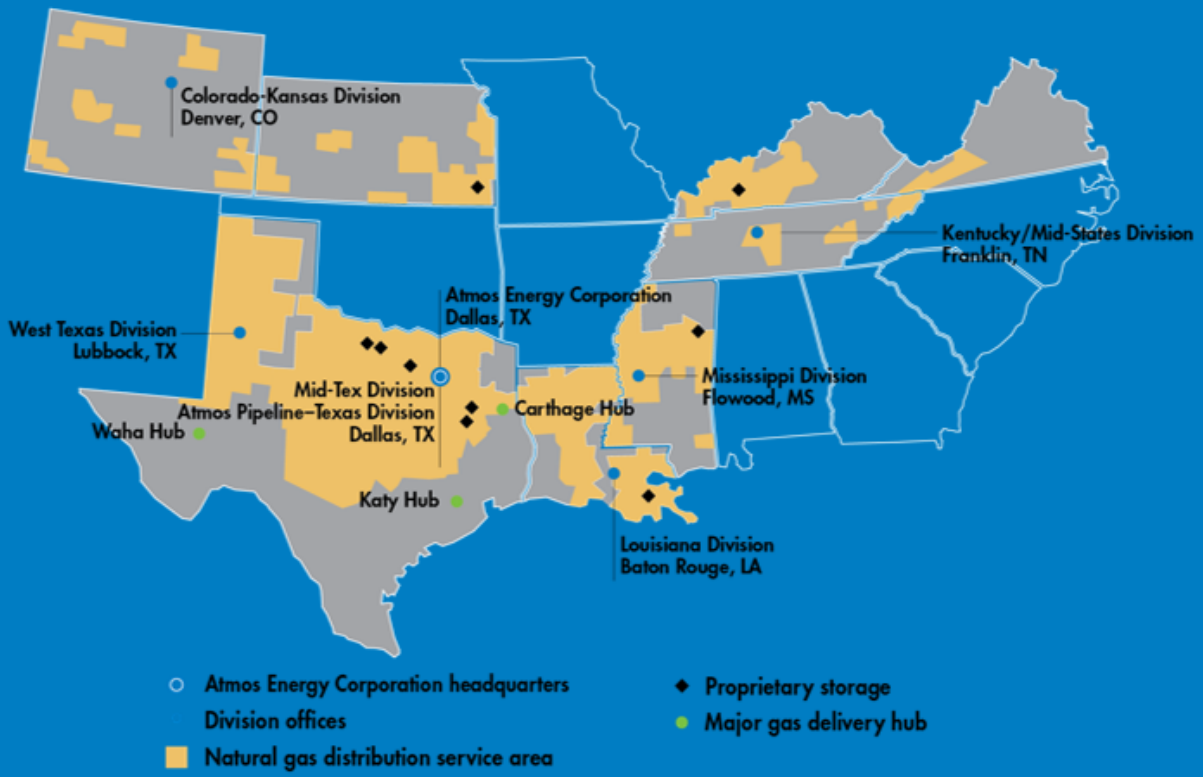
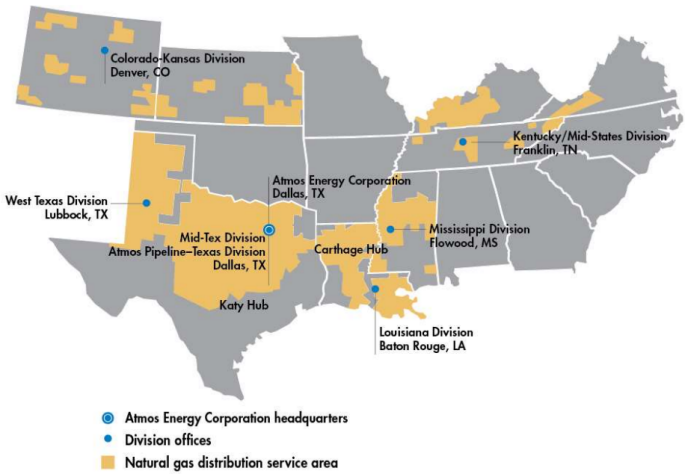



**Our vision is for Atmos Energy to be the Safest provider of natural gas services. We will be recognized for Exceptional Customer Service, for being a Great Employer and for achieving Superior Financial Results.**

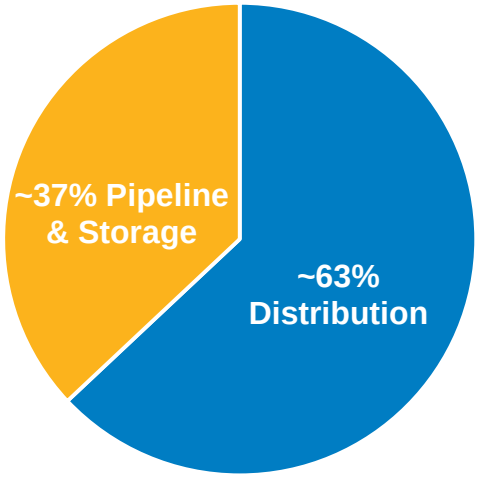
March 2025

# Leading Natural Gas Delivery Platform

## Eight-state distribution territory

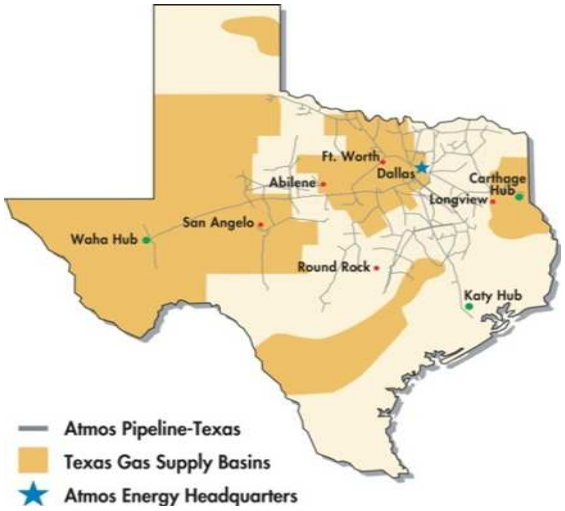



## Business Mix




**2025 Estimated Net Income**

## Intrastate pipeline system




### Diversified LDC platform in 8 states

- Largest pure-play natural gas LDC with over 3.3 million customers in 8 states
- ~75,000 miles of distribution and transmission mains
- ~65% of distribution rate base is located in Texas
- Blended allowed ROE of 9.8%
- 97% of rate base covered by all fuels legislation
- Constructive regulatory mechanisms reduce lag
- ~13 Bcf of working storage capacity

### Favorably positioned pipeline spans Texas shale gas supply basins

- ~5,700 miles of intrastate pipeline
  - Spans multiple key shale gas formations
  - Connection to major market hubs
- ~53 Bcf of working storage capacity
- Allowed ROE of 11.45%
- Margin derived from tariff-based rates primarily serving Mid-Tex and other LDCs

# Sustainable Performance Supported By Focused Business Model

**Attractive pure-play total return supported by strong financial foundation**

- Safety-driven, organic growth strategy supports 6% - 8% earnings per share and dividend per share growth through Fiscal 2029
- 100% of earnings from fully regulated, leading natural gas delivery platform
- 22 consecutive years of EPS growth; 41 consecutive years of dividend growth
- Strong investment-grade credit ratings/liquidity

**Diversified and growing jurisdictional footprint**

- Regulated distribution assets in 8 states serving over 3 million customers
- 97% of rate base in states that offer policy support for investment in natural gas infrastructure
- Strong customer growth
- Favorably positioned regulated pipeline spans Texas shale gas supply basins

**Transparent Capital Spending Horizon**

- Comprehensive risk-based replacement program
- Further enhance resiliency and supply reliability while reducing methane emissions
- Support strong customer growth in our existing footprint

**Constructive Regulation Focused on Safety and Reliability**

- Annual filing mechanisms in most jurisdictions offer regular, consistent rate adjustments
- Earning on ~90% of annual capex within 6 months; ~99% within 12 months
- Significant percentage of revenue earned through fixed or tariff-based charges

**Sustainability Integrated Into Strategy**

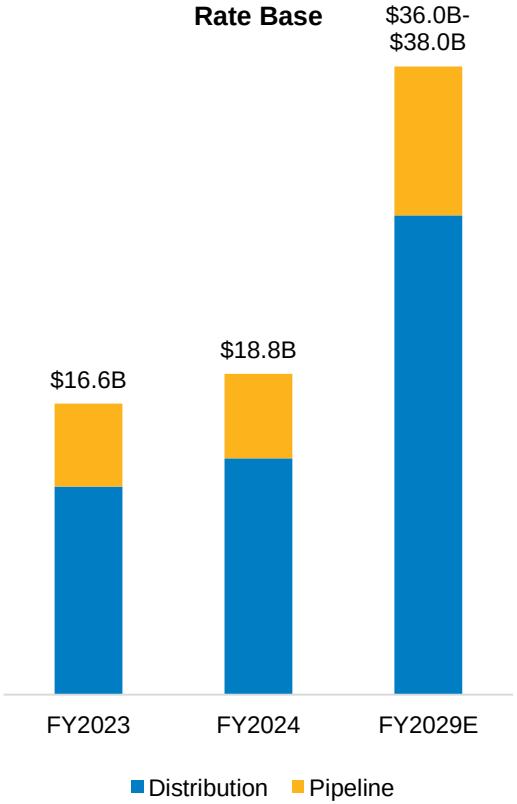
- Formal Board of Director oversight over sustainability
- Comprehensive plan to reduce environmental impact from operations
- Safely providing reliable, efficient and abundant natural gas with a lower carbon footprint than electricity
- Investing in the communities we serve

# Safety Driven, Organic Growth Strategy

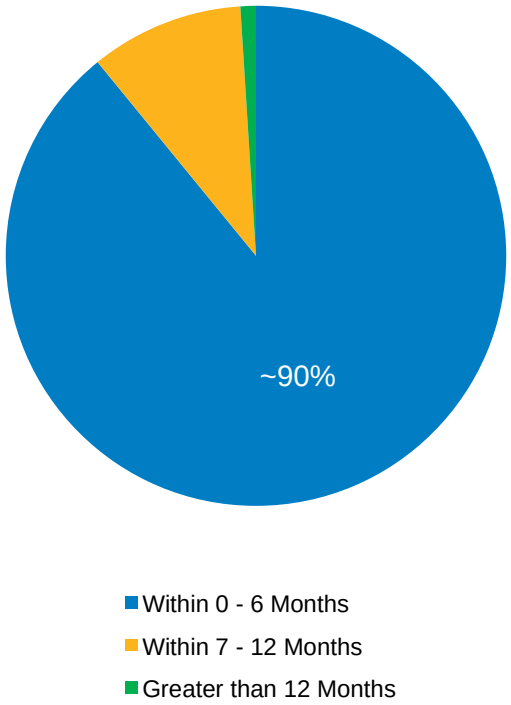
## Constructive Regulatory Mechanisms Support Efficient Conversion of Safety and Reliability Investments into Financial Results

**~ $24 billion in capital investment through 2029; >86% allocated to safety** + **Constructive rate mechanisms that reduce regulatory lag** = **6% - 8% Consolidated EPS growth**

**Rate Base**




**Annual Capex Recovery**




**Earnings per Share**




*1. Inclusive of $0.17 of one-time benefits. See footnote 3 on slide 35.*

# Constructive Regulation Focused on Safety and Reliability

## ~90% of Annual Capital Spend Begins to Earn Within Six Months

| | Regulatory Mechanisms | | Recovery Method | | Service Territory Detail | | | CapEx |
|---|---|---|---|---|---|---|---|---|
| Jurisdiction | Infrastructure | Deferral/ Forward-Looking | Annual Filing | General Case | Meters (000s) | Rate Base[1] ($MM) | Rate Base[1] % of Total | 2025E ($MM) |
| **Texas** | | | | | | | | |
| • **Mid-Tex** | 8.209 | ✓ | RRM/DARR/ GRIP | - | 1,804 | 8,100 | 43 | 1,675-1,725 |
| • **APT** | GRIP | - | GRIP [2] | - | NA | 4,900 | 26 | 875-885 |
| • **West Texas** | 8.209 | ✓ | RRM/GRIP | - | 315 | 1,200 | 6 | 225-235 |
| **Louisiana** | RSC | ✓ | RSC | - | 361 | 1,300 | 7 | 195-205 |
| **Mississippi** | SIR | ✓ | SRF/SIR | - | 251 | 1,100 | 6 | 215-225 |
| **Kentucky** | PRP | ✓ | PRP | ✓ | 177 | 680 | 4 | 65-75 |
| **Tennessee** | - | ✓ | ARM | - | 161 | 630 | 3 | 85-95 |
| **Kansas** | GSRS | - | GSRS | ✓ | 139 | 360 | 2 | 40-50 |
| **Colorado** | SSIR | ✓ | SSIR | ✓ | 130 | 300 | 2 | 35-45 |
| **Virginia** | SAVE | - | SAVE | ✓ | 24 | 90 | 1 | 10-15 |

