



September 28, 2009

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

Re: Case No. 2010-00000

Dear Mr. Derouen:

We are filing the enclosed original and ten (10) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2010-00000. **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 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

RECEIVED

SEP 29 2010

**PUBLIC SERVICE
COMMISSION**

2010-00386

RECEIVED

SEP 29 2010

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. 2010-00000

NOTICE

QUARTERLY FILING

For The Period

November 1, 2010 – January 31, 2011

Attorney for Applicant

Mark R. Hutchinson
611 Frederica Street
Owensboro, Kentucky 42301

September 28, 2010

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 Forty-Second Revised Sheet No. 4, Forty-Second Revised Sheet No. 5 and Forty-Second Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective November 1, 2010.

The Gas Cost Adjustment (GCA) for firm sales service is \$4.6712 per Mcf and \$3.6995 per Mcf for interruptible sales service. The supporting calculations for the Forty-Second 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) – **NOTE: The pipeline tariff pages are not included in this filing but can be provided upon request.**

Exhibit D – Correction Factor (CF) Calculation

Exhibit E – Refund Factor Calculation

Since the Company's last GCA filing, Case No. 2010-00257, 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 quarter of November 1, 2010 through January 31, 2011, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Commodity Gas Cost will be approximately \$5.8522 per Mcf for the quarter November 1, 2010 through January 31, 2011, as compared to \$6.6338 per Mcf used for the period of August 1, 2010 through October 31, 2010. The G-2

Expected Commodity Gas Cost will be approximately \$4.8805 for the quarter November 1, 2010 through January 31, 2011, as compared to \$5.6626 for the period August 1, 2010 through October 31, 2010.

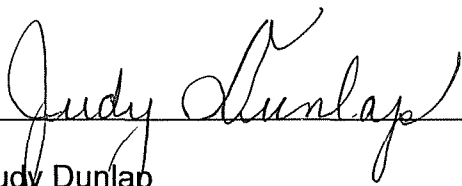
3. The Company's notice sets out a new Correction Factor of (\$1.2939) per Mcf which will remain in effect until at least January 31, 2011.
4. The Company's notice also sets out a new Refund Factor of (\$.0169) per Mcf which will remain in effect until at least January 31, 2011.

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 1910 Account as of July 31, 2010 (August general ledger). The calculation for the Correction Factor is shown on Exhibit D, Page 1 of 5.

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 Forty-Second Revised Sheet No. 5; and Forty-Second Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-3 and T-4 for each respective sales rate for meter readings made on and after November 1, 2010.

DATED at Dallas, Texas this 28th Day of September, 2010.

ATMOS ENERGY CORPORATION

By: 

Judy Dunlap
Rate Analyst, Rate Administration
Atmos Energy Corporation

ATMOS ENERGY CORPORATION

Current Rate Summary					
Case No. 2010-00000					
<u>Firm Service</u>					
Base Charge:					
	Residential (G-1)		-	\$12.50	per meter per month
	Non-Residential (G-1)		-	30.00	per meter per month
	Transportation (T-4)		-	300.00	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>Transportation (T-4)</u>	
First	300 ¹ Mcf	@	5.7712 per Mcf	@	1.1000 per Mcf
Next	14,700 ¹ Mcf	@	5.4412 per Mcf	@	0.7700 per Mcf
Over	15,000 Mcf	@	5.1712 per Mcf	@	0.5000 per Mcf
					(R, N)
					(R, N)
					(R, N)
<u>Interruptible Service</u>					
Base Charge					
			-	\$300.00	per delivery point per month
			-	50.00	per customer per meter
<u>Rate per Mcf</u>²		<u>Sales (G-2)</u>		<u>Transportation (T-3)</u>	
First	15,000 ¹ Mcf	@	4.3295 per Mcf	@	0.6300 per Mcf
Over	15,000 Mcf	@	4.1095 per Mcf	@	0.4100 per Mcf
					(R, N)
					(R, N)
¹ All gas consumed by the customer (sales, transportation; firm and interruptible) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.					
² DSM, PRP and R&D Riders may also apply, where applicable.					

ISSUED: September 28, 2010

Effective: November 1, 2010

(Issued by Authority of an Order of the Public Service Commission in Case No. 2010-00000.)

