The matters discussed or incorporated by reference in this presentation may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this presentation are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this presentation or in any of our other documents or oral presentations, the words “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “objective,” “plan,” “projection,” “seek,” “strategy” or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this presentation, including the risks relating to regulatory trends and decisions, our ability to continue to access the credit and capital markets and the other factors discussed in our reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2017. Although we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Further, we will only update our annual earnings guidance through our quarterly and annual earnings releases. All estimated financial metrics for fiscal year 2018 and beyond that appear in this presentation are current as of November 8, 2017.
Corporate Overview

Mike Haefner
President & Chief Executive Officer
Management Participants

Michael Haefner
President and CEO

David Park
Senior VP, Utility Operations

Kevin Akers
Senior VP, Safety and Enterprise Services

Chris Forsythe
Senior VP and CFO

Dennis Gordon
President, Atmos Pipeline - Texas
Evolution of Atmos Energy

**F1986 – F2011**
Growth Through Acquisitions

- Acquisitions of quality assets provided foundation for investment

**F2012 – F2017**
Growth Through Infrastructure Investment

- Refinement of portfolio to be 100% regulated and geographically and financially more efficient
  - EPS: 8% CAGR
  - CapEx: $5.5 Billion
  - Rate Base: 10% CAGR
  - Dividend: 5% CAGR

**F2018 – F2022**
Growth Through Refinement of Infrastructure Investment Strategy

- Well positioned to reinvest in quality assets in constructive regulatory jurisdictions to achieve continued steady growth
  - EPS: 6% - 8%
  - CapEx: $8.0 Billion
  - Rate Base: 10% - 12%
  - Dividend: 6% - 8%

As of November 8, 2017
Atmos Energy Footprint

Attractive Service Areas Offer Operating Scale and Risk Diversification

As of November 8, 2017
Leading Natural Gas Delivery Platform

Diversified LDC platform in 8 states

- Largest pure-play LDC with over 3 million customers in 8 states
- ~71,000 miles of distribution and transmission mains
- ~58% of distribution rate base is located in Texas (~70% including pipeline)
- Blended allowed ROE of 10.0%
- Constructive regulatory mechanisms reduce or eliminate lag

Business mix

- Distribution ~70%
- Pipeline & Storage ~30%

Intrastate pipeline system

- ~5,600 miles of intrastate pipeline
  - Spans multiple key shale gas formations
  - Connection to major market hubs
- Five storage facilities with 46 Bcf of working capacity
- Allowed ROE of 11.5%
- Margin derived from tariff-based rates primarily serving Mid-Tex and other LDCs
Fiscal 2017 Achievements

- Year-over-year adjusted earnings per share growth of 8.1\(^{(1)}\) percent; 15\(^{th}\) consecutive year of increased earnings per share
- Fiscal 2017 total shareholder return of 15.2%
- 7.8% increase in fiscal 2018 indicated annual dividend to $1.94 per diluted share; 34th consecutive year of rising dividends
- Achieved annualized increases from implemented rate activity of approximately $104 million

Ample Liquidity
- Issued 1.3M common shares under at-the-market (ATM) program for $98.8 million in net proceeds
- Completed a public offering of $500 million of 3.00% senior unsecured notes due 2027 and $250 million of 4.125% senior unsecured notes due 2044. Proceeds of $753 million were partially used to repay $250 million of 6.35% senior notes expiring in 2017

- Completed the sale of nonregulated gas marketing business, making Atmos Energy a fully-regulated company
- Mike Haefner named President and Chief Executive Officer; Kim Cocklin as Executive Chairman

\(^{(1)}\) Excludes income from discontinued operations
Attractive, Pure-Play Return

Constructive Regulatory Mechanisms Support Efficient Conversion of Rate Base Growth Opportunities into Financial Results

~ $1.3 billion - $1.9 billion in annual capital investment through 2022

Constructive rate mechanisms reducing regulatory lag

6% - 8% Consolidated EPS growth

Adjusted Earnings per Share

Earning on Annual Investments:
- Within 0 - 6 months
- Within 7 - 12 months
- Greater than 12 months

1 Excludes $0.13 associated with discontinued operations

As of November 8, 2017
## Investment Highlights

### A Pure-Play, High-Growth Natural Gas Delivery Investment Proposition

<table>
<thead>
<tr>
<th>Attractive pure-play total return</th>
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<tbody>
<tr>
<td>Attractive total return proposition of 8 - 10%</td>
</tr>
<tr>
<td>6 - 8% forecasted EPS growth through Fiscal 2022; attractive dividend yield</td>
</tr>
<tr>
<td>Earnings are 100% regulated and rate base driven</td>
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</tbody>
</table>

<table>
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<tr>
<th>Diversified asset base with constructive regulation</th>
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<tr>
<td>Regulated distribution assets in 8 states serving over 3 million customers</td>
</tr>
<tr>
<td>Favorably positioned regulated pipeline spans Texas shale gas supply basins</td>
</tr>
<tr>
<td>Constructive rate mechanisms reduce or eliminate regulatory lag</td>
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<table>
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<th>Strong rate base growth</th>
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<td>Strong forecasted rate base growth through Fiscal 2022</td>
</tr>
<tr>
<td>Annual capital expenditures of ~$1.3 billion - $1.9 billion through Fiscal 2022; ~80% spent on safety and reliability</td>
</tr>
<tr>
<td>Earning on over 95% of annual capex within 6 months; ~99% within 12 months</td>
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</table>

<table>
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<th>Strong financial foundation with consistent track record</th>
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<td>15 consecutive years of EPS growth; 34 consecutive years of dividend growth</td>
</tr>
<tr>
<td>7.8% indicated dividend increase for 2018E</td>
</tr>
<tr>
<td>High investment-grade credit ratings (A, A2) with ample liquidity</td>
</tr>
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</table>

As of November 8, 2017
Safety Strategy

Kevin Akers
Senior VP Safety & Enterprise Services
Focused on investing in:

- **System Safety**
  - Replacing higher risk pipe materials and equipment
  - Replacing steel service lines
  - Enhancing pipeline integrity assessments
  - Underground storage integrity
  - New technology

- **Public Safety**
  - Emergency response
  - Customer & community education
  - Public awareness

- **Employee Safety**
  - State-of-the-art training
  - Tools and equipment
  - Eliminate at-risk behavior
  - Incident free

Our Vision is to be the Safest Provider of Natural Gas Services
Employee Safety
Charles K Vaughan Training Center

Technical & Safety Training – Flow Lab and Gas City

- State-of-the-art facility
- Comprehensive training
  - Meter reading
  - Service
  - Construction
  - Measurement
  - Corrosion
  - Emergency responder
- Approximately 300-400 employees new to their jobs each year
- Between 1,000 – 2,000 employees enrolled in refresher courses annually

