



December 28, 2011

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

RECEIVED

DEC 29 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.**

Please indicate receipt of this filing by stamping and dating this letter and returning a scanned copy by E-mail to [michael.haynes@atmosenergy.com](mailto:michael.haynes@atmosenergy.com).

If you have any questions, feel free to call me at 972-855-3115.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Haynes".

Michael Haynes  
Rates Coordinator

Enclosures

**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

QUARTERLY FILING

For The Period

February 1, 2012 – April 30, 2012

Attorney for Applicant

Mark R. Hutchinson  
611 Frederica Street  
Owensboro, Kentucky 42301

December 28, 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

Michael Haynes  
Rates Coordinator  
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-Eighth Revised Sheet No. 4, Forty-Eighth Revised Sheet No. 5 and Forty-Eighth Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective February 1, 2012.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.2383 per Mcf and \$4.2211 per Mcf for interruptible sales service. The supporting calculations for the Forty-Eighth 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)

Exhibit D – Correction Factor (CF) Calculation

Exhibit E – Refund Factor (RF) Calculation

Exhibit E – Refund Factor (Refund Certificate of Compliance)

Exhibit E – Performance Based Rate Recovery Factor (PBRRF)

Since the Company's last GCA filing, Case No. 2011-00400, 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 quarter of February 1, 2012 through April 30, 2012, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Commodity Gas Cost will be approximately \$5.1044 per Mcf for the quarter of February 1, 2012 through April 30, 2012, as compared to \$5.8754 per

Mcf used for the quarter of November 1, 2011 through January 31, 2012. The G-2 Expected Commodity Gas Cost will be approximately \$4.0872 for the quarter of February 1, 2012 through April 30, 2012, as compared to \$4.8139 for the quarter of November 1, 2011 through January 31, 2012.

3. The Company's notice sets out a new Correction Factor of \$0.0318 per Mcf which will remain in effect until at least April 30, 2012.
4. The Company's notice also sets out a new Refund Factor of (\$0.0281) per Mcf which will remain in effect until at least April 30, 2012.

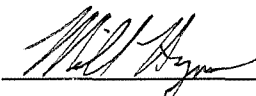
The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction 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 October 31, 2011 (November, 2011 general ledger). The calculation for the Correction Factor is shown on Exhibit D, Page 1 of 6. Also beginning with the February, 2011 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-Eighth Revised Sheet No. 5; and Forty-Eighth 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 February 1, 2012.

DATED at Dallas, Texas this 28th Day of December, 2011.

ATMOS ENERGY CORPORATION

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

Michael Haynes  
Rates Coordinator  
Atmos Energy Corporation

Line No.	Description	Case No.		Difference
		(a) 2011-00400	(b) 2011-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>G - 1</u></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	4.5822	3.8652	(0.7170)
11	Demand	1.2932	1.2392	(0.0540)
12	Total EGC	5.8754	5.1044	(0.7710)
13	CF (Correction Factor)	(0.2591)	0.0318	0.2909
14	RF (Refund Adjustment)	(0.0246)	(0.0281)	(0.0035)
15	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1302	(0.0070)
16	GCA (Gas Cost Adjustment)	5.7289	5.2383	(0.4906)
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.8289	6.3383	(0.4906)
20	Next 14,700 Mcf	6.4989	6.0083	(0.4906)
21	Over 15,000 Mcf	6.2289	5.7383	(0.4906)
22				
23				
24	<b><u>G - 2</u></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	4.5822	3.8652	(0.7170)
33	Demand	0.2317	0.2220	(0.0097)
34	Total EGC	4.8139	4.0872	(0.7267)
35	CF (Correction Factor)	(0.2591)	0.0318	0.2909
36	RF (Refund Adjustment)	(0.0246)	(0.0281)	(0.0035)
37	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1302	(0.0070)
38	GCA (Gas Cost Adjustment)	4.6674	4.2211	(0.4463)
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	5.2974	4.8511	(0.4463)
42	Over 14,700 Mcf	5.0774	4.6311	(0.4463)
43				
44				
45	<b><u>Refund Factor (RF)</u></b>			
46				
47		Effective		
48		Date	RF	
49				
50	1 - 2011-00114	5/1/2011	(0.0070)	
51	2 - 2011-00230	8/1/2011	(0.0072)	
52	3 - 2011-00400	11/1/2011	(0.0070)	
53	4 - 2011-00000	2/1/2012	(0.0069)	
54				
55	Total Refund Factor (RF)		(\$0.0281)	

