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MAY 0 4 2010

PUBLIC SERVICE COMMISSION

May 3, 2010

Mr. Jeff Derouen, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

Subject:

KPSC Case No. 2007-00551

2008-2009 Final Hedge Report

Dear Mr. Derouen:

Atmos Energy Corporation (Company) herewith submits an original non re-dacted and ten (10) re-dacted copies of the final hedge report pursuant to the Ordering Paragraph 4 of the Commission's Order dated April 8, 2008 in the above referenced proceeding. Exhibits A-C are CONFIDENTIAL and will be filed with a petition of confidentiality.

Please contact either myself at 270.685.8024 or Len Matheny at 270.685.8062 if the Commission or Staff has any questions regarding the enclosed report.

Sincerely,

Mark A. Martin

Vice President, Rates & Regulatory Affairs

**Enclosures** 

cc:

Randy Hutchinson

Doug Walther Don Erickson Larry Cook



## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

MAY 0 4 2010

PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE FINAL REPORT OF ATMOS ENERGY CORPORATION ON ITS HEDGING PROGRAM FOR THE 2009-2010 HEATING SEASON

Case No. 2007-00551

## MOTION TO ACCEPT FINAL REPORT OF HEDGING PROGRAM FOR THE 2009-2010 HEATING SEASON

Comes now, Atmos Energy Corporation ("Atmos Energy") and pursuant to the Commission's Order of April 8, 2008, files herewith its Final Report for the 2009-2010 Heating Season identifying, inter alia, gas costs realized under Atmos' hedging program. Atmos Energy respectfully moves the Commission to accept the attached Final Hedging Report for the 2009-2010 Heating Season.

Respectfully submitted this 3 day of May, 2010.

Mark R. Hutchinson 611 Frederica Street

Owensboro, Kentucky 42301

Douglas Walther ATMOS ENERGY CORPORATION PO Box 650250 Dallas, Texas 75265

#### CERTIFICATE OF SERVICE

I hereby certify that on the <u>3</u> day of May, 2010 the original of this Petition, with the Confidential Information for which confidential treatment is sought, together with ten (10) copies of the Petition without the confidential information, were mailed to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40206, and a redacted copy was also sent by facsimile transmission to the Commission.

Mark R. Hutchinson

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## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

MAY 0 4 2010

PUBLIC SERVICE

COMMISSION

IN THE MATTER OF:

THE FINAL REPORT OF ATMOS ENERGY CORPORATION ON ITS HEDGING PROGRAM FOR THE 2008-2009 HEATING SEASON

Case No. 2007-00551

### PETITION FOR CONFIDENTIALITY OF SCHEDULES TO ATMOS' FINAL HEDGING REPORT

Atmos Energy Corporation ("Atmos Energy") 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 attached schedules to Atmos Energy's Final Hedging Report for the 2009-2010 heating season.

- 1. On April 8, 2008 the Commission entered an Order in this proceeding approving Atmos Energy's hedging program for a five (5) year period ending March 31, 2013. The Commission's Order further directed Atmos Energy to file interim and final hedging reports as required by the Commission in its approvals of Atmos' previous hedging programs.
- 2. The attachments to the Petition contain sensitive pricing information and confidential information about Atmos Energy's hedging strategies. Atmos Energy's hedging strategies (including the prices Atmos Energy would likely pay for hedging contracts under various market conditions) constitutes sensitive, proprietary information which if publicly disclosed could put Atmos Energy at a commercial disadvantage in future hedging negotiations. Prospective brokers of hedging devices would gain insight into how Atmos Energy is likely to react to changing market conditions in terms of what Atmos Energy might be willing to pay for hedging contracts. This information would not otherwise be available. Although the full extent to which Atmos Energy would be disadvantaged in future negotiations is difficult to predict, it is clear that Atmos Energy would likely be disadvantaged in future negotiations if the information contained in the attachments to this Petition is made public.

- 3. Atmos Energy would not, as a matter of company policy, disclose information like that contained in the attachments to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos Energy's internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the attached schedules is not disclosed to any personnel of Atmos Energy except those who need to know in order to discharge their responsibility. Atmos Energy 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. The Commission has historically granted Atmos Energy confidential protection to information concerning the actual price being paid by Atmos Energy to individual marketing companies and other suppliers of natural gas.
- 4. There is no significant interest in public disclosure of the information contained in the attached schedules. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.
- 5. The information contained in the attached schedules 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 is 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 this information is derived by Atmos Energy maintaining the confidentiality of the information since prospective brokers could obtain economic value by its disclosure.
- 6. Pursuant to 807 KAR 5:001, Section 7 (3), temporary confidentiality of the attached schedules should be maintained until the Commission enters an order as to this Petition. Once the order regarding confidentiality has been issued, Atmos Energy would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:0001, Section 7 (4).
  - 7. In Atmos Energy's previous hedging cases, the Commission has granted confidential protection to

the same type of information for which confidential protection is now requested.