As of November 8, 2017
Reducing Risk & Enhancing Ability to Scale

Process and Continuous Improvement

- AGA Peer to Peer Review
  - Charter member of program
  - 2017 review included damage prevention and quality management

- Employee & Contractor OQ Badges
  - Ability to scan at job site using mobile apps for contractors and Atmos Energy employees

- Line Locating Sourcing
  - Enterprise process for line locating services
  - QA/QC and audit reporting

- Pipeline Record Verification and Scanning
  - Standardized document scanning & storage
  - QA/QC and audit reporting

As of November 8, 2017

Contractor OQ Badge
Reducing Risk & Enhancing Ability to Scale

Underground Storage Integrity Management

- PHMSA issued Interim Final Rule (IFR) December 2016
- Implementing industry recommended practices
- Executing on our risk reduction and mitigation plans
  - Proactive well monitoring
  - Inventory verification analysis
  - Scheduled mechanical integrity
  - Well-control, emergency response plan
  - Periodically conduct tabletop exercises for emergency preparedness and response
Reducing Risk & Enhancing Ability to Scale

New Technology Deployment

- Asset Data Collection

- Innovative Leak Detection

- Wireless Meter Reading

- Wireless Cathodic Protection Monitoring

As of November 8, 2017
Safety & Reliability Investments Enable Modernization of Infrastructure

As of November 8, 2017

<table>
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<th>$ millions</th>
<th>FISCAL 2017 CAPEX</th>
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<td>$ 473</td>
<td>Repair and replace transmission and distribution pipelines</td>
</tr>
<tr>
<td>$ 129</td>
<td>Fortification</td>
</tr>
<tr>
<td>$ 118</td>
<td>Service line replacement</td>
</tr>
<tr>
<td>$ 97</td>
<td>Install and replace measurement &amp; regulating equipment</td>
</tr>
<tr>
<td>$ 53</td>
<td>Enhance storage and compression capabilities</td>
</tr>
<tr>
<td>$ 44</td>
<td>Pipeline integrity management projects</td>
</tr>
<tr>
<td>$ 914</td>
<td>Total Safety and Reliability Spending</td>
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<tr>
<td>$ 1,137</td>
<td>Total Capital Spending</td>
</tr>
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</table>
Distribution System

Miles of Pipe by Decade of Installation

- ~ 70,000 Total Miles of Distribution Main
- ~ 42% Installed Pre-1970
- Comprehensive Pipe Replacement Program Risk Assessment Factors Include:
  - Legacy construction practices
  - Material type
  - Leak history
  - Age
  - Location
  - Soil type

Source: 2016 DOT Report

As of November 8, 2017
Risk-Based Replacements - Distribution

Inventory of Pre-1970 Materials

As of November 8, 2017

- **Industry Identified Materials**
  - 4,900 Miles Bare Steel
  - 700 Miles Vintage Plastic
  - 500 Miles Cast Iron

- **Other Risk-Based Materials**

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventory of Industry Identified Materials</th>
<th>Inventory of Other Risk-Based Materials</th>
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<td>2012</td>
<td>7,300</td>
<td>23,500</td>
</tr>
<tr>
<td>2017</td>
<td>6,100</td>
<td>22,500</td>
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<td>2022E</td>
<td>4,000-4,200</td>
<td>20,000-22,000</td>
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Pipe Replacement Mileage

Estimated Miles Replaced by Fiscal Year - An Ongoing Commitment

**Distribution Miles**
- ~ 600-700 miles annually

**Transmission Miles**
- ~ 175-225 miles annually

---

**Industry Identified Materials** – Bare Steel, Cast Iron, Vintage Plastics

**Other Risk-Based Materials**

*As of November 8, 2017*
Focused Steel Service Lines Replacement

Replacing ~ 40,000 Steel Service Lines Annually

- New service lines use state of the art material, construction and joining practices
- Service lines are in close proximity to customer residence and business locations
- Approximately 70% of leaks occur on service lines

Inventory of Steel Service Lines

As of November 8, 2017
Reducing Risk

- Significant progress over last 6 years
- Employee-driven safety culture
- Focus on reducing or mitigating risk
- Managing leak inventories through a combination of infrastructure replacement and leak management programs
- Measuring safety performance with Atmos Energy expectations and values

Improved Safety Performance

<table>
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<th>2012 - 2017</th>
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<tbody>
<tr>
<td>Active leaks</td>
<td>18%</td>
</tr>
<tr>
<td>Excavation Damage Rate</td>
<td>24%</td>
</tr>
<tr>
<td>Employee Injuries</td>
<td>6%</td>
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As of November 8, 2017
In Summary

Well Aligned with Stakeholders

- Executing on our strategy to become the safest provider
- Significant prudent investment opportunity in our infrastructure and people
- Partnering with regulators and communities
- Leveraging new technology and business processes
- Benefiting customers, communities, employees and investors
Atmos Pipeline - Texas Overview

Dennis Gordon
President, Atmos Pipeline-Texas
Primary purpose is to provide regulated transportation and storage services to system customers, primarily Mid-Tex Division

Transported approximately 750 Bcf in Fiscal 2017

Demonstrated peak day total throughput of approximately 3.7 Bcf

Five storage facilities with 46 Bcf of working gas capacity

APT serves a dynamic market
- DFW Metroplex
- Austin Corridor
- Industrial Markets
- Power Generation

Connects to major market hubs
- Waha
- Katy
- Carthage

Pipeline spans multiple gas formations: Barnett Shale, Haynesville/Bossier Shale, Permian Basin, Eagle Ford Shale

As of November 8, 2017
Atmos Pipeline - Texas Regulatory Structure

- Texas Railroad Commission has Original Jurisdiction
  - Cost of service tariffs for regulated customers
  - Prudency of investments
  - Priority of service

- GUD 10580 – Most Recent Case Established (August 2017)
  - 11.5% return on equity; overall return of 8.87%
  - $13 Million annual increase in operating income
  - Annual O&M of $121.8 million; $41 million increase
  - $1.3 Billion investment approved by RRC
  - Straight fixed variable rate design – Revenues not exposed to volume variability

- Gas Reliability Infrastructure Program (GRIP)
  - Legislation signed into law June 2003
  - Annually adjusts rate base for change in net investment
  - Requirement for full rate case every five years (next case to be filed no later than 2022)
Atmos Pipeline - Texas
GRIP Results

GRIP - Gas Reliability Infrastructure Program by Calendar Year

* After including the $13 million Operating Income increase from the General Rate Case, the annual impact to Operating Income for Calendar Year 2016 is $42 million.
** Includes $85 million for the acquisition of EnLink - North Texas Pipeline.
Atmos Pipeline - Texas
Enlink - North Texas Pipeline

