



August 15, 2006

Honorable Beth O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

Subject: **Case No. 2005-00057**
AG Data Request dated August 8, 2006

RECEIVED

AUG 16 2006

**PUBLIC SERVICE
COMMISSION**

Dear Ms. O'Donnell:

Enclosed herein is the filing by Atmos Energy Corporation, of its response to the Attorney General's Third Request for Information, dated August 8, 2006 in Case Number 2005-00057. In accordance with instructions from the Kentucky Public Service Commission (the "Commission"), in its Order dated March 3, 2006, Atmos Energy is filing an original, an electronic copy, and five paper copies with the Commission, and an electronic copy and paper copy with the Office of the Attorney General.

Please contact me at your earliest convenience should the Commission or Staff have any questions regarding this submittal.

Sincerely,

A handwritten signature in black ink that reads "Gary L. Smith". The signature is written in a cursive style.

Gary L. Smith
Vice President, Marketing & Regulatory Affairs

Cc: Parties of Record in Case 2005-00057

RECEIVED

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

AUG 16 2006

PUBLIC SERVICE
COMMISSION

**OFFICE OF THE ATTORNEY GENERAL
COMMONWEALTH OF KENTUCKY**

: **Case No. 2005-00057**

Complainant

v.

ATMOS ENERGY CORPORATION

Respondent

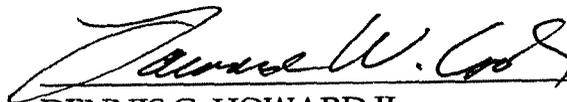
**ATTORNEY GENERAL'S MOTION FOR LEAVE TO FILE
THIRD SET OF DISCOVERY REQUESTS OUT OF TIME**

Comes now the Complainant, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and respectfully requests that the Commission amend the procedural order set forth in this case to allow him to file his Third Set of Data Requests, or alternatively, grant him leave to file his Third Set of Data Requests out of time.

In support of this motion, counsel herein state that due to a scheduling mistake, the date for filing said data requests was inadvertently missed. In further support of this motion, counsel attach hereto their Third Data Request, which constitutes only one (1) question. Counsel believe that given the fact this Third Data Request has only one (1) question, no prejudice will result to the Commission or Atmos if the Commission should grant counsels' motion.

Respectfully submitted,

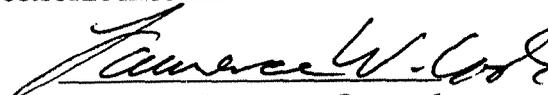
GREGORY D. STUMBO
ATTORNEY GENERAL



DENNIS G. HOWARD II
ELIZABETH E. BLACKFORD
DAVID EDWARD SPENARD
LAWRENCE W. COOK
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE, SUITE 200
FRANKFORT KY 40601-8204
T (502) 696-5453
F (502) 573-8315

Notice of Serving and Filing in Paper and Electronic Medium

Per Instruction 2 (d) of the Commission's 3 March 2006 Order, Counsel submits for filing, by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601, the original and five copies of the document in paper medium. Counsel also submits a copy of the document in electronic medium by e-mailing the document to pscfilings@ky.gov and Beth.O'Donnell@ky.gov. 8 August 2006 is the date for the filing and service in paper and electronic medium.



Assistant Attorney General

Certificate of Service

Per Instructions 2 (d) and 8 of the 3 March 2006 Order, Counsel certifies service of a true and correct photocopy of the document by mailing the photocopy, first class postage prepaid, to the following: John N. Hughes, 124 West Todd Street, Frankfort, Kentucky 40601; Mark R. Hutchinson, Wilson, Hutchinson & Poteat, 611 Frederica Street, Owensboro, Kentucky 42301; William J. Senter, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312, Gary L. Smith, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312; and Douglas Walther, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312. Counsel further certifies, per Instructions 2 (e) and 9, service of an electronic version of the document by electronic mail to the following: jnhughes@fewpb.net; randy@whplawfirm.com; gary.smith@atmosenergy.com; and douglas.walther@atmosenergy.com. Service was made this 8th day of August, 2006.