1. *Represents an estimate of rate base as of September 30, 2024*
2. *Requires a rate case every five years*

# Constructive Regulation Focused on Safety and Reliability

## Ongoing Modernization Supported By Efficient Recovery Mechanisms

### Constructive Regulation Supports

- Pipe replacement via risk models and industry identified materials
- Performance of necessary maintenance & monitoring work
- Employee training to improve safety
- Compliance with evolving rules and regulations

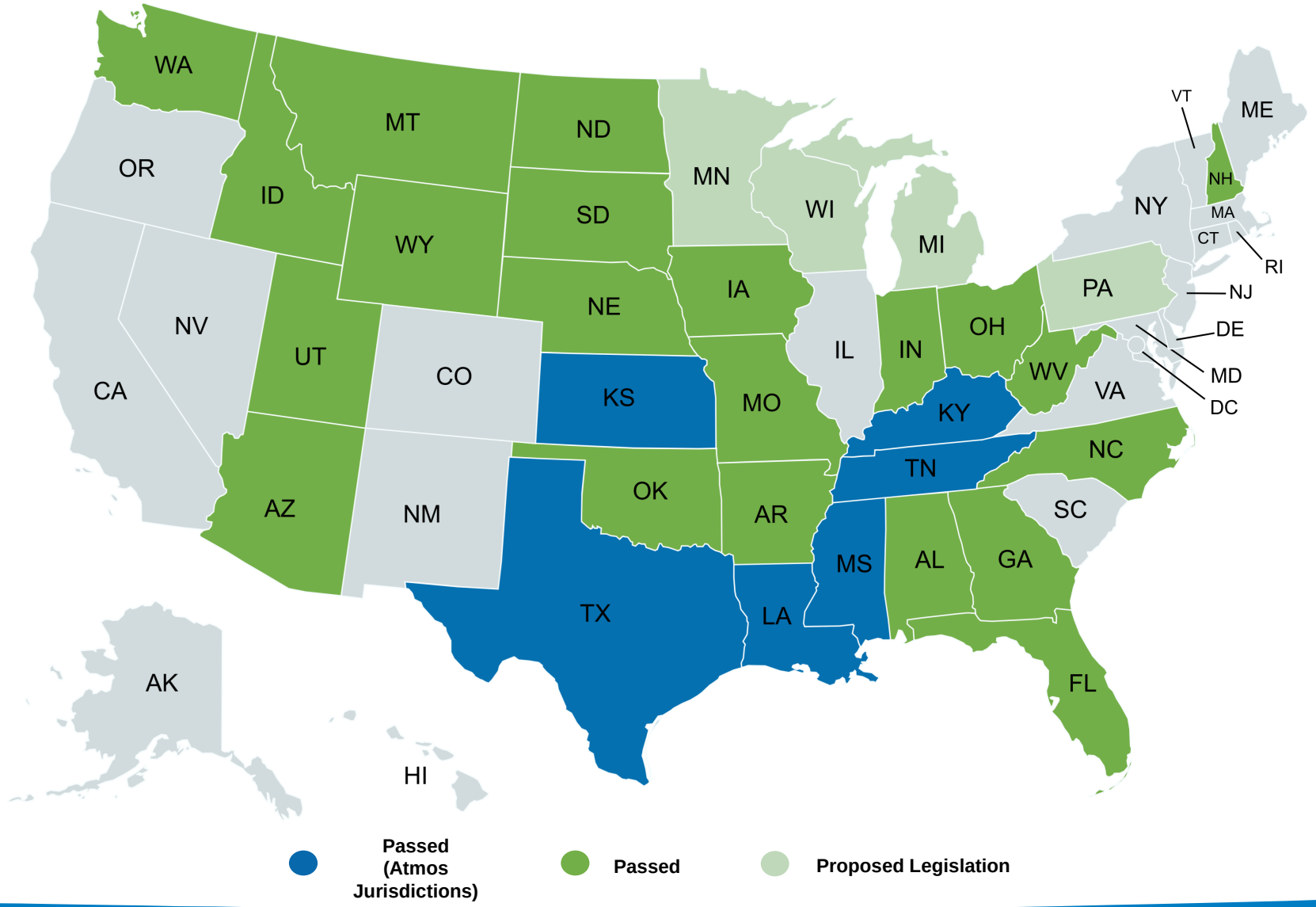
### Constructive Regulation Provides

- Reduced Regulatory Lag
  - Annual mechanisms / Infrastructure mechanisms
  - Forward-looking test periods
  - Expense deferrals
- Revenue Stability
  - Base charges – 62% of residential distribution revenue[1]
  - WNA – covers 96% of distribution revenue[1]
  - Bad debt recovery covers 89% of distribution customers, insulating revenue from the commodity portion of bad debt expense
  - Pipeline & Storage segment – tariff-based revenue
- More predictable earnings and cash flow
  - Regular, consistent rate adjustments
  - Smaller annual impact to customer bills

1. *Revenue excluding gas costs*

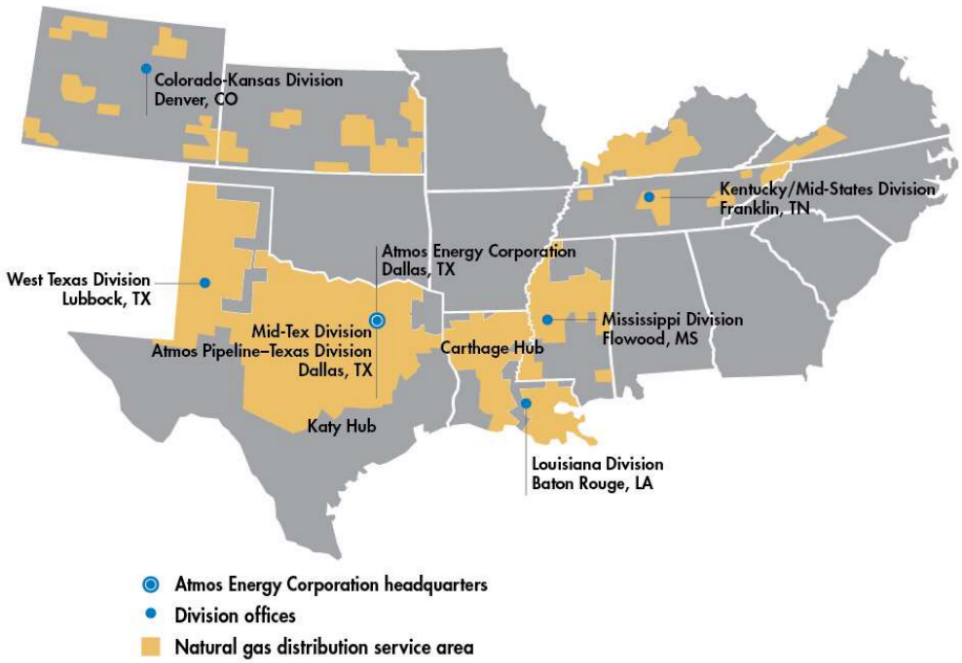
# Leading Natural Gas Delivery Platform

## 97% of Rate Base in states that offer policy support for investment in natural gas infrastructure



# Leading Natural Gas Delivery Platform

## Diversified LDC Platform in Eight States



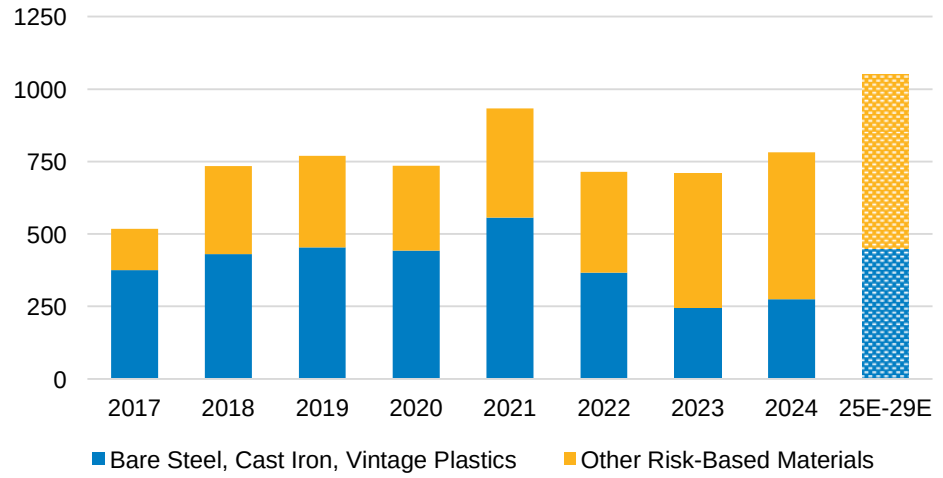

- Largest pure-play natural gas LDC with over 3 million customers
  - Largest Natural Gas Distributor in Texas with ~ 2.1 million customers
- ~75,000 miles of distribution and transmission mains
- Connected to 38 different pipelines across 8 states providing supplier diversity
- Blended allowed ROE of 9.8%
- Constructive regulatory mechanisms reduce lag
- ~65% of revenues earned in the first 6 months of the fiscal year
- $13.8 billion estimated rate base as of September 30, 2024
- Represents 67% of consolidated net income

# Modernizing Our Distribution System

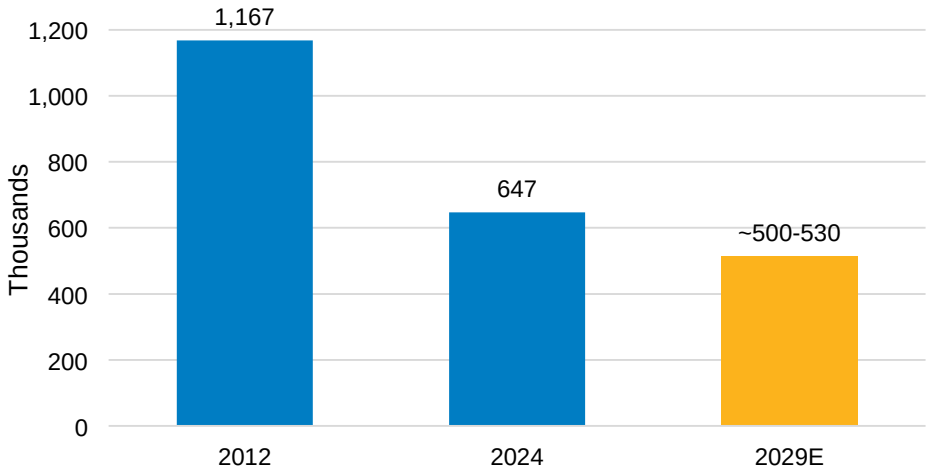
## ~$18 Billion Capital Plan Through 2029; > 80% Focused On Safety and Reliability

- **Replace 4,500 – 5,500 miles of distribution system pipe**
  - 6% - 8% of total system
- **Replace 120,000-170,000 steel service lines**
  - 15% - 20% reduction
- **Install wireless meter reading**
  - ~75% anticipated WMR coverage
- **Support Customer Growth**

Distribution Miles Replaced[1]