Strategically Positioned to Serve Growing North Texas Customer Demand

- 140-mile, 24-inch pipe acquired December 2016 for $85M
- $20M - $30M estimated CAPEX for system enhancements in F2018
- 250,000 Mmbtu/d current production
- Facilitates increasing LDC deliveries in growing Collin, Denton, and Grayson counties
- Provides increased access to Barnett shale, Oklahoma, and northeast gas supply basins
- Strong corporate relocations continuing in northern area of the DFW metroplex: Toyota, Liberty Mutual Insurance, FedEx Corp and Dallas Cowboys Star Complex - relocations/expansions expect to add about 15K jobs
- Frisco and McKinney are 2 of the nation’s 10 fastest-growing cities
- Collin County projected to grow from current population of 865 thousand to 3.8 million by 2050

As of November 8, 2017
Anticipated CAPEX spend of $375- $550 million per year

- Pipeline integrity / compliance: $200 - 300 million
- Maintenance / replacement: $100 - 150 million
- Fortification / growth: $50 - 100 million
- Other / Projects: Opportunity driven

All CAPEX is focused on serving APT’s regulated customers

- System safety
- Enhance capacities
- Service reliability
- Gas supply

All CAPEX is GRIP eligible
2018E – 2022E APT Integrity & Fortification Projects: $1.1 - $1.5 billion

As of November 8, 2017
Pre-1970 Inventory: 2,740 miles (49%)

Source: DOT PHMSA Annual Report 2016
Atmos Pipeline - Texas Pipeline Integrity Management

Pipeline Integrity Management drives CapEx investments

- Upgrading lines with pigging facilities
- Replacing valves, fittings, and pipe to allow ILI tool to travel through pipeline
- Assessing and repairing abnormalities by installing weldover sleeves, composite wraps, or replacement of pipe
- Prioritization of pipe replacement based on ILI results
- Installation of remote control valves

Approximate Percentage of APT Transmission Pipe Capable of In-Line Inspection

Total Pipelines  High Consequence Areas

36 inch Electro-Magnetic Acoustic Transducer (EMAT) In-Line Inspection tool being loaded into Line X

As of November 8, 2017
Urban Pipeline Replacement
Growth, Maintenance and Integrity

Line F (Denton & Dallas Co) & D9 (Denton & Dallas Co)
- Two Large Urban Replacement Projects in Progress
- 18 miles of 16 inch, $55-$75 million, F2016-F2020
- 10 miles of 20 inch, $25-$35 million, F2017-F2020

As of November 8, 2017
Line WD (Wise, Denton, Dallas Co)
- 37 miles of 20 inch from Boyd to Coppell
- $95-$105 million CAPEX
- 6 year project (F2016-F2021)
Groesbeck Compression

- Connect / transport approximately 200 MMcfd of Permian Production
- $40-$45 million CAPEX
- Operational: November 2018
- Supports Austin/Katy Deliverability

Above: Similar unit as the one being installed

As of November 8, 2017
Regulatory Strategy

David Park
Senior Vice President, Utility Operations
Evolution of Atmos Energy

Pre-F2012
Focus on integrating acquisitions & reducing volatility in earnings

Implemented regulatory mechanism to drive more consistent earnings:
- Weather normalization adjustments
- Higher base charges
- Bad debt gas cost recovery
- Pension trackers

F2012 - F2017
Focus on improving system safety through infrastructure replacement

Implemented annual rate and infrastructure mechanisms to reduce regulatory lag:
- Mechanisms added to six states
- Expense deferrals added to two states

F2018 – F2022
Further refinement of infrastructure investment strategy

Continue to build on strong foundation of transparency and trust with stakeholders:
- Execution of infrastructure investment projects
- Cost management
- Refinement of mechanisms

As of November 8, 2017
Regulatory Strategy Focused on Safety

Strong Regulatory Support

- Regulatory Support Has Enabled
  - Replacement of at-risk and aging pipeline
  - Performance of necessary maintenance & monitoring work
  - Employee training to improve safety and compliance with evolving rules and regulation

- Outcome
  - Reduced regulatory lag
  - More predictable earnings & cash flows
  - Long-term sustainable growth opportunity
  - Alignment of stakeholders
# Regulatory and Recovery Mechanisms

~ 95% of Annual CAPEX Begins to Earn a Return Within Six Months

<table>
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<tr>
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<th>Service Territory Detail</th>
<th>Capex F2018E ($ millions)</th>
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* Requires a rate case every 5 years

As of November 8, 2017

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As of November 8, 2017

# Regulatory and Recovery Mechanisms

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<tr>
<td>Colorado</td>
<td>SSIR</td>
<td>✓</td>
<td>SSIR</td>
<td></td>
<td>118</td>
<td>20 - 25</td>
</tr>
<tr>
<td>Virginia</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>24</td>
<td>6 - 8</td>
</tr>
</tbody>
</table>

* Requires a rate case every 5 years

As of November 8, 2017
Constructive Rate Outcomes Drive Operating Income Growth

Annualized Increases from Implemented Rate Activity

- Customers and investors benefit from fair and reasonable regulation
- Earning on over 95% of annual CAPEX within 6 months of test year end
- Distribution features:
  - 97% Weather normalization stabilizes rates and margins
  - 76% Bad Debt Recovery insulates margins from the commodity portion of bad debt expense

As of November 8, 2017
<table>
<thead>
<tr>
<th>Q1</th>
<th>October – December</th>
<th>Q2</th>
<th>January – March</th>
<th>Q3</th>
<th>April – June</th>
<th>Q4</th>
<th>July – September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansas</td>
<td>Anticipate filing Gas System Reliability Surcharge (GSRS) in November 2017; new rates anticipated Q2 fiscal 2018</td>
<td>Atmos Pipeline Texas (APT) – Anticipate filing 2017 GRIP request in February 2018; new rates anticipated Q3 fiscal 2018</td>
<td>Mississippi – Anticipate filing System Integrity Rider (SIR) in March 2018; new rates anticipated Q1 fiscal 2019</td>
<td>Kentucky – Anticipate Pipe Replacement Program (PRP) filing in August 2018 new rates anticipated Q1 fiscal 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colorado</td>
<td>Anticipate filing System Safety and Integrity Rider (SSIR) in November 2017; new rates anticipated Q2 fiscal 2018</td>
<td>Tennessee – Anticipate filing annual mechanism in February 2018; new rates anticipated Q3 fiscal 2018</td>
<td>Louisiana – Anticipate LGS annual Rate Stabilization Clause filing in April 2018; new rates anticipated Q4 fiscal 2018</td>
<td>Mississippi – Anticipate Stable Rate Filing and Supplemental Growth Rider filings in September 2018; new rates anticipated Q1 fiscal 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Louisiana</td>
<td>Anticipate filing TransLa jurisdiction annual Rate Stabilization Clause filing in December 2017; new rates anticipated Q3 fiscal 2018</td>
<td>Mid-Tex Cities – Anticipate Rate Review Mechanism (RRM) filing in March 2018; new rates anticipated fiscal 2018</td>
<td>Texas Environs Customers - Anticipate filing GRIP in March 2018; new rates anticipated Q3 fiscal 2018</td>
<td>West Texas ALDC – Anticipate filing annual GRIP request in March 2018; new rates anticipated Q3 fiscal 2018</td>
<td></td>
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</tr>
</tbody>
</table>
Average Residential Bill

