 - Ln 5	16,897,675	29.40	496,791,646
7	Total O&M Expense	Sch 4	\$ 26,466,600		\$ 631,426,426
8					
9					
10	Taxes Other Than Income				
11	Ad Valorem	WP_5-1 & Sch 5	\$ 4,144,542	241.50	\$ 1,000,906,879
12	State Gross Receipts Tax	WP_5-1	2,816,779	(151.50)	(426,741,946)
13	Payroll Taxes	WP_5-1	269,885	16.55	4,466,591
14	Franchise Tax	WP_5-1	1,531,298	37.50	57,423,687
15	TRA Inspection Fee	WP_5-1	692,187	272.50	188,620,990
16	DOT	WP_5-1	\$ -	59.00	\$ -
17					
18	Allocated Taxes-Shared Services				
19	Ad Valorem	0%	\$ -	241.50	\$ -
20	Payroll Taxes	100%	\$ 427,614	16.55	\$ 7,077,012
21					
22	Allocated Taxes-Business Unit				
23	Ad Valorem	0%	\$ 214	241.50	\$ 51,626
24	Payroll Taxes	100%	194,052	16.55	3,211,564
25	Total Taxes Other Than Income		\$ 10,076,571		\$ 835,016,402

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	\$ 9,336,097		
28	Current Taxes		-	37.50	-
29	Deferred Taxes	WP_7-2	9,336,097	-	-
30					
31	State Excise Tax	WP_10-1	3,090,636		
32	Current Taxes		-	37.50	-
33	Deferred Taxes	WP_7-2	3,090,636	-	-
34					
35	Depreciation	Sch 6	20,670,184	-	-
36					
37	Interest on Customer Deposits	WP_1-1	146,436	182.50	26,724,651
38					
39	Interest Expense - LTD	Sch 7 & Sch 9	11,386,153	91.25	1,038,986,468
40					
41	Interest Expense - STD	Sch 7 & Sch 9	-	24.05	-
42					
43	Return on Equity	Sch 7 & WP_1-2	<u>\$ 38,197,150</u>		<u>\$ -</u>
44					
45					
46	TOTAL		<u>\$ 192,190,199</u>	28.08	<u>\$ 5,396,179,169</u>
47					
48	Daily Cost of Service		<u>\$ 526,548</u>		<u>\$ 14,784,053</u>

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
CASH WORKING CAPITAL LEAD/LAG ANALYSIS
TEST YEAR ENDING SEPTEMBER 30, 2025

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	\$ 72,820,372	39.33	\$ 2,864,025,222
3					
4	Operation and Maintenance Expense				
5	O&M, Labor	WP_4-1	\$ 9,568,925	14.07	\$ 134,634,780
6	O&M, Non-Labor	Ln 7 - Ln 5	<u>16,897,675</u>	29.40	<u>496,791,646</u>
7	Total O&M Expense	Sch 4	\$ <u>26,466,600</u>		\$ <u>631,426,426</u>
8					
9					
10	Taxes Other Than Income				
11	Ad Valorem	WP_5-1 & Sch 5	\$ 4,144,542	241.50	\$ 1,000,906,879
12	State Gross Receipts Tax	WP_5-1	2,816,779	(151.50)	(426,741,946)
13	Payroll Taxes	WP_5-1	269,885	16.55	4,466,591
14	Franchise Tax	WP_5-1	1,531,298	37.50	57,423,687
15	TRA Inspection Fee	WP_5-1	692,187	272.50	188,620,990
16	DOT	WP_5-1	\$ -	59.00	\$ -
17					
18	Allocated Taxes-Shared Services				
19	Ad Valorem	0%	\$ -	241.50	\$ -
20	Payroll Taxes	100%	\$ 427,614	16.55	\$ 7,077,012
21					
22	Allocated Taxes-Business Unit				
23	Ad Valorem	0%	\$ 214	241.50	\$ 51,626
24	Payroll Taxes	100%	<u>194,052</u>	16.55	<u>3,211,564</u>
25	Total Taxes Other Than Income		\$ <u>10,076,571</u>		\$ <u>835,016,402</u>

Line No.	Description	Reference	Test Year	Expense Lag	CWC Requirement
	(a)	(b)	(c)	(d)	(e) = (c) x (d)
26					
27	Federal Income Tax	WP_10-1R	\$ 8,345,679		
28	Current Taxes		-	37.50	-
29	Deferred Taxes	WP_7-2	8,345,679	-	-
30					
31	State Excise Tax	WP_10-1R	2,762,766		
32	Current Taxes		-	37.50	-
33	Deferred Taxes	WP_7-2	2,762,766	-	-
34					
35	Depreciation	Sch 6	20,670,184	-	-
36					
37	Interest on Customer Deposits	WP_1-1	146,436	182.50	26,724,651
38					
39	Interest Expense - LTD	Sch 7 & Sch 9	11,386,153	91.25	1,038,986,468
40					
41	Interest Expense - STD	Sch 7 & Sch 9	-	24.05	-
42					
43	Return on Equity	Sch 7 & WP_1-2	<u>\$ 38,956,133</u>		<u>\$ -</u>
44					
45					
46	TOTAL		<u>\$ 191,630,894</u>	28.16	<u>\$ 5,396,179,169</u>
47					
48	Daily Cost of Service		<u>\$ 525,016</u>		<u>\$ 14,784,053</u>

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, 2025

Line No.	Description	Rate Base	Depreciation Expense
	(a)	(b)	(c)
1			
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	\$ 953,486	\$ 29,796
13	Docket No. 17-00012, 2017 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-17	1,044,632	29,847
14	Docket No. 18-00067, 2018 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-18	825,796	22,939
15	Docket No. 19-00076, 2019 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-19	903,524	24,420
16	Docket No. 21-00019, 2020 TN ARM Amortization Schedule of Capitalized Incentive Compensation Adjustment, TYE 9-30-20	1,086,385	28,589
17	Docket No. 22-00010, 2021 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-21	1,689,129	43,311
18	Docket No. 23-00008, 2022 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-22	1,369,050	33,391
19	Docket No. 24-00006, 2023 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-23	1,478,757	36,969
20	Docket No. 25-00007, 2024 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-24	2,174,087	51,764
21	Docket No. 26-xxxxx, 2025 TN ARM Amortization Schedule of Capitalized Incentive Compensation & SERP Adjustments, TYE 9-30-25	2,673,488	62,174
22	Total	\$ 14,198,334	\$ 363,200
23			
24			
25	Note:		
26	1. Historic Base Period Amounts for the period of 12 months ended Septmeber 2025.		

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				Cumulative Balance - Amortization	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				
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)

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.
2/28/2023	(8,887,482)	(5,751,273)	(14,638,755)	(30,127)		(479,273)		(509,400)	(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)	(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)	(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)	(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)	(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)	(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)	(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)	(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)	(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)	(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)	(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)	(9,081,602)	(1,429)	(29,337,265)
2/29/2024	(8,579,590)	0	(8,579,590)	(24,168)		(479,273)		(503,441)	(8,578,161)	(1,429)	(29,337,265)
3/31/2024	(8,555,422)	0	(8,555,422)	(24,168)				(24,168)	(8,553,993)	(1,429)	(29,337,265)
4/30/2024	(8,531,255)	0	(8,531,255)	(24,168)				(24,168)	(8,529,825)	(1,429)	(29,337,265)
5/31/2024	(8,507,087)	0	(8,507,087)	(24,168)				(24,168)	(8,505,658)	(1,429)	(29,337,265)
6/30/2024	(8,485,819)	0	(8,485,819)	(21,268)				(21,268)	(8,484,391)	(1,428)	(29,337,265)
7/31/2024	(8,464,551)	0	(8,464,551)	(21,268)				(21,268)	(8,463,123)	(1,428)	(29,337,265)
8/31/2024	(8,443,284)	0	(8,443,284)	(21,268)				(21,268)	(8,441,855)	(1,428)	(29,337,265)
9/30/2024	(8,422,016)	0	(8,422,016)	(21,268)				(21,268)	(8,422,014)	(2)	(29,337,265)
10/31/2024	(8,400,748)	0	(8,400,748)	(21,268)				(21,268)	(8,400,746)	(2)	(29,337,265)
11/30/2024	(8,379,480)	0	(8,379,480)	(21,268)				(21,268)	(8,379,479)	(2)	(29,337,265)
12/31/2024	(8,358,213)	0	(8,358,213)	(21,268)				(21,268)	(8,358,212)	(1)	(29,337,265)
1/31/2025	(8,336,945)	0	(8,336,945)	(21,268)				(21,268)	(8,336,944)	(1)	(29,337,265)
2/28/2025	(8,315,677)	0	(8,315,677)	(21,268)				(21,268)	(8,315,676)	(1)	(29,337,265)
3/31/2025	(8,294,410)	0	(8,294,410)	(21,268)				(21,268)	(8,294,407)	(2)	(29,337,265)
4/30/2025	(8,273,142)	0	(8,273,142)	(21,268)				(21,268)	(8,273,140)	(2)	(29,337,265)
5/31/2025	(8,251,874)	0	(8,251,874)	(21,268)				(21,268)	(8,251,872)	(2)	(29,337,265)
6/30/2025	(8,230,606)	0	(8,230,606)	(21,268)				(21,268)	(8,230,605)	(2)	(29,337,265)
7/31/2025	(8,209,339)	0	(8,209,339)	(21,268)				(21,268)	(8,209,337)	(2)	(29,337,265)
8/31/2025	(8,188,071)	0	(8,188,071)	(21,268)				(21,268)	(8,188,069)	(2)	(29,337,265)
9/30/2025	(8,166,803)	0	(8,166,803)	(21,268)				(21,268)	(8,166,800)	(3)	(29,337,265)
10/31/2025	(8,145,536)	0	(8,145,536)	(21,268)				(21,268)			(29,337,265)
11/30/2025	(8,124,268)	0	(8,124,268)	(21,268)				(21,268)			(29,337,265)
12/31/2025	(8,103,000)	0	(8,103,000)	(21,268)				(21,268)			(29,337,265)
1/31/2026	(8,081,732)	0	(8,081,732)	(21,268)				(21,268)			(29,337,265)
2/28/2026	(8,060,465)	0	(8,060,465)	(21,268)				(21,268)			(29,337,265)
3/31/2026	(8,039,197)	0	(8,039,197)	(21,268)				(21,268)			(29,337,265)
4/30/2026	(8,017,929)	0	(8,017,929)	(21,268)				(21,268)			(29,337,265)
5/31/2026	(7,996,662)	0	(7,996,662)	(21,268)				(21,268)			(29,337,265)
6/30/2026	(7,975,394)	0	(7,975,394)	(21,268)				(21,268)			(29,337,265)
7/31/2026	(7,954,126)	0	(7,954,126)	(21,268)				(21,268)			(29,337,265)
8/31/2026	(7,932,858)	0	(7,932,858)	(21,268)				(21,268)			(29,337,265)
9/30/2026	(7,911,591)	0	(7,911,591)	(21,268)				(21,268)			(29,337,265)
10/31/2026	(7,890,323)	0	(7,890,323)	(21,268)				(21,268)			(29,337,265)
11/30/2026	(7,869,055)	0	(7,869,055)	(21,268)				(21,268)			(29,337,265)
12/31/2026	(7,847,787)	0	(7,847,787)	(21,268)				(21,268)			(29,337,265)
1/31/2027	(7,826,520)	0	(7,826,520)	(21,268)				(21,268)			(29,337,265)
2/28/2027	(7,805,252)	0	(7,805,252)	(21,268)				(21,268)			(29,337,265)
3/31/2027	(7,783,984)	0	(7,783,984)	(21,268)				(21,268)			(29,337,265)
4/30/2027	(7,762,717)	0	(7,762,717)	(21,268)				(21,268)			(29,337,265)
5/31/2027	(7,741,449)	0	(7,741,449)	(21,268)				(21,268)			(29,337,265)
6/30/2027	(7,720,181)	0	(7,720,181)	(21,268)				(21,268)			(29,337,265)
7/31/2027	(7,698,913)	0	(7,698,913)	(21,268)				(21,268)			(29,337,265)
8/31/2027	(7,677,646)	0	(7,677,646)	(21,268)				(21,268)			(29,337,265)
9/30/2027	(7,656,378)	0	(7,656,378)	(21,268)				(21,268)			(29,337,265)
10/31/2027	(7,635,110)	0	(7,635,110)	(21,268)				(21,268)			(29,337,265)
11/30/2027	(7,613,843)	0	(7,613,843)	(21,268)				(21,268)			(29,337,265)
12/31/2027	(7,592,575)	0	(7,592,575)	(21,268)				(21,268)			(29,337,265)
1/31/2028	(7,571,307)	0	(7,571,307)	(21,268)				(21,268)			(29,337,265)
2/29/2028	(7,550,039)	0	(7,550,039)	(21,268)				(21,268)			(29,337,265)
3/31/2028	(7,528,772)	0	(7,528,772)	(21,268)				(21,268)			(29,337,265)
4/30/2028	(7,507,504)	0	(7,507,504)	(21,268)				(21,268)			(29,337,265)
5/31/2028	(7,486,236)	0	(7,486,236)	(21,268)				(21,268)			(29,337,265)
6/30/2028	(7,464,969)	0	(7,464,969)	(21,268)				(21,268)			(29,337,265)
7/31/2028	(7,443,701)	0	(7,443,701)	(21,268)				(21,268)			(29,337,265)
8/31/2028	(7,422,433)	0	(7,422,433)	(21,268)				(21,268)			(29,337,265)
9/30/2028	(7,401,165)	0	(7,401,165)	(21,268)				(21,268)			(29,337,265)

