

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Application of Atmos)
Energy Corporation for Adjustment of its) Docket No. 19-ATMG-525-RTS
Natural Gas Rates in the State of Kansas.)

NOTICE OF FILING OF STAFF'S UPDATED SCHEDULES AND EXHIBITS

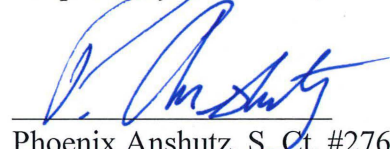
COMES NOW, the Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively), and files its revised Schedules and Exhibits in the above-captioned docket. Staff has reviewed the Rebuttal Testimony of Atmos and is prepared to accept Atmos' identification of minor errors and other minor revisions to Staff's filed position as identified by Atmos. Staff has prepared these revised Schedules and Exhibits in order to clarify the record and assist the parties and the Commission in evaluating the potential contested issues in this proceeding. Staff has advised Atmos and the Citizens Utility Ratepayer Board of the intent to file this updated information into the record and neither party objects to the filing of this updated information. An explanation of the revisions is as follows:

1. Revised EDIT in rate base and the amortization of EDIT as a reduction to income taxes in Schedule B-4 to reflect the revision to Atmos' response to Staff Data Request No. 287 as discussed in Atmos witness Jennifer Story's Rebuttal Testimony;
2. Revised Staff's Payroll adjustment to reflect and August 31st 3-year average expense rate as discussed in Atmos witness Jennifer Story's Rebuttal Testimony;
3. Revised Staff's Lease adjustment to correct the error mentioned in Atmos witness Jennifer Story's Rebuttal Testimony and Staff's correction of an error Atmos made in Jennifer Story's Rebuttal Testimony;

4. Revised Staff's Miscellaneous Expense adjustment to correct allocation factor errors used in IDC-4(b) and to remove expenses from Staff's initial adjustment that were not included in the test year discussed in Atmos witness Jennifer Story's Rebuttal Testimony;
5. Corrected Staff's initial Tracker 1 balance adjustment due to a sign error in the initial adjustment work paper; and
6. Revised capital structure and cost of debt to reflect information provided by Atmos in Response to Staff Data Request No. 317.

WHEREFORE, Staff submits its Notice of Filing of Staff's Updated Schedules and Exhibits for Commission Consideration.

Respectfully Submitted,



Phoenix Anshutz, S. Ct. #27617

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In the Matter of the Application of)
Atmos Energy Corporation for)
Adjustment of its Natural Gas Rates)
in the State of Kansas)

DOCKET NO. 19-ATMG-525-RTS

UPDATED SCHEDULES

PREPARED BY

STAFF

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION

ATMOS ENERGY
TOTAL KANSAS
DOCKET NO. 19-ATMG-525-RTS

SCHEDULE
NUMBER

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ATMOS ENERGY
TOTAL KANSAS
STAFF REVENUE REQUIREMENT
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	STAFF ADJUSTED
*****	*****	*****
1	PROFORMA RATE BASE	242,313,526
2	STAFF RATE OF RETURN	<u>7.0300%</u>
3	OPERATING INCOME REQUIRED	17,034,641
4	OPERATING INCOME	<u>14,976,877</u>
5	DIFFERENCE	2,057,763
6	INCOME TAX FACTOR	<u>0.73470</u>
7	PROFORMA REVENUE INCREASE	<u><u>2,800,821</u></u>

ATMOS ENERGY
TOTAL KANSAS
STAFF ADJUSTED AND PRO FORMA RATE BASE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A APPLICANT BALANCES PER BOOKS	B APPLICANT TEST YEAR ADJUSTMENTS	C APPLICANT ADJUSTED	D STAFF TEST YEAR ADJUSTMENTS	E STAFF ADJUSTED	F STAFF PRO FORMA ADJUSTMENTS	G STAFF PRO FORMA
***	*****	*****	*****	*****	*****	*****	*****	*****
	<u>GAS PLANT IN SERVICE:</u>							
1	INTANGIBLE PLANT	41,078	0	41,078	0	41,078		41,078
2	PRODUCTION AND GATHERING PLANT	0	0	0	0	0		0
3	UNDERGROUND STORAGE	6,509,724	0	6,509,724	294,902	6,804,626		6,804,626
4	TRANSMISSION PLANT	1,779,122	0	1,779,122	0	1,779,122		1,779,122
5	DIRECT AND ALLOCATED DISTRIBUTION PLANT	362,954,687	0	362,954,687	7,390,487	370,345,174		370,345,174
6	DIRECT AND ALLOCATED GENERAL PLANT	23,107,463	0	23,107,463	154,680	23,262,143		23,262,143
7	CONSTRUCTION WORK IN PROGRESS	2,168,238	8,941,905	11,110,143	(11,110,143)	0		0
8	TOTAL GAS PLANT IN SERVICE	396,560,312	8,941,905	405,502,217	(3,270,074)	402,232,143	0	402,232,143
9	ACCUMULATED DEPRECIATION & AMORT.	119,803,444	0	119,803,444	2,161,428	121,964,872		121,964,872
10	NET GAS PLANT IN SERVICE	276,756,868	8,941,905	285,698,773	(5,431,502)	280,267,271	0	280,267,271
	<u>WORKING CAPITAL:</u>							
11	PREPAYMENTS	1,406,259	0	1,406,259	62,178	1,468,437		1,468,437
12	MATERIALS & SUPPLIES	0	0	0	0	0		0
13	STORAGE GAS	8,179,691	0	8,179,691	527,781	8,707,472		8,707,472
14	CASH WORKING CAPITAL	0	0	0	0	0		0
15	ACCUMULATED DEFERRED FIT & SIT	(34,436,930)	8,009,518	(26,427,412)	(929,959)	(27,357,371)		(27,357,371)
16	CUSTOMER ADVANCES FOR CONSTRUCTION	(623,571)	0	(623,571)	0	(623,571)		(623,571)
17	REGULATORY LIABILITY	(18,681,171)	0	(18,681,171)	(665,438)	(19,346,609)		(19,346,609)
18	CUSTOMER DEPOSITS	(822,630)	(19,975)	(842,605)	40,502	(802,103)		(802,103)
19	TOTAL RATE BASE - KANSAS	231,778,516	16,931,448	248,709,964	(6,396,438)	242,313,526	0	242,313,526

