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BEFORE THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

IN THE MATTER OF	**) CASE NO. 2006-00464**
RATE APPLICATION BY	**)**
ATMOS ENERGY CORPORATION MID-STATES/KENTUCKY	**)**

RESPONSE OF ATMOS ENERGY CORPORATION, KENTUCKY TO KPSC DATA REQUEST DATED FEBRUARY 23, 2007

(KPSC DATA REQUEST NO. 2)

DR 1 – DR 11, DR 13 – DR 36, DR 38 – DR 57

MARCH 16, 2007

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Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 1
Witness: *Tom* Petersen

Data Request:

Has Atmos performed any analysis of financial information and operations to determine why it has not been able to earn an adequate rate of return?

a. If yes, provide and describe the results of that analysis.

b. If no, explain why such an analysis has not been performed.

Response:

The reasons why the Company has initiated this rate case, including the financial reasons therefor, are more fully discussed in the direct testimony of Mr. John Paris. With respect to the sufficiency of the Company's rate of return, please see the direct testimony of Dr. Donald Murry and accompanying workpapers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 2
Witness: Laurie Sherwood

Data Request:

Provide the actual earned return on capital and earned return on equity for Atmos for each year for 2000 through 2006.

Response:

The requested return measures are provided below for Atmos Energy Corporation. Return on capital is calculated as net income divided by the simple average of beginning and ending total capitalization.

Annual Return on Capital, 2000 – 2006

2000	4.76%
2001	5.53%
2002	4.74%
2003	4.84%
2004	4.64%
2005	4.70%
2006	3.88%

Annual Return on Equity, 2000 – 2006

2000	9.3%
2001	10.4%
2002	9.9%
2003	9.9%
2004	9.1%
2005	9.0%
2006	8.9%

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 3
Witness: Tom Petersen

Data Request:

Provide the actual increase in net rate base for Atmos for each year for 2000 through 2006.

Response:

Total Atmos utility rate base was estimated by using unadjusted per books amounts. A summary of the calculation of the rate base for each calendar year and a calculation of the annual increase in rate base is shown on the attached schedules labeled Case 2006-00464 KPSC DR2-3 ATT.

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 2-3
Total Atmos Rate Base

Calendar Year	Rate Base	Change
2000	875,867,982	
2001	1,025,860,040	149,992,058
2002	1,134,384,634	108,524,594
2003	1,326,676,984	192,292,351
2004	1,784,850,050	458,173,065
2005	3,190,267,177	1,405,417,127
2006	3,444,461,678	254,194,502

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 2-3
Total Atmos Rate Base Workpaper

RUT Calendar 2000														
Description	Beg BalJAN-00	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Average
Gross Plant	1,451,249,649	1,457,103,804	1,460,097,692	1,441,644,698	1,409,964,217	1,445,555,438	1,463,726,670	1,467,831,479	1,486,038,514	1,493,043,574	1,501,179,541	1,498,170,999	1,495,416,675	1,467,001,765
CWIP	25,690,367	25,137,336	19,950,620	33,411,584	30,244,127	33,083,456	32,933,811	33,763,863	39,274,994	33,121,994	31,653,234	34,197,450	36,039,812	31,423,281
Accum. Depre.	(564,935,922)	(570,187,099)	(562,556,005)	(557,019,427)	(526,153,616)	(531,411,991)	(547,613,951)	(552,039,513)	(575,688,366)	(574,717,631)	(578,242,184)	(583,078,942)	(587,455,191)	(562,392,295)
CWC														17,450,289
M&S	6,230,502	6,295,526	6,199,154	6,069,741	6,031,760	5,901,024	5,587,717	5,865,969	5,591,921	5,293,705	5,398,616	5,365,314	5,401,447	5,787,107
Storage Gas	45,805,377	34,773,872	21,633,174	16,725,673	14,516,505	16,145,589	30,036,415	37,102,994	42,702,786	61,462,886	70,388,509	74,347,465	66,104,366	40,903,509
Prepaids	2,861,279	2,710,145	2,497,766	2,197,551	2,233,881	2,326,289	2,458,834	7,444,725	8,739,049	8,473,261	8,981,548	8,084,422	6,683,726	5,053,267
Customer Advances	(12,807,194)	(12,890,496)	(12,813,134)	(12,552,228)	(6,708,258)	(5,422,967)	(11,106,720)	(11,018,000)	(10,081,947)	(10,946,479)	(10,950,699)	(10,996,412)	(10,963,945)	(10,712,191)
DIT	(116,906,016)	(116,906,016)	(116,721,074)	(112,630,678)	(112,882,825)	(112,539,753)	(118,728,292)	(118,921,486)	(118,814,091)	(125,782,719)	(125,782,717)	(125,501,940)	(120,290,146)	(118,646,750)
														875,867,982
Rate Base														

RUT Calendar 2001														
Description	Beg BalJAN-01	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun	1-Jul	1-Aug	1-Sep	1-Oct	1-Nov	1-Dec	
Gross Plant	1,495,416,675	1,494,959,594	1,502,518,190	1,503,882,706	1,506,941,861	1,515,491,425	1,519,031,311	1,888,879,633	1,896,473,272	1,852,825,956	1,860,572,479	1,886,301,193	1,891,484,172	1,678,059,882
CWIP	36,039,812	38,689,176	39,634,060	42,978,287	47,357,084	49,055,842	54,692,896	60,299,989	65,595,550	53,535,639	53,824,763	35,875,255	39,975,969	47,504,179
Accum. Depre.	(587,455,191)	(588,250,216)	(593,522,695)	(596,140,280)	(601,249,927)	(606,100,369)	(610,623,591)	(616,150,685)	(619,687,508)	(749,902,986)	(755,215,448)	(761,493,002)	(767,675,249)	(650,266,704)
CWC														17,346,531
M&S	5,401,447	5,248,321	5,232,723	4,971,592	4,625,172	4,475,591	4,412,759	4,174,108	3,985,328	4,606,697	4,374,250	4,259,503	4,024,939	4,599,418
Storage Gas	66,104,366	35,645,028	30,616,493	22,469,984	1,373,352	11,105,681	33,196,010	56,777,897	70,258,939	71,130,264	80,242,692	79,610,619	77,865,184	48,953,578
Prepaids	6,683,726	5,549,745	4,179,926	3,446,473	2,948,489	2,945,213	17,098,393	18,846,821	19,158,406	10,233,486	9,726,721	8,328,925	6,468,265	8,893,430
Customer Advances	(10,963,945)	(10,949,873)	(10,883,863)	(10,777,661)	(10,773,684)	(10,717,718)	(10,677,515)	(10,715,023)	(11,657,113)	(11,693,607)	(11,858,825)	(11,881,442)	(11,838,877)	(11,183,780)
DIT	(120,290,146)	(120,264,631)	(120,616,603)	(93,681,328)	(97,983,346)	(97,432,948)	(124,543,424)	(124,401,117)	(124,322,536)	(126,048,292)	(126,048,292)	(126,126,658)	(132,845,086)	(118,046,493)
														1,025,860,040
Rate Base														

RUT Calendar 2002														
Description	Beg BalJAN-02	2-Jan	2-Feb	2-Mar	2-Apr	2-May	2-Jun	2-Jul	2-Aug	2-Sep	2-Oct	2-Nov	2-Dec	
Gross Plant	1,891,484,172	1,898,415,185	1,906,214,769	1,913,115,068	1,920,947,466	1,930,530,170	1,941,187,947	1,957,613,044	1,963,019,830	1,991,929,559	1,992,195,619	1,999,725,996	2,292,188,279	1,969,120,546
CWIP	39,975,970	44,571,505	45,954,961	48,595,535	46,705,292	46,986,812	45,432,681	41,198,056	40,298,236	15,769,845	21,851,270	24,813,183	30,680,734	37,910,314
Accum. Depre.	(767,675,253)	(773,270,446)	(778,717,982)	(784,321,905)	(787,728,273)	(793,812,918)	(799,771,768)	(805,972,468)	(803,368,732)	(800,184,381)	(804,597,429)	(810,299,189)	(948,581,535)	(804,484,791)
CWC														18,466,124
M&S	4,024,940	3,844,213	3,541,958	4,444,212	4,026,376	3,929,308	3,917,539	3,805,695	3,033,828	2,840,051	2,885,223	2,783,233	4,514,305	3,660,837
Storage Gas	77,865,184	59,436,471	41,499,519	27,454,088	15,169,156	18,407,984	25,004,028	40,022,205	53,633,278	63,343,205	71,036,888	75,540,849	77,938,812	49,719,359
Prepaids	6,468,265	5,825,890	4,427,346	3,327,439	2,938,705	2,163,615	3,184,750	4,023,551	5,952,260	7,187,262	10,721,476	9,004,932	7,698,198	5,609,515
Customer Advances	(11,838,876)	(11,807,052)	(11,611,812)	(11,863,310)	(11,882,308)	(11,635,690)	(11,631,785)	(11,871,166)	(11,852,594)	(12,048,722)	(12,135,247)	(12,320,056)	(12,772,482)	(11,943,931)
DIT	(132,845,085)	(132,912,280)	(132,731,404)	(118,296,726)	(118,452,022)	(118,289,895)	(144,601,473)	(144,206,658)	(143,490,539)	(130,575,306)	(130,186,956)	(130,351,099)	(160,813,970)	(133,673,339)
														1,134,384,634
Rate Base														

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 2-3
Total Atmos Rate Base Workpaper

RUT Calendar 2003														
Description	Beg BalJAN-03	3-Jan	3-Feb	3-Mar	3-Apr	3-May	3-Jun	3-Jul	3-Aug	3-Sep	3-Oct	3-Nov	3-Dec	2,323,777,919
Gross Plant	2,292,188,279	2,292,052,164	2,299,207,002	2,306,386,130	2,313,142,033	2,318,666,365	2,342,550,196	2,323,845,109	2,317,782,634	2,339,388,564	2,344,276,482	2,356,521,155	2,363,106,840	37,233,111
CWIP	30,680,733	42,229,657	46,382,239	42,090,981	44,779,795	49,704,760	39,214,153	44,161,897	42,723,261	15,670,752	22,952,836	28,721,541	34,717,839	(950,825,547)
Accum. Depre.	(948,581,536)	(955,599,537)	(961,169,706)	(957,254,440)	(962,296,174)	(966,108,979)	(972,722,486)	(952,862,366)	(941,629,882)	(925,804,369)	(932,254,714)	(938,705,741)	(945,742,183)	24,777,998
CWC														5,120,956
M&S	4,514,304	7,541,257	7,247,239	7,185,638	6,823,241	6,451,141	4,787,434	4,508,521	4,249,674	3,419,913	3,353,246	3,342,673	3,148,149	75,111,650
Storage Gas	77,938,812	64,475,508	27,521,270	9,122,269	14,823,225	23,016,214	41,699,437	71,562,569	103,540,365	120,646,351	138,896,361	147,653,791	135,555,282	6,463,339
Prepaids	7,698,197	8,502,746	8,366,555	7,331,291	7,258,044	2,661,965	3,642,681	6,627,683	5,926,674	7,472,009	7,184,215	6,209,269	5,142,081	(13,226,573)
Customer Advances	(12,772,481)	(12,766,085)	(12,815,962)	(12,866,180)	(12,918,309)	(13,282,254)	(13,238,147)	(12,887,233)	(13,434,295)	(13,700,749)	(13,854,855)	(13,719,370)	(13,689,531)	(181,755,870)
DIT	(160,813,970)	(160,613,683)	(160,443,452)	(164,578,389)	(164,572,956)	(165,001,866)	(159,622,001)	(159,704,246)	(159,813,035)	(221,912,180)	(221,911,743)	(222,197,494)	(241,641,291)	
														1,326,676,984
Rate Base														

RUT Calendar 2004														
Description	Beg BalJAN-04	4-Jan	4-Feb	4-Mar	4-Apr	4-May	4-Jun	4-Jul	4-Aug	4-Sep	4-Oct	4-Nov	4-Dec	3,017,982,869
Gross Plant	2,363,106,837	2,365,717,417	2,378,702,657	2,387,206,895	2,400,479,804	2,404,619,452	2,426,728,010	2,443,249,125	2,454,058,840	2,479,741,679	5,025,155,775	5,039,784,814	5,065,225,995	50,691,463
CWIP	34,717,838	40,232,322	39,670,467	41,219,763	47,584,544	52,315,063	41,906,199	42,098,636	47,223,853	37,789,507	78,046,810	83,322,124	72,861,894	(1,229,897,520)
Accum. Depre.	(945,742,183)	(948,411,067)	(955,104,857)	(960,650,590)	(968,430,511)	(972,497,023)	(974,988,022)	(980,863,656)	(985,507,534)	(983,017,091)	(2,090,529,947)	(2,104,023,223)	(2,118,902,060)	34,217,788
CWC														3,632,333
M&S	3,148,149	2,954,715	2,841,581	2,553,720	2,540,249	2,162,731	1,975,503	1,842,905	2,040,338	2,162,178	8,299,943	8,041,005	6,657,308	135,506,249
Storage Gas	135,555,282	99,230,411	63,974,968	27,492,388	18,749,674	22,364,287	47,605,799	84,836,279	122,097,954	156,771,921	325,855,733	336,331,635	320,714,911	7,164,932
Prepaids	5,142,081	3,999,568	4,443,800	3,575,261	4,473,269	3,794,815	5,538,419	7,498,412	8,677,140	8,555,734	14,516,875	15,289,255	7,639,485	(14,789,910)
Customer Advances	(13,689,530)	(13,834,470)	(13,813,053)	(13,829,561)	(13,527,223)	(13,788,163)	(13,800,061)	(14,048,730)	(14,214,907)	(14,119,928)	(17,236,213)	(17,437,976)	(18,929,014)	(219,658,154)
DIT	(241,641,291)	(241,889,753)	(242,052,894)	(232,917,979)	(232,860,052)	(232,581,320)	(225,631,952)	(222,761,789)	(214,542,655)	(208,325,221)	(204,883,636)	(205,244,605)	(150,222,856)	
														1,784,850,050
Rate Base														

RUT Calendar 2005														
Description	Beg BalJAN-05	5-Jan	5-Feb	5-Mar	5-Apr	5-May	5-Jun	5-Jul	5-Aug	5-Sep	5-Oct	5-Nov	5-Dec	5,169,410,407
Gross Plant	5,065,225,994	5,079,405,199	5,089,418,255	5,105,723,758	5,124,369,635	5,135,435,987	5,166,677,834	5,182,388,682	5,190,118,300	5,225,655,369	5,236,249,078	5,264,321,077	5,337,346,120	111,637,965
CWIP	72,861,893	79,180,492	93,229,174	94,759,372	97,677,978	115,626,836	114,418,736	120,964,740	130,766,553	133,057,184	149,063,946	141,621,300	108,065,347	(2,185,953,076)
Accum. Depre.	(2,118,902,058)	(2,130,752,893)	(2,143,997,376)	(2,156,506,064)	(2,169,418,089)	(2,180,843,699)	(2,193,469,238)	(2,206,907,251)	(2,215,685,480)	(2,210,361,288)	(2,221,182,553)	(2,231,286,266)	(2,238,077,731)	54,283,924
CWC														8,396,656
M&S	6,657,311	6,983,360	7,093,814	8,406,392	14,813,853	9,092,894	10,487,574	10,161,507	8,037,385	7,048,131	6,906,290	6,996,451	6,471,571	259,878,124
Storage Gas	320,714,911	254,727,199	201,997,566	152,641,920	132,625,038	173,035,552	187,722,230	220,439,146	253,970,211	310,610,367	370,738,355	409,153,422	390,039,698	12,311,494
Prepaids	7,639,487	17,433,826	12,263,841	13,139,294	6,390,812	17,162,867	11,413,278	9,529,019	15,415,849	12,663,311	16,192,281	13,819,092	6,986,459	(19,055,992)
Customer Advances	(18,929,014)	(18,959,357)	(19,075,448)	(18,967,377)	(18,747,191)	(18,906,499)	(19,239,992)	(19,178,687)	(19,259,933)	(18,871,787)	(19,133,582)	(19,190,331)	(19,268,696)	(220,642,326)
DIT	(150,222,856)	(205,654,293)	(205,598,571)	(240,227,510)	(240,203,749)	(240,213,394)	(219,766,424)	(219,793,426)	(219,614,437)	(226,322,549)	(226,596,843)	(226,589,764)	(247,546,427)	
														3,190,267,177
Rate Base														

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 2-3
Total Atmos Rate Base Workpaper

RUT Calendar 2006 Description	Beg BalJAN-06	JAN-06	FEB-06	MAR-06	APR-06	MAY-06	JUN-06	JUL-06	AUG-06	SEP-06	OCT-06	NOV-06	DEC-06	Average
Gross Plant	5,337,346,119	5,351,395,067	5,374,400,987	5,406,791,317	5,428,120,421	5,462,310,497	5,501,658,828	5,522,204,759	5,542,126,144	5,597,954,594	5,621,743,461	5,627,991,668	5,668,402,663	5,495,572,810
CWIP	108,065,348	121,075,764	132,060,137	128,491,882	131,154,657	108,727,819	81,762,695	82,941,277	94,646,547	73,695,721	65,947,443	78,497,472	63,137,177	97,707,995
Accum. Depre.	(2,238,077,731)	(2,240,451,367)	(2,251,489,100)	(2,263,898,541)	(2,274,034,246)	(2,269,951,563)	(2,249,574,450)	(2,263,694,311)	(2,276,287,462)	(2,307,412,801)	(2,314,485,005)	(2,317,048,881)	(2,329,694,419)	(2,276,623,067)
CWC														50,475,247
M&S	6,471,571	5,460,747	5,618,445	5,456,595	5,446,743	5,410,641	5,430,060	5,346,965	5,611,535	5,562,638	5,809,257	6,010,509	6,205,967	5,680,129
Storage Gas	390,039,698	347,378,028	316,972,859	238,658,277	196,622,811	244,166,307	285,456,378	316,733,434	352,796,730	383,679,792	403,939,348	402,135,135	372,568,296	346,372,744
Prepaids	6,986,459	12,609,638	23,032,241	19,010,973	24,867,120	24,210,347	17,944,048	18,766,808	19,393,097	15,356,841	18,261,895	16,141,366	9,831,302	17,416,318
Customer Advances	(19,268,696)	(19,420,196)	(18,943,543)	(19,299,711)	(19,565,182)	(19,676,673)	(19,832,816)	(20,065,056)	(20,783,255)	(17,481,354)	(17,390,268)	(17,690,706)	(17,706,666)	(19,009,548)
DIT	(247,546,429)	(247,808,313)	(248,243,725)	(286,118,314)	(286,420,272)	(286,802,064)	(264,419,294)	(264,548,608)	(264,698,938)	(284,392,152)	(284,746,295)	(285,285,910)	(299,672,022)	(273,130,949)
Rate Base														3,444,461,678

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 4
Witness: Gary Smith

Data Request:

Refer to the Application, page 3, paragraph 8 and Volume 1, Tab 1, FR 10(1)(b)(1).

a. Provide a detailed discussion regarding the impact on customer sales volumes and overall revenue of the increased competition within the gas industry and from other energy providers. Include the percentage reduction in customer sales volumes and overall revenues from increased competition for each year since Atmos's last rate case. Include supporting workpapers.

b. Provide a detailed discussion regarding the impact of energy conservation on residential customer volumes and overall revenue. Include a detailed discussion of the derivation of the $4.3 million reduction in customer sales volumes and overall revenues from energy conservation since Atmos's last rate case as shown in Volume 1, Tab 1, Item 4, FR 10(1)(b)(1). Include supporting workpapers.

c. Does the statement that Atmos is experiencing significant declines in residential customer volumes related to energy conservation refer to all of Atmos's gas utility operating divisions taken as a whole or to the Kentucky/Mid-States division only? Explain the response.

d. Provide copies of any studies or analyses prepared by or for Atmos that supports the statement that the significant declines in residential customer volumes it has been experiencing are related solely to energy conservation.

Response:

a. Declining core market usage, on a weather normalized basis, is a long-standing phenomenon. In Case 99-070, Company witness Gary Smith profiled this issue and its impact on the Company's financial performance. That identified trend, however, is more severe subsequent to the 1999 rate case. Further, the Company has observed an unprecedented loss of customers (attrition) subsequent to the last rate case. Statistics documenting the post-2000 era, including the requested annual review of volumetric trends and net customer changes each year is attached as Attachment KPSC DR 2-4(a).

These new market reactions, the Company believes, are attributable primarily to higher pass-through gas costs beginning dramatically in the winter of 2000-2001. While gas costs have increased significantly, as compared to the pre-2000 era, electric rates in Kentucky remain among the lowest in the US and have not increased as dramatically as retail natural gas service. Steeper declines in weather-adjusted usage, we believe, represent heightened conservation efforts and/or the

displacement of natural gas with other energy sources. Likewise, we believe lost customers represent displacement of natural gas with other energy sources in most cases. Atmos Energy believes that its growth to new customers during the period from FY 2000 through FY 2006 has consistently ranged between 1800-2100 per year. Conservatively, therefore, the Company has constructed facilities to add 12,000 customers during this period; however, our net change in average active customers has declined almost 2,700.

Atmos Energy is unable to distinguish the individual impacts of the many factors (appliance energy efficiency gains, conservation efforts, low-cost competition, lower appliance market penetration, etc.) contributing to the evident declining usage trends and higher rates of customer loss.

Please also refer to the Company's response to KPSC DR 2-52 (b-c).

b. Please refer to the Company's response to subpart (a) of this data request above. Also the Company has attached the workpapers computing the financial impact of declining usage amounting to more than $4.3 million since our last rate case. Additionally, the workpapers show a loss of margin of more than $1.0 million due to the net decrease in active customers since that case.

c. The statement was offered from the perspective of Kentucky operations. However, the statement would be true for most, if not all, of the jurisdictions Atmos Energy serves. Industry studies in recent years indicate that the trend of declining per customer gas usage is prevalent throughout most of the US.

d. The statement "Atmos is experiencing a significant decline in residential customer volumes related to energy conservation" is not intended to imply that all of volume decline is attributable to energy conservation. It is difficult to ascertain the relative significance of all factors which have contributed to the measured declining trends. The most recent report by the American Gas Association regarding factors affecting residential gas usage patterns was published in June 2003, called "Patterns in Residential Natural Gas Consumption, 1997-2001". The Executive Summary of that analysis is provided as Attachment KPSC DR 2-4(d).

Line No.	A	B	C	D	E	F	G	H	I	J	K	L
	Residential Declining Usage											
1											Volume Margin Loss	
2	Period	% Normal DD	Monthly Base Load	Total Volume	Annual Heating Load	Normal Heating Load	Normal Total	Average Customers	Normal per Cust	Volume Loss From Prior Yr.	per Cust.	Total
3												
4	FY 2000	85.0%	224,592	11,582,917	8,887,819	10,457,534	13,152,632	156,206	84.2			
5	FY 2001	104.6%	208,789	12,881,654	10,376,192	9,923,163	12,428,625	153,151	81.2	(3.0)	($3.63)	($555,486)
6	FY 2002	87.8%	204,216	10,765,706	8,315,114	9,470,234	11,920,826	152,994	77.9	(3.2)	($3.85)	($589,104)
7	FY 2003	104.3%	212,013	12,641,296	10,097,146	9,684,061	12,228,211	155,066	78.9	0.9	$1.12	$173,662
8	FY 2004	92.3%	201,231	11,083,812	8,669,046	9,394,716	11,809,482	154,469	76.5	(2.4)	($2.86)	($442,225)
9	FY 2005	89.2%	215,688	10,486,314	7,898,064	8,855,714	11,443,964	154,643	74.0	(2.4)	($2.92)	($450,788)
10	FY 2006	89.6%	176,048	9,559,027	7,446,449	8,314,946	10,427,524	153,511	67.9	(6.1)	($7.23)	($1,109,921)
11												
12	**Residential Net Customer Losses**											
13												
14			Average	Net Cust. Loss		Cust. Count Margin Loss						
15	Period		Customers	From Prior Yr.		per Cust.	Total					
16												
17	FY 2000		156,206									
18	FY 2001		153,151	(3,055)		$186.57	($569,930)					
19	FY 2002		152,994	(157)		$182.72	($28,718)					
20	FY 2003		155,066	2,072		$183.84	$380,934					
21	FY 2004		154,469	(597)		$180.98	($108,119)					
22	FY 2005		154,643	174		$178.06	$30,968					
23	FY 2006		153,511	(1,132)		$170.83	($193,297)					

Attachment KPSC DR 2-4(c)

Line No.	A	B	C	D	E
		Annual Bills	Customers	Volume, Mcf	Volume Per Cust.
1	Case 99-070				
2	Residential	1,901,828	158,486	13,026,240	82.2
3	Com/PA	235,245	19,604	7,210,034	367.8
4					
5	Case 2006-00464				
6	Residential	1,845,778	153,815	10,075,515	65.5
7	Com/PA	230,594	19,216	5,923,362	308.2
8					
9	**Volume/Cust. Decline:**				
10		Volume	Current	Margin	Financial
11		Per Cust.	Customers	per Mcf	Cost
12	Residential	(16.7)	153,815	$1.1900	($3,054,516)
13	Com/PA	(59.5)	19,216	$1.1190	($1,280,274)
14	Total				($4,334,790)
15					
16	**Reduced Cust. Count:**				
17		Customer	Current Average Annual		Financial
18		Reduction	Margin per Customer		Cost
19	Residential	(4,671)	$167.95		($784,466)
20	Com/PA	(388)	$584.93		($226,709)
21	Total				($1,011,176)

American Gas Association

Energy Analysis

Policy Analysis Group
400 N. Capitol St., NW
Washington, DC 20001
www.aga.org

EA 2003-01 **June 16, 2003**

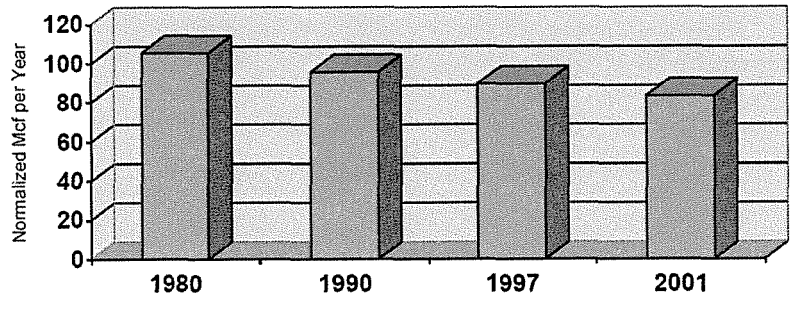
PATTERNS IN RESIDENTIAL NATURAL GAS CONSUMPTION, 1997-2001

I. Introduction

This analysis concludes that natural gas use per residential customer dropped by 6.4 percent from 1997 through 2001. This reduction per customer is in addition to a 16 percent reduction observed from 1980 through 1997. Nationally, natural gas use per residential customer was 106 thousand cubic feet (Mcf) per year in 1980, 89 Mcf per year in 1997, and 83 Mcf per year in 2001 (Chart 1). A previous AGA analysis[1] quantified the primary factors contributing to this decline on both a national and a regional basis and those same factors are again analyzed herein for the more recent period. It should be noted that all data in these analyses have been adjusted to reflect normal weather.

Chart 1

Use Per Residential Customer



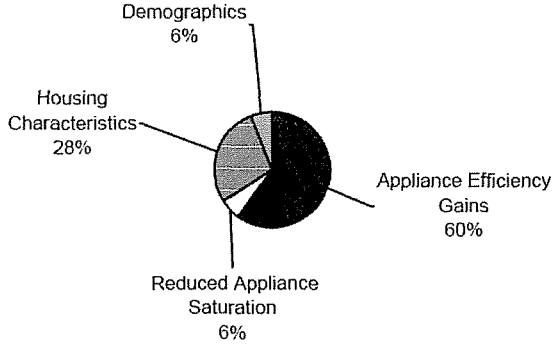
[1] *Patterns in Residential Natural Gas Consumption Since 1980*, American Gas Association, February 2000

II. Executive Summary

Similar to the findings of the previous analysis, the primary cause of the declining use trend was increasing efficiency of gas appliances, predominately space heaters. Other factors include a reduction in the number of gas appliances in homes served with gas and tighter, more energy efficient homes. Chart 2 shows the estimated proportional impact of the various factors contributing to this decline on a national basis.

Chart 2

Factors Contributing to Declining U.S. Natural Gas Use per Residential Customer 1997-2001



- **Regional variation was observed.** There was a decline in the use per customer in all regions of the country: The Northeast lost 1.74 Mcf/year comparing 1997 to 2001, the South and the West lost 2.17 Mcf/year, and the Midwest 4.31 Mcf/year (Table 1). Graphical representation of some of the factors contributing to these trends can be seen in Chart 3.

- **Space heating efficiency gains** contributed almost half of the residential load loss. In 1997, the average furnace efficiency was estimated to be around 74 percent AFUE, since some furnaces sold before federal regulations set the minimum gas space heating efficiency at 78 percent were still operating. During the study period, some of these less efficient furnaces have been replaced, and by 2001 the current weighted average gas space heating appliance efficiency for all units in place is estimated at roughly 77 percent.

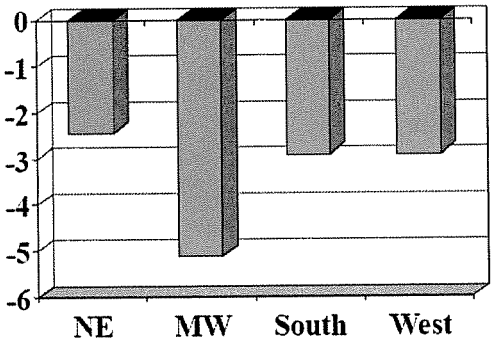
- **Water heating efficiency gains** contributed about 13 percent of the average residential load loss. Federal water heater standards took effect in 1990, setting the minimum gas water heater energy factor (EF) at 0.54, compared to the then-typical 0.5 EF. In addition, consumers are purchasing units with EF ratings higher than 0.54. The 1997 weighted average gas water heating EF is estimated to be slightly less than 0.53, compared to 0.55 in 2001.

Chart 3

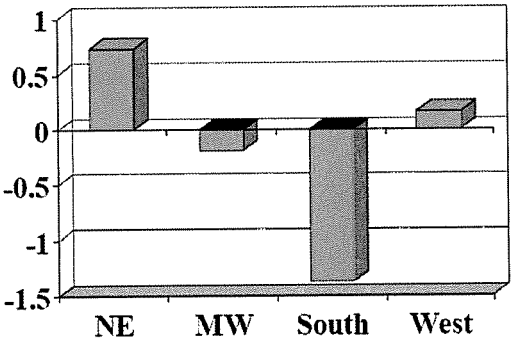
Regional Impact of Major Factors

(Change in Mcf/year per residential customer, 1997 - 2001)

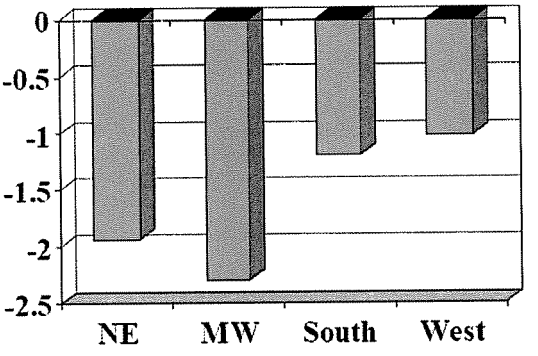
Appliance Efficiency



Appliance Saturation



Housing Characteristics



Note: Contributing factors are calculated independently and may not total to actual change

- **Space heating market share loss** accounted for about two percent of the overall decrease in gas use per residential customer. The proportion of homes with gas service increased since 1997, but the percentage of those gas homes with gas space heat declined slightly. Thus the relative heating base of gas utilities declined.

    - The market share loss in the Midwest and South was two to nine times as great as the national average. In the Northeast and West, however, there was an increase in space heating gas market share (see Chart 2).

- **Baseload appliance market share loss** accounted for about four percent of the residential load loss experienced from 1997-2001. Overall, the number of gas appliances per customer has declined. The market share loss for water heaters, cooking appliances, clothes dryers was relatively small, while gas light market share losses were somewhat higher.

- **Improved home energy efficiency** was responsible for about 29 percent of the decline. Newer homes with improved thermal envelope characteristics, as well as older homes adding insulation and storm windows/doors, reduced the typical amount of gas needed for space heating.

- **Demographic changes** contributed about six percent of the decline in typical residential gas use. Population shifts of gas customers to warmer climates since 1997 accounted for this decline when viewed from a national perspective. Previously quantified factors such as average number of people per residence and number of households setting back their thermostats at night did not change over the study period.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 5
Witness: Gary Smith

Data Request:

Refer to the Application, Volume 1, Tab 7, FR 10(1)(b)(8)a, First Revised Sheet Nos. 15 and 20. Under the paragraphs labeled Penalty for Unauthorized Overruns, the proposed language requires that the customer be responsible for any incremental charges assessed by the pipeline or supplier as opposed to the present language which states that the customer is responsible for any penalties assessed.

a. Explain why the language needs to be modified.

b. For clarification, will the incremental charges include penalties that the pipeline may charge?

Response:

a. Unauthorized overruns for interruptible sales customers consists of usage during a period when the Company has issued a Curtailment Order suspending interruptible sales. The Company would issue such an Order when it believes delivery of interruptible sales would have adverse consequences on our firm sales customers. The primary purpose of the charge for unauthorized overrun volumes is to encourage customer compliance with the terms of their interruptible service. Another purpose of the charge is to ensure that non-compliant customers be accountable for any incremental costs associated with their overrun. On many occasions, market natural gas prices are at their highest during periods when a Curtailment Order is necessary, but pipeline penalties may or may not occur. This broadened language would enable the Company to charge the non-compliant interruptible sales customer for any additional gas supply costs above the unit gas cost recovered under the then-current Gas Cost Adjustment ("GCA"). Such charges would be credited through the GCA mechanism, so there would be no incremental revenue to the Company. This language change merely provides greater assurance to our firm sales customers that they will not incur any costs attributable to unauthorized interruptible sales volumes.

b. Yes, incremental charges would include, but not be limited to, pipeline penalties.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 6
Witness: Gary Smith

Data Request:

Refer to the Application, Volume 1, Tab 7, FR 10(1)(b)(8)a.

a. Concerning Sheet No. 22, explain why Atmos is proposing to define the normal billing cycle heating degree days ("NDD") as the National Oceanic and Atmospheric Administration's ("NOAA") 30-year normal for the period 1971-2000.

b. Explain why NDD could not be defined as the 30-year normal based upon data published by NOAA for the period 1976-2005.

c. Concerning Sheet No. 42, explain how the proposed "R&D Unit Charge" of $0.0035 per 1,000 cubic feet equates with Atmos's level of research and development contribution as of December 31, 1998. Include all supporting calculations, workpapers, and assumptions. In addition, explain why the level as of December 31, 1998 is the reasonable level of support for the forecasted test period.

d. Concerning Sheet No. 55, explain the reason(s) for the additional language concerning potential penalties under the "Curtailment" section of this tariff.

e. Concerning Sheet No. 62, explain the reason(s) for the change in the "Imbalance Volumes" from penalty assessed to incremental charges assessed.

f. Concerning Sheet No. 63, explain the reason(s) for the additional language concerning potential penalties under the "Curtailment" section of this tariff.

g. Concerning Sheet No. 67.1, explain the purpose of the proposed "Transportation/Carriage Pooling Service" tariff and indicate why Atmos believes it needs to offer this service.

Response:

a. Atmos Energy believes that the WNA mechanism should adjust approved distribution commodity rates to compensate for weather variances from the same "normal" weather basis upon which those rates were set. The weather basis for determining weather normalizing volumes and the proposed level of distribution charges in this Case is the NOAA NDD report for the period of 1971-2000. As explained more fully in the Company's response to KPSC DR 2-6(b) below, NOAA only publishes its 30-year NDD report every ten years, concurrent with the beginning of a new decade and, thus, the NOAA report for the period of 1971-2000 is the most current available.

b. According to its website, NOAA only publishes its 30-year NDD report every ten years, concurrent with the beginning of a new decade. In producing their 30-year NDD reports, temperature data for each weather station undergoes a series of validations prior to summarizing daily and monthly averages. The most recent NOAA NDD publications are for the period of 1971-2000. The NOAA website states that their next report of NDDs, for the timeframe 1981-2010, "should be available to the public sometime in 2011."
The NOAA website does indicate that a "dynamic normals" tool is available which allows a user to select a more current timeframe than the latest published NDD report. Although we are uncertain whether the data would be suitable for rate design or WNA purposes, we attempted to view a report for the period from 1976-2005 subsequent to our receipt of this data request. The web-tool responded that the requested data was only available "through DEC 2001."

c. The stated R&D unit charge of $0.0035 is unchanged from the current level reflected in the existing, approved tariff. Case No 1999-070 established the R&D rider, and outlined the circumstances leading to the proposal of maintaining the R&D funding level as of December 1998. At that time, a scheduled elimination of Gas Research Institute (GRI) funding through FERC-regulated pipelines was already known. FERC authorized funding through interstate pipelines were being phased out incrementally over time, and eliminated altogether in 2004. The Company's proposal in Case 99-070 was to maintain R&D collections from those customer segments which had been paying the GRI charges through the GCA recovery of interstate pipeline fees and remit funds collected to GRI. Thus, the Company's approved tariff reflected incremental increases in the unit charge to correspond with the phased elimination of the GRI charges through the interstate pipelines. One text change reflected in the tariff proposed in this Case is to eliminate references to those now-dated incremental steps and reflect only the current and continuing unit rate of $0.0035 per Mcf which began on January 1, 2004. The incremental steps referenced in the tariff approved in Case 99-070 merely bridged that level of unit funding minus the continued FERC authorized interstate pipeline funding as it phased out.
Through research of the Case 1999-070 Case, we located a workpaper showing the level of contribution to GRI through interstate pipelines, and calculating the final incremental distribution charge increase for January 1, 2004. The workpaper is attached as Attachment KPSC DR 2-6(c).

d. The additional language clarifies that customers failing to comply with Company Curtailment Orders are subject to bearing incremental costs related to any overrun sales taken during the period the Order is in effect. For T-3 service, the Curtailment Order suspends delivery of overrun sales to these transportation-only accounts. Daily usage in excess of the customers confirmed daily nominated supply would be in violation of the Curtailment Order and thus subject to bearing associated incremental costs. The existing imbalance language falls within a section addressing monthly imbalances; this additional language clarifies that imbalance sales during a curtailment period may not be erased by positive imbalances for the remainder of the month.

e. Unauthorized overruns for T-3 customers is usage above their confirmed daily nominated supply during a period when the Company has issued a Curtailment Order suspending overrun sales. The Company would issue such an Order when it believes delivery of overrun sales would have adverse consequences on our firm sales customers. The primary purpose of the charge for unauthorized overrun volumes is to encourage customer compliance with the terms of their

transportation-only service. Another purpose of the charge is to ensure that non-compliant customers be accountable for any incremental costs associated with their overrun. On many occasions, market natural gas prices are at their highest during periods when a Curtailment Order is necessary; but pipeline penalties may or may not occur. This broadened language would enable the Company to charge the non-compliant carriage service customer for any additional gas supply costs above the unit gas cost recovered under the then-current Gas Cost Adjustment ("GCA"). Such charges would be credited through the GCA mechanism, so there would be no incremental revenue to the Company. This language change merely provides greater assurance to our firm sales customers that they will not incur any costs attributable to unauthorized carriage overrun sales volumes.

f. The additional language clarifies that customers failing to comply with Company Curtailment Orders are subject to bearing incremental costs related to any overrun sales taken during the period the Order is in effect. For T-4 service, the Curtailment Order suspends delivery of overrun sales to these transportation-only accounts. Daily usage in excess of the customers confirmed daily nominated supply would be in violation of the Curtailment Order and thus subject to bearing associated incremental costs. The existing imbalance language falls within a section addressing monthly imbalances; this additional language clarifies that imbalance sales during a curtailment period may not be erased by positive imbalances for the remainder of the month.

g. The primary purpose of the proposed Transportation/Carriage Pooling Service is to permit suppliers to our transportation customers to aggregate their customers for monthly supply balancing purposes, subject to the conditions specified in the tariff.

   This new service offering does not alter the individual customer qualification requirements for transportation service, does not provide any new revenue stream to the Company and is offered only as a voluntary option for our customers and for suppliers wishing to perform as a Pool Manager.

   Currently, all transportation imbalances are calculated at the individual customer level, with some customers having positive imbalances and other having negative imbalances. This option would calculate the imbalance at a Pool level, with the Pool Manager assuming responsibility for the net Pool imbalances. Conditions specified in the tariff limit the scope of the Pools to ensure no operational impact on our sales customers relating to any imbalances.

   Atmos Energy proposes the Transportation/Carriage Pooling Service merely as a service enhancement option for our significant transportation market. As acclaimed in the 2002 gas procurement audit conducted for the Commission by Liberty Consulting Group, Atmos Energy "operates a very successful transportation program in very competitive circumstances by offering well-designed transportation services at competitive prices." We believe this tariff is a logical extension toward continued customer service improvements in this competitive marketplace.

Attachment KPSC DR 2-6 (c)
(Workpaper from KPSC Case No. 1999-070)

Western Kentucky Gas Company,
A Division of Atmos Energy Corporation
Calculation of GRI R&D Unit Charge

	Total Contribution Dec. 31, 1998 Rate per Mcf Daily Basis	Gas Charge Contribution Jan. 1, 2004 Rate per Mcf Daily Basis	Distribution Charge Contribution Jan. 1, 2004 Rate per Mcf Daily Basis
Texas Gas Transmission			
Fully Discounted	$ -	$ -	$ -
Trunkline Gas Co.			
Fully Discounted	$ -	$ -	$ -
Tennessee Gas			
Small Customer Surcharge	$ 0.0200	$ -	$ 0.0200
Midwestern Gas Transmission			
Commodity	$ 0.0088	$ 0.0075	$ 0.0013
High Demand Rate	$ 0.0085	$ 0.0076	$ 0.0009
Low Demand Rate	$ 0.0053	$ 0.0047	$ 0.0006
ANR Pipeline			
Commodity	$ 0.0088	$ 0.0075	$ 0.0013
High Demand Rate	$ 0.0085	$ 0.0076	$ 0.0009

	Annual Usage (Mcf)	**GRI Charge**	**GRI Dollars**
Texas Gas	20,000,000	$ -	$ -
Trunkline	1,400,000	$ -	$ -
Tennessee Gas	4,600,000	$ 0.0200	$ 92,000.00
	26,000,000		$ 92,000.00
GRI R&D Unit Charge			$ 0.0035

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 7
Witness: John Paris

Data Request:

Refer to the Application, Volume 2, Tab 1, the Direct Testimony of John A. Paris ("Paris Testimony"). On pages 6 and 7 is a discussion of the Customer Rate Stabilization ("CRS") mechanism.

a. Given that the proposed CRS provides for a backward looking review of past financial performance as well as a review of the projected revenue requirement for the next 12 months, explain in detail why this proposal does not shift the majority of Atmos's risks to its ratepayers.

b. Explain in detail how Atmos has determined that the proposed annual reviews would be "at a very low cost and provide for customer rate protection." Include any studies or analyses Atmos conducted that support these conclusions.

c. Explain in detail what controls are contained in the proposed CRS mechanism that will encourage Atmos to contain costs.

d. Refer to page 7, lines 23 through 26. Does Atmos contend that the rate of return authorized in 2007 will continue to be the fair, just, and reasonable rate of return in 2012? Explain the response.

Response:

a. While the pages referenced in the question do not mention 'risk', the question implies that 'risk' refers to the ultimate recovery of costs and the timing of that recovery. Prudent costs are recoverable from ratepayers and the proposed CRS mechanism does not alter that fact. The CRS is designed to ensure that only costs which have been approved for recovery by the Commission (and thus determined to be prudent) are, in fact, recovered. In a perfect world revenues recovered during a given period would always match the costs (including return) incurred during that same period. In reality, however, some differences in periodic revenues and costs occur. Such differences then lead to periodic under or over recovery of costs. The proposed CRS would ensure that revenues collected from ratepayers for 12 months match 12 months of costs authorized for recovery by the Commission. No more, no less. If anything, the proposed mechanism would equally benefit both ratepayer and Company by reducing the periodic 'risk' of under or over recovery of costs.

b. The Company has not conducted any studies in this regard. Please refer also to the Company's response to the KPSC DR 2-56(h).

c. Please refer to the Company's response to the KPSC DR 2-60(f).

d. By law, any authorized rate of return continues to be fair, just and reasonable until a new rate of return is approved by the Commission. The latest stated rate of return for the Company was set in 1990, with subsequent rate cases settled with interveners, and approved by the Commission, without designating a specific rate of return.

From a historical perspective, the Company filed rate cases about every 4-6 years. Thus, it would not be unusual to operate under a rate of return set 5 years previous. The Company believes five years is an appropriate interval for operating under an established, reasonable rate of return.

Finally, the proposed CRS mechanism does not diminish in any way the authority of the Commission to review the reasonableness of the rate of return set for this purpose. And, nothing in the proposed CRS mechanism prohibits the Company from filing a traditional rate case in order to have its rate of return reconsidered.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 8
Witness: John Paris / James Cagle

Data Request:

Refer to the Paris Testimony, page 11. Mr. Paris states that the current Kentucky share of Atmos's Shared Services costs is approximately 5 percent. What would have been the Kentucky share of the Shared Services costs had the Kentucky and Mid-States Divisions not been combined? Include all workpapers, calculations, and assumptions used to determine the response.

Response:

On a percentage basis, the allocations are close. As a stand-alone division, and based upon the composite allocation methodology, Kentucky would receive approximately 5.2% of Shared Services – General Office costs. As part of the combined Kentucky/Mid-States division, Kentucky receive approximately 5.6% of the Shared Services - General Office costs under the methodology. Kentucky receives 5.6% of Shared Services – Customer Support costs regardless of the combination because the allocation of such costs is based upon the number of customers. While the percentage to Kentucky of Shared Services – General Office costs is slightly higher when combined with Mid-States, this simple comparison does not account for cost synergies of the combination as discussed on page 7 of the direct testimony of Mr. Greg Waller.

Please also see attachment JCC-3 to the direct testimony of Mr. James Cagle. The Shared Services – General Office allocation to Kentucky before the combination is shown on page 1. The Shared Services – General Office allocation to Kentucky after the combination is calculated as follows:

Mid-States	9.9%	JCC-3 Page 1
Kentucky	5.2%	JCC-3 Page 1
Sum	15.1%	
Times	36.78%	JCC-3 Page 3
Factor	5.55%	

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 9
Witness: Tom Petersen

Data Request:

Refer to the Application, Volume 2, Tab 2, the Direct Testimony of Thomas H. Petersen ("Petersen Testimony"), pages 4 and 5.

a. Define the term "unusual retirements" as it is used in the testimony.

b. Explain why Atmos did not record the retirement of certain shared assets in the year the retirement occurred, rather than recording the retirement in November 2006.

Response:

a. In Mr. Petersen's testimony "unusual retirements" refers to retirements in recorded in a period that relate to activity in prior periods.

b. The retirements were not recorded in the year they occurred due to an inadvertent administrative omission.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 10
Witness: Tom Petersen

Data Request:

Refer to the Petersen Testimony, page 5. Explain in detail how Mr. Petersen concluded that the September 2006 construction work in progress ("CWIP") balances were reasonable estimates of future CWIP through the forecasted test year. Include all workpapers, calculations, and assumptions that support the conclusion.

Response:

Since most of the company's capital projects are relatively short-term projects, if project paperwork is completed timely the amount of investment closed to plant in service in a year should roughly equal the amount of capital spending in the year. Therefore, Mr. Petersen decided that it was reasonable to assume for purposes of projecting additions to plant in service that additions to plant in service would equal capital spending in a period. A result of this assumption is that the projected level of CWIP will equal the level of CWIP at the start of the projections. Additionally, capital project paperwork was relatively current as of September 2006.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 11
Witness: Tom Petersen

Data Request:

Refer to the Petersen Testimony, page 6.

a. Provide copies of the analyses or studies reviewed by Mr. Petersen that supports Atmos's assumption that there will not be a significant change in the materials and supplies account in the test year. If analyses or studies were not used to determine this assumption, explain in detail how Mr. Petersen reached this conclusion.

b. Provide copies of the analyses or studies reviewed by Mr. Petersen that support Atmos's assumption that the amounts for prepayments are not expected to change in the test year. If analyses or studies were not used to determine this assumption, explain in detail how Mr. Petersen reached this conclusion.

c. Concerning the PSC Assessment:

   (1) Was Mr. Petersen aware that in previous natural gas and electric general rate cases the Commission has not included the PSC Assessment in the determination of the utility's rate base? Explain the response.

   (2) Provide the PSC Assessment amounts included in Atmos's base period and forecasted period rate bases. Include all workpapers, calculations, and assumptions used to determine the amounts.

   (3) Explain why the Commission should include the PSC Assessment in Atmos's rate base determination.

d. Provide copies of the analyses or studies reviewed by Mr. Petersen that support Atmos's assumption that the amount of customer advances will not significantly change during the test year.

e. Provide the account balances for each of the 12-months ending September 30, 2000 through 2006 for materials and supplies, prepayments, and customer advances.

Response:

a. Mr. Petersen knew of no expected changes in the level of material and supplies. Therefore, other than general inflation, he had no basis for assuming that the level of investment in materials and supplies would change in the test year. He concluded that maintaining the historic level of materials and supplies was a conservative projection.

b. Mr. Petersen knew of no expected changes in the level of prepayments and supplies. Therefore, other than general inflation, he had no basis for assuming that the level of investment in prepayments would change in

the test year. He concluded that maintaining the historic level of prepayments was a conservative projection.

c. Prepayments related to the PSC assessment were included in rate base in prior Atmos rate case filings in Kentucky. And a review of the company's three general rate cases dating back to 1990 did not show a disallowance of this inclusion. The company has not reviewed any other utilities cases in Kentucky related to this matter. All prepayments including prepayments of PSC assessments represent investment required to provide utility service. Therefore, the company believes that prepayments of PSC assessments are a necessary component of rate base. The average balance for prepayments of PSC assessments are $205,854 in the base period and $231,715 in the forecasted period. Work paper support is provided in the response to AG first request item 20.

d. Mr. Petersen knew of no expected changes in the level of customer advances. Therefore, other than general inflation, he had no basis for assuming that the level of customer advances would change in the test year. He concluded that maintaining the historic level of customer advances was a conservative projection.

e. Please see the attached file.

Atmos Energy Corporation
Case No. 2006-00464
KPSC 2nd Data Request - Item 11e

September 30 Balances

	Materials & Supplies			Prepayments - Account 165					Customer Advances
Year	Account 154	Account 163	Total	Ky direct	SSU Total	Allocation Percent	SSU Allocated	Total	Account 252
2000	385,788	7,353	393,142	490,505	-			490,505	(5,324,550)
2001	342,021	(31,470)	310,550	1,467,958	-			1,467,958	(5,259,230)
2002	29,074	3,595	32,669	634,211	1,992,217	12.48%	248,629	882,840	(4,806,253)
2003	1,963	(16,331)	(14,368)	599,403	2,235,975	10.56%	236,119	835,522	(4,503,974)
2004	1,963	27,040	29,003	295,388	5,600,528	10.17%	569,574	864,961	(4,095,128)
2005	5,564	57,171	62,734	305,172	5,939,312	4.87%	289,244	594,416	(3,701,914)
2006	5,564	3,064	8,627	357,591	7,269,035	5.09%	369,994	727,585	(3,537,105)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 13
Witness: Greg Waller

Data Request:

Refer to the Waller Testimony, pages 13 and 14.

a. Does the forecasted test period include O&M expenses allocated to the Kentucky/Mid-States Division by the Shared Services unit? Explain the response.

b. Explain the statement in footnote 3 that the base period O&M expense does not include O&M allocated to the Kentucky division by the Shared Services unit.

Response:

a. The $15,875,934 discussed on page 13 represents O&M for Kentucky (direct) and the Kentucky Mid-States General Office (allocated portion). It does not include Shared Services. The O&M allocated to Kentucky by Shared Services for the forecasted test period is $5,133,922 as seen on page 17 line 2.

b. Footnote 3 references the O&M for Kentucky (direct) and the Kentucky Mid-States General Office (allocated portion). The footnote continues ("wraps") from page 14 to page 15. As noted in the continuation of the footnote, SSU O&M is discussed later in testimony (on pages 16-17).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 14
Witness: Greg Waller

Data Request:

Refer to the Waller Testimony, page 18.

a. Provide a schedule showing the initial property tax assessment, the property tax based on the initial assessment, the final property tax assessment, and the property tax based on the final assessment for the most recent 6 years available.

b. If it has been Atmos's experience that the final property tax assessment has been different from the initial assessment, explain why this difference should not be reflected in the projected property tax expense included in the forecasted test period.

Response:

a.

Tax Year	Initial Value	Estimated Taxes based off Initial Value	Settled Value	Taxes Paid by Tax Year
2001	227,433,054	2,449,066	160,000,000	1,719,858
2002	237,501,793	2,593,496	171,000,000	1,867,258
2003	207,080,070	2,285,104	175,891,940	1,939,934
2004	220,204,325	2,474,467	197,196,586	2,215,925
2005	253,040,918	2,810,668	214,981,600	2,387,921
2006	336,242,098	4,011,420		

b. Prior to 2006, Atmos worked with the KDR Office of Property Valuation to arrive at a final value. Traditionally, this was accomplished before the 45 day appeal period through informal negotiations. This year the Company and Office of Property Valuation were not able to agree on final values through the informal process. Atmos formally appealed its 2006 assessment to the Office of Legal Services – Division of Protest Resolution.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 15
Witness: Robert R. Cook Jr.

Data Request:

Refer to the Application, Volume 2, Tab 4, the Direct Testimony of Robert R. Cook, Jr. ("Cook Testimony"), page 6. Provide a schedule showing the capital expenditures for the Kentucky division, the Kentucky division's general office, and the Shared Services unit for the most recent 5 fiscal years. Separate the capital expenditures into growth and non-growth expenditures, as well as listing each capital project included in the expenditures.

Response:

See attachment KPSC DR2-15ATT for FY2002-2006 growth and non-growth expenditures by Company budget categories. Please see KPSC DR 1-12a ATT for a listing of each capital project.

KY 2002 - 06 Capital Actuals (Budget Categories - Growth/Non-growth)
KPSC DR2-15ATT
R. Cook

KPSC DR 2-15

	Corporate Budget Category	Data	Fiscal Year 2002 Grand Total	Fiscal Year 2003 Grand Total	Fiscal Year 2004 Grand Total	Fiscal Year 2005 Grand Total	Fiscal Year 2006 Grand Total
GROWTH	Growth	CY Actual	6,705,442	6,757,316	6,898,270	6,063,334	5,557,160
NON-GROWTH	Equipment	CY Actual	417,902	792,905	393,968	451,702	259,629
	Improvements	CY Actual	872,464	377,577	(18,649)	65,203	
	Information Technology	CY Actual	531,731	588,651	673,024	125,432	97,101
	Overhead	CY Actual	(35,386)	(178,703)	(626,628)	210,982	413,669
	Public Improvements	CY Actual	0	61,265	644,537	144,496	471,015
	Structures	CY Actual	0	0	623,180	101,982	280,719
	System Improvements	CY Actual	0	260,021	1,596,973	969,173	2,141,048
	System Integrity	CY Actual	10,346,954	10,018,909	11,509,550	9,604,661	7,811,359
	Vehicles	CY Actual	(117,375)	(154,643)	(60,465)	(8,318)	(1,525)
PA Subtotal CY Actual			18,721,732	18,523,298	21,633,760	17,728,647	17,030,174
Outside PA Subtotal CY Actual (Accruals & Forfeitures)			(533,606)	(310,071)	(731,613)	(202,977)	(385,167)
Kentucky CY Actual			18,188,126	18,213,227	20,902,147	17,525,670	16,645,007
Kentucky CY Budget			15,326,768	18,702,001	18,550,753	14,571,690	14,185,245
Kentucky YTD Variance			2,861,358	(488,774)	2,351,394	2,953,980	2,459,762

Note: FY 2002 all capital expenditures for improvements include public and system improvements

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 16
Witness: Robert R. Cook Jr.

Data Request:

Refer to the Cook Testimony, pages 7 and 8.

a. Provide the monthly and quarterly capital project variance reports for the Kentucky division, the Kentucky division's general office, and the Shared Services unit for calendar years 2005 and 2006.

b. For each capital project undertaken in or assigned to Kentucky operations during fiscal years 2004 through 2006, prepare a schedule that categorizes the project as either "Blanket Functionals" or "Specific Projects." Include the original appropriation for the project as well as indicate if supplemental funding was requested and approved. Also provide copies of the applicable project variance reports for each project.

Response:

A. See attached KPSCDR2-16a 2005 ATT and DR2 Item 18a for FY 2006 monthly variance reports.

B. See attached KPSCDR2-16b ATT for blanket functionals or specific projects.

KPSC DR2-16A 2005 ATT

Monthly Vanance Report
R Cook

Corporate Budget Category	Data	1 Oct-04	2 Nov-04	3 Dec-04	4 Jan-05	5 Feb-05	6 Mar-05	7 Apr-05	8 May-05	9 Jun-05	10 Jul-05	11 Aug-05	12 Sep-05	Grand Total
Equipment	CY Actual	(11,031.94)	28,063.03	22,564.83	1,122.17	17,487.98	2,487.09	3,222.69	90.78	47,887.34	129,193.13	105,866.36	104,748.97	451,702.43
	Budget	35,378.46	0.00	5,885.38	0.00	0.00	0.00	0.00	10,851.13	46,782.22	26,800.00	26,281.88	28,932.55	180,911.62
	CY Act vs Bud B/(W)	46,410.40	(28,063.03)	(16,679.45)	(1,122.17)	(17,487.98)	(2,487.09)	(3,222.69)	10,760.35	(1,105.12)	(102,393.13)	(79,584.48)	(75,816.42)	(270,790.81)
Growth	CY Actual	258,880.84	553,634.43	647,447.04	377,042.58	311,184.84	332,804.68	719,682.38	236,381.72	488,915.83	546,960.88	808,562.58	781,836.50	6,063,334.30
	Budget	371,352.10	426,702.81	455,599.55	401,600.59	412,315.65	406,786.52	364,033.71	375,255.39	377,539.74	352,306.45	349,593.95	353,342.91	4,646,429.37
	CY Act vs Bud B/(W)	112,471.26	(126,931.62)	(191,847.49)	24,558.01	101,130.81	73,981.84	(355,648.67)	138,873.67	(111,376.09)	(194,654.43)	(458,968.63)	(428,493.59)	(1,416,904.93)
Improvements	CY Actual			(19,299.00)		323.29						17.55	84,161.63	65,203.47
	Budget									0.00				
	CY Act vs Bud B/(W)		0.00	19,299.00		(323.29)						(17.55)	(84,161.63)	(65,203.47)
Information Technology	CY Actual	(19,567.27)	13,904.04	37,595.52	2,826.92	16,339.97		5,731.68	41,226.38	22,217.32		5,157.57		125,432.13
	Budget	4,286.83	4,227.99	4,195.63	1,374.41	1,439.55	43,044.26	1,339.67	1,379.85	1,388.03	1,333.07	1,323.09	1,336.99	66,669.37
	CY Act vs Bud B/(W)	23,854.10	(9,676.05)	(33,399.89)	(1,452.51)	(14,900.42)	43,044.26	(4,392.01)	(39,846.53)	(20,829.29)	1,333.07	(3,834.48)	1,336.99	(58,762.76)
Overheads	CY Actual	552,267.26	(34,096.88)	(742,043.65)	333,035.14	229,946.91	121,374.55	(152,704.09)	39,737.97	495,103.41	(166,856.46)	(675,719.50)	210,937.36	210,982.02
	Budget													
	CY Act vs Bud B/(W)	(552,267.26)	34,096.88	742,043.65	(333,035.14)	(229,946.91)	(121,374.55)	152,704.09	(39,737.97)	(495,103.41)	166,856.46	675,719.50	(210,937.36)	(210,982.02)
Public Improvements	CY Actual	(27,615.68)	31,835.45	129.57	(5,865.67)	3,123.16	(7,070.36)	21,158.19	15,378.56	4,384.61	49,666.86	26,098.39	33,273.34	144,496.42
	Budget	(178,120.92)	28,002.83	27,788.51	56,412.86	(9,796.78)	(6,048.66)	41,330.51	33,748.95	51,930.21	25,781.20	106,632.02	25,863.37	203,524.10
	CY Act vs Bud B/(W)	(150,505.24)	(3,832.62)	27,658.94	62,278.53	(12,919.94)	1,021.70	20,172.32	18,370.39	47,545.60	(23,885.66)	80,533.63	(7,409.97)	59,027.68
Structures	CY Actual	(5,745.84)	24,791.36					9,150.28	676.52	(18,608.14)	23,321.54	373.43	68,023.32	101,982.47
	Budget	1,526.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,526.81
	CY Act vs Bud B/(W)	7,272.65	(24,791.36)	0.00	0.00	0.00	0.00	(9,150.28)	(676.52)	18,608.14	(23,321.54)	(373.43)	(68,023.32)	(100,455.66)
System Improvements	CY Actual	149,828.87	63,546.69	96,828.42	34,484.10	14,281.32	18,694.27	22,193.43	3,447.53	70,702.13	92,094.00	195,293.03	207,779.38	969,173.17
	Budget	39,864.07	61,673.14	103,847.14	144,831.80	130,966.50	64,949.45	73,146.92	75,340.88	59,131.34	56,789.86	35,926.75	36,326.14	882,793.99
	CY Act vs Bud B/(W)	(109,964.80)	(1,873.55)	7,018.72	110,347.70	116,685.18	46,255.18	50,953.49	71,893.35	(11,570.79)	(35,304.14)	(159,366.28)	(171,453.24)	(86,379.18)
System Integrity	CY Actual	693,078.77	976,327.81	1,060,888.91	409,746.31	293,591.48	542,150.23	941,765.96	525,835.56	886,753.80	940,653.56	1,052,051.24	1,281,816.83	9,604,660.46
	Budget	639,457.61	719,981.68	747,952.08	661,232.39	647,850.23	750,006.23	637,008.68	727,020.36	644,130.19	800,286.65	761,653.54	853,255.30	8,589,834.94
	CY Act vs Bud B/(W)	(53,621.16)	(256,346.13)	(312,936.83)	251,486.08	354,258.75	207,856.00	(304,757.28)	201,184.80	(242,623.61)	(140,366.91)	(290,397.70)	(428,561.53)	(1,014,825.52)
Vehicles	CY Actual	1,770.61		(9,480.00)			(3,112.72)					(168.96)	2,672.17	(8,318.90)
	Budget									0.00	0.00			
	CY Act vs Bud B/(W)	(1,770.61)		9,480.00	0.00		3,112.72	0.00				168.96	(2,672.17)	8,318.90
PA Subtotal CY Actual		1,591,865.62	1,658,005.93	1,094,631.64	1,152,391.55	886,278.95	1,007,327.74	1,570,200.52	862,775.02	1,997,356.30	1,615,033.51	1,517,531.69	2,775,249.50	17,728,647.97
PA Subtotal Budget		913,744.96	1,240,588.45	1,345,268.29	1,265,452.05	1,182,775.15	1,258,737.80	1,116,859.49	1,223,596.56	1,180,901.73	1,263,297.23	1,281,411.23	1,299,057.26	14,571,690.20
PA Subtotal CY Act vs Bud B/(W)		(678,120.66)	(417,417.48)	250,636.65	113,060.50	296,496.20	251,410.06	(453,341.03)	360,821.54	(816,454.57)	(351,736.28)	(236,120.46)	(1,476,192.24)	(3,156,957.77)
	Budget									0.00				0.00
	CY Act vs Bud B/(W)	(114,688.03)	(30,399.09)	(46,090.06)	(27,389.73)	67,444.07	(104,006.65)	203,403.25	(128,365.09)	(82,249.75)	39,248.66	(294,047.40)	332,428.35	(184,711.47)
GL - PY accruals/adj	CY Actual													0.00
	Budget												(269,710.67)	(387,688.73)
	CY Act vs Bud B/(W)	0.00												0.00
PA - Main Ext. Forfeitures	CY Actual	(29,032.06)	(21,622.00)	(29,964.00)	(37,360.00)								269,710.67	387,688.73
	Budget			0.00										
	CY Act vs Bud B/(W)	29,032.06	21,622.00	29,964.00	37,360.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	602,139.02	202,977.26
Outside PA Subtotal CY Act vs Bud B/(W)		(85,655.97)	(8,777.09)	(16,126.06)	9,970.27	67,444.07	(104,006.65)	203,403.25	(128,365.09)	(82,249.75)	39,248.66	(294,047.40)	2,173,110.48	17,525,670.71
Kentucky CY Actual		1,677,521.59	1,666,783.02	1,110,757.70	1,142,421.28	818,834.88	1,111,334.39	1,366,797.27	991,140.11	2,079,606.05	1,575,784.85	1,811,579.09	1,811,579.09	14,571,690.20
Kentucky Budget		913,744.96	1,240,588.45	1,345,268.29	1,265,452.05	1,182,775.15	1,258,737.80	1,116,859.49	1,223,596.56	1,180,901.73	1,263,297.23	1,281,411.23	1,299,057.26	14,571,690.20
Kentucky CY Act vs Bud B/(W)		(763,776.63)	(426,194.57)	234,510.59	123,030.77	363,940.27	147,403.41	(249,937.78)	232,456.45	(898,704.32)	(312,487.62)	(530,167.86)	(874,053.22)	(2,953,980.51)

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.10183	WKG.DAN.SHV.LAW.SYCOMORE EST.	1500' OF 2" ON DOUGLAS CIRCLE	Specific	(40,769.96)	6,658.00	(45,742.22)	(39,084.22)	6,658.00	(45,742.22)
2005	40.10331	wkg.tech svc.maint-meters	METER TEST & ADJUST	Specific	207.26	138,525.00	-446.64	138078.36	138,525.00	-446.64
2005	40.10397	WKG.TECH SVC.Xerox	Retire copier	Specific	32.75	(500.00)	500	0	(500.00)	500
2004	40.10409	WKG.DAN.PERRYVILLE RD	HWY 150 RELOCATION	Specific	(4,523.00)	31,205.00	41,437.88	72,642.88	31,205.00	41,437.88
2005	40.10416	WKG.PAD.CUNNINGHAM RD REV EXT	225' - 2" P.E Main	Specific	0.00	858.00	47.12	905.12	858.00	47.12
2005	40.10452	WKG.PAD.Hwy 121 relocate	Highway relocation	Specific	6,926.93	5,596.00	44162.67	49758.67	5,596.00	44162.67
2005	40.10474	WKG.DAN.STREAMLAND RELOCATION	RELOCATE 418' 4" PIPE AND INSTALL 240' OF 2" PE	Specific	(19,299.00)	2,631.00	-4253.41	-1622.41	2,631.00	-4253.41
2004	40.10634	wkg.mad.hen.Dewey	610' 2" PE main	Specific	832.24	Not available	-	3562.75	Not available	-
2004	40.10651	WKG.BGR.WILLIAMS CORP UPRATE	ROCKFIELD REPLACEMENT - WILLIAMS CORP	Specific	(909.01)	30,375.00	(31,176.83)	(801.83)	30,375.00	(31,176.83)
2005	40.10728	wkg.mad.island ford rd	state highway relocation	Specific	78,955.72	31,208.48	74562.48	105770.96	31,208.48	74562.48
2004	40.10871	Industrial Meters	Industrial Meters	Specific	9.79	22,159.00	3271.97	25430.97	22,159.00	3271.97
2005	40.10922	WKG.DAN.C-VILLE. BY-PASS	STATE HWY RELOCATION	Specific	(116,184.33)	67,653.00	-34496.75	33156.25	67,653.00	-34496.75
2005	40.11191	T.WKG Tech Serv Meters	Domestic Meters	Specific	0.02	124,890.00	25508.42	150398.42	124,890.00	25508.42
2005	40.11281	WKG.OB. Maint Mtr Lps Clean UP	To clean up old functional maintenance meter loops	Functional	881.41	Not available	-	11901.77	Not available	-
2004	40.11315	WKG.CGI.Lease	WKG.GO.CGI.Lease.3 yrs	Specific	(23,265.79)	69,118.20	5,522.32	74,640.52	69,118.20	5,522.32
2004	40.11408	wkg.ENG.TecSvc.Software/Scan	Purchase software and have records scanned	Specific	2,226.07	23,000.00	32763.22	55763.22	23,000.00	32763.22
2005	40.11408	wkg.ENG.TecSvc.Software/Scan	Purchase software and have records scanned	Specific	(64.74)	23,000.00	32763.22	55763.22	23,000.00	32763.22
2005	40.11419	WKG.PAD.Olivet Ch Rd Relocate	(Phase I) 8" T'Line	Specific	(1,721.02)	Not available	-	28.38	Not available	-
2004	40.11541	WKG.BG.03.GROWTH FUNCTIONAL	BOWLING GREEN GROWTH FUNCTIONAL	Functional	31,506.71	Not Budgeted	-	1513318.04	Not Budgeted	-
2004	40.11542	WKG.GLA.03.GROWTH FUNCTIONAL	GLASGOW GROWTH FUNCTIONAL	Functional	3,236.77	Not Budgeted	-	93547.62	Not Budgeted	-
2004	40.11543	WKG.HOP.O3.GROWTH FUNCTIONAL	HOPKINSVILLE GROWTH FUNCTIONAL	Functional	1,981.97	Not Budgeted	-	102818.59	Not Budgeted	-
2004	40.11544	WKG.DAN.03.GROWTH FUNCTIONAL	DANVILLE GROWTH FUNCTIONAL	Functional	14,966.20	Not Budgeted	-	364996.48	Not Budgeted	-
2004	40.11545	WKG.CVILLE.03.GROWTH FUNCTION	CAMPBELLSVILLE GROWTH FUNCTIONAL	Functional	9,776.75	Not Budgeted	-	173560.74	Not Budgeted	-
2004	40.11546	WKG.SVILLE.O3.GROWTH FUNCTIONA	Shelbyville Growth Functional	Functional	20,447.44	Not Budgeted	-	353446.17	Not Budgeted	-
2004	40.11547	WKG.MAD.O3.GROWTH FUNCTIONAL	MADISONVILLE GROWTH FUNCTIONAL	Functional	6,645.75	Not Budgeted	-	297772.69	Not Budgeted	-
2004	40.11548	WKG.PTON.O3.GROWTH FUNCTIONAL	PRINCETON GROWTH FUNCTIONAL	Functional	1,097.54	Not Budgeted	-	49845.18	Not Budgeted	-
2004	40.11549	WKG.OBO.03.GROWTH FUNCTIONAL	OWENSBORO GROWTH FUNCTIONAL	Functional	23,369.03	Not Budgeted	-	667225.64	Not Budgeted	-
2004	40.1155	WKG.PAD.03.GROWTH FUNCTIONAL	Paducah Growth Functional	Functional	20,417.06	Not Budgeted	-	349048.76	Not Budgeted	-
2004	40.11551	WKG.MAY.03 GROWTH FUNCTIONAL	MAYFIELD GROWTH FUNCTIONAL	Functional	28,283.06	Not Budgeted	-	144244.16	Not Budgeted	-
2004	40.11553	WKG.BG.03.NON-GROWTH FUNCTIONA	BOWLING GREEN NON-GROWTH FUNCTIONAL	Functional	32,109.24	Not Budgeted	-	2480894.07	Not Budgeted	-
2004	40.11554	WKG.GLA.03.NON-GROWTH FUNCTION	GLASGOW NON-GROWTH FUNCTIONAL	Functional	(67,474.67)	Not Budgeted	-	510,880.00	Not Budgeted	-
2004	40.11555	WKG.HOP.O3.NON-GROWTH FUNCTION	HOPKINSVILLE NON-GROWTH FUNCTIONAL	Functional	14,218.84	Not Budgeted	-	372807.39	Not Budgeted	-
2004	40.11556	WKG.DAN.03.NON-GROWTH FUNCTION	DANVILLE NON-GROWTH FUNCTIONAL	Functional	24,236.95	Not Budgeted	-	430080.36	Not Budgeted	-
2004	40.11557	WKG.CVILLE.O3.NON-GROWTH FUNCT	CAMPBELLSVILLE NON-GROWTH FUNCTIONAL	Functional	16,624.34	Not Budgeted	-	457821.15	Not Budgeted	-
2004	40.11558	WKG.SVILLE.03.NON-GROWTH FUNCT	SHELBYVILLE NON-GROWTH FUNCTIONAL	Functional	(153,631.22)	Not Budgeted	-	96,616.11	Not Budgeted	-
2004	40.11559	WKG.MAD.03.NON-GROWTH FUNCTION	MADISONVILLE NON-GROWTH FUNCTIONAL	Functional	32,746.98	Not Budgeted	-	495602.9	Not Budgeted	-
2004	40.1156	WKG.PTON.O3.NON-GROWTH FUNCTIO	PRINCETON NON-GROWTH FUNCTIONAL	Functional	4,688.98	Not Budgeted	-	183803.54	Not Budgeted	-
2004	40.11561	WKG.OBO.03.NON-GROWTH FUNCTION	OWENSBORO NON-GROWTH FUNCTIONAL	Functional	49,334.09	Not Budgeted	-	2011098.6	Not Budgeted	-
2004	40.11562	WKG.PAD.O3.NON-GROWTH FUNCTION	PADUCAH NON-GROWTH FUNCTIONAL	Functional	7,997.51	Not Budgeted	-	302035.51	Not Budgeted	-
2004	40.11563	WKG.MAY.O3.NON-FUNCTIONAL	MAYFIELD NON-FUNCTIONAL	Functional	32,250.94	Not Budgeted	-	143546.61	Not Budgeted	-
2004	40.11564	WKG.TECH SVC.NON-GROWTH FUNCTI	TECH SERVICES NON-GROWTH FUNCTIONAL	Functional	(464.34)	Not Budgeted	-	0.00	Not Budgeted	-
2004	40.11567	WKG.OBO.MID-AMER. 4" STL. EXT.	640' 4" STEEL MAIN	Specific	35,328.31	43,942.26	-9641.42	34300.84	43,942.26	-9641.42
2005	40.11567	WKG.OBO.MID-AMER. 4" STL. EXT.	640' 4" STEEL MAIN	Specific	(1,027.47)	43,942.26	-9641.42	34300.84	43,942.26	-9641.42
2004	40.11593	WKG.BGR.CAMBELL LN. REIMB.	CAMBELL LN. REIMBURSEMENT - 0915564	Specific	558.53	(439.22)	1981.39	1542.17	(439.22)	1981.39
2004	40.11594	WKG.OBO.WHISPERING MEADOW PH2	2720' 2" PE MAIN	Specific	2,125.04	12,625.74	758.56	13384.3	12,625.74	758.56
2004	40.11606	040.MEA.techsvs.Northend Ret.	Retire/cleanup North 12"	Specific	2,602.21	23,660.00	-9187.12	14472.88	23,660.00	-9187.12
2004	40.1162	WKG.BGR.GLS.ROGER WELLS EXT	2760 FT. - 4" PE - ROGER WELLS BLVD. - GLASGOW	Specific	1,272.60	15.69	-10756.78	-10741.09	15.69	-10756.78
2004	40.11625	WKG.BGR.GLS.LOHDEN RD.RELOC	LOHDEN RD. RELOC. - GLASGOW	Specific	(13,775.75)	Not available	-	(1,796.01)	Not available	-
2004	40.11654	WKG.PAD.Hwy 62/641 Replace	Replace 35' - 4" WAS CUT	Specific	(13,357.09)	Not available	-	27,060.90	Not available	-
2004	40.11655	WKG.PTON.Welder	new Miller model 301 G	Specific	17.35	6,502.84	1283.32	7786.16	6,502.84	1283.32
2004	40.11663	040.GLS.HIGHLANDGLENN IND.PAKR	5000 4" STEEL PIPE	Specific	46,658.55	82,868.00	4566.51	87434.51	82,868.00	4566.51
2005	40.11663	040.GLS.HIGHLANDGLENN IND.PAKR	5000 4" STEEL PIPE	Specific	28,386.32	82,868.00	4566.51	87434.51	82,868.00	4566.51
2004	40.11668	040.PAD.Hillcrest Subd Rev Ext	Install 350' - 2" P.E for new subd.	Specific	(2,276.00)	2,276.06	(1,247.67)	1,028.39	2,276.06	(1,247.67)
2005	40.11668	040.PAD.Hillcrest Subd Rev Ext	Install 350' - 2" P.E for new subd.	Specific	2,276.00	2,276.06	-1247.67	1028.39	2,276.06	-1247.67
2004	40.11679	040.ENG.Cam.Map Conversion	Converting Campsbellville Maps	Specific	6,172.67	14,998.00	25439.87	40437.87	14,998.00	25439.87
2005	40.11679	040.ENG.Cam.Map Conversion	Converting Campsbellville Maps	Specific	(179.52)	14,998.00	25439.87	40437.87	14,998.00	25439.87
2004	40.1168	040.ENG.BGL.Mapping Conversion	Converting Maps	Specific	3,830.19	29,996.00	21050.21	51046.21	29,996.00	21050.21

Atmos Energy Corporation

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Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
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Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.1168	040.ENG.BGL.Mapping Conversion	Converting Maps	Specific	(111.39)	29,996.00	21050.21	51046.21	29,996.00	21050.21
2005	40.11687	040.MAD.MAD.KEN MEL APARTMENTS	INSTALL 595' 2" PE MAIN	Specific	1,020.25	3,344.87	-225.5	3119.37	3,344.87	-225.5
2004	40.11705	040.DAN.REGIONAL REG REPAIR	REPAIRING BOOT TYPE REGULATORS IN THE DANVILLE REGION	Specific	5,081.53	21,300.00	660.7	21960.7	21,300.00	660.7
2004	40.1171	040.PAD.Reg Sta-Sys Integrity	to capture costs of boot regulator replacement labor and materila costs	Specific	37,791.50	42,371.56	53012.62	95384.18	42,371.56	53012.62
2005	40.1171	040.PAD.Reg Sta-Sys Integrity	to capture costs of boot regulator replacement labor and materila costs	Specific	(1,099.10)	42,371.56	53012.62	95384.18	42,371.56	53012.62
2004	40.11717	040.DAN.MADISON AVE	INSTALL 1500' OF 2" PE ON MADISON AVENUE BETWEEN McKINNEY AND DANIEL	Specific	5,504.60	5,680.00	3779.11	9459.11	5,680.00	3779.11
2005	40.11717	040.DAN.MADISON AVE	INSTALL 1500' OF 2" PE ON MADISON AVENUE BETWEEN McKINNEY AND DANIEL	Specific	(160.09)	5,680.00	3779.11	9459.11	5,680.00	3779.11
2004	40.1172	040.DAN.SHV.MAGNOLIA PL SEC II	INSTALL 1800' OF 2" PE ON BLOSSOM DRIVE IN MAGNOLIA PLACE SEC II	Specific	9,285.60	14,295.00	-343.06	13951.94	14,295.00	-343.06
2005	40.1172	040.DAN.SHV.MAGNOLIA PL SEC II	INSTALL 1800' OF 2" PE ON BLOSSOM DRIVE IN MAGNOLIA PLACE SEC II	Specific	(270.05)	14,295.00	-343.06	13951.94	14,295.00	-343.06
2004	40.11727	040.PAD.South St Main Replace	Install 220' - 2" P.E (Inserted), Retire 243' - 4" Bare, 49' - 2" Bare	Specific	323.20	17,567.07	-7816.35	9750.72	17,567.07	-7816.35
2004	40.11728	040.PTON.Reg Sta	to capture cost associated with boot regulator replacement labor and material co	Specific	2,529.98	7,381.59	1469.88	8851.47	7,381.59	1469.88
2004	40.11734	040.OBO.SOUTH TOWER STREET	2000' 2" PE MAIN	Specific	768.39	5,304.23	4157.27	9461.5	5,304.23	4157.27
2005	40.11734	040.OBO.SOUTH TOWER STREET	2000' 2" PE MAIN	Specific	(22.35)	5,304.23	4157.27	9461.5	5,304.23	4157.27
2004	40.11735	040.DAN.SHV.RONNIE LANE	INSTALL 1400' 2" PE W/REG STATION ON RONNIE LANE - CATABA ROAD- I-64	Specific	727.20	16,600.00	27278.85	43878.85	16,600.00	27278.85
2004	40.11738	040.DAN.SHV.ROBIN PLACE	INSTALL 1800' OF 2" PE IN ROBIN PLACE ON ROBIN, BLACKWELL, AND LENA CT	Specific	14,076.09	15,175.00	4548.56	19723.56	15,175.00	4548.56
2005	40.11738	040.DAN.SHV.ROBIN PLACE	INSTALL 1800' OF 2" PE IN ROBIN PLACE ON ROBIN, BLACKWELL, AND LENA CT	Specific	(409.38)	15,175.00	4548.56	19723.56	15,175.00	4548.56
2004	40.11739	040.DAN.SHV.CARRINGTON PH I	INSTALL 550' OF 2" PE FOR PHASE I OF CARRINGTON PLACE - APARTMENTS BAKER DI	Specific	7,628.95	7,375.00	3017.01	10392.01	7,375.00	3017.01
2005	40.11739	040.DAN.SHV.CARRINGTON PH I	INSTALL 550' OF 2" PE FOR PHASE I OF CARRINGTON PLACE - APARTMENTS BAKER DI	Specific	(221.87)	7,375.00	3017.01	10392.01	7,375.00	3017.01
2004	40.11744	040.OBO.REG.STA. INTEGRITY	REGULATOR INSPECTIONS - OWENSBOR AREA	Specific	11,270.87	47,509.81	9168.57	56678.38	47,509.81	9168.57
2004	40.11751	040.OBO.4TH STREET REPLACEMENT	3150' 2" PE MAIN	Specific	36,574.21	76,822.00	19836.3	96658.3	76,822.00	19836.3
2005	40.11751	040.OBO.4TH STREET REPLACEMENT	3150' 2" PE MAIN	Specific	(1,063.70)	76,822.00	19836.3	96658.3	76,822.00	19836.3
2004	40.11752	040.MAD.HWY 70/85.REIM RELO	RELOCATE 2000' OF 4" STL	Specific	43,697.19	51,353.20	-348.1	51005.1	51,353.20	-348.1
2005	40.11752	040.MAD.HWY 70/85.REIM RELO	RELOCATE 2000' OF 4" STL	Specific	(1,352.98)	51,353.20	-348.1	51005.1	51,353.20	-348.1
2004	40.11754	040.DAN.LAW.NAUTICAL CHASE APP	INSTALL 3240' OF 4" PE FROM HWY 127 ALONG STATE ROUTE 44	Specific	(528.43)	33,100.00	66,902.89	100,002.89	33,100.00	66,902.89
2004	40.11771	040.BGR.CABELL DR. REPLC.	REPLACE 1060 FT. - 4" - CABELL DR. - BOWLING GREEN	Specific	56,780.39	58,233.22	-1452.83	56780.39	58,233.22	-1452.83
2004	40.11773	040.DAN.CAM.HOLIDAY INN EXP	INSTALL 850' OF 2" PE FOR HOLIDAY INN EXPRESS IN C-VILLE	Specific	445.24	13,675.00	-7856.24	5818.76	13,675.00	-7856.24
2004	40.11774	040.BGR.PARK/FAIRVIEW REPLC.	PARK & FAIRVIEW REPLCEMENT - BOWLING GREEN	Specific	1,818.00	74,959.96	-73114.35	1845.61	74,959.96	-73114.35
2005	40.11774	040.BGR.PARK/FAIRVIEW REPLC.	PARK & FAIRVIEW REPLCEMENT - BOWLING GREEN	Specific	27.61	74,959.96	-73114.35	1845.61	74,959.96	-73114.35
2004	40.11785	040.OBO.THE BROOKS	1500' 2" PE MAIN - THE BROOKS	Specific	10,948.86	8,500.00	-25.42	8474.58	8,500.00	-25.42
2005	40.11785	040.OBO.THE BROOKS	1500' 2" PE MAIN - THE BROOKS	Specific	(318.43)	8,500.00	-25.42	8474.58	8,500.00	-25.42
2004	40.11788	040.DAN.LAW.ANDERSON CROSSING	INSTALL 1200' OF 2" PE FOR KROGER AT ANDERSON CROSSING SHOPPING CENTER	Specific	7,915.86	19,570.00	24430.55	44000.55	19,570.00	24430.55
2004	40.11799	040.BGR.THE OAKS EXT.	2615 FT. OF 2" PE - THE OAKS - BOWLING GREEN	Specific	11,540.62	11,870.88	-330.26	11540.62	11,870.88	-330.26
2004	40.11806	040.BGR.1300 BLK. KY REPLC.	1300 BLK. OF KENTUCKY - 4" REPLACEMENT	Specific	1,468.84	64,132.58	-489.63	63642.95	64,132.58	-489.63
2004	40.11808	040.MEA.TECHSVS.NORTONVILLE	Nortonville Pur. YZ Odorizer	Specific	233.84	52,323.00	15613.06	67936.06	52,323.00	15613.06
2004	40.11809	040.MEA.tecsvs.westdiv.reg	Replace regulators-Western Division	Specific	10,671.87	24,937.00	7327.18	32264.18	24,937.00	7327.18
2004	40.11826	040.DAN.SHV.PARK PLACE P II	INSTALL 1500' OF 2" PE ON WINDSOR DR	Specific	18,480.50	11,000.00	6943.02	17943.02	11,000.00	6943.02
2005	40.11826	040.DAN.SHV.PARK PLACE P II	INSTALL 1500' OF 2" PE ON WINDSOR DR	Specific	(537.48)	11,000.00	6943.02	17943.02	11,000.00	6943.02
2004	40.1183	040.BGR.Briarwood Section 19	1240 ft, of 2" PE - Briarwood Section 19 - Bowling Green	Specific	4,821.86	4,083.69	738.17	4821.86	4,083.69	738.17
2004	40.11833	040.MAY.Hwy 80 Relocate	Murray-Mayfield Hwy. 160' - 2" P.E	Specific	(3,467.63)	Not available	-	(2,219.90)	Not available	-
2004	40.11839	040.BGR.GLS.DONNELLY PUR	DONNELLY PURCHASE REBUILD - GLASGOW	Specific	1,885.01	24,970.31	-3475.65	21494.66	24,970.31	-3475.65
2004	40.11848	040.OBO.OVERLOOK PARK	INSTALL 1100' OF 2" PE ON OVERLOOK PARK AND AVENUE OF THE PARKS	Specific	4,444.86	6,600.00	490.86	7090.86	6,600.00	490.86
2005	40.11848	040.OBO.OVERLOOK PARK	INSTALL 1100' OF 2" PE ON OVERLOOK PARK AND AVENUE OF THE PARKS	Specific	(129.27)	6,600.00	490.86	7090.86	6,600.00	490.86
2004	40.1185	040.DAN.SHV.151-127 2" ST RELO	RELOCATE 120' OF 2" STEEL WITH 2" PE AT 151&127	Specific	(1,000.66)	2,905.00	(1,548.21)	1,356.79	2,905.00	(1,548.21)
2005	40.1185	040.DAN.SHV.151-127 2" ST RELO	RELOCATE 120' OF 2" STEEL WITH 2" PE AT 151&127	Specific	30.14	2,905.00	-1548.21	1356.79	2,905.00	-1548.21
2004	40.11851	040.OBO.HARBOR TRACE SEC I	INSTALL 885' OF 2" PE OFF OF TURTLE CRK DR ON HARBOR HILLS TRACE & CRK HARE	Specific	313.27	5,336.00	999.5	6335.5	5,336.00	999.5
2005	40.11851	040.OBO.HARBOR TRACE SEC I	INSTALL 885' OF 2" PE OFF OF TURTLE CRK DR ON HARBOR HILLS TRACE & CRK HARE	Specific	(9.11)	5,336.00	999.5	6335.5	5,336.00	999.5
2004	40.11853	040.BGR.1300 BLK COLLEGE	4" PE REPLACEMENT - 1300 &1400 BLK. COLLEGE	Specific	16,426.64	104,265.30	46488.11	150753.41	104,265.30	46488.11
2004	40.11855	040.CAM.CALVARY BOILER RELOC	RELOCATE THE BOILER AT THE CALVARY PURCHASE STATION	Specific	17,955.84	22,015.00	-4535.36	17479.64	22,015.00	-4535.36
2005	40.11855	040.CAM.CALVARY BOILER RELOC	RELOCATE THE BOILER AT THE CALVARY PURCHASE STATION	Specific	(476.20)	22,015.00	-4535.36	17479.64	22,015.00	-4535.36
2004	40.11859	040.BGR.ELK.HWY 68/80	300 FT. OF 2" PE - HWY 68/80 - ELKTON	Specific	2,336.32	955.89	-507.49	448.4	955.89	-507.49
2004	40.11861	040.BGR.FRK.YZ ODORIZER	YZ ODORIZER - FRANKLIN	Specific	3,351.38	53,873.82	-16827.04	37046.78	53,873.82	-16827.04
2004	40.11867	040.PAD.Equipment	1 Dresser differential tester, 1 RTD temp. tester, 1 Rycom pipe locator	Specific	2,154.95	8,703.66	-1230.18	7473.48	8,703.66	-1230.18
2005	40.11867	040.PAD.Equipment	1 Dresser differential tester, 1 RTD temp. tester, 1 Rycom pipe locator	Specific	(62.67)	8,703.66	-1230.18	7473.48	8,703.66	-1230.18
2004	40.11868	040.STO.Equipment Purchase	Purchase various equipment for Ky Division	Specific	249.90	92,295.00	10629.56	102924.56	92,295.00	10629.56
2004	40.11871	040.MAD.PIONEER PLASTIC	INSTALL 6100' 2" PE FOR PIONEER PLASTIC 35,000 AIC	Specific	34,014.52	8,420.00	33884.48	42304.48	8,420.00	33884.48
2005	40.11871	040.MAD.PIONEER PLASTIC	INSTALL 6100' 2" PE FOR PIONEER PLASTIC 35,000 AIC	Specific	(989.26)	8,420.00	33884.48	42304.48	8,420.00	33884.48
2004	40.11872	040.MAD.AYR PARKWAY	INSTALL 600' 2" PE ON AYR PARKWAY PIPE# 9515-201	Specific	1,333.62	3,360.00	-1411.93	1948.07	3,360.00	-1411.93

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Data:_____ Base Period _____ Forecasted Period
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Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.11872	040.MAD.AYR PARKWAY	INSTALL 600' 2" PE ON AYR PARKWAY PIPE# 9515-201	Specific	(38.79)	3,360.00	-1411.93	1948.07	3,360.00	-1411.93
2004	40.11874	040.MEAS.TCHSVS.EFM.TOYO	EFM INSTALLATION FOR TOYO AUTO PARTS	Specific	183.18	6,548.00	724.69	7272.69	6,548.00	724.69
2004	40.11876	040.MAD.PROVER AND TESTER	PROVER AND DIFFERENTAL TESTER FOR MEASUREMENT	Specific	2,059.84	35,850.00	2502.95	38352.95	35,850.00	2502.95
2004	40.1188	040.PAD.Metrop. Lake Replace	2" pe damaged by contractor on 8/6/03 on Metropolis Lake Rd just North of US Hwy	Specific	(5,025.00)	Not available	-	2,629.73	Not available	-
2004	40.11884	040.STO.Marker Post Decals	Purchase marker post decals for Ky Division	Specific	306.00	13,794.00	-1730.78	12063.22	13,794.00	-1730.78
2004	40.11888	040.MEAS.METER OUTSOURCING	INTEST/ADJUST/RETIRE PC METERS	Specific	7,993.80	24,932.00	-11922.28	13009.72	24,932.00	-11922.28
2004	40.11893	040.SHV.NORTH COUNTRY SEC IV	INSTALL 2700' OF 2" PE ON WARRIOR WAY AND NORTH COUNTRY DRIVE	Specific	31,526.68	20,750.00	9859.78	30609.78	20,750.00	9859.78
2005	40.11893	040.SHV.NORTH COUNTRY SEC IV	INSTALL 2700' OF 2" PE ON WARRIOR WAY AND NORTH COUNTRY DRIVE	Specific	(916.90)	20,750.00	9859.78	30609.78	20,750.00	9859.78
2004	40.11894	040.SHV.FOXWOOD EST	INSTALL 900' OF 2" PE IN FOXWOOD ESTATES	Specific	10,097.29	8,900.00	903.63	9803.63	8,900.00	903.63
2005	40.11894	040.SHV.FOXWOOD EST	INSTALL 900' OF 2" PE IN FOXWOOD ESTATES	Specific	(293.66)	8,900.00	903.63	9803.63	8,900.00	903.63
2004	40.11898	040.SHV.FAIRWAY CROSSINGS	INSTALL 3000' OF 2" PE FOR FAIRWAY CROSSING P I	Specific	22,590.39	21,625.00	308.38	21933.38	21,625.00	308.38
2005	40.11898	040.SHV.FAIRWAY CROSSINGS	INSTALL 3000' OF 2" PE FOR FAIRWAY CROSSING P I	Specific	(657.01)	21,625.00	308.38	21933.38	21,625.00	308.38
2004	40.11904	040.meas.12" Odorizer	YZ NJEX System for 12" @ Nortonville	Specific	53,050.80	52,768.00	-1260.1	51507.9	52,768.00	-1260.1
2005	40.11904	040.meas.12" Odorizer	YZ NJEX System for 12" @ Nortonville	Specific	(1,542.90)	52,768.00	-1260.1	51507.9	52,768.00	-1260.1
2004	40.11905	040.obo.mea.MISC TEST EQUIP	misc test equipment	Specific	2,915.96	4,637.00	-609.9	4027.1	4,637.00	-609.9
2004	40.11906	040.BGR.FRK.MEMORIAL DR.	275 FT. OF 2" PE - MEMORIAL DR. - FRANKLIN	Specific	594.71	756.79	-162.08	594.71	756.79	-162.08
2004	40.11909	040.PAD.Willow Plantation	1,580 - 2" P.E Rev Ext/ Pat Boldry-Developer	Specific	(1,427.62)	6,695.00	(1,786.15)	4,908.85	6,695.00	(1,786.15)
2004	40.1191	040.obo.Calumet Trace 2	485' 4" PE & 560' 2" PE	Specific	6,667.28	5,380.00	4447	9827	5,380.00	4447
2005	40.1191	040.obo.Calumet Trace 2	485' 4" PE & 560' 2" PE	Specific	(193.90)	5,380.00	4447	9827	5,380.00	4447
2004	40.11911	040.MAD.GRV.PUR STA REPL	REPLACE GREENVILLE PURCHASE STATION	Specific	14,073.21	31,113.00	-4999.88	26113.12	31,113.00	-4999.88
2005	40.11911	040.MAD.GRV.PUR STA REPL	REPLACE GREENVILLE PURCHASE STATION	Specific	(0.02)	31,113.00	-4999.88	26113.12	31,113.00	-4999.88
2004	40.11914	040.mad. BEULAH RELOC. 1	Beulah relocation 225' 2" PE	Specific	(623.53)	1,495.00	(1,495.00)	0.00	1,495.00	(1,495.00)
2004	40.11915	040.PTON.Wmson Equip	Williamson equipment for Princeton area	Specific	249.90	19,945.39	41	19986.39	19,945.39	41
2004	40.11916	040.mad Beulah relocation 2	Beulah relocation 2 - 470' 2" PE	Specific	(1,438.49)	3,462.00	(3,462.00)	0.00	3,462.00	(3,462.00)
2004	40.11918	040.CAM.CENTRAL AVE - REPLACE	REPLACE 2000' OF 4" STEEL WITH 4" PE ON CENTRAL AVE FROM WALNUT TO LINCOLN	Specific	22,063.42	101,300.00	25141.53	126441.53	101,300.00	25141.53
2005	40.11918	040.CAM.CENTRAL AVE - REPLACE	REPLACE 2000' OF 4" STEEL WITH 4" PE ON CENTRAL AVE FROM WALNUT TO LINCOLN	Specific	4,443.17	101,300.00	25141.53	126441.53	101,300.00	25141.53
2004	40.11919	040.CAM.CENTRAL AVE SERVICES	REPLACE 27 SERVICES ON CENTRAL AVE FROM WALNUT TO LINCOLN	Specific	26,007.49	37,825.00	-3368.58	34456.42	37,825.00	-3368.58
2005	40.11919	040.CAM.CENTRAL AVE SERVICES	REPLACE 27 SERVICES ON CENTRAL AVE FROM WALNUT TO LINCOLN	Specific	(756.38)	37,825.00	-3368.58	34456.42	37,825.00	-3368.58
2004	40.11922	040.BGR.KENTON ST.REPLC	490' - 4" PE REPLC. 1500 BLK. KENTON ST. - B.G.	Specific	33,972.29	43,928.00	-10943.73	32984.27	43,928.00	-10943.73
2005	40.11922	040.BGR.KENTON ST.REPLC	490' - 4" PE REPLC. 1500 BLK. KENTON ST. - B.G.	Specific	(988.02)	43,928.00	-10943.73	32984.27	43,928.00	-10943.73
2004	40.11924	040.BGR.SPRINGHURST SUB - B.G.	6060 FT. OF 2" PE - SPRINGHURST SUB - B.G.	Specific	18,349.48	20,007.00	-1657.52	18349.48	20,007.00	-1657.52
2004	40.11927	040.BGR.1300 BKL. HIGH REPLC	REPLACE 1350 FT. OF 4' STL WITH 2" PE - 1300 BLK. HIGH ST. - B.G.	Specific	139,471.36	123,372.00	16099.36	139471.36	123,372.00	16099.36
2004	40.11928	040.SHV.PLOTTER REPAIR	REPAIR PLOTTER FROM ENGINEERING AND CABNET FOR COMPUTER	Specific	2,134.30	2,030.00	42.23	2072.23	2,030.00	42.23
2005	40.11928	040.SHV.PLOTTER REPAIR	REPAIR PLOTTER FROM ENGINEERING AND CABNET FOR COMPUTER	Specific	(62.07)	2,030.00	42.23	2072.23	2,030.00	42.23
2004	40.11929	040.PTON.Backhoe Trailer	New backhoe trailer	Specific	13,248.68	12,799.50	575.57	13375.07	12,799.50	575.57
2004	40.11934	040.OBO.EXECUTIVE INN.6 PE REL	6" PE RELOCATION AT EXECUTIVE INN - OWENSBORO	Specific	98,209.49	Not Budgeted	95353.6	95353.22	(0.38)	95353.6
2005	40.11934	040.OBO.EXECUTIVE INN.6 PE REL	6" PE RELOCATION AT EXECUTIVE INN - OWENSBORO	Specific	(2,856.27)	(0.38)	95353.6	95353.22	(0.38)	
2004	40.11936	Bowling Green.04.Gr Func	Bowling Green.04.Gr Func	Functional	1,375,152.95	Not Budgeted	-	1350333.38	Not Budgeted	-
2005	40.11936	Bowling Green.04.Gr Func	Bowling Green.04.Gr Func	Functional	(24,819.57)	Not Budgeted	-	1350333.38	Not Budgeted	-
2006	40.11936	Bowling Green.04.Gr Func	Bowling Green.04.Gr Func	Functional	(301.74)	Not Budgeted	-	1,350,031.64	Not Budgeted	-
2004	40.11937	Bowling Green.040.NonG F	Bowling Green.04.Non Growth Functional	Functional	1,914,196.58	Not Budgeted	-	1922161.53	Not Budgeted	-
2005	40.11937	Bowling Green.040.NonG F	Bowling Green.04.Non Growth Functional	Functional	7,964.95	Not Budgeted	-	1922161.53	Not Budgeted	-
2004	40.11938	Glasgow.04.Growth Func	Glaosgow.040.Growth Functional	Functional	147,861.83	Not Budgeted	-	143691.35	Not Budgeted	-
2005	40.11938	Glasgow.04.Growth Func	Glaosgow.040.Growth Functional	Functional	(4,170.48)	Not Budgeted	-	143691.35	Not Budgeted	-
2004	40.11939	Glsgow.04.Non Grow Func	Glasgow.04.Non Growth Functional	Functional	905,504.81	Not Budgeted	-	879681.18	Not Budgeted	-
2005	40.11939	Glsgow.04.Non Grow Func	Glasgow.04.Non Growth Functional	Functional	(25,823.63)	Not Budgeted	-	879681.18	Not Budgeted	-
2004	40.1194	Hopkins.04.Gr Func	Hopkinsville.04.Growth Functional	Functional	170,863.92	Not Budgeted	-	165888.85	Not Budgeted	-
2005	40.1194	Hopkins.04.Gr Func	Hopkinsville.04.Growth Functional	Functional	(4,975.07)	Not Budgeted	-	165888.85	Not Budgeted	-
2004	40.11941	Hopkins.04.Non Gr Funct	Hopkinsville.04.Non Growth Functional	Functional	360,142.66	Not Budgeted	-	349159.25	Not Budgeted	-
2005	40.11941	Hopkins.04.Non Gr Funct	Hopkinsville.04.Non Growth Functional	Functional	(10,983.41)	Not Budgeted	-	349159.25	Not Budgeted	-
2004	40.11942	Danv.04.Growth Funct	Danville.04.Growth Funcitonal	Functional	476,686.41	Not Budgeted	-	464086.18	Not Budgeted	-
2005	40.11942	Danv.04.Growth Funct	Danville.04.Growth Funcitonal	Functional	(12,600.23)	Not Budgeted	-	464086.18	Not Budgeted	-
2004	40.11943	Danv.04.Non Gr Funct	Danville.04.Non Growth Functional	Functional	345,363.49	Not Budgeted	-	335924.89	Not Budgeted	-
2005	40.11943	Danv.04.Non Gr Funct	Danville.04.Non Growth Functional	Functional	(9,769.82)	Not Budgeted	-	335924.89	Not Budgeted	-
2004	40.11944	Camb.04.Growth Func	Campbellsville.04.Growth Functional	Functional	152,378.91	Not Budgeted	-	147843.94	Not Budgeted	-
2005	40.11944	Camb.04.Growth Func	Campbellsville.04.Growth Functional	Functional	(4,534.97)	Not Budgeted	-	147843.94	Not Budgeted	-
2004	40.11945	Cam.04.Non Grow Funct	Campbellsville.04.Non Growth Functional	Functional	479,384.27	Not Budgeted	-	466558.28	Not Budgeted	-

