

**BEFORE THE  
RAILROAD COMMISSION OF TEXAS**

<b>APPLICATION OF ATMOS ENERGY CORP., MID-TEX DIVISION FOR THE TEST YEAR 2007 ANNUAL INTERIM RATE ADJUSTMENT PROGRAM FOR THE ENVIRONS AREAS.</b>	§ § § § §	<b>GAS UTILITIES DOCKET NO. 9802</b>
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**INTERIM RATE ADJUSTMENT ORDER**

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time period provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551 (Vernon 2008). The Railroad Commission of Texas adopts the following findings of fact and conclusions of law and orders as follows:

**FINDINGS OF FACT**

*Background*

1. Atmos Energy Corporation (Atmos) is a "gas utility," as that term is defined in the TEXAS UTILITY CODE, and is subject to the jurisdiction of the Railroad Commission of Texas (Commission).
2. Atmos Energy Corporation, Mid-Tex Division (Distribution), a division of Atmos, owns and operates a gas distribution system.
3. On May 23, 2008, Distribution filed an application for an annual interim rate adjustment applicable to customers located in its Mid-Tex System environs area.
4. Atmos requested that the interim rate adjustments for all customer classes become effective on July 22, 2008.
5. On May 27, 2008, the Commission suspended implementation of Atmos' proposed interim rate adjustments until September 5, 2008, which would be 45 days following the 60<sup>th</sup> day after the application would be considered complete.
6. On August 1, 2008, Distribution filed an amended Interim Rate Adjustment filing updating the filing for key GRIP factors and certain other balances specific to GUD No. 9762.

7. On August 4, 2008, the Commission suspended implementation of Atmos' proposed interim rate adjustments based upon the amended filing until November 14, 2008, which would be 45 days following the 60<sup>th</sup> day after the application would be considered complete.
8. On October 31, 2008, Distribution filed its second amended Interim Rate Adjustment filing removing references to GUD No's. 9670 and 9734, updating the key GRIP factors for GUD No. 9762.
9. The application was considered complete on October 31, 2008 with this the second amended filing.
10. The statutory deadline is 45 days following the 60<sup>th</sup> day after the application would be considered complete or February 13, 2009.
11. On November 24, 2008, Distribution filed its third amended Interim Rate Adjustment filing removing three (3) additional projects at the examiners request.
12. TEXAS UTILITIES CODE, §104.301 (Vernon 2007) does not provide a remedy for parties that oppose an annual interim rate adjustment.
13. 16 TEX. ADMIN. CODE, §7.7101 (2008) allows written comments or a protest concerning the proposed interim rate adjustment to be filed with the Gas Services Division.
14. Neither TEXAS UTILITIES CODE, §104.301 (Vernon 2007) nor 16 TEX. ADMIN. CODE, §7.7101 (2008) provides the opportunity for parties to intervene in the Commission's review of an application for an annual interim rate adjustment.
15. A gas utility's allowed adjustment in the first interim rate adjustment following a rate case is based on the difference between the gas utility's invested capital at the end of the rate case test year and the invested capital at the end of the calendar year following the end of such test year.
16. This docket is the first annual interim rate adjustment for the distribution system environs of Atmos Energy Corp., Mid-Tex Division following GUD No. 9762.
17. Until promulgation of TEXAS UTILITIES CODE, §104.301 (Vernon 2007), a utility could not increase its rates applicable to environs customers without filing with the Commission a formal statement of intent rate case, including a comprehensive cost of service rate review.
18. Atmos' proposed interim rate adjustments will allow Distribution an opportunity to recover a return on investment, depreciation expense, and related taxes on the incremental cost of infrastructure investment since its last rate case, GUD No. 9762, without the necessity of filing a statement of intent rate case and without review by the Commission of Atmos'

comprehensive cost of service.

Applicability

19. This docket applies to only those rates over which the Commission has original jurisdiction, including all of the Distribution system environs customers.
20. As of year-end 2007, Distribution environs customers included approximately 43,414 Residential customers, 2,016 Commercial customers, and 74 Industrial Sales and Transport customers.

Most Recent Comprehensive Rate Case

21. Atmos' most recent rate case for the area in which the interim rate adjustment will be implemented is GUD No. 9762, *Statement of Intent Filed by Atmos Energy Corporation to Increase Utility Rates within the Unincorporated Areas Served by the Atmos Energy Corp., Mid-Tex Division*.
22. GUD No. 9762 was filed on October 26, 2007.
23. The data used in GUD No. 9762 was based on a test-year ending June 30, 2007.
24. The Commission signed the GUD No. 9762 final Order on June 24, 2008, and the rates became effective the same day.
25. The rates currently charged by Atmos were set by the Commission in GUD No. 9762.
26. The following chart shows the factors that were used for Distribution to establish or used in the Final Order setting rates in GUD No. 9762 to calculate the return on investment, depreciation expense, incremental federal income tax, and ad valorem taxes.

**GUD 9762 CALCULATION FACTORS**

<b>Factor</b>	<b>Distribution</b>
Rate of return	7.98%
Mid-Tex Depreciation Rate	3.43%
SSU Depreciation Rate	10.323%
Federal Income Tax Rate	35%
Mid-Tex Ad Valorem Tax Rate	1.308%
SSU Ad Valorem Tax Rate	0.306%

Interim Rate Adjustment

27. Atmos seeks approval from the Commission for an adjustment to its revenue, based on incremental net utility plant investment, with regard to the following components: return on investment; depreciation expense; ad valorem taxes; revenue related taxes; and federal income taxes.
28. The revenue amounts to be recovered through Atmos' proposed annual interim rate adjustments are incremental to the revenue requirement established in Atmos' most recent rate case for the area in which the interim rate adjustment is to be implemented, i.e., GUD No. 9762.
29. Atmos calculated and presented all incremental values for investment, accumulated depreciation, return on investment, depreciation expense, ad valorem taxes, and incremental federal income taxes on a full calendar-year basis. Revenue related taxes are not included in Atmos' calculation of the interim rate adjustments.
30. For the first interim rate adjustment following a rate case, the amounts by which Atmos may adjust its rates are based on the difference between Distribution's invested capital at the end of the most recent rate case test-year (June 30, 2007) and the invested capital at the end of the calendar-year following the end of the most recent rate case test-year (December 31, 2007).
31. This docket is the first annual interim rate adjustment for Atmos. Therefore, to request its interim rate adjustments in this docket, Atmos submitted data for the 6-months ending December 31, 2007.
32. The value of Atmos' invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment for Distribution's interim rate adjustments.
33. Atmos' incremental net utility plant investment increase is \$10,223,501 for Distribution, as shown in Exhibit B.
34. Atmos is required to use the same factors to calculate the interim return on investment, depreciation expense, and incremental federal income tax as those established or used in the final order setting rates in Atmos' most recent rate case for the area in which the interim rate adjustment is to be implemented.
35. Atmos is required to allocate the revenue to be collected through the interim rate adjustment among its customer classes in the same manner as the cost of service was allocated among its customer classes in its most recent rate case for the area in which the interim rate adjustment is to be implemented.

