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OVERNIGHT DELIVERY

December 21, 2009

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

RECEIVED

DEC 22 2009

**PUBLIC SERVICE
COMMISSION**

RE: Atmos Energy Corporation-Application for Authority to Issue
Up to 2,000,000 Additional Shares of Common Stock

Dear Mr. Devouen:

2009-00536

Enclosed herewith please find an original, plus eleven (11) copies of Atmos' Application for filing in your office. Please send a file stamped copy to my attention. Thanks.

Very truly yours,

Mark R. Hutchinson
Mark R. Hutchinson

RECEIVED

DEC 22 2009

PUBLIC SERVICE COMMISSION

BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF THE APPLICATION)
OF ATMOS ENERGY CORPORATION)
FOR AN ORDER AUTHORIZING THE)
ISSUANCE OF UP TO 2,000,000)
SHARES OF COMMON STOCK)
THROUGH THE ATMOS ENERGY)
CORPORATION RETIREMENT SAVINGS)
PLAN)
)
)
)

CASE NO. 2009-00536

APPLICATION

1. Pursuant to KRS 278.300, and all other applicable law, Atmos Energy Corporation ("Applicant" or "Atmos"), files its Application herein for an Order authorizing the issuance of up to 2,000,000 additional shares of Common Stock, no par value, of Applicant (the "Shares") through and pursuant to the Atmos Energy Corporation Retirement Savings Plan and Trust ("RSP").

2. Atmos seeks an Order of the Commission granting it the authority to issue up to 2, 000,000 shares of no par value Common Stock of the Company pursuant to the RSP. The RSP is intended to meet the requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended, and was adopted by Applicant on October 18, 1983. Under the terms of the RSP, Applicant will match every dollar invested by an employee in the RSP up to a maximum of 4% of the employee's annual salary. The RSP therefore provides Applicant's employees with a systematic means of providing additional security for retirement or future financial needs and an opportunity to become stockholders in Applicant, thereby strengthening their direct interest in the progress and success of Applicant. The Commission previously authorized the issuance of shares pursuant to the RSP in Case No. 2008-00222.

3. The issuance of the shares is necessary for the routine operation of the RSP and will provide Applicant with additional sources of capital. Applicant will use the same to fund its capital expenditures, reduce debt, improve its capitalization ratios and preserve its credit ratings.

4. The issuance of the Shares will increase Applicant's equity to debt ratio and further strengthen Applicant's strong position as a financially sound public utility and lower its cost of capital. Therefore, approval of this Application is in the public interest because it will allow Applicant to obtain more favorable financing of its operations and allow it to continue to provide safe and adequate service to its customers.

5. The issuance of the Shares will be registered with the Securities and Exchange Commission ("SEC").

6. Applicant, a Virginia and Texas Corporation, is duly qualified under the laws of Kentucky to carry on its business in the Commonwealth of Kentucky. Applicant operates a public utility in the business of purchasing, transmitting and distributing natural gas to residential, commercial and industrial users in western and south central Kentucky.

7. Company's principal operating office and place of business in the state of Kentucky is located at 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. The post office address of Applicant is P.O. Box 650205, Dallas, Texas 75265-0205.

8. A certified copy of Applicant's Amended and Restated Articles of Incorporation, together with all amendments thereto, is on file in the records of the Commission and the same are incorporated herein by reference. See Case No. 2008-00222.

9. Correspondence and communications with respect to this Application should be directed to:

Mark Martin
Vice President, Rates and Regulatory Affairs
Atmos Energy Corporation
2401 New Hartford Road
Owensboro, Kentucky 42303

Erikka L. Hise
Attorney
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205

Mark R. Hutchinson
Attorney at Law
611 Frederica Street
Owensboro, Kentucky 42301

10. Pursuant to KRS 278.300, the Applicant respectfully requests expedited consideration of this Application so that the Shares may be issued at an early date.

