

2008-00196



May 29, 2008

**RECEIVED**

MAY 30 2008

PUBLIC SERVICE  
COMMISSION

Ms. Stephanie Stumbo, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

Re: Case No. 2008-00000

Dear Ms. Stumbo:

We are filing the enclosed original and three (3) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2008-00196 **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 972-855-3115.

Sincerely,

A handwritten signature in cursive script that reads "Judy Dunlap".

Judy Dunlap  
Rate Analyst

Enclosures

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

In the Matter of:

**GAS COST ADJUSTMENT        )  
FILING OF                        )  
ATMOS ENERGY CORPORATION    )**

**Case No. 2008-00000**

NOTICE

MONTHLY FILING

For The Period

July 1, 2008 – July 31, 2008

Attorney for Applicant

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

May 29, 2008

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 42303. Correspondence and communications with respect to this notice should be directed to:

Mark A. Martin  
Vice President –  
Rates & Regulatory Affairs, Kentucky/Mid-States Division  
Atmos Energy Corporation  
2401 New Hartford Road  
Owensboro, Kentucky 42303

Mark R. Hutchinson  
Attorney for Applicant  
611 Frederica Street  
Owensboro, Kentucky 42301

Judy Dunlap  
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-Eighth Revised Sheet No. 4, Twenty-Eighth Revised Sheet No. 5 and Twenty-Eighth Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective July 1, 2008.

The Gas Cost Adjustment (GCA) for firm sales service is \$14.4822 per Mcf and \$13.5732 per Mcf for interruptible sales service. The supporting calculations for the Twenty-Eighth Revised Sheet No. 5 are provided in the following Exhibits:

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

Since the Company's last GCA filing, Case No. 2008-00160, 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 period July 1, 2008 through 31, July 2008, as shown in Exhibit C, page 20.
2. The G-1 Expected Commodity Gas Cost will be approximately \$13.5571 MMBtu for the period July 1, 2008 through July 31, 2008, as compared to \$12.5364 per MMBtu used for the period of June 2008. The G-2 Expected Commodity Gas Cost will be approximately \$12.6481 for the period July 1, 2008 through July 31, 2008, as compared to \$11.6274 for June 2008.

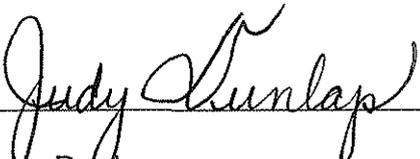
3. The Company's notice sets out a new Correction Factor of \$0.8282 per Mcf, which will remain in effect until at least July 31, 2008.

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's tariffs allow the Company to file an out of period Correction Factor (CF). The Company's Correction Factor is based upon the balance in the Company's Account 191 as of March 31, 2008.

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-Eighth Revised Sheet No. 5; and Twenty-Eighth Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-2 for each respective sales rate for meter readings made on and after July 1, 2008.

DATED at Dallas, Texas this 29th Day of May 2008.

ATMOS ENERGY CORPORATION

By:   
Judy Dunlap  
Rate Analyst, Rate Administration  
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

<b>Current Rate Summary</b>									
<b>Case No. 2008-00000</b>									
<b><u>Firm Service</u></b>									
Base Charge:									
	Residential	-	\$9.35	per meter	per month				
	Non-Residential	-	25.00	per meter	per month				
	Carriage (T-4)	-	250.00	per delivery point	per month				
	Transportation Administration Fee	-	50.00	per customer	per meter				
	<b><u>Rate per Mcf</u></b> <sup>2</sup>		<b><u>Sales (G-1)</u></b>		<b><u>Transport (T-2)</u></b>		<b><u>Carriage (T-4)</u></b>		
First	300 <sup>1</sup> Mcf	@	15.6722 per Mcf	@	2.2966 per Mcf	@	1.1900 per Mcf	(I, N, N)	
Next	14,700 <sup>1</sup> Mcf	@	15.2352 per Mcf	@	1.8596 per Mcf	@	0.7530 per Mcf	(I, N, N)	
Over	15,000 Mcf	@	14.9530 per Mcf	@	1.5774 per Mcf	@	0.4708 per Mcf	(I, N, N)	
<b><u>Interruptible Service</u></b>									
Base Charge									
		-	\$250.00	per delivery point	per month				
	Transportation Administration Fee	-	50.00	per customer	per meter				
	<b><u>Rate per Mcf</u></b> <sup>2</sup>		<b><u>Sales (G-2)</u></b>		<b><u>Transport (T-2)</u></b>		<b><u>Carriage (T-3)</u></b>		
First	15,000 <sup>1</sup> Mcf	@	14.1732 per Mcf	@	0.7976 per Mcf	@	0.6000 per Mcf	(I, N, N)	
Over	15,000 Mcf	@	13.9532 per Mcf	@	0.5776 per Mcf	@	0.3800 per Mcf	(I, N, N)	
<sup>1</sup> 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. <sup>2</sup> DSM and R&D Riders may also apply, where applicable.									

