

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

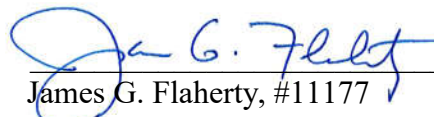
In the Matter of the Compliance Filing of)
Atmos Energy Corporation for the Execution)
of An Adjustment Mechanism, the True-Up of)
Securitized Utility Tariff Charges, and Certain)
Other Filings Required in Connection With)
Securitized Utility Tariff Bonds.)

Docket No. 24-ATMG-397-CPL

COMPLIANCE FILING

Atmos Energy Corporation ("Atmos Energy") pursuant to Kansas' Utility Financing and Securitization Act, K.S.A. 66-1,240 *et seq.* ("Act"), as well as the Order Approving Unanimous Settlement Agreement and separate Financing Order issued by the State Corporation Commission of the State of Kansas ("Commission") in Docket No. 22-ATMG-538-TAR, respectfully submits an updated True-Up letter, as well as updated redlined and clean Winter Event Securitized Cost Recovery Rider tariffs.

WHEREFORE, Atmos Energy respectfully requests the Commission accept this Compliance Filing, and provide any other relief the Commission deems just and reasonable.



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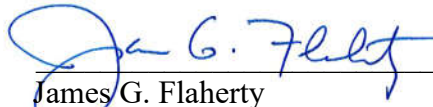
Attorneys for Atmos Energy Corporation

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 Compliance Filing and is duly authorized to make this affidavit; that he has read the foregoing and knows the contents thereof; and that the facts set forth therein are true and correct.


James G. Flaherty

SUBSCRIBED AND SWORN to before me this 17th day of May, 2024.





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 17th day of May, 2024, addressed to:

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James G. Flaherty



Richard M. Thomas
Vice President and Controller

TRUE-UP LETTER

May 17, 2024

Ms. Lynn M. Retz
Executive Director
Kansas Corporation Commission
1500 S.W. Arrowhead Road
Topeka, KS 66604

Re: In The Matter of The Application of Atmos Energy Corporation For the Recovery of Qualified Extraordinary Costs and Issuance of a Financing Order, Docket No. 22-ATMG-538-TAR

Dear Ms. Retz:

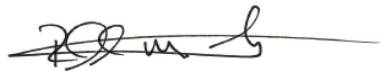
Pursuant to the Financing Order adopted on the 25th day of October, 2022, in In the Matter of The Application of Atmos Energy Corporation For the Recovery of Qualified Extraordinary Costs and Issuance of a Financing Order, Docket No. 22-ATMG-538-TAR (Financing Application) (the "Financing Order"), Atmos Energy Corporation (the "Utility"), as Servicer of the Securitized Utility Tariff Bonds, or any successor Servicer on behalf of bond trustee as assignee of the Utility shall apply semi-annually for a mandatory periodic adjustment to the Securitized Utility Tariff Charges. Any capitalized terms not defined herein shall have the meanings ascribed thereto in the Financing Order or the Utility Financing and Securitization Act, K.S.A. §§66-1,240 - 66-1,253 (the "Act").

Each semi-annual true-up adjustment shall be filed with the Commission not less than 30 days prior to the first billing cycle of the month in which the revised Securitized Utility Tariff Charges, calculated under the Winter Event Securitized Cost Recovery Rider ("WESCR"), will be in effect. The Commission staff will have 30 days after the date of the true-up adjustment filing in which to confirm the mathematical accuracy of the servicer's adjustment. However, any mathematical or clerical correction not made prior to the effective date of the Securitized Utility Tariff Charges (WESCR Charges) will be made in future true-up adjustment filings and will not delay the effectiveness of the Securitized Utility Tariff Charges ("WESCR Charges").

Using the formula approved by the Commission in the Financing Order, this filing modifies the variables used in the WESCR calculation and provides the resulting modified Securitized Utility Tariff Charges (or WESCR Charges). Exhibits 1, 2 and 3 show the resulting values of the Securitized Utility Tariff Charges for each Securitized Utility Tariff Charges Customer Class, as calculated in accordance with the Financing Order. The assumptions underlying the current Securitized Utility Tariff Charges were filed by the Utility in a True-Up Letter Filing on November 17, 2023.

Respectfully submitted,

ATMOS ENERGY CORPORTION

By: 
Richard M. Thomas,
Vice President and Controller

Exhibits

cc: Justin Grady, Designated Representative

EXHIBIT 1
CALCULATION OF SECURITIZED UTILITY TARIFF CHARGES

Estimated Ongoing Financing Costs	
Servicing Fees	\$47,500
Administration Fees	\$100,000
Accounting Fees	\$60,000
Legal Fees	\$30,000
Rating Agency Surveillance	\$67,000
Trustee Fees	\$35,000
Independent Director Fees	\$3,000
Return on Invested Capital	\$41,325
Total Ongoing Financing Costs	\$383,825
Independent Director Fees	0.40%

The Utility will recover the Qualified Extraordinary Costs through a fixed monthly Securitized Utility Tariff Charge per customer. The table below provides the monthly fixed charge for each customer class. The fixed monthly charge is calculated assuming securitization of the Qualified Extraordinary Costs over the life of the Bonds using the carrying charges through March 1, 2023 (approximately \$118.5 million) and the customer count for the month of April 2024.

