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August 29, 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.

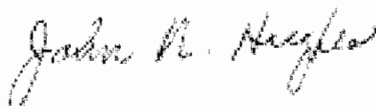
If you have any questions about this filing, please contact me.

Submitted By:

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And

A handwritten signature in cursive script that reads "John N. Hughes".

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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 3)
Page 1 of 1

SUPPLEMENTAL RESPONSE (8/29/2013)

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 report for July 2013.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, FR_16(12)(o)_Att1_Suppl3 - Budget Variance Report July 2013.pdf, 5 Pages.

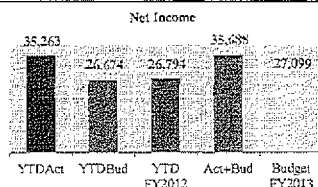
Respondent: Josh Densman

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

For the Period Ended July 31, 2013

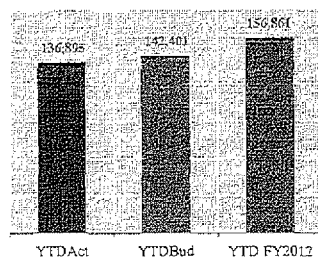
(\$000's)

SUMMARY



	MTD				QTD				YTD			
	Actual	Budget	Fav/Unfav	FY2012	Actual	Budget	Fav/Unfav	FY2012	Actual	Budget	Fav/Unfav	FY2012
Net Income	(223)	(108)	(115)	563	(223)	(108)	(115)	563	35,263	26,674	8,589	26,794
Gross Profit	7,911	9,627	(1,716)	11,311	7,911	9,627	(1,716)	11,311	136,895	142,401	(5,506)	156,861
O&M exc Bad Debt	4,249	4,775	526	5,024	4,249	4,775	526	5,024	44,831	47,370	2,539	54,903
Capital Expenditures	6,160	6,808	648	8,720	6,160	6,808	648	8,720	60,011	70,745	10,734	65,807

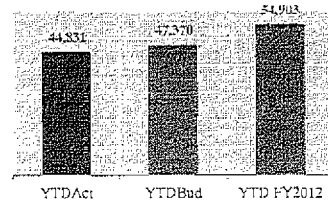
GROSS PROFIT



MTD: Weather related margins are (\$262k) worse than budget primarily due to VA WNA true up. Consumption related margins are a negative (\$22k) because of lower than budgeted heat load factors. Budgeted customer variance is \$97k favorable. Other operating revenue is (\$121k) worse than budget and transportation margins are \$37k better than budget. Margins related to price, rate case variance, banner adjustments, and oracle additions are (\$1,444k) worse than budget. Variances above reflect the sale of Georgia properties. Impact of sale had a total variance of (\$1,702k).

YTD: Weather related margins are (\$162k) worse than budget. Consumption related margins are a positive \$933k because of higher than budgeted heat load factors. Budgeted customer variance is (\$17k) unfavorable. Other operating revenue is (\$613k) worse than budget and transportation margins are \$438k better than budget. Margins related to price, rate case variance, banner adjustments, and oracle additions are (\$6,091k) worse than budget. Variances above reflect the sale of Georgia properties. Impact of sale had a total variance of (\$7,207k).

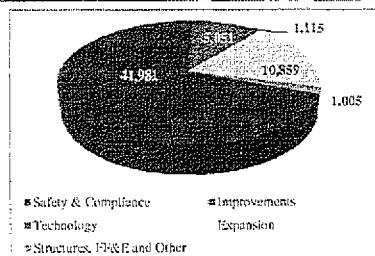
O&M exc BAD DEBT



MTD: SSU direct unfavorable \$43k, SSU billing favorable (\$223k), Labor favorable (\$219k) due to GA and cap rate 2.6%, Benefits favorable (\$135k) due to GA, cap rate and variance, Outside services unfavorable \$186k mainly due to under budgeted legal, Vehicles favorable (\$61k) due to lower vehicle/equipment leases, Misc favorable (\$23k) due to booking of actual vs budget for Hopkinsville franchise, Marketing favorable (\$26k) due to timing of RP1152, Rents/Utilities favorable (\$33k) due to GA impact and Insurance & Telecom a combined favorable (\$23k) due to better than budget.

YTD: SSU direct unfavorable \$114k, SSU billing favorable (\$2,115k), Labor favorable (\$443k) due mainly to GA, Benefits favorable (\$1,243k) due to GA and variance, Misc unfavorable \$435k due to difference in budget and actual for transition costs, Outside services unfavorable \$981k due to transmission line assessment, legal, contract labor and LNG decommission, Telecom favorable (\$121k) better than budget and Vehicles favorable (\$127k) due to GA and vehicle/equip leases better than budget.

CAPITAL EXPENDITURES



MTD: System Integrity unfavorable \$1,360k due to functionals and timing of well workovers in KY and Old Nashville Hwy transmission in TN, System Improvements favorable (\$354k) due to MEC forfeiture in KY and timing of AMI purchases in TN and overhead/accural favorable (\$489k). Impact of GA sale was a favorable (\$1,297k).

