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January 10, 2008

Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

VIA HAND DELIVERY

filed electronically in docket office on 01/10/08

**RE: Petition of Atmos Energy Corporation for Approval of Adjustment of its
Rates and Revised Tariff, TRA Docket No. 07-00105**

Dear Ms. Dillon:

Enclosed for filing are the original and four copies of the pages of the revised Atmos tariffs which reflect the changes resulting from the Settlement Agreement and the Authority's final order in this matter.

An electronic version of this filing has also been provided in .pdf format via e-mail.

Best regards.

Sincerely,


A. Scott Ross

ASR:prd

Enclosure

xc: **By E-Mail w/ Enclosure to:**
Patricia K. Murphy
Vance Broemel, Esq.
Timothy C. Phillips, Esq.
Henry M. Walker, Esq.
D. Billye Sanders, Esq.
John M. Dosker, Esq.

RESIDENTIAL GAS SERVICE

Schedule 210: All Service AreasAvailability

Residential service is available within the Company's service area to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area.

Customer Charge

A monthly customer charge of \$13.00 for the months of October through April is payable regardless of the usage of gas.

A customer charge of \$10.00 for the months of May through September is payable regardless of the usage of gas.

Monthly

All consumption, per Ccf \$1.308

Minimum Bill

The minimum net monthly bill shall be the customer charge per month as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

Gas Lights

For all gas light services, the charge for such services shall be based on actual usage through a metered source at this tariff rate. For all unmetered gas light services prior to August 17, 1990 the customer will be billed for twenty (20) Ccf per standard residential gas light. For all unmetered gas light service after August 17, 1990 the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL
HEATING AND COOLING SERVICESchedule 211: All Service AreasAvailability

This service is available within the Company service area to single private residences, including the separate private units of apartment houses and other multiple dwellings, actually used for residential purposes, which are separately metered and which utilize natural gas for heating and cooling the conditioned space. This schedule is also available within the Company's service area to commercial/industrial customers using less than 5,000 Ccf per year and which utilize natural gas for heating and cooling the conditioned space. Cooling equipment must have a COP greater than 0.7. Any additional gas measured through this single meter will be billed at this rate.

This service is intended to assist in the development of natural gas heating and cooling technologies. This rate is designed to significantly increase energy savings which will improve the economics of the technology. This service will cease when either of the following criteria has been met.

- 1) One hundred customers have qualified for this service
- 2) The service expires for new customers ten years after November 15, 1995.

Customers that have qualified for this service prior to the expiration date will continue to receive service under this rate schedule as long as natural gas is utilized for both heating and cooling.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area.

Customer Charge

A monthly customer charge of \$10.00 is payable regardless of the usage of gas.

Monthly

All consumption, per Ccf	\$.0667
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Minimum Bill

The minimum net monthly bill shall be the customer charge per month as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

COMMERCIAL/INDUSTRIAL GAS SERVICE

Schedule 220: All Service AreasAvailability

This schedule is available within the Company's service area to commercial/industrial customers using less than 135,000 Ccf per year for any purpose at the option of the Company, to the extent gas is available. This schedule is not available to residences, apartment or federal housing projects.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or such higher delivery pressure as agreed upon by customer and Company.

Customer Charge

A monthly customer charge of \$27.50 is payable regardless of the usage of gas.

Monthly Rate

All Consumption, per Ccf \$.2049

Minimum Bill

The minimum net monthly bill shall be the customer charge per meter as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

Gas Lights

For all metered gas light services under this tariff, the charge for such service shall be based on actual usage through a metered source at this tariff rate. It shall be within the Company's discretion whether a gas light should be metered, however if the gas light is unmetered, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

EXPERIMENTAL SCHOOL GAS SERVICE

Schedule 221: All Service AreasAvailability

This service is available to existing or new state, county, city, and private educational institutions or universities eligible for accreditation by the Southern Association of Secondary Schools and Colleges utilizing natural gas through a single meter for primary heating and cooling of the conditioned space. Any additional gas measured through this single meter will be billed at this rate. Gas cooling equipment must have a coefficient of performance (COP) greater than 0.7.

This service is intended to assist in the development of the natural gas cooling market. This rate is designed to significantly increase energy savings which improves the economics of natural gas cooling. This service is experimental and will cease when any one of the following criteria has been met.

