BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:)	DOCKET NO. 08-00024
PETITION OF ATMOS EN	ERGY)	
CORPORATION FOR APPROVAL) OF THE CONTRACT(S) REGARDING)		
AND MANAGEMENT OF)		
TRANSPORTATION/STO	RAGE)	
CONTRACTS)	
)	
Al	FFIDAVIT OF M.	ARK H. JOHNSON
STATE OF TEXAS)	
)	
COUNTY OF DALLAS)	

- I, Mark H. Johnson, hereby swear and affirm that I have personal knowledge of the following statements and that they are true to the best of my knowledge, information and belief:
- I am over the age of eighteen (18) and competent to testify to the matters contained herein.
 - 2. I am employed by Atmos Energy Marketing, LLC ("AEM") as President.
- 3. AEM, a non-regulated affiliate of Atmos Energy Corporation, is a full-service natural gas marketing company that provides gas supply procurement and asset management services to various types of natural gas users, including utilities, industrial facilities, power plants and gas producers, in several states, including Tennessee.
- 4. As President of AEM, I am familiar with the services that AEM provides, and I am also generally familiar with our competitors.

- 5. I am generally familiar with the issues related to the Atmos Energy Corporation Base Contract with AEM (the "Contract") in Tennessee Regulatory Authority ("TRA") Docket No. 08-00024, including the confidentiality issue.
- 6. I am familiar with the TRA Staff's June 25, 2008, proposed public, redacted version of the Contract filed under seal with the TRA by Atmos Energy Corporation on April 8, 2008. AEM does not object to the TRA Staff's proposed public, redacted version of the Contract.
- 7. AEM does object, however, to the Consumer Advocate and Protection Division of the Office of the Attorney General's ("CAD") request, as set forth in the CAD's July 1, 2008, letter in TRA Docket No. 08-00024, to make the annual amount of the Contract publicly available.
- 8. Pursuant to the language of Atmos Energy Corporation's underlying request for proposals, it was and remains AEM's understanding that confidential and proprietary trade secrets or commercially sensitive AEM information provided in response to said request for proposals, including the annual amount of the Contract, would not be publicly disclosed. AEM relied upon this representation by Atmos Energy Corporation in submitting its bid.
- 9. Public disclosure of the annual amount of the Contract, as proposed by the CAD, will result in the disclosure of confidential and proprietary trade secrets or commercially sensitive AEM information that is not generally known to AEM's competitors. Such information would greatly benefit AEM's competitors by enabling them to utilize the work product of AEM without having to invest the time and expense of attempting to develop such information on their own. AEM has consistently worked to keep this type of information confidential and to prevent

its disclosure to the public in general and to AEM's competitors in particular. As such, the disclosure of the same to an AEM competitor would result in substantial harm to AEM.

- 10. AEM's methods of evaluating requests for proposals similar to the one issued by Atmos Energy Corporation here and its methodology of determining its bid(s) in response thereto are uniquely developed within AEM, not generally known to either the public or AEM's competitors and carefully guarded by AEM from public disclosure.
- and the judgment and experience of AEM employees in evaluating requests for proposals similar to the one issued by Atmos Energy Corporation here. Among other things, AEM utilizes internally-developed and AEM-specific risk versus benefits analysis. AEM's analyses and methods of bid evaluations are subjected to internal scrutiny and review under criteria developed by and essential to AEM. The result of this proprietary, commercially sensitive evaluation process developed internally by AEM is, among other things, in this particular case an annual bid amount.
- 12. In order to remain competitive within the industry, AEM expends considerable resources in developing, improving and maintaining the afore-referenced evaluation process.
- AEM upon public disclosure of the annual amount of the Contract is as follows: AEM evaluates and responds to requests for proposals similar to the one at issue here in Tennessee and other states. If the annual amount of the Contract is made public and thus generally available, it is extremely likely that AEM's competitors would make every conceivable attempt to utilize such information in a manner that would be extremely and unfairly disadvantageous to AEM in future

bids in and outside of Tennessee. To an extent, AEM's competitors would be able to free-ride on the work and expertise that AEM has invested in developing its bid here.

14. Absent the public disclosure of confidential and proprietary trade secrets or commercially sensitive AEM information, it is AEM's belief that its competitors are not capable of duplicating the manner in which AEM evaluates a request for proposal and develops a bid, or of reverse engineering the same, by proper means.

15. I base the foregoing on my personal knowledge, information and belief.

Further the affiant saith not.

SUZANNE JOHNSON
NOTARY PUBLIC
State of Texas
Comm. Exp. 07-17-2010

Sworn to and subscribed before me this _______ day of July 2008.

My commission expires: 1/17/2010

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