ISSUED: May 29, 2008

Effective: July 1, 2008

(Issued by Authority of an Order of the Public Service Commission in Case No. 2008-00000.)

ISSUED BY: Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

ATMOS ENERGY CORPORATION

<b>Current Gas Cost Adjustments</b>			
<b>Case No. 2008-00000</b>			
<b><u>Applicable</u></b>			
For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).			
Gas Charge = GCA			
GCA = EGC + CF + RF + PBRRF			
<b><u>Gas Cost Adjustment Components</u></b>	<u>G - 1</u>	<u>G-2</u>	
EGC (Expected Gas Cost Component)	13.5571	12.6481	(I, I)
CF (Correction Factor)	0.8282	0.8282	(I, I)
RF (Refund Adjustment)	0.0000	0.0000	(N, N)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.0969</u>	<u>0.0969</u>	(N, N)
GCA (Gas Cost Adjustment)	<u><u>\$14.4822</u></u>	<u><u>\$13.5732</u></u>	(I, I)

**ISSUED:** May 29, 2008

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**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

**ATMOS ENERGY CORPORATION**

**Current Transportation and Carriage**

**Case No. 2008-00000**

The General Transportation Rate T-2 and Carriage Service (Rates T-3 and T-4) for each respective service net monthly rate is as follows:

**System Lost and Unaccounted gas percentage:** 1.95%

				<u>Simple Margin</u>			<u>Non- Commodity</u>			<u>Gross Margin</u>	
<b>Transportation Service (T-2) <sup>1</sup></b>											
<b>a) <u>Firm Service</u></b>											
First	300	<sup>2</sup>	Mcf @	\$1.1900	+	\$1.1066	=	\$2.2966	per Mcf	(N)	
Next	14,700	<sup>2</sup>	Mcf @	0.7530	+	1.1066	=	1.8596	per Mcf	(N)	
All over	15,000		Mcf @	0.4708	+	1.1066	=	1.5774	per Mcf	(N)	
<b>b) <u>Interruptible Service</u></b>											
First	15,000	<sup>2</sup>	Mcf @	\$0.6000	+	\$0.1976	=	\$0.7976	per Mcf	(N)	
All over	15,000		Mcf @	0.3800	+	0.1976	=	0.5776	per Mcf	(N)	
<b><u>Carriage Service</u> <sup>3</sup></b>											
<b><u>Firm Service (T-4)</u></b>											
First	300	<sup>2</sup>	Mcf @	\$1.1900	+	\$0.0000	=	\$1.1900	per Mcf		
Next	14,700	<sup>2</sup>	Mcf @	0.7530	+	0.0000	=	0.7530	per Mcf		
All over	15,000	<sup>2</sup>	Mcf @	0.4708	+	0.0000	=	0.4708	per Mcf		
<b><u>Interruptible Service (T-3)</u></b>											
First	15,000	<sup>2</sup>	Mcf @	\$0.6000	+	\$0.0000	=	\$0.6000	per Mcf		
All over	15,000		Mcf @	0.3800	+	0.0000	=	\$0.3800	per Mcf		

<sup>1</sup> Includes standby sales service under corresponding sales rates. R&D Rider may also apply.

<sup>2</sup> 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.

<sup>3</sup> Excludes standby sales service.

**ISSUED:** May 29, 2008

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(Issued by Authority of an Order of the Public Service Commission in Case No. 2008-00000.)

ISSUED BY: Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

Line No.	Description	Case No.		Difference
		2008-00160	2008-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>G - 1</u></b>			
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	0.7530	0.7530	0.0000
6	Over 15,000 Mcf	0.4708	0.4708	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	11.4298	12.4505	1.0207
11	Demand	1.1066	1.1066	0.0000
12	Total EGC	11.2977	13.5571	2.2594
13	CF (Correction Factor)	0.5156	0.8282	0.3126
14	RF (Refund Adjustment)	0.0000	0.0000	0.0000
15	PBRRF (Performance Based Rate Recovery Factor)	0.0969	0.0969	0.0000
16	GCA (Gas Cost Adjustment)	11.8779	14.4822	2.6043
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	13.0679	15.6722	2.6043
20	Next 14,700 Mcf	12.6309	15.2352	2.6043
21	Over 15,000 Mcf	12.3487	14.9530	2.6043

