

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE ATMOS ENERGY)	
CORPORATION THROUGH ITS DIVISION,)	
WESTERN KENTUCKY GAS COMPANY FOR AN)	CASE NO. 92-311
ORDER AUTHORIZING IT TO BORROW \$10)	
MILLION)	

O R D E R

IT IS ORDERED that Western Kentucky Gas Company ("Western") a division of Atmos Energy Corporation shall file an original and six copies of the following information with this Commission, with a copy to all parties of record, within seven days from the date of this Order. If the information cannot be provided by this date, Western should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. Explain the rationale for the planned redemption and retirement. Provide an analysis using net present value.
2. Explain why the 8.4% note to Central Louisiana Electric Company, Inc. was chosen for refinancing. What other outstanding issuances were considered? Why were they not chosen?
3. Describe the advantages and disadvantages of a private placement transaction relative to a public securities offering.
4. Provide an analysis of the terms and rates contemplated in the proposed private placement transaction compared to those

that might be obtained through a public sale of similar securities.

5. Provide a copy of the agreement(s) to be executed necessary to accomplish the proposed transaction.

6. Explain the use of the proceeds of the \$9.8 million note to Central Louisiana Electric Company, Inc.

7. Describe the general corporate purposes to be financed by the proceeds from the proposed issuance in excess of that used to retire long-term debt.

Done at Frankfort, Kentucky, this 7th day of August, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director