



January 20, 2023

To The Honorable Mayor and City Council

Attached is a revised Schedule I – Industrial Sales tariff sheet for Atmos Energy Corporation, Mid-Tex Division's (the "Company") tariffs. The revisions to Schedule I - Industrial Sales of the Company's tariff will not impact any existing customer, service offering, or rate charged by the Company. The revisions will become effective on January 31, 2023.

The revisions to Schedule I – Industrial Sales of the Company's tariffs are being made in response to the Railroad Commission of Texas (Commission) recently adopted revisions to 16 TAC § 7.455, relating to Curtailment Standards and updating natural gas curtailment priority levels for Texas natural gas utilities. As part of that rulemaking process, the Commission adopted revisions to 16 TAC § 7.455 that elevated the curtailment priority of industrial customers. Previously, under the Company's applicable curtailment order, all industrial customers were one of the lowest levels of priority.

The tariff revision will lower the industrial sales usage threshold to ensure that the Company can meet the elevated curtailment priority that is now applicable to industrial customers. Customers with usage above this threshold may take service pursuant to special contract arrangements. Specifically, the Company is making the following changes to Schedule I - Industrial Sales:

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.

The existing threshold of 3,500 MMBtu per day is roughly the equivalent of the gas usage of approximately 2,800 residential customers. The lower threshold of 200 MMBtu is roughly the equivalent of the gas usage of approximately 165 residential customers.

If you have any questions or require additional information regarding this matter, please contact me at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Felan".

Chris Felan
Vice President, Rates & Regulatory Affairs
Atmos Energy, Mid-Tex Division

Enclosure:
Mid-Tex Division
Industrial Sales Tariff

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION IN THE ATMOS TEXAS MUNICIPALITIES COALITION (“ATM”)	
EFFECTIVE DATE:	Bills Rendered on or after 09/01/2022	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	\$ 784.00 per month
Interim Rate Adjustment (“IRA”)	\$ 988.57 per month ¹
Total Customer Charge	\$ 1,772.57 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3312 per MMBtu
Next 3,500 MMBtu	\$ 0.2425 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0520 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.”

¹ 2018 IRA - \$155.80, 2019 IRA - \$261.93, 2020 IRA - \$261.77, 2021 IRA - \$309.07.

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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 mdtx.plantprotection@atmosenergy.com.

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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	