

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

IN RE:

**PETITION OF ATMOS ENERGY
CORPORATION FOR APPROVAL OF
ADJUSTMENT OF ITS RATES AND
REFISED TARIFF**

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DOCKET NO. 08-00197

NOTICE OF FILING UPDATED EXHIBITS

Pursuant to paragraph 9 of the Stipulation as to Weather Normalized Margin, etc., filed on February 19, 2009, Atmos Energy Corporation respectfully submits the attached exhibits, which have been updated to reflect the financial impact of the stipulated figures. The following updated exhibits are submitted herewith:

Schedule THP-1 through Schedule THP-9.

Respectfully submitted

NEAL & HARWELL, PLC

By: 

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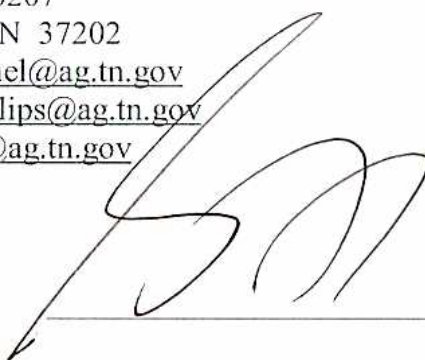
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Counsel for Atmos Energy Corporation

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 of record, this the 24 day of February 2009.

<input type="checkbox"/> Hand	Vance Broemel, Esq.
<input checked="" type="checkbox"/> Mail	Timothy C. Phillips, Esq.
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Tennessee Distribution System
Cost of Service
Twelve Months Ended March 31, 2010

Line No.	Description	Reference	Amount
	(a)	(b)	(c)
1	Cost of Gas	Schedule 3	\$119,465,225
2			
3	Operation & Maintenance Expense	Schedule 4	16,976,607
4			
5	Taxes Other Than Income Taxes	Schedule 5	6,447,527
6			
7	Depreciation & Amortization Expense	Schedule 6	9,322,464
8			
9	Return	Schedule 7	17,188,385
10			
11	Federal Income and State Excise Tax	Schedule 8	7,095,449
12			
13	AFUDC		(141,902)
14			
15	Interest on Customer Deposits		<u>211,336</u>
16			
17	Total Cost of Service		176,565,091
18			
19			
20	Revenue at Present Rates	Schedule 2	<u>170,989,205</u>
21			
22	Net Revenue Deficiency		<u><u>5,575,886</u></u>

Tennessee Distribution System
 Summary of Revenue at Present Rates
 Twelve Months Ended March 31, 2010

Line No.	Description	Amount
	(a)	(b)
1	Test year per books revenue [1]	169,593,669
2		
3	Change from Test Year to Attrition Year	<u>1,395,536</u>
4		
5	Projected Attrition Year Revenue	
	Margin at proposed WNA	51,523,980
	Gas cost	<u>119,465,225</u>
	Total	<u><u>170,989,205</u></u>

[1] Twelve months ended June 30, 2008

Tennessee Distribution System
Cost of Gas
Twelve Months Ended March 31, 2010

Line No.	Description (a)	Amount (b)
1	Test year per books cost of gas [1]	\$121,515,959
2		
3	Adjustments	
4	Net Elimination of Intercompany Leased Storage Property	<u>(2,050,734)</u>
5		
6	Total Adjusted Gas Cost	119,465,225
7		
8	Change from Test Year to Attrition Year	<u>-</u>
9		
10	Projected Attrition Year Gas Cost	<u><u>119,465,225</u></u>

[1] Twelve months ended June 30, 2008

Tennessee Distribution System
Operation and Maintenance Expenses
Twelve Months Ended March 31, 2010

Line No.	Description (b)	Amount (\$) (c)
1	Test year per books O&M Expense [1]	16,407,324
2		
3	Change from Test Year to Attrition Year	<u>1,101,279</u>
4		
5	Attrition Year O&M Expenses - Before Eliminations	17,508,603
6		
7	<u>Adjustments to O&M</u>	
8	Net Elimination of Intercompany Leased Property - Rent	(531,996)
9	Gain on sale of Maryland Way Property	0
10		
11	Total Adjustments	<u>(531,996)</u>
12		
13	Total Adjusted Operation and Maintenance Expenses	<u><u>16,976,607</u></u>

[1] Twelve months ended June 30, 2008

Tennessee\ Distribution System
Taxes Other Than Income Taxes
Twelve Months Ended March 31, 2010

Line No.	Description (a)	Total (b)
1	Test year per books Other Taxes Expense [1]	\$ 6,847,730
2		
3	Change from Test Year to Attrition Year	<u>(400,203)</u>
4		
5	Attrition Year Taxes Other Than Income Taxes	<u>\$ 6,447,527</u>

