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September 10, 2009

Jeff R. Devouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602

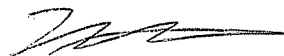
RECEIVED
SEP 14 2009
PUBLIC SERVICE
COMMISSION

RE: CASE NO. 2008-00499
Atmos Energy Corporation

Dear Mr. Devouen:

I am enclosing herewith, an original, plus eleven (11) copies of Atmos Energy Corporation's Request for Clarification in connection with the above-referenced case for filing in your office. Thank you.

Very truly yours,


Mark R. Hutchinson

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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SEP 14 2009

PUBLIC SERVICE
COMMISSION

In the Matter of:

**APPLICATION OF ATMOS ENERGY CORPORATION
TO EXTEND ITS DEMAND-SIDE MANAGEMENT PROGRAM
AS AMENDED, AND COST RECOVERY MECHANISM,
AS AMENDED, FOR THREE (3) YEARS**

)
) **CASE NO.**
) **2008-00499**
)

REQUEST FOR CLARIFICATION

On December 2, 2008, Atmos Energy Corporation (hereinafter referred to as “Atmos” or “Company”), filed its Application seeking Commission Approval to Modify and Extend its Demand-Side Management (“DSM”) program through December 31, 2011. The Attorney General, by and through his office of Rate Intervention (“AG”) was granted intervention in this proceeding on December 30, 2008.

A procedural order was entered by the Commission on January 26, 2009 which provided a schedule for discovery and the submission of written comments by the parties of record. Discovery ensued and written comments were filed.

On September 2, 2009, the Commission entered its order in this proceeding approving, inter alia, “...Atmos’ DSM program modifications...as proposed and are extended through December 31, 2011.” (emphasis added)

On page two of its September 2, 2009 Order, under “Discussion”, the Commission states as follows: “It [Atmos] proposes to: (1) increase the amount of assistance available per home from \$1,500.00 to \$3,000.00; (2) increase its weatherization budget from \$200,000.00 to \$300,000.00 annually; ...”. (emphasis added).

Atmos’ concern is that by approving Atmos’ DSM program modifications “as proposed”; coupled with the Commission’s earlier statement that Atmos “proposes” to increase its

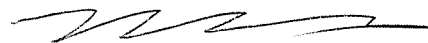
weatherization budget from \$200,000.00 to \$300,000.00 annually, the Commission's Order could be interpreted as setting an annual cap of \$300,000.00 for the weatherization costs.

It was never Atmos' intention to propose that \$300,000.00 be the maximum allowable each year for the weatherization program.. The \$300,000.00 was simply an estimate based on a projection that there could be 100 qualifying customers at \$3,000.00 per customer. This was an estimate only and was never intended to be intended as a proposed maximum annual amount for weatherization expenses recoverable under the DSM.

Although Atmos' DSM program originally had a \$200,000.00 cap for weatherization expenses, Atmos was not proposing or requesting the Commission to increase that cap to \$300,000.00 in this proceeding. The actual amount of weatherization expense to be recovered through the DSM recovery mechanism should be based upon the actual number of qualifying participants. As a result, there could be more (or less) than \$300,000.00 of weatherization expenses to be recovered in any given year.

Atmos accordingly requests the Commission to enter a supplemental order clarifying that although the amount of assistance available per home is increased from \$1,500.00 to \$3,000.00, there is no maximum amount of weatherization of assistance available each year under the DSM program as modified and extended.

Respectfully submitted this 10 day of September, 2009.

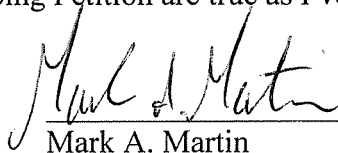


Mark R. Hutchinson
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Douglas Walther
ATMOS ENERGY CORPORATION
PO Box 650250
Dallas, Texas 75265

VERIFICATION

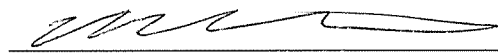
I, Mark A. Martin, being duly sworn under oath state that I am Vice President of Rates and Regulatory Affairs for Atmos Energy Corporation, Kentucky/Midstates Division, and that the statements contained in the foregoing Petition are true as I verily believe.



Mark A. Martin

CERTIFICATE OF SERVICE

I hereby certify that on the 6th day of September, 2009, the original of this Request, together with eleven (11) copies were filed with the Kentucky Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40206 and upon Dennis Howard, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.



Mark R. Hutchinson