36. Atmos proposed the interim rate adjustment as a flat rate to be applied to the monthly customer charges and monthly meter charges rather than as a volumetric rate to be applied to the initial block usage rates.
37. Atmos is required to show its annual interim rate adjustments on its customers' monthly billing statements as a surcharge.
38. The proposed interim rate adjustment does not require an evidentiary proceeding; rather, TEXAS UTILITIES CODE, §104.301 and 16 TEX. ADMIN. CODE, §7.7101 require the regulatory authority to review a utility's method of calculating the interim rate adjustment.
39. Due process protections are deferred until Atmos files its next full statement of intent rate case.

Notice

40. Atmos provided adequate notice to its Distribution Residential (R) and Commercial (C) customers between June 4, 2008 and July 1, 2008.
41. Atmos provided adequate notice to its Distribution Industrial (I) and Transportation (T) customers on June 12, 2008.

Comprehensive Rate Case Required

42. Atmos is not required to initiate a rate case supporting a statement of intent, at the time it applies for an interim rate adjustment.
43. A gas utility that implements an interim rate adjustment and does not file a rate case before the fifth anniversary of the date its initial interim rate adjustment became effective is required to file a rate case not later than the 180th day after that anniversary.

Review of Interim Rate Adjustment

44. Atmos' proposed allocation methodology complies with TEXAS UTILITIES CODE, §104.301, and with 16 TEX. ADMIN. CODE, §7.7101.
45. For allocation methodology, it is reasonable for the Commission to approve use of Atmos' overall cost of service (less other revenue, gas cost, and revenue related taxes) as determined in its most recent rate case. The following overall cost of service allocation factors for use in the calculation of Atmos' interim rate adjustment are reasonable:

<b>Customer Class</b>	<b>Allocation Factors</b>
<b>Distribution:</b>	
Residential (R)	0.789060
Commercial (C)	0.184305
Industrial Sales & Transport (I & T)	0.026636

46. Atmos' proposed customer and meter counts comply with TEXAS UTILITIES CODE, §104.301, and with 16 TEX. ADMIN. CODE, §7.7101.
47. For calculating the number of customer charges or meter charges per year, it is reasonable for the Commission to approve use of Distribution's 2007 year-end number of customers multiplied by twelve. The following total numbers of customer and meter charges for use in the calculation of the interim rate adjustment are reasonable:

<b>Customer Class</b>	<b>Total Number of Customer Charges / Meters</b>
<b>Distribution:</b>	
Residential (R)	17,041,932
Commercial (C)	1,454,316
Industrial Sales & Transport (I & T)	11,808
<b>Total</b>	<b>18,508,056</b>

48. It is reasonable for the Commission to approve Atmos' applications for interim rate adjustments. The following amounts of interim rate adjustment revenue and additional customer charges by customer class are reasonable:

<b>Customer Class</b>	<b>Interim Rate Adjustment Revenue</b>	<b>Additional Customer / Meter Charges</b>
<b>Distribution:</b>	\$ 10,223,501	
Residential (R)	8,066,955	\$ 0.47
Commercial (C)	1,884,238	\$1.23
Industrial (I & T)	272,308	\$23.06

49. The amended filings resulted in an increase in the incremental rate to the Commercial customer from that originally noticed, i.e., and increase from \$1.23 to \$1.30.

50. Atmos has chosen to maintain the incremental commercial rate at \$1.23.

Reimbursements of Expense

51. As provided for in the statute and the rule, a gas utility that implements an interim rate adjustment is required to reimburse the Commission for the utility's proportionate share of the Commission's annual costs related to the administration of the interim rate adjustment mechanism.
52. After the Commission has finally acted on Atmos' application for an interim rate adjustment, the Director of the Gas Services Division will estimate Atmos' proportionate share of the Commission's annual costs related to the processing of such applications.
53. In making the estimate of Atmos' proportionate share of the Commission's annual costs related to the processing of such applications, the Director will take into account the number of utilities the Commission reasonably expects to file for interim rate adjustments during the fiscal year, and the costs expected to be incurred in processing such applications.
54. Atmos is required to reimburse the Commission for the amount determined by the Director of the Gas Services Division and approved by the Commission, within thirty days after receipt of notice of the amount of the reimbursement.

**CONCLUSIONS OF LAW**

1. Atmos Energy Corporation (Atmos) is a "gas utility" as defined in TEX. UTIL. CODE ANN. § 101.003(7) (Vernon 2007 and Supp. 2008) and § 121.001 (Vernon 2007), and is therefore subject to the jurisdiction of the Railroad Commission of Texas (Commission).
2. The Commission has jurisdiction over Atmos, Atmos' applications for interim adjustments for incremental changes in investment, and the subject matter of this case under TEX. UTIL. CODE ANN. §102.001, §104.001, §104.002, and §104.301 (Vernon 2007).
3. Under TEX. UTIL. CODE ANN. §102.001 (Vernon 2007), the Commission has exclusive original jurisdiction over the rates and services of a gas utility that distributes natural gas in areas outside of a municipality and over the rates and services of a gas utility that transmits, transports, delivers, or sells natural gas to a gas utility that distributes the gas to the public.
4. Under the provisions of the TEXAS UTILITIES CODE ANN. §104.301 (Vernon 2008) and 16 TEX. ADMIN. CODE § 7.7101 (2008), Atmos is required to seek Commission approval before implementing an interim rate adjustment tariff for environs customers.