Line No.	Description	Case No.		Difference
		2008-00160	2008-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>G - 2</u></b>			
2				
3	<u>Distribution Charge (per Case No. 99-070)</u>			
4	First 15,000 Mcf	0.6000	0.6000	0.0000
5	Over 15,000 Mcf	0.3800	0.3800	0.0000
6				
7	<u>Gas Cost Adjustment Components</u>			
8	EGC (Expected Gas Cost):			
9	Commodity	11.4298	12.4505	1.0207
10	Demand	0.1976	0.1976	0.0000
11	Total EGC	11.6274	12.6481	1.0207
12	CF (Correction Factor)	0.5156	0.8282	0.3126
13	RF (Refund Adjustment)	0.0000	0.0000	0.0000
14	PBRRF (Performance Based Rate Recovery Factor)	0.0969	0.0969	0.0000
15	GCA (Gas Cost Adjustment)	12.2399	13.5732	1.3333
16				
17	<u>Rate per Mcf (GCA included)</u>			
18	First 300 Mcf	12.8399	14.1732	1.3333
19	Over 14,700 Mcf	12.6199	13.9532	1.3333
20				
21				
22	<u>Refund Factor (RF)</u>			
23				
24				
25		<u>Case No.</u>	<u>Effective Date</u>	<u>RF</u>
26				
27	1 -	2007-00263	08/01/07	0.0000
28	2 -	2007-00426	11/01/07	0.0000
29	3 -	2007-00547	02/01/08	0.0000
30	4 -	2008-Current	05/01/08	0.0000
31				
32	Total Refund Factor (RF)			<u>0.0000</u>
33				

Line No.	Description	Case No.		Difference
		2008-00160	2008-00000	
		\$/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	0.7530	0.7530	0.0000
6	Over 15,000 Mcf	0.4708	0.4708	0.0000
7				
8	<u>Non-Commodity Components</u>			
9	Demand	1.1066	1.1066	0.0000
10	RF (Refund Adjustment)	0.0000	0.0000	0.0000
11	Total Non-Commodity Components	1.1066	1.1066	0.0000
12				
13	<u>Rate per Mcf (GCA included)</u>			
14	First 300 Mcf	2.2966	2.2966	0.0000
15	Next 14,700 Mcf	1.8596	1.8596	0.0000
16	Over 15,000 Mcf	1.5774	1.5774	0.0000
17				

Line No.	Description	Case No.		Difference
		2008-00160	2008-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>T -4 Carriage Service / Firm Service (High Priority)</u></b>			
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	0.7530	0.7530	0.0000
6	Over 15,000 Mcf	0.4708	0.4708	0.0000
7				
8	<u>Non-Commodity Components</u>			
9	RF (Refund Adjustment)	0.0000	0.0000	0.0000
10				
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	0.7530	0.7530	0.0000
16	Over 15,000 Mcf	0.4708	0.4708	0.0000
17				

Line No.	Description	Case No.		Difference
		2008-00160	2008-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>T - 2 / Interruptible Service (Low Priority)</u></b>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 99-070)</u>			
4	First 300 Mcf	0.6000	0.6000	0.0000
5	Over 15,000 Mcf	0.3800	0.3800	0.0000
6				
7	<u>Non-Commodity Components</u>			
8	Demand	0.1976	0.1976	0.0000
9	RF (Refund Adjustment)	0.0000	0.0000	0.0000
10	Total Non-Commodity Components	0.1976	0.1976	0.0000
11				
12	<u>Rate per Mcf (GCA included)</u>			
13	First 300 Mcf	0.7976	0.7976	0.0000
14	Over 15,000 Mcf	0.5776	0.5776	0.0000
15				
16	<b><u>T - 3 Carriage Service / Interruptible Service (Low Priority)</u></b>			
17				
18	<u>Simple Margin / Distribution Charge (per Case No. 99-070)</u>			
19	First 300 Mcf	0.6000	0.6000	0.0000
20	Over 15,000 Mcf	0.3800	0.3800	0.0000
21				
22	<u>Non-Commodity Components</u>			
23	RF (Refund Adjustment)	0.0000	0.0000	0.0000
24	Total Non-Commodity Components	0.0000	0.0000	0.0000
25				
26	<u>Rate per Mcf (GCA included)</u>			
27	First 300 Mcf	0.6000	0.6000	0.0000
28	Over 15,000 Mcf	0.3800	0.3800	0.0000

