# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSISSIPPI

# RE: SYSTEM INTEGRITY RIDER

# **DOCKET NO. 2015-UN-049**

# ATMOS ENERGY CORPORATION ID: GC-123-0081-00

# ORDER APPROVING COMPLIANCE TARIFFS

This day this matter came before the Mississippi Public Service Commission ("Commission") for approval of a compliance tariff attached hereto as Exhibit "A" pursuant to the Commission's October 23, 2018 order (the "October 23<sup>rd</sup> Order") in this docket.

The Commission hereby finds that the tariff attached hereto as Exhibit "A" conform with the October 23<sup>rd</sup> Order, and there is no opposition to said tariff.

IT IS, THEREFORE, ORDERED by the Commission that the tariff attached hereto as Exhibit "A" is hereby approved.

ORDERED AND ADJUDGED by the Commission, this the (fh) day of NUMBER , 2018.

SERVICE	MISSISSIPPI PUBLIC SERVICE COMMISSION
	BY: HilinColi
L	Katherine Collier, Executive Secretary
A. S.	Notara Jack
ISSUED on this the	day of Weinber, 2018.

Docket No. 2015-UN-049

Date Filed: November 1, 2018 Date Effective: November 1, 2018 MISSISSIPPI PUBLIC SERVICE COMMISSION System Integrity Rider (Second Revised)

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#### SYSTEM INTEGRITY RIDER

#### I. APPLICABILITY.

Rate Schedules 301, 304, 305, 306, 307, 308, 309, 310, 311, 319, 323, 331 and 335 for natural gas service are subject to a System Integrity Rider ("SIR") designed to collect the revenue requirement of Eligible System Integrity Investments and costs, as defined herein. The SIR will be subject to annual changes to be effective on November 1 of each year.

#### II. ANNUAL FILINGS.

Each proposed revision of the SIR rate will be accomplished by the filing of three (3) petitions and one (1) annual report.

- i. A notice of intent on or before March 1 (beginning in 2016) for approval of proposed SIR projects which will include a listing of the proposed projects including but not limited to the information included in Section VI, the revenue requirement and rate impact associated with the proposed change and the projected revenue requirements and rate impacts for the following 4 years.
- ii. A notice of intent to change rates made on or before March 1 incorporating the proposed SIR investments and related revenue requirement.
- iii. A true-up filing by March 1 (beginning in 2018) detailing the actual costs incurred for completed projects and the actual revenue requirement for the rate period. This filing will explain how the Project costs were managed and any deviations between budgeted and actual costs as further explained in Section III (C) below. After March 1 and throughout the fiscal year, Staff will be free to audit all of the actual costs incurred and included in the calculation of the actual revenue requirements reported in the true-up filing. Any incomplete projects at the end of the rate period will be removed from the calculation of the actual revenue requirement.
- iv. A report shall be filed on or before March 15 of each year for purposes of monitoring operational savings derived from the system integrity spending. The report shall provide the results of performance metrics measuring any reduction in incidents and safety-related events, including a year-over-year comparison of leak repairs made and the year-over-year comparison of leak calls received from customers or thirds parties, as well as the effectiveness of the system integrity program, including any reductions in associated O&M expenses.

Staff shall submit a report to the Commission no later than June 1 with its recommendation related to the proposed SIR projects and the proposed level of capital spending. If the projected increase in SIR revenue requirement resulting from the proposed projects exceeds four percent (4%) of the Mississippi Division's projected total revenues or if the Staff and the Company cannot agree as to the appropriateness of the proposed projects and related level of capital spending, then a hearing before the Commission will be held in July. The Company shall update its annual SIR filing by July 1 to include the proposed SIR projects, a revised calculation of the SIR rates proposed for approval by the Commission, and an update to the beginning investment balance as of November 1 of the filing year using five months of actual investment and seven months of projected investment consistent with the calculation of the true-up. The evaluation procedures, deadlines, and dispute resolution process for this filing will be the same as those which apply to the Stable/Rate Evaluation filing as described in the "Evaluation Procedures" section of the Stable/Rate Adjustment Rider tariff.