ATMOS ENERGY
TOTAL KANSAS
STAFF ADJUSTMENTS TO APPLICANT ADJUSTED RATE BASE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A APPLICANT ADJUSTED	B STAFF ADJUSTMENT NO. 1	C STAFF ADJUSTMENT NO. 2	D STAFF ADJUSTMENT NO. 3	E STAFF ADJUSTMENT NO. 4	F STAFF ADJUSTMENT NO. 5	G STAFF ADJUSTMENT NO. 6	H STAFF ADJUSTMENT NO. 7	I STAFF ADJUSTMENT NO. 8	J TOTAL STAFF ADJUSTMENTS	K STAFF ADJUSTED
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
	<u>GAS PLANT IN SERVICE:</u>											
1	INTANGIBLE PLANT	41,078		0							0	41,078
2	PRODUCTION AND GATHERING PLANT	0									0	0
3	UNDERGROUND STORAGE	6,509,724		294,902							294,902	6,804,626
4	TRANSMISSION PLANT	1,779,122									0	1,779,122
5	DIRECT AND ALLOCATED DISTRIBUTION PLANT	362,954,687		7,390,487							7,390,487	370,345,174
6	DIRECT AND ALLOCATED GENERAL PLANT	23,107,463		154,680							154,680	23,262,143
7	CONSTRUCTION WORK IN PROGRESS	11,110,143	(11,110,143)								(11,110,143)	0
8	TOTAL GAS PLANT IN SERVICE	405,502,217	(11,110,143)	7,840,069	0	0	0	0	0	0	(3,270,074)	402,232,143
9	ACCUMULATED DEPRECIATION & AMORT.	119,803,444			2,161,428						2,161,428	121,964,872
10	NET GAS PLANT IN SERVICE	285,698,773	(11,110,143)	7,840,069	(2,161,428)	0	0	0	0	0	(5,431,502)	280,267,271
	<u>WORKING CAPITAL:</u>											
11	PREPAYMENTS	1,406,259						62,178			62,178	1,468,437
12	MATERIALS & SUPPLIES	0									0	0
13	STORAGE GAS	8,179,691							527,781		527,781	8,707,472
14	CASH WORKING CAPITAL	0									0	0
15	ACCUMULATED DEFERRED FIT & SIT	(26,427,412)				(1,081,792)				151,833	(929,959)	(27,357,371)
16	CUSTOMER ADVANCES FOR CONSTRUCTION	(623,571)									0	(623,571)
17	REGULATORY LIABILITY	(18,681,171)								(665,438)	(665,438)	(19,346,609)
18	CUSTOMER DEPOSITS	(842,605)					40,502				40,502	(802,103)
19	TOTAL RATE BASE - KANSAS	248,709,964	(11,110,143)	7,840,069	(2,161,428)	(1,081,792)	40,502	62,178	527,781	(513,605)	(6,396,438)	242,313,526

EXPLANATION OF STAFF ADJUSTMENTS TO RATE BASE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.		INCREASE / (DECREASE) TO RATE BASE

1	<u>STAFF ADJUSTMENT NO. 1</u> (Hutton)	
2	CONSTRUCTION WORK IN PROGRESS	(11,110,143)
3	Staff's Adjustment to remove Construction Work in Progress from the Application	
4	<u>STAFF ADJUSTMENT NO. 2</u> (Hutton)	
5	UNDERGROUND STORAGE	294,902
6	DIRECT AND ALLOCATED DISTRIBUTION PLANT	7,390,487
7	DIRECT AND ALLOCATED GENERAL PLANT	154,680
8	Staff's Adjustment to reflect Plant in Service balances as of August 31, 2019	
9	<u>STAFF ADJUSTMENT NO. 3</u> (Hutton)	
10	ACCUMULATED DEPRECIATION & AMORT.	(2,161,428)
11	Staff's adjustment to reflect Accumulated Depreciation balances as of August 31, 2019	
12	<u>STAFF ADJUSTMENT NO. 4</u> (Hutton)	
13	ACCUMULATED DEFERRED FIT & SIT	(1,081,792)
14	Staff's adjustment to reflect Accumulated Deferred Income Tax balances as of August 31, 2019 and remove specific items	
15	<u>STAFF ADJUSTMENT NO. 5</u> (Hutton)	
16	CUSTOMER DEPOSITS	40,502
17	Staff's adjustment to update Customer Deposits to balances as of August 31, 2019	
18	<u>STAFF ADJUSTMENT NO. 6</u> (Hutton)	
19	PREPAYMENTS	62,178
20	Staff's adjustment to update Prepayments to 13 month average ending August 31, 2019	
21	<u>STAFF ADJUSTMENT NO. 7</u> (Hutton)	
22	STORAGE GAS	527,781
23	Staff's adjustment to update Storage Gas to balances as of August 31, 2019	
24	<u>STAFF ADJUSTMENT NO. 8</u> (Grady)	
25	ACCUMULATED DEFERRED FIT & SIT	151,833
26	REGULATORY LIABILITY	(665,438)
27	Staff's adjustment to update certain tax items from Atmos' estimated to actuals	

STAFF ADJUSTED AND PRO FORMA OPERATING INCOME STATEMENT
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A APPLICANT JURISDICTIONAL PER BOOKS	B APPLICANT TEST YEAR ADJUSTMENTS	C APPLICANT ADJUSTED	D STAFF TEST YEAR ADJUSTMENTS	E STAFF ADJUSTED	F STAFF PRO FORMA ADJUSTMENTS	G STAFF PRO FORMA
*****	*****	*****	*****	*****	*****	*****	*****	*****
	<u>OPERATING REVENUES:</u>							
1	GAS REVENUES	128,508,161	(3,158,575)	125,349,586	(347,008)	125,002,578	2,800,820	127,803,398
2	COST OF GAS	(65,548,277)		(65,548,277)	0	(65,548,277)		(65,548,277)
3	NET MARGIN	62,959,884	(3,158,575)	59,801,309	(347,008)	59,454,301	2,800,820	62,255,121
	<u>OPERATING EXPENSES:</u>							
4	NATURAL GAS PROD. & GATHERING	3,899	0	3,899	0	3,899		3,899
5	OTHER GAS SUPPLY	687,191	0	687,191	0	687,191		687,191
6	TRANSMISSION	47,121	0	47,121	0	47,121		47,121
7	DISTRIBUTION	7,478,064	0	7,478,064	27,678	7,505,742		7,505,742
8	CUSTOMER ACCOUNTS	1,664,433	0	1,664,433	(22,392)	1,642,041		1,642,041
9	CUSTOMER SERVICE	145,534	0	145,534	(3,263)	142,271		142,271
10	SALES	144,259	(91,494)	52,765	(1,244)	51,521		51,521
11	ADMINISTRATIVE AND GENERAL	12,322,640	(1,094,968)	11,227,672	(746,815)	10,480,857		10,480,857
12	TOTAL OPERATING EXPENSES	22,493,141	(1,186,462)	21,306,679	(746,036)	20,560,643	0	20,560,643
13	DEPRECIATION AND AMORTIZATION	12,235,600	2,323,233	14,558,833	(2,413,239)	12,145,594		12,145,594
14	TAXES OTHER THAN INCOME TAXES	8,965,903	98,118	9,064,021	(57,415)	9,006,606		9,006,606
15	INTEREST ON CUSTOMER DEPOSITS	9,890	13,029	22,919	0	22,919		22,919
16	INCOME TAXES - CURRENT & DEFERRED	1,561,405	488,928	2,050,333	691,329	2,741,662	743,057	3,484,719
17	TOTAL EXPENSES	45,265,939	1,736,846	47,002,785	(2,525,361)	44,477,424	743,057	45,220,481
18	OPERATING INCOME	17,693,945	(4,895,421)	12,798,524	2,178,353	14,976,877	2,057,763	17,034,640

