



November 23, 2009

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

RECEIVED

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PUBLIC SERVICE
COMMISSION

Re: Case No. 2009-00000

Dear Mr. Derouen:

2009-00461

We are filing the enclosed original and three (3) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2009-00000. **This filing contains a Petition of Confidentiality and confidential documents.**

The Company previously filed the Thirty-Seventh revision for tariff pages 4, 5 and 6 with the Proposed Rate Case, which is awaiting the approval of the Commission. We are again filing the Thirty-Seventh revision for tariff pages 4, 5 and 6. These tariff changes incorporate a proposed change to the current GCA factor.

Also we are not filing any changes to the correction factor (CF) calculated in Exhibit D.

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 700
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

Atmos Energy Corporation
P.O. Box 650205, Dallas, TX 75265-0205

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

In the Matter of:

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

Case No. 2009-00000

NOTICE

MONTHLY FILING

For The Period

January 1 – January 31, 2010

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

November 23, 2009

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 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. Correspondence and communications with respect to this notice should be directed to:

Mark A. Martin
Vice President of Rates & Regulatory Affairs
Kentucky/Mid-States Division
Atmos Energy Corporation
3275 Highland Pointe Drive
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 700
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 Thirty-Seventh Revised Sheet No. 4, Thirty-Seventh Revised Sheet No. 5 and Thirty-Seventh Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective January 1, 2010.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.3465 per Mcf and \$4.4462 per Mcf for interruptible sales service. The supporting calculations for the Thirty-Seventh Revised Sheet No. 5 are provided in the following Exhibits:

Exhibit A – Comparison of Current and Previous Gas Cost Adjustment (GCA) Cases

Exhibit B – Expected Gas Cost (EGC) Calculation

Exhibit C - Rates used in the Expected Gas Cost (EGC) Calculation **(Please note the pipeline tariff pages have been excluded as there were no changes in the rates.)**

Since the Company's last GCA filing, Case No. 2009-00393, the following changes have occurred in its pipeline and gas supply commodity rates for the GCA period.

1. The commodity rates per Mcf used are based on historical estimates and/or current data for the month of January, 2010, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Commodity Gas Cost will be approximately \$6.3238 per Mcf for the month of January, 2010 as compared to \$7.0705 per Mcf used for the period of November 1 through December 31, 2009. The G-2 Expected Commodity Gas Cost will be approximately \$5.4235 for the month of January, 2010, as compared to \$6.1702 for the period November 1 through December 31, 2009.

3. The Company's notice does not set a new Correction Factor. The factor of (\$1.0679) per Mcf which will remain in effect until at least January 31, 2010.

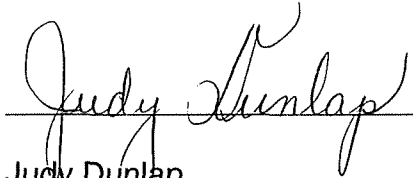
The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction Factor be filed on a quarterly basis.

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 Thirty-Seventh Revised Sheet No. 5; and Thirty-Seventh 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 January 1, 2010.

DATED at Dallas, Texas this 23rd Day of November, 2009.

ATMOS ENERGY CORPORATION

By:



Judy Dunlap
Rate Analyst, Rate Administration
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

| Current Rate Summary | | | | | | | | | | | | |
|--|-----------------------------------|-----|---------------------------|----------|------------------------------|-------------------------------|--------|------------------------------|---|--------|---------|-----------|
| Case No. 2009-00000 | | | | | | | | | | | | |
| <u>Firm Service</u> | | | | | | | | | | | | |
| 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 | | | | | | | |
| | | | | | | | | | | | | |
| <u>Rate per Mcf</u>² | | | <u>Sales (G-1)</u> | | | <u>Transport (T-2)</u> | | <u>Carriage (T-4)</u> | | | | |
| First | 300 ¹ | Mcf | @ | 6.5365 | per Mcf | @ | 2.3001 | per Mcf | @ | 1.1900 | per Mcf | (R, N, N) |
| Next | 14,700 ¹ | Mcf | @ | 6.0995 | per Mcf | @ | 1.8631 | per Mcf | @ | 0.7530 | per Mcf | (R, N, N) |
| Over | 15,000 | Mcf | @ | 5.8173 | per Mcf | @ | 1.5809 | per Mcf | @ | 0.4708 | per Mcf | (R, N, N) |
| | | | | | | | | | | | | |
| <u>Interruptible Service</u> | | | | | | | | | | | | |
| Base Charge | | | | | | | | | | | | |
| | | | - | \$250.00 | per delivery point per month | | | | | | | |
| | | | - | 50.00 | per customer per meter | | | | | | | |
| | | | | | | | | | | | | |
| <u>Rate per Mcf</u>² | | | <u>Sales (G-2)</u> | | | <u>Transport (T-2)</u> | | <u>Carriage (T-3)</u> | | | | |
| First | 15,000 ¹ | Mcf | @ | 5.0462 | per Mcf | @ | 0.8098 | per Mcf | @ | 0.6000 | per Mcf | (R, N, N) |
| Over | 15,000 | Mcf | @ | 4.8262 | per Mcf | @ | 0.5898 | per Mcf | @ | 0.3800 | per Mcf | (R, N, N) |
| | | | | | | | | | | | | |
| <p>¹ All gas consumed by the customer (sales, transportation, and carriage; firm, and interruptible) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.</p> <p>² DSM and R&D Riders may also apply, where applicable.</p> | | | | | | | | | | | | |