Atmos Energy Corporation  
 Expected Gas Cost - Non Commodity  
 Texas Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3) Non-Commodity (4)	
			Annual Units	Rate	Total	Demand
			MMbtu	\$/MMbtu	\$	\$
1	<u>SL to Zone 2</u>					
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
10						
11	Total SL to Zone 2		<u>12,617,673</u>		<u>3,896,336</u>	<u>3,896,336</u>
12						
13	<u>SL to Zone 3</u>					
14	NNS Contract #	N0340	27,480,375			
15	Base Rate	20		0.3543	9,736,297	9,736,297
16	GSR	20		0.0000	0	0
17	TCA Adjustment	20		0.0000	0	0
18	Unrec TCA Surch	20		0.0000	0	0
19	ISS Credit	20		0.0000	0	0
20	Injections	20		0.0000	0	0
21	GRI	20		0.0000	0	0
22						
23	FT Contract #	3355	5,475,000			
24	Base Rate	24		0.2494	1,365,465	1,365,465
25	GSR	24		0.0000	0	0
26	TCA Adjustment	24		0.0000	0	0
27	Unrec TCA Surch	24		0.0000	0	0
28	ISS Credit	24		0.0000	0	0
29	Misc Rev Cr Adj	24		0.0000	0	0
30	GRI	24		0.0000	0	0
31						
32						
33	Total SL to Zone 3		<u>32,955,375</u>		<u>11,101,762</u>	<u>11,101,762</u>
34						
35					<u>14,998,098</u>	<u>14,998,098</u>
36						

Atmos Energy Corporation  
 Expected Gas Cost - Non Commodity  
 Texas Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3) Non-Commodity (4)	
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$
1	<b>Zone 1 to Zone 3</b>					
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
10						
11	Total Zone 1 to Zone 3		<u>1,095,000</u>		<u>240,243</u>	<u>240,243</u>
12						
13	<b>SL to Zone 4</b>					
14	NNS Contract #	N00435	3,320,769			
15	Base Rate	20		0.4190	1,391,402	1,391,402
16	GSR	20		0.0000	0	0
17	TCA Adjustment	20		0.0000	0	0
18	Unrec TCA Surch	20		0.0000	0	0
19	ISS Credit	20		0.0000	0	0
20	Injections	20		0.0000	0	0
21	GRI	20		0.0000	0	0
22						
23	FT Contract #	3819	1,487,500			
24	Base Rate	24		0.3142	467,373	467,373
25	GSR	24		0.0000	0	0
26	TCA Adjustment	24		0.0000	0	0
27	Unrec TCA Surch	24		0.0000	0	0
28	ISS Credit	24		0.0000	0	0
29	Misc Rev Cr Adj	24		0.0000	0	0
30	GRI	24		0.0000	0	0
31						
32	Total SL to Zone 4		<u>4,808,269</u>		<u>1,858,775</u>	<u>1,858,775</u>
33						
34	Total SL to Zone 2		12,617,673		3,896,336	3,896,336
35	Total SL to Zone 3		32,955,375		11,101,762	11,101,762
36	Total Zone 1 to Zone 3		1,095,000		240,243	240,243
37						
38	Total Texas Gas		<u>51,476,317</u>		<u>17,097,116</u>	<u>17,097,116</u>
39						
40						
41	Vendor Reservation Fees (Fixed)					0
42						
43	Total Texas Gas Area Non-Commodity				<u>17,097,116</u>	<u>17,097,116</u>
44						
45						
46						
47						

Atmos Energy Corporation  
 Expected Gas Cost - Non Commodity  
 Tennessee Gas

Exhibit B  
 Page 3 of 10

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3) (4) Non-Commodity	
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$
1	<u>0 to Zone 2</u>					
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	Injections	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
24						
25						
26						

Atmos Energy Corporation  
 Expected Gas Cost - Non Commodity  
 Tennessee Gas

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3) Non-Commodity	
			Annual Units MMbtu	Rate \$/MMbtu	Total \$	Demand \$
1	<u>1 to Zone 2</u>					
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	Injections	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
23						
24	Total Zone 0 to 2		27,393		248,181	248,181
25						
26	Total Zone 1 to 2 and Zone 0 to 2		291,345		2,259,495	2,259,495
27						
28	<u>Gas Storage</u>					
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	Vender Reservation Fees (Fixed)				0	0
38						
39	Total Tennessee Gas Area FT-G Non-Commodity				2,925,726	2,925,726
40						