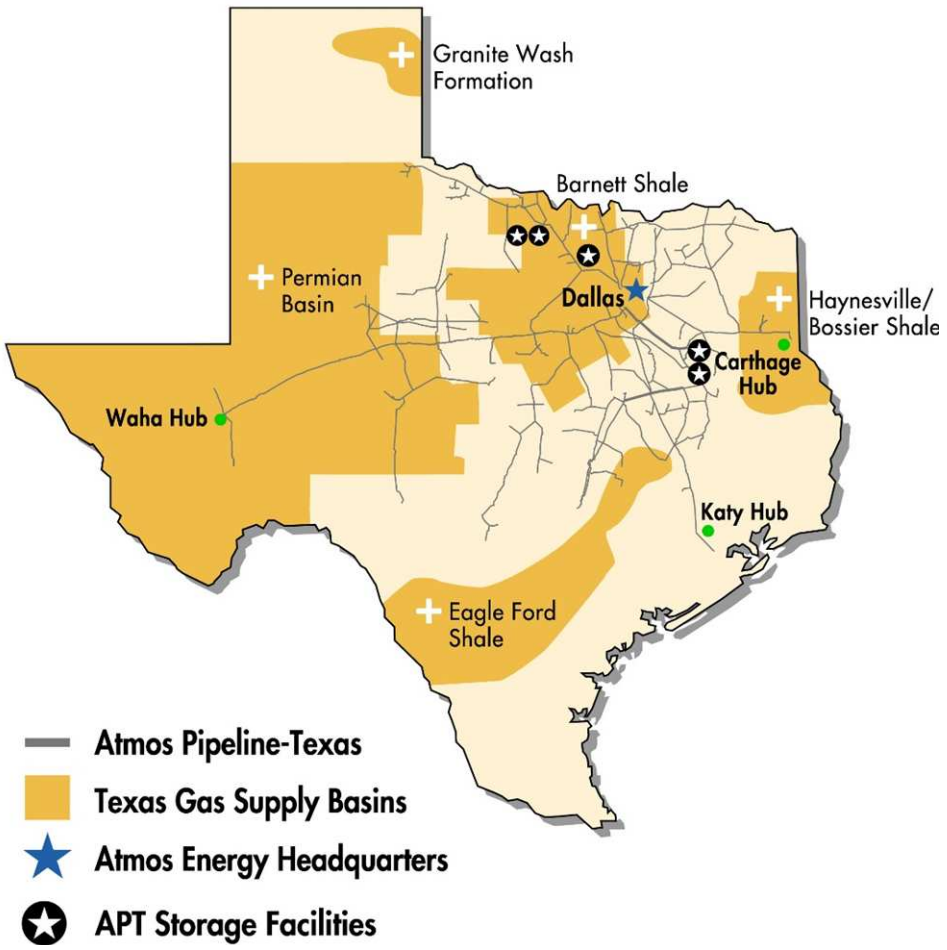

Inventory of Steel Service Lines[2]




1. *Fiscal year basis*
2. *2024 DOT Report*

# Leading Natural Gas Delivery Platform

## APT is a Favorably Positioned Intrastate Pipeline that Spans Texas Shale Gas Supply Basins




- Regulated by the Railroad Commission of Texas
  - Established to provide gas transportation service for Mid-Tex and other LDCs
  - 100% of LDC revenue derived from tariff-based rates
- ~5,700 miles of intrastate pipeline
  - Spans multiple key shale gas formations
  - Connections at all 3 Texas Hubs - Waha, Katy & Carthage
  - Transported approximately 831 Bcf in Fiscal 2024
    - Average throughput of 2.3 Bcf/d
- Five storage facilities with 53 Bcf of working capacity
- Allowed ROE of 11.45%
- Majority of revenue is derived from tariff-based rates primarily serving Mid-Tex and other LDCs
- $4.9 billion estimated rate base as of September 30, 2024
- Represents ~33% of consolidated net income

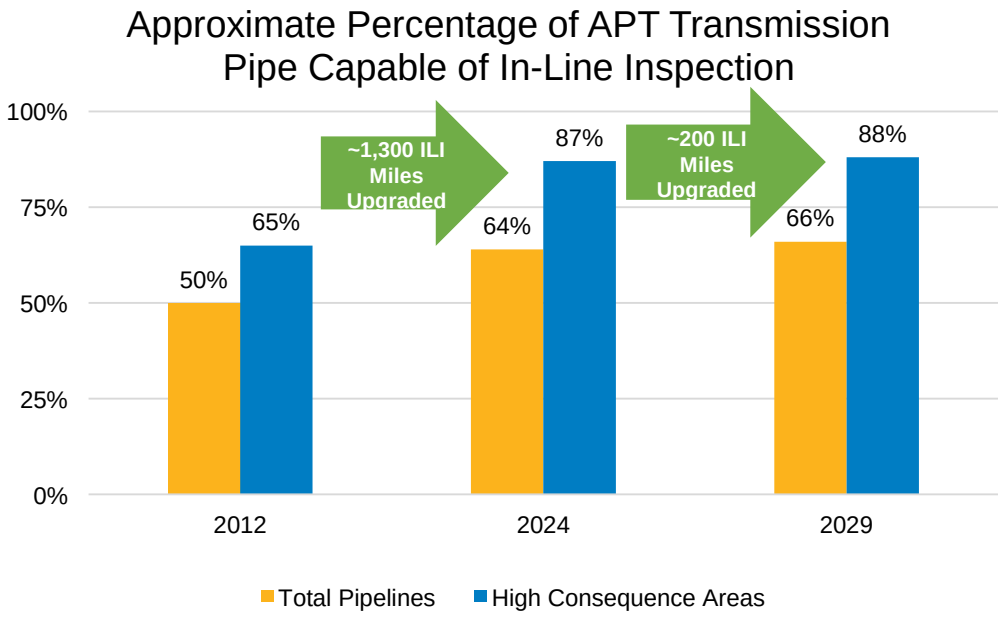
# Modernizing our Transmission System

## ~$6 Billion Capital Plan for APT Through 2029

- **Pipeline Integrity Management**
  - Upgrading pigging facilities
  - Replacing valves, fittings, and pipe to allow In-Line Inspection tools to travel through pipeline
  - Prioritized replacement based on risk assessment

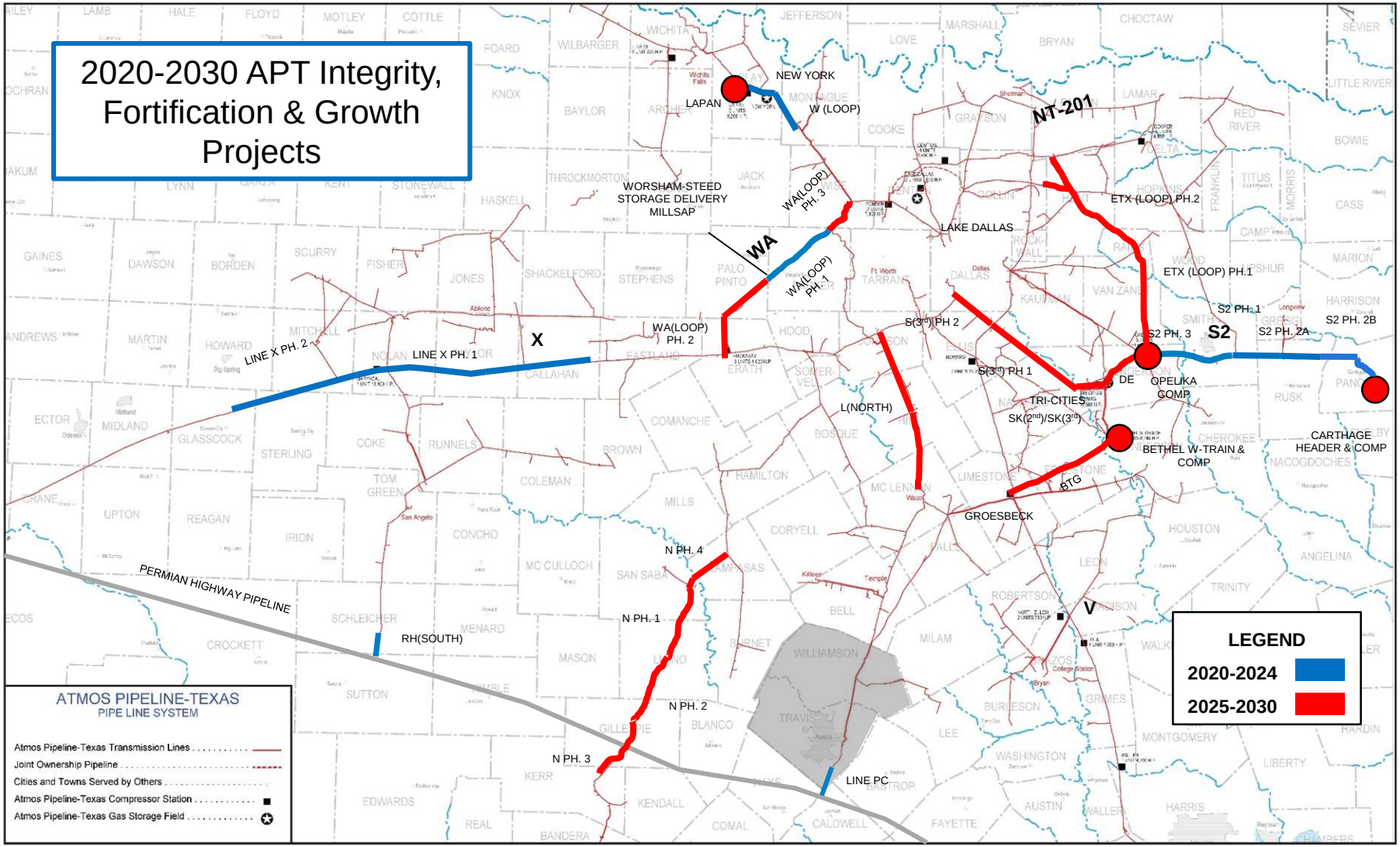


- **Supply Reliability and Growth**
  - Replacing 400-600 miles APT transmission pipe through 2029
  - Line S-2 east of Dallas
  - WA Loop – West of Fort Worth
  - Permian Highway Connector
  - Bethel to Groesbeck line
  - Bethel Cavern upgrade



# Modernizing our Transmission System

## Significant APT Capital Projects



# Sustainability Integrated Into Strategy

# Sustainability Integrated Into Strategy

## Formal Board of Director Oversight Over Sustainability

**Board of Directors**
Corporate Responsibility, Sustainability, & Safety Committee

### Strong Corporate Governance

- ✓ Diverse Board & Senior Leadership
- ✓ Accountable to Shareholders

### Providing Value to Customers

- ✓ Affordable and Reliable service
- ✓ Strong Customer Service Focus

### Reduce Environmental Impact

- ✓ Comprehensive plan addresses all areas of the company
- ✓ Goal to reduce methane emissions by 50% by 2035 from 2017 levels[1]

**Focus on Safety and Risk Mitigation**

### Safety

- ✓ Comprehensive training programs
- ✓ Emphasis on technology and innovation

### Supporting Communities

- ✓ Focused on Students, Community Heroes and Our Most Vulnerable Neighbors
- ✓ Investing employee and company time and financial resources

### Culture

- ✓ *AtmoSpirt*, our unique culture, introduced in 1998
- ✓ Foundation for teamwork, trust & respect

1. *Reduction from 2017 values for EPA-reported distribution system mains and services*

# Sustainability Integrated Into Strategy

## Environmental Strategy Overview

- **Atmos Energy's comprehensive environmental strategy is focused on reducing our Scope 1, 2, and 3 emissions and environmental impact from our operations in five key focus areas: Operations, Fleet, Facilities, Gas Supply, and Customers**

- **We are implementing operating practices and solutions to reduce carbon from our operations through:**
  - Ongoing system modernization work
  - Reducing third-party damage to our system
  - Improving monitoring and measuring of methane emissions
  - Expanding supply options and opportunities including renewable natural gas (RNG)
  - Expanding customer energy efficiency programs
  - Exploring clean energy technologies through research and development
  - Collaboration with our legislators, regulators, customers, and suppliers

- **Future carbon reduction targets will be established based upon existing legislation, regulation, and technologies**

- **For more information, see our latest CRS report: atmosenergy.com/sustainability/**

# Sustainability Integrated Into Strategy

## Supporting research and development initiatives to further reduce emissions

The **ONE Future Coalition** is a group of more than 50 natural gas companies working together to voluntarily reduce methane emissions **across the Natural Gas value chain** to **1% (or less) by 2025**. 2022 methane intensity of 0.421% and 99.58% efficient in delivering gas from the rig to the burner tip.

**The Coalition for Renewable Natural Gas** is a public policy advocate and education platform for the RNG industry in North America.

Sustainable Methane Abatement & Recycling Timeline (SMART) is an initiative **to capture and control methane from 43,000+ organic waste sites in North America by 2050**, achieving significant benchmarks by 2025, 2030 and 2040.

