

August 12, 2025

To The Honorable Mayor and City Council

Re: Update to Atmos Energy Corporation's Rate Schedules R, C, I & T, as well as Rider WNA, Rider SUR, and Quality of Service Rules

Dear Mayor and City Council,

Please find enclosed an updated copy of the company's Rate Schedules R, C, I & T as well as Rider WNA, Rider SUR, and Quality of Service Rules. These tariffs, effective as of August 1, 2025, can be found in our tariff book at atmosenergy.com/utility-operationsrates/tariffs-mid-tex/. This filing is for informational purposes only and no action is required on your part.

If you have any questions, please feel free to contact me.

Sincerely,

Chris Felan

Vice President, Rates & Regulatory Affairs

Atmos Energy, Mid-Tex Division

**Enclosures:** 

Rate Schedule R- Residential

Rate Schedule C- Commercial

Rate Schedule I- Industrial

Rate Schedule T- Transportation

Rider WNA - Weather Normalization Adjustment

Rider SUR – Surcharges

Quality of Service

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN MUNICIPALITIES COALITION ("ATM")	THE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 31

### **Application**

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

## Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

## **Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount	
Customer Charge per Bill	\$ 25.00 per month	
Rider CEE Surcharge	\$ 0.03 per month <sup>1</sup>	
Interim Rate Adjustment ("IRA")	\$ 0.00 per month <sup>2</sup>	
Total Customer Charge	\$ 25.03 per month	
Commodity Charge – All Ccf	\$0.78025 per Ccf	

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

### Agreement

An Agreement for Gas Service may be required.

### Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

<sup>&</sup>lt;sup>1</sup> Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2025.

<sup>&</sup>lt;sup>2</sup> This footnote will be used to document the annual IRA adjustments.

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN MUNICIPALITIES COALITION ("ATM")	THE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 32

## Exhibit A

Cities in the Atmos Texas Municipalities Coalition:

STAR HARBOR

**BALCH SPRINGS TRINIDAD** WHITNEY **BANDERA** 

**BLOOMING GROVE** 

**BURNET CAMERON** CEDAR PARK **CLIFTON COMMERCE COPPERAS COVE CORSICANA** 

**ELECTRA** 

**FREDERICKSBURG** 

**GATESVILLE GOLDTHWAITE GRANBURY GREENVILLE GROESBECK HAMILTON HEATH** 

**HENRIETTA** 

HICKORY CREEK

HICO

**HILLSBORO** 

LAMPASAS

**LEANDER** 

**LONGVIEW** 

MARBLE FALLS

MART **MEXIA** 

**OLNEY** 

**PFLUGERVILLE** 

**POINT** 

**PRINCETON** 

**RANGER** 

RICE

**RIESEL** 

**ROCKDALE** 

**ROGERS** 

**ROUND ROCK** 

SAN ANGELO

SANGER

SOMERVILLE

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN MUNICIPALITIES COALITION ("ATM")	THE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 33

### **Application**

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

## Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

### **Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 140.00 per month
Rider CEE Surcharge	\$ 0.01 per month <sup>1</sup>
Interim Rate Adjustment ("IRA")	\$ 0.00 per month <sup>2</sup>
Total Customer Charge	\$ 140.01 per month
Commodity Charge – All Ccf	\$ 0.26133 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

## Agreement

An Agreement for Gas Service may be required.

#### **Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

## **Presumption of Plant Protection Level**

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

<sup>&</sup>lt;sup>1</sup> Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2025.

<sup>&</sup>lt;sup>2</sup> This footnote will be used to document the annual IRA adjustments.

RATE SCHEDULE:	C - COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN MUNICIPALITIES COALITION ("ATM")	THE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 34

## Exhibit A

Cities in the Atmos Texas Municipalities Coalition:

**AUSTIN** STAR HARBOR **BALCH SPRINGS TRINIDAD BANDERA** WHITNEY

**BLOOMING GROVE** 

BURNET **CAMERON** CEDAR PARK **CLIFTON COMMERCE COPPERAS COVE** CORSICANA **ELECTRA** 

**FREDERICKSBURG GATESVILLE GOLDTHWAITE GRANBURY GREENVILLE** GROESBECK **HAMILTON HEATH HENRIETTA** HICKORY CREEK HICO

**HILLSBORO** LAMPASAS **LEANDER LONGVIEW** MARBLE FALLS

**MART MEXIA** OLNEY

**PFLUGERVILLE** 

**POINT PRINCETON** RANGER RICE **RIESEL ROCKDALE** 

**ROGERS ROUND ROCK** 

SAN ANGELO

SANGER **SOMERVILLE** 

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN TI MUNICIPALITIES COALITION ("ATM")	HE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 35

## Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

## Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

## **Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount	
Customer Charge per Meter	\$ 2,100.00 per month	
Interim Rate Adjustment ("IRA")	\$ 0.00 per month <sup>1</sup>	
Total Customer Charge	\$ 2,100.00 per month	
First 0 MMBtu to 1,500 MMBtu	\$ 1.0479 per MMBtu	
Next 3,500 MMBtu	\$ 0.7672 per MMBtu	
All MMBtu over 5,000 MMBtu	\$ 0.1645 per MMBtu	

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

## **Curtailment Overpull Fee**

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

<sup>&</sup>lt;sup>1</sup> This footnote will be used to document the annual IRA adjustments.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN TI MUNICIPALITIES COALITION ("ATM")	HE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 36

## Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

## Agreement

An Agreement for Gas Service may be required.

### **Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

## **Special Conditions**

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

## **Presumption of Plant Protection Level**

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at <a href="mailto:mdtx-div-plantprotection@atmosenergy.com">mdtx-div-plantprotection@atmosenergy.com</a>.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE MUNICIPALITIES COALITION ("ATM")	HE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE 37

## Exhibit A

Cities in the Atmos Texas Municipalities Coalition:

**AUSTIN** STAR HARBOR

**BALCH SPRINGS TRINIDAD** WHITNEY **BANDERA** 

**BLOOMING GROVE** 

**BURNET CAMERON CEDAR PARK CLIFTON** COMMERCE COPPERAS COVE CORSICANA **ELECTRA** 

**FREDERICKSBURG GATESVILLE GOLDTHWAITE GRANBURY GREENVILLE GROESBECK HAMILTON HEATH HENRIETTA** HICKORY CREEK

**HICO** 

**HILLSBORO** LAMPASAS **LEANDER** LONGVIEW

MARBLE FALLS **MART** 

**MEXIA OLNEY** 

**PFLUGERVILLE** 

POINT **PRINCETON** 

**RANGER** 

RICE **RIESEL** 

**ROCKDALE** 

**ROGERS** 

**ROUND ROCK** 

SAN ANGELO

SANGER

SOMERVILLE

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE MUNICIPALITIES COALITION ("ATM")	HE ATMOS TEXAS
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 38

## **Application**

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

This tariff is not available to customers with a maximum daily demand of 1,000 MMBtu or greater and a daily/annual load factor of 10% or less. Load factor is calculated as follows: annual usage / (maximum daily connected demand X 365). Load factors will be recalculated once each year to determine appropriate eligibility for Rate T.