5. Atmos filed its applications for interim rate adjustments for changes in investment in accordance with the provisions of TEX. UTIL. CODE ANN. §104.301 (Vernon 2008) and 16 TEX. ADMIN. CODE § 7.7101 (2008).
6. Atmos' application for an interim rate adjustment was processed in accordance with the requirements of TEX. UTIL. CODE ANN. §104.301 (Vernon 2008) and 16 TEX. ADMIN. CODE §7.7101 (2008).
7. In accordance with 16 TEX. ADMIN. CODE § 7.315 (2008), within thirty days of the effective date of any change to rates or services, Atmos is required to file with the Gas Services Division of the Commission its revised tariffs.
8. Atmos may not charge any rate that has not been successfully filed and accepted as a tariff filing electronically pursuant to TEX. UTIL. CODE ANN. § 102.151 and 104.002 (Vernon 2008) and 16 TEX. ADMIN. CODE § 7.315 (2008).
9. In accordance with TEX. UTIL. CODE ANN. §104.301(a) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(a) (2008), the filing date of Atmos' most recent rate case, in which there is a final order setting rates for the area in which the interim rate adjustment will apply, was no more than two years prior to the date Atmos filed its initial interim rate adjustment.
10. Atmos is required, under TEX. UTIL. CODE ANN. §104.301(e) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(d) (2008), to file with the Commission an annual project report, including the cost, need, and customers benefited by the change in investment, and describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year.
11. Atmos shall include in all future annual interim rate adjustment filings, relocation project reports that provide additional information about relocation project costs included in investment projects, in the same format as required in this docket.
12. Atmos is required, under TEX. UTIL. CODE ANN. §104.301(f) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(e) (2008), to file with the Commission an annual earnings monitoring report demonstrating the Utility's earnings during the preceding calendar year.
13. Atmos is required, under 16 TEX. ADMIN. CODE §7.7101(h) (2008), to recalculate its approved interim rate adjustments annually and is required to file an application for an annual adjustment no later than 60 days prior to the one-year anniversary of the proposed implementation date of the previous interim rate adjustment application.
14. In accordance with 16 TEX. ADMIN. CODE § 7.7101(i) (2008), all amounts collected from customers under Atmos' interim rate adjustment tariffs or rate schedules are subject to refund. The issues of refund amounts, if any, and whether interest should be included on

refunded amounts and, if so, the rate of interest, shall be addressed in the rate case a gas utility files or the Commission initiates after the implementation of an interim rate adjustment and shall be the subjects of specific findings of fact in the Commission's final order setting rates.

15. In accordance with 16 TEX. ADMIN. CODE § 7.7101(j) (2008), in the rate case that Atmos files or the Commission initiates after the implementation of an interim rate adjustment, any change in investment and related expenses and revenues that have been included in any interim rate adjustment shall be fully subject to review for reasonableness and prudence. Upon issuance of a final order setting rates in the rate case that Atmos files or the Commission initiates after the implementation of an interim rate adjustment, any change in investment and related expenses and revenues that have been included in any interim rate adjustment shall no longer be subject to review for reasonableness or prudence.
16. The Commission has authority to suspend the implementation of the interim rate adjustment, under TEX. UTIL. CODE ANN. § 104.301(a) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(e) (2008).
17. Atmos provided adequate notice, in accordance with TEX. UTIL. CODE ANN. § 104.301(a) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(b) (2008).
18. Atmos' applications for interim rate adjustments, as proposed, comply with all provisions of TEX. UTIL. CODE ANN. § 104.301 (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101 (2008).
19. Atmos' interim rate adjustments established in the findings of fact and conclusions of law, comply with the provisions of TEX. UTIL. CODE ANN. § 104.301 (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101 (2008).
20. In accordance with TEX. UTIL. CODE ANN. § 104.301(h) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(l) (2008), Atmos shall file a comprehensive rate case for the areas in which the interim rate adjustment is implemented, not later than the 180th day after the fifth anniversary of the date its initial interim rate adjustment became effective.
21. The Commission has authority, under TEX. UTIL. CODE ANN. § 104.301(j) (Vernon 2007) and 16 TEX. ADMIN. CODE § 7.7101(m)(2008), to recover from Atmos the Utility's proportionate share of the Commission's annual costs related to the administration of the interim rate adjustment mechanism.

**IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS THAT** Atmos' interim rate adjustments as requested and to the extent recommended to be approved in the findings of fact and conclusions of law are **HEREBY APPROVED** to be effective for bills rendered on or after December 16, 2008.

**IT IS FURTHER ORDERED THAT** Atmos **SHALL** file with the Commission no later than October 17, 2009, for Distribution, an annual project report, including the cost, need, and customers benefited by the change in investment, and describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year.

**IT IS FURTHER ORDERED THAT** Atmos **SHALL** file with the Commission no later than October 17, 2009, for Distribution, a relocation project report, which provides additional information about relocation costs included in investment projects, in the format provided in this docket.

**IT IS FURTHER ORDERED THAT** Atmos **SHALL** file with the Commission no later than October 17, 2009, for Distribution, an annual earnings monitoring report demonstrating Distribution's earnings during the preceding calendar year.

**IT IS FURTHER ORDERED THAT** Atmos **SHALL** file with the Commission no later than October 17, 2009, for Distribution, recalculations of its approved interim rate adjustments and applications for annual interim rate adjustments for the preceding calendar year.

**IT IS FURTHER ORDERED THAT** within 30 days of this order Atmos **SHALL** electronically file its interim rate adjustment tariffs in proper form that accurately reflect the rates, as expressed in Exhibit A, approved by the Commission in this Order.

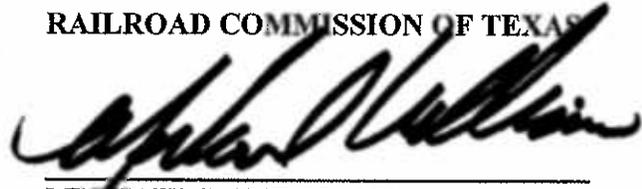
**IT IS FURTHER ORDERED THAT** Atmos **SHALL** not charge any rate that has not been electronically filed and accepted by the Commission as a tariff.

**IT IS FURTHER ORDERED THAT** Atmos **SHALL** reimburse the expenses incurred by the Commission in reviewing these applications. The amount of this reimbursement shall be determined by the Director of the Gas Services Division and must be approved by the Commission. This Order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the order is served on the parties.