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# SYSTEM INTEGRITY RIDER

#### III. DEFINITIONS.

A. "Eligible System Integrity Rider Revenue Requirement" shall include (1) a return<sup>4</sup>, at a percentage equal to the Company's last approved Stable/Rate Plan weighted average cost of capital grossed up for taxes, on the average of the expected SIR net plant in-service balances associated with the Eligible Projects at the beginning and end of the rate period, exclusive of all plant in-service included in the determination of the Stable/Rate and SGR revenue requirements; and (2) the plant-related ownership costs associated with such plant investment, which shall include depreciation expense<sup>2</sup>, accumulated depreciation, accumulated deferred income taxes, and income and property taxes<sup>3</sup>.

B. "System Integrity Rider Projects" ("Eligible Projects") shall mean system integrity rider projects that are (a) identified by the Company as of March 1 each year to be completed in the following year and (b) approved by the Commission. Such Eligible Projects shall be one or more of the following:

- Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart O (Gas Transmission Pipeline Integrity Management), including projects in accordance with the Company's transmission integrity management program ("TIMP") and projects in accordance with State enforcement of Subpart O and the Company's TIMP;
- 2) Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart P (Gas Distribution Pipeline Integrity Management), including projects in accordance with the Company's distribution integrity management program ("DIMP") and projects in accordance with State enforcement of Subpart P and the Company's DIMP;
- 3) Projects in accordance with final rules and regulations of the U.S. 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 System Integrity Rider. For all such rules, the Company will identify and provide a full explanation of the new rules. The Company shall also identify all projects resulting from such new rules.

<sup>&</sup>lt;sup>1</sup> Per 12/5/17 Order in Docket 2005-UN-503, Company may base its calculations on actual long term debt and equity percentages for consideration by the MPSC in lieu of the cap on common equity of 52.5% reflected in Docket 2015-UN-049.

<sup>&</sup>lt;sup>2</sup> The depreciation rates used for the calculation of depreciation expense for the SIR, both when calculating annually the SIR eligible investments and when performing the annual true-up of the SIR, shall be the weighted average of the annual depreciation rates for Mains (Account 376), Services (Account 380) and Meter & Regulator Stations (Account 378) as established by the Commission for the projected eligible investments in its last Stable/Rate proceeding.

<sup>&</sup>lt;sup>3</sup> The ad valorem tax rate shall be calculated using the previous Stable/Rate direct plant balances and ad valorem tax information to calculate an effective rate to be applied to the projected investment spending. The ad valorem expense should only reflect an increase to the millage rate if the Company can clearly demonstrate by the filing dispute deadline that a higher millage rate has been approved and will be applied during the rate period.

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#### SYSTEM INTEGRITY RIDER

C. "SIR True-Up Amount" shall be equal to the difference, positive or negative, between the Eligible System Integrity Rider revenue requirement as projected for the 12-month period for the year prior to the annual SIR filing and the actual Eligible System Integrity Rider revenue requirement incurred by the Company for that 12-month period. For the calculation of the actual revenue requirement the Company shall use the same capital structure and allowed return as was used in the projected revenue requirement.

In the true-up calculation to be filed March 1 of each year, the Company will utilize its current short term debt rate in determining carrying charges on revenue requirement under estimates and its weighted average cost of capital from the most recent approved Stable/Rate filing in determining carrying charges on revenue requirement over estimates. The true-up shall be applicable to revenue requirements only. The true-up will then flow through the annual SIR rate filing also submitted March 1. (In accordance with SIR Schedule G2.)

#### IV. SIR ADJUSTMENT CALCULATION

The System Integrity Rider shall be equal to the Eligible System Integrity Rider Costs, plus or minus the SIR True-Up Amount.

#### V. SIR ADJUSTMENT WITH CHANGES IN BASE RATES

Whenever the Company implements changes in base rates as a result of a final Commission order in a general rate case or other base rate docket setting new rates based on approved revenue requirements, the Company will simultaneously adjust the SIR to remove all costs from the SIR rates and include them in base rates or as part of the Stable Rate Factor.

