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T.R.A. DOCKET

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OF COUNSEL
LARRY W. LINDEEN

August 31, 2011

DOCKET NO.
11-00145

Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

VIA HAND DELIVERY

RE: Atmos Energy Corporation Tennessee and Union City, Tennessee 2010 – 2011
ACA Filing

Dear Ms. Dillon:

Enclosed are the original and four copies of the Atmos Energy Corporation Tennessee and Union City, Tennessee 2010 – 2011 ACA filing. These documents are marked "To be Filed," and are non-confidential and should be posted in the electronic docket in this matter. We have also enclosed an electronic copy of the filing and a check in the amount of \$25.00 for the filing fee.

Separately, at the request of TRA Staff, we have provided two notebooks of backup documents. These are to be provided only to TRA Audit Staff. They are confidential, and should not be filed in the docket in this matter.

Also at the request of Staff, we have enclosed two CDs containing the Excel worksheets. One for Audit Staff and the other for the Docket Room. These also are confidential, and are not to be filed in the electronic docket in this matter.

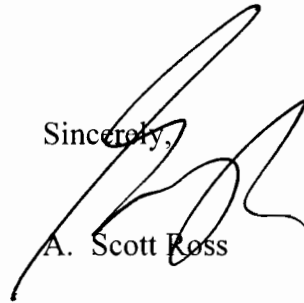
I have also enclosed a proposed Protective Order to be entered in this matter.

Please contact me if you have any questions concerning this filing.

Sharla Dillon, Docket Manager
Page 2
August 30, 2011

Best regards.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Scott Ross', is written over the word 'Sincerely,'.

A. Scott Ross

ASR:prd

Enclosures



August 26, 2011

Ms. Mary W. Freeman, Chairman
Attn: Sharla Dillon Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Dear Chairman Freeman

Atmos Energy Corporation hereby submits the Tennessee and Union City Tennessee 2010-2011 ACA filing by this original and 4 copies for filing. Also enclosed is the 25.00 docket filing fee.

If you have any questions please call.

Sincerely, ,

A handwritten signature in black ink that reads "Edwin Wilkins". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Edwin Wilkins
Senior Analyst
Rate Administration

EXHIBIT II

**ATMOS ENERGY CORPORATION
CALCULATION OF ACA FACTOR
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
2010 2011 ACA**

1	Previous Year's Demand Cost Balance		(\$770,121.76)
2	Current Year's Demand Cost (Exhibit II-A)	\$	17,751,535.99
3	Current Year's Interest on Demand Cost Balances		36,905.63
4	Demand Cost Recovered (EXHIBIT II-A)	\$	16,215,545.46
5	Demand Under/(Over)-Recovery		<u>\$802,774.40</u>
6	Previous Year's Commodity Cost Balance		(\$1,382,534.26)
7	ACA Finding #1 Imbalance Adjustment		(\$2,092.08)
8	ACA Finding #2 Storage adjustment		\$514.25
9	ACA Finding #3 Interest		<u>\$152.58</u>
10	Adjusted Beginning Balance		(\$1,383,959.51)
11	Current Year's Commodity Cost (EXHIBIT II-B)	\$	62,434,620.95
12	Current Year's Interest on Commodity Cost Balances		\$34,120.67
13	Bad Debt Cost (EXHIBIT II-C)		\$191,882.51
14	Commodity Cost Recovered (EXHIBIT II-B)	\$	<u>61,108,806.70</u>
15	Commodity Under/(Over)-Recovery		<u>\$167,857.92</u>

ATMOS ENERGY CORPORATION
2010 2011 ACA
ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EXHIBIT II-A

