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T.R.A. DOCKET ROOM

IN RE:	)	
	)	
UNITED CITIES GAS COMPANY, a Division of ATMOS ENERGY CORPORATION INCENTIVE PLAN (IPA) AUDIT	)	Consolidated Docket Nos. 01-00704 and 02-00850
	)	
UNITED CITIES GAS COMPANY, a Division of ATMOS ENERGY CORPORATION, PETITION TO AMEND THE PERFORMANCE BASED RATEMAKING MECHANISM RIDER	)	

SUPPLEMENTAL RESPONSE OF ATMOS ENERGY CORPORATION TO THE ATTORNEY GENERAL'S WRITTEN DISCOVERY

At the September 15, 2004 status conference in this matter, the hearing officer ordered Atmos Energy Corporation ("Atmos" or "the Company") to provide supplemental responses to the Written Discovery served by the Tennessee Office of the Attorney General, Consumer Advocate and Protection Division ("CAPD"). The following comprises Atmos' compliance with that order.

II. <u>REQUESTS FOR THE PRODUCTION OF DOCUMENTS AND THINGS</u>

2. Any and all documents reviewed to prepare your answers or responses to these Interrogatories.

RESPONSE: The Company objects to this request on the grounds that the request is vague, overbroad, unduly burdensome and seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.

SUPPLEMENTAL RESPONSE: Per the hearing officer's order, attached are the documents, other than previous filings in this matter, that Atmos relied upon in preparing answers to the Interrogatories. The documents containing confidential information are being produced under seal.

5. Provide copies of emails, notes, reports, or studies which are authored before January 31, 2001 by any AEC employee(s), expert(s), or consultant(s) and which refer to FERC's maximum transportation price.

RESPONSE: Atmos objects to this request on the grounds the request is vague, overbroad, unduly burdensome and seeks information which is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving that objection, Atmos has made a reasonable search of its records and the only documents it discovered responsive to this request are the Company's ACA and PGA filings and quarterly and annual PBR reports, copies of which have previously been provided to the CAPD.

SUPPLEMENTAL RESPONSE: Per the hearing officer's order and agreement of the parties, Atmos is attaching a sample of the ACA, PGA, and PBR filings, copies of which have been previously provided to the CAPD. If necessary, Atmos can make the remainder of the filings available for review by the CAPD at Atmos' offices at a mutually convenient time.

Respectfully submitted,

BAKER, DONELSON, BEARMAN
CALDWELL, & BERKOWITZ, P.C.

By

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Attorneys for Atmos Energy Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served via U.S. Mail, postage prepaid, upon the following this the 20th day of September, 2004:

Russell T. Perkins
Timothy C. Phillips
Office of the Attorney General
Consumer Advocate & Protection Division
P.O. Box 20207
Nashville, TN 37202

Randal L. Gilliam
Staff Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

McGraw-Hill's US Natural Gas Methodology

Prices Reported

Monthly delivered-to-pipeline: First-of-the-month bidweek price reports for 30-day or less spot gas delivered to 46 locations on 25 pipelines Reported for each location is a price range and an index price

The index price is an assessment of the price at which the majority of dealmaking occurred for the delivery location The index is determined by considering the results of a number of statistical calculations on the transactional data -- including the volume-weighted average, the median, the simple average, the mode and other measures of frequency of occurrence -- and our editors' knowledge of dealmaking for the period in the market reported

New pricing points or regions are added to the report as the need is identified and when satisfactory liquidity is created and a sufficient number of price sources is established.

Monthly market-center prices: First-of-the-month bidweek price reports for 30-day or less spot gas delivered at various market centers and distributors' city-gates The city-gate postings for New York/New Jersey, New England, Minnesota and Pacific Northwest represent prices paid by utilities in those markets The postings for the other locations represent transactions by a mix of utilities, end-users, marketers and producers. Reported for each location are a price range and an index price, which represents a weighted-average price of all transactions reported.

The Market Center index price methodology is the same as that for the delivered-to-pipeline table.

Delivered spot gas: First-of-the-month reports for 30-day or less spot gas delivered at burner-tips in industrial markets along the Houston Ship Channel/Beaumont, Texas, region and in Louisiana along the Mississippi River corridor Index price methodology is the same as that for the delivered-to-pipeline table.

Trends: Simple arithmetic averages of previously reported prices delivered to pipeline (six points), at the city-gate (four points) and burner-tip (three points). Figures are provided for the same month in prior years as well as the previous 12 months to show historical trends.

Details on monthly delivered-to-pipeline prices

Prices are obtained firsthand in confidential surveys of actual buyers and sellers conducted by the staff of *Inside FERC's Gas Market Report* Price assessments are based only on our original reporting and do not incorporate publicly available price surveys. Strong emphasis is placed on accuracy and consistency

The current reporting format has been in place since March 1986 The survey sample comprises several hundred sources The sample is composed of large and small gas producers, marketers, brokers, distributors, electric utilities and other end-users Almost all of the sources provide multiple price reports

Most prices are reported to *IFGMR* editors electronically in a database form. In a typical monthly survey, about 7,000 to 9,000 transactions are considered.

Prices are collected from participants only for transactions with which they are directly involved A price, an associated volume, a transaction date and other information are collected for each deal a price source reports Prices reported are for actual spot-gas sales agreements, not for offers or bids *IFGMR* defines a monthly spot transaction as a baseload deal with a 30-day or less term, or a longer term with frequent (30-day or less) negotiated price adjustments.

In its spot-gas surveys, *IFGMR* does not solicit prices derived from basis deals, exchanges of futures for physicals (EFPs) or any other transaction in which the price is derived from something other than negotiation during bidweek With few exceptions, prices are reported delivered to mainline on an MMBtu basis Prices are collected for a wide range of package volume sizes, there is not a standard size unit, such as NYMEX's 10,000 MMBtu.

When price ranges are compiled, if a reported price deviates significantly from others reported for that location and time period, it is not included in the range unless we can be assured that it is for a deal comparable to the others being reported. The number of reports per pipeline/geographic region varies by pipeline and by season, but every effort is made to compile a representative range. For most delivered-to-pipeline pricing points and many of the market-center points, a typical first-of-the-month survey includes hundreds of transactions. A price index is not reported if we cannot obtain a satisfactory number of individual prices for a particular location.

Delivered-to-pipeline prices include any charges for processing, gathering and transportation that may be incurred in moving the gas from the wellhead to the pipeline system The delivered-to-pipeline prices collected from marketers and other resellers of spot gas are their purchase, rather than sales, prices At market centers where a trader may not have a corresponding purchase transaction for each sale, sell prices are used

Monthly prices reported in the first regular issue of the month are for 30-day or less baseload gas flowing on the first day of the pricing month Prices used in the first-of-the-month table are for transactions negotiated during the bidweek immediately prior to the beginning of the pricing month. Bidweek typically is the last five business days of the month when most baseload deals for the next month are negotiated. However, the exact bidweek period can differ by region and by month In the West, for instance, first-of-the-month dealmaking often starts earlier than along the Gulf Coast. To determine the start of bidweek for each pricing point reported, the dated spot transactions are sorted and the day when the surge of dealmaking begins is identified

To ensure that *IFGMR* collects prices for all dealmaking during bidweek -- particularly for late deals done on the final business day of the month -- the monthly surveying is done after nominations are completed on the last business day of the month.

Daily spot-gas prices at market centers and daily delivered-to-pipeline prices

Daily negotiated spot prices for gas to flow the next day are collected from sources for 64 trading points in one of two ways. as single prices with associated volumes or as a price range for multiple transactions done by the source that day and an associated total volume and weighted-average price. Price ranges for all 64 points are published at the end of each day *on Natural Gas Alert* and the following business day in *Platts Energy Trader*

Daily Index prices for 49 of the points where depth of daily trading is adequate to determine a reliable index are also published. The daily indexes also are published in a biweekly summary table in *Inside FERC's Gas Market Report* The index price assessment is derived from the average of the range of all sources' weighted-average prices reported for each point.

The Month Average for each indexed pricing point is the cumulative average of each day's index price to date for the current month The average published on the last day of the month is the full month's average of each day of daily spot trading

As in our monthly bidweek price survey, prices are obtained firsthand in confidential surveys of actual buyers and sellers conducted by the staff of *IFGMR* Price assessments are based only on our original reporting and do not incorporate publicly available price surveys. Strong emphasis is placed on accuracy and consistency. Prices are collected from participants only for transactions with which they are directly involved Prices reported are for actual spot-gas sales agreements, not for offers or bids

National Daily Gas Index
The National Daily Gas Index is an average of 31 daily delivered-to-pipeline spot gas index prices nationwide, in supply basins including Appalachia, the Gulf Coast, the Mid-Continent, the Rocky Mountains and the Canadian border

Publication and reporting standards
Inside FERC's Gas Market Report was established in January 1985 as a sister publication of *Inside FERC*, which has reported on natural gas since January 1979. Both newsletters, along with such standard-setters in other industries as *Platts Oilgram Price Report* and *Power Markets Week*, are published by The McGraw-Hill Companies, a publishing and information-services company whose stock is traded on the New York Stock Exchange.

Supervising *Inside FERC's Gas Market Report* since its inception has been Editorial Director Larry Foster, with the publications since 1980. Pipeline price surveying is regularly conducted by seven staff members, and staff turnover has been minimal. Chief Editor Kelley Doolan, with *IFGMR* since 1986, supervises editors and compiles price reports to assure that surveying and reporting criteria are met at all times

McGraw-Hill written policy prohibits editorial personnel and their spouses from trading in commodities or stocks, bonds or options of companies in the industry covered by their publication Editorial employees also are required to maintain confidentiality of information to be reported until the publication date of the issue.

For more information, contact Kelley Doolan at (202) 383-2145 or Larry Foster at (202) 383-2140.

Appendix D

FERC Ratemaking Process

Appendix D

FERC Ratemaking Process

The Natural Gas Act of 1938 (NGA) gave the Federal Energy Regulatory Commission (FERC) broad authority to regulate the interstate sales and transportation of natural gas FERC ensures that rates are reasonable and nondiscriminatory by presiding over rate hearings During a rate hearing, the pipeline company is required to justify its proposed rates by providing detailed information on its costs and proposed service levels (volume and demand requirements) Before deciding on the appropriate cost and service levels that will be used in determining pipeline company rates, the regulatory process provides all concerned parties the opportunity to present testimony to FERC

The ratemaking process can be separated into five distinct steps

- **Determine the overall costs that should be recovered in the rates.** FERC generally uses a historical cost approach to ratemaking in which actual costs for a recent 12-month period (base period) are adjusted for known and measurable changes expected to occur within nine months of the end of the base period FERC sets up a "test period cost of service" that includes all pipeline company costs of providing service, including a fair return on investment The individual components of the cost of service are discussed in greater detail below

- **Separate the "test period cost of service" into pipeline functions such as gathering, transmission, and storage.**

- **Classify "functionalized" costs into demand and commodity components.** Variable costs, costs that vary with the volume of gas flowing through the pipeline, are classified as the commodity component Depending on FERC's ratemaking goals, fixed, or nonvariable, costs are allocated to the demand and/or commodity component Because the natural gas pipeline industry is very capital intensive, the majority of pipeline company costs are fixed

- **Allocate demand and commodity components among pipeline company services.** Demand costs are traditionally allocated among services based on customer capacity requirements, while commodity costs are allocated on a volumetric basis Part of the allocation process may also incorporate the distance gas travels to the customer

- **Design unit rates.** Unit rates are developed by dividing the allocated demand and commodity costs by billing units for the respective services Rates can be designed to incorporate a one-, two-, or three-part rate structure of billing A one-part rate is designed to recover demand and commodity costs in a single volumetric charge—the customer is billed based on the number of gas units it consumes or transports In a two- or three-part rate structure, reservation rates are designed to recover demand costs while volumetric rates recover commodity costs

Rates are also designed to reflect the pipeline company's quality of service For example, firm service rates recover more of the pipeline company demand costs than interruptible service rates Firm customers have first call on capacity contracted for, while in cases of a shortage, interruptible customers may be bumped from the system Hence, interruptible rates are usually one-part rates that are generally lower and include only a small portion of the demand cost

While this description of the ratemaking process appears fairly straight forward, FERC can influence the ratemaking process to achieve policy goals that are pertinent to prevailing market conditions[98] To achieve policy goals, FERC uses the cost classification aspect of the ratemaking process to classify fixed costs as either demand or commodity or some mixture of the two

During the early 1980's FERC adopted the modified fixed-variable (MFV) method of cost classification MFV classified all fixed costs as demand costs except for the return on equity and related income taxes (and sometimes fixed production and gathering costs) which were classified as commodity costs This had the effect of lowering overall transportation rates FERC adopted the MFV method to promote two goals first, to reduce underutilization of the national natural gas pipeline system and second, to make natural gas more competitive with alternate fuels

In addition to the MFV classification, FERC proposed to split demand costs between two demand components the (D-1) component recovered demand costs through a peak-day charge, and the (D-2) component recovered demand costs through an annual demand charge FERC proposed this change in rate

[98]FERC Docket Nos RM91-11-000 and RM87-34-065, Order No 636, p 120

design to mitigate the cost-shift impact on low-load-factor customers of the move to MFV rates

In 1989 FERC once again reviewed its ratemaking policies in light of institutional changes that were affecting the pipeline industry, such as open-access transportation and the decontrol of natural gas wellhead prices As part of this review, FERC released its *Policy Statement Providing Guidance with Respect to the Designing of Rates*, which evaluated the effectiveness of different aspects of ratemaking in meeting the goals of rationing transportation capacity and maximizing throughput Specifically, FERC discussed seasonal rates, capacity adjustments, discounted transportation, maximum interruptible rates, and the classification of fixed and variable costs to demand and commodity charges In its Policy Statement, FERC suggested that to meet the goals of rationing capacity in peak periods and maximizing throughput, the annual demand component associated with the MFV rate design should be eliminated and costs formerly recovered under the D-2 component be moved to the D-1 component This essentially was a transition to the present practice of using straight fixed-variable (SFV) rate design prompted by Order 636

While the changes in cost allocation and rate design initiated by FERC do not affect the total costs collected by the pipeline company, they do affect the overall unit cost of service charged to the customer For example, the SFV rate design collects a larger share of fixed costs via the capacity reservation charges than does the MFV design As discussed in the corridor rate study, the shift of costs to reservation charges increases the average unit cost of service to customers whose peak requirements are larger than their average annual requirements Therefore, excluding any other changes in costs and services, the switch from MFV to SFV would increase the average unit cost of service to low-load-factor customers

Components of the Pipeline's Cost of Service

The starting point for designing rates is to determine the total cost of service necessary for the pipeline company to provide service to its customers The cost of service contains five base components

- **Return on Rate Base.** The return is calculated by multiplying the allowed rate of return by the company's rate base The rate base is generally calculated as net plant (gross gas plant in service plus construction work in progress less the accumulated depreciation, depletion and amortization) plus prepayments and inventory items (gas stored underground, materials and supplies, etc) less accumulated deferred income taxes The rate base is the foundation on which the natural gas pipeline company earns its profit (return on equity) and its financing costs (return on debt)

- **Operation and Maintenance (O&M) Expenses.** O&M expenses include the labor and materials expenses required for the pipeline company to perform its day-to-day service These expenses are related to the production, distribution, transmission, and storage functions of the pipeline company and include the costs for customer services and administrative and general support

- **Depreciation, Depletion and Amortization (DD&A) Expenses.** This represents a charge or credit to income taken against the decrease in value of an asset over a period of time Some of the factors considered in determining DD&A are wear and tear, obsolescence, and salvage value

- **Income Tax Allowance.** Income tax allowance provides the pipeline company a method to recover the booked cost of Federal and state income tax expenses from its rate payer The income tax allowance is computed by multiplying the return on equity, as adjusted for tax purposes, by an income tax factor The income tax factor is generally computed by dividing the tax rate by one minus the tax rate

- **Other Operating Expenses.** These expense items include taxes other than income taxes, revenue credits, deferred income taxes, and other such miscellaneous expenses

A number of factors have a natural tendency to influence rates over time For example, depreciation of the natural gas plant facilities will tend to reduce rates over time Depreciation reduces the return component of rates by reducing the rate base on which return is computed If pipeline companies did not restore depreciated plants or invest in new plant facilities, rates would decline over time

Increases in any one of the cost items identified above will place upward pressure on average unit rates, while decreases will tend to lower rates However, the ability of a component to affect rates significantly is related to its share of the total cost of service A large decrease in a component does not automatically lead to a large decrease in average unit rates For example, between 1988 and 1994, other expenses almost doubled, however, they represent only a small portion of the total cost of service, and the increases did not dramatically increase average unit rates (Table D1) In fact, the rate base has increased by about $6 billion since 1988

Unlike individual rate components, relative changes in deliveries to customers can and do have significant and inverse effects on average unit rates For example, the 1994 sample average unit rate is $0 59 per thousand cubic feet The unit rate calculated using 1988 volumes is $0 68 per thousand cubic feet This indicates that the 16-percent increase in volumes from 1988 to 1994 results in a 12-percent decrease in average unit rates

Table D1. Aggregate Cost of Service and Rate Components for Major Interstate Pipeline Companies, 1988-1994

