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ATMOS energy

PAID T.R.A.
Chk # 806430
Amount $ 25.00
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Date 8/31/06

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August 29, 2006

Mrs. Sarah Kyle, Chairman
Attn: Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Dear Chairman Kyle:

06-00222

Atmos Energy hereby submits the Tennessee and Union City Tennessee 2005-2006 ACA filing by this original and 13 copies for filing. Also enclosed is the 25.00 docket filing fee.

If you have any questions please call.

Sincerely,

Edwin Wilkins

Edwin Wilkins
Senior Analyst
Rate Administration

ATMOS ENERGY CORPORATION
2005 2006 ACA FILING EXHIBITS

EXHIBIT II

ATMOS ENERGY CORPORATION
CALCULATION OF ACA FACTOR
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

1. Previous Year's Demand Cost Balance	($154,301.92)
2. Current Year's Demand Cost (Exhibit II-A)	$ 16,857,769.34
3. Demand Cost Recovered (Exhibits II-B through II-D)	$ 17,965,348.98
4. Demand Under/(Over)-Recovery	($1,261,881.56)
5. Previous Year's Commodity Cost Balance	$6,291,612.62
6. Current Year's Commodity Cost (Exhibit II-A)	$ 142,699,872.65
7. Interest on Account Balance	$308,937.50
8. Bad Debt Cost	$279,401.41
9. Commodity Cost Recovered (Exhibits II-B through II-D)	$ 153,558,099.19
10. Commodity Under/(Over)-Recovery	($3,978,275.01)
11. Firm Sales	113,561,580
12. Demand ACA	($0.0111)
13. Total Sales	132,656,512
14. Commodity ACA	($0.0300)
15. Total ACA Applicable to Firm Customers	($0.0411)
16. Total ACA Applicable to Optional Customers	($0.0300)

EXHIBIT III-A

ATMOS ENERGY CORPORATION
ACTUAL GAS COST
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

	ETN, TGP, COL GULF & SOUTHERN DEMAND	ETN, TGP, COL GULF & SOUTHERN COMMODITY	TX EASTERN DEMAND	TX EASTERN COMMODITY	SUBTOTAL
ADJUSTMENTS					$ -
July-05	$ 1,144,918.31	$ 25,326.54	$ 47,305.73	$ 4,415.28	$ 1,221,965.86
August-05	$ 1,144,954.69	$ 14,547.64	$ 47,295.73	$ 4,266.08	$ 1,211,064.14
September-05	$ 1,144,954.69	$ 19,290.96	$ 47,295.73	$ 4,099.57	$ 1,215,640.95
October-05	$ 1,144,954.69	$ 31,228.24	$ 47,295.73	$ 4,192.54	$ 1,227,671.20
November-05	$ 1,404,356.89	$ 35,986.65	$ 47,297.19	$ 5,706.88	$ 1,493,347.61
December-05	$ 1,409,166.20	$ 59,106.62	$ 47,237.19	$ 6,929.96	$ 1,522,439.97
January-06	$ 1,399,551.89	$ 38,173.59	$ 47,237.19	$ 6,697.43	$ 1,491,660.10
February-06	$ 1,435,446.72	$ 38,561.29	$ 47,107.19	$ 5,996.68	$ 1,527,111.88
March-06	$ 1,404,356.89	$ 22,334.78	$ 47,107.19	$ 5,693.93	$ 1,479,492.79
April-06	$ 832,935.97	$ 12,876.48	$ 47,107.19	$ 5,694.14	$ 898,613.78
May-06	$ 1,144,199.97	$ 8,979.55	$ 47,107.19	$ 6,662.20	$ 1,206,948.91
June-06	$ 1,144,199.97	$ 14,821.23	$ 47,107.19	$ 3,038.01	$ 1,209,166.40
TOTAL	$ 14,753,996.88	$ 321,233.57	$ 566,500.44	$ 63,392.70	$ 15,705,123.59

EXHIBIT III-A

ATMOS ENERGY CORPORATION
ACTUAL GAS COST
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