ATMOS ENERGY
TOTAL KANSAS
STAFF ADJUSTMENTS TO APPLICANT ADJUSTED INCOME STATEMENT
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A APPLICANT ADJUSTED	B STAFF ADJUSTMENT NO. 1	C STAFF ADJUSTMENT NO. 2	D STAFF ADJUSTMENT NO. 3	E STAFF ADJUSTMENT NO. 4	F STAFF ADJUSTMENT NO. 5	G STAFF ADJUSTMENT NO. 6	H STAFF ADJUSTMENT NO. 7	I STAFF ADJUSTMENT NO. 8	J STAFF ADJUSTMENT NO. 9	K STAFF ADJUSTMENT NO. 10
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
	<u>OPERATING REVENUES:</u>											
1	GAS REVENUES	125,349,586										
2	COST OF GAS	(65,548,277)										
3	NET MARGIN	59,801,309	0	0	0	0	0	0	0	0	0	0
	<u>OPERATING EXPENSES:</u>											
4	NATURAL GAS PROD. & GATHERING	3,899										
5	OTHER GAS SUPPLY	687,191										
6	TRANSMISSION	47,121										
7	DISTRIBUTION	7,478,064								(297)		
8	CUSTOMER ACCOUNTS	1,664,433						(27,425)	(1,102)	(26)		
9	CUSTOMER SERVICE	145,534								(3,140)		
10	SALES	52,765								(988)		
11	ADMINISTRATIVE AND GENERAL	11,227,672	75,433		(202,065)	(559,029)				(5,154)	(74,772)	
12	TOTAL OPERATING EXPENSES	21,306,679	75,433	0	(202,065)	(559,029)	0	(27,425)	(1,102)	(9,605)	(74,772)	0
13	DEPRECIATION AND AMORTIZATION	14,558,833					(2,413,239)					
14	TAXES OTHER THAN INCOME TAXES	9,064,021		(49,345)								(8,070)
15	INTEREST ON CUSTOMER DEPOSITS	22,919										
16	INCOME TAXES - CURRENT & DEFERRED	2,050,333										
17	TOTAL EXPENSES	47,002,785	75,433	(49,345)	(202,065)	(559,029)	(2,413,239)	(27,425)	(1,102)	(9,605)	(74,772)	(8,070)
18	OPERATING INCOME	12,798,524	(75,433)	49,345	202,065	559,029	2,413,239	27,425	1,102	9,605	74,772	8,070

ATMOS ENERGY
TOTAL KANSAS
STAFF ADJUSTMENTS TO APPLICANT ADJUSTED INCOME STATEMENT
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	L STAFF ADJUSTMENT NO. 11	M STAFF ADJUSTMENT NO. 12	N STAFF ADJUSTMENT NO. 13	O STAFF ADJUSTMENT NO. 14	P STAFF ADJUSTMENT NO. 15	Q STAFF ADJUSTMENT NO. 16	R STAFF ADJUSTMENT NO. 17	S STAFF ADJUSTMENT NO. 18	T STAFF ADJUSTMENT NO. 19	U TOTAL ADJUSTMENTS	V STAFF ADJUSTED
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
	<u>OPERATING REVENUES:</u>											
1	GAS REVENUES							(466,047)	119,039		(347,008)	125,002,578
2	COST OF GAS										0	(65,548,277)
3	NET MARGIN	0	0	0	0	0	0	(466,047)	119,039	0	(347,008)	59,454,301
	<u>OPERATING EXPENSES:</u>											
4	NATURAL GAS PROD. & GATHERING										0	3,899
5	OTHER GAS SUPPLY										0	687,191
6	TRANSMISSION										0	47,121
7	DISTRIBUTION	(31,806)					59,781				27,678	7,505,742
8	CUSTOMER ACCOUNTS	(2,151)					8,312				(22,392)	1,642,041
9	CUSTOMER SERVICE	(123)									(3,263)	142,271
10	SALES	(256)									(1,244)	51,521
11	ADMINISTRATIVE AND GENERAL	(11,995)	58,298	(65,132)	(68,917)	98,094	8,424				(746,815)	10,480,857
12	TOTAL OPERATING EXPENSES	(46,331)	58,298	(65,132)	(68,917)	98,094	76,517	0	0	0	(746,036)	20,560,643
13	DEPRECIATION AND AMORTIZATION										(2,413,239)	12,145,594
14	TAXES OTHER THAN INCOME TAXES										(57,415)	9,006,606
15	INTEREST ON CUSTOMER DEPOSITS										0	22,919
16	INCOME TAXES - CURRENT & DEFERRED									691,329	691,329	2,741,662
17	TOTAL EXPENSES	(46,331)	58,298	(65,132)	(68,917)	98,094	76,517	0	0	691,329	(2,525,361)	44,477,424
18	OPERATING INCOME	46,331	(58,298)	65,132	68,917	(98,094)	(76,517)	(466,047)	119,039	(691,329)	2,178,353	14,976,877

ATMOS ENERGY
TOTAL KANSAS
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.		INCREASE/ (DECREASE) TO OPERATING INCOME

1	<u>STAFF ADJUSTMENT NO. 1</u> (Luke Fry)	
2	ADMINISTRATIVE AND GENERAL	(75,433)
3	Staff's adjustment to update payroll expense to the 12 months ending August 31, 2019	
4	<u>STAFF ADJUSTMENT NO. 2</u> (Luke Fry)	
5	TAXES OTHER THAN INCOME TAXES	49,345
6	Staff's adjustment to update payroll tax	
7	<u>STAFF ADJUSTMENT NO. 3</u> (Luke Fry)	
8	ADMINISTRATIVE AND GENERAL	202,065
9	Staff's adjustment to update benefits to the 12 months ending August 31, 2019	
10	<u>STAFF ADJUSTMENT NO. 4</u> (Luke Fry)	
11	ADMINISTRATIVE AND GENERAL	559,029
12	Staff's adjustment to remove incentive compensation based on earning per share	
13	<u>STAFF ADJUSTMENT NO. 5</u> (Hutton)	
14	DEPRECIATION AND AMORTIZATION	2,413,239
15	Staff's adjustment to update depreciation expense to reflect Staff's updated Plant balances and change in depreciation rates	
16	<u>STAFF ADJUSTMENT NO. 6</u> (Hutton)	
17	CUSTOMER ACCOUNTS	27,425
18	Staff's adjustment to update bad debt to August 31, 2019 and Staff's revenue amount	
19	<u>STAFF ADJUSTMENT NO. 7</u> (Hutton)	
20	CUSTOMER ACCOUNTS	1,102
21	Staff's adjustment to update interest on customer deposits based on updated customer deposits	
22	<u>STAFF ADJUSTMENT NO. 8</u> (Campbell)	
23	DISTRIBUTION	297
24	CUSTOMER ACCOUNTS	26
25	CUSTOMER SERVICE	3,140
26	SALES	988
27	ADMINISTRATIVE AND GENERAL	5,154
28	Staff's adjustment to remove advertising expenses which are inappropriate for recovery	
29	<u>STAFF ADJUSTMENT NO. 9</u> (Campbell)	
30	ADMINISTRATIVE AND GENERAL	74,772
31	Staff's adjustment to remove donations made which are inappropriate for recovery	

ATMOS ENERGY
TOTAL KANSAS
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.		INCREASE/ (DECREASE) TO OPERATING INCOME

