



September 14, 2007

VIA HAND DELIVERY

Ms. Susan Duffy
Executive Director
Kansas Corporation Commission
1500 S.W. Arrowhead Drive
Topeka, Kansas 66604

STATE CORPORATION COMMISSION

SEP 14 2007

Re; Application of Atmos Energy Corporation

 Docket
Room

Dear Ms. Duffy:

Atmos Energy Corporation hereby transmits an original and nine copies of its Application for Adjustment of its Natural Gas Rates in the State of Kansas, together with an electronic copy of the Application, all in accordance with K.A.R. 82-1-231.

Thank you for your consideration.

Sincerely,


Joe T. Christian

Enclosures (3)

cc: James G. Flaherty

Atmos Energy Corporation
Kansas Distribution System
Filing Schedules Index

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STATE CORPORATION COMMISSION

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

SEP 14 2007

 Docket
Room

In the Matter of the Application of Atmos)
Energy for Adjustment of its Natural Gas Rates)
in the State of Kansas)

Docket No. 08-ATMG- 280 -RTS

APPLICATION

COMES NOW Atmos Energy ("Atmos," "Applicant" or "Company"), and files this Application to make changes in its charges for natural gas service under K.S.A. 2002 Supp. 66-117, K.S.A. 2002 Supp. 66-1,200, *et seq.*, and K.A.R. 82-1-231. In support thereof, Applicant respectfully states:

1. Applicant is a natural gas public utility operating in the State of Kansas pursuant to certificates of convenience and necessity issues by the State Corporation Commission of the State of Kansas ("Commission"). Applicant's principal place of business within the State of Kansas is located at 25090 W. 110th Terr., Olathe, Kansas 66061.

2. Pleadings, notices, orders and other correspondence and communication regarding this Application should be sent to:

Joe T. Christian
Atmos Energy
Penn Center, Suite 800
1301 Pennsylvania Street
Denver, CO 80203-5015

James G. Flaherty
Anderson & Byrd, LLP
216 S. Hickory, P. O. Box 17
Ottawa, Kansas 66067

Douglas C. Walther
Associate General Counsel
Atmos Energy
P. O. Box 650205
Dallas, Texas 75265-0205

3. Applicant provides retail natural gas service to approximately 123,750 customers in Kansas, including natural gas service to 106 communities in 33 counties. Applicant filed its last rate case four years ago in June 2003 in Docket No. 03-ATMG-1036-RTS (2003). That rate case filing

was based upon a test year that ended December 31, 2002. Several factors make the filing of this rate application necessary at this time. Since the filing of Atmos' last rate case, record setting natural gas prices have spurred competition and increased conservation by customers, resulting in declining margins for Atmos' Kansas gas operations. Although Atmos has aggressively managed expenses, it is likely the change in business conditions brought about by high natural gas prices will be permanent. In addition, Applicant has continued to make plant investment to provide safe, reliable and efficient natural gas service to its customers. Applicant has also experienced increases in wages, medical expenses, material and supplier costs. This Application supports Atmos' request for an increase in its revenue requirement.

4. The testimony of ten witnesses and the schedules required by K.S.A. 82-1-231 are filed in support of this Application. The testimony and schedules show that as of March 31, 2007, Applicant's adjusted rate base for Kansas operations was \$135,562,000. The earned return on Kansas gas operations investment was 3.94%. The schedules filed with this Application establish a gross revenue deficiency of \$4.98 million based upon normalized operating results for the 12 months ended March 31, 2007, adjusted for known and determinable changes in revenues, operating and maintenance expenses, cost of capital and taxes.

5. Presently effective rates do not produce sufficient revenues to cover the reasonable cost of Applicant's continued ability to render reasonably sufficient and efficient service. The existing retail natural gas rates of Applicant are unjust and unreasonable in that its jurisdictional earnings are deficient. Said rates produce an overall rate of return on rate base of 6.26 percent. Applicant must have increased revenues. Applicant must earn a reasonable return on its property dedicated to public service in order to acquire necessary capital at reasonable rates, carry out new construction, provide adequate gas supplies of gas and render the quality of service the public requires. The percent return

to Applicant is not just and reasonable. The Applicant's proposal to increase its revenues will result in an overall rate of return of 8.47%.

6. In addition to the issues described above, the Company commissioned a study of its existing depreciation rates and proposes to make certain changes to those rates in accordance with the study that is incorporated as part of this Application.

7. As set forth in Mr. Smith's testimony, Atmos' experience with declining use per customer in Kansas mirrors the American Gas Association's ("AGA") findings of a nationwide pattern of declining consumption. Over the last ten years, Atmos' average annual residential use has declined over 20%. According to the AGA report, the steady decline is due, in part, to more efficient gas furnaces, namely higher efficient furnaces, more energy efficiency homes, and loss of market share to heat pumps. Because natural gas distribution is largely a fixed-cost business, very little cost is associated with consumption. In order to "decouple" the historical connection between cost recovery and volumetric-related revenue, Applicant is proposing a Customer Utilization Adjustment ("CUA") that will more closely align the revenue with the fixed costs. Since the time of Atmos' last rate case, discussions among regulators and utilities across America have continued regarding appropriate ways to design natural gas local distribution companies' rates in order to combat the recent pressure on natural gas prices and promote or encourage the efficient use of energy by customers. A primary issue has been the disincentive built into traditional rate design, which closely ties utilities' earnings to the amount of natural gas delivered to customers. Atmos is proposing in this rate case to decouple the utility earnings from volumes delivered through the implementation of the CUA. Atmos is also proposing a traditional two part rate design with an increase in the monthly facility charge, which will more appropriately provide for recovery of fixed utility costs.

8. Atmos is also proposing the implementation of a Gas System Reliability Surcharge

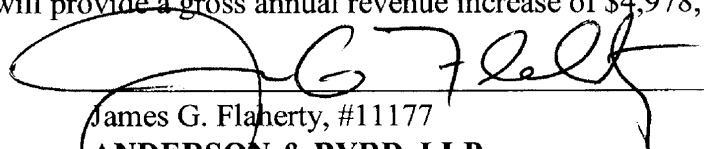
("GSRs") as provided by K.S.A. 66-2201 and an Advanced Metering Infrastructure Surcharge ("AMI") to provide for expedited recovery for investments made in metering infrastructure investment between the time these rates are implemented and the next rate case and recovery of an incremental rate of return on said investment provided for under K.S.A. 66-117. AMI is a fixed automated meter reading network. An electronic transmitter will be installed on each customer's meter. The transmitter electronically "reads" the mechanical volumetric readings performed by the meter on an hourly basis with respect to natural gas that is flowing through the meter. The transmitter sends an electronic data feed, or "pulse" every six hours and is then compiled by the tower gateway base station via secure high-speed phone line or satellite feed to the regional network interface located at Atmos' corporate data center in Dallas, Texas. Data will then be automatically processed and uploaded into Atmos' customer information system and available to the customer on a real-time basis through a secure website. AMI will facilitate energy efficiency for both supply side management and demand side management. Implementation of AMI will allow the customer to more closely monitor consumption and to manage energy consumption choices or changes based upon real time information availability to the customer.

9. The total adjustment in rates requested in this Application is just and reasonable and in the public interest. The request to change the Company's schedules of charges is proposed to allow Applicant to maintain financial integrity and to permit it to make capital investment in its distribution system for the benefit of the public.

10. Applicant has on file with the Commission certain schedules of charges and rates for its natural gas service. The Company desires to withdraw certain of the schedules and file new ones in accordance with Section 18 filed in support of this Application. The charges reflect the effects of the requested revenue increase and the proposed changes in rate design and General Terms and

Conditions. Applicant proposes that the revised schedules become effective thirty (30) days from the date of this filing, as permitted by law, or at such other date as the Commission may by order prescribe.

WHEREFORE, Atmos Energy respectfully requests the approval and consent of the Commission to withdraw and cancel its natural gas rate schedules and other provisions of its tariffs and to substitute therefore and place in effect the rate schedules and other provisions contained in Section 18 of the Application, which will provide a gross annual revenue increase of \$4,978,191.

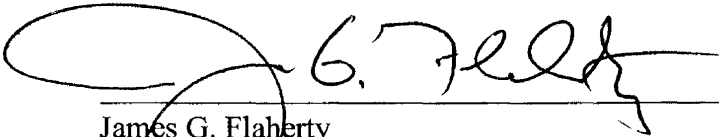


James G. Flaherty, #11177
ANDERSON & BYRD, LLP
216 S. Hickory, P. O. Box 17
Ottawa, Kansas 66067
(785) 242-1234, telephone
(785) 242-1279, facsimile
Attorneys for Atmos Energy

VERIFICATION

STATE OF TEXAS)
) ss:
COUNTY OF DALLAS)

James G. Flaherty, being duly sworn on oath, states: That he is an Attorney for Atmos Energy Corporation; that he has read and is familiar with the foregoing Application, knows the contents thereof; and that the statements contained therein are true and correct.



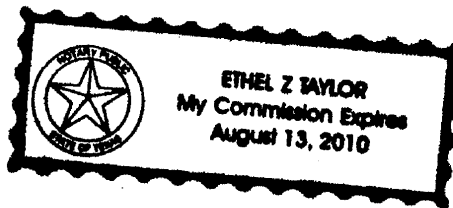
James G. Flaherty

SUBSCRIBED AND SWORN to before me this 11th day of September, 2007.



Notary Public

My Commission Expires:
August 13, 2010





News Release

MEDIA CONTACTS:

Karen Wilkes (970) 260-2135

Jim Bartling (913) 254-6321, (office)
(816) 718-3888 (cell)

ATMOS ENERGY FILES TO INCREASE KANSAS RATES

Denver, CO (September 14, 2007)—Atmos Energy Corporation filed today with the Kansas Corporation Commission for an overall increase of \$5 million in the annual revenues of its Kansas natural gas utility operations. Atmos Energy had not filed for a rate increase since 2003.

“It has been more than four years since our Kansas operation has requested a rate increase,” said Gary Schlessman, president of Atmos Energy’s Colorado-Kansas Division. “Since that time, we have made considerable investments and our operating costs have increased.”

If approved, the average monthly bill for residential customers in Kansas will increase \$3.90 per month or 19 percent. For commercial customers, the increase in the average monthly bill will be \$10 or a 15 percent increase.

According to Mike DeArmond, vice president of operations in Kansas: “One of the important aspects of this rate case is the expeditious implementation of automated meter reading (AMR) as proposed in the Advanced Metering Infrastructure (AMI) tariff rider. This would allow Kansas customers to more closely and accurately monitor their consumption habits and make informed decisions that will help them conserve natural gas use, while at the same time improving meter reading accuracy, and reducing meter reading related injuries and accidents. If this aspect of the rate case is approved, our customers will gain a very valuable tool that, coupled with other energy savings tools that are on the Atmos Energy Web site, will help them manage their energy use and allow them to immediately see the impact of their decisions.

“Another change,” said DeArmond, “includes the addition of a Gas System Reliability Surcharge (GSRS) tariff rider that is being added. This is the result of 2006 Kansas legislation that allows gas utilities to recover the costs associated with mandated safety projects and non-reimbursed facilities relocations associated with public roadway projects. No surcharge is being proposed at this time, but this will be available for future needs.”

Atmos Energy serves approximately 124,000 natural gas customers in 108 communities in Kansas.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is the country's largest natural gas-only distributor, serving about 3.2 million gas utility customers. Atmos Energy's utility operations serve more than 1,500 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy's non-utility operations, organized under Atmos Energy Holdings, Inc., operate in 22 states. They provide natural gas marketing and procurement services to industrial, commercial and municipal customers and manage company-owned natural gas storage and pipeline assets, including one of the largest intrastate natural gas pipelines in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's filings with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2006, and the company's Form 10-Q for the three months ended December 31, 2006. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, the company undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise.

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Atmos Energy Corporation
 Kansas Distribution System
 Section Two Summary

Line
 No.

1 Section 2 (ii) - Communities affected:

	County	City	County	City
2				
3	Allen	Elsmore	Marion	Florence
4	Allen	Savonburg	Marion	Hillsboro
5	Barber	Hazelton	Marion	Lincolnvile
6	Bourbon	Fort Scott	Marion	Lost Springs
7	Bourbon	Fulton	Marion	Marion
8	Bourbon	Hammond	Marion	Marion Lake
9	Bourbon	Redfield	Marion	Peabody
10	Chase	Cottonwood Falls	Marion	Pilsen
11	Chase	Strong City	Marion	Ramona
12	Chautauqua	Cedar Vale	Marion	Tampa
13	Chautauqua	Chautauqua	Marion	Hillsdale
14	Chautauqua	Elgin	Montgomery	Caney
15	Chautauqua	Hewins	Montgomery	Cherryvale
16	Chautauqua	Niotaze	Montgomery	Coffeyville
17	Chautauqua	Peru	Montgomery	Dearing
18	Chautauqua	Sedan	Montgomery	Elk City
19	Coffey	Burlington	Montgomery	Havana
20	Coffey	LeRoy	Montgomery	Independence
21	Coffey	New Strawn	Montgomery	Liberty
22	Crawford	McCune	Montgomery	Sycamore
23	Dickinson	Herington	Montgomery	Tyro
24	Douglas	Eudora	Morris	Council Grove
25	Douglas	Lawrence	Morris	Delavan
26	Elk	Elk Falls	Morris	White City
27	Elk	Grenola	Morris	Wilsey
28	Elk	Longton	Neosho	Galesburg
29	Elk	Moline	Neosho	Morehead
30	Greenwood	Eureka	Neosho	Stark
31	Greenwood	Fall River	Neosho	Thayer
32	Greenwood	Neal	Ness	Bazine
33	Harper	Anthony	Ness	Ness City
34	Harper	Danville	Rush	Alexander
35	Johnson	Clearview City	Rush	McCracken
36	Johnson	De Soto	Sumner	Caldwell
37	Johnson	Gardner	Sumner	Hunnell
38	Johnson	Lenexa	Sumner	South Haven
39	Johnson	New Century	Wilson	Altoona
40	Johnson	Olathe	Wilson	Benedict
41	Johnson	Overland Park	Wilson	Buffalo
42	Johnson	Shawnee	Wilson	Fredonia
43	Johnson	Spring Hill	Wilson	LaFontaine
44	Labette	Bartlett	Wilson	Neodesha
45	Labette	Chetopa	Wilson	Scotsman Estates
46	Labette	Edna	Woodson	Toronto
47	Labette	Mound Valley	Woodson	Yates Center
48	Leavenworth	Basehor	Wyandotte	Bonner Springs
49	Leavenworth	Easton	Wyandotte	Edwardsville
50	Leavenworth	Jarbalo	Wyandotte	Kansas City
51	Leavenworth	Leavenworth	Grant	Hickock
52	Leavenworth	Linwood	Grant	Ulysses
53	Linn	Mound City	Hamilton	Kendall
54	Linn	Pleasanton	Hamilton	Syracuse
55	Linn	Prescott	Stanton	Johnson City
56	Marion	Aulne	Stanton	Manter

Atmos Energy Corporation
 Kansas Distribution System
 Section Two Summary

Section 2 (iii) - Number and Classification of Customers

Residential	113,524
Commercial	9,691
Small Industrial	3
Irrigation	293
Transportation	239
	123,750

Section 2 (iv) - Average Per Customer Increase [1]

	Present	Proposed	Increase	Avg.
Residential	27,516,583	32,823,565	5,306,982	\$46.75
Commercial	7,696,024	8,840,098	1,144,074	\$118.05
Industrial	269,264	250,841	(18,423)	(\$6,280)
Irrigation	428,590	453,789	25,199	\$86.06
Transportation	3,131,248	3,080,373	(50,875)	(\$213)
Other Revenue	2,170,531	719,405	(1,451,126)	
WNA factor adj.			22,358	
	41,212,238	46,168,071	4,978,191	\$40.23

[1] Section 17, Column o & r

Section 2 (v)

Complete consolidation of base rates divisions, increase cost of service move uncollectable gas costs into the PGA, rate design and increases in property, plant, and equipment.

Atmos Energy Corporation
Kansas Distribution System
Summary of Rate Base, Operating Income and Rate of Return
Test period ended March 31, 2007

Line No.	Description	Reference	Adjusted		Total
			Kansas Division	Southwest Division	Adjusted KS Juris
	(a)	(b)	(c)	(d)	(e)
1	Rate Base:				
2	Plant In Service	Section 4	\$203,455,110	\$14,366,172	\$217,821,282
3	Accumulated Depreciation	Section 5	(69,623,830)	(4,400,217)	(74,024,047)
4	Net Plant in Service		133,831,280	9,965,955	143,797,235
5	Construction Work in Progress	Section 14A	1,838,896	235,184	2,074,080
6					
7	Working Capital	Section 6			
8	Prepayments		333,450	19,786	353,237
10	Storage Gas		19,614,108	0	19,614,108
11	Cash Requirements		0	0	0
12	Total Working Capital		19,947,558	19,786	19,967,344
13					
14	Rate Base Deductions	Section 14A			
15	Customer Advances for Construction		(1,024,315)	(40,501)	(1,064,816)
16	Customer Deposits		(3,605,139)	(173,689)	(3,778,828)
17	Accumulated Deferred Income Tax		(25,447,855)	14,365	(25,433,490)
18	Total Rate Base Deductions		(30,077,309)	(199,825)	(30,277,134)
19					
20	Rate Base		\$125,540,425	\$10,021,100	\$135,561,525
21					
22	Rate of Return on Rate Base, Proposed	Section 7	8.47%	8.47%	8.47%
23					
24	Return on Rate Base		\$10,630,805	\$848,590	\$11,479,395
25	Operation & Maintenance Expense	Section 9	14,244,129	798,765	15,042,894
26	Depreciation & Amortization Expense	Section 10	9,039,723	584,245	9,623,968
27	Taxes Other Than Income Taxes	Section 11	4,816,974	268,415	5,085,390
28	Interest on Customer Deposits	Section 13B	176,652	8,511	185,163
29	Income Tax	Section 11	4,400,401	351,256	4,751,657
30					
31	Total Cost of Service		43,308,683	2,859,782	46,168,466
32					
33	Margin Revenue at Present Rates	Section 17	38,854,935	2,335,340	41,190,275
34					
35	Revenue Increase Required		\$4,453,748	\$524,442	\$4,978,191
36					

Section 3A KS

Atmos Energy Corporation
Kansas Distribution Systems
Summary of Rate Base, Operating Income and Rate of Return
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	Kansas	Wp 17-????? Weather Adjustment	Wp 9-1 Labor	Wp 9-1 Benefits	Wp 9-1 Expense Rpt Adjustment	Wp 9-1 Bad Debt Expense	Wp 9-1 Amortization of Rate Case Expenses	Wp 9-1 50% of Charitable Contributions	Wp 9-1 AGA Dues
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Rate Base:										
2	Plant In Service	Section 4	\$203,455,110								
3	Accumulated Depreciation	Section 5	(69,994,330)								
4	Net Plant in Service		133,460,780	0	0	0	0	0	0	0	0
5	Construction Work in Progress	Section 13A	\$1,885,382								
6											
7	Working Capital	Section 6									
8	Prepayments	Section 6	333,450								
9	Cash Requirements	Section 6	\$0								
10	Storage Gas	Section 6	19,365,149								
11	Total Working Capital		19,698,599	0	0	0	0	0	0	0	0
12											
13	Rate Base Deductions	Section 14A									
14	Accumulated Deferred Income Tax	Section 14A	(28,773,491)								
15	Customer Advances for Construction	Section 14A	(1,024,315)								
16	Customer Deposits	Section 14A	(3,605,139)								
17	Total Rate Base Deductions		(33,402,945)	0	0	0	0	0	0	0	0
18											
19	Rate Base		\$121,641,815	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20											
21	Rate of Return on Rate Base	Section 7	8.47%								
22											
23	Return on Rate Base		\$10,300,669	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Operation & Maintenance Expense	Section 9	14,681,066		160,720	52,530	(\$80,916)	(676,032)	\$94,300	16,919	(4,459)
25	Depreciation & Amortization Expense	Section 10	\$7,937,351								
26	Taxes Other Than Income Taxes	Section 11	\$4,717,752								
27	Interest on Customer Deposits	Section 14C	\$145,033								
28	Income Tax	Section 11B	\$4,263,673								
29											
30	Total Cost of Service		42,045,544	0	160,720	52,530	(80,916)	(676,032)	94,300	16,919	(4,459)
31											
32	Margin at Present Rates	Section 17	37,310,135	1,544,800							
33											
34	Revenue Increase Required		\$4,735,409	(\$1,544,800)	\$160,720	\$52,530	(\$80,916)	(\$676,032)	\$94,300	\$16,919	(\$4,459)

Atmos Energy Corporation
Kansas Distribution Systems
Summary of Rate Base, Operating Income and Rat
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	Payroll Tax	PSC Assessment	Ad Valorem Adjustment Current	Ad Valorem Adjustment CWIP	Interest on Customer Deposits	Depreciation Adjustment	Accumulated Reserve Adjustment	Long-term CWIP Adjustment	Updated Storage Gas
	(a)	(b)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)
1	Rate Base:										
2	Plant In Service	Section 4									
3	Accumulated Depreciation	Section 5							370,500		
4	Net Plant in Service		0	0	0	0	0	0	370,500	0	0
5	Construction Work in Progress	Section 13A								(\$46,486)	
6											
7	Working Capital	Section 6									
8	Prepayments	Section 6									
9	Cash Requirements	Section 6									
10	Storage Gas	Section 6									248,959
11	Total Working Capital		0	0	0	0	0	0	0	0	248,959
12											
13	Rate Base Deductions	Section 14A									
14	Accumulated Deferred Income Tax	Section 14A									
15	Customer Advances for Construction	Section 14A									
16	Customer Deposits	Section 14A									
17	Total Rate Base Deductions		0	0	0	0	0	0	0	0	0
18											
19	Rate Base		\$0	\$0	\$0	\$0	\$0	\$0	\$370,500	(\$46,486)	\$248,959
20											
21	Rate of Return on Rate Base	Section 7									
22											
23	Return on Rate Base		\$0	\$0	\$0	\$0	\$0	\$0	\$31,374	(\$3,936)	\$21,082
24	Operation & Maintenance Expense	Section 9									
25	Depreciation & Amortization Expense	Section 10						1,102,372			
26	Taxes Other Than Income Taxes	Section 11	45,816	8,169	18,810	26,427					
27	Interest on Customer Deposits	Section 14C					31,619				
28	Income Tax	Section 11B									
29											
30	Total Cost of Service		45,816	8,169	18,810	26,427	31,619	1,102,372	31,374	(3,936)	21,082
31											
32	Margin at Present Rates	Section 17									
33											
34	Revenue Increase Required		\$45,816	\$8,169	\$18,810	\$26,427	\$31,619	\$1,102,372		(\$3,936)	\$21,082

Atmos Energy Corporation
Kansas Distribution Systems
Summary of Rate Base, Operating Income and Rat
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	ADIT Adjustment	Income Tax Adjustment	Adjusted Kansas
	(a)	(b)	(u)	(v)	(w)
1	Rate Base:				
2	Plant In Service	Section 4			\$203,455,110
3	Accumulated Depreciation	Section 5			(69,623,830)
4	Net Plant in Service		0	0	133,831,280
5	Construction Work in Progress	Section 13A			\$1,838,896
6	Working Capital	Section 6			
8	Prepayments	Section 6			\$333,450
9	Cash Requirements	Section 6			\$0
10	Storage Gas	Section 6			19,614,108
11	Total Working Capital		0	0	19,947,558
12	Rate Base Deductions	Section 14A			
14	Accumulated Deferred Income Tax	Section 14A	3,325,637		(25,447,855)
15	Customer Advances for Construction	Section 14A			(1,024,315)
16	Customer Deposits	Section 14A			(3,605,139)
17	Total Rate Base Deductions		3,325,637	0	(30,077,309)
18	Rate Base		\$3,325,637	\$0	\$125,540,425
20	Rate of Return on Rate Base	Section 7			8.47%
22	Return on Rate Base		\$281,616	\$0	\$10,630,805
23	Operation & Maintenance Expense	Section 9			14,244,129
25	Depreciation & Amortization Expense	Section 10			9,039,723
26	Taxes Other Than Income Taxes	Section 11			\$4,816,974
27	Interest on Customer Deposits	Section 14C			176,652
28	Income Tax	Section 11B		\$136,727	\$4,400,401
29	Total Cost of Service		281,616	136,727	43,308,683
31	Margin at Present Rates	Section 17			38,854,935
33	Revenue Increase Required				\$4,453,748

