

RESOLUTION NO. 20080925-076

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

WHEREAS, the City of Austin (City) is a regulatory authority under the Gas Utility Regulatory Act (GURA) with exclusive original jurisdiction over the rates, operations, and services of Atmos Energy Corporation – Mid-Tex Division (Atmos) within the City; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities (ATM), including Railroad Commission Gas Utilities (GUD) Docket No. 9400, numerous filings by Atmos pursuant to Section 104.301 of GURA, GUD Docket No. 9670 and GUD Docket No. 9762; and

WHEREAS, on February 11, 2008, ATM and Atmos entered into a settlement agreement that provided for a new mechanism to review changes in rates known as the “Rate Review Mechanism” or “RRM”, and the City approved the settlement agreement on March 6, 2008, by Resolution No. 20080306-075; and

WHEREAS, pursuant to the new regulatory mechanism Atmos filed for an increase in rates of approximately \$42 million, to be effective on October 1, 2008; and

WHEREAS, the RRM is a three-year experiment aimed at reducing rate case expenses and encouraging a more collaborative effort at arriving at just and reasonable gas rates; and

WHEREAS, for over three months the experts representing ATM have been analyzing data and interviewing Atmos' management; and

WHEREAS, ATM's experts have concluded that slightly less than half of the amount requested by Atmos should be put into rates; and

WHEREAS, Atmos has agreed to reduce its requested increase in rates by more than 50 percent; and

WHEREAS, the Steering Committee of ATM and its lawyers recommend approval of the attached tariffs, set forth as Attachment A, **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

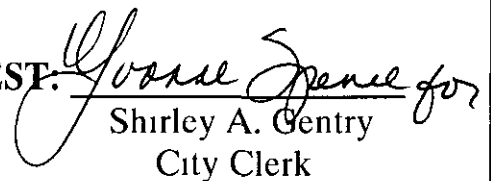
Section 1. The Council approves the amended tariffs in
Attachment A.

Section 2. The Council has relied on the proof of revenues in
Attachment B, the average bill calculations, and the document entitled "Rate
Review Mechanism – 1st Year of Effective Period – Allocation of Settlement
Increase by Customer Class" in connection with the adoption of the amended
tariffs.

Section 3. This resolution shall become effective from and after its
passage with rates authorized by the Attached Tariffs to be effective in
accordance with the terms of the Settlement Agreement approved by
Resolution No. 20080306-075

ADOPTED: September 25, 2008

ATTEST:


Shirley A. Gentry
City Clerk

ATTACHMENT A

AMENDED TARIFFS

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 23

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below

Charge	Amount
Customer Charge per Bill	\$ 7 00 per month
Commodity Charge – All Mcf	\$2.2410 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA

Rate Review Mechanism: Commodity Charge includes an amount calculated in accordance with Rider RRM.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Franchise Fees are to be assessed solely to customers within municipal limits. This does not apply to Environs Customers

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s)

Agreement

An Agreement for Gas Service may be required

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 24

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 3,000 Mcf

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 13.50 per month
Commodity Charge - All Mcf	\$ 0.9809 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Rate Review Mechanism: Commodity Charge includes an amount calculated in accordance with Rider RRM

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Franchise Fees are to be assessed solely to customers within municipal limits. This does not apply to Environs Customers.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s)

Agreement

An Agreement for Gas Service may be required

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 25

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 425 00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0 2733 per MMBtu
Next 3,500 MMBtu	\$ 0 1993 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0 0427 per MMBtu

Gas Cost Recovery Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Rate Review Mechanism Commodity Charge includes an amount calculated in accordance with Rider RRM

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF Franchise Fees are to be assessed solely to customers within municipal limits This does not apply to Environs Customers

Tax Adjustment Plus an amount for tax calculated in accordance with Rider TAX

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s)

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 26

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index

Agreement

An Agreement for Gas Service may be required

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company
Customer must pay Company all costs associated with the acquisition and installation of the meter

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 27

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below

Charge	Amount
Customer Charge per Meter	\$ 425 00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2733 per MMBtu
Next 3,500 MMBtu	\$ 0.1993 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0427 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR

Rate Review Mechanism: Commodity Charge includes an amount calculated in accordance with Rider RRM

Retention Adjustment Plus a quantity of gas as calculated in accordance with Rider RA

Franchise Fee Adjustment Plus an amount for franchise fees calculated in accordance with Rider FF Franchise Fees are to be assessed solely to customers within municipal limits. This does not apply to Environs Customers.