Line	Demand	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11
1	Beginning Balance	(770,121.76)	247,976.41	1,273,650.52	2,302,420.33	3,171,091.10	3,983,097.66	3,310,035.27
2	ACA Audit Adjustment							
3	Invoiced Demand Gas Costs	1,391,008.31	1,390,554.82	1,390,554.82	1,347,129.20	1,743,450.82	1,836,093.16	1,818,726.32
4	Payments and Fees							
	Gas Cost Recovery							
5	Firm sales	372,204.02	366,938.46	366,621.06	485,860.45	941,119.12	2,519,018.31	3,806,968.04
6	Rate 211 sales							
7	Rate 240 sales							
	Miscellaneous Adjustments							
	ACA Audit Adjustment							
8	Demand Ending Balance Before Interest	248,682.53	1,271,592.77	2,297,584.28	3,163,689.08	3,973,422.80	3,300,172.51	1,321,793.55
9	Average monthly balance	(260,719.62)	759,784.59	1,785,617.40	2,733,054.71	3,572,256.95	3,641,635.09	2,315,914.41
10	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
11	Calculated Interest-Demand	(706.12)	2,057.75	4,836.05	7,402.02	9,674.86	9,862.76	6,272.27
12	Demand Ending Balance Including Interest	247,976.41	1,273,650.52	2,302,420.33	3,171,091.10	3,983,097.66	3,310,035.27	1,328,065.82
Total ACA Ending Balance (Including Interest)		(914,014.98)	528,397.17	1,212,969.62	2,455,517.78	4,167,912.73	8,412,790.33	6,550,340.73
Total Current Month ACA Interest		(4,149.10)	(521.48)	2,354.91	4,961.02	8,957.10	17,013.33	20,235.17

ATMOS ENERGY CORPORATION

2010 2011 ACA

ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EXHIBIT II-A

Line	Demand	Feb-11	Mar-11	Apr-11	May-11	Jun-11	TOTAL
1	Beginning Balance	1,328,065.82	15,274.49	(129,909.09)	(1,329,769.96)	(543,109.19)	(770,121.76)
2	ACA Audit Adjustment						
3	Invoiced Demand Gas Costs	1,818,546.32	1,743,246.32	1,419,345.05	1,409,184.60	1,782,356.25	19,090,195.99
4	Payments and Fees			(1,338,660.00)			(1,338,660.00)
	Gas Cost Recovery						
5	Firm sales	3,133,154.30	1,888,274.88	1,278,571.94	619,991.07	436,823.81	16,215,545.46
6	Rate 211 sales						0.00
7	Rate 240 sales						0.00
	Miscellaneous Adjustments						
	ACA Audit Adjustment						
8	Demand Ending Balance Before Interest	13,457.84	(129,754.07)	(1,327,795.98)	(540,576.43)	802,423.25	765,868.77
9	Average monthly balance	670,761.83	(57,239.79)	(728,852.54)	(935,173.20)	129,657.03	
10	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	
11	Calculated Interest-Demand	1,816.65	(155.02)	(1,973.98)	(2,532.76)	351.15	36,905.63
12	Demand Ending Balance Including Interest	15,274.49	(129,909.09)	(1,329,769.96)	(543,109.19)	802,774.40	802,774.40
Total ACA Ending Balance (Including Interest)		3,357,832.68	2,163,142.98	(982,636.95)	(99,917.38)	970,632.32	970,632.32
Total Current Month ACA Interest		13,399.18	7,466.22	1,596.44	(1,463.98)	1,177.49	71,026.30

ATMOS ENERGY CORPORATION

2010-2011 ACA

ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EXHIBIT II-B

Line	Commodity	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11
1	Beginning Balance	(1,383,959.51)	(1,161,991.39)	(745,253.35)	(1,089,450.71)	(715,573.32)	184,815.07	5,102,755.06	5,222,274.91
2	Transfer SAM Balance to ACA								
3	2007-2008 WNA Audit Findings								
4	Invoiced Commodity Gas Costs	4,355,894.61	3,705,932.49	2,968,634.69	2,761,721.01	3,300,932.67	10,627,356.03	11,093,053.33	5,816,312.70
5	Columbia Gulf Imbalance	14,294.06	(203,968.90)	(114,424.19)	114,881.02	138,520.97	(189,669.35)	(116,055.90)	259,645.98
6	Gas Used By Company	(468.32)	(534.86)	(418.30)	(633.29)	(1,760.48)	(5,881.77)	(7,637.78)	(6,232.19)
7	Hedging Costs								
8	Margin Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Cashouts	(32,648.41)	71,527.03	(7,037.73)	7,688.65	(21,123.95)	109,397.11	(9,570.72)	184,998.90
	Inventory Activity								
10	Storage Injections	(2,824,010.44)	(1,946,333.77)	(1,464,056.03)	(766,295.80)	(238,874.13)	(519,508.80)	(525,820.87)	(413,550.67)
11	Storage Withdrawals	103,080.84	112,363.82	3,730.45	206,473.06	1,308,481.24	4,215,309.35	3,560,119.54	3,654,754.78
	Bad Debt Cost	61,806.12	41,182.24	22,367.00	(5,325.12)	(25,875.29)	(8,044.67)	(1,018.45)	(4,289.50)
	Gas Cost Recovery								
12	Firm sales	1,452,537.36	1,360,850.78	1,750,512.11	1,929,758.13	3,559,194.88	9,318,168.48	13,887,512.21	11,382,939.24
13	Rate 211 sales								
14	Rate 240 sales								
	Miscellaneous Adjustments				(12,433.01)				
15	2009-2010 WNA Audit Findings								
16	Commodity Ending Balance Before Interest	(1,158,548.41)	(742,674.12)	(1,086,969.57)	(713,132.32)	185,532.83	5,095,604.49	5,208,312.01	3,330,975.66
17	Average Monthly Balance	(1,271,253.96)	(952,332.76)	(916,111.46)	(901,291.52)	(265,020.24)	2,640,209.78	5,155,533.53	4,276,625.29
18	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
19	Calculated Interest-Commodity	(3,442.98)	(2,579.23)	(2,481.14)	(2,441.00)	(717.76)	7,150.57	13,962.90	11,582.53
20	Commodity Ending Balance Including Interest	(1,161,991.39)	(745,253.35)	(1,089,450.71)	(715,573.32)	184,815.07	5,102,755.06	5,222,274.91	3,342,558.19

