JOHN N. HUGHES
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April 13, 2007

RECEIVED

APR 13 2007

PUBLIC SERVICE COMMISSION

Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2006-00464

Dear Beth:

Atmos Energy Corporation submits for filing its responses to the Attorney General's second data request and the Commission's third data request. The responses are in separate volumes. A petition for confidentiality for the response to Attorney General's request 65 is attached.

Additionally, updated responses to the Attorney General's initial data request, items 37a and 38a are being filed.

Copies of the responses have been served on the Attorney General.

Submitted By:

John N. Hughes
124 West Todd St.
Frankfort, KY 40601
Attorney for Atmos Energy Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED
APR 13 2007
PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY CORPORATION FOR AN ADJUSTMENT OF GAS RATES	**) CASE NO. 2006-00464**

PETITION FOR CONFIDENTIALITY OF INFORMATION
BEING FILED WITH KENTUCKY PUBLIC SERVICE COMMISSION
IN RESPONSE TO REQUEST 65 OF THE
ATTORNEY GENERAL'S SUPPLEMENT REQUESTS FOR INFORMATION

Atmos Energy Corporation ("Atmos"), respectfully petitions the Kentucky Public Service Commission ("Commission"), pursuant to 807 KAR 5:001, Section 7, and all other applicable law, for confidential treatment of the information being provided in response to DR2-65 of the Attorney General's Supplemental Requests for Information. In support of this Petition, Atmos states as follows:

1. In its DR 2-65, the Attorney General has requested copies of any studies in the Company's possession on the cost of fuels that compete for the company's gas. The Company has performed an in-house study of the relative costs to residential consumers of utilizing electricity versus the costs of utilizing natural gas, as well as fuel oil versus natural gas in the industrial customer market (the "Study"). The Study contains sensitive and confidential information and is entitled to be filed confidentially.

2. KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). KRS 61.878(1)(c)(1) exempts commercial information, confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained.

3. The information contained in the Study is highly sensitive and if publicly disclosed would allow Atmos' competitors (electrical utilities, for example) to gain confidential and proprietary information contained in the Company's internal study and analysis of the comparative costs of burning natural gas as a fuel versus electricity. This information would not otherwise be available to such competitors. Atmos has no corresponding right to obtain similar information from such competitors. This information would accordingly enable competitors to have an unfair commercial advantage.

4. The information sought to be protected is not publicly available and is not disseminated within Atmos except to those employees with a legitimate business need to know and act upon the information.

5. Pursuant to 807 KAR 5:001, Section 7 (3), temporary confidentiality should be maintained until the Commission enters an order as to the Petition. Once the order regarding confidentiality has been issued, Atmos would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:001, Section 7 (4).

WHEREFORE, Atmos petitions the Commission to treat as confidential the information being provided in response to the Attorney General's DR 2-65, which information is attached hereto in a separate volume and marked 'CONFIDENTIAL".

Respectfully submitted this 12th day of April, 2007.

Mark R. Hutchinson
WILSON, HUTCHINSON & POTEAT
611 Frederica Street
Owensboro, Kentucky 42301

Douglas Walther
Atmos Energy Corporation
P.O. Box 650250
Dallas, Texas 75265

John N. Hughes
124 W. Todd Street
Frankfort, Kentucky 40601

Attorneys for Atmos Energy

VERIFICATION

I, Gary L. Smith, being duly sworn under oath state that I am Vice President – Marketing and Regulatory Affairs for Atmos Energy Corporation's Kentucky/Mid-States operations, and the statements contained in the foregoing Petition are true as I verily believe.

Gary L. Smith

STATE OF KENTUCKY

COUNTY OF DAVIESS

The foregoing Petition was acknowledged and verified before me Gary L. Smith, as Vice President – Marketing and Regulatory Affairs for Atmos Energy Corporation's Kentucky/Mid-States operations, on this the 12th day of April, 2007.

Pearl Ann Simon

Notary Public - State of KY at Large

My Commission Expires: September 26, 2009

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of April, 2007, the original of this Petition, with the information for which confidential treatment is sought contained in the attached volume marked "CONFIDENTIAL", together with ten (10) copies of the Petition without the confidential information, were filed with the Kentucky Public Service Commission, 211 Sower Blvd, Frankfort, Kentucky 40602, and that a copy of this Petition, with the information for which confidential treatment is being sought was served on the Attorney General pursuant to a confidentiality agreement between the parties.

Mark R. Hutchinson

2006-00464\PETITION FOR CONFIDENTIALITY
OF RESPONSES TO DATA REQUESTS

Updated
April 12, 2007

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General Initial Data Request Dated February 20, 2007
DR Item 37 a
Witness: Dan Meziere

Data Request:

With regard to the revenue statistics shown on Schedule I, sheet 2 of 3, please provide the following information:

a. Update the schedule to include actual revenue statistics for calendar year 2006.

Response:

a. This information is currently being prepared in connection with the 2006 Kentucky Annual Report, which will be completed on March 31, 2007. This information will be updated once it is available.

   <u>April 12, 2007 Update</u> - Attached is Schedule I, Sheet 2 of 3, updated to include 2006 data.

Atmos Energy Corporation, KY
Case No. 2006-00464
Revenue Statistics
For the TwelveMonths ended March 31, 2007
For the TwelveMonths ended June 30, 2008

FR10(10)(i)2
Schedule I
Sheet 2 of 3
Witness: D. Meziere, G. Waller and G. Smith

Data:___X____Base Period___X____Forecasted Period
Type of Filing:___X_____Original________Updated
Workpaper Reference No(s).____________________

Line No.	Description	2006	2005	2004	2003	2002	2001	Base Period 3/31/2007	Forecasted Period 6/30/2008	2008	2009	2010
		Most Recent Five Calendar Years								Three Projected Calendar Years		
		$	$	$	$	$	$	$	$	$	$	$
1	Revenue by Customer Class (1):											
2	Residential	121,022,934	133,767,759	112,516,760	103,636,979	80,755,898	113,722,984	106,931,944	131,259,167	129,269,064	121,595,515	112,721,851
3	Commercial	51,696,304	61,882,765	47,821,161	42,815,583	32,094,960	46,730,020	46,133,974	57,272,588	56,591,815	53,692,521	50,264,240
4	Industrial	10,243,620	21,396,536	13,270,542	15,802,889	11,057,030	20,523,444	11,238,996	13,044,375	12,880,769	12,302,129	11,635,885
5	Public Authority & Other	13,416,262	15,756,927	13,026,596	11,539,412	8,312,255	12,151,356	11,952,030	14,792,155	14,635,329	13,937,271	13,074,634
6	Unbilled							0	0	0	0	0
7	Total	196,379,120	232,803,987	186,635,059	173,794,863	132,220,143	193,127,804	176,256,944	216,368,284	213,376,978	201,527,436	187,696,611
8	Number of Customer by Class:											
9	Residential	155,391	156,105	161,069	160,742	160,059	162,446	153,815	153,815	153,815	153,815	153,815
10	Commercial	17,954	18,052	18,356	18,350	18,313	18,764	17,591	17,591	17,591	17,591	17,591
11	Industrial	236	239	435	408	409	398	228	228	228	228	228
12	Public Authority & Other	1,602	1,637	1,655	1,676	1,662	1,658	1,626	1,626	1,626	1,626	1,626
13	Total	175,183	176,033	181,515	181,176	180,443	183,266	173,259	173,259	173,259	173,259	173,259
14	Average Revenue per Class:											
15	Residential	779	857	699	645	505	700	695	853	840	791	733
16	Commercial	2,879	3,428	2,605	2,333	1,753	2,490	2,623	3,256	3,217	3,052	2,857
17	Industrial	43,405	89,525	30,507	38,733	27,034	51,566	49,240	57,150	56,433	53,898	50,979
18	Public Authority & Other	8,375	9,625	7,871	6,885	5,001	7,329	7,352	9,099	9,003	8,573	8,043

(1) Unbilled Revenue is included in the appropriate customer class.

Updated
April 12, 2007

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General Initial Data Request Dated February 20, 2007
DR Item 38 a
Witness: Dan Meziere

Data Request:

With regard to the sales statistics shown on Schedule I, sheet 3 of 3, please provide the following information:

a. Update the schedule to include actual sales statistics for calendar year 2006.

Response:

a. This information is currently being prepared in connection with the 2006 Kentucky Annual Report, which will be completed on March 31, 2007. This information will be updated once it is available.

April 12, 2007 Update - Attached is Schedule I, Sheet 3 of 3, updated to include 2006 data.

Atmos Energy Corporation, KY
Case No. 2006-00464
SALES STATISTICS
For the TwelveMonths ended March 31, 2007
For the TwelveMonths ended June 30, 2008

FR10(10)(i)3
Schedule I
Sheet 3 of 3
Witness: D. Meziere, G. Waller and G. Smith

Data:___X____Base Period___X____Forecasted Period
TYPE of FILING:___X_____ORIGINAL________Updated
Workpaper Reference NO(S).__________________

Line No.	Description	Most Recent Five Calendar Years 2006	2005	2004	2003	2002	2001	Base Period 3/31/2007	Forecasted Period 6/30/2008	Three Projected Calendar Years 2008	2009	2010
		Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf
1	Revenue by Customer Class (1):											
?	Residential	9,032,391	11,111,864	10,903,743	11,868,266	11,422,798	11,534,527	10,485,305	10,075,515	9,972,613	9,651,310	9,329,945
3	Commercial	4,137,076	5,361,904	4,893,900	5,126,894	4,879,804	5,010,939	4,781,091	4,655,373	4,631,409	4,544,565	4,457,774
4	Industrial	701,328	2,267,857	1,764,332	2,297,337	2,246,818	2,712,600	1,236,173	1,236,173	1,236,173	1,236,173	1,236,173
5	Public Authority & Other	1,127,873	1,478,635	1,461,868	1,484,292	1,392,370	1,387,443	1,295,753	1,267,988	1,263,530	1,247,479	1,231,426
6	Unbilled											
7												
8	Total	14,998,668	20,220,260	19,023,843	20,776,789	19,941,790	20,645,509	17,798,322	17,235,049	17,103,725	16,679,527	16,255,318
9												
10	Number of Customer by Class:											
11	Residential	155,391	156,105	161,069	160,742	160,059	162,446	153,815	153,815	153,815	153,815	153,815
12	Commercial	17,954	18,052	18,356	18,350	18,313	18,764	17,591	17,591	17,591	17,591	17,591
13	Industrial	236	239	435	408	409	398	228	228	228	228	228
14	Public Authority & Other	1,602	1,637	1,655	1,676	1,662	1,658	1,626	1,626	1,626	1,626	1,626
15												
16	Total	175,183	176,033	181,515	181,176	180,443	183,266	173,259	173,259	173,259	173,259	173,259
17												
18	Average Revenue per Class:											
19	Residential	58	71	68	74	71	71	68	66	65	63	61
20	Commercial	230	297	267	279	266	267	272	265	263	258	253
21	Industrial	2,972	9,489	4,056	5,631	5,493	6,816	5,416	5,416	5,416	5,416	5,416
22	Public Authority & Other	704	903	883	886	838	837	797	780	777	767	757

(1) Unbilled Revenue is included in the appropriate customer class.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 1
Witness: Tom Petersen

Data Request:

Refer to the response to the Staff's Second Request dated February 23, 2007 ("Staff's Second Request"), Item 2. Provide the earned return on rate base, return on capital and return on equity for Atmos's Kentucky Division for 2000 through 2006. If necessary use appropriate assumptions to develop jurisdictional rate base and capital.

Response:

Please see the attached schedules. The calculations are based on actual per books amounts without adjustments for out of period or abnormal amounts or other ratemaking adjustments. Total capital is assumed to equal total rate base. Detailed rate base calculations and allocations are shown on the schedules. As a result of acquisitions during this period the factor for allocating shared services costs to the Kentucky service area has declined from 16.58% in 2000 to less than 5.6% at the end of calendar 2006 and interest rates declined from over 8% in 2000 to less than 5.5% in 2004.

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 3-1

Twelve months ended December 31	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**
Division 009							
Gross Plant	235,694,529	244,206,384	243,458,447	247,245,968	266,749,049	280,854,357	289,876,904
CWIP	5,289,353	8,464,066	3,116,557	4,726,561	2,134,108	1,983,076	3,573,064
Accum. Depre.	(102,680,685)	(111,854,706)	(112,396,790)	(107,643,171)	(112,981,352)	(120,731,721)	(124,871,740)
CWC							
M&S	472,384	56,417	68,044	(10,741)	46,742	65,267	(13,497)
Storage Gas	12,258,034	19,249,838	14,092,424	22,452,972	31,402,495	33,281,322	34,040,435
Prepaids	473,143	2,494,079	618,856	276,131	215,715	208,941	272,457
Customer Advances	(5,318,059)	(5,243,770)	(4,798,358)	(4,362,681)	(4,008,846)	(3,818,108)	(3,491,805)
DIT	(23,562,329)	(24,449,319)	(16,113,475)	(28,664,427)	(30,251,055)	(37,115,960)	(27,084,672)
Total	122,626,370	132,922,989	128,045,705	134,020,612	153,306,856	154,727,174	172,301,146
Division 091							
Gross Plant							6,908,400
CWIP							194,769
Accum. Depre.							(4,596,373)
CWC							
M&S							-
Storage Gas							-
Prepaids							(17,941)
Customer Advances							-
DIT							2,081,912
Total							4,570,767
Allocation Factor							36.7754%
Allocated							1,680,918
Division 002 (Rate Base							
Gross Plant	7	-	173,873,997	171,019,623	177,013,598	204,441,636	88,137,545
CWIP	1	-	5,691,037	5,200,366	16,426,633	27,034,742	9,043,123
Accum. Depre.	(3)	-	(70,824,707)	(71,178,388)	(88,356,765)	(102,093,945)	(40,963,013)
CWC							
M&S	-	-	-	-	-	-	-
Storage Gas	-	-	-	-	-	-	-
Prepaids	(2)	(13,300,301)	(198,415)	3,519,293	6,147,534	5,944,950	8,238,192
Customer Advances	-	-	-	-	-	-	-
DIT	-	(1)	(2,305,014)	(56,296,957)	(33,426,927)	(54,187,729)	(46,003,886)
Total	3	(13,300,302)	106,236,898	52,263,937	77,804,073	81,139,654	18,451,961
Allocation Factor	16.06%	12.48%	10.56%	10.17%	4.87%	5.21%	5.20%
Allocated	0	(1,659,878)	11,218,616	5,315,242	3,789,058	4,227,376	959,502
Division 012							
Gross Plant					-	-	148,586,583
CWIP					28,049	-	(62,147)
Accum. Depre.					-	-	(74,842,310)
CWC							
M&S					-	-	-
Storage Gas					-	-	-
Prepaids					133,161	321,951	246,678
Customer Advances					-	-	-
DIT					-	-	-
Total					161,210	321,951	73,928,804
Allocation Factor					4.87%	5.68%	5.60%
Allocated					7,851	18,287	4,140,013
Rate Base	122,626,370	131,263,111	139,264,321	139,335,854	157,103,765	158,972,837	179,081,579
Equity Capital	59.44%	46.07%	49.60%	50.33%	40.50%	42.77%	46.81%
	72,888,197	60,472,915	69,075,103	70,127,736	63,627,025	67,992,682	83,828,087
Debt Capital	40.56%	53.93%	50.40%	49.67%	59.50%	57.23%	53.19%
	49,738,173	70,790,196	70,189,218	69,208,119	93,476,740	90,980,154	95,253,492
Interest Expense	8.13%	7.79%	7.73%	7.02%	5.42%	5.90%	6.06%
	4,043,713	5,514,556	5,425,627	4,858,410	5,066,439	5,367,829	5,772,362
NOIBT	19,825,431	19,916,654	21,685,726	22,085,412	22,018,502	19,003,127	13,330,259
Taxable Income	15,781,718	14,402,098	16,260,099	17,227,002	16,952,063	13,635,298	7,557,897
Income Tax	0.403625	0.403625	0.403625	0.403625	0.403625	0.3955	0.3955
	6,369,896	5,813,047	6,562,983	6,953,249	6,842,276	5,392,760	2,989,148
Return on Rate Base/Capital	13,455,535	14,103,607	15,122,743	15,132,163	15,176,226	13,610,367	10,341,111
	10.97%	10.74%	10.86%	10.86%	9.66%	8.56%	5.77%
Return on Equity	9,411,822	8,589,051	9,697,117	10,273,753	10,109,786	8,242,538	4,568,749
	12.91%	14.20%	14.04%	14.65%	15.89%	12.12%	5.45%

Atmos Energy Corporation
Case No. 2006-00464
KPSC Staff Request 3-1
Notes

O&M and net operating income before tax from monthly reports

Capital structure and debt cost from consolidated equity and long-term debt balances

Rate Base:

- Gross plant from accounts 101, 102 and 106
- CWIP from account 107
- Accumulated depreciation from accounts 108 and 111
- CWC is 1/8th O&M
- M&S from account 154 and 163 (for rate division 09 only)
- Storage Gas from Accounts164.1, 174 sub 27387 and 242 sub 27384
- Prepaids form account 165
- Customer advances from account 252 (for rate division 09 only)
- DIT from account 190, 282 and 283.
- Allocations do not include rate division 091 prior to fiscal 2007

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 2
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 4. Regarding the loss of customers as noted in response to Item 4(a), explain whether the general population in the regions served by Atmos's Kentucky Division has declined, increased or remained the same over this period of time according to the University of Louisville.

Response:

According to research conducted to respond to this data request, the population of the regions served by Atmos Energy in Kentucky has increased during the period from 2000 to 2005. Population estimates provided by the University of Louisville's (U of L) State Data Center indicate that the incorporated cities Atmos Energy serves have grown from 361,809 to 367,054 (or 1.4%) between April 2000 and July 2005. According to U of L, 2006 city estimates will not be released until July 2007. During the same period, county population estimates by U of L indicate that the counties Atmos Energy serves grew from 907,411 to 933,082 (or 2.8%).

Also, the Company has provided projections of the number of households in the counties it serves. Notably, the U of L Urban Studies Institute data indicates that the number of households has grown by 3.7% during the same period cited above; which underscores that fewer persons, on average, occupy each household. This affects utilities, which could, in some cases, extend service to more homes although their population in the area remains static.

The University of Louisville's State Data Center city and county estimates, along with household projections, are provided as Attachment KPSC DR 3-2, Sheets 1-3.

Annual Estimates of the Population for Incorporated Places in Kentucky, Listed Alphabetically: April 1, 2000 to July 1, 2005

Place	County	Census		Population Estimates						Percent Change	
		April 1, 2000	Estimate Base*	July 1, 2000	July 1, 2001	July 1, 2002	July 1, 2003	July 1, 2004	July 1, 2005	Census to 2005	Est Base* to 2005
Adairville	Logan	920	920	920	919	918	918	927	930	1.1	1.1
Auburn	Logan	1,444	1,444	1,447	1,457	1,466	1,472	1,483	1,489	3.1	3.1
Beaver Dam	Ohio	3,033	3,035	3,033	3,031	3,053	3,066	3,096	3,113	2.6	2.6
Bowling Green	Warren	49,296	49,363	49,480	49,653	50,020	50,600	51,329	52,272	6.0	5.9
Bremen	Muhlenberg	365	365	365	365	364	364	364	363	-0.5	-0.5
Burgin	Mercer	874	874	874	871	873	876	874	873	-0.1	-0.1
Cadiz	Trigg	2,373	2,369	2,376	2,389	2,396	2,435	2,518	2,550	7.5	7.6
Calhoun	McLean	836	838	839	825	826	816	816	813	-2.8	-3.0
Calvert City	Marshall	2,701	2,713	2,711	2,701	2,698	2,722	2,730	2,749	1.8	1.3
Campbellsville	Taylor	10,498	10,477	10,467	10,465	10,617	10,674	10,710	10,906	3.9	4.1
Cave City	Barren	1,880	1,984	1,987	2,003	2,000	2,017	2,031	2,054	9.3	3.5
Central City	Muhlenberg	5,893	5,902	5,887	5,854	5,821	5,807	5,804	5,785	-1.8	-2.0
Cloverport	Breckinridge	1,256	1,256	1,257	1,258	1,255	1,255	1,260	1,262	0.5	0.5
Crofton	Christian	838	866	864	860	850	840	831	825	-1.6	-4.7
Danville	Boyle	15,477	15,492	15,469	15,319	15,294	15,320	15,415	15,409	-0.4	-0.5
Dawson Springs	Hopkins	2,980	2,979	2,976	2,956	2,968	2,978	2,966	2,953	-0.9	-0.9
Dixon	Webster	632	612	612	606	608	607	608	611	-3.3	-0.2
Earlington	Hopkins	1,649	1,649	1,643	1,618	1,613	1,618	1,610	1,601	-2.9	-2.9
Eddyville	Lyon	2,350	2,350	2,355	2,354	2,360	2,360	2,365	2,373	1.0	1.0
Elkton	Todd	1,984	1,984	1,979	1,985	1,964	1,949	1,941	1,941	-2.2	-2.2
Fordsville	Ohio	531	531	532	535	538	537	544	546	2.8	2.8
Franklin	Simpson	7,996	8,127	8,115	8,134	8,066	8,040	8,054	8,079	1.0	-0.6
Fredonia	Caldwell	420	420	419	414	412	413	414	418	-0.5	-0.5
Glasgow	Barren	13,019	13,028	13,070	13,244	13,444	13,639	13,871	14,062	8.0	7.9
Glenview	Jefferson	558	558	562	579	594	610	624	636	14.0	14.0
Grand Rivers	Livingston	343	343	343	343	342	339	338	339	-1.2	-1.2
Greensburg	Green	2,396	2,396	2,400	2,417	2,417	2,430	2,407	2,396	0.0	0.0
Greenville	Muhlenberg	4,398	4,398	4,387	4,363	4,344	4,326	4,298	4,273	-2.8	-2.8
Hanson	Hopkins	625	595	594	591	594	596	594	592	-5.3	-0.5
Hardinsburg	Breckinridge	2,345	2,345	2,346	2,351	2,375	2,393	2,425	2,452	4.6	4.6
Harrodsburg	Mercer	8,014	8,102	8,097	8,067	8,082	8,119	8,124	8,126	1.4	0.3
Hartford	Ohio	2,571	2,571	2,571	2,575	2,597	2,611	2,637	2,652	3.2	3.2
Hawesville	Hancock	971	971	974	970	969	965	962	981	1.0	1.0
Hills and Dales	Jefferson	153	153	153	154	155	157	157	158	3.3	3.3
Hopkinsville	Christian	30,089	30,131	30,055	29,849	29,448	29,115	28,830	28,821	-4.2	-4.3
Horse Cave	Hart	2,252	2,253	2,261	2,225	2,256	2,277	2,293	2,314	2.8	2.7
Hustonville	Lincoln	347	347	348	349	351	353	354	356	2.6	2.6
Junction City	Boyle/Lincoln	2,184	2,185	2,183	2,161	2,157	2,161	2,176	2,175	-0.4	-0.5
Lancaster	Garrard	3,734	3,740	3,762	3,827	3,941	4,031	4,103	4,207	12.7	12.5
Lawrenceburg	Anderson	9,014	9,065	9,094	9,217	9,172	9,251	9,382	9,403	4.3	3.7

Annual Estimates of the Population for Incorporated Places in Kentucky, Listed Alphabetically: April 1, 2000 to July 1, 2005

Place	County	Census		Population Estimates						Percent Change	
		April 1, 2000	Estimate Base*	July 1, 2000	July 1, 2001	July 1, 2002	July 1, 2003	July 1, 2004	July 1, 2005	Census to 2005	Est Base* to 2005
Lebanon	Marion	5,718	5,801	5,797	5,804	5,837	5,849	5,883	5,959	4.2	2.7
Lone Oak	McCracken	454	454	453	448	446	443	442	439	-3.3	-3.3
Madisonville	Hopkins	19,307	19,352	19,319	19,140	19,220	19,330	19,303	19,273	-0.2	-0.4
Marion	Crittenden	3,196	3,196	3,201	3,145	3,113	3,100	3,059	3,033	-5.1	-5.1
Mayfield	Graves	10,349	10,360	10,357	10,291	10,252	10,278	10,239	10,288	-0.6	-0.7
Mortons Gap	Hopkins	952	958	958	954	960	964	960	956	0.4	-0.2
Munfordville	Hart	1,563	1,563	1,568	1,539	1,557	1,585	1,593	1,603	2.6	2.6
Nortonville	Hopkins	1,264	1,260	1,259	1,252	1,258	1,263	1,258	1,252	-0.9	-0.6
Oakland	Warren	260	260	259	256	256	255	256	255	-1.9	-1.9
Owensboro	Daviess	54,067	54,217	54,274	54,395	54,465	54,471	55,000	55,459	2.6	2.3
Paducah	McCracken	26,307	26,312	26,246	25,921	25,740	25,621	25,478	25,575	-2.8	-2.8
Park City	Barren	517	517	518	520	522	529	536	542	4.8	4.8
Perryville	Boyle	763	763	762	752	750	751	756	755	-1.0	-1.0
Plum Springs	Warren	447	447	447	445	446	449	453	455	1.8	1.8
Powderly	Muhlenberg	846	846	845	847	845	846	845	843	-0.4	-0.4
Princeton	Caldwell	6,536	6,536	6,523	6,455	6,442	6,426	6,404	6,447	-1.4	-1.4
Robards	Henderson	564	564	564	565	565	567	568	568	0.7	0.7
Russellville	Logan	7,149	7,149	7,154	7,159	7,169	7,184	7,236	7,271	1.7	1.7
Sacramento	McLean	517	516	518	513	517	513	515	515	-0.4	-0.2
Sebree	Webster	1,558	1,558	1,560	1,554	1,564	1,561	1,561	1,569	0.7	0.7
Shelbyville	Shelby	10,085	10,094	10,125	10,163	10,293	10,435	10,600	10,730	6.4	6.3
Slaughters	Webster	238	238	238	237	238	238	238	240	0.8	0.8
Smiths Grove	Warren	784	784	782	771	767	768	762	752	-4.1	-4.1
Springfield	Washington	2,634	2,732	2,731	2,741	2,761	2,787	2,779	2,806	6.5	2.7
St. Charles	Hopkins	309	309	309	310	313	314	313	312	1.0	1.0
Stanford	Lincoln	3,430	3,431	3,430	3,415	3,397	3,427	3,434	3,452	0.6	0.6
Water Valley	Graves	316	316	316	317	317	320	319	322	1.9	1.9
Whitesville	Daviess	632	632	629	615	611	600	593	596	-5.7	-5.7
Wingo	Graves	581	586	587	586	586	591	591	595	2.4	1.5
Woodburn	Warren	323	327	327	327	328	330	333	334	3.4	2.1
Totals for Atmos Service Area		360,905	361,809	361,863	361,291	361,753	362,852	364,572	367,054	1.7	1.4

*Note: The April 1, 2000 Population Estimates Base reflects modifications to the Census 2000 population as documented in the Count Question Resolution program, updates from the Boundary and Annexation Survey, and geographic program revisions. Additional information on these localities can be found in the Geographic Change Notes (see "Boundary Changes" under the Geographic Topics section of the Estimates page).

Table 4: Annual Estimates of the Population for Incorporated Places in Kentucky, Listed Alphabetically: April 1, 2000 to July 1, 2005 (SUB-EST2005-04-21)
Release Date: June 21, 2006

Geographic Area	Census 2000	Population Estimates July 1, 2000	July 1, 2001	July 1, 2002	July 1, 2003	July 1, 2004	July 1, 2005	Pop. Change 2000-2005 Number	Percent	Household Projections [1] 2000	2005	% Change
Atmos Svc. Area	**907,411**	**908,701**	**911,243**	**914,972**	**920,642**	**925,824**	**933,082**	**25,671**	**2.8**	**354,418**	**367,373**	3.7
Anderson	19,111	19,189	19,521	19,551	19,816	20,080	20,394	1,283	6.7	7,320	7,801	6.6
Barren	38,033	38,129	38,540	38,732	39,161	39,585	40,073	2,040	5.4	15,346	16,193	5.5
Boyle	27,697	27,698	27,592	27,684	27,881	28,218	28,363	666	2.4	10,574	10,882	2.9
Breckinridge	18,648	18,689	18,843	18,940	19,063	19,142	19,293	645	3.5	7,324	7,667	4.7
Caldwell	13,060	13,037	12,907	12,873	12,873	12,864	12,973	-87	-0.7	5,431	5,376	-1.0
Christian	72,265	72,273	72,343	71,789	71,058	70,364	70,145	-2,120	-2.9	24,857	26,225	5.5
Crittenden	9,384	9,402	9,251	9,161	9,126	9,035	8,984	-400	-4.3	3,829	3,746	-2.2
Daviess	91,545	91,617	91,729	91,857	92,451	92,646	93,060	1,515	1.7	36,033	36,940	2.5
Garrard	14,792	14,887	15,170	15,620	15,948	16,210	16,579	1,787	12.1	5,741	6,386	11.2
Graves	37,028	37,077	37,081	37,115	37,376	37,352	37,625	597	1.6	14,841	15,078	1.6
Green	11,518	11,545	11,663	11,674	11,750	11,639	11,588	70	0.6	4,706	4,875	3.6
Hancock	8,392	8,426	8,430	8,447	8,438	8,445	8,613	221	2.6	3,215	3,287	2.2
Hart	17,445	17,542	17,365	17,691	17,922	18,097	18,319	874	5.0	6,769	7,051	4.2
Hopkins	46,519	46,479	46,210	46,443	46,769	46,736	46,705	186	0.4	18,820	19,251	2.3
Lincoln	23,361	23,472	23,827	24,144	24,516	24,751	25,122	1,761	7.5	9,206	10,004	8.7
Livingston	9,804	9,816	9,831	9,824	9,747	9,714	9,760	-44	-0.4	3,996	3,975	-0.5
Logan	26,573	26,607	26,686	26,733	26,833	27,053	27,169	596	2.2	10,506	10,760	2.4
Lyon	8,080	8,112	8,148	8,141	8,138	8,145	8,160	80	1.0	2,898	2,961	2.2
McCracken	65,514	18,222	18,324	18,484	18,565	18,724	18,939	-46,575	-71.1	27,736	26,323	-5.1
McLean	9,938	30,141	30,189	30,253	30,585	30,729	30,967	21,029	211.6	3,984	3,820	-4.1
Marion	18,212	65,438	64,977	64,780	64,646	64,564	64,698	46,486	255.2	6,613	7,446	12.6
Marshall	30,125	9,979	9,882	9,973	9,905	9,937	9,926	-20,199	-67.1	12,412	13,241	6.7
Mercer	20,817	20,841	20,915	21,080	21,307	21,491	21,610	793	3.8	8,423	8,904	5.7
Muhlenberg	31,839	31,798	31,790	31,702	31,688	31,635	31,548	-291	-0.9	12,357	12,522	1.3
Ohio	22,916	22,936	23,074	23,214	23,245	23,540	23,676	760	3.3	8,899	9,205	3.4
Shelby	33,337	33,566	34,194	35,016	36,022	37,131	38,205	4,868	14.6	12,104	13,452	11.1
Simpson	16,405	16,425	16,639	16,637	16,736	16,854	17,021	616	3.8	6,415	6,621	3.2
Taylor	22,927	22,911	22,931	23,265	23,378	23,437	23,754	827	3.6	9,233	9,675	4.8
Todd	11,971	11,958	12,076	12,001	11,928	11,915	11,944	-27	-0.2	4,569	4,552	-0.4
Trigg	12,597	12,642	12,731	12,741	12,889	13,262	13,349	752	6.0	5,215	5,489	5.3
Warren	92,522	92,797	93,325	94,169	95,551	97,163	98,960	6,438	7.0	35,365	37,740	6.7
Washington	10,916	10,926	11,028	11,146	11,269	11,276	11,399	483	4.4	4,121	4,403	6.8
Webster	14,120	14,124	14,031	14,092	14,062	14,090	14,161	41	0.3	5,560	5,522	-0.7

Table title: Annual Estimates of the Population for Counties of Kentucky: April 1, 2000 to July 1, 2005

Listing above omits certain counties in which Atmos Energy serves a very small percentage of populated areas. The data for these counties (Edmonson, Franklin, Henderson, and Jefferson) would otherwise skew the service area results.

Table 1: Annual Estimates of the Population for Counties of Kentucky: April 1, 2000 to July 1, 2005 (CO-EST2005-01-21)
Release Date: March 16, 2006

Note (1) - "Historical and Projected Household Populations, Number of Households, and Average Household Size State of Kentucky, Area Development Districts, and Counties", by Michael Price Urban Studies Institute of the University of Louisville, dated November 2004.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 3
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Items 6(a) and 6(b).

a. Does the National Oceanic and Atmospheric Administration ("NOAA") publish annual data on normal billing cycle heating degree days ("NDD")? Explain the response.

b. Did Atmos rely solely on information available from the NOAA Web site to inquire about NDD data? Explain the response.

c. Did Atmos contact any NOAA office to determine whether annual NDD data was available for Atmos's use in the preparation of this rate case? Explain the response.

d. Was Atmos aware that in Case No. 2005-000421 NOAA NDD data was presented for periods other than the 30-year NOAA reports? Explain the response.

e. Was Atmos aware that in Case No. 2005-00042 the Commission approved a weather normalization adjustment that was based on NOAA NDD data for the period 1980-2004? Explain the response.

Response:

a. Atmos Energy believes that the selection of the basis period for normal heating degree days (NDDs) does not materially affect its revenues on a going-forward basis, conditioned that the same NDD basis is utilized for its WNA (Weather Normalization Adjustment) mechanism and for the determination of distribution commodity rates from the revenue requirement to be set in this Case. The Company's WNA mechanism has historically referenced the 30 year NDD data published by NOAA. Therefore, the most recently published data set available from NOAA (1971-2000) was used in preparation for this rate case. The Company also believes that the NOAA 30-year NDD reports provide greater statistical reliability than other periods.

NOAA publishes a wide variety of weather related data. In fact, since the last rate case Atmos Energy filed in Kentucky in 1999, NOAA has significantly increased the amount of data available to the public. Recognizing that NOAA continues to improve the quality and availability of heating degree day data, Atmos Energy would consider the use of alternative time frames both for purposes of weather-adjusting billing determinants in this case and its WNA mechanism. Nevertheless, in direct consultation with NOAA meteorologist Mr. Scott Stevens it was confirmed that NOAA does not publish annual NDD data. Mr. Stevens confirmed that "NDD data is only published by NOAA on a decadal basis," and that the next publication will be for the 1981-2010 timeframe. Mr. Stevens also clarified that the 'Dynamic Normals Tool' available on the NOAA website would more appropriately be titled the 'Dynamic Averages Tool', as the data available through this tool past December 2000 is not normalized data. As indicated in the response to the KPSC's Second Data Request, Items 6(a) and 6(b), the 30 year NDD data from NOAA goes through an extensive series of validations, analysis and smoothing, which we believe improves its quality and usefulness for purposes of this rate filing and for billing purposes through our WNA mechanism.

b. In addition to utilizing web related resources in responding to the KPSC's Second Data Request, Items 6(a) and 6(b), Atmos Energy's personnel most familiar with NOAA data were consulted. In both cases, the indication was that NOAA only publishes 30 year NDDs at the end of each decade. We monitor and obtain data on weather for 12 states on an on-going basis. That familiarity, and the availability of search tools and customer self service on the NOAA web site led us to utilize the web site for purposes of responding to the KPSC's Second Date Request.

c. Atmos Energy did not contact a NOAA office to determine if annual NDD data was available for use in preparation of this rate case. However, the Company has subsequently contacted NOAA to respond to subpart (a) of this data request.

d. Atmos Energy was not aware of the specifics of Case No. 2005-00042. However, an awareness of this case would not have materially affected the Company's proposal in this Case for the reasons highlighted in subpart (a) of this data request response.

e. Atmos Energy was not aware of the specifics of Case No. 2005-00042. However, an awareness of this case would not have materially affected the Company's proposal in this Case for the reasons highlighted in subpart (a) of this data request response.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 4
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 7, where Atmos states that the Customer Rate Stabilization ("CRS") mechanism "[w]ould equally benefit both rate payer and Company by reducing the periodic 'risk' of under or over recovery of costs." Is the witness or Atmos aware of any previous Orders of this Commission for Atmos's Kentucky Division or Western Kentucky Gas or for any other Kentucky jurisdictional utility that guaranteed or reduced the risk of attaining a certain earnings level?

Response:

As stated in the responses to KPSC DR 2-56(i), KPSC DR 2-60(b) and KPSC 3-21, the Company is familiar with the objectives of Rate Stabilization mechanisms, first hand, in Mississippi and Louisiana. Further, the Company is aware of similar mechanisms included in updates provided by the American Gas Association whose report in December 2006 stated that Rate Stabilization mechanisms exist in 5 States for 11 gas utilities.

In regard to Kentucky, the Company is also aware of an Earnings Sharing Mechanism (ESM) which was approved by this Commission for Louisville Gas and Electric (LG&E) in Cases 98-426 and 98-474, by Orders dated January 7, 2000. Atmos Energy became aware of the LG&E ESM through data requests from Commission Staff in Atmos Energy's Case No. 2003-00305 dated October 8, 2003. In order to respond to the Staffs questions in that matter, Atmos Energy reviewed the general nature of the LG&E ESM. ESMs, as described in the Order, are a form of comprehensive alternative regulation. In that Order, the Commission found the benefits of that mechanism are:

- An ESM "can extend the time period during which the company can operate without regulatory intervention, meaning that the filing of rate cases can be delayed."
- Through an ESM, utilities are also able to forego the added expense and effort of being subjected to a traditional rate proceeding.
- The mechanism automatically adjusts a utility's approved rates when its earned rate of return falls outside a pre-established range for a specified time period.

The Company did not further review the LG&E ESM or whether other revenue stabilization mechanisms had been approved for any other utilities in Kentucky.

The important point about the ESM is that it demonstrates that the Commission is willing to consider alternative ratemaking mechanisms such as the one proposed by the Company in this proceeding.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 5
Witness: Gary Smith

Data Request:

If the Commission agrees that Atmos should be guaranteed the earnings level established at the conclusion of this case, explain why Atmos should be allowed to continue to update the period based on 6 months of data?

Response:

As indicated in the response to AG DR 2-60, the Company's achievement of its authorized return will not be guaranteed by the CRS mechanism. The proposal to update capital expenditures for the Rate Effective period is simply designed to ensure rates reflect, as accurately as possible, the capital costs to be incurred during that period. The Company proposed to use "six months" of capital expenditures as a surrogate for a 13-month average of prospective capital costs. Please also refer to the Company's response to AG DR 1-83.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 6
Witness: Tom Petersen

Data Request:

Refer to the response to the Staff's Second Request, Item 11(c).

a. In the response is the statement, "All prepayments including prepayments of PSC assessments represent investment required to provide utility service." Explain in detail what "investment" the PSC assessment represents and how it is necessary in the provision of utility service.

b. In the response is the statement, "The Company has not reviewed any other utilities cases in Kentucky related to this matter." Explain in detail why Atmos did not undertake such a review in the preparation of this rate case.

c. Was Atmos aware that since 1990 the Commission has denied the inclusion of the PSC Assessment as a prepayment in eight rate cases involving The Union Light, Heat and Power Company, the Kentucky Utilities Company, the Louisville Gas and Electric Company, and Delta Natural Gas Company?

d. Would Atmos agree that in Case No. 1999-00070[2] it was questioned as to why it should be allowed to earn a return on the PSC Assessment?

Response:

a. Prepayments represent cash disbursements made in advance of the period to which they apply. Payment of the PSC assessment is necessary to provide utility service in Kentucky. Therefore, payment of the PSC assessment in advance of the applicable period is an investment necessary to provide utility service.

b. The company has not been in the practice of routinely reviewing the details of other utilities cases and has not invested in a staff to perform such reviews in all twelve states that the company serves.

c. No.

d. The company accepts staff's assertion that it asked such a question in the course of discovery in that case. The company has not searched through the files from that case to verify that such a question was asked.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 7
Witness: Greg Waller

Data Request:

Refer to the response to the Staff's Second Request, Item 12, Attachment 4, the CMR Budget Details for the period September 2006, pages 1 through 16 of 16. Provide a summary of the Current Year-to-Date Actual and Current Year-to-Date Budget information for September 2006, using Format 7, attached to this request. In addition, using the totals from the two summaries, prepare an actual versus budget cost analysis by cost category.

Response:

Please see the attachment labeled KPSC DR 3-7 ATT.

KPSC DR5-7
As of FY '06 Actuals

Cost Category	2601	2602	2603	2604	2605	2606
BENE Benefits	$12,904.21	$56,664.19	$51,257.86	$3,317.94	$17,356.28	$9,386.42
DUES Dues & Donations	$1,350.02		$29,400.00		$30.00	$100.00
EEWEL Employee Welfare	$11,911.61	$0.00	$731,024.44		$21,193.70	$44.93
EXPBL Expense Billings		$727,327.48	$1,055,466.90	$307,098.53	$25.69	
Information Technology Expense	$84.78	$67,415.38			$394.00	$4,508.35
INSUR Insurance			$0.00			
LABOR Labor	$33,430.62	$146,798.42	$195,930.29	$8,595.69	$39,827.88	$24,317.17
MARK Marketing					$513.30	
MATSU Materials & Supplies	$5,069.26	$31,100.84	$2,777.76		$2,405.99	$4,197.78
MISC Micellaneous	$1,037.93	$90.00	$12,753.62		$740.29	
OUT Outside Services			$6,003.54	$404,168.77		
PRINT Print & Postage	$322.63	$1,094.21	$952.61		$110.49	$394.90
RENT Rent, Maintenance & Utilities	$15,502.83	$38,517.01	$30,812.81		$252,808.16	$46,962.34
SHARE Directors, Shareholders & PR			$18,776.88			
TELE Telecom	$2,057.00	$356,008.07	$3,536.35	$909.49	$1,505.91	$2,007.39
TRAIN Training	$10,674.46	$280.00	$39,225.47	$250.00	$0.00	$70.00
TRVL Travel, Meals & Entertainment	$22,624.07	$15,377.20	$36,057.52		$10,764.43	$2,886.51
VEHIC Vehicles & Equipment	$10.75	$14,010.01	$12,680.10		$479.07	$15,327.04
Write-Offs						$0.00
Totals, All Columns	$116,980.17	$1,454,682.81	$2,226,656.15	$724,340.42	$348,155.19	$110,202.83

KPSC DR- .
As of FY '06 Actuals

Cost Category	2607	2608	2609	2612	2618	2621
BENE Benefits	$54,026.56	$24,375.10	$182,223.74	$58,928.98	$247,660.05	$14,849.38
DUES Dues & Donations	$29,007.72	$30.00	$0.00			
EEWEL Employee Welfare	($377,243.81)	$20,293.50	$7,289.87	$17.90	$386.91	
EXPBL Expense Billings	$2,577,934.10	$0.00				
Information Technology Expense			$250.96	$0.00		
INSUR Insurance	$64,192.53		$43.70	$652.00	$1,872.75	
LABOR Labor	$139,965.18	$63,147.90	$472,082.22	$152,665.75	$38,624.23	$38,469.89
MARK Marketing		$67,023.14		$89.04	$1,474.43	
MATSU Materials & Supplies	$17,205.89	$520.83	$48,768.98	$93,579.17	$3,852.38	
MISC Micellaneous	($37,333.84)	$1,167.42	($4,048.77)	($586.07)	$500.00	
OUT Outside Services	$1,406,701.56		$98,853.03	$56,738.45		
PRINT Print & Postage	$12,596.89	$444.22	$315.83	$227.97	$104.32	
RENT Rent, Maintenance & Utilities	($820,244.07)	$7,704.20	$40,770.30	$26,434.18	$7,704.20	
SHARE Directors, Shareholders & PR						
TELE Telecom	($275,653.63)	$1,117.81	$11,642.35	$37,078.61	$3,951.28	
TRAIN Training	$0.00	$2,995.42	$530.00	$20,458.97	$58,266.58	
TRVL Travel, Meals & Entertainment	$14,794.05	$16,657.23	$9,981.59	$11,447.92	$8,043.07	$97,382.04
VEHIC Vehicles & Equipment	($1,045,454.94)	$800.21	$127,053.07	$25,849.72	$4,313.28	
Write-Offs	$1,011,761.00					
Totals, All Columns	$2,772,255.19	$206,276.98	$995,756.87	$483,582.59	$376,753.48	$150,701.31

KPSC DR
As of FY '06 Actuals

Cost Category	2631	2632	2633	2634	2635	2636
BENE Benefits	$23,907.47	$0.00	$4,390.04	$183,257.60	$75,200.89	$244,015.34
DUES Dues & Donations	$30.00		$3,751.88	$2,169.00	$120.00	$100.00
EEWEL Employee Welfare	$20,920.43			$8,608.81	$3,773.38	$19,204.36
EXPBL Expense Billings						
Information Technology Expense						
INSUR Insurance				$860.83	$371.90	$540.41
LABOR Labor	$61,936.45	$0.00	$11,373.18	$474,760.61	$194,820.92	$632,164.10
MARK Marketing	$450.51		$1,451.60	$1,335.55	$467.18	
MATSU Materials & Supplies	$724.08		$1,449.33	$27,382.20	$7,719.90	$40,720.85
MISC Micellaneous	$0.00	$1,936.00	$1,553.28	$2,252.83	$167.96	($9,576.63)
OUT Outside Services				$490.14		$16,179.57
PRINT Print & Postage	$6.20		$60.18	$238.69	$456.02	$159.10
RENT Rent, Maintenance & Utilities	$8,143.73			$89,585.14	$52,991.04	$84,745.46
SHARE Directors, Shareholders & PR				$437.11		
TELE Telecom	$838.69		$13,404.55	$9,255.32	$3,677.44	$20,142.80
TRAIN Training	$250.00			$1,175.00	$250.00	$1,044.00
TRVL Travel, Meals & Entertainment	$12,440.77	$1,339.72	$1,954.42	$7,291.69	$1,975.97	$1,903.51
VEHIC Vehicles & Equipment	$4,778.35			$124,949.18	$67,191.58	$255,493.70
Write-Offs						
Totals, All Columns	$134,426.68	$3,275.72	$39,388.46	$934,049.70	$409,184.18	$1,306,836.57

KPSC DR[illegible]
As of FY '06 Actuals

Cost Category	2637	2638	2650	2651	2652	2663
BENE Benefits	$173,099.77	$71,626.63		$99,139.97	$47,306.03	$58,071.27
DUES Dues & Donations	$25.00	$850.00		$4,325.00	$5,340.00	
EEWEL Employee Welfare	$9,713.47	$3,402.29		$1,710.67	$797.21	
EXPBL Expense Billings						
Information Technology Expense					$72.95	
INSUR Insurance	$4,512.27	$2,264.38		$26.22	$155.65	
LABOR Labor	$448,096.89	$185,561.21		$256,839.28	$122,554.48	
MARK Marketing	$50.00	$276.89		$99.50	$44.52	
MATSU Materials & Supplies	$22,403.65	$9,344.71		$8,457.92	$15,275.89	
MISC Micellaneous	$1,917.68	$1,151.75		$3,011.42	$2,118.12	
OUT Outside Services	$414.06	$0.00			$34.00	
PRINT Print & Postage	$584.14	$288.58		$1,362.89	$274.53	
RENT Rent, Maintenance & Utilities	$48,203.81	$115,874.30		$9,041.44	$105,055.70	
SHARE Directors, Shareholders & PR						
TELE Telecom	$8,794.52	$2,567.48	$208.45	$6,644.29	$2,598.13	
TRAIN Training	$802.06	$296.01		$250.00	$1,245.67	
TRVL Travel, Meals & Entertainment	$2,826.98	$2,990.20		$5,754.23	$1,398.23	
VEHIC Vehicles & Equipment	$190,300.30	$55,344.96	$20,686.38	$36,690.95	$17,805.81	
Write-Offs						
Totals, All Columns	$911,744.60	$451,839.39	$20,894.83	$433,353.78	$322,076.92	$58,071.27

KPSC DR[illegible]
As of FY '06 Actuals

Cost Category	2731	2732	2734	2735	2736	2737
BENE Benefits	$17,722.50	$76,228.92	$183,872.48	$47,411.90	$109,129.99	$90,655.00
DUES Dues & Donations	$30.00	$542.57	$10,380.00	$4,197.00	$5,041.90	$1,953.00
EEWEL Employee Welfare	$21,380.85	$332.78	$17,161.66	$7,086.31	$5,382.16	$9,503.30
EXPBL Expense Billings						
Information Technology Expense						
INSUR Insurance			$0.00	$0.00	$267.93	
LABOR Labor	$45,913.21	$197,484.26	$476,353.59	$122,994.56	$282,720.13	$234,857.51
MARK Marketing	$1,064.73	$96,405.38	$7,732.96	$698.93	$36.97	
MATSU Materials & Supplies	$2,810.82	$1,455.51	$50,163.60	$11,185.30	$20,165.76	$18,950.13
MISC Micellaneous	$489.71	$1,936.01	$0.00	$2,009.23	$698.56	($1,596.05)
OUT Outside Services			$0.00		$0.00	$1,433.06
PRINT Print & Postage	$0.00	$958.53	$2,719.71	$494.36	$382.28	$1,682.72
RENT Rent, Maintenance & Utilities	$2,805.00	$5,610.00	$247,892.96	$31,523.44	$64,696.97	$79,225.54
SHARE Directors, Shareholders & PR						
TELE Telecom	$1,829.67	$5,801.19	$18,269.13	$8,204.49	$19,881.39	$6,574.91
TRAIN Training	$1,839.50	$589.00	$0.00	$535.00		$140.00
TRVL Travel, Meals & Entertainment	$9,374.80	$42,068.08	$13,681.91	$2,236.97	$3,681.07	$2,543.94
VEHIC Vehicles & Equipment	$5,840.34		$338,183.40	$66,817.66	$88,873.17	$101,627.00
Write-Offs						
Totals, All Columns	$111,101.13	$429,412.23	$1,366,411.40	$305,395.15	$600,958.28	$547,550.06

KPSC DR...
As of FY '06 Actuals

Cost Category	2738	2739	2750	2751	Total Costs, All Cost Centers
BENE Benefits	$84,507.24	$76,057.98	$38,090.11	$38,842.31	$2,475,484.15
DUES Dues & Donations	$796.00	$700.00	$0.00	$495.00	$100,764.09
EEWEL Employee Welfare	$5,268.86	$11,141.20	$48.22	$1,404.19	$561,759.20
EXPBL Expense Billings					$4,667,852.70
Information Technology Expense					$72,726.42
INSUR Insurance	$3,292.57	$0.00	$0.00	$1,740.00	$80,793.14
LABOR Labor	$218,930.68	$197,041.37	$98,679.08	$100,627.76	$5,717,564.51
MARK Marketing	$254.00	$0.00	$190.80	$20.30	$179,679.73
MATSU Materials & Supplies	$11,308.89	$21,828.84	$2,709.18	$7,166.95	$490,702.39
MISC Micellaneous	($11,157.48)	($2,336.50)	$148,850.34	$199.56	$117,946.37
OUT Outside Services	$8,140.16	$21,695.90	$79.00	$292.60	$2,021,223.84
PRINT Print & Postage	$276.57	$1,022.56	$424.18	$349.92	$28,305.23
RENT Rent, Maintenance & Utilities	$33,437.95	$53,973.20	$24,377.23	$10,889.57	$715,044.44
SHARE Directors, Shareholders & PR					$19,213.99
TELE Telecom	$9,265.79	$15,434.85	$2,666.26	$4,191.13	$304,411.11
TRAIN Training	$645.00	$666.97	$0.00	$140.00	$142,619.11
TRVL Travel, Meals & Entertainment	$3,590.44	$1,898.71	$3,275.08	$3,502.67	$371,745.02
VEHIC Vehicles & Equipment	$97,420.61	$109,079.71	$28,111.50	$29,652.73	$793,915.64
Write-Offs					$1,011,761.00
Totals, All Columns	$465,977.28	$508,204.79	$347,500.98	$199,514.69	$19,873,512.08

KPSC DR3-,
As of FY '06 Budget

Cost Category	2601	2602	2603	2604	2605	2606	2607
BENE Benefits	$19,426.55	$62,076.85	$57,736.69	$0.00	$16,643.87	$6,389.11	($19,534.23)
DUES Dues & Donations	$1,551.00		$9,920.00		$0.00	$1,675.00	$36,000.00
EEWEL Employee Welfare	$40,194.41	$0.00	$642,752.08		$15,590.26	$0.00	($280,153.92)
EXPBL Expense Billings		$699,130.00	$973,362.00	$155,897.00	$264.00		$2,526,224.00
Information Technology Expense	$0.00	$47,247.00			$0.00	$2,730.00	
INSUR Insurance			$0.00				$119,368.13
LABOR Labor	$50,854.86	$162,504.84	$151,143.20	$0.00	$43,570.32	$16,725.41	$151,823.95
MARK Marketing			$0.00		$0.00		
MATSU Materials & Supplies	$2,312.40	$37,500.00	$2,000.00		$1,800.00	$3,336.00	$15,600.00
MISC Micellaneous		$0.00	$2,500.00	$0.00	$0.00		$52,419.00
OUT Outside Services			$10,000.00	$466,200.00			$1,444,000.00
PRINT Print & Postage	$141.00	$4,800.00	$500.00		$120.00	$240.00	$9,000.00
RENT Rent, Maintenance & Utilities	$0.00	$0.00	$0.00		$415,000.00	$0.00	($801,697.00)
SHARE Directors, Shareholders & PR			$0.00				
TELE Telecom	$1,974.00	$376,320.00	$5,400.00	$0.00	$1,500.00	$757.00	($256,626.00)
TRAIN Training	$0.00	$4,200.00	$49,400.00	$0.00	$600.00	$1,400.00	$0.00
TRVL Travel, Meals & Entertainment	$16,826.00	$10,200.00	$24,500.00		$2,440.00	$2,100.00	$8,000.00
VEHIC Vehicles & Equipment	$0.00	$16,200.00	$7,650.00		$0.00	$15,741.00	($864,589.00)
Write-Offs	$0.00					$0.00	$924,313.00
Totals, All Columns	$133,280.22	$1,420,178.69	$1,936,863.97	$622,097.00	$497,528.45	$51,093.52	$3,064,147.93

KPSC DR3-7
As of FY '06 Budget

Cost Category	2608	2609	2612	2618	2621	2631	2632
BENE Benefits	$26,330.78	$183,161.45	$73,897.95	$174,727.48	($25,975.98)	$28,080.36	$0.00
DUES Dues & Donations	$0.00	$0.00				$450.00	
EEWEL Employee Welfare	$18,081.76	$6,000.00	$250.00	$0.00		$15,944.08	
EXPBL Expense Billings	$744.00						
Information Technology Expense		$0.00					
INSUR Insurance		$0.00		$0.00			
LABOR Labor	$68,928.72	$479,480.22	$193,450.16	$46,515.06	($67,999.98)	$73,508.71	$0.00
MARK Marketing	$73,800.00		$28,000.00	$2,240.00		$0.00	
MATSU Materials & Supplies	$0.00	$34,000.00	$64,400.00	$3,200.00		$600.00	
MISC Micellaneous	$0.00	$0.00	$0.00			($200,000.00)	$0.00
OUT Outside Services		$95,000.00	$58,330.00				
PRINT Print & Postage	$0.00	$222.00	$240.00	$128.00		$0.00	
RENT Rent, Maintenance & Utilities	$0.00	$24,300.00		$0.00		$0.00	
SHARE Directors, Shareholders & PR							
TELE Telecom	$3,000.00	$7,640.00	$39,072.00	$1,536.00		$2,200.00	
TRAIN Training	$1,500.00	$0.00		$55,232.00		$0.00	
TRVL Travel, Meals & Entertainment	$12,800.00	$5,700.00	$8,050.00	$1,152.00	$0.00	$7,780.00	$0.00
VEHIC Vehicles & Equipment	$0.00	$107,100.00	$27,900.00	$6,016.00		$0.00	
Write-Offs	$0.00					$0.00	
Totals, All Columns	$205,185.26	$942,603.67	$493,590.11	$290,746.54	($93,975.96)	($71,436.85)	$0.00

KPSC DR3-7
As of FY '06 Budget

Cost Category	2633	2634	2635	2636	2637	2638	2650
BENE Benefits	$2,762.59	$177,083.02	$68,078.74	$274,087.01	$173,381.38	$75,240.61	
DUES Dues & Donations	$96.00	$2,865.00	$3,225.00	$0.00	$0.00	$0.00	
EEWEL Employee Welfare		$8,452.00	$4,077.00	$18,000.00	$7,860.00	$2,905.00	
EXPBL Expense Billings							
Information Technology Expense							
INSUR Insurance		$0.00	$0.00	$0.00	$0.00	$0.00	
LABOR Labor	$7,231.93	$463,568.12	$178,216.61	$717,505.28	$453,878.02	$196,965.00	
MARK Marketing	$699.20	$0.00	$0.00		$0.00	$0.00	
MATSU Materials & Supplies	$19.20	$15,168.00	$4,699.20	$30,756.00	$19,152.00	$9,588.00	
MISC Micellaneous	$0.00	$960.00	$300.00	$279.00	$350.00	$0.00	
OUT Outside Services		$4,720.00		$2,892.00	$9,500.00	$0.00	
PRINT Print & Postage	$4.80	$210.00	$360.00	$428.40	$1,200.00	$720.00	
RENT Rent, Maintenance & Utilities		$92,280.00	$57,184.00	$88,332.00	$51,110.00	$100,330.00	
SHARE Directors, Shareholders & PR		$0.00					
TELE Telecom	$96.00	$12,460.00	$4,572.00	$20,310.00	$10,500.00	$4,260.00	$0.00
TRAIN Training		$1,000.00	$1,090.00	$920.00	$700.00	$900.00	
TRVL Travel, Meals & Entertainment	$152.08	$2,740.00	$2,505.00	$2,316.36	$4,370.00	$1,700.00	
VEHIC Vehicles & Equipment		$147,879.00	$70,416.00	$221,454.00	$186,138.00	$52,812.00	$0.00
Write-Offs				$0.00			
Totals, All Columns	$11,061.80	$929,385.14	$394,723.55	$1,377,280.05	$918,139.40	$445,420.61	$0.00

KPSC DR3-7
As of FY '06 Budget

Cost Category	2651	2652	2663	2731	2732	2734	2735
BENE Benefits	$72,844.96	$43,269.64	$0.00	$20,564.67	$85,758.52	$235,746.44	$70,227.69
DUES Dues & Donations	$8,440.00	$5,960.00		$140.00	$1,250.00	$10,800.00	$4,325.00
EEWEL Employee Welfare	$3,702.00	$1,530.00		$15,944.08	$0.00	$18,200.00	$6,470.00
EXPBL Expense Billings	$0.00	$0.00					
Information Technology Expense		$0.00					
INSUR Insurance		$0.00				$600.00	
LABOR Labor	$190,693.61	$113,271.33		$53,834.27	$224,498.73	$617,137.27	$183,842.10
MARK Marketing	$0.00	$0.00		$0.00	$94,850.00	$1,500.00	$0.00
MATSU Materials & Supplies	$1,800.00	$7,720.00		$0.00	$1,200.00	$63,836.00	$13,011.20
MISC Micellaneous	$14,890.00	$960.00		($200,000.00)	$3,000.00	$4,800.00	$0.00
OUT Outside Services		$0.00				$6,300.00	
PRINT Print & Postage	$540.00	$0.00		$0.00	$2,500.00	$1,380.00	$400.00
RENT Rent, Maintenance & Utilities	$4,200.00	$97,292.00		$0.00		$195,600.00	$34,364.00
SHARE Directors, Shareholders & PR							
TELE Telecom	$555.00	$2,400.00		$0.00	$6,200.00	$19,800.00	$7,200.00
TRAIN Training	$900.00	$950.00		$0.00	$6,000.00	$0.00	$0.00
TRVL Travel, Meals & Entertainment	$3,240.00	$3,025.00		$6,600.00	$34,350.00	$6,720.00	$1,970.00
VEHIC Vehicles & Equipment	$34,772.00	$21,352.00				$263,358.00	$59,886.00
Write-Offs							
Totals, All Columns	$336,577.57	$297,729.97	$0.00	($102,916.98)	$459,607.25	$1,445,777.71	$381,695.99

KPSC DR3-7
As of FY '06 Budget

Cost Category	2736	2737	2738	2739	2750	2751
BENE Benefits	$118,920.58	$88,147.76	$83,415.95	$81,654.29	$58,805.50	$7,474.47
DUES Dues & Donations	$4,800.00	$1,900.00	$1,000.00	$650.00	$120.00	$0.00
EEWEL Employee Welfare	$7,500.00	$9,568.00	$9,300.00	$7,200.00	$2,016.00	$1,350.00
EXPBL Expense Billings						
Information Technology Expense						
INSUR Insurance	$1,200.00		$0.00	$0.00	$240.00	$0.00
LABOR Labor	$311,310.39	$230,753.37	$218,366.38	$213,754.72	$153,941.06	$19,566.72
MARK Marketing	$900.00		$0.00	$0.00	$240.00	$0.00
MATSU Materials & Supplies	$23,544.00	$22,800.00	$15,000.00	$21,840.00	$2,928.00	$3,240.00
MISC Micellaneous	$0.00	$0.00	$0.00	$0.00	$113,000.00	$1,440.00
OUT Outside Services	$9,140.00	$2,608.00	$600.00	$0.00	$0.00	$0.00
PRINT Print & Postage	$1,080.00	$1,100.00	$480.00	$975.00	$720.00	$120.00
RENT Rent, Maintenance & Utilities	$62,520.00	$88,860.00	$41,200.00	$48,600.00	$17,052.00	$0.00
SHARE Directors, Shareholders & PR						
TELE Telecom	$8,400.00	$10,100.00	$9,360.00	$11,100.00	$2,880.00	$1,680.00
TRAIN Training		$0.00	$0.00	$0.00	$0.00	$1,100.00
TRVL Travel, Meals & Entertainment	$4,800.00	$5,920.00	$3,300.00	$3,000.00	$4,740.00	$3,080.00
VEHIC Vehicles & Equipment	$91,530.00	$122,297.00	$65,254.00	$133,218.00	$24,840.00	$23,382.00
Write-Offs						
Totals, All Columns	$645,644.97	$584,054.13	$447,276.33	$521,992.01	$381,522.56	$62,433.19

KPSC DR3-7
As of FY '06 Budget

Cost Category	Total Costs, All Cost Centers
BENE Benefits	$2,340,424.70
DUES Dues & Donations	$95,167.00
EEWEL Employee Welfare	$582,732.75
EXPBL Expense Billings	$4,355,621.00
Information Technology Expense	$49,977.00
INSUR Insurance	$121,408.13
LABOR Labor	$5,918,840.38
MARK Marketing	$202,229.20
MATSU Materials & Supplies	$421,050.00
MISC Micellaneous	($205,102.00)
OUT Outside Services	$2,109,290.00
PRINT Print & Postage	$27,609.20
RENT Rent, Maintenance & Utilities	$616,527.00
SHARE Directors, Shareholders & PR	$0.00
TELE Telecom	$314,646.00
TRAIN Training	$125,892.00
TRVL Travel, Meals & Entertainment	$194,076.44
VEHIC Vehicles & Equipment	$834,606.00
Write-Offs	$924,313.00
Totals, All Columns	$19,029,307.80

KPSC DR3-7
As of FY '06 Variance

Cost Category	2601	2602	2603	2604	2605	2606	2607
BENE Benefits	$6,522.34	$5,412.66	$6,478.83	($3,317.94)	($712.41)	($2,997.31)	($73,560.79)
DUES Dues & Donations	$200.98		($19,480.00)		($30.00)	$1,575.00	$6,992.28
EEWEL Employee Welfare	$28,282.80	$0.00	($88,272.36)		($5,603.44)	($44.93)	$97,089.89
EXPBL Expense Billings		($28,197.48)	($82,104.90)	($151,201.53)	$238.31		($51,710.10)
Information Technology Expense	($84.78)	($20,168.38)			($394.00)	($1,778.35)	
INSUR Insurance			$0.00				$55,175.60
LABOR Labor	$17,424.24	$15,706.42	($44,787.09)	($8,595.69)	$3,742.44	($7,591.76)	$11,858.77
MARK Marketing			$0.00		($513.30)		
MATSU Materials & Supplies	($2,756.86)	$6,399.16	($777.76)		($605.99)	($861.78)	($1,605.89)
MISC Micellaneous	($1,037.93)	($90.00)	($10,253.62)	$0.00	($740.29)		$89,752.84
OUT Outside Services			$3,996.46	$62,031.23			$37,298.44
PRINT Print & Postage	($181.63)	$3,705.79	($452.61)		$9.51	($154.90)	($3,596.89)
RENT Rent, Maintenance & Utilities	($15,502.83)	($38,517.01)	($30,812.81)		$162,191.84	($46,962.34)	$18,547.07
SHARE Directors, Shareholders & PR			($18,776.88)				
TELE Telecom	($83.00)	$20,311.93	$1,863.65	($909.49)	($5.91)	($1,250.39)	$19,027.63
TRAIN Training	($10,674.46)	$3,920.00	$10,174.53	($250.00)	$600.00	$1,330.00	$0.00
TRVL Travel, Meals & Entertainment	($5,798.07)	($5,177.20)	($11,557.52)		($8,324.43)	($786.51)	($6,794.05)
VEHIC Vehicles & Equipment	($10.75)	$2,189.99	($5,030.10)		($479.07)	$413.96	$180,865.94
Write-Offs							($87,448.00)
Totals, All Columns	$16,300.05	($34,504.12)	($289,792.18)	($102,243.42)	$149,373.26	($59,109.31)	$291,892.74

KPSC DR3-7
As of FY '06 Variance

Cost Category	2608	2609	2612	2618	2621	2631	2632
BENE Benefits	$1,955.68	$937.71	$14,968.97	($72,932.57)	($40,825.36)	$4,172.89	$0.00
DUES Dues & Donations	($30.00)	$0.00				$420.00	
EEWEL Employee Welfare	($2,211.74)	($1,289.87)	$232.10	($386.91)		($4,976.35)	
EXPBL Expense Billings	$744.00						
Information Technology Expense		($250.96)	$0.00				
INSUR Insurance		($43.70)	($652.00)	($1,872.75)			
LABOR Labor	$5,780.82	$7,398.00	$40,784.41	$7,890.83	($106,469.87)	$11,572.26	$0.00
MARK Marketing	$6,776.86		$27,910.96	$765.57		($450.51)	
MATSU Materials & Supplies	($520.83)	($14,768.98)	($29,179.17)	($652.38)		($124.08)	
MISC Micellaneous	($1,167.42)	$4,048.77	$586.07	($500.00)		($200,000.00)	($1,936.00)
OUT Outside Services		($3,853.03)	$1,591.55				
PRINT Print & Postage	($444.22)	($93.83)	$12.03	$23.68		($6.20)	
RENT Rent, Maintenance & Utilities	($7,704.20)	($16,470.30)	($26,434.18)	($7,704.20)		($8,143.73)	
SHARE Directors, Shareholders & PR							
TELE Telecom	$1,882.19	($4,002.35)	$1,993.39	($2,415.28)		$1,361.31	
TRAIN Training	($1,495.42)	($530.00)	($20,458.97)	($3,034.58)		($250.00)	
TRVL Travel, Meals & Entertainment	($3,857.23)	($4,281.59)	($3,397.92)	($6,891.07)	($97,382.04)	($4,660.77)	($1,339.72)
VEHIC Vehicles & Equipment	($800.21)	($19,953.07)	$2,050.28	$1,702.72		($4,778.35)	
Write-Offs							
Totals, All Columns	($1,091.72)	($53,153.20)	$10,007.52	($86,006.94)	($244,677.27)	($205,863.53)	($3,275.72)

KPSC DR3-7
As of FY '06 Variance

Cost Category	2633	2634	2635	2636	2637	2638	2650
BENE Benefits	($1,627.45)	($6,174.58)	($7,122.15)	$30,071.67	$281.61	$3,613.98	
DUES Dues & Donations	($3,655.88)	$696.00	$3,105.00	($100.00)	($25.00)	($850.00)	
EEWEL Employee Welfare		($156.81)	$303.62	($1,204.36)	($1,853.47)	($497.29)	
EXPBL Expense Billings							
Information Technology Expense							
INSUR Insurance		($860.83)	($371.90)	($540.41)	($4,512.27)	($2,264.38)	
LABOR Labor	($4,141.25)	($11,192.49)	($16,604.31)	$85,341.18	$5,781.13	$11,403.79	
MARK Marketing	($752.40)	($1,335.55)	($467.18)		($50.00)	($276.89)	
MATSU Materials & Supplies	($1,430.13)	($12,214.20)	($3,020.70)	($9,964.85)	($3,251.65)	$243.29	
MISC Micellaneous	($1,553.28)	($1,292.83)	$132.04	$9,855.63	($1,567.68)	($1,151.75)	
OUT Outside Services		$4,229.86		($13,287.57)	$9,085.94	$0.00	
PRINT Print & Postage	($55.38)	($28.69)	($96.02)	$269.30	$615.86	$431.42	
RENT Rent, Maintenance & Utilities		$2,694.86	$4,192.96	$3,586.54	$2,906.19	($15,544.30)	
SHARE Directors, Shareholders & PR		($437.11)					
TELE Telecom	($13,308.55)	$3,204.68	$894.56	$167.20	$1,705.48	$1,692.52	($208.45)
TRAIN Training		($175.00)	$840.00	($124.00)	($102.06)	$603.99	
TRVL Travel, Meals & Entertainment	($1,802.34)	($4,551.69)	$529.03	$412.85	$1,543.02	($1,290.20)	
VEHIC Vehicles & Equipment		$22,929.82	$3,224.42	($34,039.70)	($4,162.30)	($2,532.96)	($20,686.38)
Write-Offs							
Totals, All Columns	($28,326.66)	($4,664.56)	($14,460.63)	$70,443.48	$6,394.80	($6,418.78)	($20,894.83)

KPSC DR3-7
As of FY '06 Variance

Cost Category	2651	2652	2663	2731	2732	2734	2735
BENE Benefits	($26,295.01)	($4,036.39)	($58,071.27)	$2,842.17	$9,529.60	$51,873.96	$22,815.79
DUES Dues & Donations	$4,115.00	$620.00		$110.00	$707.43	$420.00	$128.00
EEWEL Employee Welfare	$1,991.33	$732.79		($5,436.77)	($332.78)	$1,038.34	($616.31)
EXPBL Expense Billings				$0.00	$0.00	$0.00	$0.00
Information Technology Expense		($72.95)		$0.00	$0.00	$0.00	$0.00
INSUR Insurance	($26.22)	($155.65)		$0.00	$0.00	$600.00	$0.00
LABOR Labor	($66,145.67)	($9,283.15)		$7,921.06	$27,014.47	$140,783.68	$60,847.54
MARK Marketing	($99.50)	($44.52)		($1,064.73)	($1,555.38)	($6,232.96)	($698.93)
MATSU Materials & Supplies	($6,657.92)	($7,555.89)		($2,810.82)	($255.51)	$13,672.40	$1,825.90
MISC Micellaneous	$11,878.58	($1,158.12)		($200,489.71)	$1,063.99	$4,800.00	($2,009.23)
OUT Outside Services		($34.00)		$0.00	$0.00	$6,300.00	$0.00
PRINT Print & Postage	($822.89)	($274.53)		$0.00	$1,541.47	($1,339.71)	($94.36)
RENT Rent, Maintenance & Utilities	($4,841.44)	($7,763.70)		($2,805.00)	($5,610.00)	($52,292.96)	$2,840.56
SHARE Directors, Shareholders & PR				$0.00	$0.00	$0.00	$0.00
TELE Telecom	($6,089.29)	($198.13)		($1,829.67)	$398.81	$1,530.87	($1,004.49)
TRAIN Training	$650.00	($295.67)		($1,839.50)	$5,411.00	$0.00	($535.00)
TRVL Travel, Meals & Entertainment	($2,514.23)	$1,626.77		($2,774.80)	($7,718.08)	($6,961.91)	($266.97)
VEHIC Vehicles & Equipment	($1,918.95)	$3,546.19		($5,840.34)	$0.00	($74,825.40)	($6,931.66)
Write-Offs				$0.00	$0.00	$0.00	$0.00
Totals, All Columns	($96,776.21)	($24,346.95)	($58,071.27)	($214,018.11)	$30,195.02	$79,366.31	$76,300.84

KPSC DR3-7
As of FY '06 Variance

Cost Category	2736	2737	2738	2739	2750	2751
BENE Benefits	$9,790.59	($2,507.24)	($1,091.29)	$5,596.31	$20,715.39	($31,367.84)
DUES Dues & Donations	($241.90)	($53.00)	$204.00	($50.00)	$120.00	($495.00)
EEWEL Employee Welfare	$2,117.84	$64.70	$4,031.14	($3,941.20)	$1,967.78	($54.19)
EXPBL Expense Billings	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Information Technology Expense	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
INSUR Insurance	$932.07	$0.00	($3,292.57)	$0.00	$240.00	($1,740.00)
LABOR Labor	$28,590.26	($4,104.14)	($564.30)	$16,713.35	$55,261.98	($81,061.04)
MARK Marketing	$863.03	$0.00	($254.00)	$0.00	$49.20	($20.30)
MATSU Materials & Supplies	$3,378.24	$3,849.87	$3,691.11	$11.16	$218.82	($3,926.95)
MISC Micellaneous	($698.56)	$1,596.05	$11,157.48	$2,336.50	($35,850.34)	$1,240.44
OUT Outside Services	$9,140.00	$1,174.94	($7,540.16)	($21,695.90)	($79.00)	($292.60)
PRINT Print & Postage	$697.72	($582.72)	$203.43	($47.56)	$295.82	($229.92)
RENT Rent, Maintenance & Utilities	($2,176.97)	$9,634.46	$7,762.05	($5,373.20)	($7,325.23)	($10,889.57)
SHARE Directors, Shareholders & PR	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TELE Telecom	($11,481.39)	$3,525.09	$94.21	($4,334.85)	$213.74	($2,511.13)
TRAIN Training	$0.00	($140.00)	($645.00)	($666.97)	$0.00	$960.00
TRVL Travel, Meals & Entertainment	$1,118.93	$3,376.06	($290.44)	$1,101.29	$1,464.92	($422.67)
VEHIC Vehicles & Equipment	$2,656.83	$20,670.00	($32,166.61)	$24,138.29	($3,271.50)	($6,270.73)
Write-Offs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Totals, All Columns	$44,686.69	$36,504.07	($18,700.95)	$13,787.22	$34,021.58	($137,081.50)

KPSC DR3-7
As of FY '06 Variance

Cost Category	Total Costs, All Cost Centers
BENE Benefits	($135,059.45)
DUES Dues & Donations	($5,597.09)
EEWEL Employee Welfare	$20,973.55
EXPBL Expense Billings	($312,231.70)
Information Technology Expense	($22,749.42)
INSUR Insurance	$40,614.99
LABOR Labor	$201,275.87
MARK Marketing	$22,549.47
MATSU Materials & Supplies	($69,652.39)
MISC Micellaneous	($323,048.37)
OUT Outside Services	$88,066.16
PRINT Print & Postage	($696.03)
RENT Rent, Maintenance & Utilities	($98,517.44)
SHARE Directors, Shareholders & PR	($19,213.99)
TELE Telecom	$10,234.89
TRAIN Training	($16,727.11)
TRVL Travel, Meals & Entertainment	($177,668.58)
VEHIC Vehicles & Equipment	$40,690.36
Write-Offs	($87,448.00)
Totals, All Columns	($844,204.28)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 8
Witness: Greg Waller

Data Request:

Refer to the response to the Staff's Second Request, Item 14.

a. What is the status of Atmos's appeal of its 2006 property tax assessment?

b. When does Atmos expect the 2006 property tax assessment will be finalized?

c. Using an average factor based on the ratio of the settled value to the initial value shown in the response, provide an estimate of the 2006 settled value and calculate the corresponding taxes to be paid for 2006. Include all assumptions used to determine the taxes to be paid.

Response:

a. The Company is still working and negotiating with the Department of Revenue (DOR) on an acceptable value. The DOR has offered a settlement which falls in line with the Company's proposed assessment. The Company and DOR are working on the final stage, which is an allocation to Real Property, Personal Property, and Inventory.

b. The Company hopes this process will be complete by May 1, 2007.

c. Using the last five years reduction average of 20%, the Company's total 2006 assessment would be $269,000,000 with an estimated tax burden of $3,081,000. Since the Company has an offer from the DOR which is very close to its initial proposal, it is more accurate to use the DOR offer for the assessment and tax estimation on the 2006 property taxes. Please see below for this calculation (using appropriate state tax rates and an effective local rate of .009327%)

Real Estate Assessment (Rate of .00128%)	125,505,934
Personal Property Assessment (Rate of .0045%)	52,543,907
Inventory Assessment (Rate of .0005%)	58,450,159
Total DOR Proposal	236,500,000
State Tax Payment	426,320
Local Ad Valorem Tax Payments	2,205,927
Total Estimated 2006 Ad Valorem Taxes	2,632,247

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 9
Witness: Rad Cook

Data Request:

Refer to the response to the Staff's Second Request, Item 15.

a. Explain the difference between "growth" and "non-growth" capital expenditures.

b. Using the data for total Kentucky operations only by fiscal year as shown in KPSC DR2-15 ATT, calculate the percentage over- or under-budget for each fiscal year.

c. Based upon the percentages calculated in part (b) above, explain how the Commission can place any reliance on the accuracy of the capital expenditure levels forecasted by Atmos for the Kentucky operations in either the base or forecasted test periods.

Response:

a. Growth –
Growth projects are revenue-producing investments for which we can identify a stream of revenues, cash flow, return, payback and other standard investment criteria. These projects are for brand new distribution or transmission installations, including new main or service lines.

Non-Growth -
Non-growth capital expenditures involve system integrity, equipment, structures, pipeline integrity, system maintenance and reliability projects which are evaluated on a cost/benefit basis, non-producing revenue. Annual non-growth capital expenditures should be below the level of depreciation.

System Integrity – System Integrity projects are for replacements or compliance of the distribution or transmission systems, fixing leaks or replacing bare steel pipe. System Integrity projects will have both installation and retirement tasks.

System Improvements – System Improvements projects are the upgrading of the distribution or transmission systems, improvement of a regulator station. These projects may have both installation and retirement tasks.

Public Improvements – Public Improvements projects are projects created to make changes in the distribution or transmission systems at the request from an outside source such as moving mains for road projects. Public Improvements projects usually include the reimbursement task in addition to installation and/or retirement tasks. Finally, there are also a number of projects we must fund over which we have little control as to timing and cost, such as public works projects and highway relocations.

Equipment/Structures – Equipment/Structures projects are for the purchase and retirement of equipment, tools and improvement to offices. They can also include the purchase and retirement of office equipment except for computer equipment.

Vehicles – Vehicle projects are used for the purchase and/or retirement of vehicles.

Information Technology (IT) – Information Technology projects are used for the purchase and retirement of computer equipment, mobile data terminals, software and/or applications.

b. Percentage over- or under-budget for each fiscal year.

Fiscal Year	Actual Dollars	Budgeted Dollars	Over/(Under) Budget, $'s	Variance (%)
2006	16,645,007	14,185,245	2,495,762	17.3
2005	17,525,670	14,571,690	2,953,980	20.3
2004	20,902,147	18,550,753	2,351,394	12.7
2003	18,213,227	18,702,001	(488,774)	(2.62)
2002	18,188,126	15,326,768	2,861,358	18.6

c. As discussed more particularly in (a) above, the Company's capital expenditures fall into one of two categories - growth or non-growth projects. It is the Company's objective to maintain a safe and reliable system. One way that the Company does this is to replace the portions of the system infrastructure at the appropriate time in order to maintain that safety and reliability. It is also the Company's objective to provide new or expanded service to customers that request gas service. The Company's capital budgeting process captures most of these necessary costs, however, the Company consistently budgets capital expenditures conservatively. The process of capital budgeting is not a perfect projection because it is dependant upon numerous factors that can dramatically affect capital project expenditures, particularly construction. Examples include increases in the cost of steel and plastic materials, increases in the number of leak repairs, unforeseen working conditions, increases in contractor costs, schedule changes in public (DOT) improvement projects, and additional growth opportunities. The calculations made in response to (b) above indicate that the Company's capital expenditure budget is generally lower than actual capital expenditures made during the budget period. The logical conclusion is that the capital expenditure levels forecasted by Atmos for the Kentucky operations in this case are in fact conservative and as such understate the level of investment utilized to develop the Company's revenue requirement in this case. By utilizing the capital budget to forecast levels of investment the Company has proposed a conservative projected level of investment and the KPSC staff should be assured that the level of investment included in the filing is conservatively low.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 10
Witness: Rad Cook

Data Request:

Refer to the response to the Staff's Second Request, Item 16, KPSC DR2- 16b ATT, pages 1 through 24 of 24.

a. For each fiscal year included in the response, provide the total of all "Specific" projects' "Total Actual Project Costs," "Total P&N Cost Estimate," and "Variance in Dollars."

b. For each fiscal year included in the response, provide the total of all "Functional" projects "Total Actual Project Costs."

Response:

In preparing the response for this Data Request, it was determined that several functional projects in Fiscal Year 2005 had been incorrectly classified as specific projects in the original response to the Staff's Second Request, Item 16, KPSC DR 2-16b ATT, pages 1 through 24 of 24. As such, this attachment is being resubmitted with this response to Staff's Third Request, Item 10 (KPSC DR 3-10 ATT).

a. The following table includes the totals for specific projects by fiscal year of the actual project cost, the P&N cost estimate, and the variance. This summary is for charges incurred during the referenced fiscal year. The variance is reflective of only those projects that were specifically budgeted within the fiscal year, and therefore can not be expected to relate mathematically to the difference between the actual project cost and P&N cost estimate.

Specific Projects	**2004**	**2005**	**2006**
Actual Project Costs in FY	$8,034,781	$3,864,733	$5,268,872
P&N Cost Estimate	$9,661,946	$13,425,057	$7,412,817
Variance	$101,461	$(492,444)	$2,143,945

b. The following table includes a summary of charges incurred by fiscal year for functional projects.

Functional Projects	**2004**	**2005**	**2006**
Actual Project Costs in FY	$12,690,110	$11,704,752	$9,803,040

Atmos Energy Corporation

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

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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

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

Data:_____ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.1168	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. 0F 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

Atmos Energy Corporation

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Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X___ 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	40.11872	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)	95353.6
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

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Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.11945	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
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Construction Projects Fiscal Years 2004 - 2006

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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:_____ Original _____ Updated __X__ 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' OF 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:_____ Original _____ Updated __X__ 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	40.12068	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:_____ Original _____ Updated __X__ 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	40.12106	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 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)
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Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.1214	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:_____ Original _____ Updated __X__ 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)
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Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X___ 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	40.12225	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
2005	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
2006	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)
2004	40.12259	040.2609.ODORTANK DISP WEST	DISPOSAL OF 10 ODORANT TANKS AND 4 DRUMS AND MISC ITEMS	Specific	361.79	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	58,081.93	98,207.00	-39763.28	58443.72	98,207.00	-39763.28
2006	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)

Atmos Energy Corporation

(Kentucky Division)

Case No. 2006-00464

Construction Projects Fiscal Years 2004 - 2006

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.1226	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:_____ Original _____ Updated __X__ 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)
Case No. 2006-00464
Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	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	Functional	248,439.13	Not Budgeted	-	248439.13	Not Budgeted	-

Atmos Energy Corporation

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Construction Projects Fiscal Years 2004 - 2006

Data:_____ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.12367	Shelbyville 05 Non Growth	Shelbyville 05 Non Growth	Functional	79.80	Not Budgeted	-	248,518.93	Not Budgeted	-
2005	40.12368	Madisonville 05 Growth	Madisonville 05 Growth	Functional	228,766.42	Not Budgeted	-	228766.42	Not Budgeted	-
2006	40.12368	Madisonville 05 Growth	Madisonville 05 Growth	Functional	720.29	Not Budgeted	-	229,486.71	Not Budgeted	-
2005	40.12369	Madisonville 05 Non Growth	Madisonville 05 Non Growth	Functional	585,230.15	Not Budgeted	-	585230.15	Not Budgeted	-
2005	40.1237	Princeton 05 Growth	Princeton 05 Growth	Functional	36,627.52	Not Budgeted	-	36627.52	Not Budgeted	-
2005	40.12371	Princeton 05 Non Growth	Princeton 05 Non Growth	Functional	199,882.45	Not Budgeted	-	199882.45	Not Budgeted	-
2006	40.12371	Princeton 05 Non Growth	Princeton 05 Non Growth	Functional	34.86	Not Budgeted	-	199,917.31	Not Budgeted	-
2005	40.12372	Owensboro 05 Growth	Ownesboro 05 Growth	Functional	826,642.60	Not Budgeted	-	826642.6	Not Budgeted	-
2006	40.12372	Owensboro 05 Growth	Ownesboro 05 Growth	Functional	254.11	Not Budgeted	-	826,896.71	Not Budgeted	-
2004	40.12373	Owensboro 05 Non Growth	Owensboro 05 Non Growth	Specific	1,128.13	Not Budgeted	-	1517213.29	Not Budgeted	-
2005	40.12373	Owensboro 05 Non Growth	Owensboro 05 Non Growth	Functional	1,516,085.16	Not Budgeted	-	1517213.29	Not Budgeted	-
2006	40.12373	Owensboro 05 Non Growth	Owensboro 05 Non Growth	Functional	(1,067.14)	Not Budgeted	-	1,516,146.15	Not Budgeted	-
2005	40.12374	Paducah 05 Growth	Paducah 05 Growth	Functional	456,329.22	Not Budgeted	-	456329.22	Not Budgeted	-
2006	40.12374	Paducah 05 Growth	Paducah 05 Growth	Functional	259.22	Not Budgeted	-	456,588.44	Not Budgeted	-
2005	40.12375	Paducah 05 Non Growth	Paducah 05 Non Growth	Functional	454,630.07	Not Budgeted	-	454630.07	Not Budgeted	-
2006	40.12375	Paducah 05 Non Growth	Paducah 05 Non Growth	Functional	(1,198.22)	Not Budgeted	-	453,431.85	Not Budgeted	-
2004	40.12376	Mayfield 05 Growth	Mayfield 05 Non Growth	Specific	1,288.51	Not Budgeted	-	153193.24	Not Budgeted	-
2005	40.12376	Mayfield 05 Growth	Mayfield 05 Non Growth	Functional	151,904.73	Not Budgeted	-	153193.24	Not Budgeted	-
2006	40.12376	Mayfield 05 Growth	Mayfield 05 Non Growth	Functional	83.86	Not Budgeted	-	153,277.10	Not Budgeted	-
2004	40.12377	Mayfield 05 Non Growth	Mayfield 05 Non Growth	Specific	746.63	Not Budgeted	-	332222.04	Not Budgeted	-
2005	40.12377	Mayfield 05 Non Growth	Mayfield 05 Non Growth	Functional	331,475.41	Not Budgeted	-	332222.04	Not Budgeted	-
2006	40.12377	Mayfield 05 Non Growth	Mayfield 05 Non Growth	Functional	344.99	Not Budgeted	-	332,567.03	Not Budgeted	-
2005	40.12378	040.MAY.Office Furniture	Furniture for new Mayfield office	Specific	65,937.34	83,435.69	-17498.35	65937.34	83,435.69	-17498.35
2004	40.12379	040.BGR. MUELLER EQUIP	MUELLER EQUIPMENT - BOWLING GREEN	Specific	6,759.43	6,753.96	-142.57	6611.39	6,753.96	-142.57
2005	40.12379	040.BGR. MUELLER EQUIP	MUELLER EQUIPMENT - BOWLING GREEN	Specific	(148.04)	6,753.96	-142.57	6611.39	6,753.96	-142.57
2005	40.1238	040.OBO.THOROBRED XING PHASE 3	INSTALL 1054' 2" PE	Specific	7,887.86	7,078.94	808.92	7887.86	7,078.94	808.92
2005	40.12381	040.OBO.LANEWOOD HILLS	INSTALL 2,599' 2" PE	Specific	11,013.76	8,801.59	2212.17	11013.76	8,801.59	2212.17
2005	40.12382	040.OBO.HIALEAH PARK(DOWNS)	INSTALL 1483' 2" PE & 316' 4" PE	Specific	14,921.44	12,416.63	2504.81	14921.44	12,416.63	2504.81
2005	40.12383	040.OBO.LUCKY STRIKE LOOP	INSTALL 2,954' 2" PE	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	Rev ext for new Tractor Supply store	Specific	(1,586.17)	1,033.99	-2620.16	-1586.17	1,033.99	-2620.16
2005	40.12385	040.OBO.WOODLAND RIDGE PHASE2	INSTALL 3,264' 2" PE	Specific	22,798.38	16,097.03	6701.35	22798.38	16,097.03	6701.35
2005	40.12386	040.PTON.Blackburn St Replace	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
2005	40.12387	040.MAY.Hidden Hills Rev Ext	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
2005	40.12388	040.CAM.HIDDEN MEADOWS III	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
2005	40.12389	040.LAW.HWY 44 - SMITHCO PROP	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
2005	40.1239	040.DAN.FARM TAP - 150 BYPASS	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
2006	40.1239	040.DAN.FARM TAP - 150 BYPASS	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)
2005	40.12391	040.DAN.BYPASS - FIRE HOUSE	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
2005	40.12392	040.SHV.BREIGHTON BUS II	INSTALL 1000' OF 4" IN BREIGHTON BUS	Specific	14,133.11	12,325.00	1808.11	14133.11	12,325.00	1808.11
2005	40.12394	040.IT.DESKTOP COMPUTERS	DESKTOP COMPUTERS FOR ATMOS KY.	Specific	48,105.17	44,294.00	3811.17	48105.17	44,294.00	3811.17
2005	40.12395	040.Meas.Tcssvc.EC Units	Electronic correctors Co-Wide	Specific	26,377.38	19,724.00	6653.38	26377.38	19,724.00	6653.38
2005	40.12396	040.tcsvsc.Meas.Magna.EFM	EFM Installation @ Magna	Specific	4,309.60	4,909.10	-599.5	4309.6	4,909.10	-599.5
2005	40.12397	040.Tcssvc.Meas.Kolbe.EFM	EFM Installation @ Kolbe Steel	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	Installation of EFM @ Scotty's Contracting	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	Install EFM @ Eagle #3	Specific	6,479.98	4,909.10	1570.88	6479.98	4,909.10	1570.88
2005	40.12401	040.tcsvc.Meas.Rotary Meters	Dresser 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	Dresser 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	REPLACE 500' 2" STL.WITH 2" PE	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	INSTALL 3762' 2" PE	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	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
2005	40.12405	040.PAD.Highland Ch Rd Ext II	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
2005	40.12406	040.PAD.Saxony Main Ext	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
2005	40.12407	040.Tcsvc.Meas.SCADA	SCADA enhancement for cathodic readings	Specific	21,592.73	19,718.00	1874.73	21592.73	19,718.00	1874.73
2005	40.12408	040.Tcsvs.Meas.Outsourcing	Outsourcing of meter Testing	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	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
2005	40.1241	040.STO.Heckla 6" Pipe XRAYS	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
2005	40.12412	040.PAD.Commerce Dr Sys Imp	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

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Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.12413	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 1260' 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

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

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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 REGI	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

Type of Filing:_____ Original _____ Updated __X__ 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	40.12584	040.LEB.IND PARK-JOY MINING	INSTALL 1700' OF 4" PE TO SERVE JOY MINING AND TO RETIRE A FARM TAP REGULATI	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 REGULATI	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
2005	40.12589	040.MAD. FARM TAPS	FARM TAP PROJECT	Specific	13,424.32	37,364.36	-23940.04	13424.32	37,364.36	-23940.04
2005	40.1259	040.OBO.MISC. EQUIPMENT	PE&STL. SQUEEZE OFF TOOLS,LINE LOCATORS	Specific	48,195.87	48,094.20	101.67	48195.87	48,094.20	101.67
2006	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
2005	40.12591	Replace Optra Printers	Replace printers with Dell	Specific	13,812.85	24,750.00	-10937.15	13812.85	24,750.00	-10937.15
2005	40.12592	Aky.Tcssvc.Meas.New Mather	EFM Installation @ New Mather Metal	Specific	4,586.01	5,521.24	-935.23	4586.01	5,521.24	-935.23
2006	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)
2005	40.12594	040.PAD.Misc Work Equip	Pls and steel squeeze-off tools	Specific	23,360.96	26,389.00	-3028.04	23360.96	26,389.00	-3028.04
2006	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)
2005	40.12595	040.MAY.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
2006	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)
2005	40.12596	040.CAM.EQUIPMENT-6-2005	PURCHASE 6 PE SQUEEZE OFF, 2-CGI SENSI GOLD, 4-LINE LOCATORS	Specific	15,986.79	19,800.00	-3813.21	15986.79	19,800.00	-3813.21
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	12,604.86	17,750.00	-5145.14	12604.86	17,750.00	-5145.14
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	468.99	17,750.00	(17,281.01)	13,073.85	17,750.00	(4,676.15)
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	15,602.23	24,550.00	-8947.77	15602.23	24,550.00	-8947.77
2005	40.12599	040.BGR.MISC. EQUIP - B.G	SQUEEZE OFF TOOLS & LINE LOCATORS - B.G.	Specific	34,888.71	20,482.00	14406.71	34888.71	20,482.00	14406.71
2006	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
2005	40.126	040.BGR.GLS.MISC EQUIP	SQUEEZE OFF TOOL & SENSIT GOLD - GLASGOW	Specific	9,425.71	15,111.00	-5685.29	9425.71	15,111.00	-5685.29
2006	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)
2005	40.12601	040.BGR.HOP.MISC EQUIP	SQUEEZE OFF TOOLS & LINE LOCATORS - HOPKINSVILLE	Specific	41,307.38	20,335.00	20972.38	41307.38	20,335.00	20972.38
2006	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
2005	40.12602	040.OBO.ST. ELIZ.RPLMT.	INSTALL 966' 2" PE RETIRE 4' LP STL	Specific	42,267.64	45,655.83	-3388.19	42267.64	45,655.83	-3388.19
2005	40.12603	040.BGR.FRK. FARM TAP/EFV	FARM TAP / EFV - 2" TIE-IN - FRANKLIN AREA	Specific	36,081.29	58,828.00	-22746.71	36081.29	58,828.00	-22746.71
2005	40.12604	040.BGR.RUSS. FARM TAP/EFV	FARM tAPS & EFV - RUSSELLVILLE AREA	Specific	13,951.98	27,150.00	-13198.02	13951.98	27,150.00	-13198.02
2006	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)
2005	40.12605	040.Storage Bon Harbor Fence	Install and move gates at Bon HarborStorage	Specific	2,444.62	6,050.00	-3605.38	2444.62	6,050.00	-3605.38
2005	40.12606	040.MAD.BEAN CEMETERY RD.	INSTALL 2,120' 4" STL.	Specific	159,951.90	143,555.50	16396.4	159951.9	143,555.50	16396.4
2006	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
2005	40.12607	040.MAD.LAND O FROST	INSTALL6,360' 4" STL.	Specific	174,751.90	152,512.67	22239.23	174751.9	152,512.67	22239.23
2006	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
2005	40.12608	040.BGR.6TH ST BYPASS - A	950 FT.OF 6" PE - 6TH ST RELOC. PART A - B.G.	Specific	82,166.11	118,009.00	-35842.89	82166.11	118,009.00	-35842.89
2006	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
2005	40.1261	040.BGR.6TH ST BYPASS - B	PARTR B - 6TH ST. BYPASS RELOC - B.G.	Specific	64,725.01	98,122.00	-33396.99	64725.01	98,122.00	-33396.99
2006	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
2005	40.12611	040.BGR.6TH ST. BYPASS- C	PART C - 6TH ST. BYPASS - B.G.	Specific	19,929.96	58,740.00	-38810.04	19929.96	58,740.00	-38810.04
2006	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
2005	40.12612	040.BGR.GARY FARMS 2" EXT	3200 FT. OF 2" PE - GARY FARMS - B.G.	Specific	9,499.69	9,848.00	-348.31	9499.69	9,848.00	-348.31
2006	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
2005	40.12613	040.MAY.Meadow Subd Rev Ext	3,690' - 2" PE for 43 new residential lots	Specific	15,824.28	14,484.86	1339.42	15824.28	14,484.86	1339.42
2006	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
2005	40.12614	040.PAD.Lydon Rd Rev Ext	800' - 2" PE pipe for four existing customers and one new construction	Specific	4,486.43	2,525.00	1961.43	4486.43	2,525.00	1961.43
2006	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
2005	40.12615	AKY.TCSSVC.MEAS.EFM.TOYOTETSU	EFM INSTALLATION @ TOYOTETSU MID AMERICA	Specific	8,561.24	5,521.24	3040	8561.24	5,521.24	3040
2006	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
2005	40.12616	AKY.TCSVS.MEAS.EFM.NESTAWAY	INSTALL EFM @ NESTAWAY	Specific	5,797.00	5,521.24	275.76	5797	5,521.24	275.76
2006	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
2005	40.12617	040.LAW.ORIELLYS-HWY 44	INSTALL 1000' OF 4" PE ON HWY 44 FOR O'RIELLYS AUTO PARTS	Specific	228.88	18,585.00	-18356.12	228.88	18,585.00	-18356.12
2006	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)
2005	40.12618	040.PTON.Crayne Sys Imp	Install sm capacity regulator, 2,500' - 2" PE, convert 18 services from HPD to d	Specific	35,628.89	37,180.73	-1551.84	35628.89	37,180.73	-1551.84
2006	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
2005	40.12619	040.BGR.RIVER BEND LAND II	2852 FT OF 2" PE - RIVER BEND II - B.G.	Specific	9,707.90	10,402.00	-694.1	9707.9	10,402.00	-694.1

Atmos Energy Corporation

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

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X___ 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)
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	73,004.31	80,100.00	-7095.69	73004.31	80,100.00	-7095.69
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	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)

Atmos Energy Corporation

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Construction Projects Fiscal Years 2004 - 2006

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X___ 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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Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X___ 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	40.12724	Kayo Mullen MEC Forfeiture	Kayo Mullen MEC Forfeiture	Specific	(3,729.00)	Not Budgeted	-	-3729	Not Budgeted	-
2005	40.12725	Ronnie Peck MEC Forfeiture	Ronnie Peck MEC Forfeiture	Specific	(89.00)	Not Budgeted	-	-89	Not Budgeted	-
2005	40.12726	Larry Sanderson MEC Forfeiture	Larry Sanderson MEC Forfeiture	Specific	(987.00)	Not Budgeted	-	-987	Not Budgeted	-
2005	40.12728	A G Weldon MEC Forfeiture	A G Weldon MEC Forfeiture	Specific	(359.00)	Not Budgeted	-	-359	Not Budgeted	-
2005	40.12729	Leonard Crowell MEC Forfeiture	Leonard Crowell MEC Forfeiture	Specific	(897.00)	Not Budgeted	-	-897	Not Budgeted	-
2005	40.1273	Jerry Wheeler MEC Forfeiture	Jerry Wheeler MEC Forfeiture	Specific	(1,272.00)	Not Budgeted	-	-1272	Not Budgeted	-
2005	40.12731	Tom Smith MEC Forfeiture	Tom Smith MEC Forfeiture	Specific	(3,287.00)	Not Budgeted	-	-3287	Not Budgeted	-
2005	40.12732	Abram Allen MEC Forfeiture	Abram Allen MEC Forfeiture	Specific	(1,494.00)	Not Budgeted	-	-1494	Not Budgeted	-
2005	40.12733	Cindy Howie Ent MEC Forfeiture	Cindy Howie Ent MEC Forfeiture	Specific	(5,066.00)	Not Budgeted	-	-5066	Not Budgeted	-
2005	40.12734	Paul Harris MEC Forfeiture	Paul Harris MEC Forfeiture	Specific	(62.00)	Not Budgeted	-	-62	Not Budgeted	-
2005	40.12735	Catherine Hertzog MEC Forfeit	Catherine Hertzog MEC Forfeit	Specific	(150.00)	Not Budgeted	-	-150	Not Budgeted	-
2005	40.12736	Joseph Leech MEC Forfeiture	Joseph Leech MEC Forfeiture	Specific	(1,330.00)	Not Budgeted	-	-1330	Not Budgeted	-
2005	40.12737	Mary Pruitt MEC Forfeiture	Mary Pruitt MEC Forfeiture	Specific	(756.00)	Not Budgeted	-	-756	Not Budgeted	-
2005	40.12738	Eddie Obanion MEC Forfeiture	Eddie Obanion MEC Forfeiture	Specific	(688.00)	Not Budgeted	-	-688	Not Budgeted	-
2005	40.12739	AD Gaddis MEC Forfeiture	AD Gaddis MEC Forfeiture	Specific	(341.00)	Not Budgeted	-	-341	Not Budgeted	-
2005	40.1274	Wallace Sapp MEC Forfeiture	Wallace Sapp MEC Forfeiture	Specific	(520.00)	Not Budgeted	-	-520	Not Budgeted	-
2005	40.12741	Janice Stinnett MEC Forfeiture	Janice Stinnett MEC Forfeiture	Specific	(768.00)	Not Budgeted	-	-768	Not Budgeted	-
2005	40.12742	Barrington Manor MEC Forfeit	Barrington Manor MEC Forfeit	Specific	(10,980.00)	Not Budgeted	-	-10980	Not Budgeted	-
2005	40.12743	South Fork MEC Forfeiture	South Fork MEC Forfeiture	Specific	(7,815.00)	Not Budgeted	-	-7815	Not Budgeted	-
2005	40.12744	Dale Shrull MEC Forfeiture	Dale Shrull MEC Forfeiture	Specific	(4,027.00)	Not Budgeted	-	-4027	Not Budgeted	-
2005	40.12745	Faye Erickson MEC Forfeiture	Faye Erickson MEC Forfeiture	Specific	(9,718.00)	Not Budgeted	-	-9718	Not Budgeted	-
2005	40.12746	Robert Vincent MEC Forfeiture	Robert Vincent MEC Forfeiture	Specific	(880.00)	Not Budgeted	-	-880	Not Budgeted	-
2005	40.12747	Joseph House MEC Forfeiture	Joseph House MEC Forfeiture	Specific	(1,512.00)	Not Budgeted	-	-1512	Not Budgeted	-
2005	40.12748	Dennis Kirley MEC Forfeiture	Dennis Kirley MEC Forfeiture	Specific	(675.00)	Not Budgeted	-	-675	Not Budgeted	-
2005	40.12749	Martin/Hart MEC Forfeiture	Martin/Hart MEC Forfeiture	Specific	(7,647.00)	Not Budgeted	-	-7647	Not Budgeted	-
2005	40.1275	Bill Dale MEC Forfeiture	Bill Dale MEC Forfeiture	Specific	(189.00)	Not Budgeted	-	-189	Not Budgeted	-
2005	40.12751	David Sutton MEC Forfeiture	David Sutton MEC Forfeiture	Specific	(2,117.00)	Not Budgeted	-	-2117	Not Budgeted	-
2005	40.12752	Rick Shanklin MEC Forfeiture	Rick Shanklin MEC Forfeiture	Specific	(1,584.00)	Not Budgeted	-	-1584	Not Budgeted	-
2005	40.12753	Babara Cherry MEC Forfeiture	Babara Cherry MEC Forfeiture	Specific	(1,250.00)	Not Budgeted	-	-1250	Not Budgeted	-
2005	40.12754	Rodney Heaton MEC Forfeiture	Rodney Heaton MEC Forfeiture	Specific	(760.00)	Not Budgeted	-	-760	Not Budgeted	-
2005	40.12755	Brooke Co MEC Forfeiture	Brooke Co MEC Forfeiture	Specific	(13,780.29)	Not Budgeted	-	-13780.29	Not Budgeted	-
2005	40.12756	Meuhlenberg MEC Forfeiture	Meuhlenberg MEC Forfeiture	Specific	(8,328.65)	Not Budgeted	-	-8328.65	Not Budgeted	-
2006	40.12757	040.OBO.HIGHLAND GARDEN POINTE	INSTALL 403' 2" PE	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	Tim Montgomery MEC Forfeiture	Specific	(187.00)	Not Budgeted	-	-187	Not Budgeted	-
2006	40.12759	040.OBO.WOOD LAND PLAZA	INSTALL 1400' 2" PE	Specific	(475.85)	0.00	(475.85)	(475.85)	0.00	(475.85)
2006	40.1276	040.PAD.Cedar Ridge Rev Ext	900' - 2" PE for 13 lots	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	REPLACE FARM TAPS/PREFAB STATIONS	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	Bowling Green 06 Growth Func	Functional	1,145,219.49	Not Budgeted	-	1,145,219.49	Not Budgeted	-
2006	40.12763	Bowling Green 06 Non Growth	Bowling Green 06 Non Growth	Functional	1,548,685.66	Not Budgeted	-	1,548,685.66	Not Budgeted	-
2006	40.12764	Glasgow 06 Growth	Glasgow 06 Growth	Functional	115,372.35	Not Budgeted	-	115,372.35	Not Budgeted	-
2006	40.12765	Glasgow 06 Non Growth	Glasgow 06 Non Growth	Functional	547,232.45	Not Budgeted	-	547,232.45	Not Budgeted	-
2006	40.12766	Hopkinsville 06 Growth	Hopkinsville 06 Growth	Functional	143,033.55	Not Budgeted	-	143,033.55	Not Budgeted	-
2006	40.12767	Hopkinsville 06 Non Growth	Hopkinsville 06 Non Growth	Functional	325,743.02	Not Budgeted	-	325,743.02	Not Budgeted	-
2006	40.12768	Danville 06 Growth	Danville 06 Growth	Functional	301,649.11	Not Budgeted	-	301,649.11	Not Budgeted	-
2006	40.12769	Danville 06 Non Growth	Danville 06 Non Growth	Functional	363,928.92	Not Budgeted	-	363,928.92	Not Budgeted	-
2006	40.1277	Campbellsville 06 Growth	Campbellsville 06 Growth	Functional	79,903.35	Not Budgeted	-	79,903.35	Not Budgeted	-
2006	40.12771	Campbellsville 06 Non Growth	Campbellsville 06 Non Growth	Functional	380,452.36	Not Budgeted	-	380,452.36	Not Budgeted	-
2006	40.12772	Shelbyville 06 Growth	Shelbyville 06 Growth	Functional	687,939.11	Not Budgeted	-	687,939.11	Not Budgeted	-
2006	40.12773	Shelbyville 06 Non Growth	Shelbyville 06 Non Growth	Functional	319,758.58	Not Budgeted	-	319,758.58	Not Budgeted	-
2006	40.12774	Madisonville 06 Growth	Madisonville 06 Growth	Functional	150,395.83	Not Budgeted	-	150,395.83	Not Budgeted	-
2006	40.12775	Madisonville 06 Non Growth	Madisonville 06 Non Growth	Functional	389,418.02	Not Budgeted	-	389,418.02	Not Budgeted	-
2006	40.12776	Princeton 06 Growth	Princeton 06 Growth	Functional	34,682.61	Not Budgeted	-	34,682.61	Not Budgeted	-
2006	40.12777	Princeton 06 Non Growth	Princeton 06 Non Growth	Functional	216,614.33	Not Budgeted	-	216,614.33	Not Budgeted	-
2006	40.12778	Owensboro 06 Growth	Owensboro 06 Growth	Functional	663,625.43	Not Budgeted	-	663,625.43	Not Budgeted	-
2006	40.12779	Owensboro 06 Non Growth	Owensboro 06 Non Growth	Functional	1,292,017.11	Not Budgeted	-	1,292,017.11	Not Budgeted	-
2006	40.1278	Paducah 06 Growth	Paducah 06 Growth	Functional	463,132.42	Not Budgeted	-	463,132.42	Not Budgeted	-
2006	40.12781	Paducah 06 Non Growth	Paducah 06 Non Growth	Functional	309,008.41	Not Budgeted	-	309,008.41	Not Budgeted	-

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Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	40.12782	Mayfield 06 Growth	Mayfield 06 Growth	Functional	117,303.19	Not Budgeted	-	117,303.19	Not Budgeted	-
2006	40.12783	Mayfield 06 Non Growth	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	INSTALL 2000' OF 4" STEEL ON INDUSTRIAL DR IN THE HUNT INDUSTRIAL PARK FOR A	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	INSTALL 800' OF 4" STEEL ON INDUSTRIAL DR IN THE HUNT INDUSTRIAL PARK FOR 3B	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	Install 3,300' - 4" PE into Cadiz Industrial Park #3 for Benson International	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	INSTALL 1800' OF 2" PE IN 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	100' 2"P extension for one customer (Roy Bunch)	Specific	1,082.79	1,543.90	(461.11)	1,082.79	1,543.90	(461.11)
2006	40.12789	040.OBO.GRAYSTONE/CAMDEN	INSTALL 782' 2" PE	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	Install 900' - 2" PE for four existing and one new residential customer	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	INSTALL 720' 4" PE, RETIRE 2" STL.	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	INSTALL 540' OF 6" STEEL ON HWY 60-STATE 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	INSTALL 3160' OF 6" STEEL FOR ALCAN	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	2" PE EXT. - CUMBERLAND RIDGE - B.G.	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	2" PE EXT. - STONEWALL III & IV- RUSS.	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	Install 250' - 2" PE in order to relocate double meter loop in the way of new li	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	Install 6,300' - 2" PE in Cimerron Cove Subd. for Jeff James	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	Install 325' - 2" PE for one existing home & one exist mobile home	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.	INSTALL 615' 2"PE RETIRES 2" STEEL	Specific	(282.91)	0.00	(282.91)	(282.91)	0.00	(282.91)
2006	40.12801	040.OBO.EAST BYERS AVE.	INSTALL 482' 2" PE	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.	200' OF 4" PE RELOC. - PENNYRILE PKWY. - HOPK.	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	Install 100' - 2" PE for one existing customer wanting to convert heat from elec	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	800 FT. OF 2" PE - BURLEY DR. - DOT'S RESTAURANT - B.G.	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	1550 FT. OF 2" PE - SAMWALTON DR. - RUSS	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	3288 FT. OF 2" PE - COTTAGE GROVE - FRK.	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	625 FT. OF 2" PE - GARET WAY - GLASGOW	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	1210 FT. OF 2" PE HARLOW TRAIL - GLASGOW	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	835 FT.OF 2" PE- DAHLIA WAY - 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	INSTALL 2" AND 4" PE IN LOCUST CREEK IN SECTION 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	INSTALL 2" PE IN THE RESERVE AT BENSON CREEK PHASE 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.	604 FT. OF 2" PE - PINE TERRACE - B.G.	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.	3410 FT. OF 2" PE - 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	2039 FT. OF 2" PE - PARK HILL V - B.G.	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.	INSTALL 290' 2" PE	Specific	28.65	(0.00)	28.65	28.65	(0.00)	28.65
2006	40.12822	AKY.TCSVC.MEAS.OUTSOURCER	Outsourcing of Meter repair for 2006 PC Year	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	OUTSOURCER METER TESTING AND REPAIR	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	EFM Installation @ 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	Installation of EFM @ WKU Steamplant	Specific	6,066.64	5,521.24	545.40	6,066.64	5,521.24	545.40
2006	40.12826	040.Sto Madisonville Tornado	Labor and material for 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	Installation of 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	RELOCATE 689' 2" STEEL FOR CHURCH EXPANSION	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	PROJECT FOR 2006 METER PURCHASES OWENSBORO	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	2006 METER PURCHASE PROJECT FOR MADISONVILLE	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	INSTALL 1075' OF 4" STEEL FROM 3B TOWARDS HWY 34	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.	1860 FT.OF 2" PE - 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	the purchase of class 1 through 4 meters for Princeton for FY '06	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	costs to purchase class 1 through class 4 meters for Mayfield	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	project to purchase class 1 through class 4 meters for FY 2006	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.	Install 885' 2" Pe	Specific	416.23	699.26	(283.03)	416.23	699.26	(283.03)
2006	40.12839	040.OBO.THE BROOKS PHASE 3	INSTALL 1,146' 2" PE	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	INSTALL 888' 2" PE	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	Replace 325' - 2" bare pipe with 325' - 2" PE. we have two grade II leaks	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	PURCHASE OF DRESSER 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	Install 3,075' - 2" PE into phase II of Peppers' Mill Subdivision	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	Purchase of Conference Room 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	Purchase Computers for Company 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	250' reveneue extension for new church	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	1910 FT. OF 2" PE - WILLIAMSBURG PARK I - FRANKLIN	Specific	8,688.50	7,812.00	876.50	8,688.50	7,812.00	876.50

Atmos Energy Corporation

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

Data:______ Base Period _____ Forecasted Period

Type of Filing:_____ Original _____ Updated __X__ 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	(200,119.68)
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	(221,697.04)
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

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Type of Filing:_____ Original _____ Updated __X__ 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	(161,811.42)
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 3rd Data Request Dated March 30, 2007
DR Item 11
Witness: Rad Cook

Data Request:

Refer to the response to the Staff's Second Request, Item 18. Provide either the actual costs or the estimated costs to retire assets in place for Atmos' Kentucky operations for each of the last 5 fiscal years. If an estimate is provided, explain in detail how the estimate was determined, including all assumptions and supporting calculations.

Response:

Listed below is the total actual cost for all Kentucky assets retired in the previous 5 fiscal years.

FISCAL YEAR	Salvage	Cost of Removal
FY2002		1,384,604
FY2003		1,076,848
FY2004	21,020	1,050,960
FY2005	79,667	479,679
FY2006		2,197,515
Total	100,687	6,189,606

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 12
Witness: Dan Meziere

Data Request:

Refer to the response to the Staff's Second Request, Item 23(a). Explain why the "Basis for allocation" is being changed from what appears to be a single allocation factor to a composite allocation factor.

Response:

Previous to 10/1/2006, common costs incurred for the Mid-states general office were allocated using two factors. O&M expenses were allocated utilizing the relative number of customers served by the Mid-states general office. Taxes, other than income taxes, and depreciation expense were allocated based upon the relative level of gross plant investment. After 10/1/2006, costs incurred for the KY/Mid-states general office were allocated using the Company's composite allocation factor described in Company's response to Staff's Second Request, Item 23.

The allocation basis was changed to make the Mid-states general office allocation methodology consistent with allocation methodology applied in all other areas of the Company. The Company has a long standing practice of utilizing a composite allocation factor for allocating general office costs to the jurisdictions (including Kentucky) which Atmos serves. Mid-states general office (now the KY/Mid-states general office) had been the exception. With the consolidation of the Kentucky and the Mid-states divisions, the Company simply changed allocation methodologies for the Mid-states general office to be consistent with the remainder of the Company and to the methodology utilized in the past in Kentucky.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 13
Witness: Don Roff

Data Request:

Refer to the response to the Staff's Second Request, Items 27(a) and 27(b). Explain in detail how Mr. Roff reached the conclusion that "This period was determined to be the most meaningful for developing net salvage allowances."

Response:

The periods selected for the Kentucky and SSU studies were based upon Mr. Roff's engineering judgment and the availability of historical data. Too long a period of history would provide less meaningful experience relative to recent activity.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 14
Witness: Don Roff

Data Request:

Refer to the response to the Staff's Second Request, Item 28. Explain in detail why Mr. Roff did not conduct any research regarding the regulatory treatment of cushion gas in other jurisdictions.

Response:

Although he has not conducted research in other jurisdictions, Mr. Roff does not believe that the regulatory treatment of non-recoverable cushion gas is inconsistent in any regulatory jurisdiction that has adopted the FERC's Uniform System of Accounts (USOA) for gas utilities as Kentucky has done. In Order No. 426, the Federal Power Commission (the FERC's predecessor agency) amended the USOA to provide for, among other things, subaccount 352.3.[1] In its Order 426, the FPC explained the new subaccount as follows:

Based on the premise that a portion of the natural gas stored underground is needed as a pressure base and will not be recovered, it was proposed to transfer this nonrecoverable gas from inventory Account 117, gas stored underground noncurrent, to new Account 352.3, Non-recoverable natural gas (Under Account 101, Gas plant in service). The cost of non-recoverable gas would then be subject to depreciation on the same basis as the related physical plant and such gas devoted to storage purposes would be permanently priced at the cost when first devoted to storage. The Note to Account 117 authorizing, with Commission approval, reserves for gas losses would be deleted.

The note was proposed to be deleted because nonrecoverable natural gas used for cushion purposes would be expensed by depreciation accruals.

Therefore, it is clear under the applicable regulatory accounting standards that non-recoverable cushion gas is part of depreciable gas plant in service.

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[1] *Accounting for Natural Gas Stored Underground and Liquefied Natural Gas Storage Facilities*, Docket No. R-384, 45 F.P.C. 403 (Mar. 10, 1971).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 15
Witness: Laurie Sherwood

Data Request:

Refer to the response to the Staff's Second Request, Item 32.

a. Refer to KPSC DR2-32(c). Explain why the total premiums paid to Blueflame were significantly higher in 2006 than the 2 previous years and than lower again in 2007.

Response:

Blueflame's membership in OIL Insurance Limited (OIL), through which it obtained the majority of its reinsurance, resulted in the higher premiums in years 2006 and 2005 as a result of Hurricanes Katrina- and Rita-related losses incurred by OIL. Blueflame has withdrawn from OIL for 2007, although it may still incur a withdrawal premium.

b. Refer to the responses to Items 32(b) and 32(c). If no carrier is willing to quote the coverage required by Atmos, explain how Atmos was able to obtain a direct quote from Aegis for comparison purposes.

Response:

Aegis, an independent insurance carrier, offered to Atmos an estimate of what they might charge in terms of premium if they were willing to underwrite Atmos with a $100,000 deductible. They did not make a firm offer to do so, but rather provided an approximation for insurance rating purposes. This provided an independent estimate as respects "deductible buy down" charges that Atmos could utilize as a reference in setting the Blueflame captive premium.

There are cost efficiencies, which can be meaningful, for Blueflame to retain the difference between a $100,000 deductible that Aegis priced, but did not formally offer, and the $1 million deductible as reinsurance that Aegis did offer for Blueflame. The costs that Atmos avoids by retaining this layer of coverage in Blueflame include premium taxes, broker commissions and underwriting fees that an independent insurer would typically want for inspection services under a policy with such a low relative deductible for a company the size of Atmos Energy.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 16
Witness: Don Murry

Data Request:

Refer to the response to the Staff's Second Request, Item 48.

a. In response to Item 48, the witness states that the CRS mechanism "[d]oes not merit an adjustment to the return on common equity because it does not alter the business risk of Atmos." However, in the response to the Staff's Second Request, Item 7, Atmos states that the CRS mechanism "[w]ould equally benefit both ratepayer and Company by reducing the periodic 'risk' of under or over recovery of costs." Explain in detail which statement is correct with regard to "risk."

b. In response to Item 48, where the witness states that the CRS mechanism "[a]lters only the variability, and not necessarily the relative level, of the revenue stream." Given the two adjustments made to the Rate Effective period and Evaluation period, explain why the witness believes that the CRS does not ensure Atmos a steady revenue stream.

c. Since the witness is aware that some jurisdictions have reduced a utility's authorized return on equity to reflect a reduced risk related to the implementation of similar mechanisms, cite the cases with which the witness is familiar and explain why such an adjustment was made in each case.

Response:

a. When taken in context, the two statements are not necessarily in disagreement as the question implies. Dr. Murry was referring to the investment risk perceived by investors. This is the uncertainty, or probability, in the minds of investors as to whether or not they will achieve their investment alternatives, and the CRS does not necessarily raise the probability of achieving the investment objectives. Reducing the variability, i.e, lowering the higher revenues and raising the lower revenues, does not necessarily raise investors' expected future returns or raise their probabilities for achieving expected returns. The second statement, which notes that the referenced passage relates to the ultimate recovery and timing of that recovery, refers to the under or over recovery of costs. Whether costs are recovered through the CRS or through regulatory proceedings does not necessarily alter investors' expectations about achieving their investment objectives.

b. Contrary to the implied presumption in the question, Dr. Murry believes that the CRS will almost certainly reduce the variability of the revenue stream of Atmos.

c. Dr. Murry does not maintain a file and cannot cite any specific amount that any regulatory commission adjusted ROE because of reduced risk related to the implementation of mechanisms similar to the CRS.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 17
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 52.

a. Identify all the expenses that change with the number of customers.

b. State whether a reduction in customers will result in lower expenses. If no, explain the response.

c. Provide a copy of the referenced elasticity study when published.

Response:

a. Many costs may change with the number of customers. So, the Company will attempt to identify the types of costs that may change as a function of the number of customers, and whether such costs, incrementally, change proportionate to the number of customers.

   The primary expenses that would change, proportionately, with the number of customers are those expenses directly associated with billing (bill print, mailing, remittance, etc.). Meter reading expenses may not be directly, proportionately, affected by a customer loss or gain; for lost customers, meter readers would still pass by the former customer's premises in most cases while reading their route; for new customers, their property may have laid within an existing route. Customer service costs could change with a change in customers, but service technicians and customer service agents serve several hundred accounts, so minor gains or losses may not immediately impact many customer service costs.

   A significant cost issue impacted by the number of customers is facility costs, both capital invested and expense associated with maintenance and operations thereafter. For customer additions, these costs rise with the facilities necessary to provide service. In regard to the customer losses addressed by Atmos Energy in this Case, facilities (main, service line, yard line, and meter/regulator station) have been installed for those former customers and, in large part, remain in place. For facilities in place, operations and maintenance activities such as leak surveys, monitoring, etc. continue even without an active customer. Additional costs would be incurred to remove facilities.

b. Yes, a reduction in the number of customers lowers certain expenses, exclusive of impacts of general inflationary costs (costs which rise even with a static customer base), but any such reduction in expenses is de minimus and has no noticeable impact upon the Company's overall cost levels. Reference also the Company's response to subpart (a), above, of this data request Item 17.

c. Attached is a copy of the recently published report "An Economic Analysis of

Consumer Response to Natural Gas Prices" by Frederick Joutz and Robert P. Trost, prepared for the American Gas Association, dated March 2007.

An Economic Analysis of Consumer Response to Natural Gas Prices

Frederick Joutz and Robert P. Trost

Prepared for the American Gas Association
March, 2007

American Gas Association

An Economic Analysis of Consumer Response to Natural Gas Prices

Frederick Joutz and Robert P. Trost[1]

Prepared for the American Gas Association
March, 2007

Published by
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Washington, DC 20001
www.aga.org

[1] Professors of Economics, George Washington University. Contact information: fred.joutz@gmail.com and trost@gwu.edu. We are grateful for the support from the AGA, especially the helpful comments from Bruce McDowell, David Shin, and Paul Wilkinson. We are responsible for any remaining errors.

Table of Contents

Executive Summary

Introduction and Key Findings

The consumption of natural gas per household has been declining, on a weather-normalized basis, since about 1980. Over time, natural gas consumers have been tightening their homes, purchasing more efficient appliances and turning down their thermostats. Given the significant increase in natural gas prices since 2000, the American Gas Association (AGA) decided to examine whether or not the trend in declining use has changed in this higher-priced environment. The results of this study are based on monthly data submitted by 46 local natural gas distribution companies that serve nearly 30 percent of all residential natural gas customers throughout the U.S. Some companies submitted data as far back as the early 1980's. The key findings of the study are as follows.

- A trend in declining use per residential natural gas customer of 1 percent annually has been documented[2] back to 1980. This decline rate has accelerated since the year 2000.
  - Weather-adjusted use per residential customer fell by 13.1 percent from 2000 through 2006.
  - The annual rate of decline in this 2000 to 2006 timeframe more than doubled relative to the pre-2000 period, increasing to 2.2 percent annually.
  - Further acceleration was witnessed in the 2004 to 2006 period, as evidenced by a 4.9 percent annual rate of decline.
  - The decline in use per customer has accelerated since 2000 in all 9 geographic regions analyzed.

- No appreciable changes in the price elasticity of demand were observed post-2000. Price elasticity of demand refers to the percentage change in demand for a good relative to a percentage change in price. Although the elasticity has not changed over time, it should be noted that natural gas is an essential product that provides heat, hot water and cooking. Despite the essential nature of natural gas, consumers have continued to reduce their consumption at a relatively constant rate with respect to changing prices. Therefore, the large price increases post-2000 have resulted in the large consumption declines noted above.
  - This study found a short-run price elasticity of –0.09 and a long-run price elasticity of -0.18. (Long-run elasticity refers to a period of time long enough for consumers to change the capital stock of their energy consuming equipment and the shell efficiency of their homes.)

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[2] 2004 AGA Energy Analysis: Patterns in Residential Natural Gas Consumption, 1980-2001.

- These price elasticity estimates are relatively consistent with previous works on this subject.
- The econometric analysis presented in this study predicts a decline of 13.9 percent between 2000 and 2006; the actual decline was 13.1 percent. The decline is attributable to a price effect and the longer-run trend towards tighter homes and more efficient appliances. The price elasticity effect is 7.9 percent - equal to the elasticity estimate of -0.18 times the 44 percent real price increase. The remaining 6.0 percent is explained by the longer-run trend towards tighter homes and more efficient appliances.
- As a general rule of thumb, at the national level we would expect a 10 percent increase in the price of natural gas to result in nearly a 3 percent decline in the average residential use per customer 12 months later – 1 percent attributable to more conservation with existing appliances, 1 percent attributable to the price-induced purchase of more efficient appliances, and 1 percent attributable to the natural turnover of equipment that occurs annually.

Background

Residential natural gas consumption is strongly influenced by three factors: seasonal heating needs; response to price change; and the efficiency changes in appliances and home shells caused by a natural turnover rate to more efficient homes and gas appliances. On a weather-adjusted basis, the price and the long run conservation effects are key determinants of changes in residential natural gas consumption. The price effects can be further decomposed into short-term and long-term effects. Short term effects are decisions made by consumers with the current capital stock. Residential customers "turning down the thermostat" would be considered a short term effect. Long term effects are distinguished from short term effects by the inclusion of the decision to purchase more efficient energy consuming appliances and prematurely retiring less efficient ones. The price elasticity in the long-run is the sum of (1) the short-run demand and (2) the additional changes that occur to quantity demanded one year later because of natural gas price effects on the efficiency of the appliance capital stock and on the shell efficiency of homes[3]. While the separate efficiency and conservation effects due to appliance and housing shell turnover are difficult to disentangle in the current sample, they do appear to be discernable from the long term price effects.

To address these issues, AGA commissioned a study to document changes in use per residential customer on a weather normalized basis, particularly since the year 2000, and to identify the reasons for these changes. Other objectives of this study were: to obtain updated elasticity estimates for all nine US Census Regions and for the US; to test for an increase in

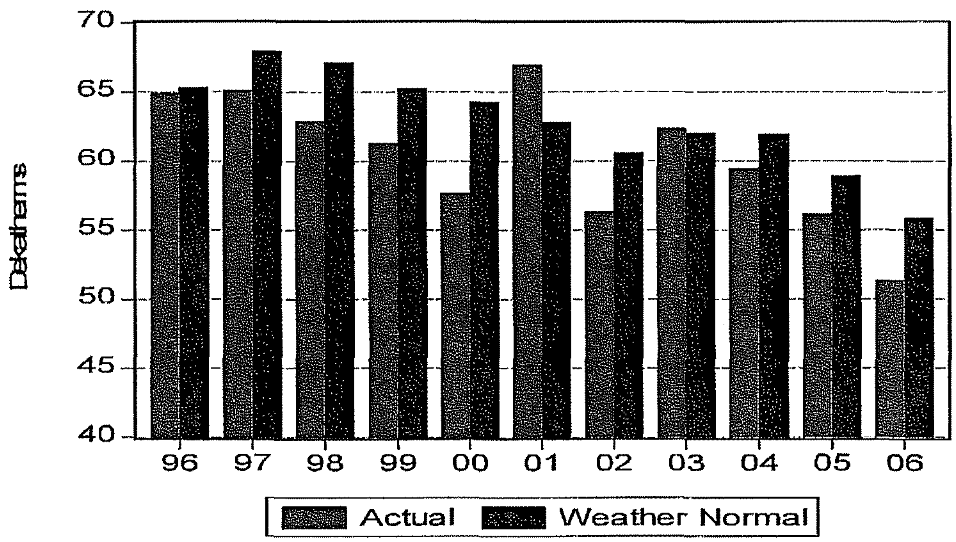
[3] It should be noted that if natural gas prices decrease, consumers will not replace recently purchased efficient equipment with less efficient equipment. So there maybe asymmetry with respect to the impact of natural gas prices on appliance and shell efficiency. The efficiency gains in appliance equipment that have occurred in the last several years will not disappear if natural gas prices go down. However, declining prices may lead consumers turning up thermostats to increase comfort levels (in the short-run). In the very long-run, a decline in prices could lead to an increase in burner tips per customer.

the price elasticity of demand for natural gas since the year 2000; and to estimate a natural rate of decline in use per customer due to technology-induced gains in appliance and shell efficiency and a change in conservation attitudes that would occur even in an environment of constant real natural gas prices.

Decline in Use per Customer

Demand for natural gas per residential customer has been declining since the 1980's, and in recent years this decline has accelerated. Between 1980 and 2001, weather adjusted natural gas use per consumer in the US declined almost 1 percent on an annual basis. Since 2000, however, the decline for winter only use has accelerated, decreasing 13.1 percent nationally between 2000 and 2006 for the sample of companies analyzed in this report. Figure ES1 below shows the winter season use per customer in actual and weather normal dekatherms from 1996-2006 using the data collected by AGA.[4] It is clear that actual and weather normalized use per customer has been declining since 1997 and this decline has accelerated since 2004.

Figure ES1
US Annual Winter Use per Customer



[4] The data was collected from 46 Local Distribution Companies (LDCs) in 29 states, representing 28 percent of all residential customers. An LDC is a gas utility that serves a specific rate jurisdiction. Some of the companies in this sample have multiple jurisdictions in their corporate structure. The winter season for this report is defined as the sum of the monthly consumption between October and March.

Table ES1 disaggregates the national winter season weather normal use per residential customer across the nine US Census Regions and for the US. The decline in weather normal use per customer has occurred across all US Census regions. The decline ranges from 5.7 dekatherms per customer for the West South Central region to 10.9 dekatherms for the East North Central region. The percentage decline in use per customer ranged from 9.2 percent for the Middle Atlantic Region to 14.8 percent for the Pacific Region.

Table ES1
Annual Winter Season Weather Normal
Natural Gas Use per Residential Customer,
By Region and for the U.S.
(Dekatherms per Customer)

Census Region	2000	2001	2002	2003	2004	2005	2006	Percent Change
National	64.3	62.8	60.6	62.0	61.9	58.9	55.9	-13.1%
East North Central	81.1	79.2	80.1	77.8	76.1	73.1	70.2	-13.4%
East South Central	64.9	64.2	61.3	62.2	60.8	58.7	55.9	-13.9%
Middle Atlantic	93.7	95.0	91.2	93.5	92.8	88.3	85.1	-9.2%
Mountain	80.6	77.9	75.8	76.4	71.8	72.0	70.5	-12.5%
New England	80.7	79.8	75.3	82.3	80.3	75.9	72.4	-10.3%
Pacific	43.8	40.9	40.0	41.8	40.6	40.4	37.3	-14.8%
South Atlantic	71.7	69.4	63.8	69.1	62.0	62.5	62.5	-12.8%
West North Central	80.1	79.5	79.8	80.4	78.3	75.9	70.2	-12.4%
West South Central	46.3	46.4	40.2	44.1	54.1	41.7	40.6	-12.3%

Source: An Economic Analysis of Consumer Response to Natural Gas Prices, AGA, 2007.

Price Elasticity and "Natural" Conservation Estimates

This study found that neither a practical nor statistically significant change in the price elasticity of residential natural gas consumption occurred in the post year 2000 period. The price elasticity of residential natural gas demand appears to have remained relatively constant since the 1990s. This implies the large percentage price increase since 2000 accounted for the decline in natural gas use, rather than an increased sensitivity or greater response by households to a given price change. The study also found that independent of natural gas price increases, the naturally occurring decline due to the technology driven gain in appliance and home thermal shell efficiency, as well as changes in conservation attitudes was 1 percent per year.

Table ES2 illustrates that for the sample of companies in the study, the short run price elasticity of demand averaged -0.09, while the long run estimated averaged -0.18. Therefore, given a 10 percent increase in the price of natural gas, consumption would decline 2.8 percent; 1.8 percent for price response, added to 1.0 percent decline due to the normal turnover of appliances and other "natural" conservation measures. There is very little regional variation in the total impact of a 10 percent increase in real prices on use per customer. The impact in all regions was close to the national estimate of 2.8 percent, with the Mountain region being the lowest at 1.9 percent and the South Atlantic region being the highest at 3.7 percent.

The study also found that the elasticity estimates calculated using the sample data were generally consistent with the elasticity estimates found in the energy economics literature.[5]

Table ES2
Summary of National and Regional
Natural Gas Price Elasticity Estimates*

Region	Short-run elasticity	Long-run elasticity**	Annual Time Trend	Total Response to a 10% Price Increase***
National	-0.09	-0.18	-1.0%	-2.8%
East North Central	-0.08	-0.22	-1.0%	-3.2%
East South Central	0.01	-0.01	-2.0%	-2.1%
Middle Atlantic	-0.10	-0.20	-1.3%	-3.3%
Mountain	-0.07	-0.10	-0.9%	-1.9%
New England	-0.08	-0.25	-0.4%	-2.9%
Pacific	-0.07	-0.12	-0.8%	-2.0%
South Atlantic	-0.12	-0.29	-0.8%	-3.7%
West North Central	-0.09	-0.15	-1.1 %	-2.6%
West South Central	-0.13	-0.16	-1.6%	-3.2%

* Estimates obtained from the "fixed effects" pooled regression
** Cumulative: includes impacts of short-run elasticities
*** The total response to a 10% price increase is the sum of the long-run elasticity and the annual time trend effect.

Implications

These price elasticity estimates and the natural conservation trends are able to explain the post 2000 winter consumption per household per customer actual experience.

Between 2000 and 2006, real natural gas prices for the sample companies in this study rose 44 percent, which according to our analysis would lead to approximately a 7.9 percent (0.18 x 44 percent) decline in use per customer by the year 2006. In addition to this 7.9 percent price induced decline in weather normal use per household, there would be an additional 6.0 percent (6 x 1.0 percent) decline because of the natural annual rate of turnover of old gas appliances to

[5] See Appendix C of the main report for a summary of the elasticity estimates found in the energy economics literature.

newer more efficient appliances. Hence, our analysis predicts a decline of 13.9 percent over the six-year period, which is very close to the actual decline of 13.1 percent.

$$
\begin{array}{cccccc}
\textit{Overall decline} & & \textit{Price Effect} & & \textit{Conservation and} \\
\textit{in Winter Gas Use} & = & \textit{Elasticity with} & + & \textit{Turnover to More} \\
\textit{per Customer} & & \textit{Price Increase} & & \textit{Efficient Appliances} \\
13.9\% & = & 0.18 \, x \, 44\% & + & 6 \, x \, 1.0\% \\
 & = & 7.9\% & + & 6.0\%
\end{array}
$$

In the expression above, the left hand term is the overall predicted decline of winter gas use per customer, the first term on the right hand side is the price effect reflecting the elasticity estimate multiplied by the price increase, and the second term the effect from conservation and turnover to more efficient appliances that occurs naturally every year with or without a price increase.

The results from analyzing the AGA sample data lead to a general rule of thumb. This rule does not apply to all companies in all situations, but the general rule with its caveats provides valuable insight to the underlying processes governing consumer behavior. This rule appears to capture consumers' winter price sensitive consumption behavior reasonably well across both the LDCs and Census regions. Twelve months after a 10 percent increase in natural gas prices at the national level, there will be nearly a 3 percent decline in natural gas use per customer on a national level. This 3 percent decline is comprised of about a 1 percent drop in gas use with the current capital stock, about a 1 percent drop in use per customer because households respond to the higher gas prices by replacing still functional appliances with more efficient units, and about a 1 percent drop in gas usage per customer due to the natural turnover of old gas appliances to the more efficient gas appliances that are available in the market each year. This rule of thumb will vary by LDC because they are heterogeneous in terms of weather, housing stocks, and standards of living.

Other factors that impacts residential energy use are the many programs that encourage consumers to save energy. These include:

- The federal government encourages conservation through weatherization programs funded by the Low-Income Household Energy Assistance Program (LIHEAP), tax credits for the purchase of efficient appliances and housing shell improvements, and consumer education on the importance of saving energy.
- State and local governments also encourage efficiency through similar programs.
- Many utilities provide rebates, incentives, and assistance to their customers to conserve energy use. For example, electric and natural gas utilities provided more than $140 million in 2005 to assist low-income customers to weatherize their homes.[6]

[6] Source: http://liheap.ncat.org/tables/FY2005/05stlvtb.htm

From a planning and policy perspective, even if gas prices do not increase in a given year, there will still be approximately a 1 percent fall in gas usage per household in the following year. This is driven by the historical forces related to the natural turnover of old appliances to the more efficient appliances that are available on the market each year. The annual time trend impacts will vary somewhat by LDC, because of regional differences in weather, appliance stocks, housing shell efficiency, demographic and economic characteristics.

There is a caveat. We cannot address whether the phenomenon will continue at the same rate for the long-term. Further gains in efficiency in absolute and relative terms may or may not have the same impact as they did previously. This is an issue for more detailed engineering studies on the efficiency of appliances and housing shells and economic research on the change in conservation habits of consumers for energy use and winter season comfort levels. We would note, however, that legislative and regulatory pressure for greater efficiency is likely to increase as climate change becomes a more pronounced national and international priority.

The policy implications of the 13.1 percent decline since 2000 are significant. First, regulators must recognize these trends and allow rate structures to incorporate these variations. Second, the natural turnover of appliances and increases in thermal shell efficiency from new construction will result in continued conservation, impacting utility operations. Third, even if future natural gas prices remain constant or even decrease, the appliance and house shell efficiency gains achieved in prior years will not be reversed.

<u>Future Research</u>

As with any study, there is room for future research. Suggestions for future research are the following:

- Obtain data from natural gas companies that did not participate in the initial study.
- Try different specifications of the model.
- Use the Iterative Bayes Shrinkage Estimation Technique to get individual LDC parameter estimates.
- Consider the impact of competition from the electric utility industry.

Introduction

Demand for natural gas per residential customer has been declining since the 1980's, and in recent years this decline has increased. Between 1980 and 2001, weather adjusted natural gas use per consumer in the US declined almost 1 percent on an annual basis. Since 2000, however, the decline for winter only use has accelerated, decreasing 13.1 percent between 2000 and 2006 for the sample of companies analyzed in this report.

It is important from a budgeting point of view for Local Distribution Companies (LDCs) to understand the cause of this decline. Was it caused by the recent increases in natural gas prices and customer's response to these price increases? Did customers change their behavior in response to these price increases? Have they become more sensitive to natural gas price movements or has the price induced response behavior remained relatively the same over time? Did customers switch to more efficient gas appliances in response to these natural gas price increases? Is it due to technological innovations which lead to increased efficiencies in appliances and thermal shells of homes? These efficiencies are in some sense passive as older appliances are replaced with more efficient models through natural attrition.

To address these issues, the American Gas Association (AGA) funded a study to re-estimate the price elasticity of natural gas demand by residential households using a sample of data that covers the recent period of large natural gas price increases. The main objective of this study was to document changes in use per residential customer on a weather normalized basis, particularly since the year 2000, and to identify the reasons for these changes. A second purpose of this study was to test for an increase in the price elasticity[7] of demand for natural gas since the year 2000. A third and equally important purpose of this study was to obtain updated elasticity estimates for all nine US Census Regions and for the US as a whole. Finally, the study attempts to estimate a natural rate of decline in use per customer due to technology induced gains in appliance and shell efficiency that would even occur in an environment of constant real natural gas prices.

There are hundreds of studies on the elasticities of natural gas demand. These studies have generated a range of elasticity estimates. If one goes back to the 1970's and even to the 1960s, these estimates vary over a wide range. Estimates of short-run price elasticity range from as low as –0.05 in Beirlein, Dunn and McConnon (1981) to a high of –0.68 in Barnes, Gillingham & Hagemann (1982). For long-run price elasticity estimates, the range of estimates is even higher, with the low being -0.017 in Hewlett (1977) to a high of –3.42 in Beirlein, Dunn and McConnon (1981). See Dahl and Roman (2004) and Dahl, et. al. (2005) for recent surveys of energy elasticity demand estimates. Other surveys of energy demand price elasticity estimates are Taylor (1975 and 1977), Bohi (1981), Bohi and Zimmerman (1984), Al-Sahlawi (1989), Dahl (1993), and Espy and Espy (2004). See Appendix C for a brief literature review of price elasticity estimates.

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[7] The price elasticity of demand is defined as the ratio of the percent change in quantity demanded of a particular good to the percent change in the price of that good, such as natural gas demand in this study.

Many of the studies estimated elasticities of natural gas demand with data aggregated at the state and national level and collected by the States; or collected by the Energy Information Administration (EIA). Examples of these are Balestra and Nerlove (1966), Jaskow and Baughman (1976), Berndt and Watkins (1977), and more recently, Maddala, Trost, Li, and Joutz (1997). Other studies use individual micro data to estimate demand elasticities. Examples of these are Hewlett (1977), Barnes, Gillingham and Hagemann (1982), and Green and Gilbert (1983). While the former studies using state and national aggregate data may provide some useful information at the state and national level, and the latter studies may provide good estimates of individual demand elasticities, neither provide adequate estimates at the individual LDC level of aggregation. Most of these studies do not allow for a natural rate of decline in use per customer due to technologically induced efficiency gains in appliances and thermal shells of homes. In addition, there are few, if any, studies that use current data that includes the recent run-up in natural gas prices. This study will fill these gaps in the literature by using high quality data collected and compiled at the individual LDC level and covering the period as recent as March, 2006.

This paper is divided into the following five sections. In Section 1, background information at the regional, as well as the national level, is provided. The information includes residential natural gas consumption, the declining trend of consumption, and price movements. In Section 2, the database constructed from the survey of LDCs is described. Section 3 explains the mathematical equations used to estimate short- and long-run price elasticity of demand. Empirical results of short-run and long-run elasticity and the declining trend in gas usage are presented in Section 4. The report concludes in Section 5 with a summary of the results and policy implications. In addition, there is a list of suggestions for future research. References and technical appendices can be found at the end of the report. The appendices include construction of the weather-normalized series for use per customer, a map of the Census regions, a brief literature review, and a discussion of statistical hypothesis testing.

Section 1: Background

Residential natural gas consumption per customer in the US has been declining. Figure 1 below shows the winter season use per consumption actual and weather normal (in dekatherms) from 1996 to 2006 using the data collected from the sample LDCs. The winter season for this report is defined as the sum of the monthly consumption between October and March.

Figure 1
US Annual Winter Use per Customer

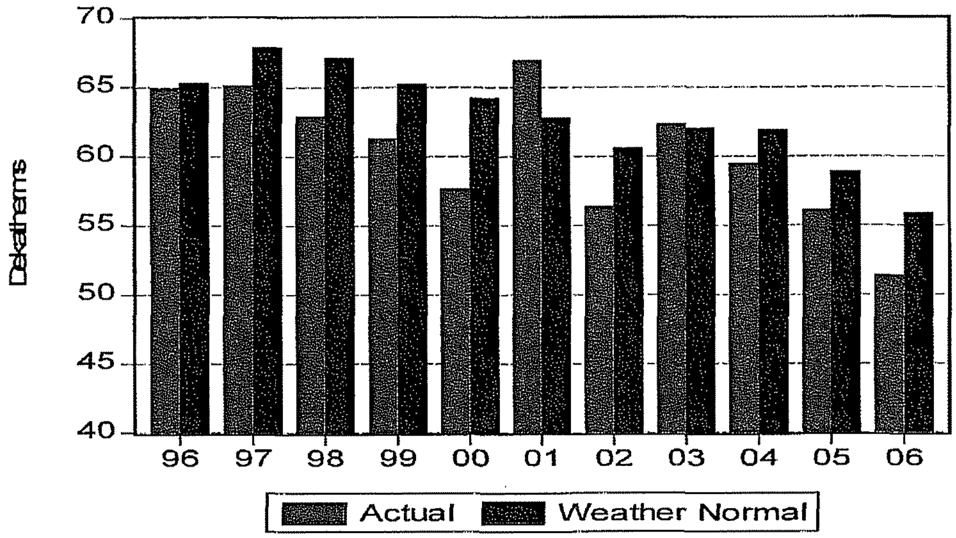


Table 1: US Annual Winter Use per Residential Customer in Dekatherms				
Year	**Actual**		**Winter Normal**	
	Level	**Percent Change**	**Level**	**Percent Change**
1996	64.9		65.3	
1997	65.2	0.5	67.9	4.0
1998	62.9	-3.5	67.1	-1.2
1999	61.3	-2.5	65.2	-2.8
2000	57.7	-5.9	64.3	-1.4
2001	67.0	16.1	62.8	-2.3
2002	56.4	-15.8	60.6	-3.5
2003	62.3	10.5	62.0	2.3
2004	59.5	-4.5	61.9	-0.2
2005	56.2	-5.6	58.9	-4.9
2006	51.4	-8.5	55.9	-5.1
Annual Percent Change 1996-2000		**-1.64**		**-1.48**

As can be seen from Figure 1 and Table 1, there has been a marked decline in weather normal use per customer. The annual percent change from 1996 to 2006 was -1.64 percent and -1.48 percent respectively, for actual and weather normal consumption. Since 2000, however, the decline for winter only use has accelerated, decreasing 13.1 percent between 2000 and 2006 and by 9.7 percent between 2004 and 2006 for the sample of companies analyzed in this report.

The phenomenon of declining weather normal use per customer is not new[8]. Some even feel it started on February 1, 1977 when then President Jimmy Carter, after only two weeks in office, said in his now famous fireside chat:

"All of us must learn to waste less energy. Simply by keeping our thermostats, for instance, at 65 degrees in the daytime and 55 degrees at night we could save half the current shortage of natural gas."

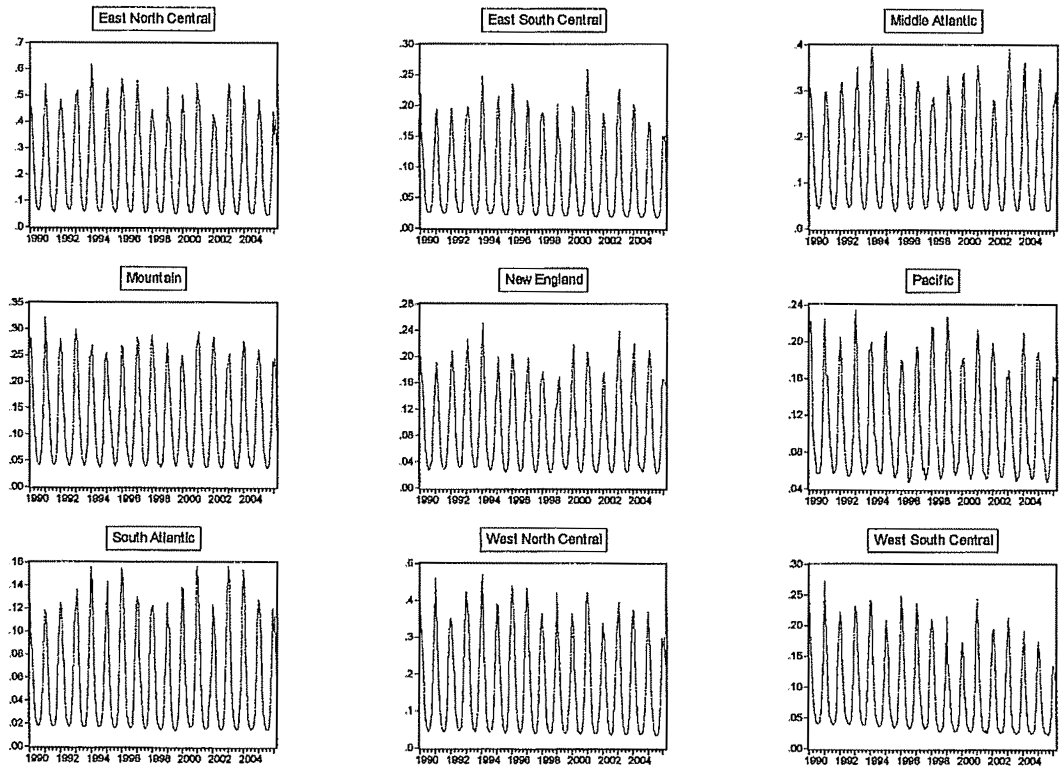
In the years since, the first President Bush established the first National Energy Strategy in June of 1989, and the government has imposed efficiency standards, subsidized technological improvements in both shell and appliance efficiency, and generally encouraged its citizenry to conserve on energy. Efficiency improvements are sure to continue, and if natural gas prices stay high, it will most certainly encourage natural gas

[8] Between 1978 and 1982, energy consumption per household actually decreased by 26%. See EIA's Annual Energy Review, URL http://www.eia.doe.gov/emeu/aer/ep/ep_frame.html.

customers to trade in old inefficient appliances for newer more efficient ones. The impact on the natural gas industry will be an obvious decrease in revenue accruing to natural gas LDC's.

This study will examine the reasons for this decline in use per customer, with particular emphasis on estimating the short-run and long-run price elasticity of natural gas demand since the year 2000. It will also analyze and measure the rate of decline caused by the natural turnover rate of old inefficient appliances with newer more efficient ones. The trends in the AGA sample are validated from trends in other data. The U.S. Energy Information Administration (EIA) reports aggregate estimates of residential consumption in BCF/day and residential prices in $/MCF on a monthly basis from 1990 to the present. The EIA sample data covers all LDCs in the US. These series are plotted by US Census Region in residential consumption per household per day in Figure 2 and in nominal and real terms in ($2000)/MCF in Figure 3 below. A map of the US Census Regions is shown in Appendix B. These figures provide a comparison with the subsequent figures from the AGA survey database. They demonstrate that the trends and patterns in the survey are consistent with a recognized national source of data even before adjusting for normal weather.

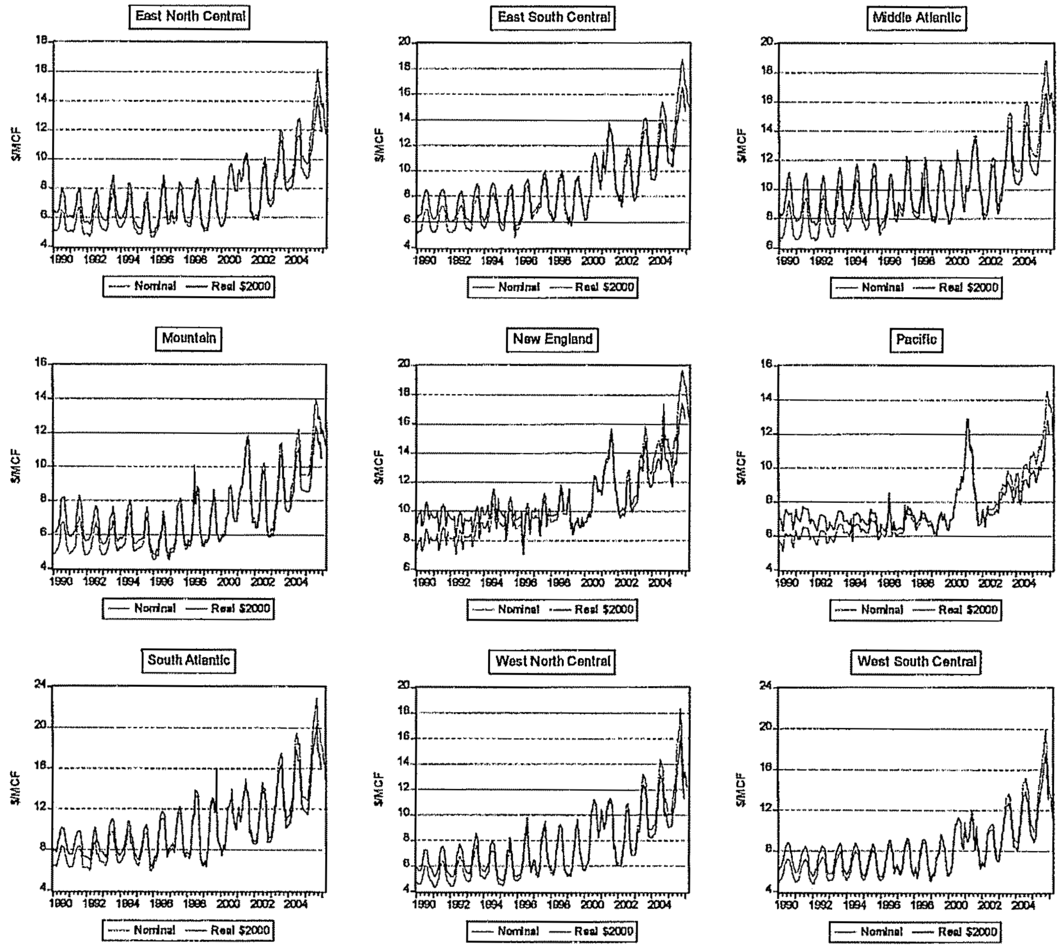
Figure 2
Regional Consumption per Customer per Day
Mcf per Day



Source: U.S. Energy Information Administration

Regional consumption per customer appears to decline for every region for most of the period and particularly after 2000. This has occurred while residential natural gas prices have more than doubled over the same period.

Figure 3
Nominal and Real ($2000) Delivered Natural Gas Prices

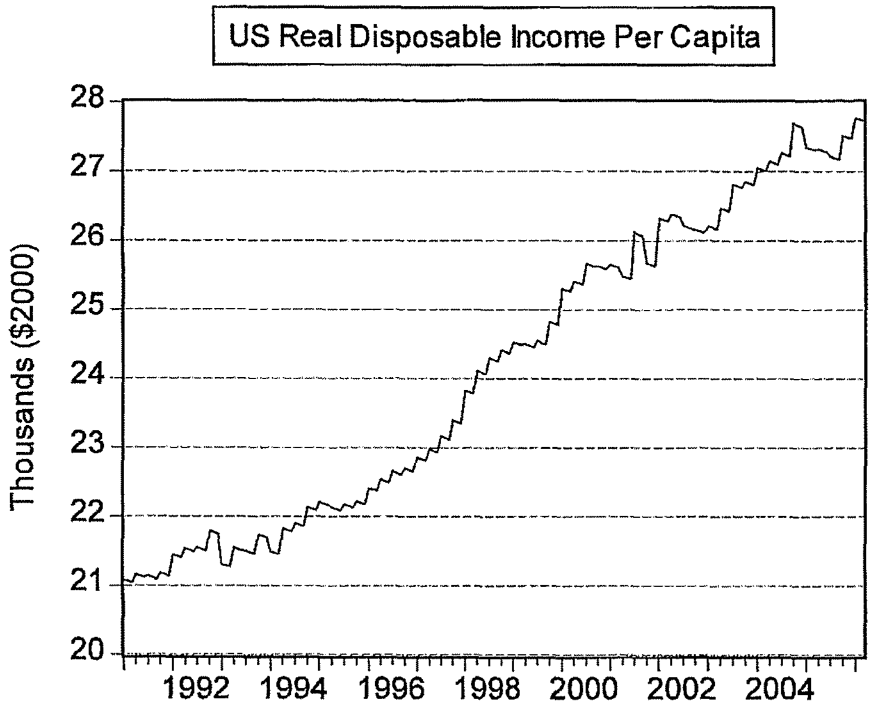


Source: U.S. Energy Information Administration

Residential natural gas prices were fairly stable between 1990 and 1997 during the so-called "gas bubble" period. However, they have been increasing, particularly since 2000 due to a variety of factors, including increasing oil prices (Villar and Joutz, October 2006). Nominal prices have risen faster in some regions than in others; the spread in nominal terms has been between $12/MCF to almost $20/MCF. The real price has more than doubled to over $12/MCF. Natural gas prices have risen about 35 percent to 40 percent faster than the general U.S. price level since 1990. Figure 3 shows the monthly residential natural gas prices per MCF according to the EIA. Figure 4 shows U.S. real disposable income per capita has risen about 33 percent from $21,000 to $28,000 today.

While income is important in any economic analysis of demand, income was not included in our final model for several reasons. First, estimates of real disposable income (per customer, household, or person) are difficult to obtain at the LDC level, which is the building block of this research. Second, the services from natural gas is a normal good, one would expect a positive income effect, which should have been reflected in a positive trend in natural gas use per household. However, in our sample and specification, we observe a negative trend in use per household. The income series are highly positively autocorrelated and trend-like; see Figure 4. The income coefficient(s) were erratic and even negative. This is consistent with the declining use per household due to a naturally occurring and non-natural gas price-induced replacement of old inefficient appliances with new more efficient appliances. At present, we believe a time trend appropriately captures this new technology-induced naturally occurring adoption of more energy efficient appliances and improvements in housing shell efficiency or conservation. Third, our findings are similar to surveys of natural gas demand by Bohi (1981), Dahl (1993, and personal discussions about preliminary results regarding an update to Dahl's previous study). In a number of papers, Bohi dismisses the large income elasticities from some static cross section estimates and concluded that income is not found to be an important variable in natural gas demand. Dahl found that income effects in residential demand models are consistently small in both aggregate and disaggregate data. Both authors suggest that representing the income effect in residential is problematic and sensitive to the particular study.

Figure 4



Source: Bureau of Economic Analysis, U.S. Department of Commerce

Table 2 shows the cumulative decline of winter weather normal use per customer between 2000 and 2006 for the sample of the LDCs. The focus of Table 2 is the post 2000 period. The intent is to capture the effects of the large increases in natural gas prices and (possible) conservation activities by consumers.[9] The fall, on average, is greater than two per cent per year for six of the nine Census Regions and for the U.S.

[9] The pre-2000 period will be addressed in the statistical modeling sections.

Table 2
Annual Winter Season Weather Normal Natural Gas Use per Residential Customer, By Region and for the U.S.
(Dekatherms per Customer)

Census Region	2000	2001	2002	2003	2004	2005	2006	Percent Change
National	64.3	62.8	60.6	62.0	61.9	58.9	55.9	-13.1%
East North Central	81.1	79.2	80.1	77.8	76.1	73.1	70.2	-13.4%
East South Central	64.9	64.2	61.3	62.2	60.8	58.7	55.9	-13.9%
Middle Atlantic	93.7	95.0	91.2	93.5	92.8	88.3	85.1	-9.2%
Mountain	80.6	77.9	75.8	76.4	71.8	72.0	70.5	-12.5%
New England	80.7	79.8	75.3	82.3	80.3	75.9	72.4	-10.3%
Pacific	43.8	40.9	40.0	41.8	40.6	40.4	37.3	-14.8%
South Atlantic	71.7	69.4	63.8	69.1	62.0	62.5	62.5	-12.8%
West North Central	80.1	79.5	79.8	80.4	78.3	75.9	70.2	-12.4%
West South Central	46.3	46.4	40.2	44.1	54.1	41.7	40.6	-12.3%

Table 2 shows the overall decline between 2000 and 2006 for the AGA sample of LDCs. As shown in Table 2, the decline in weather normal use per customer for the national sample is from 64.3 dekatherms in 2000 to 55.9 dekatherms per household in 2006. This represents a cumulative decline of 13.1 percent or an average decline of 2.2 percent per year. The decline since 2004 is even more dramatic, going from 61.9 dekatherms per household in 2004 to 55.9 dekatherms in 2006, nearly a 6 percent decline per year. As shown in this table, every region in the US experienced a decline in use per residential customer.

Section 2: Data

Sixteen AGA member companies provided data for this study. The companies supplied monthly data on residential consumption, average prices, number of customers, heating-degree data, and economic data. Most companies were able to provide a time series of data starting in 1992 and in some cases even into the 1980s. Three companies were unable to contribute data prior to 1999 for accounting or reorganization reasons. The remaining fifteen corporations comprise 46 local distribution companies. This represents more than 16 million customers and 28 percent of all residential customers nationwide.

Micro data on individual consumers is best suited for obtaining estimates of price elasticities. In rate case decisions and in internal LDC corporate strategy decisions however, the most relevant and useful piece of information is how the external forces that bombard it now impact the LDC. These external forces can vary from announcements by Presidents, changes in a competitors pricing, new gas appliance technologies, economic recessions, and gas price increases imposed by fuel surcharges. Since it is the impact of these forces on actual individual LDC's that is relevant, current data on consumption and prices collected by each individual LDC and aggregated at the individual LDC level is best suited to measure the impact of these external forces on a LDC in the current time period.

But data on a single LDC is often not enough information. The problem with using current data from only one LDC is that the number of observations will be quite small, and statistical reliability will be compromised. Instead of tens of thousands of observations on individual consumers, one may be left with 50 or 60 observations for any given LDC during the important winter season months. From a statistical reliability point of view then, it is important to obtain on many different individual LDCs, data that are collected by each individual LDC rather than using survey data collected by government agencies such as the EIA.

In this study, the breadth and depth of the data collected by the AGA has not to our knowledge been done before. The breadth of the data spans the entire US, covering 46 different LDCs. The depth of the data covers almost a decade or more for most of the companies. Therefore, this is a data set that is uniquely suited for the analysis of residential natural gas consumption in the US.

The number of LDCs in each of the nine Census Regions and the percent of total customers the sample covers for each Region is given in Table 3 below.

Table 3
Percent of Total Residential Customers Represented by the AGA Sample

Census Regions	Census Abbreviation	Number of participating LDCs	Coverage
East North Central	ENC	3	8%
East South Central	ESC	3	11%
Mid-Atlantic	MAC	6	45%
Mountain	MTN	5	42%
New England	NEC	8	50%
Pacific	PAC	5	39%
South Atlantic	SAC	5	17%
West North Central	WNC	3	20%
West South Central	WSC	8	32%

Section 3: Approaches to Estimating Short- and Long-run Price Elasticity of Demand

Economists often distinguish between a short-run response and long-run response when referring to how a household changes its natural gas usage when faced with price and income changes. The short-run response is defined as a household's natural gas demand response to natural gas price and income changes given their current capital stock of natural gas-using appliances and shell efficiency of the house. The long-run response is defined as a household's response to natural gas prices changes and income changes after the household has had time to change their stock of gas using appliances and house shell efficiency.

The idea behind the short-run and long-run responses to price changes is that when natural gas prices change, a household's short-run response is to alter the intensity with which they use their current stock of natural gas-using appliances. The long-run response to a change in natural gas prices is to alter the number and efficiency of natural gas using appliances, while at the same time changing the shell efficiency of the house.

A household's percentage change in natural gas demand per one percent change in natural gas price is called the price elasticity of natural gas demand. When this percentage change is computed for a household with a given stock of natural gas-using appliances and house shell efficiency, it is termed the short-run price elasticity of natural gas demand for that household. When this percentage change is computed over a time period long enough to allow a household to change it's stock and efficiencies of house and natural gas using appliances, it is termed the long-run price elasticity of natural gas demand for that household. A similar definition is given to short-run and long-run income elasticities of natural gas demand. If the natural gas demand equation is specified in logarithmic form, the price and income coefficients in a regression equation can be interpreted as the price and income elasticities.

A Dynamic Model of Capital Stock Choice and Natural Gas Demand

For a typical household, natural gas is demanded not for its own sake but for use in furnaces, appliances and the like. The household's accumulated energy saving "capital stock" is determined by income, habits, and past prices of fuels. Consequently, in any period, the household's demand for natural gas is a function of the current price, which influences how intensively the stock of equipment is used, and past prices, which influences the size and composition of that stock. A very simple structural model (Fisher and Kaysen, 1962) of these effects for a given household might be

Demand: $Y_t = \alpha + \beta_1 X_{t-1} + \lambda Z_t + \delta(K_t + E_t) + \varepsilon_t$ (1)

Equipment: $K_t = \gamma_1 X_{t-12} + \gamma_2 Z_t$ (2)

Efficiency: $E_t = \gamma_3 T_t,$ (3)

where Y_t is use per household of weather normalized Natural gas at time t, X_{t-1} is the real (base = \$2000) price of natural gas at time t - 1, Z_t is real (base = \$2000) household income at time t, K_t is capital stock with a given efficiency E_t at time t, T_t is a annual time trend to capture technological improvements in the efficiency of the capital stock, and ε_t is a random error term.

We use the real price lagged one period to capture the short-run response to a price change since the current price is not known until the gas bill arrives in the next billing period. Hence, a household's price-induced consumption adjustment during this period is based on last period's real gas price.

If equation (1) is in natural logarithms for Y_t, X_{t-1} and Z_t, the coefficient β_1 can be interpreted at the short-run price elasticity of natural gas demand. It measures the responsiveness of natural gas demand at time t to a change in natural gas price at time t-1 for a fixed capital stock of natural gas appliances K_t. In order to derive the long-run price elasticity of natural gas demand, we need to substitute equations (2) and (3) into equation (1) to get

$$Y_t = \alpha + \beta_1 X_{t-1} + \beta_2 X_{t-12} + \beta_3 Z_t + \beta_4 T_t + \varepsilon_t \tag{4}$$

If all variables except the time trend are in logarithms, then the coefficient on X_{t-1} is an estimate of the short-run price elasticity, the sum of the coefficients on all price variables is an estimate of the long-run price elasticity, and a negative coefficient (β_4) on the annual time trend is the decline in use per household of natural gas demand due to the adoption of newer and more efficient capital equipment. Although the length of the lag (t-12) on price in equation (2) to capture the capital stock adjustment process is somewhat arbitrary in this formulation, one can put other restrictions on the shape and length of the price and lagged price coefficients by using models such as the Koyck (1954) or Almon (1965) lag.

The coefficient β_1 in equation (4) gives the short-run price elasticity of natural gas demand. In equation (4) the coefficient β_2 captures capital stock adjustments that depend on past natural gas prices, while still allowing for an annual decline in use per customer that occurs because of a non-gas price induced rate of turnover of the capital stock to more energy efficient equipment. The sum of the coefficients $\beta_1 + \beta_2$ represents the long-run elasticity of natural gas demand. The coefficient β_4 on the time trend variable represents the pure turnover to newer more efficient capital equipment after subtracting out the gas price effect on this turnover rate captured by β_2. A negative coefficient (β_4) on the annual time trend is the annual decline in use per household of natural gas demand due to the natural adoption of newer and more efficient capital equipment.

Section 4: Empirical Results Using the AGA Sample of LDCs

The AGA study is interested in answering the following five questions:

(a) What are the changes in natural gas use per residential customer on a weather normalized basis since the year 2000?
(b) What is the short-run price elasticity of demand for residential natural gas customers?
(c) What is the long-run price elasticity of demand for residential natural gas customers?
(d) Has elasticity of natural gas demand changed since 2000?
(e) What is the annual reduction in natural gas usage per customer due to the natural replacement of old inefficient natural gas appliances with more energy efficient appliances; and the building of new homes with greater shell efficiencies compared to existing homes?

To answer these questions we estimated two variants of equations[10] (1) to (3). The first variant assumes the short-run price elasticity has a structural shift in the year 2000 and the second model assumes there is no shift in the short-run price elasticity in the year 2000 and beyond. These two equations are given below as (4a) and (4b), respectively:

$$Y_t = \alpha + \beta_1 X_{t-1} + \delta_{2000} X_{t-1} * D2000 + \beta_2 X_{t-12} + \beta_4 T_t + \varepsilon_t, \tag{4a}$$

$$Y_t = \alpha + \beta_1 X_{t-1} + \beta_2 X_{t-12} + \beta_4 T_t + \varepsilon_t, \tag{4b}$$

where all variables except the time trend are in natural logarithms and D2000 is a 0,1 indicator variable, equal to 0 if the time period is pre year 2000, and equal to 1 if the time period is the year 2000 or greater. The dependent variable Y_t in equations (4a) and (4b) is daily natural gas use per customer in month t.

In equation (4a), the coefficient δ_{2000} is a shift coefficient on the price elasticity given by β_1. The interpretation of δ_{2000} is that β_1 represents the price elasticity of natural gas demand for the period prior to the year 2000, and $\beta_1 + \delta_{2000}$ gives the price elasticity of natural gas demand for the year 2000 and beyond. So a negative δ_{2000} in equation (4a) would indicate that demand

[10] We omitted the income variable Z_t for the reasons outlined the Background Section of the paper. First, estimates of real disposable income (per customer, household, or person) are difficult to obtain at the LDC level, which is the building block of this research. Second, the services from natural gas is a normal good, one would expect a positive income effect, which should has been reflected in a positive trend in natural gas use per household. However, in our sample and specification, we observe a negative trend in use per household. The income series are highly positively autocorrelated and trend-like; see Figure 4. The income coefficient(s) were erratic and even negative. This is consistent with the declining use per household due to a naturally occurring and non-natural gas price-induced replacement of old inefficient appliances with new more efficient appliances. At present, we believe a time trend appropriately captures this new technology-induced naturally occurring adoption of more energy efficient appliances and improvements in housing shell efficiency or conservation.

has become more elastic since the year 2000. The coefficient β_2 captures capital stock adjustments that depend on past natural gas prices, while still allowing for an annual decline in use per customer that occurs because of a non-gas price induced rate of turnover of the capital stock to more energy efficient equipment. A negative coefficient (β_4) on the annual time trend is the annual decline in use per household of natural gas demand due to the adoption of newer and more efficient capital equipment.

The sum of the coefficients $\beta_1 + \delta_{2000}$ in equation (4a) gives the short-run price elasticity of natural gas demand in the post-2000 period, the sum of the coefficients $\beta_1 + \delta_{2000} + \beta_2$ represents the long-run elasticity of natural gas demand in the post-2000 period, and the coefficient β_4 on the time trend variable represents the pure turnover to newer more efficient capital equipment after subtracting out the gas price effect on this turnover rate captured by β_2.

The interpretation of the coefficients for equation (4b) is similar, except in equation (4b) the slope shift coefficient δ_{2000} for the short-run elasticity is constrained to zero.

Shrinkage Estimators

With a panel data set such at the one used in this study, there is always the question of whether to pool the data and obtain a single estimate of the parameters from the whole sample, or to estimate the equations separately for each cross-section. The implicit assumption in the fixed effects model is that the intercepts are different for each cross-section, but the slope coefficients are the same for all cross sections. This may not be a tenable assumption. Indeed, in practice the constancy of slope coefficients across different cross-section units is often rejected. This implies that the equations should be estimated separately for each cross-section rather than obtaining an overall pooled estimate.

The problem with the two usual estimation methods of either pooling the data or obtaining separate estimates for each cross section is that both are based on extreme assumptions. If the data are pooled as in the fixed effects model, it is assumed the coefficients are all the same. If separate estimates are obtained for each cross section, it is assumed that the coefficients are all different for each cross section. The truth probably lies somewhere in-between. The coefficients are not exactly the same, but there is some similarity between them.

One way to allow for some similarity among the slope coefficients without constraining them to be exactly the same is to assume the coefficients all come from a joint distribution with a common mean and non-zero covariance matrix. This suggests that the resulting coefficient estimates should be a weighted average of the overall pooled estimate and the separate time series estimates based on each cross section. Thus, each cross-section estimate is "shrunk" towards the overall pooled estimate.

For example, consider the model given by equation (4b) and using aggregate data on the nine census Regions to estimate the coefficients. This model is:

$Y_{it} = \alpha_i + \beta_{i1}X_{i,\,t-1} + \beta_{i2}X_{i,\,t-12} + \beta_{i4}T_{it} + \varepsilon_{it},$

i = 1,2,3,…..,N (N = 9, Census Regions)

t = 1,2,3,…..T (Time Periods)

The implicit assumption in the fixed effects model is that we retain the i subscript on α but remove the subscript on the β's. The implicit assumption if we run separate regressions for each cross section is that the i subscript is retained on both α and all the β's.

A shrinkage estimator sometimes suggested is the Stein rule estimator defined by:

$$\tilde{\beta}_i = (1 - \frac{c}{F})\hat{\beta}_i + (\frac{c}{F})\hat{\beta}_p, \tag{5}$$

where $\tilde{\beta}_i$ is the shrinkage estimator, $\hat{\beta}_i$ is the separate ordinary least square (OLS) estimate from each time series, $\hat{\beta}_p$ is the fixed effects pooled estimator. The F is the F-test statistic used to test the null hypothesis that all the β's are equal across each cross-section. The constant c is given by

$$c = \frac{(N-1)K-2}{NT-NK+2}, \tag{6}$$

and K = 3 and N = 9 in equation 4b.

We will present the shrinkage estimates for the nine Census Regions below when we discuss the regional results.

National Results

We estimated equations (4a) and (4b) for each of the LDCs using OLS on monthly data for the winter season months[11] of October to March. These results are given in the last column of Tables 4 and 5. The average of these individual LDC estimates indicates that the short-run price elasticity of natural gas demand is –0.11, the short-run price elasticity shift in post 2000 is positive but for all practical purposes is zero, the long-run price elasticity given by $\beta_1 + \beta_2$ is –0.20, and the natural annual rate of decline[12] in use per customer due to the adoption of new gas appliance capital equipment is 0.8 percent per year.

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[11] Although the dependent variables used to estimate the model are only for the months of October to March, the lagged independent real price variables represent actual lagged calendar month real prices. Hence, for the observation on weather normal use per household in October, the lagged real price (t-1) will be the September real price. Similarly, the lagged real price variable (t-12) for an October observation will be the real price of natural gas in October of the previous calendar year.

[12] If the coefficient on the time trend (T) in equation 4a and 4b is negative, it means there is an annual decline in natural gas weather normal use per customer. The percent decline will be equal to the coefficient on the time trend multiplied by 100%. For example, in Table 4 for the National sample, we see the coefficient on the

We also estimated equations (4a) and (4b) in a pooled regression where each LDC is given company specific intercepts for each of the six winter months in the sample, but all the slope coefficients were assumed to be the same across all LDCs. These estimates are shown in column two of Tables 4 and 5 below. Based on these estimates, we see the short-run price elasticity is –0.09, there is neither a practical nor a statistically significant[13] shift in the elasticity in post 2000, the long-run price elasticity given by $\beta_1 + \beta_2$ is –0.18, and the natural annual rate of decline due to the adoption of new capital equipment is 1.0 percent per year in Table 5. Note the results did not indicate a change in price elasticity in the post-2000 time period in Table 4.

Although we did not obtain Iterative Bayes shrinkage estimates for each individual LDC, based on our experience we expect the average of these shrinkage estimates to fall between the pooled with LDC dummy results and the average of the individual OLS LDC regression results. We conclude therefore, that the short-run price elasticity of natural gas for the national sample lies between –0.09 and –0.10, the long-run price elasticity is between –0.18 and -0.20, and the natural annual rate of decline due to the adoption of new gas appliance capital equipment is between 0.7 percent and 1.0 percent per year. This natural annual rate of decline is consistent with a finding by an earlier AGA report on the decline in weather adjusted gas use per customer. See the AGA report "2004 AGA Energy Analysis: Patterns in Residential Natural Gas Consumption, 1980-2001".

From Table 5 we see the total annual percent decline in use per household one year after a ten percent price increase[14] is between 2.7 percent and 2.8 percent.

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time trend variable is –0.011 for the pooled with LDC dummy variables model. This means there is a 0.011 x 100% = 1.1% annual decline in natural gas weather normal use per customer.

[13] We base this conclusion on the statistical significance of the coefficient on the variable "Ln(Price$_{t-1}$)*D2000" in Table 4. See Appendix D for a discussion of the meaning of the term "statistical significance" in statistical hypothesis testing.

[14] Since both the dependent and independent variables are in natural logarithms in equations (4a) and (4b), the coefficients on the two price variables are price elasticities, which give the percent decline in use per customer quantity demanded per one percent increase in price. Similarly, a negative coefficient on the time trend gives the proportionate decline in use per customer per one-year increase in time. To get the percent decline in use per customer one year after a 10 percent increase in price, we have:

$$\text{percent decline} = 10^*\text{coefficient on } P_{t-1} + 10^*\text{coefficient } P_{t-12} + 100^*\text{coefficient on time trend.}$$

Table 4
National Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
Ln($Price_{t-1}$)	-0.09 (-6.46)	-0.10
Ln($Price_{t-1}$)*D2000	0.0036 (0.97)	-0.0003
Ln($Price_{t-12}$)	-0.09 (-5.93)	-0.09
Annual Time Trend	-0.011 (-9.47)	-0.008
$Rbar^2$	0.97	
Std. Error of Regression	0.115	
Mean of the Dependent Variable	1.183	
AIC	-1.403	
Schwarz Criterion	-0.906	
Number of Observations	3023	41

Table 5
National Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
Ln($Price_{t-1}$)	-0.09 (-6.44)	-0.10
Ln($Price_{t-12}$)	-0.09 (-5.92)	-0.10
Annual Time Trend	-0.010 (-12.25)	-0.007
$Rbar^2$	0.97	
Std. Error of Regression	0.115	
Mean of the Dependent Variable	1.183	
AIC	-1.403	
Schwarz Criterion	-0.908	
Number of Observations	3023	41

Regional Results

Figure 5 shows the normalized consumption of natural gas use per household by U.S. Census region for the AGA sample. There appears to be a decline over much of the sample in all nine Census Regions.

Figure 5
Regional Weather Normal Consumption per Customer (Dth)

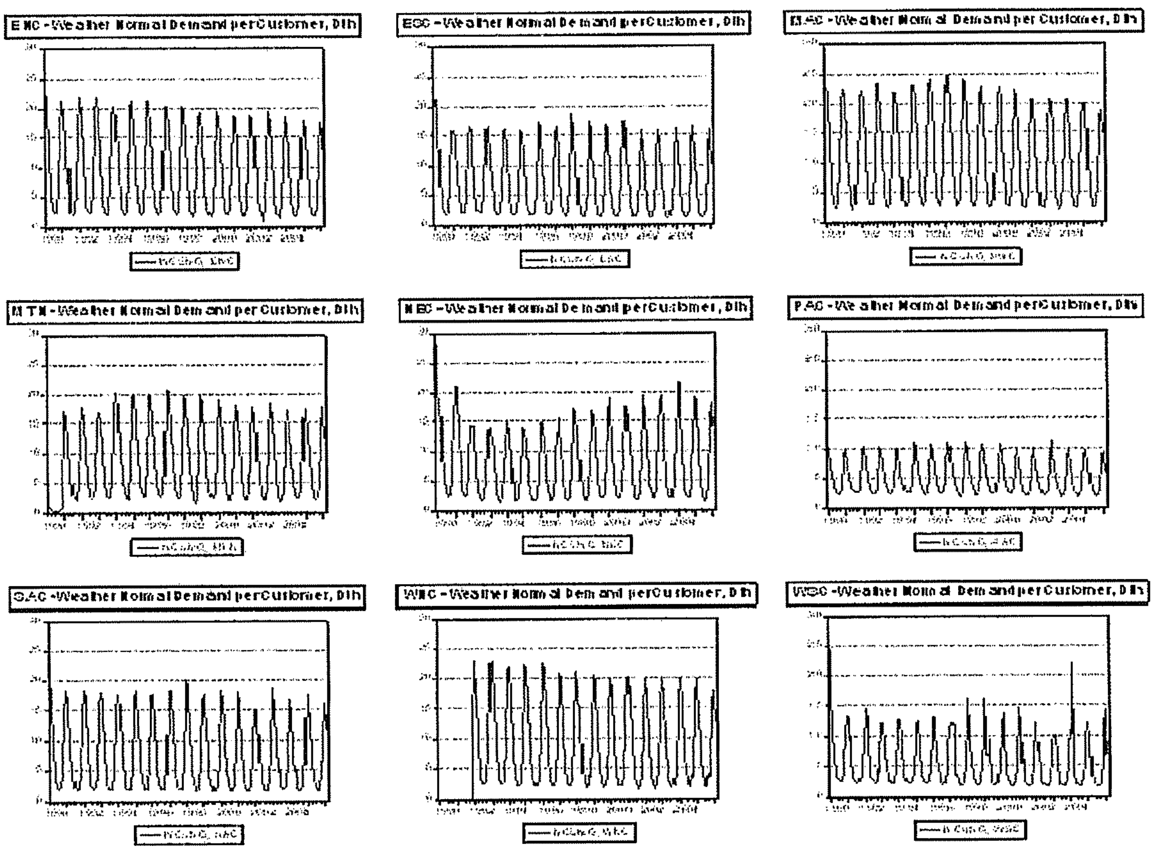
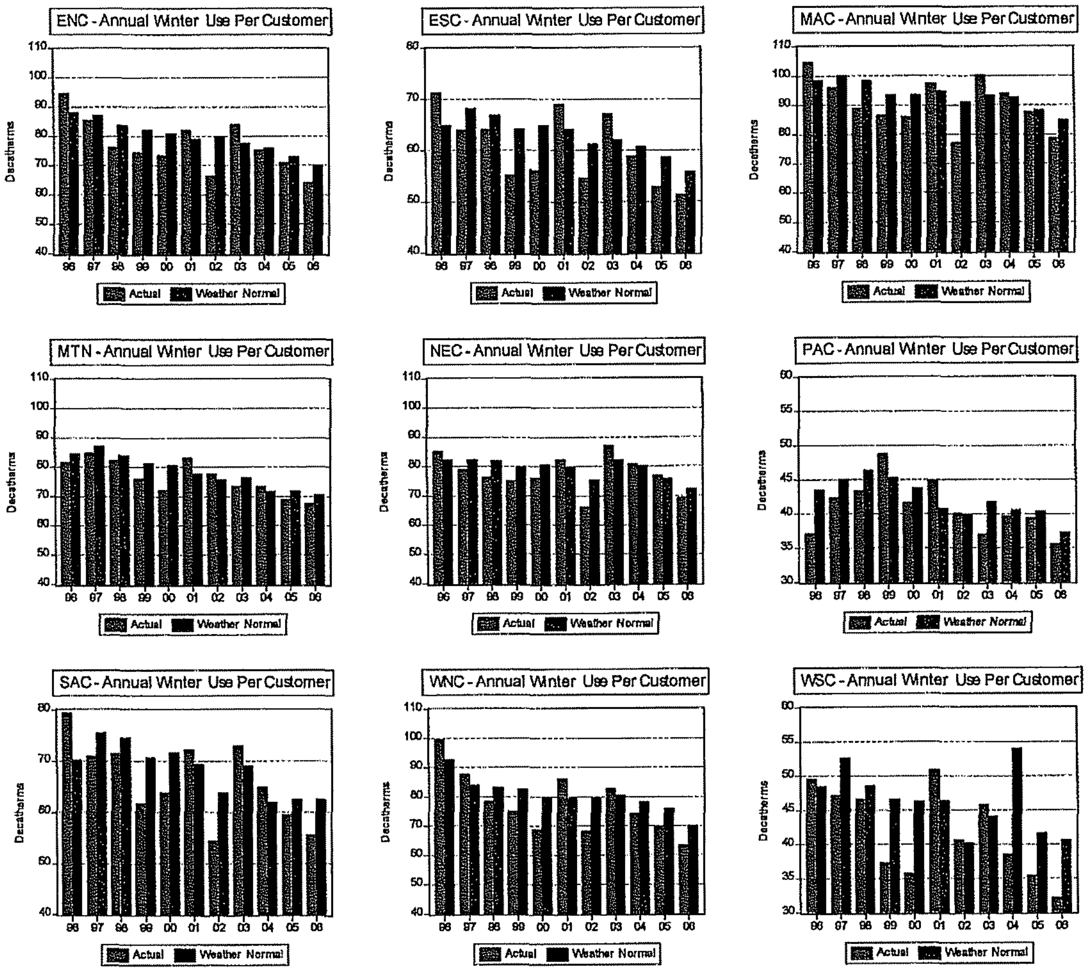


Figure 6 shows the actual and normalized winter season consumption for natural gas per customer by U.S. Census region for the AGA sample. Again, there is a decline over much of the sample in all regions.

Figure 6
Regional Annual Winter Use per Customer
(Dth)



Regional OLS Estimates

Tables 6A and 6B to Tables 14A and 14B give the estimates of equations (4a) and (4b) for each of the nine census Regions using data on the individual LDCs in each of the respective regions. For the most part, the regional results are similar to the national results, with some differences noted below.

East North Central Region

The regression output for the ENC Region is given in Tables 6A and 6B. In Table 6A, we estimate neither a practical nor a statistically significant shift in the short-run elasticity in the post 2000 year period. According to equation (4b) in Table 6B, the short-run elasticity is between -0.08 and –0.12, and is statistically significantly different from zero in the pooled model. The long-run elasticity is between –0.22 and –0.27. In the pooled regression, we observe a statistically significant annual declining rate of weather normal use per household demand of 1.0 percent. From Table 6B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.8 percent and 3.2 percent, which is close to the annual percent decline in the national sample.

Table 6A
ENC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.09 (-3.02)	-0.12
$Ln(Price_{t-1})$*D2000	0.005 (0.51)	-0.006
$Ln(Price_{t-12})$	-0.14 (-3.63)	-0.16
Annual Time Trend	-0.011 (-3.92)	0.0013
$Rbar^2$	0.99	
Std. Error of Regression	0.064	
Mean of the Dependent Variable	1.319	
AIC	-2.569	
Schwarz Criterion	-2.200	
Number of Observations	195	3

Table 6B
ENC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.08 (-3.02)	-0.12
$Ln(Price_{t-12})$	-0.14 (-3.66)	-0.15
Annual Time Trend	-0.010 (-4.57)	-0.001
$Rbar^2$	0.99	
Std. Error of Regression	0.063	
Mean of the Dependent Variable	1.319	
AIC	-2.578	
Schwarz Criterion	-2.225	
Number of Observations	195	3

East South Central Region

The regression output for the ESC Region is given in Tables 7A and 7B. In Table 7A, we estimate neither a practical nor a statistically significant shift in the short-run elasticity in the post 2000 year period. According to equation (4b) in Table 7B, the short-run elasticity is -0.06 when computed from the average of the individual LDC results and for all practical purposes is zero in the pooled regression. The long-run elasticity is between –0.01 and –0.12. In the pooled regression, we observe a statistically significant annual declining rate of weather normal use per household demand of 2.0 percent. From Table 7B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.0 percent and 2.1 percent, which is slightly lower than the annual percent decline in the national sample.

Table 7A
ESC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$\mathrm{Ln}(\mathrm{Price}_{t-1})$	-0.007 (-0.12)	-0.08
$\mathrm{Ln}(\mathrm{Price}_{t-1})$*D2000	0.0169 (1.09)	0.02
$\mathrm{Ln}(\mathrm{Price}_{t-12})$	-0.03 (-0.47)	-0.06
Annual Time Trend	-0.023 (-4.92)	-0.016
Rbar^2	0.97	
Std. Error of Regression	0.129	
Mean of the Dependent Variable	1.013	
AIC	-1.167	
Schwarz Criterion	-0.835	
Number of Observations	227	3

Table 7B
ESC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$\mathrm{Ln}(\mathrm{Price}_{t-1})$	0.012 (0.23)	-0.06
$\mathrm{Ln}(\mathrm{Price}_{t-12})$	-0.026 (-0.44)	-0.06
Annual Time Trend	-0.020 (-5.33)	-0.012
Rbar^2	0.97	
Std. Error of Regression	0.129	
Mean of the Dependent Variable	1.013	
AIC	-1.170	
Schwarz Criterion	-0.853	
Number of Observations	227	3

Middle Atlantic Region

The regression output for the MAC Region is given in Tables 8A and 8B. In Table 8A, we estimate neither a practical nor a statistically significant shift in the short-run elasticity in the post 2000 year period. According to equation (4b) in Table 8B, the short-run elasticity is -0.13 when computed from the average of the individual LDC results, and is –0.10 in the pooled regression. The long-run elasticity is between –0.18 and –0.20. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per household demand of 1.3 percent. Table 8B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.5 percent and 3.3 percent, which is close to the annual percent decline in the national sample.

