

**BEFORE THE
RAILROAD COMMISSION OF TEXAS**

**APPLICATION FILED BY ATMOS §
PIPELINE - TEXAS 2016 RIDER REV § GAS UTILITIES DOCKET NO. 10540
ADJUSTMENT §**

FINAL ORDER

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time period provided by law pursuant to TEX. GOV'T CODE ANN. CHAP 551 (2013). The Railroad Commission adopts the following findings of fact and conclusions of law and orders as follows:

FINDINGS OF FACT

1. Atmos Pipeline – Texas (“APT” or “Company”), a division of Atmos Energy Corporation is a gas utility as that term is defined in the Texas Utilities Code.
2. APT is an intrastate natural gas transmission pipeline operating solely in Texas. The Company operates a large intrastate pipeline consisting of approximately 5,400 miles of transmission pipeline, approximately 600 city gate meters, five underground storage facilities, and eleven (11) gas compressor stations. The geographical areas served by this pipeline division span from the area bounded by the Oklahoma border; the Katy hub near Houston; the Carthage hub in East Texas; the Waha hub in West Texas; and the Austin/Hill Country area.

Background

3. On September 17, 2010, APT filed a *Statement of Intent* to change its Rate CGS and Rate PT and related riders and the case was docketed as GUD No. 10000.
4. On June 27, 2011, the Railroad Commission of Texas (“Commission”) issued its *Final Order Nunc Pro Tunc* in GUD No. 10000.
5. As set out in the *Final Order Nunc Pro Tunc* in GUD No. 10000, the Company established that the cost of service without application of a revenue credit for revenue received from non-regulated customers was \$226,772,532.
6. The rates necessary to recover \$226,772,532 would have been as follows:
 - a. Rate CGS – Mid-Tex: Capacity Charge of \$6.2984 per MMBtu of MDQ, Mid – Tex WGIS¹ Charge of \$0.8134 per MMBtu of MDQ, and a Usage Charge per MMBtu \$0.0276 per MMBtu.

¹ WGIS is an acronym for Working Gas In Storage.

- b. Rate CGS – Other: Capacity Charge of \$6.2984 per MMBtu of MDQ, and a Usage Charge of \$0.0276 per MMBtu of MDQ.
 - c. Rate PT: Capacity Charge of \$4.0732 per MMBtu of MDQ, Usage Charge of \$0.0163 per MMBtu.
7. In GUD No. 10000, APT established that revenue received from the non-regulated customers, Other Revenue, was \$83,723,392. Thus, the rates were adjusted to allow recovery of \$143,049,141.
8. The rates necessary to recover \$143,049,141 were established in GUD No. 10000 as follows:
 - a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, and a Usage Charge of \$0.0276 per MMBtu.
 - b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT: Capacity Charge of \$2.3061 per MMBtu of MDQ, and a Usage Charge of \$0.0163 per MMBtu.
9. In GUD No. 10000, the Commission approved the application of a Rider Rev Tariff designed to allow an annual adjustment to the rates for Other Revenue.
10. In GUD No. 10000, the Commission found that it had the authority to approve an adjustment mechanism such as the Rider Rev Tariff because market forces control the revenue recovered from the non-regulated customers.
11. The Rider Rev Tariff, as approved, was found to be a reasonable mechanism to provide an annual adjustment to Rate CGS-Mid-Tex, and Rate CGS-Other and Rate PT for 75% of the difference between the amount of Other Revenue determined in GUD No. 10000 and the amount of Other Revenue determined on an annual basis.
12. The Commission approved the Rider Rev Tariff on a three-year trial basis. The Commission found that it was reasonable to review the results of the Rider Rev Tariff at the end of three-years to determine if the Rider Rev Tariff was achieving its stated goal and for the Commission to determine if the Rider Rev Tariff should be continued or eliminated.
13. As provided in the Rider Rev Tariff, the annual adjustment would have expired on the fourth November 1st following its effective date unless an extension of Rider Rev for an additional 3-year period was approved by the Commission. APT requested an extension with the third Other Revenue Adjustment Report.
14. The request for renewal was docketed as GUD No. 10295. The request properly included a statement on how Rate CGS and Rate PT customers had benefited from the use of Rider Rev, information on the number of negotiated rate customers gained or lost, the annual volumes and revenues for each of the three years on which adjustments have been based, the number of negotiated rate customers who have shifted from Rate PT to Other Revenue, and the number of negotiated rate customers who have shifted from Other Revenue to Rate PT.

15. The Nunc Pro Tunc Final Order in GUD No. 10295 was issued on February 18, 2014.
16. GUD No. 10295 adopted the Rider Rev Tariff approved in GUD No. 10000 with the following modifications:
 - a. APT must update all Maximum Daily Quantities (MDQ) for each customer annually.
 - b. Provided for the directly affected customer's right to request a hearing if the adjustment generated additional revenue of more than 2 ½ percent.
 - c. Adjusted the notice to the customer in the event that the adjustment generated additional revenue of more than 2 ½ percent.
 - d. Provided for the requested hearing to be heard by the Hearings Division on an expedited basis.
 - e. Provided that such hearing be limited in scope to the sole issue of the reasonableness of any increase greater than 2 ½ percent.
 - f. Provided for the Commission's right to deny the Rider Rev Adjustment and subsequent appeal by APT.
 - g. Provided for APT's right to appeal the Commission's decision by filing a Motion for Rehearing with the Commission within 20 days following issuance.
 - h. The Other Revenue Adjustment shall be implemented on November 1st of the current year and shall remain in effect until revised on the following November 1st.
 - i. The Rider Rev Tariff will expire with the effective date of rates in the next statement of intent filing by APT.
 - j. APT shall reimburse the Commission the estimated cost of reviewing each Other Revenue Adjustment Report upon invoicing.

Rider Rev Adjustment History

17. On August 12, 2011, APT filed its first Rider Rev Adjustment filing, docketed as GUD No. 10099.
18. The Final Order in GUD No. 10099 was issued on October 11, 2011.
19. GUD No. 10099 resulted in a credit, or reduction, to the rates currently charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In GUD No. 10099 for the twelve months ended June 30, 2011, Other Revenue increased to \$88,799,640. The difference was (\$5,076,248.) At 75% of the difference, the credit to Rate CGS and PT customers is (\$3,807,186.)
20. The total reduction of (\$3,807,186) was allocated (\$3,696,891) to CGS customers and (\$110,296) to PT customers.
21. Applying the credit of (\$3,807,186) included in the Rider Rev Adjustment resulted in the following rates:
 - a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev

- Adjustment of \$(0.1213) per MMBtu of MDQ, Interim Rate Adjustment of \$0.4036 per MMBtu of MDQ², and a Usage Charge of \$0.0276 per MMBtu.
- b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$(0.1213) per MMBtu of MDQ, Interim Rate Adjustment of \$0.4036 per MMBtu of MDQ³, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$(0.0811) per MMBtu of MDQ, Interim Rate Adjustment of \$0.2454 per MMBtu of MDQ⁴, and a Usage Charge of \$0.0163 per MMBtu.
22. On August 15, 2012, the Company filed its second Rider Rev Adjustment filing, docketed as GUD No. 10202.
23. The Final Order in GUD No. 10202 was issued on October 12, 2012.
24. GUD No. 10202 resulted in a debit, or increase, to the rates charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In GUD No. 10202, for the twelve months ended June 30, 2012, Other Revenue declined to \$80,022,308. The difference is \$3,701,084. At 75% of the difference, the debit, or rate increase, to Rate CGS and PT customers is \$2,775,813.
25. Applying the debit of \$2,775,813 included in the Rider Rev Adjustment resulted in the following rates shown below:
- a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0881 per MMBtu of MDQ, Interim Rate Adjustment of \$0.8727 per MMBtu of MDQ⁵, and a Usage Charge of \$0.0276 per MMBtu.
 - b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0881 per MMBtu of MDQ, Interim Rate Adjustment of \$0.8727 per MMBtu of MDQ⁶, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0495 per MMBtu of MDQ, Interim Rate Adjustments of \$0.4967 per MMBtu of MDQ⁷, and a Usage Charge of \$0.0163 per MMBtu.

² Interim Rate Adjustment (IRA) approved in GUD No. 10078.

³ *Id*

⁴ *Id*

⁵ IRA approved in GUD No. 10144, plus IRA from GUD No. 10078.

⁶ *Id*

⁷ *Id*

26. On August 9, 2013, the Company filed its third Rider Rev Adjustment filing, docketed as GUD No. 10293.
27. The Final Order in GUD No. 10293 was issued on September 24, 2013.
28. GUD No. 10293 resulted in a debit, or increase, to the rates charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In this docket, for the twelve months ended June 30, 2013, Other Revenue declined to \$75,926,413. The difference is \$7,796,979. At 75% of the difference, the debit, or rate increase, to Rate CGS and PT customers is \$5,847,734.
29. Applying the debit of \$5,847,734 included in the Rider Rev Adjustment resulted in the following rates shown below:
 - a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.1852 per MMBtu of MDQ, Interim Rate Adjustments of \$1.7234 per MMBtu of MDQ⁸, and a Usage Charge of \$0.0276 per MMBtu.
 - b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.1852 per MMBtu of MDQ, Interim Rate Adjustments of \$1.7234 per MMBtu of MDQ⁹, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0924 per MMBtu of MDQ, Interim Rate Adjustments of \$0.48698 per MMBtu of MDQ¹⁰, and a Usage Charge of \$0.0163 per MMBtu.
30. On August 15, 2014, the Company filed its fourth Rider Rev Adjustment filing, docketed as GUD No. 10377.
31. The Final Order in GUD No. 10377 was issued on October 14, 2014.
32. GUD No. 10377 resulted in a debit, or increase, to the rates charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In this docket, for the twelve months ended June 30, 2014, Other Revenue declined to \$75,778,425. The difference is \$7,944,967. At 75% of the difference, the debit, or rate increase, to Rate CGS and PT customers is \$5,958,726.
33. Applying the debit of \$5,958,726 included in the Rider Rev Adjustment resulted in the following rates shown below:
 - a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev

⁸ IRA approved in GUD No. 10240, plus IRAs from GUD Nos. 10078 and 10144.

⁹ *Id*

¹⁰ *Id*

- Adjustment of \$0.1782 per MMBtu of MDQ, Interim Rate Adjustments of \$3.0935 per MMBtu of MDQ¹¹, and a Usage Charge of \$0.0276 per MMBtu.
- b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.1782 per MMBtu of MDQ, Interim Rate Adjustments of \$3.0935 per MMBtu of MDQ¹², and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0965 per MMBtu of MDQ, Interim Rate Adjustments of \$1.4630 per MMBtu of MDQ¹³, and a Usage Charge of \$0.0163 per MMBtu.
34. On August 14, 2015, the Company filed its fifth Rider Rev Adjustment filing, docketed as GUD No. 10454.
35. The Final Order in GUD No. 10454 was issued on October 6, 2015.
36. GUD No. 10454 resulted in a debit, or increase, to the rates charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In this docket, for the twelve months ended June 30, 2015, Other Revenue declined to \$83,611,104. The difference is \$112,288. At 75% of the difference, the debit, or rate increase, to Rate CGS and PT customers is \$84,216.
37. Applying the debit of \$84,216 included in the Rider Rev Adjustment resulted in the following rates shown below:
- a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0025 per MMBtu of MDQ, Interim Rate Adjustments of \$4.1929 per MMBtu of MDQ¹⁴, and a Usage Charge of \$0.0276 per MMBtu.
 - b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0025 per MMBtu of MDQ, Interim Rate Adjustments of \$4.1929 per MMBtu of MDQ¹⁵, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0013 per MMBtu of MDQ, Interim Rate Adjustments of \$1.9359 per MMBtu of MDQ¹⁶, and a Usage Charge of \$0.0163 per MMBtu.

¹¹ IRA approved in GUD No. 10240, plus IRAs from GUD Nos. 10078 and 10144.

¹² *Id*

¹³ *Id*

¹⁴ IRA approved in GUD No. 10338, plus IRAs from GUD Nos. 10078, 10144 and 10240.

