



RECEIVED

JUN 28 2007

**PUBLIC SERVICE
COMMISSION**

June 27, 2007

Ms. Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Case No. 2007-00 **263**

Dear Ms. O'Donnell:

We are filing the enclosed original and three (3) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2007- **00263**. **This filing contains a Petition of Confidentiality and confidential documents.**

Please indicate receipt of this filing by stamping and dating the enclosed duplicate of this letter and returning it in the self-addressed stamped envelope to the following address:

Atmos Energy Corporation
5430 LBJ Freeway, Suite 600
Dallas, TX 75240

If you have any questions, feel free to call me at 972-855-3011.

Sincerely,

A handwritten signature in cursive script that reads "Thomas J. Morel".

Thomas J. Morel
Senior Rate Analyst, Rate Administration

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT)
FILING OF)
ATMOS ENERGY CORPORATION) Case No. 2007 - 00263

NOTICE

QUARTERLY FILING

For The Period

August 1, 2007 - October 31, 2007

Attorney for Applicant

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

June 27, 2007

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

Thomas J. Morel
Senior Rate Analyst, Rate Administration
Atmos Energy Corporation
5430 LBJ Freeway, Suite 600
Dallas, Texas 75240

The Company gives notice to the Kentucky Public Service Commission, hereinafter "the Commission", pursuant to the Gas Cost Adjustment Clause contained in the Company's settlement gas rate schedules in Case No. 99-070.

The Company hereby files Twenty-Second Revised Sheet No. 4, Twenty-Second Revised Sheet No. 5 and Twenty-Second Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective August 1, 2007.

The Gas Cost Adjustment (GCA) for firm sales service is \$9.6520 per Mcf, \$8.7841 per Mcf for high load factor firm sales service, and \$8.7841 per Mcf for interruptible sales service. The supporting calculations for the Twenty-Second 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. 2006-00568, 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 August 2007 through October 2007, as shown in Exhibit C, page 19.
2. The Expected Commodity Gas Cost will be approximately \$8.6181 MMBtu for the quarter August 2007 through October 2007, as compared to \$8.0300 per MMBtu used for the quarter of May 2007 through July 2007.
3. The Company's notice sets out a new Correction Factor of (\$0.0114) per Mcf, which will remain in effect until at least October 31, 2007.

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 April 30, 2007. 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 Twenty-Second Revised Sheet No. 5; and Twenty-Second 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 August 1, 2007.

DATED at Dallas Texas, this 27th Day of June, 2007.

ATMOS ENERGY CORPORATION

By: Thomas J. Morel

Thomas J. Morel
Senior Rate Analyst, Rate Administration
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

Current Gas Cost Adjustments			
Case No. 2007-00000			
<u>Applicable</u>			
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)	9.6687	8.8008	8.8008 (I, I, I)
CF (Correction Factor)	(0.0114)	(0.0114)	(0.0114) (R, R, R)
RF (Refund Adjustment)	(0.0554)	(0.0554)	(0.0554) (N, N, N)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.0501</u>	<u>0.0501</u>	<u>0.0501</u> (N, N, N)
GCA (Gas Cost Adjustment)	<u>\$9.6520</u>	<u>\$8.7841</u>	<u>\$8.7841</u> (I, I, I)

ISSUED: June 27, 2007

Effective: August 1, 2007

(Issued by Authority of an Order of the Public Service Commission in Case No. 2007-00000.)

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

ATMOS ENERGY CORPORATION

Current Transportation and Carriage										
Case No. 2007-00000										
Case No. 2004-00398										
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	+	\$1.0506	=	\$2.2406 per Mcf	(N)
Next	14,700	²	Mcf	@	0.6590	+	1.0506	=	1.7096 per Mcf	(N)
All over	15,000		Mcf	@	0.4300	+	1.0506	=	1.4806 per Mcf	(N)
b) <u>High Load Factor Firm Service (HLF)</u>										
Demand				@	\$0.0000	+	4.5295	=	\$4.5295 per Mcf of daily contract demand	(N)
First	300	²	Mcf	@	\$1.1900	+	\$0.1827	=	\$1.3727 per Mcf	(N)
Next	14,700	²	Mcf	@	0.6590	+	0.1827	=	0.8417 per Mcf	(N)
All over	15,000		Mcf	@	0.4300	+	0.1827	=	0.6127 per Mcf	(N)
c) <u>Interruptible Service</u>										
First	15,000	²	Mcf	@	\$0.5300	+	\$0.1827	=	\$0.7127 per Mcf	(N)
All over	15,000		Mcf	@	0.3591	+	0.1827	=	0.5418 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: June 27, 2007

Effective: August 1, 2007

(Issued by Authority of an Order of the Public Service Commission in Case No. 2007-00000.)

ISSUED BY: Gary L. Smith

Vice President - Marketing & Regulatory Affairs/Kentucky Division

ATMOS ENERGY CORPORATION

Current Rate Summary

Case No. 2007-00000

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

Rate per Mcf²

			<u>Sales (G-1)</u>		<u>Transport (T-2)</u>		<u>Carriage (T-4)</u>	
First	300	Mcf	@ 10.8420	per Mcf	@ 2.2406	per Mcf	@ 1.1900	per Mcf
Next	14,700	Mcf	@ 10.3110	per Mcf	@ 1.7096	per Mcf	@ 0.6590	per Mcf
Over	15,000	Mcf	@ 10.0820	per Mcf	@ 1.4806	per Mcf	@ 0.4300	per Mcf

(I, N, N)
(I, N, N)
(I, N, N)

High Load Factor Firm Service

HLF demand charge/Mcf	@	4.5295		@	4.5295	per Mcf of daily Contract Demand
-----------------------	---	--------	--	---	--------	----------------------------------

(N)

Rate per Mcf²

First	300	Mcf	@ 9.9741	per Mcf	@ 1.3727	per Mcf
Next	14,700	Mcf	@ 9.4431	per Mcf	@ 0.8417	per Mcf
Over	15,000	Mcf	@ 9.2141	per Mcf	@ 0.6127	per Mcf

(I, N)
(I, N)
(I, N)

Interruptible Service

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

Rate per Mcf²

			<u>Sales (G-2)</u>		<u>Transport (T-2)</u>		<u>Carriage (T-3)</u>	
First	15,000	Mcf	@ 9.3141	per Mcf	@ 0.7127	per Mcf	@ 0.5300	per Mcf
Over	15,000	Mcf	@ 9.1432	per Mcf	@ 0.5418	per Mcf	@ 0.3591	per Mcf

(I, N, N)
(I, 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: June 27, 2007

Effective:

August 1, 2007

(Issued by Authority of an Order of the Public Service Commission in Case No. 2007-00000.)

