

APPENDIX C

Referenced Data Requests

CURB-10

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STAFF-116

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Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-21
Page 1 of 1

REQUEST:

Provide a copy of each incentive plan in effect.

RESPONSE:

Please see Attachment 1 through Attachment 5 for copies of the incentive compensation plans.

ATTACHMENTS:

ATTACHMENT 1 - Atmos Energy Corporation, Variable Pay Plan (VPP), 6 Pages.

ATTACHMENT 2 - Atmos Energy Corporation, Management Incentive Plan (MIP), 10 Pages.

ATTACHMENT 3 - Atmos Energy Corporation, Long-Term Incentive Plan (Dated 02-09-07), 27 Pages.

ATTACHMENT 4 - Atmos Energy Corporation, Long-Term Incentive Plan (Dated 09-10-08), 3 Pages.

ATTACHMENT 5 - Atmos Energy Corporation, Customer Support Center Incentive (CSC), 7 Pages.

Respondent: Joe Christian

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: 

Date: 2-25-2010

ATMOS ENERGY CORPORATION
VARIABLE PAY PLAN FOR EMPLOYEES

The Atmos Energy Corporation Variable Pay Plan for Employees (hereinafter called the "Plan") was adopted by Atmos Energy Corporation, a Texas and Virginia corporation (hereinafter called the "Company"), to be effective October 1, 1998.

ARTICLE 1

PURPOSE

The Plan is intended to provide the Company a means by which it can engender and sustain a sense of personal commitment on the part of its Employees in the continued growth, development, and financial success of the Company. It is intended to encourage them to remain with and devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its shareholders. Accordingly, the Company may award to Employees incentive compensation on the terms and conditions established herein.

ARTICLE 2

DEFINITIONS

For the purposes of the Plan, unless the context requires otherwise, the following terms shall have the meanings indicated:

2.1 "Incentive Award" or "Award" means the compensation payable under this Plan, in cash to a Participant by the Committee pursuant to such terms, conditions, restrictions, and limitations established by the Committee and Plan.

2.2 "Board" means the Board of Directors of the Company.

2.3 "Code" means the Internal Revenue Code of 1986, as amended, together with the published rulings, regulations, and interpretations duly promulgated thereunder.

2.4 "Committee" means the Management Committee of the Company or other committee appointed or designated by the Board to administer the Plan in accordance with Article 3 of this Plan.

2.5 "Company" means Atmos Energy Corporation, a Texas and Virginia corporation, and any successor entity.

2.6 "Eligible Earnings" means the total of all amounts paid to an Employee for personal services as reported on the Employee's Federal Income Tax Withholding Statement (Form W-2) but excluding (i) expense reimbursements, (ii) bonuses/incentive compensation, (iii) any contributions under any deferred compensation or welfare benefit Plan, and (iv) other special payments of any kind.

2.7 "Employee" means common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company and any Subsidiary of the Company.

2.8 "Participant" means an Employee who meets the criteria to participate in the Plan.

2.9 "Performance Criteria" or "Performance Goals" or "Performance Measures" mean the objectives established by the Committee for the Performance Period pursuant to Article 5 hereof, for the purpose of determining Awards under the Plan.

2.10 "Performance Period" means the consecutive twelve-month period that constitutes the Company's fiscal year.

2.11 "Plan" means the Atmos Energy Corporation Variable Pay Plan for Employees, dated October 1, 1998, as amended from time to time.

2.12 "Regular Employment Status" means employment for an unspecified period of time on a work schedule of either: (1) at least forty hours per week or at least 2,080 hours per year, and paid at a monthly rate, or (2) less than forty hours per week or less than 2,080 hours per year, and paid at an hourly rate.

2.13 "Subsidiary" means (i) any corporation in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing a majority of the total combined voting power of all classes of stock in one of the other corporations in the chain, (ii) any limited partnership, if the Company or any corporation described in item (i) above owns a majority of the general partnership interest and a majority of the limited partnership interests entitled to vote on the removal and replacement of the general partner, and (iii) any partnership or limited liability Company, if the partners or members thereof are composed only of the Company, any corporation listed in item (i) above or any limited partnership listed in item (ii) above. "Subsidiaries" means more than one of any such corporations, limited partnerships, partnerships or limited liability companies.

2.14 "Termination of Service" occurs when a Participant who is an Employee of the Company or any Subsidiary shall cease to serve as an Employee of the Company and its Subsidiaries, for any reason.

ARTICLE 3

ADMINISTRATION

The Plan shall be administered by the Committee as designated in accordance with Section 2.4 above.

The Committee, in its discretion, shall (i) interpret the Plan, (ii) prescribe, amend, and rescind any rules and regulations necessary or appropriate for the administration of the Plan, and (iii) make such other determinations and take such other action as it deems necessary or advisable

in the administration of the Plan. Any interpretation, determination, or other action made or taken by the Committee shall be final, binding, and conclusive on all interested parties.

ARTICLE 4

ELIGIBILITY

Any Employee who meets the following criteria is eligible to participate in the Plan. Employees who are considered to be in Regular Employment Status, and who are not participants in the Company's Annual Incentive Plan for Management are eligible to participate in the Plan. Additionally, Employees covered by a collective bargaining agreement between the Company and a bargaining agent will become Participants in the Plan provided such Plan participation is negotiated and agreed upon in good faith between the Company and such bargaining agent.

ARTICLE 5

PERFORMANCE GOALS AND MEASUREMENT

5.1 Performance Goals Establishment. Performance Goals shall be established by the Committee not later than 90 days after commencement of the Performance Period. The Performance Goals may be identical for all Participants or, at the discretion of the Committee, may be different to reflect more appropriate measures of performance.

5.2 Performance Goals. Performance Goals relating to Participants for a Performance Period shall be established by the Committee in writing. Performance Goals may include alternative and multiple Performance Goals and may be based on one or more business and/or financial criteria. In establishing the Performance Goals for the Plan Year, the Committee in its discretion may include one or any combination of the following criteria in either absolute or relative terms, for either the Company or any of its Subsidiary organizations:

- (a) Total shareholder return
- (b) Return on assets, equity, capital, or investment
- (c) Pre-tax or after-tax profit levels, including: earnings per share; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; net operating profits after tax, and net income
- (d) Cash flow and cash flow return on investment
- (e) Economic value added and economic profit
- (f) Growth in earnings per share
- (g) Levels of operating expense or other expense items as reported on the income statement, including operating and maintenance expense and capital expense
- (h) Measures of customer satisfaction and customer service as surveyed from time to time, including the relative improvement therein.

5.3. Adjustments for Extraordinary Items. The Committee shall be authorized to make adjustments in the method of calculating attainment of Performance Goals in recognition of: (i) extraordinary or non-recurring items, (ii) changes in tax laws, (iii) changes in generally accepted accounting principles or changes in accounting policies, (iv) charges related to restructured or discontinued operations, (v) restatement of prior period financial results, and (vi) any other unusual, non-recurring gain or loss that is separately identified and quantified in the

Company's financial statements. Notwithstanding the foregoing, the Committee may, in its sole discretion, reduce the performance results upon which Awards are based under the Plan, to offset any unintended result(s) arising from events not anticipated when the Performance Goals were established.

5.4 Determination of Awards. Awards shall be made annually in accordance with actual performance compared to the Performance Goals previously established by the Committee for the Performance Period. The award and payment of any Award under this Plan to a Participant with respect to the Performance Period shall be contingent upon the attainment of the Performance Goals that are applicable to such Participant. The Committee shall certify in writing prior to payment of any such Award that such applicable Performance Goals relating to the Award are satisfied. Approved minutes of the Committee may be used for this purpose.

The Committee, upon its own action, may make, but shall not be required to make, an Award to any Participant. Awards may be made by the Committee at any time and from time to time to new Participants, or to then Participants, or to a greater or lesser number of Participants, and may include or exclude previous Participants, as the Committee shall determine. The Committee's determinations under the Plan (including, without limitation, determinations of which Participants, if any, are to receive Awards, the amount of such Awards, and the terms and provisions of such Awards) may be made by the Committee selectively among Participants. An Employee must be a Participant in the Plan for a minimum of six months during the Plan Year to be eligible for an Award for that Plan Year.

ARTICLE 6

AWARDS

6.1 Timing of Awards. Within 60 days following the completion of the Performance Period, the Committee shall review the prior year's performance in relation to the Performance Goals and shall determine the Awards to be made to Participants.

6.2 Form and Payment of Awards. Awards shall be paid in cash as soon as administratively possible following the determination of those Awards.

ARTICLE 7

WITHHOLDING TAXES

The Company shall have the right to deduct from any payment to be made pursuant to the Plan the amount of any taxes required by law to be withheld with respect to such payments.

ARTICLE 8

NO RIGHT TO CONTINUED EMPLOYMENT OR AWARDS

No Employee shall have any claim or right to be made an Award, and the making of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any of its Subsidiaries. Further, the Company and its Subsidiaries expressly reserve the right at any time to terminate the employment of any Participant free from any liability under the Plan.

ARTICLE 9

AMENDMENT, MODIFICATION, SUSPENSION, OR TERMINATION

Subject to the limitations set forth in the Article 9, the Board may at any time and from time to time, without the consent of the Participants, alter, amend, revise, suspend, or discontinue the Plan in whole or in part.

ARTICLE 10

GOVERNING LAW

The validity, construction and effect of the Plan and any actions taken or relating to the Plan shall be determined in accordance with the laws of the State of Texas and applicable Federal law.

ARTICLE 11

SUCCESSORS AND ASSIGNS

The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, expressly to assume and agree to perform the Company's obligation under this Plan in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place. As used herein, the "Company" shall mean the Company as hereinbefore defined and any aforesaid successor to its business and/or assets.

ARTICLE 12

EFFECTIVE DATE

This Plan shall be effective as of October 1, 1998.

ARTICLE 13

INDEMNIFICATION

No member of the Board or the Committee, nor any officer or Employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board or the Committee and each and any officer or Employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.

* * * * *

IN WITNESS WHEREOF, the Company has caused this instrument to be executed effective as of October 1, 1998 by its President pursuant to prior action taken by the Board.

ATMOS ENERGY CORPORATION

By: _____
Robert W. Best,
Chairman of the Board, President
and Chief Executive Officer

Attest:

Secretary

ATMOS ENERGY CORPORATION
ANNUAL INCENTIVE PLAN FOR MANAGEMENT
(As amended and restated February 14, 2002)

The Atmos Energy Corporation Annual Incentive Plan for Management (hereinafter called the "Plan") was adopted by the Board of Directors of Atmos Energy Corporation, a Texas and Virginia corporation (hereinafter called the "Company"), on August 12, 1998 to be effective October 1, 1998 and was approved by the Company's shareholders on February 10, 1999. An amendment to the Plan was approved by the Board of Directors on August 8, 2001, which amendment was approved by the Company's shareholders on February 13, 2002.

ARTICLE 1

PURPOSE

The Plan is intended to provide the Company a means by which it can engender and sustain a sense of personal commitment on the part of its executives and senior managers in the continued growth, development, and financial success of the Company and encourage them to remain with and devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its shareholders. Accordingly, the Company may award to executives and senior managers annual incentive compensation on the terms and conditions established herein.

ARTICLE 2

DEFINITIONS

For the purposes of the Plan, unless the context requires otherwise, the following terms shall have the meanings indicated:

2.1 "Annual Incentive Award" or "Award" means the compensation payable under this Plan to a Participant by the Committee pursuant to such terms, conditions, restrictions, and limitations established by the Committee and Plan.

2.2 "Board" means the Board of Directors of the Company.

2.3 "Bonus Stock" or "Bonus Shares" means shares of Common Stock of the Company awarded to a Participant as permitted and pursuant to the terms of the Long Term Incentive Plan.

2.4 (a) "Change in Control" of the Company shall be deemed to have occurred if:

(i) Any "Person" (as defined in Section 2.4(b)(i) below), other than (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their

ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Section 2.4(b)(ii) below), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person any securities acquired directly from the Company or its Affiliates) representing 33-1/3% or more of the combined voting power of the Company's then outstanding securities, or 33-1/3% or more of the then outstanding common stock of the Company, excluding any Person who becomes such a beneficial owner in connection with a transaction described in subparagraph (iii)(A) below.

(ii) During any period of two consecutive years (the "Period"), individuals who at the beginning of the Period constitute the Board of Directors of the Company and any "new director" (as defined in Section 2.4(b)(iii) below) cease for any reason to constitute a majority of the Board of Directors.

(iii) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, except if:

(A) the merger or consolidation would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least sixty percent (60%) of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(B) the merger or consolidation is effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly, or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 60% or more of the combined voting power of the Company's then outstanding securities;

(iv) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60% of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

(b) Definitions. For purposes of Section 2.4(a) above,

(i) "Person" shall have the meaning given in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "1934 Act") as modified and used in Sections 13(d) and 14(d) of the 1934 Act.

(ii) "Beneficial owner" shall have the meaning provided in Rule 13d-3 under the 1934 Act.

(iii) "New director" shall mean an individual whose election by the Company's Board of Directors or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the Period or whose election or nomination for election was previously so approved or recommended. However, "new director" shall not include a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation relating to the election of directors of the Company.

(iv) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the 1934 Act.

2.5 "Code" means the Internal Revenue Code of 1986, as amended, together with the published rulings, regulations, and interpretations duly promulgated thereunder.

2.6 "Committee" means the committee appointed or designated by the Board to administer the Plan in accordance with Article 3 of this Plan.

2.7 "Common Stock" or "Common Shares" means the Common Stock of the Company, with no par value (stated value of \$.005 per share), or such other security or right or instrument into which such common stock may be changed or converted in the future.

2.8 "Company" means Atmos Energy Corporation, a Texas and Virginia corporation, and any successor entity.

2.9 "Covered Participant" means a Participant who is a "covered employee" as defined in Section 162(m)(3) of the Code, and the regulations promulgated thereunder, or who the Committee believes will be such a covered employee for a Performance Period, and who the Committee believes may have remuneration in excess of \$1,000,000 for the Performance Period, as provided in Section 162(m) of the Code.

2.10 "Date of Conversion" means the date on which the Committee determines and approves Awards; this is also the effective Date of Conversion for Restricted Stock or Restricted Shares, and for Stock Options.

2.11 "Employee" means common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company and any Subsidiary of the Company.

2.12 "Executive Nonqualified Deferred Compensation Plan" is the Atmos Energy Corporation Executive Nonqualified Deferred Compensation Plan, as amended from time to time.

2.13 "Fair Market Value" of a share of Common Stock is the mean of the highest and lowest prices per share on the New York Stock Exchange Consolidated Tape, or such reporting service as the Board may select, on the appropriate date, or in the absence of reported sales on such day, the most recent previous day for which sales were reported.

2.14 "Long-Term Incentive Plan" is the Atmos Energy Corporation 1998 Long-Term Incentive Compensation Plan, as amended from time to time.

2.15 "Participant" means an Employee who is selected by the Committee to participate in the Plan.

2.16 "Performance Criteria" or "Performance Goals" or "Performance Measures" mean the objectives established by the Committee for the Performance Period pursuant to Article V hereof, for the purpose of determining Awards under the Plan.

2.17 "Performance Period" means the consecutive 12 month period that constitutes the Company's fiscal year.

2.18 "Plan" means the Atmos Energy Corporation Annual Incentive Plan for Management, dated effective October 1, 1998, as amended from time to time.

2.19 "Restricted Stock" or "Restricted Shares" means shares of Common Stock of the Company contingently granted to a Participant as permitted and pursuant to the terms and provisions of the Long-Term Incentive Plan.

2.20 "Section 162(m)" means Section 162(m) of the Code and the regulations promulgated thereunder.

2.21 "Stock Option" or "Option" means an option to purchase Common Shares of the Company as permitted and pursuant to the terms and provisions of the Long-Term Incentive Plan.

2.22 "Subsidiary" means (i) any corporation in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing a majority of the total combined voting power of all classes of stock in one of the other corporations in the chain, (ii) any limited partnership, if the Company or any corporation described in item (i) above owns a majority of the general partnership interest and a majority of the limited partnership interests entitled to vote on the removal and replacement of the general partner, and (iii) any partnership or limited liability company, if the partners or members thereof are composed only of the Company, any corporation listed in item (i) above or any limited partnership listed in item (ii) above. "Subsidiaries" means more than one of any such corporations, limited partnerships, partnerships or limited liability companies.

2.23 "Termination of Service" occurs when a Participant who is an Employee of the Company or any Subsidiary shall cease to serve as an Employee of the Company and its Subsidiaries, for any reason.

ARTICLE 3

ADMINISTRATION

The Plan shall be administered by the Human Resources Committee of the Board unless otherwise determined by the Board. If said Human Resources Committee does not so serve, the Committee shall consist of not fewer than two persons; any member of the Committee may be removed at any time, with or without cause, by resolution of the Board; and any vacancy occurring in the membership of the Committee may be filled by appointment by the Board.

All actions to be taken by the Committee under this Plan, insofar as such actions affect compliance with Section 162(m) of the Code, shall be limited to those members of the Board who are Non-employee Directors and who are "outside directors" under Section 162(m). The Committee shall select one of its members to act as its Chairman. A majority of the Committee shall constitute a quorum, and the act of a majority of the members of the Committee present at a meeting at which a quorum is present shall be the act of the Committee.

The Committee shall determine and designate from time to time the eligible persons to whom Awards will be made. The Committee, in its discretion, shall (i) interpret the Plan, (ii) prescribe, amend, and rescind any rules and regulations necessary or appropriate for the administration of the Plan, and (iii) make such other determinations and take such other action as it deems necessary or advisable in the administration of the Plan. Any interpretation, determination, or other action made or taken by the Committee shall be final, binding, and conclusive on all interested parties.

With respect to restrictions in the Plan that are based on the requirements of Section 162(m) of the Code or any other applicable law, rule or restriction (collectively, "applicable law"), to the extent that any such restrictions are no longer required by applicable law, the Committee shall have the sole discretion and authority to make Awards hereunder that are no longer subject to such restrictions.

ARTICLE 4

ELIGIBILITY

Any Employee (including an Employee who is also a director or an officer) is eligible to participate in the Plan. The Committee, upon its own action, may make, but shall not be required to make, an Award to any Employee. Awards may be made by the Committee at any time and from time to time to new Participants, or to then Participants, or to a greater or lesser number of Participants, and may include or exclude previous Participants, as the Committee shall determine. The Committee's determinations under the Plan (including without limitation determinations of which Employees, if any, are to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards, and the agreements evidencing same) may be made by the Committee selectively among Employees who receive, or are eligible to receive, Awards under the Plan. An Employee must be a Participant in the Plan for a minimum of six months during the Plan Year to be eligible for an Award for that Plan Year.

ARTICLE 5

PERFORMANCE GOALS AND MEASUREMENT

5.1 **Performance Goals Establishment.** Performance Goals shall be established by the Committee not later than 90 days after commencement of the Performance Period. The Performance Goals may be identical for all Participants or, at the discretion of the Committee, may be different to reflect more appropriate measures of individual performance.

5.2 **Awards.** Awards shall be made annually in accordance with actual performance compared to the Performance Goals previously established by the Committee for the Performance Period.