¹⁵ *Id*

¹⁶ *Id*

Current Rider Rev Adjustment

38. On August 15, 2016, the Company filed its sixth Rider Rev Adjustment filing, docketed as GUD No. 10540.
39. In this docket, the APT also proposes an MDQ Timing Adjustment to match MDQs with the Rider Rev period those MDQs are in use. The MDQ Timing Adjustment is not specified in the Rider Rev tariff as approved in GUD No. 10295 and is therefore not reasonable in this docket. APT is required to file a Statement of Intent no later than January 23, 2017, at which time, the Commission can consider a refund of any over-recovery.
40. GUD No. 10540 results in a debit, or increase, to the rates charged by the Company. The Other Revenue credit in GUD 10000 was \$83,723,392. In this docket, for the twelve months ended June 30, 2016 Other Revenue declined to \$77,239,957. The difference is \$6,483,435. At 75% of the difference, the debit, or rate increase, to Rate CGS and PT customers is \$4,862,576, as shown in Exhibit A.
41. Applying the debit of \$4,862,576 included in the Rider Rev Adjustment resulted in the following rates shown below:
- a. Rate CGS – Mid-Tex: Capacity Charge of \$3.6263 per MMBtu of MDQ, Mid – Tex WGIS Charge of \$0.8134 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.1392 per MMBtu of MDQ, Interim Rate Adjustments of \$5.3620 per MMBtu of MDQ¹⁷, and a Usage Charge of \$0.0276 per MMBtu.
 - b. Rate CGS – Other: Capacity Charge of \$3.6263 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.1392 per MMBtu of MDQ, Interim Rate Adjustments of \$5.3620 per MMBtu of MDQ¹⁸, and a Usage Charge of \$0.0276 per MMBtu.
 - c. Rate PT – Capacity Charge of \$2.3061 per MMBtu of MDQ, Annual Rider Rev Adjustment of \$0.0740 per MMBtu of MDQ, Interim Rate Adjustments of \$2.4530 per MMBtu of MDQ¹⁹, and a Usage Charge of \$0.0163 per MMBtu.
42. The Company provided adequate notice to its City Gate Service customers, Rate CGS, on August 15, 2016.
43. The notice to Rate CGS customers provided for protests or comments to be filed by September 15, 2016. No protests or comments were received.
44. The Company provided adequate notice to its Pipeline Transportation customers, Rate PT, on August 15, 2016.

¹⁷ IRA approved in GUD No. 10497, plus IRAs from GUD Nos. 10078, 10144, 10240, 10388, and 10422.

¹⁸ *Id*

¹⁹ *Id*

45. The notice to Rate PT customers provided for protests or comments to be filed by September 15, 2016. No protests or comments were received.
46. The proposed effective date to implement the Rider Rev Adjustment is November 1, 2016.
47. The Commission did not receive a motion from interested parties to intervene.
48. The Rider Rev Tariff provides that directly affected customers may request a hearing if the additional revenue generated from the Rider Rev is greater than 2 ½ percent.
49. The Rider Rev Adjustment does not generate additional revenue greater than 2 ½ percent.
50. The Commission did not receive a request for a hearing.
51. The Railroad Commission's Gas Services Division Utility Audit Section conducted an audit from August 29, 2016 through September 2, 2016, Audit Number 17-002 (*See Exhibit B*). The audit tested the accuracy of the information and calculations reflected in the 2016 filing of the APT revenue adjustment under the Rider Rev Tariff authorized in Gas Utilities Docket No. 10000 and as modified in GUD No. 10295. Based on the findings of the audit, no violations were noted.
52. As provided in the tariff, the Company is required to reimburse the Commission for the Commission's estimated annual costs related to the annual review and administration of the Rider Rev Adjustment.

CONCLUSIONS OF LAW

1. APT is a "Gas Utility" as defined in TEX. UTIL. CODE ANN. § 101.003(7) and § 121.001 (2010) and is therefore subject to the jurisdiction of the Commission.
2. The Commission has jurisdiction over the Company, its Statement of Intent and the Rider Rev Tariff under TEX. UTIL. CODE ANN. §§ 102.001, 103.022, 103.054, & 103.055, 104.001, and 104.201 (2010).
3. Under TEX. UTIL. CODE ANN. § 102.001 (2010) the Commission has exclusive original jurisdiction over the rates and services of a gas utility that distributes natural gas in areas outside of a municipality and over the rates and services of a gas utility that transmits, transports, delivers, or sells natural gas to a gas utility that distributes the gas to the public.
4. This adjustment to the rates was processed in accordance with the requirements of the Gas Utility Regulatory Act (GURA) and the tariff that was approved in GUD No. 10000, as modified in GUD No. 10295.
5. APT is required by 16 Tex. Admin. Code § 7.315 (2010) to file electronic tariffs incorporating rates consistent with this Order within thirty days of the date of this Order.

IT IS THEREFORE ORDERED that Atmos Pipeline – Texas' proposed adjustment to its current rates is hereby **APPROVED**.

IT IS FURTHER ORDERED that, in accordance with 16 TEX. ADMIN. CODE § 7.315 (2010), within 30 days of the date this Order is signed, Atmos Pipeline – Texas shall file tariffs with the Oversight and Safety Division. The tariffs shall incorporate rates, consistent with this Order, as stated in the findings of fact and conclusions of law, Exhibit C attached.

IT IS THEREFORE ORDERED that Atmos Pipeline – Texas **SHALL** reimburse the estimated expenses incurred by the Commission in reviewing this application. The amount of this reimbursement shall be determined by the Director of the Oversight and Safety Division.

IT IS FURTHER ORDERED that all proposed findings of fact and conclusions of law not specifically adopted in this Order are hereby **DENIED**. **IT IS ALSO ORDERED** that all pending motions and requests for relief not previously granted or granted herein are hereby **DENIED**.

This Order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE § 2001.146(e) (2013), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the order is served on the parties.

SIGNED this 11th day of October, 2016.

RAILROAD COMMISSION OF TEXAS



DAVID PORTER, CHAIRMAN



CHRISTI CRADDICK, COMMISSIONER



RYAN SUTTON, COMMISSIONER

ATTEST:


Kathy Way
SECRETARY

ATMOS ENERGY CORP., ATMOS PIPELINE - TEXAS
2016 RIDER REV CALCULATION WITHOUT MDQ TIMING ADJUSTMENT
REVIEW PERIOD ENDING JUNE 30, 2016

Line No	Revenue Adjustment Amount	Total	CGS	PT
	(e)	(b)	(c)	(d)
1	Other Revenue Per GUD 10000 (1)	\$ 83,723,392		
2	Less: Other Revenue - July 1, 2015 to June 30, 2016 (2)	77,239,957		
3	(Increase)/Decrease in Other Revenue (Ln 1 - Ln 2)	\$ 6,483,435		
4	Times 75% Sharing Factor (3)	75.0%		
5	Other Revenue Adjustment Amount (Ln 3 x Ln 4)	\$ 4,862,576		
6				
7				
8	Rider REV Rate Adjustment	Total	CGS	PT
9	Other Revenue Allocations per GUD 10000 (4)	\$ 83,723,392	\$ 81,297,894	\$ 2,425,498
10	Other Revenue Allocation Percentages from GUD 10000 (5)		97.10%	2.90%
11	Other Revenue Adjustment Shares (Ln 11 Col (b) times Ln 10 Cols (c) & (d))	\$ 4,862,576	\$ 4,721,705	\$ 140,871
12	Monthly Class MDQ as of June 30, 2016 (WP_A-2, Lns 3+13, 93)		2,827,671	158,614
13	Annual Rider REV Adjustment (Ln 11 / Ln 12)		\$ 1,6698	\$ 0.8881
14	Divided by 12 Months		12	12
15	Monthly Rider REV Capacity Charge Adjustment (Ln 13 / Ln 14)		\$ 0.1392	\$ 0.0740
16				
17	Base Capacity Charge CGS - Mid-Tex (6)		\$ 9.8017	
18	Base Capacity Charge CGS - Other (6)		\$ 8.9883	
19	Base Capacity Charge Rate PT (6)			\$ 4.7591
20				
21	Adjusted Capacity Charge CGS - Mid-Tex	(Ln 15 + Ln 17)	\$ 9.9409	
22	Adjusted Capacity Charge CGS - Other	(Ln 15 + Ln 18)	\$ 9.1275	
23	Adjusted Capacity Charge Rate PT	(Ln 15 + Ln 19)		\$ 4.8331
24				
25	Notes:			
26	(1) GUD 10000, Final Order, Schedule A-1, Col (c), Ln 9			
27	(2) See WP_A-1, Col (p), Ln 43			
28	(3) GUD 10000, Final Order, Finding of Fact #110			
29	(4) GUD 10000, Final Order, Schedule J, Ln 12			
30	(5) GUD 10000, Final Order, Schedule H-4.1, Ln 6			
31	(6) The Base Capacity Charge includes changes in GRIP. Please see the Relied Upon file "Base Capacity Charge Tracking.xlsx" for more detail.			
32				

RAILROAD COMMISSION OF TEXAS

David Porter, Chairman
Christi Craddick, Commissioner
Ryan Sitton, Commissioner

INTERNAL
Oversight and Safety Division
Kari French, Division Director
Gas Services
Edward D. Abrahamson
Director, Utility Audit

August 27, 2016

Mr. Edward Abrahamson
Director, Utility Audit
Railroad Commission of Texas
Gas Services Division
P. O. Box 12967
Austin, Texas 78711-2967

RE: Rider Rev Audit
 Atmos Energy Corporation,
 Atmos Pipeline Texas
 5420 LBJ Freeway, Suite 1600
 Dallas, Texas 75240

Dear Mr. Abrahamson:

Josh Settle and Yolandra Davis performed a special Rider Rev audit on Atmos Energy Corporation, Atmos Pipeline Texas (Atmos PT) on August 29 – September 2, 2016. The audit was done at the utility's main offices located in Dallas, Texas. This audit verified the 2016 Rider Rev Calculation, which maintains the approved allocation of revenues between non-regulated earnings and those revenues earned from customers regulated by the Commission as per GUD Docket No. 10000 and the following related Rider Rev Docket 10540.

Atmos PT is a division of Atmos Energy Corporation whose headquarters are located in Dallas Texas. The utility serves as a transportation system for seven city-gate distribution customers and nearly 400 transport, compression, and storage, parking and blending customers. The transmission utility owns and operates approximately 6,000 miles of pipeline and several storage facilities. The utility pipeline reaches 111 counties in the State of Texas. The utility brings gas to North Texas from the three major natural gas hubs in Texas, the Waha, Carthage, and Katy terminals. The Atmos PT pipelines run from North Texas to far West Texas and Southeast to the Gulf Coast area. The gas is then brought North Texas area where it is used by gas consumers served

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August 27, 2014
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by its customers. The utility provides both intrastate and NGPA Section 311 interstate related services to customers using its system.

During this audit various records were made available to complete the audit. Atmos provided the audit staff with 2016 Rider Rev Calculation Report, General Ledger, Trial Balance, Utility work papers, and customer invoices.

Atmos has two types of basic service rates that are charged to its regulated city-gate customers. The largest customer is the utility's affiliate Atmos Mid-Tex the largest burner tip utility in Texas. These rates are noted as Rate CGS Mid-Tex. The Mid-Tex rates are under a Commission regulated transportation agreement for City Gate Service to the Local Distribution Company (LDC) i.e. Atmos Mid-Tex who is connected to the Atmos Pipeline -Texas System for the transportation of all natural gas supplied by Customer to a Point or Points of Delivery. There is another group of Rate CGS customers served by the utility that are known as Rate CGS Other. This rate is for customers who qualify as a local distribution company that are not affiliated with Atmos Mid-Tex. All customers in the CGS class receive the same type of service. The service provided is the provision of firm transportation and storage of natural gas for use by the Local Distribution Companies. In locations where gas service of the quantity and type required by LDC is not already available at a Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished at such Point of Delivery.

The CGS customers are charged rates for gas services on a monthly basis. The rate charged to these customers will be calculated by adding the Monthly Customer Charge and Usage. The Monthly Customer Charge each month will be equal to the Capacity Charge, as adjusted, multiplied by the Customer's Maximum Daily Quantity (MDQ) as set forth in the Transportation Agreement between Customers and the Company. Total Usage Charges each month will be equal to the Usage Charge multiplied by the volume of gas delivered to Customer by Company during such month: The rates charged to Rate CGS customers also contain an Interim Rates Adjustment (IRA) that was approved under GUD Docket No. 10540. The chart below lists the current rates charged and the proposed rates to Rate CGS Mid-Tex and then Rate CGS Other that would include the 2016 Rider Rev adjustment.

