



January 9, 2014

VIA HAND DELIVERY

Ms. Kim Christiansen  
Executive Director  
Kansas Corporation Commission  
1500 S. W. Arrowhead Road  
Topeka, Kansas 66604-4027

Re: Application of Atmos Energy Corporation

Dear Ms. Christiansen:

Atmos Energy Corporation hereby transmits three (3) copies of its Application for Adjustment of its Natural Gas Rates in the State of Kansas, together with three (3) electronic copies of the Application, all in accordance with K.A.R. 82-1-231.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Karen P. Wilkes".

Karen P. Wilkes

Enclosures (x)

cc: James G. Flaherty

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**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
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3. Atmos provides retail natural gas service to approximately 129,000 customers in Kansas, including natural gas service to 106 communities and two unincorporated irrigation customers in 32 counties. Atmos filed its last rate case in January 2012, in Docket No. 12-ATMG-564-RTS ("564 Docket"). That rate case filing was based upon a test year that ended September 30, 2011. Several factors make the filing of this rate application necessary at this time. Atmos has made a significant investment in plant since its last rate case filing. Although Atmos has aggressively managed expenses, it has also experienced increases in wages, medical expenses, material and supplier costs. This Application supports Atmos' request for an increase in its revenue requirement.

4. The testimony of six witnesses and the schedules required by K.A.R. 82-1-231 are filed in support of this Application. The testimony and schedules show that as of September 30, 2013, Atmos' adjusted rate base for Kansas operations was \$184,199,229. The earned return on Kansas gas operations investment was 6.14%. The schedules filed with this Application establish a gross revenue deficiency of \$7.005 million based upon normalized operating results for the 12 months ended September 30, 2013, adjusted for known and determinable changes in revenues,

operating and maintenance expenses, cost of capital and taxes. Atmos' request for an overall revenue increase of \$7.005 million is the result of increasing base rates by \$8.765 million and rebasing amounts currently collected through the Gas System Reliability Surcharge ("GSRS") (\$0.589 million) and rebasing \$1.171 million of our Ad Valorem Surcharge Rider ("AVSR"). The \$1.760 million attributable to those riders will be moved into base rates.

5. Presently effective rates do not produce sufficient revenues to cover the reasonable cost of Atmos' continued ability to render reasonably sufficient and efficient service. The existing retail natural gas rates of Atmos are unjust and unreasonable in that its jurisdictional earnings are deficient. Atmos must earn a reasonable return on its property dedicated to public service in order to acquire necessary capital at reasonable rates, carry out new construction, provide adequate gas supplies of gas and render the quality of service the public requires. The percent return to Atmos is not just and reasonable. Atmos' proposal to increase its revenues will result in an overall rate of return of 8.44%.

6. Atmos' filing uses the depreciation rates approved by the Commission in the 564 Docket.

7. With respect to rate design, Atmos is proposing a traditional two part rate design with an increase in the monthly facility charge, which as explained by Paul Raab in his testimony, will more appropriately provide for recovery of fixed utility costs.

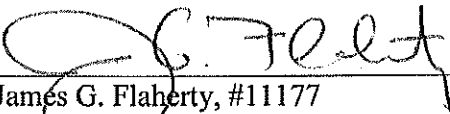
8. Atmos is also seeking to establish and include in rate base a regulatory asset to record all costs (including related depreciation and taxes) incurred with respect to system integrity projects. This regulatory asset mechanism would be used by Atmos in lieu of the GSRS. Interest on the balance in the regulatory asset account would be recorded by Atmos based on the pre-tax cost of capital last approved for the utility until such amounts would be included in and recovered through

rates in Atmos' subsequent base rate case filings.

9. The total adjustment in rates requested in this Application is just and reasonable and in the public interest. The request to change Atmos' schedules of charges is proposed to allow Atmos to maintain financial integrity and to permit it to continue to make capital investment in its distribution system for the benefit of the public.

10. Atmos has on file with the Commission certain schedules of charges and rates for its natural gas service. Atmos desires to withdraw certain of the schedules and file new ones in accordance with Section 18 filed in support of this Application. The charges reflect the effects of the requested revenue increase and the proposed changes in rate design and General Terms and Conditions. Atmos proposes that the revised schedules become effective thirty (30) days from the date of this filing, as permitted by law, or at such other date as the Commission may by order prescribe.

WHEREFORE, Atmos Energy respectfully requests the approval and consent of the Commission to withdraw and cancel its natural gas rate schedules and other provisions of its tariffs and to substitute therefore and place in effect the rate schedules and other provisions contained in Section 18 of the Application, which will provide a gross annual revenue increase of \$7,005,215; and authorize the establishment of a regulatory asset for recovery of system integrity investment made by Atmos.



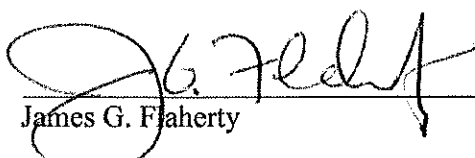
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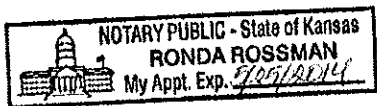
**VERIFICATION**


STATE OF KANSAS            )  
  ) ss:  
COUNTY OF FRANKLIN    )

James G. Flaherty, being duly sworn on oath, states: That he is an attorney for Atmos Energy; that he has read and is familiar with the foregoing Application, knows the contents thereof; and that the statements contained therein are true and correct.

  
James G. Flaherty

SUBSCRIBED AND SWORN to before me this 8 day of January, 2014.



  
Notary Public

Appointment/Commission Expires:





## News Release

### Media Contact:

Jim Bartling  
(913) 254-6321

### Atmos Energy Files to Increase Kansas Rates

**Olathe, Kan.** (January 9, 2014)—Atmos Energy Corporation (NYSE: ATO) filed today with the Kansas Corporation Commission for a \$7.0 million increase in annual revenues for its Kansas natural gas utility operations or an increase of 13.0%. Atmos Energy's last rate case was filed in January 2012 and was based upon operating costs for the 12 months ended September 30, 2011.

"It has been two years since our Kansas operation last requested a rate increase," said Bart Armstrong, operations vice president of Atmos Energy's Kansas region. "Since that time, we have experienced increases in our operating costs, and we have made a significant investment in plant."

If approved, the average monthly bill for residential customers in Kansas will increase \$5.81 per month, or 22.0%. No increase has been proposed for commercial customers,

"The proposed increase should allow Atmos Energy to establish new rates that will provide a reasonable return to attract the capital needed to make necessary additions, replacements and improvements to help ensure the safety and reliability of our distribution system in Kansas," Armstrong said.

Atmos Energy serves approximately 129,000 natural gas customers in 106 communities in Kansas.

### Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's filings with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2013. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, the company undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise.

### About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is one of the country's largest natural-gas-only distributors, serving over three million natural gas distribution customers in over 1,400 communities in eight states from the Blue Ridge Mountains in the East to the Rocky Mountains in

the West. Atmos Energy manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas and also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast. For more information, visit [www.atmosenergy.com](http://www.atmosenergy.com). Atmos Energy can also be accessed through social media platforms such as [Facebook](#), [Twitter](#) and [YouTube](#).

###

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Section 2 (ii)**  
**Communities Affected**  
**Test Year Ending September 30, 2013**

Line No.	County (a)	City (b)	County (c)	City (d)
1	Allen	Elsmore	Marion	Aulne
2	Allen	Savonburg	Marion	Florence
3	Barber	Hazelton	Marion	Hillsboro
4	Bourbon	Fort Scott	Marion	Lincolnvillle
5	Bourbon	Fulton	Marion	Lost Springs
6	Bourbon	Hammond	Marion	Marion
7	Bourbon	Redfield	Marion	Marion Lake
8	Chase	Cottonwood Falls	Marion	Peabody
9	Chase	Strong City	Marion	Pilsen
10	Chautauqua	Cedar Vale	Marion	Ramona
11	Chautauqua	Chautauqua	Marion	Tampa
12	Chautauqua	Elgin	Miami	Hillsdale
13	Chautauqua	Hewins	Montgomery	Caney
14	Chautauqua	Niotaze	Montgomery	Coffeyville
15	Chautauqua	Peru	Montgomery	Dearing
16	Chautauqua	Sedan	Montgomery	Elk City
17	Coffey	Burlington	Montgomery	Havana
18	Coffey	LeRoy	Montgomery	Independence
19	Coffey	New Strawn	Montgomery	Liberty
20	Crawford	McCune	Montgomery	Sycamore
21	Dickinson	Herington	Montgomery	Tyro
22	Douglas	Eudora	Morris	Council Grove
23	Douglas	Lawrence	Morris	Delavan
24	Elk	Elk Falls	Morris	White City



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Section 2 (ii)**  
**Communities Affected**  
**Test Year Ending September 30, 2013**

Line No.	County (a)	City (b)	County (c)	City (d)
25	Elk	Grenola	Morris	Wilsey
26	Elk	Longton	Morton	Unincorporated Irrigation
27	Elk	Moline	Neosho	Galesburg
28	Grant	Hickock	Neosho	Morehead
29	Grant	Ulysses	Neosho	Stark
30	Greenwood	Eureka	Neosho	Thayer
31	Greenwood	Fall River	Ness	Bazine
32	Greenwood	Hamilton	Ness	Ness City
33	Greenwood	Neal	Rush	Alexander
34	**Pending** Greenwood	Severy	Rush	McCracken
35	Hamilton	Kendall	Stanton	Johnson City
36	Hamilton	Syracuse	Stanton	Manter
37	Harper	Anthony	Stevens	Unincorporated Irrigation
38	Harper	Danville	Sumner	Caldwell
39	Johnson	De Soto	Sumner	Hunnewell
40	Johnson	Gardner	Sumner	South Haven
41	Johnson	Lenexa	Wilson	Altoona
42	Johnson	New Century	Wilson	Benedict
43	Johnson	Olathe	Wilson	Buffalo
44	Johnson	Overland Park	Wilson	Fredonia
45	Johnson	Shawnee	Wilson	LaFontaine
46	Johnson	Spring Hill	Wilson	Neodesha
47	Labette	Bartlett	Woodson	Toronto
48	Labette	Chetopa	Woodson	Yates Center

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Section 2 (ii)**  
**Communities Affected**  
**Test Year Ending September 30, 2013**

Line No.	County (a)	City (b)	County (c)	City (d)
49	Labette	Edna	Wyandotte	Bonner Springs
50	Labette	Mound Valley	Wyandotte	Edwardsville
51	Leavenworth	Basehor	Wyandotte	Kansas City
52	Leavenworth	Easton		
53	Leavenworth	Jarbalo		
54	Leavenworth	Leavenworth		
55	Leavenworth	Linwood		
56	Linn	Mound City		
57	Linn	Pleasanton		
58	Linn	Prescott		
59				
60	**Note: The Commission has requested that the Company provide service to Severy.			
61	As of the date of this filing, the related paperwork is still pending.			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Section 2 (iii), Section 2 (i), Section 2 (iv), Section 2 (v)**  
**Test Year Ending September 30, 2013**

Line  
No.

**Number and Classification of Customers - Section 2 (iii)**

1	Residential	119,296
2	Commercial	10,017
3	Industrial	20
4	Irrigation	280
5	Transportation	351
6		<u>129,964</u>

**Aggregate Annual Increase and Average Per Customer Increase -  
Section 2 (i) and (iv)**

	Present	Proposed	Increase (i)	Average (iv)
7 Residential	\$ 37,714,157	\$ 46,024,672	\$ 8,310,515	\$ 70
8 Commercial	8,858,205	8,768,119	(90,086)	(9)
9 Industrial	148,566	148,105	(461)	(23)
10 Irrigation	1,136,362	1,125,989	(10,373)	(37)
11 Transportation	4,181,702	4,148,101	(33,601)	(96)
12 Other Revenue	1,751,831	581,163	(1,170,668)	
13 Rounding		(111)	(111)	
14	<u>\$ 53,790,823</u>	<u>\$ 60,796,038</u>	<u>\$ 7,005,215</u>	<u>\$54</u>

**Summary of Reasons for Filing the Application - Section 2 (v)**

- 15 Increase in property, plant and equipment, associated depreciation and tax expense  
16 and increase in operations and maintenance costs.



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Rate Base, Operating Income and Rate of Return**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Reference (b)	Total Adjusted Kansas Jurisdiction (c)
1	Rate Base:		
2	Plant In Service	Section 4	\$ 299,968,495
3	Accumulated Depreciation	Section 5	(98,883,233)
4	Net Plant in Service		(Ln. 2+3) \$ 201,085,262
5	Construction Work in Progress	WP 14-1	\$ 13,225,467
6			
7	Working Capital		
8	Prepayments	WP 6-1	\$ 841,729
9	Storage Gas	WP 6-2	8,958,803
10	Cash Requirements	Section 6	0
11	Total Working Capital		(Ln. 8+9+10) \$ 9,800,532
12			
13	Rate Base Deductions		
14	Customer Advances for Construction	WP 14-2	\$ (1,065,228)
15	Customer Deposits	WP 14-3	(2,033,106)
16	Accumulated Deferred Income Tax	WP 14-4	(36,813,697)
17	Total Rate Base Deductions		(Ln. 14+15+16) \$ (39,912,031)
18			
19	Total Rate Base		(Ln. 4+5+11+17) \$ 184,199,229
20			
21	Rate of Return on Rate Base, Proposed	Section 7	8.44%
22			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Rate Base, Operating Income and Rate of Return**  
**Test Year Ending September 30, 2013**

Line No.	Description	Reference	Total Adjusted Kansas Jurisdiction
	(a)	(b)	(c)
23	Return on Rate Base	(Ln. 19 * Ln. 21)	\$ 15,546,415
24	Operation & Maintenance Expense	WP 9-1	20,992,361
25	Depreciation & Amortization Expense	Section 10	9,622,905
26	Taxes Other Than Income Taxes	Section 11	8,123,718
27	Interest on Customer Deposits	Section 14C	2,643
28	Income Tax	Section 11B	<u>6,507,996</u>
29			
30	Total Cost of Service	(Sum of Lns. 23-28)	\$ 60,796,038
31			
32	Margin Revenue at Present Rates	Section 17	<u>\$ 53,790,823</u>
33			
34	Revenue Increase Required	(Ln. 30-32)	<u><u>\$ 7,005,215</u></u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Adjustments to Rate Base, Operating Income and Rate of Return**  
**Test Year Ending September 30, 2013**

Line No.	Description	Reference	Kansas Unadjusted	IS-1 WP 9-2 Labor	IS-2 WP 9-3 Benefits	IS-3 WP 9-4 AGA Dues	IS-4 WP 9-5 50% of Charitable Contributions	IS-5 WP 9-6 Amortization of Rate Case Expenses	IS-6 WP 9-7 Expense Report Adjustment	IS-7 Schedule 10 Depreciation Adjustment
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Rate Base:									
2	Plant In Service	Section 4	\$ 299,968,495							
3	Accumulated Depreciation	Section 5	\$ (98,883,233)							
4	Net Plant in Service	(Ln 1-2)	\$ 201,085,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Construction Work in Progress	Section 14A	\$ 2,521,408							
6										
7	Working Capital									
8	Prepayments	WP 6-1	\$ 841,729							
9	Cash Requirements	Section 6	\$ -							
10	Storage Gas	WP 6-2	\$ 8,958,803							
11	Total Working Capital	(Lns 8+9+10)	\$ 9,800,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12										
13	Rate Base Deductions									
14	Accumulated Deferred Income Tax	WP 14-4	\$ (44,730,044)							
15	Customer Advances for Construction	WP 14-2	\$ (1,065,228)							
16	Customer Deposits	WP 14-3	\$ (2,033,106)							
17	Total Rate Base Deductions	(Lns 14+15+16)	\$ (47,828,379)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18										
19	Total Rate Base	(Lns 4+5+11+17)	\$ 165,578,823	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20										
21	Rate of Return on Rate Base	Section 7	8.44%							
22										
23	Return on Rate Base	(Ln 19 x Ln 21)	\$ 13,974,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Operation & Maintenance Expense	Section 9	\$ 20,440,355	\$ 219,802	\$ 90,749	\$ (8,158)	\$ 37,325	\$ 160,376	\$ (22,149)	\$ -
25	Depreciation & Amortization Expense	Section 10	\$ 9,839,004							\$ (216,099)
26	Taxes Other Than Income Taxes	Section 11	\$ 7,885,307							
27	Interest on Customer Deposits	Section 14C	\$ 3,558							
28	Income Tax	Section 11B	\$ 5,849,862							
29										
30	Total Cost of Service	(Sum Lns 23-28)	\$ 57,992,938	\$ 219,802	\$ 90,749	\$ (8,158)	\$ 37,325	\$ 160,376	\$ (22,149)	\$ (216,099)
31										
32	Margin at Present Rates	Section 17	\$ 52,681,707							
33										
34	Revenue Increase Required	(Ln 30-32)	\$ 5,311,232	\$ 219,802	\$ 90,749	\$ (8,158)	\$ 37,325	\$ 160,376	\$ (22,149)	\$ (216,099)

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Adjustments to Rate Base, Operating Income and Rate of Return**  
**Test Year Ending September 30, 2013**

Line No.	Description	Reference	IS-8	IS-9	IS-10	IS-11	IS-12	IS-13	IS-14		IS-15
			WP 11-2 Ad Valorem Adjustment Current	WP 11-4 Ad Valorem Adjustment CWIP					WP 11-5 Payroll Tax	WP 11-6 KCC Assessment	Sch 11B Income Tax Adjustment
	(a)	(b)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	
1	Rate Base:										
2	Plant In Service	Section 4									
3	Accumulated Depreciation	Section 5									
4	Net Plant in Service	(Ln 1-2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Construction Work in Progress	Section 14A									
6											
7	Working Capital										
8	Prepayments	WP 6-1									
9	Cash Requirements	Section 6									
10	Storage Gas	WP 6-2									
11	Total Working Capital	(Lns 8+9+10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12											
13	Rate Base Deductions										
14	Accumulated Deferred Income Tax	WP 14-4									
15	Customer Advances for Construction	WP 14-2									
16	Customer Deposits	WP 14-3									
17	Total Rate Base Deductions	(Lns 14+15+16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18											
19	Total Rate Base	(Lns 4+5+11+17)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20											
21	Rate of Return on Rate Base	Section 7									
22											
23	Return on Rate Base	(Ln 19 x Ln 21)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Operation & Maintenance Expense	Section 9									\$ 107,995
25	Depreciation & Amortization Expense	Section 10									
26	Taxes Other Than Income Taxes	Section 11	\$ (138,427)	\$ 300,786	\$ 83,302	\$ (7,250)					
27	Interest on Customer Deposits	Section 14C						\$ (915)			
28	Income Tax	Section 11B					\$ 658,134				
29											
30	Total Cost of Service	(Sum Lns 23-28)	\$ (138,427)	\$ 300,786	\$ 83,302	\$ (7,250)	\$ 658,134	\$ (915)	\$ -	\$ -	\$ 107,995
31											
32	Margin at Present Rates	Section 17							\$ 1,109,116		
33											
34	Revenue Increase Required	(Ln 30-32)	\$ (138,427)	\$ 300,786	\$ 83,302	\$ (7,250)	\$ 658,134	\$ (915)	\$ (1,109,116)	\$ 107,995	



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Adjustments to Rate Base, Operating Income and Rate of Return**  
**Test Year Ending September 30, 2013**

Line No.	Description	Reference	IS-16	IS-17	RB-1	RB-2	Adjusted Kansas
			WP 9-10 Blank Sheet	WP 9-11 Removal of Legacy Costs	WP 14-1 Long-term CWIP Adjustment	WP 14-4 ADIT Adjustment	
	(a)	(b)	(s)	(t)	(u)	(v)	(w)
1	Rate Base:						
2	Plant In Service	Section 4					\$ 299,968,495
3	Accumulated Depreciation	Section 5					\$ (98,883,233)
4	Net Plant in Service	(Ln 1-2)	\$ -	\$ -	\$ -	\$ -	\$ 201,085,262
5	Construction Work in Progress	Section 14A			\$ 10,704,059		\$ 13,225,467
6							
7	Working Capital						
8	Prepayments	WP 6-1					\$ 841,729
9	Cash Requirements	Section 6					\$ -
10	Storage Gas	WP 6-2					\$ 8,958,803
11	Total Working Capital	(Lns 8+9+10)	\$ -	\$ -	\$ -	\$ -	\$ 9,800,532
12							
13	Rate Base Deductions						
14	Accumulated Deferred Income Tax	WP 14-4				\$ 7,916,347	\$ (36,813,697)
15	Customer Advances for Construction	WP 14-2					\$ (1,065,228)
16	Customer Deposits	WP 14-3					\$ (2,033,106)
17	Total Rate Base Deductions	(Lns 14+15+16)	\$ -	\$ -	\$ -	\$ 7,916,347	\$ (39,912,031)
18							
19	Total Rate Base	(Lns 4+5+11+17)	\$ -	\$ -	\$ 10,704,059	\$ 7,916,347	\$ 184,199,229
20							
21	Rate of Return on Rate Base	Section 7					8.44%
22							
23	Return on Rate Base	(Ln 19 x Ln 21)	\$ -	\$ -	\$ 903,423	\$ 668,140	\$ 15,546,415
24	Operation & Maintenance Expense	Section 9	\$ -	\$ (33,936)			\$ 20,992,361
25	Depreciation & Amortization Expense	Section 10					\$ 9,622,905
26	Taxes Other Than Income Taxes	Section 11					\$ 8,123,718
27	Interest on Customer Deposits	Section 14C					\$ 2,643
28	Income Tax	Section 11B					\$ 6,507,996
29							
30	Total Cost of Service	(Sum Lns 23-28)	\$ -	\$ (33,936)	\$ 903,423	\$ 668,140	\$ 60,796,038
31							
32	Margin at Present Rates	Section 17					\$ 53,790,823
33							
34	Revenue Increase Required	(Ln 30-32)	\$ -	\$ (33,936)	\$ 903,423	\$ 668,140	\$ 7,005,215



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant Investment**  
**Functional Plant in Service Account 101 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Total Kansas Jurisdiction (c)
	<b>Intangible Plant</b>		
1	Franchises & Consents	30200	\$ 37,160
2	Miscellaneous Intangible Plant	30300	3,918
3	Total Intangible Plant		\$ 41,078
4			
5	<b>Underground Storage</b>		
6	Land	35010	\$ 49,164
7	Rights-of-way	35020	568,935
8	Well Structures	35100	102,923
9	Wells	35200	1,144,235
10	Reservoirs	35202	36,515
11	Pipelines	35300	1,156,254
12	Compressor Station Equipment	35400	2,269,465
13	Measurement & Regulation Equipment	35500	220,011
14	Purification Equipment	35600	288,382
15	Other Equipment	35700	125,321
16	Total Underground Storage Plant		\$ 5,961,206
17			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant Investment**  
**Functional Plant in Service Account 101 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Total Kansas Jurisdiction (c)
18	<b>Transmission Plant</b>		
19	Land and Land Rights	36500	\$ 4,761
20	Mains Cathodic Protection	36700	1,617,287
21	Mains Steel	36701	139,979
22	Measurement & Regulation Station Equipment	36900	148,891
23	Total Transmission Plant		\$ 1,910,918
24			
25	<b>Distribution Plant</b>		
26	Land & Land Rights	37400	\$ 671,001
27	Land Rights	37402	311,759
28	Structures & Improvements	37500	152,685
29	Mains Cathodic Protection	37600	10,320,926
30	Mains Steel	37601	53,870,110
31	Mains Plastic	37602	86,195,038
	Measurement & Regulating Station Equipment-		
32	General	37800	4,298,530
33	Measurement & Regulation City Gate	37900	2,237,752
34	Measurement & Regulation Station Equipment	37908	14,851
35	Services	38000	61,895,294
36	Meters	38100	17,008,777
37	Meter Installations	38200	26,192,685
38	House Regulators	38300	2,803,189

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant Investment**  
**Functional Plant in Service Account 101 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Total Kansas Jurisdiction
(a)	(b)	(c)	
39	House Regulator Installations	38400	209,461
	Industrial Measurement & Regulation Station		
40	Equipment	38500	1,410,776
41	Other Equipment	38700	613,732
42	Total Distribution Plant		\$ 268,206,566
43			
44	<b>Direct General Plant</b>		
45	Land & Land Rights	38900	\$ 152,535
46	Structures & Improvements	39000	1,849,678
47	Improvements	39003	1,513
48	Air Conditioning Equipment	39004	8,782
49	Improvements to Leased Premises	39009	39,013
50	Office Furniture & Equipment	39100	435,526
51	Office Furniture, Copiers & Type	39103	5,220
52	Transportation Equipment	39200	655,137
53	Stores Equipment	39300	1,308
54	Tools, Shop, & Garage Equipment	39400	2,852,697
55	Laboratory Equipment	39500	12,933
56	Power Operated Equipment	39600	326,982
57	Ditchers	39603	149,749
58	Backhoes	39604	190,676
59	Welders	39605	45,631

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant Investment**  
**Functional Plant in Service Account 101 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Total Kansas Jurisdiction (c)
60	Communication Equipment	39700	436,833
61	Comm. Equipment- Mobile Radios	39701	7,902
62	Comm. Equipment- Fixed Radios	39702	249,420
63	Miscellaneous Equipment	39800	104,374
64	Other Tangible Property - Servers - H/W	39901	41,963
65	Other Tangible Property - Servers - S/W	39902	63,702
66	Other Tangible Property Network H/W	39903	229,637
67	Other Tangible Property PC Hardware	39906	700,216
68	Other Tangible Property PC Software	39907	98,319
69	Other Tangible Property Appl Software	39908	950,275
70	Total Direct General Plant		\$ 9,610,019
71			
72	<b>Total Kansas Direct Gross Plant</b>		<b>\$ 285,729,787</b>
73			
74	General Plant Allocated from General Office	WP 4-2	\$ 7,100,442
75	General Plant Allocated from Customer Support General Plant Allocated from Colorado/Kansas	WP 4-3	6,205,730
76	General Office	WP 4-4	932,535
77			
78	<b>Total Kansas Direct and Allocated Gross Plant</b>		<b>\$ 299,968,495</b>
79			
80	Source: Relied 2a-FY13 Asset Balance file.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Functional Plant in Service Account 101 - Shared Services General Office**  
**Test Year Ending September 30, 2013**

Line No.	Property Type	Description	Division 002 General Office	Allocation Factor
(a)	(b)		(c)	(d)
	<b>General Plant</b>			
1	39000	Structures & Improvements	\$ 462,279	
2	39009	Improvements to Leased Premises	8,856,029	
3	39100	Office Furniture & Equipment	9,215,810	
4	39200	Transportation Equipment	99,143	
5	39400	Tools, Shop, & Garage Equipment	240,098	
6	39500	Laboratory Equipment	23,632	
7	39700	Communication Equipment	2,448,692	
8	39800	Miscellaneous Equipment	437,555	
9	39900	Other Tangible Property	162,268	
10	39901	Other Tangible Property Servers H/W	26,319,264	
11	39902	Other Tangible Property Servers S/W	14,646,369	
12	39903	Other Tangible Property Network H/W	3,795,559	
13	39906	Other Tangible Property PC Hardware	2,648,483	
14	39907	Other Tangible Property PC Software	1,602,712	
15	39908	Other Tangible Property Applications Software	92,347,111	
16	39909	Other Tangible Property Mainframe S/W	2,614,619	
17				
18		General Office Gross Plant	<u>\$ 165,919,624</u>	4.19%
19				
20		SSU Gross Plant Allocated to Kansas Jurisdiction	<u>\$ 6,952,032</u>	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Functional Plant in Service Account 101 - Shared Services General Office**  
**Test Year Ending September 30, 2013**

Line No.	Property Type (a)	Description (b)	Division 002 General Office (c)	Allocation Factor (d)
21				
22		<b>General Plant</b>		
23		Greenville Data Center		
24	39005	G-Structures & Improvements	\$ 9,154,285.84	
25	39104	G-Office Furniture & Equipment	63,741	
26				
27		Greenville Data Center Gross Plant	<u>\$ 9,218,027</u>	1.61%
28				
29		Greenville Data Center Allocated to Kansas Jurisdiction	<u>\$ 148,410</u>	
30				
31				
32		<b>Total Amount Allocated to Kansas Jurisdiction</b>	<u><u>\$ 7,100,442</u></u>	
33				
34		Sources: Relied 2a-FY13 Asset Balance file.xls		
35		Section 12 Allocations tab		
36		Relied 12a - FY2014 Allocations for Greenville and CKV Center.xls		



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Functional Plant in Service Account 101 - Shared Services Customer Support**  
**Test Year Ending September 30, 2013**

Line No.	Property Type	Description	Division 012 Customer Support	Allocation Factor
	(a)	(b)	(c)	(d)
		<b>General Plant</b>		
1	38900	Land	\$ 2,874,240	
2	39000	Structures & Improvements	12,331,919	
3	39009	Improvements to Leased Premises	4,424,649	
4	39100	Office Furniture & Equipment	2,268,134	
5	39700	Communication Equipment	1,945,225	
6	39800	Miscellaneous Equipment	14,443	
7	39900	Other Tangible Property	610,289	
8	39901	Other Tangible Property Servers H/W	7,877,050	
9	39902	Other Tangible Property Servers S/W	1,618,294	
10	39903	Other Tangible Property Network H/W	450,456	
11	39906	Other Tangible Property PC Hardware	749,347	
12	39907	Other Tangible Property PC Software	491,869	
13	39908	Other Tangible Property Application Software	104,413,245	
14		Customer Support Gross Plant	<u>\$ 140,069,160</u>	
15				
16		Amount Allocated to Kansas Jurisdiction	<u>\$ 5,980,953</u>	4.27%
17				
18		<b>General Plant</b>		
19		Charles K. Vaughn Training Ctr		
20	38910	CKV-Land & Land Rights	\$ 1,887,122.88	
21	39010	CKV-Structures & Improvements	10,414,663	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Functional Plant in Service Account 101 - Shared Services Customer Support**  
**Test Year Ending September 30, 2013**

Line No.	Property Type	Description	Division 012 Customer Support	Allocation Factor
	(a)	(b)	(c)	(d)
22	39710	CKV-Communication Equipment	271,621	
23	39910	CKV-Other Tangible Property	91,992	
24	39916	CKV-Other Tangible Property-PC Hardware	194,015	
25	39917	CKV-Other Tangible Property-PC Software	90,541	
26		CKV - Gross Plant	<u>\$ 12,949,956</u>	
27				
28		Amount Allocated to Kansas Jurisdiction	<u>\$ 224,777</u>	1.74%
29				
30				
31		<b>Total Amount Allocated to Kansas Jurisdiction</b>	<u><u>\$ 6,205,730</u></u>	
32				
33	Sources: Relied 2a-FY13 Asset Balance file.xls			
34	Section 12 Allocations tab			
35	Relied 12a - FY2014 Allocations for Greenville and CKV Center.xls			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Functional Plant in Service Account 101 - Colorado/Kansas General Office**  
**Test Year Ending September 30, 2013**

Line No.	Property Type	Description	Division 030	
			Colorado/Kansas General Office	Allocation Factor
	(a)	(b)	(c)	(d)
		<b>General Plant</b>		
1	39009	Improvements to Leased Premises	\$ 189,717	
2	39100	Office Furniture & Equipment	291,889	
3	39400	Tools, Shop, & Garage Equipment	68,988	
4	39700	Communication Equipment	184,695	
5	39800	Miscellaneous Equipment	50,987	
6	39901	Other Tangible Property- Servers H/W	340,605	
7	39903	Other Tangible Property- Network H/W	346,391	
8	39906	Other Tangible Property- PC Hardware	22,290	
9	39907	Other Tangible Property- PC Software	85,274	
10				
11		Total Colorado/Kansas General Office	<u>\$ 1,580,836</u>	
12				
13		<b>Total Allocated to Kansas Jurisdiction</b>	<u>\$ 932,535</u>	<u>58.99%</u>
14				
15	Sources: Relied 2a-FY13 Asset Balance.xls			
16	Section 12 Allocations tab			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary Plant in Service Account 101**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Reference (b)	Book Amounts (c)	Allocation Factor (d)	Kansas Jurisdiction (e)
1	Kansas Jurisdiction - Direct	Section 4	\$ 285,729,787		\$ 285,729,787
2					
3	Allocated				
4	General Office Division 002	WP 4-2	\$ 165,919,624	4.19%	\$ 6,952,032
5	Greenville Data Center Division 002	WP 4-2	9,218,027	1.61%	148,410
6	Customer Support Division 012	WP 4-3	140,069,160	4.27%	5,980,953
7	Charles K Vaughn Training Center Division 012	WP 4-3	12,949,956	1.74%	224,777
8	Colorado/Kansas General Office Division 030	WP 4-4	1,580,836	58.99%	932,535
9					
10	Total		<u>\$ 615,467,389</u>		<u>\$ 299,968,495</u>
11					
12	Sources:				
13	Relied 2a-FY13 Asset Balance file.xls				
14	Section 12 Allocations tab				

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant in Service - Kansas Jurisdiction**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Balance at 12/31/2010	Balance at 12/31/2011	Balance at 12/31/2012	Balance at 9/30/2012	Balance at 9/30/2013
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	<b>Intangible Plant</b>						
2	Organization	30100	\$ -	\$ -	\$ -	\$ -	\$ -
3	Franchises & Consents	30200	37,160	37,160	37,160	37,160	37,160
4	Other Miscellaneous Intangibles	30300	3,918	3,918	3,918	3,918	3,918
5	Total Intangible Plant		\$ 41,078	\$ 41,078	\$ 41,078	\$ 41,078	\$ 41,078
6							
7	<b>Production and Gathering Plant</b>						
8	Rights of Way	32540	\$ -	\$ -	\$ -	\$ -	\$ -
9	Field Measurement & Regulation Structures	32800	0	0	0	0	0
10	Field Lines	33200	0	0	0	0	0
11	Field Measurement & Regulation Station Equipment	33400	0	0	0	0	0
12	Total Storage Plant		\$ -	\$ -	\$ -	\$ -	\$ -
13							
14	<b>Underground Storage Plant</b>						
15	Land	35010	\$ 49,164	\$ 49,164	\$ 49,164	\$ 49,164	\$ 49,164
16	Leaseholds	35020	568,935	568,935	568,935	568,935	568,935
17	Structures & Improvements	35100	102,923	102,923	102,923	102,923	102,923
18	Wells	35200	1,166,836	1,180,750	1,144,235	1,144,235	1,144,235
19	Reservoirs	35202	0	0	36,515	36,515	36,515
20	Lines	35300	1,090,230	1,156,254	1,156,254	1,156,254	1,156,254
21	Compressor Station Equipment	35400	2,259,430	2,259,430	2,351,466	2,351,466	2,269,465
22	Measuring and Regulation Equipment	35500	220,011	220,011	220,011	220,011	220,011
23	Purification Equipment	35600	288,382	288,382	288,382	288,382	288,382
24	Other Equipment	35700	125,321	125,321	125,321	125,321	125,321
25	Total Underground Storage Plant:		\$ 5,871,232	\$ 5,951,170	\$ 6,043,206	\$ 6,043,207	\$ 5,961,206

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant in Service - Kansas Jurisdiction**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Balance at 12/31/2010	Balance at 12/31/2011	Balance at 12/31/2012	Balance at 9/30/2012	Balance at 9/30/2013
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
26							
27	<b>Transmission Plant</b>						
28	Land & Land Rights	36500	\$ 11,252	\$ 11,252	\$ 11,252	\$ 11,252	\$ 4,761
29	Rights of Way	36520	9,037	9,037	9,037	9,037	0
30	Structures & Improvements	36600	33,191	33,191	33,191	33,191	0
31	Mains - Cathodic Protection	36700	3,477,804	3,622,246	3,622,246	3,622,246	1,757,266
32	Compressor station equipment	36800	31,497	31,497	31,497	31,496	0
33	Measurement & Regulation Station Equipment	36900	526,227	526,227	526,227	526,227	148,891
34	Communication Equipment	37000	0	0	0	-	0
35	Other Equipment	37100	0	0	0	-	0
36	Total Transmission Plant		\$ 4,089,008	\$ 4,233,450	\$ 4,233,450	\$ 4,233,450	\$ 1,910,918
37							
38	<b>Distribution Plant</b>						
39	Land Rights	37400	\$ 963,579	\$ 963,586	\$ 963,586	\$ 963,586	\$ 982,760
40	Structures & Improvements	37500	119,494	119,494	119,494	119,494	152,685
41	Mains-Cathodic Protection	37600	120,562,537	125,834,195	138,876,702	137,851,717	150,386,074
42	Measurement & Regulation Station Equipment - Measurement & Regulation Station Equipment - City	37800	3,171,679	3,564,993	3,817,427	3,817,698	4,298,530
43	Gate	37900	2,162,730	2,230,070	2,253,184	2,240,900	2,252,602

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant in Service - Kansas Jurisdiction**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Balance at 12/31/2010	Balance at 12/31/2011	Balance at 12/31/2012	Balance at 9/30/2012	Balance at 9/30/2013
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
44	Services	38000	56,879,925	58,203,179	60,138,600	59,552,212	61,895,294
45	Meters	38100	14,423,068	15,120,558	16,133,306	15,829,310	17,008,777
46	Meter Installations	38200	23,458,818	24,414,775	25,874,560	26,021,750	26,192,685
47	Regulators	38300	2,184,373	2,206,607	2,696,623	2,369,615	2,803,189
48	House Regulator Installations	38400	209,461	209,461	209,461	209,461	209,461
49	Industrial Measurement & Regulation Station	38500	763,464	1,019,911	1,269,780	1,242,577	1,410,776
50	Other Equipment	38700	13,769	613,731	613,731	613,732	613,732
51	Total Distribution Plant		\$224,912,897	\$234,500,560	\$252,966,454	\$250,832,052	\$268,206,566
52	Distribution Plant Allocated from Meter Shop						
53	Total Direct and Allocated Distribution Plant		\$224,912,897	\$234,500,560	\$252,966,454	\$250,832,052	\$268,206,566
54							
55							
56	<b>General Plant</b>						
57	Land & Land Rights	38900	\$ 187,466	\$ 152,535	\$ 152,535	\$ 152,535	\$ 152,535
58	Structures & Improvements	39000	1,657,509	1,902,976	1,893,767	1,893,766	1,898,985
59	Office Furniture & Equipment	39100	417,385	439,574	434,813	434,814	440,746
60	Transportation Equipment	39200	274,573	645,301	669,639	669,640	655,137
61	Stores Equipment	39300	1,308	1,308	1,308	1,308	1,308
62	Tools & Work Equipment	39400	1,926,920	2,587,123	2,938,513	2,929,521	2,852,697
63	Laboratory Equipment	39500	8,289	21,222	14,057	14,057	12,933

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Plant in Service - Kansas Jurisdiction**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Balance at 12/31/2010	Balance at 12/31/2011	Balance at 12/31/2012	Balance at 9/30/2012	Balance at 9/30/2013
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
64	Power Operated Equipment	39600	754,003	850,448	713,971	713,972	713,038
65	Communication Equipment - Telephones	39700	288,179	428,486	441,205	441,205	694,155
66	Miscellaneous Equipment	39800	1,553,879	87,941	100,309	100,308	104,374
67	Other Tangible Property	39900	1,517,819	1,583,017	2,230,507	2,196,587	2,084,112
68	Direct General Plant		\$ 8,587,330	\$ 8,699,931	\$ 9,590,624	\$ 9,547,714	\$ 9,610,019
69							
70	<b>Total Plant in Service</b>		<b>\$243,501,545</b>	<b>\$ 253,426,189</b>	<b>\$ 272,874,812</b>	<b>\$ 270,697,501</b>	<b>\$ 285,729,787</b>
71							
72	Sources:						
73	Relied 2a-FY13 Asset Balance file.xls						
74	Relied 2b-FY12 Asset Balance file.xls						
75	Relied 4a-Kansas Co-Kansas 2012 Annual Filing.xls						
76	Relied 4b-Kansas Co-Kansas 2011 Annual Filing.xls						
77	Relied 4c-Kansas Co-Kansas 2010 Annual Filing.xls						





**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Kansas Jurisdiction (c)
	<b>Intangible Plant Accumulated Depreciation</b>		
1	Organization	30100	\$ (25,000)
2	Franchise & Consent Group	30200	15,036
3	Intangibles Group	30300	(10,081)
4	Total Intangible Plant		<u>\$ (20,045)</u>
5			
6	<b>Production and Gathering Plant Accumulated Depreciation</b>		\$ -
7	Rights-of-way	32540	-
8	Field Measuring And Regulation	32800	-
9	Field Lines	33200	-
10	Field Compressor Station	33300	-
11	Field Measuring And Regulation	33400	-
12	Total Production & Gathering Plant		<u>\$ -</u>
13			
14	<b>Underground Storage Accumulated Depreciation</b>		
15	Rights-of-way	35020	\$ 423,027
16	Structures And Improvements	35100	84,771
17	Measurement & Regulation Structures	35103	-
18	Other Structures	35104	-
19	Wells	35200	944,867
20	Leaseholds & Rights	35201	-
21	Reservoirs	35202	36,515
22	Pipeline	35300	762,556

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Kansas Jurisdiction (c)
23	Compressor Equipment	35400	1,078,603
24	Measurement & Regulation Equipment	35500	197,508
25	Purification Equipment	35600	285,312
26	Other Equipment	35700	124,887
27	Total Underground Storage Plant		\$ 3,938,045
28			
29	<b>Transmission Plant Accumulated Depreciation</b>		
30	Land	36500	\$ -
31	Structures And Improvements	36600	-
32	Mains - Cathodic Protection	36700	490,584
33	Mains-Steel	36701	9,530
34	Compressor Station Equipment	36800	(12,031)
35	Measuring And Regulation	36900	31,331
36	Other Equipment Storage	37100	-
37	Total Transmission Plant		\$ 519,415
38			
39	<b>Distribution Plant Accumulated Depreciation</b>		
40	Land & Land Rights	37400	\$ 80,728
41	Rights-of-way	37402	-
42	Structures & Improvement	37500	85,755
43	Mains	37600	35,074,861
44	Compressor Station Equipment	37700	-
45	Measurement	37800	664,588

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Kansas Jurisdiction
	(a)	(b)	(c)
46	Measurement & Regulation Station Equipment	37900	345,042
47	Measuring	37908	-
48	Services	38000	27,458,775
49	Meters	38100	10,874,182
50	Meter Installations	38200	9,777,185
51	House Regulators	38300	1,857,812
52	House Regulator Install	38400	235,007
53	Industrial Measuring	38500	255,656
54	Other Equipment Distribution	38700	460,589
55	Total Distribution Plant		\$ 87,170,178
56			
57	<b>Direct General Plant Accumulated Depreciation</b>		
58	Land & Land Rights	38900	\$ -
59	Structures & Improvements Group	39000	259,831
60	Improvements Group	39003	413
61	Air Condition Equipment Group	39004	431
62	Improvements - Leased Group	39009	15,459
63	Office Furniture And Fixtures	39100	154,841
64	Office Machines	39103	632
65	Transportation Equipment - Group	39200	369,075
66	Stores Equipment	39300	675
67	Tools & Shop Equipment	39400	832,564
68	Laboratory Equipment	39500	4,550

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Kansas Jurisdiction
	(a)	(b)	(c)
69	Power Op Equipment-Group	39600	141,216
70	Ditchers	39603	88,065
71	Backhoes	39604	95,237
72	Welders	39605	17,905
73	Communication Equipment	39700	136,064
74	Communication Equipment	39701	7,230
75	Communication Equipment	39702	12,133
76	Miscellaneous Equipment	39800	15,103
77	Other Tangible Equipment	39900	-
78	Servers Hardware	39901	14,462
79	Servers Software	39902	46,012
80	Network Hardware	39903	116,343
81	Mainframe Hardware	39905	-
82	Pc Hardware	39906	282,419
83	Other Tangible Property - PC Software	39907	44,944
84	Application Software	39908	291,699
85	Total Direct General Plant		\$ 2,947,301
86	Retirement Work In Progress	RWIP	(1,923,767)
87			
88	<b>Total Kansas Direct Accumulated Depreciation</b>		<b>\$ 92,631,128</b>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Kansas Direct and Allocated**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Kansas Jurisdiction (c)
89			
90	General Accumulated Depreciation Allocated from General Office	WP 5-2	\$ 4,383,440
91	General Accumulated Depreciation Allocated from Customer Support	WP 5-3	1,474,528
92	General Accumulated Depreciation Allocated from Colorado/Kansas General Office	WP 5-4	394,137
93			
94	<b>Total Kansas Direct and Allocated Accumulated Depreciation</b>		<u><u>\$ 98,883,233</u></u>
95			
96	Source: Relied 2c-FY13 Accum Depreciation.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Shared Services - Division 002 - General Office**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Division 002 General Office (c)	Allocation Factor (d)
	<b>General Plant</b>			
1	Structure & Improvements	39000	\$ 11,214	
2	Improvements - Leased	39009	8,852,573	
3	Office Furniture And Fixtures	39100	5,614,842	
4	Remittance Processing	39102	5,860	
5	Office Machines	39103	2,888	
6	Transportation Equipment	39200	54,059	
7	Stores Equipment	39300	758	
8	Tools Shop And Garage	39400	50,970	
9	Laboratory Equipment	39500	3,489	
10	Communication Equipment	39700	1,004,934	
11	Miscellaneous Equipment	39800	94,091	
12	Other Tangible Equipment	39900	71,416	
13	Servers-Hardware	39901	9,140,964	
14	Servers-Software	39902	5,290,419	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Shared Services - Division 002 - General Office**  
**Test Year Ending September 30, 2013**

Line No.	Description	Property Type	Division 002 General Office	Allocation Factor
(a)	(b)	(c)	(d)	
15	Network Hardware	39903	2,127,966	
16	Mainframe CPU	39904	17,152	
17	Mainframe Hardware	39905	15,410	
18	PC Hardware	39906	2,518,496	
19	PC Software	39907	1,570,584	
20	Application Software	39908	64,438,948	
21	Mainframe Software	39909	2,728,779	
22	Other Tangible Property - General	39924	0	
23	General Office Accumulated Depreciation		<u>\$ 103,615,812</u>	
24	Retirement Work in Progress	RWIP	(158)	
25	Total General Office Accumulated Depreciation		<u><u>\$ 103,615,653</u></u>	
26				
27	Amount Allocated to Kansas Jurisdiction		<u><u>\$ 4,341,496</u></u>	4.19%



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Shared Services - Division 002 - General Office**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Division 002 General Office (c)	Allocation Factor (d)
28	<b>General Plant</b>			
29	Greenville Data Center			
30	Structure & Improvements	39005	\$ 2,598,634	
31	Office Furniture And Fixtures	39104	6,618	
32	Total Greenville Data Center Accumulated Depreciation		<u>\$ 2,605,252</u>	
33				
34	Amount Allocated to Kansas Jurisdiction		<u>\$ 41,945</u>	1.61%
35				
36	<b>Total Amount Allocated to Kansas Jurisdiction</b>		<u>\$ 4,383,440</u>	
37				
38	Total General Plant Accumulated Depreciation		\$ 106,221,064	
39	Retirement Work in Progress		(158)	
40	Total General Office Accumulated Depreciation		<u>\$ 106,220,905</u>	
41				
42	Sources:			
43	Relied 2c-FY13 Accum Depreciation.xls			
44	Section 12 Allocations tab			
45	Relied 12a - FY2014 Allocations for Greenville and CKV Center.xls			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Shared Services - Division 012 Customer Support**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Division 012 Customer Support (c)	Allocation Factor (d)
	<b>General Plant</b>			
1	Structures & Improvements	39000	\$ 2,297,439	
2	Improvements - Leased	39009	3,424,732	
3	Office Furniture And Fixtures	39100	156,122	
4	Communication Equipment	39700	(6,317,510)	
5	Miscellaneous Equipment	39800	439	
6	Other Tangible Equipment	39900	39,136	
7	Servers-Hardware	39901	2,015,638	
8	Servers-Software	39902	579,651	
9	Network Hardware	39903	(23,918)	
10	PC Hardware	39906	(157,399)	
11	PC Software	39907	238,807	
12	Application Software	39908	31,285,606	
13	Customer Support Accumulated Depreciation		\$ 33,538,742	
14	Retirement Work in Progress	RWIP	(23,518)	
15	Total Customer Support Accumulated Depreciation		<u>\$ 33,515,225</u>	
16				
17	Amount Allocated to Kansas Jurisdiction		<u>\$ 1,431,100</u>	4.27%
18				

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Shared Services - Division 012 Customer Support**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Division 012 Customer Support (c)	Allocation Factor (d)
19	<b>General Plant</b>			
20	Charles K. Vaughn Training Center			
21	CKV-Structures & Improvements	39010	\$ 2,310,534	
22	CKV-Communication Equipment	39710	63,367	
23	CKV-Other Tangible Equipment	39910	22,328	
24	CKV-PC Hardware	39916	82,138	
25	CKV-PC Software	39917	23,615	
26	Total Charles K. Vaugh Training Center Accumulated Depreciation		<u>\$ 2,501,981</u>	
27				
28	Amount Allocated to Kansas Jurisdiction		<u>\$ 43,428</u>	1.74%
29				
30	<b>Total Amount Allocated to Kansas Jurisdiction</b>		<u>\$ 1,474,528</u>	
31				
32	Total General Plant Accumulated Depreciation	Line 13+26	\$ 36,040,723	
33	Retirement Work in Progress	Line 14	(23,518)	
34	Total Customer Support Accumulated Depreciation	Line 32+33	<u>\$ 36,017,205</u>	
35				
36	Sources:			
37	Relied 2c-FY13 Accum Depreciation.xls			
38	Section 12 Allocations tab			
39	Relied 12a - FY2014 Allocations for Greenville and CKV Center.xls			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Provision for Depreciation, Amortization, and Depletion**  
**Accumulated Depreciation Account 108 - Colorado/Kansas General Office - Division 030**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Property Type (b)	Division 030 Colorado/Kansas General Office (c)	Allocation Factor (d)
	<b>General Plant</b>			
1	Improvements to Lease Premises	39009	\$ 93,624	
2	Office Furniture And Fixtures	39100	97,700	
5	Tools Shop And Garage	39400	13,087	
6	Communication Equipment	39700	40,929	
7	Miscellaneous Equipment	39800	(109,691)	
8	Servers Hardware	39901	288,247	
10	Network Hardware	39903	247,845	
12	PC Hardware	39906	(109,000)	
13	PC Software	39907	53,751	
14	General Office Accumulated Depreciation		\$ 616,492	
15	Retirement Work in Progress		51,651	
16	Total Colorado/Kansas General Office Accumulated Depreciation		<u>\$ 668,143</u>	
17				
18	<b>Total Allocated to Kansas Jurisdiction</b>		<u>\$ 394,137</u>	<u>58.99%</u>
19				
20	Sources:			
21	Relied 2c-FY13 Accum Depreciation.xls			
22	Section 12 Allocations tab			



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Working Capital**  
**Test Year Ending September 30, 2013**

Line No.	Description	Source	Total Kansas Jurisdiction	
			Direct & Allocated Amount	Adjusted Amount
	(a)	(b)	(c)	(d)
1	Prepayments (1)	WP 6-1	\$ 841,729	\$ 841,729
2	Storage Gas (1)	WP 6-2	8,958,803	8,958,803
3	Cash Requirements		0	0
4				
5	Total		<u>\$ 9,800,532</u>	<u>\$ 9,800,532</u>

6  
7 Note:

8 1. The amounts shown in Columns c and d represent 13 month average amounts,  
9 after allocation as applicable.

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Jurisdictional Prepayments Account 165**  
**Thirteen Month Average Balance Ended September 30, 2013**

Line No.	Description (a)	Reference (b)	13-Month Average Amount (c)	Allocated Amounts (d)
1	General Office Division 002	WP 6-1-1	\$ 18,606,123	\$ 779,597
2	Customer Support Division 012	WP 6-1-1	241,982	10,333
3	Colorado/Kansas General Office Division 03	WP 6-1-1	87,810	51,799
4				
5				
6	<b>Total Allocated Prepayments</b>			<u><u>\$ 841,729</u></u>
7				
8	Source: Section 12 tab for Allocation percentages			

Atmos Energy Corporation  
 Kansas Distribution System Filing Requirements  
 Components of Working Capital  
 Prepayments - Account 165  
 Thirteen Month Average Balance Ended September 30, 2013

Section 6  
 WP 6-1-1

Line Sub Account								
No.	No.	Description	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<b>Division 002 General Office</b>							
2	13001	Prepaid-Worker's Comp Ins	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	(0)
3	13003	Prepaid-Auto Liability Ins	98	21,899	-	-	-	-
4	13004	Prepaid-Insurance-Other	45,980	42,149	89,566	81,525	73,484	65,442
5	13005	Prepaid-Insurance-D&O	1,195,830	1,062,960	930,090	797,220	664,350	531,480
6	13006	Prepaid Insurance-Public Liability	82,143	10,534,198	10,683,730	9,622,555	8,561,380	7,500,205
7	13010	Prepaid-Symantec Software	86,235	82,642	79,049	75,456	71,863	68,270
8	13012	Prepaid-COLI Ins Premium	248,613	367,187	320,487	273,787	227,087	180,388
9	13013	Prepaid-SS Mailroom Postage Machine	2,223	(9,739)	(9,789)	(12,442)	(7,240)	(3,035)
10	13015	Prepaid-Postage for Cust Billing	311,703	627,631	798,089	1,236,240	893,269	913,586
11	13027	Prepaid-Southern Gas Dues	-	31,625	28,750	25,875	23,000	20,125
12	13028	Prepaid-American Gas Dues	174,558	116,372	58,186	722,321	662,128	601,934
13	13035	Prepaid-Revolving Credit Facility	2,110,625	2,058,750	2,006,875	2,417,500	2,354,062	2,290,625
14	13046	Maintenance contract for ICMS	4,323	2,162	-	27,237	-	-
15	13047	Prepaid-Bill Printing Supplies [1]	-	-	-	-	-	-
16	13064	Ppd-Markview Maint	25,270	18,952	12,635	6,317	-	-
17	13067	Prepaid-Blueflame Property Insurance	1,674,893	1,116,585	558,277	(31)	590,291	(31)
18	13075	Prepaid-Sunguard SW Maint (TBS)	203,360	169,467	135,573	101,680	67,787	33,893
19	13077	Ppd-GE Smallworld maint	111,698	74,465	37,233	8,795	-	-
20	13083	Prepaid-RedHat Software	750,233	720,223	690,214	660,205	630,195	600,186
21	13086	Prepaid-MapFrame	60,289	30,145	-	-	-	-
22	13092	Prepaid Antispam Software Maint	72,152	68,544	64,937	61,329	57,722	54,114
23	13093	Prepaid Scanmail Software Maint	52,495	49,871	47,246	44,621	41,996	39,372
24	13097	Prepaid-Oracle Infrastructure	1,635,915	1,431,425	1,226,936	1,022,447	817,957	613,468
25	13098	Prepaid-Oracle Hyperion	112,938	98,821	84,704	70,586	56,469	42,352
26	13099	Prepaid-Oracle Applications	543,515	475,576	407,636	339,697	271,757	203,818
27	13102	Prepaid-Google	12,629	8,420	4,210	-	-	-
28	13103	Prepaid-NEC Unified Solutions	97,173	79,952	62,731	45,510	28,289	14,145
29	13104	Prepaid-Citrix NetScaler Maintenance	26,254	17,503	8,751	-	-	-
30	13107	Prepaid-MTM Technologies	18,296	12,198	6,099	-	-	-
31	13108	Prepaid-UC4 Software	13,531	6,766	-	-	-	-



Atmos Energy Corporation  
 Kansas Distribution System Filing Requirements  
 Components of Working Capital  
 Prepayments - Account 165  
 Thirteen Month Average Balance Ended September 30, 2013

Section 6  
 WP 6-1-1

Line No.	Sub Account No.	Description	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
32	13109	Prepaid-SumTotal	49,909	46,295	42,682	39,068	35,454	31,841
33	13111	Prepaid-Altiris	87,802	82,924	78,046	73,168	68,290	63,412
34	13113	Prepaid-Dell Service Now	38,280	36,265	34,251	32,236	30,221	28,206
35	13124	Ppd SW & HW Maint	1,460,170	1,622,060	1,589,151	1,767,699	3,937,946	3,873,219
36	13126	Prepaid-Towers Rewards System	-	-	-	-	-	-
37		<b>Division 002 Subtotal</b>	<b>\$ 11,309,135</b>	<b>\$ 21,104,292</b>	<b>\$ 20,076,344</b>	<b>\$ 19,540,601</b>	<b>\$ 20,157,760</b>	<b>\$ 17,767,016</b>
38								
39		<b>Division 012 Customer Support</b>						
40	13047	Prepaid-Bill Printing Supplies [1]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	13057	Prepaid - NICE System	68,547	58,755	48,962	39,170	29,377	19,585
42	13068	Ppd Advantex Maint	39,118	-	-	-	-	-
43	13091	Prepaid Digital Data Voice	127,582	97,490	67,399	37,308	7,217	-
44	13095	Prepaid-Avaya	25,921	12,960	-	-	-	-
45	13114	Prepaid-Cyclo	253,232	232,130	211,027	189,924	168,822	147,719
46	13118	Prepaid-MS Virtual Desktop	83,136	79,672	76,208	72,744	69,280	65,816
47		<b>Division 012 Subtotal</b>	<b>\$ 597,536</b>	<b>\$ 481,007</b>	<b>\$ 403,596</b>	<b>\$ 339,146</b>	<b>\$ 274,696</b>	<b>\$ 233,120</b>
48								
49		<b>Division 030 Colorado/Kansas General Office</b>						
50	13012	Prepaid-COLI Ins Premium	\$ 11,666	\$ 5,833	\$ 71,646	\$ 65,675	\$ 59,705	\$ 53,734
51	13022	Pd Rent-Gilliland COKS	73,812	73,812	73,812	73,812	73,812	73,812
52		<b>Division 030 Subtotal</b>	<b>\$ 85,478</b>	<b>\$ 79,645</b>	<b>\$ 145,458</b>	<b>\$ 139,487</b>	<b>\$ 133,517</b>	<b>\$ 127,547</b>
53								

Note: [1] SubAccount 13047 in Division 002 and 012 was adjusted to zero out the historical balances for bill printing services which are no longer prepaid as of June 2013; the vendor is billing the Company on a monthly basis going forward.

55 Source: Relied 6-1-1-Prepayments.xls

Atmos Energy Corporation  
Kansas Distribution System Filing Requirements  
Components of Working Capital  
Prepayments - Account 165  
Thirteen Month Average Balance Ended September 30, 2013

Section 6  
WP 6-1-1

Line No.	Sub Account No.	Description	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	13 Month Average
	(a)	(b)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	<b>Division 002 General Office</b>									
2	13001	Prepaid-Worker's Comp Ins	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)
3	13003	Prepaid-Auto Liability Ins	-	-	-	-	-	-	-	1,692
4	13004	Prepaid-Insurance-Other	60,704	52,493	95,106	87,080	79,054	71,027	88,221	71,679
5	13005	Prepaid-Insurance-D&O	398,610	265,740	132,870	-	1,585,565	1,452,695	1,288,826	792,787
6	13006	Prepaid Insurance-Public Liability	6,439,031	5,377,856	4,394,294	3,332,982	2,271,669	1,210,356	149,043	5,396,880
7	13010	Prepaid-Symantec Software	64,677	61,083	57,490	53,897	50,304	46,711	43,118	64,677
8	13012	Prepaid-COLI Ins Premium	133,688	260,027	213,641	342,048	295,662	249,276	246,729	258,355
9	13013	Prepaid-SS Mailroom Postage Machine	(1,414)	(2,671)	(1,863)	(10,254)	(11,768)	(15,913)	5,413	(6,038)
10	13015	Prepaid-Postage for Cust Billing	1,053,471	917,226	1,050,180	1,193,251	1,335,257	1,481,226	1,377,871	1,014,539
11	13027	Prepaid-Southern Gas Dues	17,250	14,375	11,500	8,625	5,750	2,875	-	14,596
12	13028	Prepaid-American Gas Dues	541,741	481,547	421,354	361,160	300,967	240,774	180,580	374,125
13	13035	Prepaid-Revolving Credit Facility	2,227,187	2,163,750	2,140,312	2,076,875	2,013,437	3,617,428	3,553,914	2,387,026
14	13046	Maintenance contract for ICMS	-	-	-	-	-	-	-	2,594
15	13047	Prepaid-Bill Printing Supplies [1]	-	-	-	-	-	-	-	0
16	13064	Ppd-Markview Maint	-	-	-	-	-	-	-	4,860
17	13067	Prepaid-Blueflame Property Insurance	(577,106)	5,782,867	5,203,584	4,625,404	4,047,194	3,469,076	2,890,897	2,260,146
18	13075	Prepaid-Sunguard SW Maint (TBS)	-	-	-	-	-	-	-	54,751
19	13077	Ppd-GE Smallworld maint	-	-	-	-	-	-	-	17,861
20	13083	Prepaid-RedHat Software	570,177	540,167	510,158	480,149	450,139	420,130	390,121	570,177
21	13086	Prepaid-MapFrame	-	-	-	-	-	-	-	6,956
22	13092	Prepaid Antispam Software Maint	50,506	46,899	43,291	39,684	36,076	32,468	28,861	50,506
23	13093	Prepaid Scanmail Software Maint	36,747	34,122	31,497	28,873	26,248	23,623	20,998	36,747
24	13097	Prepaid-Oracle Infrastructure	408,979	204,489	-	-	-	-	-	566,278
25	13098	Prepaid-Oracle Hyperion	28,235	14,117	-	-	-	-	-	39,094
26	13099	Prepaid-Oracle Applications	135,879	67,939	-	-	-	-	-	188,140
27	13102	Prepaid-Google	-	-	-	-	-	-	-	1,943
28	13103	Prepaid-NEC Unified Solutions	-	-	-	-	-	-	-	25,215
29	13104	Prepaid-Citrix NetScaler Maintenance	-	-	-	-	-	-	-	4,039
30	13107	Prepaid-MTM Technologies	-	-	-	-	-	-	-	2,815
31	13108	Prepaid-UC4 Software	-	-	-	-	-	-	-	1,561

Atmos Energy Corporation  
 Kansas Distribution System Filing Requirements  
 Components of Working Capital  
 Prepayments - Account 165  
 Thirteen Month Average Balance Ended September 30, 2013

Section 6  
 WP 6-1-1

Line No.	Sub Account No.	Description	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	13 Month Average
	(a)	(b)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
32	13109	Prepaid-SumTotal	26,534	21,227	15,920	10,614	5,307	-	-	24,989
33	13111	Prepaid-Altiris	58,534	53,657	48,779	43,901	39,023	34,145	29,267	58,534
34	13113	Prepaid-Dell Service Now	26,192	24,177	22,162	20,147	18,133	16,118	14,103	26,192
35	13124	Ppd SW & HW Maint	3,885,929	4,516,129	7,852,280	7,395,988	6,453,511	5,487,559	5,725,126	4,274,367
36	13126	Prepaid-Towers Rewards System	-	-	-	-	-	117,260	117,260	18,040
37		<b>Division 002 Subtotal</b>	<b>\$ 15,585,548</b>	<b>\$ 20,897,219</b>	<b>\$ 22,242,557</b>	<b>\$ 20,090,422</b>	<b>\$ 19,001,526</b>	<b>\$ 17,956,835</b>	<b>\$ 16,150,349</b>	<b>\$ 18,606,123</b>
38										
39		<b>Division 012 Customer Support</b>								
40	13047	Prepaid-Bill Printing Supplies [1]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	13057	Prepaid - NICE System	9,792	-	-	-	-	-	-	21,091
42	13068	Ppd Advantex Maint	-	-	-	-	-	-	-	3,009
43	13091	Prepaid Digital Data Voice	-	-	-	-	-	-	-	25,923
44	13095	Prepaid-Avaya	-	-	-	-	-	-	-	2,991
45	13114	Prepaid-Cyclo	126,616	105,514	84,411	63,308	42,205	21,103	-	126,616
46	13118	Prepaid-MS Virtual Desktop	62,352	58,888	55,424	51,960	48,496	45,032	41,568	62,352
47		<b>Division 012 Subtotal</b>	<b>\$ 198,761</b>	<b>\$ 164,402</b>	<b>\$ 139,835</b>	<b>\$ 115,268</b>	<b>\$ 90,701</b>	<b>\$ 66,135</b>	<b>\$ 41,568</b>	<b>\$ 241,982</b>
48										
49		<b>Division 030 Colorado/Kansas General Office</b>								
50	13012	Prepaid-COLI Ins Premium	\$ 47,764	\$ 41,794	\$ 35,823	\$ 29,852	\$ 23,882	\$ 17,911	\$ 11,941	\$ 36,710
51	13022	Pd Rent-Gilliland COKS	73,812	73,812	73,812	-	-	-	-	51,101
52		<b>Division 030 Subtotal</b>	<b>\$ 121,576</b>	<b>\$ 115,606</b>	<b>\$ 109,635</b>	<b>\$ 29,852</b>	<b>\$ 23,882</b>	<b>\$ 17,911</b>	<b>\$ 11,941</b>	<b>\$ 87,810</b>

Note: [1] SubAccount 13047 in Division 002 ar  
 prepaid as of June 2013; the vendor is bil  
 Source: Relied 6-1-1-Prepayments.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Components of Working Capital**  
**Underground Storage Gas - Account 164.1**  
**Thirteen Month Average Balance Ended September 30, 2013**

Line No.	Month/Year (a)	Kansas Jurisdiction (b)
1	September-12	\$ 12,480,942
2	October-12	13,907,941
3	November-12	14,872,975
4	December-12	13,328,257
5	January-13	11,242,551
6	February-13	8,322,364
7	March-13	4,290,478
8	April-13	1,845,799
9	May-13	763,801
10	June-13	3,586,878
11	July-13	7,328,337
12	August-13	10,656,871
13	September-13	13,837,249
14		
15	13 Month Average	<u><u>\$ 8,958,803</u></u>
16		
17		
18	Source: Relied 6-2-Underground Storage Gas.xls	



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Capital and Cost of Money**  
**Test Year Ending September 30, 2013**

Line No.	Description	Reference	Beginning Balance 9/30/2012	Ending Balance 9/30/2013	Rate Base Allocation
(a)	(b)		(c)	(d)	(f)
1	Long-Term Debt Capital		\$ 1,956,435,737	\$ 2,455,671,403	\$ 89,815,544
2	Equity Capital		2,359,242,741	2,580,409,324	94,383,685
3					
4	Total Capital		<u>\$ 4,315,678,478</u>	<u>\$ 5,036,080,727</u>	<u>\$ 184,199,229</u>
5					
6	Long-Term Debt Capital Percentage		45.33%	48.76%	
7	Equity Capital Percentage		<u>54.67%</u>	<u>51.24%</u>	
8					
9	Total Capital Percentage		<u>100.00%</u>	<u>100.00%</u>	
10					
11	Long-term Debt Rate	WP 7A-Test Period		6.23%	
12	Cost of Equity			10.53%	
13					
14	Weighted Cost of Capital - Long-Term Debt			3.04%	
15	Weighted Cost of Capital - Equity			<u>5.40%</u>	
16					
17	Total Cost of Capital			<u>8.44% ROR</u>	
18					
19	Sources:				
20	Relied 3a-FY12 Consolidated Balances.xls				
21	Relied 3b-FY13 Consolidated Balances.xls				

Atmos Energy Corporation  
Consolidated & Utility Long-Term Debt Outstanding  
Calculation of Effective Interest Rates  
Test Year Ending September 30, 2013

Section 7  
WP - 7A (Test Period)

Line No.	Debt Series (a)	Issued (b)	Outstanding 9/30/2012 (c)	Outstanding 10/31/2012 (d)	Outstanding 11/30/2012 (e)	Outstanding 12/31/2012 (f)	Outstanding 1/31/2013 (g)	Outstanding 2/28/2013 (h)	Outstanding 3/31/2013 (i)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	6.75% Debentures Unsecured due July	07/27/98	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
3	5.125% Senior Notes due Jan 2013	01/13/03	-	-	-	-	-	-	-
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	-	-	-	-	-	-
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	-	-	-	-	-	-
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	-	-	-	-	-	-
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	-	-	-	-	-	-
8	6.67% MTN A1 due Dec 2025	12/15/95	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
9	4.95% Sr Note due 10/15/2014	10/22/04	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
10	5.95% Sr Note due 10/15/2034	10/22/04	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
11	6.35% Sr Note due 6/15/2017	6/2007	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000
13	8.50% Sr Note due 3/15/2019	03/23/09	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000
14	4.15% Sr Note due 1/15/2043	01/15/13	-	-	-	-	500,000,000	500,000,000	500,000,000
15	Debt Issuance Cost - Amort is pending new debt issue	10/2014	-	-	-	-	-	-	-
16	Debt Issuance Cost - Amort is pending new debt issue	06/2017	-	-	-	-	-	-	-
17	Subtotal -- Utility Long-Term Debt		\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 1,960,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000
18									
19	Atmos Leasing, Inc. Industrial Development Revenue Bond								
20	07/13	1991	\$ 130,951	\$ 130,951	\$ 130,951	\$ 130,951	\$ 65,475	\$ 65,475	\$ -
21	<b>Total Long-Term Debt</b>		<b>\$ 1,960,130,951</b>	<b>\$ 1,960,130,951</b>	<b>\$ 1,960,130,951</b>	<b>\$ 1,960,130,951</b>	<b>\$ 2,460,065,475</b>	<b>\$ 2,460,065,475</b>	<b>\$ 2,460,000,000</b>
22	Less Unamortized Debt Discount Settlement, Debt Expense and Debt Discount		\$ 3,695,214	\$ 3,671,621	\$ 3,648,028	\$ 3,624,435	\$ 4,538,231	\$ 4,512,027	\$ 4,485,822
23									
24									
25	Effective Avg Cost of Consolidated Debt								
26	Utility Only								
27	Note: included current maturities								
28	Source: Relied 3b-FY13 Consolidated Balances.xls, tab "LTD rate"								

Atmos Energy Corporation  
Consolidated & Utility Long-Term Debt Outstanding  
Calculation of Effective Interest Rates  
Test Year Ending September 30, 2013

Section 7  
WP - 7A (Test Period)

Line No.	Debt Series (a)	Issued (b)	Outstanding 4/30/2013 (j)	Outstanding 5/31/2013 (k)	Outstanding 6/30/2013 (l)	Outstanding 7/31/2013 (m)	Outstanding 8/31/2013 (n)	Outstanding 9/30/2013 (o)	End Interest Rate (p)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	9.40%
2	6.75% Debentures Unsecured due July	07/27/98	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	6.75%
3	5.125% Senior Notes due Jan 2013	01/13/03	-	-	-	-	-	-	5.13%
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	-	-	-	-	-	10.43%
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	-	-	-	-	-	9.75%
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	-	-	-	-	-	9.32%
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	-	-	-	-	-	8.77%
8	6.67% MTN A1 due Dec 2025	12/15/95	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	6.67%
9	4.95% Sr Note due 10/15/2014	10/22/04	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	4.95%
10	5.95% Sr Note due 10/15/2034	10/22/04	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	5.95%
11	6.35% Sr Note due 6/15/2017	6/2007	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	6.35%
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	5.50%
13	8.50% Sr Note due 3/15/2019	03/23/09	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	8.50%
14	4.15% Sr Note due 1/15/2043	01/15/13	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	4.15%
15	Debt Issuance Cost - Amort is pending new debt issue	10/2014	-	-	-	-	-	-	
16	Debt Issuance Cost - Amort is pending new debt issue	06/2017	-	-	-	-	-	-	
17	Subtotal - Utility Long-Term Debt		\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	
18									
19	Atmos Leasing, Inc. Industrial Development Revenue Bond								
20	07/13	1991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7.90%
21	<b>Total Long-Term Debt</b>		\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	\$ 2,460,000,000	
22	Less Unamortized Debt Discount Settlement, Debt Expense and Debt Discount		\$ 4,459,618	\$ 4,433,414	\$ 4,407,210	\$ 4,381,006	\$ 4,354,802	\$ 4,328,597	
23							\$ 26,204		
24							\$ 2,455,671,403		
25	Effective Avg Cost of Consolidated Debt								<b>6.23%</b>
26	Utility Only								<b>6.23%</b>
27	Note: included current maturities								
28	Source: Relied 3b-FY13 Consolidated Balances.xls, tab "LTD rate"								



Atmos Energy Corporation  
Consolidated & Utility Long-Term Debt Outstanding  
Calculation of Effective Interest Rates  
Test Year Ending September 30, 2013

Section 7  
WP - 7A (Test Period)

Line No.	Debt Series (a)	Issued (b)	Annual Interest at 9/30/2013 (c)	(r)	Outstanding 13 month Average (s)	Average Interest Rate (t)	Annual Interest 13 month Average (u)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	\$ -		\$ -	9.40%	\$ -
2	6.75% Debentures Unsecured due July	07/27/98	10,125,000		150,000,000	6.75%	10,125,000
3	5.125% Senior Notes due Jan 2013	01/13/03	0		-	5.13%	-
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	0		-	10.43%	-
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	0		-	9.75%	-
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	0		-	9.32%	-
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	0		-	8.77%	-
8	6.67% MTN A1 due Dec 2025	12/15/95	667,000		10,000,000	6.67%	667,000
9	4.95% Sr Note due 10/15/2014	10/22/04	24,750,000		500,000,000	4.95%	24,750,000
10	5.95% Sr Note due 10/15/2034	10/22/04	11,900,000		200,000,000	5.95%	11,900,000
11	6.35% Sr Note due 6/15/2017	6/2007	15,875,000		250,000,000	6.35%	15,875,000
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	22,000,000		400,000,000	5.50%	22,000,000
13	8.50% Sr Note due 3/15/2019	03/23/09	38,250,000		450,000,000	8.50%	38,250,000
14	4.15% Sr Note due 1/15/2043	01/15/13	20,750,000		346,153,846	4.15%	14,365,385
15	Debt Issuance Cost - Amort is pending new debt issue	10/2014	0		-		-
16	Debt Issuance Cost - Amort is pending new debt issue	06/2017	0		-		-
17	Subtotal -- Utility Long-Term Debt		<u>\$ 144,317,000</u>		<u>\$ 2,306,153,846</u>		<u>\$ 137,932,385</u>
18							
19	Atmos Leasing, Inc. Industrial Development Revenue Bond						
20	07/13	1991	\$ -		\$ 50,366	7.90%	\$ 3,979
21	<b>Total Long-Term Debt</b>		<u>\$ 144,317,000</u>		<u>\$ 2,306,204,212</u>		<u>\$ 137,936,363</u>
22	Less Unamortized Debt Discount Settlement, Debt Expense and Debt Discount		\$ 8,602,641		\$ 4,195,386		\$ 8,602,641
23			<u>\$ 8,602,641</u>				<u>\$ 8,602,641</u>
24			<u>\$ 152,919,641</u>		<u>\$ 2,302,008,825</u>		<u>\$ 146,539,004</u>
25	Effective Avg Cost of Consolidated Debt		End of Period			<u>6.37%</u>	13 Month Average
26	Utility Only		End of Period			<u>6.37%</u>	13 Month Average
27	<i>Note: included current maturities</i>						
28	Source: Relied 3b-FY13 Consolidated Balances.xls, tab "LTD rate"						

Atmos Energy Corporation  
Consolidated & Utility Long-Term Debt Outstanding  
Calculation of Effective Interest Rates  
Test Year Ending September 30, 2013

Section 7  
WP - 7A (Test Period)

Line No.	Debt Series (a)	Issued (b)	Annualized 4270 Amort for Treasury Lock (v)	Annualized 4280-81 Amort Debt Expense and Discount (w)	Unamortized Debt Expense 1810 Penalty 1890 Discount 2260 9/30/2013 (x)	(y)	4270.30937 Expense on Treasury Lock 9/30/2013 (z)	4280 Monthly Debt Expense 9/30/2013 (aa)	4280 Monthly Discount Expense 9/30/2013 (ab)	4281 Monthly Expense 9/30/2013 (ac)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	\$ -	\$ 560,397	\$ 4,249,681		\$ -	\$ -	\$ -	\$ 46,700
2	6.75% Debentures Unsecured due July	07/27/98	0	99,938	1,478,729			4,641	3,688	
3	5.125% Senior Notes due Jan 2013	01/13/03	0	0	(0)			-	-	-
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	0	33,837	138,167					2,820
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	0	337,581	2,222,406					28,132
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	0	362,746	2,781,056					30,229
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	0	368,719	3,164,839					30,727
8	6.67% MTN A1 due Dec 2025	12/15/95	0	7,790	95,979			649		
9	4.95% Sr Note due 10/15/2014	10/22/04	3,237,793	453,170	490,642		269,816	37,472	292	
10	5.95% Sr Note due 10/15/2034	10/22/04	(7,047)	115,724	2,436,461		(587)	6,266	3,378	
11	6.35% Sr Note due 6/15/2017	6/2007	(474,980)	307,042	1,151,407		(39,582)	18,260	5,646	1,681
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	(669,302)	186,860	5,169,782		(55,775)	11,994	3,578	
13	8.50% Sr Note due 3/15/2019	03/23/09	(77,734)	1,161,169	6,386,432		(6,478)	30,869	7,013	58,883
14	4.15% Sr Note due 1/15/2043	01/15/13	2,220,857	378,080	11,073,294		185,071	14,907	2,611	13,988
15	Debt Issuance Cost - Amort is pending new debt issue	10/2014	0	0	82,170					
16	Debt Issuance Cost - Amort is pending new debt issue	06/2017	0	0	41,580					
17	Subtotal -- Utility Long-Term Debt		\$ 4,229,588	\$ 4,373,053	\$ 40,962,626		\$ 352,466	\$ 125,058	\$ 26,204	\$ 213,158
18										
19	Atmos Leasing, Inc. Industrial Development Revenue Bond									
20	07/13	1991	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
21	<b>Total Long-Term Debt</b>									
22	Less Unamortized Debt Discount Settlement, Debt Expense and Debt Discount		\$ 4,229,588	\$ 4,373,053	\$ 40,962,626		\$ 352,466	\$ 125,058	\$ 26,204	\$ 213,158
23										
24										
25	Effective Avg Cost of Consolidated Debt									
26	Utility Only									
27	Note: included current maturities									
28	Source: Relied 3b-FY13 Consolidated Balances.xls, tab "LTD rate"									

Atmos Energy Corporation  
Consolidated & Utility Long-Term Debt Outstanding  
Calculation of Effective Interest Rates  
Test Year Ending September 30, 2013

Section 7  
WP - 7A (Test Period)

Line No.	Debt Series (a)	Issued (b)	Unamortized	Unamortized	Debt	2150.20103
			Debt Expense 1810 Balance 9/30/2013 (ad)	Loss 1890 Balance 9/30/2013 (ae)	Discount 2260 Balance 9/30/2013 (af)	2150.20104 2150.20105 Treasury lock 9/30/2013 (ag)
1	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	\$ -	\$ 4,249,681	\$ -	\$ -
2	6.75% Debentures Unsecured due July	07/27/98	826,042		652,688	
3	5.125% Senior Notes due Jan 2013	01/13/03	-	-	(0)	
4	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	-	138,167		
5	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	2,222,406		
6	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	2,781,056		
7	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	3,164,839		
8	6.67% MTN A1 due Dec 2025	12/15/95	95,979			
9	4.95% Sr Note due 10/15/2014	10/22/04	487,142		3,500	3,507,609
10	5.95% Sr Note due 10/15/2034	10/22/04	1,585,261		851,200	(148,576)
11	6.35% Sr Note due 6/15/2017	6/2007	821,716	75,628	254,063	(1,741,594)
12	Sr Note 5.50% Due 06/15/2041	6/10/2011	3,981,960		1,187,822	(18,517,343)
13	8.50% Sr Note due 3/15/2019	03/23/09	2,037,342	3,886,265	462,825	(427,535)
14	4.15% Sr Note due 1/15/2043	01/15/13	5,239,890	4,916,903	916,500	65,145,133
15	Debt Issuance Cost - Amort is pending new debt issue	10/2014	82,170			(69,022,940)
16	Debt Issuance Cost - Amort is pending new debt issue	06/2017	41,580			(38,489,360)
17	Subtotal -- Utility Long-Term Debt		\$ 15,199,083	\$ 21,434,945	\$ 4,328,597	\$ (59,694,605)
18						
19	Atmos Leasing, Inc. Industrial Development Revenue Bond					
20	07/13	1991	\$ -	\$ -	\$ -	\$ -
21	<b>Total Long-Term Debt</b>					
22	Less Unamortized Debt Discount Settlement, Debt Expense and Debt Discount		\$ 15,199,083	\$ 21,434,945	\$ 4,328,597	\$ (59,694,605)
23						
24						
25	Effective Avg Cost of Consolidated Debt					
26	Utility Only					
27	Note: included current maturities					
28	Source: Relied 3b-FY13 Consolidated Balances.xls, tab "LTD rate"					



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Consolidated Long-Term Debt - Unamortized Discount Acct 2260**  
**as of September 30, 2010, September 30, 2011 and September 30, 2012**

Line No.	Debt Series	Year Issued	Full Discount	4280	2260	2260	2260
			Before Amortization	Monthly Amortization	Unamortized Discount	Unamortized Discount	Unamortized Discount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	7.38% Senior Notes due May 2011	2001	\$ 210,000	\$ 1,750	\$ 11,542	\$ -	\$ -
2	6.75% Debentures Unsecured due July 2028	1998	1,327,500	3,688	789,125	744,875	696,938
3	5.125% Senior Notes due Jan 2013	2003	212,500	-	50,292	28,333	(0)
4	4.00% Sr Note due 10/15/2009	2004	1,568,000	26,133	156,800	-	-
5	4.95% Sr Note due 10/15/2014	2004	35,000	292	14,292	10,791	7,000
6	5.95% Sr Note due 10/15/2034	2004	1,216,000	3,378	976,178	935,644	891,733
7	6.35% Sr Note due 6/15/2017	2007	677,500	5,646	457,313	389,563	321,813
8	Sr Note 5.50% Due 06/15/2041	2011	1,288,000	3,578	-	1,273,688	1,230,756
9	8.50% Sr Note due 3/15/2019	2009	841,500	7,013	558,474	631,125	546,975
10	Total Utility Long-Term Debt Unamortized Discount		<u>\$7,376,000</u>	<u>\$ 51,477</u>	<u>\$3,014,014</u>	<u>\$ 4,014,020</u>	<u>\$ 3,695,214</u>

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12 Sources:  
13 Relied 3a-FY12 Consolidated Balances.xls  
14 Relied 3b-FY13 Consolidated Balances.xls  
15 Relied 3c-FY11 Consolidated Balances.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Annualized Amortization of Debt Expense and Debt Discount**  
**as of September 30, 2010, September 30, 2011 and September 30, 2012**

Line No.	Debt Series	9/30/2010	9/30/2010	9/30/2011	9/30/2011	9/30/2012	9/30/2012
		Annualized 4270	Annualized 4280-81	Annualized 4270	Annualized 4280-81	Annualized 4270	Annualized 4280-81
		Amortization for Treasury Lock	Debt Expense & Discount	Amortization for Treasury Lock	Debt Expense & Discount	Amortization for Treasury Lock	Debt Expense & Discount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	9.76% Sr Note J Hancock due 2004/ RET 2013		\$ 1,362		\$ 1,362		
2	9.57% Sr Note Var Annuity Life due 2006/RET 2013		2,908		2,908		
3	7.95% Sr Note Var Annuity Life due 2006/RET 2013		1,435		1,435		
4	8.07% Sr Note Var Annuity Life due 2006/RET 2013		3,771		3,771		
5	8.26% Sr Note NY Life due 2014/RET 2013		7,050		7,050		
6	9.40% First Mortgage Bond J due May 2021/RET 2005		560,397		560,397	\$ 560,397	
7	7.375% Senior Notes due May 2011		502,339		186,862		-
8	6.75% Debentures Unsecured due July 2028		99,938		99,938		99,938
9	5.125% Senior Notes due Jan 2013		1,033,655		1,033,655		-
10	10.43% First Mortgage Bond P due 2017 (eff 2012)		33,840		33,840		33,837
11	9.75% First Mortgage Bond Q due Apr 2020/RET 2005		337,581		337,581		337,581
12	9.32% First Mortgage Bond T due June 2021/RET 2005		362,746		362,746		362,746
13	8.77% First Mortgage Bond U due May 2022/RET 2005		368,719		368,719		368,719
14	6.67% MTN A1 due Dec 2025		7,790		7,790		7,790
15	6.27% MTN A2 due Dec 2010		15,441		-		
16	Sr Note 3Yr Floating due 10/15/2007		20,167		20,167		
17	4.00% Sr Note due 10/15/2009	\$ (155,690)	524,860	\$ (155,690)	524,860		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Annualized Amortization of Debt Expense and Debt Discount**  
**as of September 30, 2010, September 30, 2011 and September 30, 2012**

Line No.	Debt Series	9/30/2010	9/30/2010	9/30/2011	9/30/2011	9/30/2012	9/30/2012
		Annualized 4270 Amortization for Treasury Lock	Annualized 4280-81 Amortization & Discount	Annualized 4270 Amortization fo Treasury Lock	Annualized 4280-81 Amortization & Discount	Annualized 4270 Amortization fo Treasury Lock	Annualized 4280-81 Amortization & Discount
18	4.95% Sr Note due 10/15/2014	3,237,793	3,500	3,237,793	3,500	\$ 3,237,793	453,170
19	5.95% Sr Note due 10/15/2034	(7,047)	40,533	(7,047)	40,533	(7,326)	115,724
20	6.35% Sr Note due 6/15/2017	(474,980)	286,874	(474,980)	286,874	(474,980)	307,042
21	Sr Note 5.50% Due 06/15/2041			(669,302)	-	(669,302)	186,860
22	8.50% Sr Note due 3/15/2019	77,734	1,161,169	77,734	1,161,169	(77,734)	1,161,169
	<b>Annualized Amortization of Debt Expense &amp; Debt</b>						
23	<b>Discount</b>	<u>\$ 2,677,809</u>	<u>\$ 5,376,077</u>	<u>\$ 2,008,508</u>	<u>\$ 5,045,160</u>	<u>\$ 2,008,452</u>	<u>\$ 3,994,973</u>

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- 25 Sources:
- 26 Relied 3a-FY12 Consolidated Balances.xls
- 27 Relied 3c-FY11 Consolidated Balances.xls
- 28 Relied 3d-FY10 Capital Structure 09-30-10, Utility&Consolidated.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Interest Coverage Computation - Atmos Consolidated**  
**Test Year Ending September 30, 2013**

Line No.	Description	12/31/2010	12/31/2011	12/31/2012	9/30/2012	9/30/2013
	(a)	(b)	(c)	(d)	(e)	(f)
1	Net Income Before Interest and Income Taxes	\$ 458,142,629	\$ 465,194,112	\$ 482,943,533	\$ 469,526,888	\$ 520,791,258
2						
3	Interest Expense	\$ 151,728,569	\$ 145,491,239	\$ 133,553,942	\$ 138,356,587	\$ 126,208,969
4	Capitalized Interest	2,952,077	1,998,373	2,286,427	2,642,278	1,895,196
5	Total Interest Expense	<u>\$ 154,680,646</u>	<u>\$ 147,489,612</u>	<u>\$ 135,840,369</u>	<u>\$ 140,998,865</u>	<u>\$ 128,104,165</u>
6						
7	Times Interest Earned Before Income Taxes	2.96	3.15	3.56	3.33	4.07
8						
9						
10	Sources:					
11	Relied 5a-Income Statements.xls					
12	Relied 5b-Income Statements.xls					





**Atmos Energy Corporation  
Financial and Operating Data  
Consolidated Balance Sheet**

	September 30		December 31		
	2013	2012	2012	2011	2010
<b>ASSETS</b>					
Property, plant and equipment	\$ 7,446,272	\$ 6,860,358	\$ 7,283,533	\$ 6,896,521	\$ 6,638,718
Construction in progress	275,747	274,112	NA	NA	NA
	<u>7,722,019</u>	<u>7,134,470</u>	<u>7,283,533</u>	<u>6,896,521</u>	<u>6,638,718</u>
Less accumulated depreciation and amortization	1,691,364	1,658,866	1,688,239	1,650,308	1,779,374
Net property, plant & equipment	<u>6,030,655</u>	<u>5,475,604</u>	<u>5,595,294</u>	<u>5,246,213</u>	<u>4,859,344</u>
Current assets					
Cash and cash equivalents	66,199	64,239	124,601	85,160	129,892
Accounts receivable, net	301,992	234,526	500,863	489,797	564,934
Gas stored underground	244,741	256,415	274,126	325,669	339,105
Other current assets and prepayments	70,334	272,782	265,044	360,615	229,324
Total current assets	<u>683,266</u>	<u>827,962</u>	<u>1,164,634</u>	<u>1,261,241</u>	<u>1,263,255</u>
Goodwill and intangible assets	741,484	740,847	740,836	740,196	739,991
Deferred charges and other assets	484,996	451,262	463,454	387,982	359,033
	<u>\$ 7,940,401</u>	<u>\$ 7,495,675</u>	<u>\$ 7,964,218</u>	<u>\$ 7,635,632</u>	<u>\$ 7,221,623</u>

**Atmos Energy Corporation  
Financial and Operating Data  
Consolidated Balance Sheet**

	September 30		December 31		
	2013	2012	2012	2011	2010
<b>CAPITALIZATION AND LIABILITIES</b>					
Shareholders' equity					
Common Stock	\$ 453	\$ 451	\$ 453	\$ 448	\$ 453
Additional paid in capital	1,765,811	1,745,467	1,750,195	1,725,050	1,724,899
Retained earnings	775,267	660,932	709,438	607,485	529,900
Accum. Other comprehensive income (loss)	38,878	(47,607)	(36,081)	(65,221)	19,601
Shareholders' equity	2,580,409	2,359,243	2,424,005	2,267,762	2,274,853
Long-term debt	2,455,671	1,956,305	1,956,376	2,206,193	1,807,319
Total capitalization	5,036,080	4,315,548	4,380,381	4,473,955	4,082,172
Current liabilities					
Accounts payable and accrued liabilities	241,611	215,229	367,312	432,332	510,085
Other current liabilities	368,891	489,665	446,717	357,353	349,914
Short-term debt	367,984	570,929	830,891	389,985	247,993
Current maturities of long-term debt	-	131	131	131	352,434
Total current liabilities	978,486	1,275,954	1,645,051	1,179,801	1,460,426
Deferred income taxes	1,164,053	1,015,083	1,066,273	981,559	892,090
Regulatory cost of removal obligation	359,299	381,164	371,608	437,660	354,871
Pension and postretirement costs	358,787	457,196	456,694	(a)	(a)
Deferred credits and other liabilities	43,696	50,730	44,211	562,657	432,064
	\$ 7,940,401	\$ 7,495,675	\$ 7,964,218	\$ 7,635,632	\$ 7,221,623

(a) At December 2011 and 2010 these amounts were included in the line Deferred credits and other liabilities.

**ATMOS ENERGY CORPORATION**

**CONSOLIDATED STATEMENTS OF INCOME**

	Year Ended September 30		Year Ended December 31		
	2013	2012	2012	2011	2010
Operating Revenues					
Natural gas distribution segment	\$ 2,399,493	\$ 2,145,330	\$ 2,136,004	\$ 2,443,315	\$ 2,836,794
Regulated transmission and storage segment	268,900	247,351	251,273	227,125	205,160
Nonregulated segment	1,598,711	1,351,303	1,307,021	1,993,429	2,114,206
Intersegment eliminations	(380,847)	(305,501)	(305,654)	(426,702)	(502,327)
	<u>3,886,257</u>	<u>3,438,483</u>	<u>3,388,644</u>	<u>4,237,167</u>	<u>4,653,833</u>
Purchase gas cost					
Natural gas distribution segment	1,318,257	1,122,587	1,117,225	1,432,713	1,782,202
Regulated transmission and storage segment	-	-	-	-	-
Nonregulated segment	1,535,380	1,296,179	1,244,843	1,938,202	2,044,712
Intersegment eliminations	(379,430)	(304,022)	(304,133)	(425,236)	(500,733)
	<u>2,474,207</u>	<u>2,114,744</u>	<u>2,057,935</u>	<u>2,945,679</u>	<u>3,326,181</u>
Gross Profit	1,412,050	1,323,739	1,330,709	1,291,488	1,327,652
Operating expenses					
Operation and maintenance	488,020	453,613	445,496	443,119	460,770
Depreciation and amortization	235,079	237,525	238,738	227,421	219,012
Taxes, other than income	187,072	181,073	179,496	180,510	188,651
Asset impairments	-	5,288	5,288	30,270	-
Total operating expenses	<u>910,171</u>	<u>877,499</u>	<u>869,018</u>	<u>881,320</u>	<u>868,433</u>
Operating income	501,879	446,240	461,691	410,168	459,219

**ATMOS ENERGY CORPORATION**

**CONSOLIDATED STATEMENTS OF INCOME**

	<b>Year Ended September 30</b>		<b>Year Ended December 31</b>		
	<b>2013</b>	<b>2012</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Miscellaneous income (expense), net	(197)	(14,644)	(11,930)	19,894	(807)
Interest charges	128,385	141,174	135,970	147,594	154,680
Income before income taxes	373,297	290,422	313,791	282,468	303,732
Income tax expense	142,599	98,226	106,631	101,596	116,956
Income from continuing operations	230,698	192,196	207,160	180,872	186,776
Income from discontinued operations, net	7,202	18,172	15,166	21,239	-
Gain on sale of discontinued operations, net	5,294	6,349	6,349	-	-
Net Income	<u>\$ 243,194</u>	<u>\$ 216,717</u>	<u>\$ 228,675</u>	<u>\$ 202,111</u>	<u>\$ 186,776</u>
Per share data					
Basic net income per share	<u>\$ 2.68</u>	<u>\$ 2.39</u>	<u>\$ 2.53</u>	<u>\$ 2.24</u>	<u>\$ 2.07</u>
Diluted net income per share	<u>\$ 2.64</u>	<u>\$ 2.37</u>	<u>\$ 2.50</u>	<u>\$ 2.23</u>	<u>\$ 2.07</u>
Weighted average shares outstanding:					
Basic	<u>90,533</u>	<u>90,150</u>	<u>90,359</u>	<u>90,254</u>	<u>90,082</u>
Diluted	<u>91,711</u>	<u>91,172</u>	<u>91,309</u>	<u>90,546</u>	<u>90,408</u>

Note (1): The amounts for December 31st are for the twelve months ended. Please note that we do not report the twelve months ending December 31st in our quarterly SEC reports.

Note (2): The break-out of discontinued operations was not required in our SEC reports for the year 2010.

**Atmos Energy Corporation**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	Accumulated Other Comprehensive Income (loss)	<u>Retained Earnings</u>	<u>Total</u>
	<u>Number of Shares</u>	<u>Stated Value</u>		(In thousands, except share data)		
Balance, September 30, 2009	92,551,709	\$ 463	\$ 1,791,129	\$ (20,184)	\$ 405,353	\$ 2,176,761
Comprehensive income:						
Net income	-	-	-	-	205,839	205,839
Unrealized holding losses on investments, net	-	-	-	1,745	-	1,745
Treasury lock agreements, net	-	-	-	2,030	-	2,030
Cash flow hedges, net	-	-	-	(6,963)	-	(6,963)
Total comprehensive income						<u>202,651</u>
Repurchase of common stock	(2,958,580)	(15)	(100,435)	-	-	(100,450)
Repurchase of equity awards	(37,365)	-	(1,191)	-	-	(1,191)
Cash dividends	-	-	-	-	(124,287)	(124,287)
Common stock issued						
Direct stock purchase plan	103,529	1	2,881	-	-	2,882
Retirement savings plan	79,722	-	2,281	-	-	2,281
Long-term incentive plan	421,706	2	8,708	-	-	8,710
Employee stock-based compensation	-	-	10,894	-	-	10,894
Outside directors stock-for-fee plan	3,382	-	97	-	-	97
Balance, September 30, 2010	<u>90,164,103</u>	<u>\$ 451</u>	<u>\$ 1,714,364</u>	<u>\$ (23,372)</u>	<u>\$ 486,905</u>	<u>\$ 2,178,348</u>

**Atmos Energy Corporation**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Other Comprehensive Income (loss)</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>Number of Shares</u>	<u>Stated Value</u>				
			(In thousands, except share data)			
Comprehensive income:						
Net income	-	\$ -	\$ -	\$ -	\$ 207,601	\$ 207,601
Other comprehensive loss	-	-	-	(25,088)	-	(25,088)
Repurchase of common stock	(375,468)	(2)	2	-	-	-
Repurchase of equity awards	(169,793)	(1)	(5,298)	-	-	(5,299)
Cash dividends	-	-	-	-	(124,011)	(124,011)
Common stock issued						
Direct stock purchase plan	-	-	(54)	-	-	(54)
Long-term incentive plan	675,255	3	13,886	-	-	13,889
Employee stock-based compensation	-	-	9,958	-	-	9,958
Outside directors stock-for-fee plan	2,385	-	77	-	-	77
Balance, September 30, 2011	<u>90,296,482</u>	<u>\$ 451</u>	<u>\$ 1,732,935</u>	<u>\$ (48,460)</u>	<u>\$ 570,495</u>	<u>\$ 2,255,421</u>
Comprehensive income:						
Net income	-	\$ -	\$ -	\$ -	\$ 216,717	\$ 216,717
Other comprehensive loss	-	-	-	853	-	853
Repurchase of common stock	(387,991)	(2)	(12,533)	-	-	(12,535)
Repurchase of equity awards	(153,255)	-	(5,219)	-	-	(5,219)
Cash dividends	-	-	-	-	(125,796)	(125,796)

**Atmos Energy Corporation**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

	<u>Common Stock</u>		<u>Additional</u>	<u>Accumulated</u>	<u>Retained</u>	<u>Total</u>	
	<u>Number of</u>	<u>Stated</u>	<u>Paid-in</u>	<u>Other</u>	<u>Earnings</u>		
	<u>Shares</u>	<u>Value</u>	<u>Capital</u>	<u>Comprehensive</u>			
				<u>Income (loss)</u>			
			(In thousands, except share data)				
Common stock issued							
Direct stock purchase plan	-	-	(65)	-	-	(65)	
Long-term incentive plan	482,289	2	12,519	-	(484)	12,037	
Employee stock-based compensation	-	-	17,752	-	-	17,752	
Outside directors stock-for-fee plan	2,375	-	78	-	-	78	
Balance, September 30, 2012	<u>90,239,900</u>	<u>\$ 451</u>	<u>\$ 1,745,467</u>	<u>\$ (47,607)</u>	<u>\$ 660,932</u>	<u>\$ 2,359,243</u>	
Comprehensive income:							
Net income	-	\$ -	\$ -	\$ -	\$ 243,194	\$ 243,194	
Other comprehensive loss	-	-	-	86,485	-	86,485	
Repurchase of common stock	-	-	-	-	-	-	
Repurchase of equity awards	(133,449)	-	(5,150)	-	-	(5,150)	
Cash dividends	-	-	-	-	(128,115)	(128,115)	
Common stock issued							
Direct stock purchase plan	-	-	(50)	-	-	(50)	
Long-term incentive plan	531,672	2	9,530	-	(744)	8,788	
Employee stock-based compensation	-	-	15,934	-	-	15,934	
Outside directors stock-for-fee plan	2,088	-	80	-	-	80	
Balance, September 30, 2013	<u>90,640,211</u>	<u>\$ 453</u>	<u>\$ 1,765,811</u>	<u>\$ 38,878</u>	<u>\$ 775,267</u>	<u>\$ 2,580,409</u>	



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
1	4030	\$ 9,465,586	\$ 9,680,877	\$ 9,600,959	\$ 9,447,387	\$ 8,992,308
2	4060	373,418	373,418	373,418	373,418	373,418
3	4074	(4,575)	(5,197)	(5,041)	(5,967)	(12,155)
4	4081	7,885,307	6,340,639	6,654,507	6,503,531	6,252,069
5	4091	819,615	226,441	226,441	(554,824)	(8,336,440)
6	4101	3,759,141	2,399,832	2,399,832	4,846,769	11,349,510
7	4150	-	122	-	122	(18)
8	4160	658	-	-	-	-
9	4170	(2,160)	(7,913)	(879)	(5,100)	(7,389)
10	4190	(60,983)	(34,770)	(50,936)	(14)	(55,199)
11	4210	(968,683)	(1,266,179)	(1,266,095)	(1,778,570)	(332,661)
12	4211	(11)	(306)	(306)	-	-
13	4212	11	2,503	2,503	-	-
14	4261	61,139	75,212	71,036	106,360	62,697
15	4263	637	243	152	173	615
16	4264	39,572	39,868	41,762	37,221	37,595
17	4265	116,508	114,955	117,011	78,737	112,963
18	4270	4,632,539	4,144,996	4,115,919	4,125,475	4,480,062
19	4280	56,968	51,259	51,389	53,045	66,462
20	4281	81,806	98,457	92,618	99,302	100,413
21	4300	28,935	21,762	23,990	17,038	8,168
22	4310	122,712	89,024	142,543	52,219	86,033
23	4320	(34,260)	(79,956)	(62,556)	(62,730)	(70,525)

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
24	4800	(85,606,845)	(70,425,785)	(69,313,682)	(82,639,639)	(88,751,039)
25	4805	(48,438)	37,031	542,733	834,307	644,186
26	4811	(22,797,509)	(18,951,687)	(18,418,004)	(22,633,658)	(24,660,686)
27	4812	(614,525)	(529,906)	(490,735)	(741,811)	(756,424)
28	4813	(6,255,461)	(4,124,508)	(4,383,552)	(5,812,854)	(4,231,722)
29	4815	(10,047)	48,149	177,170	170,354	236,107
30	4820	(1,910,030)	(1,606,760)	(1,567,863)	(1,978,938)	(2,196,488)
31	4825	590	2,574	14,207	27,686	5,016
32	4870	(229,641)	(264,247)	(263,111)	(344,284)	(373,915)
33	4880	(318,595)	(94,618)	(192,713)	(91,827)	(95,215)
34	4890	-	-	-	(234)	-
35	4893	(4,575,945)	(3,231,402)	(4,476,622)	-	-
36	4895	-	77,605	212,168	18,407	(272,554)
37	4896	-	(694,574)	208,405	(3,738,735)	(3,313,036)
38	4950	(1,203,596)	(650,757)	(683,571)	(732,999)	(408,022)
39	7520	7,100	29,868	29,868	38,261	28,475
40	8001	(494,710)	-	(157,500)	(14,850)	(67,470)
41	8010	1,208,747	1,119,310	1,088,242	1,056,806	1,280,864
42	8040	50,213,706	33,616,087	31,578,074	59,211,053	58,061,374
43	8050	(2,538)	(3,756)	(3,661)	(2,702)	(9,819)
44	8051	48,036,179	36,142,975	34,826,127	48,085,776	56,910,598
45	8052	14,461,162	11,060,160	10,594,513	14,621,968	17,088,749
46	8053	450,756	392,150	353,359	553,584	575,050

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
47	8054	1,293,087	1,035,868	990,443	1,423,055	1,585,173
48	8055	5,097,391	3,227,930	3,419,449	4,899,195	3,496,359
49	8057	85,167	81,979	96,791	-	-
50	8058	31,638	(166,291)	(894,435)	(910,192)	(755,560)
51	8059	(66,155,257)	(56,727,386)	(54,926,030)	(73,357,200)	(75,788,065)
52	8060	(104,826)	(69,787)	(16,854)	(62,801)	882
53	8081	14,123,693	16,819,137	16,171,972	17,801,107	18,089,654
54	8082	(15,480,000)	(11,236,604)	(10,219,957)	(20,750,701)	(17,692,542)
55	8120	(41,740)	(79,146)	(75,816)	(117,609)	(144,695)
56	8130	4,005	-	-	700	-
57	8160	646,334	580,623	622,568	600,643	622,123
58	8170	-	1,669	-	1,669	-
59	8180	-	22	22	-	-
60	8190	59,398	76,888	74,909	115,437	138,037
61	8200	-	4,751	-	4,751	-
62	8240	11,530	14,640	11,770	23,970	11,520
63	8250	67,137	66,555	67,296	60,833	52,961
64	8300	-	-	-	-	174
65	8310	-	-	-	-	117
66	8320	3,489	4,041	4,046	2,793	5,764
67	8330	-	230	-	230	-
68	8340	20,802	8,379	19,387	17,570	13,684
69	8360	-	-	-	16	-

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
70	8370	-	-	-	-	143
71	8410	29,628	84,993	26,639	83,250	18,783
72	8540	-	-	-	-	39
73	8560	447	360	368	433	755
74	8570	3,362	2,175	2,310	2,855	2,612
75	8580	16,732,925	16,562,146	16,561,529	16,236,897	16,269,817
76	8610	-	-	-	11	44
77	8630	(612)	1,836	1,224	-	393
78	8700	1,013,077	869,982	824,015	895,192	888,324
79	8710	14,539	8,729	10,477	7,632	11,016
80	8711	794	982	982	16,791	13,156
81	8740	3,338,870	2,949,108	2,962,362	3,001,577	2,697,856
82	8750	236,039	57,004	48,965	76,409	50,912
83	8760	149	-	-	-	-
84	8770	1,067	772	672	987	39,790
85	8780	419,387	396,782	381,137	439,877	431,913
86	8790	86,674	90,048	81,515	108,537	105,130
87	8800	392,643	319,712	295,156	338,222	267,586
88	8810	84,521	68,950	66,140	89,272	214,004
89	8850	242,231	234,733	221,028	251,711	255,572
90	8860	12,893	16,321	13,535	11,314	6,244
91	8870	153,172	140,811	136,909	161,718	142,680
92	8880	61	-	-	-	-

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
93	8890	72,590	62,736	57,825	100,933	173,215
94	8900	2,433	1,223	2,202	512	984
95	8910	393	-	-	-	-
96	8920	3,406	17,412	13,941	20,387	6,008
97	8930	6,023	6,029	8,316	4,418	26,830
98	8940	-	-	-	-	231
99	9010	46,233	45,899	45,479	56,417	59,400
100	9020	778,884	761,995	741,640	821,463	753,522
101	9030	34,860	74,017	72,627	70,683	231,856
102	9040	829,979	520,514	521,683	662,734	1,257
103	9050	6,389	7,214	7,658	8,566	7,578
104	9070	888	1,645	1,570	1,076	1,503
105	9080	46,625	19,928	19,292	55,978	27,656
106	9090	6,738	7,771	8,055	6,066	8,460
107	9100	91,950	74,529	92,028	50,291	34,381
108	9110	127,482	134,991	134,982	168,131	155,001
109	9120	28,209	24,403	19,958	20,493	17,253
110	9130	-	75	75	-	-
111	9160	1,475	1,175	1,500	1,150	925
112	9200	342,897	260,337	263,854	245,455	131,979
113	9210	23,034	23,886	18,473	32,626	30,455
114	9220	8,566,075	8,223,495	8,066,767	7,355,371	7,337,493
115	9230	158,490	138,660	145,524	139,319	79,767

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Revenue and Expenses by Primary Account**

Line No.	Account Number	12 Months Ended				
		September 2013	September 2012	December 2012	December 2011	December 2010
	(a)	(b)	(c)	(d)	(e)	(f)
116	9240	110,909	104,977	105,763	107,783	109,299
117	9250	305,137	63,938	42,935	82,990	48,434
118	9260	1,741,534	1,733,579	1,698,561	1,706,790	1,501,718
119	9270	665	2,236	1,927	1,766	1,833
120	9280	203,032	189,895	205,516	127,738	40,214
121	9301	-	60	-	60	-
122	9302	39,368	50,395	45,569	41,882	48,079
123	9310	25,130	21,654	21,856	20,404	22,763
124	9320	-	147	-	147	-

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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Year Ending September 30, 2013

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
1	<b>RESIDENTIAL - A/C 480</b>					
2						
3						
4	Division 81	9,551,219	83,453,994	118,879	80.3	8.74
5						
6	Division 86	284,947	2,201,289	0	0.0	7.73
7						
8						
9	<b>TOTAL</b>	9,836,166	85,655,283	118,879	82.7	8.71
10	<b>COMMERCIAL - A/C 481.1</b>					
11						
12						
13	Division 81	2,814,976	21,901,080	9,258	304.1	7.78
14						
15	Division 86	127,319	906,476	0	0.0	7.12
16						
17						
18	<b>TOTAL</b>	2,942,295	22,807,557	9,258	317.8	7.75

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
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**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
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Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
19	<b>INDUSTRIAL, SMALL 481.3</b>					
20						
21						
22	Division 81	103,963	614,525	94	1,106.0	5.91
23						
24	Division 86	-	0	0	0.0	0.00
25						
26						
27						
28	<b>TOTAL</b>	103,963	614,525	94	1,106.0	5.91
29	<b>INDUSTRIAL, LARGE 481.4</b>					
30	NONE	-	0	0	0.0	0.00
31	<b>TOTAL</b>	-	0	0	0.0	0.00
32						
33	<b>IRRIGATION 481.5</b>					
34	GGs-SW (Southwest Total)	1,035,815	6,255,461	299	3,464.3	6.04
35	<b>TOTAL</b>	1,035,815	6,255,461	299	3,464.3	6.04
36						



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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Year Ending September 30, 2013

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
37	<b>PUBLIC AUTHORITIES 482</b>	263,896	1,909,440	540	488.7	7.24
38						
39	<b>TOTAL</b>	263,896	1,909,440	540	488.7	7.24
40						
41						
42	<b>TOTAL</b>	14,182,135	117,242,266	127,584	111.2	8.27
43						
44	Note: Div 086 customers not available at 9/30/13. Now being recorded in Div 81.					

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ending September 30, 2012

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
1	<b>RESIDENTIAL - A/C 480</b>					
2						
3						
4	Division 81	7,379,847	67,886,125	113,485	65.0	9.20
5						
6	Division 86	302,956	2,502,628	3,992	75.9	8.26
7						
8						
9	<b>TOTAL</b>	7,682,803	70,388,754	117,477	65.4	9.16
10	<b>COMMERCIAL - A/C 481.1</b>					
11						
12						
13	Division 81	2,203,610	17,751,139	8,665	254.3	8.06
14						
15	Division 86	160,446	1,152,398	485	330.8	7.18
16						
17						
18	<b>TOTAL</b>	2,364,056	18,903,538	9,200	257.0	8.00

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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Year Ending September 30, 2012

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
19	<b>INDUSTRIAL, SMALL 481.3</b>					
20						
21						
22	Division 81	89,408	529,906	92	971.8	5.93
23						
24	Division 86	-	0	0	0.0	0.00
25						
26						
27						
28	<b>TOTAL</b>	89,408	529,906	92	971.8	5.93
29	<b>INDUSTRIAL, LARGE 481.4</b>					
30	NONE	-	0	0	0.0	0.00
31	<b>TOTAL</b>	-	0	0	0.0	0.00
32						
33	<b>IRRIGATION 481.5</b>					
34	GGs-SW (Southwest Total)	904,501	4,124,508	278	3,253.6	4.56
35	<b>TOTAL</b>	904,501	4,124,508	278	3,253.6	4.56
36						

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ending September 30, 2012

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
37	<b>PUBLIC AUTHORITIES 482</b>	224,480	1,604,186	545	411.9	7.15
38						
39	<b>TOTAL</b>	224,480	1,604,186	545	411.9	7.15
40						
41						
42	<b>TOTAL</b>	11,265,248	95,550,892	127,056	88.7	8.48
43						
44						

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ending December 31, 2010

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
1	<b>RESIDENTIAL - A/C 480</b>					
2						
3						
4	Division 81	9,779,682	85,327,860	113,791	85.9	8.73
5						
6	Division 86	336,228	2,778,993	3,990	84.3	8.27
7						
8						
9	<b>TOTAL</b>	10,115,910	88,106,853	117,781	85.9	8.71
10	<b>COMMERCIAL - A/C 481.1</b>					
11						
12	Division 81	2,763,100	22,435,843	8,858	311.9	8.12
13						
14	Division 86	265,945	1,988,737	506	525.6	7.48
15						
16						
17	<b>TOTAL</b>	3,029,045	24,424,580	9,364	323.5	8.06

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements  
Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ending December 31, 2010

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
18	<b>INDUSTRIAL, SMALL 481.3</b>					
19						
20						
21	Division 81	103,012	751,073	87	1,184.0	7.29
22						
23	Division 86	-	5,352	0	0.0	0.00
24						
25						
26						
27	<b>TOTAL</b>	103,012	756,425	87	1,184.0	7.34
28	<b>INDUSTRIAL, LARGE 481.4</b>					
29	NONE	-	0	0	0.0	0.00
30	<b>TOTAL</b>	-	0	0	0.0	0.00
31						

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**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold _____ @ _____ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
32	<b>IRRIGATION 481.5</b>					
33	GGs-SW (Southwest Total)	714,918	4,231,721	272	2,628.4	5.92
34	<b>TOTAL</b>	714,918	4,231,721	272	2,628.4	5.92
35						
36	<b>PUBLIC AUTHORITIES 482</b>					
37		293,914	2,191,472	567	518.4	7.46
38	<b>TOTAL</b>	293,914	2,191,472	567	518.4	7.46
39						
40						
41	<b>TOTAL</b>	14,256,799	119,711,051	128,071	111.3	8.40
42						
43						

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**SALES OF NATURAL GAS BY KANSAS COMMUNITIES**

1. A similar schedule in the regular report calls for sales of gas by communities of 10,000 population or more by separate states. In the schedule below
2. Communities" mean: Cities, towns, villages and cross-road communities served on other than standard rural rates.

Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
1	Subtotal from page 14			83,042,805	9,496,574	109,495
2	Ramona			31,405	3,520	47
3	Redfield			32,540	3,633	47
4	Savonburg			33,042	3,746	45
5	Scotsman Estates			16,164	1,599	33
6	Sedan			425,057	46,998	626
7	Shawnee			496,739	59,701	513
8	South Haven			95,112	10,340	148
9	Spring Hill			840,042	93,377	1,253
10	Stark			21,981	2,448	32
11	Strong City			143,108	15,462	221
12	Sycamore			28,233	3,166	40
13	Tampa			36,617	3,949	61
14	Thayer			4,713	501	8
15	Toronto			95,384	10,253	156
16	Tyro			61,335	6,543	100



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Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
17	White City			151,633	16,909	218
18	Wilsey			52,369	5,745	79
19	Yates Center			471,591	53,256	669
20						
21	Total Division 81*			86,079,870	9,837,720	113,791
22						
23						
24						
25						
26						
27						
28	Hickok			18,775	2,326	30
29	Johnson City			510,502	67,068	687
30	Kendall			21,009	2,797	26
31	Manter			53,086	6,498	89
32	Syracuse			516,564	65,300	804

\* Divisions 82, 83, 84, & 85 have been collapsed into Division 81

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Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
33	Ulysses			1,551,233	196,571	2,354
34	Total Southwest Kansas					
35	Division 86			2,671,169	340,560	3,990
36						
37						
38						
39	PUBLIC AUTHORITY					
40						
41						
42				88,751,039	10,178,280	117,781
43						
44	UNBILLED			(644,186)	(62,370)	
45						
46	TOTAL KANSAS			88,106,853	10,115,910	117,781
47						

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

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4. The information below should be on the same basis as provided in the schedule on page 8 of this supplement except cents may be omitted in reporting revenues, and the totals for the various accounts should agree with the amounts for those accounts shown on page 8.

COMMERCIAL			INDUSTRIAL			TOTAL			Line No.
Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
21,766,093	2,682,459	8,361	756,424	103,013	87	105,565,322	12,282,046	117,943	1
7,336	711	6	0	0	0	38,741	4,231	53	2
2,191	202	2	0	0	0	34,731	3,835	49	3
6,933	593	7	0	0	0	39,975	4,339	52	4
0	0	0	0	0	0	16,164	1,599	33	5
322,333	39,134	108	0	0	0	747,390	86,132	734	6
37,299	4,268	19	0	0	0	534,038	63,969	532	7
14,360	1,211	15	0	0	0	109,472	11,551	163	8
247,301	28,830	126	0	0	0	1,087,343	122,207	1,379	9
12,471	1,266	9	0	0	0	34,452	3,714	41	10
43,113	4,469	31	0	0	0	186,221	19,931	252	11
6,242	512	7	0	0	0	34,475	3,678	47	12
30,267	3,649	14	0	0	0	66,884	7,598	75	13
0	0	0	0	0	0	4,713	501	8	14
13,451	1,143	14	0	0	0	108,835	11,396	170	15

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

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Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
14,608	1,346	13	0	0	0	75,943	7,889	113	16
20,749	1,945	19	0	0	0	172,382	18,854	237	17
5,208	494	5	0	0	0	57,577	6,239	84	18
152,731	16,442	102	0	0	0	624,322	69,698	771	19
									20
22,702,686	2,788,674	8,858	756,424	103,013	87	109,538,980	12,729,407	122,736	21
									22
									23
									24
									25
									26
									27
7,054	911	4	0	0	0	25,829	3,237	34	28
211,058	29,122	93	2,033,140	341,841	131	2,754,700	438,031	911	29
6,278	661	6	3,255	462	1	30,542	3,920	33	30
10,405	1,259	6	0	0	0	63,491	7,757	95	31
463,847	67,997	105	547,879	94,104	34	1,528,290	227,401	943	32
1,259,359	178,969	292	1,647,448	278,510	106	4,458,040	654,050	2,752	33
									34

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

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Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
1,958,001	278,919	506	4,231,722	714,917	272	8,860,892	1,334,396	4,768	35
									36
						2,191,472	293,914	567	37
									38
									39
									40
									41
24,660,687	3,067,593	9,364	4,988,146	817,930	359	120,591,344	14,357,717	127,504	42
(236,107)	(38,548)					(880,293)	(100,918)		43
									44
									45
24,424,580	3,029,045	9,364	4,988,146	817,930	359	119,711,051	14,256,799	127,504	46
									47
									48
									49
									50

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SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)						
1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party). 2. Provide a sub-heading and total for each gas service revenue account. 3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.						
Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold _____ @ _____ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
1	<b>RESIDENTIAL - A/C 480</b>					
2						
3						
4	Division 81	9,585,277	78,811,445	113,938	84.1	8.22
5						
6	Division 86	335,506	2,993,887	3,994	84.0	8.92
7						
8						
9	<b>TOTAL</b>	9,920,783	81,805,332	117,932	84.1	8.25
10	<b>COMMERCIAL - A/C 481.1</b>					
11						
12						
13	Division 81	2,795,784	20,739,903	8,864	315.4	7.42
14						
15	Division 86	220,907	1,723,401	495	446.3	7.80
16						
17						

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**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

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3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold _____ @ _____ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
18	<b>TOTAL</b>	3,016,691	22,463,304	9,359	322.3	7.45
19	<b>INDUSTRIAL, SMALL 481.3</b>					
20						
21						
22	Division 81	121,588	734,379	89	1,366.2	6.04
23						
24	Division 86	-	7,432	0	0.0	0.00
25						
26						
27						
28	<b>TOTAL</b>	121,588	741,811	89	1,366.2	6.10
29	<b>INDUSTRIAL, LARGE 481.4</b>					
30	NONE	-	0	0	0.0	0.00
31	<b>TOTAL</b>	-	0	0	0.0	0.00
32						
33	<b>IRRIGATION 481.5</b>					
34	GGs-SW (Southwest Total)	931,590	5,812,854	272	3,425.0	6.24

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**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

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Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content  (b)	Revenue  (c)	Average Number of Customers  (d)	MCF of Sales per Customer  (e)	Revenue per MCF sold  (f)
35	<b>TOTAL</b>	931,590	5,812,854	272	3,425.0	6.24
36						
37	<b>PUBLIC AUTHORITIES 482</b>	279,982	1,951,252	555	504.5	6.97
38						
39	<b>TOTAL</b>	279,982	1,951,252	555	504.5	6.97
40						
41						
42	<b>TOTAL</b>	14,270,634	112,774,553	128,207	111.3	7.90
43						
44						



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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

1. A similar schedule in the regular report calls for sales of gas by communities of 10,000 population or more by separate states. In the schedule below
2. Communities" mean: Cities, towns, villages and cross-road communities served on other than standard rural rates.

Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
1	Subtotal from page 14			76,751,046	9,384,048	109,618
2	Ramona			29,372	3,478	45
3	Redfield			29,803	3,550	46
4	Savonburg			32,507	4,006	46
5	Scotsman Estates			14,895	1,503	31
6	Sedan			388,785	45,747	618
7	Shawnee			455,593	59,691	517
8	South Haven			90,132	10,594	143
9	Spring Hill			806,603	94,643	1,285
10	Stark			19,721	2,309	31
11	Strong City			134,817	15,451	226
12	Sycamore			25,314	2,960	40
13	Tampa			36,258	4,117	62
14	Thayer			4,419	528	7
15	Toronto			89,126	10,196	149
16	Tyro			59,722	6,825	100
17	White City			145,162	17,472	217

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Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
18	Wilsey			49,668	5,893	77
19	Yates Center			438,825	52,050	680
20						
21	Total Division 81*			79,601,768	9,725,061	113,938
22						
23						
24						
25						
26						
27						
28	Hickok			21,240	2,314	29
29	Johnson City			583,327	66,399	695
30	Kendall			23,073	2,632	26
31	Manter			59,832	6,358	88
32	Syracuse			587,655	64,473	797
33	Ulysses			1,762,744	193,452	2,359

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Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
34	Total Southwest Kansas					
35	Division 86			3,037,871	335,628	3,994
36						
37						
38						
39	PUBLIC AUTHORITY					
40						
41						
42				82,639,639	10,060,689	117,932
43						
44	UNBILLED			(834,307)	(139,906)	
45						
46	TOTAL KANSAS			81,805,332	9,920,783	117,932
47						
48						
49						
50						

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**Kansas Distribution System Filing Requirements**  
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COMMERCIAL			INDUSTRIAL			TOTAL			Line No.
Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
20,014,124	2,714,618	8,373	741,811	121,589	89	97,506,981	12,220,255	118,080	1
7,325	672	7	0	0	0	36,697	4,150	52	2
2,166	212	2	0	0	0	31,969	3,762	48	3
6,894	628	7	0	0	0	39,401	4,634	53	4
0	0	0	0	0	0	14,895	1,503	31	5
269,067	36,971	106	0	0	0	657,852	82,718	724	6
33,521	4,185	19	0	0	0	489,114	63,876	536	7
14,086	1,240	15	0	0	0	104,218	11,834	158	8
234,965	30,061	124	0	0	0	1,041,568	124,704	1,409	9
11,523	1,246	9	0	0	0	31,244	3,555	40	10
36,220	3,882	29	0	0	0	171,037	19,333	255	11
6,159	509	7	0	0	0	31,473	3,469	47	12
16,267	1,791	12	0	0	0	52,525	5,908	74	13
0	0	0	0	0	0	4,419	528	7	14
13,754	1,251	14	0	0	0	102,880	11,447	163	15
13,136	1,331	12	0	0	0	72,858	8,156	112	16
19,005	1,855	18	0	0	0	164,167	19,327	235	17
6,089	632	5	0	0	0	55,757	6,525	82	18
146,644	16,651	104	0	0	0	585,469	68,701	784	19

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Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
20,850,947	2,817,733	8,863	741,811	121,589	89	101,194,526	12,664,383	122,890	20
									21
									22
									23
									24
									25
									26
									27
7,595	849	4	0	0	0	28,835	3,163	120	28
262,826	32,472	91	2,810,874	450,886	128	3,657,027	549,757	829	29
7,701	723	6	6,347	975	1	37,121	4,329	33	30
16,368	2,015	6	0	0	0	76,200	8,373	190	31
514,066	67,882	102	722,009	116,082	33	1,823,730	248,437	1,121	32
974,154	121,267	291	2,273,623	363,646	110	5,010,521	678,364	2,469	33
									34
1,782,711	225,207	495	5,812,854	931,589	272	10,633,436	1,492,424	4,761	35
									36
									37
						1,951,252	279,982	555	38

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Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
22,633,658	3,042,941	9,359	6,554,665	1,053,178	361	113,779,214	14,436,789	128,207	39
(170,354)	(26,250)					(1,004,661)	(166,156)		40
22,463,304	3,016,691	9,359	6,554,665	1,053,178	361	112,774,553	14,270,634	128,207	41
									42
									43
									44
									45
									46
									47
									48
									49

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements  
Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ending December 31, 2012

**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold _____ @ _____ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
1	<b>RESIDENTIAL - A/C 480</b>					
2						
3						
4	Division 81	7,128,260	66,325,913	114,302	62.4	9.30
5						
6	Division 86	290,740	2,445,036	4,008	72.5	8.41
7						
8						
9	<b>TOTAL</b>	7,419,000	68,770,949	118,310	62.7	9.27
10	<b>COMMERCIAL - A/C 481.1</b>					
11						

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
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**SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)**

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.

Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold _____ @ _____ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
12	Division 81	2,133,358	17,223,044	8,858	240.8	8.07
13						
14	Division 86	139,833	1,017,789	487	287.1	7.28
15						
16	<b>TOTAL</b>	2,273,191	18,240,833	9,345	243.3	8.02
17						
18	<b>INDUSTRIAL, SMALL 481.3</b>					
19						
20	Division 81	84,538	489,133	92	918.9	5.79
21						
22	Division 86	0	1,602	0	0.0	0.00
23						
24	<b>TOTAL</b>	84,538	490,735	92	918.9	5.80
25						
26						
27						
28						



**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements  
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SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY (FOR ALL COMPANIES)						
1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party).						
2. Provide a sub-heading and total for each gas service revenue account.						
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (e.g.						
Line No.	Number and Title of Rate Schedule or Name Holder of Special Contract (a)	MCF. Sold @ F. BTU content _____ (b)	Revenue (c)	Average Number of Customers (d)	MCF of Sales per Customer (e)	Revenue per MCF sold (f)
29	<b>INDUSTRIAL, LARGE 481.4</b>					
30	NONE	-	-	0	0.0	0.00
31	<b>TOTAL</b>	-	-	0	0.0	0.00
32						
33	<b>IRRIGATION 481.5</b>					
34	GGs-SW (Southwest Total)	965,221	4,383,551	275	3,509.9	4.54
35	<b>TOTAL</b>	965,221	4,383,551	275	3,509.9	4.54
36						
37	<b>PUBLIC AUTHORITIES 482</b>	215,138	1,553,656	548	392.6	7.22
38						
39	<b>TOTAL</b>	215,138	1,553,656	548	392.6	7.22
40						
41						
42	<b>TOTAL</b>	10,957,088	93,439,724	128,570	85.2	8.53
43						
44						

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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Year Ending December 31, 2012

SALES OF NATURAL GAS BY KANSAS COMMUNITIES

1. A similar schedule in the regular report calls for sales of gas by communities of 10,000 population or more by separate states. In the schedule below
2. Communities" mean: Cities, towns, villages and cross-road communities served on other than standard rural rates.

Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
1	Subtotal from page 14			64,406,010	7,007,541	110,008
2	Ramona			25,656	2,679	47
3	Redfield			24,511	2,590	44
4	Savonburg			26,717	2,913	45
5	Scotsman Estates			12,204	1,033	30
6	Sedan			323,681	33,821	596
7	Shawnee			373,836	44,059	526
8	South Haven			74,658	7,640	143
9	Spring Hill			686,115	70,993	1,298
10	Stark			15,513	1,514	31
11	Strong City			116,768	11,939	225
12	Sycamore			20,297	2,058	39
13	Tampa			32,473	3,353	61
14	Thayer			3,421	355	6
15	Toronto			77,453	7,970	146
16	Tyro			51,389	5,132	102
17	White City			121,266	13,132	211

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

1. A similar schedule in the regular report calls for sales of gas by communities of 10,000 population or more by separate states. In the schedule below
2. Communities" mean: Cities, towns, villages and cross-road communities served on other than standard rural rates.

Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
18	Wilsey			42,358	4,431	77
19	Yates Center			366,522	38,549	667
20						
21	Total Division 81*			66,800,848	7,261,702	114,302
22						
23	* Divisions 82, 83, 84, & 85 have					
24	been collapsed into Division 81					
25						
26						
27						
28	Hickok			17,183	1,965	29
29	Johnson City			483,202	59,178	700
30	Kendall			19,544	2,493	26
31	Manter			53,822	6,065	92
32	Syracuse			483,560	56,103	798
33	Ulysses			1,455,523	170,030	2,363

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES

1. A similar schedule in the regular report calls for sales of gas by communities of 10,000 population or more by separate states. In the schedule below
2. Communities" mean: Cities, towns, villages and cross-road communities served on other than standard rural rates.

Line No.	COMMUNITY		BTU Content Per CF of Gas (c)	RESIDENTIAL		
	NAME (a)	Population (b)		Operating Revenue (d)	MCF (e)	Average No. of Customers per month (f)
34	Total Southwest Kansas					
35	Division 86			2,512,834	295,834	4,008
36						
37						
38						
39	PUBLIC AUTHORITY					
40						
41						
42				69,313,682	7,557,536	118,310
43						
44	UNBILLED			(542,733)	(138,536)	
45						
46	TOTAL KANSAS			68,770,949	7,419,000	118,310
47						
48						

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ended

December 31, 2012

**SALES OF NATURAL GAS BY KANSAS COMMUNITIES**

3. If sales by all Kansas Communities are set forth fully in the regular report, the following schedule need not be prepared. In such case, merely make reference to the page in the regular report where sales by Kansas Communities may be found.

4. The information below should be on the same basis as provided in the schedule on page 8 of this supplement except cents may be omitted in reporting revenues, and the totals for the various accounts should agree with the amounts for those accounts shown on page 8.

COMMERCIAL			INDUSTRIAL			TOTAL			Line No.
Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
16,675,498	2,096,326	8,372	490,735	84,538	92	81,572,243	9,188,405	118,472	1
7,132	559	8	0	0	0	32,788	3,238	55	2
1,777	139	2	0	0	0	26,288	2,729	46	3
5,659	394	7	0	0	0	32,376	3,307	52	4
0	0	0	0	0	0	12,204	1,033	30	5
205,427	24,656	112	0	0	0	529,108	58,477	708	6
24,975	2,626	19	0	0	0	398,811	46,685	545	7
12,004	857	15	0	0	0	86,662	8,497	158	8
193,842	22,639	120	0	0	0	879,957	93,632	1,418	9
9,182	818	9	0	0	0	24,695	2,332	40	10
29,328	2,710	28	0	0	0	146,096	14,649	253	11
4,387	266	6	0	0	0	24,684	2,324	45	12
11,565	1,049	11	0	0	0	44,038	4,402	72	13
0	0	0	0	0	0	3,421	355	6	14
11,789	870	14	0	0	0	89,242	8,840	160	15
10,492	885	11	0	0	0	61,881	6,017	113	16
16,776	1,389	18	0	0	0	138,042	14,521	229	17
4,299	397	4	0	0	0	46,657	4,828	81	18
123,665	12,551	102	0	0	0	490,187	51,100	769	19

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

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Year Ended

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SALES OF NATURAL GAS BY KANSAS COMMUNITIES									
3. If sales by all Kansas Communities are set forth fully in the regular report, the following schedule need not be prepared. In such case, merely make reference to the page in the regular report where sales by Kansas Communities may be found.									
4. The information below should be on the same basis as provided in the schedule on page 8 of this supplement except cents may be omitted in reporting revenues, and the totals for the various accounts should agree with the amounts for those accounts shown on page 8.									
COMMERCIAL			INDUSTRIAL			TOTAL			Line No.
Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
			0	0	0				20
17,347,797	2,169,131	8,858	490,735	84,538	92	84,639,380	9,515,371	123,252	21
									22
									23
									24
									25
									26
									27
5,653	658	4				22,836	2,623	119	28
231,988	31,971	90	2,153,471	472,879	131	2,868,661	564,028	837	29
6,281	598	6	4,866	996	1	30,691	4,087	33	30
10,251	1,255	6	0	0	0	64,073	7,320	191	31
288,003	42,420	99	442,903	99,637	33	1,214,466	198,160	1,117	32
528,030	67,695	286	1,782,311	391,709	110	3,765,864	629,434	2,473	33
									34
1,070,206	144,597	487	4,383,551	965,221	275	7,966,591	1,405,652	4,770	35
									36
									37
						1,553,656	215,138	548	38

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operating Statistics per Annual Report Filing**

Annual Report of Atmos Energy Corporation

Year Ended

December 31, 2012

SALES OF NATURAL GAS BY KANSAS COMMUNITIES									
3. If sales by all Kansas Communities are set forth fully in the regular report, the following schedule need not be prepared. In such case, merely make reference to the page in the regular report where sales by Kansas Communities may be found.									
4. The information below should be on the same basis as provided in the schedule on page 8 of this supplement except cents may be omitted in reporting revenues, and the totals for the various accounts should agree with the amounts for those accounts shown on page 8.									
COMMERCIAL			INDUSTRIAL			TOTAL			Line No.
Operating Revenue (g)	MCF (h)	Average No. of Customers per month (i)	Operating Revenue (j)	MCF (k)	Average No. of Customers per month (l)	Operating Revenue (m)	MCF (n)	Average No. of Customers per month (o)	
18,418,003	2,313,728	9,345	4,874,286	1,049,759	367	94,159,627	11,136,161	128,570	39
(177,170)	(40,537)	0				(719,903)	(179,073)		40
18,240,833	2,273,191	9,345	4,874,286	1,049,759	367	93,439,724	10,957,088	128,570	41
									42
									43
									44
									45
									46
									47
									48
									49





**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Test Year and Pro-forma Income Statements**  
**Test Year Ending September 30, 2013, As Adjusted**

Line No.	Description	Total (1)	Total Pro-forma Adjusted with Jurisdictional Allocation	Source
	(a)	(b)	(c)	(d)
1	Net Margin	\$ 54,110,657	\$ 53,201,365	Section 17
2				
3	O&M Expense	\$ 20,440,355	\$ 20,992,361	WP 9-1
4	Depreciation Expense	9,839,004	9,622,905	Section 10
5	Taxes, Other than Income Taxes	7,885,307	8,123,718	Section 11
6	Interest on Customer Deposits (2)	3,558	2,643	Section 14C
7	Income Taxes	670,721	6,507,996	Section 11B
8	Total Expense	<u>\$ 38,838,945</u>	<u>\$ 45,249,623</u>	Sum of Lns 3-7
9				
10	Net Operating Income	\$ 15,271,712	\$ 7,951,742	Ln 1-8
11				
12	Other Income (Expenses)			
13	Other Income (Expenses)	\$ (817,888)	\$ (817,888)	WP 9-8
14	Interest Expense (other than Customer Deposits)	4,897,788	5,595,508	WP 9-8
15				
16	Net Income	<u>\$ 11,191,812</u>	<u>\$ 3,174,122</u>	Ln 10-13-14

17 Notes:

18 1. Data source for amounts shown in Column (b) is WP 9-8.

19 2. The Interest on Deposits amount includes a correcting entry booked in December 2013; see Relied 9-8 Income

Statement.xls for details.

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source (c)	Kansas Jurisdiction (d)
	(a)	(b)		
1		<b><u>Production Expenses</u></b>		
2				
3		<b>B. Natural Gas Production Expenses</b>		
4				
5		<b>B.1 Natural Gas Production &amp; Gathering</b>		
6		<u>Operation</u>		
7	752	Gas Wells Expenses	\$	7,100
8	759	Other Expense		-
9		Total Operation	\$	<u>7,100</u>
10				
11		<u>Maintenance</u>		
12	764	Maintenance of Field Lines	\$	-
13	767	Maintenance of Purification equipment		-
14		Total Maintenance	\$	<u>-</u>
15				
16		<b>B.2 Products Extraction</b>		
17		<u>Maintenance</u>		
18	784	Maintenance Supervision and Engineering	\$	-
19		Total Maintenance	\$	<u>-</u>
20				
21		<b>1 Total Production Expenses</b>	\$	<u><u>7,100</u></u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
22				
23		<b>2 Natural Gas Storage, Terminating and Processing Expenses</b>		
24				
25		<b>A. Underground Storage Expense</b>		
26	814	Operations Supervision and Engineering		\$ -
27	815	Maps and Records		-
28	816	Wells Expense		646,334
29	818	Compressor Station Expense		-
30	819	Compressor Station Fuel and Power		59,398
31	824	Other Expenses		11,520
32	825	Storage Well Royalties		67,137
33		Total Underground Storage Expense		<u>\$ 784,389</u>
34				
35		<u>Maintenance</u>		
36	830	Maintenance Supervision and Engineering		\$ -
37	831	Maintenance of Structures and Improvements		0
38	832	Maintenance of Reservoirs and Wells		3,489
39	834	Maintenance of Compressor Station Equipment		20,802
40	836	Maintenance of Purification Equipment		0
41		Total Maintenance		<u>\$ 24,291</u>
42				

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
43		<b>B. Other Storage Expense</b>		
44		<u>Operation</u>		
45	841	Operation Labor and Expense		\$ 29,628
46	842	Rents		-
47		Total Operation		<u>\$ 29,628</u>
48				
49		<b>2 Total Natural Gas Storage, Terminating and Processing Expenses</b>		<u><u>\$ 838,308</u></u>
50				
51		<b>3 Transmission Expense</b>		
52				
53		<u>Operation</u>		
54	850	Operation Supervision and Engineering		\$ -
55	853	Compressor Station Labor and Expenses		-
56	854	Gas for Compressor Station Fuel		-
57	856	Mains Expense		447
58	857	Measuring & Regulating Station Equipment		3,362
59	860	Rents		-
60	863	Maintenance Supervision and Engineering		(612)
61		Total Operation		<u>\$ 3,196</u>
62				
63		<b>3 Total Transmission Expenses</b>		<u><u>\$ 3,196</u></u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
64				
65		<b>4 Distribution Expenses</b>		
66				
67		<u>Operation</u>		
68	870	Supervision & Engineering	\$	715,911
69	871	Load Dispatching & Odorization		14,539
70	871.1	Load Dispatching & Odorization - Supervising		794
71	874	Mains & Service Expenses		3,338,814
72	875	Measurement & Regulation Station Expenses - General		236,039
73	876	Measurement & Regulation Station Expenses - Industrial		149
74	877	Measurement & Regulation Station Expenses - City Gate		1,067
75	878	Meter & House Regulation Expenses		419,387
76	879	Customer Installations Expenses		86,674
77	880	Other Expenses		392,351
78	881	Rents		84,521
79		Total Operation	\$	5,290,246
80				
81		<u>Maintenance</u>		
82	885	Supervision & Engineering	\$	232,198
83	886	Structures - Improvements		12,893
84	887	Mains		153,172

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
85	888	Maintenance of Compressor Station Equipment		61
86	889	Measurement & Regulation Station Equipment - General Maintenance of Measurement & Regulation Station		72,590
87	890	Equipment - Industrial Maintenance of Measurement & Regulation Station		2,433
88	891	Equipment - City Gate		393
89	892	Services		3,406
90	893	Meter & House Regulators		6,023
91	894	Other Equipment		-
92		Total Maintenance		<u>\$ 483,170</u>
93				
94		<b>4 Total Distribution Expenses</b>		<u><u>\$ 5,773,416</u></u>
95				

**Atmos Energy Corporation  
 Kansas Distribution System Filing Requirements  
 Operation and Maintenance Expenses  
 Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source (c)	Kansas Jurisdiction (d)
96		<b>5 Customer Accounts Expenses</b>		
97				
98		<u>Operation</u>		
99	901	Supervision		\$ 40,608
100	902	Meter Reading Expenses		778,884
101	903	Customer Records & Collection Expenses		34,860
102	904	Uncollectible Accounts		829,979
103	905	Miscellaneous Customer Accounts Expenses		6,389
104		Total Operation		<u>\$ 1,690,721</u>
105				
106		<b>5 Total Customer Accounts Expenses</b>		<u><u>\$ 1,690,721</u></u>
107				
108		<b>6 Customer Service and Information Expenses</b>		
109				
110		<u>Operation</u>		
111	907	Supervision		\$ 888
112	908	Customer Assistance Expenses		10,142
113	909	Informational Advertising		6,738
114	910	Miscellaneous Customer Service Expenses		14,616
115		Total Operation		<u>\$ 32,384</u>
116				
117		<b>6 Total Customer Service and Information Expenses</b>		<u><u>\$ 32,384</u></u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
118				
119		<b>7 <u>Sales Expense</u></b>		
120				
121		<u>Sales Expense</u>		
122	911	Supervision		\$ 27,126
123	912	Demonstrating and Selling		6,614
124	913	Promotional Advertising Expenses		-
125	916	Miscellaneous Sales Expenses		1,475
126		Total Sales Expense		<u>\$ 35,215</u>
127				
128		<b>7 Total Sales Expense</b>		<u><u>\$ 35,215</u></u>
129				



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
	(a)	(b)	(c)	(d)
130		<b>8 Administrative and General Expenses</b>		
131				
132		<u>Operation</u>		
133	920	Administrative and General Salaries		\$ 342,897
134	921	Office Supplies & Expense		17,568
135	922	Administrative Expense Transfer - Credit		8,917,682
136	923	Outside Services		466,852
137	924	Property Insurance		110,869
138	925	Injuries and Damages		264,820
139	926	Employee Welfare and Pensions		1,765,575
140	928	Regulatory Commission Expense		138,445
141	930.2	Miscellaneous General Expense		15,383
142	931	Rents		25,130
143		Total Operation		<u>\$ 12,065,220</u>
144				
145		<b>8 Total Administrative and General Expenses</b>		<u>\$ 12,065,220</u>
146				
147		<b>Total Operation and Maintenance Expense</b>		<u>\$ 20,445,560</u>
148				
149		Allocation of Division 030 and Division 080	WP 9-8	\$ (5,205)

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Operation and Maintenance Expenses**  
**Test Year Ending September 30, 2013, As Adjusted**

Line Number	Account Number	Description	Source	Kansas Jurisdiction
(a)	(b)	(c)	(d)	
150				
151		<u>Adjustments to Operation &amp; Maintenance Expenses</u>		
152		Labor	WP 9-2	\$ 219,802 IS-1
153		Benefits	WP 9-3	90,749 IS-2
154		AGA Dues	WP 9-4	(8,158) IS-3
155		50% of Charitable Contributions	WP 9-5	37,325 IS-4
156		Rate Case Expense	WP 9-6	160,376 IS-5
157		Expense Report Adjustment	WP 9-7	(22,149) IS-6
158		Pension/Post Retirement Benefits Adjustment	WP 9-9	107,995 IS-15
159		Blank Sheet	WP 9-10	- IS-16
160		Legacy System Maintenance Costs	WP 9-11	(33,936) IS-17
161		Total Adjustments		<u>\$ 552,006</u>
162				
163		Total Adjusted Operation and Maintenance Expenses	Section 3	<u>\$ 20,992,361</u>
164				
165		Source: Relied 9-1-O&M by Acct.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Detail Trial Balance - Income and Expense Account Per Book Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Account Description	Division 002		Division 012	Division 030	Division 080	Kansas	Grand Total
			General Office	Customer Support	Colorado/Kansas	General Office	General Office	Jurisdiction	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		
1	4030	Depreciation Expense	\$ (0)	\$ -	\$ 0	\$ 0	\$ 9,465,586	\$ 9,465,586	
2	4060	Amortization of gas plant acquisition adjustments	-	-	-	-	373,418	373,418	
3	4074	Regulatory Credits	(0)	-	-	-	(4,575)	(4,575)	
4	4081	Taxes other than income taxes, utility operating income	(0)	299	0	(0)	7,885,307	7,885,607	
5	4091	Income taxes, utility operating income	65,095,944	(2,764,708)	(252,406)	(127)	819,742	62,898,445	
6	4101	Provision for deferred income taxes	(63,542,013)	2,759,031	258,175	-	3,759,141	(56,765,666)	
7	4160	Costs and Expenses of Merchandising, Jobbing & Contract Work	-	-	-	-	658	658	
8	4170	Revenues from nonutility operations	-	-	0	-	(2,160)	(2,160)	
9	4190	Interest and dividend income	0	-	-	-	(60,983)	(60,983)	
10	4210	Miscellaneous nonoperating income	0	-	-	-	(968,683)	(968,683)	
11	4211	Gain on Disposition of Property	-	-	-	-	(11)	(11)	
12	4212	Loss on Disposition of Property	-	-	-	-	11	11	
13	4261	Donations	(4,575)	4,575	(0)	(0)	61,139	61,139	
14	4263	Penalties	(0)	-	-	-	637	637	
15	4264	Civic, Political and Related	(0)	-	-	(0)	39,572	39,571	
16	4265	Other deductions	(112,848)	112,848	0	328	116,180	116,508	
17	4270	Interest on long-Term debt	(0)	-	-	-	4,632,539	4,632,539	
18	4280	Amortization of debt discount and expense	(0)	-	-	-	56,968	56,968	
19	4281	Amortization of loss on reacquired debt	(0)	-	-	-	81,806	81,806	
20	4300	Interest on debt to associated companies	0	-	-	-	28,935	28,935	
21	4310	Other interest expense	0	-	-	-	122,712	122,712	
22	4320	Allowance for borrowed funds used during construction	463,987	(463,987)	-	-	(34,260)	(34,260)	
23	4800	Residential sales	-	-	-	-	(85,606,845)	(85,606,845)	
24	4805	Unbilled Residential Revenue	-	-	-	-	(48,438)	(48,438)	
25	4811	Commercial Revenue-Banner	-	-	-	-	(22,797,509)	(22,797,509)	
26	4812	Industrial Revenue-Banner	-	-	-	-	(614,525)	(614,525)	
27	4813	Irrigation Revenue-Banner	-	-	-	-	(6,255,461)	(6,255,461)	
28	4815	Unbilled Comm Revenue	-	-	-	-	(10,047)	(10,047)	
29	4820	Other Sales to Public Authorities	-	-	-	-	(1,910,030)	(1,910,030)	
30	4825	Unbilled Public Authority Revenue	-	-	-	-	590	590	
31	4870	Forfeited discounts	-	-	-	-	(229,641)	(229,641)	
32	4880	Miscellaneous service revenues	-	-	-	-	(318,595)	(318,595)	
33	4893	Revenue-Transportation Distribution	-	-	-	-	(4,575,945)	(4,575,945)	
34	4950	Other gas revenues	-	-	-	-	(1,203,596)	(1,203,596)	
35	7510	Production maps and records	475	-	-	-	-	475	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Detail Trial Balance - Income and Expense Account Per Book Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Account Description	Division 002		Division 012	Division 030	Division 080	Kansas	Grand Total
			General Office	Customer Support	Colorado/Kansas	Kansas	Jurisdiction		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		
36	7520	Gas wells expenses	-	-	-	-	7,100	7,100	
37	7590	Production and gathering-Other expenses	-	-	1,000	-	-	1,000	
38	8001	Intercompany Gas Well-head Purchases	-	-	-	-	(494,710)	(494,710)	
39	8010	Natural gas field line purchases	-	-	-	-	1,208,747	1,208,747	
40	8040	Natural gas city gate purchases	-	-	-	-	50,213,706	50,213,706	
41	8050	Other purchases	-	-	-	-	(2,538)	(2,538)	
42	8051	PGA for Residential	-	-	-	-	48,036,179	48,036,179	
43	8052	PGA for Commercial	-	-	-	-	14,461,162	14,461,162	
44	8053	PGA for Industrial	-	-	-	-	450,756	450,756	
45	8054	PGA for Public Authorities	-	-	-	-	1,293,087	1,293,087	
46	8055	PGA for Irrigation Sales	-	-	-	-	5,097,391	5,097,391	
47	8057	PGA for Transportation Sales	-	-	-	-	85,167	85,167	
48	8058	Unbilled PGA Cost	-	-	-	-	31,638	31,638	
49	8059	PGA Offset to Unrecovered Gas Cost	-	-	-	-	(66,155,257)	(66,155,257)	
50	8060	Exchange gas	-	-	-	-	(104,826)	(104,826)	
51	8081	Gas withdrawn from storage-Debit	-	-	-	-	14,123,693	14,123,693	
52	8082	Gas delivered to storage-Credit	-	-	-	-	(15,480,000)	(15,480,000)	
53	8120	Gas used for other utility operations-Credit	-	-	-	-	(41,740)	(41,740)	
54	8130	Other gas supply expenses	-	-	-	-	4,005	4,005	
55	8140	Storage-Operation supervision and engineering	541	-	-	-	-	541	
56	8160	Wells expenses	-	-	-	-	646,334	646,334	
57	8180	Compressor station expenses	-	-	-	-	-	-	
58	8190	Compressor station fuel and power	-	-	-	-	59,398	59,398	
59	8210	Storage-Purification expenses	198	-	-	-	-	198	
60	8240	Storage-Other expenses	-	-	200	10	11,520	11,730	
61	8250	Storage well royalties	-	-	-	-	67,137	67,137	
62	8320	Maintenance of reservoirs and wells	-	-	-	-	3,489	3,489	
63	8340	Maintenance of compressor station equipment	-	-	-	-	20,802	20,802	
64	8410	Other storage expenses-Operation labor and expenses	-	-	-	-	29,628	29,628	
65	8560	Mains expenses	224	-	3,100	-	447	3,771	
66	8570	Transmission-Measuring and regulating station expenses	-	-	-	-	3,362	3,362	
67	8580	Transmission and compression of gas by others	-	-	-	-	16,732,925	16,732,925	
68	8630	Transmission-Maintenance of mains	-	-	-	-	(612)	(612)	
69	8700	Distribution-Operation supervision and engineering	191,065	10,590	2,001,809	297,166	715,911	3,216,540	
70	8710	Distribution load dispatching	-	-	-	-	14,539	14,539	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Detail Trial Balance - Income and Expense Account Per Book Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Account Description	Division 002	Division 012	Division 030	Division 080	Kansas	Grand Total
			General Office	Customer Support	Colorado/Kansas General Office	Kansas General Office	Jurisdiction	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
71	8711	Odorization	-	-	-	-	794	794
72	8740	Mains and Services Expenses	94,292	14,691	71,236	56	3,338,814	3,519,089
73	8750	Distribution-Measuring and regulating station expenses	-	-	-	-	236,039	236,039
74	8760	Distribution-Measuring and regulating station expenses-Industrial	-	-	-	-	149	149
75	8770	Distribution-Measuring and regulating station expenses-City gate check station	-	-	22	-	1,067	1,089
76	8780	Meter and house regulator expenses	-	-	33	-	419,387	419,420
77	8790	Customer installations expenses	-	-	-	-	86,674	86,674
78	8800	Distribution-Other expenses	179	406	6,820	291	392,351	400,047
79	8810	Distribution-Rents	(6,660)	-	-	-	84,521	77,861
80	8850	Distribution-Maintenance supervision and engineering	1,059	-	(51)	10,033	232,198	243,239
81	8860	Distribution-Maintenance of structures and improvements	-	-	-	-	12,893	12,893
82	8870	Distribution-Maint of mains	-	-	-	-	153,172	153,172
83	8880	Maintenance of compressor station equipment	-	-	-	-	61	61
84	8890	Maintenance of measuring and regulating station equipment-General	-	-	-	-	72,590	72,590
85	8900	Maintenance of measuring and regulating station equipment-Industrial	-	-	-	-	2,433	2,433
86	8910	Maintenance of measuring and regulating station equipment-City gate check st	-	-	-	-	393	393
87	8920	Maintenance of services	-	-	-	-	3,406	3,406
88	8930	Maintenance of meters and house regulators	-	-	-	-	6,023	6,023
89	9010	Customer accounts-Operation supervision	-	1,948,649	334	5,626	40,608	1,995,217
90	9020	Customer accounts-Meter reading expenses	119,912	31,033	2,839	-	778,884	932,667
91	9030	Customer accounts-Customer records and collections expenses	1,023	13,157,603	1,834,061	-	34,860	15,027,546
92	9040	Customer accounts-Uncollectible accounts	-	-	-	-	829,979	829,979
93	9050	Customer accounts-Miscellaneous customer accounts	-	1,257	-	-	6,389	7,646
94	9070	Customer service-Supervision	-	320	1,914	-	888	3,122
95	9080	Customer service-Operating assistance expense	-	-	53	36,483	10,142	46,679
96	9090	Customer service-Operating informational and instructional advertising expens	-	-	2,962	-	6,738	9,700
97	9100	Customer service-Miscellaneous customer service	-	-	-	77,334	14,616	91,950
98	9110	Sales-Supervision	-	-	500	100,356	27,126	127,982
99	9120	Sales-Demonstrating and selling expenses	11,464	-	1,370	21,595	6,614	41,042
100	9130	Sales-Advertising expenses	-	-	9,360	-	-	9,360
101	9160	Sales-Miscellaneous sales expenses	-	-	-	-	1,475	1,475
102	9200	A&G-Administrative & general salaries	(13,548,838)	10,464,202	(28,251)	-	342,897	(2,769,989)
103	9210	A&G-Office supplies & expense	12,238,801	10,956,819	(42,434)	5,467	17,568	23,176,221
104	9220	A&G-Administrative expense transferred-Credit	(76,671,203)	(49,160,900)	(5,800,593)	(351,607)	8,917,682	(123,066,621)
105	9230	A&G-Outside services employed	7,854,112	532,720	446,178	(308,362)	466,852	8,991,500

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Detail Trial Balance - Income and Expense Account Per Book Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Account Description	Division 002	Division 012	Division 030	Division 080	Kansas	Grand Total
			General Office	Customer Support	Colorado/Kansas General Office	Kansas General Office	Jurisdiction	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
106	9240	A&G-Property insurance	206,406	199,737	12,045	40	110,869	529,097
107	9250	A&G-Injuries & damages	15,958,488	295	53,417	40,317	264,820	16,317,337
108	9260	A&G-Employee pensions and benefits	40,798,576	10,272,503	1,349,143	(24,041)	1,765,575	54,161,755
109	9270	A&G-Franchise requirements	-	-	-	665	-	665
110	9280	A&G-Regulatory commission expenses	-	-	-	64,586	138,445	203,032
111	9302	Miscellaneous general expenses	4,568,709	75	64,012	23,985	15,383	4,672,163
112	9310	A&G-Rents	5,164,519	1,306,872	99	-	25,130	6,496,619
113	9320	A&G-Maintenance of general plant	3,985,800	265,074	-	-	-	4,250,874
114		Total	\$ 2,869,635	\$ (349,996)	\$ (3,054)	\$ 201	\$ (7,291,419)	\$ (4,774,632)

115

116 Source: Relied 9-1-1-Income and Expense accounts.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Analysis of Account 922 Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Sub Account	Sub Account Description	Division 002		Division 012	Division 030	Division 080	Grand Total
				General Office	Customer Support	Colorado/Kansas	Kansas	Kansas	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	9220	09341	Admin & General Expenses	\$ -	\$ -	\$ (5,800,593)	\$ 2,948,019	\$ 351,607	\$ (2,500,967)
2	9220	40001	Billed to West Tex Div	(6,495,278)	(4,734,845)	-	-	-	(11,230,122)
3	9220	40002	Billed to CO/KS Div	(5,650,029)	(3,852,563)	-	-	-	(9,502,592)
4	9220	40003	Billed to LA Div	(7,962,400)	(5,472,955)	-	-	-	(13,435,355)
5	9220	40004	Billed to Mid St Div	(9,385,196)	(6,117,728)	-	-	-	(15,502,924)
6	9220	40007	Billed to Nonutilities	(1,921,925)	-	-	-	-	(1,921,925)
7	9220	40008	Billed to Mid-Tex Div	(29,484,813)	(25,019,581)	-	-	-	(54,504,393)
8	9220	40009	Billed to MS Div	(6,262,255)	(3,963,229)	-	-	-	(10,225,484)
9	9220	40010	Billed to Atmos Pipeline Div	(9,509,308)	-	-	-	-	(9,509,308)
10	9220	41101	Billed from Accounting	-	-	1,266,010	-	-	1,266,010
11	9220	41103	Billed from Customer Service Center	-	-	3,872,267	-	-	3,872,267
12	9220	41105	Billed from Gas Control	-	-	680,685	-	-	680,685
13	9220	41106	Billed from Govt Affairs	-	-	304,498	-	-	304,498
14	9220	41107	Billed from HR	-	-	588,946	-	-	588,946
15	9220	41108	Billed from HR Other	-	-	1,242,490	-	-	1,242,490
16	9220	41109	Billed from IT	-	-	1,746,217	-	-	1,746,217
17	9220	41112	Billed from Investor Relations	-	-	75,547	-	-	75,547
18	9220	41113	Billed from Legal	-	-	348,830	-	-	348,830
19	9220	41114	Billed from Corp Secretary	-	-	279,244	-	-	279,244
20	9220	41115	Billed from Planning & Budget	-	-	130,711	-	-	130,711
21	9220	41116	Billed from Rates	-	-	200,538	-	-	200,538

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Analysis of Account 922 Activity**  
**Test Year Ending September 30, 2013**

Line No.	Account	Sub Account	Sub Account Description	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas General Office	Kansas Jurisdiction	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
22	9220	41117	Billed from Purchasing	-	-	144,841	-	-	144,841
23	9220	41119	Billed from Treasury	-	-	146,289	-	-	146,289
24	9220	41120	Billed from Risk Mgmt	-	-	1,067,852	-	-	1,067,852
25	9220	41121	Billed from Management Committee	-	-	256,343	-	-	256,343
26	9220	41123	Billing for Overhead Capitalized	-	-	(3,455,467)	-	-	(3,455,467)
27	9220	41131	Billing for CSC O&M	-	-	(3,872,267)	-	2,063,108	(1,809,159)
28	9220	41132	Billing for SS O&M	-	-	(5,630,325)	(3,299,625)	6,502,966	(2,426,984)
29	9220	41138	Billed from Regulated Ops Support	-	-	606,751	-	-	606,751
30									
31			Total	\$ (76,671,203)	\$ (49,160,900)	\$ (5,800,593)	\$ (351,607)	\$ 8,917,682	\$ (123,066,621)

33 Source: Relied 9-1-2-Account 9220.xls



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Labor Adjustment**  
**Test Year Ending September 30, 2013**

Line No.	Description	Total Kansas Direct	Administrative & General Offices				Total (b thru f)	Source
			Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administrator		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<u>Computation of Labor Expense Adjustment</u>								
1	Gross Labor - Test Year (Before Allocations)	\$ 9,194,355	\$ 37,206,377	\$ 26,864,044	\$ 2,781,466	\$ 602,683	\$ 76,648,926	WP 9-2-1
2	Percentage of Budgeted Merit Increase	3.00%	3.00%	3.00%	3.00%	3.00%		FY2014 Budget
3								
4	Gross Labor with Annualized Merit Increase	\$ 9,470,185	\$ 38,322,569	\$ 27,669,965	\$ 2,864,910	\$ 620,764	\$ 78,948,393	
5	Amount of Increase	\$ 275,831	\$ 1,116,191	\$ 805,921	\$ 83,444	\$ 18,081	\$ 2,299,468	
6	Allocation to Kansas	100.00%	4.19%	4.27%	58.99%	100.00%		Section 12
7								
8	Increase Allocated to Kansas	\$ 275,831	\$ 46,768	\$ 34,413	\$ 49,224	\$ 18,081	\$ 424,316	
9	3 Year Average Expense Rate	51.80%	51.80%	51.80%	51.80%	51.80%		WP 9-2-2
10								
11	Labor Expense Increase	<u>\$ 142,884</u>	<u>\$ 24,227</u>	<u>\$ 17,826</u>	<u>\$ 25,499</u>	<u>\$ 9,366</u>	<u>\$ 219,802</u>	
12								
13	<u>Allocations:</u>							
14								
15	Shared Services - General Office Division 002 (a)	\$ 24,227	\$ (24,227)				\$ -	
16	Shared Services - Customer Support Division 012 (b)	17,826		\$ (17,826)			-	
17	Colorado/Kansas General Office Division 30 (a)	25,499			\$ (25,499)		-	
18	Kansas Administrative Office Division 80 (a)	9,366				\$ (9,366)	-	
19	<b>Total Kansas Jurisdictional Labor Expense Adjustment</b>	<u>\$ 219,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,802</u>	<b>IS-1</b>
20								
21	(a) Allocations - Composite							
22	(b) Allocations - Customers							

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**Test Year Ending September 30, 2013**

Line No.	Account Description	Sub Accounts	Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Summary</u>							
		01001, 01003,						
2	Capitalized Labor: CWIP and Sub Accounts	01009	\$ 4,774,022	\$ 10,806,711	\$ 5,702,694	\$ 1,677,387	\$ 245,991	\$ 23,206,804
3	Undistributed Stores 1630		-	4,799	-	35,679	-	40,478
4	Below the Line 4264, 4265		-	276,523	-	-	-	276,523
		01000, 01006,						
5	O&M Labor Expense	01008	4,420,332	26,118,345	21,161,349	1,068,401	356,693	53,125,121
6	<b>Total Gross Labor - 01000,01001, 01003, 01006, 01008, 01009</b>		<b>\$ 9,194,355</b>	<b>\$ 37,206,377</b>	<b>\$ 26,864,044</b>	<b>\$ 2,781,466</b>	<b>\$ 602,683</b>	<b>\$ 76,648,926</b>
7								
8	Above amounts include the following reclassification:							
9	Divisions 002 and 012 Labor Expense to Capital			<u>\$ 8,846,061</u>	<u>\$ 3,650,294</u>			
10								
11								

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**Test Year Ending September 30, 2013**

12			Kansas	Division 002	Division 012	Division 030	Division 080		
13			Jurisdiction	General	Customer	Colorado/Kansas	Kansas		
14	Account Description	Sub Account		Office	Support	General Office	Administration	Grand Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
16	<b>Detail</b>								
17	CWIP 1070	1000	\$ -	\$ 74,587	\$ -	\$ -	\$ -	\$ 74,587	
18	CWIP 1070	1001						-	
19	CWIP 1070	1009	189,985	24,504	19,980	184,611	-	419,080	
20	Undistributed Stores 1630	1000		2,745		36,082		38,827	
21	Undistributed Stores 1630	1008		2,054		(404)		1,651	
22	Below the Line 4264	1000		274,670				274,670	
23	Below the Line 4264	1008		1,853				1,853	
24	Below the Line 4265	1000						-	
25	Below the Line 4265	1008						-	
26	O&M Expense 7010-9320	1000	3,829,485	34,557,164	24,448,609	1,018,407	372,793	64,226,458	
27	O&M Expense 7010-9320	1001	4,584,037	1,936,146	2,032,420	1,492,775	245,991	10,291,369	
28	O&M Expense 7010-9320	1003						-	
29	O&M Expense 7010-9320	1006	505,211	132,129	70,611	48,952		756,903	
30	O&M Expense 7010-9320	1008	85,636	200,526	292,423	1,042	(16,100)	563,528	
31	O&M Expense 7010-9320	1009	-					-	
32	<b>Total Gross Labor - 01000,01001, 01003, 01006, 01008, 01009</b>		<b>\$ 9,194,355</b>	<b>\$ 37,206,377</b>	<b>\$ 26,864,044</b>	<b>\$ 2,781,466</b>	<b>\$ 602,683</b>	<b>\$ 76,648,926</b>	

33  
34 Source: Relied 9-2-1 Labor Sub Accounts FY2013.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Three Year Average Labor Expense Rate - Kansas Jurisdiction**  
**Labor Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**Twelve Months Ended September 30, 2011, September 30, 2012 and September 30, 2013**

Line No.		Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Total	Allocation Factor	Source
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b><u>12 Months Ended September 30, 2011</u></b>								
2	O&M Labor Expense	\$ 4,021,483	\$ 23,465,524	\$ 20,764,344	\$ 1,120,092	\$ 416,717	\$ 49,788,160		WP 9-2-4, Ln 5
3	Gross Labor	\$ 8,269,636	\$ 33,837,752	\$ 25,807,500	\$ 2,661,521	\$ 704,001	\$ 71,280,410		WP 9-2-4, Ln 6
4									
5	FY2011 Allocation	100.00%	4.07%	4.17%	58.24%	100.00%			
6	Expense								
7	Kansas Jurisdiction	\$ 4,021,483	\$ 955,047	\$ 865,873	\$ 652,341	\$ 416,717	\$ 6,911,462	53.26%	
8	Kansas Jurisdiction Gross Labor	\$ 8,269,636	\$ 1,377,197	\$ 1,076,173	\$ 1,550,070	\$ 704,001	\$ 12,977,076		
9									
10	<b><u>12 Months Ended September 30, 2012</u></b>								
11	O&M Labor Expense	\$ 3,892,268	\$ 24,658,925	\$ 19,502,521	\$ 1,223,070	\$ 429,848	\$ 49,706,632		WP 9-2-3, Ln 4
12	Gross Labor	\$ 8,724,549	\$ 36,230,139	\$ 26,242,757	\$ 2,929,014	\$ 759,281	\$ 74,885,741		WP 9-2-3, Ln 5
13									
14	FY2012 Allocation	100.00%	4.09%	4.25%	57.46%	100.00%			
15									
16	Kansas Jurisdiction Expense	\$ 3,892,268	\$ 1,008,550	\$ 828,857	\$ 702,776	\$ 429,848	\$ 6,862,299	49.86%	
17	Kansas Jurisdiction Gross Labor	\$ 8,724,549	\$ 1,481,813	\$ 1,115,317	\$ 1,683,011	\$ 759,281	\$ 13,763,972		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Three Year Average Labor Expense Rate - Kansas Jurisdiction**  
**Labor Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**Twelve Months Ended September 30, 2011, September 30, 2012 and September 30, 2013**

Line No.		Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Total	Allocation Factor	Source
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
18									
19	<b><u>12 Months Ended September 30, 2013</u></b>								
20	O&M Labor Expense	\$ 4,420,332	\$ 26,118,345	\$ 21,161,349	\$ 1,068,401	\$ 356,693	\$ 53,125,121		WP 9-2-1, Ln 5
21	Gross Labor	\$ 9,194,355	\$ 37,206,377	\$ 26,864,044	\$ 2,781,466	\$ 602,683	\$ 76,648,926		WP 9-2-1, Ln 6
22									
23	FY2013 Allocation	100.00%	4.19%	4.27%	58.99%	100.00%			Section 12 Allocations (FY14 Factors)
24									
25	Kansas Jurisdiction Expense	\$ 4,420,332	\$ 1,094,359	\$ 903,590	\$ 630,250	\$ 356,693	\$ 7,405,223	52.36%	
26	Kansas Jurisdiction Gross Labor	\$ 9,194,355	\$ 1,558,947	\$ 1,147,095	\$ 1,640,787	\$ 602,683	\$ 14,143,867		
27									
28	<b>3 Year Average Kansas Jurisdictional Expense Rate</b>								
29	O&M Labor Expense	\$ 4,111,361	\$ 1,019,319	\$ 866,107	\$ 661,789	\$ 401,086	\$ 7,059,661	<b>51.80%</b>	
30	Gross Labor	\$ 8,729,513	\$ 1,472,652	\$ 1,112,862	\$ 1,624,623	\$ 688,655	\$ 13,628,305		
31		47.10%	69.22%	77.83%	40.73%	58.24%			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**For Twelve Months Ended September 30, 2012**

Line No.	Account Description	Sub Accounts	Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	<b>Summary</b>							
1	Capitalized Labor: CWIP and Sub Accounts	01001, 01003, 01009	\$ 4,832,281	\$ 11,085,451	\$ 6,740,236	\$ 1,641,120	\$ 329,433	\$ 24,628,521
2	Undistributed Stores 1630		-	227,823	-	64,824	-	292,647
3	Below the Line 4264, 4265		-	257,940	-	-	-	257,940
4	O&M Labor Expense	01000, 01006, 01008	3,892,268	24,658,925	19,502,521	1,223,070	429,848	49,706,632
5	<b>Total Gross Labor - 01000, 01001, 01003, 01006, 01008, 01009</b>		<b>\$ 8,724,549</b>	<b>\$ 36,230,139</b>	<b>\$ 26,242,757</b>	<b>\$ 2,929,014</b>	<b>\$ 759,281</b>	<b>\$ 74,885,741</b>
6								
7	Above amounts include the following reclassification:							
8	Divisions 002 and 012 Labor Expense to Capital			<u>\$ 8,532,335</u>	<u>\$ 2,888,604</u>			
9								

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**For Twelve Months Ended September 30, 2012**

10									
11									
12									
13	Kansas	Division 002	Division 012	Division 030	Division 080				
14	Jurisdiction	General Office	Customer	Colorado/Kansas	Kansas				
15	Sub Accounts	General Office	Support	General Office	Administration				
16	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
17	<b>Detail</b>								
18	CWIP 1070	1000	\$ -	\$ 74,587	\$ -	\$ -	\$ -	\$ -	\$ 74,587
19	CWIP 1070	1009	108,995	40,645	287,085	170,807	87,165		694,697
20	Undistributed Stores 1630	1000		228,682		64,037			292,719
21	Undistributed Stores 1630	1008		(859)		787			(72)
22	Below the Line 4264	1000		257,831					257,831
23	Below the Line 4264	1008		109					109
24	Below the Line 4265	1000							-
25	Below the Line 4265	1008							-
26	O&M Expense 7010-9320	1000	3,318,613	33,099,442	22,459,462	1,171,750	430,299		60,479,566
27	O&M Expense 7010-9320	1001	4,723,286	2,437,883	3,564,547	1,470,313	242,269		12,438,298
28	O&M Expense 7010-9320	1003							-
29	O&M Expense 7010-9320	1006	585,035	46,198	22,974	53,385			707,592
30	O&M Expense 7010-9320	1008	(11,379)	45,621	(91,311)	(2,065)	(451)		(59,586)
31	O&M Expense 7010-9320	1009							-
<b>Total Gross Labor - 01000, 01001,</b>									
<b>01003,01006, 01008, 01009</b>			<b>\$ 8,724,549</b>	<b>\$ 36,230,139</b>	<b>\$ 26,242,757</b>	<b>\$ 2,929,014</b>	<b>\$ 759,281</b>		<b>\$ 74,885,741</b>

31 Source: Relied 9-2-3 Labor Sub Accounts.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**For Twelve Months Ended September 30, 2011**

Line No.	Account Description	Sub Accounts	Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<b>Summary</b>							
2	Capitalized Labor: CWIP and Sub Accounts	01001, 01003, 01009	\$ 4,248,153	\$ 9,873,282	\$ 5,043,157	\$ 1,479,166	\$ 289,666	\$ 20,933,423
3	Undistributed Stores 1630		-	247,193	-	62,263	(2,382)	307,074
4	Below the Line 4264, 4265 O&M Labor Expense	01000, 01006, 01008	-	251,753	-	-	-	251,753
5			4,021,483	23,465,524	20,764,344	1,120,092	416,717	49,788,160
6	<b>Total Gross Labor - 01000, 01001, 01003, 01006, 01008, 01009</b>		<u>\$ 8,269,636</u>	<u>\$ 33,837,752</u>	<u>\$ 25,807,500</u>	<u>\$ 2,661,521</u>	<u>\$ 704,001</u>	<u>\$ 71,280,410</u>
7								
8	Above amounts include the following reclassification:							
9	Divisions 002 and 012 Labor Expense to Capital			<u>\$ 8,338,753</u>	<u>\$ 3,318,640</u>			



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**G/L Labor Analysis - Sub Accounts 01000, 01001, 01003, 01006, 01008, 01009**  
**For Twelve Months Ended September 30, 2011**

Account Description	Sub Accounts	Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Grand Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Detail</b>							
CWIP 1070	1000	\$ -	\$ 74,587	\$ -	\$ -	\$ -	\$ 74,587
CWIP 1070	1009	78,832	29,990	163,347	164,599	88,238	525,006
Undistributed Stores 1630	1000		246,996		59,821		306,817
Undistributed Stores 1630	1008		196		2,442	(2,382)	257
Below the Line 4264	1000		250,671				250,671
Below the Line 4264	1008		1,083				1,083
Below the Line 4265	1000						-
Below the Line 4265	1008						-
O&M Expense 7010-9320	1000	3,446,334	31,496,740	24,053,526	1,122,601	412,099	60,531,300
O&M Expense 7010-9320	1001	4,169,320	1,504,538	1,561,170	1,314,567	201,428	8,751,023
O&M Expense 7010-9320	1003						-
O&M Expense 7010-9320	1006	551,794	33,723		85		585,602
O&M Expense 7010-9320	1008	23,355	199,227	29,458	(2,595)	4,619	254,065
O&M Expense 7010-9320	1009						-
<b>Total Gross Labor - 01000, 01001, 01003, 01006, 01008, 01009</b>		<b>\$ 8,269,636</b>	<b>\$ 33,837,752</b>	<b>\$ 25,807,500</b>	<b>\$ 2,661,521</b>	<b>\$ 704,001</b>	<b>\$ 71,280,410</b>

31 Source: Relied 9-2-4 - Gross Labor FY2011.xls

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Twelve Months Ended September 30, 2013</b>								
1	002	1001	\$ 346,467	\$ -	\$ 346,467	61.90%	\$ (214,451)	\$ 132,016
2	002	1101	448,633	-	448,633	61.90%	(277,688)	170,945
3	002	1106	271,107	-	271,107	59.93%	(162,467)	108,640
4	002	1107	388,787	-	388,787	61.90%	(240,645)	148,141
5	002	1108	324,351	-	324,351	80.00%	(259,481)	64,870
6	002	1110	94,578	-	94,578	49.97%	(47,262)	47,315
7	002	1112	78,747	-	78,747	16.24%	(12,790)	65,956
8	002	1114	289,150	-	289,150	26.91%	(77,808)	211,342
9	002	1116	193,677	-	193,677	5.70%	(11,040)	182,638
10	002	1117	133,123	-	133,123	51.60%	(68,697)	64,426
11	002	1118	394,259	-	394,259	40.26%	(158,734)	235,524
12	002	1119	520,985	-	520,985	61.90%	(322,471)	198,513
13	002	1120	554,781	-	554,781	22.58%	(125,287)	429,495
14	002	1121	541,803	-	541,803	90.30%	(489,231)	52,572
15	002	1123	326,261	4,824	331,085	0.00%	-	326,261
16	002	1125	679,345	-	679,345	0.00%	-	679,345
17	002	1126	536,329	13,357	549,686	61.90%	(331,969)	204,360
18	002	1128	1,048,352	122,283	1,170,635	6.88%	(72,074)	976,278
19	002	1129	442,695	-	442,695	2.00%	(8,854)	433,841
20	002	1130	539,611	-	539,611	54.81%	(295,780)	243,831
21	002	1131	102,916	-	102,916	0.00%	-	102,916
22	002	1132	383,459	-	383,459	0.00%	-	383,459
23	002	1133	634,635	5,594	640,229	0.00%	-	634,635

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009**

**For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
24	002	1134	1,134,123	92,310	1,226,433	44.64%	(506,305)	627,818
25	002	1135	1,672,685	414,517	2,087,202	11.52%	(192,665)	1,480,020
26	002	1137	2,560,891	163,080	2,723,971	27.42%	(702,180)	1,858,711
27	002	1141	470,879	-	470,879	0.00%	-	470,879
28	002	1144	634,215	14,770	648,984	0.00%	-	634,215
29	002	1145	221,031	49,425	270,456	0.00%	-	221,031
30	002	1150	365,907	-	365,907	54.95%	(201,048)	164,859
31	002	1153	553,411	18,424	571,835	0.00%	-	553,411
32	002	1154	1,526,804	-	1,526,804	64.56%	(985,654)	541,150
33	002	1155	-	191	191	0.00%	-	-
34	002	1159	221,653	-	221,653	0.00%	-	221,653
35	002	1161	252,920	-	252,920	61.90%	(156,549)	96,371
36	002	1165	1,620,141	921,912	2,542,053	14.00%	(226,820)	1,393,322
37	002	1171	167,065	2,823	169,888	64.56%	(107,852)	59,213
38	002	1201	881,127	-	881,127	61.90%	(545,387)	335,740
39	002	1205	351,387	-	351,387	61.90%	(217,496)	133,891
40	002	1209	176,830	-	176,830	0.00%	-	176,830
41	002	1225	159,584	-	159,584	77.21%	(123,209)	36,376
42	002	1229	184,742	-	184,742	3.95%	(7,303)	177,439
43	002	1401	736,719	15,274	751,993	0.00%	-	736,719
44	002	1403	549,405	-	549,405	61.90%	(340,063)	209,343
45	002	1405	1,015,814	-	1,015,814	0.00%	-	1,015,814
46	002	1407	584,701	-	584,701	29.38%	(171,756)	412,945
47	002	1408	759,532	-	759,532	0.00%	-	759,532

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
48	002	1414	735,970	18,810	754,780	0.00%	-	735,970
49	002	1415	228,530	-	228,530	0.00%	-	228,530
50	002	1501	2,138,356	-	2,138,356	39.25%	(839,408)	1,298,948
51	002	1503	327,605	-	327,605	0.00%	-	327,605
52	002	1504	156,094	-	156,094	61.90%	(96,617)	59,477
53	002	1505	119,051	-	119,051	0.00%	-	119,051
54	002	1508	398,962	8,162	407,124	0.00%	-	398,962
55	002	1821	297,842	-	297,842	0.00%	-	297,842
56	002	1822	196,424	-	196,424	0.00%	-	196,424
57	002	1823	316,163	-	316,163	0.00%	-	316,163
58	002	1825	237,695	-	237,695	0.00%	-	237,695
59	002	1826	130,209	-	130,209	0.00%	-	130,209
60	002	1827	246,018	-	246,018	0.00%	-	246,018
61	002	1828	114,303	-	114,303	0.00%	-	114,303
62	002	1829	114,708	-	114,708	0.00%	-	114,708
63	002	1831	15,232	-	15,232	0.00%	-	15,232
64	002	1832	28,993	-	28,993	0.00%	-	28,993
65	002	1833	94,638	-	94,638	0.00%	-	94,638
66	002	1835	710,036	-	710,036	0.00%	-	710,036
67	002	1836	171,506	-	171,506	0.00%	-	171,506
68	002	1837	709,892	70,391	780,282	0.00%	-	709,892
69	002	1838	526,833	-	526,833	0.00%	-	526,833
70	002	1839	197,903	-	197,903	0.00%	-	197,903
71	002	1901	109,992	-	109,992	0.00%	-	109,992

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
72	002	1903	(13,349)	-	(13,349)	0.00%	-	(13,349)
73	002	1913	504,594	-	504,594	49.35%	(249,021)	255,573
74	012	1156	1,117,317	646,630	1,763,947	18.18%	(203,149)	914,169
75	012	1212	13,683,487	160,722	13,844,209	22.18%	(3,035,643)	10,647,844
76	012	1213	1,259,400	125,726	1,385,126	0.00%	-	1,259,400
77	012	1214	505,852	-	505,852	0.00%	-	505,852
78	012	1215	3,232,568	35,253	3,267,821	0.00%	-	3,232,568
79	012	1225	1,164	-	1,164	77.21%	(899)	265
80	012	1226	1,308,793	-	1,308,793	0.00%	-	1,308,793
81	012	1227	1,177,877	824,647	2,002,524	34.86%	(410,604)	767,273
82	012	1228	2,387,915	239,441	2,627,357	0.00%	-	2,387,915
83	012	1901	137,271	-	137,271	0.00%	-	137,271
84			<u>\$ 59,701,463</u>	<u>\$ 3,968,565</u>	<u>\$ 63,670,028</u>		<u>\$ (12,496,355)</u>	<u>\$ 47,205,108</u>
85								
86			<u>Twelve Months Ended September 30, 2013 Division 012 and 002 Totals:</u>					
87	Division 012		<u>\$ 24,811,644</u>		<u>\$ 26,844,063</u>		<u>\$ (3,650,294)</u>	<u>\$ 21,161,349</u>
88							Division 012 % Capitalized Overhead:	-14.71%
89								
90	Division 002		<u>\$ 34,889,819</u>		<u>\$ 36,825,964</u>		<u>\$ (8,846,061)</u>	<u>\$ 26,043,758</u>
91							Division 002 % Capitalized Overhead:	-25.35%

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009**

**For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Twelve Months Ended September 30, 2012</b>								
1	002	1001	\$ 584,546	\$ -	\$ 584,546	58.49%	\$ (341,927)	\$ 242,619
2	002	1101	673,736	-	673,736	58.49%	(394,099)	279,637
3	002	1106	225,446	-	225,446	59.08%	(133,199)	92,248
4	002	1107	375,883	-	375,883	58.49%	(219,871)	156,012
5	002	1108	300,553	-	300,553	80.00%	(240,442)	60,111
6	002	1110	91,471	-	91,471	49.25%	(45,046)	46,425
7	002	1111	194,001	-	194,001	56.41%	(109,444)	84,557
8	002	1112	84,370	-	84,370	15.20%	(12,823)	71,547
9	002	1114	252,824	-	252,824	24.79%	(62,682)	190,143
10	002	1116	188,706	-	188,706	5.70%	(10,756)	177,950
11	002	1117	128,750	-	128,750	49.68%	(63,957)	64,793
12	002	1118	259,182	-	259,182	40.26%	(104,351)	154,832
13	002	1119	531,670	-	531,670	58.49%	(310,998)	220,672
14	002	1120	547,108	-	547,108	16.54%	(90,473)	456,635
15	002	1121	503,511	-	503,511	90.00%	(453,160)	50,351
16	002	1123	256,997	-	256,997	0.00%	-	256,997
17	002	1125	714,672	-	714,672	0.00%	-	714,672
18	002	1126	621,077	2,530	623,607	58.49%	(363,296)	257,781
19	002	1128	981,643	74,002	1,055,645	6.88%	(67,488)	914,155
20	002	1129	485,588	-	485,588	2.00%	(9,712)	475,877
21	002	1130	511,387	-	511,387	53.12%	(271,657)	239,731
22	002	1131	67,596	-	67,596	0.00%	-	67,596

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor**

**Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009**

**For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
23	002	1132	385,217	-	385,217	0.00%	-	385,217
24	002	1133	689,953	-	689,953	0.00%	-	689,953
25	002	1134	1,016,191	167,614	1,183,805	46.43%	(471,816)	544,375
26	002	1135	1,375,539	797,394	2,172,933	11.50%	(158,187)	1,217,352
27	002	1137	2,141,676	112,463	2,254,139	26.96%	(577,321)	1,564,355
28	002	1139	194,012	20,329	214,341	36.84%	(71,478)	122,534
29	002	1141	464,352	-	464,352	0.00%	-	464,352
30	002	1144	697,713	42,018	739,730	0.00%	-	697,713
31	002	1145	220,212	63,635	283,847	0.00%	-	220,212
32	002	1146	468,462	481,273	949,735	46.32%	(216,972)	251,490
33	002	1150	353,562	-	353,562	53.57%	(189,408)	164,154
34	002	1153	572,764	36,506	609,269	0.00%	-	572,764
35	002	1154	1,570,930	257	1,571,187	60.86%	(956,000)	614,930
36	002	1155	-	1,199	1,199	0.00%	-	-
37	002	1159	209,644	-	209,644	0.00%	-	209,644
38	002	1161	244,627	-	244,627	58.49%	(143,094)	101,534
39	002	1165	422,615	533,353	955,968	14.00%	(59,166)	363,449
40	002	1171	180,328	-	180,328	60.86%	(109,740)	70,588
41	002	1201	1,065,769	-	1,065,769	58.49%	(623,417)	442,353
42	002	1209	162,323	-	162,323	0.00%	-	162,323
43	002	1225	65,921	-	65,921	73.94%	(48,744)	17,176
44	002	1229	76,343	-	76,343	0.00%	-	76,343

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
45	002	1401	677,814	35,780	713,594	0.00%	-	677,814
46	002	1403	531,385	-	531,385	58.49%	(310,831)	220,554
47	002	1405	898,955	-	898,955	0.00%	-	898,955
48	002	1407	579,962	-	579,962	36.00%	(208,786)	371,176
49	002	1408	830,860	-	830,860	0.00%	-	830,860
50	002	1414	734,420	-	734,420	0.00%	-	734,420
51	002	1415	259,903	-	259,903	0.00%	-	259,903
52	002	1501	2,013,674	-	2,013,674	41.87%	(843,115)	1,170,559
53	002	1502	88,373	-	88,373	0.00%	-	88,373
54	002	1503	316,861	-	316,861	0.00%	-	316,861
55	002	1504	95,475	-	95,475	58.49%	(55,847)	39,627
56	002	1505	115,882	-	115,882	0.00%	-	115,882
57	002	1508	394,769	-	394,769	0.00%	-	394,769
58	002	1821	285,312	-	285,312	0.00%	-	285,312
59	002	1822	210,226	-	210,226	0.00%	-	210,226
60	002	1823	337,043	-	337,043	0.00%	-	337,043
61	002	1825	229,505	-	229,505	0.00%	-	229,505
62	002	1826	137,847	-	137,847	0.00%	-	137,847
63	002	1827	240,156	-	240,156	0.00%	-	240,156
64	002	1828	129,620	-	129,620	0.00%	-	129,620
65	002	1829	13,025	-	13,025	0.00%	-	13,025
66	002	1831	96,562	-	96,562	0.00%	-	96,562



**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor**

**Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009**

**For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
67	002	1833	91,530	-	91,530	0.00%	-	91,530
68	002	1835	684,180	-	684,180	0.00%	-	684,180
69	002	1836	222,723	-	222,723	0.00%	-	222,723
70	002	1837	680,006	69,531	749,536	0.00%	-	680,006
71	002	1838	508,258	-	508,258	0.00%	-	508,258
72	002	1839	200,674	-	200,674	0.00%	-	200,674
73	002	1901	43,162	-	43,162	0.00%	-	43,162
74	002	1903	13,349	-	13,349	0.00%	-	13,349
75	002	1913	370,880	-	370,880	49.35%	(183,032)	187,847
76	012	1156	363,306	1,270,747	1,634,053	25.00%	(90,826)	272,479
77	012	1158	280,688	53,284	333,972	5.47%	(15,350)	265,338
78	012	1203	(222,671)	-	(222,671)	15.50%	34,513	(188,159)
79	012	1210	(306,433)	0	(306,433)	15.50%	47,495	(258,938)
80	012	1212	13,645,123	231,183	13,876,306	15.50%	(2,114,914)	11,530,210
81	012	1213	1,297,554	283,089	1,580,643	0.00%	-	1,297,554
82	012	1214	445,250	-	445,250	0.00%	-	445,250
83	012	1215	2,948,496	132,146	3,080,641	15.50%	(456,999)	2,491,496
84	012	1225	89,907	898	90,805	73.94%	(66,480)	23,426
85	012	1226	1,146,152	-	1,146,152	0.00%	-	1,146,152
86	012	1227	550,350	1,041,065	1,591,415	41.07%	(226,042)	324,308
87	012	1228	2,096,216	552,135	2,648,351	0.00%	-	2,096,216
88	012	1901	57,189	-	57,189	0.00%	-	57,189
89			<u>\$ 55,582,386</u>	<u>\$ 6,002,430</u>	<u>\$ 61,584,816</u>		<u>\$ (11,420,939)</u>	<u>\$ 44,161,446</u>
90								

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
91	<u>Twelve Months Ended September 30, 2012 Division 012 and 002 Totals:</u>							
92	Division 012		<u>\$ 22,391,125</u>		<u>\$ 25,955,672</u>		<u>\$ (2,888,604)</u>	<u>\$ 19,502,521</u>
93					Division 12 % Capitalized Overhead		-12.90%	
94								
95	Division 002		<u>\$ 33,191,260</u>		<u>\$ 35,629,144</u>		<u>\$ (8,532,335)</u>	<u>\$ 24,658,925</u>
96					Division 002 % Capitalized Overhead		-25.71%	

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

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Expense/Capitalization Percentages**

**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Twelve Months Ended September 30, 2011</b>								
1	002	1001	\$ 832,062	\$ -	\$ 832,062	58.49%	\$ (486,711)	\$ 345,352
2	002	1101	457,000	-	457,000	58.49%	(267,320)	189,680
3	002	1106	155,504	-	155,504	59.08%	(91,876)	63,629
4	002	1107	393,250	-	393,250	58.49%	(230,030)	163,220
5	002	1108	457,893	-	457,893	80.00%	(366,314)	91,579
6	002	1110	89,148	-	89,148	49.25%	(43,903)	45,246
7	002	1111	301,039	-	301,039	56.41%	(169,828)	131,211
8	002	1112	21,123	-	21,123	15.21%	(3,212)	17,910
9	002	1114	223,852	-	223,852	24.97%	(55,894)	167,958
10	002	1116	183,914	-	183,914	5.70%	(10,483)	173,431
11	002	1117	125,319	-	125,319	49.68%	(62,253)	63,066
12	002	1118	214,819	-	214,819	40.26%	(86,489)	128,330
13	002	1119	549,046	1,792.62	550,839	58.49%	(321,162)	227,884
14	002	1120	537,939	-	537,939	16.54%	(88,957)	448,982
15	002	1121	489,915	-	489,915	90.00%	(440,923)	48,991
16	002	1123	272,744	8,983.72	281,728	0.00%	-	272,744
17	002	1125	713,419	2,360.73	715,779	0.00%	-	713,419
18	002	1126	516,330	187.50	516,517	58.49%	(302,024)	214,305
19	002	1128	1,043,135	20,026.44	1,063,161	6.88%	(71,716)	971,419
20	002	1129	428,793	-	428,793	2.00%	(8,576)	420,217
21	002	1130	465,043	-	465,043	53.12%	(247,038)	218,005
22	002	1132	372,354	-	372,354	0.00%	-	372,354

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

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**For O&M Expense Accounts (701-932) with Gross Labor Sub Accounts 01000,01001,01003,01006,01008,01009  
For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
23	002	1133	673,076	1,879.25	674,955	0.00%	-	673,076
24	002	1134	1,098,220	55,470.46	1,153,691	46.43%	(509,902)	588,318
25	002	1135	1,695,276	508,570.60	2,203,847	11.50%	(194,957)	1,500,319
26	002	1137	1,808,777	115,586.09	1,924,363	26.96%	(487,583)	1,321,194
27	002	1139	245,609	22,146.95	267,756	36.84%	(90,487)	155,121
28	002	1141	424,553	-	424,553	0.00%	-	424,553
29	002	1144	731,828	13,233.71	745,062	0.00%	-	731,828
30	002	1145	310,432	9,970.24	320,402	0.00%	-	310,432
31	002	1146	615,688	498,101.84	1,113,790	46.32%	(285,161)	330,527
32	002	1150	344,750	-	344,750	53.57%	(184,687)	160,062
33	002	1153	63,692	-	63,692	0.00%	-	63,692
34	002	1154	1,613,120	5,876.45	1,618,997	60.86%	(981,675)	631,445
35	002	1155	-	908.79	909	0.00%	-	-
36	012	1156	796,106	347,596.53	1,143,703	25.00%	(199,027)	597,080
37	012	1158	357,513	62,349.42	419,862	5.47%	(19,551)	337,962
38	002	1159	85,988	-	85,988	0.00%	-	85,988
39	002	1161	238,128	-	238,128	58.49%	(139,292)	98,836
40	002	1165	439,506	116,872.92	556,379	14.00%	(61,531)	377,975
41	002	1171	243,071	-	243,071	60.86%	(147,922)	95,149
42	002	1201	752,877	-	752,877	58.49%	(440,392)	312,485
43	012	1203	6,179,890	32,233.62	6,212,123	15.50%	(957,846)	5,222,043
44	002	1209	159,146	-	159,146	0.00%	-	159,146
45	012	1210	8,430,578	105,989.00	8,536,567	15.50%	(1,306,690)	7,123,888
46	012	1213	1,355,287	84,968.53	1,440,256	0.00%	-	1,355,287

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

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Expense/Capitalization Percentages**

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For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
47	012	1214	416,818	-	416,818	0.00%	-	416,818
48	012	1215	2,353,494	65,271.76	2,418,766	15.50%	(364,778)	1,988,717
49	012	1225	139,732	16,865.68	156,598	73.94%	(103,323)	36,409
50	012	1226	767,015	12,300.40	779,316	0.00%	-	767,015
51	012	1227	894,578	669,625.94	1,564,204	41.07%	(367,425)	527,153
52	012	1228	2,309,972	163,968.76	2,473,941	0.00%	-	2,309,972
53	002	1401	629,253	31,683.83	660,937	0.00%	-	629,253
54	002	1403	515,684	-	515,684	58.49%	(301,647)	214,037
55	002	1405	760,287	17,478.48	777,766	0.00%	-	760,287
56	002	1407	450,996	-	450,996	36.00%	(162,359)	288,637
57	002	1408	974,070	25,221.49	999,292	0.00%	-	974,070
58	002	1410	65,365	-	65,365	0.00%	-	65,365
59	002	1414	752,600	-	752,600	0.00%	-	752,600
60	002	1415	170,489	-	170,489	0.00%	-	170,489
61	002	1501	1,907,448	-	1,907,448	41.87%	(798,639)	1,108,809
62	002	1502	122,764	-	122,764	0.00%	-	122,764
63	002	1503	307,441	-	307,441	0.00%	-	307,441
64	002	1504	76,132	-	76,132	58.49%	(44,533)	31,599
65	002	1505	127,307	-	127,307	0.00%	-	127,307
66	002	1508	299,811	-	299,811	0.00%	-	299,811
67	002	1821	276,895	-	276,895	0.00%	-	276,895
68	002	1822	146,698	-	146,698	0.00%	-	146,698
69	002	1823	316,789	-	316,789	0.00%	-	316,789
70	002	1825	223,677	-	223,677	0.00%	-	223,677

**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**General Office and Customer Support Gross Labor Expense Recapitalization - Used for the Determination of Gross Labor  
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For Twelve Months Ended September 30, 2013, September 30, 2012 and September 30, 2011**

Line No.	Division	Cost Center	Total O&M Expense	O&M Capitalized	Gross O&M Labor	Capitalization Rate	Expense Adjustment Add to Capitalization	Adjusted Expense	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
71	002	1826	46,560	-	46,560	0.00%	-	46,560	
72	002	1827	218,877	-	218,877	0.00%	-	218,877	
73	002	1828	86,771	-	86,771	0.00%	-	86,771	
74	002	1831	94,046	-	94,046	0.00%	-	94,046	
75	002	1833	89,205	-	89,205	0.00%	-	89,205	
76	002	1835	675,531	-	675,531	0.00%	-	675,531	
77	002	1836	222,529	-	222,529	0.00%	-	222,529	
78	002	1837	669,681	48,185.93	717,866	0.00%	-	669,681	
79	002	1838	421,726	-	421,726	0.00%	-	421,726	
80	002	1839	194,829	-	194,829	0.00%	-	194,829	
81	002	1901	188,262	-	188,262	0.00%	-	188,262	
82	012	1901	82,001	-	82,001	0.00%	-	82,001	
83	002	1913	310,589	-	310,589	49.35%	(153,278)	157,311	
84			<u>\$ 55,812,674</u>	<u>\$ 3,065,708</u>	<u>\$ 58,878,382</u>		<u>\$ (11,657,394)</u>	<u>\$ 44,155,281</u>	
85									
86			<u>Twelve Months Ended September 30, 2011 Division 012 and 002 Totals:</u>						
87	Division 012		<u>\$ 24,082,984</u>		<u>\$ 25,644,154</u>		<u>\$ (3,318,640)</u>	<u>\$ 20,764,344</u>	
88						Div 12 % Capitalized Overhead	-13.78%		
89									
90	Division 002		<u>\$ 31,729,690</u>		<u>\$ 33,234,228</u>		<u>\$ (8,338,753)</u>	<u>\$ 23,390,937</u>	
91						Div 02 % Capitalized Overhead	-26.28%		
92									

93 Source: Relied 9-2-5 - SSU Gross Labor Expense - Cap Percents.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Benefits Adjustment - Pensions & Insurance**  
**Test Year Ending September 30, 2013**

Line No.	Description	Administrative & General Offices					Grand Total	Source
		Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Kansas Jurisdiction Labor Expense Adjustment	\$ 142,884	\$ 24,227	\$ 17,826	\$ 25,499	\$ 9,366	\$ 219,802	WP 9-2
2								
3	Fiscal Year 2014 Budget Benefits Percentage	42.08%	37.93%	37.93%	42.08%	42.08%		FY14 Budget
4								
5	Benefits Adjustment (Ln. 1*3)	<u>\$ 60,127</u>	<u>\$ 9,189</u>	<u>\$ 6,762</u>	<u>\$ 10,730</u>	<u>\$ 3,941</u>	<u>\$ 90,749</u>	
6								
7	<u>Allocations:</u>							
8								
9	Shared Services - General Office Division 002 (a)	\$ 9,189	\$ (9,189)	\$ -	\$ -	\$ -	\$ -	
10	Shared Services - Customer Support Division 012 (b)	6,762		(6,762)				
11	Colorado/Kansas General Office Division 30 (a)	10,730			(10,730)			
12	Kansas Administration Division 80 (a)	3,941				(3,941)		
13	<b>Total Kansas Jurisdiction Benefit Expense Adjustment</b>	<u>\$ 90,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,749</u>	<b>IS-2</b>
14								
15	(a) Allocations - Composite							
16	(b) Allocations - Customers							
17								
18		Company 060	Company 010					
19		Colorado/Kansas	Shared Services					
20		Business Unit	Business Unit					
21	<u>Fiscal Year 2014 Budgeted Benefits Percent Calculation:</u>							
22	Budgeted Medical, Dental, Pension Benefits	\$ 7,468,099	\$ 28,329,071					
23	Budgeted Workers Compensation Benefits	\$ 467,906	\$ 128,283					
24								
25	Total Actuarial Benefits - Fiscal Year 2014 Budget	<u>\$ 7,936,005</u>	<u>\$ 28,457,354</u>					
26	Gross Labor - Fiscal Year 2014 Budget	<u>\$ 18,858,895</u>	<u>\$ 75,025,663</u>					
27	Budgeted Benefits as a Percent of Labor	<u>42.08%</u>	<u>37.93%</u>					
28								
29	Source: Relied 9-3 - Budget Figures for benefits adj calculations.xls							

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**American Gas Association Dues Adjustment**  
**Division 30, Account 9302, Sub Account 07510**  
**Test Year Ending September 30, 2013**

Line No.	Period	Line Description	Account / Sub Account	Reference	Total
	(a)	(b)	(c)	(d)	(e)
1	Oct-12	Amort AGA Dues	9302-07510		\$ 4,588
2	Nov-12	Amort AGA Dues	9302-07510		4,610
3	Dec-12	Amort AGA Dues	9302-07510		4,599
4	Jan-13	Amort AGA Dues	9302-07510		4,758
5	Feb-13	Amort AGA Dues	9302-07510		4,758
6	Mar-13	Amort AGA Dues	9302-07510		4,758
7	Apr-13	Amort AGA Dues	9302-07510		4,858
8	May-13	Amort AGA Dues	9302-07510		4,858
9	Jun-13	Amort AGA Dues	9302-07510		4,858
10	Jul-13	Amort AGA Dues	9302-07510		4,858
11	Aug-13	Amort AGA Dues	9302-07510		4,858
12	Sep-13	Amort AGA Dues	9302-07510		4,858
13					
14		AGA Dues Total Division 30			<u>\$ 57,218</u>
15					
16		AGA Dues October 2012-December 2012	9302-07510		\$ 13,797
17		AGA Dues January 2013-September 2013	9302-07510		43,422
18					<u>\$ 57,218</u>
19					



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**American Gas Association Dues Adjustment**  
**Division 30, Account 9302, Sub Account 07510**  
**Test Year Ending September 30, 2013**

Line No.	Period	Line Description	Account / Sub Account	Reference	Total
	(a)	(b)	(c)	(d)	(e)
20	2012	Percent Advertising & Public Affairs		Source: AGA 2012 Budget	25.16% WP 9-4-1
21	2013	Percent Advertising & Public Affairs		Source: AGA 2013 Budget	23.85% WP 9-4-1
22					
23		Remove AGA Dues for Advertising and Public Affairs			
24		2012 AGA dues for Advertising & Public Affairs		AGA Dues Oct. 2012 - Dec. 2012	\$ (3,471)
25		2013 AGA dues for Advertising & Public Affairs		AGA Dues Jan. 2013 - Sept. 2013	(10,357)
26					\$ (13,829)
27		Kansas Division 30 General Office Allocation		Source: Section 12 Allocations	58.99%
28		<b>Kansas Jurisdiction Adjustment to Remove AGA Advertising and Public Affairs Dues</b>			<u>\$ (8,158) IS-3</u>
29					
30		Source: Relied 9-4 - AGA Dues account activity FY2013.xls			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**American Gas Association Recoverable Dues Calculation**  
**Twelve Months Ended September 30, 2013**

Line No.	Description (a)	Amount (b)	Percentage (c)
American Gas Association 2013 Budget			
1	Communications	\$ 3,206,000	10.22%
2	Corporate Affairs	2,489,000	7.93%
3	Demand Growth	1,124,000	3.58%
4	General & Administrative	6,081,000	19.38%
5	General Counsel	1,325,000	4.22%
6	Government Relations: Federal	2,825,000	9.00%
7	Government Relations: State	1,455,000	4.64%
8	Industry Finance & Administrative Programs	1,533,000	4.88%
9	Operations & Engineering	7,175,000	22.86%
10	Policy, Planning & Regulatory Affairs	4,171,000	13.29%
11			
12	Total Budget	<u>\$ 31,384,000</u>	<u>100.00%</u>
13			
14	2013 Percent Advertising & Public Affairs		23.85%
15	2013 Percent AGA Recoverable Dues		76.15%

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**American Gas Association Recoverable Dues Calculation**  
**Twelve Months Ended September 30, 2013**

Line No.	Description (a)	Amount (b)	Percentage (c)
	American Gas Association 2012 Budget		
16	Communications	\$ 2,957,000	10.72%
17	Corporate Affairs	2,394,000	8.68%
18	Demand Growth	-	0.00%
19	General & Administrative	5,643,000	20.46%
20	General Counsel	1,215,000	4.41%
21	Government Relations: Federal	3,982,000	14.44%
22	Government Relations: State	-	0.00%
23	Industry Finance & Administrative Programs	1,060,000	3.84%
24	Operations & Engineering	5,862,000	21.26%
25	Policy, Planning & Regulatory Affairs	4,466,000	16.19%
26			
27	Total Budget	<u>\$ 27,579,000</u>	<u>100.00%</u>
28			
29	2012 Percent Advertising & Public Affairs		25.16%
30	2012 Percent AGA Recoverable Dues		74.84%
31			
32	Source: Relied 9-4-1-AGA 2013&2012 Budgets-Dues-Funded Programs.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Charitable Donations Adjustment**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Total Kansas (b)						
1	Test Year Charitable Donations (Adjusted 50%)	<u>\$ 37,325</u>	See Ln. 18, Column (i)					
2								
3								
4	<b>FERC Account 4261 Charitable Donations - Recorded Below the Line:</b>			Division 012	Division 030	Division 080		
5			Kansas	Division 002	Customer	Colorado/Kansas	Kansas	
6	Sub Account Description	Sub Account	Jurisdiction	General Office	Support	General Office	Administration	Grand Total
7	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
8	Education	30702		\$ 36,440	\$ 2,300		\$ 500	\$ 39,240
9	United Way Agencies	30703		939,800				939,800
10	Health	30705		178,100		\$ 250	700	179,050
11	Museums & Arts	30706		47,500				47,500
12	Youth Clubs & Centers	30710	\$ 500	100,000	55		32	100,587
13	Heat Help Assistance Program	30711		17,631				17,631
14	Community Welfare	30736	1,500	164,352	2,220		8,903	176,976
15	Per Book Charitable Donations Account 4261		\$ 2,000	\$ 1,483,823	\$ 4,575	\$ 250	\$ 10,136	\$ 1,500,784
16	Kansas Allocation Rate (Schedule 12)		100%	4.19%	4.27%	58.99%	100%	
17	Kansas Jurisdictional Charitable Donations		\$ 2,000	\$ 62,172	\$ 195	\$ 147	\$ 10,136	\$ 74,651
18								
19	<b>Adjustment for 50% Donations Recoverable in Cost of Service</b>	50%	\$ 1,000	\$ 31,086	\$ 98	\$ 74	\$ 5,068	<u>\$ 37,325</u> IS-4
20								
21	Source: Relied 9-5 Charitable Donations.xls							

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Per Book Analysis of Donation Sub Accounts**  
**Test Year Ending September 30, 2013**

Line No.	FERC Acct	Sub Account	Division 012		Division 030	Division 080		Grand Total	
			Kansas Jurisdiction	Division 002 General Office	Customer Support	Colorado/Kansas General Office	Kansas Administration		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		
1	4261	30702		\$ 36,440	\$ 2,300		\$ 500	\$ 39,240	
2	4261	30703		939,800				939,800	
3	4261	30705		178,100		\$ 250	700	179,050	
4	4261	30706		47,500				47,500	
5	4261	30709						-	
6	4261	30710	\$ 500	100,000	55		32	100,587	
7	4261	30711		17,631				17,631	
8	4261	30736	1,500	164,352	2,220		8,903	176,976	
9	4264	30736		1,500				1,500	Exclude
10	4264	30737	5,005	85,409			27,580	117,995	Exclude Political
11	4264	30743		7,701				7,701	Exclude Sporting
12	4265	30702						-	Exclude
13	4265	30705						-	Exclude
14	4265	30736	1,200		3,061		181	4,441	Exclude
15	4265	30743	2,625	20,805	18,074	75,354	9,501	126,359	Exclude Sporting
16	Grand Total Per Book		\$ 10,831	\$ 1,599,238	\$ 25,710	\$ 75,604	\$ 47,398	\$ 1,758,779	
17									
18	Excluded Expense		\$ (8,831)	\$ (115,414)	\$ (21,135)	\$ (75,354)	\$ (37,262)	\$ (257,996)	
19	Total Account 4261 Donations		\$ 2,000	\$ 1,483,823	\$ 4,575	\$ 250	\$ 10,136	\$ 1,500,784	Per book
20									

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Per Book Analysis of Donation Sub Accounts**  
**Test Year Ending September 30, 2013**

21

22 List of Charitable Donation Sub Accounts:

23

24 Sub Account    Sub Description

25        30702        Education

26        30703        United Way Agencies

27        30705        Health

28        30706        Museums & Arts

29        30709        Salvation Army

30        30710        Youth Clubs & Centers

31        30711        Heat Help Assist. Program

32        30713        American Red Cross

33        30736        Community Welfare

34        30737        Political Activities

35        30742        Membership/Club Dues

36        30743        Sports Events

37

38 Source: Relied 9-5 Charitable Donations.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Estimated Rate Case Expense Amortization**  
**Test Year Ending September 30, 2013**

Line No.	Category (a)	Description (b)	Amount (c)
1	Estimated Rate Case Expenses:		
2	Consulting Fees	Paul Raab (Cost of Service/Rate Design Witness)	\$ 35,000
3	Legal Fees	James G. Flaherty (Anderson & Byrd LLP)	80,000
4	Consulting Fees	William E. Avera (ROE Witness)	50,000
5	Employee Expenses	Airfare, lodging, meals, etc.	9,000
6	Miscellaneous Expenses	Printing, postage, advertising, etc.	55,000
7	Rate Case Expense related to 564 Docket (1)	Remaining amortization amounts from 564 Docket	91,753
8	Total Estimated Rate Case Expenses		<u>\$ 320,753</u>
9			
10	<b>Rate Case Expense Adjustment with 2 Year Amortization (2)</b>		<u><u>\$ 160,376</u></u> IS-5
11			
12	Notes:		
13	1. Amount represents the 1 year remaining of the 3 year amortization of the 2011 rate case expenses.		
14	2. The adjustment amortizes estimated Rate Case Expense over two years.		
15			
16	Source: Relied 9-6 estimated rate case expenses.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Adjustment for Expense Reports and Other Miscellaneous Employee Expenses**  
**Test Year Ending September 30, 2013**

Line No.	Description	Expense Reports	Miscellaneous Employee Expenses (5400 Sub-Accounts)	Total Before Allocation	Allocation Factor	Total Kansas Jurisdiction
	(a)	(b)	(c)	(d)	(e)	(f)
1	All Kansas	\$ 439	\$ 2,822	\$ 3,261	100%	\$ 3,261
2	Division 012 Customer Support	83,851	18,247	102,097	4.27%	4,360
3	Division 002 General Office	316,182	30,546	346,728	4.19%	14,528
4						
	<b>Total Expense Report</b>					
5	<b>Adjustment</b>	<u>\$ 400,471</u>	<u>\$ 51,615</u>	<u>\$ 452,086</u>		<u>\$ 22,149</u> IS-6

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 17  
 18

Note:  
 1. This adjustment removes expense report and other miscellaneous employee expenses that might be deemed controversial.

Sources:  
 Relied 9-7a - Co 010 Div 012 - Oct'12-Sep'13 IEXP Review Summary  
 Relied 9-7b - Co 010 Div 002 - Oct'12-Sep'13 IEXP Review Summary  
 Relied 9-7c - Co 010 Div 012 - Oct'12-Sep'13 5400 Review Summary  
 Relied 9-7d - Co 010 Div 002 - Oct'12-Sep'13 5400 Review Summary  
 Relied 9-7 & 9-10 review of expense reports and other expense  
 Section 12 Allocations



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Per Books, Allocated, Income Statement Items**  
**Test Year Ending September 30, 2013**

Line No.	Description	Division 030			Allocated Amount to Add to Kansas Direct	Direct Total Kansas	Direct plus Allocated Amounts for Kansas Jurisdiction
		Colorado/Kansas General Office	Division 080 Kansas Administration				
	(a)	(b)	(c)	(d)	(e)	(f)	
1	Revenues	\$ -	\$ -	\$ -	\$ 123,570,043	\$ 123,570,043	
2	Gas Cost	-	-	-	69,459,386	69,459,386	
3	Margin	\$ -	\$ -	\$ -	\$ 54,110,657	\$ 54,110,657	
4	O&M	\$ (8,823)	\$ (0)	\$ (5,205)	\$ 20,445,560	\$ 20,440,355	
5	Depreciation	0	0	0	9,839,004	9,839,004	
6	Taxes, Other	(0)	(0)	(0)	7,885,307	7,885,307	
7	Income Taxes - Current	(252,406)	(127)	(149,021)	819,742	670,721	
8	Interest on Customer Deposits	0	0	0	3,558	3,558	
9	Other Income and Deductions	0	328	328	(818,216)	(817,888)	
10	Interest	(0)	-	(0)	4,897,788	4,897,788	
11							
12	Net Income	\$ 261,229	\$ (201)	\$ 153,897	\$ 11,037,915	\$ 11,191,812	

14 Sources:

15 Relied 9-8 Income Statement.xls

16 Section 12 Allocation tab

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Pension/Post Retirement Benefits Adjustment - Kansas Direct**  
**Test Year Ending September 30, 2013**

Line No.	Month/Year	Amount in Base Rates	Cumulative	Actual/Estimated Pension Expense	Cumulative	Expense in Excess of (Less than) Amount	Cumulative	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
1	<b>FAS 87</b>							
3	Sep-12	\$ 32,106	\$ 32,106	\$ 26,123	\$ 26,123	\$ (5,983)	\$ (5,983)	
4	Oct-12	32,106	64,212	39,090	65,213	6,984	1,001	
5	Nov-12	32,106	96,318	40,081	105,293	7,975	8,976	
6	Dec-12	32,106	128,424	36,652	141,945	4,546	13,521	
7	Jan-13	32,106	160,530	44,931	186,876	12,825	26,347	
8	Feb-13	32,106	192,636	36,015	222,892	3,910	30,256	
9	Mar-13	32,106	224,741	45,280	268,172	13,174	43,431	
10	Apr-13	32,106	256,847	44,115	312,287	12,009	55,440	
11	May-13	32,106	288,953	49,693	361,980	17,587	73,026	
12	Jun-13	32,106	321,059	39,724	401,704	7,618	80,645	
13	Jul-13	32,106	353,165	43,904	445,607	11,798	92,442	
14	Aug-13	32,106	385,271	42,420	488,027	10,314	102,756	
15	Sep-13	32,106	417,377	40,939	528,967	8,833	111,590	
16	Oct-13	32,106	449,483	32,183	561,149	77	111,666	
17	Nov-13	32,106	481,589	32,855	594,005	750	112,416	
18	Dec-13	32,106	513,695	31,550	625,555	(555)	111,860	
19	Jan-14	32,106	545,801	34,100	659,655	1,994	113,854	
20	Feb-14	32,106	577,907	29,646	689,301	(2,460)	111,394	
21	Mar-14	32,106	610,012	31,917	721,218	(189)	111,205	
22	Apr-14	32,106	642,118	33,272	754,490	1,166	112,372	
23	May-14	32,106	674,224	32,458	786,948	353	112,724	
24	Jun-14	32,106	706,330	29,275	816,223	(2,831)	109,893	
25	Jul-14	32,106	738,436	30,494	846,717	(1,612)	108,281	
26	Aug-14	32,106	770,542	27,663	874,380	(4,443)	103,838	
27	Sep-14	32,106	802,648	29,928	904,308	(2,178)	101,660	
28	<b>Amortization of FAS 87 Excess (Less Than) Funding over 3 Years</b>						<b>\$ 33,887</b>	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Pension/Post Retirement Benefits Adjustment - Kansas Direct**  
**Test Year Ending September 30, 2013**

Line No.	Month/Year	Amount in Base Rates	Cumulative	Actual/ Estimated Pension Expense	Cumulative	Expense in Excess of (Less than) Amount In Base Rates	Cumulative	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
29	<b>FAS 106</b>							
31	Sep-12	\$ 28,183	\$ 28,183	\$ 18,616	\$ 18,616	\$ (9,567)	\$ (9,567)	
32	Oct-12	28,183	56,366	34,265	52,882	6,083	(3,484)	
33	Nov-12	28,183	84,548	35,141	88,022	6,958	3,474	
34	Dec-12	28,183	112,731	32,130	120,152	3,947	7,420	
35	Jan-13	28,183	140,914	39,380	159,532	11,197	18,618	
36	Feb-13	28,183	169,097	31,576	191,107	3,393	22,010	
37	Mar-13	28,183	197,280	39,696	230,803	11,513	33,524	
38	Apr-13	28,183	225,463	38,673	269,477	10,491	44,014	
39	May-13	28,183	253,645	43,576	313,053	15,393	59,408	
40	Jun-13	28,183	281,828	34,803	347,856	6,620	66,028	
41	Jul-13	28,183	310,011	38,465	386,321	10,282	76,310	
42	Aug-13	28,183	338,194	37,166	423,487	8,983	85,293	
43	Sep-13	28,183	366,377	35,868	459,355	7,685	92,978	
44	Oct-13	28,183	394,560	23,403	482,758	(4,780)	88,198	
45	Nov-13	28,183	422,742	23,892	506,650	(4,291)	83,907	
46	Dec-13	28,183	450,925	22,943	529,593	(5,240)	78,668	
47	Jan-14	28,183	479,108	24,797	554,390	(3,386)	75,281	
48	Feb-14	28,183	507,291	21,558	575,948	(6,625)	68,657	
49	Mar-14	28,183	535,474	23,210	599,157	(4,973)	63,684	
50	Apr-14	28,183	563,657	24,195	623,352	(3,988)	59,696	
51	May-14	28,183	591,839	23,603	646,956	(4,579)	55,116	
52	Jun-14	28,183	620,022	21,288	668,244	(6,895)	48,222	
53	Jul-14	28,183	648,205	22,175	690,419	(6,008)	42,214	
54	Aug-14	28,183	676,388	20,116	710,535	(8,067)	34,147	
55	Sep-14	28,183	704,571	21,763	732,298	(6,420)	27,727	
56	<b>Amortization of Excess (Less Than) Funding over 3 Years</b>						<b>\$</b>	<b>9,242</b>
57	<b>Total Amortization</b>						<b>IS-15 \$</b>	<b>43,129</b>
58								
59	Source: Relied 9-9 Benefits Adj data.xls							

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Pension/Post Retirement Benefits Adjustment - Shared Services**  
**Test Year Ending September 30, 2013**

Line No.	Month/Year	Total Shared Services Amount in Base Rates	Cumulative Shared Services Amount in Base Rates	Division 002			Division 012			Shared Services Total Actual Expense	Shared Services Total Cumulative Expense	Expense in Excess of (Less than) Amount In Base Rates	Cumulative
				Actual/Estimated Pension Expense	Allocation Factor	Allocated Actual Expense	Actual/Estimated Pension Expense	Allocation Factor	Allocated Actual Expense				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	<b>FAS 87</b>												
3	Sep-12	\$ 15,157	\$ 15,157	\$ 339,734	4.07%	\$ 13,827	\$ 119,652	4.17%	\$ 4,989	\$ 18,817	\$ 18,817	\$ 3,660	\$ 3,660
4	Oct-12	15,157	30,313	289,386	4.09%	11,836	197,564	4.25%	8,396	20,232	39,049	8,736	8,736
5	Nov-12	15,157	45,470	322,345	4.09%	13,184	190,372	4.25%	8,091	21,275	60,324	14,854	14,854
6	Dec-12	15,157	60,626	316,829	4.09%	12,958	190,700	4.25%	8,105	21,063	81,387	20,760	20,760
7	Jan-13	15,157	75,783	286,774	4.09%	11,729	224,675	4.25%	9,549	21,278	102,664	26,882	26,882
8	Feb-13	15,157	90,939	281,175	4.09%	11,500	191,064	4.25%	8,120	19,620	122,285	31,345	31,345
9	Mar-13	15,157	106,096	264,405	4.09%	10,814	210,991	4.25%	8,967	19,781	142,066	35,970	35,970
10	Apr-13	15,157	121,253	281,755	4.09%	11,524	225,374	4.25%	9,578	21,102	163,168	41,916	41,916
11	May-13	15,157	136,409	330,415	4.09%	13,514	263,036	4.25%	11,179	24,693	187,861	51,452	51,452
12	Jun-13	15,157	151,566	343,031	4.09%	14,030	209,299	4.25%	8,895	22,925	210,786	59,221	59,221
13	Jul-13	15,157	166,722	310,107	4.09%	12,683	236,774	4.25%	10,063	22,746	233,533	66,810	66,810
14	Aug-13	15,157	181,879	316,845	4.09%	12,959	232,364	4.25%	9,875	22,834	256,367	74,488	74,488
15	Sep-13	15,157	197,036	346,634	4.09%	14,177	217,760	4.25%	9,255	23,432	279,799	82,764	82,764
16	Oct-13	15,157	212,192	289,846	4.19%	12,145	195,139	4.27%	8,332	20,477	300,276	88,084	88,084
17	Nov-13	15,157	227,349	264,682	4.19%	11,090	178,979	4.27%	7,642	18,733	319,009	91,660	91,660
18	Dec-13	15,157	242,505	276,087	4.19%	11,568	187,059	4.27%	7,987	19,555	338,564	96,059	96,059
19	Jan-14	15,157	257,662	288,616	4.19%	12,093	195,139	4.27%	8,332	20,425	358,990	101,328	101,328
20	Feb-14	15,157	272,818	251,030	4.19%	10,518	170,899	4.27%	7,297	17,816	376,805	103,987	103,987
21	Mar-14	15,157	287,975	263,559	4.19%	11,043	177,612	4.27%	7,584	18,627	395,432	107,457	107,457
22	Apr-14	15,157	303,132	276,087	4.19%	11,568	184,553	4.27%	7,880	19,448	414,881	111,749	111,749
23	May-14	15,157	318,288	276,087	4.19%	11,568	183,479	4.27%	7,835	19,403	434,284	115,995	115,995
24	Jun-14	15,157	333,445	263,559	4.19%	11,043	174,878	4.27%	7,467	18,510	452,794	119,349	119,349
25	Jul-14	15,157	348,601	288,616	4.19%	12,093	189,899	4.27%	8,109	20,202	472,996	124,394	124,394
26	Aug-14	15,157	363,758	263,559	4.19%	11,043	173,512	4.27%	7,409	18,452	491,448	127,690	127,690
27	Sep-14	15,157	378,915	276,087	4.19%	11,568	180,615	4.27%	7,712	19,280	510,728	131,814	131,814
28	<b>Amortization of FAS 87 Excess (Less Than) Funding over 3 Years</b>											<b>\$ 43,938</b>	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Pension/Post Retirement Benefits Adjustment - Shared Services**  
**Test Year Ending September 30, 2013**

Line No.	Month/Year	Total Shared Services Amount in Base Rates	Cumulative Shared Services Amount in Base Rates	Division 002			Division 012			Shared Services Total Actual Expense	Shared Services Total Cumulative Expense	Expense in Excess of (Less than) Amount In Base Rates	Cumulative
				Actual/Estimated Pension Expense	Allocation Factor	Allocated Actual Expense	Actual/Estimated Pension Expense	Allocation Factor	Allocated Actual Expense				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
29	<b>FAS 106</b>												
31	Sep-12	\$ 12,071	\$ 12,071	\$ 185,178	4.07%	\$ 7,537	\$ 88,930	4.17%	\$ 3,708	\$ 11,245	\$ 11,245	\$ (826)	\$ (826)
32	Oct-12	12,071	24,142	200,999	4.09%	8,221	131,709	4.25%	5,598	13,819	25,064	922	922
33	Nov-12	12,071	36,212	236,204	4.09%	9,661	126,915	4.25%	5,394	15,055	40,118	3,906	3,906
34	Dec-12	12,071	48,283	213,485	4.09%	8,732	127,133	4.25%	5,403	14,135	54,253	5,970	5,970
35	Jan-13	12,071	60,354	194,869	4.09%	7,970	149,783	4.25%	6,366	14,336	68,589	8,235	8,235
36	Feb-13	12,071	72,425	163,474	4.09%	6,686	127,376	4.25%	5,413	12,100	80,688	8,264	8,264
37	Mar-13	12,071	84,495	153,722	4.09%	6,287	140,661	4.25%	5,978	12,265	92,954	8,459	8,459
38	Apr-13	12,071	96,566	185,983	4.09%	7,607	150,249	4.25%	6,386	13,992	106,946	10,380	10,380
39	May-13	12,071	108,637	217,922	4.09%	8,913	175,357	4.25%	7,453	16,366	123,312	14,675	14,675
40	Jun-13	12,071	120,708	227,490	4.09%	9,304	139,533	4.25%	5,930	15,234	138,546	17,839	17,839
41	Jul-13	12,071	132,778	206,020	4.09%	8,426	157,849	4.25%	6,709	15,135	153,681	20,903	20,903
42	Aug-13	12,071	144,849	211,535	4.09%	8,652	154,909	4.25%	6,584	15,235	168,916	24,067	24,067
43	Sep-13	12,071	156,920	220,362	4.09%	9,013	145,174	4.25%	6,170	15,183	184,099	27,179	27,179
44	Oct-13	12,071	168,991	226,492	4.19%	9,490	152,486	4.27%	6,511	16,001	200,100	31,110	31,110
45	Nov-13	12,071	181,061	206,828	4.19%	8,666	139,858	4.27%	5,972	14,638	214,738	33,677	33,677
46	Dec-13	12,071	193,132	215,740	4.19%	9,040	146,172	4.27%	6,242	15,281	230,019	36,887	36,887
47	Jan-14	12,071	205,203	225,530	4.19%	9,450	152,486	4.27%	6,511	15,961	245,980	40,778	40,778
48	Feb-14	12,071	217,274	196,160	4.19%	8,219	133,544	4.27%	5,702	13,921	259,902	42,628	42,628
49	Mar-14	12,071	229,344	205,950	4.19%	8,629	138,790	4.27%	5,926	14,556	274,457	45,113	45,113
50	Apr-14	12,071	241,415	215,740	4.19%	9,040	144,214	4.27%	6,158	15,197	289,655	48,240	48,240
51	May-14	12,071	253,486	215,740	4.19%	9,040	143,374	4.27%	6,122	15,162	304,816	51,331	51,331
52	Jun-14	12,071	265,557	205,950	4.19%	8,629	136,654	4.27%	5,835	14,464	319,281	53,724	53,724
53	Jul-14	12,071	277,627	225,530	4.19%	9,450	148,391	4.27%	6,336	15,786	335,067	57,440	57,440
54	Aug-14	12,071	289,698	205,950	4.19%	8,629	135,586	4.27%	5,790	14,419	349,486	59,788	59,788
55	Sep-14	12,071	301,769	215,740	4.19%	9,040	141,136	4.27%	6,027	15,066	364,552	62,783	62,783
56	<b>Amortization of Excess (Less Than) Funding over 3 Years</b>											<b>\$ 20,928</b>	
57	<b>Total Amortization</b>											<b>IS-15 \$ 64,866</b>	
58													
59	Source: Relied 9-9 Benefits Adj data.xls												

Section 9  
WP 9-10  
IS-16

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Blank Sheet**  
**Test Year Ending September 30, 2013**

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**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Legacy (Banner) Customer Support System Maintenance Costs**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Book Amounts (b)	Allocation Percentage (c)	Kansas Jurisdiction (d)
1	<u>Customer Support Division 012</u>			
2	October-12	\$ 82,390		
3	November-12	44,054		
4	December-12	74,359		
5	January-13	62,611		
6	February-13	176,444		
7	March-13	57,804		
8	April-13	65,245		
9	May-13	206,313		
10	June-13	25,527		
11	July-13	-		
12	August-13	-		
13	September-13	-		
14				
15	<b>Total Adjustment for Legacy System Maintenance Costs</b>	<u>\$ 794,746</u>	4.27%	<u>\$ 33,936</u> IS-17

16  
17 Note:

18 1. This adjustment relates to maintenance costs attributable to the Banner System which are not ongoing.

19

20

21 Sources:

22 Section 12 tab

23 Relied 9-11 Legacy Maint Costs FY2013.xls





**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation and Amortization Expense**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Reference (b)	Total (c)	FERC (d)
1	Depreciation and Amortization Expense	WP 9-8	\$ 9,839,004	4030, 4060
2				
3	<b>Depreciation and Amortization Expense Adjustment</b>		<u>(216,099)</u>	4030
4	Total Depreciation and Amortization Expense, As Adjusted	WP 10-1 through 10-7	<u>\$ 9,622,905</u>	<b>IS-7</b>
5				

6 Notes:

- 7 1. Adjustment reflects the pro-forma depreciation expense associated with the adjusted test-year end plant in service balances.
- 8 2. The Company is not proposing any adjustment to the depreciation rates.

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**Kansas Direct Plant**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Non-Depreciable Plant	Depreciable Plant	Current Depreciation Rates			Recommended Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
<b><u>Intangible Plant</u></b>											
1	Franchises & Consents	30200	\$ 37,160	\$ 37,160	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -
2	Misc. Intangible Plant	30300	3,918	3,918	-	0.00%	-	-	0.00%	-	-
3	<b>Total Intangible Plant</b>		<b>\$ 41,078</b>	<b>\$ 41,078</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>\$ -</b>
4											
<b><u>Storage Plant</u></b>											
6	Land	35010	\$ 49,164	\$ 49,164	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -
7	Rights-of-way	35020	568,935	-	568,935	1.71%	9,729	-	1.71%	9,729	-
8	Well Structures	35100	102,923	-	102,923	1.97%	2,028	-	1.97%	2,028	-
9	Wells	35200	1,144,235	-	1,144,235	2.06%	23,571	-	2.06%	23,571	-
10	Reservoirs	35202	36,515	36,515	-	3.09%	-	-	3.09%	-	-
11	Pipelines	35300	1,156,254	-	1,156,254	1.55%	17,922	-	1.55%	17,922	-
12	Compressor Station Equipment	35400	2,269,465	-	2,269,465	0.92%	20,879	-	0.92%	20,879	-
13	Measurement & Regulation Equipment	35500	220,011	-	220,011	2.50%	5,500	-	2.50%	5,500	-
14	Purification Equipment	35600	288,382	-	288,382	1.70%	4,902	-	1.70%	4,902	-
15	Other Equipment	35700	125,321	-	125,321	2.02%	2,531	-	2.02%	2,531	-
16	<b>Total Storage Plant</b>		<b>\$ 5,961,206</b>	<b>\$ 85,679</b>	<b>\$ 5,875,527</b>	<b>1.48%</b>	<b>\$ 87,063</b>	<b>\$ -</b>	<b>1.48%</b>	<b>\$ 87,063</b>	<b>\$ -</b>
17											
<b><u>Transmission Plant</u></b>											
19	Land and Land Rights	36500	\$ 4,761	\$ 4,761	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -
20	Mains - Cathodic Protection	36700	1,617,287	-	1,617,287	2.06%	33,316	-	2.06%	33,316	-
21	Mains - Steel	36701	139,979	-	139,979	2.10%	2,940	-	2.10%	2,940	-
22	M&R Station Equipment	36900	148,891	-	148,891	3.55%	5,286	-	3.55%	5,286	-
23	<b>Total Transmission Plant</b>		<b>\$ 1,910,918</b>	<b>\$ 4,761</b>	<b>\$ 1,906,157</b>	<b>2.18%</b>	<b>\$ 41,541</b>	<b>\$ -</b>	<b>2.18%</b>	<b>\$ 41,541</b>	<b>\$ -</b>
24											
<b><u>Distribution Plant</u></b>											
26	Land & Land Rights	37400	\$ 671,001	\$ 671,001	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -
27	Land Rights	37402	311,759	-	311,759	2.07%	6,453	-	2.07%	6,453	-
28	Structures & Improvements	37500	152,685	-	152,685	3.37%	5,145	-	3.37%	5,145	-
29	Mains - Cathodic Protection	37600	10,320,926	-	10,320,926	1.74%	179,584	-	1.74%	179,584	-
30	Mains - Steel	37601	53,870,110	-	53,870,110	1.90%	1,023,532	-	1.90%	1,023,532	-
31	Mains - Plastic	37602	86,195,038	-	86,195,038	2.01%	1,732,520	-	2.01%	1,732,520	-
32	Measurement & Regulation Station Equipment-General	37800	4,298,530	-	4,298,530	3.82%	164,204	-	3.82%	164,204	-

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**Kansas Direct Plant**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Depreciable		Current Depreciation Rates			Recommended Depreciation Rates		
				Non-Depreciable Plant	Plant	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
33	Measurement & Regulation City Gate	37900	2,237,752	-	2,237,752	3.52%	78,769		3.52%	78,769	
34	Measurement & Regulation Station Equipment	37908	14,851	-	14,851	3.52%	523		3.52%	523	
35	Services	38000	61,895,294	-	61,895,294	3.30%	2,042,545		3.30%	2,042,545	
36	Meters	38100	17,008,777	-	17,008,777	5.80%	986,509		5.80%	986,509	
37	Meter Installations	38200	26,192,685	-	26,192,685	5.65%	1,479,887		5.65%	1,479,887	
38	House Regulators	38300	2,803,189	-	2,803,189	5.85%	163,987		5.85%	163,987	
39	House Reg. Installations	38400	209,461	209,461	0	6.62%	-		6.62%	-	
40	Industrial Measurement & Regulation Station Equipment	38500	1,410,776	-	1,410,776	4.19%	59,111		4.19%	59,111	
41	Other Equipment	38700	613,732	-	613,732	6.25%	38,358		6.25%	38,358	
42	<b>Total Distribution Plant</b>		<b>\$ 268,206,566</b>	<b>\$ 880,463</b>	<b>\$ 267,326,103</b>	<b>2.98%</b>	<b>\$ 7,961,128</b>	<b>\$ -</b>	<b>2.98%</b>	<b>\$ 7,961,128</b>	<b>\$ -</b>
43											
44	<b>General Plant</b>										
45	Land & Land Rights	38900	\$ 152,535	\$ 152,535	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -
46	Structures & Improvements	39000	1,849,678	-	1,849,678	2.51%	46,427		2.51%	46,427	
47	Improvements	39003	1,513	-	1,513	2.51%	38		2.51%	38	
48	Air Conditioning Equipment	39004	8,782	-	8,782	2.51%	220		2.51%	220	
49	Improvements to Leased Premises	39009	39,013	-	39,013	3.59%	1,401		3.59%	1,401	
50	Office Furniture & Equipment	39100	435,526	-	435,526	6.67%	29,050		6.67%	29,050	
51	Office Furniture Copiers & Type	39103	5,220	-	5,220	6.67%	348		6.67%	348	
52	Transportation Equipment	39200	655,137	-	655,137	17.04%	9,922	101,713	17.04%	9,922	101,713
53	Stores Equipment	39300	1,308	-	1,308	3.57%	22	25	3.57%	22	25
54	Tools, Shop, & Garage Equipment	39400	2,852,697	-	2,852,697	6.67%	88,310	101,965	6.67%	88,310	101,965
55	Laboratory Equipment	39500	12,933	-	12,933	6.67%	400	462	6.67%	400	462
56	Power Operated Equipment	39600	326,982	-	326,982	14.72%	963	47,169	14.72%	963	47,169
57	Ditchers	39603	149,749	-	149,749	16.62%	498	24,390	16.62%	498	24,390
58	Backhoes	39604	190,676	-	190,676	14.05%	536	26,254	14.05%	536	26,254
59	Welders	39605	45,631	-	45,631	13.16%	120	5,885	13.16%	120	5,885
60	Communication Equipment	39700	436,833	-	436,833	8.33%	36,388		8.33%	36,388	
61	Communication Equipment Mobile Radios	39701	7,902	-	7,902	8.33%	658		8.33%	658	
62	Communication Equipment Fixed Radios	39702	249,420	-	249,420	8.33%	20,777		8.33%	20,777	
63	Miscellaneous Equipment	39800	104,374	-	104,374	6.67%	6,962		6.67%	6,962	
64	Other Tangible Property - Servers - H/W	39901	41,963	-	41,963	14.29%	5,996		14.29%	5,996	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**Kansas Direct Plant**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Depreciable		Current Depreciation Rates			Recommended Depreciation Rates		
				Non-Depreciable Plant	Plant	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense (1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
65	Other Tangible Property - Servers - S/W	39902	63,702	-	63,702	14.29%	9,103		14.29%	9,103	
66	Other Tangible Property - Network H/W	39903	229,637	-	229,637	14.29%	32,815		14.29%	32,815	
67	Other Tangible Property - PC Hardware	39906	700,216	-	700,216	14.29%	100,061		14.29%	100,061	
68	Other Tangible Property - PC Software	39907	98,319	-	98,319	14.29%	14,050		14.29%	14,050	
69	Other Tangible Property - Application Software	39908	950,275	-	950,275	14.29%	135,794		14.29%	135,794	
70	<b>Total General Plant</b>		<b>\$ 9,610,019</b>	<b>\$ 152,535</b>	<b>\$ 9,457,485</b>	<b>5.72%</b>	<b>\$ 540,858</b>	<b>\$ 307,865</b>	<b>5.72%</b>	<b>\$ 540,858</b>	<b>\$ 307,865</b>
72	<b>Total Kansas Direct</b>		<b>\$ 285,729,787</b>	<b>\$ 1,164,516</b>	<b>\$ 284,565,271</b>	<b>3.03%</b>	<b>\$ 8,630,590</b>	<b>\$ 307,865</b>	<b>3.03%</b>	<b>\$ 8,630,590</b>	<b>\$ 307,865</b>
74	<b>Summary for Total KS Jurisdiction</b>										
75	Allocation of Shared Services - General Office (WP 10-2)						\$ 477,080			\$ 477,080	
76	Allocation of Shared Services - Customer Support (WP 10-3)						377,069			377,069	
77	Allocation of Colorado/Kansas General Office (WP 10-4)						138,167			138,167	
79	Total Kansas Jurisdiction						<u>\$ 9,622,905</u>			<u>\$ 9,622,905</u>	

80 Note:

81 [1] For vehicle & piece of equipment depreciation expense, a portion of it is capitalized and some or all of the remaining balance is moved to account 8740. What determines whether or not the

82 non-capitalized portion moves to 8740 or stays in 4030 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000),

83 the non-capitalized portion stays in 4030. For vehicles the rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the

84 rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate. The rate of capitalization for piece of equipment for Fiscal Year 2013 is a fixed 98% regardless of the cost

85 center it hits.

86 For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance

87 (non-capitalized portion) stays in 4030.

