

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

July 21, 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

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

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 the Company's workpapers supporting the customer growth calculation (bills and volume) contained on Company Schedule GW-2.

RESPONSE

2. Provide the rationale and Company workpapers supporting the Barnsley Storage Fee adjustment of \$1,818,133 on Company Schedule GW-2.

RESPONSE

3. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 220. Currently this particular rate schedule has no rate steps. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 220 for the 12 months ended September 30, 2005 in 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

4. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 230. Currently this particular rate schedule has no rate steps. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 220 for the 12 months ended September 30, 2005 in 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

5. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 240. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 240 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

6. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 250. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 250 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

7. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 260. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 260 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

8. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 280. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 280 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

9. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 291. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 291 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

10. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 292. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 292 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

11. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 293. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 293 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

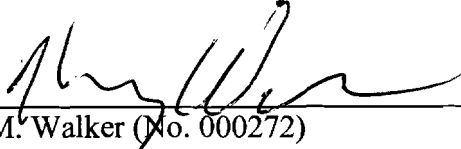
12. AIG has concerns regarding the proper rate tiers or steps for Rate Schedule 294. Currently this particular rate schedule has no monthly steps at 0 Ccf, 20,000 Ccf, and 50,000 Ccf. In order to properly evaluate the need for rate tiers or steps for this rate schedule, please provide an average monthly cumulative distribution analysis for Rate Schedule 294 for the 12 months ended September 30, 2005 for 10 Mcf increments. This analysis should show the average amount of monthly sales volumes and the cumulative percentage of sales volumes for each increment, beginning with 10 Mcf, then 20 Mcf, then 30 Mcf, etc. If you have any questions regarding this item, please contact us before proceeding.

RESPONSE

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: _____


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CERTIFICATE OF SERVICE

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

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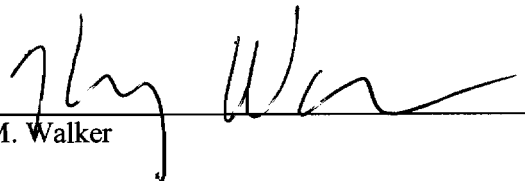
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on this the 21st day of July 2006.



Henry M. Walker