

# Attachment B

## Proposed Tariffs

**ATMOS ENERGY CORPORATION**  
**1555 Blake St., Suite 400**  
**Denver, Colorado 80202**

**Colo. P.U.C. No. 7 Gas**  
**Forty-Ninth Revised Sheet No. 9**  
**Cancels Forty-Eight Revised Sheet No. 9**

**NATURAL GAS RATES**  
*Cost Adjustment & Rate Component Summary*  
**All volumetric rates at \$ per CCF**

<u>Class/Sheet No.</u>	<u>Type of Charge</u>	<u>N</u>	<u>SE</u>	<u>SW</u>	
<b>Residential</b>					
15	Facilities Charge	\$11.60	\$11.60	\$11.60	
	PIPP	\$0.02	\$0.02	\$0.02	
	Gas DSMCA	\$0.45	\$0.45	\$0.45	
	Gas Cost Adjustment (GCA):				
	Commodity	\$0.33894	\$0.31806	\$0.34921	
	Upstream Pipeline	0.21636	0.10474	0.03252	
	Deferred Gas Cost	<u>(0.00000)</u>	<u>0.01240</u>	<u>(0.04870)</u>	
	Total GCA	\$0.55530	\$0.43520	\$0.33303	
	Distribution System Rate	0.18648	0.18648	0.18648	
	Volumetric DSMCA	0.00731	0.00731	0.00731	
	Volumetric SSIR Surcharge	<u>0.05417</u>	<u>0.05417</u>	<u>0.05417</u>	(I,I,I)
	Total volumetric rate for class	<u>\$0.80326</u>	<u>\$0.68316</u>	<u>\$0.58099</u>	(I,I,I)
<b>Small Commercial &amp; Commercial</b>					
15	Facilities Charge	\$28.24	\$28.24	\$28.24	
	PIPP	\$0.02	\$0.02	\$0.02	
	Gas DSMCA	\$0.09	\$0.09	\$0.09	
	Gas Cost Adjustment (GCA):				
	Commodity	\$0.33894	\$0.31806	\$0.34921	
	Upstream Pipeline	0.21636	0.10474	0.03252	
	Deferred Gas Cost	<u>(0.00000)</u>	<u>0.01240</u>	<u>(0.04870)</u>	
	Total GCA	\$0.55530	\$0.43520	\$0.33303	
	Distribution System Rate	0.11023	0.11023	0.11023	
	Volumetric DSMCA	0.00036	0.00036	0.00036	
	Volumetric SSIR Surcharge	<u>0.03203</u>	<u>0.03203</u>	<u>0.03203</u>	(I,I,I)
	Total volumetric rate for class	<u>\$0.69792</u>	<u>\$0.57782</u>	<u>\$0.47565</u>	(I,I,I)
<b>Irrigation Service</b>					
17	Facilities Charge	\$44.89	\$44.89	NA	
	PIPP	\$0.02	\$0.02		
	Gas Cost Adjustment (GCA):				
	Commodity	\$0.33894	\$0.31806	NA	
	Upstream Pipeline	0.21636	0.10474		
	Deferred Gas Cost	<u>(0.00000)</u>	<u>0.01240</u>		
	Total GCA	\$0.55530	\$0.43520		
	Distribution System Rate	0.10241	0.10241		
	Volumetric SSIR Surcharge	<u>0.02975</u>	<u>0.02975</u>		(I,I,I)
	Total volumetric rate for class	<u>\$0.68746</u>	<u>\$0.56736</u>		(I,I,I)

**DO NOT WRITE  
IN THIS SPACE**

Advice Letter No. XXX  
 Decision or Authority No.