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2011-00400	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**

**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

**Rate per Mcf<sup>2</sup>**

**Sales (G-1)**

**Transportation (T-4)**

First	300	<sup>1</sup>	Mcf	@	6.3383	per Mcf	@	1.1000	per Mcf	(R, -)
Next	14,700	<sup>1</sup>	Mcf	@	6.0083	per Mcf	@	0.7700	per Mcf	(R, -)
Over	15,000		Mcf	@	5.7383	per Mcf	@	0.5000	per Mcf	(R, -)

**Interruptible Service**

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

**Rate per Mcf<sup>2</sup>**

**Sales (G-2)**

**Transportation (T-3)**

First	15,000	<sup>1</sup>	Mcf	@	4.8511	per Mcf	@	0.6300	per Mcf	(R, -)
Over	15,000		Mcf	@	4.6311	per Mcf	@	0.4100	per Mcf	(R, -)

<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:** December 28, 2011

**Effective:** February 1, 2012

(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

<b>Current Gas Cost Adjustments</b> <b>Case No. 2011-00000</b>			
<p><b><u>Applicable</u></b></p> <p>For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).</p> <p style="padding-left: 40px;">Gas Charge = GCA</p> <p style="padding-left: 80px;">GCA = EGC + CF + RF + PBRRF</p>			
	G - 1	G-2	
<b><u>Gas Cost Adjustment Components</u></b>			
EGC (Expected Gas Cost Component)	5.1044	4.0872	(R, R)
CF (Correction Factor)	0.0318	0.0318	(I, I)
RF (Refund Adjustment)	(0.0281)	(0.0281)	(R, R)
PBRRF (Performance Based Rate Recovery Factor)	0.1302	0.1302	(R, R)
GCA (Gas Cost Adjustment)	\$5.2383	\$4.2211	(R, R)

**ISSUED:** December 28, 2011

**Effective:** February 1, 2012

(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 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:** 1.91%

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

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

**ISSUED:** December 28, 2011

**Effective:** February 1, 2012

(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  
 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 #	29760	12,617,673			
3	Base Rate	Section 4.4 - NNS		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 #	29762	27,480,375			
9	Base Rate	Section 4.4 - NNS		0.3543	9,736,297	9,736,297
10						
11	FT Contract #	29759	4,927,500			
12	Base Rate	Section 4.1 - FT		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 #	29761	1,093,740			
18	Base Rate	Section 4.1 - FT		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 #	29763	3,320,769			
24	Base Rate	Section 4.4 - NNS		0.4190	1,391,402	1,391,402
25						
26	FT Contract #	29765	1,277,500			
27	Base Rate	Section 4.1 - FT		0.3142	401,391	401,391
28						
11	FT Contract #	31097	547,500			
12	Base Rate	Section 4.1 - FT		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>17,066,338</u>	<u>17,066,338</u>
36						
37						
38	Total Texas Gas Area Non-Commodity				<u>17,066,338</u>	<u>17,066,338</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 \$
1	<b><u>0 to Zone 2</u></b>					
2	FT-G Contract # 2546.1		12,844			
3	Base Rate	23		16.3405	209,877	209,877
4						
5	FT-G Contract # 2548.1		4,363			
6	Base Rate	23		16.3405	71,294	71,294
7						
8	FT-G Contract # 2550.1		5,739			
9	Base Rate	23		16.3405	93,778	93,778
10						
11	FT-G Contract # 2551.1		4,446			
12	Base Rate	23		16.3405	72,650	72,650
13						
14	Total Zone 0 to 2		<u>27,392</u>		<u>447,599</u>	<u>447,599</u>
15						
16	<b><u>1 to Zone 2</u></b>					
17	FT-G Contract # 2546		114,156			
18	Base Rate	23		11.1329	1,270,887	1,270,887
19						
20	FT-G Contract # 2548		44,997			
21	Base Rate	23		11.1329	500,947	500,947
22						
23	FT-G Contract # 2550		59,741			
24	Base Rate	23		11.1329	665,091	665,091
25						
26	FT-G Contract # 2551		45,059			
27	Base Rate	23		11.1329	501,637	501,637
28						
29	Total Zone 1 to 2 and Zone 0 to 2		<u>291,345</u>		<u>3,386,161</u>	<u>3,386,161</u>
30						
31	<b><u>Gas Storage</u></b>					
32	Production Area:					
33	Demand	61	34,968	2.8100	98,260	98,260
34	Space Charge	61	4,916,148	0.0286	140,602	140,602
35	Market Area:					
36	Demand	61	237,408	1.5400	365,608	365,608
37	Space Charge	61	10,846,308	0.0211	228,857	228,857
38	Total Storage		<u>16,034,832</u>		<u>833,327</u>	<u>833,327</u>
39						
40	Total Tennessee Gas Area FT-G Non-Commodity				<u>4,219,488</u>	<u>4,219,488</u>