Rate CGS Mid-Tex

Charge	Amount
Capacity	\$ 3.6263 per MMBtu of MDQ
Capacity Charge related to Mid-Tex Working Gas	\$0.8134 per MMBtu of MDQ
Annual Rider REV Adjustment	\$.1296 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$ 5.3620 per MMBtu of MDQ
Total Capacity Charge	\$ 9.9313 per MMBtu of MDQ
Usage	\$ 0.0276 per MMBtu

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Rate CGS Other

Charge	Amount
Capacity	\$ 3.6263 per MMBtu of MDQ
Annual Rider REV Adjustment	\$0.1296 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$ 5.3620 per MMBtu of MDQ
Total Capacity Charge	\$ 9.1779 per MMBtu of MDQ
Usage	\$ 0.0276 per MMBtu

The third group of regulated customers is Pipeline Transportation (Rate PT) customers served by Atmos PT. The utility has a transportation agreement, for customers directly connected to the Atmos PT System for the transportation of all natural gas supplied by Customer or Customer's agent for delivery to Customer at one Point of Delivery. These cannot be city gate users although they may receive the same types of service. The rates to Rate PT customers also contain an Interim Rates Adjustment (IRA) that was approved under GUD Docket No. 10540. The chart below lists the current rates charged and the proposed regulated rates to Rate PT customers

Rate PT

Charge	Amount
Capacity	\$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment	\$.0672 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$ 2.4530 per MMBtu of MDQ
Total Capacity Charge	\$ 4.8263 per meter
Usage	\$ 0.0163 per MMBtu

A sample of the utility's contracts were reviewed and briefed during the audit to test their compliance with the rates denoted in the prior paragraphs. First among the contracts to be reviewed was the contract with Atmos Mid-Tex Division, this is Atmos PT's affiliate and its largest CGS customer. Atmos PT has separate third party group of customers that fall in the same CGS class as Atmos Mid-Tex that receive the same rates with exception of a Capacity Charge that is charged to Mid-Tex only. Three of the six current Other CGS customer contracts were reviewed by audit staff. The remainder of the contract sample focused on the rates charged to customer under the approved rate for this group known as Pipeline Transportation customer who receives a docketed rate from Atmos PT for services provided.

Mr. Edward Abrahamson
August 27, 2014
Page 4 of 7

When GUD Docket 10000 was approved it was determined that the cost of transmission and storage was primarily caused by the need to supply the City Gate user's service. Therefore, it was determined that this cost should not be overly borne by the Other Revenue customers served by the utility. These customers have rates charged for service that are under competitive contracts between Atmos PT and individual customers who contract with the utility for use of all of its various services. A method of treating these revenues as a revenue credit was determined as a way to prevent the unnecessary allocation of cost to these customers. GUD Docket 10000 determined that the utility could recover Other Gas Revenues of \$83,723,392.00 during the Rider Rev calculation time period 12 months ending on June 30, 2016. The utility's report filed with the Commission stated that the utility had actually collected \$77,239,957.00 in Other Gas revenues, thus this under-collection will require Atmos PT to take a credit against the regulated revenues earned by the utility from Rate CGS Mid Tex, Rate CGS Other, and regulated Rate PT industrial transportation customers. The adjusted amount of \$4,862,276.00 is 75% of the total amount as per the formula stated in the following paragraphs.

The basic formulation of the Rider Rev Calculation that will apply to revenues earned from these customer classes, Rate CGS – Mid-Tex, Rider CGS - Other and Rate PT follows the following format. The final order for GUD Docket 10000 states that effective each November 1, rate schedules subject to this Rider will be adjusted based on the change in: (1) the level of Other Revenue for the twelve-month period from July 1 of the prior year through June 30 of the current year from (2) the level of Other Revenue credited to the total cost of service in GUD Docket No. 10000. Seventy-five percent of the difference between (1) and (2) less revenue related taxes shall be allocated to the Rate CGS class and the Rate PT class in the same proportion as the Other Revenue was allocated to each class in GUD Docket No. 10000. This is as determined from the dollar amounts for Other Revenue Credit on Schedule J to the Final Order in GUD No. 10000, Columns (d) and (e), Line 6 for each class, respectively, as compared to the Total System Other Revenue Credit on Schedule J, Column (c), Line 6. The allocated portion of the difference in Other Revenue for each class shall be divided by the then current MDQ for such class, and 12 to calculate a monthly amount shall divide that result. The resulting amount shall be added to or subtracted from the capacity charge for each class. This rider rev filing Atmos has filed of a Schedule A with an Adjustment for MDQ as CGS MDQ can only once per annum on November 1. So the utility states because at the time each Rider REV filing is made, the Company uses the most current customer MDQs on WP_A-2. Pursuant to APT's contracts with its Rate CGS customers, any change in a customer's MDQ due to annual reviews takes effect on November 1st of each year. In addition, existing Rate PT customers may have a change in their MDQ at various times during a year. Furthermore, new Rate CGS or Rate PT customers may initiate service at any time during a year and any existing Rate CGS or Rate PT customers may terminate their contracts during a year. Typically, the most notable changes are related to MDQ changes for Mid-Tex and CoServ. The differences between the MDQs utilized to calculate any year's Rider REV Adjustment and the MDQs in effect for billing during the twelve months following each November 1st can result in over or under recoveries of the approved revenue adjustments. The Adjustment for MDQ Timing on Line 12 of Schedule A corrects for any over or under recovery during the prior Rider REV year.

Mr. Edward Abrahamson
August 27, 2014
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Based on the format stated above the utility determines and files its annual Rider calculation no later than August 15th of each year, The utility has filed with the Commission an "Other Revenue Adjustment" Rider Rev Report that was required to show the following:

1. The actual Other Revenue billed by Atmos PT during the twelve-month period from July 1 of the prior year through June 30 of the current year by FERC Account;
2. A listing of the customers in the Other Revenue class by coded reference showing monthly volumes and monthly revenues for each customer;
3. The then current MDQ for each class (CGS and PT);
4. The Other Revenue allocation percentages for each class
5. The calculations described in the Adjustment Mechanism Section of this Rider REV (similar to the attached illustrative schedule) and supporting schedules;
6. A confidential cross-reference listing of the Customer codes and names (for Railroad Commission Staff only);
7. A statement on whether or not the proposed adjustment would generate additional revenue of more than 2 ½% of Atmos Pipeline – Texas' annual per books revenue for the twelve-month period ending on June 30 of the current year; and
8. Proposed tariffs showing the proposed adjusted rates.

The audit reviewed the actual Other Revenue billed out by Atmos PT during the 12-month reporting period. Verification of all Other Revenue was done by scheduling each of the sub accounts that are included in the four revenue FERC Accounts. The largest account is FERC Account 489.2 Revenues from Transportation of Gas of followed by storage related income that was reported in FERC account 489.4 Revenue from Storage Gas of Others. Atmos PT also generated revenues from selling incidental gasoline produced from its operations, which was reported in FERC Account 492 Incidental Gasoline Sales. Finally, the utility reported revenues from FERC account 495 Other Gas Revenues. A list of the FERC Accounts and their subsidiary sub accounts can be found in the audit work papers on page 13. When reporting Other Revenues to be used in Schedule A the utility made adjustments for prior periods and such. Atmos did this by applying journal entries and accrual adjustments, reversed out estimates and removed Gas Utility Taxes paid during the period to come up with the final amount of \$77,239,957.00. The audit did the same and verified these adjustments via the general ledger. The audit put special emphasis on FERC Account 489.2 Sub Accounts 31372 and 31373 Industrial Transportation (Transport gas for Industrial end users) as this contained both regulated Rate PT customers and non-regulated competitive rate customers. This was done to make sure no revenue fell into the wrong revenue class. Atmos PT reported all volumes in MMBtu based on these specific reports supplied by the utility.

Mr. Edward Abrahamson
August 27, 2014
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The audit specifically reviewed FERC Account 489.2, sub-accounts 31372 and 31373, Industrial Transportation, as reported on Page WP_A-1, Pages 1 and 2 of the 2016 Rider REV Calculation filing. Primary source documents for the review included the utility's general ledger, trial balance, and customer invoices. Secondary verification documents reviewed were the utility's work papers, detail journal, and the 2016 Rider Rev Calculation Report. The utility reported revenue in Transmission/Compression Revenue, FERC Account 489.2, sub-accounts 31372 and 31373 of \$11,883,382.00 during the test year ended June 30, 2016, for all regulated industrial customers. The audit confirmed this information by reviewing actual invoices for 5% of the customers and the utility's general ledger. No discrepancies were noted between the reported totals and the audit totals for the test year. Included in FERC Account 489.2, sub-account 31320 was non-regulated revenue for competitive contracts and plant protection fees. The utility reported this non-regulated revenue as \$2,004,255 on Page WP_A-1, Page 2 and Page WP_A-3 Page 2. The audit confirmed this amount and no discrepancies were noted between the reported totals and the audited non-regulated revenue. FERC Account 489.2, sub-account 31326 also included utility tax revenue, which was later netted out to determine the final Other Revenue to be applied to the Rider Rev calculation. The audit reviewed customer invoices and the utility general ledger to verify the amount reported. No discrepancies were noted between the reported totals on Page WP_A-2 Page 2 and the audited totals for test year ended June 30, 2016.

Atmos PT met the requirement for step two of the report requirement by filing Schedule C and D. Schedule C shows the Other Revenues earned by customers that are deemed to be non-regulated revenue activity. Assigned numbers that are contained in a confidential customer cross-reference that shows each customers number and actual contractual name identifies each of these customers. Based on the same format Schedule D shows the volumes from non-regulated activity by customer. The audit verified by customer samples the volumes and the revenue reported in these two schedules. Pages WP_A-1, Pages 1 and 2 of the 2016 Rider REV Calculation was reviewed by all sub accounts as with the inclusion of adjustments for estimates, journal entries, accruals and gas utility tax. See attachment 1 & 2.

When filing the 2016 Rider Rev Calculation Report Atmos PT staff did included a work paper showing each regulated customer's contracted monthly Maximum Daily Quantity (MDQ) as of June 30, 2016, which is required to determine the capacity charge to each of three classes Rate CGS Mid-Tex, CGS Other, and PT customers. This capacity charge is where the Rider Rev Capacity charge adjustment will be applied to the Base Capacity charge. The audit verified a sample of customer contracts to determine the current MDQ and also requested and received a list of customers whose MDQ changed since the approval of GUD Docket 10000.

The Other Revenue allocation percentages for each class was determined in GUD Docket 10000 based on the Total Revenue Requirement needed to cover the operating expenses and the allowable rate of return allowed by the docket. The docket determined that the Rate CGS class of customer would be required to incur 97.10% of the revenue requirement while Rate PT customers would shoulder 2.90% percent of the requirement. When the adjusted Other Revenue increase or decrease was determined and adjusted down to 75% of its total amount to a \$4,862,576.00 increase above the allowable Other Revenue per Docket 10000, it is then prorated between the revenue

Mr. Edward Abrahamson
August 27, 2014
Page 7 of 7

classes and then divided by the total MDQ for Rate CGS and Rate PT classes. This resulted in an average annual Rider Rev Adjustment of \$1.5553 per unit for Rate CGS and \$0.8068 for Rate PT customers. These amounts are then divided by 12 to determine the monthly Rider Rev capacity charge to determine the monthly adjustment to the capacity charge to regulated customers. Therefore, Rate CGS customers receive a monthly credit of \$0.1296 per MMBtu of MDQ while Rate PT customers received a monthly credit adjustment of \$0.8068 per MMBtu of MDQ.

Atmos PT provided a confidential cross-reference listing of the Customer Number and names to be seen by Commission staff only. This was verified against the original confidential cross-reference filed with the 2015 Rider Rev filing to determine if any of the customers had changed from regulated to non-regulated or account for customers who had become inactive or fallen from the customer rolls since the filing of the docket. An analysis was done and found that all customer who were not on the original list had fallen off for acceptable reasons or had been inactive during the 12 month period up to June 30, 2016.