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

Line No.	Description	Tariff Sheet No.		(1)	(2)	(3)	(4)
				Mcf	Purchases MMBtu	Rate \$/MMBtu	Total \$
1	<u>No Notice Service</u>				3,008,671		
2	Indexed Gas Cost					11.8780	35,736,994
3	Commodity	20				0.0509	153,141
4	Fuel and Loss Retention @	36	3.92%			0.4846	1,458,002
5						12.4135	37,348,137
6							
7	<u>Firm Transportation</u>				1,978,000		
8	Indexed Gas Cost					11.8780	23,494,684
9	Base (Weighted on MDQs)	25				0.0439	86,834
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				0.0019	3,758
15	Fuel and Loss Retention @	36	1.78%			0.2153	425,863
16						12.1391	24,011,139
17	<u>No Notice Storage</u>						
18	Net (Injections)/Withdrawals				(1,642,092)		
19	Injections				12.4135	11.8780	(19,504,769)
20	Commodity (Zone 3)	20				0.0509	(83,582)
21	Fuel and Loss Retention @	36	3.92%			0.4846	(795,758)
22						12.4135	(20,384,109)
23							
24							
25	Total Purchases in Texas Area				3,344,579	12.2512	40,975,167
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	24.51%	\$0.0418	\$ 0.0102
34	SL to Zone 3	25		32,955,375	64.02%	0.0464	\$ 0.0297
35	I to Zone 3	25		1,095,000	2.13%	0.0441	\$ 0.0009
36	SL to Zone 4	25		4,808,269	9.34%	0.0547	\$ 0.0051
37	Total			51,476,317	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	I to Zone 2	23C		263,952	90.60%	0.0776	0.0703
42	Total			291,345	100.00%		\$ 0.0786
43							
44							

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

Line No.	Description	Tariff Sheet No.		(1)	(2)	(3)	(4)
				Purchases	Rate	Total	
				Mcf	MMbtu	\$/MMbtu	\$
1	<u>FT-A and FT-G</u>				736,748		
2	Indexed Gas Cost					11.8780	8,751,093
3	Base Commodity (Weighted on MDQs)					0.0786	57,908
4	GRI	23C				0.0000	0
5	ACA	23C				0.0019	1,400
6	Fuel and Loss Retention	29	3.69%			0.4551	335,294
7						12.4136	9,145,695
8							
9							
10	<u>FT-GS</u>				130,866		
11	Indexed Gas Cost					11.8780	1,554,426
12	Base Rate	20				0.5844	76,478
13	GRI	20				0.0000	0
14	ACA	20				0.0019	249
15	PCB Adjustment	20				0.0000	0
16	Settlement Surcharge	20				0.0000	0
17	Fuel and Loss Retention	29	3.69%			0.4551	59,557
18						12.9194	1,690,710
19	Injections			12.4136			
20							
21	<u>Gas Storage</u>						
22	FT-A & FT-G Market Area Withdrawals				0		
23	FT-A & FT-G Market Area Injections				(560,714)		
24	Indexed Gas Cost/Storage					11.8780	(6,660,161)
25	Withdrawal Rate	27				0.0000	0
26	Injection Rate	27				0.0102	5,719
27	Fuel and Loss Retention	27	1.49%			0.1797	(100,760)
28	Total					12.0679	(6,755,202)
29							
30							
31							
32							
33							
34							
35	Total Tennessee Gas Zones				306,900	13.2982	4,081,203

Atmos Energy Corporation  
 Expected Gas Cost  
 Trunkline Gas

Commodity		(1)	(2)	(3)	(4)
Line No.	Description	Tariff Sheet No.	Purchases		Total
			Mcf	MMbtu	\$/MMbtu
1	<u>Firm Transportation</u>				
2	Expected Volumes			92,000	
3	Indexed Gas Cost				11.8780
4	Base Commodity	10			0.0051
5	GRI	10			-
6	ACA	10			0.0019
7	Fuel and Loss Retention	10	.71%		0.0849
8					11.9699
9					
10					1,101,231

Non-Commodity

Line No.	Description	Tariff Sheet No.	(1)	(2)	(3)		(4)		(5)	
					Rate	Total	Total	Demand		
				Annual Units	\$/MMbtu	\$	\$	\$	\$	
	Injections				12.4135					
11	FT-G Contract # 014573			27,000						
12	Discount Rate on MDQs				7.3000	197,100	197,100			
13										
14										
15	GRI Surcharge	10				0	-			
16										
17	Reservation Fee					-	-			
18										
19	Total Trunkline Area Non-Commodity					197,100	197,100			

