



February 25, 2011

Mr. Jeff Derouen, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED

FEB 28 2011

PUBLIC SERVICE  
COMMISSION

**Re: Case No. 2011-00000**

Dear Mr. Derouen:

We are filing the enclosed original and ten (10) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 09-00354. **This filing contains a Petition of Confidentiality and confidential documents.**

Due to high volumes resulting from the cold weather we've experienced this winter, the previous over-recovered gas cost balance was significantly reduced as detailed in Exhibit D of this filing. We are filing an interim GCA (out of the normal quarterly cycle) so that we can gradually reduce the negative impact to our customers. There was also an adjustment to correct for an error in our previous GCA filing as detailed in the Exhibit D Addendum.

Please indicate receipt of this filing by stamping and dating the enclosed duplicate of this letter and returning it in the self-addressed stamped envelope to the following address:

Atmos Energy Corporation  
5430 LBJ Freeway, Suite 700  
Dallas, TX 75240

If you have any questions, feel free to call me at 972-855-3769.

Sincerely,

A handwritten signature in black ink that reads "Victor Edwards".

Victor Edwards  
Manager, Rate Administration

Enclosures

**COMMONWEALTH OF KENTUCKY  
BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>GAS COST ADJUSTMENT</b>	)	<b>CASE NO.</b>
<b>FILING OF</b>	)	<b>2011-00000</b>
<b>ATMOS ENERGY CORPORATION</b>	)	

**PETITION FOR CONFIDENTIALITY OF INFORMATION  
BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION**

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 which is described below and which is attached hereto. In support of this Petition, Atmos states as follows:

1. Atmos is filing its Gas Cost Adjustment ("GCA") for the monthly period commencing on April 1, 2011 through April 30, 2011. This GCA filing contains a change to Atmos' Correction Factor (CF) as well as information pertaining to Atmos' projected gas prices. The following two attachments contain information which requires confidential treatment.

- a. The attached Exhibit D, Page 5 of 6 contains confidential information from which the actual price being paid by Atmos for natural gas to its supplier can be determined.
- b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, Page 2 of 2 contains confidential information pertaining to prices projected to be paid by Atmos for purchase contracts.

2. Information of the type described above has previously been filed by Atmos with the Commission under petitions for confidentiality. The Commission has consistently granted confidential protection to that type of information in each of the prior GCA filings in KPSC Case No. 1999-070. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 97-513.

3. All of the information sought to be protected herein as confidential, if publicly disclosed, would have serious adverse consequences to Atmos and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos. Atmos has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos' competitors, (including specifically non-regulated gas marketers), would clearly put Atmos to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos' gas purchases and transportation costs and strategies. The Commission has accordingly granted confidential protection to such information.

4. Likewise, the information contained in the WACOG schedule in support of Exhibit C, Page 2 of 2, also constitutes sensitive, proprietary information which if publicly disclosed would put Atmos to an unfair commercial disadvantage in future negotiations.

5. Atmos would not, as a matter of company policy, disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos' internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the

attached report is not disclosed to any personnel of Atmos except those who need to know in order to discharge their responsibility. Atmos has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry.

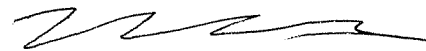
6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

7. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 265.880: (a) the economic value of the information as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos maintaining the confidentiality of the information since competitors and entities with whom Atmos transacts business could obtain economic value by its disclosure.

8. Pursuant to 807 KAR 5:001 Section 7(3) temporary confidentiality of the attached information should be maintained until the Commission enters an order as to this 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 all of the material and information which is included in the attached one volume marked "Confidential".

Respectfully submitted this 25<sup>th</sup> day of February, 2011.



---

Mark R. Hutchinson  
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 Corporation

COMMONWEALTH OF KENTUCKY  
BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT )  
FILING OF )  
ATMOS ENERGY CORPORATION )

Case No. 2011-00000

NOTICE

INTERIM FILING

For The Period

April 1, 2011 – April 30, 2011

Attorney for Applicant

Mark R. Hutchinson  
611 Frederica Street  
Owensboro, Kentucky 42301

February 25, 2011

Atmos Energy Corporation, ("the Company"), is duly qualified under the laws of the Commonwealth of Kentucky to do its business. The Company is an operating public utility engaged in the business of purchasing, transporting and distributing natural gas to residential, commercial and industrial users in western and central Kentucky. The Company's principal operating office and place of business is 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. Correspondence and communications with respect to this notice should be directed to:

Mark A. Martin  
Vice President of Rates & Regulatory Affairs  
Kentucky/Mid-States Division  
Atmos Energy Corporation  
3275 Highland Pointe Drive  
Owensboro, Kentucky 42303

Mark R. Hutchinson  
Attorney for Applicant  
611 Frederica Street  
Owensboro, Kentucky 42301

Victor Edwards  
Manager, Rate Administration  
Atmos Energy Corporation  
5430 LBJ Freeway, Suite 700  
Dallas, Texas 75240

The Company gives notice to the Kentucky Public Service Commission, hereinafter "the Commission", pursuant to the Gas Cost Adjustment Clause contained in the Company's settlement gas rate schedules in **Case No. 09-00354**.

The Company hereby files Forty-Fourth Revised Sheet No. 4, Forty-Fourth Revised Sheet No. 5 and Forty-Fourth Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective April 1, 2011.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.2366 per Mcf and \$4.2781 per Mcf for interruptible sales service. The supporting calculations for the Forty-Fourth Revised Sheet No. 5 are provided in the following Exhibits:

Exhibit A – Comparison of Current and Previous Gas Cost Adjustment (GCA) Cases

Exhibit B – Expected Gas Cost (EGC) Calculation

Exhibit C - Rates used in the Expected Gas Cost (EGC) – **NOTE: The pipeline tariff pages are not included in this filing but can be provided upon request.**

Exhibit D – Correction Factor (CF) Calculation

Since the Company's last GCA filing, Case No. 2010-00526, the following changes have occurred in its pipeline and gas supply commodity rates for the GCA period.

