TENNESSEE REGULATORY AUTHORITY

Eddie Roberson, Chairman Tre Hargett, Director Sara Kyle, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

March 12, 2008

VIA FACSIMILE AND U.S. MAIL

A. Scott Ross. Esq. Neal & Harwell, PLC 150 Fourth Ave. N Suite 2000 Nashville, TN 37219

RE: Docket No. 08-00024; Petition of Atmos Energy Corporation for Approval of the

Contract(s) Regarding Gas Commodity Requirements, Etc.

Dear Mr. Ross:

By letter dated March 5, 2008, the Tennessee Regulatory Authority ("TRA") requested that Atmos Energy Corporation ("AEC") provide copies of its current gas purchasing agreements. On March 11, 2008, AEC provided copies of Transaction Confirmations with four (4) suppliers that are subject to underlying Base Contracts. Please provide copies of those base contracts.

In its response to data request question #4, AEC indicated that absent an asset manager, it did not have sufficient upstream capacity to supply its customers. Please provide AEC's Gas Supply Plan for the twelve (12) months ending March 31, 2009. The plan should include at a minimum the following:

- 1. The projected design day firm demand for each service area, along with the related calculation showing the percentage of reserve margin;
- 2. The projected peak demand by month for each service area;
- 3. A list of pipeline contracts and the amount of firm annual supply contracted for;
- 4. If the contracted supply does not meet the projected peak demand, please explain how AEC will obtain the necessary supply to service its firm customers and an estimate of the cost;
- 5. In the absence of a new gas purchasing agreement effective April 1, 2008, will the current gas purchase agreements continue in force according to the original base contracts?;
- 6. In the event that AEC's current gas purchase agreements all expire at March 31, 2008 with no replacement contract in place, what is AEC's plan(s) for obtaining the necessary gas supply in the short term?; and
- 7. Please provide an estimate of any additional cost incurred for implementing the short term plan described in #6.

In its request for proposal ("RFP"), AEC stated that bids would be held open for ten (10) business days before awarding the contract to the successful bidder. Submit a copy of the

contract and provide detailed documentation of the analysis performed in the selection process. The documentation should include AEC's rationale for accepting or rejecting each bid.

Both in its RFP and in its data response, AEC indicated that a portion of its transportation capacity has been supplied by its asset manager. What portion of AEC's total capacity does this account for by amount and cost of capacity? For the previous two years, provide the total demand charges associated with capacity provided by the asset manager along with invoices.

It is requested that this information be provided no later than 2:00 p.m. on Friday, March 14, 2008 and that you reference Docket No. 08-00024 on the response. In accordance with TRA rules submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. Should you have any questions regarding this request, please contact Ginger Collier at (615) 741-2904, ext. 174.

Sincerely,

Larlen Standley, Chief

Utilities Division

C: Patricia Childers, Docket File