

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)
FILING OF)
ATMOS ENERGY CORPORATION)

Case No. 2004-00122

NOTICE

QUARTERLY FILING

For The Period

May 1, 2004 - July 31, 2004

Attorney for Applicant

Mark R. Hutchinson
1700 Frederica St.
Suite 201
Owensboro, Kentucky 42301

March 30, 2004

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 2401 New Hartford Road, Owensboro, Kentucky 42301. Correspondence and communications with respect to this notice should be directed to:

Gary L. Smith
Vice President - Marketing &
Regulatory Affairs/Kentucky Division
Atmos Energy Corporation
Post Office Box 866
Owensboro, Kentucky 42302

Mark R. Hutchinson
Attorney for Applicant
1700 Frederica St.
Suite 201
Owensboro, Kentucky 42301

Bobby J. Cline
Manager, Rate Administration
Atmos Energy Corporation
381 Riverside Drive, Suite 440
Franklin, Tennessee 37064

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. 99-070.

The Company hereby files Eighth Revised Sheet No. 4, Eighth Revised Sheet No. 5 and Eighth Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective May 1, 2004.

The Gas Cost Adjustment (GCA) for firm sales service is \$7.3517 per Mcf, \$6.4629 per Mcf for high load factor firm sales service, and \$6.4629 per Mcf for interruptible sales service. The supporting calculations for the Eighth Revised Sheet No. 5 are provided in the following Exhibits:

- Exhibit A - Summary of Derivations of Gas Cost Adjustment (GCA)
- Exhibit B - Expected Gas Cost (EGC) Calculation
- Exhibit C - Rates used in the Expected Gas Cost (EGC) Calculation
- Exhibit D - Correction Factor (CF) Calculation
- Exhibit F - LVS Pricing Calculation

Since the Company's last GCA filing, Case No. 2003-00504, the following changes have occurred in its pipeline and gas supply commodity rates for the GCA period.

1. The commodity rates per MMBtu used are based on historical estimates and/or current data for the quarter May 2004 through July 2004, as shown in Exhibit C, page 19.
2. The Expected Commodity Gas Cost will be approximately \$5.523 per MMBtu for the quarter May 2004 through July 2004, as compared to \$5.565 per MMBtu used for the quarter of February 2004 through April 2004.
3. The Company's notice sets out a new Correction Factor of \$.1491 per Mcf, which will remain in effect until at least August 1, 2004.

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. The Company is filing its updated Correction Factor that is based upon the balance in the Company's Account 191 as of January 31, 2004. The calculation for the Correction Factor is shown on Exhibit D, Page 1.

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 Eighth Revised Sheet No. 5; and Eighth Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-2 for each respective sales rate for meter readings made on and after May 1, 2004.

DATED at Franklin, Tennessee, this 30th Day of March, 2004.

ATMOS ENERGY CORPORATION

By: _____

Bobby J. Cline
Manager, Rate Administration
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

Current Rate Summary

Case No. 2004-00000

Firm Service

Base Charge:

Residential	-	\$7.50	per meter per month
Non-Residential	-	20.00	per meter per month
Carriage (T-4)	-	220.00	per delivery point per month
Transportation Administration Fee	-	50.00	per customer per meter

<u>Rate per Mcf²</u>		<u>Sales (G-1)</u>		<u>Transport (T-2)</u>		<u>Carriage (T-4)</u>		
First	300 ¹ Mcf	@	8.5417 per Mcf	@	2.2659 per Mcf	@	1.1900 per Mcf	(R, N, N)
Next	14,700 ¹ Mcf	@	8.0107 per Mcf	@	1.7349 per Mcf	@	0.6590 per Mcf	(R, N, N)
Over	15,000 Mcf	@	7.7817 per Mcf	@	1.5059 per Mcf	@	0.4300 per Mcf	(R, N, N)

High Load Factor Firm Service

HLF demand charge/Mcf	@	4.6387	@	4.6387 per Mcf of daily Contract Demand	(N)
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<u>Rate per Mcf²</u>								
First	300 ¹ Mcf	@	7.6529 per Mcf	@	1.3771 per Mcf			(R, N)
Next	14,700 ¹ Mcf	@	7.1219 per Mcf	@	0.8461 per Mcf			(R, N)
Over	15,000 Mcf	@	6.8929 per Mcf	@	0.6171 per Mcf			(R, N)

Interruptible Service

Base Charge	-	\$220.00	per delivery point per month
Transportation Administration Fee	-	50.00	per customer per meter

<u>Rate per Mcf²</u>		<u>Sales (G-2)</u>		<u>Transport (T-2)</u>		<u>Carriage (T-3)</u>		
First	15,000 ¹ Mcf	@	6.9929 per Mcf	@	0.7171 per Mcf	@	0.5300 per Mcf	(R, N, N)
Over	15,000 Mcf	@	6.8220 per Mcf	@	0.5462 per Mcf	@	0.3591 per Mcf	(R, N, N)

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

² DSM, GRI and MLR Riders may also apply, where applicable.

ISSUED: March 30, 2004

Effective: May 1, 2004

(Issued by Authority of an Order of the Public Service Commission in Case No. 2004-00000.)

ISSUED BY: Gary L. Smith

Vice President - Marketing & Regulatory Affairs/Kentucky Division

ATMOS ENERGY CORPORATION

Current Gas Cost Adjustments

Case No. 2004-00000

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

<u>Gas Cost Adjustment Components</u>	<u>G - 1</u>	<u>HLF G - 1</u>	<u>G-2</u>	
EGC (Expected Gas Cost Component)	7.1420	6.2532	6.2532	(I, I, I)
CF (Correction Factor)	0.1491	0.1491	0.1491	(R, R, R)
RF (Refund Adjustment)	(0.0006)	(0.0006)	(0.0006)	(N, N, N)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.0612</u>	<u>0.0612</u>	<u>0.0612</u>	(N, N, N)
GCA (Gas Cost Adjustment)	<u>\$7.3517</u>	<u>\$6.4629</u>	<u>\$6.4629</u>	(R, R, R)

ISSUED: March 30, 2004

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ISSUED BY: Gary L. Smith Vice President - Marketing & Regulatory Affairs/Kentucky Division

ATMOS ENERGY CORPORATION

Current Transportation and Carriage									
Case No. 2004-00000									
The General Transportation Rate T-2 and Carriage Service (Rates T-3 and T-4) for each respective service net monthly rate is as follows:									
System Lost and Unaccounted gas percentage:								1.38%	
				<u>Simple Margin</u>			<u>Non- Commodity</u>	<u>Gross Margin</u>	
<u>Transportation Service (T-2)¹</u>									
a) <u>Firm Service</u>									
First	300	² Mcf	@	\$1.1900	+	\$1.0759	=	\$2.2659	per Mcf (N)
Next	14,700	² Mcf	@	0.6590	+	1.0759	=	1.7349	per Mcf (N)
All over	15,000	Mcf	@	0.4300	+	1.0759	=	1.5059	per Mcf (N)
b) <u>High Load Factor Firm Service (HLF)</u>									
Demand			@	\$0.0000	+	4.6387	=	\$4.6387	per Mcf of daily contract demand (N)
First	300	² Mcf	@	\$1.1900	+	\$0.1871	=	\$1.3771	per Mcf (N)
Next	14,700	² Mcf	@	0.6590	+	0.1871	=	0.8461	per Mcf (N)
All over	15,000	Mcf	@	0.4300	+	0.1871	=	0.6171	per Mcf (N)
c) <u>Interruptible Service</u>									
First	15,000	² Mcf	@	\$0.5300	+	\$0.1871	=	\$0.7171	per Mcf (N)
All over	15,000	Mcf	@	0.3591	+	0.1871	=	0.5462	per Mcf (N)
<u>Carriage Service³</u>									
<u>Firm Service (T-4)</u>									
First	300	² Mcf	@	\$1.1900	+	\$0.0000	=	\$1.1900	per Mcf (N)
Next	14,700	² Mcf	@	0.6590	+	0.0000	=	0.6590	per Mcf (N)
All over	15,000	² Mcf	@	0.4300	+	0.0000	=	0.4300	per Mcf (N)
<u>Interruptible Service (T-3)</u>									
First	15,000	² Mcf	@	\$0.5300	+	\$0.0000	=	\$0.5300	per Mcf (N)
All over	15,000	Mcf	@	0.3591	+	0.0000	=	0.3591	per Mcf (N)
¹ Includes standby sales service under corresponding sales rates. GRI Rider may also apply. ² All gas consumed by the customer (Sales and transportation; firm, high load factor, interruptible, and carriage) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved. ³ Excludes standby sales service.									

ISSUED: March 30, 2004

Effective: May 1, 2004

(Issued by Authority of an Order of the Public Service Commission in Case No. 2004-00000.)

ISSUED BY: Gary L. Smith

Vice President - Marketing & Regulatory Affairs/Kentucky Division

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

Line No.	Description	Case No.		Difference
		2003-00504	2004-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>G-1</u>			
2				
3	<u>Commodity Charge (Base Rate per Case No. 99-070):</u>			
4	First 300 Mcf	1.1900	1.1900	0.0000
5	Next 14,700 Mcf	0.6590	0.6590	0.0000
6	Over 15,000 Mcf	0.4300	0.4300	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	5.9220	6.0661	0.1441
11	Demand	1.0759	1.0759	0.0000
12	Take-Or-Pay	0.0000	0.0000	0.0000
13	Transition Costs	0.0000	0.0000	0.0000
14	Total EGC	6.9979	7.1420	0.1441
15	Less: BCOG (Base Cost of Gas)	0.0000	0.0000	0.0000
16	CF (Correction Factor)	0.5554	0.1491	(0.4063)
17	RF (Refund Adjustment)	(0.0006)	(0.0006)	0.0000
18	PBRRF (Performance Based Rate Recovery Factor)	0.0612	0.0612	0.0000
19	GCA (Gas Cost Adjustment)	7.6139	7.3517	(0.2622)
20	Total Billing Cost of Gas	7.6139	7.3517	(0.2622)
21				
22	<u>Commodity Charge (GCA included):</u>			
23	First 300 Mcf	8.8039	8.5417	(0.2622)
24	Next 14,700 Mcf	8.2729	8.0107	(0.2622)
25	Over 15,000 Mcf	8.0439	7.7817	(0.2622)
26				
27	<u>HLF (High Load Factor)</u>			
28				
29	<u>Commodity Charge (Base Rate per Case No. 99-070):</u>			
30	First 300 Mcf	1.1900	1.1900	0.0000
31	Next 14,700 Mcf	0.6590	0.6590	0.0000
32	Over 15,000 Mcf	0.4300	0.4300	0.0000
33				
34	<u>Gas Cost Adjustment Components</u>			
35	EGC (Expected Gas Cost):			
36	Commodity	5.9220	6.0661	0.1441
37	Demand	0.1871	0.1871	0.0000
38	Take-Or-Pay	0.0000	0.0000	0.0000
39	Transition Costs	0.0000	0.0000	0.0000
40	Total EGC	6.1091	6.2532	0.1441
41	Less: BCOG (Base Cost of Gas)	0.0000	0.0000	0.0000
42	CF (Correction Factor)	0.5554	0.1491	(0.4063)
43	RF (Refund Adjustment)	(0.0006)	(0.0006)	0.0000
44	PBRRF (Performance Based Rate Recovery Factor)	0.0612	0.0612	0.0000
45	GCA (Gas Cost Adjustment)	6.7251	6.4629	(0.2622)
46	Total Cost of Gas to Bill (excludes MDQ Demand)	6.7251	6.4629	(0.2622)
47				
48	<u>Commodity Charge (GCA included):</u>			
49	First 300 Mcf	7.9151	7.6529	(0.2622)
50	Next 14,700 Mcf	7.3841	7.1219	(0.2622)
51	Over 15,000 Mcf	7.1551	6.8929	(0.2622)
52				
53	<u>HLF Demand</u>			
54	Contract Demand Factor	4.6387	4.6387	0.0000