Average Customer Bill Remains Affordable

2018E – 2022E Assumptions

- Normal weather and consumption
- $1.3 billion - $1.9 billion annual CAPEX
- Average all-in gas cost of $4.50 to $5.50 per mcf

As of November 8, 2017
Monthly Household Bills

Natural Gas Bills Lowest Among Residential Utilities

<table>
<thead>
<tr>
<th>Utility</th>
<th>Average Monthly Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas</td>
<td>$48</td>
</tr>
<tr>
<td>Water</td>
<td>$104</td>
</tr>
<tr>
<td>Cable/Satellite TV</td>
<td>$106</td>
</tr>
<tr>
<td>Electric</td>
<td>$114</td>
</tr>
<tr>
<td>Mobile Phone</td>
<td>$121</td>
</tr>
</tbody>
</table>

Sources:
- Natural Gas $48. F2017 Atmos Energy enterprise-wide average monthly residential bill
- Water $104. Circle of Blue (www.circleofblue.org); 2016 average monthly residential bill of 30 major U.S. cities—does not include sewer or stormwater
- Cable/Satellite TV $106. Q3 2017; Leichtman Research Group. Pay-TV in the U.S. 2017
- Electric $114. Energy Information Administration (www.eia.gov); 2015 average monthly residential bill
- Mobile Phone $121. Federal Communications Commission (www.fcc.gov); 2016 average monthly bill for 2 smartphones
Financial Overview

Chris Forsythe
Senior Vice President and CFO
Attractive, Pure-Play Return

Constructive Regulatory Mechanisms Support Efficient Conversion of Rate Base Growth Opportunities into Financial Results

~ $1.3 billion - $1.9 billion in annual capital investment through 2022

Constructive rate mechanisms reducing regulatory lag

6% - 8% Consolidated EPS growth

Rate Base

<table>
<thead>
<tr>
<th>Year</th>
<th>Distribution (in billions)</th>
<th>Pipeline and Storage (in billions)</th>
<th>Total Rate Base (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$5.9</td>
<td>~ 95%</td>
<td>$11.0</td>
</tr>
<tr>
<td>2017</td>
<td>$6.6</td>
<td>~ 95%</td>
<td>$12.2</td>
</tr>
<tr>
<td>2022E</td>
<td>$11.0 - $12.0</td>
<td>~ 95%</td>
<td>$11.0 - $12.0</td>
</tr>
</tbody>
</table>

Earning on Annual Investments:
- Within 0 - 6 months
- Within 7 - 12 months
- Greater than 12 months

Adjusted Earnings per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018E</th>
<th>2022E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per Share</td>
<td>$3.75 - $3.95</td>
<td>$4.75 - $5.15</td>
<td>$4.75 - $5.15</td>
</tr>
</tbody>
</table>

1 Excludes $0.13 associated with discontinued operations

As of November 8, 2017
Sustainable and Growing Dividend

34 Consecutive Years of Dividend Increases

- Dividend increased 7.8% for Fiscal 2018
- The indicated annual dividend rate for Fiscal 2018 is $1.94
- Dividend has increased each year for the past 34 years
- Targeted payout ratio of 50-55%

Note: Amounts are adjusted for mergers and acquisitions.
Regulated Business Mix

100% Regulated Assets Creates Stable Revenue Stream

- Net Income: Distribution 68%, Pipeline 32%
- Distribution Operating Revenues: Residential 8%, Commercial 27%, Industrial & Other 65%
- Distribution Gross Profit: Base Charge 61%, Volumetric 39%

As of November 8, 2017
### Fiscal 2017 Net Income versus Fiscal 2016 Net Income

#### Fiscal 2017 Net Income

<table>
<thead>
<tr>
<th></th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 268</td>
<td>$ 114</td>
<td>$ 14</td>
<td>$ 396</td>
<td>106.1</td>
<td>$ 3.73</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>(14)</td>
<td>(14)</td>
<td>106.1</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 268</td>
<td>$ 114</td>
<td>---</td>
<td>$ 382</td>
<td>106.1</td>
<td>$ 3.60</td>
</tr>
</tbody>
</table>

#### Fiscal 2016 Net Income

<table>
<thead>
<tr>
<th></th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 234</td>
<td>$ 111</td>
<td>$ 5</td>
<td>$ 350</td>
<td>103.5</td>
<td>$ 3.38</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>(5)</td>
<td>(5)</td>
<td>103.5</td>
<td>(0.05)</td>
</tr>
<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 234</td>
<td>$ 111</td>
<td>---</td>
<td>$ 345</td>
<td>103.5</td>
<td>$ 3.33</td>
</tr>
</tbody>
</table>

* Since Atmos Energy has non-vested share-based payments with a nonforfeitable right to dividends, there is a requirement to use the two-class method of computing earnings per share. As a result, EPS cannot be calculated directly from the income statement.
Key Regulatory Developments - Fiscal 2017

Annualized Operating Income Increases from Implemented Rate Activity

Selected Rate Activity
Fiscal 2017

- $36.2M - Mid-Tex RRM
- $13.0M – APT SOI
- $9.7M - Mid-Tex DARR
- $9.0M - Mississippi SRF/SGR/SIR
- $6.7M - Tennessee ARM
- $6.2M – Louisiana-LGS RSC
- $5.0M - Kentucky PRP
- $4.7M - West TX ALDC GRIP
- $4.4M - Louisiana-TransLa RSC
- $4.3M - West Texas Cities RRM

($ millions)

As of November 8, 2017
Capital Spending

Continued Rate Base Growth Driven by Safety and Reliability Investments

Increased national focus on safety and reliability

As of November 8, 2017
Long-Term Financing Activities

- $875 million in proceeds received from long-term debt financing
  - $500 million of 3.00% senior unsecured notes due 2027
  - $250 million of 4.125% senior unsecured notes due 2044
    - Net proceeds used to repay maturing $250 million of 6.35% senior unsecured notes in June 2017
  - $125 million of incremental financing under our $200 million term loan
- $98.8 million net proceeds received from sale of 1.3M common shares sold under our at-the-market (ATM) program
Strong Financial Foundation

Capitalization and Liquidity Profile

Total Capitalization at September 30, 2017

- Equity: 52% in 2016, 53% in 2017
- LT Debt: 36% in 2016, 41% in 2017
- ST Debt: 12% in 2016, 6% in 2017

Liquidity Profile as of September 30, 2017

- 5-year Revolver: $1,500.0
- One-year Facilities: $35.0
- Cash: $26.4
- Available Liquidity: ~$1.1 billion

Equity LT Debt ST Debt

Sept 30 2016

Sept 30 2017

$ millions

5-year Revolver One-year Facilities Cash

As of November 8, 2017
Improved Weighted Average Cost of Long-Term Debt
Average maturities about 17 years

Debt Maturity as of September 30, 2017

Net Long - Term Debt

1 These notes mature March 2019. The Treasury yield component associated with the anticipated refinancing of these notes has been effectively fixed at 3.782%.