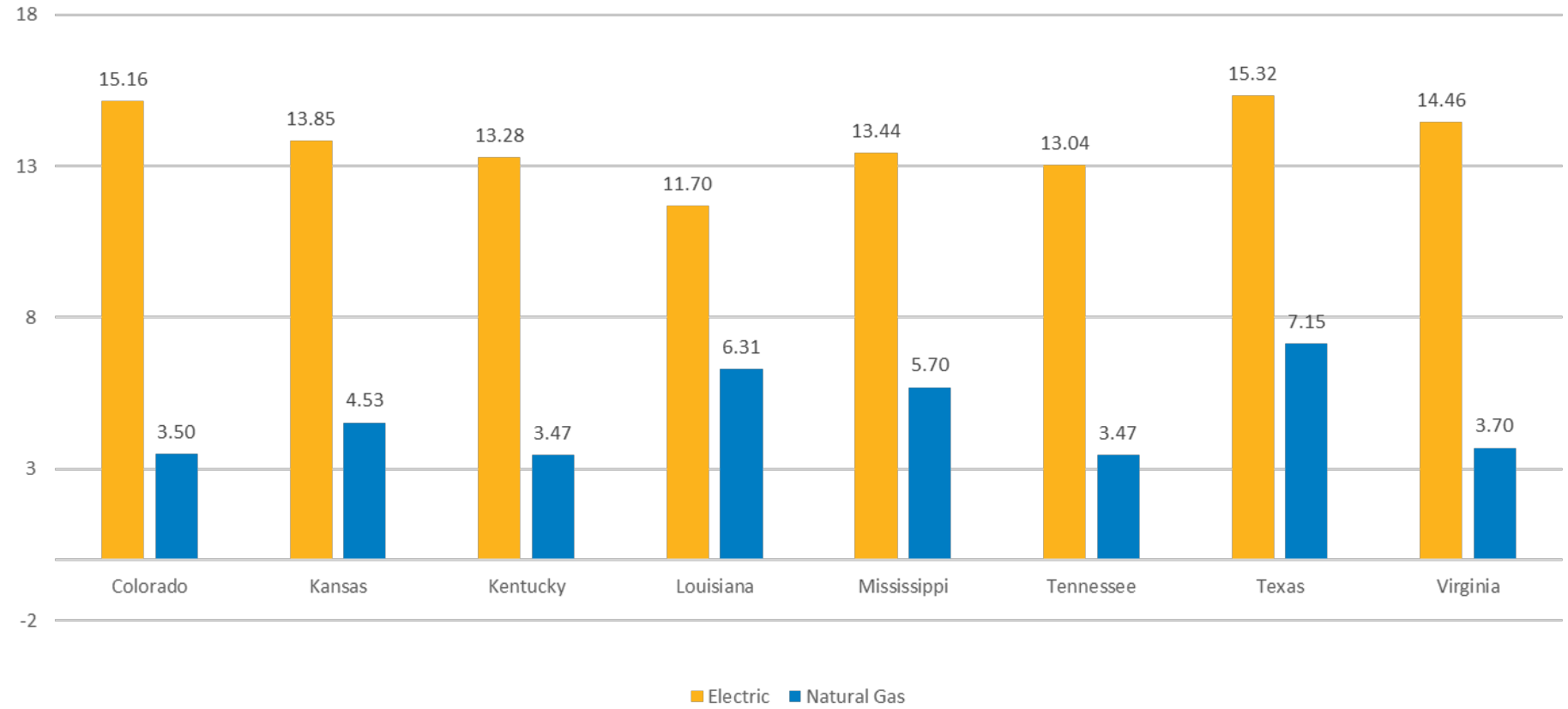
**Accelerating the commercial deployment of low- and zero-carbon technologies**

from 2030 to scale through 2050 for economy-wide deep decarbonization

# Sustainability Integrated Into Strategy

## Natural Gas Price Advantage Over Electricity

### Electricity[1] vs Natural Gas[2] - kWh Equivalent




**Natural Gas is ~2x - 4x less expensive in Atmos Energy's states vs. electricity**

1. *US Energy Information Agency, www.eia.gov residential customer electric rates for the twelve months ending December 2024*
2. *Represents Atmos Energy's average residential customer rates for the twelve months ending December 2024*

# Financial Performance and Outlook

# Q1 Fiscal 2025 Financial Performance

## Fiscal 2025 Highlights

- **Financial Performance**
  - YTD Diluted EPS of $2.23
  - $891.2 million in capital spending; 86% allocated to safety and reliability spending
  - 8.1% increase in fiscal 2025 indicated annual dividend to $3.48 per diluted share
    - 41st consecutive year of rising dividends
- **Executed Our Regulatory Strategy**
  - Implemented $152.5 million as of March 24, 2025; $153.3 million, net of excess deferred tax amortization
  - $202.4 million currently in progress
- **Strong Balance Sheet**
  - Approximately $5.2 billion in available liquidity
  - $1.0 billion of financing to support operations
    - Issued $650 million 30-year senior notes at 5.00%[1]
    - Settled $380 million of equity forwards
  - Equity capitalization at 60% as of December 31, 2024

1. *3.90% effective rate after giving effect to the offering costs and settlement of our interest rate swaps.*

# Q1 Fiscal 2025 Financial Performance

## Consolidated Financial Highlights

| Segment Net Income *($millions, except EPS)* | Three Months Ended December 31 | |
|---|---|---|
| | 2024 | 2023 |
| Distribution | $ 240 | $ 221 |
| Pipeline & Storage | 112 | 90 |
| **Net Income** | **$ 352** | **$ 311** |
| **Diluted EPS**[1] | **$ 2.23** | **$ 2.08** |
| **Capital Expenditures** | **$ 891.2** | **$ 769.7** |

1. *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.*

# Q1 Fiscal 2025 Financial Performance

## Segment Operating Income Highlights

| Three Months Ended December 31 ($millions) | 2024 | 2023 | Change |
|---|---|---|---|
| Distribution | $ 316.1 | $ 280.5 | $ 35.6 |
| Pipeline & Storage | 143.4 | 118.6 | 24.8 |
| **Operating Income** | **$ 459.5** | **$ 399.1** | **$ 60.4** |

### Distribution Key Drivers

- **$50.7MM – Net increase due to rate adjustments**
- **$13.6MM – Decrease in EDIT refunds[1]**
- **$6.0MM – Increase due to residential customer growth and increased industrial load**
- **($17.0MM) – Increase in D&A and property taxes**
- **($15.0MM) – Increase in bad debt expense due to Mississippi regulatory change recorded in the first quarter of FY24**
- **($11.0MM) – Increase in employee-related costs**

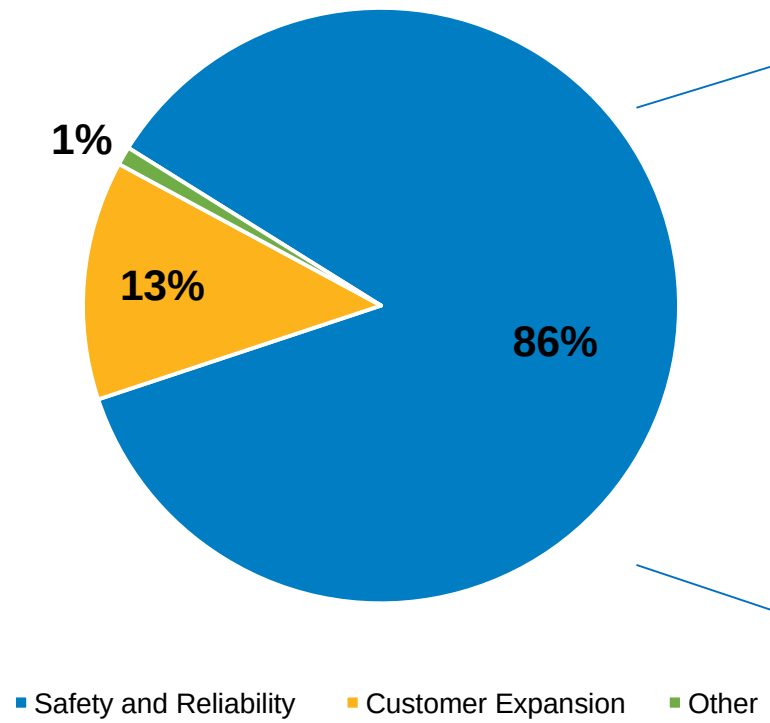
### Pipeline & Storage Key Drivers

- **$22.8MM - Increase primarily due to rate adjustments from the GRIP filing approved in May 2024, the SSI Rider filing approved in November 2024, and the rate case approved in December 2023.**
- **$9.2MM – Decrease in EDIT refunds[1]**
- **$7.9MM - Increase in APT's through-system activities primarily associated with increased spreads**
- **$4.1MM - Increase due to higher capacity contracted by tariff-based customers due to their increased peak day demand**
- **($9.1MM) – Increase in O&M due to compliance related activities and other administrative costs**
- **($5.4MM) – Increase in D&A and property taxes**
- **($4.7MM) – Increase in O&M recognized as a result of the SSI rider, which are offset in operating revenues**

*1. Impact to operating income from excess deferred income tax (EDIT) refunds is partially offset in income tax expense.*

# Q1 Fiscal 2025 Financial Performance

## Capital Spending Highlights



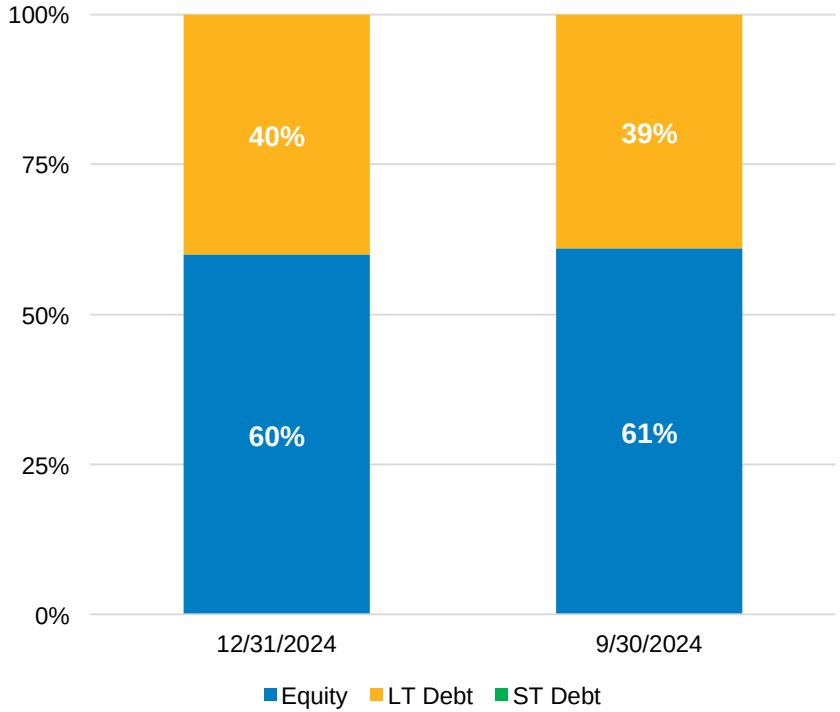

| *$millions* | | Fiscal 2025 YTD Capital Spending |
|---|---|---|
| $ | 409 | Repair and replace transmission and distribution pipelines |
| | 116 | Fortifications |
| | 84 | Service line replacement |
| | 71 | Install & replace measurement & regulating equipment |
| | 48 | Enhance storage and compression capabilities |
| | 41 | Pipeline integrity management projects |
| **$** | **769** | **Total Safety and Reliability Spending** |
| **$** | **891** | **Total Capital Spending** |

# Q1 Fiscal 2025 Financial Performance

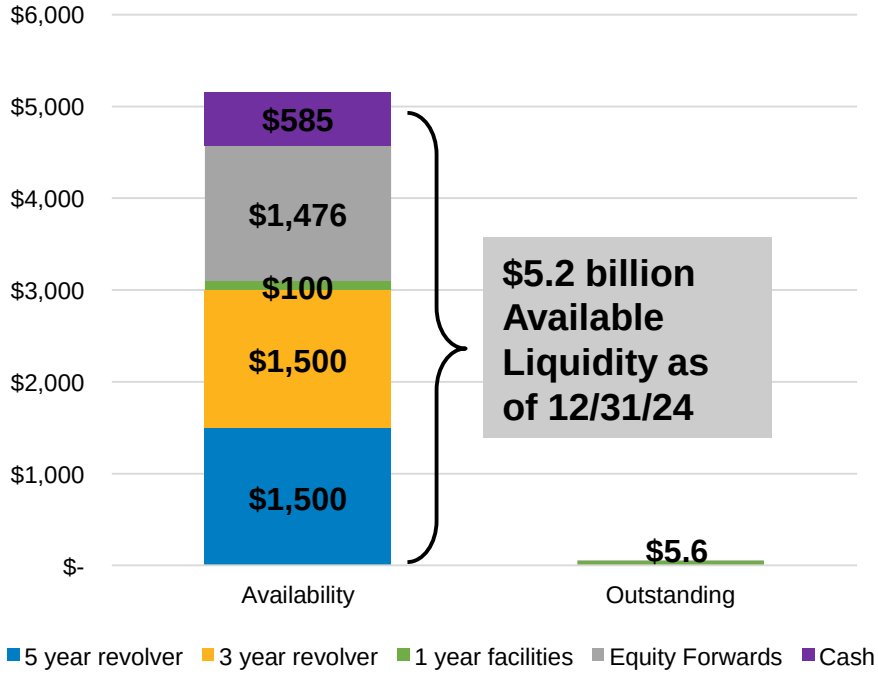
## Strong Financial Foundation Supports Capital Spending Program

## Capitalization and Liquidity Profile

### Total Capitalization




### Liquidity Profile as of December 31, 2024



# Q1 Fiscal 2025 Financial Performance

## Financing Highlights

- **$650 million of long-term debt financing issued**
  - $650 million 5.00% 30-year senior notes issued in October 2024[1]