ISSUED: November 23, 2009

Effective: January 1, 2010

(Issued by Authority of an Order of the Public Service Commission in Case No. 2009-00000.)

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

ATMOS ENERGY CORPORATION

| Current Gas Cost Adjustments | | | |
|---|------------------------|------------------------|--------|
| Case No. 2009-00000 | | | |
| <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>G-2</u> | |
| EGC (Expected Gas Cost Component) | 6.3238 | 5.4235 | (R, R) |
| CF (Correction Factor) | (1.0679) | (1.0679) | (N, N) |
| RF (Refund Adjustment) | 0.0000 | 0.0000 | (N, N) |
| PBRRF (Performance Based Rate Recovery Factor) | <u>0.0906</u> | <u>0.0906</u> | (N, N) |
| GCA (Gas Cost Adjustment) | <u><u>\$5.3465</u></u> | <u><u>\$4.4462</u></u> | (R, R) |

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ATMOS ENERGY CORPORATION

Current Transportation and Carriage

Case No. 2009-00000

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: 3.50%

| | | | | <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 + | \$1.1101 = | \$2.3001 | per Mcf | (N) | |
| Next | 14,700 | ² | Mcf @ | 0.7530 + | 1.1101 = | 1.8631 | per Mcf | (N) | |
| All over | 15,000 | | Mcf @ | 0.4708 + | 1.1101 = | 1.5809 | per Mcf | (N) | |
| | | | | | | | | | |
| b) <u>Interruptible Service</u> | | | | | | | | | |
| First | 15,000 | ² | Mcf @ | \$0.6000 + | \$0.2098 = | \$0.8098 | per Mcf | (N) | |
| All over | 15,000 | | Mcf @ | 0.3800 + | 0.2098 = | 0.5898 | per Mcf | (N) | |
| | | | | | | | | | |
| <u>Carriage Service ³</u> | | | | | | | | | |
| <u>Firm Service (T-4)</u> | | | | | | | | | |
| First | 300 | ² | Mcf @ | \$1.1900 + | \$0.0000 = | \$1.1900 | per Mcf | | |
| Next | 14,700 | ² | Mcf @ | 0.7530 + | 0.0000 = | 0.7530 | per Mcf | | |
| All over | 15,000 | ² | Mcf @ | 0.4708 + | 0.0000 = | 0.4708 | per Mcf | | |
| | | | | | | | | | |
| <u>Interruptible Service (T-3)</u> | | | | | | | | | |
| First | 15,000 | ² | Mcf @ | \$0.6000 + | \$0.0000 = | \$0.6000 | per Mcf | | |
| All over | 15,000 | | Mcf @ | 0.3800 + | 0.0000 = | \$0.3800 | per Mcf | | |

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

² All gas consumed by the customer (Sales and transportation; firm, 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.

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

| Line No. | Description | Case No. | | Difference |
|----------|--|------------|------------|------------|
| | | 2009-00393 | 2009-00000 | |
| | | \$/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 | 0.7530 | 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 | 5.9604 | 5.2137 | (0.7467) |
| 11 | Demand | 1.1101 | 1.1101 | 0.0000 |
| 12 | Total EGC | 7.0705 | 6.3238 | (0.7467) |
| 13 | CF (Correction Factor) | (1.0679) | (1.0679) | 0.0000 |
| 14 | RF (Refund Adjustment) | 0.0000 | 0.0000 | 0.0000 |
| 15 | PBRRF (Performance Based Rate Recovery Factor) | 0.0906 | 0.0906 | 0.0000 |
| 16 | GCA (Gas Cost Adjustment) | 6.0932 | 5.3465 | (0.7467) |
| 17 | | | | |
| 18 | <u>Rate per Mcf (GCA included)</u> | | | |
| 19 | First 300 Mcf | 7.2832 | 6.5365 | (0.7467) |
| 20 | Next 14,700 Mcf | 6.8462 | 6.0995 | (0.7467) |
| 21 | Over 15,000 Mcf | 6.5640 | 5.8173 | (0.7467) |