1. The commodity rates per Mcf used are based on historical estimates and/or current data for the month of April, 2011, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Commodity Gas Cost will be approximately \$5.4651 per Mcf for the month of April, 2011, as compared to \$5.6717 per Mcf used for the period of February 1, 2011 through March 31, 2011. The G-2 Expected Commodity Gas Cost will be approximately \$4.5066 for the month of April, 2011, as compared to \$4.7000 for the period February 1, 2011 through March 31, 2011.



for the period February 1, 2011 through March 31, 2011.

3. The Company's notice sets out a new Correction Factor of (\$0.3454) per Mcf which will remain in effect until at least April 30, 2011.

The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction Factor be filed on a quarterly basis. In Case No. 2009-0354, effective June 1, 2010, the Company's GCA tariff allows recovery of any gas cost which is uncollectible, to be included in each February GCA filing.

The Company is filing its updated Correction Factor that is based upon the balance in the Company's 1910 Account as of December 31, 2010 (January, 2011 general ledger). The calculation for the Correction Factor is shown on Exhibit D, Page 1 of 6. Also beginning with the February GCA filing in compliance with tariff page 24 from the Rate Case filing (Case No. 2009-0354) the Company is allowed to recover the net uncollectible gas cost (net uncollectible gas cost less subsequently collected gas cost).

WHEREFORE, Atmos Energy Corporation requests this Commission, pursuant to the Commission's order in Case No. 99-070, to approve the Gas Cost Adjustment (GCA) as filed in Forty-Fourth Revised Sheet No. 5; and Forty-Fourth Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-3 and T-4 for each respective sales rate for meter readings made on and after April 1, 2011.

DATED at Dallas, Texas this 25th Day of February, 2011.

ATMOS ENERGY CORPORATION

By: \_\_\_\_\_

Victor Edwards  
Manager, Rate Administration  
Atmos Energy Corporation

**ATMOS ENERGY CORPORATION**

**Current Rate Summary**  
**Case No. 2011-00000**

**Firm Service**

Base Charge:					
Residential (G-1)	-	\$12.50	per meter	per month	
Non-Residential (G-1)	-	30.00	per meter	per month	
Transportation (T-4)	-	300.00	per delivery point	per month	
Transportation Administration Fee	-	50.00	per customer	per meter	

<u>Rate per Mcf</u> <sup>2</sup>			<u>Sales (G-1)</u>		<u>Transportation (T-4)</u>				
First	300	<sup>1</sup> Mcf	@	6.3366	per Mcf	@	1.1000	per Mcf	(I, N)
Next	14,700	<sup>1</sup> Mcf	@	6.0066	per Mcf	@	0.7700	per Mcf	(I, N)
Over	15,000	Mcf	@	5.7366	per Mcf	@	0.5000	per Mcf	(I, N)

**Interruptible Service**

Base Charge	-	\$300.00	per delivery point	per month	
Transportation Administration Fee	-	50.00	per customer	per meter	

<u>Rate per Mcf</u> <sup>2</sup>			<u>Sales (G-2)</u>		<u>Transportation (T-3)</u>				
First	15,000	<sup>1</sup> Mcf	@	4.9081	per Mcf	@	0.6300	per Mcf	(I, N)
Over	15,000	Mcf	@	4.6881	per Mcf	@	0.4100	per Mcf	(I, N)

<sup>1</sup> All gas consumed by the customer (sales, transportation; firm and interruptible) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.

<sup>2</sup> DSM, PRP and R&D Riders may also apply, where applicable.

**ISSUED:** February 25, 2011

**Effective:** April 1, 2011

(Issued by Authority of an Order of the Public Service Commission in Case No. 2011-00000.)

**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

ATMOS ENERGY CORPORATION

**Current Gas Cost Adjustments**

**Case No. 2011-00000**

**Applicable**

For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).

Gas Charge = GCA

GCA = EGC + CF + RF + PBRRF

<b><u>Gas Cost Adjustment Components</u></b>	<b><u>G - 1</u></b>	<b><u>G-2</u></b>	
EGC (Expected Gas Cost Component)	5.4651	4.5066	(R, R)
CF (Correction Factor)	(0.3454)	(0.3454)	(I, I)
RF (Refund Adjustment)	(0.0203)	(0.0203)	(N, N)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1372</u>	<u>0.1372</u>	(N, N)
GCA (Gas Cost Adjustment)	<u><u>\$5.2366</u></u>	<u><u>\$4.2781</u></u>	(I, I)

**ISSUED:** February 25, 2011

**Effective:** April 1, 2011

(Issued by Authority of an Order of the Public Service Commission in Case No. 2011-00000.)

**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

**For Entire Service Area**  
**P.S.C. No. 1**  
**Forty-Fourth SHEET No. 6**  
**Cancelling**  
**Forty-Third SHEET No. 6**

**ATMOS ENERGY CORPORATION**

**Current Transportation**

**Case No. 2011-00000**

The Transportation Rates (T-3 and T-4) for each respective service net monthly rate is as follows:

**System Lost and Unaccounted gas percentage:** 2.79%

				<u>Simple Margin</u>		<u>Non- Commodity</u>		<u>Gross Margin</u>	
<b><u>Transportation Service</u></b> <sup>1</sup>									
<b><u>Firm Service (T-4)</u></b>									
First	300	Mcf	@	\$1.1000 +		\$0.0000 =		\$1.1000 per Mcf	(N)
Next	14,700	Mcf	@	0.7700 +		0.0000 =		0.7700 per Mcf	(N)
All over	15,000	Mcf	@	0.5000 +		0.0000 =		0.5000 per Mcf	(N)
<b><u>Interruptible Service (T-3)</u></b>									
First	15,000	Mcf	@	\$0.6300 +		\$0.0000 =		\$0.6300 per Mcf	(N)
All over	15,000	Mcf	@	0.4100 +		0.0000 =		0.4100 per Mcf	(N)

<sup>1</sup> Excludes standby sales service.