2 Drawn under the $200 million floating rate multi-draw loan.
Fiscal 2018E – 2022E Guidance
### Fiscal 2018E Guidance

#### Net Income

<table>
<thead>
<tr>
<th>($ millions, except EPS)</th>
<th>2017 Adjusted Net Income</th>
<th>2018E*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution</td>
<td>$ 269</td>
<td>$ 285 – 305</td>
</tr>
<tr>
<td>Pipeline &amp; Storage</td>
<td>114</td>
<td>125 – 135</td>
</tr>
<tr>
<td>Total Net Income</td>
<td>$ 383</td>
<td>$ 410 – 440</td>
</tr>
<tr>
<td>Avg. Diluted Shares</td>
<td>106.1</td>
<td>110.0 – 112.0</td>
</tr>
<tr>
<td>Earnings Per Share ¹, ²</td>
<td>$ 3.60</td>
<td>$ 3.75 – $3.95</td>
</tr>
</tbody>
</table>

¹ Expected results for fiscal 2018 assumes normal weather. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings, and could result in earnings for fiscal 2018 significantly above or below this outlook.

² Fiscal 2017 earnings are adjusted to exclude earnings from discontinued operations of $14 million or $0.13 per share as a result of divesting Atmos Energy Marketing in 2Q17.
### Fiscal 2018E Guidance

#### Selected Expenses

<table>
<thead>
<tr>
<th>($ millions)</th>
<th>Fiscal 2017</th>
<th>Fiscal 2018E*</th>
</tr>
</thead>
<tbody>
<tr>
<td>O&amp;M</td>
<td>$ 547</td>
<td>$ 525 – 555</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>$ 321</td>
<td>$ 350 – 370</td>
</tr>
<tr>
<td>Interest</td>
<td>$ 118</td>
<td>$ 125 – 135</td>
</tr>
<tr>
<td>Income Tax</td>
<td>$ 221</td>
<td>$ 240 – 270</td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td>36.6%</td>
<td>36% - 38%</td>
</tr>
</tbody>
</table>

* Expected results for fiscal 2018 assumes normal weather. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings, and could result in earnings for fiscal 2018 significantly above or below this outlook.
Capital Expenditures Drive Rate Base Growth

Consolidated 2018E Capital Expenditures of $1.3 billion - $1.4 billion
Over 95% of annual CAPEX begins to earn a return within 6 months from end of test year

Safety & Reliability ~$1.0 - $1.1B

- **System integrity** - replacement of pipe, leak repairs and cathodic protection
- **Pipeline integrity** - includes replacement of pipelines, installation of pigging facilities, and other state and federal integrity management compliance costs
- **Other system improvements** - system enhancements and AMI

As of November 8, 2017
Strong Regulated Rate Base Growth

Focused on enhancing system safety and reliability

* Regulated rate base as estimated at the end of each fiscal year
Anticipated Financing Plans
Fiscal 2018E – Fiscal 2022E

- Currently anticipate incremental long-term financing of $3.0 - $3.5 billion through fiscal 2022
- A substantial portion of our capex program is funded by free cash flow.
- Funded annually via cash flows, issuance of debt and equity securities to maintain a balanced capital structure with an equity-to-capitalization ratio in a target range of 50 to 60 percent, inclusive of short-term debt
- New $500 million At-The-Market equity issuance program included in financing plans
- Short-term debt utilized to provide cost-effective financing until it can be replaced with a mix of long–term debt and equity financing
- Based on estimated spending levels of $1.3 billion to $1.9 billion annually through fiscal 2022

*Financing plans are reflected in our earnings and EPS growth estimates for Fiscal 2018 through Fiscal 2022*
Earnings Per Share Expected to Grow Between 6% - 8% Annually

Driving Annual Shareholder Returns of 8% - 10%

Key Assumptions

- Capital expenditures of $1.3 billion - $1.9 billion annually, financed with a blend of long-term debt & equity
- Maintain existing regulatory mechanisms for infrastructure investment
- Normal weather
- O&M expense inflation rate of 1.5% - 2.5% annually
- Approximately $3.0 billion to $3.5 billion of incremental financing through Fiscal 2022

1 Excludes $0.13 per share of income from discontinued operations related to the sale of the marketing business

As of November 8, 2017
Summary

Mike Haefner
2018 Challenges & Opportunities

Atmos Well Positioned

- Track Record of Consistent Earnings Growth
- 100% Regulated
- Constructive Regulatory Jurisdictions
- Long Runway of Opportunity to Invest for Growth

Opportunities

- Continued Investment in Safety & Reliability
- Stable Rate Treatments
- System Growth Opportunities
- Emerging Technologies
- Stable Affordable Gas Prices

Challenges

- Evolving Safety and Asset Record Retention Regulations
- Continued Operational Execution
- Skilled Workforce
- Uncontrollable Macro Variables
- Preserving Constructive Rate Making Environments

As of November 8, 2017
Total Shareholder Return

Since Implementing Growth through Infrastructure Investment Strategy

Peer Average* 156.5%

* Peer Average excludes ATO
1 OneGas beginning 1/16/14
2 AltaGas announces acquisition of WGL 1/25/17
3 NI beginning 7/2/15, subsequent to spin-off of CPGX

As of September 30, 2017
Key Takeaways

A Pure-Play, High-Growth Natural Gas Delivery Investment Proposition

- **Pure-Play**
  - EPS and dividend growth of 6% - 8%

- **Asset Base**
  - 85% of rate base and capex in constructive regulatory states of Texas, Louisiana, and Mississippi

- **Rate Base Growth**
  - Rate base growth of 10% - 12% driven by reinvestment in infrastructure

- **Financial Foundation**
  - Proven record of consistent earnings and dividend growth with conservative balance sheet

Sustainable execution drives annual shareholder return of 8% - 10%
Appendix
Pipeline and Storage Operations

Atmos Pipeline - Texas

- About 5,600 miles of intrastate pipeline
- Working storage capacity of 46 Bcf
- Railroad Commission of Texas (RRC): 3 elected commissioners, with six-year staggered terms
- Rates updated annually through GRIP (Gas Reliability Infrastructure Program)
- Approved change in net utility plant investment incurred in the prior calendar year; based on existing returns
- Requires general rate case every 5 years
- Straight fixed/variable rates
- Rider Rev margin normalization credited to tariff-based customers; $64.5 million benchmark