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

| Line No. | Description | Case No. | | Difference |
|----------|--|------------|------------|------------|
| | | 2009-00393 | 2009-00000 | |
| | | \$/Mcf | \$/Mcf | \$/Mcf |
| 1 | <u>G - 2</u> | | | |
| 2 | | | | |
| 3 | <u>Distribution Charge (per Case No. 99-070)</u> | | | |
| 4 | First 15,000 Mcf | 0.6000 | 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 | 5.9604 | 5.2137 | (0.7467) |
| 10 | Demand | 0.2098 | 0.2098 | 0.0000 |
| 11 | Total EGC | 6.1702 | 5.4235 | (0.7467) |
| 12 | CF (Correction Factor) | (1.0679) | (1.0679) | 0.0000 |
| 13 | RF (Refund Adjustment) | 0.0000 | 0.0000 | 0.0000 |
| 14 | PBRRF (Performance Based Rate Recovery Factor) | 0.0906 | 0.0906 | 0.0000 |
| 15 | GCA (Gas Cost Adjustment) | 5.1929 | 4.4462 | (0.7467) |
| 16 | | | | |
| 17 | <u>Rate per Mcf (GCA included)</u> | | | |
| 18 | First 300 Mcf | 5.7929 | 5.0462 | (0.7467) |
| 19 | Over 14,700 Mcf | 5.5729 | 4.8262 | (0.7467) |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |

| Line No. | Description | Case No. | | Difference |
|----------|--|------------|------------|------------|
| | | 2009-00393 | 2009-00000 | |
| | | \$/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 | 1.1101 | 1.1101 | 0.0000 |
| 10 | RF (Refund Adjustment) | 0.0000 | 0.0000 | 0.0000 |
| 11 | Total Non-Commodity Components | 1.1101 | 1.1101 | 0.0000 |
| 12 | | | | |
| 13 | <u>Rate per Mcf (GCA included)</u> | | | |
| 14 | First 300 Mcf | 2.3001 | 2.3001 | 0.0000 |
| 15 | Next 14,700 Mcf | 1.8631 | 1.8631 | 0.0000 |
| 16 | Over 15,000 Mcf | 1.5809 | 1.5809 | 0.0000 |
| 17 | | | | |

| Line No. | Description | Case No. | | Difference |
|----------|--|------------|------------|------------|
| | | 2009-00393 | 2009-00000 | |
| | | \$/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 | 0.7530 | 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 |
|----------|---|------------|------------|------------|
| | | 2009-00393 | 2009-00000 | |
| | | \$/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 | 0.6000 | 0.6000 | 0.0000 |
| 5 | Over 15,000 Mcf | 0.3800 | 0.3800 | 0.0000 |
| 6 | | | | |
| 7 | <u>Non-Commodity Components</u> | | | |
| 8 | Demand | 0.2098 | 0.2098 | 0.0000 |
| 9 | RF (Refund Adjustment) | 0.0000 | 0.0000 | 0.0000 |
| 10 | Total Non-Commodity Components | 0.2098 | 0.2098 | 0.0000 |
| 11 | | | | |
| 12 | <u>Rate per Mcf (GCA included)</u> | | | |
| 13 | First 300 Mcf | 0.8098 | 0.8098 | 0.0000 |
| 14 | Over 15,000 Mcf | 0.5898 | 0.5898 | 0.0000 |
| 15 | | | | |
| 16 | <u>T - 3 Carriage Service / Interruptible Service (Low Priority)</u> | | | |
| 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 |