	ETN AND TETCO SPOT MARKET INVOICED COST	NORA AND COL GULF DEMAND	COL GULF GAS SALES	COL GULF TRANSPORT CHARGES	SUBTOTAL
ADJUSTMENTS	$ -				$ -
July-05	$ 4,076,615.17	$ 78,625.00	$ 3,080,678.14	$ 3,030.13	$ 7,238,948.44
August-05	$ 3,327,977.22	$ 78,625.00	$ 3,595,065.72	$ 3,477.62	$ 7,005,145.56
September-05	$ 4,802,822.44	$ 78,625.00	$ 3,910,684.30	$ 5,090.33	$ 8,797,222.07
October-05	$ 9,170,173.67	$ 78,625.00	$ 7,096,501.99	$ 14,194.73	$ 16,359,495.39
November-05	$ 9,027,536.29	$ 153,625.00	$ 6,953,320.64	$ 27,492.07	$ 16,161,974.00
December-05	$10,620,748.11	$ 165,725.00	$ 6,549,465.48	$ 68,147.32	$ 17,404,085.91
January-06	$14,329,065.95	$ 165,725.00	$14,426,184.77	$ 44,652.28	$ 28,965,628.00
February-06	$ 4,848,891.30	$ 165,725.00	$ 3,585,936.38	$ 50,177.18	$ 8,650,729.86
March-06	$ 4,343,438.63	$ 165,725.00	$ 3,313,742.14	$ 24,139.70	$ 7,847,045.47
April-06	$ 5,097,272.68	$ 165,725.00	$ 3,680,697.09	$ 5,749.97	$ 8,949,444.74
May-06	$ 6,826,209.17	$ 165,725.00	$ 783,666.05	$ 3,154.09	$ 7,778,754.31
June-06	$ 4,165,106.22	$ 165,725.00	$ 2,372,472.50	$ 6,040.29	$ 6,709,344.01
TOTAL	$80,635,856.85	$ 1,628,200.00	$59,348,415.20	$ 255,345.71	$ 141,867,817.76

EXHIBIT III-A

ATMOS ENERGY CORPORATION
ACTUAL GAS COST
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

	STORAGE INJECTIONS	STORAGE WITHDRAWALS	Columbia Gulf Imbalance	CAPACITY RELEASE	GAS USED BY COMPANY	PROPANE
ADJUSTMENTS				$ (8,641.94)		$ 835.10
July-05	$ (3,865,035.48)	$ -	$ (68,170.86)	$ (8,140.98)	$ (863.11)	$ 3,434.76
August-05	$ (3,133,006.82)	$ 196,212.61	$ (389,277.46)	$ (8,753.20)	$ (3,007.29)	$ 507.56
September-05	$ (3,562,558.90)	$ 130,413.36	$ 88,256.80	$ (7,403.78)	$ (2,440.71)	$ 1,909.98
October-05	$ (6,359,959.36)	$ 685,398.92	$ 747,374.86	$ (6,545.03)	$ (3,587.06)	$ 5,538.30
November-05	$ (1,067,809.01)	$ 3,120,634.34	$ (222,566.85)	$ (8,332.88)	$ (7,296.81)	$ 6,133.67
December-05	$ (705,353.26)	$ 7,026,235.16	$ 4,383,038.81	$ (21,624.00)	$ (14,175.78)	$ 21,041.42
January-06	$ (3,051,665.25)	$ 4,390,691.60	$ (6,949,861.72)	$ (15,753.84)	$ (13,129.92)	$ 18,423.30
February-06	$ (72,913.50)	$ 10,862,875.95	$ 1,811,989.30	$ (14,691.84)	$ (11,448.22)	$ 19,030.18
March-06	$ (359,363.45)	$ 7,413,541.58	$ 718,375.18	$ (15,753.84)	$ (8,917.38)	$ 13,317.63
April-06	$ (2,713,119.55)	$ 101,946.55	$ (878,543.54)	$ 42,808.76	$ (10,640.32)	$ 2,887.10
May-06	$ (3,197,180.19)	$ 62,351.28	$ 323,658.77	$ (8,328.11)	$ (2,558.36)	$ 1,579.54
June-06	$ (3,865,896.25)	$ -	$ 201,836.60	$ (9,767.30)	$ (1,258.64)	$ 2,329.75
TOTAL	$(31,953,861.03)	$ 33,990,301.36	$ (233,890.11)	$ (90,927.98)	$ (79,323.60)	$ 96,968.29

EXHIBIT III-A

ATMOS ENERGY CORPORATION
ACTUAL GAS COST
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