1. Ten (10) schools have qualified for this service.
2. 250,000 Mcf per year of estimated gas consumption has qualified for this service.
3. The experimental service expires on October 1, 2002.

Schools that have qualified for this service prior to October 1, 2002 will continue to receive service under this rate schedule as long as natural gas is utilized for both heating and cooling.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or such higher delivery pressure as agreed upon by customer and Company.

Customer Charge

A monthly customer charge of \$27.50 is payable regardless of the usage of gas.

Monthly Rate

All Consumption, per Ccf \$.0983

Minimum Bill

The minimum net monthly bill shall be the customer charge per meter as described above.

PUBLIC HOUSING AUTHORITY GAS SERVICE

Schedule 225: All Service AreasAvailability

This service is available within the Company's service area to any customer in a housing project using gas primarily for domestic purposes and under the ownership and control of a public housing authority or other governmental agency, which are master metered.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area.

Customer Charge

A monthly customer charge of \$13.00 for the months of October through April is payable regardless of the usage of gas.

A customer charge of \$10.00 for the months of May through September is payable regardless of the usage of gas.

Minimum Bill

The minimum net monthly bill shall be the customer charge as described above.

Monthly Rate

All consumption, per Ccf \$.1308

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

ATMOS ENERGY CORPORATION

LARGE COMMERCIAL/INDUSTRIAL GAS SERVICE

Schedule 230: All Service Areas

Availability

This service is available within the Company's service area to any commercial/industrial customers using more than 135,000 Ccf per year for any purpose at the option of the Company, to the extent gas is available.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or at such higher delivery pressure as agreed upon by Customer and Company. Service under this rate schedule may be terminated by either party following twelve (12) months notice to the other party.

Customer Charge

A monthly customer charge of \$200.00 is payable regardless of the usage of gas.

Monthly Rate

All Consumption, per Ccf \$.1758

Minimum Bill

The minimum net monthly bill shall be the customer charge per meter as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

Gas Lights

For all metered gas light services under this tariff, the charge for such service shall be based on actual usage through a metered source at this tariff rate. It shall be within the Company's discretion whether a gas light should be metered, however if the gas light is unmetered, the Company may estimate and determine the appropriate consumption of the light and charge the applicable rate under this rate schedule.

DEMAND/COMMODITY GAS SERVICE

Schedule 240: All Service AreasAvailability

This service is available within the Company's service area to any commercial/industrial customers using at least 270,000 Ccf per year for any purpose at the option of the Company, to the extent gas is available.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or at such higher delivery pressure as agreed upon by Customer and Company. Service under this rate schedule may be terminated by either party following twelve (12) months notice to the other party.

Customer Charge

A monthly Customer Charge of \$310.00 is payable regardless of the usage of gas.

Monthly RateDemand Charge

Per Unit of Billing Demand \$1.6283 per Ccf

Commodity Charge

First	20,000	Ccf Per Month	\$.0983
Next	480,000	Ccf Per Month	\$.0640
Over	500,000	Ccf Per Month	\$.0279

Minimum Bill

The minimum net monthly bill shall be the Customer Charge per meter plus the Monthly Demand Charge as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

INTERRUPTIBLE GAS SERVICE

Schedule 250: All Service AreasAvailability

To any commercial or industrial customer using 270,000 Ccf or more per year, or 1,000 Ccf per day during off-peak periods. The Company recommends that the Customer has and maintains adequate standby facilities and an alternate fuel supply in order that gas deliveries hereunder may be interrupted at any time.

Customers that will utilize natural gas during off-peak periods only do not need to meet the volumetric annual requirement (i.e. 270,000 ccf or more per year) for eligibility under this schedule. Examples of customers utilizing natural gas during off-peak periods only would include, but is not limited to the following: asphalt plants, electric generating facilities, grain drying facilities, and farm irrigation systems. The Company recommends an adequate standby facility and alternate fuel supply for off-peak customers served under this schedule.

Deliveries to such customers shall be subject to curtailment at any time. Deliveries to such customers shall be subject to curtailment in whole or in part upon one-half (1/2) hour's notice.

