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August 8, 2013

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2013-00148

Dear Mr. Derouen:

Atmos Energy Corporation submits the updated responses to MFR 16(12)(o)2. I certify that the electronic documents are true and correct copies of the original documents.

If you have any questions about this filing, please contact me.

Submitted By:

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And

A handwritten signature in black ink, reading "John N. Hughes". The signature is written in a cursive style with a large, stylized 'J' and 'H'.

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Attorneys for Atmos Energy Corporation

Case No. 2013-00148
Atmos Energy Corporation, Kentucky Division
Forecasted Test Period Filing Requirements
Question No. FR 16(12)(o) (Supplement 2)
Page 1 of 1

SUPPLEMENTAL RESPONSE (8/6/2013)

REQUEST:

- (12) Each application requesting a general adjustment in rates supported by a fully forecasted test period shall include the following or a statement explaining why the required information does not exist and is not applicable to the utility's application:
- (o) Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available;

SUPPLEMENTAL RESPONSE:

Please see supplemental attachment FR_16(12)(o)_Att1 for the monthly reports updated through June 2013.

ATTACHMENT:

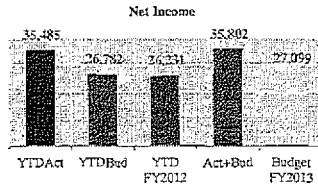
ATTACHMENT 1 - Atmos Energy Corporation, FR_16(12)(o)_Att1_Suppl2 - Budget Variance Report March-June 2013.pdf, 15 Pages.

Atmos Energy Corporation **KY/Mid-States Division** **Summary - Financial Results**

For the Period Ended June 30, 2013

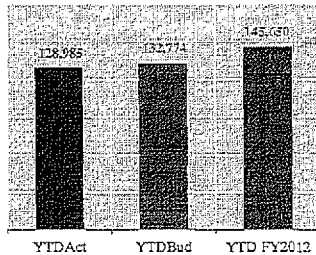
(\$000's)

S U M M A R Y



	MTD				QTD				YTD			
	Actual	Budget	Fav/Unfav	FY2012	Actual	Budget	Fav/Unfav	FY2012	Actual	Budget	Fav/Unfav	FY2012
Net Income	(123)	341	(464)	(323)	7,007	3,277	4,730	1,275	35,485	26,782	8,703	26,231
Gross Profit	8,378	9,960	(1,582)	10,875	27,832	32,785	(4,953)	55,341	128,985	132,774	(3,789)	145,650
O&M exc Bad Debt	3,784	4,405	621	5,648	12,604	13,955	1,351	16,013	40,580	42,594	2,014	49,878
Capital Expenditures	6,987	7,028	41	9,410	18,803	23,458	4,655	25,822	53,851	63,937	10,086	57,087

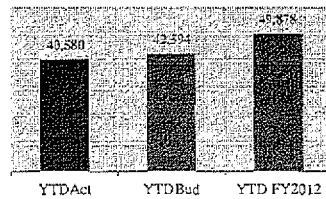
G R O S S P R O F I T



MTD: Weather related margins are (\$52k) worse than budget. Consumption related margins are a positive \$308k because of higher than budgeted heat load factors. Budgeted customer variance is (\$58k) unfavorable. Other operating revenue is (\$147k) worse than budget and transportation margins are (\$26k) worse than budget. Margins related to price, rate case variance, banner adjustments, and oracle additions are (\$1,606) worse than budget. Variances above reflect the sale of Georgia properties. Impact of sale had a total variance of (\$1,735k).

YTD: Weather related margins are \$100k better than budget. Consumption related margins are a positive \$955k because of higher than budgeted heat load factors. Budgeted customer variance is (\$113k) unfavorable. Other operating revenue is (\$492k) worse than budget and transportation margins are \$402k better than budget. Margins related to price, rate case variance, banner adjustments, and oracle additions are (\$4,647k) worse than budget. Variances above reflect the sale of Georgia properties. Impact of sale had a total variance of (\$5,505k).