Atmos Energy Corporation
Kansas Distribution Systems
Cost of Service Comparison
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	Southwest	Wp 17-8 Weather Adjustment	Wp 9-1 Labor	Wp 9-1 Benefits	Wp 9-1 Expense Rpt Adjustment	Wp 9-1 Bad Debt Expense	Wp 9-1 Amortization of Rate Case Expenses	Wp 9-1 50% of Charitable Contributions
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Rate Base:									
2	Plant In Service	Section 4	\$14,366,172							
3	Accumulated Depreciation	Section 5	(4,029,717)							
4	Net Plant in Service		10,336,455	0	0	0	0	0	0	0
5	Construction Work in Progress	Section 13 A	\$237,409							
6										
7	Working Capital	Section 6								
8	Prepayments	Section 6	19,786							
9	Cash Requirements	Section 6	\$0							
10	Storage Gas	Section 6	0							
11	Total Working Capital		19,786	0	0	0	0	0	0	0
12										
13	Rate Base Deductions	Section 14A								
14	Accumulated Deferred Income Tax	Section 14A	(367,268)							
15	Customer Advances for Construction	Section 14A	(40,501)							
16	Customer Deposits	Section 14A	(173,689)							
17	Total Rate Base Deductions		(581,458)	0	0	0	0	0	0	0
18										
19	Rate Base		\$10,012,193	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20										
21	Rate of Return on Rate Base	Section 7	8.47%							
22										
23	Return on Rate Base		\$847,836	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Operation & Maintenance Expense	Section 9	814,162		9,471	3,099	(4,872)	(29,482)	\$5,700	956
25	Depreciation & Amortization Expense	Section 10	520,697							
26	Taxes Other Than Income Taxes	Section 11A	340,157							
27	Interest on Customer Deposits	Section 13 B	7,443							
28	Income Tax	Section 11B	350,938							
29										
30	Total Cost of Service		2,881,234	0	9,471	3,099	(4,872)	(29,482)	5,700	956
31										
32	Revenue at Present Rates	Section 17	2,314,812	20,529						
33										
34	Revenue Increase Required		\$566,422	(\$20,529)	\$9,471	\$3,099	(\$4,872)	(\$29,482)	\$5,700	\$956
35										
36										

Section 3A SW

Atmos Energy Corporation
Kansas Distribution Systems
Cost of Service Comparison
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	Southwest	AGA Dues	Payroll Tax	PSC Assessment	Ad Valorem Adjustment Current	Ad Valorem Adjustment CWIP	Interest on Customer Deposits	Depreciation Adjustment
	(a)	(b)	(c)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
1	Rate Base:									
2	Plant In Service	Section 4	\$14,366,172							
3	Accumulated Depreciation	Section 5	(4,029,717)							
4	Net Plant in Service		10,336,455	0	0	0	0	0	0	0
5	Construction Work in Progress	Section 13 A	\$237,409							
6										
7	Working Capital	Section 6								
8	Prepayments	Section 6	19,786							
9	Cash Requirements	Section 6	\$0							
10	Storage Gas	Section 6	0							
11	Total Working Capital		19,786	0	0	0	0	0	0	0
12										
13	Rate Base Deductions	Section 14A								
14	Accumulated Deferred Income Tax	Section 14A	(367,268)							
15	Customer Advances for Construction	Section 14A	(40,501)							
16	Customer Deposits	Section 14A	(173,689)							
17	Total Rate Base Deductions		(581,458)	0	0	0	0	0	0	0
18										
19	Rate Base		\$10,012,193	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20										
21	Rate of Return on Rate Base	Section 7	8.47%							
22										
23	Return on Rate Base		\$847,836	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Operation & Maintenance Expense	Section 9	814,162	(269)						
25	Depreciation & Amortization Expense	Section 10	520,697							63,548
26	Taxes Other Than Income Taxes	Section 11A	340,157		1,517	494	(77,961)	4,208		
27	Interest on Customer Deposits	Section 13 B	7,443						1,068	
28	Income Tax	Section 11B	350,938							
29										
30	Total Cost of Service		2,881,234	(269)	1,517	494	(77,961)	4,208	1,068	63,548
31										
32	Revenue at Present Rates	Section 17	2,314,812							
33										
34	Revenue Increase Required		\$566,422	(\$269)	\$1,517	\$494	(\$77,961)	\$4,208	\$1,068	\$63,548
35										
36										

Section 3A SW

Atmos Energy Corporation
Kansas Distribution Systems
Cost of Service Comparison
Including Summary of Adjustments
Twelve Months Ended March 31, 2007

Line No.	Description	Reference	Southwest	Accumulated Reserve Adjustment	Long-term CWIP Adjustment	ADIT Adjustment	Income Tax Adjustment	Adjusted Southwest
	(a)	(b)	(c)	(r)	(s)	(t)	(u)	(v)
1	Rate Base:							
2	Plant In Service	Section 4	\$14,366,172					\$14,366,172
3	Accumulated Depreciation	Section 5	(4,029,717)	(370,500)				(4,400,217)
4	Net Plant in Service		10,336,455	(370,500)	0	0	0	9,965,955
5	Construction Work in Progress	Section 13 A	\$237,409		(\$2,225)			\$235,184
6								
7	Working Capital	Section 6						
8	Prepayments	Section 6	19,786					19,786
9	Cash Requirements	Section 6	\$0					\$0
10	Storage Gas	Section 6	0					0
11	Total Working Capital		19,786	0	0	0	0	19,786
12								
13	Rate Base Deductions	Section 14A						
14	Accumulated Deferred Income Tax	Section 14A	(367,268)			381,632		14,365
15	Customer Advances for Construction	Section 14A	(40,501)					(40,501)
16	Customer Deposits	Section 14A	(173,689)					(173,689)
17	Total Rate Base Deductions		(581,458)	0	0	381,632	0	(199,825)
18								
19	Rate Base		\$10,012,193	(\$370,500)	(\$2,225)	\$381,632	\$0	\$10,021,100
20								
21	Rate of Return on Rate Base	Section 7	8.47%					8.47%
22								
23	Return on Rate Base		\$847,836	(\$31,374)	(\$188)	\$32,317	\$0	\$848,590
24	Operation & Maintenance Expense	Section 9	814,162					798,765
25	Depreciation & Amortization Expense	Section 10	520,697					584,245
26	Taxes Other Than Income Taxes	Section 11A	340,157					268,415
27	Interest on Customer Deposits	Section 13 B	7,443					8,511
28	Income Tax	Section 11B	350,938				318	351,256
29								
30	Total Cost of Service		2,881,234				318	2,859,782
31								
32	Revenue at Present Rates	Section 17	2,314,812					2,335,340
33								
34	Revenue Increase Required		\$566,422				\$318	\$524,442
35								
36								

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Kansas Direct and Allocated
Balance as of March 31, 2007

Line No.	Description	Property Type	Liberty Div 79	WP 4-1 Kansas Div 81	Kansas Div (Div 79 + 81)	Wp 4-1 Southwest Div Div 86	Total Kansas
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
Intangible Plant							
1	Franchises & Consents	302		37,160	37,160		37,160
2	Misc. Intangible Plant	303		3,918	3,918		3,918
3	Total Intangible Plant		-	41,078	41,078	-	41,078
4							
Production and Gathering Plant							
6	Rights-of-way	325.4		29	29	2,624	2,653
7	Field Meas. & Reg. Sta. Struc	328		508	508	-	508
8	Field Lines	332		12,981	12,981	224,926	237,907
9	Field Compressor Sta. Equipme	333		-	-	-	-
10	Field Meas. & Reg. Sta. Equip	334		40,756	40,756	-	40,756
11	Total Prod & Gathering Plant		-	54,274	54,274	227,550	281,824
12							
Underground Storage							
14	Land	350.1	49,164		49,164		49,164
15	Rights-of-way	350.2	568,935		568,935		568,935
16	Well Structures	351.1	102,923		102,923		102,923
17	Wells	352	1,130,321		1,130,321		1,130,321
18	Reservoirs	352.2	36,515		36,515		36,515
19	Leaseholds	352.1	-		-		-
20	Pipelines	353	1,090,230		1,090,230		1,090,230
21	Compressor Station Equipment	354	2,273,547		2,273,547		2,273,547
22	Meas. & Reg. Equipment	355	203,329		203,329		203,329
23	Purification Equipment	356	288,382		288,382		288,382
24	Other Equip	357	125,321		125,321		125,321
25	Total Underground Storage Plant		5,868,667	-	5,868,667	-	5,868,667
26							
Transmission Plant							
28	Land and Land Rights	365		4,761	4,761	11,608	16,369
29	Rights-of-way	365.2			-	7,169	7,169
30	Structures & Improvements	366			-	33,191	33,191
31	Mains Cathodic Protection	367		1,650,986	1,650,986	1,870,787	3,521,773
32	Mains Steel	367.1			-	3,474	3,474
33	Compressor Station Equipment	368			-	31,496	31,496
34	Meas. & Reg. Sta. Equipment	369		18,406	18,406	377,522	395,928
35	Other Equipment	371			-	-	-
36	Total Transmission Plant		-	1,674,153	1,674,153	2,335,247	4,009,400
37							
Distribution Plant							
39	Land & Land Rights	374		569,838	569,838	20,107	589,946
40	Land Rights	374.2		286,578	286,578		286,578
41	Structures & Improvements	375		111,088	111,088	360	111,448
42	Mains Cathodic Protection	376		5,709,663	5,709,663	327,473	6,037,136
43	Mains Steel	376.1		31,263,746	31,263,746	2,916,411	34,180,157
44	Mains Plastic	376.2		61,241,288	61,241,288	1,753,727	62,995,015
45	Meas. & Reg. Sta. Eq-General	378		2,431,221	2,431,221	218,169	2,649,391
46	Meas. & Reg. City Gate	379		1,892,189	1,892,189	1,494	1,893,683
47	Meas. & Reg. Sta. Equipment-	379.8			-	14,851	14,851

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Kansas Direct and Allocated
Balance as of March 31, 2007

Line No.	Description	Property Type	Liberty Div 79	WP 4-1 Kansas Div 81	Kansas Div (Div 79 + 81)	Wp 4-1 Southwest Div Div 86	Total Kansas	
(a)	(b)	(c)	(d)	(e)	(f)	(g)		
48	Services	380		45,112,306	45,112,306	3,453,237	48,565,543	
49	Meters	381		11,755,145	11,755,145	592,204	12,347,349	
50	Meter Installations	382		17,483,129	17,483,129	1,666,930	19,150,059	
51	House Regulators	383		2,065,584	2,065,584	56,051	2,121,635	
52	House Reg. Installations	384		203,477	203,477	5,985	209,461	
53	Ind. Meas. & Reg. Sta. Equip	385		557,017	557,017	60,014	617,032	
54	Other Equipment	387		5,567	5,567	8,202	13,769	
55	Total Distribution Plant		-	180,687,838	180,687,838	11,095,215	191,783,053	
56								
57	Direct General Plant							
58	Land & Land Rights	389		52,332	52,332		52,332	
59	Structures & Improvements	390		919,801	919,801	66,567	986,368	
60	Improvements	390.3		1,513	1,513		1,513	
61	Air Conditioning Equipment	390.4				8,782	8,782	
62	Improv. to Leased Premises	390.9		39,013	39,013		39,013	
63	Office Furniture & Equipment	391		295,089	295,089	-	295,089	
64	Office Furn. Copiers & Type	391.3		2,949	2,949	-	2,949	
65	Transportation Equipment	392		219,448	219,448	4,901	224,349	
66	Stores Equipment	393		5,160	5,160		5,160	
67	Tools, Shop, & Garage Equip.	394	7,047	1,050,575	1,057,622	80,398	1,138,021	
68	Laboratory Equipment	395		8,747	8,747	4,001	12,748	
69	Power Operated Equipment	396		271,570	271,570	2,270	273,841	
70	Ditchers	396.3		115,539	115,539	33,393	148,932	
71	Backhoes	396.4		62,584	62,584		62,584	
72	Welders	396.5		22,336	22,336		22,336	
73	Communication Equipment	397		7,863	7,863	1,566	9,429	
74	Comm. Equip. Mobile Radios	397.1		1,156	1,156		1,156	
75	Comm. Equip. Fixed Radios	397.2		-	-	-	-	
76	Miscellaneous Equipment	398		1,124,563	1,124,563		1,124,563	
77	Other Tangible Property	399		27,091	27,091		27,091	
78	Oth Tang Prop Network H/W	399.3		1,367	1,367		1,367	
79	Oth Tang Prop PC Hardware	399.6		814,535	814,535	15,269	829,804	
80	Oth Tang Prop PC Software	399.7		-	-	-	-	
81	Oth Tang Prop Appl Software	399.8		84,375	84,375	-	84,375	
82	Total Direct General Plant		7,047	5,127,607	5,134,655	217,147	5,351,801	
83	rounding							
84	Total Kansas Direct Gross Plant			\$ 5,875,715	\$ 187,584,951	\$ 193,460,665	\$ 13,875,159	\$ 207,335,824
85								
86	General Plant Alloc from Shared Services	Wp 4-2			\$ 3,192,134	\$ 191,528	\$ 3,383,662	
87	General Plant Alloc from Customer Support	Wp 4-3			5,777,703	237,643	6,015,346	
88	General Plant Alloc from CO/KS Gen Office	Wp 4-4			1,024,607	61,842	1,086,449	
89								
90	Total KS Direct and Allocated Gross Plant				\$ 203,455,110	\$ 14,366,172	\$ 217,821,282	

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Kansas Adjusted
Balance as of March 31, 2007

Line No.	Property Type	Description	Kansas Div 81	Adjustments	Kansas Div 81 Adjusted	Southwest Div Div 86	Adjustments	Southwest Div 86 Adjusted	Total Adjusted
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
Kansas Direct Gas Plant									
Intangible Plant									
1	30200	Franchises & Consents	37,160		37,160			-	37,160
2	30300	Misc. Intangible Plant	3,918		3,918			-	3,918
3		Total Intangible Plant	41,078	-	41,078	-	-	-	41,078
4									
5		Production and Gathering Plant [a]							
6	32540	Rights-of-way	29	(29)	-	2,624	(2,624)	-	-
7	32800	Field Meas. & Reg. Sta. Struc	508	(508)	-	-	-	-	-
8	33200	Field Lines	12,981	(12,981)	-	224,926	(224,926)	-	-
9	33300	Field Compressor Sta. Equipme			-	-	-	-	-
10	33400	Field Meas. & Reg. Sta. Equip	40,756	(40,756)	-	-	-	-	-
11		Total Prod & Gathering Plant	54,274	(54,274)	-	227,550	(227,550)	-	-
12									
27		Transmission Plant							
28	36500	Land and Land Rights	4,761		4,761	11,608		11,608	16,369
29	36520	Rights-of-way			-	7,169		7,169	7,169
30	36600	Structures & Improvements			-	33,191		33,191	33,191
31	36700	Mains	1,650,986		1,650,986	1,874,261		1,874,261	3,525,247
33	36800	Compressor Station Equipment			-	31,496		31,496	31,496
34	36900	Meas. & Reg. Sta. Equipment	18,406		18,406	377,522		377,522	395,928
35	37100	Other Equipment			-	-		-	-
36		Total Transmission Plant	1,674,153	-	1,674,153	2,335,247	-	2,335,247	4,009,400
37									
38		Distribution Plant [a]							
39	37400	Land & Land Rights	569,838		569,838	20,107		20,107	589,946
40	37402	Land Rights	286,578	29	286,608		2,624	2,624	289,232
41	37500	Structures & Improvements	111,088	508	111,596	360		360	111,956
42	37600	Mains	98,214,697	12,981	98,227,678	4,997,611	224,926	5,222,537	103,450,215
45	37800	Meas. & Reg. Sta. Eq-General	2,431,221	40,756	2,471,977	218,169		218,169	2,690,147
46	37900	Meas. & Reg. City Gate	1,892,189		1,892,189	1,494		1,494	1,893,683
47	37908	Meas. & Reg. Sta. Equipment-			-	14,851		14,851	14,851
48	38000	Services	45,112,306		45,112,306	3,453,237		3,453,237	48,565,543
49	38100	Meters	11,755,145		11,755,145	592,204		592,204	12,347,349
50	38200	Meter Installations	17,483,129		17,483,129	1,666,930		1,666,930	19,150,059
51	38300	House Regulators	2,065,584		2,065,584	56,051		56,051	2,121,635
52	38400	House Reg. Installations	203,477		203,477	5,985		5,985	209,461
53	38500	Ind. Meas. & Reg. Sta. Equip	557,017		557,017	60,014		60,014	617,032
54	38700	Other Equipment	5,567		5,567	8,202		8,202	13,769
55		Total Distribution Plant	180,687,837	54,274	180,742,111	11,095,215	227,550	11,322,765	192,064,876
56									
57		Direct General Plant							
58	38900	Land & Land Rights	52,332		52,332			-	52,332
59	39000	Structures & Improvements	919,801		919,801	66,567		66,567	986,368
60	39003	Improvements	1,513		1,513			-	1,513
61	39004	Air Conditioning Equipment			-	8,782		8,782	8,782
62	39009	Improv. to Leased Premises	39,013		39,013			-	39,013
63	39100	Office Furniture & Equipment	295,089		295,089			-	295,089
64	39103	Office Furn. Copiers & Type	2,949		2,949			-	2,949
65	39200	Transportation Equipment	219,448		219,448	4,901		4,901	224,349
66	39300	Stores Equipment	5,160		5,160			-	5,160
67	39400	Tools, Shop, & Garage Equip.	1,050,575		1,050,575	80,398		80,398	1,130,973
68	39500	Laboratory Equipment	8,747		8,747	4,001		4,001	12,748
69	39600	Power Operated Equipment	271,570		271,570	2,270		2,270	273,841
70	39603	Ditchers	115,539		115,539	33,393		33,393	148,932
71	39604	Backhoes	62,584		62,584			-	62,584

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Kansas Adjusted
Balance as of March 31, 2007

Line No.	Property Type	Description	Kansas		Kansas Div 81	Southwest Div		Southwest Div 86	Total
			Div 81	Adjustments	Adjusted	Div 86	Adjustments	Adjusted	Adjusted
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
72	39605	Welders	22,336		22,336			-	22,336
73	39700	Communication Equipment	7,863		7,863	1,566		1,566	9,429
74	39701	Comm. Equip. Mobile Radios	1,156		1,156			-	1,156
75	39702	Comm. Equip. Fixed Radios	-		-	-		-	-
76	39800	Miscellaneous Equipment	1,124,563		1,124,563			-	1,124,563
77	39900	Other Tangible Property	27,091		27,091			-	27,091
78	39903	Oth Tang Prop Network H/W	1,367		1,367			-	1,367
79	39906	Oth Tang Prop PC Hardware	814,535		814,535	15,269		15,269	829,804
80	39907	Oth Tang Prop PC Software	-		-	-		-	-
81	39908	Oth Tang Prop Appl Software	84,375		84,375	-		-	84,375
82		Total Direct General Plant	5,127,607	-	5,127,607	217,147	-	217,147	5,344,754
83		rounding							
84		Total Adjusted Gross Plant	187,584,950	-	187,584,950	13,875,159	-	13,875,159	201,460,109
								Div 79 - Liberty	5,875,715
								Total Kansas Direct Gross Plant	207,335,824

[a] - Adjustment to reclassify Plant-in-Service.

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Shared Services
Balance as of March 31, 2007

Line No.	Property Type	Description	Shared Srvc Div 02	Alloc factor
	(a)	(b)	(c)	(d)
<u>Shared Services Gross Plant</u>				
General Plant				
1	39000	Structures & Improvements	2,497,655	
2	39009	Improv. to Leased Premises	7,286,444	
3	39100	Office Furniture & Equipment	9,234,587	
4	39102	Remittance Processing Equipme	25,380	
5	39103	Office Furn. Copiers & Type	436,305	
6	39200	Transportation Equipment	18,885	
7	39300	Stores Equipment	0	
8	39400	Tools, Shop, & Garage Equip.	7,683	
9	39700	Communication Equipment	1,413,238	
10	39800	Miscellaneous Equipment	631,641	
11	39900	Other Tangible Property	10,196	
12	39901	Oth Tang Prop Servers H/W	7,374,680	
13	39902	Oth Tang Prop Servers S/W	2,247,318	
14	39903	Oth Tang Prop Network H/W	1,938,358	
15	39904	Oth Tang Prop CPU	1,095,465	
16	39905	Oth Tang Prop MF Hardware	1,159,964	
17	39906	Oth Tang Prop PC Hardware	3,482,009	
18	39907	Oth Tang Prop PC Software	1,515,062	
19	39908	Oth Tang Prop Appl Software	48,253,599	
20	39909	Oth Tang Prop Mainframe S/W	2,575,367	
21	39924	Oth Tang Prop Gen. Starup C	0	
22				
23		Total Shared Service Gross Plant	<u>91,203,836</u>	
24				
25	Sect. 12	Allocation to Kansas Div	3,192,134	3.50%
26	Sect. 12	Allocation to Southwest Div	191,528	0.21%
27		Total Allocated to KS Jurisdiction	<u>3,383,662</u>	<u>3.71%</u>

Source: functional plant balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - Customer Support
Balance as of March 31, 2007

Line No.	Property Type	Description	Cust Support Div 12	Alloc factor
	(a)	(b)	(c)	(d)
<u>Customer Support Gross Plant</u>				
General Plant				
1	39009	Improv. to Leased Premises	3,018,160	
2	39100	Office Furniture & Equipment	56,077	
3	39700	Communication Equipment	24,142,961	
4	39800	Miscellaneous Equipment	1,916	
5	39900	Other Tangible Property	214,670	
6	39901	Oth Tang Prop Servers H/W	9,926,865	
7	39902	Oth Tang Prop Servers S/W	6,861,559	
8	39903	Oth Tang Prop Network H/W	459,784	
9	39906	Oth Tang Prop PC Hardware	3,549,003	
10	39907	Oth Tang Prop PC Software	2,852,804	
11	39908	Oth Tang Prop Appl Software	74,270,949	
12	39924	Oth Tang Prop Gen. Starup C	23,172,326	
13				
14		Total Customer Support Gross Plant	<u>148,527,074</u>	
15				
16	Sect. 12	Allocation to Kansas Div	5,777,703	3.89%
17	Sect. 12	Allocation to Southwest Div	237,643	0.16%
18		Total Allocated to KS Jurisdiction	<u>6,015,346</u>	<u>4.05%</u>

Source: functional plant balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Functional Plant in Service acct 101 - CO/KS General Office
Balance as of March 31, 2007

Line No.	Property Type	Description	CO/KS G.O. Div 30	Alloc factor
	(a)	(b)	(c)	(d)
<u>CO/KS General Office Gross Plant</u>				
General Plant				
1	39100	Office Furniture & Equipment	109,485	
2	39103	Office Furn. Copiers & Type	0	
3	39400	Tools, Shop, & Garage Equip.	207,161	
4	39700	Communication Equipment	280,276	
5	39800	Miscellaneous Equipment	491,456	
6	39901	Oth Tang Prop Servers H/W	96,220	
7	39902	Oth Tang Prop Servers S/W	0	
8	39903	Oth Tang Prop Network H/W	41,340	
9	39906	Oth Tang Prop PC Hardware	722,262	
10	39907	Oth Tang Prop PC Software	106,355	
11				
12		Total CO/KS G.O. Gross Plant	<u>2,054,556</u>	
13				
14	Sect. 12	Allocation to Kansas Div	1,024,607	49.87%
15	Sect. 12	Allocation to Southwest Div	61,842	3.01%
16		Total Allocated to KS Jurisdiction	<u>1,086,449</u>	<u>52.88%</u>

Source: functional plant balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Summary Plant in Service acct 101
Balance as of March 31, 2007

Line No.	Description	Book Amounts	Adjustments	Adjusted Amounts	alloc %	Kansas Juris	Kansas Div	Southwest Div
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Direct							
1	Liberty Div 79	\$5,875,715	\$0	\$5,875,715		\$5,875,715	\$5,875,715	
2	Kansas Div 81	187,584,951	-	187,584,951		187,584,951	187,584,951	
3	Southwest Div 86	13,875,159	-	13,875,159		13,875,159		13,875,159
4	Kansas Admin Div 80	-	-	-		0	-	-
5								
6	Allocated							
7	Shared Services Div 02	91,203,836	-	91,203,836	3.71%	3,383,662	3,192,134	191,528
8	Customer Support Div 12	148,527,074	-	148,527,074	4.05%	6,015,346	5,777,703	237,643
9	CO/KS General Office Div 30	2,054,556	-	2,054,556	52.88%	1,086,449	1,024,607	61,842
10								
11	Total	<u>\$449,121,290</u>	<u>\$0</u>	<u>\$449,121,290</u>		<u>\$217,821,282</u>	<u>\$203,455,110</u>	<u>\$14,366,172</u>