32	<u>STAFF ADJUSTMENT NO. 10</u> (Campbell)	
33	TAXES OTHER THAN INCOME TAXES	8,070
34	Staff's adjustment to update Kansas Corporation Commission assessment fees to 12 months ending August 31, 2019	
35	<u>STAFF ADJUSTMENT NO. 11</u> (Campbell)	
36	DISTRIBUTION	31,806
37	CUSTOMER ACCOUNTS	2,151
38	CUSTOMER SERVICE	123
39	SALES	256
40	ADMINISTRATIVE AND GENERAL	11,995
41	Staff's adjustment to remove miscellaneous expenses which are inappropriate for recovery	
42	<u>STAFF ADJUSTMENT NO. 12</u> (Campbell)	
43	ADMINISTRATIVE AND GENERAL	(58,298)
44	Staff's adjustment to include and update rate expense in the case	
45	<u>STAFF ADJUSTMENT NO. 13</u> (Baldry)	
46	ADMINISTRATIVE AND GENERAL	65,132
47	Staff's adjustment to reflect pension expenses for the 12 months ending August 31, 2019	
48	<u>STAFF ADJUSTMENT NO. 14</u> (Baldry)	
49	ADMINISTRATIVE AND GENERAL	68,917
50	Staff's adjustment to reflect other retirement benefit expenses for the 12 months ending August 31, 2019	
51	<u>STAFF ADJUSTMENT NO. 15</u> (Baldry)	
52	ADMINISTRATIVE AND GENERAL	(98,094)
53	Staff's adjustment to reflect the pension and post retirement tracker balance as of August 31, 2019 with estimated amounts through March 1, 2020	
54	<u>STAFF ADJUSTMENT NO. 16</u> (Baldry)	
55	DISTRIBUTION	(59,781)
56	CUSTOMER ACCOUNTS	(8,312)
57	ADMINISTRATIVE AND GENERAL	(8,424)
58	Staff's adjustment to update lease expense to 12 months ending August 31, 2019	
59	<u>STAFF ADJUSTMENT NO. 17</u> (Ellis)	
60	GAS REVENUES	(466,047)
61	Staff's adjustment to weather normalization	
62	<u>STAFF ADJUSTMENT NO. 18</u> (Ellis)	
63	GAS REVENUES	119,039
64	Staff's adjustment to customer annualization	
65	<u>STAFF ADJUSTMENT NO. 19</u> (Luke Fry)	
66	INCOME TAXES - CURRENT & DEFERRED	(691,329)
67	Staff's adjustment to reflect the income tax effect of Staff's adjustments	

STAFF ADJUSTED AND PRO FORMA CALCULATION OF TAXABLE INCOME
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A APPLICATN JURISDICTIONAL PER BOOKS	B APPLICANT TEST YEAR ADJUSTMENTS	C APPLICANT ADJUSTED	D STAFF TEST YEAR ADJUSTMENTS	E STAFF ADJUSTED	F STAFF PRO FORMA ADJUSTMENTS	G STAFF PRO FORMA
*****	*****	*****	*****	*****	*****	*****	*****	*****
1	OPERATING INCOME BEFORE INCOME TAXES	19,255,350	(4,406,493)	14,848,857	2,869,682	17,718,539	2,800,820	20,519,359
	<u>INCREASE (DECREASE) TO OPERATING INCOME BEFORE INCOME TAXES:</u>							
2	INTEREST ON DEBT	(4,223,550)	(308,921)	(4,532,471)	(93,212)	(4,625,683)	0	(4,625,683)
3	TAXABLE INCOME	15,031,800	(4,715,414)	10,316,386	2,776,470	13,092,856	2,800,820	15,893,676
4	KANSAS TAX RATE	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
5	KANSAS INCOME TAX	1,052,226	(330,079)	722,147	194,353	916,500	196,057	1,112,557
6	ADJUSTMENTS	0	0	0	0	0	0	0
7	KS. INCOME TAX - CURRENT	1,052,226	(330,079)	722,147	194,353	916,500	196,057	1,112,557
8	TAXABLE FEDERAL INCOME	13,979,574	(4,385,335)	9,594,239	2,582,117	12,176,356	2,604,763	14,781,119
9	FEDERAL TAX RATE	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
10	FEDERAL INCOME TAX	2,935,711	(920,920)	2,014,790	542,245	2,557,035	547,000	3,104,035
11	ADJUSTMENTS	0	0	0	0	0	0	0
12	FED. INCOME TAX - CURRENT	2,935,711	(920,920)	2,014,790	542,245	2,557,035	547,000	3,104,035
	<u>SUMMARY OF INCOME TAXES - CURRENT:</u>							
13	DEFERRED INCOME TAX	0	0	0	(20,811)	(20,811)	0	(20,811)
14	FLOWBACK OF EXCESS ADIT	(686,604)	0	(686,604)	(24,458)	(711,062)	0	(711,062)
15	AMORTIZATION OF ITC	0	0	0	0	0	0	0
16	KS. INCOME TAX - CURRENT	1,052,226	(330,079)	722,147	194,353	916,500	196,057	1,112,557
17	FED. INCOME TAX - CURRENT	2,935,711	(920,920)	2,014,790	542,245	2,557,035	547,000	3,104,035
18	TOTAL INCOME TAXES - CURRENT & DEF.	3,301,333	(1,250,999)	2,050,333	691,329	2,741,662	743,057	3,484,719

ATMOS ENERGY
TOTAL KANSAS
INTEREST CALCULATION
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	STAFF ADJUSTED	STAFF PRO FORMA
*****	*****	*****	*****
1	RATE BASE	242,313,526	242,313,526
2	WEIGHTED COST OF DEBT (SCH C-1)	<u>1.909%</u>	<u>1.909%</u>
3	INTEREST EXPENSE	<u><u>4,625,683</u></u>	<u><u>4,625,683</u></u>

ATMOS ENERGY
TOTAL KANSAS
CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A TOTAL COMPANY	B COMPANY ADJUSTED BALANCE	C STAFF ADJUSTMENTS	D STAFF ADJUSTED KANSAS GAS JURISDICTIONAL	E CAPITALIZATION RATIO'S	F COST OF CAPITAL	G WEIGHTED COST OF CAPITAL
*****	*****	*****	*****	*****	*****	*****	*****	*****
1	LONG TERM DEBT	3,653,712,711	3,653,712,711	792,716,743	4,446,429,454	43.68%	4.37%	1.91%
2	EQUITY	5,508,101,667	5,508,101,667	224,223,431	5,732,325,098	56.32%	9.10%	5.12%
3	TOTAL	9,161,814,378	9,161,814,378	1,016,940,174	10,178,754,552	100.00%		7.03%
4	TOTAL WEIGHTED COST OF LT DEBT		1.90897%					

ATMOS ENERGY
TOTAL KANSAS
ADJUSTMENTS TO CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.	DESCRIPTION	A COMPANY ADJUSTED BALANCE	B STAFF ADJUSTMENT NO. 1	C TOTAL STAFF ADJUSTMENTS	D STAFF ADJUSTED KANSAS GAS JURISDICTIONAL
		*****	*****	*****	*****
1	LONG TERM DEBT	3,653,712,711	792,716,743	792,716,743	4,446,429,454
2	EQUITY	5,508,101,667	224,223,431	224,223,431	5,732,325,098
3	TOTAL	9,161,814,378	1,016,940,174	1,016,940,174	10,178,754,552

EXPLANATION OF STAFF ADJUSTMENTS TO CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED MARCH 31, 2019

LINE NO.		INCREASE / (DECREASE) TO CAPITAL STRUCTURE

1	<u>STAFF ADJUSTMENT NO. 1</u> (Gatewood)	
2	LONG TERM DEBT	792,716,743
3	COMMON EQUITY	224,223,431
4	To revise capital structure to reflect changes as of October 2019	

Workpaper for Support of EDIT Regulatory Liability, Tax Gross Up, and Amortization