Finally, a statement was filed on whether or not the proposed adjustment would generate an additional revenue affect of more than 2 ½% of Atmos Pipeline – Texas' annual per books revenue for the twelve-month period ending on June 30 of the calculation year. The audit divided the adjusted Other Revenue increase in the amount of \$4,862,148.00 by the total audited booked revenue of \$397,436,148.00 This resulted in a Rider REV percentage Increase/ (Decrease) of 1.22%. In addition to meeting these requirements for filing the 2016 Rider Rev Calculation Report, Atmos PT included the proposed tariffs showing the proposed adjusted rates. In addition to the Rider Rev adjustment, the capacity charge will then be adjusted for any Interim Rate Adjustments approved by the Commission after the issuance of the Final Order in GUD Docket No. 10540.Adjustment Review.

Ms. Sharon Whiting, Project Manager, Rates and Regulatory Affairs provided all audit information. Ms. Whiting was informed of the audit findings, with Ms. Whiting choosing to agree with the audit results. All subsequent audit correspondence concerning this audit should be addressed to Mr. Charles Yarbrough, Vice President Rates and Regulatory at the utility's Dallas, Texas address noted at the beginning of this report.

Assisted By

Respectfully submitted,

Stephen Cooper
Advising Auditor

Josh B. Settle
Senior Auditor/Fort Worth

JS/

Attachments

cc: Stephen Cooper
Advising Auditor

Mr. Edward Abrahamson
August 27, 2014
Page 7 of 8

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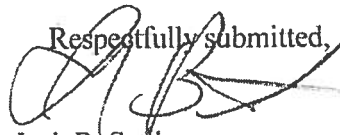
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Finally, a statement was filed on whether or not the proposed adjustment would generate an additional revenue affect of more than 2 ½% of Atmos Pipeline – Texas' annual per books revenue for the twelve-month period ending on June 30 of the calculation year. The audit divided the adjusted Other Revenue increase in the amount of \$4,862,148.00 by the total audited booked revenue of \$397,436,148.00 This resulted in a Rider REV percentage Increase/ (Decrease) of 1.22%. In addition to meeting these requirements for filing the 2016 Rider Rev Calculation Report, Atmos PT included the proposed tariffs showing the proposed adjusted rates. In addition to the Rider Rev adjustment, the capacity charge will then be adjusted for any Interim Rate Adjustments approved by the Commission after the issuance of the Final Order in GUD Docket No. 10540.Adjustment Review.

In conclusion, no violations were noted during this special audit of Atmos Pipeline Texas. Ms. Sharon Whiting, Project Manager, Rates and Regulatory Affairs provided all audit information. Ms. Whiting was informed of the audit findings, with Ms. Whiting choosing to agree with the audit results. All subsequent audit correspondence concerning this audit should be addressed to Mr. Charles Yarbrough, Vice President Rates and Regulatory at the utility's Dallas, Texas address noted at the beginning of this report.

Assisted By

Yolandra Davis
Senior Auditor/Fort Worth

Respectfully submitted,

Josh B. Settle
Senior Auditor/Fort Worth

JS/

Attachments

cc: Stephen Cooper

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION



SPECIAL AUDIT - 2016 RIDER REV FILING (DOCKET 10540)

UTILITY: Atmos Energy Corp., Atmos Pipeline - Texas
ADDRESS: 5420 LBJ Freeway, Suite 1600
Dallas, Texas 75240

Audit Number:

Audit Hours:

LOCATION:

Audit Period:

July 2015 - June 2016

Telephone:

Tax Quarters Reviewed:

Not Reviewed

Utility Classification, based on this audit:

Transmission

Date of Audit:

August 29, 2016 - September 2, 2016

Summary of Audit Violations Noted During this Audit:

No violations noted during this Rider Rev. Audit for 2016.

Company Representative (s) & Title (s)

- 1) Mr. Charles Yarbrough, Vice President Rates and Regulatory
- 2) Ms. Barbara Myers, Regulatory Accounting Manager
- 3) Ms. Sharon Whiting, Project Manager, Rates and Regulatory Affairs
- 4)

Audit Member (s)

- 1) Josh Settle, Senior Auditor
- 2) Yolandra Davis, Senior Auditor
- 3)
- 4)

Representative's Acknowledgment

I acknowledge that the audit results were discussed with me during the exit interview. Each alleged violation, if any, has been brought to my attention and solutions to the problem area (s) have been considered. After review, I (please check only one of the boxes below) ___ with the audit results

Agree ☒

Disagree ☐ ☐

Remain Uncommitted ☐ ☐

Representative's Signature

Lead Auditor's Signature

PROJECT MANAGER
Title

September 2, 2016
Date Recapped

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION**



SPECIAL AUDIT - 2016 RIDER REV FILING (DOCKET 10540)

UTILITY: Atmos Energy Corp., Atmos Pipeline - Texas
ADDRESS: 5420 LBJ Freeway, Suite 1600
Dallas, Texas 75240

Audit Number:

Audit Hours:

LOCATION:

Audit Period:

July 2015 - June 2016

Telephone:

Tax Quarters Reviewed:

Not Reviewed

Utility Classification, based on this audit:

Transmission

Date of Audit:

August 29, 2016 - September 2, 2016

Summary of Audit Violations Noted During this Audit:

No violations noted during this Rider Rev. Audit for 2016.

Company Representative (s) & Title (s)

- 1) Mr. Charles Yarbrough, Vice President Rates and Regulatory
- 2) Ms. Barbara Myers, Regulatory Accounting Manager
- 3) Ms. Sharon Whiting, Project Manager, Rates and Regulatory Affairs
- 4)

Audit Member (s)

- 1) Josh Settle, Senior Auditor
- 2) Yolandra Davis, Senior Auditor
- 3)
- 4)

Representative's Acknowledgment

I acknowledge that the audit results were discussed with me during the exit interview. Each alleged violation, if any, has been brought to my attention and solutions to the problem area (s) have been considered. After review, I (please check only one of the boxes below) ___ with the audit results.

Agree []

Disagree []

Remain Uncommitted []

Representative's Signature

Lead Auditor's Signature

Title

September 2, 2016
Date Recapped

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE: 9/2/16

BY: JS

Atmos Energy Corp., Atmos Pipeline - Texas

Summary of Previous (Related) Audit

Audit Number: 16-001 Type of Audit: Special - Rider Rev
Violations Cited: None

Date of Compliance / Abatement: N/A

General Information

- 1) Does this audit find any "REPEAT" violations ? ☐ Yes ☒ No
- 2) How many T-4 Permits to Operate a Pipeline does this gas utility have ? Not Reviewed
- 3) Does this gas utility operate any pipeline associated with past condemnation? ☐ Yes ☐ No
- 4) Does this gas utility have activity governed by the NGPA § 311 ? ☐ Yes ☐ No
- 5) Does this gas utility make sales or transport deliveries to a City Gate/Town Border ? ☐ Yes ☐ No
- If yes, list towns/locations: Not Reviewed
- 6) Does this gas utility conduct business with affiliates? ☐ Yes ☐ No

If yes, mark all that apply:

☐ Purchases, ☐ Sales, ☐ Transportation, ☐ Storage, ☐ Other

Remarks: General Information not reviewed during this audit.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION**

DATE: 9/2/16
BY: JS

Atmos Energy Corp., Atmos Pipeline - Texas

**OTHER REVENUES
For Rider Rev Purposes - Docket No. 10000
For Proposed Rates - Docket No. 10540**

Revenue Adjustment Amount	Total	CGS	PT
(a)	(b)	(c)	(d)
1 Other Revenue per GUD 10000 (Note 1)	\$83,723,392		
2 Less: Other Revenue - July 1, 2015 to June 30, 2016 (Note 2)	\$ 77,239,957.00		
3 (Increase) Decrease in Other Revenue Line 1 - Line 2	\$6,483,435		
4 Times 75% Sharing Factor (Note 3)	75%		
5 Other Revenue Adjustment Amount	\$4,862,576.25		
6			
7			
8 Rider Rev Rate Adjustment	Total	CGS	PT
9 Other Revenue Allocations Per GUD 10000 (Note 4)	\$83,723,392	\$81,297,894	\$2,425,498
10 Other Revenue Allocation Percentages per GUD 10000 (Note 5)		97.1030%	2.8970%
11 Other Revenue Adjustment Shares (Ln 11 Col (b) x Ln 10 Cols (c) & (d))	\$4,862,576.25	\$4,721,707	\$140,868.83
12 Adjustments for MDQ Timing	(\$336,789.00)	(\$323,895)	(\$12,894.00)
13 Monthly Class MDQ as of June 30, 2015		2,827,671	158,614
14 Annual Rider Rev Adjustment (Ln 11 / Ln 12)		\$1.5553	\$0.8068
15 Divided by 12 months		12	12
16 Monthly Rider Rev Capacity Charge Adjustment (Ln 13 / Ln 14)		\$0.1296	\$0.0672
17			
18 Base Capacity Charge CGS-Mid-Tex (Note 6)		\$9.8017	
19 Base Capacity Charge CGS-Other (Note 6)		\$7.8192	
20 Base Capacity Charge Rate PT (Note 6)			\$4.2420
21			
22 Adjusted Capacity Charge CGS-Mid-Tex	(Line 15 + Line 17)	\$9.9313	
23 Adjusted Capacity Charge CGS - Other	(Line 15 + Line 18)	\$7.9488	
24 Adjusted Capacity Charge Rate PT	(Line 15 + Line 19)		\$4.3092

Calculated Number

Note 1: GUD 10000, Final Order, Finding of Fact No. 124

Note 2: Per WP_A-1, Col (p), Ln 41 (August 14, 2015 Rider Rev Filing) / Also See Page 14 of Audit Workpapers for verification

Note 3: GUD 10000, Final Order, Finding of Fact No. 110

Note 4: GUD 10000, Final Order, Schedule J, Ln 12

Note 5: GUD 10000, Final Order, Schedule H-4, Ln 6

Note 6: Capacity Charge includes the following per finding of fact 125 GUD 10000:

(A) - CGS Mid-Tex	Per MMBtu:	Capacity Charge \$3.6263; Capacity Charge Mid-Tex Working Gas \$0.8134 Annual Rate Adjustment \$.1296 Interim Rate Adjustment \$5.362 for a total of \$9.913
(B) - CGS Other	Per MMBtu:	Capacity Charge \$3.6263; Annual Rider Rev Adj. \$0.1296 Interim Rate Adjustment \$5.3620 for a total of \$9.1179
(C) - CGS PT	Per MMBtu:	Capacity Charge \$2.3061; Annual Rider Rev Adj. \$0.00672 Interim Rate Adjustment \$2.4530 for a total of \$4.8263

MDQs reviewed by sample of cotracts for each above customer class.