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.11945	Cam.04.Non Grow Funct	Campbellsville.04.Non Growth Functional	Functional	(12,825.99)	Not Budgeted	-	466558.28	Not Budgeted	-
2004	40.11946	Shelby.04.Growth Func	Shelbyville.04.Growth Functional	Functional	531,317.24	Not Budgeted	-	539579.42	Not Budgeted	-
2005	40.11946	Shelby.04.Growth Func	Shelbyville.04.Growth Functional	Functional	8,262.18	Not Budgeted	-	539579.42	Not Budgeted	-
2004	40.11947	Shelby.04.Non Grow Func	Shelbyville.04.Non Growth Functional	Functional	204,036.27	Not Budgeted	-	198419.7	Not Budgeted	-
2005	40.11947	Shelby.04.Non Grow Func	Shelbyville.04.Non Growth Functional	Functional	(5,616.57)	Not Budgeted	-	198419.7	Not Budgeted	-
2004	40.11948	Mad.04.Growth Func	Madisonville.04.Growth Functional	Functional	376,797.26	Not Budgeted	-	374419.11	Not Budgeted	-
2005	40.11948	Mad.04.Growth Func	Madisonville.04.Growth Functional	Functional	(2,378.15)	Not Budgeted	-	374419.11	Not Budgeted	-
2004	40.11949	Mad.04.Non Grow Func	Madisonville.04.Non Growth Functional	Functional	874,272.92	Not Budgeted	-	860011.61	Not Budgeted	-
2005	40.11949	Mad.04.Non Grow Func	Madisonville.04.Non Growth Functional	Functional	(14,261.31)	Not Budgeted	-	860011.61	Not Budgeted	-
2004	40.1195	Princ.04.Growth Func	Princeton.04.Growth Functional	Functional	52,426.42	Not Budgeted	-	51113.36	Not Budgeted	-
2005	40.1195	Princ.04.Growth Func	Princeton.04.Growth Functional	Functional	(1,313.06)	Not Budgeted	-	51113.36	Not Budgeted	-
2004	40.11951	Princ.04.Non Grow Func	Princeton.04.Non Growth Functional	Functional	201,072.27	Not Budgeted	-	196911.74	Not Budgeted	-
2005	40.11951	Princ.04.Non Grow Func	Princeton.04.Non Growth Functional	Functional	(4,160.53)	Not Budgeted	-	196911.74	Not Budgeted	-
2004	40.11952	Owens.04.Grow Func	Owensboro.04.Growth Functional	Functional	867,442.40	Not Budgeted	-	864127.01	Not Budgeted	-
2005	40.11952	Owens.04.Grow Func	Owensboro.04.Growth Functional	Functional	(3,315.39)	Not Budgeted	-	864127.01	Not Budgeted	-
2004	40.11953	Owen.04.Non Grow Func	Owensboro.04.Non Growth Functional	Functional	1,924,472.67	Not Budgeted	-	1890589.19	Not Budgeted	-
2005	40.11953	Owen.04.Non Grow Func	Owensboro.04.Non Growth Functional	Functional	(35,225.24)	Not Budgeted	-	1890589.19	Not Budgeted	-
2006	40.11953	Owen.04.Non Grow Func	Owensboro.04.Non Growth Functional	Functional	(465.86)	Not Budgeted	-	1,890,123.33	Not Budgeted	-
2004	40.11954	Pad.04.Grow Func	Paducah.04.Growth Functional	Functional	457,660.64	Not Budgeted	-	437897.42	Not Budgeted	-
2005	40.11954	Pad.04.Grow Func	Paducah.04.Growth Functional	Functional	(19,763.22)	Not Budgeted	-	437897.42	Not Budgeted	-
2004	40.11955	Pad.04.Non Grow Func	Paducah.04.Non Growth Functional	Functional	395,235.46	Not Budgeted	-	383478.38	Not Budgeted	-
2005	40.11955	Pad.04.Non Grow Func	Paducah.04.Non Growth Functional	Functional	(11,757.08)	Not Budgeted	-	383478.38	Not Budgeted	-
2004	40.11956	Mayf.04.Grow Func	Mayfield.04.Growth Functional	Functional	118,310.04	Not Budgeted	-	114879.49	Not Budgeted	-
2005	40.11956	Mayf.04.Grow Func	Mayfield.04.Growth Functional	Functional	(3,430.55)	Not Budgeted	-	114879.49	Not Budgeted	-
2004	40.11957	Mayf.04.Non Grow Func	Mayfield.04.Non Growth Functional	Functional	202,001.71	Not Budgeted	-	196194.26	Not Budgeted	-
2005	40.11957	Mayf.04.Non Grow Func	Mayfield.04.Non Growth Functional	Functional	(5,807.45)	Not Budgeted	-	196194.26	Not Budgeted	-
2004	40.11958	040.SHV.BREIGHTON BUS CENT S I	INSTALL 1500' OF 4" PE & REGULATOR STATION IN BREIGHTON BUSINESS CENTER SE	Specific	29,862.60	28,205.00	789.09	28994.09	28,205.00	789.09
2005	40.11958	040.SHV.BREIGHTON BUS CENT S I	INSTALL 1500' OF 4" PE & REGULATOR STATION IN BREIGHTON BUSINESS CENTER SE	Specific	(868.51)	28,205.00	789.09	28994.09	28,205.00	789.09
2004	40.11959	040.MAD.GREENVILLE	GREENVILLE E. MAIN LP REPL.	Specific	5,593.25	7,015.38	-1584.8	5430.58	7,015.38	-1584.8
2005	40.11959	040.MAD.GREENVILLE	GREENVILLE E. MAIN LP REPL.	Specific	(162.67)	7,015.38	-1584.8	5430.58	7,015.38	-1584.8
2004	40.1196	040.BGR.KOBE ALUM.- 3000' STL	3000 FT. OF 4" STL. - KOBE ALUM. - B.G.	Specific	149,499.04	120,729.00	24422.11	145151.11	120,729.00	24422.11
2005	40.1196	040.BGR.KOBE ALUM.- 3000' STL	3000 FT. OF 4" STL. - KOBE ALUM. - B.G.	Specific	(4,347.93)	120,729.00	24422.11	145151.11	120,729.00	24422.11
2004	40.11961	040.BGR.RUSS.NATIONS EXT.	540 FT. OF 2" PE - VANCE LN. - NATIONS MEDICINE - RUSS	Specific	2,513.95	2,768.00	-327.16	2440.84	2,768.00	-327.16
2005	40.11961	040.BGR.RUSS.NATIONS EXT.	540 FT. OF 2" PE - VANCE LN. - NATIONS MEDICINE - RUSS	Specific	(73.11)	2,768.00	-327.16	2440.84	2,768.00	-327.16
2004	40.11962	040.BGR.FRK.S.COLLEGE	175 FT.OF 2" PE - S. COLLEGE - FRANKLIN	Specific	1,026.33	1,294.00	-297.52	996.48	1,294.00	-297.52
2005	40.11962	040.BGR.FRK.S.COLLEGE	175 FT.OF 2" PE - S. COLLEGE - FRANKLIN	Specific	(29.85)	1,294.00	-297.52	996.48	1,294.00	-297.52
2004	40.11963	040.OBO.TURNBURY COVE	OBO. 2" PE 540' TURNBURY COVE	Specific	3,383.84	3,217.67	67.76	3285.43	3,217.67	67.76
2005	40.11963	040.OBO.TURNBURY COVE	OBO. 2" PE 540' TURNBURY COVE	Specific	(98.41)	3,217.67	67.76	3285.43	3,217.67	67.76
2004	40.11964	040.OBO.CREEK BRANCH COVE	2" PE 705' CREEK BRANCH COVE	Specific	4,834.59	3,634.40	1059.58	4693.98	3,634.40	1059.58
2005	40.11964	040.OBO.CREEK BRANCH COVE	2" PE 705' CREEK BRANCH COVE	Specific	(140.61)	3,634.40	1059.58	4693.98	3,634.40	1059.58
2004	40.11965	040.OBO.SUMMER WIND	OBO.2" PE 3260' SUMMER WIND HEARTLAND	Specific	26,876.02	25,907.56	186.82	26094.38	25,907.56	186.82
2005	40.11965	040.OBO.SUMMER WIND	OBO.2" PE 3260' SUMMER WIND HEARTLAND	Specific	(781.64)	25,907.56	186.82	26094.38	25,907.56	186.82
2004	40.11966	040.PAD.The Highlands Subd.	3,015' Revenue Extension 2" P.E for Burton Washburn Developer	Specific	3,106.35	7,238.01	-4222	3016.01	7,238.01	-4222
2005	40.11966	040.PAD.The Highlands Subd.	3,015' Revenue Extension 2" P.E for Burton Washburn Developer	Specific	(90.34)	7,238.01	-4222	3016.01	7,238.01	-4222
2004	40.11967	040.CAM.LEB.LANHAM LN.IMI CONC	INSTALL 400' OF 2" PE ON LANHAM LN-LEBANON-IMI CONCRETE PLANT	Specific	746.68	682.00	42.97	724.97	682.00	42.97
2005	40.11967	040.CAM.LEB.LANHAM LN.IMI CONC	INSTALL 400' OF 2" PE ON LANHAM LN-LEBANON-IMI CONCRETE PLANT	Specific	(21.71)	682.00	42.97	724.97	682.00	42.97
2004	40.11968	040.CAM.HWY 210 - PYLES CONCR	INSTALL 350' 2" PE, 400' 4" PE ON HWY 210 - PYLES CONCRETE	Specific	15,977.50	13,585.00	1927.83	15512.83	13,585.00	1927.83
2005	40.11968	040.CAM.HWY 210 - PYLES CONCR	INSTALL 350' 2" PE, 400' 4" PE ON HWY 210 - PYLES CONCRETE	Specific	(464.67)	13,585.00	1927.83	15512.83	13,585.00	1927.83
2004	40.11969	040.PTON.Great Oaks II Rev Ext	700' - 2" P.E Ext for Bobby Cumbee/ Great Oaks II/ Cadiz, KY	Specific	2,012.85	3,227.77	-1273.46	1954.31	3,227.77	-1273.46
2005	40.11969	040.PTON.Great Oaks II Rev Ext	700' - 2" P.E Ext for Bobby Cumbee/ Great Oaks II/ Cadiz, KY	Specific	(58.54)	3,227.77	-1273.46	1954.31	3,227.77	-1273.46
2004	40.1197	040.BG.ASHMORE I-A - B.G.	LABOR ONLY - ASHMORE I-A - B.G.	Specific	2,386.01	2,375.56	-58.94	2316.62	2,375.56	-58.94
2005	40.1197	040.BG.ASHMORE I-A - B.G.	LABOR ONLY - ASHMORE I-A - B.G.	Specific	(69.39)	2,375.56	-58.94	2316.62	2,375.56	-58.94
2004	40.11971	040.mea.tecsvs.EFM.Century	EFM Real Time Meas for Century Alum.	Specific	2,268.83	4,125.00	-1922.15	2202.85	4,125.00	-1922.15
2005	40.11971	040.mea.tecsvs.EFM.Century	EFM Real Time Meas for Century Alum.	Specific	(65.98)	4,125.00	-1922.15	2202.85	4,125.00	-1922.15
2004	40.11972	040.Meas.tecsvc.EFM.Stericycle	Real Time EFM for Stericycle	Specific	3,858.18	4,125.00	-379.03	3745.97	4,125.00	-379.03
2005	40.11972	040.Meas.tecsvc.EFM.Stericycle	Real Time EFM for Stericycle	Specific	(112.21)	4,125.00	-379.03	3745.97	4,125.00	-379.03
2004	40.11973	040.MEA.Tecsvc.Dresser Meters	Dresser Rotary Meters	Specific	52,552.52	52,519.00	-1494.88	51024.12	52,519.00	-1494.88

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.11973	040.MEA.Tecsvc.Dresser Meters	Dresser Rotary Meters	Specific	(1,528.40)	52,519.00	-1494.88	51024.12	52,519.00	-1494.88
2004	40.11974	040.PAD.Blanchester Ct Rev Ext	215' Rev Ext for Mike Schuster/ Blanchester Ct	Specific	1,284.27	1,707.99	-461.07	1246.92	1,707.99	-461.07
2005	40.11974	040.PAD.Blanchester Ct Rev Ext	215' Rev Ext for Mike Schuster/ Blanchester Ct	Specific	(37.35)	1,707.99	-461.07	1246.92	1,707.99	-461.07
2004	40.11975	040.STO.Marker Post	Install additional marker Post	Specific	22,418.91	24,282.00	-2515.11	21766.89	24,282.00	-2515.11
2005	40.11975	040.STO.Marker Post	Install additional marker Post	Specific	(652.02)	24,282.00	-2515.11	21766.89	24,282.00	-2515.11
2004	40.11976	040.Meas.tecsvs.Amer. Meters	American Meters for PC Program(Mcjunkin)	Specific	97,716.52	124,715.00	-29761.41	94953.59	124,715.00	-29761.41
2005	40.11976	040.Meas.tecsvs.Amer. Meters	American Meters for PC Program(Mcjunkin)	Specific	(2,762.93)	124,715.00	-29761.41	94953.59	124,715.00	-29761.41
2004	40.11977	040.Meas.Tecsvs.Outsourcer	Meter Outsourcing/Testing	Specific	127,080.53	120,089.00	8677.9	128766.9	120,089.00	8677.9
2005	40.11977	040.Meas.Tecsvs.Outsourcer	Meter Outsourcing/Testing	Specific	1,686.37	120,089.00	8677.9	128766.9	120,089.00	8677.9
2004	40.11978	040.CAM.DUMP BED	INSTALL DUMP BED ON 2-TON CONSTRUCTION TRUCK	Specific	8,498.35	13,200.00	-4948.81	8251.19	13,200.00	-4948.81
2005	40.11978	040.CAM.DUMP BED	INSTALL DUMP BED ON 2-TON CONSTRUCTION TRUCK	Specific	(247.16)	13,200.00	-4948.81	8251.19	13,200.00	-4948.81
2004	40.11979	040.Meas.Tecsvs.regulators	Commercial and Industrial Regulators	Specific	26,083.64	24,705.00	620.04	25325.04	24,705.00	620.04
2005	40.11979	040.Meas.Tecsvs.regulators	Commercial and Industrial Regulators	Specific	(758.60)	24,705.00	620.04	25325.04	24,705.00	620.04
2004	40.1198	040.CAM.LEB.VA CEM RELOC	RELOCATE 120' OF 4" STEEL WITH 4" PE AT VA CEMETERY - LEBANON	Specific	4,897.39	3,501.00	1253.95	4754.95	3,501.00	1253.95
2005	40.1198	040.CAM.LEB.VA CEM RELOC	RELOCATE 120' OF 4" STEEL WITH 4" PE AT VA CEMETERY - LEBANON	Specific	(142.44)	3,501.00	1253.95	4754.95	3,501.00	1253.95
2004	40.11981	040.PAD.New Holt Rd	1,200' Rev Ext/ Holt Rd/ Twelve Oaks Church	Specific	7,000.44	5,684.36	1112.48	6796.84	5,684.36	1112.48
2005	40.11981	040.PAD.New Holt Rd	1,200' Rev Ext/ Holt Rd/ Twelve Oaks Church	Specific	(203.60)	5,684.36	1112.48	6796.84	5,684.36	1112.48
2004	40.11982	040.BGR.HOP.ETHANOL PLANT EXT	1850 FT. OF 6 STL. - ETHANOL PLANT - HOPK.	Specific	67,214.54	65,094.51	165.21	65259.72	65,094.51	165.21
2005	40.11982	040.BGR.HOP.ETHANOL PLANT EXT	1850 FT. OF 6 STL. - ETHANOL PLANT - HOPK.	Specific	(1,954.82)	65,094.51	165.21	65259.72	65,094.51	165.21
2004	40.11984	040.BGR.HOP.EAGLE WAY	815 FT. OF 4" PE - EAGLE WAY BYPASS- TRACTOR SUPPLY	Specific	2,760.50	2,271.55	408.67	2680.22	2,271.55	408.67
2005	40.11984	040.BGR.HOP.EAGLE WAY	815 FT. OF 4" PE - EAGLE WAY BYPASS- TRACTOR SUPPLY	Specific	(80.28)	2,271.55	408.67	2680.22	2,271.55	408.67
2004	40.11985	040.TECSVC.MEAS.EFM.NSSK	REALTIME EFM FOR NSSK	Specific	7,029.23	4,125.00	2699.8	6824.8	4,125.00	2699.8
2005	40.11985	040.TECSVC.MEAS.EFM.NSSK	REALTIME EFM FOR NSSK	Specific	(204.43)	4,125.00	2699.8	6824.8	4,125.00	2699.8
2004	40.11986	040.PAD.Ohio Ct Rev Ext II	130' 2" P.E Rev Ext for Wayne Graham	Specific	837.55	865.00	-51.8	813.2	865.00	-51.8
2005	40.11986	040.PAD.Ohio Ct Rev Ext II	130' 2" P.E Rev Ext for Wayne Graham	Specific	(24.35)	865.00	-51.8	813.2	865.00	-51.8
2004	40.11987	040.PAD.The Grove Subd Rev Ext	3,990' - 2" P.E for 54 new residential lots. CHD developers. Phase I. The Grove	Specific	18,655.86	18,968.71	-855.43	18113.28	18,968.71	-855.43
2005	40.11987	040.PAD.The Grove Subd Rev Ext	3,990' - 2" P.E for 54 new residential lots. CHD developers. Phase I. The Grove	Specific	(542.58)	18,968.71	-855.43	18113.28	18,968.71	-855.43
2004	40.11988	040.STO.OMU Upgrade	Upgrade system to accomidate OMU	Specific	87,241.42	87,186.00	-2481.86	84704.14	87,186.00	-2481.86
2005	40.11988	040.STO.OMU Upgrade	Upgrade system to accomidate OMU	Specific	(2,537.28)	87,186.00	-2481.86	84704.14	87,186.00	-2481.86
2004	40.11989	040.OBO WAYNE BRIDGE RELOC.	040.OBO 375' 2" PE RETIRE 1-1/2"PE	Specific	2,329.13	3,234.60	-973.21	2261.39	3,234.60	-973.21
2005	40.11989	040.OBO WAYNE BRIDGE RELOC.	040.OBO 375' 2" PE RETIRE 1-1/2"PE	Specific	(67.74)	3,234.60	-973.21	2261.39	3,234.60	-973.21
2004	40.1199	040.PAD.Castleton Pike Rev Ext	280' - 2" P.E along Castleton for 3 new lots. D & D	Specific	3,392.49	1,824.39	1469.44	3293.83	1,824.39	1469.44
2005	40.1199	040.PAD.Castleton Pike Rev Ext	280' - 2" P.E along Castleton for 3 new lots. D & D	Specific	(98.66)	1,824.39	1469.44	3293.83	1,824.39	1469.44
2004	40.12022	040.PAD.Megan Dr Rev Ext	160' - 2" P.E for two existing residential customers. Ron Peaveyhouse, Megan Dr	Specific	1,996.11	1,695.10	242.96	1938.06	1,695.10	242.96
2005	40.12022	040.PAD.Megan Dr Rev Ext	160' - 2" P.E for two existing residential customers. Ron Peaveyhouse, Megan Dr	Specific	(58.05)	1,695.10	242.96	1938.06	1,695.10	242.96
2004	40.12023	040.MAD.PENNY/EARL CROSS RELO	RELOCATE 1605' 4"stl AT PENNYRILE AND EARL	Specific	44,548.89	43,256.19	9117.79	52373.98	43,256.19	9117.79
2005	40.12023	040.MAD.PENNY/EARL CROSS RELO	RELOCATE 1605' 4"stl AT PENNYRILE AND EARL	Specific	7,825.09	43,256.19	9117.79	52373.98	43,256.19	9117.79
2004	40.12024	040.MAD.MEADOWLARK	RELOCATE 2", 4", 6" MAIN	Specific	70,108.73	32,969.98	43485.79	76455.77	32,969.98	43485.79
2005	40.12024	040.MAD.MEADOWLARK	RELOCATE 2", 4", 6" MAIN	Specific	6,347.04	32,969.98	43485.79	76455.77	32,969.98	43485.79
2004	40.12025	040.STO.Alcoa Regulator Stat	Install fence with gate at Alcoa reglator Station	Specific	2,388.95	7,680.00	-5360.53	2319.47	7,680.00	-5360.53
2005	40.12025	040.STO.Alcoa Regulator Stat	Install fence with gate at Alcoa reglator Station	Specific	(69.48)	7,680.00	-5360.53	2319.47	7,680.00	-5360.53
2004	40.12026	040.OBO.14TH ST. REPLACEMENT	INSTALL 658' 6" PE REPLACE 8" STL	Specific	94,462.28	67,366.80	24348.2	91715	67,366.80	24348.2
2005	40.12026	040.OBO.14TH ST. REPLACEMENT	INSTALL 658' 6" PE REPLACE 8" STL	Specific	(2,747.28)	67,366.80	24348.2	91715	67,366.80	24348.2
2004	40.12027	040.OBO.CROSS CREEK PHASE 2	INSTALL 420' 2" PE	Specific	7,263.45	3,822.10	3230.1	7052.2	3,822.10	3230.1
2005	40.12027	040.OBO.CROSS CREEK PHASE 2	INSTALL 420' 2" PE	Specific	(211.25)	3,822.10	3230.1	7052.2	3,822.10	3230.1
2004	40.12028	040.2609.TEC SVC.LAPTOPS	LAPTOP COMPUTERS	Specific	109,772.67	106,260.00	320.11	106580.11	106,260.00	320.11
2005	40.12028	040.2609.TEC SVC.LAPTOPS	LAPTOP COMPUTERS	Specific	(3,192.56)	106,260.00	320.11	106580.11	106,260.00	320.11
2004	40.12029	040.2609.TEC SVC.DESKTOP	DESKTOP COMPUTERS	Specific	116,410.09	106,260.00	6764.49	113024.49	106,260.00	6764.49
2005	40.12029	040.2609.TEC SVC.DESKTOP	DESKTOP COMPUTERS	Specific	(3,385.60)	106,260.00	6764.49	113024.49	106,260.00	6764.49
2004	40.1203	040.PAD.May-Met Rd II Rev Ext	Mayfield-Metropolis Rd II Rev Ext/ 140' - 2" P.E/ James Blossom	Specific	590.74	949.00	-375.44	573.56	949.00	-375.44
2005	40.1203	040.PAD.May-Met Rd II Rev Ext	Mayfield-Metropolis Rd II Rev Ext/ 140' - 2" P.E/ James Blossom	Specific	(17.18)	949.00	-375.44	573.56	949.00	-375.44
2004	40.12031	040.MAD.REGULATOR INSPECTION	REGULATOR INSPECTION & PARTS	Specific	14,173.54	20,822.13	-4372.81	16449.32	20,822.13	-4372.81
2005	40.12031	040.MAD.REGULATOR INSPECTION	REGULATOR INSPECTION & PARTS	Specific	2,275.78	20,822.13	-4372.81	16449.32	20,822.13	-4372.81
2004	40.12032	040.TEC SVC. BG. PDA'S	PURCHASE SOFTWARE AND HARDWARE FOR BOWLING GREEN	Specific	11,448.97	10,888.00	228	11116	10,888.00	228
2005	40.12032	040.TEC SVC. BG. PDA'S	PURCHASE SOFTWARE AND HARDWARE FOR BOWLING GREEN	Specific	(332.97)	10,888.00	228	11116	10,888.00	228
2004	40.12033	040.CAM.GENERATOR - PORTABLE	5000 WATT PORTABLE GENERATOR	Specific	3,376.41	3,300.00	-21.79	3278.21	3,300.00	-21.79
2005	40.12033	040.CAM.GENERATOR - PORTABLE	5000 WATT PORTABLE GENERATOR	Specific	(98.20)	3,300.00	-21.79	3278.21	3,300.00	-21.79

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects
Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.12034	040.SHV.GENERATOR-PORTABLE	5000 WATT PORTABLE GENERATOR	Specific	4,370.73	3,900.00	343.61	4243.61	3,900.00	343.61
2005	40.12034	040.SHV.GENERATOR-PORTABLE	5000 WATT PORTABLE GENERATOR	Specific	(127.12)	3,900.00	343.61	4243.61	3,900.00	343.61
2004	40.12035	040.Mea.Tecsvs.Detex	Detex unit for Shelbyville	Specific	5,811.20	4,625.00	1017.19	5642.19	4,625.00	1017.19
2005	40.12035	040.Mea.Tecsvs.Detex	Detex unit for Shelbyville	Specific	(169.01)	4,625.00	1017.19	5642.19	4,625.00	1017.19
2004	40.12036	040.2734.BGR.NASHV. RD. REPLC.	2100 BLK. NASHVILLE RD. REPLACEMENT	Specific	32,178.69	17,034.67	14208.16	31242.83	17,034.67	14208.16
2005	40.12036	040.2734.BGR.NASHV. RD. REPLC.	2100 BLK. NASHVILLE RD. REPLACEMENT	Specific	(935.86)	17,034.67	14208.16	31242.83	17,034.67	14208.16
2005	40.12037	040.2734.BGR.1400 ADAMS REPLC.	250' 0F 2" PE REPLC. - 1400 BLK. ADAMS - B.G.	Specific	7,647.36	7,592.00	55.36	7647.36	7,592.00	55.36
2004	40.12038	040.OBO.WORTHINGTON RD.OUTAGE	4" WORTHINGTON RD. OUTAGE	Specific	14,909.19	18,371.32	-3895.74	14475.58	18,371.32	-3895.74
2005	40.12038	040.OBO.WORTHINGTON RD.OUTAGE	4" WORTHINGTON RD. OUTAGE	Specific	(433.61)	18,371.32	-3895.74	14475.58	18,371.32	-3895.74
2004	40.1204	040.2734.BGR.WAL-MART RELOC.	8" HP RELOCATION - BOWLING GREEN	Specific	11,602.95	Not Budgeted	11265.48	11265.49	0.01	11265.48
2005	40.1204	040.2734.BGR.WAL-MART RELOC.	8" HP RELOCATION - BOWLING GREEN	Specific	(337.46)	0.01	11265.48	11265.49	0.01	11265.48
2004	40.12041	040.Meas.tcsvs.Lvc	Replace Reynolds 323 LVC correctors	Specific	46,122.72	37,037.00	7744.32	44781.32	37,037.00	7744.32
2005	40.12041	040.Meas.tcsvs.Lvc	Replace Reynolds 323 LVC correctors	Specific	(1,341.40)	37,037.00	7744.32	44781.32	37,037.00	7744.32
2004	40.12042	040.May.Southern by-pass	Phase I/ 750' - 4" P.E	Specific	10,807.74	8,000.04	-2671.29	5328.75	8,000.04	-2671.29
2005	40.12042	040.May.Southern by-pass	Phase I/ 750' - 4" P.E	Specific	(5,478.99)	8,000.04	-2671.29	5328.75	8,000.04	-2671.29
2004	40.12045	040.STO.St. Charles Stor/Rock	Rock roads at St. Charles Storage Fields	Specific	16,904.07	15,488.00	924.44	16412.44	15,488.00	924.44
2005	40.12045	040.STO.St. Charles Stor/Rock	Rock roads at St. Charles Storage Fields	Specific	(491.63)	15,488.00	924.44	16412.44	15,488.00	924.44
2004	40.12046	040.2734.BGR.HIGHLAND REPLC	1300' - 4" PE - HIGHLAND WAY - B.G.	Specific	64,689.14	67,900.00	-5092.23	62807.77	67,900.00	-5092.23
2005	40.12046	040.2734.BGR.HIGHLAND REPLC	1300' - 4" PE - HIGHLAND WAY - B.G.	Specific	(1,881.37)	67,900.00	-5092.23	62807.77	67,900.00	-5092.23
2004	40.12047	040.STO.Grandview Str Wtr Line	Install 1200 feet of water line to supply Grandview Storage Office	Specific	5,747.49	5,743.00	-162.67	5580.33	5,743.00	-162.67
2005	40.12047	040.STO.Grandview Str Wtr Line	Install 1200 feet of water line to supply Grandview Storage Office	Specific	(167.16)	5,743.00	-162.67	5580.33	5,743.00	-162.67
2004	40.12048	040.2734.BGR.TWIN ELMS IX	1100 FT. OF 2" PE - TWIN ELMS IX - B.G.	Specific	5,171.63	5,018.00	3.22	5021.22	5,018.00	3.22
2005	40.12048	040.2734.BGR.TWIN ELMS IX	1100 FT. OF 2" PE - TWIN ELMS IX - B.G.	Specific	(150.41)	5,018.00	3.22	5021.22	5,018.00	3.22
2004	40.12049	040.MAD.MISC EQUIPMENT	040.MAD.SENSIT/GOLDS-ODOROMETERS	Specific	46,493.48	22,797.60	22343.69	45141.29	22,797.60	22343.69
2005	40.12049	040.MAD.MISC EQUIPMENT	040.MAD.SENSIT/GOLDS-ODOROMETERS	Specific	(1,352.19)	22,797.60	22343.69	45141.29	22,797.60	22343.69
2004	40.1205	040.2736.HOP.METER/SET-ETHANOL	METER AND SPECIAL METER SET - ETHANOL PLANT - HOPKINSVILLE	Specific	28,196.84	17,774.40	9602.38	27376.78	17,774.40	9602.38
2005	40.1205	040.2736.HOP.METER/SET-ETHANOL	METER AND SPECIAL METER SET - ETHANOL PLANT - HOPKINSVILLE	Specific	(820.06)	17,774.40	9602.38	27376.78	17,774.40	9602.38
2004	40.12051	040.SHV.MULBERRY SEC I	INSTALL 1800' OF 2" PE IN MULBERRY SEC I ON SQUIRE CIRCLE	Specific	20,437.32	19,550.00	292.93	19842.93	19,550.00	292.93
2005	40.12051	040.SHV.MULBERRY SEC I	INSTALL 1800' OF 2" PE IN MULBERRY SEC I ON SQUIRE CIRCLE	Specific	(594.39)	19,550.00	292.93	19842.93	19,550.00	292.93
2004	40.12052	040.SHV.MARIAN VILLAGE APTS	INSTALL 350' OF 2" PE ON LYNN ACRES DR TO MARIAN VILLAGE APTS	Specific	9,715.69	9,185.00	248.12	9433.12	9,185.00	248.12
2005	40.12052	040.SHV.MARIAN VILLAGE APTS	INSTALL 350' OF 2" PE ON LYNN ACRES DR TO MARIAN VILLAGE APTS	Specific	(282.57)	9,185.00	248.12	9433.12	9,185.00	248.12
2004	40.12053	040.SHV.OSPERY COVE SEC IV	INSTALL 1350' OF 2" PE IN OSPERY COVE ON	Specific	6,398.05	9,655.00	-3443.03	6211.97	9,655.00	-3443.03
2005	40.12053	040.SHV.OSPERY COVE SEC IV	INSTALL 1350' OF 2" PE IN OSPERY COVE ON	Specific	(186.08)	9,655.00	-3443.03	6211.97	9,655.00	-3443.03
2004	40.12054	040.SHV.LOCUST CRK SEC III	INSTALL 900' OF 2" PE AND 350' OF 4" PE IN SEC III OF LOCUST CRK ON	Specific	24,923.28	23,505.00	693.42	24198.42	23,505.00	693.42
2005	40.12054	040.SHV.LOCUST CRK SEC III	INSTALL 900' OF 2" PE AND 350' OF 4" PE IN SEC III OF LOCUST CRK ON	Specific	(724.86)	23,505.00	693.42	24198.42	23,505.00	693.42
2004	40.12055	040.SHV.LAW.SYCAMORE EST S III	INSTALL 2500' OF 2" PE IN SYCAMORE EST SEC III IN LAWRENCEBURG ON	Specific	21,896.39	20,860.00	399.57	21259.57	20,860.00	399.57
2005	40.12055	040.SHV.LAW.SYCAMORE EST S III	INSTALL 2500' OF 2" PE IN SYCAMORE EST SEC III IN LAWRENCEBURG ON	Specific	(636.82)	20,860.00	399.57	21259.57	20,860.00	399.57
2004	40.12056	040.SHV.CREEKSIDE PHASE II	INSTALL 1400' OF 2" PE IN CREEKSIDE OFF 53 N ON	Specific	17,690.83	13,110.00	4066.32	17176.32	13,110.00	4066.32
2005	40.12056	040.SHV.CREEKSIDE PHASE II	INSTALL 1400' OF 2" PE IN CREEKSIDE OFF 53 N ON	Specific	(514.51)	13,110.00	4066.32	17176.32	13,110.00	4066.32
2004	40.12057	040.2734.BGR.CEMETERY TIE-IN	328/1455 2"/4" TIE-IN-CEMETERY RD./DRAKESBOROUGH-B.G.	Specific	37,461.30	39,921.00	-3549.2	36371.8	39,921.00	-3549.2
2005	40.12057	040.2734.BGR.CEMETERY TIE-IN	328/1455 2"/4" TIE-IN-CEMETERY RD./DRAKESBOROUGH-B.G.	Specific	(1,089.50)	39,921.00	-3549.2	36371.8	39,921.00	-3549.2
2004	40.12059	040.STO.Hawesv/Platf Purchase	Tie in line #90-143-00 to Texas Gas new platform purchase station	Specific	14,699.74	20,006.00	-5733.78	14272.22	20,006.00	-5733.78
2005	40.12059	040.STO.Hawesv/Platf Purchase	Tie in line #90-143-00 to Texas Gas new platform purchase station	Specific	(427.52)	20,006.00	-5733.78	14272.22	20,006.00	-5733.78
2004	40.1206	040.OBO.GRAYSTONE PHASE 2	INSTALL 2,315' 2"PE,GRAYSTONE ESTATES PHASE 2	Specific	21,573.11	20,026.41	919.28	20945.69	20,026.41	919.28
2005	40.1206	040.OBO.GRAYSTONE PHASE 2	INSTALL 2,315' 2"PE,GRAYSTONE ESTATES PHASE 2	Specific	(627.42)	20,026.41	919.28	20945.69	20,026.41	919.28
2004	40.12061	040.SHV.WADDY FIRE DEPARTMENT	INSTALL 300' OF 2" PE TO WADDY FIRE DEPT	Specific	2,198.23	3,125.00	-990.7	2134.3	3,125.00	-990.7
2005	40.12061	040.SHV.WADDY FIRE DEPARTMENT	INSTALL 300' OF 2" PE TO WADDY FIRE DEPT	Specific	(63.93)	3,125.00	-990.7	2134.3	3,125.00	-990.7
2004	40.12063	040.2734,FRK.NORTH DR. EXT	500 FT. OF 2" PE - NORTH DR. - FRANKLIN	Specific	3,359.41	624.84	2636.87	3261.71	624.84	2636.87
2005	40.12063	040.2734,FRK.NORTH DR. EXT	500 FT. OF 2" PE - NORTH DR. - FRANKLIN	Specific	(97.70)	624.84	2636.87	3261.71	624.84	2636.87
2004	40.12064	040.2734.BGR.12TH & STUBBINS	250 FT OF 2" PE - 12TH & STUBBINS - B.G.	Specific	2,522.69	5,502.15	-3052.83	2449.32	5,502.15	-3052.83
2005	40.12064	040.2734.BGR.12TH & STUBBINS	250 FT OF 2" PE - 12TH & STUBBINS - B.G.	Specific	(73.37)	5,502.15	-3052.83	2449.32	5,502.15	-3052.83
2004	40.12065	040.2734.BGR.BLK.13TH REPLC	430 FT.OF 2" REPLC - 300 BLK. E 13TH REPLC. - B.G.	Specific	12,858.42	28,529.75	-16045.29	12484.46	28,529.75	-16045.29
2005	40.12065	040.2734.BGR.BLK.13TH REPLC	430 FT.OF 2" REPLC - 300 BLK. E 13TH REPLC. - B.G.	Specific	(373.96)	28,529.75	-16045.29	12484.46	28,529.75	-16045.29
2004	40.12066	040.meas.tcsvs.Akebono.EFM	EFM installation @ Akebono	Specific	5,392.51	4,909.10	326.58	5235.68	4,909.10	326.58
2005	40.12066	040.meas.tcsvs.Akebono.EFM	EFM installation @ Akebono	Specific	(156.83)	4,909.10	326.58	5235.68	4,909.10	326.58
2004	40.12067	040.2734.BGR.MCQUARRY RD.	845 FT.OF 2" PE - MCQUARRY RD. - B.G.	Specific	3,622.60	3,275.43	241.81	3517.24	3,275.43	241.81
2005	40.12067	040.2734.BGR.MCQUARRY RD.	845 FT.OF 2" PE - MCQUARRY RD. - B.G.	Specific	(105.36)	3,275.43	241.81	3517.24	3,275.43	241.81

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.12068	040.STO.Front End Loader	Purchase a front end loader for tractor at St. Charles	Specific	11,364.15	12,558.00	-1524.36	11033.64	12,558.00	-1524.36
2005	40.12068	040.STO.Front End Loader	Purchase a front end loader for tractor at St. Charles	Specific	(330.51)	12,558.00	-1524.36	11033.64	12,558.00	-1524.36
2004	40.12069	040.meas.tcsvc.EFM.Fed. Mogul	Installation of EFm@ Federal Mogul	Specific	5,788.95	4,909.10	711.49	5620.59	4,909.10	711.49
2005	40.12069	040.meas.tcsvc.EFM.Fed. Mogul	Installation of EFm@ Federal Mogul	Specific	(168.36)	4,909.10	711.49	5620.59	4,909.10	711.49
2004	40.12071	040.Meas.Tcsvc.EFM.Cmaruyosu	EFM installation @ Curtic Maruyosu	Specific	4,572.70	4,909.10	-469.39	4439.71	4,909.10	-469.39
2005	40.12071	040.Meas.Tcsvc.EFM.Cmaruyosu	EFM installation @ Curtic Maruyosu	Specific	(132.99)	4,909.10	-469.39	4439.71	4,909.10	-469.39
2004	40.12072	040.2735.GLS.REYNOLDS RD.	375 FT. OF 2"PE - REYNOLDS RD. EXT.- GLASGOW	Specific	3,653.44	4,002.00	-454.81	3547.19	4,002.00	-454.81
2005	40.12072	040.2735.GLS.REYNOLDS RD.	375 FT. OF 2"PE - REYNOLDS RD. EXT.- GLASGOW	Specific	(106.25)	4,002.00	-454.81	3547.19	4,002.00	-454.81
2004	40.12077	040.2735-GLS.LOWES 6" RELOC.	RELOCATE 1000 FT. OF 6" STL - LOEWS - GLASGOW	Specific	81,733.36	36,220.00	43136.28	79356.28	36,220.00	43136.28
2005	40.12077	040.2735-GLS.LOWES 6" RELOC.	RELOCATE 1000 FT. OF 6" STL - LOEWS - GLASGOW	Specific	(2,377.08)	36,220.00	43136.28	79356.28	36,220.00	43136.28
2004	40.12078	040.2734.BGR.STONEHENGE V	1648 FT. OF 2" PE - STONEHENGE V - B.G.	Specific	8,358.55	7,592.00	523.46	8115.46	7,592.00	523.46
2005	40.12078	040.2734.BGR.STONEHENGE V	1648 FT. OF 2" PE - STONEHENGE V - B.G.	Specific	(243.09)	7,592.00	523.46	8115.46	7,592.00	523.46
2004	40.12079	040.PAD.N 7th St Main Ext	190' - 2" P.E ext from N 8th st to rear of 417 N 7th	Specific	286.70	1,711.00	-1432.64	278.36	1,711.00	-1432.64
2005	40.12079	040.PAD.N 7th St Main Ext	190' - 2" P.E ext from N 8th st to rear of 417 N 7th	Specific	(8.34)	1,711.00	-1432.64	278.36	1,711.00	-1432.64
2004	40.1208	040.STO.XP Projectors	Purchase XP Projectors	Specific	46,503.79	35,162.00	9989.3	45151.3	35,162.00	9989.3
2005	40.1208	040.STO.XP Projectors	Purchase XP Projectors	Specific	(1,352.49)	35,162.00	9989.3	45151.3	35,162.00	9989.3
2004	40.12081	040.STO.Emerg Portable Radios	Purchase emergency radios	Specific	22,639.44	23,184.00	-1202.99	21981.01	23,184.00	-1202.99
2005	40.12081	040.STO.Emerg Portable Radios	Purchase emergency radios	Specific	(658.43)	23,184.00	-1202.99	21981.01	23,184.00	-1202.99
2004	40.12082	040.PTON.Shady Ln Replacement	Shady Ln Replace/ Marion, KY/ Install 520' - 2" PE/ Retire 513' - 1" Bare	Specific	13,992.67	17,925.02	-4339.3	13585.72	17,925.02	-4339.3
2005	40.12082	040.PTON.Shady Ln Replacement	Shady Ln Replace/ Marion, KY/ Install 520' - 2" PE/ Retire 513' - 1" Bare	Specific	(406.95)	17,925.02	-4339.3	13585.72	17,925.02	-4339.3
2004	40.12083	040.OBO OKLAHOMA-LAFFOON RD	INSTALL 700' OF 2" PE	Specific	1,455.99	1,139.66	273.98	1413.64	1,139.66	273.98
2005	40.12083	040.OBO OKLAHOMA-LAFFOON RD	INSTALL 700' OF 2" PE	Specific	(42.35)	1,139.66	273.98	1413.64	1,139.66	273.98
2004	40.12087	040.Tcsvs.Meas.Detex	Detex Odor detectors	Specific	6,353.25	29,908.00	-23587.92	6320.08	29,908.00	-23587.92
2005	40.12087	040.Tcsvs.Meas.Detex	Detex Odor detectors	Specific	(33.17)	29,908.00	-23587.92	6320.08	29,908.00	-23587.92
2004	40.12088	040.MAD.STATION HEATERS	STATION HEATERS FOR MORTONS GAP, HANSON, SLAUGHTERS	Specific	60,350.07	81,589.33	-22994.44	58594.89	81,589.33	-22994.44
2005	40.12088	040.MAD.STATION HEATERS	STATION HEATERS FOR MORTONS GAP, HANSON, SLAUGHTERS	Specific	(1,755.18)	81,589.33	-22994.44	58594.89	81,589.33	-22994.44
2004	40.12089	040.SHV.LAW.GRIFFIN ST	INSTALL 300' OF 2" PE ON GRIFFIN OF 151 IN LAWRENCEBURG	Specific	2,007.05	3,530.00	-1581.32	1948.68	3,530.00	-1581.32
2005	40.12089	040.SHV.LAW.GRIFFIN ST	INSTALL 300' OF 2" PE ON GRIFFIN OF 151 IN LAWRENCEBURG	Specific	(58.37)	3,530.00	-1581.32	1948.68	3,530.00	-1581.32
2004	40.1209	040.TCSVC.MEAS.F. PRECISION	EFM INSTALLATION @ FRANKLIN PRECISION	Specific	4,848.32	4,909.10	-201.79	4707.31	4,909.10	-201.79
2005	40.1209	040.TCSVC.MEAS.F. PRECISION	EFM INSTALLATION @ FRANKLIN PRECISION	Specific	(141.01)	4,909.10	-201.79	4707.31	4,909.10	-201.79
2004	40.12091	040.PTON.Sensit Gold C.G.I's	Purchase (2) Sensit Gold C.G.I's	Specific	4,350.65	4,049.47	174.65	4224.12	4,049.47	174.65
2005	40.12091	040.PTON.Sensit Gold C.G.I's	Purchase (2) Sensit Gold C.G.I's	Specific	(126.53)	4,049.47	174.65	4224.12	4,049.47	174.65
2004	40.12092	040.MAY.Sensit Gold C.G.I's	Purchase (2) Sensit Gold C.G.I's for Mayfield	Specific	4,350.65	4,049.47	174.65	4224.12	4,049.47	174.65
2005	40.12092	040.MAY.Sensit Gold C.G.I's	Purchase (2) Sensit Gold C.G.I's for Mayfield	Specific	(126.53)	4,049.47	174.65	4224.12	4,049.47	174.65
2004	40.12093	040.PAD.Sensit Gold C.G.I	Purchase (3) Snsit Gold C.G.I's for Paducah	Specific	6,525.97	6,074.21	261.96	6336.17	6,074.21	261.96
2005	40.12093	040.PAD.Sensit Gold C.G.I	Purchase (3) Snsit Gold C.G.I's for Paducah	Specific	(189.80)	6,074.21	261.96	6336.17	6,074.21	261.96
2004	40.12094	040.2734.BGR.SENSIT GOLD	SENSIT GOLD W/ FIBERGLASS PROBE - B.G.	Specific	2,175.32	2,024.00	88.05	2112.05	2,024.00	88.05
2005	40.12094	040.2734.BGR.SENSIT GOLD	SENSIT GOLD W/ FIBERGLASS PROBE - B.G.	Specific	(63.27)	2,024.00	88.05	2112.05	2,024.00	88.05
2004	40.12095	040.2735.GLS.SENSIT GOLD	SENSIT GOLD W/ FIERGLASS PROBE - GLASGOW	Specific	2,175.32	2,024.00	88.05	2112.05	2,024.00	88.05
2005	40.12095	040.2735.GLS.SENSIT GOLD	SENSIT GOLD W/ FIERGLASS PROBE - GLASGOW	Specific	(63.27)	2,024.00	88.05	2112.05	2,024.00	88.05
2004	40.12096	040.2736.HOPK.SENSIT GOLD	2 - SENSIT GOLD W/FIBERGLASS PROBE - HOPK.	Specific	4,350.65	4,050.00	174.12	4224.12	4,050.00	174.12
2005	40.12096	040.2736.HOPK.SENSIT GOLD	2 - SENSIT GOLD W/FIBERGLASS PROBE - HOPK.	Specific	(126.53)	4,050.00	174.12	4224.12	4,050.00	174.12
2004	40.12097	040.PTON.Commerce St Main Ext	90' - 2" P.E extension for Western Ky Door/ Commerce St/ Cadiz, Ky	Specific	1,128.02	1,227.71	-132.5	1095.21	1,227.71	-132.5
2005	40.12097	040.PTON.Commerce St Main Ext	90' - 2" P.E extension for Western Ky Door/ Commerce St/ Cadiz, Ky	Specific	(32.81)	1,227.71	-132.5	1095.21	1,227.71	-132.5
2004	40.12098	040.tcssvc.meas.Roc Trailer	Equipment for ROC training trailer	Specific	21,082.86	16,422.00	4047.7	20469.7	16,422.00	4047.7
2005	40.12098	040.tcssvc.meas.Roc Trailer	Equipment for ROC training trailer	Specific	(613.16)	16,422.00	4047.7	20469.7	16,422.00	4047.7
2004	40.12099	040.OBO.SENSIT GOLD	PURCHASE 1 SENSIT GOLD DETECTOR	Specific	2,213.98	2,923.12	-773.53	2149.59	2,923.12	-773.53
2005	40.12099	040.OBO.SENSIT GOLD	PURCHASE 1 SENSIT GOLD DETECTOR	Specific	(64.39)	2,923.12	-773.53	2149.59	2,923.12	-773.53
2004	40.121	040.2735.GLS.N.RACE 6" RELOC.	470 FT. OF 6" STEEL RELOC. - N RACE STREET - GLASGOW	Specific	8,509.15	21,541.00	-13279.32	8261.68	21,541.00	-13279.32
2005	40.121	040.2735.GLS.N.RACE 6" RELOC.	470 FT. OF 6" STEEL RELOC. - N RACE STREET - GLASGOW	Specific	(247.47)	21,541.00	-13279.32	8261.68	21,541.00	-13279.32
2004	40.12103	040.Tcsvc.Meas.Northend 12"	install EFM @ Northend 12" Station	Specific	30,270.91	23,662.00	5728.53	29390.53	23,662.00	5728.53
2005	40.12103	040.Tcsvc.Meas.Northend 12"	install EFM @ Northend 12" Station	Specific	(880.38)	23,662.00	5728.53	29390.53	23,662.00	5728.53
2004	40.12104	040.PAD.Brookhaven Subd Ext	1,470' - 2" P.E ext for Brookhaven Subd/ Marcus Burnett = Developer	Specific	8,961.49	7,226.69	1474.17	8700.86	7,226.69	1474.17
2005	40.12104	040.PAD.Brookhaven Subd Ext	1,470' - 2" P.E ext for Brookhaven Subd/ Marcus Burnett = Developer	Specific	(260.63)	7,226.69	1474.17	8700.86	7,226.69	1474.17
2004	40.12105	040.PAD.Burldeen Dr Rev Ext	190' - 2" PE ext for Joe Skinner/ 3500 Burldeen/ Rev Ext	Specific	1,655.29	931.00	676.15	1607.15	931.00	676.15
2005	40.12105	040.PAD.Burldeen Dr Rev Ext	190' - 2" PE ext for Joe Skinner/ 3500 Burldeen/ Rev Ext	Specific	(48.14)	931.00	676.15	1607.15	931.00	676.15
2004	40.12106	040.DAN.REGIONAL REG REPAIR-04	REPAIR REGIONAL REGULATORS - ALL COUNTIES	Specific	20,163.49	21,300.00	-1728.44	19571.56	21,300.00	-1728.44

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12106	040.DAN.REGIONAL REG REPAIR-04	REPAIR REGIONAL REGULATORS - ALL COUNTIES	Specific	(591.93)	21,300.00	-1728.44	19571.56	21,300.00	-1728.44
2004	40.12107	040.PTON.Concrete Saw	Stihl portable concrete saw for Princeton	Specific	3,023.09	2,150.32	784.85	2935.17	2,150.32	784.85
2005	40.12107	040.PTON.Concrete Saw	Stihl portable concrete saw for Princeton	Specific	(87.92)	2,150.32	784.85	2935.17	2,150.32	784.85
2004	40.12108	040.PAD.Buckner Ln Improve	Buckner Ln System Improvements, Install 800' - 2" PE, Retire farm tap regulator	Specific	6,866.28	6,789.46	-122.87	6666.59	6,789.46	-122.87
2005	40.12108	040.PAD.Buckner Ln Improve	Buckner Ln System Improvements, Install 800' - 2" PE, Retire farm tap regulator	Specific	(199.69)	6,789.46	-122.87	6666.59	6,789.46	-122.87
2004	40.12109	040.2734.BGR.REG.PARTS/INSPEC.	REGULATOR PARTS AND INSPECTIONS - B.G.	Specific	11,885.82	24,922.80	-13387.59	11535.21	24,922.80	-13387.59
2005	40.12109	040.2734.BGR.REG.PARTS/INSPEC.	REGULATOR PARTS AND INSPECTIONS - B.G.	Specific	(350.61)	24,922.80	-13387.59	11535.21	24,922.80	-13387.59
2004	40.1211	040.2734.RUSS/FRK.REG.PARTS	REGULATOR PARTS AND INSPECTION - RUSS./FRK.	Specific	2,108.79	24,922.80	-22875.34	2047.46	24,922.80	-22875.34
2005	40.1211	040.2734.RUSS/FRK.REG.PARTS	REGULATOR PARTS AND INSPECTION - RUSS./FRK.	Specific	(61.33)	24,922.80	-22875.34	2047.46	24,922.80	-22875.34
2004	40.12111	040.2735.GLS.REG.PARTS/INSPEC	REGULATORPARTS AND INSPECTIONS - GLASGOW	Specific	4,605.22	24,922.80	-20451.52	4471.28	24,922.80	-20451.52
2005	40.12111	040.2735.GLS.REG.PARTS/INSPEC	REGULATORPARTS AND INSPECTIONS - GLASGOW	Specific	(133.94)	24,922.80	-20451.52	4471.28	24,922.80	-20451.52
2004	40.12112	040.2736.HOP.REG PARTS/INSPEC	REGULATOR PARTS AND INSPECTIONS - HOPKINSVILLE	Specific	11,263.06	24,922.80	-13987.31	10935.49	24,922.80	-13987.31
2005	40.12112	040.2736.HOP.REG PARTS/INSPEC	REGULATOR PARTS AND INSPECTIONS - HOPKINSVILLE	Specific	(327.57)	24,922.80	-13987.31	10935.49	24,922.80	-13987.31
2004	40.12114	040.SHV.LAW.SYCAMORE SYS IMP	RETIRE 875' OF 3" STEEL AND INSTALL1400' OF 4" PE	Specific	25,581.26	17,700.00	7137.27	24837.27	17,700.00	7137.27
2005	40.12114	040.SHV.LAW.SYCAMORE SYS IMP	RETIRE 875' OF 3" STEEL AND INSTALL1400' OF 4" PE	Specific	(743.99)	17,700.00	7137.27	24837.27	17,700.00	7137.27
2004	40.12115	040.PAD.Bell Ave Main Ext	Install 800' - 2" P.E along Bell Ave for P & L Railway	Specific	(1,879.08)	9,326.00	(10,752.16)	(1,426.16)	9,326.00	(10,752.16)
2005	40.12115	040.PAD.Bell Ave Main Ext	Install 800' - 2" P.E along Bell Ave for P & L Railway	Specific	452.92	9,326.00	-10752.16	-1426.16	9,326.00	-10752.16
2004	40.12118	040.PAD.Shady Grove Improve	Install 250' - 2" PE from Shady Grove district reg to a farm tap reg/ retire far	Specific	3,644.57	2,528.87	1009.7	3538.57	2,528.87	1009.7
2005	40.12118	040.PAD.Shady Grove Improve	Install 250' - 2" PE from Shady Grove district reg to a farm tap reg/ retire far	Specific	(106.00)	2,528.87	1009.7	3538.57	2,528.87	1009.7
2004	40.12119	040.PTON.Boiler - Fredonia	Correctional Facility/ Quarry Reg Sta/ Fredonia/ New boiler	Specific	21,771.90	24,868.93	-3634.66	21234.27	24,868.93	-3634.66
2005	40.12119	040.PTON.Boiler - Fredonia	Correctional Facility/ Quarry Reg Sta/ Fredonia/ New boiler	Specific	(537.63)	24,868.93	-3634.66	21234.27	24,868.93	-3634.66
2004	40.1212	040.SHV.BRASSFIELD SEC III	INSTALL 1100' OF 2" PE ON SHELLY'S PLACE	Specific	6,823.61	7,900.00	-1274.84	6625.16	7,900.00	-1274.84
2005	40.1212	040.SHV.BRASSFIELD SEC III	INSTALL 1100' OF 2" PE ON SHELLY'S PLACE	Specific	(198.45)	7,900.00	-1274.84	6625.16	7,900.00	-1274.84
2004	40.12121	040.PAD.New Holt Rd Rev Ext II	700' - 2" PE for seven new commercial customers/ New Holt Rd II	Specific	4,202.62	4,150.11	-69.72	4080.39	4,150.11	-69.72
2005	40.12121	040.PAD.New Holt Rd Rev Ext II	700' - 2" PE for seven new commercial customers/ New Holt Rd II	Specific	(122.23)	4,150.11	-69.72	4080.39	4,150.11	-69.72
2004	40.12122	040.2609.FURNITRE FOR GO	FURNITURE FOR VP TECH SVC OFFICE	Specific	13,171.24	15,223.00	-2434.82	12788.18	15,223.00	-2434.82
2005	40.12122	040.2609.FURNITRE FOR GO	FURNITURE FOR VP TECH SVC OFFICE	Specific	(383.06)	15,223.00	-2434.82	12788.18	15,223.00	-2434.82
2004	40.12123	040.STO.Bon Harbor Comp Engine	Over haul Bon Harbor compressor engine	Specific	119,560.37	117,671.00	-1587.85	116083.15	117,671.00	-1587.85
2005	40.12123	040.STO.Bon Harbor Comp Engine	Over haul Bon Harbor compressor engine	Specific	(3,477.22)	117,671.00	-1587.85	116083.15	117,671.00	-1587.85
2004	40.12124	040.PAD.Mayfield Rd improve	Making two tie-backs from dist. main to Mayfield rd (125 maop) line, Lower press	Specific	1,704.31	4,633.17	-2978.43	1654.74	4,633.17	-2978.43
2005	40.12124	040.PAD.Mayfield Rd improve	Making two tie-backs from dist. main to Mayfield rd (125 maop) line, Lower press	Specific	(49.57)	4,633.17	-2978.43	1654.74	4,633.17	-2978.43
2004	40.12125	040.OBO HAYDEN RD. 2"	INSTALL1850' 2" PE FOR NEW SCHOOL HAYDEN RD.	Specific	9,695.06	5,471.69	3941.41	9413.1	5,471.69	3941.41
2005	40.12125	040.OBO HAYDEN RD. 2"	INSTALL1850' 2" PE FOR NEW SCHOOL HAYDEN RD.	Specific	(281.96)	5,471.69	3941.41	9413.1	5,471.69	3941.41
2004	40.12126	040.AKY.TCSSVC.MEAS.GREENVIEW	EFM INSTALLATION @ GREENVIEW HOSPITAL	Specific	3,135.87	4,909.10	-1864.43	3044.67	4,909.10	-1864.43
2005	40.12126	040.AKY.TCSSVC.MEAS.GREENVIEW	EFM INSTALLATION @ GREENVIEW HOSPITAL	Specific	(91.20)	4,909.10	-1864.43	3044.67	4,909.10	-1864.43
2004	40.12127	040.OBO.SPRINGHURST LANE	INSTALL 300' 2" PE SPRINGHURST LANE	Specific	3,566.12	2,116.30	1346.11	3462.41	2,116.30	1346.11
2005	40.12127	040.OBO.SPRINGHURST LANE	INSTALL 300' 2" PE SPRINGHURST LANE	Specific	(103.71)	2,116.30	1346.11	3462.41	2,116.30	1346.11
2004	40.12128	040.STO.Nville/Elkton 10" Leak	Repair leakage on N'ville/Elk 10"	Specific	20,082.45	24,636.00	-5137.62	19498.38	24,636.00	-5137.62
2005	40.12128	040.STO.Nville/Elkton 10" Leak	Repair leakage on N'ville/Elk 10"	Specific	(584.07)	24,636.00	-5137.62	19498.38	24,636.00	-5137.62
2004	40.12129	040.OBO.BRIARWOOD HICKORY LANE	INSTALL 1450' OF 2" PE	Specific	3,500.34	4,065.94	-667.4	3398.54	4,065.94	-667.4
2005	40.12129	040.OBO.BRIARWOOD HICKORY LANE	INSTALL 1450' OF 2" PE	Specific	(101.80)	4,065.94	-667.4	3398.54	4,065.94	-667.4
2004	40.12131	040.STO.Electro Fushion Boxes	Purchase 11 electro fusuion boxes	Specific	21,125.72	20,197.00	314.31	20511.31	20,197.00	314.31
2005	40.12131	040.STO.Electro Fushion Boxes	Purchase 11 electro fusuion boxes	Specific	(614.41)	20,197.00	314.31	20511.31	20,197.00	314.31
2004	40.12132	040.PAD.'04 Leak Pinpointing	Capture capital costs associated with leak pinpointing	Specific	11,146.19	24,966.24	-14144.22	10822.02	24,966.24	-14144.22
2005	40.12132	040.PAD.'04 Leak Pinpointing	Capture capital costs associated with leak pinpointing	Specific	(324.17)	24,966.24	-14144.22	10822.02	24,966.24	-14144.22
2004	40.12134	040.2636.PDA'S FOR OBO SERVICE	3 PDA'S FOR OWENSBORO TOWN OPERATORS	Specific	3,894.58	4,212.00	-430.69	3781.31	4,212.00	-430.69
2005	40.12134	040.2636.PDA'S FOR OBO SERVICE	3 PDA'S FOR OWENSBORO TOWN OPERATORS	Specific	(113.27)	4,212.00	-430.69	3781.31	4,212.00	-430.69
2004	40.12135	040.PTON.Fredonia Replacements	Replace main @ Dorroh Streets and Crider Streets	Specific	19,490.66	16,333.05	2590.76	18923.81	16,333.05	2590.76
2005	40.12135	040.PTON.Fredonia Replacements	Replace main @ Dorroh Streets and Crider Streets	Specific	(566.85)	16,333.05	2590.76	18923.81	16,333.05	2590.76
2004	40.12136	040.OBO.WALNUT ST. REPLACEMENT	INSTALL 1360' 2" PE WALNUT ST	Specific	31,241.02	49,951.30	-19618.87	30332.43	49,951.30	-19618.87
2005	40.12136	040.OBO.WALNUT ST. REPLACEMENT	INSTALL 1360' 2" PE WALNUT ST	Specific	(908.59)	49,951.30	-19618.87	30332.43	49,951.30	-19618.87
2004	40.12137	040.BGR.SMALLHOUSE RETIRE	RETIRE 1212 FT. OF 4" BARE - SMALLHOUSE RD.	Specific	14,833.30	24,255.00	-9611.08	14643.92	24,255.00	-9611.08
2005	40.12137	040.BGR.SMALLHOUSE RETIRE	RETIRE 1212 FT. OF 4" BARE - SMALLHOUSE RD.	Specific	(189.38)	24,255.00	-9611.08	14643.92	24,255.00	-9611.08
2004	40.12138	040.MAD.CHOPSAW	PURCHASE CHOPSAW FOR C&M	Specific	3,023.09	3,029.55	-94.38	2935.17	3,029.55	-94.38
2005	40.12138	040.MAD.CHOPSAW	PURCHASE CHOPSAW FOR C&M	Specific	(87.92)	3,029.55	-94.38	2935.17	3,029.55	-94.38
2004	40.12139	040.MAY.Bachusburg Rd Replace	Install 770' - 2" PE/ Retire 1,281' - 2" Bare/ Bachusburg Rd Replacements	Specific	5,858.39	9,487.16	-3799.15	5688.01	9,487.16	-3799.15
2005	40.12139	040.MAY.Bachusburg Rd Replace	Install 770' - 2" PE/ Retire 1,281' - 2" Bare/ Bachusburg Rd Replacements	Specific	(170.38)	9,487.16	-3799.15	5688.01	9,487.16	-3799.15

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.1214	040.BGR.AMBASSADOR DR.EXT	850 FT. OF 2" PE - AMBASSADOR DR. EXT. - B.G.	Specific	15,340.05	16,667.00	-1773.09	14893.91	16,667.00	-1773.09
2005	40.1214	040.BGR.AMBASSADOR DR.EXT	850 FT. OF 2" PE - AMBASSADOR DR. EXT. - B.G.	Specific	(446.14)	16,667.00	-1773.09	14893.91	16,667.00	-1773.09
2004	40.12141	040.PAD.Reg Sta - Sys Int	to capture capital costs associated with specific boot regulator replacement cos	Specific	51,634.18	49,969.68	162.8	50132.48	49,969.68	162.8
2005	40.12141	040.PAD.Reg Sta - Sys Int	to capture capital costs associated with specific boot regulator replacement cos	Specific	(1,501.70)	49,969.68	162.8	50132.48	49,969.68	162.8
2004	40.12142	040.BGR.DIFFERENTIAL TESTERS	2 - DIFFERENTIAL TESTERS - B.G. OPER. SPECIALIST	Specific	4,143.07	4,444.00	-421.42	4022.58	4,444.00	-421.42
2005	40.12142	040.BGR.DIFFERENTIAL TESTERS	2 - DIFFERENTIAL TESTERS - B.G. OPER. SPECIALIST	Specific	(120.49)	4,444.00	-421.42	4022.58	4,444.00	-421.42
2004	40.12143	040.BGR.HANOVER/ORIOLE EXT	1540 FT 0F 2" PE - HANOVER/ORIOLE EXT. - B.G.	Specific	10,175.81	13,070.00	-3190.14	9879.86	13,070.00	-3190.14
2005	40.12143	040.BGR.HANOVER/ORIOLE EXT	1540 FT 0F 2" PE - HANOVER/ORIOLE EXT. - B.G.	Specific	(295.95)	13,070.00	-3190.14	9879.86	13,070.00	-3190.14
2004	40.12144	040.PAD.Olivet Ch Rd Relocate	Transportation Cabinet Relocation/ 94% Reimbursement/ Olivet Ch Rd	Specific	39,165.66	1,467.79	14386.24	15854.03	1,467.79	14386.24
2005	40.12144	040.PAD.Olivet Ch Rd Relocate	Transportation Cabinet Relocation/ 94% Reimbursement/ Olivet Ch Rd	Specific	(23,311.63)	1,467.79	14386.24	15854.03	1,467.79	14386.24
2004	40.12145	040.SHV.LAW.EAGLE LAKE RELOC	RELOCATE 1500' OF 6" HIGH PRESSURE STEEL AT 151 & 127 EAGLE LAKE	Specific	150,644.56	51,200.00	94245.1	145445.1	51,200.00	94245.1
2005	40.12145	040.SHV.LAW.EAGLE LAKE RELOC	RELOCATE 1500' OF 6" HIGH PRESSURE STEEL AT 151 & 127 EAGLE LAKE	Specific	(5,199.46)	51,200.00	94245.1	145445.1	51,200.00	94245.1
2006	40.12145	040.SHV.LAW.EAGLE LAKE RELOC	RELOCATE 1500' OF 6" HIGH PRESSURE STEEL AT 151 & 127 EAGLE LAKE	Specific	(188.32)	51,200.00	(51,388.32)	145,256.78	51,200.00	94,056.78
2004	40.12146	040.OBO.LEGACY RUN	INSTALL 475' OF 2" PE TO SRVE 5 LOTS	Specific	3,315.03	3,506.07	-287.45	3218.62	3,506.07	-287.45
2005	40.12146	040.OBO.LEGACY RUN	INSTALL 475' OF 2" PE TO SRVE 5 LOTS	Specific	(96.41)	3,506.07	-287.45	3218.62	3,506.07	-287.45
2004	40.12147	040.PAD.May-Met Rd Rev Ext III	730' - 4" P.E along Mayfield-Metropolis Rd for Dr. David Grimes	Specific	12,516.41	8,996.55	3155.84	12152.39	8,996.55	3155.84
2005	40.12147	040.PAD.May-Met Rd Rev Ext III	730' - 4" P.E along Mayfield-Metropolis Rd for Dr. David Grimes	Specific	(364.02)	8,996.55	3155.84	12152.39	8,996.55	3155.84
2004	40.12148	040.OBO.TANGLEWOOD PARK	INSTALL 1306' OF 2" PE TO SERVE 22 LOTS	Specific	9,018.13	7,662.10	1093.75	8755.85	7,662.10	1093.75
2005	40.12148	040.OBO.TANGLEWOOD PARK	INSTALL 1306' OF 2" PE TO SERVE 22 LOTS	Specific	(262.28)	7,662.10	1093.75	8755.85	7,662.10	1093.75
2004	40.12149	040.PTON.McBith Dr Rev Ext	Install 140' - 2" P.E down McBith Drive for two commercial lots	Specific	22.22	1,085.17	-1063.27	21.9	1,085.17	-1063.27
2005	40.12149	040.PTON.McBith Dr Rev Ext	Install 140' - 2" P.E down McBith Drive for two commercial lots	Specific	(0.32)	1,085.17	-1063.27	21.9	1,085.17	-1063.27
2004	40.1215	040.OBO.WOODCREST/SONOMA CT.	INSTALL 1178' OF 2" PE	Specific	4,619.06	5,200.19	-715.47	4484.72	5,200.19	-715.47
2005	40.1215	040.OBO.WOODCREST/SONOMA CT.	INSTALL 1178' OF 2" PE	Specific	(134.34)	5,200.19	-715.47	4484.72	5,200.19	-715.47
2004	40.12151	040.DAN.FOUNTAINE VIEW-FOSTER	INSTALL 250' OF 2" PE IN FOUNTAINE VIEW SUBD FOR JERRY FOSTER	Specific	1,759.62	4,526.00	-2817.56	1708.44	4,526.00	-2817.56
2005	40.12151	040.DAN.FOUNTAINE VIEW-FOSTER	INSTALL 250' OF 2" PE IN FOUNTAINE VIEW SUBD FOR JERRY FOSTER	Specific	(51.18)	4,526.00	-2817.56	1708.44	4,526.00	-2817.56
2004	40.12152	040.CAM.PDA - LEAK SURVEY	PDA'S FOR LEAK SURVEY'S - 2 UNITS W/ACCES	Specific	3,059.15	3,150.00	-179.82	2970.18	3,150.00	-179.82
2005	40.12152	040.CAM.PDA - LEAK SURVEY	PDA'S FOR LEAK SURVEY'S - 2 UNITS W/ACCES	Specific	(88.97)	3,150.00	-179.82	2970.18	3,150.00	-179.82
2004	40.12153	040.CAM.OFFICE FURNITURE	FRONT OFFICE DESK AND CHAIR	Specific	3,793.44	3,650.00	33.11	3683.11	3,650.00	33.11
2005	40.12153	040.CAM.OFFICE FURNITURE	FRONT OFFICE DESK AND CHAIR	Specific	(110.33)	3,650.00	33.11	3683.11	3,650.00	33.11
2004	40.12154	040.MAY.Mayfield Purchase Sta	Regulator Replacement - M'field Purchase Station	Specific	1,350.41	3,295.66	-1984.52	1311.14	3,295.66	-1984.52
2005	40.12154	040.MAY.Mayfield Purchase Sta	Regulator Replacement - M'field Purchase Station	Specific	(39.27)	3,295.66	-1984.52	1311.14	3,295.66	-1984.52
2004	40.12155	040.BGR.FRK.HWY 31W	400 FT. OF 2" PE EXT. - HWY 31W - FRANKLIN	Specific	1,336.75	1,392.00	-94.13	1297.87	1,392.00	-94.13
2005	40.12155	040.BGR.FRK.HWY 31W	400 FT. OF 2" PE EXT. - HWY 31W - FRANKLIN	Specific	(38.88)	1,392.00	-94.13	1297.87	1,392.00	-94.13
2004	40.12156	040.SHV.LAW.WALKER LN-4" ST HP	RELOCATE 300' OF 4" HIGH PRESURE STEEL ON WALKER LANE	Specific	23,230.43	16,500.00	6054.81	22554.81	16,500.00	6054.81
2005	40.12156	040.SHV.LAW.WALKER LN-4" ST HP	RELOCATE 300' OF 4" HIGH PRESURE STEEL ON WALKER LANE	Specific	(675.62)	16,500.00	6054.81	22554.81	16,500.00	6054.81
2004	40.12159	040.OBO.REG.STATION INTEGRITY	PARTS&LABOR 2004 REG. INSPECTIONS	Specific	84,124.88	49,993.68	32357.26	82350.94	49,993.68	32357.26
2005	40.12159	040.OBO.REG.STATION INTEGRITY	PARTS&LABOR 2004 REG. INSPECTIONS	Specific	(1,773.94)	49,993.68	32357.26	82350.94	49,993.68	32357.26
2004	40.1216	040.DAN.SCRAP YARD RETIRE-JC	RETIRE 1074' OF 2" PE IN JC AT OLD SCRAP YARD	Specific	521.48	885.00	-378.69	506.31	885.00	-378.69
2005	40.1216	040.DAN.SCRAP YARD RETIRE-JC	RETIRE 1074' OF 2" PE IN JC AT OLD SCRAP YARD	Specific	(15.17)	885.00	-378.69	506.31	885.00	-378.69
2004	40.12161	040.CAM.LEB.TRAILER PRK RELO	RELOCATE 150' OF 2" STEEL WITH 2" PE IN TRAILER PARK LEBANON	Specific	1,662.87	2,835.00	-1660.1	1174.9	2,835.00	-1660.1
2005	40.12161	040.CAM.LEB.TRAILER PRK RELO	RELOCATE 150' OF 2" STEEL WITH 2" PE IN TRAILER PARK LEBANON	Specific	(487.97)	2,835.00	-1660.1	1174.9	2,835.00	-1660.1
2004	40.12162	040.OBO.5TH & LOCUST RPLMT	INSTALL 250' 2" PE, RETIRE 380' 8" STL,& 200' 5" CAST IRON	Specific	7,867.95	20,714.69	-13075.57	7639.12	20,714.69	-13075.57
2005	40.12162	040.OBO.5TH & LOCUST RPLMT	INSTALL 250' 2" PE, RETIRE 380' 8" STL,& 200' 5" CAST IRON	Specific	(228.83)	20,714.69	-13075.57	7639.12	20,714.69	-13075.57
2004	40.12163	040.SHV.WAREHOUSE FENCE-LIGHT	INSTALL FENCING AND LIGHTS AT THE WAREHOUSE	Specific	11,266.02	15,250.00	-4311.63	10938.37	15,250.00	-4311.63
2005	40.12163	040.SHV.WAREHOUSE FENCE-LIGHT	INSTALL FENCING AND LIGHTS AT THE WAREHOUSE	Specific	(327.65)	15,250.00	-4311.63	10938.37	15,250.00	-4311.63
2004	40.12166	040.SHV.CLOVERBROOK FARMS SI	INSTALL 1700' OF 2" - 800' OF 4" AND 64 SERVICES	Specific	34,213.88	31,475.00	4574.08	36049.08	31,475.00	4574.08
2005	40.12166	040.SHV.CLOVERBROOK FARMS SI	INSTALL 1700' OF 2" - 800' OF 4" AND 64 SERVICES	Specific	1,835.20	31,475.00	4574.08	36049.08	31,475.00	4574.08
2004	40.12167	040.SHV.GUIST CREEK P IV	INSTALL 450' OF 2" AND 9 SERVICES	Specific	2,277.29	4,160.00	-1239.72	2920.28	4,160.00	-1239.72
2005	40.12167	040.SHV.GUIST CREEK P IV	INSTALL 450' OF 2" AND 9 SERVICES	Specific	642.99	4,160.00	-1239.72	2920.28	4,160.00	-1239.72
2005	40.12168	040.SHV.MEADOW GLEN SI	INSTALL 2400' OF 2" AND 41 SERVICES	Specific	11,076.35	28,075.00	-16998.65	11076.35	28,075.00	-16998.65
2004	40.12169	040.SHV.OLD MILL SII	INSTALL 1250' OF 2" AND 25 SERVICES	Specific	3,691.19	14,375.00	-2044.16	12330.84	14,375.00	-2044.16
2005	40.12169	040.SHV.OLD MILL SII	INSTALL 1250' OF 2" AND 25 SERVICES	Specific	8,639.65	14,375.00	-2044.16	12330.84	14,375.00	-2044.16
2005	40.12171	040.SHV.LAW.NAUTICAL CHS P II	INSTALL 3000' OF 2" PE AND 42 SERVICES	Specific	24,361.22	24,800.00	-438.78	24361.22	24,800.00	-438.78
2004	40.12173	040.OBO.LINE LOCATOR	PURCHASE NEW LINE LOCATOR FOR TOWN OPERATOR	Specific	5,265.67	5,146.19	-33.66	5112.53	5,146.19	-33.66
2005	40.12173	040.OBO.LINE LOCATOR	PURCHASE NEW LINE LOCATOR FOR TOWN OPERATOR	Specific	(153.14)	5,146.19	-33.66	5112.53	5,146.19	-33.66
2004	40.12174	040.BGR.HOP.BED FOR DUMP TRK	BED FOR DUMP TRUCK - HOPKINSVILLE	Specific	10,049.26	18,786.00	-9029.01	9756.99	18,786.00	-9029.01
2005	40.12174	040.BGR.HOP.BED FOR DUMP TRK	BED FOR DUMP TRUCK - HOPKINSVILLE	Specific	(292.27)	18,786.00	-9029.01	9756.99	18,786.00	-9029.01

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.12175	040.BGR.GLS.WATER ST. REPLC.	WATER. ST. RETIRE/REPLC. - GLASGOW	Specific	46,539.88	47,903.00	-2716.66	45186.34	47,903.00	-2716.66
2005	40.12175	040.BGR.GLS.WATER ST. REPLC.	WATER. ST. RETIRE/REPLC. - GLASGOW	Specific	(1,353.54)	47,903.00	-2716.66	45186.34	47,903.00	-2716.66
2004	40.12176	040.BGR.AUBURN.HOGAN 2' pe	300 FT. OF 2" PE EXT. - HOGAN AVE. - AUBURN	Specific	1,026.33	2,704.00	-1707.52	996.48	2,704.00	-1707.52
2005	40.12176	040.BGR.AUBURN.HOGAN 2' pe	300 FT. OF 2" PE EXT. - HOGAN AVE. - AUBURN	Specific	(29.85)	2,704.00	-1707.52	996.48	2,704.00	-1707.52
2004	40.12177	040.BGR.HUNTERS CROSSING IV-A	5710 FT. OF 2" PE - HUNTERS CROSSING IV-A - B.G.	Specific	4,169.62	23,330.00	-15584.58	7745.42	23,330.00	-15584.58
2005	40.12177	040.BGR.HUNTERS CROSSING IV-A	5710 FT. OF 2" PE - HUNTERS CROSSING IV-A - B.G.	Specific	3,575.80	23,330.00	-15584.58	7745.42	23,330.00	-15584.58
2004	40.12178	040.BGR.ASHMORE PK.II-A	4162 FT. OF 2" PE - ASHMORE 11-A - BOWLING GREEN	Specific	16,876.37	17,575.00	-1189.45	16385.55	17,575.00	-1189.45
2005	40.12178	040.BGR.ASHMORE PK.II-A	4162 FT. OF 2" PE - ASHMORE 11-A - BOWLING GREEN	Specific	(490.82)	17,575.00	-1189.45	16385.55	17,575.00	-1189.45
2004	40.12179	040.BGR.RIVER BEND LNDG.	4050 FT OF 2" PE - RIVER BEND LANDING - B.G.	Specific	14,961.69	15,995.00	-1468.45	14526.55	15,995.00	-1468.45
2005	40.12179	040.BGR.RIVER BEND LNDG.	4050 FT OF 2" PE - RIVER BEND LANDING - B.G.	Specific	(435.14)	15,995.00	-1468.45	14526.55	15,995.00	-1468.45
2004	40.1218	040.BGR.TALBOTT PL. IV - B	2100 FT. OF 2" PE - TALBOTT PL. IV - B.G.	Specific	9,227.02	8,957.00	1.67	8958.67	8,957.00	1.67
2005	40.1218	040.BGR.TALBOTT PL. IV - B	2100 FT. OF 2" PE - TALBOTT PL. IV - B.G.	Specific	(268.35)	8,957.00	1.67	8958.67	8,957.00	1.67
2004	40.12181	040.BGR.SUTHERLAND FARMS II-A	7775 FT. OF 2" PE - SUTHERLAND FARMS 11-A - B.G.	Specific	27,808.71	29,205.00	-2205.06	26999.94	29,205.00	-2205.06
2005	40.12181	040.BGR.SUTHERLAND FARMS II-A	7775 FT. OF 2" PE - SUTHERLAND FARMS 11-A - B.G.	Specific	(808.77)	29,205.00	-2205.06	26999.94	29,205.00	-2205.06
2005	40.12182	040.BGR.NORTHRIDGE II	(blank)	Specific	13,562.42	19,821.00	-6258.58	13562.42	19,821.00	-6258.58
2004	40.12184	040.BGR.BRENTWOOD PL - B.G.	2000' - 4" /100' 2" STL. & 2773' OF 2" PE- bRENTWOOD PL. - B.G.	Specific	73,039.43	52,195.00	3833.2	56028.2	52,195.00	3833.2
2005	40.12184	040.BGR.BRENTWOOD PL - B.G.	2000' - 4" /100' 2" STL. & 2773' OF 2" PE- bRENTWOOD PL. - B.G.	Specific	(17,011.23)	52,195.00	3833.2	56028.2	52,195.00	3833.2
2004	40.12185	040.STO.Kirkwood 6" Leak	Repair Leakage on Mads/K'wd 6" 9011400	Specific	985.12	24,636.00	-23679.53	956.47	24,636.00	-23679.53
2005	40.12185	040.STO.Kirkwood 6" Leak	Repair Leakage on Mads/K'wd 6" 9011400	Specific	(28.65)	24,636.00	-23679.53	956.47	24,636.00	-23679.53
2004	40.12186	040.OBO.HALL ST. REPLACEMENT	INSTALL 1000' OF 2" PE	Specific	22,943.06	26,308.77	-4032.97	22275.8	26,308.77	-4032.97
2005	40.12186	040.OBO.HALL ST. REPLACEMENT	INSTALL 1000' OF 2" PE	Specific	(667.26)	26,308.77	-4032.97	22275.8	26,308.77	-4032.97
2004	40.12187	040.Sto Pipeline Integrity	Purchase materials and labor to assist in Pipeline Integrity Management	Specific	24,705.13	49,884.00	-19646.95	30237.05	49,884.00	-19646.95
2005	40.12187	040.Sto Pipeline Integrity	Purchase materials and labor to assist in Pipeline Integrity Management	Specific	5,531.92	49,884.00	-19646.95	30237.05	49,884.00	-19646.95
2004	40.12191	040.SHV.LAW.GARDENS PH I	INSTALL 3240' OF 2" PE FOR THE GARDENS - LBURG	Specific	29,898.93	30,250.00	-1225.36	29024.64	30,250.00	-1225.36
2005	40.12191	040.SHV.LAW.GARDENS PH I	INSTALL 3240' OF 2" PE FOR THE GARDENS - LBURG	Specific	(874.29)	30,250.00	-1225.36	29024.64	30,250.00	-1225.36
2004	40.12192	040.SHV.LAW.GARDENS APPROACH	INSTALL 3000' OF 4" PE FOR THE GARDENS	Specific	26,970.97	29,500.00	-3313.44	26186.56	29,500.00	-3313.44
2005	40.12192	040.SHV.LAW.GARDENS APPROACH	INSTALL 3000' OF 4" PE FOR THE GARDENS	Specific	(784.41)	29,500.00	-3313.44	26186.56	29,500.00	-3313.44
2004	40.12198	040.OBO.FARMTAP PROJECT	CHANGING OVER FARMTAPS	Specific	14,486.28	117,910.09	58455.65	176365.74	117,910.09	58455.65
2005	40.12198	040.OBO.FARMTAP PROJECT	CHANGING OVER FARMTAPS	Specific	161,879.46	117,910.09	58455.65	176365.74	117,910.09	58455.65
2006	40.12198	040.OBO.FARMTAP PROJECT	CHANGING OVER FARMTAPS	Specific	852.73	117,910.09	(117,057.36)	177,218.47	117,910.09	59,308.38
2004	40.122	040.2609.MV-90 UPGRADE TO W2K	UPGRADE MV-90	Specific	53,848.08	40,747.00	11549.63	52296.63	40,747.00	11549.63
2005	40.122	040.2609.MV-90 UPGRADE TO W2K	UPGRADE MV-90	Specific	(1,551.45)	40,747.00	11549.63	52296.63	40,747.00	11549.63
2004	40.12201	040.BGR.600 BLK.HIGH REPLC	600 BLK. HIGH ST. REPLACEMENT - BOWLING GREEN	Specific	51,530.52	44,827.00	5204.84	50031.84	44,827.00	5204.84
2005	40.12201	040.BGR.600 BLK.HIGH REPLC	600 BLK. HIGH ST. REPLACEMENT - BOWLING GREEN	Specific	(1,498.68)	44,827.00	5204.84	50031.84	44,827.00	5204.84
2004	40.12202	040.DAN.WELDER-CONCRETE SAW	BOBCAT WELDER AND PROTABLE CONCRETE SAW	Specific	8,283.19	8,350.00	-307.71	8042.29	8,350.00	-307.71
2005	40.12202	040.DAN.WELDER-CONCRETE SAW	BOBCAT WELDER AND PROTABLE CONCRETE SAW	Specific	(240.90)	8,350.00	-307.71	8042.29	8,350.00	-307.71
2004	40.12203	040.DAN.TOOLS-CP TECHNICIAN	LOCATOR AND PROBES FOR CP TECHNICIAN	Specific	2,761.95	6,150.00	2170.81	8320.81	6,150.00	2170.81
2005	40.12203	040.DAN.TOOLS-CP TECHNICIAN	LOCATOR AND PROBES FOR CP TECHNICIAN	Specific	5,558.86	6,150.00	2170.81	8320.81	6,150.00	2170.81
2004	40.12204	040.DAN.LOCATORS-DVILLE-SVILLE	LOCATORS FOR DANVILLE AND SHELBYVILLE	Specific	6,859.15	7,600.00	-940.34	6659.66	7,600.00	-940.34
2005	40.12204	040.DAN.LOCATORS-DVILLE-SVILLE	LOCATORS FOR DANVILLE AND SHELBYVILLE	Specific	(199.49)	7,600.00	-940.34	6659.66	7,600.00	-940.34
2004	40.12205	040.DAN.SENSI GOLD - 3 REGION	SENSI GOLD ONE FOR EACH TOWN	Specific	9,872.46	9,800.00	-214.66	9585.34	9,800.00	-214.66
2005	40.12205	040.DAN.SENSI GOLD - 3 REGION	SENSI GOLD ONE FOR EACH TOWN	Specific	(287.12)	9,800.00	-214.66	9585.34	9,800.00	-214.66
2004	40.12214	040.MAD.Sterling Creek	INSTALL 773' 2" PE	Specific	3,457.00	5,224.98	-1868.52	3356.46	5,224.98	-1868.52
2005	40.12214	040.MAD.Sterling Creek	INSTALL 773' 2" PE	Specific	(100.54)	5,224.98	-1868.52	3356.46	5,224.98	-1868.52
2005	40.12215	040.SHV.EH-5 MUELLER TAP EQUIP	EH-5 MUELLER TAPPING EQUIPMENT	Specific	15,361.33	12,200.00	3161.33	15361.33	12,200.00	3161.33
2006	40.12215	040.SHV.EH-5 MUELLER TAP EQUIP	EH-5 MUELLER TAPPING EQUIPMENT	Specific	1,902.63	12,200.00	(10,297.37)	17,263.96	12,200.00	5,063.96
2004	40.12216	040.OBO.BANK ST.	INSTALL 245' OF 2" PE	Specific	4,022.25	3,515.37	389.9	3905.27	3,515.37	389.9
2005	40.12216	040.OBO.BANK ST.	INSTALL 245' OF 2" PE	Specific	(116.98)	3,515.37	389.9	3905.27	3,515.37	389.9
2004	40.12219	040.PAD.Hickory St Rev Ext	200' - 2" P.E along Hickory St for Robert Florence	Specific	3,149.18	1,411.00	1646.59	3057.59	1,411.00	1646.59
2005	40.12219	040.PAD.Hickory St Rev Ext	200' - 2" P.E along Hickory St for Robert Florence	Specific	(91.59)	1,411.00	1646.59	3057.59	1,411.00	1646.59
2004	40.1222	040.OBO.LINE LOCATORS	PURCHASE 2 LINE LOCATORS	Specific	10,076.25	10,068.36	-285.16	9783.2	10,068.36	-285.16
2005	40.1222	040.OBO.LINE LOCATORS	PURCHASE 2 LINE LOCATORS	Specific	(293.05)	10,068.36	-285.16	9783.2	10,068.36	-285.16
2004	40.12221	040.PAD.Tyree Rd Rev Ext	Install 500' - 2" P.E for new commercial development/ Keith English/ Tyree Rd	Specific	2,337.94	2,681.52	-411.58	2269.94	2,681.52	-411.58
2005	40.12221	040.PAD.Tyree Rd Rev Ext	Install 500' - 2" P.E for new commercial development/ Keith English/ Tyree Rd	Specific	(68.00)	2,681.52	-411.58	2269.94	2,681.52	-411.58
2004	40.12223	040.STO.St.Ch Comp Pipe Ck Val	Installing 8" Check Valve in Discharge Run	Specific	10,487.26	13,601.00	-3418.74	10182.26	13,601.00	-3418.74
2005	40.12223	040.STO.St.Ch Comp Pipe Ck Val	Installing 8" Check Valve in Discharge Run	Specific	(305.00)	13,601.00	-3418.74	10182.26	13,601.00	-3418.74
2004	40.12225	040.STO - Land and R/W Pur.	Purchase Property and additional 8" right-of-way at Bon Harbor Storage Field	Specific	85,054.08	85,000.00	-2419.58	82580.42	85,000.00	-2419.58

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12225	040.STO - Land and R/W Pur.	Purchase Property and additional 8" right-of-way at Bon Harbor Storage Field	Specific	(2,473.66)	85,000.00	-2419.58	82580.42	85,000.00	-2419.58
2004	40.12226	040.CAM.LEB.NORTH INDUST PARK	INSTALL 3000' OF 4" PE FOR NORTH INDUSTRIAL PARK	Specific	15,926.06	20,900.00	5914.2	26814.2	20,900.00	5914.2
2005	40.12226	040.CAM.LEB.NORTH INDUST PARK	INSTALL 3000' OF 4" PE FOR NORTH INDUSTRIAL PARK	Specific	10,888.14	20,900.00	5914.2	26814.2	20,900.00	5914.2
2004	40.12228	040.OBO.CLOVERPORT ALLEY	REPLACE 6" STL. WITH 1280' OF 4" PE	Specific	82,394.63	89,487.39	-31.87	89455.52	89,487.39	-31.87
2005	40.12228	040.OBO.CLOVERPORT ALLEY	REPLACE 6" STL. WITH 1280' OF 4" PE	Specific	7,060.89	89,487.39	-31.87	89455.52	89,487.39	-31.87
2004	40.12229	040.CAM.LOCATOR - REPLACEMENT	LOCATOR - DITCH WITCH - REPLCAEMENT	Specific	9,704.86	5,090.00	4332.61	9422.61	5,090.00	4332.61
2005	40.12229	040.CAM.LOCATOR - REPLACEMENT	LOCATOR - DITCH WITCH - REPLCAEMENT	Specific	(282.25)	5,090.00	4332.61	9422.61	5,090.00	4332.61
2004	40.1223	040.PAD.Crooked Creek Relocate	Install 615' - 8" T'line (400 maop)/ Abandon 496' - 8" Steel	Specific	131,582.47	41,212.72	46589.26	87801.98	41,212.72	46589.26
2005	40.1223	040.PAD.Crooked Creek Relocate	Install 615' - 8" T'line (400 maop)/ Abandon 496' - 8" Steel	Specific	(43,780.49)	41,212.72	46589.26	87801.98	41,212.72	46589.26
2005	40.12232	040.PTON.Fredonia Sys Imp	Replace "bad" farm taps in Fredonia	Specific	23,203.02	5,683.83	17519.19	23203.02	5,683.83	17519.19
2004	40.12233	040.IT.BG.Phone System	Bowling Green Phone System	Specific	68,723.69	68,669.00	-1944.03	66724.97	68,669.00	-1944.03
2005	40.12233	040.IT.BG.Phone System	Bowling Green Phone System	Specific	(1,998.72)	68,669.00	-1944.03	66724.97	68,669.00	-1944.03
2004	40.12234	040.IT.Obo.Phone System	Owensboro Phone system	Specific	76,991.99	68,669.00	6102.74	74771.74	68,669.00	6102.74
2005	40.12234	040.IT.Obo.Phone System	Owensboro Phone system	Specific	(2,220.25)	68,669.00	6102.74	74771.74	68,669.00	6102.74
2004	40.12235	040.IT.OBO.SVC.PHONE SYTEM	OWENSBORO SERVICE CENTER PHONE SYSTEM	Specific	68,723.71	68,642.00	-1917.01	66724.99	68,642.00	-1917.01
2005	40.12235	040.IT.OBO.SVC.PHONE SYTEM	OWENSBORO SERVICE CENTER PHONE SYSTEM	Specific	(1,998.72)	68,642.00	-1917.01	66724.99	68,642.00	-1917.01
2004	40.12236	040.IT.ITRON REPLACEMENT	REPLACE 4 ITRONS	Specific	6,630.09	8,078.00	-1640.74	6437.26	8,078.00	-1640.74
2005	40.12236	040.IT.ITRON REPLACEMENT	REPLACE 4 ITRONS	Specific	(192.83)	8,078.00	-1640.74	6437.26	8,078.00	-1640.74
2004	40.12237	040.BGR.MOORMAN/BON AIRE RET	MOORMAN LN / BON AIRE REG. STA. RETIREMENT - B.G.	Specific	7,811.50	14,263.00	-6678.68	7584.32	14,263.00	-6678.68
2005	40.12237	040.BGR.MOORMAN/BON AIRE RET	MOORMAN LN / BON AIRE REG. STA. RETIREMENT - B.G.	Specific	(227.18)	14,263.00	-6678.68	7584.32	14,263.00	-6678.68
2004	40.1224	040.BGR.31W&BROADWAY REPLC	BROADWAY AVE & HWY 31 BYPASS REPLC. - B..G.	Specific	71,059.75	57,061.00	11932.1	68993.1	57,061.00	11932.1
2005	40.1224	040.BGR.31W&BROADWAY REPLC	BROADWAY AVE & HWY 31 BYPASS REPLC. - B..G.	Specific	(2,066.65)	57,061.00	11932.1	68993.1	57,061.00	11932.1
2004	40.12241	040.BGR.1100 BLK.ADAMS REPLC	1100 BLK. OF ADAMS REPLACEMENT - BOWLING GREEN	Specific	74,809.07	77,025.00	-4391.63	72633.37	77,025.00	-4391.63
2005	40.12241	040.BGR.1100 BLK.ADAMS REPLC	1100 BLK. OF ADAMS REPLACEMENT - BOWLING GREEN	Specific	(2,175.70)	77,025.00	-4391.63	72633.37	77,025.00	-4391.63
2004	40.12242	040.BGR.1400 BLK. KENTON REPLC	1400 BLK OF KENTON REPLACEMENT - BOWLING GREEN	Specific	30,636.07	35,326.00	-5580.93	29745.07	35,326.00	-5580.93
2005	40.12242	040.BGR.1400 BLK. KENTON REPLC	1400 BLK OF KENTON REPLACEMENT - BOWLING GREEN	Specific	(891.00)	35,326.00	-5580.93	29745.07	35,326.00	-5580.93
2004	40.12243	040.BGR.600 BLK ORCHARD REPLC	600 BLK. OF ORCHARD ST REPLACEMENT - BOWLING GREEN	Specific	30,148.48	43,179.00	-8582.34	34596.66	43,179.00	-8582.34
2005	40.12243	040.BGR.600 BLK ORCHARD REPLC	600 BLK. OF ORCHARD ST REPLACEMENT - BOWLING GREEN	Specific	4,448.18	43,179.00	-8582.34	34596.66	43,179.00	-8582.34
2004	40.12244	040.BGR-600 BLK 10TH REPLC.	600 BLOCK OF EAST 10TH REPLACEMENT - BOWLING GREEN	Specific	29,793.20	40,842.00	4987.87	45829.87	40,842.00	4987.87
2005	40.12244	040.BGR-600 BLK 10TH REPLC.	600 BLOCK OF EAST 10TH REPLACEMENT - BOWLING GREEN	Specific	16,036.67	40,842.00	4987.87	45829.87	40,842.00	4987.87
2004	40.12245	040.BGR-1500 BLK. KENTON REPLC	1500 BLK. OF KENTON ST. REPLACEMENT - BOWLING GREEN	Specific	48,014.16	30,028.00	16589.75	46617.75	30,028.00	16589.75
2005	40.12245	040.BGR-1500 BLK. KENTON REPLC	1500 BLK. OF KENTON ST. REPLACEMENT - BOWLING GREEN	Specific	(1,396.41)	30,028.00	16589.75	46617.75	30,028.00	16589.75
2004	40.12246	040.BGR.100 BLK E. 11TH REPLC.	100 BLK. OF E. 11TH. REPLACEMENT - BOWLING GREEN	Specific	19,259.16	13,828.00	6179.22	20007.22	13,828.00	6179.22
2005	40.12246	040.BGR.100 BLK E. 11TH REPLC.	100 BLK. OF E. 11TH. REPLACEMENT - BOWLING GREEN	Specific	748.06	13,828.00	6179.22	20007.22	13,828.00	6179.22
2004	40.12247	040.BGR.200 BLK E 11TH REPLC	200 BLK. OF EAST 11TH. REPLACEMENT - BOWLING GREEN	Specific	37,672.25	40,362.00	-3785.39	36576.61	40,362.00	-3785.39
2005	40.12247	040.BGR.200 BLK E 11TH REPLC	200 BLK. OF EAST 11TH. REPLACEMENT - BOWLING GREEN	Specific	(1,095.64)	40,362.00	-3785.39	36576.61	40,362.00	-3785.39
2004	40.12248	040.BGR.CHESTNUT ST. REPLC	400 - 600 BLK. CHESTNUT ST. REPLACEMENT - BOWLING GREEN	Specific	57,884.41	69,599.00	-1150.55	68448.45	69,599.00	-1150.55
2005	40.12248	040.BGR.CHESTNUT ST. REPLC	400 - 600 BLK. CHESTNUT ST. REPLACEMENT - BOWLING GREEN	Specific	10,564.04	69,599.00	-1150.55	68448.45	69,599.00	-1150.55
2004	40.12249	040.SHV.LOCUST CRK S IV	INSTALL 850' OF 4" AND 1400' OF 2" W/SERVICES	Specific	34,601.05	35,990.00	-2288.01	33701.99	35,990.00	-2288.01
2005	40.12249	040.SHV.LOCUST CRK S IV	INSTALL 850' OF 4" AND 1400' OF 2" W/SERVICES	Specific	(899.06)	35,990.00	-2288.01	33701.99	35,990.00	-2288.01
2004	40.12251	040.tcsvc.meas.MtrOutsourcing	Outsourcing of meters	Specific	54,788.90	86,699.00	-33503.55	53195.45	86,699.00	-33503.55
2005	40.12251	040.tcsvc.meas.MtrOutsourcing	Outsourcing of meters	Specific	(1,593.45)	86,699.00	-33503.55	53195.45	86,699.00	-33503.55
2004	40.12252	040.MAD.POWDERLY GROUND BED	REPLACE DEPLETING GROUND BED	Specific	15,768.92	30,872.33	-15103.41	15768.92	30,872.33	-15103.41
2004	40.12253	040.MAD.HUDSON PARK DR.	INSTALL 300' 2 " PE	Specific	1,301.29	3,509.43	-23.24	3486.19	3,509.43	-23.24
2005	40.12253	040.MAD.HUDSON PARK DR.	INSTALL 300' 2 " PE	Specific	2,184.90	3,509.43	-23.24	3486.19	3,509.43	-23.24
2004	40.12254	040.PTON.Pheonix Dr Rev Ext	Install 450' - 2" P.E for four commercial lots located off Lakota Dr in Cadiz	Specific	3,412.41	2,761.31	551.86	3313.17	2,761.31	551.86
2005	40.12254	040.PTON.Pheonix Dr Rev Ext	Install 450' - 2" P.E for four commercial lots located off Lakota Dr in Cadiz	Specific	(99.24)	2,761.31	551.86	3313.17	2,761.31	551.86
2005	40.12255	040.SHV.PARTRIDGE RUN SEC III	INSTALL 1900' OF 2" PE W/SERVICES	Specific	14,584.95	11,750.00	2834.95	14584.95	11,750.00	2834.95
2004	40.12256	040.OBO.E 24TH. ST.	REPLACE 850' STL. WITH 4" PE	Specific	39,838.60	45,430.60	-6750.64	38679.96	45,430.60	-6750.64
2005	40.12256	040.OBO.E 24TH. ST.	REPLACE 850' STL. WITH 4" PE	Specific	(1,158.64)	45,430.60	-6750.64	38679.96	45,430.60	-6750.64
2004	40.12257	040.SHV.MUELLER VALVE CHANGER	TWO MUELLER H-17010 NO-BLO VALVE CHANGER - CVILLE & SVILLE	Specific	4,088.96	7,700.00	978.19	8678.19	7,700.00	978.19
2005	40.12257	040.SHV.MUELLER VALVE CHANGER	TWO MUELLER H-17010 NO-BLO VALVE CHANGER - CVILLE & SVILLE	Specific	4,589.23	7,700.00	978.19	8678.19	7,700.00	978.19
2004	40.12258	040.2609.ODORTANK DISP EAST	DISPOSAL OF 12 ODORANT TANKS	Specific	48,890.48	96,187.00	-47296.52	48890.48	96,187.00	-47296.52
2005	40.12258	040.2609.ODORTANK DISP EAST	DISPOSAL OF 12 ODORANT TANKS	Specific	(228.49)	96,187.00	(96,415.49)	48,661.99	96,187.00	(47,525.01)
2006	40.12258	040.2609.ODORTANK DISP EAST	DISPOSAL OF 12 ODORANT TANKS	Specific	361.79	98,207.00	-39763.28	58443.72	98,207.00	-39763.28
2004	40.12259	040.2609.ODORTANK DISP WEST	DISPOSAL OF 10 ODORANT TANKS AND 4 DRUMS AND MISC ITEMS	Specific	58,081.93	98,207.00	-39763.28	58443.72	98,207.00	-39763.28
2005	40.12259	040.2609.ODORTANK DISP WEST	DISPOSAL OF 10 ODORANT TANKS AND 4 DRUMS AND MISC ITEMS	Specific	(273.49)	98,207.00	(98,480.49)	58,170.23	98,207.00	(40,036.77)
2006	40.12259	040.2609.ODORTANK DISP WEST	DISPOSAL OF 10 ODORANT TANKS AND 4 DRUMS AND MISC ITEMS							