Atmos Energy Corporation  
Demand Charge Calculation

Line No.	(1)	(2)	(3)	(4)	(5)
1	<u>Total Demand Cost:</u>				
2	Texas Gas	\$17,097,116			
3	Midwestern	0			
4	Tennessee Gas	2,925,726			
5	Trunkline	197,100			
6	Total	\$20,219,942			
7					
8					
9	<u>Demand Cost Allocation:</u>		Allocated Demand	Related Volumes	Monthly Demand Charge
10	All	0.1895	\$3,831,679	19,393,738	0.1976 0.1976
11	Firm	0.8105	16,388,263	18,028,365	0.9090
12	Total	1.0000	\$20,219,942		1.1066 0.1976
13					
14					
15		Annualized	Volumetric Basis for Monthly Demand Charge		
16		Mcf @14.65	All	Firm	
17	<u>Firm Service</u>				
18	Sales:				
19	G-1	18,028,353	18,028,353	18,028,353	1.1066
20					
21	Transportation:				
22	T-2 \ G-1	41,500	41,500	12	1.1066
23					
24	Total Firm Service	18,069,853	18,069,853	18,028,365	
25					
26	<u>Interruptible Service</u>				
27	Sales:				
28	G-2	734,444	734,444		1.1066 0.1976
29					
30	Transportation:				
31	T-2 \ G-2	589,441	589,441		1.1066 0.1976
32					
33	Total Interruptible Service	1,323,885	1,323,885		
34					
35	<u>Carriage Service</u>				
36	T-3 & T-4	26,284,922			
37					
38		45,678,660	19,393,738	18,028,365	
39					
40					

Atmos Energy Corporation  
 Expected Gas Cost - Commodity  
 Total System

Line No.	Description	(1)	(2)	(3)	(4)
		Purchases Mcf	MMbtu	Rate \$/MMbtu	Total \$
1	<b><u>Texas Gas Area</u></b>				
2	No Notice Service				
3	Firm Transportation	2,935,289	3,008,671	12.4135	37,348,137
4	No Notice Storage	1,929,756	1,978,000	12.1391	24,011,139
5	Total Texas Gas Area	(1,602,041)	(1,642,092)	12.4135	(20,384,109)
6		3,263,004	3,344,579	12.3316	40,975,167
7	<b><u>Tennessee Gas Area</u></b>				
8	FT-A and FT-G	718,779	736,748	12.4136	9,145,695
9	FT-GS	127,674	130,866	12.9194	1,690,710
10	Gas Storage				
11	Injections	(547,038)	(560,714)	12.0475	(6,755,202)
12	Withdrawals				
13		299,415	306,900	12.3162	4,081,203
14	<b><u>Trunkline Gas Area</u></b>				
15	Firm Transportation	89,756	92,000	11.9699	1,101,231
16					
17					
18	<b><u>WKG System Storage</u></b>				
19	Injections	(1,878,419)	(1,925,379)	12.4135	(23,900,692)
20	Withdrawals	0	0	0.0000	0
21	Net WKG Storage	(1,878,419)	(1,925,379)	12.4135	(23,900,692)
22					
23					
24	Local Production	183,688	188,280	11.8780	2,236,390
25					
26					
27					
28	Total Commodity Purchases	1,957,444	2,006,380	12.6655	24,493,299
29					
30	Lost & Unaccounted for @	1.95%	38,170	39,124	
31					
32	Total Deliveries	1,919,274	1,967,256	12.4505	24,493,299
33					
34					
35					
36	Total Expected Commodity Cost	1,919,274	1,967,256	12.4505	24,493,299
37					
38					
39					
40					

**Atmos Energy Corporation**  
 Load Factor Calculation for Demand Allocation

Line No.	Description	MCF	
	<u>Annualized Volumes Subject to Demand Charges</u>		
1	Sales Volume	2,925,726	18,762,797
2	Transportation		<u>630,941</u>
3	Total Mcf Billed Demand Charges		19,393,738
4	Divided by: Days/Year		<u>365</u>
5	Average Daily Sales and Transport Volumes		<u><u>53,134</u></u>
6			
7	<u>Peak Day Sales and Transportation Volume</u>		
8	Estimated total company firm requirements for 5 degree average		
9	temperature day from Peak Day Book - with adjustments per rate filing		<u><u>280,446</u></u> Mcf/Peak Day
10			
11			
12	New Load Factor (line 7 / line 12)		0.1895
13			

**Atmos Energy Corporation**  
Basis for Indexed Gas Cost  
For the Period through July 2008

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 period of July 2008 during the period May 21, 2008 through May 27, 2008 which are listed below:

	May-08 (\$/MMBTU)	Jun-08 (\$/MMBTU)	Jul-08 (\$/MMBTU)
Friday 05/16/08	0.000	0.000	11.259
Monday 05/19/08	0.000	0.000	11.112
Tuesday 05/20/08	0.000	0.000	11.512
Wednesday 05/21/08	0.000	0.000	11.780
Thursday 05/22/08	0.000	0.000	11.831
Friday 05/23/08	0.000	0.000	11.981
Tuesday 05/27/08	0.000	0.000	11.919
	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$11.878</u>

- B. With the volatility of the natural gas market, the Company is using the latest NYMEX pricing available to forecast a price of \$11.878 per Mmbtu for the period that the GCA is to become effective. Since prices have risen significantly since the low of May 16, 19 and 20, we have excluded these prices from our calculation.