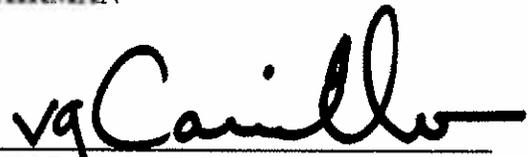
Any portion of the Utility's application not expressly granted herein is overruled. All requested findings of fact and conclusions of law, which are not expressly adopted herein, are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

SIGNED this 16<sup>th</sup> day of December, 2008.

RAILROAD COMMISSION OF TEXAS



MICHAEL L. WILLIAMS  
CHAIRMAN



VICTOR G. CARRILLO  
COMMISSIONER



ELIZABETH A. JONES  
COMMISSIONER

ATTEST



SECRETARY

**GUD NO. 9802**

**EXHIBIT A**

<b>RATE SCHEDULE:</b>	<b>Rate R - Residential Sales</b>	
<b>APPLICABLE TO:</b>	<b>Environs Areas</b>	<b>REVISION: DATE:</b>
<b>EFFECTIVE DATE:</b>		<b>PAGE: 1 OF 1</b>

**RATE R - RESIDENTIAL SALES****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:

<b>Charge</b>	<b>Amount</b>
GUD 9762 Customer Charge per Bill	\$ 14.00 per month
Interim Rate Adjustments ("IRA")	\$ 0.47 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 14.47 per month</b>
Commodity Charge – All Mcf	\$ .6164 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.

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.

Note: <sup>1</sup>2007 IRA - \$.47.

<b>RATE SCHEDULE:</b>	<b>Rate C - Commercial Sales</b>	
<b>APPLICABLE TO:</b>	<b>Envlrons, Areas</b>	<b>REVISION: DATE:</b>
<b>EFFECTIVE DATE:</b>		<b>PAGE: 1 OF 1</b>

**RATE C - COMMERCIAL SALES****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:

<b>Charge</b>	<b>Amount</b>
GUD 9762 Customer Charge per Bill	\$ 25.00 per month
Interim Rate Adjustments ("IRA")	\$ 1.23 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 26.23 per month</b>
Commodity Charge - All Mcf	\$ 0.6109 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.

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.

<b>RATE SCHEDULE:</b>	<b>Rate T - Transportation</b>	
<b>APPLICABLE TO:</b>	<b>Envlrons Areas</b>	<b>REVISION: DATE:</b>
<b>EFFECTIVE DATE:</b>		<b>PAGE: 1 OF 2</b>

**RATE T - TRANSPORTATION****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:

<b>Charge</b>	<b>Amount</b>
GUD 9762 Customer Charge per Meter	\$ 450.00 per month
Interim Rate Adjustments ("IRA")	\$ 23.06 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 473.06 per month</b>
First 0 MMBtu to 1,500 MMBtu	\$ 0.2200 per MMBtu
Next 3,500 MMBtu	\$ 0.1600 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0255 per MMBtu

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

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.

Note: <sup>1</sup>2007 IRA - \$23.06.

RATE SCHEDULE:	Rate T - Transportation	
APPLICABLE TO:	Environs Areas	REVISION: DATE:
EFFECTIVE DATE:		PAGE: 2 OF 2

**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.

<b>RATE SCHEDULE:</b>	<b>Rate I - Industrial Sales</b>	
<b>APPLICABLE TO:</b>	<b>Envlrons Areas</b>	<b>REVISION: DATE:</b>
<b>EFFECTIVE DATE:</b>		<b>PAGE: 1 OF 2</b>

**RATE I - INDUSTRIAL SALES****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:

<b>Charge</b>	<b>Amount</b>
GUD 9762 Customer Charge Per Meter	\$ 450.00 per month
Interim Rate Adjustments ("IRA")	\$ 23.06 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 473.06 per month</b>
First 0 MMBtu to 1,500 MMBtu	\$ 0.2200 per MMBtu
Next 3,500 MMBtu	\$ 0.1600 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0255 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.

**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."

Note: <sup>1</sup>2007 IRA - \$23.06.

RATE SCHEDULE:	Rate I - Industrial Sales	
APPLICABLE TO:	Environs Areas	REVISION: DATE:
EFFECTIVE DATE:		PAGE: 2 OF 2

**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.

**GUD NO. 9802**

**EXHIBIT B**

**ATMOS ENERGY CORP., MID-TEX DIVISION  
INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT  
AS OF DECEMBER 31, 2007**

Line No.	Description (a)	Ref (b)	Adjustments (c)	Total Adjustment (d)
1	Utility Plant Investment Adjustments:			
2	a) Reverse Atmos' reinstatement of Poly 1 Pipe replacements	1	\$ (87,999,180)	
3	b) Reverse Atmos' 2004 retirement of Poly 1 replacement pipe	1	13,656	
4	c) Reverse Atmos' reinstatement of Poly Pipe software	1	(212,093)	
5	d) Reverse Utility Plant Investment for SSU Allocated Invoice	1	(17)	
6			\$ (88,197,634)	
7				
8	Accumulated Depreciation Adjustments:			
9	a) Reverse Atmos' reinstatement of accumulated depreciation for Poly 1 Pipe replacements	1	\$ (87,999,180)	
10	b) Reverse Atmos' 2004 retirement of Poly 1 replacement pipe	1	13,656	
11	c) Add GUD 9762 increase in accumulated depreciation for Poly 1 Pipe replacements, not booked as of 12/31/2007	1	10,557,693	
12	d) Reverse Atmos' reinstatement of accumulated depreciation for Poly Pipe software	1	(212,093)	
13	e) Add GUD 9762 increase in accumulated depreciation for Poly Pipe software, not booked as of 12/31/2007	1	88,372	
14			\$ (77,551,551)	
15	Rate Base Adjustments:			
16	a) Reduction to exclude Ancillary Equipment from Shared Services 2007 Additions	2	\$ (274,598)	
17	b) Reduction to exclude Ancillary Equipment from Mid-Tex 2007 Additions	2	-	
18	c) Reduction to exclude Expense Account Costs from Shared Services 2007 Additions	2	(49,884)	
19	d) Reduction to exclude Direct Expense Account Charges from Mid-Tex 2007 Additions	2	(14,331)	
20	e) Reduction to exclude Expense Account Charges for Shared Services Overheads from Mid-Tex 2007 Additions	2	(59,485)	
21	f) Reduction to exclude Expense Account Charges for Business Unit Overheads from Mid-Tex 2007 Additions	2	(95,897)	
22	g) Reduction to exclude Additional Projects per RFI 1-17 Supplemental	2	(803,259)	
23			\$ (1,297,454)	
24				
25	Notes:			
26	1. These balances roll forward the adjustments authorized in GUD 9762 Final Order.			
27	2. The Company has elected to exclude these costs recorded to Utility Plant in the last six months of 2007 pending the Company's filing of its			
28	next formal rate case.			