88

89 Sources:

90 Section 4 tab

91 Relied 10 - Depreciation rates as of Sep-13.xls

92 Relied 10-1 Depreciable Assets.xls

93 Depreciation rates: Appendix A, Docket 12-ATMG-564-RTS Order Granting Joint Motion to Approve Stipulation and Agreement dated August 22, 2012

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**General Office Division 002**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Non-Depreciable Plant	Depreciable Plant	Current Depreciation Rates			Recommended Depreciation Rates		
						Depreciation Rates	Pro-Forma Capitalized Depreciation Expense	Pro-Forma Capitalized Depr Exp	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
<b>General Plant</b>											
1	Structures & Improvements	39000	\$ 462,279	\$ -	\$ 462,279	2.43%	\$ 11,233	\$ -	2.43%	\$ 11,233	\$ -
2	Improvements to Leased Premises	39009	8,856,029	-	8,856,029	3.82%	338,300	-	3.82%	338,300	-
3	Office Furniture & Equipment	39100	9,215,810	-	9,215,810	3.70%	340,985	-	3.70%	340,985	-
4	Transportation Equipment	39200	99,143	-	99,143	10.32%	10,232	-	10.32%	10,232	-
5	Tools, Shop, & Garage Equipment	39400	240,098	-	240,098	8.81%	21,153	-	8.81%	21,153	-
6	Laboratory Equipment	39500	23,632	-	23,632	10.00%	2,363	-	10.00%	2,363	-
7	Communication Equipment	39700	2,448,692	-	2,448,692	5.36%	131,250	-	5.36%	131,250	-
8	Miscellaneous Equipment	39800	437,555	-	437,555	1.60%	7,001	-	1.60%	7,001	-
9	Other Tangible Property	39900	162,268	-	162,268	13.45%	21,825	-	13.45%	21,825	-
10	Other Tangible Property Servers H/W	39901	26,319,264	-	26,319,264	8.66%	2,279,248	-	8.66%	2,279,248	-
11	Other Tangible Property Servers S/W	39902	14,646,369	-	14,646,369	8.86%	1,297,668	-	8.86%	1,297,668	-
12	Other Tangible Property Network H/W	39903	3,795,559	-	3,795,559	8.73%	331,352	-	8.73%	331,352	-
13	Other Tangible Property PC Hardware	39906	2,648,483	-	2,648,483	8.77%	232,272	-	8.77%	232,272	-
14	Other Tangible Property PC Software	39907	1,602,712	-	1,602,712	6.05%	96,964	-	6.05%	96,964	-
15	Other Tangible Property Application Software	39908	92,347,111	-	92,347,111	6.54%	6,039,501	-	6.54%	6,039,501	-
16	Other Tangible Property Mainframe S/W	39909	2,614,619	2,614,619	0	0.00%	-	-	0.00%	-	-
18			<u>\$ 165,919,624</u>	<u>\$ 2,614,619</u>	<u>\$ 163,305,005</u>	<u>6.83%</u>	<u>\$ 11,161,348</u>	<u>\$ -</u>	<u>6.83%</u>	<u>\$ 11,161,348</u>	<u>\$ -</u>
19	<b>General Plant</b>										
20	Greenville Data Center										
21	G-Structures & Improvements	39005	\$ 9,154,286	\$ -	\$ 9,154,286	2.43%	\$ 222,449	\$ -	2.43%	\$ 222,449	\$ -
22	G-Office Furniture & Equipment	39104	63,741	-	63,741	3.70%	2,358	-	3.70%	2,358	-
23			<u>\$ 9,218,027</u>	<u>\$ -</u>	<u>\$ 9,218,027</u>		<u>\$ 224,808</u>	<u>\$ -</u>		<u>\$ 224,808</u>	<u>\$ -</u>
25	<b>Total Division 002 General Office (Ln 18 + Ln 22)</b>		<u>\$ 175,137,651</u>	<u>\$ 2,614,619</u>	<u>\$ 172,523,032</u>		<u>\$ 11,386,155</u>	<u>\$ -</u>		<u>\$ 11,386,155</u>	<u>\$ -</u>

27 Sources:  
28 WP 4-2 tab  
29 Relied 10 - Depreciation rates as of Sep-13.xls  
30 Relied 10-2 Depreciable Assets Div 002.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**Customer Support Division 012**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Depreciable Plant			Current Depreciation Rates			Recommended Depreciation Rates		
				Non-Depreciable Plant	Depreciable Plant	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Land	38900	\$ 2,874,240	\$ 2,874,240	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	
2	Structures & Improvements	39000	12,331,919	-	12,331,919	2.43%	299,666	-	2.43%	299,666	-	
3	Improvements to Leased Premises	39009	4,424,649	-	4,424,649	3.82%	169,022	-	3.82%	169,022	-	
4	Office Furniture & Equipment	39100	2,268,134	-	2,268,134	3.70%	83,921	-	3.70%	83,921	-	
5	Communication Equipment	39700	1,945,225	-	1,945,225	5.36%	104,264	-	5.36%	104,264	-	
6	Miscellaneous Equipment	39800	14,443	-	14,443	1.60%	231	-	1.60%	231	-	
7	Other Tangible Property	39900	610,289	-	610,289	13.45%	82,084	-	13.45%	82,084	-	
8	Other Tangible Property Servers H/W	39901	7,877,050	-	7,877,050	8.66%	682,153	-	8.66%	682,153	-	
9	Other Tangible Property Servers S/W	39902	1,618,294	-	1,618,294	8.86%	143,381	-	8.86%	143,381	-	
10	Other Tangible Property Network H/W	39903	450,456	-	450,456	8.73%	39,325	-	8.73%	39,325	-	
11	Other Tangible Property PC Hardware	39906	749,347	-	749,347	8.77%	65,718	-	8.77%	65,718	-	
12	Other Tangible Property PC Software	39907	491,869	-	491,869	6.05%	29,758	-	6.05%	29,758	-	
13	Other Tangible Property Application Software	39908	104,413,245	-	104,413,245	6.54%	6,828,626	-	6.54%	6,828,626	-	
14			\$ 140,069,160	\$ 2,874,240	\$ 137,194,920	6.22%	\$ 8,528,147	\$ -	6.22%	\$ 8,528,147	\$ -	
15												
16	<b>General Plant</b>											
17	Charles K. Vaughn Training Center											
18	CKV-Land & Land Rights	38910	\$ 1,887,123	\$ 1,887,123	\$ -	0.00%	\$ -	\$ -	0.00%	\$ -	\$ -	
19	CKV-Structures & Improvements	39010	10,414,663	-	10,414,663	2.43%	253,076	-	2.43%	253,076	-	
20	CKV-Communication Equipment	39710	271,621	-	271,621	5.36%	14,559	-	5.36%	14,559	-	
21	CKV-Other Tangible Property	39910	91,992	-	91,992	13.45%	12,373	-	13.45%	12,373	-	
22	CKV-Other Tangible Property-PC Hardware	39916	194,015	-	194,015	8.77%	17,015	-	8.77%	17,015	-	
23	CKV-Other Tangible Property-PC Software	39917	90,541	-	90,541	6.05%	5,478	-	6.05%	5,478	-	
24			\$ 12,949,956	\$ 1,887,123	\$ 11,062,833	2.73%	\$ 302,501	\$ -		\$ 302,501	\$ -	
25												
26												
27	<b>Total Division 012 Customer Support (Ln 14+Ln 24)</b>		\$ 153,019,115	\$ 4,761,363	\$ 148,257,752	5.96%	\$ 8,830,648	\$ -		\$ 8,830,648	\$ -	

29 Sources:  
30 WP 4-3 tab  
31 Relied 10 - Depreciation rates as of Sep-13.xls  
32 Relied 10-3 Depreciable Assets Div 012.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Adjustment**  
**Test Year Ending September 30, 2013**  
**Division 030 - Colorado/Kansas General Office**

Line No.	Description	Property Type	Balance at 9/30/2013	Fully & Non-Depreciable Plant	Depreciable Plant	Current Depreciation Rates			Recommended Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense	Depreciation Rates*	Pro-Forma Depreciation Expense	Pro-Forma Capitalized Depreciation Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Improvements to Leased Premises	39009	\$ 189,717	\$ -	\$ 189,717	10.00%	\$ 18,972	\$ -	10.00%	\$ 18,972	\$ -
2	Office Furniture & Equipment	39100	291,889	-	291,889	8.44%	24,635	-	8.44%	24,635	-
3	Tools, Shop, & Garage Equipment	39400	68,988	-	68,988	16.57%	11,431	-	16.57%	11,431	-
4	Communication Equipment	39700	184,695	-	184,695	8.45%	15,607	-	8.45%	15,607	-
5	Miscellaneous Equipment	39800	50,987	-	50,987	15.46%	7,883	-	15.46%	7,883	-
6	Other Tangible Property Servers H/W	39901	340,605	-	340,605	21.81%	74,286	-	21.81%	74,286	-
7	Other Tangible Property Network H/W	39903	346,391	-	346,391	15.55%	53,864	-	15.55%	53,864	-
8	Other Tangible Property PC Hardware	39906	22,290	-	22,290	25.25%	5,628	-	25.25%	5,628	-
9	Other Tangible Property PC Software	39907	85,274	-	85,274	25.70%	21,915	-	25.70%	21,915	-
<b>Total Division 030 Colorado/Kansas</b>											
11	<b>General Office</b>		<u>\$ 1,580,836</u>	<u>\$ -</u>	<u>\$ 1,580,836</u>	14.82%	<u>\$ 234,221</u>	<u>\$ -</u>	14.82%	<u>\$ 234,221</u>	<u>\$ -</u>

- 12
- 13
- 14
- 15
- 16 Note:
- 17 [1] For vehicle & piece of equipment depreciation expense, a portion of it is capitalized & some or all of the remaining balance is moved to account 8740. What determines whether or not
- 18 the non- capitalized portion moves to 8740 or stays in 4030 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center
- 19 (0000), the non- capitalized portion stays in 4030. For vehicles the rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center
- 20 (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate. The rate of capitalization for piece of equipment for Fiscal Year 2013 is a fixed 98%
- 21 regardless of the cost center it hits.
- 22 For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance
- 23 (non-capitalized portion) stays in 4030.
- 24
- 25 Sources:
- 26 WP 4-4 tab
- 27 Relied 10 - Depreciation rates as of Sep-13.xls
- 28 Relied 10-4 Depreciable Assets Div 030.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Depreciation Expense Sub Account Analysis**  
**Test Year Ending September 30, 2013**

FERC Account: 4030 Depreciation Expense			Division 002	Division 012	Division 030	Division 080		Percent	Percent	
Line No.	Sub Account	Sub Account Description	Kansas Jurisdiction	General Office	Customer Support	Colorado/Kansas General Office	Kansas Administration	Grand Total	Capitalized	Capitalized
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	09344	Depreciation & Taxes Other Expense	\$ 174,483	\$ -	\$ -	\$ (305,463)	\$ (749)	\$ (131,729)		
2	30003	Depreciation Expense-Underground Storage	87,464	-	-	-	-	87,464		
3	30004	Depreciation Expense-Transmission Plant	73,452	-	-	-	-	73,452		
4	30005	Depreciation Expense-Distribution Plant	7,748,367	-	-	-	-	7,748,367		
5	30007	Depreciation Expense-General Plant	493,827	12,771,647	9,536,913	300,155	2,509	23,105,051		
6	30031	Vehicle Depreciation	71,062	16,185	-	-	-	87,247	Kansas	
7	30032	Vehicle Depreciation Capitalized	(64,746)	-	-	-	-	(64,746)	-91.11%	
8	30041	Heavy Equipment Depreciation	102,607	-	-	-	-	102,607	Kansas	
9	30042	Heavy Equipment Depreciation Capitalized	(100,555)	-	-	-	-	(100,555)	-98.00%	
10	30051	Stores Depreciation	60	-	-	-	-	60	Kansas	
11	30052	Stores Depreciation Capitalized	(32)	-	-	-	-	(32)	-53.54%	
12	30061	Tools & Shop Depreciation	222,108	21,038	-	11,431	-	254,578	Kansas	Division 30
13	30062	Tools & Shop Depreciation Capitalized	(119,024)	-	-	(6,123)	-	(125,148)	-53.59%	-53.57%
14	30071	Lab Depreciation	1,073	2,358	-	-	-	3,431	Kansas	
15	30072	Lab Depreciation Capitalized	(575)	-	-	-	-	(575)	-53.60%	
16	40001	Billed to West Tex Division	-	(894,332)	(719,059)	-	-	(1,613,391)		
17	40002	Billed to Colorado/Kansas Division	-	(874,035)	(833,791)	-	-	(1,707,826)		
18	40003	Billed to Louisiana Division	-	(1,096,661)	(753,219)	-	-	(1,849,879)		
19	40004	Billed to Mid-States Division	-	(1,645,335)	(1,404,746)	-	-	(3,050,081)		
20	40008	Billed to Mid-Tex Division	-	(4,712,709)	(5,165,146)	-	-	(9,877,855)		
21	40009	Billed to Mississippi Division	-	(856,626)	(660,953)	-	-	(1,517,579)		
22	40010	Billed to Atmos Pipeline Division	-	(2,247,894)	-	-	-	(2,247,894)		
23	41124	Billing for Taxes Other and Depreciation	78,755	(483,637)	-	-	363,669	(41,213)		
24	41129	Billing for Customer Support Center Depreciation & Taxes Other	331,831	-	-	-	-	331,831		
25	41130	Billing for General Office Depreciation & Taxes Other	365,429	-	-	-	(365,429)	-		
26	<b>Grand Total</b>		<b>\$ 9,465,586</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,465,586</b>		

28 Note:  
29 [1] For vehicle & piece of equipment depreciation expense, a portion of it is capitalized & some or all of the remaining balance is moved to account 8740. What determines whether or not the non-capitalized  
30 portion moves to 8740 or stays in 4030 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000), the non-capitalized portion stays in 4030. For  
31 vehicles the rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual  
32 cost center rate. The rate of capitalization for piece of equipment for Fiscal Year 2013 is a fixed 98% regardless of the cost center it hits.  
33  
34  
35  
36 Source: Relied 10-5 - Depreciation Expense.xls





**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Taxes Other Than Income Taxes**  
**Test Year Ending September 30, 2013, As Adjusted**

Line No.	Description	Source	100.00% Division 080		Kansas Total
			Kansas Jurisdiction	Kansas Administrator	
	(a)	(b)	(c)	(d)	(e)
<u>Taxes Other Than Income Taxes, Account 4081 Per Book</u>					
1	FICA (01210)	WP 11-1	\$ 253,089	\$ 26,571	\$ 279,660
2	Federal Unemployment (01211)	WP 11-1	2,443	295	2,738
3	State Unemployment (01212)	WP 11-1	8,268	1,012	9,281
4	FICA Accrual (01213)	WP 11-1	2,681	(1,046)	1,635
5	FUTA Accrual (01214)	WP 11-1	2	(0)	2
6	SUTA Accrual (01215)	WP 11-1	(0)	(2)	(3)
7	Denver City Head Tax (01220)	WP 11-1	160	16	176
8	Benefit Load Projects(01290)	WP 11-1	41,340	50	41,390
9	Taxes Other Allocated (09344-5, 41124,29-30)	WP 11-1	5,422,948	(5,068,545)	354,403
10	Ad Valorem accrual (30101)	WP 11-1	982,357	4,867,825	5,850,182
11	Taxes Property and Other (30102)	WP 11-1	1,169,311	-	1,169,311
12	Occupational License (30103)	WP 11-1	75	-	75
13	Corporate/State Franchise Tax (30105)	WP 11-1	-	20,004	20,004
14	City Franchise (30107)	WP 11-1	-	-	-
15	US DOT Pipe Safety funding (30108)	WP 11-1	-	-	-
16	Public Service Commission Assessment (30112)	WP 11-1	2,633	153,820	156,453
17					
18	Total Kansas Taxes Other Per Books		<u>\$ 7,885,307</u>	<u>\$ (0)</u>	<u>\$ 7,885,307</u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Taxes Other Than Income Taxes**  
**Test Year Ending September 30, 2013, As Adjusted**

Line No.	Description	Source	100.00% Division 080		Kansas Total
			Kansas Jurisdiction	Kansas Administration	
	(a)	(b)	(c)	(d)	(e)
19					
20					
21	<u>Adjustments</u>				
22	Kansas Ad Valorem Adjustment - current	WP 11-2		IS-8	\$ (138,427)
23	Kansas Ad Valorem Adjustment - CWIP	WP 11-4		IS-9	300,786
24	Kansas Payroll Tax Adjustment	WP 11-5		IS-10	83,302
25	Public Service Commission Assessment Adjustr	WP 11-6		IS-11	(7,250)
26	<b>Total Adjustments to Taxes Other than Income Taxes</b>				<u>\$ 238,411</u>
27					
28	<b>Total Taxes Other for Kansas Jurisdiction, Adjusted</b>				<u><u>\$ 8,123,718</u></u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Taxes Other Than Income Taxes, Account 4081, Per Books**  
**Test Year Ending September 30, 2013**

Line No.	Sub Account	Sub Account Description	Division					Grand Total
			Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	01210	Fica Load	\$ 253,089	\$ 3,077,423	\$ 2,165,346	\$ 69,383	\$ 26,571	\$ 5,591,813
2	01211	Futa Load	2,443	26,255	18,395	2,490	295	49,879
3	01212	Suta Load	8,268	73,524	51,726	2,171	1,012	136,701
4	01213	Fica Load Accrual	2,681	17,187	22,216	(392)	(1,046)	40,645
5	01214	Futa Load Accrual	2	19	26	0	(0)	46
6	01215	Suta Load Accrual	(0)	20	49	(2)	(2)	64
7	01220	Denver City Tax Load	160	-	-	43	16	219
8	01256	Payroll Tax Projects	41,340	16,283	-	3,463	50	61,136
9	01290	Other Benefits Projects	-	-	-	-	-	-
10	09345	Taxes Other Than Income Tax	5,293,043	-	-	(119,991)	(5,224,792)	(51,739)
11	30101	Ad Valorem - Accrual	982,357	630,000	864,000	42,834	4,867,825	7,387,016
12	30102	Taxes Property And Other	1,169,311	73,748	-	-	-	1,243,059
13	30103	Occupational Licenses	75	-	-	-	-	75
14	30105	Corporate/State Franchise Tax	-	2,004	-	-	20,004	22,008
15	30112	Public Service Commission Assessmen	2,633	-	-	-	153,820	156,453
16	40001	Billed to West Texas Division	-	(316,538)	(299,335)	-	-	(615,873)
17	40002	Billed to Colorado/Kansas Division	-	(274,691)	(244,076)	-	-	(518,767)
18	40003	Billed to Lousiana Division	-	(386,112)	(345,931)	-	-	(732,043)
19	40004	Billed to Mid-States Division	-	(501,522)	(400,187)	-	-	(901,709)
20	40007	Billed to Nonutilities	-	(122,135)	-	-	-	(122,135)
21	40008	Billed to Mid-Tex Division	-	(1,549,713)	(1,581,407)	-	-	(3,131,120)
22	40009	Billed to Mississippi Division	-	(300,527)	(250,523)	-	-	(551,050)

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Taxes Other Than Income Taxes, Account 4081, Per Books**  
**Test Year Ending September 30, 2013**

Line No.	Sub Account	Sub Account Description	Kansas Jurisdiction	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
23	40010	Billed to Atmos Pipeline Division	-	(465,225)	-	-	-	(465,225)
24	41124	Billing for Taxes Other and Billing for Customer Support Center	-	-	-	274,691	-	274,691
25	41129	Depredication & Taxes Other Billing for General Office	129,904	-	-	0	-	129,904
26	41130	Depreciation & Taxes Other	-	-	-	(274,691)	156,247	(118,444)
27	Sub Total Account 4081 Per Book		<u>\$7,885,307</u>	<u>\$ (0)</u>	<u>\$ 299</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ 7,885,607</u>
28								
29								
30	Summary components of Per Book Taxes Other than Income Taxes:							
31		Direct Tax	\$2,462,359	\$ 3,916,463	\$ 3,121,757	\$ 119,991	\$ 5,068,545	\$ 14,689,115
32		Taxes Allocated In	5,422,948	-	-	(119,991)	(5,068,545)	234,412
33		Taxes Allocated Out	-	(3,916,463)	(3,121,458)	-	-	(7,037,921)
34	Total 4081 Per Book		<u>\$7,885,307</u>	<u>\$ (0)</u>	<u>\$ 299</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ 7,885,607</u>

36 Source: Relied 11-1 Taxes other than Income Taxes.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Test Year Ending September 30, 2013**  
**Kansas Ad Valorem Tax Adjustment**  
**Adjust Tax Expense to Most Current Tax Assessed**

Line No.	Jurisdiction	Actual Tax Assessment Calendar Year 2013	Less Annual Capitalized	Net Assessment
	(a)	(b)	(c)	(d)
1	Kansas Jurisdiction	\$ 445,487	\$ -	\$ 445,487
2	Kansas Administration Division 80	6,525,289	(89,711)	6,435,578
3	Direct Ad Valorem Tax Assesment	<u>\$ 6,970,777</u>	<u>\$ (89,711)</u>	<u>\$ 6,881,066</u>
4	Test Year Ad-Valorem Expense Per Book 4081.30101: Only Divisions			
5	79 and 80		WP 11-3	<u>\$ 7,019,493</u>
6				
7	Difference to Adjust Per Book Ad Valorem Expense to Calendar Year 2013 Assessment			<u>\$ (138,427) IS-8</u>
8				
9	Sources:			
10	WP 11-3 tab			
11	Relied 9 - Schedule 11-9 - PTAX Assessments updated for 2013			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Total Kansas Direct Ad Valorem Summary, Account 4081Per Book**  
**Test Year Ending September 30, 2013**

**Kansas Jurisdiction Direct Ad Valorem Tax Expense**

Line No.	Description	4081 DR	4081 CR	4081 CR	4081 DR	4081 DR	Total
		Gross Expense Accrual	Less Capitalized Power Plant	Less Regulated Asset 1823 DR	Plus Surcharge Banner	Ad Valorem Surcharge	4081 Net Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Kansas Jurisdiction	\$ 1,115,908	\$ (7,457)	\$ (126,094)	\$ -	\$ 1,169,311	\$ 2,151,668
2	Division 080-Administration	5,872,673	(83,220)	(921,627)	0	0	4,867,825
3	Test Year	<u>\$ 6,988,581</u>	<u>\$ (90,677)</u>	<u>\$ (1,047,721)</u>	<u>\$ -</u>	<u>\$ 1,169,311</u>	<u>\$ 7,019,493</u>
4							

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Total Kansas Direct Ad Valorem Summary, Account 4081 Per Book**  
**Test Year Ending September 30, 2013**

5 **Kansas Direct Ad Valorem Tax by Division:**

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7 **Kansas Jurisdiction Direct Ad Valorem Summary**

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Month/Year	4081 DR Gross Expense Accrual	4081 CR Less Capitalized Power Plant	4081 CR Less Regulated Asset 1823 DR	4081 DR Plus Surcharge Banner	4081 DR Ad Valorem Surcharge	Total 4081.30101 Net Expense
(a)	(b)	(c)	(d)	(e)	(f)	(g)
October-12	\$ 59,659	\$ -	\$ (10,110)	\$ -	\$ 28,009	\$ 77,558
November-12	59,659	-	(10,110)	-	58,854	108,403
December-12	-	-	-	-	89,450	89,450
January-13	58,721	-	(9,192)	-	159,931	209,460
February-13	58,721	-	(9,192)	-	199,817	249,346
March-13	58,721	-	(9,192)	-	202,635	252,164
April-13	58,721	-	(9,192)	-	145,148	194,677
May-13	58,721	-	(9,192)	-	119,650	169,179
June-13	58,721	-	(9,192)	-	50,824	100,353
July-13	58,721	-	(9,192)	-	39,446	88,975
August-13	58,721	-	(9,192)	-	37,581	87,110
September-13	526,822	(7,457)	(32,338)	-	37,966	524,993
Test Year	\$ 1,115,908	\$ (7,457)	\$ (126,094)	\$ -	\$ 1,169,311	\$ 2,151,668



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Total Kansas Direct Ad Valorem Summary, Account 4081 Per Book**  
**Test Year Ending September 30, 2013**

26 <b>Kansas Administration Division 080 Ad Valorem Summary</b>							
		4081 DR	4081 CR	4081 CR	4081 DR	4081 DR	Total
		Gross Expense	Less Capitalized	Less Regulated	Plus Surcharge	Ad Valorem	4081.30101
30	Month/Year	Accrual	Power Plant	Asset 1823 DR	Banner	Surcharge	Net Expense
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
31	Oct-12	\$ 536,940	\$ (7,780)	\$ (90,995)	\$ -	\$ -	\$ 438,165
32	Nov-12	536,940	(7,780)	(90,995)	-	-	438,165
33	Dec-12	570,841	(7,780)	(77,781)	-	-	485,279
34	Jan-13	528,494	(7,681)	(82,732)	-	-	438,081
35	Feb-13	528,494	(7,457)	(82,732)	-	-	438,305
36	Mar-13	528,494	(7,457)	(82,732)	-	-	438,305
37	Apr-13	528,494	(7,457)	(82,732)	-	-	438,305
38	May-13	528,494	(7,457)	(82,732)	-	-	438,305
39	Jun-13	528,494	(7,457)	(82,732)	-	-	438,305
40	Jul-13	528,494	(7,457)	(82,732)	-	-	438,305
41	Aug-13	528,494	(7,457)	(82,732)	-	-	438,305
42	Sep-13	-	-	-	-	-	-
43	Test Year	\$ 5,872,673	\$ (83,220)	\$ (921,627)	\$ -	\$ -	\$ 4,867,825

45 Notes:

- 46 1. Beginning in September 2013, Ad Valorem transactions are booked only to Division 081 - Kansas jurisdiction.  
47 2. Columns b through e recorded to sub account 30101. Column f is recorded to sub account 30102.

48

49 Source: Relied 11a - Schedule 11-3 updated for FY13.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Test Year Ending September 30, 2013**  
**Kansas Ad Valorem Tax Adjustment**  
**Adjust Proforma Ad Valorem Tax Expense for Construction Work in Progress**  
**For Kansas Direct Divisions 79, 80, 81, 86**

Line	Description (a)	Total Kansas Direct (b)	Source (c)
1	Per Book Direct Kansas Construction Work in Progress	\$ 1,785,806	WP 14-1-1
2	Adjustment to Construction Work in Progress	10,704,059	WP 14-1
3	Adjusted Direct Construction Work in Progress 9/30/2013	<u>\$ 12,489,866</u>	
4	Kansas Ad Valorem Expense as a Percentage of Plant	2.41%	Line 12
5			
6	Adjustment to Ad Valorem Expense for Construction Work in Progress	<u>\$ 300,786</u>	<b>IS-9</b>
7			
8		<u>Total Kansas Direct</u>	
9	Annual Kansas Ad Valorem Tax Expense Assessed	\$ 6,881,066	WP 11-2
10	Test Year Kansas Direct Gross Plant	<u>\$ 285,729,787</u>	Section 4
11			
12	Ad Valorem Tax Expense as a Percentage of Gross Plant	2.41%	Ln 9 / Ln 10

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Kansas Payroll Tax Adjustment**  
**Test Year Ending September 30, 2013**

Line No.	Description	Source	100% Division 080		Kansas Total
			Kansas Jurisdiction	Kansas Administration	
	(a)	(b)	(c)	(d)	(e)
	<u>Payroll Tax Adjustment Calculation (Exclude General Office):</u>				
1	Gross Direct Labor with Annualized Merit Increase	WP 9-2	\$ 9,470,185	\$ 620,764	\$ 10,090,949
2	3 Year Average Expense Rate	WP 9-2-2	51.80%	51.80%	
3					
4	Kansas Direct Proforma Labor Expense		<u>\$ 4,905,695</u>	<u>\$ 321,565</u>	<u>\$ 5,227,259</u>
5	Normalized Payroll Tax Rate - FY2013 Budget	8.00%	392,456	25,725	418,181
6	Less Per Book Kansas Direct Payroll Tax (Lines 1-8)	Section 11	(307,983)	(26,895)	(334,879)
7					
8	Adjustment to Payroll Tax Expense to Synchronize with Labor Adjustmer		<u>\$ 84,472</u>	<u>\$ (1,170)</u>	<u>\$ 83,302</u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Test Year Ending September 30, 2013**  
**Kansas Corporation Commission Assessment Adjustment - Account 4081.30112**

Line No.	Month/Year (a)	Division 80 KCC Fee Paid and Expensed (b)
1	Oct-12	\$ 37,436
2	Nov-12	154
3	Dec-12	2,632
4	Jan-13	38,107
5	Feb-13	7,449
6	Mar-13	-
7	Apr-13	33,585
8	May-13	3,180
9	Jun-13	-
10	Jul-13	-
11	Aug-13	33,909
12	Sep-13	(2,633)
13	Test Year	<u>\$ 153,820</u>
14		
15	Oct-13	
16	Nov-13	
17	Dec-13	32,972
18	12 Months Ended December 2013	<u>\$ 146,570</u>
19		
20	2013	<u>\$ (7,250) IS-11</u>
21		
22		
23	Source: Relied 11-6- KCC and CURB 31102 - includes est for 4Q Cal Yr 2013.xls	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Income Taxes**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Source (b)	Total (c)
	<u>Per Books:</u>		
1	Required Return	Section 3A	\$ 13,974,853
2	Interest Deduction	WP 11B-1	5,029,867
3	Equity Portion of Return		\$ 8,944,985
4	Application of Composite Tax Rate to NIBT		\$ 3,537,742
5	Allowance for Step Rate		(1,500)
6	SubTotal		\$ 3,536,242
7	Tax Expansion Factor		1.6543
8	Total Income Tax Liability		\$ 5,849,862
9			
10	<u>After Adjustments:</u>		
11	Required Return	Section 3A	\$ 15,546,415
12	Interest Deduction	WP 11B-1	5,595,508
13	Equity Portion of Return		\$ 9,950,907
14	Application of Composite Tax Rate to NIBT		\$ 3,935,584
15	Allowance for Step Rate		(1,500)
16	SubTotal		\$ 3,934,084
17	Tax Expansion Factor		1.6543
18	Total Income Tax Liability		\$ 6,507,996
19			
20		Income Tax Adjustment	\$ 658,134 IS-12
21			
22	State Tax Rate	7.00%	
23	Federal Tax Rate	35.00%	
24	Combined Tax Rate	39.550%	
25			
26	Source: Relied 11B - Income Tax Rates.xls		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Pro-forma Interest Expense, Long-Term Debt**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Source (b)	Kansas Jurisdiction (c)
1	Rate Base (before Adjustments)	Section 3A	\$ 165,578,823
2	Debt Percentage of Capital Structure	Section 7	<u>48.76%</u>
3			
4	Debt portion of Rate Base		\$ 80,736,234
5	Long Term Debt Rate	Section 7	6.23%
6			
7	Interest Expense, Long Term Debt		<u>\$ 5,029,867</u>
8			
9	Rate Base Adjusted	Section 3	\$ 184,199,229
10	Debt Percentage of Capital Structure	Section 7	<u>48.76%</u>
11			
12	Debt Portion of Rate Base		\$ 89,815,544
13	Long Term Debt rate	Section 7	6.23%
14			
15	Interest Expense, Long Term Debt		<u>\$ 5,595,508</u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Federal Income Taxes**  
**Twelve Months Ended September 30, 2013 As Adjusted**

Line No.	Description (a)	Source (b)	Total (c)
1	Income Taxes - Current		\$ 3,222,184
2	Income Taxes - Deferred		<u>3,285,812</u>
3	Total Income Tax Expense	Section 11B	<u>\$ 6,507,996</u>
4			
5			
6	ADIT Balances:		
7	9/30/2012	WP 11E-1	\$ (41,444,232)
8	9/30/2013	WP 14-4	<u>(44,730,044)</u>
9	Change in ADIT Balance		<u>\$ 3,285,812</u>

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Schedule of Income Tax Credits**  
**Test Year Ending September 30, 2013**

Line No.	Description	Beginning Balance	Activity	Ending Balance
	(a)	(b)	(c)	(d)
1	1998	\$ 804,847	\$ (122,383)	\$ 682,464
2	1999	682,464	(61,737)	620,727
3	2000	620,727	210,465	831,192
4	2001	831,192	(508,459)	322,733
5	2002	322,733	329,913	652,646
6	2003	652,646	(88,912)	563,734
7	2004	563,734	(88,912)	474,822
8	2005	474,822	(88,912)	385,910
9	2006	385,910	(88,912)	296,998
10	2007	296,998	(88,912)	208,086
11	2008	208,086	(88,912)	119,174
12	2009	119,174	(88,912)	30,262
13	2010	30,262	(26,624)	3,638
14	2011	3,638	(3,360)	278
15	2012	278		-
16	2013	0		-
17				
18				

19 [1] Data is presented as of the end of the Company's fiscal year ending September 30.

20

21 Source: Relied 11d - Schedule of Income Tax Credits.xls



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Schedule of Deferred Income Taxes**  
**Test Year Ending September 30, 2013**

Line No.	Description	Beginning Balance	Activity	Ending Balance
	(a)	(b)	(c)	(d)
Atmos Energy Corporation [1] (in 000's)				
1	1997	\$ 72,073	\$ 15,755	\$ 87,828
2	1998	87,828	(7,092)	80,736
3	1999	80,736	31,939	112,675
4	2000	112,675	18,944	131,619
5	2001	131,619	7,315	138,934
6	2002	138,934	(4,395)	134,540
7	2003	134,540	88,810	223,350
8	2004	223,350	(9,419)	213,931
9	2005	213,931	10,912	224,842
10	2006	224,842	62,387	287,229
11	2007	287,229	78,675	365,905
12	2008	365,905	77,230	443,135
13	2009	443,135	136,859	579,994
14	2010	579,994	195,208	775,202
15	2011	775,202	108,167	883,368
16	2012	883,368	104,624	987,993
17	2013	987,993	190,758	1,178,750
18				
19	Kansas Total at September 30, 2012		WP 11E-1	\$41,444,232
20				
21	Kansas Total at September 30, 2013		WP 14-4	\$44,730,044
22				
23				
24	[1] Data is presented as of the end of the Company's fiscal year ending September 30.			
25				
26	Source: Relied 11e - Schedule of Deferred Income Taxes.xls			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Deferred Income Taxes**  
**Fiscal Year Ending September 30, 2012**

Line No.	Account Number	Allocated								
		Division 030 Colorado/Kansas General Office	Division 080 Kansas Administration	Division 002 General Office	Division 012 Customer Support	Division 030 Colorado/Kansas General Office	Division 002 General Office	Division 012 Customer Support	Direct Kansas	Total Allocated and Direct
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	190	\$ 4,758,971	\$ -	\$ 213,681,504	\$ (155,720)	\$ 2,807,317	\$ 8,953,255	\$ (6,649)	\$ 725,603	\$ 12,479,526
2	282	(1,419,605)	-	(12,005,893)	(1,465,729)	(837,425)	(503,047)	(62,587)	(49,104,409)	(50,507,468)
3	283	540,872	-	(23,532,957)	(26,279,920)	319,060	(986,031)	(1,122,153)	(1,627,167)	(3,416,291)
4										
5	Total	\$ 3,880,238	\$ -	\$ 178,142,654	\$ (27,901,369)	\$ 2,288,952	\$ 7,464,177	\$ (1,191,388)	\$ (50,005,973)	\$ (41,444,232)

7 Sources:

8 Section 12 tab

9 Relied 11e-1 - Deferred Income Taxes Sept\_30\_2012.xls



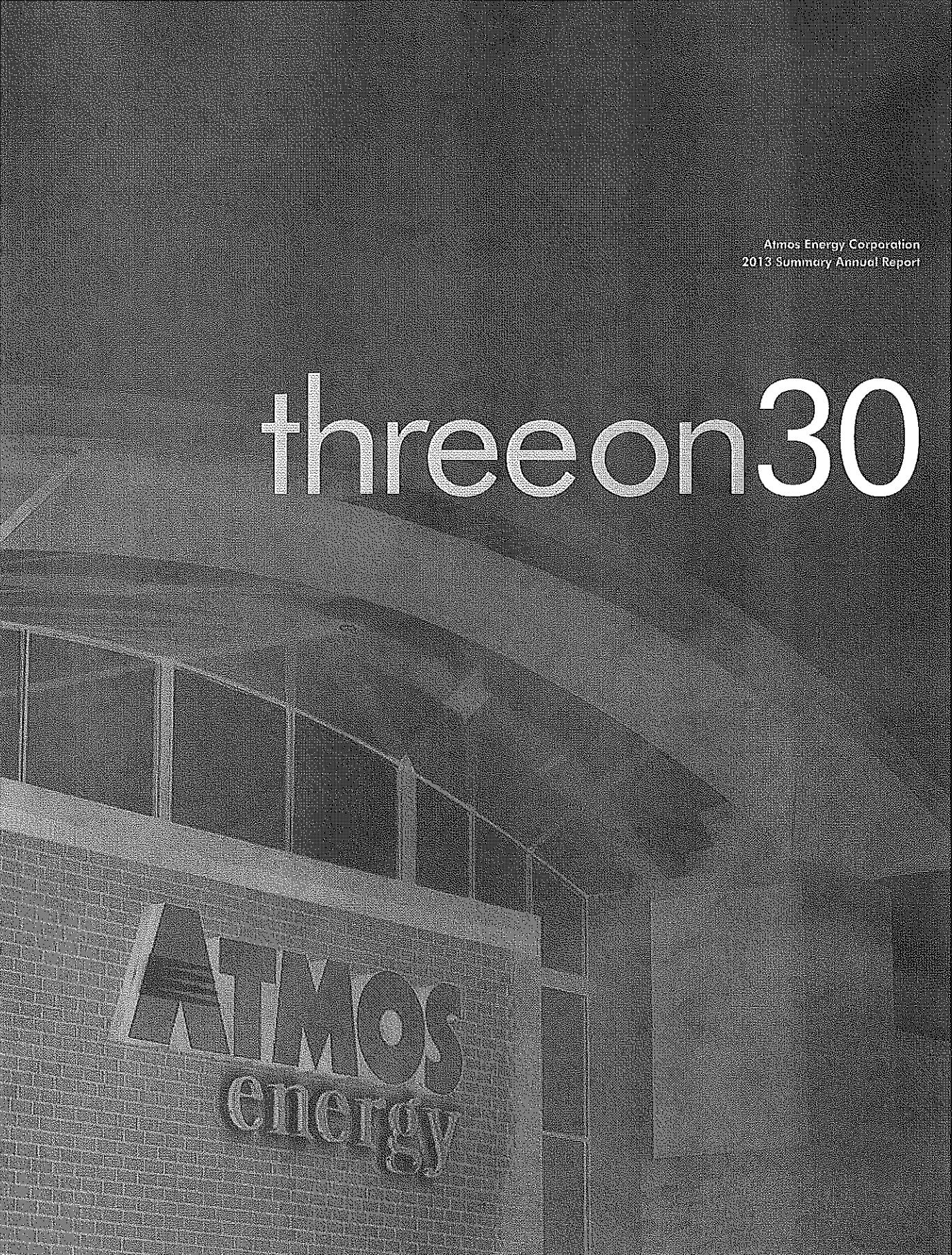
**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Development of Allocation Factors**  
**For Fiscal Year ended September 30, 2013**

Line No.	Division No.	Division Name	Gross Direct PP&E	Percent of PP&E	Direct O&M	Percent of O&M	Average Number of Customers	Percent of Customers	Allocation Percentage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>General Office Division 002 - Regulated Only Allocation to Business Units (Division 12 Customer Support uses Column (h) Customer Factors)</b>								
2		West Texas Division	\$ 540,363,058	7.02%	\$ 27,954,897	8.41%	298,733	9.81%	8.42%
3		Colorado-Kansas Division	490,839,638	6.38%	25,847,376	7.78%	242,343	7.96%	7.37%
4		Louisiana Division - Service Area 007	187,022,823	2.43%	7,995,906	2.41%	73,504	2.41%	2.42%
5		Louisiana Division - Service Area 077	520,717,297	6.77%	23,120,117	6.96%	270,793	8.89%	7.54%
6		Kentucky/Mid-States Division	884,864,377	11.50%	38,003,823	11.44%	330,213	10.84%	11.26%
7		Mississippi Division	452,112,720	5.88%	34,412,859	10.36%	250,745	8.23%	8.16%
8		Mid-Tex Division	3,134,007,452	40.73%	107,702,527	32.42%	1,578,673	51.84%	41.66%
9		Atmos Pipeline - Texas Division	1,485,426,529	19.30%	67,177,073	20.22%	346	0.01%	13.18%
10			<u>\$ 7,695,353,893</u>	<u>100.00%</u>	<u>\$ 332,214,578</u>	<u>100.00%</u>	<u>3,045,349</u>	<u>100.00%</u>	<u>100.00%</u>
11									
12	<b>Shared Services - Consolidated Allocation to Business Units (Division 012 Customer Support uses Column (h) Customer Factors)</b>								
13		West Texas Division	\$ 540,363,058	6.94%	\$ 27,954,897	7.60%	298,733	9.81%	8.11%
14		Colorado-Kansas Division	490,839,638	6.30%	25,847,376	7.03%	242,343	7.96%	7.10%
15		Louisiana Division - Service Area 007	187,022,823	2.40%	7,995,906	2.17%	73,504	2.41%	2.33%
16		Louisiana Division - Service Area 077	520,717,297	6.68%	23,120,117	6.29%	270,793	8.89%	7.29%
17		Kentucky/Mid-States Division	884,864,377	11.36%	38,003,823	10.33%	330,213	10.84%	10.84%
18		Mississippi Division	452,112,720	5.80%	34,412,859	9.35%	250,745	8.23%	7.80%
19		Mid-Tex Division	3,134,007,452	40.23%	107,702,527	29.28%	1,578,673	51.82%	40.44%
20		Atmos Pipeline - Texas Division	1,485,426,529	19.07%	67,177,073	18.26%	346	0.01%	12.45%
21		Non-Regulated Operations	94,481,367	1.21%	35,646,573	9.69%	1,078	0.04%	3.65%
22			<u>\$ 7,789,835,260</u>	<u>100.00%</u>	<u>\$ 367,861,150</u>	<u>100.00%</u>	<u>3,046,427</u>	<u>100.00%</u>	<u>100.00%</u>
23									
24	<b>Colorado/Kansas General Office Division 30 Allocation to states Colorado, Kansas, Missouri</b>								
26	33 - 41	Colorado	\$ 203,520,963	41.60%	\$ 6,415,097	35.07%	112,353	46.36%	41.01%
27	30	Kansas	285,737,839	58.40%	11,879,485	64.93%	129,990	53.64%	58.99%
28		Total	<u>\$ 489,258,803</u>	<u>100.00%</u>	<u>\$ 18,294,582</u>	<u>100.00%</u>	<u>242,343</u>	<u>100.00%</u>	<u>100.00%</u>
29									
30	<b>Kansas Administration Office Division 80 Allocation to Kansas Divisions</b>								
31		Total	<u>\$ 285,737,839</u>	<u>100.00%</u>	<u>\$ 11,879,485</u>	<u>100.00%</u>	<u>129,990</u>	<u>100.00%</u>	<u>100.00%</u>
32									
33	<b>General Office Division 002 Allocation to Kansas Divisions (Division 12 Customer Support uses Column (h) Customer Factors)</b>								
34		Total						<u>4.27%</u>	<u>4.19%</u>
35									



Atmos Energy Corporation  
2013 Summary Annual Report

# three on 30

A grayscale photograph of a modern building with a brick base and large glass windows. The ATMOS energy logo is mounted on the brick wall. The text "three on 30" is overlaid in large white letters across the upper portion of the image.

ATMOS  
energy

A black and white photograph of a person walking away on a snowy path. The person is wearing a dark coat and a hat, and is walking towards the right side of the frame. In the background, there is a large, leafless tree and a fence. The overall scene is a winter landscape.

30 years: A solid foundation.

# A prosperous future.



## three perspectives.

LEFT: In 1983, Charles K. Vaughan was named CEO of Energas Company, a newly independent natural gas utility serving West Texas. The company's former owner, Pioneer Corporation, had given the fledgling company few resources but had required it to pay its first dividend within 90 days after the spinoff. Charlie recalled, "We had no cash and no ability to pay that dividend." Then, the coldest West Texas winter in 50 years turned the Texas Panhandle as white as cotton, and Energas sold a record amount of gas. "We made more money than we knew what to do with," Charlie said. Nature's beneficence helped save the company and put it on the road to success.





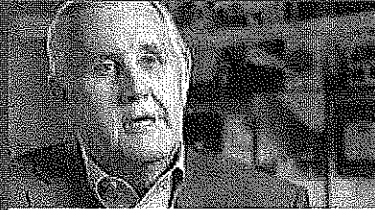
ABOVE: Continuity and consistency of leadership have served Atmos Energy well. In 1997, newly named chairman, president and chief executive officer Robert W. Best (left) began meeting monthly for dinner with previous chairman Charles K. Vaughan (center) to discuss business, make plans and enjoy each other's company. Current CEO Kim R. Cocklin (right) joined the dinners in 2008 when he was named president and chief operating officer. Friends, colleagues and mentors, the three share a commitment to the heritage, the present and the future of Atmos Energy.

*Atmos Energy was nurtured by the snows of the Texas Panhandle 30 eventful years ago. Among many people who have helped build the company's legacy, three leaders stand out for their dedication to its customers, shareholders and employees. The vision of growth and independence of Charles Vaughan ... the creation of lasting assets and a remarkable culture by Bob Best ... and today's strategic and sustainable leadership under Kim Cocklin ... endow Atmos Energy with a solid foundation and a prosperous future.*

three perspectives.

# CHARLES VAUGHAN: Establishing growth and independence

*With grit and determination, Charles K. Vaughan bootstrapped Atmos Energy from a small West Texas natural gas utility into a nationally known gas distributor. His 56 years of service to the company have made him not only the company's guiding force, but also its moral compass. His passion for keeping the company independent and prosperous is matched by his heartfelt dedication to the company's employees.*



BELOW: To raise capital for expansion, Charlie Vaughan worked to attract attention from the financial community. A major move was listing the company on the New York Stock Exchange. On October 3, 1988, Charlie and his wife, Barbara, toured the NYSE, and Charlie bought share No. 1 of Atmos Energy Corporation common stock.

When you were named CEO in 1983, many said the company wouldn't survive, but it did. How did you do it?

It was the result of a bit of luck and a lot of dedication. We had just been spun off in October from Pioneer Corporation, and our employees were being told by former colleagues that the company

couldn't survive the first year.

Then in late November, the coldest winter in half a century swept across West Texas, and the freezing temperatures lasted for weeks. We sold more natural gas than ever, and we made a lot of money that first year.

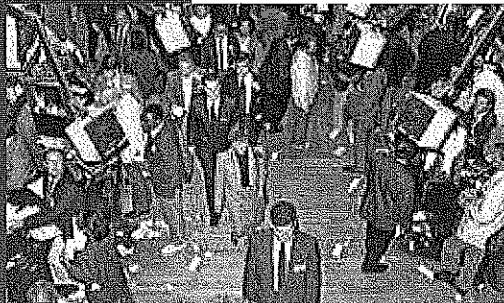
The employees who came with us were courageous, and I was dedicated to them. I was determined to do whatever we had to do to survive. I think that same dedication and courage and determination still exist at Atmos Energy today.

What is the most important characteristic of a strong organization?

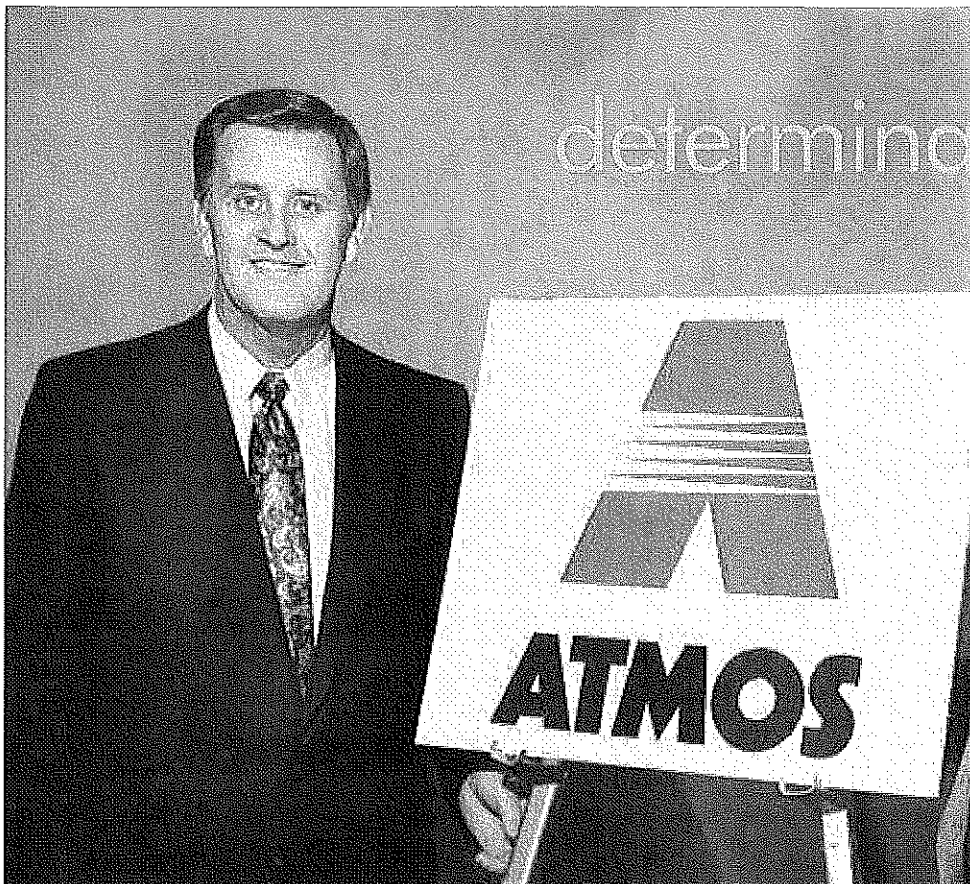
Focus. You have to maintain the focus that will carry your vision forward.

In the past, our corporate vision was about growth and development through acquisitions. That strategy requires appropriate risk-taking, a bit of gambling and a lot of courage.

Bob Best was extremely courageous as CEO in taking steps that tripled the



# determination >>



"Together, we're going to make this company grow."

—CHARLES K. VAUGHAN

LEFT: Creating a strong, separate brand for the company was one of Charlie's goals. "We wanted a new name that was distinctive and tied to the energy industry," Charlie said. After considering more than 100 choices, he announced the winner, Atmos Energy. The corporation changed to its present name on October 1, 1988.

size of the company. Current CEO Kim Cocklin is showing a great deal of courage, too, by investing billions of dollars in the company's infrastructure through strategic capital spending. Not to mention, he's already made tough choices to divest operations when it made sense. It takes courage to sell profitable operations. But, it's all based on your focus for the future.

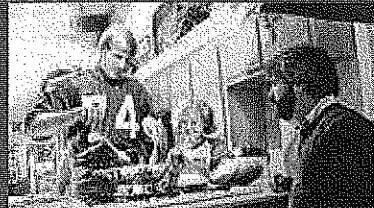
was being deregulated. So, with support from the board, we devised a plan to expand and made a tender offer for Trans Louisiana Gas Company, which had recently been in play.

CEOs at other utilities and securities analysts told me I was crazy, that the deal would never close. But, in time, our negotiations turned friendly, and we completed the acquisition. Buying Trans La increased our number of customers by about 25 percent. We also added many large industrial users to our customer mix, and we diversified operations with a different economy, different customer demands and different state regulations.

Most important of all, we proved we could grow by acquiring utility assets. We could build on a bigger base, so that we could buy an even larger property the next time around. And, that's what we did, again and again.

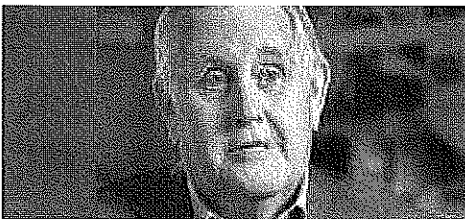
What kind of investments is Atmos Energy making today?

We're investing in growth by putting pipe in the ground rather than by acquiring companies. Kim is focusing on



ABOVE: "At the time of the spinoff from Pioneer, we began thinking about a new vision for the company. We needed to change the direction to better reflect our intent to eventually become a nationally known utility company," Charlie said. He personally recruited the highly respected former Dallas Cowboys Hall of Famer Bob Lilly, who appeared in television and newspaper advertising as the company's spokesperson.

the company's mission today, not what it was when Bob was CEO or when I was CEO. Kim is a brilliant thinker and financial strategist as well as a dedicated people person. He's transitioning the company's focus from acquiring assets to investing in existing assets; he's reinforcing the infrastructure to seek stable earnings growth in the years ahead.



You became an industry maverick in late 1985 when you launched the first-ever hostile takeover of a utility.

We had to do something, or the company wouldn't have survived. Our service territory was limited to West Texas, and it was not growing. What's more, the natural gas business in this country



ABOVE: Acquiring Trans Louisiana Gas Company in 1986 diversified operations and added large industrial users. One of those long-time customers, Weyerhaeuser Company, uses natural gas at its plants for drying lumber and manufacturing wood products.



How do you invest in the long-term future when Wall Street is so interested in the present?

There's more to success than just the bottom line and the latest quarterly financials. Kim, Bob and I share a common commitment to Atmos Energy's employees. That dedication to the employees has built a stronger base than anything else this company could ever have done.

You can talk to a company meter reader you see on the street—and I've literally done it—and he'll tell you how much he and his fellow employees love this company and how dedicated they are to its success. It's quite contagious.

Bob carries this enthusiasm for people forward, and Kim demonstrates the same passion, too. With such a spirit, it's

easier to see the longer-term, larger picture. That's what makes Atmos Energy enduring ... financially or otherwise.

The utility industry expects an exodus of employees during the next five years, as more than two out of five current workers reach retirement. What would you say to a new employee starting at Atmos Energy today?

One thing that should never change is what's inside you—honesty, good moral character, integrity and dedication to those around you. A selfish view of the world undercuts your own effort and career while it causes the company to start going downhill. I'm confident Atmos Energy is prepared for the future because of the strong character

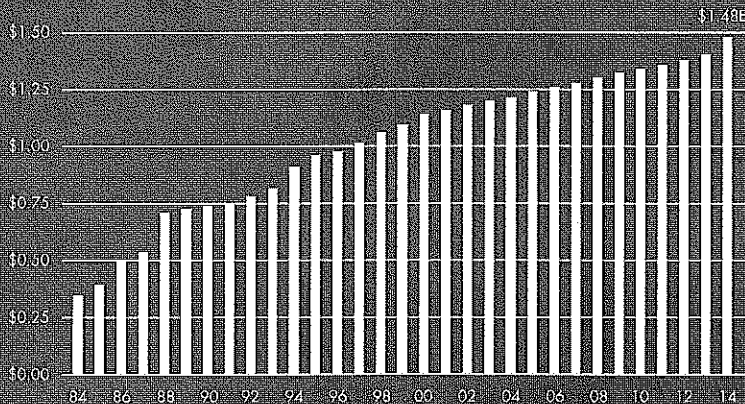
"One thing that should never change is what's inside you—honesty, good moral character, integrity and dedication to those around you."

—CHARLES K. VAUGHAN

# commitment >>

## Atmos Energy Dividend History

In dollars, adjusted for mergers and acquisitions



Charlie Vaughan, Bob Best and Kim Cocklin concur that only a financially healthy utility can serve its customers and communities well. The company's 30-year history of consecutively raising its annual cash dividend is one of the best indicators of this financial strength.

BELOW: Charlie's management style was to meet every employee and to personally welcome those at the utilities Atmos Energy acquired. The lasting bond between company leaders and employees "has built a stronger base than anything else this company could ever have done," he said.



Their decision-making deteriorates from what's good for the company to what's exciting for them.

That kind of thinking wasn't for me. And, when I look at our company leaders today, it's the same. They're all working together, pulling for the team.

Why did you retire at an early age?

I knew it was time for a change. We needed a personality different from mine to run the company. We needed someone to succeed me who could take the company to the next level. It took me a while to find the right person, but I knew what qualities were needed, and the board agreed with me. After a few attempts, we were finally able to hire Bob Best, and he was truly the right leader. Selecting him gave me the physical and mental freedom to move on, because I knew the company would be in the right hands.

How do you feel, looking back at all you achieved?

I feel good; however, I often feel guilty about the management style I had to use. Needless to say, in looking at the company today, I feel good about where it is and where it's going. The future is so bright for Atmos Energy, with solid leadership, motivated employees, a sound business model and valuable contributions to the communities we serve.



of its employees. Our success is due to the individual integrity and morality of each employee.

As a young manager, you often challenged the status quo and constantly pushed for improvements.

In my case, I guess that's where ignorance came in. I was a thorn in the side of management. I was always looking for better ways to do things and was always curious. I roamed around all the departments after I was transferred to the company headquarters. I saw things that could be tied together to be improved. So, I was always in my boss's office, recommending how we could do things better.

I was nosy, and I wasn't afraid to speak up. When you speak up, it should never

be about you, but about all of us and the good of the company as a whole.

The 1980s and 1990s were years of egregious corporate excess. How did you steer clear of that?

We were building a company to last, not one to flip. I gave up raises and stock options, so employees could get them. I could have sold the company and made a lot of money personally and retired. But, I could never take advantage of the situation for personal gain. I had worked my way up from humble beginnings, and so had most of the company's employees. The trust among us would never have allowed me to betray their dedication to the company.

If you want a good, clean, high-quality company, you have to make decisions that are good, clean and high-quality.

How do you stay true to your promise? Again, it's focus. Many leaders begin to think they're untouchable. Once they get to the top, they get carried away and go off in selfish directions. They want to buy this company, expand into that territory, join the jet set, or whatever.

# 2

## BOB BEST: Continuing growth and a strong culture

*When Robert W. Best joined Atmos Energy as chairman, president and CEO in 1997, he was already a well-known industry leader. Best followed the visionary strategy set by Charles K. Vaughan, making major acquisitions that tripled the size of Atmos Energy. He also burnished a culture that is now the envy of other utilities and a major force driving the company's safety efforts, service excellence and financial performance.*



As CEO, you led acquisitions that made Atmos Energy one of the country's largest natural gas distributors. You also came to epitomize the spirit of Atmos Energy by developing a strong organizational culture. What are you most proud of after more than 16 years with the company?

I'll tell you what I feel the best about: Atmos Energy is in really good shape. Like Charlie Vaughan, I left at the right time. I wanted the company to be not only financially strong, but culturally sound, as well.

We completed six major acquisitions. We improved customer service, put in new customer-support systems, built a world-class technical training center, set up a community foundation and forged supportive political alliances.

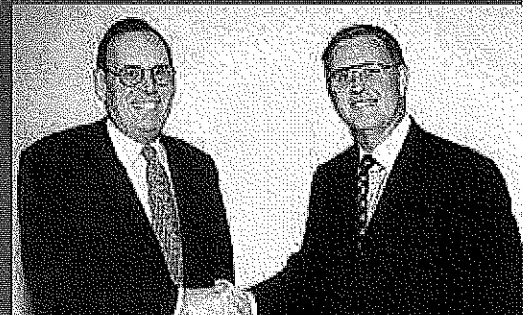
Most important, we developed an engaging culture. Our culture continues to bloom; our people are engaged. It's exciting to see the company progressing so well in so many ways.

Working at Atmos Energy has been the highlight of my career. I wouldn't have had that opportunity had Charlie not called me one Sunday morning at the urging of his wife, Barbara. I can't thank Charlie and Barbara enough for all their support and friendship for my family and me through the years. I deeply respect and love them both.

I am also proud of working with Charlie and the board to bring Kim Cocklin to Atmos Energy. Kim and I have been friends for more than 30 years. He is an excellent leader who cares deeply about our employees. He is doing an exceptional job as CEO.

How will Atmos Energy's culture continue to move the company forward?

I've always said, if you make business about business, it's hard to rally your employees. It really is. Instead, you've



ABOVE: Charlie Vaughan greeted Bob Best on his first day as Atmos Energy's chairman, president and chief executive officer. The two had known each other for years through industry associations and Bob's leadership of an interstate natural gas transmission company that supplied Atmos Energy.

"Hiring Bob Best was the 'best' decision I ever made."

—CHARLES K. VAUGHAN

# community >>

BELOW: As new acquisitions caused Atmos Energy's workforce to grow, Bob launched quarterly satellite broadcasts in 2001 to personally stay in touch with all employees about company goals, new projects and financial results.

got to build a business on the foundation of a great culture.

To cultivate a great culture means a lot of things. It means picking the right people, promoting the right people and treating everyone fairly. What employees believe drives everything. Their attitude and spirit drive customer service, which is our reputation, safety practices, community service and financial performance. Culture drives *everything*.

You have to focus on financial performance, too, because we're measured by our results. But, to grow the financial performance, you have to create the right chemistry and the right environment.

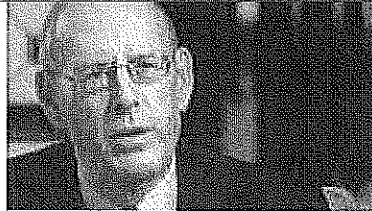
Unlike most companies, Atmos Energy has had tremendous continuity with Charlie Vaughan, myself and now Kim Cocklin. Our genuine mutual respect, admiration and friendship show that we are like-minded about the value of creating a great culture.

What is so special about AtmoSpirit?

It's always intrigued me that companies spend millions of dollars on what I would call technical training. Yet, they don't spend much on what I call spiritual training to develop the individual in his or her career.

When I was first named CEO of another company at age 38, I thought you could tell people how to behave. But, everyone hears it differently if there's no common language. Without a defined culture that every employee can see and experience, there's no sense of community feeling or personal commitment.

So, when we embarked on our AtmoSpirit training, I felt strongly that culture isn't just something for the rank and file. It's for everyone—and our company's



leaders are required to participate as much, if not more, than everyone else.

AtmoSpirit is a hands-on experience. In group meetings, our employees discuss different situations and role-play concepts like, "What does teamwork mean? What does coaching mean?"

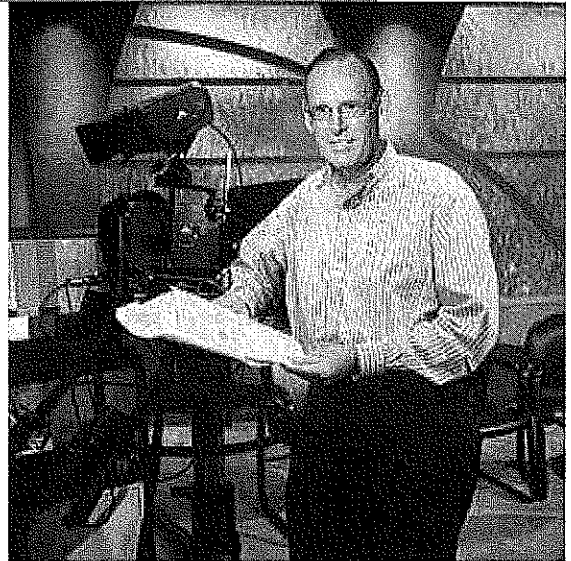
In one example, a participant is blindfolded and instructed to hit a bull's-eye on a target with a dart, which is almost impossible. Then, the group leader says, "Well, let's try harder!" It's obvious that kind of indirection is not coaching. But, once the group leader tells the employee that the target is 4 feet away and 6 feet high, the employee's chances of hitting the bull's-eye go up dramatically. That's coaching, and that's the essence of the culture we instill.

Is it more difficult for a CEO to make decisions today?

People talk about decisions as though they're right or wrong—black or white. Decisions aren't innately right or wrong; they are decisions, and they usually are colored with lots of grays.

You might decide differently than I would, yet somebody has to be the quarterback. Somebody's got to be the coach. Somebody's got to make critical decisions, and you can't disregard plays sent in from the sidelines.

So, you take everything into account, make the best decision you can at the time and then watch the results.



No one bats 1,000. So, I've always felt that you cannot let pride, ego or just plain stubbornness keep you from modifying a decision to make it better. CEOs are not omniscient or infallible; we're just human beings.

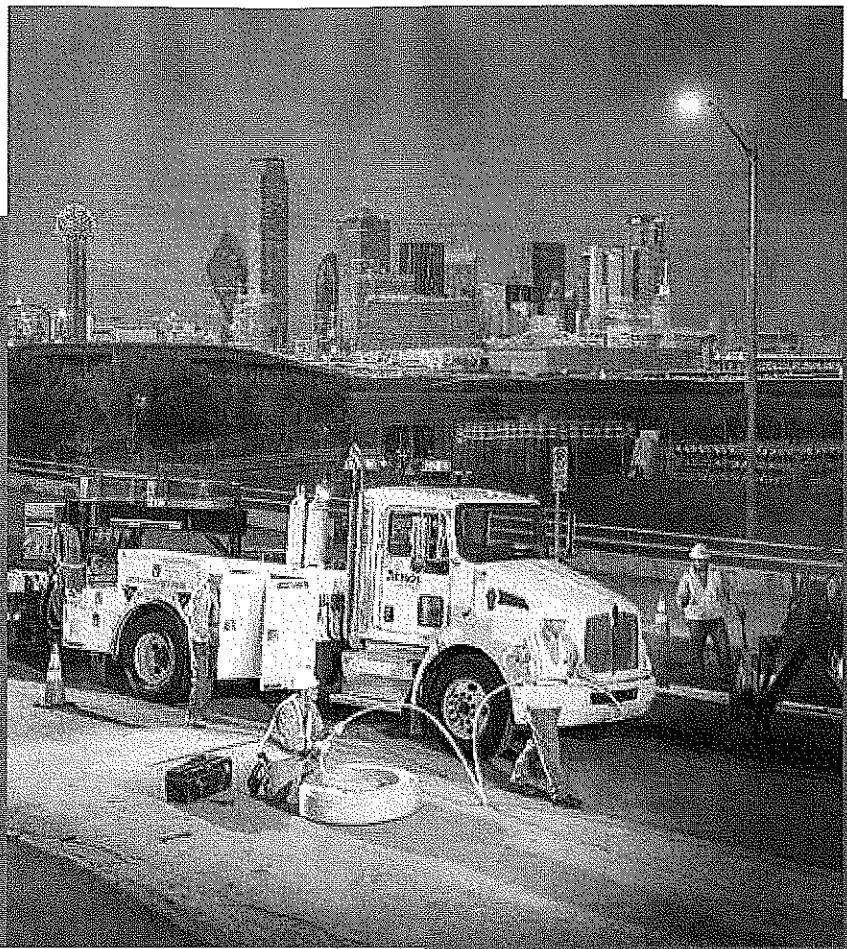
You've always considered yourself not just a manager, but a coach. What's the distinction?

My dad was a coach; so, I really thought I might become a coach one day, too. However, he passed away when I was a sophomore in high school, and I decided not to go that route. I feel though I have been a coach in a business setting.

Getting people to understand their roles. Creating the right environment. Picking the right people. Achieving the right chemistry. Expecting certain things of people. Asking people to work together and creating a common good. That's coaching, and winning in business is the financial score. I feel coaching has been my calling.



RIGHT: Charlie Vaughan moved the company's headquarters to Dallas in 1986, but it wasn't until 2004, when Atmos Energy acquired the distribution and transmission assets of TXU Gas, that it began serving the Dallas-Fort Worth Metroplex, the country's fourth-largest metropolitan area. The acquisition of TXU Gas assets made Atmos Energy one of the largest natural gas distributors in the United States.

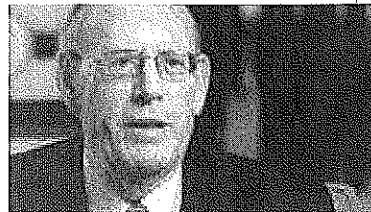


Many companies develop complex, even overreaching, strategies. Why has Atmos Energy been so focused on the natural gas utility business?

We've stuck to our knitting. We've had a clear strategic and tactical path as to what we need to get done. We've stayed focused on what we know, with our eye on the ball. We've gotten very good at it, and we're improving our game all the time.

A highlight of your tenure was acquiring the distribution and pipeline assets of TXU Gas. That acquisition nearly doubled the size of Atmos Energy overnight. What gave you the confidence to do so big a deal?

The vision of Charlie and the board was a clear expectation that the company would grow through acquisitions. As a result, Atmos Energy made 10 major acquisitions. Each one added growth and diversity and expanded the foundation to make succeeding acquisitions. The company became very good at managing



infrastructure, transitioning systems and integrating new customers. It also had a reputation for a sound culture and a deep commitment to its employees.

Acquiring the TXU Gas assets in 2004 was the largest acquisition the company had made; it doubled our size. It was exciting because we acquired outstanding assets, extremely talented employees and the opportunity to serve 550 additional communities in Texas as well as Dallas, the city where we are headquartered.

You also were successful in achieving timely recovery in rates for major capital investments and decoupling the company's rates from its customers' throughput. Why were those goals so important?

"Americans finally are coming around to realize how energy efficient and environmentally beneficial natural gas is for the country."

— ROBERT W. BEST



ABOVE: Bob Best, one of the natural gas industry's leading advocates, testified in 2000 at a U.S. Senate hearing. As CEO of Atmos Energy, he distinguished himself by serving as chairman of the American Gas Association, American Gas Foundation and Southern Gas Association. Kim Cocklin has observed, "Bob is a missionary for natural gas."

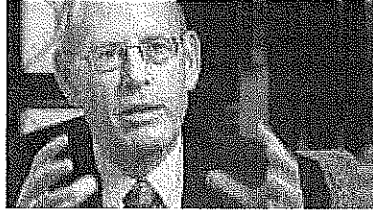
# prosperity >>

We have worked to improve our rate structure to help our customers and the company.

When you're investing billions of dollars in infrastructure improvements, the saying "time is money" is very true. We have sought to begin recovering in rates the investments we make in infrastructure as soon as possible as well as to start earning a return on those investments. Regulatory lag, as it's called, can hinder such a vigorous replacement and expansion program like ours. We want our pipelines, compressor stations and other facilities that deliver natural gas to be in top working order to ensure safe and reliable service for our customers and communities.

We also want our income to be independent from our customers' consumption. Weather patterns, more-efficient appliances, customer conservation, even high gas prices—none of which we can control—can dramatically affect total throughput. And, that same volatility can play havoc with the customers' bills or the company's earnings.

Therefore, we have put in place rate mechanisms based on the investments we've made in our system and a fair compensation for the utility service we



deliver. We earn our income from operating, maintaining and enhancing our infrastructure, not from the price of gas we deliver or the volumes of gas we deliver. That way our customers get the best deal from the natural gas they use, while promoting energy efficiency to help the environment.

It's a far more certain way to manage a gas distribution system while it provides the quality of service customers demand. Not surprisingly, our regulators have agreed with this approach, too.

Is natural gas an environmentally sustainable fuel?

Strictly defined, natural gas is a fossil fuel, having a finite volume locked within the Earth. The supply is not unending, like that of wind or solar energy. Nevertheless, for years, even energy experts tended to underestimate the gas resource base and the role technology

could play in obtaining more natural gas. Not that long ago, people in our own industry were warning that we'd have gas shortages or run out entirely.

Natural gas is an abundant and versatile fuel. It's the best fuel for cooking, heating, water heating and industrial manufacturing. One of the biggest challenges for our industry is to explain the enormous potential of gas. Coal always outflanked us in the past, but the claim of "clean coal" is an oxymoron. There's no such thing. Now Americans finally are coming around to realize how energy efficient and environmentally beneficial natural gas is for the country.

What do you hope will be the legacy of your tenure at Atmos Energy?

It was always my goal to retire when the company was in excellent shape and to leave with dignity. Equally important to me was to be viewed as one who had stayed true to his personal values and had made decisions based on a strong moral compass.

I hope to be remembered for creating a culture in which employees are respected, appreciated and developed, both personally and professionally. Also, I'm proud that, with the help of many others along the way, we were able to grow the company's asset base threefold and to develop a talented leadership team to guide the company into the future.

I am full of gratitude for the wonderful opportunity I was given to lead Atmos Energy Corporation for 15 years. With Kim in place as CEO and with the strong support of the board of directors and our enterprise leadership team, Atmos Energy's future is very bright indeed.



LEFT: Gas City at the company's Charles K. Vaughan Center simulates a mini-community with buildings, streets, pipelines and other utility infrastructure. Employees practice what they learn in the center's classrooms in hands-on situations. Called the finest facility of its kind, the center underscores Atmos Energy's commitment to advancing safe and reliable service.

# 3

## KIM COCKLIN: Building shareholder value

*Kim R. Cocklin leads Atmos Energy today, continuing the continuity from Charles K. Vaughan and Robert W. Best. Witty and warm, he is a respected strategist who is investing in the company's impressive portfolio of existing assets to modernize its distribution and transmission system. These significant infusions of capital help ensure safe and reliable customer service as they create a platform for steady earnings growth.*



"There's no better spot to be than in natural gas right now, especially if you're delivering gas to residential and commercial users."

—KIM R. COCKLIN

You are following in the footsteps of two successful leaders. What lessons have you learned from them?

Following Charles Vaughan and Bob Best is like taking over at quarterback for a team that had Tom Brady or Peyton Manning playing. The whole was always greater than the sum of the parts with Charlie and Bob. They always helped all the players on the team seek to reach their full potential. They made them better.

What I've learned from them is a tremendous recipe for success. They took a genuine interest in everybody they met. They built a great company by developing a great team.

What's the future for natural gas?

The road to recovery in this economy is natural gas. We must have affordable energy, telecommunications, financial services and consumer products. Those are the four food groups necessary for a strong economy.

Natural gas is all-American. It's affordable and abundant, and it's going to remain abundant for decades into the future. It's also environmentally clean and safe.

To President Obama's credit, he has pushed for a national energy policy that takes advantage of natural gas. At the same time, the public is starting to understand the many benefits of natural gas. So, the future seems very bright.

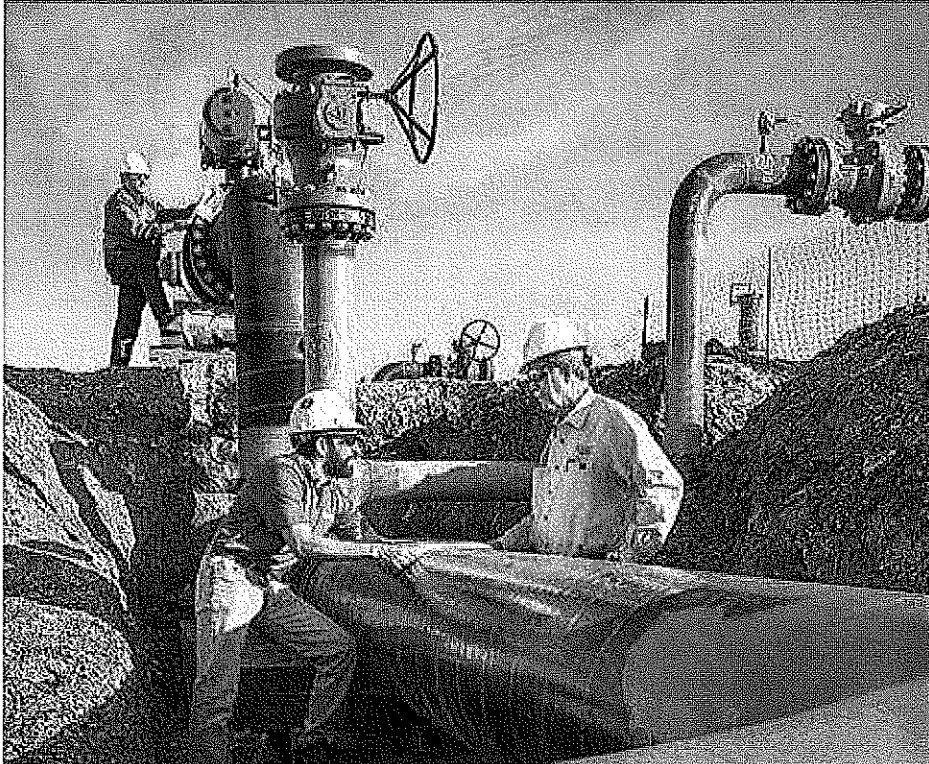
What's your view on investing today in natural gas distribution?

There's no better spot to be than in natural gas right now, especially if you're delivering gas to residential and commercial users. That's primarily what we do for a living at Atmos Energy. We touch more than 3 million natural gas

RIGHT: Supporting economic development and new jobs is one way we build shareholder value. At West Point, Mississippi, Atmos Energy marketing and engineering representatives confer with officials of Yokohama Tire Company about plans to fuel a new multi-million-dollar tire manufacturing plant.



# strength >>



LEFT: Our strategy today is to invest in our infrastructure to ensure safe and reliable service. A major transmission project during fiscal 2013 was our 24-inch Line WX, being installed west of Fort Worth, Texas. It will help Atmos Pipeline-Texas supply the needs of local gas distribution utilities in the state.

customers in a positive way, and we contribute to the economic well-being of the 1,406 communities we serve because of our continuing investments in infrastructure and people.

How does Atmos Energy's nonregulated business add to shareholder value?

Today, there's more pipe and more supply for natural gas than ever. Much of it is the result of shale-gas development. Therefore, our nonregulated business doesn't seek to make money from selling the gas itself, but from delivering it.

Our natural gas marketing group provides a value-added service to more than 1,000 steady customers, including municipalities, smaller commercial businesses and some industrial customers that do not have an energy manager.

For example, the City of Rising Star, Texas, hires our gas marketing company to provide the energy services that the



city needs to serve the community. Atmos Energy Marketing essentially contracts for transportation and storage. It buys the gas supply and nominates that supply at the wellhead. It schedules the delivery at the city gate. It bills the city and then allocates those bills for the residential, commercial and industrial customers.

Our nonregulated segment is generating about 10 cents of annual earnings per diluted share, which is a tremendous contribution. Many other natural gas marketing companies are struggling or out of business, but we have a lot of traction around how we're managing our gas marketing company. In fact,

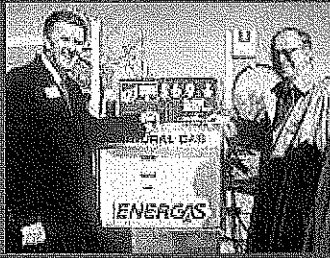
our adoption of a delivered-gas energy services model was part of the reason that Standard & Poor's upgraded Atmos Energy in late 2013.

What does Atmos Energy's portfolio of businesses and territories look like today?

When I became CEO, Atmos Energy was distributing natural gas in 12 states. Our acquisitions had helped us to grow in size, but we also needed to grow smarter. After a healthy discussion and debate with Charlie and Bob and the board, we stepped back and evaluated the company's portfolio of assets, looking at it jurisdiction by jurisdiction.

The key question was: Were we getting too stretched out? Were there costly inefficiencies? For instance, we had 5,000 customers in Iowa. Did it make sense to serve only 5,000 customers in one state that requires the filings, taxes, licensing, fees and compliances as does a state where we have a significantly larger customer base?

Consequently, we elected to sell our operations in Iowa, Illinois, Missouri and Georgia when we were approached with an offer. It's a better situation for us, but more importantly, it's a better deal for our former employees, customers and communities there, too.



ABOVE AND RIGHT: Atmos Energy's leaders have long advocated using clean-burning and abundant natural gas to fuel fleet vehicles efficiently. In 1991, Charlie Vaughan demonstrated a compressed natural gas fueling station at a press conference in Lubbock, Texas. Today, a natural-gas-fueled bus of the Lafayette, Louisiana, Transit System reflects the growing public approval of this idea to save money and reduce air pollution.



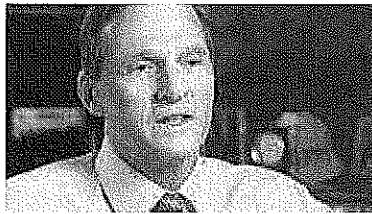
Does Atmos Energy view ratemaking differently than other utilities do?

For a regulated utility, ratemaking is how rates of compensation are set for serving customers. A lot of technical know-how goes into the process. But, ultimately, the focus should be on win-win outcomes.

Ratemaking is all about balancing the economic interests of the consumer against the operational needs of the utility. The utility's needs are always to invest in assets to enhance safety and reliability—not necessarily to make money, but to modernize assets and ensure that they're rehabilitated or replaced or repaired sufficiently, so that you're continuing to serve customers safely and reliably.

You can never win a rate case at the expense of the customers. If you do, it's going to be very, very short-lived. That's why we've sought out negotiated solutions with our communities. We've developed rate mechanisms with fair compromises to avoid filing rate cases every year. And, we have opted for settlements whenever we can achieve them.

If you consider ratemaking not as an adversarial exercise, but as relationship



building, this otherwise mandatory process can help establish long-term partnerships.

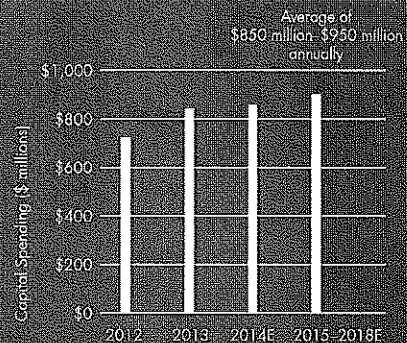
What is the state of Atmos Energy's infrastructure today?

We've invested more than \$1.4 billion during the past three years to improve safety and reliability while not increasing our customers' bills. About 85 percent of an average gas customer's bill is the cost of natural gas. Our customers have seen average winter gas-heating bills at or below what they experienced three years ago. The difference between today's lower cost of natural gas and our allowed rate allows us to invest more in our communities' natural gas infrastructure.

Unlike other entities that haven't paid attention to the state of their infrastructure, natural gas utilities have done a

### Growth Fueled by Increased Capital Spend

Financed with a Blend of Cash Flow, Debt and Equity



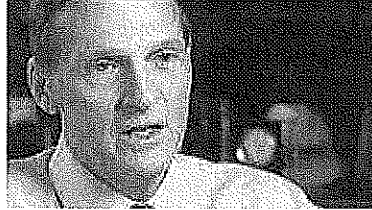
Atmos Energy's capital spending has grown significantly as we invest more in our natural gas distribution and regulated transmission and storage infrastructure. These investments will modernize and improve operations for safety and reliability.

"Ratemaking is all about balancing the economic interests of the consumer against the operational needs of the utility." —KIM R. COCKLIN

# results >>



ABOVE: Atmos Energy emphasizes excellence in customer service. Foremost is the selection and training of our customer service representatives, who handle up to 2,000 calls an hour at our two domestic call centers in Amarillo and Waco, Texas. In fiscal 2011, the company opened a new state-of-the-art call center in Amarillo. In fiscal 2013, a team involving hundreds of employees completed installation of a new customer-service, billing and dispatch software system.



good job getting ahead of the need for modernization. Atmos Energy's own infrastructure is strong, safe and ready to support more natural gas customers.

Atmos Energy has a unique culture. How does culture play a role in the company's success?

Culture is going to trump strategy every time. You have to give employees more than just a paycheck, because they're looking for more than money. We have a culture that is worth belonging to. Every company has a business plan or a financial plan, HR plan or strategic plan. But, most of them don't have a culture plan, because they don't know how to create it, live it and measure it. We do.

Central to the company's culture is AtmoSpirit. Why is it so important to success?

People are mystified by AtmoSpirit. They have absolutely no idea how we can invest in that program and take the time that we dedicate to it. You might think that's the soft stuff but, in reality, that's the gray matter. It is integral to our success, and our results prove it works. In 10-year stock returns, Atmos Energy ranks with Exxon Mobil, AT&T, Coca-Cola, Johnson & Johnson, the Dow, S&P, JPMorgan Chase and GE. Much of our success has to do with AtmoSpirit.

Atmos Energy seems to focus more on outcomes than on financials.

We do. If you get the right results the right way with the right people—because it's the right thing to do, then you're going to be successful, and the numbers usually take care of themselves. Now, that's not to say we don't maintain a keen eye on our financials. Nevertheless, we don't judge our performance by numbers alone. Real outcomes are much more about how we operate, the opportunities we create, the people we serve and the returns our shareholders earn from their investments.



LEFT: Supporting communities is another major point of continuity during the past 30 years. Atmos Energy generously supports the United Way, energy assistance programs, Habitat for Humanity, chambers of commerce, disease prevention and treatment campaigns, and many local appeals. An important area of support is public education and literacy. Inside Dallas' largest shopping mall, Atmos Energy sponsors the Dallas Public Library's Bookmarks branch, where children are entranced by librarians, storytellers and performers through the magic of reading.

# To Our Shareholders

*By all accounts, Atmos Energy's 2013 fiscal year was outstanding, and its prospects for future growth and prosperity are excellent.*

## Fiscal 2013 Highlights

\$2.64 earnings per diluted share, an 11% increase over fiscal 2012

\$1.40 per share annual dividend

23% total shareholder return

\$845.0 million in capital expenditures

\$122.3 million annual operating income increase from rate activities

Georgia distribution assets sold for \$153 million

Reduced weighted average cost of long-term debt to 6.23%

Standard & Poor's credit rating upgrade to A-

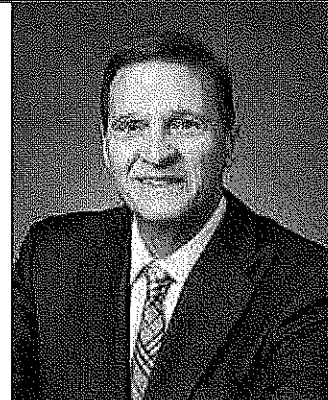
Earnings per diluted share went up 27 cents over fiscal 2012 results to \$2.64. Consolidated net income rose 12 percent, year over year, to \$243.2 million, marking our 11th consecutive year of increased earnings.

Return on average shareholders' equity was 9.7 percent, and total shareholder return was 23 percent.

Shareholders received annual dividends per share of \$1.40. In November 2013, the board of directors raised the dividend by 8 cents a share, or 5.7 percent, to an annual indicated rate of \$1.48 in fiscal 2014. Taking into account the effects of the company's mergers and acquisitions, our dividend has increased every year for the past 30 years.

Our results came from successfully executing our strategy of investing in our natural gas distribution system and seeking recovery of, and earnings on, such investments as soon as possible. We received approvals during fiscal 2013 for \$122.3 million in annualized operating income increases as a result of rate filings and the effects of efficient rate mechanisms.

We also recorded a net-of-tax gain of \$5.3 million, or 6 cents per diluted share,



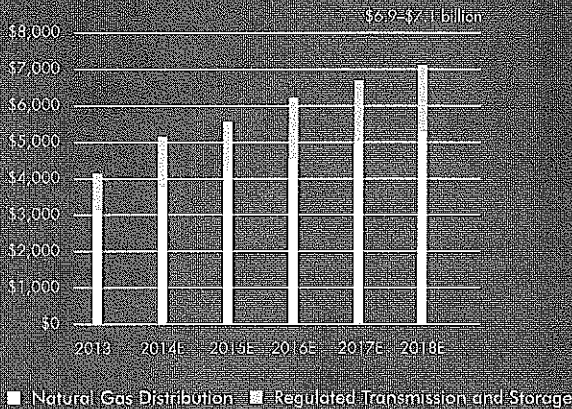
Kim R. Cocklin  
*President and Chief Executive Officer*

from the sale of our natural gas distribution assets in Georgia. The sale proceeds of \$153 million were redeployed to fund growth opportunities in the remaining jurisdictions the company serves. By selling those assets, we streamlined our regulated operations to eight states and became more geographically efficient.

Regulated operations provided 95 percent of fiscal 2013 consolidated net income, with natural gas distribution contributing 67 percent and regulated transportation and storage providing 28 percent.

### Capital Spending Results in Rate Base Growth

Dollars in millions



Our rate base of regulated assets is projected to grow to between \$6.9 billion and \$7.1 billion by the end of fiscal 2018. Our continuing investments in infrastructure improvements will be the primary driver for the growth in our future earnings.

Nonregulated operations contributed the remaining 5 percent of net income in fiscal 2013. The segment's \$11 million of earnings reflected strong performance from focusing on its core delivered-gas business. Our gas marketing business continues to score high ratings in customer satisfaction and to maintain the loyalty of our long-time gas customers.

#### Focused Strategy

About 95 percent of our consolidated net income today comes from predictable rate-base-driven earnings. Our focused strategy is to modernize our infrastructure and ensure safe and reliable operations.

We have invested more than \$1.4 billion during the past three years to repair, rehabilitate or replace aging segments of our pipeline network. We plan to accelerate our capital spending through the end of fiscal 2018 to advance our highest priorities of safety and reliability.

Investors are applauding natural gas utilities for making these critical infrastructure investments. The market recognizes the potential gains and reduced operational risks for innovative distribution companies like Atmos Energy that

increase safeguards for the public. This support was evident on November 14, 2013, when our share price set an all-time high of \$47.44.

In fiscal 2013, we invested a record \$845.0 million in capital expenditures primarily for system improvements. For nearly 93 percent of that investment, we expect to begin earning a return on it within one year. Approximately 70 percent, or \$589 million, of our fiscal 2013 capital spending was dedicated to safety and reliability projects.

The \$112.1 million year-over-year increase in our fiscal 2013 capital expenditures was due to major pipeline expansion projects and more spending on cathodic protection to prevent corrosion of pipelines in our regulated transmission and storage segment.

Atmos Pipeline-Texas (APT), our regulated intrastate transmission and storage unit, completed major pipeline expansions that added capacity and capability to serve local gas utility distribution systems, including our Mid-Tex Division. Of note was the installation of 69 miles of 24-inch Line WX west of Fort Worth.

APT also added two 1,590-horsepower compressors at the Waha Hub, which is a confluence of several large pipelines,

gas treatment plants and processors southwest of Monahans, Texas. These powerful compressors increase the opportunity to connect more natural gas supplies from the Permian Basin.

#### Solid Financial Foundation

Atmos Energy's solid financial foundation is reflected by its strong balance sheet. At fiscal year-end on September 30, 2013, our debt capitalization ratio was 52.2 percent, compared with 51.7 percent at September 30, 2012. At year-end, available liquidity of approximately \$715 million was sufficient to meet our anticipated needs.

In January 2013, we reduced the weighted average cost of our long-term debt to 6.23 percent when we issued \$500 million of 4.15 percent 30-year

*"We have invested more than \$1.4 billion during the past three years to repair, rehabilitate or replace aging segments of our pipeline network."*

—KIM R. COCKLIN

senior notes. Earlier, in October 2012, we executed forward starting interest-rate swaps. These swaps effectively fixed the treasury component of future debt issues at 3.13 percent for an expected \$500 million issuance in fiscal 2015 and at 3.37 percent for an expected \$250 million issuance in fiscal 2017.

The company's dividend payout ratio, which we expect to be between 53 percent and 55 percent in fiscal 2014, allows for continued dividend growth.

Recognizing the strength of the company's financial position, Standard & Poor's Corporation upgraded our senior secured debt rating from BBB+ to A- in October 2013. S&P cited an improved



# growth >>

RIGHT: Modernization and expansion work is under way across our system to replace aging cast-iron and bare-steel pipelines with the latest technology.



business risk profile from an increasing contribution of earnings from our regulated operations and the focus of our nonregulated operations on its core delivered-gas business.

#### Creating Shareholder Value

We expect to invest between \$830 million and \$850 million in capital improvements in fiscal 2014. For the fiscal years 2015 to 2018, we estimate that our annual capital spending will average between \$850 million and \$950 million per year. We plan to finance our capital spending with cash flows, long-term debt and, to a lesser extent, equity.

We project that our rate base of regulatory assets will increase from approximately \$4.4 billion today to between \$6.9 billion and \$7.1 billion by the end of fiscal 2018.

Due to our growing rate base, we estimate that our earnings per diluted share will rise at a compounded average growth rate of between 6 percent and 8 percent annually from fiscal 2013 through fiscal 2018.

For fiscal 2014, we forecast that earnings per diluted share will be between \$2.66 and \$2.76, excluding unrealized margins. For fiscal 2018, we project earnings per diluted share could be between \$3.45 and \$3.65.

#### Board and Management Changes

Charles K. Vaughan, who retired from the board of directors and as lead director on December 27, 2012, was named by the board to serve as honorary director.

After becoming chairman, president and chief executive office in 1983, Charlie virtually saved the company from imminent failure and likely acquisition by a much larger utility. His watchwords of independence and prosperity led to

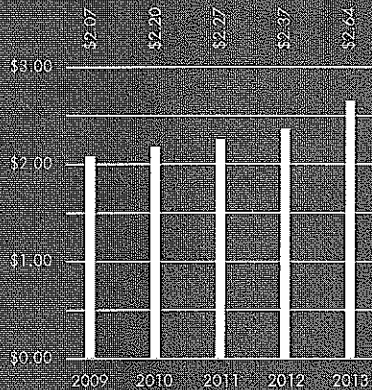
his devising an innovative strategy to expand and diversify operations. As a result, he built Atmos Energy into a leader in the natural gas distribution industry.

With more than 56 years of service to the company, Charlie continues to provide his wise counsel and strength of character to help guide and encourage our progress. We thank him for his willingness to continue serving our shareholders, customers and employees with the deep dedication that he has demonstrated throughout his career.

On April 1, 2013, Robert W. Best retired as executive chairman and as an employee of the company. Subsequent to his retirement, the board of directors appointed him to be chairman of the board.

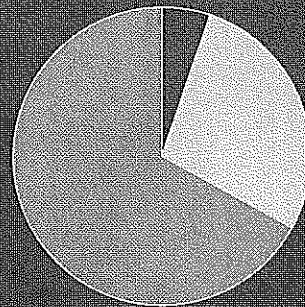


Earnings per Diluted Share



Contributions to Fiscal 2013 Net Income

Natural gas distribution 67%  
 Regulated transmission and storage 28%  
 Nonregulated operations 5%



“Due to our growing rate base, we estimate that our earnings per diluted share will rise at a compounded average growth rate of between 6 percent and 8 percent annually from fiscal 2013 through fiscal 2018.” —KIM R. COCKLIN

Bob joined Atmos Energy in 1997 as chairman, president and chief executive officer. He was responsible for completing six major acquisitions that tripled the size of the company. Also, under his leadership, the company added non-regulated operations, modernized its customer-service facilities and technology systems, rebranded under the Atmos Energy® trademark in all states where it had operations, built the Charles K. Vaughan Center for training employees and put heightened emphasis on excellence in customer service.

Bob also stressed community service. He has long been active in national and local civic, charitable, educational and industry organizations, having served as chairman of the American Gas Associa-

tion, American Gas Foundation, Southern Gas Association, the Dallas Regional Chamber, United Way of Greater Dallas, The Senior Source and many other organizations.

His foremost achievement, though, was developing our AtmoSpirit culture—which reflects in so many ways his own genuine respect for everyone and his gift as a coach who brings out the best in people. We thank Bob for all that he has contributed during the past 16 years and wish him the best in retirement—even though he still devotes many hours in the office, working to make Atmos Energy even better.

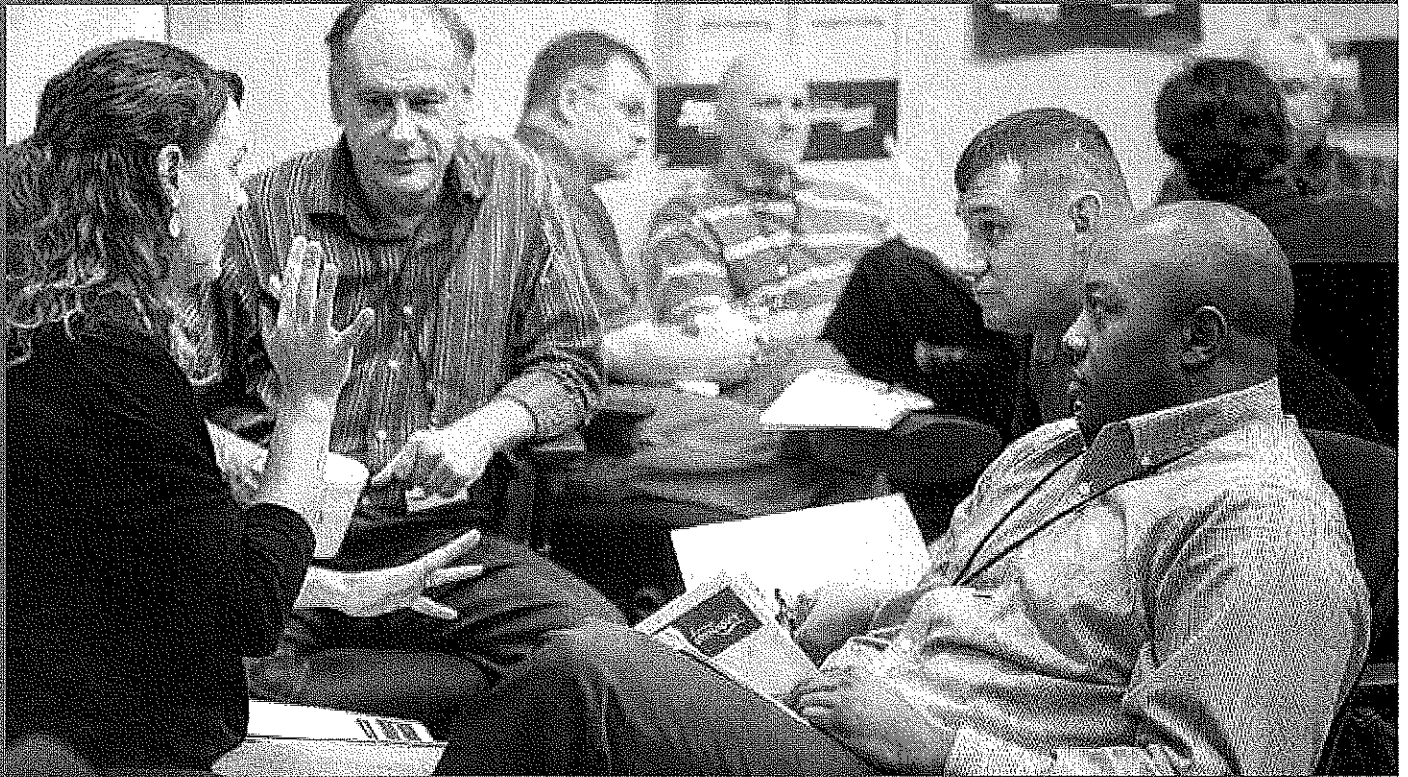
All of us at Atmos Energy appreciate your ownership of the company. Investing in a natural gas distribution company is a wise choice today because

gas is an exceptional fuel. Natural gas provides comfort and convenience, an abundance of supply, energy efficiency, environmental benefits and the security of an all-American energy source. Atmos Energy is proud to deliver natural gas to its 3 million customers in 1,406 communities.

We pledge, as we continue to invest for safety and to build for the future, always to seek the right things for the right reasons with the right people.

*Kim R. Cocklin*

Kim R. Cocklin  
 President and Chief Executive Officer  
 December 4, 2013



ABOVE: The importance of a common culture to the success of Almos Energy's strategy led to the launch of ArmoSpirit for Leaders. The program provides selected employees with advanced training, so that they can serve as facilitators of the culture. By developing highly capable leaders, strengthening team results, solving enterprise problems and engaging employees to perform at their best, the program increases shareholder value.

## Financial Highlights

Year Ended September 30 — Dollars in thousands, except per share data	2013	2012	Change
Operating revenues	\$ 3,886,257	\$ 3,438,483	13.0%
Gross profit	\$ 1,412,050	\$ 1,323,739	6.7%
Natural gas distribution net income — continuing operations	\$ 150,856	\$ 123,848	21.8%
Natural gas distribution net income — discontinued operations	12,851	24,521	(47.6)%
Regulated transmission and storage net income	68,260	63,059	8.2%
Nonregulated net income — continuing operations	11,582	5,289	119.0%
Nonregulated net loss — discontinued operations	(355)	—	(100.0)%
Total	\$ 243,194	\$ 216,717	12.2%
Total assets	\$ 7,940,401	\$ 7,495,675	5.9%
Total capitalization*	\$ 5,036,080	\$ 4,315,548	16.7%
Net income per share from continuing operations — diluted	\$ 2.50	\$ 2.10	19.0%
Net income per share from discontinued operations — diluted	\$ 0.14	\$ 0.27	(48.1)%
Net income per share — diluted	\$ 2.64	\$ 2.37	11.4%
Cash dividends per share	\$ 1.40	\$ 1.38	1.4%
Book value per share at end of year	\$ 28.47	\$ 26.14	8.9%
Natural gas distribution throughput — continuing operations (MMcf)	392,306	372,688	5.3%
Natural gas distribution throughput — discontinued operations (MMcf)	4,731	18,295	(74.1)%
Consolidated natural gas distribution throughput (MMcf)	397,037	390,983	1.5%
Consolidated regulated transmission and storage transportation volumes (MMcf)	467,178	466,527	0.1%
Consolidated nonregulated delivered gas sales volumes (MMcf)	343,669	351,628	(2.3)%
Meters in service at end of year	3,011,980	3,116,589	(3.4)%
Return on average shareholders' equity	9.7%	9.3%	4.3%
Shareholders' equity as a percentage of total capitalization (including short-term debt) at end of year	47.8%	48.3%	(1.0)%
Shareholders of record	16,662	17,775	(6.3)%
Weighted average shares outstanding — diluted (000s)	91,711	91,172	0.6%

\* Total capitalization represents the sum of shareholders' equity and long-term debt, excluding current maturities.

### Summary Annual Report

The financial information presented in this report about Atmos Energy Corporation is condensed. Our complete financial statements, including notes as well as management's discussion and analysis of financial condition and results of operations, are presented in our Annual Report on Form 10-K. Atmos Energy's chief executive officer and its chief financial officer have executed all certifications with respect to the financial statements contained therein and have completed management's report on internal control over financial reporting, which are required under the Sarbanes-Oxley Act of 2002 and all related rules and regulations of the Securities and Exchange Commission. Investors may request, without charge, our Annual Report on Form 10-K for the fiscal year ended September 30, 2013, by calling Investor Relations at 972-855-3729 between 8 a.m. and 5 p.m. Central time. Our Annual Report on Form 10-K also is available on Atmos Energy's website at [www.atmosenergy.com](http://www.atmosenergy.com). Additional investor information is presented on pages 31 and 32 of this report.

## Atmos Energy at a Glance

Year Ended September 30	2013	2012
<b>Meters in service</b>		
Residential	2,755,831	2,846,134
Commercial	244,652	258,386
Industrial	1,500	1,891
Public authority and other	9,997	10,178
<b>Total meters</b>	<b>3,011,980</b>	<b>3,116,589</b>
<b>Heating degree days*</b>		
Actual (weighted average)	2,729	2,692
Percent of normal	103%	97%
<b>Natural gas distribution sales volumes — continuing operations (MMcf)</b>		
Residential	154,823	137,049
Commercial	88,850	82,516
Industrial	15,678	15,673
Public authority and other	9,811	9,228
<b>Total</b>	<b>269,162</b>	<b>244,466</b>
<b>Natural gas distribution transportation volumes — continuing operations (MMcf)</b>		
	136,357	132,595
<b>Total natural gas distribution throughput — continuing operations (MMcf)</b>	<b>405,519</b>	<b>377,061</b>
<b>Natural gas distribution sales volumes — discontinued operations (MMcf)</b>		
	3,611	11,259
<b>Natural gas distribution transportation volumes — discontinued operations (MMcf)</b>		
	1,120	7,036
<b>Intersegment activity (MMcf)</b>	<b>(13,213)</b>	<b>(4,373)</b>
<b>Consolidated natural gas distribution throughput (MMcf)</b>	<b>397,037</b>	<b>390,983</b>
<b>Consolidated regulated transmission and storage transportation volumes (MMcf)</b>	<b>467,178</b>	<b>466,527</b>
<b>Consolidated nonregulated delivered gas sales volumes (MMcf)</b>	<b>343,669</b>	<b>351,628</b>
<b>Operating revenues (000s)</b>		
<b>Natural gas distribution sales revenues</b>		
Residential	\$1,512,495	\$1,351,479
Commercial	661,930	587,651
Industrial	81,155	71,960
Public authority and other	60,557	54,334
<b>Total gas distribution sales revenues</b>	<b>2,316,137</b>	<b>2,065,424</b>
Transportation revenues	55,938	53,924
Other gas revenues	22,343	25,028
<b>Total natural gas distribution revenues</b>	<b>2,394,418</b>	<b>2,144,376</b>
Regulated transmission and storage revenues	89,011	92,604
Nonregulated revenues	1,402,828	1,201,503
<b>Total operating revenues (000s)</b>	<b>\$3,886,257</b>	<b>\$3,438,483</b>
<b>Other statistics</b>		
Gross plant (000s)	\$7,722,019	\$7,134,470
Net plant (000s)	\$6,030,655	\$5,475,604
Miles of pipe	72,884	73,875
Employees	4,720	4,759

\* Heating degree days are adjusted for service areas with weather-normalized operations.

## Condensed Consolidated Balance Sheets

Year Ended September 30 — Dollars in thousands, except share data	2013	2012
<b>Assets</b>		
Property, plant and equipment	\$ 7,446,272	\$ 6,860,358
Construction in progress	<u>275,747</u>	<u>274,112</u>
	7,722,019	7,134,470
Less accumulated depreciation and amortization	<u>1,691,364</u>	<u>1,658,866</u>
Net property, plant and equipment	6,030,655	5,475,604
<b>Current assets</b>		
Cash and cash equivalents	66,199	64,239
Accounts receivable, less allowance for doubtful accounts of \$20,624 in 2013 and \$9,425 in 2012	301,992	234,526
Gas stored underground	244,741	256,415
Other current assets	<u>70,334</u>	<u>272,782</u>
Total current assets	683,266	827,962
Goodwill and intangible assets	741,484	740,847
Deferred charges and other assets	<u>484,996</u>	<u>451,262</u>
	<u>\$ 7,940,401</u>	<u>\$ 7,495,675</u>
<b>Capitalization and Liabilities</b>		
<b>Shareholders' equity</b>		
Common stock, no par value (stated at \$.005 per share); 200,000,000 shares authorized; issued and outstanding: 2013 – 90,640,211 shares, 2012 – 90,239,900 shares	\$ 453	\$ 451
Additional paid-in capital	1,765,811	1,745,467
Accumulated other comprehensive income (loss)	38,878	(47,607)
Retained earnings	<u>775,267</u>	<u>660,932</u>
Shareholders' equity	2,580,409	2,359,243
Long-term debt	<u>2,455,671</u>	<u>1,956,305</u>
Total capitalization	5,036,080	4,315,548
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	241,611	215,229
Other current liabilities	368,891	489,665
Short-term debt	367,984	570,929
Current maturities of long-term debt	—	131
Total current liabilities	978,486	1,275,954
Deferred income taxes	1,164,053	1,015,083
Regulatory cost of removal obligation	359,299	381,164
Pension and postretirement liabilities	358,787	457,196
Deferred credits and other liabilities	<u>43,696</u>	<u>50,730</u>
	<u>\$ 7,940,401</u>	<u>\$ 7,495,675</u>

## Condensed Consolidated Statements of Income

Year Ended September 30 — Dollars in thousands, except per share data

	2013	2012	2011
<b>Operating revenues</b>			
Natural gas distribution segment	\$ 2,399,493	\$ 2,145,330	\$ 2,470,664
Regulated transmission and storage segment	268,900	247,351	219,373
Nonregulated segment	1,598,711	1,351,303	2,024,893
Intersegment eliminations	(380,847)	(305,501)	(428,495)
	<u>3,886,257</u>	<u>3,438,483</u>	<u>4,286,435</u>
<b>Purchased gas cost</b>			
Natural gas distribution segment	1,318,257	1,122,587	1,452,721
Regulated transmission and storage segment	—	—	—
Nonregulated segment	1,535,380	1,296,179	1,959,893
Intersegment eliminations	(379,430)	(304,022)	(426,999)
	<u>2,474,207</u>	<u>2,114,744</u>	<u>2,985,615</u>
<b>Gross profit</b>	<u>1,412,050</u>	<u>1,323,739</u>	<u>1,300,820</u>
<b>Operating expenses</b>			
Operation and maintenance	488,020	453,613	442,965
Depreciation and amortization	235,079	237,525	223,832
Taxes, other than income	187,072	181,073	177,767
Asset impairments	—	5,288	30,270
Total operating expenses	<u>910,171</u>	<u>877,499</u>	<u>874,834</u>
<b>Operating income</b>	<u>501,879</u>	<u>446,240</u>	<u>425,986</u>
Miscellaneous income (expense), net	(197)	(14,644)	21,184
Interest charges	128,385	141,174	150,763
Income from continuing operations before income taxes	<u>373,297</u>	<u>290,422</u>	<u>296,407</u>
Income tax expense	142,599	98,226	106,819
Income from continuing operations	<u>230,698</u>	<u>192,196</u>	<u>189,588</u>
Income from discontinued operations, net of tax (\$3,986, \$10,066 and \$12,372)	7,202	18,172	18,013
Gain on sale of discontinued operations, net of tax (\$2,909, \$3,519 and \$0)	5,294	6,349	—
<b>Net income</b>	<u>\$ 243,194</u>	<u>\$ 216,717</u>	<u>\$ 207,601</u>
<b>Basic earnings per share</b>			
Income per share from continuing operations	\$ 2.54	\$ 2.12	\$ 2.08
Income per share from discontinued operations	0.14	0.27	0.20
Net income per share — basic	<u>\$ 2.68</u>	<u>\$ 2.39</u>	<u>\$ 2.28</u>
<b>Diluted earnings per share</b>			
Income per share from continuing operations	\$ 2.50	\$ 2.10	\$ 2.07
Income per share from discontinued operations	0.14	0.27	0.20
Net income per share — diluted	<u>\$ 2.64</u>	<u>\$ 2.37</u>	<u>\$ 2.27</u>
<b>Weighted average shares outstanding:</b>			
Basic	90,533	90,150	90,201
Diluted	91,711	91,172	90,652

## Condensed Consolidated Statements of Cash Flows

Year Ended September 30 — Dollars in thousands	2013	2012	2011
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 243,194	\$ 216,717	\$ 207,601
Adjustments to reconcile net income to net cash provided by operating activities:			
Asset impairments	—	5,288	30,270
Gain on sale of discontinued operations	(8,203)	(9,868)	—
Depreciation and amortization:			
Charged to depreciation and amortization	236,928	246,093	233,155
Charged to other accounts	679	484	228
Deferred income taxes	141,336	104,319	117,353
Stock-based compensation	17,814	19,222	11,586
Debt financing costs	8,480	8,147	9,438
Other	(2,887)	(493)	(961)
Changes in assets and liabilities	(24,214)	(2,992)	(25,826)
Net cash provided by operating activities	<u>613,127</u>	<u>586,917</u>	<u>582,844</u>
<b>Cash Flows Used in Investing Activities</b>			
Capital expenditures	(845,033)	(732,858)	(622,965)
Proceeds from the sale of discontinued operations	153,023	128,223	—
Other, net	(4,904)	(4,625)	(4,421)
Net cash used in investing activities	<u>(696,914)</u>	<u>(609,260)</u>	<u>(627,386)</u>
<b>Cash Flows from Financing Activities</b>			
Net increase (decrease) in short-term debt	(208,070)	354,141	83,306
Net proceeds from issuance of long-term debt	493,793	—	394,466
Settlement of Treasury lock agreements	(66,626)	—	20,079
Unwinding of Treasury lock agreements	—	—	27,803
Repayment of long-term debt	(131)	(257,034)	(360,131)
Cash dividends paid	(128,115)	(125,796)	(124,011)
Repurchase of common stock	—	(12,535)	—
Repurchase of equity awards	(5,150)	(5,219)	(5,299)
Issuance of common stock	46	1,606	7,796
Net cash provided by (used in) financing activities	<u>85,747</u>	<u>(44,837)</u>	<u>44,009</u>
Net increase (decrease) in cash and cash equivalents	1,960	(67,180)	(533)
Cash and cash equivalents at beginning of year	64,239	131,419	131,952
Cash and cash equivalents at end of year	<u>\$ 66,199</u>	<u>\$ 64,239</u>	<u>\$ 131,419</u>



**Report of Independent Registered Public Accounting Firm on Condensed Financial Statements**

The Board of Directors and Shareholders of Atmos Energy Corporation

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Atmos Energy Corporation at September 30, 2013 and 2012, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended September 30, 2013 (not presented separately herein); and in our report dated November 13, 2013, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Atmos Energy Corporation's internal control over financial reporting as of September 30, 2013, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) and our report dated November 13, 2013 (not presented separately herein) expressed an unqualified opinion thereon.

*Ernst & Young LLP*

Dallas, Texas

November 13, 2013

Condensed Financial and Statistical Summary 2009-2013

Year Ended September 30	2013	2012	2011	2010	2009
<b>Balance Sheet Data at September 30 (000s)</b>					
Capital expenditures	\$ 845,033	\$ 732,858	\$ 622,965	\$ 542,636	\$ 509,494
Net property, plant and equipment	6,030,655	5,475,604	5,147,918	4,793,075	4,439,103
Working capital	(295,220)	(447,992)	143,355	(290,887)	91,519
Total assets	7,940,401	7,495,675	7,282,871	6,763,791	6,367,083
Shareholders' equity	2,580,409	2,359,243	2,255,421	2,178,348	2,176,761
Long-term debt, excluding current maturities	2,455,671	1,956,305	2,206,117	1,809,551	2,169,400
Total capitalization	5,036,080	4,315,548	4,461,538	3,987,899	4,346,161
<b>Income Statement Data</b>					
Operating revenues (000s)	\$ 3,886,257	\$ 3,438,483	\$ 4,286,435	\$ 4,661,060	\$ 4,793,248
Gross profit (000s)	1,412,050	1,323,739	1,300,820	1,314,136	1,297,682
Income from continuing operations (000s)	230,698	192,196	189,588	189,851	175,026
Income from discontinued operations, net of tax (000s)	12,496	24,521	18,013	15,988	15,952
Net income (000s)	243,194	216,717	207,601	205,839	190,978
Income per share from continuing operations—diluted	2.50	2.10	2.07	2.03	1.90
Income per share from discontinued operations—diluted	0.14	0.27	0.20	0.17	0.17
Net income per diluted share	2.64	2.37	2.27	2.20	2.07
<b>Common Stock Data</b>					
Shares outstanding (000s)					
End of year	90,640	90,240	90,296	90,164	92,552
Weighted average — diluted	91,711	91,172	90,652	92,422	91,620
Cash dividends per share	\$ 1.40	\$ 1.38	\$ 1.36	\$ 1.34	\$ 1.32
Shareholders of record	16,662	17,775	18,680	19,738	20,790
Market price—High	\$ 45.19	\$ 36.94	\$ 34.98	\$ 30.06	\$ 28.80
Low	\$ 33.20	\$ 30.60	\$ 28.87	\$ 26.41	\$ 20.20
End of year	\$ 42.59	\$ 35.79	\$ 32.45	\$ 29.25	\$ 28.18
Book value per share at end of year	\$ 28.47	\$ 26.14	\$ 24.98	\$ 24.16	\$ 23.52
Price/Earnings ratio at end of year	16.13	15.10	14.30	13.30	13.61
Market/Book ratio at end of year	1.50	1.37	1.30	1.21	1.20
Annualized dividend yield at end of year	3.3%	3.9%	4.2%	4.6%	4.7%
<b>Customers and Volumes (as metered)</b>					
Consolidated distribution gas sales volumes (MMcf)	272,773	255,725	289,927	322,628	282,117
Consolidated distribution gas transportation volumes (MMcf)	124,264	135,258	134,093	131,547	126,768
Consolidated distribution throughput (MMcf)	397,037	390,983	424,020	454,175	408,885
Consolidated transmission and storage transportation volumes (MMcf)	467,178	466,527	435,012	428,599	528,689
Consolidated nonregulated delivered gas sales volumes (MMcf)	343,669	351,628	384,799	353,853	370,569
Meters in service at end of year	3,011,980	3,116,589	3,213,191	3,186,040	3,178,844
Gas distribution average cost of gas per Mcf sold	\$ 4.91	\$ 4.64	\$ 5.30	\$ 5.77	\$ 6.95
Gas distribution average transportation fee per Mcf	\$ .45	\$ .43	\$ .46	\$ .46	\$ .46
<b>Statistics</b>					
Return on average shareholders' equity	9.7%	9.3%	9.1%	9.1%	8.9%
Number of employees	4,720	4,759	4,949	4,913	4,891
Net gas distribution plant per meter	\$ 1,567	\$ 1,468	\$ 1,362	\$ 1,243	\$ 1,165
Gas distribution operation and maintenance expense per meter	\$ 126	\$ 118	\$ 111	\$ 114	\$ 116
Meters per employee—gas distribution	662	680	676	676	678
Times interest earned before income taxes	4.01	3.27	3.13	3.09	2.82

**Atmos Energy Officers**

Senior Management Team



**Kim R. Cocklin**  
President and  
Chief Executive Officer



**Bret J. Eckert**  
Senior Vice President and  
Chief Financial Officer



**Louis P. Gregory**  
Senior Vice President,  
General Counsel and  
Corporate Secretary



**Michael E. Haefner**  
Senior Vice President,  
Human Resources



**Marvin L. Sweetin**  
Senior Vice President,  
Utility Operations

Regulated Divisions



**J. Kevin Akers**  
President,  
Kentucky/Mid-States Division



**Richard A. Erskine**  
President,  
Atmos Pipeline-Texas Division



**David E. Gates**  
President,  
Mississippi Division



**Gary W. Gregory**  
President,  
Colorado-Kansas Division



**Tom S. Hawkins, Jr.**  
President,  
Louisiana Division



**John A. Paris**  
President,  
Mid-Tex Division



**David J. Park**  
President,  
West Texas Division

**Atmos Energy Officers**

Nonregulated Operations



**Mark S. Bergeron**  
President,  
Atmos Energy Holdings, Inc.

Shared Services (continued)



**Conrad E. Gruber**  
Vice President,  
Strategic Planning



**Kenneth M. Malier**  
Vice President,  
Gas Supply and Services

Shared Services



**Verlan R. Aston, Jr.**  
Vice President,  
Governmental and  
Public Affairs



**John S. McDill**  
Vice President,  
Pipeline Safety



**Clay C. Cash**  
Vice President,  
Customer Service



**Edward Pace McDonald IV**  
Vice President, Tax



**Christopher T. Forsythe**  
Vice President and Controller



**Daniel M. Meziero**  
Vice President and Treasurer



**Susan K. Giles**  
Vice President,  
Investor Relations



**Richard J. Gius**  
Vice President and  
Chief Information Officer

Board of Directors



**Robert W. Best**  
Chairman of the Board,  
Atmos Energy Corporation  
Dallas, Texas  
Board member since 1997  
Committee: Executive  
(Chairman)



**Kim E. Cocklin**  
President and  
Chief Executive Officer,  
Atmos Energy Corporation  
Dallas, Texas  
Board member since 2009



**Richard W. Douglas**  
Executive Vice President,  
Jones Lang LaSalle LLC  
Dallas, Texas  
Board member since 2007  
Committees: Human  
Resources, Nominating and  
Corporate Governance,  
Work Session/Annual Meeting



**Ruben E. Esquivel**  
Vice President for  
Community and Corporate  
Relations, UT Southwestern  
Medical Center  
Dallas, Texas  
Board member since 2008  
Committees: Audit,  
Human Resources



**Richard K. Gordon**  
General Partner,  
Juniper Capital LP and  
Juniper Energy LP  
Houston, Texas  
Board member since 2001  
Committees: Human  
Resources (Chairman),  
Executive, Nominating and  
Corporate Governance



**Robert C. Grable**  
Partner, Kelly Hart &  
Hallman LLP  
Fort Worth, Texas  
Board member since 2009  
Committees: Audit,  
Human Resources,  
Work Session/Annual Meeting



**Dr. Thomas C. Meredith**  
President, Effective  
Leadership LLC  
Oxford, Mississippi  
Board member since 1995  
Committees: Work Session/  
Annual Meeting (Chairman),  
Executive, Human Resources,  
Nominating and Corporate  
Governance



**Nancy K. Quinn**  
Independent Energy  
Consultant  
East Hampton, New York,  
and Key Biscayne, Florida  
Board member since 2004  
Lead Director since 2013  
Committees: Audit (Chair),  
Executive, Nominating and  
Corporate Governance



**Richard A. Sampson**  
Retired Managing Director  
and Client Adviser,  
JPMorgan Chase & Co.  
Denver, Colorado  
Board member since 2012  
Committees: Audit, Human  
Resources



**Stephen B. Springer**  
Retired Senior Vice President  
and General Manager,  
Midstream Division,  
The Williams Companies, Inc.  
Fort Myers Beach, Florida  
Board member since 2005  
Committee: Work Session/  
Annual Meeting



**Richard Ware II**  
President, Amarillo  
National Bank  
Amarillo, Texas  
Board member since 1994  
Committees: Nominating  
and Corporate Governance  
(Chairman), Audit,  
Executive, Work Session/  
Annual Meeting



**Charles K. Vaughan**  
Honorary Director,  
Retired Chairman  
of the Board and Lead Director,  
Atmos Energy Corporation  
Dallas, Texas  
Board member from  
1983 to 2012

## Corporate Information

### Common Stock Listing

New York Stock Exchange. Trading symbol: ATO

### Stock Transfer Agent and Registrar

American Stock Transfer & Trust Company, LLC  
Operations Center  
6201 15th Avenue  
Brooklyn, New York 11219  
800-543-3038

To inquire about your Atmos Energy common stock, please call AST at the telephone number above. You may use the agent's interactive voice response system 24 hours a day to learn about transferring stock or to check your recent account activity, all without the assistance of a customer service representative. Please have available your Atmos Energy shareholder account number and your Social Security or federal taxpayer ID number.

To speak to an AST customer service representative, please call the same number between 8 a.m. and 8 p.m. Eastern time, Monday through Thursday, or 8 a.m. to 5 p.m. Eastern time on Friday.

You also may send an email message on our transfer agent's website at [www.amstock.com](http://www.amstock.com). Please refer to Atmos Energy in your email message and include your Atmos Energy shareholder account number.