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

ATMOS ENERGY CORPORATION

Current Gas Cost Adjustments Case No. 2010-00000			
<p><u>Applicable</u></p> <p>For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).</p> <p style="padding-left: 40px;">Gas Charge = GCA</p> <p style="padding-left: 80px;">GCA = EGC + CF + RF + PBRRF</p>			
<u>Gas Cost Adjustment Components</u>	<u>G - 1</u>	<u>G-2</u>	
EGC (Expected Gas Cost Component)	5.8522	4.8805	(R, R)
CF (Correction Factor)	(1.2939)	(1.2939)	(I I)
RF (Refund Adjustment)	(0.0169)	(0.0169)	(R, R)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1298</u>	<u>0.1298</u>	(N, N)
GCA (Gas Cost Adjustment)	<u><u>\$4.6712</u></u>	<u><u>\$3.6995</u></u>	(R, R)

ISSUED: September 28, 2010

Effective: November 1, 2010

(Issued by Authority of an Order of the Public Service Commission in Case No. 2010-00000.)

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

ATMOS ENERGY CORPORATION

Current Transportation

Case No. 2010-00000

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

System Lost and Unaccounted gas percentage:

2.79%

				<u>Simple Margin</u>		<u>Non- Commodity</u>		<u>Gross Margin</u>	
<u>Transportation Service</u>¹									
<u>Firm Service (T-4)</u>									
First	300	Mcf	@	\$1.1000 +		\$0.0000 =		\$1.1000 per Mcf	(N)
Next	14,700	Mcf	@	0.7700 +		0.0000 =		0.7700 per Mcf	(N)
All over	15,000	Mcf	@	0.5000 +		0.0000 =		0.5000 per Mcf	(N)
<u>Interruptible Service (T-3)</u>									
First	15,000	Mcf	@	\$0.6300 +		\$0.0000 =		\$0.6300 per Mcf	(N)
All over	15,000	Mcf	@	0.4100 +		0.0000 =		0.4100 per Mcf	(N)

¹ Excludes standby sales service.

ISSUED: September 28, 2010

Effective: November 1, 2010

(Issued by Authority of an Order of the Public Service Commission in Case No. 2010-00000.)

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

Line No.	Description	Case No.		Difference
		2010-00257	2010-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>G - 1</u>			
2				
3	<u>Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	5.4502	4.6687	(0.7815)
11	Demand	1.1836	1.1835	(0.0001)
12	Total EGC	6.6338	5.8522	(0.7816)
13	CF (Correction Factor)	(1.4210)	(1.2939)	0.1271
14	RF (Refund Adjustment)	(0.0135)	(0.0169)	(0.0034)
15	PBRRF (Performance Based Rate Recovery Factor)	0.1298	0.1298	0.0000
16	GCA (Gas Cost Adjustment)	5.3291	4.6712	(0.6579)
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.4291	5.7712	(0.6579)
20	Next 14,700 Mcf	6.0991	5.4412	(0.6579)
21	Over 15,000 Mcf	5.8291	5.1712	(0.6579)
22				
23				
24	<u>G - 2</u>			
25				
26	<u>Distribution Charge (per Case No. 09-00354)</u>			
27	First 15,000 Mcf	0.6300	0.6300	0.0000
28	Over 15,000 Mcf	0.4100	0.4100	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	5.4502	4.6687	(0.7815)
33	Demand	0.2124	0.2118	(0.0006)
34	Total EGC	5.6626	4.8805	(0.7821)
35	CF (Correction Factor)	(1.4210)	(1.2939)	0.1271
36	RF (Refund Adjustment)	(0.0135)	(0.0169)	(0.0034)
37	PBRRF (Performance Based Rate Recovery Factor)	0.1298	0.1298	0.0000
38	GCA (Gas Cost Adjustment)	4.3579	3.6995	(0.6584)
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	4.9879	4.3295	(0.6584)
42	Over 14,700 Mcf	4.7679	4.1095	(0.6584)
43				
44				
45	<u>Refund Factor (RF)</u>			
47		Effective Date	RF	
48	Case No.			
49				
50	1 - 2010-00135	5/1/2010	(\$0.0102)	
51	2 - 2010-00257	8/1/2010	(0.0033)	
52	3 - 2010-00000	11/1/2010	(0.0034)	
53	4 -		0.0000	
54				
55	Total Refund Factor (RF)		(\$0.0169)	