# VI. DOCUMENTATION IN SUPPORT OF FUTURE NET INVESTMENT<sup>4</sup>

A. Capital Project Summary Sheet (Plant in Service) by Type (Growth, IT, Public Improvements, System Integrity, Vehicles/Large Trucks, Equipment, Other):

The Company shall provide a complete listing of the Company's capital programs and projects whether included in the programs reflected in the Stable/Rate Filing or in a proposed System Integrity Rider ("SIR"). The summary should clearly show the amount to be closed to plant in the period or filing being requested. This listing (Capital Project Summary Sheet) shall include the projects listed in the Company's annual budget as described in Section C below that the Company is seeking to include in rate base, with explanations for any revisions to the cost estimates or scope of the projects since the most recent filing.

B. Major Specific Projects (\$1 million and above closing to plant in the rate period):

<sup>&</sup>lt;sup>4</sup> Nothing herein shall preclude the Staff from requesting additional documentation from the Company or from challenging the Company's adjustments on the basis that the additional documentation presented is insufficient for the Staff to conclude that any such adjustment is known and measurable. Further, the Staff or the Company may at any time propose modifications to the required documentation to support future net investment for approval by the Commission.

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# SYSTEM INTEGRITY RIDER

For each capital project listed in Section A above for which the estimated capital costs exceed \$1 million and which does not fall within the description of functional project<sup>5</sup> spending described in Section D below, the Company shall provide as minimum filing requirements the following documentation:

- Clearly defined project description, including a detailed narrative of the project objective and specific regulatory requirement for project,
- 2) The projected start and end dates of the project,
- 3) Any historical spending on the project, if applicable, and developed cost estimates for the spending in the rate period, and
- 4) An analysis that describes the following:
  - a. How the project advances safety, system integrity, or other similar purposes,
  - b. Why the project is appropriate at this time,
  - c. Alternative(s) that were considered and the cost associated with alternative(s) or a statement explaining no feasible alternatives exist, and
  - d. Any engineering plans, specifications or drawings that exist at the time of the filing.
- C. Specific Projects (between \$100k and \$1 million closing to plant in the rate period):

For each capital project listed in Section A, above, for which the estimated capital costs exceed \$100k but are less than \$1 million and which does not fall within the description of functional project spending described in Section D, below, the Company shall provide as minimum filing requirements the following documentation, with the understanding that the Company shall provide any additional documentation in response to data requests by the Staff that will facilitate the Staff's review of the Company's requested spending:

- 1) Clearly defined project description and a detailed narrative of the project objective and specific regulatory requirement for the project,
- 2) Explain how the project advances safety, system integrity, or other similar purposes,
- 3) The projected start and end dates of the project, and
- 4) Any historical spending on the project, if applicable, and developed cost estimates for the spending in the rate period.
- D. Functional Projects:

For capital spending for functional projects that can be categorized into programs with defined objectives that meet the requirements in Section III (B) above that are budgeted collectively and which are not captured in Sections B and C above, the Company shall provide:

- 1) Program description, including the geographical location if specific areas are being targeted, and a detailed narrative of the purpose of the program and specific regulatory requirement,
- 2) Explain how the project advances safety, system integrity, or other similar purposes,
- Cost estimate based upon an analysis of historical plant in service data from which the amount requested to be included in rate base was derived, and
- 4) An explanation for any material deviations from historical program trends that are reflected in the amount requested to be included in rate base.

<sup>&</sup>lt;sup>5</sup> Functional projects are defined as those projects which are small in nature individually and undertaken on a repetitive basis, such as replacing steel service lines.

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# SYSTEM INTEGRITY RIDER

#### E. Additional Documentation:

In addition to the documentation and information described above, the Company shall provide to the Staff during the discovery phase responses to any request for documentation or accounting entries that support the historical data or known and measurable adjustments upon which the proposed rate adjustments are based, including without limitation an audit of transactions performed by means of the establishment of a population thereof and drawing a statistically valid sample from that population for the purposes of carrying out the audit.

Projects shall be analyzed based upon objective criteria, such as, but not limited to: specific regulatory requirements, threat assessment, corrosion control analysis, pipeline vintage, pipeline material, pipeline design and class location, pipeline configuration and segmentation, pipeline maintenance and internal inspection history, pipeline piggability, existence and reliability of pipeline asset and testing records, pipeline leakage and other incident history, subject matter expert knowledge, project timeframe, weather and climate constraints on the construction season, permitting constraints, probability of pipeline testing failures and dewatering constraints, service outage management, and pipeline source of supply and availability of alternate gas supply. As part of its analysis, the Company shall identify and describe the proposed projects that are for high-risk gas infrastructure by providing its risk assessment for each such project including, if applicable, the probability of failure, the consequences of failure for the project and how it prioritized the project for which it seeks recovery.