Table 8A
MAC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.11 (-2.35)	-0.12
$Ln(Price_{t-1})$*D2000	0.01 (1.21)	0.005
$Ln(Price_{t-12})$	-0.09 (-1.70)	-0.04
Annual Time Trend	-0.015 (-5.21)	-0.009
$Rbar^2$	0.97	
Std. Error of Regression	0.100	
Mean of the Dependent Variable	1.508	
AIC	-1.681	
Schwarz Criterion	-1.325	
Number of Observations	465	6

Table 8B
MAC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.10 (-2.24)	-0.13
$Ln(Price_{t-12})$	-0.10 (-1.77)	-0.05
Annual Time Trend	-0.013 (-5.80)	-0.007
$Rbar^2$	0.97	
Std. Error of Regression	0.100	
Mean of the Dependent Variable	1.508	
AIC	-1.682	
Schwarz Criterion	-1.335	
Number of Observations	465	6

Mountain Region

The regression output for the MTN Region is given in Tables 9A and 9B. In Table 9A, we estimate shift of –0.035 in the short-run elasticity in post 2000 and beyond. According to equation (4b) in Table 9B, the short-run elasticity is -0.11 when computed from the average of the individual LDC results and is –0.07 and statistically significant in the pooled regression. The long-run elasticity is between –0.10 and –0.19. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per household demand of 0.9 percent. In Table 9B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 1.9 percent and 2.8 percent, which in the pooled regression (1.9 percent) is slightly lower than the annual percent decline in the national sample.

Table 9A
MTN Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	**Pooled With LDC Fixed Effects Dummies**	**Average of Individual LDC OLS Estimates**
Ln($Price_{t-1}$)	-0.014 (-0.52)	-0.08
Ln($Price_{t-1}$)*D2000	-0.035 (-4.19)	-0.02
Ln($Price_{t-12}$)	-0.018 (-0.75)	-0.07
Annual Time Trend	-0.004 (-2.47)	-0.007
$Rbar^2$	0.99	
Std. Error of Regression	0.060	
Mean of the Dependent Variable	1.262	
AIC	-2.700	
Schwarz Criterion	-2.353	
Number of Observations	298	4

Table 9B
MTN Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	**Pooled With LDC Fixed Effects Dummies**	**Average of Individual LDC OLS Estimates**
Ln($Price_{t-1}$)	-0.07 (-2.73)	-0.11
Ln($Price_{t-12}$)	-0.03 (-1.33)	-0.08
Annual Time Trend	-0.009 (-6.22)	-0.009
$Rbar^2$	0.99	
Std. Error of Regression	0.060	
Mean of the Dependent Variable	1.262	
AIC	-2.644	
Schwarz Criterion	-2.309	
Number of Observations	298	4

New England Region

The regression output for the NEC Region is given in Tables 10A and 10B. In Table 10A, we estimate a statistically significant shift in the short-run price elasticity in the post 2000 year period, although in this case it is a shift that lowers the short-run price elasticity and is not practically significant with only 0.015 decrease. According to equation (4b) in Table 10B, the short-run elasticity is -0.08 when computed from the average of the individual LDC results and is also –0.08 and statistically significant in the pooled regression. The long-run elasticity is between –0.25 and –0.28. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per customer demand of 0.4 percent. Table 10B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.9 percent and 3.0 percent, which is close to the annual percent decline in the national sample.

Table 10A
NEC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.09 (-3.34)	-0.09
$Ln(Price_{t-1})$*D2000	0.015 (2.44)	0.01
$Ln(Price_{t-12})$	-0.17 (-5.06)	-0.20
Annual Time Trend	-0.008 (-4.24)	-0.005
$Rbar^2$	0.97	
Std. Error of Regression	0.096	
Mean of the Dependent Variable	1.307	
AIC	-1.767	
Schwarz Criterion	-1.413	
Number of Observations	660	8

Table 10B
NEC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.08 (-2.86)	-0.08
$Ln(Price_{t-12})$	-0.17 (-5.00)	-0.20
Annual Time Trend	-0.004 (-3.73)	-0.002
$Rbar^2$	0.97	
Std. Error of Regression	0.097	
Mean of the Dependent Variable	1.307	
AIC	-1.760	
Schwarz Criterion	-1.412	
Number of Observations	660	8

Pacific Region

The regression output for the PAC Region is given in Tables 11A and 11B. In Table 11A, we estimate a statistically significant shift in the short-run price elasticity in the post 2000 year period, although from a practical point of view this decline is small with an impact of only 0.02. According to equation (4b) in Table 11B, the short-run elasticity is -0.07 when computed from the average of the individual LDC results and is also –0.07 and statistically significant in the pooled regression. The long-run elasticity is between –0.12 and –0.15. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per customer of 0.8 percent. In Table 11B, we see the total annual percent decline in use per customer one year after a ten percent price increase of 2.0 percent, which is lower than the annual percent decline in the national sample.

Table 11A
PAC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	**Pooled With LDC Fixed Effects Dummies**	**Average of Individual LDC OLS Estimates**
$Ln(Price_{t-1})$	-0.04 (-1.29)	-0.03
$Ln(Price_{t-1})$*D2000	-0.02 (-2.13)	-0.02
$Ln(Price_{t-12})$	-0.05 (-1.66)	-0.07
Annual Time Trend	-0.005 (-1.96)	-0.004
$Rbar^2$	0.98	
Std. Error of Regression	0.072	
Mean of the Dependent Variable	0.910	
AIC	-2.314	
Schwarz Criterion	-1.929	
Number of Observations	258	4

Table 11B
PAC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	**Pooled With LDC Fixed Effects Dummies**	**Average of Individual LDC OLS Estimates**
$Ln(Price_{t-1})$	-0.07 (-2.61)	-0.07
$Ln(Price_{t-12})$	-0.05 (-1.83)	-0.08
Annual Time Trend	-0.008 (-3.87)	-0.005
$Rbar^2$	0.98	
Std. Error of Regression	0.073	
Mean of the Dependent Variable	0.910	
AIC	-2.302	
Schwarz Criterion	-1.931	
Number of Observations	258	4

South Atlantic Region

The regression output for the SAC Region is given in Tables 12A and 12B. In Table 12A, we estimate neither a practical nor a statistically significant shift in the short-run elasticity in the post 2000 year period. According to equation (4b) in Table 12B, the short-run elasticity is -0.11 when computed from the average of the individual LDC results and is -0.12 and statistically significant in the pooled regression. The long-run elasticity is between -0.24 and -0.29. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per customer of 0.8 percent. Table 12B, we see the total annual percent decline in use per customer one year after a ten percent price increase is between 3.4 percent to 3.7 percent, which is higher than the annual percent decline in the national sample.

Table 12A
SAC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.115 (-3.09)	-0.10
$Ln(Price_{t-1})$*D2000	-0.002 (-0.15)	-0.005
$Ln(Price_{t-12})$	-0.17 (-4.16)	-0.13
Annual Time Trend	-0.008 (-2.58)	-0.009
$Rbar^2$	0.97	
Std. Error of Regression	0.109	
Mean of the Dependent Variable	1.218	
AIC	-1.509	
Schwarz Criterion	-1.146	
Number of Observations	280	4

Table 12B
SAC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.12 (-3.30)	-0.11
$Ln(Price_{t-12})$	-0.17 (-4.18)	-0.13
Annual Time Trend	-0.008 (-3.76)	-0.010
$Rbar^2$	0.97	
Std. Error of Regression	0.108	
Mean of the Dependent Variable	1.218	
AIC	-1.516	
Schwarz Criterion	-1.166	
Number of Observations	280	4

West North Central Region

The regression output for the WNC Region is given in Tables 13A and 13B. In Table 13B, we estimate a statistically significant shift in the short-run price elasticity in the post 2000 year period, although it is a shift that lowers the short-run price elasticity by only–0.014 and from a practical point of view is not significant. According to equation (4b) in Table 13B, the short-run elasticity is -0.08 when computed from the average of the individual LDC results and is –0.09 and statistically significant in the pooled regression. The long-run elasticity is between -0.13 and -0.15. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per customer of 1.1 percent. In Table 13B we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.5 percent and 2.6 percent, which is close to the annual percent decline in the national sample.

Table 13A
WNC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
Ln($Price_{t-1}$)	-0.10 (-5.19)	-0.09
Ln($Price_{t-1}$)*D2000	0.014 (1.98)	0.01
Ln($Price_{t-12}$)	-0.06 (-2.62)	-0.05
Annual Time Trend	-0.014 (-5.48)	-0.014
$Rbar^2$	0.99	
Std. Error of Regression	0.048	
Mean of the Dependent Variable	1.314	
AIC	-3.141	
Schwarz Criterion	-2.765	
Number of Observations	190	3

Table 13B
WNC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
Ln($Price_{t-1}$)	-0.09 (-4.78)	-0.08
Ln($Price_{t-12}$)	-0.06 (-2.69)	-0.05
Annual Time Trend	-0.011 (-5.35)	-0.012
$Rbar^2$	0.99	
Std. Error of Regression	0.048	
Mean of the Dependent Variable	1.314	
AIC	-3.129	
Schwarz Criterion	-2.770	
Number of Observations	190	3

West South Central Region

The regression output for the WSC Region is given in Tables 14A and 14B. In Table 14A, we estimate neither a practical nor a statistically significant shift in the short-run elasticity in the post 2000 year period. According to equation (4b) in Table 14B, the short-run elasticity is -0.14 when computed from the average of the individual LDC results and is – 0.13 and statistically significant in the pooled regression. The long-run elasticity is -0.16 in both the pooled regression and when computed as the average of the individual LDC OLS estimates. In the pooled regression we observe a statistically significant annual declining rate of weather normal use per customer of 1.6 percent. In Table 14B, we see the total annual percent decline in use per customer one year after a ten percent price increase is between 2.9 percent and 3.2 percent, which is close to the annual percent decline in the national sample.

Table 14A
WSC Regional Elasticity Model Estimates for Equation (4a)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.12 (-1.71)	-0.13
$Ln(Price_{t-1})$*D2000	-0.008 (-0.48)	-0.009
$Ln(Price_{t-12})$	-0.03 (-0.40)	-0.02
Annual Time Trend	-0.015 (-2.52)	-0.01
$Rbar^2$	0.92	
Std. Error of Regression	0.198	
Mean of the Dependent Variable	0.722	
AIC	-0.318	
Schwarz Criterion	0.048	
Number of Observations	450	6

Table 14B
WSC Regional Elasticity Model Estimates for Equation (4b)
(t-stats in parentheses)

Variable	Pooled With LDC Fixed Effects Dummies	Average of Individual LDC OLS Estimates
$Ln(Price_{t-1})$	-0.13 (-1.87)	-0.14
$Ln(Price_{t-12})$	-0.03 (-0.40)	-0.02
Annual Time Trend	-0.016 (-3.79)	-0.013
$Rbar^2$	0.92	
Std. Error of Regression	0.198	
Mean of the Dependent Variable	0.722	
AIC	-0.322	
Schwarz Criterion	0.034	
Number of Observations	450	6

Shrinkage Estimates

We also estimate equation (4a) and (4b) with a type of shrinkage estimator, time series data on the Nine Census Regions, aggregated over the respective LDCs in each region. We will apply the Stein rule estimator discussed above in the sub-section on Shrinkage Estimators. The advantage of shrinkage estimators is that they allow for some similarity among the slope coefficients without constraining them to be exactly the same as in the case of pooled estimates.

Using aggregate regional data, Table 15 below gives the pooled fixed effects estimates of equation (4b) and the average of the individual regional coefficient estimates. These estimates are similar to the estimates presented in Table 5B based on individual LDC data. Note that in Table 5B the impact of a 10 percent price increase was a 2.8 percent decline in use per customer one year later. Using regional aggregate data we see the impact of a ten percent price increase is a similar 2.9 percent decline in use per customer one year later.

Table 15
Regional Elasticity Model Estimates using aggregate data for Equation (4b)
(t-stats in parentheses)

Variable	**Pooled With Regional Dummies**	**Average of Individual Regions**
Ln($Price_{t-1}$)	-0.12 (-3.4)	-0.10
Ln($Price_{t-12}$)	-0.06 (-1.63)	-0.08
Annual Time Trend	-0.011 (-3.72)	-0.011
$Rbar^2$	0.98	
Std. Error of Regression	0.094	
Mean of the Dependent Variable	12.14	
AIC	-1.79	
Schwarz Criterion	-1.34	
Number of Observations	540	9

Tables 16 to 24 below present the Stein Shrinkage coefficient estimates of equation (4b) using aggregate regional data. In this case, the shrinkage results are very close to the individual OLS estimates for each Region since F = 0.86 and c = 0.04 since T=60. Plugging into equation (5) we get:

$$\tilde{\beta}_i = 0.95\hat{\beta}_i + 0.05\hat{\beta}_p, \qquad (7)$$

East North Central Region

Table 16 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the ENC Region is -0.047 and -0.122, and the annual time trend shows a declining annual rate of 1.7 percent.

Table 16

ENC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	**OLS on Individual Regional Data**		**Shrinkage Estimator**
	Estimate	t-stat	
Ln($Price_{t-1}$)	-0.043	-0.349	-0.047
Ln($Price_{t-12}$)	-0.076	-0.544	-0.075
Annual Time Trend	-0.017	-1.530	-0.017
Number of Observations	60		

East South Central Region

Table 17 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for East South Central is -0.030 and -0.085, and the annual time trend shows a declining annual rate of 1.8 percent.

Table 17

ESC – Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	**OLS on Individual Regional Data**		**Shrinkage Estimator**
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.026	-0.180	-0.030
Ln($Price_{t-12}$)	-0.055	-0.337	-0.055
Annual Time Trend	-0.018	-1.270	-0.018
Number of Observations	60		

Middle Atlantic Region

Table 18 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the Middle Atlantic Region is -0.164 and -0.46, and the annual time trend shows a declining annual rate of 0.6 percent.

Table 18

MAC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.167	-1.198	-0.164
Ln($Price_{t-12}$)	-0.309	-1.887	-0.296
Annual Time Trend	0.006	0.633	0.006
Number of Observations	60		

Mountain Region

Table 19 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the Mountain Region is -0.058 and -0.076, and the annual time trend shows a declining annual rate at of 2.22 percent.

Table 19

MTN - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.055	-0.675	-0.058
Ln($Price_{t-12}$)	0.022	0.263	0.018
Annual Time Trend	-0.022	-2.767	-0.022
Number of Observations	60		

New England Region

Table 20 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the New England Region is -0.074 and -0.364, and the annual time trend shows a declining annual rate of 0.3 percent.

Table 20

NEC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	Estimate	t-stat	
Ln($Price_{t-1}$)	-0.072	-0.537	-0.074
Ln($Price_{t-12}$)	-0.302	-1.767	-0.290
Annual Time Trend	-0.003	-0.384	-0.003
Number of Observations	60		

Pacific Region

Table 21 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the Pacific Region is -0.089 and -0.179, and the annual time trend shows a declining annual rate of 1.0 percent.

Table 21

PAC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.087	-1.066	-0.089
Ln($Price_{t-12}$)	-0.092	-1.194	-0.090
Annual Time Trend	-0.010	-1.157	-0.010
Number of Observations	60		

South Atlantic Region

Table 22 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the South Atlantic Region is -0.182 and -0.327, and the annual time trend shows a declining annual rate of 1.9 percent.

Table 22

SAC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.185	-1.747	-0.182
Ln($Price_{t-12}$)	0.156	1.371	0.145
Annual Time Trend	-0.019	-1.989	-0.019
Number of Observations	60		

West North Central Region

Table 23 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the West North Central Region is -0.088 and -0.120, and the annual time trend shows a declining annual rate of 0.90 percent.

Table 23

WNC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	OLS on Individual Regional Data		Shrinkage Estimator
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.086	-0.966	-0.088
Ln($Price_{t-12}$)	-0.031	-0.355	-0.032
Annual Time Trend	-0.009	-1.053	-0.009
Number of Observations	60		

West South Central Region

Table 24 shows the shrinkage estimates of the short-run and long-run elasticity derived from equation (7) for the West South Central Region is -0.209 and -0.258, and the annual time trend shows a declining annual rate of 1.1 percent.

Table 24

WSC - Regional Model Elasticity Estimates with Aggregate Data for Equation 4b

Variable	**OLS on Individual Regional Data**		**Shrinkage Estimator**
	estimate	t-stat	
Ln($Price_{t-1}$)	-0.214	-1.719	-0.209
Ln($Price_{t-12}$)	-0.049	-0.368	-0.049
Annual Time Trend	-0.011	-0.946	-0.011
Number of Observations	60		

Our overall assessment of the regional models is that individual coefficients vary[15] greatly across the nine regional models and are often insignificant. This is due to the small sample sizes relative to the national sample, multicollinearity between the two lagged prices, and to some extent multicollinearity with the time trend as well. Yet the average impact of a 10 percent price increase on use per household is remarkably stable and negative across all nine Census Regions in the pooled regressions using individual LDC data. This total decline after a 10 percent price increase for the nine Census Regions is roughly centered on the national impact of a 2.8 percent decline in weather normal use per customer; with the Mountain Region having a 1.9 percent impact at the low end of the range and the South Atlantic Region having a 3.7 percent impact at the high end of the range.

[15] There may be differences in shell efficiency and new home construction and LDC sponsored energy conservations programs across regions that would lead to some heterogeneity in coefficient estimates across the nine census regions. We feel the iterative Bayes shrinkage estimator could remove much of the inconsistency between the national and regional coefficient estimates in a follow up study.

Section 5: Summary of Results and Policy Implications

This research project was initiated to examine the decline in residential natural gas consumption since 2000 and to determine whether there had been a change in the response by residential consumers to higher (and more volatile) natural gas prices. The data that were collected and analyzed support two important findings and a general rule of thumb. This rule appears to capture consumers' winter price sensitive consumption behavior reasonably well across the LDCs and Census regions.

First, consumption is strongly influenced by seasonal heating needs, response to price change, and the efficiency changes in appliances and home shell efficiency coupled with conservation behavior by consumers. While the separate efficiency and conservation effects due to appliance and housing shell turnover are difficult to disentangle in the current sample, they appear to be discernable from the price effects. Table 25 gives a summary of the national and separate regional price and naturally occurring time trend effects found in this study.

Second, we could not find evidence supporting an appreciable change in the short-run price elasticity of natural gas consumption in the post year 2000 period.

Table 25
Summary of National and Regional
Natural Gas Price Estimates[16]

Region	Short-run elasticity	Long-run elasticity*	Annual Time Trend	Total Response to a 10% Price Increase**
National	-0.09	-0.18	-1.0%	-2.8%
East North Central	-0.08	-0.22	-1.0%	-3.2%
East South Central	0.01	-0.01	-2.0%	-2.1%
Middle Atlantic	-0.10	-0.20	-1.3%	-3.3%
Mountain	-0.07	-0.10	-0.9%	-1.9%
New England	-0.08	-0.25	-0.4%	-2.9%
Pacific	-0.07	-0.12	-0.8%	-2.0%
South Atlantic	-0.12	-0.29	-0.8%	-3.7%
West North Central	-0.09	-0.15	-1.1 %	-2.6%
West South Central	-0.13	-0.16	-1.6%	-3.2%

* Cumulative: includes impacts of short-run elasticities

** The total response to a 10 percent price increase is the sum of the long-run elasticity and the annual time trend effect.

The results from the price elasticity estimates and the combination of efficiency and conservation estimates are able to explain the post 2000 winter consumption per customer actual experience. Normal winter season natural gas use per household in the US has declined

[16] Estimates obtained from the "fixed effects" pooled regression.

about 13.1 percent between 2000 and 2006. There has been an increase in real natural gas prices of 44 percent for the same time period, which according to our analysis would lead to approximately a 7.9 percent (0.18 x 44 percent) decline in use per customer by the year 2006. In addition to this 7.9 percent price induced decline in weather normal use per household, there would be an additional 6.0 percent (6 x 1.0 percent) decline because of the natural annual rate of turnover of old gas appliances to newer more efficient appliances. Hence, our analysis predicts a decline of 13.9 percent over the six-year period, which is very close to the actual decline of 13.1 percent.

$$
\begin{array}{ccccc}
\textit{Overall decline} & & \textit{Price Effect} & & \textit{Conservation and} \\
\textit{in Winter Gas Use} & = & \textit{Elasticity with} & + & \textit{Turnover to More} \\
\textit{per Customer} & & \textit{Price Increase} & & \textit{Efficient Appliances} \\
13.9\% & = & 0.18 \, x \, 44\% & + & 6 \, x \, 1.0\% \\
 & = & 7.9\% & + & 6.0\%
\end{array}
$$

In the expression above, the left hand term is the overall declining rate of winter gas use per customer, the first term on the right hand side is the price effect reflecting elasticity with price increase, and the second term the effect from conservation and turnover to more efficient appliances that occurs naturally every year with or without a price increase.

This proposed rule of thumb suggests that twelve months after a 10 percent increase in natural gas prices at the national level, there will be nearly a 3 percent decline in natural gas use per customer. This 3 percent decline is comprised of about a 1 percent drop in gas use with the current capital stock, about a 1 percent drop in use per customer because households respond to the higher gas prices by buying more efficient appliances, and a 1 percent drop in gas usage per customer due to the natural turnover to more efficient gas appliances each year. This rule of thumb will vary by LDC because they are heterogeneous in terms of weather, housing stocks, and standards of living.

It should be noted that the 1 percent price-induced drop with the current capital stock is what economist refer to as the elasticity of "short-run" demand. This refers to customers "turning down the thermostat". There is a second 1 percent price induce drop in use per customer that occurs one year later due to consumers buying more efficient appliances and increasing the tightness of the home. The price elasticity in the "long-run" is the sum of the short-run demand elasticity and the additional changes that occur to quantity demanded one year later because of natural gas price impacts on consumer choice of appliance and home thermal shell efficiency.

The heightened conservation behavior by consumers is partly due to the many government and utility programs that currently exist to encourage residential consumers to save energy:

- The federal government encourages conservation through weatherization programs funded by the Low-Income Household Energy Assistance Program (LIHEAP), tax credits for purchase of efficient appliances and shell improvements, and consumer education on the importance of saving energy.

- State and local governments also encourage efficiency through similar programs
- Many utilities provide rebates, incentives, and assistance to their customers to improve use of energy. For example, electric and natural gas utilities provided more than $140 million in 2005 to assist low-income customers to weatherize their homes {Source: http://liheap.ncat.org/tables/FY2005/05stlvtb.htm }

From a planning and policy perspective, even if gas prices do not increase in a given year, there will still be approximately a 1 percent fall in gas usage per household in the following year. This is driven by the historical forces related to the natural turnover of old appliances to the more efficient appliances that are available on the market each year. The annual time trend impacts will vary somewhat by LDC, because of regional differences in weather, appliance stocks, housing shell efficiency, demographic and economic characteristics.

There is a caveat. We cannot address whether the phenomenon will continue at the same rate for the long-term. Further gains in efficiency in absolute and relative terms may or may not have the same impact as they did previously. This is an issue for more detailed engineering studies on the efficiency of appliances and housing shells and economic research on the change in conservation habits of consumers for energy use and winter season comfort levels. We would note, however, that legislative and regulatory pressure for greater efficiency is likely to increase as climate change becomes a more pronounced national and international priority.

The policy implications of the 13.1 percent decline since 2000 are significant. First, regulators must recognize these trends and allow rate structures to incorporate these variations. Second, the natural turnover of appliances and increases in shell efficiency from new construction will result in continued conservation, regardless of price changes, impacting utility operations. Third, even if future gas prices remain constant or even decrease, the appliance and home shell efficiency gains achieved in prior years will not be reversed.

Suggestions for Future Research

As with any study, there is room for future research. Suggestions for future research are the following:

- Obtain data from Natural Gas Companies that did not participate in the initial study.

- Try different specifications of the model.

- Use the Iterative Bayes Shrinkage Estimation Technique to get individual LDC parameter estimates.

- Consider the impact of competition from the electric utility industry.

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Appendix A: Construction of Weather-Normalized Series for Use per Customer

Step 1. Calculate the ratio of HDDN to HDD (normal heating degree days / actual heating degree days.) this is referred to as the weather normalization factor

Step 2. Construct a proxy for base natural gas consumption per customer for each "year". Calculate the average of July and August for each year.

Step 3. Subtract the base consumption from Actual consumption for the September through June for the next 10 months. Refer to this as "heating" consumption. Example: the average of July and August 1999 will be subtracted from September 1999 through June 2000. Retain the actual values for July and August 1999 in the "heating" consumption variable.

Step 4. Calculate the weather normal consumption per customer series. Multiply the "heating" consumption variable by the weather normalization factor. Intuitively, a very cold winter will have relatively high levels of consumption. The very cold weather means that the denominator in the weather normalization factor is large relative to the normal HDD. Multiplying the large consumption variable times the factor, which is less than one, will bring back or reduce consumption towards the normal "heating" consumption level.

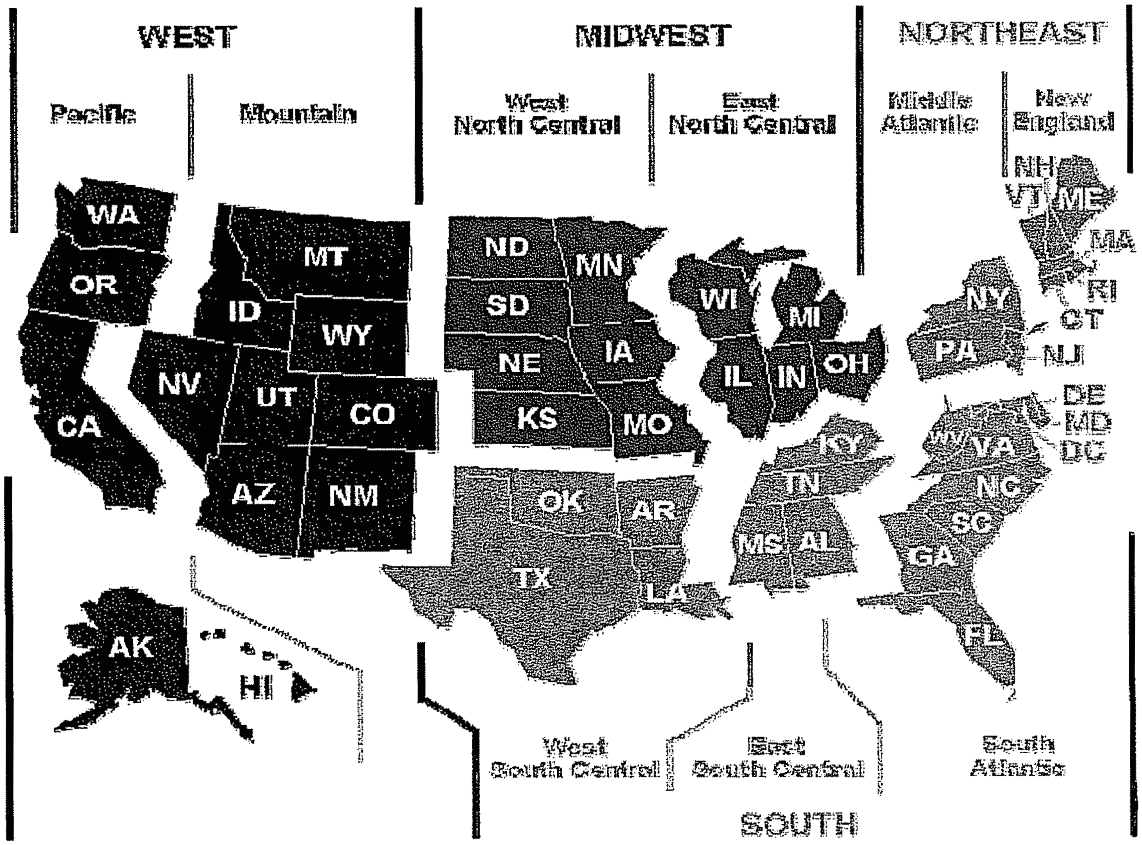
Step 5. Add the base consumption per customer back into the September through June normal heating consumption levels.

Variable list omitting the region identifiers:

HDD	– Actual Heating Degree Days
HDDN	- Normal Heating Degree Days
CUNG	- Natural Gas Use per Customer per Month
ZSAJQUS	- Days per Month
WNF	- Weather Normalization Factor WNF = HDDN / HDD
Base	- Average of July and August in a year
HCUNG	- "Heating" Natural Gas Use per Customer per Month HCUNG = CUNG – Base
NCUNG	- "Normalized" Natural Gas Use per Customer per Month NCUNG = (HCUNG * WNF) + Base
CUNGW	- Actual Daily Natural Gas Use per Customer per Month CUNGW = CUNG / ZSAJQUS
NCUNGW	- "Normalized" Natural Gas Use per Customer per Month NCUNGW = NCUNG / ZSAJQUS

Appendix B: U.S. Census Regions

Figure B.1
U.S. Census Region Map



Source: U.S. Dept. of Energy **http://www.eia.doe.gov/emeu/cbecs/census_maps.html**

Table B.1
U.S. Census Region Definitions

Division 1 New England	Division 3 East North Central	Division 5 South Atlantic	Division 7 West South Central	Division 9 Pacific
Connecticut	Illinois	Delaware	Arkansas	Alaska
Maine	Indiana	District of Columbia	Louisiana	California
Massachusetts	Michigan	Florida	Oklahoma	Hawaii
New Hampshire	Ohio	Georgia	Texas	Oregon
Rhode Island	Wisconsin	Maryland		Washington
Vermont		North Carolina		
		South Carolina		
		Virginia		
		West Virginia		
Division 2 Middle Atlantic	**Division 4 West North Central**	**Division 6 East South Central**	**Division 8 Mountain**	
New Jersey	Iowa	Alabama	Arizona	
New York	Kansas	Kentucky	Colorado	
Pennsylvania	Minnesota	Mississippi	Idaho	
	Missouri	Tennessee	Montana	
	Nebraska		Nevada	
	North Dakota		New Mexico	
	South Dakota		Utah	
			Wyoming	

Source: Energy Information Administration, Office of Integrated Analysis and Forecasting.

U.S. Census Region Pneumonic	
ENC	East North Central
ESC	East South Central
MAC	Middle Atlantic
MTN	Mountain
NEC	New England
PAC	Pacific
SAC	South Atlantic
WNC	West North Central
WSC	West South Central

Appendix C: Literature Review[17]

There are many studies on the price and income elasticities of residential energy goods in general, and of residential natural gas demand in particular. Table 1 below lists some of these studies, along with the short-run and long-run estimates. See Dahl and Roman (2004) and Dahl (2005) for recent surveys of energy elasticity demand estimates. Other surveys of energy demand price elasticity estimates are Taylor (1975 and 1977), Bohi (1981), Bohi and Zimmerman (1984), Al-Sahlawi (1989), Dahl (1993), and Espy and Espy (2004). Common drawbacks of these studies are: (1) they do not include data that contain the recent increases in residential natural gas prices, (2) they do not focus on the winter season demand, (3) they do not contain company level data across the entire US, and (4) most do not allow for a non-price related decline in use per customer that occurs automatically as consumers replace old inefficient appliances with newer more efficient ones.

The AGA study overcomes the missing elements in the existing literature by looking at individual company level winter season monthly data from all nine US Census Regions over the period 1981 to 2006. Also, the AGA study allows for a naturally occurring decline in use per customer that results from the replacement of old inefficient gas appliances with newer more efficient models.

There have been many papers written that estimate the price elasticity of residential demand for natural gas. A partial list of these papers is given in the references section. Estimates of short-run price elasticity range from as low as –0.05 in Beirlein, Dunn and McConnon (1981) to as high as –0.68 in Barnes, Gillingham & Hagemann (1982). For long-run price elasticity estimates the range of estimates is even higher, with the low being -0.017 in Hewlett (1977) to as high as –3.42 in Beirlein, Dunn and McConnon (1981).

It is fair to say there is no real consensus on residential natural gas price elasticity demand estimates. For overall residential energy demand in general, the median estimate of short-run price elasticity is about –0.2, with the long-run dynamic models with lagged dependent variables yielding a median estimate of about –0.48. For natural gas in particular, using EIA state level aggregate data, Maddala, et. al. (1997) estimate the average short-run price elasticity of natural gas is –0.1 and the long-run price elasticity of residential natural gas demand is –0.27.

[17] This appendix benefited from discussions and on-going research by Professor Carol Dahl, the Colorado School of Mines, Golden, Colorado. All errors are ours.

Table C.1
Residential Price Elasticity Estimates

Authors	Data	Estimation Method	Short-run	Long-run
Balestra & Nerlove (1966)	Pooled: 36 States for 1957-62)	GLS(EC)	NA	-0.63
Jaskow & Baughman (1976)	Pooled: 48 States for 1968-72	OLS	-0.15	-1.01
Berndt & Watkins (1977)	Pooled: Ontario and British Columbia for 1959-74	Maximum Likelihood	-0.15	-0.69
Hewlett (1977)	Cross Section: New York State household survey	OLS	NA	-0.45
Hewlett (1977)	Pooled: New York State customer survey for 1976 and 1977.	OLS	NA	-0.17
Beirlein, Dunn & McConnon (1981)	Pooled: 9 States for 1967-77	OLS	-0.23	-2.90
		GLS (EC)	-0.23	-2.96
		GLS (EC-SUR)	-0.05	-3.42
Barnes, Gillingham & Hagemann (1982)	Pooled: 10,000 households in 23 US cities. Quarterly data for 1972-73.	IV	-0.68	NA
Green & Gilbert (1983)	Cross-Sectional: non-poverty homeowners and poverty homeowners	OLS	NA	-1.25
		OLS	NA	-1.09
Blattenberger, Taylor, & Rennhack (1983)	Pooled: 48 states for 1961-74	GLS (EC)	-0.32	-0.39
Green, Salley, Grass & Osei (1986)	Pooled: between 6 and 7 thousand households for 1974 to 1979.	OLS	-0.16	NA

Appendix D: Statistical Hypothesis Testing

The practical question that is addressed in statistical hypothesis testing concerns the relative strength of some "treatment"; such as does price have an impact on weather normal use per household natural gas demand. The question addressed might be: Do the data contained in the sample present sufficient evidence that increases in price lead to a lower use per household natural gas demand?

The reasoning employed in testing a hypothesis bears a striking resemblance to the procedure used in a court trial. In tying a person for a crime, the court assumes the accused innocent until proven guilty. The prosecution collects and presents all the available evidence in an attempt to contradict the "not guilty" hypothesis and hence to obtain a conviction. However, if the prosecution fails to disprove the "not guilty" hypothesis, this does not prove that the accused is "innocent" but merely that there is not sufficient evidence to conclude that the accused is "guilty".

The statistical problem in this study portrays "natural gas price" as the accused. The hypothesis to be tested, called the **null hypothesis**, is that price does not negatively impact the weather normal use per household natural gas demand. The evidence in this case is contained in the sample drawn from the population of LDCs who supply this demand. The researcher, playing the role of the prosecutor, believes that an **alternative hypothesis** is true - namely, that natural gas price does have a negative impact on natural gas use per household demand. Hence, the researcher attempts to use the evidence contained in the sample to reject the null hypothesis (no impact of natural gas price on natural gas demand) and thereby to support the alternative hypothesis, the contention that price does in fact inversely impact natural gas demand.

The statistician will calculate a test statistic from the information contained in the sample. All possible values the test statistic may assume are divided into two groups – one called the rejection region and the other the acceptance region. After the sample is collected the test statistic is calculated and observed. If the test statistic takes on a value in the rejection region, the null hypothesis is rejected. Otherwise, one fails to reject the null hypothesis.

You will notice that the researcher is faced with two possible types of errors. On the one hand, the researcher might reject the null hypothesis when it is true, and falsely conclude that natural gas price does negatively impact the natural gas demand. This would result in forecasting lower revenues after a rate increase than would actually be the case. On the other hand, the researcher might decide not to reject the null hypothesis when it is false, and falsely conclude that natural gas price does not impact natural gas demand. This error would result in forecasting higher revenues after a rate increase than would actually be the case.

Rejecting the null hypothesis when it is true is called a Type I error for a statistical test. The probability of making a type I error is usually denoted by the Greek symbol α, and is referred to as the "statistical significance level". In practice some common values used for

α are 0.10 (a 10 percent chance of a Type I error), 0.05 (a 5 percent chance of a Type I error), 0.025 (a 2.5 percent chance of a Type I error), and 0.01 (a 1 percent chance of a Type I error).

The probability α will increase or decrease as we increase or decrease the size of the rejection region. Then why not decrease the size of the rejection region and make α as small as possible? Unfortunately, decreasing α increases the probability of not rejecting the null hypothesis when it is false and some alternative hypothesis is true. This second type of error is called the type II error for a statistical test and its probably is commonly denoted by the Greek symbol β. More formally, accepting the null hypothesis when it is false is called a type II error for a statistical test. The probability of making a type II error when some specific alternative is true is denoted by β.

Notice that both errors cannot be committed simultaneously. A type I error is possible only if the decision is to reject the null hypothesis; a type II error is possible only if the decision in to not reject the null hypothesis.

When the null hypothesis is rejected in favor of the alternative hypothesis, it is called a statistically significant test. When one fails to reject the null hypothesis, it is referred to as a statistically insignificant test.

As noted on page 29 of Maddala (2001), a statistically significant test means, "sampling variation is an unlikely explanation of the discrepancy between the null hypothesis and the sample values (estimate)". On the other hand, a statistically insignificant test means, "sampling variation is a likely explanation of the discrepancy between the null hypothesis and the sample value".

The appropriate test statistic for the null hypotheses tested in this report is the t-statistic, which is reported for each of the coefficients in equations (4a) and (4b). For sample sizes larger than 120 and for an alternative hypothesis that states the price coefficient is less than zero, a t-statistic less than -1.28 is statically significant at the 10 percent level, a t-statistic less than -1.64 is statistically significant at the 5 percent level, a t-statistic less than -1.96 is statically significant at the 2.5 percent level, and a t-statistic less than -2.33 is statistically significant at the 1 percent level.

American Gas Association

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Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 18
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 56. Since Atmos will not file any testimony, how does it expect the Commission and AG to determine the reasonableness of current cost and expenses as well as projected costs and expenses?

Response:

The Company believes the reasonableness of current and projected costs and expenses can be determined through evaluation of the filing and through the data request process. Pre-filed testimony is unlikely to anticipate what questions the Staff or AG may wish to ask. The Company feels the data request discovery process will serve as an adequate vehicle for addressing questions of the Staff and AG, and for the statement of positions on matters that may arise. Refer also to the Company's response to KPSC DR 2-60(c&e) and to KPSC DR 3-20.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 19
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 57. The response to 57(c) contains the following statement: "This historical review will not involve any type of pro-forma adjustments or adjustments to revenue billing determinants." The statement in lines 6 to 8 on page 23 of the Direct Testimony of Gary Smith states "Accounting and pro-forma adjustments to the historical period would be applied and identified consistent with treatment in a full rate proceeding." Which statement is correct? Explain in detail. (emphasis in original)

Response:

Both statements are correct. The Company's intent is that no pro-forma or similar adjustments be applied to revenue billing determinants in the historical review of the Evaluation Period. The adjustments referenced in testimony refer to exclusions of certain costs for rate recovery purposes and for 13-month averages for rate base calculations, as set by Commission precedent.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 20
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 58.

a. In the response to Item 58(c), Atmos states it believes no hearings would be necessary under the CRS mechanism. Explain how Atmos reached this conclusion.

b. In the response to Item 58(d), Atmos states that it will include costs incurred by the Attorney General ("AG") and the Commission in its CRS filing. Since Atmos already recovers its assessment for Commission operations through its rates, explain why this would not be double recovery of the Commission's costs.

c. In the response to Item 58(h), Atmos states that it is unable to provide a meaningful analysis of the change in revenue over the past 5 years because there is no baseline information. Provide the requested analysis of the change in revenues (increase or decrease) that Atmos would have implemented in the past 5 years under the CRS mechanism using the revenue requirement granted in the last rate case as the baseline and using the full 12-month calendar year for comparison each year (in place of 6 months of historic data and 6 months of projected data).

Response:

a. While the Company's opinion is that no hearings may be necessary, that would certainly be the Commission's decision. The Company's vision of the CRS process is for a low-cost, streamlined, collaborative process as opposed to an expensive, drawn out, contested rate case. The Company would expect that all parties would see the benefit in a limited review to simply ensure that rates were current and based on the most up-to-date information available. Cost recovery in rates for certain expenses would be submitted in accord with precedents set in this Case; hopefully, limiting areas of contested disagreement in the CRS process. If this CRS process, however, were to devolve into a fully contested rate case with each filing, some of the benefits of the intended process would be lost.

b. It is not the Company's intent to double recover costs through the CRS mechanism. The CRS mechanism would simply provide funding requested by the Commission to address any incremental costs it incurred in administering the CRS process, presumably costs not otherwise recovered through the existing assessment. The Company would remit back to the Commission all funds for which the Commission requests reimbursement, either through the assessment or through incremental funding requirements associated with this CRS mechanism. If the Commission proposes that no incremental costs are associated with administering the CRS mechanism, then no such costs would be recovered by the Company or remitted to the

Commission.

c. The following are the annual revenue changes per the analysis.

	(000's)
2002	-$1,097
2003	-$1,452
2004	-$ 174
2005	$1,672
2006	$4,049

The related analysis is attached, including assumptions used for the analysis.

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Assumptions

1. Unadjusted per-books rate base and cost of service are used for each 'Evaluation Period'.
2. Rate base & capital structure are as of December.
3. Benchmark ROE is assumed at the last approved ROE for Kentucky.
4. The cost, rate base, and cost of capital adjustments used to project each Rate Effective Period are hypothetical.
5. Revenues are adjusted to the Rate Effective Period using the calculated Evaluation Period revenue adjustment amount. No other increase or decrease assumptions (eg. customer growth, declining use per customer, etc.) are used in the projections.

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Line No.	Description		Projection of Rate Effective Period Beginning May 1, 2002
1	Operating Revenue		$ 204,722,000
2	Operating Expenses		
3	Purchased Gas Cost		152,692,409
4	Other O & M Expenses		19,703,796
5	Depreciation Expense		8,699,113
6	Taxes Other than Income		2,608,777
7	Operating Income Before Interest and Taxes		21,017,905
8	State & Federal Income Taxes	(7 - (10 * 19)) * 26	6,293,433
9	Operating Income		$ 14,724,472
10	Rate Base		$ 139,264,321
11	Rate of Return		10.57%
12	Required Return		
13	Debt Cost		7.73%
14	Benchmark ROE		12.50%
15	Debt % of Capital		50.40%
16	Equity % of Capital		49.60%
17	Total		100.00%
18	Required Return (weighted)		
19	Debt Capital	(13 * 15)	3.90%
20	Equity Capital	(14 * 16)	6.20%
21	Total Weighted Return		10.10%
22	Required Operating Income		$ 14,060,014
23	Operating Income Deficiency (Excess)		$ (664,457)
24	Revenue Gross-Up Factor		1.651392
25	**Revenue Adjustment**		**$ (1,097,279)**
26	Income Tax Rate (Composite)		40.3625%
	Revenue Summary		
27	**Revenue at Current Rates**		**$ 204,722,000**
28			
29	**Revenue Adjustment - Rate Effective Period**		**(1,097,279)**
30			
31	**Projected Revenue Requirement - Rate Effective Period**		**$ 203,624,721**

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Line No.	Description		Evaluation Period Ended Dec. 31, 2002	Rate Effective Period Adjustments	Rate Effective Period Beginning May 1, 2003
1	Operating Revenue		$ 141,532,761	$ (376,843)	$ 141,155,918
2	Operating Expenses				
3	Purchased Gas Cost		90,234,690	0	90,234,690
4	Other O & M Expenses		19,703,796	(1,400,000)	18,303,796
5	Depreciation Expense		8,699,113	0	8,699,113
6	Taxes Other than Income		2,608,777	0	2,608,777
7	Operating Income Before Interest and Taxes		20,286,385	1,023,157	21,309,542
8	State & Federal Income Taxes	(7 - (10 * 19)) * 26	5,998,174	509,918	6,508,092
9	Operating Income		$ 14,288,212	$ 513,239	$ 14,801,451
10	Rate Base		$ 139,264,321	$ 4,177,930	$ 143,442,251
11	Rate of Return		10.26% 12.83%		10.32%
12	Required Return				
13	Debt Cost		7.73%	-0.50%	7.23%
14	Benchmark ROE		12.50%	0.00%	12.50%
15	Debt % of Capital		50.40%	-0.40%	50.00%
16	Equity % of Capital		49.60%	0.40%	50.00%
17	Total		100.00%		100.00%
18	Required Return (weighted)				
19	Debt Capital	(13 * 15)	3.90%		3.62%
20	Equity Capital	(14 * 16)	6.20%		6.25%
21	Total Weighted Return		10.10%		9.87%
22	Required Operating Income		$ 14,060,014		$ 14,150,578
23	Operating Income Deficiency (Excess)		$ (228,197)		$ (650,872)
24	Revenue Gross-Up Factor		1.651392		1.651392
25	**Revenue Adjustment**		$ **(376,843)**		$ **(1,074,846)**
26	Income Tax Rate (Composite)		40.3625%		40.3625%
	Revenue Summary				
27	**Revenue at Current Rates**				$ **141,532,761**
28	**Revenue Adjustment - Evaluation Period True-Up**				**(376,843)**
29	**Revenue Adjustment - Rate Effective Period**				**(1,074,846)**
30	**Net Revenue Adjustment**				**(1,451,689)**
31	**Projected Revenue Requirement - Rate Effective Period**				$ **140,081,073**

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Line No.	Description		Evaluation Period Ended Dec. 31, 2003	Rate Effective Period Adjustments	Rate Effective Period Beginning May 1, 2004
1	Operating Revenue		$ 183,046,880	$ (916,139)	$ 182,130,741
2	Operating Expenses				
3	Purchased Gas Cost		133,082,361	0	133,082,361
4	Other O & M Expenses		18,154,905	200,000	18,354,905
5	Depreciation Expense		8,646,646	1,000,000	9,646,646
6	Taxes Other than Income		2,675,575	50,000	2,725,575
7	Operating Income Before Interest and Taxes		20,487,393	(2,166,139)	18,321,254
8	State & Federal Income Taxes	(7 - (10 * 19)) * 26	6,308,248	(501,555)	5,806,693
9	Operating Income		$ 14,179,145	$ (1,664,584)	$ 12,514,560
10	Rate Base		$ 139,335,854	$ 4,180,076	$ 143,515,930
11	Rate of Return		10.18% 13.29%		8.72%
12	Required Return				
13	Debt Cost		7.02%	-1.50%	5.52%
14	Benchmark ROE		12.50%	0.00%	12.50%
15	Debt % of Capital		49.67%	0.00%	49.67%
16	Equity % of Capital		50.33%	0.00%	50.33%
17	Total		100.00%		100.00%
18	Required Return (weighted)				
19	Debt Capital	(13 * 15)	3.49%		2.74%
20	Equity Capital	(14 * 16)	6.29%		6.29%
21	Total Weighted Return		9.78%		9.03%
22	Required Operating Income		$ 13,624,377		$ 12,963,843
23	Operating Income Deficiency (Excess)		$ (554,768)		$ 449,282
24	Revenue Gross-Up Factor		1.651392		1.651392
25	**Revenue Adjustment**		**$ (916,139)**		**$ 741,942**
26	Income Tax Rate (Composite)		40.3625%		40.3625%
	Revenue Summary				
27	**Revenue at Current Rates**				**$ 183,046,880**
28	**Revenue Adjustment - Evaluation Period True-Up**				**(916,139)**
29	**Revenue Adjustment - Rate Effective Period**				**741,942**
30	**Net Revenue Adjustment**				**(174,198)**
31	**Projected Revenue Requirement - Rate Effective Period**				**$ 182,872,682**

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Line No.	Description		Evaluation Period Ended Dec. 31, 2004	Rate Effective Period Adjustments	Rate Effective Period Beginning May 1, 2005
1	Operating Revenue		$ 195,202,552	$ (167,725)	$ 195,034,827
2	Operating Expenses				
3	Purchased Gas Cost		145,838,061	0	145,838,061
4	Other O & M Expenses		18,538,614	200,000	18,738,614
5	Depreciation Expense		9,613,233	100,000	9,713,233
6	Taxes Other than Income		2,639,696	50,000	2,689,696
7	Operating Income Before Interest and Taxes		18,572,948	(517,725)	18,055,223
8	State & Federal Income Taxes	(7 - (10 * 19)) * 26	5,451,565	(387,291)	5,064,273
9	Operating Income		$ 13,121,383	$ (130,434)	$ 12,990,949
10	Rate Base		$ 157,103,765	$ 4,713,113	$ 161,816,878
11	Rate of Return		8.35% 12.66%		8.03%
12	Required Return				
13	Debt Cost		5.42%	0.50%	5.92%
14	Benchmark ROE		12.50%	0.00%	12.50%
15	Debt % of Capital		59.50%	-2.00%	57.50%
16	Equity % of Capital		40.50%	2.00%	42.50%
17	Total		100.00%		100.00%
18	Required Return (weighted)				
19	Debt Capital	(13 * 15)	3.22%		3.40%
20	Equity Capital	(14 * 16)	5.06%		5.31%
21	Total Weighted Return		8.29%		8.72%
22	Required Operating Income		$ 13,019,817		$ 14,104,768
23	Operating Income Deficiency (Excess)		$ (101,566)		$ 1,113,819
24	Revenue Gross-Up Factor		1.651392		1.651392
25	**Revenue Adjustment**		**$ (167,725)**		**$ 1,839,352**
26	Income Tax Rate (Composite)		40.3625%		40.3625%
	Revenue Summary				
27	**Revenue at Current Rates**				**$ 195,202,552**
28	**Revenue Adjustment - Evaluation Period True-Up**				**(167,725)**
29	**Revenue Adjustment - Rate Effective Period**				**1,839,352**
30	**Net Revenue Adjustment**				**1,671,627**
31	**Projected Revenue Requirement - Rate Effective Period**				**$ 196,874,179**

Atmos Energy Corporation, KY
Case No. 2006-00464
Pro-Forma CRS Analysis - 2002-2006
KPSC 3-20c

Line No.	Description		Evaluation Period Ended Dec. 31, 2005	Rate Effective Period Adjustments	Rate Effective Period Beginning May 1, 2006
1	Operating Revenue		$ 241,940,065	$ 2,931,352	$ 244,871,417
2	Operating Expenses				
3	Purchased Gas Cost		191,519,222	0	191,519,222
4	Other O & M Expenses		20,736,162	200,000	20,936,162
5	Depreciation Expense		9,979,505	100,000	10,079,505
6	Taxes Other than Income		3,214,094	50,000	3,264,094
7	Operating Income Before Interest and Taxes		16,491,082	2,581,352	19,072,434
8	State & Federal Income Taxes	(7 - (10 * 19)) * 26	4,399,246	1,067,277	5,466,523
9	Operating Income		$ 12,091,835	$ 1,514,075	$ 13,605,910
10	Rate Base		$ 158,972,837	$ 4,769,185	$ 163,742,022
11	Rate of Return		7.61% 9.89%		8.31%
12	Required Return				
13	Debt Cost		5.90%	0.00%	5.90%
14	Benchmark ROE		12.50%	0.00%	12.50%
15	Debt % of Capital		57.23%	0.00%	57.23%
16	Equity % of Capital		42.77%	0.00%	42.77%
17	Total		100.00%		100.00%
18	Required Return (weighted)				
19	Debt Capital	(13 * 15)	3.38%		3.38%
20	Equity Capital	(14 * 16)	5.35%		5.35%
21	Total Weighted Return		8.72%		8.72%
22	Required Operating Income		$ 13,866,914		$ 14,282,922
23	Operating Income Deficiency (Excess)		$ 1,775,079		$ 677,011
24	Revenue Gross-Up Factor		1.651392		1.651392
25	**Revenue Adjustment**		**$ 2,931,352**		**$ 1,118,011**
26	Income Tax Rate (Composite)		39.5500%		40.3625%
	Revenue Summary				
27	**Revenue at Current Rates**				**$ 241,940,065**
28	**Revenue Adjustment - Evaluation Period True-Up**				**2,931,352**
29	**Revenue Adjustment - Rate Effective Period**				**1,118,011**
30	**Net Revenue Adjustment**				**4,049,364**
31	**Projected Revenue Requirement - Rate Effective Period**				**$ 245,989,428**

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 21
Witness: Gary Smith

Data Request:

Refer to the response to the Staff's Second Request, Item 60. The documentation provided indicates that Atmos has two CRS type programs operating in Louisiana and one in Mississippi.

a. For each company, provide the change in rates experienced since inception and the surcharge calculated from the adjustment.

b. The information contained in the Natural Gas Rate Round-Up in Attachment KPSC DR 2-60(b), page 1, states that Atmos's operations in Louisiana Gas Service operate under an operation and maintenance expense benchmark sharing mechanism. Did Atmos consider using a similar mechanism in Kentucky?

c. If yes, explain why Atmos did not propose a benchmark in this case.

d. Provide copies of the revenue stabilization tariffs for Atmos in Louisiana and Mississippi.

e. Why should any proposed accounting, pro forma, or other adjustments proposed by other parties be submitted with the data requests for consideration by Atmos?

f. Given the responses to Items 60(d) and 60(e), is Atmos assuming that the Commission Staff will be an actual party to the CRS proceedings? Explain the response.

g. Explain the process Atmos foresees taking place with regard to any such adjustment with which it disagrees.

Response:

a. None of the referenced mechanisms result in a "surcharge". For the Mississippi Division, the Stable Rate mechanism began in 1992. The current stable rate factor in Mississippi is 1.37833, which indicates an increase in base rates of 37.833% since inception. For the Louisiana Division, the Rate Stabilization Clause (RSC) adjustments are rolled into base rates. For the TransLa jurisdiction, the RSC has resulted in overall increases of $730,000 (March 1993), $1,058,000 (March 1994), $1,071,000 (March 1995), $364,000 (November 2002), and $1,445,000 (April 2007). For the Louisiana Gas Service jurisdiction, the RSC has resulted in overall increases of $11,890,000 (November 2002), $225,000 (October 2004), $3,326,000 (February 2006) and $9,518,000 (September 2009).

b. No, the Company did not consider an operation & maintenance (O&M) benchmark in the proposed Kentucky mechanism. Atmos Energy believes that the Louisiana O&M benchmark feature is uniquely associated with its acquisition of Louisiana Gas Service at the time of the inception of the rate stabilization mechanism. In conjunction with that acquisition, we believe the Louisiana Public Service Commission sought the O&M benchmark feature to ensure that certain O&M savings benefits of the merger were realized by Louisiana customers. Atmos Energy's customers in Kentucky enjoy the lowest O&M costs, the lowest rates and the lowest delivered cost of service in the State.

c. Not applicable; see the response to subpart (b) above to this data request.

d. Please reference the Attachment KPSC DR 3-21(d), 1-3 respectively for the tariffs in Mississippi and Louisiana territories for LGS and TransLa.

e. The Company envisions a process where a party would submit any adjustments which it believes are appropriate in the form of a data request to the Company, and the Company would agree in full or in part, or disagree, in its response. Again, the Company envisions a collaborative process which provides a party the opportunity to fully participate in the process. It is expected that conflict and litigation can be mitigated by a collaborative process.

f. No. The Staff's role would not change, and would not be considered an actual party to the CRS proceedings.

g. The intent of the CRS mechanism is the narrow the scope of issues traditionally encountered in comprehensive rate proceeding to focus primarily on the reasonableness of costs and revenues to be reviewed and updated. The Company would submit financial data and schedules specified by the Commission and include accounting adjustments in accordance with precedents established in this Case. Thus, the process would reduce the list of issues which would potentially be disputed by parties to the Case.

   Any such disputes, however, would hopefully be addressed through the data request process. In the event that a party to the Case and the Company are unable to satisfactorily address any disputes, the parties could file either joint or separate statements of position to the Commission for their consideration in the ruling on the CRS adjustment. Further, the Commission could call for a conference between parties as another alternative to resolve disputes on a particular issue. Commission Staff's role as advisors to the Commission would not be altered in this process.

ATMOS ENERGY CORPORATION
Trans Louisiana Gas Rate Division
Issued: 07/20/06
Issued by: Christine A. Tabor, Vice-President
Rates & Regulatory Affairs

Original Volume 1-AT
First Revised Page 45
Superseding Original Page 45
Effective: 07/20/06

RATE STABILIZATION CLAUSE
Rider RSC

A. APPLICATION

This clause is applicable to gas service under any rate schedule incorporating Rider Schedule RSC by reference. This clause will initially be in effect for a period of three years, during which period the capital structure and return on equity (ROE) shall be frozen at the levels stated herein. After the initial 3-year period, the clause will continue to operate under this same structure until either the Company or the Commission undertakes a proceeding to change the RSC mechanism, capital structure, or the ROE, and such proceeding results in a change.

B. RSC FACTORS AND ADJUSTMENT CALCULATION PROCEDURE

(1) Under this RSC, the Company shall be allowed to earn ROE of 10.40%. A range equal to 40 basis points above and below the allowed ROE is established, such that the range between 10.00% and 10.80% ROE is hereinafter referred to as the "Neutral Return Range." If earnings are below the Neutral Return Range in any test year, the Company's rates shall be adjusted upward to the bottom of the range. If earnings are above the Neutral Return Range in any test year, the Company's rates shall be adjusted downward to the top of the range.

(2) The Company will file an annual report showing earnings for the 12-month period ended September 30 (test year). Such filing shall be made by December 31 immediately following the close of the test year. Any appropriate rate change will become effective with the first billing cycle of April in the year following the close of the test year.

(3) The Company's annual report showing earnings shall be based on actual costs recorded in the books of the Company, and shall include any allowed adjustments as per rules stated herein. If the ROE calculated in the report is below or above the Neutral Return Range, the base rates under the respective rate schedules subject to RSC shall be increased or decreased for that amount necessary, in total, to restore the ROE to the Neutral Return Range. The RSC rate adjustment shall be developed using the formula described in Paragraph C.

(4) The RSC adjustment will be applied to all charges on the rate schedules to which RSC is applicable. Revised rate schedules will be filed by the Company with the Commission each time they are adjusted pursuant to the RSC and shall then become the filed rates of the Company.

RATE STABILIZATION CLAUSE
Rider RSC

C. RSC ADJUSTMENT FORMULA

(1) The RSC adjustment formula will be applied whenever the calculated return on common equity (ROE) for the test year is below the Neutral Return Range. The RSC adjustment shall be applied so as to adjust the base rates under the respective schedules to which this rider is applicable.

(2) **Step 1**
Whenever the ROE is less than 10.00%, calculate the total adjustment necessary to bring the ROE to the Neutral Return Range as follows:

$$\text{Total Adjustment} = \frac{(.1000 - ROE) * (CE)}{(1 - T)} \text{ X } RCF$$

Where, for the test year:

ROE	=	Return on Common Equity Capital Investment
CE	=	Common Equity Capital Investment
T	=	Combined Federal and State Income Tax Rate
RCF	=	Revenue Tax Conversion Factor

(3) **Step 1-a**
Apply first to the rate schedules a customer charge increase of up to $0.50 per month per residential bill, and proportional increases in the customer charge for other customer classes. Any remaining increase will be recovered through a uniform increase in the commodity rates of all schedules to which the RSC is applicable, in Steps 1-b and 1-c.

(4) **Step 1-b**
Allocate the total remaining adjustment, if any, among the rate schedules to which the RSC is applicable in proportion to the rate schedules' normalized gas service revenue.

(5) **Step 1-c**
For each rate schedule, divide the allocated portion of the total adjustment by the commodity charge billing units. Round the resulting increase or decrease to the nearest thousandth of a cent per CCF and apply it to all commodity charges in the rate schedule.

RATE STABILIZATION CLAUSE
Rider RSC

(6) Step 2

Whenever the ROE is greater than 10.80%, calculate the total adjustment necessary to bring the ROE to the Neutral Return Range as follows:

$$\text{Total Adjustment} = \frac{(\text{ROE} - .1080) * (\text{CE})}{(1 - \text{T})} \times \text{RCF}$$

Where, for the test year:

ROE	=	Return on Common Equity Capital Investment
CE	=	Common Equity Capital Investment
T	=	Combined Federal and State Income Tax Rate
RCF	=	Revenue Tax Conversion Factor

(7) Step 2-a
Any rate reduction adjustment will be achieved through a uniform decrease in the commodity rates of all schedules to which the RSC is applicable. Allocate the total adjustment among the rate schedules to which the RSC is applicable in proportion to the rate schedules' normalized gas service revenue.

(8) Step 2-b
For each rate schedule, divide the allocated portion of the total adjustment by the commodity charge billing units. Round the resulting decrease to the nearest thousandth of a cent per CCF and apply it to all commodity charges in the rate schedule.

D. **ANNUAL EARNINGS CALCULATIONS**

(1) Rate base will include, but not be limited to, end of period plant in service, accumulated depreciation and accumulated deferred income taxes (ADIT). ADIT will be limited to rate base/ cost of service items, inclusive of ADIT associated with gains and losses on reacquired debt. Items to be included in the calculation of ADIT for inclusion in rate base are:

Environmental Activities
Directors Deferred Comp
Self Insurance – Adjustment
Vacation Accrual
Worker's Comp Insurance Reserve
Customer Advances
RAR 91/93 Bond Cost Amortized
RAR 86/90 Lease Expense Amortized

ATMOS ENERGY CORPORATION
Trans Louisiana Gas Rate Division
Issued: 07/20/06
Issued by: Christine A. Tabor, Vice-President
Rates & Regulatory Affairs

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First Revised Page 48
Superseding Original Page 48
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RATE STABILIZATION CLAUSE
Rider RSC

Rabbi Trust – True Up
SEBP Adjustment – Amended Item
SEBP Adjustment
Rabbi Trust
Capitalized Selling Expense
UNICAP Section 263A Costs
Allowance for Doubtful Accounts
Clearing Account – Adjustment
RAR CFWE 1990-1985
Prepaid Dues
Prepayments
Inventory Adjustment
Section 481(a) Prepayments
Pension Expense
Customer Forfeiture
Section 481(a) Cushion Gas
Section 481(a) Line Pack Gas
Amended Cost of Removal
Amended Book Amortization
Capitalized Overhead – True Up
Fixed Asset Cost Adjustment
Fixed Asset Accumulation Adjustment
CWIP (see note below)
IRS Audit Adjustment – Cost
IRS Audit Adjustment – Accumulation
Provision Differences – Cost
Other Plant
Amended Item – Book Depreciation Not Reversed
Amended Item – Tax Depreciation Not Claimed
ST – State Net Operating Loss
ST – State Bonus Depreciation
FD – FAS 115 Adjustment
FD – R & D Credit Valuation Allow
FD – Federal Benefit on State Bonus

In addition, the amount of CWIP included in rate base in the RSC is the amount which is not eligible to receive an amount of AFUDC, as stated in section (3) below. In order to be consistent, the percentage of ineligible CWIP to total CWIP will be applied to the CWIP amount used in determining ADIT.

Additional or new book/ tax differences shall be reviewed to determine their appropriate treatment in the calculation of ADIT for Louisiana consistent with the phrase "but not be limited to" stated in first paragraph of this section.

RATE STABILIZATION CLAUSE
Rider RSC

To be consistent with rate base methodology, revenues will also be adjusted to reflect year-end customer levels.

Year-end balances of the reserves for injuries and damages, self insurance reserve, uncollectibles reserve and similar items for which the Company utilizes reserve accounting will be recognized as rate base additions or deductions.

(2) For the following rate base items, 13-month average of average balances will be used: materials and supplies; prepayments; and customer deposits. The balance of underground storage will be based on the average of the 12 monthly average balances. (This is derived by using a 13-month average that only gives one-half weight to the first and the last month in the test period.)

(3) Only that portion of Construction Work in Progress (CWIP) that is not eligible for AFUDC is to be included in rate base.

(4) A cash working capital allowance equal to 1/16th of non-gas O&M expense shall be included in rate base. O&M expense must be adjusted to exclude any non-cash expenses, including uncollectibles.

(5) Adjustments to test year expenses is allowed for certain items. The following are eligible for annualization at year-end levels:

(a) changes in income and franchise tax rates, the applicable items being depreciation, salaries and wages, payroll taxes and certain benefits items.

(b) employee wages based on end-of-test-year employee levels and wage rates.

(c) payroll taxes based on end-of-test-year employee levels, wage rates and payroll tax rates.

(d) pension expense based on the most recent actuarial report

(e) property and casualty insurance premiums in effect at the end of test year.

(f) depreciation expense based on end-of-test-year plant.

Annualized salaries and wages shall consider both wage rate changes and force level changes during that test year. To the extent necessary, adjustments shall be made to exclude incentive compensation expense and to reflect post retirement benefits expense other than pension on a pay-as-you-go or cash basis, consistent with Commission policy.

RATE STABILIZATION CLAUSE
Rider RSC

(6) Adjustments to normalize anomalies and out of period items will be made in order to reflect ongoing cost levels for the period in which rates will be in effect. All such adjustments will be subject to review at the time of each RSC filing.

(7) Changes in Atmos' actual cost of debt shall be recognized in the determination of ROE. The cost of debt will be calculated to include short-term debt amounts (13-month average) and interest.

(8) The calculation of weather-normalized sales will be based on the weather sensitive component of sales only. The data pertaining to average customer usage for the preceding eight (8) years will be used in the calculation.

E. FILING and RESOLUTION PROCEDURES

(1) The Company will file an annual Evaluation Report showing its earnings for the test year ended September 30, on or before the following December 31. A copy of the report will be provided to the Commission Staff ("Staff") at the time it is filed with the Commission. At the time each such Evaluation Report is filed, the Company will provide Staff with work papers supporting the data and calculations reflected in the Evaluation Report. Staff may request clarification and additional supporting data.

(2) Staff shall then have until the subsequent March 15, or 75 days after filing, whichever is longer, to review the Evaluation Report to ensure that it complies with the requirements of the RSC. If the Staff should detect any errors in the application of the principles and procedures of the RSC, such errors shall be communicated in writing to the Company by March 15, or 75 days after filing, whichever is longer. Each such indicated error shall include documentation of the proposed correction, to the extent possible. However, the inability to fully document a potential correction shall not serve as a basis for not considering that correction. The Company shall then have ten (10) days to review any proposed corrections, to work with the Staff to resolve any differences and to file a revised Evaluation Report reflecting all corrections upon which the Parties agree. The Company shall provide the Staff with appropriate work papers supporting any revisions made to the initial filing.

(3) Except where there is an unresolved dispute, which shall be addressed in accordance with the provisions described below, the appropriate adjustment to rates shall become effective for bills rendered on and after the first billing cycle for the month of April in the year following the close of the test year.

(4) In the event there is a dispute regarding any Evaluation Report, the Company and the Staff will work together in good faith to resolve such dispute. If the dispute is not resolved

RATE STABILIZATION CLAUSE
Rider RSC

by the end of the ten (10) day period noted above, revised rates reflecting all revisions to the initially filed Evaluation Report on which the Staff and the Company agree shall become effective no earlier than April 1 as described above. Any disputed issues shall be submitted to the Commission for resolution.

(5) If the Commission's final ruling on any disputed issues requires changes in the rates initially implemented, the Company shall file a revised Evaluation Report reflecting the required changes within fifteen (15) days after receiving the Commission's order resolving the dispute. The Company shall provide a copy of the filing to the Staff together with appropriate supporting documentation. Such modified rate adjustments shall then be implemented with the next applicable monthly billing cycle.

(6) Within 60 days after receipt of the Commission's final ruling on disputed issues, the Company shall determine the amount to be refunded or surcharged to customers, if any, together with interest at the legal rate of interest. Such refund/ surcharge amount shall be applied on a percentage basis and shall be based on the customer's applicable base revenue during the period the interim rates were billed. Such refund/ surcharge amount shall be applied to customers' bills in the manner prescribed by the Commission.

Stable / Rate Adjustment Rider for Mississippi

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RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

APPLICABILITY

Stable/Rate is applicable to all Company rate schedules except Rate Schedule 319 (Flex Rate), Rate Schedule 323 (Spot Gas Sales and/or Transportation) and Rate Schedule 325 (Municipal Gas Distributors). Stable/Rate is not applicable to special contracts with manufacturers specifically approved by the Commission under MCA §77-3-35(1). To the extent that any provision in this plan may conflict with applicable statutes, said statutes shall be controlling.

EXPLANATION

Immediately following the end of each Annual Period during the operation of this tariff, a determination is made in accordance with this tariff as to whether or not the Company's jurisdictional revenues should be increased, decreased, or remain the same. If it is determined that jurisdictional revenues should be increased or decreased, billings under the above referenced rate schedules are adjusted in the manner and for the time period provided. This adjustment is added to or subtracted from the billings rendered under other rate schedules then in effect and the revised billings constitute the rates in effect until changed as provided by this tariff or as otherwise provided by law. The determination of whether to change revenues and, if so, the calculation of the Stable/Rate adjustment is made for each Annual Period as follows:

(1) Determine Company's Expected Return which is expressed as a percentage return on Rate Base Equity.

(2) Annually determine the Benchmark Return on Rate Base Equity.

(3) Annually determine the Company's current Performance Adjuster.

(4) Add or subtract the Company's Performance Adjuster to or from the Benchmark Return to establish the Company's Performance Based Benchmark Return.

(5) Compare Company's Expected Return to the Company's Performance Based Benchmark Return to determine whether revenues should be increased, decreased, or remain the same.

(6) If the Expected Return is either higher or lower than the Performance Based Benchmark Return by more than 100 basis points, then the revenue increase or decrease necessary to achieve the Performance Based Benchmark Return is calculated in accord with Appendix "C". If the difference between Expected Return and the Performance Based Benchmark Return is 100 basis points or less, it is within the Allowed Return and no change in revenues is deemed necessary.

(7) If it is determined that a change in revenues should be made, then a change shall be made as follows:

(a) If, for the twelve month period ended June 30, the Company's Expected Return as defined below, is greater than 100 basis points below the Performance Based Benchmark Return as defined below, the Stable/Rate Adjustment Factor shall be increased by the amount necessary to make the Expected Return equal to the Performance Based Benchmark Return less 25 basis points.

(b) If, for the twelve month period ended June 30, the Company's Expected Return as defined below, is greater than 100 basis points above the Performance Based Benchmark Return as defined below, then the Stable/Rate Adjustment Factor shall be decreased as follows:

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EXPLANATION-continued

For those earnings derived if the Expected Return is greater than 100 basis points but less than or equal to 400 basis points over the Performance Based Benchmark Return, the Stable/Rate Adjustment Factor shall be decreased by 50% of amount of those earnings to customers served under the rate schedules referenced above.

For those earnings derived if the Expected Return is greater than 400 basis points over the Performance Based Benchmark Return, then the Stable/Rate Adjustment Factor shall be decreased by 100% of the amount of those earnings to customers served under the rate schedules referenced above.

DEFINITIONS

(1) "Expected Return" is defined as Net Income divided by average Rate Base Equity expressed as a percentage return on Rate Base Equity and calculated in accordance with Appendix "A".

(2) "Net Income" is defined as Revenues less Expenses, all as more fully set forth in Appendix "A".

(3) "Revenues" are defined as those Test Year jurisdictional revenues specified in Appendix "A" and adjusted for Known and Measurable Changes.

(4) "Expenses" are defined as those jurisdictional Test Year expenses, including allocated expenses, specified in Appendix "A" and adjusted for Known and Measurable Changes.

(5) "Rate Base Equity" is defined as a sum equal to Company's total Rate Base times the percentage of Company's total capitalization attributable to equity capital as more fully set forth in Appendix "A".

(6) "Rate Base" is defined as the average of the expected rate base at the beginning and the end of the Rate Period. Projections of Rate Base are limited to the following: plant-in-service, accumulated depreciation and accumulated deferred income tax. All other rate base balances are based on the historic test period, with the beginning rate period and ending rate period amounts being the same as the per book evaluation amount. Projection of future increases in plant in service shall be based on Board approved capital expenditure budget numbers only and on reasonable numbers for October agreed upon by the parties on an ad hoc basis. Any items included in the Company budget as contingent shall be evaluated by the Company at the evaluation date and excluded if expenditure during the budget period is unlikely. The calculation of Rate Base shall be adjusted up or down to account for any prior errors in calculation. These calculations shall be made in accordance with and in the manner set forth in Appendix "A".

(7) "Benchmark Return" is defined as the number calculated in accordance with Appendix "B".

(8) "Performance Based Benchmark Return" or "PBBR" is defined as Benchmark Return plus or minus Company's current Performance Adjuster.

(9) "Allowed Return" is defined as a range of 100 basis points above and 100 basis points below the Performance Based Benchmark Return. Expected Returns within the Allowed Return Range shall not cause any adjustment in revenues.

(10) "Performance Adjuster" or "PA" is defined as the number calculated in accordance with Appendix "E".

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DEFINITIONS-continued

(11) "Known and Measurable Changes" in revenues are defined as changes which: a) will accrue as a result of prior rate changes or prior Stable/Rate adjustments, b) will accrue as a result of normal weather, or (c) are attributable to industrial or large commercial customer load which is known to be lost or added as of the Annual Evaluation Date. In regard to expense, "Known and Measurable Changes", shall mean changes in non-managerial and non-executive wage and benefit levels, tax rates and assessments, postage rates, or levels of other items of expense (a) in effect as of the Annual Evaluation Date and (b) established by contract or government action as of the Annual Evaluation Date and which will occur at some time during the Rate Period. The calculation of depreciation expense shall be based on plant account balances at the end of the Test Year.

(12) "Annual Evaluation Date" shall be September 5 each year.

(13) "Test Year" is defined as the 12-month period ending as of the last day of June of each year.

(14) "Rate Period" is defined as the 12-month period in which a given rate adjustment is to be effective. A Rate Period begins November 1 of each year.

(15) "Company" is defined as the Mississippi business unit operations of Atmos Energy Corporation and that portion of Atmos Energy Corporation's assets, liabilities, expenses, revenues and capital property allocated to such operations.

EVALUATION PROCEDURES

On or before each Annual Evaluation Date, Company will submit a sworn evaluation with supporting work papers including a calculation of Expected Return, Allowed Return, a calculation of any revenue adjustment needed, and any proposed revision to the Stable/Rate adjustment factor. With each annual filing, Company shall provide complete documentation supporting each item in Appendix "A" and "B". If (1) the Public Utilities Staff ("Staff") disputes whether the calculation of any needed adjustment has been made strictly in accord with the provisions of this Tariff or (2) the Staff believes some item of expense or revenue was improperly recorded to an account or is imprudent in amount or purpose, then, in such event, the Staff may request clarification and additional data, and the Company will provide the same. Staff shall notify the Company in writing and with particularity setting forth the basis for such dispute and the adjustment or amount that Staff believes to be correct. Such notification shall occur on or before the end of the October following the end of the Test Year. This notification shall also notify of any rejected revisions to originally filed numbers. The Staff and the Company shall work in good faith to resolve any disputes by written stipulation. If the Company and the Staff are not able to resolve a disputed matter by agreement prior to the end of the November following the end of the Test Year, then, in such event, the Company and Staff shall jointly submit to the Commission a statement of the issues to be resolved. The Company and Staff may submit separate memoranda supporting their respective positions. The Commission shall resolve the matter by written order on or before the end of the January following the end of the Test Year.

EVALUATION PROCEDURES-continued

Items that are disputed by Staff as described above and which are unresolved by agreement on or before the end of the October following the end of the Test Year are not put into effect. All portions of the adjustment as calculated by the Company that are undisputed as of the last day of the October following the end of the Test Year are put into effect. An appropriate adjustment to rates is made (including an adjustment for the time value of money at the Company's current total cost of capital) to collect for Company's benefit or to refund to the benefit of Company's customers any over or under charge associated with a disputed item that was erroneously not placed into effect or which was erroneously placed into effect as determined by subsequent Commission order.

HEARINGS

Each annual revenue adjustment is separately considered for the purpose of determining whether a hearing is required pursuant to Mississippi Code Annotated § 77-3-39(1) (Supp. 1997), and no such hearing is required if the amount of any separate annual adjustment to the level of jurisdictional revenues of the utility is not a "major change" as defined in Mississippi Code § 77-3-37(8) (Supp. 1997). A hearing is required as provided in Mississippi Code Annotated § 77-3-2(3)(c)(ii) (Supp. 1997), if the cumulative change in any calendar year exceeds the greater of Two Hundred Thousand Dollars ($200,000) or four percent (4%) of the annual revenues of the utility.

The effective date of any adjustment is the date of the first billing cycle for the month in which any such adjustment is to be made as set forth in the Evaluation Procedures described above.

TERM

This tariff shall be effective upon approval by the Mississippi Public Service Commission. The first evaluation shall be made on the first Annual Evaluation Date after the tariff becomes effective. Nothing herein shall prevent the Company or Staff from proposing, in the manner provided by law, changes in or abandonment of this tariff at any time but this tariff shall continue in effect until modified or terminated as provided by MCA § 77-3-41 (Supp. 1997).

MAJOR MODIFICATIONS AND FORCE MAJEURE PROVISIONS

It is recognized that Company must from time to time construct or acquire major plant, make major modifications to existing plant, or comply with environmental laws and regulations. The addition or modification of such plant may significantly increase the Company's revenue requirements and require a significant rate adjustment. This tariff is not designed to handle any rate increase occasioned by such major addition or modification of plant. Should the Company construct, have constructed, or purchase in place major modifications to existing plants, the Company may file for rate or other relief outside this tariff, but in accordance with the law of the State of Mississippi governing such filings, and the request shall be handled by the Commission in this regular manner.

MAJOR MODIFICATIONS AND FORCE MAJEURE PROVISIONS- continued

If any cause beyond the reasonable control of the Company, such as natural disaster, damage or loss of capacity, orders or acts of civil or military authority, the happening of any event or events which cause increased cost to the Company, or other causes whether similar or not, results in a deficiency in revenues which is not readily capable of being redressed in a timely manner under this tariff, the Company may file for rate or other relief outside this tariff, but in strict accord with the law of the State of Mississippi governing such filings and the said request shall be handled by the Commission in its regular manner.

RATE DESIGN

Experimental, developmental, and alternative rate schedules are appropriate tools for the Company to use to meet the requirements of the changing business environment and the increasing competition being experienced by the Company and throughout the natural gas industry. Therefore, nothing in this tariff shall be interpreted as preventing the Company from revising, adopting, or implementing rate schedules as may be appropriate and as provided by law. Any such schedules shall be filed with the Commission in accordance with the procedures then in effect during the term of this tariff.

ADJUSTMENT CLAUSES

The Company's PGA and WNA Riders are not to be affected by this tariff in any manner. The revenues received by the Company as a result of such clauses are included in the Company's revenues to determine the Company's Expected Return. However, revenue changes as a result of the PGA or WNA riders are not included for purposes of the limitations expressed in the Hearings section above.

CHARITABLE CONTRIBUTIONS AND ADVERTISING EXPENSES

The Company reports to the Commission the name of the recipient of each charitable contribution made by the Company and which is included in the Stable/Rate calculation together with the amount of such contribution. Additionally, Company reports the total of its recoverable and non-recoverable advertising expenses. The Company's report of charitable contributions and advertising expenses is made annually in the format set forth in Appendix "D" and as part of its Annual Stable/Rate Evaluation.

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RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

(1) LINE #	(2) RATE BASE	(3) PER BOOK EVALUATION __/__/__	(4) BEGINNING PERIOD	(5) ENDING PERIOD	(6) SOURCE
1.	PLANT-IN-SERVICE				FERC ACCTS. 101,102,106
2.	GAS PLANT HELD FOR FUTURE USE				FERC ACCT. 105
3.	GAS PLANT ACQUISITION ADJ.				FERC ACCT. 114****
4.	NON-CURRENT GAS STORED				FERC ACCT. 117
5.	CONST. WORK-IN-PROGRESS				FERC ACCT. 107*
6.	LESS: DEPRECIATION				FERC ACCTS. 108; 111; 115****
7.	NET PLANT				LINES 1, 2, 3, 4 & 5 LESS LINE 6
	PLUS:				
8.	WORKING CAPITAL				12.5% OF OPER. EXP.**
8A	WATER HEATER PROGRAM FINANCING NET OF RESERVES				FROM FERC ACCT. 142 SUB-ACCT. 11104
	INVENTORY:				
9.	MATERIAL & SUPPLIES				FERC ACCT. 154
10.	GAS STORED UNDERGROUND				FERC ACCT. 164.1***
11.	TOTAL INVENTORY				SUM OF LINES 9 & 10
12.	PREPAYMENTS				FERC ACCT. 165
	LESS:				
13.	DEFERRED INCOME TAX*****				FERC ACCTS 281-283 NET OF ACCT 190
14.	CUSTOMER ADVANCES FOR CONST.				FERC ACCT. 252
15.	BAD DEBT				RESERVE FERC ACCT 144
15A.	INJURY AND DAMAGE RESERVE				FERC ACCT 228.2
15B.	VACATION ACCRUALS				FROM FERC ACCT 232.0 SUB-ACCT.21049
15C.	R AND D SURCHARGE FUND				FROM FERC ACCT 228.4 SUB-ACCT.28109
16.	UNFUNDED POST-RETIREMENT BENEFITS				FROM FERC ACCTS. 242 & 253
17.	UNFUNDED PENSION LIABILITY (SFAS 87)				FROM FERC ACCTS 186 & 253
18.	RATE BASE				LINES 7, 8,8A, 11, 12, LESS LINES 13-17
19.	AVERAGE RATE BASE FOR PERIOD				(LINE 18 (COL. 4 PLUS COL. 5))DIVIDED BY 2
20.	ADJUSTMENT FOR PRIOR ESTIMATION ERROR				APPENDIX "A", PAGE 3 LINE 7
21.	ADJUSTED RATE BASE				LINE 19 PLUS LINE 20

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Footnote applicable to APPENDIX "A" Page 1: Projections of Rate Base are limited to the following: plant-in-service, accumulated depreciation and accumulated deferred income tax. All other rate base balances are based on the historic test period, with the beginning rate period and ending rate period amounts being the same as the per book evaluation amount.

*Less than one year in duration, only.
**See Page 2 of this Appendix.
***This value is an average of the past 12 months.
****Excludes amounts arising from Yazoo Investments merger.
***** Deferred Income Taxes will include only those taxes which are associated with an item actually included in rate base. The deferred income taxes will be calculated in a manner consistent with the tax accounting methods, elections and positions utilized by the Company in preparing its income tax filings. Deferred income taxes reflected in rate base will be sufficient so as to prevent the Company from violating the normalization provisions of the Internal Revenue Code.

APPENDIX "A"
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CALCULATION OF EXPECTED RETURN

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LINE #	(1) WORKING CAPITAL	(2) PER BOOK TEST YEAR	(3) ADJUSTMENTS (A)	(4) ADJUSTED TEST YEAR	(5) SOURCE
A.	OPERATING AND MAINTENANCE EXPENSE				FERC ACCTS. 401 & 402, EXCEPT FERC O&M DETAIL 800-813 AND 881
B.	RENT OF DIST. PROPERTY				FERC ACCT. 401-881
C.	GENERAL TAXES				FERC ACCT. 408.1
D.	MISC. INCOME DEDUCTIONS				FERC ACCTS. 426.1
E.	TOTAL OPERATING EXP.				SUM OF LINE A-D
F.	NON-RECOVERABLE LOBBYING EXP.				LOBBYING EXPENSE RECORDED IN O&M
G.	ALLOWABLE O. & M.				LINE E LESS LINE F
	TIME 1/8 ALLOWANCE				
H.	ALLOWED WORKING CAPITAL				LINE G TIMES 12.5%

Note:
(A) Adjustments only for "known and measurable changes" as defined in the definitions section.

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CALCULATION OF EXPECTED RETURN

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ADJUSTMENT TO RATE BASE CALCULATION
For Prior Estimation Error For Period Ended Twelve Months Prior
To Beginning of Rate Period - Current Evaluation

(1) LINE #	(2) ITEMS	(3) ACTUAL BEGINNING RATE PERIOD	(4) ACTUAL ENDING RATE PERIOD	(5)	(6) SOURCE
1.	PLANT-IN-SERVICE				FERC ACCTS. 101, 102, 106
2.	LESS: DEPRECIATION				FERC ACCTS. 108; 111; 115
3.	DEFERRED INCOME TAX				FERC ACCTS 281-283 NET OF ACCT 190 (see footnote APPENDIX A - Page 1A)
4.					LINE 1 LESS LINES 2 AND 3
5.	ACTUAL AVERAGE PLANT LESS ACCUM DEPREC & LESS DEFERRED INCOME TAX				LINE 4 (COL 3 PLUS COL 4) DIVIDED BY 2
6.	AVG PLANT, A/D & DEF INC TAX PROJECTED IN THE STABLE/RATE EVALUATION MADE TWO FILINGS PRIOR TO THE CURRENT FILING				EVALUATION 2 YRS PRIOR, APPENDIX A - Page 1, THE AVERAGE PROJECTIONS ON LINES 1, 6 & 13
7.	RATE BASE ADJUSTMENT TO CURRENT EVALUATION				LINE 5 LESS LINE 6

APPENDIX "A"
Page 3
CALCULATION OF EXPECTED RETURN

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

ADJUSTMENT TO RATE BASE CALCULATION

Calculation of Actual Working Capital Allowed For 12 Months
Ended Twelve Months Prior To Beginning of Rate Period--Current Evaluation

LINE #	WORKING CAPITAL		SOURCE
A.	OPERATING AND MAINTENANCE EXPENSE		FERC ACCTS. 401 & 402, EXCEPT FERC O&M DETAIL 800-813 AND 881
B.	RENT OF DIST. PROPERTY		FERC ACCT. 401-881
C.	GENERAL TAXES		FERC ACCT. 408.1
D.	MISC. INCOME DEDUCTIONS	______	FERC ACCT. 426.1;
E.	TOTAL OPERATING EXP.		SUM OF LINE A-D
F.	NON-RECOVERABLE LOBBYING EXP.	______	LOBBYING EXPENSE RECORDED IN O&M
G.	ALLOWABLE O. & M.	______	LINE E LESS LINE F
H.	ALLOWED WORKING CAPITAL	______	LINE G TIMES 12.5%

APPENDIX "A"
Page 4
CALCULATION OF EXPECTED RETURN

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

(1) LINE #	(2) EXPECTED EQUITY RETURN ON RATE BASE	(3) TEST YEAR	(4) ADJUSTMENTS (A)	(5) ADJUSTED TEST YEAR	(6) SOURCE
1.	OPERATING REVENUE				FERC ACCT. 400
2.	LESS GAS PURCHASED FOR RESALE				FERC ACCTS. 401-800 THROUGH 401-813
3.	MARGIN				LINE 1 LESS LINE 2
	LESS:				
4.	OPERATING AND MAINTENANCE EXPENSE				FERC ACCTS. 401 & 402, EXCEPT FERC O&M DETAIL 800-813 AND 881
5.	RENT OF DIST. PROPERTY				FERC ACCT. 401-881
6.	GENERAL TAXES				FERC ACCT. 408.1
7.	MISC. INCOME DEDUCTIONS				FERC ACCT. 426.1
8.	DEPRECIATION				FERC ACCT. 403 & 404
9.	AMORT. OF GAS INVESTMENT				FERC ACCT. 405
10.	AMORT. OF DEBT EXPENSE				FERC ACCT. 428 & 428.1 (ALLOC FROM CONSOL)
11.	ALLOW. FOR FUNDS USED DURING CONST.				FERC ACCT. 432
11A.	AMORT. OF INV. TAX CREDIT				FERC ACCT. 411.4
12.	TOTAL OPER. REV. DEDUCTIONS				SUM OF LINES 4-11
13.	NET OPERATING REVENUE				LINE 3 LESS LINE 12
14.	INTEREST ON LONG-TERM DEBT				(SEE APPENDIX "A", PAGE 7, LINE 1)
15.	INTEREST ON CUSTOMER DEP.				(SEE APPENDIX "A", PAGE 7, LINE 2)
16.	TOTAL DEBT EXPENSE				SUM OF LINES 14 & 15
17.	FUNDS AVAIL. FOR INC. TAX AND EQUITY				LINE 13 LESS LINE 16
18.	LESS TAXES:				EFFECTIVE TAX RATE TIMES LINE 17
19.	ADJ. INCOME AVAILABLE FOR EQUITY				LINE 17 LESS LINE 18
20.	RETURN ON EQUITY RATE BASE		N/A		LINE 19 DIVIDED BY EQUITY RATE BASE FROM LINE 4, PAGE 7 OF APPENDIX "A"

Note:
(A) Adjustments only for "known and measurable changes" as defined on page 2 of Stable/Rate tariff.

APPENDIX "A"
Page 5
CALCULATION OF EXPECTED RETURN

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

DETAIL OF KNOWN AND MEASURABLE CHANGES:

A. ANNUALIZED PRIOR ADJUSTMENTS			EXPLANATION
1.	ADJUSTIBLE ANNUAL REVENUE FROM THE TEST PERIOD	$XXXXX	FROM APPENDIX C PAGE 3, COL 3.
2.	MOST RECENT AUTHORIZED STABLE RATE FACTOR MINUS 1	.XXXXX	FROM COMMISSION ORDER.
3.	ANNUALIZED STABLE RATE REVENUE FROM MOST RECENT EVALUATION	XXXXXX	LINE 1 TIMES LINE 2 (THIS IS THE AMT OF STABLE RATE REVENUE THAT WOULD HAVE BEEN COLLECTED IF THE MOST RECENT FACTOR HAD BEEN IN PLACE THE ENTIRE TEST YR).
	LESS:		
4.	ACTUAL STABLE RATE REV COLLECTED IN THE TEST PERIOD	XXXXXX	FROM APPENDIX C PAGE 3, COL 1.
5.	ADJ. TO ANNUALIZE REVENUE FROM MOST RECENT STABLE RATE FACTOR	XXXXXX	LINE 3 LESS LINE 4.
	LESS:		
6.	MUNICIPAL FRANCHISE TAX	XXXXXX	LINE 5 TIMES AVG MUNIC FRANCHISE TAX RATE, APPENDIX C PAGE 2.
7.	ANNUALIZED PRIOR ADJUSTMENT	$XXXXX	LINE 5 LESS LINE 6 (ADJ. ON LINE 7 CARRIES FORWARD TO PAGE 6B, 1A).

B. OTHER KNOWN AND MEASURABLE CHANGES

____
____
____

ATMOS ENERGY CORPORATION
Availability: As indicated below
And in Company's Current
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MISSISSIPPI PUBLIC SERVICE COMMISSION
PSC Rate Schedule No. 327 (First Revised)

Date Filed: September 7, 2005
Date Effective: October 1, 2005

Schedule consists of: Twenty-Three Pages

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

LINE #	TYPE OF CAPITAL	PERCENTAGE OF CAPITAL	CAPITAL ALLOCATED/ RATE BASE	ACTUAL INTEREST RATE & EQUITY RET.	DEBT* & EQUITY COST
1.	LONG TERM DEBT	0.000%	0	0.00%	0
2.	CUSTOMER DEPOSITS	0.000%	0	0.00%	0
3.	TOTAL DEBT	0.000%			
4.	COMMON EQUITY**	0.000%	0	(PBBR)	0
5.	TOTAL EQUITY	0.000%			
6.	TOTAL CAPITALIZATION	0.000%			

Long term debt is accounts 181, 189, and 221 through 226 (sub-accounts related to zero interest notes if applicable).

Customer deposits is account 235.

Common equity is accounts 201 through 217, (excludes Yazoo Investment merger adjustment).

Percent of Capital balances are determined as of the end of the Test Period.

The Customer Deposit percentage of capital shall be equal to the ratio of Mississippi Customer Deposits to Rate Base. The Long Term Debt and Equity percentages shall be based on the Company's consolidated capital amounts except that these capital structure proportions and/or debt cost rates shall be adjusted in compliance with the settlement approved in Docket No. 01-UA-0843 which states that a minimum of $2 million per year of cost of capital savings will be realized and will be computed with reference to Company's approved cost of capital in its March 31, 2002 Stable Rate Filing. The savings will be calculated by applying to allowed rate base the difference between Company's pre-tax Weighted Average Cost of Capital in any applicable post-merger filing and Company's pre-tax Weighted Average Cost of Capital allowed in the March 31, 2002 Stable Rate filing, adjusted to reflect the return on equity included in the applicable post-merger filing.

*Derived by actual interest rate and equity return times allocated rate base.
**Excludes amounts arising from Yazoo Investment merger.

CALCULATION OF BENCHMARK RETURN ON RATE BASE EQUITY

The Company's initial Benchmark Return on Rate Base Equity is 10.80%. Benchmark Return is recalculated in connection with the Company's annual evaluation.

To calculate Benchmark Return each year, the results from the following three methodologies are averaged:

I. Discount Cash Flow (DCF)
II. Capital Asset Pricing Model (CAPM)
III. Regression Analysis

Notwithstanding any other provision to the contrary, the data utilized in the annual recalculation of Benchmark is data that is no more recent than June of the year in which the recalculation is made.

Discounted Cash Flow

The following annual version of the DCF model is used.

$$k = \frac{D_1}{P_0} + g$$

Where:

k = Cost of common equity for each gas utility.

D_1 = The dividend for the next annual period as calculated as Utility's dividend for the current year as determined from The Value Line Investment Survey at June 30 times (one plus "g").

P_0 = Stock price for the gas utility. The stock price used in the formula shall be the average of the weekly closing stock prices for April through June as published by Yahoo.

g = Growth rate for the gas utility. The average of the projected earnings growth rates for the gas utility reported by First Call (I/B/E/S 5-year median), Zack's (120 day mean/consensus estimate), and the Value Line Investment Survey.

The DCF model shall be applied to a group of gas utilities derived from the companies contained in the Natural Gas (Distribution) Industry group in the Value Line Investment Survey. The gas companies included in the group shall be those with annual operating revenues not less than one-half nor more than twice those of Atmos Energy Corporation. *In the event that the aforementioned selection criteria results in fewer than 10 sample companies, such group shall* be represented by the ten companies in The Value Line Investment Survey list having the closest annual revenues to Atmos Energy Corporation. Provided, however, that no company shall be included in the group if the required information concerning the company is not available or if the dividend growth rate is zero or a negative number, or it does not pay a cash dividend.

The DCF model described above shall be performed for each comparable utility. The truncated mean, derived by discarding the highest and the lowest results of the DCF calculations for the group, shall be used as the DCF cost of equity.

Capital Asset Pricing Model
The CAPM cost rate shall be calculated in accordance with the following formula:

$$CAPM = R_f + RP(B)$$

Where:

R_f = Risk-free rate is the simple average of the last three monthly averages of yield on 20-year Treasury bonds as reported by *Federal Reserve Statistical Release H.15(519)*.

RP = Risk premium represents the difference between the arithmetic average annual return on Common Stock (Total Return Index) and in Long-term Government Bonds (Total Return Index). The period covered is from 1926 through the most recent annual data available as reported in Stocks, Bonds, Bills and Inflation prepared by Ibbotson Associates.

B = Beta is the average of the beta's reported by Value Line for the group of sample gas utilities used in the DCF model.

Regression Analysis
The regression analysis is the result of solving the following straight-line regression equation:

$$Y = a + b\ (X)$$

The dependent variable (Y) represents the average return on common equity capital allowed in all gas rate cases by state regulatory commissions as reported by Regulatory Research Associates for a given calendar year. The independent variable (X) represents Moody's average annual A-rated public utility bond seasoned yields for the year corresponding to the allowed return on equity. The model shall utilize data for the most recent 15 years. The regression analysis shall be solved for the calculated allowed return on equity (Y_c) using the estimated parameters "a" and "b" from the equation and using the monthly Moody's A-rated utility bond yields for the most recent calendar quarter.

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

LINE #	DETERMINATION OF REVENUE ADJUSTMENT	SOURCE
A.	EXPECTED RETURN ON EQUITY (AFTER ADJ.)	APPENDIX A, PAGE 5, LINE 20, COL. 5
B.	PERFORMANCE BASED BENCHMARK RETURN	APPENDIX B AND APPENDIX E
C.	DIFFERENCE PBBR/ER	LINE A LESS LINE B
D.	ALLOWED DIFFERENCE PBBR/ER	PAGE 1, ITEM 6 OF RIDER SCHEDULE
E.	ALLOWED ADJUSTMENT TO RATES	IF THE ABSOLUTE VALUE OF LINE C IS GREATER THAN LINE D THEN EQUAL TO LINE C, OTHERWISE 0
F.	RATE BASE--EQUITY PORTION	FROM APPENDIX A, PAGE 7, LINE 4
G.	CHANGE IN EQUITY REV. FOR REQ. RET.	LINE E TIMES F
H.	TAX EXPANSION	LINE G DIVIDED BY TAX EXPANSION LESS LINE G (SEE PAGE 2, APPENDIX "C")
I.	TOTAL REVENUE CHANGE REQUIRED	LINE G PLUS LINE H

LINE #	FOUR PERCENT TEST	SOURCE
J.	ACTUAL GROSS REV. FROM TEST PERIOD	ACCTS. 4800-4950 TRIAL BAL.
K.	FOUR PERCENT OF GROSS REVENUE	LINE J TIMES 4%
L.	NET ADJUSTMENT ALLOWED	LINE I OR LINE K, WHICHEVER IS LESS

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RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

TAX EXPANSION FACTOR

GROSS REQUIREMENT	1.0000
MUNICIPAL FRANCHISE TAX (1.55%)	-0.0155
	0.9845
STATE INCOME TAX [5% X .99%]	-0.0492
	0.9353
FEDERAL TAX [35% X .9405%]	-0.3274
	0.6079

NOTE: TAX RATES SUBJECT TO CHANGE. EFFECTIVE MUNICIPAL FRANCHISE TAX RATE RECALCULATED EACH EVALUATION.

ATMOS ENERGY CORPORATION
Availability: As indicated below
And in Company's Current
Index of Application
Docket No. 05-UN-0503

MISSISSIPPI PUBLIC SERVICE COMMISSION
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RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

DETERMINATION OF FACTOR APPLIED TO RATES
TO ACHIEVE REQUIRED REVENUE CHANGE

CALCULATION OF TEST PERIOD REVENUE

	(1) ACTUAL COLLECTION	(2) EFFECTIVE RATE	(3) ADJUSTABLE REVENUE	EXPLANATION
1. Jul				LINE 1 THROUGH LINE 12: COLUMN 1 CONTAINS THE ACTUAL STABLE/RATE COLLECTION FOR EACH MONTH IN THE TEST PERIOD AS OBTAINED FROM COMPANY REVENUE REPORTS PROVIDED STAFF. COLUMN 2 CONTAINS THE EFFECTIVE STABLE/RATE FACTOR FOR EACH MONTH LESS 1. COLUMN 3 IS DETERMINED BY DIVIDING COL 1 BY COL 2.
2. Aug				
3. Sep				
4. Oct				
5. Nov				
6. Dec				
7. Jan				
8. Feb				
9. Mar				
10. Apr				
11. May				
12. Jun				
13. Total				SUM OF LINES 1 THROUGH 12.
14. Current Net Adjustment Allowed				FROM APP.C, PAGE 1, LINE L.
15. Annualized Stable Rate Revenue from most recent Evaluation				FROM APP.A, PAGE 6, LINE 3.
16. Net Annual Change to Base Revenue				LINE 14 + LINE 15.
17. Rate Adjustment Factor				ONE + (LINE 16 DIVIDED BY LINE 13 COL 3).

THE RATE ADJUSTMENT FACTOR WILL BE APPLIED TO THE ADJUSTABLE RATE REVENUE IN THE NEXT RATE PERIOD.

TO BE FILED WITH EACH ANNUAL EVALUATION.

Charitable Contributions 7/1/___ to 6/30/___

Account Nos. ______________________________

RECIPIENT	AMOUNT
(Detail)	

Advertising Expenses 7/1/___ to 6/30/___

RECOVERABLE	NON-RECOVERABLE
Account Nos.________	Account Nos.________

(Detail)

Stable / Rate Adjustment Rider for Mississippi

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

PERFORMANCE ADJUSTER

The following performance indicators are used to measure the operational performance of the Company and to determine the Company's Performance Adjuster. The Company's Performance Adjuster is determined annually in conjunction with the Company's annual evaluation . Based on the Company's performance, a score of 0 to 10 on each indicator is determined, the scores are weighted as provided herein, and the overall score is rounded to the nearest tenth (.05 and greater being rounded to .1). This performance score is then multiplied by .001 and .005 is subtracted from the resulting number to determine the Performance Adjuster which may be a positive or negative number. This Performance Adjuster is then added to the Benchmark Return to calculate the Company's Performance Based Benchmark Return. The Performance Adjuster falls between a positive and a negative 50 basis points.

If for any reason beyond the reasonable control of the Company, an indicator's score cannot be calculated and no provision is made in the indicator or by agreement between Company and Staff, the last available score is used.

I. Customer Price

A. General Description

The Customer Price Indicator compares the average price per delivered Mcf paid by Company's residential and commercial customers against the average price paid to a group of comparable gas local distribution companies. This indicator measures how the Company's firm residential and commercial rates compare with other gas utilities in the same general geographic area.

B. Formula and Data Source:

For each comparison company, the comparison company's most recent EIA 176 ("Supply and Disposition of Natural Gas") Report filed with the United States Department of Energy, Energy Information Administration, is the source of the data used to calculate the average price. The indicator is calculated by comparing the weighted average price paid by the firm residential and commercial customers of the comparison companies to the weighted average price paid by the firm residential and commercial customers of Atmos Energy Mississippi. The comparison companies are: all gas distribution companies located in the states of Mississippi, Alabama, Louisiana, Florida, Tennessee, Arkansas and Georgia who file such reports indicating at least one BCF of annual sales to residential customers.

C. Scale:

The Company's score on this performance indicator is measured by dividing Company's weighted average price by the weighted average price of the comparison companies and scoring the results as follows:

Customer Price Indicator (%)	Scale
114% - above	0
111% - 113%	1
108% - 110%	2
105% - 107%	3
102% - 104%	4
99% - 101%	5
96% - 98%	6
93% - 95%	7
90% - 92%	8
87% - 89%	9
below - 86%	10

II. Customer Satisfaction

A. General Description:

The Customer Satisfaction Indicator measures the public's perception of the quality of the Company's service.

B. Formula and Data Source:

An independent survey firm conducts a customer's opinion survey in the third quarter of each calendar year. The survey firm shall be selected by the Company and be nationally recognized. The Company may change such survey firm as may be appropriate for economic reasons, accuracy purposes, or for other verifiable purposes. Company shall notify the Commission of the survey firm initially selected and any subsequent changes.

The survey shall accurately reflect the overall customer satisfaction of Company's customers using statistical methods generally accepted by the industry. The Company may modify the survey by notifying the Commission of its intent to make such modification at least four months prior to intended first use of the modified survey.

The following questions are asked as part of the customer opinion survey:

1. *Overall, would you say your opinion of Atmos Energy is very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable?*

(The index for this question is the ratio of the total of the very favorable and somewhat favorable responses to the total number of customers expressing an opinion.)

2. *Have you or anyone in your family had any occasion to contact Atmos Energy about your service, your bill, or anything else within the last 12 months?*

If the customer answers in the affirmative, they are asked the following:

3. *Were you satisfied with the way your contact was handled, or should they have done better in some way?*

(The index for this question is the ratio of the satisfied responses to the total number of customers expressing an opinion.)

4. *I'm going to read you several statements that might be made regarding Atmos Energy. For each statement, please tell me whether you entirely agree with it, mostly agree, mostly disagree, or entirely disagree.*

- *Atmos Energy employees are nearly always courteous.*
- *Atmos Energy is willing to listen and respond to its customers problems.*
- *Atmos Energy is fair and honest in its dealings with people.*

(The indexes for this question are the ratios of the entirely agree and mostly agree responses for each question to the total number of customers expressing an opinion.)

The responses for each question are tallied and an index is developed for each. The simple average of the total of these indices for the five questions is used in the determination of the overall score attained for the Customer Satisfaction Indicator.

The simple average is calculated by the following formula:

$$\frac{\text{Sum of Indices from 5 Questions}}{5} = \text{Average Customer Satisfaction Index (CSI)}$$

The Company's score on this indicator is measured using the following formula:

Customer satisfaction score = (26.3158 X CSI) - 15.1547

RIDER SCHEDULE 327
STABLE / RATE ADJUSTMENT RIDER

The score used for the Customer Satisfaction Indicator falls between 0 and 10.

III. Weighting

Company's scores on the Performance Indicator are weighted and averaged as follows:

Performance Score	X	Weight	=	Weighted Score
Customer price	X	.75	=	
Customer satisfaction	X	.25	=	
		1.00		

COMPANY'S PERFORMANCE SCORE (CPS) ______

The Company's Performance Adjuster (PA) is calculated as follows:

(CPS X .10) - .50 = PA

Data Request:

Refer to the Application, FR 10(1)(b)(7), the proposed CRS tariff. Arabic Paragraph No. 7 on page 42.3 provides that the Commission and AG shall have 45 days to review the Company's filed schedules and that the Company will be prepared to provide supplemental information. It further provides that the Commission shall propose any adjustments it determines to be required to bring the schedules into compliance with the above provisions of the tariff that the Commission, based on the Company's filed schedules, shall order the Company to increase or decrease rates. It finally states that any adjustments to rates shall be effective May 1 but if by April 30 no order has been issued by the Commission, the Company shall adjust rate beginning May 1 or as soon as practical.

a. Since this is such a limited time and Atmos has been asked in this data request to clarify certain statements regarding adjustments, provide a detailed discussion of the review procedure that Atmos expects the Commission Staff and the AG to follow. Be specific with regard to actions to be taken and dates by which they should be taken.

b. Does Atmos expect the Commission Staff and the AG to submit testimony or develop staff reports that will be subject to discovery prior to the Commission reaching a decision? If not, what are Atmos's expectations?

Response:

a. Please also refer to the Company's response to KPSC DR 3-21(e).

   As set forth in the proposed tariff sheet No. 42.1, paragraph 4, no later than March 15 each year, the Company would file financial schedules required by the Commission, and show accounting and pro-forma adjustments historically permitted or required of the Company. Through these initial filing requirements, the CRS mechanism would narrow the scope of issues traditionally encountered in comprehensive rate proceeding to focus primarily on the reasonableness of costs and revenues to be reviewed and updated.

   Up to two rounds of data requests from Commission Staff and parties to the Case could be permitted within the 45 day review period (reference the response to KPSC DR 2-58(c)). If disputes occur regarding any of the costs or revenues included in the CRS filing that are not resolved during data requests, the parties could submit to the Commission either joint or separate statements of position on these issues. Alternatively, the Commission could call for a conference between parties to resolve disputes on a particular issue or verify the nature of the disagreement.

   The Company's proposed tariff specifies a 45 day review period with the belief that its initial filing of financial data and noted adjustments will serve to streamline regulatory review and, hopefully, limit the scope of potential disputes. The Company believes the proposed period will afford sufficient review by the parties to achieve the objective of financial transparency envisioned for this process. However, the Commission's final approved tariff dictating terms and expectations of the experimental CRS mechanism would ultimately set the rules for the process and options for parties to be employed.

The Company's intent of the CRS is to stabilize rates for customers, foster greater financial transparency, and simplify the review of appropriate rates by parties to the CRS. The proposal to implement the CRS adjustment at the beginning of the Rate Effective Period, May 1, is to keep rates appropriate and current, not to constrain review of the CRS filing. As stated in its proposal, should the Commission ultimately specify rates different from those put into effect by the Company, those rates would be implemented the Company upon the Commission's order with a refund made for any amounts different from those previously placed into effect back to May 1.

b. No filing of testimony would be required by any party nor would Staff's work be subject to discovery.

   For the Company's expectations, see response to KPSC 3-21(f) and 3-21(g).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 23
Witness: Gary Smith

Data Request:

Refer to the response to the AG's First Request dated February 20, 2007 ("AG's First Request"), Item 33(b). The ratio of forfeited discount revenue to total forecasted test-year revenue for residential customers is over .9 percent in fiscal years 2003, 2004 and 2006, but only .76 percent in fiscal year 2005. If known, explain why 2005's forfeited discount ratio for fiscal year 2005 is so different from the other years.

Response:

Upon further investigation, the Company discovered that there were four months in fiscal year 2005 (February through May) when the typical ratio of Late Payment Fees (LPF) to firm Residential/ Commercial/Public Authority revenues was lower than usual. It is the Company's understanding that an erroneous programming change altered the rules of applying late payment fees in Kentucky during that period. Assuming that this programming error alone lowered the LPF, the fiscal year 2005 ratio would have been near 0.9 percent had the LPF ratio been sustained at its typical level during that four month period.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 24
Witness: Greg Waller

Data Request:

Refer to the response to the AG's First Request, Item 51. Provide a detailed description of the types of expenses classified as "Community Relations & Trade Shows" and "Customer Relations & Assistance." Include an explanation as to why these expenses should be included for rate-making purposes.

Response:

Please see Company's response to AG DR 2-32 for a listing of the types of expenses classified as community relations and trade shows.

The Company's customers benefit from the opportunity to effectively communicate with the Company through relationship outreach initiatives such as those included as community and customer relations expenses. Such expenses are necessary to the operation of a safé, efficient and reliable utility that is responsive to the needs of ratepayers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 25
Witness: Greg Waller

Data Request:

Refer to the response to the AG's First Request, Item 53. Explain in detail why the following component percentages of the American Gas Association budget should not be excluded from Atmos's forecasted test-period dues for rate-making purposes:

a. Advertising.

b. Corporate Affairs.

c. Policy, Planning and Regulatory Affairs.

d. Public Affairs.

Response:

The Company's filing reflects the actual expense incurred by the Company for its membership in the American Gas Association, participation in which provides benefit to customers. Each of the items above plays a role in the overall service provided to the company and its customers and should not be considered analogous to similarly classified expenses directly incurred by the Company and not included in this rate filing. As a policy matter, it would be imprudent to require a utility to exclude component percentages of expenses paid to outside businesses based upon how its own expenses are treated for ratemaking purposes. Such a practice would not provide a benefit to customers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 26
Witness: Greg Waller

Data Request:

Refer to the response to the AG's First Request, Item 55.

a. Explain in detail why any of the amounts reported as social and club dues should be included for rate-making purposes.
b. Explain why the dues paid to Associated Industries of Kentucky should be included for rate-making purposes.
c. Explain why the dues paid to various Home Builder Associations should be included for rate-making purposes, given that the response indicates there is the opportunity to promote natural gas over other forms of energy at association meetings.

Response:

a, b and c. Please refer to Company's response to items c. and d. of AG DR 1-55 for detailed explanations of the nature of the costs referenced above and their role in supporting reliable and efficient operation of the Company and providing benefit to customers. Moreover, the response to AG DR 1-55 does not indicate that the primary or even a significant purpose of various Home Builder Associations is to "promote natural gas over other forms of energy." This is a mischaracterization of the Company's response which merely indicates that, in addition to many other benefits outlined, HBAs provide an opportunity for the Company to communicate the benefits of natural gas.

The Company's customers benefit from the Company's association with these groups because they provide the Company with the opportunity to effectively communicate through relationship outreach initiatives such as those with AIK. Such expenses are necessary to the operation of a safe, efficient and reliable utility that is responsive to the needs of ratepayers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 27
Sponsor: Steve Harmon

Data Request:

Refer to the response to the AG's First Request, Item 62. Given that the cash-based incentive award in both the Variable Pay Plan and the Management Incentive Plan are based upon Atmos's return on equity performance, explain why the expenses of these plans should be included for rate-making purposes.

Response:

There are a number of reasons for including the expenses of these plans for rate-making purposes, including:

1. The Company's pay for performance philosophy incorporates the use of incentive compensation for all employees. Incentive pay improves the Company's ability to recruit and retain talented employees, since incentive compensation is widely prevalent in the labor markets in which the Company competes for key talent.
2. Annual incentive plans for both management and non-management employees have become particularly prevalent throughout the gas utility industry. Specifically, a 2005 American Gas Association ("AGA") survey of sixty-one (61) companies found that 90% of the surveyed companies have one or more types of incentive compensation plans. The surveyed companies rated their incentive plans as successful.
3. Earnings per share goals are met not only by increasing revenues, but also by minimizing expenses. If the Company's management can eliminate or minimize unnecessary costs, reduce the number of accidents and safety incidents, deliver satisfactory customer service with reasonable expense and staff levels, and improve performance by increasing productivity, the Company's earnings per share will be increased, and shareholders, customers, employees and the communities served by the Company will all benefit.
4. The cost of incentive compensation plans is a variable expense and is tied to improvements in productivity, service, cost management, and other performance factors that drive a company's financial strength and success.
5. Disallowance of the Company's incentive compensation costs as part of its cost of service would place the Company at a competitive disadvantage. Those industries that are not regulated utilities are free to factor in the cost of incentive compensation into the price of the products or services they sell. If Atmos is not permitted to factor in the cost of its incentive compensation programs in the setting of rates in this proceeding, the Company will be placed at a competitive disadvantage.

6. If the rate set in this proceeding does not take into account the amount of expense that the Company must incur to fund these programs and to be competitive in the employment market, the rate set would not allow the Company to recover its reasonable and necessary costs.
7. If the Commission were to disallow any or all of the costs of the Company's incentive pay compensation plans to be recovered in its rates, the Company's employee compensation costs reflected in the cost of service would be below the average for the market and would result in levels in the cost of service that are not reasonable when compared to that market.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 28
Witness: Greg Waller

Data Request:

Refer to the response to the AG's First Request, Item 63. For each of the categories of expenses listed below, explain why the expense should be included for rate-making purposes.

a. Promotional and institutional advertising.

b. Lobbying and governmental affairs.

c. Public relations and community relations.

d. Employee parties, outings, and gift expenses.

Response:

a. In Company's response to AG DR 1-63, expenses it included in the category AG has labeled as "promotional and institutional advertising" include required legal and safety notices along with other communications that are beneficial to both customers and the public at large. Such communications are necessary to the operation of the company.

b. Please see Company's response to AG DR 2-34.

c. Please see Company's response to AG DR 2-32.

d. Employee welfare expenses are prudently incurred business expenses which promote the continued provision of good customer service to the Company's customers. Such expenditures not only enhance productivity, but also play a part in reducing turnover which is detrimental to the efficient operation of the Company. It is noteworthy that Atmos is able to promote a pleasant and productive work environment while remaining a low cost provider of natural gas service.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
KPSC 3rd Data Request Dated March 30, 2007
DR Item 29
Witness: Tom Petersen

Data Request:

Refer to the response to the AG's First Request.

a. The respondent to Items 150, 157-163, 165, and 170 is identified as Chris Forsythe. Identify the respondent and provide the person's professional qualifications.

b. The respondent to Item 172(i) is identified as Pace McDonald. Identify the respondent and provide the person's professional qualifications.

Response:

a. Mr. Forsythe is Atmos Energy's Director of Financial Reporting. He is primarily responsible for planning, organizing, coordinating and directing the timely and accurate preparation of financial, regulatory and benefits accounting reports to ensure compliance with regulatory requirements. This includes, but is not limited to, timely preparation and filing of quarterly and annual reports with the SEC in accordance with applicable federal securities laws and regulations. Mr. Forsythe received Bachelor of Business Administration degrees in Accounting and Management Information Systems from Baylor University in 1993 and is a licensed certified public accountant in the State of Texas. From 1993 to June 2003, Mr. Forsythe worked for the public accounting firm of PricewaterhouseCoopers LLP and its predecessor firm, Price Waterhouse, as an auditor and was ultimately promoted to senior manager. During his public accounting career, Mr. Forsythe's accounting base was comprised predominantly of publicly traded companies in the energy and manufacturing sectors. In June 2003, Mr. Forsythe joined Atmos Energy as Manager, Financial Reporting and was promoted to Director of Financial Reporting in September 2003.

b. Mr. McDonald is Atmos Energy's Director of Taxes and is primarily responsible for the oversight and management of all income, property and sales tax matters for the Company. Mr. McDonald concurrently received a Bachelor of Business Administration degree with a major in accounting and a Master of Professional Accounting degree with a specialization in tax from the University of Texas in 1993 and is a licensed certified public accountant in the State of Texas. He began working for the public accounting firm of Deloitte & Touche LLP in August 1993. In 1997, Mr. McDonald left Deloitte & Touche and joined the public accounting firm of Ernst and Young LLP. At both accounting firms, he provided tax planning and compliance services to a client base of primarily large public companies divided equally between large multinational manufacturers and regulated public utilities. In April 2002, Mr. McDonald joined Atmos Energy as Director of Taxes. He also serves as Atmos Energy's representative on the American Gas Association's Tax Committee.

c. The respondent to KPSC DR 3-27 is identified as Steve Harmon. Mr. Harmon is Atmos Energy's Director of Compensation and Benefits. Mr. Harmon's professional background will be provided as soon as possible.

Heat Pump Advertising

The AG proposed a reduction of $86,881 to Western's operating expenses for the removal of costs related to heat pump advertising.

The expenses incurred for heat pump advertising are clearly prohibited by regulation. 807 KAR 5:016, Section 4(1)(b), reads:

> Promotional advertising means any advertising for the purpose of encouraging any person to select or use the service or additional service of an energy utility, or the selection or installation of any appliance or equipment designed to use such utility's service. (emphasis added)

Advertising designed to persuade consumers to switch from electric heat pumps to gas furnaces constitutes promotional advertising, and expenses incurred for such advertising are prohibited for rate-making purposes. The Commission, therefore, reduces Western's operating expenses by $86,881, thereby increasing net operating income by $52,611.

Miscellaneous Sales Expense

Western included in its Miscellaneous Sales Expense $35,735 for a trip to Las Vegas for employees who achieved certain sales levels for gas grills and yard lights.

Also included is $1,900 for twenty season tickets to basketball games for Kentucky Weslyan College.

The AG has proposed removal of the above expenses.

The costs of the Las Vegas trip should be disallowed. Any benefit that the ratepayers may have derived from this conference could have been accomplished by less expensive means. In addition, the Commission believes that the cost of this campaign constitutes promotional advertising and should be disallowed. The Commission, therefore, finds that the costs should not be borne by Western's ratepayers and has reduced Western's operating expenses by $35,735. Further, the Commission finds that Western's operating expenses should be reduced by an additional $1,900 spent for Kentucky Weslyan basketball tickets. The Commission finds ratepayers should not bear the costs of attendance to athletic events by utility employees.

The result of the above adjustments increases Western's net operating income by $22,790.

<u>LP Gas Expense</u>

The AG proposed removal of $4,836 of costs associated with Western's liquefied petroleum gas ("LP Gas") expense. It is the AG's contention that such costs are recovered through Western's quarterly gas cost adjustment.

Western contends that the AG is wrong and that the expense is not recovered through the gas cost adjustment.

The Commission finds that Western does recover such costs through the CGA and will allow the AG's proposed adjustment. This will increase net operating income by $2,928.

<u>Direct Payments to Western Employees</u>

The AG proposed a reduction to Western's operating expenses to remove expenditures that were made directly to Western employees. The AG provided no support for this proposal other than to state it allowed full annualization of wages.[44]

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44 DeWard Prefiled Testimony, page 40

Western has stated that the payments were to reimburse employees for expenses they incurred while performing their job duties and are not a part of the employees' compensation.[45]

The Commission finds the expenditures were appropriate.

Group Insurance

The AG proposes to reduce Western's test-period expenses by $269,787 to reflect an adjustment to group insurance expense. The AG reached this conclusion by annualizing one month of billings and adding that number to the actual claims paid for the test period.[46]

Western's witness established that the difference in the company proposal and the actual test-year expenditures was approximately $8,000.[47]

It is not reasonable to base a proposal on one month annualized. Western has provided a much more appropriate number based upon the test-period actual.

Supplemental Retirement Benefits

The AG proposed a reduction of $64,166 in retirement benefits given to what the AG refers to as "certain key employees."[48] The AG offered no other support for the proposal and as such the Commission finds it to be without merit. The supplemental

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[45] Lovell Rebuttal Testimony, page 36.

[46] Exhibit TCD-1, Schedule 23.

[47] Exhibit MSL-16.

[48] DeWard Prefiled Testimony, page 42.

retirement benefits are reasonable and an allowable rate-making expense.

Personal Use of Company Automobiles

The AG objected to Western's inclusion in rates its expense in furnishing automobiles to some of its employees while allowing personal use of these autos. The AG simply states that the costs should not be borne by the ratepayers, but offers no insight as to why.[49]

The Commission has in the past allowed such costs as reasonable and is not persuaded to change in this proceeding.

Benefits

Western proposed to increase its benefits expense by $177,703.[50] The adjustment was proposed to correspondingly increase benefits to match the increased payroll.

The AG objected to this proposal because Western provided no documentation to support the total benefits package. Western based its proposed increase upon an approximate 21 percent benefits to payroll relationship, calculated based upon historical data. The Commission finds that both Western's benefits level and the methodology employed to determine the increase to be reasonable.

Liability Insurance

The AG proposed to reduce Western's operating expenses by $263,300 to exclude the test-period costs of excess Property Loss

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49 DeWard Prefiled Testimony, page 43.

50 Exhibit 5, page 16.

and Property Damage insurance. The AG contends that Western provided no support for the expense.[51]

The Commission finds that Western has adequately supported its position by the production of actual insurance policies that state the cost to Western. The AG has not provided adequate information and has not offered evidence of a more appropriate level of cost.

Arthur Andersen Fees

Western retained the services of the accounting firm of Arthur Andersen to assist it with the management audit. The AG proposed that the fees, in the amount of $50,970, be disallowed and states that he has proposed allowance of the full cost of the management audit to be amortized over a 3-year period.[52]

The Commission finds that Western was not unreasonable in retaining the benefit of experts to assist it with the management audit. The Commission does not feel that the fee is excessive and that Arthur Andersen provided a reasonably necessary service.

Based upon the above, the Commission finds that the fee should be allowed for rate-making purposes. The Commission will, however, require amortization of the cost over a three-year period. This action results in a decrease of $33,980 to operating expense and an increase to net operating income of $20,577.

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51 DeWard Prefiled Testimony, page 44.

52 Id., page 49.

Attorney Fees

The AG proposed that $40,730 of legal fees incurred by Western be removed from test-period expenses because the fees represent a duplication of services.[53] Western merely changed law firms for representation of FERC matters during the test period.

The Commission finds that Western's legal fees for the test period are appropriate and should be allowed for rate-making purposes.

American Gas Association ("AGA") Dues

The AG proposed that $35,384 of expenses that represent AGA dues be removed from this rate proceeding. The AG contends that the fees are excessive based on the 1989 allocated amount and that a portion of the fees represent advertising and lobbying activities that would be disallowed for rate-making in Kentucky.[54]

Western argues that the AG inappropriately went beyond the test period by including the total amount of 1989 expenditures for comparison purposes.

This Commission has always supported membership in the AGA and the USoA allows for inclusion of AGA dues above the line. The Commission, however, does not believe that the AG's adjustment is inappropriate. The amount that the AG proposed to exclude for lobbying and advertising is reasonable. Also, Western has failed to adequately explain the difference between the allocated amount

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53 DeWard Prefiled Testimony, page 49.

54 DeWard Prefiled Testimony, page 50.

of AGA dues and the actual expenditure. The Commission reduces Western's test-period expenses by $35,384, resulting in an increase to net operating income of $21,427.

Workers' Compensation Audit

The AG proposed disallowance of a $14,000 payment for a Workers' Compensation audit by stating that it was for a prior year's audit. The audit covered the prior year's activity but the actual audit took place during the test period and the cost was incurred during the test period. The Commission therefore finds the payment to be appropriate.

Clearing Account Balances

The AG proposed a reduction to operating expense in the amount of $107,255 attributable to excessive levels of expenses in clearing account balances. The AG states that the expenses were incurred in a prior period but were deferred to a clearing account.[55]

The majority of the clearing account balances that the AG proposes to disallow includes account 163 undistributed stores expense. It would appear that Western has properly accounted for the expenses in the clearing accounts. Western argues and the Commission agrees that the AG's proposed adjustment violates the USoA, accrual accounting principles, and creates a mismatch.

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55 DeWard Prefiled Testimony, page 51

Relocation Expense

The AG proposed removal of $22,687 from the test period. This amount represents the loss on the sale of homes of employees that were relocated by the company.

Western argues in its brief that a proposal such as the one the AG has made would result in less than desirable circumstances because the employees would not be able to move or Western would be required to compensate the employees at a higher rate.

The Commission does not believe that the ratepayers of Western should have to bear the loss on the sale of Western employees' homes. Excluding this loss from test-period operations will increase net operating income by $13,738.

Account 921

The AG cites several charges that it claims are inappropriate for rate-making and has proposed removal of the expenses. The charges are located in Account 921, Office Supplies and Expenses, and total $11,863.[56]

After analysis of the charges, the Commission finds that some of the charges are inappropriate and they should be disallowed for rate-making purposes. Such charges include charges for golf outings, Kentucky Derby, and other expenses listed on TCD-1, Schedule 44, except the expenses for the stock promotion meetings and the management retreat. The total of the disallowed expenses is $6,129. This will increase net operating income by $3,711.

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56 Exhibit TCD-1, Schedule 44.

Corporate Allocations

Western proposed a methodology for allocation of costs from the corporate to the division level. As a result of its proposal, Western would increase its operating expenses by $3,193,002 in order to reflect the current level of allocations.[57]

Prior to this proceeding, Atmos allocated corporate services to Western based upon the methodology used by Western's prior parent TAE. TAE allocated charges to Western in the amount of $332,400 annually. Subsequent to the acquisition of Western by Atmos, the allocation method used by TAE was continued as a temporary measure until Atmos could analyze and develop a more appropriate method.

The recent management audit of Western included specific recommendations concerning cost allocations. Recommendations IV-R1 provide for the development of an activity-based cost allocation system, documentation in a procedures manual, and review by the Commission prior to implementation. With minor exceptions, Western approved both recommendations and developed implementation plans.

Western's proposal calls for costs to be assigned to operating units on a direct basis whenever practical and when responsibility for the cost can be determined. Western has proposed that a business need for resources can be determined based on: (1) levels of investment, (2) business activity levels,

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57 Exhibit 5, page 3.

and (3) human resource requirements.[58] The factors derived by Western to determine business activity levels include: (1) Assets or direct plant; (2) Mcf received into the system; (3) number of customers; and (4) the number of employees. It was then determined, based upon the above activity factors, that Western represents roughly one-third (32.53 percent) of the total Atmos assets and operating activity.[59] Based upon these factors, Atmos determined the amount of costs from each corporate department that should be allocated to the division level.[60]

The AG identified what it stated to be problems with the proposed allocation methodology. First of all, the AG stated that this Commission should undertake an audit at the Atmos corporate level basically for verification of all expenditures to determine appropriate allocation treatment.[61] The Commission does not agree that this is necessary at this time.

Some of the specific problems that the AG has with Western's proposed allocation methodology are shown on Exhibit TCD-1, Schedule 13-3. The AG believes that there are duplicate positions at each level, such as a Western president and an Atmos corporate president.[62] The AG also contends that costs that were formerly

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58 Lovell Prefiled Testimony, page 11.

59 Id., page 12.

60 Exhibit MSL-1.

61 DeWard Prefiled Testimony, pages 8-9.

62 Id., page 28.

directly assigned to specific operating divisions are now being allocated to all divisions.[63]

In the Management Audit Action Plan Progress Report, Western indicated that implementation of the actual plan was still in progress. For the purposes of this proceeding, the Commission has accepted Western's $3,193,002 pro forma adjustments to increase operating expenses for corporate allocations; however, the Commission does not accept Western's proposed allocation methodology. Western should continue to implement the cost allocation recommendations of the management audit. It is apparent from the record that Western does not have all of the allocation procedures in place. For example, Western did not include data processing costs or audit costs in its proposed overhead allocations. Until Western has implemented all of the recommendations in the management audit that apply to the cost allocation, the Commission will not give its approval to Western's proposed methodology.

The Commission has reduced Western's operating expenses by $3,650 to reflect a subsequent revision made by Western to its initial filing thus reducing allocations. This will increase net operating income by $2,210.

Rate Case Expense

In its filing, Western proposed a level of rate case expense of $93,000. In response to requests at the hearing, Western filed

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63 Id., page 28.

an updated amount of $216,309.[64] Western has proposed amortization of these costs over a two-year period.

The Commission expresses its concern with the level of costs incurred in this proceeding, but will allow the total amount. The Commission finds, however, that the costs should be amortized over a three-year period instead of two. This action increases Western's proposed operating expenses by $25,603 which decreases Western's net operating income by $15,504.

Pension Expense

The AG proposed a reduction to Western's test-period operating expenses in the amount of $467,605.[65] The AG bases its proposal on actuarial studies that assume Western's pension plan would not bear any of the plan's administrative costs. The AG also contends the expense should be reduced because the plan is overfunded.

Western argues that the pension costs included in this proceeding are appropriate because they are the actual costs incurred during the period. The costs include administrative costs, actual costs per FAS 87 and direct payments.[66]

The Commission notes that Western's pension fund is overfunded; however, the overfunding helps to lower the costs to the company and, therefore, the ratepayer. In addition, under

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64 Western Kentucky Gas, Summary of Rate Case Expenses, Filed August 2, 1990.

65 DeWard Prefiled Testimony, page 41.

66 Brief of Western, page 67.

current accounting, the plan will not remain overfunded. At some time Western will be required to begin to increase its contribution. There should be no reduction.

Interest Synchronization

Based upon the rate base, capital structure, and rate of return, found reasonable by this Commission in this proceeding, the Commission has calculated an interest deduction for income tax purposes of $3,806,334, a reduction to Western's proposed interest expense of $4,252,781.[67] This results in an increase to income tax expense and a decrease to net operating income of $176,101.

Federal and State Income Tax Expense

Western proposed total federal and state income tax expense of $3,770,238. Western calculated the pro forma expense based on a Kentucky state tax rate of 7.25 percent. Subsequent to the filing of this proceeding, the rate was changed to 8.25 percent and the Commission has accordingly increased Western's income tax expense by $4,939 resulting in a decrease to net operating income of the same.

The AG proposed several adjustments to Western's income tax expense. The AG proposed a $100,000 deduction for employee stock ownership plan dividends ("ESOP"), a $50,000 adjustment for savings realized from filing a consolidated tax return, and a $950,000 deduction for depreciation on the excess of tax basis of assets over book basis.

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67 Exhibit 5, page 1.

The AG's proposed deduction of ESOP dividends is based only on an estimated number and cannot be accepted.[68]

Regarding the AG's proposal to adjust for savings from a consolidated return, the Commission finds that since the tax expense is calculated on a going forward basis, any savings that may result is not known at this time.

Due to the treatment of the deferred tax items in the rate base section of this Order, the proposal to reduce taxes on the excess of tax basis over book basis is not necessary.

RATE OF RETURN

Cost of Debt

Western proposed a cost of long-term debt of 10.31 percent. Because Western proposed to exclude short-term debt from its capital structure, Western did not propose a cost of short-term debt. However, upon requests from the Commission, Western proposed that if short-term debt were to be included, it should be priced at the weighted average cost of capital excluding short-term debt.[69]

The AG proposed a cost of long-term debt of 10.31 percent and a cost of short term debt of 9.30 percent. The rate proposed by the AG was the average cost, calculated on a daily basis, at the end of December 1989.

The Commission finds that the cost of long-term debt should be 10.31 percent. The Commission further finds that, because short-term debt rates fluctuate continuously, the cost of short-

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68 DeWard Prefiled Testimony, page 55.

69 Id.

term debt should be the average short-term rate for the test period of 10.03 percent.[70]

Return on Equity

Western recommended a return on equity ("ROE") in the range of 14.50 to 15.00 percent.[71] Western's recommendation was based on a discounted cash flow ("DCF") analysis for 15 gas distribution utilities, as well as comparative DCF analyses of electric utilities and unregulated companies. Western concluded that the average cost of common equity for gas distribution utilities is at least 13.50 percent based on a dividend yield of 7.08 percent and a dividend growth rate of 6.35 percent, and argued that special risk factors of Atmos and Western increase the required ROE by 1.0 to 1.5 percent.

The AG recommended an ROE in the range of 12.00 to 12.50 percent, based on a DCF analysis of five gas distribution utilities. The AG used four methods for developing the growth estimate for the DCF analysis: compound growth in dividends per share, compound growth in earnings per share, compound growth in book value per share, and the earnings retention ratio multiplied by the ROE. Each of the methods yielded substantially different results, ranging from the 2.92 percent growth estimate using earnings retention ratio times ROE, to the 5.95 percent growth estimate using dividends per share. The AG averaged these four

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70 Id.

71 Testimony of Dr. Richard L. Wallace, page 54.

methods to arrive at a growth estimate in the range of 4.50 to 5.00 percent.

The Commission has traditionally used the DCF model in estimating ROE. Although one cannot rely on a strict interpretation of the DCF model, the Commission finds that the DCF approach based on dividend growth will provide the best estimate of an investor's expected ROE. The Commission finds that the historical, compound growth rate of 6.35 percent estimated by Western overstates the growth rate of dividends expected in the future. The Commission also finds that the evidence of record does not support an adjustment to Western's ROE of 1.0 to 1.5 percent for special risk factors. All companies have certain risk characteristics which differentiate them from other enterprises, and the evidence in this case is not persuasive that Western/Atmos's risk profile is so unique as to require an additional return beyond that allowed herein.

The Commission, having considered all of the evidence, including current economic conditions, finds that the cost of common equity is within a range of 12.0 to 13.0 percent. Within this range an ROE of 12.50 percent will best allow Western to attract capital at a reasonable cost, maintain its financial integrity to ensure continued service, provide for necessary expansion to meet future requirements, and also result in the lowest possible cost to ratepayers.

<u>Rate of Return Summary</u>

Applying rates of 10.31 percent for long-term debt, 10.03 percent for short-term debt, and 12.50 percent for common equity to the recommended capital structure approved herein produces an overall cost of capital of 11.20 percent. The Commission finds this overall cost of capital to be fair, just, and reasonable.

REVENUE REQUIREMENTS

Based upon the Commission's findings and determinations, Western requires an increase in revenues of $1,018,455, determined as follows:

Net Investment Rate Base	$63,401,818
Rate of Return	11.20%
Required Net Operating Income	7,101,004
Adjusted Net Operating Income	6,484,278
Deficiency	616,725
Tax Factor	.60555
Increase Required	$ 1,018,455

OTHER ISSUES

Cost-of-Service Study

Western presented a fully allocated embedded class cost-of-service study for the purpose of distributing revenue requirements among rate classes and determining rates of return on rate base at present and proposed rates for the following rate classes: Residential, Commercial, Firm Industrial (G-1 Industrial), Interruptible customers using less than 200,000 Mcf per year (G-2 Interruptible), and Interruptible customers using over 200,000 Mcf per year (G-3 Interruptible). Western stated that these rate classes follow its current rate design and differ from one another in key load characteristics, such as annual use per customer, seasonality of use, and load factor.[72] In

72 Prepared Testimony of Thomas H. Petersen, page 6.

distributing costs to rate classes, Western applied a three step allocation process, described by its witness in the following manner:

> First, costs were distributed among the functions of gas cost, storage, distribution, transmission and production. Second, the costs in each function were further classified by whether they were primarily related to the number of customers served, the amount of the commodity delivered, or the daily demands placed on the system. Finally, each functionalized and classified cost was allocated among customer classes.[73]

Western's cost-of-service study indicates that, at present rates, the Residential and Commercial classes have negative rates of return on rate base of (1.31 percent) and (0.71 percent), respectively. The G-1 Industrial class has a rate of return of 24.28 percent, while the rates of return for the G-2 and G-3 Interruptible classes are shown to be 33.6 percent and 37.24 percent, respectively. Overall system rate of return at present rates is 5.77 percent. At proposed rates, the differences between class rates of return are substantially reduced. Class rates of return at proposed rates are as follows: 12.02 percent for Residential, 9.3 percent for Commercial, 18.95 percent for G-1 Industrial, 17.26 percent for G-2 Interruptible, and 17.34 percent for G-3 Interruptible. Overall system rate of return at proposed rates is 12.5 percent.

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73 Id., page 7.

Western stated that its present cost-of-service methodology differs from that filed in Case No. 9556[74] in two significant ways.[75] First, a zero-intercept method was used to classify distribution mains into customer and demand components instead of a minimum system method. Second, pipeline demand costs were allocated to interruptible and firm customers based on an average and peak demand method, instead of by class demands on design day with curtailment.

The Commission believes that the zero-intercept methodology is a more acceptable way to divide distribution main costs into demand-related and customer-related components than the minimum system method. Moreover, the Commission is convinced that the zero-intercept method, which utilizes regression analysis to determine the average unit cost of a theoretical zero diameter main, is statistically and theoretically sound and less subjective than the minimum system method, in which a "minimum" size main must arbitrarily be chosen in order to determine the customer-related component. The Commission, therefore, finds that this modification to Western's cost-of-service methodology is acceptable.

In Case No. 9556, the Commission recommended that Western include, in subsequent cost-of-service studies, alternative

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74 Case No. 9556, Rate Adjustment of Western Kentucky Gas Company On Notice.

75 Prepared Testimony of Thomas H. Petersen, pages 8-9.

methods of cost allocation, such as the peak and average method.[76] This allocation methodology considers volume of use, in addition to peak demand, in determining class responsibility of certain demand-related costs. Use of this methodology by Western in its present cost-of-service study specifically addresses the Commission's concern, as expressed in Administrative Case No. 297[77], regarding cost-of-service methodologies that allocate costs based entirely on maximum design day. The Commission, in that proceeding, stated that cost-of-service methodologies should give some consideration to volume of use.[78] The Commission, therefore, finds that Western's allocation of pipeline demand charges based on an average and peak methodology is acceptable.

KIUC supports Western's cost-of-service study and its rate llocation implications.[79] KIUC's evidence underscored that the average and peak methodology is inappropriate for the allocation of Western's pipeline demand and transmission plant costs, because the method penalizes efficient consumption and encourages system under-utilization. Furthermore, according to KIUC, demand-related costs are unrelated to average demand.[80] KIUC recommends that the

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76 Case No. 9556, Order dated October 31, 1986, page 32.

77 Administrative Case No. 297, An Investigation of the Impact of Federal Policy on Natural Gas to Kentucky Consumers and Suppliers, Order dated September 30, 1986, page 47.

78 Id.

79 Brief of KIUC, page 1.

80 Prefiled Testimony of Kenneth Eisdorfer, page 13.

Commission order Western to file a cost-of-service study in its next rate case that does not utilize the average and peak methodology for the allocation of transmission plant and demand-related purchased gas cost.[81] The Commission will not order Western to file a cost-of-service study which excludes an average and peak allocation methodology since, in fact, it was Commission directives in Administrative Case No. 297 and Case No. 9556 that prompted Western to utilize such a methodology in its present cost-of-service study. However, the Commission encourages all utility companies and intervenors to file well researched and documented alternative and multiple-methodology cost-of-service studies in all future rate proceedings. In Case No. 10201,[82] the Commission stated that a well documented and separated multiple-methodology approach to cost-of-service studies will provide it additional information for rate design. The Commission continues to believe that such an approach to cost-of-service studies is appropriate and beneficial.

Southwire contends that Western's cost-of-service study is biased toward overstating the cost of serving industrial and interruptible classes of customers.[83] In the opinion of

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81 Brief of KIUC, page 13.

82 Case No. 10201, An Adjustment of Rates of Columbia Gas of Kentucky, Inc., Order dated October 21, 1988, page 54.

83 Brief of Southwire, page 4.

Southwire, this bias is introduced into Western's cost-of-service study by the zero-intercept estimation which allocated more of the costs of distribution mains to the industrial classes than would a minimum system method.[84] Notwithstanding those arguments, Southwire stated that Western's study, being the only cost-of-service study presented, resulted in a fair, just, and reasonable rate design.[85]

Like Southwire, Logan asserts that Western's use of a zero-intercept methodology in its cost-of-service study, instead of the minimum system method, biased the results of the study in favor of the residential class of customers.[86] Nevertheless, Logan believes that Western's study accurately and appropriately functionalizes, classifies, and allocates Western's costs among the rate classes it serves.[87]

The AG contends that Western's cost-of-service study is flawed since Western incorrectly allocated a portion of storage plant costs based on peak demand allocators instead of a volume-based allocator.[88] The AG asserts that, since Western's

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84 Id.

85 Id., page 5.

86 Brief of Logan, pages 8-9.

87 Id., page 10.

88 Prefiled Testimony of Michael F. Sheehan, page 25.

storage plant is used for "financial purposes" and not for peaking purposes, allocation should have been based on volume.[89] Similarly, KLS criticizes Western's cost-of-service study because it did not allocate pipeline demand charges based entirely on annual volumes.[90]

Western has presented the only complete cost-of-service study in this proceeding. Whereas all intervenors are critical of certain elements of Western's study, only the AG and KLS found it unacceptable as a guide in the design of rates in this case. None of the intervenors, however, presented alternative studies supporting their views. Based on its review of the record pertaining to Western's cost-of-service study, the Commission finds that Western's study is responsive to its concerns as expressed in Administrative Case No. 297 and Case No. 9556 and is reasonable and acceptable as a starting point for rate design.

Revenue Allocation

Western's revenue allocation proposal consists of two parts: (1) a reallocation of pipeline demand charges between firm and interruptible customers, and (2) a shift in the recovery of non-gas costs from interruptible to firm customers. Western based its revenue allocation on its class cost-of-service study as previously discussed.

The allocation of pipeline demand charges as proposed by Western would shift approximately $2.2 million in costs from

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89 Brief of the AG, page 40.

90 Brief of KLS, page 5.

interruptible customers to firm customers. Western's proposal is based on an average and peak demand allocator, which recognizes the relationship between average (annual) volumes of 41.6 million Mcf and annualized peak (design day) volumes of 98.5 million Mcf. The resulting ratio of 42.2 percent is multiplied by Western's pipeline demand charges to arrive at the portion of demand charges to be spread over all volumes. The remaining 57.8 percent of pipeline demand charges would be spread over Western's firm volumes of 26.1 million Mcf.

Of its requested increase in base rate revenues of approximately \$9 million, Western proposed increases of \$9.5 million for firm service customers and decreases of \$.5 million for interruptible customers. This proposal reflected Western's cost-of-service study and gave recognition to competition from other fuels and the economic risks of bypass by industrial customers. The proposed allocation produced increases of 17.2 percent for residential customers and 11 percent for commercial customers with a 15.7 percent decrease for industrial customers.

KIUC, Southwire, and Logan generally supported Western's proposed revenue allocation as an appropriate step in the direction of cost-based rates, although all the industrial intervenors recommended a greater reduction in industrial rates than the reduction proposed by Western. KIUC cited biases in Western's cost-of-service study that it claimed tend to overstate the level of costs allocated to the industrial rate classes.[91]

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[91] Prepared Testimony of Kenneth Eisdorfer, pages 12-17.

The AG and KLS both argued that Western's cost-of-service study was flawed and that Western's rate proposals for industrial customers reflect competitive pricing rather than cost-of-service pricing. The AG argued that the industrial class, with its demonstrated ability to use alternate fuels and/or bypass Western, poses a greater risk to Western than its other customers and that such risk should be reflected in Western's cost allocation and rate design.[92]

In one fashion or another, Western and the intervenors recognize the concept of rates based on fully allocated costs. However, beyond such recognition, there is little agreement as to the proper determination of fully allocated costs and how such costs should be reflected in the allocation of Western's revenues. The Commission is aware that various criticisms have been directed at Western's cost-of-service study as the basis for designing rates; however, the study was responsive to the Commission's Orders in Western's last rate case, Case No. 9556 and Administrative Case No. 297. It is with the directives of those Orders in mind that the Commission has evaluated Western's revenue allocation.

In making its evaluation the Commission recognizes that the natural gas industry has undergone major changes in recent years. Those changes began with federal legislation in the late 1970s which provided for the removal of many of the controls on the

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92 Prepared Testimony of Michael F. Sheehan, pages 13-17.

wellhead price of gas. Those changes have continued through the 1980s with federal regulatory decisions that permit end-users to arrange for their own gas supplies and use the local distribution company ("LDC") as a transporter of those supplies. Federal regulatory decisions have also permitted end-users to bypass the LDC and take service directly from a pipeline supplier.

As a result of these actions, large volume end-users, mainly industrial customers, have sought out their own gas supplies at prices less than the LDC's price for its system supply gas. These industrial customers have also argued that absent cost-based transportation rates from the LDCs, those customers will bypass with the result being loss of load and loss of revenues for the LDC.

These circumstances represent a significant departure from the time when all customers were essentially captive and there was little incentive for companies or regulators to consider costs as a major factor in allocating revenues and designing rates. The results of regulation in this "pre-cost" era were that services were often priced at less than the cost of service to residential customers and priced at more than the cost of service to commercial and industrial customers. Conventional wisdom held that because commercial and industrial customers could pass along price increases to their customers it was more palatable to over-price services to those customers while under-pricing services to residential customers.

It is these past circumstances and practices that have contributed to the allocation and rate issues presented in this case. The Commission recognizes these to be serious issues which require reasoned and deliberate analysis that considers the conditions existing in today's competitive environment as well as the rate impact on Western's captive customers. While recognizing that its decision may not be popular with those captive customers, the Commission believes that a restructuring of Western's rates is necessary as explained in the following paragraphs.

The most significant aspect of Western's rate restructuring is its proposed allocation of pipeline demand charges for recovery through its gas cost adjustment clause. The Commission finds that the average and peak allocator utilized by Western reflects both average volumes and design day volumes in the allocation of costs and recognizes the differing characteristics of firm and interruptible loads. It addresses the Commission's concern, expressed in Administrative Case No. 297 that companies consider the possible de-averaging of the costs of gas and how to assign those costs by customer class. Furthermore, it is responsive to the Commission's Order in Case No. 9556 which specifically recommended that Western evaluate alternative methods of cost allocation such as the average and peak method. Therefore, the Commission concludes that Western's proposed allocation of pipeline demand charges is reasonable and equitable and should be approved. The Commission also finds that the allocation of pipeline demand charges should be updated annually as part of Western's first gas cost adjustment filing following the development of its design day plan.

The second part of Western's rate restructuring involves the allocation of non-gas, or base rate revenues. The Commission finds that the firm customer classes, at present rates, are not making an adequate contribution to Western's overall rate of return and that, in order to increase that contribution, the full amount of the increase granted herein should be allocated to those customer classes.

The Commission also finds that none of the increase granted herein should be allocated to Western's interruptible classes but rather that the base rate revenue contribution of the interruptible classes should remain unchanged. The Commission concurs with the AG that Western's interruptible customers, with their non-captive status, impose a greater level of risk on Western than do its firm, essentially captive customers. The Commission finds that such risk translates into higher rates of return, which Western attempted to reflect in its cost-of-service study. The Commission has previously made similar findings regarding the risks associated with serving non-captive industrial customers in Case No. 10498.[93]

The Commission finds that maintaining the test-year base rate revenue contribution for the interruptible rate classes recognizes the greater risks attendant with serving these classes and follows the moderate, gradual course of action for rate restructuring

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[93] Case No. 10498, Adjustment of Rates of Columbia Gas of Kentucky, Inc., Order dated October 6, 1989, pages 48-49.

outlined by the Commission in Administrative Case No. 297.[94] As this is Western's first rate case since Administrative Case No. 297, the Commission, contrary to KIUC's arguments, concludes that gradualism should be recognized in the allocation of revenues. While Western contends that gradualism was considered in preparing its case, the requested increases and the proposed class rates of return reflect major revenue shifts with little regard to gradualism or rate continuity.

Maintaining the same interruptible revenue levels while pricing some of its contract volumes at tariffed rates will have the impact of reducing Western's interruptible rates. In conjunction with the reallocation of pipeline demand charges, this approach results in a significant restructuring of Western's rates.

Rate Design

Western proposed to double the customer charges for residential and non-residential firm customers to $6 and $16, respectively, and, for the first time, to impose a customer charge on interruptible customers. The interruptible customer charge would match the $16 charge for non-residential firm customers. Western proposed to combine Interruptible Rate Schedules G-2 and G-3 and to change from a flat rate to a declining block rate structure for all rate schedules. For firm customers on Rate Schedule G-1, the first block of 300 Mcf would be priced 62.6

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[94] Order dated September 30, 1986, page 40.

cents above the second block of 14,700 Mcf, which in turn, would be priced 20 cents above the last block for sales above 15,000 Mcf. For interruptible customers on the combined Schedule G-2, the first block of 15,000 Mcf would be priced 20 cents above the second and, last, block for everything over 15,000 Mcf. Western indicated that the 15,000 Mcf break point and related 20 cents rate differential were based on its cost-of-service study with the intent of making the firm and interruptible schedules more compatible. Western also indicated that the first block of 300 Mcf on the G-1 Schedule was designed to capture all residential and most small commercial volumes at the higher rate in order to improve the rates of return for the residential and commercial classes.

The AG contends that the G-1 rate design proposed by Western for firm customers discourages conservation and places a disproportionate share of fixed cost recovery on low volume customers. The AG recommended a rate design with a smaller customer charge and a flat block, or flatter, declining block rate structure for firm volume customers.

The AG recommended that for interruptible customers Western should recover a much larger portion of fixed costs through the customer charge and first block than had been proposed. The AG maintains that such an approach would make fixed cost recovery less uncertain and would be consistent with Western's rate proposals for firm service customers.

The proposal to combine schedules G-2 and G-3 with one resulting G-2 rate schedule for interruptible customers equitably reflects Western's cost of service and is acceptable. The Commission finds Western's objective in proposing a declining block rate structure is supported by the cost-of-service study and the proposed rate blocks for G-1 and G-2 appear to be reasonable; however, in consideration of the concerns expressed by the AG and in keeping with its goals of moderation, gradualism, and rate continuity, the Commission will set rates that reflect only a 15-cent differential between blocks. Western's proposed customer charges for firm customers have also been rolled back to $3.50 and $9.35 based on the amount of the increase granted herein.

Western proposed a customer charge for interruptible customers and set it at the $16 level proposed for firm non-residential customers. The $16 charge was proposed even though Western's calculation of its G-2/G-3 monthly customer costs ranged from $344 to $1,544. The AG's evidence argues for a larger, up-front charge as a means of recovering a larger proportion of fixed costs from these customers.[95] The Commission finds that a larger fixed charge would better reflect Western's cost of service and would result in reduced reliance on sales volumes for the recovery of fixed costs. Therefore, the Commission finds a monthly customer charge or base charge of $100 per delivery point for rates G-2 and T-3 to be reasonable as another component in the restructuring of Western's rates to better reflect its cost of service. Customers that take both firm

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95 Prepared Testimony of Michael F. Sheehan, page 16.

volumes and interruptible volumes should be billed as interruptible customers for purposes of determining the customer charge.

The rates set out in the Appendix will produce the additional revenues granted herein. The rate changes, by customer class, produce increases of 6.2 percent and 5.2 percent, respectively, for residential and commercial customers, and a decrease of 8.0 percent for industrial customers. These percentage changes do not reflect the decrease in Western's commodity gas costs since the filing of this case.

Carriage Service

In compliance with the Commission's Order in Administrative Case No. 297, Western proposed a carriage (transportation) rate which excludes standby service. The proposed transportation rate, Rate T-3, recovers Western's simple margin applicable to interruptible service and includes those non-commodity gas costs related to take-or-pay recovery.

KIUC maintains that Rate T-3 should not be based on Western's simple margin as it includes costs related to gas stored underground and production plant. Western's proposal, which is similar to the carriage and transportation rates the Commission has approved for other companies, recognizes that establishing a smaller margin for carriage service could negatively impact earnings if substantial loads switched from Western's existing transportation service to carriage service.

Western's proposal to base its carriage rate on its simple margin applicable to interruptible service is reasonable and sound from both a rate-making and economic perspective. The Commission, therefore, accepts this proposal and authorizes Western to provide carriage service based on the simple margin established in this case.

Energy Assurance Program

KLS proposed that Western implement an energy assurance program ("EAP") to assist low-income customers in paying their gas bills and to improve Western's ability to collect from those customers.[96] KLS contends that Western's traditional collection mechanisms are not producing the maximum revenue stream possible from low-income customers which, in turn, results in additional costs being born by all ratepayers.

Under the EAP, households living at or below 150 percent of the federal poverty level with an annual energy bill that exceeds 6 percent of the household's income would make payments toward its current bill equal to 6 percent of its monthly income. Each household would be required to also make a monthly payment of $3 for 36 months toward reducing its existing arrearages; Western would be required to write-off any arrearages in excess of the total of $108 paid by the participant household. These households would also be targeted for education and energy conservation programs to encourage reduced energy use.

KLS estimated that Western could implement this program at virtually no cost and increase the revenues collected from its

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[96] Prepared Testimony of Roger D. Colton, pages 9-15.

low-income customers. It is KLS' opinion that the provisions of the EAP do not conflict with either the statutes or the administrative regulations governing utility regulation in the Commonwealth of Kentucky.[97] KLS also stated that the EAP represents a collection issue and not a rate issue.[98]

The Commission has concerns about the accuracy of the predicted costs and cost savings of the EAP and questions whether such a program should be imposed on a company absent a detailed company-specific analysis. More importantly, contrary to the opinion of KLS, the Commission considers some aspects of the EAP to represent a rate issue which does not comport with Kentucky statutes 278.160 and 278.170. These statutes prohibit a utility from (1) giving any unreasonable rate preference or advantage to any customer and (2) charging or receiving any less compensation that what is prescribed in its filed rate schedules. Under the EAP, Western would be charging less than the amount prescribed in its rate schedules and would, particularly in instances where the fixed payment based on a percentage of income would not recover variable costs, be giving an unreasonable preference to these customers. Therefore, the Commission finds that the EAP proposed by KLS cannot be imposed on Western as such program does not comply with Kentucky statutes.

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97 T.E., Vol. III, pages 73 and 74.

98 Id., pages 52-53.

In addition to the statutory prohibition, the Commission is concerned about the degree to which the EAP would place a utility in the position of administering a social program. While the Commission recognizes that a number of customers in the low-income category have difficulty paying their utility bills, the notion of a Commission-approved subsidy program is not the answer. The Commission believes that government-sponsored programs such as LIHEAP should be utilized to the fullest extent possible, with the emphasis on government-sponsored programs, as opposed to utility/ ratepayer-sponsored programs.

Standard Contract Form

As part of its application Western submitted a proposed service agreement with the heading "Large Volume Natural Gas Service Contract." Western's legal counsel stated that it was Western's intent that the standard contract form be approved to be filed as part of its tariffs. Western indicated that, with Commission approval of the standard contract form, it would intend that the general terms and conditions set forth in the contract would be applicable to all new contract customers and that the standard contract would be offered to those customers for their acceptance.

The Commission is concerned that a standard contract form might be too restrictive for some circumstances and could limit the flexibility of both Western and its customers. While the general terms and conditions appear to be reasonable, the Commission would prefer to review separately the merits of each individual contract, thereby giving all parties, including the

Commission, greater latitude in the area of customer service contracts. Therefore, the proposed standard contract form will not be approved to be included as part of Western's tariffs.

Tariff Changes

Western's proposed tariffs reflected its changes in rate design, the combining of rates G-2 and G-3, the proposed carriage service, and the changes in its gas cost adjustment clause resulting from its proposed allocation of pipeline demand charges. In addition, Western proposed several minor text changes in its tariffs which have not specifically been addressed herein. The major tariff changes or additions as approved by the Commission are shown in the Appendix to this Order. Any minor text changes not specifically shown in the Appendix are approved as proposed by Western.

SUMMARY

After consideration of all matters of record, the evidence, and being otherwise sufficiently advised, the Commission finds the following:

1. The rates in the Appendix, which is attached hereto and incorporated herein, are the fair, just, and reasonable rates for Western to charge its customers for service rendered on and after the date of this Order.

2. The rates proposed by Western would produce revenue in excess of that found reasonable herein and should be denied.

3. The rate of return granted herein is fair, just, and reasonable and will provide for the financial obligations of Western with a reasonable amount remaining for equity growth.

4. The tariff changes set forth in the Appendix are reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix are approved for services rendered by Western on and after the date of this Order.

2. The rates proposed by Western are hereby denied.

3. The text changes authorized herein and the tariffs set forth in the Appendix are hereby approved.

4. Within 30 days of the date of this Order, Western shall file with the Commission revised tariffs sheets setting out the rates and tariff provisions approved herein.

Done at Frankfort, Kentucky, this 13th day of September, 1990.

By the Commission

ATTEST:

Lee M Macdonald

Executive Director

12/9/86

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY ON NOTICE	)))	CASE NO. 9556

ORDER ON REHEARING

On May 9, 1986, Western Kentucky Gas Company ("Western") filed its notice with this Commission seeking authority to increase its gas rates. The Commission issued its Final Order on October 31, 1986. On November 20, 1986, Southwire Company ("Southwire") and Kentucky Industrial Utilities Customers ("KIUC") filed applications for rehearing of the Final Order on the grounds that certain intervenors were not identified as such on page 1 of that Order and that their concerns regarding transportation rates were not considered by the Commission or addressed in the Final Order. On November 21, 1986, Eska Coats, a consumer, represented by Western Kentucky Legal Services ("Eska Coats") filed a motion of clarification regarding a utility's obligations under 807 KAR 5:008, the winter reconnect regulation.

Southwire and KIUC were concerned that the failure of the Order to specifically address the subject of transportation rates signified that the Commission had overlooked it entirely. The transportation rates proposed by Western in its application were derived from rates based on a cost of service study that was rejected by the Commission. The Commission notes that no change in the existing gross margin method of calculating transportation rates was proposed by Western, and while KIUC and Southwire objected to the gross margin method they had no practicable alternatives to offer. Therefore, the Commission addressed only the issue of the cost of service study and proposed rate design which dealt, as a matter of course, with transportation rates. In Administrative Case No. 297, An Investigation of the Impact of Federal Policy on Natural Gas to Kentucky Consumers and Suppliers, the Commission will address the issues of cost of service studies and transportation rates. All participants, including Southwire and KIUC, will have an opportunity to voice their concerns regarding these subjects at the hearing of January 7, 1987.

SUMMARY

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. The Final Order erroneously neglected to mention the intervenors in this Case. The Final Order should be amended to include the following language: "Motions to intervene in this proceeding were filed by the Consumer Protection Division in the Office of the Attorney General ("AG"), Southwire, KIUC, National Southwire-Aluminum Company ("NSA"), BF Goodrich Company ("BF Goodrich"), Office of Kentucky Legal Services Programs, Inc., ("Legal Services") and Eska Coats." The Commission regrets this omission and assures the intervenors involved that their concerns were taken into consideration.

2. The applications of Southwire and KIUC for rehearing should be denied on the basis of the discussion contained herein and on the basis that no new evidence was presented to modify the Commission's Order of October 31, 1986.

3. Reconnection charges may be required of a person seeking reconnection under 807 KAR 5:008. Said charges will be added to the balance due and only one third of the outstanding bill or $200 (whichever is less) will be required prior to reconnection. Security deposits will not be required from a person seeking reconnection under this regulation.

IT IS THEREFORE ORDERED that:

1. The Commission's Order dated October 31, 1986, is hereby amended to include the list of intervenors as set out herein.

2. All other aspects of the Commission's Order dated October 31, 1986, are hereby affirmed.

3. The requests of Southwire and KIUC for rehearing be and they hereby are denied.

Done at Frankfort, Kentucky, this 9th day of December, 1986.

By the Commission

ATTEST:

Forest M. Skaggs
Executive Director

10/96

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY ON NOTICE) CASE NO. 9556

O R D E R

On May 9, 1986, Western Kentucky Gas Company ("Western") filed its notice with the Commission seeking authority to increase its rates for service rendered to its customers by $3.6 million or 2.4 percent over normalized test period revenues, as determined herein, to become effective June 1, 1986. Western stated that the additional revenue was necessary to pay increased debt, salary, insurance and conservation program costs. In this Order, the Commission has granted additional operating revenues of $1,761,410 or 1.2 percent over normalized test year revenues.

In order to determine the reasonableness of the request for additional revenues the Commission suspended the proposed rate increase until November 1, 1986. Western was directed to give notice to its customers of the proposed rates and the scheduled hearing pursuant to 807 KAR 5:025. A motion to intervene in this proceeding was filed by the Consumer Protection Division in the Office of the Attorney General ("AG"). This motion was granted and no other parties formally intervened.

A public hearing was held in the Commission's offices in Frankfort, Kentucky on September 9, 1986, with the parties of record represented. Briefs were filed by October 6, 1986, and responses to all data requests have been submitted.

COMMENTARY

Western is a division of Texas American Energy Corporation ("TAE") and provides natural gas service to approximately 132,500 customers in western and central Kentucky. Western's primary pipeline suppliers are Texas Gas Transmission Corporation and Tennessee Gas Pipeline Company.

TEST PERIOD

Western proposed and the Commission has accepted the 12-month period ending February 28, 1986, as the test period for determining the reasonableness of the proposed rates. In utilizing the historical test period the Commission has given full consideration to appropriate known and measurable changes.

VALUATION

Western presented the net original cost rate base and capital structure as valuation methods in this case. The Commission has considered these and other elements of value in determining the reasonableness of the proposed rates.

Net Original Cost

Western proposed a test-year-end jurisdictional rate base of $68,004,139. The Commission is of the opinion that the proposed rate base is proper and acceptable for rate-making purposes with the exception that an adjustment has been made to reflect the accepted pro forma adjustments to operation and maintenance expenses in the calculation of the allowance for working capital.

The effect of this adjustment is to reduce the proposed rate base by $51,622.

Therefore, the net original cost rate base devoted to utility jurisdictional service is determined by the Commission to be as follows:

Utility Plant in Service	$ 99,766,724
Construction Work in Progress	1,107,379
Gas Stored Underground - Non-Current	1,775,865
Total Utility Plant	$102,649,968
ADD:	
Materials and Supplies	$ 1,200,486
Gas Stored Underground - Current	12,927,205
Prepaid Gas Purchases-Average	2,842,936
Prepayments	508,293
Working Capital	2,217,331
Subtotal	$ 19,696,251
DEDUCT:	
Accumulated Depreciation	$ 44,872,036
Customer Advances for Construction	2,014,790
Deferred Income Taxes	7,359,143
Unamortized Investment Tax Credit	147,733
Subtotal	$ 54,393,702
NET ORIGINAL COST RATE BASE	$ 67,952,517

Capitalization

Western proposed a jurisdictional capital structure of $60,413,095 which consisted of $30,230,839 (50.04 percent) of common equity, $22,630,218 (37.46 percent) of long-term debt, $5,696,490 (9.43 percent) of short-term debt, and $1,855,548 (3.07 percent) of customer deposits. The foregoing amounts include the allocation of Job Development Investment Tax Credits ("JDIC") to each component based upon its ratio to total capitalization excluding JDIC as proposed by Western.

The Commission has disallowed the inclusion of customer deposits in capital structure in accordance with past practice and because the Commission does not consider customer deposits to be a component of permanent capitalization and has based the short-term debt component upon the actual test-year-end balance rather than a 13-month average as proposed by Western.

The Commission therefore finds Western's test-year-end capital structure to be as follows:

	Amount	Percent
Equity Capital	$30,315,934	53.46
Long-Term Debt	22,693,951	40.02
Short-Term Debt	3,702,228	6.52
TOTAL	$56,712,113	100.00

REVENUES AND EXPENSES

Western had net operating income of $5,427,477 during the test period. In order to reflect more current and anticipated operating conditions, Western proposed several adjustments to its test period revenues and expenses which resulted in an adjusted net operating income of $5,381,206.[1] The Commission is of the opinion that the proposed adjustments are generally proper and acceptable for rate-making purposes with the following exceptions:

1 Application, Exhibit 5, page 1.

Normalized Revenues

The Commission accepts as reasonable the majority of Western's adjustments to normalized revenue. The weather normalization adjustment is consistent with methodology used by Western and approved by the Commission in the past. The roll-in of transportation sales into actual gas sales is a logical treatment of gross margin transportation sales. The loss of industrial sales volumes in the test year is clearly known and measurable and of a magnitude never experienced by Western in the past. The full adjustment proposed by Western for loss of industrial sales is justified by the record and is accordingly approved in this rate case. It must be understood, however, that this adjustment is to be made on a one-time basis; there has been no evidence presented that a continuous, steady and predictable decline in industrial sales is to be the rule and not the exception for Western in the future.

Western priced sales volumes using a pro forma gas cost adjustment ("GCA") factor that was to adjust sales levels so that gas cost recoveries and gas costs incurred through Case No. 8839-Z would match on a dollar-for-dollar basis. This methodology is based on a GCA mechanism proposed by Western in this case. The Commission, therefore, has adjusted normalized test-year sales revenue to reflect the current rates actually in effect as of April 1, 1986, as approved by the Commission in its Order in Case No. 8839-Z.

Based upon the above, the Commission has determined total normalized revenues to be $149,810,182; this is a combination of normalized sales revenues of $149,527,859 and other revenues of $282,323 that remained unadjusted in the test year.

Institutional Advertising

Western proposed an adjustment to reduce operating expenses by $40,994 to reflect the elimination of institutional advertising as required by 807 KAR 5:016, Section 4; the charges eliminated represented the balance of Account No. 320.1--General Advertising Expenses.

In order to evaluate the adjustment proposed by Western, the Commission requested detailed information including copies of advertisements as well as the text of all advertising campaigns charged to Account No. 909--Informational and Instructional Advertising Expenses.[2] A review of the information provided by Western reflected that the purpose of these advertisements was to promote the use of natural gas and natural gas appliances in favor of electricity and electric appliances. Western stated in its brief that the representative advertisements provided are clearly allowable expenses in accordance with the advertising regulation.[3]

Section 4 of 807 KAR 5:016 specifically states that advertising for the purpose of encouraging any person to select or use the service or additional service of an energy utility, or the selection or installation of any appliance or equipment designed to use such utility's service is deemed to be promotional advertising and

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2 Additional information provided by witness as requested at hearing.

3 Western's Brief, page 8.

not includible in the utility's cost of service for rate-making purposes.

The context of the newspaper, radio and television advertisements provided by Western have the clear message of encouraging the use of gas service and the selection or installation of appliances and equipment designed to use gas. The burden of proof that advertising should be included in the cost of service rests with Western in this instance. The Commission is of the opinion that Western has not provided persuasive evidence that these advertisements are not promotional. Therefore, the Commission has eliminated from operating expenses all of the advertisement charges to Account No. 909 through these media. This results in a further reduction to operating expenses of $105,096.[4]

The Commission has reconsidered its past practice of not including for rate-making purposes advertising costs associated with Western's "Helping Hands Program." This program is for the purpose of raising funds to help those unable to pay their heating bills during the winter. The Commission believes this to be a commendable program and in the best interests of the public and ratepayers, and will therefore allow for rate-making purposes advertising costs associated with its promotion. Such charges during the test year were $18,677. The Commission has therefore reclassified this amount from a non-operating to an operating expense. Western should continue to provide the Commission with

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4 Response to the Commission's First Information Request, Item No. 25a.

representative advertisements promoting the "Helping Hands Program" so that the Commission may continue to monitor their text.

The aforementioned adjustments related to advertising costs result in a net reduction in operating expenses of $127,413.

Wages and Salaries

Western initially proposed an adjustment to increase wages and salaries expense by $531,755. This amount was reduced in an amended adjustment by $27,510, based upon the finalization of a wage contract effective June 1, 1986.[5] The normalization of wage and salary increases occurring during the test year reflected approximately a 4.9 percent annual increase in labor costs, while the post test period increases averaged approximately 4.5 percent. No intervenor objected to the adjustments proposed by Western and the Commission is of the opinion that, in this instance, the inclusion of such costs is reasonable and appropriate for rate-making purposes.

The Commission has noted and appreciated that many utilities have recently renegotiated to lower wage contracts, as did Western in one instance. The Commission notes, however, that the level of increases granted during the past several years by Western was excessive relative to the inflation rates as measured by the Consumer Price Index. The 1984 increase of 8.67 percent compares with a 1984 inflation rate of 4 percent; the 1985 increase of 5 percent compares with a 1985 inflation rate of 3.8 percent; and

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5 Response to the Commission's Third Information Request, Item No. 1.

the 4.5 percent 1986 increase effective June 1, 1986, compares with a 1.7 percent inflation rate for the preceding 12 months. The Commission encourages Western to keep abreast of wage adjustments and renegotiate wage contracts if necessary to assure that wages and salaries are maintained at reasonable levels.

Interest Synchronization

As proposed by Western, the Commission has imputed interest expense on the portion of JDIC assigned to the debt components of the capital structure to compute the interest expense in determining the federal income tax expense allowed in the cost of service.

The Commission has calculated an interest adjustment of $93,400 based upon the allowed debt components and their respective cost rates.[6] This results in an increase to income taxes of $46,621.[7]

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		Interest Expense
Long-Term Debt	$22,693,951	
Cost of Long-Term Debt	11.44%	$2,596,188
Short-Term Debt	3,702,228	
Cost of Short-Term Debt	8.50%	314,689
Adjusted Interest Expense		$2,910,877
Test Year Interest Expense		3,004,277
INTEREST ADJUSTMENT		$ 93,400

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Interest Adjustment	$93,400
Tax Rate	.49915
	$46,621

Texas American Oil Audit Expense

During the test year, Western reported $39,400 as its allocated portion of an expense incurred for an audit of a TAE subsidiary, Texas American Oil ("TAO"). In response to cross-examination at the hearing, Western stated that it was responsible for a portion of this expense because it was related to corporate level operations in Midland, Texas, and that it was normal and recurring. Western did not, however, know how this amount was calculated, and expressed that it did not believe a portion of Western's audit was allocated to TAO.[8]

The Commission does not find this to be a persuasive justification for incurring a portion of the cost of the audit of another corporation. Moreover, the Commission notes that about $33,500 is allocated to Western from TAE for tax and audit expenses as a portion of the corporate allocation expense discussed elsewhere in this Order.

Western has failed to demonstrate the benefits to its ratepayers associated with this expense. The Commission has therefore reduced operating expenses by $39,400 to exclude this expense from the cost of service.

Corporate Allocation

Western proposed an adjustment to increase operating expenses by $108,000 to reflect an increase in the allocation of corporate expenses from its parent, TAE. The proposed increase is based

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8 Transcript of Evidence ("T.E."), September 9, 1986, page 42.

upon a total projected annual allocation by TAE of $738,300 of which Western's share is $456,000; the test year allocation was $348,000. Western states that these costs are for its proportionate share of administrative and general costs which the company would incur directly if it were not a division of its parent.[9] Specifically, these costs represent such expenses as tax and auditing fees, reporting fees, stock transfer and AMEX fees, shareholder reporting, director fees, etc.

The Commission does not disagree with the validity of the allocation of such parent-company expenses to its subsidiary and divisional operations. The Commission is, however, charged with the responsibility of investigating and determining the reasonableness of the amounts allocated to entities under its jurisdiction. It was within this vein that the Commission investigated this issue.

Western has provided its calculation showing the expenses and amounts which result in the $456,000 total. The amounts represent approximately 63 percent of the total costs allocated by TAE; 63 percent represents the ratio of Western's assets to the assets of all TAE divisions and subsidiaries.

The Commission has attempted to determine through its requests for information and cross-examination of witnesses the basis for allocating corporate expenses according to the ratio of net assets and the source of the amounts being allocated.

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9 Greable Testimony, page 11.

Western, it appears, has little involvement in the decisions regarding the corporate allocation.[10] The management of TAE established the procedure of allocating corporate costs based upon net assets, but the specific reasons for this are unknown to Western.[11] Moreover, the allocation amount is provided by TAE to Western without supporting detail. Western, it appears, must accept and pay the corporate allocation as directed by its parent.

The Commission is of the opinion that Western has not met its burden of proof in justifying the proposed adjustment. Moreover, the Commission notes that the corporate allocation expense has increased considerably since the time of Western's last rate proceeding. As of the date of the Final Order in Case No. 8839 (December 1, 1983), the monthly corporate allocation fee was $23,657, whereas the current fee is $38,000.[12] This represents an increase of over 60 percent in only 3 years.

The Commission is of the opinion that Western has failed to adequately justify the basis for this expense. The large growth rate in this expense since the time of the last case, along with Western's lack of support for the basis, leads the Commission to the conclusion that TAE may arbitrarily assign costs to Western, and that Western has little choice but to accept the allocation and pay the cost. The Commission feels that it is unfair to

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10 T.E., pages 44-45.

11 Ibid.

12 Response to the Commission's Second Information Request, Item No. 7.

Western's ratepayers for arbitrarily assigned costs such as these to be included in their rates.

The Commission will therefore allow only the amount of corporate allocation fee included in the last case, adjusted for inflation. This results in an allowed annual corporate allocation fee of $307,452, a reduction of $40,548 from the test year amount.[13]

The Commission hereby notifies Western that in future rate proceedings the intercompany transactions will be closely scrutinized and further increases in the corporate allocation expense will not be allowed without thorough support and documentation. The Commission expects to see documentation and analyses justifying the level of allocation and to show tangible evidence of both the necessity to the Kentucky ratepayers of the services provided by TAE and the reasonableness and tangible cost-benefit relationship of the individual expenses allocated.

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August 1986 CPI-U Index	328.6%
December 1983 CPI-U Index	÷ 303.5%
Inflation Rate	8.3%
December 1983 Monthly Fee	$ 23,657
	X 1.083
Adjusted Monthly Fee	$ 25,621
	X 12
Allowed Annual Corporate Allocation	$307,452
Test Year Actual	<348,000>
ADJUSTMENT TO OPERATING EXPENSES	$<40,548>

Rate Case Expense

Western proposed an adjustment of $44,583 to Regulatory Commission Expense to reflect the estimated $263,762 projected cost of this case amortized over a 2-year period.

The $263,762 expense proposed by Western is substantially more than the Commission would expect to be incurred for a company this size. Though precisely the same facts and circumstances are never the same in any two cases or for any two utilities, by drawing analogies from the hundreds of cases it has had before it, the Commission knows approximately what the cost of a rate case for a given size utility should be. The Commission recognizes that there may be circumstances present which may require extraordinary expenses, and the Commission will certainly accept such expenses if justified and documented.

The expense proposed by Western is more than is typically incurred in even the largest rate proceedings before the Commission. The Commission has requested extensive amounts of information on this issue in an attempt to give Western an opportunity to justify the projected expense; however, the filings by Western have failed in this respect.

The most serious matter in Western's failure to justify the level of expense is the lack of detailed invoices documenting the services provided by outside parties. Most notable in this regard are the Arthur Anderson and Company ("Arthur Anderson") invoices. Arthur Anderson billed Western $160,000 for services provided in connection with this case; however, the invoices give virtually no detail as to what services were provided.[14] This lack of detail makes it impossible to evaluate the necessity and reasonableness of the services and charges, and therefore, the invoices are insufficient as documentation of the proposed adjustment. Western stated that it did not require detailed invoices as long as the amount of the billing was in line with what it expected.[15] The Commission has a similar practice in this regard and, as the billings from Arthur Anderson are greatly in excess of what would normally be expected for a rate case of this nature, will not accept as documentation the invoices provided, nor the portion of the adjustment related to the billings from Arthur Anderson.

The Commission would like to clarify exactly why it considers the billed amounts to be excessive. In its engagement letter, Arthur Anderson stated that its work would consist of the determination of the pro forma income statement for gas operations and the related exhibits and assistance to the company with the preparation of responses to data requests. The Commission has serious reservations as to whether the compilation of this data is worth $160,000 and, more importantly, in regard to the preparation of responses to data requests, whether the use of an outside consultant is even necessary. The pro forma statements provided in the application are of average complexity, and such statements are

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14 Response to the Commission's Third Information Request, Item No. 5, and additional information requested at the hearing, Weller's Answer No. 4.

15 T.E., page 47.

compiled by many utilities without special staff or outside consultants. In any event, the Commission would expect the cost of this service to be but a small fraction of the $160,000 billing. With regard to the billings pertinent to the preparation of data requests, the Commission would be hesitant to allow recovery of those costs for rate-making purposes, and would likely have disallowed these costs on a line-item basis had detailed invoices been provided. The requests for information in this proceeding have been primarily for financial and other information which should be readily available at the offices of Western and easily compilable. Moreover, Western has maintained computer capacity for long enough so that much of the data should be readily retrievable from computer storage. And finally, Western has had enough experience with filing cases before the Commission that much of the information requested, i.e., the first information request, is "standard" in nature and should require little or no outside assistance to formulate responses.

The foregoing is to be in no way a suggestion that the compensation for Mr. Greable's testimony should not be included as part of the rate case expense. To the contrary, Mr. Greable's testimony was most beneficial and the costs associated with that would have been considered separately if detailed invoices were available to make this possible.

The invoices provided by Consulting Services, Inc., ("CSI") were not satisfactorily detailed either. The Commission notes too that the estimated fee of $47,000 as given in the engagement letter compares with $67,311 in billings as of September 2, 1986. The invoices are not detailed enough to support a 43 percent cost overrun and the Commission has therefore limited the expense related to services rendered by CSI to $47,000, the amount of the original estimate.

The invoices provided by Western's counsel were very well documented and may serve as an example of the type of invoices that the Commission will require in future proceedings to document all rate case expenses. The Commission will allow billed amounts through September 2, 1986, as the legal portion of rate case expense; that amount was $15,338.

Western proposed to amortize rate case expense over a 2-year period based upon the average time span between the last six or seven cases.[16] Inasmuch as the time span between this and Western's last case was 3 years, the Commission considers this to be a more appropriate basis for evaluating a current amortization period. The Commission has therefore used 3 years as the amortization period in its calculation of rate case expense.

Based upon the foregoing, the Commission finds that $82,649 is the allowable expense for rate-making purposes for processing this case. Based upon a 3-year amortization period the allowable annual expense is $27,550. The test-year actual amount of $87,298 has therefore been reduced by $59,748.

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16 Ibid., page 19.

Other Taxes

In its application, Western proposed an adjustment to decrease other taxes by $4,048. Based upon the settlement of the wage contract effective June 1, 1986, Western amended this amount downward by $2,572.[17] The Commission has therefore made an adjustment of $6,620 to reduce other taxes expense.

After applying the combined state and federal income tax rate of 49.915 percent to the accepted pro forma adjustments, the Commission finds that Western's operating income should be increased by $769,639 to $6,197,116.

The adjusted net operating income is as follows:

	Actual	Adjustments	Adjusted
Operating Revenues	$147,332,210	$ 2,477,972	$149,810,182
Operating Expenses	141,904,733	1,708,333	143,613,066
NET OPERATING INCOME	$ 5,427,477	$ 769,639	$ 6,197,116

RATE OF RETURN

Capital Structure

Charles A. Larson, president of CSI and witness for Western, recommended a capital structure containing 50.04 percent common equity, 37.46 percent long-term debt, 9.43 percent short-term debt and 3.07 percent customer deposits.[18] The short-term debt

17 Response to the Commission's Third Information Request, Item No. 1.

18 Larson Testimony, page 6.

component was based on a 13-month average from December, 1985, through December, 1986.[19]

James W. Freeman, Associate Professor at the University of Kentucky and witness for the AG, recommended an end-of-test-year capital structure containing 53.4 percent common equity, 40 percent long-term debt and 6.6 percent short-term debt.[20]

The Commission is of the opinion that an end-of-test-year capital structure containing 53.46 percent common equity, 40.02 percent long-term debt and 6.52 percent short-term debt is reasonable. The Commission does not include customer deposits in the capital structure and Mr. Larson has overstated Western's short-term debt ratio. A capital ratio that includes 10 months of data beyond the test year, including several months of forecasted data, is unacceptable.[21] Western's end-of-test-year capital structure is very conservative. The Commission will take this into consideration when determining the required return on common equity.

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19 Response to the Commission's First Information Request, Item No. 15b.

20 Freeman Testimony, page 24.

21 T.E., page 273.

Cost of Debt

Mr. Larson proposed an 11.44 percent cost for long-term debt and a 9.33 percent cost for short-term debt.[22] The cost of short-term debt was based on the end-of-test-year prime rate.[23]

Mr. Freeman recommended an 11.44 percent cost for long-term debt and an 8.5 percent cost for short-term debt.[24]

The Commission is of the opinion that an 11.44 percent cost for long-term debt and an 8.5 percent cost for short-term debt are reasonable. The average prime rate for the 12 months ended August 31, 1986, was 7.9 percent.[25] An 8.5 percent cost for short-term debt will adequately compensate Western for its short-term interest expense plus required commitment fees.

Return on Equity

Mr. Larson recommended a 15.5 percent rate of return on common equity based on a discounted cash flow ("DCF") analysis, a comparable earnings analysis and a risk premium analysis.[26] Mr. Larson selected 10 utilities that he considered to be of comparable risk to Western. He then performed a DCF analysis for that group. From the 10-company group, he selected 5 exclusively gas utilities and performed a DCF analysis for that group. For

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22 Exhibit 6, page 2.

23 Response to the Commission's First Information Request, Item No. 15a.

24 Freeman Testimony, page 26.

25 Federal Reserve Statistical Release.

26 Larson Testimony, pages 9-10.

his comparable earnings analysis, Mr. Larson looked at earned returns for a group of 20 utilities, a group of 5 gas utilities and for selected industries.[27]

The Commission is of the opinion that Mr. Larson has overstated the required rate of return on common equity for Western. In his DCF analysis of the 10-company group, Mr. Larson used a 5-year average dividend yield. Mr. Larson used a 4-year average dividend yield in his DCF analysis of the 5-company group. However, the average dividend yields have been declining since 1982 and at the time of the hearing, the average dividend yields were less than 6.25 percent.[28] Clearly, Mr. Larson's average dividend yields are not sensitive enough to current market conditions and a lower expected dividend yield is appropriate.

Mr. Larson included a 5 percent flotation cost adjustment in his DCF determined return on equity. Mr. Larson argued that a flotation cost adjustment was necessary even though Western does not sell common equity publicly.[29] The Commission remains unconvinced. Western's ratepayers should not be required to pay for flotation costs that were not incurred by the company. Mr. Larson's flotation cost adjustment contributes to the overstatement of Western's required return on equity.

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27 Ibid., pages 16-17.

28 T.E., pages 184-186.

29 Larson Rebuttal Testimony, page 9.

A comparable earnings analysis can provide a useful check of the required rate of return on equity. However, the Commission is not convinced that simply looking at the earned returns of unregulated industrial firms, without making adjustments for risk differences, as Mr. Larson has done, is appropriate. Similarly, Mr. Larson's 20 selected utilities are primarily electric and telephone utilities.[30] Again, Mr. Larson looked at earned returns without making any adjustments for risk differences between gas, electric and telephone utilities. The Commission also notes that earned returns on equity do not necessarily equate to expected or required returns on equity. As an example, the average earned return on equity for Mr. Larson's 5-company group was only 9.6 percent in 1983.[31]

The Commission also has reservations regarding the validity and usefulness of Mr. Larson's risk premium analysis. The spread between the expected return on equity and the yield on bonds can be volatile over time and is difficult to quantify.

Mr. Freeman recommended a 12 percent rate of return on common equity based on a DCF analysis, a comparable earnings analysis and a risk premium analysis.[32] Mr. Freeman performed a DCF analysis for the Moody's 9 Gas Distribution Companies. For his comparable

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30 Larson Testimony, Exhibit 1, page 16.

31 _Ibid_., page 15.

32 Freeman Testimony, page 38.

earnings analysis, Mr. Freeman looked at earned returns for 40 industries.[33]

The Commission is of the opinion that Mr. Freeman has understated the required rate of return on common equity for Western. In his DCF analysis, Mr. Freeman used an 8 percent average current dividend yield. Messrs. Larson and Freeman both erred in their applications of the DCF model. The DCF model calls for an expected dividend yield rather than a current dividend yield.

In its brief, the AG stated that the current dividend yield rather than the expected dividend yield was appropriate because the Moody's 9 Gas Distribution Companies decreased their dividends almost 10 percent from September 1985 to September 1986.[34] However, the Commission notes that if financially distressed NICOR, Inc., is removed from the average, the average dividend increases by approximately 7 percent from September 1985 to September 1986.[35] Clearly, the AG's argument against an expected dividend yield is incorrect. By using a current dividend yield rather than the appropriate expected dividend yield, Mr. Freeman has understated the DCF determined cost of equity.

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33 Ibid., page 31.

34 Brief of the AG, page 4.

35 The Value Line Investment Survey, July 11, 1986, and The Wall Street Journal, September 1985 through September 1986.

Mr. Freeman estimated a 3.5 to 4 percent growth component for his DCF analysis.[36] The Value Line Investment Survey estimated a 5.2 percent average earnings growth rate for the Moody's 9 Gas Distribution Companies.[37] The Commission is of the opinion that Mr. Freeman's growth component is too low.

The Commission also has reservations regarding Mr. Freeman's comparable earnings analysis. He has looked at the earned returns of a large, diverse group of mostly unregulated firms. The Commission is inclined to agree with Mr. Larson that many of the firms included in Mr. Freeman's comparable earnings analysis are in poor financial condition.[38] As stated previously, earned returns on equity do not necessarily equate to expected or required returns on equity. Firms used in a comparable earnings analysis must be selected with care and appropriate adjustments for risk differences must be made. The Commission is of the opinion that the extreme diversity and the questionable financial condition of some of the firms has diminished the reliability and usefulness of Mr. Freeman's comparable earnings analysis.

Finally, the Commission has reservations regarding the validity and usefulness of Mr. Freeman's risk premium analysis. His risk premium analysis suffers from the same flaws as does Mr. Larson's.

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36 Freeman Testimony, Exhibit 1, page 16.

37 T.E., page 225.

38 Larson Rebuttal Testimony, page 8.

In its brief, the AG stated that deflation has occurred for several months in 1986.[39] Current economic conditions are always considered when determining the appropriate rate of return on equity. However, the Commission notes that the annualized rate of inflation (as measured by the CPI-U) has never been negative in 1986 or during the test year.[40] Therefore, after considering all of the evidence, including current economic conditions, the Commission is of the opinion that a range of returns on equity of 13.25 to 14.25 percent is fair, just and reasonable. Capital costs have been declining as reflected in the high market to book ratios of the Moody's 9 Gas Distribution Companies.[41] This range of returns also reflects Western's highly conservative capital structure. A return on equity in this range will not only allow Western to attract capital at reasonable costs to insure continued service and provide for necessary expansion to meet future requirements, but also will result in the lowest reasonable cost to the ratepayer. A return on common equity of 13.75 percent will allow Western to attain the above objectives.

Rate of Return Summary

Applying rates of 13.75 percent for common equity, 11.44 percent for long-term debt and 8.5 percent for short-term debt to the capital structure approved herein produces an overall cost of

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[39] Brief of the AG, page 3.

[40] Bureau of Labor Statistics, Consumer Price Index.

[41] T.E., pages 186-187.

capital of 12.48 percent. The additional revenue granted herein will provide a rate of return on net investment of 10.42 percent. The Commission finds this overall cost of capital to be fair, just and reasonable.

REVENUE REQUIREMENTS

The Commission has determined that Western needs additional annual operating income of $882,202 to produce a rate of return of 13.75 percent on common equity based on the adjusted historical test year. After the provision for state and federal income taxes there is an overall revenue deficiency of $1,761,410 which is the additional amount of revenue granted herein. The net operating income required to allow Western the opportunity to pay its operating expenses and fixed costs and have a reasonable amount for equity growth is $7,079,318. This level of operating income will provide a rate of return on net original cost of 10.42 percent and an overall return on total capitalization of 12.48 percent.

The rates and charges in Appendix A are designed to produce gross operating revenue of $151,571,592, which reflects the roll-in of all purchased gas adjustments approved through Case No. 8839-DD.