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  
 Estimated Weighted Average Cost of Gas  
 For the Period through July-08

May-08	June-08	July-08	Total
Volumes	Volumes	Volumes	Volumes
Rate	Rate	Rate	Rate
Value	Value	Value	Value

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

WACOGS

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

Atmos Energy Corporation  
Correction Factor (CF)  
For the Three Months Ended January, 1900  
Case No. 2008-000

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-08	3,288,841	30,350,599.63	28,494,677.80	1,855,921.83	0.00	1,855,921.83
2							
3	March-08	2,349,357	28,880,974.91	23,663,408.50	5,217,566.41	0.00	5,217,566.41
4							
5							
6							
7							
8							
9							
10							
11							
12							
13	Total Gas Cost						
14	Under/(Over) Recovery		<u>59,231,574.54</u>	<u>52,158,086.30</u>	<u>7,073,488.24</u>	<u>0.00</u>	<u>7,073,488.24</u>
15							
16	PBR Savings reflected in Gas Cost		<u>860,813.69</u>				
17							
18	Account Balance 1910 through January, 2008						\$9,708,618.39
19							
20	Total Gas Cost Under/(Over) Recovery for the three months ended January, 1900						7,073,488.24
21	Recovery from outstanding Correction Factor (CF)						(1,242,515.71)
22	Account 191 Balance @ January, 1900						<u>15,539,590.92</u>
23	(February General Ledger)						
24							
25							
26							
27							
28	Derivation of Correction Factor (CF):						
29							
30	Account 191 Balance					<u>\$15,539,591</u>	
31	Divided By: Total Expected Customer Sales					<u>18,762,797</u>	MCF
32							
33	Correction Factor (CF)					<u>\$0.8282</u>	/MCF

Atmos Energy Corporation  
 Recoverable Gas Cost Calculation  
 For the Three Months Ended January, 1900  
 Case No. 2008-000

Line No.	Description	GL Unit	Mar-08	Apr-08
			(1)	(2)
			Month	
			February-08	March-08
1	<b>Supply Volume</b>			
2	Pipelines:			
3	Texas Gas Transmission <sup>1</sup>	Mcf	0	0
4	Tennessee Gas Pipeline <sup>1</sup>	Mcf	0	0
5	Trunkline Gas Company <sup>1</sup>	Mcf	0	0
6	Midwestern Pipeline <sup>1</sup>	Mcf	0	0
7	<b>Total Pipeline Supply</b>	Mcf	0	0
8	Total Other Suppliers	Mcf	824,248	485,031
9	Off System Storage			
10	Texas Gas Transmission	Mcf	0	0
11	Tennessee Gas Pipeline	Mcf	349,305	519,426
12	System Storage			
13	Withdrawals	Mcf	1,322,998	442,720
14	Injections	Mcf	0	(260,505)
15	Producers	Mcf	10,652	10,167
16	Pipeline Imbalances cashed out	Mcf	0	0
17	System Imbalances <sup>2</sup>	Mcf	781,638	1,152,518
18	<b>Total Supply</b>	Mcf	3,288,841	2,349,357
19				
20	Change in Unbilled	Mcf		
21	Company Use	Mcf	0	0
22	Unaccounted For	Mcf	0	0
23	<b>Total Sales</b>	Mcf	3,288,841	2,349,357

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<sup>1</sup> Includes settlement of historical imbalances and prepaid items.

<sup>2</sup> 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 January, 1900  
Case No. 2008-000

Line No.	Description	GL	Month	
			(1)	(2)
			February-08	March-08
1	<b>Supply Cost</b>			
2	Pipelines:			
3	Texas Gas Transmission <sup>1</sup>	\$	1,594,015	1,708,883
4	Tennessee Gas Pipeline <sup>1</sup>	\$	316,095	321,584
5	Trunkline Gas Company <sup>1</sup>	\$	29,568	30,915
6	Midwestern Pipeline <sup>1</sup>	\$	0	0
7	<b>Total Pipeline Supply</b>	\$	<u>1,939,678</u>	<u>2,061,381</u>
8	Total Other Suppliers	\$	6,542,709	4,190,511
9	Hedging Settlements		105,300	(123,990)
10	Off System Storage			
11	Texas Gas Transmission	\$	0	0
12	Tennessee Gas Pipeline	\$	0	0
13	WKG Storage		122,500	122,500
14	System Storage			
15	Withdrawals	\$	11,946,660	6,798,049
16	Injections	\$	(9,096)	(2,371,551)
17	Producers	\$	87,293	93,118
18	Pipeline Imbalances cashed out	\$	0	0
19	System Imbalances <sup>2</sup>	\$	<u>9,615,556</u>	<u>18,110,964</u>
20	<b>Sub-Total</b>	\$	<u>30,350,600</u>	<u>28,880,982</u>
21				
22	Change in Unbilled	\$		
23	Company Use	\$	0	0
24	Recovered thru Transportation	\$	0	0
25	<b>Total Recoverable Gas Cost</b>	\$	<u><u>30,350,600</u></u>	<u><u>28,880,982</u></u>