	1988	1989	1990	1991	1992	1993	1994
Aggregate Cost of Service (nominal dollars, thousands)							
Return on Rate Base							
Total Rate Base	$20,219,700	$18,943,698	$23,177,756	$25,711,373	$26,307,394	$26,136,744	$25,617,891
Percent Return on Equity	6 43	6 39	6 64	6 62	6 37	6 63	5 74
Percent Return on Debt	5 05	5 30	4 79	4 77	4 27	4 84	4 42
Equity portion of Return	1,300,127	1,210,502	1,539,003	1,702,093	1,675,781	1,732,866	1,470,467
Debt portion of Return	1,021,095	1,004,016	1,110,215	1,226,432	1,123,326	1,265,018	1,132,311
O&M Expenses (excluding cost of gas)	6,965,146	8,035,884	5,514,858	8,411,606	7,162,898	6,794,636	5,419,034
Other Expenses							
Depreciation, Depletion, Amortization	1,550,952	1,343,755	1,348,979	1,301,518	1,118,227	1,528,583	1,307,123
Income Taxes	724,834	681,867	866,395	989,253	1,020,474	1,012,925	847,512
Other Expenses	508,255	733,191	677,666	15,130	739,712	721,141	916,759
Total Aggregate Cost of Service	$12,070,409	$13,009,215	$11,057,116	$13,646,032	$12,840,418	$13,055,171	$11,093,205
Natural Gas Delivered to Consumers (billion cubic feet)	16,320	17,102	16,820	17,305	17,786	18,488	18,851
Unit Rate Components (1994 dollars per thousand cubic feet)							
Total Return on Rate Base	$0 17	$0 15	$0 18	$0 18	$0 16	$0 17	$0 14
O&M Expenses (excluding cost of gas)	0 52	0 55	0 36	0 52	0 42	0 38	0 29
Other Expenses							
Depreciation, Depletion, Amortization	0 12	0 09	0 09	0 08	0 07	0 08	0 07
Income Taxes	0 05	0 05	0 06	0 06	0 06	0 06	0 04
Other Expenses	0 04	0 05	0 04	0 00	0 04	0 04	0 05
Total Unit Cost of Service	$0 90	$0 88	$0 73	$0 85	$0 75	$0 72	$0 59

O&M = Operating and maintenance expenses

Sources 1988-1989 Energy Information Administration, Statistics of Interstate Natural Gas Pipeline Companies 1991 (December 1992)
1990-1994 Federal Energy Regulatory Commission (FERC) Form 2, "Annual Report of Major Natural Gas Companies", Balance Sheet, O&M Expenses and Statement of Income files from FERC Gas Pipeline Data Bulletin Board System
The Federal portion of the income tax expense is calculated by multiplying the equity portion of return by the Federal tax factor

TENNESSEE REGULATORY AUTHORITY

460 James Robertson Parkway
Nashville Tennessee 37243-0505

June 2, 2000

MEMORANDUM

TO: Debra Webb
Dockets

FROM: Pat Murphy PM
Energy and Water Division

SUBJECT: United Cities Gas Company
Request for Docket Number

00-00459

Our division is currently auditing United Cities Gas Company's Incentive Plan Account (IPA) for the period of April 1, 1999, through March 31, 2000 Accordingly, a copy of the Company's IPA filing is attached We, therefore, respectfully request that a docket number for this audit be assigned

Upon assigning a docket number, please advise Betty Patton so that appropriate files may be set up in our division We appreciate your assistance in this matter

Attachment

c Mike Horne
Betty Patton

Pm00-39

United Cities Gas Company

RECEIVED
TN REG. AUTHORITY

MAY 3 0 2000

ENERGY & WATER DIVISION

May 30, 2000

Mr. Michael Horne
Chief, Energy and Water Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Docket 97-01364

Dear Mr. Horne:

Enclosed is United Cities' Annual Report in the above referenced Docket setting forth the shared savings with interest calculation. The factor to be effective October 1, 2000 is also included.

If you have any questions, please do not hesitate to contact me at 615-771-8332

Very truly yours,

Patricia J Childers

Patricia J Childers
Manager - Rates & Regulatory Affairs

Enclosures

Cc Pat Murphy
Alicia Rye

CALCULATION OF PBR RATE INCREMENT OR DECREMENT
FOR THE PERIOD APRIL 1, 1999 TO MARCH 31, 2000

GAS PROCUREMENT SAVINGS DUE COMPANY	$181,884 54	
CAPACITY MANAGEMENT SAVINGS DUE COMPANY	$110,010 91	
INTEREST ON MONTHLY BALANCES	$11,909 43	
TOTAL SAVINGS DUE COMPANY	$303,804.89	
SALES FOR ALL TENNESSEE TOWNS (APRIL 1999 - MARCH 2000)	158,705,444	ccf
RATE INCREMENT EFFECTIVE OCTOBER 1, 2000	$ 0.00191	/ccf

UNITED CITIES GAS COMPANY
CALCULATION OF **PBR** INTEREST
ALL TENNESSEE TOWNS

BEGINNING BALANCE	$0 00
PRE-April 1999 ADJUSTMENTS	$0 00
ADJUSTED BEGINNING BALANCE	$0 00

	BEGINNING BALANCE	GAS PROCUREMENT SAVINGS OR COSTS	CAPACITY MANAGEMENT SAVINGS OR COSTS	ENDING BALANCE	INTEREST
APRIL 1999	$0 00	$16,018 28	$10,493 00	$26,511 28	$85 61
MAY	$26,596 89	$16,396 36	$9,250 56	$52,243 80	$254 59
JUNE	$52,498 39	$16,301 77	$10,028 52	$78,828 67	$424 08
JULY	$79,252 75	$7,964 53	$10,996 90	$98,214 17	$573 07
AUGUST	$98,787 24	$13,366 10	$8,714 56	$120,867 90	$709 30
SEPTEMBER	$121,577 20	$10,914 64	$7,693 79	$140,185 62	$845 28
OCTOBER	$141,030 90	$19,367 06	$8,044 35	$168,442 30	$1,023 84
NOVEMBER	$169,466 14	$8,656 97	$10,690 92	$188,814 03	$1,185 31
DECEMBER	$189,999 34	$19,636 07	$8,120 74	$217,756 15	$1,348 99
JANUARY 2000	$219,105 14	$20,715 23	$8,500 60	$248,320 97	$1,614.57
FEBRUARY	$249,935 54	$20,864 48	$8,967 33	$279,767 35	$1,829 68
MARCH	$281,597 03	$11,683 08	$8,509 66	$301,789.77	$2,015.12
TOTAL		$181,884 54	$110,010 91		$11,909 43

United Cities Gas Company
State of Tennessee
1999/2000 Summary

Performance Based Ratemaking
Gas Procurement - Work Papers

Gas Procurement	Below Band	Above Band	Net for Month	Dth Purchased	Net Incentive Benefits Capacity Rel
April, 1999	32,036 56	0 00	32,036 56	768,391	104,929 98
May	32,792 71	0 00	32,792 71	1,136,056	92,505 55
June	32,603 53	0 00	32,603 53	1,064,665	100,285 22
July	15,929 05	0 00	15,929 05	1,127,864	109,968 95
August	26,732 20	0 00	26,732 20	1,000,137	87,145 55
September	21,829 28	0 00	21,829 28	1,346,308	76,937 85
October	39,849 06	1,114 95	38,734 11	1,443,244	80,443 46
November	17,313 94	0 00	17,313 94	1,351,629	106,909 20
December	39,272 13	0 00	39,272 13	1,304,817	81,207 44
January,2000	41,430 45	0 00	41,430 45	1,826,784	85,006 01
February	41,728 96	0 00	41,728 96	1,914,750	89,673 34
March	23,366 16	0 00	23,366 16	1,097,773	85,096 59
Total	$364,884 03	$1,114 95	$363,769 08 (2)	15,382,417	$1,100,109 14 (1)

Determinants	
Upper Band	102 00%
Lower Band	97 70%
File Name	

	TO DATE Under PBR	To PGA	To UCGC
(1)	Capacity Release	$990,098	$110,011
(2)	Gas Cost - All Pipelines	$181,885	$181,885
	Total	$1,171,983	$291,895
(1)		90%	10%

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	April, 1999
		Page	One

Row (a)	Pipeline (b)	Supplier (c)	Purchase Point (2) (d)	Invoice Volume (MMBTU) (f)	Invoice Price (g)	Inside FERC (h)	NGI (3) (i)	Close NYMEX (j)	Wgtd Avg Adjustment (1) (k)	Avoided Costs (l)	Average Gas Daily or Average Index (m)	Upper Band (n)	Lower Band (o)	Below Band (q)	Above Band (r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1 *	554,871	$ 1 7473	$ 1 8400	$ 1 8100	$ 1 8520	$ -		$ 1 8340	$ 1 8707	$ 1 7918	24,691 76	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	17,765	$ 2 1100	$ 2 0900	$ 2 0800	$ 2 1220	$ -	-	$ 2 0973	$ 2 1393	$ 2 0491	- 0 00	0 00
3															
4	Total Tennessee			572,636										24,691 76	0 00
5															
6	Texas Eastern	Woodward Mktg	STX **	24,632	$ 1 7407	$ 1 8100	$ 1 8000	$ 1 8520	$ -		$ 1 8207	$ 1 8571	$ 1 7788	938 48	0 00
7	Texas Eastern	Woodward Mktg	ETX **	14,059	$ 1 7440	$ 1 8100	$ 1 8100	$ 1 8520	$ -		$ 1 8240	$ 1 8605	$ 1 7820	534 24	0 00
8	Texas Eastern	Woodward Mktg	WLA **	27,742	$ 1 7607	$ 1 8500	$ 1 8200	$ 1 8520	$ -		$ 1 8407	$ 1 8775	$ 1 7983	1,043 10	0 00
9	Texas Eastern	Woodward Mktg	ELA **	103,791	$ 1 7707	$ 1 8600	$ 1 8400	$ 1 8520	$ -		$ 1 8507	$ 1 8877	$ 1 8081	3 881 78	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ -	$ 1 8550	$ 1 8300	$ 1 8520	$ -		$ 1 8457	$ 1 8826	$ 1 8032	0 00	0 00
11															
12	Total Texas Eastern			170,224										6,397 60	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	0	$ -	$ 1 8600	$ 1 8600	$ 1 8520	$ -		$ 1 8573	$ 1 8945	$ 1 8146	0 00	0 00
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ -	$ 1 8600	$ 1 8600	$ 1 8520	$ -		$ 1 8573	$ 1 8945	$ 1 8146	0 00	0 00
16															
17	Total Columbia Gulf			0										0 00	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 1 8700	$ 1 8800	$ 1 8520	$ -		$ 1 8673	$ 1 9047	$ 1 8244	0 00	0 00
20															
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	25,531	$ 1 7840	$ 1 8700	$ 1 8700	$ 1 8520	$ -		$ 1 8640	$ 1 9013	$ 1 8211	947 20	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	0	$ -	$ -	$ -	$ 1 8520	$ -		$ 0 6173	$ -	$ 0 6297	0 00	0 00
25															
26	Total Texas Gas			25,531										947 20	0 00
27															
28															
29	Total All Pipelines			768,391										$32 036 56	$0 00

30

31 **Notes** — * Volume adjustment per pipeline

32 ** AS INVOICED Do not change

33 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

34 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

35 (3) TGP/CNG supply index is the NGI CNG Appalachian

36 Tennessee Capacity for NORA is $ 243 (FTA rate)

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 24 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	May, 1999
		Page	One

Row (a)	Pipeline (b)	Supplier (c)	Purchase Point (2) (d)	Invoice Volume (MMBTU) (f)	Invoice Price (g)	Inside FERC (h)	NGI (3) (i)	Close NYMEX (j)	Wgtd Avg Adjustment (1) (k)	Avoided Costs (l)	Average Gas Daily or Average Index (m)	Upper Band (n)	Lower Band (o)	Below Band (q)	Above Band (r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	574,188	$ 2 2237	$ 2 3000	$ 2 2900	$ 2 3480	$ -		$ 2 3127	$ 2 3589	$ 2 2595	20,555 92	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	17,770	$ 2 5700	$ 2 5100	$ 2 5200	$ 2 6180	$ -		$ 2 5493	$ 2 6003	$ 2 4907	0 00	0 00
3															
4	Total Tennessee			591,958				-						20 555 92	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	11,663	$ 2 2394	$ 2 2800	$ 2 2700	$ 2 3480	$ -		$ 2 2993	$ 2 3453	$ 2 2464	81 64	0 00
7	Texas Eastern	Woodward Mktg	ETX	6 735	$ 2 2394	$ 2 2900	$ 2 2800	$ 2 3480	$ -		$ 2 3060	$ 2 3521	$ 2 2530	91 59	0 00
8	Texas Eastern	Woodward Mktg	WLA	13,242	$ 2 2394	$ 2 3100	$ 2 3000	$ 2 3480	$ -		$ 2 3193	$ 2 3657	$ 2 2660	352 25	0 00
9	Texas Eastern	Woodward Mktg	ELA	49 716	$ 2 2394	$ 2 3200	$ 2 3100	$ 2 3480	$ -		$ 2 3260	$ 2 3725	$ 2 2725	1 645 59	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	75,112	$ 2 3150	$ 2 3150	$ 2 3050	$ 2 3480	$ -		$ 2 3227	$ 2 3691	$ 2 2692	0 00	0 00
11															
12	Total Texas Eastern			156,468										2 089 43	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	151,084	$ 2 2560	$ 2 3300	$ 2 3300	$ 2 3480	$ -		$ 2 3360	$ 2 3827	$ 2 2823	3,973 51	0 00
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ 2 2560	$ 2 3300	$ 2 3300	$ 2 3480	$ -		$ 2 3360	$ 2 3827	$ 2 2823	0 00	0 00
16															
17	Total Columbia Gulf			151,084										3 973 51	0
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 2 3500	$ 2 3400	$ 2 3480	$ -		$ 2 3460	$ 2 3929	$ 2 2920	0 00	0 00
20	Matthews, J														
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	9,719	$ 2 2627	$ 2 3400	$ 2 3400	$ 2 3480	$ -		$ 2 3427	$ 2 3895	$ 2 2888	253 67	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	226,827	$ 2 2627	$ 2 3400	$ 2 3400	$ 2 3480	$ -		$ 2 3427	$ 2 3895	$ 2 2888	5,920 18	0 00
25															
26	Total Texas Gas			236,546										6,173 85	0 00
27															
28															
29	Total All Pipelines			1,136,056										$32,792 71	$0 00
30															
31															
32															
33															

34 **Notes**

35

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 Tennessee Capacity for NORA is $ 235 (FTA rate)

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants	
Upper Band	102 00%
Lower Band	97 70%
Company Split	50 00%
Rolling Avg Adjust Well Purch	$0 0000

Date	05/30/00
Time	12 19 PM
File	
Month	June, 1999
Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1 *	572,012	$ 2 0920	$ 2 1600	$ 2 1500	$ 2 2260	$ -		$ 2 1787	$ 2 2222	$ 2 1286	20,935 64	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	18,332	$ 2 4300	$ 2 3500	$ 2 3500	$ 2 4960	$ -		$ 2 3987	$ 2 4466	$ 2 3435	0 00	0 00
3															
4	Total Tennessee			590,345										20,935 64	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	7 449	$ 2 1077	$ 2 1400	$ 2 1400	$ 2 2260	$ -		$ 2 1687	$ 2 2120	$ 2 1188	82 68	0 00
7	Texas Eastern	Woodward Mktg	ETX	4,301	$ 2 1077	$ 2 1500	$ 2 1500	$ 2 2260	$ -		$ 2 1753	$ 2 2188	$ 2 1253	75 70	0 00
8	Texas Eastern	Woodward Mktg	WLA	8,458	$ 2 1077	$ 2 1600	$ 2 1600	$ 2 2260	$ -		$ 2 1820	$ 2 2256	$ 2 1318	203 84	0 00
9	Texas Eastern	Woodward Mktg	ELA	31 754	$ 2 1077	$ 2 1800	$ 2 1800	$ 2 2260	$ -		$ 2 1953	$ 2 2392	$ 2 1448	1,178 07	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	72 691	$ 2 1700	$ 2 1700	$ 2 1700	$ 2 2260	$ -		$ 2 1887	$ 2 2324	$ 2 1383	0 00	0 00
11															
12															
13	Total Texas Eastern			124,653										1,457 61	0 00
14															
15	Columbia Gulf	Woodward Mktg	Onshore	119,767	$ 2 1287	$ 2 2000	$ 2 2000	$ 2 2260	$ -		$ 2 2087	$ 2 2528	$ 2 1579	3,497 20	0 00
16	Columbia Gulf	Woodward Mktg	Onshore	0	$ 2 1287	$ 2 2000	$ 2 2000	$ 2 2260	$ -		$ 2 2087	$ 2 2528	$ 2 1579	0 00	0 00
17															
18	Total Columbia Gulf			119,767										3,497 20	0 00
19															
20	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 2 0100	$ 2 0100	$ 2 2260	$ -		$ 2 0820	$ 2 1236	$ 2 0341	0 00	0 00
21															
22	Total Southern Natural			0										0 00	0 00
23															
24	Texas Gas	Woodward Mktg	Zone SL	10,390	$ 2 1287	$ 2 2000	$ 2 2000	$ 2 2260	$ -		$ 2 2087	$ 2 2528	$ 2 1579	303 39	0 00
25	Texas Gas - Storage	Woodward Mktg	Zone SL	219 510	$ 2 1287	$ 2 2000	$ 2 2000	$ 2 2260	$ -		$ 2 2087	$ 2 2528	$ 2 1579	6,409 69	0 00
26															
27	Total Texas Gas			229 900										6,713 08	0 00
28															
29															
30	Total All Pipelines			1,064,665										$32 603 53	$0 00
31															
32				* Volume adjustment per pipeline											
33															
34															

35 **Notes**

36

37 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

38 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

39 (3) TGP/CNG supply index is the NGI CNG Appalachian

40 Tennessee Capacity for NORA is $ 243 (FTA rate)

United Cities Gas ᴗompany

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants				
Upper Band	102 00%		Date	05/30/00
Lower Band	97 70%		Time	12 19 PM
Company Split	50 00%		File	
Rolling Avg Adjust Well Purch	$0 0000		Month	July, 1999
			Page	One