5.3 Performance Goals. Performance Goals relating to Covered Participants for a Performance Period shall be established by the Committee in writing. Performance Goals may include alternative and multiple Performance Goals and may be based on one or more business and/or financial criteria. In establishing the Performance Goals for the Plan Year, the Committee in its discretion may include one or any combination of the following criteria in either absolute or relative terms, for either the Company or any of its Subsidiary organizations:

- (a) Total shareholder return
- (b) Return on assets, equity, capital, or investment
- (c) Pre-tax or after-tax profit levels, including: earnings per share; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; net operating profits after tax, and net income
- (d) Cash flow and cash flow return on investment
- (e) Economic value added and economic profit
- (f) Growth in earnings per share
- (g) Levels of operating expense or other expense items as reported on the income statement, including operating and maintenance expense
- (h) Measures of customer satisfaction and customer service as surveyed from time to time, including the relative improvement therein.

5.4 Adjustments for Extraordinary Items. The Committee shall be authorized to make adjustments in the method of calculating attainment of Performance Goals in recognition of: (i) extraordinary or non-recurring items, (ii) changes in tax laws, (iii) changes in generally accepted accounting principles or changes in accounting policies, (iv) charges related to restructured or discontinued operations, (v) restatement of prior period financial results, and (vi) any other unusual, non-recurring gain or loss that is separately identified and quantified in the Company's financial statements. Notwithstanding the foregoing, the Committee may, at its sole discretion, reduce the performance results upon which Awards are based under the Plan, to offset any unintended result(s) arising from events not anticipated when the Performance Goals were established, provided that such adjustment is permitted by Section 162(m).

5.5 Determination of Awards. The Award and payment of any Award under this Plan to a Covered Participant with respect to the Performance Period shall be contingent upon the attainment of the Performance Goals that are applicable to such Covered Participant. The Committee shall certify in writing prior to payment of any such Award that such applicable Performance Goals relating to the Award are satisfied. Approved minutes of the Committee may be used for this purpose. The Performance Goals shall not allow for any discretion by the Committee as to an increase in any Award, but discretion to lower an Award is permissible.

ARTICLE 6

AWARDS

6.1 Timing of Awards. At the first meeting of the Committee after the completion of the Performance Period, the Committee shall review the prior year's performance in relation to the Performance Goals. The first meeting of the Committee shall occur within 60 days following the completion of the Performance Period.

6.2 Form of Awards. Awards are paid in cash or, at the Committee's discretion, in whole or in part, in stock options. The value of any stock options paid in lieu of a cash Award will be determined as set forth in Section 6.2(d) below. Such stock options will be granted pursuant to the Long-Term Incentive Plan. In addition, if and as the Committee so permits and depending upon the Participant's voluntary election prior to the commencement of the Performance Period, the Participant may elect to convert any Award paid to him in cash in 25 percent increments, in whole or part, into the following forms:

(a) Deferred Compensation. The Participant may elect to defer receipt of all or a portion of the Award under provisions of the Executive Nonqualified Deferred Compensation Plan.

(b) Bonus Stock. The Participant may elect to convert all or a portion of the Award to Bonus Shares, with the value of the Bonus Shares (based on the Fair Market Value of such Bonus Shares as of the Date of Conversion) being equal to 110% of the amount of the Award. Such Bonus Shares shall be unrestricted and shall be granted pursuant to the Long-Term Incentive Plan.

(c) Restricted Stock Awards. The Participant may elect to convert all or a portion of the Award to Company Restricted Shares, with the value of the Restricted Shares (based on the Fair Market Value of such Restricted Shares as of the Date of Conversion) being equal to 150% of the amount of the Award. Such Restricted Stock will have a restriction period of not less than 3 years from the Date of Conversion. These Restricted Shares will be granted pursuant to the Long-Term Incentive Plan.

(d) Non Qualified Stock Options. The Participant may elect to convert all or a portion of the Award to Stock Options, with the value of the Stock Options (determined on the Date of Conversion using the Black-Scholes option pricing model) being equal to 250% of the amount of the Award. The term of the Stock Option shall not be greater than 10 years, and the Stock Option will not be fully vested until 3 years have passed from the Date of Conversion. All Stock Options shall be granted at 100 percent of the Common Stock's Fair Market Value on the Date of Conversion. These Stock Options will be granted pursuant to the Long-Term Incentive Plan.

6.3 Maximum Awards. The maximum cash Award that may be made to a Covered Participant under the Plan for any Performance Period shall be \$1.0 million.

ARTICLE 7

WITHHOLDING TAXES

The Company shall have the right to deduct from any payment to be made pursuant to the Plan the amount of any taxes required by law to be withheld with respect to such payments.

ARTICLE 8

NO RIGHT TO CONTINUED EMPLOYMENT OR AWARDS

No Employee shall have any claim or right to be made an Award, and the making of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any of its Subsidiaries. Further, the Company and its Subsidiaries expressly reserve the right at any time to terminate the employment of any Participant free from any liability under the Plan; except that a Participant, who meets or exceeds the Performance Goals for the Performance Period and was actively employed for the full term of the Performance Period, will be eligible for an Award even though the Participant is not an active employee of the Company at the time the Committee makes Awards under the Plan.

ARTICLE 9

CHANGE IN CONTROL

Immediately upon a Change in Control, notwithstanding any other provision of this Plan, all Awards for the Performance Period in which the Change in Control occurs shall be deemed earned at the maximum Performance Goal level, and the Company shall make a payment in cash to each Participant within ten (10) days after the effective date of the Change in Control in the amount of such maximum Award. The making of Awards under the Plan shall in no way affect the right of the Company to adjust, reclassify, reorganize, or otherwise change its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any portion of its businesses or assets.

ARTICLE 10

AMENDMENT, MODIFICATION, SUSPENSION, OR TERMINATION

Subject to the limitations set forth in the Article 10, the Board may at any time and from time to time, without the consent of the Participants, alter, amend, revise, suspend, or discontinue the Plan in whole or in part; provided, however, that no amendment which requires stockholder approval in order for the Plan and Awards under the Plan to continue to comply with Section 162(m) of the Code, including any successors to such Section, shall be effective unless such amendment shall be approved by the requisite vote of the stockholders of the Company entitled to vote thereon.

ARTICLE 11

GOVERNING LAW

The validity, construction and effect of the Plan and any actions taken or relating to the Plan shall be determined in accordance with the laws of the State of Texas and applicable Federal law.

ARTICLE 12

SUCCESSORS AND ASSIGNS

The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, expressly to assume and agree to perform the Company's obligation under this Plan in

the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place. As used herein, the "Company" shall mean the Company as hereinbefore defined and any aforesaid successor to its business and/or assets.

ARTICLE 13

EFFECTIVE DATE

This Plan shall be effective as of October 1, 1998. Subject to earlier termination pursuant to Article 10, the Plan shall have a term of five years from its effective date. As of August 8, 2001, the Board authorized extension of the term of the Plan for an additional three year period, or until September 30, 2006, which extension was approved by the Company's shareholders on February 13, 2002. After termination of the Plan, no future Awards may be made.

ARTICLE 14

INTERPRETATION

The Plan is designed to comply with Section 162(m) of the Code, and all provisions hereof shall be construed in a manner consistent with that intent.

ARTICLE 15

INDEMNIFICATION

No member of the Board or the Committee, nor any officer or Employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board or the Committee and each and any officer or Employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.

* * * * *

IN WITNESS WHEREOF, the Company has caused this instrument to be executed as of February 14, 2002 by its President.

ATMOS ENERGY CORPORATION

By: /s/ ROBERT W. BEST

Robert W. Best
Chairman of the Board, President
and Chief Executive Officer

Attest:

/s/ SHIRLEY A. HINES

Shirley A. Hines

Secretary

**ATMOS ENERGY CORPORATION
1998 LONG-TERM INCENTIVE PLAN
(as amended and restated February 9, 2007)**

The Atmos Energy Corporation 1998 Long-Term Incentive Plan (hereinafter called the "Plan") was adopted by the Board of Directors of Atmos Energy Corporation, a Texas and Virginia corporation (hereinafter called the "Company") on August 12, 1998 to be effective October 1, 1998, and was approved by the Company's shareholders on February 10, 1999. An amendment to the Plan was approved by the Board of Directors on August 8, 2001, which amendment was approved by the Company's shareholders on February 13, 2002. The Plan was further amended by the Board of Directors on November 7, 2006, which amendment was approved by the Company's shareholders on February 7, 2007.

ARTICLE 1

PURPOSE

The purpose of the Plan is to attract and retain the services of able persons as employees of the Company and its Subsidiaries and as Non-employee Directors (as herein defined), to provide such persons with a proprietary interest in the Company through the granting of incentive stock options, non-qualified stock options, stock appreciation rights or restricted stock and to motivate employees and Non-employee Directors using performance-related incentives linked to longer-range performance goals and the interests of the Company's shareholders, whether granted singly, or in combination, or in tandem, that will

- (a) increase the interest of such persons in the Company's welfare;
- (b) furnish an incentive to such persons to continue their services for the Company; and
- (c) provide a means through which the Company may attract able persons as employees and Non-employee Directors.

With respect to Reporting Participants, the Plan and all transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 promulgated under the Securities Exchange Act of 1934 (the "1934 Act"). To the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void *ab initio*, to the extent permitted by law and deemed advisable by the Committee. Further, any Awards granted under the Plan to a Non-employee Director shall be solely to compensate said Director for his services to the Company as a Non-employee Director.

ARTICLE 2

DEFINITIONS

For the purpose of the Plan, unless the context requires otherwise, the following terms shall have the meanings indicated:

2.1 "Award" means the grant of any Incentive Stock Option, Non-qualified Stock Option, SAR, Restricted Stock, Restricted Stock Unit, Performance Unit, Performance Share, Bonus Stock or other Stock Unit Award whether granted singly, in combination or in tandem (each individually referred to herein as an "Incentive"). "Award" also means any Incentive to which an award under the Management Incentive Plan is made or converted.

2.2 "Award Agreement" means a written agreement between a Participant and the Company, which sets out the terms of the grant of an Award.

2.3 "Award Period" means the period during which one or more Incentives granted under an Award may be exercised or earned.

2.4 "Board" means the Board of Directors of the Company.

2.5 "Bonus Stock" means an Award granted pursuant to Section 6.8 of the Plan expressed as a share of Common Stock which may or may not be subject to restrictions.

2.6 (a) "Change in Control" of the Company shall be deemed to have occurred if:

(i) Any "Person" (as defined in Section 2.6(b)(i) below), other than (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Section 2.6(b)(ii) below), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person any securities acquired directly from the Company or its Affiliates) representing 33-1/3% or more of the combined voting power of the Company's then outstanding securities, or 33-1/3% or more of the then outstanding common stock of the Company, excluding any Person who becomes such a beneficial owner in connection with a transaction described in subparagraph (iii)(A) below.

(ii) During any period of two consecutive years (the "Period"), individuals who at the beginning of the Period constitute the Board of Directors of the Company and any "new director" (as defined in Section 2.6(b)(iii) below) cease for any reason to constitute a majority of the Board of Directors.

(iii) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, except if:

(A) the merger or consolidation would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least sixty percent (60%) of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(B) the merger or consolidation is effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 60% or more of the combined voting power of the Company's then outstanding securities;

(iv) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60% of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

(b) Definitions. For purposes of Section 2.6(a) above,

(i) "Person" shall have the meaning given in Section 3(a)(9) of the 1934 Act as modified and used in Sections 13(d) and 14(d) of the 1934 Act.

(ii) "Beneficial owner" shall have the meaning provided in Rule 13d-3 under the 1934 Act.

(iii) "New director" shall mean an individual whose election by the Company's Board of Directors or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the Period or whose election or nomination for election was previously so approved or recommended. However, "new director" shall not include a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation relating to the election of directors of the Company.

(iv) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the 1934 Act.

2.7 "Code" means the Internal Revenue Code of 1986, as amended, together with the published rulings, regulations, and interpretations duly promulgated thereunder.

2.8 "Committee" means the committee appointed or designated by the Board to administer the Plan in accordance with Article 3 of this Plan.

2.9 "Common Stock" means the common stock, with no par value (stated value of \$.005 per share), which the Company is currently authorized to issue or may in the future be authorized to issue.

2.10 "Company" means Atmos Energy Corporation, a Texas and Virginia corporation, and any successor entity.

2.11 "Covered Participant" means a Participant who is a "covered employee" as defined in Section 162(m)(3) of the Code, and the regulations promulgated thereunder, or who the Committee believes will be such a covered employee for a Performance Period, and who the Committee believes will have remuneration in excess of \$1,000,000 for the Performance Period, as provided in Section 162(m) of the Code.

2.12 "Date of Grant" means the effective date on which an Award is made to a Participant as set forth in the applicable Award Agreement; provided, however, that solely for purposes of Section 16 of the 1934 Act and the rules and regulations promulgated thereunder, the Date of Grant of an Award shall be the date of stockholder approval of the Plan if such date is later than the effective date of such Award as set forth in the Award Agreement.

2.13 "Employee" means common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company or any Subsidiary of the Company.

2.14 "Fair Market Value" of a share of Common Stock is the mean of the highest and lowest prices per share on the New York Stock Exchange Consolidated Tape, or such reporting service as the Board may select, on the appropriate date, or in the absence of reported sales on such day, the most recent previous day for which sales were reported.

2.15 "Incentive Stock Option" or "ISO" means an incentive stock option within the meaning of Section 422 of the Code, granted pursuant to this Plan.

2.16 "Management Incentive Plan" means the Atmos Energy Corporation Annual Incentive Plan for Management, as amended from time to time.

2.17 "Non-employee Director" means a member of the Board who is not an Employee and who satisfies the requirements of Rule 16b-3(b)(3) promulgated under the 1934 Act or any successor provision.

2.18 "Non-qualified Stock Option" or "NQSO" means a non-qualified stock option, granted pursuant to this Plan.

2.19 "Option Price" means the price which must be paid by a Participant upon exercise of a Stock Option to purchase a share of Common Stock.

2.20 "Participant" shall mean an Employee or Non-employee Director to whom an Award is granted under this Plan.

2.21 "Performance Award" means a performance-based Award, which may be in the form of either Performance Shares or Performance Units.

2.22 "Performance Criteria" or "Performance Goals" or "Performance Measures" mean the objectives established by the Committee for a Performance Period, for the purpose of determining when an Award subject to such objectives is earned.

2.23 "Performance Period" means the time period designated by the Committee during which performance goals must be met.

2.24 "Performance Share" means an Award, designated as a Performance Share, granted to a Participant pursuant to Section 6.7 hereof, the value of which is determined, in whole or in part, by the value of Common Stock in a manner deemed appropriate by the Committee and described in the Agreement.

2.25 "Performance Unit" means an Award, designated as a Performance Unit, granted to a Participant pursuant to Section 6.7 hereof, the value of which is determined, in whole or in part, by the attainment of pre-established goals relating to Company financial or operating performance as deemed appropriate by the Committee and described in the Award Agreement.

2.26 "Plan" means The Atmos Energy Corporation 1998 Long-Term Incentive Plan, as amended from time to time.

2.27 "Reporting Participant" means a Participant who is subject to the reporting requirements of Section 16 of the 1934 Act.

2.28 "Restricted Stock" means shares of Common Stock issued or transferred to a Participant pursuant to Section 6.4 of this Plan which are subject to restrictions or limitations set forth in this Plan and in the related Award Agreement.

2.29 "Restricted Stock Unit" means a fixed or variable dollar denominated right to acquire Common Stock, which may or may not be subject to restrictions, contingently awarded under Section 6.4 of the Plan.

2.30 "Retirement" means any Termination of Service solely due to retirement upon attainment of age 65, or permitted early retirement as determined by the Committee.

2.31 "SAR" means the right to receive a payment, in cash and/or Common Stock, equal to the excess of the Fair Market Value of a specified number of shares of Common Stock on the date the SAR is exercised over the SAR Price for such shares.

2.32 "SAR Price" means the Fair Market Value of each share of Common Stock covered by an SAR, determined on the Date of Grant of the SAR.

2.33 "Stock Option" means a Non-qualified Stock Option or an Incentive Stock Option.

2.34 "Stock Unit Award" means awards of Common Stock or other awards pursuant to Section 6.9 hereof that are valued in whole or in part by reference to, or are otherwise based on, shares of Common Stock or other securities of the Company.

2.35 "Subsidiary" means (i) any corporation in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing a majority of the total combined voting power of all classes of stock in one of the other corporations in the chain, (ii) any limited partnership, if the Company or any corporation described in item (i) above owns a majority of the general partnership interest and a majority of the limited partnership interests entitled to vote on the removal and replacement of the general partner, and (iii) any partnership or limited liability company, if the partners or members thereof are composed only of the Company, any corporation listed in item (i) above or any limited partnership listed in item (ii) above. "Subsidiaries" means more than one of any such corporations, limited partnerships, partnerships or limited liability companies.

2.36 "Termination of Service" occurs when a Participant who is an Employee or Non-employee Director shall cease to serve as an Employee or Non-employee Director for any reason.

2.37 "Total and Permanent Disability" means a Participant is qualified for long-term disability benefits under The Atmos Energy Corporation Group Long-Term Disability Plan as in effect from time to time; or, if such Plan is not then in

existence, that the Participant, because of ill health, physical or mental disability or any other reason beyond his or her control, is unable to perform his or her duties of employment for a period of six (6) continuous months, as determined in good faith by the Committee; provided that, with respect to any Incentive Stock Option, Total and Permanent Disability shall have the meaning given it under the rules governing Incentive Stock Options under the Code.

ARTICLE 3

ADMINISTRATION

The Plan shall be administered by the Human Resources Committee of the Board (the "Committee") unless otherwise determined by the Board. If said Human Resources Committee does not so serve, the Committee shall consist of not fewer than two persons; any member of the Committee may be removed at any time, with or without cause, by resolution of the Board; and any vacancy occurring in the membership of the Committee may be filled by appointment by the Board.

All actions to be taken by the Committee under this Plan, insofar as such actions affect compliance with Section 162(m) of the Code, shall be limited to those members of the Board who are Non-employee Directors and who are "outside directors" under Section 162(m). The Committee shall select one of its members to act as its Chairman. A majority of the Committee shall constitute a quorum, and the act of a majority of the members of the Committee present at a meeting at which a quorum is present shall be the act of the Committee.

The Committee shall determine and designate from time to time the eligible persons to whom Awards will be granted and shall set forth in each related Award Agreement, the Award Period, the Date of Grant, and such other terms, provisions, limitations, and performance requirements, as are approved by the Committee, but not inconsistent with the Plan, including, but not limited to, any rights of the Committee to cancel or rescind any such Award. The Committee shall determine whether an Award shall include one type of Incentive, two or more Incentives granted in combination, or two or more Incentives granted in tandem (that is, a joint grant where exercise of one Incentive results in cancellation of all or a portion of the other Incentive).

The Committee, in its discretion, shall (i) interpret the Plan, (ii) prescribe, amend, and rescind any rules and regulations necessary or appropriate for the administration of the Plan, and (iii) make such other determinations and take such other action as it deems necessary or advisable in the administration of the Plan. Any interpretation, determination, or other action made or taken by the Committee shall be final, binding, and conclusive on all interested parties.