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.
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)

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

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.
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)

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.
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			
	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.
2/28/2057	(148,874)	0	(148,874)	(21,268)				(21,268)			(29,337,265)
3/31/2057	(127,606)	0	(127,606)	(21,268)				(21,268)			(29,337,265)
4/30/2057	(106,339)	0	(106,339)	(21,268)				(21,268)			(29,337,265)
5/31/2057	(85,071)	0	(85,071)	(21,268)				(21,268)			(29,337,265)
6/30/2057	(63,803)	0	(63,803)	(21,268)				(21,268)			(29,337,265)
7/31/2057	(42,535)	0	(42,535)	(21,268)				(21,268)			(29,337,265)
8/31/2057	(21,268)	0	(21,268)	(21,268)				(21,268)			(29,337,265)
9/30/2057	0	0	0	(21,268)				(21,268)			(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, 2025

Line No.	Description	Company	Cost Center	Account	Sub Account	Service Area	Sep-25
1	Depr Exp to Reg Asset	50	0000	4030	30005	093	\$ 7,628,105
2	Interest to Reg Asset	50	0000	4310	30130	093	22,956,086
3	RWIP Interest to Reg Asset	50	0000	4310	30130	093	733,545
4	Prop Tax to Reg Asset	50	0000	4081	30101	093	2,233,758
5							<u>\$ 33,551,493</u>
6							

Line No.	Description	Company	Cost Center	Account	Sub Account	Service Area	Sep-25	Relieved June-21 ⁽¹⁾	Relieved July-22 ⁽²⁾	Relieved June-23 ⁽³⁾	Relieved June-24 ⁽⁴⁾	Relieved June-25 ⁽⁵⁾	Sep-25 After Relief
8	Depr Exp to Reg Asset	50	0000	1860	14218	093	\$ 7,628,105	\$ (134,262)	\$ (650,582)	\$ (1,385,442)	\$ (1,669,343)	\$ (1,721,643)	\$ 2,066,832
9	Interest to Reg Asset	50	0000	1860	14218	093	22,956,086	(81,854)	(1,624,822)	(3,783,039)	(5,061,318)	(5,523,726)	6,881,327
10	RWIP Interest to Reg Asset	50	0000	1860	14218	093	733,545	(1,529)	(41,865)	(110,321)	(147,739)	(219,619)	212,473
11	Prop Tax to Reg Asset	50	0000	1860	14218	093	2,233,758	-	(105,687)	(337,111)	(553,346)	(625,040)	612,574
12							<u>\$ 33,551,493</u>	<u>\$ (217,645)</u>	<u>\$ (2,422,956)</u>	<u>\$ (5,615,913)</u>	<u>\$ (7,431,745)</u>	<u>\$ (8,090,028)</u>	<u>\$ 9,773,206</u>
13													
14													

Line No.	Division	Division Description	Account	Account Description	Sub Account	Sub Account Description	Description	SEP-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Average
16	093	Tennessee Division	186	Miscellaneous deferred debits	14218	Rule 8209	Total Deferral	8,089,156	8,725,917	9,387,173	10,087,215	10,852,151	11,662,113	12,560,446	13,514,026	14,546,457	7,048,430	7,804,549	8,633,182	9,773,206	10,206,463
17	093	Tennessee Division	186	Miscellaneous deferred debits	14218	Rule 8209	Interest & RWIP Interest	(5,743,345)	(6,216,580)	(6,710,591)	(7,237,821)	(7,506,042)	(8,386,995)	(9,052,240)	(9,761,259)	(10,530,157)	(5,229,088)	(5,780,059)	(6,370,966)	(7,093,800)	(7,355,303)
18								<u>2,345,811</u>	<u>2,509,337</u>	<u>2,676,582</u>	<u>2,849,394</u>	<u>3,346,109</u>	<u>3,275,119</u>	<u>3,508,206</u>	<u>3,752,767</u>	<u>4,016,300</u>	<u>1,819,342</u>	<u>2,024,490</u>	<u>2,262,216</u>	<u>2,679,406</u>	<u>2,851,160</u>

Notes:

1. For Company 50, 100% of the deferrals during the time period 06.20 and 09.20 were relieved in June-21 business.
2. For Company 50, 100% of the deferrals during the time period 10.20 and 09.21 were relieved in July-22 business.
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. For Company 50, 100% of the deferrals during the time period 10.21 and 09.22 were relieved in June-23 business.
24. 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. For Company 50, 100% of the deferrals during the time period 10.22 and 09.23 were relieved in June-24 business.
26. 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, 2025

Line No.	Description (a)	Reference (b)	Test Year (c)
1	Required Return	Schedule 7	\$ 52,487,389
2			
3	Current Return	Schedule 10	\$ 46,507,661
4			
5	Pre-Tax Deficiency from Current Return	Ln 1 - Ln 3	5,979,728
6	Tax Expansion Factor	WP_8-2	<u>1.3570</u>
7	After-Tax Deficiency from Current Return	Ln 5 x Ln 6	\$ 8,114,491
8			
9	Tax Liability Increase / Decrease	Ln 7 - Ln 5	2,134,763
10	Current Tax Liability	Schedule 10	<u>\$ 12,426,733</u>
11			
12	Income Tax Liability	Ln 9 + Ln 10	\$ 14,561,496
13			
14	Less: ITC Amortization ⁽²⁾		<u>-</u>
15			
16	Total Income Tax Liability	Ln 12 - Ln 14	<u><u>\$ 14,561,496</u></u>
17			
18	Notes:		
19	1. Twelve months ended September 30, 2025.		
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, 2025

Line No.	Description (a)	Reference (b)	Test Year (c)
1	Required Return	Schedule 7R	\$ 48,232,841
2			
3	Current Return	Schedule 10R	\$ 43,990,142
4			
5	Pre-Tax Deficiency from Current Return	Ln 1 - Ln 3	4,242,699
6	Tax Expansion Factor	WP_8-2	<u>1.3570</u>
7	After-Tax Deficiency from Current Return	Ln 5 x Ln 6	\$ 5,757,343
8			
9	Tax Liability Increase / Decrease	Ln 7 - Ln 5	1,514,644
10	Current Tax Liability	Schedule 10R	<u>\$ 11,108,445</u>
11			
12	Income Tax Liability	Ln 9 + Ln 10	\$ 12,623,089
13			
14	Less: ITC Amortization ⁽²⁾		<u>-</u>
15			
16	Total Income Tax Liability	Ln 12 - Ln 14	<u><u>\$ 12,623,089</u></u>
17			
18	Notes:		
19	1. Thirteen months average ended September 30, 2025.		
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, 2025**

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ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
REVENUE CONVERSION FACTOR
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Reference	Test Year ⁽¹⁾ Amount	Balance
	(a)	(b)	(c)	(d)
1	Operating Revenues			1.000000
2				
3	Add: Forfeited Discounts	Sch 11-2/Sch2	0.003684	<u>0.003684</u>
4				
5	Balance	Ln 1 + Ln 3		1.003684
6				
7	Uncollectible Ratio	WP_4-1/Sch 2	0.006023	<u>0.006045</u>
8				
9	Balance	Ln 5 - Ln 7		0.997639
10				
11	State Excise Tax	Ln 9 x Ln 11	0.065000	<u>0.064847</u>
12				
13	Balance	Ln 9 - Ln 11		0.932792
14				
15	Federal Income Tax	Ln 13 x Ln 15	0.210000	<u>0.195886</u>
16				
17	Balance	Ln 13 - Ln 15		0.736906
18				
19	Revenue Conversion Factor	Ln 1 / Ln 17		1.357000
20				
21	Note:			
22	1. Twelve months ended September 30, 2025.			