WHEREFORE, Atmos Energy petitions the Commission to treat as confidential the attached schedules consisting of <a href="#">13</a> pages and marked as "CONFIDENTIAL".

Respectfully submitted this <u>3</u> day of May, 2010.

Mark R. Hutchinson 611 Frederica Street Owensboro, Kentucky 42301

Douglas Walther ATMOS ENERGY CORPORATION PO Box 650250 Dallas, Texas 75265

#### **VERIFICATION**

I, Mark A. Martin, being duly sworn under oath state that I am Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, and that the statements contained in the foregoing Petition are true as I verily believe,

Mark A. Martin

#### CERTIFICATE OF SERVICE

I hereby certify that on the \_\_\_\_\_ day of May, 2010 the original of this Petition, with the Confidential Information for which confidential treatment is sought, together with ten (10) copies of the Petition without the confidential information, were mailed to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40206, and a redacted copy was also sent by facsimile transmission to the Commission.

Mark R. Hutchinson

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Sincerely,

Mark A. Martin

Vice President, Rates & Regulatory Affairs

Enclosures

cc:

Randy Hutchinson

Doug Walther
Don Erickson
Larry Cook

NYMEX Nov 2009-Mar 2010 Winter Strip

Exhibit B: Case 2007-00551

Atmos Energy Corporation - Hedging Report

Market Price Date: 03/31/2010
Transaction Date: 04/21/2010

Confidential

Regulatory Contract

and Rate Division is equal to Kentucky-09 Delivery Month is between 11/1/2009 and 3/1/2010 and Transaction Date is less than or equal to 4/21/2010

Delivery Month: 11/1/2009

Futures/Swaps

Transaction Date Counter Party Name Buy Delivery Sell Month Volume Transaction Transaction PriceFee**Total** PriceMarket PriceMarket Value Market Index: Confirmation

Number

Confidential

Exhibit B: Case 2007-00551

Delivery Month: 12/1/2009

# Futures/Swaps

Date Counter Party Name	Transaction
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Date Counter Party Name		Transaction	T
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	Value	Market	
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Exhibit B: Case 2007-00551

Exhibit B: Case 2007-00551

Delivery Month: 3/1/2010

## Futures/Swaps

Date	Tansaction
Counter Party Name	

	Buy
Month	Delivery
Volume	
Price	Transaction
Fee	Transaction

Total Price

Market Price

Market Value

Market Index:

Confirmation Number

Confidential

ATMOS ENERGY - KENTUCKÝ DIVISION HEDGING SUMMARY, WINTER 2009-10 MONTHLY ACCOUNTING ENTRIES CONFIDENTIAL

JE Name Company Cost Centel Account Sub Account Service Future

Debits

ATMOS ENERGY - KENTUCKY'DIVISION HEDGING SUMMARY, WINTER 2009-10 MONTHLY ACCOUNTING ENTRIES CONFIDENTIAL

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ATMOS ENERGY - KENTUCKÝ DIVISION HEDGING SUMMARY, WINTER 2009-10 MONTHLY ACCOUNTING ENTRIES CONFIDENTIAL

Company Cost Cente: Account Sub Account Service Future

Debits

ATMOS ENERGY - KENTUCKY DIVISION HEDGING SUMMARY, WINTER 2009-10 MONTHLY ACCOUNTING ENTRIES CONFIDENTIAL

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Debits

JE Name Company Cost Center Account Sub Account Service Future

ATMOS ENERGY - KENTUCKY DIVISION HEDGING SUMMARY, WINTER 2009-10 MONTHLY ACCOUNTING ENTRIES CONFIDENTIAL

JE Name Company Cost Center Account Sub Account Service Future

Debits

Credits

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ATMOS ENERGY - KENTUCKY DIVISION
HEDGING SUMMARY, WINTER 2009-10
MONTHLY ACCOUNTING ENTRIES
CONFIDENTIAL

JE Name Company Cost Center Account Sub Account Service Future

Credits

Debits