[1] Twelve months ended June 30, 2008 - Account 408

Tennessee Distribution System
Depreciation and Amortization Expense
Twelve Months Ended March 31, 2010

Line No.	Description (a)	Amount (b)
1	Test year per books Depreciation Expense [1]	\$ 9,976,282
2		
3	Change from Test Year to Attrition Year	<u>(874,874)</u>
4		
5	Attrition Year Depreciation Expense at current Depreciation Rates	\$ 9,101,408
6		
7	Adjustment to reflect Proposed Depreciation Rates	<u>(17,529)</u>
8		
9	Attrition Year Depreciation Expense at proposed Depreciation Rates	9,083,880
10		
11	Net Elimination of Intercompany Leased Property	<u>238,584</u>
12		
13	Total Depreciation and Amortization Expense, As Adjusted	<u>\$ 9,322,464</u>

[1] Twelve months ended June 30, 2008

Tennessee Distribution System
Rate Base & Return
Twelve Months Ended March 31, 2010
Thirteen Month Average

Line No.	Description (a)	Test Year [1] (b)	Change (c)	Attrition Year (d)
1	Original Cost of Plant	335,598,728	28,446,664	364,045,392
2				
3	Accumulated Depreciation and Amortization	(144,878,770)	(13,352,151)	(158,230,921)
4				
5	Construction Work in Progress per Books	4,802,665	353,867	5,156,533
6				
7	Storage Gas Investment	12,728,656	2,626,259	15,354,915
8				
9	Cash Working Capital	2,117,349	(976,922)	1,140,427
10				
11	Material & Supplies	31,737	(5,402)	26,334
12				
13	Deferred Rate Case Expenses	309,274	223,853	533,127
14				
15	Accumulated Deferred Income Tax	(34,322,326)	(4,666,598)	(38,988,924)
16				
17	Customer Advances for Construction	(55,262)	1	(55,261)
18				
19	Customer Deposits	(5,669,907)	977,449	(4,692,458)
20				
21	Accumulated Interest on Customer Deposits	(784,613)	23,003	(761,611)
22				
23	Unadjusted Rate Base	169,877,530	13,650,023	183,527,554
24				
25	Adjustments:			
26	Net Elimination of Intercompany Leased Property	7,025,305	(415,860)	6,609,445
27	Unamortized Maryland Way Gain	(13,525)	13,525	0
28				
29	Total Rate Base	176,889,311	13,247,688	190,136,999
30				
31	Return @ Overall Cost of Capital on Rate Base	15,990,794	1,197,591	17,188,385

[1] Twelve months ended June 30, 2008

Tennessee Distribution System
 Computation of State Excise & Federal Income Taxes
 Twelve Months Ended March 31, 2010

Line No.	Description (a)	Test Year [1] (b)	Change (c)	Attrition Year (d)
1	Required Return	\$15,990,794	\$1,197,591	\$17,188,385
2				
3	Interest Deduction	5,642,769	\$422,601	6,065,370
4				
5	Equity Portion of Return	10,348,025	\$774,990	11,123,015
6				
7	Application of Tax Rate to Equity Return - Tennessee	6.5% 672,622	\$50,374	722,996
8				
9	Application of Tax Rate to Equity Return - Federal	35% \$3,386,391	\$253,616	\$3,640,007
10				
11		\$4,059,013	\$303,990	\$4,363,003
12				
13	Tax Expansion Factor	1.64541	1.64541	1.639093
14				
15	Income Tax Liability	\$6,678,741	\$500,188	\$7,151,368
16				
17	Less: ITC Amortization	\$83,700	(\$27,781)	\$55,919
18				
19	Total Income Tax Liability	\$6,595,041	\$527,969	\$7,095,449

[1] Twelve months ended June 30, 2008

Tennessee Distribution System
Overall Cost of Capital
Twelve Months Ended March 31, 2010

Line No.	Description	Percent	Cost Rate	Overall Cost of Capital
	(a)	(b)	(c)	(d)
1	Short-Term Debt Capital	0.00%	5.10% [1]	
2	Long-Term Debt Capital	50.00%	6.38% [2]	3.19%
3	Equity Capital	<u>50.00%</u>	<u>11.70%</u>	<u>5.85%</u>
4				
5	Total Capital	<u>100.0%</u>		<u>9.04%</u>

[1] Based on Laurie Sherwood's rebuttal testimony exhibit LMS-R-1.

[2] Based on Laurie Sherwood's rebuttal testimony exhibit LMS-R-2.