**ISSUED:** February 25, 2011

**Effective:** April 1, 2011

(Issued by Authority of an Order of the Public Service Commission in Case No. 2011-00000.)

**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

**Atmos Energy Corporation**  
Comparison of Current and Previous Cases  
Sales Service

Line No.	Description	Case No.		Difference
		2010-00526	2011-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b>G - 1</b>			
2				
3	<u>Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	4.4882	4.2977	(0.1905)
11	Demand	1.1835	1.1674	(0.0161)
12	Total EGC	5.6717	5.4651	(0.2066)
13	CF (Correction Factor)	(1.0078)	(0.3454)	0.6624
14	RF (Refund Adjustment)	(0.0203)	(0.0203)	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1372	0.0000
16	GCA (Gas Cost Adjustment)	4.7808	5.2366	0.4558
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	5.8808	6.3366	0.4558
20	Next 14,700 Mcf	5.5508	6.0066	0.4558
21	Over 15,000 Mcf	5.2808	5.7366	0.4558
22				
23				
24	<b>G - 2</b>			
25				
26	<u>Distribution Charge (per Case No. 09-00354)</u>			
27	First 15,000 Mcf	0.6300	0.6300	0.0000
28	Over 15,000 Mcf	0.4100	0.4100	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	4.4882	4.2977	(0.1905)
33	Demand	0.2118	0.2089	(0.0029)
34	Total EGC	4.7000	4.5066	(0.1934)
35	CF (Correction Factor)	(1.0078)	(0.3454)	0.6624
36	RF (Refund Adjustment)	(0.0203)	(0.0203)	0.0000
37	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1372	0.0000
38	GCA (Gas Cost Adjustment)	3.8091	4.2781	0.4690
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	4.4391	4.9081	0.4690
42	Over 14,700 Mcf	4.2191	4.6881	0.4690
43				
44				
45	<b>Refund Factor (RF)</b>			
47		Effective		
48	Case No.	Date	RF	
49				
50	1 - 2010-00135	5/1/2010	(\$0.0102)	
51	2 - 2010-00257	8/1/2010	(0.0033)	
52	3 - 2010-00386	11/1/2010	(0.0034)	
53	4 - 2010-00526	2/1/2011	(0.0034)	
54				
55	Total Refund Factor (RF)		(\$0.0203)	

**Atmos Energy Corporation**  
 Comparison of Current and Previous Cases  
 Transportation Service

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2010-00526	2011-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>T -4 Transportation Service / Firm Service (High Priority)</u></b>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8				
9	<b><u>T - 3 / Interruptible Service (Low Priority)</u></b>			
10				
11	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
12	First 15,000 Mcf	0.6300	0.6300	0.0000
13	Over 15,000 Mcf	0.4100	0.4100	0.0000
14				

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Texas Gas Transmission - Non-Commodity

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units MMbtu	(c) Rate \$/MMbtu	(d) (e) Non-Commodity	
					Total \$	Demand \$
1	<b><u>SL to Zone 2</u></b>					
2	NNS Contract #	N000210/29760	12,617,673			
3	Base Rate	26		0.3088	3,896,337	3,896,337
4						
5	Total SL to Zone 2		<u>12,617,673</u>		<u>3,896,337</u>	<u>3,896,337</u>
6						
7	<b><u>SL to Zone 3</u></b>					
8	NNS Contract #	N000340/29762	27,480,375			
9	Base Rate	26		0.3543	9,736,297	9,736,297
10						
11	FT Contract #	003355/29759	4,927,500			
12	Base Rate	21		0.2494	1,228,919	1,228,919
13						
14	Total SL to Zone 3		<u>32,407,875</u>		<u>10,965,216</u>	<u>10,965,216</u>
15						
16	<b><u>Zone 1 to Zone 3</u></b>					
17	FT Contract #	21793/29761	1,093,740			
18	Base Rate	21		0.2194	239,967	239,967
19						
20	Total Zone 1 to Zone 3		<u>1,093,740</u>		<u>239,967</u>	<u>239,967</u>
21						
22	<b><u>SL to Zone 4</u></b>					
23	NNS Contract #	N000435/29763	3,320,769			
24	Base Rate	26		0.4190	1,391,402	1,391,402
25						
26	FT Contract #	003819/29765	1,277,500			
27	Base Rate	21		0.3142	401,391	401,391
28						
11	FT Contract #	31097	547,500			
12	Base Rate	21		0.3142	172,025	172,025
19						
29	Total SL to Zone 4		<u>5,145,769</u>		<u>1,964,818</u>	<u>1,964,818</u>
30						
31	Total SL to Zone 2		12,617,673		3,896,337	3,896,337
32	Total SL to Zone 3		32,407,875		10,965,216	10,965,216
33	Total Zone 1 to Zone 3		1,093,740		239,967	239,967
34						
35	Total Texas Gas		<u>51,265,057</u>		<u>17,066,337</u>	<u>17,066,337</u>
36						
37						
38	Total Texas Gas Area Non-Commodity				<u>17,066,337</u>	<u>17,066,337</u>



Atmos Energy Corporation  
 Expected Gas Cost (EGC) Calculation  
 Tennessee Gas Pipeline - Non-Commodity