	Hedging Costs	MARGIN LOSS	CASHOUTS	Nashville Gas	MISC ADJUSTS	GRAND TOTAL COST
ADJUSTMENTS			$ 18,870.74		$(132,762.14)	$ (121,698.24)
July-05		$65,653.60	$(108,576.57)	$ 1,438.26		$ 4,480,653.92
August-05		$67,521.60	$ 124,997.51	$ 1,972.66		$ 5,073,376.87
September-05		$67,138.14	$ (45,269.30)	$ 5,869.69		$ 6,688,778.30
October-05		$67,260.41	$ 20,900.28	$ 82,225.55		$ 12,825,773.46
November-05		$67,141.83	$ (93,952.22)	$ 51,276.37		$ 19,500,550.05
December-05		$66,443.13	$(208,993.47)	$ 3,294.59		$ 29,476,432.48
January-06		$68,155.98	$ (10,220.02)	$ 2,395.10		$ 24,896,323.33
February-06		$66,066.04	$(130,223.88)	$ 1,973.22		$ 22,710,498.99
March-06		$66,175.16	$ (63,942.93)	$ 1,955.71		$ 17,091,925.92
April-06		$66,640.21	$ (11,429.60)	$ 1,955.71		$ 6,450,563.84
May-06		$66,913.11	$ (53,200.70)	$ 2,453.28		$ 6,181,391.84
June-06		$65,421.18	$ (10,557.80)	$ 2,453.28		$ 4,303,071.23
TOTAL		$ 800,530.39	$(571,597.96)	$159,263.42	$(132,762.14)	$ 159,557,641.99

ATMOS ENERGY CORPORATION
GAS COST RECOVERIES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

MONTH	FIRM SALES	DEMAND RECOVERY FACTOR	DEMAND RECOVERIES	TOTAL SALES	COMMODITY RECOVERY FACTOR	COMMODITY RECOVERIES	TOTAL RECOVERIES	Adjustment per Recoveries Report	GRAND TOTAL RECOVERIES	* Denotes Further Analysis Provided
Docket 05-00253 Audit Adjustment Finding #1			$ 75,007.46			$ (75,007.46)	$ -	$ -	$ -	
Docket 05-00253 Audit Adjustment Finding #2						$ (552.54)	$ (552.54)		$ (552.54)	
July-05	3,641,989	$0.1459	$ 531,366.20	4,754,382	$0.7545	$ 3,587,181.22	$ 4,118,547.42	$ (5,214.65)	$ 4,201,420.67	
August-05	2,769,221	$0.1459	$ 404,029.41	3,894,616	$0.7545	$ 2,938,488.14	$ 3,342,517.55	$ (15,518.02)	$ 3,422,073.55	
September-05	3,292,325	$0.1466	$ 482,654.89	4,497,942	$0.8088	$ 3,637,935.75	$ 4,120,590.64	$ (13,727.68)	$ 4,220,727.29	
October-05	3,692,818	$0.1548	$ 571,648.16	5,297,543	$1.3141	$ 6,961,500.68	$ 7,533,148.84	$ (44,846.65)	$ 7,698,525.45	*
November-05	8,093,303	$0.1544	$ 1,249,606.03	9,904,906	$1.5863	$ 15,712,152.86	$ 16,961,758.89	$ (2,004.68)	$ 17,255,478.02	
December-05	18,272,959	$0.1548	$ 2,828,654.05	20,807,444	$1.3519	$ 28,129,583.54	$ 30,958,237.59	$ 6,662.68	$ 31,275,154.09	
January-06	21,651,318	$0.1552	$ 3,360,284.49	22,534,336	$1.5386	$ 34,671,328.75	$ 38,031,613.24	$ 47,712.61	$ 38,391,196.10	*
February-06	18,421,609	$0.1559	$ 2,871,928.84	20,779,383	$1.1100	$ 23,065,115.13	$ 25,937,043.97	$ 269,419.56	$ 26,415,936.52	*
March-06	16,401,294	$0.1778	$ 2,916,150.10	17,548,983	$0.9287	$ 16,297,740.65	$ 19,213,890.75	$ (11,288.23)	$ 19,369,056.88	
April-06	9,151,234	$0.1600	$ 1,464,197.50	10,415,760	$0.7750	$ 8,072,214.28	$ 9,536,411.78	$ 51,731.48	$ 9,701,338.16	*
May-06	4,249,366	$0.1527	$ 648,878.18	5,452,796	$0.8341	$ 4,548,177.10	$ 5,197,055.28	$ (16,489.34)	$ 5,298,760.06	*
June-06	3,864,140	$0.1259	$ 486,495.25	4,917,027	$0.7538	$ 3,706,455.10	$ 4,192,950.35	$ (2,141.52)	$ 4,274,333.92	
TOTAL	113,501,577		$17,890,900.56	130,805,119		$151,252,313.20	$169,143,213.76	$ 264,295.56	$171,523,448.17	