RATE DESIGN AND REVENUE ALLOCATION

Western proposes to combine rate classes G-2 and G-3 and adjust the rates charged to those calculated in its cost of service study. The Commission prefers a more gradual transition to cost-based rates than Western has proposed, and, as iterated herein, has some objections to Western's particular cost of service study. We are, therefore, of the opinion that the first move toward cost of service rates will be better achieved by maintaining the current rate structure, and adjusting the revenue allocation so that all of the approximately $3,565,000 difference between normalized and proposed operating revenues is allocated to the G-1 rate class. Further, approximately $1,846,000 should be subtracted from the revenue requirements borne by the G-2 and G-3 rate classes. This will result in lower commodity and transportation rates for these customers. Approximately $50,000 of the increase will be recovered through higher reconnection and insufficient funds charges.

The Commission's denial of Western's proposed rate structure includes the proposed demand charge to be instituted for the proposed combination G-2 rate class. The Commission feels that to level a demand charge solely on users of firm service is to ignore the benefits of reliable supply to interruptible customers that purchase large quantities of gas with few incidences of interruption. Until Western makes a realistic assessment of the interruptible customers' benefit from demand on an annual basis, adjusted, of course, for the risk of interruption, the Commission will not approve a demand charge for another rate class.

In considering Western's proposals for increases in customer charges and fees, the Commission again prefers to adhere to gradualism and continuity in rate-making. The increase in the G-1 residential customer charge from $1.93 to $5 is too abrupt and extreme a change; in order to avoid rate shock and yet move in the direction of cost of service, this charge should be raised to $3.

The charge for non-residential G-1 customers should be raised from $4.53 to $8. Because the present rate structure is being retained, there will be no customer charge approved for rates G-2 or G-3. Of the fee increases proposed, the increase in the insufficient funds charge from $5 to $10 appears reasonable. Increasing the reconnect charge to $25, however, is disproportionate with the approved residential customer charge increase; the reconnect charge should be raised to $20. As in the case of the customer charge, this will move toward a cost-based charge. A $20 charge should provide a sufficient economic disincentive for customers who go on and off the system frequently.

Tony Martin, who represented the intervenor, Eska Coats, proposed that customers who are reconnected pursuant to 807 KAR 5:008, Winter Hardship Reconnection, should not be charged a $25 reconect fee. The Commission is of the opinion that a reconnect fee is an appropriate charge to such customers. However, the addition of a reconnect fee to the balance owed shall not affect the requirements of 807 KAR 5:008, Section 1(2), whereby the customer is required to pay one-third of the outstanding bill or $200, whichever is less.

Western has proposed a quarterly GCA mechanism to be used in place of its present purchased gas adjustment clause. The proposal is consistent with others filed and approved by this Commission and should be approved with two exceptions: the separate demand component and the incentive factor. As has been said previously, the demand component proposed recognizes no demand cost incurred by the company in serving interruptible customers. These customers would receive free benefits from Western's long-term contracts and residential and commercial customers would bear an unfair burden of demand costs. The incentive mechanism is also unfair because it provides only potential gain to Western with no potential loss. The Commission is of the opinion that the Order in Administrative Case No. 297[42] and the forces of competition create sufficient incentive for Western to make the most economical purchases possible. The Commission will consider future incentive mechanisms that provide for risk of loss, as well as potential gain to Western.

COST OF SERVICE STUDY

The Commission commends Western for filing a cost of service study in this case. This cost of service study is the first attempt by a gas company in the state to allocate costs based on cost causation principles. As indicated in Administrative Case No. 297, the Commission wants to have cost of service studies submitted by the Class A local distribution companies.

Intervenors in this case raised questions about the large shift of costs to the residential and commercial customers. The Commission also shares this concern. The Commission is not convinced these costs are justified by the principles of cost causation.

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42 An Investigation of the Impact of Federal Policy on Natural Gas to Kentucky Consumers and Suppliers, dated September 30, 1986.

The Commission cannot fully accept the cost of service study as submitted by Western. The increase in rates for the residential and commercial customers is too large due to questionable allocation of costs.

The use of the minimum size concept in allocating distribution costs raises concerns. Although Western may consider this allocation appropriate from a strict engineering perspective the Commission does not think this allocation method distributes costs correctly among customer classes. In the opinion of the Commission an allocation method that places more weight on the volume of sales transported would be more appropriate. A volumetric allocator should have been considered to distribute the costs of the distribution system.

Volume of sales should play a larger role in the allocation of costs. Cost allocation on a strict volume basis[43] (rather than Western's method) would reveal that Western's residential customers were responsible for 33.6 percent of Western's test-year sales volumes, yet contributed 42.2 percent to long-run overhead for the same period. And, under the proposed rates residential customers would contribute 68.4 percent toward long-run overhead costs. By the same token under a volume based cost allocation, the industrial class is responsible for 47.6 percent of the system sales, yet is allocated 37.1 percent of the overhead costs for the

43 Brief of the AG, page 11.

test year. These figures raise questions about the cost allocations to residential and commercial customers.

Use of the design day concept in allocating certain categories results in an interruptible customer receiving a free ride when he may not actually be curtailed. This study assumes that demand characteristics in system design are only the function of design to meet a single (and hypothetical) system peak design day, and allocates demand costs on that basis. (Legal Services 1st Request, No. 13).[44] Such a study is clearly the least favorable possible approach for the residential class, as it measures their contribution to demand only at that single point where it is the highest relative to other classes.

On the other hand, interruptible customers are allocated _no_ demand costs for their interruptible use, because they _may_ be interrupted at a time of very high demand on the system. These interruptible volumes are considerable at other times, and are provided free of any charge for the demand component of facilities that are necessary for the provision of service. The contrast in assumptions is striking. Given such basic assumptions, it is not surprising that the residential class comes out poorly in Western's cost of service study.

These adjustments would result in more representative allocation of resources over the long run. The Commission is concerned that the rates based on Western's cost allocation study would

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44 Brief on Behalf of Eska Coats, page 4.

result in less efficient use of resources by establishing an artificially low rate for industrial customers.

Cost of service studies in the future should include evaluation of alternative methods of cost allocation such as the "peak and average" method of cost allocation.[45] More information on the sources of data should also be included. A more detailed explanation of the assumptions used in developing the cost allocation should be submitted. It is not sufficient to say that a certain methodology has been used for years.

POTENTIAL BYPASS

The Commission has reviewed Western's study of bypass potential which looked only at payback on pipeline installation and tap-on costs. The Commission realizes that this report was generated primarily for internal use. To determine economic bypass for a customer there are a number of other variables Western should consider.

Western's study did consider the necessary pipeline size and length required to connect to the nearest interstate pipeline. The costs of equipment to tap onto the interstate pipeline were also considered.

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45 National Regulatory Research Institute Quarterly Bulletin, Volume 7, Number 4, October, 1986, page 453.

The Commission encourages Western to do a thorough study to estimate economic bypass. Other factors that should be considered include the following:[46]

Environmental problems associated with tap-on

Comparison of bypasser connection cost with local distribution companies ("LDCs") connection cost

Estimate of fixed cost per Mcf for connection at average, and at maximum and minimum consumption

Comparison of LDCs estimated future price increases with those of bypass supplier

Current cost of gas as a percentage of product or service price

Comparison of cost of LDC gas and bypass gas as percentage of total cost

Estimate of unit cost of plant's product or service with industry average

Comparison of growth rate of the industry with growth rate for all industry or the economy

Examination of these factors along with pipeline construction and tap-on costs would give Western a more realistic estimate of bypass potential. A more realistic estimate is needed in the Commission's opinion to justify additional services targeted at keeping large customers on the system.

Western's examination of only two cost factors results in overstating the bypass potential.

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46 National Regulatory Research Institute, The Bypass of Local Gas Distribution Utilities - How Can You Tell If It Is For Real, August, 1986, pages 18 to 20.

SUMMARY

The Commission, after consideration of the evidence of record and being advised, is of the opinion and finds that:

1. The rates proposed by Western would produce revenue in excess of that found reasonable herein and should be denied upon application of KRS 278.030.

2. The rates of return granted herein are fair, just and reasonable and will provide for the financial obligations of Western with a reasonable amount remaining for equity growth.

3. The rates in Appendix A are the fair, just and reasonable rates for Western and will produce gross annual operating revenues of approximately $151,571,592.

IT IS THEREFORE ORDERED that:

1. The rates in Appendix A be and they hereby are approved for service rendered by Western on and after November 1, 1986.

2. The rates proposed by Western be and they hereby are denied.

3. Within 30 days from the date of this Order, Western shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 31st day of October, 1986.

By the Commission

ATTEST:

Forest M. Skaggs

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9556 DATED 10/31/86

The following rates and charges are prescribed for the customers in the area served by Western Kentucky Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order. These rates contain all rate changes through Case No. 8839-DD.

GENERAL SERVICE RATE G-1

Rate - Net:

Base Charge	$3.00 per meter per month for residential service
	$8.00 per meter per month for non-residential service
Commodity Charge	$3.8926 per 1,000 cubic feet

Gas Cost Adjustment Clause (GCA):

The rates specified herein are subject to revision in accordance with the provisions of the GCA.

Character of Service:

Natural gas having a heat content of approximately 1,000 Btu per cubic foot (saturated basis).

Special Provisions:

Reconnection charge shall be $20.00. Charge for read-in read-out shall be $7.50.

A charge of $10.00 shall be made for each check returned for insufficient funds.

INTERRUPTIBLE SERVICE RATE G-2

Interruptible Service:

All gas used per month in excess of the high priority service shall be billed at $3.5778 per 1,000 cubic feet.

Gas Cost Adjustment Clause:

The rates specified herein are subject to revision in accordance with the provisions of the gas cost adjustment clause.

LARGE VOLUME INTERRUPTIBLE SERVICE RATE G-3

Interruptible Service:

All gas used per month in excess of the high priority service shall be billed at $3.4078 per 1,000 cubic feet.

GAS COST ADJUSTMENT CLAUSE

Applicable to:

Gas tariffs in effect for the entire service area of the company as designated in the particular tariff.

Gas Cost Adjustment (GCA):

(A) The company shall file a quarterly report with the Commission which shall contain an updated gas cost adjustment (GCA) at least thirty (30) days prior to the beginning of each quarter. The GCA shall become effective for meter readings on and after the first day of each quarter.

(B) "Quarter" means each of the four (4) three-month periods of (1) August, September and October; (2) November, December and January; (3) February, March and April; and (4) May, June and July.

Determination of GCA:

The monthly amount computed under each of the rate schedules to which this GCA is applicable shall be increased or decreased at a rate per Mcf calculated for each three-month period in accordance with the following formula as applicable to each rate class:

GCA = (EGC - BCOG) + GCAA + GCBA + RF

Where:

EGC is the expected average cost per Mcf of gas supply which results from the application of supplier rates currently in effect or reasonably expected to be in effect during the quarter, based on purchased volumes for the most recent actual 12-month period, normalized for weather, transported volumes or any other volume adjustments. Such adjustments are necessary in order for the GCA to track as accurately as possible the actual gas costs incurred during the effective quarter.

EGC is composed of the following:

(A) Expected total gas purchases at the filed rates, or reasonably expected rates, of company's wholesale suppliers of natural gas, plus

(B) Other gas purchases for system supply, plus

(C) Gas purchases from local producers at the current rate, minus

(D) Gas purchases expected to be injected into underground storage, plus

(E) Projected underground storage withdrawals at the average unit cost of working gas contained therein, plus

(F) Projected propane volumes used for peak-shaving at the current equivalent price per Mcf, minus

(G) Projected recovery of demand costs through transportation transactions, plus (or minus)

(H) Change in deferred gas, minus

(I) Company use.

BCOG is the base cost of gas per Mcf established in company's rate case effective June 1, 1986.

GCAA is the gas cost actual adjustment per Mcf which compensates for the difference between the expected gas cost and the actual gas cost for the second quarter preceding the quarter for which the most recent quarterly report is filed.

GCBA is the gas cost balance adjustment per Mcf which compensates for any under- or over-collection which has occurred as a result of prior adjustments. This GCBA will be a "true-up" account for all gas cost actual adjustments (GCAA) after the GCAA has been in effect for four quarters. The balance in this account will be divided by an estimate of sales for the succeeding three-month period in each quarterly filing.

RF is the sum of any refund factors filed in the current and three preceding quarterly filings. The current refund factor reflects refunds received from suppliers during the reporting period. The refund factor will be determined by dividing the refunds received, by the annual sales used in the quarterly filing less transported volumes. After a refund factor has remained in effect for four quarters, the difference in the amount received and the amount refunded will be rolled into the next refund calculation. The refund account will be operated independently of the GCBA and only added as a component to the GCA in order to obtain a net GCA. In the event of any large or unusual refunds, the company may apply to the Commission for the right to depart from the refund procedure herein set forth.

Gas Cost Adjustment:

Pursuant to an Order of the Public Service Commission of Kentucky.

Applicable to:

All rate schedules.

The base cost of gas (BCOG) used in the gas cost adjustment (GCA) calculation is $3.0255 per Mcf.

To each bill rendered there shall be added an amount equal to: $0.0000 per Mcf

The base rate for the future application of the purchased gas adjustment clause of Western Kentucky Gas Company shall be:

Texas Gas Transmission Corp.

	Demand-1	Demand-2	Commodity	Gas Rate
G-2	$4.50	$.1175	$2.5170	-0-
G-3	4.77	.1294	2.5419	-0-
G-4	4.96	.1388	2.5593	-0-

Tennessee Gas Pipeline Co.

GS-2	-0-		.6581/Dth	2.3587/Dth

Local Producers	-0-	-0-	2.5419/Dth

12/1/83

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY ON NOTICE) CASE NO. 8839

O R D E R

On June 10, 1983, Western Kentucky Gas Company ("Western") filed its notice with the Commission seeking authority to increase its rates for service rendered to its customers by $6.8 million, or 3.9 percent over normalized test period revenues, to become effective July 1, 1983. Western stated that the additional revenue was necessary to pay increased wages, materials, and debt costs that are necessary in order to provide adequate service to its customers. In this Order the Commission has granted additional operating revenues of $5,093,627.

In order to determine the reasonableness of the request for additional revenues the Commission suspended the proposed rate increase until December 1, 1983. Western was directed to give notice to its customers of the proposed rates and the scheduled hearing pursuant to 807 KAR 5:025. A motion to intervene in this proceeding was filed by the Consumer Protection Division in the Office of the Attorney General ("AG"). This motion was granted and no other parties formally intervened.

A public hearing was held in the Commission's offices in Frankfort, Kentucky, on October 11, 1983, with the parties of record represented. Briefs were filed by October 28, 1983, and responses to all data requests have been submitted.

COMMENTARY

Western is a division of Texas American Energy Corporation ("TAE") and provides natural gas service to approximately 137,000 customers in western and central Kentucky. Western's primary pipeline suppliers are Texas Gas Transmission Corporation and Tennessee Gas Pipeline Company.

TEST PERIOD

Western proposed and the Commission has accepted the 12-month period ending March 31, 1983, as the test period for determining the reasonableness of the proposed rates. In utilizing the historic test period the Commission has given full consideration to appropriate known and measurable changes.

VALUATION

Western presented the net original cost rate base and capital structure as valuation methods in this case. The Commission has considered these and other elements of value in determining the reasonableness of the proposed rates.

Net Original Cost

Western proposed a test year-end jurisdictional rate base of $55,610,275.[1/] The Commission is of the opinion that the proposed rate base is generally proper and acceptable for rate-making purposes with the following exceptions:

The Commission has increased the rate base by $17,618 to recognize 1 year's amortization of the "surplus" deferred federal income taxes resulting from the reduction in the corporate tax rate from 48 to 46 percent. The Commission is of the opinion that amortizing this surplus over a period of 5 years better insures that the ratepayers who originally paid the taxes at 48 percent will receive the benefit of the reduced tax rate. The increase represents the difference between the amount Western amortized during the test year and the annualized 5-year amortization of $22,207.

The net investment rate base has been further adjusted to reflect the accepted pro forma adjustments to operation and maintenance expenses in the calculation of the allowance for working capital. The effect of this adjustment is to reduce rate base by an additional $32,260.

All other elements of the net original cost rate base have been accepted as proposed by Western. The net original cost rate base devoted to utility jurisdictional service is determined by the Commission to be as follows:

Utility Plant in Service	$82,036,043
Construction Work in Progress	1,296,858
Gas Stored Underground-Non-Current	1,775,865
Total Utility Plant	$85,108,766
Add:	
Materials and Supplies	$ 1,659,179
Gas Stored Underground-Current	7,319,246
Prepaid Gas Purchases-Average	3,390,849
Prepayments	251,421
Working Capital	1,922,674
Subtotal	$14,543,369
Deduct:	
Accumulated Depreciation	$36,765,172
Customer Advances for Construction	1,785,105
Deferred Income Taxes	5,286,225
Unamortized Investment Tax Credit	220,000
Subtotal	$44,056,502
Net Original Cost Rate Base	$55,595,633

Capital Structure

Western proposed a jurisdictional end-of-test-year capital structure of $51,939,751 which contained 45.81 percent common equity, 23.45 percent long-term debt, 25.38 percent short-term debt and 5.36 percent Job Development Investment Tax Credit ("JDIC").[2/] Mr. Hugh Larkin, witness for the AG, proposed to use either a double leveraged capital structure or the consolidated capital structure for TAE as the appropriate capital structure for Western. The double leveraged capital structure contained 2.24 percent common equity, 43.56 percent TAE bank loans, 23.45 percent long-term debt, 25.38 percent short-term debt and 5.37 percent JDIC.[3/] The December 31, 1982, consolidated capital structure for TAE contained 22.71 percent common equity, 66.67 percent long-term debt and 10.62 percent short-term debt.[4/] In its post-hearing brief, the AG proposed to use the consolidated capital structure for Western.[5/]

The Commission is concerned with the high level of relatively more expensive common equity in Western's end-of-test-year capital structure. However, the double-leveraged and consolidated capital structures proposed by the AG are highly leveraged and do not reflect the overall riskiness of Western. The Commission is of the opinion that an updated, end-of-test-year capital structure should be adopted for rate-making purposes. This capital structure, which reflects the issuance and sale by Western of $11 million of first mortgage bonds after the test year to retire short-term debt,[6/] is calculated as follows:

	Amount	Percent
Long-term Debt	$24,306,244	46.8
Short-term Debt	2,494,748	4.8
Common Equity	25,138,759	48.4
Total	$51,939,751	100.0

In determining the capital structure the Commission has allocated the JDIC of $2,783,924 to each capital component on the basis of the ratio of each component to the total capital structure excluding JDIC. The Commission is of the opinion that this treatment of JDIC complies with the requirements of the Internal Revenue Code and insures that ratepayers receive an equitable share of the benefits of JDIC.

The Commission is cognizant of the conservative nature of the capital structure allowed herein and will take this into consideration in its determination of the appropriate cost of equity for Western.

REVENUES AND EXPENSES

Western had net operating income of $4,890,202 during the test period. In order to reflect more current and anticipated operating conditions, Western proposed several adjustments to its test period revenues and expenses which resulted in an adjusted net operating income of $3,518,597.[7/] The Commission is of the opinion that the proposed adjustments are generally proper and acceptable for rate-making purposes with the following exceptions:

Revenues Normalization

Western proposed an adjustment to increase operating revenues by $8,147,815 to reflect the purchased gas adjustment

("PGA") rate in effect in Case No. 8227-M at the time the application was filed. The Commission has made an adjustment to reduce Western's operating revenues by $4,115,198 in order to reflect test period sales normalized for the current PGA rate as approved in Case No. 8227-S.

Weather Normalized Sales

Western proposed an adjustment to increase revenues by $8,101,812 and purchased gas expense by $6,183,534 to reflect the level of revenues and expense that would have occurred during the test year under normal weather conditions. The AG, through Mr. Larkin, proposed an adjustment for normal weather conditions that increases revenue by $10,167,293 and purchased gas expense by $7,018,199.

The level of heating season sales by gas distribution utilities varies greatly depending upon weather conditions, primarily temperatures. A heating degree day is the measurement used to quantify temperatures as they relate to gas sales. During the test year Western's service area experienced a relatively mild winter with 3,828 heating degree days. The 30-year average number of degree days for Western's service area, as compiled by the weather bureau for the years 1951-1980, is 4,334. Using this degree day deficiency of 506 Western determined that, had temperatures the past winter been normal, its sales would have been greater by approximately 1.7 million Mcf and revenues would have been greater by $8.1 million.

Mr. Larkin calculated his adjustment using a 15-year average number of degree days, compiled for the years 1968-1982, of 4,463. In this manner Mr. Larkin determined that Western's test year sales were understated by approximately 2.1 million Mcf due to the mild winter.

The difference in the adjustments proposed by Western and the AG is the number of years included in the base period used to determine a normal level of degree days. Mr. Larkin claims that climatological changes are occurring which make the colder, 15-year period more representative of normal weather conditions. Western's 30-year period, which is warmer, reflects data compiled by the weather bureau and has been previously endorsed by the Commission as the standard, or uniform, period of time all gas utilities should use in calculating weather normalization adjustments.[8/]

Mr. Larkin claims the colder weather is more representative of normal conditions, yet he produced no studies or reports to support that claim and he testified that meteorology was not his area of expertise.[9/] Therefore, the Commission sees no reason to retract its previous approval of a 30-year base period and, taking notice of recent reports concerning the warming of the atmosphere, or the "Greenhouse Effect," the Commission finds even less reason to be persuaded by Mr. Larkin's proposal.

Therefore, the Commission has rejected Mr. Larkin's proposed adjustments to revenue and expense and has accepted the adjustments proposed by Western. However, the Commission has modified the proposed adjustments to reflect Western's current PGA rate and current cost of gas. These modifications result in an adjustment to increase revenue by $7,497,897 and an adjustment to increase gas cost by $5,625,350.

Normalized Cost of Gas

Western proposed an adjustment to increase its test year gas cost by $12,241,797 based on the supplier rates reflected in Case No. 8227-M. The AG proposed an adjustment to increase Western's cost of gas based on the supplier rates from Case No. 8227-M by $9,468,419.

There are two differences between the adjustments proposed by Western and the AG: First, Western priced its gas withdrawn from storage at the current commodity cost while the AG applied an average cost to the gas withdrawn from storage; second, Western proposed an adjustment to its deferred cost of gas based on pro forma lost and unaccounted-for gas of 2 percent while the AG made no adjustment but reflected the actual test year line loss of 1.4 percent.

Western's proposal to price gas withdrawn from storage at the current cost of gas is, in effect, an attrition allowance, and one that the Commission has allowed in previous cases. The effect of this allowance is to increase profits as the cost of gas increases, although the Commission has constantly attempted to insure that the PGA merely recovers increases in the cost of gas. In its investigation of this matter in several recent cases the Commission concluded that there were profits due to increasing gas costs but, even with these inventory profits, none of the utilities had excess earnings. Furthermore, the Commission is of the opinion that the magnitude of gas price increases in the foreseeable future should be significantly less than the increases experienced in recent years, and therefore, such profits should not continue. Therefore, Western's pricing of gas withdrawn from storage has been accepted and the adjustment proposed by the AG is hereby denied. However, if an increase in gas prices of a substantial magnitude does occur, the Commission will give due consideration to the issue of inventory profits in Western's PGA filings seeking authority to pass those increases along to its customers.

In proposing an adjustment to increase its lost and unaccounted-for gas to a level greater than what was incurred during the test year Western has asked the Commission to deviate from its established policy regarding line loss adjustments. Generally, the Commission does not allow adjustments to line loss as long as the loss is less than 5 percent.10/ Mr. Thomas Brady, Western's Vice-President of Engineering, testified that the line loss reflected during the month of March when sales were high was not representative and that an error in the average meter-reading date would account for lost and unaccounted-for gas being understated.11/ Mr. Brady further testified that a summer line loss, when sales are minimal, would be more representative than the loss reflected in the month of March and would reflect Western's normal lost and unaccounted-for gas of 2 percent.12/ However, Western's monthly reports filed with the Commission reflect the smaller line losses continuing through the months since the end of the test year which includes the summer months when sales volumes are low. For no 12-month period reported from

April 1983 through September 1983 did Western's lost and unaccounted-for gas exceed 1.66 percent and for the 9 months ended September 1983 the line loss was only 1.3 percent. Unless the average meter-reading date was incorrect each and every month, which is highly improbable, the Commission must conclude that the test year line loss is representative and, absent any additional evidence, it must reject Western's adjustment to increase its lost and unaccounted-for gas to 2 percent.

Based on the current supplier rates being charged Western the Commission has calculated an adjustment to decrease Western's cost of gas by $481,163. Such adjustment reflects withdrawals of gas from storage at the current commodity cost and the reported test year lost and unaccounted-for gas of 1.4 percent.

Unbilled Revenues

The AG proposed an adjustment of $3,014,272, consisting of two parts, to increase test year revenues to reflect unbilled revenues. The first part consisted of the difference between unbilled revenues as of March 31, 1982, and March 31, 1983, in the amount of $2,843,108; the second part represented the net amount of unbilled revenues as of March 31, 1982, of $855,820 amortized over a 5-year period.

Western currently records revenue based on actual billings in that meters read during a particular month are billed and booked in that month. Mr. Larkin contends that Western should also book the revenues for service rendered from the meter-reading date until the end of the month. Mr. Larkin also recommends that Western should record as expense the cost of gas delivered but unbilled that Western currently defers until the following month when customers are billed. Mr. Larkin maintains that failure to record unbilled revenue and deferred gas cost in the month the gas is delivered improperly matches the revenues and expenses of the test period. However, Western's witness, Mr. Gene Greable, of the public accounting firm of Arthur Anderson & Company, testified that recording revenues on the basis of meters read during the accounting period was in accordance with general industry practice and with generally-accepted accounting principles.13/ Mr. Greable also argues that the adjustment proposed by Mr. Larkin constitutes retroactive rate-making.14/

Mr. Larkin did not explain why the unbilled revenues at the end of the test period were greater than at the beginning of the test year except to say that "the volumes of gas caused the change."15/ However, Mr. Brady did show that the greater volumes reflected in March 1983 were due to colder weather during that period than during March 1982, just prior to the test year.16/ Mr. Brady further contended that the adjustment proposed by Mr. Larkin would distort the test year sales level by giving double recognition to the effects of the weather normalization adjustment.

In determining revenue requirements the Commission utilizes an historical test year adjusted for known and measurable changes. In this proceeding the Commission has accepted Western's proposed weather normalization as such an adjustment thereby basing Western's rates on projected, rather than actual, sales volumes. Were there not a weather normalization adjustment, the

Commission would be concerned that the difference between billed and unbilled revenues was so great; however, based on the evidence presented in this proceeding, the Commission concludes that the differences were due to changes in weather conditions which are already recognized in the weather normalization adjustment. Furthermore, even though the test year sales volume is based on billed sales rather than actual deliveries of gas, test year sales, adjusted for normal weather conditions, should be representative of normal sales for any given 12-month period. Therefore, the Commission will not accept the first part of Mr. Larkin's proposed adjustment.

Absent any arguments by the AG that recognizing unbilled revenues affects sales volumes for reasons unrelated to temperature and weather conditions, the adjustment to amortize, over 5 years, the net unbilled revenues at the beginning of the test year is clearly an attempt to recognize and offset "excessive" revenues generated prior to the test year. Any such offset in this proceeding would, as Mr. Greable stated, be akin to allowing a current or future recovery of prior year's deficiencies in achieving an allowed rate of return and would plainly constitute retroactive rate-making. Therefore, the second part of the AG's adjustment has also been rejected for rate-making purposes.

Gas Used by Company

Based on the supplier rates reflected in Case No. 8227-M Western proposed an adjustment of $56,895 to reflect an increase in the cost of gas used in its operations. This adjustment, like the adjustment to gas cost, reflected storage withdrawals priced at the current commodity price. The AG proposed an alternative adjustment of $26,401 which reflected storage withdrawals priced at an average inventory cost. The Commission, in accordance with its decision on Western's gas cost, will allow the withdrawals from inventory to be priced at the current rate for Western's zone 3 purchases from Texas Gas. Based on the recent decreases in the cost of gas, the Commission has increased Western's test year expense for gas used in its operations by $28,071.

Payroll Expense

Western proposed an adjustment of $498,972 to increase its payroll expense to reflect the level of salaries and wages in effect prior to the filing of its application in this proceeding. Mr. Larkin recommended one adjustment to the pro forma payroll expense which was the elimination of the overtime normalization of $28,457.

Western attempted to show that the test year level of overtime was low due to the abnormally warm weather experienced. The record shows that the test year level of overtime is comparable to the levels experienced in the previous 2 years when weather conditions were not abnormal. Mr. Greable maintained that an adjustment of this amount need not be considered as it represents only a small part of Western's total annual payroll expense of $8.5 million.17/

The Commission is not persuaded by Western's arguments and will accept Mr. Larkin's recommendation to eliminate the proposed overtime normalization adjustment. Regardless of how large or small an item of expense might be it is the Commission's responsibility to determine whether such expense is reasonable and proper for rate-making purposes. In this instance, Western has not shown its overtime adjustment to be acceptable for rate-making purposes.

Payroll Taxes

Based on the increases in wages and salaries reflected in its payroll adjustment, Western proposed an adjustment to increase payroll tax expense by $56,134. Mr. Larkin proposed to reduce this amount by $37,719 to $18,415 to reflect actual tax rates and the proper allocations to expense and capitalization. Western's response to Mr. Larkin's proposal was that it estimates its taxes on a monthly basis and that the adjustment proposed by Mr. Larkin amounts to but $35,000 out of total payroll taxes of $700,000. The Commission is of the opinion that Western should be more precise in its allocation of taxes in the future and that an adjustment is necessary and appropriate to reflect the proper allocation of payroll taxes. Therefore, the increase in payroll taxes for rate-making purposes has been limited to $18,415 as was recommended by the AG.

Pension Expense

Western proposed an adjustment of $34,978 to increase pension expense based on the increase in the required pension contribution per the 1983 actuarial report. This adjustment reflected an allocation of 95 percent of pension costs to expense while only 83 percent of salaries and wages were charged to expense during the test year. The AG recommended an adjustment to decrease pension expense by $89,036 to reflect an 83 percent allocation of pension costs.

The Commission is of the opinion that Western's fixed allocation of pension costs is improper and should be discontinued. Furthermore, absent any evidence to the contrary, the Commission is of the opinion that future allocations of pension costs should be in proportion to the allocation of wages and salaries, and such an allocation should be reflected for rate-making purposes. Therefore, the AG's adjustment has been adopted and Western's pension expense has been adjusted downward by $89,036.

Computer Operations Expense

Western proposed an adjustment to increase computer operations expense by $84,599 to reflect the net decrease in revenues generated from outside users due to a decline in the number of outside users. The AG recommended that this adjustment be eliminated on the grounds that ratepayers should not be required to pay for "excess computer capacity." The record herein fails to show that Western has such excess capacity but does show, contrary to the AG's assumption, that Western sells available computer time to outside users during off-peak periods when Western's utility operations do not require its full computer capacity. The Commission, therefore, is of the opinion the proposed adjustment is reasonable and should be accepted for rate-making purposes.

Legal Settlement Expenses

During the test year Western incurred $85,025 in expense for settlement payments involving legal claims against it. Western proposed to amortize this unusually large expense over 2 years for rate-making purposes and proposed to reduce its expense to $42,512. Mr. Larkin proposed to eliminate the entire expense for rate-making purposes because the claims against Western during the test year were extraordinary and non-recurring in nature.

Western has incurred an average level of expense for claims of this type of $62,000 annually over the last 5 years. Western incurs these costs because it is self-insured against liability for personal injury or property damage under $250,000 per incident. This self-insurance program has been less costly for Western than other insurance alternatives and the Commission is of the opinion that the adjusted level of expense of $42,512 is neither extraordinary or non-recurring in nature, but rather, is representative of the annual level of expense normally incurred by Western for legal settlements. Therefore, the adjustment proposed by Western has been accepted herein.

Amortization of Acquisition Adjustment

Western included in its test period operations the annual amortization of its acquisition adjustment. Since the Commission has previously disallowed the inclusion of the acquisition adjustment in Western's rate base,[18/] the Commission is of the opinion that the associated expense should also be disallowed. Therefore, Western's test period operating expenses have been reduced by $9,722 for rate-making purposes.

Promotional Advertising

Western included in its test period operating expenses $36,681 for institutional advertising. 807 KAR 5:016 specifically disallows this type of advertising expense and places the burden of proof on the utility to show that the inclusion of any advertising expenditures for rate-making purposes will result in material benefit to the ratepayers. Western has failed to prove any such benefit and therefore the Commission has reduced Western's operating expenses accordingly.

Organization Dues

Mr. Larkin proposed to reduce Western's operating expenses by $14,115 to eliminate various organizational dues from expense for rate-making purposes. Mr. Larkin claimed that Western did not demonstrate any meaningful or measurable advantages to its customers from its participation in organizations other than the American Gas Association. Although it has expressed its concern about these costs in the past, the Commission is of the opinion that Western's membership in organizations such as the Southern Gas Association and the Kentucky Gas Association is beneficial to Western's management and its customers. Therefore, the costs of membership in these organizations are expenses the Commission considers proper and acceptable for rate-making purposes.

Miscellaneous General Expenses

Mr. Larkin proposed to eliminate, for rate-making purposes, $30,909 for various expenses related to moves of Western personnel due to promotions and transfers and due to the installation, maintenance, and renovation of heating systems, appliances, etc., in an executive's home. The Commission is of the opinion that costs related to transfers and/or promotions of qualified personnel are necessary costs incurred in the normal course of business and should be included for rate-making purposes. However, the Commission finds little benefit to Western's customers from the costs incurred for materials and work at an executive's home. Therefore, the Commission has reduced Western's operating expenses by $13,907 to exclude these expenses for rate-making purposes.

Amortization of Excess Tax Deferrals

Effective January 1, 1979, the corporate federal income tax rate was reduced from 48 to 46 percent. Therefore, income taxes deferred on differences between book and tax depreciation prior to 1979 at 48 percent will be paid at 46 percent when these differences reverse. There is a difference between the amount deferred at 48 percent and the amount to be paid at the 46 percent rate which can be characterized as excess deferred taxes.

At March 31, 1983, Western reported excess deferred federal income taxes of $111,035.[19/] As stated earlier, the Commission will amortize this amount over 5 years for rate-making purposes which results in an annual reduction in income tax expense of $22,207. Western has been amortizing deferred taxes at a rate of $4,589 a year; therefore, an adjustment of $17,618 has been made to reflect the 5-year amortization. In order that the accumulated excess deferred taxes can be readily identified in future rate cases, Western should transfer the excess to a separate liability account.

It should be pointed out that if the tax rate is increased in the future, fairness will require that any deficiency in the deffered tax reserve be provided through rates at that time.

Interest Synchronization

Western proposed to increase interest expense by $275,439 based on its proposed capital structure, excluding JDIC. The AG, based on the double leveraged capital structure recommended by Mr. Larkin, proposed to increase interest expense by $2,743,671. Western contends that the Commission's practice of assigning JDIC to all components of the capital structure and treating the interest cost associated with JDIC debt capital as a deduction in computing federal income tax expense could possibly be a violation of Internal Revenue Service regulations. As support for its argument, Western cited the unpublished opinion of the Kentucky Court of Appeals in Continental Telephone Company v. Public Service Commission, 82-CA-2657-Mr, in which the court found in favor of Continental Telephone Company.[20/] Considering that a final decision in Continental is imminent the Commission finds it reasonable to adopt, in this proceeding, its recent decision regarding this issue in Case No. 8734, Adjustment of Rates of Kentucky Power Company, in its Order of October 31, 1983.[21/] In that proceeding, at the request of Kentucky Power Company to avoid additional judicial review of this issue, the Commission stated that if a final judicial opinion should be adverse to the Commission's position, it would consider a rate adjustment to generate the revenues associated with JDIC.

The Commission continues to be of the opinion that its past treatment of JDIC is proper and consistent with IRS regulations and such treatment will be continued in this proceeding. However, as in Case No. 8734, this Order will eliminate the need for appeal of this matter at the judicial level.

At this time, in accordance with past practice, the Commission has applied the cost rates applicable to long-term debt and short-term debt to the JDIC allocated to the debt components of the capital structure. Using the updated capital structure allowed herein, the Commission has computed a net interest adjustment of $466,534 which results in a reduction to income taxes of $229,721.

After applying the combined state and federal income tax rate of 49.24 percent to the accepted pro forma adjustments, the Commission finds that Western's operating income should be decreased by $916,527 to $3,973,675.

The adjusted net operating income is as follows:

	Actual	Adjustments	Adjusted
Operating Revenues	$156,124,536	$3,382,699	$159,507,235
Operating Expenses	151,234,334	4,299,226	155,533,560
Net Operating Income	$ 4,890,202	$ (916,527)	$ 3,973,675

RATE OF RETURN

The embedded cost of Western's long-term debt was 8.28 percent at the end of the test year.22/ After the end of the test year, Western received authorization to issue and sell $11,000,000 of new long-term debt at a 13.75 percent interest rate. The proceeds would be used to retire short-term debt Western had accumulated under its revolving line of credit.[23/] Including the cost of the new long-term debt in the embedded cost increases the embedded cost of long-term debt to 10.86 percent.[24/] The cost of short-term debt dropped from 13 percent to 11 percent, which was the current prime rate in September.[25/] The 12-month average prime rate through September, 1983, was 11.03 percent.[26/] Mr. Larkin proposed an 8.28 percent cost for long-term debt and an 11 percent cost for short-term debt.[27/] The 8.28 percent cost did not reflect the long-term debt issued beyond the test year. The Commission is of the opinion that the 10.86 percent cost of long-term debt and the 11 percent cost of short-term debt are reasonable and reflect Western's actual costs.

Mr. Robert S. Jackson, Senior Vice President of Stone & Webster Management Consultants, Inc., and witness for Western, stated that the minimum return on equity required by Western was 16.75 percent.[28/] Mr. Jackson performed a discounted cash flow ("DCF") analysis and a risk premium analysis to determine the appropriate return on equity. The required return on equity, determined by applying his DCF analysis to 10 comparable gas companies, ranged from 17.1 percent to 17.2 percent at a market to book ratio of 1.1 and from 18.6 to 18.7 percent at a market to book ratio of 1.2.[29/] The required return on equity based on Mr. Jackson's risk premium analysis was from 17.4 percent to 18.3 percent.[30/]

The Commission has strong reservations as to the validity and usefulness of the risk premium analysis. The average risk premium for the period 1960 to 1981 was 5 percentage points.[31] The standard deviation for that period was 2.9 percentage points and the coefficient of variation was 58 percent.[32] Statistically, the variability of the risk premium was quite pronounced. At the hearing, Mr. Jackson agreed that a large standard deviation and coefficient of variation indicated a great deal of variability in the data and he also stated that he would not rely solely on the risk premium analysis to measure the cost of equity, for that reason.[33] The Commission is not convinced that an historical average risk premium is applicable to current bond rates to determine the cost of common equity, given the variability of the risk premium over time.

Mr. Jackson adjusted the dividend yield component of his DCF analysis upward so the return on equity would be sufficient to produce a market to book ratio of 1.1 to 1.2.[34] The adjustment was intended to protect Western from the effects of market pressure and selling expenses and allow it to earn a return on equity sufficient to maintain a market to book ratio of 1. However, Western has no publicly traded stock and price fluctuations caused by the sale of new stock can be positive as well as negative. Moody's Annual Public Utility Market Price Index increased from the preceding year 10 times during the last 20 years and decreased 10 times, with the average increase being 8.2 percent and the average decrease being 9.3 percent.[35] The average increase was only slightly less than the average decrease. The Commission is not convinced that an adjustment for selling expenses or market pressure is required for Western.

The dividend growth rate component in the DCF calculation reflects the investor's expectations of how much the dividend will increase in the future. For every time period that Mr. Jackson calculated historical growth rates for earnings and dividends, the dividend growth rate exceeded the earnings growth rate.[36] Dividends cannot continue indefinitely to grow faster than earnings because dividends are paid from earnings. Given that, investors might expect a dividend growth rate lower than the one calculated by Mr. Jackson. Using a lower dividend growth rate would result in a lower cost of common equity, as determined by a DCF analysis.

Finally, many of the comparison companies Mr. Jackson selected also engage in nonregulated and nonutility activities, such as oil and gas exploration.[37] The Commission is not convinced that Western is of equal risk to the comparison companies because of their nonutility activities. Therefore, the DCF determined cost of equity would have to be adjusted to reflect the appropriate risk relationship between Western and the comparison companies.

Mr. Larkin did not perform an analysis to determine the appropriate cost of equity to Western. However, in its brief, the AG stated that a return on equity in the range of 14 to 15 percent was reasonable.[38] The dividend yield for the Moody's nine Gas Distribution Companies, for September 29, was 9.51 percent.[39] Applying a 5 percent dividend growth rate to a 9.51 percent dividend yield would produce a 14.5 percent return on equity, using the DCF formula.[40]

In Case No. 8227, which was Western's most recent rate case, the Commission granted Western a 15 percent return on equity which was applied to a 40.05 percent equity ratio. That case was decided during a period of double digit inflation and unprecedented capital costs. Therefore, after having considered all the evidence, including current economic conditions, and having given due consideration to Western's conservative capital structure, the Commission is of the opinion that a range of returns on equity of 14 to 15 percent is fair, just and reasonable. This range of returns, in particular, reflects the highly conservative nature of Western's capital structure and the risk differential between Western and the comparison companies used by Mr. Jackson. A return on equity in this range would not only allow Western to attract capital at reasonable costs to insure continued service and provide for necessary expansion to meet future requirements, but also would result in the lowest reasonable cost to the ratepayer. A return on common equity of 14.5 percent will allow Western to attain the above objectives.

Rate of Return Summary

Applying rates of 14.5 percent for common equity, 10.86 percent for long-term debt and 11 percent for short-term debt to the capital structure approved herein produces an overall cost of capital of 12.63 percent. The additional revenue granted will provide a rate of return on net investment of 11.80 percent. The Commission finds this overall cost of capital to be fair, just and reasonable.

REVENUE REQUIREMENTS

The Commission has determined that Western needs additional annual operating income of $2,585,525 to produce a rate of return of 15 percent on common equity based on the adjusted historical test year. After the provision for state and federal income taxes there is an overall revenue deficiency of $5,093,627 which is the additional amount of revenue granted herein. The net operating income required to allow Western the opportunity to pay its operating expenses and fixed costs and have a reasonable amount for equity growth is $6,559,200. This level of operating income will provide a rate of return on net original cost of 11.80 percent and an overall return on total capitalization of 12.63 percent.

The rates and charges in Appendix A are designed to produce gross operating revenue of $164,600,862 which includes other operating revenue of $283,740.

RATE DESIGN AND REVENUE ALLOCATION

Western proposed to allocate the revenue increase by increasing Rate G-1 6.4 percent and by increasing the rates charged to the interruptible customers .1 percent. It proposed to implement a customer charge for Rate G-1 of $3.25 for residential and $7.50 for non-residential. Western's witness, Mr. Randall Powell, Vice President and Manager of Gas Services for Stone and Webster Management Consultants, Inc., testified that Western's intent was to cover a larger share of its fixed costs by imposing a basic customer charge on its firm customers. Calculations were given to substantiate the fixed cost amount; however, the

Commission was not convinced that the methodology utilized by Western's witness, Ms. Carol Kinsler, of Stone and Webster Management Consultants, Inc., was appropriate in this case. Therefore, the Commission has decreased the proposed customer charge by the amount of decrease in Western's proposed revenue increase.

Western proposed to change its existing rate design by splitting Rate G-2 into Rate G-2 and Rate G-3. Both classes will be interruptible but Rate G-3 customers are contracted to take a minimum of 200,000 Mcf per year while Rate G-2 customers have no contracted minimums. The tariffs for both classes include language for high priority service which allows the interruptible customers to contract for firm amounts of gas to be billed at the same charges as G-1 customers. Western's proposal includes a $.04 reduction for interruptible G-3 customers and a $.13 increase for interruptible G-2 customers. The reasoning given by Mr. Powell for this change was to keep the cost of gas at a competitive level with alternate fuels, mainly #6 fuel oil, thereby retaining the sales load of the industrial class capable of switching to another fuel source. Consistent with this line of reasoning Western has proposed that all future increases in contract demand charges be passed on only to the firm customers purchasing gas under the G-1 rate schedule. This will assure cost recovery during periods of declining sales and allow Western to better price its gas supplies to interruptibles.41/

The AG stated in its brief filed October 28, 1983, that Western's rate-design proposal is arbitrary and should be rejected in favor of an evenhanded approach. The AG however did not propose any alternative approaches to be considered by the Commission in designing rates for Western.

The Commission is of the opinion that the division of Rate G-2 into two separate rate classes will be of benefit to both Western and the interruptible customers and should be approved. Facts presented in this case show that the interruptible customers do indeed place a demand on the system,[42/] that service to the interruptible customers was interrupted for only 1 day during the test year,[43/] and that Western's gas prices are well within the 15 percent premium range that natural gas can command over #6 fuel oil.[44/] Considering these items the Commission has determined that it would be unfair, unjust and unreasonable to expect the firm customers to pay all future increases in contract demand charges; therefore, this proposal should be denied.

SUMMARY

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. The rates in Appendix A are the fair, just and reasonable rates for Western and will produce gross annual revenue of approximately $164,600,862.

2. The rates of return granted herein are fair, just and reasonable and will provide for the financial obligations of Western with a reasonable amount remaining for equity growth.

3. The rates proposed by Western would produce revenue in excess of that found reasonable herein and should be denied upon application of KRS 278.030.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved for service rendered by Western on and after December 1, 1983.

IT IS FURTHER ORDERED that the rates proposed by Western be and they hereby are denied.

IT IS FURTHER ORDERED that within 30 days from the date of this Order Western shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of December, 1983.

By the Commission

ATTEST:

Richard D. Heman Jr.

Secretary

FOOTNOTES

1. Notice of Application, Exhibit 6, page 3.

2. Ibid., page 1.

3. Larkin Exhibit, HL-3.

4. Ibid., HL-2

5. AG's post-hearing brief, page 4.

6. Long-term debt was increased and short-term debt was decreased by the same amount.

7. Notice of Application, Exhibit 5, page 1.

8. Order in Case No. 8616, Louisville Gas and Electric Company, entered March 2, 1983, page 13.

9. Transcript of Evidence ("T.E."), October 11, 1983, page 119.

10. Ibid., pages 26 and 27.

11. Ibid., pages 27 and 28.

12. Ibid., page 47.

13. Greable Rebuttal Testimony, page 3.

14. Ibid.

15. T.E., October 11, 1983, page 149.

16. Brady Rebuttal Exhibit 1.

17. T.E., October 11, 1983, page 11.

18. Order in Case No. 8227, Western Kentucky Gas Company, entered October 9, 1981, page 2.

19. Item 19, Response to Commission First Data Request.

20. Greable Rebuttal Testimony, pages 12 and 13.

21. Order in Case No. 8734, Kentucky Power Company, entered October 31, 1983, page 4.

22. Item 2, Schedule 2, Response to Commission First Data Request.

23. Case No. 8898.

24. Page 6, Response to Commission Request for Information at the hearing of October 11, 1983.

25. Jackson Rebuttal Testimony, page 6.

26. Federal Reserve Statistical Release.

27. Larkin Exhibit HL-4.

28. Jackson Prepared Testimony, page 13.

29. Ibid.

30. Ibid.

31. T.E., October 11, 1983, page 103.

32. Ibid., page 104.

33. Ibid.

34. Jackson Prepared Testimony, page 8.

35. Ibid., page 9.

36. T.E., October 11, 1983, page 109.

37. Ibid., pages 187 and 188.

38. AG's post-hearing brief, page 4.

39. T.E., October 11, 1983, page 100.

40. AG's post-hearing brief, page 4.

41. Powell Prepared Testimony, page 10.

42. T.E., October 11, 1983, page 56.

43. Ibid., page 34.

44. Powell Prepared Testimony, page 7.

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8839 DATED December 1, 1983.

The following rates and charges are prescribed for the customers in the area served by Western Kentucky Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

GENERAL SERVICE RATE G-1

Rate - Net:

Base Charge: $1.93 per meter per month for residential service.
$4.53 per meter per month for non-residential service

Commodity Charge: $4.4774 per 1,000 cubic feet.

Minimum Charge - Net:

A. The Base Charge

INTERRUPTIBLE SERVICE RATE G-2

Availability of Service:

A. Available on an individually metered service basis to commercial and industrial customers for any use as approved by the Company on a strictly interruptible basis, provided adequate auxiliary equipment and fuel is maintained to meet periods of gas curtailments, subject to suitable service being available from existing transmission and/or distribution facilities and when an adequate supply of gas is available to the Company under its purchase contract with its pipeline supplier.

B. The supply of gas provided for herein shall be sold primarily on an interruptible basis; however, in certain cases and under certain conditions the contract may include High Priority service to be billed under "General Service Rate G-1" limited to use and volume which, in the Company's judgment, requires and justifies such combination service.

C. The contract for service under this rate schedule shall include interruptible service or a combination of High Priority service and Interruptible service; however, the Company reserves the right to limit the volume of High Priority service available to any one customer.

Delivery Volumes:

B. High Priority Service:

The volume for High Priority service shall be established on a High Priority Daily Contract Demand basis which shall be the maximum quantity the Company is obligated to deliver and which the customer may receive in any one day, subject to other provisions of this rate schedule and the related contract.

C. Interruptible Service:

The volume for Interruptible service shall be established on an Interruptible Daily Contract Demand basis which shall be the maximum quantity the Company is obligated to deliver and which the customer may receive subject to other provisions of this rate schedule and the related contract.

D. Revision of Delivery Volumes:

The Daily Contract Demand for High Priority service and the Daily Contract Demand for Interruptible service shall be subject to revision as necessary so as to coincide with the customer's normal operating conditions and actual load with consideration given to any anticipated changes in customer's utilization, subject to the Company's contractual obligations with other customers or its supplier, and subject to availability of the gas if an increased volume is involved.

Rate - Net:

A. High Priority Service:

The volume of gas used each day up to, but not exceeding, the effective High Priority Daily Contract Demand shall be totaled for the month and billed at the "General Service Rate G-1".

B. Interruptible Service:

All gas used per month in excess of the High Priority Service shall be billed at $4.3674 per 1,000 cubic feet.

LARGE VOLUME INTERRUPTIBLE SERVICE RATE G-3

APPLICABLE:

Entire Service Area of the Company
(See list of towns - Sheet No. 24)

Availability of Service:

Available on an individually metered service basis to commercial and industrial customers for any use as approved by the Company on a strictly interruptible basis, provided adequate auxiliary equipment and fuel is maintained to meet periods of gas curtailments, and when customer requires and contracts for not less than 200,000 Mcf per year, subject to suitable service being available from existing transmission and/or distribution facilities and when an adequate supply of gas is available to the Company under its purchase contract with its pipeline supplier.

Special Conditions:

If a customer contracts for gas under this rate schedule and fails to meet the minimum requirements of 200,000 Mcf per year, the contract shall be subject to cancellation and gas deliveries thereafter shall be billed at the lowest available rate for which the customer qualifies.

Rate - Net:

A. High Priority Service:

The volume of gas used each day up to, but not exceeding, the effective High Priority Daily Contract Demand shall be totaled for the month and billed at the "General Service Rate G-1".

B. Interruptible Service:

All gas used per month in excess of the High Priority Service shall be billed at $4.1974 per 1,000 cubic feet.

Terms and Conditions:

All other terms and conditions under this tariff shall be the same as the Company's Interruptible Service Rate G-2.

ATMOS ENERGY CORPORATION
MID-STATES KENTUCKY RATE CASE
2^{ND} SET OF ATTORNEY GENERAL
DATA REQUEST DATED MARCH 30, 2007
CASE NO. 2006-00464

RECEIVED
APR 13 2007
PUBLIC SERVICE COMMISSION

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 2-1
Witness: Laurie Sherwood

Data Request:

The 13-month average Forecasted Test Period short-term debt balance of $123,886,293shown on the AG-1-1 corrected schedule J-L, sheet1 and supported by FR10 (9)(h)11 - Revised actually is a 12-month average balance. As derived from information on FR10 (9) (h) 1 – Revised, the L3-rnonth average short-term debt balance amounts to $129,979,302.Please confirm this. If you do not agree, explain your disagreement.

Response:

Yes, the 13-month average short-term debt balance is $129,979,302. However, the 12-month average balance was used because it is the appropriate method when averaging daily averages. Using a 13-month average is commonly used when averaging month-end balances, since it effectively averages in the 'beginning' balance, with the intent of giving a truer average of the 12-month period. When averaging daily balances, however, including the average of the daily balances of the month prior to the period being averaged is neither logical nor technically correct. Therefore, the month prior to the forward-looking test year is properly excluded from the short-term average on the referenced revised schedules.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 2
Witness: Jim Cagle

Data Request:

Re. response to AG-1-1: The proposed increase-related state and federal income tax number of $4,123,958 on revised Schedule C-1 is still based on a Kentucky income tax rate of 8.25%rather than 6%. Please explain this.

Response:

See attached schedule labeled AG DR 2-2 ATT showing the revised tax rate. The tax rate was not changed on the schedule C-1. However, the tax rate was changed on all other calculations to arrive at the revised deficiency shown in response to AG DR 1-1.

Atmos Energy Corporation, KY
Case No. 2006-00464
Overall Financial Summary
For the Twelve Months Ended June 30, 2008

Data:______Base Period__X____Forecasted Period
Type of Filing:_______Original________Updated ____X____Revised
Workpaper Reference No(s).____________________

FR 10(10)(a)
Schedule A
Page 1 of 1
Witness: Tom Petersen

Line No.	Description	Supporting Schedule Reference	Base Jurisdictional Revenue Requirement	Forecasted Jurisdictional Revenue Requirement
1	Rate Base	B-1	145,949,366	169,276,150
2	Adjusted Operating Income	C-1	7,977,212	8,687,381
3	Earned Rate of Return (2 / 1)	J-1.1	5.47%	5.13%
4	Required Rate of Return	J-1	8.62%	8.82%
5	Required Operating Income (1 x 4)	C-1	12,580,835	14,930,156
6	Operating Income Deficiency (5 - 2)	C-1	4,603,623	6,242,775
7	Gross Revenue Conversion Factor	H	1.665323	1.647605
8	**Revenue Deficiency (6 x 7)**		**7,666,520**	**10,285,628**
9	Revenue Increase Requested	C-1		10,285,628
10	Adjusted Operating Revenues	C-1		226,698,846
11	Revenue Requirements (9 + 10)	C-1		236,984,474

Atmos Energy Corporation, KY
Case No. 2006-00464
Operating Income Summary
For the Twelve Months ended June 30, 2008
FR 10(10)(c)1
Schedule C-1
Sheet 1 of 1
Witness: Greg Waller \ Gary Smith

Data:______Base Period___X___Forecasted Period
Type of Filing:_______Original________Updated ____X____Revised
Workpaper Reference No(s).____________________

Line No.	Description	Base Return at Current Rates	Forecasted Return at Current Rates	Proposed Increase	Forecasted Return at Proposed Rates
		$	$	$	$
1	Operating Revenue	185,482,439	226,698,846	10,285,628	236,984,474
2	Operating Expenses				
3	Purchased Gas Cost	136,703,385	176,628,089	0	176,628,089
4	Other O & M Expenses	20,144,775	20,970,051	68,327	21,038,378
5	Depreciation Expense	12,368,187	13,032,342	0	13,032,342
6	Taxes Other than Income	6,287,685	5,255,646	0	5,255,646
7					
8	State & Federal Income Taxes	2,001,196	2,125,337	3,974,530	6,099,867
9	Total Operating Expenses	177,505,227	218,011,466	4,042,857	222,054,323
10	Operating Income	7,977,212	8,687,381	6,242,771	14,930,151
11	Rate Base	145,949,366	169,276,150		169,276,150
12	Rate of Return	5.47%	5.13%		8.82%

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 3
Witness: Jim Cagle

Data Request:

Please reconcile the operating income deficiency number of $6,093,343 and required rate of return number of 8.73% on revised Schedule C-1 to the corresponding operating income deficiency number of $6,242,775 and required rate of return number of 8.82% on revised Schedule A.

Response:

Please see the company's response to AG DR 2-2. The tax rate was corrected on schedule C-1 which reconciled the differences between the two schedules identified above.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 4
Witness: Greg Waller

Data Request:

The total operating revenues for the Forecasted Test Period amount to $226,698,846. Please reconcile this to the total Forecasted Test Period Gross Intrastate Receipts of $244,452,110 referenced in the response to AG-1-2c. In addition, explain why the ratepayers should be paying PSC assessments of $29,169 associated with the $17,753,264 difference between the Forecasted Test Period operating revenues and Gross Intrastate Receipts.

Response:

The amount characterized above as "Forecasted Test Period Gross Intrastate Receipts" was not projected or forecasted. The amount represents the amount used in the calculation of the 2006 actual calculation of the PSC assessment. The forecasted test period amount of total operating revenues includes a projection of gas cost based upon the NYMEX indices available last fall. The Company did not attempt to project the gas costs as recovered via the GCA mechanism into the Forecasted test period for purposes of adjusting the PSC assessment. As such, the amount included in the case of approximately $400,000 is a reasonable projection of these costs going forward when the most significant portion of operating revenues is cost of gas which is driven by the natural gas market and therefore not controllable by the Company.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 5
Witness: Tom Petersen

Data Request:

With regard to the Forecasted Test Period average prepayment of $183,270 for Nations Bank of Texas, shown in the response to AG-1-20, please provide the following information:

a. Does this represent prepayment for costs associated with a credit facility fee paid to NationsBank? If not, explain what this prepayment represents.

b. Are these costs associated with the Company's short term debt? If so, why are these prepayments included for ratemaking purposes considering that the company has taken the position that its short term debt and all costs associated with its short term debt should not be recognized for ratemaking purposes in this case

Response:

a. Yes.

b. Yes. The company agrees that this investment should be removed to be consistent with the ratemaking treatment of short term debt in the company's filing.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 6
Witness: Tom Petersen

Data Request:

With regard to the response to AG-1-8, please indicate what portion of the referenced actual average CWIP balance of $4,798,771 is CWIP that does not accrue AFUDC.

Response:

In 2000 the company was not capitalizing AFUDC. Therefore all of the $4,798,771 is CWIP that does not accrue AFUDC.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 7
Witness: Tom Petersen

Data Request:

Please update the response to AG-1-9b by providing actual plant balances for the months of February and March 2007

Response:

March balances were not available to incorporate into company's responses.

Please see the attachment labeled AG DR 2-7 ATT.

Atmos Energy Corporation, KY
Case No. 2006-00464
Plant In Service by Accounts and SubAccounts
as of February 28, 2007

Witness: Tom Petersen

AG DR2-7

Line No.	Acct. No.	Account / SubAccount Titles	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Actual Oct-06	Actual Nov-06	Actual Dec-06	Actual Jan-07	Actual Feb-07
1		Intangible Plant												
2	301.00	Organization	76,480	76,480	76,480	76,480	76,480	76,480	76,480	76,480	76,480	76,480	76,480	76,480
3	302.00	Franchises & Consents	119,853	119,853	119,853	119,853	119,853	119,853	119,853	119,853	119,853	119,853	119,853	119,853
4	303.00	Misc Intangible Plant	408,053	408,053	408,053	408,053	408,053	408,053	408,053	408,053	408,053	408,053	408,053	408,053
5														
6		Total Intangible Plant	604,386	604,386	604,386	604,386	604,386	604,386	604,386	604,386	604,386	604,386	604,386	604,386
7														
8		Natural Gas Production Plant												
9	325.20	Producing Leaseholds	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353
10	325.40	Rights of Ways	83,422	83,422	83,422	83,422	83,422	83,422	83,422	83,422	83,422	83,422	83,422	83,422
11	331.00	Production Gas Wells Equipment	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492
12	332.01	Field Lines	47,163	47,163	47,163	47,163	47,163	47,163	47,163	47,163	47,163	47,163	47,163	47,163
13	332.02	Tributary Lines	528,218	528,218	528,218	528,218	528,218	528,218	528,218	528,218	528,218	528,218	528,218	528,218
14	334.00	Field Meas. & Reg. Sta. Equip	198,469	198,469	198,469	198,469	198,469	198,469	198,469	198,469	198,469	198,469	198,469	198,469
15	336.00	Purification Equipment	44,369	44,369	44,369	44,369	44,369	44,369	44,369	44,369	44,369	44,369	44,369	44,369
16														
17		Total Natural Gas Production Plant	907,486	907,486	907,486	907,486	907,486	907,486	907,486	907,486	907,486	907,486	907,486	907,486
18														
19		Storage Plant												
20	350.10	Land	261,127	261,127	261,127	261,127	261,127	261,127	261,127	261,127	261,127	261,127	261,127	261,127
21	350.20	Rights of Way	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682
22	351.00	Structures and Improvements	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
23	351.02	Compression Station Equipment	159,811	159,811	159,811	159,811	159,811	159,811	159,811	159,811	159,811	159,811	159,811	159,811
24	351.03	Meas. & Reg. Sta. Structues	23,138	23,138	23,138	23,138	23,138	23,138	23,138	23,138	23,138	23,138	23,138	23,138
25	351.04	Other Structures	144,554	144,554	144,554	144,554	144,554	144,554	144,554	144,554	144,554	144,554	144,554	144,554
26	352.00	Wells \ Rights of Way	62,814	62,814	62,814	62,814	62,814	62,814	62,814	62,814	62,814	62,814	62,814	62,814
27	352.01	Well Construction	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527	2,113,527
28	352.02	Well Equipment	531,954	531,954	531,954	531,954	531,954	531,954	531,954	531,954	531,954	531,954	531,954	531,954
29	352.03	Cushion Gas	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833	1,694,833
30	352.10	Leaseholds	178,530	178,530	178,530	178,530	178,530	178,530	178,530	178,530	178,530	178,530	178,530	178,530
31	352.11	Storage Rights	54,614	54,614	54,614	54,614	54,614	54,614	54,614	54,614	54,614	54,614	54,614	54,614
32	353.01	Field Lines	178,501	178,501	178,501	178,501	178,501	178,501	178,501	178,501	178,501	178,501	178,501	178,501
33	353.02	Tributary Lines	209,458	209,458	209,458	209,458	209,458	209,458	209,458	209,458	209,458	209,458	209,458	209,458
34	354.00	Compressor Station Equipment	546,780	546,780	546,780	546,780	546,780	546,780	546,780	837,736	848,047	848,842	848,842	848,842
35	355.00	Meas & Reg. Equipment	288,851	288,851	288,851	288,851	288,851	288,851	288,851	288,851	288,851	242,482	242,482	242,482
36	356.00	Purification Equipment	243,119	243,119	243,119	243,119	243,119	243,119	243,119	243,119	243,119	164,849	164,849	164,849
37														
38		Total Storage Plant	6,700,993	6,700,993	6,700,993	6,700,993	6,700,993	6,700,993	6,700,993	6,991,949	7,002,260	6,878,416	6,878,416	6,878,416

Atmos Energy Corporation, KY
Case No. 2006-00464
Plant in Service by Accounts and SubAccounts
as of February 28, 2007

AG DR2-7

Witness: Tom Petersen

Line No.	Acct. No.	Account Title	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Actual Oct-06	Actual Nov-06	Actual Dec-06	Actual Jan-07	Actual Feb-07
1		Transmission Plant												
2	365.10	Land	26,970	26,970	26,970	26,970	26,970	26,970	26,970	26,970	26,970	26,970	26,970	26,970
3	365.20	Rights of Way	812,196	812,196	812,196	812,196	812,196	812,196	838,245	839,932	839,932	839,932	839,932	839,932
4	366.02	Structures & Improvements	214,065	214,065	214,065	214,065	214,065	214,065	214,065	55,387	55,387	57,406	57,406	57,406
5	366.03	Other Structues	69,172	69,172	69,172	69,172	69,172	69,172	69,172	69,172	69,172	67,154	67,154	67,154
6	367.00	Mains Cathodic Protection	403,856	403,856	406,111	406,111	406,111	406,111	406,111	406,111	406,111	402,288	402,288	402,288
7	367.01	Mains - Steel	21,639,420	21,639,420	21,639,420	21,639,120	21,639,120	21,639,120	21,638,077	21,638,077	21,638,077	21,638,077	21,799,949	21,638,077
8	369.00	Meas. & Reg. Equipment	185,854	185,854	185,854	185,854	185,854	185,854	185,854	185,854	185,854	247,994	247,994	247,994
9	369.01	Meas. & Reg. Equipment	2,766,368	2,766,368	2,766,368	2,766,368	2,766,368	2,766,368	2,766,368	2,766,368	2,766,368	2,704,229	2,704,229	2,704,229
10														
11		Total Production Plant - LPG	26,117,903	26,117,903	26,120,158	26,119,858	26,119,858	26,119,858	26,144,864	25,987,872	25,987,872	25,984,049	26,145,921	25,984,049
12														
13		Distribution Plant												
14	374.00	Land & Land Rights	75,823	75,823	98,315	98,315	98,315	98,315	98,315	98,315	98,315	98,315	98,315	98,315
15	374.01	Land	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571	51,571
16	374.02	Land Rights	145,459	145,459	244,565	244,565	244,565	244,565	244,565	244,565	244,565	244,565	244,565	244,565
17	374.03	Land Other	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784
18	375.00	Structures & Improvements	312,033	312,033	312,033	312,033	312,033	312,033	312,033	312,033	312,033	313,422	313,422	313,422
19	375.01	Structures & Improvements T.B.	105,699	105,699	105,699	105,699	105,699	105,699	105,699	105,699	105,699	104,309	104,309	104,309
20	375.02	Land Rights	46,591	46,591	46,591	46,591	46,591	46,591	46,591	46,591	46,591	46,591	46,591	46,591
21	375.03	Improvements	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005
22	376.00	Mains Cathodic Protection	9,432,000	9,504,743	9,728,385	9,894,648	9,948,689	9,948,689	10,134,603	10,131,633	10,131,624	10,233,311	10,098,690	10,092,818
23	376.01	Mains - Steel	63,074,298	63,098,753	62,963,712	63,696,886	63,741,252	63,736,706	63,811,974	63,763,043	63,761,092	64,172,888	64,235,417	64,236,674
24	376.02	Mains - Plastic	24,257,432	24,273,455	24,437,877	25,172,321	25,224,365	25,366,130	25,937,622	25,805,665	25,813,607	25,816,169	25,965,919	26,089,339
25	378.00	Meas & Reg. Sta. Equip - General	2,760,546	2,778,519	2,791,662	2,939,387	2,939,387	2,939,387	2,949,308	2,937,583	2,933,560	2,913,852	2,913,852	2,855,130
26	379.00	Meas & Reg. Sta. Equip - City Gate	1,205,837	1,216,610	1,217,793	1,217,902	1,225,566	1,225,729	1,277,515	1,277,579	1,277,579	1,298,759	1,298,609	1,356,779
27	379.05	Meas & Reg. Sta. Equipment T.b.	1,636,212	1,636,212	1,636,212	1,636,212	1,636,212	1,636,212	1,636,212	1,636,212	1,636,212	1,615,033	1,615,033	1,615,033
28	380.00	Services	71,835,921	72,089,557	72,606,180	73,054,178	73,399,230	73,454,633	74,309,639	74,407,597	74,555,925	75,362,444	75,802,809	75,980,376
29	381.00	Meters	13,775,723	13,775,723	13,775,694	13,775,694	13,775,694	13,775,694	13,795,124	14,092,447	14,111,268	14,108,682	14,140,935	13,677,476
30	382.00	Meter Installaitons	33,983,058	34,116,918	34,092,742	34,158,449	34,295,148	34,297,992	34,859,293	34,975,460	35,048,140	35,712,906	35,987,051	36,134,516
31	383.00	House Regulators	4,970,966	4,970,972	4,971,436	4,971,480	4,971,480	4,986,161	5,032,824	5,032,824	5,033,903	5,033,869	5,033,722	5,042,629
32	384.00	House Reg. Installations	154,276	154,276	154,276	154,276	154,276	154,276	154,276	154,276	154,276	154,276	154,276	154,276
33	385.00	Ind. Meas. & Reg. Sta. Equipment	4,464,370	4,505,318	4,530,661	4,530,661	4,530,661	4,530,661	4,591,155	4,590,943	4,590,943	4,574,801	4,574,801	4,584,810
34	386.00	Other Prop. On Cust. Prem	5,693	5,693	5,693	5,693	5,693	5,693	-	-	-	-	-	-
35														
36			232,300,298	232,870,714	233,777,886	236,073,351	236,713,216	236,923,526	239,355,107	239,670,827	239,913,692	241,862,555	242,686,678	242,685,421

Atmos Energy Corporation, KY
Case No. 2006-00464
Plant in Service by Accounts and SubAccounts
as of February 28, 2007

Witness: Tom Petersen

AG DR2-7

Line No.	Acct. No.	Account Title	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Actual Oct-06	Actual Nov-06	Actual Dec-06	Actual Jan-07	Actual Feb-07
1		General Plant **												
2	389.00	Land & Land Rights	68,187	68,187	71,393	71,393	71,393	71,393	71,393	71,393	71,393	71,393	71,393	71,393
3	390.00	Structures & Improvements	0	0	0	0	0	0	0	0	95,076	95,076	160,550	160,550
4	390.01	Structures Frame	65,954	65,954	65,954	65,954	65,954	65,954	65,954	65,954	65,954	65,954	65,954	65,954
5	390.02	Structures - Brick	182,162	182,162	193,598	193,598	193,598	193,598	193,598	193,598	193,598	186,821	186,821	186,821
6	390.03	Improvements	774,269	774,269	774,269	774,269	774,269	774,269	774,269	774,269	774,269	750,964	750,964	750,964
7	390.04	Air Conditioning Equipment	11,894	11,894	14,251	14,251	14,251	14,251	14,251	14,251	11,894	11,894	11,894	11,894
8	390.09	Improvement to leased Premises	1,935,348	1,935,348	1,935,348	1,935,348	1,935,348	1,935,348	1,935,348	1,935,348	1,926,053	1,918,185	1,918,185	1,918,185
9	391.00	Office Furniture & Equipment	3,223,924	3,223,924	2,594,450	2,623,132	2,623,132	2,623,132	2,642,313	2,687,994	2,698,873	2,698,873	2,707,960	2,707,960
10	391.02	Remittance Processing Equip	2,775	2,775	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
11	391.03	Office Machines	179,141	179,141	131,816	131,816	131,816	131,816	131,816	131,816	131,816	131,816	131,816	131,816
12	392.00	Transportation Equipment	645,561	645,561	536,420	536,420	536,420	536,420	536,420	536,420	536,420	536,420	536,420	536,420
13	392.01	Trucks	43,313	43,313	21,941	21,941	21,941	21,941	21,941	21,941	21,941	21,941	21,941	21,941
14	392.02	Trailers	146,473	146,473	118,632	118,632	118,632	118,632	118,632	118,632	118,632	118,632	118,632	118,632
15	393.00	Stores Equipment	4,250	4,250	4,250	4,250	4,250	4,250	3,934	3,934	3,934	3,934	3,934	3,934
16	394.00	Tools, Shop & Garage Equipment	2,173,371	2,173,371	1,589,199	1,595,317	1,595,653	1,595,653	1,595,630	1,598,113	1,598,113	1,628,940	1,628,940	1,628,940
17	396.00	Power Operated Equipment	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125	3,125
18	396.03	Ditchers	301,855	301,855	239,376	239,376	239,376	239,376	239,376	239,376	239,376	245,777	245,777	245,777
19	396.04	Backhoes	303,039	303,039	274,689	274,689	274,689	274,689	274,689	274,689	274,689	274,689	274,689	274,689
20	396.05	Welders	65,793	65,793	40,326	40,326	40,326	40,326	40,326	40,326	40,326	40,326	33,268	33,268
21	397.00	Communication Equipment	2,553,736	2,553,888	2,667,922	2,667,802	2,667,802	2,676,501	2,689,086	2,720,937	2,696,876	1,768,874	1,764,712	1,764,712
22	397.01	Communication Equipment - Mobile Radios	3,338	3,338	3,338	3,338	3,338	3,338	3,338	4,350	4,350	3,152	3,152	3,152
23	397.02	Communication Equipment - Fixed Radios	41,432	41,432	41,432	41,432	41,432	41,432	41,432	41,432	41,432	2,832	2,832	2,832
24	397.05	Communication Equip. - Telemetering	312,236	312,236	312,236	312,236	312,236	312,236	312,236	312,236	312,236	81,723	81,723	81,723
25	398.00	Miscellaneous Equipment	2,379,905	2,393,415	2,570,017	2,619,092	2,619,092	2,624,299	2,850,542	2,857,436	2,859,963	2,882,157	2,885,933	2,885,933
26	399.00	Other Tangible Property	40,867	40,867	40,867	40,867	40,867	40,867	40,867	40,867	40,867	40,867	40,867	40,867
27	399.01	Other Tangible Property - Servers - H/W	906,600	950,562	966,761	966,746	968,284	983,528	999,555	1,084,700	1,141,026	1,142,269	1,142,202	1,142,202
28	399.02	Other Tangible Property - Servers - S/W	583,295	593,253	593,254	593,277	593,639	607,693	593,636	610,174	617,634	617,634	617,623	617,623
29	399.03	Other Tangible Property - Network - H/W	706,178	706,178	698,912	712,735	723,945	723,945	725,506	725,506	726,008	726,008	726,008	726,008
30	399.04	Other Tang. Property - CPU	56,964	56,964	56,964	56,964	56,964	56,964	56,964	56,964	56,964	56,964	56,964	56,964
31	399.05	Other Tangible Property - MF - Hardware	60,318	60,318	60,318	60,318	60,318	60,318	60,318	60,318	60,318	60,318	60,318	60,318
32	399.06	Other Tang. Property - PC Hardware	3,478,618	3,478,619	3,569,563	3,643,814	3,647,300	3,653,444	3,816,558	3,831,516	3,697,792	3,682,527	3,682,832	3,689,376
33	399.07	Other Tang. Property - PC Software	421,043	423,057	490,566	491,598	489,501	494,874	495,635	500,638	499,815	499,495	499,475	518,187
34	399.08	Other Tang. Property - Mainframe S/W	6,545,976	6,819,821	6,894,145	6,895,765	6,916,361	6,924,204	6,918,293	7,344,288	7,409,568	7,282,200	7,281,811	7,286,006
35	399.09	Other Tang. Property - Application Software	134,588	134,588	134,588	134,588	134,588	134,588	134,588	134,588	133,919	133,919	133,919	133,919
36	399.24	Other Tang. Property - General Startup Costs	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650	1,297,650
37														
38		Total General Plant	29,653,178	29,996,621	29,008,888	29,183,378	29,218,809	29,281,373	29,700,539	30,336,100	30,403,220	29,084,672	29,151,605	29,181,057
39														
40		Total Plant	296,284,244	297,198,102	297,119,797	299,589,452	300,264,748	300,537,622	303,413,375	304,498,619	304,818,916	305,321,564	306,374,493	306,240,815
41														

** All Intangible and General Plant amounts include Kentucky, Div. 09 general plant 100%, plus allocations of General Office general plant from Div. 02 at 5.20%, Div. 12 at 5.60% and Div 91 at 36.78%.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 8
Witness: Tom Petersen

Data Request:

With regard to the Company's depreciation reserve balances, please provide the following information:

a. The 13 monthly accumulated depreciation and amortization balances making up the 13-month average Base Period balance of $136,809,191.

b. Update of the AG DR 1-14,A,E response (page 1 of 6) by providing actual reserve balances for the months of February and March 2007.

c. Explanation for the variance between the 13-month average actual Base Period reserve balance and the average projected Base Period reserve balance of $136,809,191

Response:

March balances were not available to incorporate into company's responses.

a. Please see the attachment labeled AG DR 2-8a ATT.

b. Please see the attachment labeled AG DR 2-8b ATT.

c. March balances are not available at this time to make a complete comparison of the projected versus actual balances.

Atmos Energy Kentucky
Computation of 13 Month Average Reserve Balances
Response for AG DR 2-8(a)

Allocation Factor	
Div02	5.20%
Div012	5.60%
Div091	36.78%

	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Budget Oct-06	Budget Nov-06	Budget Dec-06	Budget Jan-07	Budget Feb-07	Budget Mar-07	13 Mo. Avg Mar-07
Div 02	2,197,773	2,226,195	2,138,765	2,165,982	2,193,528	2,208,036	2,236,169	2,242,093	2,248,016	2,253,940	2,259,863	2,265,787	2,271,710	2,223,681
Div 012	3,603,220	3,659,003	3,720,691	3,782,431	3,844,211	3,934,976	4,005,253	4,059,017	4,112,781	4,166,544	4,220,308	4,274,072	4,327,835	3,977,719
Div 091	1,568,493	1,577,696	1,538,049	1,547,591	1,556,979	1,566,367	1,593,437	1,616,344	1,639,251	1,662,157	1,685,064	1,707,971	1,730,878	1,614,637
Div 09	126,442,339	127,069,144	126,001,290	126,524,224	126,583,549	127,437,357	127,824,809	128,876,211	129,927,613	130,979,016	132,030,418	133,081,820	134,133,222	128,993,155
Total KY	**133,811,825**	**134,532,038**	**133,398,795**	**134,020,228**	**134,178,266**	**135,146,736**	**135,659,669**	**136,793,665**	**137,927,661**	**139,061,657**	**140,195,653**	**141,329,650**	**142,463,646**	**136,809,191**

Line No.	Acct. No.	Account Title	Current Rates	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06
				$	$	$	$	$
1	Account 101-1000 Gas Plant in Service -							
2		Intangible Plant						
3	301.00	Organization		8,330	8,330	8,330	8,330	8,330
	302.00	Franchises & Consents		119,853	119,853	119,853	119,853	119,853
4	303.00	Misc. Intangible Plant		0	0	0	0	0
5								
6		Total Intangible Plant		128,182	128,182	128,182	128,182	128,182
7								
8		Natural Gas Production Plant						
9	325.20	Producing Leaseholds		0	0	0	0	0
10	325.40	Rights of Ways		0	0	0	0	0
11	331.00	Production Gas Wells Equipment		3,492	3,492	3,492	3,492	3,492
12	332.01	Field Lines		47,163	47,163	47,163	47,163	47,163
13	332.02	Tributary Lines		529,956	529,956	529,956	529,956	529,956
14	334.00	Field Meas. & Reg. Sta. Equip		198,469	198,469	198,469	198,469	198,469
15	336.00	Purification Equipment		0	0	0	0	0
16								
17		Total Natural Gas Production Plant		779,080	779,080	779,080	779,080	779,080
18								
19		Storage Plant						
20	350.10	Land		0	0	0	0	0
21	350.20	Rights of Way	0.92%	4,682	4,682	4,682	4,682	4,682
22	351.00	Structures & Improvements	1.93%	1,627	1,634	1,642	1,649	1,657
23	351.02	Compression Station Equipment	1.93%	114,523	114,780	115,037	115,294	115,551
24	351.03	Meas. & Reg. Sta. Structures	1.93%	23,762	23,799	23,837	23,874	23,911
25	351.04	Other Structures	1.93%	129,435	129,668	129,900	130,133	130,365
26	352.00	Wells	2.71%	34,782	34,923	35,065	35,207	35,349
27	352.01	Well Construction	2.71%	1,711,874	1,716,647	1,721,420	1,726,193	1,730,966
28	352.02	Well Equipment	2.71%	550,374	551,576	552,777	553,978	555,180
29	352.03	Cushion Gas	0.00%	23,304	23,304	23,304	23,304	23,304
30	352.10	Leaseholds	0.30%	178,619	178,619	178,619	178,619	178,619
31	352.11	Storage Rights	1.83%	50,650	50,733	50,817	50,900	50,983
32	353.01	Field Lines	1.35%	181,866	182,067	182,268	182,469	182,670
33	353.02	Tributary Lines	1.35%	213,408	213,644	213,879	214,115	214,351
34	354.00	Compressor Station Equipment	1.51%	470,611	471,299	471,987	472,676	473,364
35	355.00	Meas & Reg. Sta. Equipment	2.06%	283,098	283,594	284,090	284,586	285,082
36	356.00	Purification Equipment	1.30%	243,645	243,645	243,645	243,645	243,645
37								
38		Total Storage Plant		4,216,261	4,224,615	4,232,969	4,241,323	4,249,678
39								
40		Transmission Plant						
41	365.10	Land	0.00%	16	16	16	16	16
42	365.20	Rights of Way	0.89%	327,698	328,301	328,903	329,506	330,108
43	366.02	Structures & Improvements	1.39%	12,021	12,269	12,517	12,765	13,013
44	366.03	Other Structues	1.39%	60,044	60,124	60,204	60,284	60,365
45	367.00	Mains Cathodic Protection	1.27%	258,140	258,568	258,998	259,428	259,859
46	367.01	Mains - Steel	1.27%	15,140,349	15,163,251	15,186,153	15,207,717	15,230,619
47	369.00	Meas. & Reg. Sta. Equipment	2.28%	38,774	39,127	39,480	39,834	40,187
48	369.01	Meas. & Reg. Sta. Equipment	2.28%	1,876,212	1,881,468	1,886,724	1,891,980	1,897,236
49								
50		Total Transmission Plant		17,713,254	17,743,124	17,772,996	17,801,530	17,831,401
51								
52		Distribution Plant						
53	374.00	Land & Land Rights	0.00%	57,145	57,145	57,145	57,145	57,145
54	374.01	Land	0.00%	0	0	0	0	0
55	374.02	Land Rights	1.68%	20,224	20,427	20,797	21,167	21,538
56	374.03	Land Other	0.00%	0	0	0	0	0
57	375.00	Structures & Improvements	1.95%	22,712	23,219	23,726	24,233	24,740
58	375.01	Structures & Improvements T.B.	1.95%	78,110	78,282	78,454	78,626	78,797
59	375.02	Land Rights	1.95%	37,157	37,233	37,308	37,384	37,460
60	375.03	Improvements	1.95%	137	144	150	157	163
61	376.00	Mains Cathodic Protection	2.39%	1,729,118	1,747,863	1,763,862	1,783,638	1,796,662
62	376.01	Mains - Steel	2.39%	37,454,204	37,567,896	37,676,251	37,697,007	37,787,839
63	376.02	Mains Plastic	2.39%	7,685,194	7,731,939	7,771,267	7,809,191	7,855,933
64	378.00	Meas. & Reg. Sta. Equipment General	2.49%	1,372,498	1,378,123	1,383,780	1,379,527	1,385,644
65	379.00	Meas & Reg. Sta. - City Gate	2.57%	110,664	113,233	115,805	118,377	120,982
66	379.05	Meas & Reg. Sta. - TB	2.57%	1,175,805	1,179,310	1,182,814	1,186,318	1,189,822
67	380.00	Services	6.86%	34,605,146	34,954,566	34,929,007	35,183,998	35,236,485
68	381.00	Meters	3.35%	1,166,792	1,205,249	1,243,706	1,282,163	1,320,620
69	382.00	Meter Installations	3.06%	5,705,312	5,614,501	5,586,332	5,560,568	5,209,521
70	383.00	House Regulators Service	2.85%	2,490,204	2,501,844	2,513,485	2,525,126	2,536,768
71	384.00	House Reg. Installations	3.37%	94,224	94,657	95,091	95,524	95,957
72	385.00	Ind. Meas. & Reg. Sta. Equipment	2.73%	1,959,293	1,969,508	1,979,793	1,990,078	2,000,363
73	386.00	Other Property on Cust. Prem.	3.00%	2,432	2,446	2,460	2,474	2,489
74								
75		Total Distribution Plant		95,766,370	96,277,583	96,461,232	96,832,702	96,758,928

Western Kentucky Gas Company
Computation of 13 Month Average Reserve Balances
workpaper B-3.1 Base Div. 09 Western Only

Line No.	Acct. No.	Account Title	Current Rates	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06
				$	$	$	$	$
76								
77		General Plant						
78	389.00	Land & Land Rights		28,459	28,459	28,459	28,459	28,459
	390.01	Structures Frame		0	0	0	0	0
79	390.02	Structrues & Improvements	2.12%	94,944	95,265	95,611	95,957	96,304
80	390.03	Improvements	2.12%	76,062	77,430	78,798	80,165	81,533
81	390.04	Air Conditioning Equipment	2.12%	4,953	4,970	4,992	5,015	5,037
82	390.09	Improv. to Leased Premises	5.00%	1,063,375	1,069,135	1,074,895	1,080,654	1,086,414
83	391.00	Office Furn & Equipment	7.05%	1,073,794	1,086,774	547,786	557,152	566,517
	391.02	Remittance Processing Equip		0	0	0	0	0
84	391.03	Office Machines	7.05%	(30,799)	(30,236)	(30,484)	(29,926)	(29,368)
85	392.00	Transportation Equipment	8.92%	(620,972)	(616,380)	(694,903)	(691,046)	(687,188)
86	392.01	Trucks	8.92%	48,285	48,285	26,913	26,913	26,913
87	392.02	Trailers	8.92%	141,935	143,023	116,022	116,862	117,703
	393.00	Stores Equipment		0	0	0	0	0
88	394.00	Tools, Shop & Garage Equip.	3.28%	660,555	666,347	91,300	95,223	99,149
	396.00	Power Operated Equipment		0	0	0	0	0
89	396.03	Ditchers	2.79%	(88,222)	(87,520)	(149,471)	(148,944)	(148,416)
90	396.04	Backhoes	2.79%	35,952	36,656	8,932	9,557	10,183
91	396.05	Welders	2.79%	24,486	24,637	(750)	(671)	(591)
92	397.00	Communication Equipment	5.21%	598,332	603,286	608,240	613,195	618,149
93	397.01	Communication Equip. - Mobile Radios	5.21%	(19,017)	(19,003)	(18,988)	(18,974)	(18,959)
94	397.02	Communication Equip. - Fixed Radios	5.21%	5,004	5,184	5,364	5,544	5,724
95	397.05	Communication Equip. - Telemetering	5.21%	78,070	79,426	80,781	82,137	83,493
96	398.00	Miscellaneous Equipment	10.94%	718,658	738,640	760,555	783,107	805,658
	399.00	Other Tangible Property		0	0	0	0	0
97	399.01	Other Tangible Property - Servers - H/W	14.29%	171,851	173,947	175,990	175,990	175,990
98	399.02	Other Tangible Property - Servers - S/W	14.29%	118,461	118,461	118,461	118,461	118,461
99	399.03	Other Tangible Property - Network - H/W	14.29%	441,225	447,319	453,413	459,508	465,602
	399.04	Other Tangible Property - CPU		0	0	0	0	0
	399.05	Other Tangible Property - MF - Hardware		0	0	0	0	0
100	399.06	Other Tangible Property - PC Hardware	18.51%	2,702,795	2,702,795	2,716,608	2,760,112	2,783,909
101	399.07	Other Tang. Property - P.C. Software	15.85%	178,376	181,586	184,795	188,004	191,214
102	399.08	Other Tang. Property - Application Software	12.50%	332,631	338,071	343,511	348,951	354,391
	399.09	Other Tang. Property - MF Software		0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs		0	0	0	0	0
103								
104								
105		Total General Plant		7,839,192	7,916,559	6,626,831	6,741,407	6,836,280
106								
107		Total Plant		126,442,339	127,069,144	126,001,290	126,524,224	126,583,549

Line No.	Acct. No.	Account Title	Current Rates	Actual Aug-06	Actual Sep-06	Budget Oct-06	Budget Nov-06	Budget Dec-06	Budget Jan-07
				$	$	$	$	$	$
1	Account 101-1000 Gas Plant in Service -								
2		Intangible Plant							
3	301.00	Organization		8,330	8,330	8,330	8,330	8,330	8,330
	302.00	Franchises & Consents		119,853	119,853	119,853	119,853	119,853	119,853
4	303.00	Misc. Intangible Plant		0	0	0	0	0	0
5									
6		Total Intangible Plant		128,182	128,182	128,182	128,182	128,182	128,182
7									
8		Natural Gas Production Plant							
9	325.20	Producing Leaseholds		0	0	0	0	0	0
10	325.40	Rights of Ways		0	0	0	0	0	0
11	331.00	Production Gas Wells Equipment		3,492	3,492	3,492	3,492	3,492	3,492
12	332.01	Field Lines		47,163	47,163	47,163	47,163	47,163	47,163
13	332.02	Tributary Lines		529,956	529,956	529,956	529,956	529,956	529,956
14	334.00	Field Meas. & Reg. Sta. Equip		198,469	198,469	198,469	198,469	198,469	198,469
15	336.00	Purification Equipment		0	0	0	0	0	0
16									
17		Total Natural Gas Production Plant		779,080	779,080	779,080	779,080	779,080	779,080
18									
19		Storage Plant							
20	350.10	Land		0	0	0	0	0	0
21	350.20	Rights of Way	0.92%	4,682	4,682	4,689	4,696	4,703	4,710
22	351.00	Structures & Improvements	1.93%	1,665	1,672	1,680	1,687	1,695	1,702
23	351.02	Compression Station Equipment	1.93%	115,808	116,065	116,322	116,580	116,837	117,094
24	351.03	Meas. & Reg. Sta. Structures	1.93%	23,948	23,985	24,023	24,060	24,097	24,134
25	351.04	Other Structures	1.93%	130,598	130,830	131,063	131,295	131,528	131,760
26	352.00	Wells	2.71%	35,491	35,633	35,775	35,916	36,058	36,200
27	352.01	Well Construction	2.71%	1,735,739	1,740,512	1,745,285	1,750,058	1,754,831	1,759,604
28	352.02	Well Equipment	2.71%	556,381	557,582	558,784	559,985	561,186	562,388
29	352.03	Cushion Gas	0.00%	0	0	3,884	7,768	11,652	15,536
30	352.10	Leaseholds	0.30%	178,619	178,619	178,709	178,798	178,887	178,976
31	352.11	Storage Rights	1.83%	51,066	51,150	51,233	51,316	51,400	51,483
32	353.01	Field Lines	1.35%	182,871	183,071	183,272	183,473	183,674	183,875
33	353.02	Tributary Lines	1.35%	214,586	214,822	215,057	215,293	215,529	215,764
34	354.00	Compressor Station Equipment	1.51%	474,052	474,740	475,428	476,116	476,804	477,492
35	355.00	Meas & Reg. Sta. Equipment	2.06%	285,578	286,074	286,569	287,065	287,561	288,057
36	356.00	Purification Equipment	1.30%	243,645	243,645	244,172	244,699	245,226	245,752
37									
38		Total Storage Plant		4,234,728	4,243,082	4,255,944	4,268,805	4,281,666	4,294,527
39									
40		Transmission Plant							
41	365.10	Land	0.00%	16	16	16	16	16	16
42	365.20	Rights of Way	0.89%	330,710	331,429	332,032	332,636	333,240	333,844
43	366.02	Structures & Improvements	1.39%	13,261	13,509	13,757	14,004	14,252	14,500
44	366.03	Other Structues	1.39%	60,445	60,525	60,605	60,685	60,765	60,845
45	367.00	Mains Cathodic Protection	1.27%	260,289	260,719	261,148	261,577	262,006	262,435
46	367.01	Mains - Steel	1.27%	15,253,520	15,271,466	15,295,510	15,319,553	15,343,597	15,367,640
47	369.00	Meas. & Reg. Sta. Equipment	2.28%	40,540	40,893	41,246	41,599	41,952	42,305
48	369.01	Meas. & Reg. Sta. Equipment	2.28%	1,902,493	1,907,749	1,913,083	1,918,417	1,923,752	1,929,086
49									
50		Total Transmission Plant		17,861,273	17,886,305	17,917,397	17,948,489	17,979,581	18,010,673
51									
52		Distribution Plant							
53	374.00	Land & Land Rights	0.00%	57,145	57,145	57,145	57,145	57,145	57,145
54	374.01	Land	0.00%	0	0	0	0	0	0
55	374.02	Land Rights	1.68%	21,908	22,278	22,578	22,877	23,177	23,477
56	374.03	Land Other	0.00%	0	0	0	0	0	0
57	375.00	Structures & Improvements	1.95%	25,247	25,754	26,261	26,768	27,275	27,782
58	375.01	Structures & Improvements T.B.	1.95%	78,969	79,141	79,313	79,484	79,656	79,828
59	375.02	Land Rights	1.95%	37,535	37,611	37,687	37,763	37,838	37,914
60	375.03	Improvements	1.95%	170	176	183	189	196	202
61	376.00	Mains Cathodic Protection	2.39%	1,816,654	1,838,859	1,860,168	1,881,477	1,902,786	1,924,095
62	376.01	Mains - Steel	2.39%	37,908,263	38,325,631	38,420,802	38,515,974	38,611,146	38,706,317
63	376.02	Mains Plastic	2.39%	7,903,109	7,880,989	7,946,760	8,012,532	8,078,304	8,144,075
64	378.00	Meas. & Reg. Sta. Equipment General	2.49%	1,391,761	1,390,592	1,395,510	1,400,427	1,405,344	1,410,262
65	379.00	Meas & Reg. Sta. - City Gate	2.57%	123,589	126,860	129,516	132,171	134,827	137,482
66	379.05	Meas & Reg. Sta. - TB	2.57%	1,193,327	1,196,831	1,200,335	1,203,839	1,207,343	1,210,848
67	380.00	Services	6.86%	35,654,827	35,794,213	36,192,187	36,590,161	36,988,135	37,386,109
68	381.00	Meters	3.35%	1,359,077	1,038,127	1,137,117	1,236,107	1,335,097	1,434,088
69	382.00	Meter Installations	3.06%	5,296,962	5,282,019	5,446,625	5,611,231	5,775,837	5,940,443
70	383.00	House Regulators Service	2.85%	2,548,513	2,560,924	2,573,092	2,585,260	2,597,427	2,609,595
71	384.00	House Reg. Installations	3.37%	96,390	96,824	97,257	97,690	98,123	98,557
72	385.00	Ind. Meas. & Reg. Sta. Equipment	2.73%	2,010,647	2,021,758	2,032,233	2,042,708	2,053,184	2,063,659
73	386.00	Other Property on Cust. Prem.	3.00%	2,503	0	418	837	1,255	1,674
74									
75		Total Distribution Plant		97,526,596	97,775,731	98,655,186	99,534,640	100,414,095	101,293,550

Line No.	Acct. No.	Account Title	Current Rates	Actual Aug-06	Actual Sep-06	Budget Oct-06	Budget Nov-06	Budget Dec-06	Budget Jan-07
				$	$	$	$	$	$
76									
77		General Plant							
78	389.00	Land & Land Rights		28,459	28,459	28,459	28,459	28,459	28,459
	390.01	Structures Frame		0	0	0	0	0	0
79	390.02	Structrues & Improvements	2.12%	96,650	96,996	97,331	97,667	98,003	98,339
80	390.03	Improvements	2.12%	82,901	84,269	85,637	87,005	88,373	89,741
81	390.04	Air Conditioning Equipment	2.12%	5,059	5,081	5,102	5,122	5,142	5,162
82	390.09	Improv. to Leased Premises	5.00%	1,092,174	1,097,934	1,103,693	1,109,453	1,115,213	1,120,973
83	391.00	Office Furn & Equipment	7.05%	575,883	585,535	587,071	588,607	590,142	591,678
	391.02	Remittance Processing Equip		0	0	0	0	0	0
84	391.03	Office Machines	7.05%	(28,811)	(28,253)	(27,706)	(27,160)	(26,613)	(26,067)
85	392.00	Transportation Equipment	8.92%	(683,330)	(679,473)	(676,710)	(673,948)	(671,185)	(668,423)
86	392.01	Trucks	8.92%	26,913	26,913	26,924	26,934	26,944	26,954
87	392.02	Trailers	8.92%	118,543	118,632	119,227	119,823	120,419	121,014
	393.00	Stores Equipment		0	0	0	0	0	0
88	394.00	Tools, Shop & Garage Equip.	3.28%	103,074	106,999	101,979	96,959	91,938	86,918
	396.00	Power Operated Equipment		0	0	0	0	0	0
89	396.03	Ditchers	2.79%	(147,889)	(147,361)	(147,809)	(148,257)	(148,705)	(149,153)
90	396.04	Backhoes	2.79%	10,808	11,434	11,616	11,799	11,982	12,165
91	396.05	Welders	2.79%	(512)	(432)	(745)	(1,059)	(1,372)	(1,685)
92	397.00	Communication Equipment	5.21%	623,103	628,057	633,012	637,966	642,920	647,874
93	397.01	Communication Equip. - Mobile Radios	5.21%	(18,945)	(18,930)	(18,916)	(18,901)	(18,887)	(18,873)
94	397.02	Communication Equip. - Fixed Radios	5.21%	5,904	6,084	6,264	6,444	6,623	6,803
95	397.05	Communication Equip. - Telemetering	5.21%	84,848	86,204	87,559	88,915	90,271	91,626
96	398.00	Miscellaneous Equipment	10.94%	828,352	855,426	877,011	898,596	920,181	941,765
	399.00	Other Tangible Property		0	0	0	0	0	0
97	399.01	Other Tangible Property - Servers - H/W	14.29%	175,990	175,990	179,492	182,993	186,495	189,997
98	399.02	Other Tangible Property - Servers - S/W	14.29%	118,461	118,461	121,164	123,866	126,569	129,271
99	399.03	Other Tangible Property - Network - H/W	14.29%	471,697	477,791	483,886	489,980	496,075	502,169
	399.04	Other Tangible Property - CPU		0	0	0	0	0	0
	399.05	Other Tangible Property - MF - Hardware		0	0	0	0	0	0
100	399.06	Other Tangible Property - PC Hardware	18.51%	2,783,909	2,813,709	2,885,330	2,956,951	3,028,572	3,100,193
101	399.07	Other Tang. Property - P.C. Software	15.85%	194,423	197,633	200,842	204,051	207,261	210,470
102	399.08	Other Tang. Property - Application Software	12.50%	359,831	365,271	370,712	376,152	381,592	387,032
	399.09	Other Tang. Property - MF Software		0	0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs		0	0	0	0	0	0
103						0	0	0	0
104									
105		Total General Plant		6,907,497	7,012,428	7,140,423	7,268,417	7,396,411	7,524,405
106									
107		Total Plant		127,437,357	127,824,809	128,876,211	129,927,613	130,979,016	132,030,418

Line No.	Acct. No.	Account Title	Current Rates	Budget Feb-07	Budget Mar-07	13 Mo. Avg Mar-07	Projected Provision Base Period	Reserve Balance Mar-07	Retirements
				$	$	$		Projected	
1	Account 101-1000 Gas Plant in Service -								
2		Intangible Plant							
3	301.00	Organization		8,330	8,330	8,330	0	8,330	0
	302.00	Franchises & Consents		119,853	119,853	119,853	0	119,853	0
4	303.00	Misc. Intangible Plant		0	0	0	0	0	0
5									
6		Total Intangible Plant		128,182	128,182	128,182	0	128,182	0
7									
8		Natural Gas Production Plant							
9	325.20	Producing Leaseholds		0	0	0	0	0	0
10	325.40	Rights of Ways		0	0	0	0	0	0
11	331.00	Production Gas Wells Equipment		3,492	3,492	3,492	0	3,492	0
12	332.01	Field Lines		47,163	47,163	47,163	0	47,163	0
13	332.02	Tributary Lines		529,956	529,956	529,956	0	529,956	0
14	334.00	Field Meas. & Reg. Sta. Equip		198,469	198,469	198,469	0	198,469	0
15	336.00	Purification Equipment		0	0	0	0	0	0
16									
17		Total Natural Gas Production Plant		779,080	779,080	779,080	0	779,080	0
18									
19		Storage Plant							
20	350.10	Land		0	0	0	0	0	0
21	350.20	Rights of Way	0.92%	4,717	4,725	4,693	43	4,725	0
22	351.00	Structures & Improvements	1.93%	1,710	1,718	1,672	91	1,718	0
23	351.02	Compression Station Equipment	1.93%	117,351	117,608	116,065	3,084	117,608	0
24	351.03	Meas. & Reg. Sta. Structures	1.93%	24,171	24,209	23,985	447	24,209	0
25	351.04	Other Structures	1.93%	131,993	132,225	130,830	2,790	132,225	0
26	352.00	Wells	2.71%	36,342	36,484	35,633	1,702	36,484	0
27	352.01	Well Construction	2.71%	1,764,377	1,769,150	1,740,512	57,277	1,769,150	0
28	352.02	Well Equipment	2.71%	563,589	564,790	557,582	14,416	564,790	0
29	352.03	Cushion Gas	0.00%	19,420	23,304	15,237	0	23,304	0
30	352.10	Leaseholds	0.30%	179,066	179,155	178,764	536	179,155	0
31	352.11	Storage Rights	1.83%	51,566	51,649	51,150	999	51,649	0
32	353.01	Field Lines	1.35%	184,075	184,276	183,071	2,410	184,276	0
33	353.02	Tributary Lines	1.35%	216,000	216,236	214,822	2,828	216,236	0
34	354.00	Compressor Station Equipment	1.51%	478,180	478,868	474,740	8,256	478,868	0
35	355.00	Meas & Reg. Sta. Equipment	2.06%	288,553	289,049	286,074	5,950	289,049	0
36	356.00	Purification Equipment	1.30%	246,279	246,806	244,496	3,161	246,806	0
37									
38		Total Storage Plant		4,307,389	4,320,250	4,259,326	103,989	4,320,250	0
39									
40		Transmission Plant							
41	365.10	Land	0.00%	16	16	16	0	16	0
42	365.20	Rights of Way	0.89%	334,448	335,052	331,377	7,353	335,052	0
43	366.02	Structures & Improvements	1.39%	14,748	14,996	13,509	2,976	14,996	0
44	366.03	Other Structues	1.39%	60,925	61,006	60,525	961	61,006	0
45	367.00	Mains Cathodic Protection	1.27%	262,864	263,294	260,717	5,153	263,294	0
46	367.01	Mains - Steel	1.27%	15,391,684	15,415,727	15,275,907	276,856	15,415,727	(1,477)
47	369.00	Meas. & Reg. Sta. Equipment	2.28%	42,659	43,012	40,893	4,237	43,012	0
48	369.01	Meas. & Reg. Sta. Equipment	2.28%	1,934,420	1,939,755	1,907,875	63,543	1,939,755	0
49									
50		Total Transmission Plant		18,041,765	18,072,857	17,890,819	361,080	18,072,857	(1,477)
51									
52		Distribution Plant							
53	374.00	Land & Land Rights	0.00%	57,145	57,145	57,145	0	57,145	0
54	374.01	Land	0.00%	0	0	0	0	0	0
55	374.02	Land Rights	1.68%	23,776	24,076	22,177	3,853	24,076	0
56	374.03	Land Other	0.00%	0	0	0	0	0	0
57	375.00	Structures & Improvements	1.95%	28,289	28,796	25,754	6,085	28,796	0
58	375.01	Structures & Improvements T.B.	1.95%	80,000	80,171	79,141	2,061	80,171	0
59	375.02	Land Rights	1.95%	37,990	38,065	37,611	909	38,065	0
60	375.03	Improvements	1.95%	209	215	176	78	215	0
61	376.00	Mains Cathodic Protection	2.39%	1,945,403	1,966,712	1,842,869	239,698	1,966,712	(2,103)
62	376.01	Mains - Steel	2.39%	38,801,489	38,896,661	38,182,268	1,531,466	38,896,661	(89,009)
63	376.02	Mains Plastic	2.39%	8,209,847	8,275,619	7,946,520	611,780	8,275,619	(21,356)
64	378.00	Meas. & Reg. Sta. Equipment General	2.49%	1,415,179	1,420,096	1,394,519	72,851	1,420,096	(25,253)
65	379.00	Meas & Reg. Sta. - City Gate	2.57%	140,137	142,793	126,649	32,129	142,793	0
66	379.05	Meas & Reg. Sta. - TB	2.57%	1,214,352	1,217,856	1,196,831	42,051	1,217,856	0
67	380.00	Services	6.86%	37,784,083	38,182,056	36,113,921	5,085,237	38,182,056	(1,508,326)
68	381.00	Meters	3.35%	1,533,078	1,632,068	1,301,791	465,277	1,632,068	0
69	382.00	Meter Installations	3.06%	6,105,049	6,269,655	5,646,466	1,062,669	6,269,655	(498,327)
70	383.00	House Regulators Service	2.85%	2,621,762	2,633,930	2,561,379	143,726	2,633,930	0
71	384.00	House Reg. Installations	3.37%	98,990	99,423	96,824	5,199	99,423	0
72	385.00	Ind. Meas. & Reg. Sta. Equipment	2.73%	2,074,134	2,084,610	2,021,690	125,317	2,084,610	0
73	386.00	Other Property on Cust. Prem.	3.00%	2,092	2,511	1,815	79	2,511	0
74									
75		Total Distribution Plant		102,173,004	103,052,459	98,655,544	9,430,463	103,052,459	(2,144,373)

Line No.	Acct. No.	Account Title	Current Rates	Budget Feb-07	Budget Mar-07	13 Mo. Avg Mar-07	Projected Provision Base Period	Reserve Balance Mar-07	Retirements
				$	$	$		Projected	
76									
77		General Plant							
78	389.00	Land & Land Rights		28,459	28,459	28,459	0	28,459	0
	390.01	Structures Frame		0	0	0	0	0	0
79	390.02	Structrues & Improvements	2.12%	98,675	99,010	96,981	4,067	99,010	0
80	390.03	Improvements	2.12%	91,108	92,476	84,269	16,414	92,476	0
81	390.04	Air Conditioning Equipment	2.12%	5,182	5,202	5,078	249	5,202	0
82	390.09	Improv. to Leased Premises	5.00%	1,126,732	1,132,492	1,097,934	69,117	1,132,492	0
83	391.00	Office Furn & Equipment	7.05%	593,214	594,750	656,839	123,871	594,750	(602,915)
	391.02	Remittance Processing Equip		0	0	0	0	0	0
84	391.03	Office Machines	7.05%	(25,520)	(24,973)	(28,147)	6,713	(24,973)	(887)
85	392.00	Transportation Equipment	8.92%	(665,660)	(662,898)	(668,624)	48,694	(662,898)	(90,619)
86	392.01	Trucks	8.92%	26,965	26,975	30,218	2,199	26,975	(23,509)
87	392.02	Trailers	8.92%	121,610	122,206	122,848	10,897	122,206	(30,626)
	393.00	Stores Equipment		0	0	0	0	0	0
88	394.00	Tools, Shop & Garage Equip.	3.28%	81,898	76,878	181,478	53,163	76,878	(636,840)
	396.00	Power Operated Equipment		0	0	0	0	0	0
89	396.03	Ditchers	2.79%	(149,601)	(150,049)	(139,338)	6,900	(150,049)	(68,727)
90	396.04	Backhoes	2.79%	12,348	12,531	15,074	7,764	12,531	(31,185)
91	396.05	Welders	2.79%	(1,999)	(2,312)	2,846	1,215	(2,312)	(28,013)
92	397.00	Communication Equipment	5.21%	652,829	657,783	628,057	59,451	657,783	0
93	397.01	Communication Equip. - Mobile Radios	5.21%	(18,858)	(18,844)	(18,930)	174	(18,844)	0
94	397.02	Communication Equip. - Fixed Radios	5.21%	6,983	7,163	6,084	2,159	7,163	0
95	397.05	Communication Equip. - Telemetering	5.21%	92,982	94,338	86,204	16,267	94,338	0
96	398.00	Miscellaneous Equipment	10.94%	963,350	984,935	852,018	266,278	984,935	0
	399.00	Other Tangible Property		0	0	0	0	0	0
97	399.01	Other Tangible Property - Servers - H/W	14.29%	193,499	197,000	181,171	25,149	197,000	0
98	399.02	Other Tangible Property - Servers - S/W	14.29%	131,974	134,676	122,827	16,215	134,676	0
99	399.03	Other Tangible Property - Network - H/W	14.29%	508,264	514,358	477,791	73,134	514,358	0
	399.04	Other Tangible Property - CPU		0	0	0	0	0	0
	399.05	Other Tangible Property - MF - Hardware		0	0	0	0	0	0
100	399.06	Other Tangible Property - PC Hardware	18.51%	3,171,814	3,243,435	2,896,164	540,639	3,243,435	0
101	399.07	Other Tang. Property - P.C. Software	15.85%	213,679	216,889	197,633	38,612	216,889	0
102	399.08	Other Tang. Property - Application Software	12.50%	392,472	397,912	365,271	65,282	397,912	0
	399.09	Other Tang. Property - MF Software		0	0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs		0	0	0	0	0	0
103				0	0		0	0	
104									
105		Total General Plant		7,652,400	7,780,394	7,280,203	1,454,524	7,780,394	(1,513,321)
106									
107		Total Plant		133,081,820	134,133,222	128,993,155	11,350,055	134,133,222	(3,659,172)

Western Kentucky Gas Company
Computation of 13 Month Average Reserve Balances
workpaper B-3.1 Base Div. 02 General Office

Line No.	Acct. No.	Account Title	Current Rates	Actual Mar-06 $	Actual Apr-06 $	Actual May-06 $	Actual Jun-06 $	Actual Jul-06 $	Actual Aug-06 $	Actual Sep-06 $	Budget Oct-06 $
1		General Plant									
2	389.10	Land									
	390.01	Structures Frame									
3	390.02	Structures & Improvements									
4	390.03	Improvements									
5	390.04	Air Conditioning Equipment									
7	390.09	Improvement to leased Premises	7.43%	4,975,269	5,033,287	5,078,295	5,123,303	5,168,312	5,217,743	5,264,963	5,274,624
8	391.00	Office Furniture & Equipment	4.89%	7,157,964	7,203,474	5,820,648	5,858,786	5,896,924	5,933,237	5,970,463	5,983,120
9	391.02	Remittance Processing Equipmemt	11.37%	59,152	59,152	31,167	31,167	31,167	31,167	31,167	31,249
10	391.03	Office Machines	2.22%	1,163,840	1,163,841	439,159	439,159	439,159	439,159	439,159	429,035
11	392.00	Transportation Equipment	28.96%	26,562	26,562	26,562	26,562	26,562	26,562	26,562	27,474
	392.01	Trucks		-	-	-	-	-	-		0
	392.02	Trailers		-	-	-	-	-	-		0
13	393.00	Stores Equipment	10.00%	7,072	7,072	7,072	7,072	7,072	7,072	758	742
14	394.00	Tools, Shop, & Garage Equip.	10.00%	34,998	34,998	9,639	9,639	9,639	9,639	9,639	9,398
	396.00	Power Operated Equipment		-	-	-	-	-	-		0
15	396.03	Ditchers		-	-	-	-	-	-		0
16	396.04	Backhoes		-	-	-	-	-	-		0
17	396.05	Welders		-	-	-	-	-	-		0
18	397.00	Communication Equip.	7.12%	990,730	996,722	1,007,256	1,017,769	1,028,281	963,393	962,529	859,757
19	397.01	Communication Equipment - Mobile Radios		-	-	-	-	-	-		0
20	397.02	Communication Equip. - Fixed Radios		-	-	-	-	-	-		0
21	397.05	Communication Equip. - Telemetering		-	-	-	-	-	-		0
22	398.00	Miscellaneous Equipment	5.36%	361,031	364,239	367,441	370,644	373,847	378,330	382,173	384,291
	399.00	Other Tangible Property	15.75%	8,955	9,085	9,213	9,341	9,466	9,603	9,734	9,872
23	399.01	Other Tangible Property - Servers - H/W	14.29%	1,163,919	1,243,928	1,285,240	1,326,547	1,368,552	1,408,671	1,481,712	1,551,369
24	399.02	Other Tangible Property - Servers - S/W	14.29%	439,770	475,975	492,200	508,434	524,667	554,140	563,774	586,486
25	399.03	Other Tangible Property - Network - H/W	14.29%	215,028	231,977	246,567	265,872	286,238	309,937	331,930	355,093
	399.04	Other Tangible Property - CPU	26.26%	1,103,098	1,103,098	1,103,098	1,103,098	1,103,098	1,103,098	1,103,098	1,151,043
	399.05	Other Tangible Property - MF Hardware	15.76%	1,169,325	1,169,325	1,169,324	1,169,324	1,169,324	1,169,324	1,169,324	1,199,793
26	399.06	Other Tangible Property - PC Hardware	16.83%	3,644,395	3,698,355	3,793,127	3,887,877	3,983,794	4,002,068	4,112,249	3,789,770
27	399.07	Other Tang. Property - P.C. Software	17.73%	808,719	824,576	860,832	897,513	933,040	870,353	889,480	915,903
28	399.08	Other Tang. Property - Application Software	8.22%	16,232,231	16,462,968	16,680,442	16,898,595	17,121,279	17,325,935	17,551,741	17,762,085
29	399.09	Other Tang. Property - MF Software	22.16%	2,702,805	2,702,805	2,702,805	2,702,805	2,702,805	2,702,805	2,702,805	2,796,070
	399.24	Other Tang. Property - Start Up Costs	8.33%	-	-	0	0	0	0		0
30											
31		Total General Plant		42,264,863	42,811,438	41,130,088	41,653,506	42,183,225	42,462,236	43,003,259	43,117,173

Line No.	Acct. No.	Account Title	Current Rates	Budget Nov-06 $	Budget Dec-06 $	Budget Jan-07 $	Budget Feb-07 $	Budget Mar-07 $	13 Mo. Avg Mar-07 $	Projected Provision Base Period $	Reserve Balance Mar-07 Projected	Retirements
1		General Plant										
2	389.10	Land							0	0	0	
	390.01	Structures Frame							0	0	0	
3	390.02	Structures & Improvements							0	0	0	
4	390.03	Improvements							0	0	0	
5	390.04	Air Conditioning Equipment							0	0	0	
7	390.09	Improvement to leased Premises	7.43%	5,284,284	5,293,945	5,303,605	5,313,265	5,322,926	5,204,140	526,414	5,322,926	(178,757)
8	391.00	Office Furniture & Equipment	4.89%	5,995,777	6,008,434	6,021,090	6,033,747	6,046,404	6,148,467	451,502	6,046,404	(1,563,061)
9	391.02	Remittance Processing Equipmemt	11.37%	31,331	31,413	31,495	31,576	31,658	35,605	3,290	31,658	(30,783)
10	391.03	Office Machines	2.22%	418,912	408,788	398,665	388,542	378,418	534,295	11,728	378,418	(797,150)
11	392.00	Transportation Equipment	28.96%	28,385	29,297	30,208	31,120	32,031	28,035	5,469	32,031	0
	392.01	Trucks		0	0	0	0	0	0	0	0	0
	392.02	Trailers		0	0	0	0	0	0	0	0	0
13	393.00	Stores Equipment	10.00%	727	712	696	681	666	3,647	263	666	(6,669)
14	394.00	Tools, Shop, & Garage Equip.	10.00%	9,157	8,916	8,675	8,434	8,193	13,151	1,090	8,193	(27,895)
	396.00	Power Operated Equipment		0	0	0	0	0	0	0	0	0
15	396.03	Ditchers		0	0	0	0	0	0	0	0	0
16	396.04	Backhoes		0	0	0	0	0	0	0	0	0
17	396.05	Welders		0	0	0	0	0	0	0	0	0
18	397.00	Communication Equip.	7.12%	756,985	654,213	551,441	448,669	345,897	814,126	147,735	345,897	(792,568)
19	397.01	Communication Equipment - Mobile Radios		0	0	0	0	0	0	0	0	0
20	397.02	Communication Equip. - Fixed Radios		0	0	0	0	0	0	0	0	0
21	397.05	Communication Equip. - Telemetering		0	0	0	0	0	0	0	0	0
22	398.00	Miscellaneous Equipment	5.36%	386,409	388,527	390,645	392,763	394,882	379,632	33,851	394,882	0
	399.00	Other Tangible Property	15.75%	10,010	10,148	10,285	10,423	10,561	9,746	1,606	10,561	0
23	399.01	Other Tangible Property - Servers - H/W	14.29%	1,621,025	1,690,681	1,760,337	1,829,994	1,899,650	1,510,125	735,731	1,899,650	0
24	399.02	Other Tangible Property - Servers - S/W	14.29%	609,199	631,911	654,623	677,336	700,048	570,659	260,278	700,048	0
25	399.03	Other Tangible Property - Network - H/W	14.29%	378,255	401,418	424,581	447,744	470,907	335,811	267,351	470,907	(11,472)
	399.04	Other Tangible Property - CPU	26.26%	1,198,988	1,246,933	1,294,878	1,342,822	1,390,767	1,180,547	287,669	1,390,767	0
	399.05	Other Tangible Property - MF Hardware	15.76%	1,230,261	1,260,730	1,291,198	1,321,667	1,352,135	1,218,543	182,810	1,352,135	0
26	399.06	Other Tangible Property - PC Hardware	16.83%	3,467,290	3,144,811	2,822,332	2,499,853	2,177,373	3,463,330	824,054	2,177,373	(2,291,076)
27	399.07	Other Tang. Property - P.C. Software	17.73%	942,327	968,750	995,174	1,021,597	1,048,021	921,253	255,797	1,048,021	(16,495)
28	399.08	Other Tang. Property - Application Software	8.22%	17,972,428	18,182,771	18,393,115	18,603,458	18,813,801	17,538,527	3,244,353	18,813,801	(662,782)
29	399.09	Other Tang. Property - MF Software	22.16%	2,889,336	2,982,602	3,075,868	3,169,133	3,262,399	2,853,465	572,455	3,262,399	(12,861)
	399.24	Other Tang. Property - Start Up Costs	8.33%	0	0	0	0	0	0	0	0	0
30												0
31		Total General Plant		43,231,086	43,344,999	43,458,912	43,572,825	43,686,738	42,763,104	7,813,445	43,686,738	(6,391,570)

Western Kentucky Gas Company
Computation of 13 Month Average Reserve Balances
workpaper B-3.1 Base Div. 12 Customer Service

Line No.	Acct. No.	Account Title	Current Rates	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Budget Oct-06
				$	$	$	$	$	$	$	$
1		General Plant									
2	389.00	Land & Land Rights									
	390.01	Structures - Frame									
3	390.02	Structures & Improvements									
4	390.03	Improvements									
5	390.04	Air Conditioning Equipment									
7	390.09	Improvement to leased Premises	7.43%	1,136,052	1,142,438	1,161,847	1,181,256	1,200,665	1,222,128	1,242,565	1,262,187
8	391.00	Office Furniture & Equipment	4.89%	7,850	8,180	8,423	8,666	8,909	9,139	9,376	9,579
9	391.02	Remittance Processing Equipmemt	11.37%								0
10	391.03	Office Machines	2.22%								0
11	392.00	Transportation Equipment	28.96%								0
	392.01	Trucks									0
	392.02	Trailers									0
13	393.00	Stores Equipment	10.00%								0
14	394.00	Tools, Shop, & Garage Equip.	10.00%								0
	396.00	Power Operated Equipment									0
15	396.03	Ditchers									0
16	396.04	Backhoes									0
17	396.05	Welders									0
18	397.00	Communication Equip.	7.12%	6,316,249	6,440,807	6,577,052	6,713,298	6,849,543	7,076,278	7,233,686	7,358,017
19	397.01	Communication Equipment - Mobile Radios									0
20	397.02	Communication Equip. - Fixed Radios									0
21	397.05	Communication Equip. - Telemetering									0
22	398.00	Miscellaneous Equipment	5.36%	222	226	236	245	255	269	281	288
	399.00	Other Tangible Property	15.75%	188,539	191,266	194,001	196,693	199,336	202,228	204,995	207,887
23	399.01	Other Tangible Property - Servers - H/W	14.29%	6,630,684	6,701,263	6,815,813	6,930,362	7,044,912	7,196,967	7,324,750	7,443,826
24	399.02	Other Tangible Property - Servers - S/W	14.29%	5,411,682	5,472,882	5,554,718	5,636,554	5,718,545	5,815,698	5,904,716	5,985,919
25	399.03	Other Tangible Property - Network - H/W	14.29%	160,922	165,983	171,462	176,942	182,421	188,860	194,819	200,120
	399.04	Other Tangible Property - CPU	26.26%								0
	399.05	Other Tangible Property - MF Hardware	15.76%								0
26	399.06	Other Tangible Property - PC Hardware	16.83%	959,957	1,008,221	1,042,483	1,078,020	1,113,556	1,262,807	1,326,527	1,300,057
27	399.07	Other Tang. Property - P.C. Software	17.73%	913,738	934,136	956,581	979,026	1,001,471	1,127,258	1,170,147	1,197,019
28	399.08	Other Tang. Property - Application Software	8.22%	29,641,160	30,134,582	30,655,269	31,175,633	31,696,606	32,363,604	32,940,603	33,391,548
29	399.09	Other Tang. Property - MF Software	22.16%								0
	399.24	Other Tang. Property - Start Up Costs	8.33%	12,976,157	13,139,352	13,303,035	13,466,718	13,630,401	13,802,185	13,969,919	14,126,001
30											
31		Total General Plant		64,343,210	65,339,335	66,440,919	67,543,413	68,646,619	70,267,421	71,522,383	72,482,448

Line No.	Acct. No.	Account Title	Current Rates	Budget Nov-06	Budget Dec-06	Budget Jan-07	Budget Feb-07	Budget Mar-07	13 Mo. Avg Mar-07	Projected Provision Base Period	Reserve Balance Mar-07
				$	$	$	$	$	$	$	Projected
1		General Plant									
2	389.00	Land & Land Rights							0	0	0
	390.01	Structures - Frame							0	0	0
3	390.02	Structures & Improvements							0	0	0
4	390.03	Improvements							0	0	0
5	390.04	Air Conditioning Equipment							0	0	0
7	390.09	Improvement to leased Premises	7.43%	1,281,810	1,301,433	1,321,056	1,340,679	1,360,301	1,242,647	224,249	1,360,301
8	391.00	Office Furniture & Equipment	4.89%	9,781	9,984	10,187	10,389	10,592	9,312	2,742	10,592
9	391.02	Remittance Processing Equipmemt	11.37%	0	0	0	0	0	0	0	0
10	391.03	Office Machines	2.22%	0	0	0	0	0	0	0	0
11	392.00	Transportation Equipment	28.96%	0	0	0	0	0	0	0	0
	392.01	Trucks		0	0	0	0	0	0	0	0
	392.02	Trailers		0	0	0	0	0	0	0	0
13	393.00	Stores Equipment	10.00%	0	0	0	0	0	0	0	0
14	394.00	Tools, Shop, & Garage Equip.	10.00%	0	0	0	0	0	0	0	0
	396.00	Power Operated Equipment		0	0	0	0	0	0	0	0
15	396.03	Ditchers		0	0	0	0	0	0	0	0
16	396.04	Backhoes		0	0	0	0	0	0	0	0
17	396.05	Welders		0	0	0	0	0	0	0	0
18	397.00	Communication Equip.	7.12%	7,482,348	7,606,678	7,731,009	7,855,340	7,979,670	7,170,767	1,663,421	7,979,670
19	397.01	Communication Equipment - Mobile Radios		0	0	0	0	0	0	0	0
20	397.02	Communication Equip. - Fixed Radios		0	0	0	0	0	0	0	0
21	397.05	Communication Equip. - Telemetering		0	0	0	0	0	0	0	0
22	398.00	Miscellaneous Equipment	5.36%	295	303	310	317	324	275	103	324
	399.00	Other Tangible Property	15.75%	210,780	213,672	216,564	219,457	222,349	205,213	33,811	222,349
23	399.01	Other Tangible Property - Servers - H/W	14.29%	7,562,902	7,681,978	7,801,054	7,920,130	8,039,206	7,314,911	1,408,522	8,039,206
24	399.02	Other Tangible Property - Servers - S/W	14.29%	6,067,122	6,148,325	6,229,527	6,310,730	6,391,933	5,896,027	980,251	6,391,933
25	399.03	Other Tangible Property - Network - H/W	14.29%	205,421	210,722	216,023	221,324	226,625	193,973	65,703	226,625
	399.04	Other Tangible Property - CPU	26.26%	0	0	0	0	0	0	0	0
	399.05	Other Tangible Property - MF Hardware	15.76%	0	0	0	0	0	0	0	0
26	399.06	Other Tangible Property - PC Hardware	16.83%	1,273,587	1,247,118	1,220,648	1,194,178	1,167,709	1,168,836	549,631	1,167,709
27	399.07	Other Tang. Property - P.C. Software	17.73%	1,223,890	1,250,762	1,277,633	1,304,505	1,331,376	1,128,273	417,638	1,331,376
28	399.08	Other Tang. Property - Application Software	8.22%	33,842,493	34,293,438	34,744,383	35,195,328	35,646,273	32,747,763	6,073,467	35,646,273
29	399.09	Other Tang. Property - MF Software	22.16%	0	0	0	0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs	8.33%	14,282,083	14,438,165	14,594,247	14,750,329	14,906,411	13,952,692	1,930,255	14,906,411
30											
31		Total General Plant		73,442,512	74,402,577	75,362,641	76,322,706	77,282,771	71,030,689	13,349,793	77,282,771

Western Kentucky Gas Company
Computation of 13 Month Average Reserve Balances
workpaper B-3.1 Base Div. 91 Admin. Office

Line No.	Acct. No.	Account Title	Current Rates	Actual Mar-06 $	Actual Apr-06 $	Actual May-06 $	Actual Jun-06 $	Actual Jul-06 $	Actual Aug-06 $	Actual Sep-06 $	Budget Oct-06 $	Budget Nov-06 $	Budget Dec-06 $	Budget Jan-07 $
		Intangible Plant												
	301.00	Organization		0	0	0	0	0	0	0	0	0	0	0
	302.00	Franchises & Consents		0	0	0	0	0	0	0	0	0	0	0
	303.00	Misc Intangible Plant		0	0	0	0	0	0	0	0	0	0	0
		Total Intangible Plant		0	0	0	0	0	0	0	0	0	0	0
		Distribution Plant												
	376.01	Mains - Steel	3.61%	0	0	0	0	0	0	0	0	0	0	0
		Total Distribution Plant		0	0	0	0	0	0	0	0	0	0	0
1		General Plant												
2	389.00	Land & Land Rights		0	0	0	0	0	0	0	0	0	0	0
	390.01	Structures - Frame	2.52%	14,994	15,370	15,747	16,123	16,500	16,877	17,253	17,630	18,007	18,383	18,760
3	390.02	Structures & Improvements		0	0	0	0	0	0	0	0	0	0	0
4	390.03	Improvements		0	0	0	0	0	0	0	0	0	0	0
5	390.04	Air Conditioning Equipment	2.52%	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,795	5,819	5,844	5,868
7	390.09	Improvements to Leased Premises	2.52%	49,085	49,085	49,085	49,085	49,085	49,085	49,085	49,248	49,411	49,574	49,737
8	391.00	Office Furniture & Equipment	5.69%	1,273,950	1,273,950	1,253,611	1,254,717	1,254,717	1,254,717	1,261,504	1,271,923	1,282,343	1,292,763	1,303,183
9	391.02	Remittance Processing Equipmemt		0	0	0	0	0	0	0	0	0	0	0
10	391.03	Office Machines	5.69%	50,913	51,207	27,341	27,498	27,656	27,814	27,972	27,781	27,591	27,400	27,209
11	392.00	Transportation Equipment		77,892	77,892	4,934	4,740	4,546	4,352	4,158	3,107	2,056	1,005	(46)
	392.01	Trucks		0	0	0	0	0	0	0	0	0	0	0
	392.02	Trailers		0	0	0	0	0	0	0	0	0	0	0
13	393.00	Stores Equipment	7.15%	7,169	7,233	7,297	7,361	7,424	7,488	7,552	7,616	7,679	7,743	7,807
14	394.00	Tools, Shop, & Garage Equip.	4.02%	35,887	36,358	21,525	21,935	22,345	22,754	23,164	23,343	23,522	23,701	23,881
	396.00	Power Op Equipment	11.11%	8,418	8,497	8,497	8,497	8,497	8,497	8,497	8,641	8,786	8,930	9,074
15	396.03	Ditchers		0	0	0	0	0	0	0	0	0	0	0
16	396.04	Backhoes		0	0	0	0	0	0	0	0	0	0	0
17	396.05	Welders		0	0	0	0	0	0	0	0	0	0	0
18	397.00	Communication Equip.	7.49%	100,633	102,053	103,483	104,913	106,342	107,772	110,181	111,734	113,286	114,838	116,391
19	397.01	Communication Equipment - Mobile Radios		0	0	0	0	0	0	0	0	0	0	0
20	397.02	Communication Equip. - Fixed Radios		0	0	0	0	0	0	0	0	0	0	0
21	397.05	Communication Equip. - Telemetering		0	0	0	0	0	0	0	0	0	0	0
22	398.00	Miscellaneous Equipment	4.40%	116,238	117,803	119,369	120,972	122,575	124,178	134,525	136,216	137,907	139,598	141,289
	399.00	Other Tangible Property	18.98%	45,503	46,721	47,938	49,156	50,374	51,592	52,810	54,027	55,245	56,463	57,681
23	399.01	Other Tangible Property - Servers - H/W	14.29%	54,660	55,514	56,367	57,220	58,074	58,927	59,781	60,634	61,487	62,341	63,194
24	399.02	Other Tangible Property - Servers - S/W	14.29%	11,517	11,517	11,517	11,517	11,517	11,517	11,517	11,714	11,911	12,108	12,305
25	399.03	Other Tangible Property - Network - H/W	14.29%	177,263	179,763	182,263	184,764	187,839	190,914	194,298	196,913	199,528	202,143	204,757
	399.04	Other Tangible Property - CPU		0	0	0	0	0	0	0	0	0	0	0
	399.05	Other Tangible Property - MF Hardware		0	0	0	0	0	0	0	0	0	0	0
26	399.06	Other Tangible Property - PC Hardware	18.98%	354,434	370,618	386,802	403,222	419,757	436,292	484,085	501,549	519,013	536,477	553,942
27	399.07	Other Tang. Property - P.C. Software	18.98%	98,204	98,204	98,204	98,204	98,204	98,204	98,204	101,310	104,417	107,523	110,630
28	399.08	Other Tang. Property - Application Software	18.98%	1,782,414	1,782,414	1,782,414	1,782,414	1,782,414	1,782,414	1,782,414	1,805,875	1,829,336	1,852,797	1,876,258
29	399.09	Other Tang. Property - MF Software		0	0	0	0	0	0	0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs		0	0	0	0	0	0	0	0	0	0	0
30														
31		Total General Plant		4,264,945	4,289,970	4,182,164	4,208,109	4,233,637	4,259,165	4,332,771	4,395,058	4,457,345	4,519,632	4,581,919

wpB.3.1 B.91

WP Sched. B-3.1

Line No.	Acct. No.	Account Title	Current Rates	Budget Feb-07 $	Budget Mar-07 $	13 Mo. Avg Mar-07 $	Projected Provision Base Period	Reserve Balance Mar-07 Projected	Retirements
		Intangible Plant							
	301.00	Organization		0	0	0	0	0	0
	302.00	Franchises & Consents		0	0	0	0	0	0
	303.00	Misc Intangible Plant		0	0	0	0	0	0
		Total Intangible Plant		0	0	0	0	0	0
		Distribution Plant							
	376.01	Mains - Steel	3.61%	0	0	0	0	0	0
		Total Distribution Plant		0	0	0	0	0	0
1		General Plant							
2	389.00	Land & Land Rights		0	0	0	0	0	0
	390.01	Structures - Frame	2.52%	19,136	19,513	17,253	4,519	19,513	0
3	390.02	Structures & Improvements		0	0	0	0	0	0
4	390.03	Improvements		0	0	0	0	0	0
5	390.04	Air Conditioning Equipment	2.52%	5,892	5,916	5,810	145	5,916	0
7	390.09	Improvements to Leased Premises	2.52%	49,901	50,064	49,348	979	50,064	0
8	391.00	Office Furniture & Equipment	5.69%	1,313,602	1,324,022	1,278,077	72,445	1,324,022	(22,373)
9	391.02	Remittance Processing Equipmemt		0	0	0	0	0	0
10	391.03	Office Machines	5.69%	27,018	26,827	31,094	2,342	26,827	(26,427)
11	392.00	Transportation Equipment		(1,097)	(2,148)	13,953	0	(2,148)	(80,040)
	392.01	Trucks		0	0	0	0	0	0
	392.02	Trailers		0	0	0	0	0	0
13	393.00	Stores Equipment	7.15%	7,871	7,934	7,552	765	7,934	0
14	394.00	Tools, Shop, & Garage Equip.	4.02%	24,060	24,239	25,132	5,119	24,239	(16,768)
	396.00	Power Op Equipment	11.11%	9,218	9,362	8,724	944	9,362	0
15	396.03	Ditchers		0	0	0	0	0	0
16	396.04	Backhoes		0	0	0	0	0	0
17	396.05	Welders		0	0	0	0	0	0
18	397.00	Communication Equip.	7.49%	117,943	119,496	109,928	18,862	119,496	0
19	397.01	Communication Equipment - Mobile Radios		0	0	0	0	0	0
20	397.02	Communication Equip. - Fixed Radios		0	0	0	0	0	0
21	397.05	Communication Equip. - Telemetering		0	0	0	0	0	0
22	398.00	Miscellaneous Equipment	4.40%	142,980	144,671	130,640	28,433	144,671	0
	399.00	Other Tangible Property	18.98%	58,898	60,116	52,810	14,613	60,116	0
23	399.01	Other Tangible Property - Servers - H/W	14.29%	64,047	64,901	59,781	10,241	64,901	0
24	399.02	Other Tangible Property - Servers - S/W	14.29%	12,502	12,699	11,836	1,182	12,699	0
25	399.03	Other Tangible Property - Network - H/W	14.29%	207,372	209,987	193,677	32,725	209,987	0
	399.04	Other Tangible Property - CPU		0	0	0	0	0	0
	399.05	Other Tangible Property - MF Hardware		0	0	0	0	0	0
26	399.06	Other Tangible Property - PC Hardware	18.98%	571,406	588,870	471,267	234,436	588,870	0
27	399.07	Other Tang. Property - P.C. Software	18.98%	113,736	116,843	103,222	18,639	116,843	0
28	399.08	Other Tang. Property - Application Software	18.98%	1,899,719	1,923,180	1,820,313	140,766	1,923,180	0
29	399.09	Other Tang. Property - MF Software		0	0	0	0	0	0
	399.24	Other Tang. Property - Start Up Costs		0	0	0	0	0	0
30									
31		Total General Plant		4,644,206	4,706,493	4,390,417	587,156	4,706,493	(145,608)

wpB.3.1 B 91

Atmos Energy Corporation, KY
Case No. 2006-00464
Response for AG DR 2-8(b)
(Update to AG DR 1-14 A,E)

Allocation Factors	
Div02	5.20%
Div012	5.60%
Div091	36.776%

Division	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
02	2,236,169	2,269,649	2,096,580	2,129,869	2,163,163	2,196,911
12	4,005,253	4,075,182	4,121,721	4,191,169	4,260,482	4,329,022
09	127,824,809	128,643,214	129,443,518	128,242,756	128,889,657	128,779,762
91	1,593,437	1,661,454	1,676,004	1,669,122	1,683,754	1,696,567
Total KY	135,659,669	136,649,499	137,337,822	136,232,916	136,997,056	137,002,261

Atmos Energy Corporation, KY
Case No. 2006-00464
Div09 Accumulated Reserve

Division	Plant Acct	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
009	30100	8,330	8,330	8,330	8,330	8,330	8,330
	30200	119,853	119,853	119,853	119,853	119,853	119,853
	32520	-	-	-	-	-	-
	32540	-	-	-	-	-	-
	33100	3,492	3,492	3,492	3,492	3,492	3,492
	33201	47,163	47,163	47,163	47,163	47,163	47,163
	33202	529,956	529,956	529,956	529,956	529,956	529,956
	33400	198,469	198,469	198,469	198,469	198,469	198,469
	33600	-	-	-	-	-	-
	35010	-	-	-	-	-	-
	35020	4,682	4,682	4,682	4,682	4,682	4,682
	35100	1,672	1,680	1,687	1,695	1,702	1,710
	35102	116,065	116,322	116,580	116,837	117,094	117,351
	35103	23,985	24,023	24,060	24,097	24,134	24,171
	35104	130,830	131,063	131,295	131,528	131,760	131,993
	35200	35,633	35,775	35,916	36,058	36,200	36,342
	35201	1,740,512	1,745,285	1,750,058	1,754,831	1,759,604	1,764,377
	35202	557,582	558,784	559,985	561,186	562,388	563,589
	35203	-	-	-	-	-	-
	35210	178,619	178,619	178,619	178,619	178,619	178,619
	35211	51,150	51,233	51,316	51,400	51,483	51,566
	35301	183,071	183,272	183,473	183,674	183,875	184,075
	35302	214,822	215,057	215,293	215,529	215,764	216,000
	35400	474,740	483,539	484,517	485,496	486,474	487,453
	35500	286,074	286,569	287,065	241,145	241,593	240,089
	35600	243,645	243,645	243,645	165,375	165,375	163,170
	36510	16	16	16	16	16	16
	36520	331,429	332,051	332,673	333,296	333,918	334,540
	36602	13,509	5,744	5,808	7,888	7,955	8,002
	36603	60,525	60,605	60,685	58,750	58,827	58,905
	36700	260,719	261,149	261,579	258,183	258,611	259,038
	36701	15,271,466	15,294,367	15,317,267	15,340,167	15,363,182	15,386,068
	36900	40,893	41,246	41,599	104,074	104,545	103,765
	36901	1,907,749	1,913,005	1,918,261	1,861,396	1,866,534	1,871,672
	37400	57,145	57,145	57,145	57,145	57,145	57,145
	37401	-	-	-	-	-	-
	37402	22,278	22,620	22,963	23,305	23,647	23,990
	37403	-	-	-	-	-	-
	37500	25,754	26,261	26,768	28,451	28,961	29,470
	37501	79,141	79,313	79,484	78,438	78,608	78,777
	37502	37,611	37,687	37,763	37,838	37,914	37,990
	37503	176	183	189	196	202	209
	37600	1,838,859	1,855,979	1,821,268	1,811,744	1,673,796	1,656,865
	37601	38,325,631	38,400,398	38,510,754	38,566,753	38,607,129	38,437,113
	37602	7,880,989	7,932,516	7,983,500	8,031,436	8,083,175	8,123,573
	37800	1,390,592	1,384,751	1,378,057	1,333,738	1,338,667	1,344,102
	37900	126,860	129,596	132,333	149,808	152,589	155,464

Atmos Energy Corporation, KY
Case No. 2006-00464
Div09 Accumulated Reserve

Division	Plant Acct	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
	37903	-	-	-	-	-	-
	37905	1,196,831	1,200,335	1,203,839	1,191,063	1,194,522	1,197,592
	38000	35,794,213	36,207,068	36,615,557	36,832,285	37,262,435	37,597,781
	38100	1,038,127	1,077,053	1,116,008	1,152,234	1,191,244	590,721
	38200	5,282,019	5,371,086	5,460,237	5,379,720	5,470,381	5,637,295
	38300	2,560,924	2,572,877	2,584,832	2,596,626	2,607,327	2,618,305
	38400	96,824	97,257	97,690	98,124	98,557	98,990
	38500	2,021,758	2,031,991	2,042,435	2,037,671	2,048,093	2,058,533
	38600	-	-	-	-	-	-
	38900	28,459	28,459	28,459	28,459	28,459	28,459
	39000		-	74	147	298	449
	39002	96,996	97,338	97,680	91,205	91,540	91,875
	39003	84,269	85,637	87,005	64,932	66,275	67,619
	39004	5,081	5,103	5,122	5,141	5,160	5,180
	39009	1,097,934	1,103,693	1,109,453	1,107,288	1,113,028	1,118,768
	39100	585,535	595,510	605,484	615,459	625,469	635,479
	39103	(28,253)	(27,694)	(27,135)	(26,576)	(26,018)	(25,459)
	39200	(679,473)	(675,493)	(671,513)	(667,533)	(663,553)	(659,572)
	39201	26,913	26,913	26,913	26,913	26,913	26,913
	39202	118,632	118,632	122,132	122,132	122,132	122,132
	39400	106,999	111,233	115,468	119,752	124,037	128,322
	39603	(147,361)	(146,805)	(146,248)	(145,683)	(145,117)	(144,552)
	39604	11,434	12,072	12,711	13,350	13,988	14,627
	39605	(432)	(338)	(245)	(151)	(7,126)	(7,043)
	39700	628,057	633,012	637,966	(279,440)	(276,882)	(274,324)
	39701	(18,930)	(18,916)	(18,902)	(20,088)	(20,077)	(20,066)
	39702	6,084	6,264	6,444	(32,077)	(31,998)	(31,919)
	39705	86,204	87,559	88,915	(140,842)	(140,087)	(139,332)
	39800	855,426	878,326	901,227	924,248	947,293	970,338
	39901	175,990	175,990	175,990	175,990	175,990	175,990
	39902	118,461	118,461	118,461	118,461	118,461	118,461
	39903	477,791	483,886	489,980	496,075	502,169	508,264
	39905	-	-	-	-	-	-
	39906	2,813,709	2,813,709	2,813,709	2,813,709	2,813,709	2,813,709
	39907	197,633	200,842	204,051	197,787	200,922	204,056
	39908	365,271	370,712	376,152	204,341	208,680	213,020
009 Total		127,824,809	128,643,214	129,443,518	128,242,756	128,889,657	128,779,762

Atmos Energy Corporation, KY
Case No. 2006-00464
Div02 Accumulated Reserve

Division	Plant Acct	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
002	39000		-	1,310	2,621	3,931	5,242
	39009	5,264,963	5,312,743	5,181,080	5,228,174	5,275,268	5,322,362
	39100	5,970,463	6,008,800	6,047,601	6,086,402	6,125,203	6,164,004
	39101	-	-	-	-	-	-
	39102	31,167	31,167	31,167	31,167	31,167	31,167
	39103	439,159	439,159	439,159	439,159	439,159	439,159
	39200	26,562	26,562	26,562	26,562	26,562	26,562
	39300	758	758	758	758	758	758
	39400	9,639	9,639	9,639	9,639	9,639	9,639
	39500	-	-	-	-	-	-
	39700	962,529	974,832	192,931	203,496	214,051	224,606
	39800	382,173	385,977	389,779	393,581	397,383	401,185
	39809	-	-	-	-	-	-
	39900	9,734	9,860	9,976	10,046	10,052	10,059
	39901	1,481,712	1,551,049	1,627,838	1,704,809	1,781,769	1,858,729
	39902	563,774	588,767	614,748	640,729	666,710	692,691
	39903	331,930	356,578	369,806	394,505	419,204	443,902
	39904	1,103,098	1,103,098	1,103,098	1,103,098	1,103,098	1,103,098
	39905	1,169,324	1,169,324	1,169,324	1,169,324	1,169,324	1,169,324
	39906	4,112,249	4,198,031	1,973,556	2,038,223	2,103,085	2,172,180
	39907	889,480	906,277	906,440	923,097	939,751	960,425
	39908	17,551,741	17,871,660	17,534,127	17,863,680	18,193,231	18,523,245
	39909	2,702,805	2,702,805	2,689,944	2,689,944	2,689,944	2,689,944
	39924	-	-	-	-	-	-
002 Total		43,003,260	43,647,088	40,318,843	40,959,013	41,599,288	42,248,280
Allocated to KY	5.20%	2,236,169	2,269,649	2,096,580	2,129,869	2,163,163	2,196,911

Atmos Energy Corporation, KY
Case No. 2006-00464
Div12 Accumulated Reserve

Division	Plant Acct	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
012	39009	1,242,565	1,262,968	1,283,338	1,303,707	1,324,076	1,344,446
	39100	9,376	9,613	9,849	10,086	10,322	10,558
	39101	-	-	-	-	-	-
	39102	-	-	-	-	-	-
	39103	-	-	-	-	-	-
	39700	7,233,686	7,390,844	7,547,738	7,704,633	7,861,285	8,017,936
	39800	281	293	305	316	328	340
	39900	204,995	207,639	210,048	211,494	211,628	211,762
	39901	7,324,750	7,452,286	7,579,591	7,706,896	7,834,201	7,961,217
	39902	5,904,716	5,990,838	6,075,092	6,159,346	6,243,598	6,314,326
	39903	194,819	200,766	206,701	212,637	218,573	224,509
	39906	1,326,527	1,389,989	1,108,415	1,168,547	1,227,826	1,287,105
	39907	1,170,147	1,212,999	1,255,777	1,298,554	1,341,331	1,384,109
	39908	32,940,603	33,515,355	34,020,454	34,593,907	35,167,354	35,740,802
	39924	13,969,919	14,137,524	14,304,854	14,472,185	14,639,516	14,806,846
012 Total		71,522,383	72,771,113	73,602,162	74,842,309	76,080,039	77,303,955
Allocated to KY	5.60%	4,005,253	4,075,182	4,121,721	4,191,169	4,260,482	4,329,022

Atmos Energy Corporation, KY
Case No. 2006-00464
Div91 Accumulated Reserve

Division	Plant Acct	09/2006	10/2006	11/2006	12/2006	01/2007	02/2007
091	30100	-	-	-	-	-	-
	30300	-	-	-	-	-	-
	37600	-	-	-	-	-	-
	37601	-	-	-	-	-	-
	37602	-	-	-	-	-	-
	39001	17,253	17,630	18,007	18,383	18,760	19,136
	39004	5,771	5,771	5,771	5,771	5,771	5,771
	39009	49,085	49,085	49,085	49,085	49,085	49,085
	39100	1,261,504	1,374,386	1,381,028	1,387,670	1,393,164	1,393,714
	39101	-	(1,133)	(1,133)	(1,133)	(1,133)	(1,133)
	39103	27,972	13,370	13,551	13,731	13,912	14,093
	39200	4,158	5,418	5,418	5,418	5,418	5,418
	39300	7,552	7,616	7,679	7,743	7,807	7,871
	39400	23,164	18,635	19,090	19,545	20,000	20,454
	39500	-	-	-	-	-	-
	39600	8,497	8,715	8,715	8,715	8,715	8,715
	39700	110,181	144,081	146,120	130,008	132,025	134,042
	39701	-	2,049	2,066	2,083	2,100	2,117
	39702	-	-	-	-	-	-
	39800	134,525	137,839	140,934	144,029	147,124	150,220
	39900	52,810	54,027	55,245	56,463	57,681	58,898
	39901	59,781	60,634	61,487	62,341	63,194	64,047
	39902	11,517	11,517	11,517	11,517	11,517	11,517
	39903	194,298	197,137	199,976	202,816	205,655	208,494
	39906	484,085	526,960	548,743	528,614	550,003	571,392
	39907	98,204	101,568	101,568	103,356	105,143	106,931
	39908	1,782,414	1,782,414	1,782,414	1,782,414	1,782,414	1,782,414
091 Total		4,332,771	4,517,720	4,557,282	4,538,569	4,578,355	4,613,197
Allocated to KY	36.78%	1,593,437	1,661,454	1,676,004	1,669,122	1,683,754	1,696,567

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 9
Witness: Gary Smith

Data Request:

With regard to the response to AG-1-23, please provide the following information:

a. Update the response by providing actual gas storage volumes, dollar balances and price per Mcf numbers for the months of January, February and March 2007, as well as the resulting updated 13- month average numbers for the Base Period.

b. Reconcile the currently reflected corrected 13-month average Base Period gas stored underground balance of $11,675,842 to the corrected 13-month average Base Period gas stored underground balance of $10,190,958 shown on Schedule B-4.1, sheet 1 contained in the response to AG-1-1.

c. Explain why the projected 13-month average Forecasted Test Period gas stored underground volume of 2,501,840 Mcf is so much higher than the 13-month average gas stored underground volume for the Base Period.

d. Explain why the projected average cost per Mcf of $8.71 for the Forecasted Test Period gas stored underground is so much higher than the average cost per Mcf for the Base Period gas stored underground.

Response:

a. The response to AG-1-23 has been updated with January and February 2007 volumes and dollar balances. The 13-month average has been updated to include these actual amounts. March 2007 information will not be released until May 4th. Please see Attachment AG DR 2-9(a).

b. Schedule B-4-1 contains budget numbers from October 2006 through March 2007. AG DR 1-23 the 13 Month Avg. – Base was updated with actual numbers from October 2006 through December 2006. These two schedules are shown by month on Attachment AG 2-9(b).

c. First, it is noteworthy that the update provided in subpart (a) shows that the gap between the Base Period and Test Period has further converged, with the updated Base Period at 2,199,923 Mcf. Primarily because of the mathematical anomaly of 13-month averages, the period ending March is expectedly 300,000 to 500,000 Mcf below the expected 13-month average for June. This is due to the use of two March months in the calculation; with March being the end of the withdrawal season, when company storage is well depleted and NNS supply is "barrowed" to the maximum level.

d. As shown on Attachment AG DR 2-9(a), column I, line 3, the average value of storage at it fullest level for the Base Period was $6.77. Gas supply costs for the Forecast Test Period were estimated based upon NYMEX futures prices, as of 11/30/2006, for forward months. Comparatively, the NYMEX supply prices for the injection months affecting the Test Year ranged from $8.284/mmBtu to $8.641/mmBtu. Workpapers showing the storage inventory projections, applying these NYMEX prices were provided in response to AG DR 1-21.

Attachment AG DR 2-9(a)

Atmos Energy Corporation, KY
Case No. 2006-00464
AG DR 2-9a
Update Gas Stored Underground

			A	B	C	D	E	F	G	H	I	J	K	L	M	N
Line No.			Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Budget Mar-07	13 Mth Avg 2006 - Base
1	a.	Mcf Vol	(1,215,062)	(2,875,498)	(455,423)	1,451,490	3,179,364	4,890,073	5,637,638	5,990,060	6,282,230	4,865,314	3,022,323	1,475,595	(3,649,100)	2,199,923
2	b.	$	($7,909,884)	($21,283,024)	($1,487,829)	$14,733,033	$24,851,639	$35,677,410	$41,316,241	$43,993,280	$42,561,805	$34,040,434	$20,228,539	$7,291,188	($31,692,528)	$15,563,100
3	c.	Avg	$6.51	$7.40	$3.27	$10.15	$7.82	$7.30	$7.33	$7.34	$6.77	$7.00	$6.69	$4.94		$7.07

Atmos Energy Corporation, KY
Case No. 2006-00464
AG DR 2-9b
Reconcile 13 month average Gas Stored Underground

Atmos Energy Corporation, KY
Case No. 2006-00464
AG DR 1-23

Line No.			A	B	C	D	E	F	G	H	I	J	K	L	M	N
			Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Budget Jan-07	Budget Feb-07	Budget Mar-07	13 Mth Avg 2006 - Base
1	a.	Mcf Vol	(1,215,062)	(2,875,498)	(455,423)	1,451,490	3,179,364	4,890,073	5,637,638	5,990,060	6,282,230	4,865,314	259,000	(2,100,625)	(3,649,100)	1,712,266
2	b.	$	($7,909,884)	($21,283,024)	($1,487,829)	$14,733,033	$24,851,639	$35,677,410	$41,316,241	$43,993,280	$42,561,805	$34,040,434	($2,729,093)	($20,285,533)	($31,692,528)	$11,675,842
3	c.	Avg	$6.51	$7.40	$3.27	$10.15	$7.82	$7.30	$7.33	$7.34	$6.77	$7.00				

Atmos Energy Corporation, KY
Case No. 2006-00464
workpaper Working Capital Components
13 Month Average as of March 31, 2007

Line No.	Description	actual Mar-06	actual Apr-06	actual May-06	actual Jun-06	actual Jul-06	actual Aug-06	actual Sep-06	budget Oct-06	budget Nov-06	budget Dec-06	budget Jan-07	budget Feb-07	budget Mar-07	13 month average
1	Material & Supplies														
2															
3	Gas Stored Underground	($7,909,884)	($21,283,024)	($1,487,829)	$14,733,033	$24,851,639	$35,677,410	$41,316,241	$48,073,094	$36,209,261	$17,009,665	($2,729,093)	($20,285,533)	($31,692,528)	$10,190,958

Attachment AG DR 2-9(b)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 10
Witness: Tom Petersen

Data Request:

Does the response to AG-1-24b mean that the Customer Advances for Division 91 of $35,541, once the correct coding has been applied, should be a rate base deduction balance as opposed to a rate base increase balance? If not, explain what exactly the response means and what impact it has on the requested rate base in this case.

Response:

The $35,541 should not have been coded to rate division 091. The amount should be excluded from rate base in Kentucky.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 11
Witness: Jim Cagle

Data Request:

Regarding the response to AG -1-25d, please provide the following information:

a. As shown on Schedule B-5, Sheet 2 of 4, on both an original filing as well as corrected filing (response to AG-1-1) basis, the Company has allocated to Kentucky 36.78% of the Division's 91 Account 255 ADITC balance in the Base Period. Explain why this Division 91 Account 255 ADITC is allocable to Kentucky in the Base Period but not in the Forecasted Test Period.

b. Explain in more detail why the Division 91 ADITC is not allocable to Kentucky for the reason that it "relates specifically to states within the old United Cities Gas Company." In addition, explain which states these are and provide proof that Atmos actually allocates 100% of the Division 91 ADITC to these states for ratemaking purposes.

Response:

a. Div 91, Account 255 ADITC is not allocable to the Company's Kentucky operations in either period and could have been removed from the schedules when re-filed. The Company's requested rates in this proceeding are based upon the forecasted test period.

b. The availability of Investment Tax credits ceased in the early 1980s. At that time, United Cities Gas Company was a separate entity from Atmos as the merger occurred in the late 1990s. The ADITC recorded in Division 91 related to United Cities Gas Company from that period. The Company allocates ratebase items for ratemaking purposes only. In previous cases, Div 91 ADITC has been allocated to the applicable UCG states (Tennessee, Virginia, Georgia, Iowa, and Illinois). As this is the first rate case filed since the consolidation of the divisions, no other examples are available.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 12
Witness: Jim Cagle

Data Request:

The Company has responded that the actual ADIT balance information requested in AG-1-26 f is provided in "the response to item c and attached spreadsheet labeled AG AD1-26 ATT." However, this does not contain the requested actual monthly ADIT balances from March 2006 through January 2007, broken out by Account 190, 255, 282 and 283 deferred taxes. Please provide this information and, in addition, provide similar actual ADIT balances for February and March 2007.

Response:

Please see attachment AG DR 2-12 ATT for the actual ADIT monthly balances from March 2006 through February 2007. These are broken out by Account 190, 255, 282 and 283. The March 2007 information will be available after May 4th.

Response to c, d, and e.

Line No.	Sub-Acct		actual Mar-06	actual Apr-06	actual May-06	actual Jun-06	actual Jul-06	actual Aug-06	actual Sep-06	actual Oct-06	actual Nov-06	actual Dec-06	actual Jan-07	actual Feb-07	budget Mar-07	13 Month Average
1	DIVISION 09															
2		Account 190 - Accumulated Deferred Income Taxes														
3	28201	Accum Defer - Fed Income Tax	(2,260,591)	(2,260,591)	(2,260,591)	(2,260,591)	(2,260,591)	(2,260,591)	5,853,574	5,853,574	5,853,574	5,853,574	5,853,574	5,853,574	6,307,340	2,143,480
4																
5	28206	Accum Defer - State Income Tax	544,426	544,426	544,426	554,426	554,426	554,426	810,171	810,171	810,171	803,114	803,114	803,114	849,065	691,191
6																
7		Total Account 190	(1,716,165)	(1,716,165)	(1,716,165)	(1,706,165)	(1,706,165)	(1,706,165)	6,663,745	6,663,745	6,663,745	6,656,688	6,656,688	6,656,688	7,156,406	2,834,670
8																
9		Account 282 - Accumulated Deferred Income Taxes														
10	28201	Accum Defer - Fed Income Tax	(35,319,572)	(35,319,572)	(35,319,572)	(22,606,978)	(22,606,978)	(22,606,978)	(28,571,175)	(28,571,175)	(28,571,175)	(29,576,915)	(29,575,916)	(29,676,915)	(27,867,766)	(28,929,900)
11																
12	28206	Accum Defer - State Income Tax	(3,119,365)	(3,119,365)	(3,119,365)	(3,174,466)	(3,174,466)	(3,174,466)	(3,954,429)	(3,954,429)	(3,954,429)	(4,065,401)	(4,065,401)	(4,065,401)	(3,894,138)	(3,602,702)
13																
14		Total Account 282	(38,438,937)	(38,438,937)	(38,438,937)	(25,781,444)	(25,781,444)	(25,781,444)	(32,525,604)	(32,525,604)	(32,525,604)	(33,641,316)	(33,641,316)	(33,641,316)	(31,761,924)	(32,532,602)
15																
16		Account 283 - Accumulated Deferred Income Taxes - Other														
17	28201	Accum Defer - Fed Income Tax	29,237	29,237	29,237	29,237	29,237	29,237	(94,080)	(94,080)	(94,080)	(94,080)	(94,080)	(94,080)	(474,726)	(66,445)
18																
19	28206	Accum Defer - State Income Tax	2,506	2,506	2,506	2,506	2,506	2,506	(13,021)	(13,021)	(13,021)	(13,021)	(13,021)	(13,021)	(45,648)	(8,364)
20																
21		Total Account 283	31,743	31,743	31,743	31,743	31,743	31,743	(107,101)	(107,101)	(107,101)	(107,101)	(107,101)	(107,101)	(520,374)	(74,809)
22																
23		Div 09 - Accumulated Deferred Income Taxes	(40,123,359)	(40,123,359)	(40,123,359)	(27,455,866)	(27,455,866)	(27,455,866)	(25,968,960)	(25,968,960)	(25,968,960)	(27,091,729)	(27,091,729)	(27,091,729)	(25,125,892)	(29,772,741)
24	DIVISION 02															
25																
39		Account 190 - Accumulated Deferred Income Taxes														
40	28201	Accum Defer - Fed Income Tax	37,469,720	37,469,720	37,469,720	37,469,720	37,469,720	37,469,720	22,644,968	22,644,968	22,644,968	22,644,968	22,644,968	22,644,968	21,498,398	29,398,964
41																
42	28206	Accum Defer - State Income Tax	1,133,487	1,133,487	1,133,487	1,133,487	1,133,487	1,133,487	3,134,205	3,134,205	3,134,205	3,134,205	3,134,205	3,134,205	3,035,927	2,203,237
43																
44		Total Account 190	38,603,207	38,603,207	38,603,207	38,603,207	38,603,207	38,603,207	25,779,173	26,779,173	25,779,173	25,779,173	25,779,173	25,779,173	24,534,325	31,602,200
45																
46		Account 282 - Accumulated Deferred Income Taxes														
47	28201	Accum Defer - Fed Income Tax	(38,041,164)	(38,041,164)	(38,041,164)	(38,270,953)	(38,270,953)	(38,270,953)	(42,997,950)	(42,997,950)	(42,997,950)	(42,948,048)	(42,948,048)	(42,948,048)	(8,223,757)	(38,076,777)
48																
49	28206	Accum Defer - State Income Tax	(3,308,874)	(3,308,874)	(3,308,874)	(3,308,874)	(3,308,874)	(3,308,874)	(5,951,184)	(5,951,184)	(5,951,184)	(5,951,184)	(5,951,184)	(5,951,184)	(5,910,526)	(4,728,529)
50																
51		Total Account 282	(41,350,038)	(41,350,038)	(41,350,038)	(41,579,827)	(41,579,827)	(41,579,827)	(48,949,134)	(48,949,134)	(48,949,134)	(48,899,232)	(48,899,232)	(48,899,232)	(14,134,283)	(42,805,306)
52																
53		Account 283 - Accumulated Deferred Income Taxes - Other														
54	28201	Accum Defer - Fed Income Tax	(48,278,647)	(48,549,272)	(48,893,428)	(48,570,143)	(48,681,754)	(48,812,722)	(20,398,050)	(20,716,741)	(21,206,261)	(21,674,700)	(21,567,032)	(21,884,608)	(22,953,659)	(34,014,386)
55																
56	28206	Accum Defer - State Income Tax	(3,955,986)	(3,987,319)	(4,024,955)	(4,005,382)	(4,023,085)	(4,042,447)	(1,075,290)	(1,110,742)	(1,160,838)	(1,209,127)	(1,208,035)	(1,243,392)	(1,294,342)	(2,487,765)
57																
58		Total Account 283	(52,234,633)	(52,536,591)	(52,918,383)	(52,575,525)	(52,704,839)	(52,855,169)	(21,473,340)	(21,827,483)	(22,367,099)	(22,883,827)	(22,775,067)	(23,128,000)	(24,248,000)	(36,502,150)
59																
60		Div 02 Accumulated Deferred Income Taxes	(54,981,464)	(55,283,422)	(55,665,214)	(55,552,145)	(55,681,459)	(55,831,789)	(44,643,301)	(44,997,444)	(45,537,060)	(46,003,886)	(45,895,126)	(46,248,059)	(13,847,958)	(47,705,266)
61																
62	DIVISION 12															
63		Account 282 - Accumulated Deferred Income Taxes														
64	28201	Accum Defer - Fed Income Tax										0	0	0	(34,299,842)	(8,574,960)
65																
66	DIVISION 91															
67																
68		Account 190 - Accumulated Deferred Income Taxes														
69	28201	Accum Defer - Fed Income Tax	7,961,283	7,961,283	7,961,283	7,961,283	7,961,283	7,961,283	7,912,182	7,911,707	7,911,707	7,911,707	7,911,707	7,911,707	7,438,989	7,898,262
70																
71	28206	Accum Defer - State Income Tax	682,396	682,396	682,396	682,396	682,396	682,396	1,095,095	1,095,029	1,095,029	1,095,029	1,095,029	1,095,029	1,054,536	901,473
72																
73		Total Account 190	8,643,679	8,643,679	8,643,679	8,643,679	8,643,679	8,643,679	9,007,277	9,006,736	9,006,736	9,006,736	9,006,736	9,006,736	8,493,525	8,799,735
74																
75		Account 255 - Accumulated Deferred Investment Tax Credits														
76	28001	Deferred ITC - Federal	(1,047,409)	(1,047,409)	(1,047,409)	(1,047,409)	(1,047,409)	(1,047,409)	(798,176)	(798,176)	(798,176)	(798,176)	(798,176)	(798,176)	(798,176)	(913,207)
77																
78		Account 282 - Accumulated Deferred Income Taxes														
79	28201	Accum Defer - Fed Income Tax	(3,625,062)	(3,625,062)	(3,525,062)	5,293,967	5,293,967	5,293,967	(3,720,191)	(3,799,706)	(3,799,706)	(3,799,706)	(3,799,706)	(3,799,706)	(3,630,385)	(1,618,645)
80																
81	28206	Accum Defer - State Income Tax	(1,396,395)	(1,396,395)	(1,396,395)	(931,408)	(931,408)	(931,408)	(514,898)	(525,903)	(525,903)	(525,903)	(525,903)	(525,903)	(507,200)	(818,079)
82																
83		Total Account 282	(4,921,457)	(4,921,457)	(4,921,457)	4,362,559	4,362,559	4,362,559	(4,235,089)	(4,325,609)	(4,325,609)	(4,325,609)	(4,325,609)	(4,325,609)	(4,137,585)	(2,436,724)
84																
85		Account 283 - Accumulated Deferred Income Taxes - Other														
86	28201	Accum Defer - Fed Income Tax	(3,278,662)	(3,278,662)	(3,278,662)	(3,278,662)	(3,278,662)	(3,278,662)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,742,648)
87																
88	28206	Accum Defer - State Income Tax	(281,028)	(281,028)	(281,028)	(281,028)	(281,028)	(281,028)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(299,864)
89																
90		Total Account 283	(3,559,690)	(3,559,690)	(3,559,690)	(3,559,690)	(3,559,690)	(3,559,690)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(3,042,512)
91																
92		Div 91 Accumulated Deferred Income Taxes	(884,877)	(884,877)	(884,877)	8,399,139	8,399,139	8,399,139	1,374,795	1,283,734	1,283,734	1,283,734	1,283,734	1,283,734	958,547	2,407,292
93																
94																
95	100	Div 09	(40,123,359)	(40,123,359)	(40,123,359)	(27,455,866)	(27,455,866)	(27,455,866)	(25,968,960)	(25,968,960)	(25,968,960)	(27,091,729)	(27,091,729)	(27,091,729)	(25,125,892)	(29,772,741)
96	5.20%	Div 02	(2,859,036)	(2,874,738)	(2,894,591)	(2,888,712)	(2,895,436)	(2,903,253)	(2,321,452)	(2,339,867)	(2,367,927)	(2,392,202)	(2,386,547)	(2,404,899)	(720,094)	(2,480,673)
97	5.60%	Div 12	0	0	0	0	0	0	0	0	0	0	0	0	(1,920,791)	(480,188)
98	36.78%	Div 91	(325,426)	(325,426)	(325,426)	3,088,900	3,088,900	3,088,900	505,600	472,111	472,111	472,111	472,111	472,111	352,519	885,315
99		Please Note Allocations from Div 91 began Oct-06														
100		Total Deferred Income Tax - Jurisdictional	(43,307,821)	(43,323,523)	(43,343,376)	(27,255,677)	(27,262,402)	(27,270,219)	(27,784,812)	(27,838,716)	(27,864,776)	(29,011,820)	(29,006,164)	(29,024,517)	(27,414,258)	(31,848,297)

Response to c, d, and e.

Line No.	Sub-Acct		Interim Apr-07	Interim May-07	forecast Jun-07	forecast Jul-07	forecast Aug-07	forecast Sep-07	forecast Oct-07	forecast Nov-07	forecast Dec-07	forecast Jan-08	forecast Feb-08	forecast Mar-08	forecast Apr-08	forecast May-08
1		DIVISION 09														
2		Account 190 - Accumulated Deferred Income Taxes														
3	28201	Accum Defer - Fed Income Tax	6,307,340	6,307,340	6,396,900	6,396,900	6,396,900	6,389,484	6,389,484	6,389,484	6,440,585	6,440,585	6,440,585	6,428,642	6,428,642	6,428,642
4																
5	28206	Accum Defer - State Income Tax	849,065	849,065	856,742	856,742	856,742	856,106	856,106	856,106	860,486	860,486	860,486	859,463	859,463	859,463
6																
7		Total Account 190	7,156,406	7,156,406	7,253,642	7,253,642	7,253,642	7,245,591	7,245,591	7,245,591	7,301,072	7,301,072	7,301,072	7,288,105	7,288,105	7,288,105
8																
9		Account 282 - Accumulated Deferred Income Taxes														
10	28201	Accum Defer - Fed Income Tax	(27,867,786)	(27,867,786)	(28,051,527)	(28,051,527)	(28,051,527)	(27,903,785)	(27,903,785)	(27,903,785)	(27,915,894)	(27,915,894)	(27,915,894)	(27,928,003)	(27,928,003)	(27,928,003)
11																
12	28206	Accum Defer - State Income Tax	(3,894,138)	(3,894,138)	(3,909,887)	(3,909,887)	(3,909,887)	(3,897,224)	(3,897,224)	(3,897,224)	(3,898,262)	(3,898,262)	(3,898,262)	(3,899,300)	(3,899,300)	(3,899,300)
13																
14		Total Account 282	(31,761,924)	(31,761,924)	(31,961,414)	(31,961,414)	(31,961,414)	(31,801,009)	(31,801,009)	(31,801,009)	(31,814,156)	(31,814,156)	(31,814,156)	(31,827,303)	(31,827,303)	(31,827,303)
15																
16		Account 283 - Accumulated Deferred Income Taxes - Other														
17	28201	Accum Defer - Fed Income Tax	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)
18																
19	28206	Accum Defer - State Income Tax	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)
20																
21		Total Account 283	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)	(520,374)
22																
23		Div 09 - Accumulated Deferred Income Taxes	(25,125,892)	(25,125,892)	(25,228,146)	(25,228,146)	(25,228,146)	(25,075,792)	(25,075,792)	(25,075,792)	(25,033,458)	(25,033,458)	(25,033,458)	(25,059,572)	(25,059,572)	(25,059,572)
24		DIVISION 02														
25																
39		Account 190 - Accumulated Deferred Income Taxes														
40	28201	Accum Defer - Fed Income Tax	21,498,398	21,498,398	22,091,552	22,091,552	22,091,552	22,774,778	22,774,778	22,774,778	22,319,347	22,319,347	22,319,347	21,797,450	21,797,450	21,797,450
41																
42	28206	Accum Defer - State Income Tax	3,035,927	3,035,927	3,086,769	3,086,769	3,086,769	3,145,331	3,145,331	3,145,331	3,106,294	3,106,294	3,106,294	3,061,560	3,061,560	3,061,560
43																
44		Total Account 190	24,534,325	24,534,325	25,178,321	25,178,321	25,178,321	25,920,109	25,920,109	25,920,109	25,425,641	25,425,641	25,425,641	24,859,010	24,859,010	24,859,010
45																
46		Account 282 - Accumulated Deferred Income Taxes														
47	28201	Accum Defer - Fed Income Tax	(8,223,757)	(8,223,757)	(8,288,261)	(8,288,261)	(8,288,261)	(8,301,426)	(8,301,426)	(8,301,426)	(8,436,249)	(8,436,249)	(8,436,249)	(8,617,461)	(8,617,461)	(8,617,461)
48																
49	28206	Accum Defer - State Income Tax	(5,910,526)	(5,910,526)	(5,905,209)	(5,905,209)	(5,905,209)	(5,893,263)	(5,893,263)	(5,893,263)	(5,900,447)	(5,900,447)	(5,900,447)	(5,907,630)	(5,907,630)	(5,907,630)
50																
51		Total Account 282	(14,134,283)	(14,134,283)	(14,193,471)	(14,193,471)	(14,193,471)	(14,194,689)	(14,194,689)	(14,194,689)	(14,336,696)	(14,336,696)	(14,336,696)	(14,525,091)	(14,525,091)	(14,525,091)
52																
53		Account 283 - Accumulated Deferred Income Taxes - Other														
54	28201	Accum Defer - Fed Income Tax	(22,953,659)	(22,953,659)	(22,720,102)	(22,720,102)	(22,720,102)	(21,849,712)	(21,849,712)	(21,849,712)	(23,480,984)	(23,480,984)	(23,480,984)	(22,439,163)	(22,439,163)	(22,439,163)
55																
56	28206	Accum Defer - State Income Tax	(1,294,342)	(1,294,342)	(1,274,323)	(1,274,323)	(1,274,323)	(1,199,718)	(1,199,718)	(1,199,718)	(1,339,541)	(1,339,541)	(1,339,541)	(1,250,242)	(1,250,242)	(1,250,242)
57																
58		Total Account 283	(24,248,000)	(24,248,000)	(23,994,425)	(23,994,425)	(23,994,425)	(23,049,430)	(23,049,430)	(23,049,430)	(24,820,525)	(24,820,525)	(24,820,525)	(23,689,405)	(23,689,405)	(23,689,405)
59																
60		Div 02 Accumulated Deferred Income Taxes	(13,847,958)	(13,847,958)	(13,009,574)	(13,009,574)	(13,009,574)	(11,324,010)	(11,324,010)	(11,324,010)	(13,731,579)	(13,731,579)	(13,731,579)	(13,355,486)	(13,355,488)	(13,355,488)
61																
62		DIVISION 12														
63		Account 282 - Accumulated Deferred Income Taxes														
64	28201	Accum Defer - Fed Income Tax	(34,299,842)	(34,299,842)	(34,173,314)	(34,173,314)	(34,173,314)	(34,020,782)	(34,020,782)	(34,020,782)	(33,969,762)	(33,969,762)	(33,969,762)	(33,872,353)	(33,872,353)	(33,872,353)
65																
66		DIVISION 91														
67																
68		Account 190 - Accumulated Deferred Income Taxes														
69	28201	Accum Defer - Fed Income Tax	7,438,989	7,438,989	7,576,977	7,576,977	7,576,977	7,712,122	7,712,122	7,712,122	7,457,758	7,457,758	7,457,758	7,540,356	7,540,356	7,540,356
70																
71	28206	Accum Defer - State Income Tax	1,054,536	1,054,536	1,066,363	1,066,363	1,066,363	1,077,947	1,077,947	1,077,947	1,056,145	1,056,145	1,056,145	1,063,225	1,063,225	1,063,225
72																
73		Total Account 190	8,493,525	8,493,525	8,643,341	8,643,341	8,643,341	8,790,070	8,790,070	8,790,070	8,513,903	8,513,903	8,513,903	8,603,581	8,603,581	8,603,581
74																
75		Account 255 - Accumulated Deferred Investment Tax Credits														
76	28001	Deferred ITC - Federal														
77																
78		Account 282 - Accumulated Deferred Income Taxes														
79	28201	Accum Defer - Fed Income Tax	(3,630,385)	(3,630,385)	(3,613,383)	(3,613,383)	(3,613,383)	(3,592,809)	(3,692,809)	(3,592,809)	(3,562,705)	(3,562,705)	(3,562,705)	(3,532,602)	(3,532,602)	(3,532,602)
80																
81	28206	Accum Defer - State Income Tax	(507,200)	(507,200)	(505,743)	(505,743)	(505,743)	(503,979)	(503,979)	(503,979)	(501,399)	(501,399)	(501,399)	(498,819)	(498,819)	(498,819)
82																
83		Total Account 282	(4,137,585)	(4,137,585)	(4,119,126)	(4,119,126)	(4,119,126)	(4,096,788)	(4,096,788)	(4,096,788)	(4,064,104)	(4,064,104)	(4,064,104)	(4,031,421)	(4,031,421)	(4,031,421)
84																
85		Account 283 - Accumulated Deferred Income Taxes - Other														
86	28201	Accum Defer - Fed Income Tax	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)
87																
88	28206	Accum Defer - State Income Tax	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)
89																
90		Total Account 283	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)	(2,599,217)
91																
92		Div 91 Accumulated Deferred Income Taxes	1,756,723	1,756,723	1,924,997	1,924,997	1,924,997	2,094,064	2,094,064	2,094,064	1,850,581	1,850,581	1,850,581	1,972,942	1,972,942	1,972,942
93																
94																
95	100	Div 09	(25,125,892)	(25,125,892)	(25,228,146)	(25,228,146)	(25,228,146)	(25,075,792)	(25,075,792)	(25,075,792)	(25,033,458)	(25,033,458)	(25,033,458)	(25,059,572)	(25,059,572)	(25,059,572)
96	5.20%	Div 02	(720,094)	(720,094)	(676,498)	(676,498)	(676,498)	(588,849)	(588,849)	(588,849)	(714,042)	(714,042)	(714,042)	(694,485)	(694,485)	(694,485)
97	5.60%	Div 12	(1,920,791)	(1,920,791)	(1,913,706)	(1,913,706)	(1,913,706)	(1,905,164)	(1,905,164)	(1,905,164)	(1,902,307)	(1,902,307)	(1,902,307)	(1,896,852)	(1,896,852)	(1,896,852)
98	36.78%	Div 91	646,059	646,059	707,944	707,944	707,944	770,121	770,121	770,121	680,577	680,577	680,577	725,577	725,577	725,577
99		Please Note Allocations from Div 91 began Oct-06														
100		Total Deferred Income Tax - Jurisdictional	(27,120,718)	(27,120,718)	(27,110,405)	(27,110,405)	(27,110,405)	(26,799,683)	(26,799,683)	(26,799,683)	(26,969,230)	(26,969,230)	(26,969,230)	(26,926,332)	(26,925,332)	(26,925,332)

Atmos Energy Corporation, KY
Case No. 2006-00464
Deferred Credits and Accumulated Deferred Income Taxes
as of June 30, 2008

Data:_____Base Period__X__Forecasted Period
Type of Filing:___X____Original________Updated
Workpaper Reference No(s).

FR 10(10)(b)5
Sched. B-5
Sheet 3 of 4

Line No.	Sub Acct		Period End Tot Company KY	Jurisdictional Percent	Jurisdictional Period ending Balance	Jurisdictional 13-Month Average
DIVISION 09						
2						
3		Account 190 - Accumulated Deferred Income Taxes				
4	28201	Accum Defer - Fed Income Tax	6,505,826		6,505,826	6,420,974
5						
6	28206	Accum Defer - State Income Tax	866,078		866,078	858,805
7						
8		Total Account 190	7,371,905		7,371,905	7,279,779
9						
10		Account 282 - Accumulated Deferred Income Taxes				
11	28201	Accum Defer - Fed Income Tax	(27,940,112)		(27,940,112)	(27,949,057)
12						
13	28206	Accum Defer - State Income Tax	(3,900,338)		(3,900,338)	(3,901,104)
14						
15		Total Account 282	(31,840,450)		(31,840,450)	(31,850,161)
16						
17		Account 283 - Accumulated Deferred Income Taxes - Other				
18	28201	Accum Defer - Fed Income Tax	(474,726)		(474,726)	(474,726)
19						
20	28206	Accum Defer - State Income Tax	(45,648)		(45,648)	(45,648)
21						
22		Total Account 283	(520,374)		(520,374)	(520,374)
23						
24		Div 09 Accumulated Deferred Income Taxes	(24,988,919)		(24,988,919)	(25,090,756)
DIVISION 02						
26						
27		Account 190 - Accumulated Deferred Income Taxes				
28	28201	Accum Defer - Fed Income Tax	22,362,330		1,162,841	1,157,247
29						
30	28206	Accum Defer - State Income Tax	3,109,979		161,719	161,239
31						
32		Total Account 190	25,472,309		1,324,560	1,318,486
33						
34		Account 282 - Accumulated Deferred Income Taxes				
35	28201	Accum Defer - Fed Income Tax	(8,846,648)		(460,026)	(439,107)
36						
37	28206	Accum Defer - State Income Tax	(5,914,813)		(307,570)	(306,938)
38						
39		Total Account 282	(14,761,461)		(767,596)	(746,045)
40						
41		Account 283 - Accumulated Deferred Income Taxes - Other				
42	28201	Accum Defer - Fed Income Tax	(21,751,775)		(1,131,092)	(1,172,887)
43						
44	28206	Accum Defer - State Income Tax	(1,191,323)		(61,949)	(65,531)
45						
46		Total Account 283	(22,943,098)		(1,193,041)	(1,238,418)
47						
48		Div 02 Accumulated Deferred Income Taxes	(12,232,250)		(636,077)	(665,976)

DIVISION 12

1		Account 282 - Accumulated Deferred Income Taxes		5.60%		
2	28201	Accum Defer - Fed Income Tax	(33,726,969)		(1,888,710)	(1,903,292)
DIVISION 91						
3	15560	Account 252 - Customer Advances For Construction	35,541	36.78%	13,071	13,071
4						
5		Account 190 - Accumulated Deferred Income Taxes				
6	28201	Accum Defer - Fed Income Tax	7,675,751		2,822,864	2,787,577
7						
8	28206	Accum Defer - State Income Tax	1,074,830		395,284	392,259
9						
10		Total Account 190	8,750,581		3,218,148	3,179,835
11						
12		Account 282 - Accumulated Deferred Income Taxes				
13	28201	Accum Defer - Fed Income Tax	(3,502,499)		(1,288,093)	(1,312,832)
14						
15	28206	Accum Defer - State Income Tax	(496,238)		(182,499)	(184,619)
16						
17		Total Account 282	(3,998,737)		(1,470,591)	(1,497,451)
18						
19		Account 283 - Accumulated Deferred Income Taxes - Other				
20	28201	Accum Defer - Fed Income Tax	(2,283,207)		(839,681)	(839,681)
21						
22	28206	Accum Defer - State Income Tax	(316,010)		(116,217)	(116,217)
23		Total Account 283	(2,599,217)		(955,898)	(955,898)
24						
25		Div 91 Accumulated Deferred Income Taxes	2,152,626	791,658	791,658	726,486
26						
27		Total Deferred Income Taxes - Jurisdictional	(68,795,512)		(26,722,048)	(26,933,538)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 13
Witness: Jim Cagle

Data Request:

Please reconcile the $1,500,007 difference between the Kentucky Division Deferred Tax Assets (for example for 6/30/08) of $26,488,926 and the "Total Tax Affected" balance of $24,988,919 shown on page 10 of 12 of the response to KPSC-1-27

Response:

The difference is the deferred taxes related to deferred gas cost shown in the 9/30/2006 column of the same response pages. The $1,500,007 is the sum of $1,542,550 and ($42,543).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 14
Witness: Jim Cagle

Data Request:

The response to KPSC-1-27 shows, among other things, detailed quarterly ADIT projections for all plant related and non plant related ADIT for Division 091 (pages 7 and 8 of 12) and for Kentucky Division 09 (pages 9 and 10 of 12). Please provide the same type of quarterly plant related and non plant related ADIT for Division 02 and Division 12.

Response:

Pages 3 through 6 of company's response to KPSC DR 1-27 include amounts for all of Shared Services (Divisions 2 and 12). Pages 11 and 12 show the portion relating to Division 12, all of which is plant related.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 15
Witness: Jim Cagle

Data Request:

As shown on Schedule B-5, Sheet 3 of 4, the Company is requesting a 13-month average Forecasted Test Period ADIT balance of $(25,090,756) for the Kentucky Division 09. Please provide a breakout of this ADIT balance by non-plant-related and plant-related ADIT components in the same detail and format as shown on page 10 of 12 of the response to KPSC-1-27.

Response:

Please see the attachment labeled AG DR 2-15 ATT.

Atmos Energy - Kentucky Division (009Div)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 06/30/2007	Forecast 07/31/2007	Forecast 08/31/2007	Forecast 09/30/2007	Forecast 10/31/2007	Forecast 11/30/2007	Forecast 12/31/2007	Forecast 01/31/2008	Forecast 02/29/2008
DEFERRED TAX ASSETS / (LIABILITIES)									
Directors Deferred Comp	26,378	26,378	26,378	26,378	26,378	26,378	26,378	26,378	26,378
Self Insurance - Adjustment	-	-	-	-	-	-	-	-	-
Vacation Accrual	23,992	23,992	23,992	23,992	23,992	23,992	23,992	23,992	23,992
Worker's Comp Insurance Reserve	238,957	238,957	238,957	238,957	238,957	238,957	238,957	238,957	238,957
Customer Advances	1,344,100	1,344,100	1,344,100	1,344,100	1,344,100	1,344,100	1,344,100	1,344,100	1,344,100
Deferred Expense Projects	7,365	7,365	7,365	7,365	7,365	7,365	7,365	7,365	7,365
DIG on Fixed Assets - WKG	188,887	188,887	188,887	188,887	188,887	188,887	188,887	188,887	188,887
Deferred Gas Costs									
Deferred Gas Costs									
SEBP Adjustment	-	-	-	-	-	-	-	-	-
Restricted Stock Grant Plan	-	-	-	-	-	-	-	-	-
Capitalized Selling Expense	290	290	290	290	290	290	290	290	290
UNICAP Section 263A Costs	736,437	736,437	736,437	736,437	736,437	736,437	736,437	736,437	736,437
Allowance for Doubtful Accounts	608,124	608,124	608,124	608,124	608,124	608,124	608,124	608,124	608,124
Clearing Account - Adjustment	(481)	(481)	(481)	(481)	(481)	(481)	(481)	(481)	(481)
Prepaid OSC/PUCA Assessment	(114,466)	(114,466)	(114,466)	(114,466)	(114,466)	(114,466)	(114,466)	(114,466)	(114,466)
Stock Option Expense	2,663	2,663	2,663	2,663	2,663	2,663	2,663	2,663	2,663
FAS 106 Adjustment	1,287,033	1,287,033	1,287,033	1,278,982	1,278,982	1,278,982	1,334,463	1,334,463	1,334,463
Accrued SUT Audit	304,000	304,000	304,000	304,000	304,000	304,000	304,000	304,000	304,000
481 (a) UNICAP	579,983	579,983	579,983	579,983	579,983	579,983	579,983	579,983	579,983
All Other M-1s	-	-	-	-	-	-	-	-	-
SUBTOTAL NON PLANT RELATED DEFERRED	5,233,262	5,233,262	5,233,262	5,225,211	5,225,211	5,225,211	5,280,692	5,280,692	5,280,692
Fixed Asset Cost Adjustment	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)
IRS Audit Adjustment - Cost	-	-	-	-	-	-	-	-	-
ANG Acquisition - Cost	-	-	-	-	-	-	-	-	-
Provision Differences - Cost	-	-	-	-	-	-	-	-	-
Amended Item - Book Depreciation Not Reversed	-	-	-	-	-	-	-	-	-
Fixed Asset Accum Adjustment	(3,113,008)	(3,113,008)	(3,113,008)	(2,952,603)	(2,952,603)	(2,952,603)	(2,965,750)	(2,965,750)	(2,965,750)
IRS Audit Adjustment - Accum	-	-	-	-	-	-	-	-	-
TAX Gain/Loss on Sale of FA	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)
Customer Forfeiture	-	-	-	-	-	-	-	-	-
Capitalized Overhead Adjustment	-	-	-	-	-	-	-	-	-
Amended Item - Tax Depreciation Not Claimed	-	-	-	-	-	-	-	-	-
CWIP	(661,580)	(661,580)	(661,580)	(661,580)	(661,580)	(661,580)	(661,580)	(661,580)	(661,580)
SUBTOTAL PLANT RELATED DEFERRED	(31,961,414)	(31,961,414)	(31,961,414)	(31,801,009)	(31,801,009)	(31,801,009)	(31,814,156)	(31,814,156)	(31,814,156)
ST - State Bonus Depreciation	-	-	-	-	-	-	-	-	-
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	(26,728,152)	(26,728,152)	(26,728,152)	(26,575,798)	(26,575,798)	(26,575,798)	(26,533,464)	(26,533,464)	(26,533,464)
A1900-28201	6,396,900	6,396,900	6,396,900	6,389,484	6,389,484	6,389,484	6,440,585	6,440,585	6,440,585
A1900-28206	856,742	856,742	856,742	856,106	856,106	856,106	860,486	860,486	860,486
A2820-28201	(28,051,527)	(28,051,527)	(28,051,527)	(27,903,785)	(27,903,785)	(27,903,785)	(27,915,894)	(27,915,894)	(27,915,894)
A2820-28206	(3,909,887)	(3,909,887)	(3,909,887)	(3,897,224)	(3,897,224)	(3,897,224)	(3,898,262)	(3,898,262)	(3,898,262)
A2830-28201	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)	(474,726)
A2830-28206	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)	(45,648)
TOTAL TAX EFFECTED	(25,228,146)	(25,228,146)	(25,228,146)	(25,075,792)	(25,075,792)	(25,075,792)	(25,033,458)	(25,033,458)	(25,033,458)

Atmos Energy - Kentucky Division (009Div)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 03/31/2008	Forecast 04/30/2008	Forecast 05/31/2008	Forecast 06/30/2008	
DEFERRED TAX ASSETS / (LIABILITIES)					
Directors Deferred Comp	26,378	26,378	26,378	26,378	
Self Insurance - Adjustment	-	-	-	-	
Vacation Accrual	23,992	23,992	23,992	23,992	
Worker's Comp Insurance Reserve	238,957	238,957	238,957	238,957	
Customer Advances	1,344,100	1,344,100	1,344,100	1,344,100	
Deferred Expense Projects	7,365	7,365	7,365	7,365	
DIG on Fixed Assets - WKG	188,887	188,887	188,887	188,887	
Deferred Gas Costs					
Deferred Gas Costs					
SEBP Adjustment	-	-	-	-	
Restricted Stock Grant Plan	-	-	-	-	
Capitalized Selling Expense	290	290	290	290	
UNICAP Section 263A Costs	736,437	736,437	736,437	736,437	
Allowance for Doubtful Accounts	608,124	608,124	608,124	608,124	
Clearing Account - Adjustment	(481)	(481)	(481)	(481)	
Prepaid OSC/PUCA Assessment	(114,466)	(114,466)	(114,466)	(114,466)	
Stock Option Expense	2,663	2,663	2,663	2,663	
FAS 106 Adjustment	1,321,496	1,321,496	1,321,496	1,405,296	
Accrued SUT Audit	304,000	304,000	304,000	304,000	
481 (a) UNICAP	579,983	579,983	579,983	579,983	
All Other M-1s	-	-	-	-	
SUBTOTAL NON PLANT RELATED DEFERRED	5,267,725	5,267,725	5,267,725	5,351,524	5,259,399
Fixed Asset Cost Adjustment	(27,157,388)	(27,157,388)	(27,157,388)	(27,157,388)	
IRS Audit Adjustment - Cost	-	-	-	-	
ANG Acquisition - Cost	-	-	-	-	
Provision Differences - Cost	-	-	-	-	
Amended Item - Book Depreciation Not Reversed	-	-	-	-	
Fixed Asset Accum Adjustment	(2,978,897)	(2,978,897)	(2,978,897)	(2,992,044)	
IRS Audit Adjustment - Accum	-	-	-	-	
TAX Gain/Loss on Sale of FA	(1,029,438)	(1,029,438)	(1,029,438)	(1,029,438)	
Customer Forfeiture	-	-	-	-	
Capitalized Overhead Adjustment	-	-	-	-	
Amended Item - Tax Depreciation Not Claimed	-	-	-	-	
CWIP	(661,580)	(661,580)	(661,580)	(661,580)	
SUBTOTAL PLANT RELATED DEFERRED	(31,827,303)	(31,827,303)	(31,827,303)	(31,840,450)	(31,850,161)
ST - State Bonus Depreciation	-	-	-	-	
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	(26,559,578)	(26,559,578)	(26,559,578)	(26,488,926)	(26,590,762)
A1900-28201	6,428,642	6,428,642	6,428,642	6,505,826	
A1900-28206	859,463	859,463	859,463	866,078	
A2820-28201	(27,928,003)	(27,928,003)	(27,928,003)	(27,940,112)	
A2820-28206	(3,899,300)	(3,899,300)	(3,899,300)	(3,900,338)	
A2830-28201	(474,726)	(474,726)	(474,726)	(474,726)	
A2830-28206	(45,648)	(45,648)	(45,648)	(45,648)	
TOTAL TAX EFFECTED	(25,059,572)	(25,059,572)	(25,059,572)	(24,988,919)	(25,090,756)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 16
Witness: Jim Cagle

Data Request:

As shown on Schedule B-5, Sheet 4 of 4, the Company is requesting a 13-month average Forecasted Test Period ADIT balance of $726,486 for Division 91. Please provide a breakout of this ADIT balance by non-plant-related and plant-related ADIT components in the same detail and format as shown on page 8 of 12 of the response to KPSC-1-27.