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized/Requested Operating Income $ millions</th>
<th>Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atmos Pipeline-Texas (GUD 10580)</td>
<td>8/1/17</td>
<td></td>
<td>$13.0</td>
<td>$1,767,600</td>
<td></td>
<td>8.87%</td>
<td>11.50%</td>
<td></td>
<td></td>
<td>47/53</td>
<td></td>
</tr>
<tr>
<td>Atmos Pipeline-Texas GRIP</td>
<td>9/1/17</td>
<td></td>
<td>$29.0</td>
<td>$1,888,492</td>
<td></td>
<td>8.87%</td>
<td>11.50%</td>
<td></td>
<td></td>
<td>47/53</td>
<td></td>
</tr>
</tbody>
</table>

As of November 8, 2017
### Distribution Operations

#### Mid-Tex Division

- Largest natural gas distributor in TX; serves ~ 550 communities
- Net customer growth of 1.1%; about 18,200 customers in F2017
- Approximately 29,000 miles of distribution pipe
- Each municipality has original jurisdiction
- Railroad Commission of Texas (RRC) has appellate jurisdiction and original jurisdiction over environs customers
- Annual Rate Review Mechanism to update rates for approximately 80% of customers
- Dallas Annual Rate Review (DARR) updates rates and replaces GRIP filings for approximately 15% of customers – City of Dallas
- GRIP filings update rates for approximately 5% of customers – Environs; based on existing returns and the change in net utility plant investment
- Weather normalization from November - April
- Rule 8.209 – System safety and reliability capital deferral mechanism
- Bad debt gas cost & pension post-retiree expense deferral

#### Jurisdiction Details

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized/Requested Operating Income $ millions</th>
<th>Rate Base $ thousands (1)</th>
<th>Requested Rate Base $ thousands (1)</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Tex City of Dallas SOI</td>
<td>8/18/17</td>
<td>$2.2</td>
<td>$2,480,157</td>
<td>8.57%</td>
<td>8.15%</td>
<td>10.50%</td>
<td>10.50%</td>
<td>48/52</td>
<td>44/56</td>
<td>48/52</td>
<td>N/A</td>
<td>58,120</td>
</tr>
<tr>
<td>Mid-Tex Cities 2016 RRM</td>
<td>6/1/17</td>
<td>$36.2</td>
<td>$2,362,937</td>
<td>8.36%</td>
<td>10.50%</td>
<td>45/55</td>
<td>N/A</td>
<td>1,384,965</td>
<td></td>
<td></td>
<td></td>
<td>229,496</td>
</tr>
<tr>
<td>Appealed Mid-Tex Dallas DARR (GUD 10640)</td>
<td>6/1/16</td>
<td>6/1/17</td>
<td>$5.4/$3.7</td>
<td>$2,076,415</td>
<td>$2,273,567</td>
<td>8.28%</td>
<td>8.38%</td>
<td>10.10%</td>
<td>10.10%</td>
<td>41/59</td>
<td>41/59</td>
<td>229,496</td>
</tr>
<tr>
<td>Mid-Tex Environs GRIP (GUD 10607)</td>
<td>5/23/17</td>
<td>$1.6</td>
<td>$2,204,407</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>N/A</td>
<td>58,120</td>
<td></td>
<td></td>
<td></td>
<td>58,120</td>
</tr>
</tbody>
</table>

(1) Rate base for Mid-Tex Cities, Environs and Dallas represented on a “system-wide” basis

As of November 8, 2017
### West Texas Division

- Serves about 80 communities
- Net customer growth of 0.6%; about 1,700 customers in F2017
- Approximately 7,700 miles of distribution pipe
- Each municipality has original jurisdiction
- Railroad Commission of Texas (RRC) has appellate jurisdiction and original jurisdiction over environs customers
- Annual Rate Review Mechanism updates rates for approximately 50% of customers
- GRIP filings update rates for approximately 50% of customers (Amarillo, Lubbock, Dalhart, Channing)
- Weather normalization from October – May
- Rule 8.209 – System safety and reliability capital deferral mechanism
- Bad debt gas cost & pension post-retiree expense deferral

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
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<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Texas Division SOI</td>
<td>4/1/14</td>
<td></td>
<td>$ 8.4</td>
<td>$ 324,264</td>
<td>(2)</td>
<td>(2)</td>
<td>(2)</td>
<td>(2)</td>
<td>(2)</td>
<td>N/A</td>
<td>N/A</td>
<td>311,188</td>
</tr>
<tr>
<td>WTX Cities RRM</td>
<td>3/15/17</td>
<td></td>
<td>$ 4.3</td>
<td>(2)</td>
<td>(2)</td>
<td>10.50%</td>
<td>(2)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>WTX ALDC GRIP (3)</td>
<td>4/25/17</td>
<td></td>
<td>$ 4.7</td>
<td>$ 476,665</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
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<tr>
<td>WTX Environ GRIP (3) (GUD 10608)</td>
<td>5/23/17</td>
<td></td>
<td>$ 0.9</td>
<td>$ 476,665</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

(1) Rate base is represented on a “system-wide” basis
(2) Not included in the respective state commission’s final decision
(3) GRIP filings are based on existing returns and the change in net utility plant investment
Distribution Operations

Louisiana Division

- Serves about 300 communities
- Net customer growth of 0.3%; about 1,100 customers in F2017
- Over 8,300 miles of distribution pipe
- Public Service Commission – 5 elected commissioners, serve staggered 6-year terms
- Rates updated annually through the Rate Stabilization Clause (RSC), which contains a safety and reliability mechanism (SIIP) that includes deferral of carrying costs
- Weather normalization in place from December – March
- Post-retiree expense averaging

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized/Requested Operating Income $ millions</th>
<th>Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGS (U-34424)</td>
<td>9/20/17</td>
<td>9/20/17</td>
<td>$6.2</td>
<td>$385,435</td>
<td>7.43%</td>
<td>9.80%</td>
<td>47/53</td>
<td>283,135</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Trans La (U-34343)</td>
<td>9/20/17</td>
<td>9/20/17</td>
<td>$4.4</td>
<td>$156,200</td>
<td>7.50%</td>
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<td>47/53</td>
<td>76,429</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Mississippi Division**

- Serves about 110 communities
- Net customer growth of -0.1%; about -300 customers in F2017
- Over 6,500 miles of distribution pipe
- Public Service Commission – 3 elected commissioners with 4-year terms; terms expire January 2020
- Rates updated annually through Stable Rate Filing (SRF) for capital and expenses; forward-looking capital and associated costs
  - System Integrity Rider (SIR) is a separate safety and reliability mechanism that includes capital spending and associated costs
  - Supplemental Growth Rider (SGR) is a separate mechanism that encourages system expansion to support industrial development
- Weather normalization in place from November - April