## Type of Service

Company's receipt and delivery of all gas quantities under the applicable Transportation Agreement will be on a wholly interruptible basis subject to the Terms and Conditions incorporated in the Transportation Agreement. If Customer is an Industrial Customer, then Customer may elect, at the reasonable discretion of Company, to contract for Plant Protection transportation quantities defined as the minimum natural gas required to prevent physical harm and/or protect critical safety to the plant facilities, plant personnel, or the public when such protection cannot be achieved through the use of an alternate fuel. Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

### Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount	
Customer Charge per Meter	\$ 2,100.00 per month	
Interim Rate Adjustment ("IRA")	\$ 0.00 per month <sup>1</sup>	
Total Customer Charge	\$ 2,100.00 per month	
First 0 MMBtu to 1,500 MMBtu	\$ 1.0479 per MMBtu	
Next 3,500 MMBtu	\$ 0.7672 per MMBtu	
All MMBtu over 5,000 MMBtu	\$ 0.1645 per MMBtu	

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

<sup>&</sup>lt;sup>1</sup> This footnote will be used to document the annual IRA adjustments.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION ("ATM")	
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 39

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

RRC Tariff No: 33009

### **Imbalance Fees**

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

## **Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

### **Overpull Fee**

Upon notification by Company of an event of interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

## **Replacement Index**

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

## **Agreement**

A transportation agreement is required.

## **Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

## **Special Conditions**

In order to receive service under Rate T, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION ("ATM")	
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 40

## Exhibit A

BANDERA

Cities in the Atmos Texas Municipalities Coalition:

STAR HARBOR **BALCH SPRINGS TRINIDAD** 

WHITNEY

**BLOOMING GROVE** 

**BURNET CAMERON** CEDAR PARK **CLIFTON COMMERCE COPPERAS COVE** CORSICANA

**ELECTRA FREDERICKSBURG** GATESVILLE GOLDTHWAITE GRANBURY **GREENVILLE GROESBECK HAMILTON HEATH HENRIETTA** HICKORY CREEK **HICO** 

**HILLSBORO** LAMPASAS

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**LONGVIEW** 

MARBLE FALLS

**MART** MEXIA OLNEY

**PFLUGERVILLE** 

**POINT** 

PRINCETON

RANGER

RICE

RIESEL

ROCKDALE

**ROGERS** 

**ROUND ROCK** 

SAN ANGELO

SANGER

**SOMERVILLE** 

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION ("ATM")	
EFFECTIVE DATE:	Bills Rendered on or after 08/01/2025	PAGE: 41

## **Provisions for Adjustment**

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

## Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where  $q_{ij}$  is the relevant sales quantity for the jth customer in ith rate schedule.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION ("ATM")	
EFFECTIVE DATE:	Bills Rendered on or after 08/01/2025	PAGE: 42

## Base Use/Heat Use Factors

	<u>Residential</u>		Commercia	<u>al</u>
	Base use	Heat use	Base use	Heat use
Weather Station	<u>Ccf</u>	Ccf/HDD	<u>Ccf</u>	Ccf/HDD
Abilene	9.31	0.1204	118.39	0.6669
Austin	10.51	0.1553	248.35	0.8964
7 tdotti i	10.01	0.1000	2 10.00	0.0001
Dallas	11.19	0.1748	140.83	0.8692
Waco	7.68	0.1195	124.03	0.5631
Wichita	9.14	0.1002	97.63	0.6013
Falls	5.14	0.1002	97.00	0.0013

## Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at <a href="atmosenergy.com/utility-operationsrates/tariffs-mid-tex/">atmosenergy.com/utility-operationsrates/tariffs-mid-tex/</a>, in Excel format, a Weather Normalization Adjustment (WNA) Report to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the WNA Report with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION ("ATM")	
EFFECTIVE DATE:	Bills Rendered on or after 08/01/2025	PAGE: 43

## Exhibit A

**BANDERA** 

Cities in the Atmos Texas Municipalities Coalition:

**AUSTIN** BALCH SPRINGS

**BLOOMING GROVE** 

**BURNET CAMERON** CEDAR PARK **CLIFTON** COMMERCE **COPPERAS COVE** CORSICANA **ELECTRA** 

**FREDERICKSBURG GATESVILLE GOLDTHWAITE GRANBURY GREENVILLE GROESBECK HAMILTON HEATH HENRIETTA** HICKORY CREEK

HICO **HILLSBORO** LAMPASAS **LEANDER LONGVIEW** MARBLE FALLS

**MART MEXIA OLNEY** 

**PFLUGERVILLE** 

**POINT PRINCETON RANGER** RICE **RIESEL ROCKDALE ROGERS ROUND ROCK** SAN ANGELO SANGER **SOMERVILLE** 

STAR HARBOR TRINIDAD WHITNEY

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ATMOS TEXAS MUNICIPALITIES COALITION ("ATM") AREAS OF THE MID-TEX DIVISION	
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 44

## **Application**

This Rider is applicable to customer classes within the incorporated areas of cities that are part of the Atmos Municipalities Coalition ("ATM") as authorized by the state or any governmental entity, a municipality, or a regulatory authority pursuant to any statute, ordinance, order, rule, contract, or agreement. Cities in the ATM are identified in Exhibit A of the Company's Rate R – Residential Sales, Rate C – Commercial Sales, Rate I – Industrial Sales and Rate T – Transportation Rate Schedules. This Rider is subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

## **Monthly Calculation**

Surcharges will be calculated in accordance with the applicable statute, ordinance, order, rule, contract, or agreement.

## Docket No. OS-24-00019196 - Securitization Interest Expense Recovery

The following surcharge as authorized in Docket No. OS-24-00019196 shall be recovered from the Rate Schedules R – Residential, C – Commercial, and I – Industrial by adding the surcharge rate to each customer's monthly consumption charges as noted in the table below each month for approximately a 12-month period until all approved amounts are collected.