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

Line No.	Description	(a) Tariff Sheet No.	(b)	(c)	(d)	(e)	(f)	
					Purchases	Rate	Total	
					Mcf	MMbtu	\$/MMbtu	\$
1	<u>FT-A and FT-G</u>				703,862			
2	Indexed Gas Cost						3.2690	2,300,925
3	Base Commodity (Weighted on MDQs)						0.0150	10,545
4	ACA	24					0.0018	1,267
5	Fuel and Loss Retention	32	1.65%				0.0548	38,572
6							3.3406	2,351,309
7								
8	<u>FT-GS</u>				97,751			
9	Indexed Gas Cost						3.2690	319,548
10	Base Rate	26					0.9131	89,256
11	ACA	24					0.0018	176
12	Fuel and Loss Retention	32	1.65%				0.0548	5,357
13							4.2387	414,337
14								
15	<u>Gas Storage</u>							
16	FT-A & FT-G Market Area Withdrawals				413,764		4.0250	1,665,400
17	FT-A & FT-G Market Area Injections				(159,501)		3.2690	(521,409)
18	Withdrawal Rate	61					0.0087	3,600
19	Injection Rate	61					0.0087	(1,388)
20	Fuel and Loss Retention	61	1.59%				0.0001	25
21	Total				254,263		4.5080	1,146,228
22								
23								
24								
25	Total Tennessee Gas Zones						3.7049	3,911,874

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			219,500		
3	Indexed Gas Cost				3.2690	717,546
4	Base Commodity	10			0.0051	1,119
6	ACA	10			0.0018	395
7	Fuel and Loss Retention	10	1.26%		0.0417	9,153
8					<u>3.3176</u>	<u>728,213</u>
9						
10						

Non-Commodity

Line No.	Description	Tariff Sheet No.	(a)	(b)	Non-Commodity	
			Annual Units	Rate	Total	Demand
			MMbtu	\$/MMbtu	\$	\$
	<b>Injections</b>					
11	FT-G Contract # 014573		27,000			
12	Discount Rate on MDQs			5.3776	145,195	145,195
13						
14	Total Trunkline Area Non-Commodity				<u>145,195</u>	<u>145,195</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	\$17,066,338			
3	Midwestern	0			
4	Tennessee Gas Pipeline	4,219,488			
5	Trunkline Gas Company	145,195			
6	Total	<u>\$21,431,021</u>			
7					
8					
9	<u>Demand Cost Allocation:</u>				
				<u>Monthly Demand Charge</u>	
	Factors	Allocated Demand	Related Volumes	Firm	Interruptible
10	All	0.1806	\$3,870,442	17,434,480	0.2220
11	Firm	0.8194	17,560,579	17,263,240	1.0172
12	Total	1.0000	<u>\$21,431,021</u>		<u>1.2392</u>
13					
14					
15					
16					
17	<u>Firm Service</u>				
18	Sales:				
19	G-1	17,263,240	17,263,240	17,263,240	1.2392
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	171,240	171,240		1.2392
24					0.2220
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