Response:

Please see attachment labeled AG DR 2-16 ATT.

Atmos Energy - Brentwood Division (091Div)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 06/30/2007	Forecast 07/31/2007	Forecast 08/31/2007	Forecast 09/30/2007	Forecast 10/31/2007	Forecast 11/30/2007	Forecast 12/31/2007	Forecast 01/31/2008	Forecast 02/29/2008	Forecast 03/31/2008	Forecast 04/30/2008	Forecast 05/31/2008
DEFERRED TAX ASSETS / (LIABILITIES)												
Directors Deferred Bonus	35,727	35,727	35,727	35,727	35,727	35,727	35,727	35,727	35,727	35,727	35,727	35,727
Directors Deferred Comp	280,253	280,253	280,253	280,253	280,253	280,253	280,253	280,253	280,253	280,253	280,253	280,253
Self Insurance - Adjustment	458,021	458,021	458,021	458,021	458,021	458,021	458,021	458,021	458,021	458,021	458,021	458,021
Vacation Accrual	60,295	60,295	60,295	60,295	60,295	60,295	60,295	60,295	60,295	60,295	60,295	60,295
Worker's Comp Insurance Reserve	587,117	587,117	587,117	587,117	587,117	587,117	587,117	587,117	587,117	587,117	587,117	587,117
Customer Advances	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)	(13,506)
Deferred Expense Projects	15,311	15,311	15,311	15,311	15,311	15,311	15,311	15,311	15,311	15,311	15,311	15,311
Merger and Integration Amortiz.	-	-	-	-	-	-	-	-	-	-	-	-
RAR 91/93 Bond Cost Amortized	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516
RAR 91/93 Bond Costs Capitalized	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)	(37,823)
DIG on Fixed Assets	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)	(340,560)
DIG on Fixed Assets - UCG Storage	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)	(1,219,937)
RAR 86/90 Lease Expense Amortiz.	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)	(104,097)
Deferred Gas Costs	-	-	-	-	-	-	-	-	-	-	-	-
SEBP Adjustment	950,026	950,026	950,026	953,583	953,583	953,583	949,261	949,261	949,261	950,231	950,231	950,231
Restricted Stock Grant Plan	-	-	-	-	-	-	-	-	-	-	-	-
Capitalized Selling Expense	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Allowance for Doubtful Accounts	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)
Clearing Account - Adjustment	18,917	18,917	18,917	18,917	18,917	18,917	18,917	18,917	18,917	18,917	18,917	18,917
RAR CFWE 1990-1985	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)	(67,708)
Union Gas - Non Compete	424,291	424,291	424,291	424,291	424,291	424,291	424,291	424,291	424,291	424,291	424,291	424,291
Monarch - Non Compete	-	-	-	-	-	-	-	-	-	-	-	-
Palmyra - Non Compete	-	-	-	-	-	-	-	-	-	-	-	-
Section 481(a) Prepayments	-	-	-	-	-	-	-	-	-	-	-	-
Stock Option Expense	6,367	6,367	6,367	6,367	6,367	6,367	6,367	6,367	6,367	6,367	6,367	6,367
FAS 106 Adjustment	4,765,631	4,765,631	4,765,631	4,908,803	4,908,803	4,908,803	4,636,958	4,636,958	4,636,958	4,725,666	4,725,666	4,725,666
Regulatory Liability - UCGC 109	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)	(844,404)
Regulatory Liability - UCGC Rate	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777	1,055,777
SUBTOTAL NON PLANT RELATED DEFERRED	6,044,123	6,044,123	6,044,123	6,190,852	6,190,852	6,190,852	5,914,685	5,914,685	5,914,685	6,004,363	6,004,363	6,004,363
Fixed Asset Cost Adjustment	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)	(3,067,965)
IRS Audit Adjustment - Cost	-	-	-	-	-	-	-	-	-	-	-	-
ANG Acquisition - Cost	-	-	-	-	-	-	-	-	-	-	-	-
Provision Differences - Cost	-	-	-	-	-	-	-	-	-	-	-	-
Amended Item - Book Depreciation Not Reversed	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Asset Accum Adjustment	(1,025,921)	(1,025,921)	(1,025,921)	(1,003,583)	(1,003,583)	(1,003,583)	(970,899)	(970,899)	(970,899)	(938,216)	(938,216)	(938,216)
IRS Audit Adjustment - Accum	-	-	-	-	-	-	-	-	-	-	-	-
TAX Gain/Loss on Sale of FA	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)	(1,967)
Amended Item - Tax Depreciation Not Claimed	-	-	-	-	-	-	-	-	-	-	-	-
CWIP	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)	(326,580)
Deferred ITC - UCG Non-utility	44,183	44,183	44,183	44,183	44,183	44,183	44,183	44,183	44,183	44,183	44,183	44,183
Deferred ITC - UCG	259,123	259,123	259,123	259,123	259,123	259,123	259,123	259,123	259,123	259,123	259,123	259,123
SUBTOTAL PLANT RELATED DEFERRED	(4,119,126)	(4,119,126)	(4,119,126)	(4,096,788)	(4,096,788)	(4,096,788)	(4,064,104)	(4,064,104)	(4,064,104)	(4,031,421)	(4,031,421)	(4,031,421)
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	1,924,997	1,924,997	1,924,997	2,094,064	2,094,064	2,094,064	1,850,581	1,850,581	1,850,581	1,972,942	1,972,942	1,972,942
	-	-	-	-	-	-	-	-	-	-	-	-
A1900-28201	7,576,977	7,576,977	7,576,977	7,712,122	7,712,122	7,712,122	7,457,758	7,457,758	7,457,758	7,540,356	7,540,356	7,540,356
A1900-28206	1,066,363	1,066,363	1,066,363	1,077,947	1,077,947	1,077,947	1,056,145	1,056,145	1,056,145	1,063,225	1,063,225	1,063,225
A2820-28201	(3,613,383)	(3,613,383)	(3,613,383)	(3,592,809)	(3,592,809)	(3,592,809)	(3,562,705)	(3,562,705)	(3,562,705)	(3,532,602)	(3,532,602)	(3,532,602)
A2820-28206	(505,743)	(505,743)	(505,743)	(503,979)	(503,979)	(503,979)	(501,399)	(501,399)	(501,399)	(498,819)	(498,819)	(498,819)
A2830-28201	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)	(2,283,207)
A2830-28206	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)	(316,010)
	1,924,997	1,924,997	1,924,997	2,094,064	2,094,064	2,094,064	1,850,581	1,850,581	1,850,581	1,972,942	1,972,942	1,972,942

Atmos Energy - Brentwood Division (091Div)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 06/30/2008	Average	Allocation Factor	Allocated Amount
DEFERRED TAX ASSETS / (LIABILITIES)				
Directors Deferred Bonus	35,727			
Directors Deferred Comp	280,253			
Self Insurance - Adjustment	458,021			
Vacation Accrual	60,295			
Worker's Comp Insurance Reserve	587,117			
Customer Advances	(13,506)			
Deferred Expense Projects	15,311			
Merger and Integration Amortiz.	-			
RAR 91/93 Bond Cost Amortized	14,516			
RAR 91/93 Bond Costs Capitalized	(37,823)			
DIG on Fixed Assets	(340,560)			
DIG on Fixed Assets - UCG Storage	(1,219,937)			
RAR 86/90 Lease Expense Amortiz.	(104,097)			
Deferred Gas Costs	-			
SEBP Adjustment	951,202			
Restricted Stock Grant Plan	-			
Capitalized Selling Expense	(5)			
Allowance for Doubtful Accounts	(87)			
Clearing Account - Adjustment	18,917			
RAR CFWE 1990-1985	(67,708)			
Union Gas - Non Compete	424,291			
Monarch - Non Compete	-			
Palmyra - Non Compete	-			
Section 481(a) Prepayments	-			
Stock Option Expense	6,367			
FAS 106 Adjustment	4,871,695			
Regulatory Liability - UCGC 109	(844,404)			
Regulatory Liability - UCGC Rate	1,055,777			
SUBTOTAL NON PLANT RELATED DEFERRED	6,151,363	6,047,187		
Fixed Asset Cost Adjustment	(3,067,965)			
IRS Audit Adjustment - Cost	-			
ANG Acquisition - Cost	-			
Provision Differences - Cost	-			
Amended Item - Book Depreciation Not Reversed	-			
Fixed Asset Accum Adjustment	(905,532)			
IRS Audit Adjustment - Accum	-			
TAX Gain/Loss on Sale of FA	(1,967)			
Amended Item - Tax Depreciation Not Claimed	-			
CWIP	(326,580)			
Deferred ITC - UCG Non-utility	44,183			
Deferred ITC - UCG	259,123			
SUBTOTAL PLANT RELATED DEFERRED	(3,998,737)	(4,071,773)		
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	2,152,626	1,975,414	36.78%	726,486
A1900-28201	7,675,751			
A1900-28206	1,074,830			
A2820-28201	(3,502,499)			
A2820-28206	(496,238)			
A2830-28201	(2,283,207)			
A2830-28206	(316,010)			
	2,152,626			

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 17
Witness: Jim Cagle

Data Request:

As shown on Schedule B-5, Sheet 4 of 4, the Company is requesting an average Forecasted Test Period ADIT balance of $(1,903,292) for Division 12. Please provide a breakout of this ADIT balance by non-plant-related and plant-related ADIT components in the same detail and format as shown for Divisions 09 and 91. on pages 8 and 10 of 12 of the response to KPSC-I-27.

Response:

Please see company's response to AG DR 1-27, page 11 of 12. Calculated ADIT for Division 12 is plant related only.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 18
Witness: Jim Cagle

Data Request:

As shown on Schedule B-5, Sheet 3 of 4, the Company is requesting a 13-month average Forecasted Test Period ADIT balance of $665,976 for Division 02. Please provide a breakout of this ADIT balance by non-plant-related and plant-related ADIT components in the same detail and format as shown on page 8 of 12 of the response to KPSC-1-27.

Response:

Please see the attachment labeled AG DR 2-18 ATT.

Atmos Energy - Shared Services (Company 010)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 06/30/2007	Forecast 07/31/2007	Forecast 08/31/2007	Forecast 09/30/2007	Forecast 10/31/2007	Forecast 11/30/2007	Forecast 12/31/2007	Forecast 01/31/2008	Forecast 02/29/2008
DEFERRED TAX ASSETS / (LIABILITIES)									
Environmental Activities	33	33	33	33	33	33	33	33	33
Ad Valorum Taxes	-	-	-	-	-	-	-	-	-
Directors Deferred Bonus	118,896	118,896	118,896	118,896	118,896	118,896	118,896	118,896	118,896
Directors Deferred Comp	748,662	748,662	748,662	748,662	748,662	748,662	748,662	748,662	748,662
Miscellaneous Accrued	331,586	331,586	331,586	331,586	331,586	331,586	331,586	331,586	331,586
Self Insurance - Adjustment	709,940	709,940	709,940	709,940	709,940	709,940	709,940	709,940	709,940
Vacation Accrual	63,825	63,825	63,825	63,825	63,825	63,825	63,825	63,825	63,825
Worker's Comp Insurance Reserve	73,506	73,506	73,506	73,506	73,506	73,506	73,506	73,506	73,506
Amortization - LGS Acq. 1810.13523									
Deferred Expense Projects	1,956,422	1,956,422	1,956,422	1,956,422	1,956,422	1,956,422	1,956,422	1,956,422	1,956,422
Deferred Projects - MVG Acq.	-	-	-	-	-	-	-	-	-
Deferred Projects - TXU Acquisitio	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)
RAR 91/93 Bond Cost Amortized	-	-	-	-	-	-	-	-	-
RAR 86/90 Lease Expense Amortiz.	-	-	-	-	-	-	-	-	-
Deferred Gas Costs	903	903	903	903	903	903	903	903	903
Rabbi Trust - True Up	404,971	404,971	404,971	404,971	404,971	404,971	404,971	404,971	404,971
SEBP Adjustment - Amended Item	-	-	-	-	-	-	-	-	-
SEBP Adjustment	18,594,432	18,594,432	18,594,432	19,217,985	19,217,985	19,217,985	18,886,407	18,886,407	18,886,407
Restricted Stock Grant Plan	3,381,503	3,381,503	3,381,503	3,381,503	3,381,503	3,381,503	3,381,503	3,381,503	3,381,503
Rabbi Trust	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633	17,633
UNICAP Section 263A Costs	(47,934)	(47,934)	(47,934)	(47,934)	(47,934)	(47,934)	(47,934)	(47,934)	(47,934)
Clearing Account - Adjustment	(216,075)	(216,075)	(216,075)	(216,075)	(216,075)	(216,075)	(216,075)	(216,075)	(216,075)
Charitable Contribution Carryover	(7,136)	(7,136)	(7,136)	(7,136)	(7,136)	(7,136)	(7,136)	(7,136)	(7,136)
RAR CFWE 1990-1985	(5,037)	(5,037)	(5,037)	(5,037)	(5,037)	(5,037)	(5,037)	(5,037)	(5,037)
Investment Banking Adv Fee (MVG)	-	-	-	-	-	-	-	-	-
Monarch - Non Compete	-	-	-	-	-	-	-	-	-
Prepaid Dues	(56,661)	(56,661)	(56,661)	(56,661)	(56,661)	(56,661)	(56,661)	(56,661)	(56,661)
Prepayments	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)
Inventory Adjustment	-	-	-	-	-	-	-	-	-
Section 481(a) Prepayments	-	-	-	-	-	-	-	-	-
Stock Option Expense	264,338	264,338	264,338	264,338	264,338	264,338	264,338	264,338	264,338
Pension Expense	(42,631,484)	(42,631,484)	(42,631,484)	(41,686,489)	(41,686,489)	(41,686,489)	(43,457,584)	(43,457,584)	(43,457,584)
FAS 106 Adjustment	2,653,859	2,653,859	2,653,859	2,772,094	2,772,094	2,772,094	2,609,204	2,609,204	2,609,204
Regulatory Liability - Atmos 109	72,395	72,395	72,395	72,395	72,395	72,395	72,395	72,395	72,395
OHGC Deposit Refund Adjustment	-	-	-	-	-	-	-	-	-
All Other M-1s	41,723	41,723	41,723	41,723	41,723	41,723	41,723	41,723	41,723
SUBTOTAL NON PLANT RELATED DEFERRED	(15,540,794)	(15,540,794)	(15,540,794)	(13,854,011)	(13,854,011)	(13,854,011)	(16,119,574)	(16,119,574)	(16,119,574)
Fixed Asset Cost Adjustment	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)
IRS Audit Adjustment - Cost	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)
ANG Acquisition - Cost	-	-	-	-	-	-	-	-	-
Provision Differences - Cost	-	-	-	-	-	-	-	-	-
Amended Item - Book Depreciation Not Reversed	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443
Fixed Asset Accum Adjustment	3,742,191	3,742,191	3,742,191	3,893,505	3,893,505	3,893,505	3,802,518	3,802,518	3,802,518
IRS Audit Adjustment - Accum	-	-	-	-	-	-	-	-	-
Section 481(a) Cushion Gas	206,170	206,170	206,170	206,170	206,170	206,170	206,170	206,170	206,170
Section 481(a) Line Pack Gas	69,383	69,383	69,383	69,383	69,383	69,383	69,383	69,383	69,383
Amended Item - Tax Depreciation Not Claimed	413,483	413,483	413,483	413,483	413,483	413,483	413,483	413,483	413,483

Atmos Energy - Shared Services (Company 010)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 06/30/2007	Forecast 07/31/2007	Forecast 08/31/2007	Forecast 09/30/2007	Forecast 10/31/2007	Forecast 11/30/2007	Forecast 12/31/2007	Forecast 01/31/2008	Forecast 02/29/2008
CWIP	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)
Amended Cost of Removal	1,571,782	1,571,782	1,571,782	1,571,782	1,571,782	1,571,782	1,571,782	1,571,782	1,571,782
Amended Book Amortization	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)
Capitalized Overhead - True Up	(64,869)	(64,869)	(64,869)	(64,869)	(64,869)	(64,869)	(64,869)	(64,869)	(64,869)
Other Plant	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)
Other Plant	-	-	-	-	-	-	-	-	-
SUBTOTAL PLANT RELATED DEFERRED	(48,366,785)	(48,366,785)	(48,366,785)	(48,215,471)	(48,215,471)	(48,215,471)	(48,306,458)	(48,306,458)	(48,306,458)
OTHER TAX EFFECTED ITEMS									
FD - IRS Audit Interest Assessment	-	-	-	-	-	-	-	-	-
ST - State Net Operating Loss	1,367,029	1,367,029	1,367,029	1,367,029	1,367,029	1,367,029	1,367,029	1,367,029	1,367,029
ST - State Bonus Depreciation	2,241,150	2,241,150	2,241,150	2,241,150	2,241,150	2,241,150	2,241,150	2,241,150	2,241,150
FD - FAS 115 Adjustment	(440,542)	(440,542)	(440,542)	(440,542)	(440,542)	(440,542)	(440,542)	(440,542)	(440,542)
FD - Treasury Lock Adjustment	12,589,339	12,589,339	12,589,339	12,589,339	12,589,339	12,589,339	12,589,339	12,589,339	12,589,339
FD - NOL Credit Carryforward	4,335,941	4,335,941	4,335,941	4,335,941	4,335,941	4,335,941	4,335,941	4,335,941	4,335,941
FD - Federal Tax on State NOL	(478,460)	(478,460)	(478,460)	(478,460)	(478,460)	(478,460)	(478,460)	(478,460)	(478,460)
FD - R & D Credit Valuation Allow	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)
FD - Federal Benefit on State Bonu	(784,402)	(784,402)	(784,402)	(784,402)	(784,402)	(784,402)	(784,402)	(784,402)	(784,402)
SUBTOTAL OTHER TAX EFFECTED ITEMS	17,048,696	17,048,696	17,048,696	17,048,696	17,048,696	17,048,696	17,048,696	17,048,696	17,048,696
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	(46,858,883)	(46,858,883)	(46,858,883)	(45,020,786)	(45,020,786)	(45,020,786)	(47,377,336)	(47,377,336)	(47,377,336)
	-	-	-	-	-	-	-	-	-
A1900-28201	22,091,552	22,091,552	22,091,552	22,774,778	22,774,778	22,774,778	22,319,347	22,319,347	22,319,347
A1900-28206	3,086,769	3,086,769	3,086,769	3,145,331	3,145,331	3,145,331	3,106,294	3,106,294	3,106,294
A2820-28201	(42,461,576)	(42,461,576)	(42,461,576)	(42,322,208)	(42,322,208)	(42,322,208)	(42,406,011)	(42,406,011)	(42,406,011)
A2820-28206	(5,905,209)	(5,905,209)	(5,905,209)	(5,893,263)	(5,893,263)	(5,893,263)	(5,900,447)	(5,900,447)	(5,900,447)
A2830-28201	(22,720,102)	(22,720,102)	(22,720,102)	(21,849,712)	(21,849,712)	(21,849,712)	(23,480,984)	(23,480,984)	(23,480,984)
A2830-28206	(1,274,323)	(1,274,323)	(1,274,323)	(1,199,718)	(1,199,718)	(1,199,718)	(1,339,541)	(1,339,541)	(1,339,541)
TOTAL TAX EFFECTED	(47,182,889)	(47,182,889)	(47,182,889)	(45,344,792)	(45,344,792)	(45,344,792)	(47,701,342)	(47,701,342)	(47,701,342)
Div 12 (AG 1-27, Page 11)	(34,173,314)	(34,173,314)	(34,173,314)	(34,020,782)	(34,020,782)	(34,020,782)	(33,969,762)	(33,969,762)	(33,969,762)
Div 02	(13,009,574)	(13,009,574)	(13,009,574)	(11,324,010)	(11,324,010)	(11,324,010)	(13,731,579)	(13,731,579)	(13,731,579)

Atmos Energy - Shared Services (Company 010)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 03/31/2008	Forecast 04/30/2008	Forecast 05/31/2008	Forecast 06/30/2008
DEFERRED TAX ASSETS / (LIABILITIES)				
Environmental Activities	33	33	33	33
Ad Valorum Taxes	-	-	-	-
Directors Deferred Bonus	118,896	118,896	118,896	118,896
Directors Deferred Comp	748,662	748,662	748,662	748,662
Miscellaneous Accrued	331,586	331,586	331,586	331,586
Self Insurance - Adjustment	709,940	709,940	709,940	709,940
Vacation Accrual	63,825	63,825	63,825	63,825
Worker's Comp Insurance Reserve	73,506	73,506	73,506	73,506
Amortization - LGS Acq. 1810.13523				
Deferred Expense Projects	1,956,422	1,956,422	1,956,422	1,956,422
Deferred Projects - MVG Acq.	-	-	-	-
Deferred Projects - TXU Acquisitio	(22)	(22)	(22)	(22)
RAR 91/93 Bond Cost Amortized	-	-	-	-
RAR 86/90 Lease Expense Amortiz.	-	-	-	-
Deferred Gas Costs	903	903	903	903
Rabbi Trust - True Up	404,971	404,971	404,971	404,971
SEBP Adjustment - Amended Item	-	-	-	-
SEBP Adjustment	18,162,345	18,162,345	18,162,345	18,817,826
Restricted Stock Grant Plan	3,381,503	3,381,503	3,381,503	3,381,503
Rabbi Trust	17,633	17,633	17,633	17,633
UNICAP Section 263A Costs	(47,934)	(47,934)	(47,934)	(47,934)
Clearing Account - Adjustment	(216,075)	(216,075)	(216,075)	(216,075)
Charitable Contribution Carryover	(7,136)	(7,136)	(7,136)	(7,136)
RAR CFWE 1990-1985	(5,037)	(5,037)	(5,037)	(5,037)
Investment Banking Adv Fee (MVG)	-	-	-	-
Monarch - Non Compete	-	-	-	-
Prepaid Dues	(56,661)	(56,661)	(56,661)	(56,661)
Prepayments	(2,011,075)	(2,011,075)	(2,011,075)	(2,011,075)
Inventory Adjustment	-	-	-	-
Section 481(a) Prepayments	-	-	-	-
Stock Option Expense	264,338	264,338	264,338	264,338
Pension Expense	(42,326,464)	(42,326,464)	(42,326,464)	(41,580,157)
FAS 106 Adjustment	2,766,635	2,766,635	2,766,635	2,724,452
Regulatory Liability - Atmos 109	72,395	72,395	72,395	72,395
OHGC Deposit Refund Adjustment	-	-	-	-
All Other M-1s	41,723	41,723	41,723	41,723
SUBTOTAL NON PLANT RELATED DEFERRED	(15,555,085)	(15,555,085)	(15,555,085)	(14,195,480)
Fixed Asset Cost Adjustment	(31,004,713)	(31,004,713)	(31,004,713)	(31,004,713)
IRS Audit Adjustment - Cost	(1,466,451)	(1,466,451)	(1,466,451)	(1,466,451)
ANG Acquisition - Cost	-	-	-	-
Provision Differences - Cost	-	-	-	-
Amended Item - Book Depreciation Not Reversed	27,443	27,443	27,443	27,443
Fixed Asset Accum Adjustment	3,711,532	3,711,532	3,711,532	3,620,546
IRS Audit Adjustment - Accum	-	-	-	-
Section 481(a) Cushion Gas	206,170	206,170	206,170	206,170
Section 481(a) Line Pack Gas	69,383	69,383	69,383	69,383
Amended Item - Tax Depreciation Not Claimed	413,483	413,483	413,483	413,483

Atmos Energy - Shared Services (Company 010)
Deferred Tax Balances
FYE 2006 - 2007

(ALL NUMBERS ARE TAX EFFECTED)	Forecast 03/31/2008	Forecast 04/30/2008	Forecast 05/31/2008	Forecast 06/30/2008			
CWIP	(15,405,341)	(15,405,341)	(15,405,341)	(15,405,341)			
Amended Cost of Removal	1,571,782	1,571,782	1,571,782	1,571,782			
Amended Book Amortization	(1,783,210)	(1,783,210)	(1,783,210)	(1,783,210)			
Capitalized Overhead - True Up	(64,869)	(64,869)	(64,869)	(64,869)			
Other Plant	(4,672,653)	(4,672,653)	(4,672,653)	(4,672,653)			
Other Plant	-	-	-	-			
SUBTOTAL PLANT RELATED DEFERRED.	(48,397,444)	(48,397,444)	(48,397,444)	(48,488,430)			
OTHER TAX EFFECTED ITEMS							
FD - IRS Audit Interest Assessment	-	-	-	-			
ST - State Net Operating Loss	1,367,029	1,367,029	1,367,029	1,367,029			
ST - State Bonus Depreciation	2,241,150	2,241,150	2,241,150	2,241,150			
FD - FAS 115 Adjustment	(440,542)	(440,542)	(440,542)	(440,542)			
FD - Treasury Lock Adjustment	12,589,339	12,589,339	12,589,339	12,589,339			
FD - NOL Credit Carryforward	4,335,941	4,335,941	4,335,941	4,335,941			
FD - Federal Tax on State NOL	(478,460)	(478,460)	(478,460)	(478,460)			
FD - R & D Credit Valuation Allow	(1,781,359)	(1,781,359)	(1,781,359)	(1,781,359)			
FD - Federal Benefit on State Bonu	(784,402)	(784,402)	(784,402)	(784,402)			
SUBTOTAL OTHER TAX EFFECTED ITEMS	17,048,696	17,048,696	17,048,696	17,048,696			
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	(46,903,833)	(46,903,833)	(46,903,833)	(45,635,214)			
	-	-	-				
A1900-28201	21,797,450	21,797,450	21,797,450	22,362,330			
A1900-28206	3,061,560	3,061,560	3,061,560	3,109,979			
A2820-28201	(42,489,814)	(42,489,814)	(42,489,814)	(42,573,617)			
A2820-28206	(5,907,630)	(5,907,630)	(5,907,630)	(5,914,813)			
A2830-28201	(22,439,163)	(22,439,163)	(22,439,163)	(21,751,775)			
A2830-28206	(1,250,242)	(1,250,242)	(1,250,242)	(1,191,323)			
TOTAL TAX EFFECTED	(47,227,839)	(47,227,839)	(47,227,839)	(45,959,219)			
Div 12 (AG 1-27, Page 11)	(33,872,353)	(33,872,353)	(33,872,353)	(33,726,969)	(33,987,354)	5.60%	(1,903,292)
Div 02	(13,355,486)	(13,355,486)	(13,355,486)	(12,232,250)	(12,807,246)	5.20%	(665,977)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 19
Witness: Jim Cagle

Data Request:

Referring to page 10 of 12 of the response to KPSC-1-27, please indicate which of the plant-related ADIT components that are listed there represent ADIT associated with accelerated depreciation.

Response:

Amended Item – Book Depreciation not reversed,

Fixed Asset Accum Adjustment,

IRS Audit Adjustment – Accum,

Amended Item – Tax depreciation not claimed.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 20
Witness: Jim Cagle

Data Request:

Why has the Company removed the ADIT related to Deferred Gas Costs for purposes of determining the Forecasted Test Period rate base ADIT balance?

Response:

The per book balance of Deferred Gas Costs is not included in ratebase for ratemaking purposes because the "normalized" amount of deferred gas costs for ratemaking purposes is zero. As such, the related ADIT is also zero. The purpose of the deferred gas cost account is to reconcile the cost of gas purchased to the recoveries of gas cost through the PGA. For some periods, this amount may be a "receivable" from customers while in other periods it may be a "payable" to customers. The forecasted test period, does not include an amount of Deferred Gas Cost or an amount of associated ADIT because it is not necessary to include a forecast of zero.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 21
Witness: Jim Cagle

Data Request:

The response to AG-1-27 cannot be understood without additional explanations. Please provide the following supplemental information to clarify the information contained in the response:

a. Brief description of the titles of Other Deferred Credit items represented by the Sub Account numbers listed on pages 1 and 2 of the response.

b. Detailed narrative explaining, in a step-by-step fashion, the information shown on pages 1 and 2 of the response, including the meaning of the ADIT column. Also, provide monthly totals for each of the monthly columns and provide the allocation percentages for the Division 2 and 91 Other Deferred Credits.

c. Detailed narrative explaining, in a step-by-step fashion, the information shown on the next 6 pages of the response.

Response:

a.

27702	Greenville Off Sub-Lease
27703	Other
27704	Non Employee Director Stock Plan
27706	Fas 106/OPEB
27707	Directors' Deferred Comp.
27709	Fas 106 – VEBA Trust/Admin
27710	FAS 106 – Veba Trust
27712	Deferred Retirement Costs
27713	Directors Retirement Plan Accr.
27728	Fas 106 Premiums Incurred
27729	FAS 106 Claims Incurred
27730	FAS 106 Premiums W/H
27731	FAS 106 Admin Fees
27735	Executive Deferred compensation
27737	Accrued Interest on COLI Policies
27738	Capital Lease Adjustment
27745	Misc – Capital Lease
27749	Fas 106 Retiree Life Insurance Premiums

b. Page 1 of the response shows the balances of all sub-accounts in account 253. Page 2 of the response shows the ADIT amount for each of the balances on page 1 that have an impact on ADIT. For each item listed, on page 1, there is a corresponding ADIT amount on page 2 if there is an applicable ADIT amount. The ADIT Column shown on page 1 indicates which amounts create an ADIT amount. Please see Attachment JCC-3 to Mr. Cagle's testimony for allocation factors.

Please see attachment AG DR 2-21 ATT. The attachment includes totals for the monthly columns. It was also noted that there was an error on the last two pages of the response. A full copy with the correction of the attachment to AG DR 1-27 is included.

c. The remaining pages of the response show the tax affected activity of the amounts included in account 253 that would have an impact on amounts recorded in accounts 190 and 283. As noted in the response to AG DR 1-27, balances in account 253 were not separately projected for either the base or forecasted test period. The amounts shown by FERC account on these pages show the effects the activity for the noted items have on the total amounts by FERC account. These amounts are calculated by adding the appropriate amounts of the itemized deferred tax assets / (liabilities). For example, in the first activity column on the third page of the response to AG 1-27, the amounts included in Account 190 are the SEBP adjustment and FAS 106 adjustment or 639,907+462,963 = 1,015,801+87,069. The amount included in account 283 is the Pension expense or 3,644,778 = 3,375,453+289,325.

Response to AG 1-27 a.

Balances

Line No.	Div	Acct	Sub	Fiscal 2006 Jan-06	Fiscal 2006 Feb-06	Fiscal 2006 Mar-06	Fiscal 2006 Apr-06	Fiscal 2006 May-06	Fiscal 2006 Jun-06	Fiscal 2006 Jul-06	Fiscal 2006 Aug-06	Fiscal 2006 Sep-06	Fiscal 2007 Oct-06	Fiscal 2007 Nov-06	Fiscal 2007 Dec-06	ADIT
1	9	2530	27702	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	
2	9	2530	27706	(2,971,677)	(3,130,161)	(3,288,645)	(3,447,129)	(3,605,613)	(3,764,097)	(3,922,581)	(4,081,065)	(4,067,549)	(2,409,633)	(2,537,496)	(2,665,358)	x
3	9	2530	27710	0	144,752	267,104	267,104	267,104	267,104	267,104	812,842	812,842	0	0	0	x
4	9	2530	27712	(496,138)	(501,204)	(506,269)	(511,335)	(516,401)	(521,466)	(526,532)	(531,597)	(536,663)	(540,011)	(543,359)	0	x
5	9	2530	27713	(576,810)	(573,164)	(570,241)	(566,957)	(563,673)	(560,751)	(557,466)	(554,182)	(550,898)	(547,407)	(543,916)	(540,425)	x
6	9	2530	27728	40,787	46,158	56,541	66,242	75,724	85,253	94,786	104,542	114,333	8,629	17,499	27,543	x
7	9	2530	27729	465,243	610,227	674,982	768,984	842,613	918,857	1,008,032	1,088,807	1,200,154	64,073	129,676	206,880	x
8	9	2530	27730	(101,985)	(126,783)	(153,636)	(177,751)	(201,529)	(225,926)	(284,246)	(312,722)	(341,659)	(27,452)	(54,502)	(78,685)	x
9	9	2530	27749	0	108	108	108	108	108	108	108	108	0	0	0	x
		Total		(3,642,980)	(3,532,466)	(3,522,457)	(3,603,134)	(3,704,066)	(3,803,318)	(3,923,194)	(3,475,667)	(3,371,731)	(3,454,201)	(3,534,498)	(3,052,445)	
10	2	2530	27703	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	(163,945)	x
11	2	2530	27704	22	22	22	22	22	22	22	22	22	22	22	22	x
12	2	2530	27706	(7,423,648)	(7,621,530)	(7,819,412)	(8,017,294)	(8,215,176)	(8,413,058)	(8,610,940)	(8,808,822)	(8,851,704)	(7,687,217)	(7,877,585)	(8,067,952)	x
13	2	2530	27707	(240,547)	(250,455)	(254,381)	(271,051)	(279,619)	(282,805)	(296,321)	(305,335)	(312,883)	(330,489)	(337,874)	(339,870)	x
14	2	2530	27709	12,919	16,565	16,565	29,181	47,802	75,354	106,641	139,476	139,476	0	8,873	159,490	x
15	2	2530	27712	(47,122,852)	(47,725,165)	(48,327,478)	(48,929,791)	(49,519,144)	(50,108,497)	(50,697,849)	(51,273,038)	(51,833,605)	(52,354,716)	(52,830,785)	(53,306,851)	x
16	2	2530	27728	9,665	10,950	13,434	15,755	18,148	20,883	590,190	593,280	1,323,510	2,747	5,572	8,970	x
17	2	2530	27729	110,247	144,932	160,424	182,912	201,495	223,380	248,977	273,315	307,987	20,400	41,287	67,263	x
18	2	2530	27730	(25,930)	(31,803)	(38,227)	389,521	680,098	672,888	89,578	83,736	(657,670)	(8,684)	179,864	764,205	x
19	2	2530	27731	178,238	212,797	212,797	212,797	212,797	212,797	230,493	230,493	235,077	1,827	1,827	1,827	x
20	2	2530	27735	(30,312)	(30,312)	0	0	0	0	0	0	0	0	0	0	x
21	2	2530	27737	(757,993)	(852,296)	(543,336)	(654,397)	(765,422)	(581,916)	(696,330)	(805,221)	(304,855)	(413,746)	(367,517)	(651,896)	
22	2	2530	27738	(300)	0	0	0	0	0	0	0	0	0	0	0	
23	2	2530	27745	(28,669)	(24,489)	2,934	30,357	58,384	0	0	0	0	0	0	0	
24	2	2530	27749	2,570	3,814	4,181	4,639	4,639	5,373	5,740	6,107	6,474	367	734	1,413	x
		Total		(55,480,537)	(56,310,915)	(56,736,423)	(57,171,294)	(57,719,921)	(58,339,523)	(59,193,745)	(60,029,933)	(60,112,116)	(60,933,435)	(61,339,527)	(61,527,325)	
25	91	2530	27704	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	x
26	91	2530	27706	(11,823,370)	(12,080,868)	(12,338,366)	(12,595,864)	(12,853,362)	(13,110,860)	(13,368,358)	(13,625,856)	(13,310,354)	(11,620,497)	(11,867,190)	(12,113,884)	x
27	91	2530	27707	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	(94,019)	x
28	91	2530	27711	(36)	(36)	(36)	(36)	(36)	0	0	0	0	0	0	0	x
29	91	2530	27712	(1,526,345)	(1,531,411)	(1,536,476)	(1,541,542)	(1,546,608)	(1,551,673)	(1,556,739)	(1,561,804)	(1,566,870)	(1,570,218)	(1,573,566)	(2,123,622)	x
30	91	2530	27713	(982,817)	(977,166)	(971,516)	(965,866)	(960,216)	(954,565)	(948,915)	(943,265)	(937,614)	(930,894)	(924,173)	(917,453)	x
31	91	2530	27728	71,329	80,785	99,067	116,150	133,082	150,596	168,116	185,243	202,431	16,058	32,566	51,402	x
32	91	2530	27729	813,623	1,068,908	1,182,925	1,348,440	1,479,921	1,620,054	1,783,956	1,925,752	2,121,217	119,239	241,325	386,010	x
33	91	2530	27730	(178,353)	(222,016)	(269,298)	(311,759)	(354,220)	(399,061)	(506,250)	(556,239)	(607,037)	(51,087)	(101,428)	(146,826)	x
34	91	2530	27749	75,623	144,691	155,495	166,298	166,298	187,905	198,708	209,511	220,315	10,803	21,607	32,410	x
		Total		(13,644,386)	(13,611,154)	(13,772,246)	(13,878,220)	(14,029,180)	(14,151,646)	(14,323,523)	(14,460,698)	(13,971,953)	(14,120,637)	(14,264,902)	(14,926,004)	

Response to AG 12-27 a.

Balances Tax Effected

Line No.	Div	Acct	Sub	Fiscal 2006 Jan-06	Fiscal 2006 Feb-06	Fiscal 2006 Mar-06	Fiscal 2006 Apr-06	Fiscal 2006 May-06	Fiscal 2006 Jun-06	Fiscal 2006 Jul-06	Fiscal 2006 Aug-06	Fiscal 2006 Sep-06	Fiscal 2007 Oct-06	Fiscal 2007 Nov-06	Fiscal 2007 Dec-06
2	9	2530	27706	(1,129,237)	(1,189,461)	(1,249,685)	(1,309,909)	(1,370,133)	(1,430,357)	(1,490,581)	(1,550,805)	(1,545,669)	(915,661)	(964,248)	(1,012,836)
3	9	2530	27710	0	55,006	101,500	101,500	101,500	101,500	101,500	308,880	308,880	0	0	0
4	9	2530	27712	(188,533)	(190,457)	(192,382)	(194,307)	(196,232)	(198,157)	(200,082)	(202,007)	(203,932)	(205,204)	(206,477)	0
5	9	2530	27713	(219,188)	(217,802)	(216,692)	(215,444)	(214,196)	(213,085)	(211,837)	(210,589)	(209,341)	(208,015)	(206,688)	(205,361)
6	9	2530	27728	15,499	17,540	21,485	25,172	28,775	32,396	36,019	39,726	43,447	3,279	6,650	10,466
7	9	2530	27729	176,792	231,886	256,493	292,214	320,193	349,166	383,052	413,747	456,058	24,348	49,277	78,614
8	9	2530	27730	(38,754)	(48,178)	(58,382)	(67,545)	(76,581)	(85,852)	(108,013)	(118,834)	(129,830)	(10,432)	(20,711)	(29,900)
9	9	2530	27749	0	41	41	41	41	41	41	41	41	0	0	0
		Total		(1,383,420)	(1,341,425)	(1,337,622)	(1,368,279)	(1,406,633)	(1,444,349)	(1,489,902)	(1,319,842)	(1,280,346)	(1,311,684)	(1,342,197)	(1,159,017)
10	2	2530	27703	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)	(62,299)
11	2	2530	27704	8	8	8	8	8	8	8	8	8	8	8	8
12	2	2530	27706	(2,820,986)	(2,896,181)	(2,971,376)	(3,046,572)	(3,121,767)	(3,196,962)	(3,272,157)	(3,347,352)	(3,363,647)	(2,921,143)	(2,993,482)	(3,065,822)
13	2	2530	27707	(91,408)	(95,173)	(96,665)	(102,999)	(106,255)	(107,466)	(112,602)	(116,027)	(118,895)	(125,586)	(128,392)	(129,151)
14	2	2530	27709	4,909	6,295	6,295	11,089	18,165	28,635	40,523	53,001	53,001	0	3,372	60,606
15	2	2530	27712	(17,906,684)	(18,135,563)	(18,364,442)	(18,593,321)	(18,817,275)	(19,041,229)	(19,265,183)	(19,483,755)	(19,696,770)	(19,894,792)	(20,075,698)	(20,256,603)
16	2	2530	27728	3,673	4,161	5,105	5,987	6,896	7,936	224,272	225,446	502,934	1,044	2,117	3,409
17	2	2530	27729	41,894	55,074	60,961	69,507	76,568	84,884	94,611	103,860	117,035	7,752	15,689	25,560
18	2	2530	27730	(9,853)	(12,085)	(14,526)	148,018	258,437	255,698	34,040	31,820	(249,915)	(3,300)	68,348	290,398
19	2	2530	27731	67,730	80,863	80,863	80,863	80,863	80,863	87,587	87,587	89,329	694	694	694
20	2	2530	27735	(11,519)	(11,519)	0	0	0	0	0	0	0	0	0	0
24	2	2530	27749	976	1,449	1,589	1,763	1,763	2,042	2,181	2,321	2,460	139	279	537
		Total		(20,783,558)	(21,064,970)	(21,354,488)	(21,487,957)	(21,664,895)	(21,947,891)	(22,229,018)	(22,505,391)	(22,726,759)	(22,997,482)	(23,169,363)	(23,132,663)
25	91	2530	27704	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
26	91	2530	27706	(4,492,880)	(4,590,730)	(4,688,579)	(4,786,428)	(4,884,277)	(4,982,127)	(5,079,976)	(5,177,825)	(5,057,934)	(4,415,789)	(4,509,532)	(4,603,276)
27	91	2530	27707	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)	(35,727)
28	91	2530	27711	(14)	(14)	(14)	(14)	(14)	0	0	0	0	0	0	0
29	91	2530	27712	(580,011)	(581,936)	(583,861)	(585,786)	(587,711)	(589,636)	(591,561)	(593,486)	(595,411)	(596,683)	(597,955)	(806,976)
30	91	2530	27713	(373,470)	(371,323)	(369,176)	(367,029)	(364,882)	(362,735)	(360,588)	(358,441)	(356,293)	(353,740)	(351,186)	(348,632)
31	91	2530	27728	27,105	30,698	37,646	44,137	50,571	57,226	63,884	70,392	76,924	6,102	12,375	19,533
32	91	2530	27729	309,177	406,185	449,511	512,407	562,370	615,621	677,903	731,786	806,062	45,311	91,704	146,684
33	91	2530	27730	(67,774)	(84,366)	(102,333)	(118,469)	(134,604)	(151,643)	(192,375)	(211,371)	(230,674)	(19,413)	(38,543)	(55,794)
34	91	2530	27749	28,737	54,983	59,088	63,193	63,193	71,404	75,509	79,614	83,720	4,105	8,211	12,316
		Total		(5,184,867)	(5,172,238)	(5,233,454)	(5,273,723)	(5,331,089)	(5,377,625)	(5,442,939)	(5,495,065)	(5,309,342)	(5,365,842)	(5,420,663)	(5,671,882)

Response to AG 1-27 b.
Shared Services
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Actual 09/30/2006 Ending Balance	Activity	Forecast 12/31/2006 Ending Balance	Activity	Forecast 03/31/2007 Ending Balance	Activity	Forecast 06/30/2007 Ending Balance	Activity
SEBP Adjustment	18,883,300	(639,907)	18,243,393	(283,137)	17,960,256	634,176	18,594,432	623,553
Pension Expense	(40,110,399)	(3,664,778)	(43,775,177)	890,117	(42,885,060)	253,576	(42,631,484)	944,995
FAS 106 Adjustment	2,965,843	(462,963)	2,502,880	141,159	2,644,039	9,820	2,653,859	118,235
SUBTOTAL NON PLANT RELATED DEFERRED	(18,261,256)	(4,767,648)	(23,028,904)	748,139	(22,280,765)	897,572	(21,383,193)	1,686,783
				-		-		-
A1900-28201	22,644,968	(1,015,801)	21,629,167	(130,769)	21,498,398	593,154	22,091,552	683,226
A1900-28206	3,134,205	(87,069)	3,047,136	(11,209)	3,035,927	50,842	3,086,769	58,562
A2830-28201	(20,398,050)	(3,375,453)	(23,773,504)	819,845	(22,953,659)	233,556	(22,720,102)	870,390
A2830-28206	(1,075,290)	(289,325)	(1,364,614)	70,272	(1,294,342)	20,019	(1,274,323)	74,605
TOTAL TAX EFFECTED	4,305,833	(4,767,648)	(461,815)	748,139	286,325	897,572	1,183,896	1,686,783

Response to AG 1-27 b.
Shared Services
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Forecast 09/30/2007 Ending Balance	Activity	Forecast 12/31/2007 Ending Balance	Activity	Forecast 03/31/2008 Ending Balance	Activity	Forecast 06/30/2008 Ending Balance
SEBP Adjustment	19,217,985	(331,578)	18,886,407	(724,062)	18,162,345	655,481	18,817,826
Pension Expense	(41,686,489)	(1,771,095)	(43,457,584)	1,131,120	(42,326,464)	746,307	(41,580,157)
FAS 106 Adjustment	2,772,094	(162,890)	2,609,204	157,431	2,766,635	(42,183)	2,724,452
SUBTOTAL NON PLANT RELATED DEFERRED	(19,696,410)	(2,265,563)	(21,961,973)	564,489	(21,397,484)	1,359,606	(20,037,878)
A1900-28201	22,774,778	(455,431)	22,319,347	(521,897)	21,797,450	564,880	22,362,330
A1900-28206	3,145,331	(39,037)	3,106,294	(44,734)	3,061,560	48,418	3,109,979
A2830-28201	(21,849,712)	(1,631,272)	(23,480,984)	1,041,821	(22,439,163)	687,388	(21,751,775)
A2830-28206	(1,199,718)	(139,823)	(1,339,541)	89,299	(1,250,242)	58,919	(1,191,323)
TOTAL TAX EFFECTED	2,870,679	(2,265,563)	605,116	564,489	1,169,605	1,359,606	2,529,211

Response to AG 1-27 b.
KY/Mid-states General Office
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Actual 09/30/2006 Ending Balance	Activity	Forecast 12/31/2007	Activity	Forecast 03/31/2007 Ending Balance	Activity	Forecast 06/30/2007 Ending Balance	Activity	Forecast 09/30/2007 Ending Balance
SEBP Adjustment	951,712	(6,902)	944,810	2,608	947,418	2,608	950,026	3,557	953,583
FAS 106 Adjustment	5,127,883	(614,333)	4,513,550	104,874	4,618,424	147,207	4,765,631	143,172	4,908,803
SUBTOTAL NON PLANT RELATED DEFERRED	6,079,595	(621,235)	5,458,360	107,482	5,565,842	149,815	5,715,657	146,729	5,862,386
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	6,079,595	(621,235)	5,458,360	107,482	5,565,842	149,815	5,715,657	146,729	5,862,386
ESSBASE TIE OUT			-				-		-
A1900-28201	7,912,182	(572,190)	7,339,992	98,996	7,438,989	137,988	7,576,976	135,145	7,712,121
A1900-28206	1,095,095	(49,045)	1,046,050	8,485	1,054,536	11,828	1,066,363	11,584	1,077,947

Response to AG 1-27 b.
KY/Mid-states General Office
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Activity	Forecast 12/31/2007 Ending Balance	Activity	Forecast 03/31/2008 Ending Balance	Activity	Forecast 06/30/2008 Ending Balance
SEBP Adjustment	(4,322)	949,261	970	950,231	971	951,202
FAS 106 Adjustment	(271,845)	4,636,958	88,708	4,725,666	146,029	4,871,695
SUBTOTAL NON PLANT RELATED DEFERRED	(276,167)	5,586,219	89,678	5,675,897	147,000	5,822,897
TOTAL DEFERRED TAX ASSETS / (LIABILITIES)	(276,167)	5,586,219	89,678	5,675,897	147,000	5,822,897
ESSBASE TIE OUT		-		-		
A1900-28201	(254,364)	7,457,757	82,598	7,540,355	135,395	7,675,750
A1900-28206	(21,803)	1,056,145	7,080	1,063,224	11,605	1,074,830

Response to AG 1-27 b.
Kentucky
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Actual 09/30/2006 Ending Balance	Activity	Forecast 12/31/2006 Ending Balance	Activity	Forecast 03/31/2007 Ending Balance	Activity	Forecast 06/30/2007 Ending Balance	Activity	Forecast 09/30/2007 Ending Balance
SEBP Adjustment	413,273	(413,273)	-	-	-	-	-	-	-
FAS 106 Adjustment	1,323,073	(197,729)	1,125,344	64,453	1,189,797	97,236	1,287,033	(8,051)	1,278,982
SUBTOTAL NON PLANT RELATED DEFERRED	1,736,346	(611,002)	1,125,344	64,453	1,189,797	97,236	1,287,033	(8,051)	1,278,982
A1900-28201	5,853,574	(182,119)	5,671,455	59,365	5,730,820	89,559	5,820,379	(7,415)	5,812,964
A1900-28206	810,171	(15,610)	794,561	5,088	799,649	7,677	807,326	(636)	806,690
A2830-28201	(94,080)	-	(94,080)	-	(94,080)	-	(94,080)	-	(94,080)
A2830-28206	(13,021)	-	(13,021)	-	(13,021)	-	(13,021)	-	(13,021)
TOTAL TAX EFFECTED	6,556,645	(197,729)	6,358,916	64,453	6,423,369	97,236	6,520,605	(8,051)	6,512,554

Response to AG 1-27 b.
Kentucky
(ALL NUMBERS ARE TAX EFFECTED)

DEFERRED TAX ASSETS / (LIABILITIES)	Activity	Forecast 12/31/2007 Ending Balance	Activity	Forecast 03/31/2008 Ending Balance	Activity	Forecast 06/30/2008 Ending Balance
SEBP Adjustment	-	-	-	-	-	-
FAS 106 Adjustment	55,481	1,334,463	(12,967)	1,321,496	83,800	1,405,296
SUBTOTAL NON PLANT RELATED DEFERRED	55,481	1,334,463	(12,967)	1,321,496	83,800	1,405,296
A1900-28201	51,101	5,864,065	(11,943)	5,852,122	77,184	5,929,306
A1900-28206	4,380	811,070	(1,024)	810,047	6,616	816,662
A2830-28201	-	(94,080)	-	(94,080)	-	(94,080)
A2830-28206	-	(13,021)	-	(13,021)	-	(13,021)
TOTAL TAX EFFECTED	55,481	6,568,035	(12,967)	6,555,068	83,800	6,638,868

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 22
Witness: Gary Smith

Data Request:

As described on pages L6 and 77 of the testimony of Mr. Smith, in determining the Forecasted Test Period late payment fees, the Company has assumed that these fees are proportionate to the residential, commercial and public authority revenues at a ratio of 0.87%. The proposed Forecasted Test Period late payment fees of $1,750,462 were calculated by the Company by applying the ratio of 0.87% to the Forecasted Test Period residential, commercial and public authority revenues at current rates. However, the Company has not reflected the incremental late payment fees that would be generated by the requested (revised) rate increase of $10,285,628. In this regard, please provide the following information:

a. Confirm the above facts. If you do not agree, explain your disagreement in detail.

b. How much of the proposed (revised) rate increase of $10,285,628 represents the proposed rate increase amount for the residential, commercial and public authority customer classes and what would be the incremental late payment fee by applying the ratio of 0.87% to this rate increase portion?

c. The Company's uncollectible expenses and PSC fees are also a function of the Company's operating revenues and appropriate ratios for these expenses are therefore built into the Gross Revenue Conversion Factor (GRCF) in order to reflect the incremental uncollectible expenses and PSC fees associated with the proposed rate increase. Schedule H-1, Sheet 1 (corrected) shows that this results in a GRCF of 1.647605. If the late payment fee ratio of 0.87% were to be built into the GRCF as well, please provide a schedule, similar to Schedule H-1, showing to what extent this would lower the GRCF of 1.647605.

Response:

a. Company agrees with the facts as stated.

b. Although the Company provided revisions to schedules which, in the course of responding to initial discovery, were determined to warrant adjustment and revised the proposed rate increase to $10,285,628, Atmos Energy has not recomputed its rate design to conform to the revised revenue requirement. The proposed rate design which would produce increased non-gas revenues of $10,409,936 included increases to firm sales service for residential, commercial and public authority in the following manner:

	Revenue @ Current Rates	Revenue @ Proposed Rates	Increase
Residential	$129,508,704	$136,702,990	$7,194,286
Commercial	$56,901,670	$58,931,211	$2,029,541
Public Authority	$14,792,154	$14,821,465	$29,310
Sub-total	$201,202,529	$210,455,666	$9,253,137
Late Payment Fee @ 0.87%	$1,750,462	$1,830,964	$80,502

c. The requested calculation would be as follows:

Line No.	Description		Percentage OF INCREMENTAL Gross Revenue
1	Operating Revenue		100.000000%
2	LESS: UNCOLLECTIBLE Accounts Expense		0.500000%
3	LESS: PSC FEES		0.164300%
4	PLUS: LATE PAYMENT FEE Revenues		0.870000%
5	NET Revenues		100.205700%
6	SIT Rate	6.00%	6.012342%
7	Income BEFORE Federal Income Tax		94.193358%
8	Federal Income Tax @	35%	32.967700%
9	Operating Income Percentage		61.225658%
10	Gross Revenue Conversion Factor (100 % DIVIDED by Income AFTER Income Tax)		1.633302

However, including the Late Payment Fee revenues in the GRCF would not be appropriate since the 0.87% budgeting factor applies only to the gross firm sales revenues of Residential, Commercial and Public Authority classes. The GRCF typically applies to total gross revenues, so the above calculation would overstate the impact of Late Payment Fees. Thus, the Company would recommend that the 0.87% factor be included in the proof of revenues in the process of rate design, applicable only to the firm sales classes of Residential, Commercial and Public Authority.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 23
Witness: Gary Smith

Data Request:

Attachment AG DR 1-37 line 21 shows that the Company has assumed an annual average volume per industrial customer of 5,416 for the Forecasted Test Period. In this regard, please provide the following information:

a. The annual level of 5,416 is substantially lower than the actual FY 2006, 2005 and 2004 levels of about 7,500 on average. Provide a detailed explanation for the reasons why the Company has assumed that the Forecasted Test Period average industrial customer volume is only about 72% of the actual industrial volume per customer in the last three fiscal years that averaged around 7,500.

b. Please provide the impact on the Forecasted Test Period margins (revenues net of associated gas costs), as well as on the (corrected) Forecasted Test Period rate increase request of $10,285,628 based on the assumption that the Forecasted Test Period average volume per industrial customer would be 7,500 rather than 5,416.

Response:

a. For industrial sales and transportation, the primary foundation for the projections of the Base Period and Forecasted Test Period was the 12-month reference period ending September 2006. For industrial sales and transportation services, many billings are considered complex, hand-billed accounts. For these services in particular it is very important to begin with a reference period of quality data suitable for rate design purposes. With the complex billings, it is much more common to have adjustments and corrections. In typical accounting reports, the data will include adjustments for prior periods; thus, the review of handbills was essential to ensure that billing units were included as corrected and in the proper accounting months. This review is the critical first step of the process. The Bill Frequency data is shown on Exhibit GLS-1 of the Smith Testimony; with Industrial Sales consisting of Firm Industrial Sales (lines 19-24), Interruptible Industrial Sales (lines 37-41), Firm Overrun (lines 43-47) and Interruptible Overrun (lines 49-52). The rate quality data for the twelve month period reveals 229 industrial customers and industrial sales of 1,447,544 Mcf.

   Then, the Company assessed industrial adjustments to reflect known and measurable contract changes, load changes, new plant additions and closings. Five industrial customers had entered into contracts reflecting a service change to transportation service, which required a known and measurable adjustment for Base Period and Test Period forecasts. This particular adjustment deducted the 111,222 Mcf from industrial sales going forward and added 111,222 Mcf to their new transportation service. Likewise, firm carriage overrun of 23,140 Mcf was adjusted from industrial sales to T-4 transportation and interruptible carriage overrun of 20,259 Mcf was adjusted from industrial sales to T-3 transportation. Thus, 154,521 Mcf of the apparent industrial sales reduction is actually just a shift to transportation services. Two accounts were adjusted to reflect lower gas sales requirements totaling 102,000 Mcf and three new plants were added to industrial sales totaling 38,250 Mcf. These adjustments are summarized on Exhibit GLS-3 attached to the testimony of Company's witness Mr. Gary Smith. Electronic copies of all the GLS Exhibits were provided in response to KPSC DR 2-51, and include supporting workpapers. Workpapers for the multitude of industrial/commercial contract and volume changes were provided as Attachment KPSC DR 2-54(a).

Thus, the Company's projections were not based upon an arbitrary % of prior year's average usage per customer. Instead, the Company's projections were based upon a foundation of rate quality billing determinants for the twelve-month reference period ending September 2006, applying reasonable known and measurable adjustments for contract changes, load changes and customer additions or losses.

b. For all of the reasons outlined in the above-response to subpart (a) of this data request, an arbitrary assumption of 7,500 Mcf per industrial customer for the Forecasted Test Period would be flawed and would in fact count certain customers and volumes twice (both in industrial sales and in transportation services). To achieve the stated assumption of 7,500 Mcf, one would have to ignore recent contract service changes and deduct associated volumes from the Company's forecast of transportation volumes. Also, one would then need to add an arbitrary, unknown additional volume for a hypothetical customer or customers to arrive at the average sought in the stated objective. In doing so, one must also assume the billing block within firm and industrial sales this hypothetical load would be billed within. As stated in response to subpart (a) of this data request, hard copy workpapers and electronic files have been provided for such simulations, if desired.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 24
Witness: Greg Waller

Data Request:

Please re-submit the side-by-side O&M expense comparisons shown in the response to AG-1-42 by (a) changing the Base Year dollar amounts in column (1) to the corrected Base Year dollar amounts included as part of the response to AG-1-1; and (b) adding a column [between column (1) and column (2)] showing the Base Year O&M expenses based on 12 months of actual results (if available) or 11 months actual and 1 month budgeted results.

Response:

Please see the attachment labeled AG DR 2-24 ATT.

Atmos Energy Corporation, KY
Case No. 2006-00464
Operating Expenses by FERC Account
For Calendar Years 2004 - 2006, Base Pd AG1-1, 11 mths Actual plus 1 mth budget and Forecasted Test Period
AG DR 2-24

Witness: G. Waller

Line No.	Account No. (S)	Account Title	Base (1)	11mo acct 1mo bud (2)	Forecasted (3)	CY 2006 (4)	CY 2005 (5)	CY 2004 (6)
		OPERATING EXPENSES						
		Production Expense Operation	(250)	(250)				
	7520	Natural Gas Op. Gas Wells Exp	0	0				
	7560	Ng. Field Meas. & Reg. Station	(250)	(250)				
1		Natural Gas Storage Expense - Operation						
2	8140	Operation Supervision & Engine	14,567	9,868	9,506	13,752	(3,104)	(3,584)
3	8150	Maps and Records	23	4	46	0	125	0
4	8160	Wells Expense	43,501	39,456	39,245	40,748	50,610	92,273
5	8170	Lines Expense	31,412	33,863	31,348	35,586	14,737	3,983
6	8180	Compressor Station Expense	39,742	38,960	44,950	44,602	52,122	52,349
7	8190	Compressor Station Expense Fu	14,802	7,574	18,535	8,446	4,762	6,465
8	8200	Measuring & Regulating Station	17,535	16,517	18,548	18,913	22,382	44,666
9	8210	Purification	15,719	18,155	22,378	20,702	14,540	8,160
10	8240	Other	425	239	458	278	170	151
11	8250	Storage Well Royalties	45,853	29,892	59,419	34,251	18,182	23,831
12	8260	Storage-Rents	0	0		0	858	945
13		Total Nat. Gas Storage Expense -	223,579	194,528	244,433	217,278	175,384	229,239
14								
15		Natural Gas Storage Expense - Maintenance						
16	8310	Structure & Improvements	539	360	442	829	159	140
17	8320	Reservoirs & Wells	0	0	0	0	96	161
18	8340	Compressor Station Equip.	2,656	1,883	4,234	3,550	4,530	4,274
19	8350	Measuring & Regulating Station	12,702	7,464	12,926	12,339	4,752	1,617
20	8360	Purification Equipment	0	0	0	0	469	359
21	840/847	Other Storage Exp. - LNG	138	592	177	431	12,569	2,601
22		Total Nat. Gas Storage Expense -	16,035	10,299	17,780	17,149	22,575	9,152
23								
24		Transmission Expense - Operation						
25	8500	Operation Supervision & Engine	43,275	44,864	39,290	45,174	32,995	13,583
26	8560	Mains Expense	188,158	208,170	171,079	220,226	189,536	255,860
27	8570	Measuring & Regulating Station	79,046	83,966	77,773	78,490	78,771	75,634
28	8590	Other Exp.	59	10	120	324	150	49
29	8600	Rents	11	7	11	6	0	2,374
30		Total Transmission Expense - Op	310,549	337,017	288,273	344,220	301,452	347,500
31								
32		Transmission Expense - Maintenance						
33	8610	Transmission-Maint				0	0	282
34	8620	Structures and Improvements	1,132	188	2,331	0	3,042	0
35	8630	Mains	30,951	21,002	35,884	23,119	74,553	0
36	8640	Compressor Station Equipment	0	0	0	0	0	49

37	8650	Measuring & Reg Station Equip	33,046	20,478	31,837		28,989	36,764	28,432
38	8670	Other Equipment	0	0	0		0	0	1,287
39		Total Transmission Expense - Ma	65,129	41,668	70,053		52,108	114,359	30,050

Atmos Energy Corporation, KY
Case No. 2006-00464
Operating Expenses by FERC Account
For Calendar Years 2004 - 2006, Base Pd AG1-1, 11 mths Actual plus 1 mth budget and Forecasted Test Period
AG DR 2-24

Witness: G. Waller
Sheet 2 of ?

Line No.	Account No. (S)	Account Title	Base	11mo acct 1mo bud	Forecasted	CY 2006	CY 2005	CY 2004
			(1)	(2)	(3)	(4)	(5)	(6)
40								
41		Distribution Expenses - Operation						
42	8700	Supervision and Engineering	1,702,321	1,590,187	1,340,824	1,787,271	1,890,786	1,604,760
43	8710	Distribution Load Dispatching	250	619	109	654	(47)	5,022
44	8711	Odorization	1,433	975	1,121	884	399	0
45	8720	Compressor Station Labor & Ex	0	0	0	0	158	0
46	8740	Mains & Services	2,791,281	2,427,856	3,272,945	2,421,537	2,328,890	2,133,274
47	8750	Measuring and Regulating Stati	137,263	142,391	134,054	148,654	140,066	86,994
48	8760	Measuring and Regulating Stati	158,464	155,381	142,742	160,600	138,793	122,511
49	8770	Measuring and Regulating Sta.	126,133	131,633	87,637	128,773	91,419	81,806
50	8780	Meters and House Regulator Ex	945,941	989,132	955,361	1,016,748	1,049,346	876,125
51	8790	Customer Installations Expense	80,878	78,846	80,797	80,326	108,454	75,039
52	8800	Other Expense	52,908	66,130	51,779	71,752	62,926	61,806
53	8810	Rents	688,624	489,004	854,835	516,750	433,945	332,542
54		Total Distribution Expenses - Ope	6,685,496	6,072,154	6,922,203	6,333,949	6,245,135	5,379,879

Atmos Energy Corporation, KY
Case No. 2006-00464
Operating Expenses by FERC Account
For Calendar Years 2004 - 2006, Base Pd AG1-1, 11 mths Actual plus 1 mth budget and Forecasted Test Period
AG DR 2-24

Witness: G. Waller

Line No.	Account No. (S)	Account Title	Base (1)	11mo acct 1mo bud (2)	Forecasted (3)	CY 2006 (4)	CY 2005 (5)	CY 2004 (6)
55		Distribution Expenses - Maintenance						
56	8850	Supervision and Engineering	262,936	272,561	261,457	291,942	266,364	256,200
57	8860	Structures and Improvements	15,053	12,451	16,280	11,285	10,102	3,532
58	8870	Mains	10,977	10,707	11,219	20,592	16,309	13,184
59	8890	Measuring and Regulating Stati	27,129	26,292	17,700	24,059	1,058	2,393
60	8900	Measuring and Regulating Stati	13,338	9,201	12,406	4,836	7,394	(176)
61	8910	Measuring and Regulating Sta.	9,879	6,183	11,693	4,887	21,861	6,314
62	8920	Services	3,453	3,932	3,665	3,043	5,791	6,243
63	8930	Meters and House Regulators	952	4,054	1,153	4,682	832	(1,212)
64	8940	Other Equipment	9,129	10,188	7,429	12,358	8,539	5,546
65	8950	Maintenance of Other Plant	1,097	182	2,257	0	2,578	0
66								
67		Total Distribution Expenses - Mai	353,943	355,751	345,261	377,684	340,828	292,024
68								
69		Customer Accounts Expenses - Operation						
70	9010	Supervision	3,505	2,707	3,098	3,135	3,329	2,110
71	9020	Meter Reading Expenses	661,835	735,045	718,554	763,154	755,923	710,041
72	9030	Customer Records & Collection	883,022	786,935	401,092	1,150,848	1,299,473	1,287,345
73	9040	Uncollectible Accounts	860,159	785,705	1,007,867	825,449	1,361,943	644,140
74		Total Customer Accounts Expens	2,408,521	2,310,392	2,130,611	2,742,586	3,420,668	2,643,636
75								
76		Customer Service & Information - Operation						
77	9070	Supervision	120,352	91,857	113,705	111,044	121,479	136,157
78	9080	Customer Assistance Expenses	109,800	99,781	109,644	120,200	137,382	105,121
79	9090	Informational and Instructional A	23,541	31,758	18,547	26,320	25,672	65,378
80	9100	Misc Cust Serv & Informational	13,528	9,320	10,973	20,085	9,246	34,023
81		Total Customer Accounts Expens	267,221	232,716	252,869	277,649	293,779	340,679

Atmos Energy Corporation, KY
Case No. 2006-00464
Operating Expenses by FERC Account
For Calendar Years 2004 - 2006, Base Pd AG1-1, 11 mths Actual plus 1 mth budget and Forecasted Test Period
AG DR 2-24

Witness: G. Waller
Sheet 4 of ?

Line No.	Account No. (S)	Account Title	Base	11mo acct 1mo bud	Forecasted	CY 2006	CY 2005	CY 2004
			(1)	(2)	(3)	(4)	(5)	(6)
82		Sales Expense						
83	9110	Supervision	32,021	27,271	27,688	38,686	73,064	63,798
84	9120	Demonstrating and Selling Expe	108,985	160,523	86,718	140,509	127,059	77,348
85	9130	Advertising Expenses	(357)	(192)	0	281	100	1,202
86	9160	Miscellaneous Sales Expenses	511	559	218	541	284	673
87		Total Sales Expenses	141,160	188,161	114,624	180,017	200,507	143,021
88								
89		Administrative and General Expenses - Operation						
90	9200	Administrative and General Sal	0	0	0	0	0	8
91	9210	Office Supplies and Expenses	(8,455)	(753)	(19,915)	(2,089)	(23,768)	(15,686)
92	9220	Administrative Expense Transfe	6,690,891	7,276,749	8,008,458	5,955,779	3,981,874	4,518,174
93	9230	Outside Services Employed	241,280	208,656	82,267	323,064	365,507	203,849
94	9240	Property Insurance	106,023	338,059	4,295	332,692	92,854	(2,205)
95	9250	Injuries and Damages	91,549	34,646	181,191	(47,167)	501,395	449,754
96	9260	Employee Pensions and Benefit	2,273,009	2,435,918	2,100,230	2,580,538	2,402,608	1,902,722
97	9270	Franchise Requirements	183,401	145,247	210,816	149,809	123,990	165,227
98	9280	Regulatory Commission Expens	94	3	235	0	169	61,478
99	9290	Institutional/Goodwill Advertisin	7	1	0	0	37	0
100	9301	A&G-General advert	0	0	0	0	0	1,048
101	930.2	Miscellaneous General Expense	0		0	0	0	0
102		Total Administrative and General	9,577,799	10,438,526	10,567,576	9,292,626	7,444,666	7,284,369
103								
104		Administrative and General Expense - Maintenance						
105	9302	Miscellaneous general expense	80,333	68,890	56,049	72,702	106,059	92,846
106	9310	A&G-Rents	0	0		0	751	44
107	9320	Maintenance of general plant	15,259	17,295	116	33,672	70,998	0
108		Total Administrative and Gen. Ex	95,592	86,185	56,165	106,374	177,808	92,890
109								
110								
111								
112								
113		Total Operation and Maintenance E	20,144,774	20,267,147	21,009,847	19,941,640	18,737,161	16,792,439
114								

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 25
Witness: Greg Waller

Data Request:

Re. the response to AG-1-43b: Please provide the capitalized credits included in the Forecasted Test Period account 9220 expenses that are directly associated with the vehicles and heavy equipment costs included in the Forecasted Test Period account 8740 expenses and net them against the Forecasted Test Period account 8740 expenses. In addition, explain any variance between these net Forecasted Test Period account 8740 expenses and the actual account 8740 expenses for the fiscal years ended 9/31/06 and 9/31/05.

Response:

Vehicles and Equipment(FERC 8740)

	FY 05	FY 06	Test
Kentucky	815,809	806,229	1,923,686
General Office	-	-	(989,409)
Net	815,809	806,229	934,277

The vehicles and equipment expense amount in the forecasted test period is based on the approved FY 07 budget which was prepared per the methodology described in the testimony of Greg Waller. Our budgeting process ensures that we budget an adequate amount of expense necessary to operate efficiently and effectively. The forecasted test period also includes an appropriate inflation factor described in Greg Waller's testimony.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 26
Witness: Greg Waller

Data Request:

Re. the response to AG-1-43c: Please provide the credits included in the Forecasted Test Period account 9220 expenses that are directly associated with the rent costs included in the Forecasted Test Period account 8740 expenses and net them against the Forecasted Test Period account 8810 expenses. In addition, explain any variance between these net Forecasted Test Period account 8810 expenses and the actual account 8810 expenses for the fiscal years ended 9/31/06 and 9/31/05.

Response:

Rent, Maintenance and Utilities(FERC 8810)

	FY 05	**FY 06**	**Test**
Kentucky	432,318	538,182	852,399
General Office	-	-	(358,516)
Net	432,318	538,182	493,883

The rent, maintenance and utilities expense amount in the forecasted test period is based on the approved FY 07 budget which was prepared per the methodology described in the testimony of Greg Waller. Our budgeting process ensures that we budget an adequate amount of expense necessary to operate efficiently and effectively. The forecasted test period also includes an appropriate inflation factor described in Greg Waller's testimony

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 27
Witness: Gary Smith

Data Request:

The Company's PSC fees are a function (ratio of .1643%) of the Company's gross operating revenues, including the gas cost revenues. Are the PSC fees associated with the Company's gas cost revenues collected through the GCA?

Response:

No. Although the PSC fees are applied as a ratio of total revenues, the Company does not believe the PSC fees are a "gas cost" recoverable through the GCA.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 28
Witness: Gary Smith

Data Request:

The Company's late payment fees are a function (ratio of .87% - see Smith testimony, pages 16-17) of the Company's gross operating revenues for the residential, commercial and public authority customers, including the gas cost portion of these operating revenues. Are the late payment fees associated with the gas cost revenues for the residential, commercial and public authority customers credited to the customers in the GCA?

Response:

No. As stated in company's testimony, since first introducing the late payment fees in mid-2000, Atmos Energy has observed that late payment fee revenue is proportionate to the total revenues billed for residential, commercial and public authority classes. This observation is useful for budgeting purposes, but the Company does not believe late payment fees, or any portion of those fees, are a "gas cost" recoverable through the GCA.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 29
Witness: Jim Cagle

Data Request:

With regard to the Company's deferred gas costs, please provide the following information:

a. Are the carrying costs (or credits) associated with positive or negative deferred gas costs charged or credited through the GCA mechanism? If not, explain how and where these deferred gas cost balances and the associated carrying costs are treated for accounting and ratemaking purposes

b. Are the carrying costs (or credits) on positive or negative accumulated deferred income tax balances associated with positive or negative deferred gas costs charged or credited through the GCA mechanism? If not, explain how and where these accumulated deferred income taxes and the associated carrying costs are treated for accounting and ratemaking purposes.

Response:

Carrying costs associated with pipeline refunds are included in the calculation of the GCA. No other carrying costs or credits associated with deferred gas costs or the offsetting associated ADIT are recovered through the GCA mechanism. As the normalized balance of deferred gas cost is zero, carrying costs are not appropriately includable in base rates. If there is some determination that it is appropriate to include other carrying costs associated with any temporary balances in account 191, those costs should be included in the calculation of the company's GCA mechanism as a part of this automatic adjustment clause. Please also see the Company's response to Item AG 2-20.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 30
Witness: Greg Waller

Data Request:

Re. response to AG-1-48: Please clarify whether or not the projected cost amount of $64,769 for Gas Supplies Services is double-counted in the Forecasted Test Period O&M expenses. If not double-counted, explain why not.

Response:

The $64,769 for Gas supply services is not double counted. As mentioned in Company's response to AG DR 1-48, beginning on January 1, 2007, gas supply services are no longer a direct charge to Kentucky. The FY 2007 budget reflected this change. However, since gas supply charges were part of FY 2006 actuals, a portion of the FY 2007 budget (which does not include gas supply beginning January '07), were allocated to FERC 9230. The total amount of O&M forecasted in the expense category of Outside Services continues to be accurate.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 31
Witness: Greg Waller

Data Request:

The response to AG-1-50 provides a detailed listing of $16,659 of the total proposed expense disallowance of $59,930. Please provide a similar detailed listing (acct. no, description, dollar amount) of the remaining $43,271 portion of the total disallowed expense amount of $59,930.

Response:

The following represents the remaining $43,271:

Shared Services

A&G-Office supplies - Safety, Newspaper 9210-04001	$	918
Miscellaneous gener - Safety, Newspaper 9302-04001	$	18,215
Mains and Services - Safety, Newspaper 8740-04001	$	10
A&G-Office supplies - Promo Other,Misc 9210-04021	$	378
Miscellaneous gener - Promo Other,Misc 9302-04021	$	10
	$	19,530

Kentucky and General Office

A&G-Office supplies - Safety, Newspaper 9210-04001	$	642
Distribution-Operat - Safety, Newspaper 8700-04001	$	1,535
Mains and Services - Safety, Newspaper 8740-04001	$	648
Distribution-Measur - Safety, Newspaper 8770-04001	$	7
Distribution-Operat - Promo Other,Misc 8700-04021	$	137
Sales-Demonstrating - Promo Other,Misc 9120-04021	$	7,213
Customer service-Op - Promo Other,Misc 9090-04021	$	10,076
Miscellaneous gener - Promo Other,Misc 9302-04021	$	107
Sales-Supervision - Advertising 9110-04044	$	124
Distribution-Operat - Advertising 8700-04044	$	254
Mains and Services - Advertising 8740-04044	$	63
Customer service-Su - Advertising 9070-04044	$	311
Customer service-Op - Advertising 9080-04044	$	1,815
Customer service-Op - Advertising 9090-04044	$	80
Customer service-Mi - Advertising 9100-04044	$	728
	$	23,740

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 32
Witness: Greg Waller

Data Request:

With regard to the response to AG-1-51, please provide the following information:

a. The total expenses listed in the response amount to $178,970. What portion of this amount represents "public relations" type expenses? In addition, provide a description of the general nature and purpose of these expenses.

b. What portion of the total expense amount of $178,970 represents "community relations" type expenses? In addition, provide a description of the general nature and purpose of these expenses, including representative examples.

c. What portion of the total expense amount of $178,970 represents anything other than public relations and community relations type expenses? In addition, provide a description of the general nature and purpose of these expenses, including representative examples.

d. The proposed $100,000 expense disallowance detailed in the response to AG-1-59 includes proposed disallowances for "community relations/trade shows" and "customer relations and assistance" expenses. What is the general nature of these disallowed expenses? In addition, explain whether any of the $178,970 expenses listed in the response to AG-1-51 are included in the proposed $100,000 disallowed expenses.

Response:

a. By Company's definition, none of the $178,970 represents "public relations" type expense.

b. By Company's definition, all $178,970 represents "community relations" type expenses. The general nature of these expenses include items such as, internet related tools, brochures and handbooks, community ads and activities, builder relations and promotional items for various community activities. Below is a list of examples of such items:
Enercom Inc – Online customer energy management tool for efficiency of customer communication and aiding the customer in understanding their gas bill.
Bob Lilly Promotions -- Promotional items for various community activities.
Enhanced Systems – Website development for gaining efficiency of allowing the customer easier access to the company.
Studio 206 – Gas handbooks to educate community on natural gas related topics.
Rad Graphx – Energy tip insert, budget billing insert, for community education.
RBMM – Community ad for RP1162, a Federal mandated policy related to damage control.

c. By Company's definition, all $178,970 represent "community relations" type of expenses, see "b" above.
d. The general nature of the excluded executive expense is described in Company's response to AG DR 1-59. Of the $178,970, $160.55 is included in the excluded expenses.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 33
Witness: Greg Waller

Data Request:

With regard to the response to AG-1-49, please provide the following information:

a. Is the response saying that the donations amount of $5,344 was inadvertently included in the above-the-line expenses for the Forecasted Test Period? If not, explain why not.

b. Is the promotional expense of $51.20 excluded for ratemaking purposes in this case?

c. Provide a detailed breakout and description of all of the items making up the membership fees of $287.70, association dues of $43,720 and miscellaneous expense of $6,645.51. In addition, indicate if any of these expenses were proposed to be disallowed for ratemaking purposes.

Response:

a. The $5,344 was not included in the above the line expenses. As mentioned in Company's response to AG DR 1-49, beginning in FY 2007, donations are no longer an above the line charge. The FY 2007 budget reflected this change. However, since donations were charged above the line in FY 2006 actuals, a portion of the FY 2007 budget (which does not include donations above the line beginning FY '07), was allocated to FERC 9302. The total amount of above the line O&M forecasted in the Dues and Donations expense category remains accurate.

b. No, the $51.20 is not excluded for ratemaking purposes.

c. These amounts were determined in the same manner as explained on page 12 of the direct testimony of Company's witness Mr. Greg Waller, therefore there is no detailed breakout of these costs. However, in general, the membership fees and association dues forecasted are similar to those on schedule F.1 in the original filing. The miscellaneous expense would generally relate to miscellaneous Chamber costs. None of these expenses were proposed to be disallowed for ratemaking purposes.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 34
Witness: Greg Waller

Data Request:

The response to AG-1-58 indicates that the Forecasted Test Period includes a total allocated expense amount of $112,975 for governmental affairs and lobbying functions. In this regard, please provide the following information:

a. Confirm the above fact. If you do not agree, explain your disagreement.

b. Have any of these expenses been removed for ratemaking purposes as part of the Company's proposed $100,000 expense disallowance or any other proposed expense disallowance?

c. Why has the Company not removed these expenses for ratemaking purposes in this case?

Response:

a. The Forecasted Test Period includes an allocated amount of $112,975 for the governmental affairs departments in SSU and Division General Office. Lobbying expenses are booked and forecasted below the line and are not included for ratemaking purposes.

b. Yes, $13,098 has been removed for ratemaking purposes.

c. The governmental affairs departments play an important role in working with state and local government in order to connect with the needs of ratepayers and discover how best to serve the customers of the State of Kentucky. This collaborative effort provides invaluable mutual feedback to the Company as well as to government officials which directly benefits customers. As stated in response to AG DR 2-34a, lobbying expenses are not included for ratemaking purposes.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 35
Witness: Greg Waller

Data Request:

The response to AG-1-57 identifies $15,808 worth of employee welfare expenses. Are any of these expenses excluded from the Forecasted Test Period through the Company's proposed $100,000 expense disallowance? If so, please identify these disallowed expenses.

Response:

No, none of $15,808 is excluded from the Forecasted Test Period.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 36
Witness: Greg Waller

Data Request:

The response to AG-1-56 identifies $123,358 worth of employee service award expenses. Are any of these expenses excluded from the Forecasted Test Period through the Company's proposed $100,000 expense disallowance? If so, please identify these disallowed expenses.

Response:

Yes, $389.83 is excluded from the Forecasted Test Period. $242.72 for the service awards dinner and $147.10 for service awards photos.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 37
Witness: Greg Waller

Data Request:

The response to AG-1-85, part e indicates that the Company's Forecasted Test Period above-the-line expenses include $176,427 for the type of employee welfare expenses listed in the footnote and that none of these expenses were removed as part of the Company/s proposed $100,000 expense disallowance. In this regard, please provide the following information:

a. Confirm the above facts. If you do not agree, please explain your disagreement.

b. Are any of these expenses of $176,427 included in the employee welfare expenses identified in the responses to AG-1-56 and AG-1,-57? If so, identify and quantify these expense items.

Response:

a. The amount of $176,427 is correct, however, there was $794.39 that Company has voluntarily removed that was not included in column "e" on the attachment to Company's response to AG DR 1-85.

b. Yes, all the expenses identified in AG-1-56 ($123,358) and AG-1-57 ($15,808) are included in the $176,427.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 38
Witness: Greg Waller

Data Request:

With regard to the response to AG-1-85, please provide the following information:

a. Why has the Company only removed $29.341 of the total Meals & Entertainment expense amount of $116,554? In addition, provide a detailed listing of all of the expense items making up the remaining expense amount of $87,213.

b. Why has the Company only remove d $23,362 of the total Travel expense amount of $91,580? In addition, provide a detailed listing of all of the expense items making up the remaining expense amount of $68,218.

c. Why has the Company only removed $13,302 of the total Lodging expense amount of $75,704? In addition, provide a detailed listing of all of the expense items making up the remaining expense amount of $62,402.

Response

In each case above, the company removed amounts for executive expense reports per our response to AG-1-59. The second paragraph of that response states:

"The Company is voluntarily electing to forego recovery of executive expense activities. The items reflected on the schedule represent legitimate business expenditures that are neither unreasonable nor inappropriate. Although these expenses are recoverable, the Company has removed them for the purpose of setting rates. Atmos has, in its discretion, determined that it will not ask that ratepayers in Kentucky to contribute to these activities. "

The remaining amounts listed above and in AG-1-85 represent legitimate business expenditures incurred by non-executive employees and primarily reimbursed through expense reports.

The amounts listed above and included in our forecasted test period are forecasted amounts prepared per the methodology in Greg Waller's testimony. Thus, there is no detail specifically supporting those amounts because the expenditures are, in fact, future expenditures. As a proxy, we have provided detail from non executive employee expense reports from FY 2006 (please see attached). As seen in the attachment, there are separate sections for Kentucky, Division General Office, and SSU. In each case, the appropriate allocation factor for Kentucky was applied.

Atmos Energy Corporation, KY
Case No. 2006-00464
AG DR 2-38

Atmos Energy Corporation
Detail of Expense Reports Allocated to Kentucky
Fiscal Year 2006

SSU Allocation Factor to Kentucky 5.20%
Division General Office Allocation Factor to Kentucky 36.776%