### Independent Registered Public Accounting Firm

Ernst & Young LLP  
One Victory Park  
Suite 2000  
2323 Victory Avenue  
Dallas, Texas 75219  
214-969-8000

### Form 10-K

Atmos Energy Corporation's *Annual Report on Form 10-K* is available at no charge from Investor Relations, Atmos Energy Corporation, P.O. Box 650205, Dallas, Texas 75265-0205 or by calling 972-855-3729 between 8 a.m. and 5 p.m. Central time. Atmos Energy's Form 10-K also may be viewed on Atmos Energy's website at [www.atmosenergy.com](http://www.atmosenergy.com).

### Annual Meeting of Shareholders

The 2014 Annual Meeting of Shareholders will be held at the Charles K. Vaughan Center, 3697 Mapleshade Lane, Plano, Texas 75075 on Wednesday, February 5, 2014, at 9:00 a.m. Central time.

### Direct Stock Purchase Plan

Atmos Energy has a Direct Stock Purchase Plan that is available to all investors. For an Enrollment Application Form and a Plan Prospectus, please call AST at 800-543-3038. The Prospectus is also available at [www.atmosenergy.com](http://www.atmosenergy.com). You may also obtain information by writing to Investor Relations, Atmos Energy Corporation, P.O. Box 650205, Dallas, Texas 75265-0205.

This is not an offer to sell, or a solicitation to buy, any securities of Atmos Energy Corporation. Shares of Atmos Energy common stock purchased through the Direct Stock Purchase Plan will be offered only by Prospectus.

### Atmos Energy on the Internet

Information about Atmos Energy is available on the Internet at [www.atmosenergy.com](http://www.atmosenergy.com). Our website includes news releases, current and historical financial reports, other investor data, corporate governance documents, management biographies, customer information and facts about Atmos Energy's operations.

### Atmos Energy Corporation Contacts

To contact Atmos Energy's Investor Relations, call 972-855-3729 between 8 a.m. and 5 p.m. Central time or send an email message to [InvestorRelations@atmosenergy.com](mailto:InvestorRelations@atmosenergy.com).

Securities analysts and investment managers, please contact:

Susan K. Giles  
Vice President, Investor Relations  
972-855-3729 (voice) 972-855-3040 (fax)  
[InvestorRelations@atmosenergy.com](mailto:InvestorRelations@atmosenergy.com)

#### Forward-looking Statements

The matters discussed or incorporated by reference in this *Summary Annual Report* may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this report are forward-looking statements made in good faith by the Company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this report or any other of the Company's documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this report. These risks and uncertainties are discussed in the Company's *Annual Report on Form 10-K* for the fiscal year ended September 30, 2013. Although the Company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, the Company undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise.

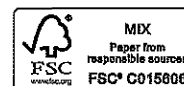
#### Other Information

You can view this *Summary Annual Report*, our *Annual Report on Form 10-K* and other financial documents for fiscal 2013 and previous years at [www.atmosenergy.com](http://www.atmosenergy.com).

If you are a shareholder who would like to receive our *Summary Annual Report* and other company documents electronically in the future, please sign up for electronic distribution. It's convenient and easy, and it saves the costs to produce and distribute these materials.

To receive these documents by electronic delivery next year, please visit [www.atmosenergy.com](http://www.atmosenergy.com) or [www.proxyvote.com](http://www.proxyvote.com) to give your consent. Please remember that accessing our *Summary Annual Report* and other company documents over the Internet may result in charges to you from your Internet service provider or telephone company.

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Atmos Energy Corporation  
P.O. Box 650205  
Dallas, Texas 75265-0205  
[atmosenergy.com](http://atmosenergy.com)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2013

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 1-10042

Atmos Energy Corporation

(Exact name of registrant as specified in its charter)

Texas and Virginia
(State or other jurisdiction of incorporation or organization)

75-1743247
(IRS employer identification no.)

Three Lincoln Centre, Suite 1800
5430 LBJ Freeway, Dallas, Texas
(Address of principal executive offices)

75240
(Zip code)

Registrant's telephone number, including area code:

(972) 934-9227

Securities registered pursuant to Section 12(b) of the Act:

Table with 2 columns: Title of Each Class, Name of Each Exchange on Which Registered. Row 1: Common stock, No Par Value; New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [X] No [ ]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.45) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [X] Accelerated filer [ ] Non-accelerated filer [ ] Smaller reporting company [ ]
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

The aggregate market value of the common voting stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, March 31, 2013, was \$3,816,801,052.

As of November 8, 2013, the registrant had 90,912,251 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement to be filed for the Annual Meeting of Shareholders on February 5, 2014 are incorporated by reference into Part III of this report.

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**GLOSSARY OF KEY TERMS**

AEC .....	Atmos Energy Corporation
AEH.....	Atmos Energy Holdings, Inc.
AEM .....	Atmos Energy Marketing, LLC
AOCI .....	Accumulated Other Comprehensive Income
APS.....	Atmos Pipeline and Storage, LLC
ATO.....	Trading symbol for Atmos Energy Corporation common stock on the New York Stock Exchange
Bcf .....	Billion cubic feet
CFTC .....	Commodity Futures Trading Commission
COSO .....	Committee of Sponsoring Organizations of the Treadway Commission
ERISA.....	Employee Retirement Income Security Act of 1974
FASB .....	Financial Accounting Standards Board
FERC .....	Federal Energy Regulatory Commission
Fitch.....	Fitch Ratings, Ltd.
GAAP .....	Generally Accepted Accounting Principles
GRIP .....	Gas Reliability Infrastructure Program
GSRS .....	Gas System Reliability Surcharge
ISRS.....	Infrastructure System Replacement Surcharge
KPSC .....	Kentucky Public Service Commission
LTIP.....	1998 Long-Term Incentive Plan
Mcf .....	Thousand cubic feet
MDWQ.....	Maximum daily withdrawal quantity
Mid-Tex Cities.....	Represents 440 of the 441 incorporated cities, or approximately 80 percent of the Mid-Tex Division's customers, with whom a settlement agreement was reached during the fiscal 2008 second quarter.
MMcf.....	Million cubic feet
Moody's.....	Moody's Investor Services, Inc.
NYMEX .....	New York Mercantile Exchange, Inc.
NYSE.....	New York Stock Exchange
PAP.....	Pension Account Plan
PPA.....	Pension Protection Act of 2006
RRC .....	Railroad Commission of Texas
RRM .....	Rate Review Mechanism
RSC.....	Rate Stabilization Clause
S&P.....	Standard & Poor's Corporation
SEC.....	United States Securities and Exchange Commission
SRF .....	Stable Rate Filing
WNA.....	Weather Normalization Adjustment

## PART I

The terms “we,” “our,” “us,” “Atmos Energy” and the “Company” refer to Atmos Energy Corporation and its subsidiaries, unless the context suggests otherwise.

### ITEM 1. *Business.*

#### Overview and Strategy

Atmos Energy Corporation, headquartered in Dallas, Texas, and incorporated in Texas and Virginia, is engaged primarily in the regulated natural gas distribution and transmission and storage businesses as well as other nonregulated natural gas businesses. We deliver natural gas through regulated sales and transportation arrangements to over three million residential, commercial, public authority and industrial customers in eight states located primarily in the South, which makes us one of the country’s largest natural-gas-only distributors based on number of customers. We also operate one of the largest intrastate pipelines in Texas based on miles of pipe.

Over the last two fiscal years, we have sold our natural gas distribution operations in four states to streamline our regulated operations. On April 1, 2013, we completed the divestiture of our natural gas distribution operations in Georgia, representing approximately 64,000 customers, and in August 2012, we completed the sale of our natural gas distribution operations in Missouri, Illinois and Iowa, representing approximately 84,000 customers.

Through our nonregulated businesses, we provide natural gas management, marketing, transportation and storage services to municipalities, local gas distribution companies, including certain of our natural gas distribution divisions and industrial customers principally in the Midwest and Southeast.

Our overall strategy is to:

- deliver superior shareholder value,
- improve the quality and consistency of earnings growth, while operating our business exceptionally well
- invest in our people and infrastructure
- enhance our culture.

We have delivered excellent shareholder value by growing our earnings and increasing our dividends for over 25 consecutive years. Over the last five years, we have achieved growth by implementing rate designs that reduce or eliminate regulatory lag and separate the recovery of our approved margins from customer usage patterns. In addition, we have developed various commercial opportunities within our regulated transmission and storage operations.

Our core values include focusing on our employees and customers while conducting our business with honesty and integrity. We continue to strengthen our culture through ongoing communications with our employees and enhanced employee training.

#### Operating Segments

We operate the Company through the following three segments:

- The *natural gas distribution segment*, which includes our regulated natural gas distribution and related sales operations,
- The *regulated transmission and storage segment*, which includes the regulated pipeline and storage operations of our Atmos Pipeline — Texas Division and
- The *nonregulated segment*, which includes our nonregulated natural gas management, nonregulated natural gas transmission, storage and other services.

These operating segments are described in greater detail below.

**Natural Gas Distribution Segment Overview**

Our natural gas distribution segment is comprised of our six regulated natural gas distribution divisions. This segment represents approximately 65 percent of our consolidated net income. The following table summarizes key information about these divisions, presented in order of total rate base. See Note 16 in the consolidated financial statements for a description of the completed sales of our Missouri, Illinois, Iowa and Georgia service areas. We operate in our service areas under terms of non-exclusive franchise agreements granted by the various cities and towns that we serve. At September 30, 2013, we held 998 franchises having terms generally ranging from five to 35 years. A significant number of our franchises expire each year, which require renewal prior to the end of their terms. We believe that we will be able to renew our franchises as they expire.

Division	Service Areas	Communities Served	Customer Meters
Mid-Tex.....	Texas, including the Dallas/Fort Worth Metroplex	550	1,560,409
Kentucky/Mid-States.....	Kentucky	230	179,708
	Tennessee		123,590
	Virginia		20,358
Louisiana .....	Louisiana	300	342,187
	Amarillo, Lubbock, Midland	80	293,802
Mississippi.....	Mississippi	110	255,730
Colorado-Kansas .....	Colorado	170	99,654
	Kansas		136,542

Our natural gas distribution business is a seasonal business. Gas sales to residential and commercial customers are greater during the winter months than during the remainder of the year. The volumes of gas sales during the winter months will vary with the temperatures during these months. Historically, this generally has resulted in higher operating revenues and net income during the period from October through March of each fiscal year and lower operating revenues and either lower net income or net losses during the period from April through September of each fiscal year. However, rate design changes implemented during the first quarter of fiscal 2013 in our Mid-Tex and West Texas Divisions should change this trend. The rate design approved in these regulatory proceedings includes an increase to the customer base charge and a decrease in the consumption charge applied to customer usage. The effect of this change in rate design allows our rates to be more closely aligned with the natural gas distribution industry standard rate design. In addition, we anticipate these divisions, which represent approximately 50 percent of the operating income for our natural gas distribution segment, will earn their operating income more ratably over the fiscal year as they are now less dependent on customer consumption.

Revenues in this operating segment are established by regulatory authorities in the states in which we operate. These rates are intended to be sufficient to cover the costs of conducting business and to provide a reasonable return on invested capital. In addition, we transport natural gas for others through our distribution system.

Rates established by regulatory authorities often include cost adjustment mechanisms for costs that (i) are subject to significant price fluctuations compared to our other costs, (ii) represent a large component of our cost of service and (iii) are generally outside our control.

Purchased gas cost adjustment mechanisms represent a common form of cost adjustment mechanism. Purchased gas cost adjustment mechanisms provide natural gas distribution companies a method of recovering purchased gas costs on an ongoing basis without filing a rate case because they provide a dollar-for-dollar offset to increases or decreases in natural gas distribution gas costs. Therefore, although substantially all of our natural gas distribution operating revenues fluctuate with the cost of gas that we purchase, natural gas distribution gross profit (which is defined as operating revenues less purchased gas cost) is generally not affected by fluctuations in the cost of gas.

Additionally, some jurisdictions have introduced performance-based ratemaking adjustments to provide incentives to natural gas distribution companies to minimize purchased gas costs through improved storage management and use of financial instruments to lock in gas costs. Under the performance-based ratemaking adjustment, purchased gas costs savings are shared between the utility and its customers.

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Regulatory authorities have approved weather normalization adjustments (WNA) for approximately 97 percent of residential and commercial margins in our service areas as a part of our rates. WNA minimizes the effect of weather that is above or below normal by allowing us to increase customers' bills to offset the effect of lower gas usage when weather is warmer than normal and decrease customers' bills to offset the effect of higher gas usage when weather is colder than normal.

The following table provides a jurisdictional rate summary for our regulated operations. This information is for regulatory purposes only and may not be representative of our actual financial position.

Division	Jurisdiction	Effective Date of Last Rate/GRIP Action	Rate Base, (thousands) <sup>(1)</sup>	Authorized Rate of Return <sup>(1)</sup>	Authorized Debt/Equity Ratio	Authorized Return on Equity <sup>(1)</sup>
Atmos Pipeline — Texas.....	Texas	05/01/2011	\$807,733	9.36%	50/50	11.80%
Atmos Pipeline — Texas — GRIP.....	Texas	05/07/2013	979,324	9.36%	N/A	11.80%
Colorado-Kansas .....	Colorado	01/04/2010	86,189	8.57%	50/50	10.25%
	Kansas	09/01/2012	160,075	(2)	(2)	(2)
Kentucky/Mid-States .....	Kentucky	06/01/2010	221,340 <sup>(3)</sup>	(2)	(2)	(2)
	Tennessee	11/08/2012	201,359	8.28%	49/51	10.10%
	Virginia	11/23/2009	36,861	8.48%	51/49	9.50% - 10.50%
Louisiana .....	Trans LA	04/01/2013	105,527	7.94%	52/48	10.00% - 10.80%
	LGS	07/01/2013	298,642	8.08%	52/48	10.40%
Mid-Tex Cities .....	Texas	12/04/2012	1,512,986 <sup>(4)</sup>	8.57%	48/52	10.50%
Mid-Tex — Dallas.....	Texas	06/01/2013	1,619,429 <sup>(4)</sup>	8.35%	48/52	10.10%
Mississippi .....	Mississippi	11/01/2012	287,646	8.04%	49/51	9.64%
West Texas <sup>(5)</sup> .....	Texas	10/01/2012	271,590	(2)	(2)	(2)

Division	Jurisdiction	Bad Debt Rider <sup>(6)</sup>	Annual Rate Mechanism	Infrastructure Mechanism	Performance-Based Rate Program <sup>(7)</sup>	WNA Period
Atmos Pipeline — Texas.....	Texas	No	No	Yes	N/A	N/A
Colorado-Kansas .....	Colorado	Yes <sup>(8)</sup>	No	Yes	No	N/A
	Kansas	Yes	No	Yes	No	October-May
Kentucky/Mid-States .....	Kentucky	Yes	No	Yes	Yes	November-April
	Tennessee	Yes	No	No	Yes	October-April
	Virginia	Yes	No	Yes	No	January-December
Louisiana .....	Trans LA	No	Yes	No	No	December-March
	LGS	No	Yes	No	No	December-March
Mid-Tex Cities .....	Texas	Yes	Yes	Yes	No	November-April
Mid-Tex — Dallas.....	Texas	Yes	Yes	Yes	No	November-April
Mississippi .....	Mississippi	No	Yes	No	Yes	November-April
West Texas <sup>(5)</sup> .....	Texas	Yes	No	Yes	No	October-May

(1) The rate base, authorized rate of return and authorized return on equity presented in this table are those from the most recent rate case or GRIP filing for each jurisdiction. These rate bases, rates of return and returns on equity are not necessarily indicative of current or future rate bases, rates of return or returns on equity.

(2) A rate base, rate of return, return on equity or debt/equity ratio was not included in the respective state commission's final decision.

(3) Kentucky rate base consists of \$184.7 million included in the June 2010 rate case and \$36.6 million included in the October 2012 PRP surcharge. A total of \$36.6 million of the Kentucky rate base amount was granted in the annual PRP filing with an effective date of October 1, 2012, an authorized rate of return of 8.74 percent and an authorized return on equity of 10.50 percent.

(4) The Mid-Tex Rate Base amounts for the Mid-Tex Cities and Dallas areas represent "system-wide", or 100 percent, of the Mid-Tex Division's rate base.

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- (5) On October 2, 2012, a rate case settlement was approved by the Texas Railroad Commission (RRC) that combined the former Amarillo, Lubbock and West Texas jurisdictions into a single “West Texas” jurisdiction.
- (6) The bad debt rider allows us to recover from ratepayers the gas cost portion of uncollectible accounts.
- (7) The performance-based rate program provides incentives to natural gas distribution companies to minimize purchased gas costs by allowing the companies and its customers to share the purchased gas costs savings.
- (8) The Company and Commission Staff have agreed to roll the recovery of the gas portion of uncollectible accounts back into base rates as part of the current rate proceeding.

Our supply of natural gas is provided by a variety of suppliers, including independent producers, marketers and pipeline companies and withdrawals of gas from proprietary and contracted storage assets. Additionally, the natural gas supply for our Mid-Tex Division includes peaking and spot purchase agreements.

Supply arrangements consist of both base load and swing supply (peaking) quantities and are contracted from our suppliers on a firm basis with various terms at market prices. Base load quantities are those that flow at a constant level throughout the month and swing supply quantities provide the flexibility to change daily quantities to match increases or decreases in requirements related to weather conditions.

Except for local production purchases, we select our natural gas suppliers through a competitive bidding process by periodically requesting proposals from suppliers that have demonstrated that they can provide reliable service. We select these suppliers based on their ability to deliver gas supply to our designated firm pipeline receipt points at the lowest reasonable cost. Major suppliers during fiscal 2013 were Anadarko Energy Services Company, BP Energy Company, ConocoPhillips Company, Devon Gas Services, L.P., Enterprise Products Operating LLC, Iberdrola Energy Services, LLC, Sequent Energy Management, L.P., Targa Gas Marketing LLC, Tenaska Marketing Ventures, Texla Energy Management, Inc. and Atmos Energy Marketing, LLC, our natural gas marketing subsidiary.

The combination of base load, peaking and spot purchase agreements, coupled with the withdrawal of gas held in storage, allows us the flexibility to adjust to changes in weather, which minimizes our need to enter into long-term firm commitments. We estimate our peak-day availability of natural gas supply to be approximately 4.4 Bcf. The peak-day demand for our natural gas distribution operations in fiscal 2013 was on January 15, 2013, when sales to customers reached approximately 3.1 Bcf.

Currently, our natural gas distribution divisions, except for our Mid-Tex Division, utilize 35 pipeline transportation companies, both interstate and intrastate, to transport our natural gas. The pipeline transportation agreements are firm and many of them have “pipeline no-notice” storage service, which provides for daily balancing between system requirements and nominated flowing supplies. These agreements have been negotiated with the shortest term necessary while still maintaining our right of first refusal. The natural gas supply for our Mid-Tex Division is delivered primarily by our Atmos Pipeline — Texas Division.

To maintain our deliveries to high priority customers, we have the ability, and have exercised our right, to curtail deliveries to certain customers under the terms of interruptible contracts or applicable state regulations or statutes. Our customers’ demand on our system is not necessarily indicative of our ability to meet current or anticipated market demands or immediate delivery requirements because of factors such as the physical limitations of gathering, storage and transmission systems, the duration and severity of cold weather, the availability of gas reserves from our suppliers, the ability to purchase additional supplies on a short-term basis and actions by federal and state regulatory authorities. Curtailment rights provide us the flexibility to meet the human-needs requirements of our customers on a firm basis. Priority allocations imposed by federal and state regulatory agencies, as well as other factors beyond our control, may affect our ability to meet the demands of our customers. We anticipate no problems with obtaining additional gas supply as needed for our customers.

### **Regulated Transmission and Storage Segment Overview**

Our regulated transmission and storage segment consists of the regulated pipeline and storage operations of our Atmos Pipeline — Texas Division (APT). APT is one of the largest intrastate pipeline operations in Texas with a heavy concentration in the established natural gas-producing areas of central, northern and eastern Texas, extending into or near the major producing areas of the Texas Gulf Coast and the Delaware and Val Verde Basins of West Texas. It transports natural gas to our Mid-Tex Division, transports natural gas for third parties and manages five underground storage reservoirs in Texas. We also provide ancillary services customary in the pipeline industry including parking and lending arrangements and sales of excess gas. This segment represents approximately 30 percent of our consolidated operations.

Gross profit earned from our Mid-Tex Division and through certain other transportation and storage services is subject to traditional ratemaking governed by the RRC. Rates are updated through periodic formal rate proceedings and filings made under Texas’ Gas Reliability Infrastructure Program (GRIP). GRIP allows us to include in our rate base annually approved capital costs incurred in the prior calendar year provided that we file a complete rate case at least once every five years. Atmos Pipeline—Texas’ existing regulatory mechanisms allow certain transportation and storage services to be provided under market-based rates with minimal regulation.



## Nonregulated Segment Overview

Our nonregulated operations are conducted through Atmos Energy Holdings, Inc. (AEH), a wholly-owned subsidiary of Atmos Energy Corporation, and represent approximately five percent of our consolidated net income.

AEH's primary business is to buy, sell and deliver natural gas at competitive prices to approximately 1,000 customers located primarily in the Midwest and Southeast areas of the United States. AEH accomplishes this objective by aggregating and purchasing gas supply, arranging transportation and storage logistics and effectively managing commodity price risk.

AEH also earns storage and transportation demand fees primarily from our regulated natural gas distribution operations in Louisiana and Kentucky. These demand fees are subject to regulatory oversight and are renewed periodically.

## Ratemaking Activity

### Overview

The method of determining regulated rates varies among the states in which our regulated businesses operate. The regulatory authorities have the responsibility of ensuring that utilities in their jurisdictions operate in the best interests of customers while providing utility companies the opportunity to earn a reasonable return on their investment. Generally, each regulatory authority reviews rate requests and establishes a rate structure intended to generate revenue sufficient to cover the costs of conducting business and to provide a reasonable return on invested capital.

Our rate strategy focuses on reducing or eliminating regulatory lag, obtaining adequate returns and providing stable, predictable margins, which benefit both our customers and the Company. As a result of our ratemaking efforts in recent years, Atmos Energy has:

- Annual ratemaking mechanisms in place in four states that provide for an annual rate review and adjustment to rates for approximately 69 percent of our natural gas distribution gross margin.
- Accelerated recovery of capital for approximately 74 percent of our natural gas distribution gross margin.
- Enhanced rate design that allows us to defer certain elements of our cost of service until they are included in rates, such as depreciation, ad valorem taxes and pension costs.
- WNA mechanisms in seven states that serve to minimize the effects of weather on approximately 97 percent of our natural gas distribution gross margin.
- The ability to recover the gas cost portion of bad debts for approximately 75 percent of our natural gas distribution gross margin.

Although substantial progress has been made in recent years by improving rate design across Atmos Energy's operating areas, we will continue to seek improvements in rate design to address cost variations that are related to pass-through energy costs beyond our control. Further, potential changes in federal energy policy and adverse economic conditions will necessitate continued vigilance by the Company and our regulators in meeting the challenges presented by these external factors.

### Recent Ratemaking Activity

Substantially all of our regulated revenues in the fiscal years ended September 30, 2013, 2012 and 2011 were derived from sales at rates set by or subject to approval by local or state authorities. Net operating income increases resulting from ratemaking activity totaling \$98.1 million, \$30.7 million and \$72.4 million, became effective in fiscal 2013, 2012 and 2011, as summarized below:

Rate Action	Annual Increase to Operating Income For the Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Infrastructure programs .....	\$ 30,936	\$ 19,172	\$ 15,033
Annual rate filing mechanisms .....	9,152	7,044	35,216
Rate case filings .....	56,700	4,309	20,502
Other ratemaking activity .....	1,322	167	1,675
	<u>\$ 98,110</u>	<u>\$ 30,692</u>	<u>\$ 72,426</u>

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Additionally, the following ratemaking efforts were initiated during fiscal 2013 but had not been completed as of September 30, 2013:

Division	Rate Action	Jurisdiction	Operating Income Requested (In thousands)
Colorado-Kansas .....	Rate Case <sup>(1)</sup>	Colorado	\$ 10,891
Kentucky/Mid-States .....	Rate Case	Kentucky	13,133
	PRP <sup>(2)</sup>	Kentucky	2,493
	PRP <sup>(2)</sup>	Virginia	213
Mid-Tex Division .....	GRIP <sup>(3)</sup>	Railroad Commission - Environs	768
	RRM <sup>(4)</sup>	Mid-Tex Cities	17,077
Mississippi .....	Stable Rate Filing <sup>(5)</sup>	Mississippi	—
			\$ 44,575

<sup>(1)</sup> This rate case seeks a multi-year step increase in annual operating income of \$4.5 million on January 1, 2014, \$2.9 million on July 1, 2014 and \$3.5 million on July 1, 2015.

<sup>(2)</sup> The Pipeline Replacement Program (PRP) surcharge relates to a long-term program to replace aging infrastructure. The Kentucky and Virginia PRPs were implemented on October 1, 2013.

<sup>(3)</sup> The Gas Reliability Infrastructure Program (GRIP) surcharge relates to replacing aging infrastructure as well as other changes in net plant. The surcharge is calculated on a system-wide basis, but is only filed with the Railroad Commission for unincorporated areas served by the Mid-Tex Division.

<sup>(4)</sup> The Rate Review Mechanism (RRM) is an annual rate filing mechanism that allows us to refresh our rates on a periodic basis without filing a formal rate case. The current RRM program was approved by the Mid-Tex Cities in the summer of 2013. The first filing under the mechanism was made in July of 2013 and has been settled for \$12.5 million to be implemented on November 1, 2013.

<sup>(5)</sup> The Stable Rate Filing shows no deficiency, thus no change in operating income is anticipated from the current year filing.

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Our recent ratemaking activity is discussed in greater detail below.

**Infrastructure Programs**

As discussed above in “Natural Gas Distribution Segment Overview” and “Regulated Transmission and Storage Segment Overview,” infrastructure programs such as GRIP allow our regulated divisions the opportunity to include in their rate base annually approved capital costs incurred in the prior calendar year. We currently have infrastructure programs in Texas, Kansas, Kentucky and Virginia. The following table summarizes our infrastructure program filings with effective dates during the fiscal years ended September 30, 2013, 2012 and 2011:

Division	Period End	Incremental Net Utility Plant Investment  (In thousands)	Increase in Annual Operating Income  (In thousands)	Effective Date
<i>2013 Infrastructure Programs:</i>				
Atmos Pipeline — Texas.....	12/2012	\$ 156,440	\$ 26,730	05/07/2013
Colorado-Kansas — Kansas .....	09/2012	5,376	601	01/09/2013
Kentucky/Mid-States — Georgia <sup>(1)(2)</sup> .....	09/2011	6,519	1,079	10/01/2012
Kentucky/Mid-States — Kentucky <sup>(2)</sup> .....	09/2013	19,296	2,425	10/01/2012
Kentucky/Mid-States — Virginia .....	09/2013	756	101	10/01/2012
Total 2013 Infrastructure Programs.....		<u>\$ 188,387</u>	<u>\$ 30,936</u>	
<i>2012 Infrastructure Programs:</i>				
Mid-Tex Unincorporated (Environs) <sup>(3)</sup> .....	12/2011	\$ 145,671	\$ 744	06/26/2012
Atmos Pipeline — Texas.....	12/2011	87,210	14,684	04/10/2012
Kentucky/Mid-States — Georgia <sup>(1)(2)</sup> .....	09/2010	7,160	1,215	10/01/2011
Kentucky/Mid-States — Kentucky <sup>(2)</sup> .....	09/2012	17,347	2,529	10/01/2011
Total 2012 Infrastructure Programs.....		<u>\$ 257,388</u>	<u>\$ 19,172</u>	
<i>2011 Infrastructure Programs:</i>				
Atmos Pipeline — Texas.....	12/2010	\$ 72,980	\$ 12,605	07/26/2011
Mid-Tex/Environs.....	12/2010	107,840	576	06/27/2011
West Texas/Lubbock & WT Cities Environs.....	12/2010	17,677	343	06/01/2011
Kentucky/Mid-States — Kentucky <sup>(2)</sup> .....	09/2011	3,329	468	06/01/2011
Kentucky/Mid-States — Missouri <sup>(4)</sup> .....	09/2010	2,367	277	02/14/2011
Kentucky/Mid-States — Georgia <sup>(1)(2)</sup> .....	09/2009	5,359	764	10/01/2010
Total 2011 Infrastructure Programs.....		<u>\$ 209,552</u>	<u>\$ 15,033</u>	

(1) On April 1, 2013, we completed the sale of our Georgia operations to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. The increase in operating income arising from the implementation of new rates is included as a component of discontinued operations through March 31, 2013.

(2) The Pipeline Replacement Program (PRP) surcharge relates to a long-term program to replace aging infrastructure.

(3) Incremental net utility plant investment represents the system-wide incremental investment for the Mid-Tex Division. The increase in annual operating income is for the unincorporated areas of the Mid-Tex Division only.

(4) Infrastructure System Replacement Surcharge (ISRS) relates to maintenance capital investments made since the previous rate case.

*Annual Rate Filing Mechanisms*

As an instrument to reduce regulatory lag, annual rate filing mechanisms allow us to refresh our rates on a periodic basis without filing a formal rate case. However, these filings still involve discovery by the appropriate regulatory authorities prior to the final determination of rates under these mechanisms. We currently have annual rate filing mechanisms in our Louisiana and Mississippi divisions and in a portion of our Texas divisions. These mechanisms are referred to as Dallas annual rate review (DARR) and rate review mechanisms (RRM) in our Mid-Tex Division, stable rate filings in the Mississippi Division and the rate stabilization clause in the Louisiana Division. The following table summarizes filings made under our various annual rate filing mechanisms:

Division	Jurisdiction	Test Year Ended	Increase (Decrease) in Annual Operating Income  (In thousands)	Effective Date
<i>2013 Filings:</i>				
Louisiana .....	LGS	12/31/2012	\$ 908	07/01/2013
Mid-Tex.....	City of Dallas	9/30/2012	1,800	06/01/2013
Louisiana .....	TransLa	9/30/2012	2,260	04/01/2013
Kentucky/Mid-States.....	Georgia <sup>(1)</sup>	9/30/2013	743	02/01/2013
Mississippi.....	Mississippi	6/30/2012	3,441	11/01/2012
Total 2013 Filings .....			<u>\$ 9,152</u>	
<i>2012 Filings:</i>				
Louisiana .....	LGS	12/31/2011	\$ 2,324	07/01/2012
Mid-Tex.....	Dallas	9/30/2011	1,204	06/01/2012
Louisiana .....	Trans La	9/30/2011	11	04/01/2012
Kentucky/Mid-States.....	Georgia <sup>(1)</sup>	9/30/2011	(818)	02/01/2012
Mississippi.....	Mississippi	6/30/2011	4,323	01/11/2012
Total 2012 Filings .....			<u>\$ 7,044</u>	
<i>2011 Filings:</i>				
Mid-Tex.....	Mid-Tex Cities	12/31/2010	\$ 5,126	09/27/2011
Mid-Tex.....	Dallas	12/31/2010	1,084	09/27/2011
West Texas.....	Lubbock	12/31/2010	319	09/08/2011
West Texas.....	Amarillo	12/31/2010	(492)	08/01/2011
Louisiana .....	LGS	12/31/2010	4,109	07/01/2011
Mid-Tex.....	Dallas	12/31/2010	1,598	07/01/2011
Louisiana .....	TransLa	9/30/2010	350	04/01/2011
Mid-Tex.....	Mid-Tex Cities	12/31/2009	23,122	10/01/2010
Total 2011 Filings .....			<u>\$ 35,216</u>	

<sup>(1)</sup> On April 1, 2013, we completed the sale of our Georgia operations to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. The increase in operating income arising from the implementation of new rates is included as a component of discontinued operations through March 31, 2013.

From 2008 through fiscal 2011, the Mid-Tex Division had an annual rate review mechanism (RRM) for approximately 80 percent of its customers, which allowed it to update rates annually without the necessity of filing a general rate case. In fiscal 2013, a new RRM was approved for these customers.

Since June 2011, the Mid-Tex Division has operated under a Dallas Annual Rate Review Mechanism (DARR) that provides the ability for it to annually update rates for its City of Dallas customers without the necessity of filing a general rate case. The first rates were implemented under the DARR in June 2012.

During fiscal 2011, the RRC's Division of Public Safety issued a new rule requiring natural gas distribution companies with operations in Texas to develop and implement a risk-based program for the renewal or replacement of distribution facilities, including steel service lines. The rule allows for the deferral of all expenses associated with capital expenditures incurred pursuant to this rule until the expenses are included in rates, including the recording of interest on the deferred expenses.

**Rate Case Filings**

A rate case is a formal request from Atmos Energy to a regulatory authority to increase rates that are charged to customers. Rate cases may also be initiated when the regulatory authorities request us to justify our rates. This process is referred to as a “show cause” action. Adequate rates are intended to provide for recovery of the Company’s costs as well as a fair rate of return to our shareholders and ensure that we continue to safely deliver reliable, reasonably priced natural gas service to our customers. The following table summarizes our recent rate cases:

Division	State	Increase in Annual Operating Income (In thousands)	Effective Date
<i>2013 Rate Case Filings:</i>			
Mid-Tex .....	Texas	\$ 42,601	12/04/2012
Kentucky/Mid-States .....	Tennessee	7,530	11/08/2012
West Texas.....	Texas	6,569	10/01/2012
Total 2013 Rate Case Filings.....		<u>\$ 56,700</u>	
<i>2012 Rate Case Filings:</i>			
Colorado-Kansas.....	Kansas	\$ 3,764	09/01/2012
West Texas — Environs.....	Texas	545	11/08/2011
Total 2012 Rate Case Filings.....		<u>\$ 4,309</u>	
<i>2011 Rate Case Filings:</i>			
West Texas — Amarillo Environs.....	Texas	\$ 78	07/26/2011
Atmos Pipeline — Texas .....	Texas	20,424	05/01/2011
Total 2011 Rate Case Filings.....		<u>\$ 20,502</u>	

**Other Ratemaking Activity**

The following table summarizes other ratemaking activity during the fiscal years ended September 30, 2013, 2012 and 2011:

Division	Jurisdiction	Rate Activity	Increase in Annual Operating Income (In thousands)	Effective Date
<i>2013 Other Rate Activity:</i>				
Colorado-Kansas .....	Kansas	Ad Valorem <sup>(1)</sup>	\$ 1,322	02/01/2013
Total 2013 Other Rate Activity.....			<u>\$ 1,322</u>	
<i>2012 Other Rate Activity:</i>				
Colorado-Kansas .....	Kansas	Ad Valorem <sup>(1)</sup>	\$ 167	01/14/2012
Total 2012 Other Rate Activity.....			<u>\$ 167</u>	
<i>2011 Other Rate Activity:</i>				
West Texas.....	Triangle	Special Contract	\$ 641	07/01/2011
Colorado-Kansas .....	Kansas	Ad Valorem <sup>(1)</sup>	685	01/01/2011
Colorado-Kansas .....	Colorado	AMI <sup>(2)</sup>	349	12/01/2010
Total 2011 Other Rate Activity.....			<u>\$ 1,675</u>	

<sup>(1)</sup> The Ad Valorem filing relates to a collection of property taxes in excess of the amount included in our Kansas service area’s base rates.

<sup>(2)</sup> Automated Meter Infrastructure (AMI) relates to a pilot program in the Weld County area of our Colorado service area.

**Other Regulation**

Each of our natural gas distribution divisions and our regulated transmission and storage division is regulated by various state or local public utility authorities. We are also subject to regulation by the United States Department of Transportation with respect to safety requirements in the operation and maintenance of our transmission and distribution facilities. In addition, our distribution operations are also subject to various state and federal laws regulating environmental matters. From time to time

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we receive inquiries regarding various environmental matters. We believe that our properties and operations substantially comply with, and are operated in substantial conformity with, applicable safety and environmental statutes and regulations. There are no administrative or judicial proceedings arising under environmental quality statutes pending or known to be contemplated by governmental agencies which would have a material adverse effect on us or our operations. Our environmental claims have arisen primarily from former manufactured gas plant sites.

The Federal Energy Regulatory Commission (FERC) allows, pursuant to Section 311 of the Natural Gas Policy Act, gas transportation services through our Atmos Pipeline—Texas assets “on behalf of” interstate pipelines or local distribution companies served by interstate pipelines, without subjecting these assets to the jurisdiction of the FERC. Additionally, the FERC has regulatory authority over the sale of natural gas in the wholesale gas market and the use and release of interstate pipeline and storage capacity. The FERC also has authority to detect and prevent market manipulation and to enforce compliance with FERC’s other rules, policies and orders by companies engaged in the sale, purchase, transportation or storage of natural gas in interstate commerce. We have taken what we believe are the necessary and appropriate steps to comply with these regulations.

### Competition

Although our natural gas distribution operations are not currently in significant direct competition with any other distributors of natural gas to residential and commercial customers within our service areas, we do compete with other natural gas suppliers and suppliers of alternative fuels for sales to industrial customers. We compete in all aspects of our business with alternative energy sources, including, in particular, electricity. Electric utilities offer electricity as a rival energy source and compete for the space heating, water heating and cooking markets. Promotional incentives, improved equipment efficiencies and promotional rates all contribute to the acceptability of electrical equipment. The principal means to compete against alternative fuels is lower prices, and natural gas historically has maintained its price advantage in the residential, commercial and industrial markets.

Our regulated transmission and storage operations historically have faced limited competition from other existing intrastate pipelines and gas marketers seeking to provide or arrange transportation, storage and other services for customers. However, in the last few years, several new pipelines have been completed, which has increased the level of competition in this segment of our business.

Within our nonregulated operations, AEM competes with other natural gas marketers to provide natural gas management and other related services primarily to smaller customers requiring higher levels of balancing, scheduling and other related management services. AEM has experienced increased competition in recent years primarily from investment banks and major integrated oil and natural gas companies who offer lower cost, basic services. The increased competition has reduced margins most notably on its high-volume accounts.

### Employees

At September 30, 2013, we had 4,720 employees, consisting of 4,611 employees in our regulated operations and 109 employees in our nonregulated operations.

### Available Information

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports, and amendments to those reports, and other forms that we file with or furnish to the Securities and Exchange Commission (SEC) are available free of charge at our website, [www.atmosenergy.com](http://www.atmosenergy.com), under “Publications and Filings” under the “Investors” tab, as soon as reasonably practicable, after we electronically file these reports with, or furnish these reports to, the SEC. We will also provide copies of these reports free of charge upon request to Shareholder Relations at the address and telephone number appearing below:

Shareholder Relations  
Atmos Energy Corporation  
P.O. Box 650205  
Dallas, Texas 75265-0205  
972-855-3729

### Corporate Governance

In accordance with and pursuant to relevant related rules and regulations of the SEC as well as corporate governance-related listing standards of the New York Stock Exchange (NYSE), the Board of Directors of the Company has established and periodically updated our Corporate Governance Guidelines and Code of Conduct, which is applicable to all directors, officers and employees of the Company. In addition, in accordance with and pursuant to such NYSE listing standards, our Chief Executive Officer during fiscal 2013, Kim R. Cocklin, certified to the New York Stock Exchange that he was not aware of any

violations by the Company of NYSE corporate governance listing standards. The Board of Directors also annually reviews and updates, if necessary, the charters for each of its Audit, Human Resources and Nominating and Corporate Governance Committees. All of the foregoing documents are posted on the Corporate Governance page of our website. We will also provide copies of all corporate governance documents free of charge upon request to Shareholder Relations at the address listed above.

**ITEM 1A. Risk Factors.**

Our financial and operating results are subject to a number of risk factors, many of which are not within our control. Although we have tried to discuss key risk factors below, please be aware that other or new risks may prove to be important in the future. Investors should carefully consider the following discussion of risk factors as well as other information appearing in this report. These factors include the following:

***The Company is dependent on continued access to the credit and capital markets to execute our business strategy.***

Our long-term debt is currently rated as “investment grade” by Standard & Poor’s Corporation, Moody’s Investors Services, Inc. and Fitch Ratings, Ltd. Similar to most companies, we rely upon access to both short-term and long-term credit and capital markets to satisfy our liquidity requirements. If adverse credit conditions were to cause a significant limitation on our access to the private and public capital markets, we could see a reduction in our liquidity. A significant reduction in our liquidity could in turn trigger a negative change in our ratings outlook or even a reduction in our credit ratings by one or more of the three credit rating agencies. Such a downgrade could further limit our access to private credit and/or public capital markets and increase our costs of borrowing.

Further, if our credit ratings were downgraded, we could be required to provide additional liquidity to our nonregulated segment because the commodity financial instrument markets could become unavailable to us. Our nonregulated segment depends primarily upon an intercompany lending facility between AEH and Atmos Energy to finance its working capital needs, supplemented by two small credit facilities with outside lenders. Our ability to provide this liquidity to AEH for our nonregulated operations is limited by the terms of the lending arrangement with AEH, which is subject to annual approval by one state regulatory commission.

While we believe we can meet our capital requirements from our operations and the sources of financing available to us, we can provide no assurance that we will continue to be able to do so in the future, especially if the market price of natural gas increases significantly in the near term. The future effects on our business, liquidity and financial results of a deterioration of current conditions in the credit and capital markets could be material and adverse to us, both in the ways described above or in other ways that we do not currently anticipate.

***We are subject to state and local regulations that affect our operations and financial results.***

Our natural gas distribution and regulated transmission and storage segments are subject to regulatory oversight from various state and local regulatory authorities in the eight states that we serve. Therefore, our returns are continuously monitored and are subject to challenge for their reasonableness by the appropriate regulatory authorities or other third-party intervenors. In the normal course of business, a regulated entity often needs to place assets in service and establish historical test periods before rate cases that seek to adjust our allowed returns to recover that investment can be filed. Further, the regulatory review process can be lengthy. Because of this process, we suffer the negative financial effects of having placed assets in service without the benefit of rate relief, which is commonly referred to as “regulatory lag.” The regulatory process also involves the risk that regulatory authorities may (i) review our purchases of natural gas and adjust the amount of our gas costs that we pass through to our customers or (ii) limit the costs we may have incurred from our cost of service that can be recovered from customers.

***The continuation of recent economic conditions could adversely affect our customers and negatively impact our financial results.***

The slowdown in the U.S. economy in the last several years, together with increased mortgage defaults and significant decreases in the values of homes and investment assets, has adversely affected the financial resources of many domestic households. It is unclear whether the administrative and legislative responses to these conditions will be successful in continuing to improve economic conditions, including the continued lowering of current high unemployment rates across the U.S. As a result, our customers may seek to use even less gas and it may become more difficult for them to pay their gas bills. This may slow collections and lead to higher than normal levels of accounts receivable. This in turn could increase our financing requirements and bad debt expense. Additionally, our industrial customers may seek alternative energy sources, which could result in lower sales volumes.

***Inflation and increased gas costs could adversely impact our customer base and customer collections and increase our level of indebtedness.***

Inflation has caused increases in some of our operating expenses and has required assets to be replaced at higher costs. We have a process in place to continually review the adequacy of our natural gas distribution gas rates in relation to the increasing cost of providing service and the inherent regulatory lag in adjusting those gas rates. Historically, we have been able to budget and control operating expenses and investments within the amounts authorized to be collected in rates and intend to continue to do so. However, the ability to control expenses is an important factor that could impact future financial results.

Rapid increases in the costs of purchased gas would cause us to experience a significant increase in short-term debt. We must pay suppliers for gas when it is purchased, which can be significantly in advance of when these costs may be recovered through the collection of monthly customer bills for gas delivered. Increases in purchased gas costs also slow our natural gas distribution collection efforts as customers are more likely to delay the payment of their gas bills, leading to higher than normal accounts receivable. This could result in higher short-term debt levels, greater collection efforts and increased bad debt expense.

***We are exposed to market risks that are beyond our control, which could adversely affect our financial results and capital requirements.***

We are subject to market risks beyond our control, including market liquidity, commodity price volatility caused by market supply and demand dynamics and counterparty creditworthiness and interest rate risk. Our regulated operations are generally insulated from commodity price risk through its purchased gas cost mechanisms. With respect to interest rate risk, we have been operating in a relatively low interest-rate environment in recent years compared to historical norms for both short and long-term interest rates. However, increases in interest rates could adversely affect our future financial results.

Although our nonregulated operations represent approximately five percent of our consolidated results, commodity price volatility experienced in this business segment could lead to some volatility in our earnings. Our nonregulated segment manages margins and limits risk exposure on the sale of natural gas inventory or the offsetting fixed-price purchase or sale commitments for physical quantities of natural gas through the use of a variety of financial instruments. However, contractual limitations could adversely affect our ability to withdraw gas from storage, which could cause us to purchase gas at spot prices in a rising market to obtain sufficient volumes to fulfill customer contracts. We could also realize financial losses on our efforts to limit risk as a result of volatility in the market prices of the underlying commodities or if a counterparty fails to perform under a contract. Any significant tightening of the credit markets could cause more of our counterparties to fail to perform than expected. In addition, adverse changes in the creditworthiness of our counterparties could limit the level of trading activities with these parties and increase the risk that these parties may not perform under a contract. These circumstances could also increase our capital requirements.

Although we manage our business to maintain no open positions related to our physical storage, there are times when limited net open positions may occur on a short-term basis. Net open positions may increase volatility in our financial condition or results of operations if market prices move in a significantly favorable or unfavorable manner before the open positions can be closed. The determination of our net open position as of the end of any particular trading day requires us to make assumptions as to future circumstances, including the use of gas by our customers in relation to our anticipated storage and market positions. Because the price risk associated with any net open position at the end of such day may increase if the assumptions are not realized, we review these assumptions as part of our daily monitoring activities. Further, if the local physical markets do not move consistently with the NYMEX futures market upon which most of our commodity derivative financial instruments are valued, we could experience increased volatility in the financial results of our nonregulated segment.

***The concentration of our distribution, pipeline and storage operations in the State of Texas exposes our operations and financial results to economic conditions and regulatory decisions in Texas.***

Over 50 percent of our natural gas distribution customers and most of our pipeline and storage assets and operations are located in the State of Texas. This concentration of our business in Texas means that our operations and financial results may be significantly affected by changes in the Texas economy in general and regulatory decisions by state and local regulatory authorities in Texas.



***Our operations are subject to increased competition.***

In residential and commercial customer markets, our natural gas distribution operations compete with other energy products, such as electricity and propane. Our primary product competition is with electricity for heating, water heating and cooking. Increases in the price of natural gas could negatively impact our competitive position by decreasing the price benefits of natural gas to the consumer. This could adversely impact our business if, as a result, our customer growth slows, reducing our ability to make capital expenditures, or if our customers further conserve their use of gas, resulting in reduced gas purchases and customer billings.

In the case of industrial customers, such as manufacturing plants, adverse economic conditions, including higher gas costs, could cause these customers to use alternative sources of energy, such as electricity, or bypass our systems in favor of special competitive contracts with lower per-unit costs. Our regulated transmission and storage operations historically have faced limited competition from other existing intrastate pipelines and gas marketers seeking to provide or arrange transportation, storage and other services for customers. However, in the last few years, several new pipelines have been completed, which has increased the level of competition in this segment of our business.

Finally, within our nonregulated operations, AEM competes with other natural gas marketers to provide natural gas management and other related services primarily to smaller customers requiring higher levels of balancing, scheduling and other related management services. AEM has experienced increased competition in recent years from competitors who offer lower cost, basic services.

***Adverse weather conditions could affect our operations or financial results.***

We have weather-normalized rates for over 95 percent of our residential and commercial meters in our natural gas distribution business, which substantially mitigates the adverse effects of warmer-than-normal weather for meters in those service areas. However, there is no assurance that we will continue to receive such regulatory protection from adverse weather in our rates in the future. The loss of such weather-normalized rates could have an adverse effect on our operations and financial results. In addition, our natural gas distribution and regulated transmission and storage operating results may continue to vary somewhat with the actual temperatures during the winter heating season. Sustained cold weather could adversely affect our nonregulated operations as we may be required to purchase gas at spot rates in a rising market to obtain sufficient volumes to fulfill some customer contracts. Additionally, sustained cold weather could challenge our ability to adequately meet customer demand in our natural gas distribution and regulated transmission and storage operations.

***Our growth in the future may be limited by the nature of our business, which requires extensive capital spending.***

We must continually build additional capacity in our natural gas distribution system to enable us to serve any growth in the number of our customers. The cost of adding this capacity may be affected by a number of factors, including the general state of the economy and weather. In addition, although we should ultimately recover the cost of the expenditures through rates, we must make significant capital expenditures to comply with rules issued by the RRC's Division of Public Safety that require natural gas distribution companies to develop and implement risk-based programs for the renewal or replacement of distribution facilities, including steel service lines. Our cash flows from operations generally are sufficient to supply funding for all our capital expenditures, including the financing of the costs of new construction along with capital expenditures necessary to maintain our existing natural gas system. Due to the timing of these cash flows and capital expenditures, we often must fund at least a portion of these costs through borrowing funds from third-party lenders, the cost and availability of which is dependent on the liquidity of the credit markets, interest rates and other market conditions. This in turn may limit our ability to connect new customers to our system due to constraints on the amount of funds we can invest in our infrastructure.

***The costs of providing health care benefits, pension and postretirement health care benefits and related funding requirements may increase substantially.***

We provide health care benefits and a cash-balance pension plan and postretirement health care benefits to eligible full-time employees. The costs of providing health care benefits to our employees could significantly increase over time due to rapidly increasing health care inflation, the impact of the Health Care Reform Act of 2010 (HCR) and any future legislative changes related to the provision of health care benefits. Although the HCR is not expected to have a direct material impact when a number of its more significant provisions become effective in 2014, the impact of costs incurred by the insurance industry arising from the implementation of HCR on the Company are difficult to measure at this time.

The costs of providing a cash-balance pension plan and postretirement health care benefits to eligible full-time employees and related funding requirements could be influenced by changes in the market value of the assets funding our pension and postretirement health care plans. Any significant declines in the value of these investments could increase the costs of our

pension and postretirement health care plans and related funding requirements in the future. Further, our costs of providing such benefits and related funding requirements are also subject to a number of factors, including (i) changing demographics, including longer life expectancy of beneficiaries and an expected increase in the number of eligible former employees over the next five to ten years; and (ii) various actuarial calculations and assumptions, which may differ materially from actual results due primarily to changing market and economic conditions and higher or lower withdrawal rates.

The costs to the Company of providing these benefits and related funding requirements could also increase materially in the future, depending on the timing of the recovery, if any, of such costs through our rates.

***We may experience increased federal, state and local regulation of the safety of our operations.***

We are committed to constantly monitoring and maintaining our pipeline and distribution system to ensure that natural gas is delivered safely, reliably and efficiently through our network of more than 72,000 miles of pipeline and distribution lines. The pipeline replacement programs currently underway in several of our divisions typify the preventive maintenance and continual renewal that we perform on our natural gas distribution system in the eight states in which we currently operate. The safety and protection of the public, our customers and our employees is our top priority. However, due primarily to the unfortunate pipeline incident in California in 2010, natural gas distribution and pipeline companies are facing increasing federal, state and local oversight of the safety of their operations. Although we believe these costs should be ultimately recoverable through our rates, the costs of complying with such increased regulations may have at least a short-term adverse impact on our operating costs and financial results.

***Some of our operations are subject to increased federal regulatory oversight that could affect our operations and financial results.***

FERC has regulatory authority over some of our operations, including sales of natural gas in the wholesale gas market and the use and release of interstate pipeline and storage capacity. FERC has adopted rules designed to prevent market power abuse and market manipulation and to promote compliance with FERC's other rules, policies and orders by companies engaged in the sale, purchase, transportation or storage of natural gas in interstate commerce. These rules carry increased penalties for violations. Although we have taken steps to structure current and future transactions to comply with applicable current FERC regulations, changes in FERC regulations or their interpretation by FERC or additional regulations issued by FERC in the future could also adversely affect our business, financial condition or financial results.

***We are subject to environmental regulations which could adversely affect our operations or financial results.***

We are subject to laws, regulations and other legal requirements enacted or adopted by federal, state and local governmental authorities relating to protection of the environment and health and safety matters, including those that govern discharges of substances into the air and water, the management and disposal of hazardous substances and waste, the clean-up of contaminated sites, groundwater quality and availability, plant and wildlife protection, as well as work practices related to employee health and safety. Environmental legislation also requires that our facilities, sites and other properties associated with our operations be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Failure to comply with these laws, regulations, permits and licenses may expose us to fines, penalties or interruptions in our operations that could be significant to our financial results. In addition, existing environmental regulations may be revised or our operations may become subject to new regulations.

***Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.***

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions, such as carbon dioxide. The adoption of this type of legislation by Congress or similar legislation by states or the adoption of related regulations by federal or state governments mandating a substantial reduction in greenhouse gas emissions in the future could have far-reaching and significant impacts on the energy industry. Such new legislation or regulations could result in increased compliance costs for us or additional operating restrictions on our business, affect the demand for natural gas or impact the prices we charge to our customers. At this time, we cannot predict the potential impact of such laws or regulations that may be adopted on our future business, financial condition or financial results.

***Distributing, transporting and storing natural gas involve risks that may result in accidents and additional operating costs.***

Our natural gas distribution and pipeline and storage businesses involve a number of hazards and operating risks that cannot be completely avoided, such as leaks, accidents and operational problems, which could cause loss of human life, as well

as substantial financial losses resulting from property damage, damage to the environment and to our operations. We maintain liability and property insurance coverage in place for many of these hazards and risks. However, because some of our pipeline, storage and distribution facilities are near or are in populated areas, any loss of human life or adverse financial results resulting from such events could be large. If these events were not fully covered by insurance, our operations or financial results could be adversely affected.

***Cyber-attacks or acts of cyber-terrorism could disrupt our business operations and information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information.***

Our business operations and information technology systems may be vulnerable to an attack by individuals or organizations intending to disrupt our business operations and information technology systems. We use such systems to manage our natural gas distribution and intrastate pipeline operations and other business processes. Disruption of those systems could adversely impact our ability to safely deliver natural gas to our customers, operate our pipeline systems or serve our customers timely. Accordingly, if such an attack or act of terrorism were to occur, our operations and financial results could be adversely affected. In addition, we use our information technology systems to protect confidential or sensitive customer, employee and Company information developed and maintained in the normal course of our business. Any attack on such systems that would result in the unauthorized release of customer, employee or other confidential or sensitive data could have a material adverse effect on our business reputation, increase our costs and expose us to additional material legal claims and liability. Even though we have insurance coverage in place for many of these cyber-related risks, if such an attack or act of terrorism were to occur, our operations and financial results could be adversely affected.

***Natural disasters, terrorist activities or other significant events could adversely affect our operations or financial results.***

Natural disasters are always a threat to our assets and operations. In addition, the threat of terrorist activities could lead to increased economic instability and volatility in the price of natural gas that could affect our operations. Also, companies in our industry may face a heightened risk of exposure to actual acts of terrorism, which could subject our operations to increased risks. As a result, the availability of insurance covering such risks may be more limited, which could increase the risk that an event could adversely affect our operations or financial results.

**ITEM 1B. *Unresolved Staff Comments.***

Not applicable.

**ITEM 2. *Properties.***

**Distribution, transmission and related assets**

At September 30, 2013, in our natural gas distribution segment, we owned an aggregate of 67,146 miles of underground distribution and transmission mains throughout our gas distribution systems. These mains are located on easements or rights-of-way which generally provide for perpetual use. We maintain our mains through a program of continuous inspection and repair and believe that our system of mains is in good condition. Through our regulated transmission and storage segment we owned 5,628 miles of gas transmission and gathering lines as well as 110 miles of gas transmission and gathering lines through our nonregulated segment.

**Storage Assets**

We own underground gas storage facilities in several states to supplement the supply of natural gas in periods of peak demand. The following table summarizes certain information regarding our underground gas storage facilities at September 30, 2013:

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State	Usable Capacity (Mcf)	Cushion Gas (Mcf) <sup>(1)</sup>	Total Capacity (Mcf)	Maximum Daily Delivery Capability (Mcf)
<i>Natural Gas Distribution Segment</i>				
Kentucky .....	4,442,696	6,322,283	10,764,979	105,100
Kansas .....	3,239,000	2,300,000	5,539,000	45,000
Mississippi.....	2,211,894	2,442,917	4,654,811	48,000
<i>Total</i> .....	9,893,590	11,065,200	20,958,790	198,100
<i>Regulated Transmission and Storage Segment — Texas</i>				
.....	46,143,226	15,878,025	62,021,251	1,235,000
<i>Nonregulated Segment</i>				
Kentucky .....	3,438,900	3,240,000	6,678,900	67,500
Louisiana .....	438,583	300,973	739,556	56,000
<i>Total</i> .....	3,877,483	3,540,973	7,418,456	123,500
<b>Total</b> .....	<b>59,914,299</b>	<b>30,484,198</b>	<b>90,398,497</b>	<b>1,556,600</b>

<sup>(1)</sup> Cushion gas represents the volume of gas that must be retained in a facility to maintain reservoir pressure.

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Additionally, we contract for storage service in underground storage facilities on many of the interstate pipelines serving us to supplement our proprietary storage capacity. The following table summarizes our contracted storage capacity at September 30, 2013:

Segment	Division/Company	Maximum Storage Quantity (MMBtu)	Maximum Daily Withdrawal Quantity (MDWQ) <sup>(1)</sup>
<i>Natural Gas Distribution Segment</i>			
	Colorado-Kansas Division	4,261,909	108,489
	Kentucky/Mid-States Division	11,081,603	344,706
	Louisiana Division	2,736,539	161,393
	Mid-Tex Division	1,000,000	75,000
	Mississippi Division	3,695,429	162,402
	West Texas Division	3,375,000	106,000
<i>Total</i> .....		26,150,480	957,990
<i>Nonregulated Segment</i>			
	Atmos Energy Marketing, LLC	8,026,869	250,937
	Trans Louisiana Gas Pipeline, Inc.	1,674,000	67,507
<i>Total</i> .....		9,700,869	318,444
<b>Total Contracted Storage Capacity</b>		<b>35,851,349</b>	<b>1,276,434</b>

<sup>(1)</sup> Maximum daily withdrawal quantity (MDWQ) amounts will fluctuate depending upon the season and the month. Unless otherwise noted, MDWQ amounts represent the MDWQ amounts as of November 1, which is the beginning of the winter heating season.

**Offices**

Our administrative offices and corporate headquarters are consolidated in a leased facility in Dallas, Texas. We also maintain field offices throughout our service territory, the majority of which are located in leased facilities. The headquarters for our nonregulated operations are in Houston, Texas, with offices in Houston and other locations, primarily in leased facilities.

**ITEM 3. Legal Proceedings.**

See Note 10 to the consolidated financial statements.

**ITEM 4. Mine Safety Disclosures.**

Not applicable.

**PART II**

**ITEM 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

Our stock trades on the New York Stock Exchange under the trading symbol "ATO." The high and low sale prices and dividends paid per share of our common stock for fiscal 2013 and 2012 are listed below. The high and low prices listed are the closing NYSE quotes, as reported on the NYSE composite tape, for shares of our common stock:

	Fiscal 2013			Fiscal 2012		
	High	Low	Dividends Paid	High	Low	Dividends Paid
<b>Quarter ended:</b>						
December 31 .....	\$ 36.86	\$ 33.20	\$ 0.35	\$ 35.40	\$ 30.97	\$ 0.345
March 31 .....	42.69	35.11	0.35	33.15	30.60	0.345
June 30 .....	44.87	38.59	0.35	35.07	30.91	0.345
September 30 .....	45.19	39.40	0.35	36.94	34.94	0.345
			<u>\$ 1.40</u>			<u>\$ 1.38</u>

Dividends are payable at the discretion of our Board of Directors out of legally available funds. The Board of Directors typically declares dividends in the same fiscal quarter in which they are paid. The number of record holders of our common stock on October 31, 2013 was 16,746. Future payments of dividends, and the amounts of these dividends, will depend on our financial condition, results of operations, capital requirements and other factors. We sold no securities during fiscal 2013 that were not registered under the Securities Act of 1933, as amended.

**Performance Graph**

The performance graph and table below compares the yearly percentage change in our total return to shareholders for the last five fiscal years with the total return of the S&P 500 Stock Index and the cumulative total return of a customized peer company group, the Comparison Company Index. The Comparison Company Index is comprised of natural gas distribution companies with similar revenues, market capitalizations and asset bases to that of the Company. The graph and table below assume that \$100.00 was invested on September 30, 2008 in our common stock, the S&P 500 Index and in the common stock of the companies in the Comparison Company Index, as well as a reinvestment of dividends paid on such investments throughout the period.

**Comparison of Five-Year Cumulative Total Return among Atmos Energy Corporation, S&P 500 Index and Comparison Company Index**

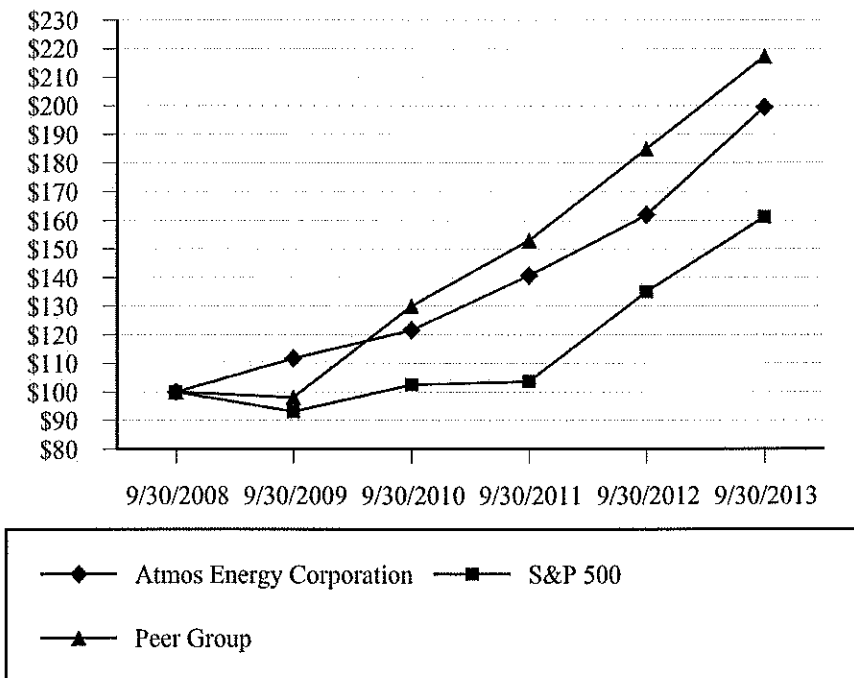


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	Cumulative Total Return					
	9/30/2008	9/30/2009	9/30/2010	9/30/2011	9/30/2012	9/30/2013
Atmos Energy Corporation .....	100.00	111.68	121.63	140.75	161.81	199.54
S&P 500 .....	100.00	93.09	102.55	103.72	135.05	161.17
Peer Group.....	100.00	98.11	130.03	153.00	184.92	217.15

The Comparison Company Index contains a hybrid group of utility companies, primarily natural gas distribution companies, recommended by our independent executive compensation consulting firm and approved by the Board of Directors. The companies included in the index are AGL Resources Inc., CenterPoint Energy Resources Corporation, CMS Energy Corporation, Integrys Energy Group, Inc., National Fuel Gas, NiSource Inc., ONEOK Inc., Piedmont Natural Gas Company, Inc., Questar Corporation, Vectren Corporation and WGL Holdings, Inc.

The following table sets forth the number of securities authorized for issuance under our equity compensation plans at September 30, 2013.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
<b>Equity compensation plans approved by security holders:</b>			
1998 Long-Term Incentive Plan.....	7,930	\$ 25.96	1,403,439
<b>Total equity compensation plans approved by security holders .....</b>	<b>7,930</b>	<b>25.96</b>	<b>1,403,439</b>
<b>Equity compensation plans not approved by security holders .....</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total .....</b>	<b>7,930</b>	<b>\$ 25.96</b>	<b>1,403,439</b>

On September 28, 2011, the Board of Directors approved a program authorizing the repurchase of up to five million shares of common stock over a five-year period. The program is primarily intended to minimize the dilutive effect of equity grants under various benefit related incentive compensation plans of the Company. Although the program is authorized for a five-year period, it may be terminated or limited at any time. Shares may be repurchased in the open market or in privately negotiated transactions in amounts the Company deems appropriate. We did not repurchase any shares during fiscal 2013. At September 30, 2013, there were 4,612,009 shares of repurchase authority remaining under the program.

**ITEM 6. Selected Financial Data.**

The following table sets forth selected financial data of the Company and should be read in conjunction with the consolidated financial statements included herein.

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	Fiscal Year Ended September 30				
	2013	2012 <sup>(1)</sup>	2011 <sup>(1)</sup>	2010	2009 <sup>(1)</sup>
(In thousands, except per share data)					
<b>Results of Operations</b>					
Operating revenues.....	\$ 3,886,257	\$ 3,438,483	\$ 4,286,435	\$ 4,661,060	\$ 4,793,248
Gross profit.....	\$ 1,412,050	\$ 1,323,739	\$ 1,300,820	\$ 1,314,136	\$ 1,297,682
Income from continuing operations .	\$ 230,698	\$ 192,196	\$ 189,588	\$ 189,851	\$ 175,026
Net income .....	\$ 243,194	\$ 216,717	\$ 207,601	\$ 205,839	\$ 190,978
Diluted income per share from continuing operations.....	\$ 2.50	\$ 2.10	\$ 2.07	\$ 2.03	\$ 1.90
Diluted net income per share.....	\$ 2.64	\$ 2.37	\$ 2.27	\$ 2.20	\$ 2.07
Cash dividends declared per share ...	\$ 1.40	\$ 1.38	\$ 1.36	\$ 1.34	\$ 1.32
<b>Financial Condition</b>					
Net property, plant and equipment <sup>(2)</sup>	\$ 6,030,655	\$ 5,475,604	\$ 5,147,918	\$ 4,793,075	\$ 4,439,103
Total assets .....	\$ 7,940,401	\$ 7,495,675	\$ 7,282,871	\$ 6,763,791	\$ 6,367,083
Capitalization:					
Shareholders' equity.....	\$ 2,580,409	\$ 2,359,243	\$ 2,255,421	\$ 2,178,348	\$ 2,176,761
Long-term debt (excluding current maturities) .....	2,455,671	1,956,305	2,206,117	1,809,551	2,169,400
Total capitalization .....	\$ 5,036,080	\$ 4,315,548	\$ 4,461,538	\$ 3,987,899	\$ 4,346,161

(1) Financial results for fiscal years 2012, 2011 and 2009 include a \$5.3 million, \$30.3 million and a \$5.4 million pre-tax loss for the impairment of certain assets.

(2) Amounts shown for fiscal 2012 and 2011 are net of assets held for sale.

**ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

**INTRODUCTION**

This section provides management's discussion of the financial condition, changes in financial condition and results of operations of Atmos Energy Corporation and its consolidated subsidiaries with specific information on results of operations and liquidity and capital resources. It includes management's interpretation of our financial results, the factors affecting these results, the major factors expected to affect future operating results and future investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A above, "Risk Factors". They should be considered in connection with evaluating forward-looking statements contained in this report or otherwise made by or on behalf of us since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

**Cautionary Statement for the Purposes of the Safe Harbor under the Private Securities Litigation Reform Act of 1995**

The statements contained in this Annual Report on Form 10-K may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this Report are forward-looking statements made in good faith by us and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this Report, or any other of our documents or oral presentations, the words "anticipate", "believe", "estimate", "expect", "forecast", "goal", "intend", "objective", "plan", "projection", "seek", "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the statements relating to our strategy, operations, markets, services, rates, recovery of costs, availability of gas supply and other factors. These risks and uncertainties include the following: our ability to continue to access the credit markets to satisfy our liquidity requirements; regulatory trends and decisions, including the impact of rate proceedings before various state regulatory commissions; the impact of adverse economic conditions on our customers; the effects of inflation and changes in the availability and price of natural gas; market risks beyond our control affecting our risk management activities, including market liquidity, commodity price volatility,



increasing interest rates and counterparty creditworthiness; the concentration of our distribution, pipeline and storage operations in Texas; increased competition from energy suppliers and alternative forms of energy; adverse weather conditions; the capital-intensive nature of our gas distribution business; increased costs of providing pension and postretirement health care benefits and increased funding requirements along with increased costs of health care benefits; possible increased federal, state and local regulation of the safety of our operations; increased federal regulatory oversight and potential penalties; the impact of environmental regulations on our business; the impact of possible future additional regulatory and financial risks associated with global warming and climate change on our business; the inherent hazards and risks involved in operating our gas distribution business; the threat of cyber-attacks or acts of cyber-terrorism that could disrupt our business operations and information technology systems; natural disasters, terrorist activities or other events and other risks and uncertainties discussed herein, all of which are difficult to predict and many of which are beyond our control. Accordingly, while we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, we undertake no obligation to update or revise any of our forward-looking statements whether as a result of new information, future events or otherwise.

### CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States. Preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures of contingent assets and liabilities. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from estimates.

Our significant accounting policies are discussed in Note 2 to our consolidated financial statements. The accounting policies discussed below are both important to the presentation of our financial condition and results of operations and require management to make difficult, subjective or complex accounting estimates. Accordingly, these critical accounting policies are reviewed periodically by the Audit Committee of the Board of Directors.

Critical Accounting Policy	Summary of Policy	Factors Influencing Application of the Policy
<i>Regulation</i>	<p>Our natural gas distribution and regulated transmission and storage operations meet the criteria of a cost-based, rate-regulated entity under accounting principles generally accepted in the United States. Accordingly, the financial results for these operations reflect the effects of the ratemaking and accounting practices and policies of the various regulatory commissions to which we are subject.</p> <p>As a result, certain costs that would normally be expensed under accounting principles generally accepted in the United States are permitted to be capitalized or deferred on the balance sheet because it is probable they can be recovered through rates. Further, regulation may impact the period in which revenues or expenses are recognized. The amounts to be recovered or recognized are based upon historical experience and our understanding of the regulations.</p> <p>Discontinuing the application of this method of accounting for regulatory assets and liabilities could significantly increase our operating expenses as fewer costs would likely be capitalized or deferred on the balance sheet, which could reduce our net income.</p>	<p>Decisions of regulatory authorities</p> <p>Issuance of new regulations</p> <p>Assessing the probability of the recoverability of deferred costs</p>
<i>Unbilled Revenue</i>	<p>We follow the revenue accrual method of accounting for natural gas distribution segment revenues whereby revenues attributable to gas delivered to customers, but not yet billed under the cycle billing method, are estimated and accrued and the related costs are charged to expense.</p> <p>On occasion, we are permitted to implement new rates that have not been formally approved by our regulatory authorities, which are subject to refund. We recognize this revenue and establish a reserve for amounts that could be refunded based on our experience for the jurisdiction in which the rates were implemented.</p>	<p>Estimates of delivered sales volumes based on actual tariff information and weather information and estimates of customer consumption and/or behavior</p> <p>Estimates of purchased gas costs related to estimated deliveries</p> <p>Estimates of uncollectible amounts billed subject to refund</p>

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Critical Accounting Policy	Summary of Policy	Factors Influencing Application of the Policy
<p><i>Pension and other postretirement plans</i></p>	<p>Pension and other postretirement plan costs and liabilities are determined on an actuarial basis using a September 30 measurement date and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected return on plan assets, assumed discount rates and current demographic and actuarial mortality data. The assumed discount rate and the expected return are the assumptions that generally have the most significant impact on our pension costs and liabilities. The assumed discount rate, the assumed health care cost trend rate and assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities.</p> <p>The discount rate is utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net periodic pension and postretirement benefit plan costs. When establishing our discount rate, we consider high quality corporate bond rates based on bonds available in the marketplace that are suitable for settling the obligations, changes in those rates from the prior year and the implied discount rate that is derived from matching our projected benefit disbursements with currently available high quality corporate bonds.</p> <p>The expected long-term rate of return on assets is utilized in calculating the expected return on plan assets component of our annual pension and postretirement plan costs. We estimate the expected return on plan assets by evaluating expected bond returns, equity risk premiums, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rate of return on assets. To the extent the actual rate of return on assets realized over the course of a year is greater than or less than the assumed rate, that year's annual pension or postretirement plan costs are not affected. Rather, this gain or loss reduces or increases future pension or postretirement plan costs over a period of approximately ten to twelve years.</p> <p>The market-related value of our plan assets represents the fair market value of the plan assets, adjusted to smooth out short-term market fluctuations over a five-year period. The use of this methodology will delay the impact of current market fluctuations on the pension expense for the period.</p> <p>We estimate the assumed health care cost trend rate used in determining our postretirement net expense based upon our actual health care cost experience, the effects of recently enacted legislation and general economic conditions. Our assumed rate of retirement is estimated based upon our annual review of our participant census information as of the measurement date.</p>	<p>General economic and market conditions</p> <p>Assumed investment returns by asset class</p> <p>Assumed future salary increases</p> <p>Projected timing of future cash disbursements</p> <p>Health care cost experience trends</p> <p>Participant demographic information</p> <p>Actuarial mortality assumptions</p> <p>Impact of legislation</p>
<p><i>Contingencies</i></p>	<p>In the normal course of business, we are confronted with issues or events that may result in a contingent liability. These generally relate to uncollectible receivables, lawsuits, claims made by third parties or the action of various regulatory agencies. We recognize these contingencies in our consolidated financial statements when we determine, based on currently available facts and circumstances it is probable that a liability has been incurred or an asset will not be recovered, and an amount can be reasonably estimated.</p> <p>Actual results may differ from estimates, depending on actual outcomes or changes in the facts or expectations surrounding each potential exposure. Changes in the estimates related to contingencies could have a negative impact on our consolidated results of operations, cash flows or financial position. Our contingencies are further discussed in Note 10 to our consolidated financial statements.</p>	<p>Currently available facts</p> <p>Management's estimate of future resolution</p>

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Critical Accounting Policy	Summary of Policy	Factors Influencing Application of the Policy
<p><b><i>Financial instruments and hedging activities</i></b></p>	<p>We use financial instruments to mitigate commodity price risk and interest rate risk. The objectives for using financial instruments have been tailored to meet the needs of our regulated and nonregulated businesses. These objectives are more fully described in Note 12 to the consolidated financial statements.</p> <p>We record all of our financial instruments on the balance sheet at fair value as required by accounting principles generally accepted in the United States, with changes in fair value ultimately recorded in the income statement. The recognition of the changes in fair value of these financial instruments recorded in the income statement is contingent upon whether the financial instrument has been designated and qualifies as a part of a hedging relationship or if regulatory rulings require a different accounting treatment. Our accounting elections for financial instruments and hedging activities utilized are more fully described in Note 12 to the consolidated financial statements.</p> <p>The criteria used to determine if a financial instrument meets the definition of a derivative and qualifies for hedge accounting treatment are complex and require management to exercise professional judgment. Further, as more fully discussed below, significant changes in the fair value of these financial instruments could materially impact our financial position, results of operations or cash flows. Finally, changes in the effectiveness of the hedge relationship could impact the accounting treatment.</p>	<p>Designation of contracts under the hedge accounting rules</p> <p>Judgment in the application of accounting guidance</p> <p>Assessment of the probability that future hedged transactions will occur</p> <p>Changes in market conditions and the related impact on the fair value of the hedged item and the associated designated financial instrument</p> <p>Changes in the effectiveness of the hedge relationship</p>
<p><b><i>Fair Value Measurements</i></b></p>	<p>We report certain assets and liabilities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).</p> <p>The fair value of our financial instruments is subject to potentially significant volatility based on numerous considerations including, but not limited to changes in commodity prices, interest rates, maturity and settlement of these financial instruments.</p> <p>Prices actively quoted on national exchanges are used to determine the fair value of most of our assets and liabilities recorded on our balance sheet at fair value. Within our nonregulated operations, we utilize a mid-market pricing convention (the mid-point between the bid and ask prices) for determining fair value measurement, as permitted under current accounting standards. Values derived from these sources reflect the market in which transactions involving these financial instruments are executed.</p> <p>We utilize models and other valuation methods to determine fair value when external sources are not available. Values are adjusted to reflect the potential impact of an orderly liquidation of our positions over a reasonable period of time under then-current market conditions.</p> <p>We believe the market prices and models used to value these financial instruments represent the best information available with respect to the market in which transactions involving these financial instruments are executed, the closing exchange and over-the-counter quotations, time value and volatility factors underlying the contracts.</p> <p>Fair-value estimates also consider our own creditworthiness and the creditworthiness of the counterparties involved. Our counterparties consist primarily of financial institutions and major energy companies. This concentration of counterparties may materially impact our exposure to credit risk resulting from market, economic or regulatory conditions. We seek to minimize counterparty credit risk through an evaluation of their financial condition and credit ratings and the use of collateral requirements under certain circumstances.</p>	<p>General economic and market conditions</p> <p>Volatility in underlying market conditions</p> <p>Maturity dates of financial instruments</p> <p>Creditworthiness of our counterparties</p> <p>Creditworthiness of Atmos Energy</p> <p>Impact of credit risk mitigation activities on the assessment of the creditworthiness of Atmos Energy and its counterparties</p>

Critical Accounting Policy	Summary of Policy	Factors Influencing Application of the Policy
<i>Impairment assessments</i>	<p>We review the carrying value of our long-lived assets, including goodwill and identifiable intangibles, whenever events or changes in circumstance indicate that such carrying values may not be recoverable, and at least annually for goodwill, as required by U.S. accounting standards.</p> <p>The evaluation of our goodwill balances and other long-lived assets or identifiable assets for which uncertainty exists regarding the recoverability of the carrying value of such assets involves the assessment of future cash flows and external market conditions and other subjective factors that could impact the estimation of future cash flows including, but not limited to the commodity prices, the amount and timing of future cash flows, future growth rates and the discount rate. Unforeseen events and changes in circumstances or market conditions could adversely affect these estimates, which could result in an impairment charge.</p>	<p>General economic and market conditions</p> <p>Projected timing and amount of future discounted cash flows</p> <p>Judgment in the evaluation of relevant data</p>

## RESULTS OF OPERATIONS

### Overview

Atmos Energy Corporation is involved in the distribution, marketing and transportation of natural gas. Accordingly, our results of operations are impacted by the demand for natural gas, particularly during the winter heating season, and the volatility of the natural gas markets. Historically, this has generally resulted in higher operating revenues and net income during the period from October through March of each fiscal year and lower operating revenues and either lower net income or net losses during the period from April through September of each fiscal year. As a result of the seasonality of the natural gas industry, our second fiscal quarter has historically been our most critical earnings quarter with an average of approximately 54 percent of our consolidated net income having been earned in the second quarter during the three most recently completed fiscal years. However, we believe rate design changes implemented during the first quarter of fiscal 2013 in our Mid-Tex and West Texas Divisions should continue to cause this pattern to change. The rate design approved in these regulatory proceedings includes an increase to the customer base charge and a decrease in the consumption charge applied to customer usage. The effect of this change in rate design should result in a more equal distribution of operating income earned over the fiscal year for approximately 50 percent of our natural gas distribution segment.

Additionally, the seasonality of our business impacts our working capital differently at various times during the year. Typically, our accounts receivable, accounts payable and short-term debt balances peak by the end of January and then start to decline, as customers begin to pay their winter heating bills. Gas stored underground, particularly in our natural gas distribution segment, typically peaks in November and declines as we utilize storage gas to serve our customers.

During fiscal 2013, we earned \$243.2 million, or \$2.64 per diluted share, which represents a twelve percent increase in net income and diluted net income per share over fiscal 2012, primarily due to recent improvements in rate designs in our natural gas distribution and regulated transmission and storage segments combined with a two percent year-over-year increase in consolidated natural gas distribution throughput due to colder weather.

We completed the sale of our Georgia natural gas distribution operations on April 1, 2013 to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. for a cash price of approximately \$153 million pursuant to a purchase agreement executed on August 8, 2012. In connection with the sale, we recognized a net of tax gain of \$5.3 million. Accordingly, the results of operations for this service area are shown in discontinued operations for all periods presented. Prior-year results also reflect our Illinois, Iowa and Missouri service areas in discontinued operations. The sale of these three service areas was completed in August 2012.

We also took several steps during the year ended September 30, 2013 to further strengthen our balance sheet and borrowing capability. In December 2012, we amended our \$750 million revolving credit agreement primarily to (i) increase our borrowing capacity to \$950 million while retaining the accordion feature that would allow an increase in borrowing capacity up to \$1.2 billion and (ii) to permit same-day funding on base rate loans. In August 2013, we amended our revolving credit agreement primarily to increase the term through August 2018. We also terminated Atmos Energy Marketing's \$200 million committed and secured credit facility and replaced this facility with two \$25 million 364-day bilateral facilities, which should result in a decrease in external credit expense incurred in our nonregulated operations. After giving effect to these changes, we have over \$1 billion of working capital funding from four committed revolving credit facilities and one noncommitted revolving credit facility.

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On January 11, 2013, we issued \$500 million of 4.15% 30-year unsecured senior notes, which replaced, on a long-term basis, our \$250 million 5.125% 10-year unsecured senior notes we redeemed in August 2012. The net proceeds of approximately \$494 million were used to repay \$260 million outstanding under the short-term financing facility used to redeem our 5.125% senior notes and to partially repay commercial paper borrowings and for general corporate purposes.

### Consolidated Results

The following table presents our consolidated financial highlights for the fiscal years ended September 30, 2013, 2012 and 2011.

	For the Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands, except per share data)		
Operating revenues .....	\$ 3,886,257	\$ 3,438,483	\$ 4,286,435
Gross profit .....	1,412,050	1,323,739	1,300,820
Operating expenses .....	910,171	877,499	874,834
Operating income .....	501,879	446,240	425,986
Miscellaneous income (expense) .....	(197)	(14,644)	21,184
Interest charges .....	128,385	141,174	150,763
Income from continuing operations before income taxes .....	373,297	290,422	296,407
Income tax expense .....	142,599	98,226	106,819
Income from continuing operations .....	230,698	192,196	189,588
Income from discontinued operations, net of tax .....	7,202	18,172	18,013
Gain on sale of discontinued operations, net of tax .....	5,294	6,349	—
Net income .....	\$ 243,194	\$ 216,717	\$ 207,601
Diluted net income per share from continuing operations .....	\$ 2.50	\$ 2.10	\$ 2.07
Diluted net income per share from discontinued operations .....	\$ 0.14	\$ 0.27	\$ 0.20
Diluted net income per share .....	\$ 2.64	\$ 2.37	\$ 2.27

Regulated operations contributed 95 percent, 97 percent and 104 percent to our consolidated net income from continuing operations for fiscal years 2013, 2012 and 2011. Our consolidated net income during the last three fiscal years was earned across our business segments as follows:

	For the Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Natural gas distribution segment .....	\$ 150,856	\$ 123,848	\$ 144,705
Regulated transmission and storage segment .....	68,260	63,059	52,415
Nonregulated segment .....	11,582	5,289	(7,532)
Net income from continuing operations .....	230,698	192,196	189,588
Net income from discontinued operations .....	12,496	24,521	18,013
Net income .....	\$ 243,194	\$ 216,717	\$ 207,601

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The following table segregates our consolidated net income and diluted earnings per share between our regulated and nonregulated operations:

	For the Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands, except per share data)		
Regulated operations.....	\$ 219,116	\$ 186,907	\$ 197,120
Nonregulated operations .....	11,582	5,289	(7,532)
Net income from continuing operations .....	230,698	192,196	189,588
Net income from discontinued operations .....	12,496	24,521	18,013
Net income.....	\$ 243,194	\$ 216,717	\$ 207,601
Diluted EPS from continuing regulated operations .....	\$ 2.38	\$ 2.04	\$ 2.15
Diluted EPS from nonregulated operations .....	0.12	0.06	(0.08)
Diluted EPS from continuing operations .....	2.50	2.10	2.07
Diluted EPS from discontinued operations.....	0.14	0.27	0.20
Consolidated diluted EPS .....	\$ 2.64	\$ 2.37	\$ 2.27

We reported net income of \$243.2 million, or \$2.64 per diluted share for the year ended September 30, 2013, compared with net income of \$216.7 million or \$2.37 per diluted share in the prior year. Income from continuing operations was \$230.7 million, or \$2.50 per diluted share compared with \$192.2 million, or \$2.10 per diluted share in the prior-year period. Income from discontinued operations was \$12.5 million or \$0.14 per diluted share for the year, which includes the gain on sale of substantially all our assets in Georgia of \$5.3 million, compared with \$24.5 million or \$0.27 per diluted share in the prior year. Unrealized gains in our nonregulated operations during the current year increased net income by \$5.3 million or \$0.05 per diluted share compared with net losses recorded in the prior year of \$5.0 million, or \$0.05 per diluted share. Additionally, net income in both periods was impacted by nonrecurring items. In fiscal 2012, net income included the net positive impact of several one-time items totaling \$10.3 million, or \$0.11 per diluted share related to the pre-tax items, which are discussed in further detail below. In fiscal 2013, net income includes an \$8.2 million (\$5.3 million, net of tax), or \$0.06 per diluted share, favorable impact related to the gain recorded in association with the April 1, 2013 completion of the sale of our Georgia assets.

We reported net income of \$216.7 million, or \$2.37 per diluted share for the year ended September 30, 2012, compared with net income of \$207.6 million or \$2.27 per diluted share in fiscal 2011. Income from continuing operations was \$192.2 million, or \$2.10 per diluted share compared with \$189.6 million, or \$2.07 per diluted share in fiscal 2011. Income from discontinued operations was \$24.5 million or \$0.27 per diluted share for the year, which includes the gain on sale of substantially all our assets in Missouri, Illinois and Iowa of \$6.3 million, compared with \$18.0 million or \$0.20 per diluted share in fiscal 2011. Unrealized losses in our nonregulated operations during fiscal 2012 reduced net income by \$5.0 million or \$0.05 per diluted share compared with net losses recorded in fiscal 2011 of \$6.6 million, or \$0.07 per diluted share. Additionally, net income in both periods was impacted by nonrecurring items. In fiscal 2011, net income included the net positive impact of several one-time items totaling \$3.2 million, or \$0.03 per diluted share related to pre-tax items. In fiscal 2012, net income included the net positive impact of several one-time items totaling \$10.3 million, or \$0.11 per diluted share related to the following amounts:

- \$13.6 million positive impact of a deferred tax rate adjustment.
- \$10.0 million (\$6.3 million, net of tax) unfavorable impact related to a one-time donation to a donor advised fund.
- \$9.9 million (\$6.3 million, net of tax) favorable impact related to the gain recorded in association with the August 1, 2012 completion of the sale of our Iowa, Illinois and Missouri assets.
- \$5.3 million (\$3.3 million, net of tax) unfavorable impact related to the noncash impairment of certain assets in our nonregulated business.

See the following discussion regarding the results of operations for each of our business operating segments.

### ***Natural Gas Distribution Segment***

The primary factors that impact the results of our natural gas distribution operations are our ability to earn our authorized rates of return, the cost of natural gas, competitive factors in the energy industry and economic conditions in our service areas.

Our ability to earn our authorized rates is based primarily on our ability to improve the rate design in our various ratemaking jurisdictions by reducing or eliminating regulatory lag and, ultimately, separating the recovery of our approved margins from customer usage patterns. Improving rate design is a long-term process and is further complicated by the fact that

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we operate in multiple rate jurisdictions. The “Ratemaking Activity” section of this Form 10-K describes our current rate strategy, progress towards implementing that strategy and recent ratemaking initiatives in more detail.

We are generally able to pass the cost of gas through to our customers without markup under purchased gas cost adjustment mechanisms; therefore the cost of gas typically does not have an impact on our gross profit as increases in the cost of gas are offset by a corresponding increase in revenues. Accordingly, we believe gross profit is a better indicator of our financial performance than revenues. However, gross profit in our Texas and Mississippi service areas include franchise fees and gross receipt taxes, which are calculated as a percentage of revenue (inclusive of gas costs). Therefore, the amount of these taxes included in revenue is influenced by the cost of gas and the level of gas sales volumes. We record the tax expense as a component of taxes, other than income. Although changes in revenue related taxes arising from changes in gas costs affect gross profit, over time the impact is offset within operating income.

Although the cost of gas typically does not have a direct impact on our gross profit, higher gas costs may adversely impact our accounts receivable collections, resulting in higher bad debt expense, and may require us to increase borrowings under our credit facilities resulting in higher interest expense. In addition, higher gas costs, as well as competitive factors in the industry and general economic conditions may cause customers to conserve or, in the case of industrial consumers, to use alternative energy sources. However, gas cost risk has been mitigated in recent years through improvements in rate design that allow us to collect from our customers the gas cost portion of our bad debt expense on approximately 75 percent of our residential and commercial margins.

We completed the sale of our Georgia natural gas distribution operations on April 1, 2013 to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. for a cash price of approximately \$153 million. In connection with the sale, we recognized a net of tax gain of \$5.3 million. On August 1, 2012, we completed the sale of substantially all of our natural gas distribution operations in Missouri, Illinois and Iowa.

During fiscal 2013, we completed 13 regulatory proceedings, which should result in a \$71.4 million increase in annual operating income. The majority of this rate increase related to our Mid-Tex Division, where rates became effective January 1, 2013. The rate design approved in our Mid-Tex Division and West Texas Division regulatory proceedings includes an increase to the base customer charge and a decrease in the commodity charge applied to customer consumption. The effect of this change in rate design allows the Company’s rates to be more closely aligned with the utility industry standard rate design. In addition, we anticipate these divisions will earn their operating income more ratably over the fiscal year as they are now less dependent on customer consumption.

*Review of Financial and Operating Results*

Financial and operational highlights for our natural gas distribution segment for the fiscal years ended September 30, 2013, 2012 and 2011 are presented below.

	For the Fiscal Year Ended September 30				
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(In thousands, unless otherwise noted)				
<b>Gross profit</b> .....	\$ 1,081,236	\$ 1,022,743	\$ 1,017,943	\$ 58,493	\$ 4,800
Operating expenses .....	738,143	718,282	695,855	19,861	22,427
<b>Operating income</b> .....	343,093	304,461	322,088	38,632	(17,627)
Miscellaneous income (expense).....	2,535	(12,657)	16,242	15,192	(28,899)
Interest charges .....	98,296	110,642	115,740	(12,346)	(5,098)
<b>Income from continuing operations before income taxes</b> .....	247,332	181,162	222,590	66,170	(41,428)
Income tax expense.....	96,476	57,314	77,885	39,162	(20,571)
<b>Income from continuing operations</b> .....	150,856	123,848	144,705	27,008	(20,857)
Income from discontinued operations, net of tax....	7,202	18,172	18,013	(10,970)	159
Gain on sale of discontinued operations, net of tax.	5,649	6,349	—	(700)	6,349
<b>Net Income</b> .....	<u>\$ 163,707</u>	<u>\$ 148,369</u>	<u>\$ 162,718</u>	<u>\$ 15,338</u>	<u>\$ (14,349)</u>
Consolidated natural gas distribution sales volumes from continuing operations — MMcf..	269,162	244,466	275,540	24,696	(31,074)
Consolidated natural gas distribution transportation volumes from continuing operations — MMcf .....	123,144	128,222	125,812	(5,078)	2,410
Consolidated natural gas distribution throughput from continuing operations — MMcf .....	392,306	372,688	401,352	19,618	(28,664)
Consolidated natural gas distribution throughput from discontinued operations — MMcf.....	4,731	18,295	22,668	(13,564)	(4,373)
Total consolidated natural gas distribution throughput — MMcf.....	<u>397,037</u>	<u>390,983</u>	<u>424,020</u>	<u>6,054</u>	<u>(33,037)</u>
Consolidated natural gas distribution average transportation revenue per Mcf .....	\$ 0.46	\$ 0.43	\$ 0.47	\$ 0.03	\$ (0.04)
Consolidated natural gas distribution average cost of gas per Mcf sold .....	\$ 4.91	\$ 4.64	\$ 5.30	\$ 0.27	\$ (0.66)

**Fiscal year ended September 30, 2013 compared with fiscal year ended September 30, 2012**

The \$58.5 million period-over-period increase in natural gas distribution gross profit primarily reflects the following:

- \$25.7 million increase in our Mid-Tex and West Texas divisions associated with the rate design changes implemented in the fiscal first quarter.
- \$16.1 million increase in rates in our Kentucky/Mid-States, Mississippi, Colorado-Kansas and Louisiana divisions.
- \$7.5 million increase due to colder weather, primarily in the Mississippi, Kentucky/Mid-States and Colorado-Kansas divisions.
- \$5.9 million increase in revenue-related taxes in our Mid-Tex and West Texas service areas primarily due to higher revenues on which the tax is calculated.
- \$4.5 million increase in transportation revenues.

Operating expenses, which include operation and maintenance expense, provision for doubtful accounts, depreciation and amortization expense and taxes, other than income, increased by \$19.9 million, primarily due to the following:

- \$12.2 million increase in employee-related expenses due to lower labor capitalization rates, increased benefit costs and increased variable compensation expense.



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- \$11.7 million increase primarily associated with higher line locate activities, pipeline and right-of-way maintenance spending to improve the safety and reliability of our system.
- \$5.0 million increase in taxes, other than income due to higher revenue-related taxes, as discussed above.
- \$6.8 million increase in bad debt expense primarily attributable to an increase in revenue arising from the rate design changes and the temporary suspension of active customer collection activities following the implementation of a new customer information system during the third fiscal quarter.

These increases were partially offset by:

- \$6.9 million decrease in legal and other administrative costs.
- \$6.4 million decrease in depreciation expense due to new depreciation rates approved in the most recent Mid-Tex rate case that went into effect in January 2013.
- \$2.4 million gain realized on the sale of certain investments.

Miscellaneous income increased \$15.2 million, primarily due to the absence of a \$10.0 million one-time donation to a donor advised fund in the prior year, the completion of a periodic review of our performance-based ratemaking (PBR) mechanism in our Tennessee service area and the implementation of a new PBR program in our Mississippi Division during fiscal 2013.

Interest charges decreased \$12.3 million, primarily from interest deferrals associated with our infrastructure spending activities in Texas.

### **Fiscal year ended September 30, 2012 compared with fiscal year ended September 30, 2011**

The \$4.8 million increase in natural gas distribution gross profit was primarily due to a \$17.7 million net increase in rate adjustments, primarily in the Mid-Tex, Louisiana, Mississippi, West Texas and Kentucky service areas.

These increases were partially offset by the following:

- \$11.1 million decrease in revenue-related taxes in our Mid-Tex, West Texas and Mississippi service areas, primarily due to lower revenues on which the tax is calculated.
- \$1.6 million decrease due to an eight percent decrease in consolidated throughput caused principally by lower residential and commercial consumption combined with warmer weather in the current year compared to fiscal 2011 in most of our service areas.

Operating expenses, which include operation and maintenance expense, provision for doubtful accounts, depreciation and amortization expense and taxes, other than income increased \$22.4 million primarily due to the following:

- \$11.2 million increase in legal costs, primarily due to settlements.
- \$10.6 million increase in employee-related costs.
- \$8.4 million increase in depreciation and amortization associated with an increase in our net plant as a result of our capital investments in fiscal 2011.
- \$2.6 million increase in software maintenance costs.

These increases were partially offset by the following:

- \$6.8 million decrease in operating expenses due to increased capital spending and warmer weather allowing us time to complete more capital work than in the prior year.
- \$2.9 million decrease due to the establishment of regulatory assets for pension and postretirement costs.

Miscellaneous income decreased \$28.9 million primarily due to the absence of a \$21.8 million pre-tax gain recognized in fiscal 2011 as a result of unwinding two Treasury locks (\$13.6 million, net of tax) and a \$10.0 million one-time donation to a donor advised fund in fiscal 2012.

Interest charges decreased \$5.1 million compared to the prior year due primarily to the prepayment of our 5.125% \$250 million senior notes in the fourth quarter of fiscal 2012, refinancing long-term debt at reduced interest rates and reducing commitment fees from decreasing the number of credit facilities and extending the length of their terms in fiscal 2011.

Additionally, results for fiscal 2012 were favorably impacted by a state tax benefit of \$11.3 million. Due to the completion of the sale of our Missouri, Iowa and Illinois service areas in the fiscal fourth quarter, the Company updated its analysis of the tax rate at which deferred taxes would reverse in the future to reflect the sale of these service areas. The updated

analysis supported a reduction in the deferred tax rate which when applied to the balance of taxable income deferred to future periods resulted in a reduction of the Company's overall deferred tax liability.

The following table shows our operating income from continuing operations by natural gas distribution division, in order of total rate base, for the fiscal years ended September 30, 2013, 2012 and 2011. The presentation of our natural gas distribution operating income is included for financial reporting purposes and may not be appropriate for ratemaking purposes.

	For the Fiscal Year Ended September 30				
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(In thousands)				
Mid-Tex.....	\$ 158,900	\$ 142,755	\$ 144,204	\$ 16,145	\$ (1,449)
Kentucky/Mid-States .....	46,164	32,185	37,593	13,979	(5,408)
Louisiana.....	52,125	48,958	50,442	3,167	(1,484)
West Texas.....	28,085	27,875	29,686	210	(1,811)
Mississippi .....	29,112	27,369	26,338	1,743	1,031
Colorado-Kansas.....	25,478	23,898	25,920	1,580	(2,022)
Other .....	3,229	1,421	7,905	1,808	(6,484)
Total .....	<u>\$ 343,093</u>	<u>\$ 304,461</u>	<u>\$ 322,088</u>	<u>\$ 38,632</u>	<u>\$ (17,627)</u>

#### *Regulated Transmission and Storage Segment*

Our regulated transmission and storage segment consists of the regulated pipeline and storage operations of the Atmos Pipeline — Texas Division. The Atmos Pipeline — Texas Division transports natural gas to our Mid-Tex Division and third parties and manages five underground storage reservoirs in Texas. We also provide ancillary services customary in the pipeline industry including parking arrangements, lending and sales of excess gas.

Our regulated transmission and storage segment is impacted by seasonal weather patterns, competitive factors in the energy industry and economic conditions in our Mid-Tex service area. Natural gas prices do not directly impact the results of this segment as revenues are derived from the transportation of natural gas. However, natural gas prices and demand for natural gas could influence the level of drilling activity in the markets that we serve, which may influence the level of throughput we may be able to transport on our pipeline. Further, natural gas price differences between the various hubs that we serve could influence customers to transport gas through our pipeline to capture arbitrage gains.

The results of Atmos Pipeline — Texas Division are also significantly impacted by the natural gas requirements of the Mid-Tex Division because it is the primary supplier of natural gas for our Mid-Tex Division.

Finally, as a regulated pipeline, the operations of the Atmos Pipeline — Texas Division may be impacted by the timing of when costs and expenses are incurred and when these costs and expenses are recovered through its tariffs.

*Review of Financial and Operating Results*

Financial and operational highlights for our regulated transmission and storage segment for the fiscal years ended September 30, 2013, 2012 and 2011 are presented below.

	For the Fiscal Year Ended September 30				
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(In thousands, unless otherwise noted)				
Mid-Tex Division transportation.....	\$ 179,628	\$ 162,808	\$ 125,973	\$ 16,820	\$ 36,835
Third-party transportation.....	66,939	64,158	73,676	2,781	(9,518)
Storage and park and lend services.....	5,985	6,764	7,995	(779)	(1,231)
Other .....	16,348	13,621	11,729	2,727	1,892
<b>Gross profit</b> .....	<b>268,900</b>	<b>247,351</b>	<b>219,373</b>	<b>21,549</b>	<b>27,978</b>
Operating expenses .....	129,047	118,527	111,098	10,520	7,429
<b>Operating income</b> .....	<b>139,853</b>	<b>128,824</b>	<b>108,275</b>	<b>11,029</b>	<b>20,549</b>
Miscellaneous income (expense).....	(2,285)	(1,051)	4,715	(1,234)	(5,766)
Interest charges .....	30,678	29,414	31,432	1,264	(2,018)
<b>Income before income taxes</b> .....	<b>106,890</b>	<b>98,359</b>	<b>81,558</b>	<b>8,531</b>	<b>16,801</b>
Income tax expense.....	38,630	35,300	29,143	3,330	6,157
<b>Net income</b> .....	<b>\$ 68,260</b>	<b>\$ 63,059</b>	<b>\$ 52,415</b>	<b>\$ 5,201</b>	<b>\$ 10,644</b>
Gross pipeline transportation volumes — MMcf ....	649,740	640,732	620,904	9,008	19,828
Consolidated pipeline transportation volumes — MMcf.....	467,178	466,527	435,012	651	31,515

**Fiscal year ended September 30, 2013 compared with fiscal year ended September 30, 2012**

The \$21.5 million increase in regulated transmission and storage gross profit compared to the prior-year period was primarily a result of the Gas Reliability Infrastructure Program (GRIP) filings approved by the Railroad Commission of Texas (RRC) during fiscal 2012 and 2013. During fiscal 2012, the RRC approved the Atmos Pipeline - Texas GRIP filing with an annual operating income increase of \$14.7 million, effective April 2012. On May 7, 2013, the RRC approved the Atmos Pipeline - Texas GRIP filing with an annual operating income increase of \$26.7 million that went into effect with bills rendered on and after May 7, 2013. GRIP filings increased period-over-period gross profit by \$19.7 million.

This increase was partially offset by a \$10.5 million increase in operating expenses largely attributable to increased depreciation expense as a result of increased capital investments and increased levels of pipeline and right-of-way maintenance activities to improve the safety and reliability of our system.

The APT rate case approved by the RRC on April 18, 2011 contained an annual adjustment mechanism, approved for a three-year pilot program, that adjusted regulated rates up or down by 75 percent of the difference between APT's non-regulated annual revenue and a pre-defined base credit. The annual adjustment mechanism expired on June 30, 2013. APT requested to extend the annual adjustment mechanism until November 1, 2017. A hearing to review the request was held on October 29, 2013 with a final decision expected in December 2013.

**Fiscal year ended September 30, 2012 compared with fiscal year ended September 30, 2011**

The \$28.0 million increase in regulated transmission and storage gross profit compared to the prior year was primarily a result of the rate case that was finalized and became effective in May 2011 as well as the GRIP filings approved by the RRC during fiscal 2011 and 2012. In May 2011, the RRC issued an order in the rate case of Atmos Pipeline - Texas that approved an annual operating income increase of \$20.4 million. During fiscal 2011, the RRC approved the Atmos Pipeline - Texas GRIP filing with an annual operating income increase of \$12.6 million that went into effect in the fiscal fourth quarter. On April 10, 2012, the RRC approved the Atmos Pipeline - Texas GRIP filing with an annual operating income increase of \$14.7 million that went into effect with bills rendered on an after April 10, 2012.

Operating expenses increased \$7.4 million primarily due to a \$5.4 million increase in depreciation expense, resulting from higher investment in net plant.

Additionally, results for fiscal 2012 were favorably impacted by a state tax benefit of \$2.3 million associated with an update of the estimated tax rate at which deferred taxes would reverse in future periods after the completion of the sale of our Missouri, Illinois and Iowa assets. Net income for this segment for fiscal 2011 was favorably impacted by a \$6.0 million pre-tax gain recognized in March 2011 as a result of unwinding two Treasury locks (\$3.9 million, net of tax).

### *Nonregulated Segment*

Our nonregulated operations are conducted through Atmos Energy Holdings, Inc. (AEH), a wholly-owned subsidiary of Atmos Energy Corporation and represent approximately five percent of our consolidated net income.

AEH's primary business is to buy, sell and deliver natural gas at competitive prices to approximately 1,000 customers located primarily in the Midwest and Southeast areas of the United States. AEH accomplishes this objective by aggregating and purchasing gas supply, arranging transportation and storage logistics and effectively managing commodity price risk.

AEH also earns storage and transportation demand fees primarily from our regulated natural gas distribution operations in Louisiana and Kentucky. These demand fees are subject to regulatory oversight and are renewed periodically.

Our nonregulated activities are significantly influenced by competitive factors in the industry and general economic conditions. Therefore, the margins earned from these activities are dependent upon our ability to attract and retain customers and to minimize the cost of buying, selling and delivering natural gas to offer more competitive pricing to those customers.

Further, natural gas market conditions, most notably the price of natural gas and the level of price volatility affect our nonregulated businesses. Natural gas prices and the level of volatility are influenced by a number of factors including, but not limited to, general economic conditions, the demand for natural gas in different parts of the country, the level of domestic natural gas production and the level of natural gas inventory levels.

Natural gas prices can influence:

- The demand for natural gas. Higher prices may cause customers to conserve or use alternative energy sources. Conversely, lower prices could cause customers such as electric power generators to switch from alternative energy sources to natural gas.
- Collection of accounts receivable from customers, which could affect the level of bad debt expense recognized by this segment.
- The level of borrowings under our credit facilities, which affects the level of interest expense recognized by this segment.

Natural gas price volatility can also influence our nonregulated business in the following ways:

- Price volatility influences basis differentials, which provide opportunities to profit from identifying the lowest cost alternative among the natural gas supplies, transportation and markets to which we have access.
- Increased or decreased volatility impacts the amounts of unrealized margins recorded in our gross profit and could impact the amount of cash required to collateralize our risk management liabilities.

Our nonregulated segment manages its exposure to natural gas commodity price risk through a combination of physical storage and financial instruments. Therefore, results for this segment include unrealized gains or losses on its net physical gas position and the related financial instruments used to manage commodity price risk. These margins fluctuate based upon changes in the spreads between the physical and forward natural gas prices. The magnitude of the unrealized gains and losses is also contingent upon the levels of our net physical position at the end of the reporting period.

*Review of Financial and Operating Results*

Financial and operational highlights for our nonregulated segment for the fiscal years ended September 30, 2013, 2012 and 2011 are presented below.

	For the Fiscal Year Ended September 30				
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(In thousands, unless otherwise noted)				
<b>Realized margins</b>					
Gas delivery and related services .....	\$ 39,839	\$ 46,578	\$ 58,990	\$ (6,739)	\$ (12,412)
Storage and transportation services .....	14,641	13,382	14,570	1,259	(1,188)
Other .....	(103)	3,179	1,841	(3,282)	1,338
<b>Total realized margins</b> .....	<u>54,377</u>	<u>63,139</u>	<u>75,401</u>	<u>(8,762)</u>	<u>(12,262)</u>
<b>Unrealized margins</b> .....	8,954	(8,015)	(10,401)	16,969	2,386
<b>Gross profit</b> .....	<u>63,331</u>	<u>55,124</u>	<u>65,000</u>	<u>8,207</u>	<u>(9,876)</u>
Operating expenses, excluding asset impairment ....	44,404	36,886	39,113	7,518	(2,227)
Asset impairment .....	—	5,288	30,270	(5,288)	(24,982)
<b>Operating income (loss)</b> .....	<u>18,927</u>	<u>12,950</u>	<u>(4,383)</u>	<u>5,977</u>	<u>17,333</u>
Miscellaneous income .....	2,316	1,035	657	1,281	378
Interest charges .....	2,168	3,084	4,015	(916)	(931)
<b>Income (loss) from continuing operations before income taxes</b> .....	<u>19,075</u>	<u>10,901</u>	<u>(7,741)</u>	<u>8,174</u>	<u>18,642</u>
Income tax expense (benefit) .....	7,493	5,612	(209)	1,881	5,821
Income (loss) from continuing operations .....	<u>11,582</u>	<u>5,289</u>	<u>(7,532)</u>	<u>6,293</u>	<u>12,821</u>
Loss on sale of discontinued operations, net of tax ..	(355)	—	—	(355)	—
<b>Net income (loss)</b> .....	<u>\$ 11,227</u>	<u>\$ 5,289</u>	<u>\$ (7,532)</u>	<u>\$ 5,938</u>	<u>\$ 12,821</u>
Gross nonregulated delivered gas sales volumes — MMcf .....	<u>396,561</u>	<u>400,512</u>	<u>446,903</u>	<u>(3,951)</u>	<u>(46,391)</u>
Consolidated nonregulated delivered gas sales volumes — MMcf .....	<u>343,669</u>	<u>351,628</u>	<u>384,799</u>	<u>(7,959)</u>	<u>(33,171)</u>
Net physical position (Bcf) .....	<u>12.0</u>	<u>18.8</u>	<u>21.0</u>	<u>(6.8)</u>	<u>(2.2)</u>

**Fiscal year ended September 30, 2013 compared with fiscal year ended September 30, 2012**

Gross profit increased \$8.2 million for the year ended September 30, 2013 compared to the prior year. Realized margins decreased \$8.8 million, primarily attributable to lower gas delivery margins. Consolidated sales volumes decreased two percent due to increased competition which reduced industrial and power generation sales. The impact of lower sales volumes was compounded by a decrease in per-unit margins from 11.6 cents per Mcf to 10.0 cents per Mcf. This decrease was offset by an increase of \$17.0 million in unrealized margins, primarily due to the year-over-year timing of realized margins on the settlement of hedged natural gas inventory positions.

Operating expenses increased \$7.5 million, primarily due to increased litigation and software support costs, partially offset by reduced employee costs.

Miscellaneous income increased \$1.3 million primarily due to a gain realized from the sale of a peaking power facility and related assets during the first quarter of fiscal 2013.

**Fiscal year ended September 30, 2012 compared with fiscal year ended September 30, 2011**

Realized margins for gas delivery, storage and transportation services and other services were \$63.1 million during the year ended September 30, 2012 compared with \$75.4 million for fiscal 2011. The decrease reflects the following:

- A nine percent decrease in consolidated sales volumes. The decrease was largely attributable to warmer weather, which reduced sales to utility, municipal and other weather-sensitive customers.
- A \$0.02/Mcf decrease in gas delivery per-unit margins compared to the prior year primarily due to lower basis differentials resulting from increased natural gas supply and increased transportation costs.

Unrealized margins increased \$2.4 million in fiscal 2012 compared to fiscal 2011 primarily due to the year-over-year timing of realized margins on the settlement of hedged natural gas inventory positions.

Operating expenses, excluding asset impairments decreased \$2.2 million primarily due to lower employee-related expenses.

During the fourth quarter of fiscal 2012, we recorded a \$5.3 million noncash charge to impair our natural gas gathering assets located in Kentucky. The charge reflected a reduction in the value of the project due to the current low natural gas price environment and management's decision to focus AEH's activities on its gas delivery, storage and transportation services. In fiscal 2011, asset impairments included an asset impairment charge of \$19.3 million related to our investment in our Fort Necessity storage project as well as an \$11.0 million pre-tax impairment charge related to the write-off of certain natural gas gathering assets.

## LIQUIDITY AND CAPITAL RESOURCES

The liquidity required to fund our working capital, capital expenditures and other cash needs is provided from a variety of sources, including internally generated funds and borrowings under our commercial paper program and bank credit facilities. Additionally, we have various uncommitted trade credit lines with our gas suppliers that we utilize to purchase natural gas on a monthly basis. Finally, from time to time, we raise funds from the public debt and equity capital markets to fund our liquidity needs.

We regularly evaluate our funding strategy and profile to ensure that we (i) have sufficient liquidity for our short-term and long-term needs in a cost-effective manner and (ii) maintain our debt to capitalization ratio in a target range of 50 to 55 percent.

The following table presents our capitalization as of September 30, 2013 and 2012:

	September 30			
	2013		2012	
	(In thousands, except percentages)			
Short-term debt.....	\$ 367,984	6.8%	\$ 570,929	11.7%
Long-term debt.....	2,455,671	45.4%	1,956,436	40.0%
Shareholders' equity.....	2,580,409	47.8%	2,359,243	48.3%
Total capitalization, including short-term debt.....	<u>\$ 5,404,064</u>	<u>100.0%</u>	<u>\$ 4,886,608</u>	<u>100.0%</u>

Total debt as a percentage of total capitalization, including short-term debt, was 52.2 percent and 51.7 percent at September 30, 2013 and 2012.

On January 11, 2013, we issued \$500 million of 4.15% 30-year unsecured senior notes, which, in effect, replaced our \$250 million 5.125% 10-year unsecured senior notes we redeemed in August 2012, on a long-term basis. The net proceeds of approximately \$494 million were used to repay \$260 million outstanding under our short-term financing facility used to redeem our 5.125% senior notes and to partially repay commercial paper borrowings and for general corporate purposes.

Going forward, we anticipate our capital spending will be more consistent with levels experienced during fiscal 2013 as we continue to invest in the safety and reliability of our distribution and transportation system. We plan to continue to fund our growth and maintain a balanced capital structure through the use of long-term debt securities and, to a lesser extent, equity.

Further, \$500 million of long-term debt will mature in October 2014. We plan to issue new senior notes to replace this maturing debt. During the current year, we entered into forward starting interest rate swaps to fix the Treasury yield component associated with this anticipated issuance at 3.129%. We believe the liquidity provided by our senior notes and committed credit facilities, combined with our operating cash flows, will be sufficient to fund our working capital needs and capital expenditure program for fiscal year 2014.

## Cash Flows

Our internally generated funds may change in the future due to a number of factors, some of which we cannot control. These factors include regulatory changes, the price for our services, the demand for such products and services, margin requirements resulting from significant changes in commodity prices, operational risks and other factors.

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Cash flows from operating, investing and financing activities for the years ended September 30, 2013, 2012 and 2011 are presented below.

	For the Fiscal Year Ended September 30				
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(In thousands)				
Total cash provided by (used in)					
Operating activities .....	\$ 613,127	\$ 586,917	\$ 582,844	\$ 26,210	\$ 4,073
Investing activities .....	(696,914)	(609,260)	(627,386)	(87,654)	18,126
Financing activities .....	85,747	(44,837)	44,009	130,584	(88,846)
Change in cash and cash equivalents .....	1,960	(67,180)	(533)	69,140	(66,647)
Cash and cash equivalents at beginning of period ...	64,239	131,419	131,952	(67,180)	(533)
Cash and cash equivalents at end of period .....	<u>\$ 66,199</u>	<u>\$ 64,239</u>	<u>\$ 131,419</u>	<u>\$ 1,960</u>	<u>\$ (67,180)</u>

***Cash flows from operating activities***

Year-over-year changes in our operating cash flows primarily are attributable to changes in net income, working capital changes, particularly within our natural gas distribution segment resulting from the price of natural gas and the timing of customer collections, payments for natural gas purchases and purchased gas cost recoveries. The significant factors impacting our operating cash flow for the last three fiscal years are summarized below.

*Fiscal Year ended September 30, 2013 compared with fiscal year ended September 30, 2012*

For the fiscal year ended September 30, 2013, we generated operating cash flow of \$613.1 million from operating activities compared with \$586.9 million in the prior year. The year-over-year increase reflects changes in working capital offset by a \$10.5 million decrease in contributions made to our pension and postretirement plans in the current year.

*Fiscal Year ended September 30, 2012 compared with fiscal year ended September 30, 2011*

For the fiscal year ended September 30, 2012, we generated operating cash flow of \$586.9 million from operating activities compared with \$582.8 million in fiscal 2011. The year-over-year increase reflects changes in working capital offset by a \$56.7 million increase in contributions made to our pension and postretirement plans during fiscal 2012.

***Cash flows from investing activities***

Our ongoing capital expenditure program enables us to provide safe and reliable natural gas distribution services to our existing customer base, expand our natural gas distribution services into new markets and enhance the integrity of our pipelines. In recent years, we have increased our level of capital spending to improve the safety and reliability of our distribution system and to expand our intrastate pipeline network. Over the last three fiscal years, approximately 68 percent of our capital spending has been committed to improving the safety and reliability of our system.

Over the next five years, we anticipate our capital spending will be more consistent with levels experienced during fiscal 2013 as we continue to invest in the safety and reliability of our distribution and transportation system. Where possible, we will also continue to focus our capital spending in jurisdictions that permit us to earn an adequate return timely on our investment without compromising the safety or reliability of our system.

For the fiscal year ended September 30, 2013, we incurred \$845.0 million for capital expenditures compared with \$732.9 million for the fiscal year ended September 30, 2012 and \$623.0 million for the fiscal year ended September 30, 2011.

*Fiscal Year ended September 30, 2013 compared with fiscal year ended September 30, 2012*

The \$112.1 million increase in capital expenditures in fiscal 2013 compared to fiscal 2012 primarily reflects spending incurred for the Line W and Line WX expansion projects and increased cathodic protection spending in our regulated transmission and storage segment.

*Fiscal Year ended September 30, 2012 compared with fiscal year ended September 30, 2011*

The \$109.9 million increase in capital expenditures in fiscal 2012 compared to fiscal 2011 primarily reflects spending for the steel service line replacement program in the Mid-Tex Division, the development of new customer billing and information systems for our natural gas distribution and our nonregulated segments and increased capital spending to increase the capacity on our Atmos Pipeline — Texas system.

***Cash flows from financing activities***

We received a net \$85.7 million and \$44.0 million in cash from financing activities for fiscal years 2013 and 2011. In fiscal 2012, we used a net \$44.8 million in financing activities. Our significant financing activities for the fiscal years ended September 30, 2013, 2012 and 2011 are summarized as follows:

***2013***

During the fiscal year ended September 30, 2013, our financing activities generated \$85.7 million of cash compared with \$44.8 million of cash used in the prior year. Current year cash flows from financing activities were significantly influenced by the issuance of \$500 million 4.15% 30-year unsecured senior notes on January 11, 2013. We used a portion of the net cash proceeds of \$493.8 million to repay a \$260 million short-term financing facility executed in fiscal 2012, to settle, for \$66.6 million, three Treasury Locks associated with the issuance and to reduce short-term debt borrowings by \$167.2 million.

***2012***

During the fiscal year ended September 30, 2012, our financing activities used \$44.8 million of cash, primarily due to the payment of \$257.0 million associated with the early redemption of our \$250 million 5.125% Senior notes that were scheduled to mature in January 2013. The repayment of our \$250 million 5.125% Senior notes was financed using a \$260 million short-term loan. Additionally, we repurchased \$12.5 million of common stock under our 2011 share repurchase program.

***2011***

During the fiscal year ended September 30, 2011, our financing activities generated \$44.0 million of cash, primarily related to the issuance of \$400 million 5.50% Senior Notes in June 2011 and the related settlement of three Treasury locks for \$20.1 million. We used a portion of the net cash proceeds of \$394.5 million to pay scheduled long-term debt repayments, including our \$350 million 7.375% senior notes that were paid on their maturity date in May 2011. Additionally, we received \$27.8 million cash in March 2011 related to the unwinding of two Treasury locks.

The following table shows the number of shares issued for the fiscal years ended September 30, 2013, 2012 and 2011:

	For the Fiscal Year Ended September 30		
	2013	2012	2011
Shares issued:			
1998 Long-term incentive plan	531,672	482,289	675,255
Outside directors stock-for-fee plan	2,088	2,375	2,385
Total shares issued	<u>533,760</u>	<u>484,664</u>	<u>677,640</u>

The increase in the number of shares issued in fiscal 2013 compared with the number of shares issued in fiscal 2012 primarily reflects the type of awards that were issued from the 1998 Long-Term Incentive Plan (LTIP). In the current year, employees were issued restricted stock units, for which we issued new shares. In the prior year, employees were issued restricted stock awards, which were held in trust and did not require the issuance of new shares. During fiscal 2013, we canceled and retired 133,449 shares attributable to federal withholdings on equity awards which are not included in the table above. At September 30, 2013, of the 8.7 million shares authorized for issuance from the LTIP, 1.4 million shares remained available.

The decreased number of shares issued in fiscal 2012 compared with the number of shares issued in fiscal 2011 primarily reflects the exercise of a significant number of stock options during fiscal 2011. During fiscal 2012, we canceled and retired 153,255 shares attributable to federal withholdings on equity awards and repurchased and retired 387,991 shares attributable to our share repurchase program, which are not included in the table above.