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

Line No.	Description	Case No.		Difference		
		2003-00504	2004-00000			
		\$/Mcf	\$/Mcf	\$/Mcf		
1	<u>G-2</u>					
2						
3	<u>Commodity Charge (Base Rate per Case No. 99-070):</u>					
4	First 15,000 Mcf	0.5300	0.5300	0.0000		
5	Over 15,000 Mcf	0.3591	0.3591	0.0000		
6						
7	<u>Gas Cost Adjustment Components</u>					
8	Expected Gas Cost (EGC):					
9	Commodity	5.9220	6.0661	0.1441		
10	Demand	0.1871	0.1871	0.0000		
11	Take-Or-Pay	0.0000	0.0000	0.0000		
12	Transition Costs	0.0000	0.0000	0.0000		
13	Total EGC	6.1091	6.2532	0.1441		
14	Less: Base Cost of Gas (BCOG)	0.0000	0.0000	0.0000		
15	Correction Factor (CF)	0.5554	0.1491	(0.4063)		
16	Refund Adjustment (RF)	(0.0006)	(0.0006)	0.0000		
17	Performance Based Rate Recovery Factor (PBRRF)	0.0612	0.0612	0.0000		
18	Gas Cost Adjustment (GCA)	6.7251	6.4629	(0.2622)		
19	Total Cost of Gas to Bill	6.7251	6.4629	(0.2622)		
20						
21	<u>Commodity Charge (GCA included):</u>					
22	First 15,000 Mcf	7.2551	6.9929	(0.2622)		
23	Over 15,000 Mcf	7.0842	6.8220	(0.2622)		
24						
25						
26	<u>Monthly Refund Factor</u>					
27						
28		Case No.	Effective Date	G - 1	G - 1 / HLF	G - 2
29	1 -	1999-070 L	07/01/01	0.0000	0.0000	0.0000
30	2 -	1999-070 M	08/01/01	0.0000	0.0000	0.0000
31	3 -	1999-070 N	10/01/01	0.0000	0.0000	0.0000
32	4 -	1999-070 O	11/01/01	(0.0019)	(0.0019)	(0.0019)
33	5 -	1999-070 P	05/03/02	0.0000	0.0000	0.0000
34	6 -	2002-00251	08/01/02	(0.0095)	(0.0095)	(0.0019)
35	7 -	2002-00359	11/01/02	<u>(0.1574)</u>	<u>(0.1574)</u>	<u>(0.0391)</u>
36	8 -	2003-00377	11/01/03	<u>(0.0006)</u>	<u>(0.0006)</u>	<u>(0.0006)</u>
37	9 -					
38	10 -					
39	11 -					
40	12 -					
41						
42	Total Supplier Refund Adjustment (RF)			(0.0006)	(0.0006)	(0.0006)
43						

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

Line No.	Description	Case No.		Difference
		2003-00504	2004-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T-2\G-1</u>			
2				
3				
4	<u>Simple Margin (Base Rate per Case No. 99-070):</u>			
5	First 300 Mcf	1.1900	1.1900	0.0000
6	Next 14,700 Mcf	0.6590	0.6590	0.0000
7	Over 15,000 Mcf	0.4300	0.4300	0.0000
8				
9	<u>Non-Commodity Components:</u>			
10	Demand	1.0759	1.0759	0.0000
11	Take-Or-Pay	0.0000	0.0000	0.0000
12	Transition Costs	0.0000	0.0000	0.0000
13	RF (Refund Adjustment)	0.0000	0.0000	0.0000
14	Total	<u>1.0759</u>	<u>1.0759</u>	<u>0.0000</u>
15				
16	<u>Gross Margin:</u>			
17	First 300 Mcf	2.2659	2.2659	0.0000
18	Next 14,700 Mcf	1.7349	1.7349	0.0000
19	Over 15,000 Mcf	1.5059	1.5059	0.0000
20				
21	<u>T-2\G-1\HLF</u>			
22				
23	<u>Simple Margin (Base Rate per Case No. 99-070):</u>			
24	First 300 Mcf	1.1900	1.1900	0.0000
25	Next 14,700 Mcf	0.6590	0.6590	0.0000
26	Over 15,000 Mcf	0.4300	0.4300	0.0000
27				
28	<u>Non-Commodity Components:</u>			
29	Demand	0.1871	0.1871	0.0000
30	Take-Or-Pay	0.0000	0.0000	0.0000
31	Transition Costs	0.0000	0.0000	0.0000
32	RF (Refund Adjustment)	0.0000	0.0000	0.0000
33	Total	<u>0.1871</u>	<u>0.1871</u>	<u>0.0000</u>
34				
35	<u>Gross Margin (Excluding HLF Demand):</u>			
36	First 300 Mcf	1.3771	1.3771	0.0000
37	Next 14,700 Mcf	0.8461	0.8461	0.0000
38	Over 15,000 Mcf	0.6171	0.6171	0.0000
39				
40	<u>HLF Demand</u>			
41	Contract Demand Factor	4.6387	4.6387	0.0000
42				

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

Line No.	Description	Case No.		Difference
		2003-00504	2004-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>Carriage Service</u>			
2				
3	<u>Firm Service (T-4)</u>			
4	<u>Simple Margin (Base Rate per Case No. 99-070):</u>			
5	First 300 Mcf	1.1900	1.1900	0.0000
6	Next 14,700 Mcf	0.6590	0.6590	0.0000
7	Over 15,000 Mcf	0.4300	0.4300	0.0000
8				
9	<u>Non-Commodity Components:</u>			
11	Take-Or-Pay	0.0000	0.0000	0.0000
13	RF (Refund Adjustment)	0.0000	0.0000	0.0000
14	Total	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
15				
16	<u>Gross Margin:</u>			
17	First 300 Mcf	1.1900	1.1900	0.0000
18	Next 14,700 Mcf	0.6590	0.6590	0.0000
19	Over 15,000 Mcf	0.4300	0.4300	0.0000
20				

Atmos Energy Corporation
Comparison of Current and Previous Cases
Interruptible Transportation and Carriage Service

Line No.	Description	Case No.		Difference
		2003-00504	2004-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>General Transportation (T-2)</u>			
2				
3	<u>Interruptible Service (G-2)</u>			
4	<u>Simple Margin (Base Rate per Case No. 99-070):</u>			
5	First 15,000 Mcf	0.5300	0.5300	0.0000
6	Over 15,000 Mcf	0.3591	0.3591	0.0000
7				
8	<u>Non-Commodity Components:</u>			
9	Demand	0.1871	0.1871	0.0000
10	Take-Or-Pay	0.0000	0.0000	0.0000
11	Transition Costs	0.0000	0.0000	0.0000
12	RF (Refund Adjustment)	0.0000	0.0000	0.0000
13	Total	<u>0.1871</u>	<u>0.1871</u>	<u>0.0000</u>
14				
15	<u>Gross Margin:</u>			
16	First 15,000 Mcf	0.7171	0.7171	0.0000
17	Over 15,000 Mcf	0.5462	0.5462	0.0000
18				
19	<u>Carriage Service</u>			
20				
21	<u>Carriage Service (T-3)</u>			
22	<u>Simple Margin (Base Rate per Case No. 99-070):</u>			
23	First 15,000 Mcf	0.5300	0.5300	0.0000
24	Over 15,000 Mcf	0.3591	0.3591	0.0000
25				
26	<u>Non-Commodity Components:</u>			
28	Take-Or-Pay	0.0000	0.0000	0.0000
30	RF (Refund Adjustment)	0.0000	0.0000	0.0000
31	Total	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
32				
33	<u>Gross Margin:</u>			
34	First 15,000 Mcf	0.5300	0.5300	0.0000
35	Over 15,000 Mcf	0.3591	0.3591	0.0000
36				