Source: col b - Atmos Detail Trial Balance 3/31/07; col e - Sect. 12 Allocations

Kansas Distribution System
Plant in Service
Twelve Months Ended March 31, 2007
Kansas

Line No.	Description	Property Type	FERC Form 2				
			Balance at 12/31/04	Balance at 12/31/05	Balance at 12/31/06	Balance at 3/31/06	Balance at 3/31/07
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1 Intangible Plant:							
2	Organization	30100	\$0	\$0	\$0	\$0	\$0
3	Franchises & Consents	30200	37,160	37,160	37,160	37,160	37,160
4	Other Misc. Intangibles	30300	14,408	3,918	3,918	3,918	3,918
5	Total Intangible Plant		51,568	41,078	41,078	41,078	41,078
6							
7 Production and Gathering Plant:							
8	Rights of Way	32540	7,592	2,653	2,653	2,653	2,653
9	Field Meas. & Reg. Structures	32800	2,058	508	508	508	508
10	Field Lines	33200	385,477	237,907	237,907	237,907	237,907
11	Field Compressor Station Equipment	33300	292	0	0	0	0
12	Field Meas. & Reg. Sta. Equip.	33400	201,025	40,756	40,756	40,756	40,756
13	Total Storage Plant		596,444	281,824	281,824	281,824	281,824
14							
15 Underground Storage Plant:							
16	Land	35010	0	49,164	49,164	49,164	49,164
17	Leaseholds	35020	0	568,935	568,935	568,935	568,935
18	Structures & Improvements	35100	0	102,923	102,923	102,923	102,923
19	Wells	35200	0	1,347,831	1,347,831	1,347,831	1,166,836
20	Lines	35300	0	1,090,230	1,090,230	1,090,230	1,090,230
21	Compressor station equipment	35400	0	2,273,547	2,273,547	2,273,547	2,273,547
22	Measuring and Reg. Equipment	35500	0	203,329	203,329	203,329	203,329
23	Purification Equipment	35600	0	288,382	288,382	288,382	288,382
24	Other equipment	35700	0	125,321	125,321	125,321	125,321
25	Total Underground Storage Plant:		0	6,049,662	6,049,662	6,049,662	5,868,667
26							
27 Transmission Plant:							
28	Land & Land Rights	36500	16,369	16,369	16,369	16,369	16,369
29	Rights of Way	36500	7,169	7,169	7,169	7,169	7,169
30	Structures & Improvements	36600	58,827	33,191	33,191	33,191	33,191
31	Mains - Cathodic Protection	36700	3,547,368	3,525,247	3,525,247	3,525,247	3,521,773
32	Compressor station equipment	36800	1,167,941	0	31,497	0	3,474
33	Meas. & Reg. Sta. Equipment	36900	426,170	395,928	395,928	395,928	31,496
34	Communication equipment	37000	0	0	0	0	395,928
35	Other equipment	37100	50,876	0	0	0	0
36	Total Transmission Plant		5,274,720	3,977,904	4,009,401	3,977,904	4,009,400
37							
38 Distribution Plant:							
39	Land Rights	37400	845,810	886,415	885,256	884,909	876,524
40	Structures & Improvements	37500	109,654	102,023	111,247	102,015	111,448
41	Mains-Cathodic Protection	37600	92,770,468	97,285,484	102,272,322	98,393,557	103,212,309
42	Meas. & Reg. Sta. Equipment - General	37800	2,726,183	2,471,760	2,648,256	2,479,116	2,649,391
43	Meas. & Reg. Sta. Equipment - City Gate	37900	1,832,069	1,894,774	1,907,979	1,899,063	1,908,534
44	Services	38000	43,106,876	44,876,943	47,948,767	45,688,920	48,565,543
45	Meters	38100	5,231,097	11,763,601	12,347,348	11,763,593	12,347,349
46	Meter Installations	38200	17,452,894	18,399,948	18,664,836	18,549,735	19,150,059
47	Regulators	38300	1,974,411	2,106,434	2,110,779	2,106,434	2,121,635
48	House Reg. Installations	38400	209,461	209,461	209,461	209,461	209,461
49	Ind. Meas. & Reg. Sta. Equipment	38500	550,186	627,322	620,130	623,100	617,032
50	Other Equipment	38700	16,471	13,769	13,769	13,769	13,769
51	Total Distribution Plant		166,825,580	180,637,934	189,740,150	182,713,672	191,783,053
52	Distribution Plant Allocated from Meter Shop						
53	Total Direct and Allocated Distribution Plant		166,825,580	180,637,934	189,740,150	182,713,672	191,783,053
54							

**Kansas Distribution System
Plant in Service
Twelve Months Ended March 31, 2007
Kansas**

Line No.	Description	Property Type	FERC Form 2				
			Balance at 12/31/04	Balance at 12/31/05	Balance at 12/31/06	Balance at 3/31/06	Balance at 3/31/07
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
55							
56	General Plant:						
57	Land & Land Rights	38900	95,615	95,615	52,333	95,615	52,332
58	Structures & Improvements	39000	1,619,449	1,693,421	1,035,677	1,693,569	1,035,676
59	Office Furniture & Equipment	39100	509,521	503,820	488,620	503,876	298,038
60	Transportation Equipment	39200	457,840	380,376	258,484	380,376	224,349
61	Stores Equipment	39300	21,741	21,741	5,160	21,741	5,160
62	Tools & Work Equipment	39400	1,005,091	1,070,389	1,124,812	1,075,690	1,138,021
63	Laboratory Equipment	39500	23,544	17,595	12,748	17,595	12,748
64	Power Operated Equipment	39600	611,289	583,796	507,693	591,050	507,693
65	Comm. Equip. - Telephones	39700	351,636	346,474	10,585	346,474	10,585
66	Miscellaneous Equipment	39800	976,385	1,026,330	1,094,262	1,038,471	1,124,563
67	Other Tangible Property	39900	1,057,736	1,384,442	942,637	1,414,910	942,637
68	Direct General Plant		6,729,847	7,123,999	5,533,011	7,179,367	5,351,801
69							
70	Total Plant in Service		\$179,478,159	\$198,112,401	\$205,655,126	\$200,243,507	\$207,335,824

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Kansas Direct and Allocated
Balance as of March 31, 2007

Line No.	Description	Property Type	Liberty Div 79	WP 5-1		Southwest Div Div 86	Total Kansas
				Kansas Div 81	Kansas Div (Div 79 + 81)		
(a)	(b)	(c)	(d)	(e)	(f)	(h)	
Intangible Plant A/D							
1	Organization	301		(25,000)	(25,000)		(25,000)
2	Franch & Consent Grp	302		15,036	15,036		15,036
3	Intangibles Grp	303		(10,081)	(10,081)		(10,081)
4	Total Intangible Plant			(20,045)	(20,045)		(20,045)
5							
Production and Gathering Plant A/D							
7	Rights-of-way	325.4					
8	Field Measuring And R	328					
9	Field Lines	332					
10	Field Compressor Stat	333					
11	Field Measuring And R	334					
12	Total Prod & Gathering Plant						
13							
Underground Storage A/D							
15	Well Structures	351.1	19,388		19,388		19,388
16	Meas & Reg Structures	351.3	6,363		6,363		6,363
17	Other Structures	351.4	20,851		20,851		20,851
18	Wells	352	510,197		510,197		510,197
19	Reservoirs	352.2	16,482		16,482		16,482
20	Pipeline	353	492,101		492,101		492,101
21	Compressor Equip	354	1,026,219		1,026,219		1,026,219
22	Meas & Reg Equip	355	91,632		91,632		91,632
23	Purification Equip	356	125,841		125,841		125,841
24	Other Equip	357	56,567		56,567		56,567
25	Total Underground Storage Plant		2,365,641		2,365,641		2,365,641
26							
Transmission Plant A/D							
28	Land	365				(20,844)	(20,844)
29	Structures And Improv	366				815	815
30	Mains - Cathodic Prot	367				24,213	24,213
31	Mains-Steel	367.1		700,407	700,407	1,233,912	1,934,320
32	Compressor Station Eq	368				1,072	1,072
33	Measuring And Reg	369		10,165	10,165	310,801	320,967
34	Other Equipment Stora	371				(9,910)	(9,910)
35	Total Transmission Plant			710,572	710,572	1,540,059	2,250,632
36							
Distribution Plant A/D							
38	Land & Land Rights	374		(673)	(673)	19,187	18,514
39	Rights-of-way	374.2		(113)	(113)	(102,709)	(102,823)
40	Structures & Improvem	375		37,903	37,903	(1,753)	36,151
41	Mains	376		37,525,629	37,525,629	464,538	37,990,167
42	Compressor Station Equip	377				(117,908)	(117,908)
43	Meas	378		1,199,764	1,199,764	(34,157)	1,165,607
44	Meas & Reg Station Eq	379		958,452	958,452	(155)	958,298
45	Meas	379.8				3,377	3,377
46	Services	380		16,085,369	16,085,369	1,315,989	17,401,358
47	Meters	381		4,528,149	4,528,149	223,579	4,751,728
48	Meter Installations	382		775,202	775,202	153,523	928,725

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Kansas Direct and Allocated
Balance as of March 31, 2007

Line No.	Description	Property Type	Liberty Div 79	WP 5-1		WP 5-1	Total Kansas
				Kansas Div 81	Kansas Div (Div 79 + 81)	Southwest Div Div 86	
(a)	(b)	(c)	(d)	(e)	(f)	(h)	
Kansas Direct Accumulated Depreciation by Functional Plant Account							
49	House Regulators	383		1,039,329	1,039,329	42,078	1,081,408
50	House Regulator Insta	384		182,724	182,724	(14,993)	167,731
51	Industrial Measuring	385		137,725	137,725	31,782	169,507
52	Other Equipment Distr	387		(2,011)	(2,011)	(4,339)	(6,350)
53	Total Distribution Plant			62,467,449	62,467,449	1,978,041	64,445,490
54							
55	Direct General Plant A/D						
56	Land & Land Rights	389		(2,883)	(2,883)		(2,883)
57	Struct & Improve Grp	390		106,985	106,985	705	107,690
58	Improvements Grp	390.3		513	513		513
59	Air Condition Eq Grp	390.4				3,983	3,983
60	Improve - Leased Grp	390.9		13,126	13,126	(4,219)	8,907
61	Office Furniture And	391		(359,334)	(359,334)	(66,584)	(425,918)
62	Office Machines	391.3		(8,499)	(8,499)	(13,802)	(22,301)
63	Transp Equip - Group	392		134,616	134,616	(12,076)	122,540
64	Stores Equipment	393		(3,637)	(3,637)		(3,637)
65	Tools & Shop Equip	394	868	325,874	326,743	50,064	376,807
66	Laboratory Equipment	395		2,930	2,930	4,001	6,930
67	Power Op Equip-Group	396		125,903	125,903	(7,334)	118,569
68	Ditchers	396.3		79,684	79,684	7,984	87,668
69	Backhoes	396.4		(19,415)	(19,415)	(8,906)	(28,321)
70	Welders	396.5		2,449	2,449		2,449
71	Communication Equipme	397		(75,926)	(75,926)	53	(75,873)
72	Communication Equip	397.1		(33,380)	(33,380)	(2,688)	(36,067)
73	Communication Equip	397.2		(6,994)	(6,994)		(6,994)
74	Miscellaneous Equipme	398		260,044	260,044	(363)	259,682
75	Other Tangible Equipm	399		6,538	6,538		6,538
76	Network Hardware	399.3		263	263		263
77	Mainframe Hardware	399.5		1,231	1,231		1,231
78	Pc Hardware	399.6		463,409	463,409	15,269	478,678
79	Application Software	399.8		84,375	84,375		84,375
80	Total Direct General Plant		868	1,097,874	1,098,743	(33,914)	1,064,829
81	Retirement Work In Progress	RWIP		(654,824)	(654,824)	754,438	99,614
82	RWIP from KS Admin Div 80	Wp 5-5		(1,186,848)	(1,186,848)	(71,739)	(1,258,587)
83	Reconciling Items		0	(4,617)	(4,616)		(4,616)
84	Total Kansas Direct Accum. Deprec.		2,366,509	62,409,563	64,776,072	4,166,886	68,942,958
85							
86	General Accum Deprec Alloc from Shared Services	Wp 5-2			1,501,092	90,065	1,591,157
87	General Accum Deprec Alloc from Customer Support	Wp 5-3			3,054,658	125,641	3,180,300
88	General Accum Deprec Alloc from CO/KS Gen Office	Wp 5-4			292,008	17,625	309,633
89							
90	Total KS Direct and Allocated Accum. Deprec.				69,623,830	4,400,217	74,024,047
91							
92							

Source: functional A/D balances - Power Plant reporting.

63,601,027 66,622,359 3,484,187

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Kansas Adjusted
Balance as of March 31, 2007

Line No.	Description	Property Type	Kansas Div 81	Adjustments	Kansas Div 81 Adjusted	Southwest Div 86	Adjustments	Southwest Div 86 Adjusted	Total Adjusted
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Kansas Direct Accumulated Depreciation by Functional Plant Account									
Intangible Plant A/D									
1	Organization	301	(25,000)		(25,000)			-	(25,000)
2	Franch & Consent Grp	302	15,036		15,036			-	15,036
3	Intangibles Grp	303	(10,081)		(10,081)			-	(10,081)
4	Total Intangible Plant		(20,045)	-	(20,045)	-	-	-	(20,045)
5									
Production and Gathering Plant A/D [a]									
7	Rights-of-way	325.4	(113)	113	-	(102,709)	102,709	-	-
8	Field M&R Structures	328	(15)	15	-	(2,105)	2,105	-	-
9	Field Lines	332	(9,688)	9,688	-	(411,769)	411,769	-	-
10	Field Compressor Stat	333			-	(117,908)	117,908	-	-
11	Field Measuring And R	334	(42,660)	42,660	-	(106,093)	106,093	-	-
12	Total Prod & Gathering Plant		(52,477)	52,477	-	(740,584)	740,584	-	-
13									
Transmission Plant A/D [b]									
15	Land	365	-		-	(20,844)		(20,844)	(20,844)
16	Rights-of-way	365.2	-		-	-	815	815	815
17	Structures And Improv	366	-		-	(2,836)	27,049	24,213	24,213
18	Mains	367	1,070,511	(370,103)	700,407	1,885,926	(652,014)	1,233,912	1,934,320
19	Compressor Station Eq	368	-		-	(1,005,707)	1,006,779	1,072	1,072
20	Measuring And Reg	369	10,562	(397)	10,165	322,931	(12,129)	310,801	320,967
21	Other Equipment Stora	371	-		-	(9,910)		(9,910)	(9,910)
22	Total Transmission Plant		1,081,073	(370,500)	710,572	1,169,559	370,500	1,540,059	2,250,632
23									
Distribution Plant A/D [a]									
25	Land & Land Rights	374	(673)		(673)	19,187		19,187	18,514
26	Rights-of-way	374.2	-	(113)	(113)	-	(102,709)	(102,709)	(102,823)
27	Structures & Improvem	375	37,918	(15)	37,903	352	(2,105)	(1,753)	36,151
28	Mains	376	37,535,317	(9,688)	37,525,629	876,307	(411,769)	464,538	37,990,167
29	Compressor Station Equip	377	-		-	-	(117,908)	(117,908)	(117,908)
30	Meas	378	1,242,424	(42,660)	1,199,764	71,936	(106,093)	(34,157)	1,165,607
31	Meas & Reg Station Eq	379	958,452		958,452	(155)		(155)	958,298
32	Meas	379.8	-		-	3,377		3,377	3,377
33	Services	380	16,085,369		16,085,369	1,315,989		1,315,989	17,401,358
34	Meters	381	4,528,149		4,528,149	223,579		223,579	4,751,728
35	Meter Installations	382	775,202		775,202	153,523		153,523	928,725
36	House Regulators	383	1,039,329		1,039,329	42,078		42,078	1,081,408
37	House Regulator Insta	384	182,724		182,724	(14,993)		(14,993)	167,731
38	Industrial Measuring	385	137,725		137,725	31,782		31,782	169,507
39	Other Equipment Distr	387	(2,011)		(2,011)	(4,339)		(4,339)	(6,350)
40	Total Distribution Plant		62,519,926	(52,477)	62,467,449	2,718,625	(740,584)	1,978,041	64,445,490
41									
Direct General Plant A/D									
43	Land & Land Rights	389	(2,883)		(2,883)			-	(2,883)
44	Struct & Improve Grp	390	106,985		106,985	705		705	107,690
45	Improvements Grp	390.3	513		513			-	513
46	Air Condition Eq Grp	390.4	-		-	3,983		3,983	3,983
47	Improve - Leased Grp	390.9	13,126		13,126	(4,219)		(4,219)	8,907
48	Office Furniture And	391	(359,334)		(359,334)	(66,584)		(66,584)	(425,918)
49	Office Machines	391.3	(8,499)		(8,499)	(13,802)		(13,802)	(22,301)
50	Transp Equip - Group	392	134,616		134,616	(12,076)		(12,076)	122,540
51	Stores Equipment	393	(3,637)		(3,637)	-		-	(3,637)
52	Tools & Shop Equip	394	325,874		325,874	50,064		50,064	375,939
53	Laboratory Equipment	395	2,930		2,930	4,001		4,001	6,930
54	Power Op Equip-Group	396	125,903		125,903	(7,334)		(7,334)	118,569
55	Ditchers	396.3	79,684		79,684	7,984		7,984	87,668
56	Backhoes	396.4	(19,415)		(19,415)	(8,906)		(8,906)	(28,321)
57	Welders	396.5	2,449		2,449	-		-	2,449
58	Communication Equipme	397	(75,926)		(75,926)	53		53	(75,873)
59	Communication Equip	397.1	(33,380)		(33,380)	(2,688)		(2,688)	(36,067)
60	Communication Equip	397.2	(6,994)		(6,994)	-		-	(6,994)
61	Miscellaneous Equipme	398	260,044		260,044	(363)		(363)	259,682

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Kansas Adjusted
Balance as of March 31, 2007

Line No.	Description	Property Type	Kansas Div 81	Adjustments	Kansas Div 81 Adjusted	Southwest Div 86	Adjustments	Southwest Div 86 Adjusted	Total Adjusted
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
62	Other Tangible Equipm	399	6,538		6,538			-	6,538
63	Network Hardware	399.3	263		263			-	263
64	Mainframe Hardware	399.5	1,231		1,231			-	1,231
65	Pc Hardware	399.6	463,409		463,409	15,269		15,269	478,678
66	Application Software	399.8	84,375		84,375	-		-	84,375
67	Total Direct General Plant		1,097,874	-	1,097,874	(33,914)	-	(33,914)	1,063,961
68	Total Adjusted Accum. Deprec.		64,626,351	(370,500)	64,255,851	3,113,687	370,500	3,484,187	67,740,038
			2,366,509		2,366,509				2,366,509
	Retirement Work In Progress		(654,824)	0	(654,824)	754,438	0	754,438	99,614
	RWIP from KS Admin Div .80 WP 5-5		-1186847.541		(1,186,848)	-71739.459		(71,739)	(1,258,587)
	Reconciling Items		(4,617)		(4,617)			-	(4,617)
	Total Kansas Direct Accum. Deprec.		65,146,572	(370,500)	64,776,072	3,796,386	370,500	4,166,886	68,942,958
	General Accum Deprec Alloc from Shared Services	WP 5-2	1,501,091.62		1,501,092	90,065.50		90,065	1,591,157
	General Accum Deprec Alloc from Customer Support	WP 5-3	3,054,658.16		3,054,658	125,641.47		125,641	3,180,300
	General Accum Deprec Alloc from CO/KS Gen Office	WP 5-5	292,008.36		292,008	17,624.73		17,625	309,633
			\$69,994,330	(\$370,500)	\$69,623,830	\$4,029,717	\$370,500	\$4,400,217	\$74,024,047

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Shared Services
Balance as of March 31, 2007

Line No. Description	Property Type	Shared Srvc Div 02	Alloc factor
(a)	(b)	(c)	(d)
<u>Shared Services Accum Deprec by Functional Plant Acct</u>			
General Plant A/D			
1	Structure & Improv	39000	12,885
2	Improvements - Leased	39009	5,375,600
3	Office Furniture And	39100	6,201,638
4	Remittance Processing	39102	31,167
5	Office Machines	39103	439,159
6	Transportation Equipm	39200	26,562
7	Stores Equipment	39300	758
8	Tools Shop And Garage	39400	9,639
9	Laboratory Equipment	39500	0
10	Communication Equipme	39700	234,832
11	Miscellaneous Equipme	39800	404,809
12	Insertor	39809	0
13	Other Tangible Equipm	39900	10,065
14	Servers-Hardware	39901	1,933,266
15	Servers-Software	39902	717,884
16	Network Hardware	39903	467,851
17	Mainframe Cpu	39904	1,103,098
18	Mainframe Hardware	39905	1,169,324
19	Pc Hardware	39906	2,236,363
20	Pc Software	39907	980,580
21	Application Software	39908	18,843,153
22	Mainframe Software	39909	2,689,944
23	Oth Tang Prop - Gen	39924	0
24	Total General Plant Accum. Deprec.		<u>42,888,577</u>
25	Retirement Work in Progress		(245)
26	Total Shared Services Accum. Deprec.		<u><u>42,888,332</u></u>
27			
28	Allocation to Kansas Div	Sect. 12	1,501,092 3.50%
29	Allocation to Southwest Div	Sect. 12	90,065 0.21%
30	Total Allocated to KS Jurisdiction		<u><u>1,591,157 3.71%</u></u>

Source: functional A/D balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - Customer Support
Balance as of March 31, 2007

Line No. Description	Property Type	Cust Support Div 12	Alloc factor
(a)	(b)	(c)	(d)
<u>Customer Support Accum Deprec by Functional Plant Acct</u>			
General Plant A/D			
1	Improvements - Leased	39009	1,364,815
2	Office Furniture And	39100	10,795
3	Office Furniture And	39101	0
4	Remittance Processing	39102	0
5	Office Machines	39103	0
6	Communication Equipme	39700	8,174,587
7	Miscellaneous Equipme	39800	352
8	Other Tangible Equipm	39900	211,896
9	Servers-Hardware	39901	8,086,779
10	Servers-Software	39902	6,384,570
11	Network Hardware	39903	230,445
12	Pc Hardware	39906	1,346,384
13	Pc Software	39907	1,426,869
14	Application Software	39908	36,314,249
15	Oth Tang Prop - Gen	39924	14,974,177
16	Total General Plant Accum. Deprec.		<u>78,525,917</u>
17	Retirement Work in Progress		
18	Total Customer Support Accum. Deprec.		<u><u>78,525,917</u></u>
19			
20	Allocation to Kansas Div	Sect. 12	3,054,658
21	Allocation to Southwest Div	Sect. 12	125,641
22	Total Allocated to KS Jurisdiction		<u><u>3,180,300</u></u>
			3.89%
			0.16%
			4.05%

Source: functional A/D balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - CO/KS General Office
Balance as of March 31, 2007

Line No. Description	Property Type	CO/KS G.O. Div 30	Alloc factor
(a)	(b)	(c)	(d)
<u>CO/KS General Office Accumulated Depreciation by Functional Plant Acct</u>			
General Plant			
1 Office Furniture And	39100	30,511	
2 Office Machines	39103	(99,592)	
3 Transp Equip-Grp	39200	(37,517)	
4 Tools Shop And Garage	39400	84,464	
5 Communication Equipme	39700	(85,691)	
6 Miscellaneous Equipme	39800	215,482	
7 Servers Hardware	39901	21,431	
8 Servers Software	39902	(1,273)	
9 Network Hardware	39903	33,142	
10 Oth Tang Prop - Mainf	39905	(1,919)	
11 Pc Hardware	39906	324,383	
12 Pc Software	39907	67,874	
13 Total General Plant Accum. Deprec.		<u>551,295</u>	
14 Retirement Work in Progress		<u>34,244</u>	
15 Total Customer Support Accum. Deprec.		<u><u>585,539</u></u>	
16			
17 Allocation to Kansas Div	Sect. 12	292,008	49.87%
18 Allocation to Southwest Div	Sect. 12	17,625	3.01%
19 Total Allocated to KS Jurisdiction		<u><u>309,633</u></u>	<u><u>52.88%</u></u>

Source: functional A/D balances - Power Plant reporting.

