



July 28, 2010

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PUBLIC SERVICE
COMMISSION

Honorable Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Subject: Case No. 2010-00146

Dear Mr. Derouen:

Atmos Energy Corporation (Company) herewith submits an original and ten copies of the Company's responses to the Initial Data Requests of AARP in the above referenced case.

Please feel free to contact me at 270.685.8024 if you have any questions and/or need any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Mark A. Martin".

Mark A. Martin
Vice President, Rates & Regulatory Affairs

Enclosure

cc: Service List

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Atmos Energy Corporation
AARP'S Initial Data Request Dated July 14, 2010
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1. For Mr. Martin, with respect to your testimony at page 11, please clarify that your proposal for recovery of POLR costs through a non-bypassable charge would recover such costs from all customers, shoppers and non-shoppers. If so, please explain why non-shoppers should pay such costs, which are incurred to make choice available to those who shop.

RESPONSE: The Company assumes that the acronym POLR stands for Provider of Last Resort. The Company did not address Provider of Last Resort on page 11 of its testimony, but did address the concept beginning on line 27 of page 4. The Company will need to have sufficient capacity to meet its firm obligations on any given day. All costs associated with pipeline capacity flow through the GCA mechanism.

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2. For Mr. Martin, with respect to the role of the Commission, is it your testimony that the powers and duties you outline for the Commission in the gas choice area should be and are sufficient to provide a state action exemption from otherwise applicable antitrust laws? If not, what jurisdictions if any should oversee the retail supply markets to ensure compliance with antitrust protections?

RESPONSE: The Company objects to this question as it calls for a legal opinion.

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3. For Mr. Martin, with respect to your testimony at page 16, is it your testimony that customers should not have the right to designate the priority of partial payments? If so, why not?

RESPONSE: The Company did not address any designation of priority of partial payments in its testimony.