Character of Service

Natural gas, with a heating value of approximately 1,000 Btu per cubic foot, supplied through a single delivery point and a single meter, at the delivery pressure of the distribution system in the area, or such higher delivery pressure as agreed upon by customer and Company.

Customer Charge

A monthly customer charge of \$310.00 is payable regardless of the usage of gas.

Monthly Rate

First	20,000	Ccf used per month	\$.0983
Next	480,000	Ccf used per month	\$.0640
Over	500,000	Ccf used per month	\$.0279

Minimum Bill

The minimum net monthly bill shall be \$310.00

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

INTERRUPTIBLE GAS SERVICE

Schedule 250: All Service Areas (Continued)Purchased Gas Adjustment

Bills for service are subject to the cost of purchased gas in accordance with the Purchased Gas Adjustment (PGA) Rider approved by the Tennessee Regulatory Authority.

Curtailment Procedures

Notice of curtailment of service hereunder shall be given by the Company by telephone or otherwise not less than one-half (1/2) hour from time of curtailment. Upon receipt of such notice, the Customer shall immediately proceed to discontinue the use of service at the time and to the extent of the order. The Company shall notify the Customer by telephone or otherwise when service hereunder is to be restored and the Customer shall not resume service until such time as stated in the restoration notice.

Overrun Penalty

Volumes of gas taken at any time in excess of the amount stipulated by the Company in the curtailment notice as being available to Customer shall constitute overrun gas. A penalty of \$2.50 per Ccf of such overrun volumes shall be paid by Customer in addition to all over charges payable hereunder provided; however, Company has the right to waive any portion of the overrun penalty on a non-discriminatory basis for good cause.

Terms of Contract

Customer shall contract for service hereunder for a term of not less than one (1) year. Upon the expiration of any contract term, the contract shall be automatically renewed for a period of one (1) year. At any time following the first contract year, service may be terminated by either party following at least twelve (12) months notice to the other party.

Terms and Provisions of Service Under This Rate Schedule

Customers served under this Rate Schedule shall be required to pay for the cost and installation of measurement data collection and verification equipment, including applicable income taxes. Customers shall also be required to pay the cost of installation, maintenance and any monthly usage charges associated with telephone, power or other utilities or energy sources required for the operation of the data collection and verification equipment, including applicable taxes. Customers shall also be required to provide adequate space in new or existing facilities for the installation of the data collection equipment.

Service Regulations

Gas service at these schedules will be furnished in accordance with the Company's General Rules and Regulations, copies of which are available for public reference during business hours at each of the Company's offices.

TRANSPORTATION SERVICE (Continued)

Schedule 260: All Service AreasC. Terms and Provisions of Service Under This Rate Schedule (Continued)

- (vii) The Company shall not be obligated to provide delivery service hereunder, whether for the purpose of delivering a previous transportation imbalance, or otherwise, during an hourly, daily, or monthly period in excess of the levels specified in the Firm Contract.
- (viii) A percentage adjustment for unaccounted for gas shall be made to the volumes of gas delivered into the Company's facilities for the Customer's account, and the volumes of gas deliverable to the Customer under this rate schedule shall be reduced by such percentage. Such percentage shall be equal to the percent that unaccounted-for gas bore to total sendout as recorded by the Company during its most recent 12 months ending June.
- (ix) Company reserves the right to refuse to accept gas for the account of the Customer into Company's facilities if the same would reduce the volumes of the gas otherwise available to Company from the Connecting Pipeline Company.
- (x) If the rendition of service to Customer under this rate schedule causes the Company to incur additional charges from the Connecting Pipeline Company, Customer shall reimburse Company for all such charges.
- (xi) All volumes transported under the terms of this rate schedule shall be included in the Purchased Gas Adjustment computations and included in the sales volumes of the Purchased Gas Adjustment computations.
- (xii) Customers served under this Rate Schedule shall be required to pay for the cost and installation of measurement data collection and verification equipment, including applicable income taxes. Customers shall also be required to pay the cost of installation, maintenance and any monthly usage charges associated with telephone, power or other utilities or energy sources required for the operation of the data collection and verification equipment, including applicable taxes. Customers shall also be required to provide adequate space in new or existing facilities for the installation of the data collection equipment.

