

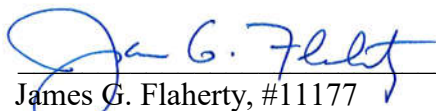
BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application of Atmos )  
Energy's Schedule III - Schedule of Customer )  
Advances for Construction of Mains and )  
Company Service Lines that Reflects the ) Docket No. 22-ATMG- 506 -TAR  
Account Balances from the Annual Form 2 )  
Filing Embedded Cost Analysis for 2021 )

**APPLICATION**

Atmos Energy Corporation (Atmos Energy) submits its Schedule III - Schedule of Customer Advances for Construction of Mains and Company Service Lines, along with a spreadsheet detailing the "Kansas Embedded Cost Analysis" that reflects the account balances from the Annual Form 2 filing for filing with the Kansas Corporation Commission (Commission).

WHEREFORE, Atmos Energy requests that its Application be approved by the Commission.



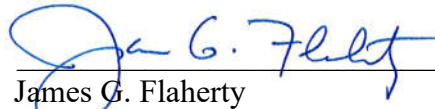
James G. Flaherty, #11177  
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Attorneys for Atmos Energy Corporation

## VERIFICATION

STATE OF KANSAS  
COUNTY OF FRANKLIN, ss:

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

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

  
James G. Flaherty

SUBSCRIBED AND SWORN to before me this 9<sup>th</sup> day of May, 2022.



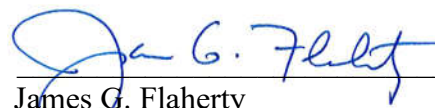


Notary Public

Appointment/Commission Expires:

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail this 9<sup>th</sup> day of May, 2022, addressed to: Terri J. Pemberton, [t.pemberton@kcc.ks.gov](mailto:t.pemberton@kcc.ks.gov).

  
James G. Flaherty

**THE STATE CORPORATION COMMISSION OF KANSAS**

ATMOS ENERGY CORPORATION

**SCHEDULE III: Schedule of Customer  
Advances for Construction of Mains and  
Company Service Lines**

(Name of Issuing Utility)

**ENTIRE SERVICE AREA**

(Territory to which Schedule is applicable)

No Supplement or separate understanding  
shall modify the tariff as shown hereon.

Sheet 1 of 2 Sheets

**SCHEDULE III - SCHEDULE OF CUSTOMER ADVANCES FOR CONSTRUCTION  
OF MAINS AND COMPANY SERVICE LINES**

**Applicability:** Customer advances for Construction of Main, Company Service Lines, Meters and Meter Installation may be charged by Company from its customer under the circumstances and in the amount hereinafter set forth:

**A. CUSTOMER ADVANCES FOR CONSTRUCTION OF MAIN**

Whenever a customer pays to the Company the full Cost of a Main as a customer advance for construction, the Company shall refund for each Residential customer connected to such extended Main the average embedded cost per customer at the time the Main is installed.

Computation Formula for determining average embedded cost per customer:

$$\begin{aligned} P/C &= \text{Average embedded cost per customer - Mains} = \$1,750.00. \\ P &= \text{Kansas distribution plant in service for period ending December} \\ &\quad \text{31. (FPC Accounts Nos. 374, 375, 376, 378, 379 and 387,} \\ &\quad \text{inclusive)} \\ C &= \text{Average number of customers for computation period.} \end{aligned}$$

**B. CUSTOMER ADVANCES FOR CONSTRUCTION OF COMPANY  
SERVICE LINE, METER AND METER INSTALLATION**

Whenever a customer pays to the Company the full cost of a Company Service Line, Meter and Meter Installation as a customer advance for construction, the Company shall refund for each Residential Customer connected to the company Service Line and Meter the average embedded cost per customer at the time the Customer Service Line, Meter and Meter Installation is made.

Issued:	April	xx	2022
	(Month)	(Day)	(Year)
Effective:	Upon Commission	Approval	
	(Month)	(Day)	(Year)
By:	/s/ Kathleen Ocanas Vice President, Rates & Regulatory Affairs		
	(Signature of Officer)	(Title)	

**THE STATE CORPORATION COMMISSION OF KANSAS**

ATMOS ENERGY CORPORATION

SCHEDULE III: Schedule of Customer  
Advances for Construction of Mains and  
Company Service Lines

(Name of Issuing Utility)

ENTIRE SERVICE AREA

(Territory to which Schedule is applicable)

No Supplement or separate understanding  
shall modify the tariff as shown hereon.