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	ACCOUNT CODING Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
SSU											
1	IEXP-43456	12/13/05	12/15/05	18.14	0.94	010	1137	9210	05411	Meals & Entertainment	
2	IEXP-47634	2/7/06	2/16/06	16.43	0.85	010	1137	9210	05411	Meals & Entertainment	
3	IEXP-49735	3/13/06	3/16/06	97.32	5.06	010	1137	9210	05411	Meals & Entertainment	
4	IEXP-46214	1/23/06	1/26/06	158.84	8.26	010	1501	9302	05411	Meals & Entertainment	
5	IEXP-55402	6/19/06	6/26/06	335.25	17.43	010	1501	9302	05411	Meals & Entertainment	
6	IEXP-61128	9/6/06	9/11/06	194.80	10.13	010	1501	9302	05411	Meals & Entertainment	
7	IEXP-42209	11/30/05	12/5/05	87.54	4.55	010	1137	9210	05411	Meals & Entertainment	
8	IEXP-47928	2/10/06	2/13/06	83.97	4.37	010	1137	9210	05411	Meals & Entertainment	
9	IEXP-50479	3/27/06	3/30/06	76.68	3.99	010	1137	9210	05411	Meals & Entertainment	
10	IEXP-51461	4/12/06	4/13/06	91.05	4.73	010	1137	9210	05411	Meals & Entertainment	
11	IEXP-53692	5/19/06	5/22/06	74.69	3.88	010	1137	9210	05411	Meals & Entertainment	
12	IEXP-56352	7/3/06	7/6/06	144.36	7.51	010	1137	9210	05411	Meals & Entertainment	
13	IEXP-50080	3/20/06	3/23/06	122.48	6.37	010	1137	9210	05411	Meals & Entertainment	
14	IEXP-37312	10/7/05	10/13/05	207.89	10.81	010	1501	9302	05411	Meals & Entertainment	
15	IEXP-41475	11/17/05	11/21/05	35.00	1.82	010	1501	9302	05411	Meals & Entertainment	
16	IEXP-41391	11/16/05	11/17/05	19.24	1.00	010	1142	9210	05411	Meals & Entertainment	
17	IEXP-37222	10/6/05	9/1/06	8.00	0.42	010	1128	9210	05411	Meals & Entertainment	
18	IEXP-42277	11/30/05	12/8/05	25.00	1.30	010	1128	9210	05411	Meals & Entertainment	
19	IEXP-48919	2/27/06	3/9/06	83.80	4.36	010	1128	9210	05411	Meals & Entertainment	
20	IEXP-55732	6/23/06	6/26/06	56.37	2.93	010	1128	9210	05411	Meals & Entertainment	
21	IEXP-37431	10/10/05	10/11/05	12.00	0.62	010	1141	9210	05411	Meals & Entertainment	
22	IEXP-39748	11/2/05	11/3/05	58.03	3.02	010	1200	9210	05411	Meals & Entertainment	
23	IEXP-40847	11/11/05	11/14/05	62.28	3.24	010	1200	9210	05411	Meals & Entertainment	
24	IEXP-36905	10/2/05	10/6/05	12.50	0.65	010	1201	9210	05411	Meals & Entertainment	
25	IEXP-39989	11/3/05	11/7/05	54.21	2.82	010	1201	9210	05411	Meals & Entertainment	
26	IEXP-61705	9/12/06	9/14/06	17.48	0.91	010	1201	9210	05411	Meals & Entertainment	
27	IEXP-63223	9/25/06	9/28/06	52.13	2.71	010	1201	9210	05411	Meals & Entertainment	
28	IEXP-41773	11/21/05	11/23/05	100.00	5.20	010	1132	9210	05411	Meals & Entertainment	
29	IEXP-43472	12/13/05	12/19/05	8.41	0.44	010	1132	9210	05411	Meals & Entertainment	
30	IEXP-48678	2/23/06	2/27/06	50.00	2.60	010	1132	9210	05411	Meals & Entertainment	
31	IEXP-53047	5/9/06	5/11/06	75.00	3.90	010	1132	9210	05411	Meals & Entertainment	
32	IEXP-47435	2/4/06	2/9/06	3,850.72	200.24	010	1953	9200	05411	Meals & Entertainment	
33	IEXP-52485	5/1/06	5/4/06	298.45	15.52	010	1953	9210	05411	Meals & Entertainment	
34	IEXP-54402	6/2/06	6/5/06	113.03	5.88	010	1953	9210	05411	Meals & Entertainment	
35	IEXP-58346	8/8/06	8/10/06	101.41	5.27	010	1953	9210	05411	Meals & Entertainment	
36	IEXP-41853	11/21/05	11/23/05	14.98	0.78	010	1125	9210	05411	Meals & Entertainment	
37	IEXP-43695	12/15/05	1/12/06	91.35	4.75	010	1130	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
38	IEXP-45235	1/11/06	1/19/06	9.26	0.48	010	1130	9210	05411	Meals & Entertainment	
39	IEXP-50449	3/27/06	3/30/06	195.95	10.19	010	1130	9210	05411	Meals & Entertainment	
40	IEXP-54541	6/5/06	6/8/06	24.16	1.26	010	1130	9210	05411	Meals & Entertainment	
41	IEXP-56529	7/6/06	7/10/06	14.34	0.75	010	1130	9210	05411	Meals & Entertainment	
42	IEXP-47930	2/10/06	2/16/06	273.05	14.20	010	1109	9200	05411	Meals & Entertainment	
43	IEXP-51387	4/11/06	4/13/06	205.16	10.67	010	1137	9210	05411	Meals & Entertainment	
44	IEXP-53381	5/15/06	5/18/06	24.43	1.27	010	1137	9210	05411	Meals & Entertainment	
45	IEXP-61844	9/13/06	9/14/06	11.56	0.60	010	1137	9210	05411	Meals & Entertainment	
46	IEXP-42150	11/29/05	12/5/05	45.57	2.37	010	1142	9210	05411	Meals & Entertainment	
47	IEXP-47807	2/9/06	9/1/06	148.45	7.72	010	1109	9200	05411	Meals & Entertainment	
48	IEXP-48660	2/23/06	9/1/06	150.22	7.81	010	1115	9200	05411	Meals & Entertainment	
49	IEXP-49480	3/9/06	3/16/06	213.19	11.09	010	1115	8700	05411	Meals & Entertainment	
50	IEXP-49955	3/17/06	3/23/06	123.67	6.43	010	1115	8700	05411	Meals & Entertainment	
51	IEXP-49961	3/17/06	3/23/06	80.32	4.18	010	1115	8700	05411	Meals & Entertainment	
52	IEXP-51638	4/17/06	4/24/06	121.88	6.34	010	1115	8700	05411	Meals & Entertainment	
53	IEXP-51639	4/17/06	4/20/06	248.05	12.90	010	1115	8700	05411	Meals & Entertainment	
54	IEXP-47217	2/2/06	2/6/06	280.19	14.57	010	1109	9200	05411	Meals & Entertainment	
55	IEXP-48419	2/18/06	2/21/06	387.71	20.16	010	1109	9200	05411	Meals & Entertainment	
56	IEXP-48802	2/25/06	3/2/06	169.71	8.82	010	1115	9200	05411	Meals & Entertainment	
57	IEXP-49674	3/13/06	3/16/06	217.66	11.32	010	1115	9200	05411	Meals & Entertainment	
58	IEXP-50850	4/3/06	4/13/06	255.97	13.31	010	1115	9200	05411	Meals & Entertainment	
59	IEXP-38092	10/18/05	10/20/05	74.30	3.86	010	1142	9210	05411	Meals & Entertainment	
60	IEXP-39479	10/31/05	11/3/05	68.51	3.56	010	1142	9210	05411	Meals & Entertainment	
61	IEXP-41348	11/16/05	11/17/05	16.63	0.86	010	1142	9210	05411	Meals & Entertainment	
62	IEXP-48301	2/16/06	2/21/06	147.57	7.67	010	1142	9210	05411	Meals & Entertainment	
63	IEXP-48733	2/24/06	3/2/06	29.21	1.52	010	1142	9210	05411	Meals & Entertainment	
64	IEXP-51744	4/18/06	4/20/06	124.22	6.46	010	1142	9210	05411	Meals & Entertainment	
65	IEXP-53360	5/15/06	5/18/06	99.42	5.17	010	1142	9210	05411	Meals & Entertainment	
66	IEXP-53748	5/22/06	5/25/06	68.70	3.57	010	1142	9210	05411	Meals & Entertainment	
67	IEXP-56227	6/30/06	7/3/06	156.15	8.12	010	1142	9210	05411	Meals & Entertainment	
68	IEXP-59179	8/15/06	8/21/06	87.44	4.55	010	1142	9210	05411	Meals & Entertainment	
69	IEXP-49889	3/16/06	9/1/06	16.99	0.88	010	1111	9210	05411	Meals & Entertainment	
70	IEXP-39260	10/28/05	10/31/05	2,260.61	117.55	010	1201	9210	05411	Meals & Entertainment	
71	IEXP-43473	12/13/05	12/15/05	392.83	20.43	010	1201	9210	05411	Meals & Entertainment	
72	IEXP-48060	2/13/06	2/16/06	1,028.71	53.49	010	1201	9210	05411	Meals & Entertainment	
73	IEXP-50258	3/23/06	3/27/06	63.60	3.31	010	1201	9210	05411	Meals & Entertainment	
74	IEXP-52820	5/5/06	5/11/06	589.69	30.66	010	1201	9210	05411	Meals & Entertainment	
75	IEXP-58705	8/9/06	8/10/06	103.32	5.37	010	1201	9210	05411	Meals & Entertainment	
76	IEXP-60312	8/28/06	9/7/06	66.06	3.44	010	1201	9210	05411	Meals & Entertainment	
77	IEXP-44093	12/21/05	1/12/06	372.91	19.39	010	1107	9210	05411	Meals & Entertainment	
78	IEXP-47925	2/10/06	2/13/06	384.61	20.00	010	1107	9210	05411	Meals & Entertainment	
79	IEXP-49886	3/16/06	3/20/06	280.10	14.57	010	1107	9210	05411	Meals & Entertainment	
80	IEXP-51049	4/5/06	4/6/06	25.00	1.30	010	1107	9210	05411	Meals & Entertainment	
81	IEXP-53426	5/16/06	5/18/06	162.63	8.46	010	1107	9210	05411	Meals & Entertainment	
82	IEXP-59802	8/22/06	8/24/06	299.86	15.59	010	1107	9210	05411	Meals & Entertainment	
83	EXP072506	7/25/06	8/7/06	0.00	0.00	010	1107	9210	05411	Meals & Entertainment	
84	IEXP-58067	8/1/06	8/3/06	27.35	1.42	010	1107	9210	05411	Meals & Entertainment	
85	IEXP-48552	2/21/06	2/23/06	185.86	9.66	010	1109	9200	05411	Meals & Entertainment	
86	IEXP-39411	10/31/05	11/3/05	211.76	11.01	010	1128	9210	05411	Meals & Entertainment	
87	IEXP-42786	12/5/05	12/8/05	946.27	49.21	010	1128	9210	05411	Meals & Entertainment	
88	IEXP-44342	12/29/05	1/16/06	219.29	11.40	010	1128	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
89	IEXP-49306	3/6/06	3/9/06	208.88	10.86	010	1128	9210	05411	Meals & Entertainment	
90	IEXP-50959	4/4/06	4/6/06	35.29	1.84	010	1128	9210	05411	Meals & Entertainment	
91	IEXP-53346	5/15/06	5/18/06	141.25	7.35	010	1201	9210	05411	Meals & Entertainment	
92	IEXP-53346	5/15/06	5/18/06	272.32	14.16	010	1128	9210	05411	Meals & Entertainment	
93	IEXP-55699	6/23/06	6/26/06	404.49	21.03	010	1128	9210	05411	Meals & Entertainment	
94	IEXP-58620	8/9/06	8/10/06	53.52	2.78	010	1201	9210	05411	Meals & Entertainment	
95	IEXP-58620	8/9/06	8/10/06	1,175.31	61.12	010	1128	9210	05411	Meals & Entertainment	
96	IEXP-61174	9/7/06	9/7/06	147.64	7.68	010	1128	9210	05411	Meals & Entertainment	
97	IEXP-63142	9/25/06	9/28/06	469.39	24.41	010	1128	9210	05411	Meals & Entertainment	
98	IEXP-39475	10/31/05	11/3/05	50.12	2.61	010	1142	9210	05411	Meals & Entertainment	
99	IEXP-41483	11/17/05	11/21/05	454.05	23.61	010	1420	9210	05411	Meals & Entertainment	
100	IEXP-42067	11/28/05	12/5/05	30.17	1.57	010	1420	9210	05411	Meals & Entertainment	
101	IEXP-44682	1/4/06	1/5/06	55.94	2.91	010	1142	9210	05411	Meals & Entertainment	
102	IEXP-55539	6/21/06	6/22/06	24.72	1.29	010	1420	9210	05411	Meals & Entertainment	
103	IEXP-59346	8/16/06	8/21/06	616.03	32.03	010	1420	9210	05411	Meals & Entertainment	
104	IEXP-59352	8/16/06	8/21/06	257.76	13.40	010	1142	9210	05411	Meals & Entertainment	
105	IEXP-36601	9/28/05	10/6/05	21.06	1.10	010	1128	9210	05411	Meals & Entertainment	
106	IEXP-38459	10/21/05	10/24/05	25.00	1.30	010	1128	9210	05411	Meals & Entertainment	
107	IEXP-44929	1/6/06	1/12/06	142.24	7.40	010	1128	9210	05411	Meals & Entertainment	
108	IEXP-48893	2/27/06	3/2/06	22.07	1.15	010	1128	9210	05411	Meals & Entertainment	
109	IEXP-56238	6/30/06	7/6/06	26.93	1.40	010	1128	9210	05411	Meals & Entertainment	
110	IEXP-59655	8/21/06	8/24/06	77.86	4.05	010	1405	9210	05411	Meals & Entertainment	
111	IEXP-52543	5/2/06	5/4/06	20.69	1.08	010	1135	9210	05411	Meals & Entertainment	
112	IEXP-41907	11/22/05	11/23/05	99.65	5.18	010	1121	9210	05411	Meals & Entertainment	
113	IEXP-57355	7/21/06	7/31/06	40.00	2.08	010	1121	9210	05411	Meals & Entertainment	
114	IEXP-61625	9/11/06	9/14/06	97.18	5.05	010	1121	9210	05411	Meals & Entertainment	
115	IEXP-49885	3/16/06	3/20/06	63.17	3.28	010	1118	9210	05411	Meals & Entertainment	
116	IEXP-52523	5/2/06	5/4/06	46.67	2.43	010	1118	9210	05411	Meals & Entertainment	
117	IEXP-63129	9/25/06	9/28/06	197.22	10.26	010	1118	9210	05411	Meals & Entertainment	
118	IEXP-48522	2/21/06	2/23/06	264.60	13.76	010	1144	9210	05411	Meals & Entertainment	
119	IEXP-53837	5/23/06	5/25/06	93.55	4.86	010	1144	9210	05411	Meals & Entertainment	
120	IEXP-39911	11/3/05	11/14/05	115.00	5.98	010	1129	9210	05411	Meals & Entertainment	
121	IEXP-48725	2/24/06	2/27/06	38.23	1.99	010	1129	9210	05411	Meals & Entertainment	
122	IEXP-52100	4/24/06	4/27/06	143.67	7.47	010	1129	9210	05411	Meals & Entertainment	
123	IEXP-54088	5/30/06	6/8/06	130.80	6.80	010	1129	9210	05411	Meals & Entertainment	
124	IEXP-55359	6/19/06	6/22/06	95.38	4.96	010	1129	9210	05411	Meals & Entertainment	
125	IEXP-36994	10/3/05	10/11/05	43.12	2.24	010	1133	9210	05411	Meals & Entertainment	
126	IEXP-40176	11/4/05	11/10/05	66.40	3.45	010	1133	9210	05411	Meals & Entertainment	
127	IEXP-42847	12/5/05	12/22/05	128.39	6.68	010	1133	9210	05411	Meals & Entertainment	
128	IEXP-44844	1/5/06	1/9/06	96.92	5.04	010	1133	9210	05411	Meals & Entertainment	
129	IEXP-49376	3/7/06	3/9/06	73.00	3.80	010	1133	9210	05411	Meals & Entertainment	
130	IEXP-51008	4/4/06	4/6/06	15.64	0.81	010	1133	9210	05411	Meals & Entertainment	
131	IEXP-52890	5/5/06	5/11/06	34.07	1.77	010	1133	9210	05411	Meals & Entertainment	
132	IEXP-54626	6/6/06	6/8/06	190.93	9.93	010	1133	9210	05411	Meals & Entertainment	
133	IEXP-56531	7/6/06	7/10/06	106.51	5.54	010	1133	9210	05411	Meals & Entertainment	
134	IEXP-58510	8/8/06	8/10/06	49.85	2.59	010	1133	9210	05411	Meals & Entertainment	
135	IEXP-61179	9/7/06	9/7/06	15.63	0.81	010	1133	9210	05411	Meals & Entertainment	
136	IEXP-37610	10/12/05	10/13/05	46.00	2.39	010	1145	9210	05411	Meals & Entertainment	
137	IEXP-37789	10/14/05	10/20/05	62.85	3.27	010	1145	9210	05411	Meals & Entertainment	
138	IEXP-38618	10/24/05	10/27/05	39.64	2.06	010	1145	9210	05411	Meals & Entertainment	
139	IEXP-46030	1/20/06	1/23/06	69.27	3.60	010	1145	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
140	IEXP-47744	2/8/06	2/9/06	32.06	1.67	010	1145	9210	05411	Meals & Entertainment	
141	IEXP-49067	3/1/06	3/2/06	75.60	3.93	010	1145	9210	05411	Meals & Entertainment	
142	IEXP-50365	3/24/06	3/27/06	37.83	1.97	010	1145	9210	05411	Meals & Entertainment	
143	IEXP-49751	3/14/06	3/16/06	14.25	0.74	010	1144	9210	05411	Meals & Entertainment	
144	IEXP-56440	7/5/06	7/6/06	52.03	2.71	010	1144	9210	05411	Meals & Entertainment	
145	IEXP-36874	9/30/05	10/6/05	140.00	7.28	010	1144	9210	05411	Meals & Entertainment	
146	IEXP-37666	10/13/05	10/17/05	21.38	1.11	010	1144	9210	05411	Meals & Entertainment	
147	IEXP-37666	10/13/05	10/17/05	58.29	3.03	010	1141	9210	05411	Meals & Entertainment	
148	IEXP-38967	10/26/05	10/27/05	296.21	15.40	010	1144	9210	05411	Meals & Entertainment	
149	IEXP-47720	2/8/06	2/9/06	181.60	9.44	010	1144	9210	05411	Meals & Entertainment	
150	IEXP-48629	2/22/06	2/23/06	84.42	4.39	010	1144	9210	05411	Meals & Entertainment	
151	IEXP-49939	3/17/06	3/20/06	89.78	4.67	010	1144	9210	05411	Meals & Entertainment	
152	IEXP-58743	8/9/06	8/16/06	271.16	14.10	010	1144	9210	05411	Meals & Entertainment	
153	IEXP-54969	6/12/06	6/19/06	164.59	8.56	010	1130	9210	05411	Meals & Entertainment	
154	IEXP-56441	7/5/06	7/10/06	120.88	6.29	010	1130	9210	05411	Meals & Entertainment	
155	IEXP-57281	7/20/06	7/27/06	38.70	2.01	010	1130	9210	05411	Meals & Entertainment	
156	IEXP-58373	8/8/06	8/11/06	186.23	9.68	010	1130	9210	05411	Meals & Entertainment	
157	IEXP-34332	8/17/05	5/1/06	217.22	11.30	010	1137	9210	05411	Meals & Entertainment	
158	IEXP-38676	10/24/05	10/27/05	256.33	13.33	010	1137	9210	05411	Meals & Entertainment	
159	IEXP-38988	10/26/05	10/27/05	146.07	7.60	010	1137	9210	05411	Meals & Entertainment	
160	IEXP-45653	1/16/06	1/19/06	102.37	5.32	010	1137	9210	05411	Meals & Entertainment	
161	IEXP-51319	4/10/06	4/13/06	134.91	7.02	010	1137	9210	05411	Meals & Entertainment	
162	IEXP-53550	5/18/06	5/22/06	35.15	1.83	010	1137	9210	05411	Meals & Entertainment	
163	IEXP-56241	6/30/06	7/3/06	254.86	13.25	010	1137	9210	05411	Meals & Entertainment	
164	IEXP-59404	8/17/06	8/21/06	40.68	2.12	010	1137	9210	05411	Meals & Entertainment	
165	IEXP-60471	8/29/06	9/5/06	214.66	11.16	010	1200	9210	05411	Meals & Entertainment	
166	IEXP-54774	6/8/06	6/12/06	14.95	0.78	010	1503	9210	05411	Meals & Entertainment	
167	IEXP-55390	6/19/06	6/22/06	57.33	2.98	010	1503	9210	05411	Meals & Entertainment	
168	IEXP-55575	6/21/06	6/22/06	6.06	0.32	010	1503	9210	05411	Meals & Entertainment	
169	IEXP-56237	6/30/06	7/3/06	7.52	0.39	010	1503	9210	05411	Meals & Entertainment	
170	IEXP-37896	10/17/05	10/20/05	48.74	2.53	010	1129	9210	05411	Meals & Entertainment	
171	IEXP-39069	10/27/05	10/31/05	63.63	3.31	010	1129	9210	05411	Meals & Entertainment	
172	IEXP-41482	11/17/05	11/23/05	323.95	16.85	010	1129	9210	05411	Meals & Entertainment	
173	IEXP-44665	1/4/06	1/16/06	276.96	14.40	010	1129	9210	05411	Meals & Entertainment	
174	IEXP-45349	1/12/06	1/16/06	28.71	1.49	010	1129	9210	05411	Meals & Entertainment	
175	IEXP-48140	2/14/06	2/23/06	65.00	3.38	010	1129	9210	05411	Meals & Entertainment	
176	IEXP-50126	3/21/06	3/23/06	226.67	11.79	010	1129	9210	05411	Meals & Entertainment	
177	IEXP-51580	4/15/06	4/20/06	60.69	3.16	010	1129	9210	05411	Meals & Entertainment	
178	IEXP-52380	4/29/06	5/1/06	217.00	11.28	010	1116	9210	05411	Meals & Entertainment	
179	IEXP-52380	4/29/06	5/1/06	337.25	17.54	010	1129	9210	05411	Meals & Entertainment	
180	IEXP-55233	6/15/06	6/19/06	40.00	2.08	010	1129	9210	05411	Meals & Entertainment	
181	IEXP-55572	6/21/06	6/26/06	379.74	19.75	010	1129	9210	05411	Meals & Entertainment	
182	IEXP-56686	7/10/06	7/13/06	25.00	1.30	010	1129	9210	05411	Meals & Entertainment	
183	IEXP-59079	8/14/06	8/16/06	276.98	14.40	010	1129	9210	05411	Meals & Entertainment	
184	IEXP-44633	1/4/06	1/5/06	1,484.91	77.22	010	1125	9210	05411	Meals & Entertainment	
185	IEXP-52953	5/8/06	5/11/06	263.00	13.68	010	1125	9210	05411	Meals & Entertainment	
186	IEXP-56976	7/14/06	7/20/06	53.11	2.76	010	1125	9210	05411	Meals & Entertainment	
187	IEXP-59546	8/18/06	8/21/06	429.39	22.33	010	1125	9210	05411	Meals & Entertainment	
188	IEXP-47642	2/7/06	2/9/06	103.25	5.37	010	1109	9200	05411	Meals & Entertainment	
189	IEXP-49042	3/1/06	3/2/06	13.97	0.73	010	1115	9210	05411	Meals & Entertainment	
190	IEXP-37052	10/4/05	10/6/05	40.22	2.09	010	1137	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
191	IEXP-63221	9/25/06	9/28/06	278.60	14.49	010	1128	9210	05411	Meals & Entertainment	
192	IEXP-48688	2/23/06	2/27/06	44.91	2.34	010	1119	9210	05411	Meals & Entertainment	
193	IEXP-49839	3/15/06	3/16/06	13.45	0.70	010	1119	9210	05411	Meals & Entertainment	
194	IEXP-52972	5/8/06	5/11/06	19.78	1.03	010	1119	9210	05411	Meals & Entertainment	
195	IEXP-47600	2/6/06	2/9/06	40.23	2.09	010	1115	9200	05411	Meals & Entertainment	
196	IEXP-48215	2/15/06	2/16/06	82.32	4.28	010	1115	9200	05411	Meals & Entertainment	
197	IEXP-49337	3/6/06	3/9/06	120.74	6.28	010	1115	9200	05411	Meals & Entertainment	
198	IEXP-46268	1/24/06	1/26/06	510.03	26.52	010	1125	9210	05411	Meals & Entertainment	
199	IEXP-49583	3/10/06	3/13/06	53.48	2.78	010	1135	9210	05411	Meals & Entertainment	
200	IEXP-51905	4/20/06	4/24/06	5.88	0.31	010	1135	9210	05411	Meals & Entertainment	
201	IEXP-53461	5/16/06	5/22/06	82.42	4.29	010	1135	9210	05411	Meals & Entertainment	
202	IEXP-59247	8/15/06	8/16/06	50.48	2.62	010	1135	9210	05411	Meals & Entertainment	
203	IEXP-36887	10/1/05	10/6/05	54.31	2.82	010	1119	9210	05411	Meals & Entertainment	
204	IEXP-36901	10/2/05	10/6/05	33.77	1.76	010	1119	9210	05411	Meals & Entertainment	
205	IEXP-43127	12/8/05	12/12/05	246.95	12.84	010	1119	9210	05411	Meals & Entertainment	
206	IEXP-58631	8/9/06	8/10/06	70.32	3.66	010	1119	9210	05411	Meals & Entertainment	
207	IEXP-40188	11/4/05	11/10/05	177.15	9.21	010	1133	9210	05411	Meals & Entertainment	
208	IEXP-41654	11/18/05	11/23/05	117.32	6.10	010	1133	9210	05411	Meals & Entertainment	
209	IEXP-47863	2/9/06	2/13/06	243.44	12.66	010	1133	9210	05411	Meals & Entertainment	
210	IEXP-48787	2/24/06	9/1/06	66.01	3.43	010	1133	9210	05411	Meals & Entertainment	
211	IEXP-52539	5/2/06	9/1/06	67.57	3.51	010	1133	9210	05411	Meals & Entertainment	
212	IEXP-55024	6/13/06	9/1/06	7.95	0.41	010	1133	9210	05411	Meals & Entertainment	
213	IEXP-58769	8/10/06	8/14/06	123.95	6.45	010	1133	9210	05411	Meals & Entertainment	
214	IEXP-37254	10/6/05	10/11/05	13.12	0.68	010	1120	9210	05411	Meals & Entertainment	
215	IEXP-53825	5/23/06	5/25/06	66.77	3.47	010	1120	9210	05411	Meals & Entertainment	
216	IEXP-46903	1/31/06	2/2/06	208.03	10.82	010	1137	9210	05411	Meals & Entertainment	
217	IEXP-55870	6/26/06	7/6/06	99.63	5.18	010	1137	9210	05411	Meals & Entertainment	
218	IEXP-46108	1/22/06	1/26/06	1,800.52	93.63	010	1109	9200	05411	Meals & Entertainment	
219	IEXP-48053	2/13/06	2/21/06	343.14	17.84	010	1115	9200	05411	Meals & Entertainment	
220	IEXP-37772	10/14/05	10/17/05	101.32	5.27	010	1405	9210	05411	Meals & Entertainment	
221	IEXP-53464	5/16/06	5/18/06	30.12	1.57	010	1405	9210	05411	Meals & Entertainment	
222	IEXP-59271	8/15/06	8/28/06	52.54	2.73	010	1405	9210	05411	Meals & Entertainment	
223	IEXP-61298	9/8/06	9/14/06	899.00	46.75	010	1405	9210	05411	Meals & Entertainment	
224	IEXP-60863	9/1/06	9/7/06	42.11	2.19	010	1115	9210	05411	Meals & Entertainment	
225	IEXP-37247	10/6/05	10/11/05	14.12	0.73	010	1120	9210	05411	Meals & Entertainment	
226	IEXP-53823	5/23/06	5/25/06	60.28	3.13	010	1120	9210	05411	Meals & Entertainment	
227	IEXP-47606	2/6/06	2/9/06	391.34	20.35	010	1115	9200	05411	Meals & Entertainment	
228	IEXP-49782	3/14/06	9/1/06	290.12	15.09	010	1115	9200	05411	Meals & Entertainment	
229	IEXP-39888	11/3/05	11/7/05	42.68	2.22	010	1135	8800	05411	Meals & Entertainment	
230	IEXP-43539	12/14/05	12/15/05	1,347.52	70.07	010	1141	9210	05411	Meals & Entertainment	
231	IEXP-55221	6/15/06	6/19/06	3.96	0.21	010	1141	9210	05411	Meals & Entertainment	
232	IEXP-37310	10/7/05	10/13/05	8.53	0.44	010	1406	9210	05411	Meals & Entertainment	
233	IEXP-43737	12/16/05	12/22/05	14.25	0.74	010	1406	9210	05411	Meals & Entertainment	
234	IEXP-46800	1/30/06	2/2/06	56.75	2.95	010	1406	9210	05411	Meals & Entertainment	
235	IEXP-48024	2/13/06	2/23/06	43.79	2.28	010	1406	9210	05411	Meals & Entertainment	
236	IEXP-49545	3/9/06	3/13/06	67.85	3.53	010	1406	9210	05411	Meals & Entertainment	
237	IEXP-53655	5/19/06	5/22/06	67.91	3.53	010	1406	9210	05411	Meals & Entertainment	
238	IEXP-59969	8/24/06	8/28/06	12.00	0.62	010	1406	9210	05411	Meals & Entertainment	
239	IEXP-61237	9/8/06	9/11/06	32.67	1.70	010	1406	9210	05411	Meals & Entertainment	
240	IEXP-48876	2/27/06	3/2/06	93.75	4.88	010	1115	9200	05411	Meals & Entertainment	
241	IEXP-52741	5/4/06	5/11/06	49.74	2.59	010	1501	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
242	IEXP-53232	5/12/06	5/15/06	32.34	1.68	010	1501	9210	05411	Meals & Entertainment	
243	IEXP-60783	9/1/06	9/5/06	76.50	3.98	010	1501	9210	05411	Meals & Entertainment	
244	IEXP-49585	3/10/06	3/16/06	167.13	8.69	010	1501	9302	05411	Meals & Entertainment	
245	IEXP-50881	4/3/06	4/6/06	156.24	8.12	010	1501	9302	05411	Meals & Entertainment	
246	IEXP-53687	5/19/06	5/25/06	43.81	2.28	010	1501	9302	05411	Meals & Entertainment	
247	IEXP-55715	6/23/06	6/29/06	58.53	3.04	010	1501	9302	05411	Meals & Entertainment	
248	IEXP-61619	9/11/06	9/14/06	36.27	1.89	010	1501	9302	05411	Meals & Entertainment	
249	IEXP-48666	2/23/06	3/2/06	1,313.34	68.29	010	1119	9210	05411	Meals & Entertainment	
250	IEXP-48687	2/23/06	3/2/06	50.00	2.60	010	1119	9210	05411	Meals & Entertainment	
251	IEXP-37510	10/11/05	10/13/05	672.89	34.99	010	1501	9210	05411	Meals & Entertainment	
252	IEXP-40334	11/7/05	11/14/05	622.14	32.35	010	1501	9210	05411	Meals & Entertainment	
253	IEXP-41873	11/22/05	12/1/05	462.53	24.05	010	1501	9210	05411	Meals & Entertainment	
254	IEXP-42338	11/30/05	12/5/05	20.00	1.04	010	1501	9210	05411	Meals & Entertainment	
255	IEXP-43655	12/15/05	12/19/05	70.83	3.68	010	1501	9302	05411	Meals & Entertainment	
256	IEXP-46957	1/31/06	2/2/06	71.54	3.72	010	1501	9210	05411	Meals & Entertainment	
257	IEXP-46961	1/31/06	2/2/06	449.15	23.36	010	1501	9210	05411	Meals & Entertainment	
258	IEXP-47719	2/8/06	2/13/06	453.83	23.60	010	1501	9302	05411	Meals & Entertainment	
259	IEXP-50324	3/24/06	3/27/06	434.85	22.61	010	1501	9302	05411	Meals & Entertainment	
260	IEXP-51526	4/13/06	4/20/06	304.94	15.86	010	1501	9302	05411	Meals & Entertainment	
261	IEXP-51979	4/21/06	4/27/06	184.59	9.60	010	1501	9302	05411	Meals & Entertainment	
262	IEXP-53239	5/12/06	5/18/06	427.22	22.22	010	1501	9210	05411	Meals & Entertainment	
263	IEXP-53599	5/18/06	5/22/06	185.09	9.62	010	1501	9210	05411	Meals & Entertainment	
264	IEXP-54528	6/5/06	6/8/06	288.57	15.01	010	1501	9302	05411	Meals & Entertainment	
265	IEXP-55304	6/16/06	6/22/06	415.98	21.63	010	1501	9210	05411	Meals & Entertainment	
266	IEXP-57475	7/24/06	7/27/06	320.49	16.67	010	1501	9210	05411	Meals & Entertainment	
267	IEXP-58829	8/11/06	8/14/06	469.73	24.43	010	1501	9210	05411	Meals & Entertainment	
268	IEXP-61258	9/7/06	9/11/06	423.49	22.02	010	1501	9210	05411	Meals & Entertainment	
269	IEXP-64083	9/27/06	9/28/06	147.07	7.65	010	1501	9210	05411	Meals & Entertainment	
270	IEXP-46372	1/25/06	1/26/06	72.61	3.78	010	1108	9210	05411	Meals & Entertainment	
271	IEXP-46374	1/25/06	1/26/06	26.00	1.35	010	1108	9210	05411	Meals & Entertainment	
272	IEXP-50865	4/3/06	4/6/06	198.25	10.31	010	1108	9210	05411	Meals & Entertainment	
273	IEXP-50866	4/3/06	4/6/06	72.70	3.78	010	1108	9210	05411	Meals & Entertainment	
274	IEXP-50867	4/3/06	4/6/06	129.99	6.76	010	1108	9210	05411	Meals & Entertainment	
275	IEXP-50868	4/3/06	4/6/06	51.08	2.66	010	1108	9210	05411	Meals & Entertainment	
276	IEXP-50870	4/3/06	4/6/06	35.07	1.82	010	1108	9210	05411	Meals & Entertainment	
277	IEXP-50871	4/3/06	4/6/06	17.13	0.89	010	1108	9210	05411	Meals & Entertainment	
278	IEXP-50874	4/3/06	4/6/06	99.82	5.19	010	1108	9210	05411	Meals & Entertainment	
279	IEXP-54251	5/31/06	6/1/06	117.92	6.13	010	1108	9210	05411	Meals & Entertainment	
280	IEXP-54253	5/31/06	6/1/06	38.68	2.01	010	1108	9210	05411	Meals & Entertainment	
281	IEXP-58348	8/8/06	8/11/06	585.26	30.43	010	1108	9210	05411	Meals & Entertainment	
282	IEXP-58349	8/8/06	8/16/06	284.66	14.80	010	1108	9210	05411	Meals & Entertainment	
283	IEXP-61633	9/11/06	9/14/06	160.24	8.33	010	1108	9210	05411	Meals & Entertainment	
284	IEXP-37043	10/4/05	10/6/05	29.72	1.55	010	1406	9260	05411	Meals & Entertainment	
285	IEXP-48061	2/13/06	2/16/06	109.41	5.69	010	1406	9210	05411	Meals & Entertainment	
286	IEXP-50129	3/21/06	3/23/06	44.01	2.29	010	1406	9210	05411	Meals & Entertainment	
287	IEXP-56331	7/3/06	7/6/06	13.81	0.72	010	1408	9210	05411	Meals & Entertainment	
288	IEXP-59245	8/15/06	8/17/06	50.60	2.63	010	1406	9210	05411	Meals & Entertainment	
289	IEXP-62444	9/18/06	9/21/06	75.82	3.94	010	1406	9210	05411	Meals & Entertainment	
290	IEXP-51514	4/13/06	4/17/06	48.25	2.51	010	1111	9210	05411	Meals & Entertainment	
291	IEXP-57431	7/24/06	7/27/06	17.70	0.92	010	1111	9210	05411	Meals & Entertainment	
292	IEXP-57356	7/21/06	7/27/06	323.85	16.84	010	1133	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
293	IEXP-57357	7/21/06	7/27/06	639.85	33.27	010	1133	9210	05411	Meals & Entertainment	
294	IEXP-48556	2/21/06	3/2/06	172.15	8.95	010	1109	9200	05411	Meals & Entertainment	
295	IEXP-56839	7/12/06	7/13/06	447.35	23.26	010	1109	9200	05411	Meals & Entertainment	
296	IEXP-52467	5/1/06	5/11/06	106.89	5.56	010	1135	9210	05411	Meals & Entertainment	
297	IEXP-39612	11/1/05	11/7/05	2.12	0.11	010	1142	9210	05411	Meals & Entertainment	
298	IEXP-43371	12/12/05	12/15/05	103.00	5.36	010	1142	9210	05411	Meals & Entertainment	
299	IEXP-47631	2/7/06	2/9/06	143.95	7.49	010	1142	9210	05411	Meals & Entertainment	
300	IEXP-56427	7/5/06	7/6/06	95.84	4.98	010	1142	9210	05411	Meals & Entertainment	
301	IEXP-63001	9/22/06	9/28/06	126.23	6.56	010	1142	9210	05411	Meals & Entertainment	
302	IEXP-41474	11/17/05	11/21/05	35.00	1.82	010	1501	9302	05411	Meals & Entertainment	
303	IEXP-48052	2/13/06	2/16/06	46.38	2.41	010	1502	9302	05411	Meals & Entertainment	
304	IEXP-50330	3/24/06	3/27/06	29.32	1.52	010	1504	9302	05411	Meals & Entertainment	
305	IEXP-51483	4/13/06	4/17/06	251.89	13.10	010	1501	9302	05411	Meals & Entertainment	
306	IEXP-51486	4/13/06	4/17/06	25.00	1.30	010	1504	9302	05411	Meals & Entertainment	
307	IEXP-55040	6/13/06	6/15/06	105.48	5.48	010	1504	9302	05411	Meals & Entertainment	
308	IEXP-57245	7/20/06	7/24/06	26.20	1.36	010	1504	9302	05411	Meals & Entertainment	
309	IEXP-62462	9/18/06	9/28/06	29.30	1.52	010	1501	9302	05411	Meals & Entertainment	
310	IEXP-37117	10/5/05	10/11/05	46.42	2.41	010	1137	9210	05411	Meals & Entertainment	
311	IEXP-46571	1/27/06	2/2/06	337.98	17.57	010	1137	9210	05411	Meals & Entertainment	
312	IEXP-51362	4/11/06	4/13/06	22.71	1.18	010	1137	9210	05411	Meals & Entertainment	
313	IEXP-54817	6/9/06	6/19/06	35.55	1.85	010	1137	9210	05411	Meals & Entertainment	
314	IEXP-48094	2/14/06	2/16/06	419.64	21.82	010	1115	9200	05411	Meals & Entertainment	
315	IEXP-49999	3/18/06	3/23/06	434.89	22.61	010	1115	9200	05411	Meals & Entertainment	
316	IEXP-50342	3/24/06	3/27/06	602.65	31.34	010	1115	9200	05411	Meals & Entertainment	
317	IEXP-51435	4/12/06	4/13/06	153.56	7.99	010	1115	9200	05411	Meals & Entertainment	
318	IEXP-52640	5/3/06	5/4/06	237.02	12.33	010	1115	9200	05411	Meals & Entertainment	
319	IEXP-53829	5/23/06	5/25/06	179.67	9.34	010	1115	9200	05411	Meals & Entertainment	
320	IEXP-53888	5/24/06	5/30/06	657.50	34.19	010	1115	9200	05411	Meals & Entertainment	
321	IEXP-40649	11/9/05	11/17/05	143.94	7.48	010	1401	9210	05411	Meals & Entertainment	
322	IEXP-48491	2/20/06	2/21/06	2.36	0.12	010	1401	9210	05411	Meals & Entertainment	
323	IEXP-51443	4/12/06	4/20/06	72.28	3.76	010	1401	9210	05411	Meals & Entertainment	
324	IEXP-48839	2/27/06	3/2/06	115.41	6.00	010	1407	9210	05411	Meals & Entertainment	
325	IEXP-52379	4/29/06	5/4/06	148.15	7.70	010	1407	9210	05411	Meals & Entertainment	
326	IEXP-54459	6/5/06	6/8/06	9.84	0.51	010	1407	9210	05411	Meals & Entertainment	
327	IEXP-45916	1/19/06	1/23/06	124.97	6.50	010	1137	9210	05411	Meals & Entertainment	
328	IEXP-52082	4/24/06	4/27/06	38.73	2.01	010	1137	9210	05411	Meals & Entertainment	
329	IEXP-53747	5/22/06	5/25/06	24.58	1.28	010	1137	9210	05411	Meals & Entertainment	
330	IEXP-58069	8/1/06	8/3/06	94.65	4.92	010	1137	9210	05411	Meals & Entertainment	
331	IEXP-62973	9/25/06	9/28/06	56.13	2.92	010	1137	9210	05411	Meals & Entertainment	
332	IEXP-37769	10/14/05	10/20/05	170.36	8.86	010	1129	9210	05411	Meals & Entertainment	
333	IEXP-38438	10/20/05	10/24/05	282.27	14.68	010	1129	9210	05411	Meals & Entertainment	
334	IEXP-50539	3/28/06	4/6/06	139.33	7.25	010	1129	9210	05411	Meals & Entertainment	
335	IEXP-52099	4/24/06	4/27/06	163.93	8.52	010	1129	9210	05411	Meals & Entertainment	
336	IEXP-57767	7/27/06	8/3/06	894.00	46.49	010	1129	9210	05411	Meals & Entertainment	
337	IEXP-47553	2/6/06	2/9/06	119.92	6.24	010	1109	9200	05411	Meals & Entertainment	
338	IEXP-48624	2/22/06	2/23/06	277.94	14.45	010	1109	9200	05411	Meals & Entertainment	
339	IEXP-38450	10/21/05	10/24/05	250.41	13.02	010	1120	9210	05411	Meals & Entertainment	
340	IEXP-43687	12/15/05	12/19/05	371.37	19.31	010	1120	9210	05411	Meals & Entertainment	
341	IEXP-52901	5/5/06	5/8/06	25.57	1.33	010	1120	9210	05411	Meals & Entertainment	
342	IEXP-54828	6/9/06	6/12/06	20.00	1.04	010	1120	9210	05411	Meals & Entertainment	
343	IEXP-57008	7/14/06	7/20/06	30.82	1.60	010	1120	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
344	IEXP-57336	7/21/06	7/27/06	169.73	8.83	010	1120	9210	05411	Meals & Entertainment	
345	IEXP-58330	8/7/06	8/14/06	82.46	4.29	010	1120	9210	05411	Meals & Entertainment	
346	IEXP-60006	8/24/06	8/31/06	34.14	1.78	010	1120	9210	05411	Meals & Entertainment	
347	IEXP-56533	7/6/06	7/10/06	91.90	4.78	010	1148	9030	05411	Meals & Entertainment	
348	IEXP-38625	10/24/05	10/31/05	51.86	2.70	010	1129	9210	05411	Meals & Entertainment	
349	IEXP-48366	2/17/06	2/21/06	1,194.24	62.10	010	1109	9200	05411	Meals & Entertainment	
350	IEXP-50283	3/23/06	3/27/06	235.35	12.24	010	1115	9210	05411	Meals & Entertainment	
351	IEXP-55209	6/15/06	6/19/06	45.35	2.36	010	1115	9210	05411	Meals & Entertainment	
352	IEXP-52801	5/5/06	5/11/06	104.68	5.44	010	1135	9210	05411	Meals & Entertainment	
353	IEXP-44254	12/28/05	12/29/05	39.84	2.07	010	1128	9210	05411	Meals & Entertainment	
354	IEXP-54337	6/1/06	6/5/06	77.74	4.04	010	1128	9210	05411	Meals & Entertainment	
355	IEXP-55627	6/22/06	6/26/06	27.54	1.43	010	1128	9210	05411	Meals & Entertainment	
356	IEXP-49923	3/16/06	3/20/06	98.01	5.10	010	1119	9210	05411	Meals & Entertainment	
357	IEXP-42850	12/5/05	12/8/05	379.50	19.73	010	1200	9210	05411	Meals & Entertainment	
358	IEXP-44489	1/3/06	1/9/06	232.06	12.07	010	1200	9210	05411	Meals & Entertainment	
359	IEXP-47524	2/6/06	2/16/06	390.22	20.29	010	1200	9210	05411	Meals & Entertainment	
360	IEXP-49659	3/13/06	3/16/06	728.30	37.87	010	1200	9210	05411	Meals & Entertainment	
361	IEXP-50361	3/24/06	4/10/06	772.20	40.15	010	1200	9210	05411	Meals & Entertainment	
362	IEXP-52266	4/27/06	5/1/06	356.01	18.51	010	1200	9210	05411	Meals & Entertainment	
363	IEXP-55601	6/22/06	6/26/06	376.76	19.59	010	1200	9210	05411	Meals & Entertainment	
364	IEXP-58007	7/31/06	8/3/06	448.75	23.34	010	1200	9210	05411	Meals & Entertainment	
365	IEXP-59720	8/21/06	8/28/06	131.79	6.85	010	1200	9210	05411	Meals & Entertainment	
366	IEXP-37339	10/7/05	10/11/05	138.76	7.22	010	1123	9210	05411	Meals & Entertainment	
367	IEXP-63634	9/26/06	9/28/06	94.00	4.89	010	1144	9210	05411	Meals & Entertainment	
368	IEXP-63634	9/26/06	9/28/06	312.75	16.26	010	1123	9210	05411	Meals & Entertainment	
369	IEXP-62121	9/14/06	9/18/06	153.86	8.00	010	1126	9210	05411	Meals & Entertainment	
370	IEXP-43706	12/15/05	12/19/05	281.33	14.63	010	1108	9210	05411	Meals & Entertainment	
371	IEXP-48542	2/21/06	2/23/06	143.45	7.46	010	1108	9210	05411	Meals & Entertainment	
372	IEXP-37811	10/14/05	10/20/05	291.99	15.18	010	1135	9210	05411	Meals & Entertainment	
373	IEXP-44036	12/21/05	12/22/05	56.00	2.91	010	1135	9210	05411	Meals & Entertainment	
374	IEXP-45752	1/17/06	1/19/06	104.95	5.46	010	1135	9210	05411	Meals & Entertainment	
375	IEXP-50087	3/20/06	3/23/06	320.59	16.67	010	1135	9210	05411	Meals & Entertainment	
376	IEXP-52205	4/26/06	4/27/06	148.42	7.72	010	1135	9210	05411	Meals & Entertainment	
377	IEXP-54983	6/13/06	6/15/06	504.26	26.22	010	1135	9210	05411	Meals & Entertainment	
378	IEXP-58292	8/7/06	8/11/06	182.83	9.51	010	1135	9210	05411	Meals & Entertainment	
379	IEXP-60475	8/29/06	9/5/06	344.06	17.89	010	1135	9210	05411	Meals & Entertainment	
380	IEXP-41469	11/17/05	11/21/05	121.36	6.31	010	1401	9210	05411	Meals & Entertainment	
381	IEXP-44240	12/27/05	1/5/06	25.72	1.34	010	1401	9210	05411	Meals & Entertainment	
382	IEXP-44776	1/5/06	1/9/06	298.38	15.52	010	1401	9210	05411	Meals & Entertainment	
383	IEXP-47291	2/2/06	2/13/06	11.39	0.59	010	1401	9210	05411	Meals & Entertainment	
384	IEXP-49469	3/8/06	3/16/06	235.93	12.27	010	1954	9230	05411	Meals & Entertainment	
385	IEXP-49546	3/9/06	3/16/06	85.17	4.43	010	1401	9210	05411	Meals & Entertainment	
386	IEXP-49546	3/9/06	3/16/06	190.81	9.92	010	1408	9210	05411	Meals & Entertainment	
387	IEXP-50589	3/29/06	3/30/06	98.68	5.13	010	1401	9210	05411	Meals & Entertainment	
388	IEXP-51910	4/20/06	4/24/06	388.41	20.20	010	1408	9210	05411	Meals & Entertainment	
389	IEXP-51910	4/20/06	4/24/06	1,706.25	88.73	010	1954	9210	05411	Meals & Entertainment	
390	IEXP-56579	7/7/06	7/10/06	757.40	39.38	010	1954	9210	05411	Meals & Entertainment	
391	IEXP-56579	7/7/06	7/10/06	1,197.08	62.25	010	1401	9210	05411	Meals & Entertainment	
392	IEXP-60476	8/30/06	9/5/06	146.40	7.61	010	1401	9210	05411	Meals & Entertainment	
393	IEXP-60476	8/30/06	9/5/06	324.67	16.88	010	1408	9210	05411	Meals & Entertainment	
394	IEXP-62135	9/15/06	9/18/06	258.08	13.42	010	1401	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
395	EXP072106	7/21/06	7/28/06	29.32	1.52	010	1408	9210	05411	Meals & Entertainment	
396	IEXP-60602	8/30/06	9/5/06	859.01	44.67	010	1153	9210	05411	Meals & Entertainment	
397	IEXP-43944	12/20/05	12/22/05	366.19	19.04	010	1161	9210	05411	Meals & Entertainment	
398	IEXP-45290	1/11/06	1/12/06	47.02	2.45	010	1126	9210	05411	Meals & Entertainment	
399	IEXP-47828	2/9/06	2/16/06	41.43	2.15	010	1126	9210	05411	Meals & Entertainment	
400	IEXP-51159	4/6/06	4/10/06	287.94	14.97	010	1161	9210	05411	Meals & Entertainment	
401	IEXP-57125	7/18/06	7/20/06	19.86	1.03	010	1161	9210	05411	Meals & Entertainment	
402	IEXP-62902	9/21/06	9/25/06	99.59	5.18	010	1126	9210	05411	Meals & Entertainment	
403	IEXP-50457	3/27/06	3/30/06	176.00	9.15	010	1144	9210	05411	Meals & Entertainment	
404	IEXP-54728	6/8/06	6/12/06	80.72	4.20	010	1144	9210	05411	Meals & Entertainment	
405	IEXP-43622	12/14/05	12/19/05	92.65	4.82	010	1130	9210	05411	Meals & Entertainment	
406	IEXP-47914	2/10/06	2/16/06	27.34	1.42	010	1130	9210	05411	Meals & Entertainment	
407	IEXP-49790	3/14/06	3/16/06	115.51	6.01	010	1130	9210	05411	Meals & Entertainment	
408	IEXP-51392	4/11/06	4/20/06	271.34	14.11	010	1130	9210	05411	Meals & Entertainment	
409	IEXP-53093	5/10/06	5/22/06	156.07	8.12	010	1130	9210	05411	Meals & Entertainment	
410	IEXP-54925	6/12/06	6/19/06	276.08	14.36	010	1130	9210	05411	Meals & Entertainment	
411	IEXP-56900	7/13/06	7/20/06	70.26	3.65	010	1130	9210	05411	Meals & Entertainment	
412	IEXP-59115	8/14/06	8/21/06	243.40	12.66	010	1130	9210	05411	Meals & Entertainment	
413	IEXP-61583	9/11/06	9/14/06	440.37	22.90	010	1130	9210	05411	Meals & Entertainment	
414	IEXP-37042	10/4/05	10/6/05	12.11	0.63	010	1953	9210	05411	Meals & Entertainment	
415	IEXP-44656	1/4/06	1/9/06	91.16	4.74	010	1953	9210	05411	Meals & Entertainment	
416	IEXP-41881	11/22/05	12/8/05	165.47	8.60	010	1116	9210	05411	Meals & Entertainment	
417	IEXP-45675	1/16/06	1/19/06	229.02	11.91	010	1116	9210	05411	Meals & Entertainment	
418	IEXP-53533	5/17/06	5/25/06	246.77	12.83	010	1116	9210	05411	Meals & Entertainment	
419	IEXP-55270	6/16/06	6/19/06	77.00	4.00	010	1116	9210	05411	Meals & Entertainment	
420	IEXP-56782	7/11/06	7/13/06	198.20	10.31	010	1116	9210	05411	Meals & Entertainment	
421	IEXP-51506	4/13/06	4/20/06	69.75	3.63	010	1505	9210	05411	Meals & Entertainment	
422	IEXP-53241	5/12/06	5/15/06	139.99	7.28	010	1505	9210	05411	Meals & Entertainment	
423	IEXP-37436	10/10/05	10/20/05	63.76	3.32	010	1408	9210	05411	Meals & Entertainment	
424	IEXP-43985	12/20/05	12/29/05	543.04	28.24	010	1408	9210	05411	Meals & Entertainment	
425	IEXP-46164	1/23/06	1/26/06	5,256.18	273.32	010	1408	9210	05411	Meals & Entertainment	
426	IEXP-48970	2/28/06	3/16/06	317.07	16.49	010	1408	9210	05411	Meals & Entertainment	
427	IEXP-53339	5/15/06	5/18/06	5,272.90	274.19	010	1408	9210	05411	Meals & Entertainment	
428	IEXP-60385	8/28/06	8/31/06	165.32	8.60	010	1408	9230	05411	Meals & Entertainment	
429	IEXP-60387	8/28/06	8/31/06	1,107.00	57.56	010	1408	9210	05411	Meals & Entertainment	
430	IEXP-46633	1/27/06	2/2/06	30.00	1.56	010	1401	9210	05411	Meals & Entertainment	
431	IEXP-56208	6/30/06	7/6/06	44.18	2.30	010	1401	9210	05411	Meals & Entertainment	
432	IEXP-60499	8/30/06	9/7/06	49.56	2.58	010	1401	9210	05411	Meals & Entertainment	
433	IEXP-52041	4/24/06	4/27/06	73.93	3.84	010	1135	9210	05411	Meals & Entertainment	
434	IEXP-53619	5/19/06	5/22/06	28.86	1.50	010	1135	9210	05411	Meals & Entertainment	
435	IEXP-39310	10/29/05	10/31/05	111.07	5.78	010	1117	9210	05411	Meals & Entertainment	
436	IEXP-54699	6/7/06	6/8/06	96.77	5.03	010	1117	9210	05411	Meals & Entertainment	
437	IEXP-56879	7/13/06	7/17/06	54.62	2.84	010	1117	9210	05411	Meals & Entertainment	
438	IEXP-37039	10/4/05	10/6/05	54.15	2.82	010	1134	9210	05411	Meals & Entertainment	
439	IEXP-43356	12/12/05	12/15/05	712.46	37.05	010	1134	9210	05411	Meals & Entertainment	
440	IEXP-49671	3/13/06	3/16/06	31.50	1.64	010	1134	9210	05411	Meals & Entertainment	
441	IEXP-54394	6/2/06	6/5/06	168.40	8.76	010	1134	9210	05411	Meals & Entertainment	
442	IEXP-41888	11/22/05	11/23/05	31.30	1.63	010	1504	9302	05411	Meals & Entertainment	
443	IEXP-49129	3/2/06	3/6/06	20.00	1.04	010	1503	9210	05411	Meals & Entertainment	
444	IEXP-51459	4/12/06	4/13/06	51.23	2.66	010	1501	9302	05411	Meals & Entertainment	
445	IEXP-53391	5/15/06	5/18/06	45.00	2.34	010	1501	9302	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
446	IEXP-55540	6/21/06	7/6/06	42.00	2.18	010	1501	9302	05411	Meals & Entertainment	
447	IEXP-57620	7/25/06	7/27/06	47.32	2.46	010	1501	9302	05411	Meals & Entertainment	
448	IEXP-59956	8/25/06	8/28/06	34.85	1.81	010	1501	9302	05411	Meals & Entertainment	
449	IEXP-63103	9/25/06	9/28/06	54.17	2.82	010	1501	9302	05411	Meals & Entertainment	
450	IEXP-51739	4/18/06	4/20/06	111.58	5.80	010	1135	9210	05411	Meals & Entertainment	
451	IEXP-56929	7/13/06	7/24/06	52.85	2.75	010	1123	9210	05411	Meals & Entertainment	
452	IEXP-56929	7/13/06	7/24/06	52.85	2.75	010	1145	9210	05411	Meals & Entertainment	
453	IEXP-45407	1/12/06	1/16/06	30.00	1.56	010	1118	9210	05411	Meals & Entertainment	
454	IEXP-49191	3/3/06	3/6/06	60.87	3.17	010	1118	9210	05411	Meals & Entertainment	
455	IEXP-50905	4/3/06	4/6/06	148.95	7.75	010	1118	9210	05411	Meals & Entertainment	
456	IEXP-52162	4/25/06	4/27/06	63.43	3.30	010	1118	9210	05411	Meals & Entertainment	
457	IEXP-52974	5/8/06	5/11/06	134.44	6.99	010	1118	9210	05411	Meals & Entertainment	
458	IEXP-54102	5/30/06	6/5/06	138.00	7.18	010	1118	9210	05411	Meals & Entertainment	
459	IEXP-56951	7/14/06	7/17/06	202.46	10.53	010	1118	9210	05411	Meals & Entertainment	
460	IEXP-59095	8/14/06	8/16/06	25.00	1.30	010	1118	9210	05411	Meals & Entertainment	
461	IEXP-60425	8/28/06	8/31/06	30.00	1.56	010	1118	9210	05411	Meals & Entertainment	
462	IEXP-63090	9/25/06	9/28/06	47.00	2.44	010	1118	9210	05411	Meals & Entertainment	
463	IEXP-36923	10/3/05	10/6/05	300.33	15.62	010	1137	9210	05411	Meals & Entertainment	
464	IEXP-60427	8/28/06	9/5/06	99.58	5.18	010	1150	9210	05411	Meals & Entertainment	
465	IEXP-60740	8/31/06	9/7/06	715.87	37.23	010	1130	9210	05411	Meals & Entertainment	
466	IEXP-37002	10/3/05	10/6/05	226.15	11.76	010	1109	9210	05411	Meals & Entertainment	
467	IEXP-41234	11/15/05	11/17/05	107.72	5.60	010	1111	9210	05411	Meals & Entertainment	
468	IEXP-46307	1/24/06	1/26/06	3,526.17	183.36	010	1109	9210	05411	Meals & Entertainment	
469	IEXP-48391	2/17/06	2/21/06	61.64	3.21	010	1109	9210	05411	Meals & Entertainment	
470	IEXP-48393	2/17/06	2/21/06	3,296.99	171.44	010	1109	9210	05411	Meals & Entertainment	
471	IEXP-48397	2/17/06	2/21/06	1,712.50	89.05	010	1109	9210	05411	Meals & Entertainment	
472	IEXP-49052	3/1/06	3/2/06	730.00	37.96	010	1109	9210	05411	Meals & Entertainment	
473	IEXP-50246	3/23/06	3/27/06	110.34	5.74	010	1109	9210	05411	Meals & Entertainment	
474	IEXP-52216	4/26/06	4/27/06	72.18	3.75	010	1109	9210	05411	Meals & Entertainment	
475	IEXP-54551	6/5/06	6/8/06	83.05	4.32	010	1109	9210	05411	Meals & Entertainment	
476	IEXP-60110	8/25/06	8/28/06	91.57	4.76	010	1109	9210	05411	Meals & Entertainment	
477	IEXP-39655	11/1/05	11/3/05	43.29	2.25	010	1137	9210	05411	Meals & Entertainment	
478	IEXP-45917	1/19/06	1/23/06	56.33	2.93	010	1137	9210	05411	Meals & Entertainment	
479	IEXP-47116	2/1/06	2/2/06	30.78	1.60	010	1137	9210	05411	Meals & Entertainment	
480	IEXP-57602	7/25/06	7/27/06	114.45	5.95	010	1137	9210	05411	Meals & Entertainment	
481	IEXP-47299	2/2/06	2/16/06	838.62	43.61	010	1115	9210	05411	Meals & Entertainment	
482	IEXP-47299	2/2/06	2/16/06	838.63	43.61	010	1148	9210	05411	Meals & Entertainment	
483	IEXP-49797	3/14/06	3/20/06	1,081.96	56.26	010	1115	9210	05411	Meals & Entertainment	
484	IEXP-49797	3/14/06	3/20/06	1,081.96	56.26	010	1148	9210	05411	Meals & Entertainment	
485	IEXP-54659	6/7/06	6/15/06	569.17	29.60	010	1115	9210	05411	Meals & Entertainment	
486	IEXP-54659	6/7/06	6/15/06	569.17	29.60	010	1148	9210	05411	Meals & Entertainment	
487	IEXP-61721	9/12/06	9/18/06	796.35	41.41	010	1115	9210	05411	Meals & Entertainment	
488	IEXP-61721	9/12/06	9/18/06	796.35	41.41	010	1148	9210	05411	Meals & Entertainment	
489	IEXP-53830	5/23/06	6/1/06	33.00	1.72	010	1129	9210	05411	Meals & Entertainment	
490	IEXP-54960	6/12/06	6/15/06	8.21	0.43	010	1129	9210	05411	Meals & Entertainment	
491	IEXP-46947	1/31/06	2/2/06	246.60	12.82	010	1109	9200	05411	Meals & Entertainment	
492	IEXP-48980	2/28/06	3/9/06	140.99	7.33	010	1115	9200	05411	Meals & Entertainment	
493	IEXP-49691	3/13/06	3/16/06	123.45	6.42	010	1109	9200	05411	Meals & Entertainment	
494	IEXP-41872	11/22/05	12/1/05	127.43	6.63	010	1501	9302	05411	Meals & Entertainment	
495	IEXP-58888	8/11/06	8/14/06	102.94	5.35	010	1501	9302	05411	Meals & Entertainment	
496	IEXP-61597	9/11/06	9/14/06	439.83	22.87	010	1501	9302	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
497	IEXP-48093	2/14/06	3/2/06	232.60	12.10	010	1115	9200	05411	Meals & Entertainment	
498	IEXP-51250	4/7/06	4/13/06	331.47	17.24	010	1115	9200	05411	Meals & Entertainment	
499	IEXP-51254	4/7/06	4/13/06	13.00	0.68	010	1115	9200	05411	Meals & Entertainment	
500	IEXP-46248	1/24/06	1/26/06	21.12	1.10	010	1125	9210	05411	Meals & Entertainment	
501	IEXP-53924	5/25/06	5/30/06	46.18	2.40	010	1125	9210	05411	Meals & Entertainment	
502	IEXP-56810	7/12/06	7/13/06	8.95	0.47	010	1125	9210	05411	Meals & Entertainment	
503	IEXP-61255	9/7/06	9/11/06	170.83	8.88	010	1126	9210	05411	Meals & Entertainment	
504	IEXP-37301	10/7/05	10/11/05	18.38	0.96	010	1120	9210	05411	Meals & Entertainment	
505	IEXP-42260	11/30/05	12/1/05	115.23	5.99	010	1913	9210	05411	Meals & Entertainment	
506	IEXP-51002	4/4/06	4/6/06	94.02	4.89	010	1913	9210	05411	Meals & Entertainment	
507	IEXP-51003	4/4/06	4/6/06	31.09	1.62	010	1913	9210	05411	Meals & Entertainment	
508	IEXP-55110	6/14/06	6/15/06	87.82	4.57	010	1913	9210	05411	Meals & Entertainment	
509	IEXP-56957	7/14/06	7/20/06	372.96	19.39	010	1913	9210	05411	Meals & Entertainment	
510	IEXP-62645	9/19/06	9/21/06	104.17	5.42	010	1913	9210	05411	Meals & Entertainment	
511	IEXP-50451	3/27/06	4/3/06	30.00	1.56	010	1405	9210	05411	Meals & Entertainment	
512	IEXP-40142	11/4/05	11/7/05	252.06	13.11	010	1107	9210	05411	Meals & Entertainment	
513	IEXP-40678	11/9/05	11/10/05	100.61	5.23	010	1501	9302	05411	Meals & Entertainment	
514	IEXP-40679	11/9/05	11/10/05	511.69	26.61	010	1501	9302	05411	Meals & Entertainment	
515	IEXP-41882	11/22/05	12/12/05	94.96	4.94	010	1501	9302	05411	Meals & Entertainment	
516	IEXP-41885	11/22/05	12/12/05	1.92	0.10	010	1501	9302	05411	Meals & Entertainment	
517	IEXP-45399	1/12/06	1/16/06	29.52	1.54	010	1501	9302	05411	Meals & Entertainment	
518	IEXP-45400	1/12/06	1/16/06	68.80	3.58	010	1501	9302	05411	Meals & Entertainment	
519	IEXP-45404	1/12/06	1/16/06	13.34	0.69	010	1501	9302	05411	Meals & Entertainment	
520	IEXP-45405	1/12/06	1/16/06	135.72	7.06	010	1501	9302	05411	Meals & Entertainment	
521	IEXP-48501	2/20/06	2/23/06	103.74	5.39	010	1501	9302	05411	Meals & Entertainment	
522	IEXP-48502	2/20/06	2/23/06	15.59	0.81	010	1501	9302	05411	Meals & Entertainment	
523	IEXP-48527	2/21/06	2/23/06	79.66	4.14	010	1501	9302	05411	Meals & Entertainment	
524	IEXP-50269	3/23/06	3/27/06	323.07	16.80	010	1501	9302	05411	Meals & Entertainment	
525	IEXP-50271	3/23/06	3/27/06	58.67	3.05	010	1501	9302	05411	Meals & Entertainment	
526	IEXP-51868	4/20/06	4/27/06	191.73	9.97	010	1501	9302	05411	Meals & Entertainment	
527	IEXP-57862	7/28/06	8/3/06	110.80	5.76	010	1501	9302	05411	Meals & Entertainment	
528	IEXP-61623	9/11/06	9/14/06	222.35	11.56	010	1501	9302	05411	Meals & Entertainment	
529	IEXP-61624	9/11/06	9/14/06	5.95	0.31	010	1501	9302	05411	Meals & Entertainment	
530	IEXP-40616	11/9/05	11/10/05	86.74	4.51	010	1137	9210	05411	Meals & Entertainment	
531	IEXP-41450	11/17/05	11/21/05	74.85	3.89	010	1137	9210	05411	Meals & Entertainment	
532	IEXP-46271	1/24/06	1/26/06	210.46	10.94	010	1137	9210	05411	Meals & Entertainment	
533	IEXP-49402	3/7/06	3/9/06	111.37	5.79	010	1137	9210	05411	Meals & Entertainment	
534	IEXP-49789	3/14/06	3/16/06	106.85	5.56	010	1137	9210	05411	Meals & Entertainment	
535	IEXP-52966	5/8/06	5/11/06	127.91	6.65	010	1137	9210	05411	Meals & Entertainment	
536	IEXP-56837	7/12/06	7/17/06	472.93	24.59	010	1137	9210	05411	Meals & Entertainment	
537	IEXP-58354	8/8/06	8/10/06	80.58	4.19	010	1137	9210	05411	Meals & Entertainment	
538	IEXP-60118	8/25/06	8/31/06	70.14	3.65	010	1137	9210	05411	Meals & Entertainment	
539	IEXP-37867	10/16/05	10/20/05	105.04	5.46	010	1142	9210	05411	Meals & Entertainment	
540	IEXP-39328	10/30/05	11/3/05	238.22	12.39	010	1142	9210	05411	Meals & Entertainment	
541	IEXP-40749	11/10/05	11/14/05	50.41	2.62	010	1142	9210	05411	Meals & Entertainment	
542	IEXP-43625	12/14/05	12/15/05	191.13	9.94	010	1142	9210	05411	Meals & Entertainment	
543	IEXP-51695	4/18/06	4/20/06	177.31	9.22	010	1142	9210	05411	Meals & Entertainment	
544	IEXP-54059	5/28/06	6/5/06	293.93	15.28	010	1142	9210	05411	Meals & Entertainment	
545	IEXP-55479	6/20/06	6/26/06	82.97	4.31	010	1142	9210	05411	Meals & Entertainment	
546	IEXP-60200	8/27/06	8/31/06	104.15	5.42	010	1142	9210	05411	Meals & Entertainment	
547	IEXP-43675	12/15/05	12/19/05	30.00	1.56	010	1121	9302	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
548	IEXP-53759	5/22/06	5/25/06	111.76	5.81	010	1125	9210	05411	Meals & Entertainment	
549	IEXP-51969	4/21/06	4/24/06	186.58	9.70	010	1135	9210	05411	Meals & Entertainment	
550	IEXP-43408	12/12/05	12/15/05	57.05	2.97	010	1144	9210	05411	Meals & Entertainment	
551	IEXP-51682	4/18/06	4/20/06	150.57	7.83	010	1125	9210	05411	Meals & Entertainment	
552	IEXP-46067	1/21/06	1/26/06	126.43	6.57	010	1109	9200	05411	Meals & Entertainment	
553	IEXP-46687	1/28/06	2/2/06	134.25	6.98	010	1109	9200	05411	Meals & Entertainment	
554	IEXP-47434	2/4/06	2/9/06	53.15	2.76	010	1109	9200	05411	Meals & Entertainment	
555	IEXP-47947	2/11/06	2/23/06	134.86	7.01	010	1109	9200	05411	Meals & Entertainment	
556	IEXP-49352	3/6/06	3/13/06	156.84	8.16	010	1109	9200	05411	Meals & Entertainment	
557	IEXP-49352	3/6/06	3/13/06	179.44	9.33	010	1115	9200	05411	Meals & Entertainment	
558	IEXP-49760	3/14/06	3/23/06	380.09	19.76	010	1115	9200	05411	Meals & Entertainment	
559	IEXP-45567	1/14/06	1/19/06	107.92	5.61	010	1115	9200	05411	Meals & Entertainment	
560	IEXP-46071	1/21/06	1/26/06	70.45	3.66	010	1115	9200	05411	Meals & Entertainment	
561	IEXP-47815	2/9/06	2/13/06	301.25	15.67	010	1115	9200	05411	Meals & Entertainment	
562	IEXP-44250	12/28/05	12/29/05	46.55	2.42	010	1118	9210	05411	Meals & Entertainment	
563	IEXP-47087	2/1/06	2/6/06	101.89	5.30	010	1118	9210	05411	Meals & Entertainment	
564	IEXP-48343	2/17/06	2/21/06	91.53	4.76	010	1118	9210	05411	Meals & Entertainment	
565	IEXP-40151	11/4/05	11/10/05	1,610.68	83.76	010	1118	9210	05411	Meals & Entertainment	
566	IEXP-42349	11/30/05	12/1/05	214.73	11.17	010	1118	9210	05411	Meals & Entertainment	
567	IEXP-44938	1/6/06	1/12/06	12.50	0.65	010	1118	9210	05411	Meals & Entertainment	
568	IEXP-44938	1/6/06	1/12/06	687.61	35.76	010	1106	9210	05411	Meals & Entertainment	
569	IEXP-45864	1/18/06	1/23/06	357.10	18.57	010	1118	9210	05411	Meals & Entertainment	
570	IEXP-48920	2/27/06	3/2/06	622.53	32.37	010	1118	9210	05411	Meals & Entertainment	
571	IEXP-52123	4/25/06	4/27/06	423.90	22.04	010	1118	9210	05411	Meals & Entertainment	
572	IEXP-55623	6/22/06	6/26/06	173.05	9.00	010	1118	9210	05411	Meals & Entertainment	
573	IEXP-57907	7/28/06	8/3/06	676.60	35.18	010	1118	9210	05411	Meals & Entertainment	
574	IEXP-62571	9/18/06	9/21/06	83.59	4.35	010	1118	9210	05411	Meals & Entertainment	
575	IEXP-46548	1/27/06	1/30/06	170.97	8.89	010	1200	9210	05411	Meals & Entertainment	
576	IEXP-44347	12/29/05	1/9/06	140.94	7.33	010	1148	9210	05411	Meals & Entertainment	
577	IEXP-44347	12/29/05	1/9/06	140.95	7.33	010	1115	9210	05411	Meals & Entertainment	
578	IEXP-47320	2/3/06	2/13/06	212.75	11.06	010	1115	9210	05411	Meals & Entertainment	
579	IEXP-47320	2/3/06	2/13/06	212.75	11.06	010	1148	9210	05411	Meals & Entertainment	
580	IEXP-50572	3/28/06	4/6/06	441.26	22.95	010	1115	9210	05411	Meals & Entertainment	
581	IEXP-50572	3/28/06	4/6/06	441.26	22.95	010	1148	9210	05411	Meals & Entertainment	
582	IEXP-50918	4/3/06	4/13/06	118.14	6.14	010	1123	9210	05411	Meals & Entertainment	
583	IEXP-51064	4/5/06	4/13/06	126.21	6.56	010	1123	9210	05411	Meals & Entertainment	
584	IEXP-53733	5/22/06	5/25/06	52.67	2.74	010	1123	9210	05411	Meals & Entertainment	
585	IEXP-56142	6/29/06	7/3/06	83.16	4.32	010	1123	9210	05411	Meals & Entertainment	
586	IEXP-37290	10/7/05	10/11/05	14.12	0.73	010	1120	9210	05411	Meals & Entertainment	
587	IEXP-41875	11/22/05	11/23/05	28.59	1.49	010	1121	9210	05411	Meals & Entertainment	
588	IEXP-37367	10/8/05	10/17/05	181.25	9.43	010	1121	9210	05411	Meals & Entertainment	
589	IEXP-41771	11/21/05	11/23/05	315.78	16.42	010	1121	9210	05411	Meals & Entertainment	
590	IEXP-44089	12/21/05	1/5/06	159.28	8.28	010	1121	9210	05411	Meals & Entertainment	
591	IEXP-51948	4/21/06	4/24/06	786.71	40.91	010	1121	9210	05411	Meals & Entertainment	
592	IEXP-52522	5/2/06	5/4/06	123.68	6.43	010	1121	9210	05411	Meals & Entertainment	
593	IEXP-56320	7/3/06	7/6/06	142.81	7.43	010	1121	9210	05411	Meals & Entertainment	
594	IEXP-59786	8/22/06	8/24/06	88.88	4.62	010	1121	9210	05411	Meals & Entertainment	
595	IEXP-63984	9/27/06	9/28/06	303.80	15.80	010	1121	9210	05411	Meals & Entertainment	
596	IEXP-37142	10/5/05	10/6/05	38.73	2.01	010	1111	9210	05411	Meals & Entertainment	
597	IEXP-54938	6/12/06	6/15/06	13.91	0.72	010	1111	9210	05411	Meals & Entertainment	
598	IEXP-61104	9/6/06	9/11/06	105.68	5.50	010	1111	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
599	IEXP-48071	2/13/06	2/16/06	93.07	4.84	010	1135	9210	05411	Meals & Entertainment	
600	IEXP-51050	4/5/06	4/6/06	110.58	5.75	010	1135	9210	05411	Meals & Entertainment	
601	IEXP-60876	9/5/06	9/7/06	81.47	4.24	010	1119	9210	05411	Meals & Entertainment	
602	IEXP-52040	4/24/06	4/27/06	14.84	0.77	010	1135	9210	05411	Meals & Entertainment	
603	IEXP-51704	4/18/06	4/27/06	286.46	14.90	010	1001	9210	05411	Meals & Entertainment	
604	IEXP-55559	6/21/06	6/22/06	44.10	2.29	010	1001	9210	05411	Meals & Entertainment	
605	IEXP-61144	9/6/06	9/7/06	522.74	27.18	010	1001	9230	05411	Meals & Entertainment	
606	IEXP-57908	7/28/06	8/3/06	434.17	22.58	010	1111	9210	05411	Meals & Entertainment	
607	IEXP-53749	5/22/06	5/25/06	3.79	0.20	010	1405	9210	05411	Meals & Entertainment	
608	IEXP-56251	6/30/06	7/3/06	47.03	2.45	010	1405	9210	05411	Meals & Entertainment	
609	IEXP-54489	6/5/06	6/8/06	43.69	2.27	010	1110	9210	05411	Meals & Entertainment	
610	IEXP-54489	6/5/06	6/8/06	371.08	19.30	010	1111	9210	05411	Meals & Entertainment	
611	IEXP-56908	7/13/06	7/17/06	1,012.80	52.67	010	1118	9210	05411	Meals & Entertainment	
612	IEXP-41997	11/23/05	11/29/05	76.91	4.00	010	1121	9210	05411	Meals & Entertainment	
613	IEXP-45171	1/10/06	1/23/06	9.07	0.47	010	1121	9210	05411	Meals & Entertainment	
614	IEXP-56317	7/3/06	7/10/06	7.18	0.37	010	1121	9210	05411	Meals & Entertainment	
615	IEXP-36762	9/30/05	10/6/05	1,014.92	52.78	010	1913	9210	05411	Meals & Entertainment	
616	IEXP-39584	11/1/05	11/3/05	64.00	3.33	010	1913	9210	05411	Meals & Entertainment	
617	IEXP-41448	11/17/05	11/21/05	23.28	1.21	010	1913	9210	05411	Meals & Entertainment	
618	IEXP-43549	12/14/05	12/19/05	62.44	3.25	010	1913	9210	05411	Meals & Entertainment	
619	IEXP-44869	1/6/06	1/9/06	32.60	1.70	010	1913	9210	05411	Meals & Entertainment	
620	IEXP-46158	1/23/06	1/26/06	100.25	5.21	010	1913	9210	05411	Meals & Entertainment	
621	IEXP-46547	1/27/06	1/30/06	35.00	1.82	010	1913	9210	05411	Meals & Entertainment	
622	IEXP-48339	2/17/06	2/21/06	80.44	4.18	010	1913	9210	05411	Meals & Entertainment	
623	IEXP-49967	3/17/06	3/20/06	76.10	3.96	010	1913	9210	05411	Meals & Entertainment	
624	IEXP-50446	3/27/06	3/30/06	46.00	2.39	010	1913	9210	05411	Meals & Entertainment	
625	IEXP-50807	4/3/06	4/6/06	35.89	1.87	010	1913	9210	05411	Meals & Entertainment	
626	IEXP-51684	4/18/06	4/20/06	27.79	1.45	010	1913	9210	05411	Meals & Entertainment	
627	IEXP-53801	5/23/06	5/25/06	26.00	1.35	010	1913	9210	05411	Meals & Entertainment	
628	IEXP-55681	6/23/06	6/29/06	147.54	7.67	010	1913	9210	05411	Meals & Entertainment	
629	IEXP-55685	6/23/06	6/26/06	20.83	1.08	010	1913	9210	05411	Meals & Entertainment	
630	IEXP-57962	7/31/06	8/3/06	108.46	5.64	010	1913	9210	05411	Meals & Entertainment	
631	IEXP-59659	8/21/06	8/24/06	32.85	1.71	010	1913	9210	05411	Meals & Entertainment	
632	IEXP-63845	9/27/06	9/28/06	67.15	3.49	010	1913	9210	05411	Meals & Entertainment	
633	IEXP-37289	10/7/05	10/11/05	14.12	0.73	010	1120	9210	05411	Meals & Entertainment	
634	IEXP-38134	10/19/05	10/24/05	99.07	5.15	010	1501	9302	05411	Meals & Entertainment	
635	IEXP-39550	11/1/05	11/3/05	13.06	0.68	010	1501	9302	05411	Meals & Entertainment	
636	IEXP-41229	11/15/05	12/5/05	35.22	1.83	010	1501	9302	05411	Meals & Entertainment	
637	IEXP-47718	2/8/06	2/13/06	10.79	0.56	010	1503	9302	05411	Meals & Entertainment	
638	IEXP-48160	2/15/06	2/16/06	25.17	1.31	010	1503	9302	05411	Meals & Entertainment	
639	IEXP-49588	3/10/06	3/16/06	30.66	1.59	010	1503	9302	05411	Meals & Entertainment	
640	IEXP-52200	4/26/06	5/4/06	179.55	9.34	010	1503	9210	05411	Meals & Entertainment	
641	IEXP-53604	5/18/06	5/22/06	3.00	0.16	010	1503	9210	05411	Meals & Entertainment	
642	IEXP-38549	10/21/05	10/24/05	625.89	32.55	010	1130	9210	05411	Meals & Entertainment	
643	IEXP-45167	1/10/06	1/12/06	133.82	6.96	010	1130	9210	05411	Meals & Entertainment	
644	IEXP-50453	3/27/06	3/30/06	306.31	15.93	010	1130	9210	05411	Meals & Entertainment	
645	IEXP-55573	6/21/06	6/26/06	470.81	24.48	010	1130	9210	05411	Meals & Entertainment	
646	IEXP-61148	9/6/06	9/11/06	210.08	10.92	010	1130	9210	05411	Meals & Entertainment	
647	IEXP-40537	11/8/05	11/10/05	292.90	15.23	010	1110	9210	05411	Meals & Entertainment	
648	IEXP-40538	11/8/05	11/10/05	81.54	4.24	010	1110	9210	05411	Meals & Entertainment	
649	IEXP-43511	12/13/05	12/15/05	358.46	18.64	010	1110	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
650	IEXP-47057	2/1/06	2/2/06	139.44	7.25	010	1110	9210	05411	Meals & Entertainment	
651	IEXP-49448	3/8/06	3/9/06	336.25	17.49	010	1110	9210	05411	Meals & Entertainment	
652	IEXP-52138	4/25/06	4/27/06	99.33	5.17	010	1110	9210	05411	Meals & Entertainment	
653	IEXP-52139	4/25/06	4/27/06	159.34	8.29	010	1111	9210	05411	Meals & Entertainment	
654	IEXP-52140	4/25/06	4/27/06	2,691.55	139.96	010	1111	9210	05411	Meals & Entertainment	
655	IEXP-52141	4/25/06	4/27/06	40.72	2.12	010	1111	9210	05411	Meals & Entertainment	
656	IEXP-54015	5/26/06	6/1/06	138.60	7.21	010	1110	9210	05411	Meals & Entertainment	
657	IEXP-54016	5/26/06	6/1/06	9.00	0.47	010	1110	9210	05411	Meals & Entertainment	
658	IEXP-54017	5/26/06	6/1/06	323.28	16.81	010	1110	9210	05411	Meals & Entertainment	
659	IEXP-57887	7/28/06	7/31/06	428.44	22.28	010	1110	9210	05411	Meals & Entertainment	
660	IEXP-57088	7/17/06	7/27/06	67.59	3.51	010	1137	9210	05411	Meals & Entertainment	
661	IEXP-60629	8/31/06	9/7/06	88.85	4.62	010	1153	9210	05411	Meals & Entertainment	
662	IEXP-54742	6/8/06	6/12/06	62.88	3.27	010	1145	9210	05411	Meals & Entertainment	
663	IEXP-37250	10/6/05	10/11/05	12.77	0.66	010	1120	9210	05411	Meals & Entertainment	
664	IEXP-39610	11/1/05	11/3/05	116.81	6.07	010	1200	9210	05411	Meals & Entertainment	
665	IEXP-44574	1/3/06	1/9/06	367.79	19.13	010	1128	9210	05411	Meals & Entertainment	
666	IEXP-48219	2/15/06	2/16/06	80.28	4.17	010	1128	9210	05411	Meals & Entertainment	
667	IEXP-57255	7/20/06	7/24/06	1,233.55	64.14	010	1128	9210	05411	Meals & Entertainment	
668	IEXP-57898	7/28/06	7/31/06	67.67	3.52	010	1128	9210	05411	Meals & Entertainment	
669	IEXP-61960	9/13/06	9/14/06	23.50	1.22	010	1128	9210	05411	Meals & Entertainment	
670	IEXP-37714	10/13/05	9/1/06	147.15	7.65	010	1130	9210	05411	Meals & Entertainment	
671	IEXP-41289	11/15/05	11/17/05	139.65	7.26	010	1130	9210	05411	Meals & Entertainment	
672	IEXP-43569	12/14/05	12/15/05	154.89	8.05	010	1130	9210	05411	Meals & Entertainment	
673	IEXP-45633	1/16/06	1/19/06	141.24	7.34	010	1130	9210	05411	Meals & Entertainment	
674	IEXP-48129	2/14/06	2/16/06	194.52	10.12	010	1130	9210	05411	Meals & Entertainment	
675	IEXP-49426	3/8/06	3/16/06	212.88	11.07	010	1130	9210	05411	Meals & Entertainment	
676	IEXP-53355	5/15/06	5/22/06	188.21	9.79	010	1130	9210	05411	Meals & Entertainment	
677	IEXP-55005	6/13/06	6/19/06	506.12	26.32	010	1130	9210	05411	Meals & Entertainment	
678	IEXP-56681	7/10/06	7/13/06	303.88	15.80	010	1130	9210	05411	Meals & Entertainment	
679	IEXP-58719	8/10/06	8/16/06	264.45	13.75	010	1130	9210	05411	Meals & Entertainment	
680	IEXP-61722	9/12/06	9/14/06	131.46	6.84	010	1130	9210	05411	Meals & Entertainment	
681	IEXP-46847	1/31/06	2/6/06	180.19	9.37	010	1137	9210	05411	Meals & Entertainment	
682	IEXP-62860	9/21/06	9/25/06	38.20	1.99	010	1153	9210	05411	Meals & Entertainment	
683	IEXP-46308	1/24/06	1/26/06	177.62	9.24	010	1503	9210	05411	Meals & Entertainment	
684	IEXP-52198	4/26/06	5/1/06	37.50	1.95	010	1141	9210	05411	Meals & Entertainment	
685	IEXP-56159	6/29/06	7/3/06	187.28	9.74	010	1116	9210	05411	Meals & Entertainment	
686	IEXP-38779	10/25/05	10/27/05	22.50	1.17	010	1501	9302	05411	Meals & Entertainment	
687	IEXP-38780	10/25/05	10/27/05	10.00	0.52	010	1501	9302	05411	Meals & Entertainment	
688	IEXP-38781	10/25/05	10/27/05	22.05	1.15	010	1501	9302	05411	Meals & Entertainment	
689	IEXP-38783	10/25/05	10/27/05	53.50	2.78	010	1501	9302	05411	Meals & Entertainment	
690	IEXP-40655	11/9/05	11/10/05	91.95	4.78	010	1501	9302	05411	Meals & Entertainment	
691	IEXP-42548	12/2/05	12/8/05	33.22	1.73	010	1501	9302	05411	Meals & Entertainment	
692	IEXP-45047	1/9/06	1/12/06	46.00	2.39	010	1501	9302	05411	Meals & Entertainment	
693	IEXP-45147	1/10/06	1/12/06	25.00	1.30	010	1501	9302	05411	Meals & Entertainment	
694	IEXP-47135	2/1/06	2/6/06	38.50	2.00	010	1501	9302	05411	Meals & Entertainment	
695	IEXP-48908	2/27/06	3/2/06	60.00	3.12	010	1501	9302	05411	Meals & Entertainment	
696	IEXP-50445	3/27/06	3/30/06	51.87	2.70	010	1501	9302	05411	Meals & Entertainment	
697	IEXP-51715	4/18/06	4/20/06	18.00	0.94	010	1501	9302	05411	Meals & Entertainment	
698	IEXP-53644	5/19/06	5/25/06	10.00	0.52	010	1501	9302	05411	Meals & Entertainment	
699	IEXP-53646	5/19/06	5/25/06	15.00	0.78	010	1501	9302	05411	Meals & Entertainment	
700	IEXP-53656	5/19/06	5/25/06	17.04	0.89	010	1501	9302	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
701	IEXP-53686	5/19/06	5/25/06	37.26	1.94	010	1501	9302	05411	Meals & Entertainment	
702	IEXP-57839	7/28/06	8/3/06	46.00	2.39	010	1501	9302	05411	Meals & Entertainment	
703	IEXP-57841	7/28/06	8/3/06	54.66	2.84	010	1501	9302	05411	Meals & Entertainment	
704	IEXP-57860	7/28/06	8/3/06	17.12	0.89	010	1501	9302	05411	Meals & Entertainment	
705	IEXP-60313	8/28/06	9/5/06	44.50	2.31	010	1501	9302	05411	Meals & Entertainment	
706	IEXP-60383	8/28/06	8/31/06	27.70	1.44	010	1501	9302	05411	Meals & Entertainment	
707	IEXP-62251	9/15/06	9/21/06	64.00	3.33	010	1501	9302	05411	Meals & Entertainment	
708	IEXP-60720	8/31/06	9/7/06	52.86	2.75	010	1121	9210	05411	Meals & Entertainment	
709	IEXP-53832	5/23/06	5/25/06	101.09	5.26	010	1141	9302	05411	Meals & Entertainment	
710	IEXP-63225	9/25/06	9/28/06	278.60	14.49	010	1128	9210	05411	Meals & Entertainment	
711	IEXP-39234	10/28/05	10/31/05	48.21	2.51	010	1116	9210	05411	Meals & Entertainment	
712	IEXP-39234	10/28/05	10/31/05	48.21	2.51	010	1117	9210	05411	Meals & Entertainment	
713	IEXP-41767	11/21/05	11/23/05	1,219.05	63.39	010	1148	9210	05411	Meals & Entertainment	
714	IEXP-48341	2/7/06	2/21/06	77.89	4.05	010	1115	9210	05411	Meals & Entertainment	
715	IEXP-48341	2/7/06	2/21/06	77.90	4.05	010	1148	9210	05411	Meals & Entertainment	
716	IEXP-51145	4/6/06	4/13/06	103.27	5.37	010	1115	9210	05411	Meals & Entertainment	
717	IEXP-51145	4/6/06	4/13/06	103.27	5.37	010	1148	9210	05411	Meals & Entertainment	
718	IEXP-39228	10/28/05	10/31/05	41.00	2.13	010	1134	9210	05411	Meals & Entertainment	
719	IEXP-51528	4/13/06	4/20/06	353.10	18.36	010	1134	9210	05411	Meals & Entertainment	
720	IEXP-52444	5/1/06	5/4/06	57.10	2.97	010	1134	9210	05411	Meals & Entertainment	
721	IEXP-62265	9/15/06	9/21/06	59.63	3.10	010	1134	9210	05411	Meals & Entertainment	
722	IEXP-49008	3/1/06	9/1/06	456.84	23.76	010	1115	8700	05411	Meals & Entertainment	
723	IEXP-51021	4/5/06	9/1/06	256.69	13.35	010	1115	8700	05411	Meals & Entertainment	
724	IEXP-46960	1/31/06	2/6/06	98.25	5.11	010	1109	9200	05411	Meals & Entertainment	
725	IEXP-40506	11/8/05	11/10/05	179.98	9.36	010	1126	9302	05411	Meals & Entertainment	
726	IEXP-44583	1/3/06	1/5/06	115.35	6.00	010	1126	9210	05411	Meals & Entertainment	
727	IEXP-50152	3/21/06	3/23/06	29.11	1.51	010	1126	9210	05411	Meals & Entertainment	
728	IEXP-56121	6/29/06	7/3/06	25.59	1.33	010	1123	9210	05411	Meals & Entertainment	
729	IEXP-57820	7/28/06	7/31/06	53.30	2.77	010	1144	9210	05411	Meals & Entertainment	
730	IEXP-50436	3/27/06	3/30/06	37.46	1.95	010	1913	9210	05411	Meals & Entertainment	
731	IEXP-52308	4/28/06	5/1/06	13.56	0.71	010	1913	9210	05411	Meals & Entertainment	
732	IEXP-57762	7/27/06	7/31/06	10.57	0.55	010	1913	9210	05411	Meals & Entertainment	
733	IEXP-63158	9/25/06	9/28/06	25.50	1.33	010	1913	9210	05411	Meals & Entertainment	
734	IEXP-43879	12/19/05	12/22/05	163.98	8.53	010	1408	9210	05411	Meals & Entertainment	
735	IEXP-47910	2/10/06	3/2/06	24.09	1.25	010.	1408	9210	05411	Meals & Entertainment	
736	IEXP-49454	3/8/06	3/16/06	550.10	28.61	010	1408	9210	05411	Meals & Entertainment	
737	IEXP-50843	4/3/06	4/6/06	12.88	0.67	010	1408	9210	05411	Meals & Entertainment	
738	IEXP-50845	4/3/06	4/6/06	20.50	1.07	010	1408	9210	05411	Meals & Entertainment	
739	IEXP-52861	5/5/06	5/15/06	10.00	0.52	010	1408	9210	05411	Meals & Entertainment	
740	IEXP-55290	6/16/06	6/22/06	1,051.05	54.65	010	1408	9210	05411	Meals & Entertainment	
741	IEXP-60403	8/28/06	8/31/06	692.18	35.99	010	1408	9210	05411	Meals & Entertainment	
742	IEXP-49736	3/13/06	3/16/06	358.91	18.66	010	1137	9210	05411	Meals & Entertainment	
743	IEXP-52689	5/3/06	5/4/06	211.23	10.98	010	1137	9210	05411	Meals & Entertainment	
744	IEXP-56437	7/5/06	7/10/06	3.13	0.16	010	1408	9210	05411	Meals & Entertainment	
745	IEXP-57149	7/19/06	7/24/06	86.43	4.49	010	1408	9210	05411	Meals & Entertainment	
746	IEXP-63220	9/25/06	9/28/06	40.59	2.11	010	1148	9210	05411	Meals & Entertainment	
747	IEXP-60559	8/30/06	9/7/06	77.36	4.02	010	1135	9210	05411	Meals & Entertainment	
748	IEXP-54524	6/5/06	6/8/06	142.99	7.44	010	1117	9210	05411	Meals & Entertainment	
749	IEXP-48359	2/17/06	2/21/06	25.49	1.33	010	1210	9210	05411	Meals & Entertainment	
750	IEXP-49746	3/14/06	3/16/06	116.05	6.03	010	1203	9210	05411	Meals & Entertainment	
751	IEXP-52059	4/24/06	4/27/06	142.88	7.43	010	1203	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
752	IEXP-61628	9/11/06	9/14/06	137.18	7.13	010	1203	9210	05411	Meals & Entertainment	
753	IEXP-37072	10/4/05	10/6/05	598.09	31.10	010	1203	9200	05411	Meals & Entertainment	
754	IEXP-41158	11/14/05	11/17/05	32.50	1.69	010	1203	9210	05411	Meals & Entertainment	
755	IEXP-41159	11/14/05	11/17/05	1,425.01	74.10	010	1203	9210	05411	Meals & Entertainment	
756	IEXP-43489	12/13/05	12/15/05	319.13	16.59	010	1203	9210	05411	Meals & Entertainment	
757	IEXP-44943	1/6/06	1/12/06	583.26	30.33	010	1203	9210	05411	Meals & Entertainment	
758	IEXP-47887	2/10/06	2/13/06	728.31	37.87	010	1203	9210	05411	Meals & Entertainment	
759	IEXP-49332	3/6/06	3/9/06	2,180.05	113.36	010	1203	9210	05411	Meals & Entertainment	
760	IEXP-51099	4/6/06	4/10/06	1,290.64	67.11	010	1203	9210	05411	Meals & Entertainment	
761	IEXP-53529	5/17/06	5/22/06	995.78	51.78	010	1203	9210	05411	Meals & Entertainment	
762	IEXP-54670	6/7/06	6/15/06	839.82	43.67	010	1203	9210	05411	Meals & Entertainment	
763	IEXP-55404	6/19/06	6/22/06	210.21	10.93	010	1203	9210	05411	Meals & Entertainment	
764	IEXP-57086	7/17/06	7/20/06	637.70	33.16	010	1203	9210	05411	Meals & Entertainment	
765	IEXP-58810	8/10/06	8/11/06	883.00	45.92	010	1203	9210	05411	Meals & Entertainment	
766	IEXP-61241	9/7/06	9/7/06	508.45	26.44	010	1203	9210	05411	Meals & Entertainment	
767	IEXP-61259	9/7/06	9/11/06	55.00	2.86	010	1203	9210	05411	Meals & Entertainment	
768	IEXP-36937	10/3/05	10/6/05	172.36	8.96	010	1203	9200	05411	Meals & Entertainment	
769	IEXP-39853	11/2/05	11/7/05	428.60	22.29	010	1203	9210	05411	Meals & Entertainment	
770	IEXP-43093	12/7/05	12/15/05	138.14	7.18	010	1203	9210	05411	Meals & Entertainment	
771	IEXP-46270	1/24/06	1/26/06	557.56	28.99	010	1203	9210	05411	Meals & Entertainment	
772	IEXP-48619	2/22/06	2/27/06	160.70	8.36	010	1203	9210	05411	Meals & Entertainment	
773	IEXP-50735	3/31/06	4/6/06	473.95	24.65	010	1203	9210	05411	Meals & Entertainment	
774	IEXP-52701	5/3/06	5/8/06	647.97	33.69	010	1203	9210	05411	Meals & Entertainment	
775	IEXP-54044	5/26/06	6/1/06	420.84	21.88	010	1203	9210	05411	Meals & Entertainment	
776	IEXP-58885	8/10/06	8/14/06	602.48	31.33	010	1203	9210	05411	Meals & Entertainment	
777	IEXP-37750	10/14/05	10/20/05	39.58	2.06	010	1203	9210	05411	Meals & Entertainment	
778	IEXP-45411	1/12/06	1/19/06	64.93	3.38	010	1203	9210	05411	Meals & Entertainment	
779	IEXP-55268	6/16/06	6/22/06	27.55	1.43	010	1203	9210	05411	Meals & Entertainment	
780	IEXP-57669	7/26/06	7/27/06	205.13	10.67	010	1203	9210	05411	Meals & Entertainment	
781	IEXP-61141	9/6/06	9/7/06	40.32	2.10	010	1203	9210	05411	Meals & Entertainment	
782	IEXP-57708	7/26/06	8/3/06	28.79	1.50	010	1210	9210	05411	Meals & Entertainment	
783	IEXP-63909	9/27/06	9/28/06	44.60	2.32	010	1210	9210	05411	Meals & Entertainment	
784	IEXP-37085	10/4/05	10/6/05	58.59	3.05	010	1203	9200	05411	Meals & Entertainment	
785	IEXP-37739	10/14/05	10/20/05	47.25	2.46	010	1203	9210	05411	Meals & Entertainment	
786	IEXP-45848	1/18/06	1/26/06	66.01	3.43	010	1203	9210	05411	Meals & Entertainment	
787	IEXP-48363	2/17/06	2/21/06	38.00	1.98	010	1203	9210	05411	Meals & Entertainment	
788	IEXP-48622	2/22/06	2/27/06	58.71	3.05	010	1203	9210	05411	Meals & Entertainment	
789	IEXP-50774	3/31/06	4/6/06	252.99	13.16	010	1203	9210	05411	Meals & Entertainment	
790	IEXP-51095	4/6/06	4/10/06	273.55	14.22	010	1203	9210	05411	Meals & Entertainment	
791	IEXP-52439	5/1/06	5/4/06	238.10	12.38	010	1203	9210	05411	Meals & Entertainment	
792	IEXP-53838	5/23/06	5/30/06	145.00	7.54	010	1203	9210	05411	Meals & Entertainment	
793	IEXP-53885	5/24/06	5/30/06	100.81	5.24	010	1203	9210	05411	Meals & Entertainment	
794	IEXP-55746	6/23/06	6/29/06	78.84	4.10	010	1203	9210	05411	Meals & Entertainment	
795	IEXP-59322	8/15/06	8/24/06	9.00	0.47	010	1203	9210	05411	Meals & Entertainment	
796	IEXP-57256	7/20/06	7/24/06	15.47	0.80	010	1203	9210	05411	Meals & Entertainment	
797	IEXP-50694	3/30/06	4/6/06	42.76	2.22	010	1203	9210	05411	Meals & Entertainment	
798	IEXP-57001	7/14/06	7/17/06	30.08	1.56	010	1203	9210	05411	Meals & Entertainment	
799	IEXP-59806	8/22/06	8/24/06	38.88	2.02	010	1203	9210	05411	Meals & Entertainment	
800	IEXP-47134	2/1/06	2/2/06	5.62	0.29	010	1210	9210	05411	Meals & Entertainment	
801	IEXP-43432	12/12/05	12/15/05	13.59	0.71	010	1210	9210	05411	Meals & Entertainment	
802	IEXP-43948	12/20/05	12/22/05	88.16	4.58	010	1210	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
803	IEXP-45046	1/9/06	1/12/06	41.87	2.18	010	1210	9210	05411	Meals & Entertainment	
804	IEXP-46653	1/27/06	1/30/06	119.71	6.22	010	1210	9210	05411	Meals & Entertainment	
805	IEXP-47518	2/6/06	2/9/06	724.86	37.69	010	1210	9210	05411	Meals & Entertainment	
806	IEXP-48003	2/13/06	2/16/06	266.30	13.85	010	1210	9210	05411	Meals & Entertainment	
807	IEXP-48789	2/24/06	2/27/06	149.32	7.76	010	1210	9210	05411	Meals & Entertainment	
808	IEXP-49487	3/9/06	3/16/06	418.38	21.76	010	1210	9210	05411	Meals & Entertainment	
809	IEXP-50305	3/23/06	3/27/06	317.51	16.51	010	1210	9210	05411	Meals & Entertainment	
810	IEXP-51241	4/7/06	4/10/06	351.30	18.27	010	1210	9210	05411	Meals & Entertainment	
811	IEXP-52318	4/28/06	5/1/06	520.53	27.07	010	1210	9210	05411	Meals & Entertainment	
812	IEXP-53563	5/18/06	5/22/06	267.33	13.90	010	1210	9210	05411	Meals & Entertainment	
813	IEXP-54494	6/5/06	6/15/06	65.06	3.38	010	1210	9210	05411	Meals & Entertainment	
814	IEXP-54494	6/5/06	9/1/06	2,148.77	111.74	010	1210	9210	05411	Meals & Entertainment	
815	IEXP-54495	6/5/06	6/15/06	923.44	48.02	010	1210	9210	05411	Meals & Entertainment	
816	IEXP-55574	6/21/06	6/22/06	249.98	13.00	010	1210	9210	05411	Meals & Entertainment	
817	IEXP-56817	7/12/06	7/13/06	190.11	9.89	010	1210	9210	05411	Meals & Entertainment	
818	IEXP-56817	7/12/06	9/1/06	1,375.64	71.53	010	1210	9210	05411	Meals & Entertainment	
819	IEXP-56818	7/12/06	7/13/06	21.65	1.13	010	1210	9210	05411	Meals & Entertainment	
820	IEXP-56819	7/12/06	7/13/06	405.35	21.08	010	1210	9210	05411	Meals & Entertainment	
821	IEXP-57743	7/27/06	7/31/06	203.55	10.58	010	1210	9210	05411	Meals & Entertainment	
822	IEXP-59058	8/14/06	8/16/06	268.13	13.94	010	1210	9210	05411	Meals & Entertainment	
823	IEXP-59059	8/14/06	8/16/06	417.96	21.73	010	1210	9210	05411	Meals & Entertainment	
824	IEXP-60450	8/29/06	9/5/06	745.79	38.78	010	1210	9210	05411	Meals & Entertainment	
825	IEXP-60452	8/29/06	9/5/06	80.89	4.21	010	1210	9210	05411	Meals & Entertainment	
826	IEXP-60471	8/29/06	9/5/06	252.02	13.11	010	1210	9210	05411	Meals & Entertainment	
827	IEXP-61460	9/8/06	9/11/06	405.72	21.10	010	1210	9210	05411	Meals & Entertainment	
828	IEXP-62335	9/15/06	9/21/06	81.36	4.23	010	1210	9210	05411	Meals & Entertainment	
829	IEXP-62336	9/15/06	9/21/06	728.73	37.89	010	1210	9210	05411	Meals & Entertainment	
830	IEXP-62337	9/15/06	9/21/06	432.97	22.51	010	1210	9210	05411	Meals & Entertainment	
831	IEXP-58303	8/7/06	9/1/06	142.00	7.38	010	1210	9210	05411	Meals & Entertainment	
832	IEXP-48545	2/21/06	2/23/06	21.00	1.09	010	1203	9210	05411	Meals & Entertainment	
833	IEXP-53886	5/24/06	5/30/06	19.75	1.03	010	1203	9210	05411	Meals & Entertainment	
834	IEXP-37017	10/3/05	10/6/05	258.71	13.45	010	1203	9200	05411	Meals & Entertainment	
835	IEXP-37791	10/14/05	10/24/05	165.37	8.60	010	1203	9200	05411	Meals & Entertainment	
836	IEXP-40276	11/7/05	11/10/05	447.20	23.25	010	1203	9210	05411	Meals & Entertainment	
837	IEXP-42210	11/30/05	12/8/05	160.04	8.32	010	1203	9210	05411	Meals & Entertainment	
838	IEXP-44045	12/21/05	12/22/05	485.09	25.22	010	1203	9210	05411	Meals & Entertainment	
839	IEXP-44358	12/29/05	1/9/06	442.20	22.99	010	1203	9210	05411	Meals & Entertainment	
840	IEXP-44939	1/6/06	1/12/06	171.73	8.93	010	1203	9210	05411	Meals & Entertainment	
841	IEXP-45836	1/18/06	1/26/06	568.36	29.55	010	1203	9210	05411	Meals & Entertainment	
842	IEXP-47330	2/3/06	2/9/06	91.84	4.78	010	1203	9210	05411	Meals & Entertainment	
843	IEXP-48319	2/16/06	2/23/06	144.84	7.53	010	1203	9210	05411	Meals & Entertainment	
844	IEXP-48531	2/21/06	2/23/06	507.72	26.40	010	1203	9210	05411	Meals & Entertainment	
845	IEXP-48977	2/28/06	3/9/06	189.54	9.86	010	1203	9210	05411	Meals & Entertainment	
846	IEXP-49410	3/7/06	3/9/06	237.35	12.34	010	1203	9210	05411	Meals & Entertainment	
847	IEXP-49766	3/14/06	3/20/06	231.86	12.06	010	1203	9210	05411	Meals & Entertainment	
848	IEXP-51091	4/6/06	4/24/06	412.16	21.43	010	1203	9210	05411	Meals & Entertainment	
849	IEXP-51667	4/17/06	4/24/06	29.06	1.51	010	1203	9210	05411	Meals & Entertainment	
850	IEXP-52832	5/5/06	5/11/06	32.27	1.68	010	1203	9210	05411	Meals & Entertainment	
851	IEXP-54027	5/26/06	6/5/06	171.99	8.94	010	1203	9210	05411	Meals & Entertainment	
852	IEXP-55305	6/16/06	6/26/06	106.99	5.56	010	1203	9210	05411	Meals & Entertainment	
853	IEXP-56999	7/14/06	7/24/06	46.77	2.43	010	1203	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
854	IEXP-58723	8/9/06	8/21/06	141.68	7.37	010	1203	9210	05411	Meals & Entertainment	
855	IEXP-59558	8/18/06	8/21/06	52.73	2.74	010	1203	9210	05411	Meals & Entertainment	
856	IEXP-38954	10/26/05	10/27/05	3.01	0.16	010	1203	9210	05411	Meals & Entertainment	
857	IEXP-52355	4/28/06	5/4/06	7.56	0.39	010	1203	9210	05411	Meals & Entertainment	
858	IEXP-59783	8/22/06	8/24/06	38.69	2.01	010	1203	9210	05411	Meals & Entertainment	
859	IEXP-50812	4/3/06	4/6/06	137.69	7.16	010	1203	9210	05411	Meals & Entertainment	
860	IEXP-51813	4/19/06	4/24/06	52.44	2.73	010	1203	9210	05411	Meals & Entertainment	
861	IEXP-53235	5/12/06	5/15/06	21.60	1.12	010	1203	9210	05411	Meals & Entertainment	
862	IEXP-57706	7/26/06	8/3/06	36.69	1.91	010	1210	9210	05411	Meals & Entertainment	
863	IEXP-48858	2/27/06	3/2/06	19.47	1.01	010	1210	9210	05411	Meals & Entertainment	
864	IEXP-58863	8/10/06	8/11/06	88.45	4.60	010	1210	9210	05411	Meals & Entertainment	
865	IEXP-59764	8/22/06	8/28/06	91.12	4.74	010	1210	9210	05411	Meals & Entertainment	
866	IEXP-63121	9/25/06	9/28/06	10.36	0.54	010	1210	9210	05411	Meals & Entertainment	
867	IEXP-43780	12/16/05	12/22/05	41.76	2.17	010	1210	9210	05411	Meals & Entertainment	
868	IEXP-46293	1/24/06	2/2/06	78.57	4.09	010	1210	9210	05411	Meals & Entertainment	
869	IEXP-47827	2/9/06	2/13/06	141.37	7.35	010	1210	9210	05411	Meals & Entertainment	
870	IEXP-48862	2/27/06	3/2/06	59.84	3.11	010	1210	9210	05411	Meals & Entertainment	
871	IEXP-51539	4/13/06	4/17/06	103.84	5.40	010	1210	9210	05411	Meals & Entertainment	
872	IEXP-53746	5/22/06	5/25/06	120.30	6.26	010	1210	9210	05411	Meals & Entertainment	
873	IEXP-54247	5/31/06	9/1/06	1,291.44	67.15	010	1210	9210	05411	Meals & Entertainment	
874	IEXP-57364	7/21/06	7/24/06	48.35	2.51	010	1210	9210	05411	Meals & Entertainment	
875	IEXP-59632	8/21/06	8/28/06	145.78	7.58	010	1210	9210	05411	Meals & Entertainment	
876	IEXP-62614	9/19/06	9/21/06	265.20	13.79	010	1210	9210	05411	Meals & Entertainment	
877	IEXP-49398	3/7/06	3/9/06	19.14	1.00	010	1210	9210	05411	Meals & Entertainment	
878	IEXP-59098	8/14/06	8/24/06	52.72	2.74	010	1210	9210	05411	Meals & Entertainment	
879	IEXP-58892	8/11/06	9/1/06	35.89	1.87	010	1210	9210	05411	Meals & Entertainment	
880	IEXP-36896	10/1/05	10/6/05	31.21	1.62	010	1210	9210	05411	Meals & Entertainment	
881	IEXP-55109	6/14/06	6/22/06	36.23	1.88	010	1210	9210	05411	Meals & Entertainment	
882	IEXP-57705	7/26/06	7/27/06	24.14	1.26	010	1210	9210	05411	Meals & Entertainment	
883	IEXP-42590	12/2/05	12/8/05	85.00	4.42	010	1203	9210	05411	Meals & Entertainment	
884	IEXP-44838	1/5/06	1/9/06	90.00	4.68	010	1203	9210	05411	Meals & Entertainment	
885	IEXP-47823	2/9/06	2/13/06	32.35	1.68	010	1203	9210	05411	Meals & Entertainment	
886	IEXP-48916	2/27/06	3/2/06	45.40	2.36	010	1203	9210	05411	Meals & Entertainment	
887	IEXP-52893	5/8/06	5/11/06	9.74	0.51	010	1203	9210	05411	Meals & Entertainment	
888	IEXP-53603	5/18/06	5/22/06	12.93	0.67	010	1203	9210	05411	Meals & Entertainment	
889	IEXP-57339	7/21/06	7/24/06	65.00	3.38	010	1203	9210	05411	Meals & Entertainment	
890	IEXP-58858	8/10/06	8/11/06	32.03	1.67	010	1203	9210	05411	Meals & Entertainment	
891	IEXP-58859	8/10/06	8/11/06	11.00	0.57	010	1203	9210	05411	Meals & Entertainment	
892	IEXP-60899	9/5/06	9/7/06	74.88	3.89	010	1203	9210	05411	Meals & Entertainment	
893	IEXP-62611	9/19/06	9/21/06	162.94	8.47	010	1203	9210	05411	Meals & Entertainment	
894	IEXP-40929	11/11/05	11/17/05	47.71	2.48	010	1203	9210	05411	Meals & Entertainment	
895	IEXP-43897	12/19/05	12/27/05	36.64	1.91	010	1203	9210	05411	Meals & Entertainment	
896	IEXP-48321	2/16/06	2/21/06	247.94	12.89	010	1203	9210	05411	Meals & Entertainment	
897	IEXP-48982	2/28/06	3/9/06	97.58	5.07	010	1203	9210	05411	Meals & Entertainment	
898	IEXP-49431	3/8/06	3/13/06	11.97	0.62	010	1203	9210	05411	Meals & Entertainment	
899	IEXP-51097	4/6/06	4/10/06	231.34	12.03	010	1203	9210	05411	Meals & Entertainment	
900	IEXP-54045	5/26/06	6/1/06	289.60	15.06	010	1203	9210	05411	Meals & Entertainment	
901	IEXP-54329	6/1/06	6/15/06	126.78	6.59	010	1203	9210	05411	Meals & Entertainment	
902	IEXP-55564	6/21/06	6/29/06	142.20	7.39	010	1203	9210	05411	Meals & Entertainment	
903	IEXP-57021	7/14/06	7/20/06	104.55	5.44	010	1203	9210	05411	Meals & Entertainment	
904	IEXP-58740	8/9/06	8/11/06	89.01	4.63	010	1203	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
905	IEXP-59559	8/18/06	8/21/06	228.57	11.89	010	1203	9210	05411	Meals & Entertainment	
906	IEXP-38480	10/21/05	10/24/05	86.28	4.49	010	1203	9210	05411	Meals & Entertainment	
907	IEXP-40096	11/4/05	11/10/05	187.88	9.77	010	1203	9210	05411	Meals & Entertainment	
908	IEXP-46660	1/27/06	1/30/06	40.56	2.11	010	1203	9210	05411	Meals & Entertainment	
909	IEXP-49066	3/1/06	3/6/06	144.93	7.54	010	1203	9210	05411	Meals & Entertainment	
910	IEXP-52679	5/3/06	5/8/06	19.04	0.99	010	1203	9210	05411	Meals & Entertainment	
911	IEXP-63742	9/26/06	9/28/06	37.82	1.97	010	1203	9210	05411	Meals & Entertainment	
912	IEXP-55070	6/14/06	6/29/06	39.90	2.07	010	1210	9210	05411	Meals & Entertainment	
913	IEXP-37488	10/10/05	10/13/05	142.91	7.43	010	1203	9200	05411	Meals & Entertainment	
914	IEXP-38136	10/19/05	10/20/05	280.35	14.58	010	1203	9210	05411	Meals & Entertainment	
915	IEXP-40893	11/11/05	11/14/05	233.25	12.13	010	1203	9210	05411	Meals & Entertainment	
916	IEXP-41607	11/18/05	11/21/05	223.93	11.64	010	1203	9210	05411	Meals & Entertainment	
917	IEXP-42607	12/2/05	12/5/05	131.45	6.84	010	1203	9210	05411	Meals & Entertainment	
918	IEXP-43656	12/15/05	12/19/05	56.91	2.96	010	1203	9210	05411	Meals & Entertainment	
919	IEXP-44058	12/21/05	12/22/05	75.14	3.91	010	1203	9210	05411	Meals & Entertainment	
920	IEXP-44837	1/5/06	1/9/06	212.92	11.07	010	1203	9210	05411	Meals & Entertainment	
921	IEXP-46286	1/24/06	1/26/06	378.88	19.70	010	1203	9210	05411	Meals & Entertainment	
922	IEXP-47886	2/10/06	2/13/06	416.92	21.68	010	1203	9210	05411	Meals & Entertainment	
923	IEXP-48786	2/24/06	2/27/06	458.03	23.82	010	1203	9210	05411	Meals & Entertainment	
924	IEXP-49578	3/10/06	3/13/06	137.73	7.16	010	1203	9210	05411	Meals & Entertainment	
925	IEXP-50185	3/22/06	3/23/06	545.19	28.35	010	1203	9210	05411	Meals & Entertainment	
926	IEXP-50828	4/3/06	4/6/06	423.10	22.00	010	1203	9210	05411	Meals & Entertainment	
927	IEXP-52317	4/28/06	5/1/06	123.29	6.41	010	1203	9210	05411	Meals & Entertainment	
928	IEXP-53571	5/18/06	5/22/06	21.75	1.13	010	1203	9210	05411	Meals & Entertainment	
929	IEXP-53730	5/22/06	5/25/06	20.00	1.04	010	1203	9210	05411	Meals & Entertainment	
930	IEXP-54999	6/13/06	6/15/06	17.87	0.93	010	1210	9210	05411	Meals & Entertainment	
931	IEXP-54999	6/13/06	6/15/06	442.76	23.02	010	1203	9210	05411	Meals & Entertainment	
932	IEXP-57011	7/14/06	7/17/06	36.03	1.87	010	1203	9210	05411	Meals & Entertainment	
933	IEXP-57343	7/21/06	7/24/06	177.31	9.22	010	1203	9210	05411	Meals & Entertainment	
934	IEXP-58068	8/1/06	8/3/06	144.30	7.50	010	1203	9210	05411	Meals & Entertainment	
935	IEXP-58802	8/10/06	8/11/06	159.93	8.32	010	1203	9210	05411	Meals & Entertainment	
936	IEXP-60095	8/25/06	8/28/06	161.16	8.38	010	1203	9210	05411	Meals & Entertainment	
937	IEXP-62200	9/14/06	9/18/06	53.80	2.80	010	1203	9210	05411	Meals & Entertainment	
938	IEXP-62200	9/14/06	9/18/06	74.87	3.89	010	1210	9210	05411	Meals & Entertainment	
939	IEXP-62204	9/14/06	9/18/06	131.98	6.86	010	1203	9210	05411	Meals & Entertainment	
940	IEXP-59971	8/24/06	8/28/06	44.38	2.31	010	1210	9210	05411	Meals & Entertainment	
941	IEXP-39831	11/2/05	11/10/05	1,811.13	94.18	010	1203	9210	05411	Meals & Entertainment	
942	IEXP-41407	11/16/05	11/21/05	86.28	4.49	010	1203	9210	05411	Meals & Entertainment	
943	IEXP-47288	2/2/06	2/6/06	80.77	4.20	010	1203	9210	05411	Meals & Entertainment	
944	IEXP-48308	2/16/06	2/21/06	30.79	1.60	010	1203	9210	05411	Meals & Entertainment	
945	IEXP-52230	4/26/06	5/1/06	74.30	3.86	010	1203	9210	05411	Meals & Entertainment	
946	IEXP-57007	7/14/06	7/20/06	2.85	0.15	010	1203	9210	05411	Meals & Entertainment	
947	IEXP-61060	9/5/06	9/7/06	25.26	1.31	010	1210	9210	05411	Meals & Entertainment	
948	IEXP-61130	9/6/06	9/14/06	229.50	11.93	010	1203	9210	05411	Meals & Entertainment	
949	IEXP-39113	10/27/05	10/31/05	124.77	6.49	010	1203	9210	05411	Meals & Entertainment	
950	IEXP-41636	11/18/05	11/21/05	124.00	6.45	010	1203	9210	05411	Meals & Entertainment	
951	IEXP-43406	12/12/05	12/15/05	57.92	3.01	010	1203	9210	05411	Meals & Entertainment	
952	IEXP-45088	1/10/06	1/12/06	69.14	3.60	010	1203	9210	05411	Meals & Entertainment	
953	IEXP-47672	2/7/06	2/9/06	290.32	15.10	010	1203	9210	05411	Meals & Entertainment	
954	IEXP-49041	3/1/06	3/6/06	161.76	8.41	010	1203	9210	05411	Meals & Entertainment	
955	IEXP-51498	4/13/06	4/17/06	22.36	1.16	010	1210	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
956	IEXP-51498	4/13/06	4/17/06	104.98	5.46	010	1203	9210	05411	Meals & Entertainment	
957	IEXP-52693	5/3/06	5/8/06	44.09	2.29	010	1203	9210	05411	Meals & Entertainment	
958	IEXP-54634	6/6/06	6/15/06	319.10	16.59	010	1203	9210	05411	Meals & Entertainment	
959	IEXP-56465	7/5/06	7/10/06	44.06	2.29	010	1210	9210	05411	Meals & Entertainment	
960	IEXP-56465	7/5/06	7/10/06	252.69	13.14	010	1203	9210	05411	Meals & Entertainment	
961	IEXP-58239	8/3/06	8/8/06	39.42	2.05	010	1203	9210	05411	Meals & Entertainment	
962	IEXP-61062	9/5/06	9/7/06	34.19	1.78	010	1203	9210	05411	Meals & Entertainment	
963	IEXP-61062	9/5/06	9/7/06	65.93	3.43	010	1210	9210	05411	Meals & Entertainment	
964	IEXP-61063	9/5/06	9/11/06	40.26	2.09	010	1210	9210	05411	Meals & Entertainment	
965	IEXP-39131	10/27/05	10/31/05	15.20	0.79	010	1210	9210	05411	Meals & Entertainment	
966	IEXP-57724	7/26/06	8/3/06	15.28	0.79	010	1210	9210	05411	Meals & Entertainment	
967	IEXP-60448	8/29/06	9/7/06	8.59	0.45	010	1210	9210	05411	Meals & Entertainment	
968	IEXP-50137	3/21/06	3/23/06	29.20	1.52	010	1203	9210	05411	Meals & Entertainment	
969	IEXP-53145	5/11/06	5/15/06	15.99	0.83	010	1203	9210	05411	Meals & Entertainment	
970	IEXP-44528	1/3/06	1/5/06	146.84	7.64	010	1210	9210	05411	Meals & Entertainment	
971	IEXP-47233	2/2/06	2/6/06	131.84	6.86	010	1203	9210	05411	Meals & Entertainment	
972	IEXP-49463	3/8/06	3/9/06	24.49	1.27	010	1210	9210	05411	Meals & Entertainment	
973	IEXP-51056	4/5/06	4/13/06	113.99	5.93	010	1210	9210	05411	Meals & Entertainment	
974	IEXP-52996	5/8/06	5/11/06	575.02	29.90	010	1210	9210	05411	Meals & Entertainment	
975	IEXP-57028	7/14/06	7/20/06	202.01	10.50	010	1210	9210	05411	Meals & Entertainment	
976	IEXP-58826	8/10/06	8/17/06	26.05	1.35	010	1210	9210	05411	Meals & Entertainment	
977	IEXP-59762	8/22/06	8/28/06	35.21	1.83	010	1210	9210	05411	Meals & Entertainment	
978	IEXP-59763	8/22/06	8/28/06	66.90	3.48	010	1210	9210	05411	Meals & Entertainment	
979	IEXP-62631	9/19/06	9/21/06	114.33	5.95	010	1210	9210	05411	Meals & Entertainment	
980	IEXP-60149	8/25/06	8/28/06	4.76	0.25	010	1203	9210	05411	Meals & Entertainment	
981	IEXP-41770	11/21/05	11/23/05	138.55	7.20	010	1203	9210	05411	Meals & Entertainment	
982	IEXP-46392	1/25/06	1/26/06	25.09	1.30	010	1203	9210	05411	Meals & Entertainment	
983	IEXP-48667	2/23/06	2/27/06	129.58	6.74	010	1203	9210	05411	Meals & Entertainment	
984	IEXP-49497	3/9/06	3/13/06	175.29	9.12	010	1203	9210	05411	Meals & Entertainment	
985	IEXP-51964	4/21/06	4/24/06	67.77	3.52	010	1203	9210	05411	Meals & Entertainment	
986	IEXP-52334	4/28/06	5/4/06	45.02	2.34	010	1203	9210	05411	Meals & Entertainment	
987	IEXP-54033	5/26/06	6/1/06	54.78	2.85	010	1203	9210	05411	Meals & Entertainment	
988	IEXP-55845	6/26/06	6/29/06	230.40	11.98	010	1203	9210	05411	Meals & Entertainment	
989	IEXP-62262	9/15/06	9/18/06	137.18	7.13	010	1203	9210	05411	Meals & Entertainment	
990	IEXP-63140	9/25/06	9/28/06	22.76	1.18	010	1203	9210	05411	Meals & Entertainment	
991	IEXP-39076	10/27/05	10/31/05	554.14	28.82	010	1203	9210	05411	Meals & Entertainment	
992	IEXP-41886	11/22/05	11/23/05	393.10	20.44	010	1203	9210	05411	Meals & Entertainment	
993	IEXP-44352	12/29/05	12/31/05	549.44	28.57	010	1203	9210	05411	Meals & Entertainment	
994	IEXP-46128	1/23/06	1/26/06	447.77	23.28	010	1203	9210	05411	Meals & Entertainment	
995	IEXP-48538	2/21/06	2/23/06	634.01	32.97	010	1203	9210	05411	Meals & Entertainment	
996	IEXP-50136	3/21/06	3/23/06	992.99	51.64	010	1203	9210	05411	Meals & Entertainment	
997	IEXP-52067	4/24/06	5/4/06	488.39	25.40	010	1203	9210	05411	Meals & Entertainment	
998	IEXP-53776	5/22/06	5/30/06	685.00	35.62	010	1203	9210	05411	Meals & Entertainment	
999	IEXP-55885	6/26/06	6/29/06	235.73	12.26	010	1203	9210	05411	Meals & Entertainment	
1000	IEXP-59694	8/21/06	8/24/06	330.74	17.20	010	1203	9210	05411	Meals & Entertainment	
1001	IEXP-62913	9/21/06	9/25/06	560.65	29.15	010	1203	9210	05411	Meals & Entertainment	
1002	IEXP-58005	7/31/06	8/3/06	101.60	5.28	010	1210	9210	05411	Meals & Entertainment	
1003	IEXP-60460	8/29/06	9/7/06	16.90	0.88	010	1210	9210	05411	Meals & Entertainment	
1004	IEXP-55071	6/14/06	6/15/06	134.31	6.98	010	1210	9210	05411	Meals & Entertainment	
1005	IEXP-58319	8/7/06	8/10/06	216.38	11.25	010	1210	9210	05411	Meals & Entertainment	
1006	IEXP-54428	6/2/06	6/15/06	28.63	1.49	010	1203	9210	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1007	IEXP-40098	11/4/05	11/10/05	76.93	4.00	010	1203	9210	05411	Meals & Entertainment	
1008	IEXP-43900	12/19/05	12/22/05	76.91	4.00	010	1203	9210	05411	Meals & Entertainment	
1009	IEXP-46659	1/27/06	1/30/06	80.13	4.17	010	1203	9210	05411	Meals & Entertainment	
1010	IEXP-49138	3/2/06	3/9/06	12.10	0.63	010	1203	9210	05411	Meals & Entertainment	
1011	IEXP-53471	5/16/06	5/22/06	29.14	1.52	010	1210	9210	05411	Meals & Entertainment	
1012	IEXP-54629	6/6/06	6/8/06	186.43	9.69	010	1203	9210	05411	Meals & Entertainment	
1013	IEXP-55987	6/28/06	6/29/06	76.10	3.96	010	1203	9210	05411	Meals & Entertainment	
1014	IEXP-57060	7/17/06	7/20/06	176.30	9.17	010	1203	9210	05411	Meals & Entertainment	
1015	IEXP-45742	1/17/06	1/19/06	235.89	12.27	010	1210	9210	05411	Meals & Entertainment	
1016	IEXP-47133	2/1/06	2/2/06	195.07	10.14	010	1210	9210	05411	Meals & Entertainment	
1017	IEXP-48952	2/28/06	3/2/06	159.11	8.27	010	1210	9210	05411	Meals & Entertainment	
1018	IEXP-50244	3/23/06	3/27/06	345.92	17.99	010	1210	9210	05411	Meals & Entertainment	
1019	IEXP-51991	4/21/06	4/24/06	342.47	17.81	010	1210	9210	05411	Meals & Entertainment	
1020	IEXP-54043	5/26/06	6/5/06	194.71	10.12	010	1210	9210	05411	Meals & Entertainment	
1021	IEXP-56145	6/29/06	7/3/06	163.18	8.49	010	1210	9210	05411	Meals & Entertainment	
1022	IEXP-56145	6/29/06	9/1/06	1,807.44	93.99	010	1210	9210	05411	Meals & Entertainment	
1023	IEXP-57361	7/21/06	7/24/06	1,071.61	55.72	010	1210	9210	05411	Meals & Entertainment	
1024	IEXP-57362	7/21/06	7/24/06	1,298.75	67.54	010	1210	9210	05411	Meals & Entertainment	
1025	IEXP-59630	8/21/06	8/28/06	260.83	13.56	010	1210	9210	05411	Meals & Entertainment	
1026	IEXP-63908	9/27/06	9/28/06	239.49	12.45	010	1210	9210	05411	Meals & Entertainment	
1027	IEXP-49747	3/14/06	3/16/06	189.03	9.83	010	1203	9210	05411	Meals & Entertainment	
1028	IEXP-54242	5/31/06	6/1/06	476.15	24.76	010	1203	9210	05411	Meals & Entertainment	
1029	IEXP-54246	5/31/06	6/1/06	97.02	5.05	010	1203	9210	05411	Meals & Entertainment	
1030	IEXP-55383	6/19/06	6/22/06	235.70	12.26	010	1203	9210	05411	Meals & Entertainment	
1031	IEXP-59712	8/21/06	8/24/06	353.73	18.39	010	1203	9210	05411	Meals & Entertainment	
1032	IEXP-63855	9/27/06	9/28/06	32.73	1.70	010	1203	9210	05411	Meals & Entertainment	11,903.71
1033	IEXP-45669	1/16/06	1/19/06	267.10	13.89	010	1137	9210	05413	Transportation	
1034	IEXP-47634	2/7/06	2/16/06	32.00	1.66	010	1137	9210	05413	Transportation	
1035	IEXP-51519	4/13/06	4/20/06	485.10	25.23	010	1137	9210	05413	Transportation	
1036	IEXP-62138	9/15/06	9/21/06	287.10	14.93	010	1137	9210	05413	Transportation	
1037	IEXP-37297	10/7/05	10/11/05	141.55	7.36	010	1120	9210	05413	Transportation	
1038	IEXP-46214	1/23/06	1/26/06	147.22	7.66	010	1501	9302	05413	Transportation	
1039	IEXP-55402	6/19/06	6/26/06	121.93	6.34	010	1501	9302	05413	Transportation	
1040	IEXP-61128	9/6/06	9/11/06	65.17	3.39	010	1501	9302	05413	Transportation	
1041	IEXP-56352	7/3/06	7/6/06	7.50	0.39	010	1137	9210	05413	Transportation	
1042	IEXP-37312	10/7/05	10/13/05	456.00	23.71	010	1501	9302	05413	Transportation	
1043	IEXP-41391	11/16/05	11/17/05	71.43	3.71	010	1142	9210	05413	Transportation	
1044	IEXP-41394	11/16/05	11/17/05	44.80	2.33	010	1142	9210	05413	Transportation	
1045	IEXP-60010	8/24/06	8/28/06	29.37	1.53	010	1120	9210	05413	Transportation	
1046	IEXP-37222	10/6/05	9/1/06	29.00	1.51	010	1128	9210	05413	Transportation	
1047	IEXP-48389	2/17/06	2/23/06	194.10	10.09	010	1128	9210	05413	Transportation	
1048	IEXP-48919	2/27/06	3/9/06	32.00	1.66	010	1128	9210	05413	Transportation	
1049	IEXP-54430	6/2/06	6/5/06	374.60	19.48	010	1128	9210	05413	Transportation	
1050	IEXP-55732	6/23/06	6/26/06	70.91	3.69	010	1128	9210	05413	Transportation	
1051	IEXP-37431	10/10/05	10/11/05	97.00	5.04	010	1141	9210	05413	Transportation	
1052	IEXP-39748	11/2/05	11/3/05	570.54	29.67	010	1200	9210	05413	Transportation	
1053	IEXP-40847	11/11/05	11/14/05	222.40	11.56	010	1200	9210	05413	Transportation	
1054	IEXP-39989	11/3/05	11/7/05	38.74	2.01	010	1201	9210	05413	Transportation	
1055	IEXP-61705	9/12/06	9/14/06	183.30	9.53	010	1201	9210	05413	Transportation	
1056	IEXP-63223	9/25/06	9/28/06	341.37	17.75	010	1201	9210	05413	Transportation	
1057	IEXP-41773	11/21/05	11/23/05	320.90	16.69	010	1132	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1058	IEXP-54402	6/2/06	6/5/06	842.26	43.80	010	1953	9210	05413	Transportation	
1059	IEXP-50449	3/27/06	3/30/06	604.81	31.45	010	1130	9210	05413	Transportation	
1060	IEXP-54541	6/5/06	6/8/06	179.61	9.34	010	1130	9210	05413	Transportation	
1061	IEXP-56529	7/6/06	7/10/06	239.61	12.46	010	1130	9210	05413	Transportation	
1062	IEXP-59839	8/23/06	8/24/06	649.11	33.75	010	1130	9210	05413	Transportation	
1063	IEXP-45428	1/12/06	1/16/06	201.21	10.46	010	1137	9210	05413	Transportation	
1064	IEXP-51387	4/11/06	4/13/06	925.12	48.11	010	1137	9210	05413	Transportation	
1065	IEXP-47807	2/9/06	9/1/06	636.66	33.11	010	1109	9200	05413	Transportation	
1066	IEXP-48660	2/23/06	9/1/06	437.40	22.74	010	1115	9200	05413	Transportation	
1067	IEXP-49480	3/9/06	3/16/06	678.63	35.29	010	1115	8700	05413	Transportation	
1068	IEXP-51638	4/17/06	4/24/06	464.54	24.16	010	1115	8700	05413	Transportation	
1069	IEXP-47217	2/2/06	2/6/06	145.00	7.54	010	1109	9200	05413	Transportation	
1070	IEXP-47322	2/3/06	2/9/06	377.10	19.61	010	1109	9200	05413	Transportation	
1071	IEXP-48419	2/18/06	2/21/06	996.94	51.84	010	1109	9200	05413	Transportation	
1072	IEXP-48802	2/25/06	3/2/06	1,318.20	68.55	010	1115	9200	05413	Transportation	
1073	IEXP-49674	3/13/06	3/16/06	416.10	21.64	010	1115	9200	05413	Transportation	
1074	IEXP-49982	3/17/06	3/23/06	283.60	14.75	010	1115	9200	05413	Transportation	
1075	IEXP-50850	4/3/06	4/13/06	30.65	1.59	010	1115	9200	05413	Transportation	
1076	IEXP-39479	10/31/05	11/3/05	622.20	32.35	010	1142	9210	05413	Transportation	
1077	IEXP-40634	11/9/05	11/10/05	473.40	24.62	010	1142	9210	05413	Transportation	
1078	IEXP-41348	11/16/05	11/17/05	117.21	6.09	010	1142	9210	05413	Transportation	
1079	IEXP-43973	12/20/05	12/22/05	694.20	36.10	010	1142	9210	05413	Transportation	
1080	IEXP-44128	12/22/05	12/27/05	45.52	2.37	010	1142	9210	05413	Transportation	
1081	IEXP-44576	1/3/06	1/5/06	1,838.80	95.62	010	1142	9210	05413	Transportation	
1082	IEXP-48299	2/16/06	2/21/06	597.20	31.05	010	1142	9210	05413	Transportation	
1083	IEXP-48301	2/16/06	2/21/06	587.66	30.56	010	1142	9210	05413	Transportation	
1084	IEXP-48733	2/24/06	3/2/06	81.34	4.23	010	1142	9210	05413	Transportation	
1085	IEXP-51744	4/18/06	4/20/06	514.16	26.74	010	1142	9210	05413	Transportation	
1086	IEXP-53360	5/15/06	5/18/06	459.20	23.88	010	1142	9210	05413	Transportation	
1087	IEXP-53748	5/22/06	5/25/06	189.09	9.83	010	1142	9210	05413	Transportation	
1088	IEXP-56227	6/30/06	7/3/06	441.97	22.98	010	1142	9210	05413	Transportation	
1089	IEXP-61280	9/7/06	9/14/06	465.20	24.19	010	1142	9210	05413	Transportation	
1090	IEXP-43264	12/9/05	12/12/05	32.01	1.66	010	1120	9210	05413	Transportation	
1091	IEXP-44031	12/21/05	12/22/05	21.34	1.11	010	1120	9210	05413	Transportation	
1092	IEXP-46327	1/25/06	1/30/06	21.34	1.11	010	1120	9210	05413	Transportation	
1093	IEXP-59978	8/24/06	8/28/06	21.34	1.11	010	1120	9210	05413	Transportation	
1094	IEXP-39260	10/28/05	10/31/05	571.44	29.71	010	1201	9210	05413	Transportation	
1095	IEXP-43473	12/13/05	12/15/05	94.14	4.90	010	1201	9210	05413	Transportation	
1096	IEXP-48060	2/13/06	2/16/06	392.53	20.41	010	1201	9210	05413	Transportation	
1097	IEXP-50258	3/23/06	3/27/06	480.99	25.01	010	1201	9210	05413	Transportation	
1098	IEXP-52820	5/5/06	5/11/06	128.89	6.70	010	1201	9210	05413	Transportation	
1099	IEXP-58705	8/9/06	8/10/06	3,365.60	175.01	010	1201	9210	05413	Transportation	
1100	IEXP-60312	8/28/06	9/7/06	1,070.20	55.65	010	1201	9210	05413	Transportation	
1101	IEXP-44093	12/21/05	1/12/06	26.68	1.39	010	1107	9210	05413	Transportation	
1102	IEXP-53426	5/16/06	5/18/06	278.60	14.49	010	1107	9210	05413	Transportation	
1103	IEXP-59802	8/22/06	8/24/06	402.56	20.93	010	1107	9210	05413	Transportation	
1104	IEXP-48552	2/21/06	2/23/06	343.57	17.87	010	1109	9200	05413	Transportation	
1105	IEXP-39411	10/31/05	11/3/05	592.47	30.81	010	1128	9210	05413	Transportation	
1106	IEXP-42786	12/5/05	12/8/05	522.41	27.17	010	1128	9210	05413	Transportation	
1107	IEXP-44342	12/29/05	1/16/06	237.90	12.37	010	1128	9210	05413	Transportation	
1108	IEXP-49306	3/6/06	3/9/06	418.30	21.75	010	1128	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1109	IEXP-50959	4/4/06	4/6/06	579.93	30.16	010	1128	9210	05413	Transportation	
1110	IEXP-53346	5/15/06	5/18/06	399.10	20.75	010	1128	9210	05413	Transportation	
1111	IEXP-55699	6/23/06	6/26/06	118.55	6.16	010	1128	9210	05413	Transportation	
1112	IEXP-58620	8/9/06	8/10/06	25.00	1.30	010	1128	9210	05413	Transportation	
1113	IEXP-61174	9/7/06	9/7/06	229.60	11.94	010	1128	9210	05413	Transportation	
1114	IEXP-63142	9/25/06	9/28/06	241.54	12.56	010	1128	9210	05413	Transportation	
1115	IEXP-53104	5/10/06	5/11/06	48.49	2.52	010	1403	9210	05413	Transportation	
1116	IEXP-39475	10/31/05	11/3/05	573.51	29.82	010	1142	9210	05413	Transportation	
1117	IEXP-41483	11/17/05	11/21/05	6.98	0.36	010	1420	9210	05413	Transportation	
1118	IEXP-42067	11/28/05	12/5/05	15.86	0.82	010	1420	9210	05413	Transportation	
1119	IEXP-55539	6/21/06	6/22/06	3.25	0.17	010	1420	9210	05413	Transportation	
1120	IEXP-59346	8/16/06	8/21/06	41.05	2.13	010	1420	9210	05413	Transportation	
1121	IEXP-61225	9/7/06	9/14/06	262.60	13.66	010	1142	9210	05413	Transportation	
1122	IEXP-36601	9/28/05	10/6/05	51.00	2.65	010	1128	9210	05413	Transportation	
1123	IEXP-48387	2/17/06	2/23/06	194.10	10.09	010	1128	9210	05413	Transportation	
1124	IEXP-48893	2/27/06	3/2/06	109.92	5.72	010	1128	9210	05413	Transportation	
1125	IEXP-53240	5/12/06	5/15/06	399.10	20.75	010	1128	9210	05413	Transportation	
1126	IEXP-53948	5/25/06	5/30/06	100.00	5.20	010	1128	9210	05413	Transportation	
1127	IEXP-56238	6/30/06	7/6/06	169.44	8.81	010	1128	9210	05413	Transportation	
1128	IEXP-62882	9/21/06	9/25/06	243.60	12.67	010	1128	9210	05413	Transportation	
1129	IEXP-56234	6/30/06	7/3/06	44.50	2.31	010	1405	9210	05413	Transportation	
1130	IEXP-58021	7/31/06	8/3/06	277.10	14.41	010	1405	9210	05413	Transportation	
1131	IEXP-59655	8/21/06	8/24/06	138.61	7.21	010	1405	9210	05413	Transportation	
1132	IEXP-52543	5/2/06	5/4/06	405.15	21.07	010	1135	9210	05413	Transportation	
1133	IEXP-58928	8/11/06	8/16/06	338.60	17.61	010	1135	9210	05413	Transportation	
1134	IEXP-41907	11/22/05	11/23/05	64.00	3.33	010	1121	9210	05413	Transportation	
1135	IEXP-61625	9/11/06	9/14/06	48.50	2.52	010	1121	9210	05413	Transportation	
1136	IEXP-49885	3/16/06	3/20/06	604.85	31.45	010	1118	9210	05413	Transportation	
1137	IEXP-52523	5/2/06	5/4/06	797.85	41.49	010	1118	9210	05413	Transportation	
1138	IEXP-63129	9/25/06	9/28/06	479.10	24.91	010	1118	9210	05413	Transportation	
1139	IEXP-49080	3/2/06	3/6/06	114.10	5.93	010	1144	9210	05413	Transportation	
1140	IEXP-39911	11/3/05	11/14/05	152.70	7.94	010	1129	9210	05413	Transportation	
1141	IEXP-52100	4/24/06	4/27/06	178.00	9.26	010	1129	9210	05413	Transportation	
1142	IEXP-54088	5/30/06	6/8/06	111.25	5.79	010	1129	9210	05413	Transportation	
1143	IEXP-55359	6/19/06	6/22/06	44.50	2.31	010	1129	9210	05413	Transportation	
1144	IEXP-36994	10/3/05	10/11/05	665.61	34.61	010	1133	9210	05413	Transportation	
1145	IEXP-40176	11/4/05	11/10/05	684.60	35.60	010	1133	9210	05413	Transportation	
1146	IEXP-42847	12/5/05	12/22/05	214.09	11.13	010	1133	9210	05413	Transportation	
1147	IEXP-44844	1/5/06	1/9/06	1,007.71	52.40	010	1133	9210	05413	Transportation	
1148	IEXP-47902	2/10/06	2/13/06	91.99	4.78	010	1133	9210	05413	Transportation	
1149	IEXP-49376	3/7/06	3/9/06	272.58	14.17	010	1133	9210	05413	Transportation	
1150	IEXP-51008	4/4/06	4/6/06	199.23	10.36	010	1133	9210	05413	Transportation	
1151	IEXP-52890	5/5/06	5/11/06	409.22	21.28	010	1133	9210	05413	Transportation	
1152	IEXP-54626	6/6/06	6/8/06	108.08	5.62	010	1133	9210	05413	Transportation	
1153	IEXP-56531	7/6/06	7/10/06	294.95	15.34	010	1133	9210	05413	Transportation	
1154	IEXP-58510	8/8/06	8/10/06	39.33	2.05	010	1133	9210	05413	Transportation	
1155	IEXP-61179	9/7/06	9/7/06	623.00	32.40	010	1133	9210	05413	Transportation	
1156	IEXP-49751	3/14/06	3/16/06	694.42	36.11	010	1144	9210	05413	Transportation	
1157	IEXP-56440	7/5/06	7/6/06	560.34	29.14	010	1144	9210	05413	Transportation	
1158	IEXP-48629	2/22/06	2/23/06	386.83	20.12	010	1144	9210	05413	Transportation	
1159	IEXP-49939	3/17/06	3/20/06	812.45	42.25	010	1144	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1160	IEXP-53921	5/25/06	5/30/06	311.61	16.20	010	1144	9210	05413	Transportation	
1161	IEXP-56441	7/5/06	7/10/06	241.60	12.56	010	1130	9210	05413	Transportation	
1162	IEXP-57281	7/20/06	7/27/06	561.60	29.20	010	1130	9210	05413	Transportation	
1163	IEXP-57143	7/19/06	7/27/06	17.46	0.91	010	1137	9210	05413	Transportation	
1164	IEXP-38390	10/20/05	10/24/05	19.89	1.03	010	1200	9210	05413	Transportation	
1165	IEXP-34332	8/17/05	5/1/06	412.38	21.44	010	1137	9210	05413	Transportation	
1166	IEXP-38988	10/26/05	10/27/05	908.16	47.22	010	1137	9210	05413	Transportation	
1167	IEXP-42082	11/28/05	12/1/05	44.62	2.32	010	1137	9210	05413	Transportation	
1168	IEXP-51319	4/10/06	4/13/06	445.21	23.15	010	1137	9210	05413	Transportation	
1169	IEXP-53550	5/18/06	5/22/06	25.65	1.33	010	1137	9210	05413	Transportation	
1170	IEXP-56241	6/30/06	7/3/06	565.00	29.38	010	1137	9210	05413	Transportation	
1171	IEXP-61234	9/8/06	9/11/06	263.61	13.71	010	1137	9210	05413	Transportation	
1172	IEXP-56237	6/30/06	7/3/06	2.23	0.12	010	1503	9210	05413	Transportation	
1173	IEXP-37896	10/17/05	10/20/05	64.02	3.33	010	1129	9210	05413	Transportation	
1174	IEXP-39069	10/27/05	10/31/05	47.68	2.48	010	1129	9210	05413	Transportation	
1175	IEXP-41482	11/17/05	11/23/05	21.34	1.11	010	1129	9210	05413	Transportation	
1176	IEXP-44665	1/4/06	1/16/06	19.58	1.02	010	1129	9210	05413	Transportation	
1177	IEXP-48140	2/14/06	2/23/06	19.58	1.02	010	1129	9210	05413	Transportation	
1178	IEXP-49365	3/7/06	3/9/06	409.60	21.30	010	1129	9210	05413	Transportation	
1179	IEXP-50126	3/21/06	3/23/06	19.58	1.02	010	1129	9210	05413	Transportation	
1180	IEXP-51580	4/15/06	4/20/06	78.32	4.07	010	1129	9210	05413	Transportation	
1181	IEXP-52380	4/29/06	5/1/06	39.16	2.04	010	1129	9210	05413	Transportation	
1182	IEXP-52381	4/29/06	5/1/06	-409.60	-21.30	010	1129	9210	05413	Transportation	
1183	IEXP-55233	6/15/06	6/19/06	78.32	4.07	010	1129	9210	05413	Transportation	
1184	IEXP-44633	1/4/06	1/5/06	360.60	18.75	010	1125	9210	05413	Transportation	
1185	IEXP-56976	7/14/06	7/20/06	328.88	17.10	010	1125	9210	05413	Transportation	
1186	IEXP-49287	3/6/06	3/9/06	160.95	8.37	010	1137	9210	05413	Transportation	
1187	IEXP-53492	5/17/06	5/25/06	193.14	10.04	010	1137	9210	05413	Transportation	
1188	IEXP-47642	2/7/06	2/9/06	2,373.75	123.44	010	1109	9200	05413	Transportation	
1189	IEXP-49042	3/1/06	3/2/06	598.86	31.14	010	1115	9210	05413	Transportation	
1190	IEXP-63962	9/27/06	9/28/06	739.20	38.44	010	1128	9210	05413	Transportation	
1191	IEXP-49839	3/15/06	3/16/06	62.18	3.23	010	1119	9210	05413	Transportation	
1192	IEXP-47600	2/6/06	2/9/06	2,014.40	104.75	010	1115	9200	05413	Transportation	
1193	IEXP-48215	2/15/06	2/16/06	744.94	38.74	010	1115	9200	05413	Transportation	
1194	IEXP-49337	3/6/06	3/9/06	1,381.94	71.86	010	1115	9200	05413	Transportation	
1195	IEXP-36693	9/29/05	10/11/05	328.40	17.08	010	1135	9210	05413	Transportation	
1196	IEXP-37764	10/14/05	10/27/05	363.15	18.88	010	1135	9210	05413	Transportation	
1197	IEXP-46268	1/24/06	1/26/06	434.90	22.61	010	1125	9210	05413	Transportation	
1198	IEXP-49583	3/10/06	3/13/06	330.93	17.21	010	1135	9210	05413	Transportation	
1199	IEXP-51905	4/20/06	4/24/06	502.08	26.11	010	1135	9210	05413	Transportation	
1200	IEXP-53461	5/16/06	5/22/06	380.70	19.80	010	1135	9210	05413	Transportation	
1201	IEXP-59247	8/15/06	8/16/06	797.87	41.49	010	1135	9210	05413	Transportation	
1202	IEXP-58631	8/9/06	8/10/06	17.60	0.92	010	1119	9210	05413	Transportation	
1203	IEXP-40188	11/4/05	11/10/05	634.17	32.98	010	1133	9210	05413	Transportation	
1204	IEXP-41654	11/18/05	11/23/05	111.58	5.80	010	1133	9210	05413	Transportation	
1205	IEXP-47863	2/9/06	2/13/06	162.87	8.47	010	1133	9210	05413	Transportation	
1206	IEXP-48787	2/24/06	9/1/06	801.18	41.66	010	1133	9210	05413	Transportation	
1207	IEXP-52539	5/2/06	9/1/06	1,001.32	52.07	010	1133	9210	05413	Transportation	
1208	IEXP-55024	6/13/06	9/1/06	72.26	3.76	010	1133	9210	05413	Transportation	
1209	IEXP-58769	8/10/06	8/14/06	341.32	17.75	010	1133	9210	05413	Transportation	
1210	IEXP-37254	10/6/05	10/11/05	17.46	0.91	010	1120	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1211	IEXP-46903	1/31/06	2/2/06	363.70	18.91	010	1137	9210	05413	Transportation	
1212	IEXP-55870	6/26/06	7/6/06	314.18	16.34	010	1137	9210	05413	Transportation	
1213	IEXP-48053	2/13/06	2/21/06	2,319.24	120.60	010	1115	9200	05413	Transportation	
1214	IEXP-37772	10/14/05	10/17/05	497.64	25.88	010	1405	9210	05413	Transportation	
1215	IEXP-53464	5/16/06	5/18/06	553.89	28.80	010	1405	9210	05413	Transportation	
1216	IEXP-56249	6/30/06	7/3/06	107.69	5.60	010	1405	9210	05413	Transportation	
1217	IEXP-37247	10/6/05	10/11/05	112.01	5.82	010	1120	9210	05413	Transportation	
1218	IEXP-59949	8/24/06	8/28/06	24.75	1.29	010	1120	9210	05413	Transportation	
1219	IEXP-47606	2/6/06	2/9/06	2,348.01	122.10	010	1115	9200	05413	Transportation	
1220	IEXP-49782	3/14/06	9/1/06	3,210.68	166.96	010	1115	9200	05413	Transportation	
1221	IEXP-53038	5/9/06	5/11/06	61.00	3.17	010	1407	9210	05413	Transportation	
1222	IEXP-39888	11/3/05	11/7/05	858.60	44.65	010	1135	8800	05413	Transportation	
1223	IEXP-55221	6/15/06	6/19/06	719.59	37.42	010	1141	9210	05413	Transportation	
1224	IEXP-37310	10/7/05	10/13/05	147.93	7.69	010	1406	9210	05413	Transportation	
1225	IEXP-48876	2/27/06	3/2/06	2,403.77	125.00	010	1115	9200	05413	Transportation	
1226	IEXP-52741	5/4/06	5/11/06	160.20	8.33	010	1501	9210	05413	Transportation	
1227	IEXP-53232	5/12/06	5/15/06	222.50	11.57	010	1501	9210	05413	Transportation	
1228	IEXP-60783	9/1/06	9/5/06	17.09	0.89	010	1501	9210	05413	Transportation	
1229	IEXP-47899	2/10/06	2/13/06	174.10	9.05	010	1501	9302	05413	Transportation	
1230	IEXP-50881	4/3/06	4/6/06	232.30	12.08	010	1501	9302	05413	Transportation	
1231	IEXP-53690	5/19/06	5/25/06	249.75	12.99	010	1501	9302	05413	Transportation	
1232	IEXP-55282	6/16/06	6/19/06	351.75	18.29	010	1501	9302	05413	Transportation	
1233	IEXP-55715	6/23/06	6/29/06	856.35	44.53	010	1501	9302	05413	Transportation	
1234	IEXP-61619	9/11/06	9/14/06	4.54	0.24	010	1501	9302	05413	Transportation	
1235	IEXP-37510	10/11/05	10/13/05	619.67	32.22	010	1501	9210	05413	Transportation	
1236	IEXP-40334	11/7/05	11/14/05	340.70	17.72	010	1501	9210	05413	Transportation	
1237	IEXP-41873	11/22/05	12/1/05	745.44	38.76	010	1501	9210	05413	Transportation	
1238	IEXP-42338	11/30/05	12/5/05	295.52	15.37	010	1501	9210	05413	Transportation	
1239	IEXP-43655	12/15/05	12/19/05	292.72	15.22	010	1501	9302	05413	Transportation	
1240	IEXP-46961	1/31/06	2/2/06	1,162.60	60.46	010	1501	9210	05413	Transportation	
1241	IEXP-47719	2/8/06	2/13/06	2,222.28	115.56	010	1501	9302	05413	Transportation	
1242	IEXP-50324	3/24/06	3/27/06	1,708.04	88.82	010	1501	9302	05413	Transportation	
1243	IEXP-51526	4/13/06	4/20/06	1,366.05	71.03	010	1501	9302	05413	Transportation	
1244	IEXP-51979	4/21/06	4/27/06	1,046.09	54.40	010	1501	9302	05413	Transportation	
1245	IEXP-53239	5/12/06	5/18/06	1,668.27	86.75	010	1501	9210	05413	Transportation	
1246	IEXP-53599	5/18/06	5/22/06	202.62	10.54	010	1501	9210	05413	Transportation	
1247	IEXP-54528	6/5/06	6/8/06	725.87	37.75	010	1501	9302	05413	Transportation	
1248	IEXP-54961	6/12/06	6/15/06	320.10	16.65	010	1501	9302	05413	Transportation	
1249	IEXP-55304	6/16/06	6/22/06	325.90	16.95	010	1501	9210	05413	Transportation	
1250	IEXP-57475	7/24/06	7/27/06	854.25	44.42	010	1501	9210	05413	Transportation	
1251	IEXP-58829	8/11/06	8/14/06	10.00	0.52	010	1501	9210	05413	Transportation	
1252	IEXP-61258	9/7/06	9/11/06	4.50	0.23	010	1501	9210	05413	Transportation	
1253	IEXP-64083	9/27/06	9/28/06	483.51	25.14	010	1501	9210	05413	Transportation	
1254	IEXP-46372	1/25/06	1/26/06	1,501.20	78.06	010	1108	9210	05413	Transportation	
1255	IEXP-46374	1/25/06	1/26/06	973.25	50.61	010	1108	9210	05413	Transportation	
1256	IEXP-50865	4/3/06	4/6/06	935.43	48.64	010	1108	9210	05413	Transportation	
1257	IEXP-50866	4/3/06	4/6/06	996.51	51.82	010	1108	9210	05413	Transportation	
1258	IEXP-50867	4/3/06	4/6/06	461.34	23.99	010	1108	9210	05413	Transportation	
1259	IEXP-50868	4/3/06	4/6/06	154.97	8.06	010	1108	9210	05413	Transportation	
1260	IEXP-50870	4/3/06	4/6/06	376.84	19.60	010	1108	9210	05413	Transportation	
1261	IEXP-50871	4/3/06	4/6/06	657.57	34.19	010	1108	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1262	IEXP-50874	4/3/06	4/6/06	672.48	34.97	010	1108	9210	05413	Transportation	
1263	IEXP-54251	5/31/06	6/1/06	1,445.70	75.18	010	1108	9210	05413	Transportation	
1264	IEXP-54253	5/31/06	6/1/06	2,228.44	115.88	010	1108	9210	05413	Transportation	
1265	IEXP-58349	8/8/06	8/16/06	3,874.02	201.45	010	1108	9210	05413	Transportation	
1266	IEXP-61633	9/11/06	9/14/06	1,273.82	66.24	010	1108	9210	05413	Transportation	
1267	IEXP-37043	10/4/05	10/6/05	1,454.50	75.63	010	1406	9260	05413	Transportation	
1268	IEXP-40808	11/10/05	11/14/05	40.50	2.11	010	1406	9210	05413	Transportation	
1269	IEXP-48061	2/13/06	2/16/06	643.16	33.44	010	1406	9210	05413	Transportation	
1270	IEXP-50129	3/21/06	3/23/06	388.40	20.20	010	1406	9210	05413	Transportation	
1271	IEXP-59245	8/15/06	8/17/06	371.63	19.32	010	1406	9210	05413	Transportation	
1272	IEXP-62444	9/18/06	9/21/06	702.70	36.54	010	1406	9210	05413	Transportation	
1273	IEXP-51301	4/10/06	4/17/06	420.90	21.89	010	1111	9210	05413	Transportation	
1274	IEXP-52659	5/3/06	5/8/06	46.28	2.41	010	1111	9210	05413	Transportation	
1275	IEXP-54023	5/26/06	6/8/06	58.30	3.03	010	1111	9210	05413	Transportation	
1276	IEXP-57431	7/24/06	7/27/06	173.60	9.03	010	1111	9210	05413	Transportation	
1277	IEXP-62257	9/15/06	9/21/06	274.85	14.29	010	1111	9210	05413	Transportation	
1278	IEXP-46200	1/23/06	1/26/06	1,234.90	64.21	010	1115	9210	05413	Transportation	
1279	IEXP-48355	2/17/06	2/21/06	1,320.40	68.66	010	1115	9210	05413	Transportation	
1280	IEXP-49481	3/9/06	3/16/06	128.00	6.66	010	1115	9210	05413	Transportation	
1281	IEXP-50242	3/23/06	3/27/06	1,009.70	52.50	010	1115	9210	05413	Transportation	
1282	IEXP-57356	7/21/06	7/27/06	1,622.73	84.38	010	1133	9210	05413	Transportation	
1283	IEXP-57357	7/21/06	7/27/06	1,258.40	65.44	010	1133	9210	05413	Transportation	
1284	IEXP-48556	2/21/06	3/2/06	160.40	8.34	010	1109	9200	05413	Transportation	
1285	IEXP-56839	7/12/06	7/13/06	756.93	39.36	010	1109	9200	05413	Transportation	
1286	IEXP-52467	5/1/06	5/11/06	111.50	5.80	010	1135	9210	05413	Transportation	
1287	IEXP-39612	11/1/05	11/7/05	435.80	22.66	010	1142	9210	05413	Transportation	
1288	IEXP-43371	12/12/05	12/15/05	824.32	42.86	010	1142	9210	05413	Transportation	
1289	IEXP-47631	2/7/06	2/9/06	924.14	48.06	010	1142	9210	05413	Transportation	
1290	IEXP-50264	3/23/06	3/27/06	648.60	33.73	010	1142	9210	05413	Transportation	
1291	IEXP-52042	4/24/06	4/27/06	298.60	15.53	010	1142	9210	05413	Transportation	
1292	IEXP-58504	8/8/06	8/10/06	308.60	16.05	010	1142	9210	05413	Transportation	
1293	IEXP-63001	9/22/06	9/28/06	405.60	21.09	010	1142	9210	05413	Transportation	
1294	IEXP-37530	10/11/05	10/13/05	134.83	7.01	010	1504	9302	05413	Transportation	
1295	IEXP-41474	11/17/05	11/21/05	7.27	0.38	010	1501	9302	05413	Transportation	
1296	IEXP-41474	11/17/05	11/21/05	53.35	2.77	010	1504	9302	05413	Transportation	
1297	IEXP-48052	2/13/06	2/16/06	209.60	10.90	010	1502	9302	05413	Transportation	
1298	IEXP-50330	3/24/06	3/27/06	4.62	0.24	010	1501	9302	05413	Transportation	
1299	IEXP-51483	4/13/06	4/17/06	45.03	2.34	010	1501	9302	05413	Transportation	
1300	IEXP-53337	5/15/06	5/18/06	17.06	0.89	010	1501	9302	05413	Transportation	
1301	IEXP-55040	6/13/06	6/15/06	73.69	3.83	010	1504	9302	05413	Transportation	
1302	IEXP-57245	7/20/06	7/24/06	6.05	0.31	010	1504	9302	05413	Transportation	
1303	IEXP-59184	8/14/06	8/21/06	14.51	0.75	010	1504	9302	05413	Transportation	
1304	IEXP-62462	9/18/06	9/28/06	21.86	1.14	010	1504	9302	05413	Transportation	
1305	IEXP-37117	10/5/05	10/11/05	528.12	27.46	010	1137	9210	05413	Transportation	
1306	IEXP-44752	1/4/06	1/9/06	195.00	10.14	010	1137	9210	05413	Transportation	
1307	IEXP-46571	1/27/06	2/2/06	1,222.12	63.55	010	1137	9210	05413	Transportation	
1308	IEXP-51362	4/11/06	4/13/06	74.32	3.86	010	1137	9210	05413	Transportation	
1309	IEXP-54817	6/9/06	6/19/06	87.58	4.55	010	1137	9210	05413	Transportation	
1310	IEXP-48094	2/14/06	2/16/06	568.70	29.57	010	1115	9200	05413	Transportation	
1311	IEXP-49999	3/18/06	3/23/06	606.45	31.54	010	1115	9200	05413	Transportation	
1312	IEXP-50342	3/24/06	3/27/06	970.45	50.46	010	1115	9200	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1313	IEXP-51435	4/12/06	4/13/06	891.28	46.35	010	1115	9200	05413	Transportation	
1314	IEXP-52640	5/3/06	5/4/06	683.82	35.56	010	1115	9200	05413	Transportation	
1315	IEXP-53829	5/23/06	5/25/06	997.21	51.85	010	1115	9200	05413	Transportation	
1316	IEXP-53888	5/24/06	5/30/06	2,435.49	126.65	010	1115	9200	05413	Transportation	
1317	IEXP-40649	11/9/05	11/17/05	302.87	15.75	010	1401	9210	05413	Transportation	
1318	IEXP-45239	1/11/06	1/19/06	365.44	19.00	010	1401	9210	05413	Transportation	
1319	IEXP-48121	2/14/06	2/21/06	168.10	8.74	010	1401	9210	05413	Transportation	
1320	IEXP-48491	2/20/06	2/21/06	313.40	16.30	010	1401	9210	05413	Transportation	
1321	IEXP-51443	4/12/06	4/20/06	903.41	46.98	010	1401	9210	05413	Transportation	
1322	IEXP-55230	6/15/06	6/19/06	7.00	0.36	010	1401	9210	05413	Transportation	
1323	IEXP-48839	2/27/06	3/2/06	806.06	41.92	010	1407	9210	05413	Transportation	
1324	IEXP-52379	4/29/06	5/4/06	2,208.70	114.85	010	1407	9210	05413	Transportation	
1325	IEXP-54459	6/5/06	6/8/06	1,407.99	73.22	010	1407	9210	05413	Transportation	
1326	IEXP-60185	8/28/06	8/31/06	41.69	2.17	010	1407	9210	05413	Transportation	
1327	IEXP-45916	1/19/06	1/23/06	473.63	24.63	010	1137	9210	05413	Transportation	
1328	IEXP-52082	4/24/06	4/27/06	210.18	10.93	010	1137	9210	05413	Transportation	
1329	IEXP-53747	5/22/06	5/25/06	297.80	15.49	010	1137	9210	05413	Transportation	
1330	IEXP-58069	8/1/06	8/3/06	32.04	1.67	010	1137	9210	05413	Transportation	
1331	IEXP-62973	9/25/06	9/28/06	318.98	16.59	010	1137	9210	05413	Transportation	
1332	IEXP-38438	10/20/05	10/24/05	29.10	1.51	010	1129	9210	05413	Transportation	
1333	IEXP-50539	3/28/06	4/6/06	17.80	0.93	010	1129	9210	05413	Transportation	
1334	IEXP-52099	4/24/06	4/27/06	11.13	0.58	010	1129	9210	05413	Transportation	
1335	IEXP-57767	7/27/06	8/3/06	4.45	0.23	010	1129	9210	05413	Transportation	
1336	IEXP-47553	2/6/06	2/9/06	1,367.04	71.09	010	1109	9200	05413	Transportation	
1337	IEXP-48624	2/22/06	2/23/06	383.63	19.95	010	1109	9200	05413	Transportation	
1338	IEXP-39008	10/26/05	11/3/05	48.96	2.55	010	1120	9210	05413	Transportation	
1339	IEXP-44125	12/22/05	12/27/05	58.20	3.03	010	1120	9210	05413	Transportation	
1340	IEXP-50151	3/21/06	3/23/06	27.66	1.44	010	1120	9210	05413	Transportation	
1341	IEXP-38625	10/24/05	10/31/05	205.16	10.67	010	1129	9210	05413	Transportation	
1342	IEXP-48366	2/17/06	2/21/06	873.51	45.42	010	1109	9200	05413	Transportation	
1343	IEXP-50283	3/23/06	3/27/06	832.21	43.27	010	1115	9200	05413	Transportation	
1344	IEXP-55209	6/15/06	6/19/06	303.75	15.80	010	1115	9200	05413	Transportation	
1345	IEXP-52801	5/5/06	5/11/06	529.10	27.51	010	1135	9210	05413	Transportation	
1346	IEXP-39240	10/28/05	11/3/05	592.97	30.83	010	1128	9210	05413	Transportation	
1347	IEXP-44254	12/28/05	12/29/05	409.01	21.27	010	1128	9210	05413	Transportation	
1348	IEXP-46283	1/24/06	2/2/06	237.90	12.37	010	1128	9210	05413	Transportation	
1349	IEXP-49130	3/2/06	3/9/06	115.70	6.02	010	1128	9210	05413	Transportation	
1350	IEXP-54337	6/1/06	6/5/06	952.20	49.51	010	1128	9210	05413	Transportation	
1351	IEXP-55627	6/22/06	6/26/06	513.61	26.71	010	1128	9210	05413	Transportation	
1352	IEXP-49923	3/16/06	3/20/06	335.60	17.45	010	1119	9210	05413	Transportation	
1353	IEXP-42850	12/5/05	12/8/05	70.56	3.67	010	1200	9210	05413	Transportation	
1354	IEXP-50361	3/24/06	4/10/06	23.75	1.24	010	1200	9210	05413	Transportation	
1355	IEXP-59720	8/21/06	8/28/06	24.92	1.30	010	1200	9210	05413	Transportation	
1356	IEXP-37339	10/7/05	10/11/05	1,168.09	60.74	010	1123	9210	05413	Transportation	
1357	IEXP-63634	9/26/06	9/28/06	1,057.00	54.96	010	1123	9210	05413	Transportation	
1358	IEXP-43706	12/15/05	12/19/05	852.15	44.31	010	1108	9210	05413	Transportation	
1359	IEXP-52205	4/26/06	4/27/06	1,156.29	60.13	010	1135	9210	05413	Transportation	
1360	IEXP-58292	8/7/06	8/11/06	727.20	37.81	010	1135	9210	05413	Transportation	
1361	IEXP-60475	8/29/06	9/5/06	205.34	10.68	010	1135	9210	05413	Transportation	
1362	IEXP-41469	11/17/05	11/21/05	2,378.95	123.71	010	1401	9210	05413	Transportation	
1363	IEXP-44240	12/27/05	1/5/06	1,179.56	61.34	010	1401	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1364	IEXP-44776	1/5/06	1/9/06	4.00	0.21	010	1401	9210	05413	Transportation	
1365	IEXP-47291	2/2/06	2/13/06	753.01	39.16	010	1401	9210	05413	Transportation	
1366	IEXP-49469	3/8/06	3/16/06	39.38	2.05	010	1954	9230	05413	Transportation	
1367	IEXP-49470	3/8/06	3/13/06	318.45	16.56	010	1401	9210	05413	Transportation	
1368	IEXP-50589	3/29/06	3/30/06	503.65	26.19	010	1401	9210	05413	Transportation	
1369	IEXP-56579	7/7/06	7/10/06	80.10	4.17	010	1954	9210	05413	Transportation	
1370	IEXP-56579	7/7/06	7/10/06	564.96	29.38	010	1401	9210	05413	Transportation	
1371	IEXP-60476	8/30/06	9/5/06	590.10	30.69	010	1501	9210	05413	Transportation	
1372	IEXP-60476	8/30/06	9/5/06	751.95	39.10	010	1401	9210	05413	Transportation	
1373	IEXP-62135	9/15/06	9/18/06	1,431.35	74.43	010	1401	9210	05413	Transportation	
1374	EXP072106	7/21/06	7/28/06	882.30	45.88	010	1408	9210	05413	Transportation	
1375	IEXP-50457	3/27/06	3/30/06	150.15	7.81	010	1144	9210	05413	Transportation	
1376	IEXP-54728	6/8/06	6/12/06	255.22	13.27	010	1144	9210	05413	Transportation	
1377	IEXP-43622	12/14/05	12/19/05	308.90	16.06	010	1130	9210	05413	Transportation	
1378	IEXP-56900	7/13/06	7/20/06	805.60	41.89	010	1130	9210	05413	Transportation	
1379	IEXP-37042	10/4/05	10/6/05	293.80	15.28	010	1953	9210	05413	Transportation	
1380	IEXP-44656	1/4/06	1/9/06	320.40	16.66	010	1953	9210	05413	Transportation	
1381	IEXP-41881	11/22/05	12/8/05	688.40	35.80	010	1116	9210	05413	Transportation	
1382	IEXP-55270	6/16/06	6/19/06	701.60	36.48	010	1116	9210	05413	Transportation	
1383	IEXP-55270	6/16/06	6/19/06	701.60	36.48	010	1129	9210	05413	Transportation	
1384	IEXP-56782	7/11/06	7/13/06	-701.60	-36.48	010	1116	9210	05413	Transportation	
1385	IEXP-56782	7/11/06	7/13/06	-701.60	-36.48	010	1129	9210	05413	Transportation	
1386	IEXP-51506	4/13/06	4/20/06	452.75	23.54	010	1505	9210	05413	Transportation	
1387	IEXP-37436	10/10/05	10/20/05	813.17	42.28	010	1408	9210	05413	Transportation	
1388	IEXP-39246	10/28/05	10/31/05	428.30	22.27	010	1408	9210	05413	Transportation	
1389	IEXP-43985	12/20/05	12/29/05	246.60	12.82	010	1408	9210	05413	Transportation	
1390	IEXP-48158	2/15/06	2/16/06	692.90	36.03	010	1408	9210	05413	Transportation	
1391	IEXP-48970	2/28/06	3/16/06	1,878.35	97.67	010	1408	9210	05413	Transportation	
1392	IEXP-52995	5/8/06	5/11/06	626.90	32.60	010	1408	9210	05413	Transportation	
1393	IEXP-59880	8/23/06	8/28/06	42.04	2.19	010	1408	9230	05413	Transportation	
1394	IEXP-60385	8/28/06	8/31/06	500.56	26.03	010	1408	9230	05413	Transportation	
1395	IEXP-60387	8/28/06	8/31/06	28.48	1.48	010	1408	9230	05413	Transportation	
1396	IEXP-40370	11/7/05	11/10/05	214.40	11.15	010	1200	9210	05413	Transportation	
1397	IEXP-60499	8/30/06	9/7/06	45.08	2.34	010	1401	9210	05413	Transportation	
1398	IEXP-47988	2/13/06	2/16/06	253.00	13.16	010	1135	9210	05413	Transportation	
1399	IEXP-52041	4/24/06	4/27/06	262.60	13.66	010	1135	9210	05413	Transportation	
1400	IEXP-52375	4/28/06	5/4/06	735.60	38.25	010	1135	9210	05413	Transportation	
1401	IEXP-53619	5/19/06	5/22/06	105.70	5.50	010	1135	9210	05413	Transportation	
1402	IEXP-54699	6/7/06	6/8/06	385.10	20.03	010	1117	9210	05413	Transportation	
1403	IEXP-56879	7/13/06	7/17/06	35.00	1.82	010	1117	9210	05413	Transportation	
1404	IEXP-38950	10/26/05	10/27/05	269.93	14.04	010	1504	9302	05413	Transportation	
1405	IEXP-41888	11/22/05	11/23/05	236.68	12.31	010	1504	9302	05413	Transportation	
1406	IEXP-44677	1/4/06	1/16/06	217.28	11.30	010	1503	9210	05413	Transportation	
1407	IEXP-47378	2/3/06	2/6/06	190.46	9.90	010	1503	9210	05413	Transportation	
1408	IEXP-49129	3/2/06	3/6/06	140.62	7.31	010	1503	9210	05413	Transportation	
1409	IEXP-51459	4/12/06	4/13/06	201.32	10.47	010	1501	9302	05413	Transportation	
1410	IEXP-53391	5/15/06	5/18/06	115.70	6.02	010	1501	9302	05413	Transportation	
1411	IEXP-54620	6/6/06	6/8/06	94.34	4.91	010	1501	9302	05413	Transportation	
1412	IEXP-55540	6/21/06	7/6/06	176.22	9.16	010	1501	9302	05413	Transportation	
1413	IEXP-57620	7/25/06	7/27/06	377.36	19.62	010	1501	9302	05413	Transportation	
1414	IEXP-59956	8/25/06	8/28/06	137.06	7.13	010	1501	9302	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1415	IEXP-63103	9/25/06	9/28/06	253.65	13.19	010	1501	9302	05413	Transportation	
1416	IEXP-51739	4/18/06	4/20/06	432.07	22.47	010	1135	9210	05413	Transportation	
1417	IEXP-36840	9/30/05	10/6/05	81.00	4.21	010	1118	9210	05413	Transportation	
1418	IEXP-45407	1/12/06	1/16/06	272.40	14.16	010	1118	9210	05413	Transportation	
1419	IEXP-49191	3/3/06	3/6/06	639.58	33.26	010	1118	9210	05413	Transportation	
1420	IEXP-50905	4/3/06	4/6/06	304.10	15.81	010	1118	9210	05413	Transportation	
1421	IEXP-52162	4/25/06	4/27/06	503.76	26.20	010	1118	9210	05413	Transportation	
1422	IEXP-52974	5/8/06	5/11/06	507.76	26.40	010	1118	9210	05413	Transportation	
1423	IEXP-54102	5/30/06	6/5/06	736.35	38.29	010	1118	9210	05413	Transportation	
1424	IEXP-56951	7/14/06	7/17/06	312.06	16.23	010	1118	9210	05413	Transportation	
1425	IEXP-59095	8/14/06	8/16/06	702.97	36.55	010	1118	9210	05413	Transportation	
1426	IEXP-60425	8/28/06	8/31/06	500.26	26.01	010	1118	9210	05413	Transportation	
1427	IEXP-63090	9/25/06	9/28/06	76.41	3.97	010	1118	9210	05413	Transportation	
1428	IEXP-36923	10/3/05	10/6/05	89.00	4.63	010	1137	9210	05413	Transportation	
1429	IEXP-36947·	10/3/05	10/6/05	1,139.55	59.26	010	1144	9210	05413	Transportation	
1430	EXP-031606	3/16/06	3/16/06	40.00	2.08	010	1109	9200	05413	Transportation	
1431	IEXP-37002	10/3/05	10/6/05	446.80	23.23	010	1109	9210	05413	Transportation	
1432	IEXP-41234	11/15/05	11/17/05	1,458.46	75.84	010	1111	9210	05413	Transportation	
1433	IEXP-46307	1/24/06	1/26/06	603.60	31.39	010	1109	9210	05413	Transportation	
1434	IEXP-48391	2/17/06	2/21/06	118.41	6.16	010	1109	9210	05413	Transportation	
1435	IEXP-50246	3/23/06	3/27/06	253.09	13.16	010	1115	9210	05413	Transportation	
1436	IEXP-50246	3/23/06	3/27/06	1,265.46	65.80	010	1109	9210	05413	Transportation	
1437	IEXP-52216	4/26/06	4/27/06	1,120.17	58.25	010	1109	9210	05413	Transportation	
1438	IEXP-54551	6/5/06	6/8/06	110.36	5.74	010	1109	9210	05413	Transportation	
1439	IEXP-57892	7/28/06	7/31/06	1,255.63	65.29	010	1109	9210	05413	Transportation	
1440	IEXP-60110	8/25/06	8/28/06	544.90	28.33	010	1109	9210	05413	Transportation	
1441	IEXP-61632	9/11/06	9/14/06	58.28	3.03	010	1109	9210	05413	Transportation	
1442	IEXP-39655	11/1/05	11/3/05	18.90	0.98	010	1137	9210	05413	Transportation	
1443	IEXP-39909	11/3/05	11/14/05	113.78	5.92	010	1129	9210	05413	Transportation	
1444	IEXP-53830	5/23/06	6/1/06	106.80	5.55	010	1129	9210	05413	Transportation	
1445	IEXP-54960	6/12/06	6/15/06	17.80	0.93	010	1129	9210	05413	Transportation	
1446	IEXP-46947	1/31/06	2/2/06	880.96	45.81	010	1109	9200	05413	Transportation	
1447	IEXP-48980	2/28/06	3/9/06	259.20	13.48	010	1115	9200	05413	Transportation	
1448	IEXP-49691	3/13/06	3/16/06	362.60	18.86	010	1109	9200	05413	Transportation	
1449	IEXP-41872	11/22/05	12/1/05	251.22	13.06	010	1501	9302	05413	Transportation	
1450	IEXP-54804	6/9/06	6/12/06	85.44	4.44	010	1501	9302	05413	Transportation	
1451	IEXP-61597	9/11/06	9/14/06	1,284.48	66.79	010	1501	9302	05413	Transportation	
1452	IEXP-48093	2/14/06	3/2/06	1,907.91	99.21	010	1115	9200	05413	Transportation	
1453	IEXP-51250	4/7/06	4/13/06	1,718.81	89.38	010	1115	9200	05413	Transportation	
1454	IEXP-51254	4/7/06	4/13/06	464.21	24.14	010	1115	9200	05413	Transportation	
1455	IEXP-46248	1/24/06	1/26/06	16.47	0.86	010	1420	9260	05413	Transportation	
1456	IEXP-53924	5/25/06	5/30/06	25.00	1.30	010	1125	9210	05413	Transportation	
1457	IEXP-56810	7/12/06	7/13/06	245.19	12.75	010	1125	9210	05413	Transportation	
1458	IEXP-60491	8/29/06	9/5/06	345.60	17.97	010	1137	9210	05413	Transportation	
1459	IEXP-37301	10/7/05	10/11/05	44.00	2.29	010	1120	9210	05413	Transportation	
1460	IEXP-60008	8/24/06	8/28/06	8.90	0.46	010	1120	9210	05413	Transportation	
1461	IEXP-42260	11/30/05	12/1/05	384.86	20.01	010	1913	9210	05413	Transportation	
1462	IEXP-51002	4/4/06	4/6/06	1,856.80	96.55	010	1913	9210	05413	Transportation	
1463	IEXP-51003	4/4/06	4/6/06	189.12	9.83	010	1913	9210	05413	Transportation	
1464	IEXP-55110	6/14/06	6/15/06	372.10	19.35	010	1913	9210	05413	Transportation	
1465	IEXP-56957	7/14/06	7/20/06	650.70	33.84	010	1913	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1466	IEXP-62645	9/19/06	9/21/06	467.20	24.29	010	1913	9210	05413	Transportation	
1467	IEXP-40678	11/9/05	11/10/05	1,203.63	62.59	010	1501	9302	05413	Transportation	
1468	IEXP-41882	11/22/05	12/12/05	247.62	12.88	010	1501	9302	05413	Transportation	
1469	IEXP-41885	11/22/05	12/12/05	573.20	29.81	010	1501	9302	05413	Transportation	
1470	IEXP-45399	1/12/06	1/16/06	101.85	5.30	010	1501	9302	05413	Transportation	
1471	IEXP-45400	1/12/06	1/16/06	402.05	20.91	010	1501	9302	05413	Transportation	
1472	IEXP-45402	1/12/06	1/16/06	252.01	13.10	010	1501	9302	05413	Transportation	
1473	IEXP-45404	1/12/06	1/16/06	800.93	41.65	010	1501	9302	05413	Transportation	
1474	IEXP-45405	1/12/06	1/16/06	2.50	0.13	010	1501	9302	05413	Transportation	
1475	IEXP-48527	2/21/06	2/23/06	1,461.05	75.97	010	1501	9302	05413	Transportation	
1476	IEXP-50269	3/23/06	3/27/06	1,036.59	53.90	010	1501	9302	05413	Transportation	
1477	IEXP-51868	4/20/06	4/27/06	1,093.99	56.89	010	1501	9302	05413	Transportation	
1478	IEXP-57862	7/28/06	8/3/06	259.34	13.49	010	1501	9302	05413	Transportation	
1479	IEXP-61624	9/11/06	9/14/06	747.81	38.89	010	1501	9302	05413	Transportation	
1480	IEXP-40616	11/9/05	11/10/05	40.38	2.10	010	1137	9210	05413	Transportation	
1481	IEXP-46271	1/24/06	1/26/06	66.45	3.46	010	1137	9210	05413	Transportation	
1482	IEXP-49402	3/7/06	3/9/06	2,190.42	113.90	010	1137	9210	05413	Transportation	
1483	IEXP-52966	5/8/06	5/11/06	21.36	1.11	010	1137	9210	05413	Transportation	
1484	IEXP-56837	7/12/06	7/17/06	143.35	7.45	010	1137	9210	05413	Transportation	
1485	IEXP-60118	8/25/06	8/31/06	968.90	50.38	010	1137	9210	05413	Transportation	
1486	IEXP-39328	10/30/05	11/3/05	248.40	12.92	010	1142	9210	05413	Transportation	
1487	IEXP-43625	12/14/05	12/15/05	402.40	20.92	010	1142	9210	05413	Transportation	
1488	IEXP-48504	2/20/06	2/21/06	568.60	29.57	010	1142	9210	05413	Transportation	
1489	IEXP-51695	4/18/06	4/20/06	796.41	41.41	010	1142	9210	05413	Transportation	
1490	IEXP-54059	5/28/06	6/5/06	229.60	11.94	010	1142	9210	05413	Transportation	
1491	IEXP-55479	6/20/06	6/26/06	501.06	26.06	010	1142	9210	05413	Transportation	
1492	IEXP-60200	8/27/06	8/31/06	231.60	12.04	010	1142	9210	05413	Transportation	
1493	IEXP-43675	12/15/05	12/19/05	618.39	32.16	010	1121	9302	05413	Transportation	
1494	IEXP-53759	5/22/06	5/25/06	46.00	2.39	010	1125	9210	05413	Transportation	
1495	IEXP-51969	4/21/06	4/24/06	65.00	3.38	010	1135	9210	05413	Transportation	
1496	IEXP-46067	1/21/06	1/26/06	767.59	39.91	010	1109	9200	05413	Transportation	
1497	IEXP-46687	1/28/06	2/2/06	1,042.90	54.23	010	1109	9200	05413	Transportation	
1498	IEXP-47434	2/4/06	2/9/06	377.79	19.65	010	1109	9200	05413	Transportation	
1499	IEXP-47947	2/11/06	2/23/06	1,668.79	86.78	010	1109	9200	05413	Transportation	
1500	IEXP-49352	3/6/06	3/13/06	12.52	0.65	010	1109	9200	05413	Transportation	
1501	IEXP-49352	3/6/06	3/13/06	2,733.95	142.17	010	1115	9200	05413	Transportation	
1502	IEXP-49760	3/14/06	3/23/06	41.68	2.17	010	1115	9200	05413	Transportation	
1503	IEXP-45567	1/14/06	1/19/06	684.50	35.59	010	1115	9200	05413	Transportation	
1504	IEXP-46071	1/21/06	1/26/06	276.90	14.40	010	1115	9200	05413	Transportation	
1505	IEXP-47815	2/9/06	2/13/06	335.20	17.43	010	1115	9200	05413	Transportation	
1506	IEXP-40151	11/4/05	11/10/05	1,485.70	77.26	010	1118	9210	05413	Transportation	
1507	IEXP-44938	1/6/06	1/12/06	58.88	3.06	010	1118	9210	05413	Transportation	
1508	IEXP-45864	1/18/06	1/23/06	655.12	34.07	010	1118	9210	05413	Transportation	
1509	IEXP-48920	2/27/06	3/2/06	1,768.65	91.97	010	1118	9210	05413	Transportation	
1510	IEXP-52123	4/25/06	4/27/06	970.87	50.49	010	1118	9210	05413	Transportation	
1511	IEXP-55623	6/22/06	6/26/06	676.64	35.19	010	1118	9210	05413	Transportation	
1512	IEXP-57907	7/28/06	8/3/06	545.47	28.36	010	1118	9210	05413	Transportation	
1513	IEXP-62571	9/18/06	9/21/06	246.47	12.82	010	1118	9210	05413	Transportation	
1514	IEXP-46548	1/27/06	1/30/06	675.50	35.13	010	1200	9210	05413	Transportation	
1515	IEXP-53733	5/22/06	5/25/06	237.10	12.33	010	1123	9210	05413	Transportation	
1516	IEXP-53980	5/25/06	5/30/06	395.20	20.55	010	1123	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1517	IEXP-56142	6/29/06	7/3/06	23.00	1.20	010	1123	9210	05413	Transportation	
1518	IEXP-37143	10/5/05	10/6/05	30.73	1.60	010	1120	9210	05413	Transportation	
1519	IEXP-37290	10/7/05	10/11/05	159.39	8.29	010	1120	9210	05413	Transportation	
1520	IEXP-42927	12/6/05	12/8/05	87.30	4.54	010	1120	9210	05413	Transportation	
1521	IEXP-44033	12/21/05	12/22/05	29.10	1.51	010	1120	9210	05413	Transportation	
1522	IEXP-46550	1/27/06	1/30/06	26.70	1.39	010	1120	9210	05413	Transportation	
1523	IEXP-59995	8/24/06	8/28/06	26.70	1.39	010	1120	9210	05413	Transportation	
1524	IEXP-41875	11/22/05	11/23/05	328.40	17.08	010	1121	9210	05413	Transportation	
1525	IEXP-38813	10/25/05	10/27/05	25.00	1.30	010	1107	9210	05413	Transportation	
1526	IEXP-55400	6/19/06	6/22/06	608.10	31.62	010	1123	9210	05413	Transportation	
1527	IEXP-41771	11/21/05	11/23/05	502.80	26.15	010	1121	9210	05413	Transportation	
1528	IEXP-44089	12/21/05	1/5/06	238.90	12.42	010	1121	9210	05413	Transportation	
1529	IEXP-53630	5/19/06	5/25/06	740.60	38.51	010	1121	9210	05413	Transportation	
1530	IEXP-56320	7/3/06	7/6/06	42.76	2.22	010	1121	9210	05413	Transportation	
1531	IEXP-59786	8/22/06	8/24/06	298.60	15.53	010	1121	9210	05413	Transportation	
1532	IEXP-63984	9/27/06	9/28/06	238.36	12.39	010	1121	9210	05413	Transportation	
1533	IEXP-37142	10/5/05	10/6/05	202.21	10.51	010	1111	9210	05413	Transportation	
1534	IEXP-40669	11/9/05	11/10/05	887.37	46.14	010	1111	9210	05413	Transportation	
1535	IEXP-47740	2/8/06	2/13/06	160.55	8.35	010	1111	9210	05413	Transportation	
1536	IEXP-49776	3/14/06	3/20/06	593.53	30.86	010	1111	9210	05413	Transportation	
1537	IEXP-51507	4/13/06	4/17/06	16.91	0.88	010	1111	9210	05413	Transportation	
1538	IEXP-52529	5/2/06	5/8/06	48.06	2.50	010	1111	9210	05413	Transportation	
1539	IEXP-54938	6/12/06	6/15/06	12.46	0.65	010	1111	9210	05413	Transportation	
1540	IEXP-61104	9/6/06	9/11/06	735.53	38.25	010	1111	9210	05413	Transportation	
1541	IEXP-48071	2/13/06	2/16/06	527.50	27.43	010	1135	9210	05413	Transportation	
1542	IEXP-51050	4/5/06	4/6/06	530.26	27.57	010	1135	9210	05413	Transportation	
1543	IEXP-52040	4/24/06	4/27/06	420.40	21.86	010	1135	9210	05413	Transportation	
1544	IEXP-40140	11/4/05	11/7/05	67.21	3.49	010	1001	9210	05413	Transportation	
1545	IEXP-48632	2/22/06	3/2/06	282.75	14.70	010	1001	9210	05413	Transportation	
1546	IEXP-50746	3/31/06	4/3/06	112.34	5.84	010	1001	9210	05413	Transportation	
1547	IEXP-51704	4/18/06	4/27/06	30.26	1.57	010	1001	9210	05413	Transportation	
1548	IEXP-53340	5/15/06	5/18/06	29.96	1.56	010	1001	9210	05413	Transportation	
1549	IEXP-53749	5/22/06	5/25/06	552.98	28.75	010	1405	9210	05413	Transportation	
1550	IEXP-41997	11/23/05	11/29/05	727.82	37.85	010	1121	9210	05413	Transportation	
1551	IEXP-45171	1/10/06	1/23/06	186.40	9.69	010	1121	9210	05413	Transportation	
1552	IEXP-54434	6/2/06	6/8/06	687.10	35.73	010	1121	9210	05413	Transportation	
1553	IEXP-56317	7/3/06	7/10/06	26.00	1.35	010	1121	9210	05413	Transportation	
1554	IEXP-41448	11/17/05	11/21/05	86.01	4.47	010	1913	9210	05413	Transportation	
1555	IEXP-46158	1/23/06	1/26/06	221.76	11.53	010	1913	9210	05413	Transportation	
1556	IEXP-46547	1/27/06	1/30/06	20.00	1.04	010	1913	9210	05413	Transportation	
1557	IEXP-48339	2/17/06	2/21/06	61.41	3.19	010	1913	9210	05413	Transportation	
1558	IEXP-49967	3/17/06	3/20/06	91.01	4.73	010	1913	9210	05413	Transportation	
1559	IEXP-50446	3/27/06	3/30/06	1,257.59	65.39	010	1913	9210	05413	Transportation	
1560	IEXP-50807	4/3/06	4/6/06	1,111.41	57.79	010	1913	9210	05413	Transportation	
1561	IEXP-51684	4/18/06	4/20/06	249.61	12.98	010	1913	9210	05413	Transportation	
1562	IEXP-53801	5/23/06	5/25/06	778.60	40.49	010	1913	9210	05413	Transportation	
1563	IEXP-55681	6/23/06	6/29/06	530.31	27.58	010	1913	9210	05413	Transportation	
1564	IEXP-55685	6/23/06	6/26/06	372.10	19.35	010	1913	9210	05413	Transportation	
1565	IEXP-57962	7/31/06	8/3/06	156.26	8.13	010	1913	9210	05413	Transportation	
1566	IEXP-59659	8/21/06	8/24/06	278.60	14.49	010	1913	9210	05413	Transportation	
1567	IEXP-63845	9/27/06	9/28/06	13.00	0.68	010	1913	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1568	IEXP-37289	10/7/05	10/11/05	96.83	5.04	010	1120	9210	05413	Transportation	
1569	IEXP-42929	12/6/05	12/8/05	66.93	3.48	010	1120	9210	05413	Transportation	
1570	IEXP-44034	12/21/05	12/22/05	22.31	1.16	010	1120	9210	05413	Transportation	
1571	IEXP-46570	1/27/06	1/30/06	20.47	1.06	010	1120	9210	05413	Transportation	
1572	IEXP-59989	8/24/06	8/28/06	20.47	1.06	010	1120	9210	05413	Transportation	
1573	IEXP-38134	10/19/05	10/24/05	522.01	27.14	010	1501	9302	05413	Transportation	
1574	IEXP-39550	11/1/05	11/3/05	465.35	24.20	010	1501	9302	05413	Transportation	
1575	IEXP-41229	11/15/05	12/5/05	263.90	13.72	010	1501	9302	05413	Transportation	
1576	IEXP-47718	2/8/06	2/13/06	171.10	8.90	010	1503	9302	05413	Transportation	
1577	IEXP-48160	2/15/06	2/16/06	301.87	15.70	010	1503	9302	05413	Transportation	
1578	IEXP-48528	2/21/06	2/23/06	747.10	38.85	010	1503	9302	05413	Transportation	
1579	IEXP-49588	3/10/06	3/16/06	304.76	15.85	010	1503	9302	05413	Transportation	
1580	IEXP-52197	4/26/06	5/4/06	294.60	15.32	010	1503	9210	05413	Transportation	
1581	IEXP-52200	4/26/06	5/4/06	288.02	14.98	010	1503	9210	05413	Transportation	
1582	IEXP-52884	5/5/06	5/11/06	295.10	15.35	010	1503	9210	05413	Transportation	
1583	IEXP-50453	3/27/06	3/30/06	564.53	29.36	010	1130	9210	05413	Transportation	
1584	IEXP-55573	6/21/06	6/26/06	1,614.15	83.94	010	1130	9210	05413	Transportation	
1585	IEXP-61148	9/6/06	9/11/06	644.31	33.50	010	1130	9210	05413	Transportation	
1586	IEXP-40537	11/8/05	11/10/05	306.77	15.95	010	1110	9210	05413	Transportation	
1587	IEXP-40538	11/8/05	11/10/05	583.55	30.34	010	1110	9210	05413	Transportation	
1588	IEXP-47057	2/1/06	2/2/06	319.30	16.60	010	1110	9210	05413	Transportation	
1589	IEXP-49448	3/8/06	3/9/06	489.94	25.48	010	1110	9210	05413	Transportation	
1590	IEXP-52138	4/25/06	4/27/06	301.00	15.65	010	1110	9210	05413	Transportation	
1591	IEXP-52139	4/25/06	4/27/06	261.30	13.59	010	1111	9210	05413	Transportation	
1592	IEXP-52140	4/25/06	4/27/06	488.51	25.40	010	1111	9210	05413	Transportation	
1593	IEXP-54016	5/26/06	6/1/06	166.40	8.65	010	1110	9210	05413	Transportation	
1594	IEXP-54017	5/26/06	6/1/06	390.40	20.30	010	1110	9210	05413	Transportation	
1595	IEXP-57887	7/28/06	7/31/06	1,112.16	57.83	010	1110	9210	05413	Transportation	
1596	IEXP-43363	12/12/05	12/15/05	157.05	8.17	010	1137	9210	05413	Transportation	
1597	IEXP-52247	4/27/06	5/1/06	61.48	3.20	010	1137	9210	05413	Transportation	
1598	IEXP-54742	6/8/06	6/12/06	199.09	10.35	010	1145	9210	05413	Transportation	
1599	IEXP-37250	10/6/05	10/11/05	19.40	1.01	010	1120	9210	05413	Transportation	
1600	IEXP-37296	10/7/05	10/11/05	145.80	7.58	010	1120	9210	05413	Transportation	
1601	IEXP-42930	12/6/05	12/8/05	97.00	5.04	010	1120	9210	05413	Transportation	
1602	IEXP-46567	1/27/06	1/30/06	17.80	0.93	010	1120	9210	05413	Transportation	
1603	IEXP-59977	8/24/06	8/28/06	17.80	0.93	010	1120	9210	05413	Transportation	
1604	IEXP-39610	11/1/05	11/3/05	586.00	30.47	010	1200	9210	05413	Transportation	
1605	IEXP-48219	2/15/06	2/16/06	511.08	26.58	010	1128	9210	05413	Transportation	
1606	IEXP-61960	9/13/06	9/14/06	249.60	12.98	010	1128	9210	05413	Transportation	
1607	IEXP-37292	10/7/05	10/11/05	66.93	3.48	010	1120	9210	05413	Transportation	
1608	IEXP-43728	12/16/05	12/19/05	66.93	3.48	010	1120	9210	05413	Transportation	
1609	IEXP-59996	8/24/06	8/28/06	20.47	1.06	010	1120	9210	05413	Transportation	
1610	IEXP-58719	8/10/06	8/16/06	1,261.20	65.58	010	1130	9210	05413	Transportation	
1611	IEXP-61722	9/12/06	9/14/06	56.00	2.91	010	1130	9210	05413	Transportation	
1612	IEXP-46847	1/31/06	2/6/06	253.10	13.16	010	1137	9210	05413	Transportation	
1613	IEXP-46308	1/24/06	1/26/06	302.61	15.74	010	1503	9210	05413	Transportation	
1614	IEXP-58048	8/1/06	8/3/06	139.09	7.23	010	1126	9210	05413	Transportation	
1615	IEXP-37252	10/6/05	10/11/05	460.41	23.94	010	1120	9210	05413	Transportation	
1616	IEXP-43259	12/9/05	12/12/05	22.60	1.18	010	1120	9210	05413	Transportation	
1617	IEXP-52198	4/26/06	5/1/06	56.95	2.96	010	1141	9210	05413	Transportation	
1618	IEXP-56159	6/29/06	7/3/06	144.70	7.52	010	1116	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1619	IEXP-38779	10/25/05	10/27/05	1,242.87	64.63	010	1501	9302	05413	Transportation	
1620	IEXP-38780	10/25/05	10/27/05	283.96	14.77	010	1501	9302	05413	Transportation	
1621	IEXP-38783	10/25/05	10/27/05	563.47	29.30	010	1501	9302	05413	Transportation	
1622	IEXP-40655	11/9/05	11/10/05	284.23	14.78	010	1501	9302	05413	Transportation	
1623	IEXP-40667	11/9/05	11/10/05	1,058.40	55.04	010	1501	9302	05413	Transportation	
1624	IEXP-42548	12/2/05	12/8/05	902.66	46.94	010	1501	9302	05413	Transportation	
1625	IEXP-44787	1/5/06	1/12/06	290.46	15.10	010	1501	9302	05413	Transportation	
1626	IEXP-45047	1/9/06	1/12/06	357.47	18.59	010	1501	9302	05413	Transportation	
1627	IEXP-45147	1/10/06	1/12/06	147.25	7.66	010	1501	9302	05413	Transportation	
1628	IEXP-45230	1/11/06	1/12/06	30.00	1.56	010	1501	9302	05413	Transportation	
1629	IEXP-45660	1/16/06	1/26/06	400.00	20.80	010	1501	9302	05413	Transportation	
1630	IEXP-47135	2/1/06	2/6/06	318.74	16.57	010	1501	9302	05413	Transportation	
1631	IEXP-47373	2/3/06	2/9/06	255.25	13.27	010	1501	9302	05413	Transportation	
1632	IEXP-47376	2/3/06	2/9/06	255.25	13.27	010	1501	9302	05413	Transportation	
1633	IEXP-48908	2/27/06	3/2/06	686.26	35.69	010	1501	9302	05413	Transportation	
1634	IEXP-50445	3/27/06	3/30/06	17.75	0.92	010	1501	9302	05413	Transportation	
1635	IEXP-51715	4/18/06	4/20/06	299.25	15.56	010	1501	9302	05413	Transportation	
1636	IEXP-51741	4/18/06	4/20/06	255.25	13.27	010	1501	9302	05413	Transportation	
1637	IEXP-53644	5/19/06	5/25/06	297.25	15.46	010	1501	9302	05413	Transportation	
1638	IEXP-53646	5/19/06	5/25/06	780.26	40.57	010	1501	9302	05413	Transportation	
1639	IEXP-53652	5/19/06	5/25/06	1,000.26	52.01	010	1501	9302	05413	Transportation	
1640	IEXP-53656	5/19/06	5/25/06	511.26	26.59	010	1501	9302	05413	Transportation	
1641	IEXP-57839	7/28/06	8/3/06	846.75	44.03	010	1501	9302	05413	Transportation	
1642	IEXP-57860	7/28/06	8/3/06	305.25	15.87	010	1501	9302	05413	Transportation	
1643	IEXP-60313	8/28/06	9/5/06	309.75	16.11	010	1501	9302	05413	Transportation	
1644	IEXP-60383	8/28/06	8/31/06	380.75	19.80	010	1501	9302	05413	Transportation	
1645	IEXP-62251	9/15/06	9/21/06	734.64	38.20	010	1501	9302	05413	Transportation	
1646	IEXP-60303	8/28/06	8/31/06	399.20	20.76	010	1121	9210	05413	Transportation	
1647	IEXP-60720	8/31/06	9/7/06	32.00	1.66	010	1121	9210	05413	Transportation	
1648	IEXP-53832	5/23/06	5/25/06	405.31	21.08	010	1141	9302	05413	Transportation	
1649	IEXP-41767	11/21/05	11/23/05	55.41	2.88	010	1148	9210	05413	Transportation	
1650	IEXP-39228	10/28/05	10/31/05	223.34	11.61	010	1134	9210	05413	Transportation	
1651	IEXP-51528	4/13/06	4/20/06	512.20	26.63	010	1134	9210	05413	Transportation	
1652	IEXP-52444	5/1/06	5/4/06	174.60	9.08	010	1134	9210	05413	Transportation	
1653	IEXP-44583	1/3/06	1/5/06	344.40	17.91	010	1126	9210	05413	Transportation	
1654	IEXP-47912	2/10/06	2/13/06	299.60	15.58	010	1126	9210	05413	Transportation	
1655	IEXP-56121	6/29/06	7/3/06	538.10	27.98	010	1123	9210	05413	Transportation	
1656	IEXP-54987	6/13/06	6/15/06	526.60	27.38	010	1144	9210	05413	Transportation	
1657	IEXP-52308	4/28/06	5/1/06	154.06	8.01	010	1913	9210	05413	Transportation	
1658	IEXP-57762	7/27/06	7/31/06	141.80	7.37	010	1913	9210	05413	Transportation	
1659	IEXP-49236	3/3/06	3/9/06	1,012.10	52.63	010	1109	9200	05413	Transportation	
1660	IEXP-50843	4/3/06	4/6/06	428.60	22.29	010	1408	9210	05413	Transportation	
1661	IEXP-50845	4/3/06	4/6/06	246.60	12.82	010	1408	9210	05413	Transportation	
1662	IEXP-52861	5/5/06	5/15/06	52.00	2.70	010	1408	9210	05413	Transportation	
1663	IEXP-55290	6/16/06	6/22/06	2.00	0.10	010	1408	9210	05413	Transportation	
1664	IEXP-37288	10/7/05	10/11/05	132.37	6.88	010	1120	9210	05413	Transportation	
1665	IEXP-52255	4/27/06	5/1/06	16.26	0.85	010	1120	9210	05413	Transportation	
1666	IEXP-56437	7/5/06	7/10/06	606.55	31.54	010	1408	9210	05413	Transportation	
1667	IEXP-57149	7/19/06	7/24/06	719.09	37.39	010	1408	9210	05413	Transportation	
1668	IEXP-61782	9/13/06	9/14/06	603.60	31.39	010	1408	9210	05413	Transportation	
1669	IEXP-60559	8/30/06	9/7/06	325.55	16.93	010	1135	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1670	IEXP-54524	6/5/06	6/8/06	644.53	33.52	010	1117	9210	05413	Transportation	
1671	IEXP-48359	2/17/06	2/21/06	67.19	3.49	010	1210	9210	05413	Transportation	
1672	IEXP-48588	2/22/06	2/23/06	85.44	4.44	010	1210	9210	05413	Transportation	
1673	IEXP-50256	3/23/06	3/27/06	92.56	4.81	010	1210	9210	05413	Transportation	
1674	IEXP-37620	10/12/05	10/13/05	810.44	42.14	010	1203	9210	05413	Transportation	
1675	IEXP-49746	3/14/06	3/16/06	207.30	10.78	010	1203	9210	05413	Transportation	
1676	IEXP-50685	3/30/06	4/3/06	56.45	2.94	010	1203	9210	05413	Transportation	
1677	IEXP-51298	4/10/06	4/13/06	149.60	7.78	010	1203	9210	05413	Transportation	
1678	IEXP-52059	4/24/06	4/27/06	97.68	5.08	010	1203	9210	05413	Transportation	
1679	IEXP-61628	9/11/06	9/14/06	393.97	20.49	010	1203	9210	05413	Transportation	
1680	IEXP-37072	10/4/05	10/6/05	93.90	4.88	010	1203	9200	05413	Transportation	
1681	IEXP-41159	11/14/05	11/17/05	1,807.13	93.97	010	1203	9210	05413	Transportation	
1682	IEXP-43489	12/13/05	12/15/05	248.80	12.94	010	1203	9210	05413	Transportation	
1683	IEXP-44943	1/6/06	1/12/06	195.70	10.18	010	1203	9210	05413	Transportation	
1684	IEXP-57086	7/17/06	7/20/06	229.58	11.94	010	1203	9210	05413	Transportation	
1685	IEXP-58810	8/10/06	8/11/06	229.60	11.94	010	1203	9210	05413	Transportation	
1686	IEXP-36937	10/3/05	10/6/05	119.06	6.19	010	1203	9200	05413	Transportation	
1687	IEXP-43093	12/7/05	12/15/05	294.37	15.31	010	1203	9210	05413	Transportation	
1688	IEXP-46270	1/24/06	1/26/06	127.09	6.61	010	1203	9210	05413	Transportation	
1689	IEXP-50735	3/31/06	4/6/06	734.20	38.18	010	1203	9210	05413	Transportation	
1690	IEXP-54044	5/26/06	6/1/06	670.51	34.87	010	1203	9210	05413	Transportation	
1691	IEXP-58885	8/10/06	8/14/06	715.15	37.19	010	1203	9210	05413	Transportation	
1692	IEXP-39979	11/3/05	11/7/05	50.07	2.60	010	1210	9210	05413	Transportation	
1693	IEXP-44503	1/3/06	1/5/06	55.14	2.87	010	1210	9210	05413	Transportation	
1694	IEXP-51992	4/21/06	4/24/06	138.24	7.19	010	1210	9210	05413	Transportation	
1695	IEXP-54422	6/2/06	6/8/06	46.08	2.40	010	1210	9210	05413	Transportation	
1696	IEXP-37750	10/14/05	10/20/05	11.36	0.59	010	1203	9210	05413	Transportation	
1697	IEXP-55268	6/16/06	6/22/06	6.24	0.32	010	1203	9210	05413	Transportation	
1698	IEXP-57669	7/26/06	7/27/06	85.00	4.42	010	1203	9210	05413	Transportation	
1699	IEXP-58283	8/7/06	8/21/06	151.60	7.88	010	1210	9210	05413	Transportation	
1700	IEXP-57708	7/26/06	8/3/06	75.00	3.90	010	1210	9210	05413	Transportation	
1701	IEXP-54159	5/30/06	6/8/06	6.24	0.32	010	1203	9210	05413	Transportation	
1702	IEXP-37085	10/4/05	10/6/05	16.99	0.88	010	1203	9200	05413	Transportation	
1703	IEXP-37739	10/14/05	10/20/05	4.86	0.25	010	1203	9210	05413	Transportation	
1704	IEXP-44343	12/29/05	12/31/05	9.70	0.50	010	1203	9210	05413	Transportation	
1705	IEXP-45848	1/18/06	1/26/06	3.56	0.19	010	1203	9210	05413	Transportation	
1706	IEXP-46810	1/30/06	2/6/06	3.56	0.19	010	1203	9210	05413	Transportation	
1707	IEXP-50774	3/31/06	4/6/06	6.24	0.32	010	1203	9210	05413	Transportation	
1708	IEXP-52439	5/1/06	5/4/06	33.38	1.74	010	1203	9210	05413	Transportation	
1709	IEXP-53838	5/23/06	5/30/06	35.60	1.85	010	1203	9210	05413	Transportation	
1710	IEXP-55296	6/16/06	6/22/06	66.75	3.47	010	1203	9210	05413	Transportation	
1711	IEXP-56982	7/14/06	7/17/06	44.50	2.31	010	1203	9210	05413	Transportation	
1712	IEXP-58141	8/2/06	8/3/06	98.36	5.11	010	1203	9210	05413	Transportation	
1713	IEXP-61024	9/5/06	9/7/06	71.66	3.73	010	1203	9210	05413	Transportation	
1714	IEXP-57001	7/14/06	7/17/06	3.12	0.16	010	1203	9210	05413	Transportation	
1715	IEXP-43414	12/12/05	12/15/05	58.80	3.06	010	1210	9210	05413	Transportation	
1716	IEXP-44557	1/3/06	1/9/06	26.20	1.36	010	1210	9210	05413	Transportation	
1717	IEXP-47134	2/1/06	2/2/06	27.59	1.43	010	1210	9210	05413	Transportation	
1718	IEXP-61061	9/5/06	9/11/06	178.44	9.28	010	1210	9210	05413	Transportation	
1719	IEXP-43432	12/12/05	12/15/05	639.30	33.24	010	1210	9210	05413	Transportation	
1720	IEXP-45046	1/9/06	1/12/06	210.04	10.92	010	1210	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1721	IEXP-47518	2/6/06	2/9/06	882.84	45.91	010	1210	9210	05413	Transportation	
1722	IEXP-48003	2/13/06	2/16/06	274.70	14.28	010	1210	9210	05413	Transportation	
1723	IEXP-48789	2/24/06	2/27/06	198.91	10.34	010	1210	9210	05413	Transportation	
1724	IEXP-49487	3/9/06	3/16/06	103.23	5.37	010	1210	9210	05413	Transportation	
1725	IEXP-49489	3/9/06	3/13/06	205.14	10.67	010	1210	9210	05413	Transportation	
1726	IEXP-50305	3/23/06	3/27/06	306.60	15.94	010	1210	9210	05413	Transportation	
1727	IEXP-51241	4/7/06	4/10/06	203.36	10.57	010	1210	9210	05413	Transportation	
1728	IEXP-52318	4/28/06	5/1/06	227.39	11.82	010	1210	9210	05413	Transportation	
1729	IEXP-53563	5/18/06	5/22/06	356.89	18.56	010	1210	9210	05413	Transportation	
1730	IEXP-54495	6/5/06	6/15/06	99.68	5.18	010	1210	9210	05413	Transportation	
1731	IEXP-55574	6/21/06	6/22/06	147.24	7.66	010	1210	9210	05413	Transportation	
1732	IEXP-56817	7/12/06	7/13/06	8.00	0.42	010	1210	9210	05413	Transportation	
1733	IEXP-56819	7/12/06	7/13/06	99.68	5.18	010	1210	9210	05413	Transportation	
1734	IEXP-57743	7/27/06	7/31/06	95.23	4.95	010	1210	9210	05413	Transportation	
1735	IEXP-59058	8/14/06	8/16/06	99.68	5.18	010	1210	9210	05413	Transportation	
1736	IEXP-60450	8/29/06	9/5/06	293.25	15.25	010	1210	9210	05413	Transportation	
1737	IEXP-60452	8/29/06	9/5/06	7.00	0.36	010	1210	9210	05413	Transportation	
1738	IEXP-60471	8/29/06	9/5/06	8.00	0.42	010	1210	9210	05413	Transportation	
1739	IEXP-61460	9/8/06	9/11/06	409.70	21.30	010	1210	9210	05413	Transportation	
1740	IEXP-62337	9/15/06	9/21/06	102.34	5.32	010	1210	9210	05413	Transportation	
1741	IEXP-56949	7/14/06	9/1/06	1,005.59	52.29	010	1210	9210	05413	Transportation	
1742	IEXP-37298	10/7/05	10/11/05	6.24	0.32	010	1203	9210	05413	Transportation	
1743	IEXP-47810	2/9/06	2/13/06	3.12	0.16	010	1203	9210	05413	Transportation	
1744	IEXP-45884	1/19/06	1/23/06	3.12	0.16	010	1203	9210	05413	Transportation	
1745	IEXP-48545	2/21/06	2/23/06	6.24	0.32	010	1203	9210	05413	Transportation	
1746	IEXP-37017	10/3/05	10/6/05	50.68	2.64	010	1203	9200	05413	Transportation	
1747	IEXP-37791	10/14/05	10/24/05	2,509.70	130.50	010	1203	9200	05413	Transportation	
1748	IEXP-40276	11/7/05	11/10/05	68.10	3.54	010	1203	9210	05413	Transportation	
1749	IEXP-42210	11/30/05	12/8/05	1,362.65	70.86	010	1203	9210	05413	Transportation	
1750	IEXP-44045	12/21/05	12/22/05	1,366.27	71.05	010	1203	9210	05413	Transportation	
1751	IEXP-44358	12/29/05	1/9/06	79.88	4.15	010	1203	9210	05413	Transportation	
1752	IEXP-44939	1/6/06	1/12/06	113.86	5.92	010	1203	9210	05413	Transportation	
1753	IEXP-45836	1/18/06	1/26/06	415.40	21.60	010	1203	9210	05413	Transportation	
1754	IEXP-47330	2/3/06	2/9/06	26.70	1.39	010	1203	9210	05413	Transportation	
1755	IEXP-48319	2/16/06	2/23/06	2,023.30	105.21	010	1203	9210	05413	Transportation	
1756	IEXP-48531	2/21/06	2/23/06	346.51	18.02	010	1203	9210	05413	Transportation	
1757	IEXP-48977	2/28/06	3/9/06	13.35	0.69	010	1203	9210	05413	Transportation	
1758	IEXP-49410	3/7/06	3/9/06	13.35	0.69	010	1203	9210	05413	Transportation	
1759	IEXP-49766	3/14/06	3/20/06	3,770.42	196.06	010	1203	9210	05413	Transportation	
1760	IEXP-51091	4/6/06	4/24/06	409.98	21.32	010	1203	9210	05413	Transportation	
1761	IEXP-51667	4/17/06	4/24/06	1,978.39	102.88	010	1203	9210	05413	Transportation	
1762	IEXP-52832	5/5/06	5/11/06	134.73	7.01	010	1203	9210	05413	Transportation	
1763	IEXP-54027	5/26/06	6/5/06	3,109.55	161.70	010	1203	9210	05413	Transportation	
1764	IEXP-55305	6/16/06	6/26/06	963.16	50.08	010	1203	9210	05413	Transportation	
1765	IEXP-56999	7/14/06	7/24/06	13.35	0.69	010	1203	9210	05413	Transportation	
1766	IEXP-58723	8/9/06	8/21/06	394.15	20.50	010	1203	9210	05413	Transportation	
1767	IEXP-59558	8/18/06	8/21/06	796.15	41.40	010	1203	9210	05413	Transportation	
1768	IEXP-38954	10/26/05	10/27/05	159.57	8.30	010	1203	9210	05413	Transportation	
1769	IEXP-42775	12/5/05	12/15/05	6.80	0.35	010	1203	9210	05413	Transportation	
1770	IEXP-44336	12/29/05	1/5/06	3.40	0.18	010	1203	9210	05413	Transportation	
1771	IEXP-52355	4/28/06	5/4/06	138.85	7.22	010	1203	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1772	IEXP-59783	8/22/06	8/24/06	299.60	15.58	010	1203	9210	05413	Transportation	
1773	IEXP-57352	7/21/06	7/24/06	114.80	5.97	010	1210	9210	05413	Transportation	
1774	IEXP-48101	2/14/06	2/16/06	890.70	46.32	010	1210	9210	05413	Transportation	
1775	IEXP-49468	3/8/06	3/9/06	80.71	4.20	010	1210	9210	05413	Transportation	
1776	IEXP-56814	7/12/06	7/17/06	82.49	4.29	010	1210	9210	05413	Transportation	
1777	IEXP-43780	12/16/05	12/22/05	109.13	5.67	010	1210	9210	05413	Transportation	
1778	IEXP-46293	1/24/06	2/2/06	99.68	5.18	010	1210	9210	05413	Transportation	
1779	IEXP-47827	2/9/06	2/13/06	113.92	5.92	010	1210	9210	05413	Transportation	
1780	IEXP-57364	7/21/06	7/24/06	51.62	2.68	010	1210	9210	05413	Transportation	
1781	IEXP-59632	8/21/06	8/28/06	51.62	2.68	010	1210	9210	05413	Transportation	
1782	IEXP-43770	12/16/05	12/22/05	93.96	4.89	010	1210	9210	05413	Transportation	
1783	IEXP-49398	3/7/06	3/9/06	155.75	8.10	010	1210	9210	05413	Transportation	
1784	IEXP-51995	4/21/06	4/27/06	106.80	5.55	010	1210	9210	05413	Transportation	
1785	IEXP-59098	8/14/06	8/24/06	160.20	8.33	010	1210	9210	05413	Transportation	
1786	IEXP-58892	8/11/06	9/1/06	30.00	1.56	010	1210	9210	05413	Transportation	
1787	IEXP-42768	12/5/05	12/8/05	86.33	4.49	010	1210	9210	05413	Transportation	
1788	IEXP-36751	9/29/05	10/6/05	566.01	29.43	010	1203	9200	05413	Transportation	
1789	IEXP-40929	11/11/05	11/17/05	513.18	26.69	010	1203	9210	05413	Transportation	
1790	IEXP-48321	2/16/06	2/21/06	1,167.23	60.70	010	1203	9210	05413	Transportation	
1791	IEXP-48982	2/28/06	3/9/06	13.35	0.69	010	1203	9210	05413	Transportation	
1792	IEXP-51097	4/6/06	4/10/06	427.66	22.24	010	1203	9210	05413	Transportation	
1793	IEXP-54045	5/26/06	6/1/06	744.33	38.71	010	1203	9210	05413	Transportation	
1794	IEXP-58740	8/9/06	8/11/06	358.80	18.66	010	1203	9210	05413	Transportation	
1795	IEXP-59559	8/18/06	8/21/06	250.35	13.02	010	1203	9210	05413	Transportation	
1796	IEXP-38480	10/21/05	10/24/05	251.46	13.08	010	1203	9210	05413	Transportation	
1797	IEXP-49066	3/1/06	3/6/06	266.45	13.86	010	1203	9210	05413	Transportation	
1798	IEXP-49447	3/8/06	3/13/06	44.50	2.31	010	1203	9210	05413	Transportation	
1799	IEXP-47351	2/3/06	2/6/06	23.56	1.23	010	1203	9210	05413	Transportation	
1800	IEXP-63742	9/26/06	9/28/06	3.12	0.16	010	1203	9210	05413	Transportation	
1801	IEXP-55070	6/14/06	6/29/06	153.97	8.01	010	1210	9210	05413	Transportation	
1802	IEXP-40893	11/11/05	11/14/05	713.00	37.08	010	1203	9210	05413	Transportation	
1803	IEXP-41607	11/18/05	11/21/05	285.00	14.82	010	1203	9210	05413	Transportation	
1804	IEXP-42607	12/2/05	12/5/05	229.40	11.93	010	1203	9210	05413	Transportation	
1805	IEXP-43656	12/15/05	12/19/05	299.40	15.57	010	1203	9210	05413	Transportation	
1806	IEXP-44058	12/21/05	12/22/05	358.80	18.66	010	1203	9210	05413	Transportation	
1807	IEXP-44837	1/5/06	1/9/06	1,239.70	64.46	010	1203	9210	05413	Transportation	
1808	IEXP-46286	1/24/06	1/26/06	1,525.10	79.31	010	1203	9210	05413	Transportation	
1809	IEXP-47886	2/10/06	2/13/06	1,206.50	62.74	010	1203	9210	05413	Transportation	
1810	IEXP-48786	2/24/06	2/27/06	3,900.18	202.81	010	1203	9210	05413	Transportation	
1811	IEXP-49578	3/10/06	3/13/06	160.20	8.33	010	1203	9210	05413	Transportation	
1812	IEXP-50185	3/22/06	3/23/06	913.90	47.52	010	1203	9210	05413	Transportation	
1813	IEXP-50828	4/3/06	4/6/06	1,387.00	72.12	010	1203	9210	05413	Transportation	
1814	IEXP-52317	4/28/06	5/1/06	1,228.06	63.86	010	1203	9210	05413	Transportation	
1815	IEXP-53571	5/18/06	5/22/06	894.20	46.50	010	1210	9210	05413	Transportation	
1816	IEXP-53571	5/18/06	5/22/06	3,345.76	173.98	010	1203	9210	05413	Transportation	
1817	IEXP-53730	5/22/06	5/25/06	60.00	3.12	010	1210	9210	05413	Transportation	
1818	IEXP-54999	6/13/06	6/15/06	258.22	13.43	010	1210	9210	05413	Transportation	
1819	IEXP-54999	6/13/06	6/15/06	888.40	46.20	010	1203	9210	05413	Transportation	
1820	IEXP-57010	7/14/06	7/20/06	229.60	11.94	010	1210	9210	05413	Transportation	
1821	IEXP-57343	7/21/06	7/24/06	915.90	47.63	010	1203	9210	05413	Transportation	
1822	IEXP-58068	8/1/06	8/3/06	229.60	11.94	010	1203	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1823	IEXP-58802	8/10/06	8/11/06	29.00	1.51	010	1203	9210	05413	Transportation	
1824	IEXP-58907	8/11/06	8/14/06	448.80	23.34	010	1203	9210	05413	Transportation	
1825	IEXP-60095	8/25/06	8/28/06	940.97	48.93	010	1203	9210	05413	Transportation	
1826	IEXP-62200	9/14/06	9/18/06	229.60	11.94	010	1210	9210	05413	Transportation	
1827	IEXP-62200	9/14/06	9/18/06	738.51	38.40	010	1203	9210	05413	Transportation	
1828	IEXP-62204	9/14/06	9/18/06	498.90	25.94	010	1203	9210	05413	Transportation	
1829	IEXP-59971	8/24/06	8/28/06	451.73	23.49	010	1210	9210	05413	Transportation	
1830	IEXP-48685	2/23/06	2/27/06	22.25	1.16	010	1203	9210	05413	Transportation	
1831	IEXP-56425	7/5/06	7/13/06	149.60	7.78	010	1203	9210	05413	Transportation	
1832	IEXP-58139	8/2/06	8/3/06	50.00	2.60	010	1203	9210	05413	Transportation	
1833	IEXP-61060	9/5/06	9/7/06	13.35	0.69	010	1203	9210	05413	Transportation	
1834	IEXP-61060	9/5/06	9/7/06	413.37	21.50	010	1210	9210	05413	Transportation	
1835	IEXP-61130	9/6/06	9/14/06	333.70	17.35	010	1203	9210	05413	Transportation	
1836	IEXP-37061	10/4/05	10/6/05	93.90	4.88	010	1203	9210	05413	Transportation	
1837	IEXP-41636	11/18/05	11/21/05	339.90	17.67	010	1203	9210	05413	Transportation	
1838	IEXP-43406	12/12/05	12/15/05	238.79	12.42	010	1203	9210	05413	Transportation	
1839	IEXP-45088	1/10/06	1/12/06	1,211.95	63.02	010	1203	9210	05413	Transportation	
1840	IEXP-47672	2/7/06	2/9/06	291.50	15.16	010	1203	9210	05413	Transportation	
1841	IEXP-49041	3/1/06	3/6/06	415.30	21.60	010	1210	9210	05413	Transportation	
1842	IEXP-49041	3/1/06	3/6/06	1,459.60	75.90	010	1203	9210	05413	Transportation	
1843	IEXP-51498	4/13/06	4/17/06	13.35	0.69	010	1203	9210	05413	Transportation	
1844	IEXP-52693	5/3/06	5/8/06	276.00	14.35	010	1203	9210	05413	Transportation	
1845	IEXP-54634	6/6/06	6/15/06	173.55	9.02	010	1203	9210	05413	Transportation	
1846	IEXP-56465	7/5/06	8/1/06	951.97	49.50	010	1210	9210	05413	Transportation	
1847	IEXP-58239	8/3/06	8/8/06	439.20	22.84	010	1203	9210	05413	Transportation	
1848	IEXP-61062	9/5/06	9/7/06	76.11	3.96	010	1203	9210	05413	Transportation	
1849	IEXP-61062	9/5/06	9/7/06	492.05	25.59	010	1210	9210	05413	Transportation	
1850	IEXP-61063	9/5/06	9/11/06	13.35	0.69	010	1203	9210	05413	Transportation	
1851	IEXP-39131	10/27/05	10/31/05	275.89	14.35	010	1210	9210	05413	Transportation	
1852	IEXP-57724	7/26/06	8/3/06	131.44	6.83	010	1210	9210	05413	Transportation	
1853	IEXP-60448	8/29/06	9/7/06	261.10	13.58	010	1210	9210	05413	Transportation	
1854	IEXP-55394	6/19/06	6/29/06	94.06	4.89	010	1210	9210	05413	Transportation	
1855	IEXP-44528	1/3/06	1/5/06	145.50	7.57	010	1210	9210	05413	Transportation	
1856	IEXP-47598	2/6/06	2/9/06	124.51	6.47	010	1210	9210	05413	Transportation	
1857	IEXP-48114	2/14/06	2/16/06	890.70	46.32	010	1210	9210	05413	Transportation	
1858	IEXP-49463	3/8/06	3/9/06	101.18	5.26	010	1210	9210	05413	Transportation	
1859	IEXP-51056	4/5/06	4/13/06	171.44	8.91	010	1210	9210	05413	Transportation	
1860	IEXP-52996	5/8/06	5/11/06	995.21	51.75	010	1210	9210	05413	Transportation	
1861	IEXP-57028	7/14/06	7/20/06	114.53	5.96	010	1210	9210	05413	Transportation	
1862	IEXP-59762	8/22/06	8/28/06	106.40	5.53	010	1210	9210	05413	Transportation	
1863	IEXP-59763	8/22/06	8/28/06	130.83	6.80	010	1210	9210	05413	Transportation	
1864	IEXP-62631	9/19/06	9/21/06	217.33	11.30	010	1210	9210	05413	Transportation	
1865	IEXP-60149	8/25/06	8/28/06	533.20	27.73	010	1203	9210	05413	Transportation	
1866	IEXP-41770	11/21/05	11/23/05	727.22	37.82	010	1203	9210	05413	Transportation	
1867	IEXP-49497	3/9/06	3/13/06	619.01	32.19	010	1203	9210	05413	Transportation	
1868	IEXP-52334	4/28/06	5/4/06	629.31	32.72	010	1203	9210	05413	Transportation	
1869	IEXP-54033	5/26/06	6/1/06	460.50	23.95	010	1203	9210	05413	Transportation	
1870	IEXP-55845	6/26/06	6/29/06	816.30	42.45	010	1203	9210	05413	Transportation	
1871	IEXP-62262	9/15/06	9/18/06	393.97	20.49	010	1203	9210	05413	Transportation	
1872	IEXP-63140	9/25/06	9/28/06	446.70	23.23	010	1203	9210	05413	Transportation	
1873	IEXP-37625	10/12/05	10/13/05	355.99	18.51	010	1203	9210	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1874	IEXP-39076	10/27/05	10/31/05	274.40	14.27	010	1203	9210	05413	Transportation	
1875	IEXP-41886	11/22/05	11/23/05	610.67	31.75	010	1203	9210	05413	Transportation	
1876	IEXP-48538	2/21/06	2/23/06	708.13	36.82	010	1203	9210	05413	Transportation	
1877	IEXP-50136	3/21/06	3/23/06	529.70	27.54	010	1203	9210	05413	Transportation	
1878	IEXP-52067	4/24/06	5/4/06	676.50	35.18	010	1203	9210	05413	Transportation	
1879	IEXP-59694	8/21/06	8/24/06	47.00	2.44	010	1203	9210	05413	Transportation	
1880	IEXP-62913	9/21/06	9/25/06	481.80	25.05	010	1203	9210	05413	Transportation	
1881	IEXP-57687	7/26/06	8/3/06	113.20	5.89	010	1210	9210	05413	Transportation	
1882	IEXP-58005	7/31/06	8/3/06	119.87	6.23	010	1210	9210	05413	Transportation	
1883	IEXP-60460	8/29/06	9/7/06	113.64	5.91	010	1210	9210	05413	Transportation	
1884	IEXP-37751	10/14/05	10/20/05	30.68	1.60	010	1203	9210	05413	Transportation	
1885	IEXP-55071	6/14/06	6/15/06	576.87	30.00	010	1210	9210	05413	Transportation	
1886	IEXP-58319	8/7/06	8/10/06	212.10	11.03	010	1210	9210	05413	Transportation	
1887	IEXP-59114	8/14/06	8/21/06	363.25	18.89	010	1210	9210	05413	Transportation	
1888	IEXP-44346	12/29/05	1/9/06	141.03	7.33	010	1203	9210	05413	Transportation	
1889	IEXP-52690	5/3/06	5/8/06	9.64	0.50	010	1203	9210	05413	Transportation	
1890	IEXP-54428	6/2/06	6/15/06	236.81	12.31	010	1203	9210	05413	Transportation	
1891	IEXP-40098	11/4/05	11/10/05	274.55	14.28	010	1203	9210	05413	Transportation	
1892	IEXP-43900	12/19/05	12/22/05	3.40	0.18	010	1203	9210	05413	Transportation	
1893	IEXP-46659	1/27/06	1/30/06	3.12	0.16	010	1203	9210	05413	Transportation	
1894	IEXP-49138	3/2/06	3/9/06	439.62	22.86	010	1203	9210	05413	Transportation	
1895	IEXP-52229	4/26/06	5/1/06	169.60	8.82	010	1210	9210	05413	Transportation	
1896	IEXP-53471	5/16/06	5/22/06	218.12	11.34	010	1210	9210	05413	Transportation	
1897	IEXP-54629	6/6/06	6/8/06	423.05	22.00	010	1203	9210	05413	Transportation	
1898	IEXP-55987	6/28/06	6/29/06	230.60	11.99	010	1203	9210	05413	Transportation	
1899	IEXP-57060	7/17/06	7/20/06	374.03	19.45	010	1203	9210	05413	Transportation	
1900	IEXP-47702	2/8/06	2/13/06	100.31	5.22	010	1210	9210	05413	Transportation	
1901	IEXP-55379	6/19/06	6/22/06	119.15	6.20	010	1210	9210	05413	Transportation	
1902	IEXP-43671	12/15/05	12/22/05	838.85	43.62	010	1210	9210	05413	Transportation	
1903	IEXP-45742	1/17/06	1/19/06	6.60	0.34	010	1210	9210	05413	Transportation	
1904	IEXP-47133	2/1/06	2/2/06	99.68	5.18	010	1210	9210	05413	Transportation	
1905	IEXP-50244	3/23/06	3/27/06	670.18	34.85	010	1210	9210	05413	Transportation	
1906	IEXP-51991	4/21/06	4/24/06	199.36	10.37	010	1210	9210	05413	Transportation	
1907	IEXP-54043	5/26/06	6/5/06	308.20	16.03	010	1210	9210	05413	Transportation	
1908	IEXP-56145	6/29/06	7/3/06	16.02	0.83	010	1210	9210	05413	Transportation	
1909	IEXP-59630	8/21/06	8/28/06	100.12	5.21	010	1210	9210	05413	Transportation	
1910	IEXP-63908	9/27/06	9/28/06	872.05	45.35	010	1210	9210	05413	Transportation	
1911	IEXP-49747	3/14/06	3/16/06	305.32	15.88	010	1203	9210	05413	Transportation	
1912	IEXP-54242	5/31/06	6/1/06	239.03	12.43	010	1203	9210	05413	Transportation	
1913	IEXP-54246	5/31/06	6/1/06	410.78	21.36	010	1203	9210	05413	Transportation	
1914	IEXP-55383	6/19/06	6/22/06	738.40	38.40	010	1203	9210	05413	Transportation	
1915	IEXP-57479	7/24/06	7/27/06	476.30	24.77	010	1203	9210	05413	Transportation	
1916	IEXP-59712	8/21/06	8/24/06	110.00	5.72	010	1203	9210	05413	Transportation	19,999.27
1917	IEXP-47634	2/7/06	2/16/06	158.29	8.23	010	1137	9210	05414	Lodging	
1918	IEXP-56352	7/3/06	7/6/06	978.00	50.86	010	1137	9210	05414	Lodging	
1919	IEXP-37312	10/7/05	10/13/05	896.64	46.63	010	1501	9302	05414	Lodging	
1920	IEXP-41391	11/16/05	11/17/05	369.80	19.23	010	1142	9210	05414	Lodging	
1921	IEXP-48919	2/27/06	3/9/06	146.25	7.61	010	1128	9210	05414	Lodging	
1922	IEXP-55732	6/23/06	6/26/06	141.02	7.33	010	1128	9210	05414	Lodging	
1923	IEXP-58028	7/31/06	8/3/06	511.21	26.58	010	1128	9210	05414	Lodging	
1924	IEXP-39748	11/2/05	11/3/05	471.50	24.52	010	1200	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1925	IEXP-40847	11/11/05	11/14/05	125.35	6.52	010	1200	9210	05414	Lodging	
1926	IEXP-63223	9/25/06	9/28/06	317.40	16.50	010	1201	9210	05414	Lodging	
1927	IEXP-41773	11/21/05	11/23/05	148.35	7.71	010	1132	9210	05414	Lodging	
1928	IEXP-43472	12/13/05	12/19/05	848.14	44.10	010	1132	9210	05414	Lodging	
1929	IEXP-53047	5/9/06	5/11/06	590.44	30.70	010	1132	9210	05414	Lodging	
1930	IEXP-52485	5/1/06	5/4/06	136.85	7.12	010	1953	9210	05414	Lodging	
1931	IEXP-54402	6/2/06	6/5/06	410.55	21.35	010	1953	9210	05414	Lodging	
1932	IEXP-54541	6/5/06	6/8/06	158.29	8.23	010	1130	9210	05414	Lodging	
1933	IEXP-59839	8/23/06	8/24/06	158.29	8.23	010	1130	9210	05414	Lodging	
1934	IEXP-47930	2/10/06	2/16/06	445.05	23.14	010	1109	9200	05414	Lodging	
1935	IEXP-51387	4/11/06	4/13/06	813.48	42.30	010	1137	9210	05414	Lodging	
1936	IEXP-61844	9/13/06	9/14/06	440.14	22.89	010	1137	9210	05414	Lodging	
1937	IEXP-41348	11/16/05	11/17/05	174.35	9.07	010	1142	9210	05414	Lodging	
1938	IEXP-48301	2/16/06	2/21/06	209.05	10.87	010	1142	9210	05414	Lodging	
1939	IEXP-48733	2/24/06	3/2/06	470.25	24.45	010	1142	9210	05414	Lodging	
1940	IEXP-51744	4/18/06	4/20/06	452.00	23.50	010	1142	9210	05414	Lodging	
1941	IEXP-53748	5/22/06	5/25/06	173.66	9.03	010	1142	9210	05414	Lodging	
1942	IEXP-56227	6/30/06	7/3/06	727.95	37.85	010	1142	9210	05414	Lodging	
1943	IEXP-43473	12/13/05	12/15/05	178.08	9.26	010	1201	9210	05414	Lodging	
1944	IEXP-48060	2/13/06	2/16/06	147.38	7.66	010	1201	9210	05414	Lodging	
1945	IEXP-60312	8/28/06	9/7/06	316.58	16.46	010	1201	9210	05414	Lodging	
1946	IEXP-48552	2/21/06	2/23/06	128.44	6.68	010	1109	9200	05414	Lodging	
1947	IEXP-39411	10/31/05	11/3/05	218.47	11.36	010	1128	9210	05414	Lodging	
1948	IEXP-44342	12/29/05	1/16/06	312.39	16.24	010	1128	9210	05414	Lodging	
1949	IEXP-49306	3/6/06	3/9/06	250.70	13.04	010	1128	9210	05414	Lodging	
1950	IEXP-53346	5/15/06	5/18/06	250.70	13.04	010	1128	9210	05414	Lodging	
1951	IEXP-55699	6/23/06	6/26/06	421.01	21.89	010	1128	9210	05414	Lodging	
1952	IEXP-58620	8/9/06	8/10/06	258.21	13.43	010	1128	9210	05414	Lodging	
1953	IEXP-61225	9/7/06	9/14/06	398.00	20.70	010	1142	9210	05414	Lodging	
1954	IEXP-36601	9/28/05	10/6/05	15.00	0.78	010	1128	9210	05414	Lodging	
1955	IEXP-48893	2/27/06	3/2/06	156.25	8.13	010	1128	9210	05414	Lodging	
1956	IEXP-56238	6/30/06	7/6/06	276.60	14.38	010	1128	9210	05414	Lodging	
1957	IEXP-57974	7/31/06	8/3/06	519.21	27.00	010	1128	9210	05414	Lodging	
1958	IEXP-56234	6/30/06	7/3/06	732.60	38.10	010	1405	9210	05414	Lodging	
1959	IEXP-59655	8/21/06	8/24/06	338.37	17.60	010	1405	9210	05414	Lodging	
1960	IEXP-52543	5/2/06	5/4/06	463.43	24.10	010	1135	9210	05414	Lodging	
1961	IEXP-41907	11/22/05	11/23/05	282.50	14.69	010	1121	9210	05414	Lodging	
1962	IEXP-61625	9/11/06	9/14/06	307.27	15.98	010	1121	9210	05414	Lodging	
1963	IEXP-49885	3/16/06	3/20/06	673.78	35.04	010	1118	9210	05414	Lodging	
1964	IEXP-52523	5/2/06	5/4/06	316.58	16.46	010	1118	9210	05414	Lodging	
1965	IEXP-63129	9/25/06	9/28/06	524.10	27.25	010	1118	9210	05414	Lodging	
1966	IEXP-53837	5/23/06	5/25/06	452.79	23.55	010	1144	9210	05414	Lodging	
1967	IEXP-36994	10/3/05	10/11/05	616.02	32.03	010	1133	9210	05414	Lodging	
1968	IEXP-40176	11/4/05	11/10/05	497.72	25.88	010	1133	9210	05414	Lodging	
1969	IEXP-44844	1/5/06	1/9/06	87.40	4.54	010	1133	9210	05414	Lodging	
1970	IEXP-52890	5/5/06	5/11/06	159.85	8.31	010	1133	9210	05414	Lodging	
1971	IEXP-58510	8/8/06	8/10/06	123.17	6.40	010	1133	9210	05414	Lodging	
1972	IEXP-61179	9/7/06	9/7/06	159.85	8.31	010	1133	9210	05414	Lodging	
1973	IEXP-49751	3/14/06	3/16/06	428.38	22.28	010	1144	9210	05414	Lodging	
1974	IEXP-56440	7/5/06	7/6/06	354.12	18.41	010	1144	9210	05414	Lodging	
1975	IEXP-49939	3/17/06	3/20/06	428.38	22.28	010	1144	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
1976	IEXP-57281	7/20/06	7/27/06	159.64	8.30	010	1130	9210	05414	Lodging	
1977	IEXP-38676	10/24/05	10/27/05	896.39	46.61	010	1137	9210	05414	Lodging	
1978	IEXP-38988	10/26/05	10/27/05	561.24	29.18	010	1137	9210	05414	Lodging	
1979	IEXP-42082	11/28/05	12/1/05	74.85	3.89	010	1137	9210	05414	Lodging	
1980	IEXP-51319	4/10/06	4/13/06	822.90	42.79	010	1137	9210	05414	Lodging	
1981	IEXP-56241	6/30/06	7/3/06	1,316.02	68.43	010	1137	9210	05414	Lodging	
1982	IEXP-44633	1/4/06	1/5/06	435.56	22.65	010	1125	9210	05414	Lodging	
1983	IEXP-56976	7/14/06	7/20/06	99.95	5.20	010	1125	9210	05414	Lodging	
1984	IEXP-46268	1/24/06	1/26/06	435.56	22.65	010	1125	9210	05414	Lodging	
1985	IEXP-40188	11/4/05	11/10/05	98.58	5.13	010	1133	9210	05414	Lodging	
1986	IEXP-41654	11/18/05	11/23/05	60.21	3.13	010	1133	9210	05414	Lodging	
1987	IEXP-48787	2/24/06	9/1/06	483.44	25.14	010	1133	9210	05414	Lodging	
1988	IEXP-52539	5/2/06	9/1/06	798.00	41.50	010	1133	9210	05414	Lodging	
1989	IEXP-58769	8/10/06	8/14/06	79.10	4.11	010	1133	9210	05414	Lodging	
1990	IEXP-39617	11/1/05	11/3/05	200.08	10.40	010	1201	9210	05414	Lodging	
1991	IEXP-46903	1/31/06	2/2/06	1,107.42	57.59	010	1137	9210	05414	Lodging	
1992	IEXP-37772	10/14/05	10/17/05	558.42	29.04	010	1405	9210	05414	Lodging	
1993	IEXP-53464	5/16/06	5/18/06	503.64	26.19	010	1405	9210	05414	Lodging	
1994	IEXP-55221	6/15/06	6/19/06	416.38	21.65	010	1141	9210	05414	Lodging	
1995	IEXP-61237	9/8/06	9/11/06	145.45	7.56	010	1406	9210	05414	Lodging	
1996	IEXP-52741	5/4/06	5/11/06	190.34	9.90	010	1501	9210	05414	Lodging	
1997	IEXP-50881	4/3/06	4/6/06	388.70	20.21	010	1501	9302	05414	Lodging	
1998	IEXP-55715	6/23/06	6/29/06	372.00	19.34	010	1501	9302	05414	Lodging	
1999	IEXP-37510	10/11/05	10/13/05	382.82	19.91	010	1501	9210	05414	Lodging	
2000	IEXP-40334	11/7/05	11/14/05	116.27	6.05	010	1501	9210	05414	Lodging	
2001	IEXP-41873	11/22/05	12/1/05	255.13	13.27	010	1501	9210	05414	Lodging	
2002	IEXP-47719	2/8/06	2/13/06	1,077.60	56.04	010	1501	9302	05414	Lodging	
2003	IEXP-50324	3/24/06	3/27/06	392.02	20.39	010	1501	9302	05414	Lodging	
2004	IEXP-51526	4/13/06	4/20/06	417.86	21.73	010	1501	9302	05414	Lodging	
2005	IEXP-51979	4/21/06	4/27/06	283.45	14.74	010	1501	9302	05414	Lodging	
2006	IEXP-53239	5/12/06	5/18/06	111.87	5.82	010	1501	9210	05414	Lodging	
2007	IEXP-53599	5/18/06	5/22/06	248.52	12.92	010	1501	9210	05414	Lodging	
2008	IEXP-54528	6/5/06	6/8/06	318.26	16.55	010	1501	9302	05414	Lodging	
2009	IEXP-54961	6/12/06	6/15/06	147.77	7.68	010	1501	9302	05414	Lodging	
2010	IEXP-55304	6/16/06	6/22/06	183.85	9.56	010	1501	9210	05414	Lodging	
2011	IEXP-46372	1/25/06	1/26/06	951.65	49.49	010	1108	9210	05414	Lodging	
2012	IEXP-46374	1/25/06	1/26/06	66.00	3.43	010	1108	9210	05414	Lodging	
2013	IEXP-50865	4/3/06	4/6/06	400.16	20.81	010	1108	9210	05414	Lodging	
2014	IEXP-50866	4/3/06	4/6/06	312.50	16.25	010	1108	9210	05414	Lodging	
2015	IEXP-50867	4/3/06	4/6/06	796.65	41.43	010	1108	9210	05414	Lodging	
2016	IEXP-50870	4/3/06	4/6/06	270.07	14.04	010	1108	9210	05414	Lodging	
2017	IEXP-50871	4/3/06	4/6/06	303.18	15.77	010	1108	9210	05414	Lodging	
2018	IEXP-50874	4/3/06	4/6/06	935.72	48.66	010	1108	9210	05414	Lodging	
2019	IEXP-54251	5/31/06	6/1/06	545.19	28.35	010	1108	9210	05414	Lodging	
2020	IEXP-54253	5/31/06	6/1/06	1,250.55	65.03	010	1108	9210	05414	Lodging	
2021	IEXP-58348	8/8/06	8/11/06	341.55	17.76	010	1108	9210	05414	Lodging	
2022	IEXP-61633	9/11/06	9/14/06	832.81	43.31	010	1108	9210	05414	Lodging	
2023	IEXP-50129	3/21/06	3/23/06	145.45	7.56	010	1406	9210	05414	Lodging	
2024	IEXP-59245	8/15/06	8/17/06	368.10	19.14	010	1406	9210	05414	Lodging	
2025	IEXP-62444	9/18/06	9/21/06	239.50	12.45	010	1406	9210	05414	Lodging	
2026	IEXP-51301	4/10/06	4/17/06	316.58	16.46	010	1111	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2027	IEXP-57431	7/24/06	7/27/06	292.50	15.21	010	1111	9210	05414	Lodging	
2028	IEXP-57356	7/21/06	7/27/06	44.58	2.32	010	1133	9210	05414	Lodging	
2029	IEXP-57357	7/21/06	7/27/06	995.03	51.74	010	1133	9210	05414	Lodging	
2030	IEXP-48556	2/21/06	3/2/06	1,005.70	52.30	010	1109	9200	05414	Lodging	
2031	IEXP-52467	5/1/06	5/11/06	780.12	40.57	010	1135	9210	05414	Lodging	
2032	IEXP-43371	12/12/05	12/15/05	168.84	8.78	010	1142	9210	05414	Lodging	
2033	IEXP-47631	2/7/06	2/9/06	383.40	19.94	010	1142	9210	05414	Lodging	
2034	IEXP-56427	7/5/06	7/6/06	473.79	24.64	010	1142	9210	05414	Lodging	
2035	IEXP-63001	9/22/06	9/28/06	685.68	35.66	010	1142	9210	05414	Lodging	
2036	IEXP-51483	4/13/06	4/17/06	180.78	9.40	010	1501	9302	05414	Lodging	
2037	IEXP-53888	5/24/06	5/30/06	1,443.49	75.06	010	1115	9200	05414	Lodging	
2038	IEXP-40649	11/9/05	11/17/05	1,094.80	56.93	010	1401	9210	05414	Lodging	
2039	IEXP-51443	4/12/06	4/20/06	623.76	32.44	010	1401	9210	05414	Lodging	
2040	IEXP-48839	2/27/06	3/2/06	291.54	15.16	010	1407	9210	05414	Lodging	
2041	IEXP-52379	4/29/06	5/4/06	628.28	32.67	010	1407	9210	05414	Lodging	
2042	IEXP-45916	1/19/06	1/23/06	310.47	16.14	010	1137	9210	05414	Lodging	
2043	IEXP-52082	4/24/06	4/27/06	90.39	4.70	010	1137	9210	05414	Lodging	
2044	IEXP-53747	5/22/06	5/25/06	253.29	13.17	010	1137	9210	05414	Lodging	
2045	IEXP-62973	9/25/06	9/28/06	145.67	7.57	010	1137	9210	05414	Lodging	
2046	IEXP-38625	10/24/05	10/31/05	264.36	13.75	010	1129	9210	05414	Lodging	
2047	IEXP-39240	10/28/05	11/3/05	113.85	5.92	010	1128	9210	05414	Lodging	
2048	IEXP-44254	12/28/05	12/29/05	111.87	5.82	010	1128	9210	05414	Lodging	
2049	IEXP-54337	6/1/06	6/5/06	327.64	17.04	010	1128	9210	05414	Lodging	
2050	IEXP-57881	7/28/06	7/31/06	430.53	22.39	010	1128	9210	05414	Lodging	
2051	IEXP-49923	3/16/06	3/20/06	500.64	26.03	010	1119	9210	05414	Lodging	
2052	IEXP-59720	8/21/06	8/28/06	216.44	11.25	010	1200	9210	05414	Lodging	
2053	IEXP-37339	10/7/05	10/11/05	266.93	13.88	010	1123	9210	05414	Lodging	
2054	IEXP-43706	12/15/05	12/19/05	1,538.58	80.01	010	1108	9210	05414	Lodging	
2055	IEXP-60475	8/29/06	9/5/06	1,208.80	62.86	010	1135	9210	05414	Lodging	
2056	IEXP-44240	12/27/05	1/5/06	99.24	5.16	010	1401	9210	05414	Lodging	
2057	IEXP-47291	2/2/06	2/13/06	316.58	16.46	010	1401	9210	05414	Lodging	
2058	IEXP-49470	3/8/06	3/13/06	97.90	5.09	010	1401	9210	05414	Lodging	
2059	IEXP-50589	3/29/06	3/30/06	272.68	14.18	010	1401	9210	05414	Lodging	
2060	IEXP-56579	7/7/06	7/10/06	849.00	44.15	010	1401	9210	05414	Lodging	
2061	IEXP-60476	8/30/06	9/5/06	339.67	17.66	010	1401	9210	05414	Lodging	
2062	IEXP-62135	9/15/06	9/18/06	705.41	36.68	010	1401	9210	05414	Lodging	
2063	EXP072106	7/21/06	7/28/06	33.75	1.76	010	1408	9210	05414	Lodging	
2064	IEXP-54728	6/8/06	6/12/06	474.33	24.67	010	1144	9210	05414	Lodging	
2065	IEXP-43622	12/14/05	12/19/05	502.36	26.12	010	1130	9210	05414	Lodging	
2066	IEXP-56900	7/13/06	7/20/06	328.00	17.06	010	1130	9210	05414	Lodging	
2067	IEXP-37042	10/4/05	10/6/05	125.35	6.52	010	1953	9210	05414	Lodging	
2068	IEXP-44656	1/4/06	1/9/06	125.35	6.52	010	1953	9210	05414	Lodging	
2069	IEXP-41881	11/22/05	12/8/05	502.06	26.11	010	1116	9210	05414	Lodging	
2070	IEXP-42408	12/1/05	12/8/05	276.26	14.37	010	1505	9210	05414	Lodging	
2071	IEXP-45208	1/11/06	1/12/06	76.63	3.98	010	1505	9210	05414	Lodging	
2072	IEXP-51506	4/13/06	4/20/06	85.35	4.44	010	1505	9210	05414	Lodging	
2073	IEXP-53241	5/12/06	5/15/06	567.23	29.50	010	1505	9210	05414	Lodging	
2074	IEXP-37436	10/10/05	10/20/05	265.30	13.80	010	1408	9210	05414	Lodging	
2075	IEXP-39246	10/28/05	10/31/05	293.12	15.24	010	1408	9210	05414	Lodging	
2076	IEXP-48158	2/15/06	2/16/06	158.29	8.23	010	1408	9210	05414	Lodging	
2077	IEXP-48970	2/28/06	3/16/06	1,097.46	57.07	010	1408	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2078	IEXP-52995	5/8/06	5/11/06	698.80	36.34	010	1408	9210	05414	Lodging	
2079	IEXP-59880	8/23/06	8/28/06	287.50	14.95	010	1408	9230	05414	Lodging	
2080	IEXP-60385	8/28/06	8/31/06	97.90	5.09	010	1408	9210	05414	Lodging	
2081	IEXP-60385	8/28/06	8/31/06	354.64	18.44	010	1408	9230	05414	Lodging	
2082	IEXP-60499	8/30/06	9/7/06	169.48	8.81	010	1401	9210	05414	Lodging	
2083	IEXP-47988	2/13/06	2/16/06	409.58	21.30	010	1135	9210	05414	Lodging	
2084	IEXP-52041	4/24/06	4/27/06	409.58	21.30	010	1135	9210	05414	Lodging	
2085	IEXP-53619	5/19/06	5/22/06	938.36	48.79	010	1135	9210	05414	Lodging	
2086	IEXP-56879	7/13/06	7/17/06	335.90	17.47	010	1117	9210	05414	Lodging	
2087	IEXP-51739	4/18/06	4/20/06	769.50	40.01	010	1135	9210	05414	Lodging	
2088	IEXP-45407	1/12/06	1/16/06	183.60	9.55	010	1118	9210	05414	Lodging	
2089	IEXP-49191	3/3/06	3/6/06	344.45	17.91	010	1118	9210	05414	Lodging	
2090	IEXP-50905	4/3/06	4/6/06	215.70	11.22	010	1118	9210	05414	Lodging	
2091	IEXP-52162	4/25/06	4/27/06	276.06	14.36	010	1118	9210	05414	Lodging	
2092	IEXP-52974	5/8/06	5/11/06	422.54	21.97	010	1118	9210	05414	Lodging	
2093	IEXP-54102	5/30/06	6/5/06	392.40	20.40	010	1118	9210	05414	Lodging	
2094	IEXP-56951	7/14/06	7/17/06	247.50	12.87	010	1118	9210	05414	Lodging	
2095	IEXP-59095	8/14/06	8/16/06	449.90	23.39	010	1118	9210	05414	Lodging	
2096	IEXP-60425	8/28/06	8/31/06	172.62	8.98	010	1118	9210	05414	Lodging	
2097	IEXP-36923	10/3/05	10/6/05	1,048.80	54.54	010	1137	9210	05414	Lodging	
2098	IEXP-36947	10/3/05	10/6/05	96.42	5.01	010	1144	9210	05414	Lodging	
2099	IEXP-41234	11/15/05	11/17/05	807.03	41.97	010	1111	9210	05414	Lodging	
2100	IEXP-48391	2/17/06	2/21/06	406.40	21.13	010	1109	9210	05414	Lodging	
2101	IEXP-48393	2/17/06	2/21/06	227.80	11.85	010	1109	9210	05414	Lodging	
2102	IEXP-52216	4/26/06	4/27/06	406.40	21.13	010	1109	9210	05414	Lodging	
2103	IEXP-54551	6/5/06	6/8/06	693.18	36.05	010	1109	9210	05414	Lodging	
2104	IEXP-60110	8/25/06	8/28/06	366.46	19.06	010	1109	9210	05414	Lodging	
2105	IEXP-61632	9/11/06	9/14/06	459.30	23.88	010	1109	9210	05414	Lodging	
2106	IEXP-46947	1/31/06	2/2/06	151.60	7.88	010	1109	9200	05414	Lodging	
2107	IEXP-49691	3/13/06	3/16/06	409.40	21.29	010	1109	9200	05414	Lodging	
2108	IEXP-41872	11/22/05	12/1/05	2,719.08	141.39	010	1501	9302	05414	Lodging	
2109	IEXP-61597	9/11/06	9/14/06	711.79	37.01	010	1501	9302	05414	Lodging	
2110	IEXP-53924	5/25/06	5/30/06	301.86	15.70	010	1125	9210	05414	Lodging	
2111	IEXP-56810	7/12/06	7/13/06	364.01	18.93	010	1125	9210	05414	Lodging	
2112	IEXP-42260	11/30/05	12/1/05	339.55	17.66	010	1913	9210	05414	Lodging	
2113	IEXP-51002	4/4/06	4/6/06	125.36	6.52	010	1913	9210	05414	Lodging	
2114	IEXP-55110	6/14/06	6/15/06	138.56	7.21	010	1913	9210	05414	Lodging	
2115	IEXP-56957	7/14/06	7/20/06	198.92	10.34	010	1913	9210	05414	Lodging	
2116	IEXP-62645	9/19/06	9/21/06	104.36	5.43	010	1913	9210	05414	Lodging	
2117	IEXP-40142	11/4/05	11/7/05	714.51	37.15	010	1107	9210	05414	Lodging	
2118	IEXP-40678	11/9/05	11/10/05	874.10	45.45	010	1501	9302	05414	Lodging	
2119	IEXP-45400	1/12/06	1/16/06	76.63	3.98	010	1501	9302	05414	Lodging	
2120	IEXP-45401	1/12/06	1/16/06	347.47	18.07	010	1501	9302	05414	Lodging	
2121	IEXP-45404	1/12/06	1/16/06	218.29	11.35	010	1501	9302	05414	Lodging	
2122	IEXP-48527	2/21/06	2/23/06	214.93	11.18	010	1501	9302	05414	Lodging	
2123	IEXP-50269	3/23/06	3/27/06	390.13	20.29	010	1501	9302	05414	Lodging	
2124	IEXP-51868	4/20/06	4/27/06	253.44	13.18	010	1501	9302	05414	Lodging	
2125	IEXP-49789	3/14/06	3/16/06	510.86	26.56	010	1137	9210	05414	Lodging	
2126	IEXP-56837	7/12/06	7/17/06	3,083.85	160.36	010	1137	9210	05414	Lodging	
2127	IEXP-39328	10/30/05	11/3/05	653.70	33.99	010	1142	9210	05414	Lodging	
2128	IEXP-43625	12/14/05	12/15/05	163.90	8.52	010	1142	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2129	IEXP-48504	2/20/06	2/21/06	226.00	11.75	010	1142	9210	05414	Lodging	
2130	IEXP-51695	4/18/06	4/20/06	158.29	8.23	010	1142	9210	05414	Lodging	
2131	IEXP-55479	6/20/06	6/26/06	243.88	12.68	010	1142	9210	05414	Lodging	
2132	IEXP-43675	12/15/05	12/19/05	358.22	18.63	010	1121	9302	05414	Lodging	
2133	IEXP-53759	5/22/06	5/25/06	452.79	23.55	010	1125	9210	05414	Lodging	
2134	IEXP-51969	4/21/06	4/24/06	774.50	40.27	010	1135	9210	05414	Lodging	
2135	IEXP-40151	11/4/05	11/10/05	444.27	23.10	010	1118	9210	05414	Lodging	
2136	IEXP-45864	1/18/06	1/23/06	185.74	9.66	010	1118	9210	05414	Lodging	
2137	IEXP-48920	2/27/06	3/2/06	1,604.27	83.42	010	1118	9210	05414	Lodging	
2138	IEXP-52123	4/25/06	4/27/06	888.96	46.23	010	1118	9210	05414	Lodging	
2139	IEXP-57907	7/28/06	8/3/06	740.38	38.50	010	1118	9210	05414	Lodging	
2140	IEXP-46548	1/27/06	1/30/06	1,071.99	55.74	010	1200	9210	05414	Lodging	
2141	IEXP-56142	6/29/06	7/3/06	376.38	19.57	010	1123	9210	05414	Lodging	
2142	IEXP-41875	11/22/05	11/23/05	225.74	11.74	010	1121	9210	05414	Lodging	
2143	IEXP-38813	10/25/05	10/27/05	714.51	37.15	010	1107	9210	05414	Lodging	
2144	IEXP-55400	6/19/06	6/22/06	335.90	17.47	010	1123	9210	05414	Lodging	
2145	IEXP-41771	11/21/05	11/23/05	158.18	8.23	010	1121	9210	05414	Lodging	
2146	IEXP-44089	12/21/05	1/5/06	178.54	9.28	010	1121	9210	05414	Lodging	
2147	IEXP-56320	7/3/06	7/6/06	354.12	18.41	010	1121	9210	05414	Lodging	
2148	IEXP-63984	9/27/06	9/28/06	805.65	41.89	010	1121	9210	05414	Lodging	
2149	IEXP-40669	11/9/05	11/10/05	86.11	4.48	010	1111	9210	05414	Lodging	
2150	IEXP-51507	4/13/06	4/17/06	208.70	10.85	010	1111	9210	05414	Lodging	
2151	IEXP-52529	5/2/06	5/8/06	316.58	16.46	010	1111	9210	05414	Lodging	
2152	IEXP-61104	9/6/06	9/11/06	249.34	12.97	010	1111	9210	05414	Lodging	
2153	IEXP-48071	2/13/06	2/16/06	462.09	24.03	010	1135	9210	05414	Lodging	
2154	IEXP-51050	4/5/06	4/6/06	555.60	28.89	010	1135	9210	05414	Lodging	
2155	IEXP-52040	4/24/06	4/27/06	316.10	16.44	010	1135	9210	05414	Lodging	
2156	IEXP-57908	7/28/06	8/3/06	560.68	29.16	010	1111	9210	05414	Lodging	
2157	IEXP-53749	5/22/06	5/25/06	689.01	35.83	010	1405	9210	05414	Lodging	
2158	IEXP-41997	11/23/05	11/29/05	282.50	14.69	010	1121	9210	05414	Lodging	
2159	IEXP-45171	1/10/06	1/23/06	178.54	9.28	010	1121	9210	05414	Lodging	
2160	IEXP-56317	7/3/06	7/10/06	335.90	17.47	010	1121	9210	05414	Lodging	
2161	IEXP-41448	11/17/05	11/21/05	74.25	3.86	010	1913	9210	05414	Lodging	
2162	IEXP-49967	3/17/06	3/20/06	239.32	12.44	010	1913	9210	05414	Lodging	
2163	IEXP-50446	3/27/06	3/30/06	174.59	9.08	010	1913	9210	05414	Lodging	
2164	IEXP-50807	4/3/06	4/6/06	164.76	8.57	010	1913	9210	05414	Lodging	
2165	IEXP-51684	4/18/06	4/20/06	416.75	21.67	010	1913	9210	05414	Lodging	
2166	IEXP-55681	6/23/06	6/29/06	246.57	12.82	010	1913	9210	05414	Lodging	
2167	IEXP-57962	7/31/06	8/3/06	226.44	11.77	010	1913	9210	05414	Lodging	
2168	IEXP-38134	10/19/05	10/24/05	820.59	42.67	010	1501	9302	05414	Lodging	
2169	IEXP-39550	11/1/05	11/3/05	449.75	23.39	010	1501	9302	05414	Lodging	
2170	IEXP-47718	2/8/06	2/13/06	85.14	4.43	010	1503	9302	05414	Lodging	
2171	IEXP-48160	2/15/06	2/16/06	102.11	5.31	010	1503	9302	05414	Lodging	
2172	IEXP-49588	3/10/06	3/16/06	148.35	7.71	010	1503	9302	05414	Lodging	
2173	IEXP-51492	4/13/06	4/17/06	159.64	8.30	010	1503	9210	05414	Lodging	
2174	IEXP-52200	4/26/06	5/4/06	745.18	38.75	010	1503	9210	05414	Lodging	
2175	IEXP-53604	5/18/06	5/22/06	30.50	1.59	010	1503	9210	05414	Lodging	
2176	IEXP-50453	3/27/06	3/30/06	158.29	8.23	010	1130	9210	05414	Lodging	
2177	IEXP-55573	6/21/06	6/26/06	416.80	21.67	010	1130	9210	05414	Lodging	
2178	IEXP-61148	9/6/06	9/11/06	158.29	8.23	010	1130	9210	05414	Lodging	
2179	IEXP-40537	11/8/05	11/10/05	397.95	20.69	010	1110	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2180	IEXP-40538	11/8/05	11/10/05	516.50	26.86	010	1110	9210	05414	Lodging	
2181	IEXP-49448	3/8/06	3/9/06	313.05	16.28	010	1110	9210	05414	Lodging	
2182	IEXP-52138	4/25/06	4/27/06	290.90	15.13	010	1110	9210	05414	Lodging	
2183	IEXP-52139	4/25/06	4/27/06	591.93	30.78	010	1111	9210	05414	Lodging	
2184	IEXP-52140	4/25/06	4/27/06	510.39	26.54	010	1111	9210	05414	Lodging	
2185	IEXP-54016	5/26/06	6/1/06	202.28	10.52	010	1110	9210	05414	Lodging	
2186	IEXP-54017	5/26/06	6/1/06	644.34	33.51	010	1110	9210	05414	Lodging	
2187	IEXP-57887	7/28/06	7/31/06	466.60	24.26	010	1110	9210	05414	Lodging	
2188	IEXP-54742	6/8/06	6/12/06	452.79	23.55	010	1145	9210	05414	Lodging	
2189	IEXP-39610	11/1/05	11/3/05	1,231.00	64.01	010	1200	9210	05414	Lodging	
2190	IEXP-48219	2/15/06	2/16/06	509.19	26.48	010	1128	9210	05414	Lodging	
2191	IEXP-61960	9/13/06	9/14/06	231.66	12.05	010	1128	9210	05414	Lodging	
2192	IEXP-58719	8/10/06	8/16/06	489.64	25.46	010	1130	9210	05414	Lodging	
2193	IEXP-46847	1/31/06	2/6/06	310.47	16.14	010	1137	9210	05414	Lodging	
2194	IEXP-46308	1/24/06	1/26/06	470.01	24.44	010	1503	9210	05414	Lodging	
2195	IEXP-38779	10/25/05	10/27/05	425.20	22.11	010	1501	9302	05414	Lodging	
2196	IEXP-38783	10/25/05	10/27/05	128.66	6.69	010	1501	9302	05414	Lodging	
2197	IEXP-40655	11/9/05	11/10/05	250.80	13.04	010	1501	9302	05414	Lodging	
2198	IEXP-40667	11/9/05	11/10/05	408.33	21.23	010	1501	9302	05414	Lodging	
2199	IEXP-45047	1/9/06	1/12/06	179.67	9.34	010	1501	9302	05414	Lodging	
2200	IEXP-48908	2/27/06	3/2/06	229.90	11.95	010	1501	9302	05414	Lodging	
2201	IEXP-57839	7/28/06	8/3/06	254.05	13.21	010	1501	9302	05414	Lodging	
2202	IEXP-60313	8/28/06	9/5/06	86.68	4.51	010	1501	9302	05414	Lodging	
2203	IEXP-60720	8/31/06	9/7/06	301.86	15.70	010	1121	9210	05414	Lodging	
2204	IEXP-53832	5/23/06	5/25/06	805.91	41.91	010	1141	9302	05414	Lodging	
2205	IEXP-39228	10/28/05	10/31/05	114.24	5.94	010	1134	8210	05414	Lodging	
2206	IEXP-52444	5/1/06	5/4/06	114.24	5.94	010	1134	9210	05414	Lodging	
2207	IEXP-56121	6/29/06	7/3/06	523.26	27.21	010	1123	9210	05414	Lodging	
2208	IEXP-57820	7/28/06	7/31/06	496.75	25.83	010	1144	9210	05414	Lodging	
2209	IEXP-50436	3/27/06	3/30/06	239.32	12.44	010	1913	9210	05414	Lodging	
2210	IEXP-52308	4/28/06	5/1/06	222.28	11.56	010	1913	9210	05414	Lodging	
2211	IEXP-50843	4/3/06	4/6/06	158.29	8.23	010	1408	9210	05414	Lodging	
2212	IEXP-52861	5/5/06	5/15/06	458.91	23.86	010	1408	9210	05414	Lodging	
2213	IEXP-57149	7/19/06	7/24/06	437.43	22.75	010	1408	9210	05414	Lodging	
2214	IEXP-61782	9/13/06	9/14/06	211.17	10.98	010	1408	9210	05414	Lodging	
2215	IEXP-60559	8/30/06	9/7/06	573.13	29.80	010	1135	9210	05414	Lodging	
2216	IEXP-54524	6/5/06	6/8/06	727.33	37.82	010	1117	9210	05414	Lodging	
2217	IEXP-49746	3/14/06	3/16/06	223.71	11.63	010	1203	9210	05414	Lodging	
2218	IEXP-52059	4/24/06	4/27/06	298.28	15.51	010	1203	9210	05414	Lodging	
2219	IEXP-61628	9/11/06	9/14/06	145.51	7.57	010	1203	9210	05414	Lodging	
2220	IEXP-41159	11/14/05	11/17/05	1,045.10	54.35	010	1203	9210	05414	Lodging	
2221	IEXP-43093	12/7/05	12/15/05	509.12	26.47	010	1203	9210	05414	Lodging	
2222	IEXP-50735	3/31/06	4/6/06	436.35	22.69	010	1203	9210	05414	Lodging	
2223	IEXP-54044	5/26/06	6/1/06	1,133.39	58.94	010	1203	9210	05414	Lodging	
2224	IEXP-44274	12/28/05	12/31/05	125.35	6.52	010	1210	9210	05414	Lodging	
2225	IEXP-43948	12/20/05	12/22/05	268.02	13.94	010	1210	9210	05414	Lodging	
2226	IEXP-45046	1/9/06	1/12/06	134.01	6.97	010	1210	9210	05414	Lodging	
2227	IEXP-46653	1/27/06	1/30/06	123.17	6.40	010	1210	9210	05414	Lodging	
2228	IEXP-47518	2/6/06	2/9/06	619.95	32.24	010	1210	9210	05414	Lodging	
2229	IEXP-48003	2/13/06	2/16/06	1,332.84	69.31	010	1210	9210	05414	Lodging	
2230	IEXP-48789	2/24/06	2/27/06	530.24	27.57	010	1210	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2231	IEXP-49487	3/9/06	3/16/06	145.51	7.57	010	1210	9210	05414	Lodging	
2232	IEXP-49489	3/9/06	3/13/06	649.21	33.76	010	1210	9210	05414	Lodging	
2233	IEXP-50305	3/23/06	3/27/06	291.56	15.16	010	1210	9210	05414	Lodging	
2234	IEXP-51241	4/7/06	4/10/06	296.43	15.41	010	1210	9210	05414	Lodging	
2235	IEXP-52318	4/28/06	5/1/06	367.77	19.12	010	1210	9210	05414	Lodging	
2236	IEXP-53563	5/18/06	5/22/06	384.00	19.97	010	1210	9210	05414	Lodging	
2237	IEXP-54494	6/5/06	6/15/06	432.39	22.48	010	1210	9210	05414	Lodging	
2238	IEXP-54495	6/5/06	6/15/06	156.28	8.13	010	1210	9210	05414	Lodging	
2239	IEXP-55574	6/21/06	6/22/06	145.51	7.57	010	1210	9210	05414	Lodging	
2240	IEXP-56819	7/12/06	7/13/06	291.02	15.13	010	1210	9210	05414	Lodging	
2241	IEXP-57743	7/27/06	7/31/06	145.51	7.57	010	1210	9210	05414	Lodging	
2242	IEXP-59058	8/14/06	8/16/06	145.51	7.57	010	1210	9210	05414	Lodging	
2243	IEXP-60471	8/29/06	9/5/06	255.81	13.30	010	1210	9210	05414	Lodging	
2244	IEXP-61460	9/8/06	9/11/06	145.51	7.57	010	1210	9210	05414	Lodging	
2245	IEXP-58303	8/7/06	9/1/06	384.16	19.98	010	1210	9210	05414	Lodging	
2246	IEXP-45019	1/9/06	1/12/06	125.35	6.52	010	1210	9210	05414	Lodging	
2247	IEXP-37017	10/3/05	10/6/05	250.39	13.02	010	1203	9200	05414	Lodging	
2248	IEXP-37791	10/14/05	10/24/05	203.87	10.60	010	1203	9200	05414	Lodging	
2249	IEXP-42210	11/30/05	12/8/05	474.44	24.67	010	1203	9210	05414	Lodging	
2250	IEXP-44045	12/21/05	12/22/05	686.12	35.68	010	1203	9210	05414	Lodging	
2251	IEXP-44939	1/6/06	1/12/06	114.13	5.93	010	1203	9210	05414	Lodging	
2252	IEXP-45836	1/18/06	1/26/06	682.34	35.48	010	1203	9210	05414	Lodging	
2253	IEXP-47330	2/3/06	2/9/06	977.68	50.84	010	1203	9210	05414	Lodging	
2254	IEXP-48319	2/16/06	2/23/06	879.95	45.76	010	1203	9210	05414	Lodging	
2255	IEXP-48531	2/21/06	2/23/06	434.70	22.60	010	1203	9210	05414	Lodging	
2256	IEXP-48977	2/28/06	3/9/06	371.07	19.30	010	1203	9210	05414	Lodging	
2257	IEXP-49410	3/7/06	3/9/06	158.29	8.23	010	1203	9210	05414	Lodging	
2258	IEXP-49766	3/14/06	3/20/06	408.18	21.23	010	1203	9210	05414	Lodging	
2259	IEXP-51091	4/6/06	4/24/06	941.26	48.95	010	1203	9210	05414	Lodging	
2260	IEXP-51667	4/17/06	4/24/06	983.44	51.14	010	1203	9210	05414	Lodging	
2261	IEXP-52832	5/5/06	5/11/06	709.06	36.87	010	1203	9210	05414	Lodging	
2262	IEXP-54027	5/26/06	6/5/06	301.10	15.66	010	1203	9210	05414	Lodging	
2263	IEXP-58723	8/9/06	8/21/06	136.85	7.12	010	1203	9210	05414	Lodging	
2264	IEXP-55364	6/19/06	6/22/06	342.70	17.82	010	1203	9210	05414	Lodging	
2265	IEXP-59783	8/22/06	8/24/06	384.16	19.98	010	1203	9210	05414	Lodging	
2266	IEXP-57352	7/21/06	7/24/06	342.70	17.82	010	1210	9210	05414	Lodging	
2267	IEXP-45041	1/9/06	1/12/06	125.35	6.52	010	1210	9210	05414	Lodging	
2268	IEXP-48858	2/27/06	3/2/06	578.73	30.09	010	1210	9210	05414	Lodging	
2269	IEXP-47827	2/9/06	2/13/06	238.88	12.42	010	1210	9210	05414	Lodging	
2270	IEXP-62614	9/19/06	9/21/06	105.80	5.50	010	1210	9210	05414	Lodging	
2271	IEXP-43770	12/16/05	12/22/05	143.75	7.48	010	1210	9210	05414	Lodging	
2272	IEXP-49398	3/7/06	3/9/06	73.40	3.82	010	1210	9210	05414	Lodging	
2273	IEXP-51995	4/21/06	4/27/06	564.72	29.37	010	1210	9210	05414	Lodging	
2274	IEXP-59098	8/14/06	8/24/06	101.66	5.29	010	1210	9210	05414	Lodging	
2275	IEXP-58892	8/11/06	9/1/06	384.16	19.98	010	1210	9210	05414	Lodging	
2276	IEXP-40929	11/11/05	11/17/05	301.71	15.69	010	1203	9210	05414	Lodging	
2277	IEXP-48982	2/28/06	3/9/06	578.73	30.09	010	1203	9210	05414	Lodging	
2278	IEXP-54045	5/26/06	6/1/06	1,856.12	96.52	010	1203	9210	05414	Lodging	
2279	IEXP-59559	8/18/06	8/21/06	1,294.68	67.32	010	1203	9210	05414	Lodging	
2280	IEXP-37488	10/10/05	10/13/05	432.21	22.47	010	1203	9200	05414	Lodging	
2281	IEXP-40893	11/11/05	11/14/05	201.14	10.46	010	1203	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2282	IEXP-41607	11/18/05	11/21/05	183.13	9.52	010	1203	9210	05414	Lodging	
2283	IEXP-42607	12/2/05	12/5/05	220.44	11.46	010	1203	9210	05414	Lodging	
2284	IEXP-43656	12/15/05	12/19/05	201.14	10.46	010	1203	9210	05414	Lodging	
2285	IEXP-44058	12/21/05	12/22/05	260.45	13.54	010	1203	9210	05414	Lodging	
2286	IEXP-44837	1/5/06	1/9/06	177.55	9.23	010	1203	9210	05414	Lodging	
2287	IEXP-46286	1/24/06	1/26/06	460.78	23.96	010	1203	9210	05414	Lodging	
2288	IEXP-47886	2/10/06	2/13/06	912.40	47.44	010	1203	9210	05414	Lodging	
2289	IEXP-48786	2/24/06	2/27/06	1,702.05	88.51	010	1203	9210	05414	Lodging	
2290	IEXP-49578	3/10/06	3/13/06	158.29	8.23	010	1203	9210	05414	Lodging	
2291	IEXP-50185	3/22/06	3/23/06	1,386.09	72.08	010	1203	9210	05414	Lodging	
2292	IEXP-52317	4/28/06	5/1/06	654.44	34.03	010	1203	9210	05414	Lodging	
2293	IEXP-53571	5/18/06	5/22/06	331.80	17.25	010	1203	9210	05414	Lodging	
2294	IEXP-54999	6/13/06	6/15/06	85.86	4.46	010	1210	9210	05414	Lodging	
2295	IEXP-54999	6/13/06	6/15/06	329.47	17.13	010	1203	9210	05414	Lodging	
2296	IEXP-58068	8/1/06	8/3/06	340.25	17.69	010	1203	9210	05414	Lodging	
2297	IEXP-60095	8/25/06	8/28/06	373.93	19.44	010	1203	9210	05414	Lodging	
2298	IEXP-62200	9/14/06	9/18/06	234.79	12.21	010	1203	9210	05414	Lodging	
2299	IEXP-62200	9/14/06	9/18/06	280.96	14.61	010	1210	9210	05414	Lodging	
2300	IEXP-62204	9/14/06	9/18/06	141.85	7.38	010	1203	9210	05414	Lodging	
2301	IEXP-59971	8/24/06	8/28/06	406.76	21.15	010	1210	9210	05414	Lodging	
2302	IEXP-57007	7/14/06	7/20/06	460.03	23.92	010	1203	9210	05414	Lodging	
2303	IEXP-61060	9/5/06	9/7/06	232.95	12.11	010	1210	9210	05414	Lodging	
2304	IEXP-61130	9/6/06	9/14/06	136.85	7.12	010	1203	9210	05414	Lodging	
2305	IEXP-43406	12/12/05	12/15/05	877.96	45.65	010	1203	9210	05414	Lodging	
2306	IEXP-45088	1/10/06	1/12/06	201.82	10.49	010	1203	9210	05414	Lodging	
2307	IEXP-51498	4/13/06	4/17/06	77.97	4.05	010	1210	9210	05414	Lodging	
2308	IEXP-52693	5/3/06	5/8/06	273.70	14.23	010	1203	9210	05414	Lodging	
2309	IEXP-54634	6/6/06	6/15/06	627.03	32.61	010	1203	9210	05414	Lodging	
2310	IEXP-56465	7/5/06	7/10/06	951.97	49.50	010	1210	9210	05414	Lodging	
2311	IEXP-56465	7/5/06	8/1/06	-951.97	-49.50	010	1210	9210	05414	Lodging	
2312	IEXP-39131	10/27/05	10/31/05	115.62	6.01	010	1210	9210	05414	Lodging	
2313	IEXP-60448	8/29/06	9/7/06	105.80	5.50	010	1210	9210	05414	Lodging	
2314	IEXP-53145	5/11/06	5/15/06	58.76	3.06	010	1203	9210	05414	Lodging	
2315	IEXP-44528	1/3/06	1/5/06	143.75	7.48	010	1210	9210	05414	Lodging	
2316	IEXP-51056	4/5/06	4/13/06	136.85	7.12	010	1210	9210	05414	Lodging	
2317	IEXP-52996	5/8/06	5/11/06	1,021.46	53.12	010	1210	9210	05414	Lodging	
2318	IEXP-57028	7/14/06	7/20/06	526.84	27.40	010	1210	9210	05414	Lodging	
2319	IEXP-57710	7/26/06	8/3/06	211.60	11.00	010	1210	9210	05414	Lodging	
2320	IEXP-59763	8/22/06	8/28/06	816.20	42.44	010	1210	9210	05414	Lodging	
2321	IEXP-62631	9/19/06	9/21/06	550.35	28.62	010	1210	9210	05414	Lodging	
2322	IEXP-41770	11/21/05	11/23/05	566.06	29.44	010	1203	9210	05414	Lodging	
2323	IEXP-49497	3/9/06	3/13/06	727.25	37.82	010	1203	9210	05414	Lodging	
2324	IEXP-52334	4/28/06	5/4/06	563.45	29.30	010	1203	9210	05414	Lodging	
2325	IEXP-54033	5/26/06	6/1/06	564.92	29.38	010	1203	9210	05414	Lodging	
2326	IEXP-55845	6/26/06	6/29/06	599.50	31.17	010	1203	9210	05414	Lodging	
2327	IEXP-62262	9/15/06	9/18/06	145.51	7.57	010	1203	9210	05414	Lodging	
2328	IEXP-59694	8/21/06	8/24/06	1,216.29	63.25	010	1203	9210	05414	Lodging	
2329	IEXP-62913	9/21/06	9/25/06	407.82	21.21	010	1203	9210	05414	Lodging	
2330	IEXP-55071	6/14/06	6/15/06	238.05	12.38	010	1210	9210	05414	Lodging	
2331	IEXP-58319	8/7/06	8/10/06	384.16	19.98	010	1210	9210	05414	Lodging	
2332	IEXP-49138	3/2/06	3/9/06	155.94	8.11	010	1203	9210	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2333	IEXP-53471	5/16/06	5/22/06	357.08	18.57	010	1210	9210	05414	Lodging	
2334	IEXP-57060	7/17/06	7/20/06	635.35	33.04	010	1203	9210	05414	Lodging	
2335	IEXP-43671	12/15/05	12/22/05	457.83	23.81	010	1210	9210	05414	Lodging	
2336	IEXP-50244	3/23/06	3/27/06	580.21	30.17	010	1210	9210	05414	Lodging	
2337	IEXP-51991	4/21/06	4/24/06	568.68	29.57	010	1210	9210	05414	Lodging	
2338	IEXP-54043	5/26/06	6/5/06	776.23	40.36	010	1210	9210	05414	Lodging	
2339	IEXP-59630	8/21/06	8/28/06	195.11	10.15	010	1210	9210	05414	Lodging	
2340	IEXP-63908	9/27/06	9/28/06	141.85	7.38	010	1210	9210	05414	Lodging	
2341	IEXP-49747	3/14/06	3/16/06	343.48	17.86	010	1203	9210	05414	Lodging	
2342	IEXP-54242	5/31/06	6/1/06	1,723.86	89.64	010	1203	9210	05414	Lodging	
2343	IEXP-55383	6/19/06	6/22/06	238.05	12.38	010	1203	9210	05414	Lodging	
2344	IEXP-59712	8/21/06	8/24/06	544.50	28.31	010	1203	9210	05414	Lodging	9,392.75
General Office											
2345	IEXP-44678	1/4/06	1/9/06	143.05	52.61	050	3302	8700	05411	Meals & Entertainment	
2346	IEXP-46651	1/27/06	1/30/06	63.76	23.45	050	3301	8700	05411	Meals & Entertainment	
2347	IEXP-48401	2/17/06	2/21/06	78.71	28.95	050	3301	8700	05411	Meals & Entertainment	
2348	IEXP-58921	8/11/06	8/16/06	262.43	96.51	050	3301	8700	05411	Meals & Entertainment	
2349	IEXP-39747	11/2/05	11/3/05	10.35	3.81	050	3315	8700	05411	Meals & Entertainment	
2350	IEXP-45827	1/18/06	1/19/06	2.95	1.08	050	3315	8700	05411	Meals & Entertainment	
2351	IEXP-47487	2/6/06	2/9/06	2.74	1.01	050	3315	8700	05411	Meals & Entertainment	
2352	IEXP-50240	3/23/06	3/27/06	3.00	1.10	050	3315	8700	05411	Meals & Entertainment	
2353	IEXP-54825	6/9/06	6/12/06	6.84	2.52	050	3315	8700	05411	Meals & Entertainment	
2354	IEXP-38567	10/21/05	10/24/05	466.26	171.47	050	3318	8700	05411	Meals & Entertainment	
2355	IEXP-39229	10/28/05	10/31/05	38.62	14.20	050	3318	8700	05411	Meals & Entertainment	
2356	IEXP-40094	11/4/05	11/10/05	679.91	250.04	050	3318	8700	05411	Meals & Entertainment	
2357	IEXP-42934	12/6/05	12/8/05	9.91	3.64	050	3318	8700	05411	Meals & Entertainment	
2358	IEXP-43707	12/15/05	12/19/05	3.54	1.30	050	3318	8700	05411	Meals & Entertainment	
2359	IEXP-46708	1/29/06	2/2/06	138.77	51.03	050	3318	8700	05411	Meals & Entertainment	
2360	IEXP-48957	2/28/06	3/2/06	48.64	17.89	050	3318	8700	05411	Meals & Entertainment	
2361	IEXP-49759	3/14/06	3/16/06	27.86	10.25	050	3318	8700	05411	Meals & Entertainment	
2362	IEXP-50838	4/3/06	4/6/06	97.11	35.71	050	3318	8700	05411	Meals & Entertainment	
2363	IEXP-51380	4/11/06	4/13/06	2.73	1.00	050	3318	8700	05411	Meals & Entertainment	
2364	IEXP-52664	5/3/06	5/4/06	40.22	14.79	050	3318	8700	05411	Meals & Entertainment	
2365	IEXP-53419	5/16/06	5/18/06	50.29	18.49	050	3318	8700	05411	Meals & Entertainment	
2366	IEXP-54981	6/13/06	6/15/06	90.56	33.30	050	3318	8700	05411	Meals & Entertainment	
2367	IEXP-56304	7/3/06	7/6/06	320.45	117.85	050	3318	8700	05411	Meals & Entertainment	
2368	IEXP-57131	7/18/06	7/20/06	123.86	45.55	050	3318	8700	05411	Meals & Entertainment	
2369	IEXP-59078	8/14/06	8/16/06	41.47	15.25	050	3318	8700	05411	Meals & Entertainment	
2370	IEXP-60541	8/30/06	9/5/06	26.65	9.80	050	3318	8700	05411	Meals & Entertainment	
2371	IEXP-62242	9/15/06	9/18/06	35.02	12.88	050	3318	8700	05411	Meals & Entertainment	
2372	IEXP-49767	3/14/06	3/16/06	27.31	10.04	050	3307	8700	05411	Meals & Entertainment	
2373	IEXP-54234	5/31/06	6/5/06	76.72	28.21	050	3303	8800	05411	Meals & Entertainment	
2374	IEXP-49400	3/7/06	3/9/06	63.79	23.46	050	3536	8700	05411	Meals & Entertainment	
2375	IEXP-62060	9/14/06	9/18/06	60.41	22.22	050	3303	8700	05411	Meals & Entertainment	
2376	IEXP-45707	1/16/06	1/19/06	136.16	50.07	050	3301	8700	05411	Meals & Entertainment	
2377	IEXP-37119	10/5/05	10/6/05	30.36	11.17	050	3307	8700	05411	Meals & Entertainment	
2378	IEXP-62126	9/15/06	9/18/06	3.54	1.30	050	3307	8700	05411	Meals & Entertainment	
2379	IEXP-46388	1/25/06	1/26/06	113.91	41.89	050	3301	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2380	IEXP-37217	10/6/05	10/11/05	55.33	20.35	050	3350	8740	05411	Meals & Entertainment	
2381	IEXP-38640	10/24/05	10/27/05	52.04	19.14	050	3350	8740	05411	Meals & Entertainment	
2382	IEXP-39478	10/31/05	11/3/05	51.00	18.76	050	3350	8740	05411	Meals & Entertainment	
2383	IEXP-42054	11/28/05	12/22/05	27.47	10.10	050	3350	8740	05411	Meals & Entertainment	
2384	IEXP-43118	12/7/05	12/22/05	38.78	14.26	050	3350	8740	05411	Meals & Entertainment	
2385	IEXP-46370	1/25/06	1/26/06	48.02	17.66	050	3350	8740	05411	Meals & Entertainment	
2386	IEXP-48295	2/16/06	2/21/06	55.68	20.48	050	3350	8740	05411	Meals & Entertainment	
2387	IEXP-50102	3/20/06	3/23/06	27.83	10.23	050	3350	8740	05411	Meals & Entertainment	
2388	IEXP-52128	4/25/06	4/27/06	41.44	15.24	050	3350	8740	05411	Meals & Entertainment	
2389	IEXP-56339	7/3/06	7/6/06	53.31	19.61	050	3350	8740	05411	Meals & Entertainment	
2390	IEXP-57680	7/26/06	7/27/06	53.09	19.52	050	3350	8740	05411	Meals & Entertainment	
2391	IEXP-58081	8/1/06	8/3/06	41.09	15.11	050	3350	8740	05411	Meals & Entertainment	
2392	IEXP-58714	8/10/06	8/16/06	53.34	19.62	050	3350	8740	05411	Meals & Entertainment	
2393	IEXP-59937	8/23/06	8/24/06	53.10	19.53	050	3350	8740	05411	Meals & Entertainment	
2394	IEXP-60626	8/31/06	9/7/06	53.09	19.52	050	3350	8740	05411	Meals & Entertainment	
2395	IEXP-41611	11/18/05	11/23/05	114.36	42.06	050	3301	8700	05411	Meals & Entertainment	
2396	IEXP-43090	12/7/05	12/8/05	48.39	17.80	050	3301	8700	05411	Meals & Entertainment	
2397	IEXP-44676	1/4/06	1/9/06	146.28	53.80	050	3301	8700	05411	Meals & Entertainment	
2398	IEXP-46129	1/23/06	1/26/06	128.29	47.18	050	3301	8700	05411	Meals & Entertainment	
2399	IEXP-47053	2/1/06	2/2/06	63.98	23.53	050	3301	8700	05411	Meals & Entertainment	
2400	IEXP-48380	2/17/06	2/21/06	125.73	46.24	050	3301	8700	05411	Meals & Entertainment	
2401	IEXP-49980	3/17/06	3/27/06	97.66	35.92	050	3302	8700	05411	Meals & Entertainment	
2402	IEXP-51631	4/17/06	4/20/06	151.87	55.85	050	3302	8700	05411	Meals & Entertainment	
2403	IEXP-52426	5/1/06	5/4/06	238.13	87.57	050	3302	8700	05411	Meals & Entertainment	
2404	IEXP-55344	6/19/06	6/22/06	160.93	59.18	050	3302	8700	05411	Meals & Entertainment	
2405	IEXP-58374	8/8/06	8/10/06	285.55	105.01	050	3302	8700	05411	Meals & Entertainment	
2406	IEXP-60465	8/29/06	9/5/06	12.85	4.73	050	3302	8700	05411	Meals & Entertainment	
2407	IEXP-36938	10/3/05	10/6/05	41.94	15.42	050	0000	1630	05411	Meals & Entertainment	
2408	IEXP-39611	11/1/05	11/3/05	178.60	65.68	050	0000	1630	05411	Meals & Entertainment	
2409	IEXP-42055	11/28/05	12/1/05	50.08	18.42	050	0000	1630	05411	Meals & Entertainment	
2410	IEXP-43108	12/7/05	12/8/05	42.71	15.71	050	0000	1630	05411	Meals & Entertainment	
2411	IEXP-49141	3/2/06	3/6/06	512.41	188.44	050	0000	1630	05411	Meals & Entertainment	
2412	IEXP-50882	4/3/06	4/6/06	5.67	2.09	050	0000	1630	05411	Meals & Entertainment	
2413	IEXP-52759	5/4/06	5/8/06	147.27	54.16	050	0000	1630	05411	Meals & Entertainment	
2414	IEXP-54555	6/5/06	6/8/06	12.08	4.44	050	0000	1630	05411	Meals & Entertainment	
2415	IEXP-54555	6/5/06	6/8/06	53.48	19.67	050	3305	8700	05411	Meals & Entertainment	
2416	IEXP-56322	7/3/06	7/6/06	45.31	16.66	050	0000	1630	05411	Meals & Entertainment	
2417	IEXP-58313	8/7/06	8/10/06	59.13	21.75	050	0000	1630	05411	Meals & Entertainment	
2418	IEXP-61612	9/11/06	9/14/06	133.28	49.02	050	0000	1630	05411	Meals & Entertainment	
2419	EXP011806	1/18/06	1/19/06	30.14	11.08	050	3333	8700	05411	Meals & Entertainment	
2420	IEXP-49972	3/17/06	3/20/06	77.21	28.39	050	3320	8700	05411	Meals & Entertainment	
2421	IEXP-55542	6/21/06	6/22/06	177.42	65.25	050	3318	8700	05411	Meals & Entertainment	
2422	IEXP-48478	2/20/06	2/23/06	651.99	239.78	050	3320	8700	05411	Meals & Entertainment	
2423	IEXP-48636	2/22/06	2/27/06	326.01	119.89	050	3302	8700	05411	Meals & Entertainment	
2424	IEXP-50919	4/3/06	4/10/06	103.75	38.16	050	3302	8700	05411	Meals & Entertainment	
2425	IEXP-52547	5/2/06	5/8/06	143.74	52.86	050	3302	8700	05411	Meals & Entertainment	
2426	IEXP-44457	12/30/05	12/31/05	16.69	6.14	050	3350	8740	05411	Meals & Entertainment	
2427	IEXP-36935	10/3/05	10/11/05	62.71	23.06	050	3320	8700	05411	Meals & Entertainment	
2428	IEXP-36935	10/3/05	10/11/05	139.40	51.27	050	3340	8700	05411	Meals & Entertainment	
2429	IEXP-39930	11/3/05	11/7/05	93.58	34.41	050	3320	8800	05411	Meals & Entertainment	
2430	IEXP-45918	1/19/06	1/23/06	14.46	5.32	050	3320	8800	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2431	IEXP-47852	2/9/06	2/13/06	11.66	4.29	050	3320	8800	05411	Meals & Entertainment	
2432	IEXP-49100	3/2/06	3/6/06	82.99	30.52	050	3320	8800	05411	Meals & Entertainment	
2433	IEXP-50661	3/30/06	4/6/06	81.30	29.90	050	3320	8800	05411	Meals & Entertainment	
2434	IEXP-55899	6/27/06	7/3/06	46.07	16.94	050	3320	8800	05411	Meals & Entertainment	
2435	IEXP-59350	8/16/06	8/24/06	41.45	15.24	050	3320	8800	05411	Meals & Entertainment	
2436	IEXP-59621	8/21/06	8/24/06	722.82	265.82	050	3308	9110	05411	Meals & Entertainment	
2437	IEXP-47339	2/3/06	2/6/06	79.68	29.30	050	3303	8700	05411	Meals & Entertainment	
2438	IEXP-38627	10/24/05	10/27/05	134.58	49.49	050	3303	8700	05411	Meals & Entertainment	
2439	IEXP-43557	12/14/05	12/22/05	91.37	33.60	050	3303	8700	05411	Meals & Entertainment	
2440	IEXP-46229	1/24/06	1/26/06	7.58	2.79	050	3303	8700	05411	Meals & Entertainment	
2441	IEXP-48760	2/24/06	3/2/06	126.21	46.41	050	3303	8700	05411	Meals & Entertainment	
2442	IEXP-51689	4/18/06	4/20/06	7.82	2.88	050	3303	8700	05411	Meals & Entertainment	
2443	IEXP-53959	5/25/06	5/30/06	406.82	149.61	050	3303	8700	05411	Meals & Entertainment	
2444	IEXP-55903	6/27/06	6/29/06	199.52	73.38	050	3303	8700	05411	Meals & Entertainment	
2445	IEXP-56955	7/14/06	7/17/06	135.84	49.96	050	3303	8700	05411	Meals & Entertainment	
2446	IEXP-59953	8/25/06	8/28/06	169.72	62.42	050	3303	8700	05411	Meals & Entertainment	
2447	IEXP-38108	10/18/05	10/24/05	0.32	0.12	050	3306	8740	05411	Meals & Entertainment	
2448	IEXP-38108	10/18/05	10/24/05	0.32	0.12	050	3306	8800	05411	Meals & Entertainment	
2449	IEXP-38108	10/18/05	10/24/05	0.64	0.24	050	3306	8700	05411	Meals & Entertainment	
2450	IEXP-39027	10/27/05	10/31/05	6.44	2.37	050	3306	8740	05411	Meals & Entertainment	
2451	IEXP-39027	10/27/05	10/31/05	6.44	2.37	050	3306	8800	05411	Meals & Entertainment	
2452	IEXP-39027	10/27/05	10/31/05	12.87	4.73	050	3306	8700	05411	Meals & Entertainment	
2453	IEXP-39369	10/31/05	11/3/05	0.95	0.35	050	3306	8740	05411	Meals & Entertainment	
2454	IEXP-39369	10/31/05	11/3/05	0.95	0.35	050	3306	8800	05411	Meals & Entertainment	
2455	IEXP-39369	10/31/05	11/3/05	1.90	0.70	050	3306	8700	05411	Meals & Entertainment	
2456	IEXP-50119	3/21/06	3/23/06	12.40	4.56	050	3306	8740	05411	Meals & Entertainment	
2457	IEXP-50119	3/21/06	3/23/06	12.40	4.56	050	3306	8800	05411	Meals & Entertainment	
2458	IEXP-50119	3/21/06	3/23/06	24.79	9.12	050	3306	8700	05411	Meals & Entertainment	
2459	IEXP-52591	5/2/06	5/4/06	5.37	1.97	050	3306	8740	05411	Meals & Entertainment	
2460	IEXP-52591	5/2/06	5/4/06	5.37	1.97	050	3306	8800	05411	Meals & Entertainment	
2461	IEXP-52591	5/2/06	5/4/06	10.74	3.95	050	3306	8700	05411	Meals & Entertainment	
2462	IEXP-53559	5/18/06	5/22/06	4.25	1.56	050	3306	8740	05411	Meals & Entertainment	
2463	IEXP-53559	5/18/06	5/22/06	4.25	1.56	050	3306	8800	05411	Meals & Entertainment	
2464	IEXP-53559	5/18/06	5/22/06	8.51	3.13	050	3306	8700	05411	Meals & Entertainment	
2465	IEXP-56549	7/7/06	7/10/06	5.35	1.97	050	3306	8740	05411	Meals & Entertainment	
2466	IEXP-56549	7/7/06	7/10/06	5.35	1.97	050	3306	8800	05411	Meals & Entertainment	
2467	IEXP-56549	7/7/06	7/10/06	10.71	3.94	050	3306	8700	05411	Meals & Entertainment	
2468	IEXP-36955	10/3/05	10/6/05	18.69	6.87	050	3315	8700	05411	Meals & Entertainment	
2469	IEXP-39476	10/31/05	11/3/05	8.28	3.05	050	3315	8700	05411	Meals & Entertainment	
2470	IEXP-42449	12/1/05	12/8/05	53.94	19.84	050	3315	8700	05411	Meals & Entertainment	
2471	IEXP-44577	1/3/06	1/5/06	11.49	4.23	050	3315	8700	05411	Meals & Entertainment	
2472	IEXP-46870	1/31/06	2/2/06	15.12	5.56	050	3315	8700	05411	Meals & Entertainment	
2473	IEXP-48903	2/27/06	3/2/06	29.18	10.73	050	3315	8700	05411	Meals & Entertainment	
2474	IEXP-50587	3/29/06	3/30/06	27.21	10.01	050	3315	8700	05411	Meals & Entertainment	
2475	IEXP-51988	4/21/06	4/24/06	10.22	3.76	050	3315	8700	05411	Meals & Entertainment	
2476	IEXP-53873	5/24/06	5/25/06	80.02	29.43	050	3315	8700	05411	Meals & Entertainment	
2477	IEXP-55561	6/21/06	6/22/06	5.57	2.05	050	3315	8700	05411	Meals & Entertainment	
2478	IEXP-57152	7/19/06	7/27/06	3.23	1.19	050	3315	8700	05411	Meals & Entertainment	
2479	IEXP-59795	8/22/06	8/24/06	50.78	18.67	050	3315	8700	05411	Meals & Entertainment	
2480	IEXP-62920	9/21/06	9/25/06	10.69	3.93	050	3315	8700	05411	Meals & Entertainment	
2481	IEXP-61230	9/7/06	9/14/06	12.96	4.77	050	3303	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2482	IEXP-40528	11/8/05	11/17/05	11.30	4.16	050	3320	8700	05411	Meals & Entertainment	
2483	IEXP-48443	2/20/06	2/23/06	5.57	2.05	050	3320	8700	05411	Meals & Entertainment	
2484	IEXP-51500	4/13/06	4/17/06	33.95	12.49	050	3320	8700	05411	Meals & Entertainment	
2485	IEXP-58017	7/31/06	8/3/06	36.68	13.49	050	3320	8700	05411	Meals & Entertainment	
2486	IEXP-61604	9/11/06	9/18/06	43.61	16.04	050	3320	8700	05411	Meals & Entertainment	
2487	IEXP-43372	12/12/05	12/15/05	1.70	0.63	050	3315	8700	05411	Meals & Entertainment	
2488	IEXP-46749	1/30/06	2/2/06	11.39	4.19	050	3444	8560	05411	Meals & Entertainment	
2489	IEXP-50431	3/27/06	3/30/06	2.50	0.92	050	3315	8700	05411	Meals & Entertainment	
2490	IEXP-59475	8/18/06	8/21/06	3.43	1.26	050	3315	8700	05411	Meals & Entertainment	
2491	IEXP-37340	10/7/05	10/11/05	23.73	8.73	050	3315	8700	05411	Meals & Entertainment	
2492	IEXP-39775	11/2/05	11/3/05	11.13	4.09	050	3315	8700	05411	Meals & Entertainment	
2493	IEXP-42418	12/1/05	12/8/05	6.92	2.54	050	3315	8700	05411	Meals & Entertainment	
2494	IEXP-44770	1/5/06	1/9/06	6.49	2.39	050	3315	8700	05411	Meals & Entertainment	
2495	IEXP-47657	2/7/06	2/9/06	5.80	2.13	050	3315	8700	05411	Meals & Entertainment	
2496	IEXP-49372	3/7/06	3/9/06	9.53	3.50	050	3315	8700	05411	Meals & Entertainment	
2497	IEXP-50960	4/4/06	4/6/06	2.91	1.07	050	3315	8700	05411	Meals & Entertainment	
2498	IEXP-52746	5/4/06	5/8/06	19.35	7.12	050	3315	8700	05411	Meals & Entertainment	
2499	IEXP-57075	7/17/06	7/20/06	4.23	1.56	050	3315	8700	05411	Meals & Entertainment	
2500	IEXP-59834	8/23/06	8/24/06	14.83	5.45	050	3315	8700	05411	Meals & Entertainment	
2501	IEXP-61935	9/14/06	9/18/06	23.60	8.68	050	3315	8700	05411	Meals & Entertainment	
2502	IEXP-38050	10/18/05	10/20/05	480.15	176.58	050	3320	8700	05411	Meals & Entertainment	
2503	IEXP-41508	11/17/05	11/21/05	220.58	81.12	050	3320	8700	05411	Meals & Entertainment	
2504	IEXP-43702	12/15/05	9/1/06	404.24	148.66	050	3320	8700	05411	Meals & Entertainment	
2505	IEXP-46803	1/30/06	9/1/06	282.07	103.73	050	3320	8700	05411	Meals & Entertainment	
2506	IEXP-49417	3/7/06	9/1/06	274.15	100.82	050	3320	8700	05411	Meals & Entertainment	
2507	IEXP-51993	4/21/06	9/1/06	338.40	124.45	050	3320	8700	05411	Meals & Entertainment	
2508	IEXP-54579	6/5/06	9/1/06	162.86	59.89	050	3320	8700	05411	Meals & Entertainment	
2509	IEXP-56781	7/11/06	7/17/06	539.63	198.45	050	3320	8700	05411	Meals & Entertainment	
2510	IEXP-59754	8/22/06	8/24/06	562.62	206.91	050	3320	8700	05411	Meals & Entertainment	
2511	IEXP-62080	9/14/06	9/18/06	205.94	75.74	050	3320	8700	05411	Meals & Entertainment	
2512	IEXP-46508	1/26/06	1/30/06	29.00	10.67	050	3314	8700	05411	Meals & Entertainment	
2513	IEXP-47138	2/1/06	2/2/06	23.95	8.81	050	3314	8700	05411	Meals & Entertainment	
2514	IEXP-50476	3/27/06	3/30/06	289.07	106.31	050	3314	8700	05411	Meals & Entertainment	
2515	IEXP-52215	4/26/06	4/27/06	36.34	13.36	050	3314	8700	05411	Meals & Entertainment	
2516	IEXP-54180	5/31/06	6/1/06	194.57	71.56	050	3314	8700	05411	Meals & Entertainment	
2517	IEXP-56135	6/29/06	7/3/06	1,079.73	397.08	050	3314	8700	05411	Meals & Entertainment	
2518	IEXP-57715	7/26/06	7/27/06	89.19	32.80	050	3314	8700	05411	Meals & Entertainment	
2519	IEXP-60478	8/30/06	9/5/06	224.18	82.44	050	3314	8700	05411	Meals & Entertainment	
2520	IEXP-62528	9/19/06	9/21/06	234.01	86.06	050	3314	8700	05411	Meals & Entertainment	
2521	IEXP-37459	10/10/05	9/1/06	14.15	5.20	050	3351	8740	05411	Meals & Entertainment	
2522	IEXP-39218	10/28/05	9/1/06	0.94	0.35	050	3351	8740	05411	Meals & Entertainment	
2523	IEXP-42019	11/23/05	9/1/06	6.40	2.35	050	3351	8740	05411	Meals & Entertainment	
2524	IEXP-43591	12/14/05	9/1/06	7.25	2.67	050	3351	8740	05411	Meals & Entertainment	
2525	IEXP-45515	1/13/06	9/1/06	22.08	8.12	050	3351	8740	05411	Meals & Entertainment	
2526	IEXP-46587	1/27/06	9/1/06	12.03	4.42	050	3351	8740	05411	Meals & Entertainment	
2527	IEXP-48763	2/24/06	9/1/06	13.63	5.01	050	3351	8740	05411	Meals & Entertainment	
2528	IEXP-49446	3/8/06	9/1/06	29.72	10.93	050	3351	8740	05411	Meals & Entertainment	
2529	IEXP-49844	3/15/06	9/1/06	0.34	0.13	050	3351	8740	05411	Meals & Entertainment	
2530	IEXP-50757	3/31/06	9/1/06	12.79	4.70	050	3351	8740	05411	Meals & Entertainment	
2531	IEXP-52680	5/3/06	9/1/06	8.66	3.18	050	3351	8740	05411	Meals & Entertainment	
2532	IEXP-54098	5/30/06	9/1/06	13.90	5.11	050	3351	8740	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2533	IEXP-54605	6/6/06	9/1/06	21.95	8.07	050	3351	8740	05411	Meals & Entertainment	
2534	IEXP-55271	6/16/06	6/22/06	27.69	10.18	050	3351	8740	05411	Meals & Entertainment	
2535	IEXP-61740	9/18/06	9/21/06	19.00	6.99	050	3303	8700	05411	Meals & Entertainment	
2536	IEXP-43267	12/9/05	12/19/05	28.55	10.50	050	3307	8700	05411	Meals & Entertainment	
2537	IEXP-51494	4/13/06	4/17/06	10.08	3.71	050	3307	8700	05411	Meals & Entertainment	
2538	IEXP-53072	5/9/06	5/11/06	0.67	0.25	050	3307	8700	05411	Meals & Entertainment	
2539	IEXP-55843	6/26/06	6/29/06	179.37	65.97	050	3304	8700	05411	Meals & Entertainment	
2540	IEXP-58563	8/9/06	8/16/06	278.51	102.42	050	3304	8700	05411	Meals & Entertainment	
2541	IEXP-38784	10/25/05	10/27/05	641.14	235.79	050	3351	8700	05411	Meals & Entertainment	
2542	IEXP-38808	10/25/05	11/3/05	141.63	52.09	050	3351	8700	05411	Meals & Entertainment	
2543	IEXP-45062	1/9/06	1/12/06	403.84	148.52	050	3351	8700	05411	Meals & Entertainment	
2544	IEXP-46348	1/25/06	1/26/06	339.18	124.74	050	3351	8700	05411	Meals & Entertainment	
2545	IEXP-49541	3/9/06	3/16/06	287.63	105.78	050	3351	8700	05411	Meals & Entertainment	
2546	IEXP-51381	4/11/06	4/20/06	326.90	120.22	050	3351	8700	05411	Meals & Entertainment	
2547	IEXP-51714	4/18/06	4/24/06	523.00	192.34	050	3351	8700	05411	Meals & Entertainment	
2548	IEXP-53427	5/16/06	5/18/06	315.64	116.08	050	3351	8700	05411	Meals & Entertainment	
2549	IEXP-55001	6/13/06	6/15/06	275.43	101.29	050	3351	8700	05411	Meals & Entertainment	
2550	IEXP-56823	7/12/06	7/13/06	958.12	352.36	050	3351	8700	05411	Meals & Entertainment	
2551	IEXP-58325	8/7/06	8/11/06	46.82	17.22	050	3351	8700	05411	Meals & Entertainment	
2552	IEXP-61293	9/8/06	9/18/06	215.25	79.16	050	3351	8700	05411	Meals & Entertainment	
2553	IEXP-37765	10/14/05	10/17/05	24.74	9.10	050	3307	8700	05411	Meals & Entertainment	
2554	IEXP-46300	1/24/06	1/26/06	49.54	18.22	050	3307	8700	05411	Meals & Entertainment	
2555	IEXP-56516	7/6/06	7/10/06	120.86	44.45	050	3307	8700	05411	Meals & Entertainment	
2556	IEXP-63348	9/26/06	9/28/06	145.28	53.43	050	3307	8700	05411	Meals & Entertainment	
2557	IEXP-37848	10/15/05	10/17/05	5.30	1.95	050	3303	8700	05411	Meals & Entertainment	
2558	IEXP-41255	11/15/05	11/17/05	55.36	20.36	050	3303	8700	05411	Meals & Entertainment	
2559	IEXP-41268	11/15/05	11/17/05	8.55	3.14	050	3303	8700	05411	Meals & Entertainment	
2560	IEXP-43172	12/8/05	12/12/05	1.44	0.53	050	3303	8700	05411	Meals & Entertainment	
2561	IEXP-47345	2/3/06	2/6/06	2.00	0.74	050	3303	8700	05411	Meals & Entertainment	
2562	IEXP-49231	3/3/06	3/6/06	60.95	22.41	050	3303	8700	05411	Meals & Entertainment	
2563	IEXP-55961	6/27/06	6/29/06	23.15	8.51	050	3303	8700	05411	Meals & Entertainment	
2564	IEXP-57141	7/19/06	7/20/06	49.41	18.17	050	3303	8700	05411	Meals & Entertainment	
2565	IEXP-61662	9/11/06	9/14/06	61.86	22.75	050	3303	8700	05411	Meals & Entertainment	
2566	IEXP-40294	11/7/05	11/10/05	48.57	17.86	050	3304	8700	05411	Meals & Entertainment	
2567	IEXP-47557	2/6/06	2/9/06	92.90	34.16	050	3304	8700	05411	Meals & Entertainment	
2568	IEXP-49908	3/16/06	3/20/06	8.45	3.11	050	3301	8700	05411	Meals & Entertainment	
2569	IEXP-51305	4/10/06	4/13/06	15.06	5.54	050	3301	8700	05411	Meals & Entertainment	
2570	IEXP-51305	4/10/06	4/13/06	195.00	71.71	050	3305	8700	05411	Meals & Entertainment	
2571	IEXP-53684	5/19/06	5/25/06	25.88	9.52	050	3301	8700	05411	Meals & Entertainment	
2572	IEXP-56149	6/29/06	7/3/06	69.00	25.38	050	3301	8700	05411	Meals & Entertainment	
2573	IEXP-58630	8/9/06	8/10/06	76.51	28.14	050	3301	8700	05411	Meals & Entertainment	
2574	IEXP-60986	9/5/06	9/7/06	-4.10	-1.51	050	3301	8700	05411	Meals & Entertainment	
2575	IEXP-39910	11/3/05	11/7/05	21.39	7.87	050	3303	8700	05411	Meals & Entertainment	
2576	IEXP-43191	12/8/05	12/12/05	211.12	77.64	050	3318	8700	05411	Meals & Entertainment	
2577	IEXP-44872	1/6/06	1/9/06	39.99	14.71	050	3318	8700	05411	Meals & Entertainment	
2578	IEXP-46772	1/30/06	2/2/06	398.56	146.57	050	3318	8700	05411	Meals & Entertainment	
2579	IEXP-48099	2/14/06	2/21/06	249.60	91.79	050	3318	8700	05411	Meals & Entertainment	
2580	IEXP-48453	2/20/06	2/21/06	6.56	2.41	050	3318	8700	05411	Meals & Entertainment	
2581	IEXP-49408	3/7/06	3/9/06	42.82	15.75	050	3318	8700	05411	Meals & Entertainment	
2582	IEXP-50124	3/21/06	3/23/06	29.29	10.77	050	3318	8700	05411	Meals & Entertainment	
2583	IEXP-50270	3/23/06	3/27/06	62.30	22.91	050	3318	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2584	IEXP-52217	4/26/06	5/1/06	96.06	35.33	050	3318	8700	05411	Meals & Entertainment	
2585	IEXP-52999	5/8/06	5/11/06	142.26	52.32	050	3318	8700	05411	Meals & Entertainment	
2586	IEXP-53001	5/8/06	5/11/06	39.00	14.34	050	3318	8700	05411	Meals & Entertainment	
2587	IEXP-53565	5/18/06	5/22/06	5.09	1.87	050	3318	8700	05411	Meals & Entertainment	
2588	IEXP-55347	6/19/06	6/22/06	127.09	46.74	050	3318	8700	05411	Meals & Entertainment	
2589	IEXP-57137	7/18/06	7/20/06	261.71	96.25	050	3318	8700	05411	Meals & Entertainment	
2590	IEXP-58451	8/8/06	8/10/06	111.02	40.83	050	3318	8700	05411	Meals & Entertainment	
2591	IEXP-61322	9/8/06	9/11/06	223.35	82.14	050	3318	8700	05411	Meals & Entertainment	
2592	IEXP-62047	9/14/06	9/18/06	111.33	40.94	050	3318	8700	05411	Meals & Entertainment	
2593	IEXP-63913	9/27/06	9/28/06	144.25	53.05	050	3318	8700	05411	Meals & Entertainment	
2594	IEXP-53745	5/22/06	9/1/06	116.28	42.76	050	3438	8700	05411	Meals & Entertainment	
2595	IEXP-46299	1/24/06	1/26/06	82.50	30.34	050	3320	8700	05411	Meals & Entertainment	
2596	IEXP-37307	10/7/05	9/1/06	40.36	14.84	050	3337	8700	05411	Meals & Entertainment	9,700.77
2597	IEXP-37603	10/12/05	10/17/05	93.44	34.36	050	3302	8700	05413	Transportation	
2598	IEXP-44678	1/4/06	1/9/06	44.14	16.23	050	3302	8700	05413	Transportation	
2599	IEXP-45827	1/18/06	1/19/06	50.90	18.72	050	3315	8700	05413	Transportation	
2600	IEXP-40504	11/8/05	11/10/05	140.23	51.57	050	3318	8700	05413	Transportation	
2601	IEXP-43707	12/15/05	12/19/05	109.48	40.26	050	3318	8700	05413	Transportation	
2602	IEXP-48957	2/28/06	3/2/06	112.03	41.20	050	3318	8700	05413	Transportation	
2603	IEXP-53575	5/18/06	5/22/06	99.78	36.70	050	3318	8700	05413	Transportation	
2604	IEXP-49767	3/14/06	3/16/06	269.68	99.18	050	3307	8700	05413	Transportation	
2605	IEXP-62060	9/14/06	9/18/06	172.86	63.57	050	3303	8700	05413	Transportation	
2606	IEXP-37119	10/5/05	10/6/05	22.09	8.12	050	3307	8700	05413	Transportation	
2607	IEXP-62126	9/15/06	9/18/06	18.38	6.76	050	3307	8700	05413	Transportation	
2608	IEXP-41108	11/14/05	11/17/05	241.05	88.65	050	3302	8700	05413	Transportation	
2609	IEXP-46370	1/25/06	1/26/06	3.65	1.34	050	3350	8740	05413	Transportation	
2610	IEXP-43090	12/7/05	12/8/05	5.00	1.84	050	3302	8700	05413	Transportation	
2611	IEXP-39611	11/1/05	11/3/05	508.90	187.15	050	0000	1630	05413	Transportation	
2612	IEXP-56322	7/3/06	7/6/06	963.20	354.23	050	0000	1630	05413	Transportation	
2613	IEXP-58313	8/7/06	8/10/06	407.10	149.72	050	0000	1630	05413	Transportation	
2614	IEXP-61612	9/11/06	9/14/06	7.00	2.57	050	0000	1630	05413	Transportation	
2615	EXP011806	1/18/06	1/19/06	105.74	38.89	050	3333	8700	05413	Transportation	
2616	IEXP-48699	2/23/06	2/27/06	1,200.00	441.31	050	3301	8700	05413	Transportation	
2617	IEXP-48636	2/22/06	2/27/06	571.60	210.21	050	3302	8700	05413	Transportation	
2618	IEXP-50919	4/3/06	4/10/06	2.92	1.07	050	3302	8700	05413	Transportation	
2619	IEXP-52547	5/2/06	5/8/06	243.77	89.65	050	3302	8700	05413	Transportation	
2620	IEXP-46229	1/24/06	1/26/06	327.34	120.38	050	3303	8700	05413	Transportation	
2621	IEXP-48760	2/24/06	3/2/06	460.50	169.35	050	3303	8700	05413	Transportation	
2622	IEXP-51689	4/18/06	4/20/06	236.09	86.82	050	3303	8700	05413	Transportation	
2623	IEXP-53959	5/25/06	5/30/06	878.30	323.00	050	3303	8700	05413	Transportation	
2624	IEXP-55903	6/27/06	6/29/06	630.73	231.96	050	3303	8700	05413	Transportation	
2625	IEXP-56955	7/14/06	7/17/06	351.57	129.29	050	3303	8700	05413	Transportation	
2626	IEXP-59953	8/25/06	8/28/06	296.63	109.09	050	3303	8700	05413	Transportation	
2627	IEXP-56108	6/29/06	7/6/06	96.81	35.60	050	3303	8700	05413	Transportation	
2628	IEXP-59944	8/23/06	8/28/06	12.46	4.58	050	3302	8700	05413	Transportation	
2629	IEXP-59944	8/23/06	8/28/06	145.52	53.52	050	3331	8700	05413	Transportation	
2630	IEXP-51318	4/10/06	4/13/06	35.58	13.08	050	3303	8700	05413	Transportation	
2631	IEXP-56358	7/3/06	7/6/06	33.39	12.28	050	3303	8700	05413	Transportation	
2632	IEXP-60102	8/25/06	8/28/06	107.37	39.49	050	3303	8700	05413	Transportation	
2633	IEXP-38108	10/18/05	10/24/05	9.65	3.55	050	3306	8740	05413	Transportation	
2634	IEXP-38108	10/18/05	10/24/05	9.65	3.55	050	3306	8800	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2635	IEXP-38108	10/18/05	10/24/05	19.31	7.10	050	3306	8700	05413	Transportation	
2636	IEXP-39027	10/27/05	10/31/05	11.55	4.25	050	3306	8740	05413	Transportation	
2637	IEXP-39027	10/27/05	10/31/05	11.55	4.25	050	3306	8800	05413	Transportation	
2638	IEXP-39027	10/27/05	10/31/05	23.09	8.49	050	3306	8700	05413	Transportation	
2639	IEXP-50119	3/21/06	3/23/06	9.65	3.55	050	3306	8740	05413	Transportation	
2640	IEXP-50119	3/21/06	3/23/06	9.65	3.55	050	3306	8800	05413	Transportation	
2641	IEXP-50119	3/21/06	3/23/06	19.31	7.10	050	3306	8700	05413	Transportation	
2642	IEXP-52591	5/2/06	5/4/06	30.19	11.10	050	3306	8740	05413	Transportation	
2643	IEXP-52591	5/2/06	5/4/06	30.19	11.10	050	3306	8800	05413	Transportation	
2644	IEXP-52591	5/2/06	5/4/06	60.39	22.21	050	3306	8700	05413	Transportation	
2645	IEXP-53559	5/18/06	5/22/06	9.70	3.57	050	3306	8740	05413	Transportation	
2646	IEXP-53559	5/18/06	5/22/06	9.70	3.57	050	3306	8800	05413	Transportation	
2647	IEXP-53559	5/18/06	5/22/06	19.40	7.13	050	3306	8700	05413	Transportation	
2648	IEXP-56549	7/7/06	7/10/06	0.40	0.15	050	3306	8740	05413	Transportation	
2649	IEXP-56549	7/7/06	7/10/06	0.40	0.15	050	3306	8800	05413	Transportation	
2650	IEXP-56549	7/7/06	7/10/06	0.80	0.29	050	3306	8700	05413	Transportation	
2651	IEXP-36955	10/3/05	10/6/05	113.02	41.56	050	3315	8700	05413	Transportation	
2652	IEXP-39476	10/31/05	11/3/05	83.66	30.77	050	3315	8700	05413	Transportation	
2653	IEXP-42449	12/1/05	12/8/05	132.55	48.75	050	3315	8700	05413	Transportation	
2654	IEXP-44577	1/3/06	1/5/06	20.03	7.37	050	3315	8700	05413	Transportation	
2655	IEXP-46870	1/31/06	2/2/06	72.09	26.51	050	3315	8700	05413	Transportation	
2656	IEXP-48903	2/27/06	3/2/06	103.24	37.97	050	3315	8700	05413	Transportation	
2657	IEXP-50587	3/29/06	3/30/06	117.98	43.39	050	3315	8700	05413	Transportation	
2658	IEXP-51988	4/21/06	4/24/06	69.42	25.53	050	3315	8700	05413	Transportation	
2659	IEXP-53873	5/24/06	5/25/06	50.28	18.49	050	3315	8700	05413	Transportation	
2660	IEXP-55561	6/21/06	6/22/06	83.66	30.77	050	3315	8700	05413	Transportation	
2661	IEXP-57152	7/19/06	7/27/06	42.07	15.47	050	3315	8700	05413	Transportation	
2662	IEXP-59795	8/22/06	8/24/06	100.57	36.99	050	3315	8700	05413	Transportation	
2663	IEXP-62920	9/21/06	9/25/06	93.72	34.47	050	3315	8700	05413	Transportation	
2664	IEXP-61230	9/7/06	9/14/06	533.74	196.29	050	3303	8700	05413	Transportation	
2665	IEXP-37434	10/10/05	10/11/05	492.94	181.28	050	3320	8700	05413	Transportation	
2666	IEXP-40528	11/8/05	11/17/05	448.53	164.95	050	3320	8700	05413	Transportation	
2667	IEXP-48443	2/20/06	2/23/06	377.20	138.72	050	3320	8700	05413	Transportation	
2668	IEXP-49785	3/14/06	3/20/06	383.60	141.07	050	3320	8700	05413	Transportation	
2669	IEXP-51500	4/13/06	4/17/06	299.11	110.00	050	3320	8700	05413	Transportation	
2670	IEXP-53569	5/18/06	5/22/06	599.38	220.43	050	3320	8700	05413	Transportation	
2671	IEXP-56703	7/11/06	7/13/06	2,064.41	759.21	050	3320	8700	05413	Transportation	
2672	IEXP-58017	7/31/06	8/3/06	830.88	305.56	050	3320	8700	05413	Transportation	
2673	IEXP-61604	9/11/06	9/18/06	736.55	270.87	050	3320	8700	05413	Transportation	
2674	IEXP-46749	1/30/06	2/2/06	287.10	105.58	050	3444	8560	05413	Transportation	
2675	IEXP-38050	10/18/05	10/20/05	646.79	237.86	050	3320	8700	05413	Transportation	
2676	IEXP-41508	11/17/05	11/21/05	1,246.26	458.32	050	3320	8700	05413	Transportation	
2677	IEXP-43702	12/15/05	9/1/06	995.22	366.00	050	3320	8700	05413	Transportation	
2678	IEXP-46803	1/30/06	9/1/06	620.13	228.06	050	3320	8700	05413	Transportation	
2679	IEXP-49417	3/7/06	9/1/06	1,189.49	437.45	050	3320	8700	05413	Transportation	
2680	IEXP-51993	4/21/06	9/1/06	824.14	303.09	050	3320	8700	05413	Transportation	
2681	IEXP-54579	6/5/06	9/1/06	743.33	273.37	050	3320	8700	05413	Transportation	
2682	IEXP-56781	7/11/06	7/17/06	1,816.96	668.21	050	3320	8700	05413	Transportation	
2683	IEXP-59754	8/22/06	8/24/06	745.38	274.12	050	3320	8700	05413	Transportation	
2684	IEXP-62080	9/14/06	9/18/06	748.31	275.20	050	3320	8700	05413	Transportation	
2685	IEXP-50476	3/27/06	3/30/06	786.73	289.33	050	3314	8700	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2686	IEXP-52215	4/26/06	4/27/06	501.10	184.28	050	3314	8700	05413	Transportation	
2687	IEXP-54180	5/31/06	6/1/06	423.51	155.75	050	3314	8700	05413	Transportation	
2688	IEXP-56135	6/29/06	7/3/06	424.04	155.94	050	3314	8700	05413	Transportation	
2689	IEXP-57715	7/26/06	7/27/06	224.60	82.60	050	3314	8700	05413	Transportation	
2690	IEXP-60478	8/30/06	9/5/06	95.40	35.08	050	3314	8700	05413	Transportation	
2691	IEXP-62528	9/19/06	9/21/06	1.50	0.55	050	3314	8700	05413	Transportation	
2692	IEXP-43267	12/9/05	12/19/05	182.34	67.06	050	3307	8700	05413	Transportation	
2693	IEXP-49857	3/15/06	3/20/06	196.30	72.19	050	3307	8700	05413	Transportation	
2694	IEXP-55843	6/26/06	6/29/06	406.21	149.39	050	3304	8700	05413	Transportation	
2695	IEXP-58563	8/9/06	8/16/06	189.70	69.76	050	3304	8700	05413	Transportation	
2696	IEXP-38784	10/25/05	10/27/05	123.38	45.37	050	3351	8700	05413	Transportation	
2697	IEXP-38808	10/25/05	11/3/05	23.36	8.59	050	3351	8700	05413	Transportation	
2698	IEXP-46348	1/25/06	1/26/06	351.48	129.26	050	3351	8700	05413	Transportation	
2699	IEXP-49541	3/9/06	3/16/06	115.84	42.60	050	3351	8700	05413	Transportation	
2700	IEXP-51381	4/11/06	4/20/06	192.59	70.83	050	3351	8700	05413	Transportation	
2701	IEXP-51714	4/18/06	4/24/06	616.60	226.76	050	3351	8700	05413	Transportation	
2702	IEXP-53427	5/16/06	5/18/06	388.13	142.74	050	3351	8700	05413	Transportation	
2703	IEXP-56823	7/12/06	7/13/06	12.00	4.41	050	3351	8700	05413	Transportation	
2704	IEXP-58325	8/7/06	8/11/06	24.67	9.07	050	3351	8700	05413	Transportation	
2705	IEXP-61293	9/8/06	9/18/06	403.32	148.32	050	3351	8700	05413	Transportation	
2706	IEXP-37765	10/14/05	10/17/05	710.39	261.25	050	3307	8700	05413	Transportation	
2707	IEXP-46300	1/24/06	1/26/06	1,148.35	422.32	050	3307	8700	05413	Transportation	
2708	IEXP-56516	7/6/06	7/10/06	1,156.55	425.33	050	3307	8700	05413	Transportation	
2709	IEXP-63348	9/26/06	9/28/06	805.80	296.34	050	3307	8700	05413	Transportation	
2710	IEXP-37848	10/15/05	10/17/05	181.16	66.62	050	3303	8700	05413	Transportation	
2711	IEXP-41255	11/15/05	11/17/05	487.48	179.28	050	3303	8700	05413	Transportation	
2712	IEXP-41268	11/15/05	11/17/05	147.23	54.15	050	3303	8700	05413	Transportation	
2713	IEXP-43172	12/8/05	12/12/05	155.72	57.27	050	3303	8700	05413	Transportation	
2714	IEXP-47345	2/3/06	2/6/06	305.90	112.50	050	3303	8700	05413	Transportation	
2715	IEXP-49231	3/3/06	3/6/06	86.31	31.74	050	3303	8700	05413	Transportation	
2716	IEXP-51331	4/10/06	4/13/06	11.03	4.06	050	3303	8700	05413	Transportation	
2717	IEXP-52551	5/2/06	5/4/06	178.71	65.72	050	3303	8700	05413	Transportation	
2718	IEXP-54481	6/5/06	6/8/06	98.26	36.14	050	3303	8700	05413	Transportation	
2719	IEXP-55961	6/27/06	6/29/06	152.75	56.18	050	3303	8700	05413	Transportation	
2720	IEXP-57141	7/19/06	7/20/06	476.61	175.28	050	3303	8700	05413	Transportation	
2721	IEXP-58520	8/8/06	8/10/06	146.65	53.93	050	3303	8700	05413	Transportation	
2722	IEXP-61662	9/11/06	9/14/06	435.05	159.99	050	3303	8700	05413	Transportation	
2723	IEXP-40294	11/7/05	11/10/05	3.35	1.23	050	3304	8700	05413	Transportation	
2724	IEXP-49908	3/16/06	3/20/06	27.64	10.16	050	3301	8700	05413	Transportation	
2725	IEXP-51305	4/10/06	4/13/06	3.28	1.21	050	3301	8700	05413	Transportation	
2726	IEXP-53684	5/19/06	5/25/06	6.96	2.56	050	3301	8700	05413	Transportation	
2727	IEXP-56149	6/29/06	7/3/06	4.09	1.50	050	3301	8700	05413	Transportation	
2728	IEXP-58630	8/9/06	8/10/06	9.12	3.35	050	3301	8700	05413	Transportation	
2729	IEXP-43191	12/8/05	12/12/05	14.00	5.15	050	3318	8700	05413	Transportation	
2730	IEXP-52999	5/8/06	5/11/06	130.70	48.07	050	3318	8700	05413	Transportation	
2731	IEXP-54549	6/5/06	6/8/06	553.90	203.70	050	3318	8700	05413	Transportation	
2732	IEXP-37307	10/7/05	9/1/06	158.59	58.32	050	3337	8700	05413	Transportation	14,813.35
2733	IEXP-38388	10/20/05	10/24/05	40.25	14.80	050	3332	9120	05414	Lodging	
2734	IEXP-38567	10/21/05	10/24/05	228.60	84.07	050	3318	8700	05414	Lodging	
2735	IEXP-39229	10/28/05	10/31/05	56.14	20.65	050	3318	8700	05414	Lodging	
2736	IEXP-40094	11/4/05	11/10/05	1,550.61	570.25	050	3318	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2737	IEXP-42934	12/6/05	12/8/05	133.56	49.12	050	3318	8700	05414	Lodging	
2738	IEXP-46708	1/29/06	2/2/06	258.78	95.17	050	3318	8700	05414	Lodging	
2739	IEXP-48957	2/28/06	3/2/06	212.67	78.21	050	3318	8700	05414	Lodging	
2740	IEXP-49759	3/14/06	3/16/06	17.24	6.34	050	3318	8700	05414	Lodging	
2741	IEXP-50838	4/3/06	4/6/06	158.29	58.21	050	3318	8700	05414	Lodging	
2742	IEXP-51380	4/11/06	4/13/06	39.57	14.55	050	3318	8700	05414	Lodging	
2743	IEXP-52664	5/3/06	5/4/06	39.57	14.55	050	3318	8700	05414	Lodging	
2744	IEXP-53419	5/16/06	5/18/06	100.06	36.80	050	3318	8700	05414	Lodging	
2745	IEXP-54981	6/13/06	6/15/06	79.15	29.11	050	3318	8700	05414	Lodging	
2746	IEXP-56304	7/3/06	7/6/06	105.05	38.63	050	3318	8700	05414	Lodging	
2747	IEXP-57131	7/18/06	7/20/06	97.55	35.87	050	3318	8700	05414	Lodging	
2748	IEXP-59078	8/14/06	8/16/06	47.70	17.54	050	3318	8700	05414	Lodging	
2749	IEXP-60541	8/30/06	9/5/06	59.36	21.83	050	3318	8700	05414	Lodging	
2750	IEXP-49767	3/14/06	3/16/06	158.29	58.21	050	3307	8700	05414	Lodging	
2751	IEXP-62060	9/14/06	9/18/06	349.40	128.50	050	3303	8700	05414	Lodging	
2752	IEXP-51961	4/21/06	4/24/06	29.93	11.01	050	3307	8700	05414	Lodging	
2753	IEXP-37217	10/6/05	10/11/05	132.61	48.77	050	3350	8740	05414	Lodging	
2754	IEXP-38640	10/24/05	10/27/05	100.45	36.94	050	3350	8740	05414	Lodging	
2755	IEXP-39478	10/31/05	11/3/05	114.55	42.13	050	3350	8740	05414	Lodging	
2756	IEXP-42054	11/28/05	12/22/05	70.93	26.09	050	3350	8740	05414	Lodging	
2757	IEXP-43118	12/7/05	12/22/05	106.39	39.13	050	3350	8740	05414	Lodging	
2758	IEXP-46370	1/25/06	1/26/06	202.09	74.32	050	3350	8740	05414	Lodging	
2759	IEXP-48295	2/16/06	2/21/06	62.78	23.09	050	3350	8740	05414	Lodging	
2760	IEXP-50102	3/20/06	3/23/06	65.19	23.97	050	3350	8740	05414	Lodging	
2761	IEXP-52128	4/25/06	4/27/06	75.34	27.71	050	3350	8740	05414	Lodging	
2762	IEXP-56339	7/3/06	7/6/06	132.48	48.72	050	3350	8740	05414	Lodging	
2763	IEXP-57680	7/26/06	7/27/06	125.56	46.18	050	3350	8740	05414	Lodging	
2764	IEXP-58081	8/1/06	8/3/06	94.17	34.63	050	3350	8740	05414	Lodging	
2765	IEXP-58714	8/10/06	8/16/06	125.56	46.18	050	3350	8740	05414	Lodging	
2766	IEXP-59937	8/23/06	8/24/06	125.56	46.18	050	3350	8740	05414	Lodging	
2767	IEXP-60626	8/31/06	9/7/06	125.56	46.18	050	3350	8740	05414	Lodging	
2768	IEXP-36938	10/3/05	10/6/05	204.30	75.13	050	0000	1630	05414	Lodging	
2769	IEXP-39611	11/1/05	11/3/05	417.24	153.44	050	0000	1630	05414	Lodging	
2770	IEXP-43108	12/7/05	12/8/05	256.47	94.32	050	0000	1630	05414	Lodging	
2771	IEXP-49141	3/2/06	3/6/06	236.10	86.83	050	0000	1630	05414	Lodging	
2772	IEXP-52759	5/4/06	5/8/06	157.42	57.89	050	0000	1630	05414	Lodging	
2773	IEXP-54555	6/5/06	6/8/06	248.52	91.40	050	0000	1630	05414	Lodging	
2774	IEXP-56322	7/3/06	7/6/06	332.02	122.10	050	0000	1630	05414	Lodging	
2775	IEXP-58313	8/7/06	8/10/06	273.70	100.66	050	0000	1630	05414	Lodging	
2776	IEXP-61612	9/11/06	9/14/06	155.18	57.07	050	0000	1630	05414	Lodging	
2777	IEXP-36935	10/3/05	10/11/05	151.38	55.67	050	3320	8700	05414	Lodging	
2778	IEXP-36935	10/3/05	10/11/05	196.79	72.37	050	3340	8700	05414	Lodging	
2779	IEXP-39930	11/3/05	11/7/05	146.11	53.73	050	3320	8800	05414	Lodging	
2780	IEXP-43451	12/13/05	12/15/05	130.53	48.00	050	3320	8800	05414	Lodging	
2781	IEXP-45918	1/19/06	1/23/06	126.34	46.46	050	3320	8800	05414	Lodging	
2782	IEXP-47852	2/9/06	2/13/06	162.53	59.77	050	3320	8800	05414	Lodging	
2783	IEXP-49100	3/2/06	3/6/06	174.17	64.05	050	3320	8800	05414	Lodging	
2784	IEXP-50661	3/30/06	4/6/06	189.24	69.59	050	3320	8800	05414	Lodging	
2785	IEXP-55899	6/27/06	7/3/06	180.96	66.55	050	3320	8800	05414	Lodging	
2786	IEXP-46229	1/24/06	1/26/06	358.78	131.94	050	3303	8700	05414	Lodging	
2787	IEXP-48760	2/24/06	3/2/06	1,123.13	413.04	050	3303	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2788	IEXP-53959	5/25/06	5/30/06	1,098.28	403.90	050	3303	8700	05414	Lodging	
2789	IEXP-55903	6/27/06	6/29/06	569.25	209.35	050	3303	8700	05414	Lodging	
2790	IEXP-56955	7/14/06	7/17/06	245.34	90.23	050	3303	8700	05414	Lodging	
2791	IEXP-59953	8/25/06	8/28/06	722.32	265.64	050	3303	8700	05414	Lodging	
2792	IEXP-38108	10/18/05	10/24/05	7.50	2.76	050	3306	8740	05414	Lodging	
2793	IEXP-38108	10/18/05	10/24/05	7.50	2.76	050	3306	8800	05414	Lodging	
2794	IEXP-38108	10/18/05	10/24/05	15.00	5.52	050	3306	8700	05414	Lodging	
2795	IEXP-39027	10/27/05	10/31/05	19.18	7.05	050	3306	8740	05414	Lodging	
2796	IEXP-39027	10/27/05	10/31/05	19.18	7.05	050	3306	8800	05414	Lodging	
2797	IEXP-39027	10/27/05	10/31/05	38.36	14.11	050	3306	8700	05414	Lodging	
2798	IEXP-39369	10/31/05	11/3/05	5.48	2.02	050	3306	8740	05414	Lodging	
2799	IEXP-39369	10/31/05	11/3/05	5.48	2.02	050	3306	8800	05414	Lodging	
2800	IEXP-39369	10/31/05	11/3/05	10.96	4.03	050	3306	8700	05414	Lodging	
2801	IEXP-50119	3/21/06	3/23/06	13.62	5.01	050	3306	8740	05414	Lodging	
2802	IEXP-50119	3/21/06	3/23/06	13.62	5.01	050	3306	8800	05414	Lodging	
2803	IEXP-50119	3/21/06	3/23/06	27.23	10.01	050	3306	8700	05414	Lodging	
2804	IEXP-52591	5/2/06	5/4/06	19.73	7.26	050	3306	8740	05414	Lodging	
2805	IEXP-52591	5/2/06	5/4/06	19.73	7.26	050	3306	8800	05414	Lodging	
2806	IEXP-52591	5/2/06	5/4/06	39.46	14.51	050	3306	8700	05414	Lodging	
2807	IEXP-53559	5/18/06	5/22/06	16.83	6.19	050	3306	8740	05414	Lodging	
2808	IEXP-53559	5/18/06	5/22/06	16.83	6.19	050	3306	8800	05414	Lodging	
2809	IEXP-53559	5/18/06	5/22/06	33.65	12.38	050	3306	8700	05414	Lodging	
2810	IEXP-36955	10/3/05	10/6/05	34.29	12.61	050	3315	8700	05414	Lodging	
2811	IEXP-39476	10/31/05	11/3/05	28.02	10.30	050	3315	8700	05414	Lodging	
2812	IEXP-42449	12/1/05	12/8/05	45.38	16.69	050	3315	8700	05414	Lodging	
2813	IEXP-44577	1/3/06	1/5/06	32.35	11.90	050	3315	8700	05414	Lodging	
2814	IEXP-46870	1/31/06	2/2/06	26.60	9.78	050	3315	8700	05414	Lodging	
2815	IEXP-48903	2/27/06	3/2/06	37.24	13.70	050	3315	8700	05414	Lodging	
2816	IEXP-50587	3/29/06	3/30/06	36.06	13.26	050	3315	8700	05414	Lodging	
2817	IEXP-51988	4/21/06	4/24/06	18.23	6.70	050	3315	8700	05414	Lodging	
2818	IEXP-53873	5/24/06	5/25/06	37.37	13.74	050	3315	8700	05414	Lodging	
2819	IEXP-55561	6/21/06	6/22/06	19.44	7.15	050	3315	8700	05414	Lodging	
2820	IEXP-57152	7/19/06	7/27/06	37.30	13.72	050	3315	8700	05414	Lodging	
2821	IEXP-59795	8/22/06	8/24/06	27.90	10.26	050	3315	8700	05414	Lodging	
2822	IEXP-62920	9/21/06	9/25/06	13.00	4.78	050	3315	8700	05414	Lodging	
2823	IEXP-61230	9/7/06	9/14/06	607.53	223.43	050	3303	8700	05414	Lodging	
2824	IEXP-40528	11/8/05	11/17/05	238.11	87.57	050	3320	8700	05414	Lodging	
2825	IEXP-48443	2/20/06	2/23/06	136.73	50.28	050	3320	8700	05414	Lodging	
2826	IEXP-49785	3/14/06	3/20/06	116.32	42.78	050	3320	8700	05414	Lodging	
2827	IEXP-51500	4/13/06	4/17/06	168.98	62.14	050	3320	8700	05414	Lodging	
2828	IEXP-53569	5/18/06	5/22/06	75.48	27.76	050	3320	8700	05414	Lodging	
2829	IEXP-56703	7/11/06	7/13/06	392.20	144.24	050	3320	8700	05414	Lodging	
2830	IEXP-58017	7/31/06	8/3/06	93.41	34.35	050	3320	8700	05414	Lodging	
2831	IEXP-61604	9/11/06	9/18/06	405.96	149.30	050	3320	8700	05414	Lodging	
2832	IEXP-43372	12/12/05	12/15/05	659.68	242.60	050	3444	8560	05414	Lodging	
2833	IEXP-46749	1/30/06	2/2/06	409.40	150.56	050	3444	8560	05414	Lodging	
2834	IEXP-50431	3/27/06	3/30/06	17.38	6.39	050	3444	8560	05414	Lodging	
2835	IEXP-39775	11/2/05	11/3/05	17.68	6.50	050	3315	8700	05414	Lodging	
2836	IEXP-42418	12/1/05	12/8/05	13.16	4.84	050	3315	8700	05414	Lodging	
2837	IEXP-44770	1/5/06	1/9/06	15.17	5.58	050	3315	8700	05414	Lodging	
2838	IEXP-47657	2/7/06	2/9/06	10.36	3.81	050	3315	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2839	IEXP-49372	3/7/06	3/9/06	7.46	2.74	050	3315	8700	05414	Lodging	
2840	IEXP-57075	7/17/06	7/20/06	28.42	10.45	050	3315	8700	05414	Lodging	
2841	IEXP-59834	8/23/06	8/24/06	22.19	8.16	050	3315	8700	05414	Lodging	
2842	IEXP-61935	9/14/06	9/18/06	30.87	11.35	050	3315	8700	05414	Lodging	
2843	IEXP-38050	10/18/05	10/20/05	484.66	178.24	050	3320	8700	05414	Lodging	
2844	IEXP-41508	11/17/05	11/21/05	513.42	188.82	050	3320	8700	05414	Lodging	
2845	IEXP-43702	12/15/05	9/1/06	608.06	223.62	050	3320	8700	05414	Lodging	
2846	IEXP-46803	1/30/06	9/1/06	329.85	121.31	050	3320	8700	05414	Lodging	
2847	IEXP-49417	3/7/06	9/1/06	827.48	304.31	050	3320	8700	05414	Lodging	
2848	IEXP-51993	4/21/06	9/1/06	492.35	181.07	050	3320	8700	05414	Lodging	
2849	IEXP-54579	6/5/06	9/1/06	187.94	69.12	050	3320	8700	05414	Lodging	
2850	IEXP-56781	7/11/06	7/17/06	928.55	341.48	050	3320	8700	05414	Lodging	
2851	IEXP-59754	8/22/06	8/24/06	703.00	258.54	050	3320	8700	05414	Lodging	
2852	IEXP-62080	9/14/06	9/18/06	291.93	107.36	050	3320	8700	05414	Lodging	
2853	IEXP-47138	2/1/06	2/2/06	142.86	52.54	050	3314	8700	05414	Lodging	
2854	IEXP-50476	3/27/06	3/30/06	699.33	257.19	050	3314	8700	05414	Lodging	
2855	IEXP-54180	5/31/06	6/1/06	804.94	296.02	050	3314	8700	05414	Lodging	
2856	IEXP-56135	6/29/06	7/3/06	125.97	46.33	050	3314	8700	05414	Lodging	
2857	IEXP-57715	7/26/06	7/27/06	285.30	104.92	050	3314	8700	05414	Lodging	
2858	IEXP-60478	8/30/06	9/5/06	619.68	227.89	050	3314	8700	05414	Lodging	
2859	IEXP-62528	9/19/06	9/21/06	110.88	40.78	050	3314	8700	05414	Lodging	
2860	IEXP-37459	10/10/05	9/1/06	4.53	1.67	050	3351	8740	05414	Lodging	
2861	IEXP-46587	1/27/06	9/1/06	12.35	4.54	050	3351	8740	05414	Lodging	
2862	IEXP-48763	2/24/06	9/1/06	3.72	1.37	050	3351	8740	05414	Lodging	
2863	IEXP-49844	3/15/06	9/1/06	4.53	1.67	050	3351	8740	05414	Lodging	
2864	IEXP-52680	5/3/06	9/1/06	4.02	1.48	050	3351	8740	05414	Lodging	
2865	IEXP-54098	5/30/06	9/1/06	5.35	1.97	050	3351	8740	05414	Lodging	
2866	IEXP-54605	6/6/06	9/1/06	8.15	3.00	050	3351	8740	05414	Lodging	
2867	IEXP-61740	9/18/06	9/21/06	20.47	7.53	050	3303	8700	05414	Lodging	
2868	IEXP-43267	12/9/05	12/19/05	112.81	41.49	050	3307	8700	05414	Lodging	
2869	IEXP-53072	5/9/06	5/11/06	32.85	12.08	050	3307	8700	05414	Lodging	
2870	IEXP-55843	6/26/06	6/29/06	284.44	104.61	050	3304	8700	05414	Lodging	
2871	IEXP-58563	8/9/06	8/16/06	309.85	113.95	050	3304	8700	05414	Lodging	
2872	IEXP-38808	10/25/05	11/3/05	344.08	126.54	050	3351	8700	05414	Lodging	
2873	IEXP-45062	1/9/06	1/12/06	619.85	227.96	050	3351	8700	05414	Lodging	
2874	IEXP-46348	1/25/06	1/26/06	209.46	77.03	050	3351	8700	05414	Lodging	
2875	IEXP-49541	3/9/06	3/16/06	537.43	197.65	050	3351	8700	05414	Lodging	
2876	IEXP-53427	5/16/06	5/18/06	519.00	190.87	050	3351	8700	05414	Lodging	
2877	IEXP-55001	6/13/06	6/15/06	421.21	154.90	050	3351	8700	05414	Lodging	
2878	IEXP-56823	7/12/06	7/13/06	410.46	150.95	050	3351	8700	05414	Lodging	
2879	IEXP-58325	8/7/06	8/11/06	277.27	101.97	050	3351	8700	05414	Lodging	
2880	IEXP-61293	9/8/06	9/18/06	142.97	52.58	050	3351	8700	05414	Lodging	
2881	IEXP-46300	1/24/06	1/26/06	68.45	25.17	050	3307	8700	05414	Lodging	
2882	IEXP-56516	7/6/06	7/10/06	441.18	162.25	050	3307	8700	05414	Lodging	
2883	IEXP-63348	9/26/06	9/28/06	384.04	141.23	050	3307	8700	05414	Lodging	
2884	IEXP-37848	10/15/05	10/17/05	49.39	18.16	050	3303	8700	05414	Lodging	
2885	IEXP-41255	11/15/05	11/17/05	196.06	72.10	050	3303	8700	05414	Lodging	
2886	IEXP-41268	11/15/05	11/17/05	81.51	29.98	050	3303	8700	05414	Lodging	
2887	IEXP-43172	12/8/05	9/1/06	135.70	49.91	050	3303	8700	05414	Lodging	
2888	IEXP-49231	3/3/06	3/6/06	114.32	42.04	050	3303	8700	05414	Lodging	
2889	IEXP-51331	4/10/06	4/13/06	82.86	30.47	050	3303	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2890	IEXP-52551	5/2/06	5/4/06	111.22	40.90	050	3303	8700	05414	Lodging	
2891	IEXP-54481	6/5/06	6/8/06	156.27	57.47	050	3303	8700	05414	Lodging	
2892	IEXP-54481	6/5/06	6/8/06	173.66	63.87	050	3450	8700	05414	Lodging	
2893	IEXP-55961	6/27/06	6/29/06	87.27	32.09	050	3303	8700	05414	Lodging	
2894	IEXP-57141	7/19/06	7/20/06	194.08	71.37	050	3303	8700	05414	Lodging	
2895	IEXP-58520	8/8/06	8/10/06	59.78	21.98	050	3303	8700	05414	Lodging	
2896	IEXP-61662	9/11/06	9/14/06	127.57	46.92	050	3303	8700	05414	Lodging	
2897	IEXP-39910	11/3/05	11/7/05	99.23	36.49	050	3303	8700	05414	Lodging	
2898	IEXP-43191	12/8/05	12/12/05	289.29	106.39	050	3318	8700	05414	Lodging	
2899	IEXP-44872	1/6/06	1/9/06	109.50	40.27	050	3318	8700	05414	Lodging	
2900	IEXP-46772	1/30/06	2/2/06	349.75	128.62	050	3318	8700	05414	Lodging	
2901	IEXP-48099	2/14/06	2/21/06	554.34	203.86	050	3318	8700	05414	Lodging	
2902	IEXP-49194	3/3/06	3/6/06	141.30	51.96	050	3318	8700	05414	Lodging	
2903	IEXP-52999	5/8/06	5/11/06	248.63	91.44	050	3318	8700	05414	Lodging	
2904	IEXP-53576	5/18/06	5/22/06	200.12	73.60	050	3318	8700	05414	Lodging	
2905	IEXP-55347	6/19/06	6/22/06	28.66	10.54	050	3318	8700	05414	Lodging	
2906	IEXP-57137	7/18/06	7/20/06	559.49	205.76	050	3318	8700	05414	Lodging	
2907	IEXP-58451	8/8/06	8/10/06	304.00	111.80	050	3318	8700	05414	Lodging	
2908	IEXP-61322	9/8/06	9/11/06	209.88	77.19	050	3318	8700	05414	Lodging	
2909	IEXP-62047	9/14/06	9/18/06	305.34	112.29	050	3318	8700	05414	Lodging	
2910	IEXP-63913	9/27/06	9/28/06	192.95	70.96	050	3318	8700	05414	Lodging	
2911	IEXP-53745	5/22/06	9/1/06	38.40	14.12	050	3438	8700	05414	Lodging	
2912	IEXP-56963	7/14/06	7/17/06	227.70	83.74	050	3303	8700	05414	Lodging	13,323.59
Kentucky Direct											
2913	IEXP-40498	11/8/05	11/10/05	28.57	28.57	040	2738	8850	05411	Meals & Entertainment	
2914	IEXP-40498	11/8/05	11/10/05	28.58	28.58	040	2738	8700	05411	Meals & Entertainment	
2915	IEXP-42208	11/30/05	12/1/05	25.42	25.42	040	2738	8700	05411	Meals & Entertainment	
2916	IEXP-42208	11/30/05	12/1/05	25.42	25.42	040	2738	8850	05411	Meals & Entertainment	
2917	IEXP-43490	12/13/05	12/15/05	15.36	15.36	040	2738	8850	05411	Meals & Entertainment	
2918	IEXP-43490	12/13/05	12/15/05	15.37	15.37	040	2738	8700	05411	Meals & Entertainment	
2919	IEXP-46780	1/30/06	2/2/06	15.97	15.97	040	2638	8700	05411	Meals & Entertainment	
2920	IEXP-46780	1/30/06	2/2/06	20.33	20.33	040	2638	8850	05411	Meals & Entertainment	
2921	IEXP-48892	2/27/06	3/2/06	16.63	16.63	040	2638	8700	05411	Meals & Entertainment	
2922	IEXP-48892	2/27/06	3/2/06	21.16	21.16	040	2638	8850	05411	Meals & Entertainment	
2923	IEXP-50533	3/28/06	3/30/06	42.09	42.09	040	2638	8700	05411	Meals & Entertainment	
2924	IEXP-50533	3/28/06	3/30/06	53.57	53.57	040	2638	8850	05411	Meals & Entertainment	
2925	IEXP-51785	4/19/06	4/24/06	52.01	52.01	040	2638	8700	05411	Meals & Entertainment	
2926	IEXP-51785	4/19/06	4/24/06	66.19	66.19	040	2638	8850	05411	Meals & Entertainment	
2927	IEXP-52400	4/30/06	5/8/06	114.36	114.36	040	2638	8700	05411	Meals & Entertainment	
2928	IEXP-52400	4/30/06	5/8/06	145.54	145.54	040	2638	8850	05411	Meals & Entertainment	
2929	IEXP-53627	5/19/06	5/22/06	53.17	53.17	040	2638	8700	05411	Meals & Entertainment	
2930	IEXP-53627	5/19/06	5/22/06	67.66	67.66	040	2638	8850	05411	Meals & Entertainment	
2931	IEXP-54624	6/6/06	6/8/06	26.00	26.00	040	2638	8700	05411	Meals & Entertainment	
2932	IEXP-54624	6/6/06	6/8/06	33.08	33.08	040	2638	8850	05411	Meals & Entertainment	
2933	IEXP-55068	6/14/06	6/15/06	7.15	7.15	040	2638	8700	05411	Meals & Entertainment	
2934	IEXP-55068	6/14/06	6/15/06	9.10	9.10	040	2638	8850	05411	Meals & Entertainment	
2935	IEXP-57059	7/17/06	7/20/06	50.80	50.80	040	2638	8700	05411	Meals & Entertainment	
2936	IEXP-57059	7/17/06	7/20/06	64.66	64.66	040	2638	8850	05411	Meals & Entertainment	
2937	IEXP-60801	9/1/06	9/5/06	20.30	20.30	040	2638	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2938	IEXP-60801	9/1/06	9/5/06	25.84	25.84	040	2638	8850	05411	Meals & Entertainment	
2939	IEXP-60628	8/31/06	9/5/06	116.05	116.05	040	2637	8740	05411	Meals & Entertainment	
2940	IEXP-42871	12/6/05	12/8/05	5.14	5.14	040	2636	8850	05411	Meals & Entertainment	
2941	IEXP-42871	12/6/05	12/8/05	5.15	5.15	040	2636	8700	05411	Meals & Entertainment	
2942	IEXP-39630	11/1/05	11/3/05	56.02	56.02	040	2734	8780	05411	Meals & Entertainment	
2943	IEXP-51815	4/19/06	5/11/06	4.17	4.17	040	2734	8780	05411	Meals & Entertainment	
2944	IEXP-37045	10/4/05	10/6/05	58.46	58.46	040	2734	8850	05411	Meals & Entertainment	
2945	IEXP-37045	10/4/05	10/6/05	58.47	58.47	040	2734	8700	05411	Meals & Entertainment	
2946	IEXP-43615	12/14/05	12/15/05	73.78	73.78	040	2734	8700	05411	Meals & Entertainment	
2947	IEXP-43615	12/14/05	12/15/05	73.78	73.78	040	2734	8850	05411	Meals & Entertainment	
2948	IEXP-47602	2/6/06	2/9/06	111.55	111.55	040	2734	8850	05411	Meals & Entertainment	
2949	IEXP-47602	2/6/06	2/9/06	111.56	111.56	040	2734	8700	05411	Meals & Entertainment	
2950	IEXP-51294	4/10/06	4/13/06	127.28	127.28	040	2734	8850	05411	Meals & Entertainment	
2951	IEXP-51294	4/10/06	4/13/06	127.29	127.29	040	2734	8700	05411	Meals & Entertainment	
2952	IEXP-53102	5/10/06	5/11/06	45.45	45.45	040	2734	8700	05411	Meals & Entertainment	
2953	IEXP-53102	5/10/06	5/11/06	45.45	45.45	040	2734	8850	05411	Meals & Entertainment	
2954	IEXP-56556	7/7/06	7/10/06	62.18	62.18	040	2734	8700	05411	Meals & Entertainment	
2955	IEXP-56556	7/7/06	7/10/06	62.19	62.19	040	2734	8850	05411	Meals & Entertainment	
2956	IEXP-59297	8/16/06	8/21/06	72.93	72.93	040	2734	8850	05411	Meals & Entertainment	
2957	IEXP-59297	8/16/06	8/21/06	72.94	72.94	040	2734	8700	05411	Meals & Entertainment	
2958	IEXP-47704	2/8/06	2/9/06	11.73	11.73	040	2634	8780	05411	Meals & Entertainment	
2959	IEXP-47704	2/8/06	2/9/06	14.33	14.33	040	2634	8740	05411	Meals & Entertainment	
2960	IEXP-49713	3/13/06	3/16/06	7.39	7.39	040	2634	8780	05411	Meals & Entertainment	
2961	IEXP-49713	3/13/06	3/16/06	9.04	9.04	040	2634	8740	05411	Meals & Entertainment	
2962	IEXP-53987	5/26/06	6/1/06	22.15	22.15	040	2634	8780	05411	Meals & Entertainment	
2963	IEXP-53987	5/26/06	6/1/06	27.08	27.08	040	2634	8740	05411	Meals & Entertainment	
2964	IEXP-56323	7/3/06	7/6/06	9.97	9.97	040	2634	8780	05411	Meals & Entertainment	
2965	IEXP-56323	7/3/06	7/6/06	12.19	12.19	040	2634	8740	05411	Meals & Entertainment	
2966	IEXP-58550	8/9/06	8/10/06	9.01	9.01	040	2634	8780	05411	Meals & Entertainment	
2967	IEXP-58550	8/9/06	8/10/06	11.01	11.01	040	2634	8740	05411	Meals & Entertainment	
2968	IEXP-43008	12/7/05	12/15/05	51.20	51.20	040	2636	8750	05411	Meals & Entertainment	
2969	IEXP-43008	12/7/05	12/15/05	51.20	51.20	040	2636	8760	05411	Meals & Entertainment	
2970	IEXP-51419	4/12/06	4/13/06	43.63	43.63	040	2651	8750	05411	Meals & Entertainment	
2971	IEXP-38567	10/21/05	10/24/05	466.26	466.26	040	2618	8700	05411	Meals & Entertainment	
2972	IEXP-39229	10/28/05	10/31/05	38.62	38.62	040	2618	8700	05411	Meals & Entertainment	
2973	IEXP-40094	11/4/05	11/10/05	679.91	679.91	040	2618	8700	05411	Meals & Entertainment	
2974	IEXP-42934	12/6/05	12/8/05	9.91	9.91	040	2618	8700	05411	Meals & Entertainment	
2975	IEXP-43707	12/15/05	12/19/05	3.54	3.54	040	2618	8700	05411	Meals & Entertainment	
2976	IEXP-46708	1/29/06	2/2/06	138.77	138.77	040	2618	8700	05411	Meals & Entertainment	
2977	IEXP-48957	2/28/06	3/2/06	48.64	48.64	040	2618	8700	05411	Meals & Entertainment	
2978	IEXP-49759	3/14/06	3/16/06	27.86	27.86	040	2618	8700	05411	Meals & Entertainment	
2979	IEXP-50838	4/3/06	4/6/06	97.11	97.11	040	2618	8700	05411	Meals & Entertainment	
2980	IEXP-51380	4/11/06	4/13/06	2.73	2.73	040	2618	8700	05411	Meals & Entertainment	
2981	IEXP-52664	5/3/06	5/4/06	40.22	40.22	040	2618	8700	05411	Meals & Entertainment	
2982	IEXP-53419	5/16/06	5/18/06	50.29	50.29	040	2618	8700	05411	Meals & Entertainment	
2983	IEXP-54981	6/13/06	6/15/06	90.56	90.56	040	2618	8700	05411	Meals & Entertainment	
2984	IEXP-56302	7/3/06	7/6/06	32.54	32.54	040	2651	8750	05411	Meals & Entertainment	
2985	IEXP-56304	7/3/06	7/6/06	320.45	320.45	040	2618	8700	05411	Meals & Entertainment	
2986	IEXP-57131	7/18/06	7/20/06	123.86	123.86	040	2618	8700	05411	Meals & Entertainment	
2987	IEXP-59078	8/14/06	8/16/06	41.47	41.47	040	2618	8700	05411	Meals & Entertainment	
2988	IEXP-60541	8/30/06	9/5/06	26.65	26.65	040	2618	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
2989	IEXP-62242	9/15/06	9/18/06	35.02	35.02	040	2618	8700	05411	Meals & Entertainment	
2990	IEXP-46762	1/30/06	2/2/06	4.04	4.04	040	2635	8740	05411	Meals & Entertainment	
2991	IEXP-48558	2/21/06	2/23/06	32.33	32.33	040	2635	8740	05411	Meals & Entertainment	
2992	IEXP-60000	8/24/06	8/28/06	37.27	37.27	040	2635	8740	05411	Meals & Entertainment	
2993	IEXP-36723	9/29/05	10/6/05	11.46	11.46	040	2636	8700	05411	Meals & Entertainment	
2994	IEXP-36723	9/29/05	10/6/05	11.46	11.46	040	2636	8850	05411	Meals & Entertainment	
2995	IEXP-44063	12/21/05	12/27/05	25.76	25.76	040	2636	8700	05411	Meals & Entertainment	
2996	IEXP-48132	2/14/06	2/21/06	21.55	21.55	040	2636	8700	05411	Meals & Entertainment	
2997	IEXP-51035	4/5/06	4/6/06	16.20	16.20	040	2636	8700	05411	Meals & Entertainment	
2998	IEXP-37122	10/5/05	10/6/05	70.16	70.16	040	2732	9080	05411	Meals & Entertainment	
2999	IEXP-43403	12/12/05	12/15/05	90.56	90.56	040	2732	9080	05411	Meals & Entertainment	
3000	IEXP-45659	1/16/06	1/19/06	640.78	640.78	040	2732	9080	05411	Meals & Entertainment	
3001	IEXP-48303	2/16/06	2/21/06	123.45	123.45	040	2732	9080	05411	Meals & Entertainment	
3002	IEXP-54484	6/5/06	6/15/06	194.83	194.83	040	2732	9080	05411	Meals & Entertainment	
3003	IEXP-54970	6/12/06	6/15/06	10.77	10.77	040	2732	9080	05411	Meals & Entertainment	
3004	IEXP-57914	7/28/06	7/31/06	65.41	65.41	040	2732	9080	05411	Meals & Entertainment	
3005	IEXP-60600	8/30/06	9/5/06	12.50	12.50	040	2732	9080	05411	Meals & Entertainment	
3006	IEXP-62511	9/18/06	9/21/06	86.67	86.67	040	2732	9080	05411	Meals & Entertainment	
3007	IEXP-59824	8/22/06	8/24/06	106.68	106.68	040	2732	9070	05411	Meals & Entertainment	
3008	IEXP-62328	9/15/06	9/21/06	45.67	45.67	040	2732	9070	05411	Meals & Entertainment	
3009	IEXP-47379	2/3/06	2/9/06	23.07	23.07	040	2652	8740	05411	Meals & Entertainment	
3010	IEXP-53735	5/22/06	6/1/06	20.73	20.73	040	2652	8740	05411	Meals & Entertainment	
3011	IEXP-37575	10/11/05	10/13/05	372.70	372.70	040	2734	8780	05411	Meals & Entertainment	
3012	IEXP-37576	10/11/05	10/13/05	43.41	43.41	040	2734	8780	05411	Meals & Entertainment	
3013	IEXP-50132	3/21/06	3/27/06	51.35	51.35	040	2734	8780	05411	Meals & Entertainment	
3014	IEXP-59313	8/16/06	8/21/06	9.29	9.29	040	2735	8740	05411	Meals & Entertainment	
3015	IEXP-59313	8/16/06	8/21/06	9.30	9.30	040	2735	8780	05411	Meals & Entertainment	
3016	IEXP-37257	10/6/05	10/11/05	34.91	34.91	040	2750	8740	05411	Meals & Entertainment	
3017	IEXP-53763	5/22/06	5/25/06	29.35	29.35	040	2750	8740	05411	Meals & Entertainment	
3018	IEXP-36954	10/3/05	10/6/05	30.37	30.37	040	2732	9080	05411	Meals & Entertainment	
3019	IEXP-39472	10/31/05	11/3/05	135.36	135.36	040	2732	9080	05411	Meals & Entertainment	
3020	IEXP-42348	11/30/05	12/5/05	48.00	48.00	040	2732	9080	05411	Meals & Entertainment	
3021	IEXP-43891	12/19/05	12/22/05	16.14	16.14	040	2732	9080	05411	Meals & Entertainment	
3022	IEXP-44167	12/23/05	12/29/05	20.14	20.14	040	2732	9080	05411	Meals & Entertainment	
3023	IEXP-45688	1/16/06	1/19/06	362.38	362.38	040	2732	9080	05411	Meals & Entertainment	
3024	IEXP-47207	2/2/06	2/6/06	57.58	57.58	040	2732	9080	05411	Meals & Entertainment	
3025	IEXP-49136	3/2/06	3/6/06	77.55	77.55	040	2732	9080	05411	Meals & Entertainment	
3026	IEXP-50778	3/31/06	4/6/06	52.20	52.20	040	2732	9080	05411	Meals & Entertainment	
3027	IEXP-50970	4/4/06	4/6/06	13.98	13.98	040	2732	9080	05411	Meals & Entertainment	
3028	IEXP-52461	5/1/06	5/4/06	10.21	10.21	040	2732	9080	05411	Meals & Entertainment	
3029	IEXP-53101	5/10/06	5/11/06	180.91	180.91	040	2732	9080	05411	Meals & Entertainment	
3030	IEXP-54704	6/7/06	6/15/06	22.24	22.24	040	2732	9080	05411	Meals & Entertainment	
3031	IEXP-56115	6/29/06	7/3/06	109.52	109.52	040	2732	9080	05411	Meals & Entertainment	
3032	IEXP-58445	8/8/06	8/10/06	61.72	61.72	040	2732	9080	05411	Meals & Entertainment	
3033	IEXP-60690	8/31/06	9/5/06	14.23	14.23	040	2732	9080	05411	Meals & Entertainment	
3034	IEXP-61998	9/14/06	9/18/06	25.34	25.34	040	2732	9080	05411	Meals & Entertainment	
3035	IEXP-43418	12/12/05	12/15/05	89.45	89.45	040	2734	8780	05411	Meals & Entertainment	
3036	IEXP-47749	2/8/06	2/9/06	58.19	58.19	040	2734	8780	05411	Meals & Entertainment	
3037	IEXP-61725	9/12/06	9/18/06	80.53	80.53	040	2734	8780	05411	Meals & Entertainment	
3038	IEXP-40756	11/10/05	11/14/05	39.86	39.86	040	2735	8700	05411	Meals & Entertainment	
3039	IEXP-40756	11/10/05	11/14/05	39.86	39.86	040	2735	8850	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3040	IEXP-43983	12/20/05	12/22/05	28.27	28.27	040	2735	8700	05411	Meals & Entertainment	
3041	IEXP-43983	12/20/05	12/22/05	28.27	28.27	040	2735	8850	05411	Meals & Entertainment	
3042	IEXP-46497	1/26/06	1/30/06	28.32	28.32	040	2735	8850	05411	Meals & Entertainment	
3043	IEXP-46497	1/26/06	1/30/06	36.04	36.04	040	2735	8700	05411	Meals & Entertainment	
3044	IEXP-48686	2/23/06	2/27/06	15.70	15.70	040	2735	8850	05411	Meals & Entertainment	
3045	IEXP-48686	2/23/06	2/27/06	19.99	19.99	040	2735	8700	05411	Meals & Entertainment	
3046	IEXP-50471	3/27/06	3/30/06	95.55	95.55	040	2735	8850	05411	Meals & Entertainment	
3047	IEXP-50471	3/27/06	3/30/06	121.61	121.61	040	2735	8700	05411	Meals & Entertainment	
3048	IEXP-52683	5/3/06	5/4/06	59.07	59.07	040	2735	8850	05411	Meals & Entertainment	
3049	IEXP-52683	5/3/06	5/4/06	75.19	75.19	040	2735	8700	05411	Meals & Entertainment	
3050	IEXP-54663	6/7/06	6/8/06	47.99	47.99	040	2735	8850	05411	Meals & Entertainment	
3051	IEXP-54663	6/7/06	6/8/06	61.08	61.08	040	2735	8700	05411	Meals & Entertainment	
3052	IEXP-55396	6/19/06	6/22/06	58.12	58.12	040	2735	8780	05411	Meals & Entertainment	
3053	IEXP-57179	7/19/06	7/20/06	12.21	12.21	040	2735	8850	05411	Meals & Entertainment	
3054	IEXP-57179	7/19/06	7/20/06	15.53	15.53	040	2735	8700	05411	Meals & Entertainment	
3055	IEXP-55419	6/20/06	6/22/06	84.16	84.16	040	2636	8740	05411	Meals & Entertainment	
3056	IEXP-39127	10/27/05	11/3/05	0.00	0.00	040	2634	8740	05411	Meals & Entertainment	
3057	IEXP-38028	10/18/05	10/20/05	14.87	14.87	040	2602	8700	05411	Meals & Entertainment	
3058	IEXP-41790	11/21/05	12/5/05	17.99	17.99	040	2602	8700	05411	Meals & Entertainment	
3059	IEXP-48904	2/27/06	3/2/06	19.28	19.28	040	2602	8700	05411	Meals & Entertainment	
3060	IEXP-50221	3/22/06	3/27/06	66.32	66.32	040	2602	8700	05411	Meals & Entertainment	
3061	IEXP-53901	5/24/06	5/30/06	240.70	240.70	040	2602	8700	05411	Meals & Entertainment	
3062	IEXP-56253	6/30/06	7/6/06	53.26	53.26	040	2602	8700	05411	Meals & Entertainment	
3063	IEXP-37905	10/17/05	10/31/05	7.36	7.36	040	2636	8740	05411	Meals & Entertainment	
3064	IEXP-36920	10/3/05	10/6/05	47.20	47.20	040	2603	8700	05411	Meals & Entertainment	
3065	IEXP-49690	3/13/06	3/16/06	1.40	1.40	040	2635	8740	05411	Meals & Entertainment	
3066	IEXP-53319	5/15/06	5/18/06	6.65	6.65	040	2635	8740	05411	Meals & Entertainment	
3067	IEXP-55387	6/19/06	6/22/06	6.87	6.87	040	2635	8740	05411	Meals & Entertainment	
3068	IEXP-59049	8/14/06	8/16/06	10.13	10.13	040	2635	8740	05411	Meals & Entertainment	
3069	IEXP-37237	10/6/05	10/11/05	18.64	18.64	040	2602	8700	05411	Meals & Entertainment	
3070	IEXP-41994	11/23/05	12/5/05	29.65	29.65	040	2602	8700	05411	Meals & Entertainment	
3071	IEXP-42308	11/30/05	12/1/05	29.65	29.65	040	2602	8700	05411	Meals & Entertainment	
3072	IEXP-45409	1/12/06	1/16/06	13.51	13.51	040	2602	8700	05411	Meals & Entertainment	
3073	IEXP-50213	3/22/06	3/23/06	268.73	268.73	040	2603	8700	05411	Meals & Entertainment	
3074	IEXP-53230	5/12/06	5/18/06	25.23	25.23	040	2602	8700	05411	Meals & Entertainment	
3075	IEXP-53230	5/12/06	5/18/06	84.98	84.98	040	2603	8700	05411	Meals & Entertainment	
3076	IEXP-55683	6/23/06	6/26/06	34.75	34.75	040	2602	8700	05411	Meals & Entertainment	
3077	IEXP-60555	8/30/06	9/5/06	44.17	44.17	040	2602	8700	05411	Meals & Entertainment	
3078	IEXP-60555	8/30/06	9/5/06	58.40	58.40	040	2603	8700	05411	Meals & Entertainment	
3079	IEXP-39609	11/1/05	11/3/05	73.87	73.87	040	2734	8740	05411	Meals & Entertainment	
3080	IEXP-39609	11/1/05	11/3/05	73.87	73.87	040	2734	8780	05411	Meals & Entertainment	
3081	IEXP-42948	12/6/05	12/8/05	75.69	75.69	040	2734	8740	05411	Meals & Entertainment	
3082	IEXP-42948	12/6/05	12/8/05	75.70	75.70	040	2734	8780	05411	Meals & Entertainment	
3083	IEXP-43140	12/8/05	12/12/05	66.61	66.61	040	2734	8740	05411	Meals & Entertainment	
3084	IEXP-43140	12/8/05	12/12/05	66.61	66.61	040	2734	8780	05411	Meals & Entertainment	
3085	IEXP-43988	12/20/05	12/22/05	157.35	157.35	040	2734	8740	05411	Meals & Entertainment	
3086	IEXP-43988	12/20/05	12/22/05	157.35	157.35	040	2734	8780	05411	Meals & Entertainment	
3087	IEXP-45207	1/11/06	1/12/06	85.14	85.14	040	2734	8780	05411	Meals & Entertainment	
3088	IEXP-45207	1/11/06	1/12/06	96.01	96.01	040	2734	8740	05411	Meals & Entertainment	
3089	IEXP-45770	1/17/06	1/19/06	26.79	26.79	040	2734	8740	05411	Meals & Entertainment	
3090	IEXP-45771	1/17/06	1/19/06	35.24	35.24	040	2734	8740	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3091	IEXP-45775	1/17/06	1/19/06	57.00	57.00	040	2734	8740	05411	Meals & Entertainment	
3092	IEXP-47118	2/1/06	2/6/06	71.97	71.97	040	2734	8780	05411	Meals & Entertainment	
3093	IEXP-47118	2/1/06	2/6/06	81.16	81.16	040	2734	8740	05411	Meals & Entertainment	
3094	IEXP-49465	3/8/06	3/9/06	10.73	10.73	040	2734	8780	05411	Meals & Entertainment	
3095	IEXP-49465	3/8/06	3/9/06	12.11	12.11	040	2734	8740	05411	Meals & Entertainment	
3096	IEXP-51316	4/10/06	4/13/06	213.71	213.71	040	2734	8740	05411	Meals & Entertainment	
3097	IEXP-51316	4/10/06	4/13/06	213.72	213.72	040	2734	8780	05411	Meals & Entertainment	
3098	IEXP-53115	5/10/06	5/15/06	131.66	131.66	040	2734	8740	05411	Meals & Entertainment	
3099	IEXP-53115	5/10/06	5/15/06	131.67	131.67	040	2734	8780	05411	Meals & Entertainment	
3100	IEXP-54932	6/12/06	6/22/06	324.83	324.83	040	2734	8780	05411	Meals & Entertainment	
3101	IEXP-54932	6/12/06	6/22/06	366.29	366.29	040	2734	8740	05411	Meals & Entertainment	
3102	IEXP-50676	3/30/06	4/3/06	127.34	127.34	040	2602	8700	05411	Meals & Entertainment	
3103	IEXP-52670	5/3/06	5/8/06	337.09	337.09	040	2602	8700	05411	Meals & Entertainment	
3104	IEXP-57133	7/18/06	7/20/06	80.03	80.03	040	2618	8700	05411	Meals & Entertainment	
3105	IEXP-57134	7/18/06	7/20/06	36.81	36.81	040	2602	8700	05411	Meals & Entertainment	
3106	IEXP-61323	9/8/06	9/14/06	4.49	4.49	040	2618	8700	05411	Meals & Entertainment	
3107	IEXP-48873	2/27/06	3/2/06	16.65	16.65	040	2736	8700	05411	Meals & Entertainment	
3108	IEXP-39171	10/27/05	10/31/05	113.60	113.60	040	2651	8700	05411	Meals & Entertainment	
3109	IEXP-39171	10/27/05	10/31/05	113.60	113.60	040	2651	8850	05411	Meals & Entertainment	
3110	IEXP-43173	12/8/05	12/15/05	117.66	117.66	040	2651	8700	05411	Meals & Entertainment	
3111	IEXP-43173	12/8/05	12/15/05	117.66	117.66	040	2651	8850	05411	Meals & Entertainment	
3112	IEXP-45109	1/10/06	1/12/06	20.07	20.07	040	2651	8850	05411	Meals & Entertainment	
3113	IEXP-45109	1/10/06	1/12/06	20.08	20.08	040	2651	8700	05411	Meals & Entertainment	
3114	IEXP-46631	1/27/06	2/2/06	32.21	32.21	040	2651	8850	05411	Meals & Entertainment	
3115	IEXP-46631	1/27/06	2/2/06	32.22	32.22	040	2651	8700	05411	Meals & Entertainment	
3116	IEXP-48051	2/13/06	2/16/06	27.66	27.66	040	2651	8850	05411	Meals & Entertainment	
3117	IEXP-48051	2/13/06	2/16/06	27.67	27.67	040	2651	8700	05411	Meals & Entertainment	
3118	IEXP-49971	3/17/06	3/20/06	276.62	276.62	040	2651	8850	05411	Meals & Entertainment	
3119	IEXP-49971	3/17/06	3/20/06	276.63	276.63	040	2651	8700	05411	Meals & Entertainment	
3120	IEXP-53400	5/15/06	5/18/06	66.62	66.62	040	2651	8700	05411	Meals & Entertainment	
3121	IEXP-53400	5/15/06	5/18/06	66.62	66.62	040	2651	8850	05411	Meals & Entertainment	
3122	IEXP-54994	6/13/06	6/15/06	74.80	74.80	040	2651	8700	05411	Meals & Entertainment	
3123	IEXP-54994	6/13/06	6/15/06	74.80	74.80	040	2651	8850	05411	Meals & Entertainment	
3124	IEXP-56415	7/5/06	7/10/06	153.06	153.06	040	2651	8850	05411	Meals & Entertainment	
3125	IEXP-56415	7/5/06	7/10/06	153.07	153.07	040	2651	8700	05411	Meals & Entertainment	
3126	IEXP-57476	7/24/06	7/27/06	11.25	11.25	040	2651	8700	05411	Meals & Entertainment	
3127	IEXP-57476	7/24/06	7/27/06	11.25	11.25	040	2651	8850	05411	Meals & Entertainment	
3128	IEXP-60242	8/28/06	8/31/06	62.81	62.81	040	2651	8700	05411	Meals & Entertainment	
3129	IEXP-60242	8/28/06	8/31/06	62.81	62.81	040	2651	8850	05411	Meals & Entertainment	
3130	IEXP-39749	11/2/05	11/3/05	94.59	94.59	040	2609	8560	05411	Meals & Entertainment	
3131	IEXP-39749	11/2/05	11/3/05	106.66	106.66	040	2609	8570	05411	Meals & Entertainment	
3132	IEXP-43462	12/13/05	12/15/05	84.02	84.02	040	2609	8560	05411	Meals & Entertainment	
3133	IEXP-43462	12/13/05	12/15/05	94.75	94.75	040	2609	8570	05411	Meals & Entertainment	
3134	IEXP-46029	1/20/06	1/23/06	108.55	108.55	040	2609	8560	05411	Meals & Entertainment	
3135	IEXP-46029	1/20/06	1/23/06	108.55	108.55	040	2609	8570	05411	Meals & Entertainment	
3136	IEXP-49744	3/14/06	3/16/06	91.72	91.72	040	2609	8560	05411	Meals & Entertainment	
3137	IEXP-49744	3/14/06	3/16/06	91.72	91.72	040	2609	8570	05411	Meals & Entertainment	
3138	IEXP-53879	5/24/06	5/25/06	165.57	165.57	040	2609	8560	05411	Meals & Entertainment	
3139	IEXP-53879	5/24/06	5/25/06	165.57	165.57	040	2609	8570	05411	Meals & Entertainment	
3140	IEXP-56953	7/14/06	7/17/06	58.76	58.76	040	2609	8570	05411	Meals & Entertainment	
3141	IEXP-56953	7/14/06	7/17/06	58.77	58.77	040	2609	8560	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3142	IEXP-51810	4/19/06	4/24/06	29.94	29.94	040	2734	8740	05411	Meals & Entertainment	
3143	IEXP-50631	3/29/06	4/3/06	39.73	39.73	040	2739	8780	05411	Meals & Entertainment	
3144	IEXP-36780	9/30/05	10/6/05	18.54	18.54	040	2732	9080	05411	Meals & Entertainment	
3145	IEXP-40547	11/9/05	11/10/05	19.44	19.44	040	2732	9080	05411	Meals & Entertainment	
3146	IEXP-42554	12/2/05	12/5/05	18.15	18.15	040	2732	9080	05411	Meals & Entertainment	
3147	IEXP-44558	1/3/06	1/5/06	19.31	19.31	040	2732	9080	05411	Meals & Entertainment	
3148	IEXP-47517	2/6/06	2/9/06	63.83	63.83	040	2732	9080	05411	Meals & Entertainment	
3149	IEXP-49013	3/1/06	3/6/06	27.10	27.10	040	2732	9080	05411	Meals & Entertainment	
3150	IEXP-50806	4/3/06	4/6/06	31.30	31.30	040	2732	9080	05411	Meals & Entertainment	
3151	IEXP-52419	5/1/06	5/4/06	21.53	21.53	040	2732	9080	05411	Meals & Entertainment	
3152	IEXP-54282	6/1/06	6/5/06	31.58	31.58	040	2732	9080	05411	Meals & Entertainment	
3153	IEXP-56452	7/5/06	7/6/06	22.44	22.44	040	2732	9080	05411	Meals & Entertainment	
3154	IEXP-58284	8/7/06	8/16/06	7.37	7.37	040	2732	9080	05411	Meals & Entertainment	
3155	IEXP-60867	9/8/06	9/5/06	18.45	18.45	040	2732	9080	05411	Meals & Entertainment	
3156	IEXP-47869	2/10/06	2/16/06	24.31	24.31	040	2736	8760	05411	Meals & Entertainment	
3157	IEXP-47869	2/10/06	2/16/06	24.32	24.32	040	2736	8750	05411	Meals & Entertainment	
3158	IEXP-48566	2/21/06	2/23/06	65.48	65.48	040	2736	8760	05411	Meals & Entertainment	
3159	IEXP-48566	2/21/06	2/23/06	65.49	65.49	040	2736	8750	05411	Meals & Entertainment	
3160	IEXP-50243	3/23/06	3/27/06	3.57	3.57	040	2736	8750	05411	Meals & Entertainment	
3161	IEXP-50243	3/23/06	3/27/06	3.57	3.57	040	2736	8760	05411	Meals & Entertainment	
3162	IEXP-53327	5/15/06	5/18/06	4.33	4.33	040	2736	8760	05411	Meals & Entertainment	
3163	IEXP-53327	5/15/06	5/18/06	4.34	4.34	040	2736	8750	05411	Meals & Entertainment	
3164	IEXP-51057	4/5/06	4/6/06	22.34	22.34	040	2735	8780	05411	Meals & Entertainment	
3165	IEXP-59330	8/16/06	8/21/06	33.50	33.50	040	2735	8780	05411	Meals & Entertainment	
3166	IEXP-45396	1/12/06	1/16/06	34.32	34.32	040	2636	8740	05411	Meals & Entertainment	
3167	IEXP-46736	1/30/06	2/9/06	25.81	25.81	040	2607	8700	05411	Meals & Entertainment	
3168	IEXP-62585	9/18/06	9/21/06	25.25	25.25	040	2750	8750	05411	Meals & Entertainment	
3169	IEXP-37511	10/11/05	10/17/05	0.00	0.00	040	2602	8700	05411	Meals & Entertainment	
3170	IEXP-54009	5/26/06	5/30/06	19.49	19.49	040	2602	8700	05411	Meals & Entertainment	
3171	IEXP-56403	7/5/06	7/6/06	24.66	24.66	040	2602	8700	05411	Meals & Entertainment	
3172	IEXP-57253	7/20/06	7/24/06	10.44	10.44	040	2602	8700	05411	Meals & Entertainment	
3173	IEXP-59598	8/21/06	8/24/06	36.72	36.72	040	2602	8700	05411	Meals & Entertainment	
3174	IEXP-61714	9/13/06	9/18/06	8.50	8.50	040	2602	8700	05411	Meals & Entertainment	
3175	IEXP-63441	9/26/06	9/28/06	3.36	3.36	040	2602	8700	05411	Meals & Entertainment	
3176	IEXP-39480	10/31/05	11/3/05	55.26	55.26	040	2750	8700	05411	Meals & Entertainment	
3177	IEXP-39480	10/31/05	11/3/05	55.26	55.26	040	2750	8850	05411	Meals & Entertainment	
3178	IEXP-48016	2/13/06	2/16/06	263.28	263.28	040	2750	8850	05411	Meals & Entertainment	
3179	IEXP-48016	2/13/06	2/16/06	263.29	263.29	040	2750	8700	05411	Meals & Entertainment	
3180	IEXP-50988	4/4/06	4/10/06	155.80	155.80	040	2750	8700	05411	Meals & Entertainment	
3181	IEXP-50988	4/4/06	4/10/06	155.80	155.80	040	2750	8850	05411	Meals & Entertainment	
3182	IEXP-55711	6/23/06	6/29/06	254.70	254.70	040	2750	8700	05411	Meals & Entertainment	
3183	IEXP-55711	6/23/06	6/29/06	254.70	254.70	040	2750	8850	05411	Meals & Entertainment	
3184	IEXP-62740	9/20/06	9/25/06	109.04	109.04	040	2750	8700	05411	Meals & Entertainment	
3185	IEXP-62740	9/20/06	9/25/06	109.04	109.04	040	2750	8850	05411	Meals & Entertainment	
3186	IEXP-61172	9/7/06	9/7/06	22.75	22.75	040	2637	8740	05411	Meals & Entertainment	
3187	IEXP-37512	10/11/05	10/13/05	11.60	11.60	040	2636	8700	05411	Meals & Entertainment	
3188	IEXP-37512	10/11/05	10/13/05	11.60	11.60	040	2636	8850	05411	Meals & Entertainment	
3189	IEXP-42118	11/29/05	12/8/05	43.30	43.30	040	2636	8700	05411	Meals & Entertainment	
3190	IEXP-42118	11/29/05	12/8/05	43.30	43.30	040	2636	8850	05411	Meals & Entertainment	
3191	IEXP-47321	2/3/06	2/6/06	31.82	31.82	040	2636	8700	05411	Meals & Entertainment	
3192	IEXP-47321	2/3/06	2/6/06	40.50	40.50	040	2636	8850	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3193	IEXP-49181	3/3/06	3/9/06	27.13	27.13	040	2636	8700	05411	Meals & Entertainment	
3194	IEXP-49181	3/3/06	3/9/06	34.54	34.54	040	2636	8850	05411	Meals & Entertainment	
3195	IEXP-50061	3/20/06	3/23/06	6.54	6.54	040	2636	8700	05411	Meals & Entertainment	
3196	IEXP-50061	3/20/06	3/23/06	8.32	8.32	040	2636	8850	05411	Meals & Entertainment	
3197	IEXP-51426	4/12/06	4/13/06	18.37	18.37	040	2636	8700	05411	Meals & Entertainment	
3198	IEXP-51426	4/12/06	4/13/06	23.37	23.37	040	2636	8850	05411	Meals & Entertainment	
3199	IEXP-52486	5/1/06	5/4/06	13.76	13.76	040	2636	8700	05411	Meals & Entertainment	
3200	IEXP-52486	5/1/06	5/4/06	17.51	17.51	040	2636	8850	05411	Meals & Entertainment	
3201	IEXP-36842	9/30/05	10/11/05	645.18	645.18	040	2603	8700	05411	Meals & Entertainment	
3202	IEXP-37030	10/4/05	10/6/05	22.00	22.00	040	2732	9080	05411	Meals & Entertainment	
3203	IEXP-40175	11/4/05	11/10/05	59.80	59.80	040	2732	9080	05411	Meals & Entertainment	
3204	IEXP-43231	12/9/05	12/15/05	20.00	20.00	040	2732	9080	05411	Meals & Entertainment	
3205	IEXP-44713	1/4/06	1/19/06	91.57	91.57	040	2603	8700	05411	Meals & Entertainment	
3206	IEXP-45693	1/16/06	1/19/06	45.28	45.28	040	2732	9080	05411	Meals & Entertainment	
3207	IEXP-47310	2/3/06	2/6/06	36.70	36.70	040	2732	9080	05411	Meals & Entertainment	
3208	IEXP-49386	3/7/06	3/9/06	175.41	175.41	040	2603	8700	05411	Meals & Entertainment	
3209	IEXP-49404	3/7/06	3/9/06	210.33	210.33	040	2732	9080	05411	Meals & Entertainment	
3210	IEXP-51046	4/5/06	4/10/06	88.74	88.74	040	2732	9080	05411	Meals & Entertainment	
3211	IEXP-53147	5/11/06	5/15/06	587.27	587.27	040	2603	8700	05411	Meals & Entertainment	
3212	IEXP-56676	7/10/06	7/13/06	38.40	38.40	040	2732	9080	05411	Meals & Entertainment	
3213	IEXP-58775	8/10/06	8/16/06	1,647.38	1,647.38	040	2603	8700	05411	Meals & Entertainment	
3214	IEXP-58776	8/10/06	8/16/06	6.43	6.43	040	2732	9080	05411	Meals & Entertainment	
3215	IEXP-62202	9/14/06	9/21/06	29.25	29.25	040	2732	9080	05411	Meals & Entertainment	
3216	EXP011806	1/18/06	1/19/06	10.05	10.05	040	2633	8700	05411	Meals & Entertainment	
3217	IEXP-37335	10/7/05	10/11/05	68.31	68.31	040	2633	8700	05411	Meals & Entertainment	
3218	IEXP-40271	11/7/05	11/10/05	32.34	32.34	040	2633	8700	05411	Meals & Entertainment	
3219	IEXP-42542	12/2/05	12/8/05	227.00	227.00	040	2633	8700	05411	Meals & Entertainment	
3220	IEXP-51629	4/17/06	4/20/06	155.68	155.68	040	2638	8740	05411	Meals & Entertainment	
3221	IEXP-54305	6/1/06	6/5/06	115.18	115.18	040	2638	8740	05411	Meals & Entertainment	
3222	IEXP-56648	7/10/06	7/13/06	202.01	202.01	040	2637	8740	05411	Meals & Entertainment	
3223	IEXP-41327	11/16/05	11/17/05	11.08	11.08	040	2634	8700	05411	Meals & Entertainment	
3224	IEXP-43545	12/14/05	12/19/05	6.02	6.02	040	2634	8700	05411	Meals & Entertainment	
3225	IEXP-47530	2/6/06	2/9/06	11.12	11.12	040	2634	8700	05411	Meals & Entertainment	
3226	IEXP-50092	3/20/06	3/23/06	16.16	16.16	040	2634	8740	05411	Meals & Entertainment	
3227	IEXP-49972	3/17/06	3/20/06	77.22	77.22	040	2612	8700	05411	Meals & Entertainment	
3228	IEXP-43984	12/20/05	12/22/05	0.20	0.20	040	2606	8800	05411	Meals & Entertainment	
3229	IEXP-59627	8/21/06	8/24/06	1.98	1.98	040	2606	8800	05411	Meals & Entertainment	
3230	IEXP-37009	10/3/05	10/6/05	278.26	278.26	040	2607	8700	05411	Meals & Entertainment	
3231	IEXP-43744	12/16/05	12/22/05	147.06	147.06	040	2607	8700	05411	Meals & Entertainment	
3232	IEXP-46200	1/23/06	1/26/06	155.93	155.93	040	2607	8700	05411	Meals & Entertainment	
3233	IEXP-50242	3/23/06	3/27/06	192.27	192.27	040	2607	8700	05411	Meals & Entertainment	
3234	IEXP-51624	4/17/06	4/20/06	6.50	6.50	040	2607	8700	05411	Meals & Entertainment	
3235	IEXP-57348	7/21/06	7/24/06	109.06	109.06	040	2607	8700	05411	Meals & Entertainment	
3236	IEXP-39409	10/31/05	11/3/05	39.35	39.35	040	2612	8760	05411	Meals & Entertainment	
3237	IEXP-39409	10/31/05	11/3/05	52.17	52.17	040	2612	8650	05411	Meals & Entertainment	
3238	IEXP-44332	12/29/05	12/31/05	26.78	26.78	040	2612	8760	05411	Meals & Entertainment	
3239	IEXP-44332	12/29/05	12/31/05	35.50	35.50	040	2612	8650	05411	Meals & Entertainment	
3240	IEXP-48478	2/20/06	2/23/06	273.83	273.83	040	2612	8760	05411	Meals & Entertainment	
3241	IEXP-48478	2/20/06	2/23/06	378.16	378.16	040	2612	8650	05411	Meals & Entertainment	
3242	IEXP-50454	3/27/06	3/30/06	71.12	71.12	040	2612	8650	05411	Meals & Entertainment	
3243	IEXP-50454	3/27/06	3/30/06	71.13	71.13	040	2612	8760	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3244	IEXP-53250	5/12/06	5/18/06	71.11	71.11	040	2612	8650	05411	Meals & Entertainment	
3245	IEXP-53250	5/12/06	5/18/06	71.11	71.11	040	2612	8760	05411	Meals & Entertainment	
3246	IEXP-56405	7/5/06	7/13/06	53.36	53.36	040	2612	8650	05411	Meals & Entertainment	
3247	IEXP-56405	7/5/06	7/13/06	53.37	53.37	040	2612	8760	05411	Meals & Entertainment	
3248	IEXP-58327	8/7/06	8/16/06	64.58	64.58	040	2612	8650	05411	Meals & Entertainment	
3249	IEXP-58327	8/7/06	8/16/06	64.58	64.58	040	2612	8760	05411	Meals & Entertainment	
3250	IEXP-61292	9/8/06	9/14/06	0.00	0.00	040	2612	8650	05411	Meals & Entertainment	
3251	IEXP-63091	9/25/06	9/28/06	200.38	200.38	040	2612	8650	05411	Meals & Entertainment	
3252	IEXP-63091	9/25/06	9/28/06	200.38	200.38	040	2612	8760	05411	Meals & Entertainment	
3253	IEXP-46754	1/30/06	2/2/06	9.46	9.46	040	2652	8750	05411	Meals & Entertainment	
3254	IEXP-49380	3/7/06	3/9/06	17.65	17.65	040	2652	8750	05411	Meals & Entertainment	
3255	IEXP-53423	5/16/06	5/22/06	15.84	15.84	040	2652	8750	05411	Meals & Entertainment	
3256	IEXP-44267	12/28/05	12/29/05	23.03	23.03	040	2736	8740	05411	Meals & Entertainment	
3257	IEXP-44267	12/28/05	12/29/05	23.03	23.03	040	2736	8780	05411	Meals & Entertainment	
3258	IEXP-45751	1/17/06	1/23/06	1.98	1.98	040	2736	8740	05411	Meals & Entertainment	
3259	IEXP-60384	8/28/06	9/7/06	3.11	3.11	040	2736	8740	05411	Meals & Entertainment	
3260	IEXP-41922	11/22/05	11/23/05	40.07	40.07	040	2606	8800	05411	Meals & Entertainment	
3261	IEXP-44239	12/27/05	12/29/05	16.69	16.69	040	2606	8800	05411	Meals & Entertainment	
3262	IEXP-48675	2/23/06	2/27/06	8.04	8.04	040	2606	8800	05411	Meals & Entertainment	
3263	IEXP-50187	3/22/06	3/23/06	1.02	1.02	040	2606	8800	05411	Meals & Entertainment	
3264	IEXP-52052	4/24/06	4/27/06	2.71	2.71	040	2606	8800	05411	Meals & Entertainment	
3265	IEXP-53761	5/22/06	5/25/06	5.80	5.80	040	2606	8800	05411	Meals & Entertainment	
3266	IEXP-57562	7/25/06	7/27/06	6.70	6.70	040	2606	8800	05411	Meals & Entertainment	
3267	IEXP-63200	9/25/06	9/28/06	6.27	6.27	040	2606	8800	05411	Meals & Entertainment	
3268	IEXP-37066	10/4/05	10/6/05	113.96	113.96	040	2632	9080	05411	Meals & Entertainment	
3269	IEXP-39238	10/28/05	11/3/05	11.25	11.25	040	2632	9080	05411	Meals & Entertainment	
3270	IEXP-44769	1/5/06	1/12/06	20.59	20.59	040	2732	9080	05411	Meals & Entertainment	
3271	IEXP-46760	1/30/06	2/2/06	773.75	773.75	040	2732	9080	05411	Meals & Entertainment	
3272	IEXP-52457	5/1/06	5/4/06	111.59	111.59	040	2732	9080	05411	Meals & Entertainment	
3273	IEXP-53768	5/22/06	5/25/06	12.60	12.60	040	2732	9080	05411	Meals & Entertainment	
3274	IEXP-56247	6/30/06	7/6/06	81.32	81.32	040	2732	9080	05411	Meals & Entertainment	
3275	IEXP-58480	8/5/06	8/10/06	39.29	39.29	040	2732	9080	05411	Meals & Entertainment	
3276	IEXP-37025	10/3/05	10/6/05	50.61	50.61	040	0000	1630	05411	Meals & Entertainment	
3277	IEXP-42466	12/1/05	12/5/05	205.22	205.22	040	0000	1630	05411	Meals & Entertainment	
3278	IEXP-50353	3/24/06	4/3/06	17.14	17.14	040	2605	8800	05411	Meals & Entertainment	
3279	IEXP-50353	3/24/06	4/3/06	154.30	154.30	040	0000	1630	05411	Meals & Entertainment	
3280	IEXP-51841	4/20/06	4/24/06	4.38	4.38	040	2605	8800	05411	Meals & Entertainment	
3281	IEXP-51841	4/20/06	4/24/06	39.46	39.46	040	0000	1630	05411	Meals & Entertainment	
3282	IEXP-56379	7/4/06	7/6/06	22.32	22.32	040	2605	8800	05411	Meals & Entertainment	
3283	IEXP-56379	7/4/06	7/6/06	200.90	200.90	040	0000	1630	05411	Meals & Entertainment	
3284	IEXP-56661	7/10/06	7/13/06	6.79	6.79	040	2605	8800	05411	Meals & Entertainment	
3285	IEXP-56661	7/10/06	7/13/06	61.14	61.14	040	0000	1630	05411	Meals & Entertainment	
3286	IEXP-62681	9/20/06	9/25/06	8.89	8.89	040	2606	8800	05411	Meals & Entertainment	
3287	IEXP-62681	9/20/06	9/25/06	80.02	80.02	040	0000	1630	05411	Meals & Entertainment	
3288	IEXP-43167	12/8/05	12/15/05	38.07	38.07	040	2751	8700	05411	Meals & Entertainment	
3289	IEXP-52826	5/5/06	5/11/06	33.78	33.78	040	2751	8700	05411	Meals & Entertainment	
3290	IEXP-55849	6/26/06	6/29/06	40.29	40.29	040	2751	8700	05411	Meals & Entertainment	
3291	IEXP-43727	12/16/05	1/16/06	9.61	9.61	040	2739	8780	05411	Meals & Entertainment	
3292	IEXP-43884	12/19/05	1/16/06	32.61	32.61	040	2739	8780	05411	Meals & Entertainment	
3293	IEXP-47993	2/13/06	2/16/06	4.50	4.50	040	2739	8780	05411	Meals & Entertainment	
3294	IEXP-50097	3/20/06	3/23/06	27.73	27.73	040	2736	8780	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3295	IEXP-50641	3/30/06	4/3/06	23.17	23.17	040	2736	8780	05411	Meals & Entertainment	
3296	IEXP-51182	4/7/06	4/13/06	22.51	22.51	040	2736	8780	05411	Meals & Entertainment	
3297	IEXP-51183	4/7/06	4/10/06	21.98	21.98	040	2736	8780	05411	Meals & Entertainment	
3298	IEXP-51484	4/13/06	4/17/06	23.57	23.57	040	2736	8780	05411	Meals & Entertainment	
3299	IEXP-51781	4/19/06	4/20/06	24.34	24.34	040	2736	8780	05411	Meals & Entertainment	
3300	IEXP-53153	5/11/06	5/15/06	20.91	20.91	040	2736	8780	05411	Meals & Entertainment	
3301	IEXP-53156	5/11/06	5/15/06	66.62	66.62	040	2736	8780	05411	Meals & Entertainment	
3302	IEXP-53229	5/12/06	5/18/06	19.21	19.21	040	2736	8780	05411	Meals & Entertainment	
3303	IEXP-53622	5/19/06	5/25/06	53.56	53.56	040	2736	8780	05411	Meals & Entertainment	
3304	IEXP-54122	5/30/06	6/1/06	10.97	10.97	040	2736	8780	05411	Meals & Entertainment	
3305	IEXP-59701	8/21/06	8/24/06	24.19	24.19	040	2734	8740	05411	Meals & Entertainment	
3306	IEXP-36662	9/29/05	10/11/05	103.20	103.20	040	2603	8700	05411	Meals & Entertainment	
3307	IEXP-40267	11/7/05	11/10/05	166.90	166.90	040	2603	8700	05411	Meals & Entertainment	
3308	IEXP-44568	1/3/06	1/12/06	127.24	127.24	040	2603	8700	05411	Meals & Entertainment	
3309	IEXP-47703	2/8/06	2/9/06	173.50	173.50	040	2603	8700	05411	Meals & Entertainment	
3310	IEXP-49977	3/17/06	3/20/06	113.50	113.50	040	2603	8700	05411	Meals & Entertainment	
3311	IEXP-52957	5/8/06	5/11/06	338.32	338.32	040	2603	8700	05411	Meals & Entertainment	
3312	IEXP-53019	5/9/06	5/11/06	374.50	374.50	040	2603	8700	05411	Meals & Entertainment	
3313	IEXP-56498	7/6/06	7/10/06	200.50	200.50	040	2603	8700	05411	Meals & Entertainment	
3314	IEXP-37669	10/13/05	10/17/05	33.72	33.72	040	2738	8700	05411	Meals & Entertainment	
3315	IEXP-37669	10/13/05	10/17/05	33.72	33.72	040	2738	8850	05411	Meals & Entertainment	
3316	IEXP-43121	12/7/05	12/8/05	42.13	42.13	040	2738	8850	05411	Meals & Entertainment	
3317	IEXP-43121	12/7/05	12/8/05	42.14	42.14	040	2738	8700	05411	Meals & Entertainment	
3318	IEXP-44142	12/22/05	12/27/05	77.19	77.19	040	2738	8850	05411	Meals & Entertainment	
3319	IEXP-44142	12/22/05	12/27/05	77.20	77.20	040	2738	8700	05411	Meals & Entertainment	
3320	IEXP-44867	1/6/06	1/9/06	92.19	92.19	040	2738	8850	05411	Meals & Entertainment	
3321	IEXP-44867	1/6/06	1/9/06	92.20	92.20	040	2738	8700	05411	Meals & Entertainment	
3322	IEXP-46381	1/25/06	1/30/06	69.85	69.85	040	2738	8700	05411	Meals & Entertainment	
3323	IEXP-46381	1/25/06	1/30/06	69.85	69.85	040	2738	8850	05411	Meals & Entertainment	
3324	IEXP-46382	1/25/06	1/30/06	18.78	18.78	040	2738	8700	05411	Meals & Entertainment	
3325	IEXP-46382	1/25/06	1/30/06	18.78	18.78	040	2738	8850	05411	Meals & Entertainment	
3326	IEXP-49240	3/4/06	3/6/06	35.82	35.82	040	2738	8850	05411	Meals & Entertainment	
3327	IEXP-49240	3/4/06	3/6/06	35.83	35.83	040	2738	8700	05411	Meals & Entertainment	
3328	IEXP-50145	3/21/06	3/23/06	46.22	46.22	040	2738	8850	05411	Meals & Entertainment	
3329	IEXP-50145	3/21/06	3/23/06	46.23	46.23	040	2738	8700	05411	Meals & Entertainment	
3330	IEXP-52153	4/25/06	4/27/06	49.96	49.96	040	2738	8850	05411	Meals & Entertainment	
3331	IEXP-52153	4/25/06	4/27/06	49.97	49.97	040	2738	8700	05411	Meals & Entertainment	
3332	IEXP-53587	5/18/06	5/22/06	44.65	44.65	040	2738	8850	05411	Meals & Entertainment	
3333	IEXP-53587	5/18/06	5/22/06	44.66	44.66	040	2738	8700	05411	Meals & Entertainment	
3334	IEXP-56469	7/5/06	7/13/06	34.43	34.43	040	2738	8850	05411	Meals & Entertainment	
3335	IEXP-56469	7/5/06	7/13/06	34.44	34.44	040	2738	8700	05411	Meals & Entertainment	
3336	IEXP-57354	7/21/06	7/27/06	3.05	3.05	040	2738	8850	05411	Meals & Entertainment	
3337	IEXP-57354	7/21/06	7/27/06	3.06	3.06	040	2738	8700	05411	Meals & Entertainment	
3338	IEXP-59175	8/15/06	8/21/06	24.69	24.69	040	2738	8850	05411	Meals & Entertainment	
3339	IEXP-59175	8/15/06	8/21/06	24.70	24.70	040	2738	8700	05411	Meals & Entertainment	
3340	IEXP-60455	8/29/06	9/5/06	12.24	12.24	040	2738	8700	05411	Meals & Entertainment	
3341	IEXP-60455	8/29/06	9/5/06	12.24	12.24	040	2738	8850	05411	Meals & Entertainment	
3342	IEXP-52262	4/27/06	5/1/06	39.96	39.96	040	2734	8740	05411	Meals & Entertainment	
3343	IEXP-36987	10/3/05	10/6/05	70.34	70.34	040	2751	8700	05411	Meals & Entertainment	
3344	IEXP-41493	11/17/05	11/21/05	106.21	106.21	040	2612	8700	05411	Meals & Entertainment	
3345	IEXP-49045	3/1/06	3/9/06	56.59	56.59	040	2612	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3346	IEXP-53946	5/25/06	5/30/06	138.79	138.79	040	2612	8700	05411	Meals & Entertainment	
3347	IEXP-55442	6/20/06	6/26/06	78.44	78.44	040	2612	8700	05411	Meals & Entertainment	
3348	IEXP-57121	7/18/06	7/24/06	39.55	39.55	040	2612	8700	05411	Meals & Entertainment	
3349	IEXP-60467	8/29/06	9/5/06	36.60	36.60	040	2612	8700	05411	Meals & Entertainment	
3350	IEXP-49359	3/7/06	3/9/06	24.58	24.58	040	2606	8700	05411	Meals & Entertainment	
3351	IEXP-49979	3/17/06	3/20/06	58.02	58.02	040	2606	8700	05411	Meals & Entertainment	
3352	IEXP-50833	4/3/06	4/6/06	74.25	74.25	040	2606	8700	05411	Meals & Entertainment	
3353	IEXP-52456	5/1/06	5/4/06	22.60	22.60	040	2606	8700	05411	Meals & Entertainment	
3354	IEXP-55822	6/26/06	6/29/06	50.08	50.08	040	2606	8700	05411	Meals & Entertainment	
3355	IEXP-57079	7/17/06	7/20/06	105.85	105.85	040	2606	8700	05411	Meals & Entertainment	
3356	IEXP-59323	8/15/06	8/21/06	59.33	59.33	040	2606	8700	05411	Meals & Entertainment	
3357	IEXP-40527	11/8/05	11/10/05	50.40	50.40	040	2734	8780	05411	Meals & Entertainment	
3358	IEXP-53064	5/9/06	5/15/06	19.46	19.46	040	2734	8780	05411	Meals & Entertainment	
3359	IEXP-52806	5/5/06	5/18/06	57.00	57.00	040	2634	8780	05411	Meals & Entertainment	
3360	IEXP-42752	12/5/05	12/8/05	25.55	25.55	040	2634	8740	05411	Meals & Entertainment	
3361	IEXP-47700	2/8/06	2/9/06	11.28	11.28	040	2634	8740	05411	Meals & Entertainment	
3362	IEXP-56888	7/13/06	7/20/06	56.82	56.82	040	2634	8740	05411	Meals & Entertainment	
3363	IEXP-57340	7/21/06	7/27/06	3.03	3.03	040	2634	8740	05411	Meals & Entertainment	
3364	IEXP-60119	8/28/06	9/5/06	7.20	7.20	040	2738	8740	05411	Meals & Entertainment	
3365	IEXP-60119	8/28/06	9/5/06	7.20	7.20	040	2738	8780	05411	Meals & Entertainment	
3366	IEXP-40548	11/9/05	11/10/05	6.64	6.64	040	2636	8740	05411	Meals & Entertainment	
3367	IEXP-36799	9/30/05	10/6/05	35.09	35.09	040	2751	8700	05411	Meals & Entertainment	
3368	IEXP-36799	9/30/05	10/6/05	35.09	35.09	040	2751	8850	05411	Meals & Entertainment	
3369	IEXP-42138	11/29/05	12/15/05	56.01	56.01	040	2751	8850	05411	Meals & Entertainment	
3370	IEXP-42138	11/29/05	12/15/05	56.02	56.02	040	2751	8700	05411	Meals & Entertainment	
3371	IEXP-47868	2/10/06	3/1/06	75.94	75.94	040	2751	8700	05411	Meals & Entertainment	
3372	IEXP-47868	2/10/06	3/1/06	75.94	75.94	040	2751	8850	05411	Meals & Entertainment	
3373	IEXP-50761	3/31/06	4/18/06	70.46	70.46	040	2751	8700	05411	Meals & Entertainment	
3374	IEXP-50761	3/31/06	4/18/06	70.46	70.46	040	2751	8850	05411	Meals & Entertainment	
3375	IEXP-37659	10/13/05	10/17/05	5.55	5.55	040	2738	8780	05411	Meals & Entertainment	
3376	IEXP-51285	4/10/06	4/13/06	54.62	54.62	040	2738	8780	05411	Meals & Entertainment	
3377	IEXP-53321	5/15/06	5/22/06	42.05	42.05	040	2738	8780	05411	Meals & Entertainment	
3378	IEXP-54911	6/12/06	6/15/06	36.47	36.47	040	2738	8780	05411	Meals & Entertainment	
3379	IEXP-59765	8/22/06	8/24/06	73.18	73.18	040	2738	8780	05411	Meals & Entertainment	
3380	IEXP-59306	8/15/06	8/17/06	10.00	10.00	040	2618	8700	05411	Meals & Entertainment	
3381	IEXP-60611	8/31/06	9/5/06	55.56	55.56	040	2618	8700	05411	Meals & Entertainment	
3382	IEXP-63154	9/25/06	9/28/06	9.90	9.90	040	2618	8700	05411	Meals & Entertainment	
3383	IEXP-54361	6/1/06	6/5/06	69.83	69.83	040	2638	8740	05411	Meals & Entertainment	
3384	IEXP-37415	10/10/05	10/17/05	130.69	130.69	040	2609	8560	05411	Meals & Entertainment	
3385	IEXP-40048	11/4/05	11/7/05	48.73	48.73	040	2609	8570	05411	Meals & Entertainment	
3386	IEXP-40048	11/4/05	11/7/05	54.96	54.96	040	2609	8560	05411	Meals & Entertainment	
3387	IEXP-49570	3/10/06	3/13/06	61.44	61.44	040	2609	8570	05411	Meals & Entertainment	
3388	IEXP-49570	3/10/06	3/13/06	116.99	116.99	040	2609	8560	05411	Meals & Entertainment	
3389	IEXP-51679	4/18/06	4/20/06	8.04	8.04	040	2609	8570	05411	Meals & Entertainment	
3390	IEXP-51679	4/18/06	4/20/06	9.06	9.06	040	2609	8560	05411	Meals & Entertainment	
3391	IEXP-42328	11/30/05	12/5/05	38.49	38.49	040	2734	8740	05411	Meals & Entertainment	
3392	IEXP-42328	11/30/05	12/5/05	38.49	38.49	040	2734	8780	05411	Meals & Entertainment	
3393	IEXP-45137	1/10/06	1/12/06	4.85	4.85	040	2734	8740	05411	Meals & Entertainment	
3394	IEXP-45137	1/10/06	1/12/06	4.85	4.85	040	2734	8780	05411	Meals & Entertainment	
3395	IEXP-49841	3/15/06	3/16/06	4.73	4.73	040	2734	8740	05411	Meals & Entertainment	
3396	IEXP-49841	3/15/06	3/16/06	4.73	4.73	040	2734	8780	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3397	IEXP-52770	5/4/06	5/8/06	25.64	25.64	040	2734	8740	05411	Meals & Entertainment	
3398	IEXP-52770	5/4/06	5/8/06	25.64	25.64	040	2734	8780	05411	Meals & Entertainment	
3399	IEXP-53486	5/17/06	5/22/06	9.04	9.04	040	2734	8740	05411	Meals & Entertainment	
3400	IEXP-53486	5/17/06	5/22/06	9.04	9.04	040	2734	8780	05411	Meals & Entertainment	
3401	IEXP-59345	8/16/06	8/21/06	9.65	9.65	040	2734	8740	05411	Meals & Entertainment	
3402	IEXP-59345	8/16/06	8/21/06	9.65	9.65	040	2734	8780	05411	Meals & Entertainment	
3403	IEXP-43866	12/19/05	12/22/05	3.88	3.88	040	2609	8500	05411	Meals & Entertainment	
3404	IEXP-49482	3/9/06	3/13/06	3.56	3.56	040	2609	8500	05411	Meals & Entertainment	
3405	IEXP-51098	4/6/06	4/10/06	0.93	0.93	040	2609	8500	05411	Meals & Entertainment	
3406	IEXP-58866	8/10/06	8/11/06	1.20	1.20	040	2609	8500	05411	Meals & Entertainment	
3407	IEXP-37650	10/13/05	10/20/05	43.57	43.57	040	2637	8700	05411	Meals & Entertainment	
3408	IEXP-37650	10/13/05	10/20/05	139.48	139.48	040	2608	8700	05411	Meals & Entertainment	
3409	IEXP-43598	12/14/05	12/19/05	281.28	281.28	040	2734	8740	05411	Meals & Entertainment	
3410	IEXP-43663	12/15/05	12/19/05	141.76	141.76	040	2734	8740	05411	Meals & Entertainment	
3411	IEXP-47860	2/9/06	2/16/06	10.42	10.42	040	2734	8740	05411	Meals & Entertainment	
3412	IEXP-48469	2/20/06	2/27/06	61.96	61.96	040	2734	8740	05411	Meals & Entertainment	
3413	IEXP-55636	6/22/06	6/26/06	31.85	31.85	040	2734	8740	05411	Meals & Entertainment	
3414	IEXP-57699	7/26/06	7/31/06	142.33	142.33	040	2751	8700	05411	Meals & Entertainment	
3415	IEXP-59682	8/21/06	8/24/06	32.49	32.49	040	2751	8700	05411	Meals & Entertainment	
3416	IEXP-37244	10/6/05	10/11/05	19.44	19.44	040	2652	8750	05411	Meals & Entertainment	
3417	IEXP-47594	2/6/06	2/9/06	29.87	29.87	040	2652	8750	05411	Meals & Entertainment	
3418	IEXP-51312	4/10/06	4/13/06	25.82	25.82	040	2652	8750	05411	Meals & Entertainment	
3419	IEXP-37077	10/4/05	10/6/05	17.00	17.00	040	2603	8700	05411	Meals & Entertainment	
3420	IEXP-43192	12/8/05	12/12/05	20.16	20.16	040	2736	8740	05411	Meals & Entertainment	
3421	IEXP-43192	12/8/05	12/12/05	20.17	20.17	040	2736	8780	05411	Meals & Entertainment	
3422	IEXP-49125	3/2/06	3/6/06	70.64	70.64	040	2612	8740	05411	Meals & Entertainment	
3423	IEXP-49125	3/2/06	3/6/06	70.65	70.65	040	2612	8780	05411	Meals & Entertainment	
3424	IEXP-56491	7/6/06	7/10/06	9.80	9.80	040	2603	8700	05411	Meals & Entertainment	
3425	IEXP-57788	7/27/06	8/3/06	69.36	69.36	040	2736	8700	05411	Meals & Entertainment	
3426	IEXP-61230	9/7/06	9/14/06	90.38	90.38	040	2736	8780	05411	Meals & Entertainment	
3427	IEXP-37913	10/17/05	10/20/05	50.00	50.00	040	2732	9070	05411	Meals & Entertainment	
3428	IEXP-39330	10/30/05	11/10/05	227.56	227.56	040	2732	9070	05411	Meals & Entertainment	
3429	IEXP-40747	11/10/05	11/14/05	349.63	349.63	040	2732	9070	05411	Meals & Entertainment	
3430	IEXP-41987	11/23/05	12/5/05	175.47	175.47	040	2732	9070	05411	Meals & Entertainment	
3431	IEXP-43399	12/12/05	12/15/05	85.76	85.76	040	2732	9070	05411	Meals & Entertainment	
3432	IEXP-43758	12/16/05	12/19/05	52.79	52.79	040	2732	9070	05411	Meals & Entertainment	
3433	IEXP-45039	1/9/06	1/12/06	69.60	69.60	040	2732	9070	05411	Meals & Entertainment	
3434	IEXP-45651	1/16/06	1/19/06	585.71	585.71	040	2732	9070	05411	Meals & Entertainment	
3435	IEXP-46663	1/27/06	1/30/06	106.80	106.80	040	2732	9070	05411	Meals & Entertainment	
3436	IEXP-47995	2/13/06	2/16/06	209.67	209.67	040	2732	9070	05411	Meals & Entertainment	
3437	IEXP-48487	2/20/06	2/21/06	107.57	107.57	040	2732	9070	05411	Meals & Entertainment	
3438	IEXP-48851	2/27/06	3/2/06	290.96	290.96	040	2732	9070	05411	Meals & Entertainment	
3439	IEXP-49743	3/14/06	3/16/06	46.80	46.80	040	2732	9070	05411	Meals & Entertainment	
3440	IEXP-50340	3/24/06	3/27/06	103.40	103.40	040	2732	9070	05411	Meals & Entertainment	
3441	IEXP-50856	4/3/06	4/6/06	126.60	126.60	040	2732	9070	05411	Meals & Entertainment	
3442	IEXP-51309	4/10/06	4/13/06	618.00	618.00	040	2732	9070	05411	Meals & Entertainment	
3443	IEXP-52146	4/25/06	4/27/06	166.44	166.44	040	2732	9070	05411	Meals & Entertainment	
3444	IEXP-52965	5/8/06	5/11/06	281.42	281.42	040	2732	9070	05411	Meals & Entertainment	
3445	IEXP-53721	5/22/06	5/25/06	86.93	86.93	040	2732	9070	05411	Meals & Entertainment	
3446	IEXP-54325	6/1/06	6/5/06	51.00	51.00	040	2732	9070	05411	Meals & Entertainment	
3447	IEXP-55266	6/16/06	6/19/06	376.27	376.27	040	2732	9070	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3448	IEXP-56101	6/29/06	7/3/06	229.04	229.04	040	2732	9070	05411	Meals & Entertainment	
3449	IEXP-57050	7/17/06	7/20/06	55.20	55.20	040	2732	9070	05411	Meals & Entertainment	
3450	IEXP-57309	7/21/06	7/24/06	24.60	24.60	040	2732	9070	05411	Meals & Entertainment	
3451	IEXP-57987	7/31/06	8/3/06	119.16	119.16	040	2732	9070	05411	Meals & Entertainment	
3452	IEXP-60255	8/28/06	8/31/06	65.57	65.57	040	2732	9070	05411	Meals & Entertainment	
3453	IEXP-60944	9/5/06	9/7/06	39.33	39.33	040	2732	9070	05411	Meals & Entertainment	
3454	IEXP-62043	9/14/06	9/21/06	21.25	21.25	040	2732	9070	05411	Meals & Entertainment	
3455	IEXP-39849	11/2/05	11/7/05	31.94	31.94	040	2605	8700	05411	Meals & Entertainment	
3456	IEXP-42806	12/5/05	12/8/05	154.57	154.57	040	2603	8700	05411	Meals & Entertainment	
3457	IEXP-44827	1/5/06	1/9/06	213.65	213.65	040	2603	8700	05411	Meals & Entertainment	
3458	IEXP-48119	2/14/06	2/21/06	164.99	164.99	040	2605	8700	05411	Meals & Entertainment	
3459	IEXP-49193	3/3/06	3/9/06	171.13	171.13	040	2602	8700	05411	Meals & Entertainment	
3460	IEXP-50967	4/4/06	4/6/06	247.49	247.49	040	2603	8700	05411	Meals & Entertainment	
3461	IEXP-53491	5/17/06	5/22/06	26.40	26.40	040	2605	8700	05411	Meals & Entertainment	
3462	IEXP-53491	5/17/06	5/22/06	232.92	232.92	040	2603	8700	05411	Meals & Entertainment	
3463	IEXP-55451	6/20/06	6/22/06	200.32	200.32	040	2603	8700	05411	Meals & Entertainment	
3464	IEXP-61107	9/6/06	9/7/06	226.31	226.31	040	2605	8700	05411	Meals & Entertainment	
3465	IEXP-63601	9/26/06	9/28/06	400.96	400.96	040	2603	8700	05411	Meals & Entertainment	
3466	IEXP-42785	12/5/05	12/8/05	5.92	5.92	040	2637	8850	05411	Meals & Entertainment	
3467	IEXP-47332	2/3/06	2/9/06	13.60	13.60	040	2637	8850	05411	Meals & Entertainment	
3468	IEXP-48463	2/20/06	2/27/06	59.55	59.55	040	2637	8850	05411	Meals & Entertainment	
3469	IEXP-54302	6/1/06	6/5/06	10.94	10.94	040	2637	8850	05411	Meals & Entertainment	
3470	IEXP-60036	8/24/06	8/28/06	5.06	5.06	040	2637	8850	05411	Meals & Entertainment	
3471	IEXP-39579	11/1/05	11/3/05	9.05	9.05	040	2737	8700	05411	Meals & Entertainment	
3472	IEXP-39579	11/1/05	11/3/05	9.05	9.05	040	2737	8850	05411	Meals & Entertainment	
3473	IEXP-42148	11/29/05	12/5/05	47.88	47.88	040	2737	8850	05411	Meals & Entertainment	
3474	IEXP-42148	11/29/05	12/5/05	47.89	47.89	040	2737	8700	05411	Meals & Entertainment	
3475	IEXP-42552	12/2/05	12/5/05	47.88	47.88	040	2737	8850	05411	Meals & Entertainment	
3476	IEXP-42552	12/2/05	12/5/05	47.89	47.89	040	2737	8700	05411	Meals & Entertainment	
3477	IEXP-46627	1/27/06	1/30/06	15.01	15.01	040	2737	8850	05411	Meals & Entertainment	
3478	IEXP-46627	1/27/06	1/30/06	19.11	19.11	040	2737	8700	05411	Meals & Entertainment	
3479	IEXP-46828	1/31/06	2/2/06	17.50	17.50	040	2737	8850	05411	Meals & Entertainment	
3480	IEXP-46828	1/31/06	2/2/06	22.28	22.28	040	2737	8700	05411	Meals & Entertainment	
3481	IEXP-49200	3/3/06	3/6/06	27.20	27.20	040	2737	8850	05411	Meals & Entertainment	
3482	IEXP-49200	3/3/06	3/6/06	34.61	34.61	040	2737	8700	05411	Meals & Entertainment	
3483	IEXP-50144	3/21/06	3/23/06	9.65	9.65	040	2737	8850	05411	Meals & Entertainment	
3484	IEXP-50144	3/21/06	3/23/06	12.28	12.28	040	2737	8700	05411	Meals & Entertainment	
3485	IEXP-50538	3/28/06	3/30/06	8.74	8.74	040	2737	8850	05411	Meals & Entertainment	
3486	IEXP-50538	3/28/06	3/30/06	11.13	11.13	040	2737	8700	05411	Meals & Entertainment	
3487	IEXP-51201	4/7/06	4/10/06	87.99	87.99	040	2737	8850	05411	Meals & Entertainment	
3488	IEXP-51201	4/7/06	4/10/06	111.98	111.98	040	2737	8700	05411	Meals & Entertainment	
3489	IEXP-52422	5/1/06	5/11/06	21.91	21.91	040	2737	8850	05411	Meals & Entertainment	
3490	IEXP-52422	5/1/06	5/11/06	27.89	27.89	040	2737	8700	05411	Meals & Entertainment	
3491	IEXP-53255	5/12/06	5/15/06	42.94	42.94	040	2737	8850	05411	Meals & Entertainment	
3492	IEXP-53255	5/12/06	5/15/06	54.66	54.66	040	2737	8700	05411	Meals & Entertainment	
3493	IEXP-55725	6/23/06	6/29/06	53.32	53.32	040	2737	8850	05411	Meals & Entertainment	
3494	IEXP-55725	6/23/06	6/29/06	67.86	67.86	040	2737	8700	05411	Meals & Entertainment	
3495	IEXP-56019	6/28/06	7/6/06	94.02	94.02	040	2737	8850	05411	Meals & Entertainment	
3496	IEXP-56019	6/28/06	7/6/06	119.66	119.66	040	2737	8700	05411	Meals & Entertainment	
3497	IEXP-58750	8/10/06	8/11/06	98.73	98.73	040	2737	8850	05411	Meals & Entertainment	
3498	IEXP-58750	8/10/06	8/11/06	125.66	125.66	040	2737	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3499	IEXP-62259	9/15/06	9/21/06	79.49	79.49	040	2737	8850	05411	Meals & Entertainment	
3500	IEXP-62259	9/15/06	9/21/06	101.16	101.16	040	2737	8700	05411	Meals & Entertainment	
3501	IEXP-40332	11/7/05	11/10/05	98.77	98.77	040	2634	8700	05411	Meals & Entertainment	
3502	IEXP-43122	12/7/05	12/12/05	26.09	26.09	040	2634	8850	05411	Meals & Entertainment	
3503	IEXP-43122	12/7/05	12/12/05	26.10	26.10	040	2634	8700	05411	Meals & Entertainment	
3504	IEXP-45168	1/10/06	1/12/06	47.57	47.57	040	2634	8700	05411	Meals & Entertainment	
3505	IEXP-45168	1/10/06	1/12/06	47.57	47.57	040	2634	8850	05411	Meals & Entertainment	
3506	IEXP-46211	1/23/06	1/26/06	28.64	28.64	040	2634	8700	05411	Meals & Entertainment	
3507	IEXP-48255	2/15/06	2/21/06	109.23	109.23	040	2634	8700	05411	Meals & Entertainment	
3508	IEXP-49640	3/11/06	3/16/06	62.39	62.39	040	2634	8850	05411	Meals & Entertainment	
3509	IEXP-49640	3/11/06	3/16/06	62.40	62.40	040	2634	8700	05411	Meals & Entertainment	
3510	IEXP-52232	4/26/06	5/1/06	78.60	78.60	040	2634	8700	05411	Meals & Entertainment	
3511	IEXP-52232	4/26/06	5/1/06	78.60	78.60	040	2634	8850	05411	Meals & Entertainment	
3512	IEXP-55258	6/16/06	6/22/06	107.12	107.12	040	2634	8700	05411	Meals & Entertainment	
3513	IEXP-55258	6/16/06	6/22/06	107.12	107.12	040	2634	8850	05411	Meals & Entertainment	
3514	IEXP-56216	6/30/06	7/3/06	13.80	13.80	040	2609	8700	05411	Meals & Entertainment	
3515	IEXP-56216	6/30/06	7/3/06	18.02	18.02	040	2634	8700	05411	Meals & Entertainment	
3516	IEXP-56216	6/30/06	7/3/06	31.81	31.81	040	2634	8850	05411	Meals & Entertainment	
3517	IEXP-58893	8/11/06	8/16/06	15.63	15.63	040	2634	8850	05411	Meals & Entertainment	
3518	IEXP-58893	8/11/06	8/16/06	15.64	15.64	040	2634	8700	05411	Meals & Entertainment	
3519	IEXP-54968	6/12/06	6/19/06	26.77	26.77	040	2651	8740	05411	Meals & Entertainment	
3520	IEXP-57975	7/31/06	8/3/06	20.07	20.07	040	2634	8740	05411	Meals & Entertainment	
3521	IEXP-36849	9/30/05	10/6/05	49.79	49.79	040	2736	8700	05411	Meals & Entertainment	
3522	IEXP-36849	9/30/05	10/6/05	49.79	49.79	040	2736	8850	05411	Meals & Entertainment	
3523	IEXP-43509	12/13/05	12/15/05	60.34	60.34	040	2736	8850	05411	Meals & Entertainment	
3524	IEXP-43509	12/13/05	12/15/05	60.35	60.35	040	2736	8700	05411	Meals & Entertainment	
3525	IEXP-44360	12/29/05	12/31/05	108.22	108.22	040	2736	8700	05411	Meals & Entertainment	
3526	IEXP-44360	12/29/05	12/31/05	108.22	108.22	040	2736	8850	05411	Meals & Entertainment	
3527	IEXP-37624	10/12/05	10/20/05	18.60	18.60	040	2637	8850	05411	Meals & Entertainment	
3528	IEXP-37624	10/12/05	10/20/05	43.40	43.40	040	2637	8700	05411	Meals & Entertainment	
3529	IEXP-41080	11/14/05	11/17/05	20.06	20.06	040	2637	8700	05411	Meals & Entertainment	
3530	IEXP-41947	11/23/05	12/15/05	6.69	6.69	040	2637	8700	05411	Meals & Entertainment	
3531	IEXP-45112	1/10/06	1/12/06	9.30	9.30	040	2637	8850	05411	Meals & Entertainment	
3532	IEXP-45112	1/10/06	1/12/06	21.70	21.70	040	2637	8700	05411	Meals & Entertainment	
3533	IEXP-46470	1/26/06	1/30/06	7.35	7.35	040	2637	8850	05411	Meals & Entertainment	
3534	IEXP-46470	1/26/06	1/30/06	17.16	17.16	040	2637	8700	05411	Meals & Entertainment	
3535	IEXP-48100	2/14/06	2/16/06	17.44	17.44	040	2637	8850	05411	Meals & Entertainment	
3536	IEXP-48100	2/14/06	2/16/06	40.69	40.69	040	2637	8700	05411	Meals & Entertainment	
3537	IEXP-49379	3/7/06	3/9/06	6.19	6.19	040	2637	8850	05411	Meals & Entertainment	
3538	IEXP-49379	3/7/06	3/9/06	14.46	14.46	040	2637	8700	05411	Meals & Entertainment	
3539	IEXP-49494	3/9/06	3/13/06	5.28	5.28	040	2637	8850	05411	Meals & Entertainment	
3540	IEXP-49494	3/9/06	3/13/06	12.32	12.32	040	2637	8700	05411	Meals & Entertainment	
3541	IEXP-50054	3/20/06	3/23/06	4.27	4.27	040	2637	8850	05411	Meals & Entertainment	
3542	IEXP-50054	3/20/06	3/23/06	9.98	9.98	040	2637	8700	05411	Meals & Entertainment	
3543	IEXP-51517	4/13/06	4/17/06	4.40	4.40	040	2637	8700	05411	Meals & Entertainment	
3544	IEXP-51517	4/13/06	4/17/06	5.59	5.59	040	2637	8850	05411	Meals & Entertainment	
3545	IEXP-52739	5/4/06	5/8/06	6.26	6.26	040	2637	8700	05411	Meals & Entertainment	
3546	IEXP-52739	5/4/06	5/8/06	7.97	7.97	040	2637	8850	05411	Meals & Entertainment	
3547	IEXP-53142	5/11/06	5/15/06	26.00	26.00	040	2637	8700	05411	Meals & Entertainment	
3548	IEXP-53142	5/11/06	5/15/06	33.09	33.09	040	2637	8850	05411	Meals & Entertainment	
3549	IEXP-53602	5/18/06	5/22/06	17.01	17.01	040	2637	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3550	IEXP-53602	5/18/06	5/22/06	21.66	21.66	040	2637	8850	05411	Meals & Entertainment	
3551	IEXP-54333	6/1/06	6/5/06	1.98	1.98	040	2637	8700	05411	Meals & Entertainment	
3552	IEXP-54333	6/1/06	6/5/06	2.52	2.52	040	2637	8850	05411	Meals & Entertainment	
3553	IEXP-54902	6/12/06	6/15/06	25.12	25.12	040	2637	8700	05411	Meals & Entertainment	
3554	IEXP-54902	6/12/06	6/15/06	31.97	31.97	040	2637	8850	05411	Meals & Entertainment	
3555	IEXP-55828	6/26/06	6/29/06	7.66	7.66	040	2637	8700	05411	Meals & Entertainment	
3556	IEXP-55828	6/26/06	6/29/06	9.76	9.76	040	2637	8850	05411	Meals & Entertainment	
3557	IEXP-56940	7/14/06	7/20/06	6.67	6.67	040	2637	8700	05411	Meals & Entertainment	
3558	IEXP-56940	7/14/06	7/20/06	8.50	8.50	040	2637	8850	05411	Meals & Entertainment	
3559	IEXP-56952	7/14/06	7/20/06	16.38	16.38	040	2637	8700	05411	Meals & Entertainment	
3560	IEXP-56952	7/14/06	7/20/06	20.85	20.85	040	2637	8850	05411	Meals & Entertainment	
3561	IEXP-58747	8/10/06	8/11/06	23.28	23.28	040	2637	8700	05411	Meals & Entertainment	
3562	IEXP-58747	8/10/06	8/11/06	29.63	29.63	040	2637	8850	05411	Meals & Entertainment	
3563	IEXP-59413	8/17/06	8/21/06	19.69	19.69	040	2637	8700	05411	Meals & Entertainment	
3564	IEXP-59413	8/17/06	8/21/06	25.05	25.05	040	2637	8850	05411	Meals & Entertainment	
3565	IEXP-60528	8/30/06	9/5/06	12.70	12.70	040	2637	8700	05411	Meals & Entertainment	
3566	IEXP-60528	8/30/06	9/5/06	16.16	16.16	040	2637	8850	05411	Meals & Entertainment	
3567	IEXP-61157	9/7/06	9/7/06	9.77	9.77	040	2637	8700	05411	Meals & Entertainment	
3568	IEXP-61157	9/7/06	9/7/06	12.43	12.43	040	2637	8850	05411	Meals & Entertainment	
3569	IEXP-62966	9/22/06	9/28/06	16.28	16.28	040	2637	8700	05411	Meals & Entertainment	
3570	IEXP-62966	9/22/06	9/28/06	20.72	20.72	040	2637	8850	05411	Meals & Entertainment	
3571	IEXP-37451	10/10/05	10/11/05	287.53	287.53	040	2751	8740	05411	Meals & Entertainment	
3572	IEXP-44042	12/21/05	12/22/05	71.39	71.39	040	2751	8740	05411	Meals & Entertainment	
3573	IEXP-47871	2/10/06	2/13/06	73.60	73.60	040	2751	8740	05411	Meals & Entertainment	
3574	IEXP-49496	3/9/06	3/13/06	87.11	87.11	040	2751	8740	05411	Meals & Entertainment	
3575	IEXP-53432	5/16/06	5/22/06	191.83	191.83	040	2751	8740	05411	Meals & Entertainment	
3576	IEXP-57321	7/21/06	7/24/06	101.06	101.06	040	2751	8740	05411	Meals & Entertainment	
3577	IEXP-62591	9/19/06	9/21/06	161.61	161.61	040	2751	8740	05411	Meals & Entertainment	
3578	IEXP-55656	6/22/06	6/29/06	93.03	93.03	040	2637	8740	05411	Meals & Entertainment	
3579	IEXP-57019	7/14/06	7/27/06	126.27	126.27	040	2732	9160	05411	Meals & Entertainment	
3580	IEXP-60033	8/24/06	8/28/06	39.40	39.40	040	2637	8700	05411	Meals & Entertainment	
3581	IEXP-60033	8/24/06	8/28/06	50.14	50.14	040	2637	8850	05411	Meals & Entertainment	
3582	IEXP-63541	9/26/06	9/28/06	56.92	56.92	040	2732	9160	05411	Meals & Entertainment	
3583	IEXP-48298	2/16/06	2/21/06	5.86	5.86	040	2634	8780	05411	Meals & Entertainment	
3584	IEXP-36956	10/3/05	10/6/05	667.25	667.25	040	2601	8700	05411	Meals & Entertainment	
3585	IEXP-45991	1/20/06	1/23/06	406.12	406.12	040	2601	8700	05411	Meals & Entertainment	
3586	IEXP-47733	2/8/06	2/13/06	1,969.50	1,969.50	040	2601	8700	05411	Meals & Entertainment	
3587	IEXP-49614	3/10/06	3/13/06	18.00	18.00	040	2607	8700	05411	Meals & Entertainment	
3588	IEXP-49614	3/10/06	3/13/06	19.24	19.24	040	2601	8700	05411	Meals & Entertainment	
3589	IEXP-53965	5/25/06	5/30/06	53.29	53.29	040	2601	8700	05411	Meals & Entertainment	
3590	IEXP-53965	5/25/06	5/30/06	64.00	64.00	040	2631	8700	05411	Meals & Entertainment	
3591	IEXP-53965	5/25/06	5/30/06	86.12	86.12	040	2602	8700	05411	Meals & Entertainment	
3592	IEXP-54735	6/8/06	6/12/06	161.20	161.20	040	2605	8700	05411	Meals & Entertainment	
3593	IEXP-54735	6/8/06	6/12/06	197.90	197.90	040	2601	8700	05411	Meals & Entertainment	
3594	IEXP-56525	7/6/06	7/10/06	54.60	54.60	040	2601	8700	05411	Meals & Entertainment	
3595	IEXP-58628	8/9/06	8/10/06	57.13	57.13	040	2601	8700	05411	Meals & Entertainment	
3596	IEXP-39954	11/3/05	11/7/05	42.67	42.67	040	2734	8850	05411	Meals & Entertainment	
3597	IEXP-39954	11/3/05	11/7/05	42.68	42.68	040	2734	8700	05411	Meals & Entertainment	
3598	IEXP-44141	12/22/05	12/27/05	42.88	42.88	040	2734	8850	05411	Meals & Entertainment	
3599	IEXP-44141	12/22/05	12/27/05	42.89	42.89	040	2734	8700	05411	Meals & Entertainment	
3600	IEXP-47593	2/6/06	2/9/06	29.68	29.68	040	2734	8850	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3601	IEXP-47593	2/6/06	2/9/06	29.69	29.69	040	2734	8700	05411	Meals & Entertainment	
3602	IEXP-48696	2/23/06	2/27/06	32.27	32.27	040	2734	8700	05411	Meals & Entertainment	
3603	IEXP-48696	2/23/06	2/27/06	32.27	32.27	040	2734	8850	05411	Meals & Entertainment	
3604	IEXP-49698	3/13/06	3/16/06	23.70	23.70	040	2734	8850	05411	Meals & Entertainment	
3605	IEXP-49698	3/13/06	3/16/06	23.71	23.71	040	2734	8700	05411	Meals & Entertainment	
3606	IEXP-50323	3/24/06	3/27/06	59.70	59.70	040	2734	8700	05411	Meals & Entertainment	
3607	IEXP-50323	3/24/06	3/27/06	59.70	59.70	040	2734	8850	05411	Meals & Entertainment	
3608	IEXP-51247	4/7/06	4/10/06	73.04	73.04	040	2734	8850	05411	Meals & Entertainment	
3609	IEXP-51247	4/7/06	4/10/06	73.05	73.05	040	2734	8700	05411	Meals & Entertainment	
3610	IEXP-40127	11/4/05	11/10/05	43.23	43.23	040	2635	8700	05411	Meals & Entertainment	
3611	IEXP-40127	11/4/05	11/10/05	43.23	43.23	040	2635	8850	05411	Meals & Entertainment	
3612	IEXP-40135	11/4/05	11/10/05	24.98	24.98	040	2635	8850	05411	Meals & Entertainment	
3613	IEXP-40135	11/4/05	11/10/05	24.99	24.99	040	2635	8700	05411	Meals & Entertainment	
3614	IEXP-41614	11/18/05	11/23/05	98.54	98.54	040	2635	8850	05411	Meals & Entertainment	
3615	IEXP-41614	11/18/05	11/23/05	98.55	98.55	040	2635	8700	05411	Meals & Entertainment	
3616	IEXP-43574	12/14/05	12/19/05	42.62	42.62	040	2635	8700	05411	Meals & Entertainment	
3617	IEXP-43574	12/14/05	12/19/05	42.62	42.62	040	2635	8850	05411	Meals & Entertainment	
3618	IEXP-44573	1/3/06	1/5/06	23.15	23.15	040	2635	8700	05411	Meals & Entertainment	
3619	IEXP-44573	1/3/06	1/5/06	28.29	28.29	040	2635	8850	05411	Meals & Entertainment	
3620	IEXP-48398	2/17/06	2/21/06	25.86	25.86	040	2635	8700	05411	Meals & Entertainment	
3621	IEXP-48398	2/17/06	2/21/06	31.60	31.60	040	2635	8850	05411	Meals & Entertainment	
3622	IEXP-49959	3/17/06	3/20/06	34.20	34.20	040	2635	8700	05411	Meals & Entertainment	
3623	IEXP-49959	3/17/06	3/20/06	41.80	41.80	040	2635	8850	05411	Meals & Entertainment	
3624	IEXP-50980	4/4/06	4/6/06	55.58	55.58	040	2635	8700	05411	Meals & Entertainment	
3625	IEXP-50980	4/4/06	4/6/06	67.94	67.94	040	2635	8850	05411	Meals & Entertainment	
3626	IEXP-52768	5/4/06	5/8/06	63.14	63.14	040	2635	8700	05411	Meals & Entertainment	
3627	IEXP-52768	5/4/06	5/8/06	77.17	77.17	040	2635	8850	05411	Meals & Entertainment	
3628	IEXP-53701	5/21/06	5/25/06	49.91	49.91	040	2635	8700	05411	Meals & Entertainment	
3629	IEXP-53701	5/21/06	5/25/06	60.99	60.99	040	2635	8850	05411	Meals & Entertainment	
3630	IEXP-54245	5/31/06	6/5/06	8.10	8.10	040	2635	8700	05411	Meals & Entertainment	
3631	IEXP-54245	5/31/06	6/5/06	9.90	9.90	040	2635	8850	05411	Meals & Entertainment	
3632	IEXP-54859	6/10/06	6/15/06	18.92	18.92	040	2635	8700	05411	Meals & Entertainment	
3633	IEXP-54859	6/10/06	6/15/06	23.12	23.12	040	2635	8850	05411	Meals & Entertainment	
3634	IEXP-56271	6/30/06	7/6/06	40.67	40.67	040	2635	8700	05411	Meals & Entertainment	
3635	IEXP-56271	6/30/06	7/6/06	49.71	49.71	040	2635	8850	05411	Meals & Entertainment	
3636	IEXP-56840	7/12/06	7/13/06	4.12	4.12	040	2635	8700	05411	Meals & Entertainment	
3637	IEXP-56840	7/12/06	7/13/06	5.03	5.03	040	2635	8850	05411	Meals & Entertainment	
3638	IEXP-57918	7/28/06	8/3/06	11.97	11.97	040	2734	8700	05411	Meals & Entertainment	
3639	IEXP-57918	7/28/06	8/3/06	14.62	14.62	040	2734	8850	05411	Meals & Entertainment	
3640	IEXP-58965	8/13/06	8/14/06	19.13	19.13	040	2734	8700	05411	Meals & Entertainment	
3641	IEXP-58965	8/13/06	8/14/06	23.39	23.39	040	2734	8850	05411	Meals & Entertainment	
3642	IEXP-60182	8/27/06	9/5/06	20.78	20.78	040	2734	8700	05411	Meals & Entertainment	
3643	IEXP-60182	8/27/06	9/5/06	25.39	25.39	040	2734	8850	05411	Meals & Entertainment	
3644	IEXP-37093	10/4/05	10/6/05	84.11	84.11	040	2609	8500	05411	Meals & Entertainment	
3645	IEXP-43967	12/20/05	12/22/05	58.46	58.46	040	2609	8500	05411	Meals & Entertainment	
3646	IEXP-51065	4/5/06	4/6/06	4.15	4.15	040	2609	8500	05411	Meals & Entertainment	
3647	IEXP-51204	4/7/06	4/13/06	0.00	0.00	040	2612	8700	05411	Meals & Entertainment	
3648	IEXP-60665	8/31/06	9/7/06	34.89	34.89	040	2751	8700	05411	Meals & Entertainment	
3649	IEXP-43624	12/14/05	12/19/05	240.61	240.61	040	2739	8850	05411	Meals & Entertainment	
3650	IEXP-43624	12/14/05	12/19/05	240.62	240.62	040	2739	8700	05411	Meals & Entertainment	
3651	IEXP-49695	3/13/06	3/16/06	64.77	64.77	040	2739	8850	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3652	IEXP-49695	3/13/06	3/16/06	82.44	82.44	040	2739	8700	05411	Meals & Entertainment	
3653	IEXP-54861	6/11/06	6/15/06	132.59	132.59	040	2739	8850	05411	Meals & Entertainment	
3654	IEXP-54861	6/11/06	6/15/06	168.75	168.75	040	2739	8700	05411	Meals & Entertainment	
3655	IEXP-61764	9/12/06	9/21/06	126.22	126.22	040	2739	8850	05411	Meals & Entertainment	
3656	IEXP-61764	9/12/06	9/21/06	160.65	160.65	040	2739	8700	05411	Meals & Entertainment	
3657	IEXP-57350	7/21/06	7/27/06	72.55	72.55	040	2738	9020	05411	Meals & Entertainment	
3658	IEXP-44447	12/30/05	1/9/06	17.50	17.50	040	2636	8700	05411	Meals & Entertainment	
3659	IEXP-44447	12/30/05	1/9/06	17.50	17.50	040	2636	8850	05411	Meals & Entertainment	
3660	IEXP-38750	10/25/05	10/31/05	271.34	271.34	040	2607	8700	05411	Meals & Entertainment	
3661	IEXP-36689	9/29/05	10/6/05	63.18	63.18	040	2651	8750	05411	Meals & Entertainment	
3662	IEXP-47191	2/2/06	2/6/06	9.00	9.00	040	2651	8750	05411	Meals & Entertainment	
3663	IEXP-53242	5/12/06	5/18/06	45.90	45.90	040	2651	8750	05411	Meals & Entertainment	
3664	IEXP-62372	9/18/06	9/21/06	54.70	54.70	040	2651	8750	05411	Meals & Entertainment	
3665	IEXP-61711	9/12/06	9/14/06	1.67	1.67	040	2652	8700	05411	Meals & Entertainment	
3666	IEXP-41763	11/21/05	11/23/05	213.44	213.44	040	2612	8700	05411	Meals & Entertainment	
3667	IEXP-46894	1/31/06	2/2/06	288.39	288.39	040	2612	8700	05411	Meals & Entertainment	
3668	IEXP-49742	3/14/06	3/16/06	83.00	83.00	040	2612	8700	05411	Meals & Entertainment	
3669	IEXP-50545	3/28/06	3/30/06	171.26	171.26	040	2612	8700	05411	Meals & Entertainment	
3670	IEXP-53507	5/17/06	5/18/06	46.32	46.32	040	2612	8700	05411	Meals & Entertainment	
3671	IEXP-54959	6/12/06	6/15/06	17.97	17.97	040	2612	8700	05411	Meals & Entertainment	
3672	IEXP-57078	7/17/06	7/20/06	123.25	123.25	040	2612	8700	05411	Meals & Entertainment	
3673	IEXP-37968	10/17/05	10/20/05	11.84	11.84	040	2603	8700	05411	Meals & Entertainment	
3674	IEXP-41361	11/16/05	11/17/05	24.79	24.79	040	2603	8700	05411	Meals & Entertainment	
3675	IEXP-46764	1/30/06	2/2/06	20.59	20.59	040	2603	8700	05411	Meals & Entertainment	
3676	IEXP-49007	3/1/06	3/13/06	67.52	67.52	040	2603	8700	05411	Meals & Entertainment	
3677	IEXP-51817	4/19/06	4/24/06	53.23	53.23	040	2603	8700	05411	Meals & Entertainment	
3678	IEXP-51819	4/19/06	4/24/06	18.55	18.55	040	2603	8700	05411	Meals & Entertainment	
3679	IEXP-57181	7/19/06	7/20/06	40.78	40.78	040	2603	8700	05411	Meals & Entertainment	
3680	IEXP-61046	9/5/06	9/7/06	11.25	11.25	040	2603	8700	05411	Meals & Entertainment	
3681	IEXP-40656	11/9/05	11/17/05	59.43	59.43	040	2603	8700	05411	Meals & Entertainment	
3682	IEXP-47858	2/9/06	2/13/06	9.56	9.56	040	2603	8700	05411	Meals & Entertainment	
3683	IEXP-51909	4/20/06	4/27/06	61.93	61.93	040	2603	8700	05411	Meals & Entertainment	
3684	IEXP-61297	9/8/06	9/14/06	151.70	151.70	040	2603	8700	05411	Meals & Entertainment	
3685	IEXP-62351	9/15/06	9/18/06	3.31	3.31	040	2634	8740	05411	Meals & Entertainment	
3686	IEXP-62351	9/15/06	9/18/06	3.31	3.31	040	2634	8780	05411	Meals & Entertainment	
3687	IEXP-60381	8/28/06	8/31/06	2.06	2.06	040	2634	9080	05411	Meals & Entertainment	
3688	IEXP-53933	5/25/06	5/30/06	5.84	5.84	040	2735	8740	05411	Meals & Entertainment	
3689	IEXP-50475	3/27/06	3/30/06	40.69	40.69	040	2638	8740	05411	Meals & Entertainment	
3690	IEXP-60030	8/24/06	8/28/06	10.14	10.14	040	2637	8740	05411	Meals & Entertainment	
3691	IEXP-60030	8/24/06	8/28/06	15.76	15.76	040	2638	8740	05411	Meals & Entertainment	
3692	IEXP-54986	6/13/06	6/15/06	5.98	5.98	040	2651	8750	05411	Meals & Entertainment	
3693	IEXP-54986	6/13/06	6/15/06	5.98	5.98	040	2651	8760	05411	Meals & Entertainment	
3694	IEXP-53111	5/10/06	5/15/06	13.27	13.27	040	2734	8740	05411	Meals & Entertainment	
3695	IEXP-37131	10/5/05	10/6/05	258.91	258.91	040	2602	8700	05411	Meals & Entertainment	
3696	IEXP-38987	10/26/05	10/31/05	54.58	54.58	040	2602	8700	05411	Meals & Entertainment	
3697	IEXP-40497	11/8/05	11/10/05	52.47	52.47	040	2602	8700	05411	Meals & Entertainment	
3698	IEXP-40811	11/10/05	11/14/05	2.80	2.80	040	2602	8700	05411	Meals & Entertainment	
3699	IEXP-43398	12/12/05	12/15/05	77.63	77.63	040	2602	8700	05411	Meals & Entertainment	
3700	IEXP-43977	12/20/05	12/22/05	34.48	34.48	040	2602	8700	05411	Meals & Entertainment	
3701	IEXP-46516	1/26/06	1/30/06	63.64	63.64	040	2602	8700	05411	Meals & Entertainment	
3702	IEXP-49563	3/9/06	3/16/06	6.92	6.92	040	2602	8700	05411	Meals & Entertainment	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3703	IEXP-51083	4/6/06	4/10/06	268.31	268.31	040	2602	8700	05411	Meals & Entertainment	
3704	IEXP-51634	4/17/06	4/20/06	84.53	84.53	040	2602	8700	05411	Meals & Entertainment	
3705	IEXP-52399	4/30/06	5/4/06	113.81	113.81	040	2602	8700	05411	Meals & Entertainment	
3706	IEXP-53035	5/9/06	5/11/06	75.11	75.11	040	2602	8700	05411	Meals & Entertainment	
3707	IEXP-55062	6/14/06	6/22/06	28.00	28.00	040	2602	8700	05411	Meals & Entertainment	
3708	IEXP-60183	8/27/06	8/31/06	108.00	108.00	040	2602	8700	05411	Meals & Entertainment	
3709	IEXP-62046	9/14/06	9/18/06	38.68	38.68	040	2602	8700	05411	Meals & Entertainment	
3710	IEXP-39028	10/27/05	10/31/05	75.07	75.07	040	2607	8700	05411	Meals & Entertainment	
3711	IEXP-39531	11/1/05	11/7/05	56.83	56.83	040	2607	8700	05411	Meals & Entertainment	
3712	IEXP-52744	5/4/06	5/11/06	53.81	53.81	040	2607	8700	05411	Meals & Entertainment	
3713	IEXP-57124	7/18/06	7/20/06	13.45	13.45	040	2607	8700	05411	Meals & Entertainment	
3714	IEXP-58082	8/1/06	8/3/06	2.25	2.25	040	2607	8700	05411	Meals & Entertainment	
3715	IEXP-37487	10/10/05	10/11/05	41.87	41.87	040	2612	8700	05411	Meals & Entertainment	
3716	IEXP-43508	12/13/05	12/15/05	69.44	69.44	040	2612	8700	05411	Meals & Entertainment	
3717	IEXP-44230	12/27/05	12/29/05	53.06	53.06	040	2612	8700	05411	Meals & Entertainment	
3718	IEXP-46299	1/24/06	1/26/06	141.66	141.66	040	2612	8700	05411	Meals & Entertainment	
3719	IEXP-48555	2/21/06	2/23/06	142.81	142.81	040	2612	8700	05411	Meals & Entertainment	
3720	IEXP-50674	3/30/06	4/3/06	137.92	137.92	040	2612	8700	05411	Meals & Entertainment	
3721	IEXP-52321	4/28/06	5/1/06	130.97	130.97	040	2612	8700	05411	Meals & Entertainment	
3722	IEXP-54022	5/26/06	5/30/06	114.61	114.61	040	2612	8700	05411	Meals & Entertainment	
3723	IEXP-55846	6/26/06	6/29/06	111.12	111.12	040	2612	8700	05411	Meals & Entertainment	
3724	IEXP-56910	7/13/06	7/20/06	17.87	17.87	040	2612	8700	05411	Meals & Entertainment	
3725	IEXP-58846	8/10/06	8/14/06	51.57	51.57	040	2612	8700	05411	Meals & Entertainment	
3726	IEXP-62507	9/18/06	9/21/06	102.17	102.17	040	2612	8700	05411	Meals & Entertainment	
3727	IEXP-54899	6/12/06	6/15/06	7.00	7.00	040	2651	8740	05411	Meals & Entertainment	
3728	IEXP-36614	9/28/05	10/6/05	83.51	83.51	040	2609	8400	05411	Meals & Entertainment	
3729	IEXP-36614	9/28/05	10/6/05	83.51	83.51	040	2609	8570	05411	Meals & Entertainment	
3730	IEXP-41874	11/22/05	12/19/05	65.80	65.80	040	2609	8400	05411	Meals & Entertainment	
3731	IEXP-41874	11/22/05	12/19/05	65.80	65.80	040	2609	8570	05411	Meals & Entertainment	
3732	IEXP-43187	12/8/05	12/15/05	96.53	96.53	040	2609	8400	05411	Meals & Entertainment	
3733	IEXP-43187	12/8/05	12/15/05	96.53	96.53	040	2609	8570	05411	Meals & Entertainment	
3734	IEXP-47381	2/3/06	2/9/06	28.03	28.03	040	2609	8570	05411	Meals & Entertainment	
3735	IEXP-47381	2/3/06	2/9/06	52.05	52.05	040	2609	8560	05411	Meals & Entertainment	
3736	IEXP-49207	3/3/06	3/9/06	22.08	22.08	040	2609	8570	05411	Meals & Entertainment	
3737	IEXP-49207	3/3/06	3/9/06	41.02	41.02	040	2609	8560	05411	Meals & Entertainment	
3738	IEXP-50854	4/3/06	4/6/06	38.76	38.76	040	2609	8570	05411	Meals & Entertainment	
3739	IEXP-50854	4/3/06	4/6/06	71.97	71.97	040	2609	8560	05411	Meals & Entertainment	
3740	IEXP-56406	7/5/06	7/6/06	31.81	31.81	040	2609	8570	05411	Meals & Entertainment	
3741	IEXP-56406	7/5/06	7/6/06	59.07	59.07	040	2609	8560	05411	Meals & Entertainment	
3742	IEXP-61685	9/12/06	9/21/06	8.57	8.57	040	2609	8570	05411	Meals & Entertainment	
3743	IEXP-61685	9/12/06	9/21/06	15.93	15.93	040	2609	8560	05411	Meals & Entertainment	
3744	IEXP-63014	9/22/06	9/28/06	16.17	16.17	040	2609	8570	05411	Meals & Entertainment	
3745	IEXP-63014	9/22/06	9/28/06	30.02	30.02	040	2609	8560	05411	Meals & Entertainment	
3746	IEXP-60589	8/30/06	9/7/06	101.32	101.32	040	2637	8740	05411	Meals & Entertainment	61,027.40
3747	IEXP-51785	4/19/06	4/24/06	13.97	13.97	040	2638	8700	05413	Transportation	
3748	IEXP-51785	4/19/06	4/24/06	17.78	17.78	040	2638	8850	05413	Transportation	
3749	IEXP-58241	8/3/06	8/8/06	31.37	31.37	040	2732	9070	05413	Transportation	
3750	IEXP-43008	12/7/05	12/15/05	0.75	0.75	040	2636	8750	05413	Transportation	
3751	IEXP-43008	12/7/05	12/15/05	0.75	0.75	040	2636	8760	05413	Transportation	
3752	IEXP-40504	11/8/05	11/10/05	140.23	140.23	040	2618	8700	05413	Transportation	
3753	IEXP-43707	12/15/05	12/19/05	109.48	109.48	040	2618	8700	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3754	IEXP-48957	2/28/06	3/2/06	112.03	112.03	040	2618	8700	05413	Transportation	
3755	IEXP-53572	5/18/06	5/22/06	558.74	558.74	040	2651	8750	05413	Transportation	
3756	IEXP-53575	5/18/06	5/22/06	99.78	99.78	040	2618	8700	05413	Transportation	
3757	IEXP-48132	2/14/06	2/21/06	20.59	20.59	040	2636	8700	05413	Transportation	
3758	IEXP-51035	4/5/06	4/6/06	83.83	83.83	040	2636	8700	05413	Transportation	
3759	IEXP-37122	10/5/05	10/6/05	264.81	264.81	040	2732	9080	05413	Transportation	
3760	IEXP-43403	12/12/05	12/15/05	158.89	158.89	040	2732	9080	05413	Transportation	
3761	IEXP-45659	1/16/06	1/19/06	135.29	135.29	040	2732	9080	05413	Transportation	
3762	IEXP-54484	6/5/06	6/15/06	175.95	175.95	040	2732	9080	05413	Transportation	
3763	IEXP-54970	6/12/06	6/15/06	132.97	132.97	040	2732	9080	05413	Transportation	
3764	IEXP-60600	8/30/06	9/5/06	66.75	66.75	040	2732	9080	05413	Transportation	
3765	IEXP-59824	8/22/06	8/24/06	464.25	464.25	040	2732	9070	05413	Transportation	
3766	IEXP-62328	9/15/06	9/21/06	70.08	70.08	040	2732	9070	05413	Transportation	
3767	IEXP-37575	10/11/05	10/13/05	338.91	338.91	040	2734	8780	05413	Transportation	
3768	IEXP-37576	10/11/05	10/13/05	32.59	32.59	040	2734	8780	05413	Transportation	
3769	IEXP-50132	3/21/06	3/27/06	11.99	11.99	040	2734	8780	05413	Transportation	
3770	IEXP-59309	8/16/06	8/21/06	142.40	142.40	040	2638	9260	05413	Transportation	
3771	IEXP-36954	10/3/05	10/6/05	454.93	454.93	040	2732	9080	05413	Transportation	
3772	IEXP-39472	10/31/05	11/3/05	399.25	399.25	040	2732	9080	05413	Transportation	
3773	IEXP-42348	11/30/05	12/5/05	427.77	427.77	040	2732	9080	05413	Transportation	
3774	IEXP-43891	12/19/05	12/22/05	86.16	86.16	040	2732	9080	05413	Transportation	
3775	IEXP-44167	12/23/05	12/29/05	384.70	384.70	040	2732	9080	05413	Transportation	
3776	IEXP-45688	1/16/06	1/19/06	36.00	36.00	040	2732	9080	05413	Transportation	
3777	IEXP-47207	2/2/06	2/6/06	555.63	555.63	040	2732	9080	05413	Transportation	
3778	IEXP-49136	3/2/06	3/6/06	643.74	643.74	040	2732	9080	05413	Transportation	
3779	IEXP-50778	3/31/06	4/6/06	562.04	562.04	040	2732	9080	05413	Transportation	
3780	IEXP-50970	4/4/06	4/6/06	231.06	231.06	040	2732	9080	05413	Transportation	
3781	IEXP-52461	5/1/06	5/4/06	335.89	335.89	040	2732	9080	05413	Transportation	
3782	IEXP-54704	6/7/06	6/15/06	385.01	385.01	040	2732	9080	05413	Transportation	
3783	IEXP-56115	6/29/06	7/3/06	509.71	509.71	040	2732	9080	05413	Transportation	
3784	IEXP-58445	8/8/06	8/10/06	211.26	211.26	040	2732	9080	05413	Transportation	
3785	IEXP-60690	8/31/06	9/5/06	359.38	359.38	040	2732	9080	05413	Transportation	
3786	IEXP-38028	10/18/05	10/20/05	4.50	4.50	040	2602	8700	05413	Transportation	
3787	IEXP-41790	11/21/05	12/5/05	1.50	1.50	040	2602	8700	05413	Transportation	
3788	IEXP-48904	2/27/06	3/2/06	41.32	41.32	040	2602	8700	05413	Transportation	
3789	IEXP-48910	2/27/06	3/2/06	272.34	272.34	040	2602	8700	05413	Transportation	
3790	IEXP-50221	3/22/06	3/27/06	1.80	1.80	040	2602	8700	05413	Transportation	
3791	IEXP-53901	5/24/06	5/30/06	18.03	18.03	040	2602	8700	05413	Transportation	
3792	IEXP-37905	10/17/05	10/31/05	1.40	1.40	040	2636	8740	05413	Transportation	
3793	IEXP-55387	6/19/06	6/22/06	55.72	55.72	040	2635	8740	05413	Transportation	
3794	IEXP-45771	1/17/06	1/19/06	0.20	0.20	040	2734	8740	05413	Transportation	
3795	IEXP-45775	1/17/06	1/19/06	6.00	6.00	040	2734	8740	05413	Transportation	
3796	IEXP-57507	7/24/06	7/27/06	989.87	989.87	040	2603	8700	05413	Transportation	
3797	IEXP-43173	12/8/05	12/15/05	1.87	1.87	040	2651	8850	05413	Transportation	
3798	IEXP-43173	12/8/05	12/15/05	1.88	1.88	040	2651	8700	05413	Transportation	
3799	IEXP-53400	5/15/06	5/18/06	112.40	112.40	040	2651	8700	05413	Transportation	
3800	IEXP-53400	5/15/06	5/18/06	112.40	112.40	040	2651	8850	05413	Transportation	
3801	IEXP-36780	9/30/05	10/6/05	551.28	551.28	040	2732	9080	05413	Transportation	
3802	IEXP-40547	11/9/05	11/10/05	304.99	304.99	040	2732	9080	05413	Transportation	
3803	IEXP-42554	12/2/05	12/5/05	326.02	326.02	040	2732	9080	05413	Transportation	
3804	IEXP-44558	1/3/06	1/5/06	255.72	255.72	040	2732	9080	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3805	IEXP-47517	2/6/06	2/9/06	402.64	402.64	040	2732	9080	05413	Transportation	
3806	IEXP-49013	3/1/06	3/6/06	479.00	479.00	040	2732	9080	05413	Transportation	
3807	IEXP-50806	4/3/06	4/6/06	446.16	446.16	040	2732	9080	05413	Transportation	
3808	IEXP-52419	5/1/06	5/4/06	434.41	434.41	040	2732	9080	05413	Transportation	
3809	IEXP-54282	6/1/06	6/5/06	442.69	442.69	040	2732	9080	05413	Transportation	
3810	IEXP-56452	7/5/06	7/6/06	521.99	521.99	040	2732	9080	05413	Transportation	
3811	IEXP-58284	8/7/06	8/16/06	210.15	210.15	040	2732	9080	05413	Transportation	
3812	IEXP-60867	9/8/06	9/5/06	413.70	413.70	040	2732	9080	05413	Transportation	
3813	IEXP-61714	9/13/06	9/18/06	118.60	118.60	040	2602	8700	05413	Transportation	
3814	IEXP-52486	5/1/06	5/4/06	5.94	5.94	040	2636	8700	05413	Transportation	
3815	IEXP-52486	5/1/06	5/4/06	7.56	7.56	040	2636	8850	05413	Transportation	
3816	IEXP-37030	10/4/05	10/6/05	129.01	129.01	040	2732	9080	05413	Transportation	
3817	IEXP-40175	11/4/05	11/10/05	231.83	231.83	040	2732	9080	05413	Transportation	
3818	IEXP-43231	12/9/05	12/15/05	54.90	54.90	040	2732	9080	05413	Transportation	
3819	IEXP-44719	1/4/06	1/19/06	104.76	104.76	040	2732	9080	05413	Transportation	
3820	IEXP-45693	1/16/06	1/19/06	147.91	147.91	040	2732	9080	05413	Transportation	
3821	IEXP-47310	2/3/06	2/6/06	22.96	22.96	040	2732	9080	05413	Transportation	
3822	IEXP-49404	3/7/06	3/9/06	133.68	133.68	040	2732	9080	05413	Transportation	
3823	IEXP-51046	4/5/06	4/10/06	87.93	87.93	040	2732	9080	05413	Transportation	
3824	IEXP-52644	5/3/06	5/4/06	80.64	80.64	040	2732	9080	05413	Transportation	
3825	IEXP-54640	6/6/06	6/15/06	68.35	68.35	040	2732	9080	05413	Transportation	
3826	IEXP-56676	7/10/06	7/13/06	115.70	115.70	040	2732	9080	05413	Transportation	
3827	IEXP-58776	8/10/06	8/16/06	105.87	105.87	040	2732	9080	05413	Transportation	
3828	IEXP-62202	9/14/06	9/21/06	38.83	38.83	040	2732	9080	05413	Transportation	
3829	EXP011806	1/18/06	1/19/06	35.25	35.25	040	2633	8700	05413	Transportation	
3830	IEXP-37335	10/7/05	10/11/05	414.76	414.76	040	2633	8700	05413	Transportation	
3831	IEXP-40271	11/7/05	11/10/05	218.25	218.25	040	2633	8700	05413	Transportation	
3832	IEXP-42542	12/2/05	12/8/05	221.73	221.73	040	2633	8700	05413	Transportation	
3833	IEXP-47530	2/6/06	2/9/06	5.33	5.33	040	2634	8700	05413	Transportation	
3834	IEXP-43984	12/20/05	12/22/05	0.86	0.86	040	2606	8800	05413	Transportation	
3835	IEXP-43744	12/16/05	12/22/05	33.95	33.95	040	2607	8700	05413	Transportation	
3836	IEXP-51624	4/17/06	4/20/06	38.05	38.05	040	2607	8700	05413	Transportation	
3837	IEXP-54820	6/9/06	6/12/06	38.94	38.94	040	2607	8700	05413	Transportation	
3838	IEXP-57348	7/21/06	7/24/06	46.95	46.95	040	2607	8700	05413	Transportation	
3839	IEXP-60692	8/31/06	9/5/06	98.55	98.55	040	2607	8700	05413	Transportation	
3840	IEXP-39409	10/31/05	11/3/05	12.61	12.61	040	2612	8760	05413	Transportation	
3841	IEXP-39409	10/31/05	11/3/05	16.72	16.72	040	2612	8650	05413	Transportation	
3842	IEXP-44332	12/29/05	12/31/05	5.40	5.40	040	2612	8760	05413	Transportation	
3843	IEXP-44332	12/29/05	12/31/05	7.16	7.16	040	2612	8650	05413	Transportation	
3844	IEXP-48478	2/20/06	2/23/06	5.31	5.31	040	2612	8760	05413	Transportation	
3845	IEXP-48478	2/20/06	2/23/06	7.34	7.34	040	2612	8650	05413	Transportation	
3846	IEXP-50454	3/27/06	3/30/06	0.77	0.77	040	2612	8760	05413	Transportation	
3847	IEXP-50454	3/27/06	3/30/06	1.03	1.03	040	2612	8650	05413	Transportation	
3848	IEXP-53250	5/12/06	5/18/06	9.25	9.25	040	2612	8760	05413	Transportation	
3849	IEXP-53250	5/12/06	5/18/06	12.26	12.26	040	2612	8650	05413	Transportation	
3850	IEXP-56405	7/5/06	7/13/06	9.52	9.52	040	2612	8760	05413	Transportation	
3851	IEXP-56405	7/5/06	7/13/06	12.62	12.62	040	2612	8650	05413	Transportation	
3852	IEXP-58327	8/7/06	8/16/06	74.61	74.61	040	2612	8760	05413	Transportation	
3853	IEXP-58327	8/7/06	8/16/06	98.91	98.91	040	2612	8650	05413	Transportation	
3854	IEXP-63091	9/25/06	9/28/06	140.55	140.55	040	2612	8760	05413	Transportation	
3855	IEXP-63091	9/25/06	9/28/06	186.30	186.30	040	2612	8650	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3856	IEXP-44267	12/28/05	12/29/05	30.00	30.00	040	2736	8740	05413	Transportation	
3857	IEXP-44267	12/28/05	12/29/05	30.00	30.00	040	2736	8780	05413	Transportation	
3858	IEXP-48699	2/23/06	2/27/06	800.00	800.00	040	2601	8700	05413	Transportation	
3859	IEXP-52811	5/5/06	5/15/06	129.05	129.05	040	2637	8740	05413	Transportation	
3860	IEXP-41922	11/22/05	11/23/05	29.94	29.94	040	2606	8800	05413	Transportation	
3861	IEXP-44239	12/27/05	12/29/05	0.90	0.90	040	2606	8800	05413	Transportation	
3862	IEXP-48675	2/23/06	2/27/06	0.90	0.90	040	2606	8800	05413	Transportation	
3863	IEXP-50187	3/22/06	3/23/06	0.60	0.60	040	2606	8800	05413	Transportation	
3864	IEXP-52052	4/24/06	4/27/06	0.90	0.90	040	2606	8800	05413	Transportation	
3865	IEXP-53761	5/22/06	5/25/06	1.00	1.00	040	2606	8800	05413	Transportation	
3866	IEXP-57562	7/25/06	7/27/06	1.07	1.07	040	2606	8800	05413	Transportation	
3867	IEXP-63200	9/25/06	9/28/06	0.70	0.70	040	2606	8800	05413	Transportation	
3868	IEXP-37066	10/4/05	10/6/05	188.96	188.96	040	2632	9080	05413	Transportation	
3869	IEXP-39238	10/28/05	11/3/05	300.61	300.61	040	2632	9080	05413	Transportation	
3870	IEXP-42202	11/30/05	12/1/05	354.15	354.15	040	2632	9080	05413	Transportation	
3871	IEXP-44769	1/5/06	1/12/06	253.17	253.17	040	2732	9080	05413	Transportation	
3872	IEXP-46760	1/30/06	2/2/06	272.08	272.08	040	2732	9080	05413	Transportation	
3873	IEXP-49023	3/1/06	3/6/06	626.13	626.13	040	2732	9080	05413	Transportation	
3874	IEXP-50961	4/4/06	4/6/06	128.16	128.16	040	2732	9080	05413	Transportation	
3875	IEXP-52457	5/1/06	5/4/06	428.85	428.85	040	2732	9080	05413	Transportation	
3876	IEXP-53768	5/22/06	5/25/06	271.79	271.79	040	2732	9080	05413	Transportation	
3877	IEXP-56247	6/30/06	7/6/06	216.80	216.80	040	2732	9080	05413	Transportation	
3878	IEXP-58480	8/5/06	8/10/06	161.55	161.55	040	2732	9080	05413	Transportation	
3879	IEXP-60896	9/5/06	9/7/06	134.34	134.34	040	2732	9080	05413	Transportation	
3880	IEXP-37025	10/3/05	10/6/05	412.90	412.90	040	0000	1630	05413	Transportation	
3881	IEXP-50353	3/24/06	4/3/06	37.71	37.71	040	2605	8800	05413	Transportation	
3882	IEXP-50353	3/24/06	4/3/06	339.39	339.39	040	0000	1630	05413	Transportation	
3883	IEXP-51841	4/20/06	4/24/06	8.94	8.94	040	2605	8800	05413	Transportation	
3884	IEXP-51841	4/20/06	4/24/06	80.44	80.44	040	0000	1630	05413	Transportation	
3885	IEXP-56379	7/4/06	7/6/06	49.36	49.36	040	2605	8800	05413	Transportation	
3886	IEXP-56379	7/4/06	7/6/06	444.24	444.24	040	0000	1630	05413	Transportation	
3887	IEXP-52826	5/5/06	5/11/06	78.68	78.68	040	2751	8700	05413	Transportation	
3888	IEXP-59701	8/21/06	8/24/06	76.31	76.31	040	2734	8740	05413	Transportation	
3889	IEXP-53019	5/9/06	5/11/06	549.34	549.34	040	2603	8700	05413	Transportation	
3890	IEXP-56498	7/6/06	7/10/06	342.05	342.05	040	2603	8700	05413	Transportation	
3891	IEXP-44867	1/6/06	1/9/06	19.35	19.35	040	2738	8700	05413	Transportation	
3892	IEXP-44867	1/6/06	1/9/06	19.35	19.35	040	2738	8850	05413	Transportation	
3893	IEXP-40527	11/8/05	11/10/05	0.85	0.85	040	2734	8780	05413	Transportation	
3894	IEXP-52806	5/5/06	5/18/06	1.37	1.37	040	2634	8780	05413	Transportation	
3895	IEXP-40548	11/9/05	11/10/05	33.68	33.68	040	2636	8740	05413	Transportation	
3896	IEXP-43866	12/19/05	12/22/05	0.60	0.60	040	2609	8500	05413	Transportation	
3897	IEXP-53251	5/12/06	5/22/06	0.24	0.24	040	2609	8500	05413	Transportation	
3898	IEXP-55636	6/22/06	6/26/06	50.25	50.25	040	2734	8740	05413	Transportation	
3899	IEXP-57699	7/26/06	7/31/06	378.84	378.84	040	2751	8700	05413	Transportation	
3900	IEXP-59682	8/21/06	8/24/06	61.88	61.88	040	2751	8700	05413	Transportation	
3901	IEXP-56491	7/6/06	7/10/06	557.20	557.20	040	2603	8700	05413	Transportation	
3902	IEXP-37913	10/17/05	10/20/05	493.14	493.14	040	2732	9070	05413	Transportation	
3903	IEXP-39330	10/30/05	11/10/05	164.71	164.71	040	2732	9070	05413	Transportation	
3904	IEXP-40747	11/10/05	11/14/05	123.19	123.19	040	2732	9070	05413	Transportation	
3905	IEXP-41987	11/23/05	12/5/05	187.21	187.21	040	2732	9070	05413	Transportation	
3906	IEXP-43758	12/16/05	12/19/05	532.37	532.37	040	2732	9070	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3907	IEXP-45039	1/9/06	1/12/06	93.45	93.45	040	2732	9070	05413	Transportation	
3908	IEXP-45651	1/16/06	1/19/06	458.88	458.88	040	2732	9070	05413	Transportation	
3909	IEXP-46663	1/27/06	1/30/06	191.57	191.57	040	2732	9070	05413	Transportation	
3910	IEXP-47995	2/13/06	2/16/06	301.32	301.32	040	2732	9070	05413	Transportation	
3911	IEXP-48487	2/20/06	2/21/06	27.95	27.95	040	2732	9070	05413	Transportation	
3912	IEXP-48851	2/27/06	3/2/06	136.08	136.08	040	2732	9070	05413	Transportation	
3913	IEXP-49743	3/14/06	3/16/06	272.30	272.30	040	2732	9070	05413	Transportation	
3914	IEXP-50340	3/24/06	3/27/06	492.68	492.68	040	2732	9070	05413	Transportation	
3915	IEXP-50856	4/3/06	4/6/06	133.65	133.65	040	2732	9070	05413	Transportation	
3916	IEXP-51309	4/10/06	4/13/06	72.90	72.90	040	2732	9070	05413	Transportation	
3917	IEXP-52146	4/25/06	4/27/06	458.07	458.07	040	2732	9070	05413	Transportation	
3918	IEXP-52965	5/8/06	5/11/06	134.87	134.87	040	2732	9070	05413	Transportation	
3919	IEXP-53721	5/22/06	5/25/06	200.25	200.25	040	2732	9070	05413	Transportation	
3920	IEXP-54325	6/1/06	6/5/06	115.43	115.43	040	2732	9070	05413	Transportation	
3921	IEXP-55266	6/16/06	6/19/06	333.75	333.75	040	2732	9070	05413	Transportation	
3922	IEXP-56101	6/29/06	7/3/06	313.47	313.47	040	2732	9070	05413	Transportation	
3923	IEXP-57050	7/17/06	7/20/06	138.84	138.84	040	2732	9070	05413	Transportation	
3924	IEXP-57309	7/21/06	7/24/06	136.26	136.26	040	2732	9070	05413	Transportation	
3925	IEXP-57987	7/31/06	8/3/06	81.77	81.77	040	2732	9070	05413	Transportation	
3926	IEXP-60255	8/28/06	8/31/06	195.96	195.96	040	2732	9070	05413	Transportation	
3927	IEXP-60944	9/5/06	9/7/06	71.20	71.20	040	2732	9070	05413	Transportation	
3928	IEXP-62043	9/14/06	9/21/06	127.54	127.54	040	2732	9070	05413	Transportation	
3929	IEXP-39833	11/2/05	11/7/05	119.87	119.87	040	2634	8780	05413	Transportation	
3930	IEXP-39833	11/2/05	11/7/05	140.71	140.71	040	2634	8740	05413	Transportation	
3931	IEXP-53491	5/17/06	5/22/06	40.95	40.95	040	2605	8700	05413	Transportation	
3932	IEXP-53491	5/17/06	5/22/06	827.64	827.64	040	2602	8700	05413	Transportation	
3933	IEXP-63601	9/26/06	9/28/06	12.93	12.93	040	2603	8700	05413	Transportation	
3934	IEXP-49640	3/11/06	3/16/06	44.77	44.77	040	2634	8700	05413	Transportation	
3935	IEXP-49640	3/11/06	3/16/06	44.77	44.77	040	2634	8850	05413	Transportation	
3936	IEXP-55258	6/16/06	6/22/06	29.77	29.77	040	2634	8700	05413	Transportation	
3937	IEXP-55258	6/16/06	6/22/06	29.77	29.77	040	2634	8850	05413	Transportation	
3938	IEXP-56216	6/30/06	7/3/06	18.11	18.11	040	2634	8700	05413	Transportation	
3939	IEXP-56216	6/30/06	7/3/06	18.11	18.11	040	2634	8850	05413	Transportation	
3940	IEXP-62591	9/19/06	9/21/06	68.81	68.81	040	2751	8740	05413	Transportation	
3941	IEXP-36956	10/3/05	10/6/05	447.90	447.90	040	2609	8850	05413	Transportation	
3942	IEXP-36956	10/3/05	10/6/05	447.90	447.90	040	2612	8850	05413	Transportation	
3943	IEXP-36956	10/3/05	10/6/05	629.80	629.80	040	2602	8700	05413	Transportation	
3944	IEXP-45991	1/20/06	1/23/06	512.15	512.15	040	2601	8700	05413	Transportation	
3945	IEXP-47733	2/8/06	2/13/06	226.05	226.05	040	2601	8700	05413	Transportation	
3946	IEXP-53965	5/25/06	5/30/06	211.78	211.78	040	2606	8700	05413	Transportation	
3947	IEXP-53965	5/25/06	5/30/06	211.78	211.78	040	2609	8700	05413	Transportation	
3948	IEXP-53965	5/25/06	5/30/06	1,208.44	1,208.44	040	2602	8700	05413	Transportation	
3949	IEXP-54735	6/8/06	6/12/06	109.30	109.30	040	2602	8700	05413	Transportation	
3950	IEXP-47593	2/6/06	2/9/06	75.76	75.76	040	2734	8850	05413	Transportation	
3951	IEXP-47593	2/6/06	2/9/06	75.77	75.77	040	2734	8700	05413	Transportation	
3952	IEXP-48696	2/23/06	2/27/06	27.90	27.90	040	2734	8700	05413	Transportation	
3953	IEXP-48696	2/23/06	2/27/06	27.90	27.90	040	2734	8850	05413	Transportation	
3954	IEXP-50323	3/24/06	3/27/06	244.88	244.88	040	2734	8850	05413	Transportation	
3955	IEXP-50323	3/24/06	3/27/06	244.89	244.89	040	2734	8700	05413	Transportation	
3956	IEXP-51247	4/7/06	4/10/06	70.91	70.91	040	2734	8700	05413	Transportation	
3957	IEXP-51247	4/7/06	4/10/06	70.91	70.91	040	2734	8850	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
3958	IEXP-37093	10/4/05	10/6/05	122.73	122.73	040	2609	8500	05413	Transportation	
3959	IEXP-51065	4/5/06	4/6/06	111.70	111.70	040	2609	8500	05413	Transportation	
3960	IEXP-51996	4/21/06	4/27/06	161.80	161.80	040	2609	8500	05413	Transportation	
3961	IEXP-60665	8/31/06	9/7/06	12.61	12.61	040	2751	8700	05413	Transportation	
3962	IEXP-43624	12/14/05	12/19/05	3.15	3.15	040	2739	8700	05413	Transportation	
3963	IEXP-43624	12/14/05	12/19/05	3.15	3.15	040	2739	8850	05413	Transportation	
3964	IEXP-57350	7/21/06	7/27/06	157.27	157.27	040	2738	9020	05413	Transportation	
3965	IEXP-47747	2/8/06	2/9/06	7.05	7.05	040	2606	8800	05413	Transportation	
3966	IEXP-52807	5/5/06	5/11/06	15.22	15.22	040	2606	8800	05413	Transportation	
3967	IEXP-49742	3/14/06	3/16/06	436.56	436.56	040	2612	8700	05413	Transportation	
3968	IEXP-54959	6/12/06	6/15/06	206.13	206.13	040	2612	8700	05413	Transportation	
3969	IEXP-57078	7/17/06	7/20/06	190.86	190.86	040	2612	8700	05413	Transportation	
3970	IEXP-37968	10/17/05	10/20/05	74.11	74.11	040	2603	8700	05413	Transportation	
3971	IEXP-41361	11/16/05	11/17/05	384.32	384.32	040	2603	8700	05413	Transportation	
3972	IEXP-46764	1/30/06	2/2/06	291.51	291.51	040	2603	8700	05413	Transportation	
3973	IEXP-49007	3/1/06	3/13/06	209.89	209.89	040	2603	8700	05413	Transportation	
3974	IEXP-51819	4/19/06	4/24/06	385.57	385.57	040	2603	8700	05413	Transportation	
3975	IEXP-54840	6/9/06	6/15/06	272.97	272.97	040	2603	8700	05413	Transportation	
3976	IEXP-57181	7/19/06	7/20/06	659.14	659.14	040	2603	8700	05413	Transportation	
3977	IEXP-61046	9/5/06	9/7/06	224.38	224.38	040	2603	8700	05413	Transportation	
3978	IEXP-62351	9/15/06	9/18/06	33.02	33.02	040	2736	8740	05413	Transportation	
3979	IEXP-62351	9/15/06	9/18/06	33.02	33.02	040	2736	8780	05413	Transportation	
3980	IEXP-45496	1/13/06	1/23/06	14.99	14.99	040	2634	9080	05413	Transportation	
3981	IEXP-60381	8/28/06	8/31/06	50.73	50.73	040	2634	9080	05413	Transportation	
3982	IEXP-50475	3/27/06	3/30/06	130.83	130.83	040	2638	8740	05413	Transportation	
3983	IEXP-60030	8/24/06	8/28/06	52.33	52.33	040	2638	8740	05413	Transportation	
3984	IEXP-54986	6/13/06	6/15/06	3.08	3.08	040	2651	8750	05413	Transportation	
3985	IEXP-54986	6/13/06	6/15/06	3.08	3.08	040	2651	8760	05413	Transportation	
3986	IEXP-59242	8/15/06	8/21/06	142.40	142.40	040	2638	9260	05413	Transportation	
3987	IEXP-37131	10/5/05	10/6/05	30.14	30.14	040	2602	8700	05413	Transportation	
3988	IEXP-40811	11/10/05	11/14/05	54.32	54.32	040	2602	8700	05413	Transportation	
3989	IEXP-41782	11/21/05	11/23/05	174.60	174.60	040	2602	8700	05413	Transportation	
3990	IEXP-43398	12/12/05	12/15/05	30.60	30.60	040	2602	8700	05413	Transportation	
3991	IEXP-43977	12/20/05	12/22/05	31.04	31.04	040	2602	8700	05413	Transportation	
3992	IEXP-46516	1/26/06	1/30/06	84.37	84.37	040	2602	8700	05413	Transportation	
3993	IEXP-49563	3/9/06	3/16/06	50.73	50.73	040	2602	8700	05413	Transportation	
3994	IEXP-52399	4/30/06	5/4/06	301.76	301.76	040	2602	8700	05413	Transportation	
3995	IEXP-53035	5/9/06	5/11/06	124.60	124.60	040	2602	8700	05413	Transportation	
3996	IEXP-54290	6/1/06	6/5/06	101.10	101.10	040	2602	8700	05413	Transportation	
3997	IEXP-55062	6/14/06	6/22/06	49.84	49.84	040	2602	8700	05413	Transportation	
3998	IEXP-60183	8/27/06	8/31/06	17.80	17.80	040	2602	8700	05413	Transportation	
3999	IEXP-62046	9/14/06	9/18/06	404.26	404.26	040	2602	8700	05413	Transportation	
4000	IEXP-39028	10/27/05	10/31/05	215.73	215.73	040	2607	8700	05413	Transportation	
4001	IEXP-39531	11/1/05	11/7/05	249.49	249.49	040	2607	8700	05413	Transportation	
4002	IEXP-52744	5/4/06	5/11/06	128.96	128.96	040	2607	8700	05413	Transportation	
4003	IEXP-57124	7/18/06	7/20/06	262.33	262.33	040	2607	8700	05413	Transportation	
4004	IEXP-58082	8/1/06	8/3/06	121.36	121.36	040	2607	8700	05413	Transportation	
4005	IEXP-43508	12/13/05	12/15/05	12.60	12.60	040	2612	8700	05413	Transportation	
4006	IEXP-44230	12/27/05	12/29/05	101.36	101.36	040	2612	8700	05413	Transportation	
4007	IEXP-50674	3/30/06	4/3/06	4.95	4.95	040	2612	8700	05413	Transportation	
4008	IEXP-54022	5/26/06	5/30/06	1.37	1.37	040	2612	8700	05413	Transportation	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4009	IEXP-55846	6/26/06	6/29/06	91.00	91.00	040	2612	8700	05413	Transportation	
4010	IEXP-36614	9/28/05	10/6/05	0.90	0.90	040	2609	8400	05413	Transportation	
4011	IEXP-36614	9/28/05	10/6/05	0.90	0.90	040	2609	8570	05413	Transportation	
4012	IEXP-42114	11/29/05	12/19/05	117.37	117.37	040	2609	8400	05413	Transportation	
4013	IEXP-42114	11/29/05	12/19/05	117.37	117.37	040	2609	8570	05413	Transportation	45,792.25
4014	IEXP-43490	12/13/05	12/15/05	13.32	13.32	040	2738	8700	05414	Lodging	
4015	IEXP-43490	12/13/05	12/15/05	13.32	13.32	040	2738	8850	05414	Lodging	
4016	IEXP-48892	2/27/06	3/2/06	16.31	16.31	040	2638	8700	05414	Lodging	
4017	IEXP-48892	2/27/06	3/2/06	20.75	20.75	040	2638	8850	05414	Lodging	
4018	IEXP-52400	4/30/06	5/8/06	14.45	14.45	040	2638	8700	05414	Lodging	
4019	IEXP-52400	4/30/06	5/8/06	18.40	18.40	040	2638	8850	05414	Lodging	
4020	IEXP-53627	5/19/06	5/22/06	57.82	57.82	040	2638	8700	05414	Lodging	
4021	IEXP-53627	5/19/06	5/22/06	73.58	73.58	040	2638	8850	05414	Lodging	
4022	IEXP-54624	6/6/06	6/8/06	55.77	55.77	040	2638	8700	05414	Lodging	
4023	IEXP-54624	6/6/06	6/8/06	70.98	70.98	040	2638	8850	05414	Lodging	
4024	IEXP-55068	6/14/06	6/15/06	54.45	54.45	040	2638	8700	05414	Lodging	
4025	IEXP-55068	6/14/06	6/15/06	69.30	69.30	040	2638	8850	05414	Lodging	
4026	IEXP-60801	9/1/06	9/5/06	26.57	26.57	040	2638	8700	05414	Lodging	
4027	IEXP-60801	9/1/06	9/5/06	33.81	33.81	040	2638	8850	05414	Lodging	
4028	IEXP-42871	12/6/05	12/8/05	30.87	30.87	040	2636	8850	05414	Lodging	
4029	IEXP-42871	12/6/05	12/8/05	30.88	30.88	040	2636	8700	05414	Lodging	
4030	IEXP-51294	4/10/06	4/13/06	14.05	14.05	040	2734	8700	05414	Lodging	
4031	IEXP-51294	4/10/06	4/13/06	14.05	14.05	040	2734	8850	05414	Lodging	
4032	IEXP-41117	11/14/05	11/17/05	25.97	25.97	040	2634	8780	05414	Lodging	
4033	IEXP-41117	11/14/05	11/17/05	31.75	31.75	040	2634	8740	05414	Lodging	
4034	IEXP-47704	2/8/06	2/9/06	36.43	36.43	040	2634	8780	05414	Lodging	
4035	IEXP-47704	2/8/06	2/9/06	44.52	44.52	040	2634	8740	05414	Lodging	
4036	IEXP-38567	10/21/05	10/24/05	228.60	228.60	040	2618	8700	05414	Lodging	
4037	IEXP-39229	10/28/05	10/31/05	56.14	56.14	040	2618	8700	05414	Lodging	
4038	IEXP-40094	11/4/05	11/10/05	1,550.61	1,550.61	040	2618	8700	05414	Lodging	
4039	IEXP-42934	12/6/05	12/8/05	133.56	133.56	040	2618	8700	05414	Lodging	
4040	IEXP-46708	1/29/06	2/2/06	258.78	258.78	040	2618	8700	05414	Lodging	
4041	IEXP-48957	2/28/06	3/2/06	212.67	212.67	040	2618	8700	05414	Lodging	
4042	IEXP-49759	3/14/06	3/16/06	17.24	17.24	040	2618	8700	05414	Lodging	
4043	IEXP-50838	4/3/06	4/6/06	158.29	158.29	040	2618	8700	05414	Lodging	
4044	IEXP-51380	4/11/06	4/13/06	39.57	39.57	040	2618	8700	05414	Lodging	
4045	IEXP-52664	5/3/06	5/4/06	39.57	39.57	040	2618	8700	05414	Lodging	
4046	IEXP-53419	5/16/06	5/18/06	100.06	100.06	040	2618	8700	05414	Lodging	
4047	IEXP-54981	6/13/06	6/15/06	79.15	79.15	040	2618	8700	05414	Lodging	
4048	IEXP-56302	7/3/06	7/6/06	350.17	350.17	040	2651	8760	05414	Lodging	
4049	IEXP-56304	7/3/06	7/6/06	105.05	105.05	040	2618	8700	05414	Lodging	
4050	IEXP-57131	7/18/06	7/20/06	97.55	97.55	040	2618	8700	05414	Lodging	
4051	IEXP-59078	8/14/06	8/16/06	47.70	47.70	040	2618	8700	05414	Lodging	
4052	IEXP-60541	8/30/06	9/5/06	59.36	59.36	040	2618	8700	05414	Lodging	
4053	IEXP-46762	1/30/06	2/2/06	42.61	42.61	040	2635	8740	05414	Lodging	
4054	IEXP-48558	2/21/06	2/23/06	67.95	67.95	040	2635	8740	05414	Lodging	
4055	IEXP-59048	8/14/06	8/21/06	40.15	40.15	040	2635	8740	05414	Lodging	
4056	IEXP-37122	10/5/05	10/6/05	36.29	36.29	040	2732	9080	05414	Lodging	
4057	IEXP-48303	2/16/06	2/21/06	21.61	21.61	040	2732	9080	05414	Lodging	
4058	IEXP-54484	6/5/06	6/15/06	53.28	53.28	040	2732	9080	05414	Lodging	
4059	IEXP-54970	6/12/06	6/15/06	56.77	56.77	040	2732	9080	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4060	IEXP-57091	7/17/06	7/20/06	327.94	327.94	040	2732	9080	05414	Lodging	
4061	IEXP-60600	8/30/06	9/5/06	32.50	32.50	040	2732	9080	05414	Lodging	
4062	IEXP-59824	8/22/06	8/24/06	43.93	43.93	040	2732	9070	05414	Lodging	
4063	IEXP-62328	9/15/06	9/21/06	19.96	19.96	040	2732	9070	05414	Lodging	
4064	IEXP-49132	3/2/06	3/6/06	87.88	87.88	040	2652	8740	05414	Lodging	
4065	IEXP-53735	5/22/06	6/1/06	428.17	428.17	040	2652	8740	05414	Lodging	
4066	IEXP-37576	10/11/05	10/13/05	666.61	666.61	040	2734	8780	05414	Lodging	
4067	IEXP-50132	3/21/06	3/27/06	48.67	48.67	040	2734	8780	05414	Lodging	
4068	IEXP-36954	10/3/05	10/6/05	36.29	36.29	040	2732	9080	05414	Lodging	
4069	IEXP-39472	10/31/05	11/3/05	128.61	128.61	040	2732	9080	05414	Lodging	
4070	IEXP-45688	1/16/06	1/19/06	475.51	475.51	040	2732	9080	05414	Lodging	
4071	IEXP-50778	3/31/06	4/6/06	61.41	61.41	040	2732	9080	05414	Lodging	
4072	IEXP-52461	5/1/06	5/4/06	82.11	82.11	040	2732	9080	05414	Lodging	
4073	IEXP-53101	5/10/06	5/11/06	117.92	117.92	040	2732	9080	05414	Lodging	
4074	IEXP-54704	6/7/06	6/15/06	53.28	53.28	040	2732	9080	05414	Lodging	
4075	IEXP-58445	8/8/06	8/10/06	79.38	79.38	040	2732	9080	05414	Lodging	
4076	IEXP-60690	8/31/06	9/5/06	28.28	28.28	040	2732	9080	05414	Lodging	
4077	IEXP-61998	9/14/06	9/18/06	84.11	84.11	040	2732	9080	05414	Lodging	
4078	IEXP-40756	11/10/05	11/14/05	89.06	89.06	040	2735	8850	05414	Lodging	
4079	IEXP-40756	11/10/05	11/14/05	89.07	89.07	040	2735	8700	05414	Lodging	
4080	IEXP-43983	12/20/05	12/22/05	11.49	11.49	040	2735	8850	05414	Lodging	
4081	IEXP-43983	12/20/05	12/22/05	11.50	11.50	040	2735	8700	05414	Lodging	
4082	IEXP-48686	2/23/06	2/27/06	19.50	19.50	040	2735	8850	05414	Lodging	
4083	IEXP-48686	2/23/06	2/27/06	24.82	24.82	040	2735	8700	05414	Lodging	
4084	IEXP-50471	3/27/06	3/30/06	64.42	64.42	040	2735	8850	05414	Lodging	
4085	IEXP-50471	3/27/06	3/30/06	81.99	81.99	040	2735	8700	05414	Lodging	
4086	IEXP-55396	6/19/06	6/22/06	166.58	166.58	040	2735	8780	05414	Lodging	
4087	IEXP-57179	7/19/06	7/20/06	17.94	17.94	040	2735	8850	05414	Lodging	
4088	IEXP-57179	7/19/06	7/20/06	22.83	22.83	040	2735	8700	05414	Lodging	
4089	IEXP-41790	11/21/05	12/5/05	120.77	120.77	040	2602	8700	05414	Lodging	
4090	IEXP-50221	3/22/06	3/27/06	271.98	271.98	040	2602	8700	05414	Lodging	
4091	IEXP-53901	5/24/06	5/30/06	64.22	64.22	040	2602	8700	05414	Lodging	
4092	IEXP-36920	10/3/05	10/6/05	367.28	367.28	040	2603	8700	05414	Lodging	
4093	IEXP-44498	1/3/06	1/5/06	17.78	17.78	040	2635	8740	05414	Lodging	
4094	IEXP-49690	3/13/06	3/16/06	14.60	14.60	040	2635	8740	05414	Lodging	
4095	IEXP-53319	5/15/06	5/18/06	14.60	14.60	040	2635	8740	05414	Lodging	
4096	IEXP-55387	6/19/06	6/22/06	46.20	46.20	040	2635	8740	05414	Lodging	
4097	IEXP-59049	8/14/06	8/16/06	34.36	34.36	040	2635	8740	05414	Lodging	
4098	IEXP-45770	1/17/06	1/19/06	20.70	20.70	040	2734	8740	05414	Lodging	
4099	IEXP-45771	1/17/06	1/19/06	41.17	41.17	040	2734	8740	05414	Lodging	
4100	IEXP-57507	7/24/06	7/27/06	58.82	58.82	040	2603	8700	05414	Lodging	
4101	IEXP-39171	10/27/05	10/31/05	16.84	16.84	040	2651	8700	05414	Lodging	
4102	IEXP-39171	10/27/05	10/31/05	16.84	16.84	040	2651	8850	05414	Lodging	
4103	IEXP-43173	12/8/05	12/15/05	53.25	53.25	040	2651	8700	05414	Lodging	
4104	IEXP-43173	12/8/05	12/15/05	53.25	53.25	040	2651	8850	05414	Lodging	
4105	IEXP-45109	1/10/06	1/12/06	13.59	13.59	040	2651	8700	05414	Lodging	
4106	IEXP-45109	1/10/06	1/12/06	13.59	13.59	040	2651	8850	05414	Lodging	
4107	IEXP-46631	1/27/06	2/2/06	73.69	73.69	040	2651	8700	05414	Lodging	
4108	IEXP-46631	1/27/06	2/2/06	73.69	73.69	040	2651	8850	05414	Lodging	
4109	IEXP-48051	2/13/06	2/16/06	60.70	60.70	040	2651	8700	05414	Lodging	
4110	IEXP-48051	2/13/06	2/16/06	60.70	60.70	040	2651	8850	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4111	IEXP-49971	3/17/06	3/20/06	149.62	149.62	040	2651	8850	05414	Lodging	
4112	IEXP-49971	3/17/06	3/20/06	149.63	149.63	040	2651	8700	05414	Lodging	
4113	IEXP-53400	5/15/06	5/18/06	25.62	25.62	040	2651	8700	05414	Lodging	
4114	IEXP-53400	5/15/06	5/18/06	25.62	25.62	040	2651	8850	05414	Lodging	
4115	IEXP-56415	7/5/06	7/10/06	20.13	20.13	040	2651	8850	05414	Lodging	
4116	IEXP-56415	7/5/06	7/10/06	20.14	20.14	040	2651	8700	05414	Lodging	
4117	IEXP-57476	7/24/06	7/27/06	66.48	66.48	040	2651	8700	05414	Lodging	
4118	IEXP-57476	7/24/06	7/27/06	66.48	66.48	040	2651	8850	05414	Lodging	
4119	IEXP-60242	8/28/06	8/31/06	118.26	118.26	040	2651	8850	05414	Lodging	
4120	IEXP-60242	8/28/06	8/31/06	118.27	118.27	040	2651	8700	05414	Lodging	
4121	IEXP-50631	3/29/06	4/3/06	58.54	58.54	040	2739	8780	05414	Lodging	
4122	IEXP-36780	9/30/05	10/6/05	65.78	65.78	040	2732	9080	05414	Lodging	
4123	IEXP-49013	3/1/06	3/6/06	124.21	124.21	040	2732	9080	05414	Lodging	
4124	IEXP-54282	6/1/06	6/5/06	53.28	53.28	040	2732	9080	05414	Lodging	
4125	IEXP-58284	8/7/06	8/16/06	27.55	27.55	040	2732	9080	05414	Lodging	
4126	IEXP-47869	2/10/06	2/16/06	22.20	22.20	040	2736	8750	05414	Lodging	
4127	IEXP-47869	2/10/06	2/16/06	22.20	22.20	040	2736	8760	05414	Lodging	
4128	IEXP-53327	5/15/06	5/18/06	25.25	25.25	040	2736	8750	05414	Lodging	
4129	IEXP-53327	5/15/06	5/18/06	25.25	25.25	040	2736	8760	05414	Lodging	
4130	IEXP-39051	10/27/05	10/31/05	112.27	112.27	040	2637	8740	05414	Lodging	
4131	IEXP-51057	4/5/06	4/6/06	29.65	29.65	040	2735	8780	05414	Lodging	
4132	IEXP-57253	7/20/06	7/24/06	30.54	30.54	040	2602	8700	05414	Lodging	
4133	IEXP-59598	8/21/06	8/24/06	73.03	73.03	040	2602	8700	05414	Lodging	
4134	IEXP-61714	9/13/06	9/18/06	32.84	32.84	040	2602	8700	05414	Lodging	
4135	IEXP-63441	9/26/06	9/28/06	11.39	11.39	040	2602	8700	05414	Lodging	
4136	IEXP-39480	10/31/05	11/3/05	99.75	99.75	040	2750	8700	05414	Lodging	
4137	IEXP-39480	10/31/05	11/3/05	99.75	99.75	040	2750	8850	05414	Lodging	
4138	IEXP-48016	2/13/06	2/16/06	24.62	24.62	040	2750	8700	05414	Lodging	
4139	IEXP-48016	2/13/06	2/16/06	24.62	24.62	040	2750	8850	05414	Lodging	
4140	IEXP-50988	4/4/06	4/10/06	117.36	117.36	040	2750	8700	05414	Lodging	
4141	IEXP-50988	4/4/06	4/10/06	117.36	117.36	040	2750	8850	05414	Lodging	
4142	IEXP-50988	4/4/06	9/1/06	46.25	46.25	040	2750	8700	05414	Lodging	
4143	IEXP-55711	6/23/06	6/29/06	63.41	63.41	040	2750	8850	05414	Lodging	
4144	IEXP-55711	6/23/06	6/29/06	63.42	63.42	040	2750	8700	05414	Lodging	
4145	IEXP-62740	9/20/06	9/25/06	38.97	38.97	040	2750	8850	05414	Lodging	
4146	IEXP-62740	9/20/06	9/25/06	38.98	38.98	040	2750	8700	05414	Lodging	
4147	IEXP-47321	2/3/06	2/6/06	63.48	63.48	040	2636	8700	05414	Lodging	
4148	IEXP-47321	2/3/06	2/6/06	80.79	80.79	040	2636	8850	05414	Lodging	
4149	IEXP-50061	3/20/06	3/23/06	20.82	20.82	040	2636	8700	05414	Lodging	
4150	IEXP-50061	3/20/06	3/23/06	26.49	26.49	040	2636	8850	05414	Lodging	
4151	IEXP-36842	9/30/05	10/11/05	204.14	204.14	040	2603	8700	05414	Lodging	
4152	IEXP-40175	11/4/05	11/10/05	44.92	44.92	040	2732	9080	05414	Lodging	
4153	IEXP-44713	1/4/06	1/19/06	177.82	177.82	040	2603	8700	05414	Lodging	
4154	IEXP-45693	1/16/06	1/19/06	317.01	317.01	040	2732	9080	05414	Lodging	
4155	IEXP-49404	3/7/06	3/9/06	124.21	124.21	040	2732	9080	05414	Lodging	
4156	IEXP-58775	8/10/06	8/16/06	197.58	197.58	040	2603	8700	05414	Lodging	
4157	IEXP-58776	8/10/06	8/16/06	131.84	131.84	040	2732	9080	05414	Lodging	
4158	IEXP-62202	9/14/06	9/21/06	27.55	27.55	040	2732	9080	05414	Lodging	
4159	IEXP-37335	10/7/05	10/11/05	403.82	403.82	040	2633	8700	05414	Lodging	
4160	IEXP-42542	12/2/05	12/8/05	245.62	245.62	040	2633	8700	05414	Lodging	
4161	IEXP-39050	10/27/05	10/31/05	112.27	112.27	040	2634	9120	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4162	IEXP-43545	12/14/05	12/19/05	15.54	15.54	040	2634	8700	05414	Lodging	
4163	IEXP-50092	3/20/06	3/23/06	8.79	8.79	040	2634	8740	05414	Lodging	
4164	IEXP-43744	12/16/05	12/22/05	98.47	98.47	040	2607	8700	05414	Lodging	
4165	IEXP-46200	1/23/06	1/26/06	186.39	186.39	040	2607	8700	05414	Lodging	
4166	IEXP-50242	3/23/06	3/27/06	79.14	79.14	040	2607	8700	05414	Lodging	
4167	IEXP-57348	7/21/06	7/24/06	240.36	240.36	040	2607	8700	05414	Lodging	
4168	IEXP-39409	10/31/05	11/3/05	43.65	43.65	040	2612	8760	05414	Lodging	
4169	IEXP-39409	10/31/05	11/3/05	57.85	57.85	040	2612	8650	05414	Lodging	
4170	IEXP-53250	5/12/06	5/18/06	19.98	19.98	040	2612	8760	05414	Lodging	
4171	IEXP-53250	5/12/06	5/18/06	26.49	26.49	040	2612	8650	05414	Lodging	
4172	IEXP-61292	9/8/06	9/14/06	0.00	0.00	040	2612	8650	05414	Lodging	
4173	IEXP-37208	10/6/05	10/11/05	140.61	140.61	040	2652	8750	05414	Lodging	
4174	IEXP-46754	1/30/06	2/2/06	61.98	61.98	040	2652	8750	05414	Lodging	
4175	IEXP-49380	3/7/06	3/9/06	61.98	61.98	040	2652	8750	05414	Lodging	
4176	IEXP-53423	5/16/06	5/22/06	111.06	111.06	040	2652	8750	05414	Lodging	
4177	IEXP-46730	1/30/06	2/2/06	18.25	18.25	040	2735	8750	05414	Lodging	
4178	IEXP-46730	1/30/06	2/2/06	18.25	18.25	040	2735	8760	05414	Lodging	
4179	IEXP-52811	5/5/06	5/15/06	73.00	73.00	040	2637	8740	05414	Lodging	
4180	IEXP-44239	12/27/05	12/29/05	19.69	19.69	040	2606	8800	05414	Lodging	
4181	IEXP-48675	2/23/06	2/27/06	37.28	37.28	040	2606	8800	05414	Lodging	
4182	IEXP-50187	3/22/06	3/23/06	10.36	10.36	040	2606	8800	05414	Lodging	
4183	IEXP-53761	5/22/06	5/25/06	31.66	31.66	040	2606	8800	05414	Lodging	
4184	IEXP-57562	7/25/06	7/27/06	33.94	33.94	040	2606	8800	05414	Lodging	
4185	IEXP-39238	10/28/05	11/3/05	191.73	191.73	040	2632	9080	05414	Lodging	
4186	IEXP-42202	11/30/05	12/1/05	121.06	121.06	040	2632	9080	05414	Lodging	
4187	IEXP-49023	3/1/06	3/6/06	124.21	124.21	040	2732	9080	05414	Lodging	
4188	IEXP-53768	5/22/06	5/25/06	243.70	243.70	040	2732	9080	05414	Lodging	
4189	IEXP-56247	6/30/06	7/6/06	129.95	129.95	040	2732	9080	05414	Lodging	
4190	IEXP-58480	8/5/06	8/10/06	142.36	142.36	040	2732	9080	05414	Lodging	
4191	IEXP-42466	12/1/05	12/5/05	514.05	514.05	040	0000	1630	05414	Lodging	
4192	IEXP-50353	3/24/06	4/3/06	68.92	68.92	040	2605	8800	05414	Lodging	
4193	IEXP-50353	3/24/06	4/3/06	620.27	620.27	040	0000	1630	05414	Lodging	
4194	IEXP-51841	4/20/06	4/24/06	8.94	8.94	040	2605	8800	05414	Lodging	
4195	IEXP-51841	4/20/06	4/24/06	80.44	80.44	040	0000	1630	05414	Lodging	
4196	IEXP-56379	7/4/06	7/6/06	28.03	28.03	040	2605	8800	05414	Lodging	
4197	IEXP-56379	7/4/06	7/6/06	252.31	252.31	040	0000	1630	05414	Lodging	
4198	IEXP-56661	7/10/06	7/13/06	27.37	27.37	040	2605	8800	05414	Lodging	
4199	IEXP-56661	7/10/06	7/13/06	246.33	246.33	040	0000	1630	05414	Lodging	
4200	IEXP-52826	5/5/06	5/11/06	142.46	142.46	040	2751	8700	05414	Lodging	
4201	IEXP-47993	2/13/06	2/16/06	117.90	117.90	040	2739	8780	05414	Lodging	
4202	IEXP-50097	3/20/06	3/23/06	173.98	173.98	040	2736	8780	05414	Lodging	
4203	IEXP-50963	4/4/06	4/13/06	78.88	78.88	040	2736	8780	05414	Lodging	
4204	IEXP-51182	4/7/06	4/13/06	105.17	105.17	040	2736	8780	05414	Lodging	
4205	IEXP-51183	4/7/06	4/10/06	105.17	105.17	040	2736	8780	05414	Lodging	
4206	IEXP-51484	4/13/06	4/17/06	78.88	78.88	040	2736	8780	05414	Lodging	
4207	IEXP-51781	4/19/06	4/20/06	52.58	52.58	040	2736	8780	05414	Lodging	
4208	IEXP-53153	5/11/06	5/15/06	105.17	105.17	040	2736	8780	05414	Lodging	
4209	IEXP-53156	5/11/06	5/15/06	105.17	105.17	040	2736	8780	05414	Lodging	
4210	IEXP-53229	5/12/06	5/18/06	114.08	114.08	040	2736	8780	05414	Lodging	
4211	IEXP-53622	5/19/06	5/25/06	114.08	114.08	040	2736	8780	05414	Lodging	
4212	IEXP-54122	5/30/06	6/1/06	57.04	57.04	040	2736	8780	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4213	IEXP-36662	9/29/05	10/11/05	109.00	109.00	040	2603	8700	05414	Lodging	
4214	IEXP-40267	11/7/05	11/10/05	76.67	76.67	040	2603	8700	05414	Lodging	
4215	IEXP-44568	1/3/06	1/12/06	51.25	51.25	040	2603	8700	05414	Lodging	
4216	IEXP-47703	2/8/06	2/9/06	141.91	141.91	040	2603	8700	05414	Lodging	
4217	IEXP-49977	3/17/06	3/20/06	274.36	274.36	040	2603	8700	05414	Lodging	
4218	IEXP-52957	5/8/06	5/11/06	38.03	38.03	040	2603	8700	05414	Lodging	
4219	IEXP-53019	5/9/06	5/11/06	356.72	356.72	040	2603	8700	05414	Lodging	
4220	IEXP-56498	7/6/06	7/10/06	455.55	455.55	040	2603	8700	05414	Lodging	
4221	IEXP-37669	10/13/05	10/17/05	13.32	13.32	040	2738	8700	05414	Lodging	
4222	IEXP-37669	10/13/05	10/17/05	13.32	13.32	040	2738	8850	05414	Lodging	
4223	IEXP-53587	5/18/06	5/22/06	73.00	73.00	040	2738	8700	05414	Lodging	
4224	IEXP-53587	5/18/06	5/22/06	73.00	73.00	040	2738	8850	05414	Lodging	
4225	IEXP-56469	7/5/06	7/13/06	83.98	83.98	040	2738	8700	05414	Lodging	
4226	IEXP-56469	7/5/06	7/13/06	83.98	83.98	040	2738	8850	05414	Lodging	
4227	IEXP-57354	7/21/06	7/27/06	55.32	55.32	040	2738	8700	05414	Lodging	
4228	IEXP-57354	7/21/06	7/27/06	55.32	55.32	040	2738	8850	05414	Lodging	
4229	IEXP-59175	8/15/06	8/21/06	98.11	98.11	040	2738	8850	05414	Lodging	
4230	IEXP-59175	8/15/06	8/21/06	98.12	98.12	040	2738	8700	05414	Lodging	
4231	IEXP-60455	8/29/06	9/5/06	35.97	35.97	040	2738	8700	05414	Lodging	
4232	IEXP-60455	8/29/06	9/5/06	35.97	35.97	040	2738	8850	05414	Lodging	
4233	IEXP-53946	5/25/06	5/30/06	128.45	128.45	040	2612	8700	05414	Lodging	
4234	IEXP-57121	7/18/06	7/24/06	29.97	29.97	040	2612	8700	05414	Lodging	
4235	IEXP-49359	3/7/06	3/9/06	354.84	354.84	040	2606	8700	05414	Lodging	
4236	IEXP-49979	3/17/06	3/20/06	193.40	193.40	040	2606	8700	05414	Lodging	
4237	IEXP-52043	4/24/06	4/27/06	316.58	316.58	040	2606	8700	05414	Lodging	
4238	IEXP-55822	6/26/06	6/29/06	369.91	369.91	040	2606	8700	05414	Lodging	
4239	IEXP-57079	7/17/06	7/20/06	99.89	99.89	040	2606	8700	05414	Lodging	
4240	IEXP-59323	8/15/06	8/21/06	140.88	140.88	040	2606	8700	05414	Lodging	
4241	IEXP-52806	5/5/06	5/18/06	0.30	0.30	040	2634	8740	05414	Lodging	
4242	IEXP-56888	7/13/06	7/20/06	10.84	10.84	040	2634	8740	05414	Lodging	
4243	IEXP-57340	7/21/06	7/27/06	7.30	7.30	040	2634	8740	05414	Lodging	
4244	IEXP-57341	7/21/06	7/27/06	7.30	7.30	040	2651	8740	05414	Lodging	
4245	IEXP-47868	2/10/06	3/1/06	40.03	40.03	040	2751	8700	05414	Lodging	
4246	IEXP-47868	2/10/06	3/1/06	40.03	40.03	040	2751	8850	05414	Lodging	
4247	IEXP-50761	3/31/06	4/18/06	16.63	16.63	040	2751	8700	05414	Lodging	
4248	IEXP-50761	3/31/06	4/18/06	16.63	16.63	040	2751	8850	05414	Lodging	
4249	IEXP-53321	5/15/06	5/22/06	237.43	237.43	040	2738	8780	05414	Lodging	
4250	IEXP-59765	8/22/06	8/24/06	73.00	73.00	040	2738	8780	05414	Lodging	
4251	IEXP-59306	8/15/06	8/17/06	45.67	45.67	040	2618	8700	05414	Lodging	
4252	IEXP-60611	8/31/06	9/5/06	98.49	98.49	040	2618	8700	05414	Lodging	
4253	IEXP-63154	9/25/06	9/28/06	407.96	407.96	040	2618	8700	05414	Lodging	
4254	IEXP-40048	11/4/05	11/7/05	96.54	96.54	040	2609	8570	05414	Lodging	
4255	IEXP-40048	11/4/05	11/7/05	108.87	108.87	040	2609	8560	05414	Lodging	
4256	IEXP-62570	9/18/06	9/21/06	98.30	98.30	040	2609	8570	05414	Lodging	
4257	IEXP-62570	9/18/06	9/21/06	236.57	236.57	040	2609	8560	05414	Lodging	
4258	IEXP-45137	1/10/06	1/12/06	37.05	37.05	040	2734	8780	05414	Lodging	
4259	IEXP-45137	1/10/06	1/12/06	37.06	37.06	040	2734	8740	05414	Lodging	
4260	IEXP-53486	5/17/06	5/22/06	20.82	20.82	040	2734	8780	05414	Lodging	
4261	IEXP-53486	5/17/06	5/22/06	20.83	20.83	040	2734	8740	05414	Lodging	
4262	IEXP-43866	12/19/05	12/22/05	18.96	18.96	040	2609	8500	05414	Lodging	
4263	IEXP-49482	3/9/06	3/13/06	16.06	16.06	040	2609	8500	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4264	IEXP-51098	4/6/06	4/10/06	21.03	21.03	040	2609	8500	05414	Lodging	
4265	IEXP-56820	7/12/06	7/17/06	9.99	9.99	040	2609	8500	05414	Lodging	
4266	IEXP-58866	8/10/06	8/11/06	16.61	16.61	040	2609	8500	05414	Lodging	
4267	IEXP-57699	7/26/06	7/31/06	250.09	250.09	040	2751	8700	05414	Lodging	
4268	IEXP-59682	8/21/06	8/24/06	21.15	21.15	040	2751	8700	05414	Lodging	
4269	IEXP-37244	10/6/05	10/11/05	49.95	49.95	040	2652	8750	05414	Lodging	
4270	IEXP-47594	2/6/06	2/9/06	66.47	66.47	040	2652	8750	05414	Lodging	
4271	IEXP-51312	4/10/06	4/13/06	71.04	71.04	040	2652	8750	05414	Lodging	
4272	IEXP-37077	10/4/05	10/6/05	204.14	204.14	040	2603	8700	05414	Lodging	
4273	IEXP-43192	12/8/05	12/12/05	177.82	177.82	040	2603	8700	05414	Lodging	
4274	IEXP-47234	2/2/06	2/6/06	316.58	316.58	040	2603	8700	05414	Lodging	
4275	IEXP-49125	3/2/06	3/6/06	146.00	146.00	040	2603	8700	05414	Lodging	
4276	IEXP-53773	5/22/06	5/25/06	146.00	146.00	040	2603	8700	05414	Lodging	
4277	IEXP-56491	7/6/06	7/10/06	444.38	444.38	040	2603	8700	05414	Lodging	
4278	IEXP-57788	7/27/06	8/3/06	197.58	197.58	040	2603	8700	05414	Lodging	
4279	IEXP-37913	10/17/05	10/20/05	118.68	118.68	040	2732	9070	05414	Lodging	
4280	IEXP-39330	10/30/05	11/10/05	191.28	191.28	040	2732	9070	05414	Lodging	
4281	IEXP-40747	11/10/05	11/14/05	618.78	618.78	040	2732	9070	05414	Lodging	
4282	IEXP-41987	11/23/05	12/5/05	152.84	152.84	040	2732	9070	05414	Lodging	
4283	IEXP-43758	12/16/05	12/19/05	125.84	125.84	040	2732	9070	05414	Lodging	
4284	IEXP-45039	1/9/06	1/12/06	30.43	30.43	040	2732	9070	05414	Lodging	
4285	IEXP-45651	1/16/06	1/19/06	631.51	631.51	040	2732	9070	05414	Lodging	
4286	IEXP-47995	2/13/06	2/16/06	75.22	75.22	040	2732	9070	05414	Lodging	
4287	IEXP-48487	2/20/06	2/21/06	49.42	49.42	040	2732	9070	05414	Lodging	
4288	IEXP-48851	2/27/06	3/2/06	75.22	75.22	040	2732	9070	05414	Lodging	
4289	IEXP-49743	3/14/06	3/16/06	416.59	416.59	040	2732	9070	05414	Lodging	
4290	IEXP-50340	3/24/06	3/27/06	276.35	276.35	040	2732	9070	05414	Lodging	
4291	IEXP-50856	4/3/06	4/6/06	45.64	45.64	040	2732	9070	05414	Lodging	
4292	IEXP-51309	4/10/06	4/13/06	75.22	75.22	040	2732	9070	05414	Lodging	
4293	IEXP-52146	4/25/06	4/27/06	517.10	517.10	040	2732	9070	05414	Lodging	
4294	IEXP-52965	5/8/06	5/11/06	93.74	93.74	040	2732	9070	05414	Lodging	
4295	IEXP-53721	5/22/06	5/25/06	332.83	332.83	040	2732	9070	05414	Lodging	
4296	IEXP-55266	6/16/06	6/19/06	113.53	113.53	040	2732	9070	05414	Lodging	
4297	IEXP-56101	6/29/06	7/3/06	133.90	133.90	040	2732	9070	05414	Lodging	
4298	IEXP-57050	7/17/06	7/20/06	201.89	201.89	040	2732	9070	05414	Lodging	
4299	IEXP-57309	7/21/06	7/24/06	231.97	231.97	040	2732	9070	05414	Lodging	
4300	IEXP-57987	7/31/06	8/3/06	22.52	22.52	040	2732	9070	05414	Lodging	
4301	IEXP-60255	8/28/06	8/31/06	119.16	119.16	040	2732	9070	05414	Lodging	
4302	IEXP-60944	9/5/06	9/7/06	331.75	331.75	040	2732	9070	05414	Lodging	
4303	IEXP-53491	5/17/06	5/22/06	94.97	94.97	040	2605	8700	05414	Lodging	
4304	IEXP-42785	12/5/05	12/8/05	13.32	13.32	040	2637	8850	05414	Lodging	
4305	IEXP-47332	2/3/06	2/9/06	23.19	23.19	040	2637	8850	05414	Lodging	
4306	IEXP-54302	6/1/06	6/5/06	16.53	16.53	040	2637	8850	05414	Lodging	
4307	IEXP-50538	3/28/06	3/30/06	48.51	48.51	040	2737	8850	05414	Lodging	
4308	IEXP-50538	3/28/06	3/30/06	61.74	61.74	040	2737	8700	05414	Lodging	
4309	IEXP-51201	4/7/06	4/10/06	16.15	16.15	040	2737	8850	05414	Lodging	
4310	IEXP-51201	4/7/06	4/10/06	20.56	20.56	040	2737	8700	05414	Lodging	
4311	IEXP-53255	5/12/06	5/15/06	13.76	13.76	040	2737	8850	05414	Lodging	
4312	IEXP-53255	5/12/06	5/15/06	17.52	17.52	040	2737	8700	05414	Lodging	
4313	IEXP-56019	6/28/06	7/6/06	24.59	24.59	040	2737	8850	05414	Lodging	
4314	IEXP-56019	6/28/06	7/6/06	31.30	31.30	040	2737	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4315	IEXP-58750	8/10/06	8/11/06	24.64	24.64	040	2737	8850	05414	Lodging	
4316	IEXP-58750	8/10/06	8/11/06	31.36	31.36	040	2737	8700	05414	Lodging	
4317	IEXP-40332	11/7/05	11/10/05	33.68	33.68	040	2634	8700	05414	Lodging	
4318	IEXP-40332	11/7/05	11/10/05	33.68	33.68	040	2635	8700	05414	Lodging	
4319	IEXP-43122	12/7/05	12/12/05	13.39	13.39	040	2634	8850	05414	Lodging	
4320	IEXP-43122	12/7/05	12/12/05	13.40	13.40	040	2634	8700	05414	Lodging	
4321	IEXP-45168	1/10/06	1/12/06	56.10	56.10	040	2634	8700	05414	Lodging	
4322	IEXP-45168	1/10/06	1/12/06	56.10	56.10	040	2634	8850	05414	Lodging	
4323	IEXP-46211	1/23/06	1/26/06	112.20	112.20	040	2634	8700	05414	Lodging	
4324	IEXP-48255	2/15/06	2/21/06	199.35	199.35	040	2634	8850	05414	Lodging	
4325	IEXP-48255	2/15/06	2/21/06	199.36	199.36	040	2634	8700	05414	Lodging	
4326	IEXP-49640	3/11/06	3/16/06	208.70	208.70	040	2634	8850	05414	Lodging	
4327	IEXP-49640	3/11/06	3/16/06	208.71	208.71	040	2634	8700	05414	Lodging	
4328	IEXP-52232	4/26/06	5/1/06	195.35	195.35	040	2634	8700	05414	Lodging	
4329	IEXP-52232	4/26/06	5/1/06	195.35	195.35	040	2634	8850	05414	Lodging	
4330	IEXP-55258	6/16/06	6/22/06	140.25	140.25	040	2634	8700	05414	Lodging	
4331	IEXP-55258	6/16/06	6/22/06	140.25	140.25	040	2634	8850	05414	Lodging	
4332	IEXP-56216	6/30/06	7/3/06	112.29	112.29	040	2634	8850	05414	Lodging	
4333	IEXP-56216	6/30/06	7/3/06	112.30	112.30	040	2634	8700	05414	Lodging	
4334	IEXP-58893	8/11/06	8/16/06	15.33	15.33	040	2634	8700	05414	Lodging	
4335	IEXP-58893	8/11/06	8/16/06	15.33	15.33	040	2634	8850	05414	Lodging	
4336	IEXP-54968	6/12/06	6/19/06	113.53	113.53	040	2651	8740	05414	Lodging	
4337	IEXP-36849	9/30/05	10/6/05	10.92	10.92	040	2736	8700	05414	Lodging	
4338	IEXP-36849	9/30/05	10/6/05	10.92	10.92	040	2736	8850	05414	Lodging	
4339	IEXP-43509	12/13/05	12/15/05	17.90	17.90	040	2736	8700	05414	Lodging	
4340	IEXP-43509	12/13/05	12/15/05	17.90	17.90	040	2736	8850	05414	Lodging	
4341	IEXP-41080	11/14/05	11/17/05	88.80	88.80	040	2637	8700	05414	Lodging	
4342	IEXP-48100	2/14/06	2/16/06	24.71	24.71	040	2637	8850	05414	Lodging	
4343	IEXP-48100	2/14/06	2/16/06	57.65	57.65	040	2637	8700	05414	Lodging	
4344	IEXP-52044	4/24/06	4/27/06	14.45	14.45	040	2637	8700	05414	Lodging	
4345	IEXP-52044	4/24/06	4/27/06	18.40	18.40	040	2637	8850	05414	Lodging	
4346	IEXP-54333	6/1/06	6/5/06	21.82	21.82	040	2637	8700	05414	Lodging	
4347	IEXP-54333	6/1/06	6/5/06	27.77	27.77	040	2637	8850	05414	Lodging	
4348	IEXP-56952	7/14/06	7/20/06	39.13	39.13	040	2637	8700	05414	Lodging	
4349	IEXP-56952	7/14/06	7/20/06	49.80	49.80	040	2637	8850	05414	Lodging	
4350	IEXP-47871	2/10/06	2/13/06	70.97	70.97	040	2751	8740	05414	Lodging	
4351	IEXP-49496	3/9/06	3/13/06	66.47	66.47	040	2751	8740	05414	Lodging	
4352	IEXP-53432	5/16/06	5/22/06	61.42	61.42	040	2751	8740	05414	Lodging	
4353	IEXP-62591	9/19/06	9/21/06	226.28	226.28	040	2751	8740	05414	Lodging	
4354	IEXP-48298	2/16/06	2/21/06	80.30	80.30	040	2634	8780	05414	Lodging	
4355	IEXP-47733	2/8/06	2/13/06	138.51	138.51	040	2601	8700	05414	Lodging	
4356	IEXP-53965	5/25/06	5/30/06	36.50	36.50	040	2601	8700	05414	Lodging	
4357	IEXP-39954	11/3/05	11/7/05	26.64	26.64	040	2734	8700	05414	Lodging	
4358	IEXP-39954	11/3/05	11/7/05	26.64	26.64	040	2734	8850	05414	Lodging	
4359	IEXP-48696	2/23/06	2/27/06	16.78	16.78	040	2734	8700	05414	Lodging	
4360	IEXP-48696	2/23/06	2/27/06	16.78	16.78	040	2734	8850	05414	Lodging	
4361	IEXP-50323	3/24/06	3/27/06	94.97	94.97	040	2734	8850	05414	Lodging	
4362	IEXP-50323	3/24/06	3/27/06	94.98	94.98	040	2734	8700	05414	Lodging	
4363	IEXP-51247	4/7/06	4/10/06	110.96	110.96	040	2734	8850	05414	Lodging	
4364	IEXP-51247	4/7/06	4/10/06	110.97	110.97	040	2734	8700	05414	Lodging	
4365	IEXP-41614	11/18/05	11/23/05	17.76	17.76	040	2635	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4366	IEXP-41614	11/18/05	11/23/05	17.76	17.76	040	2635	8850	05414	Lodging	
4367	IEXP-48398	2/17/06	2/21/06	16.68	16.68	040	2635	8700	05414	Lodging	
4368	IEXP-48398	2/17/06	2/21/06	20.38	20.38	040	2635	8850	05414	Lodging	
4369	IEXP-54859	6/10/06	6/15/06	55.14	55.14	040	2635	8700	05414	Lodging	
4370	IEXP-54859	6/10/06	6/15/06	67.40	67.40	040	2635	8850	05414	Lodging	
4371	IEXP-56840	7/12/06	7/13/06	14.45	14.45	040	2635	8700	05414	Lodging	
4372	IEXP-56840	7/12/06	7/13/06	17.67	17.67	040	2635	8850	05414	Lodging	
4373	IEXP-57918	7/28/06	8/3/06	50.37	50.37	040	2734	8700	05414	Lodging	
4374	IEXP-57918	7/28/06	8/3/06	61.56	61.56	040	2734	8850	05414	Lodging	
4375	IEXP-58965	8/13/06	8/14/06	8.51	8.51	040	2734	8700	05414	Lodging	
4376	IEXP-58965	8/13/06	8/14/06	10.41	10.41	040	2734	8850	05414	Lodging	
4377	IEXP-37093	10/4/05	10/6/05	202.93	202.93	040	2609	8500	05414	Lodging	
4378	IEXP-43967	12/20/05	12/22/05	123.06	123.06	040	2609	8500	05414	Lodging	
4379	IEXP-51996	4/21/06	4/27/06	30.23	30.23	040	2609	8500	05414	Lodging	
4380	IEXP-60665	8/31/06	9/7/06	4.86	4.86	040	2751	8700	05414	Lodging	
4381	IEXP-61764	9/12/06	9/21/06	61.89	61.89	040	2739	8850	05414	Lodging	
4382	IEXP-61764	9/12/06	9/21/06	78.78	78.78	040	2739	8700	05414	Lodging	
4383	IEXP-51139	4/6/06	4/10/06	21.03	21.03	040	2606	8800	05414	Lodging	
4384	IEXP-47191	2/2/06	2/6/06	77.48	77.48	040	2651	8750	05414	Lodging	
4385	IEXP-53242	5/12/06	5/18/06	111.06	111.06	040	2651	8750	05414	Lodging	
4386	IEXP-41763	11/21/05	11/23/05	208.32	208.32	040	2612	8700	05414	Lodging	
4387	IEXP-49742	3/14/06	3/16/06	172.95	172.95	040	2612	8700	05414	Lodging	
4388	IEXP-50545	3/28/06	3/30/06	237.43	237.43	040	2612	8700	05414	Lodging	
4389	IEXP-53507	5/17/06	5/18/06	100.60	100.60	040	2612	8700	05414	Lodging	
4390	IEXP-54959	6/12/06	6/15/06	154.04	154.04	040	2612	8700	05414	Lodging	
4391	IEXP-57078	7/17/06	7/20/06	189.55	189.55	040	2612	8700	05414	Lodging	
4392	IEXP-41361	11/16/05	11/17/05	75.73	75.73	040	2603	8700	05414	Lodging	
4393	IEXP-49007	3/1/06	3/13/06	372.58	372.58	040	2603	8700	05414	Lodging	
4394	IEXP-51817	4/19/06	4/24/06	76.92	76.92	040	2603	8700	05414	Lodging	
4395	IEXP-51819	4/19/06	4/24/06	342.70	342.70	040	2603	8700	05414	Lodging	
4396	IEXP-57181	7/19/06	7/20/06	325.06	325.06	040	2603	8700	05414	Lodging	
4397	IEXP-61046	9/5/06	9/7/06	108.46	108.46	040	2603	8700	05414	Lodging	
4398	IEXP-51330	4/10/06	4/13/06	11.06	11.06	040	2634	9080	05414	Lodging	
4399	IEXP-52810	5/5/06	5/15/06	73.00	73.00	040	2637	8740	05414	Lodging	
4400	IEXP-54986	6/13/06	6/15/06	62.48	62.48	040	2651	8750	05414	Lodging	
4401	IEXP-54986	6/13/06	6/15/06	62.48	62.48	040	2651	8760	05414	Lodging	
4402	IEXP-37131	10/5/05	10/6/05	455.22	455.22	040	2602	8700	05414	Lodging	
4403	IEXP-51083	4/6/06	4/10/06	88.87	88.87	040	2602	8700	05414	Lodging	
4404	IEXP-51634	4/17/06	4/20/06	281.74	281.74	040	2602	8700	05414	Lodging	
4405	IEXP-52399	4/30/06	5/4/06	379.50	379.50	040	2602	8700	05414	Lodging	
4406	IEXP-60183	8/27/06	8/31/06	63.32	63.32	040	2602	8700	05414	Lodging	
4407	IEXP-62046	9/14/06	9/18/06	101.82	101.82	040	2602	8700	05414	Lodging	
4408	IEXP-39028	10/27/05	10/31/05	58.00	58.00	040	2607	8700	05414	Lodging	
4409	IEXP-37487	10/10/05	10/11/05	105.87	105.87	040	2612	8700	05414	Lodging	
4410	IEXP-43508	12/13/05	12/15/05	151.27	151.27	040	2612	8700	05414	Lodging	
4411	IEXP-46299	1/24/06	1/26/06	44.49	44.49	040	2612	8700	05414	Lodging	
4412	IEXP-48555	2/21/06	2/23/06	178.95	178.95	040	2612	8700	05414	Lodging	
4413	IEXP-50674	3/30/06	4/3/06	111.17	111.17	040	2612	8700	05414	Lodging	
4414	IEXP-52321	4/28/06	5/1/06	136.92	136.92	040	2612	8700	05414	Lodging	
4415	IEXP-54022	5/26/06	5/30/06	174.12	174.12	040	2612	8700	05414	Lodging	
4416	IEXP-55846	6/26/06	6/29/06	97.73	97.73	040	2612	8700	05414	Lodging	

