

**IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE: PETITION TO OPEN AN)	
INVESTIGATION TO DETERMINE)	
WHETHER ATMOS ENERGY CORP.)	
SHOULD BE REQUIRED BY THE TRA)	Docket No. 05-00258
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)	

Affidavit of Rob Ellis

I, Rob Ellis, after first being duly sworn according to law, hereby depose and say that:

1. I am beyond the age of majority, am competent to make this Affidavit, and have personal knowledge of the matters stated within this Affidavit.

2. I am employed by Atmos Energy Marketing, LLC ("AEM") as Senior Vice President of Marketing. I am based out of AEM's Franklin, Tennessee office.

3. AEM is a non-regulated affiliate of Atmos Energy Corporation. AEM is a full service natural gas marketing company that provides gas supply procurement and asset management services to utilities, industrial facilities, power plants and gas producers in several states, including Tennessee. In 2003, Atmos Energy Corporation issued a request for proposals for asset management services. AEM was the successful bidder and currently provides asset management services to Atmos Energy Corporation in addition to its other customers.

4. In the course of my employment with AEM, I have become familiar with Mr. Earl Burton and his company, Tennessee Energy Consultants. The aspect of Mr. Burton's business that I am most familiar with is the consulting services he provides to industrial and municipal clients

with regard to contracting with marketers for gas supply. Mr. Burton regularly competes with AEM for these gas supply contracts.

5. Typically, Mr. Burton offers to assist the industrial or municipal client in selecting a marketer and negotiating a contract with that marketer for gas supply. The market for such gas supply contracts is highly competitive. Many of Mr. Burton's clients are located in East Tennessee. AEM has numerous industrial and municipal customers in East Tennessee and throughout the state that have contracted with AEM for their gas supply.

6. Mr. Burton regularly contacts industrial and municipal customers with existing contracts with AEM and represents that the rates charged by AEM are too high, and that he can negotiate a better deal for the customer with a supplier other than AEM. Mr. Burton typically negotiates a fee for his services that includes a percentage of any savings the customer achieves as a result of entering into a contract with a supplier other than AEM. Attached as collective Exhibit 1 to this Affidavit are copies of solicitations Mr. Burton sent to AEM customers offering to negotiate a contract for the customer with suppliers other than AEM. These solicitations are typical of the type Mr. Burton routinely sends to AEM customers.

7. Included within collective Exhibit 1 is a January 3, 2005 e-mail Mr. Burton sent to a distribution list Mr. Burton has compiled consisting of AEM customers. Mr. Burton routinely sends similar communications to the AEM customer list he has compiled, which like the example attached, offer to negotiate better contracts for the customer with competing marketers other than AEM.

8. Also included within collective Exhibit 1 is a copy of a July 11, 2005 letter Mr. Burton sent to a current AEM customer. In that letter, Mr. Burton represents that he is very involved in consulting with AEM customers "to identify gas marketer practices that are costing

12. The data requests submitted by the Atmos Intervention Group seek information which AEM maintains as confidential trade secrets. The information is valuable to AEM, and would harm AEM economically if it were made public or if it were shared with Mr. Burton or other competitors of AEM.

FURTHER AFFIANT SAITH NOT.

Rob Ellis
Rob Ellis

STATE OF Louisiana

COUNTY OF Orleans

Personally appeared before me, Rob Ellis, a Notary Public in and for said State and County, Rob Ellis, the within named affiant, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and seal at office, on this 7th day of June, 2006.

[Signature]
Notary Public
DENNIS W. MORRIS
#82356

My Commission Expires:

LIFETIME