ISSUED BY: Gary L. Smith

Vice President - Marketing & Regulatory Affairs/Kentucky Division

Line No.	Description	Case No.		Difference
		2007-00136	2007-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>G - 1</u>			
2				
3	<u>Distribution Charge (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	8.0300	8.6181	0.5881
11	Demand	1.0506	1.0506	0.0000
12	Take-Or-Pay	0.0000	0.0000	0.0000
13	Transition Costs	0.0000	0.0000	0.0000
14	Total EGC	9.0806	9.6687	0.5881
15	CF (Correction Factor)	0.4977	(0.0114)	(0.5091)
16	RF (Refund Adjustment)	(0.0554)	(0.0554)	0.0000
17	PBRRF (Performance Based Rate Recovery Factor)	0.0501	0.0501	0.0000
18	GCA (Gas Cost Adjustment)	9.5730	9.6520	0.0790
19				
20	<u>Rate per Mcf (GCA included)</u>			
21	First 300 Mcf	10.7630	10.8420	0.0790
22	Next 14,700 Mcf	10.2320	10.3110	0.0790
23	Over 15,000 Mcf	10.0030	10.0820	0.0790
24				
25	<u>HLF (High Load Factor)</u>			
26				
27	<u>Distribution Charge (per Case No. 99-070)</u>			
28	First 300 Mcf	1.1900	1.1900	0.0000
29	Next 14,700 Mcf	0.6590	0.6590	0.0000
30	Over 15,000 Mcf	0.4300	0.4300	0.0000
31				
32	<u>Gas Cost Adjustment Components</u>			
33	EGC (Expected Gas Cost):			
34	Commodity	8.0300	8.6181	0.5881
35	Demand	0.1827	0.1827	0.0000
36	Take-Or-Pay	0.0000	0.0000	0.0000
37	Transition Costs	0.0000	0.0000	0.0000
38	Total EGC	8.2127	8.8008	0.5881
39	CF (Correction Factor)	0.4977	(0.0114)	(0.5091)
40	RF (Refund Adjustment)	(0.0554)	(0.0554)	0.0000
41	PBRRF (Performance Based Rate Recovery Factor)	0.0501	0.0501	0.0000
42	GCA (Gas Cost Adjustment)	8.7051	8.7841	0.0790
43				
44	<u>Rate per Mcf (GCA included)</u>			
45	First 300 Mcf	9.8951	9.9741	0.0790
46	Next 14,700 Mcf	9.3641	9.4431	0.0790
47	Over 15,000 Mcf	9.1351	9.2141	0.0790
48				
49	<u>HLF Demand</u>			
50	Contract Demand Factor	4.5295	4.5295	0.0000
51				

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

Line No.	Description	Case No.		Difference		
		2007-00136	2007-00000			
		\$/Mcf	\$/Mcf	\$/Mcf		
1	<u>G - 2</u>					
2						
3	<u>Distribution Charge (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	EGC (Expected Gas Cost):					
9	Commodity	8.0300	8.6181	0.5881		
10	Demand	0.1827	0.1827	0.0000		
11	Take-Or-Pay	0.0000	0.0000	0.0000		
12	Transition Costs	0.0000	0.0000	0.0000		
13	Total EGC	8.2127	8.8008	0.5881		
14	CF (Correction Factor)	0.4977	(0.0114)	(0.5091)		
15	RF (Refund Adjustment)	(0.0554)	(0.0554)	0.0000		
16	PBRRF (Performance Based Rate Recovery Factor)	0.0501	0.0501	0.0000		
17	GCA (Gas Cost Adjustment)	8.7051	8.7841	0.0790		
18						
19	<u>Rate per Mcf (GCA included)</u>					
20	First 300 Mcf	9.2351	9.3141	0.0790		
21	Over 14,700 Mcf	9.0642	9.1432	0.0790		
22						
23						
24	<u>Refund Factor (RF)</u>					
25						
26						
27		Case No.	Effective Date	HLF	HLF	G - 2
28						
29		1 - 2006-00428	11/01/06	(0.0554)	(0.0554)	(0.0554)
30		2 - 2006-00528	02/01/07	0.0000	0.0000	0.0000
31		3 - 2007-00136	05/01/07	0.0000	0.0000	0.0000
32		4 - 2007-Current	08/01/07	0.0000	0.0000	0.0000
33						
34	Total Refund Factor (RF)			(0.0554)	(0.0554)	(0.0554)
35						

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

Line No.	Description	Case No.		Difference
		2007-00136	2007-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T - 2 / Firm Service (High Priority)</u>			
2				
3	<u>Simple Margin / Distribution Charge (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>Non-Commodity Components</u>			
9	Demand	1.0506	1.0506	0.0000
10	RF (Refund Adjustment)	0.0000	0.0000	0.0000
11	Take-Or-Pay	0.0000	0.0000	0.0000
12	Transition Costs	0.0000	0.0000	0.0000
13	Total Non-Commodity Components	1.0506	1.0506	0.0000
14				
15	<u>Rate per Mcf (GCA included)</u>			
16	First 300 Mcf	2.2406	2.2406	0.0000
17	Next 14,700 Mcf	1.7096	1.7096	0.0000
18	Over 15,000 Mcf	1.4806	1.4806	0.0000
19				
20	<u>T - 2 / High Load Factor Firm Service (High Priority)</u>			
21				
22	<u>Simple Margin / Distribution Charge (per Case No. 99-070)</u>			
23	First 300 Mcf	1.1900	1.1900	0.0000
24	Next 14,700 Mcf	0.6590	0.6590	0.0000
25	Over 15,000 Mcf	0.4300	0.4300	0.0000
26				
27	<u>Non-Commodity Components</u>			
28	Demand	0.1827	0.1827	0.0000
29	RF (Refund Adjustment)	0.0000	0.0000	0.0000
30	Take-Or-Pay	0.0000	0.0000	0.0000
31	Transition Costs	0.0000	0.0000	0.0000
32	Total Non-Commodity Components	0.1827	0.1827	0.0000
33				
34	<u>Rate per Mcf (GCA included)</u>			
35	First 300 Mcf	1.3727	1.3727	0.0000
36	Next 14,700 Mcf	0.8417	0.8417	0.0000
37	Over 15,000 Mcf	0.6127	0.6127	0.0000
38				
39	<u>HLF Demand</u>			
40	Contract Demand Factor	4.5295	4.5295	0.0000
41				

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

Line No.	Description	Case No.		Difference
		2007-00136	2007-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T-4 Carriage Service / Firm Service (High Priority)</u>			
2				
3	<u>Simple Margin / Distribution Charge (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>Non-Commodity Components</u>			
9	RF (Refund Adjustment)	0.0000	0.0000	0.0000
10	Take-Or-Pay	0.0000	0.0000	0.0000
11	Total Non-Commodity Components	0.0000	0.0000	0.0000
12				
13	<u>Rate per Mcf (GCA included)</u>			
14	First 300 Mcf	1.1900	1.1900	0.0000
15	Next 14,700 Mcf	0.6590	0.6590	0.0000
16	Over 15,000 Mcf	0.4300	0.4300	0.0000
17				

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

Line No.	Description	Case No.		Difference
		2007-00136	2007-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T - 2 / Interruptible Service (Low Priority)</u>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 99-070)</u>			
4	First 300 Mcf	0.5300	0.5300	0.0000
5	Over 15,000 Mcf	0.3591	0.3591	0.0000
6				
7	<u>Non-Commodity Components</u>			
8	Demand	0.1827	0.1827	0.0000
9	RF (Refund Adjustment)	0.0000	0.0000	0.0000
10	Take-Or-Pay	0.0000	0.0000	0.0000
11	Transition Costs	0.0000	0.0000	0.0000
12	Total Non-Commodity Components	0.1827	0.1827	0.0000
13				
14	<u>Rate per Mcf (GCA included)</u>			
15	First 300 Mcf	0.7127	0.7127	0.0000
16	Over 15,000 Mcf	0.5418	0.5418	0.0000
17				
18	<u>T - 3 Carriage Service / Interruptible Service (Low Priority)</u>			
19				
20	<u>Simple Margin / Distribution Charge (per Case No. 99-070)</u>			
21	First 300 Mcf	0.5300	0.5300	0.0000
22	Over 15,000 Mcf	0.3591	0.3591	0.0000
23				
24	<u>Non-Commodity Components</u>			
25	RF (Refund Adjustment)	0.0000	0.0000	0.0000
26	Take-Or-Pay	0.0000	0.0000	0.0000
27	Total Non-Commodity Components	0.0000	0.0000	0.0000
28				
29	<u>Rate per Mcf (GCA included)</u>			
30	First 300 Mcf	0.5300	0.5300	0.0000
31	Over 15,000 Mcf	0.3591	0.3591	0.0000
32				

