

**IN THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE**

IN RE:)	
DOCKET TO EVALUATE ATMOS ENERGY)	
CORPORATION'S GAS PURCHASES AND)	DOCKET NO. 07-00225
RELATED SHARING INCENTIVES)	

**STATUS REPORT REGARDING OUTSTANDING DISCOVERY ISSUES AND
FILING OF DIRECT TESTIMONY**

Robert E. Cooper, Jr., Attorney General and Reporter for the State of Tennessee, by and through the Consumer Advocate and Protection Division ("Consumer Advocate"), pursuant to the Hearing Officer's Order on February 29, 2008 Status Conference: Granting Extension and Suspending Procedural Schedule, entered in this docket on March 5, 2008, hereby submits this status report on outstanding discovery issues and filing of direct testimony.

Status of Consumer Advocate's First Discovery Requests Propounded to Atmos Energy Corporation ("Atmos")

The Consumer Advocate and Atmos have resolved the discovery issues raised in the Consumer Advocate's Motion to Compel Atmos Energy Corporation to Answer the First Discovery Requests of the Consumer Advocate and Protection Division and to Suspend Hearing on the Motion While the Parties Attempt to Resolve These Issues, which was filed in this docket on February 25, 2008. Accordingly, the Consumer Advocate is filing contemporaneously herewith its Notice of Withdrawal of Motion to Compel, which withdraws the motion and advises the Hearing Officer that a hearing on the discovery issues raised therein is unnecessary.

Status of Consumer Advocate's First Discovery Requests Propounded to Atmos Energy Marketing, LLC ("AEM")

The Consumer Advocate received AEM's responses to the Consumer Advocate's first discovery requests at the close of business on March 11, 2008. AEM's production of discovery responses is voluminous. Additionally, a substantial number of the documents received by the Consumer Advocate have portions of them redacted, which further complicates the Consumer Advocate's review. Accordingly, the Consumer Advocate has not had sufficient time to complete its review of AEM's discovery responses, nor has the Consumer Advocate had ample opportunity to identify discovery issues involving AEM's responses to the Consumer Advocate's first discovery requests prior to the submission of this status report.

On March 13, 2008, the Consumer Advocate contacted counsel for AEM to discuss AEM's discovery responses. The Consumer Advocate expressed its intent to work diligently to complete its review of AEM's discovery responses and to identify any discovery issues resulting from this review. Both the Consumer Advocate and AEM expressed their joint desire to work to resolve any such issues without the intervention of the Hearing Officer. If it becomes apparent that the Consumer Advocate and AEM will not be able to resolve on their own any discovery dispute(s) that may arise, the Consumer Advocate will promptly file a motion requesting the Hearing Officer to rule on the contested discovery issue(s).

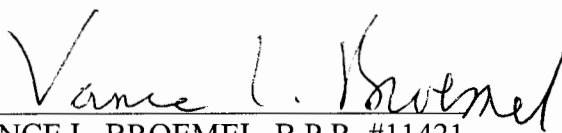
Status of Filing Direct Testimony

The Consumer Advocate prefers not to establish a date for the filing of direct testimony at this time because: (a) the Consumer Advocate's review of AEM's production of discovery responses is ongoing; (b) the Consumer Advocate has not yet identified the discovery issues that it may have with respect to AEM's discovery responses; (c) the Consumer Advocate and AEM have not had ample opportunity to work together in an attempt to resolve any discovery issues that may arise from the Consumer Advocate's review of AEM's discovery responses; (d) the amount of time required to resolve any discovery issues either informally by the parties or formally by the Hearing Officer is unknown; and (e) the information and documents the Consumer Advocate requested AEM to produce in discovery are essential to the Consumer Advocate's case-in-chief.

The Consumer Advocate therefore requests the Hearing Officer to continue to hold the procedural schedule in abeyance until the first-round discovery phase of this docket is completed. The Consumer Advocate also requests that immediately upon completion of the first-round discovery phase, a date be set for the filing of direct testimony by the Consumer Advocate and the Atmos Intervention Group ("AIG") and that the remainder of the procedural schedule follow from the date of the filing of such testimony in like intervals to the schedule established in Attachment B to the Order on December 13, 2007 Status Conference entered by the Hearing Officer in this docket on December 21, 2007. The Consumer Advocate has contacted counsel for Atmos, AEM, and AIG, and they do not

object to the Consumer Advocate's requests.¹ Accordingly, Atmos, AEM, and AIG will not be submitting separate status reports.

RESPECTFULLY SUBMITTED,



VANCE L. BROEMEL, B.P.R. #11421

Senior Counsel

Office of the Attorney General

Consumer Advocate and Protection Division

P.O. Box 20207

Nashville, Tennessee 37202

(615) 741-8733

Dated: March 14th 2008

¹ On March 12, 2008, Stand Energy Corporation filed its Notice of Withdrawal from this docket.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via first-class U.S. Mail, postage prepaid, or electronic mail upon:

Patricia Childers
Vice President, Rates & Regulatory Affairs
Mid-States Division
Atmos Energy Corporation
810 Crescent Centre Drive, Suite 600
Franklin, Tennessee 37067-6226
pat.childers@atmosenergy.com

William T. Ramsey
A. Scott Ross
Neal & Harwell PLC
One Nashville Place, Suite 2000
150 Fourth Avenue North
Nashville, Tennessee 37219
ramseywt@nealharwell.com
sross@nealharwell.com

Douglas C. Walther
Associate General Counsel
Atmos Energy Corporation
5430 LBJ Freeway, Suite 1800
Dallas, Texas 75240
douglas.walther@atmosenergy.com

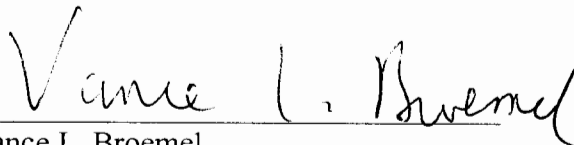
Melvin J. Malone
Miller & Martin PLLC
1200 One Nashville Place
150 Fourth Avenue North
Nashville, Tennessee 37219
mmalone@millermartin.com

D. Billye Sanders
Waller, Lansden, Dortch & Davis LLP
511 Union Street, Suite 2700
P.O. Box 198966
Nashville, Tennessee 37219-8966
billye.sanders@wallerlaw.com

Henry M. Walker
Boult, Cummings, Conners & Berry PLC
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203
hwalker@boultcummings.com

John M. Dosker
General Counsel
Stand Energy Corporation
Rockwood Building, Suite 110
1077 Celestial Street
Cincinnati, Ohio 45202-1629
jdosker@stand-energy.com

This the 14th day of March, 2008.


Vance L. Broemel
Senior Counsel

#116134