Revised Staff Exhibit JTG-1

Line No.	Notes			
Staff Adjusted Atmos EDIT Amortization				
1	1	Fixed Asset Related EDIT	\$	16,558,376
2	2	Amortization Period (ARAM)		21.00
3	Line 1/Line 2	Fixed Asset Related EDIT Amortization	\$	788,494
4	1	Non-Plant Related EDIT	\$	(1,626,082)
5	2	Amortization Period (ARAM)		21.00
6	Line 4/Line 5	Protected EDIT Amortization	\$	(77,432)
7	Line 3 + 6	Total Atmos EDIT Amortization	\$	711,062
8	3	EDIT Amortization Included in Atmos's Filing	\$	686,604
9	Line 7-Line 8	Staff Adjustment to EDIT Amortization	\$	24,458
Staff Adjusted Atmos EDIT Balances and Tax Gross Up				
10	4	Atmos Net EDIT Regulatory Liability Estimate	\$	18,681,171
11	4	Atmos Tax Gross Up on Reg. Liability	\$	(4,262,483)
12	5	Staff Updated and Adjusted Net EDIT Reg. Liability	\$	19,346,609
13	5	Staff Tax Gross Up on EDIT Reg. Liability	\$	(4,414,316)
14	Line 12-Line 10	Adjustment to Revise EDIT Reg. Liability	\$	665,438
15	Line 13-11	Adjust.to Revise DTA Offset to Reg. Liability	\$	(151,833)
16	Line 14+ Line 15	Net Reduction to Rate Base	\$	513,605

1--Reflects Updated EDIT Data from response to Staff Data Request No. 287, adjusted to account for 100% removal of MIP-Restricted Stock, 77.39% removal of Restricted Sotck Grant Plan, and 50.55% removal of MPP/VPP accrual. See Staff Exhibit KALF-4b for support of Staff's percentage of equity compensation and MPP/VPP removal. DR Response to 287 is currently confidential, but will be made public during the proceeding, the DR response can be provided at that time if needed.

2--See Revised Response to Staff DR No. 287--This reflects the Reverse South Georgia Method.

3-- See Response to Staff DR No. 280. Pre-Tax Gross up Reg. Liability of \$14,418,688 divided by 21 years equals \$686,604.

4--See Response to Staff DR No. 280--Plant Related, \$21,062,883. Non-Plant (\$2,381,712). DTA for Gross up \$4,262,483

5--See Response to Updated EDIT Balances provided in Revised Response to Staff DR No. 287 , adjusted to Account for for 100% removal of MIP-Restricted Stock, 77.39% removal of Restricted Sotck Grant Plan, and 50.55% removal of MPP/VPP accrual.

Atmos Energy Corporation
Labor Expense
Income Statement Adjustment No. 1
Test Year Ending March 31, 2019

Docket No. 19-ATMG-525-RTS
REVISED Exhibit KALF-1

Line No.	Description	Staff Filed				Reference
		Kansas Direct	General Office	Customer Support	CO/KS General Office	
1	Staff's Updated Payroll Expense	11,728,913	50,612,222	28,048,554	3,865,103	(1)
2	Atmos' Test Year Payroll Expense	11,540,257	48,515,787	27,116,947	3,748,614	(2)
3	Staff's Update to Payroll Expense	188,656	2,096,435	931,607	116,489	Line 1 - Line 2
4	Allocation to Kansas	100.00%	3.72%	4.29%	55.66%	(2)
5	Increase Allocated to Kansas	188,656	77,987	39,966	64,838	Line 3 x Line 4
6	3 Year Average Expense Rate	45.40%	70.37%	87.37%	40.57%	(3)
7	Total Labor Expense Adjustment	85,650	54,882	34,918	26,305	Line 5 x Line 6
8	Atmos' Payroll Adjustment	87,846	13,738	8,855	15,883	(2)
9	Staff's Adjustment to Payroll Expense	(2,196)	41,144	26,063	10,422	Line 7 - Line 8
10	Staff's Adjustment to Increase Payroll Expense				75,433	Sum of Line 9
					75,433	Sum of Line 9

Sources:

- (1) Staff Exhibit KALF-1B
(2) Included in Atmos Workpaper 9-2 included in the Application
(3) Staff Exhibit KALF-1A

Atmos Energy Corporation
Labor Expense Rate
Twelve Months Ending March 31, 2019

Docket No. 19-ATMG-525-RTS
REVISED Exhibit KALF-1A

12 Months Ending	Kansas Direct	General Office	Customer Support	CO/KS General Office	Total Kansas
March 31, 2017:					
O&M Labor Expense	5,013,112	33,903,185	26,043,468	1,337,137	66,296,902
Gross Labor	11,285,699	50,486,135	29,741,566	3,256,759	94,770,159
FY2017 Allocation	100.00%	3.91%	4.28%	57.49%	
Kansas Expense	5,013,112	1,325,615	1,114,660	768,720	8,222,107
Kansas Gross Labor	11,285,699	1,974,008	1,272,939	1,872,311	16,404,957
March 31, 2018:					
O&M Labor Expense	5,240,719	33,321,857	22,859,714	1,691,963	63,114,253
Gross Labor	11,258,103	46,860,848	26,431,117	3,557,578	88,107,646
FY2018 Allocation	100.00%	3.83%	4.29%	56.72%	
Kansas Expense	5,240,719	1,276,227	980,682	959,681	8,457,309
Kansas Gross Labor	11,258,103	1,794,770	1,133,895	2,017,858	16,204,627
August 31, 2019:					
O&M Labor Expense	5,306,035	36,971,787	24,679,637	1,298,347	68,255,806
Gross Labor	11,728,913	50,612,222	28,048,554	3,865,103	94,254,792
FY2019 Allocation	100.00%	3.72%	4.29%	55.66%	
Kansas Expense	5,306,035	1,375,350	1,058,756	722,660	8,462,802
Kansas Gross Labor	11,728,913	1,882,775	1,203,283	2,151,316	16,966,287
3 Year Average:					
O&M Labor Expense	5,186,622	1,325,731	1,051,366	817,020	8,380,739
Gross Labor	11,424,238	1,883,851	1,203,372	2,013,828	16,525,290
O&M Labor Percent	45.40%	70.37%	87.37%	40.57%	

Source:

(1) Included in Atmos Workpaper 9-2-2 included in **Rebuttal Testimony**

UPDATED

Atmos Energy Corporation
Miscellaneous Expense
Income Statement Adjustment No. 11

19-ATMG-525-RTS
REVISED Exhibit IDC-4

Line No.	Description	Division	Amount	Allocation Factor	Adjusted Amount	Ref
1	Membership and Dues	Various	(17,283)	100%	(17,283)	(1)
2	Kansas Direct Expense Report	Various	(23,434)	100%	(23,434)	(2)
3	General Office Legal Expense	002	(20,607)	3.72%	(766)	(3)
4	Customer Support Legal Expense	012	(70)	4.29%	(3)	(3)
5	Legal Expense Adjustment - COKS General Office	081	(4,844)	100%	(4,844)	(3)
6	Total Staff Miscellaneous Expense Adjustment				<u>(46,331)</u>	

(1) Added category, removed unnecessary expenditures - IDC-4(a)

(2) Removed unnecessary expenditures - IDC-4(b)

(3) Removed Cost Center 1903, unnecessary or controversial expenses - IDC-4(c)