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2004	40.1226	040.BGR.FRK.COLLEGE ST REPLC	900 FT. OF 2" PE - COLLEGE ST. REPLC. - FRANKLIN	Specific	5,203.07	25,319.00	-13397.7	11921.3	25,319.00	-13397.7
2005	40.1226	040.BGR.FRK.COLLEGE ST REPLC	900 FT. OF 2" PE - COLLEGE ST. REPLC. - FRANKLIN	Specific	6,718.23	25,319.00	-13397.7	11921.3	25,319.00	-13397.7
2006	40.1226	040.BGR.FRK.COLLEGE ST REPLC	900 FT. OF 2" PE - COLLEGE ST. REPLC. - FRANKLIN	Specific	537.39	25,319.00	(24,781.61)	12,458.69	25,319.00	(12,860.31)
2004	40.12262	040.BGR.FRK KV REPLC W. MAD.	WEST MADISON & JOHN J. JOHNSON KV REPLC. - FRANKLIN	Specific	6,680.35	18,547.00	-6490.33	12056.67	18,547.00	-6490.33
2005	40.12262	040.BGR.FRK KV REPLC W. MAD.	WEST MADISON & JOHN J. JOHNSON KV REPLC. - FRANKLIN	Specific	5,376.32	18,547.00	-6490.33	12056.67	18,547.00	-6490.33
2006	40.12262	040.BGR.FRK KV REPLC W. MAD.	WEST MADISON & JOHN J. JOHNSON KV REPLC. - FRANKLIN	Specific	39.66	18,547.00	(18,507.34)	12,096.33	18,547.00	(6,450.67)
2004	40.12263	040.MAD.ISLAND FORD RD.	RELOCATE FARM TAP	Specific	9,292.36	8,882.00	-8470.41	411.59	8,882.00	-8470.41
2005	40.12263	040.MAD.ISLAND FORD RD.	RELOCATE FARM TAP	Specific	(8,880.77)	8,882.00	-8470.41	411.59	8,882.00	-8470.41
2004	40.12264	040.MAD.Lakewood Subdivision	Install 1,367' 2" PE	Specific	5,280.61	7,518.67	-2391.64	5127.03	7,518.67	-2391.64
2005	40.12264	040.MAD.Lakewood Subdivision	Install 1,367' 2" PE	Specific	(153.58)	7,518.67	-2391.64	5127.03	7,518.67	-2391.64
2004	40.12265	040.MAD.LAKE CHESTER DR.	INSTALL 85' OF 2" PE, RETIRE REG. LOOP	Specific	1,677.44	2,215.41	-586.76	1628.65	2,215.41	-586.76
2005	40.12265	040.MAD.LAKE CHESTER DR.	INSTALL 85' OF 2" PE, RETIRE REG. LOOP	Specific	(48.79)	2,215.41	-586.76	1628.65	2,215.41	-586.76
2006	40.1227	040.BGR.10TH 3" BARE RET.	RETIRE 550' OF 3" BARE - 100 BLK. 10TH.- B.G.	Specific	175.89	16,752.00	(16,576.11)	175.89	16,752.00	(16,576.11)
2004	40.12271	040.BGR.NEW OFF. FURNITURE	OFFICE FURNITURE - B.G.	Specific	126,426.50	124,817.00	1221.74	126038.74	124,817.00	1221.74
2005	40.12271	040.BGR.NEW OFF. FURNITURE	OFFICE FURNITURE - B.G.	Specific	(387.76)	124,817.00	1221.74	126038.74	124,817.00	1221.74
2004	40.12272	040.BGR.NEW OFF. TRAINING RM.	NEW B.G. OFFICE - TRAINING ROON & SERVICE AREA FURNITURE	Specific	123,670.70	124,817.00	-1521.4	123295.6	124,817.00	-1521.4
2005	40.12272	040.BGR.NEW OFF. TRAINING RM.	NEW B.G. OFFICE - TRAINING ROON & SERVICE AREA FURNITURE	Specific	(375.10)	124,817.00	-1521.4	123295.6	124,817.00	-1521.4
2004	40.12273	040.BGR.NEW OFF DECOR & FURN	B.G. NEW OFFICE FURNISHINGS & DECOR	Specific	126,426.52	124,817.00	1221.76	126038.76	124,817.00	1221.76
2005	40.12273	040.BGR.NEW OFF DECOR & FURN	B.G. NEW OFFICE FURNISHINGS & DECOR	Specific	(387.76)	124,817.00	1221.76	126038.76	124,817.00	1221.76
2004	40.12274	040.MAD.FLAMEPACK	PURCHASE 1 FLAMEPACK	Specific	6,043.64	6,038.90	-171.03	5867.87	6,038.90	-171.03
2005	40.12274	040.MAD.FLAMEPACK	PURCHASE 1 FLAMEPACK	Specific	(175.77)	6,038.90	-171.03	5867.87	6,038.90	-171.03
2004	40.12275	040.PTON.ST. CHARLES YZ	INSTALL YZ ODORIZER @ ST. CHARLES	Specific	44,967.52	57,379.68	-4357.05	53022.63	57,379.68	-4357.05
2005	40.12275	040.PTON.ST. CHARLES YZ	INSTALL YZ ODORIZER @ ST. CHARLES	Specific	8,055.11	57,379.68	-4357.05	53022.63	57,379.68	-4357.05
2004	40.12276	040.OBO.ULTRA SHORE EQUIPMENT	PURCHASE ULTRA SHORE EQUIPMENT	Specific	38,509.52	40,659.63	-3270.1	37389.53	40,659.63	-3270.1
2005	40.12276	040.OBO.ULTRA SHORE EQUIPMENT	PURCHASE ULTRA SHORE EQUIPMENT	Specific	(1,119.99)	40,659.63	-3270.1	37389.53	40,659.63	-3270.1
2004	40.12277	040.Sto Bushhog Purchase	Purchase 2 Bushhogs	Specific	16,234.96	15,463.00	299.79	15762.79	15,463.00	299.79
2005	40.12277	040.Sto Bushhog Purchase	Purchase 2 Bushhogs	Specific	(472.17)	15,463.00	299.79	15762.79	15,463.00	299.79
2004	40.12278	040.Mea.Tecsvc.Regulators	Regulators for engineered applications	Specific	16,744.78	23,760.00	-7188.79	16571.21	23,760.00	-7188.79
2005	40.12278	040.Mea.Tecsvc.Regulators	Regulators for engineered applications	Specific	(173.57)	23,760.00	-7188.79	16571.21	23,760.00	-7188.79
2006	40.12278	040.Mea.Tecsvc.Regulators	Regulators for engineered applications	Specific	1,067.94	23,760.00	(22,692.06)	17,639.15	23,760.00	(6,120.85)
2004	40.12279	040.Meas.tcsvc.Detex.Hop.	Detex unit for Hopkinsville	Specific	5,382.76	5,346.00	-119.79	5226.21	5,346.00	-119.79
2005	40.12279	040.Meas.tcsvc.Detex.Hop.	Detex unit for Hopkinsville	Specific	(156.55)	5,346.00	-119.79	5226.21	5,346.00	-119.79
2004	40.1228	040.OBO.STERLING PARK PHASE 2	INSTALL 2091' 2" PE	Specific	15,278.47	9,840.34	2199.99	12040.33	9,840.34	2199.99
2005	40.1228	040.OBO.STERLING PARK PHASE 2	INSTALL 2091' 2" PE	Specific	(3,238.14)	9,840.34	2199.99	12040.33	9,840.34	2199.99
2004	40.12281	040.OBO.PLANTATION PT. UNIT 2	INSTALL 1300' 2" PE	Specific	416.85	6,505.09	423.82	6928.91	6,505.09	423.82
2005	40.12281	040.OBO.PLANTATION PT. UNIT 2	INSTALL 1300' 2" PE	Specific	6,512.06	6,505.09	423.82	6928.91	6,505.09	423.82
2004	40.12282	040.PAD.Area Sys Imp	Part of ongoing effort to replace "bad" farm taps	Specific	29,491.90	27,309.90	1324.28	28634.18	27,309.90	1324.28
2005	40.12282	040.PAD.Area Sys Imp	Part of ongoing effort to replace "bad" farm taps	Specific	(857.72)	27,309.90	1324.28	28634.18	27,309.90	1324.28
2004	40.12283	040.Meas.Tcssvc.Logan Alum	Install Mooney Regulators@ Logan Aluminum	Specific	6,976.45	47,363.00	-24478.08	22884.92	47,363.00	-24478.08
2005	40.12283	040.Meas.Tcssvc.Logan Alum	Install Mooney Regulators@ Logan Aluminum	Specific	15,908.47	47,363.00	-24478.08	22884.92	47,363.00	-24478.08
2004	40.12284	040.PAD.Ascot Downs Ext	4,225' - 2" PE revenue extension	Specific	18,813.20	22,086.68	5623.95	27710.63	22,086.68	5623.95
2005	40.12284	040.PAD.Ascot Downs Ext	4,225' - 2" PE revenue extension	Specific	8,897.43	22,086.68	5623.95	27710.63	22,086.68	5623.95
2004	40.12285	040.OBO.CROSS CREEK PHASE 3	INSTALL 380' 2" PE	Specific	1,519.70	2,593.07	-1117.57	1475.5	2,593.07	-1117.57
2005	40.12285	040.OBO.CROSS CREEK PHASE 3	INSTALL 380' 2" PE	Specific	(44.20)	2,593.07	-1117.57	1475.5	2,593.07	-1117.57
2004	40.12286	040.MAD.CENTER ST.REPLACEMENT	REPLACE 400' 6" STL. WITH 4" PE	Specific	4,274.20	20,606.39	-16267.29	4339.1	20,606.39	-16267.29
2005	40.12286	040.MAD.CENTER ST.REPLACEMENT	REPLACE 400' 6" STL. WITH 4" PE	Specific	64.90	20,606.39	-16267.29	4339.1	20,606.39	-16267.29
2004	40.12288	040.PTON.Tools and Equipment	910 R Locator/ Wmson sight glass kit/ Sensit Gold detector/ 4" PE squeeze-off	Specific	4,533.06	13,434.16	-9032.94	4401.22	13,434.16	-9032.94
2005	40.12288	040.PTON.Tools and Equipment	910 R Locator/ Wmson sight glass kit/ Sensit Gold detector/ 4" PE squeeze-off	Specific	(131.84)	13,434.16	-9032.94	4401.22	13,434.16	-9032.94
2004	40.12289	040.PTON.No Blo Valve Changer	purchase no blo valve changer for Princeton	Specific	4,089.44	4,043.44	48.46	4091.9	4,043.44	48.46
2005	40.12289	040.PTON.No Blo Valve Changer	purchase no blo valve changer for Princeton	Specific	2.46	4,043.44	48.46	4091.9	4,043.44	48.46
2004	40.1229	040.MAY.N 15th St Replace	Install 2,685' - 2" P.E to replace 2" bare	Specific	91,354.04	121,016.11	-31499.12	89516.99	121,016.11	-31499.12
2005	40.1229	040.MAY.N 15th St Replace	Install 2,685' - 2" P.E to replace 2" bare	Specific	(1,837.05)	121,016.11	-31499.12	89516.99	121,016.11	-31499.12
2004	40.12291	040.MAY.Commonwealth Ext	860' - 2" P.E rev ext for P.C.A on Commonwealth Drive	Specific	1,714.73	4,320.70	911.44	5232.14	4,320.70	911.44
2005	40.12291	040.MAY.Commonwealth Ext	860' - 2" P.E rev ext for P.C.A on Commonwealth Drive	Specific	3,517.41	4,320.70	911.44	5232.14	4,320.70	911.44
2004	40.12292	040-Sto. Hecla 6" line	Install 5000 feet of H/P steel	Specific	329,459.60	319,399.00	4926.82	324325.82	319,399.00	4926.82
2005	40.12292	040-Sto. Hecla 6" line	Install 5000 feet of H/P steel	Specific	(5,133.78)	319,399.00	4926.82	324325.82	319,399.00	4926.82
2004	40.12293	040.BGR.GLS.HWY101 REPLC	HWY 101 REPLC. - SMITHS GROVE	Specific	12,927.24	18,345.00	-5793.73	12551.27	18,345.00	-5793.73

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12293	040.BGR.GLS.HWY101 REPLC	HWY 101 REPLC. - SMITHS GROVE	Specific	(375.97)	18,345.00	-5793.73	12551.27	18,345.00	-5793.73
2004	40.12295	040.MEAS.Kirkwood 6 " Replace	Replace 2500 feet of H/P 6" steel	Specific	106,137.51	123,528.00	-20191.73	103336.27	123,528.00	-20191.73
2005	40.12295	040.MEAS.Kirkwood 6 " Replace	Replace 2500 feet of H/P 6" steel	Specific	(2,801.24)	123,528.00	-20191.73	103336.27	123,528.00	-20191.73
2004	40.12298	040.PAD.Flat Hollow Rev Ext	880' - 2" P.E revenue extension for Brady Wynn	Specific	1,817.83	4,445.65	-2653.89	1791.76	4,445.65	-2653.89
2005	40.12298	040.PAD.Flat Hollow Rev Ext	880' - 2" P.E revenue extension for Brady Wynn	Specific	(26.07)	4,445.65	-2653.89	1791.76	4,445.65	-2653.89
2004	40.123	040.MAY.N Sutton Ln Rev Ext	125' - 2" P.E extension along N Sutton Ln for Michael Crouch new home	Specific	509.46	911.00	395.21	1306.21	911.00	395.21
2005	40.123	040.MAY.N Sutton Ln Rev Ext	125' - 2" P.E extension along N Sutton Ln for Michael Crouch new home	Specific	796.75	911.00	395.21	1306.21	911.00	395.21
2004	40.12301	040.BGR.4TH&COLLEGE REPLC	405 FT.OF 2" pe - 4TH & COLLEGE REPLC. - B.G.	Specific	21,223.60	33,483.00	-12881.7	20601.3	33,483.00	-12881.7
2005	40.12301	040.BGR.4TH&COLLEGE REPLC	405 FT.OF 2" pe - 4TH & COLLEGE REPLC. - B.G.	Specific	(622.30)	33,483.00	-12881.7	20601.3	33,483.00	-12881.7
2004	40.12302	040.BGR.WAREHOUSE BINS	NEW WAREHOUSE BINS & SHELVING - BOWLING GREEN	Specific	32,595.89	48,473.00	-8286.55	40186.45	48,473.00	-8286.55
2005	40.12302	040.BGR.WAREHOUSE BINS	NEW WAREHOUSE BINS & SHELVING - BOWLING GREEN	Specific	7,590.56	48,473.00	-8286.55	40186.45	48,473.00	-8286.55
2004	40.12303	040.BGR.WELD SHOP LOCKERS	NEW B.G. WELDING SHOP LOCKERS & WORK BENCHES	Specific	49,065.69	48,473.00	17996.86	66469.86	48,473.00	17996.86
2005	40.12303	040.BGR.WELD SHOP LOCKERS	NEW B.G. WELDING SHOP LOCKERS & WORK BENCHES	Specific	17,404.17	48,473.00	17996.86	66469.86	48,473.00	17996.86
2004	40.12304	040.DAN.DEER MEADOWS	INSTALL 1500' OF 2" PE IN DEER MEADOWS FROM DOVE CHASE	Specific	2,107.17	4,570.00	-2523.12	2046.88	4,570.00	-2523.12
2005	40.12304	040.DAN.DEER MEADOWS	INSTALL 1500' OF 2" PE IN DEER MEADOWS FROM DOVE CHASE	Specific	(60.29)	4,570.00	-2523.12	2046.88	4,570.00	-2523.12
2005	40.12305	040.TEC SVC.SCANNER	HP DESIGNJET 815 MFP SCANNER	Specific	42,289.80	39,023.00	3266.8	42289.8	39,023.00	3266.8
2004	40.12306	040.Sto Compressor Engine	Completing the overhaul of the Bon Harbor Compressor Engine	Specific	163,431.24	124,212.00	-7666.04	116545.96	124,212.00	-7666.04
2005	40.12306	040.Sto Compressor Engine	Completing the overhaul of the Bon Harbor Compressor Engine	Specific	(46,885.28)	124,212.00	-7666.04	116545.96	124,212.00	-7666.04
2004	40.12308	aky.tcsvs.meas.2ndqtr meters	American meters for 2nd Quarter	Specific	154,274.08	116,983.00	32804.27	149787.27	116,983.00	32804.27
2005	40.12308	aky.tcsvs.meas.2ndqtr meters	American meters for 2nd Quarter	Specific	(4,486.81)	116,983.00	32804.27	149787.27	116,983.00	32804.27
2004	40.12309	aky.tcsvs.meas.3rdqtr meters	Meters for purchase in 3rd quarter	Specific	155,042.64	124,582.00	25951.48	150533.48	124,582.00	25951.48
2005	40.12309	aky.tcsvs.meas.3rdqtr meters	Meters for purchase in 3rd quarter	Specific	(4,509.16)	124,582.00	25951.48	150533.48	124,582.00	25951.48
2004	40.1231	040.BGR.SVC. REPLC. - CHESTNUT	SERVICE REPLACEMENTS 400 - 900 CHESTNUT - B.G.	Specific	15,650.52	71,849.00	5354.3	77203.3	71,849.00	5354.3
2005	40.1231	040.BGR.SVC. REPLC. - CHESTNUT	SERVICE REPLACEMENTS 400 - 900 CHESTNUT - B.G.	Specific	61,552.78	71,849.00	5354.3	77203.3	71,849.00	5354.3
2004	40.12312	040.BGR.ITA PHASE I - B.G.	TRANSPARK PHASE I - BOWLING GREEN	Specific	50,172.06	124,153.00	-75411.48	48741.52	124,153.00	-75411.48
2005	40.12312	040.BGR.ITA PHASE I - B.G.	TRANSPARK PHASE I - BOWLING GREEN	Specific	(1,430.54)	124,153.00	-75411.48	48741.52	124,153.00	-75411.48
2004	40.12313	040.BGR.IYA PHASE I-A - B.G.	ITA PHASE I-A TO MAGNA - BOWLING GREEN	Specific	58,148.06	124,124.00	-67667.08	56456.92	124,124.00	-67667.08
2005	40.12313	040.BGR.IYA PHASE I-A - B.G.	ITA PHASE I-A TO MAGNA - BOWLING GREEN	Specific	(1,691.14)	124,124.00	-67667.08	56456.92	124,124.00	-67667.08
2004	40.12314	040.CAM.GREENSBURG CONNECTOR	REPLACE 1300' OF 2" PE W/ 1700' OF 4" PE AND 100' 2" PE RETIRE 2" STEEL AND PE	Specific	50,948.18	14,494.79	-1408.07	13086.72	14,494.79	-1408.07
2005	40.12314	040.CAM.GREENSBURG CONNECTOR	REPLACE 1300' OF 2" PE W/ 1700' OF 4" PE AND 100' 2" PE RETIRE 2" STEEL AND PE	Specific	(37,861.46)	14,494.79	-1408.07	13086.72	14,494.79	-1408.07
2004	40.12317	040.BGR.GLS.PARKVIEW 2"	410 FT. OF 2" PE- PARKVIEW (SQ. DEAL) - GLASGOW	Specific	4,244.70	1,477.00	2644.25	4121.25	1,477.00	2644.25
2005	40.12317	040.BGR.GLS.PARKVIEW 2"	410 FT. OF 2" PE- PARKVIEW (SQ. DEAL) - GLASGOW	Specific	(123.45)	1,477.00	2644.25	4121.25	1,477.00	2644.25
2004	40.12318	040.PAD.Ratchet Binders	To bring us into accordance with ne Federal Motor Carrier regulations, Affect ho	Specific	1,965.03	1,636.23	1969.61	3605.84	1,636.23	1969.61
2005	40.12318	040.PAD.Ratchet Binders	To bring us into accordance with ne Federal Motor Carrier regulations, Affect ho	Specific	1,640.81	1,636.23	1969.61	3605.84	1,636.23	1969.61
2005	40.12319	040.CAM.OLD PITMAN RD	INSTALL 1300' OF 2" PE FOR 24 LOTS OFF OLD PITMAN RD	Specific	4,960.82	5,800.00	-839.18	4960.82	5,800.00	-839.18
2004	40.1232	040.MAY.No-Blow Valve Changer	No-Blow valve changer for Mayfield	Specific	4,091.08	4,043.44	-71.34	3972.1	4,043.44	-71.34
2005	40.1232	040.MAY.No-Blow Valve Changer	No-Blow valve changer for Mayfield	Specific	(118.98)	4,043.44	-71.34	3972.1	4,043.44	-71.34
2005	40.12321	040.SHV.PIPE TRAILER	2" PE PIPE TRAILER 5605B	Specific	13,994.10	12,200.00	1794.1	13994.1	12,200.00	1794.1
2004	40.12323	040.SHV.LAW.HWY 62 TIE-IN	INSTALL 500' OF 4" PE FROM ANDERSON CROSSING TO HWY 62 2" PE	Specific	9,950.21	8,950.00	946.15	9896.15	8,950.00	946.15
2005	40.12323	040.SHV.LAW.HWY 62 TIE-IN	INSTALL 500' OF 4" PE FROM ANDERSON CROSSING TO HWY 62 2" PE	Specific	(54.06)	8,950.00	946.15	9896.15	8,950.00	946.15
2004	40.12324	040.BGR.MAGNA METER SET	MAGNA METER SET & METER - BOWLING GREEN	Specific	19,836.88	23,010.00	-3303.08	19706.92	23,010.00	-3303.08
2005	40.12324	040.BGR.MAGNA METER SET	MAGNA METER SET & METER - BOWLING GREEN	Specific	(129.96)	23,010.00	-3303.08	19706.92	23,010.00	-3303.08
2004	40.12325	040.BGR.HOPK. WATER PUMP	WATER PUMP REPLC. - HOPKINSVILLE	Specific	3,096.00	2,917.00	88.96	3005.96	2,917.00	88.96
2005	40.12325	040.BGR.HOPK. WATER PUMP	WATER PUMP REPLC. - HOPKINSVILLE	Specific	(90.04)	2,917.00	88.96	3005.96	2,917.00	88.96
2004	40.12326	040.BOWLING GREEN COMPUTER	UPGRADE COMPUTERS	Specific	41,687.34	48,432.00	-7976.01	40455.99	48,432.00	-7976.01
2005	40.12326	040.BOWLING GREEN COMPUTER	UPGRADE COMPUTERS	Specific	(1,231.35)	48,432.00	-7976.01	40455.99	48,432.00	-7976.01
2004	40.12327	040.BOWLING GREEN ROUTERS	INSTALLING ROUTERS	Specific	37,416.14	42,378.00	-6058.11	36319.89	42,378.00	-6058.11
2005	40.12327	040.BOWLING GREEN ROUTERS	INSTALLING ROUTERS	Specific	(1,096.25)	42,378.00	-6058.11	36319.89	42,378.00	-6058.11
2004	40.12329	040.DAN.SERVICE CENT RESURFACE	RESURFACE SERVICE CENTER PAKING LOT	Specific	7,308.57	8,100.00	-1003.99	7096.01	8,100.00	-1003.99
2005	40.12329	040.DAN.SERVICE CENT RESURFACE	RESURFACE SERVICE CENTER PAKING LOT	Specific	(212.56)	8,100.00	-1003.99	7096.01	8,100.00	-1003.99
2004	40.1233	040.OBO.POPLAR&W4TH.RPLMT	RETIRE 593' 10" CI & INSTALL 280' 6" PE	Specific	53,003.76	80,262.67	-1021.13	79241.54	80,262.67	-1021.13
2005	40.1233	040.OBO.POPLAR&W4TH.RPLMT	RETIRE 593' 10" CI & INSTALL 280' 6" PE	Specific	26,237.78	80,262.67	-1021.13	79241.54	80,262.67	-1021.13
2005	40.12332	040.PAD.Lovelaceville Rd Ext	950' - 4" P.E/ 425' - 2" P.E for new Lone Oak Fire Dept.	Specific	6,287.91	17,167.90	-10879.99	6287.91	17,167.90	-10879.99
2004	40.12333	040.PAD.Holt Road Sys Imp	Install 620' - 2" P.E to tie two systems together	Specific	4,244.01	4,650.77	1381.84	6032.61	4,650.77	1381.84
2005	40.12333	040.PAD.Holt Road Sys Imp	Install 620' - 2" P.E to tie two systems together	Specific	1,788.60	4,650.77	1381.84	6032.61	4,650.77	1381.84
2006	40.12333	040.PAD.Holt Road Sys Imp	Install 620' - 2" P.E to tie two systems together	Specific	(107.89)	4,650.77	(4,758.66)	5,924.72	4,650.77	1,273.95
2005	40.12334	040.PAD.Plantation Village Ext	2,060' - 2" P.E Revenue Extension for Mike Falconite/ 54 residential lots	Specific	9,958.44	9,294.23	664.21	9958.44	9,294.23	664.21

Atmos Energy Corporation

(Kentucky Division)
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Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2006	40.12334	040.PAD.Plantation Village Ext	2,060' - 2" P.E Revenue Extension for Mike Falconite/ 54 residential lots	Specific	(173.40)	9,294.23	(9,467.63)	9,785.04	9,294.23	490.81
2004	40.12335	040.OBO.SUMMER WALK	INSTALL 997' 2" PE	Specific	4,009.40	4,688.01	-796.34	3891.67	4,688.01	-796.34
2005	40.12335	040.OBO.SUMMER WALK	INSTALL 997' 2" PE	Specific	(117.73)	4,688.01	-796.34	3891.67	4,688.01	-796.34
2005	40.12336	040.aky.tcksvs.SR of Ky EFM	Install EFM @ SR of Kentucky	Specific	9,109.69	4,909.10	4200.59	9109.69	4,909.10	4200.59
2004	40.12337	040.OBO.BOOTH AVE. REPLACEMENT	INSTALL 480' 2"PE RETIRE 418'3"STL,106'2"STL,785'4"STL	Specific	42,801.88	64,273.35	-22963.01	41310.34	64,273.35	-22963.01
2005	40.12337	040.OBO.BOOTH AVE. REPLACEMENT	INSTALL 480' 2"PE RETIRE 418'3"STL,106'2"STL,785'4"STL	Specific	(1,491.54)	64,273.35	-22963.01	41310.34	64,273.35	-22963.01
2004	40.12338	040.CAM.LEB.HENDRICKSON DR	INSTALL 850' OF 4" PE AND FARM TAP STATION W/BYPASS	Specific	10,244.20	17,150.00	2491.9	19641.9	17,150.00	2491.9
2005	40.12338	040.CAM.LEB.HENDRICKSON DR	INSTALL 850' OF 4" PE AND FARM TAP STATION W/BYPASS	Specific	9,397.70	17,150.00	2491.9	19641.9	17,150.00	2491.9
2006	40.12338	040.CAM.LEB.HENDRICKSON DR	INSTALL 850' OF 4" PE AND FARM TAP STATION W/BYPASS	Specific	2,260.00	17,150.00	(14,890.00)	21,901.90	17,150.00	4,751.90
2005	40.12339	040.meas.tcsvc.Columbia EFM	INstall EFM @ Columbia Special Metals, LLC	Specific	6,505.46	4,909.10	1596.36	6505.46	4,909.10	1596.36
2005	40.1234	040.SHV.MIDLAND SEC VII	INSTALL 1250' OF 2" PE FOR 32 LOTS W/15 SERVICES	Specific	15,130.20	14,575.00	555.2	15130.2	14,575.00	555.2
2005	40.12341	040.SHV.CARRINGTON PLACE PH II	INSTALL 750' OF 2" PE AND 7 SERVICES FOR APARTMENTS	Specific	5,952.05	6,420.00	-467.95	5952.05	6,420.00	-467.95
2005	40.12342	040.SHV.NORTH COUNTRY SIV PII	INSTALL 1800' OF 2" PE NORTH COUNTRY 4-2 W/5 LS SERVICES	Specific	16,787.49	14,625.00	2162.49	16787.49	14,625.00	2162.49
2005	40.12344	040.BGR.CUMBERLAND TRACE	CUMBERLAND TRACE SYSTEM INPROV. - BOWLING GREEN	Specific	68,833.64	93,839.00	-25005.36	68833.64	93,839.00	-25005.36
2004	40.12345	040.PTON.Marion T.B Lot	purchase of 20' x 20' lot to house the new marion T.B lot	Specific	26,229.37	26,130.87	-664.34	25466.53	26,130.87	-664.34
2005	40.12345	040.PTON.Marion T.B Lot	purchase of 20' x 20' lot to house the new marion T.B lot	Specific	(762.84)	26,130.87	-664.34	25466.53	26,130.87	-664.34
2004	40.12346	040.BGR.HOP.18TH & CAMPBELL	18TH & CAMPBELL BRIDGE REPLC. - ST. HWY - HOPK	Specific	20,291.00	22,303.00	-1498.78	20804.22	22,303.00	-1498.78
2005	40.12346	040.BGR.HOP.18TH & CAMPBELL	18TH & CAMPBELL BRIDGE REPLC. - ST. HWY - HOPK	Specific	513.22	22,303.00	-1498.78	20804.22	22,303.00	-1498.78
2004	40.12347	040.meas.tcsvc.4th Qtr Meters	Purchase of meters for 4th Quarter	Specific	75,882.24	95,387.00	-21790.67	73596.33	95,387.00	-21790.67
2005	40.12347	040.meas.tcsvc.4th Qtr Meters	Purchase of meters for 4th Quarter	Specific	(2,285.91)	95,387.00	-21790.67	73596.33	95,387.00	-21790.67
2004	40.12348	040.SHV.WALNUT-ADAIR C I MAIN	REPLACE 6" CAST IRON WITH 2" PE	Specific	90,760.30	108,350.00	2940.03	111290.03	108,350.00	2940.03
2005	40.12348	040.SHV.WALNUT-ADAIR C I MAIN	REPLACE 6" CAST IRON WITH 2" PE	Specific	20,529.73	108,350.00	2940.03	111290.03	108,350.00	2940.03
2004	40.12349	040.SHV.WALNUT-ADAIR CI SERV	REPLACE 49 SERVICES ON WALNUT,ADAIR,WASHINGTON WHEN REPLACING 6" CAST	Specific	53,587.75	76,450.00	-9945.97	66504.03	76,450.00	-9945.97
2005	40.12349	040.SHV.WALNUT-ADAIR CI SERV	REPLACE 49 SERVICES ON WALNUT,ADAIR,WASHINGTON WHEN REPLACING 6" CAST	Specific	12,916.28	76,450.00	-9945.97	66504.03	76,450.00	-9945.97
2004	40.1235	040.BGR.LINE LOCATOR	HEATH SURE LOCK LOCATOR - B.G.	Specific	7,352.56	7,348.00	-209.28	7138.72	7,348.00	-209.28
2005	40.1235	040.BGR.LINE LOCATOR	HEATH SURE LOCK LOCATOR - B.G.	Specific	(213.84)	7,348.00	-209.28	7138.72	7,348.00	-209.28
2004	40.12351	040.PAD.Ken-Bar Boiler	This project is to purchase boiler only. Seperate project for installation	Specific	16,524.38	18,025.82	3796.59	21822.41	18,025.82	3796.59
2005	40.12351	040.PAD.Ken-Bar Boiler	This project is to purchase boiler only. Seperate project for installation	Specific	5,298.03	18,025.82	3796.59	21822.41	18,025.82	3796.59
2006	40.12351	040.PAD.Ken-Bar Boiler	This project is to purchase boiler only. Seperate project for installation	Specific	822.45	18,025.82	(17,203.37)	22,644.86	18,025.82	4,619.04
2005	40.12352	040.PAD.Processmeter	Fluk 787 processmeter with case for 23/25/27	Specific	1,725.28	1,234.04	491.24	1725.28	1,234.04	491.24
2004	40.12353	040.STO.St. Charles Compressor	Overhaul compressor	Specific	31,318.49	32,315.00	-1907.36	30407.64	32,315.00	-1907.36
2005	40.12353	040.STO.St. Charles Compressor	Overhaul compressor	Specific	(910.85)	32,315.00	-1907.36	30407.64	32,315.00	-1907.36
2004	40.12354	040.STO.Bon Harbor Secur Fence	Install 1750 feet of Security Fence at the Bon Harbor Storage Facility	Specific	42,446.99	48,473.00	-7260.51	41212.49	48,473.00	-7260.51
2005	40.12354	040.STO.Bon Harbor Secur Fence	Install 1750 feet of Security Fence at the Bon Harbor Storage Facility	Specific	(1,234.50)	48,473.00	-7260.51	41212.49	48,473.00	-7260.51
2005	40.12356	Bowling Green 05 Growth Func	Bowling Green 05 Growth Func	Functional	1,369,375.21	Not Budgeted	-	1369375.21	Not Budgeted	-
2006	40.12356	Bowling Green 05 Growth Func	Bowling Green 05 Growth Func	Functional	9,780.31	Not Budgeted	-	1,379,155.52	Not Budgeted	-
2005	40.12357	Bowling Green 05 Non Growth	Bowling Green 05 Non Growth	Specific	2,274,695.00	Not Budgeted	-	2274695	Not Budgeted	-
2006	40.12357	Bowling Green 05 Non Growth	Bowling Green 05 Non Growth	Functional	(7,962.67)	Not Budgeted	-	2,266,732.33	Not Budgeted	-
2005	40.12358	Glasgow 05 Growth	Glasgow 05 Growth	Specific	186,173.08	Not Budgeted	-	186173.08	Not Budgeted	-
2006	40.12358	Glasgow 05 Growth	Glasgow 05 Growth	Functional	51.78	Not Budgeted	-	186,224.86	Not Budgeted	-
2005	40.12359	Glasgow 05 Non Growth	Glasgow 05 Non Growth	Specific	617,500.65	Not Budgeted	-	617500.65	Not Budgeted	-
2006	40.12359	Glasgow 05 Non Growth	Glasgow 05 Non Growth	Functional	408.56	Not Budgeted	-	617,909.21	Not Budgeted	-
2005	40.1236	Hopkinsville 05 Growth	Hopkinsville 05 Growth	Specific	156,476.76	Not Budgeted	-	156476.76	Not Budgeted	-
2006	40.1236	Hopkinsville 05 Growth	Hopkinsville 05 Growth	Functional	652.65	Not Budgeted	-	157,129.41	Not Budgeted	-
2005	40.12361	Hopkinsville 05 Non Growth	Hopkinsville 05 Non Growth	Specific	295,270.36	Not Budgeted	-	295270.36	Not Budgeted	-
2006	40.12361	Hopkinsville 05 Non Growth	Hopkinsville 05 Non Growth	Functional	(204.68)	Not Budgeted	-	295,065.68	Not Budgeted	-
2005	40.12362	Danville 05 Growth	Danville 05 Growth	Specific	373,761.89	Not Budgeted	-	373761.89	Not Budgeted	-
2006	40.12362	Danville 05 Growth	Danville 05 Growth	Functional	82.21	Not Budgeted	-	373,844.10	Not Budgeted	-
2005	40.12363	Danville 05 Non Growth	Danville 05 Non Growth	Specific	348,340.09	Not Budgeted	-	348340.09	Not Budgeted	-
2006	40.12363	Danville 05 Non Growth	Danville 05 Non Growth	Functional	97.70	Not Budgeted	-	348,437.79	Not Budgeted	-
2005	40.12364	Campbellsville 05 Growth	Campbellsville 05 Growth	Specific	159,858.35	Not Budgeted	-	159858.35	Not Budgeted	-
2006	40.12364	Campbellsville 05 Growth	Campbellsville 05 Growth	Functional	152.39	Not Budgeted	-	160,010.74	Not Budgeted	-
2005	40.12365	Campbellsville 05 Non Growth	Campbellsville 05 Non Growth	Specific	489,772.77	Not Budgeted	-	489772.77	Not Budgeted	-
2006	40.12365	Campbellsville 05 Non Growth	Campbellsville 05 Non Growth	Functional	149.13	Not Budgeted	-	489,921.90	Not Budgeted	-
2005	40.12366	Shelbyville 05 Growth	Shelbyville 05 Growth	Specific	597,938.35	Not Budgeted	-	597938.35	Not Budgeted	-
2006	40.12366	Shelbyville 05 Growth	Shelbyville 05 Growth	Functional	68.35	Not Budgeted	-	598,006.70	Not Budgeted	-
2005	40.12367	Shelbyville 05 Non Growth	Shelbyville 05 Non Growth	Specific	248,439.13	Not Budgeted	-	248439.13	Not Budgeted	-

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT
Functional and Specific Projects

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2006	40.12367	Shelbyville 05 Non Growth	Functional	79.80	Not Budgeted	-	248,518.93	Not Budgeted	-
2005	40.12368	Madisonville 05 Growth	Specific	228,766.42	Not Budgeted	-	228766.42	Not Budgeted	-
2006	40.12368	Madisonville 05 Growth	Functional	720.29	Not Budgeted	-	229,486.71	Not Budgeted	-
2005	40.12369	Madisonville 05 Non Growth	Specific	585,230.15	Not Budgeted	-	585230.15	Not Budgeted	-
2005	40.1237	Princeton 05 Growth	Specific	36,627.52	Not Budgeted	-	36627.52	Not Budgeted	-
2005	40.12371	Princeton 05 Non Growth	Specific	199,882.45	Not Budgeted	-	199882.45	Not Budgeted	-
2006	40.12371	Princeton 05 Non Growth	Functional	34.86	Not Budgeted	-	199,917.31	Not Budgeted	-
2005	40.12372	Owensboro 05 Growth	Specific	826,642.60	Not Budgeted	-	826642.6	Not Budgeted	-
2006	40.12372	Owensboro 05 Growth	Functional	254.11	Not Budgeted	-	826,896.71	Not Budgeted	-
2004	40.12373	Owensboro 05 Non Growth	Specific	1,128.13	Not Budgeted	-	1517213.29	Not Budgeted	-
2005	40.12373	Owensboro 05 Non Growth	Specific	1,516,085.16	Not Budgeted	-	1517213.29	Not Budgeted	-
2006	40.12373	Owensboro 05 Non Growth	Functional	(1,067.14)	Not Budgeted	-	1,516,146.15	Not Budgeted	-
2005	40.12374	Paducah 05 Growth	Specific	456,329.22	Not Budgeted	-	456329.22	Not Budgeted	-
2006	40.12374	Paducah 05 Growth	Functional	259.22	Not Budgeted	-	456,588.44	Not Budgeted	-
2005	40.12375	Paducah 05 Non Growth	Specific	454,630.07	Not Budgeted	-	454630.07	Not Budgeted	-
2006	40.12375	Paducah 05 Non Growth	Functional	(1,198.22)	Not Budgeted	-	453,431.85	Not Budgeted	-
2004	40.12376	Mayfield 05 Growth	Specific	1,288.51	Not Budgeted	-	153193.24	Not Budgeted	-
2005	40.12376	Mayfield 05 Growth	Specific	151,904.73	Not Budgeted	-	153193.24	Not Budgeted	-
2006	40.12376	Mayfield 05 Growth	Functional	83.86	Not Budgeted	-	153,277.10	Not Budgeted	-
2004	40.12377	Mayfield 05 Non Growth	Specific	746.63	Not Budgeted	-	332222.04	Not Budgeted	-
2005	40.12377	Mayfield 05 Non Growth	Specific	331,475.41	Not Budgeted	-	332222.04	Not Budgeted	-
2006	40.12377	Mayfield 05 Non Growth	Functional	344.99	Not Budgeted	-	332,567.03	Not Budgeted	-
2005	40.12378	040.MAY.Office Furniture	Specific	65,937.34	83,435.69	-17498.35	65937.34	83,435.69	-17498.35
2004	40.12379	040.BGR. MUELLER EQUIP	Specific	6,759.43	6,753.96	-142.57	6611.39	6,753.96	-142.57
2005	40.12379	040.BGR. MUELLER EQUIP	Specific	(148.04)	6,753.96	-142.57	6611.39	6,753.96	-142.57
2005	40.1238	040.OBO.THOROBRED XING PHASE 3	Specific	7,887.86	7,078.94	808.92	7887.86	7,078.94	808.92
2005	40.12381	040.OBO.LANEWOOD HILLS	Specific	11,013.76	8,801.59	2212.17	11013.76	8,801.59	2212.17
2005	40.12382	040.OBO.HIALEAH PARK(DOWNS)	Specific	14,921.44	12,416.63	2504.81	14921.44	12,416.63	2504.81
2005	40.12383	040.OBO.LUCKY STRIKE LOOP	Specific	9,895.61	7,840.13	2055.48	9895.61	7,840.13	2055.48
2005	40.12384	040.PAD.U.S Hwy 60 Rev Ext	Specific	(1,586.17)	1,033.99	-2620.16	-1586.17	1,033.99	-2620.16
2005	40.12385	040.OBO.WOODLAND RIDGE PHASE2	Specific	22,798.38	16,097.03	6701.35	22798.38	16,097.03	6701.35
2005	40.12386	040.PTON.Blackburn St Replace	Specific	21,714.61	14,443.95	7270.66	21714.61	14,443.95	7270.66
2005	40.12387	040.MAY.Hidden Hills Rev Ext	Specific	414.32	934.00	-519.68	414.32	934.00	-519.68
2005	40.12388	040.CAM.HIDDEN MEADOWS III	Specific	15,770.22	12,250.00	3520.22	15770.22	12,250.00	3520.22
2005	40.12389	040.LAW.HWY 44 - SMITHCO PROP	Specific	17,578.06	11,610.00	5968.06	17578.06	11,610.00	5968.06
2005	40.1239	040.DAN.FARM TAP - 150 BYPASS	Specific	6,265.02	15,650.00	-9384.98	6265.02	15,650.00	-9384.98
2006	40.1239	040.DAN.FARM TAP - 150 BYPASS	Specific	6,696.82	15,650.00	(8,953.18)	12,961.84	15,650.00	(2,688.16)
2005	40.12391	040.DAN.BYPASS - FIRE HOUSE	Specific	25,920.77	16,360.00	9560.77	25920.77	16,360.00	9560.77
2005	40.12392	040.SHV.BREIGHTON BUS II	Specific	14,133.11	12,325.00	1808.11	14133.11	12,325.00	1808.11
2005	40.12394	040.IT.DESKTOP COMPUTERS	Specific	48,105.17	44,294.00	3811.17	48105.17	44,294.00	3811.17
2005	40.12395	040.Meas.Tcssvc.EC Units	Specific	26,377.38	19,724.00	6653.38	26377.38	19,724.00	6653.38
2005	40.12396	040.tcsvsc.Meas.Magna.EFM	Specific	4,309.60	4,909.10	-599.5	4309.6	4,909.10	-599.5
2005	40.12397	040.Tcssvc.Meas.Kolbe.EFM	Specific	11,757.90	4,909.10	6848.8	11757.9	4,909.10	6848.8
2005	40.12398	040.Tcsvc.Meas.Scotty's.EFM	Specific	4,599.52	4,909.10	-309.58	4599.52	4,909.10	-309.58
2005	40.12399	040.Tcssvc.Meas.Eagle #3 EFM	Specific	6,479.98	4,909.10	1570.88	6479.98	4,909.10	1570.88
2005	40.12401	040.tcsvc.Meas.Rotary Meters	Specific	51,857.81	59,150.00	-7292.19	51857.81	59,150.00	-7292.19
2006	40.12401	040.tcsvc.Meas.Rotary Meters	Specific	295.71	59,150.00	(58,854.29)	52,153.52	59,150.00	(6,996.48)
2005	40.12402	040.OBO.W.11TH.ST. REPLACEMENT	Specific	19,083.68	30,730.15	-11646.47	19083.68	30,730.15	-11646.47
2005	40.12403	040.OBO.THE HIGHLANDS PHASE 1	Specific	22,963.72	23,209.29	-245.57	22963.72	23,209.29	-245.57
2005	40.12404	040.PAD.US 60/Bridge Relocate	Specific	10,742.69	7,982.04	2760.65	10742.69	7,982.04	2760.65
2005	40.12405	040.PAD.Highland Ch Rd Ext II	Specific	9,792.21	6,349.14	3443.07	9792.21	6,349.14	3443.07
2005	40.12406	040.PAD.Saxony Main Ext	Specific	4,670.03	2,352.73	2317.3	4670.03	2,352.73	2317.3
2005	40.12407	040.Tcsvc.Meas.SCADA	Specific	21,592.73	19,718.00	1874.73	21592.73	19,718.00	1874.73
2005	40.12408	040.Tcsvs.Meas.Outsourcing	Specific	125,740.98	56,025.00	69715.98	125740.98	56,025.00	69715.98
2005	40.12409	040.PAD.Old Friendship Rd Ext	Specific	5,093.55	2,642.30	2451.25	5093.55	2,642.30	2451.25
2005	40.1241	040.STO.Heckla 6" Pipe XRAYS	Specific	24,143.82	22,982.00	1161.82	24143.82	22,982.00	1161.82
2005	40.12412	040.PAD.Commerce Dr Sys Imp	Specific	3,396.60	9,865.75	-6469.15	3396.6	9,865.75	-6469.15

		Shelbyville 05 Non Growth	Functional	79.80	Not Budgeted	-	248,518.93	Not Budgeted	-
		Madisonville 05 Growth	Specific	228,766.42	Not Budgeted	-	228766.42	Not Budgeted	-
		Madisonville 05 Growth	Functional	720.29	Not Budgeted	-	229,486.71	Not Budgeted	-
		Madisonville 05 Non Growth	Specific	585,230.15	Not Budgeted	-	585230.15	Not Budgeted	-
		Princeton 05 Growth	Specific	36,627.52	Not Budgeted	-	36627.52	Not Budgeted	-
		Princeton 05 Non Growth	Specific	199,882.45	Not Budgeted	-	199882.45	Not Budgeted	-
		Princeton 05 Non Growth	Functional	34.86	Not Budgeted	-	199,917.31	Not Budgeted	-
		Owensboro 05 Growth	Specific	826,642.60	Not Budgeted	-	826642.6	Not Budgeted	-
		Owensboro 05 Growth	Functional	254.11	Not Budgeted	-	826,896.71	Not Budgeted	-
		Owensboro 05 Non Growth	Specific	1,128.13	Not Budgeted	-	1517213.29	Not Budgeted	-
		Owensboro 05 Non Growth	Specific	1,516,085.16	Not Budgeted	-	1517213.29	Not Budgeted	-
		Owensboro 05 Non Growth	Functional	(1,067.14)	Not Budgeted	-	1,516,146.15	Not Budgeted	-
		Paducah 05 Growth	Specific	456,329.22	Not Budgeted	-	456329.22	Not Budgeted	-
		Paducah 05 Growth	Functional	259.22	Not Budgeted	-	456,588.44	Not Budgeted	-
		Paducah 05 Non Growth	Specific	454,630.07	Not Budgeted	-	454630.07	Not Budgeted	-
		Paducah 05 Non Growth	Functional	(1,198.22)	Not Budgeted	-	453,431.85	Not Budgeted	-
		Mayfield 05 Growth	Specific	1,288.51	Not Budgeted	-	153193.24	Not Budgeted	-
		Mayfield 05 Growth	Specific	151,904.73	Not Budgeted	-	153193.24	Not Budgeted	-
		Mayfield 05 Growth	Functional	83.86	Not Budgeted	-	153,277.10	Not Budgeted	-
		Mayfield 05 Non Growth	Specific	746.63	Not Budgeted	-	332222.04	Not Budgeted	-
		Mayfield 05 Non Growth	Specific	331,475.41	Not Budgeted	-	332222.04	Not Budgeted	-
		Mayfield 05 Non Growth	Functional	344.99	Not Budgeted	-	332,567.03	Not Budgeted	-
		Furniture for new Mayfield office	Specific	65,937.34	83,435.69	-17498.35	65937.34	83,435.69	-17498.35
		MUELLER EQUIPMENT - BOWLING GREEN	Specific	6,759.43	6,753.96	-142.57	6611.39	6,753.96	-142.57
		MUELLER EQUIPMENT - BOWLING GREEN	Specific	(148.04)	6,753.96	-142.57	6611.39	6,753.96	-142.57
		INSTALL 1064' 2" PE	Specific	7,887.86	7,078.94	808.92	7887.86	7,078.94	808.92
		INSTALL 2,599' 2" PE	Specific	11,013.76	8,801.59	2212.17	11013.76	8,801.59	2212.17
		INSTALL 1483' 2" PE & 316' 4" PE	Specific	14,921.44	12,416.63	2504.81	14921.44	12,416.63	2504.81
		INSTALL 2,954' 2" PE	Specific	9,895.61	7,840.13	2055.48	9895.61	7,840.13	2055.48
		Rev ext for new Tractor Supply store	Specific	(1,586.17)	1,033.99	-2620.16	-1586.17	1,033.99	-2620.16
		INSTALL 3,264' 2" PE	Specific	22,798.38	16,097.03	6701.35	22798.38	16,097.03	6701.35
		Replace 2,550' - 1" bare with 830' - 2" P.E along Blackburn St in Marion, KY	Specific	21,714.61	14,443.95	7270.66	21714.61	14,443.95	7270.66
		Install 170' 2" P.E main for one new residential customer (Marty Offut)	Specific	414.32	934.00	-519.68	414.32	934.00	-519.68
		INSTALL 4650' OF 2" PE TO SERVE 35 LOTS	Specific	15,770.22	12,250.00	3520.22	15770.22	12,250.00	3520.22
		INSTALL 1400' OF 2" PE ON HWY 44 ACROSS FROM SAVE-A-LOT	Specific	17,578.06	11,610.00	5968.06	17578.06	11,610.00	5968.06
		INSTALL NEW REGULATOR STATION AT RAILROAD AND BYPASS FOR FIRESIDE DRIVE	Specific	6,265.02	15,650.00	-9384.98	6265.02	15,650.00	-9384.98
		INSTALL NEW REGULATOR STATION AT RAILROAD AND BYPASS FOR FIRESIDE DRIVE	Specific	6,696.82	15,650.00	(8,953.18)	12,961.84	15,650.00	(2,688.16)
		INSTALL 1000' OF 2" AND 900' OF 4" TO SERVE FIRE STATION	Specific	25,920.77	16,360.00	9560.77	25920.77	16,360.00	9560.77
		INSTALL 1000' OF 4" IN BREIGHTON BUS	Specific	14,133.11	12,325.00	1808.11	14133.11	12,325.00	1808.11
		DESKTOP COMPUTERS FOR ATMOS KY.	Specific	48,105.17	44,294.00	3811.17	48105.17	44,294.00	3811.17
		Electronic correctors Co-Wide	Specific	26,377.38	19,724.00	6653.38	26377.38	19,724.00	6653.38
		EFM Installation @ Magna	Specific	4,309.60	4,909.10	-599.5	4309.6	4,909.10	-599.5
		EFM Installation @ Kolbe Steel	Specific	11,757.90	4,909.10	6848.8	11757.9	4,909.10	6848.8
		Installation of EFM @ Scotty's Contracting	Specific	4,599.52	4,909.10	-309.58	4599.52	4,909.10	-309.58
		Install EFM @ Eagle #3	Specific	6,479.98	4,909.10	1570.88	6479.98	4,909.10	1570.88
		Dresser Rotary Meters	Specific	51,857.81	59,150.00	-7292.19	51857.81	59,150.00	-7292.19
		Dresser Rotary Meters	Specific	295.71	59,150.00	(58,854.29)	52,153.52	59,150.00	(6,996.48)
		REPLACE 500' 2" STL.WITH 2" PE	Specific	19,083.68	30,730.15	-11646.47	19083.68	30,730.15	-11646.47
		INSTALL 3762' 2" PE	Specific	22,963.72	23,209.29	-245.57	22963.72	23,209.29	-245.57
		US 60/ Tennessee River bridge Relocation. Install 565' - 2" PE, Retire 470' - 2"	Specific	10,742.69	7,982.04	2760.65	10742.69	7,982.04	2760.65
		Install 1,100' - 2" PE along Highland Ch Rd for five existing residential custom	Specific	9,792.21	6,349.14	3443.07	9792.21	6,349.14	3443.07
		325' Extension for 4 lots in saxony mobile home park	Specific	4,670.03	2,352.73	2317.3	4670.03	2,352.73	2317.3
		SCADA enhancement for cathodic readings	Specific	21,592.73	19,718.00	1874.73	21592.73	19,718.00	1874.73
		Outsourcing of meter Testing	Specific	125,740.98	56,025.00	69715.98	125740.98	56,025.00	69715.98
		600' Revenue extension along Old Friendship Rd for 3 meters @ 1030 Old Friendshi	Specific	5,093.55	2,642.30	2451.25	5093.55	2,642.30	2451.25
		Late Invoices for xrays on Heckla 6" pipeline installation	Specific	24,143.82	22,982.00	1161.82	24143.82	22,982.00	1161.82
		880' - 4" P.E extension into Paducah's Industrial Park West	Specific	3,396.60	9,865.75	-6469.15	3396.6	9,865.75	-6469.15

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT **Functional and Specific Projects**

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12413	040.OBO.ALVEY PARK DRIVE	INSTALL 813' 2" PE	Specific	2,505.87	3,345.53	-839.66	2505.87	3,345.53	-839.66
2006	40.12413	040.OBO.ALVEY PARK DRIVE	INSTALL 813' 2" PE	Specific	556.00	3,345.53	(2,789.53)	3,061.87	3,345.53	(283.66)
2005	40.12414	040.BGR.7TH/CENTER ST. REPLC.	7TH./CENER ST. REPLC. - B.G.	Specific	22,853.03	27,522.00	-4668.97	22853.03	27,522.00	-4668.97
2005	40.12415	040.May.Commonwealth Dr Ext	2,050' of 4" P.E to be run along Douthitt St to Commonwealth for new office	Specific	24,852.69	20,466.75	4385.94	24852.69	20,466.75	4385.94
2005	40.12416	040.SHV.AIKEN RD ODOR SCRUB	INSTALL ODORIZOR SCUBBER AT AIKEN ROAD PURCHASE STATION	Specific	3,374.40	3,675.00	-300.6	3374.4	3,675.00	-300.6
2005	40.12417	040.SHV.ALTON RD UPGRADE	UPGRADE 4" STEEL ON ALTON ROAD AND REBUILD METER SETS	Specific	6,671.88	24,100.00	-17428.12	6671.88	24,100.00	-17428.12
2005	40.12418	040.DAN.FUSION EQUIPMENT	NEW MCELROY #14 BIT BULL FUSION EQUIPMENT	Specific	10,830.89	9,075.00	1755.89	10830.89	9,075.00	1755.89
2005	40.12419	040.2605.DIGITAL SATELLITE CTN	DIGITAL SATELLITE CTN RECEIVERS	Specific	8,707.63	8,068.00	639.63	8707.63	8,068.00	639.63
2005	40.1242	040.MAD.LOCATOR	PURCHASE RYCOM LOCATOR	Specific	7,496.76	5,899.55	1597.21	7496.76	5,899.55	1597.21
2005	40.12421	040.PTON.Cambridge Ct Rev Ext	Instal 470' - 2" P.E for 12 new residential lots in this latest phase of Great O	Specific	1,231.79	3,985.36	-2753.57	1231.79	3,985.36	-2753.57
2005	40.12422	040.PAD.Perkins Creek Rev Ext	Seven new commercial lots being developed by Mike Falconite adjacent being devel	Specific	7,575.90	4,168.97	3406.93	7575.9	4,168.97	3406.93
2006	40.12422	040.PAD.Perkins Creek Rev Ext	Seven new commercial lots being developed by Mike Falconite adjacent being devel	Specific	1,582.00	4,168.97	(2,586.97)	9,157.90	4,168.97	4,988.93
2005	40.12423	040.STO.Willamette 6 inch Line	Install anodes and wrap the 6" at the valve setting behind the Riverview Motel	Specific	1,863.79	3,704.00	-1840.21	1863.79	3,704.00	-1840.21
2005	40.12424	040.STO.N'ville/Hopkville 10"	Leakage Repairs	Specific	25,213.76	24,658.00	555.76	25213.76	24,658.00	555.76
2005	40.12425	040.STO.2005 Pipe Integrity	Perform pipeline integrity functions and purchase the necessary equipment	Specific	22,054.18	24,053.00	-1998.82	22054.18	24,053.00	-1998.82
2005	40.12426	aky.tcssvc.meas.regulators	Regulators for engineered applications	Specific	32,433.61	24,986.00	7447.61	32433.61	24,986.00	7447.61
2006	40.12426	aky.tcssvc.meas.regulators	Regulators for engineered applications	Specific	1,226.72	24,986.00	(23,759.28)	33,660.33	24,986.00	8,674.33
2005	40.12427	040.PAD.Monroe St Replacement	Install 470' - 4" P.E/ Retire 438' - 4" MW/ 2400 block of Monroe	Specific	26,848.98	18,904.84	7944.14	26848.98	18,904.84	7944.14
2005	40.12428	Aky.tcsvc.meas.Logan Aluminum	Install Separator/Knockout tank @ Logan Aluminum	Specific	67,843.63	52,550.00	15293.63	67843.63	52,550.00	15293.63
2006	40.12428	Aky.tcsvc.meas.Logan Aluminum	Install Separator/Knockout tank @ Logan Aluminum	Specific	(30,000.00)	52,550.00	(82,550.00)	37,843.63	52,550.00	(14,706.37)
2005	40.12429	040.LAW.EAGLE LAKE PH I	INSTALL 1000' OF 2" PE AND REG STATION FOR EAGLE LAKE 151&127	Specific	1,868.32	9,290.00	-7421.68	1868.32	9,290.00	-7421.68
2005	40.1243	040.BGR.HOP.LIGHT&FENCE	SERCURITY LIGHT & FENCE TB#2 - HOPK.	Specific	7,101.33	6,529.00	572.33	7101.33	6,529.00	572.33
2005	40.12431	040.OBO.PLEASANT VALLEY RD.	INSTALL 100' 2" PE	Specific	608.66	854.70	-246.04	608.66	854.70	-246.04
2005	40.12432	040.OBO.THE BROOKS PHASE 2	INSTALL 2000' 2" pe	Specific	13,446.33	7,797.09	5649.24	13446.33	7,797.09	5649.24
2005	40.12433	040.BGR.CUMBERLAND TRC.	CUMBERLABD TRACE 6" PE TIE-IN - B.G.	Specific	91,878.00	63,918.00	27960	91878	63,918.00	27960
2006	40.12433	040.BGR.CUMBERLAND TRC.	CUMBERLABD TRACE 6" PE TIE-IN - B.G.	Specific	2,287.36	127,836.00	(125,548.64)	94,165.36	127,836.00	(33,670.64)
2005	40.12434	040.BGR.100 BLK 10TH RETIRE	100 BLK. OF 10TH RETIREMENT - B.G.	Specific	1,072.42	9,463.00	-8390.58	1072.42	9,463.00	-8390.58
2005	40.12435	040.SHV.SOUTH BENSON RELOC	INSTALL 850' OF 2" PE ON SOUTH BENSON - MOVING METER	Specific	3,936.76	3,875.00	61.76	3936.76	3,875.00	61.76
2005	40.12436	040.PAD.Heritage Place Ext	600' for 6 units/ Housing Authority of Paducah	Specific	2,581.64	-	2581.64	2581.64	-	2581.64
2005	40.12492	040.OBO.HIALEAH PARK PHASE 2	INSTALL 1,036' 2" PE	Specific	5,599.61	6,374.42	-774.81	5599.61	6,374.42	-774.81
2005	40.12493	040.OBO.6TH. ST. CALHOUN	INSTALL 460' 2" PE	Specific	2,753.63	4,610.14	-1856.51	2753.63	4,610.14	-1856.51
2005	40.12502	040.MAD.2005 REG INSPECTIONS	2005 REG INSPECTIONS & PARTS	Specific	20,229.07	20,790.00	-560.93	20229.07	20,790.00	-560.93
2005	40.12503	040.PTON.Hwy 62 Rev Ext II	600' extension for conversion commercial customer/ this is the old Wal-Mart bldg	Specific	4,022.12	5,830.31	-1808.19	4022.12	5,830.31	-1808.19
2005	40.12504	040.DAN.WAL-MART STANFORD	INSTALL 1280' OF 4" PE.WAL-MART STANFORD HWY 27	Specific	8,172.71	7,066.00	1106.71	8172.71	7,066.00	1106.71
2005	40.12508	040.PAD.Ken-Bar Boiler Install	This project is for the installation of boiler at Ken-Bar purchase station	Specific	13,273.29	10,186.60	3086.69	13273.29	10,186.60	3086.69
2006	40.12508	040.PAD.Ken-Bar Boiler Install	This project is for the installation of boiler at Ken-Bar purchase station	Specific	(15.96)	10,186.60	(10,202.56)	13,257.33	10,186.60	3,070.73
2005	40.12509	040.OBO.RIDGE CREEK	INSTALL880' 2" PE	Specific	5,969.65	3,765.21	2204.44	5969.65	3,765.21	2204.44
2005	40.1251	040.OBO.SPRING RIDGE PARKWAY	INSTALL 1132' 2" PE	Specific	9,717.62	7,204.34	2513.28	9717.62	7,204.34	2513.28
2005	40.12511	040.BGR.600 BLK. CENTER REPLC.	600 BLK. CENTER ST REPLC. - B.G.	Specific	86,617.62	94,772.23	-8154.61	86617.62	94,772.23	-8154.61
2005	40.12512	040.BGR.HOP.18 & HARRISON REG	18TH & HARRISON REG. STA. RELOC. - HOPK.	Specific	8,263.31	9,583.00	-1319.69	8263.31	9,583.00	-1319.69
2005	40.12513	040.BGR.HOP.18 & HARRISON REPL	18TH & HARRISON 4" REPLC.- HOPK.	Specific	45,609.41	45,324.00	285.41	45609.41	45,324.00	285.41
2005	40.12515	040.BGR.FOUNTAIN TRC II-A	1000 FT.OF 2" PE - FOUNTAIN TRACE II-A	Specific	4,827.83	4,512.00	315.83	4827.83	4,512.00	315.83
2005	40.12516	040.OBO.HWY 54 RELOCATION	RELOCATE 4" MAIN	Specific	1,125.17	1,191.67	-66.5	1125.17	1,191.67	-66.5
2005	40.12517	040.SHV.DOGWOOD TRACE P V	INSTALL 750' FOR 16 UNITS IN DOGWOOD TRACE P V	Specific	2,690.22	5,225.00	-2534.78	2690.22	5,225.00	-2534.78
2005	40.12518	040.SHV.MEADOWBROOK S III P I	INSTALL 2500' OF 2" PE IN MEADOWBROOK S III	Specific	47,764.58	31,255.00	16509.58	47764.58	31,255.00	16509.58
2005	40.12519	040.SHV.FAIRWY XING-CLUBHOS DR	RELOCATE 1000' OF 2" PE AT FAIRWAY XING ON CLUBHOUSE DRIVE RETIRE 1000' OF	Specific	2,361.75	149.00	2212.75	2361.75	149.00	2212.75
2005	40.12521	040.Tcsvs.Meas.Gemtron EFM	EFM installation @ Gemtron Inc.	Specific	5,989.96	5,521.25	468.71	5989.96	5,521.25	468.71
2005	40.12522	040.TCSVS.MEAS.ICT EFM	EFM INSTALLATION @ ICT	Specific	5,944.96	5,521.25	423.71	5944.96	5,521.25	423.71
2006	40.12522	040.TCSVS.MEAS.ICT EFM	EFM INSTALLATION @ ICT	Specific	(0.14)	5,521.25	(5,521.39)	5,944.82	5,521.25	423.57
2005	40.12523	040.DAN.SOUTHTOWN RD.O-CHARL	INSTALL 300' OF 2" PE ON SOUTHTOWN ROAD TO O-CHARLIES RESTURANT	Specific	2,062.03	727.00	1335.03	2062.03	727.00	1335.03
2005	40.12524	040.Sto. Liftmore Crane	Purchase a liftmore crane to be installed on the Mueller Truck	Specific	18,414.33	18,040.00	374.33	18414.33	18,040.00	374.33
2005	40.12525	040.CAM.GREENSBURG-FEB OUTAGE	CAPTURE COSTS WITH ACCIDENT IN GREENSBURG 2-8-05.RELIGHT AND REBUILD STA	Specific	17,972.42	80,550.00	-62577.58	17972.42	80,550.00	-62577.58
2005	40.12526	040.PAD. Reg Sta - Sys Int	Project to cover new regulator parts & labor for FY '05	Specific	42,601.02	49,585.80	-6984.78	42601.02	49,585.80	-6984.78
2006	40.12526	040.PAD. Reg Sta - Sys Int	Project to cover new regulator parts & labor for FY '05	Specific	1,408.96	49,585.80	(48,176.84)	44,009.98	49,585.80	(5,575.82)
2005	40.12527	040.MAYFIELD PHONE SYSTEM	REPLACE MAYFIELD PHONE SYSTEM	Specific	32,083.95	40,500.00	-8416.05	32083.95	40,500.00	-8416.05
2005	40.12528	040.BGR.HOP.18TH & HARRISON	18TH. & HARRISON 4" PE STA. FEED - HOPK.	Specific	12,960.75	12,787.00	173.75	12960.75	12,787.00	173.75
2005	40.12529	040.OBO.Wrights Acres	INSTALL 412' 2" PE	Specific	2,656.10	2,456.76	199.34	2656.1	2,456.76	199.34

Atmos Energy Corporation

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Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.1253	040.BGR.GLS.WOODHAVEN	3500 FT.OF 2" - WOODHAVEN SUB. - GLASGOW	Specific	8,011.56	13,863.00	-5851.44	8011.56	13,863.00	-5851.44
2005	40.12531	040.BGR.GLS.PHYSICIANS BLVD.	990 FT.OF 2" PE - PHYSICIANS BLVD. - GLASGOW	Specific	2,755.48	5,901.00	-3145.52	2755.48	5,901.00	-3145.52
2005	40.12534	040.DAN.CORNISHVILLE BRDG RELO	RELOCATE 610' OF 2" PE ON CORNISHVILLE ROAD AT THE BRIDGE	Specific	6,145.77	214.50	5931.27	6145.77	214.50	5931.27
2006	40.12534	040.DAN.CORNISHVILLE BRDG RELO	RELOCATE 610' OF 2" PE ON CORNISHVILLE ROAD AT THE BRIDGE	Specific	6,403.88	214.50	6,189.38	12,549.65	214.50	12,335.15
2005	40.12535	040.SHV.FAIRWAY X-ING III	INSTALL 2000' OF 2" PE IN FAIRWAY X-ING OFF MT EDEN RD	Specific	27,958.01	15,600.00	12358.01	27958.01	15,600.00	12358.01
2005	40.12537	040.BGR.OLDE STONE 4" & 2" EXT	9300 FT.- 4" APPROACH & 23500 FT - 2" - OLDE STONE - B.G.	Specific	18,137.62	74,213.00	-56075.38	18137.62	74,213.00	-56075.38
2005	40.12538	040.OBO.OAK ST. REPLACEMENT	REPLACE 300' 2" STEEL	Specific	5,201.76	7,361.86	-2160.1	5201.76	7,361.86	-2160.1
2005	40.12539	AKY.Tecsvs.Meas. EFM.Montb.	EFM Installation @ Montebello Packaging	Specific	1,925.22	5,519.84	-3594.62	1925.22	5,519.84	-3594.62
2005	40.1254	040.OBO.DIACEL	INSTALL 480' 4" PE	Specific	8,382.92	12,653.02	-4270.1	8382.92	12,653.02	-4270.1
2005	40.12541	040.OBO.SHADEWOOD TERRACE	INSTALL 644' 2" PE	Specific	4,600.63	4,992.03	-391.4	4600.63	4,992.03	-391.4
2005	40.12542	040.BGR.REG.PARTS/INSPEC	REGULATOR PARTS / INSPECTION - B.G.	Specific	12,643.14	24,750.00	-12106.86	12643.14	24,750.00	-12106.86
2006	40.12542	040.BGR.REG.PARTS/INSPEC	REGULATOR PARTS / INSPECTION - B.G.	Specific	7.08	24,750.00	(24,742.92)	12,650.22	24,750.00	(12,099.78)
2005	40.12544	040.BGR.HOP.REG PARTS/ INSPEC.	REGULATOR PARTS INSPEC. - HOPKINSVILLE	Specific	14,953.29	24,750.00	-9796.71	14953.29	24,750.00	-9796.71
2005	40.12546	040.PTON.E Noel Dr Rev Ext II	1,050' main extension from Chasity Ln to new unnamed rd off E Noel for Dennis Th	Specific	2,724.17	968.24	1755.93	2724.17	968.24	1755.93
2006	40.12546	040.PTON.E Noel Dr Rev Ext II	1,050' main extension from Chasity Ln to new unnamed rd off E Noel for Dennis Th	Specific	22.84	968.24	(945.40)	2,747.01	968.24	1,778.77
2005	40.12547	040.STO.Storage Building.E DIA	Purchase 12ft. x 16ft. building for East Diamond Storage	Specific	8,991.83	11,880.00	-2888.17	8991.83	11,880.00	-2888.17
2005	40.12548	040.DAN.M PERROS-PERRYVILLE RD	INSTALL 650' OF 4" PE FROM BENALI TO PERRYVILLE RD	Specific	11,802.45	10,374.00	1428.45	11802.45	10,374.00	1428.45
2005	40.12549	040.2734.REMINGTON PL.	4760 FT. OF 2" PE - REMINGTON PL. - B.G.	Specific	35,906.80	15,264.00	20642.8	35906.8	15,264.00	20642.8
2005	40.1255	040.BGR.EWING FORD PL.	2" PE EXT. EWING FORD PL. - B.G.	Specific	14,714.16	16,825.78	-2111.62	14714.16	16,825.78	-2111.62
2006	40.1255	040.BGR.EWING FORD PL.	2" PE EXT. EWING FORD PL. - B.G.	Specific	(4,517.22)	16,825.78	(21,343.00)	10,196.94	16,825.78	(6,628.84)
2005	40.12551	040.PAD.Walden Subd Rev Ext	950' - 2" PE along Walt Defreitas Dr for 9 lots	Specific	5,209.12	4,274.81	934.31	5209.12	4,274.81	934.31
2006	40.12551	040.PAD.Walden Subd Rev Ext	950' - 2" PE along Walt Defreitas Dr for 9 lots	Specific	196.33	4,274.81	(4,078.48)	5,405.45	4,274.81	1,130.64
2005	40.12554	040.BGR.SENSIT GOLD CGI	SENSIT GOLD CGI - DISTRIBUTION	Specific	3,396.60	3,328.00	68.6	3396.6	3,328.00	68.6
2005	40.12555	040.BGR.ASHMORE II-B	2643 FT. OF 2" PE - ASHMORE PARKE II-B - B.G.	Specific	8,235.23	9,398.00	-1162.77	8235.23	9,398.00	-1162.77
2005	40.12556	040.BGR.HOP.PENNYRILE FORD	925 FT. OF 2"PE - PENNYRILE FORD - HOPKINSVILLE	Specific	4,612.67	726.00	3886.67	4612.67	726.00	3886.67
2006	40.12556	040.BGR.HOP.PENNYRILE FORD	925 FT. OF 2"PE - PENNYRILE FORD - HOPKINSVILLE	Specific	(7,723.96)	726.00	(8,449.96)	(3,111.29)	726.00	(3,837.29)
2005	40.12558	040.BGR.GLS. NEW BYPASS- TSC	1507 FT.OF 4" PE - NEW BYPASS (TSC) - GLASGOW	Specific	(986.83)	4,556.00	-5542.83	-986.83	4,556.00	-5542.83
2005	40.12559	040.OBO.2005 REG INSPECTIONS	2005 REG.INSPECTIONS	Specific	74,319.80	74,657.00	-337.2	74319.8	74,657.00	-337.2
2006	40.12559	040.OBO.2005 REG INSPECTIONS	2005 REG.INSPECTIONS	Specific	591.66	74,657.00	(74,065.34)	74,911.46	74,657.00	254.46
2005	40.1256	040.OBO.DUTCH BANKS	INSTALL 1,192' 2" PE	Specific	7,236.55	8,726.39	-1489.84	7236.55	8,726.39	-1489.84
2005	40.12561	040.OBO.WIMSATT & CALUMET	NEW REG STA. WIMSATT CT. & TIE IN CALUMET & PLEASANE VALLEY RD.	Specific	27,745.56	34,132.80	-6387.24	27745.56	34,132.80	-6387.24
2005	40.12562	040.CAM.LEB.EAST WALNUT	INSTALL 200' OF 2" PE TO REMOVE A FARM TAP AT WLNUT AND WOODLAWN	Specific	5,661.31	9,300.00	-3638.69	5661.31	9,300.00	-3638.69
2005	40.12563	040.DAN.REGIONAL REG REPAIR-05	REPLACE BOOTS AND REPAIR REGULATORS IN THE DANVILLE REGION	Specific	37,723.10	24,400.00	13323.1	37723.1	24,400.00	13323.1
2006	40.12563	040.DAN.REGIONAL REG REPAIR-05	REPLACE BOOTS AND REPAIR REGULATORS IN THE DANVILLE REGION	Specific	6,322.85	24,400.00	(18,077.15)	44,045.95	24,400.00	19,645.95
2005	40.12564	040.STO. Air Conditioner	Purchase and install a new air conditioner at the Storage/Measurement area	Specific	2,357.20	2,750.00	-392.8	2357.2	2,750.00	-392.8
2005	40.12565	040.SHV.CLOVERBROOK PH II	INSTALL 2500' 2" PE IN CLOOVERBROOK	Specific	6,596.82	18,175.00	-11578.18	6596.82	18,175.00	-11578.18
2006	40.12565	040.SHV.CLOVERBROOK PH II	INSTALL 2500' 2" PE IN CLOOVERBROOK	Specific	11,361.75	18,175.00	(6,813.25)	17,958.57	18,175.00	(216.43)
2005	40.12566	040.SHV.CARRINGTON PLACE III	INSTALL 600' OF 2" PE FOR 36 UNITS AT CARRINGTON PLACE	Specific	75.09	5,835.00	-5759.91	75.09	5,835.00	-5759.91
2006	40.12566	040.SHV.CARRINGTON PLACE III	INSTALL 600' OF 2" PE FOR 36 UNITS AT CARRINGTON PLACE	Specific	3.20	5,835.00	(5,831.80)	78.29	5,835.00	(5,756.71)
2005	40.12567	040.SHV.MIDLAND SEC 8	INSTALL 750' OF 2" PE FOR 21 LOTS MIDLAND SEC 8	Specific	3,372.79	5,735.00	-2362.21	3372.79	5,735.00	-2362.21
2006	40.12567	040.SHV.MIDLAND SEC 8	INSTALL 750' OF 2" PE FOR 21 LOTS MIDLAND SEC 8	Specific	4,237.16	5,735.00	(1,497.84)	7,609.95	5,735.00	1,874.95
2005	40.12568	040.SHV.OSPERY COVE V	INSTALL 2000' OF 2" PE FOR 36 LOTS	Specific	16,850.63	19,675.00	-2824.37	16850.63	19,675.00	-2824.37
2005	40.12573	040.SHV.LOCUST CREEK 5a	INSTALL 1800' OF 2" PE IN LOCUST CRK 5a	Specific	28,794.74	18,150.00	10644.74	28794.74	18,150.00	10644.74
2005	40.12574	040.SHV.BURKES PLAZA-WALMART	INSTALL 600' FOR 7 SERVICES AT STRIP MALL NEXT TO WALMART	Specific	2,510.92	7,140.00	-4629.08	2510.92	7,140.00	-4629.08
2005	40.12575	040.SHV.FARM TAP REBUILD 1	REBUILD 6 FARM TAPS USING REGULATORS AND SERVICES	Specific	48,260.26	16,450.00	31810.26	48260.26	16,450.00	31810.26
2006	40.12575	040.SHV.FARM TAP REBUILD 1	REBUILD 6 FARM TAPS USING REGULATORS AND SERVICES	Specific	26,383.37	16,450.00	9,933.37	74,643.63	16,450.00	58,193.63
2005	40.12576	Aky.Tcssvc.Meas.EFM.Clover CR	EFM Installation @ Clover Creek Brick	Specific	3,250.13	4,909.10	-1658.97	3250.13	4,909.10	-1658.97
2005	40.12577	Aky.Tcssvc.Meas.EFM.TWN	Installation of EFM @ TWN Fasteners	Specific	3,802.70	5,521.24	-1718.54	3802.7	5,521.24	-1718.54
2006	40.12577	Aky.Tcssvc.Meas.EFM.TWN	Installation of EFM @ TWN Fasteners	Specific	(6.05)	5,521.24	(5,527.29)	3,796.65	5,521.24	(1,724.59)
2005	40.12578	040.MAY.Ditch Witch Mole	Replace existing mole that is worn out and is cost prohibitive to repair	Specific	7,784.22	7,837.85	-53.63	7784.22	7,837.85	-53.63
2005	40.12579	Aky.Tcsvc.EFM. State ICF	Install EFM @ State ICF	Specific	2,658.11	5,521.24	-2863.13	2658.11	5,521.24	-2863.13
2006	40.12579	Aky.Tcsvc.EFM. State ICF	Install EFM @ State ICF	Specific	39.52	5,521.24	(5,481.72)	2,697.63	5,521.24	(2,823.61)
2005	40.1258	Aky.Tcsvc.Meas.EFM.Desa	Install EFM @ Desa Int.	Specific	16,735.44	12,160.98	4574.46	16735.44	12,160.98	4574.46
2005	40.12581	040.PAD.Segway	Purchase of Segway scooter for meter reading in Paducah area	Specific	10,236.89	11,252.87	-1015.98	10236.89	11,252.87	-1015.98
2005	40.12582	040 PAD.Carriage Park Rev Ext	Install 2,800' 2" PE in Carriage Park Subd off Steele Rd for Sharon Sanderson	Specific	13,396.48	13,031.92	364.56	13396.48	13,031.92	364.56
2006	40.12582	040 PAD.Carriage Park Rev Ext	Install 2,800' 2" PE in Carriage Park Subd off Steele Rd for Sharon Sanderson	Specific	504.89	13,031.92	(12,527.03)	13,901.37	13,031.92	869.45
2005	40.12583	040.LEB.FARM TAP 1-METT-INDIAN	INSTALL 1100' OF 2" PE ON METTS DRIVE AND INDIAN CRK TO RETIRE FARM TAP REG	Specific	8,889.72	13,100.00	-4210.28	8889.72	13,100.00	-4210.28

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Data:_____ Base Period _____ Forecasted Period
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Witness Responsible: R. Cook
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT **Functional and Specific Projects**

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12584	040.LEB.IND PARK-JOY MINING	INSTALL 1700' OF 4" PE TO SERVE JOY MINING AND TO RETIRE A FARM TAP REGULAT	Specific	17,454.36	18,950.00	-1495.64	17454.36	18,950.00	-1495.64
2006	40.12584	040.LEB.IND PARK-JOY MINING	INSTALL 1700' OF 4" PE TO SERVE JOY MINING AND TO RETIRE A FARM TAP REGULAT	Specific	3,338.44	18,950.00	(15,611.56)	20,792.80	18,950.00	1,842.80
2005	40.12585	040.BGR.GLS.METER&SET	T MARZETTI METER & SET - HORSE CAVE	Specific	24,213.53	34,706.00	-10492.47	24213.53	34,706.00	-10492.47
2005	40.12586	040.SHV.NOTTING HILLS-TRANS	LOWER 300' OF 8" STEEL TRANS LINE-WELD REINFORCEMENTS AT WELDS	Specific	9,930.58	15,600.00	-5669.42	9930.58	15,600.00	-5669.42
2005	40.12587	040.BGR.HOPK.FARM TAP REG.	FARM TAP REG. STAT & EFV - HOPKINSVILLE AREA	Specific	27,411.29	41,949.00	-14537.71	27411.29	41,949.00	-14537.71
2006	40.12587	040.BGR.HOPK.FARM TAP REG.	FARM TAP REG. STAT & EFV - HOPKINSVILLE AREA	Specific	90.18	41,949.00	(41,858.82)	27,501.47	41,949.00	(14,447.53)
2005	40.12588	040.BGR.FARM TAP STA & EFV	FARM TAP STA & EFV - BOWLING GREEN	Specific	30,950.53	34,562.00	-3611.47	30950.53	34,562.00	-3611.47
2006	40.12588	040.BGR.FARM TAP STA & EFV	FARM TAP STA & EFV - BOWLING GREEN	Specific	13,424.32	37,364.36	-23940.04	13424.32	37,364.36	-23940.04
2005	40.12589	040.MAD. FARM TAPS	FARM TAP PROJECT	Specific	48,195.87	48,094.20	101.67	48195.87	48,094.20	101.67
2005	40.1259	040.OBO.MISC. EQUIPMENT	PE&STL. SQUEEZE OFF TOOLS,LINE LOCATORS	Specific	1,333.41	48,094.20	(46,760.79)	49,529.28	48,094.20	1,435.08
2006	40.1259	040.OBO.MISC. EQUIPMENT	PE&STL. SQUEEZE OFF TOOLS,LINE LOCATORS	Specific	13,812.85	24,750.00	-10937.15	13812.85	24,750.00	-10937.15
2005	40.12591	Replace Optra Printers	Replace printers wilh Dell	Specific	4,586.01	5,521.24	-935.23	4586.01	5,521.24	-935.23
2005	40.12592	Aky.Tcssvc.Meas.New Mather	EFM Installation @ New Mather Metal	Specific	(7.30)	5,521.24	(5,528.54)	4,578.71	5,521.24	(942.53)
2006	40.12592	Aky.Tcssvc.Meas.New Mather	EFM Installation @ New Mather Metal	Specific	23,360.96	26,389.00	-3028.04	23360.96	26,389.00	-3028.04
2005	40.12594	040.PAD.Misc Work Equip	Pls and steel squeeze-off tools	Specific	1,714.91	26,389.00	(24,674.09)	25,075.87	26,389.00	(1,313.13)
2006	40.12594	040.PAD.Misc Work Equip	Pls and steel squeeze-off tools	Specific	21,100.01	34,400.00	-13299.99	21100.01	34,400.00	-13299.99
2005	40.12595	040.MAY.Misc Work Equip	Pls and steel squeeze-off tools	Specific	1,519.58	34,400.00	(32,880.42)	22,619.59	34,400.00	(11,780.41)
2006	40.12595	040.MAY.Misc Work Equip	Pls and steel squeeze-off tools	Specific	15,986.79	19,800.00	-3813.21	15986.79	19,800.00	-3813.21
2005	40.12596	040.CAM.EQUIPMENT-6-2005	PURCHASE 6 PE SQUEEZE OFF, 2-CGI SENSI GOLD, 4-LINE LOCATORS	Specific	12,604.86	17,750.00	-5145.14	12604.86	17,750.00	-5145.14
2005	40.12597	040.DAN.EQUIPMENT 6-2005	PURCHASE 7-PE SQUEEZE OFF 1",1-PE SQUEEZE OFF 2",2-CGI SENSI GOLD,1-LINE LO	Specific	468.99	17,750.00	(17,281.01)	13,073.85	17,750.00	(4,676.15)
2006	40.12597	040.DAN.EQUIPMENT 6-2005	PURCHASE 7-PE SQUEEZE OFF 1",1-PE SQUEEZE OFF 2",2-CGI SENSI GOLD,1-LINE LO	Specific	15,602.23	24,550.00	-8947.77	15602.23	24,550.00	-8947.77
2005	40.12598	040.SHV.EQUIPMENT 6-2005	PURCHASE 1-PE SQUEEZE OFF,1-STEEL SQUEEZE OFF,3-CGI SENSI GOLD,1-LINE LOC	Specific	34,888.71	20,482.00	14406.71	34888.71	20,482.00	14406.71
2005	40.12599	040.BGR.MISC. EQUIP - B.G	SQUEEZE OFF TOOLS & LINE LOCATORS - B.G.	Specific	790.84	20,482.00	(19,691.16)	35,679.55	20,482.00	15,197.55
2006	40.12599	040.BGR.MISC. EQUIP - B.G	SQUEEZE OFF TOOLS & LINE LOCATORS - B.G.	Specific	9,425.71	15,111.00	-5685.29	9425.71	15,111.00	-5685.29
2005	40.126	040.BGR.GLS.MISC EQUIP	SQUEEZE OFF TOOL & SENSIT GOLD - GLASGOW	Specific	603.86	15,111.00	(14,507.14)	10,029.57	15,111.00	(5,081.43)
2006	40.126	040.BGR.GLS.MISC EQUIP	SQUEEZE OFF TOOL & SENSIT GOLD - GLASGOW	Specific	41,307.38	20,335.00	20972.38	41307.38	20,335.00	20972.38
2005	40.12601	040.BGR.HOP.MISC EQUIP	SQUEEZE OFF TOOLS & LINE LOCATORS - HOPKINSVILLE	Specific	1,831.73	20,335.00	(18,503.27)	43,139.11	20,335.00	22,804.11
2006	40.12601	040.BGR.HOP.MISC EQUIP	SQUEEZE OFF TOOLS & LINE LOCATORS - HOPKINSVILLE	Specific	42,267.64	45,655.83	-3388.19	42267.64	45,655.83	-3388.19
2005	40.12602	040.OBO.ST. ELIZ.,RPLMT.	INSTALL 966' 2" PE RETIRE 4' LP STL.	Specific	36,081.29	58,828.00	-22746.71	36081.29	58,828.00	-22746.71
2005	40.12603	040.BGR.FRK. FARM TAP/EFV	FARM TAP / EFV - 2" TIE-IN - FRANKLIN AREA	Specific	13,951.98	27,150.00	-13198.02	13951.98	27,150.00	-13198.02
2005	40.12604	040.BGR.RUSS. FARM TAP/EFV	FARM tAPS & EFV - RUSSELLVILLE AREA	Specific	729.02	27,150.00	(26,420.98)	14,681.00	27,150.00	(12,469.00)
2006	40.12604	040.BGR.RUSS. FARM TAP/EFV	FARM tAPS & EFV - RUSSELLVILLE AREA	Specific	2,444.62	6,050.00	-3605.38	2444.62	6,050.00	-3605.38
2005	40.12605	040.Storage Bon Harbor Fence	Install and move gates at Bon HarborStorage	Specific	159,951.90	143,555.50	16396.4	159951.9	143,555.50	16396.4
2005	40.12606	040.MAD.BEAN CEMETERY RD.	INSTALL 2,120' 4" STL.	Specific	2,112.01	143,555.50	(141,443.49)	162,063.91	143,555.50	18,508.41
2006	40.12606	040.MAD.BEAN CEMETERY RD.	INSTALL 2,120' 4" STL.	Specific	174,751.90	152,512.67	22239.23	174751.9	152,512.67	22239.23
2005	40.12607	040.MAD.LAND O FROST	INSTALL6,360' 4" STL.	Specific	63,010.35	152,512.67	(89,502.32)	237,762.25	152,512.67	85,249.58
2006	40.12607	040.MAD.LAND O FROST	INSTALL6,360' 4" STL.	Specific	82,166.11	118,009.00	-35842.89	82166.11	118,009.00	-35842.89
2005	40.12608	040.BGR.6TH ST BYPASS - A	950 FT.OF 6" PE - 6TH ST RELOC. PART A - B.G.	Specific	47,684.15	118,009.00	(70,324.85)	129,850.26	118,009.00	11,841.26
2006	40.12608	040.BGR.6TH ST BYPASS - A	950 FT.OF 6" PE - 6TH ST RELOC. PART A - B.G.	Specific	64,725.01	98,122.00	-33396.99	64725.01	98,122.00	-33396.99
2005	40.1261	040.BGR.6TH ST BYPASS - B	PARTR B - 6TH ST. BYPASS RELOC - B.G.	Specific	42,302.22	98,122.00	(55,819.78)	107,027.23	98,122.00	8,905.23
2006	40.1261	040.BGR.6TH ST BYPASS - B	PARTR B - 6TH ST. BYPASS RELOC - B.G.	Specific	19,929.96	58,740.00	-38810.04	19929.96	58,740.00	-38810.04
2005	40.12611	040.BGR.6TH ST. BYPASS- C	PART C - 6TH ST. BYPASS - B.G.	Specific	43,587.92	58,740.00	(15,152.08)	63,517.88	58,740.00	4,777.88
2006	40.12611	040.BGR.6TH ST. BYPASS- C	PART C - 6TH ST. BYPASS - B.G.	Specific	9,499.69	9,848.00	-348.31	9499.69	9,848.00	-348.31
2005	40.12612	040.BGR.GARY FARMS 2" EXT	3200 FT. OF 2" PE - GARY FARMS - B.G.	Specific	496.35	9,848.00	(9,351.65)	9,996.04	9,848.00	148.04
2006	40.12612	040.BGR.GARY FARMS 2" EXT	3200 FT. OF 2" PE - GARY FARMS - B.G.	Specific	15,824.28	14,484.86	1339.42	15824.28	14,484.86	1339.42
2005	40.12613	040.MAY.Meadow Subd Rev Ext	3,690' - 2" PE for 43 new residential lots	Specific	596.44	14,484.86	(13,888.42)	16,420.72	14,484.86	1,935.86
2006	40.12613	040.MAY.Meadow Subd Rev Ext	3,690' - 2" PE for 43 new residential lots	Specific	4,486.43	2,525.00	1961.43	4486.43	2,525.00	1961.43
2005	40.12614	040.PAD.Lydon Rd Rev Ext	800' - 2" PE pipe for four existing customers and one new construction	Specific	164.24	2,525.00	(2,360.76)	4,650.67	2,525.00	2,125.67
2006	40.12614	040.PAD.Lydon Rd Rev Ext	800' - 2" PE pipe for four existing customers and one new construction	Specific	8,561.24	5,521.24	3040	8561.24	5,521.24	3040
2005	40.12615	AKY.TCSSVC.MEAS.EFM.TOYOTETSU	EFM INSTALLATION @ TOYOTETSU MID AMERICA	Specific	(37.38)	5,521.24	(5,558.62)	8,523.86	5,521.24	3,002.62
2006	40.12615	AKY.TCSSVC.MEAS.EFM.TOYOTETSU	EFM INSTALLATION @ TOYOTETSU MID AMERICA	Specific	5,797.00	5,521.24	275.76	5797	5,521.24	275.76
2005	40.12616	AKY.TCSVS.MEAS.EFM.NESTAWAY	INSTALL EFM @ NESTAWAY	Specific	5,781.36	5,521.24	260.12	11,578.36	5,521.24	6,057.12
2006	40.12616	AKY.TCSVS.MEAS.EFM.NESTAWAY	INSTALL EFM @ NESTAWAY	Specific	228.88	18,585.00	-18356.12	228.88	18,585.00	-18356.12
2005	40.12617	040.LAW.ORIELLYS-HWY 44	INSTALL 1000' OF 4" PE ON HWY 44 FOR O'RIELLYS AUTO PARTS	Specific	14,517.90	18,585.00	(4,067.10)	14,746.78	18,585.00	(3,838.22)
2006	40.12617	040.LAW.ORIELLYS-HWY 44	INSTALL 1000' OF 4" PE ON HWY 44 FOR O'RIELLYS AUTO PARTS	Specific	35,628.89	37,180.73	-1551.84	35628.89	37,180.73	-1551.84
2005	40.12618	040.PTON.Crayne Sys Imp	Install sm capacity regulator, 2,500' - 2" PE, convert 18 services from HPD to d	Specific	1,949.94	37,180.73	(35,230.79)	37,578.83	37,180.73	398.10
2006	40.12618	040.PTON.Crayne Sys Imp	Install sm capacity regulator, 2,500' - 2" PE, convert 18 services from HPD to d	Specific	9,707.90	10,402.00	-694.1	9707.9	10,402.00	-694.1
2005	40.12619	040.BGR.RIVER BEND LAND II	2852 FT OF 2" PE - RIVER BEND II - B.G.							