YTD: Growth unfavorable \$1,472 due to functionals and Glen Gables in KY and functionals in TN & VA, Public Improvements favorable (\$2,347k) due to GA, System Integrity favorable (\$8,188k) due to GA, timing of TN bare steel and VA SAVE and System Improvements favorable (\$1,194k) due to timing of VA riser replacement/Hillman hwy, MEC forfeiture in KY and GA.



Atmos Energy Corporation

KY/Mid-States Division

Income Statement - Comparative

For the Period Ended July 31, 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	6,167	7,798	(1,631)	9,250	6,167	7,798	(1,631)	9,250	113,931	119,261	(5,330)	132,265
Transportation	1,677	1,641	36	1,751	1,677	1,641	36	1,751	20,243	19,806	437	20,790
Other revenue	67	188	(121)	210	67	188	(121)	210	2,721	3,334	(613)	3,806
Total gross profit	7,911	9,627	(1,716)	11,211	7,911	9,627	(1,716)	11,211	136,895	142,401	(5,506)	156,861
Operating expenses:												
Operation & maintenance	4,249	4,775	526	5,024	4,249	4,775	526	5,024	44,831	47,370	2,539	54,903
Provision for bad debts	35	41	6	52	35	41	6	52	804	665	(139)	893
Total O&M expense	4,284	4,816	532	5,076	4,284	4,816	532	5,076	45,635	48,035	2,400	55,796
Depreciation & amortization	2,259	2,704	445	3,034	2,259	2,704	445	3,034	24,062	26,321	2,259	30,146
Taxes, other than income	867	1,023	156	1,114	867	1,023	156	1,114	10,356	10,792	436	12,448
Total operating expenses	7,410	8,543	1,133	9,224	7,410	8,543	1,133	9,224	80,053	85,148	5,095	98,390
Operating income	501	1,084	(583)	1,987	501	1,084	(583)	1,987	56,842	57,253	(411)	58,471
Other income (expense):												
Interest, net	(1,187)	(1,410)	223	(1,554)	(1,187)	(1,410)	223	(1,554)	(12,189)	(13,637)	1,448	(15,115)
Miscellaneous income (expense), net	322	143	179	508	322	143	179	508	13,063	1,571	11,492	1,439
Total other income (expense)	(865)	(1,267)	402	(1,046)	(865)	(1,267)	402	(1,046)	874	(12,066)	12,940	(13,676)
Income (loss) before income taxes	(364)	(183)	(181)	941	(364)	(183)	(181)	941	57,716	45,187	12,529	44,795
Provision/(Benefit) for income taxes	(141)	(75)	66	378	(141)	(75)	66	378	22,453	18,513	(3,940)	18,001
Net income (loss)	(223)	(108)	(115)	563	(223)	(108)	(115)	563	35,263	26,674	8,589	26,794
EBIT - Actual	823	1,227	(404)	2,495	823	1,227	(404)	2,495	69,905	58,824	11,081	59,910
Degree Days - % of Normal (adjusted for WNA States)	0%			0%	0%			#DIV/0!	101%			94%



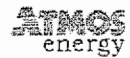
Atmos Energy Corporation

KY/Mid-States Division

Total Spending- Comparative

For the Period Ended July 31, 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	1,035	1,221	186	1,368	1,035	1,221	186	1,368	11,289	11,600	311	14,008
Benefits	627	753	126	729	627	753	126	729	5,975	7,174	1,199	7,019
Employee Welfare	42	47	5	40	42	47	5	40	1,058	940	(118)	1,045
Insurance	46	54	8	44	46	54	8	44	412	528	116	540
Rent, Maint., & Utilities	139	167	28	108	139	167	28	108	1,585	1,654	69	2,049
Vehicles & Equip	132	193	61	199	132	193	61	199	1,781	1,908	127	2,310
Materials & Supplies	99	101	2	130	99	101	2	130	1,053	1,008	(45)	1,172
Information Technologies	9	10	1	2	9	10	1	2	118	137	19	132
Telecom	61	80	19	80	61	80	19	80	696	826	130	874
Marketing	14	41	27	29	14	41	27	29	407	385	(22)	599
Directors & Shareholders & PR	-	-	0	-	-	-	0	-	1	1	0	1
Dues & Donations	22	18	(4)	27	22	18	(4)	27	328	343	15	408
Print & Postages	2	6	4	5	2	6	4	5	41	58	17	54
Travel & Entertainment	83	82	(1)	100	83	82	(1)	100	995	832	(163)	918
Training	7	8	1	13	7	8	1	13	77	129	52	102
Outside Services	805	619	(186)	620	805	619	(186)	620	7,394	6,413	(981)	8,367
Miscellaneous	19	46	27	179	19	46	27	179	82	(222)	(304)	593
	3,142	3,446	304	3,673	3,142	3,446	304	3,673	33,292	33,714	422	40,191
Expense Billings	1,107	1,329	222	1,351	1,107	1,329	222	1,351	11,539	13,656	2,117	14,712
	4,249	4,775	526	5,024	4,249	4,775	526	5,024	44,831	47,370	2,539	54,903
Provision for Bad Debt	35	41	6	52	35	41	6	52	804	665	(139)	893
Total O&M Expense	4,284	4,816	532	5,076	4,284	4,816	532	5,076	45,635	48,035	2,400	55,796
Total Capital Expenditures	6,160	6,808	648	8,720	6,160	6,808	648	8,720	60,011	70,745	10,734	65,807
Total Spending	10,444	11,624	1,180	13,796	10,444	11,624	1,180	13,796	105,646	118,780	13,134	121,603
Labor Capitalization Rates	56.9%	54.2%	2.7%	55.1%	56.9%	54.2%	2.7%	55.1%	54.1%	54.5%	-0.3%	53.0%