Atmos Energy Corporation
Kansas Distribution Systems
Accumulated Depreciation acct 108 - CO/KS General Office
Balance as of March 31, 2007

Line No.	Property Type	Description	KS Admin Div 80	Alloc factor
(a)	(b)		(c)	(d)
1	<u>KS Admin Division Accumulated Depreciation</u>			
2	RWIP	Retirement Work in Progress	<u>(1,258,587)</u>	
3				
4	Sect. 12	Allocation to Kansas Div	(1,186,848)	94.30%
5	Sect. 12	Allocation to Southwest Div	<u>(71,739)</u>	5.70%
6		Total Allocated to KS Jurisdiction	<u>(1,258,587)</u>	<u>100.00%</u>

Atmos Energy Corporation
Kansas Distribution System
Summary of Working Capital
Test Period Twelve Months Ended March 31, 2007

Line No.	Description	Reference	<u>Kansas Div81</u>		<u>Southwest Div 86</u>		<u>Total Kansas Juris.</u>	
			Direct & Alloc Amount	Adjusted Amount	Direct & Alloc Amount	Adjusted Amount	Direct & Alloc Amount	Adjusted Amount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Prepayments [1]	Wp 6-1	\$333,450	\$333,450	\$19,786	\$19,786	\$353,237	\$353,237
2	Storage Gas [1]	Wp 6-2	19,365,149	19,614,108	0	0	19,365,149	19,614,108
3	Cash Requirements		0	0	0	0	0	0
4								
5	Total		<u>\$19,698,599</u>	<u>\$19,947,558</u>	<u>\$19,786</u>	<u>\$19,786</u>	<u>\$19,718,385</u>	<u>\$19,967,344</u>

[1] 13 month average.

Kansas Distribution System
Jurisdictional Prepayments Acct 165
Thirteen month average balance at March 31, 2007

Line No.	Description (a)	Reference (b)	Avg Amount (c)	Allocation (d)
1	Shared Services Div 02	WP 6-1-1	8,844,932	328,147
2	SS Cust Support Div 12	WP 6-1-1	469,811	19,027
3	CoKs Gen Office Div 30	WP 6-1-1	11,464	6,062
4				
5				
6				353,237
7				
8		Allocated to Kansas Div81		333,450
9		Allocated to Southwest Div86		19,786
10				353,237

**Atmos Energy Corporation
Kansas Distribution System
Underground Storage Gas 164.1
Thirteen Month Average Balance Ended March 31, 2007**

Line No.	Month:	Liberty DIV 79	KS Admin DIV 80	Kansas Div DIV 81	Kansas Total
	(a)	(b)	(c)	(d)	(e)
1	Mar-06	8,733,020	156,892	4,773,022	13,662,934
2	Apr-06	7,386,681	141,632	826,989	8,355,302
3	May-06	7,385,367	126,476	3,208,499	10,720,342
4	Jun-06	7,380,886	136,119	6,028,034	13,545,039
5	Jul-06	9,412,301	157,546	8,197,072	17,766,919
6	Aug-06	11,904,926	190,475	10,446,556	22,541,957
7	Sep-06	14,632,597	237,163	13,227,329	28,097,089
8	Oct-06	16,066,169	257,857	14,482,208	30,806,234
9	Nov-06	16,352,847	258,504	13,400,535	30,011,886
10	Dec-06	15,984,570	249,953	12,382,990	28,617,513
11	Jan-07	13,195,798	219,019	8,968,511	22,383,328
12	Feb-07	10,894,407	174,023	2,319,957	13,388,387
13	Mar-07	8,925,682	149,164	2,775,157	11,850,003
14					
15	13 Month Average	11,404,250	188,833	7,772,066	19,365,149
16					
17	Updates to Test Year				
18	Apr-07	6,937,128	124,907	5,059,422	12,121,457
19	May-07	8,408,146	(18,425)	4,743,527	13,133,248
20	13 Month Average	11,344,679	174,060	8,095,369	19,614,108

Note: Storage Gas booked to Div 80 is attributed to Kansas Div 81.

Atmos Energy Corp. - Consolidated
Capital and Cost of Money
For the Test Year ended March 31, 2007

Line No.	Description	Beginning Bal. 3/31/2006	Ending Bal. 3/31/2007	Proforma Adjusted 6/30/2007	Rate Base Allocation
	(a)	(b)	(c)	(d)	(e)
1	LTD Capital [1] Wp 7-1	2,184,427,797	2,181,563,864	2,130,518,403	70,123,861
2	Equity Capital [2]	1,898,290,715	2,021,951,757	1,988,141,364	65,437,664
3					
4	Total Capital	<u>4,082,718,511</u>	<u>4,203,515,621</u>	<u>4,118,659,767</u>	<u>135,561,525</u>
5					
6	LTD Capital %	53.50%	51.90%	51.73%	
7	Equity Capital %	<u>46.50%</u>	<u>48.10%</u>	<u>48.27%</u>	
8					
9	Total Capital %	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	
10					
11	Long-term Debt Rate Section 7A			6.11%	
12	Cost of Equity			11.00%	
13					
14	Weighted Cost of Capital - LTD			3.16%	
15	Weighted Cost of Capital - Equity			<u>5.31%</u>	
16					
17	Total Cost of Capital			<u>8.47%</u>	

Notes:

[1] 6/30/07 Debt Capital includes adjustment to remove Sr Note 3 yr Floating \$300 mil paid off 7/15/07.

[2] 3/31/06 Equity Capital includes annualization of the Dec06 Equity Offering; net proceeds of approx \$192 mil. See Wp 7-1

Atmos Energy Corporation
Schedule of Consolidated of Debt and Equity, Adjusted
at March 31, 2006 through June 30, 2007

Wp 7-1

Line No.	Date	<u>Atmos Consolidated Balances</u>		Debt Adj. see note [2]	Equity Adj. see note [1]	<u>Atmos Consolidated Balances</u>	
		Adjusted Long-Term Debt	Adjusted Equity			per book Long-Term Debt	per book Equity
	(a)	(b)	(d)	(e)	(f)	(g)	(h)
1	3/31/2006	\$ 2,184,427,797	\$ 1,898,290,715		\$ 192,000,000	\$ 2,184,427,797	\$ 1,706,290,715
2	3/31/2007	\$ 2,181,563,864	\$ 2,021,951,757			\$ 2,181,563,864	\$ 2,021,951,757
3	6/30/2007	\$ 2,130,518,403	\$ 1,988,141,364	\$ (300,000,000)		\$ 2,430,518,403	\$ 1,988,141,364

Source of per bk balances: "GA Direct Balance Sheet, ATM".

Notes: [1] Annualize the Dec06 Equity Offering; net proceeds of approx \$192 mil used to reduce STD.

[2] Sr Note 3 yr Floating \$300 mil paid off 7/15/07.

Atmos Energy Corporation
Consolidated Long-Term Debt Outstanding w/ calculation of Effective Interest Rates
as of March 31, 2006; March 31, 2007 and proforma June 30, 2007

Atmos Energy Corp., Consolidated:

Line	Debt Series (a)	Issued (b)	Outstanding			Outstanding			Proforma		
			3/31/2006 (c)	Int Rate (d)	Annual Int at 3/31/2006 (e)	3/31/2007 (f)	Int Rate (g)	Annual Int at 3/31/2007 (h)	6/30/2007 (i)	Int Rate (j)	Annual Int at 6/30/2007 (k)
1	9.76% Sr Note J Hancock due 2004/RET 2013	10/11/89	\$0	9.76%	0	\$0	9.76%	0	\$0	9.76%	0
2	9.57% Sr Note Var Annuity Life due 2006/RET 2013	09/30/91	-	9.57%	0	-	9.57%	0	-	9.57%	0
3	7.95% Sr Note Var Annuity Life due 2006/RET 2013	08/31/92	-	7.95%	0	-	7.95%	0	-	7.95%	0
4	8.07% Sr Note Var Annuity Life due 2006/RET 2013	11/14/94	-	8.07%	0	-	8.07%	0	-	8.07%	0
5	8.26% Sr Note NY Life due 2014/RET 2013	11/14/94	-	8.26%	0	-	8.26%	0	-	8.26%	0
6	9.40% First Mortgage Bond J due May 2021/RET 2005	04/01/91	-	9.40%	0	-	9.40%	0	-	9.40%	0
7	10% Senior Notes due Dec 2011	12/31/91	2,303,308	10.00%	230,331	2,303,308	10.00%	230,331	2,303,308	10.00%	230,331
8	7.38% Senior Notes due May 2011	05/22/01	350,000,000	7.38%	25,812,500	350,000,000	7.38%	25,812,500	350,000,000	7.38%	25,812,500
9	6.75% Debentures Unsecured due July 2028	07/27/98	150,000,000	6.75%	10,125,000	150,000,000	6.75%	10,125,000	150,000,000	6.75%	10,125,000
10	5.125% Senior Notes due Feb 2013	01/13/03	250,000,000	5.13%	12,812,500	250,000,000	5.13%	12,812,500	250,000,000	5.13%	12,812,500
11	10.43% First Mortgage Bond P due 2017 (eff 2012)	11/01/87	8,750,000	10.43%	912,625	7,500,000	10.43%	782,250	7,500,000	10.43%	782,250
12	9.75% First Mortgage Bond Q due Apr 2020/RET 2005	04/01/90	-	9.75%	0	-	9.75%	0	-	9.75%	0
13	9.32% First Mortgage Bond T due June 2021/RET 2005	06/01/91	-	9.32%	0	-	9.32%	0	-	9.32%	0
14	8.77% First Mortgage Bond U due May 2022/RET 2005	05/01/92	-	8.77%	0	-	8.77%	0	-	8.77%	0
15	7.50% First Mortgage Bond V due Dec 2007/RET 2005	12/01/92	-	7.50%	0	-	7.50%	0	-	7.50%	0
16	6.67% MTN A1 due Dec 2025	12/15/95	10,000,000	6.67%	667,000	10,000,000	6.67%	667,000	10,000,000	6.67%	667,000
17	6.27% MTN A2 due Dec 2010	12/19/95	10,000,000	6.27%	627,000	10,000,000	6.27%	627,000	10,000,000	6.27%	627,000
18	Sr Note 3Yr Floating due 10/15/2007	10/22/04	300,000,000	4.98%	14,925,000	300,000,000	5.74%	17,205,000	-	5.73%	0
19	4.00% Sr Note due 10/15/2009	10/22/04	400,000,000	4.00%	16,000,000	400,000,000	4.00%	16,000,000	400,000,000	4.00%	16,000,000
20	4.95% Sr Note due 10/15/2014	10/22/04	500,000,000	4.95%	24,750,000	500,000,000	4.95%	24,750,000	500,000,000	4.95%	24,750,000
21	5.95% Sr Note due 10/15/2034	10/22/04	200,000,000	5.95%	11,900,000	200,000,000	5.95%	11,900,000	200,000,000	5.95%	11,900,000
22	6.35% Sr Note due 6/15/2017	06/15/07	0	6.35%	0	0	6.35%	0	250,000,000	6.35%	15,875,000
23	Subtotal -- Utility Long-Term Debt:		\$2,181,053,308		\$ 118,761,956	\$ 2,179,803,308		\$ 120,911,581	\$ 2,129,803,308		\$ 119,581,581
24											
25											
26	United Cities Propane Gas, Inc.										
27	Baxter, KY -- Harlan LP due 03/05		-	7.50%	-	-	7.50%	-	-	7.50%	-
28	Evensville, TN -- E-Con due 06/08		168,125	7.00%	11,769	-	7.00%	-	-	7.00%	-
29	Pulaski -- Ingas, Ingram & Carvell 06/08		250,000	6.00%	15,000	150,000	8.00%	12,000	100,000	8.25%	8,250
30	Boone, NC -- High Country, Kirby 02/04		-	7.50%	-	-	7.50%	-	-	7.50%	-
31	Total Propane		\$418,125		\$26,769	\$150,000		\$12,000	\$100,000		\$8,250
32											
33	United Cities Gas Storage, Inc.										
34	Nations Bk Sr Sec Notes #18 #26 03/07	1991	-	7.45%	-	-	7.45%	-	-	7.45%	-
35											
36	Atmos Leasing, Inc.										
37	Industrial Develop Revenue Bond 07/13	1991	982,142	7.90%	77,589	851,189	7.90%	67,244	851,189	7.90%	67,244
38	Atmos Power Sys - Wells Fargo 05/08	2003	2,289,292	5.65%	129,345	1,623,146	5.65%	91,708	1,450,660	5.65%	81,962
39	US Bancorp - 04/09	2004	3,237,491	5.29%	171,263	2,244,648	5.29%	118,742	1,988,140	5.29%	105,173
40	Total Long-Term Debt		\$2,187,980,358		\$ 119,166,922	\$ 2,184,672,292		\$ 121,201,274	\$ 2,134,193,297		\$ 119,844,210
41	Less Unamortized Debt Discount		\$ 3,552,561			\$ 3,108,428			\$ 3,674,894		
42	Annualized Amortization of Debt Exp. & Debt Dsct.				\$ 11,103,566			\$ 10,805,043			\$ 10,229,708
43			\$2,184,427,797		\$ 130,270,488	\$ 2,181,563,864		\$ 132,006,317	\$ 2,130,518,403		\$ 130,073,918
44	Effective Avg Cost of Consol Debt			5.96%			6.05%			6.11%	end of period

Note: includes current maturities

Atmos Energy Corporation
Consolidated Long-Term Debt - Unamortized Discount Acct 2260
as of March 31, 2006; March 31, 2007 and June 30, 2007

Wp 7A-1

Atmos Energy Corp., Consolidated:	<u>Line</u>	<u>Debt Series</u> (a)	<u>Year Issued</u> (b)	<u>Full Dsct before Amort</u> (c)	<u>4280 monthly amort.</u> (d)	2260	2260	2260
						<u>Unamortized Discount</u> <u>3/31/2006</u> (e)	<u>Unamortized Discount</u> <u>3/31/2007</u> (f)	<u>Unamortized Discount</u> <u>6/30/2007</u> (g)
1		7.38% Senior Notes due May 2011	2001	210,000	1,750.00	106,750	85,750	80,500
2		6.75% Debentures Unsecured due July 2028	1998	1,327,500	3,687.50	988,250	944,000	932,938
3		5.125% Senior Notes due Feb 2013	2003	212,500	1,770.83	145,208	123,958	118,646
4		4.00% Sr Note due 10/15/2009	2004	1,568,000	26,133.33	1,123,733	810,133	731,733
5		4.95% Sr Note due 10/15/2014	2004	35,000	291.67	30,042	26,542	25,667
6		5.95% Sr Note due 10/15/2034	2004	1,216,000	3,377.78	1,158,578	1,118,044	1,107,911
7		6.35% Sr Note due 6/15/2017	2007	677,500	5,646			677,500
8		Subtotal -- Utility Long-Term Debt Unamortized Discount		<u>\$ 5,246,500</u>	<u>\$ 42,656.94</u>	<u>\$ 3,552,561</u>	<u>\$ 3,108,428</u>	<u>\$ 3,674,894</u>

Atmos Energy Corporation
Annualized Amortization of Debt Expense and Debt Discount
as of March 31, 2006; March 31, 2007 and proforma June 30, 2007

Wp 7A-2

Atmos Energy Corp., Consolidated:		3/31/2006	3/31/2006	3/31/2007	3/31/2007	6/30/2007	6/30/2007
<u>Line</u>	<u>Debt Series</u>	Annualized	Annualized	Annualized	Annualized	Annualized	Annualized
	(a)	4270 Amort	4280-81 Amort	4270 Amort	4280-81 Amort	4270 Amort	4280-81 Amort
		<u>for T-lock</u>	<u>Debt Exp&Dsct</u>	<u>for T-lock</u>	<u>Debt Exp&Dsct</u>	<u>for T-lock</u>	<u>Debt Exp&Dsct</u>
		(b)	(c)	(d)	(e)	(f)	(g)
1	9.76% Sr Note J Hancock due 2004/RET 2013		1,362		1,362		1,362
2	9.57% Sr Note Var Annuity Life due 2006/RET 2013		2,908		2,908		2,908
3	7.95% Sr Note Var Annuity Life due 2006/RET 2013		1,435		1,435		1,435
4	8.07% Sr Note Var Annuity Life due 2006/RET 2013		3,771		3,771		3,771
5	8.26% Sr Note NY Life due 2014/RET 2013		7,050		7,050		7,050
6	9.40% First Mortgage Bond J due May 2021/RET 2005		560,397		560,397		560,397
7	10% Senior Notes due Dec 2011		0		0		0
8	7.38% Senior Notes due May 2011		502,339		502,339		502,339
9	6.75% Debentures Unsecured due July 2028		99,938		99,938		99,938
10	5.125% Senior Notes due Feb 2013		1,033,655		1,033,655		1,033,655
11	10.43% First Mortgage Bond P due 2017 (eff 2012)		12,224		12,224		12,224
12	9.75% First Mortgage Bond Q due Apr 2020/RET 2005		337,581		337,581		337,581
13	9.32% First Mortgage Bond T due June 2021/RET 2005		362,746		362,746		362,746
14	8.77% First Mortgage Bond U due May 2022/RET 2005		368,719		368,719		368,719
15	7.50% First Mortgage Bond V due Dec 2007/RET 2005		26,021		17,821		0
16	6.67% MTN A1 due Dec 2025		7,790		7,790		7,790
17	6.27% MTN A2 due Dec 2010		15,441		15,441		15,441
18	Sr Note 3Yr Floating due 10/15/2007		605,023		352,930		0
19	4.00% Sr Note due 10/15/2009	2,320,733	995,873	2,320,733	995,873	2,320,733	995,873
20	4.95% Sr Note due 10/15/2014	3,237,793	453,170	3,237,793	453,170	3,237,793	453,170
21	5.95% Sr Note due 10/15/2034	(7,047)	115,724	(7,047)	115,724	(7,047)	115,724
22	6.35% Sr Note due 6/15/2017					(474,980)	271,085
23	Subtotal -- Utility Long-Term Debt	<u>\$ 5,551,479</u>	<u>\$ 5,513,168</u>	<u>\$ 5,551,479</u>	<u>\$ 5,252,874</u>	<u>\$ 5,076,499</u>	<u>\$ 5,153,209</u>
24							
25							
26	United Cities Gas Storage, Inc.						
27	Nations Bk Sr Sec Notes #18 #26 03/07		38,919		689		(0)
28							
29							
30	Annualized Amortization of Debt Exp. & Debt Dsct.	<u>\$ 5,551,479</u>	<u>\$ 5,552,087</u>	<u>\$ 5,551,479</u>	<u>\$ 5,253,563</u>	<u>\$ 5,076,499</u>	<u>\$ 5,153,209</u>

Kansas Distribution System
Interest coverage computation - Atmos Consolidated
Twelve Months Ended March 31, 2007
Kansas

Section 7 (iii) Interest Coverage

Line No.	Description	12/31/2004	12/31/2005	12/31/2006	3/31/2006
	(a)	(b)	(c)	(d)	(e)
1	Net Income before interest and income tax	\$267,512,482	\$371,763,241	\$406,090,167	\$377,017,131
2					
3	Interest expense	79,080,283	133,404,765	146,566,059	135,749,701
4	Capitalized interest	1,563,571	2,900,698	3,383,785	2,974,189
5	Total interest expense	<u>\$80,643,854</u>	<u>\$136,305,463</u>	<u>\$149,949,844</u>	<u>\$138,723,890</u>
6					
7	Times interest earned before income taxes	3.32	2.73	2.71	2.72

Atmos Energy Corporation
CONSOLIDATED BALANCE SHEETS

ASSETS	March	March	September 30		
	2007	2006	2006	2005	2004
	(In thousands)				
Property, plant and equipment	\$5,228,334	\$4,943,329	\$5,026,478	\$4,631,684	\$2,595,374
Construction in progress		-	74,830	133,926	38,277
	\$5,228,334	\$4,943,329	\$5,101,308	\$4,765,610	\$2,633,651
Less accumulated depreciation and amortization	1,516,504	1,432,287	1,472,152	1,391,243	911,130
Net property, plant & equipment	\$3,711,830	\$3,511,042	\$3,629,156	\$3,374,367	\$1,722,521
Current assets					
Cash and cash equivalents	176,280	48,899	75,815	40,116	201,932
Cash held on deposit in margin account	40,763	13,537	35,647	80,956	-
Accounts receivable, net	721,058	793,019	374,629	454,313	211,810
Gas stored underground	364,478	440,946	461,502	450,807	200,134
Other current assets and prepayments	126,838	195,412	169,952	238,238	63,236
Total current assets	1,429,417	1,491,813	1,117,545	1,264,430	713,195
Goodwill and intangible assets	738,217	737,495	738,521	737,787	245,528
Deferred charges and other assets	229,634	256,701	234,325	276,943	231,383
	6,109,098	5,997,051	5,719,547	5,653,527	2,912,627
CAPITALIZATION AND LIABILITIES					
Shareholders' equity					
Common stock	\$ 444	\$ 405	\$ 409	\$ 403	\$ 314
Additional paid-in capital	1,679,228	1,447,734	1,467,240	1,426,523	1,005,644
Retained earnings	357,425	287,727	(43,850)	(3,341)	142,030
Accum. other comprehensive income (loss)	(15,144)	(29,575)	224,299	178,837	(14,529)
Shareholders' equity	2,021,953	1,706,291	1,648,098	1,602,422	1,133,459
Long-term debt	1,878,331	2,181,120	2,180,362	2,183,104	861,311
Total capitalization	3,900,284	3,887,411	3,828,460	3,785,526	1,994,770
Current liabilities					
Current maturities of long-term debt	303,232	708,134	3,186	3,264	5,908
Short-term debt		380,026	382,416	144,809	
Accounts payable and accrued liabilities	665,212	262,315	345,108	461,314	185,295
Other current liabilities	421,386	3,308	388,451	503,368	238,682
Total current liabilities	1,389,830	1,353,783	1,119,161	1,112,755	429,885
Deferred income taxes	342,328	287,841	306,172	292,207	241,257
Regulatory cost of removal obligation	261,984	275,209	261,376	263,424	103,579
Deferred credits and other liabilities	214,672	192,807	204,378	199,615	143,136
	6,109,098	5,997,051	5,719,547	5,653,527	2,912,627

Atmos Energy Corporation
CONSOLIDATED STATEMENTS OF INCOME

	For the 12 Months En	March	March	September 30	
	<u>2007</u>	<u>2006</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
	(In thousands, except per share data)				
Operating revenues					
Utility segment	1,461,033	1,447,620	3,650,591	3,103,140	1,637,728
Natural gas marketing segment	795,041	818,629	3,156,524	2,106,278	1,618,602
Pipeline and storage segment	59,362	45,483	160,567	164,742	19,758
Other nonutility segment	783	1,595	5,898	5,302	3,393
Intersegment eliminations	<u>(240,637)</u>	<u>(279,481)</u>	<u>(821,217)</u>	<u>(406,136)</u>	<u>(359,444)</u>
Total operating revenues	<u>2,075,582</u>	<u>2,033,846</u>	<u>6,152,363</u>	<u>4,973,326</u>	<u>2,920,037</u>
Purchased gas cost					
Utility segment	1,114,787	1,131,885	2,725,534	2,195,774	1,134,594
Natural gas marketing segment	771,988	774,652	3,025,897	2,044,305	1,571,971
Pipeline and storage segment	229	211	838	6,811	9,383
Other nonutility segment	0	0	0	0	0
Intersegment eliminations	<u>(240,108)</u>	<u>(278,305)</u>	<u>(816,476)</u>	<u>(402,654)</u>	<u>(358,102)</u>
Gross profit	<u>428,686</u>	<u>405,403</u>	<u>1,216,570</u>	<u>1,129,090</u>	<u>562,191</u>
Operating expenses					
Operation and maintenance	111,862	112,698	433,418	416,281	214,470
Depreciation and amortization	51,066	47,076	185,596	178,005	96,647
Taxes, other than income	56,746	64,796	191,993	174,696	57,379
Impairment of long-lived assets	<u>0</u>	<u>0</u>	<u>22,947</u>	<u>0</u>	<u>0</u>
Total operating expenses	<u>219,674</u>	<u>224,570</u>	<u>833,954</u>	<u>768,982</u>	<u>368,496</u>
Operating income	209,012	180,833	382,616	348,655	193,695
Miscellaneous income	1,838	(2,439)	881	2,021	9,507
Interest charges	<u>35,262</u>	<u>35,492</u>	<u>146,607</u>	<u>132,658</u>	<u>65,437</u>
Income before income taxes	175,588	142,902	236,890	218,018	137,765
Income tax expense	<u>69,083</u>	<u>54,106</u>	<u>89,153</u>	<u>82,233</u>	<u>51,538</u>
Net income	<u>106,505</u>	<u>88,796</u>	<u>147,737</u>	<u>135,785</u>	<u>86,227</u>
Per share data					
Basic net income per share	<u>\$ 1.21</u>	<u>\$ 1.10</u>	<u>\$ 1.83</u>	<u>\$ 1.73</u>	<u>\$ 1.60</u>
Diluted net income per share	<u>\$ 1.20</u>	<u>\$ 1.10</u>	<u>\$ 1.82</u>	<u>\$ 1.72</u>	<u>\$ 1.58</u>
Weighted average shares outstanding:					
Basic	<u>88,078</u>	<u>80,573</u>	<u>80,731</u>	<u>78,508</u>	<u>54,021</u>
Diluted	<u>88,735</u>	<u>\$ 81,040</u>	<u>81,390</u>	<u>79,012</u>	<u>54,416</u>