Tax Adjustment. Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges. Plus an amount for surcharges calculated in accordance with the applicable rider(s)

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	Entire Division (except Environs areas and the City of Dallas)	
EFFECTIVE DATE:	10/01/2008	PAGE: 28

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

REVISION NO: 0

RIDER:	GCR – GAS COST RECOVERY	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 40

Applicable to Rate R, Rate C, and Rate I for all gas sales made by Company, and applicable to Rate R, Rate C, Rate I, and Rate T for recovery of Pipeline System costs. The total gas cost recovery amount due is determined by adding the gas cost calculated in Section (a) below and the pipeline cost calculated in Section (b) below.

The amount due for gas cost (Section (a)) is determined by multiplying the Gas Cost Recovery Factor (GCRF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on a Mcf basis. For Customers receiving service under Rate I, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual gas costs.

The amount due for pipeline cost (Section (b)) is determined by multiplying the Pipeline Cost Factor (PCF) by the Customer's monthly volume. For Customers receiving service under Rate R and Rate C, monthly volume will be calculated on an Mcf basis. For Customers receiving service under Rate I and Rate T, monthly volume will be calculated on an MMBtu basis and the quantities will be adjusted as necessary to recover actual gas costs.

(a) Gas Cost

Method of Calculation

The monthly gas cost adjustment is calculated by the application of a Gas Cost Recovery Factor (GCRF), as determined with the following formula.

$$\text{GCRF} = \text{Estimated Gas Cost Factor (EGCF)} + \text{Reconciliation Factor (RF)} + \text{Taxes (TXS)}$$

EGCF = Estimated cost of gas, including lost and unaccounted for gas attributed to residential, commercial, and industrial sales, and any reconciliation balance of unrecovered gas costs, divided by the estimated total residential, commercial, and industrial sales. Lost and unaccounted for gas is limited to 5%.

RF = Calculated by dividing the difference between the Actual Gas Cost Incurred, inclusive of interest over the preceding twelve-month period ended June 30 and the Actual Gas Cost Billed over that same twelve-month period by the estimated total residential, commercial, and industrial sales for the succeeding October through June billing months. The interest rate to be used is the annual interest rate published by the PUC every December. The interest rate of 2008 is 4.69%.

Actual Gas Cost Incurred = The sum of the costs booked in Atmos Energy Corp., Mid-Tex Division account numbers 800 through 813 and 858 of the FERC Uniform System of Accounts, including the net impact of injecting and withdrawing gas from storage. Also includes a credit or debit for any out-of-period adjustments or unusual or nonrecurring costs typically considered gas costs and a credit for amounts received as Imbalance Fees or Curtailment Overpull Fees.

Actual Gas Cost Billed = EGCF multiplied by the monthly volumes billed to Residential, Commercial and Industrial Sales customers, less the total amount of gas cost determined to have been uncollectible and written off which remain unpaid for each month of the reconciliation period.

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

RIDER:	GCR – GAS COST RECOVERY	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 41

Any amount remaining in the reconciliation balance after the conclusion of the period of amortization will be maintained in the reconciliation balance and included in the collection of the next RF.

Atmos Energy shall file annual reports with the Commission, providing by month the following amounts: Gas Cost Written Off, Margin Written Off, Tax and Other Written Off, Total Written Off, Gas Cost Collected and Margin Collected

TXS = Any statutorily imposed assessments or taxes applicable to the purchase of gas divided by the estimated total residential, commercial, and industrial sales

ADJ = Any surcharge or refund ordered by a regulatory authority, inclusive of interest, divided by the estimated total residential, commercial, and industrial sales is to be included as a separate line item surcharge

(b) Pipeline Cost

Method of Calculation

Each month, a Pipeline Cost Factor (PCF) is calculated separately for each Pipeline Cost Rate Class listed below. The formula for the PCF is:

$PCF = PP / S$, where

$PP = (P - A) \times D$, where

P = Estimated monthly cost of pipeline service calculated pursuant to Rate CGS

D = Pipeline service allocation factor for the rate class as approved in the Company's most recent rate case, as follows.