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM ("TN ARM") - COST OF SERVICE FILING
OVERALL COST OF CAPITAL
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Percent	Cost Rate	Overall Cost of Capital
	(a)	(b)	(c)	(d)
1	Long Term Debt Capital	39.55%	4.15%	1.64%
2	Short Term Debt	0.00%	0.00%	0.00%
3	Equity Capital ⁽¹⁾	60.45%	9.80%	5.92%
4				
5	Total Capital	<u>100.0%</u>		<u>7.56%</u>
6				
7	Note:			
8	1. Allowed return on equity 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, 2025

Line No.	Description	Percent	Cost Rate	Overall Cost of Capital
	(a)	(b)	(c)	(d)
1	Long Term Debt Capital	39.53%	4.15%	1.64%
2	Short Term Debt	0.00%	0.00%	0.00%
3	Equity Capital ⁽¹⁾	60.47%	9.80%	5.93%
4				
5	Total Capital	<u>100.0%</u>		<u>7.57%</u>
6				
7	Note:			
8	1. Allowed return on equity 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, 2025

Line No.	Description (a)	Capital (b)	Cost Rate (c)
1	Long Term Debt	\$ 8,872,776,020	39.55%
2	Short Term Debt	-	0.00%
3	Equity	13,558,890,601	60.45%
4			
5	Total Capital	<u>\$ 22,431,666,620</u>	<u>100.00%</u>
6			
7	Notes:		
8	1. As of the end of the Test Period September 2025.		
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, 2025

Line No.	Description	Capital	Cost Rate
	(a)	(b)	(c)
1	Long Term Debt	\$ 8,480,115,973	39.53%
2	Short Term Debt	-	0.00%
3	Equity	12,971,927,248	60.47%
4			
5	Total Capital	\$ 21,452,043,220	100.00%
6			
7	Notes:		
8	1. Thirteen months Average ended September 30, 2025.		
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, 2025

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 ⁽¹⁾	Short-Term Debt ⁽²⁾	Equity	STD Avg Daily Bal	STD Int Exp & fees	STD Avg rate	Interest on CP or Interest on Commitment Fees Bank Fees on AEC Credit		
								Draws on Credit Facility	on Credit Facility	Facility with RBS
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	30165, 30171, 30175, 30176	30120,30121,30187	30121,30187
1	Sep-24	\$ 7,736,406,598	-	\$ 12,157,669,740	\$ -	\$ 419,635		\$ -	\$ 247,246	\$ 172,389
2	Oct-24	8,376,029,911	-	12,243,906,581	-	427,877		-	255,488	172,389
3	Nov-24	8,376,303,844	-	12,220,359,426	-	419,635		-	247,246	172,389
4	Dec-24	8,376,568,430	-	12,780,481,313	-	427,877		-	255,488	172,389
5	Jan-25	8,376,833,017	-	12,980,736,607	-	427,891		-	255,502	172,389
6	Feb-25	8,377,097,603	-	12,999,633,061	-	403,165		-	230,776	172,389
7	Mar-25	8,377,362,190	-	13,137,965,351	5,483,871	478,557		21,014	255,502	202,041
8	Apr-25	8,377,626,776	-	13,200,649,398	-	412,041		-	247,260	164,781
9	May-25	8,377,891,363	-	13,144,474,214	-	421,872		-	255,502	166,370
10	Jun-25	8,872,068,409	-	13,385,838,293	4,666,667	429,296		17,256	247,260	164,781
11	Jul-25	8,872,084,816	-	13,450,892,570	-	420,283		-	255,502	164,781
12	Aug-25	8,872,458,667	-	13,373,557,064	-	420,283		-	255,502	164,781
13	Sep-25	8,872,776,020	-	13,558,890,601	-	412,041		-	247,260	164,781
14						\$ 5,100,818		\$ 38,269	\$ 3,008,288	\$ 2,054,260
15						(0)		(0)		
16	Average	\$ 8,480,115,973	\$ -	\$ 12,971,927,248	\$ 845,878		0.00%	Per STD reports 12 Months :	\$ 5,100,818	

Notes:

1. Long Term Debt, Column (b) has been adjusted to exclude Long-Term Lease Liability and AEKS Securitization.
2. Short-Term Debt is an average of 12 months ending September 2025.

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
COST OF CAPITAL - LONG TERM DEBT RATE
TEST YEAR ENDING SEPTEMBER 30, 2025

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
COST OF CAPITAL - LONG TERM DEBT RATE
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Debt Series	Issued	Outstanding 9/30/2024	Outstanding 10/31/2024	Outstanding 11/30/2024	Outstanding 12/31/2024	Outstanding 1/31/2025	Outstanding 2/28/2025	Outstanding 3/31/2025	Outstanding 4/30/2025	Outstanding 5/31/2025	Outstanding 6/30/2025	Outstanding 7/31/2025	Outstanding 8/31/2025	Outstanding 9/30/2025	End Int Rate	Annual Int at 9/30/2025	Outstanding 13 mth Average	Avg Int Rate	Annual Int 13 mth Average	Annualized 4270.30937 Amortization for T-lock	Annualized 4280, 4281, 4290, 4310 Amortization Debt Exp/Dsct/Exp	Unamort Debt Exp 2241,1650,1860 Penalty 1890 Dsct 2260 9/30/2025
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q) = (r) x (p)	(r) = Avg (c) : (o)	(s)	(t) = (r) x (s)	(u)	(v)	(w)	
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	-	-	-	-	-	-	-	-	-	-	-	-	-	9.400%	-	-	-	-	-	0	
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	6.750%	10,125,000	150,000,000	6.750%	10,125,000	-	99,938	279,471
3	5.125% Senior Note due Jan 2013	01/13/09	-	-	-	-	-	-	-	-	-	-	-	-	-	5.125%	-	-	-	-	-	-	
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	-	-	-	-	-	-	-	-	-	-	-	-	10.430%	-	-	-	-	-	-	
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	-	-	-	-	-	-	-	-	-	-	-	-	9.750%	-	-	-	-	-	(0)	
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	-	-	-	-	-	-	-	-	-	-	-	-	9.320%	-	-	-	-	-	(0)	
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	-	-	-	-	-	-	-	-	-	-	-	-	8.770%	-	-	-	-	-	0	
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	6.670%	667,000	10,000,000	6.670%	667,000	-	7,777	1,620
9	4.95% Sr Note due 10/15/2014	10/22/04	-	-	-	-	-	-	-	-	-	-	-	-	-	4.950%	-	-	-	-	-	-	
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	5.950%	11,800,000	200,000,000	5.950%	11,800,000	(7,047)	115,724	1,047,779
11	4.3% Sr Note due 10/1/2048	10/20/18	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	4.300%	25,800,000	600,000,000	4.300%	25,800,000	-	315,361	7,252,297
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	5.500%	22,000,000	400,000,000	5.500%	22,000,000	(669,302)	186,860	2,927,466
13	8.50% Sr Note due 3/15/2019	03/23/09	-	-	-	-	-	-	-	-	-	-	-	-	-	8.500%	-	-	-	-	-	-	
14	4.15% Sr Note due 3/15/2043	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	4.150%	20,750,000	500,000,000	4.150%	20,750,000	2,220,857	376,080	6,536,332
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	4.125%	30,937,500	750,000,000	4.125%	30,937,500	908,016	(43,555)	(830,667)
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	3.000%	15,000,000	500,000,000	3.000%	15,000,000	-	555,072	948,248
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	4.125%	18,562,500	450,000,000	4.125%	18,562,500	3,004,713	220,238	5,157,230
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	2.625%	13,125,000	500,000,000	2.625%	13,125,000	-	157,906	631,623
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	3.375%	16,875,000	500,000,000	3.375%	16,875,000	-	187,982	4,511,557
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	1.500%	9,000,000	600,000,000	1.500%	9,000,000	428,338	743,529	3,965,488
21	0.625% Sr Notes Due 2023	03/20/21	-	-	-	-	-	-	-	-	-	-	-	-	-	0.625%	-	-	-	-	-	-	
22	FRN Sr Notes Due 2023	03/20/21	-	-	-	-	-	-	-	-	-	-	-	-	-	5.105%	-	-	-	-	-	-	
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	2.850%	17,100,000	600,000,000	2.850%	17,100,000	(2,049,211)	338,440	8,912,252
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	5.450%	16,350,000	300,000,000	5.450%	16,350,000	-	320,839	2,245,875
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	5.750%	28,750,000	500,000,000	5.750%	28,750,000	(6,569,089)	247,411	6,680,089
26	5.000% Sr Notes Due 2054	10/20/24	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	650,000,000	5.000%	32,500,000	600,000,000	5.000%	30,000,000	(7,648,921)	388,925	11,376,070
27	5.900% Sr Notes Due 2033 (300MM(2013) & 325MM(2024))	10/20/23	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	725,000,000	5.900%	42,775,000	725,000,000	5.900%	42,775,000	(6,610,505)	(1,100,383)	(8,928,030)
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	500,000,000	6.200%	31,000,000	500,000,000	6.200%	31,000,000	(3,501,323)	222,756	6,237,172
29	5.200% Sr Notes Due 2035	06/20/25	-	-	-	-	-	-	-	-	-	-	-	-	-	5.200%	26,000,000	153,846,154	5.200%	8,000,000	-	633,199	6,173,689
30	5.450% Sr Notes Due 2056	10/01/25	-	-	-	-	-	-	-	-	-	-	-	-	-	5.450%	-	-	-	-	-	-	
31	Subtotal - Utility Long-Term Debt		\$ 7,785,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000		\$ 389,217,000	\$ 8,538,846,154	5.450%	\$ 368,717,000	(20,485,484)	3,976,098	65,126,562
32	Other Long-Term Debt		-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	
33	Total Long-Term Debt		\$ 7,785,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000	\$ 8,435,000,000		\$ 389,217,000	\$ 8,538,846,154		\$ 368,717,000	(20,485,484)	3,976,098	65,126,562
34	Less Unamortized Debt Discount & Debt Premium		\$ (8,071,326)	\$ (4,327,595)	\$ (4,237,363)	\$ (4,134,381)	\$ (4,031,399)	\$ (3,928,418)	\$ (3,825,436)	\$ (3,722,455)	\$ (3,619,473)	\$ (3,516,491)	\$ (3,413,509)	\$ (3,310,527)	\$ (3,207,545)		\$ -	\$ (15,598,318)		\$ -	-	-	-
35	Less Unamortized Debt Expense	(1)	\$ 57,664,728	\$ 63,297,684	\$ 62,933,519	\$ 62,569,354	\$ 62,205,189	\$ 61,841,024	\$ 61,476,859	\$ 61,112,694	\$ 60,748,529	\$ 60,384,364	\$ 60,020,199	\$ 59,656,034	\$ 59,291,869		\$ -	\$ 62,324,499		\$ -	-	-	-
36	Annualized Amortization of T-Lock Settlement, Debt Exp. & Debt Disc.		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (16,509,386)	\$ 48,070,178		\$ (16,509,386)	-	-	-	
37			\$ 7,736,406,598	\$ 8,376,029,911	\$ 8,376,303,844	\$ 8,376,568,430	\$ 8,376,833,017	\$ 8,377,097,603	\$ 8,377,362,190	\$ 8,377,626,776	\$ 8,377,891,363	\$ 8,378,155,950	\$ 8,378,420,537	\$ 8,378,685,124	\$ 8,378,949,711		\$ 372,707,614	\$ 8,528,186,151		\$ 352,207,614	(20,485,484)	3,976,098	65,126,562
38	Effective Avg Cost of Consol Debt																						
39	Consolidated & Utility																						