| Line No. | Description | Tariff Sheet No. | (1) | (2) | (3) | (4) |
|----------|----------------------------|------------------|-----------------------|------------------|-------------------|-------------------|
| | | | Annual Units MMbtu | Rate \$/MMbtu | Non-Commodity | |
| | | | | | Total \$ | Demand \$ |
| 1 | <u>SL to Zone 2</u> | | | | | |
| 2 | NNS Contract # | N0210 | 12,663,173 | | | |
| 3 | Base Rate | 26 | | 0.3088 | 3,910,387 | 3,910,387 |
| 4 | GSR | 26 | | 0.0000 | 0 | 0 |
| 5 | TCA Adjustment | 26 | | 0.0000 | 0 | 0 |
| 6 | Unrec TCA Surch | 26 | | 0.0000 | 0 | 0 |
| 7 | ISS Credit | 26 | | 0.0000 | 0 | 0 |
| 8 | Misc Rev Cr Adj | 26 | | 0.0000 | 0 | 0 |
| 9 | GRI | 26 | | 0.0000 | 0 | 0 |
| 10 | | | | | | |
| 11 | Total SL to Zone 2 | | <u>12,663,173</u> | | <u>3,910,387</u> | <u>3,910,387</u> |
| 12 | | | | | | |
| 13 | <u>SL to Zone 3</u> | | | | | |
| 14 | NNS Contract # | N0340 | 27,561,375 | | | |
| 15 | Base Rate | 26 | | 0.3543 | 9,764,995 | 9,764,995 |
| 16 | GSR | 26 | | 0.0000 | 0 | 0 |
| 17 | TCA Adjustment | 26 | | 0.0000 | 0 | 0 |
| 18 | Unrec TCA Surch | 26 | | 0.0000 | 0 | 0 |
| 19 | ISS Credit | 26 | | 0.0000 | 0 | 0 |
| 20 | Injections | 26 | | 0.0000 | 0 | 0 |
| 21 | GRI | 26 | | 0.0000 | 0 | 0 |
| 22 | | | | | | |
| 23 | FT Contract # | 3355 | 5,490,000 | | | |
| 24 | Base Rate | 21 | | 0.2494 | 1,369,206 | 1,369,206 |
| 25 | GSR | 21 | | 0.0000 | 0 | 0 |
| 26 | TCA Adjustment | 21 | | 0.0000 | 0 | 0 |
| 27 | Unrec TCA Surch | 21 | | 0.0000 | 0 | 0 |
| 28 | ISS Credit | 21 | | 0.0000 | 0 | 0 |
| 29 | Misc Rev Cr Adj | 21 | | 0.0000 | 0 | 0 |
| 30 | GRI | 21 | | 0.0000 | 0 | 0 |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | Total SL. to Zone 3 | | <u>33,051,375</u> | | <u>11,134,201</u> | <u>11,134,201</u> |
| 34 | | | | | | |
| 35 | | | | | <u>15,044,588</u> | <u>15,044,588</u> |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Texas Gas - Non-Commodity

| Line No. | Description | Tariff Sheet No. | (1) | (2) | (3) | (4) |
|---------------------------|------------------------------------|------------------|-------------------|----------|-------------------|-------------------|
| | | | Annual Units | Rate | Non-Commodity | |
| | | | MMbtu | \$/MMbtu | Total \$ | Demand \$ |
| 1 Zone 1 to Zone 3 | | | | | | |
| 2 | FT Contract # | 21793 | 1,098,000 | | | |
| 3 | Base Rate | 21 | | 0.2194 | 240,901 | 240,901 |
| 4 | GSR | 21 | | 0.0000 | 0 | 0 |
| 5 | TCA Adjustment | 21 | | 0.0000 | 0 | 0 |
| 6 | Unrec TCA Surch | 21 | | 0.0000 | 0 | 0 |
| 7 | ISS Credit | 21 | | 0.0000 | 0 | 0 |
| 8 | Misc Rev Cr Adj | 21 | | 0.0000 | 0 | 0 |
| 9 | GRI | 21 | | 0.0000 | 0 | 0 |
| 10 | | | | | | |
| 11 | Total Zone 1 to Zone 3 | | <u>1,098,000</u> | | <u>240,901</u> | <u>240,901</u> |
| 12 | | | | | | |
| 13 SL to Zone 4 | | | | | | |
| 14 | NNS Contract # | N00435 | 3,334,269 | | | |
| 15 | Base Rate | 26 | | 0.4190 | 1,397,059 | 1,397,059 |
| 16 | GSR | 26 | | 0.0000 | 0 | 0 |
| 17 | TCA Adjustment | 26 | | 0.0000 | 0 | 0 |
| 18 | Unrec TCA Surch | 26 | | 0.0000 | 0 | 0 |
| 19 | ISS Credit | 26 | | 0.0000 | 0 | 0 |
| 20 | Injections | 26 | | 0.0000 | 0 | 0 |
| 21 | GRI | 26 | | 0.0000 | 0 | 0 |
| 22 | | | | | | |
| 23 | FT Contract # | 3819 | 1,325,650 | | | |
| 24 | Base Rate | 21 | | 0.3142 | 416,521 | 416,521 |
| 25 | GSR | 21 | | 0.0000 | 0 | 0 |
| 26 | TCA Adjustment | 21 | | 0.0000 | 0 | 0 |
| 27 | Unrec TCA Surch | 21 | | 0.0000 | 0 | 0 |
| 28 | ISS Credit | 21 | | 0.0000 | 0 | 0 |
| 29 | Misc Rev Cr Adj | 21 | | 0.0000 | 0 | 0 |
| 30 | GRI | 21 | | 0.0000 | 0 | 0 |
| 31 | | | | | | |
| 32 | Total SL to Zone 4 | | <u>4,659,919</u> | | <u>1,813,580</u> | <u>1,813,580</u> |
| 33 | | | | | | |
| 34 | Total SL to Zone 2 | | 12,663,173 | | 3,910,387 | 3,910,387 |
| 35 | Total SL to Zone 3 | | 33,051,375 | | 11,134,201 | 11,134,201 |
| 36 | Total Zone 1 to Zone 3 | | 1,098,000 | | 240,901 | 240,901 |
| 37 | | | | | | |
| 38 | Total Texas Gas | | <u>51,472,467</u> | | <u>17,099,069</u> | <u>17,099,069</u> |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | Vendor Reservation Fees (Fixed) | | | | | 0 |
| 42 | | | | | | |
| 43 | Total Texas Gas Area Non-Commodity | | | | <u>17,099,069</u> | <u>17,099,069</u> |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Tennessee Gas - Non-Commodity