Atmos Energy Corporation
Expected Gas Cost - Non Commodity
Texas Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	Non-Commodity		(5)
			Annual Units	Rate	Total	Demand	Transition Costs
			MMbtu	\$/MMbtu	\$	\$	\$
1	SL to Zone 2						
2	NNS Contract #	N0210	12,617,673				
3	Base Rate	20		0.3088	3,896,336	3,896,336	
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		0.0000	0	0	
6							
7	Total SL to Zone 2		<u>12,617,673</u>		<u>3,896,336</u>	<u>3,896,336</u>	0
8							
9	SL to Zone 3						
10	NNS Contract #	N0340	27,480,375				
11	Base Rate	20		0.3543	9,736,297	9,736,297	
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		0.0000	0	0	
18							
19	FT Contract #	3355	5,475,000				
20	Base Rate	24		0.2494	1,365,465	1,365,465	
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		0.0000	0	0	
27							
28							
29	Total SL to Zone 3		<u>32,955,375</u>		<u>11,101,762</u>	<u>11,101,762</u>	0
30							
31	Total				<u>14,998,098</u>	<u>14,998,098</u>	
32							
33							
34							
35							
36							
37							
38							
39							
40							

Atmos Energy Corporation
Expected Gas Cost - Non Commodity
Texas Gas

Exhibit B
Page 2 of 10

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 #	21793	1,095,000				
3	Base Rate	24		0.2194	240,243	240,243	
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		0.0000	0	0	
6							
7	Total Zone 1 to Zone 3		<u>1,095,000</u>		<u>240,243</u>	<u>240,243</u>	<u>0</u>
8							
9 SL to Zone 4							
10	NNS Contract #	N0410	3,320,269				
11	Base Rate	20		0.4190	1,391,193	1,391,193	
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		0.0000	0	0	
18							
19	FT Contract #	3819	1,277,500				
20	Base Rate	24		0.3142	401,391	401,391	
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		0.0000	0	0	
27							
28	Total SL to Zone 4		<u>4,597,769</u>		<u>1,792,584</u>	<u>1,792,584</u>	<u>0</u>
29							
30	Total SL to Zone 2		12,617,673		3,896,336	3,896,336	0
31	Total SL to Zone 3		32,955,375		11,101,762	11,101,762	0
32	Total Zone 1 to Zone 3		1,095,000		240,243	240,243	0
33							
34	Total Texas Gas		<u>51,265,817</u>		<u>17,030,925</u>	<u>17,030,925</u>	<u>0</u>
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				<u>17,030,925</u>	<u>17,030,925</u>	<u>0</u>
42							
43							

Atmos Energy Corporation
Expected Gas Cost - Non Commodity
Tennessee Gas

Exhibit B
Page 3 of 10

Line No.	Description	Tariff Sheet No.	(1)	(2)	Non-Commodity		(5)
			Annual Units	Rate	Total	Demand	Transition Costs
			MMbtu	\$/MMbtu	\$	\$	\$
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) Non-Commodity		(5)
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$	Transition Costs \$
1 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							

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

Exhibit B
Page 5 of 10

Line No.	Description	Tariff Sheet No.	(1)		(2)	(3)	(4)
			Purchases Mcf	MMbtu	Rate \$/MMbtu	Total \$	
1	<u>No Notice Service</u>			5,193,611			
2	Indexed Gas Cost				7.6960	39,970,030	
3	Commodity	20			0.0506	262,797	
4	Fuel and Loss Retention @	36	3.23%		0.2569	1,334,239	
5					8.0035	41,567,066	
6							
7	<u>Firm Transportation</u>			91,000			
8	Indexed Gas Cost				7.6960	700,336	
9	Base (Weighted on MDQs)	25			0.0439	3,995	
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			0.0000	0	
14	ACA	25			0.0016	146	
15	Fuel and Loss Retention @	36	2.01%		0.1579	14,369	
16					7.8994	718,846	
17	<u>No Notice Storage</u>						
18	Net (Injections)/Withdrawals			(2,315,067)			
19	Indexed Gas Cost				7.6960	(17,816,756)	
20	Commodity (Zone 3)	20			0.0506	(117,142)	
21	Fuel and Loss Retention @	36	3.23%		0.2569	(594,741)	
22					8.0035	(18,528,639)	
23							
24							
25	Total Purchases in Texas Area				2,969,544	8.0003	23,757,273
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	Allocation	\$/MMbtu	Average
33	SL to Zone 2	25		12,617,673	25.15%	\$0.0399	\$ 0.0100
34	SL to Zone 3	25		30,610,980	61.01%	0.0445	0.0271
35	1 to Zone 3	25		2,344,395	4.67%	0.0422	0.0020
36	SL to Zone 4	25		4,598,269	9.17%	0.0528	0.0048
37	Total			50,171,317	100.00%		\$ 0.0439
38							
39	<u>Tennessee Gas</u>						
40	0 to Zone 2	23C		27,393	9.40%	0.0880	\$ 0.0083
41	1 to Zone 2	23C		263,952	90.60%	0.0776	0.0703
42	Total			291,345	100.00%		\$ 0.0786
43							

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

Exhibit B
Page 6 of 10

Line No.	Description	Tariff Sheet No.	(1) Mcf	(2) MMbtu	(3)	(4)
					Rate \$/MMbtu	Total \$
1	<u>FT-A and FT-G</u>			630,035		
2	Indexed Gas Cost				7.6960	4,848,749
3	Base Commodity (Weighted on MDQs)				0.0786	49,521
4	GRI	23C			0.0000	0
5	ACA	23C			0.0016	1,008
6	Transition Cost	23C			0.0000	0
7	Fuel and Loss Retention	29	3.69%		0.2949	185,797
8						
9					8.0711	5,085,075
10						
11	<u>FT-GS</u>			112,735		
12	Indexed Gas Cost				7.6960	867,609
13	Base Rate	20			0.5844	65,882
14	GRI	20			0.0000	0
15	ACA	20			0.0016	180
16	PCB Adjustment	20			0.0000	0
17	Settlement Surcharge	20			0.0000	0
18	Fuel and Loss Retention	29	3.69%		0.2949	33,246
19					8.5769	966,917
20						
21						
22	<u>Gas Storage</u>					
23	FT-A & FT-G Market Area (Injections)/Withdrawals			(473,030)		
24	Indexed Gas Cost/Storage				7.6960	(3,640,439)
25	Injection Rate	27			0.0102	(4,825)
26	Fuel and Loss Retention	27	1.49%		0.1164	(55,061)
27	Total				7.8226	(3,700,325)
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	Total Tennessee Gas Zones			269,740	8.7183	2,351,667
38						
39						

Atmos Energy Corporation
 Expected Gas Cost
 Trunkline Gas

Exhibit B
 Page 7 of 10

Commodity		(1)	(2)	(3)	(4)
Line No.	Description	Tariff Sheet No.	Purchases	Rate	Total
			Mcf	\$/MMbtu	\$
1	<u>Firm Transportation</u>				
2	Expected Volumes		92,000		
3	Indexed Gas Cost			7.6960	708,032
4	Base Commodity	10		0.0051	469
5	GRI	10		-	0
6	ACA	10		0.0008	74
7	Fuel and Loss Retention	10	0.13%	0.0086	791
8				<u>7.7105</u>	<u>709,366</u>
9					
10					