ATMOS ENERGY CORPORATION

TRANSPORTATION SERVICE (Continued)

Schedule 260: All Service Areas

C. Terms and Provisions of Service Under This Rate Schedule (Continued)

- (xiii) Once a customer elects and has qualified for service under this rate schedule, all services will be provided under the terms and conditions of this rate schedule for a term of no less than 12 months. At any time following the first six months of service under this rate schedule, service may be terminated by either party following at least six months written notice to the other party.

D. Rate

Customer Charge

A monthly customer charge of \$310.00 per meter is payable regardless of the usage of gas.

Monthly Demand Charge

Customers eligible to receive sales service under Rate Schedule 240 shall be billed the applicable Monthly Demand Charge.

Commodity Charge

The Customer shall be billed for the quantity of gas delivered under this rate schedule at the companion rate schedule less the Connecting Pipeline Company's commodity cost of gas, plus an adjusted Purchased Gas Adjustment factor, multiplied by the quantity of gas delivered under this rate schedule.

Minimum Bill

The minimum monthly bill shall be the Customer Charge plus the Monthly Demand Charge, if any, as described above.

Payment

Each monthly bill for service is due and payable on the date it is issued. A charge of five percent (5%) may be added to the amount of any bill remaining unpaid at the close of the first business day after fifteen (15) days following such date of issue.

C

ATMOS ENERGY CORPORATION

COGENERATION, COMPRESSED NATURAL GAS, PRIME MOVERS, FUEL CELL SERVICE

Schedule 292: All Service Areas

Purpose

The purpose of providing service under this schedule is to increase utilization of system supplies and system capacity.

Applicability

This schedule is available to the extent gas supply and delivery capacity is available to commercial and industrial customers, existing or new, for use as a single prime fuel source to generate electrical and thermal energy in order to optimize efficiency. This schedule is also available for compressed natural gas for automobile and truck fleets and fuel cell service.

Eligibility

Eligible customers shall include those who are currently connected to the Company's gas main or who will become newly connected. In either case, service will be provided, at the Company's option, through a separate meter.

Character of Service

Natural gas with a heating value of approximately 100,000 Btu per hundred cubic feet, supplied through a single delivery point meter, at the standard equipment utilization pressure, or at such higher delivery pressure as approved by Company.

Rate

Customer Charge

A monthly charge of \$27.50 for each customer regardless of the usage of gas.

Customer charge for adjacent connected load will not be duplicated, otherwise the facilities charge will be at the customer's regular schedule charge.

Monthly Charge

First	20,000	Ccf used per month	\$.0983
Next	480,000	Ccf used per month	\$.0640
Over	500,000	Ccf used per month	\$.0279

LARGE TONNAGE AIR CONDITIONING GAS SERVICE

Schedule 293: All Service AreasPurpose

The purpose of providing service under this schedule is to increase utilization of system supplies and system capacity.

Applicability

This schedule is available to the extent gas supply and delivery capacity is available to commercial and industrial customers whose requirements may include high load factor systems that provide chilled water, space conditioning, processing, and/or humidity control. These conditions may be accomplished by the utilization of absorption, gas engine driven or desiccant systems.

Eligibility

Eligible customers shall include those who are currently connected to the Company's gas main or who will become newly connected. In either case, service will be provided, at the Company's option, through a separate meter.

Character of Service

Natural gas with a heating value of approximately 100,000 Btu per hundred cubic feet, supplied through a single delivery point and a single meter, at the standard equipment utilization pressure or at such higher delivery pressure as approved by Company.

RateCustomer Charge

A monthly charge of \$27.50 for each customer is payable regardless of the usage of gas.

Customer charge for adjacent connected load will not be duplicated, otherwise the facilities charge will be at the customers regular schedule charge.