- **Equity needs satisfied through our ATM program**
  - $476.0 million of equity forward arrangements priced
  - $379.5 million in settled equity forward arrangements
  - $1.5 billion available under equity forward agreements as of December 31, 2024
    - Maturity:  June 30, 2025 through December 31, 2026
    - Shares:  11,386,812
    - Forward Share Price:  $129.60
  - $1.2 billion available for issuance through our ATM program as of December 31, 2024

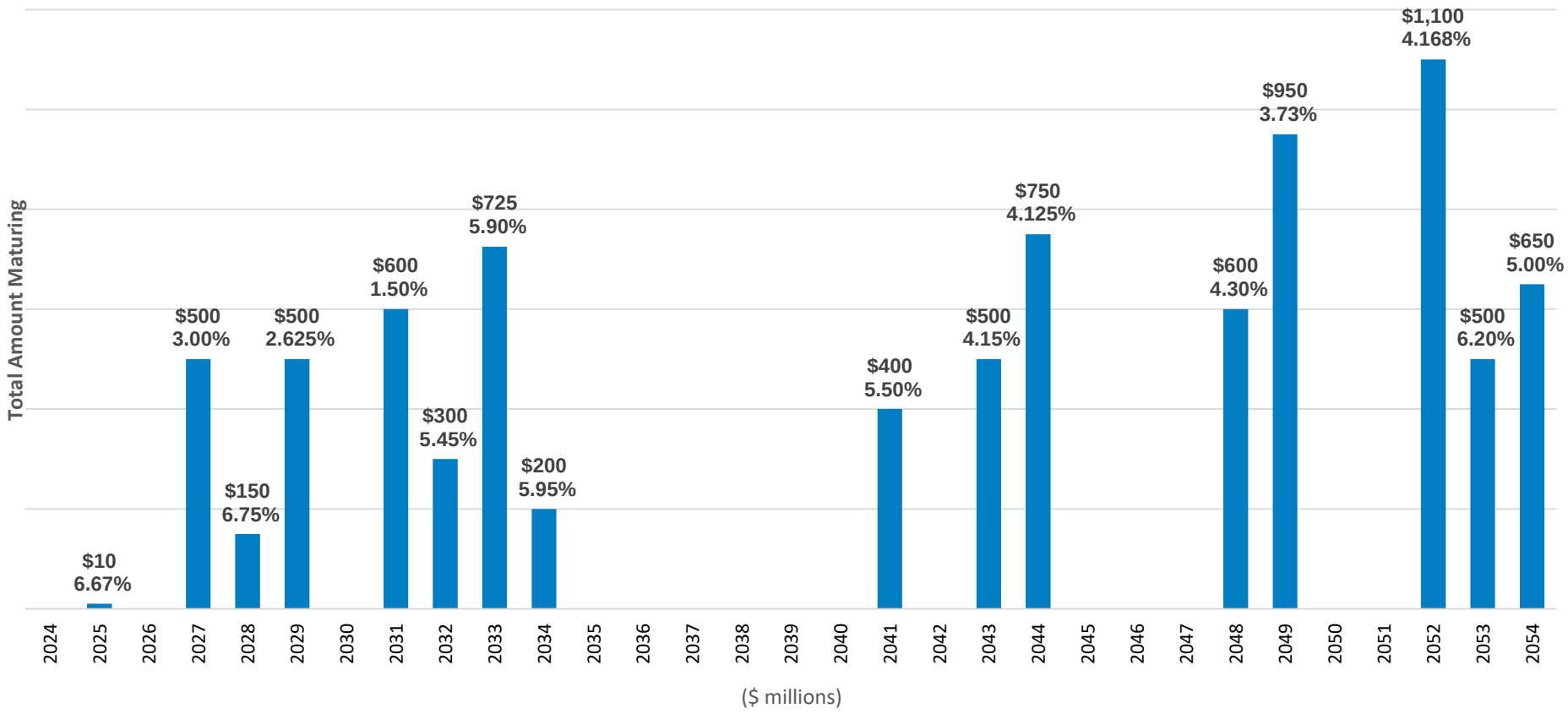
- **$6.3 billion currently available under existing shelf registration statement**

1. *3.90% effective rate after giving effect to the offering costs and settlement of our interest rate swaps.*

# Q1 Fiscal 2025 Financial Performance

## Manageable Debt Maturity Schedule Supports Capital Spending Program

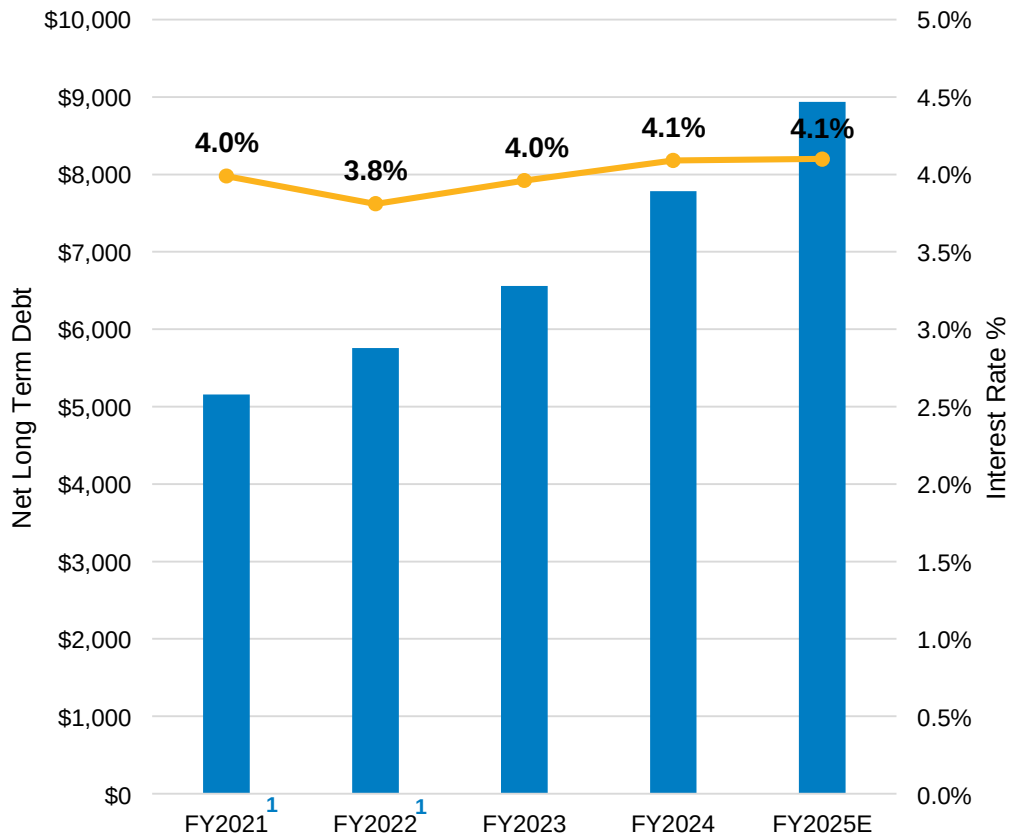
**Weighted Average Maturity ~17.81 Years**



# Q1 Fiscal 2025 Financial Performance

## Strong Investment Grade Ratings Support Affordable Customer Bills

### Weighted Average Cost of Debt




### Strong Investment Grade Credit Ratings

| | Moody's | Standard & Poor's |
|---|---|---|
| Senior Unsecured | A1 | A- |
| Commercial Paper | P-1 | A-2 |
| Ratings Outlook | Negative | Stable |

### Forward Starting Interest Rate Swaps

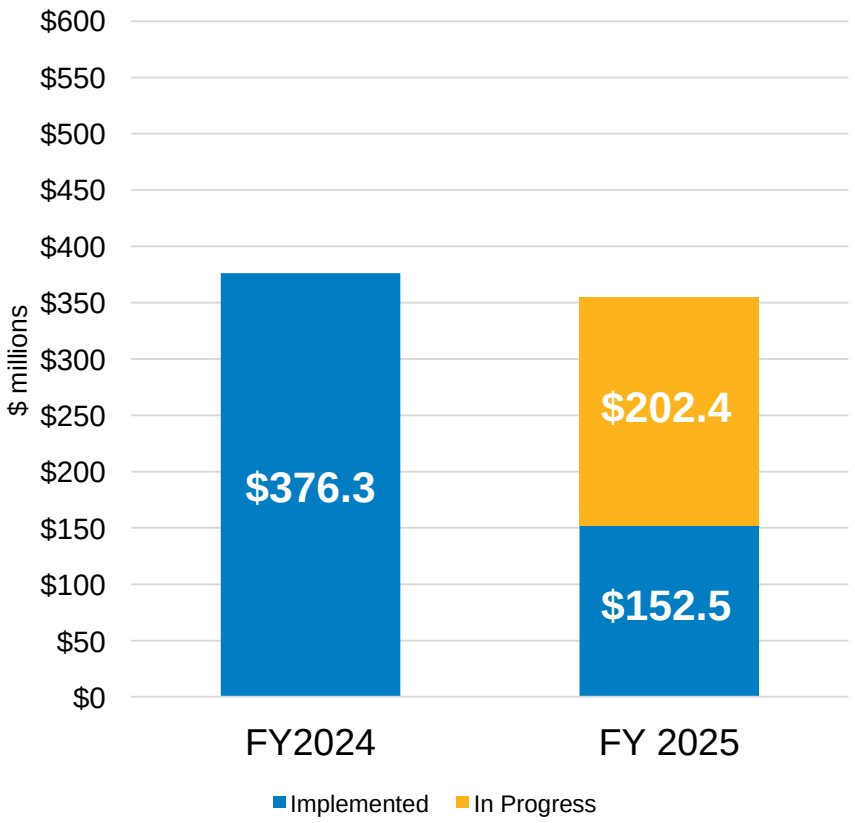
| | Amount Hedged ($Millions) | Effective Interest Rate |
|---|---|---|
| FY2026 | $300 | 2.16% |

1. *Excluding the $2.2 billion of incremental Winter Storm Uri financing.*

# Q1 Fiscal 2025 Financial Performance

## Regulatory Highlights

### Approved Annualized Operating Income Increases[1,2]




### Key Rate Activity
Through March 24, 2025

- **$152.5MM Implemented**
  - $116.6MM – Texas RRMs
  - $ 27.8MM – Mississippi Annual Filings
- **$202.4MM In-Progress**
  - $ 77.2MM – APT GRIP
  - $ 39.2MM – WTX Systemwide SOI
  - $ 33.7MM – Kentucky General Case
  - $ 29.5MM – Mid-Tex DARR
  - $ 20.5MM – MTX ATM and Environs SOIs

1. *Excluding the impact of EDIT fiscal 2024 rate outcomes were $307.1 million.*
2. *Excluding the impact of EDIT fiscal 2025 rate outcomes are $153.3 million.*

# Financial Outlook

## FY 2025 Five Year Plan Key Themes

**Earnings and Dividends Per Share**

- Plan drives **6.0% - 8.0% annual EPS growth** through FY 2029
  - FY 2025 Guidance of **$7.05 - $7.25**; Midpoint of range implies 7.4% growth from normalized FY24 results
  - FY 2029 guidance of **$9.15 - $9.55**
  - **$3.48** Indicated Dividend for FY 2025; 8.1% growth from FY 2024
- ***Incremental financing summarized below reflected in guidance***

**Safety and Reliability Continues to Drive Spending**

- **~$24 billion** in capital expenditures included in the Plan
  - **~$18B** for our distribution system
  - **~$6B** for our transmission system
  - **~90%** of annual CAPEX begins to earn within 6 months from end of test year
- **$36B - $38B** targeted rate base by FY 2029
  - **13% - 15%** annual growth rate
- **~4.0%** annual O&M expense inflation rate excluding bad debt expense

**FY 25 Financing Plan Consistent With FY 24 Plan**

- **~$15B** incremental long-term financing
  - Balanced financing using a combination of long-term debt and equity
  - Short-term debt used as needed to provide cost-effective financing until replaced with long-term financing
- Five Year Plan supports **current balance sheet strength**

# Financial Outlook

## Fiscal 2025E Guidance

| *($millions, except EPS)* | FY 2024 | FY 2025E[1] |
|---|---|---|
| Distribution | $ 671 | $ 700 - 720 |
| Pipeline & Storage | 372 | 420 - 430 |
| **Total Net Income** | **$ 1,043** | **$ 1,120 - 1,150** |
| Average Diluted Shares | 152.7 | 159 - 161 |
| **Diluted EPS[2]** | **$ 6.83[3]** | **$ 7.05 - 7.25** |
| **Capital Spending** | **$ 2,937** | **$ ~3,700** |