ATMOS ENERGY CORP., MID-TEX DIVISION  
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT  
 AS OF DECEMBER 31, 2007

Line No.	Description (a)	Factors (b)	Reference (c)
1	Cost of Common Equity	\$ 54,444,886	GUD 9762, Sch G, Col (b), Ln 6
2	Cost of Preferred Stock	-	GUD 9762, Sch G, Col (b), Ln 4
3	Return excluding debt, per GUD 9762	\$ 54,444,886	Line 1 plus Line 2
4	Total Invested Capital	\$ 1,127,923,888	GUD 9762, Sch G, Col (b), Ln 16
5	Return rate excluding debt, per GUD 9762	4.820%	GUD 9762, Sch G, Col (b), Ln 24 minus GUD 9762, Sch G, Col (b), Ln 20
6	Federal Income Tax Factor	53.84615%	Schedule B, Line 17, Column (b)
7	Federal Income Tax Adjustment Factor	2.595%	Line 5 times Line 6
8	Change in Invested Capital - Net Utility Plant	\$ 57,384,514	Schedule A, Line 6, Column (g)
9	Change in Federal Income Tax	\$ 1,489,349	Line 7 times Line 8

ATMOS ENERGY CORP., MID-TEX DIVISION  
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT  
 AS OF DECEMBER 31, 2007

Line No.	Description (a)	Total (b)	Reference (c)
1	Return Factor	7.98%	GUD 9762, Sch G, Ln 24, Col (b)
2	Mid-Tex Depreciation Expense Factor	3.478%	GUD 9762, Sch F-3, Col (g), Ln 21 divided by Col (e), Ln 3 + Ln 19
3	SSU Depreciation Expense Factor	10.323%	GUD 9762, Sch F-3, Col (g), Ln 77 divided by [Col (e), Ln 46, times Col (g), Ln 47] + (Col (e), Ln 73, times Col (g), Ln 74)]
4			
5	Mid-Tex Property Tax Factor Calculation:		
6	Property-Related Taxes (Ad Valorem)	\$ 15,595,924	Amount of Ad Valorem taxes paid for 2007.
7	Total Net Plant	\$ 1,192,764,888	GUD 9762, Sch C, Col (f), Ln 32 - Sch D, Col (f), Ln 32
8	Mid-Tex Property Tax Factor	1.308%	Line 8 divided by Line 9
9			
10	SSU Property Tax Factor Calculation:		
11	Property-Related Taxes (Ad Valorem)	\$ 155,629	Amount of Ad Valorem taxes paid for 2007.
12	Total Net Plant	\$ 50,861,565	GUD 9762, Sch C, Col (f), Ln 88 - Sch D, Col (f), Ln 89
13	SSU Property Tax Factor	0.306%	Line 13 divided by Line 14
14			
15	Federal Income Tax Factor Calculation (1 / .65) * (.35)	53.84615%	GUD 9762, Schedule F-6, Col (b), Ln 10
16			
17	Allocation Factors:		
18	Rate Schedule R	0.789060	GUD 9762, CCS-2, Base Revenue Requirements Allocation, Residential Allocation Factor
19	Rate Schedule C	0.184305	GUD 9762, CCS-2, Base Revenue Requirements Allocation, Commercial Allocation Factor
20	Rate Schedules I and T	0.026636	GUD 9762, CCS-2, Base Revenue Requirements Allocation, Industrial & Transport Allocation Factor
21	Total	1.000000	Sum of Line 20 through Line 22
22			
23	2007 Year-end number of customers times 12 (Rate R and C); 2007 Year-end number of meters times 12 (Rate I and T):	17,041,932	Current year-end number of customers per the methodology in GUD 9560 Final Order, Finding of Fact No. 49.
24	Rate Schedule R	1,454,316	Current year-end number of customers per the methodology in GUD 9560 Final Order, Finding of Fact No. 49.
25	Rate Schedule C	11,808	Current year-end number of meters per the methodology in GUD 9560 Final Order, Finding of Fact No. 49.
26	Rate Schedules I and T		

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT**  
**AS OF DECEMBER 31, 2007**

Line No.	Description (a)	Total Approved Per GUD 9762 As of 06/30/07 (1) (b)	Per Book As of 12/31/07 (c)	Adjustments (d)	Per Book Adjusted As of 12/31/07 (e)	Ref (f)	Change in Investment (Col. e - Col. b) (g)
1	Utility Plant Investment	\$ 1,965,862,498	\$ 2,139,162,311	\$ (88,197,634)	\$ 2,050,964,677	2	\$ 85,102,175
2	Accumulated Depreciation	773,097,611	876,621,974	(77,551,551)	799,070,423	2	25,972,812
3	Allocated SSU Utility Plant Investment	108,076,121	112,175,392	-	112,175,392	2, 3	4,099,271
4	Allocated SSU Accumulated Depreciation	57,214,556	61,761,225	-	61,761,225	2, 3	4,546,669
	Removal of Ancillary Equipment and Expense						
5	Account Costs	-	-	(1,297,454)	(1,297,454)	2	(1,297,454)
6	Net Utility Plant Investment	\$ 1,243,626,453	\$ 1,312,954,504	\$ (11,943,537)	\$ 1,301,010,967		\$ 57,384,514
7							
8							
9	Calculation of the Interim Rate Adjustment Amount:						
10	Return						
11	Depreciation Expense						
12	Property-related Taxes (Ad Valorem)						
13	Revenue-related Taxes						
14	Federal Income Tax						
15	Interim Rate Adjustment Amount						
16							
17	Interim Rate Adjustment Amount times the Allocation Factors: (5)						
18	Rate Schedule R						
19	Rate Schedule C						
20	Rate Schedules I and T						
21	Total						
22							
23	Total Change in Customer/Meter Charge: (5)						
24	Rate Schedule R						0.47
25	Rate Schedule C						1.30
26	Rate Schedules I and T						23.06
27							