Rate Schedules	Basis	Rate
Rate R – Residential Sales	Ccf	\$ 0.01843
Rate C – Commercial Sales	Ccf	\$ 0.01843
Rate I – Industrial Sales	MMBtu	\$ 0.1800

## **Unprotected Excess Deferred Income Tax Amortization**

The reconciliation and completion of the refund of the unprotected portion of the Excess Deferred Income Taxes ("EDIT") was approved in Docket No. OS-24-00019196 as follows. The balance of the Unprotected portion of the EDIT was approved by ATM to be applied monthly in each of thirty-six (36) months commencing with Mid-Tex Division's bills rendered on or after September 1, 2021. The Rider SUR for EDIT for ATM was withdrawn for bills rendered on or after July 31, 2024. The over and under recovery amount for each customer class will be collected or (refunded) in one (1) month period to reconcile and complete the refund. The surcharge rate by customer class for a one (1) month period is shown in the table below:

Rate Schedules	ATM Incorporated Areas
R – Residential Sales	\$ 1.35
C – Commercial Sales	\$ (16.15)
I – Industrial Sales	\$ (1,255.20)
T - Transportation	\$ (1,255.20)

Company shall file an annual report on or before January 31st commencing in 2026. The report shall detail the monthly refunds by customer class and provide details of the of the refund calculation. Reports for the Commission should be filed electronically at GUD\_Compliance@rrc.texas.gov or at the following address:

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ATMOS TEXAS MUNICIPALITIES COALITION ("ATM") AREAS OF THE MID-TEX DIVISION	
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 45

Compliance Filing
Director of Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P. O. Box 12967
Austin, TX 78711-2967

## FASB ASC 740-10 (Fin48) Refund

Applicable to Customers taking service under Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation.

To ensure that gas utility customers receive the benefit associated with the changes in the Company's Uncertain Tax Positions ("UTPs") arising from recognition of Texas Margin Tax returns.

The decrease shall be calculated as follows:

Beginning with implementation of rates from Docket No. OS-24-00019196, and annually thereafter, the portion of UTP liabilities identified in Schedule FIN48-1.1 for the prior fiscal year shall be allocated based on the final class allocations of Docket No. OS-24-00019196, divided by the annual bill count to derive rates to be refunded through Rider SUR in the subsequent fiscal year. Each year's calculation will include a true-up (+ or -) due to account for over/under collections. Amounts identified in Schedule FIN48-1 shall be adjusted to reflect any audit adjustments received from the Texas Comptroller of Public Accounts.

No action on the part of the Regulatory Authority is required to give effect to the amount to be refunded to customers. However, any amount refunded to customers shall be fully subject to review for reasonableness and accuracy in the gas utility's next statement of intent proceeding with the Railroad Commission of Texas, and if applicable, the gas utility shall be required to reconcile any discrepancies.

The following refund as authorized in Docket No. OS-24-00019196 shall be refunded to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill in each month for a 12-month period. The refund amount by month by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (0.13)
Rate C – Commercial Sales	\$ (0.34)
Rate I – Industrial Sales	\$ (6.57)
Rate T – Transportation	\$ (6.57)

Company shall file an annual compliance filing on or before September 1st commencing in 2025. The report shall detail the monthly refunds by customer class and provide details of the of the surcharge or refund calculation. Reports for the Commission should be filed electronically at GUD\_Compliance@rrc.texas.gov or at the following address:

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ATMOS TEXAS MUNICIPALITIES COALITION ("ATM") AREAS OF THE MID-TEX DIVISION	
EFFECTIVE DATE:	Services Rendered on or after 08/01/2025	PAGE: 46

Compliance Filing
Director of Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P. O. Box 12967
Austin, TX 78711-2967

## Docket No. OS-24-00019819 - Rate Case Expense Recovery

The Rate Case Expense Surcharge ("RCE") rate as authorized in Docket No. OS-24-00019819. This monthly rate shall apply to Rate Schedules R - Residential, C - Commercial, I - Industrial and T - Transportation rate classes of Atmos Energy Corporation's Mid-Tex Division ATM customers in the amounts shown below. The fixed-price surcharge rate will be in effect for approximately 36 months until all approved and expended rate case expenses are recovered from the applicable customer classes as documented in the Final Order in Docket No. OS-24-00019196.

## Monthly Surcharge:

Surcharges will be the fixed-price rate shown in the table below:

Rate Schedules	ATM Incorporated Areas
R – Residential Sales	\$ 0.09
C – Commercial Sales	\$ 0.46
I – Industrial Sales	\$ 7.13
T - Transportation	\$ 7.13

The Company shall file an annual rate case expense reconciliation report on or before June 1<sup>st</sup> commencing in 2026, until and including the calendar year end in which the rate case expenses are fully recovered. The Company shall file the report with the Commission addressed to the Director of Oversight and Safety Division and referencing Docket No. OS-24-00019819. The report shall detail the monthly collections for RCE surcharge by customer class and show the outstanding balance. Reports for the Commission should be filed electronically at GUD\_Compliance@rrc.texas.gov or at the following address:

Compliance Filing
Director of Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P. O. Box 12967
Austin, TX 78711-2967

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For Gas Service to residential, commercial and industrial sales customers, the following minimum service standards shall be applicable in unincorporated areas served by the Company. For the purposes of this rate schedule, Company may be referred to as the "utility." In addition, these minimum service standards shall also be applicable to residential, commercial and industrial sales customers within incorporated areas served by the utility, but only to the extent that said minimum service standards do not conflict with, supersede, or replace a provision of quality of service standards lawfully established currently or in the future within a particular municipality for a gas distribution utility. The utility shall file service rules incorporating said minimum service standards with the Railroad Commission and with the applicable municipalities in the manner prescribed by law.

## (1) Continuity of service.

- (A) Service interruptions.
  - (i) The utility shall make all reasonable efforts to prevent interruptions of service. When interruptions occur, the utility shall reestablish service within the shortest possible time consistent with prudent operating principles so that the smallest number of customers are affected.
  - (ii) The utility shall make reasonable provisions to meet emergencies resulting from failure of service, and the utility shall issue instructions to its employees covering procedures to be followed in the event of an emergency in order to prevent or mitigate interruption or impairment of service.
  - (iii) In the event of national emergency or local disaster resulting in disruption of normal service, the utility may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
  - (iv) Curtailment of gas service will be done in accordance with Texas Administrative Code Title 16, Part 1, Chapter 7, Subchapter D, Rule §7.455 Curtailment Standards. When notified by the utility, the customer will curtail gas service. In the event of any curtailment, utility personnel may physically turn off or restrict gas deliveries and only utility personnel will thereafter be permitted to restore gas service. Customer assumes any and all risk and will indemnify the utility against all damages, losses and expenses resulting from a curtailment of gas service under the utility's authorized curtailment program, except to the extent such damages, losses and/or expenses result from the gross negligence of the utility.
- (B) Record of interruption. Except for momentary interruptions which do not cause a major disruption of service, the utility shall keep a complete record of all interruptions, both emergency and scheduled. This record shall show the cause of interruptions, date, time duration, location, approximate number of customers affected, and, in cases of emergency interruptions, the remedy and steps taken to prevent recurrence.
- (C) Report to the Commission. The Commission shall be notified in writing within 48 hours of interruptions in service affecting the entire system or any major division thereof lasting more than four hours. The notice shall also state the cause of such interruptions. If any service interruption is reported to the Commission otherwise (for example, as a curtailment report or safety report), such other report is sufficient to comply with the terms of this paragraph.