Monthly Charge

First	20,000	Ccf used per month	\$.0983
Next	480,000	Ccf used per month	\$.0640
Over	500,000	Ccf used per month	\$.0279

Applies to Service Areas Other Than Union City, Tennessee

	<u>BASE RATE</u>	<u>PURCHASED GAS ADJUSTMENT</u>	<u>TOTAL RATE</u>	
<u>RATE SCHEDULE 210 – RESIDENTIAL</u>				C
Customer Charge (May - September)	\$10.00		\$10.00	
Customer Charge (October - April)	\$13.00		\$13.00	
(D) All Consumption	\$0.1308	\$0.8635	\$0.9943	
Minimum Bill (May - September)	\$10.00		\$10.00	
Minimum Bill (October - April)	\$13.00		\$13.00	
<u>RATE SCHEDULE 211 – HEATING AND COOLING SERVICE</u>				C
Customer Charge	\$10.00		\$10.00	
(D) All Consumption	\$0.0667	\$0.7302	\$0.7969	
Minimum Bill	\$10.00		\$10.00	
<u>RATE SCHEDULE 220 – COMMERCIAL/INDUSTRIAL FIRM</u>				C
Customer Charge	\$27.50		\$27.50	
(D) All Consumption	\$0.2049	\$0.8635	\$1.0684	
Minimum Bill	\$27.50		\$27.50	
<u>RATE SCHEDULE 221 – EXPERIMENTAL SCHOOL RATE</u>				C
Customer Charge	\$27.50		\$27.50	
(D) All Consumption	\$0.0983	\$0.7176	\$0.8159	
Minimum Bill	\$27.50		\$27.50	
<u>RATE SCHEDULE 225 – PUBLIC HOUSING</u>				C
Customer Charge (May – September)	\$10.00		\$10.00	
Customer Charge (October – April)	\$13.00		\$13.00	
(D) All Consumption	\$0.1308	\$0.8635	\$0.9943	
Minimum Bill (May-September)	\$10.00		\$10.00	
Minimum Bill (October – April)	\$13.00		\$13.00	

ATMOS ENERGY CORPORATION

63rd Revised Sheet No. 47.2
Canceling 62nd Revised Sheet No. 47.2

Applies to Service Areas Other Than Union City, Tennessee

	<u>BASE RATE</u>	<u>PURCHASED GAS ADJUSTMENT</u>	<u>TOTAL RATE</u>	
<u>RATE SCHEDULE 230 – LARGE COMMERCIAL/INDUSTRIAL FIRM</u>				
Customer Charge	\$200.00		\$200.00	
(D) All Consumption	\$0.1758	\$0.8635	\$1.0393	C
Minimum Bill	\$200.00		\$200.00	
<u>RATE SCHEDULE 240 – DEMAND/COMMODITY</u>				
Customer Charge	\$310.00		\$310.00	
(D) Demand Charge (per Ccf of Contract Demand)	\$1.6283	\$1.6581	\$3.2864	C
Consumption				
(D) First 20,000 Ccf	\$0.0983	\$0.7176	\$0.8159	C
(D) Next 480,000 Ccf	\$0.0640	\$0.7176	\$0.7816	
(D) Over 500,000 Ccf	\$0.0279	\$0.7176	\$0.7455	
Minimum Bill	\$310.00 plus the Demand Charge		\$310.00	
<u>RATE SCHEDULE 250 – OPTIONAL SERVICE</u>				
Customer Charge	\$310.00		\$310.00	
Consumption				
(D) First 20,000 Ccf	\$0.0983	\$0.7176	\$0.8159	C
(D) Next 480,000 Ccf	\$0.0640	\$0.7176	\$0.7816	
(D) Over 500,000 Ccf	\$0.0279	\$0.7176	\$0.7455	
Minimum Bill	\$310.00		\$310.00	
<u>RATE SCHEDULE 260 – TRANSPORTATION</u>				
Customer Charge	\$310.00		\$310.00	
Demand Charge (per Ccf of (D) Contract Demand, if applicable)	\$1.6283	\$1.6581	\$3.2864	C
Consumption	(Margin of Normal Rate Schedule, plus or minus an adjusted PGA factor)			
Minimum Bill	\$310.00 plus the Demand Charge		\$310.00	