Pipeline Cost Rate Class	Allocation Factor (D)
Rate R - Residential Service	634698
Rate C - Commercial Service	.302824
Rate I - Industrial Service and Rate T - Transportation Service	062478

A = Adjustment applied in the current month to correct for the difference between the actual and estimated pipeline cost revenue of the second preceding month, calculated by the formula

$A = R - (C - A2)$, where:

R = Actual revenue received from the application of the PP component in the second preceding month

C = Actual pipeline costs for the second preceding month

A2 = The adjustment (A) applied to the PP component in the second preceding month.

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

REVISION NO: 0

RIDER:	GCR – GAS COST RECOVERY	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 42

S = Estimated Mcf or MMBtu for the rate class for the current billing month.

The PCF is calculated to the nearest 0.0001 cent

The Pipeline Cost to be billed is determined by multiplying the Mcf or MMBtu used by the appropriate PCF. The Pipeline Cost is determined to the nearest whole cent

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

RIDER:	FF – FRANCHISE FEE ADJUSTMENT	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 43

Application

Applicable to Customers inside the corporate limits of an incorporated municipality that imposes a municipal franchise fee upon Company for the Gas Service provided to Customer. Franchise Fees to be assessed solely to customers within the municipal limits. This does not apply to Environs customers.

Monthly Adjustment

Company will adjust Customer's bill each month in an amount equal to the municipal franchise fees payable for the Gas Service provided to Customer by Company. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees.

From time to time, Company will make further adjustments to Customer's bill to account for any over- or under-recovery of municipal franchise fees by Company.

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

TARIFF FOR GAS SERVICE

ATMOS ENERGY CORP.,
MID-TEX DIVISION

RIDER:	Rider WNA – Weather Normalization Adjustment	
APPLICABLE TO:	Entire System (except Environs areas and the City of Dallas)	REVISION: DATE:
EFFECTIVE DATE:	11/01/2008	PAGE: 1 OF 2

RIDER WNA – Weather Normalization AdjustmentProvisions for Adjustment

The base rate per Mcf (1,000,000 Btu) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment". The Weather Normalization Adjustment shall apply to all temperature sensitive residential, and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Mcf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Mcf

R_i = base rate of temperature sensitive sales for the i^{th} schedule or classification approved by the entity exercising original jurisdiction

HSF_i = heat sensitive factor for the i^{th} schedule or classification calculated as the slope of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days

ADD = billing cycle actual heating degree days

BL_i = base load sales for the i^{th} schedule or classification calculated as the y-intercept of the linear regression of average sales per bill (Mcf) and actual heating degree days by month for the test year by schedule or classification and weather station as part of the RRM filing

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_j = WNAF_i \times q_j$$

TARIFF FOR GAS SERVICE

ATMOS ENERGY CORP.,
MID-TEX DIVISION

RATE SCHEDULE:	Rate WNA – Weather Normalization Adjustment	
APPLICABLE TO:	Entire System (except Environs areas and the City of Dallas)	REVISION: DATE:
EFFECTIVE DATE:	11/01/2008	PAGE: 2 OF 2

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule

Filings with Entities Exercising Original Jurisdiction

As part of its annual RRM filing the Company will file (a) a copy of each computation of the Weather Normalization Adjustment Factor, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, (c) a schedule showing the factors of values used in calculating such Weather Normalization Adjustment and (d) a random sample and audit of thirty (30) actual customer bills, with customer information deleted, for each rate schedule or classification to which the WNA was applied in the preceding 12 month period. To the extent that source data is needed to audit the WNA application, such data will be provided by the Company as part of the annual RRM filing.

