

**CONSUMER ADVOCATE AND PROTECTION DIVISION
COMPARATIVE FORECASTS ANALYSIS SUMMARY
ATMOS ENERGY CORPORATION TRA DOCKET #05-00258
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2006-2007**

<u>Line #</u>	<u>COMPANY FORECAST 2007</u>	<u>ADJUSTMENTS</u>	<u>CAPD FORECAST 2007</u>	<u>CAPD FORECAST 2006</u>	<u>STAFF FORECAST 2006</u>
1 Total Operating Revenues	195,166,303		244,780,055	243,786,703	
2 Production Expense	143,086,066		189,294,907	189,294,907	
3 Gross Margin	\$52,080,237	\$3,404,911.00 ADJ#1	\$55,485,148	\$54,491,796	\$54,491,796
4 Labor	3,394,765	(416,411) ADJ#2	2,978,354	2,877,636	
5 Long Term Incentive Pay ("LTIP")	444,447	(444,447) ADJ#3	0	0	
6 Pension Expense	417,131	(417,131) ADJ#4	0	0	
7 Uncollectible Expense	351,679	(255,919) ADJ#5	95,760	95,760	Same as CAPD 2006
8 Environmental Expense	637,802	(637,802) ADJ#6	0	0	
9 Rate Case Expense	55,000	(38,500) ADJ#7	16,500	0	
10 Other Operations & Maintenance Expense ("O&M") Exp	11,109,235	(340,072) ADJ#8	10,769,163	10,318,502	
11 Total Operations and Maintenance Expense (Sum of Lines 4-10)	\$16,410,059		\$13,859,777	\$13,291,898	\$13,291,898
12 Depr. & Amort. Expense	12,519,876	(813,111) ADJ#9	11,706,765	11,189,631	
13 Taxes Other than Income Taxes	6,090,833	(766,088) ADJ#10	5,324,745	5,596,906	Same as CAPD 2006
14 Income Taxes	5,230,057	3,094,384 ADJ#11	8,324,441	8,278,084	
15 Total Operating Expenses (Sum of Lines 4-10 and Lines 12-14)	\$40,250,825	(\$1,035,097)	\$39,215,728	\$38,356,519	\$38,356,519
16 Net Operating Income ("NOI") (Difference of Line 3 and Line 15)	\$11,829,412	\$4,440,008	\$16,269,420	\$16,135,277	\$16,135,277
17 Adjustments to NOI					
18 Accrued Interests on customer deposits	(470,796)	(80,132) ADJ#12	(390,664)	(367,537)	
19 Allowance for funds used during construction	0	235,383 ADJ#13	235,383	235,383	Same as CAPD 2006
20 Gain on Sale of Maryland Way Property	20,244		20,244	20,244	
21 Elimination of leased property; Decreased Rent	2,079,882		2,079,882	2,064,752	
22 Elimination of leased property: Incr. depreciation expense	(238,584)		(238,584)	(238,584)	
23 Adjusted NOI (Sum of Line 16 and Lines 17-22)	\$13,220,158	\$4,595,259	\$17,975,681	\$17,849,535	\$17,849,535
24 Rate Base Additions					
25 Gas Plant in Service	317,595,022	(2,739,522) ADJ#14	314,855,500	300,002,089	
26 Construction Work in Progress	5,170,361	(51,374) ADJ#15	5,118,987	5,738,935	
27 Materials and supplies/Storage gas	16,655,238	(2,146) ADJ#16	16,653,092	15,612,317	Same as CAPD 2006
28 Working Capital	861,072	(861,072) ADJ#17	0	0	
29 Net elimination of intercompany leased property	7,126,069	0	7,126,069	7,401,176	
30 Unamortized Maryland Way Gain	(28,708)	0	(28,708)	(48,952)	
31 Total Additions to Rate Base (Sum of Lines 25-30)	\$347,379,054	(\$3,654,114)	\$343,724,940	\$328,705,565	\$328,705,565
32 Rate Base Deductions					
33 Accumulated Depreciation	138,491,810	414,045 ADJ#18	138,905,855	129,777,072	
34 Customer Deposits	6,082,633	428,437 ADJ#19	6,511,070	6,125,620	Same as CAPD 2006
35 Contributions & advances in aid of construction	39,063	550 ADJ#20	39,613	39,612	
36 Accumulated deferred tax-accelerated depr.	32,917,653	6,900,511 ADJ#21	39,818,164	38,235,772	
37 New Company Adjustment	419,556	(419,556) ADJ#22	0	0	
38 Total Deductions from Rate Base (Sum of Lines 32-37)	\$177,950,715	\$7,323,987	\$185,274,702	\$174,178,076	\$174,178,076
Total Rate Base					
39 (Difference of Line 31 and Line 38)	\$169,428,339	(\$10,978,101)	\$158,450,238	\$154,527,489	\$154,527,489
40 Rate of Return (Line 23 Divided by Line 39)	7.80%		11.34%	11.55%	11.55%
41 Fair Rate of Return	9.02%		6.56%	6.56%	7.916%
42 Deficient (Excess) Rate of Return (Difference of Line 41 and Line 40)	1.22%		-4.78%	-4.99%	-3.635%
43 Deficient (Excess) NOI (Line 39 Multiplied by Line 42)	\$2,062,278		(\$7,581,345)	(\$7,712,532)	(\$5,617,138.97)
44 Gross Revenue Conversion Factor	1.645410	(0.009372) ADJ#23	1.636038	1.636040	1.636040
45 Revenue Deficiency (Surplus) (Line 43 Multiplied by Line 44)	\$3,393,293	(\$15,796,662)	(\$12,403,369)	(\$12,618,010)	(\$9,189,864)