With respect to restrictions in the Plan that are based on the requirements of Rule 16b-3 promulgated under the 1934 Act, Section 422 of the Code, Section 162(m) of the Code, the rules of any exchange or inter-dealer quotation system upon which the Company's securities are listed or quoted, or any other applicable law, rule or restriction (collectively, "applicable law"), to the extent that any such restrictions are

no longer required by applicable law, the Committee shall have the sole discretion and authority to grant Awards that are not subject to such mandated restrictions and/or to waive any such mandated restrictions with respect to outstanding Awards.

ARTICLE 4

ELIGIBILITY

Any Employee (including an Employee who is also a director or an officer) and any Non-employee Director is eligible to participate in the Plan. The Committee, upon its own action, may grant, but shall not be required to grant, an Award to any Employee or any Non-employee Director. Awards may be granted by the Committee at any time and from time to time to new Participants, or to then Participants, or to a greater or lesser number of Participants, and may include or exclude previous Participants, as the Committee shall determine. Except as required by this Plan, different Awards need not contain similar provisions. The Committee's determinations under the Plan (including without limitation determinations of which Employees or Non-employee Directors, if any, are to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards and the agreements evidencing same) need not be uniform and may be made by it selectively among Employees and Non-employee Directors who receive, or are eligible to receive, Awards under the Plan.

ARTICLE 5

SHARES SUBJECT TO PLAN

Subject to adjustment as provided in Articles 14 and 15, the maximum number of shares of Common Stock that may be delivered pursuant to Awards granted under the Plan is (a) 6,500,000 shares; plus (b) shares of Common Stock previously subject to Awards which are forfeited, terminated, cancelled or rescinded, settled in cash in lieu of Common Stock, or exchanged for Awards that do not involve Common Stock, or expired unexercised.

Shares to be issued may be made available from authorized but unissued Common Stock, Common Stock held by the Company in its treasury, or Common Stock purchased by the Company on the open market or otherwise. During the term of this Plan, the Company will at all times reserve and keep available the number of shares of Common Stock that shall be sufficient to satisfy the requirements of this Plan.

ARTICLE 6

GRANT OF AWARDS

6.1 **In General.** The grant of an Award shall be authorized by the Committee and shall be evidenced by an Award Agreement setting forth the

Incentive or Incentives being granted, the total number of shares of Common Stock subject to the Incentive(s), the Option Price (if applicable), the Award Period, the Date of Grant, and such other terms, provisions, limitations, and performance objectives, as are approved by the Committee, but not inconsistent with the Plan. The Company shall execute an Award Agreement with a Participant after the Committee approves the issuance of an Award. Any Award granted pursuant to this Plan must be granted within ten (10) years of the date of adoption of this Plan. The grant of an Award to a Participant shall not be deemed either to entitle the Participant to, or to disqualify the Participant from, receipt of any other Award under the Plan.

If the Committee establishes a purchase price for an Award, the Participant must accept such Award within a period of 30 days (or such shorter period as the Committee may specify) after the Date of Grant by executing the applicable Award Agreement and paying such purchase price.

6.2 Maximum ISO Grants. The Committee may not grant Incentive Stock Options under the Plan to any Employee which would permit the aggregate Fair Market Value (determined on the Date of Grant) of the Common Stock with respect to which Incentive Stock Options (under this and any other plan of the Company and its Subsidiaries) are exercisable for the first time by such Employee during any calendar year to exceed \$100,000. To the extent any Stock Option granted under this Plan, which is designated as an Incentive Stock Option exceeds this limit or otherwise fails to qualify as an Incentive Stock Option, such Stock Option shall be a Non-qualified Stock Option. The Committee may not grant Incentive Stock Options to Non-employee Directors.

6.3 Maximum Individual Grants. No Participant may receive during any fiscal year of the Company Awards of Stock Options and SARs covering an aggregate of more than five hundred thousand (500,000) shares of Common Stock.

6.4 Restricted Stock/Restricted Stock Units. If Restricted Stock and/or Restricted Stock Units are granted to a Participant under an Award, the Committee shall set forth in the related Award Agreement: (i) the number of shares of Common Stock and/or the number of Restricted Stock Units awarded, (ii) the price, if any, to be paid by the Participant for such Restricted Stock and/or Restricted Stock Units, (iii) the time or times within which such Award may be subject to forfeiture, (iv) specified Performance Goals of the Company, a Subsidiary, any division thereof or any group of Employees of the Company, or other criteria, which the Committee determines must be met in order to remove any restrictions (including vesting) on such Award, and (v) all other terms, limitations, restrictions, and conditions of the Restricted Stock and/or Restricted Stock Units, which shall be consistent with this Plan. The provisions of Restricted Stock and/or Restricted Stock Units need not be the same with respect to each Participant.

(a) Legend on Shares. Each Participant who is awarded Restricted Stock shall be issued a stock certificate or certificates in respect of such shares of Common Stock. Such certificate(s) shall be registered in the name of the Participant, and shall bear an appropriate legend referring to the terms, conditions, and restrictions

applicable to such Restricted Stock, substantially as provided in Section 18.12 of the Plan. The Committee may require that the stock certificates evidencing shares of Restricted Stock be held in custody by the Company until the restrictions thereon shall have lapsed, and that the Participant deliver to the Committee a stock power or stock powers, endorsed in blank, relating to the shares of Restricted Stock.

(b) Restrictions and Conditions. Shares of Restricted Stock and Restricted Stock Units shall be subject to the following restrictions and conditions:

(i) Subject to the other provisions of this Plan and the terms of the particular Award Agreements, during such period as may be determined by the Committee commencing on the Date of Grant (the "Restriction Period"), the Participant shall not be permitted to sell, transfer, pledge or assign shares of Restricted Stock and/or Restricted Stock Units. Except for these limitations, the Committee may in its sole discretion, remove any or all of the restrictions on such Restricted Stock and/or Restricted Stock Units whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Award, such action is appropriate.

(ii) Except as provided in subparagraph (i) above, the Participant shall have, with respect to his or her Restricted Stock, all of the rights of a stockholder of the Company, including the right to vote the shares, and the right to receive any dividends thereon. Certificates for shares of Common Stock free of restriction under this Plan shall be delivered to the Participant promptly after, and only after, the Restriction Period shall expire without forfeiture in respect of such shares of Common Stock. Certificates for the shares of Common Stock forfeited under the provisions of the Plan and the applicable Award Agreement shall be promptly returned to the Company by the forfeiting Participant. Each Award Agreement shall require that (x) each Participant, by his or her acceptance of Restricted Stock, shall irrevocably grant to the Company a power of attorney to transfer any shares so forfeited to the Company and agrees to execute any documents requested by the Company in connection with such forfeiture and transfer, and (y) such provisions regarding returns and transfers of stock certificates with respect to forfeited shares of Common Stock shall be specifically performable by the Company in a court of equity or law.

(iii) The Restriction Period of Restricted Stock and/or Restricted Stock Units shall commence on the Date of Grant and, subject to Article 15 of the Plan, unless otherwise established by the Committee in the Award Agreement setting

forth the terms of the Restricted Stock and/or Restricted Stock Units, shall expire upon satisfaction of the conditions set forth in the Award Agreement; such conditions may provide for vesting based on (i) length of continuous service, (ii) achievement of specific business objectives, (iii) increases in specified indices, (iv) attainment of specified growth rates, or (v) other comparable Performance Measurements, as may be determined by the Committee in its sole discretion.

(iv) Subject to the provisions of the particular Award Agreement, upon Termination of Service for any reason during the Restriction Period, the nonvested shares of Restricted Stock and/or Restricted Stock Units shall be forfeited by the Participant. In the event a Participant has paid any consideration to the Company for such forfeited Restricted Stock and/or Restricted Stock Units, the Company shall, as soon as practicable after the event causing forfeiture (but in any event within 5 business days), pay to the Participant, in cash, an amount equal to the total consideration paid by the Participant for such forfeited shares and/or units. Upon any forfeiture, all rights of a Participant with respect to the forfeited shares of the Restricted Stock shall cease and terminate, without any further obligation on the part of the Company.

6.5 SAR. An SAR shall entitle the Participant at his election to surrender to the Company the SAR, or portion thereof, as the Participant shall choose, and to receive from the Company in exchange therefor cash in an amount equal to the excess (if any) of the Fair Market Value (as of the date of the exercise of the SAR) per share over the SAR Price per share specified in such SAR, multiplied by the total number of shares of the SAR being surrendered. In the discretion of the Committee, the Company may satisfy its obligation upon exercise of an SAR by the distribution of that number of shares of Common Stock having an aggregate Fair Market Value (as of the date of the exercise of the SAR) equal to the amount of cash otherwise payable to the Participant, with a cash settlement to be made for any fractional share interests, or the Company may settle such obligation in part with shares of Common Stock and in part with cash.

6.6 Tandem Awards. The Committee may grant two or more Incentives in one Award in the form of a "tandem award," so that the right of the Participant to exercise one Incentive shall be canceled if, and to the extent, the other Incentive is exercised. For example, if a Stock Option and an SAR are issued in a tandem Award, and the Participant exercises the SAR with respect to 100 shares of Common Stock, the right of the Participant to exercise the related Stock Option shall be canceled to the extent of 100 shares of Common Stock.

6.7 Performance Based Awards.

(a) Grant of Performance Awards. The Committee may issue Performance Awards in the form of either Performance Units or Performance Shares to Participants subject to the Performance Goals and Performance Period as it shall determine. The terms and conditions of each Performance Award will be set forth in the related Award Agreement. The Committee shall have complete discretion in determining the number and value of Performance Units or Performance Shares granted to each Participant. Participants receiving Performance Awards are not required to pay the Company thereof (except for applicable tax withholding) other than the rendering of services.

(b) Value of Performance Awards. The Committee shall set performance goals in its discretion for each Participant who is granted a Performance Award. Such Performance Goals may be particular to a Participant, may relate to the performance of the Subsidiary which employs him or her, may be based on the division which employs him or her, may be based on the performance of the Company generally, or a combination of the foregoing. The Performance Goals may be based on achievement of balance sheet or income statement objectives, or any other objectives established by the Committee. The Performance Goals may be absolute in their terms or measured against or in relationship to other companies comparably, similarly or otherwise situated. The extent to which such Performance Goals are met will determine the value of the Performance Unit or Performance Share to the Participant.

(c) Form of Payment. Payment of the amount to which a Participant shall be entitled upon the settlement of a Performance Award shall be made in a lump sum or installments in cash, shares of Common Stock, or a combination thereof as determined by the Committee.

6.8 Bonus Stock. The Committee may award shares of Bonus Stock to Participants under the Plan without cash consideration. The Committee shall determine and indicate in the related Award Agreement whether such shares of Bonus Stock awarded under the Plan shall be unencumbered of any restrictions (other than those advisable to comply with law) or shall be subject to restrictions and limitations similar to those referred to in Section 6.7 hereof. In the event the Committee assigns any restrictions on the shares of Bonus Stock awarded under the Plan, then such shares shall be subject to at least the following restrictions:

(a) No shares of Bonus Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated if such shares are subject to restrictions which have not lapsed or have not been vested.

(b) If any condition of vesting of the shares of Bonus Stock are not met, all such shares subject to such vesting shall be delivered to the Company (in a manner determined by the Committee) within 60 days of the failure to meet such conditions without any payment from the Company.

6.9 Other Stock Based Awards.

(a) Grant of Other Stock Based Awards. The Committee may issue to Participants, either alone or in addition to other Awards made under the Plan, Stock Unit Awards which may be in the form of Common Stock or other securities. The value of each such Award shall be based, in whole or in part, on the value of the underlying Common Stock or other securities. The Committee, in its sole and complete discretion, may determine that an Award, either in the form of a Stock Unit Award under this Section 6.9 or as an Award granted pursuant to the other provisions of this Article 6, may provide to the Participant (i) dividends or dividend equivalents (payable on a current or deferred basis) and (ii) cash payments in lieu of or in addition to an Award. The Committee shall determine the terms, restrictions, conditions, vesting requirements, and payment rules (all of which are sometimes hereinafter collectively referred to as "rules") of the Award and shall set forth those rules in the related Award Agreement.

(b) Rules. The Committee, in its sole and complete discretion, may grant a Stock Unit Award subject to the following rules:

(i) Common Stock or other securities issued pursuant to Stock Unit Awards may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by a Participant until the expiration of at least six months from the Award Date, except that such limitation shall not apply in the case of death or disability of the Participant. To the extent Stock Unit Awards are deemed to be derivative securities within the meaning of Rule 16b-3 under the 1934 Act, a Participant's rights with respect to such Awards shall not vest or be exercisable until the expiration of at least six months from the Award Date. To the extent a Stock Unit Award granted under the Plan is deemed to be a derivative security within the meaning of Rule 16b-3 under the 1934 Act, it may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, otherwise than by will or by laws of descent and distribution. All rights with respect to such Stock Unit Awards granted to a Participant under the Plan shall be exercisable during his or her lifetime only by such Participant or his or her guardian or legal representative.

(ii) Stock Unit Awards may require the payment of cash consideration by the Participant in receipt of the Award or

provide that the Award, and any Common Stock or other securities issued in conjunction with the Award be delivered without the payment of cash consideration.

(iii) The Committee, in its sole and complete discretion, may establish certain Performance Criteria that may relate in whole or in part to receipt of the Stock Unit Awards.

(iv) Stock Unit Awards may be subject to a deferred payment schedule and/or vesting over a specified employment period.

(v) The Committee as a result of certain circumstances, may waive or otherwise remove, in whole or in part, any restriction or condition imposed on a Stock Unit Award at the time of Award.

ARTICLE 7

OPTION PRICE; SAR PRICE

The Option Price for any share of Common Stock which may be purchased under a Stock Option and the SAR Price for any share of Common Stock subject to an SAR shall be at least One Hundred Percent (100%) of the Fair Market Value of the share on the Date of Grant. If an Incentive Stock Option is granted to an Employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company (or any parent or Subsidiary), the Option Price shall be at least 110% of the Fair Market Value of the Common Stock on the Date of Grant.

ARTICLE 8

AWARD PERIOD; VESTING

8.1 Award Period. Subject to the other provisions of this Plan, the Committee may, in its discretion, provide that an Incentive may not be exercised in whole or in part for any period or periods of time or beyond any date specified in the Award Agreement. Except as provided in the Award Agreement, an Incentive may be exercised in whole or in part at any time during its term. The Award Period for an Incentive shall be reduced or terminated upon Termination of Service in accordance with this Article 8 and Article 9. No Incentive granted under the Plan may be exercised at any time after the end of its Award Period. No portion of any Incentive may be exercised after the expiration of ten (10) years from its Date of Grant. However, if an Employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company (or any parent or Subsidiary) and an Incentive Stock Option is granted to such Employee, the term of such Incentive

Stock Option (to the extent required by the Code at the time of grant) shall be no more than five (5) years from the Date of Grant.

8.2 Vesting. The Committee, in its sole discretion, may determine that an Incentive will be immediately exercisable, in whole or in part, or that all or any portion may not be exercised until a date, or dates, subsequent to its Date of Grant, or until the occurrence of one or more specified events, subject in any case to the terms of the Plan. If the Committee imposes conditions upon exercise, then subsequent to the Date of Grant, the Committee may, in its sole discretion, accelerate the date on which all or any portion of the Incentive may be exercised.

ARTICLE 9

TERMINATION OF SERVICE

In the event of Termination of Service of a Participant, an Incentive may only be exercised as determined by the Committee and provided in the Award Agreement.

ARTICLE 10

EXERCISE OF INCENTIVE

10.1 In General. A vested Incentive may be exercised during its Award Period, subject to limitations and restrictions set forth therein and in Article 9. A vested Incentive may be exercised at such times and in such amounts as provided in this Plan and the applicable Award Agreement, subject to the terms, conditions, and restrictions of the Plan.

In no event may an Incentive be exercised or shares of Common Stock be issued pursuant to an Award if a necessary listing or quotation of the shares of Common Stock on a stock exchange or inter-dealer quotation system or any registration under state or federal securities laws required under the circumstances has not been accomplished. No Incentive may be exercised for a fractional share of Common Stock. The granting of an Incentive shall impose no obligation upon the Participant to exercise that Incentive.

(a) Stock Options. Subject to such administrative regulations as the Committee may from time to time adopt, a Stock Option may be exercised by the delivery of written notice to the Committee setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised and the date of exercise thereof (the "Exercise Date") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable as follows: (a) cash, check, bank draft, or money order payable to the order of the

Company, (b) Common Stock (including Restricted Stock) owned by the Participant on the Exercise Date, valued at its Fair Market Value on the Exercise Date, (c) by delivery (including by FAX) to the Company or its designated agent of an executed irrevocable option exercise form together with irrevocable instructions from the Participant to a broker or dealer, reasonably acceptable to the Company, to sell certain of the shares of Common Stock purchased upon exercise of the Stock Option or to pledge such shares as collateral for a loan and promptly deliver to the Company the amount of sale or loan proceeds necessary to pay such purchase price, and/or (d) in any other form of valid consideration that is acceptable to the Committee in its sole discretion. In the event that shares of Restricted Stock are tendered as consideration for the exercise of a Stock Option, a number of shares of Common Stock issued upon the exercise of the Stock Option equal to the number of shares of Restricted Stock used as consideration therefor shall be subject to the same restrictions and provisions as the Restricted Stock so submitted.

Upon payment of all amounts due from the Participant, the Company shall cause certificates for the Common Stock then being purchased to be delivered as directed by the Participant (or the person exercising the Participant's Stock Option in the event of his death) at its principal business office promptly after the Exercise Date; provided that if the Participant has exercised an Incentive Stock Option, the Company may at its option retain physical possession of the certificate evidencing the shares acquired upon exercise until the expiration of the holding periods described in Section 422(a)(1) of the Code. The obligation of the Company to deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Committee shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

If the Participant fails to pay for any of the Common Stock specified in such notice or fails to accept delivery thereof, the Participant's right to purchase such Common Stock may be terminated by the Company.

(b) SARs. Subject to the conditions of this Section 10.1(b) and such administrative regulations as the Committee may from time to time adopt, an SAR may be exercised by the delivery (including by FAX) of written notice to the Committee setting forth the number of shares of Common Stock with respect to which the SAR is to be

exercised and the date of exercise thereof (the "Exercise Date") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall receive from the Company in exchange therefor cash in an amount equal to the excess (if any) of the Fair Market Value (as of the date of the exercise of the SAR) per share of Common Stock over the SAR Price per share specified in such SAR, multiplied by the total number of shares of Common Stock of the SAR being surrendered. In the discretion of the Committee, the Company may satisfy its obligation upon exercise of an SAR by the distribution of that number of shares of Common Stock having an aggregate Fair Market Value (as of the date of the exercise of the SAR) equal to the amount of cash otherwise payable to the Participant, with a cash settlement to be made for any fractional share interests, or the Company may settle such obligation in part with shares of Common Stock and in part with cash.