If the RRM is discontinued, as provided in the Rider RRM tariff, the information required herein to be filed with the entities exercising original jurisdiction shall be filed on March 1 of each year.

Base Use/Heat Sensitivity (HSF) Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use Mcf	HSF Mcf/HDD	Base use Mcf	HSF Mcf/HDD
Abilene	1.27	.0130	10.93	.0638
Austin	1.29	.0133	18.47	.0641
Dallas	1.79	.0186	20.83	.0878
Waco	1.30	.0141	11.41	.0617
Wichita Falls	1.35	.0143	11.62	.0540

Sample WNAF_i Calculation

$$1533 \text{ per Mcf} = 1.2267 \times \frac{(.0131 \times (30-17))}{(1.14 + (.0131 \times 17))}$$

Where

- i = Residential Single Block Rate Schedule
- R_i = 1.2267 per MCF (Rate R - Final Order GUD No. 9670)
- HSF_i = .0131 (Residential - Abilene Area)
- NDD = 30 HDD (Simple ten-year average of Actual HDD for Abilene Area – 9/15/06 – 10/14/06)
- ADD = 17 HDD (Actual HDD for Abilene Area – 9/15/06 – 10/14/06)
- BL_i = 1.14 Mcf (Residential - Abilene Area)

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

REVISION NO: 0

RIDER:	CEE – CONSERVATION & ENERGY EFFICIENCY	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 58

Purpose

Atmos Energy Mid-Tex is proposing to institute a complete Conservation & Energy Efficiency program which will offer assistance to qualified customer segments in reducing energy consumption and lowering energy utility bills. The proposal is one where Atmos Energy shareholders will fund a percentage of the allowable expenses incurred annually, with a customer rate component providing the remainder of the funding. Following is a high-level, concept summary of the proposal. Atmos Energy Mid-Tex Division proposes to work with the communities it serves to develop the details of a new tariff and programs addressing conservation and energy efficiency

Synopsis:

Voucher system to provide free energy savings materials and supplies to qualifying customers of Atmos Mid-Tex. Qualified Customers will receive up to two hundred dollars (\$200.00) worth of caulking, weather-stripping, sheathing, sealing, water heater blankets, and like materials, other energy saving devices such as clock-thermostats, set-back devices ("covered items") from approved suppliers / retailers. Company will undertake efforts to enlist support from community groups, including its own Employee Action Program, to assist customers with installation. If it is determined that professional installation capabilities are necessary, the parties will agree on labor assistance amounts

Eligibility

Low Income – Low-income rate-payers that qualify for heating bill assistance through LIHEAP agencies and all agencies that distribute Atmos "Share the Warmth" funds. Agencies that allocate assistance funds denote customer as Low Income, a status that lasts for one year.

Senior Citizen – Primary account holder can request eligibility through ATM call center or web-site. Customer provides primary SSN which is verified through Social Security Administration. And account holder that is or turns 65 years old in that year becomes eligible

Funding

Initial program funding will be at two million dollars (\$2,000,000). Atmos Energy shareholders will contribute one million dollars (\$1,000,000.00) to this initiative annually with ratepayers providing one million dollars (\$1,000,000.00) per year. It is proposed that the program operate on an October 1 through September 30 year, with benefits being capped at the two million dollar level for the initial program period.

Administration

A third-party administrator will coordinate qualification of customers, voucher distribution, subsequent verification and reimbursement of eligible expenditures and general program administration. Program administration expenses will be funded from the annual approved budget

Audits will be provided all interested parties within 120 days of the end of each program year to determine effectiveness

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

ATMOS ENERGY CORPORATION
MID-TEX DIVISION

REVISION NO: 0

RIDER:	CEE – CONSERVATION & ENERGY EFFICIENCY	
APPLICABLE TO:	Entire Division	
EFFECTIVE DATE:	10/01/2008	PAGE: 59

Report

Atmos shall file an annual report detailing cost to administer the program with details of the amounts paid out of program for energy conservation assistance. The report shall also detail number of applicants, number rejected and accepted and reason rejected. The report shall be filed with the Gas Service Director.