Line No.	Description	(a) Mcf	(b) MMbtu	(c) \$/Mcf	(d) \$
1	<b><u>Texas Gas Area</u></b>				
2	Firm Transportation	1,652,944	1,662,862	3.4541	5,709,436
3	No Notice Storage	1,008,229	1,014,278	4.4857	4,522,608
4	Total Texas Gas Area	2,661,173	2,677,140	3.8449	10,232,044
5					
6	<b><u>Tennessee Gas Area</u></b>				
7	FT-A and FT-G	698,345	703,862	3.3670	2,351,309
8	FT-GS	96,985	97,751	4.2722	414,337
9	Gas Storage				
10	Injections	(158,251)	(159,501)	3.3036	(522,797)
11	Withdrawals	410,521	413,764	4.0656	1,669,000
12		1,047,600	1,055,876	3.7341	3,911,849
13	<b><u>Trunkline Gas Area</u></b>				
14	Firm Transportation	218,191	219,500	3.3375	728,213
15					
16					
17	<b><u>Company Owned Storage</u></b>				
18	Injections	(757,159)	(761,702)	3.2690	(3,376,129)
19	Withdrawals	2,435,388	2,450,000	4.0250	9,802,437
20	Net WKG Storage	1,678,229	1,688,298	3.8292	6,426,308
21					
22					
23	Local Production	90,285	92,000	3.2690	295,142
24					
25					
26					
27	Total Commodity Purchases	5,695,478	5,732,814	3.7914	21,593,556
28					
29	Lost & Unaccounted for @	1.91%	108,784	109,497	
30					
31	Total Deliveries	5,586,694	5,623,317	3.8652	21,593,556
32					
33					
34					
35	Total Expected Commodity Cost	5,586,694	5,623,317	3.8652	21,593,556
36					
37					
38	Note: Column (c) is calculated by dividing column (d) by column (a)				
39					

Line No.	Description	MCF
	<u>Annualized Volumes Subject to Demand Charges</u>	
1	Sales Volume	17,434,480
2	Transportation	<u>0</u>
3	Total Mcf Billed Demand Charges	17,434,480
4	Divided by: Days/Year	<u>365</u>
5	Average Daily Sales and Transport Volumes	<u><u>47,766</u></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><u>264,419</u></u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	<b>0.1806</b>

**Atmos Energy Corporation**  
Basis for Indexed Gas Cost  
For the Quarter ending April 30, 2012

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 quarter of February 2012 through April 2012 during the period December 12 through December 20, 2011

		Feb-12 <u>(\$/MMBTU)</u>	Mar-12 <u>(\$/MMBTU)</u>	Apr-12 <u>(\$/MMBTU)</u>
Monday	12/12/11	3.294	3.310	3.354
Tuesday	12/13/11	3.321	3.343	3.392
Wednesday	12/14/11	3.187	3.223	3.279
Thursday	12/15/11	3.177	3.208	3.266
Friday	12/16/11	3.174	3.204	3.263
Monday	12/19/11	3.143	3.177	3.236
Tuesday	12/20/11	3.170	3.208	3.271
Average		<u><u>\$3.209</u></u>	<u><u>\$3.239</u></u>	<u><u>\$3.294</u></u>

- B. The Company believes prices will remain stable and prices for the quarter ending April 30, 2012 will settle at \$3.269 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 Quarter ending April 30, 2012

	<u>February-12</u>			<u>March-12</u>			<u>April-12</u>			<u>Total</u>		
	<u>Volumes</u>	<u>Rate</u>	<u>Value</u>	<u>Volumes</u>	<u>Rate</u>	<u>Value</u>	<u>Volumes</u>	<u>Rate</u>	<u>Value</u>	<u>Volumes</u>	<u>Rate</u>	<u>Value</u>
Texas Gas												
Trunkline												
Tennessee Gas												
TX Gas Storage												
TN Gas Storage												
WKG Storage												
Midwestern												

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

WACOGs

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	August-11	437,177	\$3,396,927.67	\$2,225,678.25	\$1,171,249.42	\$0.00	\$1,171,249.42
2							
3	September-11	455,139	\$3,332,884.19	\$2,445,326.07	\$887,558.12	\$0.00	\$887,558.12
4							
5	October-11	941,624	\$5,290,480.08	\$3,101,206.84	\$2,189,273.24	\$0.00	\$2,189,273.24
6							
7	Total Gas Cost						
8	Under/(Over) Recovery		<u>\$12,020,291.94</u>	<u>\$7,772,211.16</u>	<u>\$4,248,080.78</u>	<u>\$0.00</u>	<u>\$4,248,080.78</u>
9							
10	PBR Savings reflected in Gas Costs		<u>\$886,435.69</u>				
11							
12	<u>Correction Factor - Part 1</u>						
13	(Over)/Under Recovered Gas Cost through July 2011 (August 2011 GL)					(\$4,515,931.36)	
14	Total Gas Cost Under/(Over) Recovery for the three months ended October 2011					4,248,080.78	
15	Recovery from outstanding Correction Factor (CF)					390,931.79	
16	(Over)/Under Recovered Gas Cost through October 2011 (November 2011 GL) (a)					<u>\$ 123,081.21</u>	
17	Divided By: Total Expected Customer Sales (b)					17,434,480	Mcf
18							
19	Correction Factor - Part 1					<b>\$0.0071</b>	/ Mcf
20							
21	<u>Correction Factor - Part 2</u>						
22	Net Uncollectible Gas Cost through November 2011 (c)					430,808.29	
23	Divided By: Total Expected Customer Sales (b)					17,434,480	
24							
25	Correction Factor - Part 2					<b>\$0.0247</b>	/ Mcf
26							
27	<u>Correction Factor - Total (CF)</u>						
28	Total Deferred Balance through October 2011 (November 2011 GL) including Net Uncol					<u>\$ 553,889.50</u>	
29	Divided By: Total Expected Customer Sales (b)					17,434,480	
30							
31	<b>Correction Factor - Total (CF)</b>					<b><u>\$0.0318</u></b>	/ Mcf
32							