11. To comply with the requirements of 807 KAR 5:001, Sections 6 and 11 of the Commission's Administrative Regulations, there is attached hereto and incorporated herein by reference, Exhibit A, which contains all of the financial information therein required. A copy of the Board of Directors Resolutions authorizing the issuance is attached as Exhibit B.

12. Pursuant to 807 KAR 5:001, Section 11(2)(b), has no outstanding deeds of trust or mortgages.

WHEREFORE, Atmos respectfully requests that the Commission authorize by appropriate order or certificate the issuance by Applicant of up to 2,000,000 shares of Common Stock through and pursuant to the RSP as herein requested.

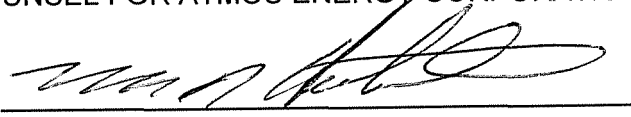
Respectfully submitted on this 21 day of December, 2009.

Erikka L. Hise
Attorney
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205

Mark R. Hutchinson
Attorney at Law
611 Frederica Street
Owensboro, Kentucky 42301

COUNSEL FOR ATMOS ENERGY CORPORATION

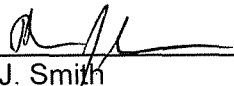
By: _____

A handwritten signature in black ink, appearing to read "Mark R. Hutchinson", is written over a horizontal line.

VERIFICATION

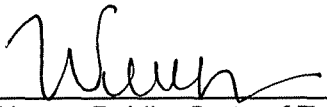
STATE OF TEXAS §
 §
COUNTY OF DALLAS §

The undersigned, being under oath, says that he is the Assistant Treasurer of Atmos Energy Corporation, that he has read the above and foregoing Application, he has personal knowledge and that the facts in it are true.

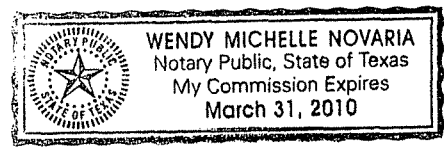


Robert J. Smith
Assistant Treasurer
Atmos Energy Corporation

Subscribed and sworn to before me this 15 day of December, 2009, by Robert J. Smith, as Assistant Treasurer of Atmos Energy Corporation, on behalf of the said corporation.



Notary Public, State of Texas



KENTUCKY
EXHIBIT A

References preceding each subpart of this Exhibit pertain to subsections of Sections 6 and 11 of 807 KAR 5:001.

Atmos Energy Corporation operates in Kentucky through its Kentucky division. The following includes information for Atmos Energy Corporation (unless otherwise stated) since the Kentucky division does not have a separate capital structure or authorized stock.

6(1) **Amount and kinds of stock authorized**

As of September 30, 2009 Atmos Energy Corporation had 200,000,000 shares of common stock (no par value) authorized.

6(2) **Amount and kinds of stock issued and outstanding**

As of September 30, 2009 Atmos Energy Corporation had 92,551,709 shares of common stock issued and outstanding.

6(3) **Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.**

Atmos Energy Corporation has no preferred stock.

6(4) **Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.**

Not applicable.

6(5) **Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.**

Not applicable.