Non-Commodity

Line No.	Description	Tariff Sheet No.	(1)	(2)	Non-Commodity		(6)	
					(3)	(4)		(5)
				Annual Units	Rate	Total	Demand	
				MMbtu	\$/MMbtu	\$	\$	\$
11	FT-G Contract # 014573			27,000				
12	Discount Rate on MDQs				7.2000	194,400	194,400	
13								
14								
15	GRI Surcharge	10				0	-	
16								
17	Reservation Fee					-	-	
18								
19	Total Trunkline Area Non-Commodity					194,400	194,400	
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	\$17,030,925				
3	Midwestern	0				
4	Tennessee Gas	2,925,726				
5	Trunkline	194,400				
6	Total	\$20,151,051				
7						
8						
9	<u>Demand Cost Allocation:</u>					
	Factors	Allocated Demand	Related Volumes	Monthly Demand Charge		
				Firm	Interruptible	HLF
10	All	0.1850	\$3,727,944	20,401,274	0.1827	0.1827
11	Firm	0.8150	16,423,107	18,923,274	0.8679	
12	Total	1.0000	\$20,151,051		1.0506	0.1827
13						
14						
15		Volumetric Basis for				
16		Annualized	Monthly Demand Charge			
17		Mcf @14.65	All	Firm		
17	<u>Firm Service</u>					
18	Sales:					
19	G-1	18,887,274	18,887,274	18,887,274	1.0506	
20	HLF	60,000	60,000		0.1827 + HLF MDQ Demand	
21	LVS-1	0	0	0	1.0506	
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	1.0506	
26	HLF	0	0		0.1827	
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		1.0506	0.1827
32	LVS-2	154,000	154,000		1.0506	0.1827
33	Total Sales	838,000	838,000			
34						
35	Transportation:					
36	T-2 \ G-2	580,000	580,000		1.0506	0.1827
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		\$16,423,107			
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		\$4.5295 / MDQ of Customer's Contract			
51						
52						
53	Note: LVS Credit =	(\$28,136)				
54						

Atmos Energy Corporation
Expected Gas Cost - Commodity
Total System

Exhibit B
Page 9 of 10

	(1)	(2)	(3)	(4)
Line				
No. Description	Purchases		Rate	Total
	Mcf	MMbtu	\$/MMbtu	\$
1 <u>Texas Gas Area</u>				
2 No Notice Service	5,066,938	5,193,611	8.0035	41,567,066
3 Firm Transportation	89,756	92,000	7.7105	709,366
4 No Notice Storage	(2,258,602)	(2,315,067)	8.0035	(18,528,639)
5 Total Texas Gas Area	2,898,092	2,970,544	7.9944	23,747,793
6				
7 <u>Tennessee Gas Area</u>				
8 FT-A and FT-G	614,668	630,035	8.0711	5,085,075
9 FT-GS	109,985	112,735	8.5769	966,917
10 Gas Storage				
11 Injections	(461,493)	(473,030)	7.8226	(3,700,325)
12 Withdrawals				
13	263,160	269,740	8.7183	2,351,667
14 <u>Trunkline Gas Area</u>				
15 Firm Transportation	89,756	92,000	7.7105	709,366
16				
17				
18 <u>WKG System Storage</u>				
19 Injections	(1,356,085)	(1,389,987)	7.6840	(10,680,660)
20 Withdrawals				
21 Net WKG Storage	(1,356,085)	(1,389,987)	7.6840	(10,680,660)
22				
23				
24 Local Production	59,512	61,000	7.6960	469,456
25				
26				
27				
28 Total Commodity Purchases	1,954,435	2,003,297	8.2852	16,597,622
29				
30 Lost & Unaccounted for (1.38%	26,971	27,645		
31				
32 Total Deliveries	1,927,464	1,975,652	8.4011	16,597,622
33				
34 <u>LVS Commodity Credit to System</u>				
35 LVS Sales	(20,000)	(20,500)	7.7518	(158,912)
36				
37				
38 Total Expected Commodity Cost	1,907,464	1,955,152	8.4079	16,438,710
39				
40 Expected Commodity Cost (\$/Mcf)			<u>8.6181</u>	
41				
42				
43				

Atmos Energy Corporation
Load Factor Calculation for Demand Allocation

Exhibit B
Page 10 of 10

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	<u>20,401,274</u>
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

**Eighth Revised Sheet No. 20 : Effective
Superseding: Substitute Seventh Revised Sheet No. 20**

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

	Base Tariff Rates (1)	FERC ACA (2)	Currently Effective Rates (3)
Zone SL			
Daily Demand	0.1800		0.1800
Commodity	0.0253	0.0016	0.0269
Overrun	0.2053	0.0016	0.2069
Zone 1			
Daily Demand	0.2782	0.0016	0.2782
Commodity	0.0431	0.0016	0.0447
Overrun	0.3213	0.0016	0.3229
Zone 2			
Daily Demand	0.3088		0.3088
Commodity	0.0460	0.0016	0.0476
Overrun	0.3548	0.0016	0.3564
Zone 3			
Daily Demand	0.3543		0.3543
Commodity	0.0490	0.0016	0.0506
Overrun	0.4033	0.0016	0.4049
Zone 4			
Daily Demand	0.4190		0.4190
Commodity	0.0614	0.0016	0.0630
Overrun	0.4804	0.0016	0.4820

Minimum Rate: Demand \$-0-; Commodity - Zone SL 0.0163
 Zone 1 0.0186
 Zone 2 0.0223
 Zone 3 0.0262
 Zone 4 0.0308

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.

For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental transportation charge of:

Daily Demand	\$0.0621
Commodity	\$0.0155
Overrun	\$0.0776

This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAFS.

**Substitute Fifth Revised Sheet No. 24 : Effective
Superseding: Second Sub Fourth Rev Sheet No. 24**

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

	Currently Effective Rates [1]
SL-SL	0.0794
SL-1	0.1552
SL-2	0.2120
SL-3	0.2494
SL-4	0.3142
1-1	0.1252
1-2	0.1820
1-3	0.2194
1-4	0.2842
2-2	0.1332
2-3	0.1705
2-4	0.2334
3-3	0.1181
3-4	0.1810
4-4	0.1374

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

[1] Currently Effective Rates are equal to the Base Tariff Rates.

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.

For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental Daily Demand charge of \$0.0621. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

**Eighth Revised Sheet No. 25 : Effective
Superseding: Seventh Revised Sheet No. 25**

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

	Base Tariff Rates (1)	FERC ACA (2)	Cash Out Adjustment (3)	Currently Effective Rates (4)
SL-SL	0.0104	0.0016	(0.0001)	0.0119
SL-1	0.0355	0.0016	(0.0001)	0.0370
SL-2	0.0399	0.0016	(0.0001)	0.0414
SL-3	0.0445	0.0016	(0.0001)	0.0460
SL-4	0.0528	0.0016	(0.0001)	0.0543
1-1	0.0337	0.0016	(0.0001)	0.0352
1-2	0.0385	0.0016	(0.0001)	0.0400
1-3	0.0422	0.0016	(0.0001)	0.0437
1-4	0.0508	0.0016	(0.0001)	0.0523
2-2	0.0323	0.0016	(0.0001)	0.0338
2-3	0.0360	0.0016	(0.0001)	0.0375
2-4	0.0446	0.0016	(0.0001)	0.0461
3-3	0.0312	0.0016	(0.0001)	0.0327
3-4	0.0398	0.0016	(0.0001)	0.0413
4-4	0.0360	0.0016	(0.0001)	0.0375

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

Backhaul rates equal fronthaul rates to zone of delivery.

Note: For receipts from Enterprise Texas Pipeline, L.P./Texas Eastern Transmission, LP interconnect near Beckville, Texas, the above rates shall be increased to include an incremental Commodity charge of \$0.0155. This receipt point is available to those customers agreeing to pay the incremental rate(s) applicable to such point and is not available for pooling under Rate Schedule TAPS.