ATMOS ENERGY CORPORATION

63rd Revised Sheet No. 47.3
Canceling 62nd Revised Sheet No. 47.3

Applies to Service Areas Other Than Union City, Tennessee

	<u>BASE RATE</u>	<u>PURCHASED GAS ADJUSTMENT</u>	<u>TOTAL RATE</u>	
<u>RATE SCHEDULE 280 – ECONOMIC DEVELOPMENT</u>				
Customer Charge	(Equivalent to the companion tariff)			
Demand Charge (per Ccf of				
(D) Contract Demand, if applicable)	\$1.6283	\$1.6581	\$3.2864	C
Consumption	(A percentage of the Margin of Normal Rate Schedule, plus the PGA)			
Minimum Bill	(Equivalent to the companion tariff plus the demand charge)			
<u>RATE SCHEDULE 291 – NEGOTIATED</u>				
Customer Charge	(Equivalent to the companion tariff)			
Demand Charge (per Ccf of				
(D) Contract Demand, if applicable)	\$1.6283	\$1.6581	\$3.2864	C
Consumption	Negotiated			
Maximum Rate	Normally Applicable Rate Schedule			
Minimum Rate	Commodity Cost plus \$.01 per Ccf			
Minimum Bill	(Equivalent to the companion tariff plus the demand charge)			
<u>RATE SCHEDULE 292 – COGENERATION, CNG, AND FUEL CELL</u>				
Customer Charge	\$27.50		\$27.50	C
Consumption				
(D) First 20,000 Ccf	\$0.0983	\$0.7176	\$0.8159	
(D) Next 480,000 Ccf	\$0.0640	\$0.7176	\$0.7816	
(D) Over 500,000 Ccf	\$0.0279	\$0.7176	\$0.7455	
Minimum Bill	\$27.50		\$27.50	
<u>RATE SCHEDULE 293 – LARGE TONNAGE AIR CONDITIONING</u>				
Customer Charge	\$27.50		\$27.50	C
Consumption				
(D) First 20,000 Ccf	\$0.0983	\$0.7176	\$0.8159	
(D) Next 480,000 Ccf	\$0.0640	\$0.7176	\$0.7816	
(D) Over 500,000 Ccf	\$0.0279	\$0.7176	\$0.7455	
Minimum Bill	\$27.50		\$27.50	

WEATHER NORMALIZATION ADJUSTMENT (WNA) RIDER (Continued)

- HSF_i = heat sensitive factor for the ith schedule or classification utilized by the Regulatory Authority in the Relevant Rate Order for the purpose of determining normalized test year revenues
- NDD = normal billing cycle heating degree days utilized by the Regulatory Authority in the Relevant Rate Order for the purpose of determining normalized test year revenues
- ADD = actual billing cycle heating degree days
- Bl_i = base load sales for the ith schedule or classification utilized by the Regulatory Authority in the Relevant Rate Order for the purpose of determining normalized test year revenues

Filing with Regulatory Authority

The Company will file as directed by the Regulatory Authority (a) a copy of each computation of the Weather Normalization Adjustment, (b) a schedule showing the effective date of each such Weather Normalization Adjustment, and (c) a schedule showing the factors or values derived from the Relevant Rate Order used in calculating such Weather Normalization Adjustment.

Heat Use/Base Use Factors

<u>Town</u>	<u>Residential/PA</u>		<u>Commercial</u>	
	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>
Union City	10.43	.124185	112.80	.416839
Columbia Shelbyville Franklin Murfreesboro	11.34	.147091	112.93	.473009
Maryville Morristown	11.39	.122329	195.74	.392082
Johnson City Elizabethton Kingsport Greeneville Bristol	11.51	.112572	125.95	.489418

GENERAL RULES AND REGULATIONS (Continued)

The Company shall promptly refund or credit the deposit, with interest as provided in this service regulation, and may require the surrender of the Customer's receipt of certificate of deposit properly endorsed, or the delivery of a cancellation receipt for such deposit, whenever:

- (a) The Customer establishes credit by other means; or
- (b) The service is discontinued and the bills therefore are paid in full; or
- (c) The service is discontinued and there are charges due (including construction charges related to main extensions) to the Company for service to the Customer, in which case the cash deposit plus any accrued interest will be applied to the payment of such charges, and the balance remaining of the deposit and interest, if any, will be returned to the Customer. When the deposit is applied to the liquidation of unpaid bills, the Company will mail or deliver to the Customer a statement showing the amount of the original deposit, including accrued interest if any, the amount of the unpaid bills liquidated by the deposit; and the balance remaining due either to the Customer or to the Company.

In either case, and in any event, if there is a balance due the Customer when service is discontinued, it shall then be promptly and automatically refunded to the Customer.