Atmos Energy Corporation

Gas Cost Adjustment Clause

Gas Cost Recovery Rate Effective For Meter Readings On and After May 1, 2004

DO NOT USE

Transportation Service

Line No.	Description	(1) Expires	(2) Amount	(3) SubTotal
	<u>Transportation Service Rate T-2:</u>			
1	<u>General Service Rate G-1 (Firm):</u>			
2	SUPPLIER REFUND FACTOR (RF)			
3	Current Month (See Exhibit E, page 1, col. 2, line 43)	01/31/00	0.0000	
4	First Previous Month (Case No. 1999-070 P)	12/31/99	0.0000	
5	Second Previous Month (Case No. 1999-070 O)	11/30/99	0.0000	
6	Third Previous Month (Case No. 1999-070 N)	10/31/99	0.0000	
7	Fourth Previous Month (Case No. 1999-070 M)	09/30/99	0.0000	
8	Fifth Previous Month (Case No. 1999-070 L)	08/31/99	0.0000	
9	Sixth Previous Month #REF!	07/31/99	(0.0023)	
10	Seventh Previous Month #REF!	06/30/99	(0.0650)	
11	Eighth Previous Month #REF!	05/31/99	0.0000	
12	Ninth Previous Month #REF!	04/30/99	0.0000	
13	Tenth Previous Month #REF!	03/31/99	0.0000	
14	Eleventh Previous Month #REF!	02/28/99	0.0000	
15	Total Supplier Refund Factor (RF)		<u>(0.0673)</u>	
16	GAS COST ADJUSTMENT (GCA)			
17	Supplier Refund Factor (RF)		(0.0673)	
18	Demand Firm		1.0759	
19	Take-Or-Pay		0.0000	
20	Transition		<u>0.0000</u>	
21	Total Non-Commodity Component of Transportation Service Rate T-2/G-1			<u>1.0086</u>
22				
23	<u>General Service Rate G-2 (Interruptible):</u>			
24	SUPPLIER REFUND FACTOR (RF)			
25	Current Month (See Exhibit E, page 1, col. 2, line 45)	01/31/00	0.0000	
26	First Previous Month (Case No. 1999-070 P)	12/31/99	0.0000	
28	Second Previous Month (Case No. 1999-070 O)	11/30/99	0.0000	
30	Third Previous Month (Case No. 1999-070 N)	10/31/99	0.0000	
31	Fourth Previous Month (Case No. 1999-070 M)	09/30/99	(0.0006)	
32	Fifth Previous Month (Case No. 1999-070 L)	08/31/99	(0.0177)	
33	Sixth Previous Month #REF!	07/31/99	(0.0006)	
34	Seventh Previous Month #REF!	06/30/99	(0.0177)	
35	Eighth Previous Month #REF!	05/31/99	0.0000	
36	Ninth Previous Month #REF!	04/30/99	0.0000	
37	Tenth Previous Month #REF!	03/31/99	0.0000	
38	Eleventh Previous Month #REF!	02/28/99	0.0000	
39	Total Supplier Refund Factor (RF)		<u>(0.0366)</u>	
40	GAS COST ADJUSTMENT (GCA)			
41	Supplier Refund Factor (RF)		(0.0366)	
42	Demand Interruptible		0.1871	
43	Take-Or-Pay		0.0000	
44	Transition		<u>0.0000</u>	
45	Total Non-Commodity Component of Transportation Service Rate T-2/G-2			<u>0.1505</u>
46				
47	<u>Carriage Service Rate:</u>			
48	GAS COST ADJUSTMENT (GCA)			
49				
50	Take-Or-Pay		<u>0.0000</u>	
51	Total Non-Commodity Component of Transportation Service Rate T-3/T-4			<u>0.0000</u>
52				
53	() Denotes Negative Number			

Atmos Energy Corporation
 Expected Gas Cost - Non Commodity
 Texas Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(4) Non-Commodity		(5)
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$	Transition Costs \$
1	SL to Zone 2						
2	NNS Contract #	N0210	12,617,673				
3	Base Rate	20		0.3122	3,939,237	3,939,237	
4	GSR	20		0.0000	0		0
5	TCA Adjustment	20		0.0000	0	0	
6	Unrec TCA Surch	20		0.0000	0	0	
7	ISS Credit	20		0.0000	0	0	
8	Misc Rev Cr Adj	20		0.0000	0	0	
9	GRI	20		0.0016	20,188	20,188	
6							
7	Total SL to Zone 2		12,617,673		3,959,425	3,959,425	0
8							
9	SL to Zone 3						
10	NNS Contract #	N0340	27,480,375				
11	Base Rate	20		0.3510	9,645,612	9,645,612	
12	GSR	20		0.0000	0		0
13	TCA Adjustment	20		0.0000	0	0	
14	Unrec TCA Surch	20		0.0000	0	0	
15	ISS Credit	20		0.0000	0	0	
16	Misc Rev Cr Adj	20		0.0000	0	0	
17	GRI	20		0.0016	43,969	43,969	
18							
19	FT Contract #	3355	3,130,605				
20	Base Rate	24		0.2471	773,572	773,572	
21	GSR	24		0.0000	0		0
22	TCA Adjustment	24		0.0000	0	0	
23	Unrec TCA Surch	24		0.0000	0	0	
24	ISS Credit	24		0.0000	0	0	
25	Misc Rev Cr Adj	24		0.0000	0	0	
26	GRI	24		0.0016	5,009	5,009	
27							
28							
29	Total SL to Zone 3		30,610,980		10,468,162	10,468,162	0
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Atmos Energy Corporation
Expected Gas Cost - Non Commodity
Texas Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3) Non-Commodity		(5)
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$	Transition Costs \$
1	Zone 1 to Zone 3						
2	FT Contract #	3355	2,344,395				
3	Base Rate	24		0.2161	506,624	506,624	
4	GSR	24		0.0000	0		0
5	TCA Adjustment	24		0.0000	0	0	
6	Unrec TCA Surch	24		0.0000	0	0	
7	ISS Credit	24		0.0000	0	0	
8	Misc Rev Cr Adj	24		0.0000	0	0	
9	GRI	24		0.0016	3,751	3,751	
6							
7	Total Zone 1 to Zone 3		2,344,395		510,375	510,375	0
8							
9	SL to Zone 4						
10	NNS Contract #	N0410	3,320,769				
11	Base Rate	20		0.4138	1,374,134	1,374,134	
12	GSR	20		0.0000	0		0
13	TCA Adjustment	20		0.0000	0	0	
14	Unrec TCA Surch	20		0.0000	0	0	
15	ISS Credit	20		0.0000	0	0	
16	Misc Rev Cr Adj	20		0.0000	0	0	
17	GRI	20		0.0016	5,313	5,313	
18							
19	FT Contract #	3819	1,277,500				
20	Base Rate	24		0.2994	382,484	382,484	
21	GSR	24		0.0000	0		0
22	TCA Adjustment	24		0.0000	0	0	
23	Unrec TCA Surch	24		0.0000	0	0	
24	ISS Credit	24		0.0000	0	0	
25	Misc Rev Cr Adj	24		0.0000	0	0	
26	GRI	24		0.0016	2,044	2,044	
27							
28	Total SL to Zone 4		4,598,269		1,763,975	1,763,975	0
29							
30	Total SL to Zone 2		12,617,673		3,959,425	3,959,425	0
31	Total SL to Zone 3		30,610,980		10,468,162	10,468,162	0
32	Total Zone 1 to Zone 3		2,344,395		510,375	510,375	0
33							
34	Total Texas Gas		50,171,317		16,701,937	16,701,937	0
35							
36							
37	Vendor Reservation Fees (Fixed)				0	0	
38							
39	TOP & Direct Billed Transition costs				0		
40							
41	Total Texas Gas Area Non-Commodity				16,701,937	16,701,937	0
42							
43							

Atmos Energy Corporation
 Expected Gas Cost - Non Commodity
 Tennessee Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	Non-Commodity		(5)
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$	Transition Costs \$
1	0 to Zone 2						
2	FT-G Contract # 2546.1		12,844	9.0600			
3	Base Rate	23B		9.0600	116,367	116,367	
4	Settlement Surcharge	23B		0.0000	0		0
5	PCB Adjustment	23B		0.0000	0		0
6							
7	FT-G Contract # 2548.1		4,363	9.0600			
8	Base Rate	23B		9.0600	39,529	39,529	
9	Settlement Surcharge	23B		0.0000	0		0
10	PCB Adjustment	23B		0.0000	0		0
11							
12	FT-G Contract # 2550.1		5,739	9.0600			
13	Base Rate	23B		9.0600	51,995	51,995	
14	Settlement Surcharge	23B		0.0000	0		0
15	PCB Adjustment	23B		0.0000	0		0
16							
17	FT-G Contract # 2551.1		4,447	9.0600			
18	Base Rate	23B		9.0600	40,290	40,290	
19	Settlement Surcharge	23B		0.0000	0		0
20	PCB Adjustment	23B		0.0000	0		0
21							
22							
23	Total Zone 0 to 2		27,393		248,181	248,181	0
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							

Atmos Energy Corporation
Expected Gas Cost - Non Commodity
Tennessee Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3)	(4)	(5)
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Non-Commodity	
						Demand \$	Transition Costs \$
1 to Zone 2							
2	FT-G Contract # 2546		114,156	7.6200			
3	Base Rate	23B		7.6200	869,869	869,869	
4	Settlement Surcharge	23B		0.0000	0		0
5	PCB Adjustment	23B		0.0000	0		0
6							
7	FT-G Contract # 2548		44,997	7.6200			
8	Base Rate	23B		7.6200	342,877	342,877	
9	Settlement Surcharge	23B		0.0000	0		0
10	PCB Adjustment	23B		0.0000	0		0
11							
12	FT-G Contract # 2550		59,741	7.6200			
13	Base Rate	23B		7.6200	455,226	455,226	
14	Settlement Surcharge	23B		0.0000	0		0
15	PCB Adjustment	23B		0.0000	0		0
16							
17	FT-G Contract # 2551		45,058	7.6200			
18	Base Rate	23B		7.6200	343,342	343,342	
19	Settlement Surcharge	23B		0.0000	0		0
20	PCB Adjustment	23B		0.0000	0		0
21							
22	Total Zone 1 to 2		263,952		2,011,314	2,011,314	0
23							
24	Total Zone 0 to 2		27,393		248,181	248,181	0
25							
26	Total Zone 1 to 2 and Zone 0 to 2		291,345		2,259,495	2,259,495	0
27							
28	Gas Storage						
29	Production Area:						
30	Demand	27	34,968	2.0200	70,635	70,635	
31	Space Charge	27	4,916,148	0.0248	121,920	121,920	
32	Market Area:						
33	Demand	27	237,408	1.1500	273,019	273,019	
34	Space Charge	27	10,846,308	0.0185	200,657	200,657	
35	Total Storage				666,231	666,231	
36							
37	Vendor Reservation Fees (Fixed)				0	0	
38							
39	TOP & Direct Billed Transition costs				0	0	0
40							
41	Total Tennessee Gas Area FT-G Non-Commodity				2,925,726	2,925,726	0
42							
43							
44							
45							
46							
47							
48							
49							
50							
51							

Atmos Energy Corporation
Expected Gas Cost - Commodity
Purchases in Texas Gas Service Area