Issued By: David J. Park
Date Issued: 08/13/2008

Vice President, Rates and Regulatory Affairs

ATTACHMENT B

PROOF OF REVENUES

AND

AVERAGE BILL COMPARISON

ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT CURRENT RATES
TEST YEAR ENDING DECEMBER 31, 2007

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate R			
1	<u>Rate Characteristics</u>		
			RRM Settlement Tariff,
2	Customer Charge	\$10 69	Rate R
3	2007 RRM True-up	\$0 00	
4			
			RRM Settlement Tariff,
5	Consumption Charge (\$/Mcf)	\$1.2710	Rate R
6			
7	Rider GCR Part A	\$8 1244	Schedule H
8	Rider GCR Part B	\$0.6243	Schedule I
9			
10	<u>Billing Units (1):</u>		
11	Bills	17,069,679	Billing Determinants Study
12	Total MCF	<u>78,708,921</u>	Billing Determinants Study
13			
14	<u>Present Revenue:</u>		
15	Customer Charge	\$ 182,474,869	
16	2007 RRM True-up	-	
17	Consumption Charge	<u>100,039,039</u>	
18	Base Revenue	\$ 282,513,907	
19	Rider GCR Part A	639,460,135	
20	Rider GCR Part B	<u>49,140,231</u>	
21	Subtotal	\$ 971,114,273	
22	Revenue Related Taxes	58,440,682	
23			
24	Total Present Revenue- Rate R	<u>\$ 1,029,554,955</u>	
25			
26	Note 1 See Billing Determinants Study for details		

ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT CURRENT RATES
TEST YEAR ENDING DECEMBER 31, 2007

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate C			
1	<u>Rate Characteristics:</u>		
2	Customer Charge	\$20 28	RRM Settlement Tariff, Rate C
3	2007 RRM True-up	\$0 00	
4			
5	Consumption Charge (\$/Mcf)	\$0 7104	RRM Settlement Tariff, Rate C
6			
7	Rider GCR Part A	\$8 1244	Schedule H
8	Rider GCR Part B	\$0 5228	Schedule I
9			
10	<u>Billing Units (1):</u>		
11	Bills	1,434,516	Billing Determinants Study
12	Total MCF	50,233,642	Billing Determinants Study
13			
14	<u>Present Revenue:</u>		
15	Customer Charge	\$ 29,091,984	
16	2007 RRM True-up	-	
17	Consumption Charge	35,685,979	
18	Base Revenue	\$ 64,777,964	
19	Rider GCR Part A	408,116,524	
20	Rider GCR Part B	26,261,046	
21	Subtotal	\$ 499,155,534	
22	Revenue Related Taxes	30,038,679	
23			
24	Total Present Revenue- Rate C	\$ 529,194,213	
25			
26	Note 1 See Billing Determinants Study for details		

ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT CURRENT RATES
TEST YEAR ENDING DECEMBER 31, 2007

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate I & T			
1	<u>Rate Characteristics:</u>		
			RRM Settlement, Rate I &
2	Customer Charge	\$425 00	T
3	2007 RRM True-up	\$0 00	
4			
			RRM Settlement, Rate I &
5	Block 1 (\$/MMBTU)	\$0.1933	T
			RRM Settlement, Rate I &
6	Block 2 (\$/MMBTU)	\$0 1410	T
			RRM Settlement, Rate I &
7	Block 3 (\$/MMBTU)	\$0 0302	T
8			
9	Rider GCR Part A	\$8 1244	Schedule H
10	Rider GCR Part B	\$0 2938	Schedule I
11			
12	<u>Consumption Characteristics:</u>		
13	Block 1	0 23502	(1)
14	Block 2	0.26655	(1)
15	Block 3	0.49843	(1)
16			
17	<u>Billing Units (1)</u>		
18	Bills	10,052	Billing Determinants Study
19	Block 1	9,522,217	Billing Determinants Study
20	Block 2	10,799,921	Billing Determinants Study
21	Block 3	20,195,218	Billing Determinants Study
22	Total MMBTU	<u>40,517,356</u>	
23			
24	Sales Volumes	<u>2,331,063</u>	
25			
26	<u>Present Revenue</u>		
27	Customer Charge	\$ 4,272,100	
28	2007 RRM True-up	-	
29	Block 1	1,840,645	
30	Block 2	1,522,789	
31	Block 3	<u>609,896</u>	
32	Base Revenue	\$ 8,245,429	
33	Rider GCR Part A	18,494,542	
34	Rider GCR Part B	<u>11,902,411</u>	
35	Subtotal	\$ 38,642,382	
36	Revenue Related Taxes	2,325,460	
37			
38	Total Present Revenue- Rate I&T	<u>\$ 40,967,841</u>	
39			
40	Note 1: See Billing Determinants Study for details.		

**ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT PROPOSED RATES
TEST YEAR ENDING DECEMBER 31, 2007**

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate R			
1	<u>Rate Characteristics:</u>		
			RRM Settlement
2	Customer Charge	\$7 00	Agreement,
3			Pg 2, Item 5
4	Consumption Charge (\$/Mcf)	\$2 1600	Settlement Allocation
5	2007 RRM True-up (\$/Mcf)	\$0.0810	Settlement Allocation
6	Rider GCR Part A	\$8 1244	Schedule H
7	Rider GCR Part B	\$0 6243	Schedule I
8			
9	<u>Billing Units (1):</u>		
10	Bills	17,069,679	WP_J-1 1
11	Total MCF	78,708,921	WP_J-1 1
12			
13	<u>Proposed Revenue:</u>		
14	Customer Charge	\$ 119,487,753	
15	Consumption Charge	176,385,175	
16	Base Revenue	\$ 295,872,928	
17	Rider GCR Part A	639,460,135	
18	Rider GCR Part B	49,140,231	
19	Subtotal	\$ 984,473,295	
20	Revenue Related Taxes	59,244,614	
21			
22	Total Proposed Revenue- Rate R	\$ 1,043,717,909	
23			
24	Note 1 See Billing Determinants Study for details.		

**ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT PROPOSED RATES
TEST YEAR ENDING DECEMBER 31, 2007**

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate C			
1	<u>Rate Characteristics:</u>		
			RRM Settlement Agreement, Pg 2, Item 5
2	Customer Charge	\$13 50	
3			
4	Consumption Charge (\$/Mcf)	\$0 9442	Settlement Allocation
5	2007 RRM True-up (\$/Mcf)	\$0.0367	Settlement Allocation
6	Rider GCR Part A	\$8 1244	Schedule H
7	Rider GCR Part B	\$0.5228	Schedule I
8			
9	<u>Billing Units (1):</u>		
10	Bills	1,434,516	WP_J-1.2
11	Total MCF	50,233,642	WP_J-1 2
12			
13	<u>Proposed Revenue:</u>		
14	Customer Charge	\$ 19,365,966	
15	Consumption Charge	49,273,373	
16	Base Revenue	\$ 68,639,339	
17	Rider GCR Part A	408,116,524	
18	Rider GCR Part B	26,261,046	
19	Subtotal	\$ 503,016,909	
20	Revenue Related Taxes	30,271,052	
21			
22	Total Proposed Revenue- Rate C	\$ 533,287,962	
23			
24	Note 1. See Billing Determinants Study for details.		