6(6) **Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.**

Outstanding Notes of Applicant are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Amount Outstanding at 09/30/2009</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>	<u>In favor of</u>	<u>Interest Accrued for 12 months ended 09/30/2009</u>
Sr. Notes	03/26/09	450,000,000	03/15/19	8.500%	Public	21,773,923
Sr. Notes	10/18/04	0*	10/15/09	4.000%	Public	9,288,890
Sr. Notes	05/15/01	350,000,000	05/15/11	7.375%	Public	26,839,923
Note	12/31/91	1,151,654	12/31/11	10.0%	Kingdom Foundation	119,412
Note	12/31/91	1,151,654	12/31/11	10.0%	Michael D. Fredricks	119,412
Sr. Notes	01/16/03	250,000,000	01/15/13	5.125%	Public	14,668,730
Sr. Notes	10/18/04	500,000,000	10/15/14	4.950%	Public	26,455,405
Note	12/15/95	10,000,000	12/15/25	6.67%	Cede & Co.	696,113
Note	12/19/95	10,000,000	12/19/10	6.27%	Cede & Co.	656,413
Debentures	07/15/98	150,000,000	07/15/28	6.75%	U.S. Bank as Trustee	10,764,685
Sr. Notes	10/18/04	200,000,000	10/15/34	5.950%	Public	12,582,160
Sr. Notes	6/14/07	250,000,000	6/15/17	6.35%	Public	17,122,939
		<u>\$2,172,303,308</u>				<u>\$141,088,005</u>

*Note that the 4.00% Sr. Notes were repaid in full on April 30, 2009. The 8.50% Sr. Notes were issued on March 26, 2009.

6(7) **Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.**

Other indebtedness of Atmos Energy Corporation is as follows:

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 09/30/2009</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 09/30/2009</u>
Committed Lines of Credit:				
One-year credit facility for up to \$25,000,000 renegotiated effective April 1, 2009	Amarillo National Bank	\$ 0	Short-term rate based upon option chosen at time of borrowing	\$ 53,644
364-Day Revolving Credit Agreement for up to \$212,500,000 and Five Year Revolver for up to \$567,000,000	SunTrust Bank	\$ 0	Short-term rate based upon option chosen at time of borrowing	4,777,810
TOTAL COMMITTED LINES		<u>\$ 0</u>		<u>\$ 4,831,454</u>

<u>Description</u>	<u>Lender</u>	<u>Amount Outstanding at 09/30/2009</u>	<u>Rate of Interest</u>	<u>Interest Accrued for 12 Months Ended 09/30/2009</u>
Uncommitted Money Market Lines of Credit:				
\$567,000,000 Commercial Paper Program	Merrill Lynch JP Morgan SunTrust as dealers	\$ 72,550,000	Money market rate as quoted	\$ 3,575,528
Intercompany Borrowing from Atmos Energy Holdings Credit Facility for up to 200,000,000		\$ 86,392,000	Money market rate	\$ 5,793,027
TOTAL UNCOMMITTED LINES		<u>\$ 158,942,000</u>		<u>\$ 9,368,555</u>
TOTAL LINES OF CREDIT		<u>\$ 158,942,000</u>		<u>\$ 14,200,009</u>

6(8) Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.

The following is Atmos Energy Corporation's dividend history for the past five fiscal years.

<u>Fiscal Year Ended Sept 30</u>	<u>Atmos Dividend Rate</u>	<u>Amount of Dividends Paid</u>	<u>Average Shares For Each Fiscal Year</u>
Fiscal 2005	\$1.24	\$98,977,652	79,012,000
Fiscal 2006	\$1.26	\$102,275,352	81,390,000
Fiscal 2007	\$1.28	\$111,663,654	87,745,000
Fiscal 2008	\$1.30	\$117,288,235	90,272,000
Fiscal 2009	\$1.32	\$121,459,560	92,024,000

6(9) Detailed income statement and balance sheet.

The following is the separate company income statement and balance sheet for the utility operations of Atmos Energy Corporation.

ATMOS ENERGY CORPORATION
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED
September 30, 2009
(Thousands of Dollars)
(Unaudited)

Operating revenues	\$ 3,105,075
Purchased gas cost	<u>1,870,788</u>
Gross profit	1,234,287
Operating expenses:	
Operation and maintenance	458,709
Depreciation and amortization	212,686
Taxes, other than income	179,543
Asset Impairments	<u>5,201</u>
Total operating expenses	856,139
Operating income	378,148
Other income	14,510
Interest charges and other expenses	162,413
Equity in earnings of unconsolidated non-regulated subsidiaries	35,780
Income before income taxes	266,025
Income taxes	<u>75,047</u>
Net income	<u>\$ 190,978</u>