Securitized Utility Tariff Charge				
Class	April 2024 Customer Count	Allocation %	Annual \$ Allocated to Class	Monthly Fixed Charge
Residential Sales Service	131,565	75.0155%	\$10,342,778.94	\$6.55
Commercial/Public Authority	10,049	24.1666%	\$3,331,975.41	\$27.63
School Sales Service	64	0.2638%	\$36,371.48	\$47.36
Industrial Sales Service	17	0.1598%	\$22,032.46	\$108.00
Small Generator	73	0.0001%	\$13.79	\$0.02
Irrigation Engine	209	0.3942%	\$54,350.41	\$21.67
Total			\$13,787,522.50	

EXHIBIT 2
WESCR CALCULATIONS

Atmos Energy Corporation
Winter Event Securitized Charge Rider (WESCR) True-Up Mechanism
for the Period March 1, 2024 through August 31, 2024

Line #	Description	Calculation of True-Up (a)	Projected Revenue Requirement to be Billed and Collected (b)	Revenue Requirement for WESCR Charge (c)=(a)+(b)
True-up for Prior Remittance Period Beginning				
1 July 1, 2023, and Ending February 29, 2024:				
2	<i>Prior Remittance Period Revenue Requirement</i>			
3	Principal	\$5,972,602.10		
4	Interest	\$3,414,471.53		
5	Servicing Costs	\$33,184.93		
6	Other Ongoing Costs	\$190,401.40		
	Total Prior Remittance Period Revenue			
7	Requirement (Line 3+4+5+6)	\$9,610,659.96		
	<i>Prior Remittance Period Actual Cash Receipt</i>			
8	<i>Transfers and Interest Income</i>			
9	Cash Receipts Transferred to the SPE	(\$7,431,968.95)		
10	Interest Income on Subaccounts at the SPE	(\$113,838.79)		
10a	Excess Amount from Issuance	(\$1,400,000.00)		
	Total Cash Receipt Transfers and Interest Income			
11	(Line 9+10+10a) (Over)/Under Collections of Prior Remittance	(\$8,945,807.74)		
12	Period Requirements (Line 7+11)	\$664,852.22		
13	Cash in Excess Funds Subaccount at SPE	\$0.00		
	Cumulative (Over)/Under Collections for Prior			
14	Remittance Period (Line 12+13)	\$664,852.22		\$664,852.22
15				
16				
Current Remittance Period Beginning March				
17 1, 2024, and Ending August 31, 2024:				
18	<i>Current Remittance Period Revenue Requirement</i>			
19	Principal	\$3,949,385.98	\$0.00	
20	Interest	\$2,294,681.18	\$0.00	
21	Servicing Costs	\$0.00	\$23,750.00	
22	Other Ongoing Costs	\$3,000.00	\$139,500.00	
	Total Current Remittance Period Revenue			
23	Requirement (Line 19+20+21+22)	\$6,247,067.16	\$163,250.00	
24				
	<i>Current Remittance Period Cash Receipt</i>			
25	<i>Transfers and Interest Income</i>			
26	Cash Receipts Transferred to the SPE	(\$2,368,134.40)	(\$4,229,130.03)	
27	Interest Income on Subaccounts at the SPE	(\$30,109.61)	(\$60,000.00)	
	Total Cash Receipt Transfers and Interest Income			
28	(Line 26+27)	(\$2,398,244.01)	(\$4,289,130.03)	
	Estimated Current Remittance Period			
29	(Over)/Under Collection (Line 23+28)	\$3,848,823.15	(\$4,125,880.03)	(\$277,056.88)

30

31

**Projected Remittance Period Beginning
September 1, 2024, and Ending February 28,**

32 **2025:**

33 *Projected Remittance Period Revenue Requirement*

34 Principal \$4,051,181.40

35 Interest \$2,192,885.76

36 Servicing Costs \$23,750.00

37 Other Ongoing Costs \$193,825.00

37a Estimated Bad Debt (Undercollections) \$44,323.75

Total Projected Remittance Period Revenue

38 Requirement (Line 34+35+36+37+37a) \$6,505,965.91 \$6,505,965.91

39

Total WESCR Adjustment Mechanism Revenue

40 Requirements (Line 14+29+38) \$6,893,761.25

41

42

43

44	Customer Class	Forecasted 6- Month Customer Count	Allocation Factor	Projected Revenue Requirement Allocated to Customer Class	WESCR Charge
45	Residential Sales Service	789,390	75.0155%	\$5,171,389.47	\$6.55
46	Commercial/Public Authority	60,294	24.1666%	\$1,665,987.71	\$27.63
47	School Sales Service	384	0.2638%	\$18,185.74	\$47.36
48	Industrial Sales Service	102	0.1598%	\$11,016.23	\$108.00
49	Small Generator	438	0.0001%	\$6.89	\$0.02
50	Irrigation Engine	1,254	0.3942%	\$27,175.21	\$21.67
				\$6,893,761.25	