s/Jared Geiger  
 Title: Vice-President  
 Rates and Regulatory Affairs

Issue Date: March, 2019  
 Effective Date: April 1, 2019

**ATMOS ENERGY CORPORATION**  
 1555 Blake St., Suite 400  
 Denver, Colorado 80202

**Colo. P.U.C. No. 7 Gas**  
**Twenty- Eighth Revised Sheet No. 11**  
**Cancels Twenty-Seventh Revised Sheet No. 11**

**NATURAL GAS RATES**  
*Cost Adjustment & Rate Component Summary*

**All volumetric rates at \$ per CCF**

Class/Sheet	<u>No.</u>	<u>Type of Charge</u>	<u>N</u>	<u>SE</u>	<u>SW</u>
<b>Transportation Service</b>					
	23, 25	Facilities Charge	\$84.17	\$84.17	\$84.17
		Gas Cost Adjustment (GCA):			
		Commodity	NA	NA	NA
		Upstream Pipeline	NA	NA	NA
		Deferred Gas Cost	NA	NA	NA
		Transportation Gas Cost Adj.	<u>\$0.00602</u>	<u>\$0.00602</u>	<u>\$0.00602</u>
		Total GCA	\$0.00602	\$0.00602	\$0.00602
		Max Distribution System Rate	0.09115	0.09115	0.09115
		Volumetric SSIR Surcharge	<u>0.02649</u>	<u>0.02649</u>	<u>0.02649</u>
		Total volumetric rate for class	<u>\$0.12366</u>	<u>\$0.12366</u>	<u>\$0.12366</u>

(I,I,I)  
 (I,I,I)

DO NOT WRITE  
  
 IN THIS SPACE

Advice Letter No. XXX

s/Jared Geiger  
 Title: Vice-President  
 Rates and Regulatory Affairs

Issue Date: March , 2019

Decision or Authority No.

Effective Date: April 1, 2019

1555 Blake St., Suite 400  
Denver, Colorado 80202

Fifth Revised Sheet No. 27  
Cancels Fourth Revised Sheet No. 27

**NATURAL GAS RATES  
SYSTEM SAFETY AND INTEGRITY RIDER**

1. **APPLICABILITY.** Rate Schedules for natural gas service are subject to a System Safety Integrity Rider (“SSIR”) designed to collect Eligible System Safety and Integrity Costs, as defined herein. The SSIR rates will be subject to annual changes to be effective on January 1 of each year. The SSIR will end on December 31, 2023 and recover capital investments made between September 1, 2015 and December 31, 2023. The SSIR rates to be applied to each rate schedule are as set forth on Sheet Nos. 9 and 11 (exclude special contracts and other revenue).
2. **ANNUAL FILINGS.** Each proposed revision in the SSIR rates will be accomplished by filing an Advice Letter on November 1 of each year to take effect on the following January 1. The Company will include in its annual SSIR filings all pertinent information and supporting data, including a 5 Year Forecast Document, related to Eligible System Safety and Integrity Costs, including but not limited to: project name; project scope; ; estimated start and completion dates, project cost estimate;; and status update. When applicable, the Company will also include: SSIR prioritization results; project prioritization score; discussion of risk modifiers; diagram of proposed replacement project; change of right-of-way; and change of capacity. On or before March 15 of each year the Company will file a true-up report with the Commission that will match final costs with revenues collected and the Company will file the SSIR Cost Prudency Review describing the Projects completed in the prior year and their associated costs.
3. **DEFINITIONS.**
  - 3.1 “Deferred SSIR Balance” shall be equal to the balance, positive or negative, of SSIR revenues at the end of the 12-month period for the year prior to the annual SSIR filing less the Eligible System Safety and Integrity Costs as projected by the Company for that 12-month period.
  - 3.2 “Eligible System Safety and Integrity Costs” shall mean (1) a return, at a percentage equal to the Company’s weighted average cost of capital grossed up for taxes, approved in Proceeding No. 17AL-0429G on the projected increase in the average 12 month-ending net plant in-service balances associated with the projects for the following 12-month period in which the SSIR rates will be in effect, exclusive of all plant in-service included in the determination of the revenue requirements approved in the Company’s last general rate case; (2) the plant-related ownership costs associated with such incremental plant investment, including depreciation, accumulated deferred income taxes (if the Company has no regulated net operation loss), and all taxes including income taxes and property taxes; and (3) no operations and maintenance expenses shall be included as an SSIR Eligible Cost