Assistant Attorney General

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

**OFFICE OF THE ATTORNEY GENERAL
COMMONWEALTH OF KENTUCKY**

: Case No. 2005-00057

Complainant

v.

ATMOS ENERGY CORPORATION

Respondent

ATTORNEY GENERAL'S THIRD REQUEST FOR INFORMATION

Comes now the Complainant, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Second Request for Information to Atmos Energy Corporation [hereinafter: "AEC"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional

information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If AEC has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer;

and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted,

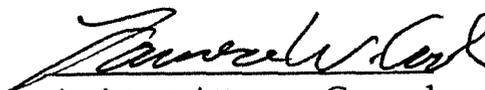
GREGORY D. STUMBO
ATTORNEY GENERAL



DENNIS G. HOWARD II
ELIZABETH E. BLACKFORD
DAVID EDWARD SPENARD
LAWRENCE W. COOK
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE, SUITE 200
FRANKFORT KY 40601-8204
T (502) 696-5453
F (502) 573-8315

Notice of Serving and Filing in Paper and Electronic Medium

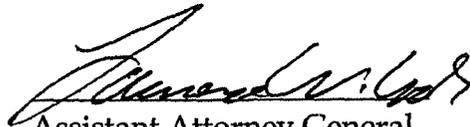
Per Instruction 2 (d) of the Commission's 3 March 2006 Order, Counsel submits for filing, by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601, the original and five copies of the document in paper medium. Counsel also submits a copy of the document in electronic medium by e-mailing the document to pscfilings@ky.gov and Beth.O'Donnell@ky.gov. 8 August 2006 is the date for the filing and service in paper and electronic medium.



Assistant Attorney General

Certificate of Service

Per Instructions 2 (d) and 8 of the 3 March 2006 Order, Counsel certifies service of a true and correct photocopy of the document by mailing the photocopy, first class postage prepaid, to the following: John N. Hughes, 124 West Todd Street, Frankfort, Kentucky 40601; Mark R. Hutchinson, Wilson, Hutchinson & Poteat, 611 Frederica Street, Owensboro, Kentucky 42301; William J. Senter, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312, Gary L. Smith, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312; and Douglas Walther, Atmos Energy Corporation, 2401 New Hartford Road, Owensboro, Kentucky 42303-1312. Counsel further certifies, per Instructions 2 (e) and 9, service of an electronic version of the document by electronic mail to the following: jnhughes@fewpb.net; randy@whplawfirm.com; gary.smith@atmosenergy.com; and douglas.walther@atmosenergy.com. Service was made this 8th day of August, 2006.


Assistant Attorney General

**Attorney General's Third Request for Information
to Atmos Energy Corporation
Case Number 2005-00057**

1. Re. the response to AG-2-3: For purposes of determining the revised test year Kentucky state income tax amount of \$728,804, AEC removed the Atmos-Kentucky Other Income amount of \$1,036,227 from the test year total consolidated Atmos book taxable income of \$172,777,762 to arrive at a revised consolidated Atmos book taxable income amount of \$171,741,535, which amount it then apportioned to Atmos-Kentucky at an apportionment rate of 6.0623%. Please provide the *total Atmos consolidated Other Income* amount (consisting of similar non-regulated merchandising, interest and dividend and other non-operating inc/exp Other Income components as Atmos-Ky's Other Income of \$1,036,227) that is included in the test year total consolidated Atmos book taxable income of \$172,777,762.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

OFFICE OF THE ATTORNEY GENERAL
COMMONWEALTH OF KENTUCKY

V.

ATMOS ENERGY CORPORATION

)
)
) Case No. 2005-00057
)
)
)

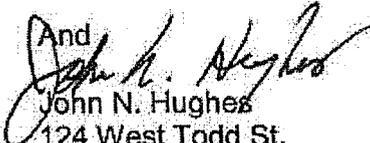
RESPONSE TO ATTORNEY GENERAL'S MOTION

Atmos Energy Corporation, by counsel, states that it has no objection to the Attorney General's Motion of July, 8, 2006. Atmos will make every effort to file its response to the data request contained with the Motion by the original due date for a response, namely, August 16, 2006.