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description		Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.1262	040.BGR.FIELDSTONE IV	6866 FT. OF 2" PE - FIELDSTONE IV - B.G.	Specific	23,630.77	23,780.00	-149.23	23630.77	23,780.00	-149.23
2005	40.12621	T.040.BGR,HOPK. PIERCING TOOL	T-30 PIERCING TOOL - HOPKINSVILLE	Specific	11,196.34	11,274.00	-77.66	11196.34	11,274.00	-77.66
2005	40.12622	040.OBO.BOETLER RD. ODORIZER	INSTALL ODORIZER	Specific	32,539.97	40,607.60	-8067.63	32539.97	40,607.60	-8067.63
2006	40.12622	040.OBO.BOETLER RD. ODORIZER	INSTALL ODORIZER	Specific	6,567.83	40,607.60	(34,039.77)	39,107.80	40,607.60	(1,499.80)
2005	40.12623	040.MAD.BUTT FUSE MACHINE	PURCHASE 2"- 4"BUTT FUSE MACHINE	Specific	9,048.90	7,161.00	1887.9	9048.9	7,161.00	1887.9
2005	40.12624	040.OBO.SYCAMORE ST.	SYCAMORE ST. REPLACEMENT INSTALL 300' 2" PE	Specific	17,267.53	19,806.93	-2539.4	17267.53	19,806.93	-2539.4
2005	40.12627	040.MAD.BROWN ROAD	INSTALL 500' 2" PE	Specific	2,188.43	3,272.90	-1084.47	2188.43	3,272.90	-1084.47
2005	40.12628	040.MAD.PIN OAK LN.	INSTALL 400' 2" PE	Specific	1,311.57	2,064.00	-752.43	1311.57	2,064.00	-752.43
2005	40.12629	Engineering Documents	Scanning engineering documents	Specific	1,119.98	24,288.00	-23168.02	1119.98	24,288.00	-23168.02
2005	40.1263	040.MAD.Meadowbrook Estates	INSTALL 2,412' 2" PE	Specific	9,026.60	15,493.72	-6467.12	9026.6	15,493.72	-6467.12
2006	40.1263	040.MAD.Meadowbrook Estates	INSTALL 2,412' 2" PE	Specific	384.95	15,493.72	(15,108.77)	9,411.55	15,493.72	(6,082.17)
2005	40.12631	040.MAY.New Office Accessories	Office furniture and accessories for the new Mayfield, KY office	Specific	77,607.70	48,124.48	29483.22	77607.7	48,124.48	29483.22
2006	40.12631	040.MAY.New Office Accessories	Office furniture and accessories for the new Mayfield, KY office	Specific	7,118.26	48,124.48	(41,006.22)	84,725.96	48,124.48	36,601.48
2005	40.12632	040.BGR.IVAN DOWNS PHSE.I	7420 FT. OF 2" PE - IVAN DOWNS PHASE I - B.G.	Specific	20,584.52	27,384.00	-6799.48	20584.52	27,384.00	-6799.48
2006	40.12632	040.BGR.IVAN DOWNS PHSE.I	7420 FT. OF 2" PE - IVAN DOWNS PHASE I - B.G.	Specific	7,936.14	27,384.00	(19,447.86)	28,520.66	27,384.00	1,136.66
2005	40.12633	040.BGR.BAILEY'S FARM PHSE i	6117 FT. OF 2" PE - BAILEY'S FARMS PHASE I - B.G.	Specific	16,442.91	19,705.00	-3262.09	16442.91	19,705.00	-3262.09
2005	40.12634	040.BGR.OXFORD CENTER	3293 FT. OF 2" PE - OXFORD CENTER COMMERCIAL - B.G.	Specific	6,387.86	4,249.71	2138.15	6387.86	4,249.71	2138.15
2006	40.12634	040.BGR.OXFORD CENTER	3293 FT. OF 2" PE - OXFORD CENTER COMMERCIAL - B.G.	Specific	1,149.46	4,249.71	(3,100.25)	7,537.32	4,249.71	3,287.61
2005	40.12635	040.OBO.21ST. & ALLEN REPLMNT.	INSTALL 2,425' 2" PE & 1,100' 4" PE	Specific	107,028.77	81,799.99	25228.78	107028.77	81,799.99	25228.78
2006	40.12635	040.OBO.21ST. & ALLEN REPLMNT.	INSTALL 2,425' 2" PE & 1,100' 4" PE	Specific	9,582.75	81,799.99	(72,217.24)	116,611.52	81,799.99	34,811.53
2005	40.12637	aky.tcssvc.meas.Amfine EFM	Installation of EFM @ Amfine Chemical	Specific	8,869.98	5,521.24	3348.74	8869.98	5,521.24	3348.74
2006	40.12637	aky.tcssvc.meas.Amfine EFM	Installation of EFM @ Amfine Chemical	Specific	(13.88)	5,521.24	(5,535.12)	8,856.10	5,521.24	3,334.86
2005	40.12638	040.CAM.GREENSBURG STATION	INSTALL REGULATOR STATION ON TUNNEL RAOD IN GREENSBURG	Specific	10,697.88	23,425.00	-12727.12	10697.88	23,425.00	-12727.12
2006	40.12638	040.CAM.GREENSBURG STATION	INSTALL REGULATOR STATION ON TUNNEL RAOD IN GREENSBURG	Specific	75.85	23,425.00	(23,349.15)	10,773.73	23,425.00	(12,651.27)
2005	40.12639	040.CAM.HWY 527-BYPASS	INSTALL 1500' OF 2" FROM HWY 527 TO C-VILLE BYPASS	Specific	(2,000.00)	7,300.00	-9300	-2000	7,300.00	-9300
2006	40.12639	040.CAM.HWY 527-BYPASS	INSTALL 1500' OF 2" FROM HWY 527 TO C-VILLE BYPASS	Specific	8,063.09	7,300.00	763.09	6,063.09	7,300.00	(1,236.91)
2005	40.1264	040.BGR.CRIMSON RIDGE	2254 FT. OF 2" PE - CRIMSON RIDGE - B.G.	Specific	6,023.05	3,605.00	2418.05	6023.05	3,605.00	2418.05
2006	40.1264	040.BGR.CRIMSON RIDGE	2254 FT. OF 2" PE - CRIMSON RIDGE - B.G.	Specific	(2,322.86)	3,605.00	(5,927.86)	3,700.19	3,605.00	95.19
2005	40.12641	Marker Post	Install additional marker post on right-of-ways	Specific	21,674.56	24,800.00	-3125.44	21674.56	24,800.00	-3125.44
2006	40.12641	Marker Post	Install additional marker post on right-of-ways	Specific	817.15	24,800.00	(23,982.85)	22,491.71	24,800.00	(2,308.29)
2005	40.12642	aky.tcssvc.meas.Holly EFM	Installation of EFM @ Holly Performance Prod.	Specific	3,620.27	5,521.24	-1900.97	3620.27	5,521.24	-1900.97
2006	40.12642	aky.tcssvc.meas.Holly EFM	Installation of EFM @ Holly Performance Prod.	Specific	(5.51)	5,521.24	(5,526.75)	3,614.76	5,521.24	(1,906.48)
2006	40.12643	040.BGR.MCCOY PL. 2" EXT	6970 FT. OF 2" PE - MCCOY PL EXT. - B.G.	Specific	18,757.52	24,336.00	(5,578.48)	18,757.52	24,336.00	(5,578.48)
2005	40.12644	aky.tcsvc.meas.Moisture An.	Portable moisture analyzer	Specific	13,508.69	14,396.00	-887.31	13508.69	14,396.00	-887.31
2006	40.12644	aky.tcsvc.meas.Moisture An.	Portable moisture analyzer	Specific	1,061.44	14,396.00	(13,334.56)	14,570.13	14,396.00	174.13
2005	40.12645	040.Storage Anodes	Install anodes on the Hartford/Beaver Dam Line	Specific	2,173.19	7,055.00	-4881.81	2173.19	7,055.00	-4881.81
2006	40.12645	040.Storage Anodes	Install anodes on the Hartford/Beaver Dam Line	Specific	81.90	7,055.00	(6,973.10)	2,255.09	7,055.00	(4,799.91)
2006	40.12646	040.SHV.NOTTING HILLS PH 1a	INSTALL 3300' OF 2" PE, 1500' OF 4" PE AND REG STATION FOR NOTTING HILLS PH 1a	Specific	73,004.31	80,100.00	-7095.69	73004.31	80,100.00	-7095.69
2005	40.12646	040.SHV.NOTTING HILLS PH 1a	INSTALL 3300' OF 2" PE, 1500' OF 4" PE AND REG STATION FOR NOTTING HILLS PH 1a	Specific	935.38	80,100.00	(79,164.62)	73,939.69	80,100.00	(6,160.31)
2005	40.12647	040.BGR.GLS.HART CO.IND. 4" PE	2475 FT. OF 4" PE - HART COUNTY INDUSTRIAL - T. MARZETTI	Specific	16,644.45	17,719.00	-1074.55	16644.45	17,719.00	-1074.55
2005	40.12648	040.DAN.STONEHILL P II	INSTALL 1400' 2" PE FOR 12 LOTS	Specific	3,534.06	8,450.00	-4915.94	3534.06	8,450.00	-4915.94
2006	40.12648	040.DAN.STONEHILL P II	INSTALL 1400' 2" PE FOR 12 LOTS	Specific	2,207.78	8,450.00	(6,242.22)	5,741.84	8,450.00	(2,708.16)
2005	40.12649	Calhoun 6" Retirement	Retire a portion of the Calhoun 6" Charlie Chip Line	Specific	3,093.84	10,538.00	-7444.16	3093.84	10,538.00	-7444.16
2006	40.1265	040.BGR.GLS.BYPASS EXT	1250 FT. OF 2" PE - BYPASS @ WALMART - GLASGOW	Specific	2,476.64	3,109.00	(632.36)	2,476.64	3,109.00	(632.36)
2005	40.12651	040.MAD.GREENVILLE GROUNDBED	INSTALL NEW RECTIFIER & GROUNDBED	Specific	24,326.91	36,979.80	-12652.89	24326.91	36,979.80	-12652.89
2006	40.12651	040.MAD.GREENVILLE GROUNDBED	INSTALL NEW RECTIFIER & GROUNDBED	Specific	40.04	36,979.80	(36,939.76)	24,366.95	36,979.80	(12,612.85)
2005	40.12652	040.OBO.SMITH ST. HARTFORD	INSTALL 330' 2" PE	Specific	3,443.87	1,893.33	1550.54	3443.87	1,893.33	1550.54
2005	40.12653	040.PAD.Krebs Sta Rd Rev Ext	Install 200' - 2" P.E for one new residential customer	Specific	154.56	2,514.02	-2359.46	154.56	2,514.02	-2359.46
2006	40.12653	040.PAD.Krebs Sta Rd Rev Ext	Install 200' - 2" P.E for one new residential customer	Specific	5.85	2,514.02	(2,508.17)	160.41	2,514.02	(2,353.61)
2005	40.12654	040.PAD.Coleman Rd Rev Ext	Install 550' - 2" P.E for new Mercy Regional EMS	Specific	(132.12)	759.01	-891.13	-132.12	759.01	-891.13
2005	40.12655	040.OBO.Whispering Meadows	INSTALL 364' 4" PE	Specific	9,350.98	16,275.66	-6924.68	9350.98	16,275.66	-6924.68
2006	40.12655	040.OBO.Whispering Meadows	INSTALL 364' 4" PE	Specific	(370.30)	16,275.66	(16,645.96)	8,980.68	16,275.66	(7,294.98)
2005	40.12656	040.MAY.Backhoe Trailer	new backhoe trailer/ Interstate 18DT GVW 23,500 lbs.	Specific	16,212.19	16,324.00	-111.81	16212.19	16,324.00	-111.81
2005	40.12659	040.SHV.LOWES HWY 55	INSTALL 900' OF 2" PE ON HWY 55 FOR LOWES	Specific	(10,745.03)	2,700.00	-13445.03	-10745.03	2,700.00	-13445.03
2006	40.12659	040.SHV.LOWES HWY 55	INSTALL 900' OF 2" PE ON HWY 55 FOR LOWES	Specific	17,972.38	2,700.00	15,272.38	7,227.35	2,700.00	4,527.35
2005	40.1266	040.SHV.BROWN ST-CI MAIN	REPLACE 6" CAST IRON AND 2" STEEL MAIN	Specific	10,188.10	153,850.00	-143661.9	10188.1	153,850.00	-143661.9
2006	40.1266	040.SHV.BROWN ST-CI MAIN	REPLACE 6" CAST IRON AND 2" STEEL MAIN	Specific	102,295.45	153,850.00	(51,554.55)	112,483.55	153,850.00	(41,366.45)

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Data:_____ Base Period _____ Forecasted Period

Type of Filing:___X__ Original _____ Updated _____ Revised

Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects Witness Responsible: R. Cook

Fiscal Year	Project No.		Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance in Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12661	040.SHV.BROWN-CI SERVICES	REPLACE SERVICES ON THE CAST IRON ON BROWN STREET	Specific	16,241.21	110,300.00	-94058.79	16241.21	110,300.00	-94058.79
2006	40.12661	040.SHV.BROWN-CI SERVICES	REPLACE SERVICES ON THE CAST IRON ON BROWN STREET	Specific	66,580.01	110,300.00	(43,719.99)	82,821.22	110,300.00	(27,478.78)
2006	40.12662	040.SHV.CARD CLUB-LINKS	INSTALL 2" PE ON LINKS DR IN CARDINAL CLUB	Specific	14,084.44	15,950.00	(1,865.56)	14,084.44	15,950.00	(1,865.56)
2006	40.12666	040.BGR.RUSS.WILHELM RD, 2" PE	150 FT. OF 2" PE - WILHELM RD. - RUSS	Specific	907.35	1,886.00	(978.65)	907.35	1,886.00	(978.65)
2005	40.12667	040.BGR.THE OAKS II - B.G.	265 FT. OF 2" PE - THE OAKS II - B.G.	Specific	319.06	1,451.00	-1131.94	319.06	1,451.00	-1131.94
2005	40.12669	040.CAM.IMI - HWY 68	INSTALL 2000' OF 2" PE FOR IMI CONCRETE ON HWY 68	Specific	10,952.61	2,100.00	8852.61	10952.61	2,100.00	8852.61
2006	40.12669	040.CAM.IMI - HWY 68	INSTALL 2000' OF 2" PE FOR IMI CONCRETE ON HWY 68	Specific	(7,809.72)	2,100.00	(9,909.72)	3,142.89	2,100.00	1,042.89
2005	40.1267	040.CAM.TRAILER 14'	14' TRAILER FOR VARIOUS USES	Specific	2,672.17	4,400.00	-1727.83	2672.17	4,400.00	-1727.83
2005	40.12673	040.MAY.Lot Sedalia TB	Purchase 10 x 15 lot for $1,308 from Graves Bd of Education	Specific	2,085.98	2,877.60	-791.62	2085.98	2,877.60	-791.62
2005	40.12674	040.BGR.RUSS WAL-MART RELOC	1130 FT. OF 2" PE RELOCATION - WAL-MART - RUSS	Specific	877.79	-	877.79	877.79	-	877.79
2006	40.12674	040.BGR.RUSS WAL-MART RELOC	1130 FT. OF 2" PE RELOCATION - WAL-MART - RUSS	Specific	(8,834.35)	(0.00)	(8,834.35)	(7,956.56)	(0.00)	(7,956.56)
2005	40.12675	040. Storage Trailer	Purchase lawn mower trailer for St. Charles Storage	Specific	1,512.98	2,090.00	-577.02	1512.98	2,090.00	-577.02
2006	40.12676	040.DAN.HUBLE RD-HILLTOPPER	INSTALL 500' OF 2" PE ACROSS HUBLE RD AT HILLTOPPER IN STANFORD FOR SYSTEM	Specific	6,783.62	6,950.00	(166.38)	6,783.62	6,950.00	(166.38)
2005	40.12679	040.SHV.DUMP BED - 2 TON TRUCK	INSTALL DUNP BED ON 2 TON TRUCK	Specific	11,033.54	24,300.00	-13266.46	11033.54	24,300.00	-13266.46
2005	40.1268	David Lashbrook MEC Forfeiture	David Lashbrook MEC Forfeiture	Specific	(4,984.00)	Not Budgeted	-	-4984	Not Budgeted	-
2005	40.12681	Patrica Higdon MEC Forfeiture	Patrica Higdon MEC Forfeiture	Specific	(308.00)	Not Budgeted	-	-308	Not Budgeted	-
2005	40.12682	Joseph Isbill MEC Forfeiture	Joseph Isbill MEC Forfeiture	Specific	(6,011.00)	Not Budgeted	-	-6011	Not Budgeted	-
2005	40.12683	Stonecrest MEC Forfeiture	Stonecrest MEC Forfeiture	Specific	(3,941.00)	Not Budgeted	-	-3941	Not Budgeted	-
2005	40.12684	Jarret Embry MEC Forfeiture	Jarret Embry MEC Forfeiture	Specific	(4,111.00)	Not Budgeted	-	-4111	Not Budgeted	-
2005	40.12685	Norma Taylor MEC Forfeiture	Norma Taylor MEC Forfeiture	Specific	(2,238.90)	Not Budgeted	-	-2238.9	Not Budgeted	-
2005	40.12686	Brice Leech MEC Forfeiture	Brice Leech MEC Forfeiture	Specific	(2,236.00)	Not Budgeted	-	-2236	Not Budgeted	-
2005	40.12687	Joe Wallace MEC Forfeiture	Joe Wallace MEC Forfeiture	Specific	(15,056.00)	Not Budgeted	-	-15056	Not Budgeted	-
2005	40.12688	Wallace Computer MEC Forf	Wallace Computer MEC Forf	Specific	(3,770.52)	Not Budgeted	-	-3770.52	Not Budgeted	-
2005	40.12689	Leonard Worth MEC Forfeiture	Leonard Worth MEC Forfeiture	Specific	(31,804.01)	Not Budgeted	-	-31804.01	Not Budgeted	-
2005	40.1269	Ken Daniel MEC Forfeiture	Ken Daniel MEC Forfeiture	Specific	(4,824.00)	Not Budgeted	-	-4824	Not Budgeted	-
2005	40.12691	Ronald Simmons MEC Forf	Ronald Simmons MEC Forf	Specific	(2,056.00)	Not Budgeted	-	-2056	Not Budgeted	-
2005	40.12692	Super America MEC Forfeiture	Super America MEC Forfeiture	Specific	(5,500.00)	Not Budgeted	-	-5500	Not Budgeted	-
2005	40.12693	David Howerton MEC Forfeiture	David Howerton MEC Forfeiture	Specific	(613.00)	Not Budgeted	-	-613	Not Budgeted	-
2005	40.12694	Daviess BD of EDU MEC Forf	Daviess BD of EDU MEC Forf	Specific	(3,955.00)	Not Budgeted	-	-3955	Not Budgeted	-
2005	40.12695	Randy Terry MEC Forfeiture	Randy Terry MEC Forfeiture	Specific	(4,479.00)	Not Budgeted	-	-4479	Not Budgeted	-
2005	40.12696	Greg Carmon MEC Forfeiture	Greg Carmon MEC Forfeiture	Specific	(1,478.00)	Not Budgeted	-	-1478	Not Budgeted	-
2005	40.12697	Eugene Howard MEC Forfeiture	Eugene Howard MEC Forfeiture	Specific	(73.00)	Not Budgeted	-	-73	Not Budgeted	-
2005	40.12698	Michelle Calloway MEC Forf	Michelle Calloway MEC Forf	Specific	(1,731.00)	Not Budgeted	-	-1731	Not Budgeted	-
2005	40.12699	R/C/Gresham MEC Forfeiture	R/C/Gresham MEC Forfeiture	Specific	(39.00)	Not Budgeted	-	-39	Not Budgeted	-
2005	40.127	Stanford Wood Prod MEC Forf	Stanford Wood Prod MEC Forf	Specific	(12,203.00)	Not Budgeted	-	-12203	Not Budgeted	-
2005	40.12701	Chris/Linda Spears MEC Forfeit	Chris/Linda Spears MEC Forfeit	Specific	(7,999.00)	Not Budgeted	-	-7999	Not Budgeted	-
2005	40.12702	Eugene Hafley MEC forfeiture	Eugene Hafley MEC forfeiture	Specific	(568.00)	Not Budgeted	-	-568	Not Budgeted	-
2005	40.12703	Chris Coyle MEC Forfeiture	Chris Coyle MEC Forfeiture	Specific	(187.00)	Not Budgeted	-	-187	Not Budgeted	-
2005	40.12704	Hunters Pointe Dev MEC Forfeit	Hunters Pointe Dev MEC Forfeit	Specific	(10,646.00)	Not Budgeted	-	-10646	Not Budgeted	-
2005	40.12705	Phil Hamilton MEC Forfeiture	Phil Hamilton MEC Forfeiture	Specific	(2,563.00)	Not Budgeted	-	-2563	Not Budgeted	-
2005	40.12706	Payne/Boswell MEC Forfeiture	Payne/Boswell MEC Forfeiture	Specific	(533.00)	Not Budgeted	-	-533	Not Budgeted	-
2005	40.12708	Freddie Mayes MEC Forfeiture	Freddie Mayes MEC Forfeiture	Specific	(648.00)	Not Budgeted	-	-648	Not Budgeted	-
2005	40.12709	Baker/Kirkland/McGlone MEC For	Baker/Kirkland/McGlone MEC For	Specific	(2,109.00)	Not Budgeted	-	-2109	Not Budgeted	-
2005	40.1271	Canton Pike Grp MEC Forfeiture	Canton Pike Grp MEC Forfeiture	Specific	(1,219.00)	Not Budgeted	-	-1219	Not Budgeted	-
2005	40.12711	John Samsil MEC Forfeiture	John Samsil MEC Forfeiture	Specific	(1,939.30)	Not Budgeted	-	-1939.3	Not Budgeted	-
2005	40.12712	Jerome Paul Haynes MEC Forf	Jerome Paul Haynes MEC Forf	Specific	(4,113.00)	Not Budgeted	-	-4113	Not Budgeted	-
2005	40.12713	Patrick Dirito MEC Forfeiture	Patrick Dirito MEC Forfeiture	Specific	(5,321.00)	Not Budgeted	-	-5321	Not Budgeted	-
2005	40.12714	Jarrett Embry MEC Forfeiture	Jarrett Embry MEC Forfeiture	Specific	(4,111.00)	Not Budgeted	-	-4111	Not Budgeted	-
2005	40.12715	Mike Duvall MEC Forfeiture	Mike Duvall MEC Forfeiture	Specific	(632.00)	Not Budgeted	-	-632	Not Budgeted	-
2005	40.12716	Bob Lindsey MEC Forfeiture	Bob Lindsey MEC Forfeiture	Specific	(182.00)	Not Budgeted	-	-182	Not Budgeted	-
2005	40.12717	US 62 MEC Forfeiture	US 62 MEC Forfeiture	Specific	(16,047.00)	Not Budgeted	-	-16047	Not Budgeted	-
2005	40.12718	Smith Grove Dev MEC Forfeit	Smith Grove Dev MEC Forfeit	Specific	(1,042.00)	Not Budgeted	-	-1042	Not Budgeted	-
2005	40.12719	David Gardner MEC Forfeiture	David Gardner MEC Forfeiture	Specific	(499.00)	Not Budgeted	-	-499	Not Budgeted	-
2005	40.1272	Smith Grove Dev #2 MEC Forfeit	Smith Grove Dev #2 MEC Forfeit	Specific	(14,340.00)	Not Budgeted	-	-14340	Not Budgeted	-
2005	40.12721	Consolidated Grain MEC Forfeit	Consolidated Grain MEC Forfeit	Specific	(8,005.00)	Not Budgeted	-	-8005	Not Budgeted	-
2005	40.12722	Harold Hankins MEC Forfeiture	Harold Hankins MEC Forfeiture	Specific	(285.00)	Not Budgeted	-	-285	Not Budgeted	-
2005	40.12723	Boyce Allen MEC Forfeiture	Boyce Allen MEC Forfeiture	Specific	(410.00)	Not Budgeted	-	-410	Not Budgeted	-

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Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT **Functional and Specific Projects**
Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2005	40.12724	Kayo Mullen MEC Forfeiture	Specific	(3,729.00)	Not Budgeted	-	-3729	Not Budgeted	-
2005	40.12725	Ronnie Peck MEC Forfeiture	Specific	(89.00)	Not Budgeted	-	-89	Not Budgeted	-
2005	40.12726	Larry Sanderson MEC Forfeiture	Specific	(987.00)	Not Budgeted	-	-987	Not Budgeted	-
2005	40.12728	A G Weldon MEC Forfeiture	Specific	(359.00)	Not Budgeted	-	-359	Not Budgeted	-
2005	40.12729	Leonard Crowell MEC Forfeiture	Specific	(897.00)	Not Budgeted	-	-897	Not Budgeted	-
2005	40.1273	Jerry Wheeler MEC Forfeiture	Specific	(1,272.00)	Not Budgeted	-	-1272	Not Budgeted	-
2005	40.12731	Tom Smith MEC Forfeiture	Specific	(3,287.00)	Not Budgeted	-	-3287	Not Budgeted	-
2005	40.12732	Abram Allen MEC Forfeiture	Specific	(1,494.00)	Not Budgeted	-	-1494	Not Budgeted	-
2005	40.12733	Cindy Howie Ent MEC Forfeiture	Specific	(5,066.00)	Not Budgeted	-	-5066	Not Budgeted	-
2005	40.12734	Paul Harris MEC Forfeiture	Specific	(62.00)	Not Budgeted	-	-62	Not Budgeted	-
2005	40.12735	Catherine Hertzog MEC Forfeit	Specific	(150.00)	Not Budgeted	-	-150	Not Budgeted	-
2005	40.12736	Joseph Leech MEC Forfeiture	Specific	(1,330.00)	Not Budgeted	-	-1330	Not Budgeted	-
2005	40.12737	Mary Pruitt MEC Forfeiture	Specific	(756.00)	Not Budgeted	-	-756	Not Budgeted	-
2005	40.12738	Eddie Obanion MEC Forfeiture	Specific	(688.00)	Not Budgeted	-	-688	Not Budgeted	-
2005	40.12739	AD Gaddis MEC Forfeiture	Specific	(341.00)	Not Budgeted	-	-341	Not Budgeted	-
2005	40.1274	Wallace Sapp MEC Forfeiture	Specific	(520.00)	Not Budgeted	-	-520	Not Budgeted	-
2005	40.12741	Janice Stinnett MEC Forfeiture	Specific	(768.00)	Not Budgeted	-	-768	Not Budgeted	-
2005	40.12742	Barrington Manor MEC Forfeit	Specific	(10,980.00)	Not Budgeted	-	-10980	Not Budgeted	-
2005	40.12743	South Fork MEC Forfeiture	Specific	(7,815.00)	Not Budgeted	-	-7815	Not Budgeted	-
2005	40.12744	Dale Shrull MEC Forfeiture	Specific	(4,027.00)	Not Budgeted	-	-4027	Not Budgeted	-
2005	40.12745	Faye Erickson MEC Forfeiture	Specific	(9,718.00)	Not Budgeted	-	-9718	Not Budgeted	-
2005	40.12746	Robert Vincent MEC Forfeiture	Specific	(880.00)	Not Budgeted	-	-880	Not Budgeted	-
2005	40.12747	Joseph House MEC Forfeiture	Specific	(1,512.00)	Not Budgeted	-	-1512	Not Budgeted	-
2005	40.12748	Dennis Kirley MEC Forfeiture	Specific	(675.00)	Not Budgeted	-	-675	Not Budgeted	-
2005	40.12749	Martin/Hart MEC Forfeiture	Specific	(7,647.00)	Not Budgeted	-	-7647	Not Budgeted	-
2005	40.1275	Bill Dale MEC Forfeiture	Specific	(189.00)	Not Budgeted	-	-189	Not Budgeted	-
2005	40.12751	David Sutton MEC Forfeiture	Specific	(2,117.00)	Not Budgeted	-	-2117	Not Budgeted	-
2005	40.12752	Rick Shanklin MEC Forfeiture	Specific	(1,584.00)	Not Budgeted	-	-1584	Not Budgeted	-
2005	40.12753	Babara Cherry MEC Forfeiture	Specific	(1,250.00)	Not Budgeted	-	-1250	Not Budgeted	-
2005	40.12754	Rodney Heaton MEC Forfeiture	Specific	(760.00)	Not Budgeted	-	-760	Not Budgeted	-
2005	40.12755	Brooke Co MEC Forfeiture	Specific	(13,780.29)	Not Budgeted	-	-13780.29	Not Budgeted	-
2005	40.12756	Meuhlenberg MEC Forfeiture	Specific	(8,328.65)	Not Budgeted	-	-8328.65	Not Budgeted	-
2006	40.12757	040.OBO.HIGHLAND GARDEN POINTE	Specific	1,764.68	2,832.24	(1,067.56)	1,764.68	2,832.24	(1,067.56)
2005	40.12758	Tim Montgomery MEC Forfeiture	Specific	(187.00)	Not Budgeted	-	-187	Not Budgeted	-
2006	40.12759	040.OBO.WOOD LAND PLAZA	Specific	(475.85)	0.00	(475.85)	(475.85)	0.00	(475.85)
2006	40.1276	040.PAD.Cedar Ridge Rev Ext	Specific	4,476.32	4,481.07	(4.75)	4,476.32	4,481.07	(4.75)
2006	40.12761	040.OBO.2006 FARM TAP PROECT	Specific	75,545.80	114,272.40	(38,726.60)	75,545.80	114,272.40	(38,726.60)
2006	40.12762	Bowling Green 06 Growth	Functional	1,145,219.49	Not Budgeted	-	1,145,219.49	Not Budgeted	-
2006	40.12763	Bowling Green 06 Non Growth	Functional	1,548,685.66	Not Budgeted	-	1,548,685.66	Not Budgeted	-
2006	40.12764	Glasgow 06 Growth	Functional	115,372.35	Not Budgeted	-	115,372.35	Not Budgeted	-
2006	40.12765	Glasgow 06 Non Growth	Functional	547,232.45	Not Budgeted	-	547,232.45	Not Budgeted	-
2006	40.12766	Hopkinsville 06 Growth	Functional	143,033.55	Not Budgeted	-	143,033.55	Not Budgeted	-
2006	40.12767	Hopkinsville 06 Non Growth	Functional	325,743.02	Not Budgeted	-	325,743.02	Not Budgeted	-
2006	40.12768	Danville 06 Growth	Functional	301,649.11	Not Budgeted	-	301,649.11	Not Budgeted	-
2006	40.12769	Danville 06 Non Growth	Functional	363,928.92	Not Budgeted	-	363,928.92	Not Budgeted	-
2006	40.1277	Campbellsville 06 Growth	Functional	79,903.35	Not Budgeted	-	79,903.35	Not Budgeted	-
2006	40.12771	Campbellsville 06 Non Growth	Functional	380,452.36	Not Budgeted	-	380,452.36	Not Budgeted	-
2006	40.12772	Shelbyville 06 Growth	Functional	687,939.11	Not Budgeted	-	687,939.11	Not Budgeted	-
2006	40.12773	Shelbyville 06 Non Growth	Functional	319,758.58	Not Budgeted	-	319,758.58	Not Budgeted	-
2006	40.12774	Madisonville 06 Growth	Functional	150,395.83	Not Budgeted	-	150,395.83	Not Budgeted	-
2006	40.12775	Madisonville 06 Non Growth	Functional	389,418.02	Not Budgeted	-	389,418.02	Not Budgeted	-
2006	40.12776	Princeton 06 Growth	Functional	34,682.61	Not Budgeted	-	34,682.61	Not Budgeted	-
2006	40.12777	Princeton 06 Non Growth	Functional	216,614.33	Not Budgeted	-	216,614.33	Not Budgeted	-
2006	40.12778	Owensboro 06 Growth	Functional	663,625.43	Not Budgeted	-	663,625.43	Not Budgeted	-
2006	40.12779	Owensboro 06 Non Growth	Functional	1,292,017.11	Not Budgeted	-	1,292,017.11	Not Budgeted	-
2006	40.1278	Paducah 06 Growth	Functional	463,132.42	Not Budgeted	-	463,132.42	Not Budgeted	-
2006	40.12781	Paducah 06 Non Growth	Functional	309,008.41	Not Budgeted	-	309,008.41	Not Budgeted	-

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Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2006	40.12782	Mayfield 06 Growth	Functional	117,303.19	Not Budgeted	-	117,303.19	Not Budgeted	-
2006	40.12783	Mayfield 06 Non Growth	Functional	205,905.07	Not Budgeted	-	205,905.07	Not Budgeted	-
2006	40.12784	040.DAN.ABSC 4 STEEL-IND PARK	Specific	(6,881.55)	(18,350.00)	11,468.45	(6,881.55)	(18,350.00)	11,468.45
2006	40.12785	040.DAN.3B 4 STEEL-IND PARK	Specific	61,325.36	21,500.00	39,825.36	61,325.36	21,500.00	39,825.36
2006	40.12786	040.PTON.Ind Park #3 Rev Ext	Specific	27,503.60	38,180.03	(10,676.43)	27,503.60	38,180.03	(10,676.43)
2006	40.12787	040.2739.DALE ESTATES	Specific	2,739.40	6,275.00	(3,535.60)	2,739.40	6,275.00	(3,535.60)
2006	40.12788	040.MAY.N St Paul St Rev Ext	Specific	1,082.79	1,543.90	(461.11)	1,082.79	1,543.90	(461.11)
2006	40.12789	040.OBO.GRAYSTONE/CAMDEN	Specific	4,450.86	4,829.44	(378.58)	4,450.86	4,829.44	(378.58)
2006	40.1279	040.PAD.Highland Rd Ext III	Specific	2,230.66	3,012.00	(781.34)	2,230.66	3,012.00	(781.34)
2006	40.12791	040.OBO. HWY 54& MILLERS MILL	Specific	23,347.59	22,549.80	797.79	23,347.59	22,549.80	797.79
2006	40.12793	040.2739.HWY 60 RELOCATE	Specific	212,636.73	(39,540.00)	252,176.73	212,636.73	(39,540.00)	252,176.73
2006	40.12794	040.2739.ALCAN 6" STEEL-BYPASS	Specific	288,618.74	178,100.00	110,518.74	288,618.74	178,100.00	110,518.74
2006	40.12795	040.BGR.CUMBERLAND RIDGE	Specific	10,658.04	10,738.00	(79.96)	10,658.04	10,738.00	(79.96)
2006	40.12796	040.BGR.RUSS.STONEWALL III& iv	Specific	3,264.73	10,548.00	(7,283.27)	3,264.73	10,548.00	(7,283.27)
2006	40.12797	040.PAD.5th Ave Main Ext	Specific	2,071.54	0.00	2,071.54	2,071.54	0.00	2,071.54
2006	40.12798	040.PAD.Cimerron Cove Ext	Specific	26,897.72	25,281.08	1,616.64	26,897.72	25,281.08	1,616.64
2006	40.12799	040.MAY.N Sutton Ln Ext	Specific	1,630.89	1,074.00	556.89	1,630.89	1,074.00	556.89
2006	40.128	040.OBO.RALPH AVE.RELOC.	Specific	(282.91)	0.00	(282.91)	(282.91)	0.00	(282.91)
2006	40.12801	040.OBO.EAST BYERS AVE.	Specific	4,400.76	3,416.45	984.31	4,400.76	3,416.45	984.31
2006	40.12803	040.NGR.HOP.PENNYRILE RELOC.	Specific	12,137.17	14,307.00	(2,169.83)	12,137.17	14,307.00	(2,169.83)
2006	40.12804	040.PAD.Burldeen Dr Main Ext	Specific	2,761.59	1,087.75	1,673.84	2,761.59	1,087.75	1,673.84
2006	40.12805	040.BGR.HOP.BURLEY DR. EXT	Specific	287.62	2,277.00	(1,989.38)	287.62	2,277.00	(1,989.38)
2006	40.12806	040.BGR.FRK.SAM WALTON DR. EXT	Specific	3,759.10	662.00	3,097.10	3,759.10	662.00	3,097.10
2006	40.12807	040.BGR.FRK.COTTAGE GROVE	Specific	7,129.46	10,662.00	(3,532.54)	7,129.46	10,662.00	(3,532.54)
2006	40.12808	040.BGR.GLS.GARET WAY	Specific	3,622.52	3,716.00	(93.48)	3,622.52	3,716.00	(93.48)
2006	40.1281	040.BGR.GLS.HARLOW TRAIL	Specific	4,707.11	4,430.00	277.11	4,707.11	4,430.00	277.11
2006	40.12811	040.BGR.PARKER MILLER - B..G	Specific	3,543.36	5,817.00	(2,273.64)	3,543.36	5,817.00	(2,273.64)
2006	40.12812	040.2739.LOCUST CRK SEC 6	Specific	112,002.23	88,675.00	23,327.23	112,002.23	88,675.00	23,327.23
2006	40.12815	040.2739.RESERVE BENSON CRK I	Specific	31,877.20	36,800.00	(4,922.80)	31,877.20	36,800.00	(4,922.80)
2006	40.12818	040.BGR.PINE TERRACE 2" EXT.	Specific	6,177.76	3,234.00	2,943.76	6,177.76	3,234.00	2,943.76
2006	40.12819	040.SPRINGFIELD V & VI - B.G.	Specific	10,645.21	11,279.00	(633.79)	10,645.21	11,279.00	(633.79)
2006	40.1282	040.BGR.PARK HILL V - B	Specific	8,565.00	9,547.00	(982.00)	8,565.00	9,547.00	(982.00)
2006	40.12821	040.OBO.LITTLE HICKORY RD.	Specific	28.65	(0.00)	28.65	28.65	(0.00)	28.65
2006	40.12822	AKY.TCSVC.MEAS.OUTSOURCER	Specific	133,307.88	67,200.00	66,107.88	133,307.88	67,200.00	66,107.88
2006	40.12823	AKY.TCSVC.MEAS.ENGINEERED REGS	Specific	36,547.50	34,957.00	1,590.50	36,547.50	34,957.00	1,590.50
2006	40.12824	AKY.TCSVS.MEAS.EFM.COPAR	Specific	9,747.55	5,521.24	4,226.31	9,747.55	5,521.24	4,226.31
2006	40.12825	AKY.TCSVC.MEAS.EFM.WKU	Specific	6,066.64	5,521.24	545.40	6,066.64	5,521.24	545.40
2006	40.12826	040.Sto Madisonville Tornado	Specific	44,730.97	40,557.00	4,173.97	44,730.97	40,557.00	4,173.97
2006	40.12827	AKY.TCSVC.MEAS.EFM.ABSKY	Specific	8,295.47	5,521.24	2,774.23	8,295.47	5,521.24	2,774.23
2006	40.12828	040.OBO.OBO CHRISTIAN CHURCH	Specific	(1,144.27)	3,374.04	(4,518.31)	(1,144.27)	3,374.04	(4,518.31)
2006	40.1283	040.OBO.2006 METER PROJECT	Specific	93,997.22	129,955.62	(35,958.40)	93,997.22	129,955.62	(35,958.40)
2006	40.12831	040.MAD.2006 METER PROJECT	Specific	47,113.15	59,323.52	(12,210.37)	47,113.15	59,323.52	(12,210.37)
2006	40.12832	040.2737.BAILEY IND PARK 2006	Specific	77,247.40	145.00	77,102.40	77,247.40	145.00	77,102.40
2006	40.12833	040.BGR.RIVERBEND III - B.G.	Specific	10,141.06	7,273.00	2,868.06	10,141.06	7,273.00	2,868.06
2006	40.12834	040.PTON.Meter Purchase 2006	Specific	16,161.02	29,253.66	(13,092.64)	16,161.02	29,253.66	(13,092.64)
2006	40.12835	040.MAY.'06 Meter Purchase	Specific	21,722.86	58,641.76	(36,918.90)	21,722.86	58,641.76	(36,918.90)
2006	40.12837	040.PAD.'06 Meter Purchases	Specific	114,288.86	96,960.75	17,328.11	114,288.86	96,960.75	17,328.11
2006	40.12838	040.OBO.Pleasant Valley Rd.	Specific	416.23	699.26	(283.03)	416.23	699.26	(283.03)
2006	40.12839	040.OBO.THE BROOKS PHASE 3	Specific	10,384.06	7,895.86	2,488.20	10,384.06	7,895.86	2,488.20
2006	40.1284	040.OBO.CROSS CREEK PHASE 4	Specific	6,594.35	7,271.11	(676.76)	6,594.35	7,271.11	(676.76)
2006	40.12841	040.PTON.Eagan St Replacement	Specific	3,897.01	4,581.39	(684.38)	3,897.01	4,581.39	(684.38)
2006	40.12842	AKY.TCSVC.MEAS.ROTARY METERS	Specific	19,105.61	24,188.00	(5,082.39)	19,105.61	24,188.00	(5,082.39)
2006	40.129	040.PAD.Peppers' Mill II	Specific	20,594.78	14,704.61	5,890.17	20,594.78	14,704.61	5,890.17
2006	40.12902	040.STO Office Furniture	Specific	28,274.62	27,500.00	774.62	28,274.62	27,500.00	774.62
2006	40.12903	040.STO PC Replacements	Specific	29,800.02	44,000.00	(14,199.98)	29,800.02	44,000.00	(14,199.98)
2006	40.12904	040.PAD.N Friendship Rd Ext	Specific	4,993.66	896.00	4,097.66	4,993.66	896.00	4,097.66
2006	40.12907	040.BGR.FRK.WILLIAMSBURG I	Specific	8,688.50	7,812.00	876.50	8,688.50	7,812.00	876.50

		Mayfield 06 Growth	Mayfield 06 Growth						
		Mayfield 06 Non Growth	Mayfield 06 Non Growth						
		040.DAN.ABSC 4 STEEL-IND PARK	INSTALL 2000' OF 4" STEEL ON INDUSTRIAL DR IN THE HUNT INDUSTRIAL PARK FOR A						
		040.DAN.3B 4 STEEL-IND PARK	INSTALL 800' OF 4" STEEL ON INDUSTRIAL DR IN THE HUNT INDUSTRIAL PARK FOR 3B						
		040.PTON.Ind Park #3 Rev Ext	Install 3,300' - 4" PE into Cadiz Industrial Park #3 for Benson International						
		040.2739.DALE ESTATES	INSTALL 1800' OF 2" PE IN DALE ESTATES						
		040.MAY.N St Paul St Rev Ext	100' 2"P extension for one customer (Roy Bunch)						
		040.OBO.GRAYSTONE/CAMDEN	INSTALL 782' 2" PE						
		040.PAD.Highland Rd Ext III	Install 900' - 2" PE for four existing and one new residential customer						
		040.OBO. HWY 54& MILLERS MILL	INSTALL 720' 4" PE, RETIRE 2" STL						
		040.2739.HWY 60 RELOCATE	INSTALL 540' OF 6" STEEL ON HWY 60-STATE RELOCATE						
		040.2739.ALCAN 6" STEEL-BYPASS	INSTALL 3160' OF 6" STEEL FOR ALCAN						
		040.BGR.CUMBERLAND RIDGE	2" PE EXT. - CUMBERLAND RIDGE - B.G.						
		040.BGR.RUSS.STONEWALL III& iv	2" PE EXT. - STONEWALL III & IV- RUSS.						
		040.PAD.5th Ave Main Ext	Install 250' - 2" PE in order to relocate double meter loop in the way of new li						
		040.PAD.Cimerron Cove Ext	Install 6,300' - 2" PE in Cimerron Cove Subd. for Jeff James						
		040.MAY.N Sutton Ln Ext	Install 325' - 2" PE for one existing home & one exist mobile home						
		040.OBO.RALPH AVE.RELOC.	INSTALL 615' 2"PE RETIRES 2" STEEL						
		040.OBO.EAST BYERS AVE.	INSTALL 482' 2" PE						
		040.NGR.HOP.PENNYRILE RELOC.	200' OF 4" PE RELOC. - PENNYRILE PKWY. - HOPK.						
		040.PAD.Burldeen Dr Main Ext	Install 100' - 2" PE for one existing customer wanting to convert heat from elec						
		040.BGR.HOP.BURLEY DR. EXT	800 FT. OF 2" PE - BURLEY DR. - DOT'S RESTAURANT - B.G.						
		040.BGR.FRK.SAM WALTON DR. EXT	1550 FT. OF 2" PE - SAMWALTON DR. - RUSS						
		040.BGR.FRK.COTTAGE GROVE	3288 FT. OF 2" PE - COTTAGE GROVE - FRK.						
		040.BGR.GLS.GARET WAY	625 FT. OF 2" PE - GARET WAY - GLASGOW						
		040.BGR.GLS.HARLOW TRAIL	1210 FT. OF 2" PE HARLOW TRAIL - GLASGOW						
		040.BGR.PARKER MILLER - B..G	835 FT.OF 2" PE- DAHLIA WAY - PARKER MILLER - B.G.						
		040.2739.LOCUST CRK SEC 6	INSTALL 2" AND 4" PE IN LOCUST CREEK IN SECTION 6						
		040.2739.RESERVE BENSON CRK I	INSTALL 2" PE IN THE RESERVE AT BENSON CREEK PHASE I						
		040.BGR.PINE TERRACE 2" EXT.	604 FT. OF 2" PE - PINE TERRACE - B.G.						
		040.SPRINGFIELD V & VI - B.G.	3410 FT. OF 2" PE - SPRINGFIELD V & VI - B.G.						
		040.BGR.PARK HILL V - B	2039 FT. OF 2" PE - PARK HILL V - B.G.						
		040.OBO.LITTLE HICKORY RD.	INSTALL 290' 2" PE						
		AKY.TCSVC.MEAS.OUTSOURCER	Outsourcing of Meter repair for 2006 PC Year						
		AKY.TCSVC.MEAS.ENGINEERED REGS	OUTSOURCER METER TESTING AND REPAIR						
		AKY.TCSVS.MEAS.EFM.COPAR	EFM Installation @ Copar						
		AKY.TCSVC.MEAS.EFM.WKU	Installation of EFM @ WKU Steamplant						
		040.Sto Madisonville Tornado	Labor and material for Madisonville tornado						
		AKY.TCSVC.MEAS.EFM.ABSKY	Installation of EFM @ ABSKY						
		040.OBO.OBO CHRISTIAN CHURCH	RELOCATE 689' 2" STEEL FOR CHURCH EXPANSION						
		040.OBO.2006 METER PROJECT	PROJECT FOR 2006 METER PURCHASES OWENSBORO						
		040.MAD.2006 METER PROJECT	2006 METER PURCHASE PROJECT FOR MADISONVILLE						
		040.2737.BAILEY IND PARK 2006	INSTALL 1075' OF 4" STEEL FROM 3B TOWARDS HWY 34						
		040.BGR.RIVERBEND III - B.G.	1860 FT.OF 2" PE - RIVERBEND III - B.G.						
		040.PTON.Meter Purchase 2006	the purchase of class 1 through 4 meters for Princeton for FY '06						
		040.MAY.'06 Meter Purchase	costs to purchase class 1 through class 4 meters for Mayfield						
		040.PAD.'06 Meter Purchases	project to purchase class 1 through class 4 meters for FY 2006						
		040.OBO.Pleasant Valley Rd.	Install 885' 2" Pe						
		040.OBO.THE BROOKS PHASE 3	INSTALL 1,146' 2" PE						
		040.OBO.CROSS CREEK PHASE 4	INSTALL 888' 2" PE						
		040.PTON.Eagan St Replacement	Replace 325' - 2" bare pipe with 325' - 2" PE. we have two grade II leaks						
		AKY.TCSVC.MEAS.ROTARY METERS	PURCHASE OF DRESSER METERS						
		040.PAD.Peppers' Mill II	Install 3,075' - 2" PE into phase II of Peppers' Mill Subdivision						
		040.STO Office Furniture	Purchase of Conference Room Furniture						
		040.STO PC Replacements	Purchase Computers for Company Replacements						
		040.PAD.N Friendship Rd Ext	250' reveneue extension for new church						
		040.BGR.FRK.WILLIAMSBURG I	1910 FT. OF 2" PE - WILLIAMSBURG PARK I - FRANKLIN						

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period
Type of Filing:___X__ Original _____ Updated _____ Revised
Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description	Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2006	40.12909	040.BGR.CEMETERY RD. / IDLE	730 FT. OF 4" PE CEMETERY RD. @ IDLE - B.G.	Specific	6,649.03	4,894.00	1,755.03	6,649.03	4,894.00	1,755.03
2006	40.1291	040.BGR.CEMETERY RD @ FOUNTAIN	1100 FT.OF 4" PE - CEMETERY RD. @ FOUNTAIN TRACE - B.G.	Specific	14,406.27	11,939.00	2,467.27	14,406.27	11,939.00	2,467.27
2006	40.12911	040.2739.OSPREY COVE VI DUPLEX	INSTALL 2300' OF 2" PE IN OSPREY COVE DUPLEXES	Specific	11,715.50	12,300.00	(584.50)	11,715.50	12,300.00	(584.50)
2006	40.12912	AKY.TCSVC.MEAS.ALCAN REGS	REGULATORS FOR INSTALLATION @ ALCAN	Specific	10,647.21	20,079.00	(9,431.79)	10,647.21	20,079.00	(9,431.79)
2006	40.12913	AKY.TCSVS.MEAS.METERS	PURCHASE OF SPECIAL LARGE ROTARY METERS	Specific	18,680.80	19,689.00	(1,008.20)	18,680.80	19,689.00	(1,008.20)
2006	40.12914	AKY.TCSVS.MEAS.CALIBRATORS	PURCHASE OF CRYSTAL CALIBRATORS	Specific	24,019.02	18,528.00	5,491.02	24,019.02	18,528.00	5,491.02
2006	40.12915	040.OBO.LINCOLN RANGER 250	PURCHASE LINCOLN RANGER 250 WELDER	Specific	7,057.68	6,963.00	94.68	7,057.68	6,963.00	94.68
2006	40.12916	040.PTON.Varmint Trace Replace	Replace 50' - 3/4", 60' - 1 1/4", & 105' - 2" steel pipe with 215' - 2" PE	Specific	5,119.29	5,105.42	13.87	5,119.29	5,105.42	13.87
2006	40.12918	040.2739.LAW.WALMART	INSTALL 2200' OF 4" PE FOR WALMART OUTPARCELS	Specific	25,651.99	8,860.00	16,791.99	25,651.99	8,860.00	16,791.99
2006	40.12919	040.STO Hwy 800 Xing Repl.	Line No. 90-159-00 Nortonville/Fruithill 10" Replace Highway 800 Road Crossing	Specific	30,258.32	230,378.00	(200,119.68)	30,258.32	230,378.00	##########
2006	40.1292	040.STO Squire Rd Xing Repl.	Line No. 90-159-00 Nortonville/Fruithill 10" Road Crossing Replacement	Specific	8,680.96	230,378.00	(221,697.04)	8,680.96	230,378.00	##########
2006	40.12921	040.PAD.Odorant Contoller	Odorant Injector Controller	Specific	4,557.01	4,494.60	62.41	4,557.01	4,494.60	62.41
2006	40.12922	St. Charles Engine Overhaul	Overhaul St. Charles Compressor Engine	Specific	896,645.24	245,177.00	651,468.24	896,645.24	245,177.00	651,468.24
2006	40.12924	040.MAY.Terri-Aire Ext	Install 685 ' North along Terri-Aire Drive from Lake Terry Drive. One new custo.	Specific	1,267.16	2,036.10	(768.94)	1,267.16	2,036.10	(768.94)
2006	40.12925	040.MAY.Shelby Ln Extension	Install 350' - 2" P along Shelby Ln for one new res. customer	Specific	1,955.25	1,106.01	849.24	1,955.25	1,106.01	849.24
2006	40.12926	040.MAD.PIN OAK DR.	INSTALL 133' 2' PE	Specific	1,918.20	1,280.80	637.40	1,918.20	1,280.80	637.40
2006	40.12927	040.MAD.ARCH ST. REPLACEMENT	REPLACE 635' 4" STL. WITH 4" PE.	Specific	31,403.17	28,135.29	3,267.88	31,403.17	28,135.29	3,267.88
2006	40.12928	040.STO Line 9015900 Swamp	Line 90-159-00 Replacement in Swamp Due to Leakage	Specific	197,904.42	248,936.00	(51,031.58)	197,904.42	248,936.00	(51,031.58)
2006	40.12929	040.MAD.2" MUELLER EQ.	PURCHASE 2" MUELLER EQUIPMENT	Specific	46,546.60	44,000.00	2,546.60	46,546.60	44,000.00	2,546.60
2006	40.1293	040.DAN.CAM.PIPE TRAILERS	2-PIPE TRAILERS FOR DANVILLE AND CAMPBELLSVILLE	Specific	27,567.73	24,000.00	3,567.73	27,567.73	24,000.00	3,567.73
2006	40.12931	040.EQUIPMENT - DIVISION AREA	EQUIPMENT FOR KENTUCKY DIVISION	Specific	58,384.10	63,300.00	(4,915.90)	58,384.10	63,300.00	(4,915.90)
2006	40.12932	040.MAY.Fence Mayfield	Cost of wooden fence at new Mayfield office, was an add-on to the contract	Specific	16,098.51	15,878.02	220.49	16,098.51	15,878.02	220.49
2006	40.12934	040.OBO.LAND PURCHASE	PURCHASE 150X250 LOT 3415 NEW HARTFORD RD.	Specific	99,106.22	99,106.22	-	99,106.22	99,106.22	-
2006	40.12949	040.PTON.Rectifier Dawson	Replace damaged rectifier in Dawson Spring, KY rectifier was hit by auto.	Specific	2,834.86	6,102.40	(3,267.54)	2,834.86	6,102.40	(3,267.54)
2006	40.12951	040.2739.HI POINT IND PARK	INSTALL 5200' OF 4" PE AND SERVICES FOR HI POINT INDUSTRIAL PARK	Specific	29,546.99	42,350.00	(12,803.01)	29,546.99	42,350.00	(12,803.01)
2006	40.12952	040.BGR.MARIA & DETOUR EXT	3240FT.OF 2" PE -MARIA & DETOUR - B.G.	Specific	5,355.87	7,696.00	(2,340.13)	5,355.87	7,696.00	(2,340.13)
2006	40.12953	040.2738.SPRINGVIEW MED-LEB	INSTALL 400' OF 2" PE FOR SPRINGVIEW MEDICAL CENTER IN LEBANON	Specific	1,150.94	3,900.00	(2,749.06)	1,150.94	3,900.00	(2,749.06)
2006	40.12954	040.PAD.Warehouse Improvements	Paint and install carpet at Paducah warehouse	Specific	38,842.81	17,228.61	21,614.20	38,842.81	17,228.61	21,614.20
2006	40.12958	040.MAD.BLAKE RICHEY GRNVILLE	INSTALL 520' 2" PE	Specific	1,873.59	1,472.54	401.05	1,873.59	1,472.54	401.05
2006	40.12965	040.2738.SY IMP-FARM TAP R-LEB	RETIRE 3 FARM TAPS ON THE SOUTH OF LEBANON-INSTALL 1600' 2" PE	Specific	13,348.61	23,750.00	(10,401.39)	13,348.61	23,750.00	(10,401.39)
2006	40.12971	040.2737.H17012 2" VALVE CHGR	H-17012 1-1/2" AND 2" NO-BLO VALVE CHANGER	Specific	6,431.57	6,700.00	(268.43)	6,431.57	6,700.00	(268.43)
2006	40.12983	040.BGR.1100 BLK PARK REPLC	1100 BLK. PARK ST. REPLC.- B.G.	Specific	53,693.59	48,226.00	5,467.59	53,693.59	48,226.00	5,467.59
2006	40.12984	040.OBO.W.12TH.&CEDAR REPLMNT.	INSTALL 855' 2" PE	Specific	22,624.78	42,687.80	(20,063.02)	22,624.78	42,687.80	(20,063.02)
2006	40.12986	040.BGR.TRANSPARK 4" STL EXT	2700 FT.OF 4"STL. - TRANSPARK - BOWLING GREEN	Specific	80,738.58	89,910.00	(9,171.42)	80,738.58	89,910.00	(9,171.42)
2006	40.12987	040.PTON.E Main St Replace	Install 540' - 2" PE along E Main St Retire 450' - 4" & 78' - 2" Bare	Specific	21,360.12	23,087.49	(1,727.37)	21,360.12	23,087.49	(1,727.37)
2006	40.12988	040.2618.AED2006	Owensboro: Purchase of 15 AED Units for Cost Center 2618	Specific	44,140.92	46,314.00	(2,173.08)	44,140.92	46,314.00	(2,173.08)
2006	40.13009	040.OBO.HARDINSBURG ODORIZOR	REPLACE AGING HARDINSBURG TB 1 ODORIZOR	Specific	7,742.21	9,954.98	(2,212.77)	7,742.21	9,954.98	(2,212.77)
2006	40.1301	Aky.Tcsv.EFM.Kenway	Install EFM @ Kenway Pavers, LLC	Specific	8,805.35	5,741.25	3,064.10	8,805.35	5,741.25	3,064.10
2006	40.13012	040.IT Laptop Replacements	Replace Laptop Computers	Specific	67,300.92	74,800.00	(7,499.08)	67,300.92	74,800.00	(7,499.08)
2006	40.13013	040.BGR.CROSSINGS IV 2" EXT.	1370 FT. OF 2" PE - CROSSINGS IV - B.G.	Specific	3,452.75	5,172.00	(1,719.25)	3,452.75	5,172.00	(1,719.25)
2006	40.13014	040.BGR.BAILEY'S FARM II-A	1760 FT. OF 2" PE - BAILEY'S FARM II-A - B.G.	Specific	4,524.73	6,846.00	(2,321.27)	4,524.73	6,846.00	(2,321.27)
2006	40.13015	040.MAD.HWY 62 REPLACEMENT	REPLACE 550' 2" STL. WITH 2" PE	Specific	17,374.13	23,603.66	(6,229.53)	17,374.13	23,603.66	(6,229.53)
2006	40.13016	040.PAD.Pecan 8 inch Relocate	Install 1,150 ' of 8" T'Line	Specific	162,458.62	73,675.49	88,783.13	162,458.62	73,675.49	88,783.13
2006	40.13017	040.PAD.Pecan Dr 2" Relocation	Install 2,865' - 2" PE	Specific	76,036.73	35,363.08	40,673.65	76,036.73	35,363.08	40,673.65
2006	40.13018	040.OBO.GLENCREST DR.	INSTALL1,260' 2" PE	Specific	7,533.13	7,204.05	329.08	7,533.13	7,204.05	329.08
2006	40.13019	040.PAD.N Friendship Relocate	D.O.T project to relocate 2" pe and two services along north friendship rd	Specific	16,317.22	4,513.37	11,803.85	16,317.22	4,513.37	11,803.85
2006	40.1302	040.PAD.Olivet Ch Relocate IV	City adding turn lane at Sanders Blvd/ Install 670' - 2" PE	Specific	7,666.81	518.55	7,148.26	7,666.81	518.55	7,148.26
2006	40.13021	040.2737.RECTIFIER POLE REPLAC	REPLACE RECTIFIER POLES AT BURGIN,JC,STANFORD	Specific	15,988.25	16,450.00	(461.75)	15,988.25	16,450.00	(461.75)
2006	40.13022	040.PAD.Warehouse Improve II	Warehouse Improvements II incl ceiling, blinds, rear door, office furniture, ref	Specific	73,893.29	28,490.00	45,403.29	73,893.29	28,490.00	45,403.29
2006	40.13023	Aky.Tcsvc.Meas.Jim Smith	Regulators for Jim Smith Contracting	Specific	35,816.23	24,401.00	11,415.23	35,816.23	24,401.00	11,415.23
2006	40.13024	040.OBO.LEE RUDY RD.	INSTALL 750' 2" PE	Specific	4,319.11	4,914.39	(595.28)	4,319.11	4,914.39	(595.28)
2006	40.13026	040.2739.BRIDLEWOOD SEC I	INSTALL 2800' OF 2" PE AND REG STATION	Specific	48,480.79	37,255.00	11,225.79	48,480.79	37,255.00	11,225.79
2006	40.13027	040.BGR.CHANDLER BLVD. 2"EXT	1033 FT. OF 2" PE - CHANDLER BLVD. B.G.	Specific	3,185.61	1,605.00	1,580.61	3,185.61	1,605.00	1,580.61
2006	40.13028	040.BGR.THE SUMMIT 2" PE EXT	2" PE EXTENSION - THE SUMMIT PHASE I - B.G.	Specific	16,951.67	19,169.00	(2,217.33)	16,951.67	19,169.00	(2,217.33)
2006	40.13029	040.BGR. HUNTERS CROSSING IV-B	2565 FT. OF 2" PE - HUNTERS CROSSING IV-B - B.G.	Specific	14,519.77	10,213.00	4,306.77	14,519.77	10,213.00	4,306.77
2006	40.1303	040.BGR.RUSS. THURSTON III	1585 FT. OF 2" PE - THURSTON PROPERTIES - RUSS.	Specific	3,947.06	4,721.00	(773.94)	3,947.06	4,721.00	(773.94)
2006	40.13031	040.PAD.Ballard Cr Rev Ext	Install 765' - 2" PE along Ballard Cr in Information Age Park for Marquette Tran	Specific	5,274.58	3,979.45	1,295.13	5,274.58	3,979.45	1,295.13

Atmos Energy Corporation

(Kentucky Division)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period

Type of Filing:___X__ Original _____ Updated _____ Revised

Workpaper Reference No(s).: KPSCDR-2 Item 16b ATT Functional and Specific Projects

Witness Responsible: R. Cook

Fiscal Year	Project No.	Project Title / Description		Functional or Specific Project	Actual Cost in Referenced Fiscal Year	Original P&N Estimate	Variance In Dollars	Total Actual Project Cost	Total P&N Cost Estimate	Variance in Dollars
2006	40.13032	040.2737.COLONIAL WAY	INSTALL 1750' OF 2" PE ON POPPY COURT, GRABRUK AND COLONIAL WAY	Specific	963.82	7,500.00	(6,536.18)	963.82	7,500.00	(6,536.18)
2006	40.13033	040.BGR.HOP.AMBULATORY CTR	300 FT. OF 4" PE - EAGLE BYPASS - AMBULATORY CTR. - HOPK.	Specific	29.27	2,318.00	(2,288.73)	29.27	2,318.00	(2,288.73)
2006	40.13034	040.BGR.SUTHERLAND FARMS II-B	1395 FT. OF 2" PE - SUTHERLAND FARMS II-B - B.G.	Specific	1,979.00	5,667.00	(3,688.00)	1,979.00	5,667.00	(3,688.00)
2006	40.13035	040.PAD.Brush Cutter	Purchase D R Trimmer/mower	Specific	1,037.22	816.20	221.02	1,037.22	816.20	221.02
2006	40.13036	040.PAD.Jim Smith Meter Set	Costs to cover new mtr set for Jim Smith new asphalt plant	Specific	15,213.72	-	15,213.72	15,213.72	-	15,213.72
2006	40.13037	AKY.TCSSVC.MEAS.RTU	Fisher ROC 312 and EFM/RTU equipment	Specific	10,940.81	14,625.00	(3,684.19)	10,940.81	14,625.00	(3,684.19)
2006	40.13038	040.2739.NOTTING HILLS 1b	INSTALL 1700' OF 2" AND 4" PE FOR 10 SERVICES = 40 MTR SETS	Specific	17,579.03	22,800.00	(5,220.97)	17,579.03	22,800.00	(5,220.97)
2006	40.13039	040.2618.OWBEXIT	REPAIR EXIT LIGHTS AT THE OWENSBORO OFFICE	Specific	3,187.27	3,458.20	(270.93)	3,187.27	3,458.20	(270.93)
2006	40.1304	040.OBO.E.24TH. & BOLIVAR	INSTALL 729' 2" PE RETIRE 3" & 4" STL.	Specific	2,578.77	29,817.96	(27,239.19)	2,578.77	29,817.96	(27,239.19)
2006	40.13041	040.MAD.Henderson Reg.Relocte	Move Finley Reg. Sta. due to HWY Project	Specific	27,031.53	70,647.63	(43,616.10)	27,031.53	70,647.63	(43,616.10)
2006	40.13043	040.2737.EPHRAIM.FIGG-MLK	INSTALL 2" PE ON FIGG ALLEY AND RETIRE LINE ON MLK BLVD	Specific	(29,723.42)	(150.00)	(29,573.42)	(29,723.42)	(150.00)	(29,573.42)
2006	40.13044	040.BGR.14TH ST. RELOCATION	14TH ST. RELOCATION FROM COLLEGE TO KENTUCKY - B.G.	Specific	9,570.85	-	9,570.85	9,570.85	-	9,570.85
2006	40.13045	040.PTON.Washington St Replace	In alley behind Washington Street install 310' - 2" PE; retire 315' - 2"	Specific	2,079.65	13,355.49	(11,275.84)	2,079.65	13,355.49	(11,275.84)
2006	40.13046	AKY.TCSVC.MEAS.EFM.FP INT.	INSTALLATION OF EFM @ FP INTERNATIONAL	Specific	3,494.67	5,622.24	(2,127.57)	3,494.67	5,622.24	(2,127.57)
2006	40.13047	AKY.TCSVC.MEAS.EFM.CCB CO.	INSTALLATION OF EFM @ CLOVER CREEK BRICK CO.	Specific	8,243.09	5,622.24	2,620.85	8,243.09	5,622.24	2,620.85
2006	40.13048	040.2739.DOGWOOD VILLAS	INSTALL 1100' OF 2" PE FOR 34 CONDOS DOGWOOD VILLAS	Specific	5,106.62	13,900.00	(8,793.38)	5,106.62	13,900.00	(8,793.38)
2006	40.13049	040.2739.KNOBVIEW	INSTALL 1500' OF 2" PE AND 3 LS SERVICES ON KNOB STREET AND BYERS CT	Specific	12,725.11	14,100.00	(1,374.89)	12,725.11	14,100.00	(1,374.89)
2006	40.13056	040.PAD.Odorizer Awning	Awnings will cover odorizers to keep direct sunshine off odorizers	Specific	3,812.92	5,622.32	(1,809.40)	3,812.92	5,622.32	(1,809.40)
2006	40.13057	040.STO Ultrasonic Equipment	Purchase of Ultrasonic Thickness Gauges	Specific	5,188.26	5,500.00	(311.74)	5,188.26	5,500.00	(311.74)
2006	40.13058	040.OBO Mount Moriah Avenue	Install 100' 1 1/4" PE	Specific	1,322.42	1,656.01	(333.59)	1,322.42	1,656.01	(333.59)
2006	40.13059	040.OBO.Locust St Replmnt	Install 170' 2" PE retire 4" Stl LP	Specific	4,513.79	9,978.52	(5,464.73)	4,513.79	9,978.52	(5,464.73)
2006	40.13061	040.MAY.Meadows II	Meadows Subd Rev Ext II 200' for 2 new res lots John Smith	Specific	618.32	1,202.28	(583.96)	618.32	1,202.28	(583.96)
2006	40.13062	040.MAY.Commonwealth Rev Ext	Commonwealth Dr Rev Ext for new Lowes store in Mayfield	Specific	9,340.26	13,117.28	(3,777.02)	9,340.26	13,117.28	(3,777.02)
2006	40.13063	040.PAD.Brookhaven II	Brookhaven subd. phase II 3,005' for 26 new residential lots	Specific	11,695.61	12,480.00	(784.39)	11,695.61	12,480.00	(784.39)
2006	40.13064	040.2738.DUFF-JACKS-WICKL MAIN	REPLACE BARE STEEL MAIN ON DUFFY,JACKSON AND WICKLIFFE STREETS	Specific	63,741.84	151,600.00	(87,858.16)	63,741.84	151,600.00	(87,858.16)
2006	40.13065	040.2738.DUF-JACK-WICK SERVICE	REPLACE SERVICES ON DUFFY,JACKSON,WICKLIFFE	Specific	88,721.96	110,185.00	(21,463.04)	88,721.96	110,185.00	(21,463.04)
2006	40.13066	AKY.TCSVC.MEAS.EFM.TG AUTO	INSTALL EFM AT TG AUTOMOTIVE	Specific	4,900.63	6,065.00	(1,164.37)	4,900.63	6,065.00	(1,164.37)
2006	40.13067	TCHSRV.MEA.EFM MUHL HOSP	EFM FOR MUHLENBERG COM HOSPITAL	Specific	4,900.63	6,276.00	(1,375.37)	4,900.63	6,276.00	(1,375.37)
2006	40.13068	TCHSVC.MEA.EFM.JS STUART	EFM FOR JS STUART MED CENTER	Specific	4,900.63	6,276.00	(1,375.37)	4,900.63	6,276.00	(1,375.37)
2006	40.13083	040.2739.TOWN AND COUNTRY XI	INSTALL 1500' OF 2" PE IN TOWN AND COUNTRY XI	Specific	3,177.66	43,000.00	(39,822.34)	3,177.66	43,000.00	(39,822.34)
2006	40.13084	040.STO Marker Posts	Installation of additional R-O-W markers	Specific	26,048.40	29,766.00	(3,717.60)	26,048.40	29,766.00	(3,717.60)
2006	40.13085	040.OBO. Lake Forrest Drive	Install 1,391' 2" PE	Specific	9,554.59	12,592.23	(3,037.64)	9,554.59	12,592.23	(3,037.64)
2006	40.13087	040.MAD.PRITCHETT AVE.	RETIRE 1 1/4" PE 455'	Specific	53.92	522.35	(468.43)	53.92	522.35	(468.43)
2006	40.13089	040.BGR.NORTHRIDGE IV-A	2503 FT. OF 2" PE - NORTHRIDGE IV-A – B.G.	Specific	9,164.85	8,734.11	430.74	9,164.85	8,734.11	430.74
2006	40.1309	040.BGR.NORTHRIDGEIV-B	4095 FT.OF 2" PE - NORTHRIDGEIV-B – B.G.	Specific	14,198.17	16,037.50	(1,839.33)	14,198.17	16,037.50	(1,839.33)
2006	40.13091	040.BGR.GLS.MONTESSORI ACADEMY	550 FT. OF 2'PE - MONTESSORI ACADEMY - GLASGOW	Specific	55.28	2,504.84	(2,449.56)	55.28	2,504.84	(2,449.56)
2006	40.13092	040.BGR.800 BLK. WAKEFIELD	310 FT. OF 4"PE -800 BLK WAKEFIELD REPLC - B.G.	Specific	10,588.09	13,496.31	(2,908.22)	10,588.09	13,496.31	(2,908.22)
2006	40.13093	040.2715.TBS REGULATOR REPLACE	REPLACE REGULATORS AND RESTRICTORS AT TBS	Specific	140.65	15,000.00	(14,859.35)	140.65	15,000.00	(14,859.35)
2006	40.13094	040.2609 STO HCA Replacement	Replace 10" with 12" in HCA at Gordon Park	Specific	87,137.58	248,949.00	(161,811.42)	87,137.58	248,949.00	##########
2006	40.13096	040.MAY.Northside Subd Ext	Install 1,965' - 2" PE for 18 commercial lots. Developer is Nathan Sholar	Specific	5,742.27	8,106.90	(2,364.63)	5,742.27	8,106.90	(2,364.63)
2006	40.13098	040.2739.LAW.LAWRENCEBURG XING	INSTALL 1500' OF 2" PE AND RETIRE 1300' OF 2" STEEL	Specific	(9,414.01)	9,459.00	(18,873.01)	(9,414.01)	9,459.00	(18,873.01)
2006	40.13099	040.2739.SUMMERFIELD PH-I	INSTALL 3500' OF 2" PE FOR SUMMERFIELD PH I	Specific	(31,153.20)	27,357.00	(58,510.20)	(31,153.20)	27,357.00	(58,510.20)
2006	40.13102	040.BGR.EAGLESTONE VILLAS	2180 FT.OF 2" PE - EAGLESTONE VILLAS - B.G.	Specific	5,457.10	9,900.00	(4,442.90)	5,457.10	9,900.00	(4,442.90)
2006	40.13103	040.OBO.Fiddlesticks Phase 1	Install 3,075' 2" PE	Specific	10,124.99	25,068.65	(14,943.66)	10,124.99	25,068.65	(14,943.66)
2006	40.13106	040.BGR. EAST 13TH REPLC.	622 FT. ODF 2" PE - E. 13TH ST. - B.G.	Specific	8,556.30	74,928.00	(66,371.70)	8,556.30	74,928.00	(66,371.70)
2006	40.13107	040.OBO.Recorders	Purchase 6 Electronic Recoerders	Specific	15,136.65	13,871.88	1,264.77	15,136.65	13,871.88	1,264.77
2006	40.13108	040.BGR.HWY31-W RELOC.B.G.	6" HP RELOC. - HYW 31-W - B.G. PIPE ONLY	Specific	41,878.44	32,796.04	9,082.40	41,878.44	32,796.04	9,082.40
2006	40.13109	040.MAD.Kenny Brasher Ret.	Retire Bare Unprotected main	Specific	8,115.74	11,802.96	(3,687.22)	8,115.74	11,802.96	(3,687.22)
2006	40.13118	040.B.G.LEE'S SQUARE REPLC.	345 FT. OF 4" REPLC. LEE'S SQUARE - B.G.	Specific	3,921.35	(0.00)	3,921.35	3,921.35	(0.00)	3,921.35
2006	40.13119	040.B.G.WOODBURN PUR REPLC.	REPLACE WOODBURN PURCHASE REG. STATION	Specific	25,936.05	62,391.00	(36,454.95)	25,936.05	62,391.00	(36,454.95)
2006	40.1312	040.BGR.MCLELLAN FARMS	2520 FT-2' & 1959' - 4" - MSLELLEN FARMS - B.G.	Specific	19,956.96	30,749.84	(10,792.88)	19,956.96	30,749.84	(10,792.88)
2006	40.13122	040.BGR.HOPK.OFFICE FUR.	OFFICE FURNITURE - VINDA PARKER - HOPKINSVILLE	Specific	8,146.25	9,366.83	(1,220.58)	8,146.25	9,366.83	(1,220.58)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 17
Witness: Robert R. Cook Jr.

Data Request:

Refer to the Cook Testimony, page 8, line 14. Is highway relocation a non-reimbursement item? Explain.

Response:

The project mentioned in the Cook Testimony, page 8, line 14, relocated an existing gas line within the public right-of-way, and therefore was non-reimbursable.

Atmos gas facilities (pipelines, mains and services) are installed either in easements granted by private property owners or within public street or state highway rights-of-way. All gas facilities periodically cross streets and highways, even if they generally are installed on private easements.

The cost of relocating existing gas facilities located on private easements is reimbursable to Atmos Energy. When Atmos Energy gas facilities are located within the public road right-of-way, relocation costs for highway projects are not reimbursable.

Municipal franchise agreements allow Atmos Energy to install its gas facilities within a city public right-of-way. State highway permits are required to install gas facilities within a state right-of-way. These facilities are then subject to relocation at Atmos' expense at any future date if the public entity performs work that will conflict with the gas lines.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 18
Witness: Robert R. Cook Jr.

Data Request:

Refer to the Cook Testimony, page 9. Concerning the chart on this page,

a. Provide a breakdown of the actual dollars and budgeted dollars for the 2006 expenditure.

b. Are the costs of removal for the old pipes included in the costs of the projects? Explain in detail.

Response:

A. See attached DR2-18a for breakdown of the 2006 budget compared to actuals.

B. Yes, the cost of removal is included in replacement projects as appropriate. In general, it is cost prohibitive to remove retired assets from the ground. The industry practice is to purge, weld end-caps onto the old pipe and retire in place. This was the method used in the bare steel pipe replacement project referenced on page 9, line 5 of the testimony of Mr. Rad Cook.

KY 2006 [illegible]al Budget v Actuals
DR2-18a

R. Cook

KPSC DR2-18a

		1	2	3	4	5	6	7	8
Corporate Budget Category	Data	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06
Equipment	CY Actual	16,037.15	2,919.37	997.56	12,521.23	11,697.88	48,203.98	97,401.91	18,189.17
	CY Budget	171,927.53		34,330.06				61,615.41	
	CY Act V Bud B/(W)	155,890.38	(2,919.37)	33,332.50	(12,521.23)	(11,697.88)	(48,203.98)	(35,786.50)	(18,189.17)
Growth	CY Actual	422,047.54	441,879.23	592,050.16	491,875.63	139,375.12	584,694.00	353,722.43	597,526.79
	CY Budget	696,374.90	375,357.16	363,890.16	394,381.99	339,449.23	419,623.00	497,511.14	398,073.27
	CY Act V Bud B/(W)	274,327.36	(66,522.07)	(228,160.00)	(97,493.64)	200,074.11	(165,071.00)	143,788.71	(199,453.52)
Improvements	CY Actual								
	CY Budget								
	CY Act V Bud B/(W)			-		-			
Information Technology	CY Actual					12,137.70	1,043.93	58,930.07	2,697.63
	CY Budget				28,753.85			28,753.85	
	CY Act V Bud B/(W)	-	-	-	28,753.85	(12,137.70)	(1,043.93)	(30,176.22)	(2,697.63)
Overhead	CY Actual	114,278.08	199,299.84	100,082.14	333,644.88	224,047.43	(557,692.31)	272,073.76	(220,675.86)
	CY Budget								
	CY Act V Bud B/(W)	(114,278.08)	(199,299.84)	(100,082.14)	(333,644.88)	(224,047.43)	557,692.31	(272,073.76)	220,675.86
Public Improvements	CY Actual	68,404.04	23,928.62	14,451.17	12,665.26	(708.27)	16,831.01	7,606.17	83,868.17
	CY Budget	97,125.08					24,857.32		
	CY Act V Bud B/(W)	28,721.04	(23,928.62)	(14,451.17)	(12,665.26)	708.27	8,026.31	(7,606.17)	(83,868.17)
Structures	CY Actual			7,825.72	21,032.93	753.02	259,699.33	(108,802.12)	21,169.85
	CY Budget	(4,000.00)						(5,000.00)	
	CY Act V Bud B/(W)	(4,000.00)	-	(7,825.72)	(21,032.93)	(753.02)	(259,699.33)	103,802.12	(21,169.85)
System Improvements	CY Actual	44,196.26	187,997.67	26,445.41	83,444.91	124,464.39	432,888.05	44,866.52	31,615.87
	CY Budget	65,245.37			15,013.62				
	CY Act V Bud B/(W)	21,049.11	(187,997.67)	(26,445.41)	(68,431.29)	(124,464.39)	(432,888.05)	(44,866.52)	(31,615.87)
System Integrity	CY Actual	525,360.61	401,902.65	460,532.64	397,200.50	564,821.47	933,757.44	528,418.51	760,475.78
	CY Budget	1,425,582.18	711,723.31	667,541.16	599,313.18	609,905.52	616,847.78	714,329.32	719,861.09
	CY Act V Bud B/(W)	900,221.57	309,820.66	207,008.52	202,112.68	45,084.05	(316,909.66)	185,910.81	(40,614.69)
Vehicles	CY Actual								
	CY Budget								
	CY Act V Bud B/(W)	-		-			-		
PA Subtotal CY Actual		1,190,323.68	1,257,927.38	1,202,384.80	1,352,385.34	1,076,588.74	1,719,425.43	1,254,217.25	1,294,867.40
PA Subtotal CY Budget		2,452,255.06	1,087,080.47	1,065,761.38	1,037,462.64	949,354.75	1,061,328.10	1,297,209.72	1,117,934.36
PA Subtotal CY Act V Bud B/(W)		1,261,931.38	(170,846.91)	(136,623.42)	(314,922.70)	(127,233.99)	(658,097.33)	42,992.47	(176,933.04)
Outside PA Subtotal CY Actual (Accruals & Forfeitures)		(39,531.40)	46,066.54	44,024.26	214,413.08	(145,921.92)	(351,426.80)	(1,249.80)	173,073.04
Outside PA Subtotal CY Budget (Accruals & Forfeitures)				-					
Outside PA Subtotal CY Act V Bud B/(W)		39,531.40	(46,066.54)	(44,024.26)	(214,413.08)	145,921.92	351,426.80	1,249.80	(173,073.04)
Kentucky CY Actual		1,150,792.28	1,303,993.92	1,246,409.06	1,566,798.42	930,666.82	1,367,998.63	1,252,967.45	1,467,940.44
Kentucky CY Budget		2,452,255.06	1,087,080.47	1,065,761.38	1,037,462.64	949,354.75	1,061,328.10	1,297,209.72	1,117,934.36
Kentucky CY Act V Bud B/(W)		1,301,462.78	(216,913.45)	(180,647.68)	(529,335.78)	18,687.93	(306,670.53)	44,242.27	(350,006.08)

KY 2006 [illegible]al Budget v Actuals
DR2-18a

R. Cook

KPSC DR2-18a

		9	10	11	12	Grand Total
Corporate Budget Category	Data	Jun-06	Jul-06	Aug-06	Sep-06	
Equipment	CY Actual	23,914.80	11,352.87	10,219.69	6,173.26	259,628.87
	CY Budget					267,873.00
	CY Act V Bud B/(W)	(23,914.80)	(11,352.87)	(10,219.69)	(6,173.26)	8,244.13
Growth	CY Actual	438,456.20	337,155.93	343,600.40	814,777.03	5,557,160.46
	CY Budget	339,578.68	395,629.13	352,910.96	384,407.90	4,957,187.52
	CY Act V Bud B/(W)	(98,877.52)	58,473.20	9,310.56	(430,369.13)	(599,972.94)
Improvements	CY Actual					
	CY Budget					
	CY Act V Bud B/(W)			-	-	-
Information Technology	CY Actual	5,673.22	9,644.11	8,195.02	(1,220.74)	97,100.94
	CY Budget	28,753.85		28,753.85		115,015.40
	CY Act V Bud B/(W)	23,080.63	(9,644.11)	20,558.83	1,220.74	17,914.46
Overhead	CY Actual	(51,389.36)	168,909.67	23,493.15	(192,402.82)	413,668.60
	CY Budget					
	CY Act V Bud B/(W)	51,389.36	(168,909.67)	(23,493.15)	192,402.82	(413,668.60)
Public Improvements	CY Actual	37,464.74	73,209.88	67,322.43	65,971.58	471,014.80
	CY Budget					121,982.40
	CY Act V Bud B/(W)	(37,464.74)	(73,209.88)	(67,322.43)	(65,971.58)	(349,032.40)
Structures	CY Actual	18,081.15	23,040.41	17,315.47	20,602.78	280,718.54
	CY Budget					(9,000.00)
	CY Act V Bud B/(W)	(18,081.15)	(23,040.41)	(17,315.47)	(20,602.78)	(289,718.54)
System Improvements	CY Actual	(9,881.11)	151,452.05	20,507.85	1,003,050.43	2,141,048.30
	CY Budget					80,258.99
	CY Act V Bud B/(W)	9,881.11	(151,452.05)	(20,507.85)	(1,003,050.43)	(2,060,789.31)
System Integrity	CY Actual	670,050.66	719,951.54	823,937.90	1,024,948.96	7,811,358.66
	CY Budget	690,109.50	645,438.04	653,859.11	597,418.00	8,651,928.19
	CY Act V Bud B/(W)	20,058.84	(74,513.50)	(170,078.79)	(427,530.96)	840,569.53
Vehicles	CY Actual			(1,525.00)		(1,525.00)
	CY Budget					
	CY Act V Bud B/(W)			1,525.00	-	1,525.00
PA Subtotal CY Actual		1,132,370.30	1,494,716.46	1,313,066.91	2,741,900.48	17,030,174.17
PA Subtotal CY Budget		1,058,442.03	1,041,067.17	1,035,523.92	981,825.90	14,185,245.50
PA Subtotal CY Act V Bud B/(W)		(73,928.27)	(453,649.29)	(277,542.99)	(1,760,074.58)	(2,844,928.67)
Outside PA Subtotal CY Actual (Accruals & Forfeitures)		122,005.91	(119,708.12)	85,497.58	(412,409.08)	(385,166.71)
Outside PA Subtotal CY Budget (Accruals & Forfeitures)		-				-
Outside PA Subtotal CY Act V Bud B/(W)		(122,005.91)	119,708.12	(85,497.58)	412,409.08	385,166.71
Kentucky CY Actual		1,254,376.21	1,375,008.34	1,398,564.49	2,329,491.40	16,645,007.46
Kentucky CY Budget		1,058,442.03	1,041,067.17	1,035,523.92	981,825.90	14,185,245.50
Kentucky CY Act V Bud B/(W)		(195,934.18)	(333,941.17)	(363,040.57)	(1,347,665.50)	(2,459,761.96)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 19
Witness: Rad Cook

Data Request:

Refer to the Cook Testimony, page 10, line 11. Provide a breakdown of the costs budgeted for fiscal year 2007 of $17.3 million.

Response:

Please see the attached spreadsheet labeled KPSC DR2-19 ATT.

Atmos Energy Kentucky
FY07 Direct Capital Budget
KPSC DR2-19

Division	Budget Category	Name	Oct FY2007	Nov FY2007	Dec FY2007	Jan FY2007	Feb FY2007	Mar FY2007	Apr FY2007	May FY2007	Jun FY2007	Jul FY2007	Aug FY2007	Sep FY2007	FY07 Total
009DIV KY Division	Equipment	Storage Equipment	4,327	2,318	10,353	-	13,134	3,863	16,997	16,997	3,863	0	0	3,863	75,715
		Purchase shoring/breathing equipment	0	10,974	0	34,688	0	0	0	0	0	0	0	0	45,663
		Owensboro/Equipment/Misc. Equipment Purchas	38,850	0	0	-	0	0	0	0	0	0	0	0	38,850
		Princeton miscellaneous equipment	20,326	0	0	0	0	0	0	0	0	0	0	0	20,326
		Bowling Green Equipment	16,997	0	0	-	0	0	0	0	0	0	0	0	16,997
		Madisonville/Equipment/Misc. Equipment	0	0	4,172	3,562	8,499	0	0	0	0	0	0	0	16,232
		Madisonville/Equipment/Welder Purchase.	0	0	0	13,907	0	0	0	0	0	0	0	0	13,907
		Other equipment	11,832	0	0	-	0	0	0	0	0	0	0	0	11,832
		Trencher Purchase	6,680	0	0	0	0	0	0	0	0	0	0	0	6,680
		2638/MAYFIELD/EQUIPMENT	5,339	0	0	0	0	0	0	0	0	0	0	0	5,339
		Hydraulic Squeeze Tool, Connectra LSL-2A	4,172	0	0	0	0	0	0	0	0	0	0	0	4,172
	Equipment Total		108,522	13,292	14,525	52,157	21,633	3,863	16,997	16,997	3,863	0	0	3,863	255,713
	Growth	Owensboro- Growth- New Services	51,656	51,656	51,656	51,656	51,656	51,656	51,656	51,656	51,656	51,656	51,656	51,681	619,894
		Bowling Green New Services	48,465	48,465	48,465	48,465	48,465	48,465	48,465	48,465	48,465	48,465	48,465	48,471	581,586
		Bowling Green New Meter Loops	47,112	47,112	47,112	47,112	47,112	47,112	47,112	47,112	47,112	47,112	47,112	47,100	565,330
		Owensboro- Growth- New Meter Loops	34,767	34,767	34,767	34,767	34,906	34,906	34,906	34,906	34,906	34,906	34,906	34,909	418,315
		Paducah/Growth/Services	29,679	29,679	29,679	29,679	29,679	29,679	29,679	29,679	29,679	29,679	29,679	29,141	355,609
		New Growth Service	22,530	22,530	22,530	22,530	22,530	22,530	32,428	22,530	22,530	32,428	22,530	22,524	290,144
		Meter loop functional	22,787	19,677	19,677	22,787	19,677	19,677	22,787	19,677	19,677	22,787	19,677	19,662	248,547
		Paducah/ Growth/Meter Loops	17,880	17,880	17,880	17,880	17,880	17,880	17,880	17,880	17,880	17,880	17,880	17,869	214,554
		New Services in Shelbyville & Lawrenceburg	21,745	13,401	13,401	21,745	13,401	13,401	21,745	13,401	13,401	21,745	13,401	13,389	194,179
		Madisonville/Growth/Meter Loops	10,470	10,470	10,470	10,470	10,470	10,470	10,470	10,470	10,470	10,470	10,470	10,479	125,648
		Bowling Green Blanket Growth Mains	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,199	8,203	98,394
		Meter Repair/ Capital Refurbish meter	24,448	16,298	0	0	13,582	0	0	13,582	0	13,582	0	13,582	95,074
		2638 MAYFIELD/GROWTH/SERVICES	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,339	75,906
		Madisonville/Growth/Services	6,280	6,280	6,280	6,280	6,280	6,280	6,280	6,280	6,280	6,280	6,280	6,263	75,346
		Service Functional	8,792	4,968	4,968	8,792	4,968	4,968	8,792	4,968	4,968	8,792	4,968	4,977	74,922
		Joint Trench Work In Shelbyville	14,525	2,809	0	14,525	2,809	0	14,525	2,809	0	14,525	2,809	0	69,337
		Hopkinsville– Growth– New Services Functional	5,540	5,540	5,540	5,540	5,540	5,540	5,540	5,540	5,540	5,540	5,540	5,519	66,460
		Glasgow New Growth Services	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,417	64,906
		Madisonville/Growth/Main	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,489	4,473	53,851
		Shelbyville Growth 2007	0	0	0	9,271	0	0	19,315	0	0	23,692	0	0	52,279
		Bowling Green New Meters	4,079	4,079	4,079	4,079	4,079	4,079	4,079	4,079	4,079	4,079	4,079	4,079	48,952
		Hopkinsville- Growth- New Meter Loops	3,303	3,303	3,303	3,303	3,303	3,303	3,303	3,303	3,303	3,303	3,303	3,303	39,636
		Owensboro- Growth- New Meter Purchases	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024	36,291
		Owensboro-Growth- Blanket Mains	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	2,935	35,223
		Princeton– Growth- Services	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,475	29,670
		Madisonville/Growth/Midtown Commons relocati	29,155	0	0	0	0	0	0	0	0	0	0	0	29,155
		Lawrenceburg Growth 2007	9,271	0	0	0	0	0	17,172	0	0	0	0	0	26,443
		Services Functional Mains	6,351	0	0	6,351	0	0	6,350	0	0	6,350	0	0	25,402
		Princeton - Growth - New meter loops	4,518	1,596	1,596	1,596	1,596	4,518	1,596	1,596	1,596	1,596	1,596	1,593	24,993
		Hopkinsville- Project 2- Commerce Park Industria	23,472	0	0	0	0	0	0	0	0	0	0	0	23,472
		New Meters Shelbyville 2007	5,563	0	0	5,563	0	0	5,563	0	0	5,563	0	0	22,251
		Locust Creek-Shelbyville	0	0	0	0	0	21,870	0	0	0	0	0	0	21,870
		Large Regulators	0	0	0	20,373	0	-	0	0	0	0	0	0	20,373
		Notting Hills-Shelbyville	0	18,161	0	0	0	0	0	0	0	0	0	0	18,161
		Madisonville/Growth/Meter Purchases	4,376	0	0	4,376	0	0	4,376	0	0	4,376	0	0	17,504
		2638 Mayfield/GROWTH/METER LOOPS	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,240	15,046
		Paducah/Growth/Mains/Meters	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,204	14,305
		Ho- Growth– New Meter Purchases	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	13,862
		Glasgow Blanket Growth Mains	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	12,505
		Glasgow New Growth Meter Loops	939	939	939	939	939	939	939	939	939	939	939	942	11,268
		2638 MAYFIELD/GROWTH/MAIN EXT./METI	853	853	853	853	853	853	853	853	853	853	853	853	10,236
		Princeton Blanket Mains	1,597	600	600	600	600	600	1,597	600	600	600	1,597	597	10,191
		Glasgow New Meters	627	627	627	627	627	627	627	627	627	627	627	627	7,521
		Madisonville/Growth/Wendall Ford Training Cen	7,183	0	0	-	0	0	0	0	0	0	0	0	7,183
		Hopkinsville- Growth- Blanket Main Extensions	593	593	593	593	593	593	593	593	593	593	593	593	7,120
		Meters	0	6,791	0	-	0	-	0	0	0	0	0	0	6,791
		Growth Meters	1,474	0	0	1,474	0	0	1,474	0	0	1,474	0	0	5,897
		Meters Functional	1,474	0	0	1,474	0	0	1,474	0	0	1,474	0	0	5,897
		Princeton New Growth Meter Purchases	1,791	0	0	0	0	0	1,791	0	0	0	0	0	3,582
		Unassigned labor	-	0	0	0	0	0	0	0	0	0	0	0	0
		assigned labor	-	0	0	0	0	0	0	0	0	0	0	0	0
		Main functional	1,578	(1,667)	(1,667)	1,578	(1,667)	(1,667)	1,578	(1,667)	(1,667)	1,578	(1,667)	(1,663)	(7,020)
	Growth Total		512,368	404,904	360,844	442,773	377,374	385,775	462,440	377,374	360,983	460,440	364,789	373,999	4,884,063
	IT	KY IT Replacements	20,589	0	0	27,164	0	0	0	27,164	0	0	0	0	74,917
		Annual PC Refresh			14,323	42,970									57,293
		MDT Replacements			103,229	309,688									412,917
	IT Total		20,589	0	117,552	379,821	0	0	0	27,164	0	0	0	0	545,127
	PIM	Replacement of Hopkinsville 10	101,865	135,820	101,865	0	0	0	0	0	0	0	0	0	339,549
	PIM Total		101,865	135,820	101,865	0	0	0	0	0	0	0	0	0	339,549
	Public Improvement	Paducah/ Public Works/ 16th & Ky. Ave	0	0	0	0	0	0	0	54,580	24,580	0	0	0	79,160
		Owensboro/Pub.Imp./SP2.Southtown Blvd. Reloc	0	0	0	0	0	0	67,364	0	0	0	0	0	67,364
		Bowling Green/ Lovers Ln. Relocation	26,277	29,180	98,560	(92,837)	0	0	0	0	0	0	0	0	61,180
		Bowling Green/31W Relocation	108,165	108,165	77,261	0	0	0	0	(40,000)	(50,000)	(50,000)	(50,000)	(50,000)	53,591
		2638 MAYFIELD/PUBIMP/RELOCATE	4,995	4,995	4,998	4,995	(30,005)	4,995	4,995	4,995	4,995	4,995	4,995	4,995	24,943
		Lebanon By-Pass Relocation	0	0	0	0	0	0	0	0	0	2,477	0	0	2,477
		Hopkinsville- PI- Hwy 41 Commerce Park 8" Relo	0	(20,000)	0	0	0	0	0	0	0	0	0	0	(20,000)
	Public Improvement Total		139,437	122,340	180,819	(87,842)	(30,005)	4,995	72,359	19,575	(20,425)	(42,528)	(45,005)	(45,005)	268,715
	Structure	Storage Structures Improvements	51,942	14,857	0	0	0	0	0	0	0	0	0	0	66,800
		Owensboro/Structures/Repairs to Service Center a	0	0	0	0	0	0	12,362	0	0	0	0	0	12,362
		Hopkinsville– Concrete Shed Floor	0	6,181	0	0	0	0	0	0	0	0	0	0	6,181
		Improvements at Shelbyville Warehouse	-	0	0	0	0	0	0	0	0	0	0	0	0
	Structure Total		51,942	21,038	0	0	0	0	12,362	0	0	0	0	0	85,342

Atmos Energy Kentucky
FY07 Direct Capital Budget
KPSC DR2-19

Division	Budget Category	Name	Oct FY2007	Nov FY2007	Dec FY2007	Jan FY2007	Feb FY2007	Mar FY2007	Apr FY2007	May FY2007	Jun FY2007	Jul FY2007	Aug FY2007	Sep FY2007	FY07 Total
	System Improvement	2638 MAYFIELD/SYSIMP/REPLACEMENT	4,998	4,995	4,995	4,995	4,995	4,995	4,995	4,995	4,995	4,995	12,412	4,995	67,360
		Storage Field Well Perimeter Clearing	0	32,686	32,686	0	0	0	0	0	0	0	0	0	65,372
		Madisonville/Sys. Imp./SP1.Stagecoach Road rein	0	58,041	0	0	0	0	0	0	0	0	0	0	58,041
		Paducah/ SysImp/ Calvert Purchase	0	0	0	-	0	0	0	48,257	0	0	0	0	48,257
		Electronic Equipment for Transportation Custome	0	2,507	0	2,507	0	2,507	5,015	0	5,015	0	2,507	0	20,059
		Morris Line Replacement	0	0	0	0	0	0	0	0	0	18,462	0	0	18,462
		Hwy. 127 Re-locate	17,825	0	0	0	0	0	0	0	0	0	0	0	17,825
		Owensboro/Sys.Imp./SP4.Hartford TBS Regulator	15,290	0	0	0	0	0	0	0	0	0	0	0	15,290
		Owensboro/Sys.Imp./SP9.Fourth and Carter Road	0	0	0	0	0	0	0	0	0	15,290	0	0	15,290
		Bowling Green Regulator Replacement/Industrial	0	0	0	-	0	0	11,696	0	0	0	0	0	11,696
		Farm Tap Replacement in Shelbyville	11,003	0	0	0	0	0	0	0	0	0	0	0	11,003
		Remotely Operate Storage Field	-	0	0	0	0	0	0	0	0	0	0	0	0
		Glasgow replacement of Cave City Purchase Regu	0	0	0	-	0	0	0	0	-	0	0	0	0
	System Improvement Total		49,116	98,230	37,681	7,502	4,995	7,502	21,705	53,252	10,010	38,747	14,919	4,995	348,655
	System Integrity	Hopkinsville 10" Transmission Line	0	0	0	0	0	0	0	0	0	1,004,389	1,004,389	0	2,008,778
		Owensboro- SI- Rebuilding meter loops	65,922	65,922	65,922	65,922	65,922	65,922	65,922	65,922	65,922	65,922	65,922	65,919	791,063
		Bowling Green Replacement Loops	53,541	53,541	53,541	53,541	53,541	53,541	53,541	53,541	53,541	53,541	53,541	53,547	642,495
		Owensboro-SI- Replaced Service lines	46,090	46,090	46,090	46,090	46,090	46,090	46,090	46,090	46,090	46,090	46,090	46,096	553,082
		Bowling Green Functional Main Replacements	42,868	43,564	43,564	43,564	43,564	43,564	43,564	43,564	43,564	43,564	43,564	43,567	522,074
		Replace Kirkwood Bare Steel 6	0	0	0	0	0	0	0	0	0	212,467	212,467	0	424,934
		Madisonville/Sys.Int./Services	33,440	33,440	33,440	33,440	33,440	33,440	33,440	33,440	33,440	33,440	33,440	33,460	401,300
		Bare Steel Replacement - Marion	0	0	0	0	0	0	0	0	0	197,015	197,015	0	394,030
		Paducah/SINT/PC's Meters/Leaks Mains, Services	32,745	32,745	32,745	32,745	32,745	32,745	32,745	32,745	32,745	32,745	32,745	32,745	392,945
		Bare Steel Replacement	0	0	0	0	0	0	0	0	0	150,658	150,658	0	301,317
		Madisonville/Sys.Int./Meter Loops	23,946	23,946	23,946	23,946	23,946	23,946	23,946	23,946	23,946	23,946	23,946	23,922	287,327
		Mains functional leaks	25,560	23,127	23,127	25,560	23,127	23,127	25,560	23,127	23,127	25,560	23,127	23,136	287,261
		Glasgow Functional Replacement Loops	20,556	20,556	20,556	20,556	20,556	20,556	20,556	20,556	20,556	20,556	20,556	20,550	246,664
		Hopkinsville- SINT- Service replacements	17,813	18,137	18,137	18,137	18,137	18,137	18,137	18,137	18,137	18,137	18,137	18,125	217,311
		2638 MAYFIELD/SYS INT/MAINS/SERVICES/	17,617	17,617	17,617	17,617	17,617	17,617	17,617	17,617	17,617	17,617	17,617	17,605	211,395
		Owensboro- SI- Blanket Main Replacement < 250	16,335	16,335	16,335	16,335	16,335	16,335	16,335	16,335	16,335	16,335	16,335	16,317	195,998
		Glasgow Service Replacements	15,353	15,353	15,353	15,353	15,353	15,353	15,353	15,353	15,353	15,353	15,353	15,359	184,241
		Hopkinsville- SINT- Meter loop replacements	14,545	14,545	14,545	14,545	14,545	14,545	14,545	14,545	14,545	14,545	14,545	14,551	174,542
		Princeton- SI- Meter loop replacement	13,845	13,845	13,845	13,845	13,845	13,845	13,845	13,845	13,845	13,845	13,845	13,821	166,112
		Service functional leaks	15,472	12,343	12,343	15,472	12,343	12,343	15,472	12,343	12,343	15,472	12,343	12,334	160,624
		Meter loop functional replacement	13,114	13,114	13,114	13,114	13,114	13,114	13,114	13,114	13,114	13,114	13,114	13,105	157,362
		Leak Repair Mains 2007 Shelbyville	16,414	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,251	151,089
		Princeton – SI- Service replacements	9,290	9,290	9,290	9,290	9,290	9,290	9,290	9,290	9,290	9,290	9,290	9,284	111,478
		Meter loop functional	9,177	9,177	9,177	9,177	9,177	9,177	9,177	9,177	9,177	9,177	9,177	9,183	110,131
		Bare Steel Replacement - Owensboro	0	0	0	0	0	0	0	0	0	50,219	50,219	0	100,439
		Princeton- Blanket Main Replacements	8,243	8,243	8,243	8,243	8,243	8,243	8,243	8,243	8,243	8,243	8,243	8,243	98,914
		Madisonville/Sys.Int./Main Replacements	7,946	7,946	7,946	7,946	7,946	7,946	7,946	7,946	7,946	7,946	7,946	7,928	95,338
		Glasgow Functional Main Replacements	7,161	7,346	7,346	7,346	7,346	7,346	7,346	7,346	7,346	7,346	7,346	7,343	87,964
		Hopkinsville- SINT-Leak repairs- clamps/anodes	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,304	6,458	6,461	77,347
		Bowling Green Service Replacement	5,680	5,680	5,680	5,680	5,680	5,680	5,680	5,680	5,680	5,680	5,680	5,695	68,171
		Madisonville/Sys.Int./Meters	3,709	3,709	3,709	3,709	3,709	3,709	3,709	3,709	3,709	3,709	3,709	3,709	44,502
		Madisonville/Sys. Int./SP3.Kentucky Ave. bare ur	0	0	0	0	0	43,261	0	0	0	0	0	0	43,261
		Hopkinsville Clay St. Replacement	0	0	0	0	0	0	0	0	0	42,536	0	0	42,536
		Hopkinsville- Campbell St Replacement	0	0	0	0	0	0	0	42,476	0	0	0	0	42,476
		Madisonville/Sys. Int./SP4.Reed Mineral MSET,	42,314	0	0	0	0	0	0	0	0	0	0	0	42,314
		Bon Harbor Compressor Overhaul	0	0	41,483	-	0	0	0	0	0	0	0	0	41,483
		Owensboro- SI- Meters Purchases	0	0	0	0	4,821	4,821	4,821	4,821	4,821	4,821	4,821	4,821	38,568
		Princeton- Marion West Depot St. Replacement	0	0	0	-	0	0	0	0	0	36,859	0	0	36,859
		Bowling Green Individual Leak Repairs	2,843	2,843	2,843	2,843	2,843	2,843	2,843	2,843	2,843	2,843	2,843	2,843	34,118
		Transmission & HPD Leakage	0	0	6,680	6,680	6,680	0	6,680	6,680	0	0	0	0	33,400
		Leak Repair on Services in 2007	3,593	1,970	1,970	3,593	1,970	1,970	3,593	1,970	1,970	3,593	1,970	1,976	30,137
		Princeton- Marion Fords Ferry replacement	0	0	0	-	0	0	29,523	0	0	0	0	0	29,523
		Madisonville/Sys. Int./SP2.S. Main and E. Broadv	0	0	0	-	0	29,414	0	0	0	0	0	0	29,414
		Magnolia CI and Bare Steel Replacement	23,976	2,920	2,142	-	0	0	0	0	0	0	0	0	29,038
		Bowling Green Meter Replacements	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	28,926
		Owensboro/Sys.Int./SP2 Allen St. 25th to Legion	0	0	0	0	0	0	0	24,797	0	0	0	0	24,797
		Madisonville/Sys.Int./SP1.South Franklin St. bare	0	0	0	-	0	23,392	0	0	0	0	0	0	23,392
		Owensboro/Sys.Int./SP3 Ford Ave. and Griffith Pl	0	0	0	-	0	0	0	0	0	22,468	0	0	22,468
		Replacement Meters	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	1,854	22,251
		Main Street Shelbyville 1,000' of CI Replacement	19,339	1,391	1,020	0	0	0	0	0	0	0	0	0	21,749
		Meters for PC's/Replacements 2007	5,192	0	0	5,192	0	0	5,192	0	0	5,192	0	0	20,768
		Meters	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	1,669	20,026
		Hopkinsville - SINT- Meter purchases	0	0	0	0	2,375	2,375	2,375	2,375	2,375	2,375	2,375	2,375	19,002
		Duffy, Jackson, Wickliffe Replacement	-	18,666	0	0	0	0	0	0	0	0	0	0	18,666
		5000' Bare Steel Replacement	0	0	0	0	0	0	0	0	0	-	0	18,234	18,234
		Glasgow Functional PC Meters	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483	17,801
		Princeton - Replacement Meters	0	0	0	0	2,781	5,841	0	0	2,781	5,841	0	0	17,245
		Owensboro- SI- Retired Service Lines	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	16,176
		Bowling Green Service Retirements	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	14,834
		Owensboro- SI- Leak Repairs w Clamps/anodes	580	580	580	580	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	13,454
		Madisonville/Sys.Int./Service Retirements	987	987	987	987	987	987	987	987	987	987	987	973	11,827
		Summersville Station Relocation	0	0	0	-	0	0	0	11,749	0	0	0	0	11,749
		Regulator station replacement	0	0	0	0	0	11,393	0	0	0	0	0	0	11,393
		Princeton- SI –Retiring Services	938	938	938	938	938	938	938	938	938	938	938	938	11,255
		Glasgow Functional Leak Repairs	834	834	834	834	834	834	834	834	834	834	834	834	10,013
		Glasgow Functional Retirements	742	742	742	742	742	742	742	742	742	742	742	742	8,908
		Madisonville/Sys.Int./Leak Repairs	510	510	510	510	510	510	510	510	510	510	510	510	6,119
		Owensboro/Sys.Int./SP1 Cloverdale 3	0	0	0	-	0	0	4,766	0	0	0	0	0	4,766
		Retire 3 LP Regulator Stations and 2,000 of CI	3,245	0	0	0	0	0	0	0	0	0	0	0	3,245
		Hopkinsville- SINT- Service retirements	236	236	236	236	236	236	236	236	236	236	236	236	2,833
		Unassigned labor	-	0	0	0	0	0	0	0	0	0	0	0	0
	System Integrity Total		658,169	576,930	605,277	573,008	571,422	675,262	615,305	647,663	564,742	2,296,634	2,176,709	580,132	10,541,254
009DIV KY Division Total			1,642,009	1,372,553	1,418,563	1,367,420	945,419	1,077,397	1,201,169	1,142,025	919,173	2,753,293	2,511,413	917,984	17,268,419

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 20
Witness: Robert R. Cook Jr.

Data Request:

Concerning Atmos's distribution system within Kentucky, indicate what percentage of the system is bare steel, cast iron, coated steel, and plastic.

Response:

Atmos' system description for distribution system within Kentucky is separated by the following classifications:

Main	**Miles**	**%**
Bare steel (unprotected):	205 miles	5.63%
Bare steel (protected):	82 miles	2.25%
Cast iron:	2 miles	0.05%
Coated Steel	2,205 miles	60.59%
Plastic (PE)	1,145 miles	31.46%
Total	3,639 miles	100.00%

Services		
Bare steel (unprotected):	1,474 miles	0.84%
Bare steel (protected):	6,286 miles	3.59%
Cast iron:	0 miles	0.00%
Coated Steel	84,559 miles	48.23%
Plastic (PE)	83,001 miles	47.34%
Total	175,320 miles	100.00%

**The above information for Kentucky was taken from the annual DOT report calendar year 2005-Gas Distribution System.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 21
Witness: Rad Cook

Data Request:

Refer to the Cook Testimony, page 14. Mr. Cook states that overtime calculations in the Service Charge Studies were only applied to the labor costs of Senior Service Technicians. Explain why overtime was only applied to Senior Service Technicians.

Response:

The service cost analysis focuses on the charges for meter set, turn-on, meter reads, reconnect delinquent service and seasonal turn-ons. Overtime calculations were only applied to Senior Service Technicians performing this work.

Although Service Technicians, Distribution Operators, and Town Operators may also have the opportunity on occasion to work some service orders, the Senior Service Technicians complete the majority of all service orders in the field.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 23
Witness: Dan Meziere, James Cagle

Data Request:

Refer to the Application, Volume 2, Tab 6, the Direct Testimony of Daniel M. Meziere ("Meziere Testimony"), Exhibit DMM-1.

a. The Cost Allocation Manual ("CAM") provided in Exhibit DMM-1 is dated May 1, 2006. Atmos has stated that, effective October 1, 2006, the Kentucky and Mid-States divisions were consolidated into one division.
   (1) Was the CAM updated to reflect the consolidation of these operating divisions? Explain the response.
   (2) If the CAM was not updated to reflect the consolidation of the Kentucky and Mid-States divisions, explain in detail why there was no update.
   (3) If the CAM was updated to reflect the consolidation of the Kentucky and Mid-States divisions, explain why that version of the CAM was not submitted as Exhibit DMM-1.
   (4) Provide a copy of the CAM that reflects the Kentucky/Mid-States division consolidation. Identify all changes made to the CAM as a result of the consolidation, as well as any other changes from the version dated May 1, 2006.

b. Refer to pages 7 and 9 of the CAM. The basis for allocation descriptions for capitalized overhead (general) and stores overhead state that periodically the application rate is reviewed.
   (1) Indicate how frequently these application rates are reviewed and describe the review process.
   (2) Can the capitalized overhead (general) application rate be reset as a result of the periodic review? If yes, describe how the rate is reset.

c. Refer to page 13 of the CAM. Explain why the percentage of customers in the operating divisions is a reasonable means for allocating the Shared Services unit general office depreciation and taxes other than income taxes.

d. Refer to page 27 of the CAM. Explain why the Shared Services unit other income and interest expense are allocated using a budget allocation percentage, which is based on net investment by the business unit.

e. Has the CAM been submitted to the Securities and Exchange Commission or the Federal Energy Regulatory Commission for review and/or approval? Explain the response. In addition, if the CAM has been approved by either agency, provide copies of the approval documentation.