Calculation of Percentage Increase (Decrease)

A	Total Atmos Pipeline - Texas Revenue from Audit Workpapers Pg. 12	\$397,436,148.88
B	Other Revenue Adjustment Amount (Line 5 above)	\$4,862,576.25
	Rider Rev Percentage Increase/Decrease (Ln. B / Ln. A)	1.22%

The purposed adjustment would not increase revenue by more than 2.5%

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31325 LDC Transp - 3rd Parties*</i>		<i>Sub Account 31332 Trans for Mid-Tex-Rate CGS</i>		<i>Sub Account 31333 Electric Generation</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July		918,678.93		23,481,267.90		5,032,193
August		912,768.13		23,447,936.57		8,022,631
September		952,896.38		24,395,964.49		8,364,497
October		825,626.32		21,419,465.39		4,964,315
November		1,014,216.01		23,865,324.47		2,890,831
December		1,004,660.94		23,002,356.13		3,169,361
January		1,035,094.02		23,935,698.37		3,440,371
February		1,079,516.53		25,000,176.43		1,497,288
March		1,030,793.08		23,935,593.38		1,011,241
April		1,261,515.75		27,452,042.63		3,104,938
May		1,218,525.84		27,846,404.87		3,028,063
June		1,237,642.75		28,205,406.87		3,095,973
Totals		\$12,491,934.68		\$295,987,637.50		47,621,702
Reported		\$12,491,935.00		\$295,987,638.00		47,621,702
Difference		(\$0.32)		(\$0.50)		0

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2)

*Volumes taken from the Rate PT and CGS Ledger Reconciliation

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31335</i> <i>Parking Transportation Revenue</i>		<i>Sub Account 31336</i> <i>Lending Transportation Revenue</i>		<i>Sub Account 31337</i> <i>Pipeline</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July		72,797.90		0.00	26,900.788	4,618,365.67
August		450.00		1,000.00	26,631.424	4,334,582.31
September		1,360.00		0.00	24,224.583	4,175,030.28
October		158,190.00		2,355.00	25,491,645	4,076,503.73
November		112,189.65		0.00	26,911,517	4,152,748.46
December		39,610.00		0.00	20,632,035	3,714,668.07
January		2,310.00		0.00	21,545,797	3,321,067.98
February		960.00		0.00	15,909,776	2,174,928.82
March		0.00		0.00	16,142,549	3,300,715.66
April		12,770.00		0.00	23,228,076	3,912,920.08
May		959.52		0.00	23,908,288	3,607,243.61
June		174,180.00		960.00	24,767,474	4,088,574.09
Totals		\$575,777.07	0	\$4,315.00	276,293,952	\$45,477,348.76
Reported		\$575,777.00	0	\$4,315.00	276,293,952	\$45,477,349.00
Difference		\$0.07	0	\$0.00	0	(\$0.24)

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31338 Pipeline-311(A)(2)-Texas</i>		<i>Sub Account 31340 Compress Rev-Transp Customers</i>		<i>Sub Account 31341 Page 6</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	9,588,844	436,217.38		5,530.90		419,581.76
August	8,763,070	342,093.28		7,660.25		324,995.74
September	10,004,991	426,311.92	(4,203.85)			345,282.29
October	10,549,801	579,379.63		4,542.95		252,520.16
November	10,444,476	573,959.41		3,585.60		502,430.01
December	11,464,499	927,111.22		871.95		450,660.17
January	12,481,142	784,342.77		4,539.85		479,204.15
February	15,171,982	858,283.47		4,575.25		93,312.05
March	12,253,687	1,098,919.72		4,148.10		354,105.92
April	9,695,877	663,807.97		3,697.50		294,959.50
May	9,430,216	610,551.82		3,987.25		263,727.21
June	8,159,746	499,010.80		4,000.70		321,666.50
Totals	128,008,331	\$7,799,989.39		\$42,936.45		\$4,102,445.46
Reported	0	\$7,799,989.00		\$42,938.00		\$4,102,445.00
Difference	128,008,331	\$0.39		(\$1.55)		\$0.46

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31345</i> <i>Parking Trans Rev-Affiliate/AEM</i>		<i>Sub Account 31347</i> <i>Pipeline-311(A)(2)-Texas-Affiliate</i>		<i>Sub Account 31348</i> <i>Page 6</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July		26,400.00	107,320	21,464.00	59,628	403.96
August		0.00	27,859	5,571.80	53,873	401.11
September		78,000.00	29,329	5,865.80	35,647	5,015.29
October		52,700.00	21,140	4,228.00	40,608	3,272.56
November		0.00	21,522	4,304.40	45,684	1,547.88
December		15,900.00	28,321	2,805.68	5,076	(764.68)
January		0.00	4,650	930.00	42,943	1,206.01
February		0.00	4,739	934.80	29,900	(65.00)
March		0.00	4,359	871.80	0	468.00
April		0.00	1,705	341.00	5,000	1,240.00
May		0.00	1,739	346.85	18,000	3,820.00
June		126,000.00	2,096	419.20	41,613	308.91
Totals		\$299,000.00	254,779	\$48,083.33	377,972	\$16,854.04
Reported		\$299,000.00	254,779	\$48,083.00	377,972	\$16,854.00
Difference		\$0.00	0	\$0.33	0	\$0.04

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31372 Ind Trans - Regulated*</i>		<i>Sub Account 31373 Ind Trans - Other R</i>		<i>Sub Account 31376 Page 6</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July		784,220.46	624,395	181,498.16	3,006,741	9,750.22
August		794,960.80	612,647	124,187.94	3,222,524	11,687.57
September		805,498.37	871,112	220,721.18	3,953,107	11,539.32
October		716,370.80	653,389	124,214.99	3,748,300	8,034.90
November		767,599.95	466,058	70,843.68	2,745,924	7,667.77
December		757,570.52	534,655	139,705.26	2,603,025	5,869.08
January		775,378.72	791,378	226,539.24	1,807,812	(39,250.55)
February		809,969.35	1,050,297	232,897.00	1,953,425	4,181.28
March		804,862.92	818,329	178,396.80	1,438,054	2,756.16
April		800,113.31	875,454	181,141.86	2,950,999	9,693.00
May		991,413.38	574,274	389,604.17	1,261,986	10,735.96
June		904,405.74	953,750	101,268.20	3,448,437	10,325.31
Totals		\$9,712,364.32	8,825,738	\$2,171,018.48	32,140,334	\$52,990.02
Reported		\$9,712,364.00	8,825,738	\$2,171,018.00	32,140,334	\$52,990.00
Difference		\$0.32	0	\$0.48	0	\$0.02

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).

*Volumes taken from the Rate PT and CGS Ledger Reconciliation

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	Sub Account 31378 <i>Ind Trans-Other Rev-Non-Taxable</i>		Sub Account 31321 <i>Rev-Storing 311 Gas for Others</i>		Sub Account 31343 <i>Page 6</i>	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.4		FERC ACCT. No. 489.4	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	10,319	12,997.38		0.00		221,344.54
August	15,092	18,967.20		0.00		230,435.11
September	15,765	53,383.65		0.00		205,500.99
October	16,561	20,847.22		0.00		195,881.58
November	17,654	22,291.00		256.61		208,221.63
December	17,852	22,516.95		235.62		190,782.57
January	18,081	22,813.12		153.78		194,622.08
February	17,810	22,468.68		805.20		194,813.48
March	17,580	22,216.84		0.00		193,894.25
April	23,035	75,525.68		1,080.61		207,866.92
May	20,392	25,690.58		0.00		197,870.13
June	21,977	27,702.77		0.00		209,783.26
Totals	212,118	\$347,421.07		\$2,531.82		\$2,451,016.54
Reported	212,118	\$347,421.07		\$2,531.00		\$2,451,017.00
Difference	0	\$0.00		\$0.82		(\$0.46)

Remarks:	Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).
Volume Pressure Base:	N/A
Source documentation:	Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices
<i>This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.</i>	

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	Sub Account 31220 Gas Utility Tax		Sub Account 31324 Parking Trans.-311(A)(2)-Texas		Sub Account 35582 Page 6	
	FERC ACCT. No. 489.4 - 495		FERC ACCT. No. 489.2		FERC ACCT. No. 492	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	273,096.97		0.00		24,296.19	
August	158,227.51		496.00		(9,388.54)	
September	157,036.55		0.00		19,214.13	
October	151,312.23		0.00		6,449.44	
November	156,529.03		0.00		6,126.51	
December	152,046.15		0.00		8,096.26	
January	154,733.22		0.00		0.00	
February	146,044.83		0.00		4,756.50	
March	145,808.47		0.00		0.00	
April	171,389.07		0.00		0.00	
May	168,026.45		0.00		10,636.15	
June	170,004.32		0.00		0.00	
Totals		\$2,004,254.80		\$496.00		\$70,186.64
Reported		\$2,004,254.80		\$496.00		\$70,187.00
Difference		\$0.00		\$0.00		(\$0.36)

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

DATE 9/2/16

BY: JS

Atmos Energy Corp., Atmos Pipeline - Texas

**GAS OPERATING REVENUES
For Rider Rev Purposes**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>Sub Account 31375 Other Gas Revenue</i>		<i>Sub Account 35582 Transp Rev-Pooling Transfer</i>		<i>Sub Account 35591 Transp-Rev Pooling-Affiliate/AEM</i>	
	FERC ACCT. No. 495		FERC ACCT. No. 495		FERC ACCT. No. 495	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	1,975	11,126.04		58,566.02		12,831.25
August	(388)	6,993.98		58,157.16		14,477.27
September	776	6,042.00		42,582.93		16,819.50
October		6,023.59		49,443.74		13,375.34
November		13,772.65		55,319.52		15,978.39
December	5,163	16,568.58		65,316.61		14,900.53
January		29,894.10		75,651.67		18,070.56
February		5,846.27		62,718.54		17,148.91
March		5,822.89		60,343.71		17,033.12
April		5,852.27		38,981.59		14,494.41
May		5,827.67		43,878.24		13,382.01
June	192,281	477,876.37		48,248.90		15,863.87
Totals	199,807	\$591,646.41		\$659,208.63		\$184,375.16
Reported	199,807	\$591,646.41		\$659,209.00		\$184,375.00
Difference	0	\$0.00		(\$0.37)		\$0.16

Remarks: Reported totals taken from the 2016 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2)

Volume Pressure Base: N/A

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION

DATE 9/2/16

BY JS

Atmos Energy Corp., Atmos Pipeline - Texas

GAS OPERATING REVENUES
For Rider Rev Purposes

FISCAL YEAR JULY 2014 THROUGH JUNE 2015

Accounting Month	Sub Account 31198 Meter Maint & Repair Revenues		Sub Account 31374 Other Gas Revenue		Total	
	FERC ACCT. No. 495		FERC ACCT. No. 495		FERC ACCT. No. 489.2-4/495	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July		0.00		0.00	45,332,203	32,881,268.09
August		0.00		0.00	47,348,732	32,276,653.76
September	3,961.43			0.00	47,499,807	32,648,797.43
October	0.00		0	0.00	45,485,759	29,242,839.46
November	5,721.82		800,008	2,169,000.00	44,343,674	34,278,508.98
December	4,797.54			(1,476.26)	38,459,987	31,155,474.98
January	0.00			0.00	40,132,174	31,293,939.51
February	0.00		310,000	966,425.00	35,945,217	31,879,596.34
March	0.00			0.00	31,685,799	32,529,378.24
April	2,559.00			0.00	39,885,084	35,740,466.61
May	8,086.81			0.00	38,242,958	35,926,254.53
June	12,809.49			0.00	40,683,347	37,582,970.95
Totals		\$37,936.09		\$3,133,948.74	495,044,741	\$397,436,148.88
Reported		\$37,936.00		\$3,133,949.00	495,044,741	397,436,148.00
Difference		\$0.09		(\$0.26)	0	\$0.88

Remarks:	Reported totals taken from the 2015 Rider Rev Filing - Pages WP A-1 (Pages 1 and 2); Volumes from Schedule D (Pages 1-14).
Volume Pressure Base:	N/A
Source documentation:	Trial Balance, 2015 Rider Rev Filing, Utility Work papers, Invoices
<i>This audit schedule is only intended to test the accuracy of the amounts found in the above accounts.</i>	