Substitute Fifth Revised Sheet No. 36 : Effective
Superseding: Sub 1 Rev 3 Rev Sheet No. 36

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}	EFRP{3}	Delivery Zone	PFRP{1}	FAP{2}	EFRP{3}
SL	0.55%	(0.54%)	0.01%	SL	2.34%	(0.34%)	2.00%
1	2.33%	0.16%	2.49%	1	1.97%	0.21%	2.18%
2	2.72%	(0.02%)	2.70%	2	2.17%	0.19%	2.36%
3	2.79%	0.38%	3.17%	3	2.25%	0.98%	3.23%
4	4.08%	(0.12%)	3.96%	4	2.74%	0.26%	3.00%

FT/STF/IT RATE SCHEDULES

WINTER				SUMMER			
Rec/Del Zone	PFRP	FAP	EFRP	Rec/Del Zone	PFRP	FAP	EFRP
SL or 1/SL	0.22%	0.71%	0.93%	SL or 1/SL	0.22%	0.75%	0.97%
SL or 1/1	1.33%	0.13%	1.46%	SL or 1/1	1.48%	(0.01%)	1.47%
SL or 1/2	1.63%	(0.07%)	1.56%	SL or 1/2	1.91%	(0.04%)	1.87%
SL or 1/3	1.80%	(0.07%)	1.73%	SL or 1/3	1.92%	0.09%	2.01%
SL or 1/4	2.54%	(0.05%)	2.49%	SL or 1/4	2.44%	(0.22%)	2.22%
2/2	0.33%	(0.23%)	0.10%	2/2	0.45%	(0.45%)	0.00%
2/3	0.56%	0.57%	1.13%	2/3	0.57%	1.93%	2.50%
2/4	1.29%	(0.50%)	0.79%	2/4	1.06%	(1.06%)	0.00%
3/3	0.26%	(0.15%)	0.11%	3/3	0.13%	(0.12%)	0.01%
3/4	0.99%	0.19%	1.18%	3/4	0.63%	(0.09%)	0.54%
4/4	0.76%	0.32%	1.08%	4/4	0.52%	0.19%	0.71%

FSS/ISS RATE SCHEDULES

Withdrawal				Injection			
PFRP	FAP	EFRP		PFRP	FAP	EFRP	
1.00%	0.23%	1.23%		0.80%	0.39%	1.19%	

{1} Projected Fuel Retention Percentage
{2} Fuel Adjustment Percentage
{3} Effective Fuel Retention Percentage

**Thirty-Fourth Revised Sheet No. 20 : Effective
Superseding: Thirty-Third Revised Sheet No. 20**

RATES PER DEKATHERM FIRM TRANSPORTATION - GS RATES (FT-GS)

RATES PER DEKATHERM

Base Rates		DELIVERY ZONE						
RECEIPT ZONE		0	1	2	3	4	5	6
0	\$0.2138	\$0.4203	\$0.5844	\$0.6748	\$0.7814	\$0.8952	\$1.0698	
L	\$0.1771							
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	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	\$0.0000
2	\$0.0000	\$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	\$0.0000
4	\$0.0000	\$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	\$0.0000
6	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

Annual Charge Adjustment (ACA): \$0.0016

Maximum Rates 2 /, 3 /

Minimum Rates		DELIVERY ZONE						
RECEIPT ZONE		0	1	2	3	4	5	6
0	\$0.2154	\$0.4219	\$0.5860	\$0.6764	\$0.7830	\$0.8968	\$1.0714	
L	\$0.1787							
1	\$0.4334	\$0.3284	\$0.4967	\$0.5865	\$0.6931	\$0.8068	\$0.9820	
2	\$0.5860	\$0.4967	\$0.2016	\$0.2913	\$0.4160	\$0.5122	\$0.6868	
3	\$0.6764	\$0.5865	\$0.2913	\$0.1505	\$0.4011	\$0.4967	\$0.6714	
4	\$0.8011	\$0.7112	\$0.4160	\$0.4011	\$0.1902	\$0.2327	\$0.4077	
5	\$0.8968	\$0.8068	\$0.5122	\$0.4967	\$0.2327	\$0.2005	\$0.3482	
6	\$1.0714	\$0.9820	\$0.6868	\$0.6714	\$0.4077	\$0.3482	\$0.2390	

Tennessee Gas Pipeline

RECEIPT 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

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, 2008 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/ 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%.

**Eighteenth Revised Sheet No. 23A : Effective
Superseding: Seventeenth Revised Sheet No. 23A**

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates	DELIVERY ZONE								
	RECEIPT ZONE	0	L	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/

Minimum Commodity Rates 2/	DELIVERY ZONE								
	RECEIPT ZONE	0	L	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/

Maximum Commodity Rates 1/, 2/	DELIVERY ZONE								
	RECEIPT ZONE	0	L	1	2	3	4	5	6
	0	\$0.0455		\$0.0685	\$0.0896	\$0.0994	\$0.1134	\$0.1247	\$0.1624
	L	\$0.0302							
	1	\$0.0685		\$0.0588	\$0.0792	\$0.0890	\$0.1030	\$0.1142	\$0.1519
	2	\$0.0896		\$0.0792	\$0.0449	\$0.0546	\$0.0697	\$0.0799	\$0.1175
	3	\$0.0994		\$0.0890	\$0.0546	\$0.0382	\$0.0679	\$0.0781	\$0.1158

Tennessee Gas Pipeline

4	\$0.1145	\$0.1041	\$0.0697	\$0.0679	\$0.0417	\$0.0475	\$0.0850
5	\$0.1247	\$0.1142	\$0.0799	\$0.0781	\$0.0475	\$0.0443	\$0.0781
6	\$0.1624	\$0.1519	\$0.1175	\$0.1158	\$0.0850	\$0.0781	\$0.0658

Notes:

1/ The above maximum rates include a per Dth charge for:

(ACA) Annual Charge Adjustment

\$0.0016

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%.

Fifteenth Revised Sheet No. 23B : Effective
Superseding: Fourteenth Revised Sheet No. 23B

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-G

Base Reservation Rates		DELIVERY ZONE						
RECEIPT ZONE		0	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	

Surcharges

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

PCB Adjustment: 1/

Maximum Reservation Rates 2/

Maximum Reservation Rates 2/		DELIVERY ZONE						
RECEIPT ZONE		0	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	

Tennessee Gas Pipeline

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, 2008 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.

**Sixteenth Revised Sheet No. 23C : Effective
Superseding: Fifteenth Revised Sheet No. 23C**

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-G
=====

Base Commodity Rate	DELIVERY ZONE							
	RECEIPT 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/

		DELIVERY ZONE						
RECEIPT 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/

		DELIVERY ZONE						
RECEIPT ZONE		0	1	2	3	4	5	6
0		\$0.0455	\$0.0685	\$0.0896	\$0.0994	\$0.1134	\$0.1247	\$0.1624
L		\$0.0302						
1		\$0.0685	\$0.0588	\$0.0792	\$0.0890	\$0.1030	\$0.1142	\$0.1519
2		\$0.0896	\$0.0792	\$0.0449	\$0.0546	\$0.0697	\$0.0799	\$0.1175

Tennessee Gas Pipeline

3	\$0.0994	\$0.0890	\$0.0546	\$0.0382	\$0.0679	\$0.0781	\$0.1158
4	\$0.1145	\$0.1041	\$0.0697	\$0.0679	\$0.0417	\$0.0475	\$0.0850
5	\$0.1247	\$0.1142	\$0.0799	\$0.0781	\$0.0475	\$0.0443	\$0.0781
6	\$0.1624	\$0.1519	\$0.1175	\$0.1158	\$0.0850	\$0.0781	\$0.0658

Notes:

1/ The above maximum rates include a per Dth charge for:
(ACA) Annual Charge Adjustment

\$0.0016

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%. solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

**Sixteenth Revised Sheet No. 27 : Effective
Superseding: Fifteenth Revised Sheet No. 27**

RATES PER DEKATHERM

STORAGE SERVICE

Rate Schedule and Rate	Tariff Rate (ACA)	ADJUSTMENTS (TCM) 2/	Current Adjustment	Retention Percent 1/
FIRM STORAGE SERVICE (FS) - PRODUCTION AREA				
Deliverability Rate	\$2.02	\$0.00	\$2.02	
Space Rate	\$0.0248	\$0.0000	\$0.0248	
Injection Rate	\$0.0053		\$0.0053	1.49%
Withdrawal Rate	\$0.0053		\$0.0053	
Overrun Rate	\$0.2427		\$0.2427	
FIRM STORAGE SERVICE (FS) - MARKET AREA				
Deliverability Rate	\$1.15	\$0.00	\$1.15	
Space Rate	\$0.0185	\$0.0000	\$0.0185	
Injection Rate	\$0.0102		\$0.0102	1.49%
Withdrawal Rate	\$0.0102		\$0.0102	
Overrun Rate	\$0.1380		\$0.1380	
INTERRUPTIBLE STORAGE SERVICE (IS) - MARKET AREA				
Space Rate	\$0.0848	\$0.0000	\$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	\$0.0000	\$0.0993	
Injection Rate	\$0.0053		\$0.0053	1.49%
Withdrawal Rate	\$0.0053		\$0.0053	

1/ The quantity of gas associated with losses is 0.5%.
 2/ 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, 2008 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.