| Line No. | Description | Tariff Sheet No. | (1) | (2) | (3) (4) Non-Commodity | | |
|-------------|------------------------|---------------------|--------------------------|------------------|--------------------------|--------------|--|
| | | | Annual Units MMbtu | Rate \$/MMbtu | Total \$ | Demand \$ | |
| 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 | 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 | |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Tennessee Gas - Non-Commodity

| Line No. | Description | Tariff Sheet No. | (1) | (2) | (3) Non-Commodity (4) | |
|----------------------|---|------------------|-----------------------|------------------|-----------------------|--------------|
| | | | Annual Units MMbtu | Rate \$/MMbtu | Total \$ | Demand \$ |
| 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 | 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 | 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 | Vender Reservation Fees (Fixed) | | | | 0 | 0 |
| 38 | | | | | | |
| 39 | Total Tennessee Gas Area FT-G Non-Commodity | | | | 2,925,726 | 2,925,726 |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Texas Gas - Commodity Purchases

| Line No. | Description | Tariff Sheet No. | (1) | | (2) | | (3) | | (4) | |
|----------|--|------------------|-----------|------------|------------|------------|--------|------------|-----|--|
| | | | Purchases | Rate | Total | | | | | |
| | | | Mcf | MMbtu | \$/MMbtu | | | | | |
| 1 | <u>No Notice Service</u> | | | 3,692,900 | | | | | | |
| 2 | Indexed Gas Cost | | | | 4.8400 | 17,873,636 | | | | |
| 3 | Commodity (Zone 3) | 26 | | | 0.0507 | 187,230 | | | | |
| 4 | Fuel and Loss Retention @ | 36 | 2.56% | | 0.1272 | 469,737 | | | | |
| 5 | | | | | | | 5.0179 | 18,530,603 | | |
| 6 | | | | | | | | | | |
| 7 | <u>Firm Transportation</u> | | | 1,978,000 | | | | | | |
| 8 | Indexed Gas Cost | | | | 4.8400 | 9,573,520 | | | | |
| 9 | Base (Weighted on MDQs) | | | | 0.0457 | 90,395 | | | | |
| 10 | TCA Adjustment | 22 | | | 0.0000 | 0 | | | | |
| 11 | Unrecovered TCA Surcharge | 22 | | | 0.0000 | 0 | | | | |
| 12 | Cash-out Adjustment | 22 | | | 0.0000 | 0 | | | | |
| 13 | GRI | 22 | | | 0.0000 | 0 | | | | |
| 14 | ACA | 22 | | | 0.0017 | 3,363 | | | | |
| 15 | Fuel and Loss Retention @ | 36 | 2.02% | | 0.0998 | 197,404 | | | | |
| 16 | | | | | | | 4.9872 | 9,864,682 | | |
| 17 | <u>No Notice Storage</u> | | | | | | | | | |
| 18 | Net (Injections)/Withdrawals | | | | | | | | | |
| 19 | Withdrawals | | | | | 2,212,400 | 4.8400 | 10,708,016 | | |
| 20 | Injections | | | | | 0 | 4.8400 | 0 | | |
| 21 | Commodity (Zone 3) | 26 | | | 0.0507 | 112,169 | | | | |
| 22 | Fuel and Loss Retention @ | 36 | 2.56% | | 0.1272 | 281,417 | | | | |
| 23 | | | | | | 2,212,400 | 5.0179 | 11,101,602 | | |
| 24 | | | | | | | | | | |
| 25 | | | | | | | | | | |
| 26 | Total Purchases in Texas Area | | | | | 7,883,300 | 5.0102 | 39,496,887 | | |
| 27 | | | | | | | | | | |
| 28 | | | | | | | | | | |
| 29 | <u>Used to allocate transportation non-commodity</u> | | | | | | | | | |
| 30 | | | | | | | | | | |
| 31 | | | | Annualized | | Commodity | | | | |
| 32 | | | | MDQs in | | Charge | | Weighted | | |
| 33 | <u>Texas Gas</u> | | | MMbtu | Allocation | \$/MMbtu | | Average | | |
| 34 | SL to Zone 2 | 22 | | 12,663,173 | 24.60% | \$0.0416 | \$ | 0.0102 | | |
| 35 | SL to Zone 3 | 22 | | 33,051,375 | 64.21% | 0.0462 | \$ | 0.0297 | | |
| 36 | 1 to Zone 3 | 22 | | 1,098,000 | 2.13% | 0.0439 | \$ | 0.0009 | | |
| 37 | SL to Zone 4 | 22 | | 4,659,919 | 9.05% | 0.0545 | \$ | 0.0049 | | |
| 38 | Total | | | 51,472,467 | 99.99% | | \$ | 0.0457 | | |
| 39 | | | | | | | | | | |
| 40 | <u>Tennessee Gas</u> | | | | | | | | | |
| 41 | 0 to Zone 2 | 23C | | 27,393 | 9.40% | \$0.0880 | \$ | 0.0083 | | |
| 42 | 1 to Zone 2 | 23C | | 263,952 | 90.60% | 0.0776 | | 0.0703 | | |
| 43 | Total | | | 291,345 | 100.00% | | \$ | 0.0786 | | |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Tennessee Gas - Commodity Purchases