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- (2) Customer relations.
  - (A) Information to Customers. The utility shall:
    - (i) maintain a current set of maps showing the physical locations of its facilities. All distribution facilities shall be labeled to indicate the size or any pertinent information which will accurately describe the utility's facilities. These maps, or such other maps as may be required by the regulatory authority, shall be kept by the utility in a central location and will be available for inspection by the regulatory authority during normal working hours. Each business office or service center shall have available up-to-date maps, plans, or records of its immediate area, with such other information as may be necessary to enable the utility to advise applicants and others entitled to the information as to the facilities available for serving that locality;
    - (ii) assist Customer or Applicant in selecting the most economical rate schedule;
    - (iii) in compliance with applicable law or regulations, notify Customers affected by a change in rates or schedule or classification;
    - (iv) post a notice in a conspicuous place in each business office of Atmos Energy, Mid-Tex Division where applications for service are received, and on the utility's website for areas in which there is no such business office, informing the public that copies of the rate schedules and rules relating to the service of the utility as filed with the Commission are available for inspection;
    - (v) upon request, inform Customers as to the method of reading meters;
    - (vi) provide to new Customers, at the time service is initiated or as an insert in the first billing, a pamphlet or information packet containing the following information. This information shall be provided in English and Spanish as necessary to adequately inform Customers; provided, however, the regulatory authority upon application and a showing of good cause may exempt the utility from the requirement that the information be provided in Spanish:
      - (I) Customer's right to information concerning rates and services and Customer's right to inspect or obtain at reproduction cost a copy of the applicable tariffs and service rules;
      - (II) Customer's right to have his or her meter checked without charge under paragraph (7) of this section, if applicable;
      - (III) the time allowed to pay outstanding bills;
      - (IV) grounds for termination of service;
      - (V) the steps the utility must take before terminating service;
      - (VI) how Customer can resolve billing disputes with the utility and how disputes and health emergencies may affect termination of service;
      - (VII) information on alternative payment plans offered by the utility;
      - (VIII) the steps necessary to have service reconnected after involuntary termination;
      - (IX) the appropriate regulatory authority with whom to register a complaint and how to contact such authority;
      - (X) the hours, addresses, and telephone numbers of utility offices where bills may be paid and information may be obtained and a toll-free number and website where such information may be obtained for areas in which there are no such utility offices; and(XI) Customer's right to be instructed by the utility how to read his or her meter;

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(vii) at least once each calendar year, notify Customers that information is available upon request, at no charge to the customer, concerning the items listed in clause (vi)(I) - (XI) of this subparagraph. This notice may be accomplished by use of a billing insert or a printed statement upon the bill itself.

- (B) Customer complaints. Upon complaint to the utility by residential, commercial or industrial sales customers either at its office, by letter, or by telephone, the utility shall promptly make a suitable investigation and advise the complainant of the results thereof. The utility shall keep a record of all complaints which shall show the name and address of the complainant, the date and nature of the complaint, and the adjustment or disposition thereof for a period of one year subsequent to the final disposition of the complaint.
- (C) Utility response. Upon receipt of a complaint, either by letter or by telephone, from the regulatory authority on behalf of a Customer, the utility shall make a suitable investigation and advise the regulatory authority and complainant of the results thereof. An initial response will be made by the next working day. The utility must make a final and complete response within 15 days from the date of receipt by Company of the complaint, unless additional time is granted within the 15-day period. The Commission encourages all Customer complaints to be made in writing to assist the regulatory authority in maintaining records of the quality of service of each utility; however, telephone communications will be acceptable.
- (D) Deferred payment plan. The utility is encouraged to offer a deferred payment plan for delinquent residential accounts. If such a plan is offered, it shall conform to the following guidelines:
  - (i) Every deferred payment plan entered into due to the Customer's inability to pay the outstanding bill in full must provide that service will not be discontinued if the Customer pays current bills and a reasonable amount of the outstanding bill and agrees to pay the balance in reasonable installments until the bill is paid.
  - (ii) For purposes of determining reasonableness under these rules, the following shall be considered: size of delinquent account; Customer's ability to pay; Customer's payment history; time that the debt has been outstanding; reasons why debt has been outstanding; and other relevant factors concerning the circumstances of the Customer.
  - (iii) A deferred payment plan, if reduced to writing, offered by a utility shall state, immediately preceding the space provided for the Customer's signature and in bold-face print at least two sizes larger than any other used, that: "If you are not satisfied with this agreement, do not sign. If you are satisfied with this agreement, you give up your right to dispute the amount due under the agreement except for the utility's failure or refusal to comply with the terms of this agreement."
  - (iv) A deferred payment plan may include a one-time 5.0% penalty for late payment on the original amount of the outstanding bill with no prompt payment discount allowed except in cases where the outstanding bill is unusually high as a result of the utility's error (such as an inaccurately estimated bill or an incorrectly read meter). A deferred payment plan shall not include a finance charge.
  - (v) If a Customer for utility service has not fulfilled terms of a deferred payment agreement or refuses to sign the same if it is reduced to writing, the utility shall have the right to disconnect pursuant to disconnection rules herein and, under such circumstances, it shall not be required to offer a subsequent negotiation of a deferred payment agreement prior to disconnection.

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- (vi) Any utility which institutes a deferred payment plan shall not refuse Customer participation in such a program on the basis of race, color, creed, sex, marital status, age, or any other form of discrimination prohibited by law.
- (E) Delayed payment of bills by elderly persons to residential accounts.
  - (i) Applicability. This subparagraph applies only to:
    - (I) a utility that assesses late payment charges to residential customers and that suspends service before the 26th day after the date of the bill for which collection action is taken:
    - (II) utility bills issued on or after August 30, 1993; and
    - (III) an elderly person, as defined in clause (ii) of this subparagraph, who is a residential customer and who occupies the entire premises for which a delay is requested.
  - (ii) Definitions.
    - (I) Elderly person--A person who is 60 years of age or older.
    - (II) Utility--A gas utility or municipally owned utility, as defined in Texas Utilities Code, Sections 101.003(7), 101.003(8), and 121.001 121.006.
  - (iii) An elderly person may request that the utility implement the delay for either the most recent utility bill or for the most recent utility bill and each subsequent utility bill.
  - (iv) On request of an elderly person, a utility shall delay without penalty the payment date of a bill for providing utility services to that person until the 25th day after the date on which the bill is issued.
  - (v) The utility may require the requesting person to present reasonable proof that the person is 60 years of age or older.
  - (vi) Every utility shall notify its customers of this delayed payment option no less often than yearly. A utility may include this notice with other information provided pursuant to subparagraph (A) of this paragraph.
- (F) Budget Billing The utility offers an optional budget billing plan to moderate seasonal differences in customer bills. The details of the plan are published on the utility's website.
- (3) Refusal of service.
  - (A) Compliance by Applicant. Any utility may decline to serve an Applicant for whom service is available from previously installed facilities until such Applicant has complied with the state and municipal regulations and approved rules and regulations of the utility on file with the Commission governing the service applied for or for the following reasons.
    - (i) Applicant's facilities inadequate. If the Applicant's installation or equipment is known to be, is found to be, or exists in a state that indicates it may be hazardous, unsafe, or of such character that satisfactory service cannot be given.
    - (ii) For indebtedness. If the Applicant is indebted to any utility for the same kind of service as that applied for; provided, however, that in the event the indebtedness of the Applicant for service is in dispute, the Applicant shall be served upon complying with the applicable deposit requirement.

