

Exhibit A

ACSC Consultants' Recommended Adjustments to Atmos Mid-Tex's 2012 Statement of Intent to Increase Rates¹

Following a review of the Company's 2012 Statement of Intent, ACSC consultants found justification for an approximately \$77 million decrease to the Company's requested revenue, resulting in a \$23 million decrease to the current rates charged by Atmos Mid-Tex. ACSC consultants' recommendation for a rate decrease is based upon the following major components:²

- Lowering the Company's return on equity from 10.9% to 9.5%, resulting in a revenue requirement decrease of over \$30 million
- Removing the Company's improper post-test year adjustment to add plant from January to March 2012, resulting in a revenue requirement decrease of approximately \$5 million
- Removing the Company's proposal for an energy efficiency plan to be funded only by ratepayers, resulting in a revenue requirement decrease of over \$1 million
- Various adjustments to accumulated deferred income tax, resulting in a revenue requirement decrease of approximately \$10 million
- Recognizing new depreciation rates as filed by the Company (without adjustment by ACSC consultants), resulting in a revenue requirement decrease of approximately \$15 million
- Various adjustments to the Company's requested level of operating and maintenance (O&M) expense, resulting in a revenue requirement decrease of over \$8 million
- Reducing rate base to account for ratepayer supplied funds relating to other post-employment benefits (FASB 106), resulting in a revenue requirement decrease of over \$8 million
- Cap residential customer charge at \$9.00, instead of Atmos' requested \$18.00.

¹ All figures are adjustments resulting in a revenue requirement impact to Atmos' filed case system-wide. Factoring out Dallas, the ACSC cities would see slight decreases in the numbers listed above.

² Please note that the adjustments listed are on a stand-alone basis, and may have a different impact when combined with the other adjustments.