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units MMbtu	(c) Rate \$/MMbtu	(d) (e) Non-Commodity	
					Total \$	Demand \$
<b>1 0 to Zone 2</b>						
2	FT-G Contract # 2546.1		12,844	9.0600		
3	Base Rate	23		9.0600	116,367	116,367
4						
5	FT-G Contract # 2548.1		4,363	9.0600		
6	Base Rate	23		9.0600	39,529	39,529
7						
8	FT-G Contract # 2550.1		5,739	9.0600		
9	Base Rate	23		9.0600	51,995	51,995
10						
11	FT-G Contract # 2551.1		4,446	9.0600		
12	Base Rate	23		9.0600	40,281	40,281
13						
14	Total Zone 0 to 2		<u>27,392</u>		<u>248,172</u>	<u>248,172</u>
15						
<b>16 1 to Zone 2</b>						
17	FT-G Contract # 2546		114,156	7.6200		
18	Base Rate	23		7.6200	869,869	869,869
19						
20	FT-G Contract # 2548		44,997	7.6200		
21	Base Rate	23		7.6200	342,877	342,877
22						
23	FT-G Contract # 2550		59,741	7.6200		
24	Base Rate	23		7.6200	455,226	455,226
25						
26	FT-G Contract # 2551		45,059	7.6200		
27	Base Rate	23		7.6200	343,350	343,350
28						
29	Total Zone 1 to 2 and Zone 0 to 2		<u>291,345</u>		<u>2,259,494</u>	<u>2,259,494</u>
30						
<b>31 Gas Storage</b>						
32 Production Area:						
33	Demand	61	34,968	2.0200	70,635	70,635
34	Space Charge	61	4,916,148	0.0248	121,920	121,920
35 Market Area:						
36	Demand	61	237,408	1.1500	273,019	273,019
37	Space Charge	61	<u>10,846,308</u>	0.0185	<u>200,657</u>	<u>200,657</u>
38	Total Storage		<u>16,034,832</u>		<u>666,231</u>	<u>666,231</u>
39						
40	Total Tennessee Gas Area FT-G Non-Commodity				<u><u>2,925,725</u></u>	<u><u>2,925,725</u></u>

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Texas Gas Transmission - Commodity Purchases

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)
		Tariff Sheet No.			Purchases	Rate	Total
				Mcf	MMbtu	\$/MMbtu	\$
1	<u>No Notice Service</u>				1,821,253		
2	Indexed Gas Cost					3.9814	7,251,188
3	Commodity (Zone 3)	26				0.0509	92,702
4	Fuel and Loss Retention @	36	2.65%			0.1084	197,424
5						4.1407	7,541,314
6							
7	<u>Firm Transportation</u>				644,400		
8	Indexed Gas Cost					3.9814	2,565,632
9	Base (Weighted on MDQs)					0.0441	28,418
10	ACA	22				0.0019	1,224
11	Fuel and Loss Retention @	36	2.65%			0.1084	69,853
12						4.1358	2,665,127
13	<u>No Notice Storage</u>						
14	Net (Injections)/Withdrawals						
15	Withdrawals						0
16	Injections				(330,339)	3.9814	(1,315,221)
17	Commodity (Zone 3)	26				0.0509	(16,814)
18	Fuel and Loss Retention @	36	2.65%			0.1084	(35,809)
19					(330,339)	4.1407	(1,367,844)
20							
21							
22	Total Purchases in Texas Area				2,135,314	4.1392	8,838,597
23							
24							
25	Used to allocate transportation non-commodity						
26							
27				Annualized		Commodity	
28				MDQs in		Charge	Weighted
29	<u>Texas Gas</u>			MMbtu	Allocation	\$/MMbtu	Average
30	SL to Zone 2	22		12,617,673	24.61%	\$0.0399	\$ 0.0098
31	SL to Zone 3	22		32,407,875	63.22%	0.0445	\$ 0.0281
32	1 to Zone 3	22		1,093,740	2.13%	0.0422	\$ 0.0009
33	SL to Zone 4	22		5,145,769	10.04%	0.0528	\$ 0.0053
34	Total			51,265,057	100.00%		\$ 0.0441
35							
36	<u>Tennessee Gas</u>						
37	0 to Zone 2	24		27,392	9.40%	\$0.0880	\$ 0.0083
38	1 to Zone 2	24		263,953	90.60%	0.0776	0.0703
39	Total			291,345	100.00%		\$ 0.0786

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Tennessee Gas Pipeline - Commodity Purchases

Line No.	Description	Tariff Sheet No.	(a)	(b)	(c)	(d)	(e)	(f)	
									Purchases
						Mcf	MMbtu	\$/MMbtu	\$
1	<u>FT-A and FT-G</u>						501,884		
2	Indexed Gas Cost							3.9814	1,998,215
3	Base Commodity (Weighted on MDQs)							0.0786	39,437
4	ACA	24						0.0019	954
5	Fuel and Loss Retention	32	4.28%					0.1780	89,335
6								4.2399	2,127,941
7									
8	<u>FT-GS</u>						27,600		
9	Indexed Gas Cost							3.9814	109,887
10	Base Rate	26						0.5844	16,129
11	ACA	24						0.0019	52
12	Fuel and Loss Retention	32	4.28%					0.1780	4,913
13								4.7457	130,981
14									
15	<u>Gas Storage</u>								
16	FT-A & FT-G Market Area Withdrawals								-
17	FT-A & FT-G Market Area Injections						(175,192)	3.9814	(697,514)
18	Withdrawal Rate	61						0.0102	0
19	Injection Rate	61						0.0102	(1,787)
20	Fuel and Loss Retention	61	1.49%					0.0000	0
21	Total						(175,192)	3.9916	(699,301)
22									
23									
24									
25	Total Tennessee Gas Zones						354,292	4.4021	1,559,621