If requested by the Staff, the Company shall provide responses to a pre-defined set of data requests simultaneously with the filing of its annual evaluation in order to facilitate the Staff's review and analysis of said evaluation.

The Company agrees that its refusal or delay in complying with the data requests of the Staff shall, unless the Company can (after notice and opportunity for hearing) show just and reasonable cause for its refusal or delay, have the effect of suspending the next succeeding annual increase in operation of rates for the number of days equal to the number of days the Company has failed to comply with any such data requests.

#### VII. RATE DESIGN

The Company will design its System Integrity Rider rates in proportion to the fixed and volumetric revenues (by rate schedule) established in its most recent Stable Rate Evaluation. Volumes billed under the SIR shall be subject to Rider Schedule 326 Weather Normalization Adjustment Rider.

#### VIII. HEARINGS

Each annual revenue adjustment is separately considered for the purpose of determining whether a hearing is required pursuant to <u>Mississippi Code Annotated</u> § 77-3-39(1) (Supp. 1997), and no such hearing is required if the amount of a separate annual adjustment to the level of jurisdictional revenues of the utility is not a "major change" as defined in <u>Mississippi Code</u> § 77-3-37(8) (Supp. 1997). A hearing is required as provided in <u>Mississippi Code Annotated</u> § 77-3-2(3)(c)(ii) (Supp. 1997), if the cumulative change in any calendar year exceeds the greater of Two Hundred Thousand Dollars (\$200,000) or four percent (4%) of the annual revenues of the utility.

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# SYSTEM INTEGRITY RIDER

#### IX. TERM

This tariff shall be effective upon approval by the Mississippi Public Service Commission. The first annual filing shall be made on the first Annual filing date after the tariff becomes effective. Nothing herein shall prevent the Company or Staff from proposing, in the manner provided by law, changes in or abandonment of this tariff at any time but this tariff shall continue in effect until modified or terminated as provided by MCA § 77-3-41.

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January 5, 2018 Date Filed: Date Effective: March 1, 2018

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# SYSTEM INTEGRITY RIDER

#### Atmos Energy Corporation - Mississippi Division SYSTEM INTEGRITY RIDER **REVENUE REQUIREMENTS - FIVE YEAR SUMMARY**

٣	(1)	r (2)	(3)	٣	(4)	(5)	(6)	(7)	(8)
L	INE #	RATE BASE	FERC		ENDING RATE PERIOD 10/31/XX				
_	1	Eligible Investments	101,102,10	6					
	2	Less: Accumulated Depreciation	108,111 281-283, ne	.+					
	3	Less: Deferred Income Taxes	of 190	7L					·
	4	Net Rate Base							
	5	Average Net Rate Base							
	6	Return on Average Net Investment:							
	7	Net Income							
	8	interest							
	9	Pre-Tax Income							
	10	Investment Expenses:							
	11	Depreciation	403						
	12	Property Taxes	408.2						
			409.2,410.2	2,					
	13	income Taxes	411.2		<u> </u>				
	14	Revenue Requirement (sum Lines 9 - 13)		_					<u> </u>
	15	True Up (2 years prior)			·				
	16	Total Revenue Requirement		_			·		
				015					

SIR SCHEDULE G Page 1 CALCULATION OF REVENUE REQUIREMENT

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# SYSTEM INTEGRITY RIDER

# Atmos Energy Corporation - Mississippi Division SYSTEM INTEGRITY RIDER DETERMINATION OF REVENUE REQUIREMENT

F	(1)	(2)	(3)	(4)	(5)
	LINE #	RATE BASE	FERC	BEGINNING RATE PERIOD 11/1/20XX	ENDING RATE PERIOD 10/31/20XX
	<u>.</u>		101,102,106		
	1	Eligible Investments	101,102,100		
	2	Less: Accumulated Depreciation			
			281-283, net		
	3	Less: Deferred Income Taxes	of 190		
	4	Net Rate Base			
	5	Average Net Rate Base			
	6	Return on Average Net Investment:			
	7	Net Income			
	8,				
	9	Pre-Tax Income (Lines 7 + 8)			
	10	Investment Expenses:	400		
	11	Depreciation	403		
	12	Property Taxes	408.2		
			409.2,410.2,	·	
	13	Income Taxes	411.2		<b>├</b>
	14	Revenue Requirement (sum Lines 9 - 13)			
	15	True Up (2 years prior)			
	16	Total Revenue Requirement			ļ