**Credit Facilities**

Our short-term borrowing requirements are affected by the seasonal nature of the natural gas business. Changes in the price of natural gas and the amount of natural gas we need to supply to meet our customers' needs could significantly affect our borrowing requirements.

We finance our short-term borrowing requirements through a combination of a \$950 million commercial paper program, which is collateralized by our \$950 million unsecured credit facility, as well as three additional committed revolving credit facilities and one uncommitted revolving credit facility with third-party lenders. As a result, we have approximately \$1 billion of working capital funding. Additionally, our \$950 million unsecured credit facility has an accordion feature, which, if utilized, would increase borrowing capacity to \$1.2 billion. We also use intercompany credit facilities to supplement the funding provided by these third-party committed credit facilities.

**Shelf Registration**



On March 28, 2013, we filed a registration statement with the Securities and Exchange Commission to issue, from time to time, up to \$1.75 billion in common stock and/or debt securities available for issuance, which replaced our registration statement that expired on March 31, 2013. As of September 30, 2013, \$1.75 billion was available under the shelf registration statement.

**Credit Ratings**

Our credit ratings directly affect our ability to obtain short-term and long-term financing, in addition to the cost of such financing. In determining our credit ratings, the rating agencies consider a number of quantitative factors, including debt to total capitalization, operating cash flow relative to outstanding debt, operating cash flow coverage of interest and pension liabilities and funding status. In addition, the rating agencies consider qualitative factors such as consistency of our earnings over time, the quality of our management and business strategy, the risks associated with our regulated and nonregulated businesses and the regulatory environment in the states where we operate.

Our debt is rated by three rating agencies: Standard & Poor’s Corporation (S&P), Moody’s Investors Service (Moody’s) and Fitch Ratings, Ltd. (Fitch). Our current debt ratings are all considered investment grade and are as follows:

	<u>S&amp;P</u>	<u>Moody’s</u>	<u>Fitch</u>
Unsecured senior long-term debt.	A-	Baa1	A-
Commercial paper .....	A-2	P-2	F-2

On October 8, 2013, S&P upgraded our senior unsecured debt rating to A- from BBB+, with a ratings outlook of stable, citing an improved business risk profile from an increasing contribution of earnings from our regulated operations and focusing our nonregulated operations on our delivered gas business.

A significant degradation in our operating performance or a significant reduction in our liquidity caused by more limited access to the private and public credit markets as a result of deteriorating global or national financial and credit conditions could trigger a negative change in our ratings outlook or even a reduction in our credit ratings by the three credit rating agencies. This would mean more limited access to the private and public credit markets and an increase in the costs of such borrowings.

A credit rating is not a recommendation to buy, sell or hold securities. The highest investment grade credit rating is AAA for S&P, Aaa for Moody’s and AAA for Fitch. The lowest investment grade credit rating is BBB- for S&P, Baa3 for Moody’s and BBB- for Fitch. Our credit ratings may be revised or withdrawn at any time by the rating agencies, and each rating should be evaluated independently of any other rating. There can be no assurance that a rating will remain in effect for any given period of time or that a rating will not be lowered, or withdrawn entirely, by a rating agency if, in its judgment, circumstances so warrant.

**Debt Covenants**

We were in compliance with all of our debt covenants as of September 30, 2013. Our debt covenants are described in Note 5 to the consolidated financial statements.

**Contractual Obligations and Commercial Commitments**

The following table provides information about contractual obligations and commercial commitments at September 30, 2013.

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(In thousands)				
<b>Contractual Obligations</b>					
Long-term debt <sup>(1)</sup> .....	\$ 2,460,000	\$ —	\$ 500,000	\$ 250,000	\$ 1,710,000
Short-term debt <sup>(1)</sup> .....	367,984	367,984	—	—	—
Interest charges <sup>(2)</sup> .....	1,918,491	144,317	240,097	218,585	1,315,492
Gas purchase commitments <sup>(3)</sup> .....	230,480	230,480	—	—	—
Capital lease obligations <sup>(4)</sup> .....	822	186	372	264	—
Operating leases <sup>(4)</sup> .....	166,802	16,722	30,276	30,131	89,673
Demand fees for contracted storage <sup>(5)</sup> .....	6,088	4,196	1,252	284	356
Demand fees for contracted transportation <sup>(6)</sup> ...	13,098	8,466	4,604	28	—
Financial instrument obligations <sup>(7)</sup> .....	7,676	1,543	6,133	—	—
Pension and postretirement benefit plan contributions <sup>(8)</sup> .....	411,623	67,687	101,176	82,976	159,784
Uncertain tax positions (including interest) <sup>(9)</sup> ...	3,172	—	3,172	—	—
<b>Total contractual obligations</b> .....	<b>\$ 5,586,236</b>	<b>\$ 841,581</b>	<b>\$ 887,082</b>	<b>\$ 582,268</b>	<b>\$ 3,275,305</b>

(1) See Note 5 to the consolidated financial statements.

(2) Interest charges were calculated using the stated rate for each debt issuance.

(3) Gas purchase commitments were determined based upon contractually determined volumes at prices estimated based upon the index specified in the contract, adjusted for estimated basis differentials and contractual discounts as of September 30, 2013.

(4) See Note 9 to the consolidated financial statements.

(5) Represents third party contractual demand fees for contracted storage in our nonregulated segment. Contractual demand fees for contracted storage for our natural gas distribution segment are excluded as these costs are fully recoverable through our purchase gas adjustment mechanisms.

(6) Represents third party contractual demand fees for transportation in our nonregulated segment.

(7) Represents liabilities for natural gas commodity financial instruments that were valued as of September 30, 2013. The ultimate settlement amounts of these remaining liabilities are unknown because they are subject to continuing market risk until the financial instruments are settled.

(8) Represents expected contributions to our pension and postretirement benefit plans, which are discussed in Note 6 to the consolidated financial statements.

(9) Represents liabilities associated with uncertain tax positions claimed or expected to be claimed on tax returns.

With the exception of our Mid-Tex Division, our natural gas distribution segment maintains supply contracts with several vendors that generally cover a period of up to one year. Commitments for estimated base gas volumes are established under these contracts on a monthly basis at contractually negotiated prices. Commitments for incremental daily purchases are made as necessary during the month in accordance with the terms of individual contracts. Our Mid-Tex Division maintains long-term supply contracts to ensure a reliable source of natural gas for our customers in its service area which obligate it to purchase specified volumes at market prices. The estimated commitments under the terms of these contracts as of September 30, 2013 are reflected in the table above.

AEH has commitments to purchase physical quantities of natural gas under contracts indexed to the forward NYMEX strip or fixed price contracts. At September 30, 2013, AEH was committed to purchase 78.0 Bcf within one year, 21.9 Bcf within one to three years and 1.0 Bcf after three years under indexed contracts. AEH is committed to purchase 6.1 Bcf within one year and 0.2 Bcf within one to three years under fixed price contracts with prices ranging from \$3.32 to \$6.36 per Mcf.

**Risk Management Activities**

As discussed above in our Critical Accounting Policies, we use financial instruments to mitigate commodity price risk and, periodically, to manage interest rate risk. We conduct risk management activities through our natural gas distribution and nonregulated segments. In our natural gas distribution segment, we use a combination of physical storage, fixed physical contracts and fixed financial contracts to reduce our exposure to unusually large winter-period gas price increases. In our nonregulated segments, we manage our exposure to the risk of natural gas price changes and lock in our gross profit margin through a combination of storage and financial instruments, including futures, over-the-counter and exchange-traded options and swap contracts with counterparties. To the extent our inventory cost and actual sales and actual purchases do not correlate with the changes in the market indices we use in our hedges, we could experience ineffectiveness or the hedges may no longer meet the accounting requirements for hedge accounting, resulting in the financial instruments being treated as mark to market instruments through earnings.

We record our financial instruments as a component of risk management assets and liabilities, which are classified as current or noncurrent based upon the anticipated settlement date of the underlying financial instrument. Substantially all of our financial instruments are valued using external market quotes and indices.

The following table shows the components of the change in fair value of our natural gas distribution segment's financial instruments for the fiscal year ended September 30, 2013 (in thousands):

Fair value of contracts at September 30, 2012	\$ (76,260)
Contracts realized/settled.....	2,590
Fair value of new contracts.....	3,077
Other changes in value.....	180,241
Fair value of contracts at September 30, 2013.....	<u>\$ 109,648</u>

The fair value of our natural gas distribution segment's financial instruments at September 30, 2013, is presented below by time period and fair value source:

<u>Source of Fair Value</u>	<u>Fair Value of Contracts at September 30, 2013</u>				<u>Total Fair Value</u>
	<u>Maturity in years</u>				
	<u>Less than 1</u>	<u>1-3</u>	<u>4-5</u>	<u>Greater than 5</u>	
	<u>(In thousands)</u>				
Prices actively quoted.....	\$ 294	\$ 109,354	\$ —	\$ —	\$ 109,648
Prices based on models and other valuation methods.....	—	—	—	—	—
Total Fair Value.....	<u>\$ 294</u>	<u>\$ 109,354</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 109,648</u>

The following table shows the components of the change in fair value of our nonregulated segment's financial instruments for the fiscal year ended September 30, 2013 (in thousands):

Fair value of contracts at September 30, 2012	\$ (15,123)
Contracts realized/settled.....	(245)
Fair value of new contracts.....	—
Other changes in value.....	668
Fair value of contracts at September 30, 2013.....	<u>(14,700)</u>
Netting of cash collateral.....	24,829
Cash collateral and fair value of contracts at September 30, 2013.....	<u>\$ 10,129</u>

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The fair value of our nonregulated segment's financial instruments at September 30, 2013, is presented below by time period and fair value source.

<u>Source of Fair Value</u>	Fair Value of Contracts at September 30, 2013				
	Maturity in years				Total Fair Value
	Less than 1	1-3	4-5	Greater than 5	
	(In thousands)				
Prices actively quoted .....	\$ (8,567)	\$ (5,957)	\$ (176)	\$ —	\$ (14,700)
Prices based on models and other valuation methods.....	—	—	—	—	—
Total Fair Value.....	<u>\$ (8,567)</u>	<u>\$ (5,957)</u>	<u>\$ (176)</u>	<u>\$ —</u>	<u>\$ (14,700)</u>

### Employee Benefits Programs

An important element of our total compensation program, and a significant component of our operation and maintenance expense, is the offering of various benefits programs to our employees. These programs include medical and dental insurance coverage and pension and postretirement programs.

#### *Medical and Dental Insurance*

We offer medical and dental insurance programs to substantially all of our employees, and we believe these programs are consistent with other programs in our industry. Since 2006, we have experienced medical and prescription inflation of approximately four percent. In recent years, we have strived to actively manage our health care costs through the introduction of a wellness strategy that is focused on helping employees to identify health risks and to manage these risks through improved lifestyle choices.

In March 2010, President Obama signed *The Patient Protection and Affordable Care Act* into law (the "Health Care Reform Act"). The Health Care Reform Act will be phased in over an eight-year period. We have changed the design of our health care plans to comply with provisions of the Health Care Reform Act that have already gone into effect or will be going into effect in future years. We will continue to monitor all developments on health care reform and continue to comply with all existing relevant laws and regulations.

For fiscal 2014, we anticipate an approximate six percent medical and prescription drug inflation rate, primarily due to anticipated higher claims costs and the implementation of the Health Care Reform Act.

#### *Net Periodic Pension and Postretirement Benefit Costs*

For the fiscal year ended September 30, 2013, our total net periodic pension and other benefits costs was \$78.5 million, compared with \$69.2 million and \$56.6 million for the fiscal years ended September 30, 2012 and 2011. These costs relating to our natural gas distribution operations are recoverable through our gas distribution rates. A portion of these costs is capitalized into our gas distribution rate base, and the remaining costs are recorded as a component of operation and maintenance expense.

Our fiscal 2013 costs were determined using a September 30, 2012 measurement date. At that date, interest and corporate bond rates utilized to determine our discount rates were lower than the interest and corporate bond rates as of September 30, 2011, the measurement date for our fiscal 2012 net periodic cost. As a result of the lower interest and corporate bond rates, we decreased the discount rate used to determine our fiscal 2013 pension and benefit costs to 4.04 percent. Our expected return on our pension plan assets was maintained at 7.75 percent due to historical experience and the current market projection of the target asset allocation. As a result, our fiscal 2013 pension and postretirement medical costs were higher than in the prior year.

The increase in total net periodic pension and other benefits costs during fiscal 2012 compared with fiscal 2011 primarily reflects the decrease in our discount rate at September 30, 2011, the measurement date for our fiscal 2012 pension and postretirement costs. The discount rate used to compute the present value of a plan's liabilities generally is based on rates of high-grade corporate bonds with maturities similar to the average period over which the benefits will be paid. At our September 30, 2011 measurement date, the interest and corporate bond rates used to determine our fiscal 2012 net periodic pension cost were significantly lower than the rates at September 30, 2010, the measurement date used to determine our fiscal 2011 net periodic cost. Our expected return on our pension plan assets was reduced to 7.75 percent due to historical experience and the then-current market projection of the target asset allocation.

#### *Pension and Postretirement Plan Funding*

Generally, our funding policy is to contribute annually an amount that will at least equal the minimum amount required to comply with the Employee Retirement Income Security Act of 1974 (ERISA). However, additional voluntary contributions are

made from time to time as considered necessary. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future.

In accordance with the Pension Protection Act of 2006 (PPA), we determined the funded status of our plans as of January 1, 2013. Based on this valuation, we were required to contribute cash of \$32.7 million, \$46.5 million and \$0.9 million to our pension plans during fiscal 2013, 2012 and 2011. The higher level of contributions experienced during fiscal 2013 and 2012 reflect lower discount rates than in previous years. Each contribution increased the level of our plan assets to achieve a desirable PPA funding threshold.

We contributed \$26.6 million and \$22.1 million to our postretirement benefits plans for the fiscal years ended September 30, 2013 and 2012. The contributions represent the portion of the postretirement costs we are responsible for under the terms of our plan and minimum funding required by state regulatory commissions.

#### *Outlook for Fiscal 2014 and Beyond*

As of September 30, 2013, interest and corporate bond rates were higher than the rates as of September 30, 2012. Therefore, we increased the discount rate used to measure our fiscal 2014 net periodic cost from 4.04 percent to 4.95 percent. However, we decreased the expected return on plan assets from 7.75 percent to 7.25 percent in the determination of our fiscal 2014 net periodic pension cost based upon expected market returns for our targeted asset allocation. As a result of the net impact of changes in these and other assumptions, we expect our fiscal 2014 net period pension cost to decrease by less than five percent.

Based upon market conditions subsequent to September 30, 2013, the current funded position of the plans and the funding requirements under the PPA, we anticipate contributing between \$15 million and \$25 million to the Plans in fiscal 2014. Further, we will consider whether an additional voluntary contribution is prudent to maintain certain PPA funding thresholds. With respect to our postretirement medical plans, we anticipate contributing between \$25 million and \$30 million during fiscal 2014.

Actual changes in the fair market value of plan assets and differences between the actual and expected return on plan assets could have a material effect on the amount of pension costs ultimately recognized. A 0.25 percent change in our discount rate would impact our pension and postretirement costs by approximately \$2.8 million. A 0.25 percent change in our expected rate of return would impact our pension and postretirement costs by approximately \$1.0 million.

The projected pension liability, future funding requirements and the amount of pension expense or income recognized for the Plan are subject to change, depending upon the actuarial value of plan assets and the determination of future benefit obligations as of each subsequent actuarial calculation date. These amounts are impacted by actual investment returns, changes in interest rates and changes in the demographic composition of the participants in the plan.

#### **RECENT ACCOUNTING DEVELOPMENTS**

Recent accounting developments and their impact on our financial position, results of operations and cash flows are described in Note 2 to the consolidated financial statements.

#### **ITEM 7A. *Quantitative and Qualitative Disclosures About Market Risk.***

We are exposed to risks associated with commodity prices and interest rates. Commodity price risk is the potential loss that we may incur as a result of changes in the fair value of a particular instrument or commodity. Interest-rate risk results from our portfolio of debt and equity instruments that we issue to provide financing and liquidity for our business activities.

We conduct risk management activities through both our natural gas distribution and nonregulated segments. In our natural gas distribution segment, we use a combination of physical storage, fixed physical contracts and fixed financial contracts to protect us and our customers against unusually large winter period gas price increases. In our nonregulated segment, we manage our exposure to the risk of natural gas price changes and lock in our gross profit margin through a combination of storage and financial instruments including futures, over-the-counter and exchange-traded options and swap contracts with counterparties. Our risk management activities and related accounting treatment are described in further detail in Note 12 to the consolidated financial statements. Additionally, our earnings are affected by changes in short-term interest rates as a result of our issuance of short-term commercial paper and our other short-term borrowings.

#### **Commodity Price Risk**

##### *Natural gas distribution segment*

We purchase natural gas for our natural gas distribution operations. Substantially all of the costs of gas purchased for natural gas distribution operations are recovered from our customers through purchased gas cost adjustment mechanisms. Therefore, our natural gas distribution operations have limited commodity price risk exposure.

***Nonregulated segment***

Our nonregulated segment is also exposed to risks associated with changes in the market price of natural gas. For our nonregulated segment, we use a sensitivity analysis to estimate commodity price risk. For purposes of this analysis, we estimate commodity price risk by applying a \$0.50 change in the forward NYMEX price to our net open position (including existing storage and related financial contracts) at the end of each period. Based on AEH's net open position (including existing storage and related financial contracts) at September 30, 2013 of 0.1 Bcf, a \$0.50 change in the forward NYMEX price would have had a \$0.1 million impact on our consolidated net income.

Changes in the difference between the indices used to mark to market our physical inventory (Gas Daily) and the related fair-value hedge (NYMEX) can result in volatility in our reported net income; but, over time, gains and losses on the sale of storage gas inventory will be offset by gains and losses on the fair-value hedges. Based upon our net physical position at September 30, 2013 and assuming our hedges would still qualify as highly effective, a \$0.50 change in the difference between the Gas Daily and NYMEX indices would impact our reported net income by approximately \$3.7 million.

Additionally, these changes could cause us to recognize a risk management liability, which would require us to place cash into an escrow account to collateralize this liability position. This, in turn, would reduce the amount of cash we would have on hand to fund our working capital needs.

**Interest Rate Risk**

Our earnings are exposed to changes in short-term interest rates associated with our short-term commercial paper program and other short-term borrowings. We use a sensitivity analysis to estimate our short-term interest rate risk. For purposes of this analysis, we estimate our short-term interest rate risk as the difference between our actual interest expense for the period and estimated interest expense for the period assuming a hypothetical average one percent increase in the interest rates associated with our short-term borrowings. Had interest rates associated with our short-term borrowings increased by an average of one percent, our interest expense would have increased by approximately \$3.2 million during 2013.

**ITEM 8. *Financial Statements and Supplementary Data.***

Index to financial statements and financial statement schedule:

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All other financial statement schedules are omitted because the required information is not present, or not present in amounts sufficient to require submission of the schedule or because the information required is included in the financial statements and accompanying notes thereto.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors and Shareholders of  
Atmos Energy Corporation

We have audited the accompanying consolidated balance sheets of Atmos Energy Corporation as of September 30, 2013 and 2012, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended September 30, 2013. Our audits also included the financial statement schedule listed in the Index at Item 8. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Atmos Energy Corporation at September 30, 2013 and 2012, and the consolidated results of its operations and its cash flows for each of the three years in the period ended September 30, 2013, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the financial statements taken as a whole, presents fairly, in all material respects the financial information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Atmos Energy Corporation's internal control over financial reporting as of September 30, 2013, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) and our report dated November 13, 2013 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Dallas, Texas  
November 13, 2013



**ATMOS ENERGY CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**

	September 30	
	2013	2012
	(In thousands, except share data)	
<b>ASSETS</b>		
Property, plant and equipment.....	\$ 7,446,272	\$ 6,860,358
Construction in progress .....	275,747	274,112
	<u>7,722,019</u>	<u>7,134,470</u>
Less accumulated depreciation and amortization .....	1,691,364	1,658,866
Net property, plant and equipment.....	6,030,655	5,475,604
Current assets .....		
Cash and cash equivalents .....	66,199	64,239
Accounts receivable, less allowance for doubtful accounts of \$20,624 in 2013 and \$9,425 in 2012 .....	301,992	234,526
Gas stored underground .....	244,741	256,415
Other current assets.....	70,334	272,782
Total current assets.....	<u>683,266</u>	<u>827,962</u>
Goodwill and intangible assets .....	741,484	740,847
Deferred charges and other assets .....	484,996	451,262
	<u>\$ 7,940,401</u>	<u>\$ 7,495,675</u>
<b>CAPITALIZATION AND LIABILITIES</b>		
Shareholders' equity		
Common stock, no par value (stated at \$.005 per share); 200,000,000 shares authorized; issued and outstanding: 2013 — 90,640,211 shares, 2012 — 90,239,900 shares.....	\$ 453	\$ 451
Additional paid-in capital .....	1,765,811	1,745,467
Accumulated other comprehensive income (loss).....	38,878	(47,607)
Retained earnings.....	775,267	660,932
Shareholders' equity.....	<u>2,580,409</u>	<u>2,359,243</u>
Long-term debt.....	2,455,671	1,956,305
Total capitalization.....	<u>5,036,080</u>	<u>4,315,548</u>
Commitments and contingencies		
Current liabilities		
Accounts payable and accrued liabilities.....	241,611	215,229
Other current liabilities .....	368,891	489,665
Short-term debt .....	367,984	570,929
Current maturities of long-term debt .....	—	131
Total current liabilities.....	<u>978,486</u>	<u>1,275,954</u>
Deferred income taxes .....	1,164,053	1,015,083
Regulatory cost of removal obligation .....	359,299	381,164
Pension and postretirement liabilities .....	358,787	457,196
Deferred credits and other liabilities .....	43,696	50,730
	<u>\$ 7,940,401</u>	<u>\$ 7,495,675</u>

See accompanying notes to consolidated financial statements.

**ATMOS ENERGY CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**

	Year Ended September 30		
	2013	2012	2011
	(In thousands, except per share data)		
Operating revenues			
Natural gas distribution segment .....	\$ 2,399,493	\$ 2,145,330	\$ 2,470,664
Regulated transmission and storage segment .....	268,900	247,351	219,373
Nonregulated segment .....	1,598,711	1,351,303	2,024,893
Intersegment eliminations .....	(380,847)	(305,501)	(428,495)
	<u>3,886,257</u>	<u>3,438,483</u>	<u>4,286,435</u>
Purchased gas cost			
Natural gas distribution segment .....	1,318,257	1,122,587	1,452,721
Regulated transmission and storage segment .....	—	—	—
Nonregulated segment .....	1,535,380	1,296,179	1,959,893
Intersegment eliminations .....	(379,430)	(304,022)	(426,999)
	<u>2,474,207</u>	<u>2,114,744</u>	<u>2,985,615</u>
Gross profit .....	1,412,050	1,323,739	1,300,820
Operating expenses			
Operation and maintenance .....	488,020	453,613	442,965
Depreciation and amortization .....	235,079	237,525	223,832
Taxes, other than income .....	187,072	181,073	177,767
Asset impairments .....	—	5,288	30,270
Total operating expenses .....	<u>910,171</u>	<u>877,499</u>	<u>874,834</u>
Operating income .....	501,879	446,240	425,986
Miscellaneous income (expense), net .....	(197)	(14,644)	21,184
Interest charges .....	128,385	141,174	150,763
Income from continuing operations before income taxes .....	373,297	290,422	296,407
Income tax expense .....	142,599	98,226	106,819
Income from continuing operations .....	230,698	192,196	189,588
Income from discontinued operations, net of tax (\$3,986, \$10,066 and \$12,372) .....	7,202	18,172	18,013
Gain on sale of discontinued operations, net of tax (\$2,909, \$3,519 and \$0) .....	5,294	6,349	—
Net income .....	<u>\$ 243,194</u>	<u>\$ 216,717</u>	<u>\$ 207,601</u>
Basic earnings per share			
Income per share from continuing operations .....	\$ 2.54	\$ 2.12	\$ 2.08
Income per share from discontinued operations .....	0.14	0.27	0.20
Net income per share — basic .....	<u>\$ 2.68</u>	<u>\$ 2.39</u>	<u>\$ 2.28</u>
Diluted earnings per share			
Income per share from continuing operations .....	\$ 2.50	\$ 2.10	\$ 2.07
Income per share from discontinued operations .....	0.14	0.27	0.20
Net income per share — diluted .....	<u>\$ 2.64</u>	<u>\$ 2.37</u>	<u>\$ 2.27</u>
Weighted average shares outstanding:			
Basic .....	90,533	90,150	90,201
Diluted .....	91,711	91,172	90,652

See accompanying notes to consolidated financial statements.

**ATMOS ENERGY CORPORATION**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Net income.....	\$ 243,194	\$ 216,717	\$ 207,601
Other comprehensive income (loss), net of tax			
Net unrealized holding gains (losses) on available-for-sale securities, net of tax of \$(186), \$1,881 and \$(953).....	(213)	3,103	(1,647)
Cash flow hedges:			
Amortization and unrealized gain (loss) on interest rate agreements, net of tax of \$47,236, \$(5,388) and \$(16,850).....	82,179	(10,116)	(28,689)
Net unrealized gains on commodity cash flow hedges, net of tax of \$2,889, \$5,029 and \$3,355.....	4,519	7,866	5,248
Total other comprehensive income (loss).....	86,485	853	(25,088)
Total comprehensive income.....	<u>\$ 329,679</u>	<u>\$ 217,570</u>	<u>\$ 182,513</u>

See accompanying notes to condensed consolidated financial statements.

**ATMOS ENERGY CORPORATION**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

	Common stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Number of Shares	Stated Value				
	(In thousands, except share and per share data)					
<b>Balance, September 30, 2010</b> .....	90,164,103	\$ 451	\$ 1,714,364	\$ (23,372)	\$ 486,905	\$ 2,178,348
<b>Net income</b> .....	—	—	—	—	207,601	207,601
<b>Other comprehensive loss</b> .....	—	—	—	(25,088)	—	(25,088)
<b>Repurchase of common stock</b> .....	(375,468)	(2)	2	—	—	—
<b>Repurchase of equity awards</b> .....	(169,793)	(1)	(5,298)	—	—	(5,299)
<b>Cash dividends (\$1.36 per share)</b> .....	—	—	—	—	(124,011)	(124,011)
<b>Common stock issued:</b>						
Direct stock purchase plan .....	—	—	(54)	—	—	(54)
1998 Long-term incentive plan .....	675,255	3	13,886	—	—	13,889
Employee stock-based compensation .....	—	—	9,958	—	—	9,958
Outside directors stock-for-fee plan .....	2,385	—	77	—	—	77
<b>Balance, September 30, 2011</b> .....	90,296,482	451	1,732,935	(48,460)	570,495	2,255,421
<b>Net income</b> .....	—	—	—	—	216,717	216,717
<b>Other comprehensive income</b> .....	—	—	—	853	—	853
<b>Repurchase of common stock</b> .....	(387,991)	(2)	(12,533)	—	—	(12,535)
<b>Repurchase of equity awards</b> .....	(153,255)	—	(5,219)	—	—	(5,219)
<b>Cash dividends (\$1.38 per share)</b> .....	—	—	—	—	(125,796)	(125,796)
<b>Common stock issued:</b>						
Direct stock purchase plan .....	—	—	(65)	—	—	(65)
1998 Long-term incentive plan .....	482,289	2	12,519	—	(484)	12,037
Employee stock-based compensation .....	—	—	17,752	—	—	17,752
Outside directors stock-for-fee plan .....	2,375	—	78	—	—	78
<b>Balance, September 30, 2012</b> .....	90,239,900	451	1,745,467	(47,607)	660,932	2,359,243
<b>Net income</b> .....	—	—	—	—	243,194	243,194
<b>Other comprehensive income</b> .....	—	—	—	86,485	—	86,485
<b>Repurchase of equity awards</b> .....	(133,449)	—	(5,150)	—	—	(5,150)
<b>Cash dividends (\$1.40 per share)</b> .....	—	—	—	—	(128,115)	(128,115)
<b>Common stock issued:</b>						
Direct stock purchase plan .....	—	—	(50)	—	—	(50)
1998 Long-term incentive plan .....	531,672	2	9,530	—	(744)	8,788
Employee stock-based compensation .....	—	—	15,934	—	—	15,934
Outside directors stock-for-fee plan .....	2,088	—	80	—	—	80
<b>Balance, September 30, 2013</b> .....	90,640,211	\$ 453	\$ 1,765,811	\$ 38,878	\$ 775,267	\$ 2,580,409

See accompanying notes to consolidated financial statements.

**ATMOS ENERGY CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Year Ended September 30		
	2013	2012	2011
	(In thousands)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income.....	\$ 243,194	\$ 216,717	\$ 207,601
Adjustments to reconcile net income to net cash provided by operating activities:			
Asset impairments .....	—	5,288	30,270
Gain on sale of discontinued operations .....	(8,203)	(9,868)	—
Depreciation and amortization:			
Charged to depreciation and amortization .....	236,928	246,093	233,155
Charged to other accounts.....	679	484	228
Deferred income taxes .....	141,336	104,319	117,353
Stock-based compensation.....	17,814	19,222	11,586
Debt financing costs .....	8,480	8,147	9,438
Other .....	(2,887)	(493)	(961)
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable .....	(73,669)	32,578	(96)
Decrease in gas stored underground.....	31,979	28,417	27,737
(Increase) decrease in other current assets.....	15,644	20,989	(38,048)
(Increase) decrease in deferred charges and other assets.....	111,069	(50,055)	(53,519)
Increase (decrease) in accounts payable and accrued liabilities.....	31,912	(64,234)	23,904
Increase (decrease) in other current liabilities .....	(44,491)	7,889	(57,495)
Increase (decrease) in deferred credits and other liabilities.....	(96,658)	21,424	71,691
Net cash provided by operating activities .....	613,127	586,917	582,844
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>			
Capital expenditures .....	(845,033)	(732,858)	(622,965)
Proceeds from the sale of discontinued operations .....	153,023	128,223	—
Other, net .....	(4,904)	(4,625)	(4,421)
Net cash used in investing activities.....	(696,914)	(609,260)	(627,386)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net increase (decrease) in short-term debt .....	(208,070)	354,141	83,306
Net proceeds from issuance of long-term debt.....	493,793	—	394,466
Settlement of Treasury lock agreements.....	(66,626)	—	20,079
Unwinding of Treasury lock agreements.....	—	—	27,803
Repayment of long-term debt.....	(131)	(257,034)	(360,131)
Cash dividends paid.....	(128,115)	(125,796)	(124,011)
Repurchase of common stock.....	—	(12,535)	—
Repurchase of equity awards.....	(5,150)	(5,219)	(5,299)
Issuance of common stock.....	46	1,606	7,796
Net cash provided by (used in) financing activities .....	85,747	(44,837)	44,009
Net increase (decrease) in cash and cash equivalents .....	1,960	(67,180)	(533)
Cash and cash equivalents at beginning of year .....	64,239	131,419	131,952
Cash and cash equivalents at end of year .....	\$ 66,199	\$ 64,239	\$ 131,419
<b>CASH PAID (RECEIVED) DURING THE PERIOD FOR:</b>			
Interest .....	\$ 148,461	\$ 150,606	\$ 157,976
Income taxes.....	\$ 10,008	\$ (432)	\$ (8,329)

See accompanying notes to consolidated financial statements.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Nature of Business**

Atmos Energy Corporation (“Atmos Energy” or the “Company”) and our subsidiaries are engaged primarily in the regulated natural gas distribution and transmission and storage businesses as well as certain other nonregulated businesses. Through our natural gas distribution business, we deliver natural gas through sales and transportation arrangements to over three million residential, commercial, public-authority and industrial customers through our six regulated natural gas distribution divisions in the service areas described below:

Division	Service Area
Atmos Energy Colorado-Kansas Division .....	Colorado, Kansas
Atmos Energy Kentucky/Mid-States Division.....	Kentucky, Tennessee, Virginia <sup>(1)</sup>
Atmos Energy Louisiana Division .....	Louisiana
Atmos Energy Mid-Tex Division.....	Texas, including the Dallas/Fort Worth metropolitan area
Atmos Energy Mississippi Division.....	Mississippi
Atmos Energy West Texas Division.....	West Texas

<sup>(1)</sup> Denotes location where we have more limited service areas.

In addition, we transport natural gas for others through our distribution system. Our natural gas distribution business is subject to federal and state regulation and/or regulation by local authorities in each of the states in which our natural gas distribution divisions operate. Our corporate headquarters and shared-services function are located in Dallas, Texas, and our customer support centers are located in Amarillo and Waco, Texas.

Over the last two fiscal years, we have sold our natural gas distribution operations in four states to streamline our regulated operations. On April 1, 2013, we completed the divestiture of our natural gas distribution operations in Georgia, representing approximately 64,000 customers, and in August 2012, we completed the sale of our natural gas distribution operations in Missouri, Illinois and Iowa, representing approximately 84,000 customers.

Our regulated transmission and storage business consists of the regulated operations of our Atmos Pipeline–Texas Division, a division of the Company. This division transports natural gas to our Mid-Tex Division, transports natural gas for third parties and manages five underground storage reservoirs in Texas. We also provide ancillary services customary to the pipeline industry including parking arrangements, lending and sales of inventory on hand.

Our nonregulated businesses operate primarily in the Midwest and Southeast through various wholly-owned subsidiaries of Atmos Energy Holdings, Inc., (AEH). AEH is a wholly-owned subsidiary of the Company and based in Houston, Texas. Through AEH, we provide natural gas management and transportation services to municipalities, natural gas distribution companies, including certain divisions of Atmos Energy and third parties.

**2. Summary of Significant Accounting Policies**

**Principles of consolidation** — The accompanying consolidated financial statements include the accounts of Atmos Energy Corporation and its wholly-owned subsidiaries. All material intercompany transactions have been eliminated; however, we have not eliminated intercompany profits when such amounts are probable of recovery under the affiliates’ rate regulation process.

**Basis of comparison** — Certain prior-year amounts have been reclassified to conform with the current year presentation.

**Use of estimates** — The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The most significant estimates include the allowance for doubtful accounts, unbilled revenues, legal and environmental accruals, insurance accruals, pension and postretirement obligations, deferred income taxes, asset retirement obligations, impairment of long-lived assets, risk management and trading activities, fair value measurements and the valuation of goodwill and other long-lived assets. Actual results could differ from those estimates.

**Regulation** — Our natural gas distribution and regulated transmission and storage operations are subject to regulation with respect to rates, service, maintenance of accounting records and various other matters by the respective regulatory authorities in the states in which we operate. Our accounting policies recognize the financial effects of the ratemaking and accounting practices and policies of the various regulatory commissions. Accounting principles generally accepted in the United States require cost-based, rate-regulated entities that meet certain criteria to reflect the authorized recovery of costs due

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

to regulatory decisions in their financial statements. As a result, certain costs that would normally be expensed under accounting principles generally accepted in the United States are permitted to be capitalized or deferred on the balance sheet because it is probable they can be recovered through rates. Further, regulation may impact the period in which revenues or expenses are recognized. The amounts to be recovered or recognized are based upon historical experience and our understanding of the regulations.

We record regulatory assets as a component of other current assets and deferred charges and other assets for costs that have been deferred for which future recovery through customer rates is considered probable. Regulatory liabilities are recorded either on the face of the balance sheet or as a component of current liabilities, deferred income taxes or deferred credits and other liabilities when it is probable that revenues will be reduced for amounts that will be credited to customers through the ratemaking process. Significant regulatory assets and liabilities as of September 30, 2013 and 2012 included the following:

	September 30	
	2013	2012
(In thousands)		
<b>Regulatory assets:</b>		
Pension and postretirement benefit costs <sup>(1)</sup> .....	\$ 187,977	\$ 296,160
Merger and integration costs, net .....	5,250	5,754
Deferred gas costs .....	15,152	31,359
Regulatory cost of removal asset .....	10,008	10,500
Rate case costs .....	6,329	4,661
Deferred franchise fees .....	—	2,714
Texas Rule 8.209 <sup>(2)</sup> .....	30,364	5,370
APT annual adjustment mechanism .....	5,853	4,539
Recoverable loss on reacquired debt .....	21,435	23,944
Other .....	4,380	7,262
	<b>\$ 286,748</b>	<b>\$ 392,263</b>
<b>Regulatory liabilities:</b>		
Deferred gas costs .....	\$ 16,481	\$ 23,072
Deferred franchise fees .....	1,689	—
Regulatory cost of removal obligation .....	427,524	459,688
Other .....	7,887	5,637
	<b>\$ 453,581</b>	<b>\$ 488,397</b>

<sup>(1)</sup> Includes \$17.4 million and \$7.6 million of pension and postretirement expense deferred pursuant to regulatory authorization.

<sup>(2)</sup> Texas Rule 8.209 is a Railroad Commission rule that allows for the deferral of all expenses associated with capital expenditures incurred pursuant to this rule, including the recording of interest on the deferred expenses until the next rate proceeding (rate case or annual rate filing), at which time investment and costs would be recovered through base rates.

The amounts above do not include regulatory assets and liabilities related to our Georgia operations, which were classified as assets held for sale at September 30, 2012 as discussed in Note 16. As of September 30, 2013, we did not have any assets or liabilities classified as held for sale due to the sale of substantially all of our Georgia assets on April 1, 2013.

Currently, authorized rates do not include a return on certain of our merger and integration costs; however, we recover the amortization of these costs. Merger and integration costs, net, are generally amortized on a straight-line basis over estimated useful lives ranging up to 20 years. During the fiscal years ended September 30, 2013, 2012 and 2011, we recognized \$0.5 million, \$0.5 million and \$0.5 million in amortization expense related to these costs.

**Revenue recognition** — Sales of natural gas to our natural gas distribution customers are billed on a monthly basis; however, the billing cycle periods for certain classes of customers do not necessarily coincide with accounting periods used for financial reporting purposes. We follow the revenue accrual method of accounting for natural gas distribution segment revenues whereby revenues applicable to gas delivered to customers, but not yet billed under the cycle billing method, are estimated and accrued and the related costs are charged to expense.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

On occasion, we are permitted to implement new rates that have not been formally approved by our state regulatory commissions, which are subject to refund. As permitted by accounting principles generally accepted in the United States, we recognize this revenue and establish a reserve for amounts that could be refunded based on our experience for the jurisdiction in which the rates were implemented.

Rates established by regulatory authorities are adjusted for increases and decreases in our purchased gas costs through purchased gas cost adjustment mechanisms. Purchased gas cost adjustment mechanisms provide gas distribution companies a method of recovering purchased gas costs on an ongoing basis without filing a rate case to address all of their non-gas costs. There is no gross profit generated through purchased gas cost adjustments, but they provide a dollar-for-dollar offset to increases or decreases in our natural gas distribution segment's gas costs. The effects of these purchased gas cost adjustment mechanisms are recorded as deferred gas costs on our balance sheet.

Operating revenues for our regulated transmission and storage and nonregulated segments are recognized in the period in which actual volumes are transported and storage services are provided.

Operating revenues for our nonregulated segment and the associated carrying value of natural gas inventory (inclusive of storage costs) are recognized when we sell the gas and physically deliver it to our customers. Operating revenues include realized gains and losses arising from the settlement of financial instruments used in our nonregulated activities and unrealized gains and losses arising from changes in the fair value of natural gas inventory designated as a hedged item in a fair value hedge and the associated financial instruments. For the fiscal years ended September 30, 2013, 2012 and 2011, we included unrealized gains (losses) on open contracts of \$9.0 million, \$(8.0) million and \$(10.4) million as a component of nonregulated revenues.

**Cash and cash equivalents** — We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**Accounts receivable and allowance for doubtful accounts** — Accounts receivable arise from natural gas sales to residential, commercial, industrial, municipal and other customers. We establish an allowance for doubtful accounts to reduce the net receivable balance to the amount we reasonably expect to collect based on our collection experience or where we are aware of a specific customer's inability or reluctance to pay. However, if circumstances change, our estimate of the recoverability of accounts receivable could be affected. Circumstances which could affect our estimates include, but are not limited to, customer credit issues, the level of natural gas prices, customer deposits and general economic conditions. Accounts are written off once they are deemed to be uncollectible.

**Gas stored underground** — Our gas stored underground is comprised of natural gas injected into storage to support the winter season withdrawals for our natural gas distribution operations and natural gas held by our nonregulated segment to conduct their operations. The average cost method is used for all our regulated operations, except for certain jurisdictions in the Kentucky/Mid-States Division, where it is valued on the first-in first-out method basis, in accordance with regulatory requirements. Our nonregulated segment utilizes the average cost method; however, most of this inventory is hedged and is therefore reported at fair value at the end of each month. Gas in storage that is retained as cushion gas to maintain reservoir pressure is classified as property, plant and equipment and is valued at cost.

**Regulated property, plant and equipment** — Regulated property, plant and equipment is stated at original cost, net of contributions in aid of construction. The cost of additions includes direct construction costs, payroll related costs (taxes, pensions and other fringe benefits), administrative and general costs and an allowance for funds used during construction. The allowance for funds used during construction represents the estimated cost of funds used to finance the construction of major projects and are capitalized in the rate base for ratemaking purposes when the completed projects are placed in service. Interest expense of \$1.9 million, \$2.6 million and \$1.7 million was capitalized in 2013, 2012 and 2011.

Major renewals, including replacement pipe, and betterments that are recoverable under our regulatory rate base are capitalized while the costs of maintenance and repairs that are not recoverable through rates are charged to expense as incurred. The costs of large projects are accumulated in construction in progress until the project is completed. When the project is completed, tested and placed in service, the balance is transferred to the regulated plant in service account included in the rate base and depreciation begins.

Regulated property, plant and equipment is depreciated at various rates on a straight-line basis. These rates are approved by our regulatory commissions and are comprised of two components: one based on average service life and one based on cost of removal. Accordingly, we recognize our cost of removal expense as a component of depreciation expense. The related cost of removal accrual is reflected as a regulatory liability on the consolidated balance sheet. At the time property, plant and equipment is retired, removal expenses less salvage, are charged to the regulatory cost of removal accrual. The composite depreciation rate was 3.3 percent, 3.6 percent and 3.6 percent for the fiscal years ended September 30, 2013, 2012 and 2011.



**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**Nonregulated property, plant and equipment** — Nonregulated property, plant and equipment is stated at cost. Depreciation is generally computed on the straight-line method for financial reporting purposes based upon estimated useful lives ranging from three to 50 years.

**Asset retirement obligations** — We record a liability at fair value for an asset retirement obligation when the legal obligation to retire the asset has been incurred with an offsetting increase to the carrying value of the related asset. Accretion of the asset retirement obligation due to the passage of time is recorded as an operating expense.

As of September 30, 2013 and 2012, we had asset retirement obligations of \$6.8 million and \$10.5 million. Additionally, we had \$3.3 million and \$5.8 million of asset retirement costs recorded as a component of property, plant and equipment that will be depreciated over the remaining life of the underlying associated assets.

We believe we have a legal obligation to retire our natural gas storage facilities. However, we have not recognized an asset retirement obligation associated with our storage facilities because we are not able to determine the settlement date of this obligation as we do not anticipate taking our storage facilities out of service permanently. Therefore, we cannot reasonably estimate the fair value of this obligation.

**Impairment of long-lived assets** — We periodically evaluate whether events or circumstances have occurred that indicate that other long-lived assets may not be recoverable or that the remaining useful life may warrant revision. When such events or circumstances are present, we assess the recoverability of long-lived assets by determining whether the carrying value will be recovered through the expected future cash flows. In the event the sum of the expected future cash flows resulting from the use of the asset is less than the carrying value of the asset, an impairment loss equal to the excess of the asset's carrying value over its fair value is recorded.

During fiscal 2012, we recorded a pre-tax noncash impairment loss of \$5.3 million related to our gathering systems in Kentucky. In fiscal 2011, we recorded pre-tax noncash impairment losses of \$19.3 million related to our Fort Necessity storage project and \$11.0 million related to our gathering systems in Kentucky. See Note 14 for further details.

**Goodwill and intangible assets** — We annually evaluate our goodwill balances for impairment during our second fiscal quarter or more frequently as impairment indicators arise. We use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. These calculations are dependent on several subjective factors including the timing of future cash flows, future growth rates and the discount rate. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value.

Intangible assets are amortized over their useful lives of 10 years. These assets are reviewed for impairment as impairment indicators arise. When such events or circumstances are present, we assess the recoverability of long-lived assets by determining whether the carrying value will be recovered through the expected future cash flows. In the event the sum of the expected future cash flows resulting from the use of the asset is less than the carrying value of the asset, an impairment loss equal to the excess of the asset's carrying value over its fair value is recorded. No impairment has been recognized.

**Marketable securities** — As of September 30, 2013 and 2012, all of our marketable securities were classified as available-for-sale. In accordance with the authoritative accounting standards, these securities are reported at market value with unrealized gains and losses shown as a component of accumulated other comprehensive income (loss). We regularly evaluate the performance of these investments on an individual investment by investment basis for impairment, taking into consideration the fund's purpose, volatility and current returns. If a determination is made that a decline in fair value is other than temporary, the related investment is written down to its estimated fair value.

**Financial instruments and hedging activities** — We use financial instruments to mitigate commodity price risk in our natural gas distribution and nonregulated segments and interest rate risk. The objectives and strategies for using financial instruments have been tailored to our regulated and nonregulated businesses and are discussed in Note 12.

We record all of our financial instruments on the balance sheet at fair value, with changes in fair value ultimately recorded in the income statement. These financial instruments are reported as risk management assets and liabilities and are classified as current or noncurrent other assets or liabilities based upon the anticipated settlement date of the underlying financial instrument.

The timing of when changes in fair value of our financial instruments are recorded in the income statement depends on whether the financial instrument has been designated and qualifies as a part of a hedging relationship or if regulatory rulings require a different accounting treatment. Changes in fair value for financial instruments that do not meet one of these criteria are recognized in the income statement as they occur.

*Financial Instruments Associated with Commodity Price Risk*

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

In our natural gas distribution segment, the costs associated with and the gains and losses arising from the use of financial instruments to mitigate commodity price risk are included in our purchased gas cost adjustment mechanisms in accordance with regulatory requirements. Therefore, changes in the fair value of these financial instruments are initially recorded as a component of deferred gas costs and recognized in the consolidated statement of income as a component of purchased gas cost when the related costs are recovered through our rates and recognized in revenue in accordance with accounting principles generally accepted in the United States. Accordingly, there is no earnings impact on our natural gas distribution segment as a result of the use of financial instruments.

In our nonregulated segment, we have designated most of the natural gas inventory held by this operating segment as the hedged item in a fair-value hedge. This inventory is marked to market at the end of each month based on the Gas Daily index, with changes in fair value recognized as unrealized gains or losses in revenue in the period of change. The financial instruments associated with this natural gas inventory have been designated as fair-value hedges and are marked to market each month based upon the NYMEX price with changes in fair value recognized as unrealized gains or losses in revenue in the period of change. We have elected to exclude this spot/forward differential for purposes of assessing the effectiveness of these fair-value hedges.

Additionally, we have elected to treat fixed-price forward contracts used in our nonregulated segment to deliver natural gas as normal purchases and normal sales. As such, these deliveries are recorded on an accrual basis in accordance with our revenue recognition policy. Financial instruments used to mitigate the commodity price risk associated with these contracts have been designated as cash flow hedges of anticipated purchases and sales at indexed prices. Accordingly, unrealized gains and losses on these open financial instruments are recorded as a component of accumulated other comprehensive income, and are recognized in earnings as a component of revenue when the hedged volumes are sold.

Gains and losses from hedge ineffectiveness are recognized in the income statement. Fair value and cash flow hedge ineffectiveness arising from natural gas market price differences between the locations of the hedged inventory and the delivery location specified in the financial instruments is referred to as basis ineffectiveness. Ineffectiveness arising from changes in the fair value of the fair value hedges due to changes in the difference between the spot price and the futures price, as well as the difference between the timing of the settlement of the futures and the valuation of the underlying physical commodity is referred to as timing ineffectiveness. Hedge ineffectiveness, to the extent incurred, is reported as a component of revenue.

Our nonregulated segment also utilizes master netting agreements with significant counterparties that allow us to offset gains and losses arising from financial instruments that may be settled in cash with gains and losses arising from financial instruments that may be settled with the physical commodity. Assets and liabilities from risk management activities, as well as accounts receivable and payable, reflect the master netting agreements in place. Additionally, the accounting guidance for master netting arrangements requires us to include the fair value of cash collateral or the obligation to return cash in the amounts that have been netted under master netting agreements used to offset gains and losses arising from financial instruments. As of September 30, 2013 and 2012, the Company netted \$24.8 million and \$23.7 million of cash held in margin accounts into its current risk management assets and liabilities.

*Financial Instruments Associated with Interest Rate Risk*

We manage interest rate risk, typically when we plan to issue new long-term debt or to refinance existing long-term debt. Prior to fiscal 2012, we entered into Treasury lock agreements to fix the Treasury yield component of the interest cost associated with anticipated financings. We designated these Treasury lock agreements as cash flow hedges at the time the agreements were executed. Accordingly, unrealized gains and losses associated with the Treasury lock agreements were recorded as a component of accumulated other comprehensive income (loss). When the Treasury locks were settled, the realized gain or loss was recorded as a component of accumulated other comprehensive income (loss) and is being recognized as a component of interest expense over the life of the related financing arrangement.

During fiscal 2012, we began using interest rate swaps and forward starting interest rate swaps to mitigate interest rate risk. Unrealized gains and losses associated with the swaps are recorded as a component of accumulated other comprehensive income (loss). When the swaps settle, the realized gain or loss will be recorded as a component of accumulated other comprehensive income (loss) and recognized as a component of interest expense over the life of the related financing arrangement. Hedge ineffectiveness to the extent incurred will be reported as a component of interest expense.

**Fair Value Measurements** — We report certain assets and liabilities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). We primarily use quoted market prices and other observable market pricing information in valuing our financial assets and liabilities and minimize the use of unobservable pricing inputs in our measurements.

Fair-value estimates also consider our own creditworthiness and the creditworthiness of the counterparties involved. Our counterparties consist primarily of financial institutions and major energy companies. This concentration of counterparties may

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

materially impact our exposure to credit risk resulting from market, economic or regulatory conditions. We seek to minimize counterparty credit risk through an evaluation of their financial condition and credit ratings and the use of collateral requirements under certain circumstances.

Amounts reported at fair value are subject to potentially significant volatility based upon changes in market prices, including, but not limited to, the valuation of the portfolio of our contracts, maturity and settlement of these contracts and newly originated transactions and interest rates, each of which directly affect the estimated fair value of our financial instruments. We believe the market prices and models used to value these financial instruments represent the best information available with respect to closing exchange and over-the-counter quotations, time value and volatility factors underlying the contracts. Values are adjusted to reflect the potential impact of an orderly liquidation of our positions over a reasonable period of time under then current market conditions.

Authoritative accounting literature establishes a fair value hierarchy that prioritizes the inputs used to measure fair value based on observable and unobservable data. The hierarchy categorizes the inputs into three levels, with the highest priority given to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority given to unobservable inputs (Level 3). The levels of the hierarchy are described below:

**Level 1** — Represents unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is defined as a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Prices actively quoted on national exchanges are used to determine the fair value of most of our assets and liabilities recorded on our balance sheet at fair value. Within our nonregulated operations, we utilize a mid-market pricing convention (the mid-point between the bid and ask prices), as permitted under current accounting standards. Values derived from these sources reflect the market in which transactions involving these financial instruments are executed.

Our Level 1 measurements consist primarily of exchange-traded financial instruments, gas stored underground that has been designated as the hedged item in a fair value hedge and our available-for-sale securities. The Level 1 measurements for investments in our Master Trust, Supplemental Executive Benefit Plan and postretirement benefit plan consist primarily of exchange-traded financial instruments.

**Level 2** — Represents pricing inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the asset or liability as of the reporting date. These inputs are derived principally from, or corroborated by, observable market data. Our Level 2 measurements primarily consist of non-exchange-traded financial instruments, such as over-the-counter options and swaps and municipal and corporate bonds where market data for pricing is observable. The Level 2 measurements for investments in our Master Trust, Supplemental Executive Benefit Plan and postretirement benefit plan consist primarily of non-exchange traded financial instruments such as common collective trusts and investments in limited partnerships.

**Level 3** — Represents generally unobservable pricing inputs which are developed based on the best information available, including our own internal data, in situations where there is little if any market activity for the asset or liability at the measurement date. The pricing inputs utilized reflect what a market participant would use to determine fair value. We utilize models and other valuation methods to determine fair value when external sources are not available. We believe the market prices and models used to value these assets and liabilities represent the best information available with respect to closing exchange and over-the-counter quotations, time value and volatility factors underlying the assets and liabilities.

As of September 30, 2013 our Master Trust owned one real estate investment with a value less than \$0.2 million that qualifies as a Level 3 fair value measurement. The valuation technique used was a real estate appraisal obtained from an independent third party that consisted of several unobservable inputs such as comparable land and building sales values per square foot. Currently, we have no other assets or liabilities recorded at fair value that would qualify for Level 3 reporting.

**Pension and other postretirement plans** — Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected return on plan assets, assumed discount rates and current demographic and actuarial mortality data. Our measurement date is September 30. The assumed discount rate and the expected return are the assumptions that generally have the most significant impact on our pension costs and liabilities. The assumed discount rate, the assumed health care cost trend rate and assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities.

The discount rate is utilized principally in calculating the actuarial present value of our pension and postretirement obligation and net pension and postretirement cost. When establishing our discount rate, we consider high quality corporate bond rates based on bonds available in the marketplace that are suitable for settling the obligations, changes in those rates from the prior year and the implied discount rate that is derived from matching our projected benefit disbursements with currently available high quality corporate bonds.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The expected long-term rate of return on assets is utilized in calculating the expected return on plan assets component of the annual pension and postretirement plan cost. We estimate the expected return on plan assets by evaluating expected bond returns, equity risk premiums, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rate of return on assets. To the extent the actual rate of return on assets realized over the course of a year is greater than or less than the assumed rate, that year's annual pension or postretirement plan cost is not affected. Rather, this gain or loss reduces or increases future pension or postretirement plan costs over a period of approximately ten to twelve years.

The market-related value of our plan assets represents the fair market value of the plan assets, adjusted to smooth out short-term market fluctuations over a five-year period. The use of this calculation will delay the impact of current market fluctuations on the pension expense for the period.

We estimate the assumed health care cost trend rate used in determining our annual postretirement net cost based upon our actual health care cost experience, the effects of recently enacted legislation and general economic conditions. Our assumed rate of retirement is estimated based upon the annual review of our participant census information as of the measurement date.

**Income taxes** — Income taxes are determined based on the liability method, which results in income tax assets and liabilities arising from temporary differences. Temporary differences are differences between the tax bases of assets and liabilities and their reported amounts in the financial statements that will result in taxable or deductible amounts in future years. The liability method requires the effect of tax rate changes on current and accumulated deferred income taxes to be reflected in the period in which the rate change was enacted. The liability method also requires that deferred tax assets be reduced by a valuation allowance unless it is more likely than not that the assets will be realized.

The Company may recognize the tax benefit from uncertain tax positions only if it is at least more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon settlement with the taxing authorities. We recognize accrued interest related to unrecognized tax benefits as a component of interest expense. We recognize penalties related to unrecognized tax benefits as a component of miscellaneous income (expense) in accordance with regulatory requirements.

**Contingencies** — In the normal course of business, we are confronted with issues or events that may result in a contingent liability. These generally relate to lawsuits, claims made by third parties or the action of various regulatory agencies. For such matters, we record liabilities when they are considered probable and reasonably estimable, based on currently available facts and our estimates of the ultimate outcome or resolution of the liability in the future. Actual results may differ from estimates, depending on actual outcomes or changes in the facts or expectations surrounding each potential exposure.

**Subsequent events** — Except as disclosed in Note 6 concerning the October 2, 2013 payment from our Supplemental Executive Benefits Plan related to the retirement of one of our executives, no events occurred subsequent to the balance sheet date that would require recognition or disclosure in the financial statements.

**Recent accounting pronouncements** — During the year ended September 30, 2013, two new accounting standards were announced that will become applicable to the Company in future periods. The first standard clarifies the enhanced disclosure of offsetting arrangements for financial instruments that will become effective for us for annual and interim periods beginning on October 1, 2013. The adoption of this standard should not have an impact on our financial position, results of operations or cash flows. The second standard changes the presentation requirements for an unrecognized tax benefit if a net operating loss carryforward or tax credit carryforward exists, which will become effective for us for annual and interim periods beginning on October 1, 2014. The adoption of this standard should not have a material impact on our financial position, results of operations or cash flows.

Beginning in our first fiscal quarter, we have presented a single statement of other comprehensive income, due to an accounting pronouncement that became effective for us on October 1, 2012. Additionally, a standard that became effective during our second fiscal quarter requires the presentation of amounts reclassified out of accumulated other comprehensive income by component as well as significant amounts reclassified out of accumulated other comprehensive income by the respective line item in the statement of net income. We have presented the disclosures relating to reclassifications out of accumulated other comprehensive income in Note 13. The adoption of these standards did not have an impact on our financial position, results of operations or cash flows. There were no other significant changes to our accounting policies during the year ended September 30, 2013.

### 3. Segment Information

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Atmos Energy Corporation and its subsidiaries are engaged primarily in the regulated natural gas distribution, transmission and storage business as well as other nonregulated businesses. We distribute natural gas through sales and transportation arrangements to over three million residential, commercial, public authority and industrial customers through our six regulated natural gas distribution divisions, which cover service areas located in eight states. In addition, we transport natural gas for others through our distribution system.

Through our nonregulated business, we provide natural gas management and transportation services to municipalities, natural gas distribution companies, including certain divisions of Atmos Energy and third parties.

We operate the Company through the following three segments:

- The *natural gas distribution segment*, includes our regulated natural gas distribution and related sales operations.
- The *regulated transmission and storage segment*, includes the regulated pipeline and storage operations of our Atmos Pipeline — Texas Division.
- The *nonregulated segment*, is comprised of our nonregulated natural gas management, nonregulated natural gas transmission, storage and other services.

Our determination of reportable segments considers the strategic operating units under which we manage sales of various products and services to customers in differing regulatory environments. Although our natural gas distribution segment operations are geographically dispersed, they are reported as a single segment as each natural gas distribution division has similar economic characteristics. The accounting policies of the segments are the same as those described in the summary of significant accounting policies. We evaluate performance based on net income or loss of the respective operating units. Interest expense is allocated pro rata to each segment based upon our net investment in each segment. Income taxes are allocated to each segment as if each segment's taxes were calculated on a separate return basis.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Summarized income statements and capital expenditures by segment are shown in the following tables.

	Year Ended September 30, 2013				
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Eliminations	Consolidated
	(In thousands)				
Operating revenues from external parties .....	\$ 2,394,418	\$ 89,011	\$ 1,402,828	\$ —	\$ 3,886,257
Intersegment revenues .....	5,075	179,889	195,883	(380,847)	—
	2,399,493	268,900	1,598,711	(380,847)	3,886,257
Purchased gas cost .....	1,318,257	—	1,535,380	(379,430)	2,474,207
Gross profit .....	1,081,236	268,900	63,331	(1,417)	1,412,050
Operating expenses					
Operation and maintenance .....	375,188	76,686	37,569	(1,423)	488,020
Depreciation and amortization .....	195,581	35,302	4,196	—	235,079
Taxes, other than income .....	167,374	17,059	2,639	—	187,072
Total operating expenses .....	738,143	129,047	44,404	(1,423)	910,171
Operating income .....	343,093	139,853	18,927	6	501,879
Miscellaneous income (expense) .....	2,535	(2,285)	2,316	(2,763)	(197)
Interest charges .....	98,296	30,678	2,168	(2,757)	128,385
Income from continuing operations before income taxes .....	247,332	106,890	19,075	—	373,297
Income tax expense .....	96,476	38,630	7,493	—	142,599
Income from continuing operations .....	150,856	68,260	11,582	—	230,698
Income from discontinued operations, net of tax .....	7,202	—	—	—	7,202
Gain (loss) on sale of discontinued operations, net of tax .....	5,649	—	(355)	—	5,294
Net income .....	<u>\$ 163,707</u>	<u>\$ 68,260</u>	<u>\$ 11,227</u>	<u>\$ —</u>	<u>\$ 243,194</u>
Capital expenditures .....	<u>\$ 528,599</u>	<u>\$ 313,230</u>	<u>\$ 3,204</u>	<u>\$ —</u>	<u>\$ 845,033</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Year Ended September 30, 2012

	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Eliminations	Consolidated
	(In thousands)				
Operating revenues from external parties .....	\$ 2,144,376	\$ 92,604	\$ 1,201,503	\$ —	\$ 3,438,483
Intersegment revenues .....	954	154,747	149,800	(305,501)	—
	2,145,330	247,351	1,351,303	(305,501)	3,438,483
Purchased gas cost .....	1,122,587	—	1,296,179	(304,022)	2,114,744
Gross profit .....	1,022,743	247,351	55,124	(1,479)	1,323,739
Operating expenses					
Operation and maintenance .....	353,879	71,521	29,697	(1,484)	453,613
Depreciation and amortization .....	202,026	31,438	4,061	—	237,525
Taxes, other than income .....	162,377	15,568	3,128	—	181,073
Asset impairments .....	—	—	5,288	—	5,288
Total operating expenses .....	718,282	118,527	42,174	(1,484)	877,499
Operating income .....	304,461	128,824	12,950	5	446,240
Miscellaneous income (expense) .....	(12,657)	(1,051)	1,035	(1,971)	(14,644)
Interest charges .....	110,642	29,414	3,084	(1,966)	141,174
Income from continuing operations before income taxes .....	181,162	98,359	10,901	—	290,422
Income tax expense .....	57,314	35,300	5,612	—	98,226
Income from continuing operations .....	123,848	63,059	5,289	—	192,196
Income from discontinued operations, net of tax .....	18,172	—	—	—	18,172
Gain on sale of discontinued operations, net of tax ...	6,349	—	—	—	6,349
Net income .....	\$ 148,369	\$ 63,059	\$ 5,289	\$ —	\$ 216,717
Capital expenditures .....	\$ 546,818	\$ 175,768	\$ 10,272	\$ —	\$ 732,858

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Year Ended September 30, 2011				
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Eliminations	Consolidated
	(In thousands)				
Operating revenues from external parties .....	\$ 2,469,781	\$ 87,141	\$ 1,729,513	\$ —	\$ 4,286,435
Intersegment revenues .....	883	132,232	295,380	(428,495)	—
	2,470,664	219,373	2,024,893	(428,495)	4,286,435
Purchased gas cost .....	1,452,721	—	1,959,893	(426,999)	2,985,615
Gross profit .....	1,017,943	219,373	65,000	(1,496)	1,300,820
Operating expenses					
Operation and maintenance .....	341,758	70,401	32,308	(1,502)	442,965
Depreciation and amortization .....	193,642	25,997	4,193	—	223,832
Taxes, other than income .....	160,455	14,700	2,612	—	177,767
Asset impairments .....	—	—	30,270	—	30,270
Total operating expenses .....	695,855	111,098	69,383	(1,502)	874,834
Operating income (loss) .....	322,088	108,275	(4,383)	6	425,986
Miscellaneous income .....	16,242	4,715	657	(430)	21,184
Interest charges .....	115,740	31,432	4,015	(424)	150,763
Income (loss) from continuing operations before income taxes .....	222,590	81,558	(7,741)	—	296,407
Income tax expense (benefit) .....	77,885	29,143	(209)	—	106,819
Income (loss) from continuing operations .....	144,705	52,415	(7,532)	—	189,588
Income from discontinued operations, net of tax .....	18,013	—	—	—	18,013
Net income (loss) .....	\$ 162,718	\$ 52,415	\$ (7,532)	\$ —	\$ 207,601
Capital expenditures .....	\$ 496,899	\$ 118,452	\$ 7,614	\$ —	\$ 622,965

The following table summarizes our revenues by products and services for the fiscal year ended September 30.

	2013	2012	2011
	(In thousands)		
Natural gas distribution revenues:			
Gas sales revenues:			
Residential .....	\$ 1,512,495	\$ 1,351,479	\$ 1,535,887
Commercial .....	661,930	587,651	685,380
Industrial .....	81,155	71,960	96,636
Public authority and other .....	60,557	54,334	68,676
Total gas sales revenues .....	2,316,137	2,065,424	2,386,579
Transportation revenues .....	55,938	53,924	57,331
Other gas revenues .....	22,343	25,028	25,871
Total natural gas distribution revenues .....	2,394,418	2,144,376	2,469,781
Regulated transmission and storage revenues .....	89,011	92,604	87,141
Nonregulated revenues .....	1,402,828	1,201,503	1,729,513
Total operating revenues .....	\$ 3,886,257	\$ 3,438,483	\$ 4,286,435



**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Balance sheet information at September 30, 2013 and 2012 by segment is presented in the following tables.

	September 30, 2013				
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated  (In thousands)	Eliminations	Consolidated
<b>ASSETS</b>					
Property, plant and equipment, net.....	\$ 4,719,873	\$ 1,249,767	\$ 61,015	\$ —	\$ 6,030,655
Investment in subsidiaries .....	831,136	—	(2,096)	(829,040)	—
Current assets					
Cash and cash equivalents .....	4,237	—	61,962	—	66,199
Assets from risk management activities .....	1,837	—	16,262	—	18,099
Other current assets.....	428,366	11,709	452,126	(293,233)	598,968
Intercompany receivables .....	783,738	—	—	(783,738)	—
Total current assets.....	1,218,178	11,709	530,350	(1,076,971)	683,266
Intangible assets .....	—	—	121	—	121
Goodwill.....	574,190	132,462	34,711	—	741,363
Noncurrent assets from risk management activities...	109,354	—	—	—	109,354
Deferred charges and other assets .....	347,687	19,227	8,728	—	375,642
	<u>\$ 7,800,418</u>	<u>\$ 1,413,165</u>	<u>\$ 632,829</u>	<u>\$(1,906,011)</u>	<u>\$ 7,940,401</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
Shareholders' equity.....	\$ 2,580,409	\$ 396,421	\$ 434,715	\$ (831,136)	\$ 2,580,409
Long-term debt.....	2,455,671	—	—	—	2,455,671
Total capitalization.....	5,036,080	396,421	434,715	(831,136)	5,036,080
Current liabilities					
Current maturities of long-term debt .....	—	—	—	—	—
Short-term debt .....	645,984	—	—	(278,000)	367,984
Liabilities from risk management activities.....	1,543	—	—	—	1,543
Other current liabilities .....	491,681	20,288	110,306	(13,316)	608,959
Intercompany payables .....	—	712,768	70,970	(783,738)	—
Total current liabilities .....	1,139,208	733,056	181,276	(1,075,054)	978,486
Deferred income taxes.....	871,360	283,554	8,960	179	1,164,053
Noncurrent liabilities from risk management activities .....	—	—	6,133	—	6,133
Regulatory cost of removal obligation .....	359,299	—	—	—	359,299
Pension and postretirement liabilities .....	358,787	—	—	—	358,787
Deferred credits and other liabilities .....	35,684	134	1,745	—	37,563
	<u>\$ 7,800,418</u>	<u>\$ 1,413,165</u>	<u>\$ 632,829</u>	<u>\$(1,906,011)</u>	<u>\$ 7,940,401</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	September 30, 2012				
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Eliminations	Consolidated
	(In thousands)				
<b>ASSETS</b>					
Property, plant and equipment, net.....	\$ 4,432,017	\$ 979,443	\$ 64,144	\$ —	\$ 5,475,604
Investment in subsidiaries.....	747,496	—	(2,096)	(745,400)	—
<b>Current assets</b>					
Cash and cash equivalents.....	12,787	—	51,452	—	64,239
Assets from risk management activities.....	6,934	—	17,773	—	24,707
Other current assets.....	546,187	11,788	404,097	(223,056)	739,016
Intercompany receivables.....	636,557	—	—	(636,557)	—
Total current assets.....	1,202,465	11,788	473,322	(859,613)	827,962
Intangible assets.....	—	—	164	—	164
Goodwill.....	573,550	132,422	34,711	—	740,683
Noncurrent assets from risk management activities..	2,283	—	—	—	2,283
Deferred charges and other assets.....	417,893	24,353	6,733	—	448,979
	<u>\$ 7,375,704</u>	<u>\$ 1,148,006</u>	<u>\$ 576,978</u>	<u>\$ (1,605,013)</u>	<u>\$ 7,495,675</u>
<b>CAPITALIZATION AND LIABILITIES</b>					
Shareholders' equity.....	\$ 2,359,243	\$ 328,161	\$ 419,335	\$ (747,496)	\$ 2,359,243
Long-term debt.....	1,956,305	—	—	—	1,956,305
Total capitalization.....	4,315,548	328,161	419,335	(747,496)	4,315,548
<b>Current liabilities</b>					
Current maturities of long-term debt.....	—	—	131	—	131
Short-term debt.....	782,719	—	—	(211,790)	570,929
Liabilities from risk management activities.....	85,366	—	15	—	85,381
Other current liabilities.....	526,089	12,478	90,116	(9,170)	619,513
Intercompany payables.....	—	584,578	51,979	(636,557)	—
Total current liabilities.....	1,394,174	597,056	142,241	(857,517)	1,275,954
Deferred income taxes.....	789,288	220,647	5,148	—	1,015,083
<b>Noncurrent liabilities from risk management activities</b>					
Regulatory cost of removal obligation.....	381,164	—	—	—	381,164
Pension and postretirement liabilities.....	457,196	—	—	—	457,196
Deferred credits and other liabilities.....	38,334	2,142	1,048	—	41,524
	<u>\$ 7,375,704</u>	<u>\$ 1,148,006</u>	<u>\$ 576,978</u>	<u>\$ (1,605,013)</u>	<u>\$ 7,495,675</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**4. Earnings Per Share**

Since we have non-vested share-based payments with a nonforfeitable right to dividends or dividend equivalents (referred to as participating securities), we are required to use the two-class method of computing earnings per share. The Company's non-vested restricted stock units, granted under the 1998 Long-Term Incentive Plan, for which vesting is predicated solely on the passage of time, are considered to be participating securities. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

Basic and diluted earnings per share for the fiscal years ended September 30 are calculated as follows:

	2013	2012	2011
	(In thousands, except per share data)		
<b>Basic Earnings Per Share from continuing operations</b>			
Income from continuing operations.....	\$ 230,698	\$ 192,196	\$ 189,588
Less: Income from continuing operations allocated to participating securities .....	775	793	1,980
Income from continuing operations available to common shareholders .....	<u>\$ 229,923</u>	<u>\$ 191,403</u>	<u>\$ 187,608</u>
Basic weighted average shares outstanding.....	<u>90,533</u>	<u>90,150</u>	<u>90,201</u>
Income from continuing operations per share — Basic .....	<u>\$ 2.54</u>	<u>\$ 2.12</u>	<u>\$ 2.08</u>
<b>Basic Earnings Per Share from discontinued operations</b>			
Income from discontinued operations .....	\$ 12,496	\$ 24,521	\$ 18,013
Less: Income from discontinued operations allocated to participating securities .....	42	101	188
Income from discontinued operations available to common shareholders.....	<u>\$ 12,454</u>	<u>\$ 24,420</u>	<u>\$ 17,825</u>
Basic weighted average shares outstanding.....	<u>90,533</u>	<u>90,150</u>	<u>90,201</u>
Income from discontinued operations per share — Basic .....	<u>\$ 0.14</u>	<u>\$ 0.27</u>	<u>\$ 0.20</u>
Net income per share — Basic .....	<u>\$ 2.68</u>	<u>\$ 2.39</u>	<u>\$ 2.28</u>
<b>Diluted Earnings Per Share from continuing operations</b>			
Income from continuing operations available to common shareholders .....	\$ 229,923	\$ 191,403	\$ 187,608
Effect of dilutive stock options and other shares.....	5	4	4
Income from continuing operations available to common shareholders .....	<u>\$ 229,928</u>	<u>\$ 191,407</u>	<u>\$ 187,612</u>
Basic weighted average shares outstanding.....	<u>90,533</u>	<u>90,150</u>	<u>90,201</u>
Additional dilutive stock options and other shares.....	1,178	1,022	451
Diluted weighted average shares outstanding.....	<u>91,711</u>	<u>91,172</u>	<u>90,652</u>
Income from continuing operations per share — Diluted .....	<u>\$ 2.50</u>	<u>\$ 2.10</u>	<u>\$ 2.07</u>
<b>Diluted Earnings Per Share from discontinued operations</b>			
Income from discontinued operations available to common shareholders.....	\$ 12,454	\$ 24,420	\$ 17,825
Effect of dilutive stock options and other shares.....	—	—	—
Income from discontinued operations available to common shareholders.....	<u>\$ 12,454</u>	<u>\$ 24,420</u>	<u>\$ 17,825</u>
Basic weighted average shares outstanding.....	<u>90,533</u>	<u>90,150</u>	<u>90,201</u>
Additional dilutive stock options and other shares.....	1,178	1,022	451
Diluted weighted average shares outstanding.....	<u>91,711</u>	<u>91,172</u>	<u>90,652</u>
Income from discontinued operations per share — Diluted .....	<u>\$ 0.14</u>	<u>\$ 0.27</u>	<u>\$ 0.20</u>
Net income per share — Diluted .....	<u>\$ 2.64</u>	<u>\$ 2.37</u>	<u>\$ 2.27</u>

There were no out-of-the-money options excluded from the computation of diluted earnings per share for the fiscal years ended September 30, 2013, 2012 and 2011.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**5. Debt***Long-term debt*

Long-term debt at September 30, 2013 and 2012 consisted of the following:

	2013	2012
	(In thousands)	
Unsecured 4.95% Senior Notes, due October 2014 .....	\$ 500,000	\$ 500,000
Unsecured 6.35% Senior Notes, due 2017 .....	250,000	250,000
Unsecured 8.50% Senior Notes, due 2019 .....	450,000	450,000
Unsecured 5.95% Senior Notes, due 2034 .....	200,000	200,000
Unsecured 5.50% Senior Notes, due 2041 .....	400,000	400,000
Unsecured 4.15% Senior Notes, due 2043 .....	500,000	—
Medium term Series A notes, 1995-1, 6.67%, due 2025 .....	10,000	10,000
Unsecured 6.75% Debentures, due 2028 .....	150,000	150,000
Rental property term notes due in installments through 2013 .....	—	131
Total long-term debt .....	<u>2,460,000</u>	<u>1,960,131</u>
Less:		
Original issue discount on unsecured senior notes and debentures .....	4,329	3,695
Current maturities .....	—	131
	<u>\$ 2,455,671</u>	<u>\$ 1,956,305</u>

We issued \$500 million Unsecured 4.15% Senior Notes on January 11, 2013. The effective rate of these notes is 4.67%, after giving effect to offering costs and the settlement of the associated Treasury lock agreements discussed in Note 12. Of the net proceeds of approximately \$494 million, \$234 million was used to partially repay our commercial paper borrowings and for general corporate purposes. The remaining \$260 million was used to repay a short-term financing facility that was scheduled to mature on February 1, 2013. This facility was executed on September 27, 2012, with interest rates at a LIBOR based rate plus a company specific spread, to repay commercial paper borrowings that were used to redeem our \$250 million Unsecured 5.125% Senior Notes were scheduled to mature in January 2013.

*Short-term debt*

Our short-term debt is utilized to fund ongoing working capital needs, such as our seasonal requirements for gas supply, general corporate liquidity and capital expenditures. Our short-term borrowings typically reach their highest levels in the winter months.

We currently finance our short-term borrowing requirements through a combination of a \$950 million commercial paper program, four committed revolving credit facilities and one uncommitted revolving credit facility, with a total availability from third-party lenders of approximately \$1 billion of working capital funding. At September 30, 2013 and 2012, there was \$368.0 million and \$310.9 million outstanding under our commercial paper program with weighted average interest rates of 0.25% and 0.48%, with average maturities of less than one month. We also use intercompany credit facilities to supplement the funding provided by these third-party committed credit facilities. These facilities are described in greater detail below.

*Regulated Operations*

We fund our regulated operations as needed, primarily through our commercial paper program and three committed revolving credit facilities with third-party lenders that provide approximately \$985 million of working capital funding. The first facility is a five-year unsecured facility that was amended on December 7, 2012 to increase the borrowing capacity from \$750 million to \$950 million with an accordion feature, which, if utilized would increase the borrowing capacity to \$1.2 billion. On August 22, 2013 the terms of the facility were amended to extend the expiration date from May 2016 to August 2018. The credit facility bears interest at a base rate or at a LIBOR-based rate for the applicable interest period, plus a spread ranging from zero percent to two percent, based on the Company's credit ratings. This credit facility serves as a backup liquidity facility for our commercial paper program. At September 30, 2013, there were no borrowings under this facility, but we had \$368.0 million of commercial paper outstanding leaving \$582.0 million available.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The second facility is a \$25 million unsecured facility that bears interest at a daily negotiated rate, generally based on the Federal Funds rate plus a variable margin. This facility was renewed on April 1, 2013. At September 30, 2013, there were no borrowings outstanding under this facility.

The third facility which was renewed on September 30, 2013 for \$10 million is a committed revolving credit facility used primarily to issue letters of credit that bears interest at a LIBOR-based rate plus 1.5 percent. At September 30, 2013, there were no borrowings outstanding under this credit facility; however, letters of credit totaling \$5.9 million had been issued under the facility at September 30, 2013, which reduced the amount available by a corresponding amount.

The availability of funds under these credit facilities is subject to conditions specified in the respective credit agreements, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in these agreements. We are required by the financial covenants in each of these facilities to maintain, at the end of each fiscal quarter, a ratio of total debt to total capitalization of no greater than 70 percent. At September 30, 2013, our total-debt-to-total-capitalization ratio, as defined, was 54 percent. In addition, both the interest margin over the Eurodollar rate and the fee that we pay on unused amounts under each of these facilities are subject to adjustment depending upon our credit ratings.

In addition to these third-party facilities, our regulated operations have a \$500 million intercompany revolving credit facility with AEH. This facility bears interest at the lower of (i) the Eurodollar rate under the five-year revolving credit facility or (ii) the lowest rate outstanding under the commercial paper program. Applicable state regulatory commissions have approved our use of this facility through December 31, 2013. There was \$278.0 million outstanding under this facility at September 30, 2013.

#### *Nonregulated Operations*

Prior to December 5, 2012, Atmos Energy Marketing, LLC (AEM), which is wholly-owned by AEH, had a three-year \$200 million committed revolving credit facility, expiring in December 2014, with a syndicate of third-party lenders with an accordion feature that could increase AEM's borrowing capacity to \$500 million. The credit facility was primarily used to issue letters of credit and, on a less frequent basis, to borrow funds for gas purchases and other working capital needs. This facility was collateralized by substantially all of the assets of AEM and was guaranteed by AEH. AEM terminated the committed revolving credit facility on December 5, 2012, to reduce external credit expense. AEM incurred no penalties in connection with the termination. This facility was replaced with two \$25 million, 364-day bilateral credit facilities, one of which is a committed facility. These facilities are used primarily to issue letters of credit. Due to outstanding letters of credit, the total amount available to us under these bilateral credit facilities was \$37.4 million at September 30, 2013.

AEH has a \$500 million intercompany demand credit facility with AEC. This facility bears interest at a rate equal to the greater of (i) the one-month LIBOR rate plus 3.00 percent or (ii) the rate for AEM's borrowings under its committed line of credit facility plus 0.75 percent. Applicable state regulatory commissions have approved our use of this facility through December 31, 2013. There were no borrowings outstanding under this facility at September 30, 2013.

#### *Shelf Registration*

On March 28, 2013, we filed a registration statement with the Securities and Exchange Commission (SEC) to issue, from time to time, up to \$1.75 billion in common stock and/or debt securities available for issuance, which replaced our registration statement that expired on March 31, 2013. As of September 30, 2013, \$1.75 billion was available under the shelf registration statement.

#### *Debt Covenants*

In addition to the financial covenants described above, our credit facilities and public indentures contain usual and customary covenants for our business, including covenants substantially limiting liens, substantial asset sales and mergers.

Additionally, our public debt indentures relating to our senior notes and debentures, as well as our revolving credit agreements, each contain a default provision that is triggered if outstanding indebtedness arising out of any other credit agreements in amounts ranging from in excess of \$15 million to in excess of \$100 million becomes due by acceleration or is not paid at maturity.

We were in compliance with all of our debt covenants as of September 30, 2013. If we were unable to comply with our debt covenants, we would likely be required to repay our outstanding balances on demand, provide additional collateral or take other corrective actions.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Maturities of long-term debt at September 30, 2013 were as follows (in thousands):

2014.....	\$	—
2015.....		500,000
2016.....		—
2017.....		250,000
2018.....		—
Thereafter.....		1,710,000
	<u>\$</u>	<u>2,460,000</u>

## 6. Retirement and Post-Retirement Employee Benefit Plans

We have both funded and unfunded noncontributory defined benefit plans that together cover most of our employees. We also maintain post-retirement plans that provide health care benefits to retired employees. Finally, we sponsor defined contribution plans that cover substantially all employees. These plans are discussed in further detail below.

As a rate regulated entity, we generally recover our pension costs in our rates over a period of up to 15 years. The amounts that have not yet been recognized in net periodic pension cost that have been recorded as regulatory assets are as follows:

	Defined Benefits Plans	Supplemental Executive Retirement Plans	Postretirement Plans	Total
	(In thousands)			
<b>September 30, 2013</b>				
Unrecognized transition obligation .....	\$ —	\$ —	\$ 628	\$ 628
Unrecognized prior service credit .....	(91)	—	(5,961)	(6,052)
Unrecognized actuarial loss .....	108,621	31,466	35,961	176,048
	<u>\$ 108,530</u>	<u>\$ 31,466</u>	<u>\$ 30,628</u>	<u>\$ 170,624</u>
<b>September 30, 2012</b>				
Unrecognized transition obligation .....	\$ —	\$ —	\$ 1,709	\$ 1,709
Unrecognized prior service credit .....	(232)	—	(7,411)	(7,643)
Unrecognized actuarial loss .....	187,050	43,995	63,402	294,447
	<u>\$ 186,818</u>	<u>\$ 43,995</u>	<u>\$ 57,700</u>	<u>\$ 288,513</u>

### *Defined Benefit Plans*

#### *Employee Pension Plans*

As of September 30, 2013, we maintained two defined benefit plans: the Atmos Energy Corporation Pension Account Plan (the Plan) and the Atmos Energy Corporation Retirement Plan for Mississippi Valley Gas Union Employees (the Union Plan) (collectively referred to as the Plans). The assets of the Plans are held within the Atmos Energy Corporation Master Retirement Trust (the Master Trust).

The Plan is a cash balance pension plan that was established effective January 1999 and covers most of the employees of Atmos Energy's regulated operations. Opening account balances were established for participants as of January 1999 equal to the present value of their respective accrued benefits under the pension plans which were previously in effect as of December 31, 1998. The Plan credits an allocation to each participant's account at the end of each year according to a formula based on the participant's age, service and total pay (excluding incentive pay).

The Plan also provides for an additional annual allocation based upon a participant's age as of January 1, 1999 for those participants who were participants in the prior pension plans. The Plan credited this additional allocation each year through December 31, 2008. In addition, at the end of each year, a participant's account is credited with interest on the employee's prior year account balance. A special grandfather benefit also applied through December 31, 2008, for participants who were at least age 50 as of January 1, 1999 and who were participants in one of the prior plans on December 31, 1998. Participants are fully vested in their account balances after three years of service and may choose to receive their account balances as a lump sum or an annuity. In August 2010, the Board of Directors of Atmos Energy approved a proposal to close the Plan to new participants effective October 1, 2010. Additionally, employees participating in the Plan as of October 1, 2010 were allowed to make a one-time election to migrate from the Plan into our defined contribution plan, which was enhanced, effective January 1, 2011.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The Union Plan is a defined benefit plan that covers substantially all full-time union employees in our Mississippi Division. Under this plan, benefits are based upon years of benefit service and average final earnings. Participants vest in the plan after five years and will receive their benefit in an annuity.

Generally, our funding policy is to contribute annually an amount in accordance with the requirements of the Employee Retirement Income Security Act of 1974, including the funding requirements under the Pension Protection Act of 2006 (PPA). However, additional voluntary contributions are made from time to time as considered necessary. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future.

During fiscal 2013 and 2012 we contributed \$32.7 million and \$46.5 million in cash to the Plans to achieve a desired level of funding while maximizing the tax deductibility of this payment. Based upon market conditions subsequent to September 30, 2013, the current funded position of the Plans and the new funding requirements under the PPA, we anticipate contributing between \$15 million and \$25 million to the Plans in fiscal 2014. Further, we will consider whether an additional voluntary contribution is prudent to maintain certain PPA funding thresholds.

We manage the Master Trust's assets with the objective of achieving a rate of return net of inflation of approximately four percent per year. We make investment decisions and evaluate performance on a medium-term horizon of at least three to five years. We also consider our current financial status when making recommendations and decisions regarding the Master Trust's assets. Finally, we strive to ensure the Master Trust's assets are appropriately invested to maintain an acceptable level of risk and meet the Master Trust's long-term asset investment policy adopted by the Board of Directors.

To achieve these objectives, we invest the Master Trust's assets in equity securities, fixed income securities, interests in commingled pension trust funds, other investment assets and cash and cash equivalents. Investments in equity securities are diversified among the market's various subsectors in an effort to diversify risk and maximize returns. Fixed income securities are invested in investment grade securities. Cash equivalents are invested in securities that either are short term (less than 180 days) or readily convertible to cash with modest risk.

The following table presents asset allocation information for the Master Trust as of September 30, 2013 and 2012.

Security Class	Targeted Allocation Range	Actual Allocation September 30	
		2013	2012
Domestic equities .....	35%-55%	46.5%	42.6%
International equities .....	10%-20%	16.1%	13.9%
Fixed income .....	10%-30%	14.9%	18.6%
Company stock .....	5%-15%	12.6%	12.0%
Other assets.....	5%-15%	9.9%	12.9%

At September 30, 2013 and 2012, the Plan held 1,169,700 shares of our common stock, which represented 12.6 percent and 12.0 percent of total Master Trust assets. These shares generated dividend income for the Plan of approximately \$1.6 million and \$1.6 million during fiscal 2013 and 2012.

**ATMOS ENERGY CORPORATION**  
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Our employee pension plan expenses and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected return on plan assets and assumed discount rates and demographic data. We review the estimates and assumptions underlying our employee pension plans annually based upon a September 30 measurement date. The development of our assumptions is fully described in our significant accounting policies in Note 2. The actuarial assumptions used to determine the pension liability for the Plans were determined as of September 30, 2013 and 2012 and the actuarial assumptions used to determine the net periodic pension cost for the Plans were determined as of September 30, 2012, 2011 and 2010. These assumptions are presented in the following table:

	Pension Liability		Pension Cost		
	2013	2012	2013	2012	2011
Discount rate .....	4.95%	4.04%	4.04%	5.05%	5.39% <sup>(1)</sup>
Rate of compensation increase.....	3.50%	3.50%	3.50%	3.50%	4.00%
Expected return on plan assets .....	7.25%	7.75%	7.75%	7.75%	8.25%

<sup>(1)</sup> The discount rate for the Pension Account Plan increased from 5.39% to 5.68% effective January 1, 2011 due to a curtailment gain recorded in fiscal 2011.

The following table presents the Plans' accumulated benefit obligation, projected benefit obligation and funded status as of September 30, 2013 and 2012:

	2013		2012	
	(In thousands)			
<b>Accumulated benefit obligation</b> .....	\$	446,133	\$	468,440
<b>Change in projected benefit obligation:</b>				
Benefit obligation at beginning of year .....	\$	480,031	\$	429,432
Service cost.....		17,754		15,084
Interest cost.....		19,334		21,568
Actuarial (gain) loss .....		(29,822)		46,197
Benefits paid .....		(25,073)		(24,553)
Divestitures.....		(6,425)		(7,697)
Benefit obligation at end of year .....		455,799		480,031
<b>Change in plan assets:</b>				
Fair value of plan assets at beginning of year .....		343,144		280,204
Actual return on plan assets.....		52,496		48,656
Employer contributions .....		32,745		46,534
Benefits paid .....		(25,073)		(24,553)
Divestitures.....		(6,425)		(7,697)
Fair value of plan assets at end of year.....		396,887		343,144
<b>Reconciliation:</b>				
Funded status .....		(58,912)		(136,887)
Unrecognized prior service cost.....		—		—
Unrecognized net loss .....		—		—
Net amount recognized .....	\$	(58,912)	\$	(136,887)



**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Net periodic pension cost for the Plans for fiscal 2013, 2012 and 2011 is recorded as operating expense and included the following components:

	Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Components of net periodic pension cost:			
Service cost.....	\$ 17,754	\$ 15,084	\$ 14,384
Interest cost.....	19,334	21,568	22,264
Expected return on assets.....	(22,955)	(21,474)	(24,817)
Amortization of prior service credit .....	(141)	(141)	(429)
Recognized actuarial loss .....	19,066	14,451	9,498
Curtailment gain .....	—	—	(40)
Net periodic pension cost.....	<u>\$ 33,058</u>	<u>\$ 29,488</u>	<u>\$ 20,860</u>

The following table sets forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of September 30, 2013 and 2012. As required by authoritative accounting literature, assets are categorized in their entirety based on the lowest level of input that is significant to the fair value measurement. The methods used to determine fair value for the assets held by the Master Trust are fully described in Note 2. Assets at September 30, 2012 include \$7.7 million that were transferred to the purchaser of our Missouri, Illinois and Iowa operations during the first quarter of fiscal 2013. In addition to the assets shown below, the Master Trust had net accounts receivable of \$0.4 million and \$0.5 million at September 30, 2013 and 2012 which materially approximates fair value due to the short-term nature of these assets.

	Assets at Fair Value as of September 30, 2013			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
<b>Investments:</b>				
Common stocks — domestic equities .....	\$ 143,543	\$ —	\$ —	\$ 143,543
Money market funds.....	—	12,266	—	12,266
Registered investment companies: .....				
Domestic funds.....	30,200	—	—	30,200
International funds.....	47,036	—	—	47,036
Common/collective trusts — domestic funds.....	—	57,627	—	57,627
Government securities:				
Mortgage-backed securities.....	—	18,446	—	18,446
U.S. treasuries.....	4,117	663	—	4,780
Corporate bonds.....	—	35,012	—	35,012
Limited partnerships.....	—	47,417	—	47,417
Real estate.....	—	—	155	155
Total investments at fair value.....	<u>\$ 224,896</u>	<u>\$ 171,431</u>	<u>\$ 155</u>	<u>\$ 396,482</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Assets at Fair Value as of September 30, 2012			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
<b>Investments:</b>				
Common stocks — domestic equities .....	\$ 114,799	\$ —	\$ —	\$ 114,799
Money market funds .....	—	21,010	—	21,010
Registered investment companies: .....				
Domestic funds .....	19,984	—	—	19,984
International funds .....	36,714	—	—	36,714
Common/collective trusts — domestic funds.....	—	52,155	—	52,155
Government securities				
Mortgage-backed securities .....	—	19,509	—	19,509
U.S. treasuries .....	7,597	487	—	8,084
Corporate bonds.....	—	35,960	—	35,960
Limited partnerships .....	140	41,786	—	41,926
Real estate.....	—	—	155	155
Total investments at fair value.....	<u>\$ 179,234</u>	<u>\$ 170,907</u>	<u>\$ 155</u>	<u>\$ 350,296</u>

The fair value of our Level 3 real estate assets was determined using a real estate appraisal obtained from an independent third party that consisted of several unobservable inputs such as comparable land sales values per square foot in the range of \$0.94 to \$2.98 and comparable building sales values per square foot in the range of \$23.13 to \$30.42.

#### *Supplemental Executive Retirement Plans*

We have three nonqualified supplemental plans which provide additional pension, disability and death benefits to our officers, division presidents and certain other employees of the Company.

The first plan is referred to as the Supplemental Executive Benefits Plan (SEBP) and covers our officers, division presidents and certain other employees of the Company who were employed on or before August 12, 1998. The SEBP is a defined benefit arrangement which provides a benefit equal to 75 percent of covered compensation under which benefits paid from the underlying qualified defined benefit plan are an offset to the benefits under the SEBP.

In August 1998, we adopted the Supplemental Executive Retirement Plan (SERP) (formerly known as the Performance-Based Supplemental Executive Benefits Plan), which covers all officers or division presidents selected to participate in the plan between August 12, 1998 and August 5, 2009, any corporate officer who may be appointed to the Management Committee after August 5, 2009 and any other employees selected by our Board of Directors at its discretion. The SERP is a defined benefit arrangement which provides a benefit equal to 60 percent of covered compensation under which benefits paid from the underlying qualified defined benefit plan are an offset to the benefits under the SERP.

Effective August 5, 2009, we adopted a new defined benefit Supplemental Executive Retirement Plan (the 2009 SERP), for corporate officers (other than such officer who is appointed as a member of the Company's Management Committee), division presidents or any other employees selected at the discretion of the Board. Under the 2009 SERP, a nominal account has been established for each participant, to which the Company contributes at the end of each calendar year an amount equal to ten percent of the total of each participant's base salary and cash incentive compensation earned during each prior calendar year, beginning December 31, 2009. The benefits vest after three years of service and attainment of age 55 and earn interest credits at the same annual rate as the Company's Pension Account Plan (currently 4.69%).

On April 1, 2013, due to the retirement of certain executives, we recognized a settlement loss of \$3.2 million associated with the supplemental plans and revalued the net periodic pension cost for the remainder of fiscal 2013. The revaluation of the net periodic pension cost resulted in an increase in the discount rate, effective April 1, 2013, to 4.21 percent, which reduced our net periodic pension cost by approximately \$0.1 million for the remainder of the fiscal year.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

On October 2, 2013, due to the retirement of one of our executives, we recognized a settlement loss of \$4.5 million associated with our Supplemental Executive Benefits Plan. In association with the retirement, on October 2, 2013, we made a \$16.8 million benefit payment from the SEBP.

Similar to our employee pension plans, we review the estimates and assumptions underlying our supplemental plans annually based upon a September 30 measurement date using the same techniques as our employee pension plans. The actuarial assumptions used to determine the pension liability for the supplemental plans were determined as of September 30, 2013 and 2012 and the actuarial assumptions used to determine the net periodic pension cost for the supplemental plans were determined as of September 30, 2012, 2011 and 2010. These assumptions are presented in the following table:

	Pension Liability		Pension Cost		
	2013	2012	2013	2012	2011
Discount rate.....	4.95%	4.04%	4.04% <sup>(1)</sup>	5.05%	5.39%
Rate of compensation increase .....	3.50%	3.50%	3.50%	3.50%	4.00%

<sup>(1)</sup> The discount rate for the supplemental plans increased from 4.04% to 4.21% effective April 1, 2013 due to a settlement loss recorded in fiscal 2013.

The following table presents the supplemental plans' accumulated benefit obligation, projected benefit obligation and funded status as of September 30, 2013 and 2012:

	2013	2012
	(In thousands)	
<b>Accumulated benefit obligation</b> .....	\$ 109,817	\$ 121,815
<b>Change in projected benefit obligation:</b>		
Benefit obligation at beginning of year .....	\$ 130,186	\$ 112,115
Service cost.....	3,039	2,108
Interest cost.....	4,755	5,142
Actuarial (gain) loss .....	(6,451)	15,459
Benefits paid .....	(4,375)	(4,638)
Settlements .....	(10,074)	—
Benefit obligation at end of year .....	117,080	130,186
<b>Change in plan assets:</b>		
Fair value of plan assets at beginning of year .....	—	—
Employer contribution.....	14,449	4,638
Benefits paid.....	(4,375)	(4,638)
Settlements .....	(10,074)	—
Fair value of plan assets at end of year.....	—	—
<b>Reconciliation:</b>		
Funded status .....	(117,080)	(130,186)
Unrecognized prior service cost .....	—	—
Unrecognized net loss.....	—	—
Accrued pension cost.....	\$ (117,080)	\$ (130,186)

Assets for the supplemental plans are held in separate rabbi trusts. At September 30, 2013 and 2012, assets held in the rabbi trusts consisted of available-for-sale securities of \$44.5 million and \$41.8 million, which are included in our fair value disclosures in Note 14.

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Net periodic pension cost for the supplemental plans for fiscal 2013, 2012 and 2011 is recorded as operating expense and included the following components:

	Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Components of net periodic pension cost:			
Service cost .....	\$ 3,039	\$ 2,108	\$ 2,768
Interest cost .....	4,755	5,142	5,825
Amortization of transition asset .....	—	—	—
Amortization of prior service cost .....	—	—	—
Recognized actuarial loss .....	2,918	2,118	2,239
Settlements .....	3,160	—	—
Net periodic pension cost .....	<u>\$ 13,872</u>	<u>\$ 9,368</u>	<u>\$ 10,832</u>

*Estimated Future Benefit Payments*

The following benefit payments for our defined benefit plans, which reflect expected future service, as appropriate, are expected to be paid in the following fiscal years:

	Pension Plans	Supplemental Plans
	(In thousands)	
2014 .....	\$ 40,640	\$ 22,940
2015 .....	36,230	6,363
2016 .....	34,752	6,226
2017 .....	33,612	6,440
2018 .....	33,273	6,913
2019-2023 .....	156,367	34,260

*Postretirement Benefits*

We sponsor the Retiree Medical Plan for Retirees and Disabled Employees of Atmos Energy Corporation (the Atmos Retiree Medical Plan). This plan provides medical and prescription drug protection to all qualified participants based on their date of retirement. The Atmos Retiree Medical Plan provides different levels of benefits depending on the level of coverage chosen by the participants and the terms of predecessor plans; however, we generally pay 80 percent of the projected net claims and administrative costs and participants pay the remaining 20 percent of this cost.

As of September 30, 2009, the Board of Directors approved a change to the cost sharing methodology for employees who had not met the participation requirements by that date for the Atmos Retiree Medical Plan. Starting on January 1, 2015, the contribution rates that will apply to all non-grandfathered participants will be determined using a new cost sharing methodology by which Atmos Energy will limit its contribution to a three percent cost increase in claims and administrative costs each year. If medical costs covered by the Atmos Retiree Medical Plan increase more than three percent annually, participants will be responsible for the additional costs.

Generally, our funding policy is to contribute annually an amount in accordance with the requirements of ERISA. However, additional voluntary contributions are made annually as considered necessary. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future. We expect to contribute between \$25 million and \$30 million to our postretirement benefits plan during fiscal 2014.

We maintain a formal investment policy with respect to the assets in our postretirement benefits plan to ensure the assets funding the postretirement benefit plan are appropriately invested to maintain an acceptable level of risk. We also consider our current financial status when making recommendations and decisions regarding the postretirement benefits plan.

We currently invest the assets funding our postretirement benefit plan in diversified investment funds which consist of common stocks, preferred stocks and fixed income securities. The diversified investment funds may invest up to 75 percent of assets in common stocks and convertible securities. The following table presents asset allocation information for the postretirement benefit plan assets as of September 30, 2013 and 2012.

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<u>Security Class</u>	Actual Allocation September 30	
	2013	2012
Diversified investment funds.....	96.8%	97.0%
Cash and cash equivalents.....	3.2%	3.0%

Similar to our employee pension and supplemental plans, we review the estimates and assumptions underlying our postretirement benefit plan annually based upon a September 30 measurement date using the same techniques as our employee pension plans. The actuarial assumptions used to determine the pension liability for our postretirement plan were determined as of September 30, 2013 and 2012 and the actuarial assumptions used to determine the net periodic pension cost for the postretirement plan were determined as of September 30, 2012, 2011 and 2010. The assumptions are presented in the following table:

	Postretirement Liability		Postretirement Cost		
	2013	2012	2013	2012	2011
Discount rate.....	4.95%	4.04%	4.04%	5.05%	5.39%
Expected return on plan assets.....	4.60%	4.70%	4.70%	5.00%	5.00%
Initial trend rate.....	8.00%	8.00%	8.00%	8.00%	8.00%
Ultimate trend rate.....	5.00%	5.00%	5.00%	5.00%	5.00%
Ultimate trend reached in.....	2020	2019	2019	2018	2016

The following table presents the postretirement plan's benefit obligation and funded status as of September 30, 2013 and 2012:

	2013	2012
	(In thousands)	
<b>Change in benefit obligation:</b>		
Benefit obligation at beginning of year.....	\$ 308,315	\$ 263,694
Service cost.....	18,800	16,353
Interest cost.....	12,964	13,861
Plan participants' contributions.....	3,815	3,649
Actuarial (gain) loss.....	(13,801)	28,815
Benefits paid.....	(14,458)	(13,197)
Divestitures.....	(3,487)	(4,860)
Benefit obligation at end of year.....	312,148	308,315
<b>Change in plan assets:</b>		
Fair value of plan assets at beginning of year.....	77,072	53,065
Actual return on plan assets.....	13,432	12,912
Employer contributions.....	26,552	22,139
Plan participants' contributions.....	3,815	3,649
Benefits paid.....	(14,458)	(13,197)
Divestitures.....	—	(1,496)
Fair value of plan assets at end of year.....	106,413	77,072
<b>Reconciliation:</b>		
Funded status.....	(205,735)	(231,243)
Unrecognized transition obligation.....	—	—
Unrecognized prior service cost.....	—	—
Unrecognized net loss.....	—	—
Accrued postretirement cost.....	\$ (205,735)	\$ (231,243)

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Net periodic postretirement cost for fiscal 2013, 2012 and 2011 is recorded as operating expense and included the components presented below.

	Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Components of net periodic postretirement cost:			
Service cost .....	\$ 18,800	\$ 16,353	\$ 14,403
Interest cost .....	12,964	13,861	12,813
Expected return on assets .....	(3,988)	(2,607)	(2,727)
Amortization of transition obligation .....	1,081	1,511	1,511
Amortization of prior service credit .....	(1,450)	(1,450)	(1,450)
Recognized actuarial loss .....	4,196	2,648	347
Net periodic postretirement cost .....	<u>\$ 31,603</u>	<u>\$ 30,316</u>	<u>\$ 24,897</u>

Assumed health care cost trend rates have a significant effect on the amounts reported for the plan. A one-percentage point change in assumed health care cost trend rates would have the following effects on the latest actuarial calculations:

	One-Percentage Point Increase	One-Percentage Point Decrease
	(In thousands)	
Effect on total service and interest cost components .....	\$ 4,399	\$ (3,682)
Effect on postretirement benefit obligation .....	\$ 36,680	\$ (30,940)

We are currently recovering other postretirement benefits costs through our regulated rates under accrual accounting as prescribed by accounting principles generally accepted in the United States in substantially all of our service areas. Other postretirement benefits costs have been specifically addressed in rate orders in each jurisdiction served by our Kentucky/Mid-States, West Texas, Mid-Tex and Mississippi Divisions as well as our Kansas jurisdiction and Atmos Pipeline – Texas or have been included in a rate case and not disallowed. Management believes that this accounting method is appropriate and will continue to seek rate recovery of accrual-based expenses in its ratemaking jurisdictions that have not yet approved the recovery of these expenses.

The following tables set forth by level, within the fair value hierarchy, the Retiree Medical Plan's assets at fair value as of September 30, 2013 and 2012. The methods used to determine fair value for the assets held by the Retiree Medical Plan are fully described in Note 2. Assets at September 30, 2012 include \$1.5 million that were transferred to the purchaser of our Missouri, Illinois and Iowa operations during the first quarter of fiscal 2013.

	Assets at Fair Value as of September 30, 2013			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
<b>Investments:</b>				
Money market funds .....	\$ —	\$ 3,356	\$ —	\$ 3,356
Registered investment companies: .....				
Domestic funds .....	9,614	—	—	9,614
International funds .....	93,443	—	—	93,443
Total investments at fair value .....	<u>\$ 103,057</u>	<u>\$ 3,356</u>	<u>\$ —</u>	<u>\$ 106,413</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Assets at Fair Value as of September 30, 2012			
	Level 1	Level 2	Level 3	Total
	(In thousands)			
<b>Investments:</b>				
Money market funds.....	\$ —	\$ 2,360	\$ —	\$ 2,360
Registered investment companies: .....				
Domestic funds .....	7,756	—	—	7,756
International funds .....	68,452	—	—	68,452
Total investments at fair value .....	<u>\$ 76,208</u>	<u>\$ 2,360</u>	<u>\$ —</u>	<u>\$ 78,568</u>

*Estimated Future Benefit Payments*

The following benefit payments paid by us, retirees and prescription drug subsidy payments for our postretirement benefit plans, which reflect expected future service, as appropriate, are expected to be paid in the following fiscal years:

	Company Payments	Retiree Payments	Subsidy Payments	Total Postretirement Benefits
	(In thousands)			
2014.....	\$ 25,547	\$ 3,899	\$ —	\$ 29,446
2015.....	16,628	4,915	—	21,543
2016.....	19,260	6,049	—	25,309
2017.....	21,216	7,304	—	28,520
2018.....	22,550	8,677	—	31,227
2019-2023 .....	116,617	58,595	—	175,212

*Defined Contribution Plans*

As of September 30, 2013, we maintained three defined contribution benefit plans: the Atmos Energy Corporation Retirement Savings Plan and Trust (the Retirement Savings Plan), the Atmos Energy Corporation Savings Plan for MVG Union Employees (the Union 401K Plan) and the Atmos Energy Holdings, LLC 401K Profit-Sharing Plan (the AEH 401K Profit-Sharing Plan).

The Retirement Savings Plan covers substantially all employees in our regulated operations and is subject to the provisions of Section 401(k) of the Internal Revenue Code. Effective January 1, 2007, employees automatically become participants of the Retirement Savings Plan on the date of employment. Participants may elect a salary reduction up to a maximum of 65 percent of eligible compensation, as defined by the Plan, not to exceed the maximum allowed by the Internal Revenue Service. New participants are automatically enrolled in the Plan at a salary reduction amount of four percent of eligible compensation, from which they may opt out. We match 100 percent of a participant's contributions, limited to four percent of the participant's salary, in our common stock. However, participants have the option to immediately transfer this matching contribution into other funds held within the plan. Participants are eligible to receive matching contributions after completing one year of service. Participants are also permitted to take out loans against their accounts subject to certain restrictions. In August 2010, the Board of Directors of Atmos Energy approved a proposal to close the Pension Account Plan to new participants effective October 1, 2010. New employees participate in our defined contribution plan, which was enhanced, effective January 1, 2011. Employees participating in the Pension Account Plan as of October 1, 2010 were allowed to make a one-time election to migrate from the Plan into the Retirement Savings Plan, effective January 1, 2011. Under the enhanced plan, participants receive a fixed annual contribution of four percent of eligible earnings to their Retirement Savings Plan account. Participants will continue to be eligible for company matching contributions of up to four percent of their eligible earnings and will be fully vested in the fixed annual contribution after three years of service.

The Union 401K Plan covers substantially all Mississippi Division employees who are members of the International Chemical Workers Union Council, United Food and Commercial Workers Union International (the Union) and is subject to the provisions of Section 401(k) of the Internal Revenue Code. Employees of the Union automatically become participants of the Union 401K plan on the date of union membership. We match 50 percent of a participant's contribution in cash, limited to six percent of the participant's eligible contribution. Participants are also permitted to take out loans against their accounts subject to certain restrictions.

Matching contributions to the Retirement Savings Plan and the Union 401K Plan are expensed as incurred and amounted to \$10.4 million, \$10.5 million, and \$10.2 million for fiscal years 2013, 2012 and 2011. The Board of Directors may also

**ATMOS ENERGY CORPORATION**  
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approve discretionary contributions, subject to the provisions of the Internal Revenue Code and applicable Treasury regulations. No discretionary contributions were made for fiscal years 2013, 2012 or 2011. At September 30, 2013 and 2012, the Retirement Savings Plan held 4.9 percent and 4.9 percent of our outstanding common stock.

The AEH 401K Profit-Sharing Plan covers substantially all AEH employees and is subject to the provisions of Section 401(k) of the Internal Revenue Code. Participants may elect a salary reduction up to a maximum of 75 percent of eligible compensation, as defined by the Plan, not to exceed the maximum allowed by the Internal Revenue Service. The Company may elect to make safe harbor contributions up to four percent of the employee's salary which vest immediately. The Company may also make discretionary profit sharing contributions to the AEH 401K Profit-Sharing Plan. Participants become fully vested in the discretionary profit-sharing contributions after three years of service. Participants are also permitted to take out loans against their accounts subject to certain restrictions. Discretionary contributions to the AEH 401K Profit-Sharing Plan are expensed as incurred and amounted to \$1.1 million, \$1.2 million and \$1.3 million for fiscal years 2013, 2012 and 2011.

## **7. Stock and Other Compensation Plans**

### *Share Repurchase Agreement*

On, July 1, 2010, we entered into an accelerated share repurchase agreement with Goldman Sachs & Co. under which we repurchased \$100 million of our outstanding common stock in order to offset stock grants made under our various employee and director incentive compensation plans. We paid \$100 million to Goldman Sachs & Co. on July 7, 2010 in a share forward transaction and received 2,958,580 shares of Atmos Energy common stock. On March 4, 2011, we received and retired an additional 375,468 common shares which concluded our share repurchase agreement. In total, we received and retired 3,334,048 common shares under the repurchase agreement. The final number of shares we ultimately repurchased in the transaction was based generally on the average of the effective share repurchase price of our common stock over the duration of the agreement, which was \$29.99. As a result of this transaction, beginning in our fourth quarter of fiscal 2010, the number of outstanding shares used to calculate our earnings per share was reduced by the number of shares received and the \$100 million purchase price was recorded as a reduction in shareholders' equity.

### *Share Repurchase Program*

On September 28, 2011 our Board of Directors approved a program authorizing the repurchase of up to five million shares of common stock over a 5-year period. The program is primarily intended to minimize the dilutive effect of equity grants under various benefit related incentive compensation plans of the Company. The program may be terminated or limited at any time. Shares may be repurchased in the open market or in privately negotiated transactions in amounts the Company deems appropriate. As of September 30, 2013, a total of 387,991 shares had been repurchased for an aggregate value of \$12.5 million.

### *Stock-Based Compensation Plans*

Total stock-based compensation expense was \$17.8 million, \$19.2 million and \$11.6 million for the fiscal years ended September 30, 2013, 2012 and 2011, primarily related to restricted stock costs.

### *1998 Long-Term Incentive Plan*

In August 1998, the Board of Directors approved and adopted the 1998 Long-Term Incentive Plan (LTIP), which became effective in October 1998 after approval by our shareholders. The LTIP is a comprehensive, long-term incentive compensation plan providing for discretionary awards of incentive stock options, non-qualified stock options, stock appreciation rights, bonus stock, time-lapse restricted stock, time-lapse restricted stock units, performance-based restricted stock units and stock units to certain employees and non-employee directors of the Company and our subsidiaries. The objectives of this plan include attracting and retaining the best personnel, providing for additional performance incentives and promoting our success by providing employees with the opportunity to acquire common stock.

As of September 30, 2013, we were authorized to grant awards for up to a maximum of 8.7 million shares of common stock under this plan subject to certain adjustment provisions. As of September 30, 2013, non-qualified stock options, bonus stock, time-lapse restricted stock, time-lapse restricted stock units, performance-based restricted stock units and stock units had been issued under this plan, and 1,403,439 shares were available for future issuance. The option price of the stock options issued under this plan is equal to the market price of our stock at the date of grant. These stock options expire 10 years from the date of the grant and vest annually over a service period ranging from one to three years. However, no stock options have been granted under this plan since fiscal 2003, except for a limited number of options that were converted from bonuses paid under our Annual Incentive Plan, the last of which occurred in fiscal 2006. We had 7,930 stock options outstanding at September 30, 2013 at a \$25.96 weighted average exercise price that are currently vested and expire in November 2014.



**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**Restricted Stock Grants**

As noted above, the LTIP provides for discretionary awards of restricted stock units to help attract, retain and reward employees of Atmos Energy and its subsidiaries. Certain of these awards vest based upon the passage of time and other awards vest based upon the passage of time and the achievement of specified performance targets. The fair value of the awards granted is based on the market price of our stock at the date of grant. The associated expense is recognized ratably over the vesting period.

Employees who are granted time-lapse restricted stock units under our LTIP have a nonforfeitable right to dividend equivalents that are paid at the same rate at which they are paid on shares of stock without restrictions. Time-lapse restricted stock units contain only a service condition that the employee recipients render continuous services to the Company for a period of three years from the date of grant, except for accelerated vesting in the event of death, disability, change of control of the Company or termination without cause (with certain exceptions). There are no performance conditions required to be met for employees to be vested in time-lapse restricted stock units.

Employees who are granted performance-based restricted stock units under our LTIP have a forfeitable right to dividend equivalents that accrue at the same rate at which they are paid on shares of stock without restrictions. Dividend equivalents on the performance-based restricted stock units are paid in the form of shares upon the vesting of the award. Performance-based restricted stock units contain a service condition that the employee recipients render continuous services to the Company for a period of three years from the date of grant, except for accelerated vesting in the event of death, disability, change of control of the Company or termination without cause (with certain exceptions) and a performance condition based on a cumulative earnings per share target amount.

The following summarizes information regarding the restricted stock issued under the plan during the fiscal years ended September 30, 2013, 2012 and 2011:

	2013		2012		2011	
	Number of Restricted Shares	Weighted Average Grant-Date Fair Value	Number of Restricted Shares	Weighted Average Grant-Date Fair Value	Number of Restricted Shares	Weighted Average Grant-Date Fair Value
Nonvested at beginning of year .....	1,262,582	\$ 32.46	1,264,142	\$ 29.56	1,293,960	\$ 27.28
Granted .....	473,775	40.48	532,711	33.44	491,345	33.10
Vested.....	(657,795)	32.20	(494,308)	26.32	(464,321)	27.21
Forfeited.....	(25,718)	33.42	(39,963)	29.83	(56,842)	27.56
Nonvested at end of year.....	<u>1,052,844</u>	<u>\$ 36.20</u>	<u>1,262,582</u>	<u>\$ 32.46</u>	<u>1,264,142</u>	<u>\$ 29.56</u>

As of September 30, 2013, there was \$5.1 million of total unrecognized compensation cost related to nonvested time-lapse restricted stock units granted under the LTIP. That cost is expected to be recognized over a weighted-average period of 1.6 years. The fair value of restricted stock vested during the fiscal years ended September 30, 2013, 2012 and 2011 was \$21.2 million, \$13.0 million and \$12.6 million.

**Other Plans***Direct Stock Purchase Plan*

We maintain a Direct Stock Purchase Plan, open to all investors, which allows participants to have all or part of their cash dividends paid quarterly in additional shares of our common stock. The minimum initial investment required to join the plan is \$1,250. Direct Stock Purchase Plan participants may purchase additional shares of our common stock as often as weekly with voluntary cash payments of at least \$25, up to an annual maximum of \$100,000.

*Outside Directors Stock-For-Fee Plan*

In November 1994, the Board of Directors adopted the Outside Directors Stock-for-Fee Plan, which was approved by our shareholders in February 1995. The plan permits non-employee directors to receive all or part of their annual retainer and meeting fees in stock rather than in cash.

*Equity Incentive and Deferred Compensation Plan for Non-Employee Directors*

In November 1998, the Board of Directors adopted the Equity Incentive and Deferred Compensation Plan for Non-Employee Directors, which was approved by our shareholders in February 1999. This plan amended the Atmos Energy Corporation Deferred Compensation Plan for Outside Directors adopted by the Company in May 1990 and replaced the pension

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

payable under our Retirement Plan for Non-Employee Directors. The plan provides non-employee directors of Atmos Energy with the opportunity to defer receipt, until retirement, of compensation for services rendered to the Company, invest deferred compensation into either a cash account or a stock account and to receive an annual grant of share units for each year of service on the Board.

*Other Discretionary Compensation Plans*

We have an annual incentive program covering substantially all employees to give each employee an opportunity to share in our financial success based on the achievement of key performance measures considered critical to achieving business objectives for a given year with minimum and maximum thresholds. The Company must meet the minimum threshold for the plan to be funded and distributed to employees. These performance measures may include earnings growth objectives, improved cash flow objectives or crucial customer satisfaction and safety results. We monitor progress towards the achievement of the performance measures throughout the year and record accruals based upon the expected payout using the best estimates available at the time the accrual is recorded. During the last several fiscal years, we have used earnings per share as our sole performance measure.

**8. Details of Selected Consolidated Balance Sheet Captions**

The following tables provide additional information regarding the composition of certain of our balance sheet captions.

*Accounts receivable*

Accounts receivable was comprised of the following at September 30, 2013 and 2012:

	September 30	
	2013	2012
	(In thousands)	
Billed accounts receivable .....	\$ 230,712	\$ 177,953
Unbilled revenue .....	58,710	42,694
Other accounts receivable .....	33,194	23,304
Total accounts receivable.....	322,616	243,951
Less: allowance for doubtful accounts.....	(20,624)	(9,425)
Net accounts receivable .....	<u>\$ 301,992</u>	<u>\$ 234,526</u>

*Other current assets*

Other current assets as of September 30, 2013 and 2012 were comprised of the following accounts.

	September 30	
	2013	2012
	(In thousands)	
Assets from risk management activities .....	\$ 18,099	\$ 24,707
Deferred gas costs .....	15,152	31,359
Taxes receivable.....	3,141	1,291
Current deferred tax asset .....	—	27,091
Prepaid expenses .....	21,666	17,114
Materials and supplies.....	5,511	5,872
Assets held for sale <sup>(1)</sup> .....	—	154,571
Other .....	6,765	10,777
Total .....	<u>\$ 70,334</u>	<u>\$ 272,782</u>

<sup>(1)</sup>As discussed in Note 16, assets and liabilities related to our Georgia operations were classified as “assets held for sale” in other current assets and liabilities in our consolidated balance sheets at September 30, 2012.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**Property, plant and equipment**

Property, plant and equipment was comprised of the following as of September 30, 2013 and 2012:

	September 30	
	2013	2012
	(In thousands)	
Production plant .....	\$ 5,020	\$ 5,020
Storage plant .....	262,246	232,260
Transmission plant .....	1,362,662	1,185,007
Distribution plant .....	5,061,711	4,680,877
General plant .....	716,189	717,568
Intangible plant .....	38,444	39,626
	<u>7,446,272</u>	<u>6,860,358</u>
Construction in progress .....	275,747	274,112
	<u>7,722,019</u>	<u>7,134,470</u>
Less: accumulated depreciation and amortization .....	(1,691,364)	(1,658,866)
Net property, plant and equipment <sup>(1)</sup> .....	<u>\$ 6,030,655</u>	<u>\$ 5,475,604</u>

<sup>(1)</sup> Net property, plant and equipment includes plant acquisition adjustments of (\$83.8) million and (\$91.5) million at September 30, 2013 and 2012.

**Goodwill**

The following presents our goodwill balance allocated by segment and changes in the balance for the fiscal year ended September 30, 2013:

	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Total
	(In thousands)			
Balance as of September 30, 2012 .....	\$ 573,550	\$ 132,422	\$ 34,711	\$ 740,683
Deferred tax adjustments on prior acquisitions <sup>(1)</sup> .....	640	40	—	680
Balance as of September 30, 2013 .....	<u>\$ 574,190</u>	<u>\$ 132,462</u>	<u>\$ 34,711</u>	<u>\$ 741,363</u>

<sup>(1)</sup> During the preparation of the fiscal 2013 tax provision, we adjusted certain deferred taxes recorded in connection with acquisitions completed in fiscal 2001 and fiscal 2004, which resulted in an increase to goodwill and net deferred tax liabilities of \$0.7 million.