Response:

a. – 1, 2 and 3

The CAM was not immediately updated to reflect the change in structure. A fully updated CAM is to be filed by April 1, 2007 which would reflect all changes to allocation methodologies since the last updated CAM. As the Company was in the process of fully describing the methodology in testimony for this case, and the dollar impact of the change in methodology was not material, the Company believed it would be more appropriate to provide the updated CAM at its scheduled time.

a. – 4 The CAM to be filed by April 1, 2007 is currently being compiled and reviewed. Generally, the changes specifically related to the Kentucky division and the Mid-states division are described in Mr. Cagle's testimony.

Page 17 of the CAM is the page affected. In the May 2006 CAM, this page read as follows:

Service:	Mid-States Division general office and regional office expenses to rate division level
Description:	Allocation of operating division general office costs and regional offices costs to rate division levels
Current Provider Of Service	Mid-States Division general office Mid-States Division regional offices
Current Use of Service	Mid-States Division rate divisions
Basis for allocation	O&M costs are allocated in total based on the average number of customers in each rate division divided by the average total customers encompassed within the Mid-States Division. Depreciation and taxes other than income tax are allocated in total based on the gross plant in each rate division divided by the total gross plant encompassed by the Mid-States Division.

The current draft of this page from the April 2007 CAM reads:

Service:	KY/Mid-States Division general office expenses to rate division level

Description:	Allocation of operating division general office costs and regional offices costs to rate division levels
Current Provider Of Service	KY/Mid-States Division general office
Current Use of Service	KY/Mid-States Division rate divisions.
Basis for allocation	Costs are allocated to the states in total based on the Composite Factor. The Composite Factor is the simple average of three percentages: The percentage of Gross Direct Property Plant and Equipment in each state as a percentage of the total Direct Property Plant and Equipment in the KY/Mid-States Division. The number of customers in each state as a percentage of the total number of customers in KY/Mid-States Division. The total direct O&M expense in each state as a percentage of the total direct O&M expense in KY/Mid-States Division.

b. Generally, these are reviewed annually unless there is a change in the responsibilities of a particular department or cost center at which time it is revisited. These can be reset as a result of the periodic review and if a need for a change is determined, the application of the change is made prospectively.

c. Depreciation and taxes, other than income taxes, are allocated based upon an average of the three factors noted on page 13 of which number of customers is one component. The use of this multi-factor formula for allocating common costs has been utilized for a number of years and the Company believes that the methodology fairly and reasonably allocates these common costs to the Company's rate divisions as a measure of the relative size and investment in the rate division and reflects the overall levels of service provided by Shared Service – General Office.

d. The allocation of other income and interest expense is done within the Company's books and records for management control purposes and is not appropriate for ratemaking purposes. The Company's Operating Divisions have no debt or equity separate from the Corporation. For management purposes only, the allocation is a reasonable method of

allocating these costs. For ratemaking purposes, the Company synchronizes interest expense utilizing ratebase.

e. No. The company is not required to submit the CAM to either entity. While currently the Company is required to file the CAM only in Kentucky, it has been provided to a number of State commissions to describe the Company's common cost allocation processes (per books). To date, the Company's allocation methodologies memorialized in the CAM have not been explicitly rejected or changed in any of the Company's rate proceedings.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 22
Witness: Robert R. Cook Jr.

Data Request:

Refer to the Cook Testimony, page 15. Provide the cost of returned checks that Atmos actually incurs.

Response:

The costs identified below are costs incurred to process a returned check and to roll a service truck for disconnection of service or to leave a "door tag." The full cycle charges are as follows:

Bank return check fee	$2.25 Bank check fee
Delinquent/Termination notice	$0.41 Cost per bill insert item
Total cost to perform 1 of 10, column 14, line 3b	$17.90 Exhibit RRC-1, page
Total (turn off from non-pay)	**$20.56**

We surveyed eight (8) local banks and identified the average return check fee being applied was approximately $24.13. This survey was intended to measure the general level of the returned check charges being applied in the market by the primary banks in the Owensboro area. All of the banks contacted are included in the average. The aim of this local market survey was not to determine the actual level of costs incurred by the company, but rather to determine the general level of returned check charges being utilized in order to affect customer behavior. Our current charge of $23.00 is slightly below the local bank average.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 24
Witness: Don Roff

Data Request:

Refer to the Application, Volume 2, Tab 8, the Direct Testimony of Donald S. Roff ("Roff Testimony").

a. State when the last depreciation study for Atmos's Kentucky operations was performed and what time period was covered by the depreciation study.

b. Has Atmos begun using the depreciation rates from the "Kentucky Depreciation Study" for accounting purposes? If yes, indicate when Atmos began using those depreciation rates.

c. State when the last depreciation study for Atmos's Shared Services unit was performed and what time period was covered by the depreciation study.

d. Has Atmos begun using the depreciation rates from the "SSU Depreciation Study" for accounting purposes? If yes, indicate when Atmos began using those depreciation rates.

Response:

(a) The last depreciation study for Atmos Kentucky operations was conducted in early 2006 and included history through 9/30/2005.

(b) No.

(c) The last depreciation study for the Atmos Shared Services unit was conducted in late 2006 and included history through 9/30/2006.

(d) No.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 25
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, page 3. Mr. Roff quotes a definition of depreciation from the Accounting Research Bulletin No. 43, which was issued in 1953.

a. Is this the most current definition of depreciation issued by the American Institute of Certified Public Accountants ("AICPA")?

b. If there is a more current pronouncement from the AICPA, provide a copy of the pronouncement and explain why Mr. Roff did not reference that citation.

Response:

(a) To the best of Mr. Roff's knowledge, this is the most recent definition of depreciation accounting.

(b) Mr. Roff is unaware of a more current pronouncement.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 26
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, page 6. Mr. Roff includes a quotation on net salvage taken from the National Association of Regulatory Utility Commissioners' ("NARUC") Public Utility Depreciation Practices, 1968 Edition. Explain why Mr. Roff did not reference NARUC's Public Utility Depreciation Practices, August 1996 Edition.

Response:

Essentially the same quotation appears at page 18 of the 1996 edition.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 27
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, page 9.

a. Explain in detail why the annual salvage amounts, costs of removal, and retirements used in the Kentucky Depreciation Study were limited to the period 1991 through September 30, 2005.

b. Explain in detail why the annual salvage amounts, costs of removal, and retirements used in the SSU Depreciation Study were limited to the period 1993 through 2006.

c. If the annual salvage amounts, costs of removal, and retirements information were available for periods earlier than 1991 or 1993, explain in detail why the additional information was not included in the two depreciation studies.

Response:

(a) The Kentucky Depreciation Study actually used salvage, cost of removal and retirement experience for the period 1996 through 2005. This period was determined to be the most meaningful for developing net salvage allowances.

(b) The SSU Depreciation Study used salvage, cost of removal and retirement experience for the period 1993 through 2006. This period was determined to be the most meaningful for developing net salvage allowances.

(c) Please see responses to 27a. and 27b.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 28
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, page 12. Explain in detail why cushion gas should be treated as a depreciable asset. Include citations to regulatory decisions in other states where cushion gas has been included as a depreciable asset.

Response:

The cushion determined to be a depreciable asset is the non-recoverable portion of cushion gas. Mr. Roff did not conduct any research regarding the regulatory treatment of cushion gas in other jurisdictions. Mr. Roff is aware that Avista Corporation has depreciated cushion gas. There are numerous tax cases allowing a depreciation deduction for non-recoverable cushion gas.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 29
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, Exhibit DSR-3.

a. Refer to page 5. What are the actual costs of plant removal incurred by Atmos during 1996-2005? Provide a comparison table showing the actual removal costs and the costs used in the depreciation study.

b. Refer to page 7. Has Atmos matched the depreciation provision to the actual consumption of physical assets during 1991 to 2005? Explain in detail relative to Atmos data reported for September 2005 depreciation study.

c. Page 8 of the Exhibit states that "[f]or most accounts, retirement experience from transaction years 1973 through 2005 was analyzed using the Actuarial Method of Life Analysis." Further, page 10 of the Exhibit states that "[s]alvage and cost of removal experience was analyzed using experience from the period 1996-2005." However, the Roff Testimony on page 9 states this information covered the period 1991 through 2005. Explain why there appears to be a disagreement between the Kentucky Depreciation Study and the Roff Testimony and indicate which statement is correct.

d. Refer to page 10 of the Exhibit. Indicate the asset accounts where the Simulated Plant Record ("SPR") Method was utilized to evaluate retirements. For each identified account, explain why the SPR Method was utilized instead of using actual retirement history.

e. Refer to page 11. Mr. Roff indicates that blind acceptance of history results in recovery over a longer period than productive life. Does the new technology and more advanced inspection equipment increase the productive life of major assets and results in assets living longer than the past? If yes, explain your statement.

f. Refer to page 15. Explain the vintage amortization accounting process and the functional composite depreciation rates.

g. Refer to Schedules 1 and 2 of the Exhibit. Provide all workpapers, calculations, assumptions, plots of all referenced Iowa curves, and other documentation supporting the information presented on these schedules.

h. Refer to Schedule 1, Cushion Gas. Provide justification for depreciating the cushion gas at the rate of 2.38 percent.

i. Refer to Schedule 1, Meters. The depreciation rates on meters have been increased considerably since the last depreciation study. Explain the reason for the change.

j. Refer to Appendix A, page 1 of 10. Provide an example calculation of the arithmetic average of a major group and explain why it is appropriate to use such a calculation to find the average life of that group.

Response:

(a) The cost of removal shown in the salvage and cost of removal reflect the actual removal costs incurred by Atmos and used in the depreciation study.

(b) No.

(c) The life analysis period was 1973-2005. The correct salvage analysis period is 1996-2005.

(d) Actual gross retirement history was used with the SPR method for the following accounts:

Accounts 351, 352, 366, 367, 369, 375, 376, 378, 379, 380, 381, 382, 383, 385, 390, 391, 392, 394, 396, 397, and 399.06.

(e) Not necessarily. Most asset retirements do not occur due to assets physically wearing out. While new technology and more advanced inspection techniques contribute to asset life, the retirement of assets due to other causes also contribute to asset lives.

(f) Vintage amortization accounting is a process that eliminates the need for tracking retirements of physical plant. When a vintage asset category attains an age equal to its amortization period, a retirement is made.

With respect to the recommended functional composite depreciation rates, the purpose is to provide a process for which to depreciate new asset categories with an authorized and approved depreciation rate until such time as a new depreciation study can develop depreciation rates for these new asset categories.

(g) Please see the attached workpapers to the response to the Attorney General's first set of data requests number 87.

(h) The depreciation rate was developed using the remaining life technique as follows:

Plant Balance ($1,694,833) minus Accumulated Depreciation ($23,304) = Net Plant of $1,671,529 divided by a remaining life of 41.50 years equals annual depreciation of $40,278, divided by the Plant Balance of $1,694,833 = a depreciation rate of 2.38%.

(i) The depreciation rate for Account 381, Meters increases due to a shorter Average Service Life and more negative net salvage, coupled with the reserve position.

(j) Consider this example. Assume we have an asset group comprised of two equal assets; one with a life of two years and one with a life of eight years. The average life of this group is five years. Neither of the assets has a life equal to the "arithmetic" average.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 30
Witness: Don Roff

Data Request:

Refer to the Roff Testimony, Exhibit DSR-4.

a. Page 8 of the Exhibit states that "Retirement experience from transaction years 1987 through 2006 were analyzed using the Actuarial Method of Life Analysis." However, the Roff Testimony on page 9 states this information covered the period 1993 through 2006. Explain why there appears to be a disagreement between the SSU Depreciation Study and the Roff Testimony and indicate which statement is correct.

b. Refer to page 13. Explain why Atmos should utilize the vintage amortization accounting process and why it should use the functional composite depreciation rates.

c. Refer to Schedules 1 and 2 of the Exhibit. Provide all workpapers, calculations, assumptions, plots of all referenced Iowa curves, and other documentation supporting the information presented on these schedules.

Response:

(a) The life analysis period was 1987 through 2006. The salvage and cost of removal analysis period was 1993 through 2006. These are simply two different analyses.

(b) The use of the vintage amortization accounting process would enable Atmos to eliminate the tracking of hundreds of small items, and permit a better use of internal resources. The use of approved and authorized functional composite depreciation for new asset categories allows Atmos to depreciate new asset categories between depreciation studies.

(c) Please see the attached workpapers to the response to the Attorney General's first set of data requests number 87.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 31
Witness: Laurie Sherwood

Data Request:

Refer to the Application, Volume 3, Tab 9, the Direct Testimony of Laurie M. Sherwood ("Sherwood Testimony"). Provide a schedule showing Atmos's actual capital structure and capital ratios as of March 31, June 30, September 30, and December 31 for calendar years 2004, 2005, and 2006.

Response:

Please see response to AG DR 1-235.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 32
Witness: Laurie Sherwood

Data Request:

Refer to the Sherwood Testimony, pages 9 through 14.

a. Describe any affiliation or corporate association between Atmos or Blueflame Insurance Services, Ltd. ("Blueflame") and the following entities:
   (1) Aon Risk Manager – Bermuda.
   (2) United Insurance Company.
   (3) OIL Co.

b. Provide copies of any studies or analyses performed by or for Atmos that support the contention that Blueflame provides cost-effective property insurance coverage to Atmos and its utility assets.

c. Provide the annual premium for coverage paid to Blueflame by Atmos for 2004 through 2006. Include a detailed breakdown of how the annual premium was calculated. If available, provide this same information for 2007.

d. Provide the portion of the annual Blueflame premium charged to Atmos's Kentucky operations for 2004 through 2006, as well as the amount to be charged in 2007 if available. Breakdown the premium charged into the following components:
   (1) The direct charge for Kentucky's gross plant balance.
   (2) The charge to the Kentucky/Mid-States division general office and the portion of this charge eventually allocated to Kentucky operations.
   (3) The charge to the Shared Services unit general office and the portion of this charge eventually allocated to Kentucky operations.

Response:

a. None. Aon Risk Manager-Bermuda is Blueflame's third-party agent in Bermuda. The other two companies are third-party commercial reinsurance carriers.

b. Atmos periodically seeks quotes from the third-party commercial insurance market for its coverage. However, no carrier is willing to quote the coverage required by Atmos.

c. Please see attached schedules. The premium is calculated by taking the sum of the following:
   1-Reinsurance from United Insurance Co, plus
   2-Reinsurance from OIL, plus

3-(for the last three years or so), the deductible buydown premium for the difference between $100,000 deductible and the attachment of United.
That premium (item 3) was determined based upon our consideration of market rates, or in the case of the most recent year, the direct quote received from Aegis for comparison purposes.

d. Please see attached schedules labeled Case 2006-00464 KPSC DR2-32 ITEM C ATT and Case 2006-00464 KPSC DR2-32 ITEM D ATT.

KPSC 2-32(c)
Summary of Premiums paid to Blueflame for Property Insurance

Coverage period (Calendar Yr)	Total Premiums Paid
2004	$ 1,870,214
2005	$ 3,000,000
2006	$ 6,035,713
2007	$ 5,357,458

KPSC DR 2-32 (d)
Blueflame charge[illegible]tucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Description	Month Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	2004 Total
Kentucky									11,595.04	15,508.37	15,508.37	17,247.62	17,247.62	(107,189.17)	18,883.57	18,883.57	18,883.57	26,569
	040	2607	009000	04070	Blueflame Property Insurance													-
	040	2607	009000	04069	Blueflame Property Insurance													-
	d(1) Direct charge for Kentucky's gross plant balance					-	-	-	11,595.04	15,508.37	15,508.37	17,247.62	17,247.62	(107,189.17)	18,883.57	18,883.57	18,883.57	26,569
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	(6,713.66)	(10,013.17)	(9,774.12)	(10,920.42)	(10,947.98)	67,867.59	(7,985.57)	(10,412.24)	(4,208.27)	(3,108)
	Kentucky Div Total Blueflame expense less Capitalized portion					-	-	-	4,881.38	5,495.20	5,734.25	6,327.20	6,299.64	(39,321.58)	10,898.00	8,471.33	14,675.30	23,461
	Div 091 - Mid-States General Office																	-
	050	2607/3307	091000	04070	Blueflame Property Insurance													-
	050	2607/3307	091000	04069	Blueflame Property Insurance													-
	050 Total Blueflame expense charged to Mid-States general office					-	-	-	-	-	-	-	-	-	-	-	-	-
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	-	-	-	-	-	-	-	-	-	-
	Shared Services allocation to Division 091																	-
	Total Division 91 before allocation to Kentucky																	
	Mid-States allocation percentage to Kentucky Division																	-
	Mid-States allocation to Kentucky Division																	
	Shared Services								8,173.41	10,931.94	10,931.94	12,157.95	12,157.95	12,157.95	13,157.49	13,157.50	13,157.50	105,984
	010	1915	002000	04070	Blueflame Property Insurance													-
	010	1915	002000	04069	Blueflame Property Insurance													105,984
	010 Total Blueflame expense charged to Shared Services general office					-	-	-	8,173.41	10,931.94	10,931.94	12,157.95	12,157.95	12,157.95	13,157.49	13,157.50	13,157.50	
	Cost Center 1915 allocation percentage to Kentucky Division					9.88%	9.88%	9.88%	9.88%	9.88%	9.88%	9.88%	9.88%	9.88%	4.78%	4.78%	4.78%	8,458
	Cost Center 1915 allocation to Kentucky Division					-	-	-	807.53	1,080.08	1,080.08	1,201.21	1,201.21	1,201.21	628.93	628.93	628.93	
	Shared Services - Except Call Centers																	-
	010	1915	002000	04069	Blueflame Property Insurance													-
	010 Total Blueflame expense charged to Shared Services general office					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation percentage to Mid-States																	-
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	-	-	-	

KPSC DR 2-32 (d)
Blueflame charge tucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Description	Month Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	2004 Total
Shared Services - Call Centers																		-
	010	1203	012000	04069	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	010 Total	Blueflame expense charged to Shared Services general office				-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation percentage to Mid-States					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	-	-	-	-
	CALCULATIONS																	
	040	2607	009000	04070	Blueflame Property Insurance	-	-	-	11,595.04	15,508.37	15,508.37	17,247.62	17,247.62	(107,189.17)	18,883.57	18,883.57	18,883.57	26,569
	040	2607	009000	04069	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total					-	-	-	11,595.04	15,508.37	15,508.37	17,247.62	17,247.62	(107,189.17)	18,883.57	18,883.57	18,883.57	26,569
	Cap percentage of Insurance in 04072 related to 04069 AND 04070								57.90%	64.57%	63.02%	63.32%	63.48%	63.32%	42.29%	55.14%	22.29%	
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	(6,713.66)	(10,013.17)	(9,774.12)	(10,920.42)	(10,947.98)	67,867.59	(7,985.57)	(10,412.24)	(4,208.27)	(3,108)
	CALCULATIONS																	
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cap percentage of Insurance in 04072 related to 04069 AND 04070																	
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL EXPENSE TO KY - DIRECT AND ALLOCATED					$ -	$ -	$ -	$ 5,689	$ 6,575	$ 6,814	$ 7,528	$ 7,501	$ (38,120)	$ 11,527	$ 9,100	$ 15,304	31,919

KPSC DR 2-32 (d)
Blueflame charge[illegible]tucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Description	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005 Total
Kentucky																		
	040	2607	009000	04070	Blueflame Property Insurance	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,267.07	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	159,258
	040	2607	009000	04069	Blueflame Property Insurance													-
	d(1) Direct charge for Kentucky's gross plant balance					13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,267.07	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	159,258
A	Cap portion of Insurance in 04072 related to 04069/04070					(4,158.66)	(6,499.93)	(6,596.01)	(6,916.85)	(7,910.36)	(7,744.33)	(7,689.55)	(7,796.53)	(7,594.19)	(7,159.81)	(6,756.69)	(6,347.29)	(83,170)
	Kentucky Div Total Blueflame expense less Capitalized portion					9,113.20	6,771.93	6,675.85	6,355.01	5,361.50	5,527.53	5,577.52	5,475.33	5,677.67	6,112.05	6,515.17	6,924.57	76,087
																		-
	Div 091 - Mid-States General Office																	-
	050	2607/3307	091000	04070	Blueflame Property Insurance													-
	050	2607/3307	091000	04069	Blueflame Property Insurance													-
	050 Total Blueflame expense charged to Mid-States general office					-	-	-	-	-	-	-	-	-	-	-	-	-
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	-	-	-	-	-	-	-	-	-	-
	Shared Services allocation to Division 091																	-
	Total Division 91 before allocation to Kentucky																	-
	Mid-States allocation percentage to Kentucky Division																	
	Mid-States allocation to Kentucky Division																	-
																		-
	Shared Services																	-
	010	1915	002000	04070	Blueflame Property Insurance	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	113,987
	010	1915	002000	04069	Blueflame Property Insurance													-
	010 Total Blueflame expense charged to Shared Services general office					9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	9,498.95	113,987
	Cost Center 1915 allocation percentage to Kentucky Division					4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	4.78%	5.09%	5.09%	5.09%	
	Cost Center 1915 allocation to Kentucky Division					454.05	454.05	454.05	454.05	454.05	454.05	454.05	454.05	454.05	483.50	483.50	483.50	5,537
																		-
	Shared Services - Except Call Centers																	-
	010	1915	002000	04069	Blueflame Property Insurance													-
	010 Total Blueflame expense charged to Shared Services general office					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation percentage to Mid-States																	-
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	-	-	-	-

KPSC DR 2-32 (d)
Blueflame charge[illegible]ntucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Description	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	2005 Total
Shared Services - Call Centers																		-
	010	1203	012000	04069	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	010 Total	Blueflame expense charged to Shared Services general office				-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation percentage to Mid-States					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	-	-	-	-
	CALCULATIONS																	
	040	2607	009000	04070	Blueflame Property Insurance	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,267.07	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	159,258
	040	2607	009000	04069	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total					13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	13,267.07	13,271.86	13,271.86	13,271.86	13,271.86	13,271.86	159,258
	Cap percentage of Insurance in 04072 related to 04069 AND 04070					31.33%	48.98%	49.70%	52.12%	59.60%	58.35%	57.96%	58.74%	57.22%	53.95%	50.91%	47.83%	
A	Cap portion of Insurance in 04072 related to 04069/04070					(4,158.66)	(6,499.93)	(6,596.01)	(6,916.85)	(7,910.36)	(7,744.33)	(7,689.55)	(7,796.53)	(7,594.19)	(7,159.81)	(6,756.69)	(6,347.29)	(83,170)
	CALCULATIONS																	
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total					-	-	-	-	-	-	-	-	-	-	-	-	-
	Cap percentage of Insurance in 04072 related to 04069 AND 04070					-	-	-	-	-	-	-	-	-	-	-	-	-
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL EXPENSE TO KY - DIRECT AND ALLOCATED					**$ 9,567**	**$ 7,226**	**$ 7,130**	**$ 6,809**	**$ 5,816**	**$ 5,982**	**$ 6,032**	**$ 5,929**	**$ 6,132**	**$ 6,596**	**$ 6,999**	**$ 7,408**	**81,624**

KPSC DR 2-32 (d)
Blueflame charge[illegible]tucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Description	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	2006 Total	Calendar 2007 Monthly Projected Cost	Calendar 2007 Total Year Projected Cost
	Kentucky																	**(39,816)**		
	040	2607	009000	04070	Blueflame Property Insurance	26,475.33	26,475.33	26,475.33	26,475.33	(145,716.90)								**463,108**	24,389	292,669
	040	2607	009000	04069	Blueflame Property Insurance					172,192.23	26,475.33	26,475.33	26,475.33	26,475.33	0.00		185,014.01	**423,292**	24,389	292,669
	d(1) Direct charge for Kentucky's gross plant balance					26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	-	-	-	**(125,510)**	(14,390)	(172,675)
A	Cap portion of Insurance in 04072 related to 04069/04070					(12,705.98)	(12,460.39)	(12,894.43)	(12,784.16)	(13,227.69)	(13,363.23)	(14,668.43)	(16,794.13)	(16,611.45)	-	-	185,014.01	**297,782**	10,000	119,994
	Kentucky Div Total	**Blueflame expense less Capitalized portion**				13,769.35	14,014.94	13,580.90	13,691.17	13,247.64	13,112.10	11,806.90	9,681.20	9,863.88	-	-	185,014.01			
	Div 091 - Mid-States General Office																			
	050	2607/3307	091000	04070	Blueflame Property Insurance										28,196.98	28,196.98	(100,756.72)	**(44,363)**	1,057	12,683
	050	2607/3307	091000	04069	Blueflame Property Insurance										28,196.98	28,196.98	(100,756.72)	**(44,363)**	1,057	12,683
	050 Total	Blueflame expense charged to Mid-States general office				-	-	-	-	-	-	-	-	-	(14,529.90)	(13,898.29)	18,710.52	**(9,718)**	(624)	(7,483)
A	Cap portion of Insurance in 04072 related to 04069/04070					-	-	-	-	-	-	-	-	-	3,186.67	3,186.67	9,522.31	**15,896**	2,634	31,613
	Shared Services allocation to Division 091														16,853.75	17,485.36	(72,523.89)	**(38,185)**	3,068	36,813
	Total Division 91 before allocation to Kentucky														36.78%	36.78%	36.78%		36.8%	36.8%
	Mid-States allocation percentage to Kentucky Division														6,198.81	6,431.12	(26,674.29)	**(14,044)**	1,128	13,540
	Mid-States allocation to Kentucky Division																			
	Shared Services																	**(28,497)**		
	010	1915	002000	04070	Blueflame Property Insurance	21,575.30	21,575.30	21,575.30	21,575.30	(114,798.05)					0.00	0.00	0.00	**222,675**	0	0
	010	1915	002000	04069	Blueflame Property Insurance					136,373.35	21,575.30	21,575.30	21,575.30	21,575.30	-	-	-	**194,178**	0	0
	010 Total	Blueflame expense charged to Shared Services general office				21,575.30	21,575.30	21,575.30	21,575.30	21,575.30	21,575.30	21,575.30	21,575.30	21,575.30						
	Cost Center 1915 allocation percentage to Kentucky Division					5.09%	5.09%	5.09%	5.09%	5.09%	5.09%	5.09%	5.09%	5.09%	-	-	-	**9,884**	0	0
	Cost Center 1915 allocation to Kentucky Division					1,098.18	1,098.18	1,098.18	1,098.18	1,098.18	1,098.18	1,098.18	1,098.18	1,098.18						
	Shared Services - Except Call Centers														21,575.30	21,575.30	64,470.59	**107,621**	7,049	84,593
	010	1915	002000	04069	Blueflame Property Insurance										21,575.30	21,575.30	64,470.59	**107,621**	7,049	84,593
	010 Total	Blueflame expense charged to Shared Services general office				-	-	-	-	-	-	-	-	-						
	Cost Center 1915 allocation percentage to Mid-States														14.77%	14.77%	14.77%		14.8%	14.8%
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	3,186.67	3,186.67	9,522.31	**15,896**	1,041	12,494

KPSC DR 2-32 (d)
Blueflame charge[illegible]ntucky
2004 thru Project

	Company	Cost Center	Service	Sub Accou	Descnption	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	2006 Total	Calendar 2007 Monthly Projected Cost	Calendar 2007 Total Year Projected Cost
															21,575.30	21,575.30	64,470.59	107,621	10,593	127,117
	Shared Services - Call Centers																			
	010	1203	012000	04069	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	21,575.30	21,575.30	64,470.59	107,621	10,593	127,117
	010 Total	Blueflame expense charged to Shared Services general office																	15.0%	15.0%
	Cost Center 1915 allocation percentage to Mid-States														14.77%	14.77%	14.77%			
	Cost Center 1915 allocation to Mid-States General Office					-	-	-	-	-	-	-	-	-	3,186.67	3,186.67	9,522.31	15,896	1,593	19,118
	CALCULATIONS																			
	040	2607	009000	04070	Blueflame Property Insurance	26,475.33	26,475.33	26,475.33	26,475.33	(145,716.90)	-	-	-	-		-		(39,816)		
	040	2607	009000	04069	Blueflame Property Insurance	-	-	-	-	172,192.23	26,475.33	26,475.33	26,475.33	26,475.33		-		278,094		
	Sub-total					26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	26,475.33	-	-	-	238,278	0	0
		Cap percentage of Insurance in 04072 related to 04069 AND 04070				47.99%	47.06%	48.70%	48.29%	49.96%	50.47%	55.40%	63.43%	62.74%	51.53%	49.29%	18.57%			
A		Cap portion of Insurance in 04072 related to 04069/04070				(12,705.98)	(12,460.39)	(12,894.43)	(12,784.16)	(13,227.69)	(13,363.23)	(14,668.43)	(16,794.13)	(16,611.45)	-	-	-	(125,510)	0	0
	CALCULATIONS																			
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	28,196.98	28,196.98	(100,756.72)	(44,363)	25,446	305,352
	050	2607/3307	091000	04070	Blueflame Property Insurance	-	-	-	-	-	-	-	-	-	28,196.98	28,196.98	(100,756.72)	(44,363)	25,446	305,352
	Sub-total					-	-	-	-	-	-	-	-	-					59%	59%
		Cap percentage of Insurance in 04072 related to 04069 AND 04070													51.53%	49.29%	18.57%		(15,013)	(180,158)
A		Cap portion of Insurance in 04072 related to 04069/04070				-	-	-	-	-	-	-	-	-	(14,529.90)	(13,898.29)	18,710.52	(9,718)		
	TOTAL EXPENSE TO KY - DIRECT AND ALLOCATED					$ 14,868	$ 15,113	$ 14,679	$ 14,789	$ 14,346	$ 14,210	$ 12,905	$ 10,779	$ 10,962	$ 6,199	$ 6,431	$ 158,340	293,621	$ 11,128	$ 133,534

Summary of Premiums paid to Blueflame for Property Insurance

Coverage period	Total Premiums Paid	Property Damage Deductible Reimbursement	Property Insurance	Atmos	TXU-3 months
CY03	$ 887,454.00	not sure how this breaks out in CY03		887,454.00	na
CY04	$ 1,870,214.00	not sure how this breaks out in CY04		1,520,214.00	350,000.00
paid in CY04	$ 2,757,668.00			$ 2,407,668.00	$ 350,000.00
CY05	$ 3,000,000.00	1,692,858.00	1,307,142.00		
CY06	$ 6,035,713.00	2,649,997.00	3,385,716.00		
CY07	$ 5,357,457.59	2,216,825.00	3,140,632.59		

$	2,216,825.00	Property Damage Deducti ble Reimbursement
	3,140,632.59	Property Insurance
$	5,357,457.59	Total Annual Premium paid to Blueflame for CY 2007

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1			NAME OF ORIGINAL INSURED
14	02	2007	**Atmos Energy Corporation**
DAY	MO.	YR.	

POLICY NO.	COVERAGE	PREMIUM
	Effective January 1, 2007 to January 1, 2008	
BFI 1002-07	Property Damage Deductible Reimbursement	US$ 2,216,825.00
	TOTAL PREMIUM DUE:	**US$ 2,216,825.00**

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY 021 000089
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 010-096 311 501
Attention:	Carlene Rodney

ATMOS energy

FT# 89 021607
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Tuesday, February 13, 2007

Please transfer to: Aon Ins Managers (Bermuda) Ltd

Bank Name: The Bank of Bermuda Limited
ABA Number: CITIUS 33
Account Number: 822397
City: Hamilton **State:** Bermuda

			Amount
Line 1	Policy # BFI 1001-07 - reins		$2,216,825.00
Line 2	Policy date 1/1/07-1/1/08	(Optional)	
Line 3	Attn: Carlene Rodney	(Optional)	

Bank Name: Bank of America
Bank Acct. Number: 0180347500
ABA Number: 0260-0959-3

Non-Project Related Accounting Information

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (4)	Sub Account (5)	Service Area (6)
---	$2,216,825.00	010	0000	1310	10408	002000
2,216,825.00		010	0000	1650	13067	002000

RECEIVED
FEB 15 2007
TREASURY DEPARTMENT

$2,216,825.00 Sub-Total
$0.00 Sub-Total from Continuation Sheets ☐ See Attachments for Additional Account Coding

Project Related Accounting Information

Account Debit	Account Credit	Project Number (6)	Task Number (6)	Expenditure Type (Brief Description)	Expenditure Organization

$0.00
$0.00 Sub-Total from Continuation Sheet ☐ See Attachments for Additional Account Coding

Requested by: Jackqueline Madrid — Lead Risk Mgmt. & Claims Analyst

Area Code: (972) **Phone #:** 855-9774

Approved by: Robert W. Best (Signature Required) **Date:** 2/14/07 (Date Required)

Blueflame Insurance Services, Ltd.
c/o **AON INSURANCE MANAGERS (BERMUDA) LTD.**
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1			NAME OF ORIGINAL INSURED
12	02	2007	**Atmos Energy Corporation**
DAY	MO.	YR.	

POLICY NO.	COVERAGE	PREMIUM
	Effective January 1, 2007 to January 1, 2008	
BFI 1001-07	Property Insurance	US$ 3,140,632.59
	TOTAL PREMIUM DUE:	**US$ 3,140,632.59**

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

ATMOS energy

FT# 89 021607
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Tuesday, February 13, 2007

Please transfer to: Aon Ins Managers (Bermuda) Ltd

Bank Name: The Bank of Bermuda Limited
ABA Number: CITIUS 33
Account Number: 822397
City: Hamilton **State:** Bermuda

Remittance Information:			Amount
Line 1	Policy # BFI 1001-07		$3,140,632.59
Line 2	Policy date 1/1/07-1/1/08	(Optional)	
Line 3	Attn: Carlene Rodney	(Optional)	

Transfer from:

Bank Name: Bank of America
Bank Acct. Number: 0180347500
ABA Number: 0260-0959-3

Non-Project Related Accounting Distributions

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (4)	Sub Account (5)	Service Area (6)
---	$3,140,632.59	010	0000	1310	10408	002000
3,140,632.59		010	0000	1650	13087	002000

RECEIVED

$3,140,632.59 Sub-Total
$0.00 Sub-Total from Continuation Sheets ☐ See Attachments for Additional Account Coding

Project Related Accounting Distributions

Account Debit		Project Number (8)	Task Number (8)	Expenditure Type (Brief Description)	Organization

TREASURY DEPARTMENT

$0.00
$0.00 Sub-Total from Continuation Sheet ☐ See Attachments for Additional Account Coding

Requested by: Jackqueline Madrid — Lead Risk Mgmt. & Claims Analyst

Area Code: (972) **Phone #:** 855-9774

Approved by: Robert W. Best (Signature Required) **Date:** 2/14/07 (Date Required)

Balance Type: Actual — Currency Type: Entere

Batch	Journal Entry	Source	Currency	Line	Entered Debit
23107 Payables 9	Purchase Invoices L	Payables	USD	9	2,649,997.00
23107 Payables 9	Purchase Invoices L	Payables	USD	10	3,385,716.00

Coverage Effective Dec 31, 2005-Dec 31, 2006	CY 06 Premiums		Monthly
Property Damage Deductible Reimbursement	2,649,997.00		
Property Insurance	3,385,716.00		
Total paid to Blueflame	**6,035,713.00**	**12**	**502,976**
	6,035,712.00	12	502,976.00
	(1.00)		

ATMOS energy

FT# 53 020706 — Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Wednesday, February 01, 2006

Please transfer to: Aon Ins Managers (Bermuda) Ltd

Bank Name: Bank of Bermuda
ABA Number:
Account Number: 822397
City: Hamilton **State:** Bermuda

Line 1	Blueflame Policy # 1002-06		$2,649,997.00
Line 2	Attn: Carlene Rodney/Swift 33	(Optional)	
Line 3	12/31/2005 - 12/31/2006	(Optional)	

Bank Name: Bank of America
Bank Acct. Number: 0160347500
ABA Number: 1110-0001-2

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (4)	Sub Account (5)	Service Area (5)
---	$2,649,997.00	010	0000	1310	10408	002000
2,649,997.00		010	0000	1650	13087	002000

$2,649,997.00 Sub-Total
$0.00 Sub-Total from Continuation Sheets ☐ See Attachments for Additional Account Coding

Account Debit	Project Number (8)	Task Number (8)	Expenditure Type (Brief Description)	Expenditure Organization

RECEIVED
FEB 0 8 2006 PM
TREASURY DEPARTMENT

$0.00
$0.00 Sub-Total from Continuation Sheet ☐ See Attachments for Additional Account Coding

Requested by: Jacqueline Madrid — Lead Risk Mgmt & Claims Analyst
Area Code: (972) Phone #: 855-9774

Approved by: Robert W. Best (Signature Required) **Date:** 2/2/06 (Date Required)

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Applin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1			NAME OF ORIGINAL INSURED
26	01	2006	Atmos Energy Corporation
DAY	MO.	YR.	

POLICY NO.	COVERAGE	PREMIUM
	Effective December 31, 2005 – December 31, 2006	
BFI 1002-06	Property Damage Deductible Reimbursement	US$ 2,649,997.00
	TOTAL PREMIUM DUE:	**US$ 2,649,997.00**

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

ATMOS energy

FT# 53 020706
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ⇒ Wednesday, February 01, 2006

Please transfer to: Aon Ins Managers (Bermuda) Ltd

Bank Name: Bank of Bermuda
ABA Number:
Account Number: 822397
City: Hamilton **State:** Bermuda

Line 1	Blueflame Policy # 1001-06		$3,385,715.00
Line 2	Attn: Carlene Rodney/Swift 33	(Optional)	
Line 3	12/31/2005 – 12/31/2006	(Optional)	

Bank Name: Bank of America
Bank Acct. Number: 0180347500
ABA Number: 1110-0001-2

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (5)	Sub Account (6)	Service Area (8)
---	$3,385,715.00	010	0000	1310	10408	002000
3,385,715.00		010	0000	1850	10067	002000

$3,385,715.00 Sub-Total
$0.00 Sub-Total from Continuation Sheets ☐ See Attachments for Additional Account Coding

Account Debit	Account	Project Number (8)	Task Number (8)	Expenditure Type (Brief Description)	Expenditure Organization

RECEIVED
FEB 06 2006
TREASURY DEPARTMENT

$0.00
$0.00 Sub-Total from Continuation Sheet ☐ See Attachments for Additional Account Coding

Requested by: Jacqueline Madrid — Lead Risk Mgmt & Claims Analyst
Area Code: (972) Phone #: 855-9774

Approved by: Robert W. Best (Signature Required) Date: 2/2/06 (Date Required)

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Apple House
P O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1			NAME OF ORIGINAL INSURED
26	01	2006	**Atmos Energy Corporation**
DAY	MO.	YR.	

POLICY NO.	COVERAGE	PREMIUM
	Effective December 31, 2005 – December 31, 2006	
BFI 1001-06	Property Insurance	US$ 3,385,716.00
	TOTAL PREMIUM DUE:	**US$ 3,385,716.00**

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

Balance Type: Actual Currency Type: Entered

Batch	Journal Entry	Source	Currency	Line	Entered Debit	Entered Credit
16347 Payables 7	Purchase Invoices L	Payables	USD	7	1,307,142.00	
16347 Payables 7	Purchase Invoices L	Payables	USD	8	1,692,858.00	
cwg-20050401-01	010-005 Amortizatio	Spreadsheet	USD	1		250,000.00
cwg-20050401-02	010-200 Reclass USI	Spreadsheet	USD	2	43.57	

Coverage Effective Dec 31, 2004-Dec 31, 2005	CY 05 Premiums		Monthly
Property Damage Deductible Reimbursement	1,692,858.00		
Property Insurance	1,307,142.00		
Total paid to Blueflame	3,000,000.00	12	250,000

ATMOS energy

FT# 186 038805
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Thursday, March 24, 2005

Please transfer to: AON Ins. Mgrs (Bermuda) Ltd.

Bank Name: The Bank of Bermuda Limited
ABA Number:
Account Number: 822397
City: Hamilton, Bermuda

Reference Information:			Amount
Line 1	Blueflame Insurance Svcs. Ltd.		$1,307,142.00
Line 2	Acct # 82297 Pol # BFI 1001-05	(Optional)	
Line 3	Policy Date: 12/31/04-12/31/05	(Optional)	

Transfer from:

Bank Name: Bank of America
Bank Acct. Number: 018034750 0
ABA Number: 1110-0001-2

Non-Project Related Accounting Distributions

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (5)	Sub Account (5)	Service Area (6)
---	$1,307,142.00	010	0000	1310	10408	002000
1,307,142.00		010	0000	1550	13097	002000

$1,307,142.00 ☐ See Attached for Additional Account Coding

Project Related Accounting Distributions

Account Debit		Project Number (8)	Task Number (8)	Expenditure Type (Brief Description)	Expenditure Organization

RECEIVED $0.00 ☐ See Attached for Additional Account Coding

MAR 24 Prepared by: Jacqueline Madrid — Risk Management Analyst

TREASURY DEPARTMENT — Area Code: (972) Phone #: 855 0774

Approved by: Robert W. Best (Signature Required) Date: 3-24-05 (Date Required)

Form Owner: Dallas Treasury Department — Revised: 03/03/2005

W:\MdSt-KY Rate Case\2006 KY Rate Case\KPSC DR Set 2\Cover Sheets for KPSC DR2\Reviewed by Legal Final\cASE 2006-00464 kpsc dr2-32 ITEM C ATTCY05 Invoices

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1	NAME OF ORIGINAL INSURED
17 | 03 | 2005 (DAY | MO. | YR.)	*Atmos Energy Corporation*

POLICY NO.	COVERAGE	PREMIUM
	Effective December 31, 2004 – December 31, 2005	
BFI 1001-05	Property Insurance	US$ 1,307,142.00
010 0000 1650 13067 002000		
	TOTAL PREMIUM DUE:	US$ 1,307,142.00

SPECIAL HANDLE:
Jackie Madrid

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

Approved:
Robert W. Beast
3/24/2005

ATMOS energy

FT# 186 032805
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: **Atmos Energy Corporation**

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Thursday, March 24, 2005

Please transfer to: AON Ins. Mgrs (Bermuda) Ltd.

Bank Name: The Bank of Bermuda Limited
ABA Number:
Account Number: 822387
City: Hamilton, Bermuda

Reference Information:			Amount
Line 1	Blueflame Ins. Svcs.Ltd.-Dedu		$1,692,858.00
Line 2	Acct # B2287 Pol # BFI 1002-05	(Optional)	
Line 3	Policy Date: 12/31/04-12/31/05	(Optional)	

Transfer from:

Bank Name: Bank of America
Bank Acct. Number: 0160347500
ABA Number: 1110-0001-2

Non-Project Related Accounting Distributions

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (4)	Sub Account (5)	Service Area (5)
---	$1,692,858.00	010	0000	1310	18468	002000
1,692,858.00		010	0000	1650	13067	002000

$1,692,858.00 ☐ See Attachments for Additional Account Coding

Project Related Accounting Distributions

Account Debit		Project Number (8)	Task Number (5)	Expenditure Type (Brief Description)	Expenditure Organization

RECEIVED
MAR 24 2005 PM
TREASURY DEPARTMENT

$0.00 ☐ See Attachments for Additional Account Coding

Initiated by: Jacqueline Madrid — Risk Management Analyst

Area Code: (972) Phone #: 855-9774

Approved by: Robert W. Beast (Signature Required) Date: 3-24-05 (Date Required)

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 1			NAME OF ORIGINAL INSURED
17	03	2005	Atmos Energy Corporation
DAY	MO.	YR.	

POLICY NO.	COVERAGE	PREMIUM
	Effective December 31, 2004 – December 31, 2005	
BFI 1002-05	Property Damage Deductible Reimbursement	US$ 1,692,858.00
	TOTAL PREMIUM DUE:	**US$ 1,692,858.00**

D1D 0000 1650 13067 002000

Wire transfer instructions as follows:
For US$ please wire transfer premium to: SPECIAL HANDLE: Jackie Madrid

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Curlene Rodney

Approved: Robert J. Reed 3/24/05

Balance Type: Actual Currency Type: Entered

Batch	Journal Entry	Source	Currency	Line	Entered Debit	Entered Credit
13845 Payables	Purchase Invoices L	Payables	USD	532	350,000.00	
cwg-20041203-15	010-005 Amortizatio	Spreadsheet	USD	18		185,015.67
cwg-20041203-15	010-005 Amortizatio	Spreadsheet	USD	19		233,333.34

Payables Invoice Accounting (ATG)

Invoice Type	Applied To Invoi	Invoice Date	Supplier	Debit (USD)	Credit (USD)	E
Standard	2	22-OCT-2004	BLUEFLAME INSURANCE	350,000.00		U

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 2		
22	10	2004
DAY	MO.	YR.

NAME OF ORIGINAL INSURED
Atmos Energy Corporation

POLICY NO. _____ COVERAGE PREMIUM

Effective December 31, 2003 - December 31, 2004

BFI 1001-04 Property Insurance

Additional Premium Due in respect to addition of FXU Gas effective October 1, 2004

Pro-rata Premium Due: US$350,000

SPECIAL HANDLE: Jackie Madrid

080 0000 1460 12129 190000

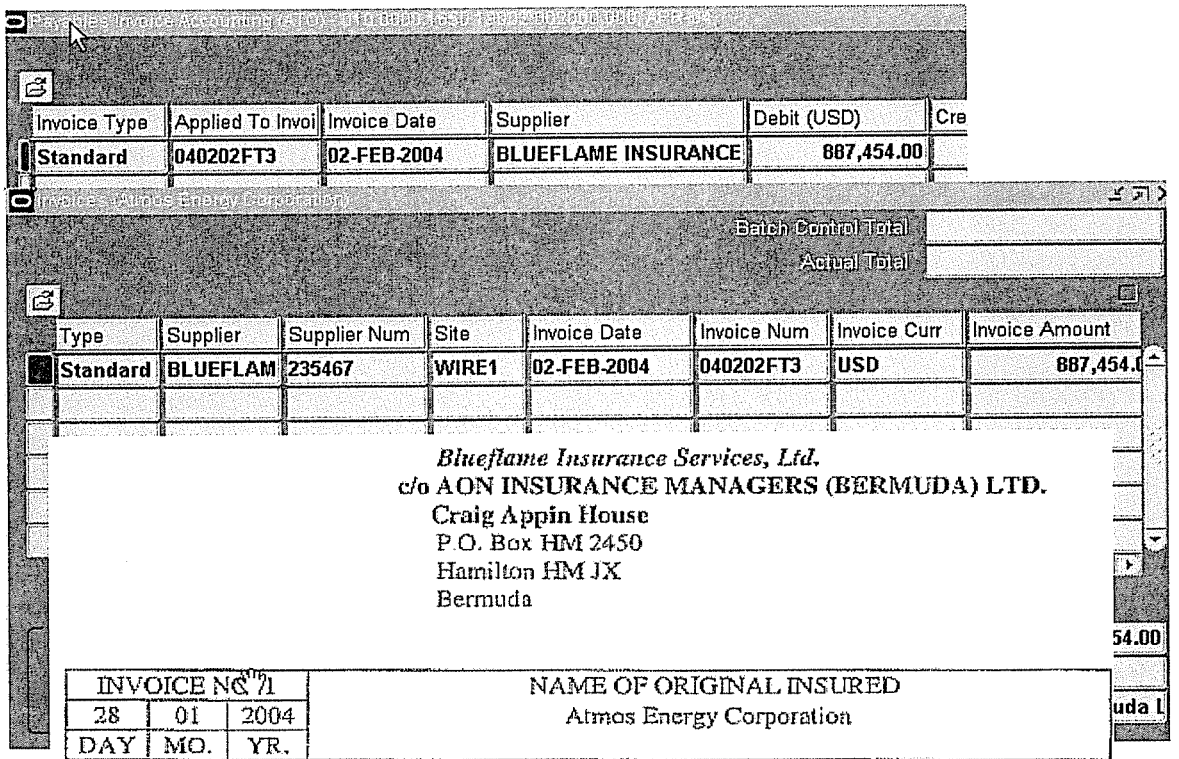
~~040 0000 1650 13047 000000~~

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Approved: Robert W. Best

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

Premium pmt to BFI May 15, 2003-Dec 31, 2004	CY 04 Premiums		
l Feb-04 (Invoices not scanned in A/P at this point in time)	887,454.00		
J Jun-04	1,400,000.00		
Paid Apr-04	120,214.00	1,520,214.00	
Total paid to Blueflame	**2,407,668.00**	350000	2,757,668.00



Invoice Type	Applied To Invoi	Invoice Date	Supplier	Debit (USD)	Cre
Standard	040202FT3	02-FEB-2004	BLUEFLAME INSURANCE	887,454.00	

Invoices - Atmos Energy Corporation

Batch Control Total

Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount
Standard	BLUEFLAM	235467	WIRE1	02-FEB-2004	040202FT3	USD	887,454.0

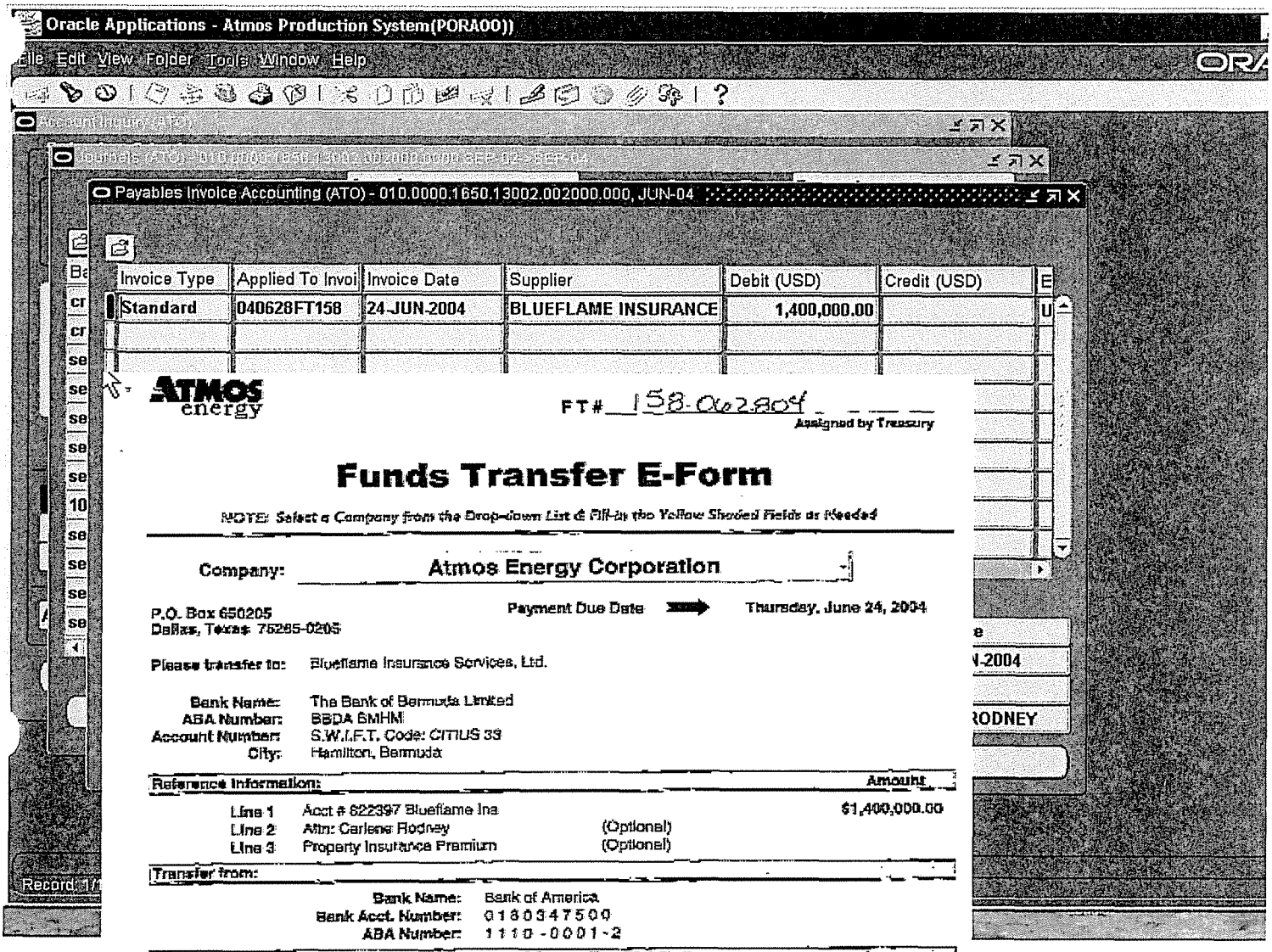
54.00

uda L

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appin House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 71			NAME OF ORIGINAL INSURED
28	01	2004	Atmos Energy Corporation
DAY	MO.	YR.	

POLICY NO.	COVERAGE		PREMIUM	
	Effective May 15, 2003 – December 31, 2003			
BFI 1001-03	Property Insurance Program $4m XS $1m deductible	Gross Premium	$187,470	187480
	~~United Insurance Company Reinsurance Premium ($4m XS $1m)~~		~~$167,480~~	480855
	Captive Expenses		$20,000	263333
	Premium Due BFI 1001-03:		**$187,480**	760000
	Effective December 31, 2003 – December 31, 2004			
BFI 1001-04	Property Insurance Program $225m XS $1m deductible	Gross Premium	$820,188	187480
	~~Oil Insurance Limited Reinsurance Premium ($220m XS $5m)~~		~~$480,855~~	699974
	~~United Insurance Company Reinsurance Premium ($4m XS $1m)~~		~~$263,333~~	
	Captive Expenses		$76,000	
Less	Premium paid to OIL directly paid on behalf of Blueflame		($120,214)	
	Premium Due BFI 1001-04:		**$699,974**	
	Total Premium Due: $887,454			


Oracle Applications - Atmos Production System(PORA00))
File Edit View Folder Tools Window Help
Payables Invoice Accounting (ATO) - 010.0000.1650.13002.002000.000, JUN-04
Invoice Type
Applied To Invoi
Invoice Date
Supplier
Debit (USD)
Credit (USD)
Standard
040628FT158
24-JUN-2004
BLUEFLAME INSURANCE
1,400,000.00
ATMOS energy
FT# 158-002804
Assigned by Treasury
Funds Transfer E-Form
NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed
Company: Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205
Payment Due Date
Thursday, June 24, 2004
Please transfer to: Blueflame Insurance Services, Ltd.
Bank Name: The Bank of Bermuda Limited
ABA Number: BBDA BMHM
Account Number: S.W.I.F.T. Code: CITIUS 33
City: Hamilton, Bermuda
Reference Information:
Amount
Line 1 Acct # 822397 Blueflame Ins
$1,400,000.00
Line 2 Attn: Carlene Rodney (Optional)
Line 3 Property Insurance Premium (Optional)
Transfer from:
Bank Name: Bank of America
Bank Acct. Number: 0180547500
ABA Number: 1110-0001-2
Non-Project Related Accounting Distributions
Account
Debit
Credit
Company (3)
Cost Center (4)
Account (4)
Sub Account (5)
Service Area (3)
$1,400,000.00
010
0000
1310
10405
002000
1,400,000.00
010
0000
1650
13002
002000
$1,400,000.00
Use Attachment for Additional Account Codes
Project Related Accounting Distributions
Account
Debit
Project Number (8)
Task Number (5)
Expenditure Type (Brief Description)
Expenditure Organization
$0.00
Use Attachment for Additional Account Codes
Requested by
Jacqueline Madrid
Risk Management Analyst
RECEIVED
JUN 25 2004 pm
Area Code: (972)
Phone #: 855-9774

Blueflame Insurance Services, Ltd.
c/o AON INSURANCE MANAGERS (BERMUDA) LTD.
Craig Appln House
P.O. Box HM 2450
Hamilton HM JX
Bermuda

INVOICE NO. 2		
23	06	2004
DAY	MO.	YR.

NAME OF ORIGINAL INSURED
Atmos Energy Corporation

POLICY NO.	COVERAGE	PREMIUM
	Effective December 31, 2003 December 31, 2004	
BFI 1002-04	Property Damage Deductible Reimbursement	US$ 1,400,000.00
	Limit: losses excess of $100,000 up to $1,000,000 per occurrence.	
	TOTAL PREMIUM DUE:	**US$ 1,400,000.00**

010 0000 1650 13002 002000

Approved:

Robert W. Best

SPECIAL HANDLE:
Jackie Madrid

Wire transfer instructions as follows:
For US$ please wire transfer premium to:

Correspondent Bank:	CITIBANK N.A. 111, Wall Street New York, NY
S.W.I.F.T. Code:	CITIUS 33
Beneficiary Bank:	THE BANK OF BERMUDA LIMITED Hamilton, Bermuda
S.W.I.F.T. Code	BBDA BMHM
For further credit: Account Number:	BLUEFLAME INSURANCE SERVICES, LTD. 822397
Attention:	Carlene Rodney

Invoices (Atmos Energy Corporation)

Batch Control Total
Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount	V
Standard	OIL INSURA	232988	WIRE1	08-APR-2004	2890	USD	120,214.00	

ATMOS energy

FT# 36-040804
Assigned by Treasury

Funds Transfer E-Form

NOTE: Select a Company from the Drop-down List & Fill-in the Yellow Shaded Fields as Needed

Company: Atmos Energy Corporation

P.O. Box 650205
Dallas, Texas 75265-0205

Payment Due Date ➡ Thursday, April 08, 2004

Please transfer to: OIL Insurance Limited

RECEIVED
APR 8 8 2004 AM
TREASURY DEPARTMENT

Barclays
Bank Name: ~~Barclay~~ Bank plc, New York
ABA Number: 026002574
Account Number: SWIFT: US33
City: New York, New York 11245

Reference Information:			Amount
Line 1	Policy #: 2003-260		$120,214.00
Line 2	Blueflame Insurance Svcs. Ltd.	(Optional)	
Line 3	Invoice #: 2772	(Optional)	

Transfer from:

Bank Name: Bank of America
Bank Acct. Number: 0180347500
ABA Number: 1110-0001-2

Non-Project Related Accounting Distributions

Account Debit	Account Credit	Company (3)	Cost Center (4)	Account (4)	Sub Account (5)	Service Area (5)
---	$120,214.00	010	0000	1310	10403	002000
120,214.00		010	0000	1650	13002	002000

$120,214.00 ☐ See attachment for Additional Account Code(s)

Project Related Accounting Distributions

Account Debit		Project Number (8)	Task Number (5)	Expenditure Type (Brief Description)	Expenditure Organization

$0.00 ☐ See Attachments for Additional Account Code(s)

Requested by: Jacqueline Madrid — Risk Management Analyst

IL INSURANCE LIMITL)

P.O. Box HM 1751
Hamilton, Bermuda HM GX

Telephone: (441) 295-0905 Facsimile: (441) 295-0351

Provisional Minimum Basic and Flat Premium Billing; Second Quarter 2004
Stated in United States Dollars

To:
Mr. Ray Hoover
Atmos Energy Corporation
5430 LBJ Freeway
Suite 700
Dallas
Texas 75240-2601
U.S.A.

11 March 2004
Invoice Number: 2891

POLICY HOLDER: ATMOS ENERGY CORPORATION

POLICY NUMBER: 2003-[illegible]

POLICY PERIOD : DECEMBER 31, 2003 (MIDNIGHT, EASTERN STANDARD TIME) TO DECEMBER 31, 2004 (MIDNIGHT, EASTERN STANDARD TIME)

PROGRAM STRUCTURE

Sector	Unmod. Assets	Gross Assets	Limit	Excess	Suggested Allocation
Pipelines	1,896	817	220	5	61.621%
Other	327	509	220	5	38.379%
Total	2,223	1,325			100.000%

Elections: Exhibit L, Exhibit M
Elections: Flat Premium Election, with Quota Share Retention of 0%, giving Pro-Rated Assets of $1,325

PREMIUM COMPONENTS		PREMIUM ($) [1]
Minimum Basic Premium	(Standard Rate = 8.540393 cents per $100 Gross Assets, modifier 0.5)	331,590
Flat Premium Charge	(Flat Premium Rate = 8.670000 cents per $100 Prorated Assets, modifier 0.2)	229,801
Brokers Commission	(Brokers Commission Rate = 14.3%)	(80,535)
Total Minimum Basic and Flat Premium		480,855
Minimum Basic and Flat Premium Paid, year to date		120,214
Minimum Basic and Flat Premium due on 1 April 2004		120,214

Please pay by bank transfer:

Correspondent:
Barclays Bank plc, New York
SWIFT: BARC US33
ABA Number: 026002574

Beneficiary Bank:
Barclays Bank plc, London
SWIFT: BARC GB22
Sort Code: 20-00-00

Beneficiary:
Barclays Private Bank & Trust (Cayman) Limited,
as trustee of the Catalyst Trust
Account Number: [illegible]

Alan Tipping
Controller

1. The amount of premium due for any year is subject to recomputation by OIl Insurance Limited prior to or during the year in accordance with the Rating and Premium Plan.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 33
Witness: Laurie Sherwood

Data Request:

Refer to the Sherwood Testimony, page 9 and Exhibit LMS-2. Ms. Sherwood recommends that the Commission use Atmos's projected cost of long-term debt, 6.10 percent. Provide the basis for Atmos's estimate of 6.10 percent for its projected cost of long-term debt.

Response:

Please see response to AG DR1-34 (a) and (b).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 33
Witness: Laurie Sherwood

Data Request:

Refer to the Sherwood Testimony, page 9 and Exhibit LMS-2. Ms. Sherwood recommends that the Commission use Atmos's projected cost of long-term debt, 6.10 percent. Provide the basis for Atmos's estimate of 6.10 percent for its projected cost of long-term debt.

Response:

Please see response to AG DR1-34 (a) and (b).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 34
Witness: Laurie Sherwood

Data Request:

Refer to the Sherwood Testimony, Exhibits LMS-1 through LMS-3.

a. Exhibit LMS-2 shows the average annualized long-term debt as of June 30, 2008. Explain how Atmos determined the interest rate for the unsecured notes shown on line 9 and the US Bancorp debt shown on line 15. Include all workpapers, calculations, and supporting documentation utilized to determine these interest rates.

b. Other than the two debt issuances noted in part (a) above, the interest rates shown on Exhibit LMS-2 match the interest rates for the corresponding debt issuances as of September 30, 2006, as shown in Exhibit LMS-1. Explain why it is reasonable to assume for these debt issuances that the interest rates as of September 30, 2006 will also be the interest rates as of June 30, 2008.

c. Exhibit LMS-3 shows the average annualized short-term debt as of June 30, 2008. Explain how Atmos determined the balances and interest rates shown in this exhibit. Include all workpapers, calculations, and supporting documentation utilized to determine the balances and interest rates.

Response:

a. The unsecured note on line 9 of Exhibit LMS-2 is a floating rate note, and bears an assumed average interest rate of 6.02%, which is the budgeted rate for fiscal year 2007, assuming a floating rate of 5.75%, 5.75%, 6.00%, and 6.25% for each of the consecutive fiscal quarters, respectively (using a 360-day convention, and weighting each rate by the number of days in the quarter). This average rate is used as the estimated rate for fully refinancing the note upon maturity in October, 2007. The US Bancorp note on line 15 of the same exhibit actually bears a fixed rate of 5.29%, as reflected in LMS-1. The 5.59% rate used is a typographical error which, if corrected, does not affect the composite interest rate of 6.10% due to the relative immateriality of this issuance. Nevertheless, this exhibit and similarly affected filing Schedules J-3 (base and test period) have been corrected and attached in response to AG DR 1-1.

b. Using the same rate through the term of these notes is reasonable because all of these notes, except the floating-rate note mentioned above and the Pulaski note, bear fixed rates which will not change through maturity. The Pulaski note uses the Bank of America prime rate which changes annually. Since this note has an average principle balance during the test year of only $69,231, the current rate was used for simplicity.

c. The short-term debt balances for each fiscal year are projected for budget purposes using the actual daily increase and decrease trends from the prior year.

More specifically, the 2006 actual and projected daily balance changes were used as the basis for projecting and budgeting fiscal 2007 daily balances, and that result was used to project fiscal year 2008. For each projected fiscal year, adjustments were made, spread evenly through the year, to account for budgeted changes in overall projected cash flow. Schedules and work-papers showing this trending and resulting budgets & projections are attached. NOTE that these work-papers support REVISED Exhibit LMS-3, attached in response to AG DR1-1.

FY 2005 **ST Debt / (Investment)**

workpapers for KPSC 2-34(c)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG
	Short Term Debt Outstanding	Short Term Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	ENDING BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding	
31-Jul-05	**34,725,000**	**0**	**34,725,000.00**	**(105,376,067)**	**70,050,534**	-	-	**70,050,534**
1-Aug-05	37,025,000	59,000	36,966,000.00	(98,215,746)	67,590,873	-	-	**67,590,873**
2-Aug-05	31,100,000	114,000	30,986,000.00	(99,276,425)	65,131,212	-	-	**65,131,212**
3-Aug-05	22,100,000	153,000	21,947,000.00	(103,396,104)	62,671,552	-	-	**62,671,552**
4-Aug-05	23,000,000	219,000	22,781,000.00	(97,642,782)	60,211,891	-	-	**60,211,891**
5-Aug-05	27,250,000	86,000	27,164,000.00	(88,340,461)	57,752,231	-	-	**57,752,231**
6-Aug-05	27,250,000	86,000	27,164,000.00	(83,421,140)	55,292,570	-	-	**55,292,570**
7-Aug-05	27,250,000	86,000	27,164,000.00	(78,501,819)	52,832,909	-	-	**52,832,909**
8-Aug-05	20,650,000	149,000	20,501,000.00	(80,245,497)	50,373,249	-	-	**50,373,249**
9-Aug-05	14,225,000	180,000	14,045,000.00	(81,782,176)	47,913,588	-	-	**47,913,588**
10-Aug-05	8,200,000	221,000	7,979,000.00	(82,928,855)	45,453,927	-	-	**45,453,927**
11-Aug-05	2,475,000	251,000	2,224,000.00	(83,764,534)	42,994,267	-	-	**42,994,267**
12-Aug-05	0	4,600,000	(4,600,000.00)	(85,669,212)	40,534,606	-	-	**40,534,606**
13-Aug-05	0	4,600,000	(4,600,000.00)	(80,749,891)	38,074,946	-	-	**38,074,946**
14-Aug-05	0	4,600,000	(4,600,000.00)	(75,830,570)	35,615,285	-	-	**35,615,285**
15-Aug-05	0	2,300,000	(2,300,000.00)	(68,611,249)	33,155,624	-	-	**33,155,624**
16-Aug-05	0	10,206,000	(10,206,000.00)	(71,597,927)	30,695,964	-	-	**30,695,964**
17-Aug-05	0	17,061,000	(17,061,000.00)	(73,533,606)	28,236,303	-	-	**28,236,303**
18-Aug-05	0	16,513,000	(16,513,000.00)	(68,066,285)	25,776,642	-	-	**25,776,642**
19-Aug-05	2,070,000	20,415,000	(18,345,000.00)	(64,978,964)	23,316,982	-	-	**23,316,982**
20-Aug-05	2,070,000	20,415,000	(18,345,000.00)	(60,059,642)	20,857,321	-	-	**20,857,321**
21-Aug-05	2,070,000	20,415,000	(18,345,000.00)	(55,140,321)	18,397,661	-	-	**18,397,661**
22-Aug-05	0	19,384,000	(19,384,000.00)	(51,260,000)	15,938,000	-	-	**15,938,000**
23-Aug-05	0	23,620,000	(23,620,000.00)	(50,576,678)	13,478,339	-	-	**13,478,339**
24-Aug-05	0	28,802,000	(28,802,000.00)	(50,839,357)	11,018,679	-	-	**11,018,679**
25-Aug-05	79,800,000	209,000	79,591,000.00	(131,827,036)	8,559,018	67,150,000	30,000,000	**105,709,018**
26-Aug-05	70,800,000	0	70,800,000.00	(109,398,715)	6,099,357	54,000,000	30,000,000	**90,099,357**
27-Aug-05	70,800,000	0	70,800,000.00	(104,479,393)	3,639,697	54,000,000	30,000,000	**87,639,697**
28-Aug-05	70,800,000	0	70,800,000.00	(99,560,072)	1,180,036	54,000,000	30,000,000	**85,180,036**
29-Aug-05	79,450,000	87,000	79,363,000.00	(86,177,751)	(1,279,625)	54,050,000	30,000,000	**82,770,375**
30-Aug-05	70,775,000	109,000	70,666,000.00	(89,955,430)	(3,739,285)	54,050,000	30,000,000	**80,310,715**
31-Aug-05	**39,775,000**	**0**	**39,775,000.00**	**(44,327,108)**	**(6,198,946)**	**48,250,000**	-	**42,051,054**

FY 2005 **ST Debt / (Investment)**

workpapers for KPSC 2-34(c)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG
	Short Term Debt Outstanding	Short Term Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	ENDING BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding	
1-Sep-05	30,650,000	0	30,650,000.00	(33,327,642)	(6,361,179)	38,350,000	-	**31,988,821**
2-Sep-05	30,800,000	0	30,800,000.00	(32,853,175)	(6,523,412)	38,350,000	-	**31,826,588**
3-Sep-05	30,800,000	0	30,800,000.00	(32,528,709)	(6,685,646)	38,350,000	-	**31,664,354**
4-Sep-05	30,800,000	0	30,800,000.00	(32,204,242)	(6,847,879)	38,350,000	-	**31,502,121**
5-Sep-05	30,800,000	0	30,800,000.00	(31,879,775)	(7,010,112)	38,350,000	-	**31,339,888**
6-Sep-05	31,150,000	4,130,000	27,020,000.00	(35,335,309)	(7,172,346)	38,350,000	-	**31,177,654**
7-Sep-05	14,575,000	454,000	14,121,000.00	(37,909,842)	(7,334,579)	33,350,000	-	**26,015,421**
8-Sep-05	5,325,000	527,000	4,798,000.00	(38,908,376)	(7,496,812)	29,350,000	-	**21,853,188**
9-Sep-05	16,225,000	201,000	16,024,000.00	(13,357,909)	(7,659,045)	22,350,000	-	**14,690,955**
10-Sep-05	16,225,000	201,000	16,024,000.00	(13,033,442)	(7,821,279)	22,350,000	-	**14,528,721**
11-Sep-05	16,225,000	201,000	16,024,000.00	(12,708,976)	(7,983,512)	22,350,000	-	**14,366,488**
12-Sep-05	4,975,000	232,000	4,743,000.00	(15,665,509)	(8,145,745)	18,350,000	-	**10,204,255**
13-Sep-05	0	4,722,000	(4,722,000.00)	(18,706,043)	(8,307,979)	15,300,000	-	**6,992,021**
14-Sep-05	0	15,077,000	(15,077,000.00)	(20,836,576)	(8,470,212)	11,350,000	-	**2,879,788**
15-Sep-05	10,450,000	329,000	10,121,000.00	4,445,891	(8,632,445)	11,470,000	-	**2,837,555**
16-Sep-05	10,450,000	87,000	10,363,000.00	4,862,357	(8,794,679)	11,545,000	-	**2,750,321**
17-Sep-05	10,450,000	87,000	10,363,000.00	5,186,824	(8,956,912)	11,545,000	-	**2,588,088**
18-Sep-05	10,450,000	87,000	10,363,000.00	5,511,290	(9,119,145)	11,545,000	-	**2,425,855**
19-Sep-05	8,575,000	117,000	8,458,000.00	3,930,757	(9,281,379)	11,545,000	-	**2,263,621**
20-Sep-05	18,150,000	162,000	17,988,000.00	(10,014,776)	(9,443,612)	23,445,000	-	**14,001,388**
21-Sep-05	11,000,000	211,000	10,789,000.00	(12,889,310)	(9,605,845)	21,445,000	-	**11,839,155**
22-Sep-05	7,975,000	234,000	7,741,000.00	(15,612,843)	(9,768,078)	21,445,000	-	**11,676,922**
23-Sep-05	7,575,000	0	7,575,000.00	(15,454,377)	(9,930,312)	21,445,000	-	**11,514,688**
24-Sep-05	7,575,000	0	7,575,000.00	(15,129,910)	(10,092,545)	21,445,000	-	**11,352,455**
25-Sep-05	7,575,000	0	7,575,000.00	(14,805,443)	(10,254,778)	21,445,000	-	**11,190,222**
26-Sep-05	172,375,000	58,000	172,317,000.00	(16,638,977)	(10,417,012)	74,895,000	30,000,000	**94,477,988**
27-Sep-05	132,150,000	86,000	132,064,000.00	36,132,490	(10,579,245)	28,545,000	30,000,000	**47,965,755**
28-Sep-05	139,650,000	122,000	139,528,000.00	41,870,956	(10,741,478)	29,570,000	30,000,000	**48,828,522**
29-Sep-05	151,075,000	149,000	150,926,000.00	39,293,423	(10,903,712)	36,720,000	30,000,000	**55,816,288**
30-Sep-05	**144,875,000**	**57,000**	**144,818,000.00**	**64,309,890**	**(11,065,945)**	**51,320,000**	-	**40,254,055**
AVG BALANCE	**30,202,581**	**3,588,242**	**26,614,339**	**(46,286,905)**	**12,261,589**	**19,350,323**	**4,838,710**	**36,450,622**

FY 2006 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
30-Sep-05	**144,875,000**	**57,000**	**144,818,000**	**64,309,890**	**(11,065,945)**	**51,320,000**	**-**	**40,254,055**	
1-Oct-05	144,875,000	26,467,739	118,407,261	37,207,352	(10,720,046)	51,320,000	0	**40,599,954**	
2-Oct-05	144,875,000	26,467,739	118,407,261	36,515,554	(10,374,147)	51,320,000	0	**40,945,854**	
3-Oct-05	150,850,000	29,713,756	121,136,244	37,992,738	(10,028,247)	51,600,000	0	**41,571,753**	
4-Oct-05	167,325,000	20,563,598	146,761,402	24,526,098	(9,682,348)	70,800,000	0	**61,117,652**	
5-Oct-05	146,325,000	14,771,998	131,553,002	47,885,900	(9,336,449)	51,170,000	0	**41,833,551**	
6-Oct-05	131,175,000	6,507,630	124,667,370	61,168,470	(8,990,550)	40,740,000	0	**31,749,450**	
7-Oct-05	121,300,000	14,810,185	106,489,815	47,929,116	(8,644,651)	37,925,000	0	**29,280,349**	
8-Oct-05	121,300,000	14,810,185	106,489,815	47,237,318	(8,298,751)	37,925,000	0	**29,626,249**	
9-Oct-05	121,300,000	14,810,185	106,489,815	46,545,519	(7,952,852)	37,925,000	0	**29,972,148**	
10-Oct-05	121,300,000	14,810,185	106,489,815	45,853,721	(7,606,953)	37,925,000	0	**30,318,047**	
11-Oct-05	103,625,000	9,417,123	94,207,877	56,739,985	(7,261,054)	25,995,000	0	**18,733,946**	
12-Oct-05	83,550,000	571,220	82,978,780	66,869,090	(6,915,155)	14,970,000	0	**8,054,845**	
13-Oct-05	92,600,000	7,625,794	84,974,206	54,722,717	(6,569,256)	21,695,000	0	**15,125,744**	
14-Oct-05	86,600,000	7,208,586	79,391,414	60,298,127	(6,223,356)	15,770,000	0	**9,546,644**	
15-Oct-05	86,600,000	7,208,586	79,391,414	59,606,328	(5,877,457)	15,770,000	0	**9,892,543**	
16-Oct-05	86,600,000	7,208,586	79,391,414	58,914,530	(5,531,558)	15,770,000	0	**10,238,442**	
17-Oct-05	110,800,000	3,392,718	107,407,282	89,788,600	(5,185,659)	13,995,000	0	**8,809,341**	
18-Oct-05	103,800,000	3,126,683	100,673,317	86,362,837	(4,839,760)	11,995,000	0	**7,155,240**	
19-Oct-05	100,050,000	10,298,464	89,751,536	82,749,258	(4,493,861)	7,995,000	0	**3,501,139**	
20-Oct-05	90,000,000	1,957,674	88,042,326	80,228,248	(4,147,961)	8,055,000	0	**3,907,039**	
21-Oct-05	89,350,000	13,746,676	75,603,324	65,797,449	(3,802,062)	8,705,000	0	**4,902,938**	
22-Oct-05	89,350,000	13,746,676	75,603,324	65,105,651	(3,456,163)	8,705,000	0	**5,248,837**	
23-Oct-05	89,350,000	13,746,676	75,603,324	64,413,852	(3,110,264)	8,705,000	0	**5,594,736**	
24-Oct-05	85,650,000	19,114,502	66,535,498	58,654,227	(2,764,365)	6,705,000	0	**3,940,635**	
25-Oct-05	310,350,000	109,253,371	201,096,629	(25,776,440)	(2,418,466)	65,855,000	50,000,000	**113,436,534**	
26-Oct-05	288,225,000	62,993,881	225,231,119	84,206,252	(2,072,566)	22,585,000	50,000,000	**70,512,434**	
27-Oct-05	311,025,000	62,864,708	248,160,292	106,443,626	(1,726,667)	22,585,000	50,000,000	**70,858,333**	
28-Oct-05	324,885,000	74,744,086	250,140,914	95,392,450	(1,380,768)	28,755,000	50,000,000	**77,374,232**	
29-Oct-05	324,885,000	74,744,086	250,140,914	94,700,652	(1,034,869)	28,755,000	50,000,000	**77,720,131**	
30-Oct-05	324,885,000	74,744,086	250,140,914	94,008,854	(688,970)	28,755,000	50,000,000	**78,066,030**	

FY 2006 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
31-Oct-05	**292,500,000**	**35,192,594**	**257,307,406**	**163,233,547**	**(343,071)**	**47,380,000**	**0**	**47,036,929**	
1-Nov-05	232,000,000	9,156,181	222,843,819	191,427,548	240,136	15,468,000	0	**15,708,136**	
2-Nov-05	220,750,000	4,883,635	215,866,365	183,283,682	823,342	15,468,000	0	**16,291,342**	
3-Nov-05	214,900,000	6,275,632	208,624,368	174,445,272	1,406,548	15,683,000	0	**17,089,548**	
4-Nov-05	194,775,000	4,123,562	190,651,438	167,255,930	1,989,754	9,708,000	0	**11,697,754**	
5-Nov-05	194,775,000	4,123,562	190,651,438	166,089,517	2,572,961	9,708,000	0	**12,280,961**	
6-Nov-05	194,775,000	4,123,562	190,651,438	164,923,105	3,156,167	9,708,000	0	**12,864,167**	
7-Nov-05	174,300,000	4,537,475	169,762,525	150,907,779	3,739,373	5,688,000	0	**9,427,373**	
8-Nov-05	166,750,000	2,563,033	164,186,967	150,715,809	4,322,579	2,413,000	0	**6,735,579**	
9-Nov-05	162,125,000	3,052,794	159,072,206	149,084,636	4,905,785	88,000	0	**4,993,785**	
10-Nov-05	160,575,000	9,562,626	151,012,374	139,858,391	5,488,992	88,000	0	**5,576,992**	
11-Nov-05	160,575,000	9,562,626	151,012,374	138,691,978	6,072,198	88,000	0	**6,160,198**	
12-Nov-05	160,575,000	9,562,626	151,012,374	137,525,566	6,655,404	88,000	0	**6,743,404**	
13-Nov-05	160,575,000	9,562,626	151,012,374	136,359,154	7,238,610	88,000	0	**7,326,610**	
14-Nov-05	145,750,000	10,994,906	134,755,094	119,111,461	7,821,816	-	0	**7,821,816**	
15-Nov-05	148,700,000	13,342,366	135,357,634	118,547,589	8,405,023	-	0	**8,405,023**	
16-Nov-05	135,363,000	14,713,234	120,649,766	102,673,308	8,988,229	-	0	**8,988,229**	
17-Nov-05	126,838,000	17,287,040	109,550,960	90,408,090	9,571,435	-	0	**9,571,435**	
18-Nov-05	126,138,000	18,928,017	107,209,983	86,900,700	10,154,641	-	0	**10,154,641**	
19-Nov-05	126,138,000	18,928,017	107,209,983	85,734,288	10,737,848	-	0	**10,737,848**	
20-Nov-05	126,138,000	18,928,017	107,209,983	84,567,875	11,321,054	-	0	**11,321,054**	
21-Nov-05	116,013,000	25,976,213	90,036,787	66,228,267	11,904,260	-	0	**11,904,260**	
22-Nov-05	108,000,000	32,059,491	75,940,509	50,965,577	12,487,466	-	0	**12,487,466**	
23-Nov-05	481,525,000	36,808,923	444,716,077	189,774,733	13,070,672	54,400,000	60,000,000	**127,470,672**	
24-Nov-05	481,525,000	36,808,923	444,716,077	188,608,320	13,653,879	54,400,000	60,000,000	**128,053,879**	
25-Nov-05	484,475,000	102,842,871	381,632,129	124,357,959	14,237,085	54,400,000	60,000,000	**128,637,085**	
26-Nov-05	484,475,000	102,842,871	381,632,129	123,191,547	14,820,291	54,400,000	60,000,000	**129,220,291**	
27-Nov-05	484,475,000	102,842,871	381,632,129	122,025,134	15,403,497	54,400,000	60,000,000	**129,803,497**	
28-Nov-05	411,400,000	33,281,152	378,118,848	301,095,441	15,986,703	22,525,000	0	**38,511,703**	
29-Nov-05	377,300,000	27,287,015	350,012,985	316,873,166	16,569,910	-	0	**16,569,910**	
30-Nov-05	**346,225,000**	**25,862,148**	**320,362,852**	**136,506,620**	**17,153,116**	**74,775,000**	**0**	**91,928,116**	

FY 2006 ST Debt / (Investment) **workpapers for KPSC 2-34(c)**

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
1-Dec-05	331,350,000	9,896,639	321,453,361	174,992,523	16,405,419	56,825,000	0	**73,230,419**	
2-Dec-05	310,850,000	8,656,109	302,193,891	177,608,446	15,657,723	46,635,000	0	**62,292,723**	
3-Dec-05	310,850,000	8,656,109	302,193,891	179,103,839	14,910,026	46,635,000	0	**61,545,026**	
4-Dec-05	310,850,000	8,656,109	302,193,891	180,599,233	14,162,329	46,635,000	0	**60,797,329**	
5-Dec-05	297,200,000	16,223,473	280,976,527	165,235,262	13,414,632	44,456,000	0	**57,870,632**	
6-Dec-05	261,875,000	6,111,692	255,763,308	168,273,436	12,666,936	31,078,000	0	**43,744,936**	
7-Dec-05	242,600,000	6,165,502	236,434,498	162,440,020	11,919,239	25,078,000	0	**36,997,239**	
8-Dec-05	237,600,000	4,899,134	232,700,866	162,151,781	11,171,542	24,103,000	0	**35,274,542**	
9-Dec-05	265,550,000	11,188,464	254,361,536	160,167,845	10,423,846	36,673,000	0	**47,096,846**	
10-Dec-05	265,550,000	11,188,464	254,361,536	161,663,238	9,676,149	36,673,000	0	**46,349,149**	
11-Dec-05	265,550,000	11,188,464	254,361,536	163,158,632	8,928,452	36,673,000	0	**45,601,452**	
12-Dec-05	236,275,000	5,410,452	230,864,548	169,177,037	8,180,756	22,663,000	0	**30,843,756**	
13-Dec-05	224,500,000	11,231,580	213,268,420	152,826,302	7,433,059	22,788,000	0	**30,221,059**	
14-Dec-05	202,325,000	4,601,928	197,723,072	158,736,348	6,685,362	12,808,000	0	**19,493,362**	
15-Dec-05	213,875,000	3,713,451	210,161,549	175,670,218	5,937,666	11,308,000	0	**17,245,666**	
16-Dec-05	194,625,000	4,774,985	189,850,015	166,670,077	5,189,969	6,400,000	0	**11,589,969**	
17-Dec-05	194,625,000	4,774,985	189,850,015	168,165,470	4,442,272	6,400,000	0	**10,842,272**	
18-Dec-05	194,625,000	4,774,985	189,850,015	169,660,864	3,694,575	6,400,000	0	**10,094,575**	
19-Dec-05	171,625,000	12,343,524	159,281,476	140,587,718	2,946,879	6,400,000	0	**9,346,879**	
20-Dec-05	159,325,000	16,792,251	142,532,749	125,304,384	2,199,182	6,415,000	0	**8,614,182**	
21-Dec-05	160,950,000	19,370,218	141,579,782	125,846,811	1,451,485	6,415,000	0	**7,866,485**	
22-Dec-05	359,850,000	74,196,878	285,653,122	271,395,544	703,789	6,425,000	0	**7,128,789**	
23-Dec-05	343,450,000	88,093,555	255,356,445	242,594,261	(43,908)	6,425,000	0	**6,381,092**	
24-Dec-05	343,450,000	88,093,555	255,356,445	244,089,655	(791,605)	6,425,000	0	**5,633,395**	
25-Dec-05	343,450,000	88,093,555	255,356,445	245,585,048	(1,539,301)	6,425,000	0	**4,885,699**	
26-Dec-05	343,450,000	88,093,555	255,356,445	247,080,441	(2,286,998)	6,425,000	0	**4,138,002**	
27-Dec-05	602,600,000	56,306,672	546,293,328	159,512,718	(3,034,695)	46,425,000	150,000,000	**193,390,305**	
28-Dec-05	575,350,000	49,674,210	525,675,790	221,830,573	(3,782,391)	5,705,000	150,000,000	**151,922,609**	
29-Dec-05	506,250,000	7,384,854	498,865,146	294,175,322	(4,530,088)	31,875,000	75,000,000	**102,344,912**	
30-Dec-05	474,450,000	15,421,221	459,028,779	126,784,348	(5,277,785)	96,400,000	75,000,000	**166,122,215**	
31-Dec-05	**474,450,000**	**15,421,221**	**459,028,779**	**128,279,742**	**(6,025,481)**	**96,400,000**	**75,000,000**	**165,374,519**	

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Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
1-Jan-06	474,450,000	15,421,221	459,028,779	129,148,453	(6,459,837)	96,400,000	75,000,000	**164,940,163**	
2-Jan-06	474,450,000	15,421,221	459,028,779	130,017,165	(6,894,193)	96,400,000	75,000,000	**164,505,807**	
3-Jan-06	409,550,000	2,720,962	406,829,038	140,516,135	(7,328,549)	96,485,000	44,000,000	**133,156,451**	
4-Jan-06	355,450,000	513,000	354,937,000	145,492,809	(7,762,904)	96,485,000	16,000,000	**104,722,096**	
5-Jan-06	327,975,000	3,002,351	324,972,649	132,737,170	(8,197,260)	96,315,000	8,000,000	**96,117,740**	
6-Jan-06	292,000,000	8,244,058	283,755,942	144,389,174	(8,631,616)	78,315,000	0	**69,683,384**	
7-Jan-06	292,000,000	8,244,058	283,755,942	145,257,885	(9,065,972)	78,315,000	0	**69,249,028**	
8-Jan-06	292,000,000	8,244,058	283,755,942	146,126,597	(9,500,328)	78,315,000	0	**68,814,672**	
9-Jan-06	249,600,000	8,281,572	241,318,428	120,927,794	(9,934,683)	70,130,000	0	**60,195,317**	
10-Jan-06	218,925,000	7,974,775	210,950,225	114,228,303	(10,369,039)	58,730,000	0	**48,360,961**	
11-Jan-06	185,260,000	8,580,352	176,679,648	99,256,438	(10,803,395)	49,515,000	0	**38,711,605**	
12-Jan-06	162,610,000	2,816,247	159,793,753	99,239,254	(11,237,751)	41,515,000	0	**30,277,249**	
13-Jan-06	138,330,000	2,364,699	135,965,301	81,609,513	(11,672,106)	38,850,000	0	**27,177,894**	
14-Jan-06	138,330,000	2,364,699	135,965,301	82,478,225	(12,106,462)	38,850,000	0	**26,743,538**	
15-Jan-06	138,330,000	2,364,699	135,965,301	83,346,936	(12,540,818)	38,850,000	0	**26,309,182**	
16-Jan-06	138,330,000	2,364,699	135,965,301	84,215,648	(12,975,174)	38,850,000	0	**25,874,826**	
17-Jan-06	105,780,000	7,560,707	98,219,293	50,988,352	(13,409,529)	37,025,000	0	**23,615,471**	
18-Jan-06	72,755,000	5,206,416	67,548,584	41,186,355	(13,843,885)	27,025,000	0	**13,181,115**	
19-Jan-06	50,905,000	732,000	50,173,000	46,099,482	(14,278,241)	16,315,000	0	**2,036,759**	
20-Jan-06	53,130,000	12,298,371	40,831,629	22,916,822	(14,712,597)	23,670,000	0	**8,957,403**	
21-Jan-06	53,130,000	12,298,371	40,831,629	23,785,533	(15,146,952)	23,670,000	0	**8,523,048**	
22-Jan-06	53,130,000	12,298,371	40,831,629	24,654,245	(15,581,308)	23,670,000	0	**8,088,692**	
23-Jan-06	17,030,000	7,790,615	9,239,385	(5,929,287)	(16,015,664)	23,600,000	0	**7,584,336**	
24-Jan-06	-	19,028,168	(19,028,168)	(33,328,129)	(16,450,020)	23,600,000	0	**7,149,980**	
25-Jan-06	474,050,000	29,004,692	445,045,308	81,594,059	(16,884,375)	78,610,000	120,000,000	**181,725,625**	
26-Jan-06	573,175,000	37,604,989	535,570,011	253,617,473	(17,318,731)	78,295,000	80,000,000	**140,976,269**	
27-Jan-06	538,700,000	19,901,610	518,798,390	335,734,564	(17,753,087)	69,285,000	40,000,000	**91,531,913**	
28-Jan-06	538,700,000	19,901,610	518,798,390	336,603,275	(18,187,443)	69,285,000	40,000,000	**91,097,557**	
29-Jan-06	538,700,000	19,901,610	518,798,390	337,471,987	(18,621,798)	69,285,000	40,000,000	**90,663,202**	
30-Jan-06	498,025,000	6,473,501	491,551,499	369,103,808	(19,056,154)	80,280,000	0	**61,223,846**	
31-Jan-06	**460,275,000**	**11,472,614**	**448,802,386**	**185,143,406**	**(19,490,510)**	**98,320,000**	**53,000,000**	**131,829,490**	

FY 2006 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
1-Feb-06	388,550,000	8,503,664	380,046,336	222,164,423	(19,472,044)	98,413,000	0	**78,940,956**	
2-Feb-06	369,700,000	5,490,940	364,209,060	206,624,215	(19,453,577)	98,246,000	0	**78,792,423**	
3-Feb-06	341,575,000	9,038,758	332,536,242	194,688,465	(19,435,111)	88,359,000	0	**68,923,889**	
4-Feb-06	341,575,000	9,038,758	332,536,242	194,651,532	(19,416,645)	88,359,000	0	**68,942,355**	
5-Feb-06	341,575,000	9,038,758	332,536,242	194,614,600	(19,398,179)	88,359,000	0	**68,960,821**	
6-Feb-06	302,625,000	9,677,774	292,947,226	174,902,651	(19,379,712)	78,402,000	0	**59,022,288**	
7-Feb-06	285,725,000	2,492,240	283,232,760	189,071,253	(19,361,246)	66,442,000	0	**47,080,754**	
8-Feb-06	249,300,000	2,147,107	247,152,893	168,908,453	(19,342,780)	58,465,000	0	**39,122,220**	
9-Feb-06	224,600,000	4,733,688	219,866,312	149,584,939	(19,324,314)	54,465,000	0	**35,140,686**	
10-Feb-06	190,900,000	2,220,724	188,679,276	130,360,971	(19,305,848)	48,465,000	0	**29,159,152**	
11-Feb-06	190,900,000	2,220,724	188,679,276	130,324,039	(19,287,381)	48,465,000	0	**29,177,619**	
12-Feb-06	190,900,000	2,220,724	188,679,276	130,287,106	(19,268,915)	48,465,000	0	**29,196,085**	
13-Feb-06	143,794,000	441,000	143,353,000	96,943,898	(19,250,449)	42,455,000	0	**23,204,551**	
14-Feb-06	122,150,000	6,801,380	115,348,620	70,394,585	(19,231,983)	41,709,000	0	**22,477,017**	
15-Feb-06	111,025,000	13,612,699	97,412,301	51,565,333	(19,213,516)	42,137,000	0	**22,923,484**	
16-Feb-06	100,500,000	20,186,034	80,313,966	34,394,067	(19,195,050)	42,155,000	0	**22,959,950**	
17-Feb-06	59,400,000	3,826,842	55,573,158	47,082,326	(19,176,584)	23,422,000	0	**4,245,416**	
18-Feb-06	59,400,000	3,826,842	55,573,158	47,045,393	(19,158,118)	23,422,000	0	**4,263,882**	
19-Feb-06	59,400,000	3,826,842	55,573,158	47,008,461	(19,139,651)	23,422,000	0	**4,282,349**	
20-Feb-06	59,400,000	3,826,842	55,573,158	46,971,528	(19,121,185)	23,422,000	0	**4,300,815**	
21-Feb-06	31,100,000	3,597,146	27,502,854	18,554,292	(19,102,719)	23,577,000	0	**4,474,281**	
22-Feb-06	10,400,000	4,709,860	5,690,140	(2,235,355)	(19,084,253)	23,047,000	0	**3,962,747**	
23-Feb-06	-	25,346,651	(25,346,651)	(33,339,078)	(19,065,786)	23,062,000	0	**3,996,214**	
24-Feb-06	7,325,000	35,250,026	(27,925,026)	(35,954,386)	(19,047,320)	23,062,000	0	**4,014,680**	
25-Feb-06	7,325,000	35,250,026	(27,925,026)	(35,991,318)	(19,028,854)	23,062,000	0	**4,033,146**	
26-Feb-06	7,325,000	35,250,026	(27,925,026)	(36,028,251)	(19,010,388)	23,062,000	0	**4,051,612**	
27-Feb-06	550,450,000	138,269,406	412,180,594	44,040,437	(18,991,921)	23,062,000	180,000,000	**184,070,079**	
28-Feb-06	**466,900,000**	**72,392,352**	**394,507,648**	**(5,969,441)**	**(18,973,455)**	**99,212,000**	**120,000,000**	**200,238,545**	
1-Mar-06	385,100,000	29,636,251	355,463,749	77,266,923	(18,068,587)	97,167,000	60,000,000	**139,098,413**	
2-Mar-06	356,300,000	25,947,432	330,352,568	90,696,006	(17,163,719)	76,992,000	60,000,000	**119,828,281**	
3-Mar-06	337,250,000	33,734,950	303,515,050	88,068,751	(16,258,851)	98,982,000	25,000,000	**107,723,149**	

FY 2006 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
4-Mar-06	337,250,000	33,734,950	303,515,050	86,259,015	(15,353,983)	98,982,000	25,000,000	**108,628,017**	
5-Mar-06	337,250,000	33,734,950	303,515,050	84,449,279	(14,449,114)	98,982,000	25,000,000	**109,532,886**	
6-Mar-06	275,225,000	8,462,602	266,762,398	113,686,891	(13,544,246)	90,082,000	0	**76,537,754**	
7-Mar-06	245,250,000	1,543,794	243,706,206	110,820,962	(12,639,378)	79,082,000	0	**66,442,622**	
8-Mar-06	219,950,000	5,786,586	214,163,414	78,646,434	(11,734,510)	79,493,000	0	**67,758,490**	
9-Mar-06	213,700,000	4,585,981	209,114,019	94,227,303	(10,829,642)	68,273,000	0	**57,443,358**	
10-Mar-06	190,300,000	5,501,852	184,798,148	76,051,695	(9,924,774)	64,298,000	0	**54,373,226**	
11-Mar-06	190,300,000	5,501,852	184,798,148	74,241,959	(9,019,905)	64,298,000	0	**55,278,095**	
12-Mar-06	190,300,000	5,501,852	184,798,148	72,432,223	(8,115,037)	64,298,000	0	**56,182,963**	
13-Mar-06	157,400,000	1,663,109	155,736,891	57,561,230	(7,210,169)	56,298,000	0	**49,087,831**	
14-Mar-06	142,250,000	3,648,013	138,601,987	34,620,589	(6,305,301)	58,296,000	0	**51,990,699**	
15-Mar-06	115,900,000	3,422,928	112,477,072	13,705,938	(5,400,433)	54,786,000	0	**49,385,567**	
16-Mar-06	101,600,000	2,464,376	99,135,624	2,466,753	(4,495,565)	52,830,000	0	**48,334,435**	
17-Mar-06	89,000,000	4,133,928	84,866,072	48,965,465	(3,590,697)	21,541,000	0	**17,950,303**	
18-Mar-06	89,000,000	4,133,928	84,866,072	47,155,729	(2,685,828)	21,541,000	0	**18,855,172**	
19-Mar-06	89,000,000	4,133,928	84,866,072	45,345,993	(1,780,960)	21,541,000	0	**19,760,040**	
20-Mar-06	73,600,000	3,446,398	70,153,602	24,711,786	(876,092)	23,597,000	0	**22,720,908**	
21-Mar-06	56,500,000	6,266,144	50,233,856	10,990,304	28,776	19,593,000	0	**19,621,776**	
22-Mar-06	34,925,000	5,286,597	29,638,403	585,114	933,644	13,593,000	0	**14,526,644**	
23-Mar-06	17,900,000	2,832,584	15,067,416	204,391	1,838,512	5,593,000	0	**7,431,512**	
24-Mar-06	13,150,000	18,966,308	(5,816,308)	(20,489,069)	2,743,381	4,593,000	0	**7,336,381**	
25-Mar-06	13,150,000	18,966,308	(5,816,308)	(22,298,806)	3,648,249	4,593,000	0	**8,241,249**	
26-Mar-06	13,150,000	18,966,308	(5,816,308)	(24,108,542)	4,553,117	4,593,000	0	**9,146,117**	
27-Mar-06	355,300,000	31,891,464	323,408,536	123,290,566	5,457,985	4,601,000	90,000,000	**100,058,985**	
28-Mar-06	304,000,000	9,756,010	294,243,990	160,762,283	6,362,853	15,378,000	45,000,000	**66,740,853**	
29-Mar-06	288,950,000	12,354,562	276,595,438	163,639,995	7,267,721	4,210,000	45,000,000	**56,477,721**	
30-Mar-06	277,600,000	9,707,121	267,892,879	187,127,700	8,172,590	32,210,000	0	**40,382,590**	
31-Mar-06	**262,475,000**	**15,478,459**	**246,996,541**	**98,631,625**	**9,077,458**	**65,105,000**	**0**	**74,182,458**	
1-Apr-06	262,475,000	15,478,459	246,996,541	98,758,211	9,014,165	65,105,000	0	**74,119,165**	
2-Apr-06	262,475,000	15,478,459	246,996,541	98,884,797	8,950,872	65,105,000	0	**74,055,872**	
3-Apr-06	233,400,000	6,559,908	226,840,092	118,276,933	8,887,579	45,394,000	0	**54,281,579**	

FY 2006 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
4-Apr-06	208,950,000	2,800,496	206,149,504	115,040,931	8,824,286	36,730,000	0	**45,554,286**	
5-Apr-06	189,150,000	3,990,641	185,159,359	96,219,372	8,760,993	35,709,000	0	**44,469,993**	
6-Apr-06	171,700,000	6,992,333	164,707,667	83,894,266	8,697,701	31,709,000	0	**40,406,701**	
7-Apr-06	152,125,000	1,277,728	150,847,272	74,242,456	8,634,408	29,668,000	0	**38,302,408**	
8-Apr-06	152,125,000	1,277,728	150,847,272	74,369,042	8,571,115	29,668,000	0	**38,239,115**	
9-Apr-06	152,125,000	1,277,728	150,847,272	74,495,628	8,507,822	29,668,000	0	**38,175,822**	
10-Apr-06	132,075,000	7,408,826	124,666,174	48,441,116	8,444,529	29,668,000	0	**38,112,529**	
11-Apr-06	111,025,000	3,221,320	107,803,680	46,455,207	8,381,236	22,293,000	0	**30,674,236**	
12-Apr-06	98,250,000	2,324,558	95,925,442	38,703,556	8,317,943	20,293,000	0	**28,610,943**	
13-Apr-06	93,725,000	2,411,183	91,313,817	19,218,516	8,254,651	27,793,000	0	**36,047,651**	
14-Apr-06	81,850,000	4,935,004	76,914,996	4,946,280	8,191,358	27,793,000	0	**35,984,358**	
15-Apr-06	81,850,000	4,935,004	76,914,996	5,072,866	8,128,065	27,793,000	0	**35,921,065**	
16-Apr-06	81,850,000	4,935,004	76,914,996	5,199,452	8,064,772	27,793,000	0	**35,857,772**	
17-Apr-06	88,775,000	2,987,605	85,787,395	21,414,437	8,001,479	24,185,000	0	**32,186,479**	
18-Apr-06	70,000,000	4,321,886	65,678,114	6,791,742	7,938,186	21,505,000	0	**29,443,186**	
19-Apr-06	58,875,000	6,494,723	52,380,277	(12,379,510)	7,874,893	24,505,000	0	**32,379,893**	
20-Apr-06	52,325,000	5,399,441	46,925,559	(11,537,642)	7,811,601	21,420,000	0	**29,231,601**	
21-Apr-06	41,425,000	3,343,253	38,081,747	(20,254,868)	7,748,308	21,420,000	0	**29,168,308**	
22-Apr-06	41,425,000	3,343,253	38,081,747	(20,128,282)	7,685,015	21,420,000	0	**29,105,015**	
23-Apr-06	41,425,000	3,343,253	38,081,747	(20,001,697)	7,621,722	21,420,000	0	**29,041,722**	
24-Apr-06	25,075,000	4,771,428	20,303,572	(28,483,286)	7,558,429	16,835,000	0	**24,393,429**	
25-Apr-06	276,725,000	29,563,350	247,161,650	2,501,377	7,495,136	14,835,000	100,000,000	**122,330,136**	
26-Apr-06	261,850,000	5,134,802	256,715,198	62,581,511	7,431,843	39,635,000	50,000,000	**97,066,843**	
27-Apr-06	264,925,000	8,585,184	256,339,816	82,332,715	7,368,551	54,635,000	25,000,000	**87,003,551**	
28-Apr-06	251,875,000	11,212,595	240,662,405	14,031,890	7,305,258	93,010,000	13,000,000	**113,315,258**	
29-Apr-06	251,875,000	11,212,595	240,662,405	14,158,475	7,241,965	93,010,000	13,000,000	**113,251,965**	
30-Apr-06	**251,875,000**	**11,212,595**	**240,662,405**	**14,285,061**	**7,178,672**	**93,010,000**	**13,000,000**	**113,188,672**	
1-May-06	234,600,000	8,554,688	226,045,312	27,781,485	6,815,913	92,316,000	0	**99,131,913**	
2-May-06	211,750,000	3,265,147	208,484,853	40,286,544	6,453,154	77,646,000	0	**84,099,154**	
3-May-06	192,975,000	1,669,412	191,305,588	34,884,797	6,090,396	72,120,000	0	**78,210,396**	
4-May-06	182,700,000	2,844,104	179,855,896	30,936,623	5,727,637	68,732,000	0	**74,459,637**	