Line No.	Div	FERC Account	Purpose	Amount	Allocation	Adjusted Amount
1	030	8700	343 Discussion Meeting	337	55.67%	187
2	030	8700	343 Meeting	506	55.67%	282
3	030	8700	343Tax Reform Meeting	190	55.67%	106
4	030	8700	Airfare for Kansas Service Awards Banquet	518	55.67%	288
5	030	8700	Annual membership dues for the American Society of Civil Engineers	260	55.67%	145
6	030	8700	Attendance at KCC conference	315	55.67%	176
7	030	8700	Bonner Springs Rotary Tiblow Trot	14	55.67%	8
8	030	8700	Breakfast GSRS Bill Signing	9	55.67%	5
9	030	8700	Breakfast Tumeric Smoothie, Kansas Service Awards Banquet	12	55.67%	6
10	030	8700	Breakfast, business trip to Branson, MO for Kansas Service Awards Banquet	29	55.67%	16
11	030	8700	Business trip, meeting with canon city staff, annual performance review	53	55.67%	30
12	030	8700	Business trip to Branson, MO for Kansas Service Awards Banquet	242	55.67%	135
13	030	8700	Business trip to KC for Senate Confirmation Hearing for new KCC Commissioner Keen	755	55.67%	420
14	030	8700	Business trip toTopeka for KCC meeting with commissioners	177	55.67%	99
15	030	8700	Dinner and replacement phone charger for company phone during for Kansas strategy meeting.	24	55.67%	13
16	030	8700	Dinner while on business trip to Branson, MO for Kansas Service Awards Banquet	1,096	55.67%	610
17	030	8700	GSRS Bill Signing	885	55.67%	492
18	030	8700	GSRS Meeting in Kansas	178	55.67%	99
19	030	8700	Heroes Pull for Special Olympics	199	55.67%	111
20	030	8700	Interstate Farm and Home Show - Coffeyville	261	55.67%	145
21	030	8700	Kansas Commission Meeting	16	55.67%	9
22	030	8700	KCC Pipeline Safety Seminar	339	55.67%	189
23	030	8700	Kansas GSRS rate strategy meeting	788	55.67%	438
24	030	8700	Kansas KCC Meeting/343 and Rate Case	762	55.67%	424
25	030	8700	Kansas Keen Presentation	20	55.67%	11
26	030	8700	Kansas Marketing Meeting	16	55.67%	9
27	030	8700	Kansas Service Awards Banquet	2,802	55.67%	1,560
28	030	8700	Kansas Service Awards Banquet, Breakfast	19	55.67%	11
29	030	8700	Kansas Service Awards Banquet, KGS Meeting, Rate Strategy Meeting, and Kansas Strategy Meeting	35	55.67%	19
30	030	8700	Kansas Service Awards	110	55.67%	61
31	030	8700	KCC KS State Audit Olathe	1,477	55.67%	822
32	030	8700	KCC Presentation	1,100	55.67%	612
33	030	8700	Keen presentation discussion and prep with Jennifer Altieri	25	55.67%	14
34	030	8700	Lunch after tabletop exercise in Independence	88	55.67%	49
35	030	8700	Lunch during ROC replacement in Strong City	40	55.67%	22
36	030	8700	Lunch in Canon City given the Locus View presentation to the local Operations team	8	55.67%	5

Line No.	Div	FERC Account	Purpose	Amount	Allocation	Adjusted Amount
37	030	8700	Lunch traveling to Lamar to give Locus View Presentation to the local Operations team	8	55.67%	4
38	030	8700	Meals on Wheels in Olathe Kansas	25	55.67%	14
39	030	9210	Meeting at KCC with KS Staff-discussion of pipe replacement	63	55.67%	35
40	030	8700	Meeting in Kansas with Kansas Utilities and Bart Armstrong	352	55.67%	196
41	030	8700	Meeting with Commissioner Keen in Kansas	688	55.67%	383
42	030	8700	Meeting with Commissioner Keen, Colorado/Kansas Strategy Meeting, and Lamar Employee Development	39	55.67%	22
43	030	8700	Meeting with Commissioners in Kansas	279	55.67%	155
44	030	8700	Meeting with KCC Staff	118	55.67%	66
45	030	8700	Meeting with KGS and KCC Staff	249	55.67%	139
46	030	8700	Operations meeting in Olathe	20	55.67%	11
47	030	8700	Parking expense for meeting with KCC	25	55.67%	14
48	030	8700	Parking fee in the Denver, CO offices.	20	55.67%	11
49	030	8700	Parking while attending Hedging meeting in Topeka	50	55.67%	28
50	030	9302	Payment for 2018-2019 Mississippi Bar fees	335	55.67%	186
51	030	8700	Presentations for Commissioners, Kansas	343	55.67%	191
52	030	8700	Rental car for Kansas Awards Banquet	407	55.67%	227
53	030	8700	Rental Car Fuel, Kansas Compensation Education Employee Meetings	23	55.67%	13
54	030	8700	Roundtrip airline ticket to KCC annual Pipeline Safety seminar	319	55.67%	178
55	030	8700	Statewide Special Olympic (Bally Ball Tournament)	24	55.67%	13
56	030	8700	Texas Professional Engineer license renewal	40	55.67%	22
57	030	8700	Toll payment for Kansas Commission Meeting	3	55.67%	2
58	030	8700	Tolls paid for 343, QPR, GSRS Bill, KS Tax Reform, and NARUC Washington DC	48	55.67%	27
59	030	9302	Travel to Kansas City, MO to meet with Kansas Corporate Commission	214	55.67%	119
60	030	8700	Travel to Steamboat Springs to install Comcast cable modem and voice circuit.	64	55.67%	35
61	030	9302	Travel to Topeka, Kansas for CURB Board Meeting	538	55.67%	299
62	030	9302	Travel to Topeka, Kansas to meet with KCC staff	611	55.67%	340
63	030	8700	Wilson County Old Iron Club of Fredonia, KS	174	55.67%	97
64	030	8700	Yates Center Safety and Health Fair	59	55.67%	33
65	030	8700	Aegis loss control audit in Greeley	14	55.67%	8
66	030	8700	Citizens Utility Ratepayer Board Meeting	4	55.67%	2
67	030	8700	Colorado Awards Banquet	44	55.67%	25
68	030	8700	Colorado Service Awards Banquet	8	55.67%	4
69	030	8700	Dinner for Durango Marketing meeting	52	55.67%	29
70	030	8700	Employee Meetings in Salida and Gunnison, CO	38	55.67%	21
71	030	8700	Travel to Steamboat Springs, CO and Criag, CO - install new AP's, move the Laserfiche machine	12	55.67%	6
72	030	8700	Video shoot Gus the Gopher and CO 811 in Crested Butte	91	55.67%	51