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION

DATE: 9/2/16

BY: JS

Atmos Energy Corp., Atmos Pipeline - Texas

OTHER REVENUES
For Rider Rev Purposes

Comparison of Non-Regulated Revenues Fiscal Year 2014-2015 and 2015-2016

FERC Acct No.	Sub-Account	Description	July 2014 - June 2015 Total Dollars	July 2015 - June 2016 Total Dollars	Total Change In Revenues (Increase) Decrease
489.2	31220	Gas Utility Tax	\$ 318,601.43	\$ 2,004,255.00	\$ (1,685,653.57)
489.2	31319	HUB Transaction Revenue	\$ -	\$ -	\$ -
489.2	31323	Electric Gen-311(A)(2)-Texas	\$ -	\$ -	\$ -
489.2	31324	Parking Transp Rev-311(A)(2)	\$ -	\$ 496.00	\$ (496.00)
489.2	31325	LDC Transp - 3rd parties	\$ 9,857,068.73	\$ 12,491,935.00	\$ (2,634,866.27)
489.2	31326	Industrial Transportation	\$ -	\$ -	\$ -
489.2	31332	Trans for Mid-Tex-Rate CGS	\$ 256,145,749.62	\$ 295,987,638.00	\$ (39,841,888.38)
489.2	31333	Electric Generation	\$ 5,803,012.09	\$ 9,170,432.00	\$ (3,367,419.91)
489.2	31335	Parking Transportation Revenue	\$ 157,280.33	\$ 575,777.00	\$ (418,496.67)
489.2	31336	Lending Transportation Revenue	\$ 5,688.30	\$ 4,315.00	\$ 1,373.30
489.2	31337	Pipeline	\$ 55,096,449.72	\$ 45,477,349.00	\$ 9,619,100.72
489.2	31338	Pipeline-311(A)(2)-Texas	\$ 9,178,344.69	\$ 7,799,989.00	\$ 1,378,355.69
489.2	31340	Compress Rev-Transp Customers	\$ 144,332.52	\$ 42,936.00	\$ 101,396.52
489.2	31341	Other Transport Related Rev	\$ 6,512,402.75	\$ 4,102,445.00	\$ 2,409,957.75
489.2	31342	HUB Trans Rev-311(A)(2)-Texas	\$ -	\$ -	\$ -
489.2	31345	Parking Trans Rev-Affiliate/AEM	\$ 64,370.25	\$ 299,000.00	\$ (234,629.75)
489.2	31347	Pipeline-311(A)(2)-Texas-Affiliate	\$ 192,548.33	\$ 48,083.00	\$ 144,465.33
489.2	31348	Pipeline-Affiliate/AEM	\$ 76,715.52	\$ 16,854.00	\$ 59,861.52
489.2	31349	HUB Trans Revenue-Affiliate/AEM	\$ -	\$ -	\$ -
489.2	31372	Ind Trans - Regulated	\$ 8,689,834.34	\$ 9,712,364.00	\$ (1,022,529.66)
489.2	31373	Ind Trans - Other R	\$ 1,779,661.94	\$ 2,171,018.00	\$ (391,356.06)
489.2	31376	Other Revenue-Operating Fee Intra	\$ 92,622.25	\$ 52,990.00	\$ 39,632.25
489.2	31378	Ind Trans-Other Rev-Non-Taxable	\$ 88,794.94	\$ 347,421.00	\$ (258,626.06)
489.4	31321	Rev-Storing 311 Gas for Others	\$ 1,847.55	\$ 2,532.00	\$ (684.45)
489.4	31343	Rev-Storing Gas of Others	\$ 2,972,668.22	\$ 2,451,017.00	\$ 521,651.22
489.4	31350	Rev-Storage Affiliate/AEM	\$ 537,535.95	\$ -	\$ 537,535.95
489.4	31361	Storage 311(a)(2)-Affiliate/AEM	\$ 5,766.88	\$ -	\$ 5,766.88
492	31309	Other Gas Revenues	\$ 177,040.85	\$ 70,187.00	\$ 106,853.85
495	31198	Meter Maint & Repair Revenues	\$ 38,102.41	\$ 37,936.00	\$ 166.41
495	31309	Other Gas Revenues	\$ -	\$ -	\$ -
495	31374	Other Gas Revenue	\$ (3,850.00)	\$ 3,133,949.00	\$ (3,137,799.00)
495	31375	Other Gas Revenue	\$ 131,114.95	\$ 591,646.00	\$ (460,531.05)
495	35582	Transp Rev-Pooling Transfer	\$ 698,996.47	\$ 659,209.00	\$ 39,787.47
495	35591	Transp-Rev Pooling-Affiliate/AEM	\$ 174,408.97	\$ 184,375.00	\$ (9,966.03)
Total Other Revenue			\$ 358,937,110.00	\$ 397,436,148.00	\$ (38,499,038.00)
Less Total Rate CGS-Mid-Tex, Rate CGS-Other and Rate PT			\$ 275,011,254.12	\$ 318,191,936.50	\$ (43,180,682.38)
Less Related Taxes and Fees			\$ 318,601.43	\$ 2,004,255.00	\$ (1,685,653.57)
Less Items miscoded to Revenue			\$ (3,850.00)	\$ -	\$ (3,850.00)
			<u>\$ 83,925,855.88</u>	<u>\$ 79,244,211.50</u>	<u>\$ 4,681,644.38</u>

Remarks:

Utility's related taxes are included in the above dollar amounts. Not excluded for comparison purposes

July 2015 - June 2016 totals taken from Audit No. 16-01.

Regulated Gas Revenues are not included in the above annual comparison as these are excluded when computing Other Total Revenue

Source documentation: Trial Balance, 2016 Rider Rev Filing, Utility Work papers, Invoices

This audit schedule is only intended to test the accuracy of the amounts found in the above accounts

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

PAGE OF

DATE 08/31/2016

BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

**Verification of Other Gas Revenue Collected
For Annual Revenue Rider Rev Calculation**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>*Confidential Customer No. 15</i>		<i>*Confidential Customer No. 40</i>		<i>*Confidential Customer No. 40</i>	
	<i>Tariff No. 15628</i>		<i>Tariff No. 15653</i>		<i>Tariff No. 15653</i>	
	<i>Customer No. 19231</i>		<i>Customer No. 32232</i>		<i>Customer No. 32232</i>	
	Sub Account 31372 (Rate P1)		Sub Account 31372 (Rate P1)		Sub Account 31372 (Rate P1)	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	65,352	1,065.24	56,759	925.17	51,723	843.08
August	67,189	1,095.18	57,373	935.18	54,119	882.14
September	65,783	1,072.26	59,214	965.19	57,002	929.13
October	57,281	933.68	57,692	940.38	54,600	889.98
November	73,460	1,197.40	63,100	1,028.53	61,137	996.53
December	58,917	960.35	46,772	762.38	53,306	868.89
January	61,006	994.40	53,381	870.11	55,917	911.45
February	70,886	1,155.44	67,861	1,106.13	61,145	996.66
March	71,257	1,161.49	59,714	973.34	53,837	877.54
April	75,443	1,229.72	64,696	1,054.54	59,628	971.94
May	66,448	1,083.10	59,997	977.95	69,836	1,138.33
June	67,208	1,095.49	58,795	958.36	58,170	948.17
Totals	800,230	\$13,043.75	705,354	\$11,497.26	690,420	\$11,253.84
Reported	800,230	\$13,043.75	705,354	\$11,497.26	690,420	\$11,253.84
Difference	0	\$0.00	0	\$0.00	0	\$0.00

Remarks:

Reported totals taken from Schedules C and D and Relied Upon data of the 2016 Rider Rev Calculation Filing

* Verified through the utility's general ledger and customer invoices.

Volume Pressure Base: N/A

Source documentation: Customer invoices, 2016 Rider Rev Filing, Trial Balance, Utility Work papers

This audit makes no claim, and did not audit for, the prudence of the amounts found in the above accounts, only its accuracy.

**RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
UTILITY AUDIT SECTION**

PAGE OF
DATE 08/31/2016
BY YRD

Atmos Energy Corp., Atmos Pipeline - Texas

**Verification of Other Gas Revenue Collected
For Annual Revenue Rider Rev Calculation**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>*Confidential Customer No. 70</i>		<i>*Confidential Customer No. 73</i>		<i>*Confidential Customer No. 107</i>	
	<i>Tariff No. 22241</i>		<i>Tariff No. 23044</i>		<i>Tariff No. 15119</i>	
	<i>Customer No. 19048</i>		<i>Customer No. 18935</i>		<i>Customer No. 18869</i>	
	Sub Account - 31373 (Rate Other)		Sub Account - 31372 (Rate P1)		Sub Account - 31340 (Rate Other)	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	206,865	33,273.40	153,987	2,509.99	505	25.25
August	206,434	33,204.44	133,407	2,174.53	574	28.70
September	96,680	30,375.00	98,802	1,610.47	287	14.35
October	220,156	20,668.76	68,053	1,109.26	556	27.80
November	115,741	18,693.56	328,724	5,358.20	569	28.45
December	98,831	15,987.96	319,709	5,211.26	395	19.75
January	105,158	17,000.28	324,103	5,282.88	248	12.40
February	241,422	38,802.52	73,383	1,196.14	518	25.90
March	184,778	29,739.48	289,778	4,723.38	660	33.00
April	170,671	27,482.36	193,863	3,159.97	442	22.10
May	127,671	20,602.36	302,258	4,926.81	429	21.45
June	205,481	33,051.96	291,715	4,754.95	567	28.35
Totals	1,979,888	\$318,882.08	2,577,782	\$42,017.84	5,750	\$287.50
Reported	1,979,888	\$318,882.08	2,577,782	\$42,017.84	0	\$287.50
Difference	0	\$0.00	7,279,097	\$0.00	5,750	\$0.00

Remarks:

Reported totals taken from Schedules C and D and Relied Upon data of the 2016 Rider Rev Calculation Filing

* Verified through the utility's general ledger and customer invoices.

Volume Pressure Base: N/A

Source documentation: Customer invoices, 2016 Rider Rev Filing, Trial Balance, Utility Work papers

This audit makes no claim, and did not audit for, the prudence of the amounts found in the above accounts, only its accuracy.

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BY YRD

Atmos Energy Corp., Atmos Pipeline - Texas

**Verification of Other Gas Revenue Collected
For Annual Revenue Rider Rev Calculation**

FISCAL YEAR JULY 2015 THROUGH JUNE 2016

Accounting Month	<i>*Confidential Customer No. 107</i>		<i>*Confidential Customer No. 74</i>		<i>*Confidential Customer No. 308</i>	
	<i>Tariff No. 15815</i>		<i>Tariff No. 28002</i>		<i>Tariff No. 26705</i>	
	<i>Customer No. 18869</i>		<i>Customer No. 25065</i>		<i>Customer No. 35011</i>	
	Sub Account - 31341 (Rate Other)		Sub Account - 31372 (Rate PT)		Sub Account - 31372 (Rate PT)	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	300.00				2,381	1,448.82
August	300.00		19,594	5,091.73	2,451	1,449.96
September	300.00		21,829	5,128.16	2,607	1,452.50
October	300.00		21,938	5,129.94	2,714	1,454.25
November	300.00		20,307	4,998.63	2,802	1,424.74
December	300.00		23,784	5,055.31	3,498	1,436.09
January	300.00		18,276	4,965.53	3,245	1,431.96
February	300.00		13,280	4,884.09	3,766	1,440.46
March	300.00		2,830	4,713.76	2,781	1,424.40
April	300.00		6,608	4,775.34	2,914	1,426.57
May	300.00		6,483	5,342.11	2,607	1,589.62
June	300.00		3,551	5,294.32	2,477	1,587.51
Totals		\$3,600.00	158,480	\$55,378.92	34,243	\$17,566.88
Reported		\$3,600.00	158,480	\$55,378.92	34,243	\$17,566.88
Difference		\$0.00	0	\$0.00	0	\$0.00

Remarks:

Reported totals taken from Schedules C and D and Relied Upon data of the 2016 Rider Rev Calculation Filing

* Verified through the utility's general ledger and customer invoices.

Volume Pressure Base: N/A

Source documentation: Customer invoices, 2016 Rider Rev Filing, Trial Balance, Utility Work papers

This audit makes no claim, and did not audit for, the prudence of the amounts found in the above accounts, only its accuracy.

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Atmos Energy Corp., Atmos Pipeline - Texas

**Verification of Other Gas Revenue Collected
For Annual Revenue Rider Rev Calculation**

FISCAL YEAR JULY 2014 THROUGH JUNE 2015

Accounting Month	<i>Confidential Customer No. 66</i>		<i>Confidential Customer No. 99</i>		<i>Confidential Customer No. 33</i>	
	<i>Tariff No. 24178</i>		<i>Tariff No. 26172</i>		<i>Tariff No. 15645</i>	
	<i>Customer No. 19119</i>		<i>Customer No. 34525</i>		<i>Customer No. 19022</i>	
	Sub Account - 31372 (Rate P1)		Sub-Account 31333 (Rate P1)		Sub-Account 31333 (Rate P1)	
	FERC ACCT. No. 489.2		FERC ACCT. No. 489.2		FERC ACCT. No. 489.2	
	MMBtu	\$ Amount	MMBtu	\$ Amount	MMBtu	\$ Amount
July	118,674	14,129.59	190,000	69,417.84	881	231.29
August	123,901	14,208.00	370,300	120,534.24	880	231.27
September	124,956	14,223.82	795,400	208,004.23	852	230.82
October	120,828	14,161.90	438,500	127,622.50	776	229.58
November	126,973	14,254.08	175,000	39,408.28	881	226.53
December	128,687	14,279.79	140,000	37,260.94	825	225.62
January	133,489	14,351.82	230,000	42,285.15	802	225.24
February	134,867	14,372.49	10,000	3,275.14	940	227.49
March	122,856	14,192.32	0	0.00	884	226.58
April	128,223	14,272.83	120,000	38,717.15	973	228.03
May	124,231	14,212.95	190,000	64,815.60	887	252.48
June	125,913	14,238.18	285,000	88,399.00	905	252.77
Totals	1,513,598	\$170,897.77	2,944,200	\$839,740.07	10,486	\$1,864.74
Reported	1,513,598	\$170,897.77	2,944,200	\$839,740.07	10,486	\$1,864.74
Difference	0	\$0.00	0	\$0.00	0	\$0.00

Remarks:

Reported totals taken from Schedules C and D and Relied Upon data of the 2016 Rider Rev Calculation Filing

* Verified through the utility's general ledger and customer invoices.