| Line No. | Description | Tariff Sheet No. | (1) | (2) | (3) | (4) |
|----------|-------------------------------------|------------------|---------------|-----------|---------------|-----------|
| | | | Purchases Mcf | MMbtu | Rate \$/MMbtu | Total \$ |
| 1 | <u>FT-A and FT-G</u> | | | 385,134 | | |
| 2 | Indexed Gas Cost | | | | 4.8400 | 1,864,049 |
| 3 | Base Commodity (Weighted on MDQs) | | | | 0.0786 | 30,263 |
| 4 | GRI | 23C | | | 0.0000 | 0 |
| 5 | ACA | 23C | | | 0.0017 | 655 |
| 6 | Fuel and Loss Retention | 29 | 3.69% | | 0.1854 | 71,404 |
| 7 | | | | | | |
| 8 | | | | | 5.1057 | 1,966,371 |
| 9 | | | | | | |
| 10 | <u>FT-GS</u> | | | 191,566 | | |
| 11 | Indexed Gas Cost | | | | 4.8400 | 927,179 |
| 12 | Base Rate | 20 | | | 0.5844 | 111,951 |
| 13 | GRI | 20 | | | 0.0000 | 0 |
| 14 | ACA | 23C | | | 0.0017 | 326 |
| 15 | PCB Adjustment | 20 | | | 0.0000 | 0 |
| 16 | Settlement Surcharge | 20 | | | 0.0000 | 0 |
| 17 | Fuel and Loss Retention | 29 | 3.69% | | 0.1854 | 35,516 |
| 18 | | | | | | |
| 19 | Injections | | | | 5.6115 | 1,074,972 |
| 20 | | | | | | |
| 21 | <u>Gas Storage</u> | | | | | |
| 22 | FT-A & FT-G Market Area Withdrawals | | | 760,000 | 4.3740 | 3,324,240 |
| 23 | FT-A & FT-G Market Area Injections | | | 0 | 4.8400 | 0 |
| 24 | Indexed Gas Cost/Storage | | | | | |
| 25 | Withdrawal Rate | 27 | | | 0.0102 | 7,752 |
| 26 | Injection Rate | 27 | | | 0.0102 | 0 |
| 27 | Fuel and Loss Retention | 27 | 1.49% | | 0.0662 | 50,312 |
| 28 | Total | | | 760,000 | 4.4504 | 3,382,304 |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | Total Tennessee Gas Zones | | | 1,336,700 | 4.8056 | 6,423,647 |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Trunkline Gas

| Commodity | | | | | |
|-----------|----------------------------|------------------|-----------|---------|-----------|
| | | (1) | (2) | (3) | (4) |
| Line No. | Description | Tariff Sheet No. | Purchases | Rate | Total |
| | | | Mcf | MMbtu | \$/MMbtu |
| | | | | | \$ |
| 1 | <u>Firm Transportation</u> | | | | |
| 2 | Expected Volumes | | | 338,000 | |
| 3 | Indexed Gas Cost | | | | 4.8400 |
| 4 | Base Commodity | 10 | | | 1,635,920 |
| 5 | GRI | 10 | | | 0.0051 |
| 6 | ACA | 10 | | | - |
| 7 | Fuel and Loss Retention | 10 | 1.08% | | 0.0017 |
| 8 | | | | | 0.0528 |
| 9 | | | | | 4.8996 |
| 10 | | | | | 1,656,065 |