EXHIBIT III-C

ATMOS ENERGY CORPORATION
240 GAS COST RECOVERIES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

MONTH	DEMAND VOLUME	DEMAND RECOVERY FACTOR	DEMAND RECOVERIES	240 SALES	COMMODITY RECOVERY FACTOR	COMMODITY RECOVERIES	TOTAL RECOVERIES
PRIOR PERIOD ADJUSTMENT			$ -			$ -	$ -
July-05	3,910	$1.4663	$ 5,733.23	108,910	$0.7545	$ 82,172.60	$ 87,905.83
August-05	3,910	$1.4663	$ 5,733.23	118,210	$0.7545	$ 89,189.45	$ 94,922.68
September-05	3,910	$1.4663	$ 5,733.23	133,440	$0.8088	$ 107,926.27	$ 113,659.50
October-05	3,910	$1.5530	$ 6,072.23	154,560	$1.3141	$ 203,107.30	$ 209,179.53
November-05	3,910	$1.5530	$ 6,072.23	180,890	$1.5863	$ 286,945.81	$ 293,018.04
December-05	3,910	$1.5530	$ 6,072.23	222,230	$1.3519	$ 300,432.74	$ 306,504.97
January-06	3,910	$1.5553	$ 6,081.22	194,810	$1.5386	$ 299,734.67	$ 305,815.89
February-06	3,910	$1.5553	$ 6,081.22	182,360	$1.1100	$ 202,419.60	$ 208,500.82
March-06	3,910	$1.9186	$ 7,501.73	170,510	$0.9287	$ 158,352.64	$ 165,854.37
April-06	3,910	$1.7710	$ 6,924.61	136,580	$0.7750	$ 105,849.50	$ 112,774.11
May-06	3,910	$1.6702	$ 6,530.48	132,890	$0.8341	$ 110,843.55	$ 117,374.03
June-06	3,910	$1.4665	$ 5,734.02	102,920	$0.7538	$ 77,581.10	$ 83,315.12
TOTAL	46,920		$ 74,269.66	1,838,310		$ 2,024,555.23	$ 2,098,824.89

EXHIBIT III-D

ATMOS ENERGY CORPORATION
RATE 211 GAS COST RECOVERIES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
JULY, 2005 THRU JUNE, 2006

MONTH	Rate 211 SALES	DEMAND RECOVERY FACTOR	Rate 211 DEMAND RECOVERIES	Rate 211 SALES	COMMODITY RECOVERY FACTOR	Rate 211 COMMODITY RECOVERIES	Rate 211 TOTAL RECOVERIES
PRIOR PERIOD ADJUSTMENT			$ -			$ -	$ -
July-05	237	$0.0137	$ 3.25	237	$0.7545	$ 178.82	$ 182.07
August-05	197	$0.0137	$ 2.70	197	$0.7545	$ 148.64	$ 151.34
September-05	249	$0.0138	$ 3.44	249	$0.8088	$ 201.39	$ 204.83
October-05	786	$0.0138	$ 10.85	786	$1.3141	$ 1,032.88	$ 1,043.73
November-05	1,691	$0.0138	$ 23.34	1,691	$1.5863	$ 2,682.43	$ 2,705.77
December-05	2,745	$0.0138	$ 37.88	2,745	$1.3519	$ 3,710.97	$ 3,748.85
January-06	3,900	$0.0138	$ 53.82	3,900	$1.5386	$ 6,000.54	$ 6,054.36
February-06	865	$0.0139	$ 12.02	865	$1.1100	$ 960.15	$ 972.17
March-06	637	$0.0132	$ 8.41	637	$0.9287	$ 591.58	$ 599.99
April-06	534	$0.0130	$ 6.94	534	$0.7750	$ 413.85	$ 420.79
May-06	968	$0.0131	$ 12.68	968	$0.8341	$ 807.41	$ 820.09
June-06	274	$0.0125	$ 3.43	274	$0.7538	$ 206.54	$ 209.97
TOTAL	13,083		$ 178.76	13,083		$ 16,935.20	$ 17,113.96