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2010-00257	2010-00000	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<u>T -4 Transportation Service / Firm Service (High Priority)</u>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8				
9	<u>T - 3 / Interruptible Service (Low Priority)</u>			
10				
11	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
12	First 15,000 Mcf	0.6300	0.6300	0.0000
13	Over 15,000 Mcf	0.4100	0.4100	0.0000
14				

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

Line No.	Description	(a) Tariff Sheet No.	(b) Annual Units MMbtu	(c) Rate \$/MMbtu	(d) (e) Non-Commodity	
					Total \$	Demand \$
1	<u>SL to Zone 2</u>					
2	NNS Contract #	N000210/29760	12,617,673			
3	Base Rate	26		0.3088	3,896,336	3,896,336
4						
5	Total SL to Zone 2		<u>12,617,673</u>		<u>3,896,336</u>	<u>3,896,336</u>
6						
7	<u>SL to Zone 3</u>					
8	NNS Contract #	N000340/29762	27,480,375			
9	Base Rate	26		0.3543	9,736,297	9,736,297
10						
11	FT Contract #	003355/29759	5,475,000			
12	Base Rate	21		0.2494	1,365,465	1,365,465
13						
14	Total SL to Zone 3		<u>32,955,375</u>		<u>11,101,762</u>	<u>11,101,762</u>
15						
16	<u>Zone 1 to Zone 3</u>					
17	FT Contract #	21793/29761	1,095,000			
18	Base Rate	21		0.2194	240,243	240,243
19						
20	Total Zone 1 to Zone 3		<u>1,095,000</u>		<u>240,243</u>	<u>240,243</u>
21						
22	<u>SL to Zone 4</u>					
23	NNS Contract #	N000435/29763	3,320,769			
24	Base Rate	26		0.4190	1,391,402	1,391,402
25						
26	FT Contract #	003819/29765	1,277,500			
27	Base Rate	21		0.3142	401,393	401,393
28						
29	Total SL to Zone 4		<u>4,598,269</u>		<u>1,792,795</u>	<u>1,792,795</u>
30						
31	Total SL to Zone 2		12,617,673		3,896,336	3,896,336
32	Total SL to Zone 3		32,955,375		11,101,762	11,101,762
33	Total Zone 1 to Zone 3		1,095,000		240,243	240,243
34						
35	Total Texas Gas		<u>51,266,317</u>		<u>17,031,136</u>	<u>17,031,136</u>
36						
37						
38	Total Texas Gas Area Non-Commodity				<u>17,031,136</u>	<u>17,031,136</u>

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

Line No.	Description	(a)	(b)	(c)	(d) (e) Non-Commodity	
		Tariff Sheet No.	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	23		9.0600	116,367	116,367
4						
5	FT-G Contract # 2548.1		4,363	9.0600		
6	Base Rate	23		9.0600	39,529	39,529
7						
8	FT-G Contract # 2550.1		5,739	9.0600		
9	Base Rate	23		9.0600	51,995	51,995
10						
11	FT-G Contract # 2551.1		8,085	9.0600		
12	Base Rate	23		9.0600	73,250	73,250
13						
14	Total Zone 0 to 2		<u>31,031</u>		<u>281,141</u>	<u>281,141</u>
15						
16	1 to Zone 2					
17	FT-G Contract # 2546		114,156	7.6200		
18	Base Rate	23		7.6200	869,869	869,869
19						
20	FT-G Contract # 2548		44,997	7.6200		
21	Base Rate	23		7.6200	342,877	342,877
22						
23	FT-G Contract # 2550		59,741	7.6200		
24	Base Rate	23		7.6200	455,226	455,226
25						
26	FT-G Contract # 2551		81,920	7.6200		
27	Base Rate	23		7.6200	624,230	624,230
28						
29	Total Zone 1 to 2 and Zone 0 to 2		<u>331,845</u>		<u>2,573,344</u>	<u>2,573,344</u>
30						
31	Gas Storage					
32	Production Area:					
33	Demand	61	34,968	2.0200	70,635	70,635
34	Space Charge	61	4,916,148	0.0248	121,920	121,920
35	Market Area:					
36	Demand	61	237,408	1.1500	273,019	273,019
37	Space Charge	61	<u>10,846,308</u>	0.0185	<u>200,657</u>	<u>200,657</u>
38	Total Storage		<u>16,034,832</u>		<u>666,231</u>	<u>666,231</u>
39						
40	Total Tennessee Gas Area FT-G Non-Commodity				<u><u>3,239,575</u></u>	<u><u>3,239,575</u></u>