**Deferred charges and other assets**

Deferred charges and other assets as of September 30, 2013 and 2012 were comprised of the following accounts.

	September 30	
	2013	2012
	(In thousands)	
Marketable securities .....	\$ 72,682	\$ 64,398
Regulatory assets .....	273,287	358,495
Deferred financing costs .....	15,199	11,157
Assets from risk management activities .....	109,354	2,283
Other .....	14,474	14,929
Total .....	<u>\$ 484,996</u>	<u>\$ 451,262</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**Accounts payable and accrued liabilities**

Accounts payable and accrued liabilities as of September 30, 2013 and 2012 were comprised of the following accounts.

	September 30	
	2013	2012
	(In thousands)	
Trade accounts payable.....	\$ 70,116	\$ 82,531
Accrued gas payable .....	121,202	81,658
Accrued liabilities .....	50,293	51,040
<b>Total .....</b>	<b>\$ 241,611</b>	<b>\$ 215,229</b>

**Other current liabilities**

Other current liabilities as of September 30, 2013 and 2012 were comprised of the following accounts.

	September 30	
	2013	2012
	(In thousands)	
Customer credit balances and deposits .....	\$ 76,313	\$ 100,926
Accrued employee costs .....	54,034	37,675
Deferred gas costs .....	16,481	23,072
Accrued interest .....	36,744	34,451
Liabilities from risk management activities.....	1,543	85,381
Taxes payable.....	66,960	64,319
Pension and postretirement obligations .....	22,940	39,625
Current deferred tax liability.....	14,697	—
Regulatory cost of removal accrual .....	68,225	78,525
Liabilities held for sale.....	—	11,573
Other .....	10,954	14,118
<b>Total .....</b>	<b>\$ 368,891</b>	<b>\$ 489,665</b>

**Deferred credits and other liabilities**

Deferred credits and other liabilities as of September 30, 2013 and 2012 were comprised of the following accounts.

	September 30	
	2013	2012
	(In thousands)	
Customer advances for construction.....	\$ 11,723	\$ 12,937
Regulatory liabilities .....	1,123	5,638
Asset retirement obligation .....	6,764	10,394
Liabilities from risk management activities.....	6,133	9,206
Other .....	17,953	12,555
<b>Total .....</b>	<b>\$ 43,696</b>	<b>\$ 50,730</b>

**9. Leases****Capital and Operating Leases**

We have entered into operating leases for office and warehouse space, vehicles and heavy equipment used in our operations. The remaining lease terms range from one to 21 years and generally provide for the payment of taxes, insurance and maintenance by the lessee. Renewal options exist for certain of these leases. We have also entered into capital leases for division offices and operating facilities. Property, plant and equipment included amounts for capital leases of \$1.3 million at September 30, 2013 and 2012. Accumulated depreciation for these capital leases totaled \$1.0 million and \$0.9 million at

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

September 30, 2013 and 2012. Depreciation expense for these assets is included in consolidated depreciation expense on the consolidated statement of income.

The related future minimum lease payments at September 30, 2013 were as follows:

	Capital Leases	Operating Leases
	(In thousands)	
2014 .....	\$ 186	\$ 16,722
2015 .....	186	15,584
2016 .....	186	14,692
2017 .....	186	15,074
2018 .....	78	15,057
Thereafter.....	—	89,673
Total minimum lease payments .....	822	\$ 166,802
Less amount representing interest .....	198	
Present value of net minimum lease payments .....	\$ 624	

Consolidated lease and rental expense amounted to \$32.4 million, \$33.6 million and \$35.5 million for fiscal 2013, 2012 and 2011.

## 10. Commitments and Contingencies

### *Litigation*

Since April 2009, Atmos Energy and two subsidiaries of AEH, Atmos Energy Marketing, LLC (AEM) and Atmos Gathering Company, LLC (AGC) (collectively, the Atmos Entities), have been involved in a lawsuit filed in the Circuit Court of Edmonson County, Kentucky related to our Park City Gathering Project. The dispute which gave rise to the litigation involves the amount of royalties due from a third party producer to landowners (who own the mineral rights) for natural gas produced from the landowners' properties. The third party producer was operating pursuant to leases between the landowners and certain investors/working interest owners. The third party producer filed a petition in bankruptcy, which was subsequently dismissed due to the lack of meaningful assets to reorganize or liquidate.

Although certain Atmos Energy companies entered into contracts with the third party producer to gather, treat and ultimately sell natural gas produced from the landowners' properties, no Atmos Energy company had a contractual relationship with the landowners or the investors/working interest owners. After the lawsuit was filed, the landowners were successful in terminating for non-payment of royalties the leases related to the production of natural gas from their properties. Subsequent to termination, the investors/working interest owners under such leases filed additional claims against us for the termination of the leases.

During the trial, the landowners and the investors/working interest owners requested an award of compensatory damages plus punitive damages against us. On December 17, 2010, the jury returned a verdict in favor of the landowners and investor/working interest owners and awarded compensatory damages of \$3.8 million and punitive damages of \$27.5 million payable by Atmos Energy and the two AEH subsidiaries.

A hearing was held on February 28, 2011 to hear a number of motions, including a motion to dismiss the jury verdict and a motion for a new trial. The motions to dismiss the jury verdict and for a new trial were denied. However, the total punitive damages award was reduced from \$27.5 million to \$24.7 million. On October 17, 2011, we filed our brief of appellants with the Kentucky Court of Appeals (Court), appealing the verdict of the trial court. The appellees in this case subsequently filed their appellees' brief with the Court on January 16, 2012, with our reply brief being filed with the Court on March 19, 2012. Oral arguments were held in the case on August 27, 2012.

In an opinion handed down on January 25, 2013, the Court of Appeals overturned the \$28.5 million jury verdict returned against the Atmos Entities. In a unanimous decision by a three-judge panel, the Court of Appeals reversed the claims asserted by the landowners and investors/working interest owners. The Court of Appeals concluded that all of such claims that the Atmos Entities appealed should have been dismissed by the trial court as a matter of law. The Court of Appeals let stand the jury verdict on one claim that Atmos Energy and our subsidiaries chose not to appeal, which was a trespass claim. The jury had awarded a total of \$10,000 in compensatory damages to one landowner on that claim. The Court of Appeals vacated all of the other damages awarded by the jury and remanded the case to the trial court for a new trial, solely on the issue of whether punitive damages should be awarded to that landowner and, if so, in what amount.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

The investors/working interest owners, on February 25, 2013, and the landowners, on March 19, 2013, each filed with the Supreme Court of Kentucky, separate motions for discretionary review of the opinion of the Court of Appeals. We filed a response to the motion filed by the investors/working owners on March 27, 2013 and to the landowners' motion on April 17, 2013. The decision of the Court of Appeals will not become final until the appellate process is completed. We had previously accrued what we believed to be an adequate amount for the anticipated resolution of this matter and we will continue to maintain this amount in legal reserves until the appellate process in this case has been completed. We continue to believe that the final outcome will not have a material adverse effect on our financial condition, results of operations or cash flows.

In addition, in a related development, on July 12, 2011, the Atmos Entities filed a lawsuit in the United States District Court, Western District of Kentucky, Atmos Energy Corporation et al. vs. Resource Energy Technologies, LLC and Robert Thorpe and John F. Charles, against the third party producer and its affiliates to recover all costs, including attorneys' fees, incurred by the Atmos Entities, which are associated with the defense and appeal of the case discussed above as well as for all damages awarded to the plaintiffs in such case against the Atmos Entities. The total amount of damages being claimed in the lawsuit is "open-ended" since the appellate process and related costs are ongoing. This lawsuit is based upon the indemnification provisions agreed to by the third party producer in favor of Atmos Gathering that are contained in an agreement entered into between Atmos Gathering and the third party producer in May 2009. The defendants filed a motion to dismiss the case on August 25, 2011, with Atmos Energy filing a brief in response to such motion on September 19, 2011. On March 27, 2012 the court denied the motion to dismiss. Since that time, we have been engaged in discovery activities in this case.

***Tennessee Business License Tax***

Atmos Energy, through its affiliate, AEM, has been involved in a dispute with the Tennessee Department of Revenue (TDOR) regarding sales business tax audits over a period of several years. AEM has challenged the assessment of the business tax. With respect to certain issues, AEM and the TDOR filed competing Partial Motions for Summary Judgment with the Chancery Court. On August 2, 2013, the Chancery Court granted the TDOR's Partial Motion for Summary Judgment and denied AEM's Partial Motion for Summary Judgment. The Company anticipates a decision by the Chancery Court on the remaining issues in fiscal 2014. AEM has been assessed \$6.1 million in business taxes and \$3.7 million in penalties and interest for the period from December 2002 through March 31, 2012. We have accrued what we believe to be an adequate amount for the anticipated resolution of this matter and we will continue to review and if appropriate adjust this reserve until this matter is resolved. We continue to believe the final outcome will not have a material adverse effect on our financial condition, results of operations or cash flows.

We are a party to other litigation and claims that have arisen in the ordinary course of our business. While the results of such litigation and claims cannot be predicted with certainty, we believe the final outcome of such litigation and claims will not have a material adverse effect on our financial condition, results of operations or cash flows.

***Environmental Matters***

We are a party to environmental matters and claims that have arisen in the ordinary course of our business. While the ultimate results of response actions to these environmental matters and claims cannot be predicted with certainty, we believe the final outcome of such response actions will not have a material adverse effect on our financial condition, results of operations or cash flows because we believe that the expenditures related to such response actions will either be recovered through rates, shared with other parties or are adequately covered by insurance.

***Purchase Commitments***

Our natural gas distribution divisions, except for our Mid-Tex Division, maintain supply contracts with several vendors that generally cover a period of up to one year. Commitments for estimated base gas volumes are established under these contracts on a monthly basis at contractually negotiated prices. Commitments for incremental daily purchases are made as necessary during the month in accordance with the terms of the individual contract.

Our Mid-Tex Division maintains long-term supply contracts to ensure a reliable source of gas for our customers in its service area which obligate it to purchase specified volumes at market and fixed prices. At September 30, 2013, the estimated commitments under these contracts are \$230.5 million for fiscal 2014.

Our nonregulated segment has commitments to purchase physical quantities of natural gas under contracts indexed to the forward NYMEX strip or fixed price contracts. At September 30, 2013, we were committed to purchase 78.0 Bcf within one year, 21.9 Bcf within one to three years and 1.0 Bcf after three years under indexed contracts. We are committed to purchase 6.1 Bcf within one year and 0.2 Bcf within one to three years under fixed price contracts with prices ranging from \$3.32 to \$6.36 per Mcf. Purchases under these contracts totaled \$1,246.1 million, \$978.8 million and \$1,498.6 million for 2013, 2012 and 2011.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

In addition, our nonregulated segment maintains long-term contracts related to storage and transportation. The estimated contractual demand fees for contracted storage and transportation under these contracts as of September 30, 2013 are as follows (in thousands):

2014.....	\$ 12,662
2015.....	5,113
2016.....	743
2017.....	170
2018.....	142
Thereafter.....	356
	<u>\$ 19,186</u>

***Other Contingencies***

In December 2007, the Company received data requests from the Division of Investigations of the Office of Enforcement of the Federal Energy Regulatory Commission (the "Commission") in connection with its investigation into possible violations of the Commission's posting and competitive bidding regulations for pre-arranged released firm capacity on natural gas pipelines.

The Company and the Commission entered into a stipulation and consent agreement, which was approved by the Commission on December 9, 2011, thereby resolving this investigation. The Commission's findings of violations were limited to the nonregulated operations of the Company. Under the terms of the agreement, the Company paid to the United States Treasury a total civil penalty of approximately \$6.4 million and to energy assistance programs approximately \$5.6 million in disgorgement of unjust profits plus interest for violations identified during the investigation. The resolution of this matter did not have a material adverse impact on the Company's financial position, results of operations or cash flows and none of the payments were charged to any of the Company's customers. In addition, none of the services the Company provides to any of its regulated or nonregulated customers were affected by the agreement.

In July 2010, the Dodd-Frank Act was enacted, representing an extensive overhaul of the framework for regulation of U.S. financial markets. The Dodd-Frank Act required various regulatory agencies, including the SEC and the Commodities Futures Trading Commission, to establish regulations for implementation of many of the provisions of the Dodd-Frank Act. A number of those regulations have been adopted; we have enacted new procedures and modified existing business practices and contractual arrangements to comply with such regulations. We expect additional regulations to be issued, which should provide additional clarity regarding the extent of the impact of this legislation on us. The costs of participating in financial markets for hedging certain risks inherent in our business may be further increased when these expected additional regulations are adopted. We also anticipate that the Commodities Futures Trading Commission will issue additional related reporting and disclosure obligations.

**11. Income Taxes**

The components of income tax expense from continuing operations for 2013, 2012 and 2011 were as follows:

	2013	2012	2011
	(In thousands)		
Current			
Federal .....	\$ —	\$ 631	\$ (13,298)
State .....	8,178	6,888	6,841
Deferred			
Federal .....	124,836	103,971	107,950
State .....	9,605	(13,237)	5,498
Investment tax credits .....	(20)	(27)	(172)
	<u>\$ 142,599</u>	<u>\$ 98,226</u>	<u>\$ 106,819</u>

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Reconciliations of the provision for income taxes computed at the statutory rate to the reported provisions for income taxes from continuing operations for 2013, 2012 and 2011 are set forth below:

	2013	2012	2011
	(In thousands)		
Tax at statutory rate of 35%.....	\$ 130,655	\$ 101,648	\$ 103,743
Common stock dividends deductible for tax reporting.....	(2,153)	(2,096)	(1,930)
Penalties.....	153	66	2,292
Recognition (settlement) of uncertain tax positions.....	1,341	1,831	(4,950)
State taxes (net of federal benefit).....	10,687	(5,958)	8,109
Other, net.....	1,916	2,735	(445)
Income tax expense.....	<u>\$ 142,599</u>	<u>\$ 98,226</u>	<u>\$ 106,819</u>

Deferred income taxes reflect the tax effect of differences between the basis of assets and liabilities for book and tax purposes. The tax effect of temporary differences that gave rise to significant components of the deferred tax liabilities and deferred tax assets at September 30, 2013 and 2012 are presented below:

	2013	2012
	(In thousands)	
<b>Deferred tax assets:</b>		
Accruals not currently deductible for tax purposes.....	\$ 11,496	\$ 7,906
Customer advances.....	4,279	4,721
Nonqualified benefit plans.....	52,051	48,513
Postretirement benefits.....	63,919	62,802
Treasury lock agreements.....	—	25,448
Unamortized investment tax credit.....	6	14
Tax net operating loss and credit carryforwards.....	206,996	164,419
Difference between book and tax on mark to market accounting.....	2,271	2,342
Other, net.....	—	7,223
Total deferred tax assets.....	<u>341,018</u>	<u>323,388</u>
<b>Deferred tax liabilities:</b>		
Difference in net book value and net tax value of assets.....	(1,445,450)	(1,254,698)
Pension funding.....	(23,480)	(32,812)
Gas cost adjustments.....	(19,182)	(21,806)
Interest rate agreements.....	(21,726)	—
Cost expensed for tax purposes and capitalized for book purposes.....	(2,815)	(2,065)
Other, net.....	(7,115)	—
Total deferred tax liabilities.....	<u>(1,519,768)</u>	<u>(1,311,381)</u>
Net deferred tax liabilities.....	<u>\$ (1,178,750)</u>	<u>\$ (987,993)</u>
Deferred credits for rate regulated entities.....	<u>\$ (51)</u>	<u>\$ 140</u>

At September 30, 2013, we had \$10.1 million of federal alternative minimum tax credit carryforwards, \$185.3 million of federal net operating loss carryforwards, \$11.0 million of state net operating loss carryforwards and \$0.6 million of state tax credits. The alternative minimum tax credit carryforwards do not expire. The federal net operating loss carryforwards are available to offset taxable income and will begin to expire in 2029. Depending on the jurisdiction in which the state net operating loss was generated, the state net operating loss carryforwards will begin to expire between 2016 and 2030. The state tax credits will begin to expire in 2018. We believe it is more likely than not that the benefit from certain charitable contribution carryforwards will not be realized. In recognition of this risk, we have established a valuation allowance of \$1.1 million for deferred tax assets relating to these charitable contribution carryforwards.

At September 30, 2013, we had recorded liabilities associated with uncertain tax positions totaling \$3.2 million. The realization of these tax benefits would reduce our income tax expense by approximately \$3.2 million.



## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Additionally, results for fiscal 2012 were favorably impacted by a state tax benefit of \$13.6 million. Due to the completion of the sale of our Missouri, Iowa and Illinois service areas in the fiscal fourth quarter, the Company updated its analysis of the tax rate at which deferred taxes would reverse in the future to reflect the sale of these service areas. The updated analysis supported a reduction in the deferred tax rate which when applied to the balance of taxable income deferred to future periods resulted in a reduction of the Company's overall deferred tax liability.

At September 30, 2010, we had accrued liabilities associated with uncertain tax positions totaling \$6.7 million. During the fiscal year ended September 30, 2011, the IRS completed its audit of fiscal years 2005-2007. All uncertain tax positions were effectively settled upon completion of the audit. As a result of the settlement, we reduced our unrecognized tax benefits by \$6.7 million in the second quarter of fiscal 2011. Income tax expense was reduced by \$5.0 million in the second quarter due to the realization of the tax positions which were previously uncertain.

We file income tax returns in the U.S. federal jurisdiction as well as in various states where we have operations. We have concluded substantially all U.S. federal income tax matters through fiscal year 2007.

**12. Financial Instruments**

We use financial instruments to mitigate commodity price risk and interest rate risk. The objectives and strategies for using financial instruments have been tailored to our regulated and nonregulated businesses. Currently, we utilize financial instruments in our natural gas distribution and nonregulated segments. We currently do not manage commodity price risk with financial instruments in our regulated transmission and storage segment.

Our financial instruments do not contain any credit-risk-related or other contingent features that could cause accelerated payments when our financial instruments are in net liability positions.

As discussed in Note 2, we report our financial instruments as risk management assets and liabilities, each of which is classified as current or noncurrent based upon the anticipated settlement date of the underlying financial instrument. The following table shows the fair values of our risk management assets and liabilities by segment at September 30, 2013 and 2012:

	Natural Gas Distribution	Nonregulated (In thousands)	Total
<b>September 30, 2013</b>			
Assets from risk management activities, current <sup>(1)</sup> .....	\$ 1,837	\$ 16,262	\$ 18,099
Assets from risk management activities, noncurrent .....	109,354	—	109,354
Liabilities from risk management activities, current <sup>(1)</sup> .....	(1,543)	—	(1,543)
Liabilities from risk management activities, noncurrent.....	—	(6,133)	(6,133)
Net assets (liabilities) .....	<u>\$ 109,648</u>	<u>\$ 10,129</u>	<u>\$ 119,777</u>
<b>September 30, 2012<sup>(3)</sup></b>			
Assets from risk management activities, current <sup>(2)</sup> .....	\$ 6,934	\$ 17,773	\$ 24,707
Assets from risk management activities, noncurrent .....	2,283	—	2,283
Liabilities from risk management activities, current <sup>(2)</sup> .....	(85,366)	(15)	(85,381)
Liabilities from risk management activities, noncurrent.....	—	(9,206)	(9,206)
Net assets (liabilities) .....	<u>\$ (76,149)</u>	<u>\$ 8,552</u>	<u>\$ (67,597)</u>

<sup>(1)</sup> Includes \$24.8 million of cash held on deposit to collateralize certain financial instruments. Of this amount, \$8.6 million was used to offset current risk management liabilities under master netting arrangements and the remaining \$16.2 million is classified as current risk management assets.

<sup>(2)</sup> Includes \$23.7 million of cash held on deposit to collateralize certain financial instruments. Of this amount, \$5.9 million was used to offset current risk management liabilities under master netting arrangements and the remaining \$17.8 million is classified as current risk management assets.

<sup>(3)</sup> The September 30, 2012 amounts are presented net of assets and liabilities held for sale in conjunction with the sale of our Georgia operations. At September 30, 2012, assets and liabilities held for sale included \$0.1 million of current assets from risk management activities and \$0.3 million of current liabilities from risk management activities.

**Regulated Commodity Risk Management Activities**

Although our purchased gas cost adjustment mechanisms essentially insulate our natural gas distribution segment from commodity price risk, our customers are exposed to the effects of volatile natural gas prices. We manage this exposure through

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

a combination of physical storage, fixed-price forward contracts and financial instruments, primarily over-the-counter swap and option contracts, in an effort to minimize the impact of natural gas price volatility on our customers during the winter heating season.

Our natural gas distribution gas supply department is responsible for executing this segment's commodity risk management activities in conformity with regulatory requirements. In jurisdictions where we are permitted to mitigate commodity price risk through financial instruments, the relevant regulatory authorities may establish the level of heating season gas purchases that can be hedged. Historically, if the regulatory authority does not establish this level, we seek to hedge between 25 and 50 percent of anticipated heating season gas purchases using financial instruments. For the 2012-2013 heating season (generally October through March), in the jurisdictions where we are permitted to utilize financial instruments, we hedged approximately 33 percent, or 22.8 Bcf of the winter flowing gas requirements at a weighted average cost of approximately \$4.03 per Mcf. We have not designated these financial instruments as hedges.

*Nonregulated Commodity Risk Management Activities*

In our nonregulated operations, we buy, sell and deliver natural gas at competitive prices by aggregating and purchasing gas supply, arranging transportation and storage logistics and effectively managing commodity price risk.

As a result of these activities, our nonregulated segment is exposed to risks associated with changes in the market price of natural gas. We manage our exposure to such risks through a combination of physical storage and financial instruments, including futures, over-the-counter and exchange-traded options and swap contracts with counterparties. Future contracts provide the right to buy or sell the commodity at a fixed price in the future. Option contracts provide the right, but not the requirement, to buy or sell the commodity at a fixed price. Swap contracts require receipt of payment for the commodity based on the difference between a fixed price and the market price on the settlement date.

We use financial instruments, designated as cash flow hedges of anticipated purchases and sales at index prices, to mitigate the commodity price risk associated with deliveries under fixed-priced forward contracts to deliver gas to customers. These financial instruments have maturity dates ranging from one to 55 months. We use financial instruments, designated as fair value hedges, to hedge natural gas inventory used in these operations. We also use storage and basis swaps, futures and various over-the-counter and exchange-traded options primarily to protect the economic value of our fixed price and storage books. These financial instruments have not been designated as hedges.

Our nonregulated risk management activities are controlled through various risk management policies and procedures. Our Audit Committee has oversight responsibility for our nonregulated risk management limits and policies. A risk committee, comprised of corporate and business unit officers, is responsible for establishing and enforcing our nonregulated risk management policies and procedures.

Under our risk management policies, we seek to match our financial instrument positions to our physical storage positions as well as our expected current and future sales and purchase obligations in order to maintain no open positions at the end of each trading day. The determination of our net open position as of any day, however, requires us to make assumptions as to future circumstances, including the use of gas by our customers in relation to our anticipated storage and market positions. Because the price risk associated with any net open position at the end of each day may increase if the assumptions are not realized, we review these assumptions as part of our daily monitoring activities. Our operations can also be affected by intraday fluctuations of gas prices, since the price of natural gas purchased or sold for future delivery earlier in the day may not be hedged until later in the day. At times, limited net open positions related to our existing and anticipated commitments may occur. At the close of business on September 30, 2013, our nonregulated segment had net open positions (including existing storage and related financial contracts) of 0.1 Bcf.

*Interest Rate Risk Management Activities*

We have periodically managed interest rate risk by entering into financial instruments to fix the Treasury yield component of the interest cost associated with anticipated financings. Prior to fiscal 2012, we used Treasury locks to mitigate interest rate risk; however, in the fourth quarter of fiscal 2012 we started utilizing interest rate swaps and forward starting interest rate swaps to manage this risk.

In August 2011, we entered into three Treasury lock agreements to fix the Treasury yield component of the interest cost associated with \$350 million out of a total \$500 million of senior notes that were issued on January 11, 2013. This offering is discussed in Note 5. We designated these Treasury locks as cash flow hedges. The Treasury locks were settled on January 8, 2013 with a payment of \$66.6 million to the counterparties due to a decrease in the 30-year Treasury rates between inception of the Treasury locks and settlement. Because the Treasury locks were effective, the \$66.6 million unrealized loss was recorded as a component of accumulated other comprehensive income and is being recognized as a component of interest expense over the 30-year life of the senior notes.

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In the fourth quarter of fiscal 2012 we entered into an interest rate swap to fix the LIBOR component of our \$260 million short-term financing facility through December 27, 2012. We recorded an immaterial loss upon settlement of the swap, which was recorded as a component of interest expense as we did not designate the interest rate swap as a hedge.

In October 2012, we entered into forward starting interest rate swaps to fix the Treasury yield component associated with the anticipated issuance of \$500 million and \$250 million unsecured senior notes in fiscal 2015 and fiscal 2017, which we designated as cash flow hedges at the time the agreements were executed. Accordingly, unrealized gains and losses associated with the forward starting interest rate swaps will be recorded as a component of accumulated other comprehensive income (loss). When the forward starting interest rate swaps settle, the realized gain or loss will be recorded as a component of accumulated other comprehensive income (loss) and recognized as a component of interest expense over the life of the related financing arrangement. Hedge ineffectiveness to the extent incurred will be reported as a component of interest expense.

In September 2010, we entered into three Treasury lock agreements to fix the Treasury yield component of the interest cost associated with \$300 million of a total \$400 million of senior notes that were issued in June 2011. We designated these Treasury locks as cash flow hedges. The Treasury locks were settled on June 7, 2011 with the receipt of \$20.1 million from the counterparties due to an increase in the 30-year Treasury lock rates between inception of the Treasury locks and settlement. Because the Treasury locks were effective, the net \$12.6 million unrealized gain was recorded as a component of accumulated other comprehensive income and is being recognized as a component of interest expense over the 30-year life of the senior notes.

Additionally, our original fiscal 2011 financing plans included the issuance of \$250 million of 30-year unsecured notes in November 2011 to fund our capital expenditure program. In September 2010, we entered into two Treasury lock agreements to fix the Treasury yield component of the interest cost associated with the anticipated issuance of these senior notes, which were designated as cash flow hedges. Due primarily to stronger than anticipated cash flows primarily resulting from the extension of the Bush tax cuts that allow the continued use of bonus depreciation on qualifying expenditures through December 31, 2011, the need to issue \$250 million of debt in November was eliminated and the related Treasury lock agreements were unwound in March 2011. As a result of unwinding these Treasury locks, we recognized a pre-tax cash gain of \$27.8 million during the second quarter of fiscal 2011.

In prior years, we entered into several Treasury lock agreements to fix the Treasury yield component of the interest cost of financing for various issuances of long-term debt and senior notes. The gains and losses realized upon settlement of these Treasury locks were recorded as a component of accumulated other comprehensive income (loss) when they were settled and are being recognized as a component of interest expense over the life of the associated notes from the date of settlement. The remaining amortization periods for the settled Treasury locks extend through fiscal 2043.

*Quantitative Disclosures Related to Financial Instruments*

The following tables present detailed information concerning the impact of financial instruments on our consolidated balance sheet and income statements.

As of September 30, 2013, our financial instruments were comprised of both long and short commodity positions. A long position is a contract to purchase the commodity, while a short position is a contract to sell the commodity. As of September 30, 2013, we had net long/(short) commodity contracts outstanding in the following quantities:

Contract Type	Hedge Designation	Natural Gas	Nonregulated
		Distribution	
		Quantity (MMcf)	
Commodity contracts	Fair Value.....	—	(13,033)
	Cash Flow .....	—	31,195
	Not designated .....	29,185	75,683
		<u>29,185</u>	<u>93,845</u>

*Financial Instruments on the Balance Sheet*

The following tables present the fair value and balance sheet classification of our financial instruments by operating segment as of September 30, 2013 and 2012. As required by authoritative accounting literature, the fair value amounts below are presented on a gross basis and do not reflect the netting of asset and liability positions permitted under the terms of our master netting arrangements. Further, the amounts below do not include \$24.8 million and \$23.7 million of cash held on deposit in margin accounts as of September 30, 2013 and 2012 to collateralize certain financial instruments. Therefore, these gross balances are not indicative of either our actual credit exposure or net economic exposure. Additionally, the amounts below will

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

not be equal to the amounts presented on our consolidated balance sheet, nor will they be equal to the fair value information presented for our financial instruments in Note 14.

		<u>Balance Sheet Location</u>	<u>Natural Gas Distribution</u>	<u>Nonregulated</u>	<u>Total</u>
			(In thousands)		
<b>September 30, 2013</b>					
<b>Designated As Hedges:</b>					
<b>Asset Financial Instruments</b>					
Current commodity contracts .....	Other current assets	\$ —	\$ 9,094	\$ 9,094	
Noncurrent commodity contracts .....	Deferred charges and other assets	107,512	416	107,928	
<b>Liability Financial Instruments</b>					
Current commodity contracts .....	Other current liabilities	—	(12,173)	(12,173)	
Noncurrent commodity contracts .....	Deferred credits and other liabilities	—	(1,639)	(1,639)	
<b>Total</b> .....		<u>107,512</u>	<u>(4,302)</u>	<u>103,210</u>	
<b>Not Designated As Hedges:</b>					
<b>Asset Financial Instruments</b>					
Current commodity contracts .....	Other current assets	1,837	65,388	67,225	
Noncurrent commodity contracts .....	Deferred charges and other assets	1,842	40,982	42,824	
<b>Liability Financial Instruments</b>					
Current commodity contracts .....	Other current liabilities	(1,543)	(70,876)	(72,419)	
Noncurrent commodity contracts .....	Deferred credits and other liabilities	—	(45,892)	(45,892)	
<b>Total</b> .....		<u>2,136</u>	<u>(10,398)</u>	<u>(8,262)</u>	
<b>Total Financial Instruments</b> .....		<u>\$ 109,648</u>	<u>\$ (14,700)</u>	<u>\$ 94,948</u>	
		<u>Balance Sheet Location</u>	<u>Natural Gas Distribution</u>	<u>Nonregulated</u>	<u>Total</u>
			(In thousands)		
<b>September 30, 2012</b>					
<b>Designated As Hedges:</b>					
<b>Asset Financial Instruments</b>					
Current commodity contracts .....	Other current assets	\$ —	\$ 19,301	\$ 19,301	
Noncurrent commodity contracts .....	Deferred charges and other assets	—	1,923	1,923	
<b>Liability Financial Instruments</b>					
Current commodity contracts .....	Other current liabilities	(85,040)	(23,787)	(108,827)	
Noncurrent commodity contracts .....	Deferred credits and other liabilities	—	(4,999)	(4,999)	
<b>Total</b> .....		<u>(85,040)</u>	<u>(7,562)</u>	<u>(92,602)</u>	
<b>Not Designated As Hedges:</b>					
<b>Asset Financial Instruments</b>					
Current commodity contracts .....	Other current assets <sup>(1)</sup>	7,082	98,393	105,475	
Noncurrent commodity contracts .....	Deferred charges and other assets	2,283	60,932	63,215	
<b>Liability Financial Instruments</b>					
Current commodity contracts .....	Other current liabilities <sup>(2)</sup>	(585)	(99,824)	(100,409)	
Noncurrent commodity contracts .....	Deferred credits and other liabilities	—	(67,062)	(67,062)	
<b>Total</b> .....		<u>8,780</u>	<u>(7,561)</u>	<u>1,219</u>	
<b>Total Financial Instruments</b> .....		<u>\$ (76,260)</u>	<u>\$ (15,123)</u>	<u>\$ (91,383)</u>	

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

- (1) Other current assets not designated as hedges in our natural gas distribution segment include \$0.1 million related to risk management assets that were classified as assets held for sale at September 30, 2012.
- (2) Other current liabilities not designated as hedges in our natural gas distribution segment include \$0.3 million related to risk management liabilities that were classified as assets held for sale at September 30, 2012.

*Impact of Financial Instruments on the Income Statement*

Hedge ineffectiveness for our nonregulated segment is recorded as a component of unrealized gross profit and primarily results from differences in the location and timing of the derivative instrument and the hedged item. Hedge ineffectiveness could materially affect our results of operations for the reported period. For the years ended September 30, 2013, 2012 and 2011, we recognized a gain arising from fair value and cash flow hedge ineffectiveness of \$18.2 million, \$23.1 million and \$24.8 million. Additional information regarding ineffectiveness recognized in the income statement is included in the tables below.

*Fair Value Hedges*

The impact of our nonregulated commodity contracts designated as fair value hedges and the related hedged item on our consolidated income statement for the years ended September 30, 2013, 2012 and 2011 is presented below.

	Fiscal Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Commodity contracts.....	\$ 2,165	\$ 30,266	\$ 16,552
Fair value adjustment for natural gas inventory designated as the hedged item ....	15,938	(5,797)	9,824
Total decrease in purchased gas cost.....	<u>\$ 18,103</u>	<u>\$ 24,469</u>	<u>\$ 26,376</u>
The decrease in purchased gas cost is comprised of the following:			
Basis ineffectiveness .....	\$ (208)	\$ 1,170	\$ 803
Timing ineffectiveness .....	18,311	23,299	25,573
	<u>\$ 18,103</u>	<u>\$ 24,469</u>	<u>\$ 26,376</u>

Basis ineffectiveness arises from natural gas market price differences between the locations of the hedged inventory and the delivery location specified in the hedge instruments. Timing ineffectiveness arises due to changes in the difference between the spot price and the futures price, as well as the difference between the timing of the settlement of the futures and the valuation of the underlying physical commodity. As the commodity contract nears the settlement date, spot-to-forward price differences should converge, which should reduce or eliminate the impact of this ineffectiveness on purchased gas cost.

To the extent that the Company's natural gas inventory does not qualify as a hedged item in a fair-value hedge, or has not been designated as such, the natural gas inventory is valued at the lower of cost or market. During the year ended September 30, 2012, we recorded a \$1.7 million charge to write down nonqualifying natural gas inventory to market. We did not record a writedown for nonqualifying natural gas inventory for the years ended September 30, 2013 and 2011.

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Cash Flow Hedges

The impact of cash flow hedges on our consolidated income statements for the years ended September 30, 2013, 2012 and 2011 is presented below. Note that this presentation does not reflect the financial impact arising from the hedged physical transaction. Therefore, this presentation is not indicative of the economic gross profit we realized when the underlying physical and financial transactions were settled.

	Fiscal Year Ended September 30, 2013			
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Consolidated
	(In thousands)			
Loss reclassified from AOCI for effective portion of commodity contracts.....	\$ —	\$ —	\$ (10,778)	\$ (10,778)
Gain arising from ineffective portion of commodity contracts.....	—	—	97	97
Total impact on purchased gas cost.....	—	—	(10,681)	(10,681)
Net loss on settled interest rate agreements reclassified from AOCI into interest expense.....	(3,489)	—	—	(3,489)
Total impact from cash flow hedges.....	<u>\$ (3,489)</u>	<u>\$ —</u>	<u>\$ (10,681)</u>	<u>\$ (14,170)</u>
	Fiscal Year Ended September 30, 2012			
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Consolidated
	(In thousands)			
Loss reclassified from AOCI for effective portion of commodity contracts.....	\$ —	\$ —	\$ (62,678)	\$ (62,678)
Loss arising from ineffective portion of commodity contracts.....	—	—	(1,369)	(1,369)
Total impact on purchased gas cost.....	—	—	(64,047)	(64,047)
Net loss on settled interest rate agreements reclassified from AOCI into interest expense.....	(2,009)	—	—	(2,009)
Total impact from cash flow hedges.....	<u>\$ (2,009)</u>	<u>\$ —</u>	<u>\$ (64,047)</u>	<u>\$ (66,056)</u>
	Fiscal Year Ended September 30, 2011			
	Natural Gas Distribution	Regulated Transmission and Storage	Nonregulated	Consolidated
	(In thousands)			
Loss reclassified from AOCI for effective portion of commodity contracts.....	\$ —	\$ —	\$ (28,430)	\$ (28,430)
Loss arising from ineffective portion of commodity contracts.....	—	—	(1,585)	(1,585)
Total impact on purchased gas cost.....	—	—	(30,015)	(30,015)
Net loss on settled interest rate agreements reclassified from AOCI into interest expense.....	(2,455)	—	—	(2,455)
Gain on unwinding of interest rate agreement reclassified from AOCI into miscellaneous income.....	21,803	6,000	—	27,803
Total impact from cash flow hedges.....	<u>\$ 19,348</u>	<u>\$ 6,000</u>	<u>\$ (30,015)</u>	<u>\$ (4,667)</u>

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the gains and losses arising from hedging transactions that were recognized as a component of other comprehensive income (loss), net of taxes, for the years ended September 30, 2013 and 2012. The amounts included in the table below exclude gains and losses arising from ineffectiveness because these amounts are immediately recognized in the income statement as incurred.

	Fiscal Year Ended September 30	
	2013	2012
(In thousands)		
<i>Increase (decrease) in fair value:</i>		
Interest rate agreements .....	\$ 79,963	\$ (11,458)
Forward commodity contracts .....	(2,057)	(30,366)
<i>Recognition of (gains) losses in earnings due to settlements:</i>		
Interest rate agreements .....	2,216	1,342
Forward commodity contracts .....	6,576	38,232
Total other comprehensive income (loss) from hedging, net of tax <sup>(1)</sup> .....	<u>\$ 86,698</u>	<u>\$ (2,250)</u>

<sup>(1)</sup> Utilizing an income tax rate ranging from approximately 37 percent to 39 percent based on the effective rates in each taxing jurisdiction.

Deferred gains (losses) recorded in AOCI associated with our interest rate agreements are recognized in earnings as they are amortized, while deferred losses associated with commodity contracts are recognized in earnings upon settlement. The following amounts, net of deferred taxes, represent the expected recognition in earnings of the deferred gains (losses) recorded in AOCI associated with our financial instruments, based upon the fair values of these financial instruments as of September 30, 2013. However, the table below does not include the expected recognition in earnings of the interest rate agreements entered into in October 2012 as those financial instruments have not yet settled.

	Interest Rate Agreements	Commodity Contracts	Total
(In thousands)			
2014 .....	\$ (2,686)	\$ (3,748)	\$ (6,434)
2015 .....	(804)	(425)	(1,229)
2016 .....	(634)	(163)	(797)
2017 .....	(735)	(109)	(844)
2018 .....	(936)	(31)	(967)
Thereafter .....	(24,569)	—	(24,569)
Total <sup>(1)</sup> .....	<u>\$ (30,364)</u>	<u>\$ (4,476)</u>	<u>\$ (34,840)</u>

<sup>(1)</sup> Utilizing an income tax rate ranging from approximately 37 percent to 39 percent based on the effective rates in each taxing jurisdiction.

Financial Instruments Not Designated as Hedges

The impact of financial instruments that have not been designated as hedges on our consolidated income statements for the years ended September 30, 2013, 2012 and 2011 was an increase (decrease) in purchased gas cost of \$3.0 million, \$(2.5) million and \$(1.4) million. Note that this presentation does not reflect the expected gains or losses arising from the underlying physical transactions associated with these financial instruments. Therefore, this presentation is not indicative of the economic gross profit we realized when the underlying physical and financial transactions were settled.

As discussed above, financial instruments used in our natural gas distribution segment are not designated as hedges. However, there is no earnings impact on our natural gas distribution segment as a result of the use of these financial instruments because the gains and losses arising from the use of these financial instruments are recognized in the consolidated statement of income as a component of purchased gas cost when the related costs are recovered through our rates and recognized in revenue. Accordingly, the impact of these financial instruments is excluded from this presentation.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**13. Accumulated Other Comprehensive Income**

We record deferred gains (losses) in accumulated other comprehensive income (AOCI) related to available-for-sale securities, interest rate agreement cash flow hedges and commodity contract cash flow hedges. Deferred gains (losses) for our available-for-sale securities and commodity contract cash flow hedges are recognized in earnings upon settlement, while deferred gains (losses) related to our interest rate agreement cash flow hedges are recognized in earnings as they are amortized. The following table provides the components of our accumulated other comprehensive income (loss) balances, net of the related tax effects allocated to each component of other comprehensive income.

	Available- for-Sale Securities	Interest Rate Agreement Cash Flow Hedges	Commodity Contracts Cash Flow Hedges	Total
(In thousands)				
September 30, 2012.....	\$ 5,661	\$ (44,273)	\$ (8,995)	\$ (47,607)
Other comprehensive income before reclassifications.....	1,162	79,963	(2,057)	79,068
Amounts reclassified from accumulated other comprehensive income	(1,375)	2,216	6,576	7,417
Net current-period other comprehensive income (loss).....	(213)	82,179	4,519	86,485
September 30, 2013.....	<u>\$ 5,448</u>	<u>\$ 37,906</u>	<u>\$ (4,476)</u>	<u>\$ 38,878</u>

The following table details reclassifications out of AOCI for the fiscal year ended September 30, 2013. Amounts in parentheses below indicate decreases to net income in the statement of income.

<u>Accumulated Other Comprehensive Income Components</u>	Fiscal Year Ended September 30, 2013	
	Amount Reclassified from Accumulated Other Comprehensive Income	Affected Line Item in the Statement of Income
(In thousands)		
Available-for-sale securities .....	\$ 2,166	Operation and maintenance expense
	2,166	Total before tax
	(791)	Tax expense
	<u>\$ 1,375</u>	Net of tax
<i>Cash flow hedges</i>		
Interest rate agreements .....	\$ (3,489)	Interest charges
Commodity contracts.....	(10,778)	Purchased gas cost
	(14,267)	Total before tax
	5,475	Tax benefit
	<u>\$ (8,792)</u>	Net of tax
Total reclassifications .....	<u>\$ (7,417)</u>	Net of tax

**14. Fair Value Measurements**

We report certain assets and liabilities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). We record cash and cash equivalents, accounts receivable and accounts payable at carrying value, which substantially approximates fair value due to the short-term nature of these assets and liabilities. For other financial assets and liabilities, we primarily use quoted market prices and other observable market pricing information to minimize the use of unobservable pricing inputs in our measurements when determining fair value. The methods used to determine fair value for our assets and liabilities are fully described in Note 2.

Fair value measurements also apply to the valuation of our pension and post-retirement plan assets. The fair value of these assets is presented in Note 6.



**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

**Quantitative Disclosures****Financial Instruments**

The classification of our fair value measurements requires judgment regarding the degree to which market data are observable or corroborated by observable market data. The following tables summarize, by level within the fair value hierarchy, our assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2013 and 2012. As required under authoritative accounting literature, assets and liabilities are categorized in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2) <sup>(1)</sup>	Significant Other Unobservable Inputs (Level 3)	Netting and Cash Collateral <sup>(2)</sup>	September 30, 2013
	(In thousands)				
<b>Assets:</b>					
Financial instruments					
Natural gas distribution segment .....	\$ —	\$ 111,191	\$ —	\$ —	\$ 111,191
Nonregulated segment .....	745	115,135	—	(99,618)	16,262
Total financial instruments.....	745	226,326	—	(99,618)	127,453
Hedged portion of gas stored underground .....	44,758	—	—	—	44,758
Available-for-sale securities					
Money market funds .....	—	4,428	—	—	4,428
Registered investment companies.....	40,094	—	—	—	40,094
Bonds .....	—	28,160	—	—	28,160
Total available-for-sale securities.....	40,094	32,588	—	—	72,682
Total assets .....	<u>\$ 85,597</u>	<u>\$ 258,914</u>	<u>\$ —</u>	<u>\$ (99,618)</u>	<u>\$ 244,893</u>
<b>Liabilities:</b>					
Financial instruments					
Natural gas distribution segment .....	\$ —	\$ 1,543	\$ —	\$ —	\$ 1,543
Nonregulated segment .....	158	130,422	—	(124,447)	6,133
Total liabilities.....	<u>\$ 158</u>	<u>\$ 131,965</u>	<u>\$ —</u>	<u>\$ (124,447)</u>	<u>\$ 7,676</u>

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs <sup>(1)</sup> (Level 2)	Significant Other Unobservable Inputs (Level 3)	Netting and Cash Collateral <sup>(3)</sup>	September 30, 2012
	(In thousands)				
<b>Assets:</b>					
Financial instruments					
Natural gas distribution segment .....	\$ —	\$ 9,365	\$ —	\$ —	\$ 9,365
Nonregulated segment .....	714	179,835	—	(162,776)	17,773
Total financial instruments .....	714	189,200	—	(162,776)	27,138
Hedged portion of gas stored underground .....	67,192	—	—	—	67,192
Available-for-sale securities					
Money market funds .....	—	1,634	—	—	1,634
Registered investment companies .....	40,212	—	—	—	40,212
Bonds .....	—	22,552	—	—	22,552
Total available-for-sale securities .....	40,212	24,186	—	—	64,398
Total assets .....	<u>\$ 108,118</u>	<u>\$ 213,386</u>	<u>\$ —</u>	<u>\$ (162,776)</u>	<u>\$ 158,728</u>
<b>Liabilities:</b>					
Financial instruments					
Natural gas distribution segment .....	\$ —	\$ 85,625	\$ —	\$ —	\$ 85,625
Nonregulated segment .....	4,563	191,109	—	(186,451)	9,221
Total liabilities .....	<u>\$ 4,563</u>	<u>\$ 276,734</u>	<u>\$ —</u>	<u>\$ (186,451)</u>	<u>\$ 94,846</u>

- (1) Our Level 2 measurements consist of over-the-counter options and swaps, which are valued using a market-based approach in which observable market prices are adjusted for criteria specific to each instrument, such as the strike price, notional amount or basis differences, municipal and corporate bonds, which are valued based on the most recent available quoted market prices and money market funds which are valued at cost.
- (2) This column reflects adjustments to our gross financial instrument assets and liabilities to reflect netting permitted under our master netting agreements and the relevant authoritative accounting literature. In addition, as of September 30, 2013 we had \$24.8 million of cash held in margin accounts to collateralize certain financial instruments. Of this amount, \$8.6 million was used to offset current risk management liabilities under master netting agreements and the remaining \$16.2 million is classified as current risk management assets.
- (3) This column reflects adjustments to our gross financial instrument assets and liabilities to reflect netting permitted under our master netting agreements and the relevant authoritative accounting literature. In addition, as of September 30, 2012 we had \$23.7 million of cash held in margin accounts to collateralize certain financial instruments. Of this amount, \$5.9 million was used to offset current risk management liabilities under master netting agreements and the remaining \$17.8 million is classified as current risk management assets.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

Available-for-sale securities are comprised of the following:

	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value
	(In thousands)			
<b>As of September 30, 2013</b>				
Domestic equity mutual funds .....	\$ 27,043	\$ 7,476	\$ (23)	\$ 34,496
Foreign equity mutual funds .....	4,536	1,062	—	5,598
Bonds .....	28,016	168	(24)	28,160
Money market funds .....	4,428	—	—	4,428
	<u>\$ 64,023</u>	<u>\$ 8,706</u>	<u>\$ (47)</u>	<u>\$ 72,682</u>
<b>As of September 30, 2012</b>				
Domestic equity mutual funds .....	\$ 25,779	\$ 8,183	\$ —	\$ 33,962
Foreign equity mutual funds .....	5,568	682	—	6,250
Bonds .....	22,358	196	(2)	22,552
Money market funds .....	1,634	—	—	1,634
	<u>\$ 55,339</u>	<u>\$ 9,061</u>	<u>\$ (2)</u>	<u>\$ 64,398</u>

At September 30, 2013 and 2012, our available-for-sale securities included \$44.5 million and \$41.8 million related to assets held in separate rabbi trusts for our supplemental executive retirement plans as discussed in Note 6. At September 30, 2013 we maintained investments in bonds that have contractual maturity dates ranging from October 2013 through December 2019. During the year ended September 30, 2013, we recognized a net gain of \$2.2 million on the sale of certain assets in the rabbi trusts.

Other Fair Value Measures

In addition to the financial instruments above, we have several financial and nonfinancial assets and liabilities subject to fair value measures. These financial assets and liabilities include cash and cash equivalents, accounts receivable, accounts payable and debt. The nonfinancial assets and liabilities include asset retirement obligations and pension and post-retirement plan assets. We record cash and cash equivalents, accounts receivable, accounts payable and debt at carrying value. For cash and cash equivalents, accounts receivable and accounts payable, we consider carrying value to materially approximate fair value due to the short-term nature of these assets and liabilities.

Atmos Gathering Company (AGC) owns and operates the Park City and Shrewsbury gathering systems in Kentucky. The Park City gathering system consists of a 23-mile low pressure pipeline and a nitrogen removal unit that was constructed in 2008. The Shrewsbury production, gathering and processing assets were acquired in 2008 at which time we sold the production assets to a third party. As a result of the sale of the production assets, we obtained a 10-year production payment note under which we were to be paid from future production generated from the assets.

As discussed in Note 10, AGC is involved in an ongoing lawsuit with the Park City gathering system. Due to the lawsuit and a low natural gas price environment, the assets have generated operating losses. As a result of these developments, in fiscal 2011, we performed an impairment assessment of these assets and determined the assets to be impaired at which time we recorded a pre-tax noncash impairment loss of approximately \$11 million. Due to developments in the fourth quarter of fiscal 2012, including further operating losses as a result of the lawsuit and management's decision to focus our nonregulated operations on delivered gas and transportation services, we performed an impairment assessment of these assets and determined the assets to be further impaired. We reduced the carrying value of the assets to their estimated fair value of approximately \$0.5 million and recorded a pre-tax noncash impairment loss of approximately \$5.3 million. We used a combination of a market and income approach in a weighted average discounted cash flow analysis that included significant inputs such as our weighted average cost of capital and assumptions regarding future natural gas prices. This is a Level 3 fair value measurement because the inputs used are unobservable. Based on this analysis, we determined the assets to be impaired.

In February 2008, Atmos Pipeline and Storage, LLC, a subsidiary of AEH, announced plans to construct and operate a salt-cavern storage project in Franklin Parish, Louisiana. In March 2010, we entered into an option and acquisition agreement with a third party, which provided the third party with the exclusive option to develop the proposed Fort Necessity salt-dome natural gas storage project. In July 2010, we agreed with the third party to extend the option period to March 2011. In January 2011, the third party developer notified us that it did not plan to commence the activities required to allow it to exercise the option by March 2011; accordingly, the option was terminated. We evaluated our strategic alternatives and concluded the

## ATMOS ENERGY CORPORATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

project's returns did not meet our investment objectives. Accordingly, in March 2011, we recorded a \$19.3 million pre-tax noncash impairment loss to write off substantially all of our investment in the project.

Our debt is recorded at carrying value. The fair value of our debt is determined using third party market value quotations, which are considered Level 1 fair value measurements for debt instruments with a recent, observable trade or Level 2 fair value measurements for debt instruments where fair value is determined using the most recent available quoted market price. The following table presents the carrying value and fair value of our debt as of September 30, 2013:

	<u>September 30, 2013</u>	
	(In thousands)	
Carrying Amount.....	\$	2,460,000
Fair Value.....	\$	2,676,487

**15. Concentration of Credit Risk**

Credit risk is the risk of financial loss to us if a customer fails to perform its contractual obligations. We engage in transactions for the purchase and sale of products and services with major companies in the energy industry and with industrial, commercial, residential and municipal energy consumers. These transactions principally occur in the southern and midwestern regions of the United States. We believe that this geographic concentration does not contribute significantly to our overall exposure to credit risk. Credit risk associated with trade accounts receivable for the natural gas distribution segment is mitigated by the large number of individual customers and diversity in our customer base. The credit risk for our other segments is not significant.

**16. Discontinued Operations**

On April 1, 2013, we completed the sale of substantially all of our natural gas distribution assets and certain related nonregulated assets located in Georgia to Liberty Energy (Georgia) Corp., an affiliate of Algonquin Power & Utilities Corp. for a cash price of approximately \$153 million, pursuant to an asset purchase agreement executed on August 8, 2012. In connection with the sale, we recognized a pre-tax gain of approximately \$8.2 million.

On August 1, 2012, we completed the sale of substantially all of our natural gas distribution assets located in Missouri, Illinois and Iowa to Liberty Energy (Midstates) Corp., an affiliate of Algonquin Power & Utilities Corp. for a cash price of approximately \$128 million, pursuant to an asset purchase agreement executed on May 12, 2011. In connection with the sale, we recognized a pre-tax gain of approximately \$9.9 million.

As required under generally accepted accounting principles, the operating results of our Georgia, Missouri, Illinois and Iowa operations have been aggregated and reported on the consolidated statements of income as income from discontinued operations, net of income tax. Expenses related to general corporate overhead and interest expense allocated to their operations are not included in discontinued operations.

The tables below set forth selected financial and operational information related to net assets and operating results related to discontinued operations.

The following table presents statement of income data related to discontinued operations in our Georgia, Missouri, Illinois and Iowa service areas.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Year Ended September 30		
	2013	2012	2011
	(In thousands)		
Operating revenues .....	\$ 37,962	\$ 114,703	\$ 141,227
Purchased gas cost .....	21,464	62,902	83,537
Gross profit .....	16,498	51,801	57,690
Operating expenses .....	5,858	24,174	27,362
Operating income .....	10,640	27,627	30,328
Other nonoperating income .....	548	611	57
Income from discontinued operations before income taxes .....	11,188	28,238	30,385
Income tax expense .....	3,986	10,066	12,372
Income from discontinued operations .....	7,202	18,172	18,013
Gain on sale of discontinued operations, net of tax .....	5,294	6,349	—
Net income from discontinued operations .....	<u>\$ 12,496</u>	<u>\$ 24,521</u>	<u>\$ 18,013</u>

The following table presents balance sheet data related to assets held for sale. At September 30, 2013 we did not have any assets or liabilities held for sale. At September 30, 2012 assets held for sale include assets and liabilities associated with our Georgia operations.

	September 30, 2012
	(In thousands)
Net plant, property & equipment .....	\$ 142,865
Gas stored underground .....	4,688
Other current assets .....	6,931
Deferred charges and other assets .....	87
Assets held for sale .....	<u>\$ 154,571</u>
Accounts payable and accrued liabilities .....	\$ 2,114
Other current liabilities .....	3,776
Regulatory cost of removal .....	3,257
Deferred credits and other liabilities .....	2,426
Liabilities held for sale .....	<u>\$ 11,573</u>

#### 17. Selected Quarterly Financial Data (Unaudited)

Summarized unaudited quarterly financial data is presented below. The sum of net income per share by quarter may not equal the net income per share for the fiscal year due to variations in the weighted average shares outstanding used in computing such amounts. Our businesses are seasonal due to weather conditions in our service areas. For further information on its effects on quarterly results, see the “Results of Operations” discussion included in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section herein.

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Quarter Ended			
	December 31	March 31	June 30	September 30
	(In thousands, except per share data)			
<b>Fiscal year 2013:</b>				
Operating revenues				
Natural gas distribution .....	\$ 666,787	\$ 905,176	\$ 467,144	\$ 360,386
Regulated transmission and storage .....	60,681	61,848	74,041	72,330
Nonregulated .....	399,894	428,948	421,808	348,061
Intersegment eliminations .....	(93,207)	(86,976)	(105,058)	(95,606)
	1,034,155	1,308,996	857,935	685,171
Gross profit .....	362,362	432,751	316,497	300,440
Operating income .....	154,922	210,178	86,396	50,383
Income from continuing operations .....	77,348	112,340	33,474	7,536
Income from discontinued operations .....	3,117	4,085	—	—
Gain on sale of discontinued operations .....	—	—	5,294	—
Net income .....	80,465	116,425	38,768	7,536
Basic earnings per share				
Income per share from continuing operations .....	\$ 0.85	\$ 1.24	\$ 0.37	\$ 0.08
Income per share from discontinued operations .....	\$ 0.04	\$ 0.04	\$ 0.06	\$ —
Net income per share — basic .....	\$ 0.89	\$ 1.28	\$ 0.43	\$ 0.08
Diluted earnings per share				
Income per share from continuing operations .....	\$ 0.85	\$ 1.23	\$ 0.36	\$ 0.08
Income per share from discontinued operations .....	\$ 0.03	\$ 0.04	\$ 0.06	\$ —
Net income per share — diluted .....	\$ 0.88	\$ 1.27	\$ 0.42	\$ 0.08

**ATMOS ENERGY CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**

	Quarter Ended			
	December 31	March 31	June 30	September 30
	(In thousands, except per share data)			
<b>Fiscal year 2012:</b>				
Operating revenues				
Natural gas distribution .....	\$ 676,113	\$ 871,067	\$ 315,634	\$ 282,516
Regulated transmission and storage .....	56,759	58,037	67,073	65,482
Nonregulated .....	444,176	370,763	256,250	280,114
Intersegment eliminations .....	(93,054)	(74,358)	(62,543)	(75,546)
	1,083,994	1,225,509	576,414	552,566
Gross profit .....	355,392	425,787	293,171	249,389
Operating income .....	139,471	202,432	81,546	22,791
Income (loss) from continuing operations .....	62,384	102,084	28,014	(286)
Income from discontinued operations .....	6,123	7,027	3,118	1,904
Gain on sale of discontinued operations .....	—	—	—	6,349
Net income .....	68,507	109,111	31,132	7,967
Basic earnings per share				
Income per share from continuing operations .....	\$ 0.68	\$ 1.12	\$ 0.31	\$ —
Income per share from discontinued operations .....	\$ 0.07	\$ 0.08	\$ 0.03	\$ 0.09
Net income per share — basic .....	\$ 0.75	\$ 1.20	\$ 0.34	\$ 0.09
Diluted earnings per share				
Income per share from continuing operations .....	\$ 0.68	\$ 1.12	\$ 0.31	\$ —
Income per share from discontinued operations .....	\$ 0.07	\$ 0.08	\$ 0.03	\$ 0.09
Net income per share — diluted .....	\$ 0.75	\$ 1.20	\$ 0.34	\$ 0.09

**ITEM 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.**

None.

**ITEM 9A. Controls and Procedures.**

**Management's Evaluation of Disclosure Controls and Procedures**

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the Company's disclosure controls and procedures, as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act). Based on this evaluation, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures were effective as of September 30, 2013 to provide reasonable assurance that information required to be disclosed by us, including our consolidated entities, in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified by the SEC's rules and forms, including a reasonable level of assurance that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

**Management's Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f), in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of our internal control over financial reporting based on the framework in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) (COSO). Based on our evaluation under the framework in *Internal Control-Integrated Framework* issued by COSO and applicable Securities and Exchange Commission rules, our management concluded that our internal control over financial reporting was effective as of September 30, 2013, in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Ernst & Young LLP has issued its report on the effectiveness of the Company's internal control over financial reporting. That report appears below.

/s/ KIM R. COCKLIN

Kim R. Cocklin

President and Chief Executive Officer

/s/ BRET J. ECKERT

Bret J. Eckert

Senior Vice President and  
Chief Financial Officer

November 13, 2013



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors and Shareholders of  
Atmos Energy Corporation

We have audited Atmos Energy Corporation's internal control over financial reporting as of September 30, 2013, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) (the COSO criteria). Atmos Energy Corporation's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Atmos Energy Corporation maintained, in all material respects, effective internal control over financial reporting as of September 30, 2013, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended September 30, 2013 of Atmos Energy Corporation and our report dated November 13, 2013 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Dallas, Texas  
November 13, 2013

**Changes in Internal Control over Financial Reporting**

We did not make any changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Act) during the fourth quarter of the fiscal year ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. Other Information.**

Not applicable.

**PART III**

**ITEM 10. Directors, Executive Officers and Corporate Governance.**

Information regarding directors and compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated herein by reference to the Company’s Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014. Information regarding executive officers is reported below:

**EXECUTIVE OFFICERS OF THE REGISTRANT**

The following table sets forth certain information as of September 30, 2013, regarding the executive officers of the Company. It is followed by a brief description of the business experience of each executive officer.

<u>Name</u>	<u>Age</u>	<u>Years of Service</u>	<u>Office Currently Held</u>
Kim R. Cocklin .....	62	7	President and Chief Executive Officer
Bret J. Eckert .....	46	1	Senior Vice President and Chief Financial Officer
Marvin L. Sweetin .....	50	13	Senior Vice President, Utility Operations
Louis P. Gregory .....	58	13	Senior Vice President, General Counsel and Corporate Secretary
Michael E. Haefner .....	53	5	Senior Vice President, Human Resources

Kim R. Cocklin was named President and Chief Executive Officer effective October 1, 2010. Mr. Cocklin joined the Company in June 2006 and served as President and Chief Operating Officer of the Company from October 1, 2008 through September 30, 2010, after having served as Senior Vice President, Regulated Operations from October 2006 through September 2008. Mr. Cocklin was appointed to the Board of Directors on November 10, 2009.

Bret J. Eckert joined the Company in June 2012 as Senior Vice President, and on October 1, 2012 he was appointed Chief Financial Officer. Prior to joining the Company, Mr. Eckert was an Assurance Partner with Ernst & Young LLP where he developed extensive accounting and financial experience in the natural gas industry over his 22-year career.

Marvin L. Sweetin was named Senior Vice President, Utility Operations in November 2011. In this role, Mr. Sweetin is responsible for the operations of our six utility divisions, as well as customer service, safety and training. Mr. Sweetin joined the Company in May 2000 and served in a variety of leadership positions with responsibility for procurement, customer service, training and safety.

Louis P. Gregory was named Senior Vice President and General Counsel in September 2000 as well as Corporate Secretary in June 2012.

Michael E. Haefner joined the Company in June 2008 as Senior Vice President, Human Resources.

Identification of the members of the Audit Committee of the Board of Directors as well as the Board of Directors’ determination as to whether one or more audit committee financial experts are serving on the Audit Committee of the Board of Directors is incorporated herein by reference to the Company’s Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014.

The Company has adopted a code of ethics for its principal executive officer, principal financial officer and principal accounting officer. Such code of ethics is represented by the Company’s Code of Conduct, which is applicable to all directors, officers and employees of the Company, including the Company’s principal executive officer, principal financial officer and principal accounting officer. A copy of the Company’s Code of Conduct is posted on the Company’s website at [www.atmosenergy.com](http://www.atmosenergy.com) under “Corporate Governance.” In addition, any amendment to or waiver granted from a provision of the Company’s Code of Conduct will be posted on the Company’s website under “Corporate Governance.”

**ITEM 11.     *Executive Compensation.***

Information on executive compensation is incorporated herein by reference to the Company's Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014.

**ITEM 12.     *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.***

Security ownership of certain beneficial owners and of management is incorporated herein by reference to the Company's Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014. Information concerning our equity compensation plans is provided in Part II, Item 5, "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities", of this Annual Report on Form 10-K.

**ITEM 13.     *Certain Relationships and Related Transactions, and Director Independence.***

Information on certain relationships and related transactions as well as director independence is incorporated herein by reference to the Company's Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014.

**ITEM 14.     *Principal Accountant Fees and Services.***

Information on our principal accountant's fees and services is incorporated herein by reference to the Company's Definitive Proxy Statement for the Annual Meeting of Shareholders on February 5, 2014.

**PART IV**

**ITEM 15.     *Exhibits and Financial Statement Schedules.***

(a) 1. and 2. *Financial statements and financial statement schedules.*

The financial statements and financial statement schedule listed in the Index to Financial Statements in Item 8 are filed as part of this Form 10-K.

3. *Exhibits*

The exhibits listed in the accompanying Exhibits Index are filed as part of this Form 10-K. The exhibits numbered 10.4 (a) through 10.13.(c) are management contracts or compensatory plans or arrangements.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ATMOS ENERGY CORPORATION  
(Registrant)

By:

/s/ BRET J. ECKERT

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Bret J. Eckert  
*Senior Vice President and  
Chief Financial Officer*

Date: November 13, 2013

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Kim R. Cocklin and Bret J. Eckert, or either of them acting alone or together, as his true and lawful attorney-in-fact and agent with full power to act alone, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

<u>/s/ KIM R. COCKLIN</u> Kim R. Cocklin	President, Chief Executive Officer and Director	November 13, 2013
<u>/s/ BRETT J. ECKERT</u> Bret J. Eckert	Senior Vice President and Chief Financial Officer	November 13, 2013
<u>/s/ CHRISTOPHER T. FORSYTHE</u> Christopher T. Forsythe	Vice President and Controller (Principal Accounting Officer)	November 13, 2013
<u>/s/ ROBERT W. BEST</u> Robert W. Best	Chairman of the Board	November 13, 2013
<u>/s/ RICHARD W. DOUGLAS</u> Richard W. Douglas	Director	November 13, 2013
<u>/s/ RUBEN E. ESQUIVEL</u> Ruben E. Esquivel	Director	November 13, 2013
<u>/s/ RICHARD K. GORDON</u> Richard K. Gordon	Director	November 13, 2013
<u>/s/ ROBERT C. GRABLE</u> Robert C. Grable	Director	November 13, 2013
<u>/s/ THOMAS C. MEREDITH</u> Thomas C. Meredith	Director	November 13, 2013
<u>/s/ NANCY K. QUINN</u> Nancy K. Quinn	Director	November 13, 2013
<u>/s/ RICHARD A. SAMPSON</u> Richard A. Sampson	Director	November 13, 2013
<u>/s/ STEPHEN R. SPRINGER</u> Stephen R. Springer	Director	November 13, 2013
<u>/s/ RICHARD WARE II</u> Richard Ware II	Director	November 13, 2013

**ATMOS ENERGY CORPORATION**  
**Valuation and Qualifying Accounts**  
**Three Years Ended September 30, 2013**

	Balance at beginning of period	Additions		Deductions	Balance at end of period
		Charged to cost & expenses	Charged to other accounts		
(In thousands)					
2013					
Allowance for doubtful accounts .....	\$ 9,425	\$ 14,484	\$ —	\$ 3,285 <sup>(1)</sup>	\$ 20,624
2012					
Allowance for doubtful accounts .....	\$ 7,440	\$ 8,901	\$ —	\$ 6,916 <sup>(1)</sup>	\$ 9,425
2011					
Allowance for doubtful accounts .....	\$ 12,701	\$ 2,201	\$ —	\$ 7,462 <sup>(1)</sup>	\$ 7,440

<sup>(1)</sup> Uncollectible accounts written off.

**EXHIBITS INDEX**  
**Item 14.(a)(3)**

Exhibit Number	Description	Page Number or Incorporation by Reference to
	<i>Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession</i>	
2.1(a)	Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Midstates) Corp. as Buyer, dated as of May 12, 2011	Exhibit 2.1 to Form 8-K dated May 12, 2011 (File No. 1-10042)
2.1(b)	Amendment No. 1 to Asset Purchase Agreement	Exhibit 2.1(b) to Form 10-K for fiscal year ended September 30, 2012 (File No. 1-10042)
2.2	Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Georgia) Corp. as Buyer, dated as of August 8, 2012	Exhibit 2.1 to Form 8-K dated August 8, 2012 (File No. 1-10042)
	<i>Articles of Incorporation and Bylaws</i>	
3.1	Restated Articles of Incorporation of Atmos Energy Corporation - Texas (As Amended Effective February 3, 2010)	Exhibit 3.1 to Form 10-Q dated March 31, 2010 (File No. 1-10042)
3.2	Restated Articles of Incorporation of Atmos Energy Corporation - Virginia (As Amended Effective February 3, 2010)	Exhibit 3.2 to Form 10-Q dated March 31, 2010 (File No. 1-10042)
3.3	Amended and Restated Bylaws of Atmos Energy Corporation (as of February 3, 2010)	Exhibit 3.2 to Form 8-K dated February 3, 2010 (File No. 1-10042)
	<i>Instruments Defining Rights of Security Holders, Including Indentures</i>	
4.1	Specimen Common Stock Certificate (Atmos Energy Corporation)	Exhibit 4.1 to Form 10-K for fiscal year ended September 30, 2012 (File No. 1-10042)
4.2	Indenture dated as of November 15, 1995 between United Cities Gas Company and Bank of America Illinois, Trustee	Exhibit 4.11(a) to Form S-3 dated August 31, 2004 (File No. 333-118706)
4.3	Indenture dated as of July 15, 1998 between Atmos Energy Corporation and U.S. Bank Trust National Association, Trustee	Exhibit 4.8 to Form S-3 dated August 31, 2004 (File No. 333-118706)
4.4	Indenture dated as of May 22, 2001 between Atmos Energy Corporation and SunTrust Bank, Trustee	Exhibit 99.3 to Form 8-K dated May 15, 2001 (File No. 1-10042)
4.5	Indenture dated as of June 14, 2007, between Atmos Energy Corporation and U.S. Bank National Association, Trustee	Exhibit 4.1 to Form 8-K dated June 11, 2007 (File No. 1-10042)
4.6	Indenture dated as of March 23, 2009 between Atmos Energy Corporation and U.S. Bank National Corporation, Trustee	Exhibit 4.1 to Form 8-K dated March 26, 2009 (File No. 1-10042)
4.7(a)	Debenture Certificate for the 6 3/4% Debentures due 2028	Exhibit 99.2 to Form 8-K dated July 22, 1998 (File No. 1-10042)
4.7(b)	Global Security for the 4.95% Senior Notes due 2014	Exhibit 10(2)(f) to Form 10-K for fiscal year ended September 30, 2004 (File No. 1-10042)

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4.7(c)	Global Security for the 5.95% Senior Notes due 2034	Exhibit 10(2)(g) to Form 10-K for fiscal year ended September 30, 2004 (File No. 1-10042)
4.7(d)	Global Security for the 6.35% Senior Notes due 2017	Exhibit 4.2 to Form 8-K dated June 11, 2007 (File No. 1-10042)
4.7(e)	Global Security for the 8.50% Senior Notes due 2019	Exhibit 4.2 to Form 8-K dated March 26, 2009 (File No. 1-10042)
4.7(f)	Global Security for the 5.5% Senior Notes due 2041	Exhibit 4.2 to Form 8-K dated June 10, 2011 (File No. 1-10042)
4.7(g)	Global Security for the 4.15% Senior Notes due 2043	Exhibit 4.2 to Form 8-K dated January 8, 2013 (File No. 1-10042)

### *Material Contracts*

10.1(a)	Revolving Credit Agreement, dated as of May 2, 2011 among Atmos Energy Corporation, the Lenders from time to time parties thereto, The Royal Bank of Scotland plc as Administrative Agent, Crédit Agricole Corporate and Investment Bank as Syndication Agent, Bank of America, N.A., U.S. Bank National Association and Wells Fargo Bank, N.A. as Co-Documentation Agents	Exhibit 10.1 to Form 8-K dated May 2, 2011 (File No. 1-10042)
10.1(b)	Second Amendment to Revolving Credit Agreement, made and entered into as of December 7, 2012, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders	Exhibit 10.1 to Form 8-K dated December 5, 2012 (File No. 1-10042)
10.1(c)	Third Amendment to Revolving Credit Agreement, made and entered into as of August 22, 2013, by and among Atmos Energy Corporation, a Texas and Virginia corporation, the several banks and other financial institutions from time to time party thereto (the "Lenders") and The Royal Bank of Scotland plc, in its capacity as Administrative Agent for the Lenders	Exhibit 10.1 to Form 8-K dated August 22, 2013 (File No. 1-10042)
10.2(a)	Accelerated Share Buyback Agreement with Goldman, Sachs & Co. - Master Confirmation dated July 1, 2010	Exhibit 10.6(a) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.2(b)	Accelerated Share Buyback Agreement with Goldman, Sachs & Co. - Supplemental Confirmation dated July 1, 2010	Exhibit 10.6(b) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.3(a)	Guaranty of Algonquin Power & Utilities Corp. dated May 12, 2011	Exhibit 10.1 to Form 8-K dated May 12, 2011 (File No. 1-10042)
10.3(b)	Guaranty of Algonquin Power & Utilities Corp. dated August 8, 2012	Exhibit 10.1 to Form 8-K dated August 8, 2012 (File No. 1-10042)

### *Executive Compensation Plans and Arrangements*

10.4(a)*	Form of Atmos Energy Corporation Change in Control Severance Agreement - Tier I	Exhibit 10.7(a) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.4(b)*	Form of Atmos Energy Corporation Change in Control Severance Agreement - Tier II	Exhibit 10.7(b) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)



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10.5(a)*	Atmos Energy Corporation Executive Retiree Life Plan	Exhibit 10.31 to Form 10-K for fiscal year ended September 30, 1997 (File No. 1-10042)
10.5(b)*	Amendment No. 1 to the Atmos Energy Corporation Executive Retiree Life Plan	Exhibit 10.31(a) to Form 10-K for fiscal year ended September 30, 1997 (File No. 1-10042)
10.6(a)*	Atmos Energy Corporation Annual Incentive Plan for Management (as amended and restated February 10, 2011)	Exhibit 10.14 to Form 10-K for fiscal year ended September 30, 2011 (File No. 1-10042)
10.6(b)*	Amendment No 1 to the Atmos Energy Corporation Annual Incentive Plan for Management (as amended and restated February 10, 2011)	Exhibit 10.8(b) to Form 10-K for fiscal year ended September 30, 2012 (File No. 1-10042)
10.6(c)*	Amendment No 2 to the Atmos Energy Corporation Annual Incentive Plan for Management (as amended and restated February 10, 2011)	
10.7(a)*	Atmos Energy Corporation Supplemental Executive Benefits Plan, Amended and Restated in its Entirety August 7, 2007	Exhibit 10.8(a) to Form 10-K for fiscal year ended September 30, 2008 (File No. 1-10042)
10.7(b)*	Form of Individual Trust Agreement for the Supplemental Executive Benefits Plan	Exhibit 10.3 to Form 10-Q for quarter ended December 31, 2000 (File No. 1-10042)
10.8(a)*	Atmos Energy Corporation Supplemental Executive Retirement Plan (As Amended and Restated, Effective as of November 12, 2009)	Exhibit 10.10(b) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.8(b)*	Atmos Energy Corporation Performance-Based Supplemental Executive Benefits Plan Trust Agreement, Effective Date December 1, 2000	Exhibit 10.1 to Form 10-Q for quarter ended December 31, 2000 (File No. 1-10042)
10.9*	Atmos Energy Corporation Account Balance Supplemental Executive Retirement Plan, Effective Date August 5, 2009	Exhibit 10.10(c) to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.10(a)*	Mini-Med/Dental Benefit Extension Agreement dated October 1, 1994	Exhibit 10.28(f) to Form 10-K for fiscal year ended September 30, 2001 (File No. 1-10042)
10.10(b)*	Amendment No. 1 to Mini-Med/Dental Benefit Extension Agreement dated August 14, 2001	Exhibit 10.28(g) to Form 10-K for fiscal year ended September 30, 2001 (File No. 1-10042)
10.10(c)*	Amendment No. 2 to Mini-Med/Dental Benefit Extension Agreement dated December 31, 2002	Exhibit 10.1 to Form 10-Q for quarter ended December 31, 2002 (File No. 1-10042)
10.11*	Atmos Energy Corporation Equity Incentive and Deferred Compensation Plan for Non-Employee Directors, Amended and Restated as of January 1, 2012	Exhibit 10.1 to Form 10-Q for quarter ended December 31, 2011 (File No. 1-10042)
10.12*	Atmos Energy Corporation Outside Directors Stock-for-Fee Plan, Amended and Restated as of October 1, 2009	Exhibit 10.13 to Form 10-K for fiscal year ended September 30, 2010 (File No. 1-10042)
10.13(a)*	Atmos Energy Corporation 1998 Long-Term Incentive Plan (as amended and restated February 10, 2011)	Exhibit 99.1 to Form S-8 dated October 28, 2011 (File No. 333-177593)
10.13(b)*	Form of Award Agreement of Time-Lapse Restricted Stock Units under the Atmos Energy Corporation 1998 Long-Term Incentive Plan	
10.13(c)*	Form of Award Agreement of Performance-Based Restricted Stock Units under the Atmos Energy Corporation 1998 Long-Term Incentive Plan	
12	Statement of computation of ratio of earnings to fixed charges	

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	<i>Other Exhibits, as indicated</i>	
21	Subsidiaries of the registrant	
23.1	Consent of independent registered public accounting firm, Ernst & Young LLP	
24	Power of Attorney	Signature page of Form 10-K for fiscal year ended September 30, 2013
31	Rule 13a-14(a)/15d-14(a) Certifications	
32	Section 1350 Certifications*	
	<i>Interactive Data File</i>	
101.INS	XBRL Instance Document	
101.SCH	XBRL Taxonomy Extension Schema	
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	
101.DEF	XBRL Taxonomy Extension Definition Linkbase	
101.LAB	XBRL Taxonomy Extension Labels Linkbase	
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	

\* This exhibit constitutes a "management contract or compensatory plan, contract, or arrangement."

\*\* These certifications pursuant to 18 U.S.C. Section 1350 by the Company's Chief Executive Officer and Chief Financial Officer, furnished as Exhibit 32 to this Annual Report on Form 10-K, will not be deemed to be filed with the Securities and Exchange Commission or incorporated by reference into any filing by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates such certifications by reference.





Atmos Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
SUMMARY OF CUSTOMER COSTS												
		Total Company \$	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport	
1	Rate Base	144,796,773	126,819,325	15,037,573	212,013	68,268	73,528	3,733	776,835	1,630,232	181,264	
2												
3	Return @ Realized ROR	8,055,644	4,203,191	1,953,683	5,798	20,475	11,413	33,494	469,375	821,500	536,715	
4	O&M Expenses	17,186,833	15,319,757	1,610,966	19,132	5,926	8,594	230	71,560	135,363	15,304	
5	Interest on Customer Deposits	2,643	2,441	202	0	0	0	0	0	0	0	
6	Depreciation Expense	8,530,427	7,160,351	1,095,503	18,916	6,392	3,798	320	68,992	158,768	17,388	
7	Taxes, Other	6,834,041	5,960,977	727,436	10,390	3,381	3,386	191	38,276	81,035	8,968	
8												
9	Interest Expense	4,398,561	3,852,269	456,804	6,440	2,074	2,234	113	23,598	49,522	5,506	
10												
11	Income Taxes:											
12												
13	State Income Taxes	7.00%	423,347	40,628	173,277	(74)	2,130	1,063	3,864	51,604	89,363	61,493
14	Federal Income Taxes	35.00%	1,968,563	188,918	805,738	(346)	9,905	4,941	17,968	239,956	415,539	285,943
15	Deferred Income Taxes		0	0	0	0	0	0	0	0	0	0
16	Allowance for Step Rate		(1,179)	(74)	(510)	0	(6)	(3)	(11)	(143)	(262)	(171)
17												
18	Total Income Taxes		2,390,731	229,472	978,505	(420)	12,029	6,001	21,821	291,417	504,641	347,266
19												
20	Total Customer-Related Costs @ Realized ROR		43,000,319	32,876,188	6,366,296	53,817	48,203	33,192	56,056	939,620	1,701,307	925,640
21	Total Demand-Related Costs @ Realized ROR		8,245,467	4,726,238	2,185,437	8,645	24,776	2,968	13,578	172,747	897,612	213,466
22	Total Fixed Costs		51,245,786	37,602,426	8,551,732	62,461	72,979	36,160	69,634	1,112,367	2,598,820	1,139,106
23												
24	Total Customers		1,540,488	1,413,690	117,205	862	213	876	24	3,357	3,765	496
25	Customer Costs (\$/customer/month)	\$	33.27	\$ 26.60	\$ 72.96	\$ 72.49	\$ 342.15	\$ 41.27	\$ 2,901.42	\$ 331.36	\$ 690.28	\$ 2,296.58
26												
27												
28	Incremental Return @ Equalized ROR		4,165,204	6,499,854	(684,512)	12,096	(14,713)	(5,207)	(33,179)	(403,810)	(683,908)	(521,416)
29	Uncollectibles/PSC Fees		0	0	0	0	0	0	0	0	0	0
30	Incremental Income Taxes		2,725,125	4,252,593	(447,849)	7,914	(9,626)	(3,407)	(21,708)	(264,197)	(447,454)	(341,142)
31												
32	Total Customer-Related Costs @ Equalized ROR		49,890,648	43,628,635	5,233,935	73,826	23,863	24,578	1,170	271,614	569,945	63,082
33	Customers		1,540,488	1,413,690	117,205	862	213	876	24	3,357	3,765	496
34	Dollars/Customer/Month	\$	32.39	\$ 30.86	\$ 44.66	\$ 85.68	\$ 111.88	\$ 28.05	\$ 48.75	\$ 80.91	\$ 151.38	\$ 127.18
35												
36												
37	Incremental Return @ Proposed Rates		4,165,204	4,359,299	(112,946)	8,444	(1,959)	291	(1,405)	(8,920)	(63,902)	(13,699)
38	Uncollectibles/PSC Fees		0	0	0	0	0	0	0	0	0	0
39	Incremental Income Taxes		2,725,125	2,852,114	(73,896)	5,525	(1,282)	191	(919)	(5,836)	(41,809)	(8,953)
40												
41	Total Customer-Related Costs @ Proposed Rates		49,890,648	40,087,602	6,179,454	67,786	44,962	33,674	53,732	924,864	1,595,597	902,979
42	Customers		1,540,488	1,413,690	117,205	862	213	876	24	3,357	3,765	496
43	Dollars/Customer/Month	\$	32.39	\$ 28.36	\$ 52.72	\$ 78.67	\$ 210.80	\$ 38.43	\$ 2,238.81	\$ 275.50	\$ 423.80	\$ 1,820.52

Atmos Energy Corporation, Colorado-Kansas Division											
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS											
Forecasted Test Period: Twelve Months Ended September 30, 2013											
SUMMARY OF DEMAND COSTS											
		Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
		\$									
1	Rate Base	35,490,992	25,411,098	7,484,656	47,846	77,826	0	0	0	2,469,565	0
2											
3	Return @ Realized ROR	1,974,511	714,684	690,209	1,192	8,418	1,795	8,159	104,455	316,519	129,082
4	O&M Expenses	3,402,807	2,481,922	716,305	4,579	7,448	0	0	0	242,553	0
5	Interest on Customer Deposits	0	0	0	0	0	0	0	0	0	0
6	Depreciation Expense	1,052,153	744,383	219,253	1,402	2,280	0	0	0	84,836	0
7	Taxes, Other	1,230,006	872,730	257,056	1,643	2,673	0	85	10	95,808	0
8											
9	Interest Expense	1,076,127	771,925	227,365	1,453	2,364	0	0	0	75,019	0
10											
11	Income Taxes:										
12											
13	State Income Taxes	7.00%	103,766	(6,631)	53,582	(30)	701	208	944	12,092	27,958
14	Federal Income Taxes	35.00%	482,513	(30,832)	249,156	(141)	3,259	966	4,392	56,226	130,004
15	Deferred Income Taxes		0	0	0	0	0	0	0	0	0
16	Allowance for Step Rate		(289)	(18)	(125)	0	(2)	(1)	(3)	(35)	(64)
17											
18	Total Income Taxes		585,990	(37,481)	302,613	(171)	3,958	1,173	5,334	68,283	157,897
19											
20	Total Demand-Related Costs @ Realized ROR		3,245,467	4,726,238	2,185,437	8,645	24,776	2,968	13,578	172,747	897,612
21											
22											
23	Incremental Return @ Equalized ROR		1,020,929	1,430,013	(58,504)	2,846	(1,849)	(1,795)	(8,159)	(104,455)	(108,087)
24	Uncollectibles/PSC Fees		0	0	0	0	0	0	0	0	0
24	Incremental Income Taxes		667,953	935,600	(38,277)	1,862	(1,210)	(1,174)	(5,338)	(68,341)	(84,453)
25											
26	Total Demand-Related Costs @ Equalized ROR		9,934,348	7,091,851	2,088,656	13,353	21,718	(1)	81	(48)	718,808
27											
28											
29	Incremental Return @ Proposed Rates		1,020,929	840,145	99,001	1,840	1,665	(280)	597	4,364	62,766
30	Uncollectibles/PSC Fees		0	0	0	0	0	0	0	0	0
30	Incremental Income Taxes		667,953	548,673	64,773	1,204	1,090	(183)	391	2,855	41,066
31											
32	Total Demand-Related Costs @ Proposed Rates		9,934,348	6,116,056	2,349,210	11,689	27,532	2,506	14,565	179,967	1,001,444

Atmos Energy Corporation, Colorado-Kansas Division											
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS											
Forecasted Test Period: Twelve Months Ended September 30, 2013											
SUMMARY OF COMMODITY COSTS											
		Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
		\$									
1	Rate Base	9,911,464	2,911,712	864,937	4,790	10,958	28	22,179	96,474	223	184
2											
3	Return @ Realized ROR	217,611	84,949	78,296	104	1,059	199	2,133	16,879	19,754	14,236
4	O&M Expenses	402,721	290,230	86,758	477	1,109	3	2,211	11,792	5,551	4,589
5	Interest on Customer Deposits	0	0	0	0	0	0	0	0	0	0
6	Depreciation Expense	40,325	30,022	8,918	49	113	0	229	994	0	0
7	Taxes, Other	59,671	44,400	13,196	73	167	0	395	1,464	19	16
8											
9	Interest Expense	118,820	88,450	26,275	146	382	1	674	2,931	7	6
10											
11	Income Taxes:										
12											
13	State Income Taxes	7.00%	11,436	(406)	6,022	(5)	84	23	169	1,615	2,286
14	Federal Income Taxes	35.00%	59,178	(1,886)	28,004	(22)	391	107	786	7,509	10,629
15	Deferred Income Taxes		0	0	0	0	0	0	0	0	0
16	Allowance for Step Rate		(32)	(2)	(14)	0	(0)	(0)	(4)	(7)	(5)
17											
18	Total Income Taxes	64,582	(2,294)	34,013	(27)	475	130	954	9,120	12,908	9,303
19											
20	Total Commodity-Related Costs	784,910	447,907	221,181	677	2,923	333	5,852	40,248	38,233	28,144
21	Total Throughput	172,336,199	99,245,230	30,863,823	163,132	420,939	1,844	893,380	10,411,813	16,607,649	13,728,388
22	Commodity Costs (\$/Mcf)	\$ 0.00455	\$ 0.00451	\$ 0.00717	\$ 0.00415	\$ 0.00694	\$ 0.18	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00
23											
24											
25	Incremental Return @ Equalized ROR	112,517	160,799	(5,296)	300	(136)	(197)	(261)	(8,737)	(19,735)	(14,221)
26	Uncollectibles/PSC Fees	0	0	0	0	0	0	0	0	0	0
26	Incremental Income Taxes	73,615	105,204	(3,465)	196	(89)	(129)	(171)	(5,716)	(12,912)	(9,304)
27											
28	Total Commodity-Related Costs @ Equalized ROR	971,041	713,311	212,421	1,173	2,698	7	5,430	25,795	5,586	4,619
29	Total Throughput	172,336,199	99,245,230	30,863,823	163,132	420,939	1,844	893,380	10,411,813	16,607,649	13,728,388
30	Commodity Costs (\$/Mcf)	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00
31											
32											
33	Incremental Return @ Proposed Rates	112,517	88,744	13,944	177	293	(12)	808	4,556	1,136	2,870
34	Uncollectibles/PSC Fees	0	0	0	0	0	0	0	0	0	0
34	Incremental Income Taxes	73,615	58,062	9,123	116	192	(8)	529	2,981	743	1,878
35											
36	Total Commodity-Related Costs @ Proposed Rates	971,041	594,113	244,249	970	3,409	313	7,199	47,785	40,111	32,892
37	Total Throughput	172,336,199	99,245,230	30,863,823	163,132	420,939	1,844	893,380	10,411,813	16,607,649	13,728,388
38	Commodity Costs (\$/Mcf)	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.17	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00

Atmos Energy Corporation, Colorado-Kansas Division											
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS											
Forecasted Test Period: Twelve Months Ended September 30, 2013											
TOTAL COST OF SERVICE											
		Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
		\$									
1	Rate Base	184,199,229	155,136,135	23,387,166	264,649	157,033	73,557	25,912	873,309	4,100,020	181,448
2											
3	Return @ Realized ROR	10,247,796	5,002,824	2,722,188	7,094	29,952	13,407	43,786	590,709	1,157,773	680,033
4	O&M Expenses	20,992,361	18,041,909	2,414,029	24,189	14,484	8,597	2,441	83,351	383,467	19,893
5	Interest on Customer Deposits	2,643	2,441	202	0	0	0	0	0	0	0
6	Depreciation Expense	9,622,905	7,934,756	1,323,674	20,367	8,784	3,798	548	69,986	243,604	17,388
7	Taxes, Other	8,123,718	6,878,107	997,689	12,107	6,221	3,386	612	39,750	176,862	8,984
8											
9	Interest Expense	5,595,508	4,712,645	710,443	8,089	4,770	2,234	787	26,529	124,548	5,512
10											
11	Income Taxes:										
12											
13	State Income Taxes	538,549	33,591	232,881	(109)	2,915	1,293	4,978	65,310	119,607	78,083
14	Federal Income Taxes	2,504,254	156,200	1,082,898	(509)	13,555	6,014	23,146	303,691	556,172	363,087
15	Deferred Income Taxes	0	0	0	0	0	0	0	0	0	0
16	Allowance for Step Rate	(1,500)	(94)	(649)	0	(8)	(4)	(14)	(182)	(333)	(217)
17											
18	Total Income Taxes	3,041,303	189,697	1,315,131	(618)	16,462	7,304	28,109	368,819	675,446	440,952
19											
20	Total Cost of Service @ Realized ROR	52,030,696	38,049,784	8,772,914	63,139	75,902	36,493	75,496	1,152,615	2,637,152	1,167,250
21											
22											
23	Incremental Return @ Equalized ROR	5,298,649	8,090,666	(748,312)	15,242	(16,698)	(7,199)	(41,599)	(517,001)	(811,731)	(664,719)
24	Uncollectibles/PSC Fees	0	0	0	0	0	0	0	0	0	0
25	Incremental Income Taxes	3,466,693	5,293,397	(489,590)	9,972	(10,925)	(4,710)	(27,216)	(338,253)	(531,083)	(434,899)
26											
27	Total Cost of Service @ Equalized ROR	60,796,038	51,433,797	7,535,012	88,353	48,279	24,584	6,681	297,361	1,294,338	67,632
28											
29											
30	Incremental Return @ Proposed Rates	5,298,649	5,288,188	(0)	10,461	(0)	(0)	(0)	(0)	(0)	(0)
31	Uncollectibles/PSC Fees	0	0	0	0	0	0	0	0	0	0
32	Incremental Income Taxes	3,466,693	3,459,849	(0)	6,844	(0)	(0)	(0)	(0)	(0)	(0)
33	Total Cost of Service @ Proposed Rates	60,796,038	46,797,771	8,772,914	80,444	75,902	36,493	75,496	1,152,615	2,637,152	1,167,250







Atmos Energy Corporation, Colorado-Kansas Division								
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS								
Forecasted Test Period: Twelve Months Ended September 30, 2013								
CLASSIFICATION OF GROSS PLANT IN SERVICE								
Line No.	Acct. No.		Test Year \$	Classif. Factor	Classif. Basis	Customer \$	Demand \$	Commodity \$
80		General:						
81								
82	39900	Land & Land Rights	152,535	5.4	P, S, T & D Plant	127,113	24,236	1,186
83	39000	Structures & Improvements	1,849,678	5.4	P, S, T & D Plant	1,541,406	293,895	14,376
84	39001	Structures Frame	-	99.0	-	-	-	-
85	39002	Structures-Brick	-	99.0	-	-	-	-
86	39003	Improvements	1,513	5.4	P, S, T & D Plant	1,261	240	12
87	39004	Air Conditioning Equipment	8,782	5.4	P, S, T & D Plant	7,318	1,395	68
88	39009	Improvement to Leased Premises	39,013	5.4	P, S, T & D Plant	32,511	6,199	303
89	39100	Office Furniture & Equipment	435,526	5.4	P, S, T & D Plant	362,940	69,201	3,385
90	39102	Remittance Processing Equip	-	99.0	-	-	-	-
91	39103	Office Machines	5,220	5.4	P, S, T & D Plant	4,350	829	41
92	39200	Transportation Equipment	655,137	5.4	P, S, T & D Plant	545,950	104,095	5,092
93	39201	Trucks	-	99.0	-	-	-	-
94	39202	Trailers	-	99.0	-	-	-	-
95	39300	Stores Equipment	1,308	5.4	P, S, T & D Plant	1,090	208	10
96	39400	Tools, Shop & Garage Equipment	2,852,697	5.4	P, S, T & D Plant	2,377,259	453,265	22,172
97	39500	Laboratory Equipment	12,933	5.4	P, S, T & D Plant	10,778	2,055	101
98	39600	Power Operated Equipment	326,982	5.4	P, S, T & D Plant	272,486	51,954	2,541
99	39603	Ditchers	149,749	5.4	P, S, T & D Plant	124,791	23,794	1,164
100	39604	Backhoes	190,676	5.4	P, S, T & D Plant	158,898	30,297	1,482
101	39605	Welders	45,631	5.4	P, S, T & D Plant	38,026	7,250	355
102	39700	Communication Equipment	436,833	5.4	P, S, T & D Plant	364,030	69,408	3,395
103	39701	Communication Equipment - Mobile Radios	7,902	5.4	P, S, T & D Plant	6,585	1,256	61
104	39702	Communication Equipment - Fixed Radios	249,420	5.4	P, S, T & D Plant	207,851	39,630	1,939
105	39800	Miscellaneous Equipment	104,374	5.4	P, S, T & D Plant	86,979	16,584	811
106	39900	Other Tangible Property	0	99.0	-	-	-	-
107	39901	Other Tangible Property - Servers - H/W	41,963	5.4	P, S, T & D Plant	34,969	6,667	326
108	39902	Other Tangible Property - Servers - S/W	63,702	5.4	P, S, T & D Plant	53,085	10,122	495
109	39903	Other Tangible Property - Network - H/W	229,637	5.4	P, S, T & D Plant	191,365	36,487	1,785
110	39904	Other Tang. Property - CPU	-	99.0	-	-	-	-
111	39905	Other Tangible Property - MF - Hardware	-	99.0	-	-	-	-
112	39906	Other Tang. Property - PC Hardware	700,216	5.4	P, S, T & D Plant	583,516	111,257	5,442
113	39907	Other Tang. Property - PC Software	98,319	5.4	P, S, T & D Plant	81,933	15,622	764
114	39908	Other Tang. Property - Mainframe S/W	950,275	5.4	P, S, T & D Plant	791,900	150,989	7,386
115	39909	Other Tang. Property - Application Software	-	99.0	-	-	-	-
116	39924	Other Tang. Property - General Startup Costs	-	99.0	-	-	-	-
117								
118		Total General Plant	9,610,019			8,008,390	1,526,936	74,693
119								
120		TOTAL DIRECT PLANT	285,729,787			238,109,371	45,399,610	2,220,806
121								
122		Shared Services General Office:	7,100,442	5.4	P, S, T & D Plant	5,917,066	1,128,189	55,187
123		Shared Services Customer Support:	6,205,730	1.0	Customer	6,205,730	-	-
124		Colorado-Kansas General Office:	932,535	5.4	P, S, T & D Plant	777,117	148,171	7,248
125								
126		TOTAL PLANT IN SERVICE	299,968,495			251,009,284	46,675,970	2,283,241





















Atmos Energy Corporation, Colorado-Kansas Division								
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS								
Forecasted Test Period: Twelve Months Ended September 30, 2013								
CLASSIFICATION OF O&M EXPENSE								
Line No.	Acct. No.		Test Year \$	Classif. Factor	Classif. Basis	Customer \$	Demand \$	Commodity \$
144		Administrative & General:						
145		Operation						
146	9200	Administrative and General Salaries	342,897	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	290,976	50,596	1,325
147	9210	Office Supplies and Expenses	17,568	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	14,908	2,592	68
148	9220	Administrative Expenses Transferred - Credit	8,917,682	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	7,567,377	1,315,848	34,456
149	9230	Outside Services Employed	466,852	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	396,162	68,886	1,804
150	9240	Property Insurance	110,869	6.0	Total Plant	92,774	17,252	844
151	9250	Injuries and Damages	264,820	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	224,721	39,076	1,023
152	9260	Employee Pensions and Benefits	1,765,575	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	1,498,234	260,519	6,822
153	9270	Franchise Requirements	-	99.0	-	-	-	-
154	9280	Regulatory Commission Expenses	138,445	9.3	O&M Expenses less A&G	107,929	25,077	5,440
155	930.1	General Advertising Expenses	-	99.0	-	-	-	-
156	930.2	Miscellaneous General Expense	15,383	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	13,054	2,270	59
157	9310	Rents	25,130	17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	21,325	3,708	97
158		Maintenance						
159	9320	Maintenance of General Plant	0	99.0	-	-	-	-
160		Total A&G	12,065,220			10,227,457	1,785,824	51,939
161								
162		Adjustments to Operations and Maintenance Expenses	546,801	9.3	O&M Expenses less A&G	426,272	99,043	21,486
163								
164		TOTAL O&M EXPENSE	20,992,361			17,186,833	3,402,807	402,721

Atmos Energy Corporation, Colorado-Kansas Division							
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS							
Forecasted Test Period: Twelve Months Ended September 30, 2013							
CLASSIFICATION OF PAYROLL							
		Test Year	Classif.	Classif.	Customer	Demand	Commodity
		\$	Factor	Basis	\$	\$	\$
1	Production & Gathering:						
2	Operation						
3	Op., Sup., & Eng.	-	99.0	-	-	-	-
4	Production Maps & Records	-	99.0	-	-	-	-
5	Field Lines Expenses	-	99.0	-	-	-	-
6	Field Compressor Station Expense	-	99.0	-	-	-	-
7	Field Compressor Sta. Fuel & Pwr.	-	99.0	-	-	-	-
8	Field Meas. & Regul. Station Exp	-	99.0	-	-	-	-
9	Purification Expense	-	99.0	-	-	-	-
10	Other Expenses	-	99.0	-	-	-	-
11	Maintenance						
12	Maint. Sup., & Eng.	-	99.0	-	-	-	-
13	Structures and Improvements	-	99.0	-	-	-	-
14	Field Line Maintenance	-	99.0	-	-	-	-
15	Compressor Station Equip. Maint.	-	99.0	-	-	-	-
16	Meas. & Regul. Station Equip Maint	-	99.0	-	-	-	-
17	Purification Equipment Maintenance	-	99.0	-	-	-	-
18	Other Equipment Maintenance	-	99.0	-	-	-	-
19	Gas Processed By Others	-	99.0	-	-	-	-
20	Total Production & Gathering	-			-	-	-
21							
22	Other Gas Supply Expenses:						
23	Wellhead Purchases	-	99.0	-	-	-	-
24	Field Line Purchases	-	99.0	-	-	-	-
25	Transmission Line Purchases	-	99.0	-	-	-	-
26	City Gate Purchases	-	99.0	-	-	-	-
27	Other Gas Purchases	-	99.0	-	-	-	-
28	Exchange Gas	-	99.0	-	-	-	-
29	Purchased Gas Expenses	-	99.0	-	-	-	-
30	Storage Gas Withdrawal	-	99.0	-	-	-	-
31	Company Used Gas	-	99.0	-	-	-	-
32	Other Gas Supply Expenses	-	99.0	-	-	-	-
33	Total Other Gas Supply Expenses	-			0	0	0
34							

Atmos Energy Corporation, Colorado-Kansas Division							
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS							
Forecasted Test Period: Twelve Months Ended September 30, 2013							
CLASSIFICATION OF PAYROLL							
		Test Year	Classif.	Classif.	Customer	Demand	Commodity
		\$	Factor	Basis	\$	\$	\$
35	Underground Storage:						
36	Operation						
37	Op., Sup., & Eng.	54,711	3.5	Storage	-	35,017	19,694
38	Maps & Records	0	99.0	-	-	-	-
39	Wells Expense	0	99.0	-	-	-	-
40	Lines Expense	0	99.0	-	-	-	-
41	Compressor Station Expense	0	99.0	-	-	-	-
42	Compressor Station Fuel & Power	0	99.0	-	-	-	-
43	Meas. & Regul. Station Expenses	0	99.0	-	-	-	-
44	Purification Expenses	0	99.0	-	-	-	-
45	Exploration & Development	0	99.0	-	-	-	-
46	Gas Losses	0	99.0	-	-	-	-
47	Other Expenses	0	99.0	-	-	-	-
48	Storage Well Royalties	0	99.0	-	-	-	-
49	Rents	0	99.0	-	-	-	-
50	Maintenance						
51	Maint. Sup., & Eng.	0	99.0	-	-	-	-
52	Structures and Improvements	0	99.0	-	-	-	-
53	Reservoirs & Wells Maintenance	0	99.0	-	-	-	-
54	Line Maintenance	0	99.0	-	-	-	-
55	Compressor Station Equip Maint	0	99.0	-	-	-	-
56	Meas. & Regul. Station Equip Maint	0	99.0	-	-	-	-
57	Purification Equipment Maintenance	0	99.0	-	-	-	-
58	Other Equipment Maintenance	0	99.0	-	-	-	-
59	Total Underground Storage Expense	54,711			0	35,017	19,694
60							
61	Transmission:						
62	Operation						
63	Op., Sup., & Eng.	2,750	2.0	Demand	-	2,750	-
64	System Control & Load Dispatching	0	99.0	-	-	-	-
65	Communication Systems Expense	0	99.0	-	-	-	-
66	Compressor Station Labor Expense	0	99.0	-	-	-	-
67	Compressor Station Fuel Gas	0	99.0	-	-	-	-
68	Compressor Station Fuel & Power	0	99.0	-	-	-	-
69	Mains Expense	0	99.0	-	-	-	-
70	Meas. & Regul. Station Expenses	0	99.0	-	-	-	-
71	Other Expenses	0	99.0	-	-	-	-
72	LDC Payment	0	99.0	-	-	-	-
73	LDC Payment - A&G	0	99.0	-	-	-	-
74	Rents	0	99.0	-	-	-	-
75	Maintenance						
76	Maint. Sup., & Eng.	-	99.0	-	-	-	-
77	Structures & Improvements	-	99.0	-	-	-	-
78	Mains	-	99.0	-	-	-	-
79	Compressor Station Equip Maint	-	99.0	-	-	-	-
80	Meas. & Regul. Station Equip Maint	-	99.0	-	-	-	-
81	Communication Equipment Maintenance	-	99.0	-	-	-	-
82	Other Equipment Maintenance	-	99.0	-	-	-	-





Atmos Energy Corporation, Colorado-Kansas Division							
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS							
Forecasted Test Period: Twelve Months Ended September 30, 2013							
CLASSIFICATION OF PAYROLL							
		Test Year	Classif.	Classif.	Customer	Demand	Commodity
		\$	Factor	Basis	\$	\$	\$
84							
85	Distribution:						
86	Operation						
87	Supervision & Eng.	10,789,842	7.5	Distribution O&M Expenses	8,923,515	1,828,129	38,198
88	Distribution Load Dispatching	-	99.0	-	-	-	-
89	Compressor Station Labor and Expenses	-	99.0	-	-	-	-
90	Mains and Services Expenses	-	99.0	-	-	-	-
91	Measuring and Regulating Station Expenses - General	-	99.0	-	-	-	-
92	Measuring and Regulating Station Expenses - Industrial	-	99.0	-	-	-	-
93	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	-	99.0	-	-	-	-
94	Meter and House Regulator Expenses	-	99.0	-	-	-	-
95	Customer Installations Expenses	-	99.0	-	-	-	-
96	Other Expenses	-	99.0	-	-	-	-
97	Rents	-	99.0	-	-	-	-
98	Maintenance						
99	Maintenance Supervision and Engineering	-	99.0	-	-	-	-
100	Maintenance of Structures and Improvements	-	99.0	-	-	-	-
101	Maintenance of Mains	-	99.0	-	-	-	-
102	Maintenance of compressor station equipment	-	99.0	-	-	-	-
103	Maint. of Measuring and Regulating Station Equip. - General	-	99.0	-	-	-	-
104	Maint. of Measuring and Regulating Station Equip. - Industrial	-	99.0	-	-	-	-
105	Maint. of Measuring and Regulating Station Equip. - City Gate	-	99.0	-	-	-	-
106	Maintenance of Services	-	99.0	-	-	-	-
107	Maintenance of Meters and House Regulators	-	99.0	-	-	-	-
108	Maintenance of Other Equipment	-	99.0	-	-	-	-
109	Total Distribution	10,789,842			8,923,515	1,828,129	38,198
110							
111	Customer Accounts						
112	Supervision	15,639,950	1.0	Customer	15,639,950	-	-
113	Meter Reading	-	99.0	-	-	-	-
114	Customer Rec. & Collections	-	99.0	-	-	-	-
115	Uncollectible Accounts	-	99.0	-	-	-	-
116	Misc. Cust. Acct. Expense	-	99.0	-	-	-	-
117	Total Customer Accounts Expense	15,639,950			15,639,950	-	-
118							
119	Customer Service and Information						
120	Supervision	73,953	1.0	Customer	73,953	-	-
121	Customer Assistance	-	99.0	-	-	-	-
122	Information & Instruction	-	99.0	-	-	-	-
123	Misc. Cust. Acct. Expense	-	99.0	-	-	-	-
124	Total Customer Service & Info Expense	73,953			73,953	-	-
125							
126	Sales						
127	Supervision	132,375	1.0	Customer	132,375	-	-
128	Demonstration & Selling	-	99.0	-	-	-	-
129	Advertising	-	99.0	-	-	-	-
130	Misc. Sales Expense	-	99.0	-	-	-	-
131	Total Sales Expense	132,375			132,375	-	-

Atmos Energy Corporation, Colorado-Kansas Division							
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS							
Forecasted Test Period: Twelve Months Ended September 30, 2013							
CLASSIFICATION OF PAYROLL							
		Test Year	Classif.	Classif.	Customer	Demand	Commodity
		\$	Factor	Basis	\$	\$	\$
132							
133	Administrative & General:						
134	Operation						
135	Administrative and General Salaries	49,144,676	7.7	Payroll less A&G	45,602,854	3,435,239	106,583
136	Office Supplies and Expenses	-	99.0	-	-	-	-
137	Administrative Expenses Transferred - Customer Support	-	99.0	-	-	-	-
138	Administrative Expenses Transferred - General	-	99.0	-	-	-	-
139	Outside Services Employed	-	99.0	-	-	-	-
140	Property Insurance	-	99.0	-	-	-	-
141	Injuries and Damages	-	99.0	-	-	-	-
142	Employee Pensions and Benefits	-	99.0	-	-	-	-
143	Regulatory Commission Expenses	-	99.0	-	-	-	-
144	Duplicate Charges - Credit	-	99.0	-	-	-	-
145	General Advertising Expenses	-	99.0	-	-	-	-
146	Miscellaneous General Expense	-	99.0	-	-	-	-
147	Rents	-	99.0	-	-	-	-
148	Maintenance						
149	Maintenance of General Plant	-	99.0	-	-	-	-
150	Total A&G	49,144,676			45,602,854	3,435,239	106,583
151							
152	Other Utility Plant Related Payroll	0	99.0	-	-	-	-
153							
154	TOTAL O&M EXPENSES - PAYROLL	75,838,257			70,372,647	5,301,135	164,475









Atmos Energy Corporation, Colorado-Kansas Division								
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS								
Forecasted Test Period: Twelve Months Ended September 30, 2013								
CLASSIFICATION OF DEPRECIATION EXPENSE								
Line	Acct.		Test Year	Classif.	Classif.	Customer	Demand	Commodity
			\$	Factor	Basis	\$	\$	\$
No.	No.							
122		TOTAL DEPRECIATION EXPENSE	9,622,905			8,530,427	1,052,153	40,325





Atmos Energy Corporation, Colorado-Kansas Division							
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS							
Forecasted Test Period: Twelve Months Ended September 30, 2013							
SUMMARY OF CLASSIFICATION							
1							
2							
3							
4		Test Year	Classif.	Classif.	Customer	Demand	Commodity
5		\$	Factor	Basis	\$	\$	\$
6							
7	Operating Revenues	52,030,696			43,000,319	8,245,467	784,910
8							
9	Operating Expenses:						
10							
11	Operating & Maintenance	20,992,361			17,186,833	3,402,807	402,721
12	Interest on Customer Deposits	2,643			2,643	0	0
13	Depreciation & Amortization	9,622,905			8,530,427	1,052,153	40,325
14	Taxes Other Than Income	8,123,718			6,834,041	1,230,006	59,671
15							
16	Total Operating Expenses	38,741,627			32,553,944	5,684,966	502,717
17							
18	Income Before Taxes	13,289,069			10,446,375	2,560,501	282,193
19							
20	Interest Expense	5,595,508			4,398,561	1,078,127	118,820
21							
22	Income Taxes:	7,693,560					
23							
24	State Income Taxes	538,549	7.00%		423,347	103,766	11,436
25	Federal Income Taxes	2,504,254	35.00%		1,968,563	482,513	53,178
26	Total Deferred Income Taxes	0			0	0	0
27	Step Rate Adjustment	(1,500)			(1,179)	(289)	(32)
28							
29	Total Income Taxes	3,041,303			2,390,731	585,990	64,582
30							
31	Net Income	10,247,766			8,055,644	1,974,511	217,611
32							
33	Total Rate Base	184,199,229			144,796,773	35,490,992	3,911,464
34							
35	Rate of Return	5.5634%			5.5634%	5.5634%	5.5634%

Atmos Energy Corporation, Colorado-Kansas Division						
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS						
Forecasted Test Period: Twelve Months Ended September 30, 2013						
CLASSIFICATION FACTORS						
			Total Company	Customer	Demand	Commodity
	Input	Values	1	1	0	0
1.0	Customer	%	100.0000%	100.0000%	0.0000%	0.0000%
	Input	Values	1	0	1	0
2.0	Demand	%	100.0000%	0.0000%	100.0000%	0.0000%
	Input	Values	1	0	0	1
3.0	Commodity	%	100.0000%	0.0000%	0.0000%	100.0000%
	Input	Values	1.00	0.00	0.64	0.36
3.5	Storage	%	100.0000%	0.0000%	64.0040%	35.9960%
	Input	Values	130,201,797	98,705,966	31,495,832	0
4.0	Mains	%	100.0000%	75.8100%	24.1900%	0.0000%
	Internally Generated	Values	149,747,733	121,853,936	27,893,797	0
4.1	Mains & Services	%	100.0000%	81.3728%	18.6272%	0.0000%
	Internally Generated	Values	268,206,566	230,066,749	38,139,816	0
4.3	Distribution Plant	%	100.0000%	85.7797%	14.2203%	0.0000%
	Internally Generated	Values	299,968,495	251,009,284	46,675,970	2,283,241
5.0	Gross Plant	%	100.0000%	83.6785%	15.5603%	0.7612%
	Internally Generated	Values	276,078,690	230,066,749	43,866,147	2,145,794
5.4	P, S, T & D Plant	%	100.0000%	83.3338%	15.8890%	0.7772%

	Internally Generated	Values	201,085,262	166,308,064	33,956,427	820,771
5.7	Net Plant	%	100.0000%	82.7052%	16.8866%	0.4082%
	Internally Generated	Values	299,968,495	251,009,284	46,675,970	2,283,241
6.0	Total Plant	%	100.0000%	83.6785%	15.5603%	0.7612%
	Internally Generated	Values	5,773,416	4,774,784	978,193	20,439
7.5	Distribution O&M Expenses	%	100.0000%	82.7029%	16.9431%	0.3540%
	Internally Generated	Values	26,693,581	24,769,794	1,865,896	57,892
7.7	Payroll less A&G	%	100.0000%	92.7931%	6.9901%	0.2169%
	Internally Generated	Values	20,992,361	17,186,833	3,402,807	402,721
9.1	Allocated O&M Expenses	%	100.0000%	81.8718%	16.2097%	1.9184%
	Internally Generated	Values	8,380,340	6,533,103	1,517,940	329,296
9.3	O&M Expenses less A&G	%	100.0000%	77.9575%	18.1131%	3.9294%
	Internally Generated	Values	7,558,643	6,359,305	1,143,855	55,483
10.0	Other Taxes	%	100.0000%	84.1329%	15.1331%	0.7340%
	Internally Generated	Values	7,693,560	6,047,814	1,482,374	163,372
11.0	Taxable Income	%	100.0000%	78.6088%	19.2677%	2.1235%
	Internally Generated	Values	4,348,434	3,596,282	736,758	15,394
11.8	Composite of Accts. 871-879 & 886-893	%	100.0000%	82.7029%	16.9431%	0.3540%
	Internally Generated	Values	121,821,678	92,442,928	29,378,750	-
12.0	Composite of Accts. 374-379	%	100.0000%	75.8838%	24.1162%	0.0000%
	Internally Generated	Values	184,199,229	144,796,773	35,490,992	3,911,464
13.0	Rate Base	%	100.0000%	78.6088%	19.2677%	2.1235%
	Internally Generated	Values	6,916,211	5,868,966	1,020,521	26,723
17.0	Composite of Accts. 870-902, 905-916, 924 & 928-930.1	%	100.0000%	84.8581%	14.7555%	0.3864%
		Values	0	0	0	0
99.0	-	%	0.0000%	0.0000%	0.0000%	0.0000%

Alamos Energy Corporation, Colorado-Kansas Division Kansas Jurisdiction Case No. 34-ATMS-XXX-RTS Forecasted Test Period: Twelve Months Ended September 30, 2019													
ALLOCATION OF PLANT IN SERVICE													
Customer													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SG&S	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
1			Intangible Plant:										
3	30100	6.2	P, S, T & D Plant - Customer Organization	0	-	-	-	-	-	-	-	-	-
4	30200	6.2	P, S, T & D Plant - Customer Franchises & Consents	30,967	26,800	3,370	49	16	15	1	182	390	43
5	30500	6.2	P, S, T & D Plant - Customer Misc Intangible Plant	3,265	2,836	355	5	2	2	0	19	41	5
6													
7			Total Intangible Plant:	34,232	29,737	3,725	53	18	17	1	201	431	48
8													
9			Production Plant:										
10													
11	32520	99.0	Producing Leaseholds	0	-	-	-	-	-	-	-	-	-
12	32540	99.0	Rights of Way	0	-	-	-	-	-	-	-	-	-
13	33100	99.0	Production Gas Wells Equipment	0	-	-	-	-	-	-	-	-	-
14	33210	99.0	Field Lines	0	-	-	-	-	-	-	-	-	-
15	33220	99.0	Tributary Lines	0	-	-	-	-	-	-	-	-	-
16	33400	99.0	Field Meas. & Rep. Sta. Equip	0	-	-	-	-	-	-	-	-	-
17	33500	99.0	Purification Equipment	0	-	-	-	-	-	-	-	-	-
18			Total Production Plant:	0	0	0	0	0	0	0	0	0	0
19													
20			Storage Plant:										
21													
22													
23	35010	99.0	Land	0	-	-	-	-	-	-	-	-	-
24	35020	99.0	Rights of Way	0	-	-	-	-	-	-	-	-	-
25	35100	99.0	Structures and Improvements	0	-	-	-	-	-	-	-	-	-
26	35120	99.0	Compression Station Equipment	0	-	-	-	-	-	-	-	-	-
27	35130	99.0	Meas. & Rep. Sta. Structures	0	-	-	-	-	-	-	-	-	-
28	35140	99.0	Other Structures	0	-	-	-	-	-	-	-	-	-
29	35200	99.0	Wells & Rights of Way	0	-	-	-	-	-	-	-	-	-
30	35210	99.0	Well Construction	0	-	-	-	-	-	-	-	-	-
31	35220	99.0	Reservoirs	0	-	-	-	-	-	-	-	-	-
32	35230	99.0	Cushion Gas	0	-	-	-	-	-	-	-	-	-
33	35240	99.0	Leaseholds	0	-	-	-	-	-	-	-	-	-
34	35270	99.0	Storage Rights	0	-	-	-	-	-	-	-	-	-
35	35300	99.0	Pipelines	0	-	-	-	-	-	-	-	-	-
36	35400	99.0	Compressor Station Equipment	0	-	-	-	-	-	-	-	-	-
37	35500	99.0	Meas. & Rep. Equipment	0	-	-	-	-	-	-	-	-	-
38	35600	99.0	Purification Equipment	0	-	-	-	-	-	-	-	-	-
39	35700	99.0	Other Equipment	0	-	-	-	-	-	-	-	-	-
40			Total Storage Plant:	0	0	0	0	0	0	0	0	0	0
41													
42			Transmission:										
43													
44													
45	36500	99.0	Land & Land Rights	0	-	-	-	-	-	-	-	-	-
46	36520	99.0	Rights of Way	0	-	-	-	-	-	-	-	-	-
47	36600	99.0	Structures & Improvements	0	-	-	-	-	-	-	-	-	-
48	36700	99.0	Mains Cathodic Protection	0	-	-	-	-	-	-	-	-	-
49	36730	99.0	Mains - Steel	0	-	-	-	-	-	-	-	-	-
50	36800	99.0	Compressor Station Equipment	0	-	-	-	-	-	-	-	-	-
51	36900	99.0	Meas. & Rep. Equipment	0	-	-	-	-	-	-	-	-	-
52	37100	99.0	Other Equipment	0	-	-	-	-	-	-	-	-	-
53			Total Transmission Plant:	0	0	0	0	0	0	0	0	0	0
54													
55			Distribution:										
56													
57													
58	37400	15.2	Distribution Plant - Cust Land & Land Rights	379,583	499,697	62,638	918	301	282	17	2,378	7,250	800
59	37420	15.2	Distribution Plant - Cust Land Rights	267,426	292,207	29,103	427	140	131	8	1,670	3,369	372
60	37500	7.0	Structures & Improvements - Bills	115,750	108,223	8,607	66	16	68	2	252	283	37
61	37510	99.0	Structures & Improvements T.R.	0	-	-	-	-	-	-	-	-	-
62	37520	99.0	Land Rights	0	-	-	-	-	-	-	-	-	-
63	37530	99.0	Improvements	0	-	-	-	-	-	-	-	-	-
64	37600	2.0	Mains Cathodic Protection - Bills	7,824,293	7,180,274	595,295	4,376	1,083	4,450	122	17,051	19,413	2,510
65	37610	3.0	Mains - Steel - Bills	40,838,923	37,477,464	3,107,143	22,842	3,655	23,427	689	89,995	99,812	13,149
66	37620	2.0	Mains - Plastic - Bills	69,344,448	39,965,234	4,971,594	26,549	9,648	37,164	1,038	142,997	159,794	21,089
67	37800	2.0	Meas. & Rep. Sta. Equip - General - Bills	3,258,715	2,950,490	247,932	1,823	451	1,853	51	7,161	7,964	1,049
68	37900	3.0	Meas. & Rep. Sta. Equip - City Gate - Bills	3,696,439	1,556,805	139,070	949	233	965	26	3,697	4,246	546
69	37908	2.0	Meas. & Rep. Sta. Equipment - Bills	11,298	10,332	857	6	2	6	25	25	28	4
70	38000	2.6	Services - Meters	61,895,294	56,705,275	4,784,706	33,493	9,905	35,499	472	138,690	164,163	15,095
71	38100	4.0	Meter Investment - Meters	37,996,777	13,812,240	3,236,574	90,196	31,730	8,938	3,948	323,298	824,937	89,678
72	38200	4.1	Meter Installations - Meters	76,189,685	18,202,765	3,826,755	138,977	48,897	-	-	493,283	1,367,983	138,195
73	38300	3.6	House Regulators - Small Meter Investment	2,809,189	2,458,979	316,051	1,612	639	1,960	-	15,714	3,565	269
74	38400	3.6	House Reg. Installations - Small Meter Investment	202,461	184,115	23,616	120	48	137	-	1,374	251	20
75	38500	3.8	Ind. Meas. & Rep. Sta. Equipment - Large Meter Investment	1,410,776	39,897	888,998	31,597	10,972	463	1,166	95,342	308,476	35,803
76	38700	4.0	Other Prop. On Cust. Prem - Meter Investment	613,732	429,724	138,078	1,145	311	130	11,691	29,686	3,236	371
77			Total Distribution Plant:	230,064,749	199,854,421	25,037,243	967,155	320,267	112,716	6,676	1,250,358	2,898,099	319,816