FY 2006 ST Debt / (Investment)

workpapers for KPSC 2-34(c)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
5-May-06	191,675,000	6,534,528	185,140,472	40,946,717	5,364,878	66,732,000	0	**72,096,878**	
6-May-06	191,675,000	6,534,528	185,140,472	41,672,234	5,002,119	66,732,000	0	**71,734,119**	
7-May-06	191,675,000	6,534,528	185,140,472	42,397,752	4,639,360	66,732,000	0	**71,371,360**	
8-May-06	169,300,000	3,362,649	165,937,351	38,602,148	4,276,601	59,391,000	0	**63,667,601**	
9-May-06	192,400,000	41,775,542	150,624,458	32,584,772	3,913,843	55,106,000	0	**59,019,843**	
10-May-06	144,225,000	4,048,865	140,176,135	28,755,967	3,551,084	52,159,000	0	**55,710,084**	
11-May-06	149,775,000	3,903,879	145,871,121	26,684,471	3,188,325	56,405,000	0	**59,593,325**	
12-May-06	140,575,000	3,166,990	137,408,010	25,946,878	2,825,566	52,905,000	0	**55,730,566**	
13-May-06	140,575,000	3,166,990	137,408,010	26,672,396	2,462,807	52,905,000	0	**55,367,807**	
14-May-06	140,575,000	3,166,990	137,408,010	27,397,913	2,100,049	52,905,000	0	**55,005,049**	
15-May-06	151,825,000	3,073,163	148,751,837	45,147,257	1,737,290	50,065,000	0	**51,802,290**	
16-May-06	139,875,000	2,089,410	137,785,590	40,996,528	1,374,531	47,020,000	0	**48,394,531**	
17-May-06	123,625,000	7,689,758	115,935,242	32,871,697	1,011,772	40,520,000	0	**41,531,772**	
18-May-06	110,525,000	2,391,375	108,133,625	39,480,598	649,013	33,677,500	0	**34,326,513**	
19-May-06	101,175,000	3,462,580	97,712,420	32,780,911	286,254	32,179,500	0	**32,465,754**	
20-May-06	101,175,000	3,462,580	97,712,420	33,506,428	(76,504)	32,179,500	0	**32,102,996**	
21-May-06	101,175,000	3,462,580	97,712,420	34,231,946	(439,263)	32,179,500	0	**31,740,237**	
22-May-06	100,475,000	5,919,001	94,555,999	41,802,043	(802,022)	27,179,000	0	**26,376,978**	
23-May-06	79,400,000	1,572,546	77,827,454	51,499,016	(1,164,781)	14,329,000	0	**13,164,219**	
24-May-06	68,650,000	2,510,448	66,139,552	52,536,631	(1,527,540)	8,329,000	0	**6,801,460**	
25-May-06	266,950,000	36,123,692	230,826,308	77,948,905	(1,890,298)	8,329,000	70,000,000	**76,438,702**	
26-May-06	229,250,000	7,334,289	221,915,711	145,816,825	(2,253,057)	5,302,500	35,000,000	**38,049,443**	
27-May-06	229,250,000	7,334,289	221,915,711	146,542,343	(2,615,816)	5,302,500	35,000,000	**37,686,684**	
28-May-06	229,250,000	7,334,289	221,915,711	147,267,860	(2,978,575)	5,302,500	35,000,000	**37,323,925**	
29-May-06	229,250,000	7,334,289	221,915,711	147,993,378	(3,341,334)	5,302,500	35,000,000	**36,961,166**	
30-May-06	230,725,000	5,817,640	224,907,360	162,315,545	(3,704,092)	-	35,000,000	**31,295,908**	
31-May-06	**222,350,000**	**7,146,695**	**215,203,305**	**66,677,008**	**(4,066,851)**	**78,330,000**	**0**	**74,263,149**	
1-Jun-06	207,500,000	938,007	206,561,993	77,695,688	(3,996,847)	68,430,000	0	**64,433,153**	
2-Jun-06	196,900,000	2,107,290	194,792,710	75,156,397	(3,926,843)	63,745,000	0	**59,818,157**	
3-Jun-06	196,900,000	2,107,290	194,792,710	75,016,390	(3,856,840)	63,745,000	0	**59,888,160**	
4-Jun-06	196,900,000	2,107,290	194,792,710	74,876,382	(3,786,836)	63,745,000	0	**59,958,164**	

FY 2006 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
5-Jun-06	184,825,000	5,258,770	179,566,230	65,267,893	(3,716,832)	60,866,000	0	**57,149,168**	
6-Jun-06	172,550,000	2,523,890	170,026,110	67,587,766	(3,646,828)	54,866,000	0	**51,219,172**	
7-Jun-06	164,150,000	1,921,403	162,228,597	63,324,245	(3,576,824)	53,029,000	0	**49,452,176**	
8-Jun-06	165,825,000	2,789,521	163,035,479	65,991,119	(3,506,820)	52,029,000	0	**48,522,180**	
9-Jun-06	185,350,000	8,915,086	176,434,914	83,224,546	(3,436,816)	50,042,000	0	**46,605,184**	
10-Jun-06	185,350,000	8,915,086	176,434,914	83,084,538	(3,366,812)	50,042,000	0	**46,675,188**	
11-Jun-06	185,350,000	8,915,086	176,434,914	82,944,530	(3,296,808)	50,042,000	0	**46,745,192**	
12-Jun-06	169,700,000	1,309,861	168,390,139	90,898,748	(3,226,804)	41,972,500	0	**38,745,696**	
13-Jun-06	162,650,000	3,386,292	159,263,708	85,808,309	(3,156,800)	39,884,500	0	**36,727,700**	
14-Jun-06	151,225,000	3,821,915	147,403,085	83,820,678	(3,086,797)	34,878,000	0	**31,791,203**	
15-Jun-06	144,775,000	3,057,730	141,717,270	85,022,855	(3,016,793)	31,364,000	0	**28,347,207**	
16-Jun-06	134,175,000	1,876,797	132,298,203	80,903,781	(2,946,789)	28,644,000	0	**25,697,211**	
17-Jun-06	134,175,000	1,876,797	132,298,203	80,763,773	(2,876,785)	28,644,000	0	**25,767,215**	
18-Jun-06	134,175,000	1,876,797	132,298,203	80,623,765	(2,806,781)	28,644,000	0	**25,837,219**	
19-Jun-06	121,525,000	1,409,588	120,115,412	77,320,966	(2,736,777)	24,134,000	0	**21,397,223**	
20-Jun-06	120,050,000	1,135,092	118,914,908	76,974,454	(2,666,773)	23,637,000	0	**20,970,227**	
21-Jun-06	111,075,000	2,719,705	108,355,295	72,454,833	(2,596,769)	20,547,000	0	**17,950,231**	
22-Jun-06	113,975,000	4,714,695	109,260,306	80,263,836	(2,526,765)	17,025,000	0	**14,498,235**	
23-Jun-06	106,550,000	9,216,396	97,333,604	77,217,127	(2,456,761)	12,515,000	0	**10,058,239**	
24-Jun-06	106,550,000	9,216,396	97,333,604	77,077,119	(2,386,758)	12,515,000	0	**10,128,242**	
25-Jun-06	106,550,000	9,216,396	97,333,604	76,937,111	(2,316,754)	12,515,000	0	**10,198,246**	
26-Jun-06	348,650,000	38,744,075	309,905,925	129,369,425	(2,246,750)	12,515,000	80,000,000	**90,268,250**	
27-Jun-06	294,575,000	6,448,984	288,126,016	197,475,508	(2,176,746)	17,502,000	30,000,000	**45,325,254**	
28-Jun-06	291,825,000	1,710,306	290,114,694	216,324,178	(2,106,742)	9,002,000	30,000,000	**36,895,258**	
29-Jun-06	301,450,000	3,267,160	298,182,840	229,252,316	(2,036,738)	6,502,000	30,000,000	**34,465,262**	
30-Jun-06	**297,550,000**	**14,470,746**	**283,079,254**	**110,198,722**	**(1,966,734)**	**88,407,000**	**0**	**86,440,266**	
1-Jul-06	297,550,000	44,000	297,506,000	123,941,339	(1,624,669)	88,407,000	0	**86,782,331**	
2-Jul-06	297,550,000	44,000	297,506,000	123,257,209	(1,282,604)	88,407,000	0	**87,124,396**	
3-Jul-06	271,825,000	267,000	271,558,000	129,225,079	(940,540)	72,107,000	0	**71,166,460**	
4-Jul-06	271,825,000	267,000	271,558,000	128,540,950	(598,475)	72,107,000	0	**71,508,525**	
5-Jul-06	256,825,000	362,000	256,463,000	127,091,820	(256,410)	64,942,000	0	**64,685,590**	

FY 2006 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
6-Jul-06	254,950,000	412,000	254,538,000	128,872,691	85,655	62,747,000	0	62,832,655	
7-Jul-06	246,850,000	62,000	246,788,000	128,438,561	427,719	58,747,000	0	59,174,719	
8-Jul-06	246,850,000	62,000	246,788,000	127,754,431	769,784	58,747,000	0	59,516,784	
9-Jul-06	246,850,000	62,000	246,788,000	127,070,302	1,111,849	58,747,000	0	59,858,849	
10-Jul-06	240,500,000	138,000	240,362,000	122,864,172	1,453,914	57,295,000	0	58,748,914	
11-Jul-06	225,575,000	175,000	225,400,000	125,680,043	1,795,979	48,064,000	0	49,859,979	
12-Jul-06	218,375,000	213,000	218,162,000	121,757,913	2,138,043	46,064,000	0	48,202,043	
13-Jul-06	213,850,000	239,000	213,611,000	120,524,784	2,480,108	44,063,000	0	46,543,108	
14-Jul-06	206,050,000	60,000	205,990,000	114,729,654	2,822,173	42,808,000	0	45,630,173	
15-Jul-06	206,050,000	60,000	205,990,000	114,045,524	3,164,238	42,808,000	0	45,972,238	
16-Jul-06	206,050,000	60,000	205,990,000	113,361,395	3,506,303	42,808,000	0	46,314,303	
17-Jul-06	211,900,000	94,000	211,806,000	122,385,265	3,848,367	40,862,000	0	44,710,367	
18-Jul-06	204,700,000	313,000	204,387,000	117,272,136	4,190,432	39,367,000	0	43,557,432	
19-Jul-06	191,425,000	366,000	191,059,000	120,948,006	4,532,497	30,523,000	0	35,055,497	
20-Jul-06	198,150,000	399,000	197,751,000	126,955,876	4,874,562	30,523,000	0	35,397,562	
21-Jul-06	188,725,000	31,000	188,694,000	132,198,747	5,216,627	23,031,000	0	28,247,627	
22-Jul-06	188,725,000	31,000	188,694,000	131,514,617	5,558,691	23,031,000	0	28,589,691	
23-Jul-06	188,725,000	31,000	188,694,000	130,830,488	5,900,756	23,031,000	0	28,931,756	
24-Jul-06	186,675,000	53,000	186,622,000	134,070,358	6,242,821	20,033,000	0	26,275,821	
25-Jul-06	360,700,000	86,000	360,614,000	241,372,228	6,584,886	8,036,000	45,000,000	59,620,886	
26-Jul-06	329,125,000	112,000	329,013,000	259,087,099	6,926,951	8,036,000	20,000,000	34,962,951	
27-Jul-06	325,425,000	149,000	325,276,000	254,665,969	7,269,015	8,036,000	20,000,000	35,305,015	
28-Jul-06	325,450,000	168,000	325,282,000	253,987,840	7,611,080	8,036,000	20,000,000	35,647,080	
29-Jul-06	325,450,000	168,000	325,282,000	253,303,710	7,953,145	8,036,000	20,000,000	35,989,145	
30-Jul-06	325,450,000	168,000	325,282,000	252,619,580	8,295,210	8,036,000	20,000,000	36,331,210	
31-Jul-06	**298,225,000**	**34,000**	**298,191,000**	**196,164,451**	**8,637,275**	**42,376,000**	**0**	**51,013,275**	
1-Aug-06	250,226,244	-	250,226,244	200,339,287	7,510,957	42,376,000	0	49,886,957	(2,985,485)
2-Aug-06	245,053,762	-	245,053,762	196,293,124	6,384,639	42,376,000	0	48,760,639	(2,985,485)
3-Aug-06	220,522,281	-	220,522,281	189,187,960	5,258,321	26,076,000	0	31,334,321	(2,985,485)
4-Aug-06	222,163,799	-	222,163,799	191,955,797	4,132,003	26,076,000	0	30,208,003	(2,985,485)
5-Aug-06	220,189,318	-	220,189,318	198,272,633	3,005,685	18,911,000	0	21,916,685	(2,985,485)

FY 2006 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
6-Aug-06	218,801,836	-	218,801,836	200,206,469	1,879,367	16,716,000	0	**18,595,367**	(2,985,485)
7-Aug-06	215,609,355	-	215,609,355	202,140,306	753,049	12,716,000	0	**13,469,049**	(2,985,485)
8-Aug-06	209,753,873	-	209,753,873	197,411,142	(373,269)	12,716,000	0	**12,342,731**	(2,985,485)
9-Aug-06	204,105,392	-	204,105,392	192,888,979	(1,499,587)	12,716,000	0	**11,216,413**	(2,985,485)
10-Aug-06	197,394,910	-	197,394,910	188,756,815	(2,625,905)	11,264,000	0	**8,638,095**	(2,985,485)
11-Aug-06	183,216,429	-	183,216,429	184,935,651	(3,752,223)	2,033,000	0	**(1,719,223)**	(2,985,485)
12-Aug-06	175,199,947	-	175,199,947	180,045,488	(4,878,541)	33,000	0	**(4,845,541)**	(2,985,485)
13-Aug-06	175,974,465	-	175,974,465	181,979,324	(6,004,859)	-	0	**(6,004,859)**	(2,985,485)
14-Aug-06	176,781,984	-	176,781,984	183,913,161	(7,131,177)	-	0	**(7,131,177)**	(2,985,485)
15-Aug-06	179,889,502	-	179,889,502	188,146,997	(8,257,495)	-	0	**(8,257,495)**	(2,985,485)
16-Aug-06	172,791,021	-	172,791,021	182,174,834	(9,383,813)	-	0	**(9,383,813)**	(2,985,485)
17-Aug-06	166,743,539	-	166,743,539	177,253,670	(10,510,131)	-	0	**(10,510,131)**	(2,985,485)
18-Aug-06	168,099,058	-	168,099,058	179,735,506	(11,636,449)	-	0	**(11,636,449)**	(2,985,485)
19-Aug-06	167,074,576	-	167,074,576	179,837,343	(12,762,767)	-	0	**(12,762,767)**	(2,985,485)
20-Aug-06	167,882,095	-	167,882,095	181,771,179	(13,889,085)	-	0	**(13,889,085)**	(2,985,485)
21-Aug-06	168,689,613	-	168,689,613	183,705,016	(15,015,403)	-	0	**(15,015,403)**	(2,985,485)
22-Aug-06	168,458,132	-	168,458,132	184,599,852	(16,141,721)	-	0	**(16,141,721)**	(2,985,485)
23-Aug-06	165,029,650	-	165,029,650	182,297,689	(17,268,039)	-	0	**(17,268,039)**	(2,985,485)
24-Aug-06	160,655,168	-	160,655,168	179,049,525	(18,394,356)	-	0	**(18,394,356)**	(2,985,485)
25-Aug-06	187,705,687	-	187,705,687	95,076,361	(19,520,674)	67,150,000	45,000,000	**92,629,326**	(2,985,485)
26-Aug-06	167,872,205	-	167,872,205	114,519,198	(20,646,992)	54,000,000	20,000,000	**53,353,008**	(2,985,485)
27-Aug-06	168,679,724	-	168,679,724	116,453,034	(21,773,310)	54,000,000	20,000,000	**52,226,690**	(2,985,485)
28-Aug-06	169,487,242	-	169,487,242	118,386,871	(22,899,628)	54,000,000	20,000,000	**51,100,372**	(2,985,485)
29-Aug-06	178,807,761	-	178,807,761	128,783,707	(24,025,946)	54,050,000	20,000,000	**50,024,054**	(2,985,485)
30-Aug-06	170,918,279	-	170,918,279	122,020,543	(25,152,264)	54,050,000	20,000,000	**48,897,736**	(2,985,485)
31-Aug-06	**186,634,798**	-	**186,634,798**	164,663,380	**(26,278,582)**	48,250,000	0	**21,971,418**	**(2,985,485)**
1-Sep-06	185,410,495	-	185,410,495	172,677,362	(25,616,867)	38,350,000	0	**12,733,133**	(2,985,485)
2-Sep-06	183,561,192	-	183,561,192	170,166,343	(24,955,151)	38,350,000	0	**13,394,849**	(2,985,485)
3-Sep-06	181,561,889	-	181,561,889	167,505,325	(24,293,436)	38,350,000	0	**14,056,564**	(2,985,485)
4-Sep-06	179,562,586	-	179,562,586	164,844,307	(23,631,721)	38,350,000	0	**14,718,279**	(2,985,485)
5-Sep-06	177,563,284	-	177,563,284	162,183,289	(22,970,005)	38,350,000	0	**15,379,995**	(2,985,485)

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	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target
6-Sep-06	171,783,981	-	171,783,981	155,742,271	(22,308,290)	38,350,000	0	**16,041,710**	(2,985,485)
7-Sep-06	161,885,678	-	161,885,678	150,182,252	(21,646,574)	33,350,000	0	**11,703,426**	(2,985,485)
8-Sep-06	154,563,375	-	154,563,375	146,198,234	(20,984,859)	29,350,000	0	**8,365,141**	(2,985,485)
9-Sep-06	170,790,072	-	170,790,072	168,763,216	(20,323,143)	22,350,000	0	**2,026,857**	(2,985,485)
10-Sep-06	168,790,770	-	168,790,770	166,102,198	(19,661,428)	22,350,000	0	**2,688,572**	(2,985,485)
11-Sep-06	166,791,467	-	166,791,467	163,441,179	(18,999,713)	22,350,000	0	**3,350,287**	(2,985,485)
12-Sep-06	157,511,164	-	157,511,164	157,499,161	(18,337,997)	18,350,000	0	**12,003**	(2,985,485)
13-Sep-06	149,096,861	-	149,096,861	151,473,143	(17,676,282)	15,300,000	0	**(2,376,282)**	(2,985,485)
14-Sep-06	140,692,558	-	140,692,558	146,357,125	(17,014,566)	11,350,000	0	**(5,664,566)**	(2,985,485)
15-Sep-06	163,771,255	-	163,771,255	168,654,106	(16,352,851)	11,470,000	0	**(4,882,851)**	(2,985,485)
16-Sep-06	161,938,953	-	161,938,953	166,085,088	(15,691,136)	11,545,000	0	**(4,146,136)**	(2,985,485)
17-Sep-06	159,939,650	-	159,939,650	163,424,070	(15,029,420)	11,545,000	0	**(3,484,420)**	(2,985,485)
18-Sep-06	157,940,347	-	157,940,347	160,763,052	(14,367,705)	11,545,000	0	**(2,822,705)**	(2,985,485)
19-Sep-06	154,036,044	-	154,036,044	156,197,034	(13,705,989)	11,545,000	0	**(2,160,989)**	(2,985,485)
20-Sep-06	149,666,741	-	149,666,741	139,266,015	(13,044,274)	23,445,000	0	**10,400,726**	(2,985,485)
21-Sep-06	142,468,438	-	142,468,438	133,405,997	(12,382,559)	21,445,000	0	**9,062,441**	(2,985,485)
22-Sep-06	137,421,136	-	137,421,136	127,696,979	(11,720,843)	21,445,000	0	**9,724,157**	(2,985,485)
23-Sep-06	135,255,833	-	135,255,833	124,869,961	(11,059,128)	21,445,000	0	**10,385,872**	(2,985,485)
24-Sep-06	133,256,530	-	133,256,530	122,208,942	(10,397,412)	21,445,000	0	**11,047,588**	(2,985,485)
25-Sep-06	176,257,227	-	176,257,227	119,547,924	(9,735,697)	21,445,000	45,000,000	**56,709,303**	(2,985,485)
26-Sep-06	225,549,924	-	225,549,924	114,728,906	(9,073,982)	74,895,000	45,000,000	**110,821,018**	(2,985,485)
27-Sep-06	229,647,622	-	229,647,622	164,514,888	(8,412,266)	28,545,000	45,000,000	**65,132,734**	(2,985,485)
28-Sep-06	234,087,319	-	234,087,319	167,267,869	(7,750,551)	29,570,000	45,000,000	**66,819,449**	(2,985,485)
29-Sep-06	236,336,016	-	236,336,016	161,704,851	(7,088,835)	36,720,000	45,000,000	**74,631,165**	(2,985,485)
30-Sep-06	**286,628,713**	-	**286,628,713**	183,735,833	**(6,427,120)**	51,320,000	58,000,000	**102,892,880**	**(2,985,485)**
AVG BAL	**204,166,660**	**11,022,492**	**193,144,167**	**111,550,004**	**(3,551,599)**	**35,984,532**	**9,843,836**	**42,276,768**	
CASH FL	**(141,753,713)**	**(57,000)**	**(141,810,713)**	**(119,425,943)**	**(4,638,825)**	**0**	**(58,000,000)**	**(62,638,825)**	**182,114,575**
								(51,879,606)	

FY 2006 ST Debt / (Investment)

Date	Consolidated Short Term Debt Outstanding	Consolidated UTILITY Investments Outstanding	Consolidated Net S. T. Debt/(Invest) Outstanding
CASH FLOW:	2005	2006	
NET INCOME	135,784,732	147,820,143	
+ DEPRECIATION	178,796,000	194,704,655	
+ DEFERRED TAXES	12,669,000	50,805,184	
+ CHANGE IN BAL SHEE	59,694,000	(60,000,000)	
- CAPEX	(333,183,000)	(410,500,002)	
CASH FLOW BEF DIV	53,760,732	(77,170,020)	
+ EQUITY	37,183,000	42,000,000	
- DIVIDENDS	(98,978,000)	(103,320,000)	
CASH AVAIL. FOR DEBT	(8,034,268)	(138,490,020)	
LTD REPAYMENT	(5,907,648)	(3,263,694)	
CASH AVAIL. AFTER REC	(13,941,916)	(141,753,713)	

beginning STD	144,875,000
Incr / (Decr)	141,753,713
Ending STD	286,628,713

UTILITY BAL DAILY BALANCE	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG	
	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to hit '06 ending target

FY 2007 & 200 ST Debt / (Investment)

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	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
30-Sep-06	**286,628,713**	-	**286,628,713**	**183,735,833**	**(6,427,120)**	**51,320,000**	**58,000,000**	**102,892,880**		398,386,295
1-Oct-06	204,586,164	-	204,586,164	156,383,296	(7,117,132)	55,320,000	0	48,202,868	(250,000)	316,093,746
2-Oct-06	202,954,354	-	202,954,354	155,441,497	(7,807,143)	55,320,000	0	47,512,857	(250,000)	314,211,936
3-Oct-06	203,771,527	-	203,771,527	156,668,682	(8,497,155)	55,600,000	0	47,102,845	(250,000)	314,779,108
4-Oct-06	208,564,875	-	208,564,875	142,952,042	(9,187,167)	74,800,000	0	65,612,833	(250,000)	319,322,457
5-Oct-06	211,354,665	-	211,354,665	166,061,843	(9,877,178)	55,170,000	0	45,292,822	(250,000)	321,862,246
6-Oct-06	213,267,223	-	213,267,223	179,094,413	(10,567,190)	44,740,000	0	34,172,810	(250,000)	323,524,805
7-Oct-06	196,272,858	-	196,272,858	165,605,059	(11,257,202)	41,925,000	0	30,667,798	(250,000)	306,280,439
8-Oct-06	194,641,048	-	194,641,048	164,663,261	(11,947,213)	41,925,000	0	29,977,787	(250,000)	304,398,629
9-Oct-06	193,009,238	-	193,009,238	163,721,463	(12,637,225)	41,925,000	0	29,287,775	(250,000)	302,516,819
10-Oct-06	191,377,428	-	191,377,428	162,779,664	(13,327,237)	41,925,000	0	28,597,763	(250,000)	300,635,009
11-Oct-06	189,393,680	-	189,393,680	173,415,928	(14,017,248)	29,995,000	0	15,977,752	(250,000)	298,401,261
12-Oct-06	187,557,773	-	187,557,773	183,295,033	(14,707,260)	18,970,000	0	4,262,740	(250,000)	296,315,355
13-Oct-06	181,196,389	-	181,196,389	170,898,660	(15,397,272)	25,695,000	0	10,297,728	(250,000)	289,703,970
14-Oct-06	179,906,786	-	179,906,786	176,224,070	(16,087,283)	19,770,000	0	3,682,717	(250,000)	288,164,368
15-Oct-06	178,274,976	-	178,274,976	175,282,271	(16,777,295)	19,770,000	0	2,992,705	(250,000)	286,282,558
16-Oct-06	176,643,166	-	176,643,166	174,340,473	(17,467,307)	19,770,000	0	2,302,693	(250,000)	284,400,748
17-Oct-06	204,802,225	-	204,802,225	204,964,544	(18,157,318)	17,995,000	0	(162,318)	(250,000)	312,309,807
18-Oct-06	198,436,450	-	198,436,450	201,288,780	(18,847,330)	15,995,000	0	(2,852,330)	(250,000)	305,694,032
19-Oct-06	189,882,859	-	189,882,859	197,425,201	(19,537,342)	11,995,000	0	(7,542,342)	(250,000)	296,890,441
20-Oct-06	186,481,838	-	186,481,838	194,654,192	(20,227,353)	12,055,000	0	(8,172,353)	(250,000)	293,239,420
21-Oct-06	171,761,027	-	171,761,027	179,973,392	(20,917,365)	12,705,000	0	(8,212,365)	(250,000)	278,268,609
22-Oct-06	170,129,217	-	170,129,217	179,031,594	(21,607,377)	12,705,000	0	(8,902,377)	(250,000)	276,386,799
23-Oct-06	168,497,407	-	168,497,407	178,089,796	(22,297,388)	12,705,000	0	(9,592,388)	(250,000)	274,504,989
24-Oct-06	159,797,770	-	159,797,770	172,080,170	(22,987,400)	10,705,000	0	(12,282,400)	(250,000)	265,555,352
25-Oct-06	210,577,092	-	210,577,092	87,399,503	(23,677,412)	69,855,000	77,000,000	123,177,588	(250,000)	316,084,673
26-Oct-06	276,349,772	-	276,349,772	197,132,195	(24,367,423)	26,585,000	77,000,000	79,217,577	(250,000)	381,607,353
27-Oct-06	297,647,134	-	297,647,134	219,119,570	(25,057,435)	26,585,000	77,000,000	78,527,565	(250,000)	402,654,716
28-Oct-06	291,825,947	-	291,825,947	207,818,394	(25,747,447)	32,755,000	77,000,000	84,007,553	(250,000)	396,583,528
29-Oct-06	290,194,137	-	290,194,137	206,876,595	(26,437,458)	32,755,000	77,000,000	83,317,542	(250,000)	394,701,718
30-Oct-06	288,562,327	-	288,562,327	205,934,797	(27,127,470)	32,755,000	77,000,000	82,627,530	(250,000)	392,819,908
31-Oct-06	**298,472,009**	-	298,472,009	**274,909,491**	**(27,817,482)**	51,380,000	0	23,562,518	(250,000)	402,479,590
1-Nov-06	295,323,611	-	295,323,611	302,853,491	(26,997,880)	19,468,000	0	(7,529,880)	(250,000)	399,081,193
2-Nov-06	287,749,347	-	287,749,347	294,459,625	(26,178,278)	19,468,000	0	(6,710,278)	(250,000)	391,256,929
3-Nov-06	279,695,540	-	279,695,540	285,371,216	(25,358,676)	19,683,000	0	(5,675,676)	(250,000)	382,953,121
4-Nov-06	267,100,799	-	267,100,799	277,931,873	(24,539,074)	13,708,000	0	(10,831,074)	(250,000)	370,108,380
5-Nov-06	266,503,988	-	266,503,988	276,515,460	(23,719,472)	13,708,000	0	(10,011,472)	(250,000)	369,261,570
6-Nov-06	265,907,178	-	265,907,178	275,099,048	(22,899,870)	13,708,000	0	(9,191,870)	(250,000)	368,414,759
7-Nov-06	248,441,454	-	248,441,454	260,833,722	(22,080,268)	9,688,000	0	(12,392,268)	(250,000)	350,699,036
8-Nov-06	245,544,086	-	245,544,086	260,391,752	(21,260,666)	6,413,000	0	(14,847,666)	(250,000)	347,551,667
9-Nov-06	242,157,514	-	242,157,514	258,510,579	(20,441,065)	4,088,000	0	(16,353,065)	(250,000)	343,915,096
10-Nov-06	233,500,871	-	233,500,871	249,034,334	(19,621,463)	4,088,000	0	(15,533,463)	(250,000)	335,008,453

FY 2007 & 200 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		2008 Daily STD projection
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	
11-Nov-06	232,904,061	-	232,904,061	247,617,922	(18,801,861)	4,088,000	0	(14,713,861)	(250,000)	334,161,643
12-Nov-06	232,307,250	-	232,307,250	246,201,509	(17,982,259)	4,088,000	0	(13,894,259)	(250,000)	333,314,832
13-Nov-06	231,710,440	-	231,710,440	244,785,097	(17,162,657)	4,088,000	0	(13,074,657)	(250,000)	332,468,022
14-Nov-06	214,944,349	-	214,944,349	227,287,404	(16,343,055)	4,000,000	0	(12,343,055)	(250,000)	315,451,931
15-Nov-06	214,950,079	-	214,950,079	226,473,532	(15,523,453)	4,000,000	0	(11,523,453)	(250,000)	315,207,661
16-Nov-06	199,645,401	-	199,645,401	210,349,252	(14,703,851)	4,000,000	0	(10,703,851)	(250,000)	299,652,982
17-Nov-06	187,949,784	-	187,949,784	197,834,033	(13,884,249)	4,000,000	0	(9,884,249)	(250,000)	287,707,366
18-Nov-06	185,011,996	-	185,011,996	194,076,644	(13,064,647)	4,000,000	0	(9,064,647)	(250,000)	284,519,578
19-Nov-06	184,415,186	-	184,415,186	192,660,231	(12,245,045)	4,000,000	0	(8,245,045)	(250,000)	283,672,767
20-Nov-06	183,818,375	-	183,818,375	191,243,819	(11,425,443)	4,000,000	0	(7,425,443)	(250,000)	282,825,957
21-Nov-06	166,048,369	-	166,048,369	172,654,211	(10,605,842)	4,000,000	0	(6,605,842)	(250,000)	264,805,951
22-Nov-06	151,355,281	-	151,355,281	157,141,520	(9,786,240)	4,000,000	0	(5,786,240)	(250,000)	249,862,862
23-Nov-06	432,134,038	-	432,134,038	295,700,676	(8,966,638)	58,400,000	87,000,000	136,433,362	(250,000)	530,391,620
24-Nov-06	431,537,228	-	431,537,228	294,284,264	(8,147,036)	58,400,000	87,000,000	137,252,964	(250,000)	529,544,809
25-Nov-06	367,856,469	-	367,856,469	229,783,903	(7,327,434)	58,400,000	87,000,000	138,072,566	(250,000)	465,614,050
26-Nov-06	367,259,658	-	367,259,658	228,367,490	(6,507,832)	58,400,000	87,000,000	138,892,168	(250,000)	464,767,240
27-Nov-06	366,662,848	-	366,662,848	226,951,078	(5,688,230)	58,400,000	87,000,000	139,711,770	(250,000)	463,920,429
28-Nov-06	427,427,757	-	427,427,757	405,771,385	(4,868,628)	26,525,000	0	21,656,372	(250,000)	524,435,338
29-Nov-06	421,250,083	-	421,250,083	421,299,109	(4,049,026)	4,000,000	0	(49,026)	(250,000)	518,007,664
30-Nov-06	**316,228,139**	-	316,228,139	**240,682,563**	**(3,229,424)**	78,775,000	0	75,545,576	(250,000)	412,735,721
1-Dec-06	335,551,164	-	335,551,164	278,918,466	(4,192,302)	60,825,000	0	56,632,698	(250,000)	431,808,746
2-Dec-06	326,764,210	-	326,764,210	281,284,389	(5,155,179)	50,635,000	0	45,479,821	(250,000)	422,771,792
3-Dec-06	327,046,726	-	327,046,726	282,529,783	(6,118,057)	50,635,000	0	44,516,943	(250,000)	422,804,308
4-Dec-06	327,329,242	-	327,329,242	283,775,176	(7,080,934)	50,635,000	0	43,554,066	(250,000)	422,836,824
5-Dec-06	308,573,394	-	308,573,394	268,161,205	(8,043,812)	48,456,000	0	40,412,188	(250,000)	403,830,975
6-Dec-06	297,020,690	-	297,020,690	270,949,380	(9,006,689)	35,078,000	0	26,071,311	(250,000)	392,028,272
7-Dec-06	283,974,397	-	283,974,397	264,865,963	(9,969,567)	29,078,000	0	19,108,433	(250,000)	378,731,978
8-Dec-06	281,498,281	-	281,498,281	264,327,725	(10,932,444)	28,103,000	0	17,170,556	(250,000)	376,005,862
9-Dec-06	290,871,467	-	290,871,467	262,093,788	(11,895,321)	40,673,000	0	28,777,679	(250,000)	385,129,049
10-Dec-06	291,153,983	-	291,153,983	263,339,182	(12,858,199)	40,673,000	0	27,814,801	(250,000)	385,161,564
11-Dec-06	291,436,499	-	291,436,499	264,584,575	(13,821,076)	40,673,000	0	26,851,924	(250,000)	385,194,080
12-Dec-06	282,232,026	-	282,232,026	270,352,980	(14,783,954)	26,663,000	0	11,879,046	(250,000)	375,739,608
13-Dec-06	264,793,414	-	264,793,414	253,752,245	(15,746,831)	26,788,000	0	11,041,169	(250,000)	358,050,995
14-Dec-06	259,510,582	-	259,510,582	259,412,291	(16,709,709)	16,808,000	0	98,291	(250,000)	352,518,164
15-Dec-06	273,731,575	-	273,731,575	276,096,162	(17,672,586)	15,308,000	0	(2,364,586)	(250,000)	366,489,157
16-Dec-06	258,610,557	-	258,610,557	266,846,020	(18,635,464)	10,400,000	0	(8,235,464)	(250,000)	351,118,138
17-Dec-06	258,893,073	-	258,893,073	268,091,414	(19,598,341)	10,400,000	0	(9,198,341)	(250,000)	351,150,654
18-Dec-06	259,175,588	-	259,175,588	269,336,807	(20,561,219)	10,400,000	0	(10,161,219)	(250,000)	351,183,170
19-Dec-06	228,889,566	-	228,889,566	240,013,662	(21,524,096)	10,400,000	0	(11,124,096)	(250,000)	320,647,147
20-Dec-06	212,408,354	-	212,408,354	224,480,328	(22,486,974)	10,415,000	0	(12,071,974)	(250,000)	303,915,936
21-Dec-06	211,737,904	-	211,737,904	224,772,755	(23,449,851)	10,415,000	0	(13,034,851)	(250,000)	302,995,485
22-Dec-06	356,083,759	-	356,083,759	370,071,488	(24,412,728)	10,425,000	0	(13,987,728)	(250,000)	447,091,341

FY 2007 & 200 ST Debt / (Investment)

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		2008 Daily STD projection
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	
23-Dec-06	326,069,599	-	326,069,599	341,020,205	(25,375,606)	10,425,000	0	(14,950,606)	(250,000)	416,827,180
24-Dec-06	326,352,115	-	326,352,115	342,265,598	(26,338,483)	10,425,000	0	(15,913,483)	(250,000)	416,859,696
25-Dec-06	326,634,631	-	326,634,631	343,510,991	(27,301,361)	10,425,000	0	(16,876,361)	(250,000)	416,892,212
26-Dec-06	326,917,147	-	326,917,147	344,756,385	(28,264,238)	10,425,000	0	(17,839,238)	(250,000)	416,924,728
27-Dec-06	455,136,545	-	455,136,545	256,938,661	(29,227,116)	50,425,000	177,000,000	198,197,884	(250,000)	544,894,127
28-Dec-06	475,521,523	-	475,521,523	319,006,516	(30,189,993)	9,705,000	177,000,000	156,515,007	(250,000)	565,029,105
29-Dec-06	497,823,395	-	497,823,395	391,101,266	(31,152,871)	35,875,000	102,000,000	106,722,129	(250,000)	587,080,977
30-Dec-06	393,744,543	-	393,744,543	223,460,292	(32,115,748)	100,400,000	102,000,000	170,284,252	(250,000)	482,752,125
31-Dec-06	**394,027,059**	-	394,027,059	**224,705,685**	**(33,078,626)**	100,400,000	102,000,000	169,321,374	(250,000)	482,784,641
1-Jan-07	395,119,229	-	395,119,229	225,324,396	(32,605,167)	100,400,000	102,000,000	169,794,833	(250,000)	483,626,811
2-Jan-07	396,211,399	-	396,211,399	225,943,108	(32,131,709)	100,400,000	102,000,000	170,268,291	(250,000)	484,468,981
3-Jan-07	376,018,828	-	376,018,828	236,192,079	(31,658,250)	100,485,000	71,000,000	139,826,750	(250,000)	464,026,410
4-Jan-07	353,218,960	-	353,218,960	240,918,752	(31,184,792)	100,485,000	43,000,000	112,300,208	(250,000)	440,976,542
5-Jan-07	332,516,779	-	332,516,779	227,913,113	(30,711,334)	100,315,000	35,000,000	104,603,666	(250,000)	420,024,361
6-Jan-07	291,392,242	-	291,392,242	239,315,117	(30,237,875)	82,315,000	0	52,077,125	(250,000)	378,649,823
7-Jan-07	292,484,411	-	292,484,411	239,933,829	(29,764,417)	82,315,000	0	52,550,583	(250,000)	379,491,993
8-Jan-07	293,576,581	-	293,576,581	240,552,540	(29,290,959)	82,315,000	0	53,024,041	(250,000)	380,334,163
9-Jan-07	260,416,237	-	260,416,237	215,103,738	(28,817,500)	74,130,000	0	45,312,500	(250,000)	346,923,819
10-Jan-07	242,540,204	-	242,540,204	208,154,246	(28,344,042)	62,730,000	0	34,385,958	(250,000)	328,797,786
11-Jan-07	218,576,798	-	218,576,798	192,932,381	(27,870,584)	53,515,000	0	25,644,416	(250,000)	304,584,379
12-Jan-07	210,783,073	-	210,783,073	192,665,198	(27,397,125)	45,515,000	0	18,117,875	(250,000)	296,540,654
13-Jan-07	190,711,790	-	190,711,790	174,785,457	(26,923,667)	42,850,000	0	15,926,333	(250,000)	276,219,371
14-Jan-07	191,803,960	-	191,803,960	175,404,168	(26,450,208)	42,850,000	0	16,399,792	(250,000)	277,061,541
15-Jan-07	192,896,130	-	192,896,130	176,022,880	(25,976,750)	42,850,000	0	16,873,250	(250,000)	277,903,711
16-Jan-07	193,988,299	-	193,988,299	176,641,591	(25,503,292)	42,850,000	0	17,346,708	(250,000)	278,745,881
17-Jan-07	159,159,462	-	159,159,462	143,164,295	(25,029,833)	41,025,000	0	15,995,167	(250,000)	243,667,044
18-Jan-07	139,580,923	-	139,580,923	133,112,298	(24,556,375)	31,025,000	0	6,468,625	(250,000)	223,838,505
19-Jan-07	134,007,508	-	134,007,508	137,775,425	(24,082,917)	20,315,000	0	(3,767,917)	(250,000)	218,015,090
20-Jan-07	118,403,307	-	118,403,307	114,342,765	(23,609,458)	27,670,000	0	4,060,542	(250,000)	202,160,888
21-Jan-07	119,495,477	-	119,495,477	114,961,477	(23,136,000)	27,670,000	0	4,534,000	(250,000)	203,003,058
22-Jan-07	120,587,647	-	120,587,647	115,580,188	(22,662,542)	27,670,000	0	5,007,458	(250,000)	203,845,228
23-Jan-07	90,157,573	-	90,157,573	84,746,656	(22,189,083)	27,600,000	0	5,410,917	(250,000)	173,165,155
24-Jan-07	62,982,190	-	62,982,190	57,097,814	(21,715,625)	27,600,000	0	5,884,375	(250,000)	145,739,771
25-Jan-07	380,137,836	-	380,137,836	171,770,003	(21,242,166)	82,610,000	147,000,000	208,367,834	(250,000)	462,645,418
26-Jan-07	512,069,708	-	512,069,708	343,543,416	(20,768,708)	82,295,000	107,000,000	168,526,292	(250,000)	594,327,290
27-Jan-07	545,400,257	-	545,400,257	425,410,507	(20,295,250)	73,285,000	67,000,000	119,989,750	(250,000)	627,407,839
28-Jan-07	546,492,427	-	546,492,427	426,029,219	(19,821,791)	73,285,000	67,000,000	120,463,209	(250,000)	628,250,009
29-Jan-07	547,584,597	-	547,584,597	426,647,930	(19,348,333)	73,285,000	67,000,000	120,936,667	(250,000)	629,092,179
30-Jan-07	523,434,876	-	523,434,876	458,029,751	(18,874,875)	84,280,000	0	65,405,125	(250,000)	604,692,458
31-Jan-07	**437,737,933**	-	437,737,933	**273,819,349**	**(18,401,416)**	102,320,000	80,000,000	163,918,584	(250,000)	518,745,514
1-Feb-07	393,948,959	-	393,948,959	310,590,367	(19,054,407)	102,413,000	0	83,358,593	(250,000)	474,706,541
2-Feb-07	377,338,760	-	377,338,760	294,800,158	(19,707,398)	102,246,000	0	82,538,602	(250,000)	457,846,342

FY 2007 & 200 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
3-Feb-07	354,613,019	-	354,613,019	282,614,408	(20,360,389)	92,359,000	0	71,998,611	(250,000)	434,870,600
4-Feb-07	353,673,095	-	353,673,095	282,327,475	(21,013,380)	92,359,000	0	71,345,620	(250,000)	433,680,677
5-Feb-07	352,733,172	-	352,733,172	282,040,543	(21,666,371)	92,359,000	0	70,692,629	(250,000)	432,490,754
6-Feb-07	322,161,233	-	322,161,233	262,078,595	(22,319,362)	82,402,000	0	60,082,638	(250,000)	401,668,814
7-Feb-07	323,466,843	-	323,466,843	275,997,196	(22,972,353)	70,442,000	0	47,469,647	(250,000)	402,724,425
8-Feb-07	294,424,053	-	294,424,053	255,584,397	(23,625,344)	62,465,000	0	38,839,656	(250,000)	373,431,634
9-Feb-07	270,197,548	-	270,197,548	236,010,883	(24,278,335)	58,465,000	0	34,186,665	(250,000)	348,955,129
10-Feb-07	244,070,588	-	244,070,588	216,536,914	(24,931,326)	52,465,000	0	27,533,674	(250,000)	322,578,170
11-Feb-07	243,130,665	-	243,130,665	216,249,982	(25,584,317)	52,465,000	0	26,880,683	(250,000)	321,388,247
12-Feb-07	242,190,742	-	242,190,742	215,963,049	(26,237,308)	52,465,000	0	26,227,692	(250,000)	320,198,323
13-Feb-07	201,934,542	-	201,934,542	182,369,841	(26,890,299)	46,455,000	0	19,564,701	(250,000)	279,692,124
14-Feb-07	173,736,239	-	173,736,239	155,570,529	(27,543,290)	45,709,000	0	18,165,710	(250,000)	251,243,821
15-Feb-07	154,431,996	-	154,431,996	136,491,277	(28,196,281)	46,137,000	0	17,940,719	(250,000)	231,689,578
16-Feb-07	136,375,738	-	136,375,738	119,070,010	(28,849,272)	46,155,000	0	17,305,728	(250,000)	213,383,320
17-Feb-07	129,428,006	-	129,428,006	131,508,269	(29,502,263)	27,422,000	0	(2,080,263)	(250,000)	206,185,588
18-Feb-07	128,488,083	-	128,488,083	131,221,337	(30,155,254)	27,422,000	0	(2,733,254)	(250,000)	204,995,665
19-Feb-07	127,548,160	-	127,548,160	130,934,404	(30,808,245)	27,422,000	0	(3,386,245)	(250,000)	203,805,741
20-Feb-07	126,608,236	-	126,608,236	130,647,472	(31,461,235)	27,422,000	0	(4,039,235)	(250,000)	202,615,818
21-Feb-07	97,443,009	-	97,443,009	101,980,235	(32,114,226)	27,577,000	0	(4,537,226)	(250,000)	173,200,591
22-Feb-07	75,220,371	-	75,220,371	80,940,588	(32,767,217)	27,047,000	0	(5,720,217)	(250,000)	150,727,953
23-Feb-07	43,228,657	-	43,228,657	49,586,865	(33,420,208)	27,062,000	0	(6,358,208)	(250,000)	118,486,238
24-Feb-07	39,710,358	-	39,710,358	46,721,558	(34,073,199)	27,062,000	0	(7,011,199)	(250,000)	114,717,940
25-Feb-07	38,770,435	-	38,770,435	46,434,625	(34,726,190)	27,062,000	0	(7,664,190)	(250,000)	113,528,017
26-Feb-07	37,830,512	-	37,830,512	46,147,693	(35,379,181)	27,062,000	0	(8,317,181)	(250,000)	112,338,093
27-Feb-07	323,996,208	-	323,996,208	125,966,380	(36,032,172)	27,062,000	207,000,000	198,029,828	(250,000)	398,253,789
28-Feb-07	**289,233,339**	-	289,233,339	**75,706,502**	**(36,685,163)**	103,212,000	147,000,000	213,526,837	(250,000)	363,240,920
1-Mar-07	313,341,123	-	313,341,123	158,692,867	(33,518,744)	101,167,000	87,000,000	154,648,256	(250,000)	387,098,705
2-Mar-07	309,511,625	-	309,511,625	171,871,949	(30,352,324)	80,992,000	87,000,000	137,639,676	(250,000)	383,019,207
3-Mar-07	296,790,790	-	296,790,790	168,994,695	(27,185,905)	102,982,000	52,000,000	127,796,095	(250,000)	370,048,372
4-Mar-07	297,897,473	-	297,897,473	166,934,958	(24,019,485)	102,982,000	52,000,000	130,962,515	(250,000)	370,905,055
5-Mar-07	299,004,156	-	299,004,156	164,875,222	(20,853,066)	102,982,000	52,000,000	134,128,934	(250,000)	371,761,738
6-Mar-07	270,258,188	-	270,258,188	193,862,834	(17,686,646)	94,082,000	0	76,395,354	(250,000)	342,765,769
7-Mar-07	259,308,678	-	259,308,678	190,746,905	(14,520,227)	83,082,000	0	68,561,773	(250,000)	331,566,260
8-Mar-07	230,461,570	-	230,461,570	158,322,377	(11,353,807)	83,493,000	0	72,139,193	(250,000)	302,469,152
9-Mar-07	237,738,859	-	237,738,859	173,653,246	(8,187,388)	72,273,000	0	64,085,612	(250,000)	309,496,440
10-Mar-07	218,504,671	-	218,504,671	155,227,639	(5,020,968)	68,298,000	0	63,277,032	(250,000)	290,012,252
11-Mar-07	219,611,354	-	219,611,354	153,167,902	(1,854,549)	68,298,000	0	66,443,451	(250,000)	290,868,935
12-Mar-07	220,718,037	-	220,718,037	151,108,166	1,311,871	68,298,000	0	69,609,871	(250,000)	291,725,619
13-Mar-07	200,763,463	-	200,763,463	135,987,173	4,478,290	60,298,000	0	64,776,290	(250,000)	271,521,045
14-Mar-07	182,737,242	-	182,737,242	112,796,533	7,644,710	62,296,000	0	69,940,710	(250,000)	253,244,824
15-Mar-07	161,229,010	-	161,229,010	91,631,881	10,811,129	58,786,000	0	69,597,129	(250,000)	231,486,592
16-Mar-07	150,950,246	-	150,950,246	80,142,697	13,977,549	56,830,000	0	70,807,549	(250,000)	220,957,827

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
17-Mar-07	169,076,377	-	169,076,377	126,391,409	17,143,968	25,541,000	0	42,684,968	(250,000)	238,833,959
18-Mar-07	170,183,060	-	170,183,060	124,331,672	20,310,388	25,541,000	0	45,851,388	(250,000)	239,690,642
19-Mar-07	171,289,743	-	171,289,743	122,271,936	23,476,807	25,541,000	0	49,017,807	(250,000)	240,547,325
20-Mar-07	155,627,956	-	155,627,956	101,387,729	26,643,227	27,597,000	0	54,240,227	(250,000)	224,635,538
21-Mar-07	140,818,893	-	140,818,893	87,416,247	29,809,646	23,593,000	0	53,402,646	(250,000)	209,576,475
22-Mar-07	127,330,123	-	127,330,123	76,761,058	32,976,066	17,593,000	0	50,569,066	(250,000)	195,837,705
23-Mar-07	121,865,820	-	121,865,820	76,130,334	36,142,485	9,593,000	0	45,735,485	(250,000)	190,123,401
24-Mar-07	103,088,779	-	103,088,779	55,186,874	39,308,905	8,593,000	0	47,901,905	(250,000)	171,096,360
25-Mar-07	104,195,462	-	104,195,462	53,127,138	42,475,324	8,593,000	0	51,068,324	(250,000)	171,953,044
26-Mar-07	105,302,145	-	105,302,145	51,067,401	45,641,744	8,593,000	0	54,234,744	(250,000)	172,809,727
27-Mar-07	372,625,673	-	372,625,673	198,216,510	48,808,163	8,601,000	117,000,000	174,409,163	(250,000)	439,883,255
28-Mar-07	378,790,809	-	378,790,809	235,438,227	51,974,583	19,378,000	72,000,000	143,352,583	(250,000)	445,798,391
29-Mar-07	373,416,941	-	373,416,941	238,065,938	55,141,002	8,210,000	72,000,000	135,351,002	(250,000)	440,174,522
30-Mar-07	355,821,065	-	355,821,065	261,303,643	58,307,422	36,210,000	0	94,517,422	(250,000)	422,328,647
31-Mar-07	**303,136,410**	-	303,136,410	**172,557,568**	**61,473,841**	69,105,000	0	130,578,841	(250,000)	369,393,992
1-Apr-07	302,969,885	-	302,969,885	172,434,154	61,430,730	69,105,000	0	130,535,730	(250,000)	368,977,466
2-Apr-07	302,803,359	-	302,803,359	172,310,740	61,387,619	69,105,000	0	130,492,619	(250,000)	368,560,941
3-Apr-07	302,191,385	-	302,191,385	191,452,877	61,344,509	49,394,000	0	110,738,509	(250,000)	367,698,967
4-Apr-07	289,998,272	-	289,998,272	187,966,875	61,301,398	40,730,000	0	102,031,398	(250,000)	355,255,854
5-Apr-07	269,862,602	-	269,862,602	168,895,315	61,258,287	39,709,000	0	100,967,287	(250,000)	334,870,184
6-Apr-07	253,244,385	-	253,244,385	156,320,209	61,215,176	35,709,000	0	96,924,176	(250,000)	318,001,966
7-Apr-07	241,258,465	-	241,258,465	146,418,400	61,172,065	33,668,000	0	94,840,065	(250,000)	305,766,046
8-Apr-07	241,091,939	-	241,091,939	146,294,986	61,128,954	33,668,000	0	94,796,954	(250,000)	305,349,521
9-Apr-07	240,925,414	-	240,925,414	146,171,571	61,085,843	33,668,000	0	94,753,843	(250,000)	304,932,996
10-Apr-07	214,577,791	-	214,577,791	119,867,059	61,042,732	33,668,000	0	94,710,732	(250,000)	278,335,373
11-Apr-07	204,923,772	-	204,923,772	117,631,151	60,999,621	26,293,000	0	87,292,621	(250,000)	268,431,353
12-Apr-07	194,879,009	-	194,879,009	109,629,499	60,956,510	24,293,000	0	85,249,510	(250,000)	258,136,591
13-Apr-07	182,600,858	-	182,600,858	89,894,459	60,913,399	31,793,000	0	92,706,399	(250,000)	245,608,440
14-Apr-07	168,035,512	-	168,035,512	75,372,224	60,870,288	31,793,000	0	92,663,288	(250,000)	230,793,094
15-Apr-07	167,868,987	-	167,868,987	75,248,810	60,827,177	31,793,000	0	92,620,177	(250,000)	230,376,568
16-Apr-07	167,702,461	-	167,702,461	75,125,395	60,784,066	31,793,000	0	92,577,066	(250,000)	229,960,043
17-Apr-07	180,016,336	-	180,016,336	91,090,381	60,740,955	28,185,000	0	88,925,955	(250,000)	242,023,918
18-Apr-07	162,420,529	-	162,420,529	76,217,685	60,697,844	25,505,000	0	86,202,844	(250,000)	224,178,111
19-Apr-07	145,956,167	-	145,956,167	56,796,434	60,654,733	28,505,000	0	89,159,733	(250,000)	207,463,749
20-Apr-07	143,419,924	-	143,419,924	57,388,302	60,611,622	25,420,000	0	86,031,622	(250,000)	204,677,506
21-Apr-07	134,409,587	-	134,409,587	48,421,075	60,568,512	25,420,000	0	85,988,512	(250,000)	195,417,168
22-Apr-07	134,243,061	-	134,243,061	48,297,661	60,525,401	25,420,000	0	85,945,401	(250,000)	195,000,643
23-Apr-07	134,076,536	-	134,076,536	48,174,247	60,482,290	25,420,000	0	85,902,290	(250,000)	194,584,118
24-Apr-07	120,716,836	-	120,716,836	39,442,658	60,439,179	20,835,000	0	81,274,179	(250,000)	180,974,418
25-Apr-07	276,408,388	-	276,408,388	70,177,321	60,396,068	18,835,000	127,000,000	206,231,068	(250,000)	336,415,970
26-Apr-07	310,995,411	-	310,995,411	130,007,454	60,352,957	43,635,000	77,000,000	180,987,957	(250,000)	370,752,993
27-Apr-07	320,453,504	-	320,453,504	149,508,658	60,309,846	58,635,000	52,000,000	170,944,846	(250,000)	379,961,085

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
28-Apr-07	278,234,568	-	278,234,568	80,957,833	60,266,735	97,010,000	40,000,000	197,276,735	(250,000)	337,492,150
29-Apr-07	278,068,043	-	278,068,043	80,834,419	60,223,624	97,010,000	40,000,000	197,233,624	(250,000)	337,075,624
30-Apr-07	**277,901,517**	-	277,901,517	**80,711,004**	**60,180,513**	97,010,000	40,000,000	197,190,513	(250,000)	336,659,099
1-May-07	250,091,697	-	250,091,697	93,957,429	59,818,269	96,316,000	0	156,134,269	(250,000)	308,599,279
2-May-07	247,314,512	-	247,314,512	106,212,487	59,456,024	81,646,000	0	141,102,024	(250,000)	305,572,093
3-May-07	235,774,520	-	235,774,520	100,560,740	59,093,780	76,120,000	0	135,213,780	(250,000)	293,782,102
4-May-07	227,826,101	-	227,826,101	96,362,566	58,731,535	72,732,000	0	131,463,535	(250,000)	285,583,683
5-May-07	235,223,951	-	235,223,951	106,122,660	58,369,291	70,732,000	0	129,101,291	(250,000)	292,731,533
6-May-07	235,337,224	-	235,337,224	106,598,178	58,007,047	70,732,000	0	128,739,047	(250,000)	292,594,806
7-May-07	235,450,497	-	235,450,497	107,073,695	57,644,802	70,732,000	0	128,376,802	(250,000)	292,458,079
8-May-07	223,701,649	-	223,701,649	103,028,091	57,282,558	63,391,000	0	120,673,558	(250,000)	280,459,231
9-May-07	212,787,029	-	212,787,029	96,760,716	56,920,313	59,106,000	0	116,026,313	(250,000)	269,294,611
10-May-07	205,398,979	-	205,398,979	92,681,910	56,558,069	56,159,000	0	112,717,069	(250,000)	261,656,561
11-May-07	206,961,239	-	206,961,239	90,360,415	56,195,825	60,405,000	0	116,600,825	(250,000)	262,968,821
12-May-07	202,111,402	-	202,111,402	89,372,821	55,833,580	56,905,000	0	112,738,580	(250,000)	257,868,983
13-May-07	202,224,675	-	202,224,675	89,848,339	55,471,336	56,905,000	0	112,376,336	(250,000)	257,732,256
14-May-07	202,337,948	-	202,337,948	90,323,857	55,109,091	56,905,000	0	112,014,091	(250,000)	257,595,530
15-May-07	216,635,048	-	216,635,048	107,823,201	54,746,847	54,065,000	0	108,811,847	(250,000)	271,642,629
16-May-07	208,827,074	-	208,827,074	103,422,471	54,384,603	51,020,000	0	105,404,603	(250,000)	263,584,656
17-May-07	193,589,999	-	193,589,999	95,047,641	54,022,358	44,520,000	0	98,542,358	(250,000)	248,097,580
18-May-07	192,744,156	-	192,744,156	101,406,542	53,660,114	37,677,500	0	91,337,614	(250,000)	247,001,737
19-May-07	183,934,223	-	183,934,223	94,456,854	53,297,869	36,179,500	0	89,477,369	(250,000)	237,941,805
20-May-07	184,047,497	-	184,047,497	94,932,372	52,935,625	36,179,500	0	89,115,125	(250,000)	237,805,078
21-May-07	184,160,770	-	184,160,770	95,407,889	52,573,381	36,179,500	0	88,752,881	(250,000)	237,668,351
22-May-07	186,118,122	-	186,118,122	102,727,986	52,211,136	31,179,000	0	83,390,136	(250,000)	239,375,704
23-May-07	182,352,851	-	182,352,851	112,174,959	51,848,892	18,329,000	0	70,177,892	(250,000)	235,360,432
24-May-07	176,778,222	-	176,778,222	112,962,574	51,486,647	12,329,000	0	63,815,647	(250,000)	229,535,803
25-May-07	298,578,252	-	298,578,252	138,124,849	51,124,403	12,329,000	97,000,000	160,453,403	(250,000)	351,085,833
26-May-07	327,807,427	-	327,807,427	205,742,768	50,762,159	9,302,500	62,000,000	122,064,659	(250,000)	380,065,009
27-May-07	327,920,700	-	327,920,700	206,218,286	50,399,914	9,302,500	62,000,000	121,702,414	(250,000)	379,928,282
28-May-07	328,033,973	-	328,033,973	206,693,804	50,037,670	9,302,500	62,000,000	121,340,170	(250,000)	379,791,555
29-May-07	328,147,247	-	328,147,247	207,169,321	49,675,425	9,302,500	62,000,000	120,977,925	(250,000)	379,654,828
30-May-07	336,554,669	-	336,554,669	221,241,488	49,313,181	4,000,000	62,000,000	115,313,181	(250,000)	387,812,251
31-May-07	**256,633,887**	-	256,633,887	**125,352,951**	**48,950,937**	82,330,000	0	131,280,937	(250,000)	307,641,469
1-Jun-07	257,577,436	-	257,577,436	136,121,631	49,025,805	72,430,000	0	121,455,805	(250,000)	308,335,018
2-Jun-07	250,178,014	-	250,178,014	133,332,341	49,100,673	67,745,000	0	116,845,673	(250,000)	300,685,595
3-Jun-07	249,862,874	-	249,862,874	132,942,333	49,175,541	67,745,000	0	116,920,541	(250,000)	300,120,456
4-Jun-07	249,547,734	-	249,547,734	132,552,325	49,250,409	67,745,000	0	116,995,409	(250,000)	299,555,316
5-Jun-07	236,885,114	-	236,885,114	122,693,837	49,325,278	64,866,000	0	114,191,278	(250,000)	286,642,696
6-Jun-07	233,029,855	-	233,029,855	124,763,709	49,400,146	58,866,000	0	108,266,146	(250,000)	282,537,437
7-Jun-07	226,754,202	-	226,754,202	120,250,188	49,475,014	57,029,000	0	106,504,014	(250,000)	276,011,784
8-Jun-07	228,245,945	-	228,245,945	122,667,062	49,549,882	56,029,000	0	105,578,882	(250,000)	277,253,526

Date	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		2008 Daily STD projection
	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	
9-Jun-07	243,317,240	-	243,317,240	139,650,489	49,624,751	54,042,000	0	**103,666,751**	**(250,000)**	292,074,822
10-Jun-07	243,002,100	-	243,002,100	139,260,481	49,699,619	54,042,000	0	**103,741,619**	**(250,000)**	291,509,682
11-Jun-07	242,686,961	-	242,686,961	138,870,474	49,774,487	54,042,000	0	**103,816,487**	**(250,000)**	290,944,542
12-Jun-07	242,396,546	-	242,396,546	146,574,691	49,849,355	45,972,500	0	**95,821,855**	**(250,000)**	290,404,128
13-Jun-07	235,042,976	-	235,042,976	141,234,253	49,924,224	43,884,500	0	**93,808,724**	**(250,000)**	282,800,558
14-Jun-07	227,873,714	-	227,873,714	138,996,622	49,999,092	38,878,000	0	**88,877,092**	**(250,000)**	275,381,295
15-Jun-07	225,386,759	-	225,386,759	139,948,799	50,073,960	35,364,000	0	**85,437,960**	**(250,000)**	272,644,340
16-Jun-07	218,372,552	-	218,372,552	135,579,724	50,148,828	32,644,000	0	**82,792,828**	**(250,000)**	265,380,134
17-Jun-07	218,057,413	-	218,057,413	135,189,716	50,223,696	32,644,000	0	**82,867,696**	**(250,000)**	264,814,995
18-Jun-07	217,742,273	-	217,742,273	134,799,709	50,298,565	32,644,000	0	**82,942,565**	**(250,000)**	264,249,855
19-Jun-07	209,754,343	-	209,754,343	131,246,910	50,373,433	28,134,000	0	**78,507,433**	**(250,000)**	256,011,924
20-Jun-07	208,735,698	-	208,735,698	130,650,397	50,448,301	27,637,000	0	**78,085,301**	**(250,000)**	254,743,280
21-Jun-07	200,950,946	-	200,950,946	125,880,777	50,523,169	24,547,000	0	**75,070,169**	**(250,000)**	246,708,528
22-Jun-07	205,062,817	-	205,062,817	133,439,780	50,598,038	21,025,000	0	**71,623,038**	**(250,000)**	250,570,399
23-Jun-07	197,330,976	-	197,330,976	130,143,070	50,672,906	16,515,000	0	**67,187,906**	**(250,000)**	242,588,558
24-Jun-07	197,015,837	-	197,015,837	129,753,063	50,747,774	16,515,000	0	**67,262,774**	**(250,000)**	242,023,418
25-Jun-07	196,700,697	-	196,700,697	129,363,055	50,822,642	16,515,000	0	**67,337,642**	**(250,000)**	241,458,279
26-Jun-07	355,957,878	-	355,957,878	181,545,368	50,897,511	16,515,000	107,000,000	**174,412,511**	**(250,000)**	400,465,460
27-Jun-07	378,875,830	-	378,875,830	249,401,451	50,972,379	21,502,000	57,000,000	**129,474,379**	**(250,000)**	423,133,412
28-Jun-07	389,049,368	-	389,049,368	268,000,121	51,047,247	13,002,000	57,000,000	**121,049,247**	**(250,000)**	433,056,950
29-Jun-07	399,302,375	-	399,302,375	280,678,260	51,122,115	10,502,000	57,000,000	**118,624,115**	**(250,000)**	443,059,957
30-Jun-07	**304,978,649**	-	304,978,649	**161,374,665**	**51,196,983**	92,407,000	0	**143,603,983**	**(250,000)**	348,486,230
1-Jul-07	318,787,682	-	318,787,682	174,867,282	51,513,400	92,407,000	0	**143,920,400**	**(250,000)**	362,045,264
2-Jul-07	318,169,969	-	318,169,969	173,933,152	51,829,817	92,407,000	0	**144,236,817**	**(250,000)**	361,177,551
3-Jul-07	307,904,257	-	307,904,257	179,651,023	52,146,234	76,107,000	0	**128,253,234**	**(250,000)**	350,661,838
4-Jul-07	307,286,544	-	307,286,544	178,716,893	52,462,651	76,107,000	0	**128,569,651**	**(250,000)**	349,794,125
5-Jul-07	298,738,831	-	298,738,831	177,017,764	52,779,067	68,942,000	0	**121,721,067**	**(250,000)**	340,996,413
6-Jul-07	298,391,118	-	298,391,118	178,548,634	53,095,484	66,747,000	0	**119,842,484**	**(250,000)**	340,398,700
7-Jul-07	294,023,405	-	294,023,405	177,864,504	53,411,901	62,747,000	0	**116,158,901**	**(250,000)**	335,780,987
8-Jul-07	293,405,693	-	293,405,693	176,930,375	53,728,318	62,747,000	0	**116,475,318**	**(250,000)**	334,913,274
9-Jul-07	292,787,980	-	292,787,980	175,996,245	54,044,735	62,747,000	0	**116,791,735**	**(250,000)**	334,045,562
10-Jul-07	287,196,267	-	287,196,267	171,540,116	54,361,151	61,295,000	0	**115,656,151**	**(250,000)**	328,203,849
11-Jul-07	280,847,554	-	280,847,554	174,105,986	54,677,568	52,064,000	0	**106,741,568**	**(250,000)**	321,605,136
12-Jul-07	274,991,841	-	274,991,841	169,933,856	54,993,985	50,064,000	0	**105,057,985**	**(250,000)**	315,499,423
13-Jul-07	271,824,129	-	271,824,129	168,450,727	55,310,402	48,063,000	0	**103,373,402**	**(250,000)**	312,081,710
14-Jul-07	264,840,416	-	264,840,416	162,405,597	55,626,819	46,808,000	0	**102,434,819**	**(250,000)**	304,847,998
15-Jul-07	264,222,703	-	264,222,703	161,471,468	55,943,235	46,808,000	0	**102,751,235**	**(250,000)**	303,980,285
16-Jul-07	263,604,990	-	263,604,990	160,537,338	56,259,652	46,808,000	0	**103,067,652**	**(250,000)**	303,112,572
17-Jul-07	270,749,278	-	270,749,278	169,311,208	56,576,069	44,862,000	0	**101,438,069**	**(250,000)**	310,006,859
18-Jul-07	264,207,565	-	264,207,565	163,948,079	56,892,486	43,367,000	0	**100,259,486**	**(250,000)**	303,215,146
19-Jul-07	259,105,852	-	259,105,852	167,373,949	57,208,903	34,523,000	0	**91,731,903**	**(250,000)**	297,863,434
20-Jul-07	265,180,139	-	265,180,139	173,131,820	57,525,320	34,523,000	0	**92,048,320**	**(250,000)**	303,687,721

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	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
21-Jul-07	262,997,426	-	262,997,426	178,124,690	57,841,736	27,031,000	0	**84,872,736**	**(250,000)**	301,255,008
22-Jul-07	262,379,714	-	262,379,714	177,190,561	58,158,153	27,031,000	0	**85,189,153**	**(250,000)**	300,387,295
23-Jul-07	261,762,001	-	261,762,001	176,256,431	58,474,570	27,031,000	0	**85,505,570**	**(250,000)**	299,519,582
24-Jul-07	262,070,288	-	262,070,288	179,246,301	58,790,987	24,033,000	0	**82,823,987**	**(250,000)**	299,577,870
25-Jul-07	429,441,575	-	429,441,575	286,298,172	59,107,404	12,036,000	72,000,000	**143,143,404**	**(250,000)**	466,699,157
26-Jul-07	422,222,862	-	422,222,862	303,763,042	59,423,820	12,036,000	47,000,000	**118,459,820**	**(250,000)**	459,230,444
27-Jul-07	417,868,150	-	417,868,150	299,091,913	59,740,237	12,036,000	47,000,000	**118,776,237**	**(250,000)**	454,625,731
28-Jul-07	417,256,437	-	417,256,437	298,163,783	60,056,654	12,036,000	47,000,000	**119,092,654**	**(250,000)**	453,764,019
29-Jul-07	416,638,724	-	416,638,724	297,229,653	60,373,071	12,036,000	47,000,000	**119,409,071**	**(250,000)**	452,896,306
30-Jul-07	416,021,011	-	416,021,011	296,295,524	60,689,488	12,036,000	47,000,000	**119,725,488**	**(250,000)**	452,028,593
31-Jul-07	**346,972,299**	-	346,972,299	**239,590,394**	**61,005,904**	46,376,000	0	**107,381,904**	**(250,000)**	382,729,880
1-Aug-07	349,802,089	-	349,802,089	243,515,231	59,910,858	46,376,000	0	**106,286,858**	**(250,000)**	385,309,670
2-Aug-07	344,410,879	-	344,410,879	239,219,067	58,815,812	46,376,000	0	**105,191,812**	**(250,000)**	379,668,461
3-Aug-07	319,660,669	-	319,660,669	231,863,903	57,720,766	30,076,000	0	**87,796,766**	**(250,000)**	354,668,251
4-Aug-07	321,083,460	-	321,083,460	234,381,740	56,625,720	30,076,000	0	**86,701,720**	**(250,000)**	355,841,041
5-Aug-07	318,890,250	-	318,890,250	240,448,576	55,530,674	22,911,000	0	**78,441,674**	**(250,000)**	353,397,832
6-Aug-07	317,284,040	-	317,284,040	242,132,413	54,435,628	20,716,000	0	**75,151,628**	**(250,000)**	351,541,622
7-Aug-07	313,872,831	-	313,872,831	243,816,249	53,340,582	16,716,000	0	**70,056,582**	**(250,000)**	347,880,412
8-Aug-07	307,798,621	-	307,798,621	238,837,086	52,245,535	16,716,000	0	**68,961,535**	**(250,000)**	341,556,203
9-Aug-07	301,931,411	-	301,931,411	234,064,922	51,150,489	16,716,000	0	**67,866,489**	**(250,000)**	335,438,993
10-Aug-07	295,002,202	-	295,002,202	229,682,758	50,055,443	15,264,000	0	**65,319,443**	**(250,000)**	328,259,783
11-Aug-07	280,604,992	-	280,604,992	225,611,595	48,960,397	6,033,000	0	**54,993,397**	**(250,000)**	313,612,574
12-Aug-07	272,369,782	-	272,369,782	220,471,431	47,865,351	4,033,000	0	**51,898,351**	**(250,000)**	305,127,364
13-Aug-07	272,925,573	-	272,925,573	222,155,268	46,770,305	4,000,000	0	**50,770,305**	**(250,000)**	305,433,154
14-Aug-07	273,514,363	-	273,514,363	223,839,104	45,675,259	4,000,000	0	**49,675,259**	**(250,000)**	305,771,944
15-Aug-07	276,403,153	-	276,403,153	227,822,941	44,580,213	4,000,000	0	**48,580,213**	**(250,000)**	308,410,735
16-Aug-07	269,085,943	-	269,085,943	221,600,777	43,485,167	4,000,000	0	**47,485,167**	**(250,000)**	300,843,525
17-Aug-07	262,819,734	-	262,819,734	216,429,613	42,390,120	4,000,000	0	**46,390,120**	**(250,000)**	294,327,315
18-Aug-07	263,956,524	-	263,956,524	218,661,450	41,295,074	4,000,000	0	**45,295,074**	**(250,000)**	295,214,106
19-Aug-07	262,713,314	-	262,713,314	218,513,286	40,200,028	4,000,000	0	**44,200,028**	**(250,000)**	293,720,896
20-Aug-07	263,302,105	-	263,302,105	220,197,123	39,104,982	4,000,000	0	**43,104,982**	**(250,000)**	294,059,686
21-Aug-07	263,890,895	-	263,890,895	221,880,959	38,009,936	4,000,000	0	**42,009,936**	**(250,000)**	294,398,477
22-Aug-07	263,440,685	-	263,440,685	222,525,795	36,914,890	4,000,000	0	**40,914,890**	**(250,000)**	293,698,267
23-Aug-07	259,793,476	-	259,793,476	219,973,632	35,819,844	4,000,000	0	**39,819,844**	**(250,000)**	289,801,057

FY 2007 & 200 ST Debt / (Investment)

	Consolidated			UTILITY BAL	Subsidiary Interco Acct	AEH / AEC NOTE	AEM External	TOTAL NON-REG		
Date	Short Term Debt Outstanding	UTILITY Investments Outstanding	Net S. T. Debt/(Invest) Outstanding	DAILY BALANCE	END BAL (EXCL APT & AEH/AEC NOTE		Principal Oustanding		Adj. to achieve CASH FLOW target	2008 Daily STD projection
24-Aug-07	255,200,266	-	255,200,266	216,475,468	34,724,798	4,000,000	0	38,724,798	(250,000)	284,957,848
25-Aug-07	309,032,056	-	309,032,056	132,252,305	33,629,752	71,150,000	72,000,000	176,779,752	(250,000)	338,539,638
26-Aug-07	288,979,847	-	288,979,847	151,445,141	32,534,705	58,000,000	47,000,000	137,534,705	(250,000)	318,237,428
27-Aug-07	289,568,637	-	289,568,637	153,128,978	31,439,659	58,000,000	47,000,000	136,439,659	(250,000)	318,576,219
28-Aug-07	290,157,427	-	290,157,427	154,812,814	30,344,613	58,000,000	47,000,000	135,344,613	(250,000)	318,915,009
29-Aug-07	299,259,217	-	299,259,217	164,959,650	29,249,567	58,050,000	47,000,000	134,299,567	(250,000)	327,766,799
30-Aug-07	291,151,008	-	291,151,008	157,946,487	28,154,521	58,050,000	47,000,000	133,204,521	(250,000)	319,408,589
31-Aug-07	**279,648,798**	-	279,648,798	**200,339,323**	**27,059,475**	52,250,000	0	79,309,475	(250,000)	307,656,380
1-Sep-07	278,149,281	-	278,149,281	208,103,305	27,695,976	42,350,000	0	70,045,976	(250,000)	305,906,863
2-Sep-07	276,024,765	-	276,024,765	205,342,287	28,332,478	42,350,000	0	70,682,478	(250,000)	303,532,346
3-Sep-07	273,750,248	-	273,750,248	202,431,269	28,968,979	42,350,000	0	71,318,979	(250,000)	301,007,829
4-Sep-07	271,475,731	-	271,475,731	199,520,250	29,605,481	42,350,000	0	71,955,481	(250,000)	298,483,313
5-Sep-07	269,201,214	-	269,201,214	196,609,232	30,241,982	42,350,000	0	72,591,982	(250,000)	295,958,796
6-Sep-07	263,146,697	-	263,146,697	189,918,214	30,878,484	42,350,000	0	73,228,484	(250,000)	289,654,279
7-Sep-07	252,973,181	-	252,973,181	184,108,196	31,514,985	37,350,000	0	68,864,985	(250,000)	279,230,762
8-Sep-07	245,375,664	-	245,375,664	179,874,177	32,151,486	33,350,000	0	65,501,486	(250,000)	271,383,246
9-Sep-07	261,327,147	-	261,327,147	202,189,159	32,787,988	26,350,000	0	59,137,988	(250,000)	287,084,729
10-Sep-07	259,052,630	-	259,052,630	199,278,141	33,424,489	26,350,000	0	59,774,489	(250,000)	284,560,212
11-Sep-07	256,778,114	-	256,778,114	196,367,123	34,060,991	26,350,000	0	60,410,991	(250,000)	282,035,695
12-Sep-07	247,222,597	-	247,222,597	190,175,104	34,697,492	22,350,000	0	57,047,492	(250,000)	272,230,178
13-Sep-07	238,533,080	-	238,533,080	183,899,086	35,333,994	19,300,000	0	54,633,994	(250,000)	263,290,662
14-Sep-07	229,853,563	-	229,853,563	178,533,068	35,970,495	15,350,000	0	51,320,495	(250,000)	254,361,145
15-Sep-07	252,657,046	-	252,657,046	200,580,050	36,606,997	15,470,000	0	52,076,997	(250,000)	276,914,628
16-Sep-07	250,549,530	-	250,549,530	197,761,032	37,243,498	15,545,000	0	52,788,498	(250,000)	274,557,111
17-Sep-07	248,275,013	-	248,275,013	194,850,013	37,880,000	15,545,000	0	53,425,000	(250,000)	272,032,595
18-Sep-07	246,000,496	-	246,000,496	191,938,995	38,516,501	15,545,000	0	54,061,501	(250,000)	269,508,078
19-Sep-07	241,820,979	-	241,820,979	187,122,977	39,153,002	15,545,000	0	54,698,002	(250,000)	265,078,561
20-Sep-07	237,176,463	-	237,176,463	169,941,959	39,789,504	27,445,000	0	67,234,504	(250,000)	260,184,044
21-Sep-07	229,702,946	-	229,702,946	163,831,940	40,426,005	25,445,000	0	65,871,005	(250,000)	252,460,527
22-Sep-07	224,380,429	-	224,380,429	157,872,922	41,062,507	25,445,000	0	66,507,507	(250,000)	246,888,011
23-Sep-07	221,939,912	-	221,939,912	154,795,904	41,699,008	25,445,000	0	67,144,008	(250,000)	244,197,494
24-Sep-07	219,665,395	-	219,665,395	151,884,886	42,335,510	25,445,000	0	67,780,510	(250,000)	241,672,977
25-Sep-07	289,390,879	-	289,390,879	148,973,867	42,972,011	25,445,000	72,000,000	140,417,011	(250,000)	311,148,460
26-Sep-07	338,408,362	-	338,408,362	143,904,849	43,608,513	78,895,000	72,000,000	194,503,513	(250,000)	359,915,944
27-Sep-07	342,230,845	-	342,230,845	193,440,831	44,245,014	32,545,000	72,000,000	148,790,014	(250,000)	363,488,427
28-Sep-07	346,395,328	-	346,395,328	195,943,813	44,881,516	33,570,000	72,000,000	150,451,516	(250,000)	367,402,910
29-Sep-07	348,368,812	-	348,368,812	190,130,795	45,518,017	40,720,000	72,000,000	158,238,017	(250,000)	369,126,393
30-Sep-07	**398,386,295**	-	398,386,295	**211,911,776**	**46,154,518**	55,320,000	85,000,000	186,474,518	(250,000)	418,893,876
AVG BALANCE	**258,122,897**	0	**258,122,897**	**185,225,947**	**17,816,527**	**39,984,532**	**15,095,890**	72,896,949		**324,130,478**
CASH FLOW:	**(111,757,582)**	0	**(111,757,582)**	**(28,175,943)**	**(52,581,638)**	**(4,000,000)**	**(27,000,000)**	**(83,581,638)**	91,250,000	**(20,507,582)**
						4,000,000	**27,000,000**			

ADJUSTMTS

FY 2007 & 200 ST Debt / (Investment)

Date	Consolidated: Short Term Debt Outstanding	Consolidated: UTILITY Investments Outstanding	Consolidated: Net S. T. Debt/(Invest) Outstanding	UTILITY BAL: DAILY BALANCE	Subsidiary Interco Acct: END BAL (EXCL APT & AEH/AEC NOTE	AEH / AEC NOTE	AEM External: Principal Oustanding	TOTAL NON-REG	Adj. to achieve CASH FLOW target	2008 Daily STD projection

	FY 2006 CONSOLIDATED STD AVG BAL	FY 2006 CONSOLIDATED STD END BAL	FY 2007 CONSOLIDATED STD AVG BAL	FY 2007 CONSOLIDATED STD END BAL	FY 2008 CONSOLIDATED STD AVG BAL	FY 2008 CONSOLIDATED STD END BAL
sep		144,875,000		286,628,713		398,386,295
oct	156,300,161	292,500,000	210,199,657	298,472,009	317,957,239	402,479,590
nov	236,930,933	346,225,000	271,578,039	316,228,139	371,710,621	412,735,721
dec	303,849,194	474,450,000	314,500,420	394,027,059	407,008,001	482,784,641
jan	268,228,226	460,275,000	286,112,472	437,737,933	370,870,054	518,745,514
feb	186,207,821	466,900,000	210,569,020	289,233,339	287,951,602	363,240,920
mar	186,226,613	262,475,000	226,496,637	303,136,410	296,504,219	369,393,992
apr	148,120,000	251,875,000	221,408,483	277,901,517	283,791,065	336,659,099
may	167,400,000	222,350,000	233,400,179	256,633,887	288,157,760	307,641,469
jun	179,760,000	297,550,000	249,655,837	304,978,649	296,788,419	348,486,230
jul	250,205,645	298,225,000	310,061,184	346,972,299	349,568,766	382,729,880
aug	188,077,795	186,634,798	289,598,524	279,648,798	321,356,106	307,656,380
sep	174,458,904	286,628,713	268,607,088	398,386,295	292,739,670	418,893,876
	203,813,774	**306,997,193**	**257,682,295**	**322,306,542**	**323,700,293**	**388,448,739**

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 35
Witness: Don Murry

Data Request:

Refer to the Direct Testimony of Donald A. Murry ("Murry Testimony"). Provide all schedules in electronic format (Excel) with formulas intact.

Response:

Please see the attached spreadsheet labeled Case 2006-00464 KPSC DR2-35 ATT2.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 36
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, page 14, and Schedule DAM-5. Provide a schedule showing Atmos's capital structure when all long-term and short-term debt is included in the calculation.

Response:

Please see filing Schedule J-1, "Cost of Capital Summary, Thirteen Month Average as of June 30, 2008", attached as a REVISED schedule in response to AG Data Request 1-1.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 38
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, page 16, and Schedule DAM-8. Provide an update to the schedule that also calculates the cost of any short-term debt held by Atmos.

Response:

Please refer to REVISED Exhibit LMS-3 as attached to AG 1-1.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 39
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, page 18, lines 1 through 14, pages 19 and 20, and Schedules DAM-9, DAM-11, and DAM-12.

a. Provide documentation supporting the implied contention that Atmos's relatively weak performance / standing relative to the comparison companies is attributable to a lack of performance in its utility gas distribution operations.

b. Value Line company profile discussions are typically put together by a single analyst, whereas other financial reporting businesses publish average or consensus forecasts obtained from multiple analysts. Provide updates to Schedules DAM-9, DAM-11, and DAM-12 using data obtained from financial information providers such as Reuters and Zacks.

Response:

a. Please refer to Dr. Murry's testimony page 20, lines 4 through 15 and Schedule DAM-11 showing Atmos' net income is less than the comparable gas distribution utilities. Please refer to the response to AG 37.b. which demonstrates the preponderance of Atmos' operating revenues are from the regulated gas distribution business. Also, as reported in the most recent 10-K annual reports, Atmos non-regulated operations have higher net income as a percent of revenue than its regulated utility operations. Additionally, Atmos' non-regulated businesses perform relatively favorably to the non-regulated businesses of these same comparable companies. Therefore, the relatively low common stock returns of Atmos almost certainly derive from its regulated gas distribution business. Please see the following table.

Atmos	Utility	Marketing	Pipeline & Storage	Non-utility
Rev.	$3,649,851	$2,481,856	$81,857	$1,799
Net Inc.	53,002	37,757	19,457	545
Percent	1.45%	1.56%	23.77%	30.30%

AGL	Distribution	Retail Energy	Energy Investments
Rev.	$1,624	$930	$41
EBIT	310	63	10
Percent	19.09%	6.77%	24.39%

NJ Res.	Nat. Gas Distribution	Energy Services	Retail & Other
Rev.	$1,138,774	$2,133,540	$27,568
Net Inc.	46,870	28,113	3,536
Percent	4.12%	1.32%	12.83%

NICOR	Gas Distribution	Storage	Other Energy Services
Rev.	$2,452.3	$398.3	$215.9
Oper. Inc.	123.9	47.5	26.6
Percent	5.05%	11.93%	12.32%

NW Nat.	Utility	Storage
Rev.	$1,000,188	$12,984
Net Inc.	56,653	5,982
Percent	5.66%	46.02%

Piedmont	Utility
Rev.	$1,924,628
EBIT	130,730
Percent	6.79%

Southwest	Natural Gas	Construction Services
Rev.	$1,727,394	$297,364
Net Inc.	71,473	12,387
Percent	4.14%	4.17%

WGL Hldgs	Regulated Utility	Non-Utility
Rev.	$1,637,491	$1,001,596
Net Inc.	84,599	13,765
Percent	5.17%	1.38%

b. The data in the referenced schedules is historical and not forecasted data. Therefore, there are no average or consensus forecasts to obtain from Reuters or Zacks to update the referenced schedules.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 40
Witness: Don Murry

Data Request:

Atmos has been pursuing a business strategy of growth through acquiring other gas distribution and gas pipeline companies over the years. Provide an explanation of whether this strategy could affect Atmos's position relative to the comparison companies in Schedules DAM-9, DAM-11, and DAM-12.

Response:

Please see Murry Direct Testimony, page 14, lines 13-19. The level of temporary debt increase associated with acquisitions probably influenced Atmos' cited, relative bond and credit ratings. However, Atmos has greater leverage, lower common stock equity and higher financial risk, but still lower realized returns on common equity than the comparable gas distribution utilities.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 41
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, pages 18 and 19. Is Dr. Murry aware that Atmos's Kentucky Division currently operates under a gas purchasing incentive plan, has weather normalized rates and earns the majority of profits from the customer charge and not through its gas cost adjustment? Provide a detailed explanation of why each of these items would not serve to lower Atmos's risk.

Response:

A gas purchase incentive plan and rate designs that provide stable revenues over time do not necessarily decrease the risk to investors because they do not lower the anticipated level of returns. For example, weather normalization plans decrease the higher revenues and at the same time increase the lower revenues expected. As these provisions are common in the gas distribution sector, many investors are familiar with their existence.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 42
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, page 32. Explain why an investor would prefer to use 52-week high and low stock prices in the Discounted Cash Flow calculations rather than more recent data.

Response:

Many investors follow research services, such are Reuters and Zack's, that report 52-Week market price ranges. Value Line lists annual highs and lows as well. An annual range of prices is consistent with the expectations of many investors.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 43
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, Schedules DAM-18 through DAM-21. Provide updated Schedules using the most current dividends per share and earnings figures, as opposed to the 2000-2002 figures, as the base for calculating the Growth Rate column.

Response:

Please see the attachment labeled Case 2006-00464 KPSC DR2-43 ATT1.

Atmos Energy Corporation

Response to Staff Data Request 2-43

Dividend Growth Rate DCF Using 52-Week Share Prices

	Share Prices		2007	52 Week Yields		2006	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	DPS	DPS	Rate	Low	High
Atmos Energy Corp.	25.55	33.09	1.28	3.87%	5.01%	1.26	1.35	1.74%	5.61%	6.75%
AGL Resources	33.74	40.00	1.58	3.95%	4.68%	1.50	1.75	3.93%	7.88%	8.61%
New Jersey Resources	41.49	53.16	1.52	2.86%	3.66%	1.44	1.70	4.24%	7.10%	7.90%
NICOR, Inc.	38.72	49.92	1.90	3.81%	4.91%	1.86	2.00	1.83%	5.64%	6.74%
Northwest Natural Gas	32.83	42.15	1.43	3.39%	4.36%	1.39	1.70	5.16%	8.55%	9.52%
Piedmont Natural Gas	23.21	28.38	1.00	3.52%	4.31%	0.96	1.17	5.07%	8.59%	9.38%
Southwest Gas	26.04	38.96	0.82	2.10%	3.15%	0.82	0.82	0.00%	2.10%	3.15%
WGL Holdings, Inc.	27.04	33.55	1.38	4.11%	5.10%	1.35	1.48	2.33%	6.44%	7.43%
Comparable Companies' Averages	31.87	40.87	1.38	3.39%	4.31%	1.33	1.52	3.22%	6.61%	7.53%

Sources:
Value Line Investment Survey
Wall Street Journal

Atmos Energy Corporation

Response to Staff Data Request 2-43

Dividend Growth Rate DCF Using Current Share Prices

	Share Prices		Current	Current Yields		2006	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	DPS	DPS	Rate	Low	High
Atmos Energy Corp.	32.20	32.59	1.28	3.93%	3.98%	1.26	1.35	1.74%	5.67%	5.72%
AGL Resources	38.47	39.00	1.58	4.05%	4.11%	1.50	1.75	3.93%	7.98%	8.04%
New Jersey Resources	51.32	51.94	1.52	2.93%	2.96%	1.44	1.70	4.24%	7.16%	7.20%
NICOR, Inc.	48.92	49.53	1.90	3.84%	3.88%	1.86	2.00	1.83%	5.67%	5.71%
Northwest Natural Gas	40.68	41.35	1.43	3.46%	3.51%	1.39	1.70	5.16%	8.62%	8.68%
Piedmont Natural Gas	27.59	28.06	1.00	3.56%	3.62%	0.96	1.17	5.07%	8.63%	8.69%
Southwest Gas	37.38	38.04	0.82	2.16%	2.19%	0.82	0.82	0.00%	2.16%	2.19%
WGL Holdings, Inc.	32.82	33.29	1.38	4.15%	4.20%	1.35	1.48	2.33%	6.47%	6.53%
Comparable Companies' Averages	39.60	40.17	1.38	3.45%	3.50%	1.33	1.52	3.22%	6.67%	6.72%

Sources:
Value Line Investment Survey
Yahoo! FINANCE

Atmos Energy Corporation

Response to Staff Data Request 2-43

Earnings Growth Rate DCF Using 52-Week Share Prices

	Share Prices		2006	52 Week Yields		2006	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	EPS	EPS	Rate	Low	High
Atmos Energy Corp.	25.55	33.09	1.28	3.87%	5.01%	2.00	2.45	5.20%	9.07%	10.21%
AGL Resources	33.74	40.00	1.58	3.95%	4.68%	2.65	2.90	2.28%	6.23%	6.96%
New Jersey Resources	41.49	53.16	1.52	2.86%	3.66%	2.80	3.35	4.59%	7.44%	8.25%
NICOR, Inc.	38.72	49.92	1.90	3.81%	4.91%	2.70	2.80	0.91%	4.72%	5.82%
Northwest Natural Gas	32.83	42.15	1.43	3.39%	4.36%	2.25	2.85	6.09%	9.48%	10.44%
Piedmont Natural Gas	23.21	28.38	1.00	3.52%	4.31%	1.30	1.75	7.71%	11.24%	12.02%
Southwest Gas	26.04	38.96	0.82	2.10%	3.15%	1.95	2.35	4.78%	6.88%	7.92%
WGL Holdings, Inc.	27.04	33.55	1.38	4.11%	5.10%	1.90	2.35	5.46%	9.57%	10.56%
Comparable Companies' Averages	31.87	40.87	1.38	3.39%	4.31%	2.22	2.62	4.54%	7.94%	8.85%
Comparable Companies' Averages without NICOR Inc.									8.47%	9.36%

Sources:
Value Line Investment Survey
Wall Street Journal

Atmos Energy Corporation

Response to Staff Data Request 2-43

Earnings Growth Rate DCF Using Current Share Prices

	Share Prices		Current	Current Yields		2006	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	EPS	EPS	Rate	Low	High
Atmos Energy Corp.	32.20	32.59	1.28	3.93%	3.98%	2.00	2.45	5.20%	9.13%	9.18%
AGL Resources	38.47	39.00	1.58	4.05%	4.11%	2.65	2.90	2.28%	6.33%	6.39%
New Jersey Resources	51.32	51.94	1.52	2.93%	2.96%	2.80	3.35	4.59%	7.51%	7.55%
NICOR, Inc.	48.92	49.53	1.90	3.84%	3.88%	2.70	2.80	0.91%	4.75%	4.80%
Northwest Natural Gas	40.68	41.35	1.43	3.46%	3.51%	2.25	2.85	6.09%	9.55%	9.60%
Piedmont Natural Gas	27.59	28.06	1.00	3.56%	3.62%	1.30	1.75	7.71%	11.28%	11.34%
Southwest Gas	37.38	38.04	0.82	2.16%	2.19%	1.95	2.35	4.78%	6.93%	6.97%
WGL Holdings, Inc.	32.82	33.29	1.38	4.15%	4.20%	1.90	2.35	5.46%	9.60%	9.66%
Comparable Companies' Averages	39.60	40.17	1.38	3.45%	3.50%	2.22	2.62	4.54%	7.99%	8.04%
Comparable Companies' Averages without NICOR Inc.									8.53%	8.58%

Sources:
Value Line Investment Survey
Yahoo! FINANCE

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 44
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, pages 13, 14, and 35.

a. Provide a detailed explanation of why Dr. Murry selected companies that are similar to Atmos as a comparison group, having excluded companies that have market capitalizations of less than $1 billion and still argues that a small company adjustment is necessary in his Capital Asset Pricing Model ("CAPM") analysis.

b. Provide updates to Schedules DAM-18 through DAM-25 in electronic format (Excel) including smaller natural gas distribution companies (listed in Value Line), i.e., those with less than $1 billion.

Response:

a. Please refer to Murry Direct Testimony (page 35, line 7 through page 37, line 21) for an explanation of the CAPM's bias in its empirical application regarding an underestimate of the returns of companies with smaller market capitalizations. Please see the documentation provided in response to KPSC DR 2-45. The adjustment reported in Schedule DAM-24 is the one recommended by Ibbotson Associates for the respectively sized companies in that schedule.

b. Please see the attached spreadsheet labeled Case 2006-00464 KPSC DR2-44b.