10.2 Disqualifying Disposition of ISO. If shares of Common Stock acquired upon exercise of an Incentive Stock Option are disposed of by a Participant prior to the expiration of either two (2) years from the Date of Grant of such Stock Option or one (1) year from the transfer of shares of Common Stock to the Participant pursuant to the exercise of such Stock Option, or in any other disqualifying disposition within the meaning of Section 422 of the Code, such Participant shall notify the Company in writing of the date and terms of such disposition. A disqualifying disposition by a Participant shall not affect the status of any other Stock Option granted under the Plan as an Incentive Stock Option within the meaning of Section 422 of the Code.

ARTICLE 11

SPECIAL PROVISIONS APPLICABLE TO COVERED PARTICIPANTS

Awards subject to Performance Criteria paid to Covered Participants under this Plan shall be governed by the conditions of this Section 11 in addition to the requirements of Sections 6.4, 6.7, 6.8 and 6.9 above. Should conditions set forth under this Section 11 conflict with the requirements of Sections 6.4, 6.7, 6.8 and 6.9, the conditions of this Section 11 shall prevail.

(a) All Performance Measures, Goals, or Criteria relating to Covered Participants for a relevant Performance Period shall be established by the Committee in writing prior to the beginning of the Performance Period, or by such other later date for the Performance Period as may be permitted under Section 162(m) of the Code. The Performance Goals may be identical for all Participants or, at the discretion of the Committee, may be different to reflect more appropriate measures of individual performance.

(b) The Performance Goals relating to Covered Participants for a Performance Period shall be established by the Committee in

writing. Performance Goals may include alternative and multiple Performance Goals and may be based on one or more business and/or financial criteria. In establishing the Performance Goals for the Performance Period, the Committee in its discretion may include one or any combination of the following criteria in either absolute or relative terms, for the Company or any Subsidiary:

- (i) Total shareholder return;
 - (ii) Return on assets, equity, capital, or investment;
 - (iii) Pre-tax or after-tax profit levels, including: earnings per share; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; net operating profits after tax, and net income;
 - (iv) Cash flow and cash flow return on investment;
 - (v) Economic value added and economic profit;
 - (vi) Growth in earnings per share;
 - (vii) Levels of operating expense or other expense items as reported on the income statement, including operating and maintenance expense; or
 - (viii) Measures of customer satisfaction and customer service as surveyed from time to time, including the relative improvement therein.
- (c) The Performance Goals must be objective and must satisfy third party "objectivity" standards under Section 162(m) of the Code, and the regulations promulgated thereunder.

(d) The Committee is authorized to make adjustments in the method of calculating attainment of Performance Goals in recognition of: (i) extraordinary or non-recurring items, (ii) changes in tax laws, (iii) changes in generally accepted accounting principles or changes in accounting principles, (iv) charges related to restructured or discontinued operations, (v) restatement of prior period financial results, and (vi) any other unusual, non-recurring gain or loss that is separately identified and quantified in the Company's financial statements. Notwithstanding the foregoing, the Committee may, at its sole discretion, reduce the performance results upon which Awards are based under the Plan, to offset any unintended result(s) arising from events not anticipated when the Performance Goals were established, provided that such adjustment is permitted by Section 162(m) of the Code.

(e) The Performance Goals shall not allow for any discretion by the Committee as to an increase in any Award, but discretion to lower an Award is permissible.

(f) The Award and payment of any Award under this Plan to a Covered Participant with respect to a relevant Performance Period shall be contingent upon the attainment of the Performance Goals that are applicable to such Covered Participant. The Committee shall certify in writing prior to payment of any such Award that such applicable Performance Goals relating to the Award are satisfied. Approved minutes of the Committee may be used for this purpose.

(g) The maximum Award that may be paid to any Covered Participant under the Plan pursuant to Sections 6.4, 6.7, 6.8 and 6.9 for any Performance Period shall be (i) if in cash, One Million Dollars (\$1,000,000.00) and (ii) if in shares of Common Stock, five hundred thousand (500,000) shares.

(h) All Awards to Covered Participants under this Plan shall be further subject to such other conditions, restrictions, and requirements as the Committee may determine to be necessary to carry out the purpose of this Section 11.

ARTICLE 12

AMENDMENT OR DISCONTINUANCE

Subject to the limitations set forth in this Article 12, the Board may at any time and from time to time, without the consent of the Participants, alter, amend, revise, suspend, or discontinue the Plan in whole or in part; provided, however, that no amendment which requires stockholder approval in order for the Plan and Incentives awarded under the Plan to continue to comply with Section 162(m) of the Code, including any successors to such Section, shall be effective unless such amendment shall be approved by the requisite vote of the stockholders of the Company entitled to vote thereon. Any such amendment shall, to the extent deemed necessary or advisable by the Committee, be applicable to any outstanding Incentives theretofore granted under the Plan, notwithstanding any contrary provisions contained in any Award Agreement. In the event of any such amendment to the Plan, the holder of any Incentive outstanding under the Plan shall, upon request of the Committee and as a condition to the exercisability thereof, execute a conforming amendment in the form prescribed by the Committee to any Award Agreement relating thereto. Notwithstanding anything contained in this Plan to the contrary, unless required by law, no action contemplated or permitted by this Article 12 shall adversely affect any rights of Participants or obligations of the Company to Participants with respect to any Incentive theretofore granted under the Plan without the consent of the affected Participant.

ARTICLE 13

EFFECTIVE DATE AND TERM

The Plan shall be effective as set forth in Section 18.11. Unless sooner terminated by action of the Board, the Plan will terminate on September 30, 2011, but Incentives granted before that date will continue to be effective in accordance with their terms and conditions.

ARTICLE 14

CAPITAL ADJUSTMENTS

If at any time while the Plan is in effect, or Incentives are outstanding, there shall be any increase or decrease in the number of issued and outstanding shares of Common Stock resulting from (1) the declaration or payment of a stock dividend, (2) any recapitalization resulting in a stock split-up, combination, or exchange of shares of Common Stock, or (3) other increase or decrease in such shares of Common Stock effected without receipt of consideration by the Company, then and in such event:

(a) An appropriate adjustment shall be made in the maximum number of shares of Common Stock then subject to being awarded under the Plan and in the maximum number of shares of Common Stock that may be awarded to a Participant to the end that the same proportion of the Company's issued and outstanding shares of Common Stock shall continue to be subject to being so awarded.

(b) Appropriate adjustments shall be made in the number of shares of Common Stock and the Option Price thereof then subject to purchase pursuant to each such Stock Option previously granted and unexercised, to the end that the same proportion of the Company's issued and outstanding shares of Common Stock in each such instance shall remain subject to purchase at the same aggregate Option Price.

(c) Appropriate adjustments shall be made in the number of SARs and the SAR Price thereof then subject to exercise pursuant to each such SAR previously granted and unexercised, to the end that the same proportion of the Company's issued and outstanding shares of Common Stock in each instance shall remain subject to exercise at the same aggregate SAR Price.

(d) Appropriate adjustments shall be made in the number of outstanding shares of Restricted Stock with respect to which restrictions have not yet lapsed prior to any such change.

(e) Appropriate adjustments shall be made with respect to shares of Common Stock applicable to any other Incentives previously

awarded under the Plan as the Committee, in its sole discretion, deems appropriate, consistent with the event.

Except as otherwise expressly provided herein, the issuance by the Company of shares of its capital stock of any class, or securities convertible into shares of capital stock of any class, either in connection with direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to (i) the number of or Option Price of shares of Common Stock then subject to outstanding Stock Options granted under the Plan, (ii) the number of or SAR Price or SARs then subject to outstanding SARs granted under the Plan, (iii) the number of outstanding shares of Restricted Stock, or (iv) the number of shares of Common Stock otherwise payable under any other Incentive.

Upon the occurrence of each event requiring an adjustment with respect to any Incentive, the Company shall mail to each affected Participant its computation of such adjustment which shall be conclusive and shall be binding upon each such Participant.

ARTICLE 15

RECAPITALIZATION, MERGER AND CONSOLIDATION; CHANGE IN CONTROL

(a) The existence of this Plan and Incentives granted hereunder shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure and its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or preference stocks ranking prior to or otherwise affecting the Common Stock or the rights thereof (or any rights, options, or warrants to purchase same), or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(b) Subject to any required action by the stockholders, if the Company shall be the surviving or resulting corporation in any merger, consolidation or share exchange, any Incentive granted hereunder shall pertain to and apply to the securities or rights (including cash, property, or assets) to which a holder of the number of shares of Common Stock subject to the Incentive would have been entitled.

(c) In the event of any merger, consolidation or share exchange pursuant to which the Company is not the surviving or

resulting corporation, there shall be substituted for each share of Common Stock subject to the unexercised portions of such outstanding Incentives, that number of shares of each class of stock or other securities or that amount of cash, property, or assets of the surviving, resulting or consolidated company which were distributed or distributable to the stockholders of the Company in respect to each share of Common Stock held by them, such outstanding Incentives to be thereafter exercisable for such stock, securities, cash, or property in accordance with their terms. Notwithstanding the foregoing, however, all Stock Options and SARs may be canceled by the Company immediately prior to the effective date of any such reorganization, merger, consolidation, share exchange or any dissolution or liquidation of the Company by giving notice to each holder thereof or his personal representative of its intention to do so and by permitting the purchase during the thirty (30) day period next preceding such effective date of all or any portion of all of the shares of Common Stock subject to such outstanding Incentives whether or not such Incentives are then vested or exercisable.

(d) In the event of a Change in Control, notwithstanding any other provision in this Plan to the contrary all unmaturing installments of Incentives outstanding and not otherwise canceled in accordance with Section 15(c) above, shall thereupon automatically be accelerated and exercisable in full and all Restriction Periods applicable to Awards of Restricted Stock and/or Restricted Stock Units shall automatically expire. The determination of the Committee that any of the foregoing conditions has been met shall be binding and conclusive on all parties.

ARTICLE 16

LIQUIDATION OR DISSOLUTION

In case the Company shall, at any time while any Incentive under this Plan shall be in force and remain unexpired, (i) sell all or substantially all of its property, or (ii) dissolve, liquidate, or wind up its affairs, then each Participant shall be thereafter entitled to receive, in lieu of each share of Common Stock of the Company which such Participant would have been entitled to receive under the Incentive, the same kind and amount of any securities or assets as may be issuable, distributable, or payable upon any such sale, dissolution, liquidation, or winding up with respect to each share of Common Stock of the Company. If the Company shall, at any time prior to the expiration of any Incentive, make any partial distribution of its assets, in the nature of a partial liquidation, whether payable in cash or in kind (but excluding the distribution of a cash dividend payable out of earned surplus and designated as such) then in such event the Option Prices or SAR Prices then in effect with respect to each Stock Option or SAR shall be reduced, on the payment date of such distribution, in proportion to the percentage reduction in the tangible book value of the shares of the Company's Common Stock (determined in accordance with generally accepted accounting principles) resulting by reason of such distribution.

ARTICLE 17

INCENTIVES IN SUBSTITUTION FOR INCENTIVES GRANTED BY OTHER CORPORATIONS

Incentives may be granted under the Plan from time to time in substitution for similar instruments held by employees of a corporation who become or are about to become Employees of the Company or any Subsidiary as a result of a merger or consolidation of the employing corporation with the Company or the acquisition by the Company of stock of the employing corporation. The terms and conditions of the substitute Incentives so granted may vary from the terms and conditions set forth in this Plan to such extent as the Board at the time of grant may deem appropriate to conform, in whole or in part, to the provisions of the Incentives in substitution for which they are granted.

ARTICLE 18

MISCELLANEOUS PROVISIONS

18.1 Investment Intent. The Company may require that there be presented to and filed with it by any Participant under the Plan, such evidence as it may deem necessary to establish that the Incentives granted or the shares of Common Stock to be purchased or transferred are being acquired for investment and not with a view to their distribution.

18.2 No Right to Continued Employment. Neither the Plan nor any Incentive granted under the Plan shall confer upon any Participant any right with respect to continuance of employment by the Company or any Subsidiary.

18.3 Indemnification of Board and Committee. No member of the Board or the Committee, nor any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board or the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.

18.4 Effect of the Plan. Neither the adoption of this Plan nor any action of the Board or the Committee shall be deemed to give any person any right to be granted an Award or any other rights except as may be evidenced by an Award Agreement, or any amendment thereto, duly authorized by the Committee and executed on behalf of the Company, and then only to the extent and upon the terms and conditions expressly set forth therein.

18.5 Compliance With Other Laws and Regulations. Notwithstanding anything contained herein to the contrary, the Company shall not be required to sell

or issue shares of Common Stock under any Incentive if the issuance thereof would constitute a violation by the Participant or the Company of any provisions of any law or regulation of any governmental authority or any national securities exchange or inter-dealer quotation system or other forum in which shares of Common Stock are quoted or traded (including without limitation Section 16 of the 1934 Act and Section 162(m) of the Code); and, as a condition of any sale or issuance of shares of Common Stock under an Incentive, the Committee may require such agreements or undertakings, if any, as the Committee may deem necessary or advisable to assure compliance with any such law or regulation. The Plan, the grant and exercise of Incentives hereunder, and the obligation of the Company to sell and deliver shares of Common Stock, shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required.

18.6 Tax Requirements. The Company shall have the right to deduct from all amounts hereunder paid in cash or other form, any Federal, state, or local taxes required by law to be withheld with respect to such payments. The Participant receiving shares of Common Stock issued under the Plan shall be required to pay the Company the amount of any taxes which the Company is required to withhold with respect to such shares of Common Stock. Notwithstanding the foregoing, in the event of an assignment of a Non-qualified Stock Option or SAR pursuant to Section 18.7, the Participant who assigns the Non-qualified Stock Option or SAR shall remain subject to withholding taxes upon exercise of the Non-qualified Stock Option or SAR by the transferee to the extent required by the Code or the rules and regulations promulgated thereunder. Such payments shall be required to be made prior to the delivery of any certificate representing such shares of Common Stock. Such payment may be made in cash, by check, or through the delivery of shares of Common Stock owned by the Participant (which may be effected by the actual delivery of shares of Common Stock by the Participant or by the Company's withholding a number of shares to be issued upon the exercise of a Stock Option, if applicable), which shares have an aggregate Fair Market Value equal to the required minimum withholding payment, or any combination thereof.

18.7 Assignability. Incentive Stock Options may not be transferred or assigned other than by will or the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or the Participant's legally authorized representative, and each Award Agreement in respect of an Incentive Stock Option shall so provide. The designation by a Participant of a beneficiary will not constitute a transfer of the Stock Option. The Committee may waive or modify any limitation contained in the preceding sentences of this Section 18.7 that is not required for compliance with Section 422 of the Code. The Committee may, in its discretion, authorize all or a portion of a Non-qualified Stock Option or SAR to be granted to a Participant to be on terms which permit transfer by such Participant to (i) the spouse, children or grandchildren of the Participant ("Immediate Family Members"), (ii) a trust or trusts for the exclusive benefit of such Immediate Family Members, or (iii) a partnership in which such Immediate Family Members are the only partners, (iv) an entity exempt from federal income tax pursuant to Section 501(c)(3) of the Code or any successor provision, or (v) a split interest trust or pooled income fund described in Section

2522(c)(2) of the Code or any successor provision, provided that (x) there shall be no consideration for any such transfer, (y) the Award Agreement pursuant to which such Non-qualified Stock Option or SAR is granted must be approved by the Committee and must expressly provide for transferability in a manner consistent with this Section, and (z) subsequent transfers of transferred Non-qualified Stock Options or SARs shall be prohibited except those by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined in the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended. Following transfer, any such Non-qualified Stock Option and SAR shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, provided that for purposes of Articles 10, 12, 14, 16 and 18 hereof the term "Participant" shall be deemed to include the transferee. The events of Termination of Service shall continue to be applied with respect to the original Participant, following which the Non-qualified Stock Options and SARs shall be exercisable by the transferee only to the extent and for the periods specified in the Award Agreement. The Committee and the Company shall have no obligation to inform any transferee of a Non-qualified Stock Option or SAR of any expiration, termination, lapse or acceleration of such Option. The Company shall have no obligation to register with any federal or state securities commission or agency any Common Stock issuable or issued under a Non-qualified Stock Option or SAR that has been transferred by a Participant under this Section 18.7.

18.8 Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Incentives granted under this Plan shall constitute general funds of the Company.

18.9 Governing Law. The validity, construction and effect of the Plan and any actions taken or relating to the Plan shall be determined in accordance with the laws of the State of Texas and applicable Federal law.

18.10 Successors and Assigns. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, expressly to assume and agree to perform the Company's obligation under this Plan in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place. As used herein, the "Company" shall mean the Company as hereinbefore defined and any aforesaid successor to its business and/or assets.

18.11 Effective Date. The Plan became effective as of October 1, 1998. After termination of the Plan, no future Awards may be made.

18.12 Legend. Each certificate representing shares of Restricted Stock issued to a Participant shall bear the following legend, or a similar legend deemed by the Company to constitute an appropriate notice of the provisions hereof (any such certificate not having such legend shall be surrendered upon demand by the Company and so endorsed):

On the face of the certificate:

“Transfer of this stock is restricted in accordance with conditions printed on the reverse of this certificate.”

On the reverse:

“The shares of stock evidenced by this certificate are subject to and transferrable only in accordance with that certain Atmos Energy Corporation 1998 Long-Term Incentive Plan, a copy of which is on file at the principal office of the Company in Dallas, Texas. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan.”

The following legend shall be inserted on a certificate evidencing Common Stock issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

“Shares of stock represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company.”

A copy of this Plan shall be kept on file in the principal executive offices of the Company in Dallas, Texas.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed as of February 9, 2007, by its President pursuant to prior actions taken by the Board and the shareholders of the Company.

ATMOS ENERGY CORPORATION

By: /s/ ROBERT W. BEST
Robert W. Best
Chairman of the Board, President
and Chief Executive Officer

Attest:

/s/ DWALA KUHN
Dwala Kuhn
Corporate Secretary

AMENDMENT
TO THE
ATMOS ENERGY CORPORATION
1998 LONG-TERM INCENTIVE PLAN
(As Amended and Restated February 9, 2007)

Pursuant to the authority set forth in Article 12 of the Atmos Energy Corporation 1998 Long-Term Incentive Plan, as amended and restated effective February 9, 2007 (the "Plan"), the Plan is amended, effective as of August 7, 2007, as follows:

1. Section 2.6 is amended by striking said section and substituting in lieu thereof the following:

2.6 (a) "Change in Control" of the Company occurs upon a change in the Company's ownership, its effective control or the ownership of a substantial portion of its assets, as follows:

(i) Change in Ownership. A change in ownership of the Company occurs on the date that any "Person" (as defined in Section 2.6(b) below), other than (1) the Company or any of its subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding stock pursuant to an offering of such stock, or (4) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the Company's stock, acquires ownership of the Company's stock that, together with stock held by such Person, constitutes more than 50% of the total fair market value or total voting power of the Company's stock. However, if any Person is considered to own already more than 50% of the total fair market value or total voting power of the Company's stock, the acquisition of additional stock by the same Person is not considered to be a Change of Control. In addition, if any Person has effective control of the Company through ownership of 30% or more of the total voting power of the Company's stock, as discussed in paragraph (ii) below, the acquisition of additional control of the Company by the same Person is not considered to cause a Change in Control pursuant to this paragraph (i); or

(ii) Change in Effective Control. Even though the Company may not have undergone a change in ownership under paragraph (i) above, a change in the effective control of the Company occurs on either of the following dates:

(A) the date that any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person) ownership of the Company's stock possessing 30 percent or more of the total voting power of the Company's stock. However, if any Person owns 30% or more of the total voting power of the Company's stock, the acquisition of

additional control of the Company by the same Person is not considered to cause a Change in Control pursuant to this subparagraph (ii)(A); or

(B) the date during any 12-month period when a majority of members of the Board is replaced by directors whose appointment or election is not endorsed by a majority of the Board before the date of the appointment or election; provided, however, that any such director shall not be considered to be endorsed by the Board if his or her initial assumption of office occurs as a result of an actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) Change in Ownership of Substantial Portion of Assets. A change in the ownership of a substantial portion of the Company's assets occurs on the date that a Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person) assets of the Company, that have a total gross fair market value equal to at least 40% of the total gross fair market value of all of the Company's assets immediately before such acquisition or acquisitions. However, there is no Change in Control when there is such a transfer to an entity that is controlled by the shareholders of the Company immediately after the transfer, through a transfer to (A) a shareholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock; (B) an entity, at least 50% of the total value or voting power of the stock of which is owned, directly or indirectly, by the Company; (C) a Person that owns directly or indirectly, at least 50% of the total value or voting power of the Company's outstanding stock; or (D) an entity, at least 50% of the total value or voting power of the stock of which is owned by a Person that owns, directly or indirectly, at least 50% of the total value or voting power of the Company's outstanding stock.