Exhibit III-E

ATMOS ENERGY CORPORATION
BAD DEBT RECOVERIES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

	Beginning Balance	Current Month Activity	Reduction for Bad Debt in Base Rates (1)	Ending Balance
July-05	-	57,505.63	(8,037.46)	49,468.17
August-05	49,468.17	34,826.10	(8,037.46)	76,256.81
September-05	76,256.81	29,623.49	(8,037.46)	97,842.84
October-05	97,842.84	(359.79)	(8,037.46)	89,445.59
November-05	89,445.59	(14,270.10)	(8,037.46)	67,138.03
December-05	67,138.03	(5,916.74)	(8,037.46)	53,183.83
January-06	53,183.83	7,494.42	(8,037.46)	52,640.79
February-06	52,640.79	529.32	(8,037.46)	45,132.65
March-06	45,132.65	11,276.19	(8,037.46)	48,371.38
April-06	48,371.38	26,943.14	(8,037.46)	67,277.06
May-06	67,277.06	55,118.07	(8,037.46)	114,357.67
June-06	114,357.67	173,081.22	(8,037.48)	279,401.41
Reclass of Bad Debt	279,401.41			279,401.41
TOTAL		375,850.95	(96,449.54)	

(1) Bad Debt is also being collected in the Base Rates. Therefore, this adjustment is made to reduce the Bad Debt in the ACA by the portion collected through the Base Rates.

		Allocation %	Bad Debt $ in Base Rates
TN No of Customers	119,609	96.52%	96,449.54
UC No of Customers	4,312	3.48%	3,477.46
Total No of Customers	123,921	100.00%	99,927.00

Scope: All Sales customers - 12 month average

ATMOS ENERGY CORPORATION
CALCULATION OF ACA INTEREST
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

BEGINNING BALANCE	$6,137,310.70
PRE-JULY, 2005 ADJUSTMENTS *	$ (121,145.70)
ADJUSTED BEGINNING BALANCE	$6,016,165.00

TENNESSEE

	BEGINNING BALANCE	COST	RECOVERIES	BAD DEBT COST	ENDING BALANCE	INTEREST
July-05	$6,016,165.00	$ 4,480,653.92	$ 4,201,420.67	$ 49,468.17	$6,344,866.42	$29,717.98
August-05	$6,374,584.40	$ 5,073,376.87	$ 3,422,073.55	$ 26,788.64	$8,052,676.36	$34,685.54
September-05	$8,087,361.90	$ 6,688,778.30	$ 4,220,727.29	$ 21,586.03	$10,576,998.94	$44,872.23
October-05	$10,621,871.17	$ 12,825,773.46	$ 7,698,525.45	$ (8,397.25)	$15,740,721.93	$68,432.90
November-05	$15,809,154.83	$ 19,500,550.05	$ 17,255,478.02	$ (22,307.56)	$18,031,919.31	$87,845.79
December-05	$18,119,765.10	$ 29,476,432.48	$ 31,275,154.09	$ (13,954.20)	$16,307,089.29	$89,366.38
January-06	$16,396,455.67	$ 24,896,323.33	$ 38,391,196.10	$ (543.04)	$2,901,039.86	$54,515.42
February-06	$2,955,555.28	$ 22,710,498.99	$ 26,415,936.52	$ (7,508.14)	($757,390.39)	$6,209.82
March-06	($751,180.57)	$ 17,091,925.92	$ 19,369,056.88	$ 3,238.73	($3,025,072.80)	($10,667.92)
April-06	($3,035,740.72)	$ 6,450,563.84	$ 9,701,338.16	$ 18,905.68	($6,267,609.36)	($28,297.69)
May-06	($6,295,907.05)	$ 6,181,391.84	$ 5,298,760.06	$ 47,080.61	($5,366,194.66)	($35,472.23)
June-06	($5,401,666.89)	$ 4,303,071.23	$ 4,274,333.92	$ 165,043.74	($5,207,885.84)	($32,270.72)
TOTAL		$159,679,340.23	$171,524,000.71	$279,401.41		$308,937.50

Last Month Interest Balance	$343,647.13
July thru May above	$341,208.22
Prior Period Adjustments	($2,438.91)
June Interest	($32,270.72)
Total Interest	$308,937.50