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Discounted Cash Flow Growth Rate Summary

	Value Line 2001 TO 2010 Estimate			Value Line Five Year Historical			Projections Value Line		S & P
	EPS	DPS	Book Value	EPS	DPS	Book Value	EPS	DPS	EPS
Atmos Energy Corp.	7.38%	1.70%	6.70%	6.5%	2.0%	8.5%	7.0%	2.0%	6.0%
AGL Resources	7.52%	5.51%	8.38%	13.5%	2.0%	8.5%	4.5%	6.5%	4.0%
Laclede Group	6.77%	1.26%	6.22%	4.5%	0.5%	2.5%	5.0%	2.0%	NA
New Jersey Resources	6.06%	4.21%	6.72%	8.5%	3.0%	7.0%	4.5%	4.5%	5.0%
NICOR, Inc.	-0.55%	1.59%	3.27%	-3.5%	3.5%	1.5%	4.0%	1.5%	4.0%
Northwest Natural Gas	5.48%	3.48%	3.68%	5.0%	1.0%	3.5%	7.0%	4.0%	5.0%
Piedmont Natural Gas	6.53%	4.91%	4.47%	5.0%	5.0%	6.5%	6.0%	5.5%	4.0%
South Jersey Industries	8.26%	5.02%	8.76%	11.5%	2.5%	13.0%	7.0%	6.0%	6.0%
Southwest Gas	7.50%	0.00%	3.68%	-0.5%	0.0%	3.0%	9.0%	0.0%	3.0%
WGL Holdings, Inc.	4.34%	1.83%	3.31%	6.0%	1.5%	3.0%	1.5%	2.0%	3.0%
Comparable Companies' Averages	5.77%	3.09%	5.39%	5.56%	2.11%	5.39%	5.39%	3.56%	4.25%

Sources:
Value Line Investment Survey
Standard & Poor's Earnings Guide

Note: Standard & Poor's had no forecast for Laclede Group in December 2006

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Dividend Growth Rate DCF Using 52-Week Share Prices

	Share Prices		2006	52 Week Yields		2000-02	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	DPS	DPS	Rate	Low	High
Atmos Energy Corp.	25.55	33.09	1.28	3.87%	5.01%	1.16	1.35	1.70%	5.57%	6.71%
AGL Resources	33.74	40.00	1.58	3.95%	4.68%	1.08	1.75	5.51%	9.46%	10.19%
Laclede Group	28.89	37.51	1.43	3.81%	4.95%	1.34	1.50	1.26%	5.07%	6.21%
New Jersey Resources	41.49	53.16	1.50	2.82%	3.62%	1.17	1.70	4.21%	7.03%	7.82%
NICOR, Inc.	38.72	49.92	1.92	3.85%	4.96%	1.75	2.02	1.59%	5.43%	6.54%
Northwest Natural Gas	32.83	42.15	1.42	3.37%	4.33%	1.25	1.70	3.48%	6.84%	7.80%
Piedmont Natural Gas	23.21	28.38	1.00	3.52%	4.31%	0.76	1.17	4.91%	8.43%	9.22%
South Jersey Industries	25.63	34.26	0.96	2.80%	3.75%	0.74	1.15	5.02%	7.82%	8.77%
Southwest Gas	26.04	38.96	0.82	2.10%	3.15%	0.82	0.82	0.00%	2.10%	3.15%
WGL Holdings, Inc.	27.04	33.55	1.38	4.11%	5.10%	1.26	1.48	1.83%	5.95%	6.94%
Comparable Companies' Averages	30.84	39.77	1.33	3.37%	4.32%	1.13	1.48	3.09%	6.46%	7.40%

Sources:
Value Line Investment Survey
Wall Street Journal

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Dividend Growth Rate DCF Using Current Share Prices

	Share Prices		Current	Current Yields		2000-02	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	DPS	DPS	Rate	Low	High
Atmos Energy Corp.	32.20	32.59	1.28	3.93%	3.98%	1.16	1.35	1.70%	5.63%	5.68%
AGL Resources	38.47	39.00	1.58	4.05%	4.11%	1.08	1.75	5.51%	9.56%	9.62%
Laclede Group	36.06	36.61	1.43	3.91%	3.97%	1.34	1.50	1.26%	5.17%	5.23%
New Jersey Resources	51.32	51.94	1.50	2.89%	2.92%	1.17	1.70	4.21%	7.09%	7.13%
NICOR, Inc.	48.92	49.53	1.92	3.88%	3.92%	1.75	2.02	1.59%	5.46%	5.51%
Northwest Natural Gas	40.68	41.35	1.42	3.43%	3.49%	1.25	1.70	3.48%	6.91%	6.97%
Piedmont Natural Gas	27.59	28.06	1.00	3.56%	3.62%	0.76	1.17	4.91%	8.47%	8.54%
South Jersey Industries	32.91	33.49	0.96	2.87%	2.92%	0.74	1.15	5.02%	7.89%	7.94%
Southwest Gas	37.38	38.04	0.82	2.16%	2.19%	0.82	0.82	0.00%	2.16%	2.19%
WGL Holdings, Inc.	32.82	33.29	1.38	4.15%	4.20%	1.26	1.48	1.83%	5.98%	6.04%
Comparable Companies' Averages	38.46	39.03	1.33	3.43%	3.48%	1.13	1.48	3.09%	6.52%	6.57%

Sources:
Value Line Investment Survey
Yahoo! FINANCE

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Earnings Growth Rate DCF Using 52-Week Share Prices

	Share Prices		2006	52 Week Yields		2000-02	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	EPS	EPS	Rate	Low	High
Atmos Energy Corp.	25.55	33.09	1.28	3.87%	5.01%	1.32	2.50	7.38%	11.25%	12.39%
AGL Resources	33.74	40.00	1.58	3.95%	4.68%	1.54	2.95	7.52%	11.47%	12.20%
Laclede Group	28.89	37.51	1.43	3.81%	4.95%	1.39	2.50	6.77%	10.58%	11.72%
New Jersey Resources	41.49	53.16	1.50	2.82%	3.62%	1.94	3.30	6.06%	8.88%	9.68%
NICOR, Inc.	38.72	49.92	1.92	3.85%	4.96%	2.94	2.80	-0.55%	3.29%	4.41%
Northwest Natural Gas	32.83	42.15	1.42	3.37%	4.33%	1.76	2.85	5.48%	8.85%	9.80%
Piedmont Natural Gas	23.21	28.38	1.00	3.52%	4.31%	0.99	1.75	6.53%	10.06%	10.84%
South Jersey Industries	25.63	34.26	0.96	2.80%	3.75%	1.15	2.35	8.26%	11.07%	12.01%
Southwest Gas	26.04	38.96	0.82	2.10%	3.15%	1.17	2.25	7.50%	9.61%	10.65%
WGL Holdings, Inc.	27.04	33.55	1.38	4.11%	5.10%	1.60	2.35	4.34%	8.45%	9.44%
Comparable Companies' Averages	30.84	39.77	1.33	3.37%	4.32%	1.61	2.57	5.77%	9.14%	10.08%
Comparable Companies' Averages without NICOR Inc.									9.87%	10.79%

Sources:
Value Line Investment Survey
Wall Street Journal

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Earnings Growth Rate DCF Using Current Share Prices

	Share Prices		Current	Current Yields		2000-02	2009-11E	Growth	Cost of Capital	
	Low	High	Dividend	Low	High	EPS	EPS	Rate	Low	High
Atmos Energy Corp.	32.20	32.59	1.28	3.93%	3.98%	1.32	2.50	7.38%	11.31%	11.36%
AGL Resources	38.47	39.00	1.58	4.05%	4.11%	1.54	2.95	7.52%	11.57%	11.62%
Laclede Group	36.06	36.61	1.43	3.91%	3.97%	1.39	2.50	6.77%	10.67%	10.73%
New Jersey Resources	51.32	51.94	1.50	2.89%	2.92%	1.94	3.30	6.06%	8.95%	8.98%
NICOR, Inc.	48.92	49.53	1.92	3.88%	3.92%	2.94	2.80	-0.55%	3.32%	3.37%
Northwest Natural Gas	40.68	41.35	1.42	3.43%	3.49%	1.76	2.85	5.48%	8.91%	8.97%
Piedmont Natural Gas	27.59	28.06	1.00	3.56%	3.62%	0.99	1.75	6.53%	10.10%	10.16%
South Jersey Industries	32.91	33.49	0.96	2.87%	2.92%	1.15	2.35	8.26%	11.13%	11.18%
Southwest Gas	37.38	38.04	0.82	2.16%	2.19%	1.17	2.25	7.50%	9.66%	9.70%
WGL Holdings, Inc.	32.82	33.29	1.38	4.15%	4.20%	1.60	2.35	4.34%	8.48%	8.54%
Comparable Companies' Averages	38.46	39.03	1.33	3.43%	3.48%	1.61	2.57	5.77%	9.20%	9.25%
Comparable Companies' Averages without NICOR Inc.									9.93%	9.99%

Sources:
Value Line Investment Survey
Yahoo! FINANCE

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Projected Growth Rate DCF Using 52-Week Share Prices

	Share Prices		2006	52 Week Yields		EPS Estimates		Cost of Capital	
	Low	High	Dividend	Low	High	Value Line	S&P	Low	High
Atmos Energy Corp.	25.55	33.09	1.28	3.87%	5.01%	7.00%	6.00%	10.87%	12.01%
AGL Resources	33.74	40.00	1.58	3.95%	4.68%	4.50%	4.00%	7.95%	9.18%
Laclede Group	28.89	37.51	1.43	3.81%	4.95%	5.00%	NA	8.81%	9.95%
New Jersey Resources	41.49	53.16	1.50	2.82%	3.62%	4.50%	5.00%	7.32%	8.62%
NICOR, Inc.	38.72	49.92	1.92	3.85%	4.96%	4.00%	4.00%	7.85%	8.96%
Northwest Natural Gas	32.83	42.15	1.42	3.37%	4.33%	7.00%	5.00%	8.37%	11.33%
Piedmont Natural Gas	23.21	28.38	1.00	3.52%	4.31%	6.00%	4.00%	7.52%	10.31%
South Jersey Industries	25.63	34.26	0.96	2.80%	3.75%	7.00%	6.00%	8.80%	10.75%
Southwest Gas	26.04	38.96	0.82	2.10%	3.15%	9.00%	3.00%	5.10%	12.15%
WGL Holdings, Inc.	27.04	33.55	1.38	4.11%	5.10%	1.50%	3.00%	5.61%	8.10%
Comparable Companies' Averages	30.84	39.77	1.33	3.37%	4.32%	5.39%	4.25%	7.48%	9.93%

Sources:
Value Line Investment Survey
Wall Street Journal
Standard & Poor's Earnings Guide

Atmos Energy Corporation

Response to KPSC Staff 2-44b

Projected Growth Rate DCF Using Current Share Prices

	Share Prices		Current	Current Yields		EPS Estimates		Cost of Capital	
	Low	High	Dividend	Low	High	Value Line	S&P	Low	High
Atmos Energy Corp.	32.20	32.59	1.28	3.93%	3.98%	7.00%	6.00%	10.93%	10.98%
AGL Resources	38.47	39.00	1.58	4.05%	4.11%	4.50%	4.00%	8.05%	8.61%
Laclede Group	36.06	36.61	1.43	3.91%	3.97%	5.00%	NA	8.91%	8.97%
New Jersey Resources	51.32	51.94	1.50	2.89%	2.92%	4.50%	5.00%	7.39%	7.92%
NICOR, Inc.	48.92	49.53	1.92	3.88%	3.92%	4.00%	4.00%	7.88%	7.92%
Northwest Natural Gas	40.68	41.35	1.42	3.43%	3.49%	7.00%	5.00%	8.43%	10.49%
Piedmont Natural Gas	27.59	28.06	1.00	3.56%	3.62%	6.00%	4.00%	7.56%	9.62%
South Jersey Industries	32.91	33.49	0.96	2.87%	2.92%	7.00%	6.00%	8.87%	9.92%
Southwest Gas	37.38	38.04	0.82	2.16%	2.19%	9.00%	3.00%	5.16%	11.19%
WGL Holdings, Inc.	32.82	33.29	1.38	4.15%	4.20%	1.50%	3.00%	5.65%	7.20%
Comparable Companies' Averages	38.46	39.03	1.33	3.43%	3.48%	5.39%	4.25%	7.54%	9.09%

Sources:
Value Line Investment Survey
Standard & Poor's Earnings Guide
Yahoo! FINANCE

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	52-Week High	52-Week Low	Current High	Current Low	2007 Dividend	2000	DIVIDENDS 2001	2002	2000-02
Atmos Energy Corp.	33.09	25.55	32.59	32.20	1.28	1.14	1.16	1.18	1.16
AGL Resources	40.00	33.74	39.00	38.47	1.58	1.08	1.08	1.08	1.08
Laclede Group	37.51	28.89	36.61	36.06	1.43	1.34	1.34	1.34	1.34
New Jersey Resources	53.16	41.49	51.94	51.32	1.50	1.15	1.17	1.20	1.17
NICOR, Inc.	49.92	38.72	49.53	48.92	1.92	1.66	1.76	1.84	1.75
Northwest Natural Gas	42.15	32.83	41.35	40.68	1.42	1.24	1.25	1.26	1.25
Piedmont Natural Gas	28.38	23.21	28.06	27.59	1.00	0.72	0.76	0.80	0.76
South Jersey Industries	34.26	25.63	33.49	32.91	0.96	0.73	0.74	0.75	0.74
Southwest Gas	38.96	26.04	38.04	37.38	0.82	0.82	0.82	0.82	0.82
WGL Holdings, Inc.	33.55	27.04	33.29	32.82	1.38	1.24	1.26	1.27	1.26
Comparable Companies' Averages	39.77	30.84	39.03	38.46	1.33	1.11	1.13	1.15	1.13

Sources : Value Line Investment Survey
9/15/2006
Wall Street Journal
12/7/2006

s Energy Corporation
se to KPSC Staff 2-44b
06 Cost of Capital

	----------			---------- EARNINGS ----------					
	2009-11E	01 to 10 GR	2000	2001	2002	2000-02	2009-11E	01 to 10 GR	2000
Atmos Energy Corp.	1.35	1.70%	1.03	1.47	1.45	1.32	2.50	7.38%	12.28
AGL Resources	1.75	5.51%	1.29	1.50	1.82	1.54	2.95	7.52%	11.50
Laclede Group	1.50	1.26%	1.37	1.61	1.18	1.39	2.50	6.77%	14.99
New Jersey Resources	1.70	4.21%	1.79	1.95	2.09	1.94	3.30	6.06%	12.43
NICOR, Inc.	2.02	1.59%	2.94	3.01	2.88	2.94	2.80	-0.55%	15.56
Northwest Natural Gas	1.70	3.48%	1.79	1.88	1.62	1.76	2.85	5.48%	17.93
Piedmont Natural Gas	1.17	4.91%	1.01	1.01	0.95	0.99	1.75	6.53%	8.26
South Jersey Industries	1.15	5.02%	1.08	1.15	1.22	1.15	2.35	8.26%	7.25
Southwest Gas	0.82	0.00%	1.21	1.15	1.16	1.17	2.25	7.50%	16.82
WGL Holdings, Inc.	1.48	1.83%	1.79	1.88	1.14	1.60	2.35	4.34%	15.31
Comparable Companies' Averages	1.48	3.09%	1.59	1.68	1.56	1.61	2.57	5.77%	13.34

Sources : Value Line Investment Survey
9/15/2006
Wall Street Journal
12/7/2006

	BOOK VALUE				
	2001	2002	2000-02	2009-11E	01 to 10 GR
Atmos Energy Corp.	14.31	13.75	13.45	24.10	6.70%
AGL Resources	12.19	12.52	12.07	24.90	8.38%
Laclede Group	15.26	15.07	15.11	26.00	6.22%
New Jersey Resources	13.20	13.06	12.90	23.15	6.72%
NICOR, Inc.	16.39	16.55	16.17	21.60	3.27%
Northwest Natural Gas	18.56	18.88	18.46	25.55	3.68%
Piedmont Natural Gas	8.63	8.91	8.60	12.75	4.47%
South Jersey Industries	7.81	9.67	8.24	17.55	8.76%
Southwest Gas	17.27	17.91	17.33	24.00	3.68%
WGL Holdings, Inc.	16.24	15.78	15.78	21.15	3.31%
Comparable Companies' Averages	13.95	14.26	13.85	21.85	5.39%

Sources : Value Line Investment Survey
9/15/2006
Wall Street Journal
12/7/2006

Yahoo Finance Share Prices
Atmos Energy Corporation

	Atmos Energy Corp.		AGL Resources		New Jersey Resources		NICOR, Inc.		Northwest Natural Gas	
Date	High	Low	High	Low	High	Low	High	Low	High	Low
27-Nov-06	32.51	31.96	37.73	37.18	51.86	50.8	49.02	48.08	40.17	39.12
28-Nov-06	32.09	31.9	37.88	37.32	51.5	50.96	48.84	48.21	40.17	39.38
29-Nov-06	32.63	32.15	38.58	37.88	51.78	51.23	49.53	48.74	40.96	40.23
30-Nov-06	32.78	32.48	38.83	38.32	51.8	51.35	49.92	49.1	41.27	40.85
1-Dec-06	32.75	32.32	38.61	38.11	51.76	51.06	49.58	48.76	41.43	40.8
4-Dec-06	32.86	32.44	39.33	38.65	51.86	51.4	49.8	49.46	41.9	40.98
5-Dec-06	32.85	32.73	39.72	39.12	52.54	51.89	49.83	49.5	42.15	41.55
6-Dec-06	32.87	32.57	39.82	39.55	52.14	51.69	49.69	49.38	41.95	41.47
7-Dec-06	32.7	31.91	39.93	39.4	52.08	51.52	49.62	49.11	41.83	41.37
8-Dec-06	31.9	31.5	39.55	39.21	52.05	51.28	49.46	48.9	41.69	41.08
Average	32.594	32.196	38.998	38.474	51.937	51.318	49.529	48.924	41.352	40.683

Yahoo Finance Share										
Atmos Energy Corpor										
	Piedmont Natural Gas		Southwest Gas		WGL Holdings, Inc.		Laclede Group		South Jersey Industries	
Date	High	Low	High	Low	High	Low	High	Low	High	Low
27-Nov-06	27.65	27.07	36.98	36.32	33.18	32.33	36.74	35.83	33	32.02
28-Nov-06	27.53	26.9	37.11	36.32	32.78	32.3	36.19	35.6	32.6	32.01
29-Nov-06	27.95	27.59	37.84	37.1	33.26	32.92	36.8	36.1	33.17	32.64
30-Nov-06	28.02	27.66	37.87	37.42	33.3	32.9	36.79	36.39	33.35	32.89
1-Dec-06	27.95	27.29	37.57	36.77	33.08	32.33	36.51	35.85	33.48	32.8
4-Dec-06	28.12	27.73	38.38	37.34	33.42	32.94	36.85	36.25	34.03	33.34
5-Dec-06	28.38	27.99	38.96	38.29	33.55	33.25	36.88	36.4	34.26	33.78
6-Dec-06	28.38	28.09	38.5	38.23	33.49	33.29	36.67	36.42	33.94	33.65
7-Dec-06	28.44	28.05	38.63	38.21	33.5	33.13	36.41	36	33.73	33.2
8-Dec-06	28.2	27.53	38.53	37.83	33.35	32.85	36.22	35.72	33.38	32.81
Average	28.062	27.590	38.037	37.383	33.291	32.824	36.606	36.056	33.494	32.914

Atmos Energy Corporation

Comparable Gas Companies

Size Adjusted Capital Asset Pricing Model

	Risk Free Return	Beta	Equity Risk Premium	Adjusted Equity Risk Premium	Size Premium	Cost of Equity
Atmos Energy Corp.	4.78%	0.75	7.10%	5.33%	1.02%	11.13%
AGL Resources	4.78%	0.95	7.10%	6.75%	1.02%	12.55%
Laclede Group	4.78%	0.85	7.10%	6.04%	1.81%	12.63%
New Jersey Resources	4.78%	0.80	7.10%	5.68%	1.81%	12.27%
NICOR, Inc.	4.78%	1.20	7.10%	8.52%	1.02%	14.32%
Northwest Natural Gas	4.78%	0.75	7.10%	5.33%	1.81%	11.92%
Piedmont Natural Gas	4.78%	0.80	7.10%	5.68%	1.02%	11.48%
South Jersey Industries	4.78%	0.70	7.10%	4.97%	1.81%	11.56%
Southwest Gas	4.78%	0.85	7.10%	6.04%	1.81%	12.63%
WGL Holdings, Inc.	4.78%	0.80	7.10%	5.68%	1.81%	12.27%
Comparable Companies' Average	4.78%	0.86	7.10%	6.07%	1.55%	12.40%

Sources :
Value Line Investment Survey
Ibbotson Associates 2006 SBBI Yearbook: Valuation Edition
Federal Reserve Statistical Release

Atmos Energy Corporation

Comparable Gas Companies

Historical Capital Asset Pricing Model

	Market Total Returns	Long-Term Corporate Bonds Return	Risk Premium	Beta	Adjusted Risk Premium	Aaa Corporate Bonds Return	Cost of Equity
Atmos Energy Corp.	14.85%	6.20%	8.65%	0.75	6.49%	5.33%	11.82%
AGL Resources	14.85%	6.20%	8.65%	0.95	8.22%	5.33%	13.55%
Laclede Group	14.85%	6.20%	8.65%	0.85	7.35%	5.33%	12.68%
New Jersey Resources	14.85%	6.20%	8.65%	0.80	6.92%	5.33%	12.25%
NICOR, Inc.	14.85%	6.20%	8.65%	1.20	10.38%	5.33%	15.71%
Northwest Natural Gas	14.85%	6.20%	8.65%	0.75	6.49%	5.33%	11.82%
Piedmont Natural Gas	14.85%	6.20%	8.65%	0.80	6.92%	5.33%	12.25%
South Jersey Industries	14.85%	6.20%	8.65%	0.70	6.06%	5.33%	11.39%
Southwest Gas	14.85%	6.20%	8.65%	0.85	7.35%	5.33%	12.68%
WGL Holdings, Inc.	14.85%	6.20%	8.65%	0.80	6.92%	5.33%	12.25%
Comparable Companies' Average	14.85%	6.20%	8.65%	0.86	7.40%	5.33%	12.73%

Sources :
Value Line Investment Survey
Ibbotson Associates 2006 SBBI Yearbook: Valuation Edition
Federal Reserve Statistical Release

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 45
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, pages 36 and 37, including footnote 10, and Schedules DAM-24 and DAM-25. Provide a copy of the relevant pages from the Ibbotson Associates' "Stock, Bonds, Bills, and Inflation: 2006 Yearbook Valuation Edition" that discuss the need for, and describe the method of, the small company adjustment used by Dr. Murry.

Response:

Please refer to the attached document labeled Case 2006-00464 KPSC DR-45 ATT1 Firm Size.

Chapter 7

Firm Size and Return

The Firm Size Phenomenon

One of the most remarkable discoveries of modern finance is that of a relationship between firm size and return. The relationship cuts across the entire size spectrum but is most evident among smaller companies, which have higher returns on average than larger ones. Many studies have looked at the effect of firm size on return.[1] In this chapter, the returns across the entire range of firm size are examined.

Construction of the Decile Portfolios

The portfolios used in this chapter are those created by the Center for Research in Security Prices (CRSP) at the University of Chicago's Graduate School of Business. CRSP has refined the methodology of creating size-based portfolios and has applied this methodology to the entire universe of NYSE/AMEX/NASDAQ-listed securities going back to 1926.

The New York Stock Exchange universe excludes closed-end mutual funds, preferred stocks, real estate investment trusts, foreign stocks, American Depository Receipts, unit investment trusts, and Americus Trusts. All companies on the NYSE are ranked by the combined market capitalization of their eligible equity securities. The companies are then split into 10 equally populated groups, or deciles. Eligible companies traded on the American Stock Exchange (AMEX) and the Nasdaq National Market (NASDAQ) are then assigned to the appropriate deciles according to their capitalization in relation to the NYSE breakpoints. The portfolios are rebalanced, using closing prices for the last trading day of March, June, September, and December. Securities added during the quarter are assigned to the appropriate portfolio when two consecutive month-end prices are available. If the final NYSE price of a security that becomes delisted is a month-end price, then that month's return is included in the quarterly return of the security's portfolio. When a month-end NYSE price is missing, the month-end value of the security is derived from merger terms, quotations on regional exchanges, and other sources. If a month-end value still is not determined, the last available daily price is used.

Base security returns are monthly holding period returns. All distributions are added to the month-end prices, and appropriate price adjustments are made to account for stock splits and dividends. The return on a portfolio for one month is calculated as the weighted average of the returns for its individual stocks. Annual portfolio returns are calculated by compounding the monthly portfolio returns.

Size of the Deciles

Table 7-1 reveals that the top three deciles of the NYSE/AMEX/NASDAQ account for most of the total market value of its stocks. Nearly two-thirds of the market value is represented by the first decile, which currently consists of 169 stocks, while the smallest decile accounts for just over

1 Rolf W. Banz was the first to document this phenomenon. See Banz, Rolf W. "The Relationship Between Returns and Market Value of Common Stocks," *Journal of Financial Economics*, Vol. 9, 1981, pp. 3–18.

one percent of the market value. The data in the second column of Table 7-1 are averages across all 80 years. Of course, the proportion of market value represented by the various deciles varies from year to year.

Columns three and four give recent figures on the number of companies and their market capitalization, presenting a snapshot of the structure of the deciles near the end of 2005.

Table 7-1

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ Size and Composition
1926 through September 30, 2005

Decile	Historical Average Percentage of Total Capitalization	Recent Number of Companies	Recent Decile Market Capitalization (in thousands)	Recent Percentage of Total Capitalization
1-largest	63.29%	169	$8,869,801,117	60.92%
2	13.97%	182	2,025,323,685	13.91%
3	7.57%	195	1,074,448,763	7.38%
4	4.74%	206	656,297,080	4.51%
5	3.24%	207	452,329,097	3.11%
6	2.37%	238	389,595,517	2.68%
7	1.73%	299	319,642,175	2.20%
8	1.28%	352	287,783,718	1.98%
9	0.99%	693	268,738,291	1.85%
10-Smallest	0.81%	1,746	216,334,858	1.49%
Mid-Cap 3-5	15.55%	608	2,183,074,940	14.99%
Low-Cap 6-8	5.39%	889	997,021,410	6.85%
Micro-Cap 9-10	1.80%	2,439	485,073,149	3.33%

Source: © 200603 CRSP® Center for Research in Security Prices. Graduate School of Business, The University of Chicago. Used with permission. All rights reserved. www.crsp.uchicago.edu.

Historical average percentage of total capitalization shows the average, over the last 80 years, of the decile market values as a percentage of the total NYSE/AMEX/NASDAQ calculated each month. Number of companies in deciles, recent market capitalization of deciles, and recent percentage of total capitalization are as of September 30, 2005.

Table 7-2 gives the current breakpoints that define the composition of the NYSE/AMEX/NASDAQ size deciles. The largest company and its market capitalization are presented for each decile. Table 7-3 shows the historical breakpoints for each of the three size groupings presented throughout this chapter. Mid-cap stocks are defined here as the aggregate of deciles 3–5. Based on the most recent data (Table 7-2), companies within this mid-cap range have market capitalizations at or below $7,187,244,000 but greater than $1,728,888,000. Low-cap stocks include deciles 6–8 and currently include all companies in the NYSE/AMEX/NASDAQ with market capitalizations at or below $1,728,888,000 but greater than $586,393,000. Micro-cap stocks include deciles 9–10 and include companies with market capitalizations at or below $586,393,000. The market capitalization of the smallest company included in the micro-capitalization group is currently $1,079,000.

Table 7-2

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, Largest Company and Its Market Capitalization by Decile
September 30, 2005

Decile	Market Capitalization of Largest Company (in thousands)	Company Name
1-Largest	$367,495,144	General Electric Co.
2	16,016,450	Entergy Corp.
3	7,187,244	Chesapeake Energy Corp.
4	3,961,425	Ball Corp.
5	2,519,280	Celenese Corp.
6	1,728,888	AGCO Corp.
7	1,280,966	ESCO Technologies Inc.
8	872,103	West Pharmaceutical Services Inc.
9	586,393	General Cable Corp.
10-Smallest	264,981	4Kids Entertainment Inc.

Source: Center for Research in Security Prices, University of Chicago.

Presentation of the Decile Data

Summary statistics of annual returns of the 10 deciles over 1926–2005 are presented in Table 7-4. Note from this exhibit that both the average return and the total risk, or standard deviation of annual returns, tend to increase as one moves from the largest decile to the smallest. Furthermore, the serial correlations of returns are near zero for all but the smallest two deciles. Serial correlations and their significance will be discussed in detail later in this chapter.

Graph 7-1 depicts the growth of one dollar invested in each of three NYSE/AMEX/NASDAQ groups broken down into mid-cap, low-cap, and micro-cap stocks. The index value of the entire NYSE/AMEX/NASDAQ is also included. All returns presented are value-weighted based on the market capitalizations of the deciles contained in each subgroup. The sheer magnitude of the size effect in some years is noteworthy. While the largest stocks actually declined 9 percent in 1977, the smallest stocks rose more than 20 percent. A more extreme case occurred in the depression-recovery year of 1933, when the difference between the first and tenth decile returns was far more substantial, with the largest stocks rising 46 percent, and the smallest stocks rising 224 percent. This divergence in the performance of small and large company stocks is a common occurrence.

Table 7-3

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
Largest and Smallest Company by Size Group

from 1926 to1965

	Capitalization of Largest Company (in thousands)			Capitalization of Smallest Company (in thousands)		
Date (Sept 30)	Mid-Cap 3-5	Low-Cap 6-8	Micro-Cap 9-10	Mid-Cap 3-5	Low-Cap 6-8	Micro-Cap 9-10
1926	$61,490	$14,040	$4,305	$14,100	$4,325	$43
1927	$65,281	$14,746	$4,450	$15,311	$4,496	$72
1928	$81,998	$18,975	$5,074	$19,050	$5,119	$135
1929	$107,085	$24,328	$5,875	$24,480	$5,915	$126
1930	$67,808	$13,050	$3,219	$13,068	$3,264	$30
1931	$42,607	$8,142	$1,905	$8,222	$1,927	$15
1932	$12,431	$2,170	$473	$2,196	$477	$19
1933	$40,298	$7,210	$1,830	$7,280	$1,875	$100
1934	$38,129	$6,669	$1,669	$6,734	$1,673	$68
1935	$37,631	$6,519	$1,350	$6,549	$1,383	$38
1936	$46,920	$11,505	$2,660	$11,526	$2,668	$98
1937	$51,750	$13,601	$3,500	$13,635	$3,539	$68
1938	$36,102	$8,325	$2,125	$8,372	$2,145	$60
1939	$35,784	$7,367	$1,697	$7,389	$1,800	$75
1940	$31,050	$7,990	$1,861	$8,007	$1,872	$51
1941	$31,744	$8,316	$2,086	$8,336	$2,087	$72
1942	$26,135	$6,870	$1,779	$6,875	$1,788	$82
1943	$43,218	$11,475	$3,847	$11,480	$3,903	$395
1944	$46,621	$13,066	$4,800	$13,068	$4,812	$309
1945	$55,268	$17,325	$6,413	$17,575	$6,428	$225
1946	$79,158	$24,192	$10,013	$24,199	$10,051	$829
1947	$57,830	$17,735	$6,373	$17,872	$6,380	$747
1948	$67,238	$19,575	$7,313	$19,651	$7,329	$784
1949	$55,506	$14,549	$5,037	$14,577	$5,108	$379
1950	$65,881	$18,675	$6,176	$18,750	$6,201	$303
1951	$82,517	$22,750	$7,567	$22,860	$7,598	$668
1952	$97,936	$25,452	$8,428	$25,532	$8,480	$480
1953	$98,595	$25,374	$8,156	$25,395	$8,168	$459
1954	$125,834	$29,645	$8,484	$29,707	$8,488	$463
1955	$170,829	$41,445	$12,353	$41,681	$12,366	$553
1956	$183,434	$46,805	$13,481	$46,886	$13,524	$1,122
1957	$192,861	$47,658	$13,844	$48,509	$13,848	$925
1958	$195,083	$46,774	$13,789	$46,871	$13,816	$550
1959	$253,644	$64,221	$19,500	$64,372	$19,548	$1,804
1960	$246,202	$61,485	$19,344	$61,529	$19,385	$831
1961	$296,261	$79,058	$23,562	$79,422	$23,613	$2,455
1962	$250,433	$58,866	$18,952	$59,143	$18,968	$1,018
1963	$308,438	$71,846	$23,819	$71,971	$23,822	$296
1964	$344,033	$79,343	$25,594	$79,508	$25,595	$223
1965	$363,759	$84,479	$28,365	$84,600	$28,375	$250

Source: Center for Research in Security Prices, University of Chicago.

Table 7-3 (continued)

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
Largest and Smallest Company by Size Group

from 1966 to 2005

	Capitalization of Largest Company (in thousands)			Capitalization of Smallest Company (in thousands)		
Date (Sept 30)	Mid-Cap 3-5	Low-Cap 6-8	Micro-Cap 9-10	Mid-Cap 3-5	Low-Cap 6-8	Micro-Cap 9-10
1966	$399,455	$99,578	$34,884	$99,935	$34,966	$381
1967	$459,170	$117,985	$42,267	$118,329	$42,313	$381
1968	$528,326	$149,261	$60,351	$150,128	$60,397	$592
1969	$517,452	$144,770	$54,273	$145,684	$54,280	$2,119
1970	$380,246	$94,025	$29,910	$94,047	$29,916	$822
1971	$542,517	$145,340	$45,571	$145,673	$45,589	$865
1972	$545,211	$139,647	$46,728	$139,710	$46,757	$1,031
1973	$424,584	$94,809	$29,601	$95,378	$29,606	$561
1974	$344,013	$75,272	$22,475	$75,853	$22,481	$444
1975	$465,763	$96,954	$28,140	$97,266	$28,144	$540
1976	$551,071	$116,184	$31,987	$116,212	$32,002	$564
1977	$573,084	$135,804	$39,192	$137,323	$39,254	$513
1978	$572,967	$159,778	$46,621	$160,524	$46,629	$830
1979	$661,336	$174,480	$49,088	$174,517	$49,172	$948
1980	$754,562	$194,012	$48,671	$194,241	$48,953	$549
1981	$954,665	$259,028	$71,276	$261,059	$71,289	$1,446
1982	$762,028	$205,590	$54,675	$206,536	$54,883	$1,060
1983	$1,200,680	$352,698	$103,443	$352,944	$103,530	$2,025
1984	$1,068,972	$314,650	$90,419	$315,214	$90,659	$2,093
1985	$1,432,342	$367,413	$93,810	$368,249	$94,000	$760
1986	$1,857,621	$444,827	$109,956	$445,648	$109,975	$706
1987	$2,059,143	$467,430	$112,035	$468,948	$112,125	$1,277
1988	$1,957,926	$420,257	$94,268	$421,340	$94,302	$696
1989	$2,147,608	$480,975	$100,285	$483,623	$100,384	$96
1990	$2,164,185	$472,003	$93,627	$474,065	$93,750	$132
1991	$2,129,863	$457,958	$87,586	$458,853	$87,733	$278
1992	$2,428,671	$500,346	$103,352	$501,050	$103,500	$510
1993	$2,711,068	$608,520	$137,945	$608,825	$137,987	$602
1994	$2,497,073	$601,552	$149,435	$602,552	$149,532	$598
1995	$2,793,761	$653,178	$158,011	$654,019	$158,063	$89
1996	$3,150,685	$763,377	$195,188	$763,812	$195,326	$1,043
1997	$3,511,132	$818,299	$230,472	$821,028	$230,554	$480
1998	$4,216,707	$934,264	$253,329	$936,727	$253,336	$1,671
1999	$4,251,741	$875,309	$218,336	$875,582	$218,368	$1,502
2000	$4,143,902	$840,000	$192,598	$840,730	$192,721	$1,462
2001	$5,252,063	$1,114,792	$269,275	$1,115,200	$270,391	$443
2002	$5,012,705	$1,143,845	$314,042	$1,144,452	$314,174	$501
2003	$4,794,027	$1,166,799	$330,608	$1,167,040	$330,797	$332
2004	$6,241,953	$1,607,854	$505,437	$1,607,931	$506,410	$1,393
2005	$7,187,244	$1,728,888	$586,393	$1,729,364	$587,243	$1,079

Source: Center for Research in Security Prices, University of Chicago.

Table 7-4

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, Summary Statistics of Annual Returns 1926–2005

Decile	Geometric Mean	Arithmetic Mean	Standard Deviation	Serial Correlation
1-Largest	9.5	11.3	19.17	0.09
2	10.9	13.2	21.86	0.03
3	11.3	13.8	23.66	-0.02
4	11.3	14.3	25.94	-0.02
5	11.6	14.9	26.78	-0.02
6	11.8	15.3	27.84	0.04
7	11.6	15.6	29.99	0.01
8	11.8	16.6	33.47	0.04
9	12.0	17.5	36.55	0.06
10-Smallest	14.0	21.6	45.44	0.15
Mid-Cap, 3-5	11.4	14.2	24.74	-0.02
Low-Cap, 6-8	11.7	15.7	29.52	0.03
Micro-Cap, 9-10	12.7	18.8	39.16	0.08
NYSE/AMEX/NASDAQ				
Total Value-Weighted Index	10.1	12.0	20.21	0.03

Source: Center for Research in Security Prices, University of Chicago.

Aspects of the Firm Size Effect

The firm size phenomenon is remarkable in several ways. First, the greater risk of small stocks does not, in the context of the capital asset pricing model (CAPM), fully account for their higher returns over the long term. In the CAPM only systematic, or beta risk, is rewarded; small company stocks have had returns in excess of those implied by their betas.

Second, the calendar annual return differences between small and large companies are serially correlated. This suggests that past annual returns may be of some value in predicting future annual returns. Such serial correlation, or autocorrelation, is practically unknown in the market for large stocks and in most other equity markets but is evident in the size premia.

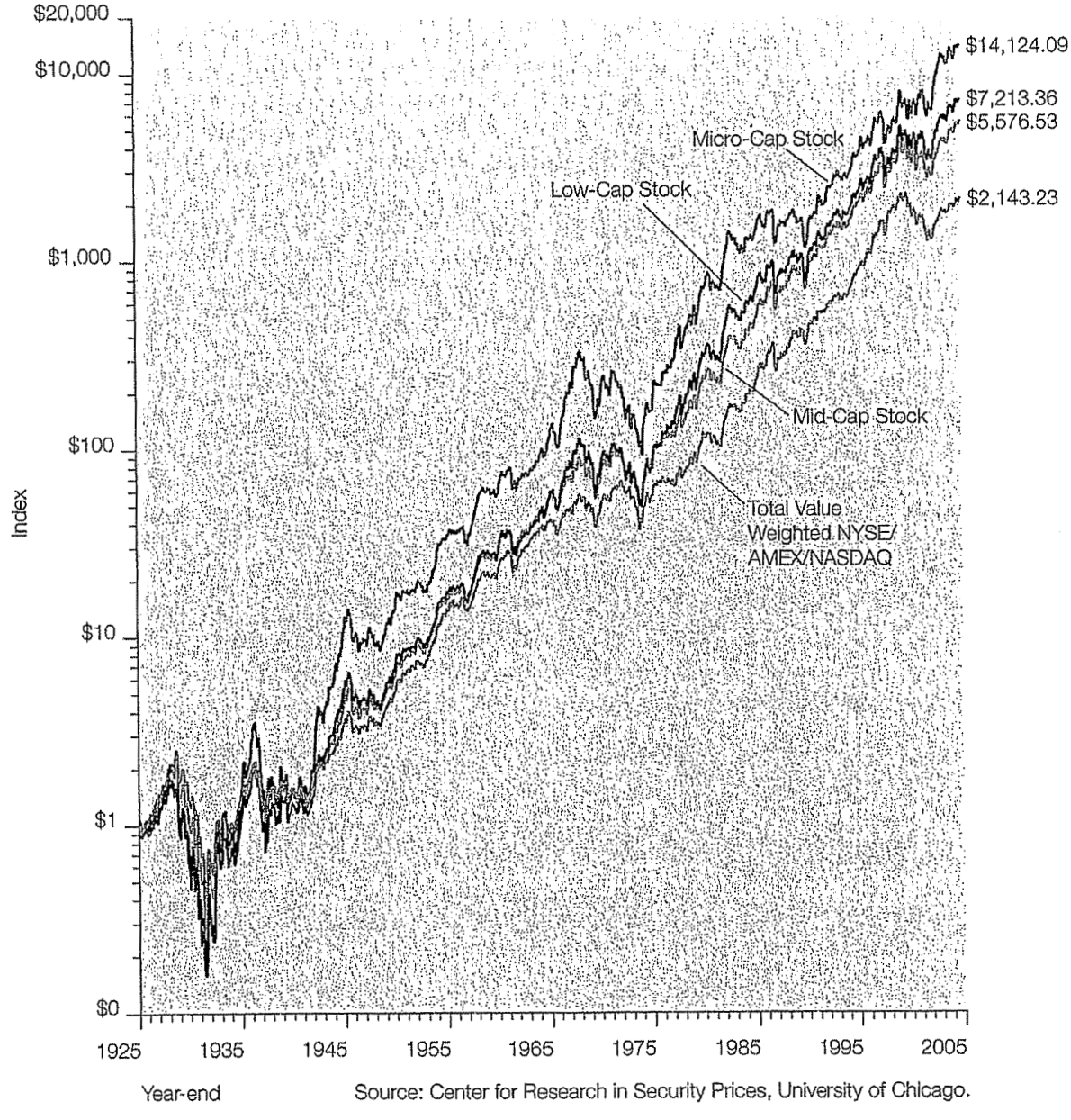
Third, the firm size effect is seasonal. For example, small company stocks outperformed large company stocks in the month of January in a large majority of the years. Such predictability is surprising and suspicious in light of modern capital market theory. These three aspects of the firm size effect—long-term returns in excess of systematic risk, serial correlation, and seasonality—will be analyzed thoroughly in the following sections.

Graph 7-1

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ: Wealth Indices of Investments in Mid-, Low-, Micro- and Total Capitalization Stocks

1925–2005

Year-end 1925 = $1.00



Source: Center for Research in Security Prices, University of Chicago.

Long-Term Returns in Excess of Systematic Risk

The capital asset pricing model (CAPM) does not fully account for the higher returns of small company stocks. Table 7-5 shows the returns in excess of systematic risk over the past 80 years for each decile of the NYSE/AMEX/NASDAQ. Recall that the CAPM is expressed as follows:

$$k_s = r_f + (\beta_s \times ERP)$$

Table 7-5 uses the CAPM to estimate the return in excess of the riskless rate and compares this estimate to historical performance. According to the CAPM, the expected return on a security should consist of the riskless rate plus an additional return to compensate for the systematic risk of the security. The return in excess of the riskless rate is estimated in the context of the CAPM by multiplying the equity risk premium by β (beta). The equity risk premium is the return that compensates investors for taking on risk equal to the risk of the market as a whole (systematic risk).[2] Beta measures the extent to which a security or portfolio is exposed to systematic risk.[3] The beta of each decile indicates the degree to which the decile's return moves with that of the overall market.

A beta greater than one indicates that the security or portfolio has greater systematic risk than the market; according to the CAPM equation, investors are compensated for taking on this additional risk. Yet, Table 7-5 illustrates that the smaller deciles have had returns that are not fully explained by their higher betas. This return in excess of that predicted by CAPM increases as one moves from the largest companies in decile 1 to the smallest in decile 10. The excess return is especially pronounced for micro-cap stocks (deciles 9–10). This size-related phenomenon has prompted a revision to the CAPM, which includes a size premium. Chapter 4 presents this modified CAPM theory and its application in more detail.

This phenomenon can also be viewed graphically, as depicted in the Graph 7-2. The security market line is based on the pure CAPM without adjustment for the size premium. Based on the risk (or beta) of a security, the expected return lies on the security market line. However, the actual historic returns for the smaller deciles of the NYSE/AMEX/NASDAQ lie above the line, indicating that these deciles have had returns in excess of that which is appropriate for their systematic risk.

2 The equity risk premium is estimated by the 80-year arithmetic mean return on large company stocks, 12.30 percent, less the 80-year arithmetic mean income-return component of 20-year government bonds as the historical riskless rate, in this case 5.22 percent. (It is appropriate, however, to match the maturity, or duration, of the riskless asset with the investment horizon.) See Chapter 5 for more detail on equity risk premium estimation.

3 Historical betas were calculated using a simple regression of the monthly portfolio (decile) total returns in excess of the 30-day U.S. Treasury bill total returns versus the S&P 500 total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005. See Chapter 6 for more detail on beta estimation.

Table 7-5

Long-Term Returns in Excess of CAPM Estimation for Decile Portfolios of the NYSE/AMEX/NASDAQ 1926–2005

Decile	Beta*	Arithmetic Mean Return	Realized Return in Excess of Riskless Rate**	Estimated Return in Excess of Riskless Rate†	Size Premium (Return in Excess of CAPM)
1-Largest	0.91	11.29%	6.07%	6.45%	-0.37%
2	1.04	13.22%	8.00%	7.33%	0.67%
3	1.10	13.84%	8.62%	7.77%	0.85%
4	1.13	14.31%	9.09%	7.98%	1.10%
5	1.16	14.91%	9.69%	8.20%	1.49%
6	1.18	15.33%	10.11%	8.38%	1.73%
7	1.23	15.62%	10.40%	8.73%	1.67%
8	1.28	16.60%	11.38%	9.05%	2.33%
9	1.34	17.48%	12.26%	9.50%	2.76%
10-Smallest	1.41	21.59%	16.37%	10.01%	6.36%
Mid-Cap, 3-5	1.12	14.15%	8.94%	7.91%	1.02%
Low-Cap, 6-8	1.22	15.66%	10.44%	8.63%	1.81%
Micro-Cap, 9-10	1.36	18.77%	13.55%	9.61%	3.95

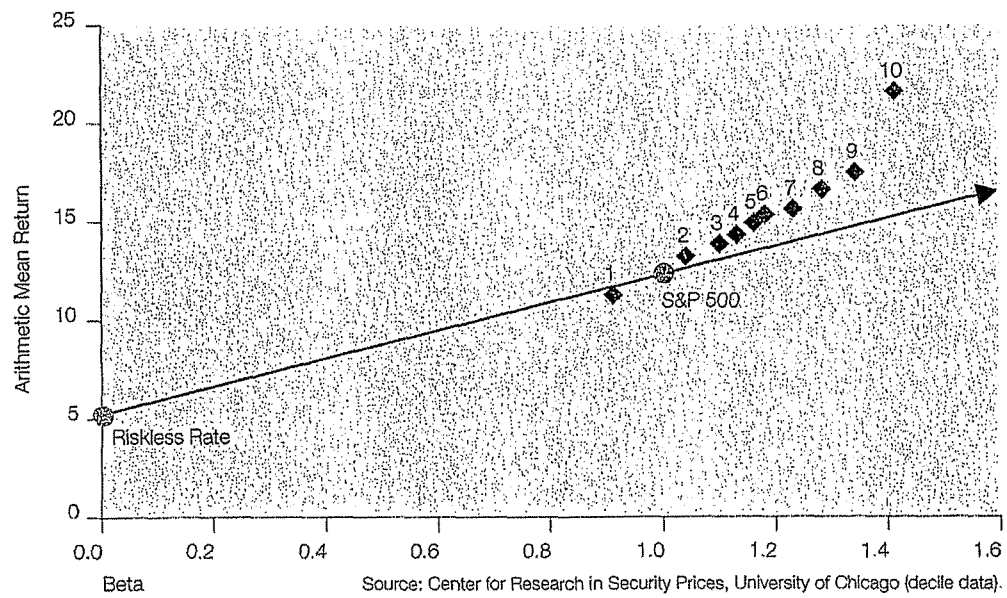
*Betas are estimated from monthly portfolio total returns in excess of the 30-day U.S. Treasury bill total return versus the S&P 500 total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005.

**Historical riskless rate is measured by the 80-year arithmetic mean income return component of 20-year government bonds (5.22 percent).

†Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (12.30 percent) minus the arithmetic mean income return component of 20-year government bonds (5.22 percent) from 1926–2005.

Graph 7-2

Security Market Line versus Size-Decile Portfolios of the NYSE/AMEX/NASDAQ 1926–2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Further Analysis of the 10th Decile

The size premia presented thus far do a great deal to explain the return due solely to size in publicly traded companies. However, by splitting the 10th decile into two size groupings we can get a closer look at the smallest companies. This magnification of the smallest companies will demonstrate whether the company size to size premia relationship continues to hold true.

As previously discussed, the method for determining the size groupings for size premia analysis was to take the stocks traded on the NYSE and break them up into 10 deciles, after which stocks traded on the AMEX and NASDAQ were allocated into the same size groupings. This same methodology was used to split the 10th decile into two parts: 10a and 10b, with 10b being the smaller of the two. This is equivalent to breaking the stocks down into 20 size groupings, with portfolios 19 and 20 representing 10a and 10b.

Table 7-7 shows that the pattern continues; as companies get smaller their size premium increases. There is a noticeable increase in size premium from 10a to 10b, which can also be demonstrated visually in Graph 7-3. This can be useful in valuing companies that are extremely small. Table 7-6 presents the size, composition, and breakpoints of deciles 10a and 10b. First, the recent number of companies and total decile market capitalization are presented. Then the largest company and its market capitalization are presented.

Breaking the smallest decile down lowers the significance of the results compared to results for the 10th decile taken as a whole, however. The same holds true for comparing the 10th decile with the Micro-Cap aggregation of the 9th and 10th deciles. The more stocks included in a sample the more significance can be placed on the results. While this is not as much of a factor with the recent years of data, these size premia are constructed with data back to 1926. By breaking the 10th decile down into smaller components we have cut the number of stocks included in each grouping. The change over time of the number of stocks included in the 10th decile for the NYSE/AMEX/NASDAQ is presented in Table 7-8. With fewer stocks included in the analysis early on, there is a strong possibility that just a few stocks can dominate the returns for those early years.

While the number of companies included in the 10th decile for the early years of our analysis is low, it is not too low to still draw meaningful results even when broken down into subdivisions 10a and 10b. All things considered, size premia developed for deciles 10a and 10b are significant and can be used in cost of capital analysis. These size premia should greatly enhance the development of cost of capital analysis for very small companies.

Table 7-6

Size-Decile Portfolios 10a and 10b of the NYSE/AMEX/NASDAQ, Largest Company and Its Market Capitalization
September 30, 2005

Decile	Recent Number of Companies	Recent Decile Market Capitalization (in thousands)	Market Capitalization of Largest Company (in thousands)	Company Name
10a	483	$108,194,821	$264,981	4Kids Entertaint Inc.
10b	1,279	$102,157,012	$169,195	Quaker Chemical Corp.

Note: These numbers may not aggregate to equal decile 10 figures.
Source: Center for Research in Security Prices, University of Chicago.

Table 7-7

Long-Term Returns in Excess of CAPM Estimation for Decile Portfolios of the NYSE/AMEX/NASDAQ, with 10th Decile Split
1926–2005

	Beta*	Arithmetic Mean Return	Realized Return in Excess of Riskless Rate**	Estimated Return in Excess of Riskless Rate†	Size Premium (Return in Excess of CAPM)
1-Largest	0.91	11.29%	6.07%	6.45%	-0.37%
2	1.04	13.22%	8.00%	7.33%	0.67%
3	1.10	13.84%	8.62%	7.77%	0.85%
4	1.13	14.31%	9.09%	7.98%	1.10%
5	1.16	14.91%	9.69%	8.20%	1.49%
6	1.18	15.33%	10.11%	8.38%	1.73%
7	1.23	15.62%	10.40%	8.73%	1.67%
8	1.28	16.60%	11.38%	9.05%	2.33%
9	1.34	17.48%	12.26%	9.50%	2.76%
10a	1.43	19.71%	14.49%	10.10%	4.39%
10b-Smallest	1.39	24.87%	19.65%	9.82%	9.83%
Mid-Cap, 3-5	1.12	14.15%	8.94%	7.91%	1.02%
Low-Cap, 6-8	1.22	15.66%	10.44%	8.63%	1.81%
Micro-Cap, 9-10	1.36	18.77%	13.55%	9.61%	3.95%

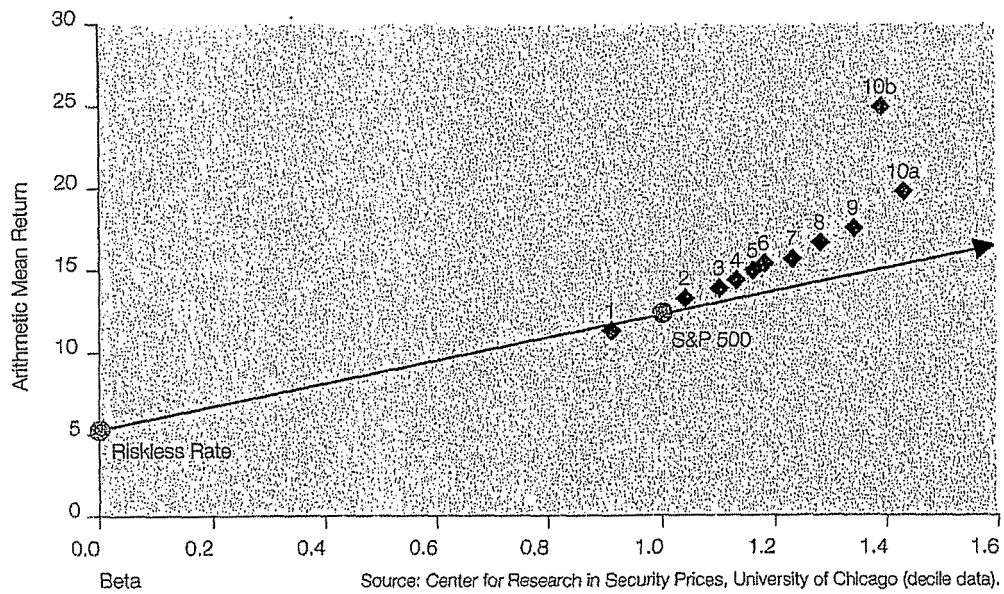
*Betas are estimated from monthly portfolio total returns in excess of the 30-day U.S. Treasury bill total return versus the S&P 500 total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005 .

**Historical riskless rate is measured by the 80-year arithmetic mean income return component of 20-year government bonds (5.22 percent).

†Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (12.30 percent) minus the arithmetic mean income return component of 20-year government bonds (5.22 percent) from 1926–2005.

Graph 7-3

Security Market Line versus Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, with 10th Decile Split
1926-2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Table 7-8
Historical Number of Companies for NYSE/AMEX/NASDAQ Decile 10

Sept.	Number of Companies
1926	52*
1930	72
1940	78
1950	100
1960	109
1970	865
1980	685
1990	1,814
2000	1,927
2005	1,746

*The fewest number of companies was 49 in March, 1926

Source: Center for Research in Security Prices, University of Chicago.

Alternative Methods of Calculating the Size Premia

The size premia estimation method presented above makes several assumptions with respect to the market benchmark and the measurement of beta. The impact of these assumptions can best be examined by looking at some alternatives. In this section we will examine the impact on the size premia of using a different market benchmark for estimating the equity risk premia and beta. We will also examine the effect on the size premia study of using sum beta or an annual beta.[4]

Changing the Market Benchmark

In the original size premia study, the S&P 500 is used as the market benchmark in the calculation of the realized historical equity risk premium and of each size group's beta. The NYSE total value-weighted index is a common alternative market benchmark used to calculate beta. Table 7-9 uses this market benchmark in the calculation of beta. In order to isolate the size effect, we require an equity risk premium based on a large company stock benchmark. The NYSE deciles 1–2 large company index offers a mutually exclusive set of portfolios for the analysis of the smaller company groups: mid-cap deciles 3–5, low-cap deciles 6–8, and micro-cap deciles 9–10. The size premia analyses using these benchmarks are summarized in Table 7-9 and depicted graphically in Graph 7-4.

For the entire period analyzed, 1926–2005, the betas obtained using the NYSE total value-weighted index are higher than those obtained using the S&P 500. Since smaller companies had higher betas using the NYSE benchmark, one would expect the size premia to shrink. However, as was illustrated in Chapter 5, the equity risk premium calculated using the NYSE deciles 1–2 benchmark results in a value of 6.33, as opposed to 7.08 when using the S&P 500. The effect of the higher betas and lower equity risk premium cancel each other out, and the resulting size premia in Table 7-9 are slightly higher than those resulting from the original study.

4 Sum beta is the method of beta estimation described in Chapter 6 that was developed to better account for the lagged reaction of small stocks to market movements. The sum beta methodology was developed for the same reason that the size premia were developed; small company betas were too small to account for all of their excess returns.

Table 7-9

Long-Term Returns in Excess of CAPM Estimation for Decile Portfolios of the NYSE/AMEX/NASDAQ, with NYSE Market Benchmarks
1926–2005

Decile	Beta*	Arithmetic Mean Return	Realized Return in Excess of Riskless Rate**	Estimated Return in Excess of Riskless Rate†	Size Premium (Return in Excess of CAPM)
1-Largest	0.94	11.29%	6.07%	5.98%	0.10%
2	1.09	13.22%	8.00%	6.91%	1.09%
3	1.16	13.84%	8.62%	7.32%	1.30%
4	1.20	14.31%	9.09%	7.57%	1.52%
5	1.23	14.91%	9.69%	7.77%	1.92%
6	1.26	15.33%	10.11%	7.98%	2.14%
7	1.32	15.62%	10.40%	8.34%	2.06%
8	1.37	16.60%	11.38%	8.68%	2.70%
9	1.44	17.48%	12.26%	9.11%	3.15%
10-Smallest	1.52	21.59%	16.37%	9.63%	6.74%
Mid-Cap, 3-5	1.18	14.15%	8.94%	7.47%	1.46%
Low-Cap, 6-8	1.30	15.66%	10.44%	8.23%	2.21%
Micro-Cap, 9-10	1.46	18.77%	13.55%	9.22%	4.33%

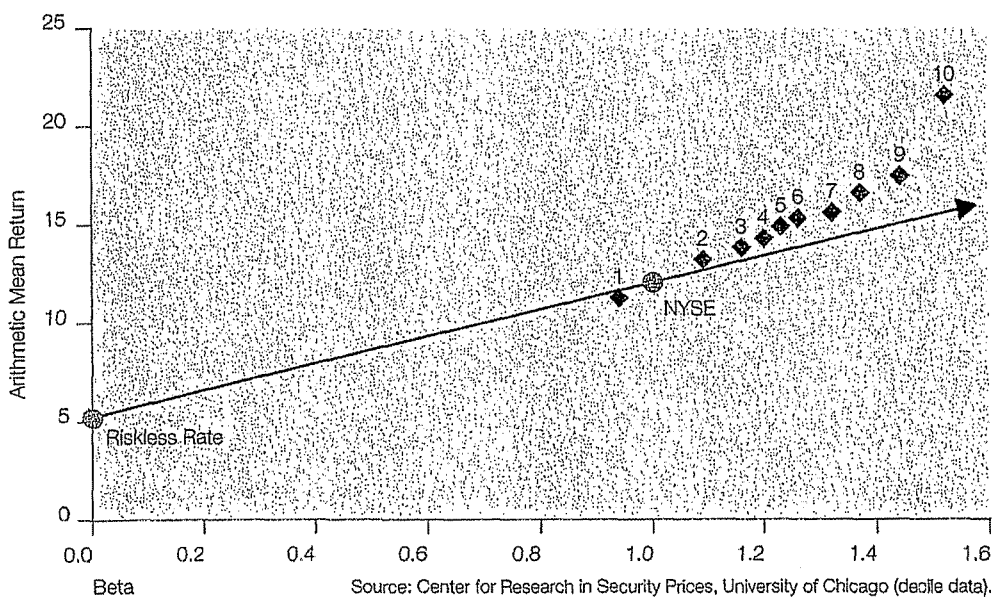
*Betas are estimated from monthly portfolio total returns in excess of the 30-day U.S. Treasury bill total return versus the NYSE total capitalization-weighted index total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005.

**Historical riskless rate is measured by the 80-year arithmetic mean income return component of 20-year government bonds (5.22 percent).

†Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the NYSE deciles 1–2 (11.55 percent) minus the arithmetic mean income return component of 20-year government bonds (5.22 percent) from 1926–2005.

Graph 7-4

Security Market Line versus Size-Decile Portfolios of the NYSE/AMEX/NASDAQ with NYSE Market Benchmarks
1926-2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Measuring Beta with Sum Beta

The sum beta method attempts to provide a better measure of beta for small stocks by taking into account their lagged price reaction to movements in the market. [See Chapter 6.] Table 7-10 shows that using this method of beta estimation results in larger betas for the smaller size deciles of the NYSE/AMEX/NASDAQ while those of the larger size deciles remain relatively stable. From these results, it appears that the sum beta method corrects for possible errors that are made when estimating small company betas without adjusting for the lagged price reaction of small stocks. However, the sum beta, when applied to the CAPM, still does not account for all of the returns in excess of the riskless rate historically found for small stocks. Table 7-10 demonstrates that a size premium is still necessary to estimate the expected returns using sum beta in conjunction with the CAPM, though the premium is smaller than that needed when using the typical calculation of beta.

Graph 7-5 compares the 10 deciles of the NYSE/AMEX/NASDAQ to the security market line. There are two sets of decile portfolios—one set is plotted using the single variable regression method of calculating beta, as in Graph 7-2, and the second set uses the sum beta method. The portfolios plotted using sum beta more closely resemble the security market line. Again, this demonstrates that the sum beta method results in the desired effect: a higher estimate of returns for small companies. Yet the smaller portfolios still lie above the security market line, indicating that an additional premium may be required.

Table 7-10

Long-Term Returns in Excess of CAPM for Decile Portfolios of the NYSE/AMEX/NASDAQ, with Sum Beta
1926–2005

Decile	Sum Beta*	Arithmetic Mean Return	Realized Return in Excess of Riskless Rate**	Estimated Return in Excess of Riskless Rate†	Size Premium (Return in Excess of CAPM)
1-Largest	0.91	11.29%	6.07%	6.45%	-0.38%
2	1.06	13.22%	8.00%	7.50%	0.51%
3	1.13	13.84%	8.62%	8.00%	0.62%
4	1.20	14.31%	9.09%	8.49%	0.60%
5	1.24	14.91%	9.69%	8.77%	0.92%
6	1.30	15.33%	10.11%	9.24%	0.87%
7	1.38	15.62%	10.40%	9.76%	0.64%
8	1.48	16.60%	11.38%	10.50%	0.88%
9	1.55	17.48%	12.26%	11.00%	1.26%
10-Smallest	1.71	21.59%	16.37%	12.12%	4.26%
Mid-Cap, 3-5	1.17	14.15%	8.94%	8.28%	0.65%
Low-Cap, 6-8	1.36	15.66%	10.44%	9.66%	0.78%
Micro-Cap, 9-10	1.60	18.77%	13.55%	11.31%	2.24%

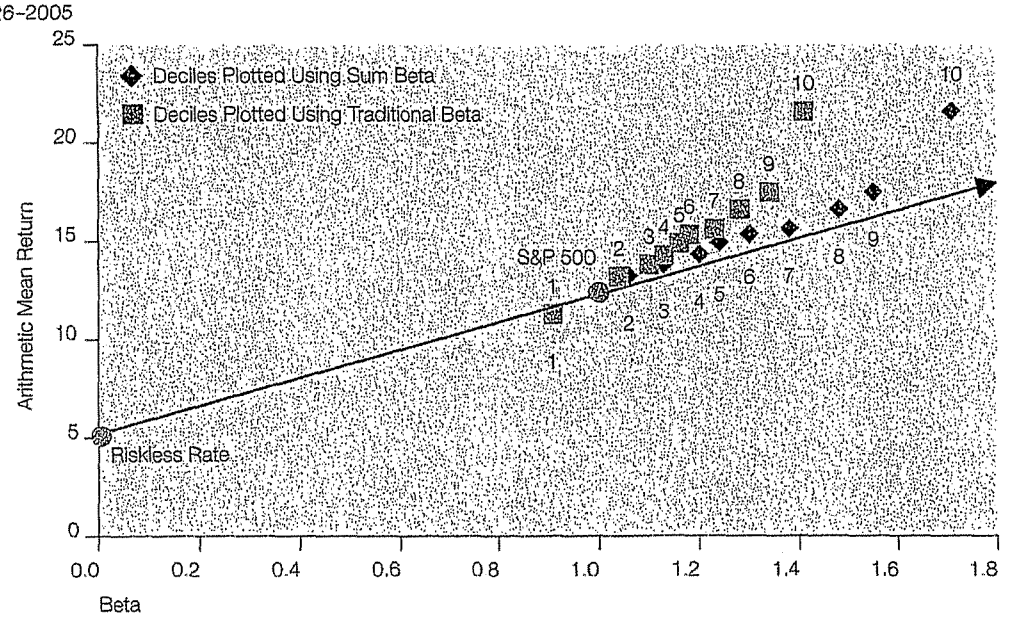
*Betas are estimated from monthly portfolio total returns in excess of the 30-day U.S. Treasury bill total return versus the S&P 500 index total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005.

**Historical riskless rate is measured by the 80-year arithmetic mean income return component of 20-year government bonds (5.22 percent).

†Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (12.30 percent) minus the arithmetic mean income return component of 20-year government bonds (5.22 percent) from 1926–2005.

Graph 7-5

Security Market Line versus Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, Sum Beta (with Lag) versus Unadjusted Beta (without Lag)
1926–2005



Annual Data versus Monthly Data

Another potential way to correct for the low beta estimates of small company stocks is to calculate the long-term beta with annual data instead of monthly data. Using annual data may eliminate the infrequent trading argument because of the long period of time covered. However, Table 7-11 and Graph 7-6 illustrate that the size premium is still present when estimating beta with annual data.

Table 7-11

Long-Term Returns in Excess of CAPM Estimation for Decile Portfolios of the NYSE/AMEX/NASDAQ, with Annual Beta
1926–2005

Decile	Annual Beta*	Arithmetic Mean Return	Realized Return in Excess of Riskless Rate**	Estimated Return in Excess of Riskless Rate†	Size Premium (Return in Excess of CAPM)
1-Largest	0.94	11.29%	6.07%	6.65%	-0.58%
2	1.04	13.22%	8.00%	7.38%	0.62%
3	1.08	13.84%	8.62%	7.68%	0.94%
4	1.17	14.31%	9.09%	8.27%	0.82%
5	1.20	14.91%	9.69%	8.51%	1.19%
6	1.20	15.33%	10.11%	8.51%	1.60%
7	1.30	15.62%	10.40%	9.21%	1.19%
8	1.37	16.60%	11.38%	9.67%	1.71%
9	1.46	17.48%	12.26%	10.31%	1.95%
10-Smallest	1.65	21.59%	16.37%	11.69%	4.69%
Mid-Cap, 3-5	1.13	14.15%	8.94%	8.01%	0.93%
Low-Cap, 6-8	1.27	15.66%	10.44%	8.98%	1.46%
Micro-Cap, 9-10	1.51	18.77%	13.55%	10.72%	2.83%

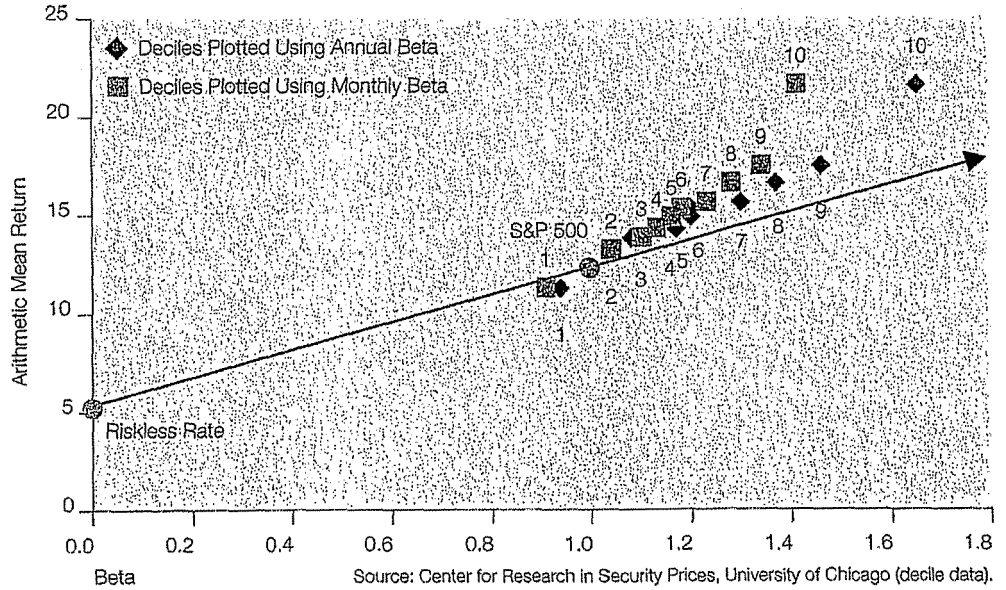
*Betas are estimated from annual portfolio total returns in excess of the 30-day U.S. Treasury bill total return versus the S&P 500 index total returns in excess of the 30-day U.S. Treasury bill, January 1926–December 2005.

**Historical riskless rate is measured by the 80-year arithmetic mean income return component of 20-year government bonds (5.22 percent).

†Calculated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is estimated by the arithmetic mean total return of the S&P 500 (12.30 percent) minus the arithmetic mean income return component of 20-year government bonds (5.22 percent) from 1926–2005.

Graph 7-6

Security Market Line versus Size-Decile Portfolios of the NYSE/AMEX/NASDAQ Annual Beta versus Monthly Beta
1926–2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Serial Correlation in Small Company Stock Returns

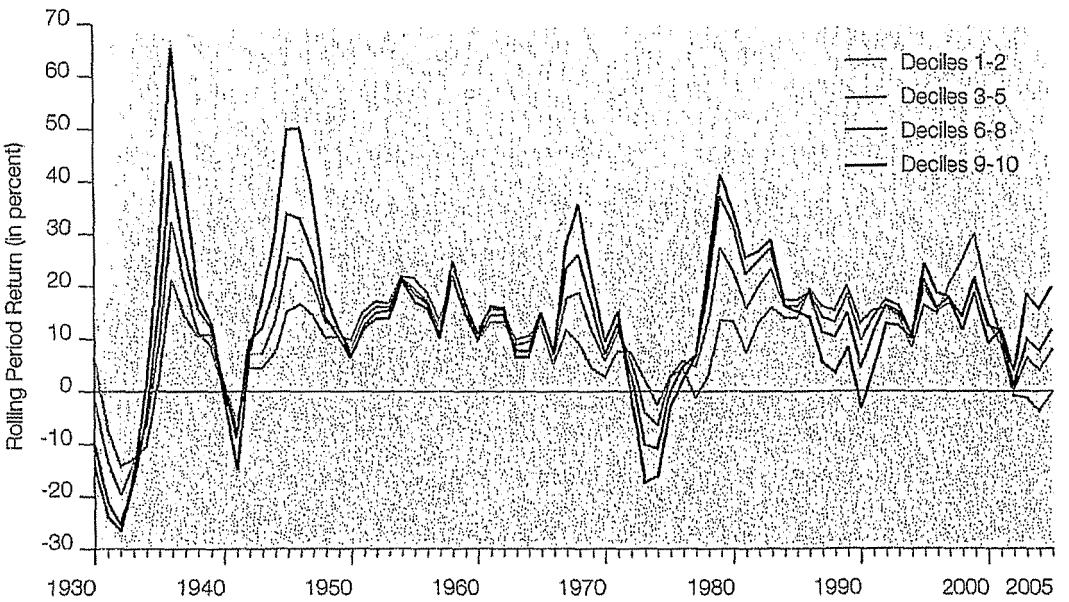
In five of the last ten years, large-capitalization stocks have outperformed small-capitalization stocks. This recent role reversal has led some to speculate that there is no size premium, but statistical evidence suggests that periods of underperformance should be expected.

History tells us that small companies are riskier than large companies. Table 7-4 shows the standard deviation (a measure of risk) for each decile of the NYSE/AMEX/NASDAQ. As one moves from larger to smaller deciles, the standard deviation of return grows. Investors are compensated for taking on this additional risk by the higher returns provided by small companies. It is important to note, however, that the risk/return profile is over the long term. If small companies did not provide higher long-term returns, investors would be more inclined to invest in the less risky stocks of large companies.

The increased risk faced by investors in small stocks is quite real. The long-term expected return for any asset class is quite different than short-term expected returns, and investors in small-capitalization stocks should expect losses and periods of underperformance. Graph 7-7 shows five-year rolling period returns of four size groups: large-cap (deciles 1–2), mid-cap (deciles 3–5), low-cap (deciles 6–8), and micro-cap (deciles 9–10). There have been a number of five-year periods in which the large-cap group outperformed some or all of the small-cap groups.

Graph 7-7

Five-Year Rolling Period Returns for the Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
1926–2005



Serial correlation, or first-order autocorrelation, measures the degree to which the return of a given series is related from period to period. Serial correlation, like cross-correlation, ranges from positive one to negative one. A positive serial correlation can be an indicator of a trend in a return series. A serial correlation of positive one indicates that returns from one period have a perfectly positive relationship to the returns of the next period; returns are therefore perfectly predictable from one period to the next. A negative serial correlation can be an indicator of a cycle in a return series. A serial correlation of negative one indicates that returns from one period have a perfectly negative relationship to the next period. A serial correlation near zero indicates that returns are random or unpredictable.

If stock returns have a positive or a negative serial correlation, one can gain some information about future performance based on prior period returns. The serial correlation of returns on large-capitalization stocks is near zero. [See Table 7-4.] For the smallest deciles of stocks, the serial correlation is near or above 0.1. This observation bears further examination.

To remove the randomizing effect of the market as a whole, the returns for decile 1 are geometrically subtracted from the returns for each decile 2 through 10. The result illustrates that these series in excess of decile 1 exhibit greater serial correlation than the individual decile series themselves. Table 7-12 presents the serial correlations of the excess returns for deciles 2 through 10. These serial correlations suggest some predictability of smaller company excess returns; however, caution is necessary. The serial correlation of small company excess returns for non-calendar years (February through January, etc.) do not always confirm the results shown here for calendar years (January through December). Therefore, predicting small company excess returns may not be easy.

Table 7-12

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, Serial Correlation of Annual Returns in Excess of Decile 1 Returns
1926–2005

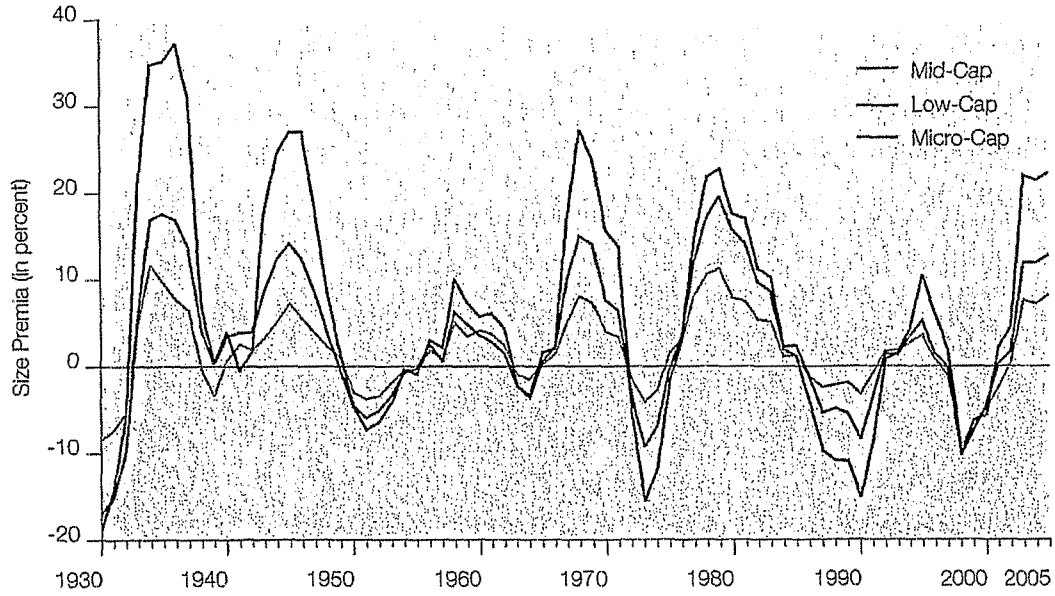
Decile	Serial Correlation of Annual Returns in Excess of Decile 1 Returns
2	0.27
3	0.31
4	0.24
5	0.27
6	0.35
7	0.28
8	0.34
9	0.32
10	0.40

Source: Center for Research in Security Prices, University of Chicago.

The size premia developed in this chapter also remove the randomizing effect of the market as a whole and appear to be serially correlated. Graph 7-8 shows the size premia for rolling five-year periods for each of the three size groups: mid-cap, low-cap, and micro-cap. (A five-year period is necessary to calculate the beta for each portfolio, which is then used to calculate the size premia.) There are periods in which the size premia are positive and periods in which they are negative. However, none of these periods appears to continue for an extended time. Basing a long-term estimate of the size premia on the most recent periods would therefore be inappropriate.

Graph 7-8

Five-Year Rolling Period Size Premia for Decile Portfolios of the NYSE/AMEX/NASDAQ
1926–2005



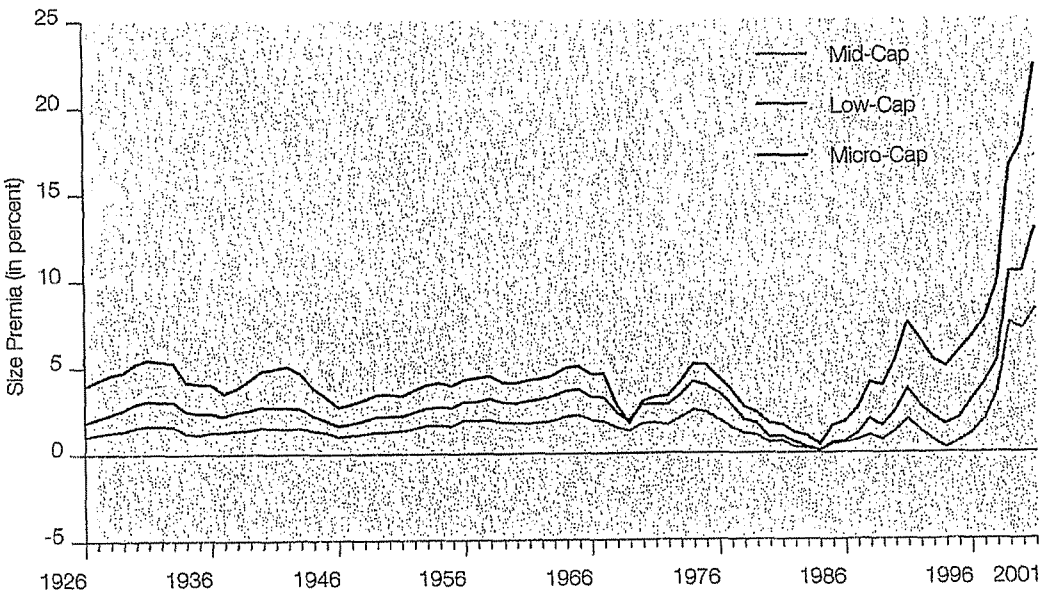
5-Year Period Rolling

Source: Center for Research in Security Prices, University of Chicago (decile data).

The logic behind using a long history to estimate the size premia is similar to the argument for using a long history in estimating the equity risk premium (see Chapter 5). Longer historical periods provide more stable estimates of the size premia because unique events are not weighted heavily, and the probability of such events occurring is better represented by an average that covers a long period of time. Graph 7-9 demonstrates the calculation of the size premia using different starting dates. It shows the realized size premia for a series of time periods through 2005. In other words, the first value on the graph represents the average realized size premium over the period 1926–2005. The next value on the graph represents the average realized size premium over the period 1927–2005, and so on, with the last value representing the average over the most recent five years, 2000–2005. Concentrating on the left side of Graph 7-9, one notices that the realized size premia, when measured over long periods of time, are relatively stable. The increased volatility of the size premia in more recent periods is due to their cyclical nature.

Graph 7-9

Size Premia for Decile Portfolios of the NYSE/AMEX/NASDAQ Calculated with Different Starting Dates
1926–2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Seasonality

Unlike the returns on large company stocks, the returns on small company stocks appear to be seasonal. The January effect denotes the empirical regularity with which rates of return for small stocks have historically been higher in January than in the other months of the year. Small company stocks often outperform larger stocks by amounts in January far greater than in any other month.

Table 7-13 shows the returns of capitalization deciles 2 through 10 in excess of the return on decile 1; the excess returns are segregated into months. For each decile and for each month, the exhibit shows both the average excess return and the number of times the excess return was positive. These two statistics measure the seasonality of the excess return in different ways—the average excess return illustrates the size of the seasonality effect, while the number of positive excess returns shows its reliability.

Table 7-13

Returns in Excess of First Decile, Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
1926–2005

Decile	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total (Jan–Dec)
2	0.81%	0.52%	-0.03%	-0.33%	0.09%	-0.08%	-0.05%	0.25%	0.10%	-0.25%	0.11%	0.36%	1.56%
	59	50	37	29	41	39	37	42	45	36	44	44	
3	1.15%	0.32%	0.01%	-0.12%	-0.17%	-0.11%	0.00%	0.38%	-0.02%	-0.38%	0.57%	0.32%	2.01%
	59	51	41	30	35	36	40	47	43	34	46	46	
4	1.30%	0.59%	-0.07%	-0.30%	0.08%	-0.06%	-0.02%	0.32%	0.12%	-0.76%	0.41%	0.48%	2.19%
	56	52	38	34	39	39	37	48	40	28	46	46	
5	2.19%	0.57%	-0.13%	-0.29%	-0.18%	0.03%	-0.04%	0.35%	0.16%	-0.80%	0.38%	0.31%	2.67%
	58	48	37	35	36	37	39	45	40	31	46	42	
6	2.56%	0.56%	-0.20%	-0.18%	0.27%	-0.13%	-0.08%	0.54%	0.21%	-1.24%	0.30%	0.22%	3.01%
	60	51	40	33	38	37	41	45	44	31	42	42	
7	3.16%	0.64%	-0.20%	-0.19%	0.14%	-0.27%	-0.05%	0.23%	0.29%	-1.04%	0.22%	0.02%	3.02%
	61	52	41	36	34	33	35	40	44	29	42	38	
8	4.32%	0.73%	-0.44%	-0.46%	0.45%	-0.40%	0.11%	0.07%	0.10%	-1.04%	0.31%	-0.30%	3.77%
	60	47	36	33	32	36	37	37	41	32	37	35	
9	5.79%	0.96%	-0.25%	-0.31%	0.28%	-0.35%	0.04%	0.13%	-0.03%	-1.26%	0.19%	-1.05%	4.40%
	63	44	40	32	33	33	36	40	38	30	34	33	
10	9.13%	1.01%	-0.80%	0.03%	0.51%	-0.64%	0.56%	-0.10%	0.68%	-1.41%	-0.34%	-1.69%	7.80%
	72	41	34	36	35	32	37	30	42	28	30	28	

First row: average excess return in percent.
Second row: number of times excess return was positive (in 80 years).
Source: Center for Research in Security Prices, University of Chicago.

Virtually all of the small stock effect occurs in January, as the excess outcomes for small company stocks are mostly negative in the other months of the year. Excess returns in January relate to size in a precisely rank-ordered fashion, and the January effect seems to pervade all size groups. Yet, simply demonstrating that the size premium is largely produced by the January effect does nothing to refute the existence of such a premium.

Possible Explanations for the January Effect

There is no generally accepted explanation of the January effect. One potential explanation is that it results from year-end window dressing by portfolio managers. Window dressing is the process of dumping money-losing stocks just before year-end so that such stocks are not included in the portfolio managers' annual reports.

Another explanation of the January effect is that it results from tax-loss selling at year-end, whereby money-losing stocks are sold at the end of the year for tax purposes. They are then repurchased in the market in January. Investors who have earned a capital loss on a security may be motivated to sell their shares shortly before the end of December in order to realize the capital loss for income tax purposes. This creates a preponderance of sellers in need of willing buyers at year-end. Amid such selling pressure, transactions will generally occur at the bid price, or the price a buyer is willing to pay for a particular stock, which is generally lower than the ask price. Therefore, a preponderance of sell orders will register more transactions at lower bid prices, which may create some temporary downward pressure on the prices of these stocks. They will only appear to recover in January, when trading returns to a more balanced mix of buy and sell orders, though there may be some actual recovery of prices as money generated by tax-loss selling returns to the market, driving up demand.

How does this cause "small" stocks to have higher apparent returns? Stocks that are "losers" will tend to have depressed stock prices. Also, stocks whose prices are quoted at the "bid" price will tend to have lower apparent market values than stocks quoted at the "ask" price. These two effects may lead to a bias when we use the market value of equity as our measure of "size." If losing stocks have both depressed prices and a tendency to sell at the "bid" at year-end, then they will likely be pushed down in the rankings according to market value. At the same time, winners will be pushed up. Thus, portfolios composed of "small" market value companies will tend to have more "losers" whose returns in January are distorted by tax-loss selling.

This argument vanishes if one uses a non-value criterion (such as net sales, total assets, or number of employees) to measure "size." As long as the "size" measure is not based on market value, there will be no tendency for firms with depressed stock prices to be ranked lower than other firms or for "small" stock portfolios to include a preponderance of "bid" prices at year-end. One study that corroborates the effect of different size measures is the PricewaterhouseCoopers study.[5] The PricewaterhouseCoopers study focused on different measures of size and calculated size premia using these different measures. The measures of size considered by the study are market value of equity, book value of equity, five-year average net income, market value of invested capital, total assets, five-year average EBITDA, sales, and number of employees. This study is updated annually and now sold as the Duff & Phelps, L.LC. Risk Premium Report.[6]

5 Grabowski, Roger, and David W. King. "New Evidence on Size Effects and Rates of Return," *Business Valuation Review*, September 1996, p. 103.

6 For more information on the "Duff & Phelps, L.L.C. Risk Premium Report" see Ibbotson's Cost of Capital Center at http://www.ibbotson.com.

The Size Phenomena Across Industries

One question regularly raised concerning the size premium is whether it is relevant for specific industries. In the past there has been no concrete evidence to counter the contention that a size effect exists for the economy as a whole but may not be relevant to a specific industry. The problem of supporting a size premia for a specific industry has been made difficult by a lack of data for companies in individual industries.

We have attempted to answer this question by performing an industry-specific size effect study. The study uses the Center for Research in Security Prices (CRSP) database and the following methodology:

1. Industries are defined at the two-digit SIC (Standard Industrial Classification) code level. Companies are sorted into industries using the CRSP SIC code classification system. In order to be included in the study, an industry must have a minimum of ten companies for all periods. Any industry containing less than 30 years of data was not included in the study.
2. On a calendar year-end basis, companies are ranked by market capitalization within each industry from largest to smallest. Each industry is split into a "large" and a "small" portfolio with an equal number of companies.
3. A capitalization-weighted return series is calculated for each "large" and "small" portfolio. The excess return for each industry is represented by the "small" portfolio arithmetic return less the "large" portfolio arithmetic return.

The results of the study can be found in Table 7-14. Note that a large majority of industries exhibit returns where small company stocks outperform large company stocks over extended periods.

The excess returns presented in this table should not be construed as size premia. Due to limited data, we have defined size in rather general terms. In addition, the population of companies in most industries is very small. Table 7-14 only provides evidence that smaller companies have generally outperformed larger companies across industries. The size premium study presented earlier in this chapter provides more reliable statistics as they relate to the size premium. In addition, measures of industry risk for use in the buildup model are presented in Table 3-5.

Table 7-14

Size Effect within Industries
Summary Statistics and Excess Returns

(Through Year-end 2005)

			Large Company Group		
SIC Code	Description	Years	Geometric Mean	Arithmetic Mean	Standard Deviation
10	Metal Mining	80	7.87%	11.47%	29.09%
13	Oil and Gas Extraction	43	11.41%	14.34%	26.13%
15	Building Construction-General Contractors & Op. Builders	34	12.93%	19.66%	39.85%
16	Hvy. Construction Other than Bldg. Construction-Contractors	35	7.28%	10.93%	30.54%
20	Food and Kindred Spirits	80	10.88%	12.52%	18.98%
22	Textile Mill Products	80	7.00%	11.87%	32.64%
23	Apparel & other Finished Products Made from Fabrics & Similar	46	8.01%	12.64%	32.81%
24	Lumber and Wood Products, Except Furniture	43	9.62%	12.26%	25.37%
25	Furniture and Fixtures	36	10.11%	12.46%	22.37%
26	Paper & Allied Products	76	10.29%	13.68%	28.09%
27	Printing, Publishing and Allied Products	47	10.71%	12.81%	21.05%
28	Chemicals and Allied Products	80	11.78%	13.91%	22.45%
29	Petroleum Refining & Related Industries	80	11.40%	13.50%	21.34%
30	Rubber & Miscellaneous Plastics Products	59	10.83%	13.54%	25.34%
31	Leather & Leather Products	43	12.74%	17.08%	33.02%
32	Stone, Clay, Glass & Concrete Products	77	8.66%	12.46%	31.50%
33	Primary Metal Industries	80	8.08%	12.01%	30.39%
34	Fabricated Metal Products, Except Machinery & Trans. Equip.	80	9.56%	12.08%	23.10%
35	Industrial & Commercial Machinery & Computer Equipment	80	10.68%	14.09%	27.66%
36	Electrical Equipment & Components, Except Computer	80	9.86%	13.58%	28.54%
37	Transportation Equipment	80	10.82%	15.07%	32.08%
38	Measuring, Analyzing & Controlling Instruments	69	12.04%	14.14%	21.96%
39	Miscellaneous Manufacturing Industries	44	7.88%	11.74%	28.57%
40	Railroad Transportation	80	9.65%	12.67%	24.86%
42	Motor Freight Transportation & Warehousing	42	9.78%	13.24%	28.28%
45	Transport by Air	60	7.26%	11.67%	32.37%
48	Communications	43	8.89%	11.20%	22.08%
49	Electric, Gas & Sanitary Services	80	8.78%	10.89%	21.46%
50	Wholesale Trade-Durable Goods	60	10.12%	12.34%	22.64%
51	Wholesale Trade-Nondurable Goods	38	9.94%	12.89%	24.91%
53	General Merchandise Stores	80	9.88%	13.09%	26.56%
54	Food Stores	49	11.29%	13.79%	23.37%
56	Apparel & Accessory Stores	59	14.08%	18.18%	32.15%
57	Home Furniture, Furnishings, and Equipment Stores	33	12.37%	23.69%	60.37%
58	Eating and Drinking Places	37	10.85%	15.36%	33.13%
59	Miscellaneous Retail	43	12.66%	15.93%	26.94%
60	Depository Institutions	37	11.64%	13.78%	21.37%
61	Nondepository Credit Institutions	56	12.83%	15.66%	26.45%
62	Security and Commod. Brokers, Dealers, Exchanges	33	17.78%	24.55%	43.10%
63	Insurance Carriers	37	10.63%	12.51%	20.39%
64	Insurance Agents, Brokers, and Service	33	14.79%	16.25%	18.21%
65	Real Estate	43	7.34%	11.62%	30.63%
67	Holding & Other Investment Offices	76	10.00%	13.17%	25.21%
70	Hotels, Rooming Houses, Camps, & Other Lodging	36	10.03%	15.69%	35.13%
72	Personal Services	36	8.73%	13.40%	30.78%
73	Business Services	43	10.20%	15.01%	32.56%
78	Motion Pictures	55	12.11%	16.67%	33.13%
79	Amusement and Recreation Services	33	12.44%	16.16%	27.50%
80	Health Services	34	13.17%	18.92%	35.76%

Source: Center for Research in Security Prices, University of Chicago.

Table 7-14 (continued)

Size Effect within Industries
Summary Statistics and Excess Returns

(Through Year-end 2005)

SIC Code	Description	Small Company Group Geometric Mean	Arithmetic Mean	Standard Deviation	Excess Return
10	Metal Mining	8.31%	16.30%	46.05%	4.83%
13	Oil and Gas Extraction	12.81%	21.07%	46.60%	6.73%
15	Building Construction–General Contractors & Op. Builders	6.64%	15.87%	43.37%	-3.79%
16	Hvy. Construction Other than Bldg. Construction–Contractors	18.58%	23.57%	37.33%	12.65%
20	Food and Kindred Spirits	12.36%	15.95%	30.16%	3.44%
22	Textile Mill Products	9.77%	15.35%	34.60%	3.49%
23	Apparel & other Finished Products Made from Fabrics & Similar	5.72%	11.52%	37.95%	-1.12%
24	Lumber and Wood Products, Except Furniture	11.02%	21.19%	53.51%	8.93%
25	Furniture and Fixtures	9.12%	13.29%	29.62%	0.83%
26	Paper & Allied Products	14.21%	19.79%	42.06%	6.12%
27	Printing, Publishing and Allied Products	16.30%	19.15%	24.91%	6.34%
28	Chemicals and Allied Products	13.38%	18.87%	39.59%	4.95%
29	Petroleum Refining & Related Industries	13.21%	17.68%	31.92%	4.18%
30	Rubber & Miscellaneous Plastics Products	12.60%	17.05%	32.93%	3.52%
31	Leather & Leather Products	11.75%	16.79%	34.22%	-0.29%
32	Stone, Clay, Glass & Concrete Products	9.71%	14.54%	33.16%	2.08%
33	Primary Metal Industries	13.01%	18.76%	38.48%	6.75%
34	Fabricated Metal Products, Except Machinery & Trans. Equip.	11.77%	17.41%	37.42%	5.33%
35	Industrial & Commercial Machinery & Computer Equipment	12.20%	17.59%	35.60%	3.50%
36	Electrical Equipment & Components, Except Computer	12.01%	20.02%	45.90%	6.44%
37	Transportation Equipment	12.04%	18.32%	38.31%	3.25%
38	Measuring, Analyzing & Controlling Instruments	13.25%	18.19%	35.01%	4.05%
39	Miscellaneous Manufacturing Industries	8.07%	12.55%	31.90%	0.82%
40	Railroad Transportation	8.46%	14.82%	36.36%	2.15%
42	Motor Freight Transportation & Warehousing	7.21%	13.19%	38.93%	-0.04%
45	Transport by Air	8.71%	17.13%	48.27%	5.46%
48	Communications	17.30%	25.50%	46.18%	14.30%
49	Electric, Gas & Sanitary Services	10.34%	13.96%	29.63%	3.08%
50	Wholesale Trade–Durable Goods	11.01%	16.26%	36.38%	3.92%
51	Wholesale Trade–Nondurable Goods	8.64%	12.33%	28.69%	-0.56%
53	General Merchandise Stores	9.37%	16.84%	43.14%	3.75%
54	Food Stores	10.00%	13.82%	29.54%	0.03%
56	Apparel & Accessory Stores	11.87%	18.02%	38.93%	-0.16%
57	Home Furniture, Furnishings, and Equipment Stores	15.82%	26.33%	51.19%	2.64%
58	Eating and Drinking Places	2.03%	7.97%	36.84%	-7.39%
59	Miscellaneous Retail	12.11%	17.66%	36.52%	1.74%
60	Depository Institutions	15.33%	17.99%	25.10%	4.21%
61	Nondepository Credit Institutions	13.52%	17.44%	29.94%	1.78%
62	Security and Commod. Brokers, Dealers, Exchanges	14.58%	21.59%	42.10%	-2.96%
63	Insurance Carriers	13.39%	16.25%	24.02%	3.74%
64	Insurance Agents, Brokers, and Service	11.82%	19.26%	43.80%	3.01%
65	Real Estate	6.72%	11.65%	34.85%	-0.16%
67	Holding & Other Investment Offices	11.19%	15.46%	31.25%	2.28%
70	Hotels, Rooming Houses, Camps, & Other Lodging	6.42%	12.53%	37.23%	-3.16%
72	Personal Services	18.06%	22.49%	32.80%	9.09%
73	Business Services	13.95%	23.68%	59.91%	8.67%
78	Motion Pictures	6.18%	14.05%	45.60%	-2.62%
79	Amusement and Recreation Services	11.18%	15.10%	31.68%	-1.07%
80	Health Services	15.59%	22.05%	40.75%	3.13%

Source: Center for Research in Security Prices, University of Chicago.

Other Criticisms of the Size Premium

Bid/Ask Spread

All stocks have a bid/ask spread that represents the differential between the highest price a prospective buyer is prepared to pay (bid) and the lowest price a seller is willing to accept (ask). Market makers in a particular security make their money off of this spread. The spread is a form of transaction cost and is a function of the liquidity of a particular security; the greater the liquidity, the lower the bid/ask spread. In general, larger companies have more trading activity and therefore have greater liquidity and a lower bid/ask spread.

Some argue that the existence of such a spread adds a bias to all stock returns but particularly so to portfolios comprised of less liquid (generally smaller) companies that have higher bid/ask spreads. The bias arises because the movement from a bid price to an ask price creates a measured rate of return that is higher in absolute value than a movement from one ask price to another ask price. Since trades occur randomly at either the bid or the ask price, some bias may slip into the measured returns. This bias can be especially pronounced if one is measuring rates of return on a daily basis. Most studies (e.g., Ibbotson Associates and PricewaterhouseCoopers) calculate returns at the portfolio level on a monthly basis and then compound the portfolio returns for each of the 12 months of the year to obtain an annual rate of return.

The "bid/ask bias" is a valid concern that deserves some consideration. Most studies of the small stock effect use the Center for Research in Security Prices (CRSP) database to measure rates of return. CRSP generally uses the closing price, which will be either a "bid" or an "ask," to measure the rates of return. If there are no trades on a given day, CRSP will use the average of the "bid" and "ask" prices. Note that the most illiquid stocks (those with the highest bid/ask spreads) will be the least likely to trade on a given day. For these stocks, CRSP uses the bid/ask average, which automatically rectifies the "bias" to some extent.

The "bid/ask bias" has only a trivial impact on the observed size/return relationship. Average bid/ask spreads are less than four percent of the underlying stock price for all but the very smallest portfolios of stocks.[7] Spreads of under 4 percent could give rise to biases in measured returns that are at most 50 basis points (assuming that annual returns are being compounded from monthly portfolio results, as in the Ibbotson and PricewaterhouseCoopers studies), yet the size/return relationship is manifest even for mid-sized public companies.

Geometric versus Arithmetic Averages

It has been suggested that using geometric averages to formulate discount rates will correct for the alleged "bid/ask bias." This argument is completely spurious. The difference between the geometric and arithmetic averages has nothing whatsoever to do with the bid/ask bounce. Both measures are built up from the same underlying monthly return measurements. Geometric averages are always less than arithmetic averages as a matter of mathematical law, not as a result of the bid/ask spread. Though using geometric averages produces a lower discount rate, the lower rate cannot be attributed to a correction of the bid/ask spread.

7 Amihud, Yakov, and Haim Mendelson. "Asset Pricing and the Bid-Ask Spread," *Journal of Financial Economics,* Vol. 17, 1986, pp. 223–249.

Infrequent Trading and Small Stock Betas

It has been argued that betas for smaller, less frequently traded stocks are mismeasured; in particular, they tend to be too low. If small stock betas were sufficiently high to measure their true systematic risk, then the small stock premium might disappear. This possibility has been offered as an argument against the use of a small stock premium in calculating discount rates.

With a little bit of thought, one should come to a very different conclusion. If small stocks have high returns because they have high betas, and if methods of measuring betas for smaller companies produce betas that are too low, then in the context of the CAPM some sort of adjustment is necessary in order to produce a discount rate of the right magnitude. A small stock premium is one such adjustment.

The Ibbotson Associates size premia study presented earlier in this chapter demonstrates this concept. Beta is calculated for each decile for the entire history back to 1926. These betas are then plugged into the capital asset pricing model to produce decile costs of equity under CAPM, which are then compared to the actual returns that the deciles achieved over this period of history. For all but the largest decile, CAPM underestimates the cost of equity. The amount of this underestimation is termed the size premium.

As was noted earlier in this chapter, it is possible to estimate beta with a different regression equation to take into account the infrequent trading of small-capitalization stocks. One can accomplish this either by using the sum beta technique or by measuring beta with annual data. As seen in Tables 7-10 and 7-11, these techniques increase the cost of equity as predicted by CAPM, but fail to completely eradicate the size premium.

Transaction Costs

It has been argued that, because of high bid/ask spreads and other transaction costs, an investor in publicly traded small stocks is not able to realize returns as high as those we observe in the historical record. According to one theory, small stocks earn high returns in order to compensate investors for high transaction costs. However, in valuing a business, one typically applies to cash flows a discount rate that does not reflect the buyer's or the seller's transaction costs. It would be inconsistent to also use a discount rate that reflects a rate of return on a "net of transaction cost" basis.

Delisted Return Bias

Tyler Shumway published some evidence that the CRSP database omits delisting returns for a large number of companies.[8] This creates a potential bias because stocks generally experience negative returns upon delisting. Since delisting is concentrated in firms with small market values, this has been offered as a partial explanation of the observed size effect.

Shumway's data revealed that the possible bias is trivial for all but the very smallest companies, yet the historical size effect is still evident in mid-cap companies. Therefore, this bias would explain little of the observed historical relationship.

PricewaterhouseCoopers revised its methodology to take into account the Shumway evidence. Shumway reported that the average delisting rate of return for companies for which he could find

8 Shumway, Tyler. "The Delisting Bias in CRSP Data," *Journal of Finance,* Vol. 52, 1997, pp. 327–340.

data was approximately minus 30 percent. The PricewaterhouseCoopers calculations thus assumed a rate of return upon delisting of minus 30 percent for any company for which CRSP lacks delisting return data. This adjustment did not greatly affect the results of the 25 size portfolios in the *PricewaterhouseCoopers Risk Premia Study.* Even for the very smallest (25th) portfolio, the adjustment lowered the observed average return by only 22 basis points (less than one percent). For the rest of the portfolios, the adjustment was even smaller or non-existent. The 2005 update to the original PricewaterhouseCoopers Study is published as the *Duff & Phelps, LLC Risk Premium Report.* This report is available on www.Ibbotson.com.

CRSP questions, in its *CRSP Delisting Returns Study*, "whether or not using one replacement value for all missing delisting returns associated with poor performance delists is the most appropriate solution." CRSP further implies that using one single replacement value may create more bias in the data than would otherwise have existed because of the "significant variation in the average delisting returns for individual delist codes..." The "codes" represent groupings of firms that were delisted from an exchange for the same reason.

In the table below borrowed from the study, geometric annual returns of the 10 deciles are calculated over the 1926—2000 period in three ways: (1) Without Replacements – calculated without any substitution of the missing returns, as outlined on page 129 of this chapter, (2) Treating partial-month returns as delisting returns; partial-month returns are calculated by using the last daily trade price or bid-ask spread for the month in which the security delisted, if no post-delist value can be found, and (3) Using one of the three single-replacement values, based on the assumption "that all issues with missing delisting returns lost an additional 30, 55, or 100 percent of their pre-delist value after leaving the exchange."

Table 7-15

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ, Geometric Annual Returns With or Without Single-replacement Values
1926–2000

	Without Replacements	Partial	-30%	-55%	-100%
1 - Largest	10.31%	10.31%	10.31%	10.31%	10.31%
2	11.28	11.27	11.27	11.27	11.27
3	11.58	11.58	11.58	11.58	11.57
4	11.53	11.53	11.53	11.53	11.53
5	11.81	11.81	11.81	11.81	11.81
6	11.82	11.84	11.83	11.83	11.82
7	11.57	11.57	11.57	11.56	11.55
8	11.65	11.66	11.65	11.64	11.63
9	11.75	11.75	11.74	11.74	11.72
10 - Smallest	13.11	13.11	13.05	13.00	12.92

The highest difference between the returns calculated using a single-replacement value and no replacement value is 19 basis points in the case of the smallest decile portfolio (Decile 10: 13.11%–12.92%); hence, single-replacement values have little impact on the overall decile portfolios. Consequently, the potential upward bias in the size premia—constructed by

applying Ibbotson Associates' methodology to CRSP's NYSE/AMEX/NASDAQ Size-Decile Portfolios—is not evident, since the bias of the missing delisting returns (discussed by Shumway) does not manifest when decile portfolio returns are calculated with and without single-replacement value. For more information on delisting returns, visit CRSP's web site at http://www.crsp.uchicago.edu/.

Small Stock Returns Are Unpredictable

Since investors cannot predict when small stock returns will be higher than large stock returns, it has been argued that they do not expect higher rates of return for small stocks. As was illustrated earlier in this chapter, even over periods of many years, investors in small stocks do not always earn returns that are higher than those of investors in large stocks. By simple definition, one cannot expect risky companies to always outperform less risky companies; otherwise they would not be risky. Over the long-term, however, investors do expect small stocks to outperform large stocks.

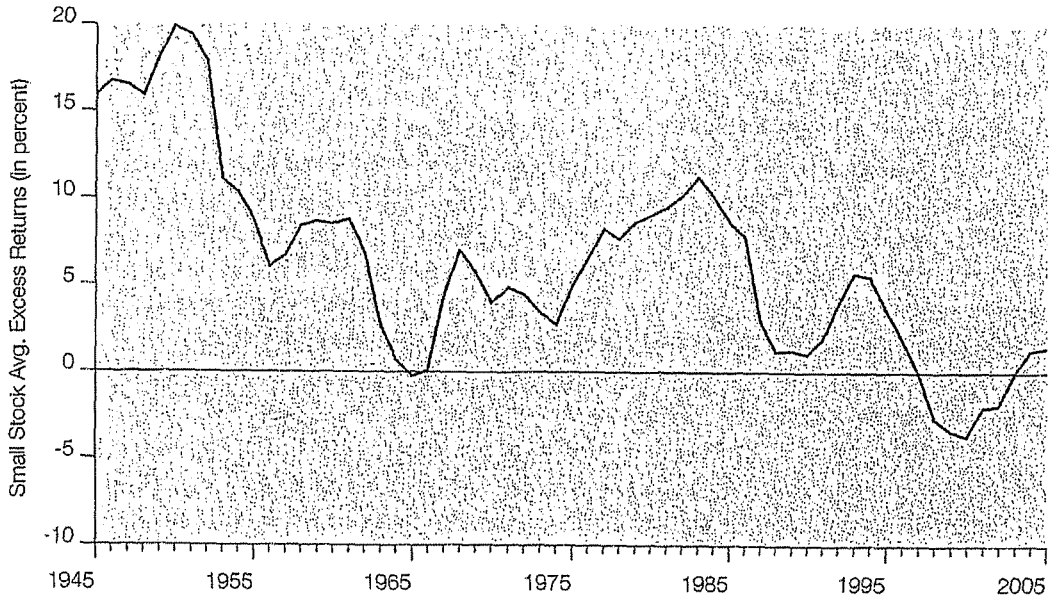
The unpredictability of small stock returns has given rise to another argument against the existence of a size premium: the argument that markets have changed so that there is no longer such a thing as a size premium. As evidence, one might observe the last 20 years of market data to see that the performance of large-capitalization stocks was basically equal to that of small-capitalization stocks. In fact, large-capitalization stocks have outperformed small-capitalization stocks in five of the last ten years.

