

FORM NO. 13

P.S.C. MO. No. 2

Original SHEET No. 85

Cancelling P.S.C. MO. No. 1

Original SHEET NO.

Atmos Energy CorporationFOR – All Areas

Name of Issuing Corporation

Community, Town or City

CUSTOMER CREDIT AND DEPOSITS

The Company shall have the right at any time to require the Customer to make a reasonable deposit in advance to establish credit, in accordance with 4 CSR 240-13.030 and 4 CSR 240-10.040 for nonresidential Customers. (4 CSR 240-13.030 are the uniform standards regarding deposits and guarantees).

New Service

A security deposit may be required from a new residential Customer due to any of the following:

- (a) The Customer has an outstanding balance with the Company or another utility providing the same type of service an unpaid service account which accrued within the last five years and which, at the time of the request for service, remains unpaid and not in dispute.
- (b) The Customer has, in an unauthorized manner, interfered with or diverted the service of a utility providing the same service situated on or about or delivered to the Customer's premises within the last five years.
- (c) If the Customer is unable to meet one of the following:
 - 1. Owns or is purchasing a home;
 - 2. Is and has been regularly employed on a full-time basis for at least one (1) year;
 - 3. Has an adequate regular source of income; or
 - 4. Can provide adequate credit references from a commercial credit source.

The Company may require from any non-residential Customer a cash deposit, or, at the Company's option, a personal guarantee of a responsible person.

Continued Service

The Company may require a security deposit as a condition of continued service due to any of the following:

- (a) The service of the Customer has been discontinued for nonpayment of a delinquent account not in dispute

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ISSUED BY: Patricia Childers
name of officer

Vice President-Rates and Regulatory Affairs
title

Franklin, TN
address

Atmos Energy Corporation

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CUSTOMER CREDIT AND DEPOSITS (continued)

- (b) In an unauthorized manner, the Customer interfered with or diverted the service of the Company situated on or about or delivered to the Customer's premises.
- (c) A residential Customer has failed to pay an undisputed bill before the delinquency date for five (5) billing periods out of twelve (12) consecutive billing periods; however, that deposit for residential gas service assessed under the provisions of this section during the months of November, December and January may, if the Customer is unable to pay the entire deposit, be paid in installments over a six (6) month period unless the Company can show a likelihood that the Customer does not intend to pay for continued service. The Company shall, if it intends to require deposits from Customers who are delinquent for five out of the preceding twelve months, send a written notice explaining the Company's right to require a deposit or include such explanation with each written discontinuance notice.
- (d) The Company may require from any non-residential Customer, at any time, a cash deposit or, at the Company's option, a personal guarantee of a responsible person.

Deposit Terms and Conditions

- (a) A deposit shall not exceed two (2) times the highest bill for utility charges actually incurred or estimated to be incurred by the Customer during the most proximate twelve (12) month period at the service location, or, in the case of a new Customer who is assessed a deposit, one-sixth (1/6) of the estimated annual bill. The amount of any deposit or guarantee for non-residential Customers shall not exceed an estimated bill covering one (1) billing period plus thirty (30) days.
- (b) A deposit shall bear interest at a rate as set forth on Sheet No. 21. Pursuant to the variance granted in Case No. GE-2026-0066, interest ~~which~~ shall be either credited ~~annually~~ to the account of the Customer on a billing period basis (when each bill is issued) or paid upon the return of the deposit, whichever occurs first. Interest shall not accrue on any deposit after the date on which a reasonable effort has been made to return it to the Customer. Records shall be kept of efforts to return a deposit. This rule shall not preclude the Company from crediting interest upon each service account during one (1) billing cycle annually.
- (c) For residential Customers, upon satisfactory payment of all undisputed utility charges during the last twelve (12) billing months, it shall be promptly credited, with accrued interest, against charges stated on subsequent bills. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent, provided it is not in dispute. Payment of a disputed bill shall be satisfactory if made within ten (10) days of

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CUSTOMER CREDIT AND DEPOSITS (continued)

resolution or withdrawal of the dispute. The utility will withhold refund of a deposit pending the resolution of a dispute with respect to charges secured by the deposit.

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CUSTOMER CREDIT AND DEPOSITS (continued)

For non-residential Customers, the deposit shall be retained by the Company until service to the Customer's account is terminated.

- (d) Upon discontinuance or termination of service to a Customer, the Company will refund to the Customer the amount of any cash deposit, together with accrued interest thereon, remaining after the application of such deposit and interest to any indebtedness (including added charges for late payment) of the Customer to the Company within twenty-one (21) days of the rendition of the final bill.
- (e) The Company shall maintain records which show the name of each Customer who has posted a deposit, the current address of the Customer, the date and amount of the deposit, the date and amount of interest and information to determine the earliest possible refund date.
- (f) The Company may provide means where a Customer required to make a deposit may pay the deposit in installments unless the Company can show a likelihood that the Customer does not intend to pay for the service.
- (g) In lieu of a deposit, the Company may accept a written guarantee. The limit of the guarantee shall not exceed the amount of a cash deposit. A guarantor shall be released upon satisfactory payment of all undisputed utility charges during the last twelve (12) billing months. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent, provided it is not in dispute. Payment of a disputed bill shall be satisfactory if made within ten (10) days of resolution or withdrawal of the dispute.

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