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

Line No.	Description	(a) Tariff Sheet No.	(b)	(c)		(d)	(e)	(f)
				Mcf	MMbtu	Purchases	Rate	Total
						\$/MMbtu		\$
1	<u>No Notice Service</u>					3,435,690		
2	Indexed Gas Cost						4.4370	15,244,157
3	Commodity (Zone 3)	26					0.0509	174,877
4	Fuel and Loss Retention @	36	1.33%				0.0598	205,454
5							4.5477	15,624,488
6								
7	<u>Firm Transportation</u>					1,831,210		
8	Indexed Gas Cost						4.4370	8,125,079
9	Base (Weighted on MDQs)						0.0440	80,573
10	ACA	22					0.0019	3,479
11	Fuel and Loss Retention @	36	1.33%				0.0598	109,506
12							4.5427	8,318,637
13	<u>No Notice Storage</u>							
14	Net (Injections)/Withdrawals							
15	Withdrawals					2,616,397	4.3330	11,336,848
16	Injections					0	0.0000	0
17	Commodity (Zone 3)	26					0.0509	133,175
18	Fuel and Loss Retention @	36	1.33%				0.0584	152,798
19						2,616,397	4.4423	11,622,821
20								
21								
22	Total Purchases in Texas Area					<u>7,883,297</u>	<u>4.5116</u>	<u>35,565,946</u>
23								
24								
25	<u>Used to allocate transportation non-commodity</u>							
26								
27					Annualized		Commodity	
28					MDQs in		Charge	Weighted
29	<u>Texas Gas</u>				MMbtu	Allocation	\$/MMbtu	Average
30	SL to Zone 2	22			12,617,673	24.61%	\$0.0399	\$ 0.0098
31	SL to Zone 3	22			32,955,375	64.28%	0.0445	\$ 0.0286
32	1 to Zone 3	22			1,095,000	2.14%	0.0422	\$ 0.0009
33	SL to Zone 4	22			4,598,269	8.97%	0.0528	\$ 0.0047
34	Total				<u>51,266,317</u>	<u>100.00%</u>		<u>\$ 0.0440</u>
35								
36	<u>Tennessee Gas</u>							
37	0 to Zone 2	24			31,031	9.35%	\$0.0880	\$ 0.0082
38	1 to Zone 2	24			300,814	90.65%	0.0776	0.0703
39	Total				<u>331,845</u>	<u>100.00%</u>		<u>\$ 0.0786</u>

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

Line No.	Description	Tariff Sheet No.	(a)	(b)	(c)	(d)	(e)	(f)	
									Purchases
						Mcf	MMbtu	\$/MMbtu	\$
1	<u>FT-A and FT-G</u>					368,995			
2	Indexed Gas Cost						4.4370	1,637,231	
3	Base Commodity (Weighted on MDQs)						0.0786	28,993	
4	ACA	24					0.0019	701	
5	Fuel and Loss Retention	32	4.28%				0.1984	73,209	
6							4.7159	1,740,134	
7									
8	<u>FT-GS</u>					185,225			
9	Indexed Gas Cost						4.4370	821,843	
10	Base Rate	26					0.5844	108,245	
11	ACA	24					0.0019	352	
12	Fuel and Loss Retention	32	4.28%				0.1984	36,749	
13							5.2217	967,189	
14									
15	<u>Gas Storage</u>								
16	FT-A & FT-G Market Area Withdrawals					760,001	4.3330	3,293,084	
17	FT-A & FT-G Market Area Injections					0	0.0000	0	
18	Withdrawal Rate	61					0.0102	7,752	
19	Injection Rate	61					0.0102	0	
20	Fuel and Loss Retention	61	1.49%				0.0655	49,780	
21	Total					760,001	4.4087	3,350,616	
22									
23									
24									
25	Total Tennessee Gas Zones					1,314,221	4.6095	6,057,939	

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

Commodity	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Tariff Sheet No.		Purchases Mcf	Rate MMbtu \$/MMbtu	Total \$
1	<u>Firm Transportation</u>					
2	Expected Volumes			338,000		
3	Indexed Gas Cost				4.4370	1,499,706
4	Base Commodity	10			0.0130	4,394
6	ACA	10			0.0019	642
7	Fuel and Loss Retention	10	1.93%		0.0873	29,507
8					<u>4.5392</u>	<u>1,534,249</u>
9						
10						