Line No.	Div	FERC Account	Purpose	Amount	Allocation	Adjusted Amount
73	030	8700	811 Run, meal for Atmos Employees, spouses, and children	4	55.67%	2
74	030	8700	Airfare for Kansas Service Awards Banquet	259	55.67%	144
75	030	9010	Airport Parking for trip to Amarillo to deliver Atmos Essentials	20	55.67%	11
76	030	9010	Breakfast before flight to Tampa, Fl for Customer Service Week Conference	3	55.67%	2
77	030	9010	Breakfast items before flight to CS Week Conference, Tampa Fl	6	55.67%	3
78	030	8700	Breakfast on business trip to Branson, MO for Kansas Service Awards Banquet	18	55.67%	10
79	030	9010	Breakfast/ Traveling to Metarie for Service order training	48	55.67%	27
80	030	9010	Christmas Cards for Revenue Management	54	55.67%	30
81	030	8700	Clay Cash Retirement Celebratory Dinner	1,043	55.67%	580
82	030	8700	COKS Public Affairs Q4 Strategy Meeting at the Denver Office	179	55.67%	100
83	030	9010	Cookies and punch for the Blue Flame Committee Employee Appreciation	63	55.67%	35
84	030	8700	Dinner for Durango Marketing meeting	105	55.67%	59
85	030	9010	Dinner from Job Progression in New Orleans	72	55.67%	40
86	030	8700	Dinner honoring Ruben and Alina Esquivel	640	55.67%	356
87	030	9010	Dinner Job Progression training for the remote team	63	55.67%	35
88	030	9010	Dinner Job Progression training remote team	46	55.67%	25
89	030	9010	Dinner Progression Training for remote team	81	55.67%	45
90	030	8700	Dinner business trip to Branson, MO for Kansas Service Awards Banquet	845	55.67%	470
91	030	8700	Employee Appreciation Dinner	56	55.67%	31
92	030	8700	Employee meeting in Durango	183	55.67%	102
93	030	8700	Expense while attending COKS leadership meeting in Kansas City	155	55.67%	86
94	030	9010	Flight for Michael Lentz and Rick Bailey,Jackson Ms for job progression training	1,250	55.67%	696
95	030	9010	Flight to Amarillo, Tx for Atmos Essentials Class	217	55.67%	121
96	030	9010	Food while traveling to Amarillo for Atmos Essentials presentation	10	55.67%	5
97	030	9010	gas/rental car/ Job progression Remote Team	6	55.67%	3
98	030	4265	Holiday Celebration	114	55.67%	64
99	030	8700	Human Resource Team Meeting	76	55.67%	43
100	030	9030	Job Progression Information Training to the Remote Rev Mgmt in Louisiana	22	55.67%	12
101	030	9030	Job Progression Information Training to the Remote Rev Mgmt in Mississippi	18	55.67%	10
102	030	8700	Kansas Service Awards Banquet	819	55.67%	456
103	030	9010	Lunch meal in the Tampa Airport	13	55.67%	8
104	030	9010	Lunch/ Job progression Training	44	55.67%	24
105	030	8700	Media relations training and public affairs holiday dinner	88	55.67%	49
106	030	8700	Meeting with Tom Hawkins to discuss transition	68	55.67%	38
107	030	8700	New employee introduction and dinner	122	55.67%	68
108	030	8700	New employee meeting and introduction	7	55.67%	4

Line No.	Div	FERC Account	Purpose	Amount	Allocation	Adjusted Amount
109	030	8700	New employee welcoming to Denver office dinner	122	55.67%	68
110	030	9010	Parking airport Job progression training metairie La	76	55.67%	42
111	030	9030	Purchased party supplies for Joe Lara's retirement party	50	55.67%	28
112	030	8700	Quarterly Rates Meeting in Nashville	290	55.67%	161
113	030	9010	Quarterly team luncheon, visual learning session, Gas City and the FLOW lab	170	55.67%	95
114	030	8700	Rate Case Completion Celebratory Dinner	110	55.67%	61
115	030	9010	Rental car job progression training	318	55.67%	177
116	030	8700	RNG Coalition Meeting	198	55.67%	110
117	030	8700	SGA Conference	2,160	55.67%	1,202
118	030	8700	SGA Executive Conference	156	55.67%	87
119	030	9010	Snack, Job progression for the remote team	15	55.67%	8
120	030	9010	Snacks in Houston Hobby/ layover flight from Tampa to Dallas / Customer Service Week	9	55.67%	5
121	030	8700	Summer Celebratory Picnic	10	55.67%	6
122	030	8700	Rates and Regulatory Affairs for CO/KS with Jennifer	27	55.67%	15
123	030	8700	Travel to Nashville to discuss the CP pilot in Tennessee	178	55.67%	99
124	030	9010	Traveling to New Orleans for Job Progression sessions	796	55.67%	443
125	030	8700	Video shoot Gus the Gopher and CO 811 in Crested Butte	170	55.67%	95
126	030	9010	Water /Job progression for remote team	5	55.67%	3
127	030	9010	Water/ traveling to LA for service order training	3	55.67%	2
128	030	8700	Western Conference in Boise, ID	64	55.67%	35
129	030	8700	Western Water and Energy Forum	190	55.67%	106
130	081	8700	Airport parking Denver, Colorado and Colorado Service Awards in Keystone	54	100%	54
131	081	9110	Attended the Kansas City Kansas West Kiwanis annual installation banquet	19	100%	19
132	081	9010	Beverages purchased while at Golf for Customer Trip	67	100%	67
133	081	9210	Cake for retirement of Sylvia Gibson	33	100%	33
134	081	4265	Christmas Party 2018 For Employees And Their Guest	755	100%	755
135	081	8740	Christmas Party 2018 For Employees And Their Guest	755	100%	755
136	081	9010	Christmas Party For 3136 Cost Center	562	100%	562
137	081	8700	Breakfast at restaurant for Kansas Service Awards 2018	4	100%	4
138	081	8700	Coffee from Big Cedar Lodge for Kansas Service Awards 2018	5	100%	5
139	081	9210	Conference Registration Fees; Mississippi Natural Gas Conference, Orange Beach, AL	321	100%	321
140	081	9110	Delivered Meals on Wheels for Johnson County	68	100%	68
141	081	8740	Dinner for me and jay reed for nace internal corrosion course	25	100%	25
142	081	8740	dinner while safety manager in town for respiratory fit test	114	100%	114
143	081	8740	dinner while safety specialist in town for smith driving	69	100%	69
144	081	8740	dinner while safety specialist was in town for incident review	93	100%	93

Line No.	Div	FERC Account	Purpose	Amount	Allocation	Adjusted Amount
145	081	9110	Food at Arrowhead Stadium	54	100%	54
146	081	9110	Fund raiser for the KCK West Kiwanis Big Night at the Barn	20	100%	20
147	081	9020	Holiday dinner for Independence office party	365	100%	365
148	081	8740	Holiday dinner for Independence office party	365	100%	365
149	081	9110	Kansas Sales Department Annual Christmas Dinner	36	100%	36
150	081	8740	lunch for employees during Retire Wise session	264	100%	264
151	081	8700	Lunch returning from Denver business/Service Awards event	4	100%	4
152	081	8700	Lunch while traveling for Kansas Service Awards 2018	22	100%	22
153	081	8700	Olathe Chamber recognition dinner	64	100%	64
154	081	8700	OQ Qualifying Advance Service Plano	167	100%	167
155	081	9210	Retirement dinner for Carolyn Wilson	759	100%	759
156	081	9210	Retirement dinner for Sylvia Gibson	750	100%	750
157	081	9110	Retirement dinner for Chris McDermott and Scott Gaines	48	100%	48
158	081	9020	Service anniversary celebrations of employees	296	100%	296
159		Total Kansas Direct Expense Adjustment				23,434

Notes:

- (1) Source: Staff Data Request 127
- (2) 55.67% Factor - Kansas portion of Division 30
- (3) 100% Factor - Fully removes certain Division 30 expenses; Division 81 fully allocates to Kansas

Line No.	FERC Account	Div	Vendor	Amount
1	9230	012	Spielberger Law Group	70
2	9230	002	Inclaro Group	17,375
3	9302	002	Veritext LLC	3,153
4	9302	002	Veritext LLC	79
5	8700	081	Kansas Corporation Commission	1,000
6	8700	081	Kansas Corporation Commission	77
7	8700	081	Kansas Corporation Commission	2,000
8	8700	081	Kansas Corporation Commission	153
9	8700	081	Kansas Corporation Commission	1,500
10	8700	081	Kansas Corporation Commission	115
11	Total Legal Expense Adjustment			25,522

Note:

- (1) Legal expenses are allocated by division in Exhibit 4.
(2) Sourced from Staff Data Requests 41