(Sch. A, Ln. 6, Col. g) times (Sch. B, Ln. 1, Col. b) \$ 4,579,284  
 [(Sch. A, Ln. 1, Col. g) times (Sch. B, Ln. 3, Col. b)] plus  
 [(Sch. A, Ln. 3, Col. g) times (Sch. B, Ln. 5, Col. b)] 3,383,095  
 [(Sch. A, Col. g, Ln. 1 minus Ln. 2), times (Sch. B, Ln. 10, Col. b)] plus  
 [(Sch. A, Col. g, Ln. 3 minus Ln. 4) times (Sch. B, Ln. 15, Col. b)] 771,773  
 (Sch. C, Ln. 9, Col. b) 1,489,311  
 \$ 10,223,501  
 (Sch. A, Ln. 15, Col. g) times (Sch. B, Ln. 20, Col. b) \$ 8,066,955  
 (Sch. A, Ln. 15, Col. g) times (Sch. B, Ln. 21, Col. b) 1,884,238  
 (Sch. A, Ln. 15, Col. g) times (Sch. B, Ln. 22, Col. b) 272,308  
 \$ 10,223,501  
 (Sch. A, Ln. 18, Col. g) divided by (Sch. B, Ln. 26, Col. b) \$ 0.47  
 (Sch. A, Ln. 19, Col. g) divided by (Sch. B, Ln. 27, Col. b) \$ 1.30  
 (Sch. A, Ln. 20, Col. g) divided by (Sch. B, Ln. 28, Col. b) \$ 23.06

**ATMOS ENERGY CORP., MID-TEX DIVISION**  
**INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT**  
**AS OF DECEMBER 31, 2007**

Line No.	Description (a)	Total Approved Per GUD 9762 As of 06/30/07 (1) (b)	Per Book As of 12/31/07 (c)	Adjustments (d)	Per Book Adjusted As of 12/31/07 (e)	Ref (f)	Change in investment (Col. e - Col. b) (g)
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- 28 Notes:
- 29 1. Amounts per the Final Order GUD 9762.
- 30 2. See Workpaper/Schedule A for adjustment details.
- 31 3. The amounts in Column (c) represent the SSU per book amounts multiplied by the factors authorized in GUD 9762, updated to December 31, 2007.
- 32 4. Revenue-related taxes are recovered through Rider TAX and Rider FF.
- 33 5. The Company has elected to limit its request for Rate C to the amount originally filed.

ATMOS ENERGY CORP., MID-TEX DIVISION  
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT  
 AS OF DECEMBER 31, 2007

Change to Customer/Meter Charge for 2007 Interim Rate Adjustment

Line No.	Rate Class	Customer/Meter Charge per GUD 9762	Interim Cost Recovery Adjustment to Monthly Charge (1)	Proposed Customer/Meter Charge
	(a)	(b)	(c)	(d)
1	Rate Schedule R	\$ 14.00	\$ 0.47	\$ 14.47
2				
3	Rate Schedule C	\$ 25.00	\$ 1.23	\$ 26.23
4				
5	Rate Schedules I and T	\$ 450.00	\$ 23.06	\$ 473.06
6				
7				

Note:  
 1. Column (c) is 2007 Interim Rate Adjustment per the proposed Tariffs for Rate R, C, I and T customers. The Company has elected to limit its request for Rate C to the amounts originally filed.

Atmos Energy Corporation  
 Shared Services Ancillary Equipment  
 Six Months Ended December 31, 2007

com	bus	utility account	Project	month	number	ferc	activity_code	activity_cost
010	002	39000-Structures & Improvements	010.11256	200709	Addition		49,300.68	
010	002	39100-Office Furniture & Equipment	010.11256	200709	Addition		182,315.55	
010	002	39000-Structures & Improvements	010.11256	200710	Addition		(49,300.66)	
010	002	39009-Improv. to Leased Premises	010.11256	200710	Addition		231,616.21	
010	002	39100-Office Furniture & Equipment	010.11256	200710	Addition		(182,315.55)	
010	002	39100-Office Furniture & Equipment	010.11282	200709	Addition		332,847.52	
010	002	39100-Office Furniture & Equipment	010.11282	200710	Addition		39,276.44	
010	002	39100-Office Furniture & Equipment	010.11282	200711	Addition		96,701.84	
010	002	39100-Office Furniture & Equipment	010.11282	200712	Addition		43,957.18	
010	002	39100-Office Furniture & Equipment	010.11191	200708	Addition		179.17	
010	002	39100-Office Furniture & Equipment	010.11191	200709	Addition		(5.86)	

ferc	activity_code	utility account	Project	010.11256	010.11282	Grand Total	Allocation Factor	Allocated to Mid-Tex
Addition		39000-Structures & Improvements	010.11191				36.88%	\$
		39009-Improv. to Leased Premises		231,616.21	512,782.98	231,616.21	36.88%	85,420.06
Addition Total		39100-Office Furniture & Equipment		173.31	512,782.98	512,956.29	36.88%	189,178.28
Grand Total				173.31	512,782.98	744,572.50		\$ 274,598.34
				173.31	512,782.98	744,572.50		WP_Sch A, Col (c), Ln 16

Additional Projects to Remove:	Amount	Project Description	Net to Adjust by FERC Account
010.11256	\$ 85,420.06	TENANT IMPROVEMENT FROM SIGNING NEW LEASE.	390 \$ 50,583.72
010.11142	377,254.16	CONFIGURE AND IMPLEMENT COMPLEX BILLING MODULE FOR WEST TEXAS.	392 66,383.83
010.11279	310,492.91	CONVERT MISSISSIPPI TO COMPLEX BILLING MODULE.	399 686,291.09
080.23672	50,583.72	PURCHASE OFFICE FURNITURE FOR MIDTEX LINCOLN CENTER.	Total \$ 803,258.64
080.24311	66,383.83	PURCHASE 10 SEGWAYS FOR METER READING DEPARTMENT.	
Total Amount to Remove	\$ 890,074.68		
Less Amounts Already Removed on WP/Sch A:			
SSU Ancillary Equipment	(85,420.06)	(see above)	
SSU Employee Expenses			
Charged Direct to Projects:			
010.11142	(635.30)	(36.88% times \$1,722.62) Ref Attachment 2	
010.11279	(760.68)	(36.88% times \$2,062.57) Ref Attachment 2	
Net to Adjust	\$ 803,258.64		