1. *Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2025 significantly above or below this outlook.*
2. *Since Atmos Energy has non-vested share-based payments with a non-forfeitable 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.*
3. *Our Diluted Earnings Per Share (DEPS) results reflects $21 million in reduced property tax expenses in Texas. These amounts represent approximately $0.10 per diluted share. Our DEPS guidance also reflects a $14 million reduction in bad debt expense resulting from a change in how uncollectible customer accounts are recovered in Mississippi. This amount represents approximately $0.07 per diluted share.*

# Financial Outlook

## Fiscal 2025E Guidance

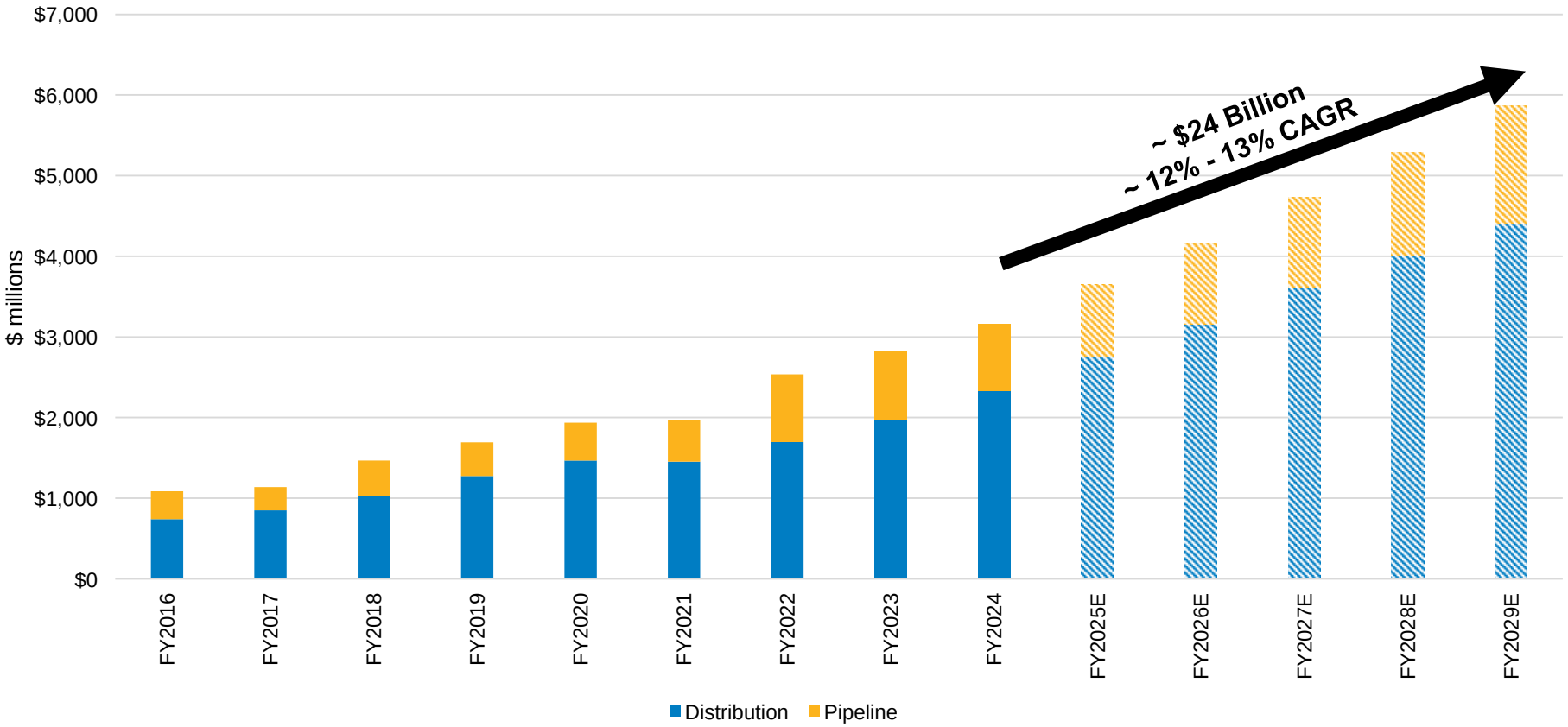
| Selected Expenses *($millions)* | FY 2024 | FY 2025E[1] |
|---|---|---|
| O&M, excluding bad debt expense | $ 815 | $ 840 - 860 |
| D&A | $ 670 | $ 740 - 750 |
| Interest | $ 191 | $ 180 - 190 |
| Income Tax | $ 193 | $ 265 -280 |
| Effective Tax Rate | 15.6% | 18% - 20%[2] |

1. *Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2025 significantly above or below this outlook.*
2. *Excluding the amortization of excess deferred tax liabilities, the effective rate is expected to be 22.5% - 24.5%.*

# Financial Outlook

## Capital Spending Focused on System Modernization and Growth

### Consolidated 2025E Capital Expenditures of ~$3.7 billion

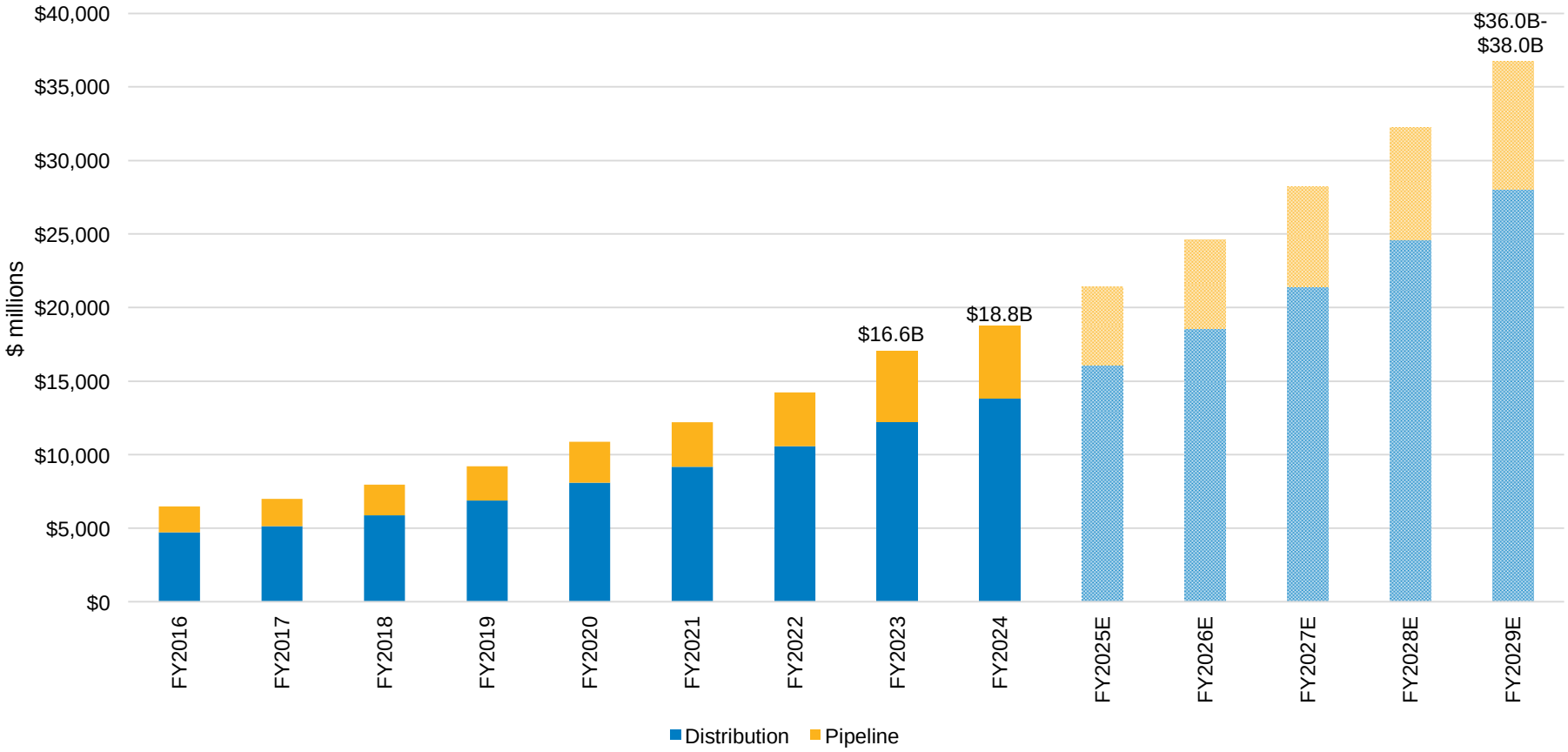



**~90% of annual CAPEX begins to earn within 6 months from end of test year**

# Financial Outlook

## Capital Spending Drives Rate Base Growth

### Enhancing System Safety and Reliability[1]

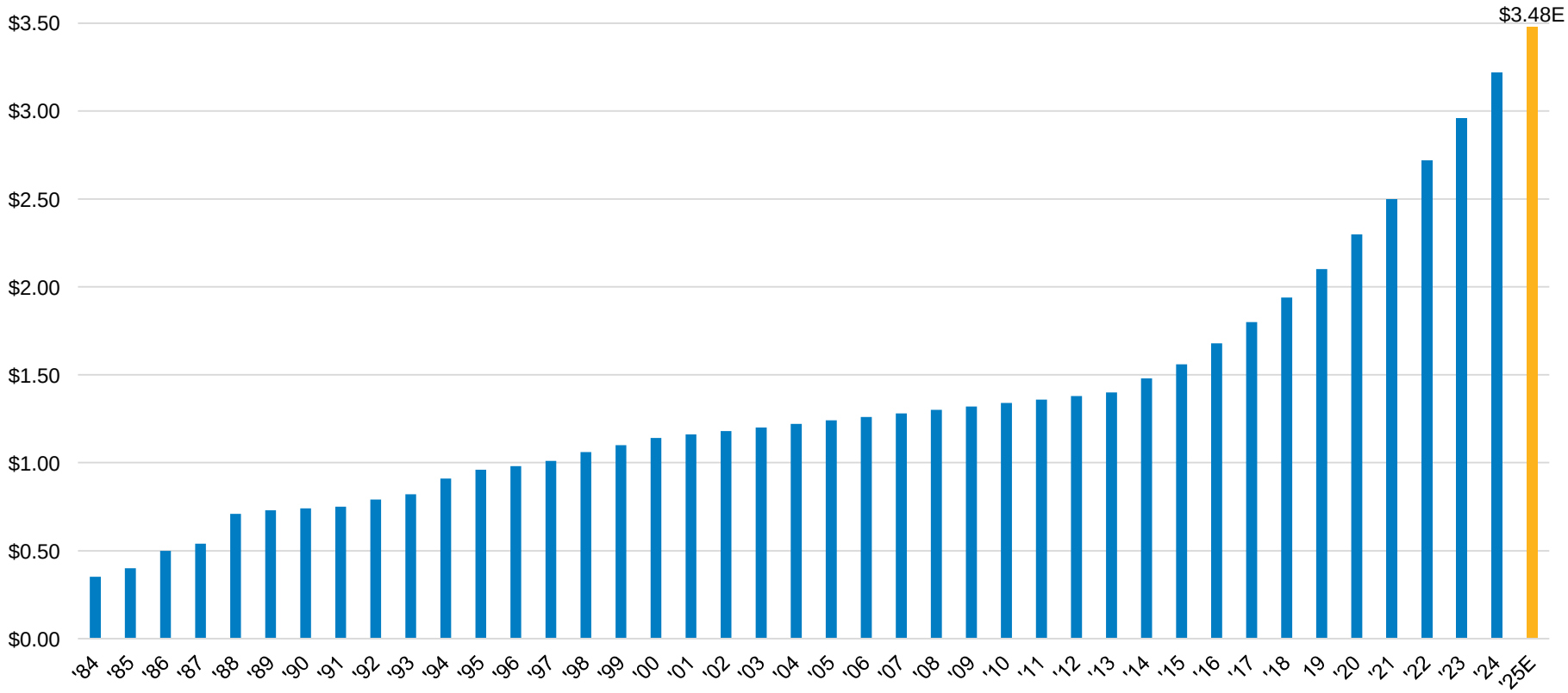



1. *Estimated rate base at the end of each fiscal year*

# Financial Outlook

## Sustainable Financial Performance Supports Sustained Dividend Increases

### 41 Consecutive Years* of Dividend Increases




- Indicated dividend increase of 8.1% for Fiscal 2025

*Fiscal year

***Note**: Amounts are adjusted for mergers and acquisitions.*

# Regulatory Developments Appendix

# Regulatory Mechanisms To Support Recovery

| | Annual Revenue and Lag Mechanisms | | Revenue Stability and Lag Mechanisms | | |
|---|---|---|---|---|---|
| **Jurisdiction** | **Annual Rate Stabilization** | **Infrastructure** | **Pension and Retirement Cost Trackers** | **WNA** | **Bad Debt in GCA** |
| Colorado | | ☒ | ☒ | | |
| Kansas | | ☒ | ☒ | ☒ | ☒ |
| Kentucky | | ☒ | | ☒ | ☒ |
| Tennessee | ☒ | ☒ | ☒ | ☒ | ☒ |
| Virginia | | ☒ | | ☒ | ☒ |
| Louisiana | ☒ | ☒ | ☒ | ☒ | |
| Mississippi | ☒ | ☒ | | ☒ | ☒ |
| Mid-Tex | ☒ | ☒ | ☒ | ☒ | ☒ |
| West Texas | ☒ | ☒ | ☒ | ☒ | ☒ |
| APT | | ☒ | ☒ | | |