EXHIBIT 3
WESCR FOR PAYMENT PERIOD

Customer Class	Charge
Residential Sales Service	\$6.55
Commercial/Public Authority	\$27.63
School Sales Service	\$47.36
Industrial Sales Service	\$108.00
Small Generator	\$0.02
Irrigation Engine	\$21.67

Form RF	Index No.
THE STATE CORPORATION COMMISSION OF KANSAS	
ATMOS ENERGY CORPORATION	<u>SCHEDULE V- Purchased Gas Adjustment (PGA)</u>
(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 10 of 13 Sheets

SECTION 4 – WINTER EVENT SECURITIZED COST RECOVERY RIDER (WESCR)

Applicability

This rider is applicable to all service provided under sales rate schedules 910, 915, 920, 930, 940 and 965 beginning with the first billing cycle following the issuance of securitized bonds pursuant to a Financing Order issued in Docket No. 22-ATMG-538-TAR. Service is subject to the Definitions and Conditions section below.

Net Monthly Charge

Current Charge	Monthly Fixed Charge
Residential Sales Service	\$6.726.55
Commercial/Public Authority	\$27.7027.63
School Sales Service	\$48.1647.36
Industrial Sales Service	\$109.84108.00
Small Generator Sales Service	\$0.02
Irrigation Engine Sales Service	\$22.1521.67

1. The Winter Event Securitized Cost Recovery Rider (WESCR) shall be applied as a fixed monthly charge calculated as described below for recovery of extraordinary costs incurred related to Winter Storm Uri (Winter Event).
2. All WESCR fixed monthly charges shall be calculated to the nearest \$0.01 per customer. All charges set forth in the rate schedule under which the customer take service shall also apply.
3. Initial Charge: The initial WESCR shall be determined as follow:
 - a. The initial 12 months of principal, interest and servicing costs (adjusted for forecasted write-offs and late payments) for the Securitized Utility Tariff Bonds shall be allocated to the sales rate schedules as follows:

<p>Issued: May <u>November</u> 17 2024 <u>2023</u></p> <p style="text-align: center;">(Month) (Day) (Year)</p> <hr/> <p>Effective: July <u>January</u> 1 2024</p> <p style="text-align: center;">(Month) (Day) (Year)</p> <hr/> <p>By: /s/ Kathleen R. Ocanas VP Rates & Reg Affairs</p> <p style="text-align: center;">(Signature of Officer) (Title)</p>	<p>22-ATMG-538-TAR</p> <p>Approved <u>JG</u></p> <p>Kansas Corporation Commission</p> <p>October 25, 2023</p> <p><u>/s/ Lynn Retz</u></p>
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THE STATE CORPORATION COMMISSION OF KANSAS

ATMOS ENERGY CORPORATION

SCHEDULE V- Purchased Gas Adjustment (PGA)

(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.

Rate Schedule	Estimate of February 2021 Usage (Ccf)	Allocation %
Residential Sales Service	23,505,675	75.015%
Commercial/Public Authority	7,572,483	24.167%
School Sales Service	82,668	0.264%
Industrial Sales Service	50,073	0.160%
Small Generator Sales Service	31	0.0001%
Irrigation Engine Sales Service	123,509	0.394%
Total	31,334,439	100.000%

b. The allocated principal, interest, servicing costs shall then be divided by the forecasted annual customer count for each rate schedule to calculate a monthly charge per customer.

4. WESCR Adjustment Mechanism: No less often than every six months, the Company shall adjust the WESCR charge for the over-or under-collections and to ensure the timely and complete payment of Securitized Utility Tariff Bonds and other financing costs. The WESCR shall be calculated for each rate class in the following manner:

$$\text{WESCR} = (\text{WESCR Adjustment Mechanism Revenue Requirement} * \text{Allocation \% by Class}) / \text{Forecasted Customer Count by Class}$$

Where:

$$\text{WESCR Adjustment Mechanism Revenue Requirement} = \text{Cumulative (Over)/Under Collections for Prior Remittance Period} + \text{Estimated Current Remittance Period (Over)/Under Collections} + \text{Projected Remittance Period Revenue Requirement}$$

Issued:	<u>May</u> Novemb 17	<u>2023</u> 2024	<p>22-ATMG-538-TAR Approved JG Kansas Corporation Commission October 25, 2023 /s/ Lynn Retz</p>
	(Month) (Day)	(Year)	
Effective:	<u>January</u> July 1	2024	
	(Month) (Day)	(Year)	
By:	/s/ Kathleen R. Ocanas VP Rates & Reg Affairs		
	(Signature of Officer)	(Title)	

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