Submitted By:

Douglas Walther
Atmos Energy Corporation
Box 650205
Dallas, TX 75235-0205

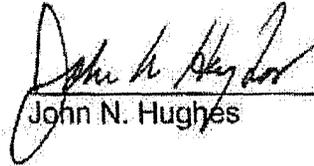
Mark R. Hutchinson
2207 Frederica St.
Owensboro, KY 42301

And

John N. Hughes
124 West Todd St.
Frankfort, KY 40601

Attorneys for Atmos Energy Corporation

Certification:

I certify that a copy of this Response was served on the Attorney General, 1204 Capital Center Dr., Frankfort, KY 40601 by electronic mail the 9th day of August, 2006.


John N. Hughes

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

OFFICE OF ATTORNEY GENERAL)	
)	
COMPLAINANT)	
)	
V.)	
)	CASE NO. 2005-00057
ATMOS ENERGY CORPORATION)	
)	
DEFENDANT)	

O R D E R

The procedural schedule established for this case requires the Attorney General to file his third data request no later than August 2, 2006. On August 8, 2006, the Attorney General moved the Commission to allow him to file his third data request out of time and attached the data request to his motion. He states that he inadvertently missed the filing date, but stated in support of his request that no prejudice should result as he has only one interrogatory that he wishes to propound to Atmos. Atmos filed a response to the Attorney General's motion stating that it had no objection and that, if the motion is granted, it will make every effort to file its response in accordance with the due date set forth in the current procedural schedule, August 16, 2006.

Having reviewed the motion and response and being otherwise sufficiently advised, the Commission finds that good cause has been shown to grant the motion and to amend the procedural schedule established by the Commission on March 3, 2006 to allow the Attorney General to issue his third data request to Atmos on August 8,

2006. All other dates set forth in the March 3, 2006 procedural schedule should remain unchanged.

IT IS THEREFORE ORDERED that:

1. The Attorney General's motion to amend the procedural schedule established in our Order of March 3, 2006 to allow him to file his third data request to Atmos on August 8, 2006 is granted.

2. All other dates set forth in the March 3, 2006 procedural schedule shall remain unchanged.

Done at Frankfort, Kentucky, this 14th day of August, 2006.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a horizontal line.

Executive Director

Response to Attorney General's 3rd Data
Request, Dated August 8, 2006
AG DR 3-1

Atmos Energy Corporation
Kentucky
Case No. 2005-00057
Attorney General's Second Data Request dated August 8, 2006
DR Item 1
Witness: Tom Petersen

Data Request:

Re. the response to AG-2-3: For purposes of determining the revised test year Kentucky state income tax amount of \$728,804, AEC removed the Atmos-Kentucky Other Income amount of \$1,036,227 from the test year total consolidated Atmos book taxable income of \$172,777,762 to arrive at a revised consolidated Atmos book taxable income amount of \$171,741,535 which amount it then apportioned to Atmos-Kentucky at an apportionment rate of 6.0623%. Please provide the *total Atmos consolidated* Other Income amount (consisting of similar non-regulated merchandising, interest and dividend and other non-operating inc/exp Other Income components as Atmos-Ky's Other Income of \$1,036,227) that is included in the test year total consolidated Atmos book taxable income of \$172,777,762.

Response:

The item referred to AUT Utility Other Income amount \$1,036,227 refers to KY amount by error. Please see below for AUT Utility Other Income.

Line No.	Description	AUT 9/30/200 Utility
(a)	(b)	(c)
1	Merchandise	\$ (4,567)
2	Interest Income	8,325,100
3	Other Nonoperating Income	<u>(1,543,998)</u>
4	Total Other Income (Loss)	\$ 6,776,535