Non-Commodity

Line No.	Description	Tariff Sheet No.	(a)	(b)	Non-Commodity	
				Annual Units MMbtu	Rate \$/MMbtu	Total Demand \$
	Injections					
11	FT-G Contract # 014573			27,000		
12	Discount Rate on MDQs				7.2480	195,696
13						
14	Total Trunkline Area Non-Commodity					<u>195,696</u>

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

Line No.	(a)	(b)	(c)	(d)	(e)
1	<u>Total Demand Cost:</u>				
2	Texas Gas Transmission	\$17,031,136			
3	Midwestern	0			
4	Tennessee Gas Pipeline	3,239,575			
5	Trunkline Gas Company	195,696			
6	Total	<u>\$20,466,407</u>			
7					
8		Allocated	Related	Monthly Demand Charge	
9	<u>Demand Cost Allocation:</u>	Factors	Demand	Volumes	Firm Interruptible
10	All	0.1804	\$3,692,140	17,434,480	0.2118 0.2118
11	Firm	0.8196	16,774,267	17,263,240	0.9717
12	Total	<u>1.0000</u>	<u>\$20,466,407</u>		<u>1.1835 0.2118</u>
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	17,263,240	17,263,240	17,263,240	1.1835
20					
21	<u>Interruptible Service</u>				
22	Sales:				
23	G-2	171,240	171,240		1.1835 0.2118
24					
25	<u>Transportation Service</u>				
26	T-3 & T-4	21,185,357			
27					
28		<u>38,619,837</u>	<u>17,434,480</u>	<u>17,263,240</u>	

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

Line No. Description	(a)	(b)	(c)	(d)
	Purchases Mcf	MMbtu	Rate \$/Mcf	Total \$
1 <u>Texas Gas Area</u>				
2 No Notice Service	3,433,973	3,435,690	4.5500	15,624,488
3 Firm Transportation	1,830,295	1,831,210	4.5450	8,318,637
4 No Notice Storage	2,603,380	2,616,397	4.4645	11,622,821
5 Total Texas Gas Area	<u>7,867,648</u>	<u>7,883,297</u>	<u>4.5205</u>	<u>35,565,946</u>
6				
7 <u>Tennessee Gas Area</u>				
8 FT-A and FT-G	361,689	368,995	4.8111	1,740,134
9 FT-GS	181,558	185,225	5.3272	967,189
10 Gas Storage				
11 Injections	0	0	0.0000	
12 Withdrawals	744,953	760,001	4.4978	3,350,616
13	<u>1,288,200</u>	<u>1,314,221</u>	<u>4.7026</u>	<u>6,057,939</u>
14 <u>Trunkline Gas Area</u>				
15 Firm Transportation	333,662	338,000	4.5982	1,534,249
16				
17				
18 <u>WKG System Storage</u>				
19 Injections	0	0	0.0000	0
20 Withdrawals	3,581,095	3,599,000	4.5205	16,188,340
21 Net WKG Storage	<u>3,581,095</u>	<u>3,599,000</u>	<u>4.5205</u>	<u>16,188,340</u>
22				
23				
24 Local Production	253,141	256,432	4.4370	1,123,187
25				
26				
27				
28 Total Commodity Purchases	<u>13,323,746</u>	<u>13,390,950</u>	<u>4.5385</u>	<u>60,469,661</u>
29				
30 Lost & Unaccounted for @ 2.79%	371,733	373,608		
31				
32 Total Deliveries	<u>12,952,013</u>	<u>13,017,342</u>	<u>4.6687</u>	<u>60,469,661</u>
33				
34				
35				
36 Total Expected Commodity Cost	<u>12,952,013</u>	<u>13,017,342</u>	<u>4.6687</u>	<u>60,469,661</u>
37				
38				
39 Note: Column (c) is calculated by dividing column (d) by column (a)				

Line No.	Description	MCF
	<u>Annualized Volumes Subject to Demand Charges</u>	
1	Sales Volume	17,434,480
2	Transportation	<u>0</u>
3	Total Mcf Billed Demand Charges	17,434,480
4	Divided by: Days/Year	<u>365</u>
5	Average Daily Sales and Transport Volumes	<u><u>47,766</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>264,714</u> Mcf/Peak Day
10		
11		
12	New Load Factor (line 5 / line 9)	0.1804