ATMOS ENERGY CORPORATION
BALANCE SHEET
September 30, 2009
(Thousands of Dollars)
(Unaudited)

ASSETS

Property, plant and equipment	\$ 5,998,762
Less accumulated depreciation and amortization	<u>1,622,461</u>
Net property, plant and equipment	4,376,301
Investments in and advances to Subsidiaries	376,736
Current assets	
Cash and cash equivalents	6,140
Accounts receivable, net	132,837
Inventories	3,302
Gas stored underground	286,667
Other current assets	76,709
Deferred gas costs	22,233
Intercompany, net	<u>14,554</u>
Total current assets	542,442
Goodwill	703,892
Deferred charges and other assets	<u>303,879</u>
	<u>\$ 6,303,250</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity	
Common stock	\$ 463
Additional paid-in capital	1,791,129
Retained earnings	405,353
Accumulated other comprehensive loss	<u>(20,184)</u>
Shareholders' equity	2,176,761
Long-term debt	<u>2,169,007</u>
Total capitalization	4,345,768
Current liabilities:	
Current maturities of long-term debt	-
Short-term debt	158,942
Accounts payable and accrued liabilities	186,071
Customers' deposits	69,122
Deferred gas costs	104,372
Other current liabilities	<u>183,598</u>
Total current liabilities	702,105
Deferred income taxes	569,621
Deferred credits and other liabilities	<u>685,756</u>
	<u>\$ 6,303,250</u>

- 11(a) The Applicant's property is comprised primarily of gas utility plant and related facilities of a local distribution company operating in Illinois, Iowa, Georgia, Tennessee, Virginia, Colorado, Kansas, Missouri, Kentucky, Texas, Mississippi and Louisiana and transmission plant of a regulated intra-state pipeline in Texas. At September 30, 2009, the cost to the Applicant was \$5,998,762.
- 11(b) Atmos Energy proposes to issue up to 2,000,000 in additional shares of Common Stock, no par value.
- 11(c) The shares are to be issued for Atmos Energy Corp's Retirement Savings Plan.
- 11(d) Please refer to 11(c) above.
- 11(e) Please refer to 11(c) above.
- 11(2)(a) Please refer to 6(1) through 6(9) above.
- 11(2)(b) Not applicable
- 11(2)(c) Not applicable.

ATMOS ENERGY CORPORATION
SECRETARY'S CERTIFICATE

The undersigned, being the Corporate Secretary of Atmos Energy Corporation, a Texas and Virginia corporation (the "Company"), does hereby certify that the following resolutions were duly adopted by Board of Directors of the Company at a meeting of the Board held on November 10, 2009, and such resolutions have not been altered, amended, rescinded, or repealed and are now in full force and effect:

RESOLVED, that the Board of Directors of the Company considers it desirable and in the best interests of the Company and its shareholders that the Company be, and it hereby is, authorized and empowered to issue, from time to time, up to 2,000,000 shares of Common Stock, no par value, of the Company (the "Shares") to the Atmos Energy Corporation Retirement Savings Ownership Plan and Trust (the "Plan") in addition to the shares of Common Stock currently authorized and registered for use by such Plan; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare, or cause to be prepared, and to execute, verify, and file, or cause to be filed, with the Securities and Exchange Commission (the "Commission"), a registration statement (the "1933 Act Registration Statement") on Form S-8, pursuant to the Securities Act of 1933, as amended, together with any and all exhibits and documents or supplemental information relating thereto, in connection with the proposed issuance and sale by the Company of the Shares pursuant to the Plan, and that the form of such 1933 Act Registration Statement shall be as approved by the officers and directors of the Company executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof, and that any actions heretofore taken in connection therewith be, and they hereby are, ratified, approved, and confirmed in all respects; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to notify the New York Stock Exchange (the "NYSE") of the foregoing registration and to take or cause to be taken any and all such actions as may be necessary, appropriate, or desirable to comply with the requirements of such organization; and