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
RATE OF RETURN
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Test Year ⁽¹⁾ (c)
1	Total Revenues	Sch 1	\$ 189,538,644
2			
3	Gas Cost	Sch 3	72,820,372
4			
5	Operation & Maintenance Expense	Sch 1	26,466,600
6			
7	Taxes Other Than Income Taxes	Sch 5	10,076,571
8			
9	Depreciation & Amortization Expense	Sch 1	23,998,358
10			
11	Federal Income and State Excise Tax	WP_10-1	12,426,733
12			
13	Interest on Customer Deposits	Sch 1	146,436
14			
15	AFUDC	WP_1-2	<u>(2,904,086)</u>
16			
17	Return on Rate Base	Ln 1 - sum (Ln 3 : Ln 15)	<u>\$ 46,507,661</u>

18			
19	Total Rate Base	Sch 7	\$ 694,277,626
20			
21	Rate of Return on Rate Base	Ln 17 / Ln 19	6.70%
22			
23	Interest Expense	Sch 9, Sch 7	11,386,153
24			
25			
26	Return on Equity	Ln 17 - Ln 23	<u>\$ 35,121,508</u>
27			
28	Rate of Return on Equity	Sch 9	8.37%
29			
30	Note:		
31	1. Twelve months ended September 30, 2025.		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
RATE OF RETURN
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description (a)	Reference (b)	Test Year ⁽¹⁾ (c)
1	Total Revenues	Sch 1R	\$ 183,133,646
2			
3	Gas Cost	Sch 3	72,820,372
4			
5	Operation & Maintenance Expense	Sch 1R	26,466,600
6			
7	Taxes Other Than Income Taxes	Sch 5	10,076,571
8			
9	Depreciation & Amortization Expense	Sch 1R	20,670,184
10			
11	Federal Income and State Excise Tax	WP_10-1R	11,108,445
12			
13	Interest on Customer Deposits	Sch 1R	146,436
14			
15	AFUDC Interest credit	WP_1-2R	<u>(2,145,103)</u>
16			
17	Return on Rate Base	Ln 1 - Sum (Ln 3 : Ln 15)	<u>\$ 43,990,142</u>

18			
19	Total Rate Base	Sch 7R	\$ 637,157,740
20			
21	Rate of Return on Rate Base	Ln 17 / Ln 19	6.90%
22			
23	Interest Expense	Sch 9R, Sch 7R	10,449,387
24			
25			
26	Return on Equity	Ln 17 - Ln 23	<u>\$ 33,540,755</u>
27			
28	Rate of Return on Equity	Sch 9	8.71%
29			
30	Note:		
31	1. Twelve months ended September 30, 2025.		

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, 2025

Line No.	Description (a)	Reference (b)	Tax Rate (c)	Test Year ⁽¹⁾ (d)
1	Net Operating Income Before Income Tax	Sch 10		\$ 58,934,394
2				
3	Interest Deduction	Sch 10		<u>11,386,153</u>
4				
5	Equity Portion of Return	Ln 1 - Ln 3		\$ 47,548,241
6				
7	Application of Tax Rate to Equity Return - Tennessee	Ln 5 x Ln 7	6.5%	3,090,636
8				
9	Application of Tax Rate to Equity Return - Federal		21%	<u>9,336,097</u>
10				
11	Income Tax Expense	Ln 7 + Ln 9		<u><u>\$ 12,426,733</u></u>
12				
13	Less: ITC Amortization ⁽²⁾			<u>-</u>
14				
15	Total Income Tax Liability	Ln 11 - Ln 13		<u><u>\$ 12,426,733</u></u>
16				
17	Notes:			
18	1. Twelve months ended September 30, 2025.			
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, 2025

Line No.	Description (a)	Reference (b)	Tax Rate (c)	Test Year ⁽¹⁾ (d)
1	Net Operating Income Before Income Tax	Sch 10		\$ 52,953,483
2				
3	Interest Deduction	Sch 10		<u>10,449,387</u>
4				
5	Equity Portion of Return	Ln 1 - Ln 3		\$ 42,504,096
6				
7	Application of Tax Rate to Equity Return - Tennessee	Ln 5 x Ln 7	6.5%	2,762,766
8				
9	Application of Tax Rate to Equity Return - Federal		21%	<u>8,345,679</u>
10				
11	Income Tax Expense	Ln 7 + Ln 9		<u><u>\$ 11,108,445</u></u>
12				
13	Less: ITC Amortization ⁽²⁾			<u>-</u>
14				
15	Total Income Tax Liability	Ln 11 - Ln 13		<u><u>\$ 11,108,445</u></u>
16				
17	Notes:			
18	1. Twelve months ended September 30, 2025.			
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, 2025**

Line No.	Description	12 Mths Ended Sep 25		Rates effective Sep 25		12 mths Sep 25	Weather	12 mths Sep 25	12 mths Sep 25	12 mths Sep 25
		Base Count	Volumes Mcf	Monthly Customer chg	Commodity Charge/Mcf	Margin at Sep 25 Rates	Adjustment Volumes Mcf	WNA Adjusted Volumes Mcf	Weather adj Margin at Sep 25 Rates	WNA \$ Adj at Sep 25 Rates
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	RESIDENTIAL									
2	210 Residential Gas Service (Summer)	731,571	1,079,372	\$ 22.80	\$ 1.774	\$ 18,594,625	-	1,079,372	\$ 18,594,625	\$ -
3	210 Residential Gas Service (Winter) (weather sensitive)	1,021,248	7,549,511	\$ 24.80	\$ 1.774	38,719,783	1,033,676	8,583,187	40,553,525	1,833,742
4	210 Residential Gas Service Senior Citizen (Summer)	299	204	\$ -	\$ 1.774	361	-	204	361	-
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	421	2,504	\$ -	\$ 1.774	4,442	-	2,504	4,442	-
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	-	-	-	-	-
7	Total Residential	1,753,539	8,631,591			\$ 57,319,211	1,033,676	9,665,267	\$ 59,152,953	\$ 1,833,742
8										
9	COMMERCIAL									
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	\$ -	-	-	\$ -	\$ -
11	220 Commercial Gas Service (weather sensitive)	217,022	6,064,120	\$ 50.25	\$ 3.609	32,790,763	452,386	6,516,505	34,423,423	1,632,661
12	230 Large Commercial Gas Service (weather sensitive)	-	-	\$ 505.00	\$ 3.127	-	-	-	-	-
13	250 Commercial Interruptible Gas Service	-	-	\$ 505.00		-	-	-	-	-
14	Block 1 Volumes	-	-		\$ 1.751	-	-	-	-	-
15	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
16	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
17	293 Large Tonnage Air Conditioning Gas Service	12	-	\$ 50.25		603	-	-	603	-
18	Block 1 Volumes	-	12,089		\$ 1.751	21,169	-	12,089	21,169	-
19	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
20	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
21	Total Commercial	217,034	6,076,209			\$ 32,812,534	452,386	6,528,595	\$ 34,445,195	\$ 1,632,661
22										
23	INDUSTRIAL									
24	220 Industrial Gas Service (weather sensitive)	3,750	715,251	\$ 50.25	\$ 3.609	\$ 2,769,780	53,358	768,609	\$ 2,962,349	\$ 192,569
25	230 Large Industrial Gas Service	82	163,654	\$ 505.00	\$ 3.127	553,158	-	163,654	553,158	-
26	240 DEMAND/COMM GS	-	-	\$ 505.00		-	-	-	-	-
27	Block 1 Volumes	-	-		\$ 1.751	-	-	-	-	-
28	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
29	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
30	Demand Volumes	-	-		\$ 23.022	-	-	-	-	-
31	250 Industrial Interruptible Gas Service	230	-	\$ 505.00		116,150	-	-	116,150	-
32	Block 1 Volumes	-	231,038		\$ 1.751	404,548	-	231,038	404,548	-
33	Block 2 Volumes	-	956,340		\$ 1.159	1,108,589	-	956,340	1,108,589	-
34	Block 3 Volumes	-	514,577		\$ 0.537	276,311	-	514,577	276,311	-
35	250/240/280 Industrial/Demand/Economic Dev	10	-	\$ 505.00		5,050	-	-	5,050	-
36	Block 1 Volumes	-	20,000		\$ 1.751	35,020	-	20,000	35,020	-
37	Block 1 Volumes @ Discount Rate	-	-		\$ 1.313	-	-	-	-	-
38	Block 2 Volumes	-	65,972		\$ 1.159	76,474	-	65,972	76,474	-
39	Block 2 Volumes @ Discount Rate	-	-		\$ 0.869	-	-	-	-	-
40	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
41	Block 3 Volumes @ Discount Rate	-	-		\$ 0.403	-	-	-	-	-
42	Demand Volumes	-	-		\$ 23.022	-	-	-	-	-
43	Demand Volumes @ Discount Rate	-	-		\$ 17.267	-	-	-	-	-
44	280/250 Economic Development Gas Service	-	-	\$ 505.00		-	-	-	-	-
45	Block 1 Volumes	-	-		\$ 1.751	-	-	-	-	-
46	Block 1 Volumes @ Discount Rate	-	-		\$ 1.313	-	-	-	-	-
47	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
48	Block 2 Volumes @ Discount Rate	-	-		\$ 0.869	-	-	-	-	-
49	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
50	Block 3 Volumes @ Discount Rate	-	-		\$ 0.403	-	-	-	-	-