Tennessee Gas Pipeline

Excess Withdrawal Rate	\$0.7800	\$0.0019	\$0.7819
SS-NE			

Deliverability	\$6.71	\$0.00	\$6.71
Space Rate	\$0.0132	\$0.0000	\$0.0132
Injection Rate	\$0.0102		\$0.0102
Withdrawal Rate	\$0.0936		\$0.0936
Excess Withdrawal Rate	\$1.1600	\$0.0019	\$1.1619

3.25%

- 1/ The quantity of gas associated with losses is 0.5%.
- 2/ 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, 2006 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.

First Revised Sheet No. 29 : Effective
Superseding: Substitute Original Sheet No. 29

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, (PAT) Preferred Access Transportation, (IT-X) Interruptible Transportation-X, (FT-G) Firm Transportation-G, (EDS/ERS) FT- A Extended Transportation Service.

**Thirteenth Revised Sheet No. 10 : Effective
Superseding: Twelfth Revised 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	Adjustment	Maximum Rate	Minimum Rate	Fuel Reimbursement
	Per Dt	Sec. 24	Per Dt	Per Dt	
	(1)	(2)	(3)	(4)	(5)
RATE SCHEDULE FT					

Field Zone to Zone 2					
- Reservation Rate	\$ 9.7097	-	\$ 9.7097	-	-
- Usage Rate (1)	0.0141	-	0.0141	\$ 0.0141	1.53 % (2)
- Overrun Rate (3)	0.3192	-	0.3192	-	-
Zone 1A to Zone 2					
- Reservation Rate	\$ 6.0096	-	\$ 6.0096	-	-
- Usage Rate (1)	0.0117	-	0.0117	\$ 0.0117	1.12 % (2)
- Overrun Rate (3)	0.1976	-	0.1976	-	-
Zone 1B to Zone 2					
- Reservation Rate	\$ 4.5557	-	\$ 4.5557	-	-
- Usage Rate (1)	0.0062	-	0.0062	\$ 0.0062	0.23 % (2)
- Overrun Rate (3)	0.1498	-	0.1498	-	-
Zone 2 Only					
- Reservation Rate	\$ 3.4350	-	\$ 3.4350	-	-
- Usage Rate (1)	0.0011	-	0.0011	\$ 0.0011	0.02 % (2)
- Overrun Rate (3)	0.1129	-	0.1129	-	-
Field Zone to Zone 1B					
- Reservation Rate	\$ 8.4890	-	\$ 8.4890	-	-
- Usage Rate (1)	0.0130	-	0.0130	\$ 0.0130	1.38 % (2)
- Overrun Rate (3)	0.2791	-	0.2791	-	-
Zone 1A to Zone 1B					
- Reservation Rate	\$ 4.7889	-	\$ 4.7889	-	-
- Usage Rate (1)	0.0106	-	0.0106	\$ 0.0106	0.97 % (2)
- Overrun Rate (3)	0.1574	-	0.1574	-	-
Zone 1B Only					
- Reservation Rate	\$ 3.3350	-	\$ 3.3350	-	-
- Usage Rate (1)	0.0051	-	0.0051	\$ 0.0051	0.08 % (2)
- Overrun Rate (3)	0.1096	-	0.1096	-	-
Field Zone to Zone 1A					
- Reservation Rate	\$ 7.3683	-	\$ 7.3683	-	-
- Usage Rate (1)	0.0079	-	0.0079	\$ 0.0079	1.17 % (2)
- Overrun Rate (3)	0.2422	-	0.2422	-	-
Zone 1A Only					

Trunkline

- Reservation Rate	\$ 3.6682	-	\$ 3.6682	-
- Usage Rate (1)	0.0055	-	0.0055	\$ 0.0055
- Overrun Rate (3)	0.1206	-	0.1206	-
Field Zone Only				
- Reservation Rate	\$ 3.7001	-	\$ 3.7001	-
- Usage Rate (1)	0.0024	-	0.0024	\$ 0.0024
- Overrun Rate (3)	0.1216	-	0.1216	-
Gathering Charge (All Zones)				
- Reservation Rate	\$ 0.3257	-	\$ 0.3257	-
- Overrun Rate (3)	0.0107	-	0.0107	-

(1) Excludes Section 21 Annual Charge Adjustment: \$0.0016

(2) Fuel reimbursement for backhauls is 0.32%

(3) Maximum firm volumetric rate applicable for capacity release

(1) Excludes Section 21 Annual Charge Adjustment: \$0.0018

(2) Fuel reimbursement for backhauls is 0.41%

(3) Maximum firm volumetric rate applicable for capacity release

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Quarter of August 2007 - October 2007
2007-0000

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 August 2007 - October 2007 during the period June 12, 2007 through June 20, 2007 which are listed below:

	Aug-07 (\$/MMBTU)	Sep-07 (\$/MMBTU)	Oct-07 (\$/MMBTU)
Tuesday	7.823	7.915	8.059
Wednesday	7.748	7.841	7.987
Thursday	7.942	8.022	8.161
Friday	8.060	8.141	8.279
Monday	7.828	7.909	8.049
Tuesday	7.652	7.734	7.876
Wednesday	7.519	7.598	7.736
	<u>\$7.796</u>	<u>\$7.880</u>	<u>\$8.021</u>

- B. Gas Supply believes prices will remain stable and prices for the quarter of August 2007 - October 2007 will settle at 7.696 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
Kentucky Division
For the Month of May, 2007

<u>For Kentucky customers served in:</u>		<u>Indexed 1</u>	<u>Transport</u>	<u>WKG</u>
		<u>Cash-out</u>	<u>Charge 2, 3</u>	<u>Cash-out</u>
		<u>Price</u>		<u>Price</u>
A. Texas Gas:				
Zone 2 Area	100% of Index Price	\$7.6110	\$0.0475	\$7.6585
	90% of Index Price	6.8499	0.0475	6.8974
	80% of Index Price	6.0888	0.0475	6.1363
Zone 3 Area	100% of Index Price	\$7.6110	\$0.0505	\$7.6615
	90% of Index Price	6.8499	0.0505	6.9004
	80% of Index Price	6.0888	0.0505	6.1393
Zone 4 Area	100% of Index Price	\$7.6110	\$0.0629	\$7.6739
	90% of Index Price	6.8499	0.0629	6.9128
	80% of Index Price	6.0888	0.0629	6.1517
B. Tennessee Gas:				
Zone 2 Area	100% of Index Price	\$7.4971	\$0.0880	\$7.5851
	90% of Index Price	6.7474	0.0880	6.8354
	80% of Index Price	5.9977	0.0880	6.0857

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
 Estimated Weighted Average Cost of Gas
 August-07 Through October-07

	August-07		September-07		October-07		Total	
Volumes	Rate	Value	Volumes	Rate	Value	Volumes	Rate	Value

Texas Gas
 Trunkline
 Tennessee Gas
 TX Gas Storage
 TN Gas Storage
 WKG Storage
 Midwestern

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

WACOGs

Atmos Energy Corporation
Correction Factor (CF)
For the Three Months Ended April 1, 2007
Case No. 2007-000

