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June 16, 2006

Honorable Mark R. Hutchinson
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611 Frederica Street
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CERTIFICATE OF SERVICE

RE: Case No. 2006-00180
Atmos Energy Corporation

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on June 16, 2006.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/jc
Enclosure

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ATMOS)
ENERGY CORPORATION FOR AN)
ORDER AUTHORIZING THE ISSUANCE)
OF UP TO 1,000,000 SHARES OF)
COMMON STOCK THROUGH THE) CASE NO. 2006-00180
ATMOS ENERGY CORPORATION)
RETIREMENT SAVINGS PLAN)

O R D E R

On May 2, 2006, Atmos Energy Corporation ("Atmos"), through its Kentucky division, submitted its application seeking Commission approval to issue up to 1,000,000 additional shares of common stock. While it is subject to the jurisdiction of the Commission, the Kentucky division of Atmos does not have a separate capital structure, and the securities to be issued by Atmos are subject to the approval of this Commission.¹ 807 KAR 5:001, Section 6, requires the submission of a financial exhibit covering a 12-month period ending not more than 90 days prior to the date the application is filed. Atmos's financial exhibit covered the 12-month period ending December 31, 2006 and, as a result, its application was found to be deficient. The Commission granted Atmos's subsequent request to deviate from the 90-day requirement and Atmos's application was considered filed as of May 2, 2006.

¹ Atmos provides gas distribution, transmission, and transportation service to retail customers in Colorado, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Missouri, South Carolina, Tennessee, Texas, and Virginia.

Atmos proposes to issue up to 1,000,000 shares of additional stock through its Retirement Savings Plan and Trust ("RSP"), previously known as the Employee Stock Ownership Plan, in order to meet the requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986. The Commission has previously authorized the issuance of shares pursuant to the RSP. Atmos states that the issuance of the shares is necessary for the routine operation of the RSP and will provide additional sources of capital. Atmos states that it plans to use the proceeds to fund its capital expenditures, reduce debt, improve its capitalization ratios and preserve its credit ratings. Atmos states further that the proceeds will strengthen its position as a financially sound public utility and lower its cost of capital. The amount of funds to be raised by the stock issuance will be dependent upon the sales price of the common stock at issuance and the level of investor participation in the Plan.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the approval of the issuance of up to 1,000,000 shares of common stock through Atmos's RSP programs is for lawful objects within its corporate purposes, is necessary and appropriate for and consistent with the proper performance by the utility of its service to the public and will not impair its ability to perform that service, and is reasonable, necessary, and appropriate for such purposes. Therefore, the common stock issuance as proposed by Atmos should be approved.

IT IS THEREFORE ORDERED that:

1. Atmos is authorized to issue up to 1,000,000 shares of common stock through its RSP programs, subject to the provisions and terms contained within its application.

2. The proceeds from the transaction authorized herein shall be used only for the lawful purposes set out in the application.

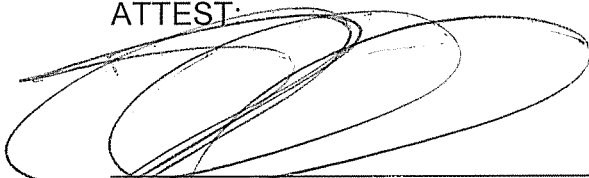
3. From the date of this Order, Atmos shall semiannually file, as a supplement to its monthly financial report to the Commission, a statement setting forth the number of shares issued through its RSP program, the proceeds received, and details about the use of the proceeds.

Nothing contained herein shall be deemed a warranty or finding of value of securities or financing authorized herein on the part of the Commonwealth of Kentucky or any agency thereof.

Done at Frankfort, Kentucky, this 16th day of June, 2006.

By the Commission

ATTEST:

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and curves, positioned above a horizontal line.

Executive Director