ATMOS ENERGY CORPORATION
DOCKET 05-00253 AUDIT FINDING ADJUSTMENTS

	Demand	Commodity	Total
2004 2005 ACA Balance Tennessee	(154,301.92)	6,291,612.62	6,137,310.70
2004 2005 Union City ACA Balance	26,907.45	(24,954.10)	1,953.35
Total - agrees to Docket 05-00253 Before Audit Findings			6,139,264.05
2004 2005 ACA Balance Tennessee	(154,301.92)	6,291,612.62	6,137,310.70
Finding #1 Adjusted On Exhibit III-B	(75,007.46)	75,007.46	-
Finding #2 Adjusted On Exhibit III-B		552.54	552.54
Finding #3 Adjusted on Exhibit III-A Misc Adjust		(136,537.75)	(136,537.75)
Finding #7 Adjusted on Exhibit III-A Misc Adjust		3,775.61	3,775.61
Adjusted 2004 2005 ACA Balance Tennessee			6,005,101.10
2004 2005 Union City ACA Balance	26,907.45	(24,954.10)	1,953.35
Finding #2 Adjusted on Exhibit II-B		(427.67)	(427.67)
Finding #3 Adjusted on Exhibit II-A Misc Adjust		(5,025.51)	(5,025.51)
Finding #7 Adjusted on Exhibit II-A Misc Adjust		(173.34)	(173.34)
2004 2005 Adjusted Union City ACA Balance			(3,673.17)
Total 2004 2005 Tennessee Adjusted Balance			6,001,427.93
Per Interest calculation worksheet Tennessee Excluding Union City			
Beginning Balance			$6,137,310.70
Finding #1			-
Finding #2			552.54
Finding #3			(136,537.75)
Finding #7			3,775.61
Adjustments to Beginning Balance for Prior Period Invoice Costs			11,063.90
Calculated Interest revised beginning balance			$6,016,165.00
Revised Beginning Balance Per Interest calculation worksheet			$6,016,165.00
			$0.00
Per Interest calculation worksheet Union City Tennessee			
Beginning Balance			1,953.35
Finding #2			(427.67)
Finding #3			(5,025.51)
Finding #7			(173.34)
Adjustments to Beginning Balance for Prior Period Invoice Costs			-
Calculated Interest revised beginning balance			(3,673.17)
Revised Beginning Balance Per Interest calculation worksheet			(3,673.17)
			-

EXHIBIT II

ATMOS ENERGY CORPORATION
CALCULATION OF ACA FACTOR
UNION CITY, TENNESSEE

1. Previous Year's Demand Cost Balance	$26,907.45
2. Current Year's Demand Cost	$124,904.80
3. Demand Cost Recovered	$94,546.13
4. Demand Under/(Over)-Recovery	$57,266.12
5. Previous Year's Commodity Cost Balance	($24,954.10)
6. Current Year's Commodity Cost	$4,254,824.96
7. Interest on Account Balance	($38,976.86)
8. Bad Debt Expense	$31,039.84
9. Commodity Cost Recovered	$5,864,031.91
10. Commodity Under/(Over)-Recovery	($1,642,098.07)
11. Firm Sales	4,186,504
12. Demand ACA	$0.0137
13. Total Sales	4,224,434
14. Commodity ACA	($0.3887)
15. Total ACA Applicable to Firm Customers	($0.3750)
16. Total ACA Applicable to Optional Customers	($0.3887)