(b) For purposes of subparagraph (a) above

(i) "Person" shall have the meaning given in Section 7701(a)(1) of the Internal Revenue Code of 1986, as amended (the "Code"). Person shall include more than one Person acting as a group as defined by the Final Treasury Regulations issued under Section 409A of the Code.

(ii) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Securities Exchange Act of 1934, as amended.

(c) The provisions of this Section 2.6 shall be interpreted in accordance with the requirements of the Final Treasury Regulations under Code Section 409A, it

being the intent of the parties that this Section 2.6 shall be in compliance with the requirements of said Code Section and said Regulations.

2. Section 2.36 is amended by striking said section and substituting in lieu thereof the following:

2.36 "Termination of Service" means with respect to each Participant who is an Employee or Non-employee Director a "separation from service" as defined in Section 1.409A-1(h) of the Final Treasury Regulations under Code Section 409A, or any successor provision thereto

3. Section 2.37 is amended by striking said section and substituting in lieu thereof the following:

2.37 "Total and Permanent Disability" means the termination of a Participant's active employment with the Company on account of a medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, for which the employee is receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

IN WITNESS WHEREOF, the Company has caused this AMENDMENT TO THE ATMOS ENERGY CORPORATION 1998 LONG-TERM INCENTIVE PLAN (AS AMENDED AND RESTATED FEBRUARY 9, 2007), to be executed in its name and on its behalf this 10th day of September, 2008, effective as of the date provided herein.

ATMOS ENERGY CORPORATION

By: /s/ROBERT W. BEST

Robert W. Best
Chairman, President and
Chief Executive Officer

Atmos Energy - CSC Incentive

Prepared by Towers Perrin - January 2002

Incentive Pay for Customer Support Associates and Collections Associates

Overview

- The CSC Incentive for Customer Support Associates and Collections Associates is an opportunity for Atmos to help share the success you help create. If you focus on what you can do to impact results and how you can add value to the Customer Support Center, you can make a difference. Atmos will reward you for that contribution. The program begins February 2nd and payout will be March 22nd.

The CSC Incentive is designed to

- Encourage employees to provide superior customer service while efficiently handling customer calls
- Create a sense of team and shared ownership for Customer Support Center performance
- Encourage employees to continuously improve the handling of customer calls
- Provide a method to deliver above-average pay when performance warrants

To achieve these goals, the incentive is focused on three key measures that drive Customer Support Center performance

- Your availability to take customer calls - *Attendance*
- How well you serve our customers - *Quality*
- How efficiently you handle calls and can move on to help another customer - *Average Handle Time*

If you achieve these three things, you can receive a payment of up to \$525 for each 4 week performance period - that's a possible \$6,825 in a year!

So how do you do it?

Determining Your Incentive Pay

The Details

To be eligible for the incentive, you must be a Customer Support Associate or a Collections Associate performing a Customer Support Associate or a Collections Associates role.

If you meet these eligibility requirements, you will be assessed against the three key measures mentioned earlier

Incentive Guidelines:

Attendance: Eligibility Requirements Attendance: Eligibility Requirements

1. 3 attendance strikes will disqualify you. The only exceptions are:
 - o Scheduled and approved PTO (PTO days approved by the scheduler)
 - o Bereavement
 - o Jury Duty
2. Cannot be absent (an absence consists of two or more hours) on a Monday or Friday. The only exceptions are:
 - o Scheduled and approved PTO (PTO days approved by the scheduler)
 - o Bereavement
 - o Jury Duty
3. Cannot be absent (an absence consists of two or more hours) the day before, of, or after a company designated holiday.
4. Cannot be absent on the day of a PTO denial. If the agent requests PTO and it is denied, and they call in on that day for any reason.
5. Cannot miss the day of a shift trade.
 - o To get a payment, you will need to provide quality customer service. We will measure your performance through our *Quality* program and determine your payment based on the scale listed below. The scale is the same for every performance period. Your *Quality* score will determine the base amount of award that you could receive.

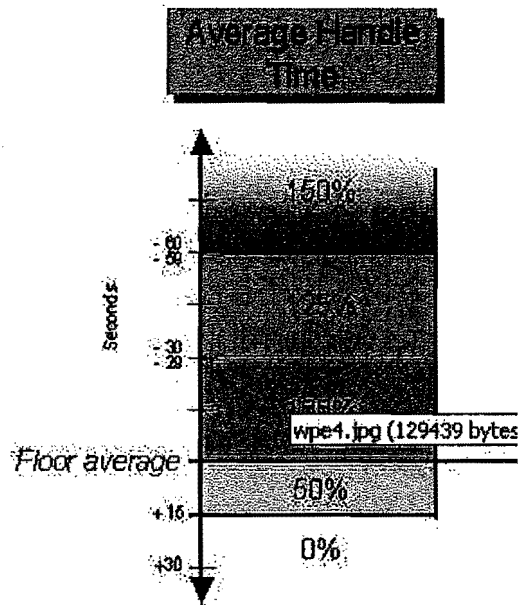


> or = 95%	=	\$350
90% - 94.99%	=	\$250
85% - 89.99%	=	\$150
<85%	=	\$0

- Quality and speed go hand-in-hand, a key part of quality of customer service is ensuring that you can efficiently move onto the next call so our customers don't have to stay on hold too long. We will measure your efficiency through our *Average Handle Time* measure to determine what percentage of your *Quality* payment you will receive.

Average Handle Time is measured a bit differently than *Quality* in that we assess how well you are doing against other CSA's and Collections Associates. For each performance period, the floor average will become "the standard" for that performance period. How your time compares to the floor average will correspond to the "multiplier" that determines the percentage of your *Quality* payment that you will receive.

For example, if you are 30 seconds faster than the floor average, you would receive 125% of your *Quality* payment. On the flip side, if you are 30 seconds slower than the floor average you would receive 0% of your *Quality* payment. The two go hand-in-hand.

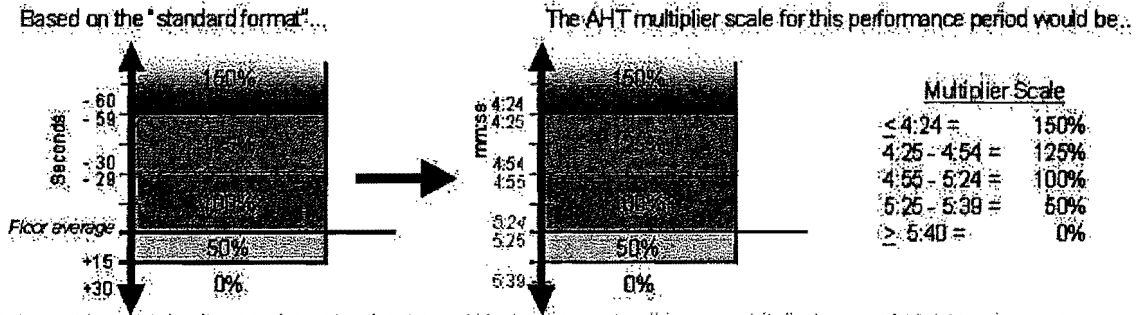


Determining your Incentive Pay

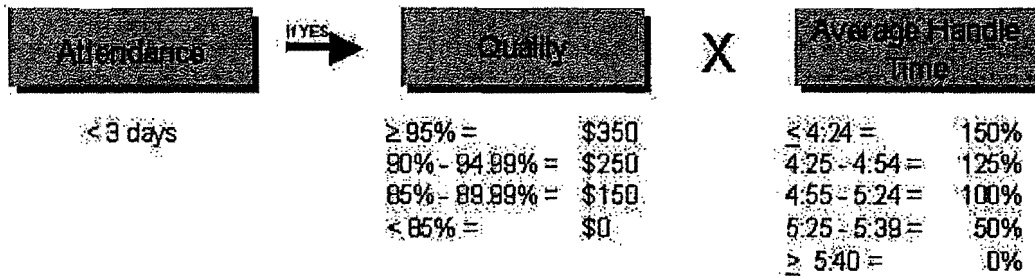
Example Calculations

Let's look at a "real life" example of how the Incentive will work.

First, we will establish the *Average Handle Time* scale for the performance period for the 4 week performance period, let's assume that the floor *Average Handle Time* was 5 minutes and 24 seconds (5:24). We'll use this floor average to calculate the multiplier scale for the performance period.



- At the end of each performance period, the floor average AHT will be posted along with the scale for the performance period.
- If we plug the multiplier scale that we calculated for this example into our overall incentive formula, the following standards would be used for this performance period to calculate individual incentive payments.



Using these standards, we can calculate a payment for an example employee. This employee missed one day of work, was 14 seconds faster than the floor average (AHT) and delivered great customer service (Quality). This employee would receive a payment of \$250 for the performance period.

<u>Employee Results</u>		<u>Calculation</u>	
Attendance	Missed 1 day	Attendance Hurdle	Achieved
AHT	5:10	AHT Multiplier	100%
Quality	91.40%	Quality Payment	\$250
		Calculation	100% x \$250 = \$250
		Total Payment	\$250

General Rules

Performance Periods

The incentive payment cycle will be aligned to the payroll cycle so each performance period will be 4 weeks long. There will be 13 performance periods in a year. Incentive payments will be made 2 weeks following the end of each performance period and will appear with your normal paycheck. The first period will be March 8 on the new plan.

Eligibility

Eligibility is based on your position during each performance period. To be eligible you must be classified as a Customer Support Associate or a Collections Associate and be performing Customer Support Associate or Collections Associate role.

New Customer Support Associates and Collections Associates will become eligible for the incentive after successfully completing training (to include nesting) and upon their first full incentive period handling customer calls on the floor.

If you are put on any type of warning during the month, then you forfeit your eligibility for the incentive payment.

Part Time Employees

Proration for part-time employees will be based on actual hours worked during the performance period.

Temporary Assignments

Customer support associates and collection associates on temporary assignment will become ineligible for incentive. The Incentive will be prorated for the time that agent spent on the phones during that incentive period.

Position Changes

Following a promotion or demotion, incentive payments will be prorated based on the time spent in the performance period in an eligible role.

For disability or approved leave, the agent will be ineligible for that incentive period if the disability or approved leave is more than 3 days.

Following layoff or death, incentive payments will be through the last day of employment.

Termination of employment (voluntary or involuntary) during any performance period will result in forfeiture of incentive payment for the performance period in which employment ends.

Program Changes

The Company reserves the right to amend, cancel or replace the incentive pay programs at any time. Changes could occur as a result of windfall or catastrophic situations. Every effort will be made to communicate program changes as early as possible.

Exceptions

Any and all exceptions will be reviewed by the managers and director of the CSC.

Questions

If you have any questions about the incentive program or your incentive payment, contact your supervisor or the Human Resources department.

This brochure provides a general overview of the Atmos Customer Support Center Incentive Program for Customer Associates and Collections Associates effective January 28, 2002. The sole purpose of this brochure is to educate you about the various elements of the program and how they work. It does not cover the program and is not a contract of employment between you and the company.

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-10
Page 1 of 1

REQUEST:

Provide the percentage of salary and wage increases granted in each of the last three years. If applicable, provide this information separately for union and non-union personnel.

RESPONSE:

All non-union employees are considered for merit increases each October 1 based on annual guidelines approved by the Management Committee. Please see Attachment 1 for the guidelines used for fiscal years 2007-2009. There are no union employees in Kansas.

ATTACHMENT:

ATTACHMENT 1 – Atmos Energy Corporation, Merit Increase Guidelines, 4 Pages.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

**Atmos Energy Corporation
FY 2007 Merit Increase Guidelines**

General Salary Increase Information

- Salary increases across the country are forecast to average around 3.7% during 2006. The table below reflects actual experience for 2004, 2005 and what is projected for 2006. The amounts shown include general cost-of-living adjustments, merit increases and other adjustments such as market or equity-related increases. Promotions are excluded from these salary increase amounts.
- Atmos uses national data on which to base its annual guidelines. Regional results generally mirror the national data.

General Salary Increase Information for All Industries

Employee Category	Actual 2004	Actual 2005	Projected 2006
Operating Nonexempt Employees	3.4%	3.6%	3.7%
Exempt Salaried Employees	3.6%	3.7%	3.8%

Salary Structure

- The Atmos salary ranges will be increased 2.5% on average.

Compa-ratio

- The term compa-ratio is being reintroduced to the merit increase process. Compa-ratio is defined as the ratio of the employee's pay to the midpoint of the assigned salary range. For example, if an employee's pay is \$50,000 and the midpoint of the salary range is \$55,000, the employee's compa-ratio is 90.9% ($\$50,000/\$55,000 = 90.9\%$). If the compa-ratio is greater than 100%, the employee's pay is above the midpoint; if it is less than 100%, the employee's pay is below the midpoint.
- Target pay is defined as the portion of the salary range between 80% and 120% of midpoint.
- Each employee's compa-ratio will be shown in the Common Merit Increase ("CMI") system for the FY 2007 merit increase cycle.

Merit Increase Guidelines

- The FY 2007 merit budget is 3.5%; therefore the dollar amount applied in merit increases by each Business Unit or Shared Services Unit should not exceed 3.5% of the September 30, 2006 payroll. The merit budget for Mid-Tex meter readers who received a full merit increase on February 28, 2006 is 2.0%.
- A merit increase recommendation between 0% and 4% is the expected norm for the majority of employees and should be submitted using CMI.
- Additionally, when considering the appropriate merit increase to recommend for an assigned employee, supervisors should:

**Atmos Energy Corporation
FY 2008 Merit Increase Guidelines**

General Salary Increase Information:

- Salary increases across the country are forecast to continue between 3.8 and 3.9 percent during 2007. The table below reflects actual experience for 2005, 2006 and what is projected for 2007. The amounts shown include general cost-of-living adjustments, merit increases and other adjustments such as market or equity-related increases. Promotions are excluded from these salary increase amounts.
- Atmos uses national data on which to base its annual guidelines. Regional results generally mirror the national data.
- The pay grade structure will increase by 2.5%

General Salary Increase Information for All Industries:

Employee Category	Projected 2005	Actual 2005	Projected 2006	Actual 2006	Projected 2007
Operating Nonexempt Employees	3.6%	3.6%	3.7%	3.7%	3.8%
Exempt Salaried Employees	3.7%	3.7%	3.8%	3.8%	3.9%

Merit Increase Guidelines

- The FY2008 merit budget is 3.5%; therefore the dollar amount applied in merit increases by Shared Services and utility divisions should not exceed 3.5% of the September 30, 2005 nonunion payroll.
- Atmos bases the annual merit budget on two factors:
 - What other companies are doing – "the market"
 - Atmos' financial performance.
 - FY 2008 is predicted to be a challenging year from a financial perspective, therefore in order to maintain a conservative budget over all; Management has decided to base its merit budget slightly lower than the market predictions for 2008.
- Supervisors should use the employee's performance, experience and where the employee's pay falls within the job's pay range as the criteria to determine the merit increase amount to apply.
- Guidelines for Merit Increases are as follows:

<i>All Employees</i>	
<i>Compa Ratio</i>	<i>Max Increase %</i>
<i><80%</i>	<i>0%-6.50%</i>
<i>80% to 89%</i>	<i>0%-3.75%</i>
<i>90% to 110%</i>	<i>0%-3.50%</i>
<i>111% to 119%</i>	<i>0%-2.25%</i>
<i>120% or higher</i>	<i>0%-2%</i>

FY 2009 CMI Guidelines



▪ Merit Increase Guidelines

– Merit increase component is 3.5%

- Divisions, Shared Services and the Customer Service Organization are responsible for managing within the 3.5% budget using the following guidelines

<i>ALL EMPLOYEES</i>	
<i>COMPA-RATIO</i>	<i>ALLOWABLE INCREASE %</i>
<80%	0%-6.50%
80% - 119%	0%-6.0%
120% or greater	0%-3.5%

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-19
Page 1 of 1

REQUEST:

Provide for each of the last three years as well as for the Company's claim, the total costs incurred for employee (non-officer) incentive compensation programs, by program.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Incentive Compensation Costs, 1 Page.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

Atmos Energy Corp., SSU and KS
KS CURB 1-19 Incentive Compensation
(Non-Officer) Incentive Compensation
For Fiscal Years 2007, 2008 and 2009

		FY2007	FY2008	FY2009
Div 02	Gross Expense (Non-Officer)	4,048,129	4,160,115	3,766,481
	Amount Capitalized (Non-Officer)	607,219	759,230	1,009,022
	Net Expense (Non-Officer)	3,440,910	3,400,884	2,757,459
	CSC Incentive	2,236	2,039	1,749
	Meter Reader Incentive Pay	521	558	153

Div 012	Gross Expense	-	6,587	8,920
	Amount Capitalized	-	191	3,229
	Net Expense	-	6,396	5,691
	CSC Incentive	482,493	602,373	573,995

Div 030	Gross Expense	593,096	770,179	507,876
	Amount Capitalized	293,203	322,287	228,263
	Net Expense	299,893	447,892	279,613

Div 081	Gross Expense	-	-	-
	Amount Capitalized	20	-	-
	Net Expense	(20)	-	-

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-22
Page 1 of 1

REQUEST:

Identify and quantify all officer compensation by component, including incentive awards and bonuses, paid in each of the past three years and indicate the portion of each component that is included in the Company's proposed revenue requirement.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Officer Compensation, 2 Pages.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

Atmos Energy Corp., SSU
KS CURB 1-22 Officer Compensation
Officer Compensation by Component
For Fiscal Years 2007 thru 2009

Summary Compensation for Fiscal Year 2009(a)				Stock Award Net Expense Allocations from SSU to KS									
Officer	Year	Salary (\$)	Stock Award (\$)(b)	Non-equity Incentive Plan Compensation (\$)(c)	Cost Center	Cost Center Name	Stock Award (\$)(b)	Capitalization Rate	SSU Amount Capitalized	SSU Net Expense	Expense Allocated from SSU to KS Division 080 3.81%	Div 080 Allocation to '081 94.47%	Div 080 Allocation to '086 5.53%
Robert W. Best Chairman of the Board and Chief Executive Officer	2009	848,844	2,021,967	657,000	1001	SS Dallas Chairman & CEO	2,021,967	51.5%	1,041,313	980,654	37,383	35,287	2,088
	2008	820,354	2,544,981	835,200									
	2007	790,252	2,299,801	688,200									
Kim R Cocklin President and Chief Operating Officer	2009	597,328	1,747,716	337,000	1201	SS Dallas President & COO	1,747,716	51.5%	900,074	847,842	32,295	30,509	1,786
	2008	398,000	742,891	278,600									
	2007	384,591	1,251,583	232,900									
Fred E Welsenhelmer Senior Vice President and Chief Financial Officer	2009	309,522	225,110	184,500	1101	SS Dallas Chief Financial Officer	225,110	51.5%	115,932	109,178	4,160	3,930	230
	2008	-	-	-									
	2007	-	-	-									
John P. Reddy Former Senior Vice President and Chief Financial Officer	2009	117,299	821,831	-	1101	SS Dallas Chief Financial Officer	821,831	51.5%	320,243	301,588	11,491	10,855	835
	2008	413,920	859,787	289,700									
	2007	399,470	804,897	242,200									
Mark H Johnson * Former Senior Vice President, Nonregulated Operations	2009	371,728	845,370	197,800	1350 *	SS Dallas Management Committee	129,074	51.5%	66,473	62,601	2,365	2,253	132
	2008	348,000	638,348	251,500									
	2007	303,870	306,239	187,700									
Louis P Gregory Senior Vice President and General Counsel	2009	312,006	398,223	135,900	1501	SS Dallas Legal	398,223	19.0%	75,662	322,581	12,290	11,610	680
	2008	301,534	443,546	172,700									
	2007	291,375	402,609	144,400									
Wynn McGregor Former Senior Vice President, Human Resources	2009	-	-	-	1403	SS Dallas Human Resources - Vice Pres	-	51.5%	-	-	-	-	-
	2008	284,502	425,536	163,200									
	2007	248,873	383,604	122,700									
Mike E. Haefner Senior Vice President, Human Resources	2009	278,797	174,875	120,500	1403	SS Dallas Human Resources - Vice Pres	174,875	51.5%	80,061	84,814	3,231	3,053	179
	2008	83,077	81,226	51,100									
	2007	-	-	-									
2009 Total							5,318,796		2,609,757	2,709,039	103,214	97,507	5,708

*20% of Mark H Johnson's Compensation expense is Shared Services Related

(a) No bonuses, as defined by applicable SEC rules and regulations, were paid or options awarded to any named executive officers in fiscal years 2009, 2008 or 2007.

