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ROBERT A. ANDERSON
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December 13, 2018

via e-filing EXPRESS

Ms. Lynn M. Retz, Secretary
Kansas Corporation Commission
1500 S. W. Arrowhead Road
Topeka, Kansas 66604-4027

19-ATMG-228-TAR

Re: Atmos Energy Ad Valorem Tax Surcharge; Calculation of 2019 Adjustment

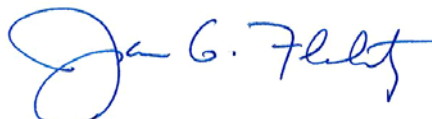
Dear Ms. Retz:

The Commission's March 18, 2005, Order in Docket No. 05-ATMG-693-TAR approved Atmos Energy's Ad Valorem Tax Surcharge Rider ("ATSR"). The order instructed Atmos Energy to file an annual true-up in December of each calendar year and charged Commission Staff with reviewing the filing to ensure the surcharge's reasonable application and proper calculation.

This letter transmits the required true-up, including previously unrecovered/over-received Ad Valorem taxes charged to Atmos Energy plus the recently received 2018 assessments. We have calculated the 2019 surcharge to be charged/refunded to Atmos Energy's sales and transportation customers, as specified under the ATSR.

Attachment 1 is a spreadsheet showing the calculation of the new surcharge to be reflected on customers' bills beginning with February 2019 cycle 1 billings. Attachment 2 is an itemized listing of taxes assessed by each taxing entity. Two CDs containing the supporting documents will be hand-delivered to the Utilities Division.

Sincerely,



James G. Flaherty
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JGF:rr

Enclosure

cc: Jared Geiger
Aaron Bishop
Ryan Hockin
Shelly M. Bass
Mishra Namrata
Ryan Lynn
Timothy S. Rehagen
Amber Smith

**ATMOS ENERGY
AD VALOREM TAX SURCHARGE RIDER
CALCULATION OF ADJUSTMENT
Docket No. 05-ATMG-693-TAR
2018 Assessment for 2019 Rate**

Line #	DESCRIPTION (a)	AMOUNTS (b)
1	Ad Valorem Taxes:	
2		
3	<u>Current 2018 Ad Valorem Tax Surcharge</u>	
4	2018 Ad Valorem Tax Assessment	+ \$ 7,511,348.81
5	Amount included in Rate Case ^[1]	(-) (6,438,972.00)
6	2017 Remaining Assessment	+ <u>65,119.80</u>
7	2018 Surcharge Total	<u>1,137,496.61</u>
8		
9	2018 Recoveries through November	(855,247.11)
10	Diff. in 12/2017 Est. vs. Actual	863.76
11	Estimated December and January recoveries	<u>(411,299.00)</u>
12		
13	Surcharge Remaining to be Recovered	<u>\$ (128,185.74)</u>
14		
15	<u>2019 Ad Valorem Taxes</u>	
16		
17	2019 Assessed	+ \$ 7,918,488.18
18	Amount included in base rates ^[2]	(-) <u>(6,438,968.00)</u>
19		
20	Total 2019 Adjustment	<u>\$ 1,479,520.18</u>
21		
22	2019 Surcharge Total	<u>\$ 1,351,334.44</u>
23		
24	<u>Annual Billing Determinants (Mcf)</u>	
25		
26	Base Usage for 2019 Surcharge	/ <u>15,956,990</u>
27		
28		
29	<u>Total 2019 Tax Surcharge per Mcf</u>	<u>\$ 0.0847</u>
30		
31	<u>Total 2019 Tax Surcharge per Ccf</u>	<u>\$ 0.0085</u>
32		
33		
34		
35	[1] See Attachment 1a line 4	
36	[2] Docket No. 16-ATMG-079-RTS, Final Order, Paragraph 15	

