



BOULT ■ CUMMINGS®  
CONNERS ■ BERRY PLC

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May 26, 2006

Ron Jones, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

Re: ***In Re: Petition to Open an Investigation to Determine Whether Atmos Energy Corp Should be Required by the TRA to Appear and Show Cause That Atmos Energy Corp. is Not Overearning in Violation of Tennessee Law and That it is Charging Rates That Are Just and Reasonable***

**Docket Number: 05-00258**

Dear Chairman Jones:

Please find enclosed Atmos Intervention Group's First Set of Discovery Requests to Atmos Energy Corporation in the above-referenced docket.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

  
Henry Walker

HW/djc  
Enclosure

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**May 26, 2006**

*In re: Petition to Open an Investigation to )  
Determine Whether Atmos Energy Corp. Should be )  
Required by the TRA to Appear and Show Cause )  
That Atmos Energy Corp. is Not Overearning in )  
Violation of Tennessee Law and That it is Charging )  
Rates That are Just and Reasonable )*

Docket No. 05-00258

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**ATMOS INTERVENTION GROUP'S FIRST ROUND OF DISCOVERY  
TO  
ATMOS ENERGY CORPORATION**

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The Atmos Intervention Group ("AIG"), a group of large customers who purchase natural gas from Atmos Energy Corporation, hereby serves the following discovery requests to Atmos Energy Corporation ("Atmos" or the "Company").

**DEFINITIONS**

1. Unless otherwise noted, "Company" or "Atmos" means Atmos Energy Corporation, and their present and former officers, employees, agents, representatives, directors, and all other persons acting or purporting to act on behalf of Atmos Energy Corporation.
2. The terms "you" and "your" refer to Atmos.
3. "AIG" means Atmos Intervention Group, a consortium of customers of Atmos.
4. The term "person" means any natural person, corporation, corporate division, partnership, other unincorporated association, trust, government agency, or entity.
5. The term "document" shall have the broadest possible meaning under applicable law. "Document" means every writing or record of every type and description that is in the possession, custody or control of Atmos, including, but not limited to, correspondence,

memoranda, drafts, workpapers, summaries, stenographic or handwritten notes, studies, publications, books, pamphlets, reports, surveys, minutes or statistical compilations, computer and other electronic records or tapes or printouts, including, but not limited to, electronic mail files; and copies of such writings or records containing any commentary or notation whatsoever that does not appear in the original. The term "document" further includes, by way of illustration and not limitation, schedules, progress schedules, time logs, drawings, computer disks, charts, projections, time tables, summaries of other documents, minutes, surveys, work sheets, drawings, comparisons, evaluations, laboratory and testing reports, telephone call records, personal diaries, calendars, personal notebooks, personal reading files, transcripts, witness statements and indices.

6. The term "referring or relating to" means consisting of, containing, mentioning, suggesting, reflecting, concerning, regarding, summarizing, analyzing, discussing, involving, dealing with, emanating from, directed at, pertaining to in any way, or in any way logically or factually connected or associated with the matter discussed.

7. "And" and "or" as used herein shall be construed both conjunctively and disjunctively and each shall include the other whenever such construction will serve to bring within the scope of these discovery requests any information that would otherwise not be brought within their scope.

8. "Affiliate" or "affiliated" means an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another entity.

9. "Identify" or "identifying" or "identification" when used in reference to a document means to provide with respect to each document requested to be identified by these

discovery requests a description of the document that is sufficient for purposes of a request to produce or a subpoena duces tecum, including the following:

- a) the type of document (e.g., letter, memorandum, etc.);
- b) the date of the document;
- c) the title or label of the document;
- d) the Bates number or other identifier used to number the document for use in litigation;
- e) the identity of the originator;
- f) the identity of each person to whom it was sent;
- g) the identity of each person to whom a copy or copies were sent;
- h) a summary of the contents of the document;
- i) the name and last known address of each person who presently has possession, custody or control of the document; and
- j) if any such document was, but is no longer, in your possession, custody or control or is no longer in existence, state whether it: (1) is missing or lost; (2) has been destroyed; or (3) has been transferred voluntarily or involuntarily, and, if so, state the circumstances surrounding the authorization for each such disposition and the date of such disposition.

### **GENERAL INSTRUCTIONS**

1. If you contend that any response to any data request may be withheld under the attorney-client privilege, the attorney work product doctrine or any other privilege or basis, please state the following with respect to each such response in order to explain the basis for the claim of privilege and to permit adjudication of the propriety of that claim:

- a) the privilege asserted and its basis;
- b) the nature of the information withheld;
- c) the subject matter of the document, except to the extent that you claim it is privileged.