# SIR SCHEDULE G Page 2 CALCULATION OF REVENUE REQUIREMENT

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	Atmos Energy Adjustm	Corporation - Mis lent to Rate Base (	sissippi Division Calculation		
			d Ended Twelve Months d Current Evaluation	<u>s Prior</u>	
(1)	<b>ř</b> (2)	<b>7</b> (3)	(4) ACTUAL BEGINNING SYSTEM INTEGRITY	(5) ACTUAL ENDING SYSTEM INTEGRITY RATE BASE	(6)
LINE #	ITEMS	FERC	RATE BASE 11/1/20xx	10/31/20xx	
1.	PLANT-IN-SERVICE +	101,102,106			
2.	LESS: ACCUM DEPRECIATION +	108,111			
	NET PLANT				
	LESS:	281-283, net			
3.	DEFERRED INCOME TAX +	of 190			
4.	ACTUAL AVERAGE PLANT LESS ACCUM DEF & LESS DEFERRED INCOME TAX	PREC			
5.	AVERAGE NET INVESTMENT				
6. 7. 8. 9.	RETURN ON INVESTMENT NET INCOME INTEREST PRE-TAX INCOME				
10. 11. 12.	INVESTMENT EXPENSES: DEPRECIATION PROPERTY TAXES	403 408.2 409.2,410.2,			
13.	INCOME TAXES	411.2			
14.	REVENUE REQUIREMENT				
15.	CUMULATIVE UNDER/OVER RECOVERY				
16.	INTEREST ON UNDER/OVER RECOVERY				
17.	SIR TRUE UP				