Atmos Energy Corporation  
Mid-Tex and SSU Employee Expenses Charged Direct to Projects  
Six Months Ended December 31, 2007

BU	work_order_number	utility_account	Lodgings	Meals & Entertainment	Miscellaneous Expenses	Other Employee Expenses	Personal Vehicle Miles	Travel Expenses	Grand Total
010	010.11064	39908-Oth Tang Prop - Appl Software	2,124.39	4,847.75				1,953.70	8,925.84
	010.11064 Sum		2,124.39	4,847.75				1,953.70	8,925.84
	010.11123	39908-Oth Tang Prop - Appl Software			914.00				914.00
	010.11123 Sum				914.00				914.00
	010.11142	39901-Oth Tang Prop - Servers - H/W					8.73	1,139.36	1,122.62
	010.11142 Sum		165.60	408.93			8.73	1,139.36	1,722.62
	010.11182	39908-Oth Tang Prop - Appl Software	32,694.81	16,699.43	4,852.72	142.00	4,438.72	32,886.11	91,613.89
	010.11182 Sum		32,694.81	16,699.43	4,852.72	142.00	4,438.72	32,886.11	91,613.89
	010.11185	39000-Structures & Improvements					(33.12)		(33.12)
	010.11185 Sum	39009-Improv. to Leased Premises			18,413.83		33.12		19,448.95
	010.11233	39907-Oth Tang Prop - PC Software	593.40	1,757.91	19,413.83				19,413.83
	010.11233 Sum	39908-Oth Tang Prop - Appl Software	593.40	1,757.91				1,229.45	3,580.76
	010.11234	39908-Oth Tang Prop - Appl Software	1,784.41	1,760.95				2,399.70	5,945.06
	010.11234 Sum		1,784.41	1,760.95				2,399.70	5,945.06
	010.11242	39908-Oth Tang Prop - Appl Software		937.93				145.15	1,083.08
	010.11242 Sum	39009-Improv. to Leased Premises		937.93				145.15	1,083.08
Note 1	010.11256				2,164.81				2,164.81
	010.11256 Sum				2,164.81				2,164.81
	010.11279	39908-Oth Tang Prop - Appl Software	572.30	220.60				1,269.87	2,062.57
	010.11279 Sum		572.30	220.60				1,269.87	2,062.57
Note 1	010.11282	39000-Structures & Improvements				2,859.42			2,859.42
Note 1	010.11282	39100-Office Furniture & Equipment			467.85				467.85
	010.11282 Sum				467.85				467.85
010 Total			37,935.01	26,833.60	27,613.21	3,001.42	4,447.46	41,123.14	140,763.73

Atmos Energy Corporation  
Mid-Tex and SSU Employee Expenses Charged Direct to Projects  
Six Months Ended December 31, 2007

BU	work_order_number	utility_account	Lodgings	Meals &Entertainment	Miscellaneous	Other Employee Expenses	Personal Vehicle Miles	Travel Expense	Grand Total
080	080.10561	37601-Mains - Steel		22.14			117.48		139.63
	080.10561 Sum			22.14			117.48		139.63
	080.18988	37601-Mains - Steel			47.65		248.67		297.32
	080.18988 Sum				47.65		248.67		297.32
	080.21982	38200-Meter Installations	569.47	3,144.28	47.65	119.39	2.48	961.14	4,816.76
	080.21982 Sum		569.47	3,144.28	47.65	119.39	2.48	961.14	4,816.76
	080.21985	37601-Mains - Steel		79.49					79.49
	080.21985 Sum			79.49					79.49
	080.21989	37601-Mains - Steel	1,478.04	144.30					1,622.34
	080.21989 Sum		1,478.04	144.30					1,622.34
	080.21990	37601-Mains - Steel		61.75					61.75
	080.21990 Sum			61.75					61.75
	080.21997	37600-Mains - Cathodic Protection	188.40	51.19					239.59
	080.21997 Sum		188.40	51.19					239.59
	080.21998	38000-Services	242.84	81.85					324.69
	080.21998 Sum		242.84	81.85					324.69
	080.21998	37602-Mains - Plastic	431.04	133.04					564.08
	080.21998 Sum		431.04	133.04					564.08
	080.21998	38000-Services		32.59					32.59
	080.21998 Sum			32.59					32.59
	080.21999	37601-Mains - Steel		103.05					103.05
	080.21999 Sum			103.05					103.05
	080.21999	37601-Mains - Steel		96.46		118.27			213.73
	080.21999 Sum			96.46		118.27			213.73
	080.22000	37601-Mains - Steel	124.53	1,378.30		22.40	51.73	183.97	1,760.93
	080.22000 Sum		124.53	1,378.30		22.40	51.73	183.97	1,760.93
	080.22525	38000-Services		28.51					28.51
	080.22525 Sum			28.51					28.51
	080.22842	37601-Mains - Steel		43.63					43.63
	080.22842 Sum			43.63					43.63
	080.22842	37602-Mains - Plastic		26.29					26.29
	080.22842 Sum			26.29					26.29
	080.23037	37601-Mains - Steel		98.25					98.25
	080.23037 Sum			98.25					98.25
	080.23058	37602-Mains - Plastic		23.13					23.13
	080.23058 Sum			23.13					23.13
	080.23307	37602-Mains - Plastic	52.70	19.00					71.70
	080.23307 Sum		52.70	19.00					71.70
	080.23337	37601-Mains - Steel			147.11		122.22	36.86	306.19
	080.23337 Sum				147.11		122.22	36.86	306.19
	080.23391	37602-Mains - Plastic		40.48					40.48
	080.23391 Sum			40.48					40.48
	080.23490	39700-Communication Equipment	89.48	46.00				200.00	335.48
	080.23490 Sum		89.48	46.00				200.00	335.48
	080.23500	37602-Mains - Plastic	267.50	74.88					342.38
	080.23500 Sum		267.50	74.88					342.38
	080.23590	37601-Mains - Steel					28.37		28.37
	080.23590 Sum						28.37		28.37
	080.23598	37602-Mains - Plastic		20.44					20.44
	080.23598 Sum			20.44					20.44