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Trunkline Gas Company

Commodity						
	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Tariff Sheet No.	Purchases		Rate	Total
			Mcf	MMbtu	\$/MMbtu	\$
1	<u>Firm Transportation</u>					
2	Expected Volumes			30,000		
3	Indexed Gas Cost				3.9814	119,443
4	Base Commodity	10			0.0130	390
6	ACA	10			0.0019	57
7	Fuel and Loss Retention	10	2.01%		0.0817	2,451
8					<u>4.0780</u>	<u>122,341</u>
9						
10						

Non-Commodity

Non-Commodity						
	(a)	(b)	(c)	(d)	(e)	
Line No.	Description	Tariff Sheet No.	Annual Units	Rate	Total	Demand
			MMbtu	\$/MMbtu	\$	\$
<b>Injections</b>						
11	FT-G Contract # 014573		27,000			
12	Discount Rate on MDQs			7.2711	196,320	196,320
13						
14	Total Trunkline Area Non-Commodity				<u>196,320</u>	<u>196,320</u>

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Demand Charge Calculation

Line No.	(a)	(b)	(c)	(d)	(e)
1	<u>Total Demand Cost:</u>				
2	Texas Gas Transmission	\$17,066,337			
3	Midwestern	0			
4	Tennessee Gas Pipeline	2,925,725			
5	Trunkline Gas Company	196,320			
6	Total	<u>\$20,188,382</u>			
7					
8		Allocated	Related	Monthly Demand Charge	
9	<u>Demand Cost Allocation:</u>	Factors	Demand	Volumes	Firm Interruptible
10	All	0.1804	\$3,641,984	17,434,480	0.2089 0.2089
11	Firm	0.8196	16,546,398	17,263,240	0.9585
12	Total	<u>1.0000</u>	<u>\$20,188,382</u>		<u>1.1674 0.2089</u>
13					
14		Volumetric Basis for			
15		Annualized	Monthly Demand Charge		
16		Mcf @14.65	All	Firm	
17	<u>Firm Service</u>				
18	Sales:				
19	G-1	17,263,240	17,263,240	17,263,240	1.1674
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	171,240	171,240		1.1674 0.2089
24					
25	<u>Transportation Service</u>				
26	T-3 & T-4	21,185,357			
27					
28		<u>38,619,837</u>	<u>17,434,480</u>	<u>17,263,240</u>	

**Atmos Energy Corporation**  
 Expected Gas Cost (EGC) Calculation  
 Commodity - Total System

	(a)	(b)	(c)	(d)
<b>Line</b>				
<b>No. Description</b>	<b>Purchases</b>		<b>Rate</b>	<b>Total</b>
	Mcf	MMbtu	\$/Mcf	\$
<b>1 Texas Gas Area</b>				
2 No Notice Service	1,813,094	1,821,253	4.1594	7,541,314
3 Firm Transportation	641,513	644,400	4.1544	2,665,127
4 No Notice Storage	(328,859)	(330,339)	4.1594	(1,367,844)
5 Total Texas Gas Area	2,125,748	2,135,314	4.1579	8,838,597
6				
<b>7 Tennessee Gas Area</b>				
8 FT-A and FT-G	492,671	501,884	4.3192	2,127,941
9 FT-GS	27,093	27,600	4.8345	130,981
10 Gas Storage				
11 Injections	(171,976)	(175,192)	4.0663	(699,301)
12 Withdrawals	0	0	0.0000	0
13	347,788	354,292	4.4844	1,559,621
<b>14 Trunkline Gas Area</b>				
15 Firm Transportation	29,703	30,000	4.1188	122,341
16				
17				
<b>18 WKG System Storage</b>				
19 Injections	(745,819)	(749,175)	4.1407	(3,088,234)
20 Withdrawals	0	0	0.0000	0
21 Net WKG Storage	(745,819)	(749,175)	4.1407	(3,088,234)
22				
23				
24 Local Production	459,447	468,177	3.9814	1,829,255
25				
26				
27				
28 Total Commodity Purchases	2,216,867	2,238,608	4.1778	9,261,580
29				
30 Lost & Unaccounted for @	61,850	62,457		
31				
32 Total Deliveries	2,155,017	2,176,151	4.2977	9,261,580
33				
34				
35				
36 Total Expected Commodity Cost	2,155,017	2,176,151	4.2977	9,261,580
37				
38				
39 Note: Column (c) is calculated by dividing column (d) by column (a)				

Line No.	Description	MCF
	<u>Annualized Volumes Subject to Demand Charges</u>	
1	Sales Volume	17,434,480
2	Transportation	0
3	Total Mcf Billed Demand Charges	<u>17,434,480</u>
4	Divided by: Days/Year	365
5	Average Daily Sales and Transport Volumes	<u>47,766</u>
6		
7	<u>Peak Day Sales and Transportation Volume</u>	
8	Estimated total company firm requirements for 5 degree average	
9	temperature days from Peak Day Book - with adjustments per rate filing	<u>264,714</u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	<b>0.1804</b>

Basis for Indexed Gas Cost  
For the Month of April 2011

The projected commodity price was provided by the Gas Supply Department and was based upon the following:

- A. The Gas Supply Department reviewed the NYMEX futures close prices for the month of April 2011 during the period February 10 through February 18, 2011

Thursday	02/10/11	Apr-11 (\$/MMBTU)	4.037
Friday	02/11/11		3.977
Monday	02/14/11		3.991
Tuesday	02/15/11		4.030
Wednesday	02/16/11		3.961
Thursday	02/17/11		3.968
Friday	02/18/11		3.906
			<u>\$3.981</u>

- B. The Company believes prices will remain stable and prices for the month of April 2011 will settle at \$3.981 per MMBTU (based on the average of the past seven days) for the period that the GCA is to become effective.