Volume Pressure Base: N/A

Source documentation: Customer invoices, 2016 Rider Rev Filing, Trial Balance, Utility Work papers

This audit makes no claim, and did not audit for, the prudence of the amounts found in the above accounts, only its accuracy.

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation & Comp.	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 18938		
6. Contract Number:	APT-3124	8. Term of Current Contract:	10/01/2015 - 09/30/2025 Year to Year
7. Date of Current Contract:	10/01/15	9. Contract Pressure Base:	14.65
10. Delivery Point(s) (utilizing confidential ID's, if applicable): Delivery Point ID No. 50055			

CONTRACT PRICING

Rate CGS Other

Capacity Charge \$3.6263 Per MMBtu of MDQ

Capacity Charge Related to Mid-Tex Working Gas \$0.8134 Per MMBtu of MDQ

Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ

Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ

Total Capacity Charge: \$9.8042 per MMBtu per MDQ

Usage Charge: \$0.276 per MMBtu for actual usage

MDQ - 2,641,608 MMBtu effective 10/01/2015

MDQ - 2,699,338 MMBtu effective 11/01/2015

Max Storage Capacity	34,217,857 MMBtu
Primary Storage	8,004,605 MMBtu
Secondary Storage	26,213,252 MMBtu

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

Yes
Yes
Yes
Yes

COMMENTS

Tariff No. 16951

Rate CGS-Other Customers

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation & Comp.	2. "CITY GATE" Involved:	Yes
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 19376		
6. Contract Number:	APT 36972	8. Term of Current Contract:	10 Years then Month to Month
7. Date of Current Contract:	08/01/15	9. Contract Pressure Base:	NA
10. Delivery Point(s) (utilizing confidential ID's, if applicable): Delivery Point ID No. 90404			

CONTRACT PRICING

Rate CGS Other
Capacity Charge \$3.6263 Per MMBtu of MDQ
Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ
Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ
Total Capacity Charge: \$8.9908 per MMBtu per MDQ
Usage Charge: \$0.0276 per MMBtu for actual usage

MDQ - 7,500 MMBtu
MDQ = Maximum Daily Quantity

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	Yes
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 28431

Rate CGS-Other Customers

Customer No. 386

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation & Storage	2. "CITY GATE" Involved:	Yes
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 34454		
6. Contract Number:	APT #6750	8. Term of Current Contract:	04/01/13 - 03/31/16 Year to Year
7. Date of Current Contract:	04/01/13	9. Contract Pressure Base:	14.65
10. Delivery Point(s) (utilizing confidential ID's, if applicable): Delivery Point ID No. 86005			

CONTRACT PRICING

Rate CGS Other

Capacity Charge \$3.6263 Per MMBtu of MDQ

Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ

Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ

Total Capacity Charge: \$8.9908 per MMBtu per MDQ

Usage Charge: \$0.0276 per MMBtu for actual usage

MDQ - 173 MMBtu

MDQ = Maximum Daily Quantity

Total Storage Capacity	2,231 MMBtu
Maximum Storage Injection	20 MMBtu
Max Storage Withdrawal	80 MMBtu

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?

No

Is the party a utility regulated by the Commission?

Yes

Is there a tariff on file?

Yes

Is tariff current, complete & accurate?

Yes

COMMENTS

Tariff No. 26024

Rate CGS-Other Customers

Customer No. 290

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	Yes
3. FERC Account No.:	489.2		Yes
5. Contract Party:	Customer No. 26560		
6. Contract Number:	APT #5922	8. Term of Current Contract:	One Year Month to Month
7. Date of Current Contract:	02/01/07	9. Contract Pressure Base:	14.65
10. Delivery Point(s) (utilizing confidential ID's, if applicable): Delivery Point ID No. 59282			

CONTRACT PRICING

Rate CGS Other
Capacity Charge \$3.6263 Per MMBtu of MDQ
Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ
Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ
Total Capacity Charge: \$8.9908 per MMBtu per MDQ
Usage Charge: \$0.0276 per MMBtu for actual usage

(Dec-Feb)	(Nov. & March)	(May-Sept)	(April & Oct)
MDQ - 225 MMBtu	MDQ - 165 MMBtu	MDQ - 25 MMBtu	MDQ - 45 MMBtu
MHQ - 10 MMBtu	MHQ - 10 MMBtu	MHQ - 10 MMBtu	MHQ - 10 MMBtu

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 17938

Rate CGS-Other Customers

Customer No. 259

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract: **Transportation** 2. "CITY GATE" Involved: **Yes**
3. FERC Account No.: **489.2** **Yes**
5. Contract Party: **Customer No. 19460**
6. Contract Number: **APT #5591** 8. Term of Current Contract: **One Year
Month to Month**
7. Date of Current Contract: **11/01/05** 9. Contract Pressure Base: **NA**
10. Delivery Point(s) (utilizing confidential ID's, if applicable):
Delivery Point ID No. 58354

CONTRACT PRICING

Rate CGS Other
Capacity Charge \$3.6263 Per MMBtu of MDQ
Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ
Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ
Total Capacity Charge: \$8.9908 per MMBtu per MDQ
Usage Charge: \$0.0276 per MMBtu for actual usage

(Dec-Feb)	(Nov. & March)	(May-Sept)	(April & Oct)
MDQ - 190 MMBtu	MDQ - 130 MMBtu	MDQ - 30 MMBtu	MDQ - 70 MMBtu
MHQ - 10 MMBtu	MHQ - 10 MMBtu	MHQ - 10 MMBtu	MHQ - 10 MMBtu

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No

No

Yes

Yes

COMMENTS

Tariff No. 16642

Rate CGS-Other Customers

Customer No. 258

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation & Storage	2. "CITY GATE" Involved:	Yes
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 19015		
6. Contract Number:	LS-MC #6117	8. Term of Current Contract:	11/01/2015 - 12/31/18 Month to Month
7. Date of Current Contract:	01/01/12	9. Contract Pressure Base:	14.65
10. Delivery Point(s) (utilizing confidential ID's, if applicable):	Various		

CONTRACT PRICING

Rate CGS Other

Capacity Charge \$3.6263 Per MMBtu of MDQ

Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ

Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ

Total Capacity Charge: \$8.9908 per MMBtu per MDQ

Usage Charge: \$0.0276 per MMBtu for actual usage

Daily Delivery MDQ - 116,790 MMBtu

Total	Storage Capacity	1,413,710 MMBtu
Primary	Storage Capacity	330,711 MMBtu

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?

No

Is the party a utility regulated by the Commission?

Yes

Is there a tariff on file?

Yes

Is tariff current, complete & accurate?

Yes

COMMENTS

Tariff No. 19368

Rate CGS-Other Customers

Customer No. 257

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation & Storage	2. "CITY GATE" Involved:	Yes
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 35340		
6. Contract Number:	APT-06788	8. Term of Current Contract:	10 Years then Month to Month
7. Date of Current Contract:	12/01/15	9. Contract Pressure Base:	NA
10. Delivery Point(s) (utilizing confidential ID's, if applicable): Delivery Point ID No. 88050			

CONTRACT PRICING

Rate CGS Other
Capacity Charge \$3.6263 Per MMBtu of MDQ
Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ
Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ
Total Capacity Charge: \$8.9908 per MMBtu per MDQ
Usage Charge: \$0.0276 per MMBtu for actual usage

MDQ - 400 MMBtu	04/01/14 - 03/31/17	Storage Capacity	26,055 MMBtu
MDQ - 1,000 MMBtu	04/01/17 - 03/31/20	Max Storage Inj.	223 MMBtu
MDQ - 1,600 MMBtu	04/01/20 - 03/31/23	Max Storage W/d	922 MMBtu
MDQ - 2,020 MMBtu	04/01/23 - 03/31/24		

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 27164

Rate CGS-Other Customers

Customer No. 340

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract: **Transportation & Storage** 2. "CITY GATE" Involved: **Yes**
3. FERC Account No.: **489.2** 4. Proper Classification: **Yes**
5. Contract Party: **Customer No. 33732**
6. Contract Number: **APT-6624** 8. Term of Current Contract: **1 Year then
Month to Month**
7. Date of Current Contract: **04/01/12** 9. Contract Pressure Base: **14.65**
10. Delivery Point(s) (utilizing confidential ID's, if applicable):
Delivery Point ID No. 79369

CONTRACT PRICING

Rate CGS Other
Capacity Charge \$3.6263 Per MMBtu of MDQ
Annual Rider REV Adjustment: \$0.0025 Per MMBtu of MDQ
Interim Rate Adjustment: \$5.3620 per MMBtu per MDQ
Total Capacity Charge: \$8.9908 per MMBtu per MDQ
Usage Charge: \$0.0276 per MMBtu for actual usage
MDQ - 3,000 MMBtu 07/01/16 - 05/31/17

OTHER (regulatory) INFORMATION

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 24845

Rate CGS-Other Customers

Customer No. 260

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 19103		
6. Contract Number:	N/A	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	11/01/04	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #50550			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 300 MMBtu
MHQ - 20 MMBtu

General Information

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 15670

Rate PT Docket No. 10497

Customer 10

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 19418		
6. Contract Number:	Rate PT	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	06/01/05	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #57878			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 700 MMBtu
MHQ - 40 MMBtu

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 16952

Rate PT Docket No. 10497

Customer 32

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 30109		
6. Contract Number:	06688-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	04/01/12	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #70099			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 725 MMBtu
MHQ - 101 MMBtu

General Information

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 24842

Rate PT Docket No. 10497

Customer No. 62

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 30109		
6. Contract Number:	06814-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	04/01/12	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #80623			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 500 MMBtu
MHQ - 40 MMBtu

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 25457

Rate PT Docket No. 10497

Customer No. 62

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 34337		
6. Contract Number:	06729-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	02/01/13	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #85654			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 60 MMBtu
MHQ - 53 MMBtu

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No

No

Yes

Yes

COMMENTS

Tariff No. 25825

Rate PT Docket No. 10497

Customer No. 285

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CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 19255		
6. Contract Number:	06785-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	02/01/14	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #86756			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 400 MMBtu
MHQ - 100 MMBtu

General Information

Is the contract party an affiliate of the utility?	No
Is the party a utility regulated by the Commission?	No
Is there a tariff on file?	Yes
Is tariff current, complete & accurate?	Yes

COMMENTS

Tariff No. 26628

Rate PT Docket No. 10497

Customer 309

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

PAGE OF
DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 36382		
6. Contract Number:	06960-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	02/01/16	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #90487			

CONTRACT PRICING

Rate PT - Pipeline Transportation
Capacity \$ 2.3061 per MMBtu of MDQ
Annual Rider REV Adjustment \$ 0.0013 per MMBtu of MDQ
Interim Rate Adjustment (IRA) \$ 2.4530 per MMBtu of MDQ
Total Capacity Charge \$ 4.7604 per MMBtu of MDQ
Usage \$ 0.0163 per MMBtu
Imbalance Fees, Pullover Fees, Fuel Retention
MDQ - 925 MMBtu
MHQ - 106 MMBtu

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 28510

Rate PT Docket No. 10497

Customer 400

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

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DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation (Pooling)	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 18835		
6. Contract Number:	APT- 2923	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	07/01/98	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #52568			

CONTRACT PRICING

Pooling and Transfer fee for volumes delivered. Rate: \$0.005 Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date Taxes: 100% Tax Reimbursement

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 15048

Rate PT Docket No. 10497

Customer No. 97

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

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DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Compression	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 18869		
6. Contract Number:	LS-MC#3261	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	02/01/01	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations):	Delivery Point ID #56244		

CONTRACT PRICING

Compression Fee \$.0500/MMBtu and 1% retention for those volumes delivered Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date.