Basis for Indexed Gas Cost
For the Quarter of November 2010 through January 2011

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 November 2010 through January 2011 during the period September 9 through September 17, 2010

	Nov-10 (\$/MMBTU)	Dec-10 (\$/MMBTU)	Jan-11 (\$/MMBTU)
Thursday	4.026	4.333	4.523
Friday	4.125	4.427	4.606
Monday	4.169	4.458	4.643
Tuesday	4.169	4.418	4.601
Wednesday	4.191	4.420	4.586
Thursday	4.238	4.450	4.605
Friday	4.203	4.420	4.574
	<u>\$4.194</u>	<u>\$4.433</u>	<u>\$4.602</u>

- B. The Company believes prices will remain stable and prices for the quarter of November 2010 through January will settle at **\$4.437 per MMBTU (based on the average of the past five 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 Quarter of November 2010 through January 2011

	November-10		December-10		January-11		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)

Atmos Energy Corporation
 Correction Factor (CF)
 For the Three Months Ended JULY 2010
 Case No. 2010-00000

Line No.	(a) Month	(b) Actual Purchased Volume (Mcf)	(c) Recoverable Gas Cost	(d) Actual GCA Recovered Gas Cost	(e) Under (Over) Recovery Amount	(f) Adjustments	(g) Total
1	May-10	348,645	\$4,591,829.52	\$3,356,443.07	\$1,235,386.45	\$0.00	\$1,235,386.45
2							
3	June-10	343,414	\$2,641,419.20	\$2,186,479.63	\$454,939.57	\$0.00	\$454,939.57
4							
5	July-10	390,141	\$1,920,446.53	\$2,004,923.99	(\$84,477.46)	\$0.00	(\$84,477.46)
6							
8							
9							
10							
11							
12							
13	Total Gas Cost						
14	Under/(Over) Recovery		<u>\$9,153,695.25</u>	<u>\$7,547,846.69</u>	<u>\$1,605,848.56</u>	<u>\$0.00</u>	<u>\$1,605,848.56</u>
15							
16	PBR Savings reflected in Gas Costs		<u>\$850,938.79</u>				
17							
18	Account Balance 1910 through April 2010 (May 2010 GL)						(\$24,774,492.39)
19	Total Gas Cost Under/(Over) Recovery for the three months ended July 2010						1,605,848.56
20	Recovery from outstanding Correction Factor (CF)						609,837.43
21	Account 191 Balance @ July 2010						<u>\$(22,558,806.40)</u>
22	(August GL)						
23							
24							
25	Derivation of Correction Factor (CF):						
26							
27	Account 191 Balance					<u>(\$22,558,806)</u>	
28	Divided By: Total Expected Customer Sales					17,434,480	/MCF
29							
30	Correction Factor (CF)					<u>(\$1.2939)</u>	/MCF
31							
32							

Atmos Energy Corporation
Recoverable Gas Cost Calculation
For the Three Months Ended July, 2010
Case No. 2010-00000

Line No.	Description	GL Unit	Jun-10	Jul-10	Aug-10
			(a)	(b)	(c)
			Month		
			May-10	June-10	July-10
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	1,544,837	2,117,313	2,077,132
9	Off System Storage				
10	Texas Gas Transmission	Mcf	0	0	0
11	Tennessee Gas Pipeline	Mcf	0	0	0
12	System Storage				
13	Withdrawals	Mcf	0	0	0
14	Injections	Mcf	(1,010,810)	(1,057,966)	(1,048,731)
15	Producers	Mcf	31,265	60,015	55,537
16	Pipeline Imbalances cashed out	Mcf	0	0	0
17	System Imbalances ²	Mcf	(216,647)	(775,948)	(693,797)
18	Total Supply	Mcf	348,645	343,414	390,141
19					
20	Change in Unbilled	Mcf			
21	Company Use	Mcf	0	0	0
22	Unaccounted For	Mcf	0	0	0
23	Total Purchases	Mcf	348,645	343,414	390,141

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 July, 2010
Case No. 2010-00000