# Key Regulatory Filings – Fiscal 2025E

## Rate Filing Planned Timing

| Q1<br>October – December | Q2<br>January – March | Q3<br>April – June | Q4<br>July – September |
|---|---|---|---|
| Mid-Tex and WTX Cities – Implemented RRM filing of $116.6MM | Colorado – Implemented SSIR of $1.9MM | **Mid-Tex Cities – Anticipate filing Rate Review Mechanism (RRM) in April 2025; new rates anticipated Q1 fiscal 2026** | **Mississippi – Anticipate Stable Rate Adjustment (SRA) in July 2025; new rates anticipated Q1 fiscal 2026** |
| Mississippi – Implemented annual SIR and SRF filings of $27.8MM | **Mid-Tex Dallas – Filed Dallas Annual Rate Review (DARR) in January 2025; new rates anticipated Q3 fiscal 2025** | **Louisiana – Anticipate filing Rate Stabilization Clause (RSC) in April 2025; new rates anticipated Q4 fiscal 2025** | **Mid-Tex Environs – Anticipate filing GRIP in July 2025; new rates anticipated Q1 fiscal 2026** |
| Kentucky – Implemented PRP filing of $3.4MM; rates subject to refund | **Kansas – Filed System Integrity Program (SIP) in January 2025; new rates anticipated Q3 fiscal 2025** | **Virginia – Anticipate filing SAVE in June 2025; new rates anticipated Q1 fiscal 2026** | **Kansas – Anticipate filing General Case in July 2025; new rates anticipated Q3 fiscal 2026** |
| Virginia – Implemented SAVE filing of $0.7MM | **Tennessee – Filed Annual Review Mechanism (ARM) in January 2025; new rates anticipated Q3 fiscal 2025** | **WTX ALDC, Environs and Triangle – Anticipate filing GRIP in June 2025; new rates anticipated Q1 fiscal 2026** | **Kansas – Anticipate filing Gas Safety Reliability Surcharge in August 2025; new rates anticipated Q1 fiscal 2026** |
| Kansas – Implemented Gas Safety Reliability Surcharge (GSRS) of $2.0MM | **Atmos Pipeline – Texas (APT) - Filed GRIP in February 2025; new rates anticipated Q3 fiscal 2025** | | **Kentucky – Anticipate filing PRP in August 2025; new rates anticipated Q1 fiscal 2026** |
| **West Texas – Filed Systemwide SOI in October 2024; new rates anticipated Q3 fiscal 2025** | | | **Colorado – Anticipate filing General Case in Q4, new rates anticipated Q2 fiscal 2026** |
| **Mid-Tex – Filed SOI for Environs and ATM customers in Q1 of FY25; new rates anticipated Q3 fiscal 2025** | | | |

Implemented | **Pending or anticipated**

# Regulatory Summary

| Jurisdiction | | Effective Date of Last Rate Action | Date of Last Rate Filing (Pending) | Authorized Operating Income $millions | Requested Operating Income $millions | Rate Base $millions[1] | Requested Rate Base $millions | Authorized Rate of Return [1] | Requested Rate of Return | Authorized Return on Equity [1] | Requested Return on Equity | Authorized Debt/ Equity Ratio | Requested Debt/Equity Ratio | Meters at 12/31/24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Atmos Pipeline-TX (OS-23-00013758) | | 12/13/23 | | $27.0 | | $4,267 | | 8.49% | | 11.45% | | 40/60 | | NA |
| Atmos Pipeline-TX GRIP | 3 | 5/14/24 | 2/26/25 | $82.4 | $77.2 | $4,774 | $5,238 | 8.49% | 8.49% | 11.45% | 11.45% | 40/60 | 40/60 | NA |
| Atmos Pipeline-TX SSI Rider | 5 | 11/1/24 | | $18.7 | | NA | | NA | | NA | | NA | | NA |
| Mid-Tex - City of Dallas DARR | | 6/1/24 | 1/15/25 | $37.8 | $29.5 | $6,845 | $7,974 | 7.47% | 7.52% | 9.80% | 9.80% | 40/60 | 40/60 | 229,761 |
| Mid-Tex Cities RRM | | 10/1/24 | | $112.1 | | $7,147 | | 7.41% | | 9.80% | | 42/58 | | 1,306,413 |
| Mid-Tex ATM Cities SOI/GRIP (GUD 10779) | 3 | 6/7/24 | 12/16/24 | $17.1 | $12.5 | $7,009 | $7,953 | 7.97% | 8.23% | 9.80% | 10.85% | 40/60 | 39/61 | 183,908 |
| Mid-Tex Environs SOI/GRIP (OS-24-00019196) | 3 | 6/1/24 | 11/18/24 | $8.5 | $8.0 | $7,009 | $7,953 | 7.97% | 8.23% | 9.80% | 10.85% | 40/60 | 39/61 | 104,106 |
| WTX Cities RRM | | 10/1/24 | | $4.4 | | $1,063 | | 7.41% | | 9.80% | | 42/58 | | 145,238 |
| WTX Systemwide SOI | 4, 7 | 6/1/21 | 10/25/24 | $5.1 | $39.2 | $752 | $1,237 | 7.35% | 8.23% | 2 | 10.85% | 2 | 39/61 | 150,564 |
| WTX ALDC GRIP | 3,4 | 6/7/24 | | $7.3 | | $1,062 | | 7.35% | | 2 | | 41/59 | | NA |
| WTX Environs GRIP (GUD 10945) | 3 | 6/1/24 | | $1.4 | | $1,060 | | 7.97% | | 9.80% | | 40/60 | | 22,679 |
| WTX Triangle GRIP | 3 | 6/1/24 | | $1.3 | | $65 | | 7.71% | | 9.80% | | 40/60 | | NA |
| Louisiana RSC (U-37185) | | 7/1/24 | | $35.6 | | $1,228 | | 7.43% | | 9.80% | | 42/58 | | 362,932 |
| Mississippi SRF (2005-UN-0503) | | 11/4/24 | | $3.8 | | $592 | | 7.80% | | 2 | | 2 | | 255,902 |
| Mississippi SIR (2015-UN-049) | | 11/4/24 | | $24.0 | | $630 | | 7.80% | | 2 | | 2 | | NA |

# Regulatory Summary (continued)

| Jurisdiction | | Effective Date of Last Rate Action | Date of Last Rate Filing (Pending) | Authorized Operating Income $millions | Requested Operating Income $millions | Rate Base $millions[1] | Requested Rate Base $millions | Authorized Rate of Return [1] | Requested Rate of Return | Authorized Return on Equity [1] | Requested Return on Equity | Authorized Debt/ Equity Ratio | Requested Debt/Equity Ratio | Meters at 12/31/24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Kentucky (2024-00276) | | 5/20/22 | 9/27/24 | $5.9 | $33.7 | $569 | $628 | 6.82% | 8.30% | 9.23% | 10.95% | 45/55 | 39/61 | 181,426 |
| Kentucky PRP (2024-00226) | 6 | 10/2/24 | | $3.4 | | $69 | | 6.94% | | 9.45% | | 45/55 | | NA |
| Tennessee ARM (25-XXXXX) | | 6/1/24 | 1/31/25 | $18.6 | $1.7 | $554 | $612 | 7.64% | 7.63% | 9.80% | 9.80% | 38/62 | 39/61 | 164,399 |
| Kansas (23-ATMG-538-RTS) | | 5/9/23 | | $2.0 | | $295 | | 2 | | 2 | | 2 | | 141,147 |
| Kansas GSRS | | 12/17/24 | | $2.0 | | $39 | | 2 | | 2 | | 2 | | NA |
| Kansas SIP | | 4/1/24 | 1/15/25 | $0.7 | $0.6 | $20 | $26 | 2 | 2 | 2 | 2 | 2 | 2 | NA |
| Colorado (22AL-0348G) | | 5/14/23 | | $0.9 | | $230 | | 7.00% | | 9.3%-9.6% | | 42-45/55-58 | | 130,875 |
| Colorado SSIR (23AL-0534G) | | 1/1/25 | | $1.9 | | $74 | | 7.00% / 3.97% | | 2 | | 42/58 | | NA |
| Virginia (PUR-2023-00008) | | 12/1/23 | | $2.4 | | $71 | | 7.57% | | 9.90% | | 39/61 | | 24,209 |
| Virginia SAVE (PUR-2024-00094) | | 10/1/24 | | $0.7 | | $21 | | 7.57% | | 9.90% | | 39/61 | | NA |

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 final decision.*
3. *GRIP filings are based on existing returns and the change in net utility plant investment.*
4. *ALDC includes the cities of Amarillo, Lubbock, Dalhart and Channing.*
5. *This filing will have no impact to operating income. See slide 19.*
6. *Rates implemented subject to refund.*
7. *Previous filing in 2021 was ALDC only. The 2024 filing is systemwide.*

# Atmos Pipeline - Texas

- **Atmos Pipeline: Filed 2024 GRIP on February 26, 2025**
  - Requested an increase in annual operating income of $77.2 million
  - Requested ROE: 11.45%; ROR:8.49%
  - Requested capital structure: 40% debt / 60% equity
  - Requested rate base: $5.2 billion
  - Test year ended: December 31, 2024

- **Atmos Pipeline: Implemented 2024 System Safety & Integrity (SSI) Rider on November 1, 2024**
  - New annual mechanism approved in the 2023 SOI
  - Allows for the recovery of certain system safety and integrity costs incurred each year
    - Costs above a benchmark are deferred onto the balance sheet as incurred
    - Revenue and expense are recognized after review and approval by the RRC; therefore, no impact to operating income
  - Authorized an increase in operating revenue of $18.7 million
  - Test period January 1, 2023 through March 31, 2024

# Colorado - Kansas Division

- **Kansas: Filed System Integrity Program (SIP) on January 15, 2025**
  - Requested an increase in annual operating income of $0.6 million
  - Requested rate base: $25.7 million
  - Test Year Ending December 31, 2024

- **Kansas: Implemented Gas Safety Reliability Surcharge (GSRS) on December 17, 2024**
  - Authorized an increase in annual operating income of $2.0 million
  - Authorized rate base: $38.9 million
  - Test Year October 2023 through June 2024

- **Colorado: Implemented System Safety & Integrity Rider (SSIR) on January 1, 2025**
  - Authorized an increase in annual operating income of $1.9 million
  - Authorized rate base: $73.6 million
  - Test Year Ending December 31, 2025

# Kentucky/Mid-States Division

- **Kentucky: Implemented Annual PRP on October 2, 2024**
  - Authorized an annual operating income increase of $3.4 million
  - Authorized ROE: 9.45%; ROR: 6.94%
  - Authorized capital structure: 45% debt / 55% equity
  - Authorized rate base: $69.3 million
  - Implemented subject to refund

- **Kentucky: Filed General Rate Case on September 27, 2024**
  - Requested an annual operating income increase of $33.7 million
  - Requested ROE: 10.95%; ROR: 8.30%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $628.2 million

- **Virginia: Implemented SAVE Infrastructure Program on October 1, 2024**
  - Authorized an annual operating income increase of $0.7 million
  - Authorized ROE: 9.90%; ROR: 7.57%
  - Authorized capital structure: 39% debt / 61% equity
  - Authorized rate base: $21.4 million

# Kentucky/Mid-States Division

- **Tennessee: Filed Annual Review Mechanism (ARM) on January 31, 2025**
  - Requested an annual operating income increase of $1.7 million
  - Requested ROE: 9.80%; ROR: 7.63%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $611.7 million

# Mid-Tex Division

- **Mid-Tex Cities: Filed Dallas Annual Rate Review (DARR) on January 15, 2025**
  - Requested an increase in annual operating income of $29.5 million
  - Requested ROE: 9.80%; ROR: 7.52%
  - Requested capital structure: 40% debt / 60% equity
  - Requested rate base: $8.0 billion
  - Test year ending September 30, 2024