**Atmos Energy Corporation**  
Recoverable Gas Cost Calculation  
For the Three Months Ended October 2011  
Case No. 2011-00000

Line No.	Description	GL Unit	September-11	October-11	November-11
			(a)	(b)	(c)
			Month		
			August-11	September-11	October-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	1,885,998	1,983,441	1,904,385
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			9,351
14	Injections	Mcf	(928,937)	(927,488)	(972,273)
15	Producers	Mcf	39,683	73,284	49,176
16	Third Party Reimbursements	Mcf	(0)	0	0
17	Pipeline Imbalances cashed out	Mcf			
18	System Imbalances <sup>2</sup>	Mcf	(559,567)	(674,098)	(49,015)
19	<b>Total Supply</b>	Mcf	437,177	455,139	941,624
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	437,177	455,139	941,624

<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 Three Months Ended October 2011  
Case No. 2011-00000

Line No.	Description	GL	Unit	September-11	October-11	November-11
				(a)	(b)	(c)
				Month		
				August-11	September-11	October-11
1	<b>Supply Cost</b>					
2	Pipelines:					
3	Texas Gas Transmission <sup>1</sup>	\$		1,219,526	1,186,644	1,635,892
4	Tennessee Gas Pipeline <sup>1</sup>	\$		303,483	347,220	464,782
5	Trunkline Gas Company <sup>1</sup>	\$		7,902	7,647	7,899
6	Midwestern Pipeline <sup>1</sup>	\$				
7	<b>Total Pipeline Supply</b>	\$		<u>1,530,911</u>	<u>1,541,511</u>	<u>2,108,572</u>
8	Total Other Suppliers	\$		7,735,969.76	7,453,744	6,650,172
9	Hedging Settlements	\$		0		
10	Off System Storage					
11	Texas Gas Transmission	\$				
12	Tennessee Gas Pipeline	\$				
13	WKG Storage	\$		122,500	122,500	122,500
14	System Storage					
15	Withdrawals	\$		0		39,338
16	Injections	\$		(3,898,140)	(3,572,021)	(3,495,925)
17	Producers	\$		160,574	269,264	168,927
18	Third Party Reimbursements	\$		(2,723)	(3,151)	(1,242)
19	Pipeline Imbalances cashed out	\$				
20	System Imbalances <sup>2</sup>	\$		<u>(2,252,163)</u>	<u>(2,478,962)</u>	<u>(301,862)</u>
21	<b>Sub-Total</b>	\$		<u>3,396,928</u>	<u>3,332,884.19</u>	<u>5,290,480.08</u>
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>	\$		<u><u>3,396,927.67</u></u>	<u><u>3,332,884.19</u></u>	<u><u>5,290,480.08</u></u>

<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.