Row (a)	Pipeline (b)	Supplier Name (c)	Purchase Point (2) (d)	Invoice Volume (MMBTU) (f)	Invoice Price (g)	Inside FERC (h)	NGI (3) (i)	Close NYMEX (j)	Wgtd Avg Adjustment (1) (k)	Avoided Costs (l)	Average Gas Daily or Average Index (m)	Upper Band (n)	Lower Band (o)	Below Band (q)	Above Band (r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	582 344	$ 2 1395	$ 2 2100	$ 2 1500	$ 2 2620	$ -		$ 2 2073	$ 2 2515	$ 2 1566	9,958 09	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	18 022	$ 2 4800	$ 2 4800	$ 2 4200	$ 2 5320	$ -		$ 2 4773	$ 2 5269	$ 2 4204	0 00	0 00
3															
4	Total Tennessee			600,367										9,958 09	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	6,998	$ 2 1508	$ 2 1800	$ 2 1400	$ 2 2620	$ -		$ 2 1940	$ 2 2379	$ 2 1435	0 00	0 00
7	Texas Eastern	Woodward Mktg	ETX	4 041	$ 2 1508	$ 2 2000	$ 2 1500	$ 2 2620	$ -		$ 2 2040	$ 2 2481	$ 2 1533	10 10	0 00
8	Texas Eastern	Woodward Mktg	WLA	7 945	$ 2 1508	$ 2 2200	$ 2 1600	$ 2 2620	$ -		$ 2 2140	$ 2 2583	$ 2 1631	97 72	0 00
9	Texas Eastern	Woodward Mktg	ELA	29,830	$ 2 1508	$ 2 2300	$ 2 1800	$ 2 2620	$ -		$ 2 2240	$ 2 2685	$ 2 1728	656 26	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	75 112	$ 2 2250	$ 2 2250	$ 2 1700	$ 2 2620	$ -		$ 2 2190	$ 2 2634	$ 2 1680	0 00	0 00
11															
12	Total Texas Eastern			123 926										764 08	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	118 938	$ 2 1673	$ 2 2400	$ 2 2000	$ 2 2620	$ -		$ 2 2340	$ 2 2787	$ 2 1826	1 819 75	0 00
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ -	$ 2 2400	$ 2 2000	$ 2 2620	$ -		$ 2 2340	$ 2 2787	$ 2 1826	0 00	0 00
16															
17	Total Columbia Gulf			118 938										1 819 75	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 2 2600	$ 2 2100	$ 2 2620	$ -		$ 2 2440	$ 2 2889	$ 2 1924	0 00	0 00
20															
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	57 806	$ 2 1707	$ 2 2400	$ 2 2000	$ 2 2620	$ -		$ 2 2340	$ 2 2787	$ 2 1826	687 89	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	* 226 827	$ 2 1707	$ 2 2400	$ 2 2000	$ 2 2620	$ -		$ 2 2340	$ 2 2787	$ 2 1826	2 699 24	0 00
25															
26	Total Texas Gas			284,633										3,387 13	0 00
27															
28															
29	Total All Pipelines			1,127,864										$15 929 05	$0 00

30

31

32 * Volume correction due to omission of volume for one day

33

34 **Notes**

35

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 Index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 Tennessee Capacity for NORA is $ 235 (FTA rate)

40

41

42

43

United Cities Gas ᴗompany

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants	
Upper Band	102 00%
Lower Band	97 70%
Company Split	50 00%
Rolling Avg Adjust Well Purch	$0 0000

Date	05/30/00
Time	12 19 PM
File	
Month	August, 1999
Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	* 590 425	$ 2 4792	$ 2 5400	$ 2 5700	$ 2 6010	$ -		$ 2 5703	$ 2 6217	$ 2 5112	18 893 59	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	18 260	$ 2 8100	$ 2 8100	$ 2 8400	$ 2 8710	$ -		$ 2 8403	$ 2 8971	$ 2 7750	0 00	0 00
3															
4	Total Tennessee			608 685										18,893 59	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	7,464	$ 2 4924	$ 2 5200	$ 2 5300	$ 2 6010	$ -		$ 2 5503	$ 2 6013	$ 2 4917	0 00	0 00
7	Texas Eastern	Woodward Mktg	ETX	4,310	$ 2 4924	$ 2 5300	$ 2 5400	$ 2 6010	$ -		$ 2 5570	$ 2 6081	$ 2 4982	25 00	0 00
8	Texas Eastern	Woodward Mktg	WLA	8,475	$ 2 4924	$ 2 5500	$ 2 5600	$ 2 6010	$ -		$ 2 5703	$ 2 6217	$ 2 5112	159 33	0 00
9	Texas Eastern	Woodward Mktg	ELA	31,818	$ 2 4924	$ 2 5700	$ 2 5700	$ 2 6010	$ -		$ 2 5803	$ 2 6319	$ 2 5210	910 00	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	75,112	$ 2 5600	$ 2 5600	$ 2 5650	$ 2 6010	$ -		$ 2 5753	$ 2 6268	$ 2 5161	0 00	0 00
11															
12	Total Texas Eastern			127,180										1 094 33	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	122,049	$ 2 5137	$ 2 5800	$ 2 6000	$ 2 6010	$ -		$ 2 5937	$ 2 6455	$ 2 5340	2,477 59	0 00
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ -	$ 2 5800	$ 2 6000	$ 2 6010	$ -		$ 2 5937	$ 2 6455	$ 2 5340	0 00	0 00
16															
17	Total Columbia Gulf			122 049										2,477 59	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 2 6000	$ 2 6000	$ 2 6010	$ -		$ 2 6003	$ 2 6523	$ 2 5405	0 00	0 00
20															
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	3 200	$ 2 5170	$ 2 5900	$ 2 6300	$ 2 6010	$ -		$ 2 6070	$ 2 6591	$ 2 5470	96 00	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	139 023	$ 2 5170	$ 2 5900	$ 2 6300	$ 2 6010	$ -		$ 2 6070	$ 2 6591	$ 2 5470	4 170 69	0 00
25															
26	Total Texas Gas			142 223										4 266 69	0 00
27															
28															
29	Total All Pipelines			1,000 137										$26,732 20	$0 00

* Volume adjustment per pipeline

34 Notes

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 Tennessee Capacity for NORA is $ 235 (FTA rate)

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	September, 1999
		Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)
	Spot Calculation (monthly)														
1	Tennessee (LA)	Woodward Mktg	Zone 1	718,701	$ 2 7617	$ 2 8300	$ 2 8000	$ 2 9120	$ -		$ 2 8473	$ 2 9043	$ 2 7818	14,445 90	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	18 040	$ 3 1000	$ 3 1000	$ 3 0700	$ 3 1820	$ -		$ 3 1173	$ 3 1797	$ 3 0456	0 00	0 00
3															
4	Total Tennessee			736,741										14,445 90	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	6 998	$ 2 7632	$ 2 8000	$ 2 7900	$ 2 9120	$ -		$ 2 8340	$ 2 8907	$ 2 7688	39 19	0 00
7	Texas Eastern	Woodward Mktg	ETX	4 041	$ 2 7632	$ 2 7900	$ 2 8000	$ 2 9120	$ -		$ 2 8340	$ 2 8907	$ 2 7688	22 63	0 00
8	Texas Eastern	Woodward Mktg	WLA	7,945	$ 2 7632	$ 2 8100	$ 2 8000	$ 2 9120	$ -		$ 2 8407	$ 2 8975	$ 2 7753	96 14	0 00
9	Texas Eastern	Woodward Mktg	ELA	29,830	$ 2 7632	$ 2 8200	$ 2 8100	$ 2 9120	$ -		$ 2 8473	$ 2 9043	$ 2 7818	554 83	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	72,691	$ 2 8150	$ 2 8150	$ 2 8050	$ 2 9120	$ -		$ 2 8440	$ 2 9009	$ 2 7786	0 00	0 00
11															
12	Total Texas Eastern			121 505										673 60	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	116 657	$ 2 7973	$ 2 8600	$ 2 8600	$ 2 9120	$ -		$ 2 8773	$ 2 9349	$ 2 8112	1 621 53	0 00
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ 2 7973	$ 2 8600	$ 2 8600	$ 2 9120	$ -		$ 2 8773	$ 2 9349	$ 2 8112	0 00	0 00
16															
17	Total Columbia Gulf			116 657										1 621 53	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ -	$ 2 8700	$ 2 8800	$ 2 9120	$ -		$ 2 8873	$ 2 9451	$ 2 8209	0 00	0 00
20															
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	107 945	$ 2 8040	$ 2 8700	$ 2 8700	$ 2 9120	$ -		$ 2 8840	$ 2 9417	$ 2 8177	1,478 85	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	* 263,460	$ 2 8040	$ 2 8700	$ 2 8700	$ 2 9120	$ -		$ 2 8840	$ 2 9417	$ 2 8177	3 609 40	0 00
25															
26	Total Texas Gas			371,405										5,088 25	0 00
27															
28															
29	Total All Pipelines			1,346,308										$21,829 28	$0 00

30

31 * Volume Adjustment due to omission of last three days of Barnsley volumes Price is same

32

33

34 **Notes**

35

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 Tennessee Capacity for NORA is $ 243 (FTA rate)

40

41

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	October, 1999
		Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band	
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)	
	Spot Calculation (monthly)															
1	Tennessee	Woodward Mktg	Zone 1	719 505	$ 2 4066	$ 2 4700	$ 2 4700	$ 2 5600	$ -		$ 2 5000	$ 2 5500	$ 2 4425	25,830 23	0 00	25 830 23
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	28 984	$ 2 7400	$ 2 7400	$ 2 7400	$ 2 8300	$ -		$ 2 7700	$ 2 8254	$ 2 7063	0 00	0 00	
3																
4	Total Tennessee			748,489										25 830 23	0 00	
5																
6	Texas Eastern	Woodward Mktg	STX	22 160	$ 2 4129	$ 2 4300	$ 2 4300	$ 2 5600	$ -		$ 2 4733	$ 2 5228	$ 2 4164	77 56	0 00	
7	Texas Eastern	Woodward Mktg	ETX	12 796	$ 2 4129	$ 2 4200	$ 2 4400	$ 2 5600	$ -		$ 2 4733	$ 2 5228	$ 2 4164	44 79	0 00	
8	Texas Eastern	Woodward Mktg	WLA	25 160	$ 2 4129	$ 2 4600	$ 1 9600	$ 2 5600	$ -		$ 2 3267	$ 2 3732	$ 2 2732	0 00	998 87	
9	Texas Eastern	Woodward Mktg	ELA	94 431	$ 2 4129	$ 2 4700	$ 2 4700	$ 2 5600	$ -		$ 2 5000	$ 2 5500	$ 2 4425	2 795 16	0 00	
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	34 141	$ 2 4650	$ 2 4650	$ 2 2150	$ 2 5600	$ -		$ 2 4133	$ 2 4616	$ 2 3578	0 00	116 08	
11																
12	Total Texas Eastern			188 689										2 917 51	1 114 95	
13																
14	Columbia Gulf	Woodward Mktg	Onshore	184 836	$ 2 4433	$ 2 5100	$ 2 5000	$ 2 5600	$ -		$ 2 5233	$ 2 5738	$ 2 4653	4 066 39	0 00	
15	Columbia Gulf	Woodward Mktg	Onshore	0	$ 2 4433	$ 2 5100	$ 2 5000	$ 2 5600	$ -		$ 2 5233	$ 2 5738	$ 2 4653	0 00	0 00	
16																
17	Total Columbia Gulf			184 836										4 066 39	0 00	
18																
19	Southern Natural	Woodward Mktg	Louisiana	0	$ 2 5100	$ 2 5200	$ 2 5300	$ 2 5600	$ -		$ 2 5367	$ 2 5874	$ 2 4783	0 00	0 00	
20																
21	Total Southern Natural			0										0 00	0 00	
22																
23	Texas Gas	Woodward Mktg	Zone SL	50,476	$ 2 4467	$ 2 5100	$ 2 5100	$ 2 5600	$ -		$ 2 5267	$ 2 5772	$ 2 4686	1 105 42	0 00	
24	Texas Gas - Storage	Woodward Mktg	Zone SL	270 754	$ 2 4467	$ 2 5100	$ 2 5100	$ 2 5600	$ -		$ 2 5267	$ 2 5772	$ 2 4686	5 929 51	0 00	
25																
26	Total Texas Gas			321 230										7,034 93	0 00	
27																
28																
29	Total All Pipelines			1,443 244										$39 849 06	$1 114 95	
30																
31																
32																
33																

34 Notes

35

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 Tennessee Capacity for NORA is $ 235 (FTA rate)

40

41

United Cities Gas ◡ompany

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	**November, 1999**
		Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band	
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)	
	Spot Calculation (monthly)															
1	Tennessee	Woodward Mktg	Zone 1	91 746	$ 2 9173	$ 2 9700	$ 2 9700	$ 3 0920	$ -		$ 3 0107	$ 3 0709	$ 2 9414	2 211 07	0 00	2 211
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	0	$	$ 3 2400	$ 3 2400	$ 3 3620	$ -		$ 3 2807	$ 3 3463	$ 3 2052	0 00	0 00	
3																
4	Total Tennessee			91 746										2 211 07	0 00	
5																
6	Texas Eastern	Woodward Mktg	STX	81 266	$ 2 9344	$ 2 9300	$ 2 9400	$ 3 0920	$ -		$ 2 9873	$ 3 0471	$ 2 9186	0 00	0 00	
7	Texas Eastern	Woodward Mktg	ETX	46 925	$ 2 9344	$ 2 9400	$ 2 9400	$ 3 0920	$ -		$ 2 9907	$ 3 0505	$ 2 9219	0 00	0 00	
8	Texas Eastern	Woodward Mktg	WLA	92 269	$ 2 9344	$ 2 9700	$ 2 9900	$ 3 0920	$ -		$ 3 0173	$ 3 0777	$ 2 9479	1 245 64	0 00	
9	Texas Eastern	Woodward Mktg	ELA	346 301	$ 2 9344	$ 2 9900	$ 2 9900	$ 3 0920	$ -		$ 3 0240	$ 3 0845	$ 2 9544	6 926 02	0 00	
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ -	$ 2 9800	$ 2 9900	$ 3 0920	$ -		$ 3 0207	$ 3 0811	$ 2 9512	0 00	0 00	
11																
12	Total Texas Eastern			566 762										8 171 66	0 00	
13																
14	Columbia Gulf	Woodward Mktg	Onshore	31 108	$ 2 9640	$ 3 0200	$ 3 0200	$ 3 0920	$ -		$ 3 0440	$ 3 1049	$ 2 9740	311 08	0 00	
15	Columbia Gulf/Tennessee	Woodward Mktg	Onshore	617 349	$ 2 9640	$ 3 0200	$ 3 0200	$ 3 0920	$ -		$ 3 0440	$ 3 1049	$ 2 9740	6 173 49	0 00	
16																
17	Total Columbia Gulf			648,457										6 484 57	0 00	
18																
19	Southern Natural	Woodward Mktg	Louisiana	0	$ 2 9700	$ 3 0200	$ 3 0400	$ 3 0920	$ -		$ 3 0507	$ 3 1117	$ 2 9805	0 00	0 00	
20																
21	Total Southern Natural			0										0 00	0 00	
22																
23	Texas Gas	Woodward Mktg	Zone SL	44 664	$ 2 9607	$ 3 0100	$ 3 0200	$ 3 0920	$ -		$ 3 0407	$ 3 1015	$ 2 9707	446 64	0 00	
24	Texas Gas Storage	Woodward Mktg	Zone SL	0	$ -	$ 3 0100	$ 3 0200	$ 3 0920	$ -		$ 3 0407	$ 3 1015	$ 2 9707	0 00	0 00	
25																
26	Total Texas Gas			44 664										446 64	0 00	
27																
28																
29	Total All Pipelines			**1,351,629**										**$17 313 94**	**$0 00**	
30																
31																
32																

33 **Notes**

34

35 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

36 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

37 (3) TGP/CNG supply index is the NGI CNG Appalachian

38 Tennessee Capacity for NORA is $ 235 (FTA rate)

39

40

41

42

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	December, 1999
		Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	(r)
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	0	$ 1 9977	$ 2 0700	$ 2 0700	$ 2 1200	$ -		$ 2 0867	$ 2 1284	$ 2 0387	0 00	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	0	$ 1 9977	$ 2 3400	$ 2 3400	$ 2 3900	$ -		$ 2 3567	$ 2 4038	$ 2 3025	0 00	0 00
3															
4	Total Tennessee			0										0 00	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	63 448	$ 2 0037	$ 2 0200	$ 2 0300	$ 2 1200	$ -		$ 2 0567	$ 2 0978	$ 2 0094	361 65	0 00
7	Texas Eastern	Woodward Mktg	ETX	36,636	$ 2 0037	$ 2 0300	$ 2 0300	$ 2 1200	$ -		$ 2 0600	$ 2 1012	$ 2 0126	326 06	0 00
8	Texas Eastern	Woodward Mktg	WLA	72,038	$ 2 0037	$ 2 0700	$ 2 0700	$ 2 1200	$ -		$ 2 0867	$ 2 1284	$ 2 0387	2,521 33	0 00
9	Texas Eastern	Woodward Mktg	ELA	270,370	$ 2 0037	$ 2 0900	$ 2 0700	$ 2 1200	$ -		$ 2 0933	$ 2 1352	$ 2 0452	11,220 34	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ 2 0037	$ 2 0900	$ 2 0700	$ 2 1200	$ -		$ 2 0933	$ 2 1352	$ 2 0452	0 00	0 00
11															
12	Total Texas Eastern			442,492										14,429 38	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	48,218	$ 2 0333	$ 2 1100	$ 2 1100	$ 2 1200	$ -		$ 2 1133	$ 2 1556	$ 2 0647	1,514 05	0 00
15	Columbia Gulf/Tennessee	Woodward Mktg	Onshore	628,274	$ 2 0333	$ 2 1100	$ 2 1100	$ 2 1200	$ -		$ 2 1133	$ 2 1556	$ 2 0647	19,727 79	0 00
	Columbia Gulf/Tennessee	Woodward Mktg	Onshore	33 245	$ 2 0333	$ 2 1100	$ 2 1100	$ 2 1200	$ -		$ 2 1133	$ 2 1556	$ 2 0647	1 043 89	0 00
16															
17	Total Columbia Gulf			676,492										22 285 73	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	104,139	$ 2 5047	$ 2 1400	$ 2 1400	$ 2 1200	$ -		$ 2 5047	$ 2 5548	$ 2 4471	0 00	0 00
20															
21	Total Southern Natural			104 139										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	81 694	$ 2 0367	$ 2 1200	$ 2 1100	$ 2 1200	$ -		$ 2 1167	$ 2 1590	$ 2 0680	2 557 02	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	0	$ -	$ -	$ -	$ 2 1200	$ -		$ 0 7067	$ 0 7208	$ 0 6904	0 00	00
25															
26	Total Texas Gas			81,694										2,557 02	0 00
27															
28															
29	Total All Pipelines			1,304,817										$39,272 13	$0 00
30															
31															

