

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY)	
CORPORATION, WESTERN KENTUCKY)	
GAS COMPANY OF OWENSBORO,)	CASE NO.
KENTUCKY, FOR AN ORDER AUTHORIZING)	2000-078
THE CREATION AND ISSUANCE OF 2,000,000)	
SHARES OF COMMON STOCK THROUGH)	
ITS DIRECT STOCK PURCHASE PLAN)	

O R D E R

On February 18, 2000, Atmos Energy Corporation, through its division, Western Kentucky Gas Company of Owensboro, Kentucky (“Atmos”) submitted an application to the Commission for the creation and issuance of 2,000,000 additional shares of Atmos’s no par value common stock through Atmos’s Direct Stock Purchase Plan (“DSPP”). The Executive Director of the Commission, by letter dated March 20, 2000, advised Atmos that its application failed to conform to the filing requirements of Commission regulations and that, pursuant to Administrative Regulation 807 KAR 5:001, Section 2, the application was rejected. The letter further informed Atmos that the statutory time period in which the Commission would be required to process the application would not commence until all the filing requirements were met. On March 23, 2000, Atmos filed a letter with the Commission stating that the information declared deficient by the Commission was contained in the originally submitted application and requesting that the Commission’s review period begin on the date the application was originally submitted.

Based on the record, and being otherwise sufficiently advised, the Commission finds that:

1. Neither the application as originally submitted nor Atmos's response of March 23, 2000 provides the information required by 807 KAR 5:001, Section 11(1)(c). Therefore, Atmos's request that the Commission's review period begin on the date the application was originally submitted should be denied and the statutory time period for Commission review should not begin until all filing requirements are met.

2. Atmos indicates that the proceeds from the DSPP plan are to be used for general company operations. To comply with 807 KAR 5:001, Section 11(1)(c), Atmos should more specifically explain the purpose of the stock issue, i.e., whether the stock issue is intended to provide Atmos with additional capital or to provide a benefit to shareholders. In addition, Atmos should provide a more specific description of the use of the proceeds, i.e., whether the company will use the proceeds for operating expenses, future capital projects, etc.

3. Information in addition to that required by Commission Regulation will be needed for an adequate and proper consideration of Atmos's request. Therefore, in order to expedite the processing of this case once all filing requirements are met, Atmos should file the original and six copies of the following documents and information with the Commission within 10 days from the date that the Application is considered filed:

- a. An updated prospectus.
- b. A table showing all the DSPP stock issues that have been approved by the Commission including the following: Case Number; Number of Shares Authorized; Number of Shares Outstanding; Proceeds and Purposes of Shares Issued.

c. The reasons that shares previously authorized have not been issued.

IT IS THEREFORE ORDERED that:

1. Atmos's request that the Commission's review period begin on the date the application was originally submitted is denied.

2. The statutory time period for Commission review shall begin when all filing requirements are met.

3. Atmos shall comply with the requirements contained in Findings 2 and 3 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 14th day of April, 2000.

By the Commission

ATTEST:

Deputy Wm H. Bowker
Executive Director