

2006-464

Tom and Laura Anderson  
1550 State Route 1241  
Mayfield, KY 42066

January 16, 2007

Ms. Beth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602-0615

RECEIVED  
JAN 18 2007  
PUBLIC SERVICE  
COMMISSION

RE: Atmos Energy Corporation filing for rate increases

Dear Ms. O'Donnell:

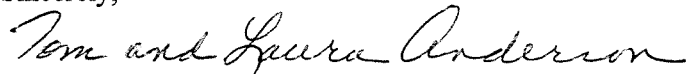
We are writing to protest the increased rate structure proposed by Atmos Energy effective February 1, 2007. We believe the proposed rates published in our local newspaper are not warranted as they have utilized their current rate system to protect themselves from changing natural gas prices.

We are farmers located in Western Kentucky. We raise corn and soybeans on about 400 acres and have four poultry houses to raise chickens for Pilgrim's Pride. We were well served by Western Kentucky Gas for many years. Atmos Energy acquired Western KY Gas, their customers, and infrastructure. Now Atmos Energy wants a 73.3% increase in a monthly-based charge per meter. They bought the meters from Western KY Gas as part of the infrastructure. We have 6 meters on our farm: this increase alone will raise our monthly natural gas costs \$33.

On each bill (6), every month, we are charged \$20 as a Customer Charge: one hundred twenty dollars (\$120) a month for just being a captive customer. We never incurred this kind of charge from Western KY Gas. On each bill, there is a Distribution Charge calculated by the CCF consumed multiplied by a variable dollar figure per CCF. Also detailed on each bill is a Gas Cost Charge that also fluctuates. Monthly cost fluctuations and variable dollar figures. It appears to us that Atmos Energy has well protected themselves, perhaps insulated themselves from higher natural gas costs.

Kentucky farmers are not insulated from higher energy prices. The farm crop yield is determined by the weather. The price of grain is determined by the commodity markets. The price per pound per chicken raised is set by long-term contract with the integrator. We are forced to absorb the price increases of others, like Atmos Energy. We cannot pass it on. On behalf of Kentucky farmers, we request that the Kentucky Public Service Commission thoroughly investigate the current rate structure and the proposed increases filed by Atmos Energy Corporation of Dallas, Texas. These increases will ultimately decrease our income thus lowering Kentucky tax revenues. These proposed rate increases are detrimental for Kentucky farmers as well as all Kentuckians.

Sincerely,



Tom and Laura Anderson

Cc: Richie Farmer, Commissioner of Agriculture  
Fred Nesler, State Representative  
Ken Winters, Kentucky State Senator