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	February-07	3,903,521	32,045,016.18	32,166,337.44	(121,321.26)	0.00	(121,321.26)
2							
3	March-07	1,533,867	12,238,552.96	23,120,317.38	(10,881,764.42)	0.00	(10,881,764.42)
4							
5	April-07	1,508,837	12,775,917.66	11,861,452.84	914,464.82	0.00	914,464.82
6							
7							
8							
9							
10							
11							
12							
13	Total Gas Cost						
14	Under/(Over) Recovery		<u>57,059,486.80</u>	<u>67,148,107.66</u>	<u>(10,088,620.86)</u>	<u>0.00</u>	<u>(10,088,620.86)</u>
15							
16	PBR Saving reflected in Gas Cost		<u>987,086.73</u>				
17							
18	Account 191 Balance @ January, 2007						\$9,448,921.33
19							
20	Total Gas Cost Under/(Over) Recovery for the three months ended April, 2007						(10,088,620.86)
21	Recovery from outstanding Correction Factor (CF)						<u>424,149.19</u>
22	Account 191 Balance @ April, 2007						<u>(215,550.34)</u>
23							
24							
25							
26							
27							
28	Derivation of Correction Factor (CF):						
29							
30	Account 191 Balance					<u>(\$215,550)</u>	
31	Divided By: Total Expected Customer Sales					18,983,274	MCF
32							
33	Correction Factor (CF)					<u>(\$0.0114)</u>	/MCF

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended April 1, 2007
Case No. 2007-000

Line No.	Description	GL Unit	Mar-07	Apr-07	May-07	Source Document
			(1)	(2)	(3)	
			Month			
			February-07	March-07	April-07	
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	950,027	523,954	2,686,671	pages 5
9	Off System Storage					
10	Texas Gas Transmission	Mcf	0	0	0	
11	Tennessee Gas Pipeline	Mcf	392,697	130,855	(62,450)	
12	System Storage					
13	Withdrawals	Mcf	1,172,476	535,688	391,622	
14	Injections	Mcf	0	(426,264)	(720,211)	
15	Producers	Mcf	8,479	10,945	11,395	
16	Pipeline Imbalances cashed out	Mcf	0	0	0	
17	System Imbalances ²	Mcf	1,379,842	758,689	(798,190)	
18	Total Supply	Mcf	3,903,521	1,533,867	1,508,837	
19						
20	Change in Unbilled	Mcf				
21	Company Use	Mcf	0	0	0	
22	Unaccounted For	Mcf	0	0	0	
23	Total Sales	Mcf	3,903,521	1,533,867	1,508,837	

¹ Includes settlement of historical imbalances and prepaid items.

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended April 1, 2007
Case No. 2007-000

Line No.	Description	GL Unit	Mar-07	Apr-07	May-07	Source Document
			(1)	(2)	(3)	
			Month			
			February-07	March-07	April-07	
1	Supply Cost					
2	Pipelines:					
3	Texas Gas Transmission ¹	\$	1,581,648	1,682,113	1,515,409	
4	Tennessee Gas Pipeline ¹	\$	330,075	326,198	306,838	
5	Trunkline Gas Company ¹	\$	28,515	30,892	7,419	
6	Midwestern Pipeline ¹	\$	0	0	0	
7	Total Pipeline Supply	\$	<u>1,940,239</u>	<u>2,039,203</u>	<u>1,829,667</u>	
8	Total Other Suppliers	\$	7,204,808	3,593,978	20,165,276	page 5
9	Hedging Settlements		538,820	320,970	90	
10	Off System Storage					
11	Texas Gas Transmission	\$	0	0	0	
12	Tennessee Gas Pipeline	\$	2,637,558	870,170	(509,991)	
13	WKG Storage		122,500	122,500	122,500	
14	System Storage					
15	Withdrawals	\$	8,092,294	3,501,185	2,848,761	
16	Injections	\$	0	(3,149,835)	(5,550,004)	
17	Producers	\$	54,574	78,855	85,127	
18	Pipeline Imbalances cashed out	\$	0	0	0	
19	System Imbalances ²	\$	<u>11,454,223</u>	<u>4,861,528</u>	<u>(6,215,508)</u>	
20	Sub-Total	\$	<u>32,045,016</u>	<u>12,238,553</u>	<u>12,775,918</u>	
21						
22	Change in Unbilled	\$				
23	Company Use	\$	0	0	0	
24	Recovered thru Transportation	\$	0	0	0	
25	Total Recoverable Gas Cost	\$	<u>32,045,016</u>	<u>12,238,553</u>	<u>12,775,918</u>	

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

² Includes Texas Gas No-Notice Service volumes and monthly imbalances related to transportation customer activities.

Line No.	Month	Type of Sales	Mcf Sold	Rate	Amount
1	February-07	G-1 Sales	3,625,687.2	\$0.0551	\$199,775.36
2		G-1 HLF	0.0	0.0551	0.00
3		G-2 Sales	75,394.4	0.0551	4,154.23
4		T-3 Overrun Sales	3,952.0	0.0606	239.49
5		T-4 Overrun Sales	6,438.0	0.0606	390.14
6		LVS-1 Sales	0.0	0.0000	0.00
7		LVS-2 Sales	8,958.0	0.0000	0.00
8		LVS HLF Sales	0.0	0.0000	0.00
9		Total	3,720,429.5		<u>204,559.22</u>
10					
11	March-07	G-1 Sales	2,608,530.4	\$0.0551	\$143,730.03
12		G-1 HLF	0.0	0.0551	0.00
13		G-2 Sales	35,129.2	0.0551	1,935.62
14		T-3 Overrun Sales	7,907.0	0.0606	479.16
15		T-4 Overrun Sales	1,197.0	0.0606	72.54
16		LVS-1 Sales	0.0	0.0000	0.00
17		LVS-2 Sales	10,268.0	0.0000	0.00
18		LVS HLF Sales	0.0	0.0000	0.00
19		Total	2,663,031.6		<u>146,217.35</u>
20					
21	April-07	G-1 Sales	1,292,661.9	\$0.0551	\$71,225.67
22		G-1 HLF	0.0	0.0551	0.00
23		G-2 Sales	31,855.3	0.0551	1,755.23
24		T-3 Overrun Sales	4,315.0	0.0606	261.49
25		T-4 Overrun Sales	2,149.0	0.0606	130.23
26		LVS-1 Sales	0.0	0.0000	0.00
27		LVS-2 Sales	7,367.0	0.0000	0.00
28		LVS HLF Sales	0.0	0.0000	0.00
29		Total	1,338,348.2		<u>73,372.62</u>

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) \$424,149.19

51
52
53
54
55
56

LVS sales commodity is "trued-up" according to Section 3(f) in LVS tariff in P.S.C. No. 1.
 When Carriage (T-3 and T-4) customers have a positive imbalance that has been approved by the Company, the customer is billed for the imbalance volumes at a rate equal to 110% of the Company's applicable sales rate according to Section 6(a) of P.S.C. No. 20, Sheet Nos. 41A and 47A.