Atmos Energy Corporation
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital (in thousands)	Accumulated Other Comprehensive Income (loss) (except share data)	Retained Earnings	Total
	Number of Shares	Stated Value				
Balance, September 30, 2003	51,475,785	257	736,180	-1,459	122,539	857,517
Comprehensive income:						
Net income	-	-	-	-	86,227	86,227
Unrealized holding gains on investments, net	-	-	-	615	-	615
Treasury lock agreements, net	-	-	-	-21,268	-	(21,268)
Cash flow hedges, net	-	-	-	7,583	-	7,583
Total comprehensive income	-	-	-	-	-	73,157
Cash dividends	-	-	-	-	-66,736	(66,736)
Common stock issued						
Public offering	9,939,393	50	235,419	-	-	235,469
Direct stock purchase plan	556,856	3	13,726	-	-	13,729
Retirement savings plan	320,313	2	8,300	-	-	8,302
Long-term incentive plan	498,230	2	11,848	-	-	11,850
Long-term stock plan for Mid-States Div	6,000	-	94	-	-	94
Outside directors stock-for-fee plan	3,133	-	77	-	-	77
Balance, September 30, 2004	62,799,710	314	1,005,644	(14,529)	142,030	1,133,459
Comprehensive income:						
Net income	62,799,710	314	1,005,644	(14,529)	135,785	135,785
Unrealized holding gains on investments, net	-	-	-	1,528.00	-	1,528
Treasury lock agreements, net	-	-	-	(2,714.00)	-	(2,714)
Cash flow hedges, net	-	-	-	12,374	-	12,374
Total comprehensive income	-	-	-	-	-	146,973
Cash dividends	-	-	-	-	(98,978)	(98,978)
Common stock issued						
Public offering	16,100,000	80	381,271	-	-	381,351
Direct stock purchase plan	450,212	3	12,486	-	-	12,489
Retirement savings plan	441,350	2	11,767	-	-	11,769
1998 Long-term incentive plan	745,788	4	14,116	-	-	14,120
Stock-based compensation	-	-	1,175	-	-	1,175
Outside directors stock-for-fee plan	2,341	-	64	-	-	64
Balance, September 30, 2005	80,539,401	403	1,426,523	(3,341)	178,837	1,602,422
Comprehensive income:						
Net income	-	-	-	-	159,823	159,823
Unrealized holding gains on investments, net	-	-	-	884	-	884
Treasury lock agreements, net	-	-	-	1,721	-	1,721
Cash flow hedges, net	-	-	-	(28,839)	-	(28,839)
Total comprehensive income	-	-	-	-	-	133,589
Cash dividends	-	-	-	-	(50,933)	(50,933)
Common stock issued						
Direct Stock Purchase Plan	-	1	5,472	-	-	5,473
Retirement Savings Plan	-	1	5,939	-	-	5,940
1998 Long-term incentive plan	-	-	6,920	-	-	6,920
Long-term stock plan for Mid-States Division	-	-	5	-	-	5
Stock-based compensation	-	-	2,840	-	-	2,840
O compensation plan	-	-	35	-	-	35
Balance, March 31, 2006	-	405	1,447,734	(29,575)	287,727	1,706,291
Comprehensive income:						
Net income	-	-	-	-	(12,086)	(12,086)
Unrealized holding gains on investments, net	-	-	-	(2.00)	-	(2)
Treasury lock agreements, net	-	-	-	1,721.00	-	1,721
Cash flow hedges, net	-	-	-	(15,994)	-	(15,994)
Total comprehensive income	-	-	-	-	-	(26,361)
Cash dividends	-	-	-	-	(51,342)	(51,342)
Common stock issued						
Direct stock purchase plan	387,833	1	4,919	-	-	4,920
Retirement savings plan	442,635	1	5,979	-	-	5,980
1998 Long-term incentive plan	366,905	2	2,056	-	-	2,058
Long-term stock plan for Mid-States Divisi	300	-	-	-	-	-
Stock-based compensation	-	-	6,521	-	-	6,521
O compensation plan	2,442	-	31	-	-	31
Balance, September 30, 2006	81,739,516	407	1,446,029	(17,616)	115,409	1,648,098
Comprehensive income:						
Net income	-	-	-	-	187,766	187,766
Unrealized holding gains on investments, net	-	-	-	1,222	-	1,222
Treasury lock agreements, net	-	-	-	2,462.00	-	2,462
Cash flow hedges, net	-	-	-	25,022	-	25,022
Total comprehensive income	-	-	-	-	-	216,472
Cash dividends	-	-	-	-	(54,640)	(54,640)
Common stock issued						
Public Offering	32	-	191,881	-	-	191,913
Direct Stock Purchase Plan	1	-	4,941	-	-	4,942
Retirement Savings Plan	1	-	6,035	-	-	6,036
1998 Long-term incentive plan	1	-	4,435	-	-	4,436
Stock-based compensation	-	-	4,661	-	-	4,661
Outside directors stock-for-fee plan	-	-	35	-	-	35
Balance, March 31, 2007	-	\$ 442	\$ 1,658,017	\$ 11,090	\$ 248,535	\$ 2,021,953

Atmos Energy Corporation
 Kansas Operations
 Operating Revenue and Expenses by Primary Account

Section 8 D
 Item (iii)

Line No.	12 Months Ended	March	December	March	December	December
	Account # (a)	2007 (b)	2006 (c)	2006 (d)	2005 (e)	2004 (f)
1	4030	\$8,080,788	\$7,989,929	\$7,794,986	\$7,787,965	\$7,568,673
2	4043	0	0	0	0	45,699
3	4060	377,268	377,268	377,268	377,263	282,950
4	4074	(9,209)	(9,307)	(9,551)	(9,624)	(9,867)
5	4081	5,057,910	4,931,884	4,551,703	3,174,107	4,039,219
6	4091	(2,824,674)	(1,837,174)	4,079,881	4,167,898	7,146,300
7	4101	7,093,794	3,310,009	(3,892,363)	(3,892,363)	(6,458,594)
8	4150	47	(10)	162	100	746
9	4160	0	0	(5,000)	(5,000)	0
10	4170	(11,329)	(10,000)	0	0	0
11	4190	(201,340)	(79,323)	0	0	0
12	4210	0	0	0	0	(1,889)
13	4211	(1,272)	(1,272)	0	0	0
14	4212	0	0	25,952	25,952	0
15	4261	20,267	24,197	36,311	34,850	61,146
16	4264	5,050	0	0	600	300
17	4265	38,209	17,469	31,703	53,148	29,350
18	4270	2,419,979	1,210,589	0	0	0
19	4310	499,459	390,468	93,468	76,450	68,233
20	4320	(82,985)	(92,056)	(64,281)	(42,976)	0
21	4800	#####	#####	#####	(96,365,994)	(89,566,438)
22	4805	5,467,397	4,732,545	(2,466,788)	(3,517,678)	1,202,104
23	4810	0	0	0	0	(59)
24	4811	(29,743,330)	(28,793,005)	(29,326,093)	(26,782,570)	(26,015,857)
25	4812	(3,534,878)	(3,866,319)	(3,820,445)	(3,161,059)	(2,744,823)
26	4813	(4,837,432)	(4,981,118)	(2,460,146)	(2,302,680)	(3,574,670)
27	4815	428,022	1,096,530	(270,558)	(590,615)	(2,321,627)
28	4816	559,252	814,149	(529,870)	(783,962)	64,291
29	4820	(3,104,517)	(2,814,900)	(3,024,972)	(2,774,784)	(2,779,480)
30	4825	(39,195)	56,301	77,541	45,832	(271,839)
31	4870	(558,502)	(540,763)	(495,860)	(403,567)	(456,043)
32	4880	(165,402)	(147,909)	(123,651)	(119,581)	(137,689)
33	4891	0	0	0	310	(55,336)
34	4895	(42,619)	(43,466)	(5,422)	(4,565)	(18,954)
35	4896	(3,193,103)	(3,033,461)	(3,170,040)	(3,368,227)	(3,027,928)
36	4950	(1,446,627)	(1,338,537)	(993,987)	(340,378)	0
37	7510	0	0	0	0	9
38	7540	0	0	0	0	38,970
39	7560	0	0	30	0	7,177
40	7590	1,715	1,715	0	(67)	0
41	7640	0	0	0	(43)	877
42	7650	0	0	0	0	133
43	7670	0	0	0	0	251
44	7840	563	0	0	0	0
45	8000	0	0	0	0	234
46	8001	5,884,040	1,562,350	0	0	0
47	8010	3,885,288	4,089,804	4,050,518	3,497,937	2,231,906

Atmos Energy Corporation
 Kansas Operations
 Operating Revenue and Expenses by Primary Account

Section 8 D
 Item (iii)

Line No.	12 Months Ended Account # (a)	March 2007 (b)	December 2006 (c)	March 2006 (d)	December 2005 (e)	December 2004 (f)
48	8040	84,198,411	83,665,979	106,373,590	91,135,113	82,039,647
49	8045	12,482,203	12,224,732	12,080,849	12,029,685	9,369,746
50	8051	76,348,485	72,465,889	76,166,719	68,879,897	61,688,976
51	8052	22,982,932	21,990,879	22,610,860	20,184,208	19,093,635
52	8053	3,043,434	3,326,357	3,293,554	2,678,669	2,350,021
53	8054	2,491,507	2,231,236	2,430,855	2,183,915	2,158,760
54	8055	4,201,053	4,384,694	2,177,522	2,029,849	3,182,066
55	8057	14,691	3,734	(153)	(153)	5,030
56	8058	(5,706,795)	(6,371,692)	2,660,892	4,769,098	1,432,426
57	8059	#####	#####	#####	#####	(88,575,427)
58	8060	(164,145)	(1,152,791)	(175,391)	864,405	145,925
59	8081	25,223,279	28,809,458	27,135,664	30,486,265	21,584,207
60	8082	(23,410,348)	(22,901,522)	(34,409,316)	(34,787,996)	(26,560,963)
61	8120	(108,114)	(194,586)	(580,084)	(397,882)	(235,273)
62	8130	39,009	78,188	88,483	86,983	551,332
63	8140	56,913	78,862	162,143	167,466	126,712
64	8160	33,760	34,238	45,177	48,569	22,890
65	8170	0	0	4,657	4,738	1,030
66	8180	8,543	14,977	35,689	32,420	9,952
67	8190	152,757	302,205	540,227	287,250	0
68	8200	0	0	3,524	3,524	3,746
69	8240	0	0	0	0	82
70	8250	57,006	70,841	77,478	59,131	31,014
71	8320	0	0	0	0	534
72	8330	0	0	0	0	104
73	8340	0	0	241	241	552
74	8350	0	0	8,453	8,453	0
75	8400	0	0	0	0	2,047
76	8420	137	137	0	0	0
77	8520	0	0	0	1,354	0
78	8530	0	0	8	(40)	2,510
79	8540	0	0	0	0	44,325
80	8560	746	758	704	692	5,436
81	8570	3,389	3,315	3,388	3,712	3,176
82	8600	490	780	3,867	3,575	1,418
83	8630	0	0	0	(43)	7,347
84	8700	698,019	638,252	1,025,987	1,048,235	485,540
85	8710	13,060	8,095	13,237	17,351	29,904
86	8711	3,987	1,636	128	410	689
87	8720	0	0	43	43	299
88	8740	2,883,002	2,726,534	2,215,065	2,141,157	2,194,583
89	8750	47,487	44,148	46,534	46,194	48,039
90	8760	0	1,055	1,310	255	44
91	8770	5,706	6,784	7,251	7,923	4,331
92	8780	593,839	564,768	507,150	487,678	385,702
93	8790	194,383	199,125	187,672	182,761	146,393
94	8800	107,957	77,058	73,442	63,158	37,959

Atmos Energy Corporation
 Kansas Operations
 Operating Revenue and Expenses by Primary Account

Section 8 D
 Item (iii)

Line No.	12 Months Ended	March	December	March	December	December
	Account # (a)	2007 (b)	2006 (c)	2006 (d)	2005 (e)	2004 (f)
95	8810	320,782	288,439	184,922	168,964	132,492
96	8850	136,722	125,383	89,768	81,334	68,793
97	8860	2,213	2,592	1,758	3,012	398
98	8870	187,825	168,101	145,164	144,538	127,471
99	8890	78,380	70,840	60,903	61,521	58,249
100	8900	5,399	5,670	4,963	4,087	7,009
101	8910	0	0	6,924	7,366	0
102	8920	16,507	13,816	15,883	15,650	13,683
103	8930	5,964	5,742	7,983	6,521	12,053
104	8940	41	1,183	1,530	439	277
105	8950	0	0	0	0	431
106	9010	49,575	44,839	40,085	39,964	42,160
107	9020	660,949	668,513	668,436	667,915	534,951
108	9030	223,735	198,666	176,523	169,959	190,132
109	9040	951,110	690,009	886,060	265,359	1,159,098
110	9050	6,377	5,792	5,017	5,838	14,192
111	9070	3,342	6,000	4,995	0	0
112	9080	20,991	26,946	64,055	61,359	58,464
113	9090	58,599	27,828	24,547	7,513	2,059
114	9100	3,655	15,157	27,048	22,535	46,869
115	9110	50,855	63,916	64,974	67,139	87,576
116	9120	24,461	11,883	3,620	5,063	7,305
117	9130	80	1,755	1,724	209	326
118	9160	135	0	0	0	0
119	9200	0	0	0	0	747
120	9210	10,562	11,293	11,609	11,394	1,375,721
121	9220	6,083,870	5,987,859	5,525,881	5,699,607	5,894,747
122	9230	243,789	297,707	318,806	382,645	154,820
123	9240	149,464	96,708	0	0	2,508
124	9250	6,849	1,691	240	240	104
125	9260	1,249,886	1,203,218	1,116,325	1,088,974	1,101,591
126	9270	476	342	1,253	989	0
127	9280	20,575	20,575	87,107	100,061	151,086
128	9302	58,497	52,527	100,709	104,470	35,357
129	9310	99	0	128	128	0

(For all companies) SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY

1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party)
2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year, (12 if all are billed monthly).

Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold @ ___ F. BTU content: ___ (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
1	RESIDENTIAL - A/C 480					
2						
3						
4	Division 81	8,549,970	95,004,082	111,765	76.5	11.11
5						
6	Division 86	342,787	3,697,545	3,910	87.7	10.79
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	8,892,757	98,701,627	115,675	76.9	11.10
21	COMMERCIAL - A/C 481.1					
22						
23						
24	Division 81	2,632,317	27,805,510	8,692	302.8	10.56
25						
26	Division 86	147,348	1,509,798	493	298.9	10.25
27						
28						
29						
30						
31						
32						
33						
34						
36						
37						
38						
39						
40	TOTAL	2,779,665	29,315,308	9,185	302.6	10.55
41	INDUSTRIAL, SMALL 481.3					
42						
43						
44	Division 81	190,309	1,733,705	70	2,718.7	9.11
45						
46	Division 86	136,205	1,241,920	18	7,566.9	9.11
47						
48						
49						
50						
51						
52	TOTAL	326,514	2,975,625	88	3,710.4	9.11
53	INDUSTRIAL, LARGE 481.4					
54	NONE	-	0	0	0.0	0.00
55	TOTAL	-	0	0	0.0	0.00
56						
57	IRRIGATION 481.5					
58	GGS-SW (Southwest Total)	668,856	4,837,434	296	2,259.6	7.23
59	TOTAL	668,856	4,837,434	296	2,259.6	7.23
60						
61	PUBLIC AUTHORITIES 482					
62		310,245	3,143,710	559	555.0	10.13
63	TOTAL	310,245	3,143,710	559	555.0	10.13
64						
66	TOTAL	12,978,037	138,973,704	125,803	103.2	10.71
67						

(For all companies) SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY

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Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold @ ___ F. BTU content: ___ (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
1	RESIDENTIAL - A/C 480					
2						
3						
4	Division 81	8,913,404	102,749,483	110,041	81.0	11.53
5						
6	Division 86	293,268	3,576,621	3,896	75.3	12.20
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	9,206,672	106,326,104	113,937	80.8	11.55
21	COMMERCIAL - A/C 481.1					
22						
23						
24	Division 81	2,561,165	28,521,296	8,508	301.0	11.14
25						
26	Division 86	84,375	1,075,355	496	170.1	12.74
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	2,645,540	29,596,651	9,004	293.8	11.19
41	INDUSTRIAL, SMALL 481.3					
42						
43						
44	Division 81	231,189	2,276,528	63	3,669.7	9.85
45						
46	Division 86	204,401	2,073,785	19	10,757.9	9.99
47						
48						
49						
50						
51						
52	TOTAL	435,590	4,350,313	82	5,312.1	9.99
53	INDUSTRIAL, LARGE 481.4					
54	NONE	-	0	0	0.0	0.00
55	TOTAL	-	0	0	0.0	0.00
56						
57	IRRIGATION 481.5					
58	GGs-SW (Southwest Total)	260,061	2,460,147	263	988.8	9.46
59	TOTAL	260,061	2,460,147	263	988.8	9.46
60						
61	PUBLIC AUTHORITIES 482					
62		268,496	2,947,431	550	488.2	10.98
63	TOTAL	268,496	2,947,431	550	488.2	10.98
64						
65						
66	TOTAL	12,816,359	145,680,646	123,836	103.5	11.37
67						

(For all companies) SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY						
1. Information called for below shall be given for each rate schedule (by number and title) and each special contract (by name of contracting party)						
2. Provide a sub-heading and total for each gas service revenue account.						
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year, (12 if all are billed monthly).						
Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold ____ @ ____ F. BTU content: ____ (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
1	RESIDENTIAL - A/C 480					
2						
3						
4	Division 81	8,087,227	92,379,459	111,391	72.6	11.42
5						
6	Division 86	280,587	3,174,299	3,891	72.1	11.31
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	8,367,814	95,553,758	115,282	72.6	11.42
21	COMMERCIAL - A/C 481.1					
22						
23						
24	Division 81	2,416,629	26,381,960	8,653	279.3	10.92
25						
26	Division 86	119,592	1,314,514	492	243.1	10.99
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	2,536,221	27,696,474	9,145	277.3	10.92
41	INDUSTRIAL, SMALL 481.3					
42						
43						
44	Division 81	202,791	1,921,289	70	2,897.0	9.47
45						
46	Division 86	132,407	1,130,882	19	6,968.8	9.11
47						
48						
49						
50						
51						
52	TOTAL	335,198	3,052,171	89	3,768.3	9.11
53	INDUSTRIAL, LARGE 481.4					
54	NONE	-	0	0	0.0	0.00
55	TOTAL	-	0	0	0.0	0.00
56						
57	IRRIGATION 481.5					
58	GGs-SW (Southwest Total)	685,750	4,981,118	279	2,457.9	7.26
59	TOTAL	685,750	4,981,118	279	2,457.9	7.26
60						
61	PUBLIC AUTHORITIES 482					
62		263,988	2,758,599	553	477.4	10.45
63	TOTAL	263,988	2,758,599	553	477.4	10.45
64						
66	TOTAL	12,188,971	134,042,120	125,348	97.2	11.00
67						

(For all companies) SALES OF NATURAL GAS BY RATE SCHEDULES - KANSAS OPERATIONS ONLY

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2. Provide a sub-heading and total for each gas service revenue account.
3. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year, (12 if all are billed monthly).

Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold @ BTU content: (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
1	RESIDENTIAL - A/C 480					
2	GGG-B (Kaw Valley Total)	831,232.0	8,632,864	9,640	86.2	10.39
3	GGG-C (Central excl. line 4,5,6)	344,994	3,198,197	4,299	80.2	9.27
4	GGG-C (Marion Lake)	11,166.0	110,444	222	50.3	9.89
5	GGG-CCG (Council Grove)	93,129.0	864,632	1,189	78.3	9.28
	GGG-CCC (, Florence)	20,165.0	187,256	243	83.0	9.29
	GGG-CCC (Cottonwood)	31,862.0	296,170	386	82.5	9.30
	GGG-CCC (, Strong,)	18,015.0	169,117	240	75.1	9.39
6		70,042.0	652,543	869	80.6	9.32
7	C-1 (Anthony, C-1 Danville)	87,448.0 1,517.0	835,854 14,857	1,097 22	79.7 69.0	9.56 9.79
		88,965.0	850,711.0	1,119	79.5	9.56
8	C-2 (, Bazine,) C-2 (e, Alexander, C-2 (r, McCracken) C-2 (Ness City,)	12,401.0 2,908.0 10,011.0 55,182.0	119,080 27,911 95,106 525,018	158 35 110 673	78.5 83.1 91.0 82.0	9.60 9.60 9.50 9.51
		80,502.0	767,115.0	976	82.5	9.53
9	C-3 (Eureka, C-3 (Neal, C-3 (Toronto)	99,515.0 2,003.0 13,724.0	950,151 19,052 130,243	1,251 27 182	79.5 74.2 75.4	9.55 9.51 9.49
		115,242.0	1,099,446.0	1,460	78.9	9.54
10	C-5 (Caldwell, C-5 Hazeltonl, C-5 Hunewell, C-5 (South Haven)	51,446.0 3,248.0 2,132.0 12,058.0	414,744 34,643 17,438 98,518	614 48 28 158	83.8 67.7 76.1 76.3	8.06 0.00 8.18 8.17
		68,884.0	565,343.0	848	81.2	8.21
11	GGG-EK (Eastern Total)	99,953.0	1,031,027	1,283	77.9	10.32
12	GGG-SW (Southwest Total)	321,132.0	2,870,227	3,913	82.1	8.94
	Coffeerville	488,681.00	4,050,661.0	5,746	705.0	8.29
	Independence	679,236.00	5,620,376.0	7,910	710.5	8.27
	Neosha	109.00	886.0	1		
	Olathe	5,337,600.00	43,709,782.0	53,564	816.0	8.19
	Wyandotte	953,599.0	7,896,171	7,999	119.2	8.28
	Yates Center	353,602.0	2,937,633	4,256	83.1	8.31
		7,812,827.0	64,215,509.0	79,476	98.3	8.22
13	Total	9,938,068.0	84,858,058.0	105,294	94.4	8.54

Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold @ ____ F. BTU content: ____ (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
14	COMMERCIAL - A/C 481.1					
15	GGG-B (Kaw Valley Total)	233,079.0	2,339,113	510	457.0	10.04
16	GGG-C (Central excl. line 4,5,6)	115,931.0	1,053,100	546	212.3	9.08
17	GGG-C (Marion Lake)	604.0	5,374	1	604.0	8.90
18	GGG-CCG (Council Grove)	76,532.0	674,290	158	484.4	8.81
19						
20	GGG-CCC (, Florence)	4,105.0	38,885	27	152.0	9.47
21	GGG-CCC (Cottonwood)	7,836.0	75,549	57	137.5	9.64
22	GGG-CCC (, Strong,)	4,707.0	45,135	32	147.1	9.59
		16,648.0	159,569.0	116	143.5	9.58
23						
24	C-1 (Anthony, C-1 Danville)	31,902.0 890.0	298,638 8,579	164 5	194.5 178.0	9.36 9.64
		32,792.0	307,217.0	169	194.0	9.37
25						
	C-2 (, Bazine,)	3,285.0	32,748	25	131.4	9.97
	C-2 (e, Alexander,	529.0	5,619	6	88.2	10.62
	C-2 (r, McCracken)	842.0	9,379	12	70.2	11.14
	C-2 (Ness City,)	18,907.0	184,292	126	150.1	9.75
		23,563.0	232,038	169	139.4	9.85
	C-3 (Eureka,)	24,500.0	238,648	154	159.1	9.74
	C-3 (Neal,	274.0	3,011	4	68.5	10.99
	C-3 (Toronto)	1,634.0	17,161	20	81.7	10.50
		26,408.0	258,820.0	178	148.4	9.80
	C-5 (Caldwell,)	15,509.0	124,924	88	176.2	8.05
	C-5 (Hazeilton, See Southwest Division)	813.0	9,148	8	101.6	0.00
	C-5 Hunewell,	2,052.0	15,244	2	1,026.0	7.43
	C-5 (South Haven)	1,165.0	10,559	14	83.2	9.06
		19,539.0	159,875.0	112	174.5	8.18
	GGG-EK (Eastern Total)	18,874.0	200,407	144	131.1	10.62
	GGG-SW (Southwest Total)	259,543.0	2,183,499	502	517.0	8.41
	Coffeeville	178,352.0	1,411,968	723	246.7	7.92
	Independence	250,677.0	1,955,187	917	273.4	7.80
	Olathe	1,319,304.0	10,247,451	3,291	400.9	#REF!
	Wyandotte	308,552.0	2,490,787	689	447.8	33.21
	Yates Center	137,833.0	1,083,183.00	627	219.8	18.07
	Total Div 81	2,194,718.0	17,188,576.0	6,247.0		
26						
27	INDUSTRIAL, SMALL 481.3					
28	RGI-B (Kaw Valley)	0.0	0	0	0.0	0.00
29	South West Kansas Cane	182,734.0 0.0	1,509,441 16	22	8,306.1	8.26
	Coffeeville	47,339.0	376,620	2	23,669.5	7.96
	Independence	1,204.0	9,598	1	1,204.0	7.97
	Olathe	11,120.0	83,234	9	1,235.6	7.49
	Wyandotte	18,357.0	144,335	6	3,059.5	7.85
	Yates Center	0.0	0	0	0.0	0.00
30						
31	TOTAL	260,754.0	2,123,244	40	6518.9	8.14
32	INDUSTRIAL, LARGE 481.4					
33	NONE	0.0	0	0	0.0	0.00
34	TOTAL	0.0	0	0	0.0	0.00
35	IRRIGATION 481.5					
36	GGG-SW (Southwest Total)	779,776.0	5,803,743	383	2,036.0	7.44
	TOTAL	779,776.0	5,803,743	383	2,036.0	7.44
	PUBLIC AUTHORITIES 482	322,570	2,814,193	564	572	8.72
	TOTAL	322,570	2,814,193	564	572	8.72
38	UNBILLED REVENUE	23,261.0	935,409	N/A	N/A	N/A
39						
40	TOTAL	14,342,660.0	121,296,525	115,133	124.6	8.46
41						
42						
43						

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1	RESIDENTIAL - A/C 480					
2	GGs-B (Kaw Valley Total)	831,232.0	8,632,864	9,640	86.2	10.39
3	GGs-C (Central excl. line 4,5,6)	344,994	3,198,187	4,299	80.2	9.27
4	GGs-C (Marion Lake)	11,166.0	110,444	222	50.3	9.89
5	GGs-CCG (Council Grove)	93,129.0	864,632	1,189	78.3	9.28
	GGs-CCC (, Florence)	20,165.0	187,256	243	83.0	9.29
	GGs-CCC (Cottonwood)	31,862.0	296,170	386	82.5	9.30
	GGs-CCC (, Strong,)	18,015.0	169,117	240	75.1	9.39
6		70,042.0	652,543	869	80.6	9.32
7	C-1 (Anthony, C-1 Danville)	87,448.0	835,854	1,097	79.7	9.56
		1,517.0	14,857	22	69.0	9.79
		88,965.0	850,711.0	1,119	79.5	9.56
8	C-2 (, Bazine,)	12,401.0	119,080	158	78.5	9.60
	C-2 (e, Alexander,	2,908.0	27,911	35	83.1	9.60
	C-2 (r, McCracken)	10,011.0	95,106	110	91.0	9.50
	C-2 (Ness City,)	55,182.0	525,018	673	82.0	9.51
		80,502.0	767,115.0	976	82.5	9.53
9	C-3 (Eureka,)	99,515.0	950,151	1,251	79.5	9.55
	C-3 (Neal,	2,003.0	19,052	27	74.2	9.51
	C-3 (Toronto)	13,724.0	130,243	182	75.4	9.49
		115,242.0	1,099,446.0	1,460	78.9	9.54
10	C-5 (Caldwell,)	51,446.0	414,744	614	83.8	8.06
	C-5 Hazelton,	3,248.0	34,643	48	67.7	0.00
	C-5 Hunewell,	2,132.0	17,438	28	76.1	8.18
	C-5 (South Haven)	12,058.0	98,518	158	76.3	8.17
		68,884.0	565,343.0	848	81.2	8.21
11	GGs-EK (Eastern Total)	99,953.0	1,031,027	1,283	77.9	10.32
12	GGs-SW (Southwest Total)	321,132.0	2,870,227	3,913	82.1	8.94
	Coffeerville	488,681.00	4,050,661.0	5,746	705.0	8.29
	Independence	679,236.00	5,620,376.0	7,910	710.5	8.27
	Necsha	109.00	886.0	1		
	Olathe	5,337,600.00	43,709,782.0	53,564	816.0	8.19
	Wyandotte	953,599.0	7,896,171	7,999	119.2	8.28
	Yates Center	353,602.0	2,937,633	4,256	83.1	8.31
		7,812,827.0	64,215,509.0	79,476	98.3	8.22
13	Total	9,938,068.0	84,858,058.0	105,294	94.4	8.54

Line No.	Rate Schedule (Number and Title) or Special Contract (Name of Holder) (a)	M. Cu. Ft. Sold @ BTU content: (b)	Revenue (c)	Average No. of Customers (d)	M. Cu. Ft. per Customer (e)	Revenue Per M. Cu. Ft. (f)
14	COMMERCIAL - A/C 481.1					
15	GGS-B (Kaw Valley Total)	233,079.0	2,339,113	510	457.0	10.04
16	GGS-C (Central excl. line 4,5,6)	118,931.0	1,053,100	546	212.3	9.08
17	GGS-C (Marion Lake)	604.0	5,374	1	604.0	8.90
18	GGS-CCG (Council Grove)	76,532.0	674,290	158	484.4	8.81
19						
20	GGS-CCC (, Florence)	4,105.0	38,885	27	152.0	9.47
21	GGS-CCC (Cottonwood)	7,836.0	75,549	57	137.5	9.64
22	GGS-CCC (, Strong,)	4,707.0	45,135	32	147.1	9.59
		16,648.0	159,569.0	116	143.5	9.58
23						
24	C-1 (Anthony, C-1 Danville)	31,902.0 890.0	298,638 8,579	164 5	194.5 178.0	9.36 9.64
		32,792.0	307,217.0	169	194.0	9.37
25						
	C-2 (, Bazine,)	3,285.0	32,748	25	131.4	9.97
	C-2 (e, Alexander,	529.0	5,619	6	88.2	10.62
	C-2 (r, McCracken)	842.0	9,379	12	70.2	11.14
	C-2 (Ness City,)	18,907.0	184,292	126	150.1	9.75
		23,563.0	232,038	169	139.4	9.85
	C-3 (Eureka,)	24,500.0	238,648	154	159.1	9.74
	C-3 (, Neal,	274.0	3,011	4	68.5	10.99
	C-3 (, Toronto)	1,634.0	17,161	20	81.7	10.50
		26,408.0	258,820.0	178	148.4	9.80
	C-5 (Caldwell,)	15,509.0	124,924	88	176.2	8.05
	C-5 (Hazelton, See Southwest Division)	813.0	9,148	8	101.6	0.00
	C-5 Hunewell,	2,052.0	15,244	2	1,026.0	7.43
	C-5 (, South Haven)	1,165.0	10,559	14	83.2	9.06
		19,539.0	159,875.0	112	174.5	8.18
	GGS-EK (Eastern Total)	18,874.0	200,407	144	131.1	10.62
	GGS-SW (Southwest Total)	259,543.0	2,183,499	502	517.0	8.41
	Coffeerville	178,352.0	1,411,968	723	246.7	7.92
	Independence	250,677.0	1,955,187	917	273.4	7.80
	Olathe	1,319,304.0	10,247,451	3,291	400.9	#REF!
	Wyandotte	308,552.0	2,490,787	689	447.8	33.21
	Yates Center	137,833.0	1,083,183.00	627	219.8	18.07
	Total Div 81	2,194,718.0	17,188,576.0	6,247.0		
26	TOTAL	3,018,231.0	24,761,878.0	8,852	341.0	8.20
27	INDUSTRIAL, SMALL 481.3					
28	RGI-B (Kaw Valley)	0.0	0	0	0.0	0.00
29	South West Kansas Cane	182,734.0 0.0	1,509,441 16	22	8,306.1	8.26
	Coffeerville	47,339.0	376,620	2	23,669.5	7.96
	Independence	1,204.0	9,598	1	1,204.0	7.97
	Olathe	11,120.0	83,234	9	1,235.6	7.49
	Wyandotte	18,357.0	144,335	6	3,059.5	7.86
	Yates Center	0.0	0	0	0.0	0.00
30						
31	TOTAL	260,754.0	2,123,244	40	6518.9	8.14
32	INDUSTRIAL, LARGE 481.4					
33	NONE	0.0	0	0	0.0	0.00
34	TOTAL	0.0	0	0	0.0	0.00
35	IRRIGATION 481.5					
36	GGS-SW (Southwest Total)	779,776.0	5,803,743	383	2,036.0	7.44
	TOTAL	779,776.0	5,803,743	383	2,036.0	7.44
	PUBLIC AUTHORITIES 482	322,570	2,814,193	564	572	8.72
	TOTAL	322,570	2,814,193	564	572	8.72
38	UNBILLED REVENUE	23,261.0	935,409	N/A	N/A	N/A
39						
40	TOTAL	14,342,660.0	121,296,525	115,133	124.6	8.46
41						
42						
43						

Atmos Energy Corporation
Kansas Distribution Systems
Operation and Maintenance Expenses
Twelve Months Ended March 31, 2007, As Adjusted

Line No.	Acct. No.	Description	Ref	Div 79	Div 81	Total Kansas	Southwest	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1		<u>Natural Gas Production Expenses</u>						
2		<u>Operation</u>						
3								
4	759	Other Expense			\$1,715	\$1,715		\$1,715
5		Total Operation		\$0	1,715	1,715	\$0	1,715
6								
7		<u>Products Extraction</u>						
8		<u>Maintenance</u>						
9	784	Maintenance Supervision and Engineering			563	563		563
10		Total Maintenance		0	563	563	0	563
11		Total Natural Gas Production Expenses		0	563	563	0	563
12								
13		<u>Underground Storage Expense</u>						
14	814	Operations Supervision and Engineering		56,957	(44)	56,913		56,913
15	816	Wells Expense		33,760		33,760		33,760
16	818	Compressor Station Expense		6,336	2,207	8,543		8,543
17	819	Compressor Station Fuel and Power		152,757		152,757		152,757
18	825	Storage Well Royalties		57,006		57,006		57,006
19		Total Other Gas Supply Expense		306,816	2,163	308,979	0	308,979
20								
21		Other Storage Expense						
22	842	Rents		0	137	137	0	137
23		Total Other Storage Expense		0	137	137	0	137
24								
25								
26		<u>Transmission Expense</u>						
27		<u>Operation</u>						
28	856	Mains Expense			746	746		746
29	857	Measuring & Regulating Station Equipment			3,394	3,394		3,394
30	860	Rents			490	490		490
31		Total Operation		0	4,630	4,630	0	4,630
32								
33		Total Transmission Expenses		0	4,630	4,630	0	4,630
34								
35		<u>Distribution Expenses</u>						
36		<u>Operation</u>						
37	870	Supervision & Engineering		(1,126)	484,787	483,661	22,833	506,494
38	871	Load Dispatching & Odorization			17,048	17,048		17,048
39	874	Mains & Service Expenses		10,115	2,690,287	2,700,402	169,882	2,870,284
40	875	Meas. & Reg. Sta. Expenses - General			46,777	46,777	712	47,489
41	877	Meas. & Reg. Sta. Expenses - City Gate			5,708	5,708		5,708
42	878	Meter & House Reg. Expenses			593,838	593,838		593,838
43	879	Customer Installations Expenses			194,384	194,384		194,384
44	880	Other Expenses			94,758	94,758	12,207	106,965
45	881	Rents			310,356	310,356	11,310	321,666
46		Total Operation		8,989	4,437,943	4,446,932	216,944	4,663,876
47								
48		<u>Maintenance</u>						
49	885	Supervision & Engineering			100,840	100,840	8,706	109,546
50	886	Structures - Improvements					2,213	2,213
51	887	Mains			140,882	140,882	40,383	181,265
52	889	Meas. & Reg. Sta. Equip. - General			69,189	69,189	9,192	78,381
53	890	Maintenance of Meas. & Reg. Sta Equip - Industrial			5,399	5,399		5,399
54	892	Services			16,247	16,247	260	16,507
55	893	Meter & House Regulators			5,745	5,745	218	5,963
56	894	Other Equipment			29	29	11	40
57		Total Maintenance		0	338,331	338,331	60,983	399,314
58								
59		Total Distribution Expenses		8,989	4,776,274	4,785,263	277,927	5,063,190
60								

Atmos Energy Corporation
Kansas Distribution Systems
Operation and Maintenance Expenses
Twelve Months Ended March 31, 2007, As Adjusted

Wp 9-1

Line No.	Acct. No.	Description	Ref	Div 79	Div 81	Total		Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(h)
61		<u>Customer Accounts Expenses</u>						
62	901	Supervision			28,073	28,073	7,918	35,991
63	902	Meter Reading Expenses			636,875	636,875	22,181	659,056
64	903	Customer Records & Collection Expenses			222,512	222,512	1,162	223,674
65	904	Uncollectible Accounts			911,280	911,280	39,830	951,110
66	905	Misc. Customer Accounts Expenses			3,982	3,982	2,396	6,378
67		Total Customer Accounts Expenses		0	1,802,722	1,802,722	73,487	1,876,209
68								
69		<u>Customer Service Expenses</u>						
70	907	Supervision			1,222	1,222		1,222
71	908	Customer Assistance Expenses			8,086	8,086		8,086
72	909	Informational Advertising			1,801	1,801		1,801
73	910	Miscellaneous Customer Service Expenses			1,265	1,265		1,265
74		Total Customer Service Expenses		0	12,374	12,374	0	12,374
75								
76		<u>Sales Expense</u>						
77	911	Supervision						0
78	912	Demonstrating and Selling			6,590	6,590		6,590
79	913	Promotional Advertising Expenses			80	80		80
80	916	Miscellaneous Sales Expenses			135	135		135
		Total Sales Promotion Expenses		0	6,805	6,805	0	6,805
81								
82		<u>Administrative and General Expenses</u>						
83	921	Office Supplies & Expense			10,031	10,031		10,031
84	922	Administrative Expense Transfer - Credit			3,773,349	3,773,349	219,106	3,992,455
85	923	Outside Services			420	420		420
86	924	Property Insurance		15,332	123,452	138,784	9,247	148,031
87	925	Injuries and Damages		1,080	5,507	6,587		6,587
88	926	Employee Welfare and Pensions		9,890	1,086,049	1,095,939	72,101	1,168,040
89	928	Regulatory Commission Expense		20,400	175	20,575		20,575
90	930.2	Miscellaneous General Expense			27,268	27,268		27,268
92	931	Rents			99	99		99
93		Total Administrative and General Expenses		46,702	5,026,350	5,073,052	300,454	5,373,506
94								
97		Allocation of Division 80	Wp 9-1			2,684,839	162,286	2,847,125
98								
99		Operation and Maintenance Expenses		362,507	11,633,733	14,681,079	814,154	15,495,233
100								
101		<u>Adjustments to Operation & Maintenance Expenses</u>						
102		Labor	Wp 9-3			160,720	9,471	170,191
103		Benefits	Wp 9-4			52,530	3,099	55,629
104		Bad Debt in Gas Cost	Wp 9-5			(676,032)	(29,482)	(705,513)
105		AGA Dues	Wp 9-6			(4,459)	(269)	(4,728)
107		50% of Charitable Contributions	Wp 9-7			16,919	960	17,880
111		Rate Case Expense	Wp 9-8			94,300	5,700	100,000
114		Expense Report Adjustment	Wp 9-9			(80,916)	(4,872)	(85,788)
115								
116								
117								
118		Total Adjustments				(436,937)	(15,393)	(452,330)
119								
120		Total Adjusted Operation and Maintenance Expenses	Section 3			\$14,244,142	\$798,761	\$15,042,903

Atmos Energy Corporation
Detail Trial Balance - Income & Exp acct per book activity
For the test year 12 Months ended 3/31/07

Wp 9-1-1

Line	No.	Account	Acct Descrip	Div 2	Div 12	Div 30	Div 80	Div 79	Div 81	Div 86	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1		4030	Depre	(5)	(1)	(5)	502,280	161,034	6,925,399	492,074	8,080,776
2		4060	Amort					377,268	-		377,268
3		4074	Regul				(9,209)				(9,209)
4		4081	Taxes	(90,349)	90,349	(1)	1,487,748	333,870	2,980,936	255,356	5,057,909
5		4091	Incom	11,248,771	-	2,754,454	63,192	6,545	(2,888,130)	(6,281)	11,178,551
6		4101	Provi	(11,825,159)	-	(5,066,411)	-	(263,007)	7,104,413	252,388	(9,797,776)
7		4114	Inves			(88,912)					(88,912)
8		4150	Merch Reven	-		-		46	-		46
9		4170	Reven Non Util	-		(14,714)		(11,329)			(26,043)
10		4190	Intererst & Div Inc	-		(383,907)		(201,340)			(585,247)
11		4210	Misce	(1,440,514)		-		-			(1,440,514)
12		4211	Gain					(1,272)			(1,272)
13		4261	Donat	363,209	5,414	3,400	18,279	1,988			392,290
14		4263	Penal	31,231							31,231
15		4264	Civic	245,594		16,354	5,050				266,998
16		4265	Other Deductions	(428,601)	(315)	6,818	(11,851)		50,060		(383,889)
17		4270	Interest on LT Debt	(5,477,717)		4,354,808			2,419,979		1,297,070
18		4280	Amort	2,871,600		-					2,871,600
19		4281	Amort	2,606,112							2,606,112
20		4310	Other Int	(6)		720,251			491,698	7,761	1,219,704
21		4320	AFUDC	-					(78,764)	(4,221)	(82,985)
22		4380	RE - Dividends Declared	3,706,806							3,706,806
23		4800	Residential Sales						(100,470,973)	(3,698,050)	(104,169,023)
24		4805	Unbilled Res						5,466,892	505	5,467,397
25		4811	Commercial Rev						(28,365,068)	(1,378,262)	(29,743,330)
26		4812	Indus Rev						(2,008,621)	(1,526,257)	(3,534,878)
27		4813	Irrig Rev							(4,837,432)	(4,837,432)
28		4815	Unbilled Com						559,558	(131,536)	428,022
29		4816	Unbilled Indus						274,916	284,336	559,252
30		4820	Other Sales Pub Auth						(2,206,641)	(897,876)	(3,104,517)
31		4825	Unbilled Pub Auth						(2,322)	(36,873)	(39,195)
32		4870	Forfeited Discount						(520,403)	(38,099)	(558,502)
33		4880	Misc Service Rev						(160,882)	(4,520)	(165,402)
34		4895	Rev-Transp Com						(42,619)		(42,619)
35		4896	Rev-Transp Ind						(2,985,176)	(207,928)	(3,193,104)
36		4950	Other Gas Rev						(1,290,465)	(156,162)	(1,446,627)
37		7590	Produ						1,715		1,715
38		7840	Produ						563		563
39		8001	Inter						5,348,968	535,072	5,884,040
40		8010	Natur						2,236,335	1,648,953	3,885,288
41		8040	Natur						76,314,044	7,884,367	84,198,411
42		8045	Trans						12,267,346	214,862	12,482,208
43		8051	PGA f						73,524,328	2,824,157	76,348,485
44		8052	PGA f						21,893,604	1,089,328	22,982,932
45		8053	PGA f						1,727,072	1,316,362	3,043,434
46		8054	PGA f						1,750,065	741,442	2,491,507
47		8055	PGA f							4,201,053	4,201,053
48		8057	PGA f						(22,961)	37,652	14,691
49		8058	Unbil						(5,588,587)	(118,208)	(5,706,795)
50		8059	PGA O						(97,710,982)	(10,279,632)	(107,990,614)
51		8060	Excha						(164,145)		(164,145)
52		8081	Gas w						25,223,279		25,223,279
53		8082	Gas d						(23,410,348)		(23,410,348)
54		8120	Gas u						(104,494)	(3,620)	(108,114)
55		8130	Other						39,009		39,009
56		8140	Stora						56,957	(44)	56,913
57		8160	Wells						33,760		33,760
58		8180	Compr						6,336	2,207	8,543

Atmos Energy Corporation
Detail Trial Balance - Income & Exp acct per book activity
For the test year 12 Months ended 3/31/07

Wp 9-1-1

Line	No.	Account	Acct Descrip	Div 2	Div 12	Div 30	Div 80	Div 79	Div 81	Div 86	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
59		8190 Compr				-		152,757			152,757
60		8210 Stora		11,301	-		-		-		11,301
61		8250 Stora						57,006			57,006
62		8420 Other							137		137
63		8520 Commu				209					209
64		8560 Mains				32			746		778
65		8570 Trans							3,394		3,394
66		8600 Trans							490		490
67		8700 Distr		215,155	471,344	1,942,272	191,527	(1,126)	484,787	22,833	3,326,792
68		8710 Distr		-	-	-	-		13,061		13,061
69		8711 Odori							3,987		3,987
70		8740 Mains		(122,870)	641	67,914	12,715	10,115	2,690,287	169,882	2,828,684
71		8750 Distr				122			46,777	712	47,611
72		8770 Distr				-			5,708		5,708
73		8780 Meter				113			593,838		593,951
74		8790 Custo		4,498	276,136	11			194,384		475,029
75		8800 Distr		6,277	-	1,002	1,000		94,758	12,207	115,244
76		8810 Distr		127,639	154	118	(886)		310,356	11,310	448,691
77		8850 Distr		-		3,481	27,175		100,840	8,706	140,202
78		8860 Distr			303				-	2,213	2,516
79		8870 Distr		2,031			6,559		140,882	40,383	189,855
80		8890 Maint							69,189	9,192	78,381
81		8900 Maint							5,399		5,399
82		8920 Maint		-					16,247	260	16,507
83		8930 Maint							5,745	218	5,963
84		8940 Distr		-					29	11	40
85		9010 Custo		(881)	77,816	330	13,586		28,073	7,918	126,842
86		9020 Custo		(192)		536	1,893		636,875	22,181	661,293
87		9030 Custo		1,462,316	14,307,721	1,728,894	61		222,512	1,162	17,722,666
88		9040 Custo				(7,959)			911,280	39,830	943,151
89		9050 Custo		-	-	21			3,982	2,396	6,399
90		9070 Custo		-	-	470	2,120		1,222		3,812
91		9080 Custo		-	-	24,223	12,905		8,086		45,214
92		9090 Custo		-	-	20,435	56,797		1,801		79,033
93		9100 Custo		50	12,175	12,326	2,390		1,265		28,206
94		9110 Sales		-	-		50,855				50,855
95		9120 Sales		-	-	9,562	17,872		6,590		34,024
96		9130 Sales		-	-	805			80		885
97		9160 Sales		90					135		225
98		9200 A&G-A		(5,602,466)	165,241						(5,437,225)
99		9210 A&G-O		7,132,213	8,034,956	(63,432)	531		10,031		15,114,299
100		9220 A&G-A		(59,537,981)	(30,999,251)	(4,774,676)	2,091,414		3,773,349	219,106	(89,228,039)
101		9230 A&G-O		7,331,268	663,821	118,237	243,368		420		8,357,114
102		9240 A&G-P		390,715	31,780	82,522	1,433	15,332	123,452	9,247	654,481
103		9250 A&G-I		6,427,016	43	115,294	262	1,080	5,507		6,549,202
104		9260 A&G-E		31,668,112	4,671,419	625,056	81,845	9,890	1,086,049	72,101	38,214,472
105		9270 A&G-F		-			476				476
106		9280 A&G-R		34				20,400	175		20,609
107		9302 Misce		4,912,335		36,713	31,228		27,268		5,007,544
108		9310 A&G-R		3,540,598	1,129,873				99		4,670,570
109		9320 A&G-M		3,286,646	1,155,823	55,358					4,497,827
110											
111	Total			3,064,876	95,442	2,302,124	4,902,615	978,217	(10,001,854)	(887,421)	453,999