- **Mid-Tex ATM: Filed Statement of Intent on December 16, 2024**
  - Requested an increase in annual operating income of $12.5 million
  - Requested ROE: 10.85%; ROR: 8.23%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $8.0 billion
  - Test year ending June 30, 2024

- **Mid-Tex Environs: Filed Statement of Intent on November 18, 2024**
  - Requested an increase in annual operating income of $8.0 million
  - Requested ROE: 10.85%; ROR: 8.23%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $8.0 billion
  - Test year ending June 30, 2024

# Mid-Tex Division

- **Mid-Tex Cities: Implemented Rate Review Mechanism (RRM) on October 1, 2024**
  - Authorized an increase in annual operating income of $112.1 million
  - Authorized ROE: 9.80%; ROR: 7.41%
  - Authorized capital structure: 42% debt / 58% equity
  - Authorized rate base: $7.1 billion
  - Test year ending December 31, 2023

# Mississippi Division

- **Mississippi: Implemented Annual System Integrity Rider (SIR) on November 4, 2024**
  - Authorized an increase in annual operating income of $24.0 million
  - Authorized ROR: 7.8%
  - Authorized rate base: $629.7 million
  - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2024 - October 2025

- **Mississippi: Implemented Annual Stable Rate Filing (SRF) on November 4, 2024**
  - Authorized an increase in annual operating income of $3.8 million
  - Authorized ROR: 7.8%
  - Authorized rate base: $592.2 million
  - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2024 - October 2025

# West Texas Division

- **West Texas Systemwide: Filed Statement of Intent on October 25, 2024**
  - Requested an increase in annual operating income of $39.2 million
  - Requested ROE: 10.85%; ROR: 8.23%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $1.2 billion
  - Test year ending June 30, 2024

- **West Texas Cities: Implemented Rate Review Mechanism (RRM) on October 1, 2024**
  - Authorized an increase in annual operating income of $4.4 million
  - Authorized ROE: 9.80%; ROR: 7.41%
  - Authorized capital structure: 42% debt / 58% equity
  - Authorized rate base: $1.1 billion
  - Test year ending December 31, 2023

# Jurisdictional Summaries

# Mid-Tex Division - Overview

## Key Regulatory Features:

- Each municipality has original jurisdiction
- Railroad Commission of Texas (RRC) has appellate jurisdiction and original jurisdiction over environs customers
- Weather normalization from November - April
- Rule 8.209 – System safety and reliability capital deferral mechanism
- Bad debt gas cost & pension post-retiree expense deferral

| | |
|---|---|
| **Communities Served** | **550** |
| **Customers Served** | **1,843,000** |
| **Miles of Distribution Pipe** | **~33,400**[1] |

| Mechanism | Regulator | Cities % | Cust. % | ROE | Equity |
|---|---|---|---|---|---|
| **Annual Rate Review** | | | | | |
| ACSC | Cities | 72% | 72% | 9.8% | 58% Cap |
| Dallas | City | 0.2% | 13% | 9.8% | Actual |
| **GRIP** | | | | | |
| Environs | RRC | 19% | 5% | 9.8% | Actual |
| ATM | Cities | 9% | 10% | 9.8% | Actual |




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# West Texas Division - Overview

## Key Regulatory Features:

- Each municipality has original jurisdiction
- Railroad Commission of Texas (RRC) has appellate jurisdiction and original jurisdiction over environs customers
- Weather normalization from October – May
- Rule 8.209 – System safety and reliability capital deferral mechanism
- Bad debt gas cost & pension post-retiree expense deferral

| | |
|---|---|
| **Communities Served** | **80** |
| **Customers Served** | **330,000** |
| **Miles of Distribution Pipe** | **~8,800**[1] |

| Mechanism | Regulator | Cities % | Cust. % | ROE | Equity |
|---|---|---|---|---|---|
| RRM Cities | Cities | 85% | 45% | 9.8% | 58% Cap |
| **GRIP** | | | | | |
| ALDC | RRC | 5% | 47% | 10.5% | Actual |
| Environs | RRC | 10% | 8% | 9.8% | Actual |




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# Louisiana Division - Overview

## Key Regulatory Features:

- **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**

| Regulator | ROE | Equity |
|---|---|---|
| LPSC | 9.8% | 58% Cap |

| | |
|---|---|
| **Communities Served** | **270** |
| **Customers Served** | **378,000** |
| **Miles of Distribution Pipe** | **~9,300**[1] |
| **Working Storage Capacity** | **0.4 Bcf** |




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# Mississippi Division - Overview

## Key Regulatory Features:

- **Public Service Commission – 3 elected commissioners with 4-year terms**
- **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
- **Weather normalization in place from November – April**

| Regulator | ROE | Equity |
|---|---|---|
| PSC | 10.34% | Actual |

| | |
|---|---|
| **Communities Served** | **110** |
| **Customers Served** | **274,000** |
| **Miles of Distribution Pipe** | **~7,100**[1] |
| **Working Storage Capacity** | **1.9 Bcf** |




1. *2024 DOT Report*

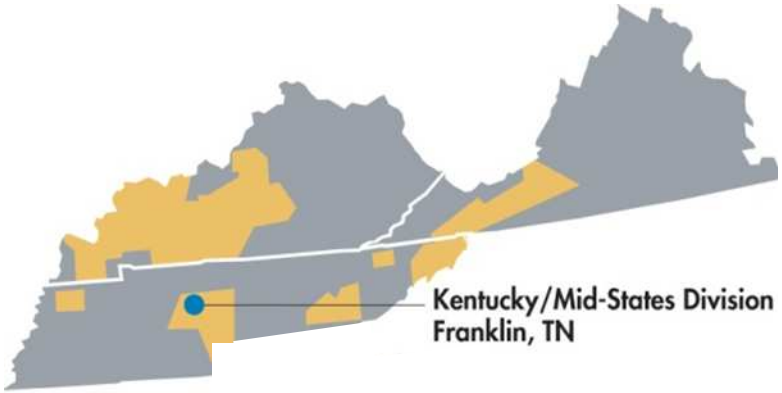
# Kentucky/Mid-States Division - Overview

## Key Regulatory Features:

- **KY: 3 appointed commissioners, 4-year staggered terms**
  - Traditional ratemaking, forward-looking basis
  - Annual forward-looking infrastructure mechanism
  - Weather normalization from November – April
  - Bad debt gas cost recovery
- **TN: 7 appointed commissioners, 4-year terms**
  - Annual ratemaking with capital deferral mechanism and true-up
  - 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
  - Weather normalization January – December
  - Bad debt gas cost recovery

| | |
|---|---|
| **Communities Served** | **230** |
| **Customers Served** | **375,000** |
| **Miles of Distribution Pipe** | **~8,800**[1] |
| **Working Storage Capacity** | **8.0 Bcf** |

| Jurisdiction | Regulator | ROE | Equity |
|---|---|---|---|
| Kentucky | PSC | 9.23% | Actual |
| Tennessee | TPUC | 9.8% | Actual |
| Virginia | VSCC | 9.9% | 61% Cap |




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# Colorado-Kansas Division - Overview

## Key Regulatory Features:

- **CO: 3 appointed commissioners, 4-year staggered terms**
  - Forward-looking system infrastructure rider (SSIR)
- **KS: 3 appointed commissioners, 4-year staggered terms**
  - Annual infrastructure mechanisms – Gas Safety and Reliability Surcharge (GSRS) and System Integrity Plan (SIP)
  - Weather normalization from November – April
  - Bad debt gas cost recovery
  - Property tax deferral
  - Post-retiree pension expense deferral

| | |
|---|---|
| **Communities Served** | **170** |
| **Customers Served** | **271,000** |
| **Miles of Distribution Pipe** | **~7,400**[1] |
| **Working Storage Capacity** | **3.2 Bcf** |

| Jurisdiction | Regulator | ROE | Equity |
|---|---|---|---|
| Kansas | KCC | Unspecified | Unspecified |
| Colorado | CPUC | 9.3% – 9.6% | 55% – 58% |



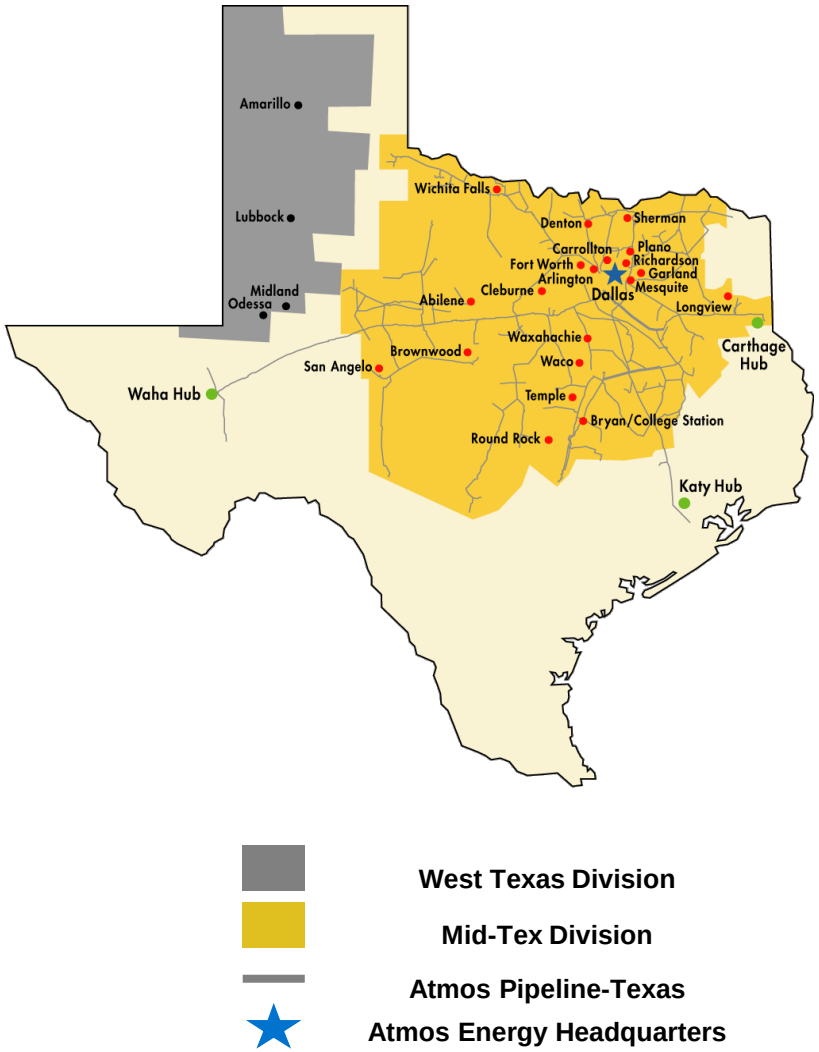

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# Atmos Pipeline – Texas - Overview

## Key Regulatory Features:

- **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; $106.9 million benchmark**

| | |
|---|---|
| **Miles of Gas Transmission Pipeline** | **~5,700**[1] |
| **Working Storage Capacity** | **53 Bcf** |




1. *2024 DOT Report*

# Forward Looking Statements

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 us 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 any other of our 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 expressed or implied in the statements relating to our strategy, operations, markets, services, rates, recovery of costs, availability of gas supply and other factors. These risks and uncertainties include the following: federal, state and local regulatory and political trends and decisions, including the impact of rate proceedings before various state regulatory commissions; increased federal regulatory oversight and potential penalties; possible increased federal, state and local regulation of the safety of our operations; possible significant costs and liabilities resulting from pipeline integrity and other similar programs and related repairs; the inherent hazards and risks involved in distributing, transporting and storing natural gas; the availability and accessibility of contracted gas supplies, interstate pipeline and/or storage services; increased competition from energy suppliers and alternative forms of energy; failure to attract and retain a qualified workforce; natural disasters, adverse weather, terrorist activities or other events and other risks and uncertainties discussed herein, all of which are difficult to predict and many of which are beyond our control; failure of technology that affects the Company’s business operations; the threat of cyber-attacks or acts of cyber-terrorism that could disrupt our business operations and information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information; the impact of new cybersecurity compliance requirements; adverse weather conditions; the impact of legislation to reduce or eliminate greenhouse gas emissions or fossil fuels; the impact of climate change; the capital-intensive nature of our business; our ability to continue to access the credit and capital markets to execute our business strategy; market risks beyond our control affecting our risk management activities, including commodity price volatility, counterparty performance or creditworthiness and interest rate risk; the concentration of our operations in Texas; the impact of adverse economic conditions on our customers; changes in the availability and price of natural gas; and increased costs of providing health care benefits, along with pension and postretirement health care benefits and increased funding requirements. Accordingly, while 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. Further, we undertake no obligation to update or revise any of our 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 2025 and beyond that appear in this presentation are current as of March 24, 2025.