Non-Commodity

| Non-Commodity | | | | | |
|---------------|------------------------------------|------------------|--------------|----------|--------------|
| | (1) | (2) | (3) | (4) | (5) |
| Line No. | Description | Tariff Sheet No. | Annual Units | Rate | Total Demand |
| | | | MMbtu | \$/MMbtu | \$ |
| | Injections | | | | |
| 11 | FT-G Contract # 014573 | | 27,000 | | |
| 12 | Discount Rate on MDQs | | | 7.2480 | 195,696 |
| 13 | | | | | 195,696 |
| 14 | | | | | |
| 15 | GRI Surcharge | 10 | | | 0 |
| 16 | | | | | - |
| 17 | Reservation Fee | | | | - |
| 18 | | | | | - |
| 19 | Total Trunkline Area Non-Commodity | | | | 195,696 |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Demand Charge Calculation

| Line No. | (1) | (2) | (3) | (4) | (5) |
|----------|--------------------------------|--------------|-----------------------|-----------------------|--------------------|
| 1 | <u>Total Demand Cost:</u> | | | | |
| 2 | Texas Gas | \$17,099,069 | | | |
| 3 | Midwestern | 0 | | | |
| 4 | Tennessee Gas | 2,925,726 | | | |
| 5 | Trunkline | 195,696 | | | |
| 6 | Total | \$20,220,491 | | | |
| 7 | | | | | |
| 8 | | Allocated | Related | Monthly Demand Charge | |
| 9 | <u>Demand Cost Allocation:</u> | Factors | Demand | Volumes | Firm Interruptible |
| 10 | All | 0.1974 | \$3,991,525 | 19,024,504 | 0.2098 0.2098 |
| 11 | Firm | 0.8026 | 16,228,966 | 18,025,372 | 0.9003 |
| 12 | Total | 1.0000 | \$20,220,491 | | 1.1101 0.2098 |
| 13 | | | | | |
| 14 | | | Volumetric Basis for | | |
| 15 | | Annualized | Monthly Demand Charge | | |
| 16 | | Mcf @14.65 | All | Firm | |
| 17 | <u>Firm Service</u> | | | | |
| 18 | Sales: | | | | |
| 19 | G-1 | 18,000,135 | 18,000,135 | 18,000,135 | 1.1101 |
| 20 | | | | | |
| 21 | Transportation: | | | | |
| 22 | T-2 \ G-1 | 25,237 | 25,237 | 25,237 | 1.1101 |
| 23 | | | | | |
| 24 | Total Firm Service | 18,025,372 | 18,025,372 | 18,025,372 | |
| 25 | | | | | |
| 26 | <u>Interruptible Service</u> | | | | |
| 27 | Sales: | | | | |
| 28 | G-2 | 559,428 | 559,428 | | 1.1101 0.2098 |
| 29 | | | | | |
| 30 | Transportation: | | | | |
| 31 | T-2 \ G-2 | 439,704 | 439,704 | | 1.1101 0.2098 |
| 32 | | | | | |
| 33 | Total Interruptible Service | 999,132 | 999,132 | | |
| 34 | | | | | |
| 35 | <u>Carriage Service</u> | | | | |
| 36 | T-3 & T-4 | 25,053,515 | | | |
| 37 | | | | | |
| 38 | | 44,078,019 | 19,024,504 | 18,025,372 | |

Atmos Energy Corporation
 Expected Gas Cost (EGC) Calculation
 Commodity - Total System