2. These discovery requests are to be answered with reference to all information in your possession, custody or control or reasonably available to you. These discovery requests are intended to include requests for information, which is physically within your possession, custody or control as well as in the possession, custody or control of your agents, attorneys, or other third parties from which such documents may be obtained.

3. If any data request cannot be answered in full, answer to the extent possible and specify the reasons for your inability to answer fully.

4. For each data request, provide the name of the company witness(es) or employee(s) responsible for compiling and providing the information contained in each answer.

### **DISCOVERY REQUESTS**

1. Provide an income statement for the 12 months ended September 30, 2005 and December 31, 2005 and balance sheet at September 30, 2005 and December 31, 2005 for each state regulated utility owned or operated by Atmos. Also provide an income statement for the 12 months ended September 30, 2005 and December 31, 2005 and a balance sheet at September 30, 2005 and December 31, 2005 for each unregulated affiliate of Atmos. Finally, aggregate and reconcile the individual income statements and balance sheets referred to above with the consolidated income statement and balance sheet contained in the Company's most recent stockholder's annual report.

### **RESPONSE**

2. In order for the TRA to verify the Company's gas sales, identify and provide the monthly sales volumes by rate classification for each of the Company's 50 largest Tennessee customers from January 1, 2003 through December 31, 2005. Also provide a contact person, telephone number and mailing address for each customer identified. Finally provide copies of all correspondence, other than billing statements, and notes of discussions or meetings with these customers concerning gas usage or rates between January 1, 2004 through May 1, 2006.

**RESPONSE**

3. Provide a copy of the Company's current asset management contracts applicable to Tennessee.

**RESPONSE**



4. Provide a copy of the latest Request for Proposal (“RFP”) that was issued by the Company for the management of the Company’s Tennessee pipeline and storage assets and procurement of gas. Provide a copy of all responses to the Company’s latest RFP.

**RESPONSE**

5. Provide a copy of the Company's latest gas supply plan for its Tennessee customers and the reserve margin associated with the peak day demand requirements.

**RESPONSE**

6. Provide a listing of all pipeline and storage assets, along with their related costs, that are contracted for in providing gas supply for Tennessee ratepayers. Please identify the FERC tariff or negotiated costs of each asset and the contract number of each asset.

**RESPONSE**

7. From January 1, 2004 to May 1, 2006, provide by month the total number of Tennessee customers served under the Company's Rate 260 transportation rate schedule that also purchase gas from Atmos Energy Marketing LLC ("Atmos Energy Marketing"). Also provide the monthly total volumes and profits realized by Atmos Energy Marketing attributable to transporting these volumes using the Company's regulated pipeline assets. For purposes of questions 7, 8, and 9, the term "regulated assets" refers to those assets which are paid for by the Company's Tennessee customers and the costs of which are recovered through the TRA's Purchased Gas Adjustment rules.

**RESPONSE**

8. From January 1, 2004 to May 1, 2006, provide the monthly total volumes and profits realized by Atmos Energy Marketing on sales to non-jurisdictional customers attributable to transporting this gas using the Company's regulated pipeline assets.

**RESPONSE**

9. From January 1, 2004 to May 1, 2006, provide the total monthly profits realized by Atmos Energy Marketing that are attributable to the management of the Company's regulated storage assets.

**RESPONSE**

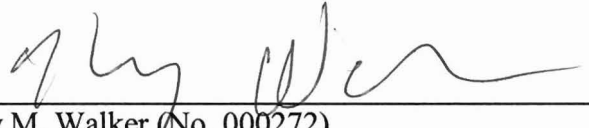
10. Provide a copy of any performance incentive plan applicable to Tennessee and any associated reports produced in 2005 and 2006.

**RESPONSE**

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: \_\_\_\_\_

A handwritten signature in dark ink, appearing to read "H. M. Walker", is written over a horizontal line.

Henry M. Walker (No. 000272)  
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Nashville, Tennessee 37203  
(615) 252-2363



**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing is being forwarded via email and U.S. mail, postage prepaid, to:

Vance L. Broemel  
Office of the Attorney General  
Consumer Advocate and Protection Division  
P.O. Box 20207  
Nashville, TN 37202  
vance.broemel@state.tn.us


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on this the 26<sup>th</sup> day of May 2006.

  
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Henry M. Walker