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- (iii) Refusal to make deposit. For refusal to make a deposit if Applicant is required to make a deposit under these rules.
- (iv) Violation of utility's rules. Any violation of utility's rules, including any use of natural gas in violation of such.
- (v) Access Refused. If Company's representatives are refused access to Applicant's premises for any lawful purpose.
- (vi) Misuse of Company property. In the event any of Company's property on the premises is tampered with, damaged or destroyed.
- (vii) Refusal of service shall be in addition to, and not in lieu of, any other rights, remedies, or limitation of liability available to the utility.
- (B) Applicant's recourse. In the event that the utility shall refuse to serve an Applicant under the provisions of these rules, the utility must inform the Applicant of the basis of its refusal and that the Applicant may file a complaint with the municipal regulatory authority or commission, whichever is appropriate.
- (C) Insufficient grounds for refusal to serve. The following shall not constitute sufficient cause for refusal of service to a present Customer or Applicant:
  - (i) delinquency in payment for service by a previous occupant of the premises to be served;
  - (ii) failure to pay for merchandise or charges for nonutility service purchased from the utility;
  - (iii) failure to pay a bill to correct previous underbilling due to misapplication of rates more than six months prior to the date of application;
  - (iv) violation of the utility's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interfere with the service of others unless the customer has first been notified and been afforded reasonable opportunity to comply with these rules;
  - (iv) failure to pay a bill of another customer as guarantor thereof unless the guarantee was made in writing to the utility as a condition precedent to service; and
  - (v) failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.

### (4) Discontinuance of service.

- (A) The due date of the bill for utility service shall not be less than 15 days after issuance, or such other period of time as may be provided by order of the regulatory authority. A bill for utility service is delinquent if unpaid by the due date.
- (B) A utility may offer an inducement for prompt payment of bills to residential and commercial customers by allowing a discount in the amount of 5.0% for payment of bills within 10 days after their issuance. This provision shall not apply where it conflicts with existing orders or ordinances of the appropriate regulatory authority.
- (C) A Customer's utility service may be disconnected if the bill has not been paid or a deferred payment plan pursuant to paragraph (2)(D) of this section has not been entered into within five (5) working days after the bill has become delinquent and proper notice has been given. Proper notice consists of a deposit in the United States mail, postage prepaid, or hand delivery to the customer at least five (5) working days prior to the stated date of disconnection, with the words "Termination Notice" or similar language prominently displayed on the notice. The notice will be provided in English

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and Spanish as necessary to adequately inform the Customer, and shall include the date of termination, the hours, address, and telephone number where payment may be made, and a statement that if a health or other emergency exists, the utility may be contacted concerning the nature of the emergency and the relief available, if any, to meet such emergency.

- (D) Utility service may be disconnected for any of the following reasons:
  - (i) failure to pay a delinquent account or failure to comply with the terms of a deferred payment plan for installment payment of a delinquent account;
  - (ii) violation of the utility's rules pertaining to the use of service in any manner, including but not limited to conduct that interferes with the service provided to the Customer, or the service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the Customer and the Customer is provided a reasonable opportunity to remedy the situation;
  - (iii) failure to comply with deposit or guarantee arrangements where required by paragraph (5) of this section;
  - (iv) without notice where a known dangerous condition exists for as long as the condition exists;
  - (v) tampering with, damaging, or destroying the Company's property on the premises including Company's meter or equipment, or bypassing the same;
  - (vi) Use of gas in violation of Company's rules or terms of service, or any applicable law, ordinance, or regulation;
  - (vii) Company representatives are refused access to Customer's premises or property for any lawful purpose including, but not limited to, the inspection, maintenance, monitoring, or repair of Company's facilities;
  - (viii) The premises are vacated;
  - (ix) Fraudulent conduct or misrepresentation in relation to the consumption of gas, account information, or any other fraud practiced by Customer or anyone acting on behalf of Customer regarding the gas service provided by the Company;
  - (x) Actions or conduct by Customer or anyone acting on behalf of Customer that, in the sole discretion of Company, create a needless or unreasonable safety condition for Customer or other, including, but not limited to, the Company's employees or representatives (including contractors), and/or Company's system.

Discontinuance of service shall be in addition to, and not in lieu of, any other rights, liability limitations, or remedies available to the utility.

- (E) Utility service may not be disconnected for any of the following reasons:
  - (i) delinquency in payment for service by a previous occupant of the premises;
  - (ii) failure to pay for merchandise or charges for nonutility service by the utility;
  - (iii) failure to pay for a different type or class of utility service unless the fee for such service is included on the same bill:
  - (iv) failure to pay the account of another customer as guarantor thereof, unless the utility has in writing the guarantee as a condition precedent to service;

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- (v) failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billings;
- (vi) failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due;
- (vii) failure to pay an estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the utility is unable to read the meter due to circumstances beyond its control.
- (F) Unless a dangerous condition exists, or unless Customer requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when personnel of the utility are not available to the public for the purpose of making collections and reconnecting service.
- (G) No utility may abandon a residential or commercial customer without written approval from the regulatory authority. Company will comply with Tex. Admin. Code § 7.465.
- (H) No utility may discontinue service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that Customer establishes that discontinuance of service will result in some person residing at that residence becoming seriously ill or more seriously ill if the service is discontinued. Any Customer seeking to avoid termination of service under this section must make a written request supported by a written statement from a licensed physician. Both the request and the statement must be received by the utility not more than five (5) working days after the date of delinquency of the bill. The prohibition against service termination provided by this section shall last twenty (20) days from the date of receipt by the utility of the request and statement or such lesser period as may be agreed upon by the utility and the Customer. The Customer who makes such request shall sign an installment agreement which provides for payment of such service along with timely payments for subsequent monthly billings.
- (I) Suspension of Gas Utility Service Disconnection during an Extreme Weather Emergency
  - (A) Applicability and scope. This rule applies to gas utilities, as defined in Texas Utilities Code, §101.003(7) and §121.001, and to owners, operators, and managers of mobile home parks or apartment houses who purchase natural gas through a master meter for delivery to a dwelling unit in a mobile home park or apartment house, pursuant to Texas Utilities Code, §§124.001-124.002, within the jurisdiction of the Railroad Commission pursuant to Texas Utilities Code, §102.001. For purposes of this section, all such gas utilities and owners, operators and managers of master meter systems shall be referred to as "providers." Providers shall comply with the following service standards. A gas distribution utility shall file amended service rules incorporating these standards with the Railroad Commission in the manner prescribed by law.
  - (B) Disconnection prohibited. Except where there is a known dangerous condition or a use of natural gas service in a manner that is dangerous or unreasonably interferes with service to others, a provider shall not disconnect natural gas service to:
    - (1) a delinquent residential customer during an extreme weather emergency. An extreme weather emergency means a day when the previous day's highest temperature did not exceed 32 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Station for the county where the customer takes service.