Commercial/Industrial Customer Deposits

Commercial and Industrial Customer deposits and applicable interest, less any amounts owing the Company by the Customer, will be refunded by the Company when the customer's account is closed.

3.5 Interest to be Accrued on Deposits

Interest on deposits shall be paid on a per annum rate equal to the prime bank lending rate plus one percentage point as published in The Wall Street Journal for the last business day of the preceding calendar year, compounded annually. In no case will interest be accrued for a period extending beyond the date of refund or the date service is terminated, whichever date is earlier. No interest will be paid on deposits held for a period of less than six (6) months.

3.6 Payment of Interest Accruals

Interest accruing on cash deposits will be computed and prompt settlement made:

- (a) By paying the amount of interest accrued on the demand of the Customer, but not more often than once in any 12 month period; or

GENERAL RULES AND REGULATIONS (Continued)

service to be terminated. A Customer may be held responsible for all gas service furnished at the premises until the date of termination specified in the notice, or a date three (3) days beyond the date of such notice, or such greater number of days after notice as are specified in a contract, whichever date is later. Restoration of service following temporary termination of service at Customer's request will be made upon payment by Customer of a reconnection charge as provided herein.

5.3 Activation Charge

Service which is discontinued by the Company, or at the Customer's request, may be restored upon payment by customer of all indebtedness for gas service and an activation charge which shall be \$40 for activation during normal business hours. (Additional charges may apply if after-hours service is requested and performed). This activation charge will apply to all meter turn-ons at existing locations and all reconnections of service and shall apply to all rate schedules.

5.4 Limitations on Discontinuance

Gas service to any Customer will not be terminated without reasonable prior notice and the Customer being given reasonable opportunity to dispute the reasons for such termination.

- (a) Prior reasonable notice will be sent to a Customer informing of the date of any proposed termination of service unless such Customer takes appropriate action. The date of the proposed termination shall be at least seven (7) days after the Company sends the notice by first class mail.
- (b) The Company shall postpone the physical termination of gas service to a residential Customer for a period of thirty (30) days in the event a physician, public health officer, or social service official certifies in writing that discontinuation of service will aggravate an existing medical emergency of the Customer or other permanent resident of the premises where service is rendered. The Company shall refer the Customer or other permanent resident of the premises to social service agencies for investigation, confirmation of need and guarantee of payment. The Company shall supply

GENERAL RULES AND REGULATIONS (Continued)

- (b) In the event of stoppage or failure of any meter to register properly, Customer will be billed for such period on an estimated consumption based upon his use of gas in a similar period of like use or on the basis of check meter readings, if available and accurate, but such adjustment shall not be made for more than six months.
- (c) In the event of tampering or unauthorized use of Company's facilities, the probable gas consumption shall be estimated by Company and billed to Customer. If the duration of such tampering or unauthorized use is not known, it shall be conclusively presumed to be since the commencement of Customer's service but for a period of not more than six months.
- (d) All property of Company installed in or upon premises of, or occupied by Customer is under Customer's protection. All reasonable care shall be exercised by Customer to prevent loss of or damage to such property, ordinary wear and tear excepted. Customer will be liable for any loss of property or damage thereto and shall pay to Company the cost of appropriate repairs or replacements for such loss or damage to property.

7. Extension and Installation of Company Facilities

This Company will, upon written application, will install gas mains, service lines, and meters to serve bona fide applicants of a permanent and established character in accordance with the following provisions of these Service Regulation. Gas main extensions shall be made only along public streets, roads or highways and upon private property across which satisfactory rights of way or easements have been provided without cost to the Company. All gas mains constructed pursuant to this service regulation shall be owned, operated, and maintained by the Company.

7.1 Main Extensions

Any extension from existing mains to the point of connection with Customer's service line, whether on public property or on private property, is considered to be an extension of a main. Any extension, from existing mains or from an extension of a main as defined above, to Customer's property for service to Customer shall be considered a part of the service line to service such Customer.