(b) In accordance with applicable SEC rules, the valuation of stock awards in this table is based upon the compensation cost of awards recognized for financial statement purposes for fiscal 2009, 2008 and 2007 under the accounting standard that governs stock-based compensation. The compensation cost reported in this table reflects the fair value of time-lapse restricted stock and time-lapse restricted stock units granted during fiscal 2007-2009 and performance-based restricted stock units granted during fiscal 2007-2009 and excludes any estimate of forfeiture related to service vesting conditions, in accordance with SEC rules. In our financial statements, we use an estimated forfeiture rate of two percent (2%) of each grant (other than special one-time grants). In accordance with the accounting standard that governs stock-based compensation, the fair value of time-lapse restricted stock, time-lapse restricted stock units and performance-based restricted stock units was determined based on the average of the high and low prices of our common stock on the grant date as reported on the NYSE Consolidated Tape, plus the value of dividend equivalents for performance-based restricted stock units. The costs associated with these stock awards are recognized on a straight-line basis over the requisite service period. The amount for Mr. Cocklin includes the costs attributable to the lapse of restrictions in November 2006, November 2007 and November 2008 on 20,000 shares each of time-lapse restricted stock granted in connection with his appointment as Senior Vice President in June 2006.

(c) Reflects payments attributable to performance achieved at the level of 95 percent of target EPS in fiscal 2009 under our Incentive Plan. For a discussion of the performance criteria established by our HR Committee for awards in fiscal 2009 under our Incentive Plan, see "Elements of Executive Compensation," beginning on page 27 above in "Compensation Discussion and Analysis." Awards under the Incentive Plan are paid in cash. However, participants may make an election prior to the beginning of each fiscal year to convert all or a portion of such award either to bonus stock, with a premium equal to 10 percent of the total amount converted or, beginning in fiscal 2009, to time-lapse restricted stock units, with a premium equal to 50 percent of the amount converted, with such units being awarded under our LTP. The amounts shown above do not include incentive compensation that was converted through an election by participating named executive officers prior to the beginning of fiscal 2009 to time-lapse restricted stock units, as shown in the table below. Such Incentive Plan payments include a premium of 50 percent of the value associated with the conversion in November 2009 to shares of time-lapse restricted stock units, which will be reflected in the Grants of Plan-Based Awards table for fiscal 2010. These units vest three years following the date of grant.

Atmos Energy Corp., SSU
KS CURB 1-22 Officer Compensation
Officer Compensation by Component
For Fiscal Years 2007 thru 2009

Summary Compensation for Fiscal Year 2009(a)

Officer	Year	Salary (\$)	Stock Award (\$)(b)	Non-equity Incentive Plan Compensation (\$)(c)
Robert W. Best Chairman of the Board and Chief Executive Officer	2009	848,844	2,021,967	657,000
	2008	820,354	2,544,961	835,200
	2007	790,262	2,289,801	698,200
Kim R Cocklin President and Chief Operating Officer	2009	537,328	1,747,716	337,000
	2008	398,000	742,891	278,600
	2007	384,591	1,251,693	232,900
Fred E Meisenheimer Senior Vice President and Chief Financial Officer	2009	309,522	225,110	184,500
	2008	-	-	-
	2007	-	-	-
John P. Reddy Former Senior Vice President and Chief Financial Officer	2008	117,299	621,831	-
	2008	413,820	858,787	289,700
	2007	399,470	804,897	242,200
Mark H Johnson * Former Senior Vice President, Nonregulated Operations	2009	371,728	645,370	197,800
	2008	349,000	636,348	251,500
	2007	303,970	308,239	187,700
Louis P Gregory Senior Vice President and General Counsel	2009	312,006	398,223	135,900
	2008	301,534	443,548	172,700
	2007	291,375	402,609	144,400
Wynn McGregor Former Senior Vice President, Human Resources	2009	-	-	-
	2008	264,502	425,538	153,200
	2007	248,673	363,804	122,700
Mike E. Haefner Senior Vice President, Human Resources	2009	276,797	174,875	120,500
	2008	83,077	81,228	51,100
	2007	-	-	-

* 20% of Mark H Johnson's Compensation expense is Shared Services Related

Non-Equity Incentive Compensation Net Expense Allocations from SSU to KS

Cost Center	Cost Center Name	Non-equity Incentive Plan Compensation (\$)(c)	Capitalization Rate	SSU Amount Capitalized	SSU Net Expense	Expense		
						Allocated from SSU to Division 080 3.61%	Div 080 Allocation to '081 94.47%	Div 080 Allocation to '086 5.53%
1904	SS Dallas Performance Plan	657,000	28.7%	175,419	481,581	18,348	17,334	1,015
1904	SS Dallas Performance Plan	337,000	28.7%	88,979	247,021	9,412	8,891	520
1904	SS Dallas Performance Plan	184,500	28.7%	49,262	135,239	5,153	4,868	285
1904	SS Dallas Performance Plan	-	28.7%	-	-	-	-	-
1904 *	SS Dallas Performance Plan	39,560	28.7%	10,563	28,997	1,105	1,044	61
1904	SS Dallas Performance Plan	135,900	28.7%	36,285	99,615	3,795	3,585	210
1904	SS Dallas Performance Plan	-	28.7%	-	-	-	-	-
1904	SS Dallas Performance Plan	120,500	28.7%	32,174	88,327	3,385	3,179	186
2009 Total		1,474,460		393,661	1,080,799	41,178	38,901	2,277

(a) No bonuses, as defined by applicable SEC rules and regulations, were paid or options awarded to any named executive officers in fiscal years 2009,

(b) In accordance with applicable SEC rules, the valuation of stock awards in this table is based upon the compensation cost of awards recognized for fiscal years 2009, 2008 and 2007 under the accounting standard that governs stock-based compensation. The compensation cost reported in this table reflects the fair value of restricted stock and time-lapse restricted stock units granted during fiscal 2007-2009 and performance-based restricted stock units granted during fiscal 2009 related to service vesting conditions, in accordance with SEC rules. In our financial statements, we use an estimated forfeiture rate of two percent (other than spool one-time grants). In accordance with the accounting standard that governs stock-based compensation, the fair value of restricted stock units and performance-based restricted stock units was determined based on the average of the high and low prices of our common stock on the grant date as reported on the NYSE Consolidated Tape, plus the value of dividend equivalents for performance-based restricted stock units. The awards are recognized on a straight-line basis over the requisite service period. The amount for Mr. Cocklin includes the costs attributable to the lapse of 20,000 shares of time-lapse restricted stock granted in connection with his appointment in November 2006, November 2007 and November 2008 on 20,000 shares each of time-lapse restricted stock granted in connection with his appointment.

(c) Reflects payments attributable to performance achieved at the level of 95 percent of target EPS in fiscal 2009 under our Incentive Plan. For a discussion by our IIR Committee for awards in fiscal 2009 under our Incentive Plan, see "Elements of Executive Compensation" beginning on page 27 above in "Compensation Discussion and Analysis." Awards under the Incentive Plan are paid in cash. However, participants may make an election prior to the full or a portion of such award either to bonus stock, with a premium equal to 10 percent of the total amount awarded or, beginning in fiscal 2009, to time-lapse restricted stock units, with a premium equal to 50 percent of the amount awarded, with such units being awarded under our LTIP. The incentive compensation that was converted through an election by participating named executive officers prior to the beginning of fiscal 2009 to time-lapse restricted stock units, as shown in the table below. Such Incentive Plan payments include a premium of 50 percent of the value associated to shares of time-lapse restricted stock units, which will be reflected in the Grants of Plan-Based Awards table for fiscal 2010. These units vest three years.

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-23
Page 1 of 1

REQUEST:

Describe and quantify any SERP costs included in the Company's filing and describe how the Company's claim for SERP costs was determined.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, SERP Costs, 3 Pages.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010



← select service area for 00000



Dallas Atmos Rate Division - 002DIV

Benefits Analysis - Month 0000

	Fiscal 2009 October	Fiscal 2009 November	Fiscal 2009 December	Fiscal 2009 January	Fiscal 2009 February	Fiscal 2009 March	Fiscal 2009 April	Fiscal 2009 May	Fiscal 2009 June	Fiscal 2009 July	Fiscal 2009 August	Fiscal 2009 September	Total
Gross Benefit Amounts for 0000													
A&G-Employee pensio - NQ Retirement Cost 9260-07489	591,608	591,608	591,608	591,608	591,608	591,608	591,608	591,608	591,608	2,327,134	663,446	662,150	9,017,197
Capitalization Rate	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%	51.5%
Amount Capitalized	304,678	304,678	304,678	304,678	304,678	304,678	304,678	304,678	304,678	1,166,474	351,975	351,307	4,643,856
Net Expense *	286,930	286,930	286,930	286,930	286,930	286,930	286,930	286,930	286,930	1,128,680	331,471	330,843	4,373,340
Allocation rate to Div 030 - GGC/Denver Company Division	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%	6.99%

Monthly entry to record costs for the SEBP:

010.1906.9260.07489.002000.0000 Retirement Costs Expense Debit
 010.0000.2630.27712.002000.0000 Deferred Retirement Costs Credit

* Note: The amounts reflected are before any allocations.



select service area for 00000

Call Center Division - 012DIV

Benefits Analysis - Month 0000

	Fiscal 2009 October	Fiscal 2009 November	Fiscal 2009 December	Fiscal 2009 January	Fiscal 2009 February	Fiscal 2009 March	Fiscal 2009 April	Fiscal 2009 May	Fiscal 2009 June	Fiscal 2009 July	Fiscal 2009 August	Fiscal 2009 September	Total
Gross Benefit Amounts for 0000	0	0	0	0	0	0	0	0	0	0	0	0	-
A&O-Employee pensio - NQ Retirement Cost \$250-37489	0	0	0	0	0	0	0	0	0	0	0	0	-



select service area for 00000



GGC/Denver Company Division - 030DIV

Benefits Analysis - Month 0000

Gross Benefit Amounts for 0000	Fiscal 2009 October	Fiscal 2009 November	Fiscal 2009 December	Fiscal 2009 January	Fiscal 2009 February	Fiscal 2009 March	Fiscal 2009 April	Fiscal 2009 May	Fiscal 2009 June	Fiscal 2009 July	Fiscal 2009 August	Fiscal 2009 September	Total
A&G-Employee pensio - NQ Retirement Cost 9260-07489	11,446	11,446	11,446	11,446	11,446	11,446	11,446	11,446	11,446	11,446	11,446	11,446	137,351

Monthly entry to record costs for the SEBP:

010.1808.9260.07489.002000.0000 Retirement Costs Expens Debit

010.0000.2530.27712.002000.0000 Deferred Retirement Costs Credit

Note: NQ Retirement Costs for Company 060 Shared Services are recorded in 030DIV.

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-43
Page 1 of 1

REQUEST:

Provide a detailed accounting of advertising expenses for the test year and the past three years, showing the amounts paid by vendor and a description of the advertising.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Advertising Expenses, 2 Pages.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

Division	Name	Account	Account Description	Sub Account	Sub Account Description	FY07 Total	FY08 Total	FY09 Total
002	Dallas Atmos Rate Division - 002DIV	8700	Distribution - Operation Supervision and Engineering	04040	Community Rel&Trade Shows	-	500.00	500.00
002	Dallas Atmos Rate Division - 002DIV	8740	Distribution - Mats and Services Expenses	04001	Safety,Newspaper	150.00	460.07	-
002	Dallas Atmos Rate Division - 002DIV	5090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04018	Safety	5,102.43	-	-
002	Dallas Atmos Rate Division - 002DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04021	Promo Other,Misc	-	175.00	-
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04001	Safety,Newspaper	859.10	689.25	-
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04020	Service Interrupt,Misc	-	140.29	-
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04021	Promo Other,Misc	1,243.12	2,558.72	281.83
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04022	Promo Sales, Misc	-	-	786.72
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04040	Community Rel&Trade Shows	3,029.70	7,883.72	5,835.21
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04044	Advertising	90,599.64	41,405.02	113,464.95
002	Dallas Atmos Rate Division - 002DIV	9210	A&G - Office Supplies and Expenses	04046	Cust Relations & Assist	738,893.48	509,520.18	448,228.84
002	Dallas Atmos Rate Division - 002DIV	9230	A&G - Outside Services Employed	04001	Safety,Newspaper	174.00	312.00	-
002	Dallas Atmos Rate Division - 002DIV	9230	A&G - Outside Services Employed	04040	Community Rel&Trade Shows	-	1,450.00	-
002	Dallas Atmos Rate Division - 002DIV	9230	A&G - Outside Services Employed	04048	Cust Relations & Assist	3,247.50	-	-
002	Dallas Atmos Rate Division - 002DIV	9301	A&G - General Advertising Expenses	04001	Safety,Newspaper	-	1,404.33	-
002	Dallas Atmos Rate Division - 002DIV	9301	A&G - General Advertising Expenses	04023	GCA Public Notice Publication	-	3,129.48	141.60
002	Dallas Atmos Rate Division - 002DIV	9302	A&G - Miscellaneous General Expense	04044	Advertising	-	-	-
002	Dallas Atmos Rate Division - 002DIV	9320	A&G - Maintenance of General Plant	04021	Promo Other,Misc	-	-	560.74
						842,199.16	569,428.06	569,617.69
012	Call Center Division - 012DIV	4265	Other Deductions	04040	Community Rel&Trade Shows	-	-	1,248.25
012	Call Center Division - 012DIV	9010	Customer Accounts - Supervision	04040	Community Rel&Trade Shows	-	148.80	-
012	Call Center Division - 012DIV	9070	Customer Service and Informational - Supervision	04040	Community Rel&Trade Shows	-	-	-
012	Call Center Division - 012DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04040	Community Rel&Trade Shows	-	-	300.00
012	Call Center Division - 012DIV	9210	A&G - Office Supplies and Expenses	04021	Promo Other,Misc	-	283.17	-
012	Call Center Division - 012DIV	9210	A&G - Office Supplies and Expenses	04040	Community Rel&Trade Shows	-	-	205.98
012	Call Center Division - 012DIV	9210	A&G - Office Supplies and Expenses	04048	Cust Relations & Assist	-	39,087.50	1,339.90
						-	38,619.47	3,092.17
030	GGC/Denver Company Division - 030DIV	4265	Other Deductions	04046	Cust Relations & Assist	-	-	598.00
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04001	Safety,Newspaper	468.38	1,178.11	81.27
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04002	Required By Law, Safety	-	35,449.83	84,018.38
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04021	Promo Other,Misc	5,801.00	5,511.60	4,283.85
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04023	GCA Public Notice Publication	-	-	211.00
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04040	Community Rel&Trade Shows	729.25	4,248.91	52,542.88
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04043	Employee Participation	-	21.58	-
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04044	Advertising	-	-	839.84
030	GGC/Denver Company Division - 030DIV	8700	Distribution - Operation Supervision and Engineering	04046	Cust Relations & Assist	-	25.00	500.00
030	GGC/Denver Company Division - 030DIV	9010	Customer Accounts - Supervision	04001	Safety,Newspaper	308.23	394.23	313.18
030	GGC/Denver Company Division - 030DIV	9070	Customer Service and Informational - Supervision	04044	Advertising	120.00	-	-
030	GGC/Denver Company Division - 030DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04021	Promo Other,Misc	159.54	670.07	-
030	GGC/Denver Company Division - 030DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04040	Community Rel&Trade Shows	644.76	7,912.80	1,278.03
030	GGC/Denver Company Division - 030DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04041	Gas Light ReLight Program	-	3,361.37	2,418.82
030	GGC/Denver Company Division - 030DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04048	Cust Relations & Assist	10,883.11	3,468.74	188.51
030	GGC/Denver Company Division - 030DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04001	Safety,Newspaper	21,732.45	3,984.80	-
030	GGC/Denver Company Division - 030DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04023	GCA Public Notice Publication	-	4,987.91	12,408.35
030	GGC/Denver Company Division - 030DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04040	Community Rel&Trade Shows	872.46	-	-
030	GGC/Denver Company Division - 030DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04048	Cust Relations & Assist	4,988.70	294.98	588.94
030	GGC/Denver Company Division - 030DIV	9110	Sales - Supervision	04040	Community Rel&Trade Shows	833.33	200.00	200.00
030	GGC/Denver Company Division - 030DIV	9120	Sales - Demonstrating and Selling Expenses	04048	Cust Relations & Assist	18,183.24	19,003.07	14,400.00
030	GGC/Denver Company Division - 030DIV	9130	Sales - Advertising Expenses	04021	Promo Other,Misc	-	-	103.86
030	GGC/Denver Company Division - 030DIV	9130	Sales - Advertising Expenses	04044	Advertising	1,503.94	357.98	-
030	GGC/Denver Company Division - 030DIV	9130	Sales - Advertising Expenses	04048	Cust Relations & Assist	1,393.18	8,859.72	5,202.97
030	GGC/Denver Company Division - 030DIV	9210	A&G - Office Supplies and Expenses	04002	Required By Law, Safety	-	53,124.00	-
030	GGC/Denver Company Division - 030DIV	9210	A&G - Office Supplies and Expenses	04016	Safety	-	-	175.00
030	GGC/Denver Company Division - 030DIV	9302	A&G - Miscellaneous General Expense	04016	Safety	-	2,388.46	-
030	GGC/Denver Company Division - 030DIV	9302	A&G - Miscellaneous General Expense	04043	Employee Participation	-	-	887.71
						68,661.60	166,408.76	181,188.39
080	GGC-Kansas ADM Division - 080DIV	4265	Other Deductions	04040	Community Rel&Trade Shows	-	-	75.00
080	GGC-Kansas ADM Division - 080DIV	4265	Other Deductions	04046	Cust Relations & Assist	-	-	3,793.48
080	GGC-Kansas ADM Division - 080DIV	8700	Distribution - Operation Supervision and Engineering	04021	Promo Other,Misc	1,253.33	-	12,770.70
080	GGC-Kansas ADM Division - 080DIV	8700	Distribution - Operation Supervision and Engineering	04040	Community Rel&Trade Shows	1,876.50	1,888.78	75.00
080	GGC-Kansas ADM Division - 080DIV	8700	Distribution - Operation Supervision and Engineering	04048	Cust Relations & Assist	1,558.48	-	7,804.04
080	GGC-Kansas ADM Division - 080DIV	9070	Customer Service and Informational - Supervision	04040	Community Rel&Trade Shows	-	700.00	-
080	GGC-Kansas ADM Division - 080DIV	9070	Customer Service and Informational - Supervision	04044	Advertising	520.00	39.79	-
080	GGC-Kansas ADM Division - 080DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04021	Promo Other,Misc	12,936.16	18,940.85	14,830.18
080	GGC-Kansas ADM Division - 080DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04040	Community Rel&Trade Shows	2,841.11	11,008.34	7,872.88
080	GGC-Kansas ADM Division - 080DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04044	Advertising	-	1,325.00	1,805.00
080	GGC-Kansas ADM Division - 080DIV	9080	Customer Service and Informational - Customer Assistance Expenses	04046	Cust Relations & Assist	26,282.40	11,143.25	18,881.72
080	GGC-Kansas ADM Division - 080DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04023	GCA Public Notice Publication	-	-	587.76
080	GGC-Kansas ADM Division - 080DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04040	Community Rel&Trade Shows	127.00	-	-