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# SYSTEM INTEGRITY RIDER

System Integrity Rider 20XX Rate Calculation (20XX Investment) Effective November 1, 20XX			Total Revenue Requiremen Base Charge Commodity Charge	s	\$ \$ \$	-			% of Com			Typical C	Customer
	12 mo ended Dec 20XX	% of Base Charge		Base Charge		Ň	/olumetric Monthly Rates	12 mo ended Dec 20XX	% of Com Charge		Commodity Charge		niy Bill
Fixed Monthly Rates	Dec 20XX	Charge		base charge			Residential Year Round						
301 Residential Year Round 301 Residential Year Round Multi Unit					1 1		Residential Year Round Multi Unit					S - fixed	
Base Charge Total			Yearly Rev. Requirement	s -	1 1	c	Commodity Charge Total			Yearly Rev. Requirement	\$-		metric charge
Average Base Charge Count			Monthly Charge per bill			т	Fotal Volumes			Charge per CCF		\$ - Tota	al
304 Commercial Year Round Multi Unit						304 0	Commercial Year Round Mutti Unit						
304 Public Authority Year Round Multi Unit					1 1		Public Authority Year Round Multi Unit					S - fixe S - volu	d charge Imetric charge
Base Charge Total			Yearly Rev. Requirement	s -		c	Commodity Charge Total			Yearly Rev. Requirement	s -	<u>s -</u> voiu s - Tot	
Average Base Charge Count			Monthly Charge per bill			I	Tota! Volumes			Charge per CCF		\$ - 105	ai
305 Commercial Year Round							Commercial Year Round						
305 Industrial Year Round					1 1		ndustrial Year Round						
305 Public Authority Year Round							Public Authority Year Round			•		\$-fixe	d charge
305 Unmetered Gas Lights							Unmetered Gas Lights			Yearly Rev. Requirement	s -		metric charge
Base Charge Total			Yearly Rev. Requirement	s -			Commodity Charge Total			Charge per CCF	•	5 - Tot	-
Average Base Charge Count			Monthly Charge per bill			1	Total Volumes					•	
306 Commerical Small Business Incentive			Yearly Rev. Requirement	\$ -			Commerical Small Business Incentive			Yearly Rev. Requirement	5 -	\$ - fixe	ed charge umetric charg
Average Base Charge Count			Monthly Charge per bill			1	Total Volumes			Charge per CCF			-
												\$ - Tot \$ - Tot	
307* Intermediate Volume (TBS)			Yearly Rev. Requirement	s -		307* 1	Intermediate Volume (TBS)	n/a				<b>a</b> - 101	
Average Base Charge Count			Monthly Charge per bill										_
308* Large Volume (TBS) Average Base Charge Count			Yearly Rev. Requirement Monthly Charge per bill	\$ -		308*	Large Volume (TBS)	n/a				\$ - Tol	tal
309 Commercial Interruptible Year Round					┥ ┝━	309	Commercial Interruptible Year Round						
309 Commercial Interruptible Year Round 309 Industrial Interruptible Year Round						309	Industrial Interruptible Year Round						
309 Public Authority Interruptible Year Round				4		309	Public Authority Interruptible Year Round						
309* Interruptible billed in TBS						309	Interruptible billed in TBS	n/a				-	ed charge
Base Charge Total		-	Yearly Rev. Requirement	s -			Commodity Charge Total			Yearly Rev. Requirement	s -	<u> </u>	umetric charg
Average Base Charge Count			Monthly Charge per bill				Total Volumes			Charge per CCF		\$ - To:	tal
310*.311* Municipal Power Generating & Boiler (TBS)	·		Yearly Rev. Requirement	\$ -	┨ ┣━━	310",311"	Municipal Power Generating & Boiler (TBS)	n/a				\$ - To	tal
Average Base Charge Count			Monthly Charge per bill										
331 Residential Heating Season (Oct - May)					1 🖂		Residential Heating Season (Oct - May)						
331 Residential Heating Season (Oct - May) Hearth							Residential Heating Season (Oct - May) Hearth					S - tixe	ed charge
331 Residential Heating Season (Oct - May) Multi Unit		_					Residential Heating Season (Oct - May) Multi Unit Commodity Charge Total		-	Yearly Rev. Requirement	s -		lumetric charg
Base Charge Total			Yearly Rev. Requirement	s -			Total Volumes			Charge per CCF		\$ · To	
Average Base Charge Count			Monthly Charge per bill										
335 Commercial Heating Season (Oct - May)	_						Commercial Heating Season (Oct - May) Industrial Heating Season (Oct - May)						
335 Industrial Heating Season (Oct - May)							Public Authority Heating Season (Oct - May)					\$ - tix	ed charge
335 Public Authority Heating Season (Oct - May)		-	Yearly Rev. Requirement	s -			Commodity Charge Total		-	Yearly Rev. Requirement	: <b>s</b> -	<u>s -</u> vo	umetric char
Base Charge Total Average Base Charge Count			Monthly Charge per bill	<b>.</b> -			Total Volumes			Charge per CCF		\$ - To	otal
			Rev Requirement	s -	┥ ┝╌		Commodity Charge Total			Rev Requirement	\$ -		
Base Charge Total Total Base Charge Count			Nernequienen	•			Total Volumes						
					+ 1		rge for TBS customers						