Atmos Energy Corporation
Analysis of acct 9220 activity
For the test year 12 Months ended 3/31/07

Wp 9-1-1

Line No.	Account	Sub Account	Sub Acct Descrip	Div 2	Div 12	Div 30	Div 80	Div 81	Div 86	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	9220	9341	Admin & General Expenses	-	-	(7,964,525)	3,436,293	800,878	39,434	(3,687,920)
2	9220	40001	Billed to West Tex Div	(4,838,677)	(2,996,394)					(7,835,071)
3	9220	40002	Billed to CO/KS Div	(4,084,674)	(2,335,556)					(6,420,230)
4	9220	40003	Billed to LA Div	(5,831,729)	(3,327,929)					(9,159,658)
5	9220	40004	Billed to Mid St Div	(7,591,384)	(3,820,559)					(11,411,943)
6	9220	40005	Billed to KY Div	(1,479,955)	(883,736)					(2,363,691)
7	9220	40007	Billed to Nonutilities	(749,031)						(749,031)
8	9220	40008	Billed to Mid-Tex Div	(24,635,627)	(15,114,461)					(39,750,088)
9	9220	40009	Billed to MS Div	(5,149,587)	(2,520,150)					(7,669,737)
10	9220	40010	Billed to Atmos Pipeline Div	(5,177,317)	(466)					(5,177,783)
11	9220	41101	Billed from Accounting	-		878,581				878,581
12	9220	41103	Billed from Cust Service Center			2,335,556				2,335,556
13	9220	41105	Billed from Gas Control			119,152				119,152
14	9220	41106	Billed from Govt Affairs			38,534				38,534
15	9220	41107	Billed from HR	-		371,308				371,308
16	9220	41108	Billed from HR Other		-	1,132,043				1,132,043
17	9220	41109	Billed from IT			1,046,781				1,046,781
18	9220	41111	Billed from Pipeline Gas Control			182,834				182,834
19	9220	41112	Billed from Investor Relations	-		245,495				245,495
20	9220	41113	Billed from Legal	-		222,598				222,598
21	9220	41114	Billed from Corp Secretary			245,632				245,632
22	9220	41115	Billed from Planning & Budget			57,705				57,705
23	9220	41116	Billed from Rates			138,544				138,544
24	9220	41117	Billed from Purchasing	-		96,867				96,867
25	9220	41119	Billed from Treasury	-		322,622				322,622
26	9220	41120	Billed from Risk Mgmt			395,709				395,709
27	9220	41121	Billed from Management Committee	-		994,801				994,801
28	9220	41123	Billing for Overhead Capitalized			(2,222,784)				(2,222,784)
29	9220	41125	Billed from Customer Service Initiative			1,087				1,087
30	9220	41131	Billing for CSC O&M			(1,177,986)	625,275			(552,711)
31	9220	41132	Billing for SS O&M			(2,235,230)	(1,970,154)	2,972,471	179,672	(1,053,241)
32										
33	9220 Total			(59,537,981)	(30,999,251)	(4,774,676)	2,091,414	3,773,349	219,106	(89,228,039)

**Atmos Energy Corporation
 Kansas Distribution Systems
 Allocation of Div 80, Kansas Administrative Division
 Operation and Maintenance Expenses
 Twelve Months Ended December 31, 2002, As Adjusted**

Line No.	Amount	Allocation Kansas	Allocation Southwest
(a)	(b)	(c)	(d)
1 Total O&M Expenses	2,874,125	2,710,299.88	163,825.13

**Atmos Energy Corporation
 Kansas Distribution Systems
 Allocation of Div 80, Kansas Administrative Division
 Operation and Maintenance Expenses
 Twelve Months Ended December 31, 2002, As Adjusted**

Line No.	Amount	Allocation Kansas	Allocation Southwest
(a)	(b)	(c)	(d)
1 Total O&M Expenses	2,874,125	2,710,299.88	163,825.13

**Atmos Energy Corporation
Kansas Jurisdiction
Labor Adjustment
For the Test Year Ended March 31, 2007**

Line No.	Description	Liberty Div 79	Kansas Div 81	subtotal Kansas Div (Div 79 + 81)	Southwest Div 86	Total Direct Kansas	Admin & General Offices				Total (f thru j)	source
							Shared Srvc Gen Office Div 02	Shared Srvc Cust Support Div 12	COKS Gen Office Div 30	Kansas Admin Div 80		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
Computation of Labor Expense Adjustment												
1	Gross Labor - test year (before allocations)	\$ 29,454	\$ 6,336,963	\$ 6,366,417	\$ 382,735	\$ 6,749,152	\$ 27,410,126	\$ 15,828,450	\$ 1,725,367	\$ 807,160	\$ 52,520,255	WP 9-3-1
2	% Budgeted Merit Increase	3.50%	3.50%		3.50%		3.50%	3.50%	3.50%	3.50%		
3												
4	Gross Labor w/ Annualized Merit Incr.	\$ 30,485	\$ 6,558,757	\$ 6,589,242	\$ 396,131	\$ 6,985,372	\$ 28,369,480	\$ 16,382,446	\$ 1,785,755	\$ 835,411	\$ 54,358,464	
5	Amount of Increase	\$ 1,031	\$ 221,794	\$ 222,825	\$ 13,396	\$ 236,220	\$ 959,354	\$ 553,996	\$ 60,388	\$ 28,251	\$ 1,838,209	
6	Allocation to Kansas	100.00%	100.00%		100.00%		3.71%	4.05%	52.88%	100.00%		Section 12
7												
8	Increase Allocated to Kansas	1,031	221,794	222,825	13,396	236,220	35,592	22,437	31,933	28,251	\$ 354,433	
9	3 Yr Average Expense Rate	48.02%	48.02%	48.02%	48.02%	48.02%	48.02%	48.02%	48.02%	48.02%		WP 9-3-2
10												
11	Labor Expense Increase	<u>\$ 495</u>	<u>\$ 106,500</u>	\$ 106,995	\$ 6,432	\$ 113,428	\$ 17,090	\$ 10,774	\$ 15,334	\$ 13,565	\$ 170,191	
12												
13	Allocations:											
14												
15	Atmos Shared Services - General Office Div 02 (a)			16,116	974	17,090	(17,090)				-	
16	Atmos Shared Services - Customer Support Div 12 (b)			10,357	417	10,774		(10,774)			-	
17	CO/KS Business Unit General Office Div 30 (a)			14,460	874	15,334			(15,334)		-	
18	Kansas Admin Div 80 (a)			12,792	773	13,565				(13,565)	-	
19	Total KS jurisdictional Labor Expense Adjustment			\$ 160,720	\$ 9,471	170,191	-	-	-	-	\$ 170,191	
20				KS Div	SW Div	tot KS						
21	(a) Allocations - Composite			94.30%	5.70%	100.00%						Section 12
22	(b) Allocations - Customers			96.13%	3.87%	100.00%						Section 12

Atmos Energy Corporation
G/L Labor Analysis - Sub Accts 01000, 01001, 01003, 01006, 01008, 01009
For the test period 12 months ended March 31, 2007

line	Acct Desc	Sub Account	DIV 79	DIV 81	DIV 86	DIV 2	DIV 12	DIV 30	DIV 80	Grand Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Summary									
2	Capitalized Labor: CWIP and subs	01001, 03, 09	-	3,247,735	175,522	7,547,060	1,582,845	788,365	543,985	13,885,512
3	Undistributed Stores	1630	-	295	-	10,064	-	18,797	6,892	36,048
4	Below the Line	4264, 4265	-	-	-	196,527	-	2,273	-	198,800
5	O&M Labor Expense	01000, 06, 08	29,454	3,088,933	207,213	19,656,475	14,245,605	915,932	256,283	38,399,895
6	Total Gross Labor - 01000, 01, 03, 06, 08, 09		29,454	6,336,963	382,735	27,410,126	15,828,450	1,725,367	807,160	52,520,255

7

8 Above amts includes the following reclassification:

9 SSU labor expense to capital \$ 7,101,227 \$ 1,582,845

line	Acct Desc	Sub Account	DIV 79	DIV 81	DIV 86	DIV 2	DIV 12	DIV 30	DIV 80	Grand Total
15	Detail									
16	CWIP	1070		2,705	(1,015)	(3,630)		(1,106)	(4,645)	(7,691)
17	Undistributed Stores	1630		329		11,231		20,008	6,266	37,834
18	Undistributed Stores	1630		(34)		(1,167)		(1,211)	626	(1,786)
19	Below the Line	4264				183,828				183,828
20	Below the Line	4264				2,930				2,930
21	Below the Line	4265				9,995		1,948		11,943
22	Below the Line	4265				(226)		325		99
23	O&M expense	7010-9320	30,608	3,019,794	204,418	26,680,347	15,838,899	907,327	244,876	46,926,269
24	O&M expense	7010-9320	-	3,243,868	176,537	449,463	-	789,471	548,630	5,207,969
25	O&M expense	7010-9320	-	1,162	-	-	-	-	-	1,162
26	O&M expense	7010-9320	-	55,110	2,727	-	-	6,579	12,260	76,676
27	O&M expense	7010-9320	(1,154)	14,029	68	77,355	(10,449)	2,026	(853)	81,022
28	O&M expense	7010-9320	-	-	-	-	-	-	-	-
29	Total Gross Labor - 01000, 01, 03, 06, 08, 09		29,454	6,336,963	382,735	27,410,126	15,828,450	1,725,367	807,160	52,520,255

30

31 Source - Detail Trial Balance activity 12 months ended 3/31/07

Atmos Energy Corporation
Three year average labor expense rate - Kansas Jurisdictional:
Labor sub accts 01000, 01001, 01003, 01006, 01008, 01009

line		DIV	DIV	DIV	DIV	DIV	DIV	Total	% Exp	
		79	81-85	86	2	12	30			80
	12 mths Mar05									
1	O&M Labor Expense	102,980	2,469,697	188,541	13,619,960	5,062,163	871,817	209,266	22,524,424	
2	Gross Labor	102,980	6,090,274	405,439	19,526,891	7,998,042	1,738,424	1,021,877	36,883,927	
3										
4	FY05 allocation	100.00%	100.00%	100.00%	3.78%	3.78%	57.06%	100.00%		
5										
6	KS Juris exp	102,980	2,469,697	188,541	515,254	191,506	497,459	209,266	4,174,702	43.24%
7	KS Juris gross labor	102,980	6,090,274	405,439	738,718	302,572	991,945	1,021,877	9,653,804	
8										
9	12 mths Mar06									
10	O&M Labor Expense	96,702	2,728,706	253,744	15,234,109	11,973,325	831,444	185,965	31,303,996	
11	Gross Labor	96,702	6,130,281	392,682	22,847,703	16,576,996	1,651,316	956,608	48,652,288	
12										
13	FY06 allocation	100.00%	100.00%	100.00%	3.66%	3.66%	53.78%	100.00%		
14										
15	KS Juris exp	96,702	2,728,706	253,744	557,908	438,491	447,128	185,965	4,708,643	47.52%
16	KS Juris gross labor	96,702	6,130,281	392,682	836,735	607,088	888,032	956,608	9,908,128	
17										
18	12 mths Mar07									
19	O&M Labor Expense	29,454	3,088,933	207,213	19,656,475	14,245,605	915,932	256,283	38,399,895	
20	Gross Labor	29,454	6,336,963	382,735	27,410,126	15,828,450	1,725,367	807,160	52,520,255	
21										
22	FY07 allocation (Sect 12)	100.00%	100.00%	100.00%	3.71%	4.05%	52.88%	100.00%		
23										
24	KS Juris exp	29,454	3,088,933	207,213	729,255	576,947	484,345	256,283	5,372,430	53.05%
25	KS Juris gross labor	29,454	6,336,963	382,735	1,016,916	641,052	912,374	807,160	10,126,654	
26										
27	3 Yr Average Kansas Jurisdictional Expense rate									
28	O&M Labor Expense	76,379	2,762,445	216,499	600,806	402,314	476,310	217,171	4,751,925	48.02%
29	Gross Labor	76,379	6,185,839	393,619	864,123	516,904	930,784	928,548	9,896,196	
		100%	44.66%	55.00%	69.53%	77.83%	51.17%	23.39%		

Atmos Energy Corporation
G/L Labor Analysis - Sub Accts 01000, 01001, 01003, 01006, 01008, 01009
For the test period 12 months ended March 31, 2006

line	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
			Div	Div	Div	Div	Div	Div	Div	Grand Total
Acct Desc	SubAcct	79	81	86	2	12	30	80		
Summary										
1	Capitalized Labor: CWIP and subs 01001, 03, 09	-	3,401,069	138,938	7,578,451	4,603,671	819,872	787,273	17,329,273	
2	Undistributed Stores 1630	-	506	-	23,491	-	-	(16,630)	7,367	
3	Below the Line 4264, 4265	-	-	-	11,652	-	-	-	11,652	
4	O&M Labor Expense	01000, 06, 08	96,702	2,728,706	253,744	15,234,109	11,973,325	831,444	185,965	31,303,996
5	Total Gross Labor - 01000, 01, 03, 06, 08, 09		96,702	6,130,281	392,682	22,847,703	16,576,996	1,651,316	956,608	48,652,288

6
 7 Above amts includes the following reclassification:

8 SSU labor expense to capital \$ 6,304,948 \$ 2,993,330

line			Div	Div	Div	Div	Div	Div	Div	Grand Total
Acct Desc	SubAcct	79	81	86	10	30	80			
Detail										
15	CWIP 1070	1000	-	-	74,587	-	-	-	74,587	
16	CWIP 1070	1009	(138,414)	(7,908)	318	(35,560)	(27,084)	(15,887)	(224,535)	
17	Undistributed Stores 1630	1000	506	-	28,226	-	-	(15,335)	13,397	
18	Undistributed Stores 1630	1008	-	-	(4,735)	-	-	(1,295)	(6,030)	
19	Below the Line 4265	1000	-	-	12,040	-	-	-	12,040	
20	Below the Line 4265	1008	-	-	(388)	-	-	-	(388)	
21	O&M expense 7010-9320	1000	101,438	2,776,236	257,462	22,125,009	14,989,322	857,112	192,233	41,298,812
22	O&M expense 7010-9320	1001	-	3,539,483	146,846	1,198,598	1,645,901	846,956	803,160	8,180,944
23	O&M expense 7010-9320	1003	-	-	-	-	-	-	-	
24	O&M expense 7010-9320	1006	-	43,480	5,133	8,269	53,865	2,501	-	113,248
25	O&M expense 7010-9320	1008	(4,736)	(91,010)	(8,851)	(594,221)	(76,532)	(28,169)	(6,268)	(809,787)
26	O&M expense 7010-9320	1009	-	-	0	-	-	-	-	
27	Total Gross Labor - 01000, 01, 03, 06, 08, 09		96,702	6,130,281	392,682	22,847,703	16,576,996	1,651,316	956,608	48,652,288

28
 29 Source - Detail Trial Balance activity 12 months ended 3/31/06

KS Allocation 2006	100.00%	100.00%	100.00%	3.66%	3.66%	53.78%	100.00%
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Atmos SSU Gross Labor Exp recapitalization - Used for the determination of Gross Labor Exp/Cap Percents Wb 9- 3-4
 For O&M Exp Accts (701-932) with Gross labor subs 01000,01001,01003,01006,01008,01009

		Twelve Months Ended 3/31/07					
line	cc	Tot O&M Exp	O&M Cap	Gross O&M Labor	re-cap rate	Exp Adj add to Cap	Adjusted Expense
1	1114	\$ 250,589	\$ -	\$ 250,589	49.80%	\$ (124,793)	\$ 125,795
2	1125	705,796	-	705,796	0.00%	-	705,796
3	1117	246,418	-	246,418	49.80%	(122,716)	123,702
4	1119	456,573	-	456,573	49.80%	(227,373)	229,200
5	1120	490,505	-	490,505	49.80%	(244,272)	246,234
6	1121	384,694	-	384,694	90.00%	(346,225)	38,469
7	1126	465,668	-	465,668	49.80%	(231,903)	233,765
8	1161	84,660	-	84,660	49.80%	(42,161)	42,499
9	1162	59,443	-	59,443	49.80%	(29,602)	29,840
10	1153	575,860	-	575,860	0.00%	-	575,860
11	1123	294,811	-	294,811	0.00%	-	294,811
12	1141	342,029	-	342,029	0.00%	-	342,029
13	1144	498,676	-	498,676	0.00%	-	498,676
14	1145	334,619	-	334,619	0.00%	-	334,619
15	1116	193,448	-	193,448	0.00%	-	193,448
16	1128	679,705	-	679,705	10.00%	(67,971)	611,735
17	1129	348,263	-	348,263	0.00%	-	348,263
18	1150	303,012	-	303,012	49.80%	(150,900)	152,112
19	1130	480,007	-	480,007	49.80%	(239,043)	240,963
20	1142	684,064	-	684,064	0.00%	-	684,064
21	1154	67,346	-	67,346	0.00%	-	67,346
22	1115	1,405,353	148,597	1,553,950	0.00%	-	1,405,353
23	1148	789,875	70,442	860,318	0.00%	-	789,875
24	1134	705,054	-	705,054	49.80%	(351,117)	353,937
25	1135	2,214,430	190,644	2,405,074	0.00%	-	2,214,430
26	1137	2,592,272	-	2,592,272	49.80%	(1,290,951)	1,301,321
27	1133	719,710	-	719,710	0.00%	-	719,710
28	1203	7,724,050	-	7,724,050	10.00%	(772,405)	6,951,645
29	1210	8,104,400	-	8,104,400	10.00%	(810,440)	7,293,960
30	1901	320,686	-	320,686	49.80%	(159,702)	160,984
31	1401	358,944	19,767	378,711	49.80%	(178,754)	180,190
32	1403	293,213	-	293,213	49.80%	(146,020)	147,193
33	1405	505,293	-	505,293	49.80%	(251,636)	253,657
34	1407	195,040	-	195,040	25.00%	(48,760)	146,280
35	1408	315,452	-	315,452	49.80%	(157,095)	158,357
36	1132	285,916	-	285,916	0.00%	-	285,916
37	1501	1,380,326	-	1,380,326	25.00%	(345,081)	1,035,244
38	1503	249,719	-	249,719	0.00%	-	249,719
39	1505	124,587	-	124,587	10.00%	(12,459)	112,128
40	1502	105,659	-	105,659	0.00%	-	105,659
41	1504	85,338	-	85,338	49.80%	(42,498)	42,840
42	1001	840,085	-	840,085	49.80%	(418,362)	421,723
43	1101	392,006	-	392,006	49.80%	(195,219)	196,787
44	1200	535,022	-	535,022	0.00%	-	535,022
45	1201	911,039	-	911,039	49.80%	(453,697)	457,342
46	1350	369,320	-	369,320	49.80%	(183,922)	185,399
47	1110	81,582	-	81,582	80.00%	(65,265)	16,316
48	1111	248,472	-	248,472	80.00%	(198,778)	49,694
49	1118	176,487	-	176,487	80.00%	(141,190)	35,297
50	1913	255,285	20,014	275,298	49.80%	(127,132)	128,153
51	1106	251,522	-	251,522	49.80%	(125,258)	126,264
52	1107	372,626	-	372,626	49.80%	(185,568)	187,058
53	1108	244,755	-	244,755	80.00%	(195,804)	48,951
54	1109	685,681	-	685,681	0.00%	-	685,681
55	1821	49,673	-	49,673	0.00%	-	49,673
56	1824	19,688	-	19,688	0.00%	-	19,688
57	1825	36,916	-	36,916	0.00%	-	36,916
58	1835	152,780	-	152,780	0.00%	-	152,780
59	1826	43,750	-	43,750	0.00%	-	43,750
60	1827	38,487	-	38,487	0.00%	-	38,487
61	1828	89,511	-	89,511	0.00%	-	89,511
62	1829	69,701	-	69,701	0.00%	-	69,701
63	1833	20,000	-	20,000	0.00%	-	20,000
64	1822	22,753	-	22,753	0.00%	-	22,753
65	1823	54,868	-	54,868	0.00%	-	54,868
66	1831	166,477	-	166,477	0.00%	-	166,477
67	1832	36,162	-	36,162	0.00%	-	36,162
68		\$ 42,586,151	\$ 449,464	\$ 43,035,614		\$ (8,694,072)	\$ 33,902,079
69							
70	breakout for Div 12 & Div 2:						
71	Div 12	7,724,050		7,724,050		(772,405)	6,951,645
72	Div 12	8,104,400		8,104,400		(810,440)	7,293,960
73	Div 12	15,828,450		15,828,450		(1,582,845)	14,245,605
74						-10.00% Div 12 % exp recapitalized	
75							
76	Div 02	26,757,700		27,207,164		(7,101,227)	19,656,474
77						-26.54% Div 02 % exp recapitalized	

Atmos SSU Gross Labor Exp recapitalization - Used for the determination of Gross Labor Exp/Cap Percents Wp 9- 3-4
 For O&M Exp Accts (701-932) with Gross labor subs 01000,01001,01003,01006,01008,01009