Description	August, 2011		September, 2011		October, 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>	1,638,897	\$6,724,785.02	1,724,102	\$6,484,082.44	1,587,683	\$5,537,066.99
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>	218,121	\$904,500.77	229,355	\$869,703.79	285,595	\$1,016,554.47
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>	31,014	\$115,323.79	29,984	\$99,957.73	31,107	\$96,550.26
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>	(2,034)	(\$8,639.82)	0	\$0.00	0	\$0.00
48						
49						
<b>50 All Zones</b>						
51 <b>Total</b>	1,885,998	\$7,735,969.76	1,983,441	\$7,453,743.96	1,904,385	\$6,650,171.72
52						
53						
54						
55						

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

**Atmos Energy Corporation**

## Net Uncollectible Gas Cost

Twelve Months Ended November, 2011

Exhibit D

Page 6 of 6

Line No.	Month	Gas Cost Written Off	Margin Written Off	Taxes & Other Written Off	Total Written Off	Gas Cost Collected	Margin Collected	Net Uncollectible Gas Cost	Cumulative Net Uncollectible Gas Cost
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Dec-10	(\$9,373.97)	(\$19,727.46)	(\$1,266.25)	(\$30,367.68)	\$40,577.39	\$22,189.86	(\$31,203.42)	(\$31,203.42)
2	Jan-11	(\$5,732.39)	(\$14,141.78)	(\$1,419.24)	(\$21,293.41)	\$11,416.78	\$6,689.75	(\$5,684.39)	(\$36,887.81)
3	Feb-11	(\$6,592.09)	(\$13,946.32)	(\$803.44)	(\$21,341.85)	\$10,971.08	\$7,320.88	(\$4,378.99)	(\$41,266.80)
4	Mar-11	(\$7,417.93)	(\$10,805.13)	(\$812.13)	(\$19,035.19)	\$2,862.10	\$2,938.97	\$4,555.83	(\$36,710.97)
5	Apr-11	(\$29,695.67)	(\$21,012.11)	(\$2,465.84)	(\$53,173.62)	\$3,207.52	\$2,013.81	\$26,488.15	(\$10,222.82)
6	May-11	(\$50,340.25)	(\$29,514.83)	(\$3,710.53)	(\$83,565.61)	\$2,509.67	\$1,674.44	\$47,830.58	\$37,607.76
7	Jun-11	(\$114,974.46)	(\$66,365.73)	(\$8,275.22)	(\$189,615.41)	\$4,972.06	\$2,610.23	\$110,002.40	\$147,610.16
8	Jul-11	(\$152,940.81)	(\$100,391.77)	(\$10,991.15)	(\$264,323.73)	\$4,612.71	\$3,405.84	\$148,328.10	\$295,938.26
9	Aug-11	(\$98,325.76)	(\$77,113.18)	(\$7,312.93)	(\$182,751.87)	\$5,655.28	\$4,504.11	\$92,670.48	\$388,608.74
10	Sep-11	(\$78,840.46)	(\$80,264.93)	(\$6,272.19)	(\$165,377.58)	\$10,209.43	\$8,876.43	\$68,631.03	\$457,239.77
11	Oct-11	(\$29,212.10)	(\$39,577.65)	(\$2,680.89)	(\$93,004.37)	\$31,952.43	\$25,115.61	(\$2,740.33)	\$454,499.44
12	Nov-11	(\$13,466.51)	(\$25,833.26)	(\$1,496.34)	(\$40,796.11)	\$37,157.66	\$29,360.83	(\$23,691.15)	\$430,808.29

Atmos Energy Corporation  
 Refund Factor  
 Case No. 2011-00000  
 (RF)

Line No.	Amounts Reported:	AMOUNT
1	Tennessee Gas Pipeline PCB/HSL Refund, Docket Nos. RP91-203 & RP92-132	\$ 121,920.98
2	Carryover from Case No. 2010-00386	(1,560.75)
3	Less: amount related to specific end users	0.00
4	Amount to flow-through	<u>\$ 120,360.23</u>
5		
6	Average of the 3-Month Commercial Paper Rates for the immediately	0.00%
7	preceding 12-month period less 1/2 of 1% to cover the costs of refunding.	
8		
9		
10	<b>Allocation</b>	
		(1)            (2)            (3)
		<u>Demand    Commodity    Total</u>
11		
12	Balance to be Refunded	\$0    \$ 120,360    \$120,360
13		0            0            0
14		
15	Total (w/o interest)	<u>0            120,360    120,360</u>
16	Interest (Line 14 x Line 5)	<u>0            0            0</u>
17	Total	<u>\$0            \$120,360    \$120,360</u>
18		
19	<b>Refund Calculation</b>	
20		
21	Demand Allocator - All	
22	(See Exh. B, p. 8, line 12)	0.1806
23	Demand Allocator - Firm	
24	(1 - Demand Allocator - All)	0.8194
25	Firm Volumes (normalized)	
26	(See Exh. B, p. 6, col. 3, line 28)	17,263,240
27	All Volumes (excluding Transportation)	
28	(See Exh. B, p. 6, col. 2, line 28)	17,434,480
29		
30	Demand Factor - All	\$0 \$0.0000 / MCF
31	Demand Factor - Firm	\$0 \$0.0000 / MCF
32	Commodity Factor	\$120,360            \$ 0.0069 / MCF
33	Total Demand Firm Factor	
34	(Col. 2, lines 29 - 30)	<b>\$0.0000 / MCF</b>
35	Total Demand Interruptible Factor	
36	(Col. 2, line 29)	<b>\$0.0000 / MCF</b>
37	Total Firm Sales Factor	
38	(Col. 2, line 31 + col. 1, line 33)	<b>\$ 0.0069 / MCF</b>
39	Total Interruptible Sales Factor	