ATMOS ENERGY CORPORATION

2010-2011 ACA

ALL TENNESSEE TOWNS OTHER THAN UNION CITY

EXHIBIT II-B

Line	Commodity	Mar-11	Apr-11	May-11	Jun-11	TOTAL
1	Beginning Balance	3,342,558.19	2,293,052.07	347,133.01	443,191.81	(1,383,959.51)
2	Transfer SAM Balance to ACA					0.00
3	2007-2008 WNA Audit Findings					0.00
4	Invoiced Commodity Gas Costs	3,837,573.65	5,072,648.12	4,332,488.81	3,443,501.02	61,316,049.13
5	Columbia Gulf Imbalance	405,060.00	(431,977.92)	0.00	0.00	(123,694.23)
6	Gas Used By Company	(3,404.89)	(2,307.19)	(1,112.04)	(733.81)	(31,124.92)
7	Hedging Costs					
8	Margin Loss	0.00	0.00	0.00	0.00	0.00
9	Cashouts	139,931.33	(29,068.63)	(52,120.18)	(1,873.36)	360,100.04
						0.00
	Inventory Activity					
10	Storage Injections	(324,210.57)	(1,801,623.09)	(1,961,279.78)	(1,811,546.55)	(14,597,110.50)
11	Storage Withdrawals	1,974,178.48	131,697.13	242,355.95	10,289.80	15,522,834.44
	Bad Debt Cost	(1,440.00)	12,522.53	22,304.98	77,692.67	191,882.51
	Gas Cost Recovery					
12	Firm sales	7,084,815.36	4,901,380.43	2,487,647.72	1,993,490.00	61,108,806.70
13	Rate 211 sales					0.00
14	Rate 240 sales					0.00
	Miscellaneous Adjustments					(12,433.01)
15	2009-2010 WNA Audit Findings					
16	Commodity Ending Balance Before Interest	2,285,430.83	343,562.59	442,123.03	167,031.58	133,737.25
17	Average Monthly Balance	2,813,994.51	1,318,307.33	394,628.02	305,111.70	
18	Interest Rate	3.25%	3.25%	3.25%	3.25%	
19	Calculated Interest-Commodity	7,621.24	3,570.42	1,068.78	826.34	34,120.67
20	Commodity Ending Balance Including Interest	2,293,052.07	347,133.01	443,191.81	167,857.92	167,857.92

ATMOS ENERGY CORPORATION
BAD DEBT RECOVERIES
ALL TENNESSEE TOWNS OTHER THAN UNION CITY
2010 2011 ACA

	Beginning Balance	Current Month Activity	Reduction for Bad Debt in Base Rates (1)	Ending Balance
July-10	-	61,806.12		61,806.12
August-10	61,806.12	41,182.24		102,988.36
September-10	102,988.36	22,367.00		125,355.36
October-10	125,355.36	(5,325.12)		120,030.24
November-10	120,030.24	(25,875.29)		94,154.95
December-10	94,154.95	(8,044.67)		86,110.28
January-11	86,110.28	(1,018.45)		85,091.83
February-11	85,091.83	(4,289.50)		80,802.33
March-11	80,802.33	(1,440.00)		79,362.33
April-11	79,362.33	12,522.53		91,884.86
May-11	91,884.86	22,304.98		114,189.84
June-11	114,189.84	77,692.67		191,882.51
TOTAL	191,882.51	191,882.51	-	191,882.51