**DO NOT WRITE  
IN THIS SPACE**

1555 Blake St., Suite 400  
Denver, Colorado 80202

Fourth Revised Sheet No. 28  
Cancels Third Revised Sheet No. 28

N

**NATURAL GAS RATES**  
**SYSTEM SAFETY AND INTEGRITY RIDER (continued)**

3.3 “System Safety Integrity Rider Projects” (“SSIR Projects”) are defined as the bare steel and PVC SSIR Projects approved in Proceeding Nos. 15AL-0299G and 17-AL-0429G (“Bare Steel & PVC Projects”) and the non-field work components of the GIS Improvement Project approved in Proceeding No. 18A-0765G. SSIR Projects shall be system high and moderate risk integrity projects that are (a) identified by the Company and approved on a preliminary basis by the Commission based on filing made on or before each November 1, (b) implemented in consultation with the Staff of the Commission and the Office of Consumer Counsel, and (c) ultimately approved for inclusion in the SSIR by the Commission through a filing made on or before each November 1. Such SSIR Projects shall be consistent with the Company’s compliance with federal and state regulatory requirements including, but not limited to, 49 CFR Part 192, final rules and regulations of the Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Environmental Protection Agency (EPA) that become effective on or after the effective date of the SSIR.

3.4 “SSIR True-Up Amount” shall be equal to the difference, positive or negative, between the Eligible System Safety Integrity Rider Costs as projected for the 12-month period for the year prior to the annual SSIR filing and the actual Eligible System Safety Integrity Rider Costs incurred by the Company for that 12-month period.

SSIR RATES CALCULATION.

4. 4.1 The SSIR shall be equal to the Eligible System Safety Integrity Rider Costs, plus or minus the SSIR True-Up Amount, plus or minus the Deferred SSIR Balance (SSIR Deficiency). SSIR rates will be calculated by first taking the SSIR Deficiency and allocating it to each rate class based on the Company’s most recent rate case allocation. Each customer class’s portion of deficiency will then be volumetric component. The total bill increase for sales customers associated with the SSIR shall not exceed 2.5 percent per year as calculated below. In each annual SSIR filing, Atmos Energy will calculate the total revenue from sales customers for the 12 months ending four months prior to the date of the filing. Atmos Energy will further calculate the revenue increase associated with the proposed SSIR for its sales customers.

5. SSIR ADJUSTMENT WITH CHANGES IN BASE RATES.

Any costs approved by the Commission allocated and collected volumetrically via the SSIR will be shifted to base rates only in the context of a rate case filing that included a class cost of service and rate design component analysis, including a full cost of service study.

**DO NOT WRITE  
IN THIS SPACE**

Advice Letter No. XXX  
Decision or Authority No. 18A-0765G

s/Jared N. Geiger  
Title: Vice-President  
Rates & Regulatory Affairs

Issue Date: March , 2019  
Effective Date: April 1, 2019

**ATMOS ENERGY CORPORATION**  
**1555 Blake St., Suite 400**  
**Denver, Colorado 80202**

**Colo. P.U.C. No. 7 Gas**  
**Ninth Revised Sheet No. 29**  
**Cancels Eighth Revised Sheet No. 29**

6. MEETINGS WITH COMMISSION STAFF AND OFFICE OF CONSUMER COUNSEL

The Company shall meet twice per year. Once on or around April 1 there would be a meeting after Atmos Energy has received the bids for that year's projects to discuss any modifications to the proposed list of projects that may be appropriate if the bids turn out to be significantly different than the estimated costs (included in the previous November 1 filing). Next there would be a meeting on or about October 1 to discuss the status of the projects following the primary construction season.

7. SSIR RATES

<u>Class</u>	<u>Volumetric SSIR</u>
Residential	\$0.05417
Commercial	\$0.03203
Irrigation	\$0.02975
Transportation	\$0.02649

SSIR Rates are in addition to each class' existing base rates.

I  
I  
I  
I

**DO NOT WRITE  
IN THIS SPACE**

Advice Letter No. XXX  
Decision or Authority No.

s/Jared Geiger  
Title: Vice-President  
Rates & Regulatory Affairs

Issue Date: March , 2019  
Effective Date: April 1, 2019