Abcon Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-cv-00247-RS														
Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF PLANT IN SERVICE														
79	General:													
81														
82	38900	Land & Land Rights	6.2	P, S, T & D Plant - Customer	127,113	130,411	13,033	203	66	69	4	746	1,601	177
83	39000	Structures & Improvements	6.2	P, S, T & D Plant - Customer	1,541,406	1,388,989	167,745	2,460	806	755	45	9,047	19,417	2,143
84	39001	Structures Frame	99.0	-	0	-	-	-	-	-	-	-	-	-
85	39002	Structures-Brick	99.0	-	0	-	-	-	-	-	-	-	-	-
86	39003	Improvements	6.2	P, S, T & D Plant - Customer	1,261	1,025	187	2	1	1	0	7	16	2
87	39004	Air Conditioning Equipment	6.2	P, S, T & D Plant - Customer	7,313	6,337	796	12	4	4	0	43	92	10
88	39006	Improvement to Leased Premises	6.2	P, S, T & D Plant - Customer	32,511	28,242	5,538	52	17	16	1	391	410	45
89	39100	Office Furniture & Equipment	6.2	P, S, T & D Plant - Customer	362,940	315,278	89,497	579	190	178	13	2,130	4,572	505
90	39102	Remittance Processing Equip	99.0	-	0	-	-	-	-	-	-	-	-	-
91	39203	Office Machines	6.2	P, S, T & D Plant - Customer	4,350	2,778	473	7	2	2	0	76	55	6
92	39200	Transportation Equipment	6.2	P, S, T & D Plant - Customer	545,850	474,256	59,434	871	285	267	16	3,204	6,877	799
93	39201	Trucks	99.0	-	0	-	-	-	-	-	-	-	-	-
94	39202	Trailers	99.0	-	0	-	-	-	-	-	-	-	-	-
95	39300	Stores Equipment	6.2	P, S, T & D Plant - Customer	1,090	947	110	2	1	1	0	6	14	2
96	39400	Tools, Shop & Garage Equipment	6.2	P, S, T & D Plant - Customer	2,372,259	2,085,078	258,708	3,794	1,243	1,105	89	13,953	29,946	3,805
97	39500	Laboratory Equipment	6.2	P, S, T & D Plant - Customer	10,778	9,363	1,173	17	6	5	0	63	136	15
98	39600	Power Operated Equipment	6.2	P, S, T & D Plant - Customer	272,486	236,703	29,654	435	142	133	8	1,589	3,432	379
99	39603	Ditchers	6.2	P, S, T & D Plant - Customer	124,751	208,404	18,581	199	65	61	4	782	1,572	173
100	39604	Backhoes	6.2	P, S, T & D Plant - Customer	158,838	158,031	17,252	254	83	78	5	933	2,002	221
101	39605	Winches	6.2	P, S, T & D Plant - Customer	38,628	33,039	4,398	61	20	19	1	223	479	59
102	39700	Communication Equipment	6.2	P, S, T & D Plant - Customer	354,030	325,225	39,616	593	190	178	11	2,137	4,596	524
103	39701	Communication Equipment - Mobile Radios	6.2	P, S, T & D Plant - Customer	6,885	5,720	717	11	3	3	0	89	83	9
104	39702	Communication Equipment - Fixed Radios	6.2	P, S, T & D Plant - Customer	207,851	189,555	22,620	332	169	162	6	1,220	2,618	289
105	39800	Miscellaneous Equipment	6.2	P, S, T & D Plant - Customer	86,979	75,557	9,468	139	45	43	3	511	1,096	121
106	39900	Other Tangible Property	99.0	-	0	-	-	-	-	-	-	-	-	-
107	39901	Other Tangible Property - Servers - H/W	6.2	P, S, T & D Plant - Customer	34,869	30,377	3,805	58	38	37	1	205	420	49
108	39902	Other Tangible Property - Servers - S/W	6.2	P, S, T & D Plant - Customer	53,085	46,114	5,777	85	38	26	2	312	669	74
109	39903	Other Tangible Property - Network - H/W	6.2	P, S, T & D Plant - Customer	191,365	168,235	20,825	305	100	94	6	1,123	2,411	266
110	39904	Other Tang. Property - CPU	99.0	-	0	-	-	-	-	-	-	-	-	-
111	39905	Other Tangible Property - MF - Hardware	99.0	-	0	-	-	-	-	-	-	-	-	-
112	39906	Other Tang. Property - PC Hardware	6.2	P, S, T & D Plant - Customer	583,516	506,889	63,502	931	305	285	17	3,125	7,350	811
113	39907	Other Tang. Property - PC Software	6.2	P, S, T & D Plant - Customer	81,883	71,174	8,815	131	43	40	2	461	1,032	124
114	39908	Other Tang. Property - Mailframe S/W	6.2	P, S, T & D Plant - Customer	791,900	687,908	86,179	1,254	414	388	23	4,648	9,975	1,101
115	39909	Other Tang. Property - Application Software	99.0	-	0	-	-	-	-	-	-	-	-	-
116	39924	Other Tang. Property - General Startup Costs	99.0	-	0	-	-	-	-	-	-	-	-	-
117	Total General Plant				8,006,990	6,956,730	871,521	12,780	4,186	3,824	232	47,005	100,820	11,137
118														
119														
120	TOTAL DIRECT PLANT				138,109,971	205,840,887	25,512,389	379,930	124,471	116,655	6,909	1,397,564	2,959,410	330,995
121														
122	Shared Services General Office:				5,917,056	5,140,037	643,931	9,443	3,093	2,889	172	34,730	76,536	8,225
123	Shared Services Customer Support:				9,205,730	3,094,935	472,150	3,473	859	9,529	97	13,523	15,167	1,598
124	Colorado-Kansas General Office:				777,117	675,666	86,570	1,240	466	381	23	4,551	9,789	1,060
125														
126	TOTAL PLANT IN SERVICE - CUSTOMER				251,009,284	218,350,925	27,113,140	394,154	128,830	123,665	7,200	1,450,878	3,088,902	342,299

Atmos Energy Corporation, Colorado-Kansas Division Kansas Jurisdiction Case No. 14-ATMG-000-RTS Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF PLANT IN SERVICE														
Demand														
Line No.	Acct. No.		Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
127		Intangible Plant:												
128														
129	30200	Organization	6.4	P, S, T & D Plant - Demand	0	-	-	-	-	-	-	-	-	-
130	30200	Franchises & Consents	6.4	P, S, T & D Plant - Demand	5,904	4,185	1,233	8	13	-	-	-	466	-
131	30300	Misc Intangible Plant	6.4	P, S, T & D Plant - Demand	622	441	130	1	1	-	-	-	49	-
132														
133		Total Intangible Plant:			6,527	4,626	1,363	9	14	0	0	0	516	0
134														
135		Production Plant:												
136														
137	32920	Production Leaseholds	99.0		0	-	-	-	-	-	-	-	-	-
138	32940	Rights of Way	99.0		0	-	-	-	-	-	-	-	-	-
139	33100	Production Gas Wells Equipment	99.0		0	-	-	-	-	-	-	-	-	-
140	33210	Field Lines	99.0		0	-	-	-	-	-	-	-	-	-
141	33220	Tributary Lines	99.0		0	-	-	-	-	-	-	-	-	-
142	33400	Field Meas. & Reg. Sta. Equip	99.0		0	-	-	-	-	-	-	-	-	-
143	33400	Purification Equipment	99.0		0	-	-	-	-	-	-	-	-	-
144														
145		Total Production Plant:			0	0	0	0	0	0	0	0	0	0
146														
147		Storage Plant:												
148														
149	35010	Land	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	31,457	24,215	7,132	46	74	-	-	-	-	-
150	35020	Rights of Way	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	864,142	280,218	87,537	523	858	-	-	-	-	-
151	35100	Structures and Improvements	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	65,875	50,698	14,831	95	155	-	-	-	-	-
152	35120	Compressor Station Equipment	99.0		0	-	-	-	-	-	-	-	-	-
153	35130	Meas. & Reg. Sta. Structures	99.0		0	-	-	-	-	-	-	-	-	-
154	35140	Other Structures	99.0		0	-	-	-	-	-	-	-	-	-
155	35200	Wells, Rights of Way	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	732,357	563,573	165,899	1,061	1,726	-	-	-	-	-
156	35210	Well Construction	99.0		0	-	-	-	-	-	-	-	-	-
157	35220	Reservoirs	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	28,371	17,585	5,297	34	55	-	-	-	-	-
158	35230	Cushion Gas	99.0		0	-	-	-	-	-	-	-	-	-
159	35240	Leaseholds	99.0		0	-	-	-	-	-	-	-	-	-
160	35290	Storage Rights	99.0		0	-	-	-	-	-	-	-	-	-
161	35300	Pipelines	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	740,049	569,498	167,740	1,072	1,744	-	-	-	-	-
162	35400	Compressor Station Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	1,452,549	1,117,785	329,296	2,105	3,423	-	-	-	-	-
163	35500	Meas. & Reg. Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	340,816	103,352	31,817	204	332	-	-	-	-	-
164	35600	Purification Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	364,576	147,038	41,836	267	431	-	-	-	-	-
165	35700	Other Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	80,211	61,725	16,181	116	189	-	-	-	-	-
166														
167		Total Storage Plant:			3,815,412	2,936,088	864,804	5,528	8,992	0	0	0	0	0
168														
169		Transmission:												
170														
171	36500	Land & Land Rights	3.3	Peak Month less Interruptible, SGS, Irrigation	4,761	3,347	986	6	10	-	-	-	412	-
172	36520	Rights of Way	99.0		0	-	-	-	-	-	-	-	-	-
173	36600	Structures & Improvements	99.0		0	-	-	-	-	-	-	-	-	-
174	36700	Mains Cathodic Protection	3.3	Peak Month less Interruptible, SGS, Irrigation	1,617,287	1,186,868	334,856	2,141	3,482	-	-	-	139,940	-
175	36710	Mains - Steel	3.3	Peak Month less Interruptible, SGS, Irrigation	139,979	88,398	26,982	185	301	-	-	-	12,112	-
176	36800	Compressor Station Equipment	99.0		0	-	-	-	-	-	-	-	-	-
177	36900	Meas. & Reg. Equipment	3.3	Peak Month less Interruptible, SGS, Irrigation	148,891	104,662	30,828	197	321	-	-	-	12,883	-
178	37100	Other Equipment	99.0		0	-	-	-	-	-	-	-	-	-
179														
180		Total Transmission Plant:			1,810,938	1,243,276	395,632	2,929	4,114	0	0	0	165,347	0
181														
182		Distribution:												
183														
184	37400	Land & Land Rights	15.4	Distribution Plant - Demand	95,418	67,074	10,756	126	206	-	-	-	8,256	-
185	37420	Land Rights	15.4	Distribution Plant - Demand	44,333	31,164	5,179	58	95	-	-	-	3,336	-
186	37500	Structures & Improvements	3.3	Peak Month less Interruptible, SGS, Irrigation	86,934	25,968	7,647	49	80	-	-	-	3,136	-
187	37510	Structures & Improvements 7.8	99.0		0	-	-	-	-	-	-	-	-	-
188	37520	Land Rights	99.0		0	-	-	-	-	-	-	-	-	-
189	37530	Improvements	99.0		0	-	-	-	-	-	-	-	-	-
190	37600	Mains Cathodic Protection	3.3	Peak Month less Interruptible, SGS, Irrigation	2,496,633	1,765,002	516,923	3,304	5,375	-	-	-	216,028	-
191	37610	Mains - Steel	3.3	Peak Month less Interruptible, SGS, Irrigation	13,031,186	9,160,241	2,839,083	17,248	28,965	-	-	-	1,127,559	-
192	37620	Mains - Plastic	3.3	Peak Month less Interruptible, SGS, Irrigation	20,850,594	14,695,873	4,317,077	27,397	44,880	-	-	-	1,804,155	-
193	37630	Meas. & Reg. Sta. Equip - General	3.3	Peak Month less Interruptible, SGS, Irrigation	3,039,815	735,935	215,282	1,376	2,239	-	-	-	89,674	-
194	37900	Meas. & Reg. Sta. Equip - City Gate	3.3	Peak Month less Interruptible, SGS, Irrigation	541,512	380,514	112,078	716	1,165	-	-	-	46,638	-
195	37910	Meas. & Reg. Sta. Equipment	3.3	Peak Month less Interruptible, SGS, Irrigation	3,592	2,525	744	3	8	-	-	-	311	-
196	38000	Services	99.0		0	-	-	-	-	-	-	-	-	-
197	38100	Meters	99.0		0	-	-	-	-	-	-	-	-	-
198	38200	Meter Installations	99.0		0	-	-	-	-	-	-	-	-	-
199	38300	House Regulators	99.0		0	-	-	-	-	-	-	-	-	-
200	38400	House Reg. Installations	99.0		0	-	-	-	-	-	-	-	-	-
201	38500	Inst. Meas. & Reg. Sta. Equipment	99.0		0	-	-	-	-	-	-	-	-	-
202	38700	Other Prop. On Cust. Prem	99.0		0	-	-	-	-	-	-	-	-	-
203														
204		Total Distribution Plant:			38,139,816	26,810,233	7,896,779	50,480	82,112	0	0	0	3,800,353	0

Albion Energy Corporation, Colorado-Kansas Division										
Kansas Arbitration Case No. 14-ATMG-002-RS										
Forecasted Test Period: Twelve Months Ended September 30, 2013										
ALLOCATION OF PLANT IN SERVICE										
205	General									
206	General									
207	General									
208	28300	Land & Land Rights	6.4	P, S, T & D Plant - Demand	24,236	17,177	5,059	32	53	1,015
209	39000	Structures & Improvements	6.4	P, S, T & D Plant - Demand	293,895	208,295	61,352	392	638	23,218
210	39001	Structures Frame	99.0	-	0	-	-	-	-	-
211	39002	Structures-Rick	99.0	-	0	-	-	-	-	-
212	39003	Improvements	6.4	P, S, T & D Plant - Demand	240	170	90	0	1	19
213	39004	Air Conditioning Equipment	6.4	P, S, T & D Plant - Demand	1,395	989	291	2	3	110
214	39009	Improvement to Leased Premises	6.4	P, S, T & D Plant - Demand	6,199	4,393	1,284	8	13	490
215	39100	Office Furniture & Equipment	6.4	P, S, T & D Plant - Demand	69,201	49,045	14,446	92	150	5,467
216	39302	Paint/Resin Processing Equip	99.0	-	0	-	-	-	-	-
217	39208	Office Machines	6.4	P, S, T & D Plant - Demand	829	558	173	3	2	66
218	39200	Transportation Equipment	6.4	P, S, T & D Plant - Demand	104,695	73,776	21,390	139	226	8,224
219	39201	Trucks	99.0	-	0	-	-	-	-	-
220	39202	Trailers	99.0	-	0	-	-	-	-	-
221	39300	Stores Equipment	6.4	P, S, T & D Plant - Demand	208	147	43	0	0	16
222	39400	Tool, Shop & Garage Equipment	6.4	P, S, T & D Plant - Demand	492,265	321,247	94,521	605	884	35,609
223	39500	Laboratory Equipment	6.4	P, S, T & D Plant - Demand	2,055	1,456	429	3	4	162
224	39600	Power Operated Equipment	6.4	P, S, T & D Plant - Demand	51,954	36,822	10,846	69	113	4,104
225	38503	Ditchers	6.4	P, S, T & D Plant - Demand	24,794	16,863	4,967	32	52	1,880
226	38604	Backhoes	6.4	P, S, T & D Plant - Demand	30,597	21,472	6,252	40	66	2,393
227	39505	Winches	6.4	P, S, T & D Plant - Demand	7,250	5,183	1,514	10	16	578
228	39700	Communication Equipment	6.4	P, S, T & D Plant - Demand	69,408	49,392	14,689	98	151	5,483
229	39701	Communication Equipment - Mobile Radios	6.4	P, S, T & D Plant - Demand	1,258	890	262	2	3	99
230	39702	Communication Equipment - Fixed Radios	6.4	P, S, T & D Plant - Demand	39,630	28,088	8,272	53	86	2,481
231	39800	Miscellaneous Equipment	6.4	P, S, T & D Plant - Demand	16,584	11,754	3,462	22	36	1,310
232	39900	Other Tangible Property	99.0	-	0	-	-	-	-	-
233	39901	Other Tangible Property - Servers - H/W	6.4	P, S, T & D Plant - Demand	6,667	4,728	1,392	9	14	527
234	39902	Other Tangible Property - Servers - S/W	6.4	P, S, T & D Plant - Demand	10,122	7,174	2,113	14	22	800
235	39903	Other Tangible Property - Network - H/W	6.4	P, S, T & D Plant - Demand	36,487	25,880	7,617	49	79	2,883
236	39904	Other Tangible Property - CPU	99.0	-	0	-	-	-	-	-
237	39905	Other Tangible Property - MF - Hardware	99.0	-	0	-	-	-	-	-
238	39906	Other Tangible Property - PC Hardware	6.4	P, S, T & D Plant - Demand	111,257	78,862	23,225	148	262	8,790
239	39907	Other Tangible Property - PC Software	6.4	P, S, T & D Plant - Demand	15,622	11,072	3,261	21	34	1,234
240	39908	Other Tangible Property - Mainframe S/W	6.4	P, S, T & D Plant - Demand	150,989	107,012	31,520	201	329	11,928
241	39909	Other Tangible Property - Application Software	99.0	-	0	-	-	-	-	-
242	39924	Other Tangible Property - General Startup Costs	99.0	-	0	-	-	-	-	-
243	Total General Plant				1,536,936	1,082,199	318,754	2,038	3,314	120,631
244	TOTAL DIRECT PLANT				45,399,610	32,176,481	9,477,351	60,594	98,547	3,566,616
246	Shared Services General Office			6.4	P, S, T & D Plant - Demand	1,128,189	799,592	285,514	1,508	2,449
249	Shared Services Customer Support			99.0	-	0	-	-	-	-
250	Colorado-Kansas General Offices			6.4	P, S, T & D Plant - Demand	148,177	103,014	30,951	193	322
251	TOTAL PLANT IN SERVICE - DEMAND				46,675,970	33,081,088	9,743,797	62,286	101,817	3,687,481







Alamos Energy Generation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-KYMS-XK-RIS														
Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF PLANT IN SERVICE														
Total Plant In Service														
Line No.	Acct. No.		Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SG&S	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
378		Intangible Plant:												
381	30100	Organization			0	-	-	-	-	-	-	-	-	-
382	30200	Franchises & Consents			37,160	31,300	4,866	58	30	15	3	159	557	43
383	30300	Misc Intangible Plant			3,918	3,300	492	6	3	2	0	20	90	5
384														
385		Total Intangible Plants			41,078	34,600	5,158	64	33	17	3	209	647	48
386														
387		Production Plant:												
388														
389	32520	Producing Leaseholds			0	-	-	-	-	-	-	-	-	-
390	32540	Rights of Way			0	-	-	-	-	-	-	-	-	-
391	33100	Production Gas Wells Equipment			0	-	-	-	-	-	-	-	-	-
392	33210	Field Lines			0	-	-	-	-	-	-	-	-	-
393	33220	Truburst Lines			0	-	-	-	-	-	-	-	-	-
394	33400	Field Meas. & Reg. Sta. Equip			0	-	-	-	-	-	-	-	-	-
395	33600	Purification Equipment			0	-	-	-	-	-	-	-	-	-
396														
397		Total Production Plant			0	0	0	0	0	0	0	0	0	0
398														
399		Storage Plant:												
400														
401	35010	Land			49,154	37,991	11,046	67	134	0	100	436	-	-
402	35020	Rights of Way			588,939	432,689	127,827	778	1,431	1	1,161	5,047	-	-
403	35100	Structures and Improvements			192,923	78,275	23,125	241	789	0	216	913	-	-
404	35120	Compression Station Equipment			0	-	-	-	-	-	-	-	-	-
405	35130	Meas. & Reg. Sta. Structures			0	-	-	-	-	-	-	-	-	-
406	35140	Other Structures			0	-	-	-	-	-	-	-	-	-
407	35200	Wells & Rights of Way			1,244,235	870,218	257,084	1,566	2,678	3	2,338	10,151	-	-
408	35210	Well Construction			0	-	-	-	-	-	-	-	-	-
409	35220	Reservoirs			36,515	27,770	8,204	50	92	0	75	824	-	-
410	35230	Carbon Gas			0	-	-	-	-	-	-	-	-	-
411	35230	Leaseholds			0	-	-	-	-	-	-	-	-	-
412	35220	Storage Rights			0	-	-	-	-	-	-	-	-	-
413	35300	Pipelines			1,156,254	879,358	299,785	1,582	2,908	3	2,960	10,257	-	-
414	35400	Compressor Station Equipment			2,249,465	1,725,382	509,898	3,105	5,709	6	4,633	20,133	-	-
415	35500	Meas. & Reg. Equipment			200,011	167,323	49,432	301	553	1	459	1,952	-	-
416	35600	Purification Equipment			284,382	219,321	64,793	395	725	1	589	2,558	-	-
417	35700	Other Equipment			125,821	95,319	26,157	171	315	0	256	1,113	-	-
418														
419		Total Storage Plant			5,961,206	4,533,628	1,336,351	8,155	14,993	16	12,169	52,884	0	0
420														
421		Transmission:												
422														
423	36000	Land & Land Rights			4,761	3,847	986	8	10	-	-	-	413	-
424	36020	Rights of Way			0	-	-	-	-	-	-	-	-	-
425	36000	Structures & Improvements			0	-	-	-	-	-	-	-	-	-
426	36700	Mains Cathodic Protection			1,517,287	1,196,868	334,856	2,141	3,482	-	-	-	139,949	-
427	36710	Mains - Steel			139,979	98,298	26,982	183	301	-	-	-	12,112	-
428	36000	Compressor Station Equipment			0	-	-	-	-	-	-	-	-	-
429	36900	Meas. & Reg. Equipment			148,891	104,682	30,828	197	311	-	-	-	12,883	-
430	37100	Other Equipment			0	-	-	-	-	-	-	-	-	-
431														
432		Total Transmission Plant			1,910,918	1,343,276	395,652	2,529	4,114	0	0	0	165,347	0
433														
434		Distribution:												
435														
436	37400	Land & Land Rights			671,001	567,072	82,395	1,045	505	282	17	8,378	15,507	800
437	37420	Land Rights			311,739	263,471	36,282	485	235	131	8	1,870	7,205	372
438	37500	Structures & Improvements			152,585	122,186	16,494	114	66	66	2	252	8,473	97
439	37510	Structures & Improvements T.R.			0	-	-	-	-	-	-	-	-	-
440	37520	Land Rights			0	-	-	-	-	-	-	-	-	-
441	37530	Improvements			0	-	-	-	-	-	-	-	-	-
442	37600	Mains Cathodic Protection			10,520,926	8,835,276	1,112,218	7,691	6,458	4,490	322	17,051	235,151	2,518
443	37610	Mains - Steel			33,879,110	46,697,708	5,205,225	40,690	39,710	23,247	619	88,995	1,227,371	15,149
444	37620	Mains - Plastic			85,195,038	74,623,897	9,289,671	64,146	21,837	97,154	1,018	142,397	1,568,659	11,095
445	37900	Meas. & Reg. Sta. Equip - General			4,736,550	3,721,425	465,224	3,109	2,690	1,983	51	7,101	97,537	1,043
446	37900	Meas. & Reg. Sta. Equip - City Gate			2,237,752	1,937,319	241,148	1,665	1,400	865	25	3,607	30,835	546
447	37908	Meas. & Reg. Sta. Equipment			14,851	12,857	1,600	11	9	6	0	25	338	4
448	38000	Services			61,895,294	56,705,275	4,794,705	38,493	9,905	33,493	472	126,890	164,163	15,095
449	38100	Meters			17,068,777	13,814,240	3,236,574	95,196	31,730	8,628	3,048	32,508	822,587	89,678
450	38200	Meter Installations			76,191,683	58,202,193	5,206,704	138,977	48,897	-	-	499,283	1,267,784	138,196
451	38300	House Regulators			2,803,189	2,463,979	316,051	1,612	639	1,560	-	15,714	3,305	269
452	38400	House Reg. Installations			209,461	184,115	23,616	120	48	117	-	1,174	261	20
453	38500	Ind. Meas. & Reg. Sta. Equipment			1,410,776	30,897	898,598	31,557	10,972	469	1,166	85,342	308,476	38,903
454	38700	Other Prop. On Cust. Prem			613,792	476,224	138,075	8,294	1,145	311	110	11,691	29,886	3,236
455														
456		Total Distribution Plant			268,206,566	226,664,713	32,935,022	417,635	202,379	112,716	6,675	1,350,358	6,186,252	315,616

Alamos Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-032-RTS												
Forecasted Text Period: Twelve Months Ended September 30, 2013												
ALLOCATION OF PLANT IN SERVICE												
General												
457	458	459	460	461	462	463	464	465	466	467	468	
39300	39301	39302	39303	39304	39305	39306	39307	39308	39309	39310	39311	
Land & Land Rights	Structures & Improvements	Structures-Frame	Structures-Rick	Improvements	Air Conditioning Equipment	Improvement to Leased Premises	Office Furniture & Equipment	Remittance Processing Equip	Office Machines	Transportation Equipment	Trucks	
Stores Equipment	Tonk, Shop & Garage Equipment	Laboratory Equipment	Power Operated Equipment	Ditchers	Backhoes	Winches	Communication Equipment	Communication Equipment - Mobile Radios	Communication Equipment - Fixed Radios	Miscellaneous Equipment	Other Tangible Property - Servers - M/W	
Other Tangible Property - Servers - S/W	Other Tangible Property - Network - M/W	Other Tangible Property - CPU	Other Tangible Property - MF - Hardware	Other Tangible Property - PC Hardware	Other Tangible Property - PC Software	Other Tangible Property - Mainframe S/W	Other Tangible Property - Application Software	Other Tangible Property - General Startup Costs	Total General Plant	TOTAL DIRECT PLANT	Shared Services General Office	
Shared Services Customer Support	Colorado-Kansas General Office	TOTAL PLANT IN SERVICE										
			152,535	128,480	19,155	237	122	62	10	775	3,516	177
			1,849,678	1,557,887	232,276	2,870	1,484	735	126	9,401	42,635	2,143
			0	-	-	-	-	-	-	-	-	-
			0	-	-	-	-	-	-	-	-	-
			1,513	1,274	180	2	1	1	0	8	85	2
			8,782	7,397	1,103	14	7	4	1	45	202	10
			39,013	32,861	4,899	62	31	16	3	198	899	45
			435,526	366,844	54,692	678	349	178	30	2,224	10,039	505
			0	-	-	-	-	-	-	-	-	-
			5,220	4,396	655	8	4	2	0	27	120	4
			655,137	591,822	82,170	1,016	526	268	45	3,330	15,101	759
			0	-	-	-	-	-	-	-	-	-
			0	-	-	-	-	-	-	-	-	-
			1,308	1,102	144	2	1	1	0	7	40	2
			2,872,697	2,402,892	358,232	4,426	2,239	1,165	195	14,500	65,755	3,055
			12,933	10,894	1,624	20	10	5	1	66	298	15
			926,982	775,417	111,051	507	262	134	22	1,662	7,537	379
			149,749	126,134	18,905	232	110	61	10	761	3,452	173
			130,676	109,607	23,944	299	153	78	13	969	4,395	221
			45,691	38,435	5,730	74	37	19	3	252	1,052	53
			438,833	367,946	64,855	678	350	178	30	2,220	10,069	506
			7,902	6,656	892	12	6	3	1	40	182	9
			249,420	210,087	31,321	387	200	102	17	1,268	5,749	289
			104,374	87,915	13,107	162	84	43	7	531	2,406	121
			0	-	-	-	-	-	-	-	-	-
			41,863	35,245	5,270	65	34	17	3	213	967	49
			63,702	53,656	7,999	99	51	26	4	324	1,468	74
			229,637	193,424	26,337	356	184	94	16	1,167	5,233	266
			0	-	-	-	-	-	-	-	-	-
			0	-	-	-	-	-	-	-	-	-
			700,216	588,793	87,031	1,086	562	281	48	3,599	16,240	813
			98,219	82,814	12,947	153	79	40	7	500	2,266	114
			950,275	800,418	119,332	1,474	762	388	65	4,830	11,904	1,101
			0	-	-	-	-	-	-	-	-	-
			0	-	-	-	-	-	-	-	-	-
			9,610,019	8,094,538	1,206,794	14,809	7,710	3,924	656	48,845	223,510	11,132
			285,723,787	240,670,765	35,880,677	443,294	229,229	116,872	19,503	1,452,296	6,586,057	330,896
			7,400,442	5,980,717	891,649	11,013	5,696	2,899	485	36,090	163,665	8,225
			6,703,730	5,694,935	472,150	3,471	859	429	97	13,523	58,167	3,098
			933,535	785,633	117,105	1,447	748	381	64	4,740	21,695	1,080
			259,953,495	219,131,893	37,361,891	459,226	236,533	129,482	20,148	1,506,649	6,786,383	342,239

ALLOCATION OF RESERVE FOR DEPRECIATION													
Customer													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/P.A. Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
Intangible Plant:													
3	30100	Organization	P, S, T & D Plant - Customer	(20,839)	(18,098)	(2,287)	(85)	(11)	(50)	(1)	(123)	(262)	(29)
4	30200	Franchises & Consents	P, S, T & D Plant - Customer	12,530	10,885	1,864	20	7	6	0	74	158	17
5	30900	Misc Intangible Plant	P, S, T & D Plant - Customer	(8,401)	(7,298)	(514)	(15)	(4)	(4)	(0)	(49)	(106)	(12)
Total Intangible Plant:				(16,704)	(14,511)	(1,837)	(77)	(8)	(48)	(1)	(98)	(210)	(23)
Production Plant:													
11	32520	Producing Leaseholds	99.0	0	-	-	-	-	-	-	-	-	-
12	32540	Rights of Way	99.0	0	-	-	-	-	-	-	-	-	-
13	33100	Production Gas Wells Equipment	99.0	0	-	-	-	-	-	-	-	-	-
14	33210	Field Lines	99.0	0	-	-	-	-	-	-	-	-	-
15	33220	Tributary Lines	99.0	0	-	-	-	-	-	-	-	-	-
16	33400	Field Meas. & Reg. Sta. Equip.	99.0	0	-	-	-	-	-	-	-	-	-
17	33600	Purification Equipment	99.0	0	-	-	-	-	-	-	-	-	-
Total Production Plant				0	0	0	0	0	0	0	0	0	0
Storage Plant:													
23	35010	Land	99.0	0	-	-	-	-	-	-	-	-	-
24	35020	Rights of Way	99.0	0	-	-	-	-	-	-	-	-	-
25	35100	Structures and Improvements	99.0	0	-	-	-	-	-	-	-	-	-
26	35120	Compression Station Equipment	99.0	0	-	-	-	-	-	-	-	-	-
27	35130	Meas. & Reg. Sta. Structures	99.0	0	-	-	-	-	-	-	-	-	-
28	35140	Other Structures	99.0	0	-	-	-	-	-	-	-	-	-
29	35200	Wells/Rights of Way	99.0	0	-	-	-	-	-	-	-	-	-
30	35210	Well Construction	99.0	0	-	-	-	-	-	-	-	-	-
31	35220	Reservoirs	99.0	0	-	-	-	-	-	-	-	-	-
32	35230	Cushion Gas	99.0	0	-	-	-	-	-	-	-	-	-
33	35210	Leaseholds	99.0	0	-	-	-	-	-	-	-	-	-
34	35220	Reservoirs	99.0	0	-	-	-	-	-	-	-	-	-
35	35800	Pipelines	99.0	0	-	-	-	-	-	-	-	-	-
36	35400	Compressor Station Equipment	99.0	0	-	-	-	-	-	-	-	-	-
37	35500	Meas. & Reg. Equipment	99.0	0	-	-	-	-	-	-	-	-	-
38	35600	Purification Equipment	99.0	0	-	-	-	-	-	-	-	-	-
39	35700	Other Equipment	99.0	0	-	-	-	-	-	-	-	-	-
Total Storage Plant				0	-	-	-	-	-	-	-	-	-
Transmission:													
45	36500	Land & Land Rights	99.0	0	-	-	-	-	-	-	-	-	-
46	36520	Rights of Way	99.0	0	-	-	-	-	-	-	-	-	-
47	36600	Structures & Improvements	99.0	0	-	-	-	-	-	-	-	-	-
48	36700	Mains Cathodic Protection	99.0	0	-	-	-	-	-	-	-	-	-
49	36710	Mains - Steel	99.0	0	-	-	-	-	-	-	-	-	-
50	36800	Compression Station Equipment	99.0	0	-	-	-	-	-	-	-	-	-
51	36900	Meas. & Reg. Equipment	99.0	0	-	-	-	-	-	-	-	-	-
52	37100	Other Equipment	99.0	0	-	-	-	-	-	-	-	-	-
Total Transmission Plant				0	-	-	-	-	-	-	-	-	-
Distributions:													
56	37400	Land & Land Rights	15.2 Distribution Plant - Cust	89,248	60,154	7,536	111	36	34	2	406	872	96
59	37420	Land Rights	99.0	0	-	-	-	-	-	-	-	-	-
60	37500	Structures & Improvements	2.0 Bills	65,011	59,660	4,946	36	9	37	1	342	459	21
61	37510	Structures & Improvements T.B.	99.0	0	-	-	-	-	-	-	-	-	-
62	37520	Land Rights	99.0	0	-	-	-	-	-	-	-	-	-
63	37530	Improvements	99.0	0	-	-	-	-	-	-	-	-	-
64	37600	Mains Cathodic Protection	2.0 Bills	26,580,247	24,014,559	2,023,053	14,873	3,682	15,123	414	57,945	54,987	8,561
65	37610	Mains - Steel	99.0	0	-	-	-	-	-	-	-	-	-
66	37620	Mains - Plastic	99.0	0	-	-	-	-	-	-	-	-	-
67	37800	Meas. & Reg. Sta. Equip - General	2.0 Bills	508,824	462,258	38,892	382	70	287	8	1,058	1,231	162
68	37900	Meas. & Reg. Sta. Equip - City Gate	2.0 Bills	261,576	240,045	19,901	146	26	149	4	570	639	84
69	37908	Meas. & Reg. Sta. Equipment	99.0	0	-	-	-	-	-	-	-	-	-
70	38000	Services	2.5 Meters	27,458,775	25,156,313	2,127,088	14,859	4,395	14,859	309	61,527	72,828	6,997
71	38100	Meters	4.0 Meter Investment	30,874,382	7,951,892	2,446,438	57,638	20,286	5,515	1,949	207,141	525,973	37,334
72	38200	Meter Installations	4.1 Meter Installations	9,772,385	6,784,714	2,201,147	51,877	18,253	-	-	186,373	473,637	81,586
73	38300	House Regulators	3.6 Small Meter Investment	1,857,212	1,633,000	209,658	1,068	424	1,034	-	10,414	3,230	176
74	38400	House Reg. Installations	3.6 Small Meter Investment	235,027	206,569	26,458	135	54	131	-	1,217	282	23
75	38500	Ind. Meas. & Reg. Sta. Equipment	3.8 Large Meter Investment	265,656	7,248	161,101	5,719	1,988	84	211	17,278	55,901	6,126
76	38700	Other Pres. On Cust. Prem.	4.0 Meter Investment	460,589	319,868	103,622	2,442	859	234	89	8,774	22,278	2,428
Total Distribution Plant				78,409,112	66,893,419	9,369,130	149,206	50,092	37,485	2,881	552,984	1,220,618	133,397

Amcos Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS														
Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF RESERVE FOR DEPRECIATION														
79	General:													
80														
81														
82	38900	Land & Land Rights	\$9.0	-	-	-	-	-	-	-	-	-		
83	39000	Structures & Improvements	6.2	P, S, T & D Plant - Customer	216,527	188,053	23,564	345	113	106	6	1,271	2,728	301
84	39030	Improvements	6.2	P, S, T & D Plant - Customer	844	299	37	1	0	0	0	2	4	0
85	39040	Air Conditioning Equipment	6.2	P, S, T & D Plant - Customer	359	332	29	1	0	0	0	2	5	0
86	39030	Improvement to Leased Premises	6.2	P, S, T & D Plant - Customer	12,883	11,541	1,402	31	7	6	0	76	160	18
87	39100	Office Furniture & Equipment	6.2	P, S, T & D Plant - Customer	129,035	112,050	14,042	206	67	68	4	757	1,625	179
88	39130	Remittance Processing Equip	6.2	P, S, T & D Plant - Customer	527	457	57	1	0	0	0	3	7	1
89	39200	Transportation Equipment	6.2	P, S, T & D Plant - Customer	307,864	267,175	35,471	491	161	151	9	1,805	3,874	428
90	39300	Stores Equipment	6.2	P, S, T & D Plant - Customer	369	499	61	1	0	0	0	3	7	1
91	39500	Tools & Shop Equipment	6.2	P, S, T & D Plant - Customer	683,907	602,697	75,504	1,107	369	340	20	4,072	8,750	964
92	39500	Laboratory Equipment	6.2	P, S, T & D Plant - Customer	3,791	3,292	423	6	2	2	0	22	48	5
93	39600	Power Operated Equipment	6.2	P, S, T & D Plant - Customer	117,681	102,227	12,807	388	62	58	3	691	1,482	164
94	39630	Ditchers	6.2	P, S, T & D Plant - Customer	73,886	63,751	7,987	117	38	36	2	431	924	102
95	39640	Backhoes	6.2	P, S, T & D Plant - Customer	79,265	68,943	8,637	327	41	29	2	466	1,000	110
96	39650	Welders	6.2	P, S, T & D Plant - Customer	14,221	12,051	1,624	24	8	7	0	88	188	21
97	39700	Communication Equipment	6.2	P, S, T & D Plant - Customer	113,387	98,497	12,330	381	59	56	3	666	1,428	158
98	39710	Communication Equipment - Mobile Radios	6.2	P, S, T & D Plant - Customer	6,025	5,234	656	10	3	0	35	75	6	
99	39720	Communication Equipment - Fixed Radios	6.2	P, S, T & D Plant - Customer	10,111	8,763	1,109	16	5	5	0	59	127	14
100	39730	Communication Equip. - Telemetering	\$9.0	-	0	-	-	-	-	-	-	-	-	-
101	39800	Miscellaneous Equipment	6.2	P, S, T & D Plant - Customer	12,286	10,935	1,370	20	7	6	9	24	159	17
102	39900	Other Tangible Property	\$9.0	-	0	-	-	-	-	-	-	-	-	-
103	39910	Other Tangible Property - Servers - H/W	6.2	P, S, T & D Plant - Customer	12,051	10,469	1,311	15	6	6	0	71	152	17
104	39920	Other Tangible Property - Servers - S/W	6.2	P, S, T & D Plant - Customer	38,243	33,208	4,173	61	20	19	1	225	483	53
105	39930	Other Tangible Property - Network - H/W	6.2	P, S, T & D Plant - Customer	96,953	84,221	10,551	135	51	47	8	569	1,221	135
106	39950	Other Tangible Property - MF - Hardware	\$9.0	-	0	-	-	-	-	-	-	-	-	-
107	39950	Other Tang. Property - PC Hardware	6.2	P, S, T & D Plant - Customer	235,359	204,644	25,612	376	133	115	7	1,381	2,965	327
108	39970	Other Tang. Property - PC Software	6.2	P, S, T & D Plant - Customer	67,454	32,533	14,076	60	20	18	1	220	472	52
109	39980	Other Tang. Property - Application Software	6.2	P, S, T & D Plant - Customer	243,084	211,162	26,454	388	127	119	7	1,427	3,062	338
110		Retirement Work In Progress	6.2	P, S, T & D Plant - Customer	(1,603,147)	(1,892,622)	(174,464)	(2,558)	(838)	(785)	(47)	(9,410)	(20,194)	(2,229)
111		Total General Plant			892,959	740,940	92,823	1,381	446	428	25	5,008	10,744	1,185
112														
113		TOTAL DIRECT RESERVE FOR DEPRECIATION			79,245,357	67,619,848	9,460,139	150,640	50,528	37,895	2,905	557,808	1,231,152	134,680
114														
115														
116		Shared Services General Office:	6.2	P, S, T & D Plant - Customer	3,652,886	3,178,189	397,529	5,829	1,910	1,790	106	21,440	46,015	5,078
117		Shared Services Customer Support:	2.0	Bills	1,474,528	1,853,159	112,186	825	204	639	23	3,218	3,604	475
118		Colorado-Kansas General Office:	6.2	P, S, T & D Plant - Customer	338,450	285,336	35,744	524	172	161	10	1,928	4,137	457
119														
120		TOTAL RESERVE FOR DEPRECIATION - CUSTOMER			84,701,210	72,481,914	10,005,595	157,719	52,813	40,884	3,044	284,474	1,284,908	140,469

Atmos Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-1746-K06-KFS														
Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF RESERVE FOR DEPRECIATION														
Demand														
Line No.	Acct. No.		Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
122		Intangible Plant:												
123	30100	Orientation	5.4	P, S, T & D Plant - Demand	(5,972)	(2,835)	(829)	(6)	(9)	-	-	-	(814)	-
124	30700	Franchises & Consents	6.4	P, S, T & D Plant - Demand	2,389	1,693	499	9	5	-	-	-	189	-
125	30300	Misc Intangible Plant	6.4	P, S, T & D Plant - Demand	(1,602)	(1,135)	(334)	(2)	(3)	-	-	-	(127)	-
126														
127		Total Intangible Plant			(5,185)	(2,277)	(665)	(4)	(7)	0	0	0	(752)	0
128														
129		Production Plant:												
130														
131	32520	Producing Leaseholds	99.0	-	0	-	-	-	-	-	-	-	-	-
132	32540	Rights of Way	99.0	-	0	-	-	-	-	-	-	-	-	-
133	33100	Production Gas Wells Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
134	33210	Field Lines	99.0	-	0	-	-	-	-	-	-	-	-	-
135	33220	Tributary Lines	99.0	-	0	-	-	-	-	-	-	-	-	-
136	33400	Field Meas. & Reg. Sta. Equip	99.0	-	0	-	-	-	-	-	-	-	-	-
137	33600	Purification Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
138														
139		Total Production Plant			0	0	0	0	0	0	0	0	0	0
140														
141		Storage Plant:												
142														
143	35010	Land	99.0	-	0	-	-	-	-	-	-	-	-	-
144	35020	Rights of Way	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	270,794	208,355	61,369	592	698	-	-	-	-	-
145	35100	Structures and Improvements	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	54,257	41,752	12,298	79	128	-	-	-	-	-
146	35120	Compression Station Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
147	35130	Meas. & Reg. Sta. Structures	99.0	-	0	-	-	-	-	-	-	-	-	-
148	35140	Other Structures	99.0	-	0	-	-	-	-	-	-	-	-	-
149	35200	Wells / Rights of Way	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	634,783	465,378	137,074	976	1,425	-	-	-	-	-
150	35230	Well Construction	99.0	-	0	-	-	-	-	-	-	-	-	-
151	35250	Reservoirs	99.0	-	0	-	-	-	-	-	-	-	-	-
152	35290	Cushion Gas	99.0	-	0	-	-	-	-	-	-	-	-	-
153	35290	Leaseholds	99.0	-	0	-	-	-	-	-	-	-	-	-
154	35290	Reservoirs	2.4	Peak Month less Interruptible, SGS, Irrigation, Transport	23,371	17,885	5,297	94	55	-	-	-	-	-
155	35300	Pipelines	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	488,067	375,584	110,633	707	1,150	-	-	-	-	-
156	35400	Compressor Station Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	690,349	531,247	156,475	1,000	1,627	-	-	-	-	-
157	35500	Meas & Reg. Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	126,413	97,279	28,653	383	258	-	-	-	-	-
158	35600	Purification Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	182,611	140,575	41,991	285	430	-	-	-	-	-
159	35700	Other Equipment	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	76,933	61,511	18,118	116	186	-	-	-	-	-
160														
161		Total Storage Plant			2,520,608	1,929,615	571,300	3,652	5,940	-	-	-	-	-
162														
163		Transmission:												
164														
165	36600	Land & Land Rights	99.0	-	0	-	-	-	-	-	-	-	-	-
166	36620	Rights of Way	99.0	-	0	-	-	-	-	-	-	-	-	-
167	36600	Structures & Improvements	99.0	-	0	-	-	-	-	-	-	-	-	-
168	36700	Mains Cathodic Protection	3.3	Peak Month less Interruptible, SGS, Irrigation	490,584	344,855	101,575	649	1,055	-	-	-	42,449	-
169	36710	Mains - Steel	3.3	Peak Month less Interruptible, SGS, Irrigation	9,330	6,899	1,973	13	21	-	-	-	895	-
170	36800	Compressor Station Equipment	3.3	Peak Month less Interruptible, SGS, Irrigation	(12,633)	(6,457)	(2,492)	(16)	(28)	-	-	-	(1,041)	-
171	36800	Meas. & Reg. Equipment	3.3	Peak Month less Interruptible, SGS, Irrigation	81,591	22,074	5,487	41	67	-	-	-	2,713	-
172	37000	Other Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
173														
174		Total Transmission Plant			519,415	365,124	107,544	687	1,118	-	-	-	44,944	-
175														
176		Distribution:												
177														
178	37400	Land & Land Rights	15.4	Distribution Plant - Demand	11,480	8,076	2,377	15	25	-	-	-	953	-
179	37420	Land Rights	99.0	-	0	-	-	-	-	-	-	-	-	-
180	37500	Structures & Improvements	3.3	Peak Month less Interruptible, SGS, Irrigation	20,734	14,882	4,295	27	45	-	-	-	1,785	-
181	37510	Structures & Improvements T.B.	99.0	-	0	-	-	-	-	-	-	-	-	-
182	37520	Land Rights	99.0	-	0	-	-	-	-	-	-	-	-	-
183	37530	Improvements	99.0	-	0	-	-	-	-	-	-	-	-	-
184	37600	Mains Cathodic Protection	3.3	Peak Month less Interruptible, SGS, Irrigation	8,484,613	5,954,230	1,756,724	11,230	18,267	-	-	-	734,155	-
185	37610	Mains - Steel	99.0	-	0	-	-	-	-	-	-	-	-	-
186	37620	Mains - Plastic	99.0	-	0	-	-	-	-	-	-	-	-	-
187	37800	Meas & Reg. Sta. Equip - General	3.5	Peak Month less Interruptible, SGS, Irrigation	160,784	113,009	33,329	213	346	-	-	-	15,811	-
188	37900	Meas & Reg. Sta. Equip - City Gate	3.3	Peak Month less Interruptible, SGS, Irrigation	83,466	58,672	17,281	110	180	-	-	-	7,222	-
189	37908	Meas & Reg. Sta. Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
190	38000	Services	99.0	-	0	-	-	-	-	-	-	-	-	-
191	38100	Meters	99.0	-	0	-	-	-	-	-	-	-	-	-
192	38200	Meter Installations	99.0	-	0	-	-	-	-	-	-	-	-	-
193	38300	House Regulators	99.0	-	0	-	-	-	-	-	-	-	-	-
194	38400	House Reg. Installations	99.0	-	0	-	-	-	-	-	-	-	-	-
195	38500	Ind. Meas. & Reg. Sta. Equipment	99.0	-	0	-	-	-	-	-	-	-	-	-
196	38700	Other Prop. On Cust. Prem	99.0	-	0	-	-	-	-	-	-	-	-	-
197														
198		Total Distribution Plant			8,781,067	6,158,571	1,813,963	11,596	18,862	-	-	-	758,075	-









Atmos Energy Corporation, Colorado-Tarboro Division													
Kansas Jurisdiction Case No. 14-1746-02-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF RESERVE FOR DEPRECIATION													
Total Reserve for Depreciation													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
362			Intangible Plant:										
363	80100		Organization	(25,000)	(21,058)	(3,139)	(89)	(20)	(10)	(2)	(12)	(576)	(29)
364	80200		Franchises & Consents	15,036	12,662	1,868	23	12	6	1	76	347	17
365	80300		Misc Intangible Plant	(10,081)	(8,492)	(1,265)	(16)	(8)	(4)	(1)	(51)	(232)	(12)
366			Total Intangible Plant:	(20,045)	(16,888)	(2,537)	(82)	(16)	(8)	(2)	(102)	(462)	(23)
367													
368			Production Plant:										
369													
370													
371	32520		Production Leaseholds	0	-	-	-	-	-	-	-	-	-
372	32540		Rights of Way	0	-	-	-	-	-	-	-	-	-
373	33100		Production Gas Wells Equipment	0	-	-	-	-	-	-	-	-	-
374	33210		Field Lines	0	-	-	-	-	-	-	-	-	-
375	33220		Tributary Lines	0	-	-	-	-	-	-	-	-	-
376	33400		Field Meas. & Reg. Sta. Equip	0	-	-	-	-	-	-	-	-	-
377	33800		Purification Equipment	0	-	-	-	-	-	-	-	-	-
378													
379			Total Production Plant:	0	0	0	0	0	0	0	0	0	0
380													
381			Storage Plant:										
382													
383	35010		Land	0	-	-	-	-	-	-	-	-	-
384	35020		Rights of Way	423,027	331,722	95,045	579	1,064	1	864	3,753	-	-
385	35100		Structures and Improvements	64,771	64,470	19,046	116	213	0	173	752	-	-
386	35120		Compressor Station Equipment	0	-	-	-	-	-	-	-	-	-
387	35190		Meas. & Reg. Sta. Structures	0	-	-	-	-	-	-	-	-	-
388	35140		Other Structures	0	-	-	-	-	-	-	-	-	-
389	35200		Well Rights of Way	944,667	718,593	212,293	1,283	2,376	2	1,928	8,362	-	-
390	35210		Well Construction	0	-	-	-	-	-	-	-	-	-
391	35220		Reservoirs	0	-	-	-	-	-	-	-	-	-
392	35230		Cushion Gas	0	-	-	-	-	-	-	-	-	-
393	35210		Leaseholds	0	-	-	-	-	-	-	-	-	-
394	35220		Reservoirs	35,515	27,270	8,204	50	82	0	79	328	-	-
395	35200		Pipelines	782,596	579,942	171,529	1,043	1,618	2	1,557	6,769	-	-
396	35400		Compressor Station Equipment	1,078,603	820,303	242,338	1,476	2,713	3	2,202	9,569	-	-
397	35500		Meas & Reg. Equipment	187,608	150,210	44,876	270	497	1	403	1,752	-	-
398	35600		Purification Equipment	285,212	216,966	64,103	390	718	1	582	2,551	-	-
399	35700		Other Equipment	124,687	94,980	28,059	171	314	0	255	1,008	-	-
400													
401			Total Storage Plant:	3,938,045	2,994,976	884,791	5,388	9,905	10	8,039	34,936	-	-
402													
403			Transmission:										
404													
405	36500		Land & Land Rights	0	-	-	-	-	-	-	-	-	-
406	36520		Rights of Way	0	-	-	-	-	-	-	-	-	-
407	36600		Structures & Improvements	0	-	-	-	-	-	-	-	-	-
408	36700		Mains Cathodic Protection	490,584	344,855	101,575	549	1,056	-	-	42,449	-	-
409	36710		Mains - Steel	9,330	6,599	1,973	18	21	-	-	865	-	-
410	36800		Compressor Station Equipment	(12,031)	(8,457)	(2,451)	(16)	(28)	-	-	(1,043)	-	-
411	36900		Meas. & Reg. Equipment	31,351	22,005	6,487	41	67	-	-	2,711	-	-
412	37100		Other Equipment	0	-	-	-	-	-	-	-	-	-
413													
414			Total Transmission Plant:	519,415	365,121	107,544	687	1,118	-	-	44,944	-	-
415													
416			Distributions:										
417													
418	37400		Land & Land Rights	80,728	68,224	8,919	326	61	34	2	406	1,866	96
419	37420		Land Rights	0	-	-	-	-	-	-	-	-	-
420	37500		Structures & Improvements	85,753	74,242	9,241	84	54	27	1	342	1,694	21
421	37510		Structures & Improvements T.B.	0	-	-	-	-	-	-	-	-	-
422	37520		Land Rights	0	-	-	-	-	-	-	-	-	-
423	37530		Improvements	0	-	-	-	-	-	-	-	-	-
424	37600		Mains Cathodic Protection	35,674,861	30,355,838	3,779,785	26,102	21,948	15,123	414	57,945	799,142	8,561
425	37610		Mains - Steel	0	-	-	-	-	-	-	-	-	-
426	37620		Mains - Plastic	0	-	-	-	-	-	-	-	-	-
427	37800		Meas & Reg. Sta. Equip - General	564,588	575,953	71,618	495	416	287	8	1,058	15,142	162
428	37900		Meas & Reg. Sta. Equip - City Gate	345,042	298,717	37,183	257	216	149	4	570	7,861	84
429	37908		Meas & Reg. Sta. Equipment	0	-	-	-	-	-	-	-	-	-
430	38000		Services	27,458,775	25,156,313	2,127,088	14,859	4,395	14,899	209	61,527	72,898	6,597
431	38100		Meters	30,874,482	2,551,892	2,448,439	20,266	5,515	1,949	207,241	925,973	57,834	17,834
432	38200		Meter Installations	9,777,895	6,784,714	2,201,247	51,377	18,292	-	386,372	473,257	51,598	15,982
433	38300		House Regulators	1,857,812	1,633,000	209,453	1,068	424	1,034	-	10,414	2,730	178
434	38400		House Reg. Installations	235,007	206,499	195	395	54	133	-	1,817	282	23
435	38500		Ind. Meas. & Reg. Sta. Equipment	255,656	7,248	161,101	5,719	1,983	84	211	17,378	55,501	6,129
436	38700		Other Prop. On Cust. Prem	460,589	319,869	103,622	2,442	859	284	83	8,774	22,278	2,428
437													
438			Total Distribution Plant:	87,170,176	78,051,990	11,183,093	160,902	68,952	37,485	2,881	552,984	1,976,694	133,287

Altamira Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-000-KTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION OF RESERVE FOR DEPRECIATION												
439	General:											
441												
442	38900	Land & Land Rights	0	-	-	-	-	-	-	-	-	-
443	39000	Structures & Improvements	259,831	218,856	92,629	403	208	105	18	1,321	5,989	301
444	39090	Improvements	413	348	52	1	0	0	0	2	30	0
445	39240	Air Conditioning Equipment	491	393	54	1	0	0	0	2	10	0
446	39090	Improvement to Leased Premises	15,459	13,021	1,941	24	12	6	1	79	356	18
447	39100	Office Furniture & Equipment	154,841	180,423	19,444	240	124	53	11	767	3,509	179
448	39130	Remittance Processing Equip	532	78	78	1	1	0	0	3	15	1
449	39200	Transportation Equipment	369,075	310,273	46,347	573	296	151	25	1,876	8,507	428
450	39230	Stores Equipment	675	569	85	1	1	0	0	3	16	1
451	39400	Tools & Shop Equipment	832,564	701,271	104,551	1,282	668	340	57	4,231	19,191	964
452	39500	Laboratory Equipment	4,950	3,832	571	7	4	2	0	23	105	5
453	39600	Power Operated Equipment	141,216	118,947	17,733	219	113	58	10	718	3,255	164
454	39630	Ditchers	88,065	74,177	11,059	137	71	35	6	448	2,030	102
455	39640	Backhoes	95,237	80,218	11,960	148	76	39	7	464	2,195	110
456	39650	Welders	17,809	15,093	2,248	28	16	7	1	91	413	21
457	39700	Communication Equipment	186,066	154,607	17,086	211	109	56	2	692	3,196	158
458	39730	Communication Equipment - Mobile Radios	7,230	6,090	908	11	6	3	0	37	167	8
459	39730	Communication Equipment - Fixed Radios	12,132	10,219	1,524	19	10	5	1	62	280	14
460	39750	Communication Equip. - Telemetry	0	-	-	-	-	-	-	-	-	-
461	39800	Miscellaneous Equipment	15,103	12,721	1,897	23	12	6	1	77	348	17
462	39900	Other Tangible Property	0	-	-	-	-	-	-	-	-	-
463	39910	Other Tangible Property - Servers - HW	14,462	12,181	1,816	22	12	6	1	74	333	17
464	39920	Other Tangible Property - Servers - S/W	46,032	38,755	5,778	71	37	19	3	234	1,061	53
465	39930	Other Tangible Property - Network - HW	116,343	97,996	14,610	180	93	48	8	591	2,682	135
466	39930	Other Tangible Property - Network - S/W	0	-	-	-	-	-	-	-	-	-
467	39940	Other Tang. Property - PC Hardware	282,419	237,882	35,465	458	227	115	19	1,495	6,510	327
468	39970	Other Tang. Property - PC Software	44,944	37,856	5,644	70	36	18	3	228	1,036	52
469	39980	Other Tang. Property - Application Software	251,699	245,699	36,621	453	234	119	20	1,483	6,724	338
470		Retirement Work In Progress	(1,923,767)	(1,620,393)	(241,580)	(2,981)	(1,549)	(786)	(131)	(9,778)	(44,343)	(2,239)
471												
472		Total General Plant	1,073,534	961,126	128,522	1,588	821	438	70	5,024	23,592	1,186
473												
474		TOTAL DIRECT RESERVE FOR DEPRECIATION	92,631,128	77,257,928	12,301,443	168,434	80,790	37,905	10,988	593,020	2,046,758	124,460
475												
476		Shared Services General Offices	4,389,440	3,692,161	550,458	6,801	3,517	1,790	289	22,280	101,038	5,078
477		Shared Services Customer Support	1,474,528	1,893,159	112,185	925	204	839	28	3,213	3,904	475
478		Colorado-Kansas General Offices	394,137	341,932	45,491	611	316	161	17	2,003	9,085	437
479												
480		TOTAL RESERVE FOR DEPRECIATION	98,883,233	82,644,651	13,019,531	176,671	84,817	40,695	11,337	620,517	2,160,485	140,469

Atmos Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS														
Forecasted Test Period: Twelve Months Ended September 30, 2013														
ALLOCATION OF OTHER RATE BASE														
Customer														
			Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial	SGS	Interruptible	Irrigation	Firm	Interruptible
			Factor	Basis	Company	Sales	Sales	Sales	Sales		Sales	Sales	Transport	Transport
1	Rate Base Additions:													
2														
3	Construction Work In Progress	15.2	Distribution Plant - Cust		11,344,764	9,854,971	1,234,605	18,105	5,990	5,558	329	66,587	142,907	15,770
4	Materials and Supplies	99.0	-		0	-	-	-	-	-	-	-	-	-
5	Gas Storage Inventory	99.0	-		0	-	-	-	-	-	-	-	-	-
6	Prepayments - KS Direct	7.2	Allocated O&M Expenses - Cust		689,139	614,275	64,595	767	238	345	9	2,869	5,428	614
7	Cash Working Capital	99.0	-		0	-	-	-	-	-	-	-	-	-
8														
9	Total Rate Base Additions				12,033,903	10,469,246	1,299,200	18,872	6,168	5,903	338	69,456	148,335	16,384
10														
11														
12	Rate Base Deductions:													
13														
14	Customer Advances	8.0	Customer Deposits Factor		(1,065,228)	(983,675)	(81,553)	-	-	-	-	-	-	-
15	Customer Deposits	8.0	Customer Deposits Factor		(2,033,206)	(1,877,452)	(155,654)	-	-	-	-	-	-	-
16	ADIT - KS Direct	9.2	Allocated Net Plant - Cust		(90,446,859)	(26,714,205)	(3,131,965)	(43,283)	(13,917)	(15,155)	(761)	(158,525)	(332,097)	(36,950)
17														
18	Total Rate Base Deductions				(83,545,194)	(28,575,332)	(3,369,172)	(43,283)	(13,917)	(15,155)	(761)	(158,525)	(332,097)	(36,950)
19														
20														
21	TOTAL OTHER RB - CUSTOMER				(21,511,291)	(19,106,086)	(2,069,972)	(24,412)	(7,749)	(9,252)	(422)	(89,069)	(183,762)	(20,566)
22														
23	Interest on Customer Deposits	8.0	Customer Deposits Factor		2,643	2,441	202	-	-	-	-	-	-	-





Atmos Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-ATMS-XXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF OTHER RATE BASE													
84													
85	Total Other Rate Base												
86													
87													
88		Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial		Interruption	Irrigation	Firm	
89		Factor	Basis	Company	Sales	Sales	Sales	Sales	SGS	Sales	Sales	Transport	
90													
91	Rate Base Additions:												
92													
93				15,225,467	11,177,007	1,624,001	20,594	9,979	5,558	329	66,587	305,640	15,770
94				0	-	-	-	-	-	-	-	-	-
95				8,558,803	6,813,382	2,012,844	12,258	22,533	23	18,288	79,476	-	-
96				841,729	723,425	96,795	970	581	845	98	3,342	15,376	798
97				0	-	-	-	-	-	-	-	-	-
98													
99				23,025,999	18,713,813	3,733,641	33,821	33,093	5,926	18,715	149,405	321,016	16,568
100													
101	Rate Base Deductions:												
102													
103													
104				(1,065,228)	(983,675)	(81,553)	-	-	-	-	-	-	-
105				(2,038,106)	(1,877,452)	(155,654)	-	-	-	-	-	-	-
106				(36,813,697)	(31,213,793)	(4,457,568)	(51,729)	(27,775)	(15,156)	(1,613)	(162,229)	(846,885)	(36,950)
107													
108				(39,912,031)	(34,074,920)	(4,694,774)	(51,729)	(27,775)	(15,156)	(1,613)	(162,229)	(846,885)	(36,950)
109													
110													
111				(16,886,033)	(15,361,107)	(961,133)	(17,908)	5,317	(9,230)	17,102	(12,823)	(525,869)	(20,382)
112													
113				2,643	2,441	202	-	-	-	-	-	-	-







Alamos Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-2748G-KCC-015														
Requested Time Period: Twelve Months Ended September 30, 2019														
ALLOCATION OF O&M EXPENSES														
Demand														
Line No.	Acct. No.	Description	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Injection Sales	Firm Transport	Interruptible Transport
166		Production & Gathering												
166		Operation												
167	7500	Op. Sup. & Engr.	99.0		0	-	-	-	-	-	-	-	-	-
168	7510	Production Maps & Records	99.0		0	-	-	-	-	-	-	-	-	-
169	7520	Gas Weirs	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	0	-	-	-	-	-	-	-	-	-
170	7530	Field Lines Expenses	99.0		0	-	-	-	-	-	-	-	-	-
171	7540	Field Compressor Station Expense	99.0		0	-	-	-	-	-	-	-	-	-
172	7550	Field Compressor Gas Fuel & Power	99.0		0	-	-	-	-	-	-	-	-	-
173	7560	Field Meas. & Recul. Station Exp	99.0		0	-	-	-	-	-	-	-	-	-
174	7570	Purification Expense	99.0		0	-	-	-	-	-	-	-	-	-
175	7580	Other Expenses	99.0		0	-	-	-	-	-	-	-	-	-
176		Maintenance												
177	7610	Maint. Sup. & Engr.	99.0		0	-	-	-	-	-	-	-	-	-
178	7620	Structures and Improvements	99.0		0	-	-	-	-	-	-	-	-	-
179	7630	Field Line Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
180	7640	Compressor Station Equip. Maint.	99.0		0	-	-	-	-	-	-	-	-	-
181	7650	Meas. & Recul. Station Equip. Maint.	99.0		0	-	-	-	-	-	-	-	-	-
182	7670	Purification Equipment Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
183	7680	Other Equipment Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
184	7690	Gas Processed by Others	99.0		0	-	-	-	-	-	-	-	-	-
185		Total Production & Gathering			0	0	0	0	0	0	0	0	0	0
187		Other Gas Supply Expenses												
186		Operation												
189	8021	Line purchases - Gas Wellhead Purchases	99.0		0	-	-	-	-	-	-	-	-	-
190	8010	Natural gas field line purchases	99.0		0	-	-	-	-	-	-	-	-	-
191	8040	Natural Gas City Gate Purchases	99.0		0	-	-	-	-	-	-	-	-	-
192	8050	Transportation to City Gate	99.0		0	-	-	-	-	-	-	-	-	-
193	8060	Transmission-Operation supervision and engineering	99.0		0	-	-	-	-	-	-	-	-	-
194	8051	Other Gas Purchases / Gas Cost Adjustments	99.0		0	-	-	-	-	-	-	-	-	-
195	8052	PGA for Commercial	99.0		0	-	-	-	-	-	-	-	-	-
196	8053	PGA for Industrial	99.0		0	-	-	-	-	-	-	-	-	-
197	8054	PGA for Public Authority	99.0		0	-	-	-	-	-	-	-	-	-
198	8057	PGA for Transportation Sales	99.0		0	-	-	-	-	-	-	-	-	-
199	8058	Unbilled PGA Costs	99.0		0	-	-	-	-	-	-	-	-	-
200	8059	PGA Credit to Unrecovered Gas Cost	99.0		0	-	-	-	-	-	-	-	-	-
201	8060	Excess Gas	99.0		0	-	-	-	-	-	-	-	-	-
202	8081	Gas Withdrawn From Storage - Debit	99.0		0	-	-	-	-	-	-	-	-	-
203	8062	Gas Delivered to Storage	99.0		0	-	-	-	-	-	-	-	-	-
204	8100	Gas used for products production-Credit	99.0		0	-	-	-	-	-	-	-	-	-
205	8120	Gas Used for Other Utility Operations	99.0		0	-	-	-	-	-	-	-	-	-
206	8130	Other Gas Supply Expenses	99.0		0	-	-	-	-	-	-	-	-	-
207	8850	Transmission and Compression of gas by others	99.0		0	-	-	-	-	-	-	-	-	-
208		Maintenance												
209	8330	Maint. Of Purch. Gas Meas. Sta.	99.0		0	-	-	-	-	-	-	-	-	-
210		Total Other Gas Supply Expenses			0	0	0	0	0	0	0	0	0	0
211		Underground Storage												
212		Operation												
214	8140	Op. Sup. & Engr.	99.0		0	-	-	-	-	-	-	-	-	-
215	8150	Maps & Records	99.0		0	-	-	-	-	-	-	-	-	-
216	8180	Weir Expenses	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	433,680	318,341	99,768	999	978	-	-	-	-	-
217	8170	Water Expense	99.0		0	-	-	-	-	-	-	-	-	-
218	8190	Compressor Station Expense	99.0		0	-	-	-	-	-	-	-	-	-
219	8180	Compressor Station Fuel & Power	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	88,017	28,355	8,617	95	90	-	-	-	-	-
220	8200	Meas. & Recul. Station Expenses	99.0		0	-	-	-	-	-	-	-	-	-
221	8210	Purification Expenses	99.0		0	-	-	-	-	-	-	-	-	-
222	8220	Exploration & Development	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	7,379	5,674	1,673	11	17	-	-	-	-	-
223	8230	Gas Losses	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	22,970	33,057	9,740	62	101	-	-	-	-	-
224		Maintenance												
225	8300	Maint. Sup. & Engr.	99.0		0	-	-	-	-	-	-	-	-	-
226	8310	Structures and Improvements	99.0		0	-	-	-	-	-	-	-	-	-
227	8320	Reservoirs & Well Maintenance	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	2,283	1,718	568	8	8	-	-	-	-	-
228	8330	Line Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
229	8340	Compressor Station Equip. Maint.	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	13,314	10,246	3,019	39	31	-	-	-	-	-
230	8350	Meas. & Recul. Station Equip. Maint.	99.0		0	-	-	-	-	-	-	-	-	-
231	8360	Purification Equipment Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
232	8370	Other Equipment Maintenance	3.4	Peak Month less Interruptible, SGS, Irrigation, Transport	18,959	14,593	4,268	27	25	-	-	-	-	-
233		Total Underground Storage Expenses			585,551	411,894	121,612	777	1,268	0	0	0	0	0
234		Transmission												
235		Operation												
237	8500	Op. Sup. & Engr.	99.0		0	-	-	-	-	-	-	-	-	-
238	8510	System Control & Load Dispatching	99.0		0	-	-	-	-	-	-	-	-	-
239	8520	Communication Systems Expense	99.0		0	-	-	-	-	-	-	-	-	-
240	8530	Compressor Station Labor Expense	99.0		0	-	-	-	-	-	-	-	-	-
241	8540	Compressor Station Fuel Gas	99.0		0	-	-	-	-	-	-	-	-	-
242	8550	Compressor Station Fuel & Power	99.0		0	-	-	-	-	-	-	-	-	-
243	8560	Meas. Expense	3.3	Peak Month less Interruptible, SGS, Irrigation	447	314	92	1	1	-	-	-	-	-
244	8570	Meas. & Recul. Station Expenses	3.3	Peak Month less Interruptible, SGS, Irrigation	3,382	2,363	656	4	7	-	-	-	-	-
245	8580	LDC Payment	99.0		0	-	-	-	-	-	-	-	-	-
246	8590	LDC Payment - A&G	99.0		0	-	-	-	-	-	-	-	-	-
247	8590	Other Expenses	99.0		0	-	-	-	-	-	-	-	-	-
248	8600	Rents	99.0		0	-	-	-	-	-	-	-	-	-
249		Maintenance												
250	8610	Maint. Sup. & Engr.	3.3	Peak Month less Interruptible, SGS, Irrigation	16,131	14,930	1,127	13	11	-	-	-	-	-
251	8620	Structures and Improvements	99.0		0	-	-	-	-	-	-	-	-	-
252	8630	Maint.	99.0		0	-	-	-	-	-	-	-	-	-
253	8640	Compressor Station Equip. Maint.	99.0		0	-	-	-	-	-	-	-	-	-
254	8650	Meas. & Recul. Station Equip. Maint.	99.0		0	-	-	-	-	-	-	-	-	-
255	8660	Communication Equipment Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
256	8670	Other Equipment Maintenance	99.0		0	-	-	-	-	-	-	-	-	-
257		Total Transmission Expenses			2,598	2,247	662	4	7	0	0	0	0	277

Ames Energy Corporation, Colorado Energy Division									
Kansas Jurisdiction Case No. 14-ATMG-XXX-KTS									
Forecasted Test Period: Twelve Months Ended September 30, 2013									
ALLOCATION OF O&M EXPENSES									
259									
259		Operation							
261	8700	Substation and Engineering	10.4	Composite of Accts. 871-879 & 880-883 - Demand	121,287	85,268	25,134	161	261
262	8710	Distribution Load Dispatching	99.0	-	0	-	-	-	10,496
264	8721	Colorization	99.0	-	0	-	-	-	-
264	8720	Compressor Station Labor & Expenses	99.0	-	0	-	-	-	-
266	8740	Maint. & Services	11.4	Composite of Accts. 870 & 880 - Demand	621,927	487,182	128,769	828	1,389
268	8750	Measuring and Regulating Station Exp. - Gen	12.4	Composite of Accts. 874-879 - Demand	66,924	40,014	11,786	75	223
267	8760	Measuring and Regulating Station Exp. - Ind.	99.0	-	0	-	-	-	-
268	8770	Measuring and Regulating Sta. Exp. - City Gate	12.4	Composite of Accts. 874-879 - Demand	257	181	50	0	22
269	8780	Measr and House Regulator Expense	99.0	-	0	-	-	-	-
270	8790	Customer Installations Expense	99.0	-	0	-	-	-	-
271	8800	Other Expense	10.4	Composite of Accts. 871-879 & 880-883 - Demand	65,478	48,729	13,764	38	145
272	8830	Bans	10.4	Composite of Accts. 871-879 & 880-883 - Demand	14,520	10,067	2,995	19	31
273		Maintenance							
274	8860	Maintenance Supervision and Engineering	10.4	Composite of Accts. 871-879 & 880-883 - Demand	39,341	27,655	8,146	52	65
276	8890	Maintenance of Structures and Improvements	12.4	Composite of Accts. 874-879 - Demand	3,209	2,188	644	4	209
276	8870	Maintenance of Mains	12.4	Composite of Accts. 874-879 - Demand	16,999	10,558	7,648	49	60
277	8890	Maintenance of compressor station equipment	99.0	-	0	-	-	-	-
278	8900	Maint. of Measuring and Regulating Station Equip. - General	12.4	Composite of Accts. 874-879 - Demand	17,368	12,306	2,628	79	88
279	8910	Maint. of Measuring and Regulating Station Equip. - Industrial	99.0	-	0	-	-	-	-
280	8920	Maint. of Measuring and Regulating Station Equip. - City Gate	12.4	Composite of Accts. 874-879 - Demand	96	67	21	0	8
281	8930	Maintenance of Services	99.0	-	0	-	-	-	-
282	8940	Maintenance of Mains and House Regulator	99.0	-	0	-	-	-	-
283	8950	Maintenance of Other Equipment	99.0	-	0	-	-	-	-
284		Total Distribution			978,189	687,648	202,535	1,295	2,100
285		Customer Accounts							
287	9010	Suspension	99.0	-	0	-	-	-	-
288	9030	Meter Reading Expense	99.0	-	0	-	-	-	-
289	9080	Customer Records and Collection Expenses	99.0	-	0	-	-	-	-
290	9040	Uncollectible Accounts	99.0	-	0	-	-	-	-
291	9050	Miscellaneous Customer Accounts Expenses	99.0	-	0	-	-	-	-
292		Total Customer Accounts			0	-	-	-	-
293		Customer Service and Information							
295	9210	Subscriptions	99.0	-	0	-	-	-	-
296	9280	Customer Assistance Expenses	99.0	-	0	-	-	-	-
297	9290	Informational and Instructional Advertising Expenses	99.0	-	0	-	-	-	-
298	9300	Miscellaneous Customer Service and Informational Expenses	99.0	-	0	-	-	-	-
299		Total Customer Service and Information			0	-	-	-	-
300		Sales							
302	9110	Supervision	99.0	-	0	-	-	-	-
303	9120	Demographic and Selling Expenses	99.0	-	0	-	-	-	-
304	9130	Advertising Expenses	99.0	-	0	-	-	-	-
306	9160	Miscellaneous Sales Expenses	99.0	-	0	-	-	-	-
308		Total Sales			0	-	-	-	-
307		Administrative & General							
309		Operation							
310	9200	Administrative and General Salaries	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	90,596	35,601	20,686	67	109
311	9210	Office Supplies and Expenses	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	2,582	1,514	637	3	6
312	9220	Administrative Expenses Transferred	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	1,315,449	926,882	272,709	1,743	3,386
313	9230	Outside Services Employed	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	68,485	48,079	14,178	91	148
324	9240	Property Insurance	20.4	Gross Plant - Demand	17,252	12,227	3,603	28	39
333	9250	Injuries and Damages	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	38,076	27,594	5,098	52	64
336	9260	Employee Pensions and Benefits	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	260,919	183,308	53,992	345	561
337	9270	Travel and Reimburse	99.0	-	0	-	-	-	-
338	9280	Regulatory Consultation Expenses	16.4	O&M Expenses less A&G - Demand	26,077	18,218	3,368	34	51
339	930.1	General Advertising Expenses	99.0	-	0	-	-	-	-
320	930.2	Miscellaneous General Expenses	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	2,270	1,597	470	3	8
321	9310	Bans	17.4	Composite of Accts. 870-902, 905-916, 924 & 928-930 1 - Demand	3,208	2,899	789	6	8
322		Maintenance							
323	9920	Maintenance of General Plant	99.0	-	0	-	-	-	-
324		Total A&G			1,795,834	1,257,210	370,952	2,367	3,850
325		Adjustments to Operations and Maintenance Expenses	16.4	O&M Expenses less A&G - Demand	89,048	71,653	21,593	135	220
327									
303		TOTAL O&M EXPENSE - DEMAND			3,402,807	2,491,822	718,305	4,579	7,448



Alamo Electric Corporation, Colorado Springs Division Kansas Jurisdiction Case No. 24-ATM-XXX-RTS Forecasted Test Period: Twelve Months Ended September 30, 2019														
ALLOCATION OF DAM EXPENSES														
422														
423														
424														
425	3700	Generation and Transmission	10.6	Composite of Accts. 871-879 & 886-889 - Comm	2,534	1,465	454	2	6	0	18	153	244	201
426	8710	Distribution Load Discharge	1.0	Total Throughout	16,599	8,978	2,604	14	36	0	75	878	1,401	1,158
427	8711	Colorization	1.0	Total Throughout	784	457	142	3	2	0	4	46	76	68
428	8730	Compressor Station Labor & Expenses	99.0		0									
429	8740	Males & Services	99.0		0									
430	8770	Measuring and Regulating Station Exp. - Gen	99.0		0									
431	8790	Measuring and Regulating Station Exp. - Dis.	99.0		0									
432	8791	Measuring and Regulating Sta. Exp. - City Gas	99.0		0									
433	8780	Meters and House Regulator Expense	99.0		0									
434	8796	Customer Installations Expense	99.0		0									
435	8900	Other Expenses	10.6	Composite of Accts. 871-879 & 886-889 - Comm	1,389	806	249	3	3	0	7	84	134	111
436	8910	Fuels	10.6	Composite of Accts. 871-879 & 886-889 - Comm	289	173	54	0	1	0	2	18	29	24
437		Maintenance												
438	8850	Maintenance Supervision and Engineering	10.6	Composite of Accts. 871-879 & 886-889 - Comm	822	478	147	1	2	0	4	50	79	66
439	8860	Maintenance of Structures and Improvements	99.0		0									
440	8870	Maintenance of Males	99.0		0									
441	8890	Maintenance of compressor station equipment	1.0	Total Throughout	65	38	11	0	0	0	0	4	6	5
442	8900	Maint. of Measuring and Regulating Station Equip. - General	99.0		0									
443	8910	Maint. of Measuring and Regulating Station Equip. - Industrial	99.0		0									
444	8920	Maint. of Measuring and Regulating Station Equip. - City Gas	99.0		0									
445	8950	Maintenance of Services	99.0		0									
446	8960	Maintenance of Meters and House Regulators	99.0		0									
447	8990	Maintenance of Other Equipment	99.0		0									
448		Total Distribution			20,419	11,772	3,660	19	50	0	106	1,285	1,970	1,628
450		Customer Accounts												
451	9010	Supervision	99.0		0									
452	9020	Meter Reading Expenses	99.0		0									
453	9030	Customer Records and Collection Expenses	99.0		0									
454	9040	Uncollectible Accounts	99.0		0									
455	9050	Miscellaneous Customer Accounts Expenses	99.0		0									
456		Total Customer Accounts			0									
457		Customer Service and Information												
458	9070	Substation	99.0		0									
459	9080	Customer Address Expenses	99.0		0									
460	9090	Informational and Instructional Advertising Expenses	99.0		0									
461	9100	Miscellaneous Customer Service and Informational Expenses	99.0		0									
462	9100	Miscellaneous Customer Service and Informational Expenses	99.0		0									
463		Total Customer Service and Information			0									
464														
465		Sales												
466	9130	Supervision	99.0		0									
467	9102	Demographic and Selling Expenses	99.0		0									
468	9130	Advertising Expenses	99.0		0									
469	9160	Miscellaneous Sales Expenses	99.0		0									
470		Total Sales			0									
471														
472		Administrative & General												
473		Generation												
474	9200	Administrative and General Salaries	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	1,325	813	250	1	3	0	7	69	99	82
475	9210	Office Supplies and Expenses	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	66	42	13	0	0	0	0	4	5	4
476	9220	Administrative Expenses Transferred	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	84,258	21,339	6,496	39	87	0	181	1,602	2,362	2,134
477	9230	Outside Services (contracted)	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	1,854	1,057	360	2	5	0	10	94	136	113
478	9240	Process Insurance	20.6	Gen. Plant - Comm	844	628	187	1	3	0	5	21		
479	9250	Injuries and Damages	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	1,073	828	188	1	3	0	5	54	77	61
480	9260	Employee Perquisites and Benefits	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	6,632	4,145	1,286	7	17	0	39	357	511	429
481	9270	Franchise Requirements	99.0		0									
482	9080	Regulatory Commission Expenses	16.6	OBM Expenses less A&G - Comm	5,440	3,955	1,151	7	15	0	30	143	23	27
483	920.1	General Advertising Expenses	99.0		0									
484	920.2	Miscellaneous General Expenses	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	58	35	11	0	0	0	0	3	4	4
485	920.3	Fuels	17.6	Composite of Accts. 870-881, 909-916, 924 & 928-930 - Comm	97	60	16	0	0	0	1	5	7	6
486		Maintenance												
487	9220	Maintenance of General Plant	99.0		0									
488		Total A&G			61,999	32,631	9,984	14	133	0	275	2,554	3,453	2,853
489														
490		Adjustments to Operations and Maintenance Expenses	16.6	DAM Expenses less A&G - Comm	21,486	15,774	4,703	26	60	0	113	366	129	108
491														
492		TOTAL DAM EXPENSE - COMMODITY			402,711	290,230	85,758	177	1,105	3	3,214	13,792	5,551	4,588

Arroyo Energy Corporation, Colorado-Terraz Division Kansas Jurisdiction Case No. 14-ATTM-2005-RTS Ratecasted Test Period: Twelve Months Ended September 30, 2019												
ALLOCATION OF O&M EXPENSES												
Total O&M Expenses												
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Intermittent Sales	Industrial Sales	Intermittent Sales
498		Production & Gathering:										
498		Operation										
498	7500	Op. Sup. & Eng.		0	0	0	0	0	0	0	0	0
496	7510	Production Meters & Records		0	0	0	0	0	0	0	0	0
497	7520	Gas Meters		7,380	5,392	1,677	9	23	0	0	0	0
498	7530	Field Lines Expenses		0	0	0	0	0	0	0	0	0
499	7540	Field Compressor Station Expenses		0	0	0	0	0	0	0	0	0
500	7550	Field Compressor Sta. Fuel & Power		0	0	0	0	0	0	0	0	0
501	7560	Field Meters & Recd. Station Gas		0	0	0	0	0	0	0	0	0
502	7570	Purification Expenses		0	0	0	0	0	0	0	0	0
503	7580	Other Expenses		0	0	0	0	0	0	0	0	0
504		Maintenance:										
505	7610	Maint. Sup. & Eng.		0	0	0	0	0	0	0	0	0
506	7620	Structures and Improvements		0	0	0	0	0	0	0	0	0
507	7630	Field Line Maintenance		0	0	0	0	0	0	0	0	0
508	7640	Compressor Station Equip. Maint.		0	0	0	0	0	0	0	0	0
509	7650	Meters & Recd. Station Equip. Maint.		0	0	0	0	0	0	0	0	0
510	7670	Purification Equipment Maintenance		0	0	0	0	0	0	0	0	0
511	7680	Other Equipment Maintenance		0	0	0	0	0	0	0	0	0
512	7690	Gas Processed By Others		0	0	0	0	0	0	0	0	0
513		Total Production & Gathering		7,380	5,392	1,677	9	23	0	0	0	0
514		Other Gas Supply Expenses:										
526		Operation										
527	8001	Intercompany Gas Web-based Purchases		0	0	0	0	0	0	0	0	0
528	8002	Manufact Gas Field Line purchases		0	0	0	0	0	0	0	0	0
529	8003	Manufact Gas City Gate Purchases		0	0	0	0	0	0	0	0	0
530	8004	Transportation to City Gate		0	0	0	0	0	0	0	0	0
531	8005	Transmission-Operations Supervision and engineering		0	0	0	0	0	0	0	0	0
532	8006	Other Gas Purchases / Gas Cost Adjustments		0	0	0	0	0	0	0	0	0
533	8007	PGA for Commercial		0	0	0	0	0	0	0	0	0
534	8008	PGA for Industrial		0	0	0	0	0	0	0	0	0
535	8009	PGA for Public Authority		0	0	0	0	0	0	0	0	0
536	8010	PGA for Transmission Sales		0	0	0	0	0	0	0	0	0
537	8011	Unbilled PGA Costs		0	0	0	0	0	0	0	0	0
538	8012	PGA Offset to Unrecovered Gas Cost		0	0	0	0	0	0	0	0	0
539	8013	Exchange Gas		0	0	0	0	0	0	0	0	0
540	8014	Gas Withdrawn From Storage - Debit		0	0	0	0	0	0	0	0	0
541	8015	Gas Delivered to Storage		0	0	0	0	0	0	0	0	0
542	8100	Gas Used for storage expansion-credit		0	0	0	0	0	0	0	0	0
543	8101	Gas Used for Other Utility Operations		0	0	0	0	0	0	0	0	0
544	8102	Other Gas Supply Expenses		0	0	0	0	0	0	0	0	0
545	8103	Transmission and compression of gas by others		0	0	0	0	0	0	0	0	0
546		Maintenance:										
547	8104	Maint. Of Purch. Gas Meters, Sm		0	0	0	0	0	0	0	0	0
548		Total Other Gas Supply Expenses		0	0	0	0	0	0	0	0	0
549		Underground Storage:										
549		Operation										
549	8140	Op. Sup. & Eng.		0	0	0	0	0	0	0	0	0
549	8141	Meters & Records		0	0	0	0	0	0	0	0	0
549	8142	Wells Expense		846,594	491,552	245,227	824	1,620	2	1,319	5,794	0
549	8143	Lines Expenses		0	0	0	0	0	0	0	0	0
549	8144	Compressor Station Expenses		0	0	0	0	0	0	0	0	0
549	8145	Compressor Station Fuel & Power		99,398	45,174	13,945	31	345	0	121	327	0
549	8146	Meters, & Recd. Station Expenses		0	0	0	0	0	0	0	0	0
549	8147	Purification Expenses		0	0	0	0	0	0	0	0	0
549	8148	Expansions & Development		11,540	8,781	2,658	16	23	0	24	102	0
549	8149	Gas Lost/let		67,187	51,029	15,084	92	369	0	157	395	0
549		Total Underground Storage Expense		938,359	497,558	268,349	1,247	2,108	2	1,711	7,627	0
549		Transmission:										
549		Operation										
549	8500	Op. Sup. & Eng.		0	0	0	0	0	0	0	0	0
549	8510	System Control & Load Dispatching		0	0	0	0	0	0	0	0	0
549	8520	Communication Systems Expense		0	0	0	0	0	0	0	0	0
549	8530	Compressor Station Labor Expense		0	0	0	0	0	0	0	0	0
549	8540	Compressor Station Fuel Gas		0	0	0	0	0	0	0	0	0
549	8550	Compressor Station Fuel & Power		0	0	0	0	0	0	0	0	0
549	8560	Meters Expense		467	324	92	1	1	0	0	0	39
549	8570	Meters & Recd. Station Expenses		3,467	2,393	686	4	7	0	0	0	281
549	8580	LOCC Payments		0	0	0	0	0	0	0	0	0
549	8590	LOCC Payment - ABIG		0	0	0	0	0	0	0	0	0
549	8600	Other Expenses		0	0	0	0	0	0	0	0	0
549	8610	Stems		0	0	0	0	0	0	0	0	0
549		Maintenance:										
549	8610	Maint. Sup. & Eng.		8521	4890	2227	11	63	0	0	0	691
549	8620	Structures and Improvements		0	0	0	0	0	0	0	0	0
549	8630	Meters		0	0	0	0	0	0	0	0	0
549	8640	Compressor Station Equip. Maint.		0	0	0	0	0	0	0	0	0
549	8650	Meters & Recd. Station Equip. Maint.		0	0	0	0	0	0	0	0	0
549	8660	Compressor Station Equipment Maintenance		0	0	0	0	0	0	0	0	0
549	8670	Other Equipment Maintenance		0	0	0	0	0	0	0	0	0
549		Total Transmission Expense		3,298	2,247	462	4	7	0	0	0	277

Almon Elm & Condon, Columbia Gas Division													
Kansas Jurisdiction Case No. SA-ATMG-XXXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2019													
ALLOCATION OF O&M EXPENSES													
686	Distribution												
687	Operation												
688	8700	Supervision and Unleashing	715,901	610,894	83,008	902	301	386	21	2,904	16,185	871	
689	8710	Other Operation Load Protection	34,599	8,373	2,604	14	36	0	75	876	1,401	1,153	
691	8711	Other Operation	781	457	174	1	0	0	4	46	76	68	
692	8720	Compressor Station Labor & Expenses	0	0	0	0	0	0	0	0	0	0	
693	8740	Makes & Services	3,333,814	2,929,258	335,939	2,329	1,793	1,924	36	5,968	60,614	815	
694	8750	Messing and Regulating Station Exp. - Gen	236,039	204,318	25,483	177	349	102	9	396	5,378	59	
695	8760	Messing and Regulating Station Exp. - Ind.	149	94	54	3	1	0	0	10	32	4	
696	8770	Messing and Regulating Station Exp. - City Gate	1,067	853	115	1	1	0	0	2	24	0	
697	8780	Messing and House Regulator Expense	419,307	201,455	94,417	2,275	783	0	0	7,994	20,958	2,213	
698	8790	Customer Installation Expense	86,674	60,299	19,519	480	362	0	0	1,662	4,495	487	
699	8800	Other Expense	391,851	334,687	46,982	494	275	157	31	1,992	8,670	464	
600	8830	Rents	84,421	72,058	5,871	106	39	24	2	343	1,811	86	
601	Maintenance												
602	8850	Maintenance Structures and Engineering	232,158	198,071	37,117	792	193	93	7	642	5,349	289	
603	8860	Maintenance of Structures and Interconnects	12,893	11,150	1,391	10	3	6	0	25	294	3	
604	8870	Maintenance of Mains	169,272	132,565	26,333	115	95	89	2	257	3,090	38	
605	8890	Maintenance of compressor station equipment	81	35	11	0	0	0	0	2	6	5	
606	8900	Maint. of Messing and Regulating Station Equip. - General	72,900	60,394	7,931	34	48	31	1	122	1,054	18	
607	8910	Maint. of Messing and Regulating Station Equip. - Industrial	2,433	69	1,533	94	19	1	2	364	532	58	
608	8920	Maint. of Messing and Regulating Station Equip. - City Gate	399	340	42	0	0	0	0	1	9	0	
609	8930	Maintenance of Services	3,426	2,102	266	2	1	2	0	8	9	9	
610	8940	Maintenance of Meters and House Regulators	6,032	4,183	1,835	82	11	8	1	118	281	32	
611	8950	Maintenance of Other Equipment	0	0	0	0	0	0	0	0	0	0	
612	Total Distribution												
613	Customer Accounts												
614	9210	Supervision	40,668	37,265	3,990	23	8	23	1	88	89	13	
615	9220	Meter Reading Expense	778,884	714,774	38,960	436	443	13	13	1,697	1,804	291	
617	9230	Customer Records and Collection Expenses	34,860	31,850	2,925	19	5	25	1	78	85	11	
618	9240	Uncollectible Accounts	838,979	761,664	63,147	464	115	472	23	1,809	2,028	267	
619	9250	Miscellaneous Customer Accounts Expenses	6,389	5,884	486	4	3	4	0	24	16	2	
620	Total Customer Accounts												
621	Customer Service and Information												
622	9260	Supervision	588	515	63	0	0	1	0	2	1	0	
624	9280	Customer Assistance Expenses	10,542	9,307	772	6	1	0	0	25	25	3	
626	9290	Informational and Instructional Advertising Expenses	6,739	6,189	518	4	1	4	0	15	26	2	
628	9100	Miscellaneous Customer Service and Informational Expenses	14,616	13,419	1,112	3	2	8	0	32	26	8	
627	Total Customer Service and Information												
628	Sales												
629	9110	Supervision	27,426	24,993	2,654	15	4	15	0	58	86	9	
631	9120	Commissioning and Selling Expenses	8,614	8,070	1,003	4	1	4	0	14	16	2	
632	9130	Advertising Expenses	0	0	0	0	0	0	0	0	0	0	
633	9180	Miscellaneous Sales Expenses	1,475	1,354	112	1	0	1	0	3	4	0	
634	Total Sales												
635	Administrative & General												
637	Operation												
638	9200	Administrative and General Salaries	342,897	295,344	38,302	401	216	144	11	1,314	6,914	351	
639	9210	Office Supplies and Expenses	17,580	15,131	1,862	21	11	7	1	849	18	18	
640	9220	Administrative Expenses Transferred	8,917,882	7,650,976	896,109	10,440	3,621	3,795	292	34,265	377,221	9,127	
641	9230	Outside Services Employed	408,852	402,109	21,147	547	794	197	12	2,788	6,278	477	
642	9240	Property Insurance	110,469	93,558	15,850	170	87	46	7	577	127	127	
643	9250	Injuries and Damages	284,820	228,099	29,840	310	187	112	8	1,018	5,483	271	
644	9260	Employee Payroll and Benefits	1,709,975	1,520,728	187,216	2,067	1,118	748	36	6,764	35,887	1,806	
645	9270	Franchise Royalties	0	0	0	0	0	0	0	0	0	0	
646	9280	Regulatory Commission Expenses	138,445	118,676	16,489	135	108	55	31	873	2,331	117	
647	9290	General Advertising Expenses	0	0	0	0	0	0	0	0	0	0	
648	9292	Miscellaneous General Expenses	15,343	13,250	1,718	14	10	6	6	59	305	16	
649	9310	Rents	25,330	21,645	2,867	29	16	11	1	96	499	26	
650	Maintenance												
655	9320	Maintenance of General Plant	0	0	0	0	0	0	0	0	0	0	
652	Total Ops												
653	Adjustments to Operations and Maintenance Expenses												
654													
655													
656	TOTAL O&M EXPENSE												
			20,992,361	18,041,009	2,414,019	24,189	14,494	8,997	2,441	49,451	383,497	19,893	





Atkins Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-0713-000-RTS													
Recasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF PAYROLL													
80													
91	Distribution:												
92	Operation												
93	Supervision & Eng.	24.2	Distribution O&M - Cust	8,923,518	7,896,982	874,751	11,183	3,525	4,305	112	41,462	82,083	9,378
94	Distribution Load Disturbance	99.0		0									
95	Compressor Station Labor and Expenses	99.0		0									
96	Mains and Services Expenses	99.0		0									
97	Measuring and Regulating Station Expenses - General	99.0		0									
98	Measuring and Regulating Station Expenses - Industrial	99.0		0									
99	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	99.0		0									
100	Meter and House Regulator Expenses	99.0		0									
101	Customer Installations Expenses	99.0		0									
102	Other Expenses	99.0		0									
103	Rents	99.0		0									
104	Maintenance												
105	Maintenance Supervision and Engineering	99.0		0									
106	Maintenance of Structures and Improvements	99.0		0									
107	Maintenance of Mains	99.0		0									
108	Maintenance of compressor station equipment	99.0		0									
109	Maint. of Measuring and Regulating Station Equip. - General	99.0		0									
110	Maint. of Measuring and Regulating Station Equip. - Industrial	99.0		0									
111	Maint. of Measuring and Regulating Station Equip. - City Gate	99.0		0									
112	Maintenance of Services	99.0		0									
113	Maintenance of Meters and House Regulators	99.0		0									
114	Maintenance of Other Equipment	99.0		0									
115	Total Distribution			8,923,518	7,896,982	874,751	11,183	3,525	4,305	112	41,462	82,083	9,378
116	Customer Accounts												
117	Customer Accounts												
118	Supervision	2.0	Bills	15,639,950	14,353,623	1,189,933	8,748	2,165	8,895	244	34,082	88,225	5,036
119	Meter Reading	99.0		0									
120	Customer Rec. & Collections	99.0		0									
121	Uncollectible Accounts	99.0		0									
122	Misc. Cust. Acct. Expense	99.0		0									
123	Total Customer Accounts Expense			15,639,950	14,353,623	1,189,933	8,748	2,165	8,895	244	34,082	88,225	5,036
124	Customer Service and Information												
125	Customer Service and Information												
126	Supervision	2.0	Bills	73,953	67,866	5,627	43	10	42	1	161	165	24
127	Customer Assistance	99.0		0									
128	Information & Instruction	99.0		0									
129	Misc. Cust. Acct. Expense	99.0		0									
130	Total Customer Service & Info Expense			73,953	67,866	5,627	43	10	42	1	161	165	24
131	Sales												
132	Sales												
133	Supervision	2.0	Bills	132,375	121,478	10,071	74	18	75	2	288	324	43
134	Demonstration & Selling	99.0		0									
135	Advertising	99.0		0									
136	Misc. Sales Expense	99.0		0									
137	Total Sales Expense			132,375	121,478	10,071	74	18	75	2	288	324	43
138	Administrative & General												
139	Administrative & General												
140	Operation												
141	Administrative and General Salaries	2.0	Bills	45,602,854	41,849,273	3,469,587	25,507	6,914	25,938	710	89,377	111,455	14,683
142	Office Supplies and Expenses	99.0		0									
143	Administrative Expenses Transferred - Customer Support	99.0		0									
144	Administrative Expenses Transferred - General	99.0		0									
145	Outside Services Employed	99.0		0									
146	Property Insurance	99.0		0									
147	Injuries and Damages	99.0		0									
148	Employee Pensions and Benefits	99.0		0									
149	Regulatory Contribution Expenses	99.0		0									
150	Dues/fees Charges - Credit	99.0		0									
151	General Advertising Expenses	99.0		0									
152	Miscellaneous General Expense	99.0		0									
153	Rents	99.0		0									
154	Maintenance												
155	Maintenance of General Plant	99.0		0									
156	Total A&G			45,602,854	41,849,273	3,469,587	25,507	6,914	25,938	710	89,377	111,455	14,683
157				0									
158	Other Utility Plant Related Payroll	99.0		0									
159													
160	TOTAL PAYROLL EXPENSE - CUSTOMER			70,873,647	64,288,236	5,649,878	45,505	12,033	39,254	1,060	175,971	233,248	28,993



Atmos Energy Corporation, Colorado-Gas Division											
Kansas Jurisdiction Case No. 14-ATMG-000-RTJ											
Forecasted Test Period: Twelve Months Ended September 30, 2013											
ALLOCATION OF PAYROLL											
250											
251	Distribution										
252	Operation										
253	Supervision & Eng.	264	Distribution O&M - Demand	1,828,128	1,285,079	378,511	2,420	3,936			158,164
254	Distribution Loss Dispatching	99.0									
255	Compressor Station Labor and Expenses	99.0									
256	Meters and Services Expenses	99.0									
257	Measuring and Regulating Station Expenses - General	99.0									
258	Measuring and Regulating Station Expenses - Industrial	99.0									
259	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	99.0									
260	Meter and House Regulator Expenses	99.0									
261	Customer Installation Expenses	99.0									
262	Other Expenses	99.0									
263	Rents	99.0									
264	Maintenance										
265	Maintenance Supervision and Engineering	99.0									
266	Maintenance of Structures and Improvements	99.0									
267	Maintenance of Mains	99.0									
268	Maintenance of compressor station equipment	99.0									
269	Maint. of Measuring and Regulating Station Equip. - General	99.0									
270	Maint. of Measuring and Regulating Station Equip. - Industrial	99.0									
271	Maint. of Measuring and Regulating Station Equip. - City Gate	99.0									
272	Maintenance of Services	99.0									
273	Maintenance of Meters and House Regulators	99.0									
274	Maintenance of Other Equipment	99.0									
275	Total Distribution			1,828,128	1,285,079	378,511	2,420	3,936	0	0	158,164
276											0
277	Customer Accounts										
278	Supervision	99.0									
279	Meter Reading	99.0									
280	Customer Rec. & Collections	99.0									
281	Uncollectible Accounts	99.0									
282	Misc. Cust. Acct. Expense	99.0									
283	Total Customer Accounts Expense			0	0	0	0	0	0	0	0
284											
285	Customer Service and Information										
286	Supervision	99.0									
287	Customer Assistance	99.0									
288	Information & Instruction	99.0									
289	Misc. Cust. Acct. Expense	99.0									
290	Total Customer Service & Info Expense			0	0	0	0	0	0	0	0
291											
292	Sales										
293	Supervision	99.0									
294	Demonstration & Selling	99.0									
295	Advertising	99.0									
296	Misc. Sales Expense	99.0									
297	Total Sales Expense			0	0	0	0	0	0	0	0
298											
299	Administrative & General										
300	Operation										
301	Administrative and General Salaries	3.1 Peak Month (Sales)		3,435,239	3,829,501	774,501	4,951	8,053	18	16,294	1,923
302	Office Supplies and Expenses	99.0		0	0	0	0	0	0	0	0
303	Administrative Expenses Transferred - Customer Support	99.0		0	0	0	0	0	0	0	0
304	Administrative Expenses Transferred - General	99.0		0	0	0	0	0	0	0	0
305	Outside Services Employed	99.0		0	0	0	0	0	0	0	0
306	Property Insurance	99.0		0	0	0	0	0	0	0	0
307	Fines and Penalties	99.0		0	0	0	0	0	0	0	0
308	Employee Pensions and Benefits	99.0		0	0	0	0	0	0	0	0
309	Regulatory Commission Expenses	99.0		0	0	0	0	0	0	0	0
310	Dislocate Charges - Credit	99.0		0	0	0	0	0	0	0	0
311	General Advertising Expenses	99.0		0	0	0	0	0	0	0	0
312	Miscellaneous General Expense	99.0		0	0	0	0	0	0	0	0
313	Rents	99.0		0	0	0	0	0	0	0	0
314	Maintenance										
315	Maintenance of General Plant	99.0		0	0	0	0	0	0	0	0
316	Total A&G			3,435,239	3,829,501	774,501	4,951	8,053	18	16,294	1,923
317											0
318	Other Utility Plant Related Payroll	99.0		0	0	0	0	0	0	0	0
319											
320	TOTAL PAYROLL EXPENSE - DEMAND			5,301,195	5,843,459	1,163,518	7,423	12,078	26	16,294	1,923



Aurion Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-ATMGS-000-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF PAYROLL													
4100													
411 Distribution													
412 Operation													
413	Operation & Eng.	24.6	Distribution O&M - Comm	38,199	21,998	6,841	96	93	0	198	2,328	3,681	3,043
414	Distribution Load Deposition	99.0		0									
415	Compressor Station Labor and Expenses	99.0		0									
416	Mains and Services Expenses	99.0		0									
417	Measuring and Regulating Station Expenses - General	99.0		0									
418	Measuring and Regulating Station Expenses - Industrial	99.0		0									
419	Measuring and Regulating Station Exp. - City Gate, City Sta.	99.0		0									
420	Meter and House Regulator Expenses	99.0		0									
421	Customer Installations Expenses	99.0		0									
422	Other Expenses	99.0		0									
423	Mains	99.0		0									
424	Maintenance												
425	Maintenance Supervision and Engineering	99.0		0									
426	Maintenance of Structures and Improvements	99.0		0									
427	Maintenance of Mains	99.0		0									
428	Maintenance of compressor station equipment	99.0		0									
429	Maint. of Measuring and Regulating Station Equip. - General	99.0		0									
430	Maint. of Measuring and Regulating Station Equip. - Industrial	99.0		0									
431	Maint. of Measuring and Regulating Station Equip. - City Gate	99.0		0									
432	Maintenance of Services	99.0		0									
433	Maintenance of Meters and House Regulators	99.0		0									
434	Maintenance of Other Equipment	99.0		0									
435	Total Distribution			38,199	21,998	6,841	96	93	0	198	2,328	3,681	3,043
436													
437	Customer Accounts												
438	Supervision	99.0		0									
439	Meter Reading	99.0		0									
440	Customer Rec. & Collections	99.0		0									
441	Uncollectible Accounts	99.0		0									
442	Misc. Cust. Acct. Expense	99.0		0									
443	Total Customer Accounts Expense			0	0	0	0	0	0	0	0	0	0
444													
445	Customer Service and Information												
446	Education	99.0		0									
447	Customer Assistance	99.0		0									
448	Information & Instruction	99.0		0									
449	Misc. Cust. Acct. Expense	99.0		0									
450	Total Customer Service & Info Expense			0	0	0	0	0	0	0	0	0	0
451													
452	Sales												
453	Supervision	99.0		0									
454	Demonstration & Selling	99.0		0									
455	Advertising	99.0		0									
456	Misc. Sales Expense	99.0		0									
457	Total Sales Expense			0	0	0	0	0	0	0	0	0	0
458													
459	Administrative & General												
460	Operation												
461	Administrative and General Salaries	1.6	Mof less Interruption, 565, Intention, Transact	106,583	80,937	25,170	133	343					
462	Office Supplies and Expenses	99.0		0									
463	Administrative Expenses Transferred - Customer Support	99.0		0									
464	Administrative Expenses Transferred - General	99.0		0									
465	Outside Services Employed	99.0		0									
466	Property Insurance	99.0		0									
467	Injuries and Damages	99.0		0									
468	Employee Payroll and Benefits	99.0		0									
469	Regulatory Commission Expenses	99.0		0									
470	Duplicate Charges - Credit	99.0		0									
471	General Advertising Expenses			0									
472	Miscellaneous General Expense			0									
473	Rent			0									
474	Maintenance												
475	Maintenance of General Plant	99.0		0									
476	Total A&G			106,583	80,937	25,170	133	343	0	0	0	0	0
477													
478	Other Utility Plant Related Payroll	99.0		0									
479													
480	TOTAL PAYROLL EXPENSE - COMMERCIAL			164,679	117,937	38,866	195	592	0	310	2,798	3,681	3,043

Alamos Energy Corporation, Colorado-Gasco Division													
Kansas Jurisdiction Case No. 12-47053-XPRTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF PAYROLL													
Total Payroll Expenses													
	Allocation Factor	Allocation Basis	Total Comcoev	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SO2	Interrastible Sales	Irrigation Sales	Firm Transport	Interrastible Transport	
487	Production & Gathering												
488	Operation												
489	Op., Sup., & Eng.		0	0	0	0	0	0	0	0	0	0	0
490	Production Maps & Records		0	0	0	0	0	0	0	0	0	0	0
491	Field Lines Expenses		0	0	0	0	0	0	0	0	0	0	0
492	Field Compressor Station Expense		0	0	0	0	0	0	0	0	0	0	0
493	Field Compressor Sta. Fuel & Pwr.		0	0	0	0	0	0	0	0	0	0	0
494	Field Lines, & Resul. Station Exp		0	0	0	0	0	0	0	0	0	0	0
495	Purification Expense		0	0	0	0	0	0	0	0	0	0	0
496	Other Expenses		0	0	0	0	0	0	0	0	0	0	0
497	Maintenance												
498	Maint. Sup., & Eng.		0	0	0	0	0	0	0	0	0	0	0
499	Structures and Improvements		0	0	0	0	0	0	0	0	0	0	0
500	Field Line Maintenance		0	0	0	0	0	0	0	0	0	0	0
501	Compressor Station Equip. Maint.		0	0	0	0	0	0	0	0	0	0	0
502	Mess. & Resul. Station Equip Maint.		0	0	0	0	0	0	0	0	0	0	0
503	Purification Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
504	Other Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
505	Gas Processed By Others		0	0	0	0	0	0	0	0	0	0	0
506	Total Production & Gathering		0	0	0	0	0	0	0	0	0	0	0
507													
508	Other Gas Supply Expenses												
509	Wellhead Purchases		0	0	0	0	0	0	0	0	0	0	0
510	Field Line Purchases		0	0	0	0	0	0	0	0	0	0	0
511	Transmission Line Purchases		0	0	0	0	0	0	0	0	0	0	0
512	City Gas Purchases		0	0	0	0	0	0	0	0	0	0	0
513	Other Gas Purchases		0	0	0	0	0	0	0	0	0	0	0
514	Exchanger Gas		0	0	0	0	0	0	0	0	0	0	0
515	Purchased Gas Expenses		0	0	0	0	0	0	0	0	0	0	0
516	Storage Gas Withdrawal		0	0	0	0	0	0	0	0	0	0	0
517	Compressor Used Gas		0	0	0	0	0	0	0	0	0	0	0
518	Other Gas Supply Expenses		0	0	0	0	0	0	0	0	0	0	0
519	Total Other Gas Supply Expenses		0	0	0	0	0	0	0	0	0	0	0
520													
521	Underground Storage												
522	Operation												
523	Op., Sup., & Eng.		54,711	41,608	12,292	75	138	0	112	485	0	0	0
524	Maps & Records		0	0	0	0	0	0	0	0	0	0	0
525	Wells Expense		0	0	0	0	0	0	0	0	0	0	0
526	Lines Expense		0	0	0	0	0	0	0	0	0	0	0
527	Compressor Station Expense		0	0	0	0	0	0	0	0	0	0	0
528	Compressor Station Fuel & Power		0	0	0	0	0	0	0	0	0	0	0
529	Mess. & Resul. Station Expenses		0	0	0	0	0	0	0	0	0	0	0
530	Purification Expenses		0	0	0	0	0	0	0	0	0	0	0
531	Exploration & Development		0	0	0	0	0	0	0	0	0	0	0
532	Gas Losses		0	0	0	0	0	0	0	0	0	0	0
533	Other Expenses		0	0	0	0	0	0	0	0	0	0	0
534	Storage Well Royalties		0	0	0	0	0	0	0	0	0	0	0
535	Rents		0	0	0	0	0	0	0	0	0	0	0
536	Maintenance												
537	Maint. Sup., & Eng.		0	0	0	0	0	0	0	0	0	0	0
538	Structures and Improvements		0	0	0	0	0	0	0	0	0	0	0
539	Reservoirs & Wells Maintenance		0	0	0	0	0	0	0	0	0	0	0
540	Line Maintenance		0	0	0	0	0	0	0	0	0	0	0
541	Compressor Station Equip Maint.		0	0	0	0	0	0	0	0	0	0	0
542	Mess. & Resul. Station Equip Maint.		0	0	0	0	0	0	0	0	0	0	0
543	Purification Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
544	Other Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
545	Total Underground Storage Expense		54,711	41,608	12,292	75	138	0	112	485	0	0	0
546													
547	Transmission												
548	Operation												
549	Op., Sup., & Eng.		2,750	1,933	569	4	6	0	0	0	288	0	0
550	System Control & Load Dispatching		0	0	0	0	0	0	0	0	0	0	0
551	Communication Systems Expense		0	0	0	0	0	0	0	0	0	0	0
552	Compressor Station Labor Expense		0	0	0	0	0	0	0	0	0	0	0
553	Compressor Station Fuel Gas		0	0	0	0	0	0	0	0	0	0	0
554	Compressor Station Fuel & Power		0	0	0	0	0	0	0	0	0	0	0
555	Mains Expense		0	0	0	0	0	0	0	0	0	0	0
556	Mess. & Resul. Station Expenses		0	0	0	0	0	0	0	0	0	0	0
557	Other Expenses		0	0	0	0	0	0	0	0	0	0	0
558	LDC Payment		0	0	0	0	0	0	0	0	0	0	0
559	LDC Payment - Arbit		0	0	0	0	0	0	0	0	0	0	0
560	Rents		0	0	0	0	0	0	0	0	0	0	0
561	Maintenance												
562	Maint. Sup., & Eng.		0	0	0	0	0	0	0	0	0	0	0
563	Structure & Improv.		0	0	0	0	0	0	0	0	0	0	0
564	Lines		0	0	0	0	0	0	0	0	0	0	0
565	Compressor Station Equip. Maint.		0	0	0	0	0	0	0	0	0	0	0
566	Mess. & Resul. Station Equip Maint.		0	0	0	0	0	0	0	0	0	0	0
567	Communication Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
568	Other Equipment Maintenance		0	0	0	0	0	0	0	0	0	0	0
569	Total Transmission Expense		2,750	1,933	569	4	6	0	0	0	288	0	0

Kansas Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATVIG-000-RT2												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION OF PAYROLL												
370	Distribution:											
371	Operation											
372	Supervision & Enc.											
374	Distribution Load Dispatching	10,789,842	9,204,058	1,260,102	13,591	7,584	4,908	310	48,770	243,630	12,221	
375	Compressor Station Labor and Expenses	0	0	0	0	0	0	0	0	0	0	0
376	Meters and Services Expenses	0	0	0	0	0	0	0	0	0	0	0
377	Measuring and Regulating Station Expenses - General	0	0	0	0	0	0	0	0	0	0	0
378	Measuring and Regulating Station Expenses - Industrial	0	0	0	0	0	0	0	0	0	0	0
379	Measuring and Regulating Station Exp. - City Gate Chk. Sta	0	0	0	0	0	0	0	0	0	0	0
380	Meter and House Regulator Expenses	0	0	0	0	0	0	0	0	0	0	0
381	Customer Installations Expenses	0	0	0	0	0	0	0	0	0	0	0
382	Other Expenses	0	0	0	0	0	0	0	0	0	0	0
383	Rents	0	0	0	0	0	0	0	0	0	0	0
384	Maintenance											
385	Maintenance Supervision and Engineering	0	0	0	0	0	0	0	0	0	0	0
386	Maintenance of Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0
387	Maintenance of Meters	0	0	0	0	0	0	0	0	0	0	0
388	Maintenance of compressor station equipment	0	0	0	0	0	0	0	0	0	0	0
389	Maint. of Measuring and Regulating Station Equip. - General	0	0	0	0	0	0	0	0	0	0	0
390	Maint. of Measuring and Regulating Station Equip. - Industrial	0	0	0	0	0	0	0	0	0	0	0
391	Maint. of Measuring and Regulating Station Equip. - City Gate	0	0	0	0	0	0	0	0	0	0	0
392	Maintenance of Services	0	0	0	0	0	0	0	0	0	0	0
393	Maintenance of Meters and House Regulators	0	0	0	0	0	0	0	0	0	0	0
394	Maintenance of Other Equipment	0	0	0	0	0	0	0	0	0	0	0
395	Total Distribution	10,789,842	9,204,058	1,260,102	13,591	7,584	4,908	310	48,770	243,630	12,221	
396	Customer Accounts											
397	Supervision											
398	Meter Reading	15,639,950	14,352,623	1,189,833	8,748	2,165	8,895	244	34,682	38,225	5,036	
399	Customer Rec. & Collections	0	0	0	0	0	0	0	0	0	0	0
400	Uncollectible Accounts	0	0	0	0	0	0	0	0	0	0	0
401	Misc. Cust. Acct. Expense	0	0	0	0	0	0	0	0	0	0	0
402	Total Customer Accounts Expense	15,639,950	14,352,623	1,189,833	8,748	2,165	8,895	244	34,682	38,225	5,036	
404	Customer Service and Information											
405	Supervision											
406	Customer Assistants	73,955	67,866	5,627	41	10	42	1	161	161	24	
407	Information & Instruction	0	0	0	0	0	0	0	0	0	0	0
408	Misc. Cust. Acct. Expense	0	0	0	0	0	0	0	0	0	0	0
409	Total Customer Service & Info Expense	73,955	67,866	5,627	41	10	42	1	161	161	24	
410	Sales											
411	Supervision											
412	Demonstration & Selling	132,375	121,279	10,071	74	18	75	2	288	314	43	
413	Advertising	0	0	0	0	0	0	0	0	0	0	0
414	Misc. Sales Expense	0	0	0	0	0	0	0	0	0	0	0
415	Total Sales Expense	132,375	121,279	10,071	74	18	75	2	288	314	43	
416	Administrative & General											
417	Operation											
418	Administrative and General Salaries	49,144,676	44,559,712	4,269,268	30,591	34,711	25,959	17,004	101,300	111,455	14,889	
419	Office Supplies and Expenses	0	0	0	0	0	0	0	0	0	0	0
420	Administrative Expenses Transferred - Customer Support	0	0	0	0	0	0	0	0	0	0	0
421	Administrative Expenses Transferred - General	0	0	0	0	0	0	0	0	0	0	0
422	Outside Services Employed	0	0	0	0	0	0	0	0	0	0	0
423	Property Insurance	0	0	0	0	0	0	0	0	0	0	0
424	Injuries and Damages	0	0	0	0	0	0	0	0	0	0	0
425	Employee Pensions and Benefits	0	0	0	0	0	0	0	0	0	0	0
426	Regulatory Commission Expenses	0	0	0	0	0	0	0	0	0	0	0
427	Duplicate Charges - Credit	0	0	0	0	0	0	0	0	0	0	0
428	General Advertising Expenses	0	0	0	0	0	0	0	0	0	0	0
429	Miscellaneous General Expense	0	0	0	0	0	0	0	0	0	0	0
430	Rents	0	0	0	0	0	0	0	0	0	0	0
431	Maintenance											
432	Maintenance of General Plant	0	0	0	0	0	0	0	0	0	0	0
433	Total A&G	49,144,676	44,559,712	4,269,268	30,591	34,711	25,959	17,004	101,300	111,455	14,889	
434	Other Utility Plant Related Payroll	0	0	0	0	0	0	0	0	0	0	0
435	TOTAL PAYROLL EXPENSE											
440		75,638,257	68,549,281	6,747,802	53,123	24,602	30,271	17,679	180,087	221,351	32,008	

Alamos Energy Corporation, Colorado-Natural Gas Division													
Kansas Jurisdiction Case No. 14-ATMG-309-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF DEPRECIATION EXPENSE													
Customer													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Intermittible Sales	Infraction Sales	Firm Transport	Interruptible Transport
1			Intangible Plant										
3	80100	99.0	Organization	0									
4	80200	99.0	Franchises & Consents	0									
5	80300	99.0	Misc Intangible Plant	0									
6													
7			Total Intangible Plant	0									
8													
9			Production Plant										
10		99.0		0									
11	32520	99.0	Production Leaseholds	0									
12	32540	99.0	Rights of Way	0									
13	33100	99.0	Production Gas Wells Equipment	0									
14	33201	99.0	Field Lines	0									
15	33202	99.0	Tributary Lines	0									
16	33400	99.0	Field Meas. & Reg. Sta. Equip	0									
17	33600	99.0	Purification Equipment	0									
18													
19			Total Production Plant	0									
20													
21			Storage Plant										
22													
23	35010	99.0	Land	0									
24	35020	99.0	Rights of Way	0									
25	35100	99.0	Structures and Improvements	0									
26	35102	99.0	Compression Station Equipment	0									
27	35103	99.0	Meas. & Reg. Sta. Structures	0									
28	35104	99.0	Other Structures	0									
29	35200	99.0	Wells, Rights of Way	0									
30	35201	99.0	Well Construction	0									
31	35202	99.0	Reservoirs	0									
32	35203	99.0	Cushion Gas	0									
33	35210	99.0	Leaseholds	0									
34	35211	99.0	Storage Rights	0									
35	35300	99.0	Pipelines	0									
36	35400	99.0	Compressor Station Equipment	0									
37	35500	99.0	Meas. & Reg. Equipment	0									
38	35600	99.0	Purification Equipment	0									
39	35700	99.0	Other Equipment	0									
40													
41			Total Storage Plant	0									
42													
43			Transmission										
44													
45	36500	99.0	Land & Land Rights	0									
46	36520	99.0	Rights of Way	0									
47	36600	99.0	Structures & Improvements	0									
48	36603	99.0	Other Structures	0									
49	36700	99.0	Mainline Cathodic Protection	0									
50	36701	99.0	Mainline Steel	0									
51	36900	99.0	Meas. & Reg. Equipment	0									
52	36901	99.0	Meas. & Reg. Equipment	0									
53													
54			Total Transmission Plant	0									
55													
56			Distributions										
57													
58	37400	99.0	Land & Land Rights	0									
59	37401	99.0	Land	0									
60	37402	15.2	Land Rights	5,596	4,609	602	9	8	8	0	32	70	8
61	37403	99.0	Land Other	0									
62	37500	2.0	Structures & Improvements	3,901	3,880	297	2	1	2	0	9	10	1
63	37501	99.0	Structures & Improvements T.H.	0									
64	37502	99.0	Land Rights	0									
65	37503	99.0	Improvements	0									
66	37600	2.0	Mainline Cathodic Protection	135,143	124,937	10,358	76	19	77	2	297	333	44
67	37601	2.0	Mainline Steel	773,840	712,072	59,026	434	107	441	12	1,691	3,893	250
68	37602	2.0	Mainline Plastic	1,513,423	1,205,315	98,928	738	182	747	20	2,862	8,210	423
69	37800	2.0	Meas. & Reg. Sta. Equip - General	124,483	114,287	9,471	70	17	71	2	271	304	40
70	37900	2.0	Meas. & Reg. Sta. Equip - City Gate	59,715	54,800	4,543	33	8	34	1	130	146	19
71	37908	2.0	Meas. & Reg. Sta. Equipment	396	366	30	0	0	0	0	1	0	0
72	38000	2.1	Meters	2,042,545	1,871,274	158,229	1,106	327	1,105	16	4,577	5,417	498
73	38100	4.0	Meter Investment	886,509	685,110	221,941	5,281	1,840	508	177	18,792	47,716	3,201
74	38200	4.1	Meter Installations	1,479,887	1,028,456	333,168	7,852	2,763			28,210	71,630	7,808
75	38300	5.6	House Regulators	163,987	144,143	18,489	54	37	91		919	197	18
76	38400	3.8	House Reg. Installations	0									
77	38500	3.4	Large Meter Investment	59,111	1,676	87,249	1,322	460	19	49	8,995	12,825	1,418
78	38600	4.0	Other Prop. Ch Cust. Prem	94,358	26,639	6,830	203	72	19	7	731	1,855	202
79													
80			Total Distribution Plant	7,189,935	5,977,410	961,869	17,167	5,636	3,111	285	62,516	145,710	15,927