EXHIBIT II

ATMOS ENERGY CORPORATION
CALCULATION OF ACA FACTOR
UNION CITY, TENNESSEE
2010 2011 ACA

1	Previous Year's Demand Cost Balance	(\$8,372.65)
2	Current Year's Demand Cost	\$110,539.00
3	Interest on Demand Balance	\$0.41
4	Demand Cost Recovered	\$100,732.53
5	Demand Under/(Over)-Recovery	<u>\$1,434.23</u>
6	Previous Year's Commodity Cost Balance	(\$511,227.21)
7	Audit Finding	\$0.00
8	Audit Finding	\$0.00
9	Audit Finding	\$0.00
10	Adjusted Commodity Beginning Balance	<u>(\$511,227.21)</u>
11	Current Year's Commodity Cost	\$1,711,319.13
12	Interest on Commodity Balance	(\$12,331.35)
13	Bad Debt Expense	\$5,175.33
14	Commodity Cost Recovered	<u>\$1,466,559.59</u>
15	Commodity Under/(Over)-Recovery	<u>(\$273,623.69)</u>

ATMOS ENERGY CORPORATION
2010-2011 ACA
Union City Tennessee

Exhibit II-A

Line	Demand	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	TOTAL
1	Beginning Balance	(8,372.66)	(8,389.63)	(8,325.25)	(8,177.70)	(8,233.05)	5,596.22	9,902.58	5,915.11	2,389.46	8,537.19	2,833.14	1,571.33	(8,372.65)
2														
3	Invoiced Demand Gas Costs	2,135.80	2,135.90	2,067.00	2,135.90	19,032.00	19,666.40	19,666.40	17,763.20	19,666.40	2,067.00	2,135.90	2,067.00	110,539.00
4														0.00
	Gas Cost Recovery													
5	Firm sales	2,130.21	2,048.92	1,897.13	2,169.06	5,199.16	15,381.00	23,675.26	21,300.08	13,533.45	7,786.43	3,403.67	2,208.16	100,732.53
6	Rate 211 sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Rate 240 sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Adjustments													
8	Demand Ending Balance Before Interest	(8,366.96)	(8,302.65)	(8,155.38)	(8,210.86)	5,599.79	9,881.62	5,893.72	2,378.23	8,522.41	2,817.76	1,565.37	1,430.17	1,433.82
9	Average monthly balance	(8,369.81)	(8,346.14)	(8,240.32)	(8,194.28)	(1,316.63)	7,738.92	7,998.15	4,146.67	5,455.93	5,677.47	2,199.25	1,500.75	
10	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
11	Calculated Interest-Demand	(22.67)	(22.60)	(22.32)	(22.19)	(3.57)	20.96	21.39	11.23	14.78	15.38	5.96	4.06	0.41
12	Demand Ending Balance Including Interest	(8,389.63)	(8,325.25)	(8,177.70)	(8,233.05)	5,596.22	9,902.58	5,915.11	2,389.46	8,537.19	2,833.14	1,571.33	1,434.23	1,434.23
Total ACA Ending Balance (Including Interest)		(593,529.68)	(565,036.86)	(584,667.44)	(577,387.16)	(482,455.23)	(273,481.66)	(260,039.37)	(187,527.35)	(144,353.98)	(234,987.18)	(249,671.85)	(272,189.46)	(272,189.46)
Total Current Month ACA Interest		(1,505.46)	(1,566.90)	(1,554.79)	(1,571.48)	(1,446.79)	(1,035.80)	(721.50)	(605.26)	(448.81)	(512.99)	(655.42)	(705.74)	(12,330.94)