32 **Notes**

33

34 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

35 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

36 (3) TGP/CNG supply index is the NGI CNG Appalachian

37 (4) All requirements were taken from storage

United Cities Gas Company

For the Tennessee Regulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

January, 2000

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	January, 2000
		Page	One

Row (a)	Pipeline (b)	Supplier Name (c)	Purchase Point (2) (d)	Invoice Volume (MMBTU) (f)	Invoice Price (g)	Inside FERC (h)	NGI (3) (i)	Close NYMEX (j)	Wgtd Avg Adjustment (1) (k)	Avoided Costs (l)	Average Gas Daily or Average Index (m)	Upper Band (n)	Lower Band (o)	Below Band (q)	Above Band (r)
	Spot Calculation (monthly)														
•••															
1	Tennessee (Incremental)	Woodward Mktg	Zone 1	61,050	$ 2 7959	$ 2 3000	$ 2 3100	$ 2 3440	$ -		$ 2 3180	$ 2 3644	$ 2 2647	0 00	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	0	$ -	$ 2 5700	$ 2 5800	$ 2 6140	$ -		$ 2 5880	$ 2 6398	$ 2 6398	0 00	0 00
3															
4	Total Tennessee			61 050										0 00	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	72 847	$ 2 2350	$ 2 2600	$ 2 2600	$ 2 3440	$ -		$ 2 2880	$ 2 3338	$ 2 2354	29 14	0 00
7	Texas Eastern	Woodward Mktg	ETX	42 064	$ 2 2350	$ 2 2700	$ 2 2800	$ 2 3440	$ -		$ 2 2980	$ 2 3440	$ 2 2451	424 85	0 00
8	Texas Eastern	Woodward Mktg	WLA	82,710	$ 2 2350	$ 2 2900	$ 2 3000	$ 2 3440	$ -		$ 2 3113	$ 2 3576	$ 2 2582	1,918 88	0 00
9	Texas Eastern	Woodward Mktg	ELA	310,521	$ 2 2350	$ 2 3100	$ 2 3000	$ 2 3440	$ -		$ 2 3180	$ 2 3644	$ 2 2647	9,222 48	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ 2 2350	$ 2 3000	$ 2 3000	$ 2 3440	$ -		$ 2 3147	$ 2 3610	$ 2 2614	0 00	0 00
11															
12	Total Texas Eastern			508 143										11,595 35	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	257 163	$ 2 2513	$ 2 3200	$ 2 3300	$ 2 3440	$ -		$ 2 3313	$ 2 3780	$ 2 2777	6,789 10	0 00
15	Columbia Gulf/Tennessee	Woodward Mktg	Onshore	739,177	$ 2 2513	$ 2 3200	$ 2 3300	$ 2 3440	$ -		$ 2 3313	$ 2 3780	$ 2 2777	19 514 28	0 00
	Columbia Gulf/Tennessee	Woodward Mktg	Onshore	60 167	$ 2 2513	$ 2 3200	$ 2 3300	$ 2 3440	$ -		$ 2 3313	$ 2 3780	$ 2 2777	1,588 42	0 00
16															
17	Total Columbia Gulf			996 340										27,891 80	
18															
19	***Southern Natural	Woodward Mktg	Louisiana	187 641	$ 2 6230	$ 2 3500	$ 2 3500	$ 2 3440	$ -		$ 2 6230	$ 2 6755	$ 2 5627	0 00	0 00
20															
21	Total Southern Natural			187,641										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	73 610	$ 2 2513	$ 2 3200	$ 2 3300	$ 2 3440	$ -		$ 2 3313	$ 2 3780	$ 2 2777	1 943 30	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	0	$ 2 2513	$ 2 3200	$ 2 3300	$ 2 3440	$ -		$ 2 3313	$ 2 3780	$ 2 2777	0 00	0 00
25															
26	Total Texas Gas			73 610										1,943 30	0 00
27															
28															
29	SUB Total All Pipelines			1 826,784										$41,430 45	$0 00
30															
31															

32 **Notes**

33

34 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

35 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

United Cities Gas Company

For the Tennessee gulatory Authority

Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants	
Upper Band	102 00%
Lower Band	97 70%
Company Split	50 00%
Rolling Avg Adjust Well Purch	$0 0000

Date	05/30/00
Time	12 19 PM
File	
Month	**February, 2000**
Page	One

Row (a)	Pipeline (b)	Supplier Name (c)	Purchase Point (2) (d)	Invoice Volume (MMBTU) (f)	Invoice Price (g)	Inside FERC (h)	NGI (3) (i)	Close NYMEX (j)	Wgtd Avg Adjustment (1) (k)	Avoided Costs (l)	Average Gas Daily or Average Index (m)	Upper Band (n)	Lower Band (o)	Below Band (q)	Above Band
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	157,418	$ 2 4857	$ 2 5800	$ 2 5700	$ 2 6100	$ -		$ 2 5867	$ 2 6384	$ 2 5272	6,532 84	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	0	$ -	$ 2 8500	$ 2 8400	$ 2 8800	$ -		$ 2 8567	$ 2 9138	$ 2 9138	0 00	0 00
3															
4	Total Tennessee			157,418										6 532 84	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	70 346	$ 2 5022	$ 2 5200	$ 2 5100	$ 2 6100	$ -		$ 2 5467	$ 2 5976	$ 2 4881	0 00	0 00
7	Texas Eastern	Woodward Mktg	ETX	40,620	$ 2 5022	$ 2 5400	$ 2 5300	$ 2 6100	$ -		$ 2 5600	$ 2 6112	$ 2 5011	0 00	0 00
8	Texas Eastern	Woodward Mktg	WLA	79 870	$ 2 5022	$ 2 5700	$ 2 5900	$ 2 6100	$ -		$ 2 5900	$ 2 6418	$ 2 5304	2 252 34	0 00
9	Texas Eastern	Woodward Mktg	ELA	299 858	$ 2 5022	$ 2 5800	$ 2 5900	$ 2 6100	$ -		$ 2 5933	$ 2 6452	$ 2 5337	9 445 53	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ -	$ 2 5750	$ 2 5900	$ 2 6100	$ -		$ 2 5917	$ 2 6435	$ 2 5321	0 00	0 00
11															
12	Total Texas Eastern			490 694										11 697 87	00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	105 250	$ 2 5167	$ 2 5900	$ 2 5900	$ 2 6100	$ -		$ 2 5967	$ 2 6486	$ 2 5369	2 126 05	0 00
15	Columbia Gulf/Tenness	Woodward Mktg	Onshore	1 014,629	$ 2 5167	$ 2 5900	$ 2 5900	$ 2 6100	$ -		$ 2 5967	$ 2 6486	$ 2 5369	20 495 50	0 00
16															
17	Total Columbia Gulf			1 119 879										22 621 55	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	103,359	$ 2 7964	$ 2 6200	$ 2 6300	$ 2 6100	$ -		$ 2 7964	$ 2 8523	$ 2 7321	0 00	
20															
21	Total Southern Natural			103 359										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	43 401	$ 2 5200	$ 2 5900	$ 2 6000	$ 2 6100	$ -		$ 2 6000	$ 2 6520	$ 2 5402	876 70	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	0	$ -	$ 2 5900	$ 2 6000	$ 2 6100	$ -		$ 2 6000	$ 2 6520	$ 2 5402	0 00	0 00
25															
26	Total Texas Gas			43 401										876 70	0 00
27															
28															
29	Total All Pipelines			1 914,750										$41,728 96	0 00
30															
31															
32															
33															

34 **Notes**

35

36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details

37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27

38 (3) TGP/CNG supply index is the NGI CNG Appalachian

39 (4) All requirements were taken from storage

United Cities Gas Company

For the Tennessee Regulatory Authority
Monthly Report on Performance Based Ratemaking Mechanism

CONFIDENTIAL

Determinants			
Upper Band	102 00%	Date	05/30/00
Lower Band	97 70%	Time	12 19 PM
Company Split	50 00%	File	
Rolling Avg Adjust Well Purch	$0 0000	Month	March, 2000
		Page	One

Row	Pipeline	Supplier Name	Purchase Point (2)	Invoice Volume (MMBTU)	Invoice Price	Inside FERC	NGI (3)	Close NYMEX	Wgtd Avg Adjustment (1)	Avoided Costs	Average Gas Daily or Average Index	Upper Band	Lower Band	Below Band	Above Band
(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(q)	( )
	Spot Calculation (monthly)														
1	Tennessee	Woodward Mktg	Zone 1	28 810	$ 2 4823	$ 2 5600	$ 2 5600	$ 2 6030	$ -		$ 2 5743	$ 2 6258	$ 2 5151	944 96	0 00
****	Tennessee	Woodward Mktg	Zone 1	9 675	$ 2 6900	$ 2 5600	$ 2 5600	$ 2 6030	$ -		$ 2 6900	$ 2 7438	$ 1 3450	0 00	0 00
2	Tennessee/CNG	Woodward Mktg	Zone 1 + Trans	0	$ -	$ 2 8300	$ 2 8300	$ 2 8730	$ -		$ 2 8443	$ 2 9012	$ 2 9012	0 00	0 00
3															
4	Total Tennessee			38 484										944 96	0 00
5															
6	Texas Eastern	Woodward Mktg	STX	54,048	$ 2 4870	$ 2 5200	$ 2 5100	$ 2 6030	$ -		$ 2 5443	$ 2 5952	$ 2 4858	0 00	0 00
7	Texas Eastern	Woodward Mktg	ETX	31 209	$ 2 4870	$ 2 5400	$ 2 5300	$ 2 6030	$ -		$ 2 5577	$ 2 6088	$ 2 4988	368 26	0 00
8	Texas Eastern	Woodward Mktg	WLA	61 366	$ 2 4870	$ 2 5500	$ 2 5600	$ 2 6030	$ -		$ 2 5710	$ 2 6224	$ 2 5119	1,528 01	0 00
9	Texas Eastern	Woodward Mktg	ELA	230 386	$ 2 4870	$ 2 5600	$ 2 5600	$ 2 6030	$ -		$ 2 5743	$ 2 6258	$ 2 5151	6,473 86	0 00
10	Texas Eastern/CNG	Woodward Mktg	ELA / WLA	0	$ 1 5750	$ 2 5550	$ 2 5600	$ 2 6030	$ -		$ 2 5727	$ 2 6241	$ 2 5135	0 00	0 00
11															
12	Total Texas Eastern			377 009										8,370 13	0 00
13															
14	Columbia Gulf	Woodward Mktg	Onshore	80,364	$ 2 5043	$ 2 5700	$ 2 5800	$ 2 6030	$ -		$ 2 5843	$ 2 6360	$ 2 5249	1 655 50	0 00
15	Columbia Gulf/Tenness	Woodward Mktg	Onshore	582,459	$ 2 5043	$ 2 5700	$ 2 5800	$ 2 6030	$ -		$ 2 5843	$ 2 6360	$ 2 5249	11,998 65	0 00
16															
17	Total Columbia Gulf			662,823										13 654 15	0 00
18															
19	Southern Natural	Woodward Mktg	Louisiana	0	$ 2 5600	$ 2 6100	$ 2 6200	$ 2 6030	$ -		$ 2 6110	$ 2 6632	$ 2 5509	0 00	0 00
20															
21	Total Southern Natural			0										0 00	0 00
22															
23	Texas Gas	Woodward Mktg	Zone SL	19 457	$ 2 5110	$ 2 5800	$ 2 5900	$ 2 6030	$ -		$ 2 5910	$ 2 6428	$ 2 5314	396 92	0 00
24	Texas Gas - Storage	Woodward Mktg	Zone SL	0	$ -	$ -	$ -	$ 2 6030	$ -		$ 0 8677	$ 0 8850	$ 0 8477	0 00	0 00
25															
26	Total Texas Gas			19,457										396 92	0 00
27															
28															
29	Total All Pipelines			1 097,773										$23,366 16	$0 00

30
31
32 *** Incremental Supply
33
34 **Notes**
35
36 (1) Average index includes the weighted average rolling average premium for terms of one month or greater See attached page for details
37 (2) CNG gas price equals TGP Zone 1 index plus transport to deliver to CNG of $ 27
38 (3) TGP/CNG supply index is the NGI CNG Appalachian
39 (4) All requirements were taken from storage

United Cities Gas Company

September 10, 1998

Mr. William H. Novak, Manager
Utility Rate Division - Energy & Water
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Dear Mr Novak,

United Cities Gas Company herewith submits for filing and approval 5th Revised Sheet No 47 and 5th Revised Sheets No. 47 1 - 47.4 applicable to Tennessee service areas other than Union City

These revised tariff sheets reflect a Purchased Gas Adjustment resulting from a decrease in pipeline reservation charges, a decrease in the spot market rate and a decrease in the Actual Cost Adjustment Statements setting forth details of these proposed adjustments are attached

Your review and approval of these adjustments to become effective October 1, 1998 are respectfully requested

Very truly yours,

John L. Baugh

John L. Baugh
Legal Affairs Coordinator

JLB/jd

Enclosures

pc: Consumer Advocate Division

A INPGA

CURRENTLY EFFECTIVE SERVICE RATES APPLICABLE TO OPEN ACCESS, PART 284 RATE SCHEDULES IN FERC GAS TARIFF, SIXTH REVISED VOLUME NO 1

CDS
RESERVATION
CHARGES

Pursuant to Sections 3 2, 3.3 and 3 5 of Rate Schedule CDS

	CDS RESERVATION CHARGE* $/dth		CDS RESERVATION CHARGE ADJUSTMENT $/dth	
ACCESS AREA	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
STX-AAB	7.1810	0.0000	0 2361	0.0000
WLA-AAB	2 9450	0 0000	0 0968	0 0000
ELA-AAB	2 4570	0.0000	0 0808	0 0000
ETX-AAB	2 2640	0 0000	0.0744	0 0000
STX-STX	7 1860	0 0000	0 2363	0.0000
STX-WLA	7.2370	0 0000	0 2379	0.0000
STX-ELA	8 2350	0 0000	0 2707	0 0000
STX-ETX	8 2350	0 0000	0 2707	0.0000
WLA-WLA	3 1450	0.0000	0 1034	0 0000
WLA-ELA	3 9990	0.0000	0 1315	0.0000
WLA-ETX	3.9990	0 0000	0 1315	0.0000
ELA-ELA	3.6320	0 0000	0 1194	0.0000
ETX-ETX	3 4390	0 0000	0 1131	0.0000
ETX-ELA	3.5110	0 0000	0 1154	0.0000
MARKET AREA	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
M1-M1	5 8760	0 0000	0.1932	0.0000
M1-M2	9 9570	0.0000	0 3274	0 0000
M1-M3	12 7430	0.0000	0 4189	0 0000
M2-M2	7.9490	0 0000	0 2613	0.0000
M2-M3	10 7350	0 0000	0 3529	0.0000
M3-M3	6 6520	0 0000	0 2187	0.0000

* Reservation Charge reflects a storage surcharge of: 0.3200

	ALL ZONES $/dth	
PRE-INJECTION CREDIT APPLICABLE TO CUSTOMERS' RESERVATION CHARGE PURSUANT TO SECTION 2 4 OF RATE SCHEDULE CDS.	0 0053	
GRI DEMAND SURCHARGE TO APPLICABLE CUSTOMERS, PURSUANT TO SECTION 15 4 OF THE GENERAL TERMS AND CONDITIONS.	MAXIMUM	MINIMUM
HIGH LOAD FACTOR:	0 2600	0 0000
LOW LOAD FACTOR:	0 1600	0 0000

TEXAS EASTERN TRANSMISSION CORPORATION
FERC Gas Tariff
Sixth Revised Volume No 1

Twenty-sixth Revised Sheet No. 30
Superseding Twenty-fifth Revised Sheet No. 30

CURRENTLY EFFECTIVE SERVICE RATES APPLICABLE TO OPEN ACCESS PART 284, RATE SCHEDULES IN FERC GAS TARIFF SIXTH REVISED VOLUME NO. I

FT-1
RESERVATION
CHARGES

Pursuant to Sections 3.2 3 3, and 3 5 of Rate Schedule FT-1

	FT-1 RESERVATION CHARGE* $/dth		FT-1 RESERVATION CHARGE ADJUSTMENT $/dth	
ACCESS AREA	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
STX-AAB	6.9580	0 0000	0.2288	0.0000
WLA-AAB	2.7220	0 0000	0.0895	0 0000
ELA-AAB	2 2340	0 0000	0 0734	0 0000
ETX-AAB	2.0410	0 0000	0 0671	0.0000
STX-STX	6 9630	0 0000	0 2289	0 0000
STX-WLA	7 0140	0.0000	0 2305	0.0000
STX-ELA	8 0120	0.0000	0.2634	0 0000
STX-ETX	8 0120	0.0000	0 2634	0.0000
WLA-WLA	2.9220	0.0000	0 0961	0.0000
WLA-ELA	3.7760	0 0000	0.1241	0 0000
WLA-ETX	3.7760	0.0000	0.1241	0.0000
ELA-ELA	3 4090	0 0000	0 1121	0.0000
ETX-ETX	3.2160	0 0000	0.1057	0.0000
ETX-ELA	3 2880	0 0000	0 1081	0.0000
MARKET AREA	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
M1-M1	5.6530	0.0000	0 1859	0 0000
M1-M2	9 7340	0 0000	0 3200	0 0000
M1-M3	12.5200	0.0000	0 4116	0 0000
M2-M2	7 7260	0 0000	0 2540	0 0000
M2-M3	10 5120	0 0000	0 3456	0 0000
M3-M3	6 4290	0 0000	0 2114	0.0000

* Reservation Charge reflects a storage surcharge of· 0 0970

GRI DEMAND SURCHARGE TO APPLICABLE CUSTOMERS, PURSUANT TO SECTION 15 4 OF THE GENERAL TERMS AND CONDITIONS.