Description	February, 2007		March, 2007		April, 2007	
	MCF	Cost	MCF	Cost	MCF	Cost
1 Texas Gas Pipeline Area						
2 LG&E Natural						
3 Atmos Energy Marketing, LLC						
4 Texaco Gas Marketing						
5 CMS						
6 WESCO						
7 Southern Energy Company						
8 Union Pacific Fuels						
9 Atmos Energy Marketing, LLC						
10 Engage						
11 ERI						
12 Prepaid						
13 Reservation						
14 Hedging Costs - All Zones						
15						
16 Total	695,039	\$5,278,714.40	337,749	\$2,198,958.28	2,389,819	\$20,102,038.42
17						
18						
19 Tennessee Gas Pipeline Area						
20 Atmos Energy Marketing, LLC						
21 Union Pacific Fuels						
22 WESCO						
23 Prepaid						
24 Reservation						
25 Fuel Adjustment						
26						
27 Total	145,329	\$1,090,199.42	110,911	\$819,902.06	282,342	(\$33,969.73)
28						
29						
30 Trunkline Gas Company						
31 Atmos Energy Marketing, LLC						
32 Engage						
33 Prepaid						
34 Reservation						
35 Fuel Adjustment						
36						
37 Total	109,659	\$835,894.08	75,294	\$575,117.40	14,510	\$97,207.06
38						
39						
40 Midwestern Pipeline						
41 Atmos Energy Marketing, LLC						
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	950,027	\$7,204,807.90	523,954	\$3,593,977.74	2,686,671	\$20,165,275.75
53						
54						
55						

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

ATMOS ENERGY CORPORATION
Large Volume Sales
For the Period May, 2007

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

LVS-1:

			Simple		Non-	Estimated		Sales
			Margin		Commodity	Weighted		Rate
					Component ²	Average		
						Commodity		
						Gas Cost		
<u>Firm Service</u>								
First	300	¹ Mcf @	\$ 1.1900	+	\$ 1.0506	+	\$ 7.6667	= \$ 9.9073 per Mcf
Next	14,700	¹ Mcf @	0.6590	+	1.0506	+	7.6667	= 9.3763 per Mcf
All over	15,000	Mcf @	0.4300	+	1.0506	+	7.6667	= 9.1473 per Mcf
High Load Factor Firm Service Demand				@	\$ 4.5295	+	\$7.6667	= \$ 4.5295 per Mcf of daily contract demand
First	300	¹ Mcf @	\$ 1.1900	+	\$ 0.1827	+	\$ 7.6667	= \$ 9.0394 per Mcf
Next	14,700	¹ Mcf @	0.6590	+	0.1827	+	7.6667	= 8.5084 per Mcf
All over	15,000	Mcf @	0.4300	+	0.1827	+	7.6667	= 8.2794 per Mcf

LVS-2:

Interruptible Service

First	15,000	Mcf @	\$ 0.5300	+	\$ 0.1827	+	\$ 7.6667	= \$ 8.3794 per Mcf
All over	15,000	Mcf @	0.3591	+	0.1827	+	7.6667	= 8.2085 per Mcf

True-up Adjustment for 4/07 billing period:

\$ 0.6144 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 Twentieth Revised Sheet No. 6, effective February 1, 2007.

Atmos Energy Corporation
Large Volume Sales
Estimated WACOG used for Billing
For the Period May, 2007

Line No.	Supplier/Type of Service	April-07 (A) Estimated MCF Purchased @14.65	April-07 (B) Estimated Commodity Cost
1	<u>Estimated Purchases:</u>		
2	Texas Gas Area	2,389,819	\$17,938,619.09
3	Tennessee Gas Area	282,342	2,163,419.33
4	Trunkline Gas Area	14,510	97,207.06
5	Midwestern Gas Area	0	0.00
6	Total Estimated Purchases	<u>2,686,671</u>	<u>20,199,245.48</u>
7			
8	<u>Transportation Costs:</u>		
9	Texas Gas Transmission		80,414.71
10	Tennessee Gas Pipeline		41,306.78
11	Trunkline Gas Area		219.00
11	Midwestern Gas Area		
12			
13	Local Production	11,395	85,127.19
14			
15	WKG End-User Cash Outs	<u>13,943</u>	<u>98,863.18</u>
16			
17	Total Current Month Gas Cost	2,712,008	\$20,505,176.34
18			
19	Less: Lost & Unaccounted for @	1.38% <u>37,426</u>	
20			
21	Total Deliveries	2,674,582	\$20,505,176.34
22			
23	Estimated LVS Weighted Average Commodity Rate		<u>\$7.6667</u>

Atmos Energy Corporation
Expected Purchases
LVS Commodity Purchase Basis
For the Period of May '07 to July '07

Line No.		(1) Mcf	(2) MMbtu	(3) Gas Cost
1	<u>Texas Gas Area</u>			
2	No Notice Service	5,281,597	5,413,637	40,334,844
3	Firm Transportation	89,756	92,000	660,146
4	Total Texas Gas Area	5,371,353	5,505,637	40,994,990
5				
6				
7	<u>Tennessee Gas Area</u>			
8	FT-A&G Commodity	691,856	709,152	5,329,702
9	FT-GS Commodity	123,752	126,846	1,017,483
10	Total Tennessee Gas Area	815,608	835,998	6,347,185
11				
12	<u>Trunkline Gas Area</u>			
13	Firm Transportation	89,756	92,000	660,146
14				
15				
16	<u>Local Production</u>			
17	Commodity	59,512	61,000	436,821
18				
19				
20	Expected WKG End-User Cash Outs	0	0	0
21				
22	Total LVS Commodity Purchase Basis	6,336,229	6,494,635	48,439,142
23				
24	Lost & Unaccounted for @	1.38%	87,440	89,626
25				
26	Total Deliveries	6,248,789	6,405,009	48,439,142
27				
28	Estimated LVS Weighted Average Commodity Rate (per MMBtu)			\$7.5627
29				
30	Estimated LVS Weighted Average Commodity Rate (per Mcf)			\$7.7518
31	(To only be used to calculate commodity credit back on Exhibit B)			
32				
33				

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

In the Matter of:

GAS COST ADJUSTMENT)	CASE NO.
FILING OF)	2007 - 00
ATMOS ENERGY CORPORATION)	

PETITION FOR CONFIDENTIALITY OF INFORMATION
BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION

Atmos Energy Corporation ("Atmos") respectfully petitions the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001 Section 7 and all other applicable law, for confidential treatment of the information which is described below and which is attached hereto. In support of this Petition, Atmos states as follows:

1. Atmos is filing its Gas Cost Adjustment ("GCA") for the quarterly period commencing on August 1, 2007. This GCA filing also contains Atmos' quarterly Correction Factor (CF) as well as information pertaining to Atmos' projected gas prices. The following three attachments contain information which requires confidential treatment.

- a. The attached Exhibit D contains information from which the actual price being paid by Atmos for natural gas to its supplier can be determined.
- b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, page 19 contains confidential information pertaining to prices projected to be paid by Atmos for purchase contracts.

2. Information of the type described above has previously been filed by Atmos with the Commission under petitions for confidentiality. Exhibit D contains information from which it

could be determined what Atmos is paying for natural gas under its gas supply agreement with its existing supplier. The Commission has consistently granted confidential protection to that type of information in each of the prior GCA filings in KPSC Case No. 1999-070. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 97-513.

3. All of the information sought to be protected herein as confidential, if publicly disclosed, would have serious adverse consequences to Atmos and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos. Atmos has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos' competitors, (including specifically non-regulated gas marketers), would clearly put Atmos to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos' gas purchases and transportation costs and strategies. The Commission has accordingly granted confidential protection to such information.

4. Likewise, the information contained in the WACOG schedule in support of Exhibit C, page 19, also constitutes sensitive, proprietary information which if publicly disclosed would put Atmos to an unfair commercial disadvantage in future negotiations.

5. Atmos would not, as a matter of company policy, disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos' internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the

attached report is not disclosed to any personnel of Atmos except those who need to know in order to discharge their responsibility. Atmos has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry.


6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

7. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 265.880: (a) the economic value of the information as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos maintaining the confidentiality of the information since competitors and entities with whom Atmos transacts business could obtain economic value by its disclosure.

8. Pursuant to 807 KAR 5:001 Section 7(3) temporary confidentiality of the attached information should be maintained until the Commission enters an order as to this petition. Once the order regarding confidentiality has been issued, Atmos would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:001 Section 7(4).

WHEREFORE, Atmos petitions the Commission to treat as confidential all of the material and information which is included in the attached one volume marked "Confidential".

Respectfully submitted this 27th day of June, 2007.



Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

Douglas Walther
Atmos Energy Corporation
P.O. Box 650250
Dallas, Texas 75265

John N. Hughes
124 W. Todd Street
Frankfort, Kentucky 40601

Attorneys for Atmos Energy Corporation