Line No.	Description	12 Mths Ended Sep 25		Rates effective Sep 25		12 mths Sep 25	Weather	12 mths Sep 25	12 mths Sep 25	12 mths Sep 25
		Base Count	Volumes Mcf	Monthly Customer chg	Commodity Charge/Mcf	Margin at Sep 25 Rates	Adjustment Volumes Mcf	WNA Adjusted Volumes Mcf	Weather adj Margin at Sep 25 Rates	WNA \$ Adj at Sep 25 Rates
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
51	292 Cogeneration, CNG, Prime Movers Service	12	-	\$ 50.25		603	-	-	603	
52	Block 1 Volumes	-	1,684		\$ 1.751	2,949	-	1,684	2,949	
53	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	
54	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	
55	Total Industrial	4,084	2,668,516			\$ 5,348,631	53,358	2,721,874	\$ 5,541,200	\$ 192,569
56										
57	PUBLIC AUTHORITY									
58	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	-	-	\$ 16.75	\$ 0.872	\$ -	-	-	\$ -	\$ -
59	221 Experimental School Gas Service	36	24,275	\$ 50.25	\$ 1.719	43,538	1,811	26,086	46,651	3,113
60	225 Public Authority Gas Service (Sr. Citizen) (Summer)	-	-	\$ -	\$ 1.774	-	-	-	-	-
61	225 Public Authority Gas Service (Sr. Citizen) (Winter)	-	-	\$ -	\$ 1.774	-	-	-	-	-
62	225 Public Authority Gas Service (Summer)	2,937	4,161	\$ 22.80	\$ 1.774	74,345	-	4,161	74,345	-
63	225 Public Authority Gas Service (Winter)	4,182	21,227	\$ 24.80	\$ 1.774	141,371	3,040	24,268	146,765	5,394
64	Total Public Authority	7,155	49,664			\$ 259,254	4,851	54,515	\$ 267,761	\$ 8,507
65										
66	TRANSPORTATION									
67	260 - TRANSP (220 SML COM/INDG)	96	100,171	\$ 505.00	\$ 3.609	\$ 409,996	-	100,171	\$ 409,996	\$ -
68	260 - TRANSP (230 LRG COM/INDG)	456	1,222,831	\$ 505.00	\$ 3.127	4,054,074	-	1,222,831	4,054,074	-
69	260 - TRANSP (240 DEMAND)	84	-	\$ 505.00		42,420	-	0	42,420	-
70	Block 1 Volumes	-	168,000		\$ 1.751	294,168	-	168,000	294,168	-
71	Block 2 Volumes	-	775,618		\$ 1.159	899,096	-	775,618	899,096	-
72	Block 3 Volumes	-	-		\$ 0.537	-	-	0	0	-
73	Demand Volumes	-	43,574		\$ 23.022	1,003,165	-	43,574	1,003,165	-
74	260 - TRANSP (250 OPT GS)	696	-	\$ 505.00		351,480	-	0	351,480	-
75	Block 1 Volumes	-	1,400,211		\$ 1.751	2,451,770	-	1,400,211	2,451,770	-
76	Block 2 Volumes	-	5,152,966		\$ 1.159	5,973,318	-	5,152,966	5,973,318	-
77	Block 3 Volumes	-	237,462		\$ 0.537	127,510	-	237,462	127,510	-
78	260 - TRANSP (280/240 ECON DEV/DEMAND)	-	-	\$ 505.00		-	-	-	-	-
79	Block 1 Volumes	-	-		\$ 1.751	-	-	-	-	-
80	Block 1 Volumes @ Discount Rate	-	-		\$ 1.313	-	-	-	-	-
81	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
82	Block 2 Volumes @ Discount Rate	-	-		\$ 0.869	-	-	-	-	-
83	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
84	Block 3 Volumes @ Discount Rate	-	-		\$ 0.403	-	-	-	-	-
85	Demand Volumes	-	-		\$ 23.022	-	-	-	-	-
86	Demand Volumes @ Discount Rate	-	-		\$ 17.267	-	-	-	-	-
87	260 - TRANSP (280/250 ECON DEV - OPT GS)	-	-	\$ 505.00		-	-	-	-	-
88	Block 1 Volumes	-	-		\$ 1.751	-	-	-	-	-
89	Block 1 Volumes @ Discount Rate	-	-		\$ 1.313	-	-	-	-	-
90	Block 2 Volumes	-	-		\$ 1.159	-	-	-	-	-
91	Block 2 Volumes @ Discount Rate	-	-		\$ 0.869	-	-	-	-	-
92	Block 3 Volumes	-	-		\$ 0.537	-	-	-	-	-
93	Block 3 Volumes @ Discount Rate	-	-		\$ 0.403	-	-	-	-	-
94	SPECIAL CONTRACTS	12	2,408,864			750,468	-	2,408,864	750,468	-
95	Total Transportation	1,344	11,466,124			\$ 16,357,465	-	11,466,124	\$ 16,357,465	\$ -
96										
97	TOTALS	1,983,156	28,892,102			\$ 112,097,095	1,544,272	30,436,374	\$ 115,764,574	\$ 3,667,478
98										
99	Other					\$ -			\$ -	
100	4870 - Forfeited Discount					674,677			674,677	
101	4880 - Miscellaneous Service charges					279,022			279,022	
102	4960 - Tax Reform Cost of Service Reserve					-			-	
103	TOTAL MARGIN REVENUES					\$ 113,050,794			\$ 116,718,272	

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, 2025

Line No.	Description (a)	12 Mths Ended Sep 25		Rates effective Sep 25		12 mths Sep 25	Adjusted Base Count (m)	Adjusted Volumes Mcf (n)	Total Adjusted Margin Rev (o)
		Base Count (b)	Weather Adj. Vol Mcf (c)	Monthly Customer chg (d)	Commodity Charge/Mcf (e)	Weather adj Margin at Sep 25 Rates (f)			
1	RESIDENTIAL								
2	210 Residential Gas Service (Summer)	731,571	1,079,372	\$ 22.80	\$ 1.77	\$18,594,625	731,571	1,079,372	\$18,594,625
3	210 Residential Gas Service (Winter) (weather sensitive)	1,021,248	8,583,187	\$ 24.80	\$ 1.77	40,553,525	1,021,248	8,583,187	40,553,525
4	210 Residential Gas Service Senior Citizen (Summer)	299	204	\$ -	\$ 1.77	361	299	204	361
5	210 Residential Gas Service Senior Citizen (Winter) (weather sensitive)	421	2,504	\$ -	\$ 1.77	4,442	421	2,504	4,442
6	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$ 16.75	\$ 0.87	0	0	0	0
7	Total Residential	1,753,539	9,665,267			\$ 59,152,953	1,753,539	9,665,267	\$ 59,152,953
8									
9	COMMERCIAL								
10	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$ 16.75	\$ 0.87	\$ -	-	-	\$ -
11	220 Commercial Gas Service (weather sensitive)	217,022	6,516,505	\$ 50.25	\$ 3.61	34,423,423	217,022	6,516,505	34,423,423
12	230 Large Commercial Gas Service (weather sensitive)	0	0	\$ 505.00	\$ 3.13	-	-	-	-
13	250 Commercial Interruptible Gas Service	0	0	\$ 505.00		-	-	-	-
14	Block 1 Volumes		0		\$ 1.75	-	-	-	-
15	Block 2 Volumes		0		\$ 1.16	-	-	-	-
16	Block 3 Volumes		0		\$ 0.54	-	-	-	-
17	293 Large Tonnage Air Conditioning Gas Service	12		\$ 50.25		603	12	-	603
18	Block 1 Volumes		12,089		\$ 1.75	21,169	-	12,089	21,169
19	Block 2 Volumes		0		\$ 1.16	-	-	-	-
20	Block 3 Volumes		0		\$ 0.54	-	-	-	-
21	Total Commercial	217,034	6,528,595			\$ 34,445,195	217,034	6,528,595	\$ 34,445,195
22									
23	INDUSTRIAL								
24	220 Industrial Gas Service (weather sensitive)	3,750	768,609	\$ 50.25	\$ 3.61	\$ 2,962,349	3,750	768,609	\$ 2,962,349
25	230 Large Industrial Gas Service	82	163,654	\$ 505.00	\$ 3.13	553,158	82	163,654	553,158
26	240 DEMAND/COMM GS	0	0	\$ 505.00		-	-	-	-
27	Block 1 Volumes		0		\$ 1.75	-	-	-	-
28	Block 2 Volumes		0		\$ 1.16	-	-	-	-
29	Block 3 Volumes		0		\$ 0.54	-	-	-	-
30	Demand Volumes		0		\$ 23.02	-	-	-	-
31	250 Industrial Interruptible Gas Service	230		\$ 505.00		116,150	230	-	116,150
32	Block 1 Volumes		231,038		\$ 1.75	404,548	-	231,038	404,548
33	Block 2 Volumes		956,340		\$ 1.16	1,108,589	-	956,340	1,108,589
34	Block 3 Volumes		514,577		\$ 0.54	276,311	-	514,577	276,311
35	250/240/280 Industrial/Demand/Economic Dev	10		\$ 505.00		5,050	10	-	5,050
36	Block 1 Volumes		20,000		\$ 1.75	35,020	-	20,000	35,020
37	Block 1 Volumes @ Discount Rate		0		\$ 1.31	-	-	-	-
38	Block 2 Volumes		65,972		\$ 1.16	76,474	-	65,972	76,474
39	Block 2 Volumes @ Discount Rate		0		\$ 0.87	-	-	-	-
40	Block 3 Volumes		0		\$ 0.54	-	-	-	-
41	Block 3 Volumes @ Discount Rate		0		\$ 0.40	-	-	-	-
42	Demand Volumes		0		\$ 23.02	-	-	-	-
43	Demand Volumes @ Discount Rate		0		\$ 17.27	-	-	-	-