EXHIBIT II-A

ATMOS ENERGY CORPORATION
INVOICE COST OF GAS
UNION CITY, TENNESSEE
JULY, 2005 TO JUNE, 2006

	RESERVATION CHARGES	SPOT MARKET VOLUME	SPOT MARKET RATE	SPOT MARKET COST	TRANSPORT COST	SUBTOTAL	MARGIN LOSS	GAS USED BY COMPANY	SGT STORAGE	Barnsley STORAGE	Capacity Release	MISC ADJUSTMENT	CASHOUTS	GRAND TOTAL
ADJUSTMENTS						$0.00						$ (5,198.85)		($5,198.85)
July-05	$ 4,147.80	66,340	$ 6.9406	$ 460,439.92	$ 34,417.24	$499,004.96	$ 11,380.28	$ (143.12)	$ (219,947.08)	$ -			$ (8,570.91)	$281,724.13
August-05	$ 4,147.80	53,660	$ 7.5356	$ 404,361.84	$ 27,826.47	$436,336.11	$ 12,310.07	$ (68.31)	$ (289,112.46)	$ -			$ (20,317.07)	$139,148.34
September-05	$ 4,014.00	15,632	$ 7.2616	$ 113,512.92	$ 2,985.83	$120,512.75	$ 4,005.43	$ (89.78)	$ (45,084.92)	$ -			$ 8,934.56	$88,278.04
October-05	$ 4,147.80	38,792	$ 13.3718	$ 518,718.46	$ 5,897.00	$528,763.26	$ 4,275.54	$ (959.54)	$ (73,547.47)	$ -			$ (23,992.75)	$434,539.04
November-05	$ 23,520.00	27,000	$ 13.6148	$ 367,598.25	$ 1,972.81	$393,091.06	$ 6,456.66	$ (1,374.68)	$ 182,524.56	$ 12,654.90			$ 401.00	$593,753.50
December-05	$ 24,304.00	62,206	$ 10.6353	$ 661,577.61	$ 28,975.73	$714,857.34	$ 7,611.75	$ (289.63)	$ 203,351.46	$ 31,432.56			$ (6,298.53)	$950,664.95
January-06	$ 24,304.00	50,406	$ 11.3674	$ 572,987.51	$ 3,123.02	$600,414.53	$ 6,650.42	$ (952.00)	$ (20,207.39)	$ 35,001.13			$ 7,760.16	$628,666.85
February-06	$ 17,763.20	19,460	$ 8.0306	$ 156,276.26	$ 16,008.62	$190,048.08	$ 4,068.50	$ (807.46)	$ 394,825.07	$ 47,481.29			$ 20,075.88	$655,691.36
March-06	$ 19,666.40	-	$ -	$ (3,118.69)	$ 1,854.56	$18,402.27	$ 19,111.11	$ (295.99)	$ 294,356.54	$ 42,142.85			$ 12,397.19	$386,113.97
April-06	$ (9,516.00)	-	$ -	$ -	$ 11,686.98	$2,170.98	$ 18,202.07	$ 196.27	$ (48,564.36)	$ -			$ (425.73)	($28,420.77)
May-06	$ 4,271.80	42,067	$ 7.0284	$ 295,664.43	$ 19,558.48	$319,494.71	$ 17,198.01	$ (448.00)	$ (240,330.26)	$ -			$ (78.94)	$95,835.52
June-06	$ 4,134.00	60,570	$ 5.7963	$ 351,082.76	$ 35,495.45	$390,712.21	$ 16,787.26	$ (833.52)	$ (247,733.18)	$ -			$ 0.92	$158,933.69
TOTAL	$124,904.80	436,133		$3,899,101.27	$189,802.19	$4,213,808.26	$128,057.10	($6,065.76)	($109,469.49)	$168,712.72	$0.00	($5,198.85)	($10,114.22)	$4,379,729.76

EXHIBIT II-B

ATMOS ENERGY CORPORATION
GAS COST RECOVERIES
UNION CITY, TENNESSEE
JULY, 2005 TO JUNE, 2006

	FIRM SALES	DEMAND RECOVERY FACTOR	DEMAND RECOVERIES	TOTAL SALES	COMMODITY RECOVERY FACTOR	COMMODITY RECOVERIES	Adjustment per Recoveries Report	TOTAL RECOVERIES
	-	-	-	-	-	-		-
Docket No 05-00253 Finding #2						427.67		$427.67
July-05	146,231	$0.0101	$1,476.93	146,231	$0.8357	$122,205.25	$1.87	$123,684.05
August-05	120,505	$0.0101	$1,217.10	120,505	$0.8357	$100,706.35	$2.11	$101,925.56
September-05	151,506	$0.0101	$1,530.21	185,776	$0.8357	$155,252.99	($21.04)	$156,762.16
October-05	155,481	$0.0173	$2,689.81	159,141	$1.4889	$236,944.43	($88.09)	$239,546.15
November-05	298,948	$0.0173	$5,171.80	298,948	$1.9295	$576,819.97	($228.19)	$581,763.58
December-05	741,066	$0.0174	$12,894.56	741,066	$1.7246	$1,278,043.20	($147.63)	$1,290,790.13
January-06	748,885	$0.0174	$13,030.59	748,885	$1.9763	$1,480,020.82	($2,746.16)	$1,490,305.25
February-06	686,098	$0.0174	$11,938.11	686,098	$1.3218	$906,884.76	($2,337.71)	$916,485.16
March-06	553,452	$0.0341	$18,872.73	553,452	$1.1306	$625,733.38	($1,658.63)	$642,947.48
April-06	315,519	$0.0375	$11,831.97	315,519	$0.7886	$248,818.41	($681.41)	$259,968.97
May-06	143,298	$0.0507	$7,265.20	143,298	$0.5710	$81,823.11	($197.93)	$88,890.38
June-06	125,514	$0.0528	$6,627.12	125,514	$0.4664	$58,539.56	($85.18)	$65,081.50
TOTAL	4,186,504		$94,546.13	4,224,434		$5,872,219.90	($8,187.99)	$5,958,578.04