Line No.	Description	GL Unit	Jun-10	Jul-10	Aug-10
			(a)	(b)	(c)
			Month	Month	Month
			May-10	June-10	July-10
1	Supply Cost				
2	Pipelines:				
3	Texas Gas Transmission ¹	\$	1,190,552	1,146,767	1,185,911
4	Tennessee Gas Pipeline ¹	\$	227,670	195,791	191,057
5	Trunkline Gas Company ¹	\$	7,902	0	7,902
6	Midwestern Pipeline ¹	\$	0	0	0
7	Total Pipeline Supply	\$	1,426,124	1,342,557	1,384,871
8	Total Other Suppliers	\$	6,250,576	9,303,728	9,456,661
9	Hedging Settlements	\$	0	0	0
10	Off System Storage				
11	Texas Gas Transmission	\$	0	0	0
12	Tennessee Gas Pipeline	\$	0	0	0
13	WKG Storage	\$	122,500	122,500	122,500
14	System Storage				
15	Withdrawals	\$	1,590,051	0	0
16	Injections	\$	(5,810,151)	(4,676,662)	(4,859,307)
17	Producers	\$	125,051	258,363	249,422
18	Pipeline Imbalances cashed out	\$	0	0	0
19	System Imbalances ²	\$	887,679	(3,709,067)	(4,433,700)
20	Sub-Total	\$	4,591,830	2,641,419	1,920,447
21	Pipeline Refund + Interest				
22	Change in Unbilled	\$			
23	Company Use	\$	0	0	0
24	Recovered thru Transportation	\$	0	0	0
25	Total Recoverable Gas Cost	\$	4,591,830	2,641,419	1,920,447

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.

Atmos Energy Corporation

Recovery from Correction Factors (CF)
For the Three Months Ended July, 2010
Case No. 2010-00000

No.	Month	Type of Sales	(a) Mcf Sold	(b) CF Rate	(c) CF Amounts	(d) RF Rate	(e) RF Amounts	(f) PBR Rate	(g) PBRRF Amounts	(h) GCA Rate	(i) GCA Recovery Amounts	(j) Total Recoveries
1	May-10	G-1 Sales	559,346.0	(\$0.4702)	(\$263,004.49)	(\$0.0102)	(\$5,705.33)	0.1298	\$72,603.11	\$5.8487	\$3,271,446.95	\$3,075,340.24
2		G-2 Sales	17,296.0	(0.4702)	(\$8,132.58)	(\$0.0102)	(\$176.42)	0.1298	\$2,245.02	\$4.8775	84,361.24	\$78,297.26
6		Sub Total	576,642.0		(271,137.07)		(5,881.75)		\$74,848.13		3,355,808.19	\$3,153,637.50
7		Timing: Cycle Billing and PPA's			641.01		(32.92)		\$47.11		634.88	\$1,290.08
8		Total	576,642.0		(270,496.06)		(5,914.67)		\$74,895.24		3,356,443.07	\$3,154,927.58
9												
10												
11	June-10	G-1 Sales	359,201.0	(\$0.4702)	(\$168,896.31)	(\$0.0102)	(\$3,663.85)	0.1298	\$46,624.29	\$5.8487	\$2,100,858.89	\$1,974,923.02
12		G-2 Sales	17,699.0	(0.4702)	(8,322.07)	(\$0.0102)	(\$180.53)	0.1298	\$2,297.33	\$4.8775	86,326.87	\$80,121.60
16		Sub Total	376,900.0		(177,218.38)		(3,844.38)		\$48,921.62		2,187,185.76	\$2,055,044.62
17		Timing: Cycle Billing and PPA's			79.50		(2.51)		\$0.35		(706.13)	(\$628.79)
18		Total	376,900.0		(177,138.88)		(3,846.89)		\$48,921.97		2,186,479.63	\$2,054,415.83
19												
20												
21	July-10	G-1 Sales	330,985.0	(\$0.4702)	(\$155,629.15)	(\$0.0102)	(\$3,376.05)	0.1298	\$42,961.85	\$5.8487	\$1,935,831.97	\$1,819,788.63
22		G-2 Sales	14,060.0	(0.4702)	(6,611.01)	(\$0.0102)	(\$143.41)	0.1298	\$1,824.99	\$4.8775	68,577.65	\$63,648.22
26		Sub Total	345,045.0		(162,240.16)		(3,519.46)		\$44,786.84		2,004,409.62	\$1,883,436.84
27		Timing: Cycle Billing and PPA's			\$37.67		(1.20)		\$0.22		\$514.37	\$551.06
28		Total	345,045.0		(162,202.49)		(3,520.66)		\$44,787.06		2,004,923.99	\$1,883,987.90
29												
30												
31		Total Recovery from Correction Factor (CF)			(\$609,837.43)							
32		Total Amount Refunded through the Refund Factor (RF)					(\$13,282.22)					
33		Total Recovery from Performance Based Rate Recovery Factor (PBRRF)							\$168,604.27			
34		Total Recoveries from Expected Gas Cost (EGC) Factor										
35		Total Recoveries from Gas Cost Adjustment Factor (GCA)										
36												
37												
38												
39												

