

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

March 21, 2007

In re: Atmos Energy Corporation, Tariff Filing to)
Modify and Add Language Regarding) Docket No. 07-00020
Transportation Service (Tariff No. 2007-0021))

**RESPONSE OF ATMOS INTERVENTION GROUP
TO ATMOS TARIFF FILING**

The Atmos Intervention Group (“AIG”) submits the following response to the proposed tariff changes filed by Atmos Energy Corporation (“Atmos”).

The proposed changes effect Atmos’ transportation customers and are identical to the proposed transportation tariffs filed by Atmos in Docket 05-00258. The evidentiary record – such as it is – can be found in that docket. In deciding the case, however, the Authority did not rule on the company’s proposed changes, one way or the other. After the case was over, Atmos re-filed the same proposals and the TRA assigned a new docket number to the filing.

In describing these changes when the company initially proposed them, the company’s transportation tariffs were described by the company witness Ms. Pat Childers as “either housekeeping in nature or beneficial” to transportation customers. Childers’ pre-filed direct testimony, at 16. While that is true of some of the proposed changes, it is certainly not true of all of them. Furthermore, although Ms. Childers listed the tariff changes in her testimony, she did not present any evidence concerning the proposals or otherwise attempt to explain why the changes were needed. For example, Ms. Childers proposed (1) daily balancing fees (which not charged by any other distribution companies in this state), (2) an increase in penalties for imbalances (which would be imposed on customers whether or not Atmos itself is penalized), and (3) a 2% shrinkage charge. However, there is no evidence in the record to support these

revised tariffs, all of which will likely result in higher charges to transportation customers. In the absence of any evidence to support these rate increases, the TRA must reject them.¹

In the alternative, the TRA should tell Atmos that the agency will consider these tariffs in the company's next rate case. Atmos has indicated that the company intends to file another rate case on or about May 1, 2007. If the company intends to pursue these tariff changes, the company should present them in the new case and explain why these changes are justified.

Respectfully submitted,
BOULT, CUMMINGS, CONNERS & BERRY, PLC

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¹ The panel assigned to Docket 07-00020 should take administrative notice of the evidentiary record developed in Docket 05-00258.

CERTIFICATE OF SERVICE

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

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on this the 21 day of MARCH, 2007.

Henry Walker
Henry Walker