Line No.	Description	Tariff Sheet No.	Purchases		Rate	Total
			Mcf	MMbtu	\$/MMbtu	\$
1	<u>No Notice Service</u>			4,675,000		
2	Indexed Gas Cost				5.5230	25,820,025
3	Commodity	20			0.0554	258,995
4	Fuel and Loss Retention @	36	3.45%		0.1974	922,845
5					5.7758	27,001,865
6						
7	<u>Firm Transportation</u>			92,000		
8	Indexed Gas Cost				5.5230	508,116
9	Base (Weighted on MDQs)	25			0.0434	3,993
10	TCA Adjustment	25			0.0000	0
11	Unrecovered TCA Surcharge	25			0.0000	0
12	Cash-out Adjustment	25			0.0000	0
13	GRI	25			0.0040	368
14	ACA	25			0.0021	193
15	Fuel and Loss Retention @	36	3.24%		0.1849	17,011
16					5.7574	529,681
17	<u>No Notice Storage</u>					
18	Net (Injections)/Withdrawals			(1,582,000)		
19	Indexed Gas Cost				5.5230	(8,737,386)
20	Commodity (Zone 3)	20			0.0554	(87,643)
21	Fuel and Loss Retention @	36	3.45%		0.1974	(312,287)
22					5.7758	(9,137,316)
23						
24						
25	Total Purchases in Texas Area			3,185,000	5.7753	18,394,230
26						
27						
28	<u>Used to allocate transportation non-commodity</u>					
29						
30				Annualized	Commodity	
31				MDQs in	Charge	Weighted
32	<u>Texas Gas</u>			MMbtu	\$/MMbtu	Average
33	SL to Zone 2			12,617,673	\$0.0354	\$ 0.0089
34	SL to Zone 3			30,610,980	0.0458	0.0279
35	1 to Zone 3			2,344,395	0.0417	0.0019
36	SL to Zone 4			4,598,269	0.0517	0.0047
37	Total			50,171,317	100.00%	\$ 0.0434
38						
39	<u>Tennessee Gas</u>					
40	0 to Zone 2			27,393	0.0880	\$ 0.0083
41	1 to Zone 2			263,952	0.0776	0.0703
42	Total			291,345	100.00%	\$ 0.0786
43						

Atmos Energy Corporation

Expected Gas Cost

Trunkline Gas

Commodity		(1)	(2)	(3)	(4)	
Line No.	Description	Tariff Sheet No.	Purchases		Rate	Total
			Mcf	MMbtu	\$/MMbtu	\$
1	<u>Firm Transportation</u>					
2	Expected Volumes			184,000		
3	Indexed Gas Cost				5.5230	1,016,232
4	Base Commodity				0.0213	3,919
5	GRI	10			0.0040	736
6	ACA	10			0.0021	386
7	Fuel and Loss Retention	10	1.32%		0.0739	13,598
8					5.6243	1,034,871
9						
10						

Non-Commodity

Line No.	Description	Tariff Sheet No.	Annual Units	Non-Commodity			Transition Costs
				Rate	Total	Demand	
			MMbtu	\$/MMbtu	\$	\$	\$
11	FT-G Contract # 014573		87,475				
12	Discount Rate on MDQs			7.2000	629,820	629,820	
13							
14			92,125				
15	GRI Surcharge	10			0	-	
16							
17	Reservation Fee				-	-	
18							
19	Total Trunkline Area Non-Commodity				629,820	629,820	
20							
21							

Atmos Energy Corporation
Demand Charge Calculation

Line No.	(1)	(2)	(3)	(4)	(5)	(6)
1	<u>Total Demand Cost:</u>					
2	Texas Gas	\$16,701,937				
3	Midwestern	379,524				
4	Tennessee Gas	2,925,726				
5	Trunkline	629,820				
6	Total	\$20,637,007				
7						
8		Allocated	Related	Monthly Demand Charge		
9	<u>Demand Cost Allocation:</u>	Factors	Demand	Volumes	Firm	Interruptible HLF
10	All	0.1850	\$3,817,846	20,401,274	0.1871	0.1871 0.1871
11	Firm	0.8150	16,819,161	18,923,274	0.8888	NA NA
12	Total	1.0000	\$20,637,007		1.0759	0.1871 0.1871
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	18,887,274	18,887,274	18,887,274	1.0759	
20	HLF	60,000	60,000		0.1871	+ HLF MDQ Demand
21	LVS-1	0	0	0	1.0759	
22	Total Firm Sales	18,947,274	18,947,274	18,887,274		
23						
24	Transportation:					
25	T-2 \ G-1	36,000	36,000	36,000	1.0759	
26	HLF	0	0		0.1871	
27	Total Firm Service	18,983,274	18,983,274	18,923,274		
28						
29	<u>Interruptible Service</u>					
30	Sales:					
31	G-2	684,000	684,000		1.0759	0.1871
32	LVS-2	154,000	154,000		1.0759	0.1871
33	Total Sales	838,000	838,000			
34						
35	Transportation:					
36	T-2 \ G-2	580,000	580,000		1.0759	0.1871
37						
38	Total Interruptible Service	1,418,000	1,418,000			
39						
40	<u>Carriage Service</u>					
41	T-3 & T-4	23,438,000				
42						
43	Total	43,839,274	20,401,274	18,923,274		
44						
45	<u>HLF MDQ Demand</u>					
46	Firm Demand Cost		\$16,819,161			
47	Peak Day Thru-put		302,152	Mcf/Peak Day		
48	Times:		12	Months/Year		
49	Total Annualized Peak Day Demand		3,625,824			
50	Demand Charge per MDQ		\$4.6387	/ MDQ of Customer's Contract		
51						
52						
53	Note: LVS Credit =	(\$28,813)				

Atmos Energy Corporation
Take-or-Pay and Transition Charge Calculation

Line No.	(1)	(2)	(3)	(4)	(5)	(6)
1	<u>Other Fixed Charges</u>		<u>Take-or-Pay</u>	<u>Transition</u>		
2	Texas Gas			\$0		
3	Tennessee Gas			0		
4	Total		\$0	\$0		
5						
6						
7						
8	<u>Other Fixed Charges</u>	<u>Amount</u>	<u>Related Volumes</u>	<u>Charge \$/Mcf</u>		
9	Take-or-Pay	0	43,839,274	0.0000		
10	Transition	0	20,401,274	0.0000		
11	Total	\$0		0.0000		
12						
13						
14						
15		<u>Annual</u>	<u>Volumetric Basis for</u>		<u>Other Fixed Charges</u>	
16		<u>Expected Mcf</u>	<u>Take-or-Pay</u>	<u>Transition</u>	<u>Take-or-Pay</u>	<u>Transition</u>
17	<u>Firm Service</u>					
18	Sales:					
19	G-1	18,887,274	18,887,274	18,887,274		0.0000
20	HLF	60,000	60,000	60,000		0.0000
21	LVS-1	0	0	0		0.0000
22	Total Firm Sales	18,947,274	18,947,274	18,947,274		
23						
24	Transportation:					
25	T-2 \ G-1	36,000	36,000	36,000		0.0000
26	T-2 \ G-1 \ HLF	0				0.0000
27	Total Firm Service	18,983,274	18,983,274	18,983,274		
28						
29	<u>Interruptible Service</u>					
30	Sales:					
31	G-2	684,000	684,000	684,000		0.0000
32	LVS-2	154,000	154,000	154,000		0.0000
33	Total Sales	838,000	838,000	838,000		
34						
35	Transportation:					
36	T-2 \ G-2	580,000	580,000	580,000		0.0000
37						
38	Total Interruptible Service	1,418,000	1,418,000	1,418,000		
39						
40	<u>Carriage Service</u>					
41	T-3 & T-4	23,438,000	23,438,000	NA		
42						
43	Total	43,839,274	43,839,274	20,401,274		
44						
45						
46	Note: LVS Credit =	\$0				
47						

Atmos Energy Corporation
Expected Gas Cost - Commodity
Total System

Line No.	Description	(1)	(2)	(3)	(4)
		Purchases Mcf	MMbtu	Rate \$/MMbtu	Total \$
1	<u>Texas Gas Area</u>				
2	No Notice Service	4,560,976	4,675,000	5.7758	27,001,865
3	Firm Transportation	89,756	92,000	5.7574	529,681
4	No Notice Storage	(1,543,415)	(1,582,000)	5.7758	(9,137,316)
5	Total Texas Gas Area	3,107,317	3,185,000	5.7753	18,394,230
6					
7	<u>Tennessee Gas Area</u>				
8	FT-A and FT-G	642,852	668,566	5.8438	3,906,966
9	FT-GS	114,840	119,434	6.3271	755,671
10	Gas Storage				
11	FT-A and FT-G Injections	(464,967)	(483,566)	5.7276	(2,769,672)
12	FT-GS Withdrawals	(83,110)	(86,434)	6.2182	(537,464)
13		209,615	218,000	6.2179	1,355,501
14	<u>Trunkline Gas Area</u>				
15	Firm Transportation	177,778	184,000	5.6243	1,034,871
16					
17					
18	<u>WKG System Storage</u>				
19	Injections	(1,543,415)	(1,582,000)	5.7574	(9,108,207)
20	Withdrawals	0	0	4.4821	0
21	Net WKG Storage	(1,543,415)	(1,582,000)	5.7574	(9,108,207)
22					
23					
24	Local Production	59,512	61,000	5.7574	351,201
25					
26					
27					
28	Total Commodity Purchases	2,010,807	2,066,000	5.8217	12,027,596
29					
30	Lost & Unaccounted for @ 1.38%	27,749	28,511		
31					
32	Total Deliveries	1,983,058	2,037,489	5.9031	12,027,596
33					
34	<u>LVS Commodity Credit to System</u>				
35	LVS Sales	(50,000)	(51,372)	5.8701	(301,559)
36					
37					
38	Total Expected Commodity Cost	1,933,058	1,986,117	5.9040	11,726,037
39					
40	Expected Commodity Cost (\$/Mcf)			<u>6.0661</u>	
41					
42					
43					

Line No.	Description	MCF
	<u>Annualized Volumes Subject to Demand Charges</u>	
1	Sales Volume	19,631,274
2	Large Volume Sales (Annualized)	154,000
3	Transportation	<u>616,000</u>
4	Total Mcf Billed Demand Charges	20,401,274
5	Divided by: Days/Year	<u>365</u>
7	Average Daily Sales and Transport Volumes	<u><u>55,894</u></u>
8		
10	<u>Peak Day Sales and Transportation Volume</u>	
11	Estimated total company firm requirements for 5 degree average	
12	temperature day from Peak Day Book - with adjustments per rate filing	<u><u>302,152</u></u> Mcf/Peak Day
13		
14		
15	New Load Factor (line 7 / line 12)	0.1850

First Revised Sheet No. 20 : Effective

Superseding: Original Sheet No. 20

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service Under Rate Schedule NNS

Zone SL	Base Tariff Rates (1)	Sec. 33.3 Surcharge (2)	GRI {1} (3)	FERC ACA (4)	Currently Effective Rates (5)
Daily Demand	0.1037		0.0016		
Commodity	0.0118		0.0040		0.1053
Overrun	0.1155	0.0175	0.0040	0.0021	0.0179
Zone 1				0.0021	0.1391
Daily Demand	0.2804		0.0016		
Commodity	0.0339		0.0040		0.2820
Overrun	0.3143	0.0175	0.0040	0.0021	0.0400
Zone 2				0.0021	0.3379
Daily Demand	0.3122		0.0016		
Commodity	0.0392		0.0040		0.3138
Overrun	0.3514	0.0175	0.0040	0.0021	0.0453
Zone 3				0.0021	0.3750
Daily Demand	0.3510		0.0016		
Commodity	0.0493		0.0040		0.3526
Overrun	0.4003	0.0175	0.0040	0.0021	0.0554
Zone 4				0.0021	0.4239
Daily Demand	0.4138		0.0016		
Commodity	0.0569		0.0040		0.4154
Overrun	0.4707	0.0175	0.0040	0.0021	0.0630
				0.0021	0.4943

Texas Gas Transmission, LLP

Exhibit C
Page 2 of 20

Minimum Rate: Demand \$-0-; Commodity - Zone SL

Zone 1	0.0060
Zone 2	0.0169
Zone 3	0.0192
Zone 4	0.0207
Zone 5	0.0244

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

{1} GRI surcharge applicable pursuant to Section 22 of the General Terms and Conditions. The NNS daily demand adjustment for low load factor customers (load factor of 50% or less) is \$0.0010.