ATMOS ENERGY CORP., MID-TEX DIVISION
SUMMARY PROOF OF REVENUE AT PROPOSED RATES
TEST YEAR ENDING DECEMBER 31, 2007

Line	Description	Total	Reference
	(a)	(b)	(c)
Rate I & T			
1	<u>Rate Characteristics</u>		
2	Customer Charge	\$ 425.00	Settlement Allocation
3			
4	Block 1 (\$/MMBTU)	\$0 2352	Settlement Allocation
5	Block 2 (\$/MMBTU)	\$0.1715	Settlement Allocation
6	Block 3 (\$/MMBTU)	\$0.0367	Settlement Allocation
7	2007 RRM True-up (\$/MMBTU)		Settlement Allocation
8	Block 1 (\$/MMBTU)	\$0 0381	
9	Block 2 (\$/MMBTU)	\$0 0278	
10	Block 3 (\$/MMBTU)	\$0 0060	
11	Rider GCR Part A	\$8 1244	Schedule H
12	Rider GCR Part B	\$0 2938	Schedule I
13			
14	<u>Consumption Characteristics</u>		
15	Block 1 (First 1,500 MMBTU)	0 23502	(1)
16	Block 2 (Next 3,500 MMBTU)	0.26655	(1)
17	Block 3 (Over 5,000 MMBTU)	0 49843	(1)
18			
19	<u>Billing Units (1)</u>		
20	Bills	10,052	WP_J-1
21	Block 1	9,522,217	WP_J-1
22	Block 2	10,799,921	WP_J-1
23	Block 3	20,195,218	WP_J-1
24	Total MMBTU	<u>40,517,356</u>	
25			
26	Sales Volumes	<u>2,331,063</u>	WP_J-1
27			
28	<u>Proposed Revenue</u>		
29	Customer Charge	\$ 4,272,100	
30	Block 1	2,602,422	
31	Block 2	2,152,424	
32	Block 3	862,336	
33	Base Revenue	\$ 9,889,282	
34	Rider GCR Part A	18,494,542	
35	Rider GCR Part B	11,902,411	
36	Subtotal	\$ 40,286,235	
37	Revenue Related Taxes	2,424,385	
38			
39	Total Proposed Revenue- Rate I&T	<u>\$ 42,710,620</u>	
40			
41	Note 1 See Billing Determinants Study for details		

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE REVIEW MECHANISM - 1ST YEAR RATE EFFECTIVE PERIOD
ALLOCATION OF SETTLEMENT INCREASE BY CUSTOMER CLASS

Line No.	Customer Class (a)	Allocated Total Settlement Increase ⁽¹⁾ (b)	True-Up Amount ⁽¹⁾ (c)	Prospective Amount ⁽¹⁾ (d)
1	Residential	\$ 14,164,235	\$ 6,373,906	\$ 7,790,329
2	Commercial	4,095,041	1,842,769	2,252,273
3	Industrial & Transportation	1,740,723	783,326	957,398
4	Total	<u>\$ 20,000,000</u>	<u>\$ 9,000,000</u>	<u>\$ 11,000,000</u>
5				
6	Note 1 Includes Pass-thru Taxes			

ATMOS ENERGY CORP., MID-TEX DIVISION
REVENUE REQUIREMENTS BY SERVICE CLASS
TEST YEAR ENDING DECEMBER 31, 2007

Line No.	Description	Current Revenues	Proposed Revenues 1	Proposed Change	Percent Change
	(a)	(b)	(c)	(d)	(e)
1	Total Residential	\$ 1,029,554,955	\$ 1,043,717,909	\$ 14,162,954	1.38%
2	Total Commercial	529,194,213	533,287,962	4,093,749	0.77%
3	Total Industrial/Transportation	40,967,841	42,710,620	1,742,778	4.25%
4	Total Other Revenue	17,199,870	17,199,870	-	0.00%
5	Total Operating Revenues	<u>\$ 1,616,916,879</u>	<u>\$ 1,636,916,360</u>	<u>\$ 19,999,481</u>	<u>1.24%</u>
6					
7	Note				
8	1 Proposed Revenues are the result of the application of the proposed rates to billing determinants				

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON
TEST YEAR ENDING DECEMBER 31, 2007