	ALL ZONES $/dth MAXIMUM	MINIMUM
HIGH LOAD FACTOR·	0.2600	0 0000
LOW LOAD FACTOR.	0 1600	0 0000

Issued by: D. P. Davis, General Manager
Rates & Regulatory Affairs
Issued on: October 31, 1997

Effective· December 1, 1997

CURRENTLY EFFECTIVE SERVICE RATES APPLICABLE TO OPEN ACCESS PART 284 RATE SCHEDULES IN FERC GAS TARIFF SIXTH REVISED VOLUME NO 1

SS-1
CHARGES

Pursuant to Sections 3 2 and 3 4 of Rate Schedule SS-1

		RATE $/dth
MAXIMUM	RESERVATION CHARGE*	5 6830
	SPACE CHARGE	0 1343
	INJECTION CHARGE	0 0330
	WITHDRAWAL CHARGE	0 0564
	EXCESS INJECTION CHARGE	0 2005
	EXCESS WITHDRAWAL CHARGE	1 0447
	RESERVATION CHARGE ADJUSTMENT	0.1868
TRANSMISSION COMPONENT OF RESERVATION CHARGE		4.7200
TRANSMISSION COMPONENT OF WITHDRAWAL CHARGE		0 0152
MINIMUM	RESERVATION CHARGE	0 0000
	SPACE CHARGE	0 0000
	INJECTION CHARGE	0 0330
	WITHDRAWAL CHARGE	0 0564
	EXCESS INJECTION CHARGE	0.0330
	EXCESS WITHDRAWAL CHARGE	0.0564
	RESERVATION CHARGE ADJUSTMENT	0 0000

* Reservation Charge reflects a storage surcharge of 0 0970

		ALL ZONES $/dth	
ACA COMMODITY SURCHARGE TO APPLICABLE CUSTOMERS, PURSUANT TO SECTION 15 5 OF THE GENERAL TERMS AND CONDITIONS		0 0022	
GRI DEMAND SURCHARGE TO APPLICABLE CUSTOMERS PURSUANT TO SECTION 15 4 OF THE GENERAL TERMS AND CONDITIONS		MAXIMUM	MINIMUM
	HIGH LOAD FACTOR	0.2600	0.0000
	LOW LOAD FACTOR	0.1600	0.0000

TEXAS EASTERN TRANSMISSION CORPORATION
FERC Gas Tariff
Sixth Revised Volume No. 1

Twenty-ninth Revised Sheet No 50
Superseding Twenty-eighth Revised Sheet No. 50

CURRENTLY EFFECTIVE SERVICE RATES APPLICABLE TO NGA SECTION 7(C) RATE SCHEDULES IN FERC GAS TARIFF SIXTH REVISED VOLUME NO 1

		ZONE RATE $/dth M1	M2	M3
FTS	RESERVATION CHARGE			5 6250
	USAGE-2			0.1848
	RESERVATION CHARGE ADJUSTMENT			0 1848
FTS-2	Pursuant to Sections 3 2 and 3.5 of Rate Schedule FTS-2.			
	RESERVATION CHARGE			8.3570
	USAGE-2			0 2748
	RESERVATION CHARGE ADJUSTMENT			0.2748
FTS-4	RESERVATION CHARGE			8 0540
	USAGE-2			0 2649
	RESERVATION CHARGE ADJUSTMENT			0.2649
FTS-5	RESERVATION CHARGE			5 3990
	USAGE-2			0 1775
	RESERVATION CHARGE ADJUSTMENT			0 1775
FTS-7	RESERVATION CHARGE	6 9040	6 9040	6 9040
	USAGE-2	0.2270	0.2270	0 2270
	RESERVATION CHARGE ADJUSTMENT	0 2270	0 2270	0.2270
FTS-8	RESERVATION CHARGE	7.1970	7 1970	7 1970
	USAGE-2	0 2366	0 2366	0 2366
	RESERVATION CHARGE ADJUSTMENT	0.2366	0 2366	0 2366
CTS	RESERVATION CHARGE*			9 4580
	USAGE-1			C 0613
	USAGE-2			0.3723
	RESERVATION CHARGE ADJUSTMENT			0.3109

* Reservation Charge reflects a storage surcharge of 0 0970

	ALL ZONES $/dth	
ACA COMMODITY SURCHARGE TO APPLICABLE CUSTOMERS, PURSUANT TO SECTION 15 5 OF THE GENERAL TERMS AND CONDITIONS	0.0022	
GRI DEMAND SURCHARGE TO APPLICABLE CUSTOMERS, PURSUANT TO SECTION 15 4 OF THE GENERAL TERMS AND CONDITIONS	MAXIMUM	MINIMUM
HIGH LOAD FACTOR	0 2600	0.0000
LOW LOAD FACTOR	0.1600	0.0000

Issued by: D. P. Davis, General Manager
Rates & Regulatory Affairs
Issued on: October 31, 1997

Effective December 1, 1997

CNG Transmission Corporation
FERC Gas Tariff
Second Revised Volume No. 1

Seventeenth Revised Sheet No. 35
Superseding 2nd Sub Sixteenth Revised Sheet No. 35

RATES APPLICABLE TO RATE SCHEDULES IN FERC GAS TARIFF, VOLUME NO 1

Rate Schedule	Rate Component	Base Tariff Rate [1]	TCRA	GRI Adj.	FERC ACA	Current Rate
(1)	(2)	(3)	(4)	(5)	(6)	(7)
GSS [2], [5], [6]						
	Storage Demand - Acct. 858/EPCA	$0.1150	$0.0315	-	-	$0.1465
	Storage Demand - Other	$2.1278	-	-	-	$2.1278
	Total Storage Demand	$2.2428	$0.0315	-	-	$2.2743
	Storage Capacity	$0.0173	-	-	-	$0.0173
	Injection Charge - Acct. 858/EPCA	$0.0050	$0.0048	-	-	$0.0098
	Injection Charge - Other	$0.0189	-	-	-	$0.0189
	Total Injection Charge	$0.0239	$0.0048	-	-	$0.0287
	Withdrawal Charge	$0.0189	$0.0048	-	$0.0022	$0.0259
	GSS-TE Surcharge - Acct. 858 [4]	$0.0250	($0.0015)	-	-	$0.0235
	Dem. Charge Adj. - Acct. 858/EPCA	$1.3800	$0.3780	-	-	$1.7580
	Demand Charge Adj. Oth	$25.5336	-	-	-	$25.5336
	Total Demand Charge Adj.	$26.9136	$0.3780	-	-	$27.2916
	Excess Deliveries from					
	Cust. Bal. - Acct. 858/EPCA	$0.0265	$0.0077	-	-	$0.0342
	- Other	$0.7682	-	-	$0.0022	$0.7704
	Excess Deliveries Total	$0.7947	$0.0077	-	$0.0022	$0.8046
GSS II [3], [5], [7]						
	Storage Demand - Acct. 858/EPCA	$0.0637	$0.0174	-	-	$0.0811
	Storage Demand - Other	$3.9965	-	-	-	$3.9965
	Total Storage Demand	$4.0602	$0 0174	-	-	$4.0776
	Storage Capacity	$0.0378	-	-	-	$0.0378
	Injection Charge - Acct. 858/EPCA	$0.0025	$0 0024	-	-	$0.0049
	Injection Charge - Other	$0.0137	-	-	-	$0.0137
	Total Injection Charge	$0.0162	$0.0024	-	-	$0.0186
	Withdrawal Charge	$0.0137	$0.0024	-	$0.0022	$0.0183
	Dem. Charge Adj. - Acct. 858/EPCA	$0.7644	$0.2088	-	-	$0.9732
	Demand Charge Adj. - Other	$47.9580	-	-	-	$47.9580
	Total Demand Charge Adj	$48.7224	$0.2088	-	-	$48.9312
	Excess Deliveries from					
	Cust. Bal. - Acct. 858/EPCA	$0 0099	$0.0016	-	-	$0.0115
	- Other	$0.9202	-	-	$0.0022	$0.9224
	Excess Deliveries Total	$0.9301	$0.0016	-	$0.0022	$0.9339

[1] The base tariff rate is the effective rate on file with the FERC, excluding adjustments approved by the Commission.
[2] Storage Service Fuel Retention Percentage is 3.39%.
[3] Storage Service Fuel Retention Percentage is 2.25%.
[4] Applies to withdrawals made under Rate Schedule GSS, Section 5.1.G.
[5] All rates reflect $ per Dt.
[6] Daily Capacity Release Rate for GSS per Dt $0.7787
[7] Daily Capacity Release Rate for GSS II per Dt $0.9156

Issued by: Jimmy D. Staton, Vice President
Issued on: FEBRUARY 27, 1998

Effective: APRIL 01, 1998

Currently Effective Rates
Applicable to Rate Schedules FTS-1, ITS-1, FTS-2, and ITS-2
Rates per Dth

	Base Rate (1) $	Annual Charge Adjustment (2) $ 1/	Subtotal (3) $	General R&D Funding Unit (4) $ 2/	Total Effective Rate (5) $	Daily Rate (6) $	Company Use and Unaccounted For (7) %
Rate Schedule FTS-1							
Rayne, LA To Points North							
Reservation Charge 3/							
Maximum							
Load Factor Customers > 50%	3.1450	-	3.1450	0.2600	3.4050	0.1119	-
Load Factor Customers = or < 50%	3.1450	-	3.1450	0.1600	3.3050	0.1087	-
Commodity							
Maximum	0.0170	0.0022	0.0192	0.0088	0.0280	0.0280	2.919
Minimum	0.0170	0.0022	0.0192	0.0000	0.0192	0.0192	2.919
Overrun	0.1204	0.0022	0.1226	0.0088	0.1314	0.1314	2.919

Currently Effective Rates
Applicable to Rate Schedules FTS-1, ITS-1, FTS-2, and ITS-2
Rates per Dth

	Base Rate (1) $	Annual Charge Adjustment (2) $ 1/	Subtotal (3) $	General R&D Funding Unit (4) $ 2/	Total Effective Rate (5) $	Daily Rate (6) $	Company Use and Unaccounted for (6) %
Rate Schedule ITS-1							
Rayne, LA To Points North							
Commodity							
Maximum	0.1204	0.0022	0.1226	0.0088	0.1314	0.1314	2.919
Minimum	0.0170	0.0022	0.0192	0.0000	0.0192	0.0192	2.919
Rate Schedule ITS-2							
Offshore Laterals							
Commodity							
Maximum	0.0880	0.0022	0.0902	0.0088	0.0990	0.0990	0.487
Minimum	0.0002	0.0022	0.0024	0.0000	0.0024	0.0024	0.487
Onshore Laterals							
Commodity							
Maximum	0.0366	0.0022	0.0388	0 0088	0.0476	0.0476	0.609
Minimum	0 0017	0.0022	0.0039	0.0000	0.0039	0.0039	0 609
Offsystem-Onshore							
Commodity							
Maximum	0.0900	0.0022	0.0922	0.0088	0.1010	0.1010	-
Minimum	0.0070	0.0022	0.0092	0.0000	0.0092	0.0092	-

1/ Pursuant to Section 154 402 of the Commission's Regulations. Rate applies to all Gas Delivered and is noncumulative, i.e., when transportation involves more than one zone, rate will be applied only one time.
2/ General R&D Funding Unit will be charged only where applicable.
3/ The Minimum Rate under Reservation Charge is zero (0).

Issued by: Stephen M. Warnick, Vice President
Issued on: June 3, 1998
Issued to comply with order of the Federal Energy Regulatory Commission, Docket No. RP97-52-004, dated April 29, 1998

Effective: June 1, 1998

FUTURES PRICES

ay

ne Open
ow Interest
93¼ 40,239
04½ 173,409
16 51,061
23¾ 17,965
29¼ 23,563
34¾ 3,933
39½ 10,398
54 230
6,070.
79¾ 1,631
38 11,994
17 2,375
5.
70 8,334
14½ 88,739
13½ 17,638
14 12,775
13¼ 4,445
13½ 7,172
7 2,835
993.
1.10 17,544
1.00 24,131
1.00 63,215
.00 11,952
.00 10,892
.80 1,878
.444
.50 1,379
1,499.
93 15,074
05 21,590
.15 47,655
35 7,225
.50 10,233
68 4,685
53
9½ 19,739
7½ 71,501
3½ 21,608
4,062
1½ 8,757
195.
½ 8,096
35,311
½ 12,176
2,864
½ 3,173
98
4,180
½ 12,468
5,141
00 2,266
50 33,639
10 8,582
00 5,406
00 226
10 739
0 50
10 83
0 7,325
in. $ per
0 2,873
0 5,911
0 1,699
0 186

CRUDE OIL, Light Sweet (NYM) 1,000 bbls.; $ per bbl.

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Oct	13 60	13 60	13.00	13.23	– 0 35	20 75	12.95	125,511
Nov	13.78	13 84	13 28	13 46	– 0 34	20.63	13.28	44,969
Dec	14 06	14.10	13.60	13.76	– 0.32	20 74	13.60	63,304
Ja99	14.20	14.20	13 90	14 03	– 0.30	20.30	13 90	35,376
Feb	14.40	14 40	14 18	14.29	– 0 28	20.32	14.18	18,085
Mar	14 60	14.60	14.40	14 51	– 0.27	20.20	14 40	15,163
Apr	14.75	14.75	14 65	14 72	– 0.26	20.27	14.65	8,735
May	14 90	14.90	14.83	14 91	– 0.24	20 29	14 83	6,430
June	15 20	15 20	15 00	15 07	– 0.23	20 47	15.00	19,373
July	15 30	15.30	15.17	15 23	– 0 21	20.14	15 17	9,303
Aug	15.45	15 45	15 33	15 39	– 0.19	19 47	15.33	9,601
Sept	15 47	15.47	15.47	15 53	– 0 18	20.10	15 47	4,465
Oct	..			15 67	– 0.17	20 14	15.73	5,412
Nov	15 86	15 86	15 86	15.81	– 0 15	19.90	15.86	2,550
Dec	15 90	16.05	15 90	15 95	– 0.13	20 75	15.90	31,234
Dc00			..	17.06	– 0 05	20.75	17 00	19,065
Jan	16 08	16.08	16 08	16 06	– 0.12	19 15	16.08	4,711
Feb			...	16.16	– 0 10	20.16	16 62	1,544
Mar	.	...		16 24	– 0.10	20 10	16 38	8,955
Apr			....	16.32	– 0 10	19.16	17.33	460
May	.	....		16 41	– 0.10	19 16	17.85	872
June	16.68	16 68	16 68	16.51	– 0 10	20.10	16.55	6,434
July		...	.	16 61	– 0.10	17.88	17.74	782
Aug	...			16.71	– 0 10	....		2,787
Sept		...	.	16 81	– 0.09	17.70	16.80	1,783
Oct	...		.	16 91	– 0.07	..	...	1,087
Nov		.	....	16.99	– 0.06	..		4,075
Dec		....		17 06	– 0.05	20 75	17.00	19,065
Ju01	..		..	17.31	– 0 05	18.13	17 85	1,876
Dec		.		17 56	– 0 05	20 98	17.00	8,618
Dc02		.	....	17.91	– 0.05	21.38	17.15	5,999
Dc03	..	.		18.24	– 0.05	22.00	16.95	3,772
Dc04			..	18 48	– 0.05	19.07	17 20	5,642

Est vol 115,380; vol Wed 80,738; open int 477,973, –731.

HEATING OIL NO. 2 (NYM) 42,000 gal.; $ per gal.

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	.3530	.3530	.3405	.3429	– .0095	.5840	.3350	18,557
Oct	.3619	.3630	.3485	.3516	– .0102	.5850	.3485	49,006
Nov	.3760	.3760	.3640	.3653	– .0099	.5905	.3640	19,945
Dec	.3900	.3900	.3790	.3808	– .0089	.5900	.3790	24,919
Ja99	.4035	.4035	.3925	.3943	– .0084	.5950	.3925	25,199
Feb	.4100	.4100	.4040	.4043	– .0079	.5850	.4040	16,585
Mar	.4130	.4130	.4095	.4098	– .0074	.5830	.4095	15,596
Apr	.4175	.4175	.4130	.4123	– .0064	.5900	.4130	6,476
May	.4170	.4170	.4160	.4148	– .0054	.5330	.4160	5,632
June	.4210	.4210	.4190	.4188	– .0049	.5300	.4190	6,794
July	.4240	.4255	.4220	.4223	– .0044	.5290	.4220	3,407
Aug	.4300	.4320	.4300	.4288	– .0044	.5120	.4300	3,510
Sept	.4400	.4420	.4400	.4378	– .0044	.5200	.4400	833
Oct	.4510	.4510	.4500	.4468	– .0039	.5200	.4500	881
Nov	.4590	.4605	.4575	.4558	– .0034	.5235	.4575	455
Dec	.4680	.4700	.4675	.4648	– .0034	.5275	.4675	1,481
Ja00	.4720	.4730	.4715	.4713	– .0029	.5170	.4715	2,292

Est vol 43,882; vol Wed 31,798; open int 201,604, –685.