Sheet 2 of 2 Sheets

Computation formula for determining average embedded cost per customer:

S/C = Average embedded cost per customer - Services = \$1,303.00.  
 S = Service lines, meters and meter installation of Kansas Distribution  
 plant in service for period December 31. (FPC Account Nos. 380,  
 381, 382, 383, 384 and 385).  
 C = Average number of customers for computation period.

C. COMPUTATION PERIOD

The computation period shall be the twelve-month period ending December 31.

D. REPORTING REQUIREMENTS

Annually, on or before May 1, the Company shall submit to the Commission the  
 computed average embedded cost per customer for Mains and for Company Service Lines,  
 Meters and Meter Installations.

E. EFFECTIVE DATE

The computed average embedded cost per customer (P/C or S/C) shall be  
 effective upon the date of Commission approval.

Issued:	April	xx	2022
	(Month)	(Day)	(Year)
Effective:	Upon	Commission	Approval
	(Month)	(Day)	(Year)
By:	/s/ Kathleen Ocanas Vice President, Rates & Regulatory Affairs		
	(Signature of Officer)		(Title)

**THE STATE CORPORATION COMMISSION OF KANSAS**

ATMOS ENERGY CORPORATION

SCHEDULE III: Schedule of Customer  
Advances for Construction of Mains and  
Company Service Lines

(Name of Issuing Utility)

ENTIRE SERVICE AREA

(Territory to which Schedule is applicable)

No Supplement or separate understanding  
shall modify the tariff as shown hereon.

Sheet 1 of 2 Sheets

**SCHEDULE III - SCHEDULE OF CUSTOMER ADVANCES FOR CONSTRUCTION  
OF MAINS AND COMPANY SERVICE LINES**

**Applicability:** Customer advances for Construction of Main, Company Service Lines, Meters and Meter Installation may be charged by Company from its customer under the circumstances and in the amount hereinafter set forth:

**A. CUSTOMER ADVANCES FOR CONSTRUCTION OF MAIN**

Whenever a customer pays to the Company the full Cost of a Main as a customer advance for construction, the Company shall refund for each Residential customer connected to such extended Main the average ~~imbedded~~embedded cost per customer at the time the Main is installed.

Computation Formula for determining average ~~imbedded~~embedded cost per customer:

$$\begin{aligned} P/C &= \text{Average } \del{imbedded}\u{embedded} \text{ cost per customer} - \text{Mains} = \\ P &= \del{\$1,662}\u{\$1,750.00}. \text{ Kansas distribution plant in service for period} \\ &\quad 31. \text{ (FPC Accounts Nos. 374, 375, 376, 378, 379 and 387,} \\ &\quad \text{inclusive)} \\ C &= \text{Average number of customers for computation period.} \end{aligned}$$

**B. CUSTOMER ADVANCES FOR CONSTRUCTION OF COMPANY  
SERVICE LINE, METER AND METER INSTALLATION**

Whenever a customer pays to the Company the full cost of a Company Service Line, Meter and Meter Installation as a customer advance for construction, the Company shall refund for each Residential Customer connected to the company Service Line and Meter the average ~~imbedded~~embedded cost per customer at the time the Customer Service Line, Meter and Meter Installation is made.

Issued:	<del>October</del> <u>April</u> <del>19xx</del> <u>2021</u> <del>2022</del>
	(Month) (Day) (Year)
Effective:	Upon Commission Approval
	(Month) (Day) (Year)
By:	/s/ Kathleen Ocanas Vice President, Rates & Regulatory Affairs
	(Signature of Officer) (Title)

**THE STATE CORPORATION COMMISSION OF KANSAS**

ATMOS ENERGY CORPORATION

SCHEDULE III: Schedule of Customer  
Advances for Construction of Mains and  
Company Service Lines

(Name of Issuing Utility)

ENTIRE SERVICE AREA

(Territory to which Schedule is applicable)

No Supplement or separate understanding  
shall modify the tariff as shown hereon.

Sheet 2 of 2 Sheets

Computation formula for determining average ~~imbedded~~imbedded cost per customer:

S/C = Average ~~imbedded~~imbedded cost per customer - Services =  
 S = ~~\$1,198~~\$1,303.00. Service lines, meters and meter installation of  
 Kansas Distribution plant in service for period December 31. (FPC  
 381, 382, 383, 384 and 385).  
 C = Average number of customers for computation period.

C. COMPUTATION PERIOD

The computation period shall be the twelve-month period ending December 31.