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# SYSTEM INTEGRITY RIDER

# System Integrity Rider Rates Effective 12 Months Beginning November 1, 2018

Rate Code		Monthly Charge Per Customer Bill	Rate Code		Monthly Rate Per Ccf
- Courting Water Broughton	Year Round Residential Year Round Residential - Multi-Unit	\$2:37	- 승명 방망가?~~ 사진 그 다음	Year Round Residential Year Round Residential - Multi-Unit	\$0.04525
	Multi-Unit Housing Public Authority Multi-Unit Housing	\$6.48		Multi-Unit Housing Public Authority Multi-Unit Housing	\$0.06317
305	Year Round General Gas - Commercial Year Round General Gas - Industrial Year Round General Gas - Public Authority	\$3.87	305	Year Round General Gas - Commercial Year Round General Gas - Industrial Year Round General Gas - Public Authority	\$0.05924
306	Small Business Incentive Rider	\$2.81	306	Small Business Incentive Rider	\$0.04466
307	Intermediate Volume	\$68.11	307	Intermediate Volume	n/a
308	Large Volume	\$85.12	308	Large Volume	n/a
309 309	Interruptible Gas - Industrial Interruptible Gas - Commercial Public Authority Interruptible Year Round Interruptible billed in TBS	\$16.75	309 309	Interruptible Gas - Industrial Interruptible Gas - Commercial Public Authority Interruptible Year Round Interruptible billed in TBS	\$0.06096 n/a
310,311	Municipal Power Generating & Boiler	\$100.52	310,311	Municipal Power Generating & Boiler	n/a
331	Heating Season Only - Residential Heating Season Only Gas Hearth - Residential Heating Season Only - Residential Multi-Unit	<b>\$4.5</b> 4	331	Heating Season Only - Residential Heating Season Only Gas Hearth - Residenti Heating Season Only - Residential Multi-Uni	ial \$0.05807 t
335	Heating Season Only - Commercial Heating Season Only - Industrial Heating Season Only - Public Authority	\$9.84	335	Heating Season Only - Commercial Heating Season Only - Industrial Heating Season Only - Public Authority	\$0.05258

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#### SYSTEM INTEGRITY RIDER

# ATMOS ENERGY SIR Typical Monthly Bill

DOCKET NO. 2015-UN-049

SIR Cost Per Month

		1	Projected												
Rate Code		<u>Nov-18</u>		Nov-19		<u>Nov-20</u>		<u>Nov-21</u>		<u>Nov-22</u>					
301	\$	4.51	\$	6.46	\$	8.74	\$	11.28	\$	14.11					
304	\$	91.78	\$	131.61	\$	178.00	\$	229.72	\$	287.22					
305	\$	\$ 18.68		26.79	\$	\$ 36.23	\$	46.76	\$	58.46					
306	\$	32.29	\$	46.30	\$	62.62	\$	80.81	\$	101.04					
307	\$	68.11	\$	97.67	\$	132.11	\$	170.49	\$	213.16					
308	\$	85.12	\$	122.06	\$	165.09	\$	213.06	\$	266.38					
309	\$	113.62	\$	162.94	\$	220.37	\$	284.41	\$	355.59					
310/311	\$	100.52	\$	144.14	\$	194.96	\$	251.60	\$	314.58					
331	\$	8.62	\$	12.36	\$	16.72	\$	21.58	\$	26.98					
335	-		\$	27.17	\$	36.75	\$	47.42	\$	59.29					

#### **SIR Cost Per Year**

							Proj	ect	ed	
Rate Code		<u>Nov-18</u>			Nov-19		<u>Nov-20</u>		<u>Nov-21</u>	Nov-22
	301	\$	54.10	\$	77.58	\$	104.92	\$	135.41	\$ 169.30
	304	\$	1,101.34	\$	1,579.29	\$	2,136.01	\$	2,756.68	\$ 3,446.64
	305	\$	224.16	\$	321.44	\$	434.75	\$	561.08	\$ 701.51
	306	\$	387.44	\$	555.57	\$	751.42	\$	969.77	\$ 1,212.49
	307	\$	817.37	\$	1,172.09	\$	1,585.27	\$	2,045.91	\$ 2,557.98
	308	\$	1,021.44	\$	1,464.73	\$	1,981.06	\$	2,556.71	\$ 3,196.62
	309	\$	1,363.49	\$	1,955.22	\$	2,644.45	\$	3,412.87	\$ 4,267.07
310/	311	\$	1,206.24	\$			2,339.46	\$	3,019.26	\$ 3,774.94
-	331	\$	103.46	\$ 148.35		\$	200.65	\$	258.95	\$ 323.77
	335	\$	227.36	\$	326.03	\$	440.96	\$	569.09	\$ 711.53

Docket No. 2015-UN-049

Date Filed: October 1, 2018 Date Effective: November 1, 2018 MISSISSIPPI PUBLIC SERVICE COMMISSION System Integrity Rider (Original)