Line Item	INVOICE NUMBER	INVOICE DATE	GL DATE	LINE ITEM AMOUNT	Amount Allocated to KY	Company	Cost Center	FERC Acct	Sub Acct	Sub Acct Description	Sub Acct Sub-Total
4417	IEXP-56910	7/13/06	7/20/06	76.47	76.47	040	2612	8700	05414	Lodging	
4418	IEXP-58846	8/10/06	8/14/06	79.23	79.23	040	2612	8700	05414	Lodging	
4419	IEXP-62507	9/18/06	9/21/06	63.68	63.68	040	2612	8700	05414	Lodging	
4420	IEXP-54899	6/12/06	6/15/06	258.02	258.02	040	2651	8740	05414	Lodging	
4421	IEXP-36614	9/28/05	10/6/05	261.12	261.12	040	2609	8400	05414	Lodging	
4422	IEXP-36614	9/28/05	10/6/05	261.12	261.12	040	2609	8570	05414	Lodging	
4423	IEXP-49207	3/3/06	3/9/06	53.10	53.10	040	2609	8570	05414	Lodging	
4424	IEXP-49207	3/3/06	3/9/06	98.62	98.62	040	2609	8560	05414	Lodging	
4425	IEXP-56406	7/5/06	7/6/06	76.49	76.49	040	2609	8570	05414	Lodging	
4426	IEXP-56406	7/5/06	7/6/06	142.06	142.06	040	2609	8560	05414	Lodging	
4427	IEXP-61685	9/12/06	9/21/06	24.65	24.65	040	2609	8570	05414	Lodging	
4428	IEXP-61685	9/12/06	9/21/06	45.79	45.79	040	2609	8560	05414	Lodging	
4429	IEXP-63014	9/22/06	9/28/06	48.69	48.69	040	2609	8570	05414	Lodging	
4430	IEXP-63014	9/22/06	9/28/06	90.43	90.43	040	2609	8560	05414	Lodging	43,975.58