Exhibit II-C

AtmosEnergy Corporation
ACA Bad Debt Expense - Union City Tennessee
For the ACA Year ended June 30, 2006

BEGINNING BALANCE				$0.00
ADJUSTED BEGINNING BALANCE				$0.00

	BEGINNING BALANCE	CURRENT MONTH ACTIVITY	Reduction for Bad Debt in Base Rates (1)	ENDING BALANCE
July-05	$0.00	2,135.15	(289.79)	1,845.36
August-05	$1,845.36	2,931.88	(289.79)	4,487.45
September-05	$4,487.45	86.21	(289.79)	4,283.87
October-05	$4,283.87	(225.14)	(289.79)	3,768.94
November-05	$3,768.94	(962.38)	(289.79)	2,516.77
December-05	$2,516.77	(348.01)	(289.79)	1,878.97
January-06	$1,878.97	(902.54)	(289.79)	686.64
February-06	$686.64	174.93	(289.79)	571.78
March-06	$571.78	3,813.42	(289.79)	4,095.41
April-06	$4,095.41	4,314.46	(289.79)	8,120.08
May-06	$8,120.08	2,582.16	(289.79)	10,412.45
June-06	$10,412.45	20,917.16	(289.77)	31,039.84
Total		34,517.30	(3,477.46)	
		Beginning Balance		$0.00
		Activity Jul 05 thru Jun 06		31,039.84
		Ending Balance		$31,039.84

(1) Bad Debt is also being collected in the Base Rates. Therefore,
this adjustment is made to reduce the Bad Debt in the ACA by the portion
collected through the Base Rates.

		Allocation %	Allocated Costs
TN No of Customers	119,609	96.52%	96,449.54
UC No of Customers	4,312	3.48%	3,477.46
Total No of Customers	123,921	100.00%	99,927.00

AtmosEnergy Corporation
ACA Interest Calculations - Union City Tennessee
For the ACA Year ended June 30, 2006

BEGINNING BALANCE	$1,953.35
PRE-JULY, 2005 ADJUSTMENTS	($5,626.52)
ADJUSTED BEGINNING BALANCE	($3,673.17)

	BEGINNING BALANCE	COST	RECOVERIES	BAD DEBT EXPENSE	ENDING BALANCE	INTEREST
July-05	($3,673.17)	$281,724.13	$123,684.05	1,845.36	$156,212.27	$366.73
August-05	$156,579.00	$139,148.34	$101,925.56	2,642.09	$196,443.87	$848.73
September-05	$197,292.60	$88,278.04	$156,762.16	(203.58)	$128,604.90	$783.51
October-05	$129,388.41	$434,539.04	$239,546.15	(514.93)	$323,866.37	$1,176.57
November-05	$325,042.94	$593,753.50	$581,763.58	(1,252.17)	$335,780.69	$1,715.39
December-05	$337,496.08	$950,664.95	$1,290,790.13	(637.80)	($3,266.91)	$867.60
January-06	($2,399.31)	$628,666.85	$1,490,305.25	(1,192.33)	($865,230.04)	($2,451.05)
February-06	($867,681.09)	$655,691.36	$916,485.16	(114.86)	($1,128,589.75)	($5,639.47)
March-06	($1,134,229.22)	$386,113.97	$642,947.48	3,523.63	($1,387,539.10)	($7,124.00)
April-06	($1,394,663.10)	($28,420.77)	$259,968.97	4,024.67	($1,679,028.17)	($9,349.14)
May-06	($1,688,377.31)	$95,835.52	$88,890.38	2,292.37	($1,679,139.80)	($10,242.86)
June-06	($1,689,382.66)	$158,933.69	$65,081.50	20,627.39	($1,574,903.08)	($9,928.87)
TOTAL		$4,384,928.61	$5,958,150.37	$31,039.84		($38,976.86)