COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ATMOS ENERGY CORPORATION)FOR APPROVAL OF THIRD PARTY GAS SUPPLY)AGREEMENTS AND FOR DEVIATION FROM THE)PRICING REQUIREMENTS OF KRS 278:2207)

CASE NO. 2011-00201

COMMISSION STAFF'S FIRST INFORMATION REQUEST TO ATMOS ENERGY CORPORATION

Atmos Energy Corporation, Kentucky/Mid-States Division ("Atmos"), pursuant to 807 KAR 5:001, is to file with the Commission the original and six copies of the following information, with a copy to all parties of record. The information requested herein is due no later than 14 days from the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Atmos shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Atmos fails or refuses to furnish all or part of the requested information, Atmos shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to page 1 of Atmos's Application. Explain in detail the potential changes involving Tennessee Gas Pipeline ("TGP") that Atmos contemplates within the next 12 months which necessitate two separate Requests for Proposals ("RFPs") for the TGP and Texas Gas/Trunkline ("TXG") portions of its natural gas supply.

2. Explain whether Atmos believes the decision to limit the intended contract for the TGP portion of its gas supply to a term of 10 months discouraged potential bidders for that portion of its gas supply.

3. Provide separate lists of the entities that reviewed each of the online RFPs.

4. Provide the amount of savings realized by Atmos through May 31, 2011 as a result of its existing supply agreement with Atmos Energy Marketing ("AEM"). Include a summary description of the savings along with supporting calculations.

5. Given the corporate structure of Atmos Energy Corporation and AEM's subsidiary status, provide a detailed description of (1) the means of communication between AEM and Atmos during the term of the parties' existing supply agreement and

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(2) the controls, or systems, Atmos has in place to assure that the bid process and subsequent transactions are performed at arms-length as they pertain to AEM.

6. Refer to Atmos's comparative cost analysis of the TXG bids wherein Atmos describes three scenarios that were used to analyze the bids. Explain whether any other scenarios were considered for use in analyzing the bids. If so, fully describe the other scenarios and discuss Atmos's reasons for not using those scenarios in the bid analysis, along with a detailed explanation for Atmos's decision to use the scenarios that were used.

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Jeff Dérouen Executive Director Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

DATED ____ AUG 1 7 2011

cc: Parties of Record

Honorable Mark R Hutchinson Attorney at Law 611 Frederica Street Owensboro, KENTUCKY 42301

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