

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

IN RE:)
)
REQUEST OF ATMOS ENERGY) **Docket No. 08-00024**
CORPORATION FOR APPROVAL)
OF CONTRACT(S) REGARDING GAS)
COMMODITY REQUIREMENTS AND)
MANAGEMENT OF TRANSPORTATION/)
STORAGE CONTRACTS)
)

**PUBLIC FILING OF ATMOS ENERGY CORPORATION'S MARCH 20, 2008
MOTION FOR APPROVAL OF CONTRACTS REGARDING GAS
COMMODITY REQUIREMENTS AND MANAGEMENT OF
TRANSPORTATION/STORAGE CONTRACTS**

Pursuant to the request of the Hearing Officer in this matter, Atmos Energy Corporation is resubmitting its March 20 Motion for Approval of Contracts Regarding Gas Commodity Requirements and Management of Transportation/Storage Contracts for filing as a publicly available document. For ease of reference, a copy of the Motion is attached.

The attached Motion itself may be made available to the public on the Authority's web site. However, the original and amended Attachments to the Motion are Confidential, and must remain under seal pursuant to the Protective Order in this matter.

Respectfully submitted,

NEAL & HARWELL, PLC

By: 

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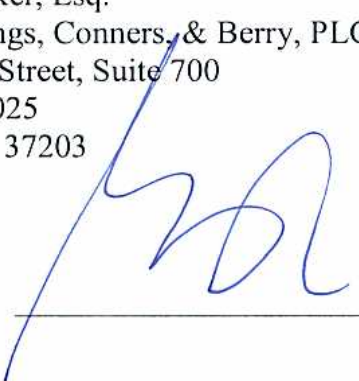
Counsel for Atmos Energy Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served, via the method(s) indicated below, on the following counsel, this the 9 day April, 2008.

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IN RE:

REQUEST OF ATMOS ENERGY) Docket No. 08-00024
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OF CONTRACT(S) REGARDING GAS)
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Atmos Energy Corporation ("Atmos" or "AEC") respectfully moves for approval of its contract with Atmos Energy Marketing, LLC ("AEM") (hereinafter referred to as "Contract") regarding the company's gas commodity requirements and management of its transportation and storage contracts. A copy of the Contract is attached hereto as Exhibit A. As demonstrated through the information filed in this docket, Atmos has complied with the bidding procedures in its approved Tariff, and the above-referenced Contract provides significant benefit to Atmos' customers. Atmos respectfully requests that the Contract be approved without delay so that gas commodity and asset management services may begin under the new Contract effective April 1, 2008.

BACKGROUND

By Order dated December 6, 2007 in Docket No. 05-00253, the Tennessee Regulatory Authority memorialized its prior approval of Atmos Energy Corporation's Request for Tariff Amendment to Incorporate Implementation of RFP Procedures for the Selection of an Asset

Manager. The new Tariff provisions set forth RFP procedures for the selection of an asset manager and/or gas provider. The procedures require Atmos to develop a written RFP defining the Atmos assets to be managed, detailing AEC's minimum service requirements, and describing the required content of bid proposals. *See* Atmos Gas Tariff No. 1, Revised Sheet No. 45.3 and 45.4. The RFP is required to be advertised for a minimum of thirty days through a notification process that includes contacting potential asset managers, including past bidders and other asset managers, and publication in trade journals as reasonably available. The procedures also specify criteria to be used in evaluating the bids, including: the total value of the bid proposal; the bidder's ability to perform the RFP requirement; the bidder's asset management qualifications and experience; and the bidder's financial stability and strength.

In compliance with the RFP Procedures in its Tariff, Atmos developed an RFP for asset management and gas commodity requirement services. The RFP was issued on January 29, 2008. The RFP called for a three-year agreement beginning April 1, 2008, to supply gas commodity requirements and manage AEC's transportation and storage contracts. In an effort to increase the pool of potential bidders, AEC divided the agreement into two geographical areas, Area I covering Western and Middle Tennessee, and Area II covering Eastern Tennessee / Virginia.

On February 7, 2008, Atmos filed its petition in this matter, attaching a copy of the RFP as an exhibit thereto. Even though the RFP process had not yet been completed, Atmos filed the petition early in an effort to aid the Authority's consideration of any resulting contract.

Atmos initially sent the RFP to 38 recipients. A list of recipients was an exhibit to the Atmos Petition in this matter. In addition, Atmos advertised the RFP in *Platt's Gas Daily* on February 6 and February 12. A copy of that advertisement also was an exhibit to the Petition.

After the initial wave of RFPs was sent, Atmos received a total of 25 additional requests to receive the RFP. A list of these 25 additional RFP recipients was included in the response of Atmos Energy Corporation to TRA's staff's March 6, 2008 data request, Response No. 1.

Atmos ultimately received bids from NJR Energy, Sequent Energy, PPL Energy Plus, and Atmos Energy Marketing. Copies of the bids have been filed under seal in response to TRA's staff's March 6, 2008 data request.

In accordance with the RFP procedures set forth in its Tariff, Atmos has evaluated the bids received, and has determined that the contract should be awarded to AEM. In making this evaluation, Atmos has considered the total value of the bid to Atmos rate payers, the bidder's ability to perform the RFP requirements, the bidder's asset management qualifications and experience, and the bidder's financial stability and strength.

The analyses of the various bids received and the bases for awarding the Contract to AEM are fully set forth in the bid analysis documents attached hereto as Exhibit B.

Atmos believes that the Contract that is before the TRA provides significant benefit to Atmos customers. In addition, the gas supply portion of the Contract will result in significant savings to Atmos gas customers. It is without question the highest value bid received, the result of a competitive bidding process conducted in accordance with the TRA-approved RFP procedures.

Accordingly, and for the above reasons, Atmos respectfully requests that the Contract be approved so that it may begin on April 1, 2008.

Respectfully submitted,

NEAL & HARWELL, PLC

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served, via the method(s) indicated below, on the following counsel, this the 20th day of March, 2008.

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