- Overrun Rate (5)	0.1096	-	0.0062	0.1158	-
Field Zone to Zone 1A					
- Reservation Rate (1)	\$ 7.3683	-	\$ 0.2800	\$ 7.6483	-
- Usage Rate (2) (3)	0.0079	-	-	0.0079	\$ 0.0079
- Overrun Rate (5)	0.2422	-	0.0092	0.2514	2.56 ¢ (4)
Zone 1A Only					
- Reservation Rate (1)	\$ 3.6682	-	\$ 0.1900	\$ 3.8582	-
- Usage Rate (2) (3)	0.0055	-	-	0.0055	\$ 0.0055
- Overrun Rate (5)	0.1206	-	0.0062	0.1268	1.87 ¢ (4)
Field Zone Only					
- Reservation Rate (1)	\$ 3.7001	-	\$ 0.0900	\$ 3.7901	-
- Usage Rate (2) (3)	0.0024	-	-	0.0024	\$ 0.0024
- Overrun Rate (5)	0.1216	-	0.0030	0.1246	1.60 ¢ (4)

Gathering Charge (All Zones)

- Reservation Rate	\$ 0.3257		\$ 0.3257
- Overrun Rate (5)	0.0107		0.0107

- (1) Excludes Section 20 GRI Reservation Surcharge: \$0.05 High Load Factor (greater than 50%); \$0.031 Low Load Factor (less than or equal to 50%)
- (2) Excludes Section 20 GRI Usage Surcharge: \$0.004
- (3) Excludes Section 21 Annual Charge Adjustment: \$0.0021
- (4) Fuel reimbursement for backhauls is 0.50¢
- (5) Maximum firm volumetric rate applicable for capacity release

**First Revised Sheet No. 24 : Effective
Superseding: Original Sheet No. 24**

Currently Effective Maximum Daily Demand Rates (\$ per MMBtu) For Service Under Rate Schedule FT

	Base Tariff Rates (1)	GRI {1} (2)	Currently Effective Rates (3)
SL-SL			
SL-1	0.0751	0.0016	0.0767
SL-2	0.1674	0.0016	0.1690
SL-3	0.2057	0.0016	0.2073
SL-4	0.2471	0.0016	0.2487
1-1	0.2994	0.0016	0.3010
1-2	0.1368	0.0016	0.1384
1-3	0.1751	0.0016	0.1767
1-4	0.2161	0.0016	0.2177
2-2	0.2688	0.0016	0.2704
2-3	0.1172	0.0016	0.1188
2-4	0.1593	0.0016	0.1609
3-3	0.2125	0.0016	0.2141
3-4	0.1222	0.0016	0.1238
4-4	0.1757	0.0016	0.1773
	0.1290	0.0016	0.1306

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

{1} GRI surcharge applicable pursuant to Section 22 of the General Terms and Conditions. The FT daily demand adjustment for low load factor customers (load factor of 50% or less) is \$0.0010.

**First Revised Sheet No. 25 : Effective
Superseding: Original Sheet No. 25**

Currently Effective Maximum Commodity Rates (\$ per MMBtu) For Service Under Rate Schedule FT

	Base Tariff Rates (1)	GRI (2)	FERC ACA (3)	Currently Effective Rates (4)
SL-SL	0.0089	0.0040	0.0021	0.0150
SL-1	0.0267	0.0040	0.0021	0.0328
SL-2	0.0354	0.0040	0.0021	0.0415
SL-3	0.0458	0.0040	0.0021	0.0519
SL-4	0.0517	0.0040	0.0021	0.0578
1-1	0.0222	0.0040	0.0021	0.0283
1-2	0.0326	0.0040	0.0021	0.0387
1-3	0.0417	0.0040	0.0021	0.0478
1-4	0.0468	0.0040	0.0021	0.0529
2-2	0.0177	0.0040	0.0021	0.0238
2-3	0.0278	0.0040	0.0021	0.0339
2-4	0.0329	0.0040	0.0021	0.0390
3-3	0.0174	0.0040	0.0021	0.0235
3-4	0.0225	0.0040	0.0021	0.0286
4-4	0.0126	0.0040	0.0021	0.0187

Minimum Rates: Commodity minimum base rates are presented on Sheet 31.

Backhaul rates equal fronthaul rates to zone of delivery.

Schedule of Currently Effective Fuel Retention Percentages
Pursuant to Section 16 of the General Terms and Conditions

NNS/SGT/SNS RATE SCHEDULES

NNS/SGT WINTER				NNS/SGT/SNS SUMMER			
Delivery Zone	PFRP {1}	FAP {2}	CAP {3}	Delivery Zone	PFRP {1}	FAP {2}	EFRP {4}
SL	0.24%	(0.11%)	0.14%	SL	0.16%	(0.16%)	0.14%
1	2.16%	0.62%	0.14%	1	2.17%	0.03%	0.14%
2	2.35%	(0.18%)	0.14%	2	2.40%	0.03%	0.14%
3	3.24%	(0.40%)	0.14%	3	2.69%	0.62%	0.14%
4	3.86%	(0.13%)	0.14%	4	3.02%	0.53%	0.14%

STF/FT/IT RATE SCHEDULES

WINTER				SUMMER			
Rec/Del Zone	PFRP	FAP	CAP	Rec/Del Zone	PFRP	FAP	EFRP
SL/SL	0.39%	0.28%	0.14%	SL/SL	0.20%	0.22%	0.56%
SL OR 1/1	1.70%	0.16%	0.14%	SL OR 1/1	1.62%	0.40%	2.16%
SL OR 1/2	2.04%	(0.04%)	0.14%	SL OR 1/2	2.18%	(0.14%)	2.18%
SL OR 1/3	2.30%	0.40%	0.14%	SL OR 1/3	2.46%	0.64%	3.24%
SL OR 1/4	2.79%	0.36%	0.14%	SL OR 1/4	2.95%	0.65%	3.74%
2/2	0.13%	0.22%	0.14%	2/2	0.14%	0.39%	0.67%
2/3	0.26%	0.44%	0.14%	2/3	0.28%	0.78%	1.20%
2/4	0.75%	0.40%	0.14%	2/4	0.77%	0.79%	1.70%
3/3	0.13%	0.22%	0.14%	3/3	0.14%	0.39%	0.67%
3/4	0.49%	0.00%	0.14%	3/4	0.49%	0.01%	0.64%
4/4	0.25%	0.00%	0.14%	4/4	0.25%	0.00%	0.39%

FSS/ISS RATE SCHEDULES

Withdrawal				Injection			
PFRP	FAP	EFRP		PFRP	FAP	EFRP	
1.04%	0.53%	1.57%		0.68%	0.21%	0.89%	

- {1} Projected Fuel Retention Percentage
- {2} Fuel Adjustment Percentage
- {3} Cash-out Adjustment Percentage
- {4} Effective Fuel Retention Percentage

Superseding: Twenty-Seventh Revised Sheet No. 20

RATES PER DEKATHERM

FIRM TRANSPORTATION - GS RATES (FT-GS)

Base Rates		DELIVERY ZONE						
RECEIPT ZONE	0	L	1	2	3	4	5	6
0	\$0.2138	\$0.1771	\$0.4203	\$0.5844	\$0.6748	\$0.7814	\$0.8952	\$1.0698
L								
1	\$0.4318		\$0.3268	\$0.4951	\$0.5849	\$0.6915	\$0.8052	\$0.9804
2	\$0.5844		\$0.4951	\$0.2000	\$0.2897	\$0.4144	\$0.5106	\$0.6852
3	\$0.6748		\$0.5849	\$0.2897	\$0.1489	\$0.3995	\$0.4951	\$0.6698
4	\$0.7995		\$0.7096	\$0.4144	\$0.3995	\$0.1886	\$0.2311	\$0.4061
5	\$0.8952		\$0.8052	\$0.5106	\$0.4951	\$0.2311	\$0.1989	\$0.3466
6	\$1.0698		\$0.9804	\$0.6852	\$0.6698	\$0.4061	\$0.3466	\$0.2374

Surcharges		DELIVERY ZONE						
RECEIPT ZONE	0	L	1	2	3	4	5	6
0	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
L		\$0.0000						
1	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
2	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
3	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
4	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
5	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
6	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

PCB Adjustment: 1/

Annual Charge Adjustment (ACA):

Maximum Rates 2/, 3/, 4/

Annual Charge Adjustment (ACA)		DELIVERY ZONE						
RECEIPT ZONE	0	L	1	2	3	4	5	6
0	\$0.2159	\$0.1792	\$0.4224	\$0.5865	\$0.6769	\$0.7835	\$0.8973	\$1.0719
L		\$0.1792						
1	\$0.4339		\$0.3289	\$0.4972	\$0.5870	\$0.6936	\$0.8073	\$0.9825
2	\$0.5865		\$0.4972	\$0.2021	\$0.2918	\$0.4165	\$0.5127	\$0.6873
3	\$0.6769		\$0.5870	\$0.2918	\$0.1510	\$0.4016	\$0.4972	\$0.6719
4	\$0.8016		\$0.7117	\$0.4165	\$0.4016	\$0.1907	\$0.2332	\$0.4082
5	\$0.8973		\$0.8073	\$0.5127	\$0.4972	\$0.2332	\$0.2010	\$0.3487

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6 \$1.0719 \$0.9825 \$0.6873 \$0.6719 \$0.4082 \$0.3487 \$0.2395 Page 7 of 20