Atmos Energy Corporation
19-ATMG-525-RTS
Tracker 1 Adjustment
Test Year Ending March 31, 2019

IS - 15

(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Source:	General Ledger Account	Description	Amount	Total
1	(1)	9260	Tracker 1 Adjustment - Pension Kansas Direct	(135,452)	
2	(2)	9260	Tracker 1 Adjustment - Pension Shared Services	(155,172)	
3	(3) & (11)	9260	Tracker 1 Adjustment - Amortization of Previous Tracker 1 from March 2019 through March 2020	15,535	
4					(275,089)
5	(4)	9260	Tracker 1 Adjustment - Postretirement Kansas Direct	(418,354)	
6	(5)	9260	Tracker 1 Adjustment - Postretirement Shared Services	(119,581)	
7	(6) & (11)	9260	Tracker 1 Adjustment - Amortization of Previous Tracker 1 from March 2019 through March 2020	31,183	
8					(506,752)
9	(7)	9260	Tracker 1 Adjustment - Pension Kansas Direct - per Application	(171,914)	
10	(8)	9260	Tracker 1 Adjustment - Pension Shared Services - per Application	(169,684)	
11	(9)	9260	Tracker 1 Adjustment - Postretirement Kansas Direct - per Application	(407,498)	
12	(10)	9260	Tracker 1 Adjustment - Postretirement Shared Services - per Application	(130,839)	
13		9260	Less: Tracker 1 Adjustment Atmos Made in the Application		(879,935)
14		9260	Tracker 1 Adjustment		98,094

(1) Source: Exhibit WEB IS - 3(a)

(2) Source: Exhibit WEB IS - 3(b)

(3) Source: Exhibit WEB IS - 3(e)

(4) Source: Exhibit WEB IS - 3(c)

(5) Source: Exhibit WEB IS - 3(d)

(6) Source: Exhibit WEB IS - 3(e)

(7) Source: WP 9-8-1, page 2 of 4 in the Application

(8) Source: WP 9-8-2, page 2 of 4 in the Application

(9) Source: WP 9-8-1, page 4 of 4 in the Application

(10) Source: WP 9-8-2, page 4 of 4 in the Application

(11) Note: The three year amortization period of the Tracker 1 balance from the 16-ATMG-079-RTS rate case ended in February 2019 as shown in file 001 workpapers / Relied Files / 2019 Trial Balance for SSU and KS / worksheet OPEB & Pension Amort. In the Amortization of Previous Tracker 1 to March 2020 in this adjustment, Staff continued the Amortization of the Previous Tracker 1 balance from March 2019 through March 2020 to reflect the continued amortization until the rates in the current rate case go into effect.

Atmos Energy Corporation
19-ATMG-525-RTS
Over Amortization of the Pension and Postretirement Tracker 1s from Docket No. 16-ATMG-079-RTS
Test Year Ending March 31, 2019 IS - 15

(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Source:	General Ledger Account	Description	Amount	
1	(1)	9260	Monthly Amortization of the Pension Tracker 1 from Docket No. 16-ATMG-079-RTS	3,585	
2			Number of Months from March 2019 through March 2020	X 13	
3			Total Excess Amortization of Pension Tracker 1 for the period March 2019 through March 2020		46,605
4			Divide by 3 Years		/ 3 Years
5		9260	Annual Amortization of the Excess Pension Tracker 1 Amortization from Docket No. 16-ATMG-079-RTS		15,535
6	(1)	9260	Monthly Amortization of the Postretirement Tracker 1 from Docket No. 16-ATMG-079-RTS	7,196	
7			Number of Months from March 2019 through March 2020	X 13	
8					
9			Total Excess Amortization of Postretirement Tracker 1 for the period March 2019 through March 2020		93,548
10					/ 3 Years
11		9260	Annual Amortization of the Excess Postretirement Tracker 1 Amortization from Docket No. 16-ATMG-079-RTS		31,183

(1) File: 001-090 Initial / 001 Workpapers / Relied Files / 2019 Trial Balance for SSU and KS / worksheet OPEB & Pension Amort

Note: Atmos amortized the Tracker 1 balances for the pension and postretirement plans from Docket No. 16-ATMG-079-RTS through February 2019. The new rates established in Docket No. 19-ATMG-525-RTS will not go into effect until around March 2020, so Staff continued the amortization of the Tracker 1s from March 2019 through March 2020.

(a)	(b)	(c)	(d)	(e)		(f)		(g)
Line No.	General Ledger Account	Division	Description	Lease Expense Updated to		Lease Expense Test Year Ending		Total (e) - (f)
				Aug. 31, 2019	Source	Mar. 31, 2019	Source	
1	8740	2	Lease Expense Adjustment - Heavy Equipment	326	(1)	213	(2)	113
2	8740	30	Lease Expense Adjustment - Heavy Equipment	15,143	(1)	5,480	(2)	9,663
3	8740	81	Lease Expense Adjustment - Heavy Equipment	310,337	(1)	306,548	(2)	3,789
4	8740	2	Lease Expense Adjustment - Vehicles	981	(1)	222	(2)	759
5	8740	12	Lease Expense Adjustment - Vehicles	586	(1)	504	(2)	82
6	8740	30	Lease Expense Adjustment - Vehicles	132,171	(1)	94,345	(2)	37,826
7	8740	81	Lease Expense Adjustment - Vehicles	1,055,617	(1)	965,254	(2)	90,363
8	9020	81	Lease Expense Adjustment - Tower Rent	31,918	(1)	23,606	(2)	8,312
9	9020	30	Lease Expense Adjustment - Tower Rent	4,036	(4)	2,113	(5)	1,923
10	9310	2	Lease Expense Adjustment - Facilities	187,631	(1)	183,624	(2)	4,007
11	9310	12	Lease Expense Adjustment - Facilities	28,308	(1)	26,644	(2)	1,664
12	8700	30	Lease Expense Adjustment - Facilities	202,061	(1)	275,181	(2)	(73,120)
13	8800	81	Lease Expense Adjustment - Facilities	443,226	(1)	443,226	(2)	0
14	8810	81	Lease Expense Adjustment - Facilities	93,091	(1)	90,310	(2)	2,781
15	9210	2	Lease Expense Adjustment - Copiers	4,405	(1)	1,652	(2)	2,753
16			Lease Expense Adjustment on a Kansas Allocated Basis					90,915
17	9310		Rent in Test Year and in August 31, 2019		(3)	(627,620)		
18	9310		Rent Effective September 1, 2019		(3)	292,005		
19			Adjustment for Waco Lease Expense			(335,615)		
20			Allocation Factor			X 4.29%		
21	9310		Adjustment for Ridge Waco LP Lease Expense					(14,398)
22			Total Lease Expense Adjustment on a Kansas Allocated Basis					76,517
	(1)	Source:	Exhibit WEB IS - 4(a)					
	(2)	Source:	Exhibit WEB IS - 4(c)					
	(3)	Source:	Data Request No. 53					
	(4)	Source:	Data Request No. 318; Twelve months ending Aug 31, 2019 multiplied by the Kansas allocation percentage.					
	(5)	Source:	Data Request No. 318; Twelve months ending March 31, 2019 multiplied by the Kansas allocation percentage.					

CERTIFICATE OF SERVICE

19-ATMG-525-RTS

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Updated Schedules and Exhibits was served via electronic service this 27th day of November, 2019, to the following:

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CERTIFICATE OF SERVICE

19-ATMG-525-RTS

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