GASOLINE-NY Unleaded (NYM) 42,000 gal.; $ per gal.

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	.4060	.4070	.3955	.4004	– .0056	.6150	.3950	23,819
Oct	.4059	.4060	.3930	.3984	– .0063	.5780	.3930	38,251
Nov	.4075	.4075	.4005	.4051	– .0064	.5585	.4005	6,538
Dec	.4170	.4170	.4090	.4138	– .0062	.5450	.4090	7,922
Ja99	.4220	.4230	.4180	.4223	– .0062	.5350	.4180	3,796
Feb	.4310	.4310	.4300	.4306	– .0062	.5275	.4300	2,006
Mar	.	.	....	.4388	– .0062	.5230	.4460	1,824
Apr	.4710	.4710	.4710	.4698	– .0062	.5500	.4710	1,634
May	.4780	.4780	.4770	.4763	– .0062	.5500	.4770	1,646
June				.4798	– .0062	.5210	.4850	1,007
July	.4820	.4820	.4820	.4803	– .0062	.5146	.4820	1,687
Aug	.4800	.4800	.4800	.4778	– .0062	.4800		125

Est vol 40,847; vol Wed 32,588; open int 90,255, –845.

NATURAL GAS (NYM) 10,000 MMBtu.; $ per MMBtu's

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	1.760	1.764	1.610	1.672	– .090	2.740	1.610	25,641
Oct	1.785	1.800	1.700	1.716	– .074	2.750	1.700	50,495
Nov	2.045	2.050	1.960	1.973	– .069	2.830	1.915	27,176
Dec	2.310	2.311	2.260	2.253	– .052	2.940	1.950	29,106
Ja99	2.435	2.436	2.380	2.385	– .047	2.950	2.085	29,679
Feb	2.390	2.395	2.340	2.342	– .038	2.770	2.025	17,588
Mar	2.320	2.325	2.275	2.270	– .035	2.600	1.945	15,216
Apr	2.230	2.230	2.205	2.205	– .025	2.440	1.910	8,311
May	2.200	2.200	2.180	2.185	– .025	2.380	1.960	7,134
June	2.200	2.210	2.180	2.185	– .025	2.384	1.860	6,927
July	2.200	2.200	2.180	2.185	– .025	2.390	1.960	5,417
Aug	2.205	2.210	2.190	2.185	– .025	2.390	1.975	5,348
Sept	2.205	2.205	2.190	2.188	– .022	2.380	1.970	4,379
Oct	2.235	2.235	2.215	2.213	– .027	2.415	2.042	3,454
Nov	2.375	2.375	2.360	2.356	– .026	2.535	2.140	3,217
Dec	2.510	2.510	2.490	2.487	– .025	2.680	2.213	5,509
Ja00	2.543	2.543	2.520	2.523	– .025	2.680	2.295	6,667
Feb	2.443	2.445	2.430	2.427	[illegible]	[illegible]	[illegible]	[illegible]

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Mr00	98 95	98 95	98.95	98.95		99 09	96.92	6,831
June				98 88	...	99.00	98.09	1,726
Sept	..		....	98.76		98 87	98.00	743
Dec				98 66	..	98.77	97 92	570
Mr01	. .		....	98.54	..	98.65	98.07	573

Est vol 3,748, vol Wed 3,507; open int 84,331, –783.

SHORT STERLING (LIFFE)-£500,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	92 31	92 41	92.30	92 37	+ .06	93.08	91.30	154,720
Dec	92.56	92.75	92 56	92 68	+ .12	93 25	91 27	169,529
Mr99	92.82	93 02	92.81	92.95	+ .15	93 45	91 45	130,105
June	93.03	93.20	93.03	93.16	+ .14	93.61	91.53	152,105
Sept	93.24	93 38	93 24	93.34	+ .11	93 70	91 92	111,003
Dec	93 32	93.44	93.32	93 40	+ .09	93 76	91.94	122,186
Mr00	93.43	93 52	93 43	93 48	+ .06	93.83	91.96	93,987
June	93 47	93 56	93.47	93 53	+ .07	93.91	92 47	76,435
Sept	93.49	93 57	93.49	93.54	+ .07	93 96	93.01	47,181
Dec	93 50	93.58	93.50	93 56	+ .08	94.01	93 22	28,970
Mr01	93.54	93 62	93.54	93.60	+ .08	94 06	93.29	24,715
June	93.58	93.65	93.58	93 62	+ .06	93.88	93.37	11,719
Sept	. . .	.	....	93.68	+ .06	93.71	93.50	153
Mr02	..	...		93 76	+ .06	93.80	93.58	401

Est vol 316,443; vol Wed 121,419; open int 1,123,320, –3,792.

LONG GILT (LIFFE) (Decimal)-£50,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	111.02	112.17	111 01	112.09	+ 1.07	112.17	107.59	42,659
Dec	111 30	112 50	111.30	112 36	+ 1 06	112.50	107 90	131,038

Est vol 112,146; vol Wed 188,594; open int 173,697, +12,473.

5 YR. GILT (LIFFE)-£50,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	104.75	105.10	104 75	105.10	+ .43	105.10	102.35	1,147
Dec	105.00	105.06	105.00	105 33	+ .41	105 06	104 81	1,571

Est vol 242; vol Wed 3,318; open int 2,718, –624.

3-MONTH EUROMARK (LIFFE)
DM 1,000,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	96.49	96.51	96 49	96.51	+ .02	96 52	93.38	504,013
Oct	96 44	96 44	96 43	96 44	+ .01	96.45	96.28	13,037
Dec	96.36	96.39	96 33	96 36	+ .01	96 41	93.40	524,979
Mr99	96.36	96 40	96.33	96 38	+ .03	96.42	93.24	539,526
June	96 31	96.36	96 28	96 33	+ .03	96 38	93.29	263,642
Sept	96.25	96 29	96.22	96 27	+ .03	96.33	93.80	221,108
Dec	96 10	96.15	96 08	96.12	+ .03	96 20	94.19	202,132
Mr00	96.08	96.13	96 07	96.11	+ .04	96 18	94.24	169,266
June	95.99	96 01	95 96	96 01	+ .03	96 08	93.97	117,803
Sept	95.90	95 92	95 88	95 92	+ .04	96.00	93 84	79,460
Dec	95 77	95.80	95 76	95 80	+ .04	95 87	93.68	22,892
Mr01	95.71	95 72	95 69	95 74	+ .04	95.81	93 50	34,940
June	95 62	95 63	95 62	95.65	+ .04	95 74	93.85	15,236
Sept	95 54	95.54	95.54	95.56	+ .04	95 61	94 01	5,587
Dec	95 44	95.44	95 44	95 46	+ .04	95 50	94.50	4,196
Mr02	95.38	95.38	95.38	95 39	+ .04	95.38	94 75	1,816
June	95.28	95.28	95.28	95 30	+ .04	95 33	94.93	518

Est vol 338,216; vol Wed 428,952; open int 2,720,151, +15,427.

3-MONTH EUROSWISS (LIFFE)
SFr 1,000,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	98.24	98.36	98 23	98.33	+ .10	98 77	97.10	70,661
Dec	98.10	98.27	98 10	98.23	+ .14	98.60	96.99	63,360
Mr99	98 06	98.22	98.06	98.18	+ .13	98.48	96.90	32,873
June	97.95	98 06	97.95	98.06	+ .12	98.34	97.34	21,820
Sept	97.83	97.94	97 83	97.94	+ .11	97.94	97.34	13,307
Dec	97.67	97 76	97.67	97 73	+ .06	97 76	97.19	4,152
Mr00	97.62	97.68	97 62	97.68	+ .06	97.68	97.10	3,018
June	97 48	97.48	97.48	97 54	+ .06	97 54	96.99	1,485

Est vol 63,231; vol Wed 29,369; open int 210,626, +2,572.

3-MONTH EURO LIRA (LIFFE)
ITL 1,000,000,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	95 23	95.23	95.15	95.15	– .06	95 92	92.86	185,170
Dec	96 16	96 17	96.09	96.12	– .04	96.23	92 84	182,723
Mr99	96.34	96.35	96.31	96 33	– .01	96 40	92.78	255,237
June	96.29	96.30	96 27	96.30	– .01	96.37	94 03	59,458
Sept	96 21	96.25	96 21	96 24	+ 0	96.30	94.41	36,405
Dec	96.06	96 11	96 06	96 09	+ 0	96 17	94 91	40,502
Mr00	96.05	96 08	96.05	96 06	+ .01	96 14	95.23	33,455
June	95.97	95 98	95.96	95 96	+ 0	96 04	95.40	20,364

Est vol 109,685; vol Wed 112,373; open int 813,314, +36,757.

GERMAN GOVT. BOND (LIFFE)
250,000 marks; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	112 93	113 95	112.92	113.92	+ .94	114.07	105 70	44,651
Dec	112.09	112 82	111 92	112 74	+ .77	112 98	107.21	2,900

Est vol 12,481; vol Wed 18,461; open int 47,551, –12,524.

ITALIAN GOVT. BOND (LIFFE)
ITL 200,000,000; pts of 100%

	Open	High	Low	Settle	Change	Lifetime High	Lifetime Low	Open Interest
Sept	123 26	123.70	123 06	123.54	+ .27	123.70	118 15	97,925
Dec	109 41	109.82	109 37	109 75	+ .28	109 82	106.35	12,230

Est vol 28,186; vol Wed 35,245; open int 110,155, +1,526.

CANADIAN BANKERS ACCEPTANCE (ME) [illegible]

Open High L
June ... ..
Est vol 57,605; vol Wc
BOBL-MED.TERM E
Sept 107.79 108.12 107
Dec 107.02 107.36 106.
Est vol 249,517; vol W
LONG TERM GOVT.
DM 250,000; pts o
Sept 112 91 113.98 112
Dec 111 98 112 80 111
Est vol 688,323; vol W

C

Open High Lc
JAPAN YEN (CME)
Sept .6960 .7064 .69
Dec .7079 .7151 .70
Mr99 .7195 .7220 .71
June ... ..
Est vol 29,401; vol We
DEUTSCHEMARK (
Sept .5541 .5585 .55
Dec .5569 .5614 .55
Mr99 .5590 .5638 .55
June ... ..
Est vol 41,440; vol We
CANADIAN DOLLA
Sept .6387 .6425 .63
Dec .6387 .6425 .63
Mr99 .6390 .6410 .63
June .6380 .6380 .63
Est vol 19,320; vol We
BRITISH POUND (C
Sept 1.6358 1.6546 1.635
Dec 1.6288 1.6480 1.628
Ju99 ... ..
Est vol 17,505; vol We
SWISS FRANC (CME
Sept .6650 .6775 .66
Dec .6744 .6840 .67
Est vol 29,154; vol We
AUSTRALIAN DOLL
Sept .5647 .5668 .54
Dec .5627 .5628 .54
Est vol 5,164; vol Wed
MEXICAN PESO (CA
Sept .09990 .10000 .098
Dec .09390 .09390 .090
Mr99 .08550 .08580 .08
June .07850 .08400 .078
Sept .07400 .07400 .073
Est vol 10,041; vol We

DJ INDUSTRIAL AV

Open High Lo
Sept 8553 8583 810
Dec 8631 8631 817
Mr99 8600 8600 825
Est vol 26,000; vol We
Idx prl: High 8518.35;
S&P 500 INDEX (CME
Sept 108760 108980 10346
Dec 108200 108500 10440
Mr99 109100 109700 10550
June
Dec 110550 111790 1087
Est vol 217,044; vol We
Idx prl: High 1084.19,
MINI S&P 500 (CME).
Sept 108775 109000 10340
Vol Wed 26,971; open in
S&P MIDCAP 400 (CN
Sept 319.00 319.00 303.2
Est vol 854, vol Wed 2
Idx prl: High 317.67, L
NIKKEI 225 STOCK A
Sept 14250. 14250. 14010
Dec 14125 14250 13950
Est vol 3,016; vol Wed
Idx prl. High 14794.41,
NASDAQ 100 (CME)-$
Sept 138100 138800 13030
Dec 137300 137300 1372

EXHIBIT I

UNITED CITIES GAS COMPANY
GAS CHARGE ADJUSTMENT
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

Computation Period August 1, 1997 to August 1, 1998
Current Rates Supplier Rates Effective September 1, 1997

	Rate Schedules	Volume of Gas	Current Rates	Current Cost
DEMAND COST				
FACTOR D				
East Tennessee	FT-1 (WINTER)	463,488	$7.4100	$3,434,446 08
East Tennessee	FT-1 (SUMMER)	448,504	$7 4100	$3,323,414 64
East Tennessee	LNGS - MA	1,250,335	$0 5988	$748,700.60
East Tennessee	SALTVILLE STORAGE	100,080	$1 4500	$145,116 00
East Tennessee	EARLY GROVE STORAGE	10,425	$3.0500	$31,796 25
Tn Gas Pipeline	FT-A ZONE 0 TO ZONE 1	147,252	$8 3800	$1,233,971.76
Tn Gas Pipeline	FT-A ZONE 1 TO ZONE 1	520.404	$6 8000	$3,538,747 20
Tn Gas Pipeline	FS-PA DELIVERABILITY	138,728	$2 0200	$280,230 56
Tn Gas Pipeline	FS-PA SPACE	16,626,149	$0.0248	$412,328 50
Tn Gas Pipeline	FS-MA DELIVERABILITY	166,800	$1 1700	$195,156.00
Tn Gas Pipeline	FS-MA SPACE	6,969,521	$0.0187	$130,330.04
Texas Eastern	FT STX	37,368	$6 9580	$260,006 54
Texas Eastern	FT WLA	42,420	$2 7220	$115,467.24
Texas Eastern	FT ELA	185,160	$2 2340	$413,647 44
Texas Eastern	FT ETX	21,576	$2.0410	$44,036 62
Texas Eastern	FT M1	197,484	$5 9130	$1,167,722 89
Texas Eastern	CDS STX	11,832	$7.1810	$84,965 59
Texas Eastern	CDS WLA	13,428	$2 9450	$39,545.46
Texas Eastern	CDS ELA	24,516	$2 4570	$60,235 81
Texas Eastern	CDS ETX	6,828	$2.2640	$15,458 59
Texas Eastern	CDS M1	43,500	$6 1360	$266,916.00
Texas Eastern	FTS-7	38,124	$6 9040	$263,208.10
Texas Eastern	SS-1 DEMAND	34,320	$5.6830	$195,040 56
Texas Eastern	SS-1 SPACE CHARGE	337,778	$0.1343	$45,363.59
CNG Transmission	GSS DEMAND	85,715	$2 2743	$194,941.62
CNG Transmission	GSS CAPACITY	6,445,007	$0 0173	$111,498.62
Va Gas Storage	STORAGE CHARGE	125,100	$1 8600	$232,686 00
Southern Natural	FT-PA RESERVATION	20,850	$11 6100	$242,068 50
Equitable	RESERVATION	83,400	$8 6950	$725,163 00
Columbia Gulf	RESERVATION	378,000	$3 2211	$1,217,575 80
Columbia Gulf	RESERVATION	126,000	$3.4050	$429,030 00
Tn Gas Pipeline	PERMANENT CAPACITY RELEASES			($837,127 50)
Sub-total Factor D				$18,761,688 10
FACTOR SR				$0 00
FACTOR DACA:				($2,476,438 17)
TOTAL FACTORS D and DACA				$16,285,249.93
Less Demand Cost Applicable to Rate Schedule 240				($519,499 47)
NET FACTORS D and DACA				$15,765,750 46
FACTOR SF (Ccf)				125,041,898
CURRENT DEMAND COST PER Ccf (TOTAL FACTORS D AND DACA)/FACTOR SF				$0 1261

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EXHIBIT I

UNITED CITIES GAS COMPANY
GAS CHARGE ADJUSTMENT
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

Computation Period August 1, 1997 to August 1, 1998
Current Rates Supplier Rates Effective September 1, 1997

	Rate Schedules	Volume of Gas	Current Rates	Current Cost
COMMODITY COST				
FACTOR P				
East Tennessee		11,830,759	$2 1639	$25,600,303 17
Texas Eastern		3,000,937	$2.1639	$6,493,657.55
Columbia Gulf		2,194 129	$2 1639	$4,747,824 54
Sub-total Factor P		17,025,825		$36,841,785 26
FACTOR T				
East Tennessee	FT-1 COMMODITY	11,830,759	$0 0124	$146,701 41
Columbia Gulf		2,194,129	$0 1314	$288,308 55
Tn Gas Pipeline	FT-A COMMODITY ZONE 0-1	2,609,282	$0.0118	$30,789.53
Tn Gas Pipeline	FT-A COMMODITY ZONE 1-1	9,221,477	$0 0089	$82,071 15
Sub-total Factor T				$547,870.64
FACTOR SR				$0.00
FACTOR CACA:				($510,161.64) 3¢
TOTAL FACTORS P, T, SR, and CACA				$36,879,494.26
FACTOR ST (Ccf)				168,005,563
CURRENT COMMODITY COST PER Ccf				$0.2195
FIRM GCA (DEMAND GCA + COMMODITY GCA)				$0.3456
NON-FIRM GCA (COMMODITY GCA)				$0 2195

EXHIBIT I-A

UNITED CITIES GAS COMPANY
COMPUTATION OF RATE SCHEDULE 240 DEMAND PGA
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

1 Determination of Allocation Percentage.		
Demand Determinants from Exhibit I	463,488	
	448,504	
	197,484	
	1,109,476	
Rate 240 Demand Volume	35,405	
Allocation Percentage		3 19%
2. Demand Costs (from Exhibit I)		$16,285,249.93
3. Allocated Demand Costs		$519,499 47
4. Rate Schedule 240 Demand Volume (Ccf)		354,050
5. Rate Schedule 240 Demand PGA		$1.4673