In support of Item B, a worksheet entitled "Estimated Weighted Average Cost of Gas" has been filed under a Petition for Confidentiality in this Case.



Atmos Energy Corporation  
Estimated Weighted Average Cost of Gas  
For the Month of April 2011

	April-11	
Volumes	Rate	Value

Texas Gas  
Trunkline  
Tennessee Gas  
TX Gas Storage  
TN Gas Storage  
WKG Storage  
Midwestern

(This information has been filed under a Petition for Confidentiality)

Line No.	(a) Month	(b) Actual Purchased Volume (Mcf)	(c) Recoverable Gas Cost	(d) Actual GCA Recovered Gas Cost	(e) Under (Over) Recovery Amount	(f) Adjustments *	(g) Total
1	November-10	1,446,641	\$8,998,168.29	\$5,907,508.00	\$3,090,660.29	(\$80,368.98)	\$3,010,291.31
2							
3	December-10	3,982,805	\$19,794,905.58	\$16,186,677.89	\$3,608,227.69	\$0.00	\$3,608,227.69
4							
5	January-11	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6							
7	Total Gas Cost						
8	Under/(Over) Recovery		<u>\$28,793,073.87</u>	<u>\$22,094,185.89</u>	<u>\$6,698,887.98</u>	<u>(\$80,368.98)</u>	<u>\$6,618,519.00</u>
9							
10							
11							
12	PBR Savings reflected in Gas Costs		<u>\$590,512.80</u>				
13							
14	<u>Correction Factor - Part 1</u>						
15	(Over)/Under Recovered Gas Cost through October 2010 (November 2010 GL)					(\$18,147,234.16)	
16	Correction to October 2010 Recoveries					\$34,822.21	
17	Total Gas Cost Under/(Over) Recovery for the three months ended January 2011					6,618,519.00	
18	Recovery from outstanding Correction Factor (CF)					<u>4,895,482.08</u>	
19							
20	(Over)/Under Recovered Gas Cost through October 2010 (November 2010 GL) (a)					<u>\$ (6,598,410.87)</u>	
21	Divided By: Total Expected Customer Sales (b)					17,434,480	Mcf
22							
23	Correction Factor - Part 1					<u>(\$0.3785)</u>	/ Mcf
24							
25	<u>Correction Factor - Part 2</u>						
26	Net Uncollectible Gas Cost through November 2010 (c)					<u>577,952.15</u>	
27	Divided By: Total Expected Customer Sales (b)					17,434,480	
28							
29	Correction Factor - Part 2					<u>\$0.0331</u>	/ Mcf
30							
31	<b>Correction Factor - Total (CF)</b>					<u><u>(\$0.3454)</u></u>	/ Mcf

**Atmos Energy Corporation**  
 Recoverable Gas Cost Calculation  
 For the Two Months Ended December 2010  
 Case No. 2011-00000

Line No.	Description	GL Unit	Dec-10	Jan-11	Feb-11
			(a)	(b)	(c)
			Month		
			November-10	December-10	January-11
1	<b>Supply Volume</b>				
2	Pipelines:				
3	Texas Gas Transmission <sup>1</sup>	Mcf	0	0	0
4	Tennessee Gas Pipeline <sup>1</sup>	Mcf	0	0	0
5	Trunkline Gas Company <sup>1</sup>	Mcf	0	0	0
6	Midwestern Pipeline <sup>1</sup>	Mcf	0	0	0
7	<b>Total Pipeline Supply</b>	Mcf	0	0	0
8	Total Other Suppliers	Mcf	450,559	754,566	0
9	Off System Storage				
10	Texas Gas Transmission	Mcf	0	0	0
11	Tennessee Gas Pipeline	Mcf	0	0	0
12	System Storage				
13	Withdrawals	Mcf	766,411	1,706,004	0
14	Injections	Mcf	(2,305)	(14,887)	0
15	Producers	Mcf	8,664	52,791	0
16	Third Party Reimbursements	Mcf	(28)	(396)	
17	Pipeline Imbalances cashed out	Mcf	0	0	0
18	System Imbalances <sup>2</sup>	Mcf	223,340	1,484,727	0
19	<b>Total Supply</b>	Mcf	1,446,641	3,982,805	0
20					
21	Change in Unbilled	Mcf			
22	Company Use	Mcf	0	0	0
23	Unaccounted For	Mcf	0	0	0
24	<b>Total Purchases</b>	Mcf	1,446,641	3,982,805	-

<sup>1</sup> Includes settlement of historical imbalances and prepaid items.

<sup>2</sup> Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

**Atmos Energy Corporation**  
Recoverable Gas Cost Calculation  
For the Two Months Ended December 2010  
Case No. 2011-00000