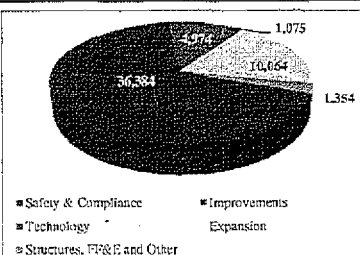
O & M exc BAD DEBT



MTD: SSU direct unfavorable \$57k, SSU billing favorable (\$245k), Labor favorable (\$110k) due to GA and cap rate 2.7%, Benefits favorable (\$159k) due to cap rate, Outside services favorable (\$58k) due to GA, Vehicles favorable (\$62k) due to lower leases, Insurance favorable (\$22k) better than budget, Misc unfavorable \$64 due to KY rate case, Marketing favorable (\$22k) due to timing of RP1162/customer rel & assist, Telecom favorable (\$22k) due to WAN/LAN/cell phones better than budget and Rents/Utilities & Materials/Supplies a combined favorable (\$25k) due to GA and timing.

YTD: SSU direct unfavorable \$71k, SSU billing favorable (\$1,895k), Labor favorable (\$224k) due to GA and cap rate .3%, Benefits favorable (\$1,103k) due to variance, Misc unfavorable \$461k due to difference in budget and actual for transition costs, Outside services unfavorable \$794k due to transmission line assessment, legal, contract labor & LNG decommission and Employee travel unfavorable \$142k due to CSS training.

C A P I T A L E X P E N D I T U R E S



MTD: Public Improvements unfavorable \$685k due to timing of the Board/Memorial Grade work in TN, System Improvements favorable (\$222k) due to AMI timing in TN and overhead/accrual unfavorable \$751k. Offsetting these overages was the impact of the GA sale (\$1,249k).

YTD: Growth unfavorable \$1,563k due to Glen Gables in KY and functionals in TN & VA, Public Improvement favorable (\$2,213k) due to GA, System Integrity favorable (\$8,452k) due to GA and PRP timing in KY and System Improvements favorable (\$839k) due to timing of VA riser replacement/Hillman hwy and GA.



Atmos Energy Corporation

KY/Mid-States Division

Income Statement - Comparative

For the Period Ended June 30, 2013

(\$000's)

	Month-to-Date				Quarter-to-Date				Year-to-Date			
	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012
Gross profit:												
Delivered gas	6,602	8,011	(1,409)	8,822	22,342	26,629	(4,287)	28,811	107,764	111,463	(3,699)	123,015
Transportation	1,716	1,742	(26)	1,823	5,142	5,438	(296)	5,689	18,566	18,165	401	19,039
Other revenue	60	207	(147)	230	348	718	(370)	841	2,655	3,146	(491)	3,596
Total gross profit	8,378	9,960	(1,582)	10,875	27,832	32,785	(4,953)	35,341	128,985	132,774	(3,789)	145,650
Operating expenses:												
Operation & maintenance	3,784	4,405	621	5,648	12,604	13,955	1,351	16,013	40,580	42,594	2,014	49,878
Provision for bad debts	210	42	(168)	49	296	140	(156)	164	770	624	(146)	841
Total O&M expense	3,994	4,447	453	5,697	12,900	14,095	1,195	16,177	41,350	43,218	1,868	50,719
Depreciation & amortization	2,236	2,672	436	3,012	6,672	8,051	1,379	9,016	21,804	23,617	1,813	27,112
Taxes, other than income	834	968	134	1,169	2,762	3,018	256	3,473	9,489	9,769	280	11,334
Total operating expenses	7,064	8,087	1,023	9,878	22,334	25,164	2,830	28,666	72,643	76,604	3,961	89,165
Operating income	1,314	1,873	(559)	997	5,498	7,621	(2,123)	6,675	56,342	56,170	172	56,485
Other income (expense):												
Interest, net	(1,202)	(1,407)	205	(1,549)	(3,515)	(4,206)	691	(4,647)	(11,002)	(12,227)	1,225	(13,561)
Miscellaneous income (expense), net	236	112	124	44	9,568	443	9,125	133	12,739	1,427	11,312	930
Total other income (expense)	(966)	(1,295)	329	(1,505)	6,053	(3,763)	9,816	(4,514)	1,737	(10,800)	12,537	(12,631)
Income (loss) before income taxes	348	578	(230)	(508)	11,551	3,858	7,693	2,161	58,079	45,370	12,709	43,854
Provision/(Benefit) for income taxes	471	237	(234)	(185)	4,544	1,581	(2,963)	886	22,594	18,588	(4,006)	17,623
Net income (loss)	(123)	341	(464)	(323)	7,007	2,277	4,730	1,275	35,485	26,782	8,703	26,231
EBIT - Actual	1,550	1,985	(435)	1,041	15,066	8,064	7,002	6,808	69,081	57,597	11,484	57,415
Degree Days - % of Normal (adjusted for WNA States)	0%			233%	101%			81%	101%			94%