NOTE: The cycle billing is a result of customers being billed by the meter read date. The prior period adjustments (PPA's) consist of billing revisions/adjustments.

Description	May, 2010		June, 2010		July, 2010	
	MCF	Cost	MCF	Cost	MCF	Cost
1 Texas Gas Pipeline Area						
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 Total	1,313,807	\$5,292,090.62	1,850,083	\$8,094,495.62	1,816,597	\$8,243,283.09
16						
17						
18 Tennessee Gas Pipeline Area						
19 Atmos Energy Marketing, LLC						
20 Union Pacific Fuels						
21 WESCO						
22 Prepaid						
23 Reservation						
24 Fuel Adjustment						
25						
26 Total	200,291	\$844,373.72	237,482	\$1,082,854.20	229,736	\$1,084,106.14
27						
28						
29 Trunkline Gas Company						
30 Atmos Energy Marketing, LLC						
31 Engage						
32 Prepaid						
33 Reservation						
34 Fuel Adjustment						
35						
36 Total	30,739	\$114,111.80	29,748	\$126,378.24	30,799	\$129,271.96
37						
38						
39 Midwestern Pipeline						
40 Atmos Energy Marketing, LLC						
41 LG&E Natural						
42 Anadarko						
43 Prepaid						
44 Reservation						
45 Fuel Adjustment						
46						
47 Total	0	\$0.00	0	\$0.00	0	\$0.00
48						
49						
50 All Zones						
51 Total	1,544,837	\$6,250,576.14	2,117,313	\$9,303,728.06	2,077,132	\$9,456,661.19
52						
53						
54						

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

Line No.	Amounts Reported:				AMOUNT
1	Tennessee Gas Pipeline PCB/HSL Refund, Docket Nos. RP91-203 & RP92-132				\$ 58,347.03
2	Less: amount related to specific end users				0.00
3	Amount to flow-through				<u>\$ 58,347.03</u>
4					
5	Average of the 3-Month Commercial Paper Rates for the immediately				0.28%
6	preceding 12-month period less 1/2 of 1% to cover the costs of refunding.				
7					
8					
9	Allocation	(1)	(2)	(3)	
10		Demand	Commodity	Total	
11	Balance to be Refunded	\$0	\$ 58,347	\$58,347	
12		0	0	0	
13					
14	Total (w/o interest)	0	58,347	58,347	
15	Interest (Line 14 x Line 5)	0	160	160	
16	Total	<u>\$0</u>	<u>\$58,507</u>	<u>\$58,507</u>	
17					
18	Refund Calculation				
19					
20	Demand Allocator - All				
21	(See Exh. B, p. 8, line 12)			0.1804	
22	Demand Allocator - Firm				
23	(1 - Demand Allocator - All)			0.8196	
24	Firm Volumes (normalized)				
25	(See Exh. B, p. 6, col. 3, line 28)			17,263,240	
26	All Volumes (excluding Transportation)				
27	(See Exh. B, p. 6, col. 2, line 28)			17,434,480	
28					
29	Demand Factor - All	\$0	\$0.0000 / MCF		
30	Demand Factor - Firm	\$0	\$0.0000 / MCF		
31	Commodity Factor	\$58,507	\$ 0.0034 / MCF		
32	Total Demand Firm Factor				
33	(Col. 2, lines 29 - 30)			\$0.0000 / MCF	
34	Total Demand Interruptible Factor				
35	(Col. 2, line 29)			\$0.0000 / MCF	
36	Total Firm Sales Factor				
37	(Col. 2, line 31 + col. 1, line 33)			\$ 0.0034 / MCF	
38	Total Interruptible Sales Factor				
39	(Col. 2, line 31 + col. 1, line 35)			\$ 0.0034 / MCF	
40					
41					