GENERAL RULES AND REGULATIONS (Continued)

The Company will install all mains necessary to serve the customer(s) free of charge, provided the revenue expected to be realized produces a rate of return on the investment that is equal to or greater than the minimum allowed rate of return on equity approved in the Company's most recent rate case. This rate of return analysis will be based on a feasibility study performed by the company. This study will include consideration of all costs needed to provide service (materials, company and/ or contract labor, overheads, and applicable taxes). These costs will be compared to the revenue that is either contracted for or can be reasonably expected to be generated by the customers served by the extension. Should this analysis result in a rate of return (ROE) less than the minimum allowed rate of return approved in the Company's most recent rate case, then the customer(s) may be required to remit to the company an Aid-in-Construction (AIC), including any applicable taxes, to make up the difference in the actual and allowable rate of return.

General

1. The Company may, at its sole discretion, choose to waive payment for AIC when system improvements are realized by the extension or when the extension would enhance the opportunity of adding new customers in the future.
2. Individual customers may elect to spread the payment of any required AIC up to, but not to exceed, a three year period at no interest provided that the Customer shall enter into a "Main Extension Contract" and also subject to the following conditions:
 - a. The Company shall approve the Customer's credit prior to the signing of the "Main Extension Contract".
 - b. Default by the Customer under the terms of the "Main Extension Contract" may result in discontinuance of service as per the current provisions of Section 5 of these General Rules and Regulations.
 - c. If a Customer cancels service prior to payment of the total AIC required, the unpaid balance shall become due and payable immediately. The Company may use any deposit or credit owed to the Customer to offset the balance due under the "Main Extension Contract".
 - d. In no case will the Company build without cost to the applicant more service line than is necessary to reach the acceptable meter location by the most economical route.

GENERAL RULES AND REGULATIONS (Continued)

7.2 Extensions Beyond the allowance calculated in the feasibility analysis - Residential and Commercial

1. Upon completion of a main extension contract the Company will extend its mains to a Customer provided the Customer deposits any AIC which may be due as determined in Section 7.1.
2. As additional Customers are served through a service line connected directly to the specifically involved main extension within five (5) years of its completion date, the original Customer(s) shall be refunded an amount determined as follows:
 - a. The contract with the original Customer(s) shall set forth the estimated cost per foot for a normal 2 inch polyethylene main extension.
 - b. The Company will estimate the annual gas consumption (Mcf) of each new Customer added to the main extension.
 - c. The refund shall be determined by the following formula:
$$\text{Refund} = \text{the estimated cost per foot from (a) times the estimated annual gas consumption (Mcf) for the new Customer.}$$
 - d. The refund to the original Customer(s) shall not exceed the amount of the original construction charge deposited with the Company.
 - e. No interest shall be paid on the AIC made by the customer.
 - f. The refund(s) due, if any, to the original Customer(s) will be calculated and paid on June 1st of every year. Refunds will not be made any other time.
 - g. If the Company has allowed the Customer to pay the AIC over a period of time in accordance with Section 7.2(3), all refunds attributable to the connecting of new Customers to the specifically involved main extension will be credited to any outstanding balance owed for the extension.

GENERAL RULES AND REGULATIONS (Continued)

3. Individual residential customers may elect to spread the payment of the AIC over a period not to exceed three years at no interest provided that the Customer shall enter into a Main Extension Contract and also subject to the following conditions:
 - a. The Company shall approve the Customer's credit prior to the signing of the main extension contract.
 - b. Default by the Customer under the terms of the Main Extension Contract may result in discontinuance of service as per the current provisions of Section 5 of these General Rules and Regulations.
 - c. If a Customer cancels service prior to payment of the total AIC the unpaid balance shall become due and payable immediately.
 - d. The Company may use any deposit or credit owed to the Customer to offset the balance due under the Main Extension Contract.
 - e. Refunds due the Customer under section 7.2 (2) shall be credited to the outstanding loan balance.
4. In addition to all other of these Service Regulations the following shall also apply to Mobile Home Parks:
 - a. For the purpose of these regulations, a Mobile Home Park is defined as any tract or parcel of land used primarily to provide sites for the parking and occupancy of Mobile Homes. A Mobile Home is defined as a portable structure built so as to be readily transportable from one location to another, and which is usable as a dwelling for one or more persons, herein referred to as Mobile Home Occupants. Any person, firm or corporation who operates a Mobile Home Park as a commercial venture shall be referred to as a Mobile Home Park Owner.