Atmos Energy Corporation

KY/Mid-States Division

Total Spending- Comparative

For the Period Ended June 30, 2013
(\$000's)

	Month-to-Date				Quarter-to-Date				Year-to-Date			
	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012
Labor	989	1,071	82	1,336	3,069	3,462	393	4,073	10,254	10,379	125	12,640
Benefits	516	664	148	705	1,769	2,141	372	2,082	5,348	6,421	1,073	6,290
Employee Welfare	55	46	(9)	64	163	152	(11)	193	1,016	893	(123)	1,005
Insurance	32	54	22	42	95	162	67	136	366	474	108	496
Rent, Maint., & Utilities	161	168	7	195	445	503	58	615	1,446	1,486	40	1,941
Vehicles & Equip	132	194	62	228	503	580	77	705	1,649	1,715	66	2,111
Materials & Supplies	87	101	14	122	335	302	(33)	374	953	907	(46)	1,042
Information Technologies	1	10	9	6	17	35	18	20	109	127	18	130
Telecom	62	81	19	66	223	247	24	252	635	746	111	794
Marketing	19	41	22	40	94	126	32	145	393	344	(49)	570
Directors & Shareholders & PR	-	-	0	-	1	-	(1)	-	1	1	0	1
Dues & Donations	33	34	1	23	61	68	7	222	305	324	19	382
Print & Postages	5	6	1	5	12	17	5	15	39	52	13	48
Travel & Entertainment	80	86	6	101	350	250	(100)	306	912	750	(162)	817
Training	5	8	3	10	31	32	1	40	70	121	51	89
Outside Services	560	619	59	961	1,826	1,876	50	2,376	6,589	5,795	(794)	7,747
Miscellaneous	84	14	(70)	52	171	101	(70)	104	63	(268)	(331)	414
	2,821	3,197	376	3,956	9,165	10,054	889	11,658	30,148	30,267	119	36,517
Expense Billings	963	1,208	245	1,692	3,439	3,901	462	4,355	10,432	12,327	1,895	13,361
	3,784	4,405	621	5,648	12,604	13,955	1,351	16,013	40,580	42,594	2,014	49,878
Provision for Bad Debt	210	42	(168)	49	296	140	(156)	164	770	624	(146)	841
Total O&M Expense	3,994	4,447	453	5,697	12,900	14,095	1,195	16,177	41,350	43,218	1,868	50,719
Total Capital Expenditures	6,987	7,028	41	9,410	18,803	23,458	4,655	25,822	53,851	63,937	10,086	57,087
Total Spending	10,981	11,475	494	15,107	31,703	37,553	5,850	41,999	95,201	107,155	11,954	107,806
Labor Capitalization Rates	56.8%	54.1%	2.7%	54.9%	56.3%	54.2%	2.1%	54.4%	53.9%	54.5%	-0.6%	52.8%



Atmos Energy Corporation

KY/Mid-States Division

Statistical Information

For the Period Ended June 30, 2013
(\$000's)