### Distribution Operations

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized/Requested Operating Income $ millions</th>
<th>Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mississippi SRF</td>
<td>1/12/17</td>
<td>9/5/17</td>
<td>$ 4.4 $ 4.2</td>
<td>$ 387,252</td>
<td>$376,956</td>
<td>7.85%</td>
<td>7.60%</td>
<td>9.73%</td>
<td>9.92%</td>
<td>47/53</td>
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<td>270,754</td>
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<td>(2005-UN-0503)</td>
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</tr>
<tr>
<td>Mississippi SGR</td>
<td>1/1/17</td>
<td>9/5/17</td>
<td>$ 1.3 $ 1.4</td>
<td>$ 17,437</td>
<td>$ 8,891</td>
<td>9.04%</td>
<td>8.69%</td>
<td>12.00%</td>
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<td>47/53</td>
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<tr>
<td>(2013-UN-023)</td>
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</tr>
<tr>
<td>Mississippi SIR</td>
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<td>9/5/17</td>
<td>$ 3.3 $ 8.1</td>
<td>$ 21,345</td>
<td>$ 47,757</td>
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<td>7.60%</td>
<td>9.73%</td>
<td>9.92%</td>
<td>47/53</td>
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<td>(2015-UN-049)</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

*As of November 8, 2017*
Kentucky/Mid-States

- Serves about 230 communities in 3 states
- Net customer growth of 1.1%; about 3,700 customers in F2017
- About 8,300 miles of distribution pipe
- KY: 3 appointed commissioners, 4-year staggered terms
  - Traditional rates with forward-looking costs of service
  - Annual PRP adjusts bills annually for anticipated CAPEX
  - Weather normalization from November – April
  - Bad debt gas cost recovery
- TN: 5 appointed commissioners, 4-year terms
  - Annual rate making mechanism with forward-looking costs of service and true-up filing
  - Weather normalization from November – April
  - Bad debt gas cost recovery, pension cash contributions recovered as incurred
- VA: 3 appointed commissioners, 6-year staggered terms
  - Annual forward-looking infrastructure mechanism (SAVE)
  - Weather normalization January – December
  - Bad debt gas cost recovery

### Jurisdiction Details

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized/Requested Operating Income $ millions</th>
<th>Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
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<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kentucky (2017-00349)</td>
<td>8/5/16</td>
<td>9/28/17</td>
<td>$ 2.7 $ 4.8</td>
<td>$ 335,833</td>
<td>$430,095</td>
<td>(1)</td>
<td>7.73</td>
<td>(1)</td>
<td>10.30</td>
<td>(1)</td>
<td>(1)</td>
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<tr>
<td>Kentucky PRP (2017-00308)</td>
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<td>7/28/17</td>
<td>$ 5.0 $ 5.6</td>
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<td>9.80%</td>
<td>51/49</td>
<td>N/A</td>
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</tr>
<tr>
<td>Tennessee ARM (17-00012)</td>
<td>6/1/17</td>
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<td>$ 6.7</td>
<td>$302,953</td>
<td>7.49%</td>
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<td>47/53</td>
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<td>Virginia (PUE-2015-00119)</td>
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<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
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<td>(1)</td>
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<td>24,153</td>
</tr>
</tbody>
</table>

(1) Not included in the respective state commission’s final decision

As of November 8, 2017
Distribution Operations

Colorado-Kansas Division

- Serves about 170 communities
- Net customer growth of 1.3%; about 3,300 customers in F2017
- About 6,800 miles of distribution pipe
- CO: 3 appointed commissioners, 4-year staggered terms
  - Forward-looking system infrastructure rider (SSIR)
- KS: 3 appointed commissioners, 4-year staggered terms
  - Annual infrastructure mechanism – Gas Safety and Reliability Surcharge (GSRS)
  - Weather normalization from November – April
  - Bad debt gas cost recovery
  - Property tax deferral
  - Post-retiree pension expense deferral

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
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<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colorado SSIR (16AL-0839G)</td>
<td>1/1/17</td>
<td>$ 1.4</td>
<td>$ 13,500</td>
<td>7.82%</td>
<td>9.60%</td>
<td>48/52</td>
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<td>Kansas GSRS (17-ATMG-141-TAR)</td>
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<td>$ 0.8</td>
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<td>(1)</td>
<td>(1)</td>
<td>135,141</td>
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</table>

(1) Not included in the respective state commission’s final decision

As of November 8, 2017
### Regulatory Activities

<table>
<thead>
<tr>
<th>Jurisdictions</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized Operating Income $ millions</th>
<th>Requested Operating Income $ millions</th>
<th>Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
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<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atmos Pipeline-TX (GUD 10580)</td>
<td>8/1/17</td>
<td>8/1/17</td>
<td>$13.0</td>
<td>$29.0</td>
<td>$1,767,600</td>
<td>$1,888,492</td>
<td>8.87%</td>
<td>8.87%</td>
<td>11.50%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
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</tr>
<tr>
<td>Atmos Pipeline-TX GRIP</td>
<td>9/1/17</td>
<td>9/1/17</td>
<td>$29.0</td>
<td>$13.0</td>
<td>$1,888,492</td>
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<td>8.87%</td>
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<td>11.50%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
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<tr>
<td>Mid-Tex - City of Dallas SOI</td>
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<td>8/18/17</td>
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<td>8.15%</td>
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<td>10.50%</td>
<td>48/52</td>
<td>44/56</td>
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<td>2,362,937</td>
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<td>8.36%</td>
<td>8.36%</td>
<td>10.50%</td>
<td>10.50%</td>
<td>45/55</td>
<td>41/59</td>
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<tr>
<td>Appealed Mid-Tex Dallas DARR (GUD 10640)</td>
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<td>6/1/16</td>
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<td>$9.7</td>
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<td>2,076,415</td>
<td>8.28%</td>
<td>8.38%</td>
<td>10.10%</td>
<td>10.10%</td>
<td>41/59</td>
<td>41/59</td>
<td>229,496</td>
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<tr>
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<td>8.57%</td>
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<td>48/52</td>
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<tr>
<td>WTX ALDC GRIP</td>
<td>5, 6</td>
<td>4/25/17</td>
<td>$4.7</td>
<td>$4.7</td>
<td>476,665</td>
<td>476,665</td>
<td>8.57%</td>
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<tr>
<td>WTX Environs GRIP (GUD 10608)</td>
<td>5</td>
<td>5/23/17</td>
<td>$0.9</td>
<td>$0.9</td>
<td>476,665</td>
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<td>8.57%</td>
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<td>10.50%</td>
<td>48/52</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Louisiana-LGS (U-34424)</td>
<td>9/20/17</td>
<td>9/20/17</td>
<td>$6.2</td>
<td>$6.2</td>
<td>385,435</td>
<td>385,435</td>
<td>7.43%</td>
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<td>9.80%</td>
<td>9.80%</td>
<td>47/53</td>
<td>76,429</td>
<td>283,135</td>
</tr>
<tr>
<td>Louisiana-Trans La (U-34343)</td>
<td>9/20/17</td>
<td>9/20/17</td>
<td>$4.4</td>
<td>$4.4</td>
<td>156,200</td>
<td>156,200</td>
<td>7.50%</td>
<td>7.50%</td>
<td>9.80%</td>
<td>9.80%</td>
<td>47/53</td>
<td>76,429</td>
<td></td>
</tr>
</tbody>
</table>