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- (2) a delinquent residential customer for a billing period in which the provider receives a written pledge, letter of intent, purchase order, or other written notification from an energy assistance provider that it is forwarding sufficient payment to continue service; or
- (3) a delinquent residential customer on a weekend day, unless personnel or agents of the provider are available for the purpose of receiving payment or making collections and reconnecting service.
- (C) Payment plans. Providers shall defer collection of the full payment of bills that are due during an extreme weather emergency until after the emergency is over, and shall work with customers to establish a payment schedule for deferred bills as set forth in paragraph (2)(D) of §7.45 of this title, relating to Quality of Service.
- (D) Notice. Beginning in the September or October billing periods utilities and owners, operators, or managers of master metered systems shall give notice as follows:
  - (1) Each utility shall provide a copy of this rule to the social services agencies that distribute funds from the Low Income Home Energy Assistance Program within the utility's service area.
  - (2) Each utility shall provide a copy of this rule to any other social service agency of which the provider is aware that provides financial assistance to low income customers in the utility's service area.
  - (3) Each utility shall provide a copy of this rule to all residential customers of the utility and customers who are owners, operators, or managers of master metered systems.
  - (4) Owners, operators, or managers of master metered systems shall provide a copy of this rule to all of their customers.
- (E) In addition to the minimum standards specified in this section, providers may adopt additional or alternative requirements if the provider files a tariff with the Commission pursuant to §7.315 of this title (relating to Filing of Tariffs). The Commission shall review the tariff to ensure that at least the minimum standards of this section are met.

## (5) Applicant deposit.

- (A) Establishment of credit for residential applicants. The utility may require a residential applicant for service to satisfactorily establish credit but such establishment of credit shall not relieve the customer from complying with rules for prompt payment of bills. Subject to these rules, a residential applicant shall not be required to pay a deposit:
  - (i) if the residential applicant has been a customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment;
  - (ii) if the residential applicant furnishes in writing a satisfactory guarantee to secure payment of bills for the service required; or
  - (iii) if the residential applicant furnishes in writing a satisfactory credit rating by appropriate means, including, but not limited to, the production of valid, generally acceptable credit cards,

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letters of credit reference, the names of credit references which may be quickly and inexpensively contacted by the utility, or ownership of substantial equity.

- (B) Reestablishment of credit. Every applicant who has previously been a customer of the utility and whose service has been discontinued for nonpayment of bills shall be required before service is rendered to pay a connect charge plus all his or her amounts due the utility or execute a written deferred payment agreement, if offered, and reestablish credit as provided in subparagraph (A) of this paragraph.
- (C) Amount of deposit and interest for residential service, and exemption from deposit.
  - (i) The utility shall waive any deposit requirement for residential service for an applicant who has been determined to be a victim of family violence as defined in Texas Family Code, Section 71.004, by a family violence center, by treating medical personnel, by law enforcement agency personnel, or by a designee of the Attorney General in the Crime Victim Services Division of the Office of the Attorney General. This determination shall be evidenced by the applicant's submission of a certification letter developed by the Texas Council on Family Violence and made available on its website.
  - (ii) The required deposit shall not exceed an amount equivalent to one-sixth of the estimated annual billings. If actual use is at least twice the amount of the estimated billings, a new deposit requirement may be calculated and an additional deposit may be required within two days. If such additional deposit is not made, the utility may disconnect service under the standard disconnection procedure for failure to comply with deposit requirements. In the absence of billing history, the default deposit amount is \$90.00.
  - (iii) All applicants for residential service who are 65 years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance with the utility or another utility for the same utility service which accrued within the last two years. No cash deposit shall be required of such applicant under these conditions.
  - (iv) Each utility which requires deposits to be made by its customers shall pay a minimum interest on such deposits according to the rate as established by law. If refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the utility retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit.
    - (I) Payment of interest to the customer shall be annually or at the time the deposit is returned or credited to the customer's account.
    - (II) The deposit shall cease to draw interest on the date it is returned or credited to the customer's account.
- (D) Deposits for temporary or seasonal service and for weekend or seasonal residences. The utility may require a deposit from a commercial or industrial customer sufficient to reasonably protect it against the assumed risk, provided such a policy is applied in a uniform and nondiscriminatory manner.
- (E) Records of deposits.
  - (i) The utility shall keep records to show:
    - (I) the name and address of each depositor:
    - (II) the amount and date of the deposit; and
    - (III) each transaction concerning the deposit.

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- (ii) The utility shall issue a receipt of deposit to each applicant from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is lost.
- (iii) A record of each unclaimed deposit must be maintained for at least four years, during which time the utility shall make a reasonable effort to return the deposit.

## (F) Refund of deposit.

- (i) If service is not connected or after disconnection of service, the utility shall promptly and automatically refund the customer's deposit plus accrued interest on the balance, if any, in excess of the unpaid bills for service furnished. The transfer of service from one premise to another within the service area of the utility shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these rules.
- (ii) When the customer has paid bills for service for 12 consecutive residential bills without having service disconnected for nonpayment of bill and without having more than two occasions in which a bill was delinquent and when the customer is not delinquent in the payment of the current bills, the utility shall promptly and automatically refund the deposit plus accrued interest to the customer in the form of cash or credit to a customer's account.
- (G) Upon sale or transfer of utility or company. Upon the sale or transfer of any public utility or operating units thereof, the seller shall file with the Commission under oath, in addition to other information, a list showing the names and addresses of all customers served by such utility or unit who have to their credit a deposit, the date such deposit was made, the amount thereof, and the unpaid interest thereon.
- (H) Complaint by applicant or customer. The utility shall direct its personnel engaged in initial contact with an applicant or customer for service seeking to establish or reestablish credit under the provisions of these rules to inform the customer, if dissatisfaction is expressed with the utility's decision, of the customer's right to file a complaint with the regulatory authority thereon.