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

Exhibit E  
Page 2 of 2

In the Matter of:

REFUND PLAN OF )  
ATMOS ENERGY CORPORATION )

Case No. 2010-00386

**CERTIFICATE OF COMPLIANCE**

We hereby certify that the refund directed to be made by Order in Case No. 2010-00386 has been completed in the following manner:

*Refund Detail*

Customers Refund As Filed	\$ (58,347.03)
Interest Accrued	(160.45)
Carry-over to next GCA Refund	(1,560.75)
Total	<u>\$ (60,068.23)</u>

*Refund by Class of Customer*

<i>Sales:</i>	
Residential	\$ 36,529.59
Commercial	16,574.24
Industrial	2,978.82
Public Authority	3,985.58
Total	<u>\$ 60,068.23</u>

**Atmos Energy Corporation**  
**Performance Based Rate Recovery Factor**  
**2011-00000**  
**(PBRRF)**

Exhibit E

Line No.	Amounts Reported:	AMOUNT
1	Company Share of 11/10-10/11 PBR Activity	\$ 2,138,406.32
2	Carry-over Amount in Case No. 2009-00544	131,999.23
3		-
4	Total	<u>\$ 2,270,405.55</u>
5		
6		
7	Total	\$ 2,270,405.55
8	Less: Amount related to specific end users	0.00
9	Amount to flow-through	<u><u>\$ 2,270,405.55</u></u>
10		
11		
12		
13	<b>Allocation</b>	<b>Total</b>
14		
15	Company share of PBR activity	\$ 2,270,405.55
16		
17	<b>PBR Calculation</b>	
18		
19	Demand Allocator - All	
20	(See Exh. B, p. 6, line 10)	0.1806
21	Demand Allocator - Firm	
22	(1 - Demand Allocator - All)	0.8194
23	Firm Volumes (normalized)	
24	(See Exh. B, p. 6, col. (a), line 19)	17,263,240
25	All Volumes (excluding Transportation)	
26	(See Exh. B, p. 6, col. (b), line 28)	17,434,480
27		
28		
29	Total Sales Factor (Line 15 / Line 26)	<b>\$ 0.1302 / MCF</b>
30		
31	Total Interruptible Sales Factor (Line 29)	<b>\$ 0.1302 / MCF</b>

Atmos Energy Corporation  
Kentucky Division  
**PBR Results (Nov 2010 - Oct 2011)**