Line						CURRENT	PROPOSED
1	<u>Rate R @ 4.6 Mcf</u>						
2	Customer charge					\$10 69	
3	Consumption charge	4 6	MCF	X	\$1 2710 =	5 85	
4	Rider GCR Part A	4 6	MCF	X	\$8 1244 =	37 37	
5	Rider GCR Part B	4 6	MCF	X	\$0 6243 =	2 87	
6							
7	Subtotal					\$56 78	
8	Rider FF & Rider TAX			X	0 06018 =	3 42	
9	Total					\$60 20	
10							
11	Customer charge						\$7 00
12	Consumption charge	4 6	MCF	X	\$2 2410 =		10 31
13	Rider GCR Part A	4 6	MCF	X	\$8 1244 =		37 37
14	Rider GCR Part B	4 6	MCF	X	\$0 6243 =		2 87
15							
16	Subtotal						\$57 55
17	Revenue-related Tax Reimbursement			X	0 06018 =		3 46
18	Total						\$61 01
19							
20							
21	<u>Rate C @ 35.3 Mcf</u>						
22	Customer charge					\$20 28	
23	Consumption charge	35 3	MCF	X	\$0 7104 =	25 04	
24	Rider GCR Part A	35 3	MCF	X	\$8 1244 =	286 40	
25	Rider GCR Part B	35 3	MCF	X	\$0 5228 =	18 43	
26							
27	Subtotal					\$350 15	
28	Revenue-related Tax Reimbursement			X	0 06018 =	21 07	
29	Total					\$371 22	
30							
31							
32	Customer charge						\$13 50
33	Consumption charge	35 3	MCF	X	\$0 9809 =		34 58
34	Rider GCR Part A	35 3	MCF	X	\$8 1244 =		286 40
35	Rider GCR Part B	35 3	MCF	X	\$0 5228 =		18 43
36							
37	Subtotal						\$352 91
38	Revenue-related Tax Reimbursement			X	0 06018 =		21 24
39	Total						\$374 15
40							
41	<u>Rate I @ 4031 MMBTU</u>						
42	Customer charge					\$425 00	
43	Consumption charge	1,500	MMBTU	X	\$0 1933 =	289 95	
44	Consumption charge	2,531	MMBTU	X	\$0 1410 =	356 84	
45	Consumption charge	0	MMBTU	X	\$0 0302 =	0 00	
46	Rider GCR Part A	4,031	MMBTU	X	\$8 1244 =	32,747 50	
47	Rider GCR Part B	4,031	MMBTU	X	\$0 2938 =	1 184 08	
48							
49	Subtotal					\$35,003 37	
50	Revenue-related Tax Reimbursement			X	0 06018 =	2,106 47	
51	Total					\$37,109 84	
52							
53	Customer charge						\$ 425 00
54	Consumption charge	1,500	MMBTU	X	\$0 2733 =		409 95
55	Consumption charge	2,531	MMBTU	X	\$0 1993 =		504 38
56	Consumption charge	0	MMBTU	X	\$0 0427 =		0 00
57	Rider GCR Part A	4,031	MMBTU	X	\$8 1244 =		32,747 50
58	Rider GCR Part B	4,031	MMBTU	X	\$0 2938 =		1,184 08
59	Subtotal						\$35 770 91
60	Revenue-related Tax Reimbursement			X	0 06018 =		2 122 57
61	Total						\$37 393 48
62							
63	<u>Rate T @ 4031 MMBTU</u>						
64	Customer charge					\$425 00	
65	Consumption charge	1,500	MMBTU	X	\$0 1933 =	289 95	
66	Consumption charge	2,531	MMBTU	X	\$0 1410 =	356 84	
67	Consumption charge	0	MMBTU	X	\$0 0302 =	0 00	
68	Rider GCR Part B	4 031	MMBTU	X	\$0 2938 =	1 184 08	
69							
70	Subtotal					\$2,255 87	
71	Revenue-related Tax Reimbursement			X	0 06018 =	135 76	
72	Total					\$2,391 63	
73							
74	Customer charge						\$ 425 00
75	Consumption charge	1,500	MMBTU	X	\$0 2733 =		409 95
76	Consumption charge	2,531	MMBTU	X	\$0 1993 =		504 38
77	Consumption charge	0	MMBTU	X	\$0 0427 =		0 00
78	Rider GCR Part B	4,031	MMBTU	X	\$0 2938 =		1,184 08
79	Subtotal						\$2,523 41
80	Revenue-related Tax Reimbursement			X	0 06018 =		151 86
81	Total						\$2,675 27