### (6) Billing.

- (A) Bills for gas service shall be rendered monthly, unless otherwise authorized or unless service is rendered for a period less than a month. Bills shall be rendered as promptly as possible following the reading of meters.
- (B) The customer's bill must show all the following information. The information must be arranged and displayed in such a manner as to allow the customer to compute his or her bill with the applicable rate schedule. The applicable rate schedule must be mailed to the customer on request of the customer. A utility may exhaust its present stock of nonconforming bill forms before compliance is required by this section:
  - (i) if the meter is read by the utility, the date and reading of the meter at the beginning and end of the period for which rendered;
  - (ii) the number and kind of units billed;
  - (iii) the applicable rate schedule title or code;
  - (iv) the total base bill:
  - (v) the total of any adjustments to the base bill and the amount of adjustments per billing unit;
  - (vi) the date by which the customer must pay the bill to get prompt payment discount, if applicable;

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- (vii) the total amount due before and after any discount for prompt payment, if applicable, within a designated period;
- (viii) a distinct marking to identify an estimated bill.
- (C) Where there is good reason for doing so, estimated bills may be submitted, provided that an actual meter reading is taken at least every six months. For the second consecutive month in which the meter reader is unable to gain access to the premises to read the meter on regular meter reading trips, or in months where meters are not read otherwise, the utility must provide the customer with a postcard, or allow the submission of a digital photo, and request that the customer read the meter and return the card or digital photo to the utility if the meter is of a type that can be read by the customer without significant inconvenience or special tools or equipment. If such a postcard or digital photo is not received by the utility in time for billing, the utility may estimate the meter reading and render the bill accordingly.

## (D) Disputed bills.

- (i) In the event of a dispute between the customer and the utility regarding the bill, the utility must forthwith make such investigation as is required by the particular case and report the results thereof to the customer. If the customer wishes to obtain the benefits of clause (ii) of this subparagraph, notification of the dispute must be given to the utility prior to the date the bill becomes delinquent. In the event the dispute is not resolved, the utility shall inform the customer of the complaint procedures of the appropriate regulatory authority.
- (ii) Notwithstanding any other subsection of this section, the customer shall not be required to pay the disputed portion of the bill which exceeds the amount of that customer's average usage for the billing period at current rates until the earlier of the following: resolution of the dispute or the expiration of the 60-day period beginning on the day the disputed bill is issued. For purposes of this section only, the customer's average usage for the billing period shall be the average of the customer's usage for the same billing period during the preceding two years. Where no previous usage history exists, the average usage shall be estimated on the basis of usage levels of similar customers and under similar conditions.

## (7) Meters and Facilities.

- (A) Meter requirements.
  - (i) Use of meter. All gas sold by a utility must be charged for by meter measurements, except where otherwise provided for by applicable law, regulation of the regulatory authority, or tariff.
    - (ii) Installation by utility. Unless otherwise authorized by the regulatory authority, the utility must provide and install and will continue to own and maintain all meters necessary for measurement of gas delivered to its residential and commercial customers. The Company has the right to install any meter or meters it deems in its sole discretion to be necessary or prudent, including without limitation, a digital, automated meter reading, automated metering infrastructure, or advanced metering systems meter or meters.
  - (iii) Standard type. No utility may furnish, set up, or put in use any meter which is not reliable and of a standard type which meets generally accepted industry standards; provided, however, special meters not necessarily conforming to such standard types may be used for investigation, testing, or experimental purposes.
  - (iv) Access to premises and access to Company-owned meters, service lines, equipment, and all necessary property rights to install, operate, monitor, and maintain such equipment which may

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be necessary or convenient for the installation and/or provision of Gas Service by Company to Customer. Atmos Energy, Mid-Tex Division and any authorized Company representatives shall have the right at all reasonable hours to enter upon the premises and property of a Customer or any adjacent property owned by Customer to read a Company meter, to remove, to inspect, or to make necessary repairs and adjustments to, replacements of, or additions to service lines, meter loop, and any current or future property, equipment, facilities, or systems of Company located thereon, and for any other purpose connected with Company's operation and supply of natural gas. The Atmos Energy, Mid-Tex Division representative shall have the right at all times to enter upon the premises and property of Customer in emergencies pertaining to Company's service, operation, or any other activity. All animals which might hinder the performance of such operations on the customer's property shall be kept away from such operations by the customer upon notice by Atmos Energy, Mid-Tex Division' representatives of their intention to enter upon customer's premises.

- (B) Meter records. The utility must keep the following records:
  - (i) Meter equipment records. The utility must keep a record of all its meters, showing the customer's address and date of the last test.
  - (ii) Records of meter tests. All meter tests must be properly referenced to the meter record provided for therein. The record of each test made on request of a customer must show the identifying number and constants of the meter, the standard meter and other measuring devices used, the date and kind of test made, by whom made, the error (or percentage of accuracy) at each load tested, and sufficient data to permit verification of all calculations.
  - (iii) Meter readings--meter unit location. In general, each meter must indicate clearly the units of service for which charge is made to the customer.
  - (iv) Meter tests on request of customer.
    - (I) The utility must, upon request of a customer, make a test of the accuracy of the meter serving that customer. The utility must inform the customer of the time and place of the test and permit the customer or his authorized representative to be present if the customer so desires. If no such test has been performed within the previous four years for the same customer at the same location, the test is to be performed without charge. If such a test has been performed for the same customer at the same location within the previous four years, the utility is entitled to charge a fee for the test not to exceed \$15 or such other fee for the testing of meters as may be set forth in the utility's tariff properly on file with the regulatory authority. The customer must be properly informed of the result of any test on a meter that serves him or her.
    - (II) Notwithstanding subclause (I) of this clause, if the meter is found to be more than nominally defective, to either the customer's or the utility's disadvantage, any fee charged for a meter test must be refunded to the customer. More than nominally defective means a deviation of more than 2.0% from accurate registration for residential and commercial customers and 1% for industrial customers.
  - (v) Bill adjustments due to meter or systematic errors.
    - (I) If any meter test reveals a meter to be more than nominally defective, the utility must correct previous readings consistent with the inaccuracy found in the meter or within the billing system for the period of either:
      - (-a-) the last six months; or

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- (-b-) the last test of the meter, whichever is shorter. Any resulting underbillings or overbillings are to be corrected in subsequent bills, unless service is terminated, in which event a monetary adjustment is to be made. This requirement for a correction may be foregone by the utility if the error is to the utility's disadvantage.
- (II) If a meter is found not to register for any period of time, the utility may make a charge for units used but not metered for a period not to exceed three months previous to the time the meter is found not to be registering. The determination of amounts used but not metered is to be based on consumption during other like periods by the same customer at the same location, when available, and on consumption under similar conditions at the same location or of other similarly situated customers, when not available.