(See Next Page for Footnote Explanations)

As of November 8, 2017
### Regulatory Activities (continued)

| Jurisdictions                  | Effective Date of Last Rate Action | Date of Last Rate Filing (Pending) | Authorized Operating Income $ millions | Requested Operating Income $ millions | Rate Base $ thousands (1) | Authorized Rate Base $ thousands | Requested Rate of Return % | Authorized Rate of Return % | Requested Rate on Equity % | Authorized Return on Equity % | Requested Debt/Equity Ratio | Authorized Debt/Equity Ratio | Requested Debt/Equity Ratio | Meters at 9/30/17 |
|--------------------------------|------------------------------------|------------------------------------|---------------------------------------|--------------------------------------|--------------------------|--------------------------------|------------------------------|--------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------|
| Mississippi SRF (2005-UN-0503) | 1/12/17                            | 9/5/17                             | $ 4.4                                 | $ 4.2                                | $ 387,252                | $376,956                       | 7.85%                        | 7.60%                    | 9.73%                      | 9.92%                      | 47/53                       | NA                          | NA                          | 270,754                  |
| Mississippi SGR (2013-UN-023)  | 1/1/17                             | 9/5/17                             | $ 1.3                                 | $ 1.4                                | $ 17,437                 | $ 8,891                       | 9.04%                        | 8.69%                    | 12.00%                     | 12.00%                     | 47/53                       | NA                          | NA                          | NA                      |
| Mississippi SIR (2015-UN-049)  | 1/1/17                             | 9/5/17                             | $ 3.3                                 | $ 8.1                                | $ 21,345                 | $ 47,757                       | 7.85%                        | 7.60%                    | 9.73%                      | 9.92%                      | 47/53                       | NA                          | NA                          | NA                      |
| Kentucky (2017-00349)          | 8/15/16                            | 9/28/17                            | $ 2.7                                 | $ 4.8                                | $ 335,833                | $430,095                       | 2                            | 7.73                     | 2                           | 10.30                      | 2                           | 47/53                       | 181,638                     |
| Kentucky PRP (2017-00308)      | 11/14/16                           | 7/28/17                            | $ 5.0                                 | $ 5.6                                | $ 38,173                 | $42,401                       | 7.71%                        | 9.80%                    | 51/49                       | NA                          | NA                          | NA                          | NA                          |
| Tennessee ARM (17-00012)        | 6/1/17                             |                                   | $ 6.7                                 |                                     | $ 302,953                |                                     | 7.49%                        | 9.80%                    | 47/53                       | 147,620                    |                             |                             |                             |
| Kansas GSRS (17-ATMG-141-TAR)   | 2/9/17                             |                                   | $ 0.8                                 |                                     | $ 207,197                |                                     | 2                            | 2                        | 2                           | 135,141                    |                             |                             |                             |
| Colorado (17AL-0429G)           | 1/1/16                             | 6/26/17                            | $ 2.1                                 | $ 2.9                                | $ 129,094                | $140,938                       | 7.82%                        | 8.14%                    | 9.60%                      | 10.50%                     | 48/52                       | 44/56                       | 118,410                     |
| Colorado SSIR (16AL-0839G)      | 1/1/17                             |                                   | $ 1.4                                 |                                     | $ 13,500                 |                                     | 7.82%                        | 9.60%                    | 48/52                       | NA                          |                             |                             |                             |
| Virginia (PUE-2015-00119)       | 11/7/16                            |                                   | $ 0.0                                 |                                     | $ 47,581                 |                                     | 2                            | 2                        | 2                           | 24,153                      |                             |                             |                             |

1. Rate base, authorized rate of return and authorized return on equity presented in this table are those from the last base rate case for each jurisdiction. These rate bases, rates of return and returns on equity are not necessarily indicative of current or future rate bases, rates of return or returns on equity.
2. A rate base, rate of return, return on equity or debt/equity ratio was not included in the respective state commission’s final decision.
3. Division rate base is represented on a ‘system-wide’ basis.
4. Parameters including Rate of Return, Return on Equity and Capital Structure were identified for GRIP filings.
5. GRIP filings are based on existing returns and the change in net utility plant investment.
6. Includes the cities of Amarillo, Lubbock, Dalhart and Channing.

**Other:** Annual Rate Filing Mechanisms allowed in Mid-Tex Cities RRM, Mid-Tex Dallas DARR, West Texas Cities RRM, Louisiana, Mississippi and Tennessee; Bad Debt Rider allowed in all jurisdictions except Colorado, Louisiana and Mississippi; WNA allowed in all jurisdictions except Colorado.

As of November 8, 2017
Industry Comparison - Distribution

Replacement Opportunities

Pre-1970 Distribution Main

<table>
<thead>
<tr>
<th></th>
<th>Atmos Energy</th>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory Miles</td>
<td>29,000</td>
<td>29,200</td>
<td>22,800</td>
<td>22,100</td>
<td>13,400</td>
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</table>

Number of Steel Service Lines

<table>
<thead>
<tr>
<th></th>
<th>Atmos Energy</th>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thousands</td>
<td>1,005</td>
<td>835</td>
<td>1,146</td>
<td>823</td>
<td>741</td>
</tr>
</tbody>
</table>

**Source:** 2016 DOT Reports

As of November 8, 2017
Remaining Miles of Cast Iron Pipe

Cast Iron Pipe to be Eliminated by Fiscal 2023

As of November 8, 2017
Industry Identified Materials - Distribution

Bare Steel, Cast Iron, & Vintage Plastic Projected to be Replaced over 20 Years

As of November 8, 2017
Risk-Based Replacements - Transmission

Miles Replaced

- Total Miles of Transmission Pipe: 6,780 miles

As of November 8, 2017
Reducing Emissions

Maintaining Our Assets in a Way that is Environmentally Responsible

- In 2016, we became a founding partner in the EPA’s Natural Gas STAR Methane Challenge Program
- Investing in our infrastructure reduces vintage materials throughout our system
- Annually, approximately 5,700 leaks due to 3rd party excavation damages

Active Leaks

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Leaks</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2012</td>
<td>8,920</td>
<td>18%</td>
</tr>
<tr>
<td>Dec 2016</td>
<td>7,300</td>
<td></td>
</tr>
</tbody>
</table>

As of November 8, 2017