Minimum Rates

RECEIPT		DELIVERY ZONE						
ZONE	0	L	1	2	3	4	5	6
0	\$0.0026	\$0.0034	\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326
L								
1	\$0.0096		\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294
2	\$0.0161		\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189
3	\$0.0191		\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184
4	\$0.0237		\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090
5	\$0.0268		\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069
6	\$0.0326		\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2004 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.
- 3/ Gas Research Institute Charge (GRI) of \$0.0060 is not included in the above stated maximum rates.
- 4/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

Fourteenth Revised Sheet No. 23A : Effective
Superseding: Thirteenth Revised Sheet No. 23A

Tennessee Gas Pipeline

Exhibit C
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RATES PER DEKATHERM

COMMODITY RATES
 RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE						
	0	1	2	3	4	5	6
0	\$0.0439	\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608
L	\$0.0286						
1	\$0.0669	\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503
2	\$0.0880	\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159
3	\$0.0978	\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142
4	\$0.1129	\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834
5	\$0.1231	\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765
6	\$0.1608	\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642

Minimum Commodity Rates 2/

RECEIPT ZONE	DELIVERY ZONE						
	0	1	2	3	4	5	6
0	\$0.0026	\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326
L	\$0.0034						
1	\$0.0096	\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294
2	\$0.0161	\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189
3	\$0.0191	\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184
4	\$0.0237	\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090
5	\$0.0268	\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069
6	\$0.0326	\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031

Maximum Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE						
	0	1	2	3	4	5	6
0							
1							
2							
3							
4							
5							
6							

0	\$0.0500		\$0.0730	\$0.0941	\$0.1039	\$0.1179	\$0.1292	\$0.1669
L		\$0.0347						
1	\$0.0730		\$0.0633	\$0.0837	\$0.0935	\$0.1075	\$0.1187	\$0.1564
2	\$0.0941		\$0.0837	\$0.0494	\$0.0591	\$0.0742	\$0.0844	\$0.1220
3	\$0.1039		\$0.0935	\$0.0591	\$0.0427	\$0.0724	\$0.0826	\$0.1203
4	\$0.1190		\$0.1086	\$0.0742	\$0.0724	\$0.0462	\$0.0520	\$0.0895
5	\$0.1292		\$0.1187	\$0.0844	\$0.0826	\$0.0520	\$0.0488	\$0.0826
6	\$0.1669		\$0.1564	\$0.1220	\$0.1203	\$0.0895	\$0.0826	\$0.0703

\$0.0021
\$0.0040

Notes:

1/ The above maximum rates include a per Dth charge for:
 (ACA) Annual Charge Adjustment
 (GRI) Gas Research Institute charge
 GRI will not be assessed if it is currently being paid on another pipeline.

2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

**Thirteenth Revised Sheet No. 23B : Effective
Superseding: Twelfth Revised Sheet No. 23B**

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-G

Base Reservation Rates

RECEIPT ZONE	DELIVERY ZONE						
	0	1	2	3	4	5	6
0	\$3.10						
L		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
1	\$6.66	\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06	\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53	\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53	\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09	\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59	\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Surcharges

RECEIPT ZONE	DELIVERY ZONE						
	0	1	2	3	4	5	6
0	\$0.00						
L		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

PCB Adjustment: 1/

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Maximum Reservation Rates 2/

RECEIPT		DELIVERY ZONE					
ZONE	L	1	2	3	4	5	6
0	\$3.10	\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L	\$2.71						
1	\$6.66	\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06	\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53	\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53	\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09	\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59	\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Minimum Base Reservation Rates The minimum FT-G Reservation Rate is \$0.00 per Dth

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2004 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.

Superseding: Eleventh Revised Sheet No. 23C

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-G

Base Commodity Rat

RECEIPT ZONE	DELIVERY ZONE	0	1	2	3	4	5	6	
0		\$0.0439		\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608
L		\$0.0286							
1		\$0.0669	\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503	
2		\$0.0880	\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159	
3		\$0.0978	\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142	
4		\$0.1129	\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834	
5		\$0.1231	\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765	
6		\$0.1608	\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642	

Minimum

Commodity Rates 2/

RECEIPT ZONE	DELIVERY ZONE	0	1	2	3	4	5	6	
0		\$0.0026		\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326
L		\$0.0034							
1		\$0.0096	\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294	
2		\$0.0161	\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189	
3		\$0.0191	\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184	
4		\$0.0237	\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090	
5		\$0.0268	\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069	
6		\$0.0326	\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031	

Maximum

Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE	0	1	2	3	4	5	6
0								
1								
2								
3								
4								
5								
6								

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0	\$0.0520	\$0.0750	\$0.0961	\$0.1059	\$0.1199	\$0.1312	\$0.1689
L	\$0.0367						
1	\$0.0750	\$0.0653	\$0.0857	\$0.0955	\$0.1095	\$0.1207	\$0.1584
2	\$0.0961	\$0.0857	\$0.0514	\$0.0611	\$0.0762	\$0.0864	\$0.1240
3	\$0.1059	\$0.0955	\$0.0611	\$0.0447	\$0.0744	\$0.0846	\$0.1223
4	\$0.1210	\$0.1106	\$0.0762	\$0.0744	\$0.0482	\$0.0540	\$0.0915
5	\$0.1312	\$0.1207	\$0.0864	\$0.0846	\$0.0540	\$0.0508	\$0.0846
6	\$0.1689	\$0.1584	\$0.1240	\$0.1223	\$0.0915	\$0.0846	\$0.0723

\$0.0021
\$0.0060

Notes:

- 1/ The above maximum rates include a per Dth charge for:
 (ACA) Annual Charge Adjustment
 (GRI) Gas Research Institute Charge
 GRI will not be assessed if it is currently being paid on another pipeline.

- 2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

Eleventh Revised Sheet No. 27 : Effective
Superseding: Tenth Revised Sheet No. 27

RATES PER DEKATHERM

STORAGE SERVICE			
Rate Schedule and Rate	Tariff Rate (GRI) 2/ (ACA) (TCSM) (PCB) 3/	Current Adjustment	Retention Percent 1
=====			
ADJUSTMENTS			

FIRM STORAGE SERVICE (FS) -			
PRODUCTION AREA			
=====			
Deliverability Rate			
Space Rate	\$2.02	\$2.02	
Injection Rate	\$0.0248	\$0.0248	
Withdrawal Rate	\$0.0053	\$0.0053	1.49%
Overrun Rate	\$0.0053	\$0.0053	
	\$0.2427	\$0.2427	
=====			
FIRM STORAGE SERVICE (FS) -			
MARKET AREA			
=====			
Deliverability Rate			
Space Rate	\$1.15	\$1.15	
Injection Rate	\$0.0185	\$0.0185	
Withdrawal Rate	\$0.0102	\$0.0102	1.49%
Overrun Rate	\$0.0102	\$0.0102	
	\$0.1380	\$0.1380	
=====			
INTERRUPTIBLE STORAGE SERVICE			
(IS) - MARKET AREA			
=====			
Space Rate	\$0.0848	\$0.0848	
Injection Rate	\$0.0102	\$0.0102	1.49%
Withdrawal Rate	\$0.0102	\$0.0102	

INTERRUPTIBLE STORAGE SERVICE
(IS) - PRODUCTION AREA

Space Rate \$0.0993
Injection Rate \$0.0053
Withdrawal Rate \$0.0053

SS - Storage Service

\$0.0993
\$0.0053
\$0.0053
1.49%

SS-E

Deliverability
Space Rate \$4.20
Injection Rate \$0.0132
Withdrawal Rate \$0.0102
Excess Withdrawal Rate \$0.0561
\$0.7800

\$4.20
\$0.0132
\$0.0102
\$0.0561
\$0.7821
2.41%

SS-NE

Deliverability
Space Rate \$6.71
Injection Rate \$0.0132
Withdrawal Rate \$0.0102
Excess Withdrawal Rate \$0.0936
\$1.1600

\$6.71
\$0.0132
\$0.0102
\$0.0936
\$1.1621
3.25%

- 1/ The quantity of gas associated with losses is 0.5%.
- 2/ The Rates After Current Adjustment for services for Consolidated Gas Supply Corp., Columbia Gas Transmission Corp., East Tennessee Natural Gas Co., Midwestern Gas Transmission Co., National Fuel Gas Supply Corp., Texas Gas Transmission Corp., and Equitrans, Inc. are exclusive of adjustments under Tennessee's FERC Gas Tariff.
- 3/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000 was revised and the PCB Adjustment Period has been extended until June 30, 2004 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.

FUEL AND LOSS RETENTION PERCENTAGE 1\,2\, 3\

NOVEMBER - MARCH

RECEIPT ZONE	Delivery Zone							
	0	1	2	3	4	5	6	
0	0.89%		2.79%	5.16%	5.88%	6.79%	7.88%	8.71%
L	1.01%							
1	1.74%	1.91%	4.28%	4.99%	5.90%	6.99%	7.82%	
2	4.59%	2.13%	1.43%	2.15%	3.05%	4.15%	4.98%	
3	6.06%	3.60%	1.23%	0.69%	2.64%	3.69%	4.52%	
4	7.43%	4.97%	2.68%	3.07%	1.09%	1.33%	2.17%	
5	7.51%	5.05%	2.76%	3.14%	1.16%	1.28%	2.09%	
6	8.93%	6.47%	4.18%	4.56%	2.50%	1.40%	0.89%	

APRIL - OCTOBER

RECEIPT ZONE	Delivery Zone							
	0	1	2	3	4	5	6	
0	0.84%		2.44%	4.43%	5.04%	5.80%	6.72%	7.42%
L	0.95%							
1	1.56%	1.70%	3.69%	4.29%	5.06%	5.97%	6.67%	
2	3.95%	1.88%	1.30%	1.90%	2.66%	3.58%	4.28%	
3	5.19%	3.12%	1.13%	0.67%	2.32%	3.19%	3.90%	
4	6.34%	4.28%	2.35%	2.67%	1.01%	1.21%	1.92%	
5	6.41%	4.34%	2.41%	2.74%	1.07%	1.17%	1.86%	
6	7.61%	5.53%	3.61%	3.93%	2.20%	1.27%	0.85%	

1\ Included in the above Fuel and Loss Retention Percentages is the quantity of gas associated with losses of 0.5%.

2\ For service that is rendered entirely by displacement shipper shall render only the quantity of gas associated with losses of 0.5%.

3\ The above percentages are applicable to (IT) Interruptible Transportation, (FT-A) Firm Transportation, (FT-GS) Firm Transportation-GS, (PMT) Preferred Access Transportation, (IT-X) Interruptible Transportation-X, (FT-G) Firm Transportation-G, (EDS/ERS) FT- A Extended Transportation Service.