EXHIBIT I-B

UNITED CITIES GAS COMPANY
COMPUTATION OF RATE SCHEDULE 211 PGA
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

1.	ETN FT-1 (Winter)	463,488	$7.4100	$3,434,446.08
2.	ETN FT-1 (Summer)	448,504	$7 4100	$3,323,414.64
3.	ETN Saltville Storage	100,080	$1.4500	$145,116 00
4.	ETN Early Grove Storage	10,425	$3.0500	$31,796.25
5	TGP FT-A Zone 0 to Zone 1	147,252	$8.3800	$1,233,971.76
6.	TGP FT-A Zone 1 to Zone 1	520,404	$6.8000	$3,538,747 20
7	TGP FS-PA Deliverability	138,728	$2.0200	$280,230.56
8.	TGP FS-MA Deliverability	166,800	$1.1700	$195,156.00
9	TETCO FT STX Demand	37,368	$6.9580	$260,006.54
10.	TETCO FT WLA Demand	42,420	$2 7220	$115,467.24
11.	TETCO FT ELA Demand	185,160	$2.2340	$413,647.44
12	TETCO FT ETX Demand	21,576	$2.0410	$44,036 62
13.	TETCO FT M1 Demand	197,484	$5.9130	$1,167,722.89
14.	TETCO CDS STX Demand	11,832	$7.1810	$84,965.59
15.	TETCO CDS WLA Demand	13,428	$2.9450	$39,545.46
16.	TETCO CDS ELA Demand	24,516	$2.4570	$60,235 81
17.	TETCO CDS ETX Demand	6,828	$2.2640	$15,458 59
18.	TETCO CDS M1 Demand	43,500	$6.1360	$266,916.00
19.	TETCO FTS-7 Demand	38,124	$6.9040	$263,208 10
20	TETCO SS-1 Deliverability	34,320	$5.6830	$195,040.56
21.	CNG GSS Demand	85,715	$2.2743	$194,941.62
22.	VGSC Storage Charge	125,100	$1.8600	$232,686.00
23	SNG FT-PA Reservation	20,850	$11.6100	$242,068 50
24.	Equitable Reservation	83,400	$8 6950	$725,163.00
25.	Columbia Gulf Reservation	378,000	$3.2211	$1,217,575.80
26	Columbia Gulf Reservation	126,000	$3.4050	$429,030.00
27	Permanent Capacity Releases			($837,127.50)
28	Total Demand	3,471,302		$17,313,466.75
29	Total Demand Determinants			3,471,302
30.	Average Demand Rate per MMBtu			$4.9876
31	Average Days in a Month			30.42
32	Rate Schedule 211 Demand Rate per Ccf			$0.0164
33	ETN LNGS	1,250,335	$0 5988	$748,700.60
34.	TGP FS-PA Space	16,626,149	$0 0248	$412,328.50
35.	TGP FS-MA Space	6,969,521	$0.0187	$130,330.04
36	TETCO SS-1 Space	337,778	$0.1343	$45,363.59
37.	CNG GSS Capacity	6,445,007	$0 0173	$111,498 62
38	Total Space			$1,448,221.35
39.	Total Firm Sales			125,041,898
40	Rate Schedule 211 Space Rate per Ccf			$0.0116
41	Rate Schedule 211 Demand PGA per Ccf			$0.0280
42.	Commodity PGA per Ccf			$0 2195
43	Rate Schedule 211 PGA per Ccf			$0 2475

EXHIBIT II

UNITED CITIES GAS COMPANY
CALCULATION OF ACA FACTOR
ALL TOWNS OTHER THAN UNION CITY

1. Previous Year's Demand Cost Balance	$1,309,576.67
2 Current Year's Demand Cost (Exhibit II-A)	$16,702,001.09
3 Demand Cost Recovered (Exhibits II-B through II-D)	$20,488,015.93
4. Demand Under/(Over)-Recovery	($2,476,438.17)
5. Previous Year's Commodity Cost Balance	$5,755,999.85
6. Current Year's Commodity Cost (Exhibit II-A)	$46,493,626.22
7. Interest on Account Balance	$360,607.53
8. Commodity Cost Recovered (Exhibits II-B through II-D)	$53,140,395 24
9. Commodity Under/(Over)-Recovery	($510,161.64)

XHIBIT tt A

UNITED CITI S COMPANY
ACTUAL GAS COST
ALL TOWNS OTHER THAN UNION CITY
JULY 1997 THRU JUNE 1998

	EAST TENNESSEE FT DEMAND			EAST TENNESSEE FT FOR LNGS DEMAND			EAST TENNESSEE LNGS DEMAND			TENNESSEE FT DEMAND			ETN TRANSPORTATION COMMODITY		
	DTH	RATE	COST	DTH	RATE	COST	DTH	RATE	COST	DTH	RATE	COST	DTH	RATE	COST
ADJUSTMENTS															
JULY 1997	64,072	$7 4100	$474,773 52	26 888	$0 0000	$0 00	250 067	$0 0000	$0 00	55,638	$7 5309	$419,002.93	305,210	$0 0121	$3,693 04
AUGUST	64 072	$7 4100	$474,773 52	26 888	$0 0000	$0 00	250 067	$0 0000	$0 00	55 638	$7 2608	$403 978 92	320,764	$0 0121	$3 881 24
SEPTEMBER	64 072	$7 4100	$474 773 52	26 888	$0 0000	$0 00	250 067	$0 0000	$0 00	55,638	$7 2608	$405,091 81	350 185	$0 0121	$4 237 24
OCTOBER	64 072	$7 4100	$474,773 52	26 888	$0 0000	$0 00	250 067	$0 0000	$0.00	55,638	$7 2608	$403 978 92	657 779	$0 0124	$8 156 45
NOVEMBER	64,072	$7 4100	$474 773 52	26,888	$7 4100	$199 240 08	250 067	$0 5988	$149,740 12	55 638	$7 2708	$404,535 37	1,245 846	$0.0125	$15 573 07
DECEMBER	64 072	$7 4100	$474 773 52	26 888	$7 4100	$199 240 08	250 067	$0 5988	$149 740 12	55 638	$7 2708	$404,535 37	1 529,323	$0.0125	$19,116 54
JANUARY 1998	64 072	$0 0000	$0 00	26,888	$0 0000	$0 00	250,067	$0 0000	$0 00	55 638	$0 0000	$0 00	0	$0 0000	$0 00
FEBRUARY	64,072	$0 0000	$0.00	26,888	$0 0000	$0 00	250,067	$0.0000	$0 00	55,638	$0 0000	$0 00	0	$0.0000	$0 00
MARCH	64 072	$0 0000	$0 00	26 888	$0 0000	$0 00	250 067	$0 0000	$0 00	55,638	$0 0000	$0 00	0	$0 0000	$0 00
APRIL	64,072	$0.0000	$0 00	26,888	$0 0000	$0 00	250,067	$0 0000	$0 00	55,638	$0 0000	$0.00	0	$0.0000	$0 00
MAY	64,072	$0.0000	$0 00	26 888	$0 0000	$0 00	250 067	$0 0000	$0.00	55,638	$0 0000	$0.60	0	$0 0000	$0 00
JUNE	64 072	$0 0000	$0 00	26 888	$0 0000	$0 00	250,067	$0 0000	$0 00	55,638	$0 0000	$0 00	0	$0 0000	$0.00
TOTAL	768,864		$2,848,641.12	322,656		$398,480 16	3 000,804		$299 480 24	667,656		$2 441,123 34	4 409,106		$54,657 58

	LNG TRANSPORTATION COMMODITY			TGP TRANSPORTATION COMMODITY			(ETN, TGP,) STORAGE, SOUTHERN & COL GULF	(ETN, TGP,) STORAGE, SOUTHERN & COL GULF	TX EASTERN	TX EASTERN	
	DTH	RATE	COST	DTH	RATE	COST	DEMAND	COMMODITY	DEMAND	COMMODITY	SUBTOTAL
ADJUSTMENTS							$8,093.00	$324,876 00	($1,582.00)	($2,187 00)	$329,200.00
JULY, 1997	14 965	$0.0033	$49 38	685,664	$0 0656	$44,979 54	$207,720.03	$19,117 02	$260,707 89	$19,676.70	$1,449,720.05
AUGUST	51,309	$0.0033	$169 32	393,135	$0.0642	$25,224 20	$207,720.03	$1,612 05	$260,454 18	$20,040.41	$1,397,853.88
SEPTEMBER	130,932	$0 0033	$432.07	488,850	$0.0630	$30,800 89	$207,720.03	$5,945 59	$257,902 13	$108,918.74	$1,495,822.03
OCTOBER	88,827	$0 0036	$319.78	699,811	$0 0648	$45,358 99	$207,366.39	$35,396 26	$258,038 55	$47,467.63	$1,480,856.50
NOVEMBER	40,750	$0 0037	$150.77	405,112	$0 0605	$24,528 00	$426,192.63	$62,443 36	$258,010 64	$47,591.78	$2,062,779.33
DECEMBER	50,024	$0 0037	$185.09	597,061	$0 0600	$35,797 99	$492,005 25	$75,004 82	$258,397 45	$42,962.87	$2,151,759.11
JANUARY, 1998	0	$0 0000	$0.00	0	$0 0000	$0 00	$1,673,126 31	$122,924 26	$262,182 92	$41,626.99	$2,099,860 48
FEBRUARY	0	$0.0000	$0 00	0	$0 0000	$0 00	$1,673,682 76	$105,629 23	$262,040 11	$34,444.44	$2,075,796.54
MARCH	0	$0 0000	$0 00	0	$0 0000	$0 00	$1,669,006 35	$101,219 71	$262,034 98	$37,660.80	$2,069,921 85
APRIL	0	$0.0000	$0 00	0	$0 0000	$0 00	$1,105,472 21	$113,175.34	$262,096 64	$29,122.13	$1,509,866.31
MAY	0	$0.0000	$0 00	0	$0 0000	$0 00	$1,105,472 21	$104,422.76	$262,094 77	$23,319 73	$1,495,309 46
JUNE	0	$0.0000	$0 00	0	$0.0000	$0.00	$1,105,472 21	$72,699 93	$262,139 72	$19,522 48	$1,459,834.33
TOTAL	376,806		$1,306.42	3,269,632		$206,689.61	$10,089,049 39	$1,144,466 33	$3,124,517 98	$470,167 70	$21,078,579 88

	ETN AND TETCO SPOT MARKET INVOICED COST	NORA AND C. GULF DEMAND	C GULF SPOT MARKET INVOICED COST	C. GULF TRANSPORT CHARGES	TOTAL SPOT MARKET COST	STORAGE INJECTIONS	STORAGE WITHDRAWALS
ADJUSTMENTS					$0 00		
JULY, 1997	$2,534,815.01	$89,904.46	$121,259.41	$4,053.09	$2,750,031.97	($1,162,988.74)	$3,207.18
AUGUST	$1,530,221.37	$82,489.47	$124,981 89	$4,139 81	$1,741,832.53	($187,329 26)	$3,026.07
SEPTEMBER	$1,743,328 30	$82,489 47	$183,751 55	$5,446 02	$2,015,015.34	($458,595.50)	$428,261.01
OCTOBER	$4,175,577 64	$82,489 47	$340,770.23	$7,596 87	$4,606,434 20	($444,303.80)	$1,652 10
NOVEMBER	$5,183,541 77	$352,872 82	$1,358,348.86	$32,184.44	$6,926,947 89	($629,627.55)	$964,832 78
DECEMBER	$3,688,779.41	($79,287.24)	$771,855.83	$29,129.57	$4,410,477 57	($177,972.59)	$2,059,860 17
JANUARY, 1998	$3,397,483.82	$136,792.76	$679,973 00	$28,793 31	$4,243,042.89	($154,923.02)	$2,342,707.87
FEBRUARY	$2,671,142 55	$136,792 76	$314,933 96	$19,806 75	$3,142,676.01	($75,053.19)	$1,099,465.99
MARCH	$3,034,782.86	$136,792 76	$803,486.03	$24,483.97	$3,999,545.61	($100,817.46)	$1,273,668.50
APRIL	$3,357,105.54	$82,489.47	$185,808.75	$8,962.16	$3,634,365 91	($1,049,044 60)	$763,837.04
MAY	$3,225,686 99	$79,366.77	$135,599.29	$62,229.83	$3,502,882 88	($1,514,326.69)	($136,500.48)
JUNE	$2,041,625.13	$79,366 77	$101,045 33	$3,504 95	$2,225,542 17	($1,013,124.76)	$165,977 89
TOTAL	$36,584,090 38	$1,262,559 69	$5,121,814 13	$230,330.77	$43,198,794 98	($6,968,107 16)	$8,969,996 12

	CAPACITY RELEASE & GSR REFUND	CONSULTANT FEE	GAS USED BY COMPANY	INCENTIVE RATES	CASHOUTS	MARGIN LOSS	MISC ADJUSTS	GRAND TOTAL COST
ADJUSTMENTS							$5,423.00	$334,623 00
JULY, 1997	($305,889.05)	$0.00	($2,038.64)	$0.00	$0.00	$38,206.70	$13,989.79	$2,784,239.26
AUGUST	($361,294 03)	$0 00	($1,689.35)	$0 00	$0 00	$38,150.79	$0.00	$2,630,550 64
SEPTEMBER	($289,685.41)	$0 00	($1,532.67)	$0 00	$0.00	$37,977.27	$0.00	$3,227,262.07
OCTOBER	($290,620.56)	$0.00	($1,533 29)	$0.00	$0.00	$50,404.27	$403.42	$5,403,292.84
NOVEMBER	($431,637.55)	$0.00	($3,390 78)	$0.00	$0.00	$51,577.16	($327 88)	$8,941,153 40
DECEMBER	($338,290 47)	$0.00	($4,016.19)	$0.00	$0.00	$52,367.76	$90,363.73	$8,244,549.09
JANUARY, 1998	($548,911.73)	$0 00	($3,522 48)	$0 00	$0 00	$51,530.09	$4,337.67	$8,034,121.78
FEBRUARY	($491,198.20)	$0.00	($3,249.13)	$0.00	$0.00	$50,969 22	$0.00	$5,799,407.24
MARCH	($419,982 26)	$0.00	($2,756.56)	$0.00	$0.00	$47,968.82	$324 61	$6,867,873.11
APRIL	($93,735.76)	$0 00	$0.00	$0.00	$0.00	$56,877.86	$0 00	$4,822,166.76
MAY	($94,742.18)	$0.00	$0.00	$0.00	$0 00	$55,739.06	$0.00	$3,308,362 05
JUNE	($95,863.64)	$0.00	$0 00	$0 00	$0.00	$55,660.07	$0.00	$2,798,026.07
TOTAL	($3,761,850.83)	$0.00	($23,729.09)	$0 00	$0.00	$587,429.07	$114,514.34	$63,195,627.31

EXHIBIT III-B

UNITED CITIES GAS COMPANY
GAS COST RECOVERIES
ALL TOWNS OTHER THAN UNION CITY
JULY, 1997 THRU JUNE, 1998

MONTH	FIRM SALES	DEMAND RECOVERY FACTOR	DEMAND RECOVERIES	TOTAL SALES	COMMODITY RECOVERY FACTOR	COMMODITY RECOVERIES	TOTAL RECOVERIES
JULY, 1997	3,250,862	$0 1320	$429,113 78	6,639,403	$0.2689	$1,785,335 47	$2,214,449.25
AUGUST	3,224,175	$0 1320	$425,591.10	7,033,049	$0.2689	$1,891,186.88	$2,316,777.98
SEPTEMBER	3,397,280	$0.1320	$448,440.96	6,966,657	$0.2689	$1,873,334 07	$2,321,775.03
OCTOBER	4,339,235	$0.1562	$677,788.51	8,401,365	$0.3698	$3,106,824.78	$3,784,613.29
NOVEMBER	12,534,997	$0.1562	$1,957,966.53	17,328,912	$0 3698	$6,408,231.66	$8,366,198.19
DECEMBER	19,172,346	$0.1562	$2,994,720.45	23,618,360	$0.3698	$8,734,069.53	$11,728,789 98
JANUARY, 1998	21,125,482	$0.1693	$3,576,544.10	25,015,780	$0.3073	$7,687,349.19	$11,263,893.29
FEBRUARY	19,086,728	$0.1693	$3,231,383 05	22,503,845	$0.3073	$6,915,431.57	$10,146,814 62
MARCH	16,118,158	$0.1693	$2,728,804.15	19,803,632	$0.3073	$6,085,656.11	$8,814,460 26
APRIL	10,679,692	$0.1652	$1,764,285.12	13,845,441	$0.2932	$4,059,483.30	$5,823,768 42
MAY	5,847,038	$0.1652	$965,930.68	8,648,461	$0 2932	$2,535,728 77	$3,501,659.45
JUNE	3,669,393	$0.1652	$606,183 72	6,506,973	$0.2932	$1,907,844.48	$2,514,028.20
TOTAL	122,445,386		$19,806,752.15	166,311,878		$52,990,475.81	$72,797,227 96