D. REPORTING REQUIREMENTS

Annually, on or before May 1, the Company shall submit to the Commission the  
 computed average ~~imbedded~~imbedded cost per customer for Mains and for Company  
 Service Lines, Meters and Meter Installations.

E. EFFECTIVE DATE

The computed average ~~imbedded~~imbedded cost per customer (P/C or S/C) shall  
 be effective upon the date of Commission approval.

Issued:	<del>October</del> <u>April 19xx</u>	<del>2021</del> <u>2022</u>
	(Month)	(Year)
Effective:	Upon Commission Approval	
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By:	/s/ Kathleen Ocanas Vice President, Rates & Regulatory Affairs	
	(Signature of Officer)	(Title)

**KANSAS EMBEDDED COST ANALYSIS**

Type	Account	2011 Plant	2012 Plant	2013 Plant	2014 Plant	2015 Plant	2016 Plant	2017 Plant	2018 Plant	2019 Plant	2020 Plant	2021 Plant
Avg. custs		128,207	128,570	129,952	130,457	131,541	132,401	133,586	134,807	135,684	137,459	138,871
Mains	374	\$963,586	\$963,586	\$982,760	\$1,004,435	\$1,004,435	\$1,004,360	\$1,004,360	\$1,004,410	\$1,004,410	\$1,004,410	\$1,004,410
	375	\$119,494	\$119,494	\$152,685	\$152,685	\$152,685	\$152,685	\$152,685	\$152,685	\$152,685	\$152,685	\$152,685
	376	\$125,834,195	\$138,876,702	\$152,852,858	\$158,615,440	\$171,603,450	\$179,161,221	\$189,724,271	\$202,282,946	\$210,862,959	\$217,037,867	\$231,336,574
	378	\$3,564,993	\$3,817,427	\$4,319,263	\$4,472,715	\$5,583,639	\$5,537,072	\$5,616,963	\$5,606,146	\$5,684,993	\$5,890,932	\$6,098,247
	379	\$2,230,070	\$2,253,184	\$2,316,489	\$2,406,065	\$3,354,284	\$3,393,678	\$3,471,575	\$3,504,885	\$3,548,346	\$3,611,034	\$3,685,723
	387	\$613,731	\$613,731	\$617,861	\$617,861	\$617,861	\$617,861	\$628,454	\$628,454	\$628,454	\$701,471	\$786,744
	Total	\$133,326,069	\$146,644,124	\$161,241,916	\$167,269,201	\$182,316,354	\$189,866,877	\$200,598,308	\$213,179,526	\$221,881,847	\$228,398,399	\$243,064,383
	Embedded cost	\$1,039.93	\$1,140.58	\$1,240.78	\$1,282.18	\$1,386.00	\$1,434.03	\$1,501.64	\$1,581.37	\$1,635.28	\$1,661.57	<b>\$1,750.29</b>
Services	380	\$58,203,179	\$60,138,600	\$62,788,888	\$65,855,772	\$71,284,518	\$75,005,240	\$80,188,195	\$83,556,265	\$87,659,124	\$94,116,558	\$101,811,541
	381	\$15,120,558	\$16,133,306	\$17,354,855	\$21,052,830	\$22,574,382	\$23,638,460	\$26,437,598	\$29,215,184	\$33,251,419	\$36,105,092	\$39,213,603
	382	\$24,414,775	\$25,874,560	\$26,568,508	\$27,175,459	\$26,712,711	\$27,062,404	\$27,681,748	\$28,108,674	\$28,940,405	\$30,442,960	\$35,596,221
	383	\$2,206,607	\$2,696,623	\$2,830,874	\$2,300,665	\$2,570,011	\$2,475,688	\$2,391,067	\$2,010,869	\$2,048,686	\$1,994,309	\$2,218,127
	384	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461	\$209,461
	385	\$1,019,911	\$1,269,780	\$1,447,468	\$1,584,536	\$1,731,998	\$1,830,325	\$1,830,296	\$1,830,296	\$1,830,578	\$1,830,578	\$1,860,687
	Total	\$101,174,491	\$106,322,330	\$111,200,054	\$118,178,723	\$125,083,081	\$130,221,578	\$138,738,365	\$144,930,749	\$153,939,673	\$164,698,958	\$180,909,640
	Embedded cost	\$789.15	\$826.96	\$855.70	\$905.88	\$950.91	\$983.54	\$1,038.57	\$1,075.10	\$1,134.55	\$1,198.17	<b>\$1,302.72</b>