Superseding: Original Sheet No. 10

CURRENTLY EFFECTIVE RATES

Each rate set forth in this Tariff is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate or rate schedule.

	Base Rate		Adjustments		Maximum Rate		Minimum Rate		Fuel Reimbursement
	Per Dt	(1)	Sec. 24	Sec. 25	Per Dt	(4)	Per Dt	(5)	
RATE SCHEDULE FT									

Field Zone to Zone 2									
- Reservation Rate (1)	\$ 9.7097		\$ 0.2800		\$ 9.9897				-
- Usage Rate (2) (3)	0.0141		-		0.0141		\$ 0.0141		3.46 % (4)
- Overrun Rate (5)	0.3192		0.0092		0.3284				-
Zone 1A to Zone 2									
- Reservation Rate (1)	\$ 6.0096		\$ 0.1900		\$ 6.1996				-
- Usage Rate (2) (3)	0.0117		-		0.0117		\$ 0.0117		2.72 % (4)
- Overrun Rate (5)	0.1976		0.0062		0.2038				-
Zone 1B to Zone 2									
- Reservation Rate (1)	\$ 4.5557		\$ 0.1900		\$ 4.7457				-
- Usage Rate (2) (3)	0.0062		-		0.0062		\$ 0.0062		1.64 % (4)
- Overrun Rate (5)	0.1498		0.0062		0.1560				-
Zone 2 Only									
- Reservation Rate (1)	\$ 3.4350		\$ 0.1900		\$ 3.6250				-
- Usage Rate (2) (3)	0.0011		-		0.0011		\$ 0.0011		1.12 % (4)
- Overrun Rate (5)	0.1129		0.0062		0.1191				-
Field Zone to Zone 1B									
- Reservation Rate (1)	\$ 8.4890		\$ 0.2800		\$ 8.7690				-
- Usage Rate (2) (3)	0.0130		-		0.0130		\$ 0.0130		3.14 % (4)
- Overrun Rate (5)	0.2791		0.0092		0.2883				-
Zone 1A to Zone 1B									
- Reservation Rate (1)	\$ 4.7889		\$ 0.1900		\$ 4.9789				-
- Usage Rate (2) (3)	0.0106		-		0.0106		\$ 0.0106		2.40 % (4)
- Overrun Rate (5)	0.1574		0.0062		0.1636				-
Zone 1B Only									
- Reservation Rate (1)	\$ 3.3350		\$ 0.1900		\$ 3.5250				-
- Usage Rate (2) (3)	0.0051		-		0.0051		\$ 0.0051		1.32 % (4)

					Trunkline	
- Ovrerrun Rate (5)	0.1096	-	0.0062	0.1158	-	-
Field Zone to Zone 1A						
- Reservation Rate (1)	\$ 7.3683	-	\$ 0.2800	\$ 7.6483	-	-
- Usage Rate (2)(3)	0.0079	-	-	0.0079	\$ 0.0079	2.62 % (4)
- Ovrerrun Rate (5)	0.2422	-	0.0092	0.2514	-	-
Zone 1A Only						
- Reservation Rate (1)	\$ 3.6682	-	\$ 0.1900	\$ 3.8582	-	-
- Usage Rate (2)(3)	0.0055	-	-	0.0055	\$ 0.0055	1.88 % (4)
- Ovrerrun Rate (5)	0.1206	-	0.0062	0.1268	-	-
Field Zone Only						
- Reservation Rate (1)	\$ 3.7001	-	\$ 0.0900	\$ 3.7901	-	-
- Usage Rate (2)(3)	0.0024	-	-	0.0024	\$ 0.0024	1.54 % (4)
- Ovrerrun Rate (5)	0.1216	-	0.0030	0.1246	-	-
Gathering Charge (All Zones)						
- Reservation Rate	\$ 0.3257			\$ 0.3257		
- Ovrerrun Rate (5)	0.0107			0.0107		

(1) Excludes Section 20 GRI Reservation Surcharge: \$0.05 High Load Factor (greater than 50%);
 \$0.031 Low Load Factor (less than or equal to 50%)

(2) Excludes Section 20 GRI Usage Surcharge: \$0.004

(3) Excludes Section 21 Annual Charge Adjustment: \$0.0021

(4) Fuel reimbursement for backhauls is 0.53%

(5) Maximum firm volumetric rate applicable for capacity release

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter of February 2004 - April 2004
Case No. 2004-00000

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 May 2004 - July 2004 during the period March 18, 2004 through March 26, 2004 which are listed below:

		May-04 <u>(\$/MMBTU)</u>	Jun-04	Jul-04
Thursday	18-Mar	5.705	5.770	5.800
Friday	19-Mar	5.660	5.711	5.742
Monday	22-Mar	5.617	5.675	5.713
Tuesday	23-Mar	5.626	5.684	5.727
Wednesday	24-Mar	5.501	5.567	5.615
Thursday	25-Mar	5.416	5.484	5.536
Friday	26-Mar	<u>5.496</u>	<u>5.566</u>	<u>5.623</u>
		<u>\$5.574</u>	<u>\$5.637</u>	<u>\$5.679</u>

- B. Gas Supply believes prices will remain stable and prices for the quarter of May 2004 - July 2004 will settle at \$5.523 per Mmbtu for the period that the GCA is to be 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
Current "Cash-out" Prices
For the Month of February, 2004**

For WKG customers served in:		Indexed¹ Cash-out Price	Transport Charge^{2,3}	WKG Cash-out Price	
A. <u>Texas Gas:</u>					
Zone 2 Area	100% of Index Price	\$5.4540	+	\$0.0453 =	\$5.4993
	90% of Index Price	4.9086	+	0.0453 =	4.9539
	80% of Index Price	4.3632	+	0.0453 =	4.4085
Zone 3 Area	100% of Index Price	\$5.4540	+	\$0.0554 =	\$5.5094
	90% of Index Price	4.9086	+	0.0554 =	4.9640
	80% of Index Price	4.3632	+	0.0554 =	4.4186
Zone 4 Area	100% of Index Price	\$5.4540	+	\$0.0630 =	\$5.5170
	90% of Index Price	4.9086	+	0.0630 =	4.9716
	80% of Index Price	4.3632	+	0.0630 =	4.4262
B. <u>Tennessee Gas:</u>					
Zone 2 Area	100% of Index Price	\$5.3876	+	\$0.0222 =	\$5.4098
	90% of Index Price	4.8488	+	0.0222 =	4.8710
	80% of Index Price	4.3101	+	0.0222 =	4.3323

¹ Indexed cash-out price is from the pipeline's Electronic Bulletin Board.

² Transport charge used for Texas Gas is its tariff sheet no. 20 commodity rate.

³ Transport charge used for Tennessee Gas is its tariff sheet no. 23A maximum commodity rate from zone 0 to zone 2.

Atmos Energy Corporation
Correction Factor (CF)
For the Three Months Ended January 31, 2004
Case No. 2004-000

Line No.	(1) Month	(2) Actual Sales Volume (Mcf)	(3) Recoverable Gas Cost	(4) Actual Recovered Gas Cost	(5) Under (Over) Recovery Amount	(6) Adjustments	(7) Total
1	November	2,328,480	9,187,723.03	8,915,808.67	271,914.36	0.00	271,914.36
2							
3	December	3,815,213	14,825,024.03	20,170,047.20	(5,345,023.17)	0.00	(5,345,023.17)
4							
5	January	4,803,575	22,248,510.17	28,951,791.39	(6,703,281.22)	0.00	(6,703,281.22)
6							
7							
8							
9							
10							
11							
12							
13	Total Gas Cost						
14	Under/(Over) Recovery		<u>46,261,257.23</u>	<u>58,037,647.26</u>	<u>(11,776,390.03)</u>	<u>0.00</u>	<u>(11,776,390.03)</u>
15							
16							
17							
18	Account 191 Balance @ October 31, 2003						\$10,543,092.73
19	Total Gas Cost Under/(Over) Recovery for the three months ended January 31, 2004						(11,776,390.03)
20	Recovery from outstanding Correction Factor (CF)						4,064,487.01
21	Account 191 Balance @ January 31, 2004						<u>2,831,189.71</u>
22							
23							
24							
25							
26							
27							
28	Derivation of Correction Factor (CF):						
29							
30	Account 191 Balance					\$2,831,190	
31	Divided By: Total Expected Customer Sales					18,983,274	MCF
32							
33	Correction Factor (CF)					<u>\$0.1491</u>	/MCF
34							
35							

Line No.	Description	Unit	(1)	(2)	(3)	Source Document
			November	December	January	
1	Supply Volume					
2	Pipelines:					
3	Texas Gas Transmission ¹	Mcf	0	0	0	
4	Tennessee Gas Pipeline ¹	Mcf	0	0	0	
5	Trunkline Gas Company ¹	Mcf	0	0	0	
6	Midwestern Pipeline ¹	Mcf	0	0	0	
7	Total Pipeline Supply	Mcf	0	0	0	
8	Total Other Suppliers	Mcf	669,432	1,413,323	2,132,425	pages 5 & 6
9	Off System Storage					
10	Texas Gas Transmission	Mcf	1,035,372	424,406	633,781	
11	Tennessee Gas Pipeline	Mcf	(46,929)	153,219	287,476	
12	System Storage					
13	Withdrawals	Mcf	308,674	1,066,337	1,295,751	
14	Injections	Mcf	(83,913)	(7,576)	(57,330)	
15	Producers	Mcf	20,907	40,250	15,182	
16	Pipeline Imbalances cashed out	Mcf	0	0	0	
17	System Imbalances ²	Mcf	39,401	17,081	17,568	
18	Total Supply	Mcf	1,942,944	3,107,040	4,324,853	
19						
20	Change in Unbilled	Mcf	385,536	708,173	478,722	
21	Company Use	Mcf	0	0	0	
22	Unaccounted For	Mcf	0	0	0	
23	Total Sales	Mcf	2,328,480	3,815,213	4,803,575	

¹ Includes settlement of historical imbalances and prepaid items.

² Includes volumes banked from grandfathering or special contract and monthly cash out of endusers.