Atmos Energy Corporation  
Mid-Tax and SSU Employee Expenses Charged Direct to Projects  
Six Months Ended December 31, 2007

BU	work_order_number	utility_account	Lodgings	Meals & Entertainment	Miscellaneous	Other Employee Expenses	Personal Vehicle Miles	Travel Expense	Grand Total
	080.23636	37602-Mains - Plastic	101.64	35.48					137.12
	080.23636 Sum		101.64	35.48					137.12
	080.23748	37602-Mains - Plastic		68.22					68.22
	080.23748 Sum			68.22					68.22
	080.23752	37602-Mains - Plastic		14.83					14.83
	080.23752 Sum			14.83					14.83
	080.23763	37602-Mains - Plastic		18.33					18.33
	080.23763 Sum			18.33					18.33
	080.23792	(blank)						58.20	58.20
	080.23792 Sum							58.20	58.20
	080.23819	37602-Mains - Plastic		233.08			21.81		253.08
	080.23819 Sum			233.08			21.81		253.08
	080.23931	37602-Mains - Plastic		28.35					28.35
	080.23931 Sum			28.35					28.35
	080.23983	37601-Mains - Steel					145.11		145.11
	080.23983 Sum						145.11		145.11
	080.23981	37602-Mains - Plastic		29.16					29.16
	080.23981 Sum			29.16					29.16
	080.24018	37602-Mains - Plastic		20.73					20.73
	080.24018 Sum			20.73					20.73
	080.24048	38200-Meter Installations				94.68			94.68
	080.24048 Sum					94.68			94.68
	080.24125	37602-Mains - Plastic		35.28					35.28
	080.24125 Sum			35.28					35.28
	080.24237	37602-Mains - Plastic		25.35					25.35
	080.24237 Sum			25.35					25.35
	080.24246	37602-Mains - Plastic		39.87					39.87
	080.24246 Sum			39.87					39.87
	080.24249	37602-Mains - Plastic		60.47					60.47
	080.24249 Sum			60.47					60.47
	080.24325	37601-Mains - Steel	247.25						247.25
	080.24325 Sum		247.25						247.25
	080.24349	38000-Services		15.65					15.65
	080.24349 Sum			15.65					15.65
	080.24352	38200-Meter Installations		575.53	14.32			4.80	594.65
	080.24352 Sum			575.53	14.32			4.80	594.65
	080.24370	37601-Mains - Steel	134.44	24.80					159.24
	080.24370 Sum		134.44	24.80					159.24
	080.24373	38000-Services	54.00						54.00
	080.24373 Sum		54.00						54.00
	080.24375	37601-Mains - Steel	188.44	602.97				0.80	603.67
	080.24375 Sum		188.44	602.97				0.80	603.67
	080.24376	37602-Mains - Plastic		39.95					39.95
	080.24376 Sum			39.95					39.95
	080.24375	38000-Services		155.77					155.77
	080.24375 Sum			155.77					155.77
	080.24405	37602-Mains - Plastic		25.59				0.80	26.39
	080.24405 Sum			25.59				0.80	26.39
	080.24405	37602-Mains - Plastic		42.88					42.88
	080.24405 Sum			42.88					42.88
080 Total			3,550.10	7,706.80	209.08	354.94	1,036.19	1,474.06	14,331.17

Alamos Energy Corporation  
 Mid-Tex and SSU Employee Expenses Charged Direct to Projects  
 Six Months Ended December 31, 2007

BU	work_order_number	utility_account	Lodgings	Meals & Entertainment	Miscellaneous	Other Employee Expenses	Personal Vehicle Miles	Travel Expense	Grand Total
Note 1: Removed in the Ancillary Adjustment.									

Alamos Energy Corporation  
Mid-Tax and SSU Employee Expenses Charged Direct to Projects  
Six Months Ended December 31, 2007

Shared Services Summary by Plant Account (1):	Meals		Other		Travel Expense	Total	Allocation Factor	Allocated to Mid-Tax
	Lodgings	& Entertainment	Miscellaneous	Employee Expenses				
39000-Structures & Improvements	\$ -	\$ -	\$ -	\$ -	\$ (33.12)	\$ (33.12)	36.88%	\$ (12.21)
38008-Improv. to Leased Premises	-	-	18,413.83	-	33.12	18,446.95	36.88%	7,172.04
39100-Office Furniture & Equipment	-	-	-	-	-	-	36.88%	-
39901-Oth Tang Prop - Servers - H/W	-	-	-	-	-	-	36.88%	-
38807-Oth Tang Prop - PC Software	-	-	-	-	-	-	36.88%	-
39908-Oth Tang Prop - Appl Software	37,935.01	26,633.50	5,586.72	142.00	4,447.45	115,847.82	36.88%	42,724.68
Subtotal	\$ 37,935.01	\$ 26,633.50	\$ 24,980.55	\$ 142.00	\$ 4,447.45	\$ 41,123.14		\$ 49,884.50
Amounts Removed in Ancillary Equipment	-	-	2,632.66	2,859.42	-	5,492.08		2,025.48
Total Shared Services (Co 010)	\$ 37,935.01	\$ 26,633.50	\$ 27,613.21	\$ 3,001.42	\$ 4,447.45	\$ 41,123.14	36.88%	\$ 51,909.98

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Note 1: All General Offices.

Mid-Tax Summary by Plant Account:

(blank)	\$ -	\$ -	\$ -	\$ -	\$ 23.81	\$ 58.20	\$ 82.01
37600-Mains - Cathodic Protection	188.40	51.19	-	-	-	-	239.59
37601-Mains - Steel	1,984.26	2,549.09	194.76	140.67	756.82	221.73	5,847.33
37602-Mains - Plastic	421.84	1,018.76	-	-	21.81	8.19	1,470.60
38000-Services	286.64	321.95	-	-	-	-	618.59
38200-Meter Installations	569.47	3,719.81	14.32	214.27	233.75	985.94	5,737.58
38700-Communication Equipment	89.49	46.00	-	-	-	200.00	335.49
Total Mid-Tax (Co 080)	\$ 3,550.10	\$ 7,706.80	\$ 209.08	\$ 364.94	\$ 1,036.19	\$ 1,474.08	\$ 14,331.17

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