<sup>1</sup> Includes demand charges, cost of settlement of historical imbalances and prepaid items.

<sup>2</sup> 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-08	G-1 Sales	3,339,882.4	(\$0.2015)	(\$672,986.31)
2		G-1 HLF	0.0	(0.2015)	0.00
3		G-2 Sales	30,364.3	(0.2015)	(6,118.40)
4		T-3 Overrun Sales	7,880.0	(0.2217)	(1,747.00)
5		T-4 Overrun Sales	8,908.0	(0.2217)	(1,974.90)
6		LVS-1 Sales	0.0	0.0000	0.00
7		LVS-2 Sales	0.0	0.0000	0.00
8		LVS HLF Sales	0.0	0.0000	0.00
9		Total	3,387,034.7		<u>(682,826.61)</u>
10					
11	March-08	G-1 Sales	2,745,484.0	(\$0.2015)	(\$553,215.01)
12		G-1 HLF	0.0	(0.2015)	0.00
13		G-2 Sales	24,850.2	(0.2015)	(5,007.32)
14		T-3 Overrun Sales	4,613.0	(0.2217)	(1,022.70)
15		T-4 Overrun Sales	2,003.0	(0.2217)	(444.07)
16		LVS-1 Sales	0.0	0.0000	0.00
17		LVS-2 Sales	0.0	0.0000	0.00
18		LVS HLF Sales	0.0	0.0000	0.00
19		Total	2,776,950.2		<u>(559,689.10)</u>
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
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39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50		Total Recovery from Correction Factor (CF)			<u><u>(\$1,242,515.71)</u></u>

51

52 LVS sales commodity is "trued-up" according to Section 3(f) in LVS tariff in P.S.C. No. 1.

53

54 When Carriage (T-3 and T-4) customers have a positive imbalance that has been approved by the

55 Company, the customer is billed for the imbalance volumes at a rate equal to 110% of the Company's

56 applicable sales rate according to Section 6(a) of P.S.C. No. 20, Sheet Nos. 41A and 47A.

Atmos Energy Corporation  
 Detail Sheet for Supply Volumes & Costs  
 Traditional and Other Pipelines

Exhibit D  
 Page 5 of 5

Description	February, 2008		March, 2008			
	MCF	Cost	MCF	Cost		
1 <b>Texas Gas Pipeline Area</b>						
2 LG&E Natural						
3 Texaco Gas Marketing						
4 CMS						
5 WESCO						
6 Southern Energy Company						
7 Union Pacific Fuels						
8 Atmos Energy Marketing, LLC						
9 Engage						
10 ERI						
11 Prepaid						
12 Reservation						
13 Hedging Costs - All Zones						
14						
15 <b>Total</b>	600,920	\$4,760,861.31	340,960	\$2,904,979.47	0	\$0.00
16						
17						
18 <b>Tennessee Gas Pipeline Area</b>						
19 Atmos Energy Marketing, LLC						
20 Union Pacific Fuels						
21 WESCO						
22 Prepaid						
23 Reservation						
24 Fuel Adjustment						
25						
26 <b>Total</b>	104,129	\$828,871.57	66,753	\$581,695.92	0	\$0.00
27						
28						
29 <b>Trunkline Gas Company</b>						
30 Atmos Energy Marketing, LLC						
31 Engage						
32 Prepaid						
33 Reservation						
34 Fuel Adjustment						
35						
36 <b>Total</b>	119,199	\$952,975.87	77,318	\$703,835.36	0	\$0.00
37						
38						
39 <b>Midwestern Pipeline</b>						
40 Atmos Energy Marketing, LLC						
41 LG&E Natural						
42 Anadarko						
43 Prepaid						
44 Reservation						
45 Fuel Adjustment						
46						
47 <b>Total</b>	0	\$0.00	0	\$0.00	0	\$0.00
48						
49						
50 <b>All Zones</b>						
51 Total	824,248	\$6,542,708.75	485,031	\$4,190,510.75	0	\$0.00
52						
53						
54						
55						

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