	Commodity <u>Discount</u>	Transport <u>Discount</u>	Capacity <u>Release</u>	Total Monthly <u>Savings</u>	PRELIM EST Atmos KY <u>Share</u>	Total <u>Costs</u>	2% of Total Costs	Atmos KY Share 30%	Atmos KY Share 50%	FINAL Atmos KY Share
Nov-10	\$ 355,341.85	\$ 27,025.85	\$ 44,468.56	\$ 426,836.26	\$ 126,199.32	\$ 3,718,876.53	\$ 74,377.53			
Dec-10	\$ 354,728.41	\$ 27,926.71	\$ 46,159.16	\$ 428,814.28	\$ 126,976.76	\$ 5,660,265.77	\$ 113,205.32			
Jan-11	\$ 353,414.85	\$ 27,926.71	\$ 45,981.74	\$ 427,323.30	\$ 126,923.54	\$ 10,976,378.38	\$ 219,527.57			
Feb-11	\$ 350,785.18	\$ 35,889.98	\$ 41,540.72	\$ 428,215.88	\$ 127,980.21	\$ 6,920,044.68	\$ 138,400.89			
Mar-11	\$ 350,211.52	\$ 41,347.59	\$ 45,691.28	\$ 437,250.39	\$ 130,862.66	\$ 3,693,571.83	\$ 73,871.44			
Apr-11	\$ 351,241.05	\$ 34,199.06	\$ 40,417.71	\$ 425,857.82	\$ 127,136.03	\$ 12,616,947.28	\$ 252,338.95			
May-11	\$ 351,050.34	\$ 27,127.77	\$ 32,914.79	\$ 411,092.90	\$ 122,763.77	\$ 10,016,727.29	\$ 200,334.55			
Jun-11	\$ 350,596.00	\$ 26,575.98	\$ 31,782.83	\$ 408,954.81	\$ 122,258.64	\$ 10,336,505.10	\$ 206,730.10			
Jul-11	\$ 352,663.99	\$ 41,359.32	\$ 32,732.05	\$ 426,755.36	\$ 126,978.41	\$ 8,493,088.91	\$ 169,861.78			
Aug-11	\$ 357,708.14	\$ 24,391.83	\$ 32,896.38	\$ 414,996.35	\$ 121,937.46	\$ 9,842,944.59	\$ 196,858.89			
Sep-11	\$ 366,183.06	\$ 19,937.81	\$ 31,841.59	\$ 417,962.46	\$ 120,284.82	\$ 9,684,586.58	\$ 193,691.73			
Oct-11	\$ 360,360.51	\$ 29,680.49	\$ 43,336.89	\$ 433,377.89	\$ 126,656.22	\$ 9,368,194.41	\$ 187,363.89			
2010-2011 Total	\$ 4,254,284.90	\$ 363,389.10	\$ 469,763.70	\$ 5,087,437.70	\$ 1,506,957.84	\$ 101,328,131.35	\$ 2,026,562.63	\$ 607,968.79	\$ 1,530,437.54	\$ 2,138,406.32

Atmos Energy Corporation  
PBR Carry-over Amount in Case No. 2009-00544

EXHIBIT E  
Workpaper 1

Company Share of 11/08-10/09 PBR Activity  
Carry-over Amount in Case No. 2007-0547

2,097,717.37  
312,151.27

Balance Filed in Case No. 2009-00544

2,409,868.64

Line No.	Month (a)	Sales (b)	PBRRE (c)	PBR Recoveries (d)	PBR Recovery Adjustments (e)	Total PBR Recoveries (d) + (e) = (f)	Balance Prior (g) - (f) = (g)
1							
2	Balance Forward (from above)						\$ 2,409,868.64
3	Feb-10	3,327,449	\$0.1298	\$431,902.88	(\$0.05)	431,902.83	1,977,965.81
4	Mar-10	2,922,848	0.1298	379,385.67	(0.36)	379,385.31	1,598,580.50
5	Apr-10	1,113,813	0.1298	144,572.93	(1.65)	144,571.28	1,454,009.22
6	May-10	576,640	0.1298	74,847.87	47.37	74,895.24	1,379,113.98
7	Jun-10	376,900	0.1298	48,921.62	0.35	48,921.97	1,330,192.01
8	Jul-10	345,045	0.1298	44,786.84	0.22	44,787.06	1,285,404.95
9	Aug-10	364,738	0.1298	47,342.99	(313.59)	47,029.40	1,238,375.55
10	Sep-10	341,613	0.1298	44,341.37	2.89	44,344.26	1,194,031.29
11	Oct-10	182,280	0.1298	23,659.94	(1.92)	23,658.02	1,170,373.27
12	Nov-10	1,334,870	0.1298	173,266.15	(2.72)	173,263.43	997,109.84
13	Dec-10	2,748,111	0.1298	356,704.81	0.38	356,705.19	640,404.65
14	Jan-11	3,916,838	0.1298	508,405.59	(0.17)	508,405.42	131,999.23
15							
16	Total	17,551,145		\$2,278,138.66	(\$269.25)	\$2,277,869.41	\$131,999.23



**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**

**RECEIVED  
DEC 29 2011  
PUBLIC SERVICE  
COMMISSION**

**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 quarterly period commencing on February 1, 2012 through April 30, 2012. 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 28<sup>th</sup> day of December, 2011.

A handwritten signature in black ink that reads "Mark R. Hutchinson". The signature is written in a cursive style and is positioned above a horizontal line.

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

**CONFIDENTIAL**