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 15119

Rate - Other

Customer 107

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

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DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 18869		
6. Contract Number:	LS-MC#3785	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	02/01/01	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations):	Delivery Point ID #57835		

CONTRACT PRICING

\$300.00/month meter fee Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date. Taxes: 100% Tax Reimbursement

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No

No

Yes

Yes

COMMENTS

Tariff No. 15815

Rate - Other

Customer 107

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation (Blending)	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 18869		
6. Contract Number:	LS-MC#3946	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	11/01/02	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations):	Delivery Point ID #56155		

CONTRACT PRICING

\$0.03 MMBtu blending fee for all gas received at receipt point. Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date. Taxes: 100% Tax Reimbursement.

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 15069

Rate - Other

Customer 107

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

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Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation (Parking)	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 32403		
6. Contract Number:	LS-MC#04643-00	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	05/01/04	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #58424, 58697			

CONTRACT PRICING

Parking Fee: Fee set forth on transaction confirmation Various receipt points as set forth on transaction confirmation. Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date. Taxes: 100% Tax Reimbursement.

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No

No

Yes

Yes

COMMENTS

Tariff No. 15817

Rate - Other

Customer 227

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
AUDIT SECTION

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DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	Transportation (Parking)	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 32404		
6. Contract Number:	APT #6127	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	05/01/08	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations): Delivery Point ID #50308, 50621, 58565, 58602, 58879, 62361, 67044, 87322, and 58533.			

CONTRACT PRICING

Rates: Intrastate Transportation Rates and Retention are set forth on the Transaction Confirmation attached to the contract. Imbalance: Shipper must maintain a monthly balance of the gas transported hereunder. An Imbalance will exist hereunder, during any designated time period during the term hereof, there is a numerical difference between the quantity of gas delivered by Transporter to Shipper at the Delivery Point and the quantity of gas received by Transporter from Shipper (or its designee) at the Receipt Point(s), exclusive of the Retention Volumes and Make-up Volumes. At the end of each month, Shipper will pay Transporter \$0.25/MMBtu of Cumulative Imbalance that is greater than 5% of the volume of gas delivered at the Delivery point for such month. Late charge: an additional one and one half percent (1.5%) interest shall accrue on all unpaid amounts if customer fails to make payments within 10 days of the monthly billing date. Taxes: 100% Tax Reimbursement.

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No
No
Yes
Yes

COMMENTS

Tariff No. 24813

Rate - Other

Customer 227

RAILROAD COMMISSION OF TEXAS
OVERSIGHT AND SAFETY DIVISION
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DATE: 08/31/2016
BY: YRD

Atmos Energy Corp., Atmos Pipeline - Texas

CONTRACT BRIEF

GENERAL INFORMATION

1. Type of Contract:	311 Trans (Storage)	2. "CITY GATE" Involved:	No
3. FERC Account No.:	489.2	4. Proper Classification:	Yes
5. Contract Party:	Customer No. 32404		
6. Contract Number:	APT #6697	8. Term of Current Contract:	One Year then Month to Month
7. Date of Current Contract:	11/01/12	9. Contract Pressure Base:	14.65
10. Delivery Point (City Gate Locations):	Various in Reeves, Ft Bend, Ward, Lamar, Midland, Pecos, Wood, Waller Counties.		

CONTRACT PRICING

Customer shall pay transporter for services rendered hereunder, at the rate(s) per MMBtu as set forth on the applicable Transaction Confirmation(s), for qualities received at the Point(s) of Receipt/Delivery, transport, stored and delivered hereunder to the Point(s) of Receipt/Delivery hereunder. Any and all rates for the transportation and storage of gas hereunder shall be F.O.B. Transporter's pipeline. Customer agrees to reimburse Transporter for any Taxes and Fees as defined in Transporter's Statement of Operating Conditions.

Storage Overrun fee \$1.00 per MMBtu

General Information

Is the contract party an affiliate of the utility?
Is the party a utility regulated by the Commission?
Is there a tariff on file?
Is tariff current, complete & accurate?

No

No

N/A

N/A

COMMENTS

NGPA 311 Parking Agreement

Rate - Other

Customer 227

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	CGS – MID-TEX	
APPLICABLE TO:	Mid-Tex	
EFFECTIVE DATE:	11/01/2016	PAGE: 8

Application

Applicable, in the event that Company has entered into a Transportation Agreement for City Gate Service to a Local Distribution Company (Customer) connected to the Atmos Pipeline -Texas System for the transportation of all natural gas supplied by Customer to a Point or Points of Delivery.

Type of Service

This service provides firm transportation and storage service to Local Distribution Companies. Where service of the quantity and type required by Customer is not already available at a Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished at such Point of Delivery.

Monthly Rate

Customer's monthly bill will be calculated by adding the Monthly Customer and Usage charges to the amounts and quantities due under the Riders listed below. The Monthly Customer Charge each month will be equal to the Capacity Charge, as adjusted, multiplied by the Customer's Maximum Daily Quantity (MDQ) as set forth in the Transportation Agreement between Customer and Company. Total Usage Charges each month will be equal to the Usage Charge multiplied by the volume of gas delivered to Customer by Company during such month:

Charge	Amount
Capacity	\$ 3.6263 per MMBtu of MDQ ¹
Capacity Charge related to Mid-Tex Working Gas	\$ 0.8134 per MMBtu of MDQ
Annual Rider REV Adjustment	\$ 0.1392 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$ 5.3620 per MMBtu of MDQ ²
Total Capacity Charge	\$ 9.9409 per MMBtu of MDQ
Usage	\$ 0.0276 per MMBtu

Rider RA: Plus a quantity of gas as calculated in accordance with Rider RA.

Rider TAX: Plus an amount for tax calculated in accordance with Rider TAX.

Rider SUR: Plus an amount for surcharges calculated in accordance with Rider SUR.

Rider REV: Plus an amount per MMBtu in accordance with Rider REV as an adjustment to the Capacity Charge per MMBtu of MDQ.

Rider WGIS: Plus an amount per MMBtu in accordance with Rider WGIS as an adjustment to the Capacity Charge per MMBtu of MDQ.

¹ The Capacity Charge per MMBtu will be adjusted annually as calculated pursuant to Rider REV.

² 2010 IRA - \$0.4036, 2011 IRA - \$0.4691, 2012 IRA - \$0.8507, 2013 IRA - \$1.3701, 2014 IRA - \$1.0994, 2015 IRA - \$1.1691

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	CGS – MID-TEX	
APPLICABLE TO:	Mid-Tex	
EFFECTIVE DATE:	11/01/2016	PAGE: 9

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for service provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate CGS, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	CGS – OTHER	
APPLICABLE TO:	CoServ, West Texas Gas, the City of Rising Star, the City of Navasota, Mitchell County Utility Co, Terra Gas Supply, Texas Gas Service Co., and Other City Gate Service Customers, except Mid-Tex	
EFFECTIVE DATE:	11/01/2016	PAGE: 10

Application

Applicable, in the event that Company has entered into a Transportation Agreement for City Gate Service to a Local Distribution Company (Customer), other than Mid-Tex, connected to the Atmos Pipeline -Texas System for the transportation of all natural gas supplied by Customer to a Point or Points of Delivery.

Type of Service

This service provides firm transportation and storage service to Local Distribution Companies. Where service of the quantity and type required by Customer is not already available at a Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished at such Point of Delivery.

Monthly Rate

Customer's monthly bill will be calculated by adding the Monthly Customer and Usage charges to the amounts and quantities due under the Riders listed below. The Monthly Customer Charge each month will be equal to the Capacity Charge, as adjusted, multiplied by the Customer's Maximum Daily Quantity (MDQ) as set forth in the Transportation Agreement between Customer and Company. Total Usage Charges each month will be equal to the Usage Charge multiplied by the volume of gas delivered to Customer by Company during such month:

Charge	Amount
Capacity	\$ 3.6263 per MMBtu of MDQ ¹
Annual Rider REV Adjustment	\$ 0.1392 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$5.3620 per MMBtu of MDQ ²
Total Capacity Charge	\$9.1275 per MMBtu of MDQ
Usage	\$ 0.0276 per MMBtu

Rider RA: Plus a quantity of gas as calculated in accordance with Rider RA.

Rider TAX: Plus an amount for tax calculated in accordance with Rider TAX.

Rider SUR: Plus an amount for surcharges calculated in accordance with Rider SUR.

Rider REV: Plus an amount per MMBtu in accordance with Rider REV as an adjustment to the Capacity Charge per MMBtu of MDQ.

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

¹ The Capacity Charge per MMBtu will be adjusted annually as calculated pursuant to Rider REV.

² 2010 IRA - \$0.4036, 2011 IRA - \$0.4691, 2012 IRA - \$0.8507, 2013 IRA - \$1.3701, 2014 IRA \$1.0994, 2015 IRA - \$1.1691.

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	CGS – OTHER	
APPLICABLE TO:	CoServ, West Texas Gas, the City of Rising Star, the City of Navasota, Mitchell County Utility Co, Terra Gas Supply, Texas Gas Service Co., and Other City Gate Service Customers, except Mid-Tex	
EFFECTIVE DATE:	11/01/2016	PAGE: 11

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for service provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate CGS, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY
CORPORATION**

RATE SCHEDULE:	PT - PIPELINE TRANSPORTATION	
APPLICABLE TO:	Entire System	
EFFECTIVE DATE:	11/01/2016	PAGE: 12

Applicability

This rate schedule is applicable to service by the Company under a Transportation Agreement - Pipeline, to a customer directly connected to the Atmos Pipeline-Texas System for the transportation of all natural gas supplied by Customer or Customer's agent for delivery to Customer at one Point of Delivery.

Not applicable for service to City Gate Service customers.

Type of Service

This service provides interruptible transportation service to end use customers. Where service of the quantity and type desired by Customer is not already available at a Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished at such Point of Delivery.

Monthly Rate

Customer's monthly bill will be calculated by adding the Monthly Customer and Usage charges to the amounts and quantities due under the Riders listed below. The Monthly Customer Charge each month will be equal to the Capacity Charge, as adjusted, multiplied by the Customer's Maximum Daily Quantity (MDQ) as set forth in the Transportation Agreement between Customer and Company. Total Usage Charges each month will be equal to the Usage Charge multiplied by the volume of gas delivered to Customer by Company during such month:

Charge	Amount
Capacity	\$ 2.3061 per MMBtu of MDQ ¹
Annual Rider REV Adjustment	\$ 0.0740 per MMBtu of MDQ
Interim Rate Adjustment ("IRA")	\$ 2.4530 per MMBtu of MDQ ²
Total Capacity Charge	\$ 4.8331 per MMBtu of MDQ
Usage	\$ 0.0163 per MMBtu

Rider RA: Plus a quantity of gas as calculated in accordance with Rider RA.

Rider TAX: Plus an amount for tax calculated in accordance with Rider TAX.

Rider MF: Plus an amount for municipal fees calculated in accordance with Rider MF.

Rider SUR: Plus an amount for surcharges calculated in accordance with Rider SUR.

¹ The Capacity Charge per MMBtu will be adjusted annually as calculated pursuant to Rider REV.

² 2010 IRA - \$0.2454, 2011 IRA - \$0.2513, 2012 IRA - \$0.3731, 2013 IRA - \$0.5932, 2014 IRA - \$0.4729, 2015 IRA - \$0.5171.

**ATMOS PIPELINE-TEXAS
ATMOS ENERGY
CORPORATION**

RATE SCHEDULE:	PT - PIPELINE TRANSPORTATION	
APPLICABLE TO:	Entire System	
EFFECTIVE DATE:	11/01/2016	PAGE: 13

Rider REV: Plus an amount per MMBtu in accordance with Rider REV as an adjustment to the Capacity Charge per MMBtu of MDQ.

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

MDQ Adjustment

If a Customer's daily usage on any day exceeds the Customer's MDQ as set forth in the applicable Transportation Agreement by 10% or more, the Customer's MDQ shall be increased to equal such daily usage. The effective date of such increase in the MDQ shall be the first day of the calendar month that begins following the day on which the Customer's daily usage exceeded the Customer's MDQ.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for service provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate PT, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.