Line	Commodity	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	TOTAL
1	Beginning Balance	(611,227.21)	(585,240.05)	(558,711.61)	(576,489.74)	(569,154.11)	(498,051.45)	(283,384.24)	(265,954.48)	(189,916.80)	(152,891.17)	(237,820.32)	(251,243.18)	(511,227.21)
2	Transfer SAM Balance to ACA	0.00												0.00
3	2007-2008 WNA Audit Findings													0.00
4	Invoiced Commodity Gas Costs	284,811.31	176,493.08	169,252.63	52,071.99	60,149.67	86,892.91	107,413.28	137,249.18	91,165.07	230,692.39	196,383.83	97,565.60	1,670,130.94
5	Texas Gas Imbalance	(298,594.86)	(93,845.40)	(142,404.61)	4,048.12	68,181.70	373,810.66	188,724.99	223,165.89	135,382.08	(205,037.00)	(155,616.70)	(105,952.73)	(7,937.86)
6	Gas Used By Company	(5.34)	(5.34)	(7.99)	(5.08)	(44.57)	(649.50)	(863.57)	(825.83)	(789.96)	(638.70)	(349.41)	(338.66)	(4,432.77)
7	Hedging Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00
8	Margin Loss	4,038.39	5,265.83	(8,318.07)	(9,320.73)	14,954.14	(38,188.94)	44,581.42	6,658.21	6,314.14	17,487.58	8,608.24	29,154.43	81,252.64
9	Cashouts													0.00
	Inventory Activity													
10	Storage injections	(23,322.44)	(37,028.22)	(7,288.61)	(4,581.30)	0.00	0.00	0.00	0.00	0.00	(11,544.44)	(11,760.57)	(12,002.90)	(107,529.48)
11	Storage Withdrawals	0.00	0.00	0.00	0.00	7,069.52	19,219.42	24,838.73	22,338.62	6,987.24	0.00	-	0.00	80,462.53
	Bad Debt Cost	4,205.34	1,781.93	137.25	(756.89)	(1,183.92)	(684.15)	(657.71)	(1,564.87)	(22.46)	461.50	671.27	2,788.04	5,175.33
	Gas Cost Recovery													
12	Firm sales	23,680.45	22,789.14	29,615.28	32,570.39	75,952.79	224,896.43	345,884.48	310,387.04	201,546.89	115,914.11	50,898.14	32,884.47	1,466,559.59
13	Rate 211 sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Rate 240 sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Adjustments													
15	2008-2009 WNA Audit Findings													(628.87)
16	Commodity Ending Balance Before Interest	(583,757.26)	(555,167.31)	(574,957.27)	(567,604.82)	(496,608.23)	(282,327.46)	(285,211.59)	(189,300.31)	(192,427.58)	(237,291.95)	(250,581.80)	(272,913.89)	(261,292.34)
17	Average Monthly Balance	(547,482.23)	(570,203.68)	(565,834.44)	(572,047.28)	(532,881.17)	(390,189.47)	(274,297.91)	(227,627.39)	(171,172.19)	(195,091.56)	(244,201.06)	(262,078.54)	
18	Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
19	Calculated Interest-Commodity	(1,482.79)	(1,544.30)	(1,532.47)	(1,549.29)	(1,443.22)	(1,056.76)	(742.89)	(616.48)	(463.59)	(528.37)	(661.38)	(709.80)	(12,331.35)
20	Commodity Ending Balance Including Interest	(585,240.05)	(556,711.61)	(576,489.74)	(569,154.11)	(498,051.45)	(283,384.24)	(285,954.48)	(189,916.80)	(192,891.17)	(237,820.32)	(251,243.18)	(273,623.69)	(273,623.69)

Exhibit II-C

AtmosEnergy Corporation
ACA Bad Debt Expense - Union City Tennessee
2010 2011 ACA

	BEGINNING BALANCE	CURRENT MONTH ACTIVITY	ENDING BALANCE
July-10	\$0.00	4,205.34	4,205.34
August-10	\$4,205.34	1,781.93	5,987.27
September-10	\$5,987.27	137.25	6,124.52
October-10	\$6,124.52	(756.89)	5,367.63
November-10	\$5,367.63	(1,183.92)	4,183.71
December-10	\$4,183.71	(684.15)	3,499.56
January-11	\$3,499.56	(657.71)	2,841.85
February-11	\$2,841.85	(1,564.87)	1,276.98
March-11	\$1,276.98	(22.46)	1,254.52
April-11	\$1,254.52	461.50	1,716.02
May-11	\$1,716.02	671.27	2,387.29
June-11	\$2,387.29	2,788.04	5,175.33
Total		5,175.33	
		Beginning Balance	\$0.00
		Activity Jul 09 thru Jun 10	5,175.33
		Ending Balance	<u>\$5,175.33</u>