Annual Ccf/Customer	Annual/Customer	Annual/Customer/Mo
846	\$ 7.16	\$ 0.60

**ATMOS ENERGY
AD VALOREM TAX SURCHARGE RIDER
ASSESSED TAXES**

COLLECTOR	Total 2017 Assessed Taxes	Total 2018 Assessed Taxes
ALLEN COUNTY TREASURER 1 NORTH WASHINGTON IOLA, KS 66749	18,413.66	24,754.76
ANDERSON COUNTY TREASURER 100 E 4TH AVE GARNETT, KS 66032	43,066.12	41,121.94
BARBER COUNTY TREASURER 118 EAST WASHINGTON MEDICINE LODGE, KS 67104	5,771.34	6,225.00
BOURBON COUNTY TREASURER 210 S NATIONAL FT SCOTT, KS 66701	174,269.34	175,274.92
CHASE COUNTY TREASURER PO BOX 529 COTTONWOOD FALL, KS 66845	61,984.47	63,637.54
CHAUTAUGUA COUNTY TREASURER 215 NORTH CHAUTAUGUA SEDAN, KS 67361	186,930.94	205,078.79
COFFEY COUNTY TREASURER 110 SOUTH 6TH STREET BURLINGTON, KS 66839	71,061.66	76,280.34
CRAWFORD COUNTY TREASURER PO BOX 96 GIRARD, KS 66743	20,173.38	19,555.80
DICKINSON COUNTY TREASURER 109 EAST 1ST BOX 249 ABILENE, KS 67410-0249	119,658.92	127,450.92
DOUGLAS COUNTY TREASURER PO BOX 884 LAWRENCE, KS 66044	214,327.90	223,174.74
ELK COUNTY TREASURER PO BOX 325 HOWARD, KS 67349	130,696.40	127,873.22
GRANT COUNTY TREASURER 108 SOUTH GLENN ULYSSES, KS 67880	143,650.89	147,709.35
GREENWOOD COUNTY TREASURER 311 NORTH MAIN EUREKA, KS 67045	114,045.28	121,528.16
HAMILTON COUNTY TREASURER PO BOX 1167 SYRACUSE, KS 67878	99,111.67	101,267.19
HARPER COUNTY TREASURER COURTHOUSE ANTHONY, KS 67003	153,403.34	166,807.80
JEFFERSON COUNTY TREASURER PO BOX 458 OSKALOOSA, KS 66066	2,688.14	1,243.16
JOHNSON COUNTY TREASURER 111 SOUTH CHERRY STREET #1500 OLATHE, KS 66061	2,390,888.42	2,488,347.15
KEARNY COUNTY TREASURER PO BOX 146 LAKIN, KS 67860	723.69	679.20
LABETTE COUNTY TREASURER PO BOX 388 OSWEGO, KS 67356	127,452.58	148,283.28
LEAVENWORTH COUNTY TREASURER 300 WALNUT STREET SUITE 105 LEAVENWORTH, KS 66048	151,368.06	156,503.80
LINN COUNTY TREASURER PO BOX 350 MOUND CITY, KS 66056	100,403.00	100,378.34

MARION COUNTY KANSAS TREASURER PO BOX 257 MARION, KS 66861	217,504.83	226,554.96
MIAMI COUNTY TREASURER 201 SOUTH PEARL STREET #103 PAOLA, KS 66071	10,633.22	11,474.82
MONTGOMERY COUNTY KANSAS TREASURER PO BOX 767 INDEPENDENCE, KS 67301	1,293,309.46	1,401,990.90
MORRIS COUNTY TREASURER 501 WEST MAIN STREET COUNCIL GROVE, KS 66846	118,500.92	126,173.96
MORTON COUNTY TREASURER PO BOX 998 ELKHART, KS 67950	19,849.24	20,909.82
NEOSHO COUNTY TREASURER PO BOX 176 ERIE, KS 66733	17,006.02	18,101.40
NESS COUNTY TREASURER PO BOX 56 NESS CITY, KS 67560	64,545.04	69,716.26
RICE COUNTY TREASURER PO BOX 59 LYONS, KS 67554	9,673.48	9,191.70
RUSH COUNTY TREASURER PO BOX 460 LACROSSE, KS 67548-0460	15,702.65	16,480.38
STANTON COUNTY TREASURER PO BOX 520 JOHNSON, KS 67855	224,581.38	231,414.92
STEVENS COUNTY TREASURER 200 EAST 6TH STREET HUGOTON, KS 67951	2,080.19	2,132.66
SUMNER COUNTY TREASURER PO BOX 190 WELLINGTON, KS 67152	72,731.48	75,181.10
WILSON COUNTY TREASURER COURTHOUSE ROOM 105 FREDONIA, KS 66736	183,321.18	195,803.28
WOODSON COUNTY TREASURER 105 WEST RUTLEDGE RM 105 YATES CENTER, KS 66783	146,675.80	153,378.58
WYANDOTTE COUNTY TREASURER 710 NORTH 7TH STREET KANSAS CITY, KS 66101	872,741.72	924,405.04
Former 232 (Div 79)		
MONTGOMERY COUNTY KANSAS TREASURER PO BOX 767 INDEPENDENCE, KS 67301	0.00	0.00
WILSON COUNTY TREASURER COURTHOUSE ROOM 105 FREDONIA, KS 66736	0.00	0.00
KANSAS TOTAL	7,598,945.81	8,006,085.18
GRANT COUNTY TREASURER P.O. BOX 47 MEDFORD, OK 73759	0.00	0.00
OKLAHOMA GAS STORAGE TOTAL	0.00	0.00
GRAND TOTAL	7,598,945.81	8,006,085.18
Taxes Charged to Other Balance Sheet Accounts	(\$87,597.00)	(\$87,597.00)
Staff Adj. to Filing		
Kansas Ad Valorem Taxes Expensed	<u>7,511,348.81</u>	<u>7,918,488.18</u>