Atmos Energy Corporation
 Recoverable Gas Cost Calculation
 For the Three Months Ended January 31, 2004
 Case No. 2004-000

Line No.	Description	Unit	(1)	(2)	(3)	Source Document
			November	Month December	January	
1	Supply Cost					
2	Pipelines:					
3	Texas Gas Transmission ¹	\$	1,738,399	1,808,809	1,835,984	
4	Tennessee Gas Pipeline ¹	\$	344,430	349,016	361,479	
5	Trunkline Gas Company ¹	\$	0	0	0	
6	Midwestern Pipeline ¹	\$	58,959	61,861	65,843	
7	Total Pipeline Supply	\$	2,141,788	2,219,685	2,263,305	
8	Total Other Suppliers	\$	3,171,357	8,124,515	12,853,107	page 5 & 6
9	Off System Storage					
10	Texas Gas Transmission	\$	4,934,310	2,860,180	3,532,708	
11	Tennessee Gas Pipeline	\$	(182,626)	659,662	1,378,053	
12	System Storage					
13	Withdrawals	\$	1,627,643	5,651,936	6,860,235	
14	Injections	\$	(371,030)	(41,256)	(353,445)	
15	Producers	\$	287,225	204,653	92,760	
16	Pipeline Imbalances cashed out	\$	0	0	0	
17	System Imbalances ²	\$	202,995	261,450	49,533	
18	Sub-Total	\$	11,811,662	19,940,825	26,676,256	
19						
20	Change in Unbilled	\$	(2,623,939)	(5,115,801)	(4,427,746)	
21	Company Use	\$	0	0	0	
22	Recovered thru Transportation	\$	0	0	0	
23	Total Recoverable Gas Cost	\$	9,187,723	14,825,024	22,248,510	

¹ Includes demand charges, cost of settlement of historical imbalances and prepaid items.

² Includes volumes banked from grandfathering or special contract and monthly cash out of endusers.

Line No.	Month	Type of Sales	Mcf Sold	Rate	Amount
1	November	G-1 Sales	1,078,156.8	\$0.5467	\$589,428.32
2		HLF Sales	627.0	0.5467	342.78
3		G-2 Sales	43,159.9	0.5467	23,595.52
4		T-3 Overrun Sales	14,559.0	0.6014	8,755.78
5		T-4 Overrun Sales	2,232.0	0.6014	1,342.32
6		LVS-1 Sales	0.0	0.0000	0.00
7		LVS-2 Sales	6,886.0	0.0000	0.00
8		LVS HLF Sales	0.0	0.0000	0.00
9		Total - November	1,145,620.7		623,464.72
10					
11	December	G-1 Sales	2,505,086.4	\$0.5467	\$1,369,530.74
12		HLF Sales	1,631.0	0.5467	891.67
13		G-2 Sales	61,487.2	0.5467	33,615.05
14		T-3 Overrun Sales	6,617.0	0.6014	3,979.46
15		T-4 Overrun Sales	2,278.0	0.6014	1,369.99
16		LVS-1 Sales	0.0	0.0000	0.00
17		LVS-2 Sales	11,147.0	0.0000	0.00
18		LVS HLF Sales	0.0	0.0000	0.00
19		Total - December	2,588,246.6		1,409,386.91
20					
21	January	G-1 Sales	3,626,449.7	\$0.5467	\$1,982,580.05
22		HLF Sales	1,557.0	0.5467	851.21
23		G-2 Sales	82,628.6	0.5467	45,173.06
24		T-3 Overrun Sales	1,749.0	0.6014	1,051.85
25		T-4 Overrun Sales	3,291.0	0.6014	1,979.21
26		LVS-1 Sales	0.0	0.0000	0.00
27		LVS-2 Sales	10,209.0	0.0000	0.00
28		LVS HLF Sales	0.0	0.0000	0.00
29		Total - January	3,725,884.3		2,031,635.38
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50	Total Recovery from Correction Factor (CF)				\$4,064,487.01
51					
52	LVS sales commodity is "trued-up" according to Section 3(f) in LVS tariff in P.S.C. No. 1.				
53					
54	When Carriage (T-3 and T-4) customers have a positive imbalance that has been approved by the				
55	Company, the customer is billed for the imbalance volumes at a rate equal to 110% of the Company's				
56	applicable sales rate according to Section 6(a) of P.S.C. No. 20, Sheet Nos. 41A and 47A.				

Description	November, 2003		December, 2003		January, 2004	
	MCF	Cost	MCF	Cost	MCF	Cost
1 Texas Gas Pipeline Area						
2 LG&E Natural						
3 Woodward Marketing						
4 Texaco Gas Marketing						
5 CMS						
6 WESCO						
7 Southern Energy Company						
8 Union Pacific Fuels						
9 Woodward Marketing						
10 Engage						
11 ERI						
12 Prepaid						
13 Reservation						
14 Hedging Costs - All Zones						
15						
16 Total	379,634	\$1,875,255.60	963,303	\$5,639,526.05	1,606,688	\$9,607,802.54
17						
18						
19 Tennessee Gas Pipeline Area						
20 Woodward Marketing						
21 Union Pacific Fuels						
22 WESCO						
23 Prepaid						
24 Reservation						
25 Fuel Adjustment						
26						
27 Total	202,541	\$895,309.46	303,018	\$1,643,689.96	374,157	\$2,293,075.27
28						
29						
30 Trunkline Gas Company						
31 Woodward Marketing						
32 Engage						
33 Prepaid						
34 Reservation						
35 Fuel Adjustment						
36						
37 Total	87,257	\$400,792.38	147,002	\$841,298.99	151,580	\$952,228.76
38						
39						
40 Midwestern Pipeline						
41 Woodward Marketing						
42 LG&E Natural						
43 Anadarko						
44 Prepaid						
45 Reservation						
46 Fuel Adjustment						
47						
48 Total	0	\$0.00	0	\$0.00	0	\$0.00
49						
50						
51 All Zones						
52 Total	669,432	\$3,171,357.44	1,413,323	\$8,124,515.00	2,132,425	\$12,853,106.57
53						
54						
55						

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

PUBLIC DISCLOSURE

Atmos Energy Corporation
Large Volume Sales
For the Month of February, 2004

The net monthly rates for Large Volume Sales service is as follows:

Base Charge:

LVS-1 Service	\$ 20.00	per Meter
LVS-2 Service	220.00	per Meter
Combined Service	220.00	per Meter

<u>LVS-1</u>				Simple		Non-		Estimated		Sales
<u>Firm Service</u>				Margin		Commodity		Weighted		Rate
						Component	²	Average		
								Commodity		
								Gas Cost		
First	300	¹	Mcf @	\$1.1900	+	\$1.0759	+	\$6.3342	=	\$8.6001 per Mcf
Next	14,700	¹	Mcf @	0.6590	+	1.0759	+	6.3342	=	8.0691 per Mcf
All over	15,000		Mcf @	0.4300	+	1.0759	+	6.3342	=	7.8401 per Mcf

High Load Factor Firm Service

Demand						\$ 4.6387	+	\$0.0000	=	\$4.6387 per Mcf of daily contract demand
First	300	¹	Mcf @	\$1.1900	+	\$ 0.1871	+	\$6.3342	=	\$7.7113 per Mcf
Next	14,700	¹	Mcf @	0.6590	+	0.1871	+	6.3342	=	7.1803 per Mcf
All over	15,000		Mcf @	0.4300	+	0.1871	+	6.3342	=	6.9513 per Mcf

LVS-2

Interruptible Service

First	15,000		Mcf @	\$0.5300	+	\$0.1871	+	\$6.3342	=	\$7.0513 per Mcf
All over	15,000		Mcf @	0.3591	+	0.1871	+	6.3342	=	6.8804 per Mcf

True-up Adjustment for previous billing period (s): 0.5593 per Mcf

¹ All gas consumed by the customer will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.

² The Non-Commodity Component is from P.S.C. No. 20 Sheet No. 6, effective February 1, 2004.

Atmos Energy Corporation
Large Volume Sales
Estimated WACOG used for Billing
For the Month of February, 2004

Line No. Supplier/Type of Service	(A) Estimated MCF Purchased @14.65	(B) Estimated Commodity Cost
1 <u>Estimated Purchases:</u>		
2 Texas Gas Area	1,621,778	\$9,956,977.54
3 Tennessee Gas Area	369,559	2,293,075.27
4 Trunkline Gas Area	148,325	922,327.50
5 ANR Pipeline Area	0	0.00
6 Total Estimated Purchases	<u>2,139,662</u>	<u>13,172,380.31</u>
7		
8 <u>Transportation Costs:</u>		
9 Texas Gas Transmission		208,288.91
10 Tennessee Gas Pipeline		0.00
11 Trunkline Gas Area		0.00
11 ANR Pipeline Area		0.00
12		
13 Local Production	26,393	159,316.75
14		
15 WKG End-User Cash Outs	<u>17,959</u>	<u>103,045.21</u>
16		
17 Total Current Month Gas Cost	2,184,013	\$13,643,031.18
18		
19 Less: Lost & Unaccounted for @	1.38% <u>30,139</u>	
20		
21 Total Deliveries	2,153,874	\$13,643,031.18
22		
23 Estimated LVS Weighted Average Commodity Rate		<u>\$6.3342</u>

Atmos Energy Corporation
Expected Purchases
LVS Commodity Purchase Basis
For Month of May, 2004

Line No.		(1) Mcf	(2) MMbtu	(3) Gas Cost
1	<u>Texas Gas Area</u>			
2	No Notice Service	4,560,976	4,675,000	27,001,865
3	Firm Transportation	89,756	92,000	529,681
4	Total Texas Gas Area	4,650,732	4,767,000	27,531,546
5				
6				
7	<u>Tennessee Gas Area</u>			
8	FT-A&G Commodity	642,852	668,566	3,906,966
9	FT-GS Commodity	114,840	119,434	755,671
10	Total Tennessee Gas Area	757,692	788,000	4,662,637
11				
12	<u>Trunkline Gas Area</u>			
13	Firm Transportation	177,778	184,000	1,034,871
14				
15				
16	<u>Local Production</u>			
17	Commodity	59,512	61,000	351,201
18				
19				
20	Expected WKG End-User Cash Outs	0	0	0
21				
22	Total LVS Commodity Purchase Basis	5,645,714	6,650,871	33,580,255
23				
24	Lost & Unaccounted for @	1.38%	77,911	91,782
25				
26	Total Deliveries	5,567,803	6,559,089	33,580,255
27				
28	Estimated LVS Weighted Average Commodity Rate (per MMBtu)			\$5.1197
29				
30	Estimated LVS Weighted Average Commodity Rate (per Mcf)			\$6.0312
31	(To only be used to calculate commodity credit back on Exhibit B)			
32				
33				

Atmos Energy Corporation
 Estimated Weighted Average Cost of Gas
 May 2004 through July 2004

	May		June		July		May - July	
	Volumes	Rate	Volumes	Rate	Volumes	Rate	Volumes	Rate
Texas Gas								
Trunkline								
Tennessee Gas								
TX Gas Storage								
TN Gas Storage								
WKG Storage								
Midwestern								

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

Storage
Market

WACOGs

PUBLIC DISCLOSURE