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# SYSTEM INTEGRITY RIDER

System Integrity Rider

5 Year Rate Impact

Annual Change in Rates		SIR	October 2	2019 Filing		SIR October 2020 Filing				SIR October 2021 Filing				SIR October 2022 Filing						
Residential	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%
Base Rates Change	\$17.89	\$1.49	\$0.05	4.9	\$24.19	\$2.02	\$0.07	6.3	\$28.12	\$2.34	\$0.08	6.9	\$31.49	\$2.62	\$0.09	7.2	\$34.95	\$2.91	\$0.10	7.5
Including Gas Cost Change	\$17.89	\$1.49	\$0.05	2.8	\$24.19	\$2.02	\$0.07	3.7	\$28.12	\$2.34	\$0.08	4.2	\$31.49	\$2.62	\$0.09	4.5	\$34.95	\$2.91	\$0.10	4.7
Commercial																				
Base Rates Change	\$75.56	\$6.30	\$0.21	5.3	\$97.27	\$8.11	\$0.27	6.5	\$113.31	\$9.44	\$0.31	7.1	\$126.33	\$10.53	\$0.35	7.4	\$104.28	\$8.69	\$0.29	5.6
Including Gas Cost Change	\$75.56	\$6.30	\$0.21	2.7	\$97.27	\$8.11	\$0.27	3.4	\$113.31	\$9.44	\$0.31	3.8	\$126.33	\$10.53	\$0.35	4.1	\$104.28	\$8.69	\$0.29	3.2
Industrial																				
Base Rates Change	\$656.93	\$54.74	\$1.82	5.1	\$884.00	\$73.67	\$2.46	6.5	\$1,029.67	\$85.81	\$2.86	7.2	\$1,147.97	\$95.66	\$3.19	7.4	\$1,276.13	\$106.34	\$3.54	7.7
Including Gas Cost Change	\$656.93	\$54.74	\$1.82	2.3	\$884.00	\$73.67	\$2.46	3.1	\$1,029.67	\$85.81	\$2.86	3.5	\$1,147.97	\$95.66	\$3.19	3.8	\$1,276.13	\$106.34	\$3.54	4.0

\*Effective dates are Nov 1 - Oct 31

<b>Cumulative</b> Change in Rates		SIR	October 2	019 Filing		SIR October 2020 Filing				SIR October 2021 Filing				SIR October 2022 Filing						
Residential	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%	Annual	Month	Per Day	%
Base Rates Change	\$17.89	\$4.64	\$0.05	17.0	\$42.09	\$6.66	\$0.12	21.9	\$70.21	\$9.00	\$0.20	28.2	\$101.70	\$11.62	\$0.28	34.2	\$136.65	\$14.54	\$0.38	40.1
Including Gas Cost Change	\$17.89	\$4.64	\$0.05	7.5	\$42.09	\$6.66	\$0.12	12.6	\$70.21	\$9.00	\$0.20	16.5	\$101.70	\$11.62	\$0.28	20.6	\$136.65	\$14.54	\$0.38	24.7
<u>Commercial</u> Base Rates Change Including Gas Cost Change	\$75.56 \$75.56	\$18.68 \$18.68	\$0.21 \$0.21	17.2 6.6	\$172.83 \$172.83	\$26.78 \$26.78	\$0.48 \$0.48	22.5 11.6	\$286.14 \$286.14	\$36.22 \$36.22	\$0.79 \$0.79	28.9 15.2	\$412.47 \$412.47	\$46.75 \$46.75	\$1.15 \$1.15	35.0 19.0	\$516.75 \$516.75	\$55.44 \$55.44	\$1.44 \$1.44	
<u>Industrial</u> Base Rates Change Including Gas Cost Change	\$656.93 \$656.93	\$169.73 \$169.73	\$1.82 \$1.82	17.3 5.8	\$1,540.93 \$1,540.93	\$243.40 \$243.40	\$4.28 \$4.28	22.7 10.4	\$2,570.60 \$2,570.60	\$329.21 \$329.21	\$7.14 \$7.14	29.2 13.8	\$3,718.57 \$3,718.57	\$424.87 \$424.87	\$10.33 \$10.33	35.4 17.3	\$4,994.70 \$4,994.70	\$531.21 \$531.21	\$13.87 \$13.87	

Issued by: William J. Senter

Vice President, Rates & Regulatory Affairs/Mississippi Division

DOCKET NO. 2015-UN-049