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44	280/250 Economic Development Gas Service	-		\$	505.00		-			-		-		
45	Block 1 Volumes	0		\$	1.75		-			-		-		
46	Block 1 Volumes @ Discount Rate	0		\$	1.31		-			-		-		
47	Block 2 Volumes	0		\$	1.16		-			-		-		
48	Block 2 Volumes @ Discount Rate	0		\$	0.87		-			-		-		
49	Block 3 Volumes	0		\$	0.54		-			-		-		
50	Block 3 Volumes @ Discount Rate	0		\$	0.40		-			-		-		
51	292 Cogeneration, CNG, Prime Movers Service	12		\$	50.25		603			12		-		603
52	Block 1 Volumes		1,684	\$	1.75		2,949			-		1,684		2,949
53	Block 2 Volumes	0		\$	1.16		-			-		-		-
54	Block 3 Volumes	0		\$	0.54		-			-		-		-
55	Total Industrial	4,084	2,721,874				\$ 5,541,200			4,084	2,721,874	\$ 5,541,200		
56														
57	PUBLIC AUTHORITY													
58	211 Residential/Sm. Commercial/Industrial Heating & Cooling Service	0	0	\$	16.75	\$	0.87	\$	-	-	-	\$	-	-
59	221 Experimental School Gas Service	36	26,086	\$	50.25	\$	1.72		46,651	36	26,086		46,651	
60	225 Public Authority Gas Service (Sr. Citizen) (Summer)	0	0	\$	-	\$	1.77		-	-	-		-	
61	225 Public Authority Gas Service (Sr. Citizen) (Winter) (weather Sensitive)	0	0	\$	-	\$	1.77		-	-	-		-	
62	225 Public Authority Gas Service (Summer)	2,937	4,161	\$	22.80	\$	1.77		74,345	2,937	4,161		74,345	
63	225 Public Authority Gas Service (Winter) (weather Sensitive)	4,182	24,268	\$	24.80	\$	1.77		146,765	4,182	24,268		146,765	
64	Total Public Authority	7,155	54,515				\$ 267,761			7,155	54,515	\$ 267,761		
65														
66	TRANSPORTATION													
67	260 - TRANSP (220 SML COM/INDG)	96	100,171	\$	505.00	\$	3.61	\$	409,996	96	100,171	\$	409,996	
68	260 - TRANSP (230 LRG COM/INDG)	456	1,222,831	\$	505.00	\$	3.13		4,054,074	456	1,222,831		4,054,074	
69	260 - TRANSP (240 DEMAND)	84		\$	505.00				42,420	84			42,420	
70	Block 1 Volumes		168,000			\$	1.75		294,168	-	168,000		294,168	
71	Block 2 Volumes		775,618			\$	1.16		899,096	-	775,618		899,096	
72	Block 3 Volumes		0			\$	0.54		-	-	-		-	
73	Demand Volumes		43,574			\$	23.02		1,003,165	-	43,574		1,003,165	
74	260 - TRANSP (250 OPT GS)	696		\$	505.00				351,480	696			351,480	
75	Block 1 Volumes		1,400,211			\$	1.75		2,451,770	-	1,400,211		2,451,770	
76	Block 2 Volumes		5,152,966			\$	1.16		5,973,318	-	5,152,966		5,973,318	
77	Block 3 Volumes		237,462			\$	0.54		127,510	-	237,462		127,510	
78	260 - TRANSP (280/240 ECON DEV/DEMAND)	-		\$	505.00				-	-	-		-	
79	Block 1 Volumes		0			\$	1.75		-	-	-		-	
80	Block 1 Volumes @ Discount Rate		0			\$	1.31		-	-	-		-	
81	Block 2 Volumes		0			\$	1.16		-	-	-		-	
82	Block 2 Volumes @ Discount Rate		0			\$	0.87		-	-	-		-	
83	Block 3 Volumes		0			\$	0.54		-	-	-		-	
84	Block 3 Volumes @ Discount Rate		0			\$	0.40		-	-	-		-	
85	Demand Volumes		0			\$	23.02		-	-	-		-	
86	Demand Volumes @ Discount Rate		0			\$	17.27		-	-	-		-	
87	260 - TRANSP (280/250 ECON DEV - OPT GS)	-		\$	505.00				-	-	-		-	
88	Block 1 Volumes		0			\$	1.75		-	-	-		-	
89	Block 1 Volumes @ Discount Rate		0			\$	1.31		-	-	-		-	
90	Block 2 Volumes		0			\$	1.16		-	-	-		-	
91	Block 2 Volumes @ Discount Rate		0			\$	0.87		-	-	-		-	
92	Block 3 Volumes		0			\$	0.54		-	-	-		-	
93	Block 3 Volumes @ Discount Rate		0			\$	0.40		-	-	-		-	
94	SPECIAL CONTRACTS	12	2,408,864						750,468	12	2,408,864		750,468	
95	Total Transportation	1,344	11,466,124				\$ 16,357,465			1,344	11,466,124	\$ 16,357,465		
96														
97	TOTALS	1,983,156	30,436,374				\$ 115,764,574			1,983,156	30,436,374	\$ 115,764,574		
98														
99	4870 - Forfeited Discount						\$ 674,677					\$ 674,677		
100	4880 - Miscellaneous Service charges						279,022					279,022		
101	TOTAL MARGIN REVENUES						\$ 116,718,272					\$ 116,718,272		

ATMOS ENERGY CORPORATION
TENNESSEE DISTRIBUTION SYSTEM - COST OF SERVICE FILING
PROOF OF REVENUES AND CALCULATION OF RATES
RATE DESIGN FOR RATE EFFECTIVE YEAR
TEST YEAR ENDING SEPTEMBER 30, 2025

Additional Revenue: 14,678,350

Line No.	Description	Rates effective Sep 25		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	<u>Rate Schedule 210/225</u>																			
2	210/225 SUMMER	\$22.80	\$1.774	734,508	1,083,533	\$ 18,668,970	\$ 16,746,782	\$ 1,922,188					25.85	2.002	\$ 18,987,032	\$ 2,169,233	\$ 21,156,265			
3	210/225 WINTER (weather sensitive)	\$24.80	\$1.774	1,025,430	8,607,455	40,700,289	25,430,664	15,269,625					27.85	2.002	28,558,226	17,232,125	45,790,350			
4	210/225 SR CIT	\$0.00	\$1.774	720	2,707	4,803	-	4,803					0.00	2.002	-	5,420	5,420			
5	Total 210/225			1,760,658	9,693,696	\$ 59,374,062	\$ 42,177,446	\$ 17,196,616	71%	29%	52%	7,577,447			\$ 47,545,257	\$ 19,406,779	\$ 66,952,036	71%	29%	52%
6																				
7	<u>Rate Schedule 211</u>																			
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	<u>Rate Schedule 220</u>																			
11	220 Commercial / Industrial Gas Service	\$50.25	\$3.609	220,772	7,285,115	\$ 37,385,772	\$ 11,093,793	\$ 26,291,979	30%	70%			56.50	4.075	\$ 12,473,618	\$ 29,686,843	\$ 42,160,461	30%	70%	
12	220 Transportation	\$505.00	\$3.609	96	100,171	409,996	48,480	361,516	12%	88%			515.00	4.075	49,440	408,196	457,636	11%	89%	
13	Total 220			220,868	7,385,286	\$ 37,795,769	\$ 11,142,273	\$ 26,653,496	29%	71%	33%	4,823,578			\$ 12,523,058	\$ 30,095,039	\$ 42,618,097	29%	71%	33%
14																				
15	<u>Rate Schedule 221</u>																			
16	221 Experimental School Gas Service	\$50.25	\$1.719	36	26,086	\$ 46,651	\$ 1,809	\$ 44,842	4%	96%	0%	5,954	56.50	1.939	\$ 2,034	\$ 50,581	\$ 52,615	4%	96%	0%
17																				
18	<u>Rate Schedule 230</u>																			
19	230 Large Commercial / Industrial Gas Service	\$505.00	\$3.127	82	163,654	\$ 553,158	\$ 41,410	\$ 511,748	7%	93%			515.00	3.547	\$ 42,230	\$ 580,482	\$ 622,712	7%	93%	
20	230 Transportation	\$505.00	\$3.127	456	1,222,831	4,054,074	230,280	3,823,794	6%	94%			515.00	3.547	234,840	4,337,383	4,572,223	5%	95%	
21	Total 230			538	1,386,486	\$ 4,607,231	\$ 271,690	\$ 4,335,541	6%	94%	4%	587,985			\$ 277,070	\$ 4,917,865	\$ 5,194,935	5%	95%	4%
22																				
23	<u>Rate Schedule 240/250/280/292/293</u>																			
24	240 Demand/Commodity Gas Service	\$505.00		84		\$ 42,420	\$ 42,420						515.00		\$43,260		\$ 43,260			
25	Block 1 Volumes		\$1.751		168,000	294,168		294,168						1.995		335,160	335,160			
26	Block 2 Volumes		\$1.159		775,618	899,096		899,096						1.321		1,024,358	1,024,358			
27	Block 3 Volumes		\$0.537		0	-		-						0.612		-	-			
28	Demand Volumes		\$23.022		43,574	1,003,165		1,003,165						24.122		1,051,097	1,051,097			
29	250 Interruptible Gas Service	\$505.00		926		467,630	467,630						515.00		476,890		476,890			
30	Block 1 Volumes		\$1.751		1,631,249	2,856,318		2,856,318						1.995		3,254,342	3,254,342			
31	Block 2 Volumes		\$1.159		6,109,306	7,081,907		7,081,907						1.321		8,068,560	8,068,560			
32	Block 3 Volumes		\$0.537		752,039	403,820		403,820						0.612		460,081	460,081			
33	280 ECON DEV - OPT GS	\$505.00		10		5,050	5,050						515.00		5,150		5,150			
34	Block 1 Volumes		\$1.751		20,000	35,020		35,020						1.995		39,900	39,900			
35	Block 1 Volumes @ Discount Rate		\$1.313		0	-		-						1.496		-	-			
36	Block 2 Volumes		\$1.159		65,972	76,474		76,474						1.321		87,129	87,129			
37	Block 2 Volumes @ Discount Rate		\$0.869		0	-		-						0.991		-	-			
38	Block 3 Volumes		\$0.537		0	-		-						0.612		-	-			
39	Block 3 Volumes @ Discount Rate		\$0.40		0	-		-						0.459		-	-			
40	292 Cogeneration, CNG, Prime Movers Service	\$50.25		12		603	603						56.50		678		678			
41	Block 1 Volumes		\$1.751		1,684	2,949		2,949						1.995		3,360	3,360			
42	Block 2 Volumes		\$1.159		0	-		-						1.321		-	-			
43	Block 3 Volumes		\$0.537		0	-		-						0.612		-	-			
44	293 Large Tonnage Air Conditioning Gas Service	\$50.25		12		603	603						56.50		678		678			
45	Block 1 Volumes		\$1.751		12,089	21,169		21,169						1.995		24,118	24,118			
46	Block 2 Volumes		\$1.159		0	-		-						1.321		-	-			
47	Block 3 Volumes		\$0.537		0	-		-						0.612		-	-			
48	Total 240/250/280/292/293			1,044	9,535,957	\$ 13,190,392	\$ 516,306	\$ 12,674,086	4%	96%	11%	1,683,386			\$ 526,656	\$ 14,348,105	\$ 14,874,761	4%	96%	11%
49																				
50	TOTALS			1,983,144	28,027,510	\$ 115,014,106	\$ 54,109,524	\$ 60,904,581	47%	53%	100%	14,678,350			\$ 60,874,075	\$ 68,818,369	\$ 129,692,444	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
Sales and Transportation Revenues:		
210 Residential Gas Service (WINTER)		
Customer Charge	\$24.80	\$27.85
Commodity Charge	\$1.774	\$2.002
210 Residential Gas Service (SUMMER)		
Customer Charge	\$22.80	\$25.85
Commodity Charge	\$1.774	\$2.002
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	\$50.25	\$56.50
Commodity Charge	\$3.609	\$4.075
221 Experimental School Gas Service		
Customer Charge	\$50.25	\$56.50
Commodity Charge	\$1.719	\$1.939
225 Public Housing Authority Gas Service (WINTER)		
Customer Charge	\$24.80	\$27.85
Commodity Charge	\$1.774	\$2.002
225 Public Housing Authority Gas Service (SUMMER)		
Customer Charge	\$22.80	\$25.85
Commodity Charge	\$1.774	\$2.002