Alamos Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-21MG-XXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF DEPRECIATION EXPENSE													
Demand													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	School Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
123			Intangible Plant:										
124													
125	90100	99.0	Organization	0	-	-	-	-	-	-	-	-	-
126	90200	99.0	Franchises & Consents	0	-	-	-	-	-	-	-	-	-
127	90300	99.0	Misc Intangible Plant	0	-	-	-	-	-	-	-	-	-
128													
129			Total Intangible Plant:	0	-	-	-	-	-	-	-	-	-
130													
131			Production Plant:										
132		99.0		0	-	-	-	-	-	-	-	-	-
133	32520	99.0	Productive Leaseholds	0	-	-	-	-	-	-	-	-	-
134	32540	99.0	Rights of Way	0	-	-	-	-	-	-	-	-	-
135	33100	99.0	Production Gas Wells Equipment	0	-	-	-	-	-	-	-	-	-
136	33201	99.0	Field Lines	0	-	-	-	-	-	-	-	-	-
137	33202	99.0	Tributary Lines	0	-	-	-	-	-	-	-	-	-
138	33400	99.0	Field Meas. & Rec. Sta. Equip	0	-	-	-	-	-	-	-	-	-
139	33900	99.0	Purification Equipment	0	-	-	-	-	-	-	-	-	-
140													
141			Total Production Plant	0	-	-	-	-	-	-	-	-	-
142													
143			Storage Plants										
144													
145	35010	99.0	Land	0	-	-	-	-	-	-	-	-	-
146	35020	3.4	Rights of Way	6,227	4,792	1,411	9	15	-	-	-	-	-
147	35100	3.4	Structures and Improvements	1,298	999	294	2	3	-	-	-	-	-
148	35102	99.0	Compressor Station Equipment	0	-	-	-	-	-	-	-	-	-
149	35103	99.0	Meas. & Reg. Sta. Structures	0	-	-	-	-	-	-	-	-	-
150	35104	99.0	Other Structures	0	-	-	-	-	-	-	-	-	-
151	35200	3.4	Wells, Rights of Way	15,687	11,410	2,470	22	35	-	-	-	-	-
152	35201	99.0	Well Construction	0	-	-	-	-	-	-	-	-	-
153	35202	99.0	Reservoirs	0	-	-	-	-	-	-	-	-	-
154	35203	99.0	Cushion Gas	0	-	-	-	-	-	-	-	-	-
155	35210	99.0	Leaseholds	0	-	-	-	-	-	-	-	-	-
156	35211	99.0	Storage Rights	0	-	-	-	-	-	-	-	-	-
157	35300	3.4	Pipelines	11,471	8,617	2,600	17	27	-	-	-	-	-
158	35400	3.4	Compressor Station Equipment	13,363	10,284	3,023	19	31	-	-	-	-	-
159	35500	3.4	Meas & Reg. Equipment	3,520	2,709	798	5	8	-	-	-	-	-
160	35600	3.4	Purification Equipment	3,138	2,415	711	4	7	-	-	-	-	-
161	35700	3.4	Other Equipment	1,620	1,247	367	2	4	-	-	-	-	-
162													
163			Total Storage Plant	55,724	42,881	12,630	81	131	-	-	-	-	-
164													
165			Transmission:										
166													
167	36500	99.0	Land & Land Rights	0	-	-	-	-	-	-	-	-	-
168	36520	99.0	Rights of Way	0	-	-	-	-	-	-	-	-	-
169	36600	99.0	Structures & Improvements	0	-	-	-	-	-	-	-	-	-
170	36603	99.0	Other Structures	0	-	-	-	-	-	-	-	-	-
171	36700	3.3	Mainline Cathodic Protection	33,316	29,419	6,898	44	72	-	-	-	3,888	-
172	36701	3.3	Mainline - Steel	2,940	2,056	859	4	9	-	-	-	254	-
173	36900	3.3	Meas. & Reg. Equipment	5,286	3,716	1,094	7	11	-	-	-	457	-
174	36901	99.0	Meas. & Reg. Equipment	0	-	-	-	-	-	-	-	-	-
175													
176			Total Transmission Plant	41,541	29,201	8,601	55	89	-	-	-	3,594	-
177													
178			Distributions:										
179													
180	37400	99.0	Land & Land Rights	0	-	-	-	-	-	-	-	-	-
181	37401	99.0	Land	0	-	-	-	-	-	-	-	-	-
182	37402	15.4	Land Rights	938	645	190	1	2	-	-	-	79	-
183	37403	15.4	Distribution Plant - Demand	0	-	-	-	-	-	-	-	-	-
184	37500	3.3	Structures & Improvements	1,265	875	258	2	3	-	-	-	108	-
185	37501	99.0	Structures & Improvements T.B.	0	-	-	-	-	-	-	-	-	-
186	37502	99.0	Land Rights	0	-	-	-	-	-	-	-	-	-
187	37503	99.0	Improvements	0	-	-	-	-	-	-	-	-	-
188	37504	3.3	Mainline Cathodic Protection	48,841	20,587	8,884	57	94	-	-	-	3,759	-
189	37505	3.3	Mainline - Steel	247,383	174,645	51,264	378	513	-	-	-	23,424	-
190	37506	3.3	Mainline - Plastic	419,097	294,603	86,772	555	902	-	-	-	36,264	-
191	37600	3.3	Meas & Reg. Sta. Equip - General	39,721	27,922	8,224	53	86	-	-	-	3,437	-
192	37601	3.3	Meas & Reg. Sta. Equip - City Gate	19,064	13,394	4,845	25	41	-	-	-	1,649	-
193	37908	99.0	Meas & Reg. Sta. Equipment	126	89	26	0	0	-	-	-	11	-
194	38002	99.0	Sanitary	0	-	-	-	-	-	-	-	-	-
195	38100	99.0	Meters	0	-	-	-	-	-	-	-	-	-
196	38200	99.0	Meter Installations	0	-	-	-	-	-	-	-	-	-
197	38300	99.0	House Regulators	0	-	-	-	-	-	-	-	-	-
198	38400	99.0	House Reg. Installations	0	-	-	-	-	-	-	-	-	-
199	38500	99.0	Ind. Meas. & Reg. Sta. Equipment	0	-	-	-	-	-	-	-	-	-
200	38600	99.0	Other Prop. On Cust. Equip	0	-	-	-	-	-	-	-	-	-
201													
202			Total Distribution Plant	771,195	542,110	159,674	1,021	1,660	-	-	-	56,730	-

Alloues Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMS-2020-RTS												
Forecasted Test Period: Twelve Month Ended September 30, 2013												
ALLOCATION OF DEPRECIATION EXPENSE												
206	General											
206	General											
206	2061											
206	38900	Land & Land Rights	99.0	-	-	-	-	-	-	-	-	-
207	39000	Structures & Improvements	6.4	P, S, T & D Plant - Demand	7,377	5,228	1,540	10	15	-	-	583
208	39003	Improvements	6.4	P, S, T & D Plant - Demand	6	4	1	0	0	-	-	0
209	39004	Air Conditioning Equipment	6.4	P, S, T & D Plant - Demand	35	25	7	0	0	-	-	3
210	39009	Improvement to Leased Premises	6.4	P, S, T & D Plant - Demand	223	158	45	0	0	-	-	18
211	39100	Office Furniture & Equipment	6.4	P, S, T & D Plant - Demand	4,816	3,271	964	6	10	-	-	365
212	39103	Office Furn. Coolers & Typs	6.4	P, S, T & D Plant - Demand	55	38	12	0	0	-	-	4
213	39200	Transportation Equipment	6.4	P, S, T & D Plant - Demand	1,576	1,117	328	2	3	-	-	125
214	39300	Stores Equipment	6.4	P, S, T & D Plant - Demand	3	2	1	0	0	-	-	0
215	39400	Tools, Shop & Garage Equipment	6.4	P, S, T & D Plant - Demand	14,032	9,545	2,925	19	30	-	-	1,352
216	39500	Laboratory Equipment	6.4	P, S, T & D Plant - Demand	64	45	13	0	0	-	-	5
217	39600	Power Operated Equipment	6.4	P, S, T & D Plant - Demand	153	108	32	0	0	-	-	12
218	39603	Ditchers	6.4	P, S, T & D Plant - Demand	79	55	17	0	0	-	-	6
219	39604	Backhoes	6.4	P, S, T & D Plant - Demand	85	60	18	0	0	-	-	7
220	39605	Winches	6.4	P, S, T & D Plant - Demand	19	14	4	0	0	-	-	2
221	39700	Communication Equipment	6.4	P, S, T & D Plant - Demand	5,782	4,095	1,207	8	13	-	-	487
222	39701	Communication Equipment - Mobile Radios	6.4	P, S, T & D Plant - Demand	105	74	22	0	0	-	-	8
223	39702	Communication Equipment - Fixed Radios	6.4	P, S, T & D Plant - Demand	3,301	2,340	689	4	7	-	-	281
224	39800	Miscellaneous Equipment	6.4	P, S, T & D Plant - Demand	1,105	784	231	1	2	-	-	87
225	39900	Other Tangible Property - Servers - H/W	6.4	P, S, T & D Plant - Demand	353	275	119	1	2	-	-	79
226	39901	Other Tangible Property - Servers - S/W	6.4	P, S, T & D Plant - Demand	4,446	1,025	302	2	3	-	-	114
227	39902	Other Tangible Property - Network - H/W	6.4	P, S, T & D Plant - Demand	5,214	3,695	1,088	7	11	-	-	412
228	39903	Other Tang. Property - CPU	99.0	-	0	-	-	-	-	-	-	-
229	39904	Other Tangible Property - MF - Hardware	99.0	-	0	-	-	-	-	-	-	-
230	39905	Other Tang. Property - PC Hardware	6.4	P, S, T & D Plant - Demand	15,889	11,258	3,619	21	35	-	-	1,256
231	39906	Other Tang. Property - PC Software	6.4	P, S, T & D Plant - Demand	3,332	1,552	465	3	5	-	-	176
232	39907	Other Tang. Property - Mainframe S/W	99.0	-	0	-	-	-	-	-	-	-
233	39908	Other Tang. Property - Application Software	6.4	P, S, T & D Plant - Demand	21,578	15,292	4,504	29	47	-	-	1,705
234												
235												
236		Total General Plant			85,927	60,907	17,940	115	187	0	0	6,789
237												
238		TOTAL DIRECT DEPRECIATION EXPENSE			954,997	675,099	198,646	1,271	2,058	0	0	77,113
239												
240		Shared Services General Office	6.4	P, S, T & D Plant - Demand	75,893	53,725	15,824	101	155	-	-	5,889
241		Shared Services Customer Support	99.0	-	0	-	-	-	-	-	-	-
242		Colorado-Kansas General Office	6.4	P, S, T & D Plant - Demand	21,653	15,859	4,585	29	48	-	-	1,794
243												
244		TOTAL DEPRECIATION EXPENSE - DEMAND			1,052,153	744,383	219,253	1,492	2,280	0	0	84,536



Altres Energy Corporation, Colorado-Kansas Division														
Kansas Jurisdiction Case No. 14-AT&M-XXX-RTS														
Forecasted Test Period: Twelve Months Ended September 30, 2018														
ALLOCATION OF DEPRECIATION EXPENSE														
325	General													
326														
327														
328	39000	Land & Land Rights	99.0	0	-	-	-	-	-	-	-	-		
329	39000	Structures & Improvements	6.6	P, S, T & D Plant - Commodity	361	269	80	0	1	0	2	9		
330	39003	Improvements	6.6	P, S, T & D Plant - Commodity	0	0	0	0	0	0	0	-		
331	39004	Air Conditioning Equipment	6.6	P, S, T & D Plant - Commodity	2	1	0	0	0	0	0	-		
332	39003	Improvements to Leased Premises	6.6	P, S, T & D Plant - Commodity	11	8	2	0	0	0	0	-		
333	39100	Office Furniture & Equipment	6.6	P, S, T & D Plant - Commodity	226	168	50	0	1	0	1	6		
334	39103	Office Furn, Coolers & Tyse	6.6	P, S, T & D Plant - Commodity	8	2	1	0	0	0	0	-		
335	39200	Transportation Equipment	6.6	P, S, T & D Plant - Commodity	77	57	17	0	0	0	0	-		
336	39300	Stores Equipment	6.6	P, S, T & D Plant - Commodity	0	0	0	0	0	0	0	-		
337	39400	Tools, Shop & Garage Equipment	6.6	P, S, T & D Plant - Commodity	686	511	152	1	2	0	4	17		
338	39500	Laboratory Equipment	6.6	P, S, T & D Plant - Commodity	3	2	1	0	0	0	0	-		
339	39600	Power Operated Equipment	6.6	P, S, T & D Plant - Commodity	7	6	2	0	0	0	0	-		
340	39603	Ditchers	6.6	P, S, T & D Plant - Commodity	4	3	1	0	0	0	0	-		
341	39604	Backhoes	6.6	P, S, T & D Plant - Commodity	4	3	1	0	0	0	0	-		
342	39605	Welders	6.6	P, S, T & D Plant - Commodity	1	1	0	0	0	0	0	-		
343	39700	Communication Equipment	6.6	P, S, T & D Plant - Commodity	283	211	88	0	1	0	2	7		
344	39701	Communication Equipment - Mobile Radios	6.6	P, S, T & D Plant - Commodity	5	4	1	0	0	0	0	-		
345	39702	Communication Equipment - Fixed Radios	6.6	P, S, T & D Plant - Commodity	161	120	36	0	0	0	1	4		
346	39800	Miscellaneous Equipment	6.6	P, S, T & D Plant - Commodity	54	40	12	0	0	0	0	1		
347	39900	Other Tangible Property - Servers - H/W	6.6	P, S, T & D Plant - Commodity	47	35	10	0	0	0	0	-		
348	39901	Other Tangible Property - Servers - S/W	6.6	P, S, T & D Plant - Commodity	71	58	16	0	0	0	0	-		
349	39902	Other Tangible Property - Network - H/W	6.6	P, S, T & D Plant - Commodity	255	180	56	0	1	0	1	6		
350	39903	Other Tang. Property - CPU	99.0	-	0	-	-	-	-	-	-	-		
351	39904	Other Tangible Property - MF - Hardware	99.0	-	0	-	-	-	-	-	-	-		
352	39905	Other Tang. Property - PC Hardware	6.6	P, S, T & D Plant - Commodity	778	579	172	1	2	0	4	19		
353	39906	Other Tang. Property - PC Software	6.6	P, S, T & D Plant - Commodity	109	81	24	0	0	0	1	3		
354	39907	Other Tang. Property - Mainframe S/W	99.0	-	0	-	-	-	-	-	-	-		
355	39908	Other Tang. Property - Application Software	6.6	P, S, T & D Plant - Commodity	1,055	786	233	1	3	0	6	26		
356														
357														
358	Total General Plant													
359														
360	TOTAL DIRECT DEPRECIATION EXPENSE													
361														
362	Shared Services General Office													
363	Shared Services Customer Support													
364	Colorado-Kansas General Office													
365														
366	TOTAL DEPRECIATION EXPENSE - COMMODITY													
					4,204	3,190	930	5	12	0	24	104	0	0
					36,543	26,462	7,860	44	99	0	202	876	0	0
					3,708	2,761	820	5	10	0	21	91	-	-
					0	-	-	-	-	-	-	-	-	-
					1,074	800	237	1	3	0	6	26	-	-
					40,325	30,022	8,918	49	113	0	222	904	0	0

Alamos Energy Corporation, Colorado-Kansas Division Kansas Jurisdiction Case No. 14-A-17MS-XXX-RTS Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF DEPRECIATION EXPENSE													
Total Depreciation Expenses													
Line No.	Acct. No.	Allocation Factor	Allocation Basis	Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
367			Intangible Plant:										
369	30100		Organization	0	-	-	-	-	-	-	-	-	-
370	30200		Franchises & Consents	0	-	-	-	-	-	-	-	-	-
371	30300		Misc Intangible Plant	0	-	-	-	-	-	-	-	-	-
372			Total Intangible Plant:	0	-	-	-	-	-	-	-	-	-
374													
375			Production Plant:										
376				0	-	-	-	-	-	-	-	-	-
377	32525		Producing Leaseholds	0	-	-	-	-	-	-	-	-	-
378	32540		Rights of Way	0	-	-	-	-	-	-	-	-	-
379	33100		Production Gas Wells Equipment	0	-	-	-	-	-	-	-	-	-
380	33201		Field Lines	0	-	-	-	-	-	-	-	-	-
381	33202		Tributary Lines	0	-	-	-	-	-	-	-	-	-
382	33400		Field Meas. & Reg. Sta. Equip	0	-	-	-	-	-	-	-	-	-
383	33600		Purification Equipment	0	-	-	-	-	-	-	-	-	-
384			Total Production Plant	0	-	-	-	-	-	-	-	-	-
385				0	-	-	-	-	-	-	-	-	-
386			Storage Plant:										
387				0	-	-	-	-	-	-	-	-	-
389	35010		Land	0	-	-	-	-	-	-	-	-	-
390	35020		Rights of Way	9,729	7,299	2,186	13	24	0	20	86	-	-
391	35100		Structures and Improvements	2,028	1,542	456	9	5	0	4	18	-	-
392	35102		Compression Station Equipment	0	-	-	-	-	-	-	-	-	-
393	35103		Meas. & Reg. Sta. Structures	0	-	-	-	-	-	-	-	-	-
394	35104		Other Structures	0	-	-	-	-	-	-	-	-	-
395	35201		Wells, L. Rights of Way	23,571	17,526	5,296	32	59	0	43	209	-	-
396	35201		Well Construction	0	-	-	-	-	-	-	-	-	-
397	35202		Reservoirs	0	-	-	-	-	-	-	-	-	-
398	35203		Cushion Gas	0	-	-	-	-	-	-	-	-	-
399	35240		Leaseholds	0	-	-	-	-	-	-	-	-	-
400	35211		Storage Rights	0	-	-	-	-	-	-	-	-	-
401	35300		Pipelines	17,922	13,630	4,027	25	45	0	37	158	-	-
402	35400		Compressor Station Equipment	20,879	15,879	4,691	29	53	0	43	185	-	-
403	35500		Meas. & Reg. Equipment	5,500	4,182	1,238	8	14	0	11	49	-	-
404	35600		Purification Equipment	4,802	3,728	1,101	7	12	0	10	43	-	-
405	35700		Other Equipment	2,521	1,925	569	3	6	0	5	22	-	-
406			Total Storage Plant	87,063	66,213	19,563	119	219	0	178	772	-	-
407													
408			Transmission:										
409				0	-	-	-	-	-	-	-	-	-
410				0	-	-	-	-	-	-	-	-	-
411	36500		Land & Land Rights	0	-	-	-	-	-	-	-	-	-
412	36520		Rights of Way	0	-	-	-	-	-	-	-	-	-
413	36602		Structures & Improvements	0	-	-	-	-	-	-	-	-	-
414	36603		Other Structures	0	-	-	-	-	-	-	-	-	-
415	36700		Mains Cathodic Protection	33,336	29,619	6,898	44	72	-	-	-	2,888	-
416	36701		Mains - Steel	2,940	2,066	809	4	8	-	-	-	-	254
417	36800		Meas. & Reg. Equipment	5,296	3,715	1,094	7	11	-	-	-	-	457
418	36901		Meas. & Reg. Equipment	0	-	-	-	-	-	-	-	-	-
419			Total Transmission Plant	41,543	29,201	8,601	55	89	-	-	-	-	3,594
420													
421			Distribution:										
422				0	-	-	-	-	-	-	-	-	-
423				0	-	-	-	-	-	-	-	-	-
424	37400		Land & Land Rights	0	-	-	-	-	-	-	-	-	-
425	37401		Land	0	-	-	-	-	-	-	-	-	-
426	37402		Land Rights	6,453	5,484	792	30	5	3	0	82	249	-
427	37403		Land Other	0	-	-	-	-	-	-	-	-	-
428	37500		Structures & Improvements	5,145	4,405	554	4	3	2	0	9	117	-
429	37501		Structures & Improvements T.R.	0	-	-	-	-	-	-	-	-	-
430	37502		Land Rights	0	-	-	-	-	-	-	-	-	-
431	37503		Improvements	0	-	-	-	-	-	-	-	-	-
432	37600		Mains Cathodic Protection	179,584	155,474	19,353	134	112	77	2	297	4,092	46
433	37601		Mains - Steel	1,023,542	886,116	110,259	762	640	441	12	1,691	23,320	280
434	37602		Mains - Plastic	1,792,520	1,499,918	186,702	1,289	1,084	747	20	2,862	39,474	423
435	37800		Meas. & Reg. Sta. Equip - General	184,204	142,158	17,695	122	203	71	2	271	3,741	40
436	37900		Meas. & Reg. Sta. Equip - City Gate	78,769	68,194	8,486	59	48	94	1	190	1,795	19
437	37908		Meas. & Reg. Sta. Equipment	123	453	56	0	0	0	0	1	12	0
438	38000		Service	2,042,545	1,871,274	158,225	1,108	327	1,105	16	4,577	5,917	498
439	38100		Meters	986,509	685,110	221,651	5,231	1,840	500	177	16,782	47,716	5,201
440	38200		Meter Installations	1,479,887	1,028,486	333,168	7,852	2,765	-	-	28,210	71,620	7,808
441	38300		House Regulators	163,987	144,143	16,489	94	87	91	-	919	197	16
442	38400		House Reg. Installations	0	-	-	-	-	-	-	-	-	-
443	38500		Ind. Meas. & Reg. Sta. Equipment	53,111	1,676	37,299	1,322	460	19	43	8,895	12,825	14,416
444	38600		Other Prop. On Cust. Prem	35,358	26,639	8,630	209	72	19	7	791	1,855	202
445													
446			Total Distribution Plant	7,961,128	6,519,520	1,121,644	18,188	7,495	3,111	286	67,516	212,440	15,927

Xcel Energy Corporation, Colorado-Kansas Division												
Kansas Injunction Case No. 14-ATMS-2008-BTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION OF DEPRECIATION EXPENSE												
447												
448		General										
449												
450	39000	Land & Land Rights	0	-	-	-	-	-	-	-	-	-
451	39000	Structures & Improvements	46,427	39,105	5,830	72	37	19	3	236	1,070	54
452	39003	Improvements	38	32	5	0	0	0	0	1	1	0
453	39004	Air Conditioning Equipment	220	180	26	0	0	0	0	1	5	0
454	39009	Improvement to Leased Premises	1,401	1,190	176	3	1	1	0	7	32	2
455	39100	Office Furniture & Equipment	29,050	24,489	3,648	45	23	12	2	148	670	34
456	39103	Office Furn, Copiers & Type	348	293	44	1	0	0	0	2	8	0
457	39200	Transportation Equipment	5,922	5,257	1,246	15	8	4	1	50	229	11
458	39300	Stores Equipment	77	66	9	0	0	0	0	0	1	0
459	39400	Tools, Shop & Garage Equipment	88,310	74,399	11,000	137	71	36	5	449	2,095	102
460	39500	Laboratory Equipment	400	337	50	1	0	0	0	2	9	0
461	39600	Power Operated Equipment	983	811	121	1	1	0	0	5	22	1
462	39603	Ditchers	498	419	63	1	0	0	0	3	11	1
463	39604	Backhoes	336	451	97	1	0	0	0	2	11	1
464	39605	Welders	120	101	15	0	0	0	0	1	9	0
465	39700	Communication Equipment	36,358	30,600	4,470	56	28	15	2	185	539	42
466	39701	Communication Equipment - Mobile Radios	658	554	83	1	1	0	0	3	15	1
467	39702	Communication Equipment - Fixed Radios	20,777	17,500	2,609	32	17	8	1	106	479	24
468	39800	Miscellaneous Equipment	6,562	5,854	874	11	6	3	0	35	160	8
469	39900	Other Tangible Property - Servers - HW	5,996	5,053	753	9	5	2	0	30	138	7
470	39901	Other Tangible Property - Servers - SW	5,103	7,657	1,145	16	7	4	1	45	210	11
471	39902	Other Tangible Property - Network - HW	32,815	27,640	4,121	51	26	13	2	167	756	38
472	39903	Other Tang. Property - CPU	0	-	-	-	-	-	-	-	-	-
473	39904	Other Tangible Property - MF - Hardware	0	-	-	-	-	-	-	-	-	-
474	39905	Other Tang. Property - PC Hardware	109,061	84,261	12,585	158	80	41	7	509	2,306	116
475	39906	Other Tang. Property - PC Software	14,090	11,894	1,764	22	11	6	1	71	324	16
476	39907	Other Tang. Property - Mainframe S/W	0	-	-	-	-	-	-	-	-	-
477	39908	Other Tang. Property - Application Software	135,794	114,380	17,052	211	109	55	9	650	3,330	157
478												
479		Total General Plant	540,858	455,266	67,819	839	434	221	37	2,749	12,447	627
480												
481		TOTAL DIRECT DEPRECIATION EXPENSE	8,680,590	7,070,500	1,217,725	19,201	8,238	3,332	500	66,037	228,501	16,553
482												
483												
484		Shared Services General Office	477,030	401,845	59,910	740	383	189	33	2,425	10,597	553
485		Shared Services Customer Support	377,089	345,052	28,688	213	52	214	6	822	322	121
486		Colorado-Kansas General Office	136,167	116,378	17,351	214	111	56	9	702	3,185	169
487												
488		TOTAL DEPRECIATION EXPENSE	9,622,806	7,934,756	1,323,674	20,367	8,784	3,798	548	69,986	243,504	17,383

Atmos Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION OF TAXES, OTHER THAN INCOME & NET DEDUCTIONS FOR INCOME TAX												
1	Customer											
2												
3												
4	Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial	SGS	Interruptible	Irrigation	Firm	Interruptible
5	Factor	Basis	Company	Sales	Sales	Sales	Sales		Sales	Sales	Transport	Transport
6												
7	Taxes Other Than Income											
8												
9	Non Revenue Related:											
10	25.2	Payroll - Cust	349,836	319,406	27,574	226	60	195	5	871	1,154	144
11	20.2	Property Related	6,009,670	5,227,762	549,143	9,437	3,084	2,956	172	34,725	74,194	8,185
12	20.2	Public Service Commission Assessment	124,851	108,607	13,488	196	64	61	4	721	1,541	170
13	21.2	Other	949,885	305,202	87,238	532	173	173	10	1,958	4,146	459
14	Total Non Revenue Related:		6,834,041	5,960,977	727,436	10,390	3,381	3,886	191	38,276	81,035	8,968
15	Revenue Related:											
16	99.0	State Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
17	99.0	Local Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
18	99.0	Other	0	-	-	-	-	-	-	-	-	-
19	Total Revenue Related:		0	-	-	-	-	-	-	-	-	-
20												
21												
22	Total Taxes, Other Than Income		6,834,041	5,960,977	727,436	10,390	3,381	3,386	191	38,276	81,035	8,968
23												
24	22.0	Allowance for Step Rate	(1,179)	(74)	(510)	0	(6)	(3)	(11)	(143)	(262)	(171)
25												
26	19.2	Interest Expense	4,398,561	3,852,269	456,804	6,440	7,074	2,234	115	29,588	49,522	5,506



Atmos Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-ATM/G-XXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF TAXES, OTHER THAN INCOME & NET DEDUCTIONS FOR INCOME TAX													
27													
28		Demand											
29													
30													
31													
32		Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial		Interruptible	Irrigation	Firm	
33		Factor	Basis	Company	Sales	Sales	Sales	Sales	SGS	Sales	Sales	Transport	Interruptible
34													
35		Taxes Other Than Income											
36													
37		Non Revenue Related:											
38		25.4	Payroll - Demand	26,398	19,592	5,771	37	60	0	81	10	787	-
39		20.4	Property Related	1,117,517	792,028	239,286	1,491	2,428	-	-	-	88,286	-
40		20.4	Public Service Commission Assessment	23,216	16,454	4,847	31	50	-	-	-	1,834	-
41		21.4	Other	62,894	44,655	18,159	84	137	0	4	1	4,901	-
42			Total Non Revenue Related:	1,230,006	872,730	257,056	1,643	2,673	0	85	10	95,808	0
43													
44		Revenue Related:											
45		99.0	State Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
46		99.0	Local Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
47		99.0	Other	0	-	-	-	-	-	-	-	-	-
48			Total Revenue Related:	0	-	-	-	-	-	-	-	-	-
49													
50			Total Taxes, Other Than Income	1,230,006	872,730	257,056	1,643	2,673	0	85	10	95,808	-
51													
52		22.0	Allowance for Step Rate	(289)	(18)	(125)	0	(2)	(1)	(9)	(85)	(64)	(42)
53													
54		19.4	Interest Expense	1,079,127	771,925	227,965	1,458	2,364	-	-	-	75,019	-

Atmos Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2013													
ALLOCATION OF TAXES, OTHER THAN INCOME & NET DEDUCTIONS FOR INCOME TAX													
55	Commodity												
56													
57													
58													
59													
60	Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial	SGS	Interruptible	Irrigation	Firm	Interruptible	
61	Factor	Basis	Company	Sales	Sales	Sales	Sales		Sales	Sales	Transport	Transport	
62													
63	Taxes Other Than Income												
64													
65	Non Revenue Related:												
66	Payroll Related	25.6	Payroll - Comm	817	584	181	1	2	0	2	14	18	15
67	Property Related	20.6	Gross Plant - Comm	54,665	40,699	12,089	67	153	0	310	1,547	-	-
68	Public Service Commission Assessment	20.6	Gross Plant - Comm	1,136	846	251	1	3	0	6	28	-	-
69	Other	21.6	Other Taxes - Comm	3,053	2,271	675	4	9	0	17	75	1	1
70	Total Non Revenue Related:			59,671	44,400	13,196	73	167	0	335	1,464	19	16
71													
72	Revenue Related:												
73	State Gross Receipts - Tax	99.0	-	0	-	-	-	-	-	-	-	-	-
74	Local Gross Receipts - Tax	99.0	-	0	-	-	-	-	-	-	-	-	-
75	Other	99.0	-	0	-	-	-	-	-	-	-	-	-
76	Total Revenue Related:			0	-	-	-	-	-	-	-	-	-
77													
78	Total Taxes, Other Than Income			59,671	44,400	13,196	73	167	0	335	1,464	19	16
79													
80	Allowance for Step Rate	22.0	Taxable Income	(82)	(2)	(14)	0	(0)	(0)	(0)	(4)	(7)	(5)
81													
82	Interest Expense	19.6	Rate Base - Comm	118,820	88,450	26,275	146	332	1	674	2,931	7	6

Atmos Energy Corporation, Colorado-Kansas Division													
Kansas Jurisdiction Case No. 14-ATMS-XXX-RTS													
Forecasted Test Period: Twelve Months Ended September 30, 2019													
ALLOCATION OF TAXES, OTHER THAN INCOME & NET DEDUCTIONS FOR INCOME TAX													
		Allocation	Allocation	Total	Residential	Com/PA	Schools	Industrial	SGS	Interruptible	Irrigation	Firm	Interruptible
		Factor	Basis	Company	Sales	Sales	Sales	Sales		Sales	Sales	Transport	Transport
83													
84			Total Taxes Other										
85													
86													
87													
88													
89													
90													
91			Taxes Other Than Income										
92													
93			Non Revenue Related:										
94			Payroll Related	376,791	339,583	33,526	264	122	195	88	895	1,959	159
95			Property Related	7,181,852	6,060,489	894,519	10,995	5,663	2,956	482	36,072	162,480	2,195
96			Public Service Commission Assessment	149,203	125,907	18,584	228	118	61	10	749	3,376	170
97			Other	415,872	352,128	51,080	619	318	173	31	2,034	9,047	460
98			Total Non Revenue Related:	8,123,718	6,878,107	997,689	12,107	6,221	3,386	612	39,750	176,852	8,984
99													
100			Revenue Related:										
101			State Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
102			Local Gross Receipts - Tax	0	-	-	-	-	-	-	-	-	-
103			Other	0	-	-	-	-	-	-	-	-	-
104			Total Revenue Related:	0	-	-	-	-	-	-	-	-	-
105													
106			Total Taxes, Other Than Income	8,123,718	6,878,107	997,689	12,107	6,221	3,386	612	39,750	176,852	8,984
107													
108			Allowance for Step Rate	(1,500)	(94)	(649)	0	(8)	(4)	(14)	(182)	(333)	(217)
109													
110			Interest Expense	5,595,508	4,712,645	710,443	8,039	4,770	2,234	787	26,529	124,548	5,512



Atmos Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION FACTORS												
			Total Company	Residential/ Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
1.0	Input	Value	172,936,199	99,245,290	30,863,823	163,132	420,939	1,844	893,380	10,411,813	16,607,649	13,728,388
	Total Throughput	%	100.0000%	57.5882%	17.9091%	0.0947%	0.2443%	0.0011%	0.5184%	6.0416%	9.6368%	7.9661%
1.2	Input	Value	142,000,162	99,245,230	30,863,823	163,132	420,939	1,844	893,380	10,411,813	-	-
	Sales Mcf	%	100.0000%	69.8909%	21.7351%	0.1148%	0.2964%	0.0013%	0.6291%	7.3323%	0.0000%	0.0000%
1.3	Input	Value	157,714,431	99,245,230	30,863,823	163,132	420,939	1,844	-	10,411,813	16,607,649	-
	Total Firm Throughput	%	100.0000%	62.9272%	19.5694%	0.1034%	0.2669%	0.0012%	0.0000%	6.6017%	10.5302%	0.0000%
1.5	Input	Value	110,975,924	82,621,918	24,542,570	135,915	310,352	806	629,336	2,735,027	-	-
	Winter Volumes Excluding Transport	%	100.0000%	74.4503%	22.1152%	0.1225%	0.2797%	0.0007%	0.5671%	2.4645%	0.0000%	0.0000%
1.6	Input	Value	147,900,773	99,245,230	30,863,823	163,132	420,939	-	-	-	16,607,649	-
	Mcf less Interruptible, SGS, Irrigation	%	100.0000%	67.3759%	20.9529%	0.1107%	0.2858%	0.0000%	0.0000%	0.0000%	11.2747%	0.0000%
1.8	Input	Value	130,693,124	99,245,230	30,863,823	163,132	420,939	-	-	-	-	-
	Mcf less Interruptible, SGS, Irrigation, Transport	%	100.0000%	75.9376%	23.6155%	0.1248%	0.3221%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2.0	Input	Value	1,540,488	1,413,690	117,205	862	213	876	24	3,357	3,765	496
	Bills	%	100.0000%	91.7690%	7.6083%	0.0559%	0.0138%	0.0569%	0.0016%	0.2179%	0.2444%	0.0322%
2.1	Input	Value	1,536,227	1,413,690	117,205	862	213	876	24	3,357	-	-
	Bills (Sales)	%	100.0000%	92.0235%	7.6294%	0.0561%	0.0139%	0.0570%	0.0016%	0.2185%	0.0000%	0.0000%
2.2	Input	Value	4,261	-	-	-	-	-	-	-	3,765	496
	Bills (Transport)	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	88.3595%	11.6405%
2.3	Input	Value	1,535,735	1,413,690	117,205	862	213	0	0	0	3,765	0
	Bills less Interruptible, SGS, Irrigation	%	100.0000%	92.0530%	7.6318%	0.0561%	0.0139%	0.0000%	0.0000%	0.0000%	0.2452%	0.0000%
2.4	Input	Value	1,531,970	1,413,690	117,205	862	213	0	0	0	0	0
	Bills less Interruptible, SGS, Irrigation, Transport	%	100.0000%	92.2792%	7.6506%	0.0562%	0.0139%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2.5	Input	Value	131,208	120,206	10,164	71	21	71	1	294	348	32
	Meters	%	100.0000%	91.6148%	7.7465%	0.0541%	0.0160%	0.0541%	0.0008%	0.2241%	0.2652%	0.0244%
2.6	Input	Value	130,828	120,206	10,164	71	21	71	1	294	-	-
	Meters (Sales)	%	100.0000%	91.8909%	7.7690%	0.0543%	0.0161%	0.0543%	0.0008%	0.2247%	0.0000%	0.0000%
2.7	Input	Value	380	0	0	0	0	0	0	0	348	32
	Meters (Transport)	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	91.5789%	8.4211%
3.0	Input	Value	33,094,966	22,238,105	6,550,074	41,872	68,109	139	137,799	16,266	2,737,350	1,305,253
	Peak Month	%	100.0000%	67.1948%	19.7918%	0.1265%	0.2058%	0.0004%	0.4164%	0.0492%	8.2712%	3.9440%
3.1	Input	Value	29,052,364	22,238,105	6,550,074	41,872	68,109	139	137,799	16,266	0	0
	Peak Month (Sales)	%	100.0000%	76.5449%	22.5458%	0.1441%	0.2344%	0.0005%	0.4743%	0.0560%	0.0000%	0.0000%
3.2	Input	Value	4,042,608	0	0	0	0	0	0	0	2,737,350	1,305,253
	Peak Month (Transport)	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	67.7126%	32.2874%
3.3	Input	Value	31,635,509	22,238,105	6,550,074	41,872	68,109	0	0	0	2,737,350	0
	Peak Month less Interruptible, SGS, Irrigation	%	100.0000%	70.2948%	20.7048%	0.1324%	0.2153%	0.0000%	0.0000%	0.0000%	8.6528%	0.0000%
3.4	Input	Value	28,858,160	22,238,105	6,550,074	41,872	68,109	0	0	0	0	0
	Peak Month less Interruptible, SGS, Irrigation, Transport	%	100.0000%	76.9534%	22.6661%	0.1449%	0.2357%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3.6	Input	Value	12,911,002	11,348,659	1,455,676	7,424	2,943	7,187	0	72,375	15,498	1,240
	Small Meter Investment	%	100.0000%	87.8891%	11.2747%	0.0575%	0.0228%	0.0557%	0.0000%	0.5606%	0.1200%	0.0096%

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			Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
	Input	Value	3,576,248	101,391	2,253,567	79,997	27,814	1,174	2,955	241,688	781,973	85,689
3.8	Large Meter Investment	%	100.0000%	2.8351%	63.0148%	2.2369%	0.7777%	0.0928%	0.0826%	6.7581%	21.8657%	2.3961%
	Input	Value	16,487,250	11,450,050	3,709,242	87,420	30,757	8,362	2,955	314,063	797,471	86,929
4.0	Meter Investment	%	100.0000%	69.4479%	22.4976%	0.5302%	0.1866%	0.0507%	0.0179%	1.9049%	4.8369%	0.5273%
	Input	Value	16,475,934	11,450,050	3,709,242	87,420	30,757	0	0	314,063	797,471	86,929
4.1	Meter Installations	%	100.0000%	69.4956%	22.5131%	0.5306%	0.1867%	0.0000%	0.0000%	1.9062%	4.8402%	0.5276%
	Input	Value	1	1	-	-	-	-	-	-	-	-
4.2	Direct to Residential	%	100.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	1	-	-	-	-	-	-	-
4.4	Direct to Commercial & Public Authority	%	100.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	1	-	-	-	-	-	-
4.6	Direct to Schools	%	100.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	-	1	-	-	-	-	-
4.8	Direct to Industrial	%	100.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	-	-	1	-	-	-	-
5.0	Direct to SGS	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	-	-	-	1	-	-	-
5.2	Direct to Interruptible	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	-	-	-	-	1	-	-
5.4	Direct to Irrigation	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%	0.0000%
	Input	Value	1	-	-	-	-	-	-	-	1	-
5.6	Direct to Firm Transport	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%
	Input	Value	1	-	-	-	-	-	-	-	-	1
5.8	Direct to Interruptible Transport	%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
	Internally Generated	Value	276,078,690	232,541,627	34,669,025	428,321	221,486	112,731	18,844	1,403,242	6,363,599	319,816
6.0	P, S, T & D Plant	%	100.0000%	84.2302%	12.5577%	0.1551%	0.0802%	0.0408%	0.0068%	0.5083%	2.3050%	0.1158%
	Internally Generated	Value	230,065,749	199,854,421	25,037,243	367,155	120,267	112,716	6,675	1,350,358	2,898,099	319,816
6.2	P, S, T & D Plant - Customer	%	100.0000%	86.9680%	10.8826%	0.1596%	0.0523%	0.0490%	0.0029%	0.5869%	1.2597%	0.1390%
	Internally Generated	Value	43,865,147	31,089,656	9,157,235	58,538	95,218	0	0	0	3,465,500	0
6.4	P, S, T & D Plant - Demand	%	100.0000%	70.8739%	20.8754%	0.1334%	0.2171%	0.0000%	0.0000%	0.0000%	7.9002%	0.0000%
	Internally Generated	Value	2,145,794	1,597,550	474,547	2,628	6,001	16	12,169	52,884	0	0
6.6	P, S, T & D Plant - Commodity	%	100.0000%	74.4503%	22.1152%	0.1225%	0.2797%	0.0007%	0.5671%	0.0000%	0.0000%	0.0000%
	Internally Generated	Value	20,992,361	18,041,909	2,414,029	24,189	14,424	8,597	2,441	83,351	383,467	19,893
7.0	Allocated O&M Expenses	%	100.0000%	85.9451%	11.4996%	0.1152%	0.0690%	0.0410%	0.0116%	0.3971%	1.8267%	0.0948%
	Internally Generated	Value	17,186,833	15,319,757	1,610,966	19,132	5,926	8,594	230	71,560	135,363	15,304
7.2	Allocated O&M Expenses - Cust	%	100.0000%	89.1366%	9.3733%	0.1113%	0.0345%	0.0500%	0.0013%	0.4164%	0.7876%	0.0890%
	Internally Generated	Value	3,402,807	2,431,922	716,305	4,579	7,448	0	0	0	242,553	0
7.4	Allocated O&M Expenses - Demand	%	100.0000%	71.4681%	21.0504%	0.1346%	0.2189%	0.0000%	0.0000%	0.0000%	7.1280%	0.0000%

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			Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
	Internally Generated	Value	402,721	290,230	86,758	477	1,109	3	2,211	11,792	5,551	4,589
7.6	Allocated O&M Expenses - Comm	%	100.0000%	72.0674%	21.5429%	0.1185%	0.2754%	0.0008%	0.5490%	2.9280%	1.3785%	1.1395%
	Input	Value	1,530,895	1,413,690	117,205	0	0	0	0	0	0	0
8.0	Customer Deposits Factor	%	100.0000%	92.3440%	7.6560%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Internally Generated	Value	201,085,262	170,497,243	24,348,299	282,556	151,715	82,787	8,810	886,132	4,625,888	201,830
9.0	Allocated Net Plant	%	100.0000%	84.7885%	12.1084%	0.1405%	0.0754%	0.0412%	0.0044%	0.4407%	2.3005%	0.1004%
	Internally Generated	Value	166,308,064	145,919,411	17,107,546	236,425	76,017	82,781	4,156	865,904	1,813,994	201,830
9.2	Allocated Net Plant - Cust	%	100.0000%	87.7404%	10.2867%	0.1422%	0.0457%	0.0498%	0.0025%	0.5207%	1.0907%	0.1214%
	Internally Generated	Value	33,956,427	23,966,765	7,059,238	45,126	73,403	0	0	0	2,811,894	0
9.4	Allocated Net Plant - Demand	%	100.0000%	70.5809%	20.7891%	0.1329%	0.2162%	0.0000%	0.0000%	0.0000%	8.2809%	0.0000%
	Internally Generated	Value	820,771	611,067	181,515	1,005	2,295	6	4,655	20,228	0	0
9.6	Allocated Net Plant - Comm	%	100.0000%	74.4503%	22.1152%	0.1223%	0.2797%	0.0007%	0.5671%	2.4645%	0.0000%	0.0000%
	Internally Generated	Value	4,348,434	3,709,345	507,836	5,477	3,044	1,735	125	17,640	98,307	4,925
10.0	Composite of Accts. 871-879 & 886-893	%	100.0000%	85.3030%	11.6786%	0.1260%	0.0700%	0.0399%	0.0029%	0.4057%	2.2607%	0.1133%
	Internally Generated	Value	3,596,282	3,182,578	352,535	4,488	1,421	1,735	45	16,710	33,073	3,699
10.2	Composite of Accts. 871-879 & 886-893 - Cust	%	100.0000%	88.4963%	9.8028%	0.1243%	0.0395%	0.0482%	0.0013%	0.4645%	0.9196%	0.1029%
	Internally Generated	Value	736,758	517,902	152,544	975	1,586	0	0	0	63,750	0
10.4	Composite of Accts. 871-879 & 886-893 - Demand	%	100.0000%	70.2948%	20.7048%	0.1324%	0.2153%	0.0000%	0.0000%	0.0000%	8.6528%	0.0000%
	Internally Generated	Value	15,394	8,865	2,757	15	38	0	80	930	1,484	1,226
10.6	Composite of Accts. 871-879 & 886-893 - Comm	%	100.0000%	57.5882%	17.9091%	0.0947%	0.2443%	0.0011%	0.5184%	6.0416%	9.6368%	7.9661%
	Internally Generated	Value	149,747,733	131,378,913	15,093,947	104,448	77,668	68,353	1,624	267,661	2,718,574	36,545
11.0	Composite of Accts. 376 & 380	%	100.0000%	87.7335%	10.0796%	0.0697%	0.0519%	0.0456%	0.0011%	0.1787%	1.8154%	0.0244%
	Internally Generated	Value	121,853,936	111,771,035	9,318,587	67,529	17,615	68,353	1,624	267,661	304,986	36,545
11.2	Composite of Accts. 376 & 380 - Cust	%	100.0000%	91.7254%	7.6473%	0.0554%	0.0145%	0.0561%	0.0013%	0.2197%	0.2503%	0.0300%
	Internally Generated	Value	27,893,797	19,607,878	5,775,360	36,919	60,053	0	0	0	2,413,588	0
11.4	Composite of Accts. 376 & 380 - Demand	%	100.0000%	70.2948%	20.7048%	0.1324%	0.2153%	0.0000%	0.0000%	0.0000%	8.6528%	0.0000%
	Internally Generated	Value	0	0	0	0	0	0	0	0	0	0
11.6	Composite of Accts. 376 & 380 - Comm	%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Internally Generated	Value	121,821,678	105,447,734	13,141,477	91,392	76,347	52,516	1,451	204,305	2,775,866	30,591
12.0	Composite of Accts. 374-379	%	100.0000%	86.5591%	10.7875%	0.0750%	0.0627%	0.0431%	0.0012%	0.1677%	2.2786%	0.0251%
	Internally Generated	Value	92,442,928	84,796,012	7,058,660	52,508	13,097	52,516	1,451	204,305	233,789	30,591
12.2	Composite of Accts. 374-379 - Cust	%	100.0000%	91.7280%	7.6357%	0.0568%	0.0142%	0.0568%	0.0016%	0.2210%	0.2529%	0.0331%
	Internally Generated	Value	29,378,750	20,651,722	6,082,816	38,885	63,250	0	0	0	2,542,077	0
12.4	Composite of Accts. 374-379 - Demand	%	100.0000%	70.2948%	20.7048%	0.1324%	0.2153%	0.0000%	0.0000%	0.0000%	8.6528%	0.0000%
	Internally Generated	Value	0	0	0	0	0	0	0	0	0	0
12.6	Composite of Accts. 374-379 - Comm	%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	Internally Generated	Value	23,495,473	16,499,378	5,182,365	120,171	42,304	3,637	1,099	435,068	1,092,404	119,046
13.0	Composite of Accts. 381-383	%	100.0000%	70.2236%	22.0569%	0.5115%	0.1801%	0.0159%	0.0047%	1.8517%	4.6494%	0.5067%
	Internally Generated	Value	23,495,473	16,499,378	5,182,365	120,171	42,304	3,637	1,099	435,068	1,092,404	119,046
13.2	Composite of Accts. 381-383 - Cust	%	100.0000%	70.2236%	22.0569%	0.5115%	0.1801%	0.0159%	0.0047%	1.8517%	4.6494%	0.5067%

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	Value	%										
13.4	Internally Generated Composite of Accts. 381-383 - Demand	0.0000%	0	0	0	0	0	0	0	0	0	0
13.6	Internally Generated Composite of Accts. 381-383 - Comm	0.0000%	0	0	0	0	0	0	0	0	0	0
14.0	Internally Generated Account 380	100.0000%	34,436,520	31,548,963	2,667,618	18,634	5,512	18,634	262	77,162	91,335	8,399
14.2	Internally Generated Account 380 - Cust	100.0000%	34,436,520	31,548,963	2,667,618	18,634	5,512	18,634	262	77,162	91,335	8,399
14.4	Internally Generated Account 380 - Demand	0.0000%	0	0	0	0	0	0	0	0	0	0
14.6	Internally Generated Account 380 - Comm	0.0000%	0	0	0	0	0	0	0	0	0	0
15.0	Internally Generated Distribution Plant	100.0000%	268,206,566	226,664,713	32,934,022	417,635	202,379	112,716	6,675	1,350,358	6,198,252	319,816
15.2	Internally Generated Distribution Plant - Cust	100.0000%	230,066,749	199,854,421	25,037,243	367,155	120,267	112,716	6,675	1,350,358	2,898,099	319,816
15.4	Internally Generated Distribution Plant - Demand	100.0000%	38,139,816	26,810,293	7,896,779	50,480	82,112	0	0	0	3,300,153	0
15.6	Internally Generated Distribution Plant - Comm	0.0000%	0	0	0	0	0	0	0	0	0	0
16.0	Internally Generated O&M Expenses less A&G	100.0000%	8,380,340	7,183,680	998,720	9,416	6,424	3,306	1,905	34,689	135,096	7,105
16.2	Internally Generated O&M Expenses less A&G - Cust	100.0000%	6,533,103	5,839,100	601,839	6,942	2,129	3,304	87	26,017	48,209	5,477
16.4	Internally Generated O&M Expenses less A&G - Demand	100.0000%	1,517,940	1,102,759	324,810	2,076	3,377	0	0	0	84,917	0
16.6	Internally Generated O&M Expenses less A&G - Comm	100.0000%	329,296	241,821	72,071	398	917	2	1,817	8,672	1,970	1,628
17.0	Internally Generated Composite of Accts. 870-902, 905-916, 924 & 928-930.1	100.0000%	6,916,211	5,957,069	772,541	8,097	4,359	2,912	219	26,497	137,445	7,071
17.2	Internally Generated Composite of Accts. 870-902, 905-916, 924 & 928-930.1 - Cust	100.0000%	5,868,966	5,222,612	556,003	6,718	2,093	2,912	78	25,098	48,037	5,416
17.4	Internally Generated Composite of Accts. 870-902, 905-916, 924 & 928-930.1 - Demand	100.0000%	1,020,521	718,063	211,500	1,352	2,199	0	0	0	87,407	0
17.6	Internally Generated Composite of Accts. 870-902, 905-916, 924 & 928-930.1 - Comm	100.0000%	26,723	16,394	5,038	27	67	0	141	1,399	2,002	1,655
18.0	Internally Generated Revenues	100.0000%	1,494,156,384	961,319,271	488,286,164	44,490,351	1,520	1,817	44	17,854	35,409	3,954
18.2	Internally Generated Rate Schedule Revenues	100.0000%	51,030,367	37,275,912	8,652,825	62,428	74,796	36,174	73,319	1,125,989	2,595,217	1,133,717



Atmos Energy Corporation, Colorado-Kansas Division												
Kansas Jurisdiction Case No. 14-ATMG-XXX-RTS												
Forecasted Test Period: Twelve Months Ended September 30, 2013												
ALLOCATION FACTORS												
			Total Company	Residential Sales	Com/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
	Value	%										
18.4	Internally Generated Gas Costs	%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
19.0	Internally Generated Rate Base	%	184,199,229 100.0000%	155,136,135 84.2219%	23,387,186 12.6967%	264,649 0.1437%	157,033 0.0853%	73,557 0.0399%	25,912 0.0141%	873,309 0.4741%	4,100,020 2.2259%	181,448 0.0985%
19.2	Internally Generated Rate Base - Cust	%	144,796,773 100.0000%	126,813,325 87.5802%	15,087,573 10.3853%	212,013 0.1464%	68,268 0.0471%	73,528 0.0508%	3,733 0.0026%	776,835 0.5365%	1,630,232 1.1259%	181,264 0.1252%
19.4	Internally Generated Rate Base - Demand	%	35,490,992 100.0000%	25,411,098 71.5987%	7,484,656 21.0889%	47,846 0.1348%	77,826 0.2193%	0 0.0000%	0 0.0000%	0 0.0000%	2,469,565 6.9583%	0 0.0000%
19.6	Internally Generated Rate Base - Comm	%	3,911,464 100.0000%	2,911,712 74.4405%	864,937 22.1129%	4,790 0.1225%	10,938 0.2796%	28 0.0007%	22,179 0.5670%	95,474 2.4664%	223 0.0057%	184 0.0047%
20.0	Internally Generated Gross Plant	%	299,968,495 100.0000%	253,131,893 84.3862%	37,361,881 12.4559%	459,228 0.1534%	236,533 0.0789%	123,482 0.0412%	20,148 0.0067%	1,506,649 0.5023%	6,786,383 2.2524%	342,299 0.1141%
20.2	Internally Generated Gross Plant - Cust	%	251,009,284 100.0000%	218,350,925 86.9892%	27,113,140 10.8016%	394,144 0.1570%	128,830 0.0513%	123,465 0.0492%	7,200 0.0029%	1,450,378 0.5778%	3,098,902 1.2346%	342,299 0.1364%
20.4	Internally Generated Gross Plant - Demand	%	46,675,970 100.0000%	33,081,088 70.8739%	9,743,797 20.8754%	62,288 0.1394%	101,317 0.2171%	0 0.0000%	0 0.0000%	0 0.0000%	3,687,481 7.9022%	0 0.0000%
20.6	Internally Generated Gross Plant - Comm	%	2,283,241 100.0000%	1,699,880 74.4503%	504,944 22.1152%	2,796 0.1225%	6,385 0.2797%	17 0.0007%	12,948 0.5671%	56,271 2.4645%	0 0.0000%	0 0.0000%
21.0	Internally Generated Other Taxes	%	7,558,643 100.0000%	6,400,072 84.6722%	928,045 12.2779%	11,259 0.1490%	5,785 0.0765%	3,152 0.0417%	570 0.0075%	36,967 0.4891%	164,439 2.1755%	8,354 0.1105%
21.2	Internally Generated Other Taxes - Cust	%	6,359,305 100.0000%	5,547,169 87.2292%	676,718 10.6414%	9,663 0.1518%	3,144 0.0495%	3,151 0.0495%	178 0.0028%	35,596 0.5598%	75,348 1.1848%	8,339 0.1311%
21.4	Internally Generated Other Taxes - Demand	%	1,143,855 100.0000%	811,621 70.9549%	239,057 20.8992%	1,528 0.1336%	2,486 0.2173%	0 0.0000%	81 0.0071%	10 0.0008%	88,073 7.7871%	- 0.0000%
21.6	Internally Generated Other Taxes - Comm	%	55,483 100.0000%	41,283 74.4068%	12,270 22.1152%	68 0.1224%	155 0.2799%	0 0.0007%	312 0.5615%	1,361 2.4532%	18 0.0330%	15 0.0272%
22.0	Internally Generated Taxable Income	%	7,683,560 100.0000%	479,876 6.2374%	3,326,876 43.2423%	(1,563) -0.0203%	41,643 0.5413%	18,477 0.2402%	71,108 0.9243%	932,999 12.1270%	1,708,670 22.2091%	1,115,474 14.4988%
23.0	Internally Generated General Plant	%	9,610,019 100.0000%	8,094,538 84.2302%	1,206,794 12.5577%	14,909 0.1551%	7,710 0.0802%	3,924 0.0408%	656 0.0068%	48,845 0.5083%	221,510 2.3050%	11,132 0.1158%
23.2	Internally Generated General Plant - Cust	%	8,008,390 100.0000%	6,956,730 86.8680%	871,521 10.8826%	12,780 0.1596%	4,186 0.0523%	3,924 0.0490%	232 0.0029%	47,005 0.5869%	100,880 1.2597%	11,132 0.1390%
23.4	Internally Generated General Plant - Demand	%	1,526,936 100.0000%	1,082,199 70.8739%	318,754 20.8754%	2,038 0.1334%	3,314 0.2171%	0 0.0000%	0 0.0000%	0 0.0000%	120,631 7.9022%	0 0.0000%
23.6	Internally Generated General Plant - Comm	%	74,693 100.0000%	55,609 74.4503%	16,519 22.1152%	91 0.1225%	209 0.2797%	1 0.0007%	424 0.5671%	1,841 2.4645%	0 0.0000%	0 0.0000%
24.0	Internally Generated Distribution O&M	%	5,773,416 100.0000%	4,924,897 85.3030%	674,254 11.6786%	7,272 0.1262%	4,042 0.0700%	2,304 0.0399%	166 0.0029%	23,420 0.4057%	130,522 2.2607%	6,539 0.1133%
24.2	Internally Generated Distribution O&M - Cust	%	4,774,784 100.0000%	4,225,508 88.4963%	468,061 9.8028%	5,958 0.1248%	1,886 0.0395%	2,304 0.0482%	80 0.0013%	22,185 0.4646%	43,911 0.9196%	4,911 0.1029%
24.4	Internally Generated Distribution O&M - Demand	%	978,193 100.0000%	687,618 70.2948%	202,533 20.7048%	1,295 0.1324%	2,106 0.2153%	0 0.0000%	0 0.0000%	0 0.0000%	84,641 8.6528%	0 0.0000%



Classification Factor	Customer-Related	Demand-Related	Commodity-Related
Mains & Services	81.37%	18.63%	0.00%
Distribution Plant	85.78%	14.22%	0.00%
Gross Plant	83.68%	15.56%	0.76%
Production, Storage, Transmission and Distribution Plant	83.33%	15.89%	0.78%
Net Plant	82.71%	16.89%	0.41%
Total Plant	83.68%	15.56%	0.76%
Distribution O&M Expenses	82.70%	16.94%	0.35%
Payroll less A&G	92.79%	6.99%	0.22%
Allocated O&M Expenses	81.87%	16.21%	1.92%
O&M Expenses less A&G	77.96%	18.11%	3.93%
Other Taxes	84.13%	15.13%	0.73%
Taxable Income	78.61%	19.27%	2.12%
Composite of Accts. 871-879 & 886-893	82.70%	16.94%	0.35%
Composite of Accts. 374-379	75.88%	24.12%	0.00%
Rate Base	78.61%	19.27%	2.12%
Composite of Accts. 870-902, 905-916, 924 & 928-930.1	84.86%	14.76%	0.39%



Allocation Factor	Residential Sales	Commercial/PA Sales	Schools Sales	Industrial Sales	SGS	Interruptible Sales	Irrigation Sales	Firm Transport	Interruptible Transport
P, S, T & D Plant	84.23%	12.56%	0.16%	0.08%	0.04%	0.01%	0.51%	2.30%	0.12%
Allocated O&M Expenses	85.95%	11.50%	0.12%	0.07%	0.04%	0.01%	0.40%	1.83%	0.09%
Allocated Net Plant	84.79%	12.11%	0.14%	0.08%	0.04%	0.00%	0.44%	2.30%	0.10%
Composite of Accts. 871-879 & 886-893	85.30%	11.68%	0.13%	0.07%	0.04%	0.00%	0.41%	2.26%	0.11%
Composite of Accts. 376 & 380	87.73%	10.08%	0.07%	0.05%	0.05%	0.00%	0.18%	1.82%	0.02%
Composite of Accts. 374-379	86.56%	10.79%	0.08%	0.06%	0.04%	0.00%	0.17%	2.28%	0.03%
Composite of Accts. 381-383	70.22%	22.06%	0.51%	0.18%	0.02%	0.00%	1.85%	4.65%	0.51%
Account 380	91.61%	7.75%	0.05%	0.02%	0.05%	0.00%	0.22%	0.27%	0.02%
Distribution Plant	84.51%	12.28%	0.16%	0.08%	0.04%	0.00%	0.50%	2.31%	0.12%
O&M Expenses less A&G	85.72%	11.92%	0.11%	0.08%	0.04%	0.02%	0.41%	1.61%	0.08%
Composite of Accts. 870-902, 905-916, 924 & 928-930.1	86.13%	11.17%	0.12%	0.06%	0.04%	0.00%	0.38%	1.99%	0.10%
Rate Schedule Revenues	73.05%	16.96%	0.12%	0.15%	0.07%	0.14%	2.21%	5.09%	2.22%
Rate Base	84.22%	12.70%	0.14%	0.09%	0.04%	0.01%	0.47%	2.23%	0.10%
Gross Plant	84.39%	12.46%	0.15%	0.08%	0.04%	0.01%	0.50%	2.26%	0.11%
Taxable Income	6.24%	43.24%	-0.02%	0.54%	0.24%	0.92%	12.13%	22.21%	14.50%
General Plant	84.23%	12.56%	0.16%	0.08%	0.04%	0.01%	0.51%	2.30%	0.12%
Distribution O&M - Cust	88.50%	9.80%	0.12%	0.04%	0.05%	0.00%	0.46%	0.92%	0.10%
Payroll	90.13%	8.90%	0.07%	0.03%	0.05%	0.02%	0.24%	0.52%	0.04%
Transmission O&M	70.29%	20.70%	0.13%	0.22%	0.00%	0.00%	0.00%	8.65%	0.00%



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Summary of Other Rate Base Components**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Source (b)	Total Kansas Jurisdiction	
			Direct & Allocated Amount (c)	Adjusted Amount (d)
1	Construction Work in Progress	WP 14-1-1 / WP 14-1	\$ 2,521,408	\$ 13,225,467
2				
3	Rate Base Deductions:			
4	Customer Advances for Construction [1]	WP 14-2	\$ (1,065,228)	\$ (1,065,228)
5	Customer Deposits [1]	WP 14-3	(2,033,106)	(2,033,106)
6	Accumulated Deferred Income Tax	WP 14-4	(44,730,044)	(36,813,697)
7				
8	Total		<u>\$ (45,306,971)</u>	<u>\$ (26,686,565)</u>
9				
10	Note:			
11	[1] 13 month average.			

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Work in Progress**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Source (b)	Total Kansas Jurisdiction (c)
1	<u>Adjustments to Construction Work in Progress</u>		
2	Projects to Close by 3/31/2014:		
3	Kansas Direct		\$ 13,225,467
4			
5			
6			
7			
8	Total Adjusted Construction Work in Progress		<u>\$ 13,225,467</u>
9			
10	Construction Work in Progress - Per Book	WP 14-1-1	<u>\$ 2,521,408</u>
11			
12	Adjustment to Construction Work in Progress		<u>\$ 10,704,059</u> <b>RB-1</b>
13			
14	Sources:		
15	Section 12 tab		
16	Relied 14-1-2 CWIP adjustments-FY2014 Capital Budget for RD 002_012_030_081.xls		



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Construction Work in Progress Account 107**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Book Amounts (b)	Allocation Percentage (c)	Kansas Jurisdiction (d)
	Direct			
1	Kansas Jurisdiction	\$ 1,785,806	100.00%	\$ 1,785,806
2	Kansas Administrative Division 80	-	100.00%	-
3				
4	Allocated			
5	General Office Division 002	\$ 10,857,359	4.19%	\$ 454,923
6	Customer Support Division 012	2,586,861	4.27%	110,459
7	Colorado/Kansas General Office Division 3	288,555	58.99%	170,219
8				
9	Total	<u>\$ 15,518,582</u>		<u>\$ 2,521,408</u>

11 Sources:

12 Section 12 tab

13 Relied 14-1-1 CWIP account 1070.xls

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Customer Advances for Construction - Account 252**  
**Thirteen Month Average Balance Ended September 30, 2013**

Line No.	Month/Year (a)	Kansas Jurisdiction (b)
1	September-12	\$ (1,065,228)
2	October-12	(1,065,228)
3	November-12	(1,065,228)
4	December-12	(1,065,228)
5	January-13	(1,065,228)
6	February-13	(1,065,228)
7	March-13	(1,065,228)
8	April-13	(1,065,228)
9	May-13	(1,065,228)
10	June-13	(1,065,228)
11	July-13	(1,065,228)
12	August-13	(1,065,228)
13	September-13	(1,065,228)
14		
15	13 Month Average	<u>\$ (1,065,228)</u>
16		
17	Source: Relied 14-2 Customer Advances for Construction.xls	

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Customer Deposits Account 235**  
**Thirteen Month Average Balance Ended September 30, 2013**

Line No.	Month/Year	Colorado-Kansas		Total
		General Office Division 030	Kansas Jurisdiction	
	(a)	(b)	(c)	(d)
1	September-12	\$ 0	\$ (2,066,210)	\$ (2,066,210)
2	October-12	0	(2,094,558)	(2,094,558)
3	November-12	0	(2,118,130)	(2,118,130)
4	December-12	0	(2,121,177)	(2,121,177)
5	January-13	0	(2,121,402)	(2,121,401)
6	February-13	0	(2,114,947)	(2,114,947)
7	March-13	0	(2,102,406)	(2,102,406)
8	April-13	0	(2,079,030)	(2,079,030)
9	May-13	0	(1,933,581)	(1,933,580)
10	June-13	0	(1,925,325)	(1,925,325)
11	July-13	0	(1,926,087)	(1,926,087)
12	August-13	0	(1,910,636)	(1,910,636)
13	September-13	0	(1,916,896)	(1,916,895)
14				
15	13 Month Average	\$ 0	\$ (2,033,107)	\$ (2,033,106)
16				
17	Allocation Factor	58.99%		
18	Total Kansas	\$ 0	\$ (2,033,107)	\$ (2,033,106)

21 Source: Relied 14-3 Customer Deposits.xls



**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Accumulated Deferred Income Taxes**  
**Adjustments as of September 30, 2013**

Line No.	Description	Division 002 General Office	Division 012 Customer Support	Colorado-Kansas General Office Division 030	Kansas Jurisdiction
	(a)	(b)	(c)	(d)	(e)
1	Section 481(a) Cushion Gas	\$ 549,284	\$ -	\$ -	\$ -
2	Section 481(a) Line Pack Gas	66,648	0	0	0
3	Regulatory Liability - Atmos 109	386	0	0	0
4	Deferred Gas Costs	0	0	0	759,256
5	Over Recoveries of PGA	0	0	0	(134,094)
7	FD - NOL Credit Carryforward - Non Reg	(204,470,954)	0	-	-
8					
9	Total	\$ (203,854,636)	\$ -	\$ -	\$ 625,162
10					
11	ADIT Computation Rate	100%	100%	100%	100%
12					
13	Adjustment	\$ (203,854,636)	\$ -	\$ -	\$ 625,162
14					
15	Source: Relied 14-4 ADIT 9.30.13.xls				

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Computation of Interest on Customer Deposits**  
**Test Year Ending September 30, 2013**

Line No.	Description (a)	Reference (b)	Total Kansas (c)
1	Thirteen Month Average Customer Deposits	Section 14A	\$ 2,033,106
2			
3	KCC Approved Interest Rate Calendar Year 2014		<u>0.13%</u>
4			
5	Interest on Customer Deposits		\$ 2,643
6			
7	Test Year Interest on Customer Deposits	Section 9	<u>\$ 3,558</u>
8			
9	Total Adjustment to Interest on Customer Deposits		<u><u>\$ (915) IS-13</u></u>
10			
11	Source: Relied 14C KCC Order for Interest Rate on Customer Deposits 2013.pdf		

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**  
**Test Year Ending September 30, 2013**  
**Section 14 - Additional Evidence**

**Depreciation Study**

The current depreciation rates booked for the assets in the Colorado/Kansas Business Unit office, which is located in Denver, CO, were approved in the Company's recent Colorado Rate Case Docket No. 12-ATMG-564-RTS. For the depreciation study that supports the business unit depreciation rates, please refer to Relied Files Exhibit DAW-1\_2011 Atmos Kansas Depreciation Study\_FINAL.pdf and Exhibit DAW-2\_2010 SSU Depreciation





**Atmos Energy Corporation  
Kansas Distribution System Filing Requirements**

**Not Applicable**



Section 16

**Atmos Energy Corporation**  
**Kansas Distribution System Filing Requirements**

**Audited Financial Statements**

See Section 13





Atmos Energy Corporation  
WNA Volume Adjustment  
Twelve Months Ended September 2013

WP 17-2

Line No.	Description	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Adjustment WNA \$	Present	Adjustment
															Commodity Rate	WNA Volumes
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	<u>Kansas</u>															
2	Residential Sales Service (910)	\$ (63,929)	\$ (4,591)	\$ 326,809	\$ 395,985	\$ 260,043	\$ (180,835)	\$ (374,678)	\$ (242,092)	\$ (50,711)	\$ (3,881)	\$ 4,625	\$ 38,663	\$ 105,410	\$ 0.137	769,412
3	Commercial Sales Service (915)	(14,029)	(6,187)	89,357	108,702	78,492	(45,419)	(105,926)	(70,299)	(15,115)	(1,077)	1,085	10,009	29,595	0.137	216,020
4	Public Authority Sales Service (915)	(1,230)	(604)	6,663	4,855	2,820	(4,319)	(7,346)	(7,577)	(1,359)	(104)	69	1,135	(6,997)	0.137	(51,070)
5	Total	\$ (79,189)	\$ (11,382)	\$ 422,829	\$ 509,543	\$ 341,356	\$ (230,572)	\$ (487,950)	\$ (319,968)	\$ (67,184)	\$ (5,062)	\$ 5,779	\$ 49,808	\$ 128,008		934,362

IS-14

**Atmos Energy Corporation  
Kansas Operations  
Other Revenues Adjusted**

Line No.	Description (a)	Division 081-Kansas Jurisdiction (b)	
1		4870 \$	229,641
2		4880	318,595
3		4950	1,203,596
4			
5	Total Other Revenues	\$	1,751,831
6			
7	Less: FY 2013 Ad Valorem Surcharge		1,170,668
8	Plus: 2014 Ad Valorem Surcharge		1,095,029
9			
10	Other Revenues with New Surcharge	\$	1,676,192
11			
12	FY 2013 Other Revenues without Surcharge		581,163
13			
14	Per Book Ad Valorem removed in Rate Design	\$	(1,170,668)
15			
16			
17	2013 Ad Valorem Surcharge Detail by Month		
18			
19		<u>Ad Valorem Surcharge</u>	
20	October	\$	28,009
21	November		58,854
22	December		90,874
23	January		159,931
24	February		199,817
25	March		202,635

**Atmos Energy Corporation  
Kansas Operations  
Other Revenues Adjusted**

Line No.	Description (a)	Division 081-Kansas Jurisdiction (b)
26	April	145,148
27	May	119,651
28	June	50,348
29	July	39,832
30	August	37,619
31	September	37,951
32	<b>Twelve Months Ending September 30, 2013</b>	<u><u>\$ 1,170,668</u></u>

33

34 Notes:

- 35 1. 2013 Ad Valorem Surcharge is not reflected in other revenues because it is a  
 36 non-permanent rate, subject to annual reconciliation. The Company's base rates  
 37 are designed to recover the of cost of service reflected in Section 3 independent  
 38 of what the ad valorem surcharge rate is established at in the future.
- 39 2. The removal of per books Ad Valorem Surcharge is reflected in rate design only  
 40 to allow the deficiency to reflect the amount of additional revenue required  
 41 in base rates going forward.



**Atmos Energy Corporation  
Kansas Operations  
Industrial Account Adjustments**

Line  
No.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Firm Transportation Serv Commercial (FT-900)</u>							
2	Adjust per book volumes and count for customer that switched from							
3	School Sales to Firm Transportation							
4		Per Book	Per Book	Revised	Revised	Adjustment	Adjustment	
5		Count	Volume	Count	Volume	Count	Volume	
6	October	0	0	3	21,980	3	21,980	
7	November	0	0	3	38,020	3	38,020	
8	December	0	0	3	65,740	3	65,740	
9	January	0	0	3	63,200	3	63,200	
10	February	0	0	3	58,690	3	58,690	
11	March	0	0	3	45,740	3	45,740	
12	April	0	0	3	32,980	3	32,980	
13	May	0	0	3	8,340	3	8,340	
14	June	0	0	3	5,170	3	5,170	
15	July	0	0	3	1,860	3	1,860	
16	August	3	190	3	190	0	-	
17	September	3	240	3	240	0	-	
18	Total	6	430	36	342,150	30	341,720	
19	Current Rate					\$ 89.29	\$ 0.13662	
20	\$ value of adjustment					\$ 2,678.70	\$ 46,685.79	IS-14
21								
22								

**Atmos Energy Corporation  
Kansas Operations  
Industrial Account Adjustments**

Line No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
23	<b><u>Firm Transportation Serv Commercial (FT-900)</u></b>								
24	Adjust per book volumes and count for customer that switched from								
25	Commercial Sales to Firm Transportation								
26		Per Book	Per Book	Revised	Revised	Adjustment	Adjustment		
27		Count	Volume	Count	Volume	Count	Volume		
28	October	0	-	3	117,500	3	117,500		
29	November	0	-	3	167,200	3	167,200		
30	December	0	-	3	205,800	3	205,800		
31	January	0	-	3	147,300	3	147,300		
32	February	0	-	3	140,200	3	140,200		
33	March	0	-	3	109,800	3	109,800		
34	April	0	-	3	7,150	3	7,150		
35	May	0	-	3	5,000	3	5,000		
36	June	2	4,800	3	4,470	1	(330)		
37	July	2	4,740	3	4,390	1	(350)		
38	August	2	4,050	3	3,570	1	(480)		
39	September	2	3,750	3	4,460	1	710		
40	Total	8	17,340	36	916,840	28	899,500		
41	Current Rate					\$	89.29	\$	0.13662
42	\$ value of adjustment					\$	2,500.12	\$	122,889.69
43									IS-14
44									

**Atmos Energy Corporation  
Kansas Operations  
Industrial Account Adjustments**

Line  
No.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)			
45	<u>Interruptible Transportation Serv - Industrial (IT900)</u>										
46	Adjust per book volumes to account for customer that will finish										
47	completion of second building										
48		Per Book	Per Book	Per Book	Revised	Revised	Revised	Adjustment	Adjustment	Adjustment	
49		Count	Volume - Tier 1	Volume - Tier 2	Count	Volume - Tier 1	Volume - Tier 2	Count	Volume - Tier 1	Volume - Tier 2	
50	October	0	-	0	1	20,000	30,000	1	20,000	30,000	
51	November	1	19,740	0	1	20,000	30,000	0	260	30,000	
52	December	1	17,940	0	1	20,000	30,000	0	2,060	30,000	
53	January	1	16,580	0	1	20,000	30,000	0	3,420	30,000	
54	February	1	12,130	0	1	20,000	30,000	0	7,870	30,000	
55	March	1	7,200	0	1	20,000	30,000	0	12,800	30,000	
56	April	1	3,420	0	1	20,000	30,000	0	16,580	30,000	
57	May	1	1,340	0	1	20,000	30,000	0	18,660	30,000	
58	June	1	580	0	1	20,000	30,000	0	19,420	30,000	
59	July	1	110	0	1	20,000	30,000	0	19,890	30,000	
60	August	1	280	0	1	20,000	30,000	0	19,720	30,000	
61	September	1	4,630	0	1	20,000	30,000	0	15,370	30,000	
62	Total	11	83,950	0	12	240,000	360,000	1	156,050	360,000	
63	Current Rate							\$ 326.63	\$ 0.07610	\$ 0.07210	
64	\$ value of adjustment							\$326.63	\$11,875.41	\$25,956.00	

\$38,158.03





Form RF	Index No.
<b>THE STATE CORPORATION COMMISSION OF KANSAS</b>	
<u>ATMOS ENERGY CORPORATION</u> (Name of Issuing Utility)	<u>SCHEDULE II. Schedule of Service Fees</u>
<u>ENTIRE SERVICE AREA</u> (Territory to which Schedule is applicable)	
No Supplement or separate understanding shall modify the tariff as shown hereon.	
Sheet 1 of 3 Sheets	

**SCHEDULE II -SCHEDULE OF SERVICE FEES**

**Applicability:** Service Fees may be collected by Company from its Customers under the circumstances and in the amount hereinafter set forth:

**A. METER READING FEE**

In the event the Customer does not furnish a required meter reading for two (2) consecutive billing periods, the Company may read the Meter and the Company will require a Meter Reading fee of \$5.00.

**B. WORTHLESS CHECK CHARGE**

The Company may require for each Customer check returned for insufficient funds a Worthless Check Charge not to exceed the amount provided by K. S. A. 21-3707 or as thereafter amended (\$30.00).

**C. INSUFFICIENT FUNDS CHARGE (ELECTRONIC TRANSACTION)**

The Company may require for each Customer's electronic transaction reversed due to a lack of funds available an Insufficient Funds Charge not to exceed \$30.00.

**D. COLLECTION CHARGE**

When collection is made at the Customer's premises to avoid disconnection of Gas Service or Gas Service is discontinued because of non-payment of a Gas Service bill, the Company will require a Collection Charge of \$8.00.

**E. DISCONNECTION CHARGE**

When Gas Service is disconnected for any of the reasons stated in Schedule I, Section 5, A. 1. of the Company Rules and Regulations, except when requested by the Customer, the Company will require a Disconnection Charge of \$15.00 During Normal Business Hours/\$20.00 Other Than Normal Business Hours, but not both a collection charge and a disconnection charge. After normal business hours, a disconnect fee can only be charged to the customer if the customer requests after hours service. If the disconnect is at the Company's choice, then the customer cannot be charged the after-hours fee.

Issued:	<u>January</u> August	<u>9</u> 21,	
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	(Month)		
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	<u>22,</u> 2012	(Day)	(Year)
	(Month)		
By:	<u>/s/ Karen Wilkes</u>	VP-Reg & Public Affairs	
	(Signature of Officer)	(Title)	

**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE II. Schedule of Service Fees**

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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**F. INITIATE OR RECONNECT CHARGES DURING NORMAL BUSINESS HOURS**

When Gas Service is initiated or reconnected, the Company will require a charge of \$20.00 During Normal Business Hours/\$25.00 Other Than Normal Business Hours.

**G. INITIATE OR RECONNECT CHARGES-MULTIPLE UNIT BUILDING OR MULTI-FAMILY DWELLING UNITS**

When Gas Service is reconnected, except when disconnected pursuant to Customer's request, to multiple unit buildings or multi-family dwelling units served by one Meter, a reconnection charge shall be made which shall be the greater of a) \$20.00 During Normal Business Hours/\$25.00 Other Than Normal Business hours (b) \$4.00 During Normal Business Hours/\$5.00 Other Than Normal Business Hours, per building or family dwelling unit.

**H. METER TEST CHARGES**

The Company, upon written request by a Customer, shall test the accuracy of the Meter used by the Customer provided the Meter has not been tested by the Company within one year previous to such test. The Customer will be required by the Company to make an advance deposit to cover the cost of the Meter test, which shall be in the following amounts:

1. Diaphragm displacement meters having a rated capacity of 300 cubic feet per hour or less \$10.00.
2. Diaphragm displacement meters have a rated capacity of exceeding 300 cubic feet per hour and not exceeding 1,000 cubic feet per hour \$37.50.
3. Diaphragm displacement meters having a rated capacity exceeding 1,000 cubic feet per hour \$50.00.
4. Rotary displacement meters-No charge.
5. Orifice meters-No charge.

**I. TEMPORARY SERVICE FEE**

Issued: JanuaryAugust 20142012  
(Month) (Day) (Year)

Effective: Upon Commission ApprovalAugust  
22, 2012  
(Month) (Day) (Year)

By: /s/ Karen Wilkes VP-Reg & Public Affairs  
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**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE II. Schedule of Service Fees****ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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shall modify the tariff as shown hereon.

Sheet 3 of 3 Sheets

Upon request of a Customer, the Company will provide a temporary service and a minimum charge of not less than \$25.00 shall be paid for such temporary service

**J. CREDIT/DEBIT/ATM CARDS**

The Authorized Pay Agent may charge the customer an additional fee of \$3.95 per \$500 for the use of credit/debit/ATM cards.

**K. TRIP CHARGE**

~~When Company personnel and equipment have been utilized for non-emergency type services, a \$30.00 Trip Charge will be required.~~

**~~L. K. ELECTRONIC MEASUREMENT TRIP CHARGE~~**

~~When Company personnel and equipment have been utilized in responding to electronic measurement services, a \$30.00 Trip Charge will be required.~~

Issued: January~~August~~ 2014~~2012~~ 9~~21~~,  
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Effective: Upon Commission Approval~~August~~  
22,~~2012~~  
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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates**

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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**SECTION 1 – GENERAL**

**A. COUNTIES/COMMUNITIES SERVED:**

<u>County</u>	<u>City</u>
Allen	Elsmore
Allen	Savonburg
Barber	Hazelton
Bourbon	Fort Scott
Bourbon	Fulton
Bourbon	Hammond
Bourbon	Redfield
Chase	Cottonwood Falls
Chase	Strong City
Chautauqua	Cedar Vale
Chautauqua	Chautauqua
Chautauqua	Elgin
Chautauqua	Hewins
Chautauqua	Niotaze
Chautauqua	Peru
Chautauqua	Sedan
Coffey	Burlington
Coffey	LeRoy
Coffey	New Strawn
Crawford	McCune
Dickinson	Herington
Douglas	Eudora
Douglas	Lawrence
Elk	Elk Falls
Elk	Grenola
Elk	Longton

Issued: January~~August~~ 20~~14~~20 12 91,  
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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

**SCHEDULE IV: Sales and Transportation Rates**

(Name of Issuing Utility)

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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Elk	Moline
<u>County</u>	<u>City</u>
Grant	Hickock
Grant	Ulysses
Greenwood	Eureka
Greenwood	Fall River
Greenwood	Hamilton
Greenwood	Neal
Hamilton	Kendall
Hamilton	Syracuse
Harper	Anthony
Harper	Danville
Johnson	De Soto
Johnson	Gardner
Johnson	Lenexa
Johnson	New Century
Johnson	Olathe
Johnson	Overland Park
Johnson	Shawnee
Johnson	Spring Hill
Labette	Bartlett
Labette	Chetopa
Labette	Edna
Labette	Mound Valley
Leavenworth	Basehor
Leavenworth	Easton
Leavenworth	Jarbalo
Leavenworth	Leavenworth
Leavenworth	Linwood

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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates**

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

No Supplement or separate understanding shall modify the tariff as shown hereon.

Linn	Mound City
Linn	Pleasanton
Linn	Prescott

<u>County</u>	<u>City</u>
Marion	Aulne
Marion	Florence
Marion	Hillsboro
Marion	Lincolnton
Marion	Lost Springs
Marion	Marion
Marion	Marion Lake
Marion	Peabody
Marion	Pilsen
Marion	Ramona
Marion	Tampa
Miami	Hillsdale
Montgomery	Caney
Montgomery	Coffeyville
Montgomery	Dearing
Montgomery	Elk City
Montgomery	Havana
Montgomery	Independence
Montgomery	Liberty
Montgomery	Sycamore
Montgomery	Tyro
Morris	Council Grove
Morris	Delavan
Morris	White City
Morris	Wilsey

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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates**

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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Morton	Unincorporated Irrigation
Neosho	Galesburg
Neosho	Morehead
Neosho	Stark
Neosho	Thayer

<u>County</u>	<u>City</u>
Ness	Bazine
Ness	Ness City
Rush	Alexander
Rush	McCracken
Stanton	Johnson City
Stanton	Manter
Stevens	Unincorporated Irrigation
Sumner	Caldwell
Sumner	Hunnewell
Sumner	South Haven
Wilson	Altoona
Wilson	Benedict
Wilson	Buffalo
Wilson	Fredonia
Wilson	LaFontaine
Wilson	Neodesha
Woodson	Toronto
Woodson	Yates Center
Wyandotte	Bonner Springs
Wyandotte	Edwardsville
Wyandotte	Kansas City

B. COUNTIES SERVED AT WHOLESALE: NONE

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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates**

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C. RATES APPLICABLE TO WHOLESALE CUSTOMERS: NONE

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<b>THE STATE CORPORATION COMMISSION OF KANSAS</b>	
ATMOS ENERGY CORPORATION <small>(Name of Issuing Utility)</small>	SCHEDULE IV: Sales and Transportation Rates
ENTIRE SERVICE AREA <small>(Territory to which Schedule is applicable)</small>	
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**SECTION 2 – FIRM SALES SERVICE**

**A. Residential Sales Service (Rate Schedule 910)**

1. **APPLICABILITY**

Available in and around the communities specified in the Section 1 A. to residential customers at a single location.

2. **MONTHLY BILL**

- a. Facilities Charge: ~~\$22.94~~\$16.75 per month
- b. Commodity Charge: ~~\$0.43700~~\$0.13698 per 100 cubic feet (Ccf ) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules, and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. **BASIS OF MEASUREMENT**

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. **OTHER TERMS AND CONDITIONS**

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

5. **GAS LIGHTS**

For all gas light services, the charge for such services shall be based on actual usage through a metered source at this tariff rate. For all unmetered gas light service, the Company

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By:	<u>/s/ Karen Wilkes</u> <u>VP-Reg &amp; Public Affairs</u> <small>(Signature of Officer)                      (Title)</small>

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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

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may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

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By: /s/ Karen Wilkes                      VP-Reg & Public Affairs  
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**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates****ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

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**B. Commercial/Public Authority (General) Sales Service (Rate Schedule 915)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to commercial and public authority customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$37.75 per month  
 b. Commodity Charge: ~~\$0.13700~~ \$0.13698 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas

5. GAS LIGHTS

For all gas light services, the charge for such services shall be based on actual usage through a metered source at this tariff rate. For all unmetered gas light service, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

Issued: JanuaryAugust 91,  
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No Supplement or separate understanding shall modify the tariff as shown hereon.

**C. School Sales Service (Rate Schedule 920)**

1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to state, county, city and private educational institutions or universities constructed before January 1, 1995 at a single location.

2. MONTHLY BILL

- a. Facilities Charge: ~~\$65.09~~\$45.00 per month
- b. Commodity Charge: \$0.14500 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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(Month) (Day) (Year)

Effective: Upon Commission Approval~~August~~  
22,~~\_\_\_\_\_~~ 2012  
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**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

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**SCHEDULE IV: Sales and Transportation Rates****ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

No Supplement or separate understanding  
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**D. Industrial Sales Service (Rate Schedule 930)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to industrial customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$81.00 per month
- b. Commodity Charge: \$0.13662 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates****ENTIRE SERVICE AREA**

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No Supplement or separate understanding  
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**E. Small Generator Sales Service (Rate Schedule 940)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to commercial customers, at a single location, for separately metered electric generators of less than 20 kilowatts of capacity.

2. MONTHLY BILL

- a. Facilities Charge: \$41.00 per month  
 b. Commodity Charge: \$0.13662 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules.

The minimum bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

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Issued: JanuaryAugust 94,  
20142012  
 (Month) (Day) (Year)

Effective: Upon Commission ApprovalAugust  
22, 2012  
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**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

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**F. Irrigation Engine Sales Service (Rate Schedule 965)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to engine irrigation customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$60.00 per month
- b. Commodity Charge: \$0.0888 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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20142012  
(Month)                      (Day)                      (Year)

Effective: Upon Commission ApprovalAugust  
22,                      2012  
(Month)                      (Day)                      (Year)

By: /s/ Karen Wilkes                      VP-Reg & Public Affairs  
(Signature of Officer)                      (Title)

**THE STATE CORPORATION COMMISSION OF KANSAS****ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates****ENTIRE SERVICE AREA**

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**SECTION 3 - INTERRUPTIBLE GAS SALES SERVICE****A. Large Industrial Sales Service (Rate Schedule 955)****1. APPLICABILITY**

a. This rate schedule is available at the Company's option to any large volume user using at least 220,000 Ccf annually or customers using 1,000 Ccf per day during off peak periods. Customer shall have and maintain adequate standby facilities and fuel in order that gas deliveries may be curtailed in whole or in part at any time upon thirty minutes notice.

b. Those customers who were transporting gas on the Company's Rate Schedule 960 prior to September 1, 1995 will be grandfathered to this rate schedule.

c. Customers electing this service after September 1, 1995 must use at least 220,000 Ccf annually to continue service under this schedule. The Company may waive this condition if unusual circumstances exist. If the same customer uses less than 220,000 Ccf annually after the second year of service, the customer will be changed to Rate Schedule 930 or Rate Schedule 950.

**2. CHARACTER OF SERVICE**

a. Natural gas, with a heating value of approximately 100,000 BTU per Ccf, supplied through a single meter, at standard equipment utilization pressure, or such higher delivery pressure as approved by Company.

b. "Optional Gas" is the quantity of gas Customer agrees to purchase and Company agrees to deliver in any one day when Company has gas available and when Company's distribution system is suitable for such delivery.

c. "Firm Gas" is the daily quantity of gas delivered to a customer within that Customer's contract demand quantity, if any. Customers electing to receive firm gas under this rate schedule shall contract for a minimum of 500 Ccf per day. Customers served under Rate Schedule 950 prior to September 1, 1995 with a quantity of less than 500 Ccf shall be grandfathered. Firm gas is not subject to curtailment, except as described under the Priority of Service section of this rate schedule, and only then if all optional gas service has been curtailed first.

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20142012  
(Month) (Day) (Year)

Effective: Upon Commission ApprovalAugust  
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d. Company is also relieved of its obligation to deliver any gas under this schedule in the event of force majeure. Any curtailments which may be necessary under this rate schedule shall be made only after having given at least 30 minutes notice by telephone or otherwise unless due to reasons of force majeure.

**3. INTERRUPTION AND CURTAILMENT OF OPTIONAL SERVICE:**

a. Optional gas deliveries to customers served on this schedule may be interrupted or curtailed at any time such interruption or curtailment is necessary in order for Company to continue to supply the gas requirements of its other customers at such time. The Company will endeavor to notify in advance customers served on this schedule whenever a curtailment or interruption is required, and each such customer shall curtail his use of gas at the time and to the extent requested by the Company. Interruptions and curtailments may vary from time to time among customers, but shall be as equally apportioned as practicable.

b. "Unauthorized Use" is defined as the taking of any volume of optional gas by Customer during any period when the use of optional gas is curtailed in accordance with notice given by Company. Company shall bill, and Customer shall pay \$2.50 per Ccf for all volumes of unauthorized use gas in addition to the rate billed under this schedule.

**4. CONTRACT**

a. Customer shall contract for service hereunder for a term of not less than one (1) year. Upon the expiration of any contract term, the contract shall be automatically renewed for a period of one (1) year. At any time following the first contract year, service may be terminated by either party following at least six (6) months notice to the other party.

b. A day, as used herein, shall be defined as a period of 24 consecutive hours designated by Company to coincide with applicable pipeline contract.

**5. RATE**

a.	Facilities Charge	\$300.00	per month
b.	Commodity Charge	\$0.07610	First 20,000 Ccf per month
		\$0.07210	All over 20,000 Ccf per month

**6. DEMAND RATE**

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20142012  
(Month)                      (Day)                      (Year)

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- a. Demand Rate                      The sum of the reservation costs for which the Company has contracted with Southern Star Central Gas Pipeline, Inc., per Ccf of Contract Demand.
- b. Daily Demand Rate              The Demand Rate divided by 30.4 days, per Ccf per day for all gas in excess of the Contract Demand level.

**7.                      MONTHLY BILL**

The minimum monthly bill applicable at single address or location shall be the sum of the Facility Charge and the Demand Charge, Daily Demand Charge and the Commodity Charge as follows:

- a. The Demand Charge shall be the product of the demand level nominated by the Customer and the Demand Rate.
- b. The Daily Demand Charge shall be the product of the unauthorized volumes taken by Customer when curtailed by Company under this rate schedule on each day during the billing period in excess of the demand level nominated by the Customer and the Daily Demand Rate.
- c. The Commodity Charge shall be the product of all volumes delivered under this rate during the billing period and the Commodity Rate.

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**8. BASIS OF MEASUREMENT**

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

**9. PURCHASED GAS ADJUSTMENT**

The above rate is subject to increase or decrease to reflect changes in purchased gas costs in accordance with the provisions of the Company's non-firm PGA.

**10. OTHER TERMS AND CONDITIONS**

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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ATMOS ENERGY CORPORATION <small>(Name of Issuing Utility)</small>	SCHEDULE IV: Sales and Transportation Rates
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**B. Economic Development Sales Service (Rate Schedule 960)**

1. APPLICABILITY

a. Service under this Schedule is available to customers engaged in the manufacturing process at discounted or incentive rates. Customers engaged in retailing goods and services to the public are not eligible for this service. To be eligible for service under this schedule certain conditions must be met by the customer. Existing customers served under another rate schedule to be eligible for service under this rate schedule must contract for sufficient natural gas demand to produce an increase in consumption of 135,000 Ccf annually. New customers served under this rate schedule to be eligible must contract for at least 270,000 Ccf annually. Customers served under this Rate Schedule must demonstrate increased employment.

b. This Schedule is intended to allow the Company to offer incentive or discount type rates designed to enhance the Company's system utilization while encouraging industrial development within the Company's service areas.

2. SPECIAL TERMS AND CONDITIONS

a. A contract shall be executed by the customer for a minimum of 4 years. The contract shall specify the customer's natural gas requirements.

b. To receive service under this rate schedule, the customer's written application to the Company shall include sufficient information to permit the Company to determine the customer's eligibility.

c. Qualifying consumption shall result from an increase in business activity and not merely from the resumption of normal operations following a period of abnormal operating conditions. If in the Company's opinion an abnormal operating period has occurred as a result of strike, equipment failure, or any other abnormal condition during the twelve (12) month period prior to the date of the application by the customer for service under this rate schedule, the Company shall adjust the customer's consumption to eliminate any abnormal condition. The Company through use of historical data shall determine "Base Load" for existing customers. Volumes used in excess of "Base Load" shall be considered "Qualifying Consumption" and eligible under this Schedule. Loads which are or have been served by the Company during all or part of the twelve (12) month period prior to service under this rate

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schedule, and which are relocated to another metering point within the Company's service area, shall not qualify for this rate schedule.

d. The existing facilities of the Company must be adequate in the judgment of the Company to supply the new or expanded natural gas requirements. If construction of new or expanded local facilities by the Company is required, the customer may be required to make a Contribution in Aid of Construction for the installed cost of such facilities. The Company will evaluate the customer's request for service and determine the necessity of a contribution for construction of facilities based on the Extension of Service provisions of the General Terms and Conditions of the Company's filed tariff. The Company shall review the Customer's consumption each year to determine whether the Customer has fulfilled their projected usage requirement to remain eligible for service under this rate schedule.

**3. FACILITY CHARGE**

a. A monthly facility charge equal to the otherwise applicable companion rate schedule is payable regardless of the usage of gas.

b. The following adjustment factors will be applied to the "Qualifying Consumption" and based on the rate schedule which would apply to the Customer absent this rate schedule. The Customer may elect to begin service under this Schedule on the 1st month or 13th month of service with the Company

<u>Billing Months In Contract Year</u>	<u>Adjustment Factor</u>
1st Through 12th	75%
13th Through 24th	75%
25th Through 36th	75%
37th Through 48th	75%
After 48 Months	100%

**4. MINIMUM MONTHLY BILL**

The minimum monthly bill shall be the monthly Facility Charge plus the Monthly Demand Charge, if any.

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**5. PURCHASED GAS ADJUSTMENT**

The above rate is subject to increase or decrease to reflect changes in purchased gas costs in accordance with the provisions of the Company's firm or non-firm PGA, whichever is the companion to the otherwise applicable sales rate.

**6. OTHER TERMS AND CONDITIONS**

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(Month) (Day) (Year)

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22,~~\_\_\_\_\_~~ 2012  
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**SECTION 4 - TRANSPORTATION SERVICE**

**A. General Service Firm Transportation Service (Rate Schedule FT900)**

1. AVAILABILITY

See Schedule I, Section 12 A – Transportation Services

2. MONTHLY BILL

Companion Sales Schedule	Facility Charge	Commodity Charge
915	\$81.00	\$0.13662/ ccf + take-or-pay costs set for on Sheet 1 of 1
920	\$81.00	\$0.14500/ ccf + take-or-pay costs set for on Sheet 1 of 1
930	\$81.00	\$0.13662/ ccf + take-or-pay costs set for on Sheet 1 of 1

The minimum monthly bill shall be the facility charge and the demand charge, if any.

3. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the applicable companion sales rate schedule conditions and to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Constructions of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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**B. Interruptible Transportation Service (Rate Schedule IT900)**

1. AVAILABILITY

See Schedule I, Section 12 A – Transportation Services

2. MONTHLY BILL

Companion Sales Schedule	Facility Charge	Commodity Charge
955	\$300.00	\$0.07610 / ccf, first 20,000 \$0.07210 / ccf, greater than 20,000 + take-or-pay costs set for on Sheet 1 of 1

The minimum monthly bill shall be the facility charge and the demand charge, if any.

3. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the applicable companion sales rate schedule conditions and to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Constructions of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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The minimum monthly bill shall be the monthly facility charge.

3. UNAUTHORIZED GAS

"Unauthorized Use" is defined as the taking of any volume of optional gas by Customer during any period when the use of optional gas is curtailed in accordance with notice given by Company. Company shall bill, and Customer shall pay \$2.50 per Ccf for all volumes of unauthorized use gas in addition to the rate billed under this schedule.

4. OTHER TERMS AND CONDITIONS

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**SCHEDULE II. Schedule of Service Fees****ENTIRE SERVICE AREA**

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**SCHEDULE II -SCHEDULE OF SERVICE FEES****Applicability:** Service Fees may be collected by Company from its Customers under the circumstances and in the amount hereinafter set forth:**A. METER READING FEE**

In the event the Customer does not furnish a required meter reading for two (2) consecutive billing periods, the Company may read the Meter and the Company will require a Meter Reading fee of \$5.00.

**B. WORTHLESS CHECK CHARGE**

The Company may require for each Customer check returned for insufficient funds a Worthless Check Charge not to exceed the amount provided by K. S. A. 21-3707 or as thereafter amended (\$30.00).

**C. INSUFFICIENT FUNDS CHARGE (ELECTRONIC TRANSACTION)**

The Company may require for each Customer's electronic transaction reversed due to a lack of funds available an Insufficient Funds Charge not to exceed \$30.00.

**D. COLLECTION CHARGE**

When collection is made at the Customer's premises to avoid disconnection of Gas Service or Gas Service is discontinued because of non-payment of a Gas Service bill, the Company will require a Collection Charge of \$8.00.

**E. DISCONNECTION CHARGE**

When Gas Service is disconnected for any of the reasons stated in Schedule I, Section 5, A. 1. of the Company Rules and Regulations, except when requested by the Customer, the Company will require a Disconnection Charge of \$15.00 During Normal Business Hours/\$20.00 Other Than Normal Business Hours, but not both a collection charge and a disconnection charge. After normal business hours, a disconnect fee can only be charged to the customer if the customer requests after hours service. If the disconnect is at the Company's choice, then the customer cannot be charged the after-hours fee.

**F. INITIATE OR RECONNECT CHARGES DURING NORMAL BUSINESS HOURS**

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When Gas Service is initiated or reconnected, the Company will require a charge of \$20.00 During Normal Business Hours/\$25.00 Other Than Normal Business Hours.

**G. INITIATE OR RECONNECT CHARGES-MULTIPLE UNIT BUILDING OR MULTI-FAMILY DWELLING UNITS**

When Gas Service is reconnected, except when disconnected pursuant to Customer's request, to multiple unit buildings or multi-family dwelling units served by one Meter, a reconnection charge shall be made which shall be the greater of a) \$20.00 During Normal Business Hours/\$25.00 Other Than Normal Business hours (b) \$4.00 During Normal Business Hours/\$5.00 Other Than Normal Business Hours, per building or family dwelling unit.

**H. METER TEST CHARGES**

The Company, upon written request by a Customer, shall test the accuracy of the Meter used by the Customer provided the Meter has not been tested by the Company within one year previous to such test. The Customer will be required by the Company to make an advance deposit to cover the cost of the Meter test, which shall be in the following amounts:

1. Diaphragm displacement meters having a rated capacity of 300 cubic feet per hour or less \$10.00.
2. Diaphragm displacement meters have a rated capacity of exceeding 300 cubic feet per hour and not exceeding 1,000 cubic feet per hour \$37.50.
3. Diaphragm displacement meters having a rated capacity exceeding 1,000 cubic feet per hour \$50.00.
4. Rotary displacement meters-No charge.
5. Orifice meters-No charge.

**I. TEMPORARY SERVICE FEE**

Upon request of a Customer, the Company will provide a temporary service and a minimum charge of not less than \$25.00 shall be paid for such temporary service

**J. CREDIT/DEBIT/ATM CARDS**

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The Authorized Pay Agent may charge the customer an additional fee of \$3.95 per \$500 for the use of credit/debit/ATM cards.

**K. ELECTRONIC MEASUREMENT TRIP CHARGE**

When Company personnel and equipment have been utilized in responding to electronic measurement services, a \$30.00 Trip Charge will be required.

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**SECTION 1 – GENERAL****A. COUNTIES/COMMUNITIES SERVED:**

<u>County</u>	<u>City</u>
Allen	Elsmore
Allen	Savonburg
Barber	Hazelton
Bourbon	Fort Scott
Bourbon	Fulton
Bourbon	Hammond
Bourbon	Redfield
Chase	Cottonwood Falls
Chase	Strong City
Chautauqua	Cedar Vale
Chautauqua	Chautauqua
Chautauqua	Elgin
Chautauqua	Hewins
Chautauqua	Niotaze
Chautauqua	Peru
Chautauqua	Sedan
Coffey	Burlington
Coffey	LeRoy
Coffey	New Strawn
Crawford	McCune
Dickinson	Herington
Douglas	Eudora
Douglas	Lawrence
Elk	Elk Falls
Elk	Grenola
Elk	Longton
Elk	Moline

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<u>County</u>	<u>City</u>
Grant	Hickock
Grant	Ulysses
Greenwood	Eureka
Greenwood	Fall River
Greenwood	Hamilton
Greenwood	Neal
Hamilton	Kendall
Hamilton	Syracuse
Harper	Anthony
Harper	Danville
Johnson	De Soto
Johnson	Gardner
Johnson	Lenexa
Johnson	New Century
Johnson	Olathe
Johnson	Overland Park
Johnson	Shawnee
Johnson	Spring Hill
Labette	Bartlett
Labette	Chetopa
Labette	Edna
Labette	Mound Valley
Leavenworth	Basehor
Leavenworth	Easton
Leavenworth	Jarbalo
Leavenworth	Leavenworth
Leavenworth	Linwood
Linn	Mound City
Linn	Pleasanton
Linn	Prescott

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<u>County</u>	<u>City</u>
Marion	Aulne
Marion	Florence
Marion	Hillsboro
Marion	Lincolnvillle
Marion	Lost Springs
Marion	Marion
Marion	Marion Lake
Marion	Peabody
Marion	Pilsen
Marion	Ramona
Marion	Tampa
Miami	Hillsdale
Montgomery	Caney
Montgomery	Coffeyville
Montgomery	Dearing
Montgomery	Elk City
Montgomery	Havana
Montgomery	Independence
Montgomery	Liberty
Montgomery	Sycamore
Montgomery	Tyro
Morris	Council Grove
Morris	Delavan
Morris	White City
Morris	Wilsey
Morton	Unincorporated Irrigation
Neosho	Galesburg
Neosho	Morehead
Neosho	Stark
Neosho	Thayer

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<u>County</u>	<u>City</u>
Ness	Bazine
Ness	Ness City
Rush	Alexander
Rush	McCracken
Stanton	Johnson City
Stanton	Manter
Stevens	Unincorporated Irrigation
Sumner	Caldwell
Sumner	Hunnewell
Sumner	South Haven
Wilson	Altoona
Wilson	Benedict
Wilson	Buffalo
Wilson	Fredonia
Wilson	LaFontaine
Wilson	Neodesha
Woodson	Toronto
Woodson	Yates Center
Wyandotte	Bonner Springs
Wyandotte	Edwardsville
Wyandotte	Kansas City

B. COUNTIES SERVED AT WHOLESALE: NONEC. RATES APPLICABLE TO WHOLESALE CUSTOMERS: NONE

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**THE STATE CORPORATION COMMISSION OF KANSAS**

**ATMOS ENERGY CORPORATION**

(Name of Issuing Utility)

**SCHEDULE IV: Sales and Transportation Rates**

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

No Supplement or separate understanding shall modify the tariff as shown hereon.

**SECTION 2 – FIRM SALES SERVICE**

**A. Residential Sales Service (Rate Schedule 910)**

1. **APPLICABILITY**

Available in and around the communities specified in the Section 1 A. to residential customers at a single location.

2. **MONTHLY BILL**

- a. Facilities Charge: \$22.94 per month
- b. Commodity Charge: \$0.13698 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules, and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. **BASIS OF MEASUREMENT**

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. **OTHER TERMS AND CONDITIONS**

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

5. **GAS LIGHTS**

For all gas light services, the charge for such services shall be based on actual usage through a metered source at this tariff rate. For all unmetered gas light service, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

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**B. Commercial/Public Authority (General) Sales Service (Rate Schedule 915)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to commercial and public authority customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$37.75 per month  
 b. Commodity Charge: \$0.13698 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas

5. GAS LIGHTS

For all gas light services, the charge for such services shall be based on actual usage through a metered source at this tariff rate. For all unmetered gas light service, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

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**C. School Sales Service (Rate Schedule 920)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to state, county, city and private educational institutions or universities constructed before January 1, 1995 at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$65.09 per month
- b. Commodity Charge: \$0.14500 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA, WNA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

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**D. Industrial Sales Service (Rate Schedule 930)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to industrial customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$81.00 per month
- b. Commodity Charge: \$0.13662 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

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**E. Small Generator Sales Service (Rate Schedule 940)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to commercial customers, at a single location, for separately metered electric generators of less than 20 kilowatts of capacity.

2. MONTHLY BILL

- a. Facilities Charge: \$41.00 per month  
 b. Commodity Charge: \$0.13662 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules.

The minimum bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

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**F. Irrigation Engine Sales Service (Rate Schedule 965)**1. APPLICABILITY

Available in and around the communities specified in the Section 1 A. to engine irrigation customers at a single location.

2. MONTHLY BILL

- a. Facilities Charge: \$60.00 per month  
 b. Commodity Charge: \$0.0888 per 100 cubic feet (Ccf) plus applicable adjustments and charges provided in the Company's PGA Schedules and Customer Utilization Adjustment.

The minimum monthly bill shall be no less than the Facility Charge plus any applicable service charges.

3. BASIS OF MEASUREMENT

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

4. OTHER TERMS AND CONDITIONS

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**SECTION 3 - INTERRUPTIBLE GAS SALES SERVICE****A. Large Industrial Sales Service (Rate Schedule 955)**1. APPLICABILITY

a. This rate schedule is available at the Company's option to any large volume user using at least 220,000 Ccf annually or customers using 1,000 Ccf per day during off peak periods. Customer shall have and maintain adequate standby facilities and fuel in order that gas deliveries may be curtailed in whole or in part at any time upon thirty minutes notice.

b. Those customers who were transporting gas on the Company's Rate Schedule 960 prior to September 1, 1995 will be grandfathered to this rate schedule.

c. Customers electing this service after September 1, 1995 must use at least 220,000 Ccf annually to continue service under this schedule. The Company may waive this condition if unusual circumstances exist. If the same customer uses less than 220,000 Ccf annually after the second year of service, the customer will be changed to Rate Schedule 930 or Rate Schedule 950.

2. CHARACTER OF SERVICE

a. Natural gas, with a heating value of approximately 100,000 BTU per Ccf, supplied through a single meter, at standard equipment utilization pressure, or such higher delivery pressure as approved by Company.

b. "Optional Gas" is the quantity of gas Customer agrees to purchase and Company agrees to deliver in any one day when Company has gas available and when Company's distribution system is suitable for such delivery.

c. "Firm Gas" is the daily quantity of gas delivered to a customer within that Customer's contract demand quantity, if any. Customers electing to receive firm gas under this rate schedule shall contract for a minimum of 500 Ccf per day. Customers served under Rate Schedule 950 prior to September 1, 1995 with a quantity of less than 500 Ccf shall be grandfathered. Firm gas is not subject to curtailment, except as described under the Priority of Service section of this rate schedule, and only then if all optional gas service has been curtailed first.

d. Company is also relieved of its obligation to deliver any gas under this schedule in the event of force majeure. Any curtailments which may be necessary under this rate

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schedule shall be made only after having given at least 30 minutes notice by telephone or otherwise unless due to reasons of force majeure.

3. INTERRUPTION AND CURTAILMENT OF OPTIONAL SERVICE:

a. Optional gas deliveries to customers served on this schedule may be interrupted or curtailed at any time such interruption or curtailment is necessary in order for Company to continue to supply the gas requirements of its other customers at such time. The Company will endeavor to notify in advance customers served on this schedule whenever a curtailment or interruption is required, and each such customer shall curtail his use of gas at the time and to the extent requested by the Company. Interruptions and curtailments may vary from time to time among customers, but shall be as equally apportioned as practicable.

b. "Unauthorized Use" is defined as the taking of any volume of optional gas by Customer during any period when the use of optional gas is curtailed in accordance with notice given by Company. Company shall bill, and Customer shall pay \$2.50 per Ccf for all volumes of unauthorized use gas in addition to the rate billed under this schedule.

4. CONTRACT

a. Customer shall contract for service hereunder for a term of not less than one (1) year. Upon the expiration of any contract term, the contract shall be automatically renewed for a period of one (1) year. At any time following the first contract year, service may be terminated by either party following at least six (6) months notice to the other party.

b. A day, as used herein, shall be defined as a period of 24 consecutive hours designated by Company to coincide with applicable pipeline contract.

5. RATE

- a. Facilities Charge \$300.00 per month
- b. Commodity Charge \$0.07610 First 20,000 Ccf per month  
\$0.07210 All over 20,000 Ccf per month

6. DEMAND RATE

a. Demand Rate The sum of the reservation costs for which the Company has contracted with Southern Star Central Gas Pipeline, Inc., per Ccf of Contract Demand.

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- b. Daily Demand Rate                      The Demand Rate divided by 30.4 days, per Ccf per day for all gas in excess of the Contract Demand level.

7.                      MONTHLY BILL

The minimum monthly bill applicable at single address or location shall be the sum of the Facility Charge and the Demand Charge, Daily Demand Charge and the Commodity Charge as follows:

- a. The Demand Charge shall be the product of the demand level nominated by the Customer and the Demand Rate.
- b. The Daily Demand Charge shall be the product of the unauthorized volumes taken by Customer when curtailed by Company under this rate schedule on each day during the billing period in excess of the demand level nominated by the Customer and the Daily Demand Rate.
- c. The Commodity Charge shall be the product of all volumes delivered under this rate during the billing period and the Commodity Rate.

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**8. BASIS OF MEASUREMENT**

Natural gas delivered shall be measured at prevailing meter pressures and the volumes thereof shall be computed at a pressure base of 14.65 pounds per square inch at a temperature of 60 degrees Fahrenheit. The Company may assume that the gas delivered obeys Boyle's Law and atmospheric pressure is 14.4 pounds per square inch and the flowing temperature of the gas in the meter is 60 degrees Fahrenheit.

**9. PURCHASED GAS ADJUSTMENT**

The above rate is subject to increase or decrease to reflect changes in purchased gas costs in accordance with the provisions of the Company's non-firm PGA.

**10. OTHER TERMS AND CONDITIONS**

Service hereunder is subject to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Construction of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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**B. Economic Development Sales Service (Rate Schedule 960)**1. APPLICABILITY

a. Service under this Schedule is available to customers engaged in the manufacturing process at discounted or incentive rates. Customers engaged in retailing goods and services to the public are not eligible for this service. To be eligible for service under this schedule certain conditions must be met by the customer. Existing customers served under another rate schedule to be eligible for service under this rate schedule must contract for sufficient natural gas demand to produce an increase in consumption of 135,000 Ccf annually. New customers served under this rate schedule to be eligible must contract for at least 270,000 Ccf annually. Customers served under this Rate Schedule must demonstrate increased employment.

b. This Schedule is intended to allow the Company to offer incentive or discount type rates designed to enhance the Company's system utilization while encouraging industrial development within the Company's service areas.

2. SPECIAL TERMS AND CONDITIONS

a. A contract shall be executed by the customer for a minimum of 4 years. The contract shall specify the customer's natural gas requirements.

b. To receive service under this rate schedule, the customer's written application to the Company shall include sufficient information to permit the Company to determine the customer's eligibility.

c. Qualifying consumption shall result from an increase in business activity and not merely from the resumption of normal operations following a period of abnormal operating conditions. If in the Company's opinion an abnormal operating period has occurred as a result of strike, equipment failure, or any other abnormal condition during the twelve (12) month period prior to the date of the application by the customer for service under this rate schedule, the Company shall adjust the customer's consumption to eliminate any abnormal condition. The Company through use of historical data shall determine "Base Load" for existing customers. Volumes used in excess of "Base Load" shall be considered "Qualifying Consumption" and eligible under this Schedule. Loads which are or have been served by the Company during all or part of the twelve (12) month period prior to service under this rate schedule, and which are relocated to another metering point within the Company's service area, shall not qualify for this rate schedule.

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d. The existing facilities of the Company must be adequate in the judgment of the Company to supply the new or expanded natural gas requirements. If construction of new or expanded local facilities by the Company is required, the customer may be required to make a Contribution in Aid of Construction for the installed cost of such facilities. The Company will evaluate the customer's request for service and determine the necessity of a contribution for construction of facilities based on the Extension of Service provisions of the General Terms and Conditions of the Company's filed tariff. The Company shall review the Customer's consumption each year to determine whether the Customer has fulfilled their projected usage requirement to remain eligible for service under this rate schedule.

**3. FACILITY CHARGE**

a. A monthly facility charge equal to the otherwise applicable companion rate schedule is payable regardless of the usage of gas.

b. The following adjustment factors will be applied to the "Qualifying Consumption" and based on the rate schedule which would apply to the Customer absent this rate schedule. The Customer may elect to begin service under this Schedule on the 1st month or 13th month of service with the Company

<u>Billing Months In Contract Year</u>	<u>Adjustment Factor</u>
1st Through 12th	75%
13th Through 24th	75%
25th Through 36th	75%
37th Through 48th	75%
After 48 Months	100%

**4. MINIMUM MONTHLY BILL**

The minimum monthly bill shall be the monthly Facility Charge plus the Monthly Demand Charge, if any.

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5. PURCHASED GAS ADJUSTMENT

The above rate is subject to increase or decrease to reflect changes in purchased gas costs in accordance with the provisions of the Company's firm or non-firm PGA, whichever is the companion to the otherwise applicable sales rate.

6. OTHER TERMS AND CONDITIONS

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**SECTION 4 - TRANSPORTATION SERVICE**

**A. General Service Firm Transportation Service (Rate Schedule FT900)**

1. **AVAILABILITY**

See Schedule I, Section 12 A – Transportation Services

2. **MONTHLY BILL**

Companion Sales Schedule	Facility Charge	Commodity Charge
915	\$81.00	\$0.13662/ ccf + take-or-pay costs set for on Sheet 1 of 1
920	\$81.00	\$0.14500/ ccf + take-or-pay costs set for on Sheet 1 of 1
930	\$81.00	\$0.13662/ ccf + take-or-pay costs set for on Sheet 1 of 1

The minimum monthly bill shall be the facility charge and the demand charge, if any.

3. **OTHER TERMS AND CONDITIONS**

Service hereunder is subject to the applicable companion sales rate schedule conditions and to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Constructions of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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**B. Interruptible Transportation Service (Rate Schedule IT900)**

1. AVAILABILITY

See Schedule I, Section 12 A – Transportation Services

2. MONTHLY BILL

Companion Sales Schedule	Facility Charge	Commodity Charge
955	\$300.00	\$0.07610 / ccf, first 20,000 \$0.07210 / ccf, greater than 20,000 + take-or-pay costs set for on Sheet 1 of 1

The minimum monthly bill shall be the facility charge and the demand charge, if any.

3. OTHER TERMS AND CONDITIONS

Service hereunder is subject to the applicable companion sales rate schedule conditions and to the Company's General Terms and Conditions for Service including Curtailment of Service, Service Fee Schedule and Schedule of Customer Advances for Constructions of Mains and Company Service Lines as approved by the State Corporation Commission of the State of Kansas.

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3. UNAUTHORIZED GAS

"Unauthorized Use" is defined as the taking of any volume of optional gas by Customer during any period when the use of optional gas is curtailed in accordance with notice given by Company. Company shall bill, and Customer shall pay \$2.50 per Ccf for all volumes of unauthorized use gas in addition to the rate billed under this schedule.

4. OTHER TERMS AND CONDITIONS

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Proposed Schedule: Regulatory Asset**ENTIRE SERVICE AREA**

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**PROPOSED SCHEDULE**

The Company shall be allowed to establish and include in rate base a regulatory asset to record all costs incurred in connection with the acquisition, installation and operation (including related depreciation and taxes) for the following natural gas utility plant projects:

- a. Installation of natural gas distribution and transmission facilities to comply with local, state and federal safety requirements as replacements for existing facilities; projects undertaken to extend the useful life or enhance the integrity of natural gas distribution and transmission facilities to comply with local, state and federal safety requirements; and,
- b. Facility relocations required due to construction or improvement of a highway, road, street, public way or other public work by or on behalf of the United States, this state, a political subdivision of this state or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the natural gas public utility.

The Company may record interest on the balance in the regulatory asset account based on the pretax cost of capital last approved for the utility until such amounts are included in and recovered through rates in the Company's subsequent rate filing.

Issued:	<u>January</u>	<u>9,</u>	<u>2014</u>
	(Month)	(Day)	(Year)
Effective:	<u>Upon Commission Approval</u>		
	(Month)	(Day)	(Year)
By:	<u>VP-Reg &amp; Public Affairs</u>		
	(Signature of Officer)	(Title)	