Division	Name	Account	Account Description	Sub		FY07 Total	FY08 Total	FY09 Total
				Account	Sub Account Description			
080	GCC-Kansas ADM Division - 080DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04044	Advertising	200.00	125.00	-
080	GCC-Kansas ADM Division - 080DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04046	Cust Relations & Assist	9,863.28	2,890.25	-
080	GCC-Kansas ADM Division - 080DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04001	Safety,Newspaper	5,061.10	7,161.57	(371.51)
080	GCC-Kansas ADM Division - 080DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04044	Advertising	-	-	1,854.05
080	GCC-Kansas ADM Division - 080DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04046	Cust Relations & Assist	636.00	14,891.08	2,734.56
080	GCC-Kansas ADM Division - 080DIV	9110	Sales - Supervision	04040	Community Rel&Trade Shows	-	-	200.20
080	GCC-Kansas ADM Division - 080DIV	9120	Sales - Demonstrating and Selling Expenses	04018	Safety	-	46.37	-
080	GCC-Kansas ADM Division - 080DIV	9160	Sales - Miscellaneous Sales Expenses	04021	Promo Other,Misc	-	1,203.21	-
080	GCC-Kansas ADM Division - 080DIV	9210	A&G - Office Supplies and Expenses	04002	Required By Law, Safety	-	4,758.05	-
080	GCC-Kansas ADM Division - 080DIV	9270	A&G - Franchise Requirements	04044	Advertising	974.16	1,797.83	1,217.39
080	GCC-Kansas ADM Division - 080DIV	9302	A&G - Miscellaneous General Expense	04040	Community Rel&Trade Shows	-	-	1,000.00
						84,226.50	73,916.96	74,220.44
081	KS Division - 081DIV	4265	Other Deductions	04046	Cust Relations & Assist	-	301.14	100.00
081	KS Division - 081DIV	8700	Distribution - Operation Supervision and Engineering	04001	Safety,Newspaper	35.55	76.00	-
081	KS Division - 081DIV	8700	Distribution - Operation Supervision and Engineering	04018	Safety	-	18.81	-
081	KS Division - 081DIV	8700	Distribution - Operation Supervision and Engineering	04021	Promo Other,Misc	-	94.09	-
081	KS Division - 081DIV	8700	Distribution - Operation Supervision and Engineering	04040	Community Rel&Trade Shows	1,000.00	-	-
081	KS Division - 081DIV	8700	Distribution - Operation Supervision and Engineering	04046	Cust Relations & Assist	-	2,160.00	-
081	KS Division - 081DIV	8740	Distribution - Mains and Services Expenses	04001	Safety,Newspaper	-	52.00	52.00
081	KS Division - 081DIV	8800	Distribution - Other Expenses	04001	Safety,Newspaper	-	-	23.00
081	KS Division - 081DIV	8850	Distribution - Maintenance Supervision and Engineering	04018	Safety	-	9.05	-
081	KS Division - 081DIV	9010	Customer Accounts - Supervision	04046	Cust Relations & Assist	-	-	308.93
081	KS Division - 081DIV	9020	Customer Accounts - Meter Reading Expense	04046	Cust Relations & Assist	-	-	10.00
081	KS Division - 081DIV	9030	Customer Accounts - Customer Records and Collection Expenses	04046	Cust Relations & Assist	52.00	-	-
081	KS Division - 081DIV	9070	Customer Service and Informational - Supervision	04040	Community Rel&Trade Shows	-	1,000.00	-
081	KS Division - 081DIV	9070	Customer Service and Informational - Supervision	04046	Cust Relations & Assist	381.03	578.70	1,021.36
081	KS Division - 081DIV	9090	Customer Service and Informational - Customer Assistance Expenses	04040	Community Rel&Trade Shows	-	-	1,071.80
081	KS Division - 081DIV	9090	Customer Service and Informational - Customer Assistance Expenses	04046	Cust Relations & Assist	6,000.00	5,875.00	-
081	KS Division - 081DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04001	Safety,Newspaper	30.25	-	-
081	KS Division - 081DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04040	Community Rel&Trade Shows	589.40	518.80	425.00
081	KS Division - 081DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04044	Advertising	-	125.00	-
081	KS Division - 081DIV	9090	Customer Service and Informational - Informational and Instructional Advertising Expenses	04046	Cust Relations & Assist	3,028.26	4,012.61	5,002.35
081	KS Division - 081DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04001	Safety,Newspaper	-	1,177.00	88.57
081	KS Division - 081DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04044	Advertising	160.00	-	-
081	KS Division - 081DIV	9110	Sales - Supervision	04040	Community Rel&Trade Shows	-	-	160.00
081	KS Division - 081DIV	9120	Sales - Demonstrating and Selling Expenses	04040	Community Rel&Trade Shows	-	-	300.00
081	KS Division - 081DIV	9120	Sales - Demonstrating and Selling Expenses	04044	Advertising	1,170.68	1,616.35	1,946.67
081	KS Division - 081DIV	9120	Sales - Demonstrating and Selling Expenses	04046	Cust Relations & Assist	-	-	1,020.00
081	KS Division - 081DIV	9130	Sales - Advertising Expenses	04044	Advertising	(289.00)	91.00	-
081	KS Division - 081DIV	9260	A&G - Employee Pensions and Benefits	04017	Promo Sales,Consumer Rel	30.00	-	-
081	KS Division - 081DIV	9260	A&G - Employee Pensions and Benefits	04046	Cust Relations & Assist	-	-	50.00
081	KS Division - 081DIV	9302	A&G - Miscellaneous General Expense	04044	Advertising	189.50	140.00	-
081	KS Division - 081DIV	9302	A&G - Miscellaneous General Expense	04046	Cust Relations & Assist	928.05	189.08	244.32
						13,294.73	18,035.63	11,824.00
086	Southwest Kansas Division - 086DIV	8700	Distribution - Operation Supervision and Engineering	04001	Safety,Newspaper	45.00	-	-
086	Southwest Kansas Division - 086DIV	8700	Distribution - Operation Supervision and Engineering	04046	Cust Relations & Assist	-	460.16	-
086	Southwest Kansas Division - 086DIV	9100	Customer Service and Informational - Miscellaneous Customer Service and Informational Expenses	04046	Cust Relations & Assist	-	-	95.04
						45.00	460.16	95.04
Total						988,328.98	858,770.93	840,037.73

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-44
Page 1 of 1

REQUEST:

Provide the amount of expenses included for memberships and dues included in the filing indicating the organization paid and the employees who participate (union, management, directors, etc.).

RESPONSE:

Please see the Company's response to Staff DR Set No. 1, Question No. 1-58.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

Docket No. 10-ATMG-XXX-RTS
Atmos Energy Corporation., Kansas Division
Staff DR Set No. 1
Question No. 1-58
Page 1 of 1

REQUEST:

[Income Statement] - Please Provide Staff with the Following Information

List each expense related to payment of employee association dues or contributions. Specifically identify the activity and dollar amount paid, the account recorded in, where, and how such items are included in the application and the benefit to rate payers.

Submitted By: The Kansas Corporation Commission Staff

Submitted To: Atmos Energy Corporation

RESPONSE:

Please see Attachment 1. The Company supports community involvement of all of its leaders through participation in professional associations and community associations. This benefits the employee, and therefore the customer, by improving the employees knowledge and skills in performing their duties and allows employees to be more involved in the activities of their communities.

Please note that an adjustment has been made on WP 9-7 to exclude potential expense report items (such as luxury meals) that Staff or Interveners, such as CURB, might deem as inappropriate for inclusion in the rate setting process.

Atmos agrees, without condition, to also exclude other items that are direct billed, but did not get excluded in the process of preparing this case if Staff or CURB will bring it to Atmos' attention.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Membership Fees and Dues, 3 Pages.

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. John

Date: 1/26/2010

Atmos Energy Corp., Shared Services and KS
KS DR 1-58 Membership fees and dues
Membership fees and dues
For 12 Months Ended Sep09

Service	VENDOR	Account	Account Description	Amount
002000	ACCUITY INC	9210	A&G - Office Supplies and Expenses	528.00
002000	AICPA	9210	A&G - Office Supplies and Expenses	2,392.00
002000	AICPA	9302	A&G - Miscellaneous General Expense	400.00
002000	American Bar Association	9210	A&G - Office Supplies and Expenses	399.00
002000	American Bar Association	9302	A&G - Miscellaneous General Expense	399.00
002000	AMERICAN EXPRESS	9210	A&G - Office Supplies and Expenses	1,041.00
002000	AMERICAN GAS ASSO	4265	Other Deductions	5,000.00
002000	AMERICAN GAS ASSO	9210	A&G - Office Supplies and Expenses	1,025.00
002000	American Marketing Association	9210	A&G - Office Supplies and Expenses	245.00
002000	American Payroll Association	9210	A&G - Office Supplies and Expenses	425.00
002000	AMERICAN SOCIETY	9210	A&G - Office Supplies and Expenses	349.00
002000	American Society for Training & Development	9210	A&G - Office Supplies and Expenses	180.00
002000	API FUND FOR PAYR	9210	A&G - Office Supplies and Expenses	230.00
002000	ARMA INTERNATIONAL	9302	A&G - Miscellaneous General Expense	210.00
002000	Association for Financial Professionals	9210	A&G - Office Supplies and Expenses	395.00
002000	Association of Certified Fraud Examiners	9210	A&G - Office Supplies and Expenses	40.00
002000	Association of Corporate Counsel	9302	A&G - Miscellaneous General Expense	260.00
002000	BLACK BOOK	9210	A&G - Office Supplies and Expenses	269.00
002000	BUSINESS INSURANC	9210	A&G - Office Supplies and Expenses	109.00
002000	CENTER FOR DECISI	9302	A&G - Miscellaneous General Expense	5,000.00
002000	CHAMBER OF COMMER	9210	A&G - Office Supplies and Expenses	80.00
002000	Chartered Financial Analyst Institute	9210	A&G - Office Supplies and Expenses	225.00
002000	CLERK OF THE SUPR	9302	A&G - Miscellaneous General Expense	220.00
002000	CSC CORPORATION S	9302	A&G - Miscellaneous General Expense	176.79
002000	Dallas Association for Financial Professionals	9210	A&G - Office Supplies and Expenses	550.00
002000	Dallas Bar Association	9210	A&G - Office Supplies and Expenses	140.00
002000	Dallas Bar Association	9302	A&G - Miscellaneous General Expense	905.00
002000	DALLAS FRIDAY GRO	9210	A&G - Office Supplies and Expenses	150.00
002000	Dallas Regional Chamber	9210	A&G - Office Supplies and Expenses	50,045.00
002000	DFW BUSINESS GROU	9302	A&G - Miscellaneous General Expense	800.00
002000	FINANCIAL ACCOUNT	9210	A&G - Office Supplies and Expenses	3,900.00
002000	Financial Executives International	9210	A&G - Office Supplies and Expenses	495.00
002000	FORT WORTH CLAIMS	9210	A&G - Office Supplies and Expenses	60.00
002000	GARTNER INC	9210	A&G - Office Supplies and Expenses	23,419.69
002000	GE CAPITAL FINANC	9210	A&G - Office Supplies and Expenses	200.00
002000	INSTITUTE FOR SUP	9210	A&G - Office Supplies and Expenses	170.00
002000	Institute for Supply Management	9210	A&G - Office Supplies and Expenses	170.00
002000	Institute of Supply Chain Management	9210	A&G - Office Supplies and Expenses	200.00
002000	International Alliance of Qvaya Users (INAAU)	9210	A&G - Office Supplies and Expenses	250.00
002000	International Association for Human Resources Information A	9210	A&G - Office Supplies and Expenses	295.00
002000	International Facility managers Association (IFMA)	9210	A&G - Office Supplies and Expenses	326.00
002000	INTL ACCOUNTS PAY	9210	A&G - Office Supplies and Expenses	175.00
002000	LA State Bar Association	9302	A&G - Miscellaneous General Expense	435.00
002000	LEXISNEXIS	9302	A&G - Miscellaneous General Expense	3,796.00
002000	MISSISSIPPI NATUR	9210	A&G - Office Supplies and Expenses	390.00
002000	NACHA	9210	A&G - Office Supplies and Expenses	4,500.00
002000	National Assoc. of Purchase Card Providers	9210	A&G - Office Supplies and Expenses	990.00
002000	National Association of Division Order Analysts	9210	A&G - Office Supplies and Expenses	50.00
002000	National Energy Services Association	9210	A&G - Office Supplies and Expenses	300.00
002000	National Investor Relations Institute	9210	A&G - Office Supplies and Expenses	2,010.00
002000	National Notary Association	9210	A&G - Office Supplies and Expenses	178.00
002000	NATIONAL PETROLEU	9210	A&G - Office Supplies and Expenses	18,159.00
002000	National Truck Equipment Association	9210	A&G - Office Supplies and Expenses	200.00
002000	Natural Gas and Electric Power Society	9210	A&G - Office Supplies and Expenses	210.00
002000	NATURAL GAS CLAIM	9210	A&G - Office Supplies and Expenses	400.00
002000	NATURAL GAS CLAIM	9250	A&G - Injuries and Damages	400.00
002000	Natural Gas society of the Permian Basin	9210	A&G - Office Supplies and Expenses	60.00
002000	New Orleans Bar Association	9302	A&G - Miscellaneous General Expense	250.00
002000	NORTH AMERICAN EN	9210	A&G - Office Supplies and Expenses	6,500.00
002000	North Texas Measurement Association	9210	A&G - Office Supplies and Expenses	15.00
002000	North Texas Paralegal Association	9302	A&G - Miscellaneous General Expense	150.00
002000	North TX Compensation Association, Inc.	9210	A&G - Office Supplies and Expenses	100.00
002000	OAUG	9210	A&G - Office Supplies and Expenses	725.00

Atmos Energy Corp., Shared Services and KS
KS DR 1-58 Membership fees and dues
Membership fees and dues
For 12 Months Ended Sep09

Service	VENDOR	Account	Account Description	Amount
002000	OK State Certified Public Accountant Association	9210	A&G - Office Supplies and Expenses	305.00
002000	OK State Certified Public Accountant Association	9302	A&G - Miscellaneous General Expense	205.00
002000	Oklahoma Bar Association	9302	A&G - Miscellaneous General Expense	275.00
002000	PCAOB PUBLIC COMP	9210	A&G - Office Supplies and Expenses	21,400.00
002000	PLATTS INC	9210	A&G - Office Supplies and Expenses	6,700.00
002000	PUBLIC AFFAIRS CO	9210	A&G - Office Supplies and Expenses	2,500.00
002000	RIMS	9210	A&G - Office Supplies and Expenses	830.00
002000	SGA SOUTHERN GAS	9210	A&G - Office Supplies and Expenses	970.00
002000	Society for Human Resources Management (SHRM)	9210	A&G - Office Supplies and Expenses	480.00
002000	SOCIETY FOR INFOR	9210	A&G - Office Supplies and Expenses	550.00
002000	SOCIETY OF CORPOR	9302	A&G - Miscellaneous General Expense	545.00
002000	Society of Corporate Secretaries & Governance Professional	9302	A&G - Miscellaneous General Expense	395.00
002000	Society of Depreciation Professionals	9210	A&G - Office Supplies and Expenses	75.00
002000	Society of Information Management	9210	A&G - Office Supplies and Expenses	30.00
002000	SOUTHEASTERN ASSO	9210	A&G - Office Supplies and Expenses	500.00
002000	State Bar of Texas Paralegal Division	9302	A&G - Miscellaneous General Expense	70.00
002000	State Bar of TX	8700	Distribution - Operation Supervision and Eng	330.00
002000	State Bar of TX	9210	A&G - Office Supplies and Expenses	68.00
002000	State Bar of TX	9302	A&G - Miscellaneous General Expense	705.00
002000	SUNGARD ENERGY SY	9210	A&G - Office Supplies and Expenses	895.00
002000	Supreme Court of TX Attorney Occupation Tax/Legal Service	9210	A&G - Office Supplies and Expenses	265.00
002000	Supreme Court of TX Attorney Occupation Tax/Legal Service	9302	A&G - Miscellaneous General Expense	795.00
002000	Tax Executives Institute	9210	A&G - Office Supplies and Expenses	200.00
002000	Texas Alliance of Energy Producers	9210	A&G - Office Supplies and Expenses	240.00
002000	TEXAS ASSOCIATION	9210	A&G - Office Supplies and Expenses	1,000.00
002000	Texas Bar Association	9302	A&G - Miscellaneous General Expense	521.05
002000	TEXAS DEPARTMENT	9210	A&G - Office Supplies and Expenses	637.50
002000	TEXAS STATE COMPT	9302	A&G - Miscellaneous General Expense	530.00
002000	TheCorporateCounsel.net	9302	A&G - Miscellaneous General Expense	1,095.00
002000	TN Society of Certified Public Accountants	9210	A&G - Office Supplies and Expenses	225.00
002000	TX Board of Professional Engineers	9210	A&G - Office Supplies and Expenses	305.00
002000	TX General Counsel	9302	A&G - Miscellaneous General Expense	1,000.00
002000	TX Society of Certified Public Accountants	9210	A&G - Office Supplies and Expenses	3,428.95
002000	TX Society of Certified Public Accountants	9302	A&G - Miscellaneous General Expense	345.00
002000	TX State Bar Association Dues	9302	A&G - Miscellaneous General Expense	235.00
002000	TX State Board of Public Accountancy	9210	A&G - Office Supplies and Expenses	6,080.00
002000	TX State Board of Public Accountancy	9302	A&G - Miscellaneous General Expense	240.00
002000	Unclaimed Property Professionals Organization	9210	A&G - Office Supplies and Expenses	300.00
002000	UNIVERSITY OF OKL	9210	A&G - Office Supplies and Expenses	5,000.00
002000	WEST TEXAS PRESS	9210	A&G - Office Supplies and Expenses	100.00
002000	WOMENS BUSINESS C	9210	A&G - Office Supplies and Expenses	700.00
002000	World @ Work	9210	A&G - Office Supplies and Expenses	235.00
				202,971.98