	Month-to-Date				Quarter-to-Date				Year-to-Date			
	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012	FY2013	Budget	Fav/Unfav	FY2012
Volumes (Mmcf):												
Residential	439	463	(24)	507	3,684	3,261	423	2,325	19,836	20,423	(587)	19,717
Commercial	440	453	(13)	541	2,381	2,168	213	1,961	11,452	11,596	(144)	11,704
Industrial	125	275	(150)	310	551	937	(386)	975	3,135	3,267	(132)	3,979
Public Authorities	43	42	1	39	261	227	34	165	1,252	1,233	19	1,046
Irrigation	-	-	0	-	-	-	0	-	-	-	0	-
Unbilled	(12)	(80)	68	(41)	(2,113)	(1,556)	(557)	(353)	162	1	161	(18)
Total gas distribution volumes	1,035	1,153	(118)	1,356	4,764	5,037	(273)	5,073	35,837	36,520	(683)	36,428
Transportation volumes	3,002	3,042	(40)	3,392	9,312	9,546	(234)	10,682	31,709	31,008	701	34,505
Total throughput	4,037	4,195	(158)	4,748	14,076	14,583	(507)	15,755	67,546	67,528	18	70,933
Customers (000's):												
Residential	284	340	(56)	407	290	343	(53)	411	325	343	(18)	412
Commercial	37	42	(5)	50	38	42	(4)	50	41	42	(1)	51
Industrial	1	1	0	1	1	1	0	1	1	1	0	1
Public Authorities	2	2	0	3	2	2	0	3	2	2	0	3
Irrigation	-	-	0	-	-	-	0	-	-	-	0	-
Total Customers	324	385	(61)	461	331	388	(57)	465	369	388	(19)	467
Employee Count (12-month average)	457			569								
Customer per Employee	708			811								



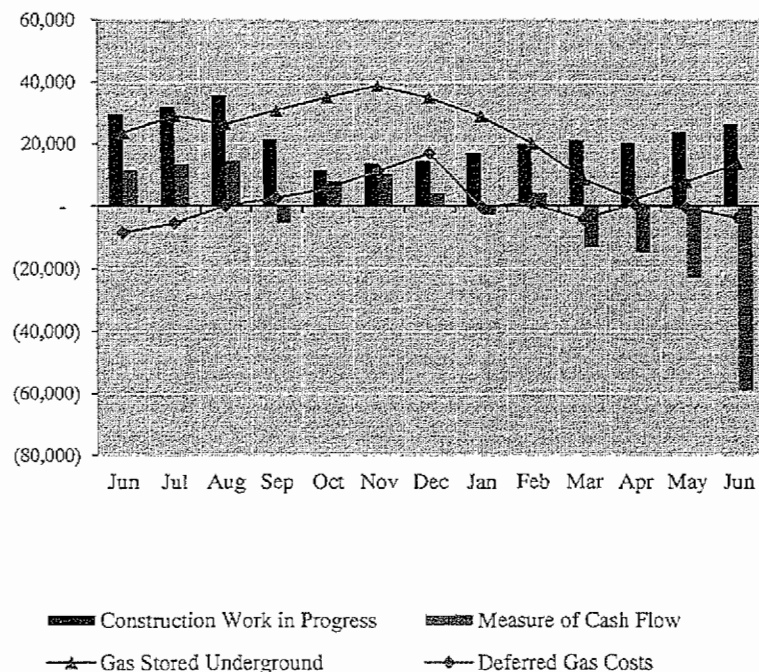
Atmos Energy Corporation

KY/Mid-States Division

Key Balance Sheet Accounts

For the Period Ended June 30, 2013
(\$000's)

13-Month Trending



Total PP&E	908,089
Net Prop, Plant and Equip	546,327
Construction Work in Progress	26,338
Deferred Gas Costs	(3,679)
Accts Rec, Less Allow for Doubtful Accts	21,283
Accts Rec, Over 90 Days	1,119
Gas Stored Underground	13,549
Customers' Deposits	6,711
Bad Debt Provision as a Percentage of Revenues	0.26%

Measure of Cash Flow *	(59,057)
Change in cash flow from prior year December	(70,535)

Comments:

CWIP: Up slightly month over month but down slightly year over year. Continue to attempt to keep as low as possible.

Deferred Gas Costs: Up month over month but down year over year. Are currently in an over recovered position.

Gas Stored Underground: Up month over month as summer injections have begun, but down year over year.

Change in cash flow: Change in cash flow is attributable to the change in deferred gas costs (\$9.8M), Acct Rec (\$7.3M), change in NI \$9.3M, deferred credits & other liabilities (\$9.0M), the value of gas stored underground \$7.1M and related deferred income taxes (\$35.6M).

* Note: Represents changes in working capital and other long-term accounts, less capital expenditures, depreciation, and deferred taxes. This measure is not representative of cash flows prepared in accordance with US GAAP.