Summary	SSU	General Office	Kentucky Direct	Total
Meals & Entertainment	$ 11,904	$ 9,701	$ 61,027	$ **82,632**
Transportation	19,999	14,813	45,792	**80,605**
Lodging	9,393	13,324	43,976	**66,692**

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 39
Witness: Greg Waller

Data Request:

With regard to the incentive compensation information contained in the response to AG-1,-62, please provide the following information:

a. Confirm that the response to AG-1-62 C indicates that a total incentive compensation amount of $656,397 is included in the Company's Forecasted Test Period above-the-line O&M expenses. If you do not agree, explain your disagreement.

b. What type of employees (e.g., directors, top officers and executives, etc.) and how many employees are currently participating for Kentucky Direct and (separately stated) for SSU and the General Office in the Restricted Stock Long Term Incentive Plan for which $174,921 is included in the Forecasted Test Period expenses? In addition, provide the current total number of Kentucky Direct and (separately stated) SSU and the General Office employees.

c. What type of employees (e.g., directors, top officers, executives, senior managers, etc.) and how may employees are currently participating for Kentucky Direct and (separately stated) for SSU and the General Office in the MIP Only incentive plan for which $145,995 is included in the Forecasted Test Period expenses?

d. What type of employees and how many employees are currently participating for Kentucky Direct and (separately stated) for SSU and the General Office in the VPP Only incentive plan for which $94,743 is included in the Forecasted Test Period expenses?

e. What type of employees and how many employees are currently participating for Kentucky Direct and (separately stated) for SSU and the General Office in the MIP & VPP incentive plan for which $240,738 is included in the Forecasted Test Period expenses?

Response:

a. Please see attached corrected schedule for AG DR1-62. The amount included for incentive compensation is $446,634. The original schedule reported incentive compensation at $415,659. The correction to $446,634 on the revised schedule is due to an allocation error in the General office. The gross general office LTIP amount is $338,569 not the $124,512. The schedule reflected 36.77% of the $338,569 as the starting point rather than the full $338,569. The $656,397 mentioned above is including MIP/VPP twice.

b. Employees participating in the Long Term Incentive Plan (LTIP) are primarily corporate vice-presidents and directors and division presidents and vice-presidents. There are currently 0 Kentucky employees, 12 General Office employees and 45 SSU employees participating.

The current headcount as of March 2007 is as follows:

SSU 910

Kentucky 202

General Office 74

In the original filing and in previous data request responses, we have presented headcount data consistent with the organizational structure that existed prior to the combination of the Kentucky and Mid-States divisions.

Due to the fact that the base period in this case includes time periods before and after the accounting change, we felt that this presentation provided a more meaningful comparison and best reflected operating conditions.

Since the combination of the divisions, as explained in Greg Waller's testimony, we now account for the Owensboro general office as a combined entity with the Franklin, TN general office. Employees who are assigned to the "General Office" (regardless of physical location) are allocated to the seven states in the division per the testimony of Jim Cagle. Per the list above, there are a total of 74 people in the combined General Office.

Hypothetically, applying the General Office to Kentucky allocation factor of 36.77% to the General office employee headcount, the total headcount would be 229. Although, we do not allocate headcount in this fashion, this representation supports our headcount figure as presented in the original filing.

c. Employees participating in the Management Incentive Plan, or "MIP are primarily corporate vice-presidents and directors and division presidents and vice-presidents. There are currently 0 Kentucky employees, 12 General Office employees and 45 SSU employees participating.

d. The Variable Pay Plan, or "VPP", is a broad based incentive compensation plan in which virtually all employees of the Company participate (except for union employees in Mississippi and those included in the Management Incentive Plan or the "MIP"). The forecasted test period includes 203 Kentucky direct, 62 General Office employees and 936 SSU employees participating in VPP. Please see part b above for a discussion of headcount accounting following the combination of the Kentucky and Mid-States Divisions.

e. The $240,738 is the combined amount for MIP/VPP. These amounts are separately identified in items c and d. Employees participate in only one program not both.

Atmos Energy ~ ~poration, KY
Case No. _ _3-00464
AG DR1-62 Item C(corrected)

	Forecasted Test Year(Total)	Forecasted Test Year(Expense)	Allocated to Kentucky	
MIP & VPP				
SSU @5.2%	4,514,864	2,266,462	117,856	
Kentucky direct	117,016	60,497	60,497	
General Office@36.776%	328,111	169,633	62,384	
Total MIP & VPP	4,959,991	2,496,592	240,738	(sum of line 11 and 18)
MIP ONLY				
SSU @5.2%	3,657,040	1,835,834	95,463	
Kentucky direct	-	-	-	
General Office@36.776%	265,770	137,403	50,531	
TOTAL MIP	3,922,810	1,973,237	145,995	
VPP ONLY				
SSU @5.2%	857,824	430,628	22,393	
Kentucky direct	117,016	60,497	60,497	
General Office@36.776%	62,341	32,230	11,853	
Total VPP	1,037,181	523,355	94,743	
Restricted Stock				
SSU @5.2%	4,800,020	2,721,611	141,524	
Kentucky direct	-	-	-	
General Office@36.776%	338,569	175,040	64,373	
Total Restricted Stock	5,138,589	2,896,652	205,897	
Total Amount included:			446,634	(A+B)

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 40
Witness: Greg Waller

Data Request:

As stated in AG-1-69, the actual average ratio of overtime hours to straight-time hours for the most recent 5 fiscal year period 20A2-2006 as shown on Schedule G-2 is 2.055%. In this regard, please provide the following information:

a. In its response to AG-I-69d, the Company states that it budgets its overtime expenses based on historical averages. Given that the 5-year historical average indicates an overtime ratio of 2.055% explain why the Company believes it is appropriate to use an overtime ratio of 3.286% for the Forecasted Test Period.

b. What would be the Forecasted Period overtime dollars on Schedule G-2, line 12 under the assumption that an overtime-to-straight time ratio of 2.10% had been used? In addition, provide a workpaper showing the calculations in support of this re-calculated overtime dollar amount.

Response:

a. Although the Company utilizes historical averages to prepare the budget, in this case, the Company thought that recent history represented a better indication of future activity. FY '06 and calendar '06 percentages are at 2.96% and 3.85% respectively.

b. By using the overtime-to-straight time hours ratio of 2.10%, the total overtime dollars would be $295,693. Expense overtime dollars would be $147,699.

Man Hours	Pro forma
Straight Time Hours	463,179
Overtime Hours	9,727
Total Man Hours	472,906
Ratio of Overtime Hours to Straight Time Hours	2.10%

Labor Dollars	
Straight Time Dollars	11,662,605
Overtime Dollars	295,693
Total Labor Dollars	11,958,298
Ratio of Overtime Dollars to Straight Time Dollars	2.54%

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 41
Witness: Greg Waller

Data Request:

As stated in AG-1-70, the actual average labor O&M expense ratio for the most recent 5 fiscal year period 2002-2006 as shown on Schedule G-2 is 42.013%. In this regard, please provide the following information:

a. The actual O&M expense ratio for the 4 fiscal years through 2005 averaged around 40.5%. Explain the reasons that caused this ratio to go up to 48.182%in FY 2006 and 47.22% in C2006.

b. Explain why it would be appropriate to assume that this ratio will further go up to 50% in the future (as the Company has done) rather than assuming that this ratio may settle back at the lower level it has been for the last 5 fiscal years.

Response:

a. Labor capitalization rates (one minus the O&M expense ratio) are determined by time coding by individual employees on bi-weekly timesheets. Each employee codes his or her time based on the activities they performed and projects they worked on during the payroll period. Labor capitalization rates for supervisory and division support employees reflect the capitalization rates of the employees they supervise or support. With this in mind, the change in capitalization rates noted above is an indication that employees, on average, worked less on capital projects in FY2006 and C2006 than in previous periods. Some factors that could affect capitalization rates include mix of capital projects in a particular year, mix of employee versus contractor labor, training requirements and other company priorities (requiring expense and/or capital labor).

b. The Forecasted Test Period labor capitalization rate is based on the capitalization rate in the Fiscal 2007 budget. The FY2007 budget was prepared consistent with the process described in Greg Waller's testimony and was approved by the Board of Directors. Company supervisors, managers, and executive leadership are accountable for hitting the expense levels in that budget. The 50% labor capitalization rate included in the FY07 budget was used in creating the Forecasted Test Period.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 42
Witness: Greg Waller

Data Request:

In its response to AG-1-77, the Company states that "There are 6 vacant positions implicit in the proposed payroll numbers for the base and forecasted test periods." Does this mean that the assumed employee level of 230 for the Forecasted Test Period includes 6 vacancy positions and 224 actual employee positions, or does this mean that the Forecasted Test Period includes 236 authorized positions of which 6 are vacancy positions which the Company has not reflected for ratemaking purposes? If the former, reconcile this with Mr. Waller's testimony, page 14, lines 10-12.

Response:

Mr. Waller's testimony accurately states that the base period level of total labor expenditures represents a fully staffed level minus the normal level of vacancies. Because it is difficult to predict where attrition will occur, each cost center owner typically budgets assuming a fully staffed level of employees. In instances when a position is vacant at the time the budget is prepared, a "placeholder" is put in the budget with the approximate salary that the cost center owner would expect to pay the individual who ultimately fills the position.

Separately, we budget an amount for employee attrition in a centralized place in the budget (since it is difficult to predict where actual attrition will occur). There is $572,715 of expense labor budgeted for attrition in the FY 2007 budget. Attrition is budgeted as a negative amount in the expense labor budget. Because the expense labor forecast for the Forecasted Test Period is based on the FY07 budget, this allowance for attrition is built into the Forecasted Test Period. Therefore, the response to AG-1-77 is consistent with Mr. Waller's testimony in that we have accounted for approximately 230 positions in the forecast but offset this amount with budgeted attrition.

Also, please see the response to AG DR 2-39 for a clarification of headcount accounting before and after the combination of the Kentucky and Mid-States divisions.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 43
Witness: Tom Petersen

Data Request:

The Company has misunderstood the AG-1-79 request. This request meant to ask for the dates of the most recent 5 general base rate proceedings of Atmos-*Kentucky (or, formerly, Western Kentucky Gas Company*[1]), as well as the actual rate case expenses associated with each of these prior 5 rate cases. Please provide this information.

Response:

The company has had three general rate cases since acquiring the former Western Kentucky Gas, 99-070 with rate case expenses recorded on the company's books of $462,726, 95-010 with rate case expenses recorded on the company's books of $245,620, and 90-013 with rate case expenses found reasonable in the commission's order of $216,309. The two most recent general rate cases prior to acquisition are cases 9556 and 8839. The company has not located records showing rate case expenses for these cases. However, in case 9556 the order states that the company requested recovery of rate case expenses of $263,762 and the commission approved rate case expenses of $82,649.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 44
Witness: Tom Petersen

Data Request:

Please refer to the response to AG DR 1-9. Provide the attachment to the response in Excel format with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the electronic Excel files on the attached CD labeled AG DR2-44 ATT1.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 45
Witness: Tom Petersen

Data Request:

Please refer to the response to AG DR 1-10. Provide the attachments to the response in Excel format with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the electronic Excel file on the attached CD labeled AG DR2-45 ATT and the second electronic file proved in the response to item AG 2-44 and labeled AG DR2-44 ATT2.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 46
Witness: Tom Petersen

Data Request:

Please refer to the response to AG DR 1-15. Provide the attachments to the response in Excel format with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the electronic Excel files on the attached CD labeled AG DR2-46 ATT1 and AG DR2-46 ATT2 and the second electronic file provided in the response to item AG 2-44 and labeled AG DR2-44 ATT2.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 47
Witness: Tom Petersen

Data Request:

Please refer to the response to AG DR 1-16. Provide the B-3.2F workpapers in Excel format with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the electronic Excel files provided in the responses to AG DR 2-46 and AG DR 2-58.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 48
Witness: Don Roff

Data Request:

Please refer to the response to AG DR 1-102. Provide Schedules 1 and 2 from both of Mr. Roff's depreciation studies in electronic format (Excel) with all formulae intact. They were not included in the response to AG DR 1-87.

Response:

Please see the file named AG DR 2-48 ATT.xls on the attached CD.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 49
Respondent: Pace McDonald

Data Request:

Refer to the attachment to the response to AG DR 1-109. The attachment does not address the request. It appears to be the same material provided in response to AG DR1-106. Please provide the correct attachment.

Response:

Please see the attachment AG DR 2-49 ATT.

Atmos Energy Corr ɔn
Kentucky Reserve vard
AG DR 2-49 (Revi. Schedule AG DR1-109)

Note: The book amounts are also a revision to AG DR1-106

Gas Plant Accounts	Ferc	Acct	1999 Reserve	2000 Provision	2000 Retirements	2000 Salvage	2000 Cost of Removal	2000 Transfers/Adj.	2000 Reserve	2001 Provision	2001 Retirements	2001 Salvage	2001 Cost of Removal	2001 Transfers/Adj.
Intangible Plant	30100	1080	8,096.53	416.52					8,513.05	381.81	0		-	0
Intangible Plant	30200	1080	116,497.39	5,992.68					122,490.07	5,493.29	-		-	-
Production Plant	32520	1080	0.00	0.00					0.00	-	-		-	-
Production Plant	32540	1080	0.00	0.00					0.00	-	-		-	-
Production Plant	33100	1080	3,399.34	53.40					3,452.74	48.95	-		-	-
Production Plant	33201	1080	45,891.92	679.08					46,571.00	622.49	-		-	-
Production Plant	33202	1080	513,986.80	7,606.32					521,593.12	6,972.46	-		-	-
Production Plant	33400	1080	191,795.65	3,056.40					194,852.05	3,056.40	-		-	-
Production Plant	33600	1080	0.00	0.00					0.00	-	-		-	-
Storage Plant	35010	1080	0.00	0.00					0.00	-	-		-	-
Storage Plant	35020	1080		0.00					0.00	-				
Storage Plant	35100	1080	497.75	199.80					697.55	199.80	-		-	-
Storage Plant	35102	1080	95,737.81	2,666.96					98,404.77	2,815.71	-		-	-
Storage Plant	35103	1080	23,582.48	500.34					24,082.82	446.52	-		-	-
Storage Plant	35104	1080	111,485.16	3,125.97					114,611.13	2,789.88	-		-	-
Storage Plant	35200	1080	24,441.75	1,267.93					25,709.68	1,702.56	-		-	-
Storage Plant	35201	1080	1,413,899.78	69,758.55	(59,272.76)	0.00	(29,992.39)		1,394,393.18	57,276.60	-		-	-
Storage Plant	35202	1080	511,031.57	17,275.20					528,306.77	14,415.96	-		-	-
Storage Plant	35203	1080		2,118.45					2,118.45	5,084.44	-		-	-
Storage Plant	35210	1080	182,000.29	1,709.40					183,709.69	535.56	-		-	-
Storage Plant	35211	1080	44,169.70	1,149.66					45,319.36	999.48	-		-	-
Storage Plant	35301	1080	178,085.87	3,409.32					181,495.19	2,409.72	-		-	-
Storage Plant	35302	1080	213,990.44	4,000.65					217,991.09	2,827.68	-		-	-
Storage Plant	35400	1080	416,890.71	10,620.66					427,511.37	7,845.00	-		-	-
Storage Plant	35500	1080	243,983.23	7,380.12					251,363.35	5,950.32	-		-	-
Storage Plant	35600	1080	239,726.01	4,615.56					244,341.57	3,160.56	-		-	-
Transmission Plant	36510	1080	0.00	0.00					0.00	-	-		-	-
Transmission Plant	36520	1080	290,043.11	3,841.87					293,884.98	4,150.03	-		-	-
Transmission Plant	36602	1080	5,141.04	211.98					5,353.02	205.68	-		-	-
Transmission Plant	36603	1080	53,925.50	990.84					54,916.34	961.44	-		-	-
Transmission Plant	36700	1080	236,561.40	5,491.15					242,052.55	4,685.99	(6,909.64)		-	-
Transmission Plant	36701	1080	13,438,314.02	298,481.16	(7,956.72)	0.00	0.00		13,728,838.46	245,170.20	-		-	-
Transmission Plant	36900	1080	12,253.10	4,006.49					16,259.59	4,181.44	-		-	-
Transmission Plant	36901	1080	1,475,326.68	66,652.89					1,541,979.57	63,098.03	(2,182.77)		-	-
Distribution Plant	37400	1080	0.00	0.00					0.00	-	-		-	-
Distribution Plant	37401	1080	0.00	0.00					0.00	-	-		-	-
Distribution Plant	37402	1080	11,839.80	660.72					12,500.52	753.84	-		-	-
Distribution Plant	37403	1080	0.00	0.00					0.00	-	-		-	-
Distribution Plant	37500	1080	0.00	461.12					461.12	355.11	-		-	-
Distribution Plant	37501	1080	68,570.43	2,277.85	(676.71)	0.00	(3,053.93)		67,117.64	2,061.12	-		-	-
Distribution Plant	37502	1080	31,310.86	1,000.53					32,311.39	908.52	-		-	-
Distribution Plant	37503	1080	3,105.87	127.22	(3,512.50)	0.00	0.00		(279.41)	78.12	-		-	-
Distribution Plant	37600	1080	904,774.46	97,204.57					1,001,979.03	88,187.21	(549.87)		-	-
Distribution Plant	37601	1080	29,437,600.81	1,381,932.97	(50,359.41)	0.00	(34,139.78)		30,735,034.59	1,294,603.35	(124,413.20)		(39,808.88)	(5,000.00)
Distribution Plant	37602	1080	4,137,660.85	636,229.14	(17,364.30)	0.00	(46,189.92)		4,710,335.77	398,045.87	(55,345.88)		(60,436.96)	-
Distribution Plant	37800	1080	997,832.53	57,745.85					1,055,578.38	54,869.07	-		-	-
Distribution Plant	37900	1080	0.00	1,000.48					1,000.48	5,464.26	-		-	-
Distribution Plant	37903	1080	0.00	0.00					0.00	-	-		-	-
Distribution Plant	37905	1080	921,058.19	45,810.51	(12,823.08)	0.00	(2,234.40)		951,811.22	42,058.44	-		-	-
Distribution Plant	38000	1080	17,584,726.76	2,644,072.53	(436,423.58)	0.00	(559,853.52)		19,232,522.19	3,137,067.40	(1,081,065.14)		(450,538.19)	-
Distribution Plant	38100	1080	6,860,313.40	636,504.39					7,496,817.79	656,035.41	-		-	-
Distribution Plant	38200	1080	5,733,606.47	474,669.51	(79,200.15)	0.00	(414,823.35)		5,714,252.48	491,090.85	(57,297.34)		(161,168.61)	-
Distribution Plant	38300	1080	1,694,332.00	120,452.57					1,814,784.57	119,755.22	-		-	-
Distribution Plant	38400	1080	61,439.11	5,056.41					66,495.52	5,199.12	-		-	-
Distribution Plant	38500	1080	1,336,136.16	90,058.21	(680.59)	0.00	(1,698.22)		1,423,815.56	90,443.09	(16,167.48)		(7,895.56)	-
Distribution Plant	38600	1080	1,350.22	170.76					1,520.98	170.76	-		-	-
General Plant	38900	1080	0.00	0.00	(5,000.00)	0.00	0.00		(5,000.00)	-	-		-	5,000.00
General Plant	39002	1080	70,624.58	3,861.61					74,486.19	3,861.61	-		-	-
General Plant	39003	1080	5,285.71	2,331.02					7,616.73	4,838.35	-		-	-
General Plant	39004	1080	2,907.46	378.14					3,285.60	378.14	-		-	-
General Plant	39009	1080		0.00					0.00	-			-	
General Plant	39100	1080	596,166.60	160,003.13					756,169.73	161,066.14	(72,169.26)		(27.88)	(154,664.96)
General Plant	39103	1080	59,572.75	13,502.21	(13,340.73)	0.00	0.00		59,734.23	16,618.92	-		-	-
General Plant	39200	1080	2,529,939.47	460,830.66	(810,883.69)	16,450.00	118,243.82		2,314,580.06	386,934.18	(549,770.96)		7,560.80	52,602.74
General Plant	39201	1080	238,915.29	3,868.90					242,784.19	-	(113,622.01)		1,760.00	-
General Plant	39202	1080	101,522.76	11,132.09	(25,384.39)		10,741.73		98,012.19	10,833.44	-		-	-
General Plant	39400	1080	1,524,794.61	109,264.18		0.00			1,634,058.79	101,651.91	(18,600.88)		-	-
General Plant	39603	1080	271,307.68	37,145.03					308,452.71	37,145.03	-		-	-

Atmos Energy Corp~ ~n
Kentucky Reserve ~vard
AG DR 2-49 (Revi~ Schedule AG DR1-109)

Note: The book amounts are also a revision to AG DR1-106

Gas Plant Accounts	Ferc	Acct	1999 Reserve	2000 Provision	2000 Retirements	2000 Salvage	2000 Cost of Removal	2000 Transfers/Adj.	2000 Reserve	2001 Provision	2001 Retirements	2001 Salvage	2001 Cost of Removal	2001 Transfers/Adj.
General Plant	39604	1080	320,400.95	27,459.27	(153,880.27)	54,000.00	0.00		247,979.95	23,425.88	-		-	-
General Plant	39605	1080	46,546.33	3,511.25					50,057.58	3,486.06	(1,617.45)		-	-
General Plant	39700	1080	641,302.08	100,973.75					742,275.83	82,411.47	-		-	(117,408.67)
General Plant	39701	1080	21,989.36	3,289.95					25,279.31	3,023.04	-		-	-
General Plant	39702	1080	1,540.46	1,230.21					2,770.67	1,130.40	-		-	-
General Plant	39705	1080	7,723.49	6,503.22					14,226.71	6,333.86	-		-	-
General Plant	39800	1080	23,347.68	4,659.45					28,007.13	11,094.42	-		-	-
General Plant	39901	1080	88,604.97	177,209.97					265,814.94	139,194.72	-		-	(342,137.24)
General Plant	39902	1080	75,396.03	50,264.04					125,660.07	17,012.48	-		-	-
General Plant	39903	1080	34,622.33	69,244.69					103,867.02	51,336.11	-		-	(8,064.66)
General Plant	39906	1080	625,728.99	616,522.07	(39,452.07)	345.00	0.00		1,203,143.99	571,317.02	-		-	(296,261.03)
General Plant	39907	1080	18,627.57	44,047.96					62,675.53	43,623.71	-		-	(24,365.11)
General Plant	39908	1080	237,591.12	450,323.30					687,914.42	346,453.75	-		-	(934,825.86)
General Plant	39924	1080	240,216.05	160,144.04					400,360.09	-	-		-	-
Storage Plant	35020	1110	4,425.45	39.49				3.59	4,468.53	43.08				-
General Plant	39009	1110	648,125.06	94,712.27				8,571.24	751,408.57	93,506.89				(73,206.48)
General Plant	39902	1110	0.00	87,962.07				12,566.00	100,528.07	117,147.90				(302,797.95)
General Plant	39924	1110	0.00	280,252.07				40,036.06	320,288.13	360,324.09				(1,080,972.31)
Total Book			98,313,637.78	9,703,380.73	(1,716,211.15)	70,795.00	(962,999.96)	61,176.89	105,469,779.29	9,428,827.36	(2,099,711.88)	0.00	(710,555.28)	(3,282,101.53)
Deferred Tax Asset/(Liability) - Activity						26,902	(365,940)					-	(270,011)	
			98,313,637.78	9,703,380.73	(1,716,211.15)	70,795.00	(962,999.96)	61,176.89	105,469,779.29	9,428,827.36	(2,099,711.88)	0.00	(710,555.28)	(3,282,101.53)

NOTES:

1. Cost of removal and salvage claimed as taxable income or expense on the federal tax returns is the same amount as that charged to the depreciation reserve for book purposes. Included above are the amounts of salvage and cost of removal charged to the book depreciation reserve. Those same amounts were recognized as taxable income (salvage) or taxable expense (cost of removal).
2. A positive number on the deferred tax activity line above represents a deferred tax benefit and asset recorded for salvage proceeds recognized as taxable income. A negative number on the deferred tax activity line above represents a deferred tax expense and liability recorded for cost of removal expenditures recognized as a taxable expense.
3. Deferred taxes associated with cost of removal and salvage are not tracked as separate deferred items, rather they are tracked as part of the overall plant related deferred tax assets or liabilities. Each year the deferred activity related to cost of removal and salvage is closed to the overall plant related deferred tax assets and liabilities. As a result, beginning and ending balances for these deferred items are not kept.
4. A positive number on deferred tax activity line is an increase to rate base. A negative number is a decrease to rate base.

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Note: The book amounts ar...

Gas Plant Accounts	Ferc	Acct	2001 Reserve	2002 Provision	2002 Retirements	2002 Salvage	2002 Cost of Removal	2002 Transfers/Adj.	2002 Reserve	2003 Provision	2003 Retirements	2003 Salvage	2003 Cost of Removal	2003 Transfers/Adj.
Intangible Plant	30100	1080	8,894.86	-	-		-	-	8,894.86	(565.14)	-		-	
Intangible Plant	30200	1080	127,983.36	-	-		-	-	127,983.36	(8,130.67)	-		-	
Production Plant	32520	1080	0.00	-	-		-	-	0.00	-	-		-	
Production Plant	32540	1080	0.00	-	-		-	-	0.00	(3.32)	-		-	
Production Plant	33100	1080	3,501.69	-	-		-	-	3,501.69	(9.22)	-		-	
Production Plant	33201	1080	47,193.49	-	-		-	-	47,193.49	(30.82)	-		-	
Production Plant	33202	1080	528,565.58	-	-		-	-	528,565.58	(1,144.86)	-		-	
Production Plant	33400	1080	197,908.45	2,801.70	-		-	-	200,710.15	(2,241.34)	-		-	
Production Plant	33600	1080	0.00	-	-		-	-	0.00	-	-		-	
Storage Plant	35010	1080	0.00	-	-		-	-	0.00	-	-		-	
Storage Plant	35020	1080		-						-				
Storage Plant	35100	1080	897.35	199.80	-		-	-	1,097.15	166.50	-		-	
Storage Plant	35102	1080	101,220.48	3,085.35	-		-	-	104,305.83	2,567.74	-		-	
Storage Plant	35103	1080	24,529.34	446.52	-		-	-	24,975.86	(1,911.90)	-		-	
Storage Plant	35104	1080	117,401.01	2,789.88	-		-	-	120,190.89	2,324.90	-		-	
Storage Plant	35200	1080	27,412.24	1,701.92	-		-	-	29,114.16	1,411.56	-		-	
Storage Plant	35201	1080	1,451,669.78	57,276.60	-		-	-	1,508,946.38	67,690.81	-		-	
Storage Plant	35202	1080	542,722.73	14,415.96	-		-	-	557,138.69	(27,587.47)	-		-	
Storage Plant	35203	1080	7,202.89	5,084.44	-		-	-	12,287.33	4,237.06	-		-	
Storage Plant	35210	1080	184,245.25	535.56	-		-	-	184,780.81	(6,339.98)	-		-	
Storage Plant	35211	1080	46,318.84	999.48	-		-	-	47,318.32	832.90	-		-	
Storage Plant	35301	1080	183,904.91	2,409.72	-		-	-	186,314.63	(8,215.75)	-		-	
Storage Plant	35302	1080	220,818.77	2,827.68	-		-	-	223,646.45	(14,659.52)	-		-	
Storage Plant	35400	1080	435,356.37	8,050.69	-		-	-	443,407.06	6,876.26	-		-	
Storage Plant	35500	1080	257,313.67	5,950.32	-		-	-	263,263.99	4,958.60	-		-	
Storage Plant	35600	1080	247,502.13	3,160.56	-		-	-	250,662.69	(8,070.77)	-		-	
Transmission Plant	36510	1080	0.00	9.55	-		-	-	9.55	6.39	-		-	
Transmission Plant	36520	1080	298,035.01	5,646.95	-		-	-	303,681.96	5,945.00	-		-	
Transmission Plant	36602	1080	5,558.70	205.68	-		-	-	5,764.38	171.40	-		-	
Transmission Plant	36603	1080	55,877.78	961.44	-		-	-	56,839.22	801.20	-		-	
Transmission Plant	36700	1080	239,828.90	4,646.88	-		-	-	244,475.78	4,115.95	-		-	
Transmission Plant	36701	1080	13,974,008.66	255,042.49	(2,749.78)		-	-	14,226,301.37	285,807.48	-		-	
Transmission Plant	36900	1080	20,441.03	4,208.40	-		-	-	24,649.43	3,531.20	-		-	
Transmission Plant	36901	1080	1,602,894.83	63,073.20	-		-	-	1,665,968.03	52,561.00	-		-	
Distribution Plant	37400	1080	0.00	-	-		-	-	0.00	14,102.03	-		-	
Distribution Plant	37401	1080	0.00	-	-		-	-	0.00	-	-		-	
Distribution Plant	37402	1080	13,254.36	753.84	-		-	-	14,008.20	780.64	-		-	
Distribution Plant	37403	1080	0.00	-	-		-	-	0.00	-	-		-	
Distribution Plant	37500	1080	816.23	3,953.87	-		-	-	4,770.10	3,713.96	-		-	
Distribution Plant	37501	1080	69,178.76	2,061.12	-		-	-	71,239.88	1,717.60	-		-	
Distribution Plant	37502	1080	33,219.91	908.52	-		-	-	34,128.43	757.10	-		-	
Distribution Plant	37503	1080	(201.29)	78.12	-		-	-	(123.17)	65.10	-		-	
Distribution Plant	37600	1080	1,089,616.37	75,576.73	-		-	-	1,165,193.10	114,800.68	(119.71)		-	
Distribution Plant	37601	1080	31,860,415.86	1,404,090.96	(42,058.27)		(7,961.96)	(5,320.08)	33,209,166.51	1,221,157.05	(35,048.28)		(16,093.63)	
Distribution Plant	37602	1080	4,992,598.80	415,450.22	(70,312.03)		(12,453.72)	(121.62)	5,325,161.65	1,276,189.55	(76,936.46)		(26,108.20)	
Distribution Plant	37800	1080	1,110,447.45	55,402.38	-		-	-	1,165,849.83	48,575.37	-		-	
Distribution Plant	37900	1080	6,464.74	13,377.01	-		-	-	19,841.75	18,248.26	-		-	
Distribution Plant	37903	1080	0.00	-	-		-	-	0.00	-	-		-	
Distribution Plant	37905	1080	993,869.66	42,058.44	-		-	-	1,035,928.10	35,048.70	-		-	
Distribution Plant	38000	1080	20,837,986.26	3,400,468.93	(353,919.70)		(282,497.71)	-	23,602,037.78	3,200,502.39	(573,780.55)		(600,977.48)	
Distribution Plant	38100	1080	8,152,853.20	676,456.06	-		-	-	8,829,309.26	449,202.68	(9,244,465.97)		-	
Distribution Plant	38200	1080	5,986,877.38	580,626.24	(250,857.79)		(1,139,461.86)	-	5,177,183.97	596,390.45	(312,393.01)		(536,125.18)	
Distribution Plant	38300	1080	1,934,539.79	122,983.67	-		-	-	2,057,523.46	103,769.44	(68.19)		-	
Distribution Plant	38400	1080	71,694.64	5,199.12	-		-	-	76,893.76	4,332.60	-		-	
Distribution Plant	38500	1080	1,490,195.61	96,061.76	-		-	-	1,586,257.37	84,442.21	-		-	
Distribution Plant	38600	1080	1,691.74	170.76	-		-	-	1,862.50	142.30	-		-	
General Plant	38900	1080	0.00	-	-		-	-	0.00	14,229.72	-		-	
General Plant	39002	1080	78,347.80	3,861.61	-		-	-	82,209.41	3,217.99	-		-	
General Plant	39003	1080	12,455.08	11,763.50	-		-	-	24,218.58	11,538.40	-		-	
General Plant	39004	1080	3,663.74	378.14	-		-	-	4,041.88	315.12	-		-	
General Plant	39009	1080		-						-				
General Plant	39100	1080	690,373.77	109,100.39	(68.75)		-	-	799,405.41	94,947.02	-		-	
General Plant	39103	1080	76,353.15	13,833.56	(94,922.59)		-	-	(4,735.88)	8,197.47	(15,379.92)		-	
General Plant	39200	1080	2,211,906.82	343,954.09	(216,646.15)		35,291.80	-	2,374,506.56	229,826.50	(2,730,409.21)		98,068.04	
General Plant	39201	1080	130,922.18	-	-		-	-	130,922.18	-	(36,388.59)		1,600.00	
General Plant	39202	1080	108,845.63	10,410.60	-		-	14,642.66	133,898.89	7,972.75	(1,871.32)		-	
General Plant	39400	1080	1,717,109.82	95,993.04	(764,650.58)		-	(14,642.66)	1,033,809.62	68,289.35	(61,407.64)		-	
General Plant	39603	1080	345,597.74	35,804.08	(96,930.48)		12,771.35	-	297,242.69	20,599.85	(302,478.26)		-	

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Note: The book amounts ar

Gas Plant Accounts	Ferc	Acct	2001 Reserve	2002 Provision	2002 Retirements	2002 Salvage	2002 Cost of Removal	2002 Transfers/Adj.	2002 Reserve	2003 Provision	2003 Retirements	2003 Salvage	2003 Cost of Removal	2003 Transfers/Adj.
General Plant	39604	1080	271,405.83	20,076.77	(177,921.11)		9,000.00	-	122,561.49	13,849.68	(30,987.12)		-	
General Plant	39605	1080	51,926.19	3,486.06	(4,028.32)		708.00	-	52,091.93	2,435.57	(24,311.93)		-	
General Plant	39700	1080	707,278.63	42,890.88	-		-	-	750,169.51	37,558.54	-		-	
General Plant	39701	1080	28,302.35	2,419.76	(23,158.48)		-	-	7,563.63	1,513.70	-		-	
General Plant	39702	1080	3,901.07	6,954.82	(7,414.15)		-	-	3,441.74	1,924.19	(4,940.63)		-	
General Plant	39705	1080	20,560.57	10,939.55	(7,567.24)		-	-	23,932.88	13,468.61	-		-	
General Plant	39800	1080	39,101.55	50,583.77	-		-	(18.19)	89,667.13	106,428.42	-		-	
General Plant	39901	1080	62,872.42	25,148.97	-		-	-	88,021.39	20,957.47	-		-	
General Plant	39902	1080	142,672.55	-	-		-	(142,672.55)	0.00	5,471.70	-		-	
General Plant	39903	1080	147,138.47	65,660.38	-		-	-	212,798.85	49,245.28	-		-	
General Plant	39906	1080	1,478,199.98	470,685.95	(190,622.96)		-	372.26	1,758,635.23	512,705.37	(158,354.49)		2,787.99	
General Plant	39907	1080	81,934.13	41,152.39	-		-	0.01	123,086.53	29,375.35	(54,807.44)		-	
General Plant	39908	1080	99,542.31	34,845.13	-		-	-	134,387.44	29,037.63	-		-	
General Plant	39924	1080	400,360.09	-	-		-	(400,360.09)	0.00	-	-		-	
Storage Plant	35020	1110	4,511.61	43.08					4,554.69	35.90				
General Plant	39009	1110	771,708.98	66,783.07					838,492.05	67,883.97				
General Plant	39902	1110	(85,121.98)	16,215.24				148,114.25	79,207.51	13,512.70				
General Plant	39924	1110	(400,360.09)	-				400,360.09	0.00	-				
Total Book			108,806,237.96	8,824,193.35	(2,303,828.38)	0.00	(1,384,604.10)	354.08	113,942,352.91	8,903,569.55	(13,664,148.72)	0.00	(1,076,848.46)	0.00
Deferred Tax Asset/(Liability) - Activ							(526,150)						(409,202)	
			108,806,237.96	8,824,193.35	(2,303,828.38)	0.00	(1,384,604.10)	354.08	113,942,352.91	8,903,569.55	(13,664,148.72)	0.00	(1,076,848.46)	0.00

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Note: The book amounts ar...

Gas Plant Accounts	Ferc	Acct	2003 Reserve	2004 Provision	2004 Retirements	2004 Salvage	2004 Cost of Removal	2004 Transfers/Adj.	2004 Reserve	2005 Provision	2005 Retirements	2005 Salvage	2005 Cost of Removal	2005 Transfers/Adj.
Intangible Plant	30100	1080	8,329.72	0.00	-		-	-	8,329.72	-	-	-	-	
Intangible Plant	30200	1080	119,852.69	-	-		-	-	119,852.69	-	-	-	-	
Production Plant	32520	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Production Plant	32540	1080	(3.32)	3.32	-		-	-	0.00	-	-	-	-	
Production Plant	33100	1080	3,492.47	0.00	-		-	-	3,492.47	-	-	-	-	
Production Plant	33201	1080	47,162.67	(0.00)	-		-	-	47,162.67	-	-	-	-	
Production Plant	33202	1080	527,420.72	633.86	-		-	-	528,054.58	1,901.58	-	-	-	
Production Plant	33400	1080	198,468.81	-	-		-	-	198,468.81	-	-	-	-	
Production Plant	33600	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Storage Plant	35010	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Storage Plant	35020	1080		-						43.08	-	-	-	
Storage Plant	35100	1080	1,263.65	199.80	-		-	-	1,463.45	117.99	-	-	-	
Storage Plant	35102	1080	106,873.57	3,084.36	-		-	-	109,957.93	3,023.16	-	-	-	
Storage Plant	35103	1080	23,063.96	37.21	-		-	-	23,101.17	437.67	-	-	-	
Storage Plant	35104	1080	122,515.79	2,789.88	-		-	-	125,305.67	2,734.53	-	-	-	
Storage Plant	35200	1080	30,525.72	1,702.32	-		-	-	32,228.04	1,702.32	-	-	-	
Storage Plant	35201	1080	1,576,637.19	57,276.60	-		-	-	1,633,913.79	49,321.50	-	-	-	
Storage Plant	35202	1080	529,551.22	1,201.33	-		-	-	530,752.55	12,413.76	-	-	-	
Storage Plant	35203	1080	16,524.39	5,084.44	-		-	-	21,608.83	1,694.76	-	-	-	
Storage Plant	35210	1080	178,440.83	44.63	-		-	-	178,485.46	133.89	-	-	-	
Storage Plant	35211	1080	48,151.22	999.48	-		-	-	49,150.70	999.48	-	-	-	
Storage Plant	35301	1080	178,098.88	200.81	-		-	-	178,299.69	2,361.92	-	-	-	
Storage Plant	35302	1080	208,986.93	235.64	-		-	-	209,222.57	2,771.58	-	-	-	
Storage Plant	35400	1080	450,283.32	8,256.36	-		-	-	458,539.68	7,943.56	-	-	-	
Storage Plant	35500	1080	268,222.59	5,950.32	-		-	-	274,172.91	5,950.32	-	-	-	
Storage Plant	35600	1080	242,591.92	263.38	-		-	-	242,855.30	790.14	-	-	-	
Transmission Plant	36510	1080	15.94	-	-		-	-	15.94	-	-	-	-	
Transmission Plant	36520	1080	309,626.96	7,228.56	-		-	-	316,855.52	7,228.56	-	-	-	
Transmission Plant	36602	1080	5,935.78	1,632.08	-		-	-	7,567.86	2,965.18	-	-	-	
Transmission Plant	36603	1080	57,640.42	961.44	-		-	-	58,601.86	961.44	-	-	-	
Transmission Plant	36700	1080	248,591.73	5,145.96	-		-	-	253,737.69	5,035.20	(3,197.03)	-	-	
Transmission Plant	36701	1080	14,512,108.85	272,179.48	-		-	-	14,784,288.33	268,166.63	(19,321.61)	-	(28,499.08)	
Transmission Plant	36900	1080	28,180.63	4,237.44	-		-	-	32,418.07	4,237.44	-	-	-	
Transmission Plant	36901	1080	1,718,529.03	63,073.20	-		-	-	1,781,602.23	63,073.20	-	-	-	
Distribution Plant	37400	1080	14,102.03	34,069.52	-		-	-	48,171.55	8,973.02	-	-	-	
Distribution Plant	37401	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Distribution Plant	37402	1080	14,788.84	1,773.21	-		-	-	16,562.05	2,439.67	-	-	-	
Distribution Plant	37403	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Distribution Plant	37500	1080	8,484.06	5,195.34	-		-	-	13,679.40	5,989.89	-	-	-	
Distribution Plant	37501	1080	72,957.48	2,061.12	-		-	-	75,018.60	2,061.12	-	-	-	
Distribution Plant	37502	1080	34,885.53	908.52	-		-	-	35,794.05	908.52	-	-	-	
Distribution Plant	37503	1080	(58.07)	78.12	-		-	-	20.05	78.12	-	-	-	
Distribution Plant	37600	1080	1,279,874.07	163,134.23	(742.42)		-	-	1,442,265.88	215,113.13	(80,822.36)	-	-	
Distribution Plant	37601	1080	34,379,181.65	1,478,479.50	(44,721.99)		(29,573.22)	-	35,783,365.94	1,469,134.66	(182,497.56)	-	(22,917.68)	
Distribution Plant	37602	1080	6,498,306.54	501,472.84	(18,131.37)		(21,157.66)	-	6,960,490.35	546,120.93	(42,262.26)	-	(9,177.59)	1,346.52
Distribution Plant	37800	1080	1,214,425.20	61,109.78	-		-	-	1,275,534.98	63,593.66	-	-	-	
Distribution Plant	37900	1080	38,090.01	27,360.03	-		-	-	65,450.04	29,984.22	-	-	-	
Distribution Plant	37903	1080	0.00	-	-		-	-	0.00	-	-	-	-	
Distribution Plant	37905	1080	1,070,976.80	42,054.57	(301.84)		-	-	1,112,729.53	42,050.64	-	-	-	
Distribution Plant	38000	1080	25,627,782.14	4,150,757.84	(127,031.70)	175.00	(478,860.16)	-	29,172,823.12	4,578,131.48	(540,726.30)	-	(257,365.70)	
Distribution Plant	38100	1080	34,045.97	443,556.39	-		-	-	477,602.36	458,445.80	-	-	-	
Distribution Plant	38200	1080	4,925,056.23	825,960.51	(203,956.05)		(521,798.10)	-	5,025,262.59	950,096.97	(110,559.71)	-	(157,057.38)	1,835.10
Distribution Plant	38300	1080	2,161,224.71	128,619.93	-		-	-	2,289,844.64	134,776.89	(4,054.37)	-	-	
Distribution Plant	38400	1080	81,226.36	5,199.12	-		-	-	86,425.48	5,199.12	-	-	-	
Distribution Plant	38500	1080	1,670,699.58	110,417.35	-		-	-	1,781,116.93	117,456.69	-	-	-	
Distribution Plant	38600	1080	2,004.80	170.76	-		-	-	2,175.56	170.76	-	-	-	
General Plant	38900	1080	14,229.72	14,229.72	-		-	-	28,459.44	-	-	-	-	
General Plant	39002	1080	85,427.40	3,861.61	-		-	-	89,289.01	3,738.94	-	-	-	
General Plant	39003	1080	35,754.98	16,271.65	-		-	-	52,026.63	15,893.09	-	-	-	
General Plant	39004	1080	4,357.00	292.62	-		-	-	4,649.62	200.56	-	-	-	
General Plant	39009	1080		-						59,409.59	-	-	-	
General Plant	39100	1080	894,352.43	132,089.83	-		-	(184,352.50)	842,089.76	153,821.42	-	-	-	
General Plant	39103	1080	(11,918.33)	8,436.65	(37,460.89)		-	-	(40,942.57)	6,762.24	-	-	-	
General Plant	39200	1080	(28,008.11)	94,000.06	(470,473.81)	18,497.60	437.37	-	(385,546.89)	60,962.10	(383,696.41)	66,444.78	(4,652.03)	
General Plant	39201	1080	96,133.59	-	(34,663.45)	1,660.00	-	-	63,130.14	-	(14,797.40)	-	(47.25)	
General Plant	39202	1080	140,000.32	7,236.37	(7,061.99)	687.20	(8.65)	-	140,853.25	6,397.44	(10,563.31)	574.55	5.85	
General Plant	39400	1080	1,040,691.33	75,702.96	(517,271.48)		-	-	599,122.81	70,049.90	(43,563.29)	200.00	(5.69)	
General Plant	39603	1080	15,364.28	14,057.61	(100,915.07)		-	-	(71,493.18)	9,011.53	(42,281.28)	12,288.10	42.32	

Atmos Energy Corpc
Kentucky Reserve I .rd
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Note: The book amounts ar

Gas Plant Accounts	Ferc	Acct	2003 Reserve	2004 Provision	2004 Retirements	2004 Salvage	2004 Cost of Removal	2004 Transfers/Adj.	2004 Reserve	2005 Provision	2005 Retirements	2005 Salvage	2005 Cost of Removal	2005 Transfers/Adj.
General Plant	39604	1080	105,424.05	11,780.22	(93,111.84)		-	-	24,092.43	7,796.40	-	-	-	
General Plant	39605	1080	30,215.57	2,064.26	(10,022.89)		-	-	22,256.94	1,321.70	-	160.00	(4.56)	
General Plant	39700	1080	787,728.05	52,040.71	-		-	(329,510.20)	510,258.56	58,347.85	-	-	-	
General Plant	39701	1080	9,077.33	1,816.44	-		-	-	10,893.77	1,528.26	(31,526.40)	-	-	
General Plant	39702	1080	425.30	2,206.08	-		-	-	2,631.38	2,203.76	(910.00)	-	-	
General Plant	39705	1080	37,401.49	16,267.44	-		-	-	53,668.93	16,267.44	-	-	-	
General Plant	39800	1080	196,095.55	182,219.31	-		-	-	378,314.86	221,555.62	-	-	-	
General Plant	39901	1080	108,978.86	25,148.97	-		-	-	134,127.83	25,149.00	-	-	-	
General Plant	39902	1080	5,471.70	-	-		-	-	5,471.70	4,053.81	-	-	-	
General Plant	39903	1080	262,044.13	69,507.82	-		-	-	331,551.95	73,105.86	-	-	-	
General Plant	39906	1080	2,115,774.10	228,609.35	(176,847.99)		-	-	2,167,535.46	397,040.48	-	-	-	
General Plant	39907	1080	97,654.44	28,858.64	-		-	-	126,513.08	32,607.35	-	-	-	
General Plant	39908	1080	163,425.07	64,260.69	-		-	-	227,685.76	72,304.03	-	-	-	
General Plant	39924	1080	0.00	-	-		-	-	0.00					
Storage Plant	35020	1110	4,590.59	43.08					4,633.67					
General Plant	39009	1110	906,376.02	64,836.26					971,212.28					
General Plant	39902	1110	92,720.21	16,215.24					108,935.45					
General Plant	39924	1110	0.00	-					0.00					
Total Book			108,104,925.28	9,556,854.17	(1,842,714.78)	21,019.80	(1,050,960.42)	(513,862.70)	114,275,261.35	10,376,262.55	(1,510,779.29)	79,667.43	(479,678.79)	3,181.62
Deferred Tax Asset/(Liability) - Activ						7,988	(399,365)					30,274	(182,278)	
			108,104,925.28	9,556,854.17	(1,842,714.78)	19,359.80	(1,049,300.42)	(513,862.70)	114,275,261.35	10,376,262.55	(1,510,779.29)	79,667.43	(479,678.79)	3,181.62

Atmos Energy Corpo
Kentucky Reserve F rd
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Note: The book amounts ar

Gas Plant Accounts	Ferc	Acct	2005 Trsfr frm Acct 1110 to 1080	2005 Reserve	2006 Provision	2006 Retirements	2006 Salvage	2006 Cost of Removal	2006 Transfers/Adj.	2006 Reserve
Intangible Plant	30100	1080		8,329.72	0	-	0	-		8,329.72
Intangible Plant	30200	1080		119,852.69	0	-	0	-		119,852.69
Production Plant	32520	1080		0.00	0	-	0	-		0.00
Production Plant	32540	1080		0.00	0	-	0	-		0.00
Production Plant	33100	1080		3,492.47	0	-	0	-		3,492.47
Production Plant	33201	1080		47,162.67	0	-	0	-		47,162.67
Production Plant	33202	1080		529,956.16	0	-	0	-		529,956.16
Production Plant	33400	1080		198,468.81	0	-	0	-		198,468.81
Production Plant	33600	1080		0.00	0	-	0	-		0.00
Storage Plant	35010	1080		0.00	0	-	0	-		0.00
Storage Plant	35020	1080	4,633.67	4,676.75	4.83	-	0	-		4,681.58
Storage Plant	35100	1080		1,581.44	90.72	-	0	-		1,672.16
Storage Plant	35102	1080		112,981.09	3084.36	-	0	-		116,065.45
Storage Plant	35103	1080		23,538.84	446.52	-	0	-		23,985.36
Storage Plant	35104	1080		128,040.20	2789.88	-	0	-		130,830.08
Storage Plant	35200	1080		33,930.36	1702.32	-	0	-		35,632.68
Storage Plant	35201	1080		1,683,235.29	57276.6	-	0	-		1,740,511.89
Storage Plant	35202	1080		543,166.31	14415.96	-	0	-		557,582.27
Storage Plant	35203	1080		23,303.59	-23303.59	-	0	-		(0.00)
Storage Plant	35210	1080		178,619.35	0	-	0	-		178,619.35
Storage Plant	35211	1080		50,150.18	999.48	-	0	-		51,149.66
Storage Plant	35301	1080		180,661.61	2409.72	-	0	-		183,071.33
Storage Plant	35302	1080		211,994.15	2827.68	-	0	-		214,821.83
Storage Plant	35400	1080		466,483.24	8256.36	-	0	-		474,739.60
Storage Plant	35500	1080		280,123.23	5950.32	-	0	-		286,073.55
Storage Plant	35600	1080		243,645.44	0	-	0	-		243,645.44
Transmission Plant	36510	1080		15.94	0	-	0	-		15.94
Transmission Plant	36520	1080		324,084.08	7344.47	-	0	-		331,428.55
Transmission Plant	36602	1080		10,533.04	2975.52	-	0	-		13,508.56
Transmission Plant	36603	1080		59,563.30	961.44	-	0	-		60,524.74
Transmission Plant	36700	1080		255,575.86	5143.27	-	0	-		260,719.13
Transmission Plant	36701	1080		15,004,634.27	274821.16	(2,765.11)	0	(5,223.87)		15,271,466.45
Transmission Plant	36900	1080		36,655.51	4237.44	-	0	-		40,892.95
Transmission Plant	36901	1080		1,844,675.43	63073.2	-	0	-		1,907,748.63
Distribution Plant	37400	1080		57,144.57	0	-	0	-		57,144.57
Distribution Plant	37401	1080		0.00	0	-	0	-		0.00
Distribution Plant	37402	1080		19,001.72	3276.18	-	0	-		22,277.90
Distribution Plant	37403	1080		0.00	0	-	0	-		0.00
Distribution Plant	37500	1080		19,669.29	6084.6	-	0	-		25,753.89
Distribution Plant	37501	1080		77,079.72	2061.12	-	0	-		79,140.84
Distribution Plant	37502	1080		36,702.57	908.52	-	0	-		37,611.09
Distribution Plant	37503	1080		98.17	78.12	-	0	-		176.29
Distribution Plant	37600	1080		1,576,556.65	230366.59	40,282.85	0	(8,347.43)		1,838,858.66
Distribution Plant	37601	1080		37,047,085.36	1515393.34	(244,942.41)	0	(351,638.67)	359,732.97	38,325,630.59
Distribution Plant	37602	1080		7,456,517.95	594147.83	(49,623.79)	0	(120,053.43)		7,880,988.56
Distribution Plant	37800	1080		1,339,128.64	69182.66	(12,626.52)	0	(7,595.24)	2,502.85	1,390,592.39
Distribution Plant	37900	1080		95,434.26	31426.13	-	0	-		126,860.39
Distribution Plant	37903	1080		0.00	0	-	0	-		0.00
Distribution Plant	37905	1080		1,154,780.17	42050.64	-	0	-		1,196,830.81
Distribution Plant	38000	1080		32,952,862.60	4922048.3	(1,319,885.85)	0	(760,811.91)		35,794,213.14
Distribution Plant	38100	1080		936,048.16	461811.71	-	0	-	(359,732.97)	1,038,126.90
Distribution Plant	38200	1080		5,709,577.57	1043738.5	(527,452.65)	0	(943,844.31)		5,282,019.11
Distribution Plant	38300	1080		2,420,567.16	140357.2	-	0	-		2,560,924.36
Distribution Plant	38400	1080		91,624.60	5199.12	-	0	-		96,823.72
Distribution Plant	38500	1080		1,898,573.62	123184.12	-	0	-		2,021,757.74
Distribution Plant	38600	1080		2,346.32	156.53	-	0	-	(2,502.85)	0.00
General Plant	38900	1080		28,459.44	0	-	0	-		28,459.44
General Plant	39002	1080		93,027.95	3967.73	-	0	-		96,995.68
General Plant	39003	1080		67,919.72	16349.39	-	0	-		84,269.11
General Plant	39004	1080		4,850.18	231.3	-	0	-		5,081.48
General Plant	39009	1080	971,212.28	1,030,621.87	67311.68	-	0	-		1,097,933.55
General Plant	39100	1080		995,911.18	137728.06	(548,104.13)	0	-	-	585,535.11
General Plant	39103	1080		(34,180.33)	6733.84	(806.28)	0	-	-	(28,252.77)
General Plant	39200	1080		(646,488.45)	49396.64	(82,381.07)	0	-		(679,472.88)
General Plant	39201	1080		48,285.49	0	(21,372.22)	0	-		26,913.27
General Plant	39202	1080		137,267.78	9205.51	(27,841.74)	0	-		118,631.55
General Plant	39400	1080		625,803.73	60140.97	(578,945.54)	0	-		106,999.16
General Plant	39603	1080		(92,432.51)	7550.17	(62,479.06)	0	-		(147,361.40)

Atmos Energy Corpor
Kentucky Reserve F rd
AG DR 2-49 (Revisio. ;hedule /

Note: The book amounts ar

Gas Plant Accounts	Ferc	Acct	2005 Trsfr frm Acct 1110 to 1080	2005 Reserve	2006 Provision	2006 Retirements	2006 Salvage	2006 Cost of Removal	2006 Transfers/Adj.	2006 Reserve
General Plant	39604	1080		31,888.83	7894.73	(28,350.00)	0	-		11,433.56
General Plant	39605	1080		23,734.08	1300.56	(25,466.74)	0	-		(432.10)
General Plant	39700	1080		568,606.41	59451	-	0	-	-	628,057.41
General Plant	39701	1080		(19,104.37)	173.88	-	0	-	-	(18,930.49)
General Plant	39702	1080		3,925.14	2158.68	-	0	-	-	6,083.82
General Plant	39705	1080		69,936.37	16267.44	-	0	-	-	86,203.81
General Plant	39800	1080		599,870.48	255555.18	-	0	-	-	855,425.66
General Plant	39901	1080		159,276.83	16713.26	-	0	-	-	175,990.09
General Plant	39902	1080	108,935.45	118,460.96	0	-	0	-	-	118,460.96
General Plant	39903	1080		404,657.81	73133.52	-	0	-	-	477,791.33
General Plant	39906	1080		2,564,575.94	249133.09	-	0	-	-	2,813,709.03
General Plant	39907	1080		159,120.43	38512.08	-	0	-	-	197,632.51
General Plant	39908	1080		299,989.79	65281.68	-	0	-	-	365,271.47
General Plant	39924	1080	-	0.00						0.00
Storage Plant	35020	1110	(4,633.67)	0.00						
General Plant	39009	1110	(971,212.28)	0.00						
General Plant	39902	1110	(108,935.45)	0.00						
General Plant	39924	1110	-	0.00						
Total Book			0.00	122,743,914.87	10,771,169.26	(3,492,760.26)	0.00	(2,197,514.86)	(0.00)	127,824,809.01
Deferred Tax Asset/(Liability) - Activ							-	(835,056)		
			0.00	122,743,914.87	10,771,169.26	(3,492,760.26)	0.00	(2,197,514.86)	(0.00)	127,824,809.01

Atmos Energy Corporati
Shared Services Reser ɔrward
AG DR 2-49 (Revision to .ɔdule AG DR1-109)

Note: The book amounts are also a revision to AG DR1-106

Account	1999 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	1,728,714	444,915	(270,911)			
391.00	1,614,667	184,779				
391.02	105,221	8,389	(40,836)	4,700		
391.03	1,004,596	25,295				
392.00	36,116	1,566				
393.00	6,498	606				
394.00	35,413	3,304				
395.00	-	5,715				
397.00	700,349	72,223				
398.00	195,253	33,289				
399.00	5,042	9,493				
399.01	-	41,394				
399.02	-	10,334				
399.03	-	1,718				
399.04	1,006,842	88,623				
399.05	647,214	184,105	(7,417)	4,974		
399.06	2,640,579	757,513	(2,832)	2,955		
399.07	892,943	90,393				
399.08	10,974,541	4,250,265	(8,032,596)			
399.09	2,539,906	247,615				
399.24	-					
Total Div. 002	24,133,893	6,461,534	(8,354,592)	12,628	-	-
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	24,133,893	6,461,534	(8,354,592)	12,628	-	-
Deferred Tax Asset/(Liability) - Activity				4,799		

NOTES:
1. Cost of removal and salvage claimed as taxable income or expense on the federal tax ret book purposes. Included above are the amounts of salvage and cost of removal charged to t as taxable income (salvage) or taxable expense (cost of removal).
2. A positive number on the deferred tax activity line above represents a deferred tax benefit A negative number on the deferred tax activity line above represents a deferred tax expense
3. Deferred taxes associated with cost of removal and salvage are not tracked as separate assets or liabilities. Each year the deferred activity related to cost of removal and salvage is beginning and ending balances for these deferred items are not kept.
4. A positive number on deferred tax activity line is an increase to rate base. A negative nur

Note: The book

Account	2000 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	1,902,719	508,762				577,000
391.00	1,799,446	253,187				766,790
391.02	77,474	5,562				
391.03	1,029,891	25,415				
392.00	37,682	152	(18,796)	7,393		
393.00	7,105	1,230				
394.00	38,717	2,203				
395.00	5,715					(5,715)
397.00	772,572	185,998				1,045,061
398.00	228,542	32,559				5,715
399.00	14,535	11,857				
399.01	41,394	314,133				1,838,859
399.02	10,334	214,943				1,626,717
399.03	1,718	10,836				43,771
399.04	1,095,465					
399.05	828,875	183,041	(4,505)			
399.06	3,398,214	934,714				1,499,294
399.07	983,336	83,048				97,224
399.08	7,192,209	5,334,368				8,486,589
399.09	2,787,521	244,757	(1,576,780)			
399.24	-	482,564				4,476,384
Total Div. 002	22,253,464	8,829,328	(1,600,081)	7,393	-	20,457,690
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	22,253,464	8,829,328	(1,600,081)	7,393	-	20,457,690
Deferred Tax Asset/(				2,809		

turns is the same amount as that charged to the depreciation reserve for
the book depreciation reserve. Those same amounts were recognized

it and asset recorded for salvage proceeds recognized as taxable income.
and liability recorded for cost of removal expenditures recognized as a taxable expense.
deferred items, rather they are tracked as part of the overall plant related deferred tax
closed to the overall plant related deferred tax assets and liabilities. As a result,

mber is a decrease to rate base.

Atmos Energy Corpoı
Shared Services Res
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Note: The book

Account	2001 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	2,988,481	729,687				
391.00	2,819,424	463,782				
391.02	83,036					
391.03	1,055,306	25,552				
392.00	26,430					
393.00	8,335					
394.00	40,920					
395.00	-					
397.00	2,003,631	582,793				
398.00	266,816	35,519				
399.00	26,392	71,762				
399.01	2,194,386	1,075,479				
399.02	1,851,993	845,185				
399.03	56,325	31,351				
399.04	1,095,465					
399.05	1,007,411	153,830				
399.06	5,832,222	1,479,374				(372)
399.07	1,163,608	204,818				34,185
399.08	21,013,167	8,759,328				
399.09	1,455,498	199,564				
399.24	4,958,948	1,930,255				
Total Div. 002	49,947,794	16,588,278	-	-	-	33,813
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	49,947,794	16,588,278	-	-	-	33,813

Deferred Tax Asset/(

Note: The book

Account	2002 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	3,718,167	748,014				
391.00	3,283,206	410,820				
391.02	83,036	(29,671)				
391.03	1,080,858	21,478				
392.00	26,430					
393.00	8,335	(1,597)				
394.00	40,920	(8,704)				
395.00	-					
397.00	2,586,424	753,820				
398.00	302,335	28,817	(56,636)			
399.00	98,154	29,648	(8,144)			
399.01	3,269,865	1,174,216				
399.02	2,697,178	803,413				
399.03	87,675	32,531				
399.04	1,095,465					
399.05	1,161,241					
399.06	7,311,224	1,017,906	(6,189,732)			
399.07	1,402,612	326,385	(861,539)			
399.08	29,772,495	9,902,239	(9,573,067)			
399.09	1,655,062	251,814				
399.24	6,889,203	1,608,546				
Total Div. 002	66,569,886	17,069,674	(16,689,117)	-	-	-
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	66,569,886	17,069,674	(16,689,117)	-	-	-

Deferred Tax Asset/(

Atmos Energy Corpo
Shared Services Res
AG DR 2-49 (Revisio

Note: The book

Account	2003 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	4,466,181	688,867				
391.00	3,694,026	482,163				2,196,132
391.02	53,365					
391.03	1,102,336	24,351				
392.00	26,430					
393.00	6,738					
394.00	32,216	242				
395.00	-					
397.00	3,340,244	1,090,652	(34,015)	29,716		931,445
398.00	274,516	32,079				
399.00	119,658	33,461				
399.01	4,444,081	1,379,579				
399.02	3,500,591	964,648				
399.03	120,207	73,833				
399.04	1,095,465					
399.05	1,161,241					
399.06	2,139,398	894,771				
399.07	867,457	336,117				
399.08	30,101,667	7,004,873				
399.09	1,906,876	198,691				
399.24	8,497,748	1,823,682				
Total Div. 002	66,950,442	15,028,010	(34,015)	29,716	-	3,127,577
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	66,950,442	15,028,010	(34,015)	29,716	-	3,127,577
Deferred Tax Asset/(				11,292		

Atmos Energy Corpoı
Shared Services Res
AG DR 2-49 (Revisio

Note: The book

Account	2004 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments
Division 002						
390.09	5,155,048	702,369				
391.00	6,372,321	551,000				
391.02	53,365					
391.03	1,126,687	30,256				
392.00	26,430					
393.00	6,738					
394.00	32,458	721				
395.00	-					
397.00	5,358,042	1,302,685				
398.00	306,595	37,579				
399.00	153,119	32,773				
399.01	5,823,660	1,402,093				
399.02	4,465,239	989,368				
399.03	194,040	107,124				
399.04	1,095,465					
399.05	1,161,241					
399.06	3,034,169	1,098,004				
399.07	1,203,574	367,546				
399.08	37,106,540	6,564,441				
399.09	2,105,567	427,274				
399.24	10,321,431	1,905,089				
Total Div. 002	85,101,730	15,518,321	-	-	-	-
Division 012						
390.09	-					
391.00	-					
397.00	-					
398.00	-					
399.00	-					
399.01	-					
399.02	-					
399.03	-					
399.06	-					
399.07	-					
399.08	-					
399.24	-					
Total Div. 012	-	-	-	-	-	-
Total SSU	85,101,730	15,518,321	-	-	-	-

Deferred Tax Asset/(

Atmos Energy Corpoı
Shared Services Res
AG DR 2-49 (Revisio

Note: The book

Account	2005 Reserve	Depr. Expense	Retirements	Salvage	Cost of Removal	Transfers/ Adjustments	2006 Reserve
Division 002							
390.09	5,857,417	663,215				(1,255,668)	5,264,963
391.00	6,923,321	510,624	(1,420,965)			(42,517)	5,970,463
391.02	53,365		(27,985)			5,787	31,167
391.03	1,156,943	4,044	(724,682)			2,854	439,159
392.00	26,430					132	26,562
393.00	6,738	(251)	(6,063)			334	758
394.00	33,179		(25,359)			1,819	9,639
395.00	-						-
397.00	6,660,726	923,846				(6,622,043)	962,529
398.00	344,174	40,605				(2,606)	382,173
399.00	185,892	20,700				(196,858)	9,734
399.01	7,225,753	1,190,911				(6,934,952)	1,481,712
399.02	5,454,606	751,982				(5,642,815)	563,774
399.03	301,165	203,757				(172,992)	331,930
399.04	1,095,465					7,633	1,103,098
399.05	1,161,241					8,083	1,169,324
399.06	4,132,174	1,213,391				(1,233,316)	4,112,249
399.07	1,571,121	394,128				(1,075,769)	889,480
399.08	43,670,981	5,699,086				(31,818,326)	17,551,741
399.09	2,532,841	205,608				(35,644)	2,702,805
399.24	12,226,519	1,143,516				(13,370,035)	0
Total Div. 002	100,620,051	12,965,161	(2,205,054)	-	-	(68,376,898)	43,003,260
Division 012							
390.09	-	100,126				1,142,438	1,242,565
391.00	-	1,196				8,180	9,376
397.00	-	730,568				6,503,118	7,233,686
398.00	-	55				226	281
399.00	-	13,729				191,266	204,995
399.01	-	608,624				6,716,126	7,324,750
399.02	-	431,834				5,472,882	5,904,716
399.03	-	28,836				165,983	194,819
399.06	-	239,569				1,086,958	1,326,527
399.07	-	154,078				1,016,070	1,170,147
399.08	-	2,761,347				30,179,256	32,940,603
399.24	-	830,567				13,139,352	13,969,919
Total Div. 012	-	5,900,529	-	-	-	65,621,854	71,522,383
Total SSU	100,620,051	18,865,690	(2,205,054)	-	-	(2,755,044)	114,525,643

Deferred Tax Asset/(

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 50
Witness: Rad Cook

Data Request:

Please refer to the attachment to the response to AG DR 1-119.

a. Is Task 98000 the retirement and Task 07202 the replacement?

b. Are the labor hours shown in the attachments estimated hours, or actual hours? If estimated, please explain in detail how they are estimated.

Response:

a. Yes.

b. Labor hours shown in the attachment are estimated hours. Labor hours are estimated prior to the commencement of the project. The actual hours are directly coded to the project via timesheets. This project required a two man crew consisting of one Crew Foreman and one Senior Construction Operator ($50 per hour). The estimated time to retire the existing facility was eight hours ($400).

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 51
Witness: Dan Meziere

Data Request:

Refer to the response to part (a) of AG DR 1-135.

a. Please elaborate on this response, describing the circumstances and details of the acquisition.

b. When was the plant acquired?

c. When the plant was acquired, did Atmos book the plant at original cost, or net book value?

d. Did the previous owner depreciate the plant? If so, what parameters were used?

Response:

a. In Case No. 9992 before the Commission, Texas American Energy Corporation (TAEC) requested the consent of the Commission to effect an intra-corporate transfer of its Western Kentucky Gas division utility assets to Western Kentucky Gas Utility Corporation, a Kentucky corporation and wholly-owned subsidiary of TAEC. On August 21, 1987, the Kentucky Commission authorized the transfer and the transaction was completed effective September 21, 1987. Thereafter, on October 22, 1987, Energas Company, a Texas corporation, entered into a stock purchase agreement with TAEC to purchase all of the outstanding stock of Western Kentucky Gas Utility Corporation. The stock purchase was completed effective December 23, 1987, and Western Kentucky Gas Utility Corporation was immediately merged with and into Energas Company, with Energas being the sole survivor. Energas Company is the prior corporate name of Atmos Energy Corporation.

b. See response to (a) above.

c. Plant acquired is booked at original cost.

d. Yes. The company has reviewed its files and finds no depreciation specific parameters used by the previous owner for the production plant class of asset.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 52
Witness: Tom Petersen

Data Request:

Please refer to the response to AG DR 1-136.

a. Part (d) to the response states that Atmos has no cushion gas in 352.3 except in Kentucky. Is the gas physically located in Kentucky? If not, where is it stored?

b. Why is cushion gas not a factor in Atmos's other jurisdictions?

c. If the company has cushion gas that is not subject to Kentucky jurisdiction, is that gas depreciated? If yes, provide the parameters underlying the depreciation rate. If not, explain why not.

d. Provide all available support for the level of cushion gas included in Mr. Roff's study, including any studies or workpapers by engineering and operations personnel (see footnote 10 to Mr. Roff's testimony).

Response:

a. The storage fields that contain the cushion gas in account 352.3 are located in Kentucky.

b. The storage fields outside of Kentucky do not have any investment recorded to account 352.3. The gas storage in Mississippi is all recorded to account 117 and is currently considered to be recoverable; however the company is having an analysis done on this storage which will determine if all of the base gas in 117 is recoverable.

c. Please see the response to part b.

d. The level of cushion gas included in Mr. Roff's study is the amount included in account 352.3 on the company's books. Subsequent interviews with storage field management personnel have determined that all of the cushion gas is necessary for storage operations and that approximately 60 percent of the storage gas is expected to be recoverable at the end of the life of the storage fields. With this information, and consistent with the uniform system of accounts, 60 percent of the gas in account 352.3, which is $1,016,900, should be moved to account 117. Therefore, $677,933 will remain in Account 352.3 to be depreciated at the rate of 2.38%.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 53
Witness: Don Roff

Data Request:

Refer to the response to AG DR 1-145. The Order provided with the response does not include Appendix A; the Settlement Agreement and the Order itself do not address depreciation. Please provide Appendix A and any other part of the Order that addresses depreciation.

Response:

Please see the attached file "AG DR 2-53 ATT.pdf", which is Appendix A – Joint Stipulation and Settlement. The current depreciation rates for Kentucky are based on the 1997 study provided as an attachment to AG DR 1-145. The rates from this study were proposed in case 99-070 and were not at issue in the case. The Company believes that the settlement agreement and subsequent order provided de facto approval of these depreciation rates.

JOHN N. HUGHES
Attorney at Law
Professional Service Corporation
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

Telephone:
(502) 227-7270

Telecopier:
(502) 875-7059

December 3, 1999

Ms. Helen Helton
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, KY 40602

Re: Case No. 99-070

Dear Ms. Helton:

Please file the attached Joint Stipulation and Settlement executed by all parties to this case. Attached to the Joint Stipulation and Settlement are Exhibit A, the proposed tariff sheets reflecting the terms and conditions consistent with the terms of the settlement, Exhibit B the proof of revenue calculations and Exhibit C a side by side comparison of existing and stipulated tariffs.

The parties have worked diligently to arrive at this agreement, which resolves all outstanding issues in the case. The rates proposed in the settlement are to become effective for service on and after December 15, 1999. It is hoped that the Commission can review this proposal and if necessary resolve any issues or answer any questions at the hearing scheduled for December 14th.

Western will work with the Staff and Commission to provide any additional information as quickly as possible so that this case can be completed as expeditiously as possible.

Thank you for your assistance, and if there are any questions about this matter or if additional information is needed, please contact me.

Sincerely Yours,
John N. Hughes
John N. Hughes
Attorney for Western Kentucky
Gas Company

cc: Intervenors

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE RATE APPLICATION OF WESTERN KENTUCKY GAS COMPANY FOR AN ADJUSTMENT OF RATES	) CASE NO. 99-070

JOINT STIPULATION AND SETTLEMENT

On June 23, 1999, Western Kentucky Gas Company filed an application seeking a general increase in rates. Under the original concept, Western sought an increase in revenue of $14,127,650, which reflects an approximate increase in rates of 11.7%.

The primary factor underlying Western's request for an increase in rates is Western's rate base growth. The growth includes investment in Western's computer systems and information technology for serving customers.

Under the settlement recommendation, Western will reduce its request for a rate increase to $9,940,000, which reflects an approximate increase in rates of approximately 8.24%. This settlement is approximately 30% less than the amount originally requested by Western. Western's last general adjustment in rates was made on March 1, 1996. The recommended increase comports with the general level of inflation since Western's last adjustment in rates.

All of the parties to this proceeding, Western Kentucky Gas Company ("Western"), the Attorney General of the Commonwealth of Kentucky, and WBI Southern, Inc. jointly stipulate and agree that Western should be permitted to adjust its rates to recover $9,940,000 in additional annual revenues effective for service on and after December 15, 1999.

Western's annual revenues at existing rates are $120,587,318 as shown on Revised Exhibit GLS-1, Schedule 1 of 1. The effect of this Stipulation and Settlement is to authorize Western to recover total revenues on an annual basis of $130,527,318 ($120,587,318 + $9,940,000). The additional revenue stipulated is reasonable and the additional $9,940,000 shall be added to Western's rates and allocated among the customer classes as follows: residential rates: $6,238,259 (9.1%); commercial: $2,385,006 (6.9%); industrial: $901,580 (5.4%); other gas revenues: $415,089 (55.0%). The increase authorized is 8.24% to Western's customers based upon the revenue received from its current customers.

All of the parties understand that this Stipulation and Settlement is not binding upon the Public Service Commission of the Commonwealth of Kentucky. The parties do not agree on any specific item of change as requested by Western except as specified herein, nor any specific theory supporting the appropriateness of the changes recommended. Modifications to Western's tariffs are for this case only and are not binding upon any party in any future proceeding.

All of the parties to this proceeding as evidenced by their signatures agree that the increase in rates stipulated is reasonable, viewed in the context of a resolution of Western's case, is in fact a reasonable resolution of all the issues in the proceeding and is fair, just and reasonable to the shareholders and ratepayers of Western.

In summary, the adjustments to Western's proposed rate application are as follows: The proposed premises charge is withdrawn, tariff sheet 67. Western's request for the cost recovery of the demand side management (DSM) pilot program expenses is withdrawn. Western's cost recovery of the three year extension of the DSM program is adopted as proposed, tariff sheets 30a-30c. Western's proposal for a weather normalization adjustment (WNA) is adopted as proposed, tariff sheet 26. The WNA will be implemented as a pilot program for five years. All service charges are adopted as proposed, tariff sheets 51, 65-67. The residential customer charge proposed by Western is adjusted to $7.50. The customer charges applicable to commercial and industrial customers are adjusted to $20.00 and $220.00 respectively. The industrial margin loss recovery mechanism is accepted, but amended to reflect a 50-50 sharing of the lost revenue between shareholders and residential customers, tariff sheet 29L. Western's proposal to bifurcate its commodity charge into a distribution charge and a gas charge is adopted. Further, the parties are not bound by this provision in future cases. Finally, Western will begin filing its gas cost adjustment (GCA) on a quarterly basis beginning with the first quarter following the Commission's adoption of this settlement, tariff sheets 27-29. Western's proposal for a Gas Research Institute Research and Development Rider is adopted.

Western will modify its proposed "T-5" Tariff changing the originally proposed net monthly rate from $0.10 per Mcf to a $50.00 monthly administrative fee per customer, as more fully detailed on Tariff Sheets No. 49 and 50.

Regarding the interconnect of the East Diamond Field into Western's system, WBSI or its subsidiary Kentucky Pipeline and Storage Company ("KYPSCO") would contract for and install facilities in accordance with Western's specifications, and Western agrees to take title to those facilities and to operate and maintain those facilities as more fully detailed in the interconnect agreement to be finalized.

In support of the conclusion of the reasonableness of the increase stipulated, the parties continue to expend time, energy and resources in contesting this matter and the possibility of any request for a rehearing or appeal of the Commission's decision is eliminated.

All of the parties waive cross-examination of all witnesses unless the Commission does not approve this Stipulation and Settlement. The Stipulation and Settlement is agreed to for the purposes of Case No. 99-070 only, and shall not be binding on the parties in any other proceeding before this Commission or any court and it shall not be offered or relied upon in any other proceeding involving Western Kentucky Gas Company or any other utility regulated by the Public Service Commission of the Commonwealth of Kentucky.

If the Public Service Commission adopts this Stipulation and Settlement in its entirety, each of the parties agrees that it shall not file an application for rehearing with the Commission or appeal this case or any part of it to the Franklin Circuit Court.

If the Public Service Commission does not adopt this Stipulation and Settlement in its entirety, each party reserves the right to withdraw from it and to request that this case proceed as if no Stipulation and Settlement had been entered into. In such event, this Stipulation and Settlement shall not be binding upon any of the parties and shall not be admitted into evidence or relied upon in any manner by any of the parties, the Commission or its staff.

Western's proposal, with the changes agreed upon, are acceptable to the parties and reflected in the proposed tariff sheets attached to this Stipulation and Settlement as Attachment A.

Attached to the Stipulation and Settlement as Attachment B is the proof of revenue, showing that the rates set forth in Attachment A will generate no more than the proposed revenue increase to which the parties have agreed.

The parties stipulate and recommend that the Notice of Intent, Notice, Application, testimony, pleadings, responses to data requests and other matters filed in this case shall be admitted into the record and that they provide sufficient evidentiary support for this Stipulation and Settlement.

All the parties agree that this Stipulation and Settlement is reasonable and in the best interest of all concerned and urge the Commission to adopt the Stipulation and Settlement in its entirety.

AGREED TO:

Western Kentucky Gas Company

BY: William J. Senter

TITLE: Vice President - Rates & Regulatory Affairs

DATE: December 2, 1999

Attorney General's Office of Rate Intervention

BY: [illegible]

TITLE: Assistant Attorney General

DATE: December 3, 1999

WBI Southern, Inc.

BY: Robert W. [illegible]

TITLE: Counsel for WBI Southern, Inc.

DATE: 12/2/99

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 54
Witness: Don Roff

Data Request:

Refer to the response to AG DR 1-145. Please provide the Order adopting the existing shared services rates for Kentucky.

Response:

The current Shared Services depreciation rates were developed based upon a 1993 depreciation study, which can be found attached as "AG DR 2-54 ATT.pdf." The rates from this study were utilized in both the 95-010 and 99-070 rate cases and were not at issue in either case. The Company believes that the settlement agreements and subsequent orders provided de facto approval of these depreciation rates for Kentucky. The rate case order 099-070 can be found attached to AG DR 1-145, and the Attachment A – Joint Stipulation and Settlement can be found attached to AG DR 2-53.

Deloitte & Touche LLP

ATMOS ENERGY CORPORATION

Depreciation Study of General Office Property as of September 30, 1992

Deloitte Touche Tohmatsu International

Deloitte & Touche LLP

Suite 1600
Texas Commerce Tower
2200 Ross Avenue
Dallas, Texas 75201-6778

Telephone: (214) 777-7000

September 1994

Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265

Attention: Mr. David Bickerstaff, Vice President and Controller

In accordance with your request and with the cooperation and participation of your staff, a book depreciation study of General Office property has been conducted. The study covered all depreciable property, and recognized addition and retirement experience through September 30, 1992. The purpose of the study was to determine if the existing depreciation rates remain appropriate for the property, and, if not, to recommend changes. Changes are recommended.

A comparison of the effect of the existing account rates and the recommended account rates is shown below, based on depreciable plant balances as of September 30, 1992:

Function	Composite Depreciation Rate	
	Existing %	Recommended %
General Office	15.56	9.77

The above summary is taken from Schedule 1, which shows the annual depreciation provisions calculated from the existing rates and recommended and differences for the General Office. Based on September 30, 1992, depreciable balances, the recommended rates will result in an annual decrease in depreciation provisions of $1,028,209 (about 37%). This difference will change as a function of asset mix. The decrease is controlled by a lower rate for Account 391.83 - Office Furniture and Equipment (other) due we believe to a longer average service life and Account 399.88. Application Software, due we believe to reserve position. The mortality characteristics reflected in the existing rates are not known.

The recommended rates are calculated using the remaining life technique, coupled with the equal life group procedure.

The primary reason for the decrease in annual depreciation rate is increases in average service life. The following sections of this report describe the methods of analysis used, the bases for the conclusions reached, and recommendations for both immediate and future action by the Company.

We appreciate this opportunity to serve Atmos Energy Corporation, and would be pleased to meet with you to discuss further the matters presented in this report, if you desire.

Yours very truly,

Deloitte & Touche LLP

PURPOSE OF DEPRECIATION

Book depreciation accounting is the process of recognizing in financial statements the consumption of physical assets in the process of providing a service or a product. Generally accepted accounting principles require the recording of depreciation provisions to be systematic and rational. To be systematic and rational, depreciation should, to the extent possible, match either the consumption of the facilities or the revenues generated by the facilities. Accounting theory requires the matching of expenses with either consumption or revenues to ensure that financial statements reflect the results of operations and changes in financial position as accurately as possible. The matching principle is often referred to as the cause and effect principle, thus, both the cause and the effect are required to be recognized for financial accounting purposes. This study was conducted in a manner consistent with the matching principle of accounting.

Because utility revenues are determined through regulation, asset consumption is not automatically reflected in revenues. Therefore, the consumption of utility assets must be measured directly by conducting a book depreciation study to accurately determine their mortality characteristics.

Matching is also an essential element of basic regulatory philosophy, and has become known as "intergenerational customer equity." Intergenerational equity means the costs are borne by the generation of customers that caused them to be incurred; not by some earlier or later generation. This matching is required to ensure that charges to customers reflect the actual costs of providing service.

DEPRECIATION DEFINITIONS

The Uniform System of Accounts prescribed for gas utilities by the Federal Energy Regulatory Commission followed by the Company states that:

> "Depreciation" as applied to depreciable gas plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of gas plant in the course of service from causes which are known to be in current

operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities, and in the case of natural gas companies, the exhaustion of natural resources.

"Service value" means the difference between original cost and net salvage value of gas plant.

"Net salvage value" means the salvage value of property retired less the cost of removal.

"Salvage value" means the amount received for the property retired less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material is chargeable to materials and supplies, or other appropriate account.

"Cost of removal" means the cost of demolishing, dismantling, tearing down or otherwise removing gas plant, including the cost of transportation and handling incidental thereto.

As is clear from the wording of the salvage value and cost of removal definitions, it is the salvage that will actually be received and the cost of removal that will actually be incurred, both measured at the price level at the time of receipt or incurrence, that is required to be recognized in the depreciation rates of the Company.

These definitions are consistent with the purpose of depreciation, and the study reported here was conducted in a manner consistent with both.

ACCOMPLISHMENT OF ACCOUNTING AND REGULATORY PRINCIPLES

Utility depreciation accounting is a group concept. Inherent in this concept is the assumption that all property is fully depreciated at the time of retirement, regardless of age, and there is no attempt to record the depreciation applicable to individual components of the groups. The depreciation rates are based on the recognition that each depreciable property group has an average service life. However, very little of the property is "average". The group concept carries with it recognition that most property will be retired at an age either less than or greater than the average service life. The study recognized the existence of this variation through the identification of Iowa type retirement dispersion patterns for all property groups.

The depreciation study required to determine the applicable mortality characteristics is independent from the calculation of the depreciation rates. The resulting mortality characteristics can be used to calculate either average life group (ALG) or ELG rates, both with either the whole life technique or the remaining life technique. Any set of mortality characteristics that is suitable for calculating ALG rates is just as suitable for calculating ELG rates. Conversely, any set that is not suitable for ELG is not suitable for ALG either. ALG and ELG are straight-line procedures that reflect life measured by time, with ALG utilizing average life, and ELG utilizing actual life. For ALG, all property in the group is assumed to have a life equal to the average of the group. ELG recognizes that, in reality, only a small portion of the group retires at an age equal to the average service life. For the average to exist, about half of the investment in an asset group will be retired at ages less than average life, a small amount at average life, and the rest at ages greater than average life. It is the use of this dispersion in the rate calculation that causes ELG rates to better match cost recovery with the use of and benefit from property. Thus, the ELG procedure best accomplishes the purpose of book depreciation accounting by assuring that the recording of depreciation provisions match the actual consumption of the physical assets. Since ELG matches the recording of consumption with the actual consumption, customers will pay the actual costs incurred to serve them. For this reason, ELG rates are recommended.

A detailed discussion of the Equal Life Group procedure is included in the Appendix to this report.

THE BOOK DEPRECIATION STUDY

Implementation of a policy toward book depreciation that recognizes the purpose of depreciation accounting requires the determination of the mortality characteristics that are applicable to surviving property. The purpose of the depreciation study reported here was to accurately measure those mortality characteristics and to use the characteristics to determine appropriate rates for accrual of depreciation expenses.

The major effort of the study was the determination of the appropriate mortality characteristics. The remainder of this report describes how those characteristics were determined, describes how the mortality characteristics were used to calculate the recommended depreciation rates, and presents the results of the rate calculations.

The study consisted of the following steps:

Step One was a Life Analysis consisting of determination of historical retirement experience, and an evaluation of the applicability of that experience to surviving property.

Step Two was a Salvage and Cost of Removal Analysis consisting of a study of salvage value and cost of removal experience, and an evaluation of the applicability of that experience to surviving property.

Step Three consisted of the determination of average service lives, retirement dispersion patterns identified by Iowa-type curves and the net salvage factors applicable to surviving property.

Step Four was the determination of the depreciation rate applicable to each depreciable property group, recognizing the results of the work in Steps One through Three, and a comparison with the existing rates.

LIFE ANALYSIS

The Life Analysis for the property concerns the determination of average service lives and Iowa-type retirement dispersion patterns. An analysis of historical retirement activity, suitably tempered by informed judgment as to the future applicability of such activity to surviving property, formed the basis for determination of average service lives and retirement dispersion patterns. Retirement experience through September 30, 1992, was analyzed using the actuarial method of Life Analysis. The actuarial method could be used because the vintage of retired and surviving property is known.

In order to recognize trends in life characteristics and to assure that the valuable information in the curves is available to the analyst, actual survivor curves were calculated and plotted by computer using several different periods of retirement experience. The periods (year bands) of retirement experience analyzed were: (1) the past three years, and (2) the past six years, which is the full extent of available history. The average service lives and retirement dispersion patterns indicated by these actual survivor curves were identified by visually fitting Iowa type standard curves to each of the actual curves and plotting the results. This visual approach ensures that the data contained in the actual survivor curves, and input data, and the trends are available to the analyst, and that the analyst does not allow computer calculations to be the sole determinant of study results.

SALVAGE AND COST OF REMOVAL ANALYSIS

Salvage and cost of removal experience from 1987 through 1992 was the basis for determining the net salvage factors used. The analysis was done in a manner that allows selection of separate salvage and cost of removal factors for most depreciable property groups. The analysis consisted of calculating the experienced salvage and cost of removal factors for each property group by dividing salvage and cost of removal amounts by the original cost of the retired property. Factors are expressed as percentages, and were calculated for annual, rolling, and shrinking bands of retirement experience.

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EVALUATION OF ACTUAL EXPERIENCE

Life Analysis and Salvage and Cost of Removal Analysis involves the measurement of what has occurred in the past. History is often a misleading indication of the future. There are many kinds of events that can cause history to be misleading, among them significant changes contemplated in the underlying accounting procedures and/or changes in other management practices such as maintenance procedures. It is the evaluation phase of a depreciation study that identifies if history is a good indication of the future. Blind acceptance of history often results in selecting mortality characteristics to use for calculating depreciation rates that will provide recovery over a time period longer than productive life.

For each property group, the analysis processes involved only historical retirement experience. Since the depreciation rates will be applied to surviving property, the historical mortality experience indicated by the Life and the Salvage and Cost of Removal Analyses were evaluated to ensure that the mortality characteristics used to calculate the rates are applicable to surviving property. The evaluation is required to assure the validity of the recommended depreciation rates.

The evaluation process requires knowledge of the type of property surviving, the type of property retired, the reasons for changing life. dispersion, salvage, and cost of removal, and the effect of present and future Company plans on the property mortality characteristics. The evaluation included discussions with Company accounting, engineering, and operating personnel, determination of the type of property recorded in a number of accounts, and special analyses of retirements to identify the type of property retired and reasons for retirement.

CALCULATION OF DEPRECIATION RATES

A straight-line remaining life rate for each depreciable property group was calculated using the following formula:

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Rate = $\frac{\text{Plant Balance - Future Net Salvage - Book Reserve}}{\text{Average Remaining Life}}$

Formula numerator elements in percent of depreciable balance and the denominator in years produces a rate in percent. This formula illustrates that a remaining life rate recognizes the book reserve position. The depreciable balances and book reserves were taken from accounting records, and the net salvage factors were determined by the study.

The remaining lives for each property group are a function of the age distribution of surviving plant and the selected average service life and Iowa dispersion pattern.

General Office

The rate decreased from 15.56% to 9.77%, primarily due we believe to longer average service lives and recognition of positive net salvage. The decrease is controlled by a lower rate for Account 391.83 - Office Furniture and Equipment (other) due we believe to a longer average service life and Account 399.88, Application Software, due we believe to reserve position. Reasons for changes are not known with certainty because the mortality characteristics reflected in the existing rates are not know.

RESERVE COMPARISON

Because remaining life rates are recommended, a comparison of the accumulated provision for depreciation and the calculated theoretical reserve as of September 30, 1992, is not meaningful, and no comparison is presented. This is because the only way a reserve difference can exist is through the use of whole life rates.

RECOMMENDATIONS

Our recommendations for your future actions in regard to book depreciation are as follows:

1. The annual depreciation rates shown in Column 6 of Schedule 1 and Schedule 2 are applicable to existing property and are recommended for implementation at such time as their effect can be incorporated into service rates.

2. Because of variation of life and net salvage experience with time, a depreciation study should be made during 1996 based on retirement experience through September 30, 1995. Exact timing of the study should be coordinated with a retail rate case to ensure timely implementation of revised depreciation rates.

ATMOS ENERGY CORPORATION
General Office
Comparison of Depreciation Rates @ 9-30-1992

SCHEDULE 1

[1] Account	[2] Description	[3] Plant Balance $	[4] Existing Rate %	[5] Annual Amount $	[6] Study Rate %	[7] Annual Amount $	[8] Increase or (Decrease) $
GENERAL PLANT							
390.00	Leasehold Improvs	285,240	10.00	28,524	7.43	21,193	(7,331)
391.00	Office Furniture & Eqpt (Gnl)	1,996,179	6.67	133,145	4.89	97,613	(35,532)
391.82	Remittance Eqpt	74,112	6.67	4,943	11.37	8,427	3,483
391.83	Office Furniture & Eqpt (Othe	973,237	20.00	194,647	2.22	21,606	(173,042)
392.00	Transportation Eqpt	57,701	20.00	9,013	28.96	16,710	7,697
393.00	Stores Equipment	199,770	10.00	0	0.00	0	0
394.00	Tools & Work Equipment	29,932	10.00	0	0.00	0	0
397.00	Communication Equipment	463,385	10.00	66,218	7.12	32,993	(33,225)
398.00	Miscellaneous Equipment	238,139	10.00	23,814	5.36	12,764	(11,050)
399.00	Other Tangible Property	219,472	20.00	43,894	15.75	34,567	(9,328)
399.85	Mainframe Hardware	1,591,227	20.00	253,482	15.76	250,777	(2,705)
399.86	PC Hardware	827,209	20.00	139,798	16.83	139,219	(579)
399.87	PC Software	294,499	20.00	46,531	17.73	52,215	5,684
399.88	Application Software	9,265,458	10.00	1,624,235	8.22	761,621	(862,614)
399.89	OS Software	1,016,699	20.00	114,175	22.16	225,300	111,125
399.90	Mainframe CPU	225,774	33.00	80,082	26.26	59,288	(20,794)
	Totals	17,758,033	15.56	2,762,502	9.77	1,734,294	(1,028,209)

NOTE: The difference shown in Column (8) will change as a function of future balances.

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ATMOS ENERGY CORPORATION
GENERAL OFFICE
Mortality Characteristics

SCHEDULE 2

[1] Account Number	[2] Description	[3] Average Service Life yrs	[4] Iowa Curve	[5] Net Salvage %
GENERAL PLANT				
390.00	Leasehold Improvements	10	SQ	0
391.10	Office Furniture & Equipment (General)	20	L1	5
391.20	Remittance Equipment	10	R2	0
391.30	Office Furniture & Equipment (General)	20	L1	5
392.00	Transportation Equipment	5	S3	10
393.00	Stores Equipment	25	R3	0
394.00	Tools & Work Equipment	25	R2	0
397.00	Comunication Equipment	10	L3	0
398.00	Miscellaneous Equipment	15	R2	0
399.00	Other Tangible Property	5	SQ	0
399.85	Mainframe Hardware	5	R4	0
399.86	PC Hardware	5	R4	0
399.87	PC Software	5	R4	0
399.88	Application Software	10	R4	0
399.89	OS Software	5	R4	0
399.90	Mainframe CPU	3	R4	0

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CALCULATION OF EQUAL LIFE GROUP DEPRECIATION RATES

It is the group concept of depreciation that leads to the existence of the ELG procedure of calculating depreciation rates. This concept has been an integral part of utility depreciation accounting practices for many years. Under the group concept, there is no attempt to keep track of the depreciation applicable to individual items of property. This is not surprising, in view of the millions of items making up a utility system. Any item retired is assumed to be fully depreciated, no matter when retirements occurs. The group of property would have some average life. "Average" is the result of an arithmetic calculation, and there is no assurance that any of the property in the group is "average."

The term "average service life" used in the context of book depreciation is well known, and its use in the measurement of the mortality characteristics of property carries with it the concept of retirement dispersion. If every item was average, thereby having exactly the same life, there would be no dispersion. The concept of retirement dispersion recognizes that some items in a group live to an age less than the average service life and other items live longer than the average. Retirement dispersion is often identified by standard patterns.

The Iowa type dispersion patterns that are widely used by electric and gas utilities were devised empirically about 60 years ago to provide a set of standard definitions of retirement dispersion patterns. Figure 1 shows the dispersion patterns for three of these curves. The L series indicates the mode is to the Left of average service life, the R series to the Right, and the S series at average service life, and therefore, Symmetrical. There is also an O series which has the mode at the Origin, thereby identifying a retirement pattern that has the maximum percentage of original installations retired during the year of placement.

The subscripts on Figure 1 indicate the range of dispersion, with the high number (4) indicating a narrow dispersion pattern, and the low number (1) indicating a wide dispersion pattern. For example, the R1 curve shown on the Figure indicates retirements start immediately and some of the property will last twice as long as the average service life. The dispersion patterns translate to survivor curves. which are the most widely recognized form of the Iowa curves. Other families of patterns exist. but are not as widely used as the Iowa type.

The methods of calculating depreciation rates are categorized as straight- line and non-straight-line.

Non-straight-line methods can be accelerated or deferred. There are three basic procedures for calculating straight-line book depreciation rates:

Units-of-Production

Average Life Group (ALG)

Equal Life Group (ELG)

Each of these procedures can be calculated using either the whole life or the remaining life technique.

Productive life may be identified by (a) a life span or (b) a pattern of production or usage. If production or usage is the suitable criteria, depreciation should be straight-line over life measured by time. Units-of-Production is straight-line over production or usage, while the others are straight-line over life measured by time. ALG is straight-line over the average life of the group, while ELG is straight-line over the actual life of the group.

The formulas for the whole life and remaining life techniques are shown on Table 1. For the ELG calculation procedure, Formulas 1 and 3 are applied to the individual equal life components of the property group. For the ALG calculation, the formulas are applied to the property group itself. Formula 2 is applied to the property group for either ELG or ALG. Use of the units (percent and years) in the formulas result in rates as a percent of the depreciable plant balance. The depreciable plant balance is the surviving balance at the time the rate is calculated, and is expressed as a percentage (always 100) of itself. Salvage and reserves are expressed as a percent of the depreciable plant balance. For example, a

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property group having a 35 year average service life and negative 5% salvage would have an ALG whole life rate of (100 + 5)/35. or 3.00%.

The first term of Formula 2 is identical to Formula 1 for the whole life rate. The second term of Formula 2 illustrates that the difference between a remaining life rate and whole life rate is the allocation of the difference between the book and calculated theoretical reserves over the remaining life by a remaining life rate.

The widely used ALG procedure of depreciation rate calculation does not recognize the existence of retirement dispersion in the calculation. The difference between the ALG and ELG procedures is the recognition of the existence of retirement dispersion in the ELG rate calculation. ELG is a rate calculation procedure; nothing more. The data required to make the ELG calculation are average service life, retirement dispersion, net salvage, and the age distribution of the property. The depreciation study required to determine the applicable mortality characteristics is independent from the calculation of the depreciation rates. The resulting mortality characteristics can be used to calculate either ALG or ELG rates. both with either the whole life technique or the remaining life technique. Any set of mortality characteristics that is suitable for calculating ALG rates is just as suitable for calculating ELG rates. Conversely, any set that is not suitable for ELG is not suitable for ALG either.

The ELG procedure calculates the depreciation rates based on the expected life of each equal life component of the property rather than the average life of all components. As discussed earlier, "average" is the result of a calculation and there may not be any "average" property. When curves are used to define retirement dispersion, the average service life and the retirement dispersion pattern define the equal life groups and the expected life applicable to each group.

When retirement dispersion does not exist, the ELG rate is identical to the ALG rate. When dispersion exists, the ELG rate for recently installed property is higher than the ALG rate and for old property is lower.

A Simple Illustration ELG

This illustration provides a framework for visualizing the ELG methodology. Table 3 assumes 20% of the $5,000 investment is retired at the end of each year following placement. The retirement frequencies are shown on Line 7. As shown in Columns 2 through 6, this means $1,000 of investment is retired each year, with the retirement at Age 1 being recovered in its entirety during Year One, at Age 2 in Years One and Two, etc. The depreciation rate applicable to each equal life group is shown on Line 8. The annual provision in dollars for Year One shown in Column 7 is made up of the Age 1 annual amounts shown on Line 1, Columns 2 through 6. As shown on the Table, the annual provision for Age 2 is equal to the annual provision for Age 1 less the amount collected during Year One applicable to the group retired during Year One. Thus, the annual provisions can be thought of as a matrix, with the provision for any given year being produced by a portion of the matrix.

The depreciation rates in Column 9 are determined by dividing the annual provisions in Column 7 by the survivors in Column 8. The rate formula shown on Table 2 can also be used to calculate the rates and is used on the Table to illustrate the working of the matrix by calculating the depreciation rates for Year One and Year Three. For Year One, the numerator and denominator both consist of five terms. Each year, the left-hand term of both numerator and denominator drop off. It should be noted that the reverse summation of retirement ratios (starting with Column 6 and moving left on Line 7) is equal to the survivor ratio at the beginning of the period shown in Column 10.

The formula can illustrate how the matrix can be thought of in terms of a depreciation rates. If the multiplier of 100 is incorporated in each element of the numerator of the formula, such as (100 x 0.2)/2, it can be seen that 100/2 is a rate and the retirement frequency (0.2) is a weighting factor. This particular rate (50%) is the one shown for Age 2 property on Line 8, Column 3.

It can be seen that the only data required for the ELG rate calculation are the retirement frequencies for each year. These frequencies are defined by the average service life and the shape of the dispersion pattern.

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A Real Illustration of ELG

The depreciation analyst deals with much larger groups of property than appearing on Table 2. Table 3 contains an ELG rate calculation for an actual depreciable property group. The retirement frequencies shown in Column 4 are defined by the 38 year average service life and the L5 Iowa type dispersion pattern. The ALG rate without salvage for this property is 2.632% (100%/38 years), while the ELG rate varies from 2.704% at age 0.5 years to 1.471% at the age just prior to the last retirement, 67.5 years.

The rate listed in Column 5 at each age is the weighted summation of individual rates applicable to that portion of the surviving property the retirement frequencies in Column 4 indicate will be retired in each following year. This combination of average service life and dispersion pattern means that the first retirement will be from the age 18.5 year property during the following year at an age of 19 years; therefore, it will require a rate of 5.263% (100%/19 years). (This example does not have any surviving balance at age 18.5.) The last retirement will be from age 67.5 year property; consequently, it will require a rate of 1.471% (100%/68 years). The vintage composite rate shown in Column 5 at age 0.5 years is the weighted summation of rates varying from 5.263% to 1.471%.

Since this example is for a narrow dispersion pattern, the first retirement occurs at age 19 years and the vintage composite rate remains at 2.704% at age 19.5 years, because the first retirement drops the 5.263% rate from the summation.

A wider dispersion pattern would result in a wider range of vintage composite rates than defined by the L5 curve (2.704% to 1.471%).

All that is necessary for calculating the depreciation rates applicable to each age of property are the retirement frequencies. These frequencies are defined by the average service life and the retirement dispersion pattern. The determination of average service life requires the determination of the dispersion pattern, as without dispersion there would be no "average."

Depending on the dispersion pattern, the number of retirement frequencies making up the complete Iowa curve can be up to about 4.4 times the number of years of average service life. Thus, for an account whose number of retirement frequencies is three times average service life and whose average service life is 30 years, the rate applicable to the Age 1 property will be made up of the weighted summation of 89 components, etc. Thus, the rate calculation process is complex, but certainly not complicated. It is this complexity that makes the rate calculations much more practical using a computer.

Figure 1

Retirement Dispersion Defined By Iowa Type Curves

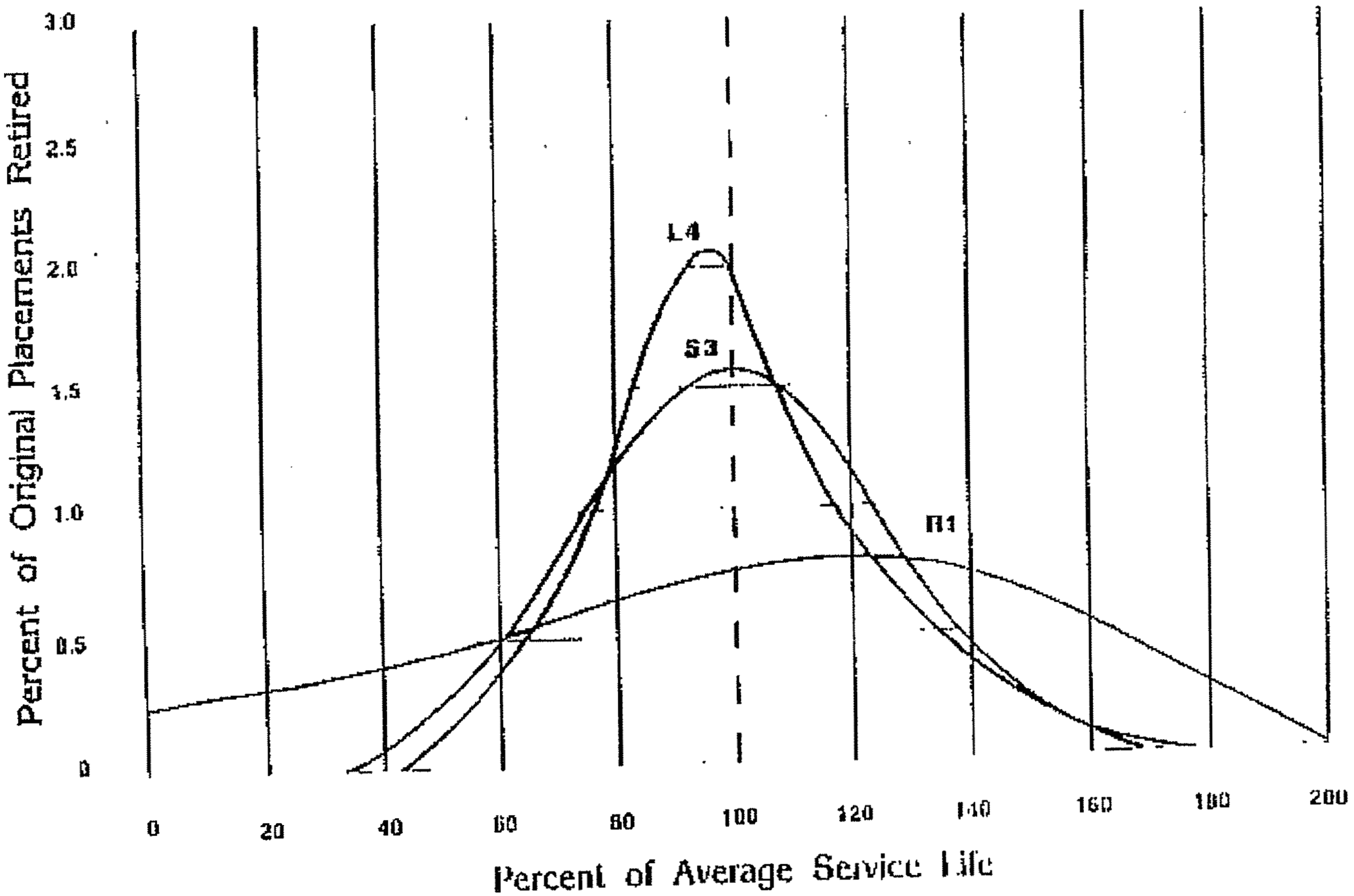

Table 1

DEPRECIATION RATE CALCULATION PROCEDURES

Whole Life

$$\text{Rate, \%} = \frac{PB - S}{ASL}$$

Remaining Life

$$\text{Rate, \%} = \frac{PB - S}{ASL} - \frac{BR - CTR}{ARL}$$

$$\text{Rate, \%} = \frac{PB - S - BR}{ARL}$$

Where

PB	is Depreciable Plant Balance, %
S	is Net Salvage, %
ASL	is Average Service Life, years
BR	is Depreciation Reserve, %
CTR	is Calculated Theoretical Reserve, %
ARL	is Average Remaining Life, years

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TABLE 2

DEVELOPMENT OF EQUAL LIFE GROUP CAPITAL RECOVERY RATE

Line	(1) Age Years	(2) Group 1 $	(3) Group 2 $	(4) Group 3 $	(5) Group 4 $	(6) Group 5 $	(7) Annual Provision $	(8) Beginning Survivors $	(9) Rate %	(10) Survivor Factor
1	1	1,000.00	500.00	333.33	250.00	200.00	2,283.33	5,000.00	45.67	1.00
2	2		500.00	333.33	250.00	200.00	1,283.33	4,000.00	32.08	0.80
3	3			333.33	250.00	200.00	783.33	3,000.00	26.11	0.60
4	4				250.00	200.00	450.00	2,000.00	22.50	0.40
5	5					200.00	200.00	1,000.00	20.00	0.20
6	Retirements	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00				
7	Frequency	0.20	0.20	0.20	0.20	0.20				
8	Rate	100%	50%	33.33%	25%	20%				

$$\text{Rate, \%} = \frac{\sum \dfrac{\text{Retirements Frequencies}}{\text{Age at Retirement}}}{\text{Reverse} \sum \text{of Retirement Frequencies}} \times 100$$

$$\text{Year One Rate} = \frac{\frac{0.2}{1} + \frac{0.2}{2} + \frac{0.2}{3} + \frac{0.2}{4} + \frac{0.2}{5}}{0.2 + 0.2 + 0.2 + 0.2 + 0.2} \times 100 = 45.67\%$$

$$\text{Year Three Rate} = \frac{\frac{0.2}{3} + \frac{0.2}{4} + \frac{0.2}{5}}{0.2 + 0.2 + 0.2} \times 100 = 26.11\%$$

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TABLE 3

DETERMINATION OF DEPRECIATION RATES BY ELG PROCEDURES

[1] Age Years	[2] Year	[3] Vintage Balance $	[4] Retirement Frequency ASL 38 Curve L5	[5] Rate	[6] Amount $
0.5	1993	4,244,285	0.0000	0.02704	114,758.36
1.5	1992	800,784	0.0000	0.02704	21,651.86
2.5	1991	60,016	0.0000	0.02704	1,622.73
3.5	1990	43,455,063	0.0000	0.02704	1,174,952.00
4.5	1989	81,456	0.0000	0.02704	2,202.43
5.5	1988	172,463	0.0000	0.02704	4,663.11
6.5	1987	2,098,991	0.0000	0.02704	56,753.20
7.5	1986	2,685,949	0.0000	0.02704	72,623.55
9.5	1984	1,642,443	0.0000	0.02704	44,408.90
10.5	1983	222,602	0.0000	0.02704	6,018.78
11.5	1982	85,661	0.0000	0.02704	2,316.13
12.5	1981	4,985	0.0000	0.02704	134.79
13.5	1980	72,942	0.0000	0.02704	1,972.23
14.5	1979	219,163	0.0000	0.02704	5,925.80
15.5	1978	120,665	0.0000	0.02704	3,262.58
16.5	1977	37,042	0.0000	0.02704	1,001.55
17.5	1976	339,236	0.0000	0.02704	9,172.21
19.5	1974	336,723	0.0001	0.02703	9,101.41
20.5	1973	10,375,359	0.0004	0.02702	280,292.86
21.5	1972	4,481,906	0.0009	0.02699	120,963.25
22.5	1971	5,923,340	0.0018	0.02695	159,618.98
23.5	1970	78,848	0.0030	0.02689	2,119.97
24.5	1969	305,178	0.0047	0.02681	8,180.42
25.5	1968	10,312,586	0.0069	0.02670	275,375.94
26.5	1967	2,754,067	0.0094	0.02658	73,203.24
27.5	1966	9,558,786	0.0123	0.02644	252,715.77
29.5	1964	5,556,083	0.0194	0.02610	144,995.54
30.5	1963	23,383	0.0242	0.02589	605.42
31.5	1962	3,313,564	0.0305	0.02566	85,012.60
32.5	1961	32,271	0.0386	0.02538	819.15
33.5	1960	151,658	0.0482	0.02507	3,802.24
34.5	1959	171,483	0.0583	0.02472	4,238.70
35.5	1958	167,116	0.0674	0.02433	4,065.35
36.5	1957	70,420	0.0740	0.02390	1,683.22
37.5	1956	1,792,312	0.0768	0.02345	42,036.33
39.5	1954	2,270,555	0.0701	0.02252	51,131.79
40.5	1953	187	0.0622	0.02206	4.13
41.5	1952	20,185	0.0531	0.02161	436.14
42.5	1951	12,860	0.0442	0.02118	272.40
43.5	1950	706	0.0362	0.02078	14.67
44.5	1949	2,652	0.0298	0.02041	54.13
45.5	1948	6,422	0.0245	0.02006	128.81
46.5	1947	19,573	0.0205	0.01972	386.07
47.5	1946	323,058	0.0173	0.01940	6,268.69
49.5	1944	2,285,041	0.0123	0.01879	42,943.47
50.5	1943	15,614	0.0103	0.01850	288.86
51.5	1942	620,752	0.0086	0.01821	11,306.36
53.5	1940	684,610	0.0056	0.01766	12,090.28
54.5	1939	47,173	0.0043	0.01740	820.76
55.5	1938	22,725	0.0033	0.01714	389.52
56.5	1937	560	0.0025	0.01689	9.46
57.5	1936	722	0.0019	0.01664	12.02
59.5	1934	3,065	0.0005	0.01573	48.21
61.5	1932	944,400	0.0005	0.01573	14,853.98
67.5	1926	2	0.0000	0.01471	0.03
Totals		119,029,691			3,133,730.27

SALVAGE (%) = -5.0

AFTER SALVAGE = 3,290,417

ANNUAL DEPRECIATION RATE = 2.76

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Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 55
Witness: Don Roff

Data Request:

Refer to the response to AG DR 1-149. Please provide the attachment referred to in the response.

Response:

Please see the file named AG DR 2-55 ATT.xls on the attached CD.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 56
Witness: Don Roff

Data Request:

Refer to the response to AG DR 1-147. Please provide the attachment in Excel with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the file named AG DR 2-56 ATT.xls on the attached CD. Please see the Depreciation Study workpapers attached to company's response to AG DR 1-87 for the source to all hard coded numbers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 57
Witness: Don Roff

Data Request:

Refer to the response to AG DR 1-168. Please provide the attachment in Excel with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the file named AG DR 2-57 ATT.xls on the attached CD. Please see the Depreciation Study workpapers attached to company's response to AG DR 1-87 for the source of all hard coded numbers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 58
Witness: Greg Waller

Data Request:

Refer to the response to AG DR 1-173. Please provide the attachment to this response in Excel format with all formulae intact. If any formula references a linked file, please provide that file. Also, provide the source of any hard coded numbers.

Response:

Please see the electronic Excel file on the attached CD labeled AG DR2-58 ATT. Also see the electronic files provided in the response to item AG DR 2-46 for the source of hard coded numbers.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 59
Witness: Dan Meziere

Data Request:

Please refer to the responses to AG DR 1-32 and AG DR 1-150. AG DR 1-32 requested KY-only FERC Form 2 reports and AG DR 1-150 requested the entire FERC Form 2 reports.

a. The 2004 and 2005 FERC Form 2 reports provided in response to AG DR 1-150 appear to be the Kentucky-only reports. Please provide the complete reports for these years.

b. The files provided for the 2005 KY-only report in response to AG DR 1-32 are the same parts (both the second half of the report). However, the entire file appears to have been provided in response to AG DR 1-150. Please verify that the files provided in response to 1-150 comprise the entire KY-only FERC Form 2 report for 2005.

c. The KY-only reports provided skip from page 116 (last page of the first file) to page 204 (first page of the second file). Please confirm that this is correct. If pages are missing, please provide new files.

Response:

In response to the above questions, the following PDF Files are on the attached CD:

Kentucky only Ferc form 2 Cal 2005
Complete company Ferc form 2 Cal 2004, 2005
Complete company Ferc form 2 Cal 2006 was delivered on CD March 31st to Jack Hughes for delivery to the AG and KPSC.

Item C

The Kentucky only portion is included in its entirety. This report goes directly from page 116 to 204. No pages were missing.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 60
Witness: Gary Smith

Data Request:

If the CRS is adopted and if Atmos continues to operate as it does now, are there any circumstances in which the Company would fail to earn its authorized rate of return? If so, please describe them fully.

Response:

Yes. There is no guarantee that the Company will earn its authorized rate of return, because rates will be set prospectively not retroactively. While the proposed mechanism is intended to better enable the Company to earn its authorized return (and no more), certain circumstances will affect the actual earned return. For example, if expected revenues are not attained or if expected expenses are greater than forecasted, then actual returns could fall below the Company's authorized return.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 61
Witness: Gary Smith

Data Request:

Please identify any other profit-making company, industry, enterprise or business activity that has the degree profit assurance that Atmos will enjoy if the CRS is adopted.

Response:

The Company is unaware of the profit assurances companies in other industry segments may enjoy. The Company's goal is to provide earnings transparency, stable rates for customers and earn a stable return. However, as indicated in the response to AG DR 2-60, earning the Company's authorized return will not be guaranteed by the proposed CRS mechanism.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 62
Witness: Gary Smith

Data Request:

Please identify any and all instances in the history of the Company, its affiliates and predecessors where regulators have disallowed costs on the grounds that they were imprudently incurred.

Response:

Attached please find copies of orders for the last five general rate cases in Kentucky for the company and its predecessors. The oldest of these orders was issued in 1983. These orders will show all instances where the commission has disallowed costs for the company since 1983.

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COMMONWE

BEFORE THE PUBL

In the Matter of:

THE APPLICATION OF WESTERN)
KENTUCKY GAS COMPANY) CASE NO. 99-070
FOR AN ADJUSTMENT OF RATES)

O R D E R

On June 23, 1999, Western Kentucky Gas Company ("Western"), a division of Atmos Energy Corporation, filed a general rate application based on a forecasted test year ending December 31, 2000. Western proposed an increase in revenues of $14,127,666, an increase of approximately 11.7 percent over its existing revenues.

To determine the reasonableness of the request, the Commission suspended the proposed rates for six months from their effective date pursuant to KRS 278.190(2) up to and including January 23, 2000. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and WBI Southern, Inc. ("WBI") intervened. The Commission established a procedural schedule that afforded all parties the opportunity to file direct testimony and engage in discovery.

On December 3, 1999, the parties filed a Joint Stipulation and Settlement ("Settlement") resolving, to their satisfaction, the issues in this case. The Settlement is attached as Appendix A. On December 6, 1999, the Commission ordered the parties to file evidence in support of the reasonableness of the Settlement. The parties filed their responses to this Order on December 9, 1999. After review of the Settlement, direct testimony, extensive discovery and the information submitted by the parties to support the settlement, the Commission determined the record to be sufficient to render a decision and cancelled the hearing on Western's rate application scheduled to begin on December 14, 1999.

The parties agree that the Settlement is for the purposes of this case only and shall not be binding on the parties in any other proceeding before this Commission or in any court and shall not be offered or relied upon in any other proceeding involving Western or any other utility regulated by this Commission.

The parties urge the Commission to review and accept the Settlement in its entirety as a reasonable resolution of the issues in this proceeding. While the overall reasonableness of the Settlement is an important factor, the Commission is bound by law to act in the public interest and review all elements of the Settlement. In determining whether the results of the Settlement are in the public interest and beneficial to the ratepayers, the Commission considered the fact that the Settlement is a unanimous agreement of the parties.

After review of the Settlement, an examination of the record, and being otherwise sufficiently advised, the Commission finds that the Settlement is generally reasonable, but that certain modifications should be made. Although acceptance of the Settlement is conditioned on certain modifications, the modifications described herein should not significantly affect the agreement.

The following is a synopsis of the terms of the Settlement together with comments and descriptions of modifications the Commission finds necessary.

1. The parties agree that Western will receive additional annual revenues of approximately $9,940,000, an overall revenue increase of 8.24 percent. The rate

increase will be effective December 15, 1999 and will be allocated among Western's customer classes as follows:

Residential	$ 6,238,259
Commercial	2,385,006
Industrial	901,580
Other revenues	415,089

In determining the overall reasonableness of the proposed increase in annual revenues, the Commission has evaluated all revenue and expense adjustments proposed by Western in light of its traditional rate-making treatment. In addition, it has considered the current economic conditions and the rates of return on common equity that have been authorized in recent cases. Based on a review of all these factors and the evidence of record, the Commission finds that the $9,940,000 revenue increase will result in earnings that fall within a range reasonable to both Western and its customers and result in rates that are fair, just and reasonable. The Commission finds the rates included in Exhibit A of the Settlement, which is attached as Appendix B of this Order, to be fair, just and reasonable. However, we find the effective date of the rates agreed to by the parties of December 15, 1999 to be untenable. Therefore, the effective date of the rates should be for services rendered on and after the date of this Order.

2. Western will recover its demand side management program expenses prospectively for three years beginning in January 2000.

3. Western will adjust and establish certain non-recurring charges, including a new late payment charge of 5 percent applicable to all customers served under Rate G-1 that fail to pay for services by the due date shown on their bill. Western will implement this late payment charge in April of 2000. This will provide Western sufficient time to educate its customers on this new provision. The Commission finds that, in order

for it to be familiar with Western's education program and be better prepared to respond to possible customer inquiries, all educational materials should be submitted to the Commission at the same time they are disseminated to Western's customers.

4. Western will implement, as a pilot program for a period of five years, the weather normalization adjustment ("WNA") tariff included in its application, commencing November 1, 2000. Under the terms of the Settlement, Western will submit a monthly report to the Commission summarizing the effect of its WNA on customer bills by cycle for each customer class as well as actual and normal degree days and the number of days in a normal cycle. In addition Western will report a WNA factor and actual total revenues for each cycle.

The Commission finds that a greater amount of information than Western proposes to file on the WNA is necessary, but finds that annual reports, rather than monthly reports, should be filed. Western should file annual reports on the WNA, including the information set out in Appendix C, as soon after each heating season as possible but no later than June 30th of the following summer.

The Commission finds that the commencement date of November 1, 2000 affords Western an opportunity to educate its customers on this new provision and that Western should prepare and disseminate information on this new provision to its customers no later than 90 days prior to the implementation. The Commission further finds that all educational materials and information disseminated by Western to its customers on the WNA should be filed with the Commission for the same reasons enumerated above in Paragraph 3.

Should Western wish to continue the WNA pilot beyond the five year period or implement the WNA on a permanent basis, Western should make such a request in the form of a formal application to be submitted to the Commission when it files its annual WNA report in June 2005.

5. Western will adjust its base customer charges as follows: (1) the residential customer charge will increase from $5.10 to $7.50; (2) the commercial customer charge will increase from $13.60 to $20.00; and (3) the industrial customer charge will increase from $150.00 to $220.00.

6. Western will implement the industrial margin loss recovery ("MLR") mechanism proposed in its application with one modification. Per the terms of the Settlement the parties agree on a 50-50 sharing of the lost revenue between shareholders and residential customers rather than the originally proposed sharing ratio of 10-90. Western will make semi-annual filings with the Commission, in January and July, that reflect the discounts implemented during the six months ended November and May, respectively.

The Commission finds that this proposal is one of first impression before this Commission and, as such, should be implemented as a pilot for a period of three years. Western should file semi-annual reports on the MLR with the Commission as agreed to in the Settlement with the first report filed in July 2000 reflecting all discounts implemented from the date of this Order through May of 2000. Should Western wish to continue the MLR pilot beyond the three year period or implement the MLR on a permanent basis, Western should make such a request in the form of a formal application to be submitted to the Commission when it makes its semi-annual MLR filing in July 2003.

The Commission finds that there is an unintended discrepancy between the text of the Settlement and the MLR tariff as to the applicability of the 50-50 sharing of lost revenues. Per the MLR tariff attached to the Settlement the 50-50 sharing of lost revenues is to be between the shareholders and all G-1, G-2, LVS-1 and LVS-2 customers. The proposed MLR tariff in Western's application also identified these rate classes as the classes that were to share in the lost revenues. The sharing of lost revenues is approved to apply to all customers served under these rate schedules, as stated in the tariff at Tariff Sheet 29L, not to residential customers only.

7. Western will separate its gas cost from base rates by bifurcating its commodity charge into a distribution charge and a gas charge. However, the parties agree that Western is not bound by this provision in future cases.

8. Western will begin filing its gas cost adjustment on a quarterly basis beginning with the first quarter following the Commission's ruling on the Settlement.

9. Western will begin collecting a Gas Research Institute research and development surcharge.

10. Western will modify its proposal on the Alternative Receipt Point T-5 Tariff. It will change the net monthly rate of $0.10 per Mcf it originally proposed to a $50.00 monthly administrative fee per customer. The fee will be waived if, during the month, the Alternate Receipt Point represents the only point of receipt utilized by the customer.

11. With regard to the interconnection of the East Diamond Field into Western's system, WBI or its subsidiary Kentucky Pipeline and Storage Company will

contract for and install facilities in accordance with Western's specifications. Western will take title to the facilities and operate and maintain the facilities as the parties agree to and outline in a finalized interconnection agreement.

IT IS THEREFORE ORDERED that:

1. The Settlement set forth in Appendix A to this Order is hereby incorporated into this Order as if fully set forth herein.

2. The terms and conditions set forth in the Settlement are approved as modified in this Order.

3. The rates and charges, and all other tariff changes included in Exhibit A of the Settlement and attached hereto as Appendix B to this Order are fair, just and reasonable and are approved for service on and after the date of this Order.

4. Any party wishing to exercise its right to withdraw from the Settlement because of modifications ordered herein shall notify the Commission in writing of its intent within 10 working days of the date of this Order.

5. If the Settlement is withdrawn due to any party's withdrawal from the Settlement, this Order will be vacated.

6. Western shall disseminate educational materials to its customers on the WNA beginning at least 90 days before its implementation on November 1, 2000.

7. Western shall file annual reports on the WNA as soon after each heating season as possible but no later than June 30th of the following summer in the format shown in Appendix C.

8. Western shall provide the Commission with all educational materials it provides its customers with regard to the late payment penalty and the WNA at the time such materials are provided to its customers.

9. Should Western seek to continue the WNA beyond the pilot period it shall do so only after filing a formal application requesting Commission approval of its proposal to continue the WNA.

10. The MLR proposed in the Settlement is approved as a pilot program for a period of three years and shall be applicable to all customers served under Western's G-1, G-2, LVS-1 and LVS-2 rate schedules.

11. Western shall file its first MLR report with the Commission in July 2000. The July 2000 MLR report shall reflect all discounts implemented from the date of this Order through May 31, 2000.

12. Should Western seek to continue the MLR beyond the pilot period it shall do so only after filing a formal application requesting Commission approval of its proposal to continue the MLR.

13. Within 20 days from the date of this Order, Western shall file with the Commission revised tariff sheets setting-out the rates and tariffs approved herein for service rendered on and after the date of this Order. These tariff sheets shall show their date of issue, the effective date, and that they were issued by authority of this Order.

Done at Frankfort, Kentucky, this 21st day of December, 1999.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE APPLICATION OF WESTERN KENTUCKY GAS COMPANY	) CASE NO. 95-010

O R D E R

On July 18, 1995, the parties to this proceeding filed a Joint Stipulation and Recommendation ("Settlement") which was approved with modifications by Order issued August 10, 1995. Objecting to the ordered modification regarding the appropriate depreciation rates to be used, Western Kentucky Gas filed a petition for rehearing on August 17, 1995. Rehearing was denied by Order entered August 29, 1995. Two days later Western withdrew from the unanimous Settlement.

On October 9, 1995, the parties submitted a new Settlement for approval. The October 9, 1995 Settlement differs from the July 18, 1995 Settlement in several respects. The effective dates for Phase I and Phase II rates have been changed to November 1, 1995 and March 1, 1996, respectively. The monthly charges for the installation of Electronic Flow Measurement ("EFM") equipment remain the same as those rejected by the Commission in its August 10, 1995 Order. However, Western agrees to prepare and file a study analyzing cost data on the purchase, installation, operating costs and durability of the equipment in its next general rate case. The October 9, 1995 Settlement also provides that a new depreciation study will be prepared by Western and submitted no later than Western's next general rate application. The remaining provisions are identical to the July 18, 1995 Settlement.

The parties urge the Commission to review and accept the Settlement in its entirety as a reasonable resolution to this proceeding. The Commission is bound by law to act in the public interest to ensure the Settlement is reasonable to all concerned. In reviewing this Settlement, the Commission considered the fact that this is a unanimous agreement and that the participation of these parties represents a wide range of interests. The Commission has also considered its previous analysis of the Settlement terms and the rationale set forth in Orders of August 10, and August 29, 1995. Although we remain concerned with the depreciation rates agreed to by the parties in settlement, we cannot say, in view of Western's agreement to perform a new study no later than its next general rate application, that the rates will result in an unreasonable agreement to the long-term detriment of the parties or Western's customers. Western should be aware that the concerns expressed in the Commission's August 10, 1995 Order will remain pertinent for our review of its next depreciation study.

The concerns expressed by the Commission regarding the monthly EFM charges are somewhat mollified by the parties agreement to collect and analyze cost information related to providing EFM equipment. Again, Western should be aware that absent significant cost support to justify the monthly collection of this charge, the concerns expressed by the Commission in its Order of August 10, 1995 are likely to become issues for the next general rate proceeding.

As previously proposed in the July 18, 1995 Settlement, and retained in the October 9, 1995 agreement, Western seeks approval of a Firm Carriage T-4 tariff (a modified version of its T-3 tariff) effective November 1, 1995. Since Western withdrew from the July 18, 1995 Settlement where this tariff was originally proposed, the 30 day notice requirement in KRS 278.180 has not been met. The Commission will therefore approve the T-4 tariff to become effective for service provided thereunder on and after November 8, 1995.

In all other respects this proposal mirrors the July 18, 1995 Settlement. Those provisions not addressed herein which were previously addressed and accepted in the Commission's Order of August 10, 1995 are approved without discussion.

After consideration of the foregoing and being otherwise sufficiently advised, the Commission finds that the October 9, 1995 Settlement is fair and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Western's proposed tariff T-4 is approved for service rendered on and after November 8, 1995.

2. The October 9, 1995 Settlement is approved.

3. The rates included in Attachment A to the Settlement are approved for service rendered on and after November 1, 1995. The base rates included in Attachment B of the Settlement are approved for service rendered on and after March 1, 1996.

4. Within 20 days of the date of this Order, Western shall file its revised tariff sheets setting out the rates and tariffs approved for service rendered on and after November 1, 1995, as well as the Firm Carriage T-4 tariff effective November 8, 1995. At least 10 days prior to the effective date, Western shall file its revised tariffs setting out the rates approved for service rendered on and after March 1, 1996.

5. The hearing scheduled to commence on Tuesday, October 24, 1995, is, perforce, cancelled.

Done at Frankfort, Kentucky, this 20th day of October, 1995.

By the Commission

DISSENT OF COMMISSIONER LINDA K. BREATHITT

I dissent from the majority opinion with great reluctance. Previous orders have been issued by the Commission in this case dealing with the adjustments to depreciation rates in the Settlement before us today. The only difference between the Settlement ordered modified and the "new" Settlement is language that allows the Commission to review and explore the issue in Western's next rate proceeding. We have that ability now. This assurance apparently convinces the Commission that the unfairness to Western's ratepayers as a result of this adjustment can be dealt with later. I do not agree that approval of this Settlement today with the promise of correcting an unjust result in the future is sound regulatory policy.

The depreciation adjustment agreed to in the Settlement allows Western an additional $1,000,000 in annual revenues that this Commission found unreasonable in its Orders of August 10 and 29, 1995. The additional revenues enuring to Western as a result of this adjustment will be generated by the rates its customers pay from November 1, 1995 until new rates are set by this Commission in a subsequent rate proceeding.

If either Western's current depreciation rates or the rates developed by Western's consultant, Deloitte and Touche, prove to have been accurate, Western's ratepayers will be called upon to pay the deficit in a future case. Taking the easy way out today, whether as a result of the parties persistence or representations that we can fix it later, will no doubt render future decisions more difficult for the Commission and increase the future burden on Western's ratepayers.

My reluctance is further increased because the Settlement contains provisions under which the parties agree to pursue a demand-side management program directed to low income customers. I have great concern for those who are forced to forego basic utility service, in this instance gas for cooking and heating, because of financial hardship. My support for programs designed to assist consumers facing lost service is both well known and sincere. However, I must nonetheless take exception to approval of the Settlement as a whole which imposes such a quantifiable monetary burden on Western's customers.

Although there is no doubt in my mind that portions of this Settlement are fair and represent considerable concessions by the parties, I would, at a minimum, require Western to complete and file a depreciation study in 1996 pursuant to the recommendation of its own consultant.

Linda K Breathitt

Linda K. Breathitt

ATTEST:

Don Mills

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE APPLICATION OF WESTERN KENTUCKY GAS COMPANY	) CASE NO. 95-010

O R D E R

On August 17, 1995, Western Kentucky Gas Company ("Western") filed a Request for Rehearing and Motion for Extension of Time to Withdraw from a Settlement Agreement filed by the parties in this case. The Commission accepted and modified the Settlement by Order issued August 10, 1995.

Western requests that the Commission reconsider only that portion of its August 10, 1995 Order modifying the depreciation rates agreed to by the parties to the Settlement. The Attorney General, by and through his Public Service Litigation Branch ("AG"), filed a response in support of Western's rehearing request as have Shirley Manley, represented by Kentucky Legal Services, Commonwealth Energy Services, Inc., Southern Gas Company of Delaware, Inc., CMS Gas Marketing, and Kentucky Industrial Utility Customers. After considering the pleadings and being otherwise sufficiently advised, the Commission finds that rehearing should be denied for the reasons set forth below.

Any party may request rehearing and may offer "additional evidence that could not with reasonable diligence have been offered on the former hearing." KRS 278.400. Although Western has filed attachments to its request, it made no new offer of proof and no showing of any new evidence related to the depreciation issue.

This issue was fully explored in discovery and the record supports the Commission's modification.

Western argues that the Commission must allow recovery of the depreciation expense resulting from the modification of the Settlement depreciation rates. In Western's view, the Order does not adjust the Settlement revenue requirement and resulting rates to reflect the modification in depreciation rates. Western obviously assumes from the foregoing arguments that the Commission did not consider any revenue impact that modified depreciation rates would have on the overall Settlement. This assumption is incorrect. Depreciation was evaluated, as were all other Settlement provisions, recognizing the interrelationship that exists among all items agreed to in settlement. The modification in depreciation rates was necessary and supports the overall revenue requirement and resulting rates agreed to by the parties.

The Commission stated in its Order of August 10, 1995 that the Settlement was reasonable as modified. Conversely stated, the Settlement was not reasonable without the Commission ordered modifications. In order to meet its statutory obligation to ensure a fair, just, and reasonable outcome, the Commission, reviewing the Settlement as a whole, would have been unable to approve it as filed without modification.

As the Commission has stated before, Settlements are to be encouraged. The Commission's statutory obligation is to review proposed rates for reasonableness, whether those rates are derived from the utility's or some intervening party's development of a revenue requirement, or the result of a Settlement proposal representing the agreement of all parties to a proceeding.

Unanimity of agreement does not deprive, nor does it relieve, the Commission of its statutory obligation to determine that the public interest has been served. Such a determination can only be made by undertaking a review of the record as it exists at the time an agreement is filed. The statutes do not provide for the abrogation of this obligation by deferring to any individual or group who wants to strike its own bargain.