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
Sales and Transportation Revenues:		
230 Large Commercial & Industrial Gas Service		
Customer Charge	\$505.00	\$515.00
Commodity Charge	\$3.127	\$3.547
240 Demand/Commodity Gas Service		
Customer Charge	\$505.00	\$515.00
1 - 2,000 Mcf	\$1.751	\$1.995
Next 48,000 Mcf	\$1.159	\$1.321
Over 50,000 Mcf	\$0.537	\$0.612
Demand Charge	\$23.022	\$24.122
250 Interruptible Gas Service		
Customer Charge	\$505.00	\$515.00
1 - 2,000 Mcf	\$1.751	\$1.995
Next 48,000 Mcf	\$1.159	\$1.321
Over 50,000 Mcf	\$0.537	\$0.612
260 Transportation Service / 250 Interruptible Gas Service		
Customer Charge	\$505.00	\$515.00
1 - 2,000 Mcf	\$1.751	\$1.995
Next 48,000 Mcf	\$1.159	\$1.321
Over 50,000 Mcf	\$0.537	\$0.612
260 Transportation Service / 220 Commercial & Industrial Gas Service		
Customer Charge	\$505.00	\$515.00
Commodity Charge	\$3.609	\$4.075
260 Transportation Service / 230 Large Commercial & Industrial Gas Service		
Customer Charge	\$505.00	\$515.00
Commodity Charge	\$3.127	\$3.547

	<u>Current Rate</u> Monthly	<u>Proposed Rate</u> Monthly
Sales and Transportation Revenues:		
Schedule 280 Economic Development Gas Service		
Customer Charge	\$505.00	\$515.00
1 - 2,000 Mcf	\$1.751	\$1.995
1 - 2,000 Mcf @ Discount Rate	\$1.313	\$1.496
Next 48,000 Mcf	\$1.159	\$1.321
Next 48,000 Mcf @ Discount Rate	\$0.869	\$0.991
Over 50,000 Mcf	\$0.537	\$0.612
Over 50,000 Mcf@ Discount Rate	\$0.403	\$0.459
Schedule 292 Cogeneration, CNG. Prime Movers, Fuel Cell Service		
Customer Charge	\$50.25	\$56.50
1 - 2,000 Mcf	\$1.751	\$1.995
Next 48,000 Mcf	\$1.159	\$1.321
Over 50,000 Mcf	\$0.537	\$0.612
Schedule 293 Large Tonnage Air Conditioning Gas Service		
Customer Charge	\$50.25	\$56.50
1 - 2,000 Mcf	\$1.751	\$1.995
Next 48,000 Mcf	\$1.159	\$1.321
Over 50,000 Mcf	\$0.537	\$0.612

Docket 14-00146
Schedule 1

**ATMOS ENERGY CORPORATION
REVENUE DEFICIENCY (SURPLUS)
TEST YEAR ENDING SEPTEMBER 30, 2025**

Line No.	Description	Company	Reference
1	Rate Base	\$ 694,277,626	See 2RB
2	Operating Income at Present Rates	47,130,540	See 3 IS
3	Earned Rate of Return (L 2 / L 1)	6.79%	
4	Fair Rate of Return	7.56%	See 8 CC
5	Required Operating Income (L 1 x L 4)	52,487,389	
6	Operating Income Deficiency (Surplus) (L 5 - L 2)	5,356,849	
7	Gross Revenue Conversion Factor	<u>1.357000</u>	See 7 GU
8	Revenue Deficiency (Surplus)	<u>\$ 7,269,244</u>	

Docket 14-00146
Schedule 2

ATMOS ENERGY CORPORATION
RATE BASE
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Company	Reference
1	Utility Plant in Service	\$ 1,050,218,684	Sch 7, Col (b), Ln 1
2	Cloud Computing	612,190	Sch 7, Col (b), Ln 3
3	Construction Work in Progress	35,781,814	Sch 7, Col (b), Ln 7
4	Working Capital/Deferred Rate Case	4,961,516	Sch 7, Col (b), Ln 11
5	Materials and Supplies / Storage Gas	5,153,452	Sch 7, Col (b), Ln 9 and Ln 13
6	Net Elimination of Intercompany Leased Property	7,026,572	Sch 7, Col (b), Ln 29
7			
8			
9	Total Additions	<u>\$ 1,103,754,228</u>	
10	Deductions:		
11	Accumulated Depreciation	\$ 267,849,922	Sch 7, Col (b), Ln 5
12	Regulatory Assets/Liabilities (EDITL & Deferral)	8,166,800	Sch 7, Col (b), Ln 15
13	Accumulated Deferred Tax-Accel. Depreciation	117,278,599	Sch 7, Col (b), Ln 17
14	Contributions and Advances in Aid of Construction	(652)	Sch 7, Col (b), Ln 19
15	Customer Deposits	1,952,486	Sch 7, Col (b), Ln 21
16	Accrued Interest on Customer Deposits	31,112	Sch 7, Col (b), Ln 23
17	Adjustment for Capitalized Incentive Compensation & SERP	14,198,334	Sch 7, Col (b), Ln 27
18	Total Deductions	<u>\$ 409,476,602</u>	
19	Rate Base	<u>\$ 694,277,626</u>	

Docket 14-00146
Schedule 3

ATMOS ENERGY CORPORATION
INCOME STATEMENT
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Company	Reference
1	Revenues - Sales, forfeited discounts & other	189,538,644	Sch 1, Col (c), Ln 20
2	Cost of Gas	<u>72,820,372</u>	Sch 1, Col (c), Ln 1
3	Gross margin on sales and service	116,718,272	
4	-	-	
5	-	-	
4	AFUDC	<u>2,904,086</u>	Sch 1, Col (c), Ln 13
5	Operating Margin	<u><u>119,622,359</u></u>	
6	Other Operation and Maintenance	26,650,862	See 4 O&M
7	Interest on Customer Deposits	146,436	Sch 1, Col (c), Ln 15
8	Depreciation and Amortization Exp.	23,998,358	Sch 1, Col (c), Ln 7
9	Taxes Other Than Income	10,076,571	See 5 Tax
10	State Excise Tax	2,889,893	See 6 FIT
11	Federal Income Tax	<u>8,729,700</u>	See 6 FIT
12	Total Operating Expense	<u>72,491,819</u>	

13	Net Operating Income for Return	<u>47,130,540</u>
14	Plus amortization-Gain	-
15	Plus adjustments	<u>-</u>
16	Adjusted Net Operating Income	<u>47,130,540</u>