Atmos Energy Corporation

KY/Mid-States Division

Statistical Information

For the Period Ended July 31, 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	317	366	(49)	434	317	366	(49)	434	20,153	20,788	(635)	20,151
Commercial	352	421	(69)	497	352	421	(69)	497	11,804	12,017	(213)	12,201
Industrial	160	231	(71)	333	160	231	(71)	333	3,295	3,498	(203)	4,312
Public Authorities	53	34	19	33	53	34	19	33	1,305	1,267	38	1,078
Irrigation	-	-	0	-	-	-	0	-	-	-	0	-
Unbilled	2	(5)	7	(13)	2	(5)	7	(13)	163	(4)	167	(30)
Total gas distribution volumes	884	1,047	(163)	1,284	884	1,047	(163)	1,284	36,720	37,566	(846)	37,712
Transportation volumes	2,850	2,833	17	3,211	2,850	2,833	17	3,211	34,559	33,841	718	37,716
Total throughput	3,734	3,880	(146)	4,495	3,734	3,880	(146)	4,495	71,279	71,407	(128)	75,428
Customers (000's):												
Residential	289	337	(48)	405	289	337	(48)	405	322	342	(20)	411
Commercial	37	41	(4)	49	37	41	(4)	49	40	42	(2)	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	329	381	(52)	458	329	381	(52)	458	365	387	(22)	466
Employee Count (12-month average)	444			569								
Customer per Employee	742			806								



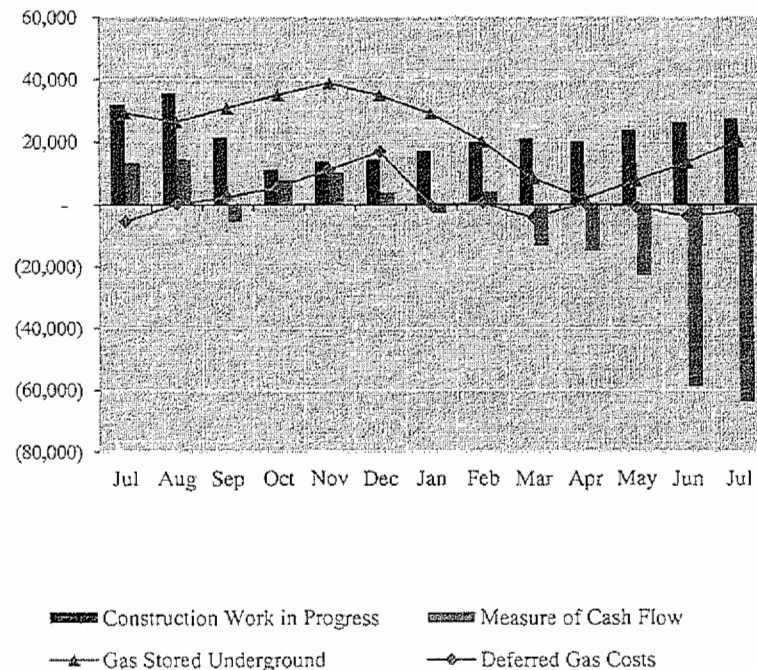
Atmos Energy Corporation

KY/Mid-States Division

Key Balance Sheet Accounts

For the Period Ended July 31, 2013
(\$000's)

13-Month Trending



Total PP&E	913,249
Net Prop, Plant and Equip	550,431
Construction Work in Progress	27,367
Deferred Gas Costs	(2,186)
Accts Rec, Less Allow for Doubtful Accts	18,997
Accts Rec, Over 90 Days	
Gas Stored Underground	20,249
Customers' Deposits	6,595

Bad Debt Provision as a Percentage of Revenues	0.26%
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Measure of Cash Flow *	(63,893)
Change in cash flow from prior year December	(77,342)

Comments:

CWIP: Up slightly month over month but down year over year. Work on keeping as low as possible.

Deferred Gas Costs: Down slightly month over month and year over year. Continue to be in a slightly over recovered position.

Gas Stored Underground: Up month over month as summer injections continue, down year over year.

Change in cash flow: Change in cash flow is attributable to the change in deferred gas costs (\$8.7M), Acct Rec (\$5.6M), change in NI \$8.5M, deferred credits & other liabilities (\$8.1M) and related deferred income taxes (\$61.6M).

* 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.