While the 20-year returns of small-capitalization stocks currently seem low in comparison to large-capitalization stocks, the same relationship has been true in the past. Graph 7-10 shows the average excess returns of small stocks versus large stocks over historical rolling 20-year time periods. (Small stocks are represented by the CRSP NYSE/AMEX/NASDAQ deciles 9 and 10. The S&P 500 represents large stocks. The excess return is calculated by subtracting the large stock returns from the small ones.) The graph clearly shows that over the most recent 20-year rolling periods, small-capitalization stocks have not outperformed large-capitalization stocks.

As was noted earlier in this chapter, one thing that we do know about the size premium is that it is cyclical in nature. Most market returns (including those of large- and small-capitalization stocks) have no historical pattern; however, this is not true of the size premium. It is not unusual for the size premium to follow several years of consistently positive values with several years of consistently negative values. Given the cyclical nature of the size premium, it is therefore not surprising that in recent years large-capitalization stocks have dominated small-capitalization stocks. We should actually expect periods of small stock underperformance as well as overperformance in the future.

Graph 7-10

Small Stock Average Excess Returns over 20-year Rolling Periods
1926-2005



Source: Center for Research in Security Prices, University of Chicago (decile data).

Conclusion

Most criticisms of the use of size premia do not address the underlying reason for the existence of size premia. Small-capitalization stocks are still considered riskier investments than large company stocks. Investors require an additional reward, in the form of additional return, to take on the added risk of an investment in small-capitalization stock. It is unlikely that in the future investors will require no compensation for taking on this additional risk.

The size premium will undoubtedly continue to be questioned in some quarters. The goal of this section was to review the most common arguments against its existence. Most criticisms presented to date, however, have not provided sufficient evidence to disprove the existence of a size premium.

Table 7-16

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
Year-by-Year Returns

from 1926 to 1970

	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10
1926	0.1438	0.0545	0.0355	0.0085	0.0033	0.0335	-0.0250	-0.0932	-0.0997	-0.0605
1927	0.3400	0.2957	0.3116	0.4134	0.3467	0.2312	0.3025	0.2553	0.3190	0.3126
1928	0.3889	0.3777	0.3982	0.3736	0.4965	0.2809	0.3530	0.3212	0.3740	0.6974
1929	-0.1056	-0.0793	-0.2569	-0.3177	-0.2448	-0.4044	-0.3769	-0.4082	-0.4993	-0.5359
1930	-0.2422	-0.3747	-0.3465	-0.3418	-0.3627	-0.3781	-0.3661	-0.4951	-0.4570	-0.4567
1931	-0.4215	-0.5011	-0.4600	-0.4569	-0.4865	-0.5102	-0.4787	-0.4907	-0.4908	-0.5010
1932	-0.1226	-0.0024	-0.0252	-0.1261	-0.1018	0.0398	-0.1734	0.0147	0.0000	0.3946
1933	0.4619	0.7631	1.0107	1.1255	0.9787	1.0886	1.1649	1.5446	1.7262	2.2383
1934	0.0213	0.0595	0.0889	0.1723	0.0806	0.2123	0.1693	0.2736	0.2290	0.3238
1935	0.4164	0.5598	0.3638	0.3754	0.6417	0.5448	0.6677	0.6123	0.6563	0.8333
1936	0.3010	0.3474	0.2813	0.4264	0.4823	0.5009	0.5213	0.4952	0.8323	0.8764
1937	-0.3182	-0.3703	-0.3801	-0.4412	-0.4801	-0.4791	-0.4908	-0.5284	-0.5182	-0.5546
1938	0.2505	0.3465	0.3367	0.3472	0.5081	0.4218	0.3556	0.4584	0.2996	0.0956
1939	0.0473	-0.0279	-0.0482	0.0173	0.0224	0.0554	0.0521	-0.0433	-0.0619	0.1905
1940	-0.0707	-0.0858	-0.0860	-0.0391	-0.0076	-0.0581	-0.0571	-0.0606	-0.0409	-0.3139
1941	-0.1079	-0.0714	-0.0581	-0.1003	-0.1174	-0.1018	-0.0947	-0.0868	-0.1258	-0.1712
1942	0.1310	0.2360	0.2074	0.1961	0.2098	0.2441	0.2936	0.2963	0.4337	0.7664
1943	0.2361	0.3578	0.3342	0.4018	0.4844	0.4262	0.7259	0.7164	0.8446	1.4216
1944	0.1721	0.2513	0.2394	0.3300	0.3995	0.4438	0.3792	0.4980	0.5613	0.7060
1945	0.2935	0.4846	0.5447	0.6278	0.5429	0.6048	0.6400	0.7047	0.7621	0.9507
1946	-0.0445	-0.0442	-0.0789	-0.1289	-0.0955	-0.0656	-0.1588	-0.1470	-0.0950	-0.1882
1947	0.0557	0.0081	-0.0034	0.0221	0.0260	-0.0289	-0.0211	-0.0293	-0.0360	-0.0201
1948	0.0370	0.0009	0.0226	-0.0186	-0.0166	-0.0430	-0.0246	-0.0741	-0.0698	-0.0495
1949	0.1868	0.2566	0.2652	0.1957	0.1802	0.2349	0.2195	0.1600	0.1975	0.2464
1950	0.2862	0.2856	0.2636	0.3210	0.3682	0.3398	0.3794	0.4043	0.4029	0.5571
1951	0.2149	0.2243	0.2176	0.1656	0.1455	0.1373	0.1832	0.1528	0.1109	0.0581
1952	0.1430	0.1294	0.1220	0.1209	0.1099	0.1002	0.0974	0.0849	0.0859	0.0172
1953	0.0110	0.0177	0.0023	-0.0135	-0.0309	-0.0090	-0.0251	-0.0751	-0.0463	-0.0846
1954	0.4844	0.4831	0.5868	0.5122	0.5770	0.5927	0.5736	0.5241	0.6328	0.6888
1955	0.2833	0.1897	0.1893	0.1875	0.1795	0.2373	0.1790	0.2061	0.2008	0.2648
1956	0.0789	0.1138	0.0765	0.0849	0.0845	0.0653	0.0729	0.0532	0.0603	-0.0160
1957	-0.0932	-0.0845	-0.1324	-0.1063	-0.1391	-0.1848	-0.1712	-0.1809	-0.1474	-0.1613
1958	0.4076	0.4957	0.5439	0.5923	0.5569	0.5674	0.6794	0.6570	0.7057	0.6988
1959	0.1236	0.0960	0.1340	0.1545	0.1858	0.1497	0.2089	0.1748	0.1940	0.1552
1960	0.0037	0.0551	0.0441	0.0161	-0.0131	-0.0096	-0.0571	-0.0463	-0.0372	-0.0824
1961	0.2633	0.2685	0.2911	0.3013	0.2808	0.2704	0.3007	0.3448	0.2984	0.3227
1962	-0.0880	-0.0943	-0.1192	-0.1276	-0.1652	-0.1795	-0.1647	-0.1528	-0.1661	-0.1420
1963	0.2244	0.2131	0.1649	0.1716	0.1273	0.1843	0.1745	0.1992	0.1291	0.1101
1964	0.1596	0.1450	0.1997	0.1612	0.1588	0.1721	0.1592	0.1708	0.1537	0.2101
1965	0.0893	0.1913	0.2456	0.2429	0.3218	0.3801	0.3391	0.3182	0.3195	0.4338
1966	-0.1033	-0.0529	-0.0517	-0.0606	-0.0729	-0.0495	-0.0905	-0.0872	-0.0583	-0.1021
1967	0.2193	0.2099	0.3179	0.4524	0.5238	0.5275	0.6519	0.8177	0.9018	1.1410
1968	0.0753	0.1657	0.1978	0.1829	0.2765	0.3040	0.2671	0.4028	0.3759	0.6128
1969	-0.0584	-0.1297	-0.1170	-0.1674	-0.1804	-0.1852	-0.2458	-0.2473	-0.3157	-0.3291
1970	0.0231	0.0182	0.0328	-0.0698	-0.0594	-0.0604	-0.0971	-0.1611	-0.1535	-0.1781

Source: Center for Research in Security Prices, University of Chicago.

Table 7-16 (continued)

Size-Decile Portfolios of the NYSE/AMEX/NASDAQ
Year-by-Year Returns

from 1971 to 2005

	Decile 1	Decile 2	Decile 3	Decile 4	Decile 5	Decile 6	Decile 7	Decile 8	Decile 9	Decile 10
1971	0.1484	0.1328	0.2011	0.2472	0.1890	0.2244	0.2018	0.1735	0.1647	0.1853
1972	0.2212	0.1278	0.0938	0.0881	0.0863	0.0695	0.0632	0.0205	-0.0229	-0.0057
1973	-0.1274	-0.2266	-0.2278	-0.2680	-0.3217	-0.3177	-0.3730	-0.3532	-0.3895	-0.4200
1974	-0.2803	-0.2441	-0.2449	-0.2834	-0.2167	-0.2694	-0.2552	-0.2360	-0.2704	-0.2716
1975	0.3169	0.4573	0.5363	0.6168	0.5966	0.5675	0.6326	0.6579	0.6634	0.7579
1976	0.2073	0.3045	0.3811	0.4008	0.4363	0.4808	0.5018	0.5690	0.5101	0.5516
1977	-0.0884	-0.0367	0.0109	0.0376	0.1126	0.1408	0.1754	0.2261	0.2022	0.2310
1978	0.0637	0.0229	0.1084	0.0974	0.1207	0.1637	0.1705	0.1632	0.1605	0.2815
1979	0.1519	0.2871	0.3061	0.3516	0.3557	0.4888	0.4206	0.4638	0.4594	0.4158
1980	0.3275	0.3442	0.3186	0.3043	0.3193	0.3141	0.3623	0.3233	0.3823	0.3071
1981	-0.0833	0.0059	0.0372	0.0403	0.0484	0.0677	-0.0040	0.0055	0.0802	0.0856
1982	0.1964	0.1749	0.2081	0.2566	0.3076	0.2940	0.2919	0.2955	0.2608	0.2855
1983	0.2057	0.1686	0.2662	0.2633	0.2626	0.2589	0.2727	0.3721	0.3130	0.3690
1984	0.0840	0.0770	0.0253	-0.0458	-0.0269	0.0248	-0.0426	-0.0747	-0.0896	-0.1951
1985	0.3137	0.3770	0.2910	0.3390	0.3115	0.3097	0.3254	0.3651	0.3077	0.2582
1986	0.1801	0.1810	0.1636	0.1741	0.1504	0.0871	0.1250	0.0387	0.0572	0.0040
1987	0.0504	0.0036	0.0393	0.0167	-0.0402	-0.0509	-0.0843	-0.0804	-0.1274	-0.1488
1988	0.1486	0.1982	0.2126	0.2237	0.2138	0.2336	0.2394	0.2854	0.2283	0.2105
1989	0.3295	0.3008	0.2629	0.2308	0.2423	0.2107	0.1785	0.1788	0.1058	0.0550
1990	-0.0088	-0.0853	-0.1015	-0.0875	-0.1409	-0.1849	-0.1532	-0.1979	-0.2460	-0.3128
1991	0.3039	0.3463	0.4140	0.3883	0.4813	0.5326	0.4421	0.4707	0.5066	0.4804
1992	0.0474	0.1577	0.1387	0.1249	0.2609	0.1885	0.1917	0.1287	0.2495	0.3374
1993	0.0733	0.1316	0.1614	0.1567	0.1691	0.1733	0.1882	0.1865	0.1656	0.2561
1994	0.0174	-0.0174	-0.0423	-0.0098	-0.0166	0.0034	-0.0252	-0.0308	-0.0312	-0.0297
1995	0.3940	0.3526	0.3533	0.3275	0.3324	0.2692	0.3264	0.2935	0.3497	0.3048
1996	0.2375	0.1963	0.1714	0.1883	0.1366	0.1737	0.1965	0.1720	0.2064	0.1722
1997	0.3486	0.3012	0.2512	0.2611	0.1565	0.2865	0.3003	0.2537	0.2554	0.2201
1998	0.3515	0.1272	0.0764	0.0724	0.0054	0.0116	-0.0090	0.0102	-0.0502	-0.1155
1999	0.2450	0.1976	0.3433	0.3006	0.2595	0.3492	0.2570	0.3888	0.3436	0.2809
2000	-0.1362	-0.0030	-0.0620	-0.0997	-0.0710	-0.1028	-0.1070	-0.1297	-0.1337	-0.1295
2001	-0.1529	-0.0882	-0.0411	-0.0096	-0.0214	0.0952	0.1226	0.2119	0.3157	0.3668
2002	-0.2246	-0.1736	-0.1934	-0.1771	-0.1778	-0.2122	-0.2297	-0.1998	-0.1859	-0.0555
2003	0.2568	0.3738	0.4029	0.4402	0.4090	0.4877	0.5075	0.5780	0.6822	0.9208
2004	0.0794	0.2013	0.1796	0.1874	0.1734	0.2205	0.1887	0.2190	0.1516	0.1858
2005	0.0372	0.1199	0.1237	0.1058	0.1011	0.0323	0.1048	0.0755	0.0200	0.0580

Source: Center for Research in Security Prices, University of Chicago.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 46
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, pages 37 and 38 and Schedule DAM-24. There is no discussion of the underlying data or the selection of specific variables used in the calculations.

a. Provide DAM-24 in electronic format (Excel) with formulas intact, including the underlying data.
b. Provide a complete description of, derivation of, and the rationale for the use of each variable used in the Schedule.

Response:

a. Please reference the response to KPSC DR 2-35 for the requested electronic file.

b. The following discussion describes the variables in Schedule DAM-24:

"Risk Free Return" – the yield on a 20-Year Treasury Bond reported by *The Federal Reserve Statistical Release H.15.* Dr. Murry chose this particular bond yield because Ibbotson Associates recommends its use in its size adjusted cost of capital method.

"Beta" – a measure of risk of particular security relative to the market as identified in the underlying theory of the CAPM. *Value Line* is the source for this data.

"Equity Risk Premium" – the expected return of the market as a whole produced by Ibbotson Associates from Table C-1 from the *SBBI Valuation Edition 2006 Yearbook.*

"Adjusted Equity Risk Premium" – a calculated value derived by multiplying the equity risk premium times beta. This is from the underlying theory of the CAPM.

"Size Premium" – an adjustment to the basic CAPM to account for its empirical bias that understates the expected returns of smaller companies. The source is Table C-1 from the *SBBI Valuation Edition 2006 Yearbook.* For the companies with a market capitalization between $1.7 and $7.2 billion, Ibbotson adds 1.02 percent. For the companies with a market capitalization between $587million and $1.7 billion, Ibbotson adds 1.81 percent.

"Cost of Equity" – the sum of the Risk Free Return, the Adjusted Equity Risk Premium, and the size premium for each respective companies.

Please see the attachment KPSC DR2-46 ATT1 for supporting documentation.

Table C-1
Key Variables in Estimating the Cost of Capital

	Value
Yields (Riskless Rates)[1]	
Long-term (20-year) U.S. Treasury Coupon Bond Yield	4.6%
Equity Risk Premium[2]	
Long-horizon expected equity risk premium (historical): large company stock total returns minus long-term government bond income returns	7.1
Long-horizon expected equity risk premium (supply side): historical equity risk premium minus price-to-earnings ratio calculated using three-year average earnings	6.3

Size Premium[3]

Decile	Market Capitalization of Smallest Company (in millions)		Market Capitalization of Largest Company (in millions)	Size Premium (Return in Excess of CAPM)
Mid-Cap, 3-5	$1,729.364	-	$7,187.244	1.02%
Low-Cap, 6-8	$587.243	-	$1,728.888	1.81
Micro-Cap, 9-10	$1.079	-	$586.393	3.95
Breakdown of Deciles 1-10				
1-Largest	$16,091.015	-	$367,495.144	-0.37
2	$7,189.887	-	$16,016.450	0.67
3	$3,968.998	-	$7,187.244	0.85
4	$2,525.472	-	$3,961.425	1.10
5	$1,729.364	-	$2,519.280	1.49
6	$1,282.276	-	$1,728.888	1.73
7	$872.443	-	$1,280.966	1.67
8	$587.243	-	$872.103	2.33
9	$265.056	-	$586.393	2.76
10-Smallest	$1.079	-	$264.981	6.36
Breakdown of the 10th Decile				
10a	$169.245	-	$264.981	4.39
10b	$1.079	-	$169.195	9.83

1 As of December 31, 2005. Maturity is approximate.

2 See chapter 5 for complete methodology.

3 See chapter 7 for complete methodology.

Note: Examples on how these variables can be used are found in Chapters 3 and 4

FEDERAL RESERVE statistical release

H.15 (519) SELECTED INTEREST RATES

Yields in percent per annum

For use at 2:30 p.m. Eastern Time
December 4, 2006

Instruments	2006 Nov 27	2006 Nov 28	2006 Nov 29	2006 Nov 30	2006 Dec 1	Week Ending Dec 1	Week Ending Nov 24	2006 Nov
Federal funds (effective)[1 2 3]	5.32	5.24	5.26	5.31	5.27	5.26	5.24	5.25
Commercial Paper[3 4 5]								
Nonfinancial								
1-month	5.20	5.24	5.21	5.22	5.19	5.21	5.21	5.21
2-month	n.a.	5.24	n.a.	n.a.	5.19	5.22	5.16	5.19
3-month	n.a.	5.23	n.a.	n.a.	n.a.	5.23	5.14	5.17
Financial								
1-month	5.23	5.22	5.23	5.24	5.23	5.23	5.23	5.23
2-month	5.24	5.23	5.23	5.22	5.24	5.23	5.24	5.24
3-month	5.24	5.24	5.24	5.24	5.23	5.24	5.25	5.24
CDs (secondary market)[3 6]								
1-month	5.29	5.29	5.29	5.30	5.30	5.29	5.29	5.29
3-month	5.32	5.32	5.31	5.31	5.31	5.31	5.32	5.32
6-month	5.32	5.31	5.30	5.30	5.29	5.30	5.33	5.33
Eurodollar deposits (London)[3 7]								
1-month	5.32	5.32	5.35	5.35	5.35	5.34	5.31	5.32
3-month	5.37	5.36	5.36	5.36	5.35	5.36	5.36	5.36
6-month	5.36	5.33	5.33	5.33	5.28	5.33	5.37	5.37
Bank prime loan[2 3 8]	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25
Discount window primary credit[2 9]	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
U.S. government securities								
Treasury bills (secondary market)[3 4]								
4-week	5.16	5.18	5.17	5.14	5.14	5.16	5.15	5.13
3-month	4.92	4.91	4.91	4.90	4.90	4.91	4.93	4.94
6-month	4.94	4.93	4.93	4.91	4.86	4.91	4.95	4.95
Treasury constant maturities								
Nominal[10]								
1-month	5.22	5.27	5.26	5.22	5.21	5.24	5.23	5.21
3-month	5.05	5.04	5.04	5.03	5.03	5.04	5.06	5.07
6-month	5.14	5.13	5.13	5.10	5.05	5.11	5.15	5.15
1-year	5.00	4.98	4.98	4.94	4.87	4.95	5.01	5.01
2-year	4.71	4.67	4.69	4.62	4.52	4.64	4.75	4.74
3-year	4.60	4.57	4.58	4.52	4.43	4.54	4.64	4.64
5-year	4.54	4.50	4.51	4.45	4.39	4.48	4.58	4.58
7-year	4.54	4.50	4.51	4.45	4.39	4.48	4.57	4.58
10-year	4.54	4.51	4.52	4.46	4.43	4.49	4.58	4.60
20-year	4.73	4.70	4.72	4.66	4.64	4.69	4.76	4.78
30-year	4.62	4.59	4.61	4.56	4.54	4.58	4.66	4.69
Inflation indexed[11]								
5-year	2.33	2.28	2.28	2.21	2.12	2.24	2.43	2.41
7-year	2.29	2.26	2.26	2.19	2.13	2.23	2.36	2.35
10-year	2.24	2.21	2.22	2.16	2.10	2.19	2.30	2.29
20-year	2.19	2.17	2.19	2.13	2.09	2.15	2.24	2.23
Inflation-indexed long-term average[12]	2.14	2.13	2.15	2.10	2.06	2.12	2.20	2.19
Interest rate swaps[13]								
1-year	5.29	5.24	5.24	5.22	5.11	5.22	5.30	5.30
2-year	5.08	5.01	5.00	4.96	4.86	4.98	5.08	5.09
3-year	5.00	4.92	4.92	4.89	4.78	4.90	5.01	5.03
4-year	4.98	4.90	4.90	4.87	4.76	4.88	4.99	5.01
5-year	4.98	4.91	4.91	4.87	4.78	4.89	4.99	5.02
7-year	5.01	4.93	4.93	4.90	4.82	4.92	5.02	5.05
10-year	5.06	4.98	4.99	4.96	4.89	4.97	5.07	5.11
30-year	5.18	5.11	5.11	5.09	5.04	5.10	5.19	5.23
Corporate bonds								
Moody's seasoned								
Aaa[14]	5.26	5.24	5.25	5.20	5.18	5.23	5.30	5.33
Baa	6.15	6.13	6.14	6.10	6.08	6.12	6.18	6.20
State & local bonds[15]				4.04		4.04	4.14	4.14
Conventional mortgages[16]				6.14		6.14	6.18	6.24

See overleaf for footnotes.

n.a. Not available.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 47
Witness: Don Murry

Data Request:

Refer to the Murry Testimony, pages 37 and 38 and Schedule DAM-25. There is no discussion of the underlying data or the selection of specific variables used in the calculations.

a. Provide DAM-25 in electronic format (Excel) with formulas intact, including the underlying data.
b. Provide a complete description of, derivation of, and the rationale for the use of each variable used in the Schedule.
c. Provide a discussion of the validity of using both the Long Term Corporate Bond Return and the Aaa Corporate Bond Return in the same CAPM calculation.
d. Explain why there was no size adjustment in the calculations.
e. Explain why it is appropriate to use any measure of corporate bond returns in the CAPM analysis as opposed to using long-term government bond returns.
f. The Market returns used in this Schedule appear to differ from those used in Schedule DAM-24. Provide an explanation of the difference.

Response:

a. Please reference the response to KPSC DR 2-35 for the requested electronic file.

b. The following discussion describes the variables in Schedule DAM-25:

"Market Total Returns" – an estimate of expected market returns using data from Table 2-1 of Ibbotson Associates' *SBBI Valuation Edition 2006 Yearbook*,calculated as the average of the Large Company Total Stock Returns (12.3 percent) and the Ibbotson Small Company Stocks Total Return (17.4 percent).

"Long-Term Corporate Bonds Return" – a bond yield from Table 2-1 of Ibbotson Associates' *SBBI Valuation Edition 2006 Yearbook* titled "Long-Term Corporate Bonds, Total Returns" (6.2 percent).

"Risk Premium" – the difference between "Market Total Returns and Long-Term Corporate Bonds Return."

"Beta" – a measure of risk of particular security relative to the market as identified in the underlying theory of the CAPM. *Value Line* is the source for this data.

"Adjusted Equity Risk Premium" – a calculated value derived by multiplying the equity risk premium times beta. This is from the underlying theory of the CAPM.

"Aaa Corporate Bonds Return" - the yield on Moody's seasoned Aaa Corporate bonds reported by *The Federal Reserve Statistical Release H.15.* Risk premium models like the CAPM require a bond yield to calculate a cost of capital.

"Cost of Equity" – the sum of the Adjusted Equity Risk Premium, and the Aaa Corporate Bonds Return for each respective companies.

c. Ibbotson Associates cites the source of its Long-Term Corporate Bonds as total returns represented by the "Citigroup Long-Term High-Grade Corporate Bond Index." The selection of the Moody's Aaa Corporate Bond yield is for analytical consistency. The use of a current bond yield is to capture current underlying market sentiment.

d. Please see the response to 47b above. The "Market Total Returns" in Schedule DAM-25 are "the average of the Large Company Total Stock Returns (12.3 percent) and the Ibbotson Small Company Stocks Total Return (17.4 percent)."

e. The CAPM is a risk premium method and using a measured corporate bond risk premium with a corporate bond rate is methodologically consistent.

f. As noted in the explanations in KPSC DR 2-46b and 47b, the market returns differ because the source data differ and they reveal different market relationships.

Please see the attachment labeled KPSC DR2-47 ATT1 for supporting documentation.

Table 2-1

Total Returns, Income Returns, and Capital Appreciation of the Basic Asset Classes
Summary Statistics of Annual Returns

from 1926 to 2005

Series	Geometric Mean	Arithmetic Mean	Standard Deviation	Serial Correlation
Large Company Stocks				
Total Returns	10.4%	12.3%	20.2%	0.03
Income	4.2	4.2	1.5	0.89
Capital Appreciation	5.9	7.8	19.5	0.03
Ibbotson Small Company Stocks				
Total Returns	12.6	17.4	32.9	0.06
Mid-Cap Stocks*				
Total Returns	11.4	14.2	24.7	-0.02
Income	4.1	4.1	1.7	0.89
Capital Appreciation	7.1	9.8	24.1	-0.02
Low-Cap Stocks*				
Total Returns	11.7	15.7	29.5	0.03
Income	3.7	3.7	2.0	0.89
Capital Appreciation	7.9	11.7	28.9	0.03
Micro-Cap Stocks*				
Total Returns	12.7	18.8	39.2	0.08
Income	2.6	2.6	1.8	0.91
Capital Appreciation	10.1	16.1	38.6	0.08
Long-Term Corporate Bonds				
Total Returns	5.9	6.2	8.5	0.08
Long-Term Government Bonds				
Total Returns	5.5	5.8	9.2	-0.08
Income	5.2	5.2	2.7	0.96
Capital Appreciation	0.1	0.4	8.1	-0.22
Intermediate-Term Government Bonds				
Total Returns	5.3	5.5	5.7	0.15
Income	4.7	4.8	2.9	0.96
Capital Appreciation	0.4	0.5	4.4	-0.19
Treasury Bills				
Total Returns	3.7	3.8	3.1	0.91
Inflation	3.0	3.1	4.3	0.65

Total return is equal to the sum of three component returns; income return, capital appreciation return, and reinvestment return.

*Source: Center for Research in Security Prices, University of Chicago. See Chapter 7 for details on decile construction.

FEDERAL RESERVE statistical release

H.15 (519) SELECTED INTEREST RATES

Yields in percent per annum

For use at 2:30 p.m. Eastern Time
December 4, 2006

Instruments	2006 Nov 27	2006 Nov 28	2006 Nov 29	2006 Nov 30	2006 Dec 1	Week Ending Dec 1	Week Ending Nov 24	2006 Nov
Federal funds (effective)[1 2 3]	5.32	5.24	5.26	5.31	5.27	5.26	5.24	5.25
Commercial Paper[3 4 5]								
Nonfinancial								
1-month	5.20	5.24	5.21	5.22	5.19	5.21	5.21	5.21
2-month	n.a.	5.24	n.a.	n.a.	5.19	5.22	5.16	5.19
3-month	n.a.	5.23	n.a.	n.a.	n.a.	5.23	5.14	5.17
Financial								
1-month	5.23	5.22	5.23	5.24	5.23	5.23	5.23	5.23
2-month	5.24	5.23	5.23	5.22	5.24	5.23	5.24	5.24
3-month	5.24	5.24	5.24	5.24	5.23	5.24	5.25	5.24
CDs (secondary market)[3 6]								
1-month	5.29	5.29	5.29	5.30	5.30	5.29	5.29	5.29
3-month	5.32	5.32	5.31	5.31	5.31	5.31	5.32	5.32
6-month	5.32	5.31	5.30	5.30	5.29	5.30	5.33	5.33
Eurodollar deposits (London)[3 7]								
1-month	5.32	5.32	5.35	5.35	5.35	5.34	5.31	5.32
3-month	5.37	5.36	5.36	5.36	5.35	5.36	5.36	5.36
6-month	5.36	5.33	5.33	5.33	5.28	5.33	5.37	5.37
Bank prime loan[2 3 8]	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25
Discount window primary credit[2 9]	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
U.S. government securities								
Treasury bills (secondary market)[3 4]								
4-week	5.16	5.18	5.17	5.14	5.14	5.16	5.15	5.13
3-month	4.92	4.91	4.91	4.90	4.90	4.91	4.93	4.94
6-month	4.94	4.93	4.93	4.91	4.86	4.91	4.95	4.95
Treasury constant maturities								
Nominal[10]								
1-month	5.22	5.27	5.26	5.22	5.21	5.24	5.23	5.21
3-month	5.05	5.04	5.04	5.03	5.03	5.04	5.06	5.07
6-month	5.14	5.13	5.13	5.10	5.05	5.11	5.15	5.15
1-year	5.00	4.98	4.98	4.94	4.87	4.95	5.01	5.01
2-year	4.71	4.67	4.69	4.62	4.52	4.64	4.75	4.74
3-year	4.60	4.57	4.58	4.52	4.43	4.54	4.64	4.64
5-year	4.54	4.50	4.51	4.45	4.39	4.48	4.58	4.58
7-year	4.54	4.50	4.51	4.45	4.39	4.48	4.57	4.58
10-year	4.54	4.51	4.52	4.46	4.43	4.49	4.58	4.60
20-year	4.73	4.70	4.72	4.66	4.64	4.69	4.76	4.78
30-year	4.62	4.59	4.61	4.56	4.54	4.58	4.66	4.69
Inflation indexed[11]								
5-year	2.33	2.28	2.28	2.21	2.12	2.24	2.43	2.41
7-year	2.29	2.26	2.26	2.19	2.13	2.23	2.36	2.35
10-year	2.24	2.21	2.22	2.16	2.10	2.19	2.30	2.29
20-year	2.19	2.17	2.19	2.13	2.09	2.15	2.24	2.23
Inflation-indexed long-term average[12]	2.14	2.13	2.15	2.10	2.06	2.12	2.20	2.19
Interest rate swaps[13]								
1-year	5.29	5.24	5.24	5.22	5.11	5.22	5.30	5.30
2-year	5.08	5.01	5.00	4.96	4.86	4.98	5.08	5.09
3-year	5.00	4.92	4.92	4.89	4.78	4.90	5.01	5.03
4-year	4.98	4.90	4.90	4.87	4.76	4.88	4.99	5.01
5-year	4.98	4.91	4.91	4.87	4.78	4.89	4.99	5.02
7-year	5.01	4.93	4.93	4.90	4.82	4.92	5.02	5.05
10-year	5.06	4.98	4.99	4.96	4.89	4.97	5.07	5.11
30-year	5.18	5.11	5.11	5.09	5.04	5.10	5.19	5.23
Corporate bonds								
Moody's seasoned								
Aaa[14]	5.26	5.24	5.25	5.20	5.18	5.23	5.30	5.33
Baa	6.15	6.13	6.14	6.10	6.08	6.12	6.18	6.20
State & local bonds[15]				4.04		4.04	4.14	4.14
Conventional mortgages[16]				6.14		6.14	6.18	6.24

See overleaf for footnotes.

n.a. Not available.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 48
Witness: Don Murry

Data Request:

Concerning the Customer Rate Stabilization ("CRS") mechanism and the recommendations of Dr. Murry:

a. Are you aware that Atmos has requested authorization to implement a CRS mechanism in this rate case?

b. Explain why Dr. Murry did not adjust the return on equity to account for Atmos's proposed CRS mechanism.

c. Would you agree that the CRS would reduce a utility's risk from sales fluctuations by adding more stability to revenues, cash flow and earnings without requiring the utility to file a general rate case?

d. Are you aware that some jurisdictions have reduced a utility's authorized ROE to reflect a reduced risk related to the implementation of similar mechanisms?

Response:

a. Yes.

b. The CRS mechanism does not merit an adjustment to the return on common equity because it does not alter the business risk of Atmos.

c. No. The proposed CRS alters only the variability, and not necessarily the relative level, of the revenue stream that investors anticipate from the company. The proposed rate design, which raises the lower end of the expected company revenues, also reduces the higher end of this range.

d. Yes.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 49
Witness: Bernard Uffelman

Data Request:

Refer to the Direct Testimony of Bernard L. Uffelman ("Uffelman Testimony"), Exhibit BLU-2, page 1 of 17. Explain the derivation of the returns provided on line 17.

Response:

The returns shown on Exhibit BLU-2, page 1 of 17, line 17 are computed as follows:

Total Operating Margins (Line 1)

Less: O&M Expense (Line 3)

Depreciation & Amortization (Line 5)

Property & Other Taxes (Line 7)

Income Taxes (Line 15)

= Return

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 50
Witness: Bernard Uffelman

Data Request:

Refer to the Uffelman Testimony, Exhibit BLU-2, page 4 of 17.

a. Provide the basis for allocating 50 percent of the storage costs to demand and 50 percent to commodity.

b. Provide a list of the costs included in the production category.

c. Provide a list of the costs included in the transmission category.

d. Provide the basis for allocating 100 percent of the costs as demand for the transmission and production costs.

Response:

a. Costs associated with gas storage are incurred to both meet customer demands placed on Atmos Energy Corporation's Kentucky gas system, and to provide the gas commodity to customers. Atmos considers a 50/50 allocation of storage costs to be reasonable and is consistent with the 50/50 allocation of storage costs in Atmos last rate proceeding in Kentucky, Case No. 99-070.

b. The production costs shown in column a of Exhibit BLU-2, page 4 of 17, line 7 represent the production rate base components listed on Exhibit BLU-2, page 3 of 17, in column e.

c. The transmission costs shown in column a of Exhibit BLU-2, page 4 of 17, line 5 represent the transmission rate base components listed on Exhibit BLU-2, page 3 of 17, in column d.

d. Atmos' Kentucky transmission and production plant is sized and constructed to meet the maximum demand placed on the gas system to provide service to customers, therefore, allocation of 100 percent of the transmission and production rate base amounts shown on Exhibit BLU-2, page 4, lines 5 and 7 respectively, is appropriate and consistent with the allocation of these costs in Atmos' last rate proceeding in Kentucky, Case No. 99-070.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 51
Witness: Gary Smith

Data Request:

Provide electronic versions of Exhibit RRC-1 from the Cook Testimony, GLS-1 through GLS-7 from the Direct Testimony of Gary L. Smith ("Smith Testimony"), and BLU-2 from the Uffelman Testimony.

Response:

Electronic versions of the referenced Exhibits are attached. File names corresponding to the specified Exhibits are as follows:

Case 2006-00464 KPSC DR2-51ATTRRC.xls – Exhibit RRC-1

Case 2006-00464 KPSC DR2-51ATTGLS.xls – Exhibits GLS-1 through GLS -7

Case 2006-00464 KPSC DR2-51ATTBLU.xls – Exhibits BLU-2

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 52
Witness: Gary Smith

Data Request:

Refer to the Application, Volume 3, Tab 12, the Smith Testimony, pages 6 and 7. Mr. Smith discusses the decrease in the average number of active customers since the price of natural gas first spiked in the winter of 2000-2001.

a. Define an "active customer."
b. Chart GLS-2 shows an increase of approximately 2,000 in the number of customers in 2003 from the customer levels in 2001 and 2002. Explain, if known, why Atmos experienced an increase in customers during 2003.
c. Supply any studies, analyses, or other documents that support the explanation that customers are leaving Atmos's system due to the increase in natural gas prices.
d. Does Atmos expect its proposed increase in rates to cause more customers to leave the system?

Response:

a. An "active customer" means a customer with an active meter set who therefore receives a monthly base charge.
b. Atmos Energy believes that its growth to new customers during the period from FY 1999 through FY 2006 has consistently ranged between 1800-2100 per year. Therefore, we believe the difference between this gross growth rate and the net growth (or loss) from year to year represents attrition, or customers lost. Thus, the gain in FY 2003 indicates that our attrition rate was far lower than the other years either due to fewer losses or a return to service by a higher number of inactive customers, or both.
c. Atmos Energy has not conducted any studies on this issue. However, we reached the conclusion that customer losses are related to higher natural gas costs due to the level of attrition, or customer losses, consistently evident since 2000-2001. The most profound level of attrition occurred in 2000-2001, when the Company suffered the net loss of more than 3000 customers. This occurred in conjunction with the first gas supply price spike, with the average residential bill doubling from the prior year.

   Atmos Energy has recently participated in an analysis of price elasticity coordinated by the American Gas Association. Results of that analysis should become available during the conduct of this case. The Company would be pleased to supplement this response with the results of the price elasticity study when published.
d. We do not believe the overall increase request of 4.6% will materially impact customer losses. For the average residential customer, if the full increase request is granted, the total annual increase would be less than $47 per year. With reference to Chart GLS-1, on page 6 of the Smith Testimony, increases due to gas costs have routinely increased at a rate greater than this amount, often at amounts more than twice that level of annual increase.

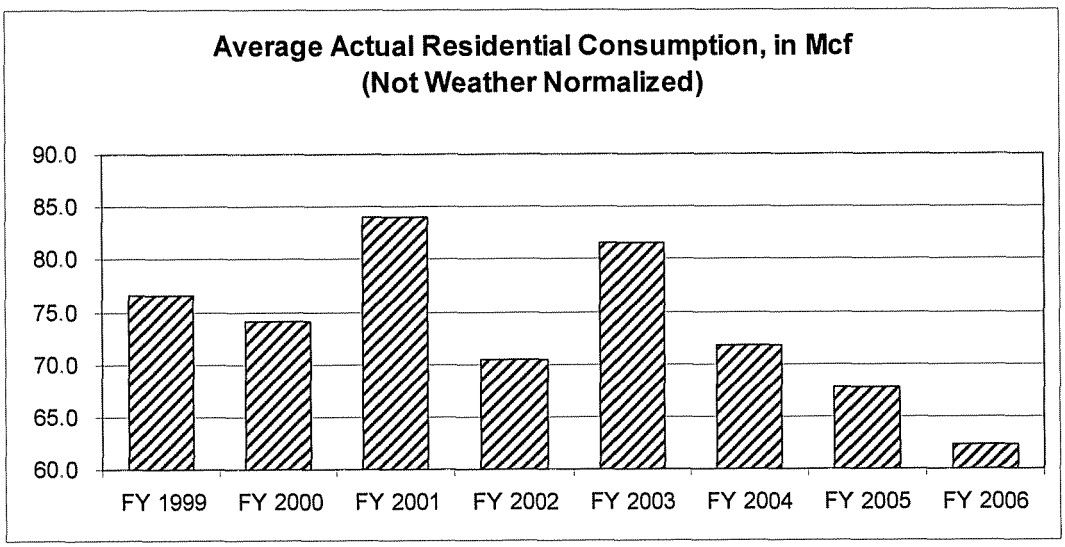
Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 53
Witness: Gary Smith

Data Request:

Refer to the Smith Testimony, page 7, Chart GLS-3. Provide a revision of this chart using actual average residential consumption without weather normalizing the data.

Response:

Please see the chart below for the requested information.



Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 54
Witness: Gary Smith

Data Request:

Refer to the Smith Testimony, pages 11 through 16.

a. Describe how the revenue and volume forecasts were prepared for the base period in this case.

b. Explain why the 12-month period ending September 30, 2006, the "reference period," was used to determine the billing determinants for the forecasted test period of July 1, 2007 through June 30, 2008 instead of the base period of April 1, 2006 through March 31, 2007.

c. Were any sensitivity analyses performed on the revenue and volume forecasts?

   (1) If yes, describe the analyses and provide the results of the analyses.

   (2) If no, explain why sensitivity analyses were not performed.

d. Explain in detail why Atmos did not utilize NOAA data for a 30-year period from 1976 through 2005 in its weather normalization calculations and the Weather Normalization Adjustment mechanism.

e. Provide a revised Chart GLS-5 that includes NOAA Normal data for the period 1976 through 2005.

Response:

a. In a process similar to that described for the forecast test year, except with projections only through the end of March 2007.

   First, in order to build upon a foundation based on rate case quality billing data, the Company produced bill-frequency reports to isolate correct determinants of bills rendered and volumes delivered. This "reference period" reported the billing determinants to the customer class and rate classification level for the 12-month period ending September 30, 2006. The Base Period and Test Period were both built upon this same foundational reference period.

   Then, a number of pro-forma adjustments are applied to the reference period:

   1) industrial/commercial adjustments to reflect known and measurable contract changes, load changes, new plant additions and closings. These adjustments are summarized on Exhibit GLS-3 of the Smith Testimony. Electronic copies of all the GLS Exhibits are provided in response to KPSC DR 2-51, and include supporting workpapers. Workpapers for the multitude of industrial/commercial contract and volume changes are attached as Attachment KPSC DR 2-54(a).

2) adjust firm residential, commercial and public authority volumes to correlate to normal HDD's, as currently defined (NOAA NDDs for 1961-1990). These adjustments are shown on Exhibit GLS-4.

3) forward-looking adjustments from this reference period to the Base Period could also include a declining usage projection and a growth projection. However, for declining usage, the Company did not assume a further decline for the year following the reference period (due to the abnormally steep decline in FY 2006). And, the net customer growth assumption for future periods was zero. So, neither of these adjustments impacted the Base Period.

Lastly, for monthly filing requirement schedules, the Company supplied the required 6-months of per-book actual results. Therefore, the Base Period filing also includes affects of weather variances and does not include the normalization adjustments for industrial/commercial volumes outlined above. The derivation of the pro-forma, annualizing adjustments described above are utilizing for the budget months of September 2006 through March 2007.

b. As stated in testimony and in the Company's response to KPSC DR 2-54(a) above, the chose the reference period in order to build upon a foundation of rate case quality billing data. For this 12-month period ending September 30, 2006, the Company produced bill-frequency reports to isolate correct determinants of bills rendered and volumes delivered to the customer class and rate classification level. The Base Period and Test Period were both built upon this same foundational reference period.

c. The only sensitivity analyses performed by the Company for the revenue budgets were in regard to weather. The weather adjustment of the reference period and derivation of corollary factors is shown on Exhibit GLS-4 of the Smith Testimony.

d. As indicated in the Company's response to KPSC DR 2-6(b), we do not believe NOAA has published any reports relating to 30-year NDD data for the period from 1976-2005. It is our belief that the most current NOAA 30-year NDD publication is for the period of 1971-2000, which is why we chose that basis for this Case. Please also refer to the Company's response to KPSC DR 2-6(a).

e. It is the Company's understanding that NOAA has not published any 30-year NDD reports for the period of 1976-2005. Subsequent to our receipt of this data request, we researched the NOAA website to determine what information was available for the stated period to produce the revised Chart GLS-5. Even though the most recent NOAA publication of 30-year NDDs is for the period of 1971-2000, their website indicates that a "dynamic normals" tool is available which allows a user to select a more current timeframe than the latest published NDD report. We attempted to view a report for the period from 1976-2005, but the web-tool responded that the requested data was only available "through DEC 2001."

Please also refer to the Company's response to part (d) of this data request and to KPSC DR 2-6(a) and (b).

Account	Customer	Comment	Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
500 080 00401 0		Closed	T-4/T-3 Carriage	(3,404)	(841)										
		T-4 Bill		(1)	(1)										
		T-4 0-300 Mcf/mo		(300)	(300)										
		T-4 301-15000 Mcf/mo		(350)	(450)										
		T-4 > 15000 Mcf/mo		(2,754)	(91)										
		T-3 0-15000 Mcf/mo													
		T-3 > 15000 Mcf/mo													
507 080 16003 0		Plant closed 4/06	T-3 Carriage	(9,318)	(13,552)	(19,617)	(12,799)	(9,343)	(7,700)						
		T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)						
		T-3 0-15000 Mcf/mo		(9,318)	(13,552)	(15,000)	(12,799)	(9,343)	(7,700)						
		T-3 > 15000 Mcf/mo				(4,617)									
515 080 02500 0		Average 4500 last 5 months except Jul	T-4 Carriage	(800)	(800)	(1,100)	(800)	(200)							
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		(800)	(800)	(1,100)	(800)	(200)							
		T-4 > 15000 Mcf/mo													
537 080 00100 0		Increased production to 93,000 3/2006	T-3 Carriage	15,000	20,000	20,000	15,000	20,000							
		T-3 Bill													
		T-3 0-15000 Mcf/mo													
		T-3 > 15000 Mcf/mo		15,000	20,000	20,000	15,000	20,000							
537 080 00180 0		Decr production	T-4 Carriage	(1,500)	(1,500)										
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		(1,500)	(1,500)										
		T-4 > 15000 Mcf/mo													
537 080 00300 0		New cust 8/2005	T-4 Carriage	500											
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		500											
		T-4 > 15000 Mcf/mo													
537 080 00350 0		Contr Ch (G1 to T4) 11/1/05	G-1 Ind Sales	(858)											
		G-1 Ind Sales Bill		(1)											
		G-1 0-300 Mcf/mo		(300)											
		G-1 301-15000 Mcf/mo		(558)											
		G-1 > 15000 Mcf/mo													
537 080 00350 0		Contr Ch (G1 to T4) 11/1/05	T-4 Carriage	858											
		T-4 Bill		1											
		T-4 0-300 Mcf/mo		300											
		T-4 301-15000 Mcf/mo		558											
		T-4 > 15000 Mcf/mo													
537 080 00360 0		Contr Ch (G1 to T4) 6/1/06	G-1 Ind Sales	(856)	(1,293)	(2,759)	(2,182)	(1,951)	(1,515)	(1,542)	(968)				
		G-1 Ind Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)				
		G-1 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)				
		G-1 301-15000 Mcf/mo		(556)	(993)	(2,459)	(1,882)	(1,651)	(1,215)	(1,242)	(668)				
		G-1 > 15000 Mcf/mo													
537 080 00360 0		Contr Ch (G1 to T4) 6/1/06	T-4 Carriage	856	1,293	2,759	2,182	1,951	1,515	1,542	968				
		T-4 Bill		1	1	1	1	1	1	1	1				
		T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300				
		T-4 301-15000 Mcf/mo		556	993	2,459	1,882	1,651	1,215	1,242	668				
		T-4 > 15000 Mcf/mo													

Account	Customer	Comment		Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
537 080 00401 0		Contr Ch (G1 to T4)	8/1/06	G-1 Ind Sales	(2,273)	(2,724)	(2,934)	(3,556)	(3,512)	(3,444)	(3,724)	(3,527)	(3,994)	(3,156)		
		G-1 Ind Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
		G-1 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)		
		G-1 301-15000 Mcf/mo			(1,973)	(2,424)	(2,634)	(3,256)	(3,212)	(3,144)	(3,424)	(3,227)	(3,694)	(2,856)		
		G-1 > 15000 Mcf/mo														
537 080 00401 0		Contr Ch (G1 to T4)	8/1/06	T-4 Carriage	2,273	2,724	2,934	3,556	3,512	3,444	3,724	3,527	3,994	3,156		
		T-4 Bill			1	1	1	1	1	1	1	1	1	1		
		T-4 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300		
		T-4 301-15000 Mcf/mo			1,973	2,424	2,634	3,256	3,212	3,144	3,424	3,227	3,694	2,856		
		T-4 > 15000 Mcf/mo														
537 080 00461 0		Closed		T-3 Carriage	(426)	(940)										
		T-3 Bill			(1)	(1)										
		T-3 0-15000 Mcf/mo			(426)	(940)										
		T-3 > 15000 Mcf/mo														
537 080 00900 0		Contr Ch (G1 to T4)	8/1/06	G-1 Ind Sales	(1,885)	(2,568)	(3,687)	(4,897)	(5,197)	(4,710)	(4,090)	(2,296)	(2,502)	(2,034)		
		G-1 Ind Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
		G-1 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)		
		G-1 301-15000 Mcf/mo			(1,585)	(2,268)	(3,387)	(4,597)	(4,897)	(4,410)	(3,790)	(1,996)	(2,202)	(1,734)		
		G-1 > 15000 Mcf/mo														
537 080 00900 0		Contr Ch (G1 to T4)	8/1/06	T-4 Carriage	1,885	2,568	3,687	4,897	5,197	4,710	4,090	2,296	2,502	2,034		
		T-4 Bill			1	1	1	1	1	1	1	1	1	1		
		T-4 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300		
		T-4 301-15000 Mcf/mo			1,585	2,268	3,387	4,597	4,897	4,410	3,790	1,996	2,202	1,734		
		T-4 > 15000 Mcf/mo														
551 080 01100 0		Closing		T-4 Carriage	(1,737)	(1,975)	(2,383)	(2,038)	(2,175)	(1,132)	(138)	(25)	(18)	(7)	(12)	
		T-4 Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
		T-4 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(138)	(25)	(18)	(7)	(12)	
		T-4 301-15000 Mcf/mo			(1,437)	(1,675)	(2,083)	(1,738)	(1,875)	(832)						
		T-4 > 15000 Mcf/mo														
555 080 02002 0		Closing		T-4 Carriage	(1,129)	(5,428)	(11,905)	(6,919)	(10,100)	(4,850)	(473)	0	0	0	0	0
		T-4 Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	0	0	0	0	0
		T-4 301-15000 Mcf/mo			(829)	(5,128)	(11,605)	(6,619)	(9,800)	(4,550)	(173)					
		T-4 > 15000 Mcf/mo														
555 080 02002 0		Closing		T-4 Carriage	(888)	(761)	(1,008)	(598)	(940)	(643)	(393)	(448)	(140)	(157)	(85)	(81)
		T-4 Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(140)	(157)	(85)	(81)
		T-4 301-15000 Mcf/mo			(588)	(461)	(708)	(298)	(640)	(343)	(93)	(148)				
		T-4 > 15000 Mcf/mo														
560 080 00310 0		Closed 12/2005		T-4 Carriage	(2,555)	(2,378)										
		T-4 Bill			(1)	(1)										
		T-4 0-300 Mcf/mo			(300)	(300)										
		T-4 301-15000 Mcf/mo			(2,255)	(2,078)										
		T-4 > 15000 Mcf/mo														
560 080 01800 0		Contr Ch (G2 to T3)	10/1/05	G-2 Com Sales												
		G-2 Com Int Sales Bill														
		G-2 0-15000 Mcf/mo														
		G-2 > 15000 Mcf/mo														
560 080 01800 0		Contr Ch (G2 to T3)	10/1/05	T-3 Carriage												
		T-3 Bill														
		T-3 0-15000 Mcf/mo														
		T-3 > 15000 Mcf/mo														

Account	Customer	Comment	Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
560 080 05000 0		Contr Ch (G2 to T3) 4/1/06	G-2 Com Sales	(2,138)	(2,600)	(2,014)	(1,150)	(47)	(1,115)						
		G-2 Com Int Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)						
		G-2 0-15000 Mcf/mo		(2,138)	(2,600)	(2,014)	(1,150)	(47)	(1,115)						
		G-2 > 15000 Mcf/mo													
560 080 05000 0		Contr Ch (G2 to T3) 4/1/06	T-3 Carriage	2,138	2,600	2,014	1,150	47	1,115						
		T-3 Bill		1	1	1	1	1	1						
		T-3 0-15000 Mcf/mo		2,138	2,600	2,014	1,150	47	1,115						
		T-3 > 15000 Mcf/mo													
564 080 00106 0		Closed	T-4 Carriage	(3,133)	(2,000)	(1,169)	(1,867)	(1,278)	(1,133)	(829)					
		T-4 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)					
		T-4 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)					
		T-4 301-15000 Mcf/mo		(2,833)	(1,700)	(869)	(1,567)	(978)	(833)	(529)					
		T-4 > 15000 Mcf/mo													
567 080 00100 0		Service started 6/2006 Need Vols for Sep-May	T-3 Carriage												
		T-3 Bill		1											
		T-3 0-15000 Mcf/mo													
		T-3 > 15000 Mcf/mo													
596 080 08000 0		Increased Load	T-3 Carriage	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
		T-3 Bill		0	0	0	0	0	0	0	0	0	3,000	3,000	2,952
		T-3 0-15000 Mcf/mo		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	0	0	48
		T-3 > 15000 Mcf/mo													
551 080 03600 0		ADJUSTMENT	T-2/G-2 Ind Sales			(32,000)	(7,000)	(5,000)			(20,000)		(2,000)	(10,000)	
		G-2 Ind Int Sales Bill													
		G-2 0-15000 Mcf/mo				(7,477)	(5,981)				(6,871)			(6,540)	
		G-2 > 15000 Mcf/mo				(24,523)	(1,019)				(13,129)			(3,460)	
551 080 03610 0		ADJUSTMENT	T-2/G-2 Ind Sales		(6,000)	(20,000)									
		G-2 Ind Int Sales Bill													
		G-2 0-15000 Mcf/mo			(5,358)	(6,130)									
		G-2 > 15000 Mcf/mo			(642)	(13,870)									
570 080 02300 0		ADJUSTMENT	T-4 Carriage	(3,000)	(2,000)	(2,000)									
		T-4 Bill													
		T-4 0-300 Mcf/mo													
		T-4 301-15000 Mcf/mo		(3,000)	(2,000)	(2,000)									
		T-4 > 15000 Mcf/mo													
Prem 365458		New Customer	G-1 Ind Sales	2,000	3,000	3,500	3,500	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
		G-1 Ind Sales Bill		1	1	1	1	1	1	1	1	1	1	1	1
		G-1 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
		G-1 301-15000 Mcf/mo		1,700	2,700	3,200	3,200	2,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
		G-1 > 15000 Mcf/mo													
Prem 366099		New Customer	G-1 Ind Sales	100	300	500	600	300	300	100	10	10	10	10	10
		G-1 Ind Sales Bill		1	1	1	1	1	1	1	1	1	1	1	1
		G-1 0-300 Mcf/mo		100	300	300	300	300	300	100	10	10	10	10	10
		G-1 301-15000 Mcf/mo		0	0	200	300	0	0	0	0	0	0	0	0
		G-1 > 15000 Mcf/mo													
Prem 198418		Contr Ch (G1 to T4) 8/1/06	G-1 PA Sales	(943)	(1,237)	(1,499)	(1,683)	(1,404)	(1,654)	(1,435)	(1,195)	(1,264)	(949)		
		G-1 PA Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
		G-1 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)		
		G-1 301-15000 Mcf/mo		(643)	(937)	(1,199)	(1,383)	(1,104)	(1,354)	(1,135)	(895)	(964)	(649)		
		G-1 > 15000 Mcf/mo													

Account	Customer	Comment		Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Prem 198418		Contr Ch (G1 to T4)	8/1/06	T-4 Carriage	943	1,237	1,499	1,683	1,404	1,654	1,435	1,195	1,264	949		
		T-4 Bill			1	1	1	1	1	1	1	1	1	1		
		T-4 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300		
		T-4 301-15000 Mcf/mo			643	937	1,199	1,383	1,104	1,354	1,135	895	964	649		
		T-4 > 15000 Mcf/mo														
Prem 229321		Contr Ch (G1 to T4)	9/1/06	G-1 Com Sales	(1,500)	(628)	(154)	(1,102)	(1,718)	(1,832)	(1,748)	(1,800)	(1,724)	(1,675)	(1,251)	
		G-1 Com Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
		G-1 0-300 Mcf/mo			(300)	(300)	(154)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	
		G-1 301-15000 Mcf/mo			(1,200)	(328)	0	(802)	(1,418)	(1,532)	(1,448)	(1,500)	(1,424)	(1,375)	(951)	
		G-1 > 15000 Mcf/mo														
Prem 229321		Contr Ch (G1 to T4)	9/1/06	T-4 Carriage	1,500	628	154	1,102	1,718	1,832	1,748	1,800	1,724	1,675	1,251	
		T-4 Bill			1	1	1	1	1	1	1	1	1	1	1	
		T-4 0-300 Mcf/mo			300	300	154	300	300	300	300	300	300	300	300	
		T-4 301-15000 Mcf/mo			1,200	328	0	802	1,418	1,532	1,448	1,500	1,424	1,375	951	
		T-4 > 15000 Mcf/mo														
Prem 142289		Contr Ch (G1 to T4)	8/1/06	G-1 PA Sales	(3,653)	(5,174)	(5,526)	(5,336)	(5,279)	(4,377)	(3,656)	(4,372)	(3,310)	(3,366)	(2,973)	
		G-1 PA Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
		G-1 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	
		G-1 301-15000 Mcf/mo			(3,353)	(4,874)	(5,226)	(5,036)	(4,979)	(4,077)	(3,356)	(4,072)	(3,010)	(3,066)	(2,673)	
		G-1 > 15000 Mcf/mo														
Prem 142289		Contr Ch (G1 to T4)	8/1/06	T-4 Carriage	3,653	5,174	5,526	5,336	5,279	4,377	3,656	4,372	3,310	3,366	2,973	
		T-4 Bill			1	1	1	1	1	1	1	1	1	1	1	
		T-4 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300	300	
		T-4 301-15000 Mcf/mo			3,353	4,874	5,226	5,036	4,979	4,077	3,356	4,072	3,010	3,066	2,673	
		T-4 > 15000 Mcf/mo														
Prem 148854		Contr Ch (G1 to T4)	8/1/06	G-1 PA Sales	(1,006)	(828)	(1,187)	(1,169)	(946)	(1,265)	(996)	(905)	(1,031)	(834)	(996)	
		G-1 PA Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
		G-1 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	
		G-1 301-15000 Mcf/mo			(706)	(528)	(887)	(869)	(646)	(965)	(696)	(605)	(731)	(534)	(696)	
		G-1 > 15000 Mcf/mo														
Prem 148854		Contr Ch (G1 to T4)	8/1/06	T-4 Carriage	1,006	828	1,187	1,169	946	1,265	996	905	1,031	834	996	
		G-1 PA Sales Bill			1	1	1	1	1	1	1	1	1	1	1	
		G-1 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300	300	
		G-1 301-15000 Mcf/mo			706	528	887	869	646	965	696	605	731	534	696	
		G-1 > 15000 Mcf/mo														
560 080 01001 0		Closing		T-4 Carriage	(1,980)	(2,572)	(3,428)	(2,863)	(3,285)	(2,640)	(1,104)	(631)	(410)	(362)	(341)	(413)
		T-4 Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-4 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
		T-4 301-15000 Mcf/mo			(1,680)	(2,272)	(3,128)	(2,563)	(2,985)	(2,340)	(804)	(331)	(110)	(62)	(41)	(113)
		T-4 > 15000 Mcf/mo														
Shelbyville		Contr Ch (G1 to T4)	12/1/06	G-1 Com Sales	(861)	(889)	(917)	(1,009)	(926)	(994)	(838)	(751)	(804)	(657)	(744)	(758)
		G-1 Com Sales Bill			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		G-1 0-300 Mcf/mo			(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
		G-1 301-15000 Mcf/mo			(561)	(589)	(617)	(709)	(626)	(694)	(538)	(451)	(504)	(357)	(444)	(458)
		G-1 > 15000 Mcf/mo														
Shelbyville		Contr Ch (G1 to T4)	12/1/06	T-4 Carriage	861	889	917	1,009	926	994	838	751	804	657	744	758
		T-4 Bill			1	1	1	1	1	1	1	1	1	1	1	1
		T-4 0-300 Mcf/mo			300	300	300	300	300	300	300	300	300	300	300	300
		T-4 301-15000 Mcf/mo			561	589	617	709	626	694	538	451	504	357	444	458
		T-4 > 15000 Mcf/mo														

Account	Customer	Comment	Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Campbellsville		Contr Ch (G1 to T4) 12/1/06	G-1 Ind Sales	(1,248)	(1,502)	(2,590)	(3,206)	(4,116)	(4,242)	(2,894)	(2,320)	(2,557)	(1,934)	(2,215)	(1,764)
		G-1 Ind Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		G-1 0-300 Mcf/mo		(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)
		G-1 301-15000 Mcf/mo		(948)	(1,202)	(2,290)	(2,906)	(3,816)	(3,942)	(2,594)	(2,020)	(2,257)	(1,634)	(1,915)	(1,464)
		G-1 > 15000 Mcf/mo													
Campbellsville		Contr Ch (G1 to T4) 12/1/06	T-4 Cartiage	1,248	1,502	2,590	3,206	4,116	4,242	2,894	2,320	2,557	1,934	2,215	1,764
		T-4 Bill		1	1	1	1	1	1	1	1	1	1	1	1
		T-4 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
		T-4 301-15000 Mcf/mo		948	1,202	2,290	2,906	3,816	3,942	2,594	2,020	2,257	1,634	1,915	1,464
		T-4 > 15000 Mcf/mo													
Madisonville		New Customer	T-3 Cartiage	2,500	3,000	3,000	3,000	3,000	3,000	2,500	2,500	2,000	2,000	2,000	2,000
		T-3 Bill		1	1	1	1	1	1	1	1	1	1	1	1
		T-3 0-15000 Mcf/mo		2,500	3,000	3,000	3,000	3,000	3,000	2,500	2,500	2,000	2,000	2,000	2,000
		T-3 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0
		New Customer	G-1 Ind Sales	500	500	750	750	750	750	500	500	500	500	500	500
		G-1 Ind Sales Bill		1	1	1	1	1	1	1	1	1	1	1	1
		G-1 0-300 Mcf/mo		300	300	300	300	300	300	300	300	300	300	300	300
		G-1 301-15000 Mcf/mo		200	200	450	450	450	450	200	200	200	200	200	200
		G-1 > 15000 Mcf/mo													
555 080 00900 0		Closing	T-3 Carriage	4,439	4,329	3,834	4,327	5,423	4,796	3,342	2,765	4,192	3,697	3,673	3,496
		T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		T-3 0-15000 Mcf/mo		(4,439)	(4,329)	(3,834)	(4,327)	(5,423)	(4,796)	(3,342)	(2,765)	(4,192)	(3,697)	(3,673)	(3,496)
		T-3 > 15000 Mcf/mo													
555 080 02000 0		Closing	Sp Contract	(5,066)	(10,655)	(18,663)	(15,237)	(14,692)	(12,068)	(5,125)	(3,693)	(2,952)	(2,067)	(1,444)	(1,322)
		T-3 Bill		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
		Sp K Volumes		(5,066)	(10,655)	(18,663)	(15,237)	(14,692)	(12,068)	(5,125)	(3,693)	(2,952)	(2,067)	(1,444)	(1,322)

Account	Customer	Comment	Service	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
SUMMARY																
		G-1 Com Sales Bill		(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(1)	(23)
		G-1 0-300 Mcf/mo		(600)	(600)	(454)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(300)	(6,754)
		G-1 301-15000 Mcf/mo		(1,761)	(917)	(617)	(1,511)	(2,044)	(2,226)	(1,986)	(1,951)	(1,928)	(1,732)	(1,395)	(458)	(18,526)
		G-1 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-1 PA Sales Bill		(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(2)	0	(32)
		G-1 0-300 Mcf/mo		(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(600)	0	(9,600)
		G-1 301-15000 Mcf/mo		(4,702)	(6,339)	(7,312)	(7,288)	(6,729)	(6,396)	(5,188)	(5,572)	(4,705)	(4,249)	(3,369)	0	(61,848)
		G-1 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-1 Ind Sales Bill		(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0	0	2	2	(5)
		G-1 0-300 Mcf/mo		(800)	(300)	(300)	(300)	(300)	(300)	(500)	(590)	(290)	(290)	310	310	(3,350)
		G-1 301-15000 Mcf/mo		(3,720)	(3,987)	(6,920)	(8,691)	(10,426)	(10,561)	(9,150)	(6,011)	(6,253)	(4,324)	(15)	436	(69,622)
		G-1 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-2 Com Int Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)	0	0	0	0	0	0	(6)
		G-2 0-15000 Mcf/mo		(2,138)	(2,600)	(2,014)	(1,150)	(47)	(1,115)	0	0	0	0	0	0	(9,064)
		G-2 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-2 Ind Int Sales Bill		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-2 0-15000 Mcf/mo		0	(5,358)	(13,607)	(5,981)	0	0	0	(6,871)	0	0	(6,540)	0	(38,357)
		G-2 > 15000 Mcf/mo		0	(642)	(38,393)	(1,019)	0	0	0	(13,129)	0	0	(3,460)	0	(56,643)
		T-4 Bill		3	2	4	4	4	4	4	5	4	4	1	(1)	38
		T-4 0-300 Mcf/mo		900	600	1,054	1,200	1,200	1,200	1,362	2,075	1,942	1,936	1,103	219	14,791
		T-4 301-15000 Mcf/mo		(2,689)	(3,921)	(2,794)	7,854	5,871	12,435	16,625	14,954	14,676	12,143	6,638	1,809	83,602
		T-4 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		T-3 Bill		(1)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(13)
		T-3 0-15000 Mcf/mo		(14,611)	(23,876)	(32,483)	(28,213)	(26,411)	(20,449)	(5,967)	(3,958)	(5,144)	(764)	(117)	134	(161,859)
		T-3 > 15000 Mcf/mo		18,000	23,000	18,383	18,000	23,000	3,000	3,000	3,000	3,000	0	0	48	112,435
		Sp K Bills		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(12)
		Sp K Volumes		30,934	33,345	34,337	(21,237)	(12,692)	(19,068)	(7,125)	(3,693)	(2,952)	(2,067)	(1,444)	(1,322)	27,016
		Sp K Distr. Charge		1,440	324	(1,299)	(5,051)	(4,208)	(4,160)	(1,698)	(1,108)	(886)	(620)	(433)	(397)	(18,095)
		G-1 C/PA/Ind Bill		(7)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(5)	(5)	(2)	1	(60)
		G-2 Int Sales Bill		(1)	(1)	(1)	(1)	(1)	(1)	0	0	0	0	0	0	(6)
		T-4/T-3 Bill		2	0	3	3	3	3	3	4	3	3	0	(2)	25
		Sp K Bills		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(12)
		G-1 0-300 Mcf/mo		(2,300)	(1,800)	(1,654)	(1,800)	(1,800)	(1,800)	(2,000)	(2,090)	(1,790)	(1,790)	(890)	10	(19,704)
		G-1 301-15000 Mcf/mo		(10,183)	(11,243)	(14,849)	(17,489)	(19,199)	(19,183)	(16,324)	(13,533)	(12,886)	(10,305)	(4,779)	(22)	(149,996)
		G-1 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		G-2 0-15000 Mcf/mo		(2,138)	(7,958)	(15,621)	(7,131)	(47)	(1,115)	0	(6,871)	0	0	(6,540)	0	(47,421)
		G-2 > 15000 Mcf/mo		0	(642)	(38,393)	(1,019)	0	0	0	(13,129)	0	0	(3,460)	0	(56,643)
		T-4 0-300 Mcf/mo		900	600	1,054	1,200	1,200	1,200	1,362	2,075	1,942	1,936	1,103	219	14,791
		T-4 301-15000 Mcf/mo		(2,689)	(3,921)	(2,794)	7,854	5,871	12,435	16,625	14,954	14,676	12,143	6,638	1,809	83,602
		T-4 > 15000 Mcf/mo		0	0	0	0	0	0	0	0	0	0	0	0	0
		T-3 0-15000 Mcf/mo		(14,611)	(23,876)	(32,483)	(28,213)	(26,411)	(20,449)	(5,967)	(3,958)	(5,144)	(764)	(117)	134	(161,859)
		T-3 > 15000 Mcf/mo		18,000	23,000	18,383	18,000	23,000	3,000	3,000	3,000	3,000	0	0	48	112,435
		Sp K Volumes		30,934	33,345	34,337	(21,237)	(12,692)	(19,068)	(7,125)	(3,693)	(2,952)	(2,067)	(1,444)	(1,322)	27,016
				17,913	7,505	(52,020)	(49,835)	(30,078)	(44,980)	(10,429)	(23,245)	(3,154)	(847)	(9,489)	876	(197,779)

Attachment KPSC DR 2-54(a)
Sheet 6 of 6

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 55
Witness: Gary Smith

Data Request:

Refer to the Smith Testimony, page 20. Explain how Atmos's agreement with BP Energy affects the agreement Atmos currently has with its asset manager, Atmos Energy Marketing, approved by the Commission in Case No. 2006-00194.

Response:

In accordance with the referenced case, Atmos Energy Marketing (AEM) serves as the full-requirements supplier and asset manager for Atmos Energy's Kentucky operations. Therefore, the only effect of the enterprise-level agreement with BP Energy for Kentucky is in conjunction with hedging transactions. Kentucky's financial hedges are in the form of over-the-counter swaps through counterparties such as BP Energy and are outside the parameters of the asset management agreement with AEM or Atmos Energy's Performance-Based Ratemaking mechanism.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 56
Witness: Gary Smith

Data Request:

Refer to the Smith Testimony, page 22 and to the Application, Volume 1, Tab 6, FR 10(1)(b)(7), Proposed Tariff, Original Sheet 42.1 through 42.4.

a. Does the CRS mechanism provide for any consideration of the appropriate rate of return on equity as part of each annual review? Explain why or why not.

b. Does the CRS provide for consideration of the reasonableness of the costs and expenses incurred during the Evaluation Period or proposed for the Rate Effective Period? Explain why or why not.

c. Does the CRS provide for updating the cost of debt as part of each annual review? Explain why or why not.

d. Explain how the Commission, the Attorney General ("AG") and Atmos's customers can be assured that rates are appropriate if there is no consideration of the appropriate return on equity or consideration of the reasonableness of the costs and expenses.

e. Have any of the credit rating agencies published any information that leads Atmos to believe that it needs a CRS in order to maintain an acceptable credit rating? If yes, provide the documentation.

f. Explain why Atmos is proposing that the CRS be a 5-year experimental program rather than a 2-year, 3-year or 4-year experimental program.

g. Explain why Atmos believes that the CRS mechanism provides for a financially transparent rate review process.

h. Explain why Atmos believes that the review and adjustments anticipated under the CRS mechanism can be performed at a very low cost.

i. Is Atmos familiar with any other gas distribution company utilizing the CRS as proposed in this case? If, yes, identify those companies and the period under which they have used the CRS.

Response:

a. No. The CRS is not simply a traditional rate case compressed into a narrower time frame. The CRS is designed to allow costs and revenues to be annually updated to ensure that the rates in place continue to earn no greater or less rate of return than established in the most recent rate case. The CRS was designed as a low cost, pilot program for a limited time period. Nothing in the proposed CRS mechanism prohibits the Commission from choosing to review the Company's return at any time nor prohibits the Company from filing a traditional rate case in order to have its return revisited.

b. Yes for both. It is anticipated that the focus of the CRS, in fact, will be the reasonableness of the costs and revenues to be updated and projected, as

opposed to other issues which often consume much time and attention during a rate case.

c. Yes. Interest costs regularly change and it is appropriate that they be updated with each filing.

d. Rates under the CRS will be more reasonable than they are under traditional rate case regulation because underlying costs and revenues will be reviewed annually (as opposed to every five years or so) and updated to ensure that rates continue to earn no greater or lesser rate of return than established in the most recent rate case.

e. Yes, Moody's Investors Services has issued a report and a rating action. The report titled "Local Gas Distribution Companies: Update on Revenue Decoupling and Implications for Credit Ratings" was issued June 2006 while the rating action for Southwest Gas Corporation was issued March 10, 2006. We believe the referenced report is somewhat applicable to our CRS proposal, as the report uses the term 'revenue decoupling" (RD) in the broadest terms, as is evident in the following passage:

> "It appears that LDCs that already have full RD [revenue decoupling] similar to the "balancing accounts" including revenue normalization adjustments or customer utilization trackers being employed in certain jurisdictions such as California, Maryland and North Carolina, prefer to keep their rate designs intact as they are easily administered and allow for full recovery of their authorized margins. Most other companies that currently have WNC [weather normalization clauses] in some of their jurisdictions however, prefer to keep the conservation margin tracker or tariff separate, for the reason that their current WNC provide real time cash flow and earnings adjustments whereas the conservation trackers typically provide after-the-fact cash flow adjustments through deferral accounts that are collected over a subsequent 12-month period."

Please also refer to KPSC DR 2-59a for additional information about our CRS proposal and decoupling. The referenced documents are attached hereto as Attachment KPSC DR 2-56(e).

f. The five year CRS pilot program would allow the Company and Commission the opportunity to observe this proposed mechanism over a time period which is roughly equivalent to the duration between traditional rate cases. While the Company is open to discussing alternative time periods, it believes the best approach is to allow several CRS filings before drawing conclusions as to the effectiveness of the process.

g. It is the annual review process that provides financial transparency. More frequent filings also ensure rates earn no greater or less rate of return than the return established in the most recent rate case. Absent annual reviews, the Commission insight into the Company's finances becomes less clear over time.

h. An annual review is not simply a traditional rate case condensed into a smaller time frame. An annual review would involve fewer processes and require less time for the Company and the Commission than a traditional rate case. Many traditional rate case costs incurred by the Company and the Commission would be eliminated or substantially reduced because many traditional rate case processes would be eliminated or simplified.

Among the traditional processes to be eliminated would be the preparation, filing and review of rate case testimony, and the preparation of special studies for depreciation, cost of capital and rate design (often performed by consultants). Because we envision a more streamlined approach to conducting an annual review, we would expect to incur less legal fees, less office supply expense, less printing and copying costs, less employee overtime or temporary labor expense, and less employee related expense.

Refer also to the Company's response to KPSC DR 2-58(d).

i. The following is a list of Companies where periodic reviews similar to the proposed CRS exist and when the mechanism commenced:

- Alabama Gas - Alabama (1983)
- Atmos Energy - Louisiana Gas Service (2001)
- Atmos Energy - Trans Louisiana (1991)
- Atmos Energy - Mississippi (1992)
- CenterPoint – Texas (1982)
- CenterPoint Energy – Mississippi (1996)
- CenterPoint Energy – Louisiana (2004)
- CenterPoint Energy - Oklahoma (2006)
- Entergy - New Orleans (2003)
- Mobile Gas – Alabama (2002)
- Piedmont Natural Gas - South Carolina (2005)
- South Carolina Electric & Gas - South Carolina (2005)

Special Comment

June 2006

Contact	Phone
New York	
Edward Tan	1.212.553.1653
Mihoko Manabe	
John Diaz	

Local Gas Distribution Companies: Update on Revenue Decoupling And Implications for Credit Ratings

Summary Opinion

- With natural gas prices expected to remain at high levels, local gas distribution companies (LDCs) face earnings and cash flow pressures as their customers increase conservation efforts. In addition, bad debt expense has increased as more customers face increasing difficulties in paying their bills. Furthermore, LDC volumes remain subject to weather conditions.
- Moody's analyzed its gas LDCs (local distribution companies) and notes that weather normalized winter gas consumption in per customer usage has declined at an increased pace since 2003. This decline coincides with a period of steadily rising natural gas prices for the LDCs and steadily falling heating degree days.
- Had gross margins (gas revenues less cost of gas and associated gas taxes) been fully protected against gas consumption declines on account of customer conservation during the past five winters, they would have been higher by an average of $5.2 million in 2004 and $4.6 million in 2005. One company would have increased its profits by $18.3 and $11.6 million in those two years (3% and 2% of gas margins, respectively).
- Bad debt expense has shown a steady average increase in each of the past four winters, tracking the increase in natural gas prices during the same period.
- Despite the general increase in working capital and natural gas prices, LDC short-term debt has remained relatively flat from 2003-2005.
- Except for a handful of jurisdictions that employ full revenue decoupling (RD) through a mechanism akin to "balancing accounts" (California, Maryland and North Carolina), most companies prefer to keep the weather normalization clause (WNC) rate design separate from the conservation margin tracker.
- While some jurisdictions permit the application for RD to be requested outside the procedural norms of a full rate case, most would prefer a full rate case or rate review.
- LDCs pursuing a full or partial RD feel that it is an important aspect of their rate design requirements and most companies indicated that they would continue filing for it until their regulators gave final approval.
- Moody's observes that in the face of volatile natural gas prices, volatile weather patterns and other exogenous forces that would prompt gas customers to curtail gas consumption volumes from their utilities, LDC earnings and credit metrics will come under pressure.
- LDCs that have, or soon expect to have, RD stand a better chance than others in being able to maintain their credit ratings or stabilize their credit outlook in face of adversity. This difference between those companies that have RD and those that do not will tend to be further accentuated as the credit demarcation reflected through rating actions becomes more evident.

Introduction

At this time last year, Moody's published its first study dedicated to the question of gas conservation and its impact on gas LDC earnings and credit ratings (see Moody's June 2005 Special Comment titled *Impact of Conservation on Gas Margins and Financial Stability in The Gas LDC Sector*). We found that while many companies were aware of the conservation factor and 18 of the 34 gas LDCs followed by Moody's could quantify the loss in their per customer volume consumption, only a handful of companies had taken the step to incorporate it into their rate design so that their gross margins would be unaffected. Last year we also discussed how three companies were approaching this rate design feature through slightly different decoupling mechanisms. While the approach may be different, the concept and end result are not. Companies in the gas utility business are increasingly interested in not only protecting themselves against gross margin variations caused by customer conservation (partial decoupling), but also by weather variations (full decoupling).

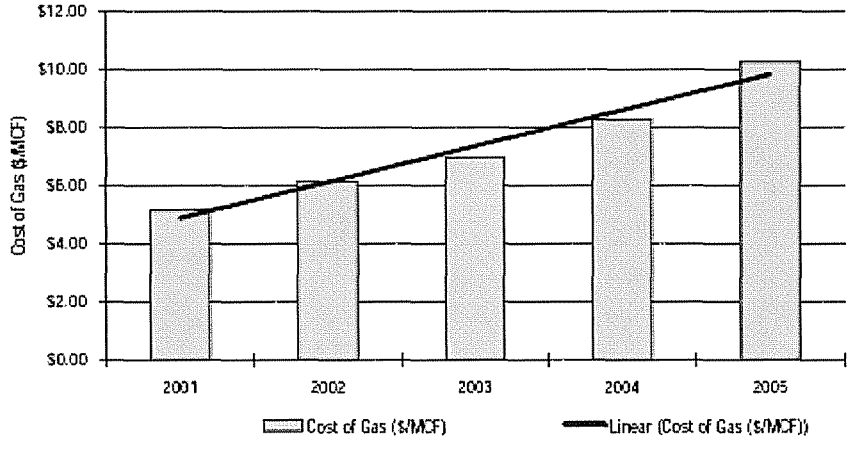
In keeping with the evolving convention, we will refer to these mechanisms as revenue decoupling (RD) in general terms and to "partial decoupling" to mean rate design protection for conservation or "full decoupling" to mean rate design protection for both conservation and weather variations. When a company only has weather normalization clause protection, we refer to the rate design as WNC. Fewer companies have conservation rate design protection without also having WNC as permanent features of their ratemaking.

As with our previous study, we define "conservation" as any technical advancement that improves home heating or gas appliance efficiencies as well as the curtailment of consumption on account of high gas commodity prices. Twenty three of the 34 gas LDCs followed by Moody's responded to various questions posed by Moody's and their results have been tabulated and presented in this paper in aggregate form in order to protect the confidentiality of information submitted.

Nationwide Trend of Rising Gas Prices and Falling Heating Degree Days

Companies overall responded that they were experiencing rising natural gas prices during the past five winter heating seasons, with their average gas purchase prices depicted in the graph below and labeled Increase in Cost of Gas (Fig.1). Natural gas prices rose by a compounded average growth rate of 17% during this period, with the sharpest rise occurring in the winter of 2005 (most recent winter heating season) where it registered an average price increase of 24% over 2004. The highest price recorded by an LDC during this past winter was $13.31/mcf and lowest $6.73/mcf with $10.70 being the median. While only half the respondents provided natural gas price estimates for 2006, those that did resulted in an average price of $10.71/mcf with $13.87/mcf being the highest, $8.61/mcf being the lowest and $10.59/mcf being the median. Most LDCs expect future natural gas prices to moderate, but the trend is still in an upwards direction and this has been found to be the prime driver for the conservation factor on the part of customers.

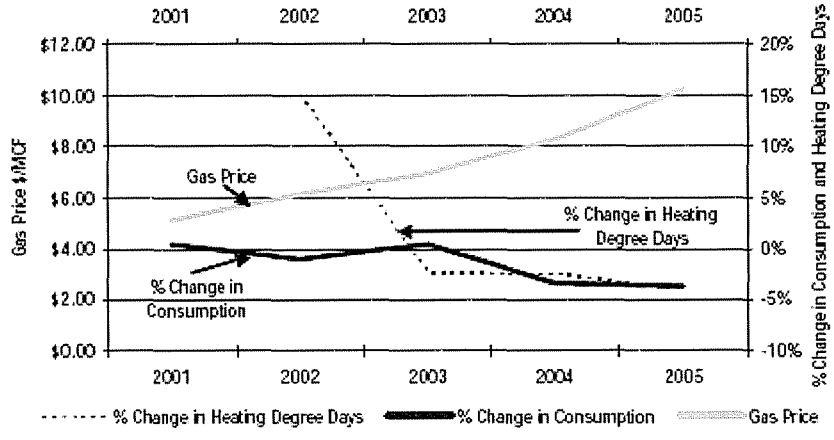
Figure 1
Increase in Cost of Gas to LDCs



The other noticeable trend is that of falling heating degree days since the winter of 2002 among the responding LDCs. On average, the winter of 2002 appears to have been a fairly cold winter, but the number of heating degree days has since fallen by an average of 3-5% in each of the winter heating seasons since that year. LDCs lacking a WNC or full decoupling mechanism would have suffered in their gas consumption and gross margins when faced with the strong combination of warmer than normal winters and declining gas consumption on account of customer conservation.

Finally, except for a period in 2003 when the average customer consumption increased by .5%, the per customer consumption for residential and commercial users has fallen by 3-4% in each of the last two winter heating seasons on a weather normalized basis, representing that portion of loss in gas consumption resulting from conservation. Changes in gas prices are plotted against percentage changes in per customer consumption and heating degree days in Fig. 2. We note that while the change in per customer consumption on account of conservation has been declining since the 2003 winter heating season at a rate of 3-4% p.a., gas prices have continued to rise much more rapidly.

Figure 2
Gas Price vs. % Change in Consumption and Heating Degree Days



The winter of 2005 saw the most dramatic rise in both natural gas prices and also per customer gas consumption decline on account of conservation (4% average decline). The weather normalized consumption decline for the last winter ranges from 9.1% in the case of one LDC to a gain of 3.1% in another, as it had colder winter weather in 2005 compared with 2004. With the exception of another LDC that had no loss in consumption, all the other respondents had declines in gas consumption. Similarly, except for one LDC which experienced an increase in per customer consumption in 2004 of 1.2%, all others saw declines in per customer consumption from 2003 which ranged from -0.2% to -9.6%.

Impact of Conservation on Losses in Gross Margin

When LDCs were asked how much higher would their gross margins (gas revenues less cost of gas purchased and associated gas taxes) have been had they been fully protected against declines in gas consumption resulting from conservation, all indicated higher gross margins for the last two winter heating seasons. The average gross margins would have increased from a low of $2.4 million in 2003 to a high of $5.2 million in 2004, with one company indicating that they would have gained $18.3 million in 2004 alone and $11.6 million in 2005, where the average company stood to gain an additional $4.6 million in gross margin.

The problem of declining gross margins on account of per customer conservation is explained by the various rate filings and testimonies being offered by consultants on the subject. Symptomatic of the LDC conservation problem is

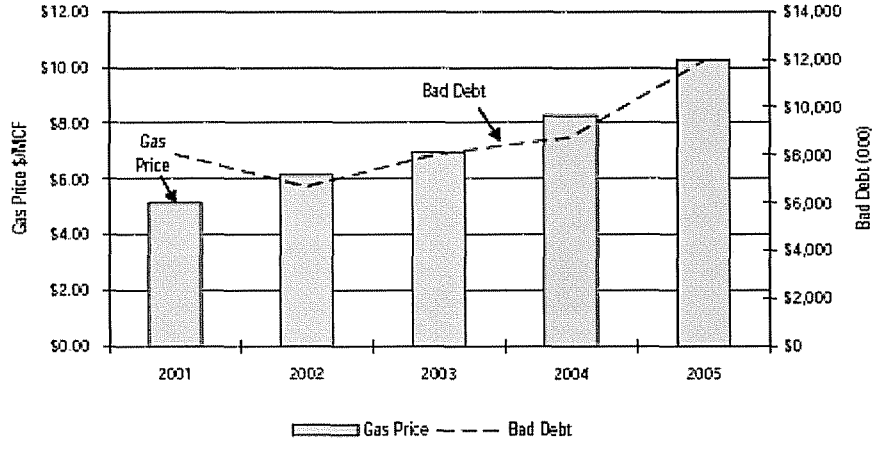
the argument for incorporating a conservation protection design. For example, Questar Gas Company believes that earning its authorized return has been very difficult due to the combination of declining average consumption over time, the use of a historical test year in general rate cases, and the fact that most of its fixed-non-fuel costs are recovered through a volumetric charge. The upshot has been revenues that in normal weather years have fallen short of their own non-gas costs---because average-customer sales in the rate-effective years fell short of the (historical) test-year figures that were used to set rates. Questar would like to decouple its non-gas revenues from year-to-year movements in the per-customer average consumption levels. The mechanics of the decoupling would employ a balancing account to recover non-gas related revenues lost/gained when average consumption drops/rises above the projected average.[1]

In attempting to grapple with the conservation issue, LDCs are in fact, having to dispel the notion that their fixed charges should be recovered from volumetric sales of gas. As the fixed charges appear year in and year out regardless of gas usage, the volumetric approach to cost recovery for operating a gas distribution system is a faulty equation which needs to be rectified in ratemaking. It would appear therefore, that unless and until this anomaly is corrected, the LDC would lack the necessary tools with which to earn its allowed rate of return.

Bad Debt Expense and Increases in Working Capital

One consequence of rising natural gas prices purchased by LDCs and passed onto their customers is the higher level of bad debt expense and increases in working capital that these companies must now contend with. In the winter of 2005 for example, one LDC reported a doubling of their bad debt expense which increased by an average of 17% for all respondents. LDCs in some states such as those located in North Carolina, had the good fortune of being able to recover the gas component of bad debt expense through their purchase gas adjustment (PGA) mechanism, thereby reducing the level of bad debt expense that the company had to absorb on their own. Fig. 3 depicts the close correlation between rising average bad debt expenses and rising gas prices.

Figure 3
Gas Price vs. Bad Debt

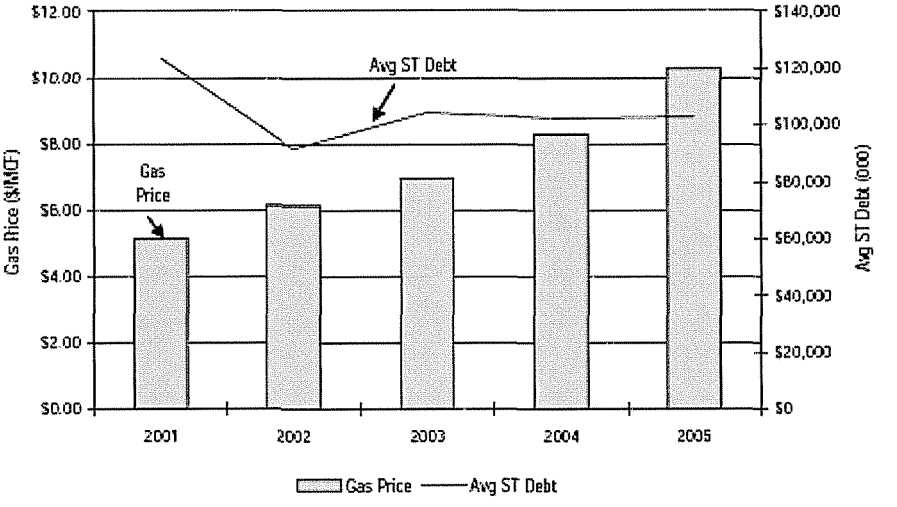


1. *Prefiled Direct Testimony of George R. Compton, Ph.D., for the Division of Public Utilities of the Utah Department of Commerce, Before the Public Service Commission of Utah, January 23, 2006, Docket No. 05-057-T01*

As one would expect, with the higher level of gas commodity prices that customers had to pay and the rise in bad debt expense experienced during the past three winter heating seasons, most LDCs incurred higher levels of working capital. The winter of 2005 witnessed one of the sharpest increases in seasonal working capital on account of accounts receivables and inventory build-ups related to higher natural gas prices, rising 136% over 2004 levels among those LDCs responding to affirmative increases in working capital levels. One large LDC reported a 185% increase in their 2005 working capital level over the prior year. Some companies however, were able to match their increases in accounts receivables and inventory with accounts payable by structuring their gas purchase transactions to more closely match their gas payments for inventory and timing these closer to the anticipated cash receipts from customers, so that they had less working capital to finance.

It is also interesting to note, as depicted in Fig. 4, that on average, LDC short term debt remained relatively flat after 2003 despite the continuing rise in the cost of natural gas prices. Some companies indicated that they were deliberately refinancing short-term debt through medium term notes or through other means of long-term debt by locking in the cost of financing under favorable interest rates, while others were able to contain the increases in their 2005 working capital levels and did not need to borrow as much for their seasonal needs. In fact, approximately half the LDCs indicating having higher levels of working capital in 2005 compared with prior years were able to reduce their short-term debt levels by refinancing via long-term debt or issuance of new equity.

Figure 4
Gas Price Vs. Avg Short Term Debt Outstanding



LDCs Take Varied Approaches in Integrating WNC with RD

It appears that LDCs that already have full RD similar to the "balancing accounts" including revenue normalization adjustments or customer utilization trackers being employed in certain jurisdictions such as California, Maryland and North Carolina, prefer to keep their rate designs intact as they are easily administered and allow for full recovery of their authorized margins. Most other companies that currently have WNC in some of their jurisdictions however, prefer to keep the conservation margin tracker or tariff separate, for the reason that their current WNC provide real time cash flow and earnings adjustments whereas the conservation trackers typically provide after-the-fact cash flow adjustments through deferral accounts that are collected over a subsequent 12-month period.

While some public utility commissions would permit the filing of RD outside the procedural norm of a full rate case, most would clearly prefer a full rate case to be filed in connection with a rate design alteration or at least to review a general rate case after-the-fact in short order. It also appears that the great majority of respondents experiencing customer gas consumption declines on account of conservation would be inclined to file and re-file for some form of RD if denied the first time by their regulators. For many, this is a long but necessary trek to take as a means of curing a rate design deficiency that appears to be increasingly untenable.

Conclusion

In our comment last year, we mentioned several LDCs that had the ability to correct for margin losses on account of conservation or weather variables through their rate design mechanisms, or had RD filing plans or extension plans. Among these, Alabama Gas Corporation (Alagasco) advises that their "rate stabilization and equalization" mechanism will continue through at least 2008 and Southern California Gas Company (SoCal Gas) appears to be satisfied with how their "balancing accounts" have been implemented previously and have requested that the regulatory commission continue with them going forward. Following the completion of an independent study to measure the effectiveness of its conservation mechanism, Northwest Natural Gas Company was able to obtain approval of the Oregon Public Utility Commission in 2005 to continue its conservation tariff for an additional four years through September 30, 2009, and increase the mechanism's coverage from a partial decoupling of 90% of residential and commercial gas usage to a full decoupling of 100%. It also maintains a separate weather normalization mechanism that was extended through September 2008.

In April of 2006, Cascade Natural Gas Corporation in Washington State obtained approval from the Oregon Public Utility Commission to implement a decoupling mechanism to track changes in margin due to conservation (variations in weather-normalized usage) and to track changes in margin due to weather variations from normal for residential and commercial customers. Cascade's RD application for Washington State is still pending.

Piedmont Natural Gas in North Carolina obtained approval for a full RD mechanism for a three-year trial period, with the state's Attorney General appealing the decision in the courts. The appeal has been initiated and the court has taken no action. In the meantime, the company has implemented the mechanism effective November 1 of 2005.

Washington Gas Light Company obtained a full RD (Revenue Normalization Adjustment) in its Maryland jurisdiction which went into effect on October 1, 2005. It has previously attempted to introduce at least partial RD in its Virginia and Washington D.C. jurisdictions.

Southwest Gas Corporation did not fare as well in its Arizona RD application where it generates 54% of its gross margin. The company's credit metrics were already weaker than its Baa utility peers and it badly needed an effective RD mechanism across all its jurisdictions to protect its gross margins. While the Arizona Corporation Commission finally granted it a partial rate increase after over one-year in the application process and brought current recent cost and customer usage factors in Arizona, it denied the company its request for RD through "balancing accounts" as it has in California. The company also lacks RD in its Nevada jurisdiction (37% of gross margins) and the company lost gross margins in 2005 when it experienced one of the 10 warmest years on record, which followed a warm 2003, one of the warmest years in over 100 years. The cumulative effects of this warmer than normal weather continued into the company's quarter ending March 31, 2006 which was mostly responsible for the company's loss of $9 million in operating margin. Moody's took action in May 2006 to downgrade the company's senior unsecured debt to Baa3 from Baa2 where it is currently under stable outlook.

In the meantime, the list of LDCs applying for RD continues to expand with Atmos Energy Corporation attempting to add conservation riders in key jurisdictions where it already has WNC, Indiana Gas Company and Southern Indiana Gas and Electric Company (utility subsidiaries of Vectren Utility Holdings) both applying for conservation margin protection in Indiana to supplement their recently approved WNC, and Questar Gas Corporation seeking a conservation tariff in Utah. New Jersey Natural Gas and South Jersey Gas Company filed for a joint RD application in New Jersey, requesting a full decoupling mechanism. Both of these New Jersey utilities already have WNC.

Moody's believes that the LDCs successful in their RD initiatives will stand a better chance than others in protecting their gross margins and overall credit metrics from the negative impacts of increasing volatility of natural gas prices and climatic changes. Stronger margins and earnings would also serve to cushion the blows inflicted by increases in bad debt expense that tend to accompany rising gas prices. As gas customers step up their conservation efforts in response to these rising commodity prices, it will become increasingly important for LDCs to switch from a gas volumetric cost recovery methodology to one of RD. While RD may have originally begun as a regional concept in certain jurisdictions, it has quickly become a nationwide phenomenon that will challenge regulators and gas utilities alike, as they seek to correct a structural imbalance in their rate design that has become increasingly difficult to ignore.

Related Research

Special Comments:

Impact of Conservation on Gas Margins and Financial Stability in the Gas LDC Sector, June 2005 (92798)

Comparative ROE Attributes of US Local Gas Distribution Companies, July 2004 (87301)

Negative Rating Trend for Local Gas Distribution Companies: Impact of Diversifications and Warm Weather, October 2002 (76344)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

To order reprints of this report (100 copies minimum), please call 1.212.553.1658.
Report Number: 98022

Author	Editor	Associate Analysts	Senior Production Associate
Edward Tan		*Sharon Roberts* *Jacquelyn Ward*	*Charles Ornegri*

Moody's Investors Service

Global Credit Research
Rating Action
10 MAR 2006

Rating Action: Southwest Gas Corporation

MOODY'S PLACES THE Baa2/NEGATIVE OUTLOOK SENIOR UNSECURED DEBT OF SOUTHWEST GAS CORPORATION UNDER REVIEW FOR POSSIBLE DOWNGRADE

Approximately $1.2 BN of Debt Affected

New York, March 10, 2006 -- Moody's Investors Service places under review for possible downgrade the Baa2/negative outlook senior unsecured debt of Southwest Gas Corporation (SWX), following the company's recent announcement that the Arizona Corporation Commission (ACC) issued a final decision not to adopt the company's proposed rate design for balancing accounts, thereby exposing it to continuing earnings risks associated with weather volatility and declining customer use resulting from the effects of gas conservation. At the same time, the company declared that 2005 was one of the 10 warmest years on record and that it lost approximately $17MM in operating margins, primarily as result of lower gas usage. Consolidated net income for 2005 declined 23% from 2004, largely on account of loss in operating margins resulting from warmer than normal weather. Arizona accounts for approximately 55% of SWX's gas distribution business and the ACC decision weighs heavily on the company.

In its review, Moody's will consider what other options may be available to the company in terms of mitigating the effects of warmer than normal weather, loss of operating margins on account of gas conservation by customers, the reduction of regulatory lag in dealing with high capital expenditures in a fast-growing service territory and rising operating expenses. Also under review will be the impact of these factors on the company's credit metrics and future financial performance.

Ratings of SWX under Review are as follows:

Southwest Gas Corporation - Baa2 senior unsecured

Southwest Gas Capital II - Baa3 preferred trust securities

Southwest Gas Corporation - (P) Ba1 preferred shelf

Southwest Gas Corporation is headquartered in Las Vegas, Nevada, and provides natural gas service to over 1.7 million customers in Arizona, Nevada and California.

New York
John Diaz
Managing Director
Corporate Finance Group
Moody's Investors Service
JOURNALISTS: 212-553-0376
SUBSCRIBERS: 212-553-1653

New York
Edward Tan
Vice President - Senior Analyst
Corporate Finance Group
Moody's Investors Service
JOURNALISTS: 212-553-0376
SUBSCRIBERS: 212-553-1653

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 2nd Data Request Dated February 23, 2007
DR Item 57
Witness: Gary Smith

Data Request:

Refer to the Smith Testimony, page 23, line 1 through page 24, line 9 and to the Application, Volume 1, Tab 6, FR 10(1)(b)(7), Proposed Tariff, Original Sheet 42.1 through 42.4.

a. Does Atmos plan to continue to apply the Weather Normalization Adjustment Rider ("WNA Rider") if the CRS mechanism is authorized?

b. Does the CRS mechanism allow for Commission consideration of the reasonableness of the six months of budgeted capital additions and associated items for the Rate Effective Period? Explain why or why not.

c. Under the proposed CRS mechanism Atmos will be able to true-up or adjust its rates based on the results of the Evaluation Period to equal the return established in the last general rate case. Explain why it is reasonable for Atmos to also be able to adjust rates based on the Rate Effective Period which recognizes changes that occur after the Evaluation Period and includes six months of budgeted capital additions.

d. Page 24, lines 3 through 6, states that the "annual review of the preceding calendar year (the Evaluation Period) incorporates a safeguard against returns for the Company either greater or lower than the authorized return on equity." Doesn't the WNA Rider accomplish the same thing? Explain why or why not.

e. Explain why Atmos's concerns over its revenue recovery are not fully addressed by its Performance Based Ratemaking mechanism, its Weather Normalization Adjustment mechanism and its Margin Loss Recovery mechanism.

Response:

a. Yes, the Company plans to continue to apply the WNA Rider in conjunction with CRS mechanism. The WNA Rider has performed well since its inception in Case 99-070, correcting for the impact of weather-related variations from normal on the Company's non-gas revenues. Under traditional rate design, with the recovery of fixed costs through volumetric charges, winter temperature-driven customer volumes introduce significant variations in the Company's return absent WNA. Since the inception of the WNA Rider in the winter of 2000-2001, the mechanism has reduced annual distribution charges by as much as $1,034,462 (in a winter 6.4% colder than normal), and increased annual distribution charges by as much as $2,051,095 (in a winter 13.4% warmer than normal). The WNA mechanism adjusts though real-time adjustment based on the winter temperature variances in the customer's billing cycle. We believe the WNA Rider is the ideal solution to address this challenge. By supplementing the CRS with the WNA rider, the CRS will simply correct for changes in costs and variables other than those already corrected through the WNA rider.

b. Yes. With respect to the capital additions projected for the Rate Effective Period, we would expect that the focus of data requests will be the reasonableness of the projections. Refer also to the Company's response to AG DR 1-82(a).

c. The CRS proposal is designed to accomplish two review exercises with each filing, one historical and one prospective:

   The first review exercise is to true-up the historical Evaluation Period. This review will compare actual costs and revenues and then calculate the amount of revenue to be increased or decreased such that the earned rate of return for the Evaluation Period equals the return authorized by the Commission in the most recent rate case. This historical review will not involve any type of pro-forma adjustments or adjustments to revenue billing determinants. The only adjustments applied to the Evaluation Period will be those traditionally applied for ratemaking purposes, calculating the 13-month average of rate base components, and removing non-recoverable costs as determined by the Commission in the Company's most recent rate case (such as donations, promotional and institutional advertising expenses, lobbying expenses, etc.)

   The second review exercise is to project revenues and costs for the Rate Effective Period. This review will include adjustments to rate base and income historically approved by the Commission. Such adjustments would include updates to revenue billing determinants, six months of budgeted capital additions and other rate base adjustments. This prospective review would identify an amount of revenue to be increased or decreased such that the expected return for the Rate Effective Period equals the return authorized by the Commission in the most recent rate case. To the extent these prospective adjustments vary from the actual results in the Rate Effective Period, the following year's true-up review will correct for such variances.

   The sum of the revenue adjustment required for the Evaluation Period and the revenue adjustment required for the Rate Effective Period will determine the total amount of revenue for which rates will then be adjusted. Those rates will remain in effect for the entire Rate Effective Period.

d. The WNA rider provides, only in limited measure, a safeguard against returns for the Company either greater or lower than the authorized return on equity; but only as it relates to the collection of distribution (non-gas) revenues. In essence, without WNA, the Company's distribution revenues would be greater than necessary to cover its costs and produce its authorized return on equity if weather was much colder than normal. Conversely, the Company's return could be much lower than authorized if weather was much warmer than normal absent WNA. WNA only addresses the impact of weather-related variations from normal on the Company's non-gas revenues. The proposed CRS would not only monitor revenues, but also changes in costs, ultimately comparing the actual return on equity achieved versus the authorized rate of return.

e. Each of the referenced mechanisms achieves their intended purpose, but even in aggregate, they do not address the comprehensive scope of the proposed CRS.