Rather, the Commission must, consistent with its legal obligations, ensure that the public interest is served in approving these agreements by reaching an independent conclusion regarding the merits of any Settlement. As the AG states "[t]he question is not whether the Settlement could contain different terms. The question is whether the Settlement contains fair, just and reasonable terms." The Commission could not agree more.

Western argues in the alternative, that a full evidentiary hearing be held on the single issue of depreciation rates. The Commission notes that the parties to the Settlement agreed to waive their right to request a hearing to demonstrate the reasonableness of the Settlement. It would be inappropriate and virtually impossible to review adequately one component of the Settlement without considering the other Settlement provisions.

IT IS THEREFORE ORDERED that Western's request for rehearing on the issue of its depreciation rates is hereby denied and the August 10, 1995 Order is affirmed in its entirety. Any party wishing to withdraw from the Settlement shall notify the Commission within 10 days of the date of this Order and further proceedings shall be scheduled.

Done at Frankfort, Kentucky, this 29th day of August, 1995.

By the Commission

DISSENTING OPINION OF CHAIRMAN GEORGE EDWARD OVERBEY, JR.

I was persuaded to sign off on our August 10, 1995 Order on the basis that the "modifications . . . should not affect the agreement significantly."[1] Western's request and arguments for rehearing have put that notion to rest.

By insisting on these modifications, the Commission is rewriting the Settlement Agreement. Should any party choose to withdraw from the Settlement Agreement, we are all back at square one. A full blown rate case could well lead to judgments strikingly at variance with the terms spelled out by the Settlement Agreement. As a consequence, some or all of those judgments could be less onerous for Western and Western's customers, or could well be more onerous. No one possesses the proverbial crystal ball.

The essential question remains. Is the Settlement Agreement signed by <u>all</u> the parties, featuring as it does all of its articulated terms, including the adoption of a depreciation study

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1 Page 2 of Order.

conducted by Deloitte & Touche, such as to render the Settlement Agreement unreasonable and, thus, unacceptable? I don't think so.

Aside from the obvious arguments that compel very serious consideration of proposed settlements, any decision-making tribunal needs to always keep in mind what tinkering with such settlement agreements or outright rejection might lead. Unless the settlement agreement on its face, at first blush, runs amok over standards of fair, just and reasonable, I see no compelling reason to open Pandora's box.

Especially is this true where, as here, the majority focuses on but one item, depreciation studies, and mandates a substitute which brings about an <u>increase</u> in required revenue.

Nor, of course, is it just Western's side of the bargain we put in jeopardy. What about the benefits the Attorney General, the Office of Kentucky Legal Services, Inc. and the Appalachian Research and Defense Fund, Inc; the Kentucky Industrial Utility Customers; Commonwealth Energy Services, Inc.; CMS Gas Marketing; Southern Gas Company; and David Spainhoward received via this Settlement Agreement? Those benefits are also put in harm's way.

From my view of the Settlement Agreement from its four corners, I find it fair, just and reasonable and one which we ought to accept <u>sans</u> any modification.

George Edward Overbey, Jr.
Chairman

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF WESTERN KENTUCKY GAS COMPANY	))	CASE NO. 95-010

O R D E R

On February 10, 1995, Western Kentucky Gas Company ("Western"), a division of Atmos Energy Corporation, applied to increase its revenues by approximately $7.7 million using an historical test year.

On July 18, 1995, the parties, namely: Western; the Attorney General of the Commonwealth of Kentucky through his Public Service Litigation Branch; Shirley Manley, represented by the Office of Kentucky Legal Services, Inc. and the Appalachian Research and Defense Fund, Inc.; the Kentucky Industrial Utility Customers; Commonwealth Energy Services, Inc.; CMS Gas Marketing; Southern Gas Company; and, David Spainhoward filed a Joint Stipulation and Recommendation ("Settlement") resolving, to their satisfaction, the issues in this case. The Settlement is attached as Appendix A. The parties have expressed their agreement to submit the Settlement on the record and have waived their right to a formal hearing.

The parties urge the Commission to review and accept this Settlement in its entirety as a reasonable resolution to this proceeding. While the overall reasonableness of the Settlement is an important factor, the Commission is bound by law to act in the public interest and review all elements of the Settlement. In determining whether the results of the Settlement are in the public interest and beneficial to the ratepayers, the Commission considered the fact that the Settlement is unanimous and that the participation of these parties ensures a wide range of interests was represented. After consideration of the record in this case, a review of the Settlement and being otherwise sufficiently advised, the Commission finds the Settlement to be generally reasonable. Although acceptance of the Settlement is not without conditions, the modifications described herein should not affect the agreement significantly.

The Settlement provides that Western will collect approximately $2.3 million in additional annual revenue from rates proposed to become effective August 1, 1995; and, approximately $1.0 million in additional annual revenue from rates proposed to become effective August 1, 1996.

The rates agreed to by the parties reflect recovery of expenses for postretirement benefits other than pensions, including amortization of the initial transition obligation consistent with Statement of Financial Accounting Standards No. 106. Western's practices of funding only a portion of its other postretirement employee benefits ("OPEBs") and of funding internally rather than using a protected fund administered by a third party are of concern. At a minimum, Western should fund its OPEB obligation to the extent that its expenditures to do so are tax deductible. Western should be prepared in future rate proceedings to justify its level of funding.

The Settlement also includes the following proposed nonrecurring charges: the charge to "turn on new service with meter set" is established at $28.00, the charge to "turn on service (shut-in test required)" is established at $18.00, and the charge to "turn on service (meter read only required)" is established at $10.00, with all three charges being waived for qualified low income (LIHEAP) participants. Western's proposed returned check fee will increase from $10.00 to $15.00.

Under the settlement, Western withdraws its proposals 1) to establish a "reconnect delinquent service charge"; 2) to assume ownership of customer service lines; 3) to include working gas inventory carrying charges as a component of its gas cost recovery mechanism; and, 4) to reduce the volumetric threshold for its Large Volume Sales (LVS-1 and LVS-2) tariff.

Western also agrees to seek approval of a Firm Carriage T-4 tariff (a modified version of its T-3) effective September 1, 1995, to offer a high priority gas transportation service with no underlying sales service to qualifying customers. The settlement provides that the T-4 simple margin will be identical to the simple margin of Western's other firm services, with the same non-commodity component as the T-3 Interruptible Carriage Service.

Western agrees to initiate a pilot Demand Side Management (DSM) Program/Low Income Customer Assistance Program to assist qualifying customers during the 1996 heating season. Western has accepted a three-year program and has committed funding up to $450,000 a year. The parties have agreed to work together to establish a plan and seek to reduce the energy bills of as many as 300 low income customers per year.

Thus, the Settlement merely establishes a framework for developing a program which will qualify for rate recovery under KRS 278.285. No specific programs or related cost recovery mechanism have been included. Therefore, the Commission makes no decision or findings of fact related to any portion of the DSM provisions included in the Settlement.

As proposed in the Settlement, the Commission will approve a deviation from 807 KAR 5:022, Section 8(2)(c) to allow Western to charge customers for furnishing and installing electronic flow measuring ("EFM") equipment. The parties seek approval of an option allowing customers needing this equipment to pay a monthly facilities charge. However, no cost support in the record for the proposed facilities charges was provided nor is there any justification for requiring customers to pay in perpetuity for equipment that has a finite service life. The Commission will therefore permit Western to charge customers a monthly amount, in lieu of a lump sum, for the cost of EFM equipment necessary to reimburse Western for the actual cost of the equipment and reasonable carrying charges. The duration of the charge shall be subject to agreement between Western and the affected customer.

Implementation of this decision will require Western to delete the references to EFM facilities charges under the headings <u>Net Monthly Rate</u> or <u>Net Monthly Bill</u> on Tariff Sheets No. 16, 34, 35, 40, and 41 along with the monthly charges as shown on Sheet 51.

The last sentence of the EFM paragraphs on Sheets No. 36 and 42 should be modified to read as follows: "Customers required to install EFM equipment may elect to pay for such equipment via a monthly payment which reimburses the Company for the cost of the equipment, including carrying charges, over a period of time to be agreed upon by the Company and the customer."

The parties agreed to adopt the depreciation study filed by Western, but would retain the existing 3.5 percent annual depreciation rate for Account Nos. 376 (Mains) and 380 (Services).

Western's depreciation study was completed in 1994 and includes an analysis of historical retirement activity data for the last six years. Western feigns ignorance of depreciation studies performed prior to Atmos Energy's acquisition of it in 1987. However, Western has been in operation as a gas distribution utility for over 50 years and consideration of additional historical information on its depreciable property is essential to establishing reasonable depreciation rates. Analysis of only six years of retirement activity is insufficient for changing Western's depreciation rates. The Commission therefore rejects that portion of the Settlement which establishes depreciation rates based on Western's depreciation study. Western shall continue to accrue depreciation using the rates in effect prior to the study.

IT IS THEREFORE ORDERED that:

1. The Settlement is approved as modified in this Order.

2. The rates included in Attachment A to the Settlement are approved for service rendered on and after the date of this Order.

The base rates included in Attachment B of the Settlement are approved for service rendered on and after August 1, 1996.

3. The EFM facilities charges rates contained in Sheet 51 of Western's proposed tariffs are denied. Within 20 days of the date of this Order, Western shall file revised tariff sheets which conform to this Order.

4. The Firm Carriage Service Rate T-4 as set out in Appendix D is approved effective September 1, 1995.

5. Western's proposal to adjust its depreciation rates is denied.

6. Any party wishing to exercise its right to withdraw under the Settlement because of modifications ordered herein shall notify the Commission in writing within 10 working days of the date of this Order. If the Settlement is withdrawn, this Order shall be vacated.

7. Within 20 days from the date of this Order, Western shall file with the Commission its revised tariff sheets setting out the rates and tariffs approved for service rendered on and after the date of this Order, as well as the Firm Carriage Service Rate T-4 tariff effective September 1, 1995. At least 10 days prior to the effective date, Western shall file its revised tariffs setting out

the rates approved for service rendered on and after August 1, 1996.

Done at Frankfort, Kentucky, this 10th day of August, 1995.

By the Commission

ATTEST:

Don Mills

Executive Director

5/29/91

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY	))	CASE NO. 90-013

O R D E R

On October 22, 1990, the Commission granted rehearing on various issues contained in the September 13, 1990 Order which granted an increase in the revenues of Western Kentucky Gas Company ("Western") of $1,018,455 annually. Testimony was filed by the parties, a hearing was conducted on January 29 and 30, 1991 and all parties were permitted to file briefs and reply briefs. After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds as follows:

PLANT ACQUISITION ADJUSTMENT/DEFERRED INCOME TAXES

The transfer of Western to Atmos in 1987 created an approximate $17 million increase in net investment due to the loss of accumulated deferred income taxes and the purchase price in excess of net book value which resulted in a plant acquisition adjustment. The consideration of these two items is the basis for determining whether or not the transfer results in an economic benefit to the ratepayers.

The Commission has determined that the findings contained in the original Order with regard to the rate-making treatment of the transfer-related deferred tax losses are valid, theoretically sound, and would fairly reflect and account for the sources of funds used for investment in utility assets if not for the rulings of the Internal Revenue Service. The uncontested testimony in the rehearing reflects that if the Commission applies this rate-making treatment in this instance, the utility will be subject to rulings of the Internal Revenue Service which would preclude it from utilizing accelerated depreciation for tax purposes. Accelerated depreciation provides, through the normalization process in rate-making, funds for capital investment. The risk of loss of such tax benefits would not be in the best interests of the utility or the ratepayers. Due to the violation of normalization requirements, the Commission finds it appropriate to remove the adjustment for Transfer Related Deferred Tax Losses and increase rate base by $12,030,269, which is the amount of $12,783,597 originally deducted from rate base less Western's actual test-year-end accumulated deferred taxes. This adjustment will result in an increase in revenue requirements of $2,225,068. In addition, the Commission reinstates the income tax expense of $233,330 for amortization of the investment tax credits and $131,081 for amortization of the excess deferred taxes. These tax adjustments result in an increase in revenue requirements of $601,785.

The Commission's initial determination on the plant acquisition adjustment was that cost savings would result from the change in ownership; that ratepayers and stockholders would both benefit; and that the benefits should be shared in the rate-making process by allowing Western to amortize the adjusted plant acquisition adjustment in operating costs, but to exclude the acquisition adjustment from the rate base. However, as indicated above, the Commission cannot restore any portion of the benefits of the pre-transfer deferred taxes to the ratepayers. As a result, the ratepayers will realize a substantial economic loss. Had the transfer been structured differently, the loss of deferred taxes might not have occurred, and the ratepayers could have been kept "whole." The Commission believes that the ratepayers' interests were not adequately considered by the buyer and the seller in structuring the 1987 transfer of Western. Given these circumstances, the Commission finds it unreasonable to require those same ratepayers to also bear the expense for the amortization of the plant acquisition adjustment which resulted from the transfer. The Commission therefore reverses its previous decision and finds that the amortization of the plant acquisition adjustment should not be included for rate-making purposes. The exclusion of this item results in a decrease in revenue requirements of $280,204.

OTHER REHEARING ISSUES

Valuation of Working Gas

The Commission granted rehearing on this issue at the request of the Kentucky Legal Services intervenor, Martha Sue Holmes ("KLS"). KLS requested the Commission rehear this issue, since according to KLS, the Commission's original determination of the appropriate valuation of working gas was not based upon a known and measurable adjustment. After consideration of this issue, the Commission finds the use of an average rather than end-of-test-period valuation to be reasonable and supported by the record in this proceeding. The Commission thus affirms its original decision on this issue.

Merchandising Sales and Jobbing/Demonstration and Selling

Based on the evidence presented by Western on rehearing, the Commission has been able to identify and segregate the costs which should be recorded below the line for rate-making purposes. Western provided an analysis which showed that $305,713 of the $721,223 in Demonstration and Selling expenses should be recorded above the line. Western has not presented substantial evidence that its costs relating to the "Affordable Gas Home" and "On The Mains" programs are not promotional in nature, and of benefit to the ratepayers of Western. Therefore, the Commission will reduce the amount of expense proposed by Western by $82,362 for rate-making purposes resulting in an increase of $223,351 to revenue requirements. The $322,784 in Merchandise Sales and Jobbing Income which was moved above the line in the original Order will be reinstated as a below the line income item which will result in a total increase in revenue requirements of $546,135.

Tax on ESOP Dividends

Western has provided additional information after the hearing which indicates that $11,067 in tax savings on ESOP dividends should be reflected in Western's adjusted operating statement for rate-making purposes. The Commission accepts this adjustment and therefore has decreased revenue requirements by $18,276.

Pension Expense

No additional evidence was presented on this issue by the Attorney General. Therefore, the Commission affirms its original decision on this issue.

Outside Services

Western argued that the temporary services expense of $132,133 proposed by the Attorney General and disallowed in the original Order was an incorrect amount and was inappropriately disallowed. Western stated that the actual amount was $117,068 but no explanation or supporting documentation for the amount was provided. The Commission finds that Western has not adequately supported the necessity for this expense and hereby affirms its original decision on this issue.

Working Capital

The increase in operation and maintenance expenses resulting from the adjustments for merchandising and jobbing and demonstration and selling expenses creates an increase in cash working capital of $68,267 which results in an increase in revenue requirements of $12,626.

Interest Synchronization Adjustment

The net increase in rate base of $12,098,536 to reflect the adjustments contained herein results in a decrease in revenue requirements of $473,168 resulting from the tax savings created by the additional interest costs allowed for rate-making purposes.

Return on Equity

The Commission allowed additional evidence to be presented as to how the Commission's treatment of deferred taxes and the acquisition adjustment affected Western's riskiness and hence its cost of equity. Based on the decisions herein with regard to the rate-making treatment of the pre-acquisition deferred taxes and the plant acquisition adjustment, the Commission finds that there is not sufficient evidence to determine that any additional risk or increased cost of equity will occur. Therefore, the original decision on this issue is affirmed.

Remedial Surcharge

Western requested the Commission establish a remedial surcharge and to set rates on rehearing effective as of the date of the Commission's original Order in this proceeding, September 13, 1990.

The Commission has fully complied with its legislative mandate to afford due process through evidentiary hearings and rehearings. The fair, just, and reasonable rates could not have been determined prior to the fulfillment of this entire process and, consequently, the rates are not subject to an effective date prior to the issuance of this final Order. To allow the rates to be collected for service rendered on and after the date of the original Order would constitute retroactive rate-making which cannot be allowed. Therefore, the request is denied.

REVENUE REQUIREMENTS

Based on the decisions on the issues contained herein, Western is entitled to increase its revenues by $2,613,966 above the amount allowed in the Commission's original Order, which results in a total combined revenue increase of $3,632,421.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered by Western on and after the date of this Order.

2. Within 30 days of the date of this Order, Western shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 29th day of May, 1991.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-013 DATED 5/29/91

The following rates and charges are prescribed for the customers in the area served by Western Kentucky Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order. These rates reflect all gas cost adjustments through Case No. 90-013-C.

General Sales Service Rate G-1

Base Charge:	$ 4.35	per meter per month for residential service
	$11.60	per meter per month for non-residential service
Commodity Charge:		
First 300 Mcf per month	$4.3763	per 1,000 cubic feet
Next 14,700 Mcf per month	$4.2263	per 1,000 cubic feet
Over 15,000 Mcf per month	$4.0763	per 1,000 cubic feet

Transportation Service Rate T-2

Includes standby sales service under corresponding sales rates.

General Service Rate G-1:

	Simple Margin	+	Non-Commodity Components	=	Gross Margin Transportation Rate Per 1,000 Cu. Ft.
First 300 Mcf/mo.	$0.9419		$0.3464		$1.2883
Next 14,700 Mcf/mo.	0.7919		0.3464		1.1383
All over 15,000 Mcf/mo.	0.6419		0.3464		0.9883

10/22/90

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY	))	CASE NO. 90-013

O R D E R

On October 3, 1990, Western Kentucky Gas Company ("Western"), the Attorney General of Kentucky ("Attorney General"), and Kentucky Legal Services ("KLS") representing Martha Sue Holmes, petitioned for rehearing.

Western requests rehearing on eight issues, specifically: deferred income taxes; the acquisition adjustment; capital structure; merchandising sales and jobbing; aircraft charges; outside services; demonstration and selling expenses; and allowable return on equity. KLS raises three issues on rehearing: valuation of working gas; lost and unaccounted for gas; and the Energy Assurance Program ("EAP"). The Attorney General has petitioned the Commission to rehear seven issues: acquisition adjustment; rate case expenses; corporate allocations; tax adjustments for ESOP dividends; cost-of-service study; expense for personal use of autos; and pension expense.

After consideration of each petition, the response of the Attorney General to Western's petition for rehearing[1] and to the

[1] Filed October 12, 1990.

petition of KLS[2] and being otherwise sufficiently advised, the Commission finds that rehearing should be granted on all issues raised in the petitions with the exception of the following:

Capital Structure

Western requested rehearing on the capital structure, contending that the Order was arbitrary and unreasonable in double counting the post test-year long-term debt issuance of $14 million as a component of both long-term debt and short-term debt. The Commission, contrary to Western's assertions, did not double count the post test-year issuance. The Commission imputed a hypothetical capital structure which included the post test-year debt issuance as known and measurable and occurring shortly after the end of the test period, and also included the average daily test period level of short-term debt of $15,858,356 as a representative level of short-term debt based on Western's extensive use of short-term debt to mitigate seasonal swings in revenues and expenses. The Commission determined what it considers to be a representative capital structure. Western claimed that short-term debt will continue to be used to offset seasonal swings in revenues and expenses.[3] The Commission notes that Western's end of test-period capital structure included $31,600,000 of short-term debt outstanding, and that Western's

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2 Filed October 11, 1990.

3 T.E., Volume II, pp. 79-80.

comparative capital structure for the past five years indicates significant levels of short-term debt outstanding.[4]

Aircraft Charges

The Commission disallowed $185,899 of travel expenses related to aircraft leased at the corporate level, a portion of which is allocated to Western. Since Atmos no longer leases the aircraft, the expense no longer exists, however, Western repeats its argument that the charges have been replaced by commercial airfare. There was a sufficient amount of airfare allowed in Western's test-period sufficient to cover a reasonable level of commercial aircraft costs.

Return on Equity

Western argues that the allowed 12.5 percent return on equity was arbitrary, unsupported by probative evidence, and particularly unreasonable in light of the depressed equity component and understated rate base to which it was applied.

There was extensive evidence by both Western and the Attorney General regarding the proper return on equity to be allowed. The Commission carefully considered all of this evidence, including current economic conditions, in finding that Western's cost of common equity was within a range of 12.0 to 13.0 percent. It is unnecessary to re-examine the proper return on equity in total.

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4 Response to Item 1 of the Commission's Order dated 2/9/90, filed 3/2/90.

The Commission will, however, allow Western and the other parties the opportunity to present any additional evidence they consider pertinent on how the Commission's treatment of deferred income taxes and the acquisition adjustment affects Western's riskiness and hence its cost of equity.

Rate Case Expense

The Commission provided for a 3 year amortization of Western's rate case expense of $216,309.

The Attorney General states that the entire amount should be rejected because it is outside the test year.[5] However, this Commission has consistently allowed recovery of the reasonable cost incurred in the presentation of evidence in formal rate proceedings. While this is a cost which is incurred outside the test period, it is not a normal expense which is built into the reasonable ongoing level of operating expenses. The only way for the utility to recover this cost is through amortization. The Attorney General also argues that the charges are unreasonable and should be more closely scrutinized.[6] This Commission is always concerned about the cost of any proceeding before it. The discovery was protracted and the hearing lengthy. Western's rate case expense was not unreasonable.

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5 Attorney General's Petition for Rehearing, page 4.

6 Id.

Corporate Allocations

The Attorney General claims the Commission did not discuss at length the issues raised by him.[7] He identifies several issues that were not specifically addressed in our Order.

The issue was addressed at great length during the hearing and much data was generated on discovery. The Commission is not obligated to discuss at length in its final Orders, each and every point made on each issue by every party. As the Sixth Circuit Court of Appeals has stated, administrative agencies are "not required to supply a comprehensive explanation for the rejection of evidence." Cotter v. Harris, 650 F.2d 481, 482 (6th Cir. 1981).

Cost-of-Service Study

The Attorney General requests that the Commission reconsider his evidence and modify Western's cost-of-service study pursuant to his recommendations. The Attorney General maintains that the Commission indicated that Western's cost-of-service study was accepted because it was the only complete cost-of-service study presented.

The Attorney General criticized two cost allocation methodologies contained in Western's cost-of-service study: the allocation of storage costs and the acquisition adjustment. The Attorney General asserted that storage costs should have been allocated on the basis of volume instead of peak or design day and

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7 Id, page 5.

that the acquisition adjustment as shown in Western's cost-of-service study should have been disallowed by the Commission.

The Commission found Western's cost-of-service study to be reasonable and acceptable as a starting point for rate design. Contrary to the Attorney General's assertion, this decision was not based on the fact that Western's cost-of-service study was the only complete study to be filed. Rather, the Commission's decision was based on all the evidence presented in the case pertaining to Western's cost-of-service study and on the responsiveness of Western's study to the Commission's concerns expressed in Administrative Case No. 297[8] and Case No. 9556[9]. The Attorney General's concerns regarding the allocation of storage costs and the acquisition adjustment were considered by the Commission, as were all other criticisms directed at Western's cost-of-service study by intervenors. The Attorney General's petition presents no new information that has not previously been considered.

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8 Administrative Case No. 297, An Investigation of the Impact of Federal Policy on Natural Gas to Kentucky Consumers and Suppliers.

9 Case No. 9556, Rate Adjustment of Western Kentucky Gas Company.

Personal Use of Automobiles

The Attorney General argues that this expense is "unnecessary in providing utility service" and "the individuals who drive them are already adequately compensated."[10]

The Attorney General failed to provide any evidence that would indicate the amount of personal use of the automobiles and the Commission does not believe that it is unreasonable for Western to furnish automobiles for its supervisors, district managers, etc.

Lost and Unaccounted-for Gas

KLS points out that the Commission did not address the issue of lost and unaccounted-for gas attributable to transportation customers. KLS requests that the Commission order Western to determine the test-year cost of lost and unaccounted-for gas attributable to transportation customers and assign this cost directly to those customers through their commodity charges.

KLS argues that Western's cost-of-service study was not an adequate guide for designing rates due to the absence therein of any allocation of lost and unaccounted-for gas to transportation customers. The Commission was and is cognisant of this position, as well as the opposing views expressed by Western and Kentucky Industrial Utility Customers ("KIUC"). Both Western and KIUC opined that the adequacy of Western's cost-of-service study did not depend on the allocation of one component of cost.

10 Id. page 8.

The Commission found Western's cost-of-service study to be reasonable and acceptable as a starting point for rate design. The question of lost and unaccounted-for gas was but one of several criticisms the intervenors directed at Western's study. The Order did not address each criticism individually, but all were considered in the Commission's decision making.

The fact that the cost-of-service study is used but as a starting point for rate design mitigates the concern that each and every component of cost must be assigned in a prescribed manner. The petition presents no new information that has not previously been considered.

Energy Assurance Program

KLS reiterates its argument that the EAP would not violate Kentucky Statutes, specifically KRS 278.160 and KRS 278.170. KLS argues that adoption of the EAP would not put Western in the position of administering a social program, a concern expressed by the Commission. KLS requested the Commission implement a pilot program for the EAP, similar to a plan recently approved by the Pennsylvania Public Utility Commission, to test the program on a company-specific basis.

As stated in our previous Order, KLS's proposal would allow a sub-group of Western's residential customers to receive service at a rate less than the amount prescribed in Western's filed rate schedules, a violation of KRS 278.160 and the filed rate doctrine; and, most importantly, those customers reduced monthly payments would have no relation to Western's costs, and would give them an unreasonable preference over Western's remaining customers. The statutory limitations found by the Commission effectively renders KLS's remaining arguments moot.

On October 11, 1990, the Attorney General filed responses to the petitions for rehearing of Western and KLS. Western subsequently filed a motion to strike responses arguing that the issues which were the subject of the responses were not raised by the Attorney General in his petition on rehearing and were barred by the 20 day limitation of KRS 278.400. Western further argues that the response filed was not authorized by KRS Chapter 278 or the Commission's administrative regulations. After consideration of the motion and being otherwise sufficiently advised, the Commission finds that no prejudice will result to Western by denying the motion to strike and further that the Commission should permit the parties broad latitude in responding to arguments raised by other parties. The motion to strike should, therefore, be denied.

IT IS THEREFORE ORDERED that:

1. Rehearing shall be granted on all issues raised by the parties with the exception of those issues specifically addressed above upon which rehearing is specifically denied.

2. Western's motion to strike the Attorney General's responses to the petitions of Western and KLS be and it hereby is denied.

Done at Frankfort, Kentucky, this 22nd day of October, 1990.

By the Commission

ATTEST:

Executive Director

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY	))	CASE NO. 90-013

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

SEP 17 1990
RECEIVED

In the Matter of:

RATE ADJUSTMENT OF WESTERN KENTUCKY GAS COMPANY	))	CASE NO. 90-013

O R D E R

On February 13, 1990, Western Kentucky Gas Company ("Western") filed its notice with this Commission requesting authority to adjust its rates for gas service on and after March 15, 1990. The rates proposed by Western would produce additional annual revenues of $8,972,531, representing an increase of approximately 8 percent. In order to determine the reasonableness of Western's requested increase, the Commission suspended the proposed rates and charges until August 15, 1990.

Motions to intervene in this proceeding were filed by the Kentucky Industrial Utility Customers ("KIUC"), Kentucky Legal Services ("KLS"), National Southwire Aluminum ("Southwire"), Logan Aluminum ("Logan"), and the Attorney General by and through his Utility and Rate Intervention Division ("AG"), and Mr. Everett Brawner, a customer of Western. All were granted. A public hearing was held in the Commission's offices in Frankfort, Kentucky, on June 20-22 and June 27-28, 1990. Simultaneous briefs were filed by August 8, 1990 and simultaneous reply briefs were filed by August 15, 1990.

This Order addresses the Commission's findings and determinations with regard to Western's revenue requirements and rate design and establishes rates and charges that will produce additional annual revenues of $1,018,455 an increase of 1.0 percent over normalized test period revenues.

NET INVESTMENT RATE BASE

Western proposed a net investment rate base of $81,627,268. Western's proposed rate base includes a plant acquisition adjustment in the amount of $4,119,284 as well as a revalution of working gas storage.[1]

PLANT ACQUISITION ADJUSTMENT/DEFERRED INCOME TAXES

In November 1987, the assets of Western were acquired from Texas American Energy Corporation ("TAE"). TAE had operated Western Since 1980 as a division of its diversified gas and oil exploration and production, and natural gas distribution company. As negotiations unfolded in mid to late 1987 for the purchase, Atmos Energy Corporation, formerly Energas Company, ("Atmos") was one of the five finalists and ultimately the successful bidder for the acquisition of Western. Atmos focused all of its attention toward acquiring Western's assets, rather than the stock. However, just prior to the transfer, TAE reorganized Western as a subsidiary and consummated the sale as a stock sale. Western stated in testimony in this proceeding that the primary reason for Atmos' desire to acquire the assets from TAE was the assurance of

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1 Exhibit 6, page 4.

the specific assets it was acquiring and, more importantly, the liabilities it was assuming. Atmos was particularly concerned that since TAE was in a poor financial condition and subject to bankruptcy, that it would not subject itself to liability for any other obligations of TAE. Atmos also wanted to handle the transfer as an asset purchase in order to receive the tax benefits resulting from the increase in the cost basis of the depreciable assets for tax purposes.

The transfer of Western in 1987 had two very significant impacts on the financial statements of Western which affect the revenue requirements as determined for rate-making purposes. The purchase of Western at a price in excess of the depreciated net original cost basis resulted in a utility plant acquisition adjustment of approximately $4.7 million. The other major impact on revenue requirements was the elimination of the deferred state and federal income taxes and unamortized investment tax credits of $12.8 million from the books of Western upon the transfer.

Plant Acquisition Adjustment

The plant acquisition adjustment is determined by calculating the difference in the depreciated net original cost and the purchase price of acquiring utility assets plus the acquisition costs. Western's response to Item 19 of the Commission's Order of April 24, 1990, item 19 reflected that the total acquisition cost used to determine the plant acquisition adjustment was $6 million. Western proposed to include the entire plant acquisition adjustment in the net investment rate base and to amortize the plant acquisition adjustment over 15 years.

In determining the reasonable cost of assets used to provide utility service, the Commission holds that the depreciated original cost is the appropriate standard. However, in a case involving Delta Natural Gas Company,[2] ("Delta") in 1987, the Commission allowed Delta to recover its plant acquisition adjustment. In that proceeding, the Commission established certain criteria which a utility must meet in order to justify the increased cost associated with the acquisition. The basic substance of the criteria which must be met is that the additional benefits of the acquisition in excess of book value exceeds the additional cost. These benefits related to both quality of service and economics.

In response to Item 4 of the Commission's Order dated May 30, 1990, Western addressed the criteria established by the Commission in the Delta case. Although many of the benefits are not quantifiable, Western argued that the ratepayers were realizing an immediate benefit resulting from the treatment of the gas inventory. This resulted in a rate base reduction of $3.8 million. Also, because of the deteriorating financial condition of the former owners, even though the gas distribution operations were not the cause of the financial distress, Western could have experienced increased capital costs had the transfer not taken place.

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2 Case No. 9059, An Adjustment of Rates of Delta Natural Gas Company, Inc.

The AG argues that the plant acquisition adjustment should not be allowed because the primary reason for the acquisition adjustment is the $6 million in acquisition costs, which are excessive. The AG specifically takes issue with the $495,000 in bonuses paid to Atmos employees for their efforts in acquiring Western.

The Commission concurs with the AG's position that the acquisition costs are excessive to the extent that bonuses of $495,000 were paid to Atmos employees. While these may be valid costs incurred in connection with the acquisition, the stockholders of Atmos are the primary beneficiaries and Atmos should bear the cost of rewarding its employees for their efforts in the acquisition of Western. Therefore, the Commission has reduced the plant acquisition adjustment by $495,000 resulting in a reduction to amortization expense of $33,000 for rate-making purposes. The Commission is swayed by the uncontested arguments that cost savings will result from the change in ownership.

The Commission finds that the ratepayers and the stockholders of Atmos will both benefit from the acquisition of Western. Accordingly, the best method that will share these benefits and costs in the rate-making process is to allow the amortization of the adjusted plant acquisition adjustment in operating costs, but to exclude the acquisition adjustment from the rate base. This approach will give recognition to the additional investment to be borne by the ratepayers, but will require the stockholders to forego a return on the unamortized portion of the plant acquisition adjustment in return for the benefits they receive as a result of the acquisition.

Deferred Income Taxes

Although the purchase of Western by Atmos was technically a stock purchase, the method of recording the transfer resulted in the elimination of deferred income taxes in the amount of $12,783,597. The pre-acquisition deferred taxes were identified as Investment Tax Credits in the amount of $3,499,954 and Deferred Income Taxes of $9,283,643. In Western's rate cases prior to the transfer, rate base was reduced by the investment tax credits and the deferred taxes. The Commission has allowed full tax normalization for rate-making purposes for Western, and Western was realizing the benefits of these tax credits and deferrals prior to the transfer.

The transfer was treated as an asset purchase and the deferred taxes were eliminated by Western in the post-acquisition journal entries. Western argued throughout the proceedings that the tax attributes of the seller could not be retained by the buyer, since there was no continuing ownership interest retained by the buyer. The seller was required to treat the asset sale as a gain (or loss) for tax purposes and was liable for any taxes due, as a result of a gain, as well as any recapture of investment tax credits. Western contends that since the purchase was treated as an asset purchase, there was no way for it to retain the deferred taxes on its books. Western did not submit substantial evidence that its decision to purchase the assets rather than the stock was in the best interests of the ratepayers financially. At the hearing, Mr. Purser, Chief Financial Officer and Executive Vice President of Atmos, testified that Atmos had not done any studies comparing the financial impact on the ratepayers of acquiring the stock versus acquiring the assets of Western.

The Commission does not take issue with Western's interpretation of the IRS code requirements that the transfer, since it was in the form of an asset purchase, results in the elimination of deferred taxes. However, the election to treat the acquisition as an asset purchase, was by Atmos' choice and Atmos received various benefits by acquiring the assets, in return for the elimination of deferred taxes, such as the increase in the depreciable tax basis of the assets. The record does not indicate that the impact on ratepayers was a consideration in determining the method of acquisition.

The loss of deferred taxes and ITCs is of considerable interest to the Commission and an issue which has a significant impact on the revenue requirements in this case. In evaluating the revenue requirements effect of the elimination of these deferred taxes, consideration must be given to the sources of the deferred taxes as well as the method in which benefits are realized by the ratepayers. A knowledge of the tax deferral process is essential to a complete understanding of the issue. It should be understood that deferred taxes are considered cost-free capital to utilities. Deferred taxes are generated when income tax expense determined for book purposes exceeds income tax expense determined for tax purposes. This cost free capital is provided by the ratepayers of the utility through the tax normalization rate-making approach.

There are tax differences which are permanent and those which are the result of temporary timing differences caused primarily by differences in depreciation expense deductions for book and tax purposes. The temporary book/tax depreciation timing differences reverse in the later years of the life of the depreciable asset. Thus, the deferred taxes arising from temporary timing differences constitute a "loan" to the utility from the ratepayers, which is repaid when the book/tax timing differences reverse and the IRS tax expense is greater than the book tax expense.

There are actually three categories of deferred taxes which were eliminated in the transfer of Western. Of the $12,783,597, $3,499,954 are identified as unamortized investment tax credits. Investment tax credits are direct reductions in income tax expense at the time an investment is made in qualifying utility assets. The ratepayers incur tax expense initially as though these credits had not occurred and the excess tax payments are returned to the ratepayers over the useful life of the assets giving rise to the ITCs. These ITCs were considered a permanent tax reduction until the time of the transfer. At that point, a portion of the ITC was potentially subject to recapture, due to the sale of the assets.

The remainder of the deferred taxes consisted of deferred federal and state income taxes which would have been eliminated at the 34 percent tax rate when the book/tax depreciation timing differences reversed; and the excess deferred taxes which were created in 1978 when the maximum corporate income tax rate was lowered from 48 to 46 percent and in 1987 when the Tax Reform Act of 1986 ("TRA") lowered the maximum corporate income tax rate from

46 to 34 percent. The elimination of the deferred taxes required to offset tax expenses when the book/tax timing differences reverse were a temporary loss to the ratepayers upon the transfer of Western, whereas the elimination of the excess deferred taxes result in a permanent loss to the ratepayers.

Temporary Losses. The Commission concurs with Western's contention that the deferred taxes previously created by book/tax depreciation timing differences will be restored through greater deferrals subsequent to the transfer. The purchase of Western by Atmos and the increase in the depreciable tax basis eliminated the book and tax depreciable basis difference which had given rise to the deferred taxes on the books prior to the transfer. The depreciable tax basis now exceeds the net depreciable book basis which will further accelerate the restoration of the deferred taxes. By adjusting rate base to reflect the temporary loss of deferred taxes, which had previously been provided by the ratepayers, the Commission is restoring the investment which is due to the ratepayers and will be provided on the books of Western over the next few years. The Commission believes that the ratepayers should not be required to wait until these deferred taxes are restored to realize the benefits for the dollars they contributed prior to the transfer. By restoring these deferred taxes through a rate base reduction now, Western will not realize the double benefit of having an increased rate base for rate-making purposes as well as a decreasing rate base and higher annual earnings through the process of restoring the deferred taxes in future years. The book effect of the rate base reduction will only be realized by Western during the period of time that the deferred taxes are not restored.

Permanent Losses. The elimination of the unamortized investment tax credits upon the transfer of Western resulted in a permanent loss to the ratepayers of funds provided for taxes. Western stated that the ITCs were subject to recapture and the seller was responsible for payment of the previously utilized tax credits. The Commission does not dispute Western's position that a portion of these ITCs would have become a tax liability of the seller upon the transfer. The fact remains, however, that the ratepayers provided the funds to cover the cost of these taxes in advance, and the action of the seller created the tax liability which would not have occurred had the transfer not occurred. There is no information in the record in this case which would allow the Commission to readily identify what component of the ITC was subject to recapture. Even if these amounts could be identified, the ITCs would not have been recaptured if the sale had not occurred. The payment of these additional taxes should be arranged in the purchase/sale transaction between the buyer and seller and the increased cost, if any, should not be borne by the ratepayers.

The excess deferred taxes resulting from the TRA tax rate reduction and the 1978 tax rate reduction, from 48 to 46 percent, should be restored to the benefit of the ratepayers. The TRA provided that the excess deferred taxes resulting from the tax rate reduction should be returned to the ratepayers using the average rate assumption method. This method would have flowed this tax benefit back to the ratepayers of Western over the remaining useful life of the assets. Upon the sale of Western, the seller was not required to remit any of these excess deferred taxes to IRS since the tax rate should not have exceeded 34 percent. Once again, the seller was responsible for taxes on its recorded gain on the sale of the assets. As with the other permanent losses, the funds were provided by the ratepayers and should not result in an increase in rate base for the ratepayer. The ratepayers did not share in the gain realized by the seller; therefore, they should not be responsible for the taxes.

Western's primary rebuttal to questions at the hearing and to the testimony of the AG regarding the elimination of ITCs and deferred taxes, was that the ratepayers would benefit from the increase in the depreciable tax basis of the assets and the deferred taxes would be restored through MACRS depreciation. This observation is true with regard to the deferred taxes which were lost temporarily; however, the investment tax credits and the excess deferred taxes will not be restored and will result in a permanent loss to the ratepayers. The Commission finds that the ratepayers should not bear the loss of these deferred taxes. Therefore, an adjustment should be made, for rate-making purposes, to restore the liability and refund these losses to the ratepayers. For rate-making purposes, the temporary losses and permanent losses are treated differently. The temporary losses should be deducted from rate base with no amortization, since these deferred taxes will be restored. The permanent losses should be deducted from rate base and amortized over the remaining book life of the assets at the time of the transfer. This will, in effect, provide the same rate-making impact that would have occurred without the transfer.

The Commission's decision on the loss of investment tax credits and deferred taxes results in a reduction to rate base of $12,783,597 and a reduction to income tax expense of $233,330 for amortization of the investment tax credits and a reduction to income tax expense of $131,081 for amortization of the excess deferred taxes. The amount of excess deferred taxes was estimated by applying 26 percent to the level of deferred taxes on the books at the time of the transfer. The 26 percent factor represents the change in the maximum corporate income tax rate from 46 to 34 percent.

Valuation of Working Gas

Western proposed to increase its rate base by $2,801,235 in order to revalue its working gas storage to reflect the Texas Gas Zone 3 price as established in Western's Gas Cost Adjustment Case No. 9556-M[3] ("GCA 9556-M").[4]

The AG proposed a reduction of $1,818,257 in the working gas storage balance based on the premise that a portion of the gas remained in storage throughout the test period.[5] Since the entire

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3 Case No. 9556-M, Notice of Purchased Gas Adjustment Filing of Western Kentucky Gas.

4 Exhibit MSL-8, page 4.

5 DeWard Prefiled Testimony, page 21.

amount of working gas was not withdrawn from storage, the value of the gas stored will never equal the current price used by the company to price out the gas. The AG therefore argues that Western should value working gas inventory by excluding the amount at the point of the lowest storage level, that being at April 30, 1989. The AG's proposal would reduce the rate base by $1,818,257.[6]

KLS proposed that Western's adjustment to its working gas storage should be eliminated completely because it does not reflect a known and measurable change.[7] In support of its position, KLS states: 1) the adjustment is based upon an estimate; 2) the estimate varies over time; 3) the gas purchased will not necessarily be the gas stored; and 4) the adjustment will lock into rates an estimated gas cost despite the certainty that this cost will fluctuate.[8]

According to Western's response to an interrogatory during discovery and during cross-examination, Western's witness stated that its underground storage is priced at average cost. Western's witness further states that Western is asking for a return on inventory that is valued at the higher of the average cost and

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6 Exhibit TCD-1, Schedule 6.

7 Brief of KLS, page 5.

8 Id., page 4.

the Texas Gas Zone 3 price.[9] The Commission believes it to be inappropriate for Western to revalue its inventory for rate-making purposes at a value higher than its cost; and although the KLS proposal has merit, the Commission believes that an average rather than the test-period-end valuation is the more appropriate method because an average will account for any abnormalities that may occur during the test period. The Commission finds that the AG's proposal for revaluation is the more appropriate method.

Cash-Working Capital Allowance

Western proposed, as a component of its rate base, a cash-working capital allowance of $2,864,951.[10] Western derived this amount based on the 1/8 formula method.

The AG has proposed a complete elimination of this adjustment because the formula method "always produces a working capital allowance, but does not produce an amount which truly represents a working capital requirement."[11] The AG further states that Western has not justified its need for a cash-working capital requirement.

The Commission is aware of the AG's position regarding the 1/8 formula method for determining a cash-working capital allowance; however, the Commission is not persuaded to abandon the formula method in this case and will allow Western to calculate

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9 T.E., Vol. IV, page 25.

10 Exhibit 6, page 4.

11 DeWard Prefiled Testimony, page 23.

its cash-working capital requirement in this manner. The Commission, however, will reduce Western's proposed cash-working capital requirement by $150,272 to reflect the level of operation and maintenance expenses found reasonable in this case.

Computer Equipment

Included in Western's plant in service component of its rate base is computer equipment in the amount of $2,158,659 that was sold subsequent to the test period. Also included was associated accumulated depreciation in the amount of $1,181,331. The record in this proceeding indicates that the computer equipment was located at Western's office in Owensboro and was sold in February 1990.[12]

The AG contends that since the computer has been sold, Western should not be allowed a return on the equipment and should not be allowed to recover the associated depreciation expense.[13]

Western stated that although the equipment had been sold and was no longer in service, it was the only computer system on which the company was seeking a return and a recovery of costs.[14] Western's witness testified that no costs from the corporate data processing functions nor any actual test-period costs that had been removed during the test period are included in this proceeding.[15]

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12 Brief of Western, page 35.

13 DeWard Prefiled Testimony, page 14.

14 Brief of Western, page 36.

15 T.E., Vol. III, page 213-214.

The Commission is very concerned about allowing any utility to earn a return on plant that is not only no longer in service, but is no longer owned by the utility. On the other hand, the Commission would be hesitant to not allow a utility to recover a properly incurred cost of operations. Western has stated in its brief that at the time of its filing of this case, neither the timing of the sale nor the proper amount to be allocated by the corporate office was known.[16] If the Commission disallowed Western recovery of the computer that was sold, it would be, in effect, barring Western from recovering most of its data processing costs. The Commission believes that Western should be allowed the return on the equipment that was sold and finds that Western has included an appropriate amount in its rate base for computer equipment.

12-Month Average for Underground Storage

The AG proposed a $275,436 reduction to Western's rate base using a 12-month average to value Western's gas stored underground as opposed to the usual 13-month. The AG's rationale for this proposal is that the inclusion of 13 months artificially inflates the balance by using two of the three highest month balances of the period.[17]

This Commission has generally used the 13-month average for gas inventory and other rate base components as well as revenue and expense items. The basis for use of the 13-month average is

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16 Brief of Western, page 35.

17 DeWard Prefiled Testimony, page 22.

to dilute any abnormalities that may occur during the test period and to include the average for the appropriate time span. The Commission is not persuaded to abandon the 13-month average in this case.

Construction Work in Progress ("CWIP")

The AG proposed that Western's rate base be reduced by $107,341 to remove CWIP for which Western is expected to be reimbursed.[18] The Commission agrees.

Western contends that it is not known if the company will actually receive reimbursement for these items, but stated that it was subject to reimbursement of these items.[19]

Rate Base Determination

Based upon the above discussion, the Commission has determined Western's net investment rate base at September 30, 1989 to be $63,401,818, determined as follows:

Gas Plant in Service	$119,822,147
Construction Work in Progress	693,488
Gas Stored Underground	1,775,865
	$122,291,500
Deduct:	
Accumulated Depreciation	(57,995,843)
Transfer Related Deferred Tax Losses	(12,783,597)
Retirement Work in Progress	(189,566)
Customer Advances for Construction	(3,398,193)

18 DeWard Prefiled Testimony, page 23.

19 Response to AG Data Request, March 30, 1990, Item 9.

Add:	
Cash-Working Capital Allowance	2,714,679
Prepayments	699,813
Materials and Supplies	997,337
LP Gas Inventory	68,482
Working Gas Storage	10,997,206
Total Net Investment Rate Base	$ 63,401,818

CAPITAL STRUCTURE

Western proposed a capital structure of 50.58 percent debt and 49.42 percent common equity based on the actual end-of-test-year capital structure of Atmos, divided between long-term debt and equity. Western did not include in its capital structure short-term debt of $31,600,000 which was outstanding at the end of the test period, stating that "the capital structure of Atmos is reasonable excluding short-term debt" and "short-term debt is not permanent and regularly has to be retired and replaced."[20]

The AG proposed a capital structure of 50.00 percent long-term debt, 8.50 percent short-term debt, and 41.5 percent common equity. The AG proposed to include the average daily balance of short term debt for the test year of $15,880,500 in the capital structure, and also proposed to include $14,000,000 of additional long-term debt because this commitment was made prior to the end of the test year and an initial placement was made within 11 days of the test year.

The Commission finds that the adjusted capital structure as recommended by the AG is reasonable with one exception. The AG's proposed amount of short-term debt of $15,880,500 differs slightly

[20] Response to Commission's Order dated April 24, 1990, Item 35.

from the average daily amount of $15,858,356 provided by Western; the Commission accepts the amount provided by Western as correct. The capital structure should reflect short-term debt because Western uses significant amounts of short-term debt on an ongoing basis and the additional $14,000,000 long-term debt issuance should be reflected in the capital structure because it is known and measurable and occurred shortly after the end of the test period. Therefore, for rate-making purposes the capital structure for Western should be as follows:

	Amount	Percent
Long-Term Debt	$ 93,552,812	49.99
Short-Term Debt	15,858,356	8.47
Common Equity	77,730,000	41.54
	$187,141,168	100.00

REVENUES AND EXPENSES

Western reported test-period operating income of $10,369,695.[21] In order to normalize current operating conditions, Western proposed several adjustments to revenues and expenses which resulted in adjusted operating income of $4,710,874.[22]

Revenue Normalization

Western proposed normalized gas operating revenues of $112,477,915 based on the rates in effect at the time the application was filed. This amount consisted of $78,077,942 in gas cost revenues and $34,399,973 in base rate revenues. Though not an issue in this case, the total amount of gas cost revenues

21 Exhibit 5, page 1.
22 Exhibit 6, page 3.

is a major component of Western's revenues and its rates. The rates authorized in this case will include gas cost recovery of $67,027,082, reflecting Western's latest gas cost adjustment effective August 1, 1990.[23] Purchased gas cost has been adjusted in a similar manner to reflect Western's current cost of gas.

In normalizing its revenues, Western increased its sales and transportation volumes by 423,890 Mcf and 12,321 Mcf, respectively, to reflect its adjustment for weather normalization. Western decreased its sales volumes by 39,500 Mcf and increased transportation volumes by 165,100 Mcf to reflect normalized deliveries to large volume industrial customers. The Commission finds Western's adjustments to be reasonable and accepts Western's normalized base rate revenues.

Merchandise Sales and Jobbing

The AG proposed that Western's net income be increased by $322,784 by moving net income associated with merchandising and jobbing above the line.[24] The AG contends that there has not been a proper allocation of the expenses below the line and it is, therefore, inappropriate to include the income below the line. Western maintains that it has properly recorded both the revenues and expenses, per the Uniform System of Accounts ("USoA"), for the

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23 Case No. 9556-O, Gas Cost Adjustment Filing of Western Kentucky Gas Company, Order dated August 1, 1990.

24 DeWard Prefiled Testimony, page 24.

merchandising and jobbing and that the AG had ample opportunity to examine the books and ledgers and to determine if Western had correctly recorded revenues and expenses.[25]

Upon thorough analysis, the Commission believes that Western has not properly segregated the expenses associated with merchandise sales and finds Western's test-period revenues should be increased by $322,784, resulting in an increase to net operating income of $195,462.[26] The expenses are discussed in more detail in another part of this Order.

Amortization Expense

Based upon treatment of the acquisition adjustment as discussed in a previous section of this Order, the Commission finds that Western's proposed amortization expense should be reduced by $33,000, resulting in an increase to net operating income in the amount of $19,983.

Employee Dinners and Awards

Western proposed to include in test-period expenses an amount of $109,086 for employee service awards and dinners.[27] Included in this amount is approximately $55,000 for Rolex brand watches given to 16 employees with at least 30 years of service.[28]

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25 Lovell Rebuttal Testimony, page 35.

26 $322,784 x .60555 (tax factor) = $195,462.

27 Brief of Western, page 70.

28 Lovell Rebuttal Testimony, page 15.

The AG proposed to disallow the entire amount as excessive and inappropriate expenditures that should not be borne by the ratepayers.

This Commission has in the past allowed reasonable levels of expenditures for employee service awards. However, the Commission believes that in this case Western's expenditures are excessive. The Commission does not object to Western or any utility rewarding its employees for their service, but believes utilities should use discretion in their expenditures. The Commission does not believe that the ratepayers of Western should be forced to provide premium watches for Western employees. The Commission finds that such an expense should be borne by Western's shareholders and therefore reduces Western's test-period expenses by $55,000, the cost of the premium watches. The Commission will allow the remainder of the service awards and dinners. This results in an increase of $33,305 to Western's net operating income.

Aircraft Charges

Western included $185,899 in aircraft expenses allocated to Western. The AG proposed to eliminate the charges since Western no longer leases aircraft and the charge will be nonrecurring.

Western has stated that although the company no longer leases aircraft, the expense has been replaced by commercial airfare.

The Commission notes that there were significant charges in the test period for commercial and charter aircraft and the allocated charges to Western were in addition to charges that were directly charged to Western. The Commission finds that the test period contained adequate charges for aircraft and due to the non-recurring nature of the allocated charges, Western's test-period expenses should be reduced by $185,899, the total allocated aircraft charges. This increases Western's net operating income by $112,571.

Country Club Charges

A total of $68,333 of expenditures in the test period were identified by various parties as country club dues or country club related charges.[29]

This Commission has in the past found that such charges should be borne by shareholders and not the ratepayers. The Commission so finds in this case and will reduce Western's operating expenses by $68,333, resulting in an increase to net operating income of $41,379.

Outside Services

The AG contends that Western's operating expenses should be reduced by $132,133 to eliminate expenses paid for temporary clerical services, principally provided by Kelly Services. The AG claims that these expenses are not necessary and are non-recurring.[30] The AG further states that the expenses are duplicative because the expenses are recorded elsewhere. The AG also claims that Western's annualized payroll includes amounts for

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29 Exhibit TCD-1, Schedules 40, 41, and 42.

30 DeWard Prefiled Testimony, page 39.

employee salaries when actually some employees leave and are not immediately replaced.[31]

Western argues that the expenses are necessary and that they are an ongoing business expense.[32]

The Commission believes that there is some duplication of expenses because Western has been provided reasonable levels of wage expense and overtime and has failed to show that the temporary services provided do not duplicate work provided by Western's regular staff. The Commission, therefore, finds that Western's expenses should be reduced by $132,133, resulting in an increase to net operating income of $80,013.

Consultant Fees

The AG proposed that the consulting fees paid to C. R. Hayes, the retired president of Western, for the test period be disallowed. The AG's argument was that Mr. Hayes now resides outside of Western's operating area and over time the value of his services to Western will diminish.

Western contends that its decision to retain Mr. Hayes as a consultant was wise and prudent because of his extensive knowledge of the Western system.

This Commission has no doubt that Mr. Hayes provided Western a very valuable service and that his extensive knowledge and experience regarding Western's operations proved very valuable to

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31 Id.

32 Brief of Western Kentucky Gas, page 63.

Atmos in the time immediately subsequent to the acquisition. However, the Commission feels that over time Mr. Hayes' services to Atmos will not be necessary and that to continue to allow recovery through rates of compensation to Mr. Hayes would be inappropriate. The Commission therefore reduces Western's operating expenses by $33,487 for consulting fees paid to Mr. Hayes and country club charges incurred on his behalf. This action increases Western's net operating income by $20,278.

Audit Accruals

The AG proposed a reduction of $48,000 to Western's operating expense. The amount is the result of Western being assigned audit expense from the corporate level because Western maintained a separate ledger. Beginning January 1, 1990, Western no longer maintains a separate ledger and the AG argues that the charge will be nonrecurring and should be removed from test-period operations.[33]

Western states that although its ledger is now combined with the other operating divisions and the cost will in the future be allocated to Western, the costs of audits, in this case, are not included in its proposed allocations from the general office. Since this cost will continue on an annual basis, as an

33 DeWard Prefiled Testimony, page 35.

allocation, an amount for this expense should remain in the test period.[34]

Since Western did not make a provision to include the amount in its general office allocations, the Commission finds that it is reasonable to allow the charge in test-period operations.

Intracompany Payroll Charges

A reduction to Western's test-period operating expense was proposed by the AG for charges by Atmos to Western for the services of two Atmos employees included on Western's payroll. Western has stated that it agrees with the AG's proposal.[35]

The Commission finds the expenses unreasonable. Western's operating expenses should be reduced by $134,194 to reflect the removal of these charges. This results in an increase of $81,261 to Western's net operating income.

Payroll

Western proposed to increase from 83 percent to 88.6 percent the level of wages expensed, thus reducing the level of wages capitalized. The proposal is based on an accounting change that allows capitalization of administrative and general expense ("A&G") at the corporate level and discontinues capitalization of such charges at the division level.[36]

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34 Brief of Western, page 59.

35 Brief of Western, page 60.

36 Lovell Prefiled Testimony, page 18.

The AG proposed that Western be allowed to increase its percentage of capitalized wages from 83 percent to 83.54 percent. The AG also proposed that Western's annualized wage levels be adjusted to reflect work force reductions that occurred in February 1990.[37]

Western has accepted the AG's proposal to adjust the annualized wage levels due to subsequent work force reductions.[38] However, Western takes issue with the AG proposal to decrease Western's percentage of wages to be expensed. Western states that A&G functions have moved away from the division level and these duties are now more appropriately performed at the corporate level. Since the functions are being performed at the corporate level, the costs should be capitalized at that level.

The Commission agrees that if the costs are being incurred at the corporate level, they should be capitalized at that level and the appropriate allocation made to the division. The problem that the Commission finds is that if services are transferred from the division level to the corporate level, and costs should follow, then it would stand to reason that costs at the division level should decrease. According to Western, the A&G expenses at the division level were merely reclassified from A&G expenses to distribution costs.[39] Western did not indicate that costs at the division level would decrease, but that the amount allocated to

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37 DeWard Prefiled Testimony, page 37.

38 Brief of Western, page 61.

39 T.E., Vol. IV, page 30.

Western from Atmos would decrease.[40] The Commission, for these reasons, rejects Western's proposal and will reduce operating expenses by $682,853, the amount proposed by the AG. This will increase Western's net operating income by $413,502.

Payroll Taxes

Based on the above adjustment to payroll, the Commission finds that Western's payroll taxes should be reduced by $51,282, the amount proposed by the AG, thus increasing net operating income by $31,054.

Demonstration and Selling Expense

The AG proposed to reduce Western's demonstration selling expense, Account 912, by $664,895. This amount includes the entire test-period amount in Account 912 with the exception of an allowance for the salaries of two marketing representatives.[41] The costs included in Account 912 are broken down as follows: (1) builders' trip to San Francisco, $47,146; (2) Affordable Gas Home Program, $169,391; (3) Customer on the Main Program, $160,055; and (4) Labor costs of $250,965.[42] In addition, there were other costs identified as gift certificates and incentives to encourage the use of gas appliances. The AG's arguments revolves around 807 KAR 5:016, Section 4. This regulation deals with the subject of

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40 Id.

41 DeWard Prefiled Testimony, page 45.

42 AG Data Request, March 30, 1990, Item 77.

disallowed advertising. The AG contends that the charges in Account 912 constitute disallowed advertising under 807 KAR 5:016 (4).

Western states in its brief that the expenses incurred and recorded in Account 912 do not constitute promotional advertising as defined in KAR 5:016.[43] Western contends that 807 KAR 5:016, Section 4(1)(d), allows the type of activity that gave rise to the expenditures recorded in Account 912, and that portion of the regulation defines what is <u>not</u> promotional advertising.

The USoA does not classify Account 912 expenditures as advertising. The Commission does believe that some of the expenses in Account 912 should be disallowed on the basis that they constitute promotional advertising. In addition, the USoA excludes any demonstration and selling expenditures from Account 912 that were incurred as a result of merchandising activity by the utility. Western has failed to show that it segregated the labor costs and other expenses associated with merchandising and jobbing from appropriate above the line expenses. For the above reasons, the Commission will not allow any of the Account 912 expenses for rate-making purposes. In any case, this Commission would have disallowed the cost of the San Francisco builders' conference. This cost should not be borne by the ratepayers. The reduction of expenses by $721,223 increases net operating income by $436,737.

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43 Brief of Western, page 77.

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 63
Witness: Gary Smith

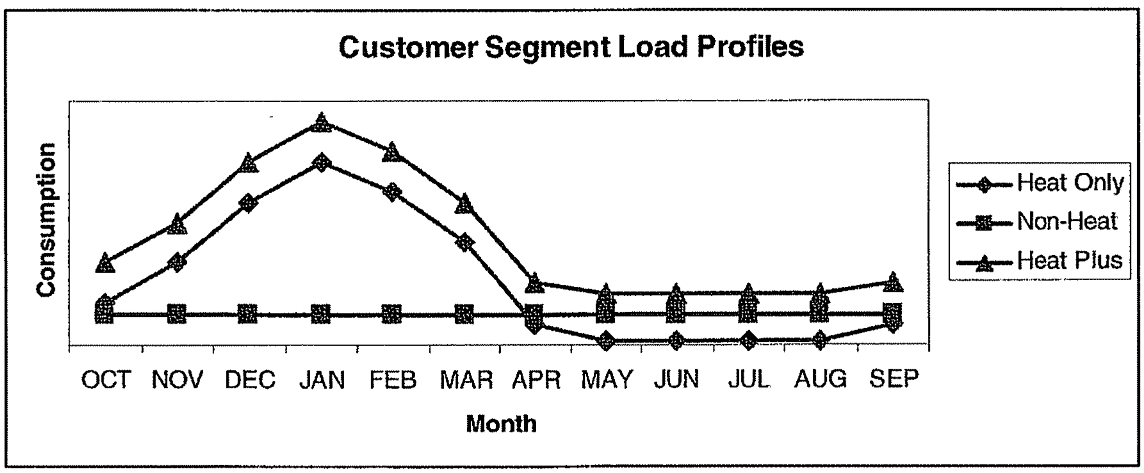
Data Request:

Please provide a breakdown of the Company's residential customers according to their appliance makeup. At a minimum, identify the number of heating and non-heating customers. For each appliance group, please identify the average annual consumption of gas and the average gas and non-gas revenue under present and proposed rates.

Response:

Atmos Energy does not possess information on the appliances present at a customer's premise. Therefore, to be responsive to this request, it was necessary to query historic consumption data in our Customer Information System applying assumptions about customer consumption patterns to categorize customers as heating or non-heating.

The approach taken was to group customers into three different segments; Heat Only, Non-Heat, and Heat Plus. Load profiles for these customer segments over Atmos Energy's October through September fiscal year would be expected to look as follows:



An algorithm was developed to analyze the consumption history for residential premises during fiscal year 2006 (October 2005 through September 2006). This algorithm attempted first to classify customers as "Heat Only" through the following criteria:

- Total consumption for June through August was less than 1.5 Mcf AND Total consumption for November through February was greater than 15 Mcf.

If a customer did not meet this criteria, the algorithm attempted to classify them as "Non-Heat" using the following tests:

- (Total consumption for June through August of 2006 was greater than total consumption for November through February of 2005) AND (total consumption for June through August of 2006 was greater than total consumption for November through February of 2005); OR
- Total consumption for May through October was between 70% and 125% of consumption for November through April.

If a customer could not be classified as either "Heat Only" or "Non-Heat", it was assumed that they fell into the "Heat Plus" segment.

This algorithm was tested by graphing the load profile for each customer segment as indicated above. The variables in the algorithm were refined until the actual load profiles matched the expected results.

> Note: Due to technical difficulties when gathering the consumption data for residential customers to respond to AG DR's 63, 66, and 68, data is missing for several customers, primarily in Atmos Energy's Owensboro and Bowling Green service areas. Given the short duration of time to develop the programming necessary for the query and interpretation of results, approximately 17,000 customers have been omitted from this response. We have provided the best information available and do not believe that this subset of the customer base would vary significantly from the total population of customers.

For purposes of calculating the average gas and non-gas revenue under present and proposed rates, we utilize the average monthly consumption (rounded to the nearest 0.1 Mcf) and apply current and proposed distribution charges and the Company's Gas Cost Adjustment for November 1, 2006 (the same gas cost basis utilized in FR10(10)(n).

The data output and gas cost information is shown on Attachment AG DR 2-63.

Attachment AG DR 2-63

ATMOS ENERGY CORPORATION - KENTUCKY
RESIDENTIAL CUSTOMERS BY SEGMENT WITH REVENUE AT CURRENT AND PROPOSED RATES
AVERAGE USAGE BASED UPON TWELVE MONTHS ENDED SEPTEMBER 30, 2006

Line			Average		Average	Present Non-gas Revenue			Proposed Non-gas Revenue			Gas Charge		Total Bill	
No.	Customer Segment	Customer Count	Annual Mcf	Total Mcf FY 06	Annual Mcf	Customer Ch.	Distr. Ch./Mcf	Total per Month	Customer Ch.	Distr. Ch./Mcf	Total per Month	Present/Prop.	Total per Month	Present	Proposed
	(a)	(b)	(c)	(d)	(c)	(e)	(f)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Non Heat	2,992	31.2	93,219	2.6	$7.50	$1.19	$10.59	$13.00	$0.91	$15.37	$8.79	$22.85	$33.44	$38.22
2	Heat Only	27,305	52.4	1,430,837	4.4	$7.50	$1.19	$12.74	$13.00	$0.91	$17.00	$8.79	$38.66	$51.40	$55.66
3	Heat Plus	105,941	62.7	6,644,302	5.2	$7.50	$1.19	$13.69	$13.00	$0.91	$17.73	$8.79	$45.69	$59.38	$63.42
4															
5	Averages		60.0												
6															
7	Totals	136,238		8,168,357											

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 64
Witness: Gary Smith

Data Request:

Please provide any studies in the Company's possession on the price elasticity of customer demand for gas.

Response:

Please refer to the Company's response to KPSC DR 3-17(c), which includes the recently published report "An Economic Analysis of Consumer Response to Natural Gas Prices".

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 65
Witness: Gary Smith

Data Request:

Please provide any studies in the Company's possession on the cost of fuels that compete for the Company's gas.

Response:

Periodically, the Company assesses its competitive position versus electricity in major residential markets and its position versus fuel oil among fuel-switching capable industrial customers. The attached study, updated to reflect current utility rates, is provided under a Petition for Confidentiality.

Competetive Analysis for Gas in Kentucky

Residential Market (1)
Natural Gas Service vs. Electricity

Line No.	A	B	C	D	E	F	G	H	I
	Town/Area	Annual Gas Bill for Heating	Annual Gas Bill for Water Heating	Annual Gas Bill for Monthly Customer Charge	Total Annual Gas Bill	Annual Electric Bill for Heating	Annual Electric Bill for Water Heating	Annual Electric Bill for Heating & Water Htg	(Savings) or Cost of Using gas
1	CONFIDENTIAL								
2									
3									
4									

Industrial Alternate Fuel Market (2)
Industrial vs. #2 Fuel Oil

Line No.	Month	#2 Fuel Oil $/Gallon	#2 Fuel Oil $/Mmbtu	Natural Gas $/Mmbtu (NYMEX)	Natural Gas $/Mmbtu (Delivered-ES)
5	CONFIDENTIAL				
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

(1)

(2)

Line No.	A	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	Square footage																
2	Gas furnace efficiency																
3	Insulation factor																
4	Heat pump efficiency (HSPF)																
5	Town/Area	Gas Base rate/ customer charge	Residential gas rate per Mcf	Electric Base rate/ customer charge	Rate ($/Kwh)	Heating Degree days	Square footage	Annual heating-Mcf	Annual W/H-Mcf	Annual heating-Kwh	Annual W/H-Kwh	Annual Gas Bill for Heating	Annual Gas Bill for Water Heating	Annual Gas Bill for Customer Charge	Annual Electric Bill for Heating	Annual Electric Bill for Water Heating	(Savings) or Cost of using gas
6																	
7																	
8	CONFIDENTIAL																
9																	

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 66
Witness: Gary Smith

Data Request:

Please provide a record of the all-in (gas and non-gas, volumetric and customer) cost of gas per mcf to heating and non-heating residential customers each month since the beginning of the heating season in 2005.

Response:

Atmos Energy does not possess information on the appliances present at a customer's premise. Therefore, it was necessary to query historic consumption data in our Customer Information System applying assumptions about customer consumption patterns to categorize customers as heating or non-heating. Please reference AG DR 2-63 for the process employed to estimate the residential segments: Heat Only, Non-Heat, and Heat Plus. Average monthly consumption for these customer segments is provided for each month since October 2005.

For purposes of calculating the average gas and non-gas revenue under present and proposed rates, we utilize the average monthly consumption (rounded to the nearest 0.1 Mcf) and apply current and proposed distribution charges and the Company's Gas Cost Adjustment in effect for each month.

The data output and gas cost information is shown on Attachment AG DR 2-66.

Attachment AG DR 2-66

ATMOS ENERGY CORPORATION - KENTUCKY
AVERAGE ALL-IN GAS COST PER MCF
OCTOBER 2005 THROUGH FEBRUARY 2007

Line No.	Customer Segment (a)	Oct-05 (b)	Nov-05 (c)	Dec-05 (d)	Jan-06 (e)	Feb-06 (f)	Mar-06 (g)	Apr-06 (h)	May-06 (i)
1	Average Consumption, Mcf								
2	Non-Heat	2.1	2	3.3	3.4	2.8	2.8	2.2	2.5
3	Heat Only	0.6	3.1	10.4	12.3	10	9.3	4.5	1.4
4	Heat Plus	1.7	4.1	10.6	12.1	10.2	9.8	5.5	2.7
5									
6	Non-Gas Rates								
7	Monthly Customer Charge	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50
8	Distri. Charge/Mcf	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19
9	Gas Rates								
10	Gas Charge/Mcf	$11.43	$11.49	$11.49	$11.49	$12.37	$12.37	$12.37	$9.35
11									
12	**Non- Heat Customers:**								
13	Non-Gas Charges	$10.00	$9.88	$11.43	$11.55	$10.83	$10.83	$10.12	$10.48
14	Gas Charges	$24.01	$22.97	$37.90	$39.05	$34.65	$34.65	$27.22	$23.37
15	Total Bill	$34.01	$32.85	$49.33	$50.60	$45.48	$45.48	$37.34	$33.85
16	Total Bill per Mcf	$16.20	$16.43	$14.95	$14.88	$16.24	$16.24	$16.97	$13.54
17									
18	**Heat-Only Customers:**								
19	Non-Gas Charges	$8.21	$11.19	$19.88	$22.14	$19.40	$18.57	$12.86	$9.17
20	Gas Charges	$6.86	$35.61	$119.46	$141.28	$123.74	$115.08	$55.68	$13.09
21	Total Bill	$15.07	$46.80	$139.34	$163.42	$143.14	$133.65	$68.54	$22.26
22	Total Bill per Mcf	$25.12	$15.10	$13.40	$13.29	$14.31	$14.37	$15.23	$15.90
23									
24	**Heat Plus Customers:**								
25	Non-Gas Charges	$9.52	$12.38	$20.11	$21.90	$19.64	$19.16	$14.05	$10.71
26	Gas Charges	$19.44	$47.09	$121.75	$138.98	$126.21	$121.27	$68.06	$25.24
27	Total Bill	$28.96	$59.47	$141.86	$160.88	$145.85	$140.43	$82.11	$35.95
28	Total Bill per Mcf	$17.04	$14.50	$13.38	$13.30	$14.30	$14.33	$14.93	$13.31

Line No.	Customer Segment (a)	Jun-06 (j)	Jul-06 (k)	Aug-06 (l)	Sep-06 (m)	Oct-06 (n)	Nov-06 (o)	Dec-06 (p)	Jan-07 (q)	Feb-07 (r)
1	Average Consumption, Mcf									
2	Non-Heat	3	2.2	3.1	1.7	2.7	2.3	2.3	3.4	4.2
3	Heat Only	0.4	0.2	0.1	0.1	1	4.8	7.4	9.4	13.2
4	Heat Plus	1.8	1.4	1.6	1.3	2.8	6.7	9.4	12.1	16.1
5										
6	Non-Gas Rates									
7	Monthly Customer Charge	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50	$7.50
8	Distri. Charge/Mcf	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19	$1.19
9	Gas Rates									
10	Gas Charge/Mcf	$9.35	$9.35	$8.72	$8.72	$8.72	$8.79	$8.79	$8.79	$8.59
11										
12	**Non- Heat Customers:**									
13	Non-Gas Charges	$11.07	$10.12	$11.19	$9.52	$10.71	$10.24	$10.24	$11.55	$12.50
14	Gas Charges	$28.05	$20.57	$27.03	$14.82	$23.54	$20.21	$20.21	$29.88	$36.07
15	Total Bill	$39.12	$30.69	$38.22	$24.34	$34.25	$30.45	$30.45	$41.43	$48.57
16	Total Bill per Mcf	$13.04	$13.95	$12.33	$14.32	$12.69	$13.24	$13.24	$12.19	$11.56
17										
18	**Heat-Only Customers:**									
19	Non-Gas Charges	$7.98	$7.74	$7.62	$7.62	$8.69	$13.21	$16.31	$18.69	$23.21
20	Gas Charges	$3.74	$1.87	$0.87	$0.87	$8.72	$42.18	$65.02	$82.60	$113.37
21	Total Bill	$11.72	$9.61	$8.49	$8.49	$17.41	$55.39	$81.33	$101.29	$136.58
22	Total Bill per Mcf	$29.30	$48.05	$84.90	$84.90	$17.41	$11.54	$10.99	$10.78	$10.35
23										
24	**Heat Plus Customers:**									
25	Non-Gas Charges	$9.64	$9.17	$9.40	$9.05	$10.83	$15.47	$18.69	$21.90	$26.66
26	Gas Charges	$16.83	$13.09	$13.95	$11.33	$24.41	$58.87	$82.60	$106.32	$138.27
27	Total Bill	$26.47	$22.26	$23.35	$20.38	$35.24	$74.34	$101.29	$128.22	$164.93
28	Total Bill per Mcf	$14.71	$15.90	$14.59	$15.68	$12.59	$11.10	$10.78	$10.60	$10.24

Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 67
Witness: Gary Smith

Data Request:

Please provide any studies or relevant data in the Company's possession that explore the reasons for the decline in gas customers or the decline in gas usage per customer.

Response:

Please see the attachments labeled AG DR 2-67 ATT 1 through 3 for the following reports from the American Gas Association:

- PATTERNS IN RESIDENTIAL NATURAL GAS CONSUMPTION SINCE 1980 (February 11, 2000), AG DR 2-67 ATT 1
- PATTERNS IN RESIDENTIAL NATURAL GAS CONSUMPTION, 1997-2001 (June 16, 2003), AG DR 2-67 ATT 2 and
- TRENDS IN THE COMMERCIAL NATURAL GAS MARKET (October 23, 2002) AG DR 2-67 ATT 3.

EA 2000-01 **February 11, 2000**

PATTERNS IN RESIDENTIAL NATURAL GAS CONSUMPTION SINCE 1980

I. Introduction

Nationally, natural gas use per residential customer dropped 16 percent from 1980 to 1997 from 106 thousand cubic feet (Mcf)/year to 89 Mcf/year (numbers adjusted to reflect normal weather). The purpose of this analysis is to quantify the primary factors contributing to this decline on both a national and a regional basis. This analysis also provides a starting point for a separate AGA-funded study on methods for local gas utilities to counteract this declining use trend – a trend likely to continue for the foreseeable future. Residential use per customer is likely to fall at least another five percent over the next ten to 15 years.

II. Executive Summary

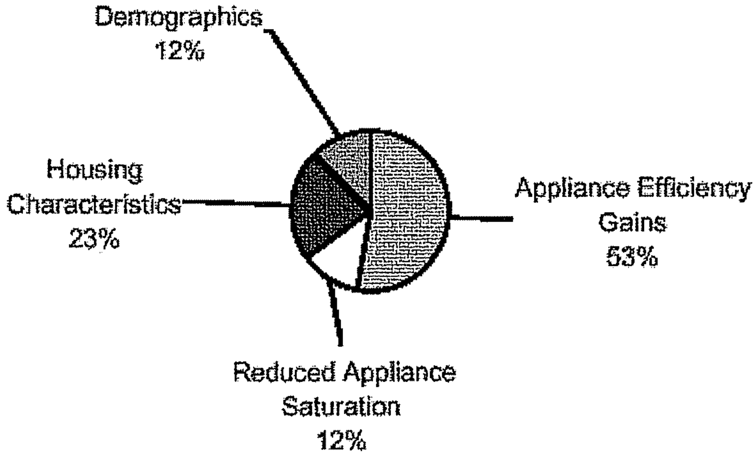
The primary cause of the declining use trend was increasing efficiency of gas appliances, primarily space heaters. Other factors include a reduction in the number of gas appliances in homes served with gas and tighter, more energy efficient homes. Chart 1 shows the estimated proportional impact of the various factors contributing to this decline on a national basis.

- Significant regional variation was observed. There was a decline in the use per customer in all regions of the country except for the Northeast, which gained 0.6 Mcf/year comparing 1997 to 1980. The South lost 15.0 Mcf/year, the West 19.2 Mcf/year, and the Midwest 25.4 Mcf/year (Table 1). Graphical representation of some of the factors contributing to these trends can be seen in Chart 2.

Chart 1

Factors Contributing to Declining Natural Gas Use per Residential Customer

(Estimate of Proportional Impacts Based on U.S. Average for 1980-1997)



- **Space heating efficiency gains** contributed almost half of the residential load loss. In 1980, the average furnace efficiency was slightly higher than 65 percent. Since then, federal regulations set the minimum gas space heating efficiency at 78 percent, and consumers can purchase units with efficiency ratings up to the mid-90s. The current weighted average gas space heating appliance efficiency for all units in place is estimated at roughly 74 percent.

- **Water heating efficiency gains** contributed about seven percent of the average residential load loss. During the 1980's, the typical water heater energy factor (EF) was 0.50. Federal water heater standards took effect in 1990, setting the minimum gas water heater EF at 0.54. In addition, consumers are purchasing units with EF ratings higher than 0.54. The current weighted average gas water heating EF is estimated to be slightly less than 0.53.

- **Space heating market share loss** accounted for about six percent of the overall decrease in gas use per residential customer. The proportion of homes with gas service increased slightly since 1980, but the percentage of those homes with gas space heat declined four percent. Thus the relative heating base of gas utilities declined.

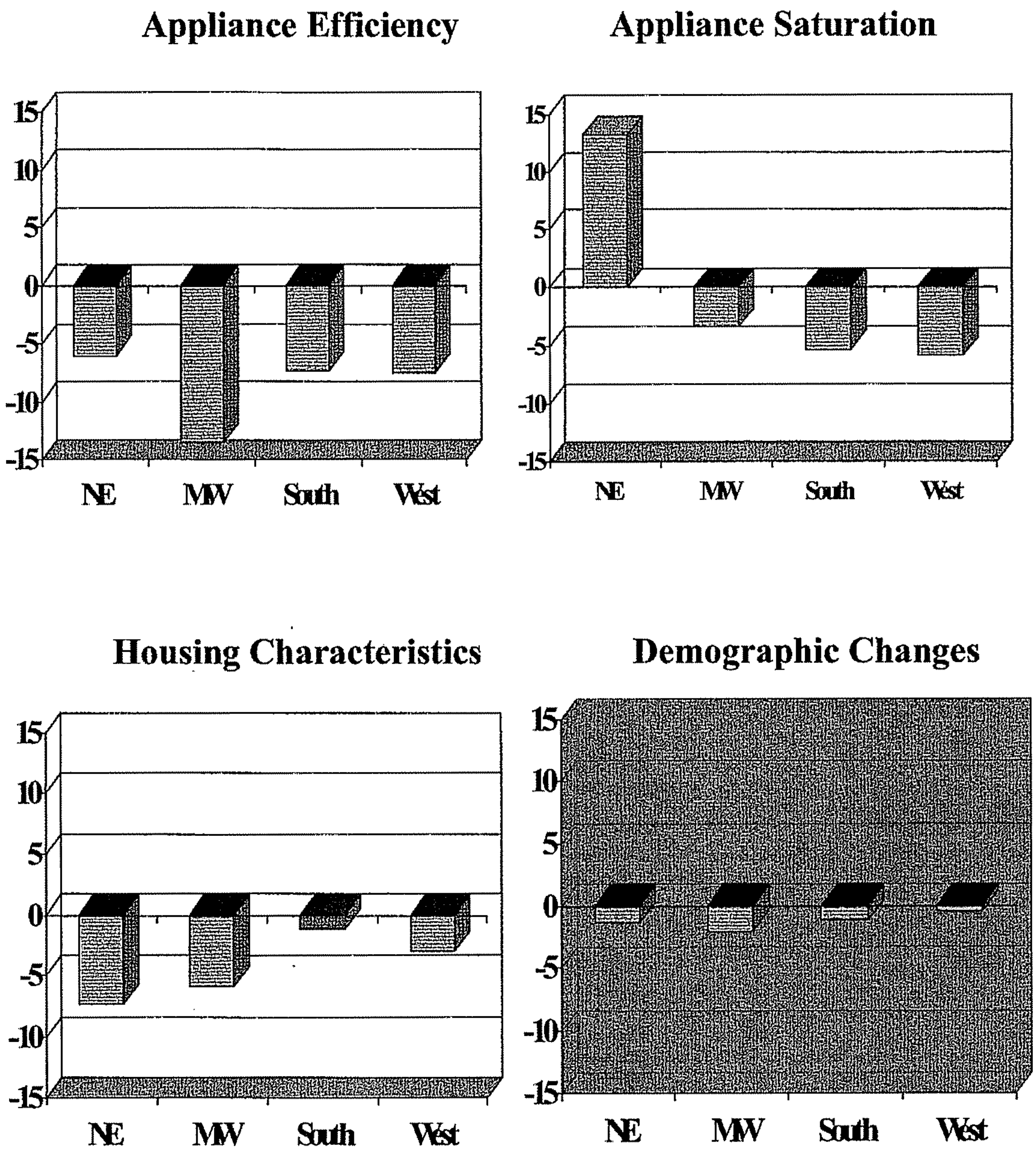
  - The market share loss in the South and West was three to five times as great as the national average. In the Northeast, however, there was a significant <u>increase</u> in use per customer as homes heated primarily with oil converted to natural gas (see Chart 2).

- **Baseload appliance market share loss** accounted for about six percent of the residential load loss since 1980. Overall, the number of gas appliances per customer has declined. The market share loss for water heaters, cooking appliances, and gas lights contributed about the same toward the overall decline. Saturation of natural gas clothes dryers increased a bit, slightly offsetting this decline.

Chart 2

Regional Impact of Major Factors

(Change in Mcf/year per residential customer, 1980 - 1997)



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

- **Improved home energy efficiency** was responsible for about 23 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. This caused overall use to fall by about 18 percent. In addition, the amount of heated floor space per residence declined, reducing overall demand by about five percent.

- **Demographic changes** contributed about 12 percent of the decline in typical residential gas use. Population shifts of gas customers to warmer climates since 1980 contributed about six percent of the residential load loss when viewed from a national perspective. The average number of people per residence fell slightly, causing a three percent decline in consumption. In addition, the number of households setting back their thermostats at night increased, contributing about three percent of the overall loss.

Reduction in the average gas use per residential customer will continue into the foreseeable future.

- **Space heating efficiency gains** will reduce average gas demand by at least an additional four percent over the next ten to 15 years as older furnaces are replaced with units that at least meet federal minimum standards.

- **Gas water heater efficiency gains** will cause residential demand to fall about one percent as older units are replaced.

- **Residential thermal efficiency** will continue to improve as newer, better-insulated residences replace older, less efficient homes. Currently, about 40 percent of existing residences were built before 1960.

This reduction in natural gas demand per customer has impacted gas utility companies.

- This trend has created a financial challenge to utilities. Utilities have responded by increasing their operational and managerial efficiencies, leading to a decline in real terms (adjusted for inflation) in the transmission and distribution cost per unit of gas sold for the past 14 years.

- Utilities find it more difficult to economically add new residential customers when demand per customer is declining. Most utilities have financial tests to determine the feasibility of adding customers based on expected gas demand and cost to hook up that customer. Utilities have responded to this challenge by seeking to lower their construction costs per customer hook up.

III. Purpose and Data Limitations

This report attempts to provide a broad-based identification and quantification of factors that impacted the average annual natural gas use per residential customer from 1980 to 1997. Most natural gas distribution utilities experienced a much slower growth rate in residential demand compared to the growth rate in the number of residential customers during that time period. This trend makes it more difficult for gas companies to achieve expected revenues and to connect new customers economically. This analysis is intended to help companies understand the driving forces behind the declining use trend and to estimate future trends.

The results herein estimate the overall impacts of several contributing factors based on national and regional data. Analysis of utility-specific factors could result in conclusions different from those in this report. Individual companies should use this report as a guide in calculating their specific impacts, and they should include factors and influences pertinent to their systems that may not be considered and/or quantified here.

These contributing factors were examined separately. Some of them may have synergistic properties that compound or offset impacts when considered together.

The quantification of these factors is not an attempt to determine absolute values for each influence, but rather to indicate the proportional impact that they have on residential use per customer.

Much of the data used in this analysis come from government and AGA surveys. While this information is the best available for national and regional analysis, survey sampling, structure, and/or extrapolation techniques can be flawed, particularly when ascribing results to smaller populations such as regions and states.

IV. Historical Trends

National/Regional Averages

From 1962 to 1972, natural gas demand in the residential sector averaged an annual growth rate of 3.8 percent.[1] Utilities were expanding their pipeline systems to reach more customers, prices were kept artificially low by government regulation, and gas appliances offered superior performance, cost, and efficiency compared to competing fuel technologies.

During the mid to late 1970's, three factors led consumers to start conserving energy. First, foreign oil embargoes led to fears regarding long-term energy supplies. Second, heightened environmental awareness and energy's impact on the environment led to a reexamination of energy use practices. Finally, the federal government deregulated energy prices, which led to a significant short-term price increase, particularly for natural gas.

Efforts to reduce energy consumption are clearly reflected in gas use per customer. On a national average basis, natural gas use per residential customer dropped 16 percent from 1980 to 1997 from 106 Mcf/year to 89 Mcf/year. On a regional basis, these impacts varied. For the Northeast, the average gas use per customer actually increased about one percent. Residential gas use per customer dropped 18 percent for the Midwest and South regions of the country, while the West showed a decline of 22 percent.

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[1] Gas Facts, 1975 Data, American Gas Association, Arlington, VA, 1976.

Table 1
Trends in Residential Natural Gas Use
(Weather Normalized Mcf/Customer/Year)

	1980	1990	1997	Change, 1980-1997
United States	105.6	95.8	89.2	-16.4
Northeast	96.5	101.2	97.1	0.6
Midwest	141.8	125.5	116.4	-25.4
South	85.2	79.6	70.2	-15.0
West	87.5	68.4	68.3	-19.2

Residential gas use can be classified as space heating and non-heating. On average, space heating demand accounts for three-quarters of typical gas consumption by residential customers. This demand is very weather sensitive, with use per customer higher in the colder climates than in the warmer regions.

Residential non-heating use of gas is also known as baseload use. This use is typically not weather sensitive. The primary residential baseload use is for water heating, which accounts for about 86 percent of non-heating demand, based on national averages. The other two primary residential gas appliances are cooking equipment and clothes dryers. Natural gas logs/fireplaces are increasing their market share, and can be used for heating or decorative purposes. Appliances that could also be considered baseload, but have a much lower market penetration, are gas lights, pool heaters, and grills.

V. Contributing Factors

Appliance Efficiency

In response to the energy disruptions of the 1970s, Congress passed the Energy Policy and Conservation Act (EPCA) of 1975. EPCA established an energy conservation program for major household appliances including furnaces, water heaters, refrigerators and freezers, central air conditioners and central air conditioning heat pumps, room air conditioners, dishwashers, clothes washers, clothes dryers, direct heating equipment, pool heaters, kitchen ranges and ovens, fluorescent lamp ballasts, and television sets. The Energy Policy and Conservation Act (EPACT) of 1978 expanded the coverage of EPCA to include commercial building heating and air conditioning equipment, water heaters, certain incandescent and fluorescent lamps, distribution transformers, and electric motors. In 1987, the National Appliance Energy Conservation Act (NAECA), which also incorporates EPCA and EPACT, authorizes the U. S. Department of Energy (DOE) to set energy efficiency standards for major home appliances according to a statutory time schedule stretching into the next century.

DOE's Office of Codes and Standards sets the minimum efficiency ratings of many residential appliances. DOE has set standards for such natural gas appliances as space heaters, water heaters, ovens, and ranges.

Furnaces

During the 1970's natural gas furnaces averaged about 65 percent annual fuel utilization efficiency (AFUE). As interest in more energy efficient appliances increased, the average AFUE for new furnaces increased. DOE, through authority granted by NAECA, set 78 percent AFUE as a minimum for gas furnaces manufactured after January 1, 1992. Furnaces with AFUE ratings up to the mid-90's are available to consumers, and the average AFUE of new residential furnace shipments is currently in the mid-eighties. As the higher efficiency furnaces have worked their way into the residential market in new homes and replacement units, the average AFUE for all residential natural gas furnaces has increased from 65 percent in 1980 to 74 percent in 1997.

Table 2
Residential Natural Gas Furnace Average AFUE
(Percent)

	1980	**1990**	**1997**
New Furnace Shipments	66%	76%	85%
All Furnaces In Place	65%	68%	74%

Source for shipment information: Gas Appliance Manufacturers Association

Since the average improvement in overall furnace efficiency was roughly 14 percent, this caused gas space heating use per customer to fall 14 percent. However, the impact in terms of sales volume varied by region due to the weather differences. Overall, use per residential customer dropped about 7.7 thousand cubic feet (Mcf) per year from 1980 to 1997, with regional impacts ranging from 5.0 Mcf in the Northeast to 12.3 Mcf in the Midwest, due to the improved furnace efficiency. Most of the decline occurred between 1990 and 1997, when a greater number of higher efficiency gas furnaces were sold.

Table 3
Impact of Gas Space Heating Efficiency Gains on Use per Customer
(Weather-normalized Mcf/year)

	Weighted Average Use per Customer	Reduction in Weighted Average Use per Customer	
	1980	**1990**	**1997**
United States	65.2	2.6	7.7
Northeast	42.5	1.7	5.0
Midwest	105.0	4.3	12.3
South	52.8	2.1	6.2
West	52.8	2.1	6.2

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance
Note: Assumes national average furnace efficiency for all regions.

Water Heaters

DOE set the minimum efficiency of natural gas water heater at 0.54 energy factor (EF) for units manufactured after 1989. Previously, water heaters averaged about 0.5 EF. Industry analysts estimated that the availability of even higher efficiency units raised the average EF of new units sold to 0.56 by the mid-90s. Based on shipment data and typical retirement rates, the average EF of water heaters went from 0.5 in both 1980 and 1990 to 0.53 in 1997.

Table 4
Residential Natural Gas Water Heater Average EF
(Percent)

	1980	1990	1997
New Water Heater Shipments	50%	54%	56%
All Furnaces In Place	50%	50%	53%

Since the average water heater EF improved slightly less than six percent from 1980 (and 1990), the typical consumption by residential customers that have water heaters declined in the same proportion. The average decline was 1.2 Mcf per customer, with regions not varying much from that average.

Table 5
Impact of Gas Space Water Heating Efficiency Gains on Use per Customer
(Mcf/year)

	Weighted Average Use per Customer	Reduction in Weighted Average Use per Customer
	1980	**1997**
United States	22.2	1.2
Northeast	17.5	0.9
Midwest	24.0	1.3
South	22.0	1.2
West	24.8	1.3

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Other

Natural gas cooking equipment and clothes dryers have not yet been affected significantly from efficiency standards. Improvements in efficiency have occurred due to marketplace demand, most of which stemming from the development of electronic ignition devices for these appliances. While electronic ignitions can reduce annual demand for gas from these appliances by almost half, penetration of these devices into the residential market could not be determined. Therefore, no estimate of the improved efficiency impacts for these appliances is provided.

Appliance Saturation

The most common natural gas appliances found in homes are space heaters, water heaters, cooking equipment, clothes dryers, and, to a lesser extent, outdoor lights. All of these applications face competition from other energy forms, particularly electricity. Since 1980, the average number of gas appliances found in homes has dropped. This trend, discussed below, contributes to the decline in gas use per residential customer.

Space Heaters

The percentage of gas customers that use natural gas as their main space heating fuel declined by 1.7 percentage points over the 17-year period. Regionally, the

Northeast sector saw a significant increase in this market penetration among its customers, due mainly to conversions from fuel oil-based heating. The Midwest basically maintained their high market penetration for gas heating over the period. The South and the West regions exhibited significant declines in the proportion of their customers that use gas for their main space heating fuel. A primary contributing factor to this decline is the increasing popularity of the heat pump during this time. Not only did heat pumps make significant inroads into new construction (particularly in multi-family housing), electric utilities encouraged existing gas customers to add on heat pumps and use their gas furnaces as back-up systems.

Table 6
Natural Gas Space Heating Appliance Market Penetration
(Percent of all gas customers)

	1980	1990	1997
United States	87.5%	89.6%	85.8%
Northeast	62.3%	73.9%	77.3%
Midwest	97.4%	97.6%	96.2%
South	89.4%	92.2%	82.6%
West	94.9%	90.5%	83.3%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Since the overall change for gas space heating market penetration was not substantial, it caused a decrease in heating use of less than two percent for the average U.S. gas customer. This was also true for the typical Midwest gas customer. The Northeast gas utilities experienced a gain of more than 25 percent in heating use per customer due to increased market penetration for space heating. The South and West regions experienced falling space heating demand per customer ranging from six to nine percent due to the decline in market penetration.

Table 7
Impact of Gas Space Heating Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Space Heating Use per Customer	Change in Weighted Average Space Heating Use per Customer	
	1980	1990	1997
United States	65.2	+1.5	-1.0
Northeast	42.5	+8.2	+11.0
Midwest	105.0	+0.2	-1.1
South	52.8	+1.5	-3.1
West	52.8	-1.7	-4.8

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Information regarding natural gas use as a secondary heating fuel is limited. Overall, this use increased slightly over time for all households. Since it is not known what equipment was used as a secondary source nor whether gas was used as the main heat source, an estimate of any impact from these units is not possible. In addition, information regarding use of secondary heat from other fuels by gas customers is not available.

Table 8
Natural Gas Used as Secondary Space Heating Source
(Percent of all customers)

	1980	1997
United States	6.5%	7.3%
Northeast	4.7%	3.4%
Midwest	5.2%	7.1%
South	9.8%	12.6%
West	6.8%	4.7%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Water Heaters

Water heaters contribute significantly to a utility's load profile. Demand by these appliances are relatively non-weather sensitive, allowing for optimal utilization of utility investment. Also, these appliances can use as much gas as a furnace in some regions. Therefore, any loss in market penetration or improvements in efficiency will impact noticeably on average use per customer.

In most areas, market penetration of gas water heaters has declined. In 1980 natural gas water heaters were in about 87 percent of U. S. homes with natural gas service. By 1997 this market penetration had dropped to about 85 percent. Regionally, the Northeast's market penetration increased, with the other regions showing significant declines.

Table 9
Natural Gas Water Heater Market Penetration
(Percent of all gas customers)

	1980	1990	1997
United States	86.5%	86.1%	84.5%
Northeast	67.9%	79.0%	77.3%
Midwest	93.5%	87.0%	87.0%
South	85.6%	83.0%	80.2%
West	96.6%	94.2%	92.0%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

When the proportion of gas customers with gas water heaters declines, the weighted average gas use per customer declines. For example, the national average penetration of water heaters fell about two percentage points from 1980 to 1997, resulting in a decline in overall gas use per customer of 0.5 Mcf/year. The Midwest, South, and West regions' losses ranged from 1.1 to 1.6 Mcf/year. The Northeast region saw proportionally more gas customers using gas water heaters during that time frame, so this increase in burnertips added more than two Mcf/year to average residential customer use.

Table 10
Impact of Gas Water Heater Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Water Heating Use per Customer	Change in Weighted Average Water Heating Use per Customer	
	1980	**1990**	**1997**
United States	22.2	-0.1	-0.5
Northeast	17.5	+2.8	+2.3
Midwest	24.0	-1.7	-1.6
South	22.0	-0.7	-1.3
West	24.8	-0.6	-1.1

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Cooking

The percentage of gas customers that cook with gas declined in all regions of the country, due to electric products dominating the new home market, even those homes with gas service, as well as replacing old gas units. Nationally, cooking market penetration for gas customers fell 12 percent, with the Northeast falling ten percent, the Midwest nine percent, the South 21 percent, and the West five percent.

Table 11
Natural Gas Cooking Appliance Market Penetration
(Percent of all gas customers)

	1980	**1990**	**1997**
United States	62.0%	57.2%	54.4%
Northeast	82.1%	73.9%	73.9%
Midwest	55.8%	53.3%	50.0%
South	59.8%	51.6%	47.3%
West	54.7%	53.3%	52.0%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Despite the significance of the decline for gas cooking penetration, the resulting impact is relatively small. This is due to the smaller proportion of gas customers with this appliance combined with the modest annual energy consumption from these units. For all regions, the decline amounted to less than one half Mcf annually.

Table 12
Impact of Gas Cooking Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Cooking Use per Customer	Change in Weighted Average Cooking Use per Customer	
	1980	**1990**	**1997**
United States	2.6	-0.2	-0.3
Northeast	3.4	-0.3	-0.3
Midwest	2.3	-0.1	-0.2
South	2.5	-0.3	-0.4
West	2.3	-0.1	-0.1

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Clothes Dryers

Penetration of gas dryers increased slightly in all regions from 1980 to 1997, ranging from three percent in the South to 20 percent in the Northeast.

Table 13
Natural Gas Clothes Dryer Market Penetration
(Percent of all gas customers)

	1980	**1990**	**1997**
United States	23.1%	25.1%	25.2%
Northeast	24.5%	25.2%	29.4%
Midwest	30.5%	29.0%	31.5%
South	15.2%	18.3%	15.6%
West	20.5%	27.7%	24.0%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

This increase in penetration for gas clothes dryers resulted in modest increases in typical use per customer, from negligible in the Midwest and South to less than one-quarter Mcf in the other regions.

Table 14
Impact of Gas Drying Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Drying Use per Customer	Change in Weighted Average Drying Use per Customer	
	1980	**1990**	**1997**
United States	1.0	+0.1	+0.1
Northeast	1.1	-0.0	+0.2
Midwest	1.3	-0.1	0.0
South	0.7	+0.1	0.0
West	0.9	+0.3	+0.1

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Outdoor Gas Lights

Natural gas lights were somewhat popular with customers the through mid-1970s. During the turmoil in the energy markets in the late-70s, President Carter encouraged people to turn their gas lights off or convert them to electricity. Since that time, their market share for gas customers fell more than 50 percent. Assuming typical gas light usage of 19 Mcf per year, the decline in market share caused the weighted average gas use per residential customer to decline about one-third Mcf per year on a national average. The decline was about one-half Mcf for the Midwest and South, while 1997 data were unavailable for the Northeast and West.

Table 15
Outdoor Gas Light Market Share Decline and Resulting Impact

	Gas Customer Market Penetration		Wgtd. Avg. Change (Mcf/year)
	1980	1997	
United States	3.1%	1.5%	-0.31
Northeast	0.9%	N/A	N/A
Midwest	4.5%	1.6%	-0.54
South	4.5%	1.8%	-0.51
West	1.7%	N/A	N/A

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years. Note: Data not available for NE and West regions for 1997.

Housing Characteristics

Thermal Efficiency

Homes across the country have become more energy efficient due, in part, to the improved thermal efficiency of the building envelope. New homes, which must meet local regulations implemented over the last two decades regarding thermal efficiency, account for most of this improvement. In addition, many homeowners have retrofitted older residences in order to cut their energy bills.

In all regions, the percent of homes that have wall and roof insulation has increased since 1980. The same is true for homes with storm doors and windows.

Table 16
Trends in Residential Thermal Characteristics

	United States			Northeast			Midwest			South			West		
	1980	1990	1993	1980	1990	1993	1980	1990	1993	1980	1990	1993	1980	1990	1993
Have Wall Insulation	64%	67%	70%	72%	69%	75%	74%	77%	77%	61%	64%	68%	49%	56%	62%
Have Roof Insulation	77%	80%	81%	78%	79%	83%	82%	84%	84%	74%	80%	80%	72%	76%	78%
Have Storm Windows	48%	58%	N/A	68%	81%	N/A	78%	84%	N/A	33%	45%	N/A	14%	26%	N/A
Have Storm Doors	43%	47%	N/A	53%	58%	N/A	67%	68%	N/A	35%	39%	N/A	13%	39%	N/A

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years. NOTE: 1997 data not available; 1993 data not available for homes with storm windows and doors.

This improvement in thermal efficiency has significantly reduced the heating demand from the residential sector. Overall, typical consumption decreased by about three Mcf nationally. Regionally, the decrease in weighted average gas use per customer ranged from about two Mcf in the Midwest to over four Mcf in the West.

Table 17
Impact of Improving Home Thermal Efficiency on Gas Demand
(Decrease in Mcf per Residential Customer per Year)

United States	3.0
Northeast	3.4
Midwest	2.1
South	2.8
West	4.3

Square Footage

According to the Energy Information Administration, the amount of heated floorspace per residence decreased about three percent, on a national average, since 1980. The Northeast and Midwest regions exhibited decreases in heated floorspace per residence of 13 percent and 10 percent, respectively, while the South and West regions showed increases of less than 10 percent. Two factors are counteracting each other here: the number of townhomes and condominiums have increased since 1980, bringing down the average amount of heated floorspace, while the size of new single family homes has been increasing, particularly in the 1990s.

Table 18
Average Heated Floorspace Per Residence
(Square feet)

US		NE		MW		South		West	
1980	**1997**	**1980**	**1997**	**1980**	**1997**	**1980**	**1997**	**1980**	**1997**
1,524	1,477	1,636	1,420	1,678	1,505	1,411	1,540	1,395	1,504

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Any change in the average amount of heated floorspace will impact the amount of gas consumed for space heating. On a national average, the decrease in heated floorspace caused the weighted average gas use per residential customer to decline about one Mcf per year. For the Northeast and Midwest, where heating loads are most significant, the decreases in heated floorspace resulted in an almost four Mcf per year decline. The increase in average floorspace in the South and West regions caused increases in typical gas demand ranging from 1.3 Mcf to 1.7 Mcf per year.

Table 19
Weighted Average Impact of Changing Amount of Heated Floorspace on Gas Demand
(Change in Mcf per Residential Customer per Year)

United States	-0.8
Northeast	-3.9
Midwest	-3.7
South	+1.7
West	+1.3

Temperature Setting/Control

Overall, the average temperature setting during the heating season for homes has not changed significantly since the mid-1980s. Therefore, this factor should not have had an impact on residential gas demand.

Table 20
Average Temperature in U.S. Residences During Heating Season
(Degrees Fahrenheit)

	1984	**1990**	**1997**
Daytime	69.3	70.0	69.8
Nighttime	69.3	71.7	68.0

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years. Note: 1980 data not available.

The number of households that turned the thermostat back at night increased since the 1980s, due in part to the increased popularity of programmable thermostats. For the U.S. as a whole, almost 40 percent more households were setting the thermostat lower at night in 1997 compared to 1984. Regionally, the increase ranged from 35 percent for the Northeast to 57 percent for the South.

Table 21
Residential Trends in Thermostat Setback
(Percent turning temperature back)

	Nighttime – Sleeping Hours		
	1984	**1990**	**1997**
US	38%	47%	53%
NE	43%	59%	58%
MW	44%	49%	60%
South	35%	41%	55%
West	30%	43%	40%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.
Note: 1980 data not available

Assuming the average temperature setback was less than five degrees Fahrenheit, the impact of increasing use of thermostat setback would be less than one

Mcf on an annual basis for the average customer. Regionally, the impact ranged from one-third Mcf (West) to one Mcf (Midwest).

Table 22
Weighted Average Impact of Increase Use of Thermostat Setback on Gas Demand
(Change in Mcf per Residential Customer per Year)

United States	-0.7
Northeast	-0.8
Midwest	-1.0
South	-0.6
West	-0.3

Other

Geographic Population Shifts

From 1980 to 1997, population growth, and subsequently gas customer growth, was greater in the warmer regions (South and West) than in the colder regions (Northeast and Midwest). About 51 percent of the residential gas customers were in the warmer Southern and Western sections of the country in 1997, compared to 48 percent in 1980. With more of the households in warmer climates, the average heating demand, on a national basis, declined. This larger percentage of gas customers in warmer climates resulted in overall use per gas customer falling about one Mcf on a national basis. This factor does not impact typical regional use per gas customer.

Table 23
Regional Natural Gas Customer Population Trends
(Percent of all gas customers)

	1980	1997
United States	100.0%	100.0%
Northeast	21.4%	19.2%
Midwest	31.0%	29.7%
South	24.9%	26.9%
West	22.7%	24.2%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Household Size

The average number of persons in a residence can impact the amount of gas consumed (hot water for showers, laundry, & dishwasher, cooking for meals, drying for laundry). On average, the number of persons per household declined five percent, with regional numbers ranging from less than two percent for the West to about eight percent for the Midwest.

Table 24
Average Number of Persons per Household

	1980	1990	1997
US	2.56	2.41	2.43
NE	2.55	2.44	2.39
MW	2.64	2.36	2.41
South	2.54	2.42	2.43
West	2.51	2.47	2.48

The impact of the declining number of people per household, overall, reduced annual gas demand by about half an Mcf. Regionally, the impact ranged from one-tenth an Mcf for the West to one Mcf for the Midwest.

Table 25
Weighted Average Impact of Declining Number of People per Residence on Gas Demand
(Change in Mcf per Residential Customer per Year)

United States	-0.5
Northeast	-0.5
Midwest	-1.0
South	-0.5
West	-0.1

<u>Other Factors Not Quantified</u>

Other factors could have an impact on residential natural gas use, but were not quantified here, primarily due to lack of data. For the most part, these should have impacts less than most of those factors listed above. Some of these factors are listed below:

Water Conservation – Low flow showerheads and increasingly efficient dishwashers and washing machines have decreased the amount of hot water needed per residence.
Economic Influences – Changes in the price of natural gas and in the general economic condition of the general population may influence consumption.
Environmental Regulations – Restrictions on certain combustion practices, such as wood fireplaces, may impact consumer purchases of gas products.
Gas Hearth Products – Gas fireplace/logs have become more popular over the past 17 years, but it is not clear whether these units actually add to load. Some units could displace gas furnace requirements.

VI. National & Regional Summaries

Table 26 summarizes the factors contributing to the decline in use per residential customer. For the most part, the sum of the estimated factors closely approximates the observed decline for most of the regions. Keep in mind that this report provides a broad-based assessment to the factors contributing to the decline in order to provide an understanding of the relative impact from each of these factors. This report does not attempt to provide precise measures of these factors due to limitations in the data.

Table 26
Summary of Factor Quantification and Comparison to Actual Decline
(Change in use per residential customer, 1980-1997, Mcf/year)

	U.S	NE	MW	South	West
Space Heating Efficiency	-7.7	-5.0	-12.3	-6.2	-6.2
Baseload Appliance Efficiency	-1.2	-1.0	-1.3	-1.2	-1.4
Space Heating Market Penetration	-1.0	+11.0	-1.1	-3.1	-4.8
Baseload Appliance Market Penetration	-1.0	+2.2	-2.3	-2.3	-1.1
Thermal Efficiency Gains	-3.0	-3.4	-2.1	-2.8	-4.3
Other Residence Characteristics*	-2.0	-5.2	-5.7	+0.6	+0.9
Population Trends	-0.9	N/A	N/A	N/A	N/A
Total	-16.8	-1.4	-24.8	-15.0	-16.9
Actual Change	-16.4	+0.6	-24.8	-15.0	-19.2
Difference**	-0.4	-2.0	0.0	0.0	+2.3

** Includes changes in heated floorspace, thermostat setback, and number of people per residence*
*** Can be due to a variety of factors, including data error, omission of other factors, and imprecise methodology*

United States
- Space heating efficiency gains account for about 47 percent of decline
- Water heating efficiency gains - about seven percent
- Space heating market share loss – about six percent
- Baseload market share loss – about six percent
- Improved home thermal efficiency – about 18 percent
- Change in average amount of heated floorspace – about five percent
- Increased use of thermostat setback – about four percent
- Population shift to warmer climates – about six percent
- Decrease in number of people per home – about three percent

Northeast
- Appliance efficiency gains result in substantial decrease in use per customer
- Increased market penetration of space and water heaters more than offset other declining factors
- Improved home thermal efficiency and decreased average heated floorspace each account for almost a much decline as increased space heating efficiency
- Other factors have minor impact on use per residential customer

Midwest
- Space heating efficiency gains account for about 47 percent of decline
- Water heating efficiency gains - about five percent
- Space heating market share loss – about four percent
- Baseload market share loss – about nine percent
- Improved home thermal efficiency – about eight percent
- Change in average amount of heated floorspace – about fourteen percent
- Increased use of thermostat setback – about four percent

- Decrease in number of people per home – about four percent

South

- Space heating efficiency gains account for about 41 percent of decline
- Water heating efficiency gains - about five percent
- Space heating market share loss – about 21 percent
- Baseload market share loss – about 16 percent
- Improved home thermal efficiency – about 19 percent
- Change in average amount of heated floorspace -- substantial offset to decline
- Increased use of thermostat setback – about four percent
- Decrease in number of people per home – about three percent

West

- Space heating efficiency gains account for about 32 percent of decline
- Water heating efficiency gains - about seven percent
- Space heating market share loss – about 25 percent
- Baseload market share loss – about six percent
- Improved home thermal efficiency – about 22 percent
- Change in average amount of heated floorspace – increase helped offset decline
- Increased use of thermostat setback – about two percent
- Decrease in number of people per home – about one percent

VII. Estimate of Future Impacts

Appliance Efficiency

Today, most of the space heating and water heating appliances in place were purchased before government-mandated minimum efficiency ratings were imposed on this equipment. Therefore, the average efficiency for these appliances is lower than the regulatory minimum. As the older, less efficient appliances are replaced through normal attrition, gas utilities will continue to experience declining residential demand per customer.

Based on equipment sales data and typical appliance lifetimes, the average efficiency for residential furnaces was 74 percent in 1997, below the 78 percent regulatory minimum. Consumer demand for high efficiency gas furnaces has driven the average efficiency of units sold to over 85 percent by 1997. As the older units are replaced over the next ten years, the national average residential demand for gas could decline another 3.2 Mcf/year (AFUE = 78 percent) to 8.2 Mcf/year (AFUE = 85.6 percent). Regional impacts vary depending on the typical heating load and the market penetration of gas heat.

Table 27
Future Impact of Increasing Space Heating Efficiency
(Mcf/year)

	Weighted Average AFUE=78.0%*	Weighted Average AFUE=85.6%**
US	-3.2	-8.2
NE	-2.1	-5.4
MW	-5.2	-13.3
South	-2.4	-6.7
West	-2.4	-6.7

* Current regulatory minimum
** Current average efficiency of units sold

Gas water heating appliances are becoming increasingly efficient as well. Based on industry estimates and shipment data, the average water heater EF in residences is about 0.53, slightly below the current mandate of 0.54, again due to the number of appliances purchased before the mandate became effective. Based on the availability of even higher efficient gas water heaters, the weighted EF for current shipments is probably 0.56 or higher. Assuming typical replacement rates, gas utilities could experience declines in residential demand due to increasing water heater efficiencies averaging from 0.4 Mcf/year (EF = 0.54) to 1.2 Mcf/year (EF = 0.56). Regional impacts will probably vary from this average.

Table 28
Future Impact of Increasing Water Heating Efficiency
(Mcf/year)

	Weighted Average EF=0.54	Weighted Average EF=0.56
US	-0.4	-1.2
NE	-0.4	-1.0
MW	-0.5	-1.3
South	-0.4	-1.2
West	-0.5	-1.4

DOE, by law, periodically reviews the feasibility of increasing the minimum efficiencies of these and other appliances. Any further rulemakings from DOE on appliance efficiency will impact residential gas demand.

<u>Housing Characteristics</u>

By 1997, 40 percent of existing homes were built before 1960. These residences, on average, are less thermally efficient than new homes. While some have been renovated to improve their thermal efficiency (wall and ceiling insulation, storm windows and doors), the addition of new homes and the removal of older stock will increase the average efficiency of a gas utility's residential base. This, in turn, will cause typical residential demand to decline.

Other

No attempt is made here to estimate the future trends of gas appliance penetration or demographic changes. Other factors that may have a future impact include new products and technologies.

VIII. Impacts on Utilities

Marketing

Changes in residential gas use impacts utilities' ability to connect new customers. Allowed investments for connecting customers are based on the expected sales to those customers. Declining use per residential customer, particularly for new customers with energy efficient homes and appliances, makes connecting these customers on an economic basis more difficult. Some new housing developments may not qualify for gas service based on their relatively lower gas use. This may cause the utility to forgo sales not only from that neighborhood but possibly from later developments that could have been served off lines that would have been in place had the original neighborhood been connected.

Utilities have made adjustments to try and compensate for this decline through improved construction techniques and technologies. Innovations such as plastic pipe, 2-PSI systems, and common trenching have lowered the cost of connecting new homes to the gas system.

Profitability

While the number of homes in a utility's customer base is increasing, overall sales have remained relatively flat. Utilities have difficulty achieving allowed returns when investment increases but sales revenues stagnate. Since government regulation and competition from other energy sources limit a utility's ability to increase revenues through price increases, many utilities have been cutting costs to maintain profitability. Over the past 15 years, the margin (price less cost of gas) utilities charge the residential customer fell, in real terms, by nine percent, reflecting the efficiency gains by these companies.

IX. Methodology

Normalized Use Per Customer

- Calculate actual use per residential customer from EIA data[2]
- Determine heating portion of use based on AGA survey data[3]
- Determine weather normalization factor by dividing the 30-year (1961-1990) normal heating degree days into the actual degree days, based on NOAA data[4]
- Divide heating portion by weather normalization factor, and add back in non-heating load

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[2] Natural Gas Annual, various years, Energy Information Administration, U.S. Department of Energy, Washington, DC.

[3] Residential Natural Gas Market Survey, various years, American Gas Association, Washington, DC.

[4] State, Regional, and National Monthly and Seasonal Heating Degree Days, various years, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, Washington, DC.

Average Space Heating AFUE

- Assume 65% AFUE as standard in 1980 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas space heating customers from current year's, based on trend analysis of EIA RECS data[5]
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data[6]
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace AFUE for all existing units based on average AFUE of shipments as provided by GAMA

Space Heating Efficiency Impact

- Calculate average use per customer by multiplying the normalized heating load by the percent of gas customers with gas space heating (based on EIA RECS data)
- Calculate change in average furnace AFUE by dividing 1980 AFUE value into the selected year's AFUE value
- Calculate the efficiency-adjusted demand by dividing the 1980 average use per customer by the change in average furnace AFUE for the selected year
- Subtract the efficiency-adjusted demand from the 1980 average use per customer to determine impact

Average Water Heating EF

- Assume 0.50 EF as standard in 1980 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas water heating customers from current year's, based on trend analysis of EIA RECS data
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace EF for all existing units based on average EF of shipments estimated at 0.54 EF to 0.56 EF

Water Heating Efficiency Impact

- Calculate average use per customer by multiplying the water heating load (based on AGA survey data) by the percent of gas customers with gas water heating (based on EIA RECS data)
- Calculate change in average EF by dividing 1980 EF value into the selected year's EF value
- Calculate the efficiency-adjusted demand by dividing the 1980 average use per customer by the change in average water heater EF for the selected year
- Subtract the efficiency-adjusted demand from the 1980 average use per customer to determine impact

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[5] RECS: Housing Characteristics, various years, Energy Information Administration, U. S. Department of Energy, Washington, DC.

[6] GAMA News, various years, Gas Appliance Manufacturers Association, Arlington, VA.

Appliance Market Penetration Impact

- Calculate appliance penetration by dividing the number of residences with gas service by the number of customers with that appliance, based on EIA RECS data
- Subtract the impact year penetration from the 1980 penetration to determine the change in market penetration
- Calculate the weighted average gas use per customer for that appliance by multiplying the penetration value times the typical gas use for that appliance
- Multiply the change in market penetration by the 1980 weighted average use of that appliance to determine the reduction in weighted average use per customer for that appliance

Thermal Efficiency Impact

- Determine the percent difference in heating load for a typical residence with and without insulation, storm doors, and storm windows, based on EnergyHelp for the Home software package[7]
- Calculate the percent increase in homes with those thermal efficiency enhancements from EIA RECS data
- Multiply the thermal efficiency percent increase by the percent difference in heating load and by the percent of gas homes with gas space heating to determine the thermal efficiency impacts

Change in Average Heated Floorspace Impact

- Determine the percent difference in heating load for a typical residence based on various amounts of heated floorspace, based on EnergyHelp for the Home software package
- Calculate the percent change in average heated floorspace in homes from EIA RECS data
- Multiply the change in average heated floorspace by the percent difference in heating load and by the percent of gas homes with gas space heating to determine impacts

Increase in Use of Thermostat Setback Impact

- Determine the percent difference in heating load for a typical residence based thermostat setback of less than five degrees for eight hours, based on EnergyHelp for the Home software package
- Calculate the percent change in households setting back thermostats at night from EIA RECS data
- Multiply the change heating demand from thermostat setback by the percent difference in heating load and by the percent of gas homes with gas space heating to determine impacts

Population Shift Impact

- Determine the percent of gas customers by region for 1980 and 1997 from EIA RECS data
- Determine the normalized heating demand for those regions in 1980 based on AGA survey data

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[7] *EnergyHelp For The Home* computer program distributed by Columbia Energy, Virginia, 1998

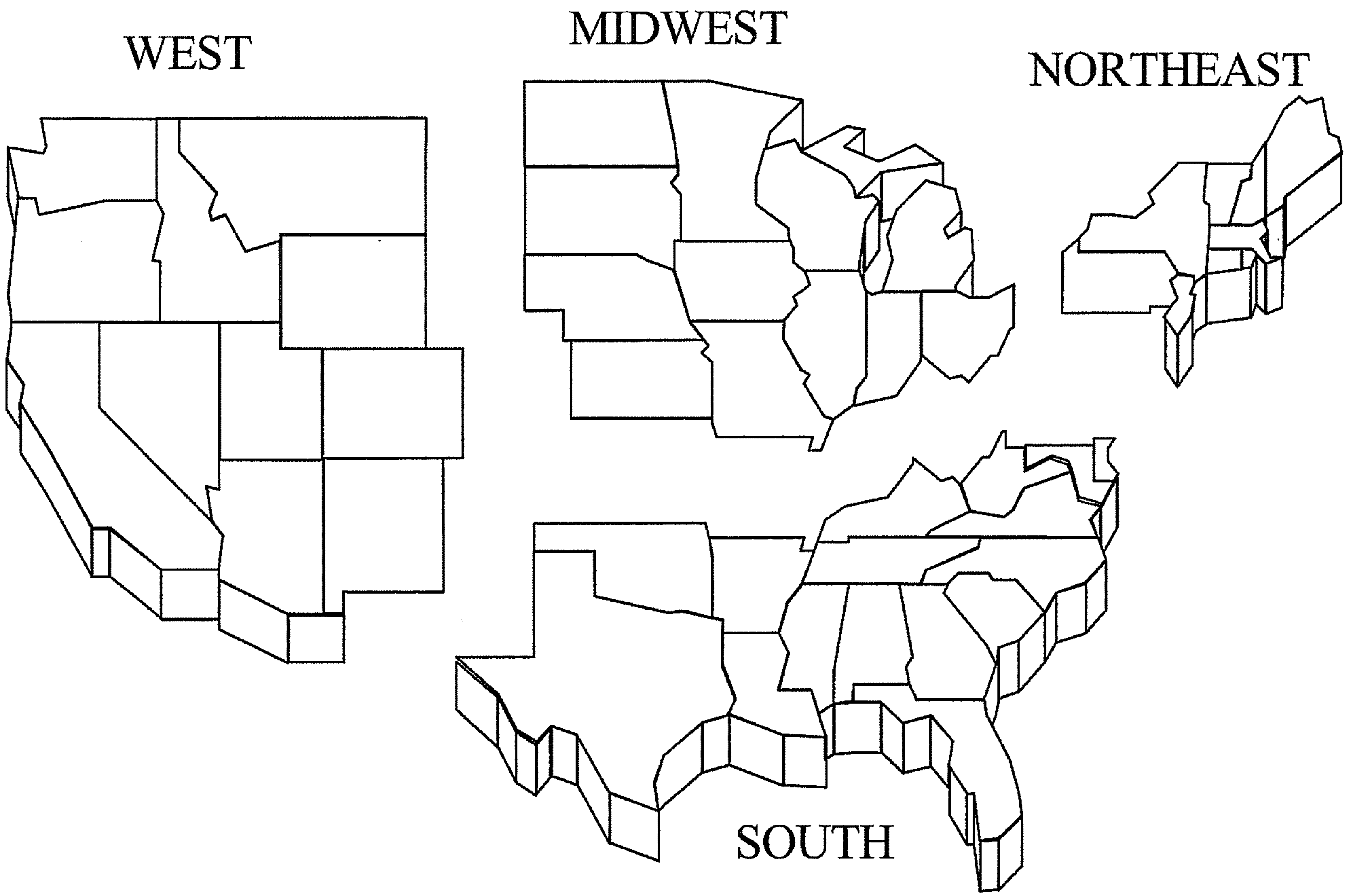
- Apply those same regional demand figures to the 1997 regional population distribution, calculate the weighted average national numbers for both, and compare the two numbers

Average Number of Persons per Household Impact

- Calculate the difference in average number of persons per household from EIA RECS data
- Determine the percent difference in heating load for a typical residence based on that same reduction in number of people per home, based on EnergyHelp for the Home software package
- Multiply the change heating load by the percent of gas homes with gas space heating to determine impacts

Appendix

US Census Regions



American Gas Association

Energy Analysis

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

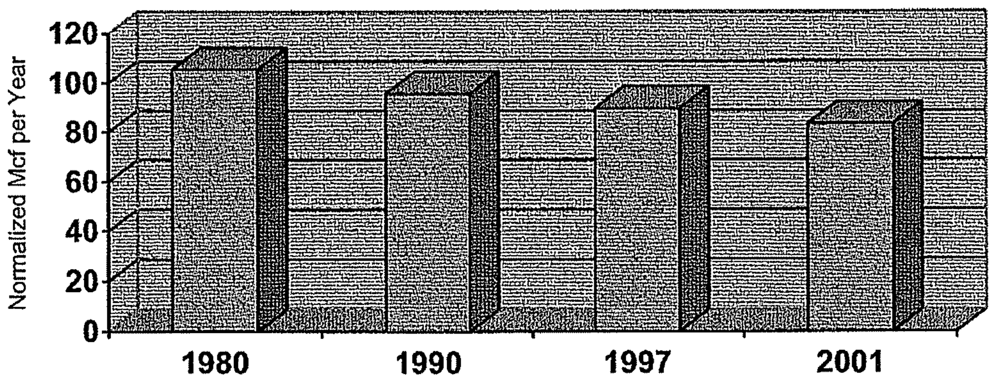
PATTERNS IN RESIDENTIAL NATURAL GAS CONSUMPTION, 1997-2001

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



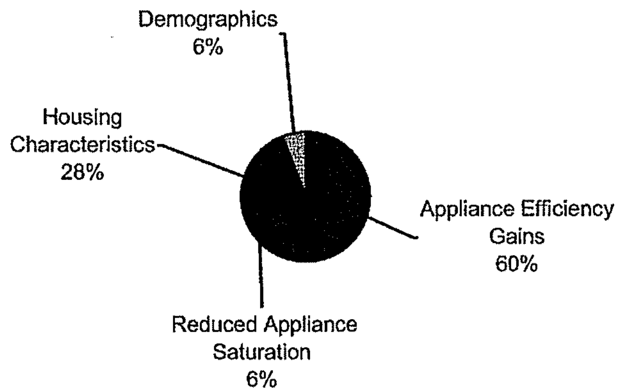
[1] *Patterns in Residential Natural Gas Consumption Since 1980*, American Gas Association, February 2000

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.

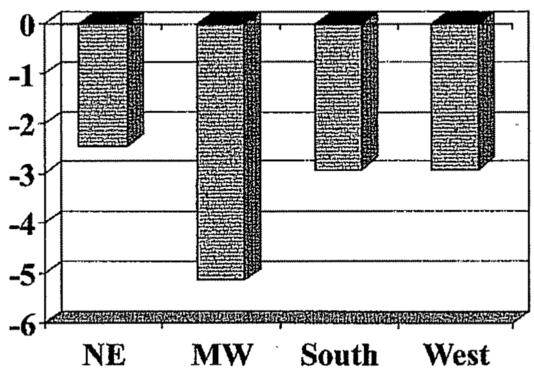
- **Water heating efficiency gains** contributed about 13 percent of the average residential load loss. Federal water heater standards took effect in 1990, setting the minimum gas water heater energy factor (EF) at 0.54, compared to the then-typical 0.5 EF. In addition, consumers are purchasing units 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

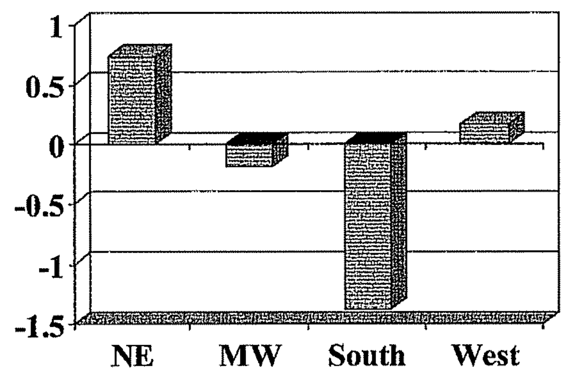
Regional Impact of Major Factors

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

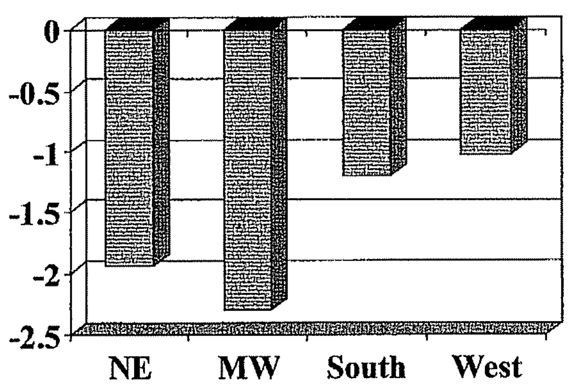
Appliance Efficiency



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 <u>increase</u> 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.

III. Purpose and Data Limitations

This report attempts to provide a broad-based identification and quantification of factors that impacted the average annual natural gas use per residential customer from 1997 to 2001. Most natural gas distribution utilities experienced a slower growth rate in residential demand compared to the growth rate in the number of residential customers during that time period. This trend makes it more difficult for gas companies to achieve expected revenues and to connect new customers economically. This analysis is intended to help companies understand the driving forces behind the declining use trend by updating the previous study.

The results herein estimate the overall impacts of several contributing factors based on national and regional data. Analysis of utility-specific factors could result in conclusions different from those in this report. Individual companies should use this report as a guide in calculating their specific impacts, and they should include factors and influences pertinent to their systems that may not be considered and/or quantified here.

These contributing factors were examined separately. Some of them may have synergistic properties that compound or offset impacts when considered together. The quantification of these factors is not an attempt to determine absolute values for each influence, but rather to indicate the proportional impact that they have on residential use per customer.

Much of the data used in this analysis come from government and AGA surveys. While this information is the best available for national and regional analysis, survey sampling, structure, and/or extrapolation techniques can be flawed, particularly when ascribing results to smaller populations such as states and jurisdictions.

IV. Overview

A previous AGA analysis calculated that normalized use per residential customer declined 16 percent from 1980 to 1997. Since that time, several gas distribution companies have noted a continuation of this trend, with a number of utilities experiencing higher than expected levels of conservation. This analysis updates the previous report, examining the 1997-2001 time frame.

This analysis shows that residential customers are continuing their efforts to reduce natural gas consumption. On a national average basis, natural gas use per residential customer dropped 6.4 percent from 1997 to 2001, from 89.2 Mcf/year to 83.5 Mcf/year. On a regional basis, these impacts varied. For the Northeast, the average gas use per customer decreased about three percent. Residential gas use per customer dropped eight percent for the Midwest, six percent for the South, and four percent for the West.

Table 1
Trends in Residential Natural Gas Use
(Weather Normalized Mcf/Customer/Year)

	1997	2001	Change, 1997-2001
United States	89.2	83.5	-6.4
Northeast	97.1	94.3	-2.9
Midwest	116.4	107.0	-8.1
South	70.2	66.8	-6.2
West	68.3	65.0	-4.2

Residential gas use can be classified as space heating and non-heating. On average, space heating demand accounts for three-quarters of typical gas consumption by residential customers. This demand is very weather sensitive, with use per customer higher in the colder climates than in the warmer regions.

Residential non-heating use of gas is also known as baseload use. This use is typically not very weather sensitive. The primary residential baseload use is for water heating, which accounts for about 86 percent of non-heating demand, based on national averages. The other two primary residential gas appliances are cooking equipment and clothes dryers. Natural gas logs/fireplaces are increasing their market share, and can be used for heating or decorative purposes. Appliances that could also be considered baseload, but have a much lower market penetration, are gas lights, pool heaters, and grills.

V. Contributing Factors

Appliance Efficiency

In response to the energy disruptions of the 1970s, Congress passed the Energy Policy and Conservation Act (EPCA) of 1975. EPCA established an energy conservation program for major household appliances including furnaces, water heaters, refrigerators and freezers, central air conditioners and central air conditioning heat pumps, room air conditioners, dishwashers, clothes washers, clothes dryers, direct heating equipment, pool heaters, kitchen ranges and ovens, fluorescent lamp ballasts, and television sets. The Energy Policy and Conservation Act (EPACT) of 1978 expanded the coverage of EPCA to include commercial building heating and air conditioning equipment, water heaters, certain incandescent and fluorescent lamps, distribution transformers, and electric motors. In 1987, the National Appliance Energy Conservation Act (NAECA), which also incorporates EPCA and EPACT, authorizes the U. S. Department of Energy (DOE) to set energy efficiency standards for major home appliances according to a statutory time schedule stretching into the next century.

DOE's Office of Codes and Standards sets the minimum efficiency ratings of many residential appliances. DOE has set standards for such natural gas appliances as space heaters, water heaters, ovens, and ranges.

Furnaces

During the 1970's natural gas furnaces averaged about 65 percent annual fuel utilization efficiency (AFUE). As interest in more energy efficient appliances increased, the average AFUE for new furnaces increased. DOE, through authority granted by NAECA, set 78 percent AFUE as a minimum for gas furnaces manufactured after January 1, 1992. Furnaces with AFUE ratings up to the mid-90's are available to consumers, and the average AFUE of new residential furnace shipments is currently in the mid-eighties. As the higher efficiency furnaces have worked their way into the residential market in new homes and replacement units, the average AFUE for all residential natural gas furnaces has increased from 65 percent in 1980 to 74 percent in 1997, and to 77 percent by 2001.

Table 2
Residential Natural Gas Furnace Average AFUE
(Percent)

	1980	1997	2001
New Furnace Shipments	66%	85%	86%
All Furnaces In Place	65%	74%	77%

Source for shipment information: Gas Appliance Manufacturers Association

Improvement in overall furnace efficiency caused gas space heating use per customer to fall four percent. However, the impact in terms of sales volume varied by region due to the weather differences. Overall, use per residential customer dropped about 2.7 thousand cubic feet (Mcf) per year from 1997 to 2001, with regional impacts ranging from 1.7 Mcf in the Northeast to 4.3 Mcf in the Midwest, due to the improved furnace efficiency.

Table 3
Impact of Gas Space Heating Efficiency Gains on Use per Customer
(Weather-normalized Mcf/year)

	Weighted Average Use per Customer	Reduction in Weighted Average Use per Customer
	1997	**2001**
United States	61.2	2.7
Northeast	69.8	1.7
Midwest	87.2	4.3
South	44.5	2.2
West	39.1	2.2

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance
Note: Assumes national average furnace efficiency for all regions.

Water Heaters

DOE set the minimum efficiency of natural gas water heater at 0.54 energy factor (EF) for units manufactured after 1989. Starting in 2004, the minimum efficiency will rise to 0.59 EF. Previously, water heaters averaged about 0.5 EF. Industry analysts estimated that the availability of even higher efficiency units raised the average EF of new units sold to 0.57 by the 2001. Based on shipment data and typical retirement rates, the average EF of water heaters went from 0.53 in 1997 to 0.55 in 2001.

Table 4
Residential Natural Gas Water Heater Average EF
(Percent)

	1980	**1997**	**2001**
New Water Heater Shipments	50%	53%	57%
All Water Heaters In Place	50%	53%	55%

Since the average water heater EF improved slightly less than four percent from 1997, the typical consumption by residential customers that have water heaters declined in the same proportion. The average decline was 0.8 Mcf per customer, with regions not varying much from that average.

Table 5
Impact of Gas Water Heating Efficiency Gains on Use per Customer
(Mcf/year)

	Weighted Average Use per Customer	Reduction in Weighted Average Use per Customer
	1997	**2001**
United States	23.9	0.8
Northeast	22.3	0.7
Midwest	25.6	0.8
South	23.5	0.8
West	23.3	0.8

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Appliance Saturation

The most common natural gas appliances found in homes are space heaters, water heaters, cooking equipment, clothes dryers, and, to a lesser extent, outdoor lights. All of these applications face competition from other energy forms, particularly electricity. Since 1997 the average number of gas appliances found in homes has dropped. This trend, discussed below, contributes to the decline in gas use per residential customer.

Space Heaters

The percentage of gas customers that use natural gas as their main space heating fuel declined by 0.2 percentage points over the four year period. Regionally, the Northeast and West regions saw an increase in this market penetration among its customers. The Midwest loss mirrored the national average. The South region exhibited significant declines in the proportion of their customers that use gas for their main space heating fuel. A primary contributing factor to this decline is the increasing popularity of the heat pump during this time. Not only did heat pumps make significant inroads into new construction (particularly in multi-family housing), electric utilities encouraged existing gas customers to add on heat pumps and use their gas furnaces as back-up systems.

Table 6
Natural Gas Space Heating Appliance Market Penetration
(Percent of all gas customers)

	1997	**2001**
United States	84.4%	84.2%
Northeast	71.7%	72.8%
Midwest	93.8%	93.5%
South	83.9%	81.5%
West	84.1%	85.0%

Source: American Housing Survey, Bureau of the Census, various years

Since the overall change for gas space heating market penetration was not substantial, it caused a decrease in heating use of less than one percent for the average U.S. gas customer. This was also true for the typical Midwest gas customer. The Northeast gas utilities experienced a gain of more than 1.1 percent in heating use per customer due to increased market penetration for space heating. The West region experienced increasing space heating demand per customer of one percent due to the increase in market penetration. The South region's use per customer decreased 2.5 percent due to reduced space heating penetration.

Table 7
Impact of Gas Space Heating Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Space Heating Use per Customer	Change in Weighted Average Space Heating Use per Customer
	1997	**2001**
United States	61.2	-0.1
Northeast	69.8	+0.8
Midwest	87.2	-0.2
South	44.5	-1.1
West	39.1	+0.4

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Water Heaters

Water heaters contribute significantly to a utility's load profile. Demand by these appliances is relatively non-weather sensitive, allowing for optimal utilization of utility investment. Also, these appliances can use as much gas as a furnace in some regions. Therefore, any loss in market penetration or improvements in efficiency will impact noticeably on average use per customer.

In most areas, market penetration of gas water heaters changed marginally between 1997 and 2001. Overall, penetration declined slightly. Regionally, the Northeast's, South's and West's market penetration decreased, with the Midwest increasing somewhat.

Table 8
Natural Gas Water Heater Market Penetration
(Percent of all gas customers)

	1997	**2001**
United States	84.2%	84.0%
Northeast	77.9%	77.8%
Midwest	86.2%	86.6%
South	79.0%	78.3%
West	91.9%	91.2%

Source; American Housing Survey, Bureau of the Census, various years

When the proportion of gas customers with gas water heaters declines, the weighted average gas use per customer declines. For example, the national average penetration of water heaters fell 0.2 percentage points from 1997 to 2001, resulting in a decline in overall gas use per customer of 0.05 Mcf/year. The South and West regions' losses averaged about 0.16 Mcf/year, while the Northeast region loss was minor, 0.02

Mcf/year. Conversely, a slight increase in penetration in the Midwest led to a 0.1 Mcf/year increase.

Table 9
Impact of Gas Water Heater Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Water Heating Use per Customer	Change in Weighted Average Water Heating Use per Customer
	1997	**2001**
United States	22.7	-0.05
Northeast	19.9	-0.02
Midwest	22.2	+0.10
South	20.4	-0.17
West	23.7	-0.16

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Cooking

The percentage of gas customers that cook with gas declined in all regions but the West, due to electric products dominating the new home market, even those homes with gas service, as well as replacing old gas units. Nationally, cooking market penetration for gas customers fell 2.6 percent, with the Northeast falling 1.3 percent, the Midwest 5.0 percent, and the South 4.0 percent. The West increased slightly.

Table 10
Natural Gas Cooking Appliance Market Penetration
(Percent of all gas customers)

	1997	**2001**
United States	58.6%	57.1%
Northeast	77.2%	76.2%
Midwest	52.4%	49.8%
South	53.0%	50.9%
West	56.6%	56.8%

Source: American Housing Survey, Bureau of the Census, various years

Despite the significance of the decline for gas cooking penetration, the resulting impact is relatively small. This is due to the smaller proportion of gas customers with this appliance combined with the modest annual energy consumption from these units. For all regions, the change amounted to less than 0.11 Mcf annually.

Table 11
Impact of Gas Cooking Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Cooking Use per Customer	Change in Weighted Average Cooking Use per Customer
	1997	**2001**
United States	2.5	-0.06
Northeast	3.2	-0.04
Midwest	2.2	-0.11
South	2.2	-0.09
West	2.4	+0.01

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Clothes Dryers

Penetration of gas dryers increased slightly in all regions but the South (four percent decline) from 1997 to 2001, ranging from one percent in the Northeast to six percent in the West.

Table 12
Natural Gas Clothes Dryer Market Penetration
(Percent of all gas customers)

	1997	**2001**
United States	27.0%	27.5%
Northeast	29.4%	29.7%
Midwest	32.6%	33.4%
South	16.0%	15.4%
West	29.0%	30.7%

Source: American Housing Survey, Bureau of the Census, various years

These changes in penetration for gas clothes dryers resulted in marginal changes in typical use per customer, less than one-tenth Mcf in the regions.

Table 13
Impact of Gas Drying Market Penetration on Use per Customer
(Mcf/year)

	Weighted Average Drying Use per Customer	Change in Weighted Average Drying Use per Customer
	1997	**2001**
United States	1.1	+0.02
Northeast	1.3	+0.01
Midwest	1.3	+0.03
South	0.7	-0.03
West	1.3	+0.07

Weighted average use per customer = typical use per appliance times the percent of customers with that appliance

Outdoor Gas Lights

Natural gas lights were somewhat popular with customers the through mid-1970s. During the turmoil in the energy markets in the late-70s, President Carter encouraged people to turn their gas lights off or convert them to electricity. Since that time, their market share for gas customers fell significantly. The decline continued from 1997 (1.5 percent market penetration among gas customers) through 2001 (0.8 percent). Assuming typical gas light usage of 19 Mcf per year, the decline in market share caused the weighted average gas use per residential customer to decline about one-tenth Mcf per year on a national average. No data were available for regional comparisons.

<u>Housing Characteristics</u>

Thermal Efficiency

Homes across the country have become more energy efficient due, in part, to the improved thermal efficiency of the building envelope. New homes, which must meet local regulations implemented over the last two decades regarding thermal efficiency, account for most of this improvement. In addition, many homeowners have retrofitted older residences in order to cut their energy bills.

According to estimates from the U. S. Department of Energy's Energy Information Administration,[2] the average residential building was three percent more efficient in 2001 compared to the 1997 average. This improvement in thermal efficiency reduced the heating demand from the residential sector. Overall, typical consumption decreased by about 1.6 Mcf nationally. Regionally, the decrease in weighted average gas use per customer ranged from about one Mcf in the West to more than two Mcf in the West.

Table 14
Impact of Improving Home Thermal Efficiency on Gas Demand
(Decrease in Mcf per Residential Customer per Year)

United States	1.63
Northeast	1.94
Midwest	2.30
South	1.20
West	1.02

<u>Other</u>

Geographic Population Shifts

From 1997 to 2001, population growth, and subsequently gas customer growth, was greater in the warmer regions (South and West) than in the colder regions (Northeast and Midwest). About 51 percent of the residential gas customers were in the warmer Southern and Western sections of the country in 1997, compared to 52 percent in 2001. With more of the households in warmer climates, the average heating demand,

[2] <u>Annual Energy Outlook</u>, Energy Information Administration, various years.

on a national basis, declined. This larger percentage of gas customers in warmer climates resulted in overall use per gas customer falling about 0.33 Mcf on a national basis. This factor does not impact typical regional use per gas customer.

Table 15
Regional Natural Gas Customer Population Trends
(Percent of all gas customers)

	1997	2001
United States	100.0%	100.0%
Northeast	19.2%	18.9%
Midwest	29.7%	28.9%
South	26.9%	28.0%
West	24.2%	24.3%

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Other Factors

Several factors did not change substantially between 1997 and 2001, and therefore should not have measurably impacted use per customer. The table below shows national factors for such items as thermostat settings for each of the years.

Table 16
Natural Gas Customer Characteristics

	1997	2001
Age of Home	33.1 years	34.6 years
Age of Furnace	13.8 years	13.6 years
Avg. Winter Day Temp	70.2 degrees	70.2 degrees
Avg. Winter Night Temp	67.8 degrees	68.0 degrees
Setback Temp Day	45% do	49% do
Setback Temp Night	47% do	47% do
Avg. Persons per Home	2.64	2.61

Source: RECS: Housing Characteristics, Energy Information Administration, U.S. Dept. of Energy, various years.

Other Factors Not Quantified

Other factors could have an impact on residential natural gas use, but were not quantified here, primarily due to lack of data. For the most part, these should have impacts less than most of those factors listed above. Some of these factors include:

Water Conservation -- Low flow showerheads and increasingly efficient dishwashers and washing machines have decreased the amount of hot water needed per residence.
Economic Influences – Changes in the price of natural gas and in the general economic condition of the general population influence consumption.
Environmental Regulations – Restrictions on certain combustion practices, such as wood fireplaces, may impact consumer purchases of gas products.
Gas Hearth Products – Gas fireplace/logs have become more popular over the past few years, but it is not clear whether these units actually add to load. Some units could displace gas furnace requirements.

Unoccupied/Seasonal Homes – The rise in second home ownership combined with increasing vacancy rates for rental homes could reduce overall use per customer.

VI. National & Regional Summaries

Table 17 summarizes the factors contributing to the decline in use per residential customer. The sum of the estimated factors closely approximates the observed decline for the United States. Regional comparisons do not provide as close a fit. Keep in mind that this report provides a broad-based assessment to the factors contributing to the decline in order to provide an understanding of the relative impact from each of these factors. This report does not attempt to provide precise measures of these factors due to limitations in the data.

Table 17
Summary of Factor Quantification and Comparison to Actual Decline
(Change in use per residential customer, 1997-2001 Mcf/year)

	U.S	NE	MW	South	West
Space Heating Efficiency	-2.68	-1.74	-4.31	-2.17	-2.17
Baseload Appliance Efficiency	-0.77	-0.71	-0.82	-0.75	-0.75
Space Heating Market Penetration	-0.12	+0.79	-0.22	-1.09	+0.38
Baseload Appliance Market Penetration	-0.22	-0.05	+0.03	-0.29	-0.08
Thermal Efficiency Gains	-1.63	-1.94	-2.30	-1.20	-1.02
Population Trends	-0.33	N/A	N/A	N/A	N/A
Total	-5.75	-3.65	-7.62	-5.50	-3.64
Actual Change	-5.71	-2.83	-9.39	-4.40	-2.86
Difference**	-0.04	-0.82	1.77	-1.10	-0.78

*** Can be due to a variety of factors, including data error, omission of other factors, and imprecise methodology*

IX. Methodology

Normalized Use Per Customer

- Calculate actual use per residential customer from EIA data[3]
- Determine heating portion of use based on AGA survey data[4]
- Determine weather normalization factor by dividing the 30-year (1961-1990) normal heating degree days into the actual degree days, based on NOAA data[5]
- Divide heating portion by weather normalization factor, and add back in non-heating load

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[3] Natural Gas Annual, various years, Energy Information Administration, U.S. Department of Energy, Washington, DC.
[4] Residential Natural Gas Market Survey, various years, American Gas Association, Washington, DC.
[5] State, Regional, and National Monthly and Seasonal Heating Degree Days, various years, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, Washington, DC.

Average Space Heating AFUE

- Assume 65% AFUE as standard in 1980 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas space heating customers from current year's, based on trend analysis of EIA RECS data[6]
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data[7]
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace AFUE for all existing units based on average AFUE of shipments as provided by GAMA

Space Heating Efficiency Impact

- Calculate average use per customer by multiplying the normalized heating load by the percent of gas customers with gas space heating (based on EIA RECS data)
- Calculate change in average furnace AFUE by dividing 1997 AFUE value into the selected year's AFUE value
- Calculate the efficiency-adjusted demand by dividing the 1997 average use per customer by the change in average furnace AFUE for the selected year
- Subtract the efficiency-adjusted demand from the 1997 average use per customer to determine impact

Average Water Heating EF

- Assume 0.50 EF as standard in 1980 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas water heating customers from current year's, based on trend analysis of EIA RECS data
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace EF for all existing units based on average EF of shipments estimated at 0.54 EF to 0.56 EF

Water Heating Efficiency Impact

- Calculate average use per customer by multiplying the water heating load (based on AGA survey data) by the percent of gas customers with gas water heating (based on EIA RECS data)
- Calculate change in average EF by dividing 1997 EF value into the selected year's EF value
- Calculate the efficiency-adjusted demand by dividing the 1997 average use per customer by the change in average water heater EF for the selected year
- Subtract the efficiency-adjusted demand from the 1997 average use per customer to determine impact

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[6] RECS: Housing Characteristics, various years, Energy Information Administration, U. S. Department of Energy, Washington, DC.
[7] GAMA News, various years, Gas Appliance Manufacturers Association, Arlington, VA.

Appliance Market Penetration Impact

- Calculate appliance penetration by dividing the number of residences with gas service by the number of customers with that appliance, based on EIA RECS data
- Subtract the impact year penetration from the 1997 penetration to determine the change in market penetration
- Calculate the weighted average gas use per customer for that appliance by multiplying the penetration value times the typical gas use for that appliance
- Multiply the change in market penetration by the 1997 weighted average use of that appliance to determine the reduction in weighted average use per customer for that appliance

Thermal Efficiency Impact

- Obtain an estimate of average percent increase thermal home efficiency enhancements from current and past EIA forecasts[8]
- Multiply the thermal efficiency percent increase by the percent difference in heating load and by the percent of gas homes with gas space heating to determine the thermal efficiency impacts

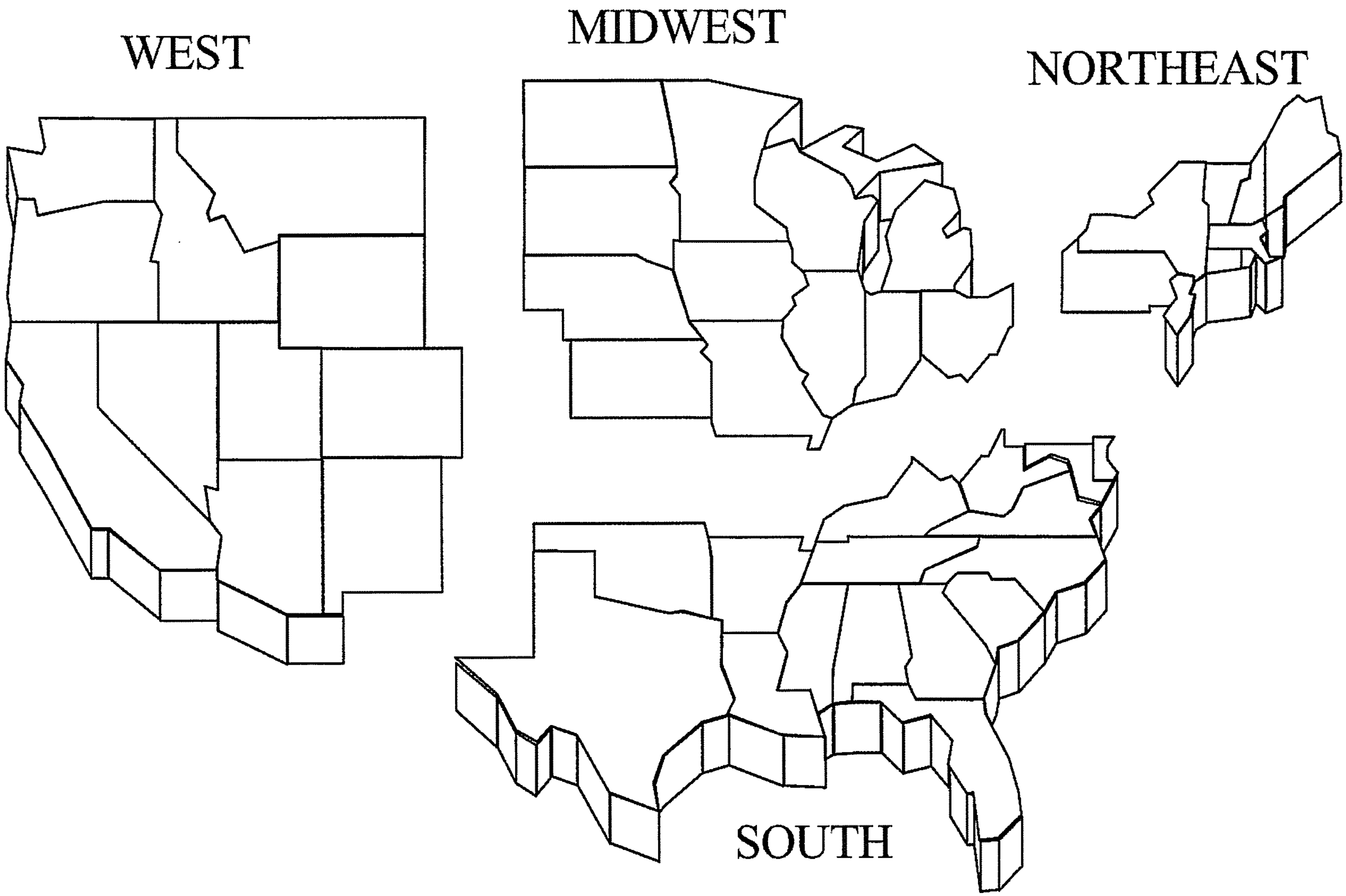
Population Shift Impact

- Determine the percent of gas customers by region for 1997 and 2001 from EIA RECS data
- Determine the normalized heating demand for those regions in 1997 based on AGA survey data
- Apply those same regional demand figures to the 2001 regional population distribution, calculate the weighted average national numbers for both, and compare the two numbers

[8] *Annual Energy Outlook*, various years, Energy Information Administration, Washington, DC.

Appendix

US Census Regions



American Gas Association

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TRENDS IN THE COMMERCIAL NATURAL GAS MARKET

I. Introduction

Nationally, the commercial natural gas sector comprises 16 percent of total gas consumption. While total volumes to commercial customers increased 20 percent (weather normalized) from 1979 to 1999, use per customer dropped 18 percent. The purposes of this analysis are to: 1) provide an overview of natural gas consumption by commercial customers during the last 20 years, 2) identify the primary factors affecting use per customer, 3) examine natural gas use trends for the various types of commercial customers, and 4) highlight emerging technologies and markets that could offset this declining use trend.

II. Executive Summary

The commercial sector is important to natural gas utilities, accounting for 16 percent of total consumption. On a weather-normalized basis, total consumption by this sector grew 20 percent during the 1980's & 1990's, reaching 3.2 trillion cubic feet by 1999. The number of customers increased at a greater rate, 46 percent, over that time period. However, commercial energy trends have been mixed over the past two decades.

- Similar to the trend that has been exhibited in the residential sector, weather-normalized use per customer in the commercial sector declined by 18 percent between 1979 and 1999. This occurred because the growth in number of customers outpaced consumption growth.
  - Increased efficiency in space-heating appliances accounted for roughly half of the national average commercial load loss.
  - Water heating efficiency gains contributed about five percent of the average commercial load loss.

- Better insulation, more efficient windows, and other building envelope conservation measures increased substantially over the period, although the impact has not been quantified in this analysis.

- Regionally, the changes in use per commercial customer varied considerably.
  - The Northeast region's use per commercial customer **increased** 47 percent, primarily due to an increase in average floorspace per building and the increase in gas space heat penetration.
  - The Midwest region's use per customer declined almost 27 percent, while the South declined 30 percent, partially due to improved appliance and building efficiencies.
  - The West region's use per customer decline mirrored the national trend at 18 percent.

Another measure of customer conservation is consumption intensity (use per square foot of space). An examination of natural gas use per square foot confirms that the average commercial building uses less gas compared to 1979 levels. This measure fell roughly 40 percent over the two decades. This decline is greater than the use per customer measure because average floorspace per commercial building increased since 1979 and the intensity measure could not be adjusted for normal weather.

- For all commercial facilities (including those not using natural gas), changes in market share for natural gas have shown mixed results.
  - Nationally, the share of buildings with gas service fell from 62 percent to 61 percent.
  - Similar to the decline in overall market share, the natural gas share of the market for water heating fell slightly (48 percent to 47 percent).
  - Conversely, increasing market shares were realized in the commercial space heating (57 percent to 60 percent) and cooking (45 percent to 59 percent).

- For commercial facilities that use natural gas, the percentage of those customers that use gas for space heat and hot water have both increased, indicating that customers will choose gas for these applications where gas is available. The challenge remains for utilities to extend gas lines to unserved areas.
  - Over 89 percent of all commercial customers with gas service used gas for heat in 1999, up from 86 percent in 1979.
  - A similar trend was evident with waters heaters – increasing from 55 percent to 57 percent.
  - In the Northeast and Midwest, market penetration of space heaters increased while that of water heaters decreased.
  - The opposite was true in the South, where the penetration of gas space heating declined slightly but that of water heating increased dramatically.
  - Significant gains were realized for both applications in the West.

A number of commercial natural gas applications show promise in helping offset falling use per customer. Distributed energy, an application in which customers generate electricity on-site with natural gas, has moved beyond the demonstration phase. Natural gas space cooling is becoming more popular due to technological advances. Natural gas desiccant dehumidification applications are also increasing. One forecast estimated that these three items accounted for nine percent of 1999 commercial gas consumption but will account for 28 percent by 2020.

II. Overview of the Commercial Natural Gas Market

The number of commercial natural gas customers increased 46 percent over the two decades, from 3.4 million to 5 million (Table 1). Consumption (normalized to reflect normal weather) increased 20 percent. The number of buildings with natural gas service increased 43 percent, while the amount of floorspace for those buildings increased by half. Revenues from retail sales doubled, reflecting both the higher cost and use of natural gas.

Table 1
Overview of the U.S. Commercial Natural Gas Market

	1979	1999
Number of Customers (millions)	3.43	5.00
Normalized Consumption (Trillion cubic feet)	2.68	3.20
Number of Buildings with Gas (thousands)	1,864	2,670
Floorspace of Buildings with Gas (mil. sq. ft.)	30,477	45,525
Revenues from Sales (millions)	$6,624	$13,648

Sources: Energy Information Administration and AGA

Importance of Market to Gas Utilities

Commercial natural gas customers:

- Accounts for 16 percent of total gas consumption.
- Exhibit use patterns that are less seasonal relative to residential customers, allowing LDCs to better utilize gas distribution assets.
- Consume 7.5 times more gas, on a per customer basis, than the residential sector, allowing for more efficient use of utility resources.
- Normally operate under a firm rate, paying a premium compared to industrial customers that typically elect interruptible service.

End-Uses of Gas By Commercial Sector

Most of the natural gas consumed in the commercial sector is used for space heating and, to a lesser extent, water heating (Table 2). Cooking is third, followed by cooling/desiccant and power applications. Since 1979, space heating and, to a lesser extent, water heating end-uses have accounted for a declining portion of total commercial gas consumption. Cooking, cooling/desiccant, and power generation end-uses accounted for a greater proportion of commercial gas use in 1999 compared to 1979.

Table 2
Estimated Commercial Natural Gas Proportional Consumption by End-Use

	1979	1999
Space Heating	65%	54%
Water Heating	16%	14%
Cooking	7%	10%
Cooling/Desiccant	3%	4%
Power Generation	1%	5%
Other	8%	13%
Total	100%	100%

Sources: American Gas Association *Commercial Gas Market Survey* and Gas Research Institute *Baseline Projection Data Book 2001*

Commercial Energy Market Shares

Natural gas has been losing market share to electricity in most end-uses except cooking (Table 3). The loss was largest in the cooling sector, but gas use was probably most impacted by the loss in the space heating market.

Table 3
Market Shares in Commercial Buildings

	1979			1999	
	Natural Gas	Electricity		Natural Gas	Electricity
In Building	61.8%	99.6%		60.6%	99.8%
Space Heating	57.0%	27.3%		59.8%	28.4%
Water Heating	47.7%	46.5%		46.9%	47.7%
Cooking	44.5%	58.5%		58.9%	51.0%
Cooling	6.5%	94.3%		4.0%	96.9%

Note: Totals may exceed 100% as some buildings use both energy sources for that end use
Source: Energy Information Administration, *Commercial Buildings Energy Consumption Survey* (CBECS)

III. Use Per Customer

Background and Limitations

This section attempts to provide a broad-based identification and quantification of factors that impacted the average annual natural gas use per commercial customer from 1979 to 1999. Most natural gas distribution utilities experienced a much slower growth rate in commercial demand compared to the growth rate in the number of commercial customers during that time period. This trend makes it more difficult for gas companies to achieve expected revenues and to connect new customers economically. This section is intended to help companies understand the driving forces behind the declining use trend and to estimate future trends.

The results herein estimate the overall impacts of several contributing factors based on national and regional data. Analysis of utility-specific factors could result in conclusions different from those in this report. Individual companies should use this report as a guide in calculating their specific impacts, and they should include factors and influences pertinent to their systems that may not be considered and/or quantified here.

These contributing factors were examined separately. Some of them may have synergistic properties that compound or offset impacts when considered together. Also, the quantification of these factors is not an attempt to determine absolute values for each influence, but rather to indicate the proportional impact that they have on residential use per customer.

It must be recognized that the commercial natural gas market is quite diverse, particularly when compared to the residential market. An earlier American Gas Association (AGA) study on gas consumption patterns in the residential sector[1] more precisely quantified impacts of efficiency and demographic factors on customer use, in part due to the more homogeneous nature of the market relative to the commercial sector. Therefore, this section is designed to identify and give a relative measure of influencing factors.

Much of the data used in this analysis come from government and AGA surveys. While this information is the best available for national and regional analysis, survey sampling, structure, and/or extrapolation techniques can be flawed, particularly when ascribing results to smaller populations such as regions and states.

National/Regional Averages

From 1958 to 1978, natural gas demand in the commercial sector averaged an annual growth rate of 6.1 percent, and use per customer increased from 350 thousand cubic feet (Mcf) to 743 Mcf.[2] Utilities were expanding their pipeline systems to reach more customers, prices were kept artificially low by government regulation, and gas appliances offered superior performance, cost, and efficiency compared to competing fuel technologies.

During the mid to late 1970's, three factors led consumers to start conserving energy. First, foreign oil embargoes led to fears regarding long-term energy supplies. Second, heightened environmental awareness and energy's impact on the environment led to a reexamination of energy-use practices. Finally, the federal government deregulated energy prices, which led to a significant short-term price increase, particularly for natural gas.

Efforts to reduce energy consumption are clearly reflected in gas use per customer. On a national average basis, natural gas use per commercial customer dropped 18 percent from 1979 to 1999 from 780 Mcf/year to 640 Mcf/year (Table 4). On a regional basis, these impacts varied. For the Northeast, the average gas use per customer increased substantially, roughly 47 percent. Commercial gas use per

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[1] Patterns in Residential Natural Gas Consumption Since 1980, February 11, 2000, American Gas Association, Washington, DC.

[2] Gas Facts, 1980 Data, American Gas Association, Arlington, VA, 1981.

customer dropped 27 percent for the Midwest, 30 percent in the South, and 18 percent in the West.

Table 4
Trends in Commercial Natural Gas Use
(Weather Normalized Mcf/Customer/Year)

	1979	1999	Change
United States	780	640	-140
Northeast	568	838	270
Midwest	901	660	-241
South	738	516	-222
West	744	611	-133

Contributing Factors

Appliance Efficiency

In response to the energy disruptions of the 1970s, Congress passed the Energy Policy and Conservation Act (EPCA) of 1975. EPCA established an energy conservation program for major household appliances including furnaces, water heaters, refrigerators and freezers, central air conditioners and central air conditioning heat pumps, room air conditioners, dishwashers, clothes washers, clothes dryers, direct heating equipment, pool heaters, kitchen ranges and ovens, fluorescent lamp ballasts, and television sets. The Energy Policy and Conservation Act (EPACT) of 1978 expanded the coverage of EPCA to include commercial building heating and air conditioning equipment, water heaters, certain incandescent and fluorescent lamps, distribution transformers, and electric motors. In 1987, the National Appliance Energy Conservation Act (NAECA), which also incorporates EPCA and EPACT, authorized the U. S. Department of Energy (DOE) to set energy efficiency standards for major home appliances according to a statutory time schedule stretching into the next century.

DOE's Office of Codes and Standards sets the minimum efficiency ratings of many residential appliances. DOE has set standards for such natural gas appliances as space heaters, water heaters, ovens, and ranges.

Furnaces

During the 1970's natural gas furnaces averaged about 65 percent annual fuel utilization efficiency (AFUE). As interest in more energy-efficient appliances increased, the average AFUE for new furnaces increased. DOE, through authority granted by NAECA, set 78 percent AFUE as a minimum for gas furnaces manufactured after January 1, 1992. Furnaces with AFUE ratings up to the mid-90's are available to consumers, and the average AFUE of new furnace shipments is currently in the mid-eighties. As the higher efficiency furnaces have worked their way into the market for new and replacement units, the average AFUE for all natural gas furnaces has increased from 65 percent in 1979 to 75 percent in 1999 (Table 5).

Table 5
Natural Gas Furnace Average AFUE
(Percent)

	1979	1990	1999
New Furnace Shipments	65%	76%	85%
All Furnaces In Place	65%	68%	75%

Source for shipment information: Gas Appliance Manufacturers Association

The impact on a national average was to lower use per commercial natural gas customer about 70 Mcf per year, half of the total decrease (Table 6). The impact in terms of sales volume varied by region due to the weather differences and market penetration. Use per customer dropped around 53-56 Mcf in all regions except the Midwest, where the decline was 93 Mcf per year.

Table 6
Impact of Gas Space-Heating Efficiency Gains on Use per Customer
(Weather-normalized Mcf/year, 1999 vs. 1979)

United States	-70
Northeast	-53
Midwest	-93
South	-56
West	-56

Note: Assumes national average furnace efficiency for all regions.

Water Heaters

DOE set the minimum efficiency of natural gas water heater at 0.54 energy factor (EF) for units manufactured after 1989. Previously, water heaters averaged about 0.5 EF. Industry analysts estimated that the availability of even higher efficiency units raised the average EF of new units sold to 0.56 by the mid-90s (Table 7). Based on shipment data and typical retirement rates, the average EF of water heaters went from 0.5 in both 1979 and 1990 to 0.54 in 1999.

Table 7
Natural Gas Water Heater Average Energy Factor

	1979	1990	1999
New Water Heater Shipments	.50	.54	.56
In-Place Water Heaters	.50	.50	.54

Since the average water heater EF improved about six percent from 1990, the typical consumption by customers that have water heaters declined in the same proportion. The average decline was seven Mcf per customer, with regions not varying much from that average (Table 8).

Table 8
Impact of Gas Space Water Heating Efficiency Gains on Use per Customer
(Mcf/year)

United States	-7
Northeast	-9
Midwest	-7
South	-5
West	-6

Other

Natural gas cooking equipment has not yet been affected significantly by efficiency changes. Improvements in efficiency have occurred due to marketplace demand, most of which stemmed from the development of electronic ignition devices for these appliances. While electronic ignitions can reduce annual demand for gas from these appliances by almost half, penetration of these devices into the market could not be determined. Therefore, no estimate of the improved efficiency impacts for these appliances is provided.

Appliance Saturation

The most common natural gas appliances found in businesses are space heaters, water heaters, and cooking equipment. All of these applications face competition from other energy forms, particularly electricity. Since 1979, the percentage of gas buildings with both gas space and waters heaters increased. The opposite trend was exhibited for gas cooking and cooling equipment.

Space Heaters

The percentage of gas customers that use natural gas for space heating increased by three percentage points over the period (Table 9). Regionally, the Northeast sector saw a significant increase in this market penetration among its customers, apparently at the expense of fuel oil heating. The Midwest slightly increased its high market penetration for gas heating over the period. The West also enjoyed a slight increase in the proportion of their customers that use gas for their main space heating fuel. Only the South showed a slight decrease due to the increasing popularity of the electric heat pump during this time.

Table 9
Natural Gas Space Heating Appliance Market Penetration
(Percent of all gas customers)

	1979	**1999**
United States	86.1%	89.1%
Northeast	74.9%	87.8%
Midwest	93.0%	95.4%
South	83.2%	82.6%
West	87.1%	89.5%

Source: Energy Information Administration, CBECS, various years

Increasing the percentage of gas customers that use gas for space heating helped to offset the reduction-in-use trend. On a national level, throughput per commercial customer increased 10 Mcf/year because of increased penetration (Table 10). The greatest increase occurred in the Northeast, 66 Mcf/year. The gains in the Midwest (nine Mcf) and the West (six Mcf) were more modest, and the South showed a decline (two Mcf).

Table 10
Impact of Gas Space Heating Market Penetration on Use per Customer
(Mcf/year)

United States	10.0
Northeast	66.2
Midwest	9.2
South	-1.6
West	5.9

Water Heaters

Overall, more commercial buildings employ natural gas water heaters compared to 20 years ago. In 1979 natural gas water heaters were in about 55 percent of U. S. businesses with natural gas service (Table 11). By 1999 this market penetration had increased to 57 percent. Regionally, the Northeast's and Midwest's market penetration decreased, with the other regions showing significant increases.

Table 11
Natural Gas Water Heater Market Penetration
(Percent of all gas customers)

	1979	1999
United States	54.9%	56.9%
Northeast	59.9%	54.0%
Midwest	60.2%	51.7%
South	42.0%	57.3%
West	58.4%	64.8%

Source Energy Information Administration, CBECS, various years

When the proportion of gas customers with gas water heaters increases, the weighted average gas use per customer rises. For example, the national average penetration of water heaters climbed about two percentage points from 1979 to 1999, resulting in an increase in overall gas use per customer of two Mcf/year (Table 12). The South (11.3 Mcf/year gain) and the West (5.6 Mcf/year gain) experienced higher growth. On the other hand, the Northeast and Midwest experienced declines in market penetration, causing load losses of about seven to eight Mcf/year.

Table 12
Impact of Gas Water Heater Market Penetration on Use per Customer
(Mcf/year)

United States	1.8
Northeast	-7.0
Midwest	-8.0
South	11.3
West	5.6

Cooking

While overall natural gas market share for commercial gas cooking increased, the percent of commercial establishments that cook on-site decreased. Thus, the percentage of commercial customers with natural gas service that also cook with gas declined in all regions of the country – the number of gas buildings without cooking increased at a faster rate compared to those commercial gas sites with cooking. Nationally, cooking market penetration for gas customers fell 4.6 percentage points, with the Northeast region falling 16 percentage points, the Midwest four percentage points, the South less than one percentage point, and the West two percentage points (Table 13).

Table 13
Natural Gas Cooking Appliance Market Penetration
(Percent of all gas customers)

	1979	**1999**
United States	23.5%	18.9%
Northeast	36.0%	20.9%
Midwest	21.4%	17.5%
South	19.7%	19.5%
West	21.0%	19.1%

Source: Energy Information Administration, CBECS, various years.

Despite this decline for gas cooking penetration, the resulting impact is relatively small. This is due to the smaller proportion of gas customers with this appliance combined with the modest annual energy consumption from these units compared to other applications. Nationally, the loss amounted to 3.1 Mcf/year (Table 14). The Northeast experienced the largest decline with 13 Mcf/year. The other regions ranged from less than one Mcf/year (South) to almost three (Midwest).

Table 14
Impact of Gas Cooking Market Penetration on Use per Customer
(Mcf/year)

United States	-3.1
Northeast	-13.1
Midwest	-2.7
South	-0.1
West	-1.2

Cooling

Gas cooling in the commercial sector held a very small market share in 1979, and that share fell through 1999, both in terms of total market and penetration for all gas customers. However, the decline did not impact use per customer significantly because of the small percentage of the customers using gas for cooling. On average, the decline was less than one Mcf/year.

Building Characteristics

Average Floorspace per Heated Building

The average amount of floorspace per gas-heated building increased almost eight percent between 1979 and 1999 (Table 15). The Northeast's average floorspace per gas-heated building increased the most, nearly 40 percent. The Midwest region was the only area to have a decrease (two percent), while the South (13 percent) and the West (four percent) average floorspace per gas-heated building increased.

Table 15
Changing Floorspace per Building
(1999 vs. 1979)

United States	7.8%
Northeast	39.2%
Midwest	-1.6
South	12.8%
West	4.3%

Source: Energy Information Administration, CBECS, various years

This increase resulted in a higher gas use per customer, approximately 26 Mcf/year per customer, on a national level (Table 16). The Northeast use increased the most, slightly more than 200 Mcf/year. The Midwest region was the only area to have a decrease, causing use to fall about six Mcf/year. The South exhibited an increase of more than 30 Mcf/year, while the West showed an increase of ten Mcf/year.

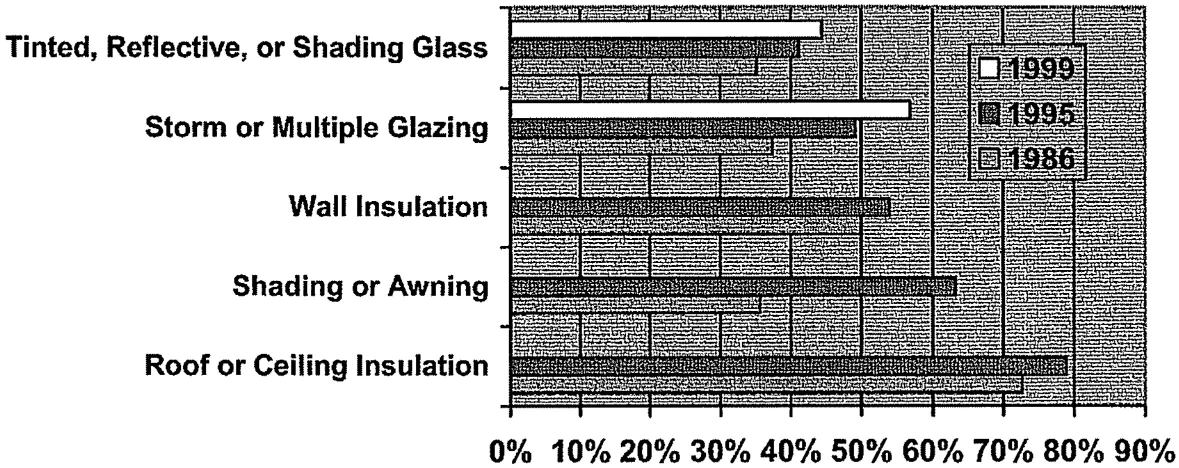
Table 16
Impact of Changing Average Floorspace per Building on Gas Demand
(Mcf per year)

United States	25.9
Northeast	201.8
Midwest	-6.1
South	31.2
West	10.4

Shell Improvements

Since 1979, the average commercial building has become more energy-efficient through improvements in building shell construction. These improvements dealt mainly with insulation and windows. Chart 1 illustrates these improvements since 1986.

Chart 1
Changes In Building Shell Conservation Features
(Percent of Buildings with Feature)



Source: Energy Information Administration, CBECS, various years
NOTE: Data for Wall Insulation, Shading or Awning, and Roof or Ceiling Insulation not available for 1999.

These improvements resulted from two factors. First, new buildings were constructed with these features, and the population of structures completed since 1970 increased over the study period. According to the Energy Information Administration's *Commercial Building Energy Consumption Survey* (CBECS), in 1979, 78% of the commercial buildings were built before 1970. In 1999, only half of the inventory was built before 1970.

Second, more than half of the buildings covered by CBECS reported that they had added conservation features.

- Insulation: 34%
- Weather stripping or calk: 27%
- Storm or multiple glazing windows: 13%
- Exterior or interior shading or awnings: 17%
- Tinted, reflective, or shading glass: 9%

Other

Based on responses to the 1986 CBECS, 13 percent of buildings had energy audits. Almost half of those audited made improvements to the HVAC system, building shell, or lighting system

Off-hours reduction in heating and/or cooling gained in popularity over the study period, according to CBECS. In 1986, 63 percent of buildings employed this conservation feature compared to 71 percent in 1999.

Unfortunately, the buildings within the commercial definition vary greatly, making estimates of these changes' impact on gas demand infeasible. Considering all of the improvements made in building stock and energy management practices since 1979, the impacts should be considerable.

IV. Trends by Type of Commercial Activity

The types of businesses within the commercial sector vary considerably. The Energy Information Administration classifies the activities into nine components – Assembly, Education, Food Sales and Service, Health Care, Lodging, Mercantile and Service, Office, Warehouse, and Other. Size and scope of activities varied substantially even within these categories – Mercantile and Service ranges from a stand-alone mini-mart to a large mall, Health Care ranges from a doctor's office to a hospital, etc. This must be taken into consideration when analyzing the trends presented below.

Natural gas market shares in buildings varied by type of commercial activity. The percentage of buildings with gas service increased significantly in Lodging and Education (Table 17) since 1979. However, the percentage of Health Care facilities with gas service decreased almost 18 percent, and these customers traditionally use large amounts of natural gas.

Table 17
Gas In Building Market Share by Activity

	1979	1999	Change
Assembly	63.8%	66.2%	3.8%
Education	62.0%	68.8%	10.9%
Food Sales & Service	61.5%	64.0%	4.0%
Health Care	70.0%	57.5%	-17.9%
Lodging	57.7%	68.0%	17.7%
Mercantile & Service	66.2%	62.9%	-5.1%
Office	61.1%	61.2%	0.2%
Warehouse	49.6%	45.6%	-8.1%
Other	52.2%	43.8%	-16.0%

Source: Energy Information Administration, CBECS, various years

The gas space heating market shares improved for most activities (Table 18). Greatest gains appeared in the Lodging and Education sectors. Health Care exhibited the only significant decline, indicating that gas space heating lost ground not only in these buildings without gas service but in buildings with gas service as well.

Table 18
Gas Space Heating Market Share by Activity

	1979	1999	Change
Assembly	57.9%	61.9%	7.0%
Education	46.8%	60.1%	28.4%
Food Sales & Service	54.4%	57.7%	5.9%
Health Care	62.0%	49.6%	-20.0%
Lodging	36.8%	49.3%	33.9%
Mercantile & Service	63.5%	62.3%	-1.9%
Office	54.1%	57.6%	6.4%
Warehouse	58.7%	59.1%	0.7%
Other	45.2%	47.6%	5.3%

Source: Energy Information Administration, CBECS, various years

The market shares for gas water heating varied by sector (Table 19). Assembly, Food Sales and Service, and Lodging all exhibited double digit growth over the two decades. Health Care, Mercantile and Service, Office, and Warehouse applications all exhibited double-digit declines in gas water heating market shares.

Table 19
Gas Water Heating Market Share by Activity

	1979	1999	Change
Assembly	44.5%	54.7%	22.8%
Education	55.0%	55.0%	0.1%
Food Sales & Service	50.7%	59.6%	17.5%
Health Care	49.0%	43.7%	-10.9%
Lodging	48.9%	57.7%	18.1%
Mercantile & Service	50.0%	40.5%	-19.1%
Office	43.6%	35.1%	-19.5%
Warehouse	41.8%	37.0%	-11.4%
Other	48.8%	48.6%	-0.4%

Source: Energy Information Administration, CBECS, various years

Market shares for gas cooking increased in all reported activities. Double-digit growth occurred in all sectors except one (Table 20). Ironically, Food Sales and Service grew only eight percent.

Table 20
Gas Cooking Market Share by Activity

	1979	1999	Change
Assembly	42.4%	52.6%	24.2%
Education	51.2%	66.0%	29.1%
Food Sales & Service	57.2%	61.6%	7.7%
Health Care	53.8%	72.7%	35.1%
Lodging	43.1%	56.1%	30.1%
Mercantile & Service	41.8%	60.4%	44.6%
Office	29.5%	52.6%	78.6%
Warehouse	11.1%	N/A	N/A
Other	43.8%	N/A	N/A

Source: Energy Information Administration, CBECS, various years

Energy intensity is similar to use-per-customer in that it illustrates the relative amount of energy consumed, but on a per square foot of commercial space basis. As shown in Table 21, Food Sales and Service and Health Care are the largest consumers of natural gas on a per square foot basis. All sectors experienced double-digit declines in energy intensity since 1979. All sectors appeared to use natural gas much more efficiently in their end-uses.

Table 21
Gas Energy Intensity by Activity
(000 Btu/Sq. Ft./Year)

	1979	1999	Change
Assembly	53.5	28.2	-47%
Education	51.2	33.5	-35%
Food Sales & Service	127.2	111.1	-13%
Health Care	127.0	92.2	-27%
Lodging	75.5	49.6	-34%
Mercantile & Service	55.9	43.4	-22%
Office	59.1	29.0	-51%
Warehouse	83.9	36.0	-57%

Source: Energy Information Administration, CBECS, various years

V. Future Trends

Appliance Efficiency

Most existing space heating and water heating appliances were purchased before government-mandated minimum efficiency ratings were imposed on this equipment. Therefore, the average efficiency for these appliances is lower than the regulatory minimum. Replacement of older, less efficient appliances through normal attrition will make it difficult for gas utilities to reverse the declining demand per customer trend.

Building Characteristics

In 1999, half of existing commercial buildings were built before 1970. These structures, on average, are less thermally efficient than new ones. While some have been renovated to improve their thermal efficiency (wall and ceiling insulation, storm windows and doors), the addition of new buildings and the removal of older stock will increase the average efficiency of a gas utility's commercial base. This, in turn, will contribute to a decline in commercial demand on a per-customer basis.

Emerging Technologies

Distributed energy offers substantial growth opportunities for natural gas utilities in the commercial sector. Distributed generation can be defined as onsite or near-site power generation of less than 25 MW. High efficiencies are possible for installations that supply both power and use the waste heat to meet the heating or cooling needs of a customer. A wide range of power generation technologies is either commercially available or currently emerging to meet the needs of institutional and large commercial customers.

Natural gas is expected to supply a growing portion of commercial space cooling load. Systems such as gas engine-driven, gas absorption, and desiccant dehumidification are growing in popularity due to cost and environmental considerations.

According to the Gas Technology Institute[3], cooling and desiccant systems accounted for 3.5 percent of 1999 natural gas consumption by the commercial sector, and power generation 5.4 percent. GTI forecasts that by 2020, gas sales for cooling and desiccant systems are expected to grow 500 percent (12.9 percent of total gas commercial load), and gas sales for power generation are expected to grow almost 400 percent (15 percent of commercial load). These two factors are expected to help offset continued gains in gas appliances and envelope efficiency in the commercial market.

VI. Data Sources and Methodology

Most of the data used and presented in this report comes from the U. S. Energy Information Administrations' Commercial Building Energy Consumption Survey[4] (CBECS). The report for 1999 and selected other years can be found on the EIA Website: http://www.eia.doe.gov/emeu/cbecs/contents.html. Other data sources included previous AGA surveys on the commercial market[5], AGA's Gas Facts[6], EIA's Natural Gas Annual[7] and the previously cited Gas Research Institute's Baseline Projection Data Book.

[3] Baseline Projection Data Book, 2001 Edition, March 2001, Gas Research Institute, Arlington, VA

[4] Commercial Building Energy Consumption Survey, various years, Energy Information Administration, U. S. Department of Energy, Washington, DC.

[5] Commercial Natural Gas Market Survey, various years, American Gas Association, Washington, DC.

[6] Gas Facts, various years, American Gas Association, Washington, D.C.

[7] Natural Gas Annual, various years, Energy Information Administration, U.S. Department of Energy, Washington, DC

The methodology for determining use per customer trends is summarized below:

Normalized Use Per Customer

- Calculate actual use per commercial customer from EIA data
- Determine heating portion of use based on AGA survey data and the GRI Baseline Report
- Determine weather normalization factor by dividing the 30-year (1961-1990) normal heating degree days into the actual degree days, based on NOAA data[8]
- Divide heating portion by weather normalization factor, and add back in non-heating load

Average Space Heating AFUE

- Assume 65% AFUE as standard in 1979 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas space heating customers from current year's, based on trend analysis of EIA CBECS data
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data[9]
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace AFUE for all existing units based on average AFUE of shipments as provided by GAMA

Space Heating Efficiency Impact

- Calculate average use per customer by multiplying the normalized heating load by the percent of gas customers with gas space heating (based on EIA CBECS data)
- Calculate change in average furnace AFUE by dividing 1979 AFUE value into the selected year's AFUE value
- Calculate the efficiency-adjusted demand by dividing the 1979 average use per customer by the change in average furnace AFUE for the selected year
- Subtract the efficiency-adjusted demand from the 1979 average use per customer to determine impact

Average Water Heating EF

- Assume 0.50 EF as standard in 1979 and all retirements are those units
- Estimate new construction units by subtracting previous year's gas water heating customers from current year's, based on trend analysis of EIA CBECS data
- Calculate replacement units by subtracting new construction units from total shipments based on GAMA data
- Eliminate the retired units from the inventory, and add in the new units, calculating the revised weighted average furnace EF for all existing units based on average EF of shipments estimated at 0.54 EF to 0.56 EF

[8] State, Regional, and National Monthly and Seasonal Heating Degree Days, various years, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, Washington, DC.
[9] GAMA News, various years, Gas Appliance Manufacturers Association, Arlington, VA.

Water Heating Efficiency Impact

- Calculate average use per customer by multiplying the water heating load (based on AGA survey data) by the percent of gas customers with gas water heating (based on EIA CBECS data)
- Calculate change in average EF by dividing 1979 EF value into the selected year's EF value
- Calculate the efficiency-adjusted demand by dividing the 1979 average use per customer by the change in average water heater EF for the selected year
- Subtract the efficiency-adjusted demand from the 1979 average use per customer to determine impact

Appliance Market Penetration Impact

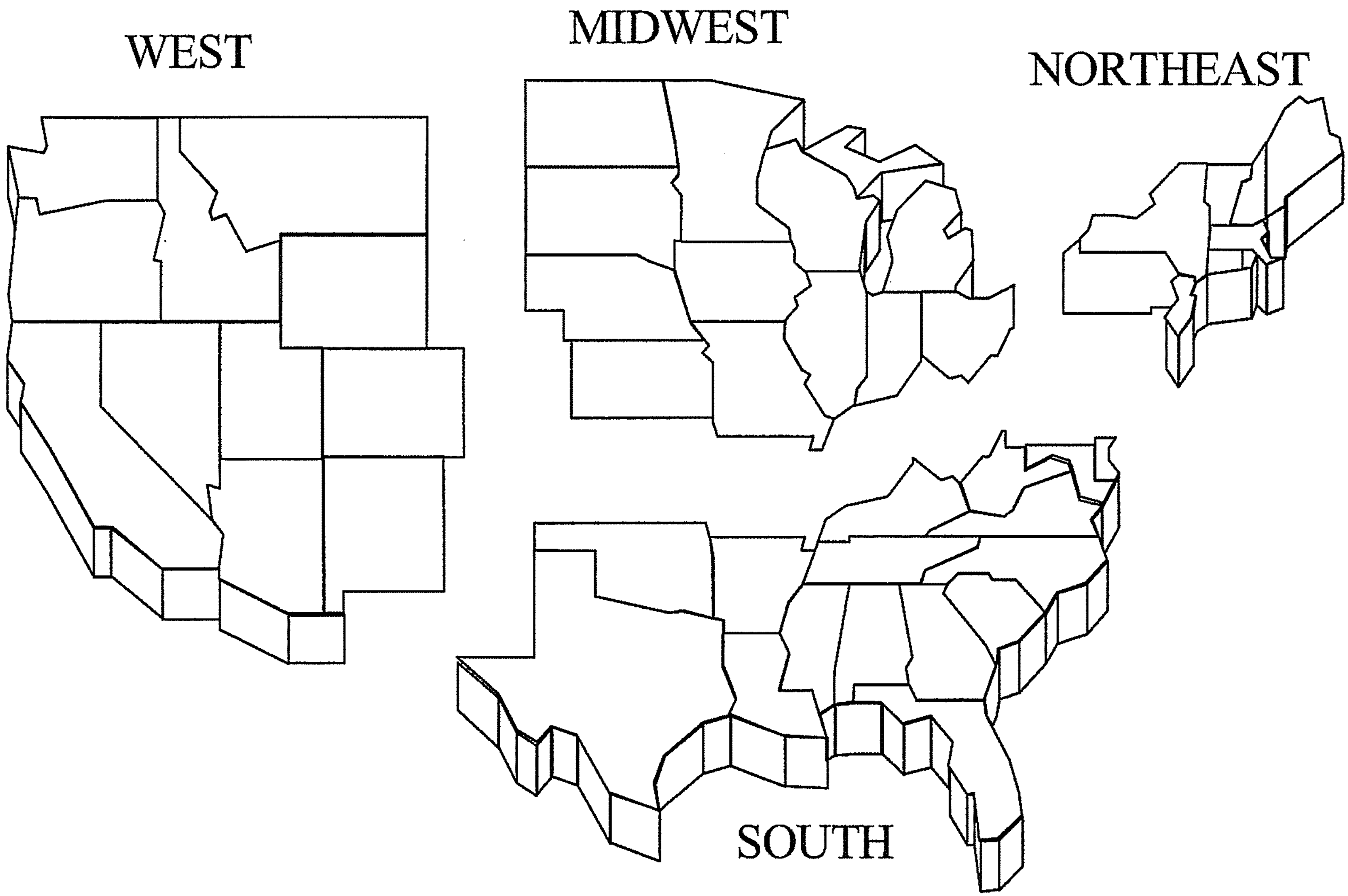
- Calculate appliance penetration by dividing the number of residences with gas service by the number of customers with that appliance, based on EIA CBECS data
- Subtract the impact year penetration from the 1979 penetration to determine the change in market penetration
- Calculate the weighted average gas use per customer for that appliance by multiplying the penetration value times the typical gas use for that appliance
- Multiply the change in market penetration by the 1979 weighted average use of that appliance to determine the reduction in weighted average use per customer for that appliance

Change in Average Heated Floorspace Impact

- Calculate the percent change in average heated floorspace in buildings from EIA CBECS data
- Multiply the change in average heated floorspace by the percent difference in heating load and by the percent of gas buildings with gas space heating to determine impacts

Appendix

US Census Regions



Atmos Energy Corporation, Kentucky
Case No. 2006-00464
Attorney General 2nd Data Request Dated March 30, 2007
DR Item 68
Witness: Gary Smith

Data Request:

Please provide a breakdown of residential and, separately, commercial customers according to their use of gas. Separate each of these customer groups into deciles, showing the average consumption of gas in each decile.

Response:

Line No.	Decile	Residential	Commercial
	(a)	(b)	(c)
1	Decile 1	135.9	1599.6
2	Decile 2	89.7	402.6
3	Decile 3	76.4	221.7
4	Decile 4	67.0	148.7
5	Decile 5	59.4	107.6
6	Decile 6	52.3	79.6
7	Decile 7	45.3	58.8
8	Decile 8	37.4	42.5
9	Decile 9	27.1	27.4
10	Decile 10	9.3	8.7

These volumes are presented in Mcf's.

Note: Due to technical difficulties when gathering the consumption data for residential customers to respond to AG DR's 63, 66, and 68, data is missing for several customers, primarily in Atmos Energy's Owensboro and Bowling Green service areas. Given the short duration of time to develop the programming necessary for the query and interpretation of results, approximately 17,000 customers have been omitted from this response. We have provided the best information available and do not believe that this subset of the customer base would vary significantly from the total population of customers.