Docket 14-00146
Schedule 4

ATMOS ENERGY CORPORATION
OPERATIONS AND MAINTENANCE EXPENSES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Company	Reference
1	Labor	\$ 9,568,925	WP 4-1, Excel Col O, Ln 1
2	Benefits	1,698,497	WP 4-1, Excel Col O, Ln 2 + Ln 29
3	Employee Welfare	2,395,570	WP 4-1, Excel Col O, Ln 3
4	Insurance	2,642,644	WP 4-1, Excel Col O, Ln 4
5	Rent, Maint., & Utilities	1,121,704	WP 4-1, Excel Col O, Ln 5
6	Vehicles & Equip	596,308	WP 4-1, Excel Col O, Ln 6
7	Materials and Supplies	925,596	WP 4-1, Excel Col O, Ln 7
8	Information Technologies	1,904,488	WP 4-1, Excel Col O, Ln 8
9	Telecom	325,731	WP 4-1, Excel Col O, Ln 9
10	Marketing	453,330	WP 4-1, Excel Col O, Ln 10
11	Directors & Shareholders & PR	257,749	WP 4-1, Excel Col O, Ln 11
12	Dues & Donations	210,565	WP 4-1, Excel Col O, Ln 12
13	Print & Postage	70,912	WP 4-1, Excel Col O, Ln 13
14	Travel & Entertainment	810,729	WP 4-1, Excel Col O, Ln 14
15	Training	159,362	WP 4-1, Excel Col O, Ln 15
16	Outside Services	9,060,668	WP 4-1, Excel Col O, Ln 16
17	Provision for Bad Debt	664,432	WP 4-1, Excel Col O, Ln 17
18	Miscellaneous	(5,307,391)	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	486,078	WP 3-1, Excel Col D, Ln 14
22	Interest Expense	11,386,153	WP 7-7, Excel Col E, Ln 39 & Ln 41
23	Disallowed Items	(1,395,034)	WP 4-1, Excel Col O, Ln 22 : Ln 25
24	Legal Invoices Adjustment	-	WP 4-1, Excel Col O, Ln 30
25			
26			
27	Total O&M Expense	<u>\$ 38,037,015</u>	

Docket 14-00146
Schedule 5

**ATMOS ENERGY CORPORATION
OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING SEPTEMBER 30, 2025**

Line No.	Description	Company	Reference
1	Property Taxes	\$ 4,144,756	WP 7-7, Col (c), Ln 11 + Ln 19 + Ln 23
2	State Gross Receipts Tax	2,816,779	WP 7-7, Col (c), Ln 12
3	Payroll Taxes	891,551	WP 7-7, Col (c), Ln 13 + Ln 20 + Ln 24
4	State Franchise Tax	1,531,298	WP 7-7, Col (c), Ln 14
5	Other General Taxes	-	WP 7-7, Col (c), Ln 16
6	TRA Inspection Fee	692,187	WP 7-7, Col (c), Ln 15
7			
8	Total Taxes Other Than Income Taxes	<u>\$ 10,076,571</u>	

Docket 14-00146
Schedule 6

ATMOS ENERGY CORPORATION
FEDERAL AND EXCISE TAXES
TEST YEAR ENDING SEPTEMBER 30, 2025

Line No.	Description	Company	Reference
1	Operating Margin	\$ 116,718,272	See 3 IS
2	Other Operation and Maintenance	26,650,862	See 4 O&M
3	Depreciation and Amortization Expense	23,998,358	See 3 IS
4	Taxes Other Than Income	<u>10,076,571</u>	See 3 IS
5	NOI Before Excise and Income Taxes	55,992,482	
6	less Interest on Customer Deposits	146,436	See 3 IS
7	less Interest Expense	<u>11,386,153</u>	See 4 O&M
8	Pre-tax Book Income	44,459,893	
9	Schedule M Adjustments	<u>-</u>	
10	Excise Taxable Income	44,459,893	
11	Excise Tax Rate	<u>6.50%</u>	See 7 GU
12	Excise Tax	<u><u>2,889,893</u></u>	
13	Pre-tax Book Income	44,459,893	
14	Excise Tax	2,889,893	
15	Schedule M Adjustments	<u>-</u>	
16	FIT Taxable Income	41,570,000	
17	FIT Rate	<u>21.00%</u>	See 7 GU
18	Subtotal FIT	8,729,700	
19	Less: ITC Amortization	<u>-</u>	
20	Federal Income Tax Expense	<u><u>\$ 8,729,700</u></u>	

Docket 14-00146
Schedule 7

**ATMOS ENERGY CORPORATION
GROSS REVENUE CONVERSION FACTOR
TEST YEAR ENDING SEPTEMBER 30, 2025**

Line No.	Description	Amount	Balance	Reference
1	Operating Revenues		1.000000	
2	Add: Forfeited Discounts	0.003684 A/	<u>0.003684</u>	WP 8-2, Excel Col D, Ln 3
3	Balance		1.003684	
4	Uncollectible Ratio	0.006023 B/	<u>0.006045</u>	WP 8-2, Excel Col D, Ln 7
5	Balance		0.997639	
6	State Excise Tax	0.065000 C/	<u>0.064847</u>	WP 8-2, Excel Col D, Ln 11
7	Balance		0.932792	
8	Federal Income Tax	0.210000 C/	<u>0.195886</u>	WP 8-2, Excel Col D, Ln 15
9	Balance		<u>0.736906</u>	
10	Revenue Conversion Factor (1 / Line 9)		<u><u>1.357000</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, 2025

Line No.	Description	Ratio	Cost	Weighted Cost	Reference
1	Short Term Debt	0.00%	0.00%	0.0%	Sch 9, Ln 2
2	Long Term Debt	39.55%	4.15%	1.6%	Sch 9, Ln 1
3	Preferred Stock				
4	Stockholder's Equity	<u>60.45%</u>	9.80%	<u>5.9%</u>	Sch 9, Ln 3
5	Total	<u><u>100.00% A/</u></u>		<u><u>7.56%</u></u>	

A/ Should be 100%

As of October 2018, the Company changed the methodology used to calculate AFUDC.

Previously, the Company used historical CWIP and Short-Term debt average balances in the calculation of CWIP and the Company used a global AFUDC rate due to limitations on the Company's systems from calculating AFUDC at a jurisdictional level.

Based on CFR 201, the Company is to estimate the short term debt balances and average CWIP for the current year with appropriate adjustments as they are made available.

As such, the Company began incorporating the projected Short Term Debt balances and projected average CWIP balances in the calculation.

The Company was also able to update the system to incorporate jurisdictional level ROE's to determine the AFUDC by jurisdiction. The components used in the AFUDC formula are as follows:

- Line 1 % of Long Term Debt to Total Capitalization, excl STD [$D / (D + P + C)$]
- Line 2 % of Equity to Total Capitalization, excl STD [$P / (D + P + C)$]
- Line 3 Long-Term Debt Cost Rate [d]
- Line 11 Average STD [S]
- Line 12 STD interest Rate [s]
- Line 15 Average CWIP balance [W]
- Line 16 % of STD/CWIP [S / W]
- Line 21 Gross Allowance for borrowed funds used during construction rate [A_i]
- Line 24 TN Approved ROE, Pre-Tax [c]
- Line 27 Allowance for other funds used during construction rate [A_e]
- Line 30 TN AFUDC Rate [$A_i + A_e$]

From the calculated AFUDC rate, 1/12 is applied to the current month. As each month is updated, each month's projected balances/rates that were known at the time of the AFUDC calculation are captured.

el.

Atmos Energy Corporation
Allowance for Funds Used During Construction

		Fiscal 2025											
		October	November	December	January	February	March	April	May	June	July	August	September
1	PY Ending Equity %	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%	60.03%
2	PY Ending LT Debt %	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%	39.97%
3	PY Ending LT Debt Cost	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
4													
5	Short Term Debt Balance	-	-	-	-	-	5,483,871	-	-	4,666,667	-	-	-
6	Short Term Interest Expense	-	-	-	-	-	21,014	-	-	17,256	-	-	-
7	Short Term Commitment fees	427,877	419,635	427,877	427,891	403,165	457,543	412,041	421,872	412,041	420,283	420,283	415,366
8	Total Interest and Commitment Fees	427,877	419,635	427,877	427,891	403,165	478,557	412,041	421,872	429,296	420,283	420,283	415,366
9	Short Term Cost	0.00%	0.00%	0.00%	0.00%	0.00%	104.72%	0.00%	0.00%	110.39%	0.00%	0.00%	0.00%
10													
11	Projected Avg ST Debt	5,867,810	5,867,810	5,308,367	5,308,367	5,308,367	5,308,367	5,308,367	5,308,367	5,765,356	5,765,356	5,765,356	845,878
12	Projected ST Debt Cost rate	92.43%	92.43%	101.20%	101.20%	101.10%	101.47%	101.47%	101.47%	93.86%	93.86%	93.86%	600.97%
13													
14	Ending CWIP Balance	923,350,769	1,062,459,529	707,664,849	764,295,386	704,857,438	772,823,946	874,387,321	908,881,217	952,040,224	994,084,962	1,038,870,406	1,116,604,983
15	Projected Avg CWIP	627,822,333	627,822,333	917,189,147	917,189,147	951,995,199	984,566,234	984,566,234	984,566,234	937,128,501	937,128,501	937,128,501	901,693,419
16	ST DEBT / CWIP	0.93%	0.93%	0.58%	0.58%	0.56%	0.54%	0.54%	0.54%	0.62%	0.62%	0.62%	0.09%
17													
18													
19	STD rate in AFUDC	{a}	0.86%	0.59%	0.59%	0.56%	0.55%	0.55%	0.55%	0.58%	0.58%	0.58%	0.56%
20	LTD rate in AFUDC	{b}	1.68%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.70%
21	Debt rate in AFUDC		2.55%	2.27%	2.27%	2.25%	2.24%	2.24%	2.24%	2.26%	2.26%	2.26%	2.26%
22													
23	<u>Equity Cost by Jurisdiction (last filed, Pre-Tax)</u>												
24	Tennessee		13.27%	13.27%	13.27%	13.27%	13.27%	13.27%	13.27%	13.27%	13.27%	13.27%	13.27%
25													
26	<u>Equity Rate in AFUDC by Jurisdiction</u>		{c}										
27	Tennessee		7.89%	7.89%	7.92%	7.92%	7.92%	7.92%	7.92%	7.92%	7.92%	7.92%	7.96%
28													
29	<u>AFUDC Rate by Jurisdiction</u>		{d}										
30	Tennessee	093DIV	10.44%	10.44%	10.19%	10.19%	10.17%	10.16%	10.16%	10.16%	10.18%	10.18%	10.22%

{a} ST DEBT / CWIP * ST Debt Cost Rate
{b} (1 - ST DEBT / CWIP) * LT Debt % * LT Debt Cost