Line No.	Description	GL Unit	Dec-10	Jan-11	Feb-11
			(a)	(b) Month	(c)
			November-10	December-10	January-11
1	<b>Supply Cost</b>				
2	Pipelines:				
3	Texas Gas Transmission <sup>1</sup>	\$	1,579,579	1,701,955	0
4	Tennessee Gas Pipeline <sup>1</sup>	\$	325,763	340,755	0
5	Trunkline Gas Company <sup>1</sup>	\$	30,141	29,760	0
6	Midwestern Pipeline <sup>1</sup>	\$	0	0	0
7	<b>Total Pipeline Supply</b>	\$	1,935,484	2,072,470	0
8	Total Other Suppliers	\$	1,248,007	3,043,599	0
9	Hedging Settlements	\$	507,872	708,947	0
10	Off System Storage				
11	Texas Gas Transmission	\$	0	0	0
12	Tennessee Gas Pipeline	\$	0	0	0
13	WKG Storage	\$	122,500	122,500	0
14	System Storage				
15	Withdrawals	\$	4,193,411	7,086,530	0
16	Injections	\$	(8,055)	(63,271)	0
17	Producers	\$	30,169	195,799	-
18	Third Party Reimbursements	\$	(1,025)	(3,042)	
19	Pipeline Imbalances cashed out	\$	0	0	0
20	System Imbalances <sup>2</sup>	\$	969,806	6,631,373	0
21	<b>Sub-Total</b>	\$	8,998,168	19,794,906	0
22	Pipeline Refund + Interest				
23	Change in Unbilled	\$			
24	Company Use	\$	0	0	0
25	Recovered thru Transportation	\$	0	0	0
26	<b>Total Recoverable Gas Cost</b>	\$	8,998,168	19,794,906	0

<sup>1</sup> Includes demand charges, cost of settlement of historical imbalances and prepaid items.

<sup>2</sup> Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

**Atmos Energy Corporation**

Recovery from Correction Factors (CF)  
For the Two Months Ended December 2010  
Case No. 2011-00000

Line No.	Month	Type of Sales	(a) Mcf Sold	(b) CF Rate	(c) CF Amounts	(d) RF Rate	(e) RF Amounts	(f) PBR Rate	(g) PBRRF Amounts	(h) GCA Rate	(i) GCA Recovery Amounts	(j) Total Recoveries
1	November-10	G-1 Sales	991,253.4	(\$1.2939)	(\$1,282,582.77)	(\$0.0169)	(\$16,752.18)	0.1298	\$128,664.69	\$5.8522	\$5,801,013.15	\$4,630,342.89
2		G-2 Sales	21,506.8	(1.2939)	(27,827.69)	(\$0.0169)	(363.47)	0.1298	2,791.59	\$4.8805	104,964.08	\$79,564.51
6		Sub Total	1,012,760.2		(\$1,310,410.46)		(\$17,115.65)		\$131,456.28		\$5,905,977.23	\$4,709,907.40
7		Timing: Cycle Billing and PPA's			72.24		(0.40)		(\$2.73)		1,530.77	\$1,599.88
8		Total	1,012,760.2		(\$1,310,338.22)		(\$17,116.05)		\$131,453.55		\$5,907,508.00	\$4,711,507.28
10												
11	December-10	G-1 Sales	2,742,065.1	(\$1.2939)	(\$3,547,958.03)	(\$0.0169)	(\$46,340.90)	0.1298	\$355,920.05	\$5.8522	\$16,047,113.38	\$12,808,734.50
12		G-2 Sales	28,734.5	(1.2939)	(37,179.57)	(\$0.0169)	(485.61)	0.1298	3,729.74	\$4.8805	140,238.73	\$106,303.29
16		Sub Total	2,770,799.6		(\$3,585,137.60)		(\$46,826.51)		\$359,649.79		\$16,187,352.11	\$12,915,037.79
17		Timing: Cycle Billing and PPA's			(6.26)		(1.55)		\$0.44		(674.22)	(\$681.59)
18		Total	2,770,799.6		(\$3,585,143.86)		(\$46,828.06)		\$359,650.23		\$16,186,677.89	\$12,914,356.20
19												
20												
21	January-11	G-1 Sales	0.0	(\$1.2939)	\$0.00	(\$0.0169)	\$0.00	0.1298	\$0.00	\$5.8522	\$0.00	\$0.00
22		G-2 Sales	0.0	(1.2939)	0.00	(\$0.0169)	0.00	0.1298	0.00	\$4.8805	0.00	\$0.00
26		Sub Total	0.0		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
27		Timing: Cycle Billing and PPA's			0.00		0.00		\$0.00		0.00	\$0.00
28		Total	0.0		\$0.00		\$0.00		\$0.00		\$0.00	\$0.00
29												
30		Total Recovery from Correction Factor (CF)			<u>(\$4,895,482.08)</u>							
31		Total Amount Refunded through the Refund Factor (RF)					<u>(\$63,944.11)</u>					
32		Total Recovery from Performance Based Rate Recovery Factor (PBRRF)							<u>\$491,103.78</u>			
33		Total Recoveries from Expected Gas Cost (EGC) Factor									<u>\$22,094,185.89</u>	
34		Total Recoveries from Gas Cost Adjustment Factor (GCA)										<u>\$17,625,863.48</u>
35												
36												
37												

**NOTE: The cycle billing is a result of customers being billed by the meter read date. The prior period adjustments (PPA's) consist of billing revisions/adjustments.**