EXH Г III-C

UNITED CITIES GAS COMPANY
240 GAS COST RECOVERIES
ALL TOWNS OTHER THAN UNION CITY
JULY, 1997 THRU JUNE, 1998

MONTH	DEMAND VOLUME	DEMAND RECOVERY FACTOR	DEMAND RECOVERIES	240 SALES	COMMODITY RECOVERY FACTOR	COMMODITY RECOVERIES	TOTAL RECOVERIES
JULY, 1997	38,808	$1.3858	$53,780.13	0	$0.2689	$0 00	$53,780.13
AUGUST	39,762	$1.3858	$55,102.18	0	$0.2689	$0.00	$55,102.18
SEPTEMBER	39,830	$1.3858	$55,196.41	0	$0.2689	$0.00	$55,196.41
OCTOBER	31,039	$1.6669	$51,738.91	0	$0.3698	$0.00	$51,738.91
NOVEMBER	35,405	$1.6669	$59,016.59	0	$0.3698	$0.00	$59,016.59
DECEMBER	36,045	$1 6669	$60,083.41	0	$0.3698	$0.00	$60,083 41
JANUARY, 1998	35,985	$1 8077	$65,050 08	0	$0.3073	$0.00	$65,050.08
FEBRUARY	35,815	$1.8077	$64,742 78	0	$0.3073	$0 00	$64,742.78
MARCH	35,755	$1.8077	$64,634.31	0	$0.3073	$0.00	$64,634.31
APRIL	28,049	$1.8054	$50,639.66	0	$0 2932	$0 00	$50,639 66
MAY	28,049	$1.8054	$50,639.66	0	$0 2932	$0.00	$50,639.66
JUNE	28,049	$1.8054	$50,639 66	0	$0.2932	$0.00	$50,639.66
TOTAL	412,591		$681,263 78	0		$0.00	$681,263.78

EXI I III-D

UNITED CITIES GAS COMPANY
TYPE III GAS COST RECOVERIES
ALL TOWNS OTHER THAN UNION CITY
JULY, 1997 THRU JUNE, 1998

MONTH	TYPE III FIRM SALES	DEMAND RECOVERY FACTOR	TYPE III DEMAND RECOVERIES	TYPE III TOTAL SALES	COMMODITY RECOVERY FACTOR	TYPE III COMMODITY RECOVERIES	TYPE III TOTAL RECOVERIES
JULY, 1997	0	$0.0000	$0.00	1,920,726	$0.0088	$16,902.39	$16,902.39
AUGUST	0	$0.0000	$0.00	2,254,733	$0.0088	$19,841 65	$19,841.65
SEPTEMBER	0	$0 0000	$0 00	2,281,910	$0.0088	$20,080 81	$20,080.81
OCTOBER	0	$0.0000	$0 00	2,772,444	$0.0088	$24,397.51	$24,397.51
NOVEMBER	0	$0.0000	$0.00	3,704,587	$0.0088	$32,600.37	$32,600 37
DECEMBER	0	$0.0000	$0.00	4,101,898	$0.0088	$36,096 70	$36,096.70
JANUARY, 1998	0	$0 0000	$0 00	0	$0.0000	$0 00	$0 00
FEBRUARY	0	$0.0000	$0.00	0	$0.0000	$0.00	$0.00
MARCH	0	$0.0000	$0.00	0	$0.0000	$0.00	$0.00
APRIL	0	$0.0000	$0 00	0	$0.0000	$0.00	$0.00
MAY	0	$0.0000	$0.00	0	$0.0000	$0.00	$0.00
JUNE	0	$0.0000	$0 00	0	$0 0000	$0.00	$0.00
TOTAL	0		$0.00	17,036,298		$149,919.43	$149,919.43

UNITED CITIES GAS COMPANY
CALCULATION OF ACA INTEREST
ALL TOWNS OTHER THAN UNION CITY

BEGINNING BALANCE	$7,065,576.52
PRE-JULY, 1997 ADJUSTMENTS	$334,623.00
ADJUSTED BEGINNING BALANCE	$7,400,199 52

	BEGINNING BALANCE	COST	RECOVERIES	ENDING BALANCE	INTEREST
JULY, 1997	$7,400,199.52	$2,784,239.26	$2,285,131.77	$7,899,307.01	$53,739.52
AUGUST	$7,953,046.53	$2,630,550 64	$2,391,721.81	$8,191,875.35	$56,709.04
SEPTEMBER	$8,248,584.39	$3,227,262.07	$2,397,052.25	$9,078,794 22	$60,862.42
OCTOBER	$9,139,656.63	$5,403,292.84	$3,860,749.71	$10,682,199.77	$70,202.41
NOVEMBER	$10,752,402.17	$8,941,153.40	$8,457,815 15	$11,235,740.43	$77,874 67
ECEMBER	$11,313,615.10	$8,244,549.09	$11,824,970 09	$7,733,194.10	$67,457.45
JANUARY, 1998	$7,800,651.55	$8,034,121.78	$11,328,943.37	$4,505,829.95	$43,585 46
FEBRUARY	$4,549,415.41	$5,799,407 24	$10,211,557.40	$137,265 25	$16,598.66
MARCH	$153,863.91	$6,867,873.11	$8,879,094.57	($1,857,357 55)	($6,033.21)
APRIL	($1,863,390.76)	$4,822,166.76	$5,874,408.08	($2,915,632.07)	($16,925.71)
MAY	($2,932,557.78)	$3,308,362.05	$3,552,299 11	($3,176,494.84)	($21,636.23)
JUNE	($3,198,131.07)	$2,798,026 07	$2,564,667.86	($2,964,772.86)	($21,826.95)
TOTAL		$62,861,004.31	$73,628,411 17		$380,607.53

UNITED CITIES GAS COMPANY
GAS PURCHASES
AUGUST, 1997 THROUGH JULY, 1998

		EAST TENNESSEE	TEXAS EASTERN	COLUMBIA GULF	NYMEX	WEIGHTED COST OF GAS
AUGUST	1997	516,740	161,379	60,270	$2.1850	$1,613,380.30
SEPTEMBER	1997	538,365	166,581	62,211	$1.6720	$1,282,686.01
OCTOBER	1997	825,102	296,500	109,972	$1.7160	$2,113,380.64
NOVEMBER	1997	1,430,022	362,360	426,529	$1 9730	$4,377,911 91
DECEMBER	1997	1,801,369	309,317	319,247	$2.2530	$5,474,638 16
JANUARY	1998	1,601,673	266,111	311,957	$2.3850	$5,198,681 39
FEBRUARY	1998	1,399,058	219,006	238,701	$2 3420	$4,348,543.33
MARCH	1998	1,396,012	244,594	306,865	$2.2700	$4,420,758.60
APRIL	1998	813,073	287,766	83,951	$2.2050	$2,612,462.67
MAY	1998	578,803	287,313	157,280	$2.1850	$2,236,121.21
JUNE	1998	479,479	242,008	52,472	$2.1850	$1,691,101.48
JULY	1998	451,063	158,002	64,674	$2.1850	$1,472,119.56
		11,830,759	3,000,937	2,194,129	$2.1639	$36,841,785.26

UNITED CITIES GAS COMPANY
GAS SALES
AUGUST, 1997 THROUGH JULY, 1998

		FIRM	TOTAL	LESS SPECIAL CONTRACT FIRM	NET FIRM	NET TOTAL
AUGUST	1997	4,234,055	8,042,929	1,009,880	3,224,175	7,033,049
SEPTEMBER	1997	4,436,860	8,006,237	1,039,580	3,397,280	6,966,657
OCTOBER	1997	5,747,605	9,809,735	1,408,370	4,339,235	8,401,365
NOVEMBER	1997	14,435,777	19,229,692	1,900,780	12,534,997	17,328,912
DECEMBER	1997	21,513,346	25,959,360	2,341,000	19,172,346	23,618,360
JANUARY	1998	22,988,202	26,878,500	1,862,720	21,125,482	25,015,780
FEBRUARY	1998	21,191,238	24,608,355	2,104,510	19,086,728	22,503,845
MARCH	1998	18,004,058	21,689,532	1,885,900	16,118,158	19,803,632
APRIL	1998	11,027,772	14,193,521	0	11,027,772	14,193,521
MAY	1998	8,078,378	10,879,801	0	8,078,378	10,879,801
JUNE	1998	3,669,393	6,506,973	0	3,669,393	6,506,973
JULY	1998	3,267,954	5,753,668	0	3,267,954	5,753,668
		138,594,638	181,558,303	13,552,740	125,041,898	168,005,563

UNITED CITIES GAS COMPANY
PURCHASED GAS ADJUSTMENT
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EFFECTIVE DATE OCTOBER 1, 1998

SHEET NO.	EFFECTIVE	CCF ADJUSTMENT FIRM	CCF ADJUSTMENT OPTIONAL
CUMULATIVE PGA 1990		$0 1086	$0.0511
CUMULATIVE PGA 1991		$0.0142	($0.0040)
CUMULATIVE PGA 1992		$0.0759	$0.0077
CUMULATIVE PGA 1993		($0.1139)	($0.0985)
CUMULATIVE PGA 1994		($0 0895)	$0 0091
CUMULATIVE PGA 1995		$0.3593	$0.2161
CUMULATIVE PGA 1996		$0.1028	$0.1204
CUMULATIVE PGA 1997		$0.0686	$0.0679
2ND REVISED	JANUARY 1, 1998	($0.0494)	($0.0625)
3RD REVISED	APRIL 1, 1998	($0 0182)	($0.0141)
4TH REVISED	SEPTEMBER 1, 1998	($0.0294)	($0.0194)
5TH REVISED	OCTOBER 1, 1998	($0.0834)	($0.0543)
TOTAL PGA FACTOR		$0 3456	$0 2195

UNITED CITIES GAS COMPANY
REFUND ADJUSTMENTS AND SURCHARGES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EFFECTIVE DATE: OCTOBER 1, 1998

SHEET NO.	DESCRIPTION	EFFECTIVE	CCF ADJUSTMENT FIRM	CCF ADJUSTMENT OPTIONAL
75TH REVISED	REFUND	APRIL 1, 1997	EXPIRED APRIL 1, 1998	
75TH REVISED	SAM	APRIL 1, 1997	EXPIRED APRIL 1, 1998	
3RD REVISED	SAM	APRIL 1, 1998	($0 0014)	($0.0014)
TOTAL REFUND FACTORS			($0.0014)	($0.0014)

T. R. A. NO.______

UNITED CITIES GAS COMPANY, A DIVISION OF
ATMOS ENERGY CORPORATION
Name of Company

5th Revised Sheet No. 47

Cancelling 4th Revised Sheet No. 47

Applies to TN Service Areas Except Union City Tennessee
Name of City

ALL
Service

	FIRM	NON-FIRM
Gas Charge Adjustment Effective October 1, 1998	$0.3456 per Ccf	$0.2195 per Ccf
Refund Adjustment in Effect for a 12 Month Period Commencing on Effective Date Shown Below		
April 1, 1998 (SAM)	($0 0014) per Ccf	($0.0014) per Ccf
Total PGA 10/1/98 to 4/1/99	$0 3442 per Ccf	$0.2181 per Ccf
Total PGA Effective On and After April 1, 1999	$0 3456 per Ccf	$0.2195 per Ccf
Rate Schedule 211 Effective October 1, 1998	$0.2461 per Ccf	
Rate Schedule 240 Effective October 1, 1998		
Demand	$1.4673 per Ccf	
Commodity	$0 2181 per Ccf	

Issued September 10, 1998
Month Day Year

Effective October 1, 1998
Month Day Year

Issued by Thomas R. Blose, Jr., President
Name of Officer

Title

5300 Maryland Way, Brentwood, TN 37027
Address of Officer

T. R. A. NO.______

UNITED CITIES GAS COMPANY, A DIVISION OF
ATMOS ENERGY CORPORATION
Name of Company

5th Revised Sheet No. 47.1

Cancelling 4th Revised Sheet No. 47.1

Applies to TN Service Areas Except Union City Tennessee
Name of City

ALL
Service

	BASE RATE	PURCHASED GAS ADJUSTMENT	TOTAL RATE
RATE SCHEDULE 210 - RESIDENTIAL			
Customer Charge	$6.00		$6 00
All Consumption (May - September)	$0.2257	$0.3442	$0.5699
All Consumption (October - April)	$0.2657	$0 3442	$0.6099
Minimum Bill	$6.00		$6 00
RATE SCHEDULE 211 - HEATING AND COOLING SERVICE			
Customer Charge	$6 00		$6.00
All Consumption	$0.0996	$0.2461	$0 3457
Minimum Bill	$6.00		$6 00
RATE SCHEDULE 220 - COMMERCIAL/INDUSTRIAL FIRM			
Customer Charge	$12.00		$12.00
All Consumption	$0.2625	$0.3442	$0.6067
Minimum Bill	$12.00		$12.00
RATE SCHEDULE 221 - EXPERIMENTAL SCHOOL RATE			
Customer Charge	$25 00		$25.00
All Consumption	$0.1000	$0.2181	$0.3181
Minimum Bill	$25 00		$25 00
RATE SCHEDULE 225 - PUBLIC HOUSING			
Customer Charge	$6.00		$6.00
All Consumption (May - September)	$0.2257	$0.3442	$0 5699
All Consumption (October - April)	$0.2657	$0.3442	$0.6099
Minimum Bill	$6.00		$6.00

Issued September 10, 1998
Month Day Year

Effective October 1, 1998
Month Day Year

Issued by Thomas R. Blose, Jr., President
Name of Officer Title

5300 Maryland Way, Brentwood, TN 37027
Address of Officer

T. R. A. NO.______

UNITED CITIES GAS COMPANY, A DIVISION OF
ATMOS ENERGY CORPORATION
Name of Company

5th Revised Sheet No. 47.2

Cancelling 4th Revised Sheet No. 47.2

Applies to TN Services Areas Except Union City Tennessee
Name of City

ALL
Service

	BASE RATE	PURCHASED GAS ADJUSTMENT	TOTAL RATE
RATE SCHEDULE 230 - LARGE COMMERICAL/INDUSTRIAL FIRM			
Customer Charge	$200 00		$200.00
All Consumption	$0.2261	$0 3442	$0.5703
Minimum Bill	$200.00		$200.00
RATE SCHEDULE 240 - DEMAND/COMMODITY			
Customer Charge	$310.00		$310.00
Demand Charge (per Ccf of Contract Demand)	$1 6293	$1 4673	$3.0966
Consumption			
First 20,000 Ccf	$0.0996	$0.2181	$0.3177
Next 480,000 Ccf	$0.0671	$0 2181	$0.2852
Over 500,000 Ccf	$0.0329	$0.2181	$0.2510
Minimum Bill	$310.00 plus the Demand Charge		$310 00
RATE SCHEDULE 250 - OPTIONAL SERVICE			
Customer Charge	$310.00		$310 00
Consumption			
First 20,000 Ccf	$0.0996	$0 2181	$0 3177
Next 480,000 Ccf	$0.0671	$0.2181	$0.2852
Over 500,000 Ccf	$0 0329	$0.2181	$0.2510
Minimum Bill	$310.00		$310.00
RATE SCHEDULE 260 - TRANSPORTATION			
Customer Charge	$310.00		$310.00
Demand Charge (per Ccf of Contract Demand, if applicable)	$1 6293	$1 4673	$3 0966
Consumption	(Margin of Normal Rate Schedule, plus or minus an adjusted PGA factor)		
Minimum Bill	$310 00 plus the Demand Charge		$310.00

Issued September 10, 1998
Month Day Year

Effective October 1, 1998
Month Day Year

Issued by Thomas R. Blose, Jr., President
Name of Officer Title

5300 Maryland Way, Brentwood, TN 37027
Address of Officer

T. R. A. NO.________

UNITED CITIES GAS COMPANY, A DIVISION OF
ATMOS ENERGY CORPORATION
Name of Company

5th Revised Sheet No. 47.3

Cancelling 4th Revised Sheet No. 47.3

Applies to TN Service Areas Except Union City Tennessee
Name of City

ALL
Service

	BASE RATE	PURCHASED GAS ADJUSTMENT	TOTAL RATE
RATE SCHEDULE 280 - ECONOMIC DEVELOPMENT			
Customer Charge	(Equivalent to the companion tariff)		
Demand Charge (per Ccf of Contract Demand, if applicable)	$1.6293	$1.4673	$3 0966
Consumption	(A percentage of the Margin of Normal Rate Schedule, plus the PGA)		
Minimum Bill	(Equivalent to the companion tariff plus the demand charge)		
RATE SCHEDULE 291 - NEGOTIATED			
Customer Charge	(Equivalent to the companion tariff)		
Demand Charge (per Ccf of Contract Demand. if applicable)	$1.6293	$1 4673	$3.0966
Consumption	Negotiated		
Maximum Rate	Normally Applicable Rate Schedule		
Minimum Rate	Commodity Cost plus $.01 per Ccf		
Minimum Bill	(Equivalent to the companion tariff plus the demand charge)		
RATE SCHEDULE 292 - COGENERATION, CNG, AND FUEL CELL			
Customer Charge	$25.00		$25.00
Consumption			
First 20,000 Ccf	$0.0996	$0.2181	$0.3177
Next 480,000 Ccf	$0 0671	$0 2181	$0.2852
Over 500,000 Ccf	$0.0329	$0.2181	$0.2510
Minimum Bill	$25.00		$25.00

Issued: September 10, 1998
Month Day Year

Effective. October 1, 1998
Month Day Year

Issued by Thomas R. Blose, Jr., President
Name of Officer Title
5300 Maryland Way, Brentwood, TN 37027
Address of Officer

T. R. A. NO.______

UNITED CITIES GAS COMPANY, A DIVISION OF ATMOS ENERGY CORPORATION
Name of Company

5th Revised **Sheet No.** 47.4

Cancelling 4th Revised **Sheet No.** 47.4

Applies to TN Service Areas Except Union City **Tennessee**
Name of City

ALL
Service

	BASE RATE	PURCHASED GAS ADJUSTMENT	TOTAL RATE
RATE SCHEDULE 293 - LARGE TONNAGE AIR CONDITIONING			
Customer Charge	$25.00		$25 00
Consumption			
First 20,000 Ccf	$0.0996	$0.2181	$0.3177
Next 480,000 Ccf	$0.0671	$0 2181	$0.2852
Over 500,000 Ccf	$0.0329	$0.2181	$0.2510
Minimum Bill	$25.00		$25.00

Issued. September 10, 1998
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Issued by: Thomas R. Blose, Jr., President
Name of Officer

Title

5300 Maryland Way, Brentwood, TN 37027
Address of Officer