## (8) New construction.

- (A) Standards of construction. The utility is to construct, install, operate, and maintain its plant, structures, equipment, and lines in accordance with the provisions of such codes and standards as are generally accepted by the industry, as modified by rule or regulation of the regulatory authority or otherwise by law, and in such manner to best accommodate the public and to prevent interference with service furnished by other public utilities insofar as practical.
- (B) Line extension and construction charge policy. In the absence of a line extension policy specific to a city franchise agreement, the following policy shall apply:

The utility shall be required to extend distribution mains in any Public Rights-of-Way up to seventy-five feet (75') to provide new or additional service requested by any one residential or commercial customer so long as such extension is operationally feasible. To the extent that the gas main extension would exceed seventy-five feet (75'), it shall be made only upon execution of a special agreement providing for reimbursement to Company for the cost of the necessary gas main extension. For industrial customers, gas main extensions of any length shall only be made upon execution of a special agreement providing for agreed upon reimbursement to Company for cost of the necessary gas main extension.

The applicable provisions of city franchise agreements, which set forth line extension and construction charge policies that differ from the above policy are on file with the applicable municipality.

The utility reserves the sole discretion to designate routes of all new extensions and the construction materials and manner of fabrication and installation. The utility, on a consistent and non-discriminatory basis, may provide refunds, credits, or security releases based upon facts such as additional customers subsequently attaching, the level of sales experiences through the new facility, or other criteria chosen by the utility. The utility may apply similar cost responsibility and arrangements to a customer requesting an increase in the capacity of existing facilities to accommodate an increase in the customer's service requirements. In no event will contribution in aid of construction be required of any customer unless provided for in this extension policy.

(C) Response to request for service. Every gas utility must serve each qualified applicant for residential or commercial service within its service area as rapidly as practical. As a general policy, those applications not involving line extensions or new facilities should be filled within seven working days. Those applications for individual residential or commercial service requiring line extensions should be filled within 90 days unless unavailability of materials or other causes beyond the control of the utility result in unavoidable delays. In the event that residential or commercial service is delayed in excess of 90 days after an applicant has met credit requirements and made satisfactory arrangements for payment of any required construction charges, a report must be made to the regulatory authority listing the name of the applicant, location, and cause for delay. Unless such

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delays are due to causes which are reasonably beyond the control of the utility, a delay in excess of 90 days may be found to constitute a refusal to serve.

## (9) Non-Liability

- (A) Furnishing of Gas. The Company shall not be liable for any loss or damage caused by variation in gas pressure, defects in pipes, connections and appliances, escape or leakage of gas, sticking of valves or regulators, or for any other loss or damage not caused by the Company's negligence arising out of or incident to the furnishing of gas to any Consumer or Customer.
- (B) After Point of Delivery. Company shall not be liable for any damage or injury resulting from gas or its use after such gas leaves the Point of Delivery other than damage caused by the fault of the Company in the manner of installation of its Gas Service Lines, in the manner in which such Gas Service Lines are repaired by the Company, and in the negligence of the Company in maintaining its meter loop. All other risks after the gas left the Point of Delivery shall be assumed by the Customer, Consumer, and their agents, servants, employees, or other persons. Customer, Consumer, and their agents, servants, employees, or any other persons assume all responsibility for all facilities and all Customer's Gas Installation, Customer's Piping, and Customer's Equipment and their installation, maintenance, operation, functionality, testing, condition, and all other risks on Customer's side of the Point of Delivery.
- (C) Customer's Piping and Equipment. Customer shall be solely responsible for the selection, installation, maintenance, repair, and inspection of Customer's Piping and Equipment, and the Company shall have no duty or responsibility for the design, selection, installation, operation, maintenance, or repair of said Customer's Piping Equipment, including no responsibility or duty for (1) determining whether or not Customer has complied with all applicable safety codes and regulations; (2) inspecting or maintaining Consumer's Piping or Equipment; (3) or in any way establishing or enforcing any piping, equipment, device, or facility specifications. The Company shall have no duty, obligation, or responsibility for notifying Consumer of technology or technological advances associated with Customer's Piping or Equipment nor shall the Company have any duty, obligation, or responsibility for determining whether Customer's Piping and/or Equipment complies with NFPA 54, NFPA 715 and/or any applicable fuel gas or other relevant code. The Company shall have no duty, obligation, or responsibility for inspecting the performance of, location of, or maintenance of Consumer's methane detectors and/or carbon monoxide detectors. The Company shall have no duty or obligation to warn or notify Customer regarding the installation of, use of, performance of, and/or maintenance of Customer's Piping or Equipment, including methane detectors and/or carbon monoxide detectors. The Consumer shall be responsible, at all times, for all Customer Piping and Equipment beyond the Point of Delivery.
- (D) Escaping Gas. Immediate notice must be given to Company by Customer or Consumer of any escaping gas on Customer's premises. No flame shall be taken near the point where gas is escaping. Company shall not be liable for any damage or loss caused by the escape of gas from Customer's Piping or Equipment or Customer's or Consumer's appliances, devices, or facilities.
- (E) Company is not liable to a Customer or Consumer, and any Customer shall indemnify, hold harmless, and defend the Company and its employees, agents, and representatives from any

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and all claims or allegations of liability for personal injury, damage to property, or any incidental, consequential, business interruption, or other economic damages or losses in any manner directly or indirectly connected to, arising from, or caused by acts or omissions of any person or party on the Customer's side of the Point of Delivery.

- (F) In no event shall the Company or its employees be liable for incidental, consequential, business interruption, or other economic damages or losses of Customer, Consumer, or third parties in any manner, directly or indirectly, arising from, caused by, or growing out of the interruption or termination of gas utility service.
- (G) Reasonable Diligence. The Company agrees to use reasonable diligence in rendering continuous gas service to all Customers/Consumers, but the Company does not guarantee such service and shall not be liable for damages resulting from any interruption to such service.
- (H) Force Majeure. Company shall not be liable for any damage or loss caused by stoppage or curtailment of the gas supply pursuant to order of a governmental agency having jurisdiction over Company or Company's suppliers, or caused by an event of force majeure. The term "force majeure" as employed herein means acts of God; strikes, lockouts, or other industrial disturbances; acts of the public enemy; wars; blockades; insurrections; riots; epidemics; pandemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; arrests and restraints of the government, either federal or state, civil or military; civil disturbances; explosions; breakage or accident to machinery or lines of pipe; freezing of wells or lines of pipe; shortage of gas supply, whether resulting from inability or failure of a supplier to deliver gas; partial or entire failure of natural gas wells or gas supply; depletion of gas reserves; and any other causes, whether of the kind herein enumerated or otherwise.