FURTHER RESOLVED, that the proper officers of the Company be, and each hereby is, authorized and directed to take, or cause to be taken, all actions necessary or advisable to effect the listing and trading of the Shares on the NYSE, including the preparation, execution, and filing of all necessary applications, documents, forms, and agreements with the NYSE and the Commission, the payment by the Company of filing, listing, or application fees, the preparation of certificates for the Shares, and the appearance of any such officer before NYSE officials; and

FURTHER RESOLVED, that the transfer agent and registrar for the Shares continue to be American Stock Transfer & Trust Company; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with the Commission such amendments (including, without limitation, post-effective amendments) and supplements to the 1933 Act Registration Statement and such other papers or documents in connection therewith as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that each officer and director of the Company who may execute the 1933 Act Registration Statement or any amendment or supplement thereto, be and hereby is, authorized to execute a power of attorney appointing Robert W. Best, as his true and lawful attorney for him and in his name and stead and in his capacity as an officer or director to sign such 1933 Act Registration Statement, any and all amendments and supplements thereto, and all instruments, papers, or documents in connection therewith, and to file the same with the Commission, with full power and authority granted to said attorney to do and perform in the name and on behalf of each of said officers or directors each and every act whatsoever necessary or appropriate in connection with the registration of the Shares to the same extent that such officer or director might or could do in person; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with all applicable state regulatory commissions, applications for approval of the issuance of the Shares, and other such documents in connection therewith, as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the

proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that the Board of Directors of the Company further considers it desirable and in the best interests of the Company that the Shares be qualified or registered for sale in various states; that the President or any Vice President and the Corporate Secretary or any Assistant Corporate Secretary, be and hereby are, authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the Shares as said officers may deem advisable; that said officers be, and hereby are, authorized to perform on behalf of the Company or cause to be performed any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states and in connection therewith to execute and file, or cause to be filed, all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents, and appointments of attorney for service of process, and to take any and all further action that they may deem necessary or advisable in order to maintain any such registration or qualification for so long as they deem necessary or as required by law; and that the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the papers and documents as executed in the action so taken; and

FURTHER RESOLVED, that the form and substance of any resolutions required in connection with the registration or qualification of the Shares in any state, territory, or other jurisdiction be, and they hereby are, adopted, provided that the officers of the Company, or any of them, consider the adoption of such resolutions necessary or appropriate or desirable, in which case the Corporate Secretary or any Assistant Corporate Secretary of the Company is hereby directed to insert as an appendix to these Minutes a copy of such resolutions, which shall thereupon be deemed to have been adopted by the Board of Directors with the same force and effect as the other resolutions herein set forth; and


FURTHER RESOLVED, that Louis P. Gregory, Senior Vice President and General Counsel of the Company, be, and hereby is, designated as the Company's agent to receive any letters of comment to the 1933 Act Registration Statement; and

FURTHER RESOLVED, that the proper officers and directors, or any of them, be, and they hereby are, authorized to do or cause to be

done any and all acts and things and to execute and deliver any and all agreements, undertakings, consents, documents, instruments, and certificates as, in their opinion, may be necessary or appropriate or desirable in order to carry out the purposes and intent of the foregoing resolutions and to perform, or cause to be performed, the Plan, the 1933 Act Registration Statement, or any other agreement referred to herein and to cause the Shares to become listed and admitted to trading on the NYSE or cause to be filed, with all applicable state regulatory commissions, applications for approval of the issuance of the Shares; and

FURTHER RESOLVED, that all actions taken and expenses incurred by any officer or director heretofore in furtherance of any of the actions authorized by the foregoing resolutions hereby are expressly ratified, confirmed, and approved.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of the Company this 14th day of December, 2009.



Dwala Kuhn
Corporate Secretary