

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of Atmos Energy Corporation)
Filing Compliance Reports and Information as) Docket No. 21-ATMG-044-CPL
Prescribed by Commission Order Dated July)
9, 2020, in Docket No. 20-GIMG-423-ACT)

COMPLIANCE FILING

Atmos Energy Corporation ("Atmos Energy"), pursuant to the requirements of the Commission's Order issued in Docket No. 20-GIMG-423-ACT ("423 Docket") on July 9, 2020, is providing the attached information in compliance with the Commission's Order.

WHEREFORE, Atmos requests the information provided be accepted by the Commission in compliance with the reporting requirements in the 423 Docket.



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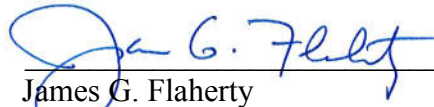
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VERIFICATION

STATE OF KANSAS
COUNTY OF FRANKLIN, ss:

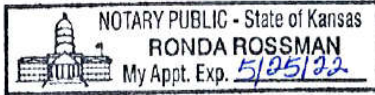
James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Atmos Energy Corporation named in the foregoing Compliance Filing and is duly authorized to make this affidavit; that he has read the foregoing and knows the contents thereof; and that the facts set forth therein are true and correct.



James G. Flaherty

SUBSCRIBED AND SWORN to before me this 10th day of August, 2020.





Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail this 10th day of August, 2020, addressed to:

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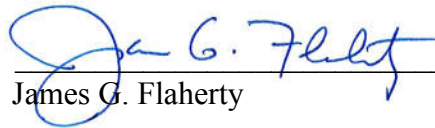
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James G. Flaherty

COVID-19 Accounting Narrative of Atmos Energy Corporation
August 10, 2020

Atmos Energy Corporation (“Atmos Energy” or the “Company”) has been in the process of developing various methodologies to identify and track COVID-19 related expenses, savings, and lost revenues. Atmos Energy has and will continue to refine the processes and procedures as we gain more insight and understanding of the impact COVID-19 has on the business.

Accounting controls occur as part of the normal course of business and include review of project costs prior to inclusion in a regulatory asset/liability, review of journal entries made prior to inclusion in the ledger and review of calculations that require estimation, for example allowance for bad debt/bad debt expense. As described below, the Company is currently tracking the impact of COVID-19, but thus far no amounts have been recorded as a regulatory asset or liability. When a regulatory asset or liability is recorded, the Company utilizes the FERC chart of accounts with regulatory assets being recorded to a 182 account and regulatory liabilities recorded to a 254 account.

Expenses - As an initial step, Atmos Energy has trained employees to actively code specific COVID-19 related expenses to the correct account as soon as they are incurred. The Company set up a project code in its accounting system specific for COVID-19 related expenses. Employees are instructed to code any COVID-19 specific purchases (such as hand sanitizer, masks, gloves, cleaning solution materials, and fuel), as well as outside services such as regulatory legal expenses, to the project code in order to track those expenses.

Savings - Tracking savings is not as straightforward as booking expenses to a project because it requires the identification and calculation of costs that did not occur. Thus far, the Company has identified two broad categories of material savings that are resulting from COVID-19: training and travel. To create an initial baseline to measure savings, the Company preliminarily used three-year averages of monthly amounts for March – June, years 2017-2019. However, the Company is continuing to evaluate the approach to the baseline calculation and may continue to refine it as more information becomes available.

If the Company identifies additional categories of expenses that appear to have decreased materially as a result of COVID-19, it will use a similar methodology for any such categories.

Lost Revenues – For the initial calculation provided to the Commission, the Company calculated its distribution load loss thus far during the pandemic using actual volumes, weather normalized, from its filed billing determinants in Proceeding 19-ATMG-525-RTS as a baseline compared to actual load during the COVID-19 period.

The workpapers in 19-ATMG-525-RTS provide billed volumes by customer class and by month. The weather normalization adjustment is also provided by month using current WNA methodology. Normalized volumes for months March – June provided a baseline for which to compare 2020 usage. To normalize 2020 usage, the Company used actual billed volumes for March 2020 – June 2020 by customer class and applied each month’s WNA adjustment, recently approved in its July 2020 Annual WNA filing.

The difference in volumes between the historical baseline and 2020 usage is the COVID-19 related load loss. To monetize this, the variance was multiplied by the effective volumetric rates of each customer class to create the lost revenue calculation.

If the Company identifies additional categories of revenues that appear to have decreased materially as a result of COVID-19, it will use a similar methodology for any such categories. Atmos has already identified additional lost revenue associated with COVID-19 that was not previously reported, such as the suspension of disconnection, reconnection, and late fees.

Customer Programs Report of Atmos Energy Corporation
August 10, 2020

At Atmos Energy we live in the communities that we serve and have fostered relationships that provide a deep connection with our employees, customers and the public. We make a difference by offering customer assistance programs to help the elderly, disabled, veterans and low-income families in our service areas. This commitment has been instrumental in our response to the COVID-19 health crisis. Early on we recognized the impact this crisis and the resulting economy was going to have on our customers. Beginning March 14, 2020, we suspended disconnections as a company and were ready to comply with the following KCC order on March 16, 2020. In the interim that followed, to ensure customers were able to return to consistent payments, Atmos Energy took the following actions:

We worked with the Kansas Corporation commission to modify aspects of existing 12 month pay arrangements to ensure that their availability would support customers in need.

Atmos Energy is publicizing more extensively our Sharing the Warmth program, which is supported by donations from customers and employees and distributes funds to local nonprofit organizations to help pay natural gas bills for eligible customers. In Kansas we are utilizing a full spectrum of communication such as social media posts, press releases, and direct communication via postal letters and emails to customers owing amounts greater than \$200.00 which were greater than 30 days past due.

**Atmos Energy Sharing the Warmth Pledge Data in Kansas from
October 1, 2019 - August 7, 2020**

Agency	Amount Pledged
KS - Catholic Charities - Pittsburg, KS	\$ 397.00
KS - Catholic Charities NEKS	\$ 65,401.50
KS - ECKAN Douglas County	\$ 433.00
KS - Johnson County Human Services	\$ 13,778.38
KS - Salvation Army	\$ 6,075.07
Grand Total	\$ 86,084.95

* Charitable Partners listed work with county agencies to cover areas of
Kansas served by Atmos Energy

In addition to our internal Sharing the Warmth program, we are also notifying customers of the availability of additional CARES Act support for the federally funded Low-Income Home Energy Assistance Program (LIHEAP), which helps meet the energy needs of underserved families.

In addition to direct billing assistance provided to customers through billing, Atmos Energy has already provided \$30,000 in assistance to area food banks in each of our service areas and will

continue to support such organizations. Customers may be focused on many things, but Atmos Energy does not want our customers worrying about where their next meal was coming from.

Atmos Energy also has also been providing meals to healthcare workers on the front lines of healing in our service areas. Local teams have been providing breakfast, lunch and even dinner and ice cream to the night crew at area hospitals using local restaurants and caterers.

With school beginning both virtually and in person in Kansas Atmos Energy will be providing some assistance to students in our service areas in the form of 'fuel packs' which will provide basic school supplies as well as a backpack, lunchbox, and a water bottle.

As the health crisis continues, Atmos Energy will continue these efforts and will look for ways to support our customers and the communities we serve through corporate contributions and employee actions as a part of our initiative of 'Fueling Safe and Thriving Communities.'