Service	VENDOR	Account	Account Description	Amount
012000	AMARILLO CHAMBER	9210	A&G - Office Supplies and Expenses	70.00
012000	Dallas Human Resources Management Association, Inc	9210	A&G - Office Supplies and Expenses	100.00
012000	Heart of Texas Chapter Society for Human Resources Manag	9210	A&G - Office Supplies and Expenses	40.00
012000	Human Resources Certification Institute	9210	A&G - Office Supplies and Expenses	100.00
012000	Institute of Internal Auditors	9210	A&G - Office Supplies and Expenses	145.00
012000	Institute of Management Accountants	9210	A&G - Office Supplies and Expenses	225.00
012000	International Assoc. of Business Communicators (IABC)	9210	A&G - Office Supplies and Expenses	276.00
012000	Panhandle Human Resources Association	9210	A&G - Office Supplies and Expenses	35.00
012000	Press Club of Dallas	9210	A&G - Office Supplies and Expenses	200.00
012000	Public Relations Society of America	9210	A&G - Office Supplies and Expenses	355.00
012000	Society for Human Resources Management (SHRM)	9210	A&G - Office Supplies and Expenses	640.00
012000	SOUTHWEST AMBUCS	9210	A&G - Office Supplies and Expenses	650.00
012000	Survey Monkey	9210	A&G - Office Supplies and Expenses	200.00
012000	TX State Board of Public Accountancy	9210	A&G - Office Supplies and Expenses	240.00
				3,276.00

Service	VENDOR	Account	Account Description	Amount
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Atmos Energy Corp., Shared Services and KS
KS DR 1-58 Membership fees and dues
Membership fees and dues
For 12 Months Ended Sep09

Service	VENDOR	Account	Account Description	Amount
030000	BONNER SPRINGS ED	9070	Customer Service and Informational - Super	3,500.00
030000	BUTLER AREA CHAMB	9302	A&G - Miscellaneous General Expense	150.00
030000	CHAMBER OF COMMER	9070	Customer Service and Informational - Super	1,000.00
030000	COLORADO STATESMA	8700	Distribution - Operation Supervision and Eng	44.00
030000	Institute of Management Accountants	8700	Distribution - Operation Supervision and Eng	195.00
030000	MIDWEST ENERGY AS	8700	Distribution - Operation Supervision and Eng	6,219.79
030000	MOUNTAIN STATES E	8700	Distribution - Operation Supervision and Eng	4,400.00
030000	NACE International	8700	Distribution - Operation Supervision and Eng	250.00
030000	NATIONAL REGULATO	9302	A&G - Miscellaneous General Expense	1,903.52
030000	NPG NEWSPAPERS IN	8700	Distribution - Operation Supervision and Eng	585.20
030000	olathe chamber of commerce	9070	Customer Service and Informational - Super	550.00
030000	Professional Engineering License for the state of OK	8700	Distribution - Operation Supervision and Eng	150.00
030000	Society for Human Resources Management (SHRM)	8700	Distribution - Operation Supervision and Eng	160.00
030000	Texas Board of Professional Engineers	8700	Distribution - Operation Supervision and Eng	235.00
030000	Texas State Board of Public Accountancy	8700	Distribution - Operation Supervision and Eng	240.00
030000	UTILITY COMMUNICA	8700	Distribution - Operation Supervision and Eng	275.00
				<u>19,857.51</u>
080000	BASEHOR CHAMBER O	9302	A&G - Miscellaneous General Expense	100.00
080000	BONNER SPRINGS ED	9302	A&G - Miscellaneous General Expense	900.00
080000	BUTLER AREA CHAMB	9302	A&G - Miscellaneous General Expense	250.00
080000	CALDWELL CHAMBER	9160	Sales - Miscellaneous Sales Expenses	60.00
080000	CHAMBER OF COMMER	9302	A&G - Miscellaneous General Expense	8,737.90
080000	DESOTO CHAMBER OF	9302	A&G - Miscellaneous General Expense	525.00
080000	EUREKA CHAMBER OF	9302	A&G - Miscellaneous General Expense	150.00
080000	FREDONIA CHAMBER	9302	A&G - Miscellaneous General Expense	130.00
080000	GRANT COUNTY CHAM	9302	A&G - Miscellaneous General Expense	155.00
080000	HEARTLAND UTILITE	9302	A&G - Miscellaneous General Expense	4,363.10
080000	K10 ASSOCIATION I	9302	A&G - Miscellaneous General Expense	225.00
080000	KANSAS CHAMBER	9302	A&G - Miscellaneous General Expense	4,300.00
080000	LAWRENCE CHAMBER	9302	A&G - Miscellaneous General Expense	625.00
080000	Lawrence, KS Chamber of Commerce	9302	A&G - Miscellaneous General Expense	1,125.00
080000	LENEXA CHAMBER OF	9302	A&G - Miscellaneous General Expense	1,375.00
080000	olathe chamber of commerce	9302	A&G - Miscellaneous General Expense	2,500.00
080000	OVERLAND PARK CHA	9302	A&G - Miscellaneous General Expense	2,474.00
080000	SOUTHWEST JOHNSON	9302	A&G - Miscellaneous General Expense	1,250.00
080000	SPRING HILL CHAMB	9070	Customer Service and Informational - Super	1,000.00
080000	TRI COUNTY AREA C	9302	A&G - Miscellaneous General Expense	570.00
080000	Wyandotte Economic Development Council	9302	A&G - Miscellaneous General Expense	1,528.00
				<u>32,343.00</u>
081000	ANTHONY CHAMBER O	9302	A&G - Miscellaneous General Expense	240.00
081000	CANEY CHAMBER OF	9302	A&G - Miscellaneous General Expense	150.00
081000	CEDAR CREEK COMME	8800	Distribution - Other Expenses	2,730.78
081000	CHAMBER OF COMMER	9302	A&G - Miscellaneous General Expense	665.00
081000	CHETOPA CHAMBER O	9302	A&G - Miscellaneous General Expense	50.00
081000	COFFEY COUNTY CHA	9302	A&G - Miscellaneous General Expense	135.00
081000	COFFEYVILLE AREA	9302	A&G - Miscellaneous General Expense	1,070.00
081000	FREDONIA CHAMBER	9302	A&G - Miscellaneous General Expense	100.00
081000	INDEPENDENCE CHAM	9302	A&G - Miscellaneous General Expense	1,798.00
081000	Independence Rotary Club	8700	Distribution - Operation Supervision and Eng	279.69
081000	Independence Rotary Club	8850	Distribution - Maintenance Supervision and E	56.31
081000	Midwest Energy Association	8740	Distribution - Mains and Services Expenses	1,300.00
081000	ROTARY CLUB INTER	8700	Distribution - Operation Supervision and Eng	344.36
081000	ROTARY CLUB INTER	8850	Distribution - Maintenance Supervision and E	179.64
081000	WOODSON COUNTY CH	9302	A&G - Miscellaneous General Expense	50.00
				<u>9,148.78</u>

Amounts above are gross amounts.

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-62
Page 1 of 1

REQUEST:

Regarding page 4, lines 9-13 of Mr. Petersen's testimony, please identify a) the Kansas approved depreciation rates and b) the Colorado approved depreciation rates for the plant allocated by the Colorado/Kansas general office, and quantify the impact on the Company's filing if the Kansas-approved rates had been used. Please provide all workpapers and calculations with your response.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Comparison of Depreciation Rates, 1 Page.

Respondent: Tom Petersen

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: Thomas H. Petersen

Date: February 25, 2010

ATMOS ENERGY CORPORATION - KANSAS
Comparison of Depreciation Rates
as of September 30, 2009

<u>Account</u>	<u>Description</u>	<u>Plt. Balance at 9/30/2009</u>	<u>Last App. KS Rates</u>	<u>Pro-Forma Depr. Exp.</u>	<u>Current Rates*</u>	<u>Pro-Forma Depr. Exp.</u>	<u>Increase/ (Decrease)</u>
390.9	Improvements to Leased Premises	189,717	10.00%	18,972	10.00%	18,972	-
391.0	Office Furniture & Equipment	291,889	10.00%	29,189	8.44%	24,635	(4,553)
394.0	Tools, Shop and Garage Equipment	276,149	10.00%	15,848	16.57%	26,260	10,412
397.0	Communication Equipment	214,018	10.00%	21,402	8.45%	18,085	(3,317)
398.0	Miscellaneous Equipment	450,667	10.00%	45,067	15.46%	69,673	24,606
399.1	Servers Hardware	62,392	14.29%	8,916	21.81%	13,608	4,692
399.3	Network Hardware	397,182	14.29%	56,757	15.55%	61,762	5,004
399.6	PC Hardware	1,401,140	20.00%	280,228	25.25%	353,788	73,560
399.7	PC Software	52,034	20.00%	10,407	25.70%	13,373	2,966
		<u>3,335,188</u>		<u>486,785</u>		<u>600,155</u>	<u>113,370</u>
				Allocation Factor	54.38%		
				Allocated to Kansas			<u>61,651</u>

* Approved Depreciation Rates in last Colorado Rate Case. Utilized in 2009 Kansas Rate Case.

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
CURB DR Set No. 1
Question No. CURB-63
Page 1 of 1

REQUEST:

Regarding WP 9-3, please provide the actual benefits to labor percentage in each of the past three years. Please include all calculations and workpapers with your response.

RESPONSE:

Please see Attachment 1.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Benefits to Labor Percentage, 1 Page.

Respondent: John Johnson

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: John C. Johnson

Date: FEBRUARY 25, 2010

ATMOS ENERGY CORPORATION - KANSAS
Actual Benefits to Labor Percentage

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
<u>Shared Services Unit</u>			
Total Benefits	13,993,732	16,185,886	18,012,257
Total Gross Labor	46,068,959	54,136,765	58,350,715
Percentage	30.38%	29.90%	30.87%
<u>COIKS Business Unit</u>			
Total Benefits	5,365,833	5,254,678	5,911,382
Total Gross Labor	16,195,955	16,358,536	17,133,236
Percentage	33.13%	32.12%	34.50%

Docket No. 10-ATMG-495-RTS
Atmos Energy Corporation., Kansas Division
Staff DR Set No. 1
Question No. 1-116
Page 1 of 1

REQUEST:

Please provide a list of the activity in Divisions 30 and 80, Account 9280 A&G - Regulatory Commission Expense. For each item listed, please provide the date, a description of the expense, dollar amount, and the state commission the expense relates to.

RESPONSE:

Please see Attachment 1. While providing the activity to answer this request, it was determined that \$128,583.22 or the allocated amount of \$69,923.56 should be excluded from this case.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Account 9280 Regulatory Commission Expense, 1 Page.

Respondents: John Johnson and Daniel Meziere

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

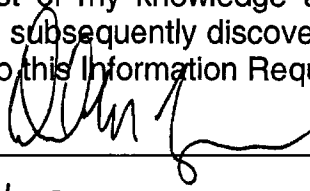
Signed: _____

Date: _____

John C. Johns
APRIL 21, 2010

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed:  _____

Date: 4-21-10 _____

Atmos Energy Corporation, Kansas Division
 KS DR 1-116
 Acct 9280 - A&G Regulatory Commission Expenses
 For Divisions 030 and 080 For Activity During Fiscal Year 2009

Month	JE Name	Company	Cost Center	Cost Center Description	Account	Account Description	Sub Account	Sub Account Description	Division	Division Name	Description	Source Item	Net
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05419	Misc Employee Expense	030	GGC/Denver Company Division - 030DIV	IEXP-187558	Smith, Marsha R	107.00
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1308936	FERGUSON JOHN S	(1,904.68)
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1301435	FERGUSON JOHN S	1,850.00
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1308938	FERGUSON JOHN S	1,904.68
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1301290	FERGUSON JOHN S	2,475.00
2009-Jun	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1307613	CONCENTRIC ENERGY	30,478.91
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	03010	Office Supplies	030	GGC/Denver Company Division - 030DIV	DFV: 060 -	AMERICAN EXPRESS	459.00
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05111	Postage/Delivery Services	030	GGC/Denver Company Division - 030DIV	09AL-507G_C	FEDEX	324.78
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1307613	CONCENTRIC ENERGY	(30,478.91)
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1320709	KIOWA COUNTY PRES	312.00
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1320708	NORTH WELD HERALD	880.00
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1320850	NORTHERN COLORADO	3,225.20
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1321439	CONCENTRIC ENERGY	8,533.97
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1307813	CONCENTRIC ENERGY	30,478.91
2009-Jul	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05411	Meals & Entertainment	030	GGC/Denver Company Division - 030DIV	IEXP-190895	Wilkes, Karen P	52.21
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05413	Transportation	030	GGC/Denver Company Division - 030DIV	IEXP-190895	Wilkes, Karen P	5.00
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05419	Misc Employee Expense	030	GGC/Denver Company Division - 030DIV	IEXP-190895	Wilkes, Karen P	28.40
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326813	LAMAR LEDGER	312.40
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1327296	PLAINSMAN HERALD	396.00
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1323592	CRESTED BUTTE NEW	412.50
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326821	FLORENCE CITIZEN	456.00
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1323594	CRESTED BUTTE NEW	463.50
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326784	GUNNISON COUNTRY	739.20
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1325808	DURANGO HERALD TH	1,177.53
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326475	MOUNTAIN MAIL	1,182.00
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326775	DAILY RECORD	1,189.44
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1326957	CORTEZ JOURNAL	1,221.88
2009-Aug	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1333845	RAD GRAPHX INC	3,447.84
2009-Sep	Purchase	030-001 A	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05111	Postage/Delivery Services	030	GGC/Denver Company Division - 030DIV	FEDEX	11.62
2009-Sep	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1349562	DOVE CREEK PRESS	352.00
2009-Sep	CR-Manual	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	Journal Imp	360.47	
2009-Sep	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06111	Contract Labor	030	GGC/Denver Company Division - 030DIV	1342165	RIO BLANCO HERALD	598.00
2009-Sep	Purchase	030-001 A	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	030	GGC/Denver Company Division - 030DIV	HOLLAND AND	1,782.71
2009-Sep	Purchase	030-003 A	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	030	GGC/Denver Company Division - 030DIV	Acnie eCou	20,318.25
2009-Sep	Purchase	030-001 A	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	030	GGC/Denver Company Division - 030DIV	HOLLAND AND	20,318.25
2009-Sep	Purchase	030-001 A	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	030	GGC/Denver Company Division - 030DIV	HOLLAND AND	24,420.56
													<u>128,583.22</u>
2009-Jan	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	05111	Postage/Delivery Services	080	GGC-Kansas ADM Division - 080DIV	1239700	FEDEX	13.57
2009-Feb	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	080	GGC-Kansas ADM Division - 080DIV	1258576	KANSAS CORPORATIO	6,551.82
2009-Feb	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	080	GGC-Kansas ADM Division - 080DIV	1258572	CITIZENS UTILITY	9,311.75
2009-May	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	080	GGC-Kansas ADM Division - 080DIV	1295483	CITIZENS UTILITY	3,212.00
2009-May	Purchase	060	3004	CO/KS Div Regulatory Affairs	9280	A&G - Regulatory Commission Expenses	06121	Legal	080	GGC-Kansas ADM Division - 080DIV	1295488	KANSAS CORPORATIO	6,993.50
													<u>26,082.84</u>

REQUEST:

1. Division 002 American Gas Association \$576,678
 - a. Please explain the purpose of this expense.
 - b. Was this payment to the American Gas Association mandatory or voluntary?
2. Division 002 Four Seasons Resort and Club \$120,958
 - a. Please explain the purpose of this expense.
 - b. Please explain why this expense was recorded in account 9210 A&G Office Supplies.
3. Division 002 Michael Fredericks \$115,165
 - a. Please describe the type of obligation Atmos has with Mr. Fredericks that required an interest accrual of \$115,165 for the Test Year.

RESPONSE:

- 1) a) The purpose of this expense is for the American Gas Association membership dues for U.S. Gas Utility members, which is recorded in Account 1650 (Prepayments). b) Membership in the American Gas Association requires mandatory dues to be paid.
- 2) a) The purpose of these expenses are for both the Atmos Energy Enterprise Team Meeting and Atmos Energy Enterprise Public Affairs Meeting scheduled at the Four Seasons Resort and Club.

b) Per the FERC Uniform system of accounts, Account 921 (Office Supplies and Expenses) "...shall include office supplies and expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts."
- 3) a) The \$115,165 relates to a note payable to Mr. Michael Fredricks in the amount of \$1,151,654. This note payable was entered into prior to Atmos Energy's purchase of Greeley Gas Company in 1993 and has been included as a portion of the Company's capital structure since 1991. The amount payable to Mr.

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Staff DR Set No. 1
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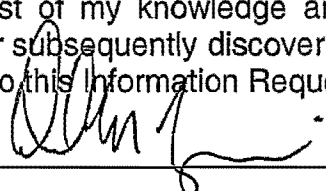
Fredricks is included in WP 7A LTD rate-Test Period, Line 7 which shows a total of \$2,303,308 of 10% notes.

Respondents: Daniel Meziere and Robert J. Smith

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: _____



Date: _____

4-21-10

Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: _____  _____

Date: _____ April 21, 2010 _____

CERTIFICATE OF SERVICE

10-ATMG-495-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, electronic service, or hand-delivered this 4th day of June, 2010, to the following:

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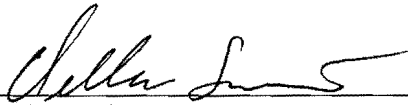
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Della Smith

* Denotes those receiving the Confidential version