| Line No. Description | (1) | (2) | (3) | (4) |
|--|------------------|------------|----------------|-------------|
| | Purchases Mcf | MMbtu | Rate \$/Mcf | Total \$ |
| 1 <u>Texas Gas Area</u> | | | | |
| 2 No Notice Service | 3,656,337 | 3,692,900 | 5.0681 | 18,530,603 |
| 3 Firm Transportation | 1,958,416 | 1,978,000 | 5.0371 | 9,864,682 |
| 4 No Notice Storage | 2,190,495 | 2,212,400 | 5.0681 | 11,101,602 |
| 5 Total Texas Gas Area | 7,805,248 | 7,883,300 | 5.0603 | 39,496,887 |
| 6 | | | | |
| 7 <u>Tennessee Gas Area</u> | | | | |
| 8 FT-A and FT-G | 375,667 | 385,134 | 5.2343 | 1,966,371 |
| 9 FT-GS | 186,857 | 191,566 | 5.7529 | 1,074,972 |
| 10 Gas Storage | | | | |
| 11 Injections | 0 | 0 | 0.0000 | 0 |
| 12 Withdrawals | 741,319 | 760,000 | 4.5625 | 3,382,304 |
| 13 | 1,303,843 | 1,336,700 | 4.9267 | 6,423,647 |
| 14 <u>Trunkline Gas Area</u> | | | | |
| 15 Firm Transportation | 330,078 | 338,000 | 5.0172 | 1,656,065 |
| 16 | | | | |
| 17 | | | | |
| 18 <u>WKG System Storage</u> | | | | |
| 19 Injections | 0 | 0 | 0.0000 | 0 |
| 20 Withdrawals | 3,563,366 | 3,599,000 | 5.0179 | 17,880,614 |
| 21 Net WKG Storage | 3,563,366 | 3,599,000 | 5.0179 | 17,880,614 |
| 22 | | | | |
| 23 | | | | |
| 24 Local Production | 200,252 | 204,658 | 4.8400 | 969,220 |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 Total Commodity Purchases | 13,202,787 | 13,361,658 | 5.0312 | 66,426,433 |
| 29 | | | | |
| 30 Lost & Unaccounted for @ 3.50% | 462,098 | 467,658 | | |
| 31 | | | | |
| 32 Total Deliveries | 12,740,689 | 12,894,000 | 5.2137 | 66,426,433 |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 Total Expected Commodity Cost | 12,740,689 | 12,894,000 | 5.2137 | 66,426,433 |
| 37 | | | | |
| 38 | | | | |
| 39 Note: Column (3) is calculated by dividing column (4) by column (1) | | | | |
| 40 | | | | |

| Line No. | Description | MCF |
|----------|--|------------------------------------|
| | <u>Annualized Volumes Subject to Demand Charges</u> | |
| 1 | Sales Volume | 18,559,563 |
| 2 | Transportation | 464,941 |
| 3 | Total Mcf Billed Demand Charges | <u>19,024,504</u> |
| 4 | Divided by: Days/Year | 365 |
| 5 | Average Daily Sales and Transport Volumes | <u><u>52,122</u></u> |
| 6 | | |
| 7 | <u>Peak Day Sales and Transportation Volume</u> | |
| 8 | Estimated total company firm requirements for 5 degree average | |
| 9 | temperature days from Peak Day Book - with adjustments per rate filing | <u><u>264,079</u></u> Mcf/Peak Day |
| 10 | | |
| 11 | | |
| 12 | New Load Factor (line 5 / line 9) | 0.1974 |

Atmos Energy Corporation
Basis for Indexed Gas Cost
For the Month of January 2010

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 month of **January 2010 during the period November 10 through November 18, 2009** which are listed below:

| | Nov-09 (\$/MMBTU) | Dec-09 (\$/MMBTU) | Jan-10 (\$/MMBTU) |
|-----------|----------------------|----------------------|----------------------|
| Tuesday | 0.000 | 0.000 | 4.861 |
| Wednesday | 0.000 | 0.000 | 4.901 |
| Thursday | 0.000 | 0.000 | 4.761 |
| Friday | 0.000 | 0.000 | 4.798 |
| Monday | 0.000 | 0.000 | 4.991 |
| Tuesday | 0.000 | 0.000 | 4.907 |
| Wednesday | 0.000 | 0.000 | 4.659 |
| | <u>\$0.000</u> | <u>\$0.000</u> | <u>\$4.840</u> |

- B. The Company believes prices will remain stable and prices for the month of January 2010 will settle at \$4.840 per MMBTU (**based on the average of the past seven days**) for the period that the GCA is to become 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
Estimated Weighted Average Cost of Gas
For the Month of January 2010

| | November-09 | | December-09 | | January-10 | | Total | |
|--|-------------|------|-------------|------|------------|------|---------|------|
| | Volumes | Rate | Volumes | Rate | Volumes | Rate | Volumes | Rate |

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

RECEIVED

NOV 24 2009

**PUBLIC SERVICE
COMMISSION**

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

In the Matter of:

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

CASE NO. 2009-00000 2009-00461

**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 a monthly period commencing on January 1, 2010 through January 31, 2010. This GCA filing does not contain any changes to Atmos' quarterly Correction Factor (CF) but does contain information pertaining to Atmos' projected gas prices. The following attachment contains information which requires confidential treatment.

a. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, Page 2 of 2 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. 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 2 of 2, 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.

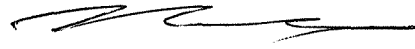
6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

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 23rd day of November, 2009.



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Attorneys for Atmos Energy Corporation

Atmos Energy Corporation
Estimated Weighted Average Cost of Gas
For the Month of January 2010

| | November-09 | | December-09 | | January-10 | | Total | |
|----------------|-------------|------|-------------|------|------------|------|---------|------|
| | Volumes | Rate | Volumes | Rate | Volumes | Rate | Volumes | Rate |
| 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