**Atmos Energy Corporation**  
 Detail Sheet for Supply Volumes & Costs  
 Traditional and Other Pipelines

Description	November, 2010		December, 2010		January, 2011	
	MCF	Cost	MCF	Cost	MCF	Cost
<b>1 Texas Gas Pipeline Area</b>						
2 LG&E Natural						
3 Texaco Gas Marketing						
4 CMS						
5 WESCO						
6 Southern Energy Company						
7 Union Pacific Fuels						
8 Atmos Energy Marketing, LLC						
9 Engage						
10 ERI						
11 Prepaid						
12 Reservation						
13 Hedging Costs - All Zones						
14						
15 <b>Total</b>	290,478	\$724,335.73	504,582	\$1,845,172.65	0	\$0.00
16						
17						
<b>18 Tennessee Gas Pipeline Area</b>						
19 Atmos Energy Marketing, LLC						
20 Union Pacific Fuels						
21 WESCO						
22 Prepaid						
23 Reservation						
24 Fuel Adjustment						
25						
26 <b>Total</b>	70,856	\$224,325.39	160,388	\$680,962.52	0	\$0.00
27						
28						
<b>29 Trunkline Gas Company</b>						
30 Atmos Energy Marketing, LLC						
31 Engage						
32 Prepaid						
33 Reservation						
34 Fuel Adjustment						
35						
36 <b>Total</b>	89,225	\$299,345.91	89,596	\$517,464.07	0	\$0.00
37						
38						
<b>39 Midwestern Pipeline</b>						
40 Atmos Energy Marketing, LLC						
41 LG&E Natural						
42 Anadarko						
43 Prepaid						
44 Reservation						
45 Fuel Adjustment						
46						
47 <b>Total</b>	0	\$0.00	0	\$0.00	0	\$0.00
48						
49						
<b>50 All Zones</b>						
51 <b>Total</b>	450,559	\$1,248,007.03	754,566	\$3,043,599.24	0	\$0.00
52						
53						
54						

\*\*\*\* Detail of Volumes and Prices Has Been Filed Under Petition for Confidentiality \*\*\*\*

Atmos Energy Corporation  
Kentucky/Mid-States Division  
Kentucky Service Area  
Net Uncollectible Gas Cost

Six Months Ended November, 2010

Month	Gas Cost Written Off	Margin Written Off	Taxes & Other Written Off	Total Written Off	Gas Cost Collected	Margin Collected	Net Uncollectible Gas Cost	Net Uncollectible Gas Cost
6/1/2010	(\$146,711.88)	(\$52,868.35)	(\$9,922.33)	(\$209,502.56)	\$2,696.20	\$925.30	\$144,015.68	\$144,015.68
7/1/2010	(\$251,199.27)	(\$103,974.03)	(\$16,530.85)	(\$371,704.15)	\$2,684.29	\$1,057.81	\$248,514.98	\$392,530.66
8/1/2010	(\$183,153.88)	(\$100,079.87)	(\$60,471.17)	(\$343,704.92)	\$7,547.16	\$3,567.54	\$175,606.72	\$568,137.38
9/1/2010	(\$79,588.88)	(\$57,697.62)	(\$5,542.24)	(\$142,828.74)	\$13,611.13	\$7,381.24	\$65,977.75	\$634,115.13
10/1/2010	(\$36,554.37)	(\$40,423.68)	(\$3,020.33)	(\$79,998.38)	\$38,970.90	\$21,142.79	(\$2,416.53)	\$631,698.60
11/1/2010	(\$12,575.60)	(\$17,832.93)	(\$1,231.56)	(\$31,640.09)	\$66,322.05	\$36,096.77	(\$53,746.45)	\$577,952.15

**Atmos Energy Corporation**  
**Kentucky/Mid-States Division**  
**Kentucky Service Area**  
**Correction to October 2010 Recoveries Detail**

**Exhibit D Addendum**

Process Machinery, an Industrial customer (Customer 53869; Premise 92845), had a metering problem that caused Banner, the company's billing system, to produce a bill for negative consumption of 299,421 Mcf. The bill created a GCA credit of -\$1,595,644.45 on November 1, 2010 which was the EOM (end of month) cycle for October, 2010 billings. Our customer service group did not let the bill go out but issued a "Cancel / Rebill" which adjusts off the erroneous amounts and re-calculates the new correct amount. In this case, the Cancel / Rebill occurred on November 2, 2010 which was Cycle 1 for November, 2010 billings.

When the data flowed from Banner to the company's General Ledger (GL), the timing of that activity caused October GCA billings to be under-stated by \$1.6M and November GCA billings to be over-stated by that amount. Accounting booked a reversing accrual for this so that the GL would accurately reflect the proper recoveries.

For Industrial customers, the company accounts for Gas Cost Recoveries in the following accounts:

<u>Account</u>	<u>Description</u>	<u>DR/CR</u>
4812.311	Industrial Revenue - Banner	CR
1420.1092	Customer Accounts Receivable	DR
8053.0478	PGA for Industrial	DR
1910.1409	Unrecovered Purchased Gas Cost - Recoveries	CR
1910.1409	Unrecovered Purchased Gas Cost - PBR Recoveries	CR
1910.2731	Unrecovered Purchased Gas Cost - Pipeline Refunds	DR

When Accounting booked the reversing accrual, they *should* have booked it as:

<u>DR/CR</u>	<u>Account</u>	<u>Mcf</u>	<u>Rate</u>	<u>Amount</u>
CR	1910.14088	299,421	\$6.6338	\$1,986,299.03
DR	1910.14088	299,421	(1.4210)	(\$425,477.24)
CR	1910.14087	299,421	(0.0135)	(\$4,042.18)
DR	1910.27314	299,421	0.1298	\$38,864.85
DR	8053.04775	299,421	\$5.3291	\$1,595,644.45

Accounting booked the whole Credit to 1910.14088 as:

<u>DR/CR</u>	<u>Account</u>	<u>Amount</u>
CR	1910.14088	\$1,595,644.45
DR	8053.04775	\$1,595,644.45

The \$35k that should have been recorded in Accounts 1910.14087 and 1910.27314, were recorded in 1910.14088 which is the account balance that is reported on Exhibit D. In the original Feb-11 GCA filing, the analyst had an adjustment under "Timing: Cycle Billing and PGAs" (Exhibit D, Page 4 of 6, Line 27, Column (i) for \$34,767.83). That bulk of that adjustment was the result of Accounting accruing ALL of the amount to 1910.14088 instead of the other two deferred accounts.

Since it is a reversing accrual, it would be a wash over the two production months of October, and November, 2010. But since we filed the GCA filing to show recoveries through October, technically, the filed balance included the erroneous \$35k.