		Twelve Months Ended 3/31/06					
line	cc	Tot O&M Exp	O&M Cap	Gross O&M Labor	re-cap rate	Exp Adj add to Cap	Adjusted Expense
78	1114	259,939	\$ -	\$ 259,939	40.00%	\$ (103,976)	\$ 155,963
79	1125	703,454	\$ -	\$ 703,454	10.00%	(70,345)	633,109
80	1151	(4,733)	\$ -	\$ (4,733)	40.00%	1,893	(2,840)
81	1152	231,476	\$ -	\$ 231,476	0.00%	-	231,476
82	1117	154,380	\$ -	\$ 154,380	57.69%	(89,062)	65,318
83	1119	481,778	\$ -	\$ 481,778	49.20%	(237,035)	244,743
84	1120	508,162	\$ -	\$ 508,162	49.20%	(250,016)	258,146
85	1121	405,179	\$ -	\$ 405,179	90.00%	(364,661)	40,518
86	1126	388,188	\$ -	\$ 388,188	49.20%	(181,149)	187,040
87	1161	33,896	\$ -	\$ 33,896	0.00%	-	33,896
88	1162	23,194	\$ -	\$ 23,194	0.00%	-	23,194
89	1153	611,797	\$ -	\$ 611,797	0.00%	-	611,797
90	1123	273,211	\$ 25,585	\$ 298,796	0.00%	-	273,211
91	1141	331,003	\$ -	\$ 331,003	0.00%	-	331,003
92	1144	392,478	\$ 6,909	\$ 399,387	0.00%	-	392,478
93	1145	277,911	\$ 4,651	\$ 282,562	0.00%	-	277,911
94	1116	168,845	\$ -	\$ 168,845	6.01%	(10,148)	158,697
95	1128	645,912	\$ -	\$ 645,912	12.02%	(77,639)	568,274
96	1129	330,543	\$ -	\$ 330,543	4.15%	(13,718)	316,826
97	1150	256,020	\$ -	\$ 256,020	30.05%	(76,934)	179,086
98	1130	386,841	\$ -	\$ 386,841	30.05%	(116,246)	270,595
99	1142	565,828	\$ -	\$ 565,828	0.00%	-	565,828
100	1115	202,373	\$ 302,575	\$ 504,948	0.00%	-	202,373
101	1148	553,947	\$ 115,559	\$ 669,506	11.36%	(62,928)	491,019
102	1134	824,325	\$ -	\$ 824,325	25.00%	(206,081)	618,244
103	1135	1,323,709	\$ 663,377	\$ 1,987,087	20.00%	(264,742)	1,058,968
104	1137	2,411,579	\$ -	\$ 2,411,579	50.00%	(1,205,789)	1,205,789
105	1133	391,082	\$ -	\$ 391,082	0.00%	-	391,082
106	1406	91,880	\$ -	\$ 91,880	49.20%	(45,205)	46,675
107	1203	7,359,219	\$ 615,605	\$ 7,974,823	20.00%	(1,471,844)	5,887,375
108	1210	7,607,430	\$ 1,030,297	\$ 8,637,727	20.00%	(1,521,486)	6,085,944
109	1804	131,628	\$ -	\$ 131,628	0.00%	-	131,628
110	1805	12,262	\$ -	\$ 12,262	0.00%	-	12,262
111	1901	145,039	\$ 21,761	\$ 166,800	49.20%	(71,359)	73,680
112	1401	327,566	\$ -	\$ 327,566	49.20%	(161,162)	166,403
113	1403	271,460	\$ -	\$ 271,460	49.20%	(133,558)	137,902
114	1405	448,033	\$ -	\$ 448,033	49.20%	(220,432)	227,601
115	1407	117,413	\$ -	\$ 117,413	25.00%	(29,353)	88,060
116	1408	236,766	\$ -	\$ 236,766	49.20%	(116,489)	120,277
117	1132	358,764	\$ -	\$ 358,764	10.00%	(35,876)	322,888
118	1501	1,090,948	\$ -	\$ 1,090,948	40.00%	(436,379)	654,569
119	1503	300,598	\$ -	\$ 300,598	10.00%	(30,060)	270,538
120	1505	99,000	\$ -	\$ 99,000	50.00%	(49,500)	49,500
121	1502	99,673	\$ -	\$ 99,673	0.00%	-	99,673
122	1504	63,342	\$ -	\$ 63,342	49.20%	(31,164)	32,178
123	1001	807,025	\$ -	\$ 807,025	40.87%	(329,831)	477,194
124	1101	417,154	\$ -	\$ 417,154	35.46%	(147,923)	269,231
125	1200	308,299	\$ -	\$ 308,299	0.00%	-	308,299
126	1201	615,509	\$ -	\$ 615,509	36.06%	(221,953)	393,557
127	1350	464,117	\$ -	\$ 464,117	0.00%	-	464,117
128	1916	7,196	\$ -	\$ 7,196	0.00%	-	7,196
129	1111	322,934	\$ -	\$ 322,934	80.00%	(258,347)	64,587
130	1118	174,723	\$ -	\$ 174,723	80.00%	(139,778)	34,945
131	1913	237,785	\$ 34,554	\$ 272,340	80.00%	(190,228)	47,557
132	1106	245,713	\$ -	\$ 245,713	38.70%	(95,091)	150,622
133	1107	285,339	\$ -	\$ 285,339	37.02%	(105,633)	179,707
134	1108	166,538	\$ -	\$ 166,538	75.00%	(124,904)	41,635
135	1109	580,032	\$ 23,425	\$ 603,458	0.37%	(2,146)	577,886
136		<u>36,505,706</u>	<u>\$ 2,844,499</u>	<u>\$ 39,350,205</u>		<u>\$ (9,298,277)</u>	<u>\$ 27,207,429</u>
137							
138	breakout for Div 12 & Div 2:						
139	Div 12	7,359,219		7,974,823		(1,471,844)	5,887,375
140	Div 12	<u>7,607,430</u>		<u>8,637,727</u>		<u>(1,521,486)</u>	<u>6,085,944</u>
141	Div 12	14,966,649		16,612,551		(2,993,330)	11,973,319
142							
143	Div 02	21,539,057		22,737,655		(6,304,948)	15,234,110

Atmos SSU Gross Labor Exp recapitalization - Used for the determination of Gross Labor Exp/Cap Percent Wp 9-3-4
 For O&M Exp Accts (701-932) with Gross labor subs 01000,01001,01003,01006,01008,01009

		Twelve Months Ended 9/30/05					
line	cc	Tot O&M Exp	O&M Cap	Gross O&M Labor	re-cap rate	Exp Adj add to Cap	Adjusted Expense
144	1114	\$ 250,138	\$ -	\$ 250,138	40.00%	\$ (100,055)	\$ 150,083
145	1125	620,313	109	620,422	10.00%	(62,031)	558,281
146	1151	55,734	-	55,734	40.00%	(22,293)	33,440
147	1152	453,712	-	453,712	0.00%	-	453,712
148	1117	121,368	-	121,368	57.69%	(70,017)	51,351
149	1119	482,939	-	482,939	49.20%	(237,606)	245,333
150	1120	427,766	-	427,766	49.20%	(210,461)	217,305
151	1121	348,086	-	348,086	90.00%	(313,278)	34,809
152	1126	334,719	-	334,719	49.20%	(164,682)	170,037
153	1153	599,255	-	599,255	0.00%	-	599,255
154	1123	230,329	52,077	282,406	0.00%	-	230,329
155	1141	321,756	2,993	324,749	0.00%	-	321,756
156	1144	544,932	11,986	556,919	0.00%	-	544,932
157	1145	245,629	8,255	253,884	0.00%	-	245,629
158	1116	193,586	-	193,586	6.01%	(11,635)	181,952
159	1128	633,780	-	633,780	12.02%	(76,180)	557,599
160	1129	288,218	-	288,218	4.15%	(11,961)	276,257
161	1150	237,158	-	237,158	30.05%	(71,266)	165,892
162	1130	403,116	-	403,116	30.05%	(121,136)	281,980
163	1142	523,308	-	523,308	0.00%	-	523,308
164	1115	-	33,577	33,577	0.00%	-	-
165	1148	526,360	14,133	540,493	11.36%	(59,795)	466,566
166	1134	812,210	-	812,210	25.00%	(203,053)	609,158
167	1135	1,258,248	616,892	1,875,140	20.00%	(251,650)	1,006,598
168	1137	2,141,709	-	2,141,709	50.00%	(1,070,855)	1,070,855
169	1133	65,332	-	65,332	0.00%	-	65,332
170	1406	176,102	-	176,102	49.20%	(86,642)	89,460
171	1203	6,835,839	1,193,976	8,029,816	20.00%	(1,367,128)	5,468,512
172	1210	2,916,929	1,030,297	3,947,226	20.00%	(583,386)	2,333,544
173	1801	78,755	-	78,755	0.00%	-	78,755
174	1802	43,192	-	43,192	0.00%	-	43,192
175	1803	45,767	-	45,767	0.00%	-	45,767
176	1804	450,893	-	450,893	0.00%	-	450,893
177	1805	46,915	-	46,915	0.00%	-	46,915
178	1806	83,304	-	83,304	0.00%	-	83,304
179	1901	169,662	5,939	175,601	49.20%	(83,474)	86,188
180	1401	283,690	-	283,690	49.20%	(139,576)	144,115
181	1403	248,069	-	248,069	49.20%	(122,050)	126,019
182	1405	413,015	-	413,015	49.20%	(203,203)	209,812
183	1407	110,877	-	110,877	25.00%	(27,719)	83,158
184	1408	220,255	-	220,255	49.20%	(108,366)	111,890
185	1132	405,059	-	405,059	10.00%	(40,506)	364,553
186	1501	903,534	-	903,534	40.00%	(361,414)	542,120
187	1503	241,346	-	241,346	10.00%	(24,135)	217,211
188	1505	97,301	-	97,301	50.00%	(48,650)	48,650
189	1502	88,719	-	88,719	0.00%	-	88,719
190	1504	62,348	-	62,348	49.20%	(30,675)	31,673
191	1001	777,700	-	777,700	40.87%	(317,846)	459,854
192	1101	395,291	-	395,291	35.46%	(140,170)	255,121
193	1200	179,819	-	179,819	0.00%	-	179,819
194	1201	493,871	-	493,871	36.06%	(178,090)	315,781
195	1209	53,016	-	53,016	30.00%	(15,905)	37,111
196	1350	312,201	-	312,201	0.00%	-	312,201
197	1916	7,375	-	7,375	0.00%	-	7,375
198	1111	293,386	-	293,386	80.00%	(234,709)	58,677
199	1118	128,538	-	128,538	80.00%	(102,830)	25,708
200	1913	239,308	17,485	256,793	80.00%	(191,446)	47,862
201	1106	231,334	-	231,334	38.70%	(89,528)	141,808
202	1107	258,612	-	258,612	37.02%	(95,738)	162,874
203	1108	161,646	-	161,646	75.00%	(121,234)	40,411
204	1109	423,269	34,186	457,455	0.37%	(1,566)	421,703
205		\$ 29,996,439	\$ 3,021,905	\$ 33,018,344		\$ (7,773,937)	\$ 22,222,501
206						-25.92%	
207		breakout for Div 12 & Div 2:					
208	Div12	6,835,839		8,029,816		(1,367,128)	5,468,512
209	Div12	2,916,929		3,947,226		(583,386)	2,333,544
210	Div12	9,752,569		11,976,842		(1,950,514)	7,802,055
211						-20.00% Div 12 % exp recapitalized	
212							
213	Div02	20,243,870		21,041,502		(5,823,423)	14,420,446
214						-28.77% Div 02 % exp recapitalized	

**Atmos Energy Corporation
Kansas Jurisdiction
Benefits Adjustment - Pensions & Insurance
Twelve Months Ended March 31, 2007**

Line No.	Description	Liberty Div 79	Kansas Div 81	subtotal		Total Direct Kansas	Admin & General Offices				Total (f thru j)	source
				Kansas Div (Div 79 + 81)	Southwest Div 86		Shared Srvc Gen Office Div 02	Shared Srvc Cust Support Div 12	COKS Gen Office Div 30	Kansas Admin Div 80		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	KS Juris Labor Expense Adj	\$ 495	\$ 106,500	\$ 106,995	\$ 6,432	\$ 113,428	\$ 17,090	\$ 10,774	\$ 15,334	\$ 13,565	\$ 170,191	WP 9-3
2												
3	Fiscal 2008 budget Benefits %	33.06%	33.06%		33.06%		30.77%	30.77%	33.06%	33.06%		
4												
5	Benefits Adjustment	\$ 164	\$ 35,211	\$ 35,374	\$ 2,127	\$ 37,501	\$ 5,259	\$ 3,315	\$ 5,069	\$ 4,485	\$ 55,629	
6												
7	<u>Allocations:</u>											
8												
9	Atmos Shared Services - General Office Div 02 (a)			4,959	300	5,259	(5,259)				-	
10	Atmos Shared Services - Customer Support Div 12 (b)			3,187	128	3,315		(3,315)			-	
11	CO/KS Business Unit General Office Div 30 (a)			4,781	289	5,069			(5,069)		-	
12	Kansas Admin Div 80 (a)			4,229	256	4,485				(4,485)	-	
13	Total KS jurisdictional Labor Expense Adjustment			\$ 52,530	\$ 3,099	55,629	-	-	-	-	\$ 55,629	
14				KS Div	SW Div	tot KS						
15	(a) Allocations - Composite			94.30%	5.70%	100.00%						Section 12
16	(b) Allocations - Customers			96.13%	3.87%	100.00%						Section 12

	Co. 60 CO/KS BU	Co. 10 SSU BU
* FY08 budgeted Benefits Percent Calc:		
budgeted Medical, Dental, Pension benefits	\$ 5,497,095	\$ 17,074,099
budgeted Workers Comp benefits	\$ 279,669	\$ 111,598
Total actuarial benefits - FY08 budget	\$ 5,776,764	\$ 17,185,696
Gross Labor - FY08 budget	\$ 17,472,817	\$ 55,849,484
budgeted Benefits as a percent of labor	33.06%	30.77%

Atmos Energy Corporation
Kansas Jurisdiction
American Gas Association Dues Adjustment
For the twelve months ended March 31, 2007
Div 30, Account 9302, Sub Account 07510

line	Period Name	Line Description	Debits
	(a)	(b)	(c)
1	Apr-06	Amort AGA Dues	3,015.85
2	May-06	Amort AGA Dues	3,015.85
3	Jun-06	Amort AGA Dues	3,015.85
4	Jul-06	Amort AGA Dues	3,015.85
5	Aug-06	Amort AGA Dues	3,015.85
6	Sep-06	Amort AGA Dues	3,015.85
7	Oct-06	Amort AGA Dues	3,032.06
8	Nov-06	Amort AGA Dues	3,032.06
9	Dec-06	Amort AGA Dues	3,032.06
10	Jan-07	Amort AGA Dues-Co/Ks	3,173.05
11	Feb-07	Amort AGA Dues-Co/Ks	3,173.05
12	Mar-07	Amort AGA Dues-Co/Ks	3,173.05
13			
14		AGA Dues Tot Div 30	<u>\$ 36,710.43</u>
15			
16		AGA Dues Apr06-Dec06	27,191.28
17		AGA Dues Jan07-Mar07	<u>9,519.15</u>
18			<u>36,710.43</u>
19			
20	2006 Percent Advertising & Public Affairs	source: AGA 2006 Budget	24.24%
21	2007 Percent Advertising & Public Affairs	source: AGA 2007 Budget	24.68%
22			
23	Remove AGA Dues for Advertising and Public Affairs		
24	2006 AGA dues for Advertising & Public Affairs	Apr06-Dec06	\$ (6,592)
25	2007 AGA dues for Advertising & Public Affairs	Jan07-Mar07	\$ (2,349)
26			<u>\$ (8,941)</u>
27	Kansas Div 30 General Office Allocation	source: Sect. 12 Alloc	52.88%
28		Kansas Jurisdictional Adjustment to remove AGA Advertising and Public Affairs Dues	<u>\$ (4,728)</u>
29			
30		Kansas Div 49.87% source: Sect. 12 Alloc	\$ (4,459)
31		SW Div 3.01% source: Sect. 12 Alloc	\$ (269)
32	Allocation to Kansas Jurisdictional	Adjustment to remove AGA Dues	<u>\$ (4,728)</u>

AMERICAN GAS ASSOCIATION
2007 BUDGET

Line No.	Description (a)	Amount (b)	Percentage (c)
1	Advertising	\$345,000	1.39%
2	Corporate Affairs	\$2,099,000	8.44%
3	General & Administrative	\$4,665,000	18.77%
4	General Counsel	\$1,016,000	4.09%
5	Industry Finance & Administrative Prog.	\$1,283,000	5.16%
6	Operations & Engineering Management	\$5,993,000	24.11%
7	Policy, Planning & Regulatory Affairs	\$3,669,000	14.76%
8	Public Affairs	<u>\$5,790,000</u>	<u>23.29%</u>
9			
10	Total Budget	\$24,860,000	100.00%
11			
12	2007 Percent Advertising & Public Affairs		24.68%
13	2007 Percent AGA Recoverable Dues		75.32%
14			
15			
16	AMERICAN GAS ASSOCIATION		
17	2006 BUDGET		
18			
19	Advertising	\$375,000	1.61%
20	Corporate Affairs	\$2,067,000	8.87%
21	General & Administrative	\$4,533,000	19.45%
22	General Counsel	\$1,005,000	4.31%
23	Industry Finance & Administrative Programs	\$1,011,000	4.34%
24	Operations & Engineering Management	\$5,270,000	22.62%
25	Policy, Planning & Regulatory Affairs	\$3,768,000	16.17%
26	Public Affairs	<u>\$5,274,000</u>	<u>22.63%</u>
27			
28	Total Budget	\$23,303,000	100.00%
29			
30	2006 Percent Advertising & Public Affairs		24.24%
31	2006 Percent AGA Recoverable Dues		75.76%

Atmos Energy Corporation
Kansas Distribution System
Per Book Analysis of Donation Sub Accts 07520, 30702-30738, 30743
Twelve Months Ended 3/31/07

Wp 9-7-1

line	Account	Sub Account	81	86	2	12	30	80	Grand Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	9100	7520	-				(100)		(100)	exclude exp already in O&M
2	9210	7520			7,000	926			7,926	exclude exp already in O&M
3	4261	30702	422		32,301	464	900	1,664	35,751	
4	4261	30703	-	-	100,711			3,000	103,711	
5	4261	30705	-		35,887	700	500	3,650	40,737	
6	4261	30706	-	-	37,200		-	125	37,325	
7	4261	30710	255	-	45,000	500	-	2,960	48,715	
8	4261	30711	-				-	35	35	
9	4261	30736	1,311	-	112,110	3,750	2,000	6,845	126,016	
10	4264	30737			103,053		16,354	5,050	124,457	exclude Political
11	4265	30743					29,079	-	29,079	exclude Sporting
12	Grand Total per bk		1,988	0	473,262	6,340	48,733	23,329	553,652	
13										
14	excluded exp		-	-	(110,053)	(926)	(45,333)	(5,050)	(161,362)	
15	Acct 4261 Donations		1,988	0	363,209	5,414	3,400	18,279	392,290	per book
16										
17										
18	<u>List of Charitable Donation Sub Accounts:</u>									
19										
20	<u>Sub</u>	<u>Sub Description</u>								
21	7520	Donations								
22	30702	Education								
23	30703	United Way Agencies								
24	30704	Use 30710 Ffa,Fha,4H, Stock Shows								
25	30705	Health								
26	30706	Museums & Arts								
27	30707	Use 30702 Public Schools								
28	30708	Use 30702 Research Foundations								
29	30709	Salvation Army								
30	30710	Youth Clubs & Centers								
31	30711	Heat Help Assist. Program								
32	30712	Use 30702 Agricultural								
33	30713	American Red Cross								
34	30714	Use 30705 Blindness								
35	30715	Use 30710 Boy Scouts								
36	30716	Use 30710 Boy's Ranch								
37	30717	Use 30705 Cancer								
38	30718	Use 30705 Cerebral Palsey								
39	30719	Use 30736 Christmas Funds								
40	30720	Use 30736 Churches								
41	30721	Use 30736 Festivals								
42	30722	Use 30736 Fireman & Police Act'Tys								
43	30723	Use 30710 Girl Scouts								
44	30724	Use 30705 Heart Fund								
45	30725	Use 30705 March Of Dimes								
46	30726	Use 30705 Mental Associations								
47	30727	Use 30705 Multiple Sclerosis								
48	30728	Use 30705 Muscular Distrophy								
49	30729	Use 30736 Rodeos								
50	30730	Use 30736 Sports Programs								
51	30731	Use 30710 Ymca								
52	30732	Use 30710 Ywca								
53	30733	Use 30736 Civic Clubs								
54	30734	Use 30702 or 30705 or 30710Childrens' Fu								
55	30735	Use 30702 Scholarship Funds								
56	30736	Community Welfare								
57	30737	Political Activities								
58	30738	Use 30705 Leukemia Socy Of America								
59	30743	Sports Events								

**Atmos Energy Corporation
Kansas Distribution System
Estimated Rate Case Expense Amortization
Twelve Months Ended March 31, 2007**

Line No.	Description (a)	Amount (b)
1	Estimated Rate Case Expenses	\$300,000
2	3 year Amortization Period	<u>x 1/3</u>
3	Amortization of Rate Case Expenses	<u>\$100,000</u>
4		
5	Allocated to Kansas	\$94,300
6	Allocated to Southwest	\$5,700

Adjustment amortizes estimated Rate Case Expenses over three years.

**Atmos Energy Corporation
Kansas Distribution System
Adjustment for Expense Reports
Twelve Months Ended 3/31/07**

Line No.	Description (a)	Amount (b)	Kansas (c)	Southwest Kansas (d)
1	All Kansas	\$20,000	\$18,860	\$1,140
2	Denver General Office	50,000	24,935	1,505
3	Shared Services	1,060,588	37,121	2,227
4				
5	Total		<u>\$80,916</u>	<u>\$4,872</u>

To remove expense report items that Staff or CURB might determine are inappropriate to recover from ratepayers.

Atmos Energy Corporation
Kansas Distribution System
Computation of Pro-forma Interest Expense, LT Debt
Test Year Twelve Months Ended March 31, 2007

Line No.	Description (a)	reference (b)	Kansas Div (c)	SW Div (d)	Total KS (e)
1	Rate Base (before Adjustments)	Section 3	\$ 121,641,815	\$ 10,012,193	\$ 131,654,008
2	Debt Percentage of Capital Structure	Section 7	51.73%	51.73%	51.73%
3					
4	Debt portion of Rate Base		62,923,412	5,179,151	68,102,563
5	Long Term Debt rate	Section 7	6.11%	6.11%	6.11%
6					
7	Interest Expense, LT Debt		<u>\$ 3,841,645</u>	<u>\$ 316,201</u>	<u>\$ 4,157,846</u>
8					
9	Rate Base Adjusted	Section 3	\$ 125,540,425	\$ 10,021,100	\$ 135,561,525
10	Debt Percentage of Capital Structure	Section 7	51.73%	51.73%	51.73%
11					
12	Debt portion of Rate Base		64,940,102	5,183,759	70,123,861
13	Long Term Debt rate	Section 7	6.11%	6.11%	6.11%
14					
15	Interest Expense, LT Debt		<u>\$ 3,964,769</u>	<u>\$ 316,482</u>	<u>\$ 4,281,252</u>

Atmos Energy Corporation
Kansas Distribution System
Computation of Per Books, Allocated, Income Statement Items
Twelve Months Ended March 31, 2007

Line No.	Description	CO/KS GO	KS Admin	Allocated		Direct		Total		
				Kansas	Southwest	Kansas	Southwest	Kansas	Southwest	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Revenues				0	0	131,751,803	12,628,154	131,751,803	12,628,154
2	Gas Cost				0	0	93,322,530	10,091,784	93,322,530	10,091,784
	Margin						38,429,273	2,536,371	38,429,273	2,536,371
3	O&M		2,847,125		2,684,839	162,286	11,996,227	651,876	14,681,066	814,162
4	Depreciation		502,277		473,647	28,630	7,463,704	492,067	7,937,351	520,697
5	Taxes, Other		1,487,745		1,402,943	84,801	3,314,808	255,356	4,717,752	340,157
6	Income Taxes - Current	(2,400,868)	63,192		(1,137,723)	(68,664)	3,959,821	246,107	2,822,098	177,443
7	Interest on Customer Deposits						145,033	7,443	145,033	7,443
8	Other Income and Deductions	(372,053)	2,268		(183,404)	(11,070)	(161,844)	0	(345,249)	(11,070)
9	Interest	5,075,057	0		2,530,931	152,759	2,687,880	(3,904)	5,218,811	148,856
		2,302,136	4,902,607		5,771,234	348,743	29,405,628	1,648,946	(3,252,411)	(538,682)

**Kansas Distribution System
Depreciation and Amortization Expense
Twelve Months Ended March 31, 2007**

Line No.	Description (a)	Reference (b)	Kansas (c)	Southwest (d)	Total (e)
1	Depreciation and Amortization Expense	WP 10-8	\$7,937,351	\$520,697	\$8,458,048
2					
3			1,102,372	63,548	1,165,920
4	Total Depreciation and Amortization Expense, As Adjusted	Wp 10-1,2	<u>\$ 9,039,723</u>	<u>\$ 584,245</u>	<u>\$ 9,623,968</u>

Adjustment reflects the pro-forma depreciation expense associated with the adjusted test-year end plant in service balances and includes the Company's proposed depreciation rates.

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 81**

Line No.	Description	Property Type	Balance at 3/31/07	Fully & Non-Depreciation Plant	Depreciable Plant	Current Depreciation Rates			Proposed Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Franchises & Consents	302	37,160	37,160	0	0.00%	-	-	0.00%	-	-
2	Misc. Intangible Plant	303	3,918	3,918	0	0.00%	-	-	0.00%	-	-
3	Rights-of-Way	325.4	0	0	0	8.37%	-	-	8.37%	-	-
4	Field Meas. & Reg. Sta. Struc	328	0	0	0	3.72%	-	-	3.72%	-	-
5	Field Lines	332	0	0	0	8.84%	-	-	8.84%	-	-
6	Field Meas. & Reg. Sta. Equip	334	0	0	0	5.33%	-	-	5.33%	-	-
7	Land and Land Rights	365	4,761	4,761	0	0.00%	-	-	0.00%	-	-
8	Transmission Mains	367	1,650,986	0	1,650,986	1.60%	26,416	-	2.16%	35,661	-
9	Meas. & Reg. Sta. Equipment	369	18,406	0	18,406	0.92%	169	-	2.68%	493	-
10	Land & Land Rights	374	569,838	569,838	0	0.00%	-	-	0.00%	-	-
11	Land Rights	374.2	286,608	0	286,608	0.00%	-	-	2.98%	8,541	-
12	Structures & Improvements	375	111,596	0	111,596	3.70%	4,129	-	3.82%	4,263	-
13	Distribution Mains	376	98,227,678	0	98,227,678	2.68%	2,632,502	-	2.72%	2,671,793	-
14	Meas. & Reg. Sta. Eq-General	378	2,471,977	0	2,471,977	3.12%	77,126	-	5.31%	131,262	-
15	Meas. & Reg. City Gate	379	1,892,189	0	1,892,189	3.08%	58,279	-	3.11%	58,847	-
16	Services	380	45,112,306	0	45,112,306	4.23%	1,908,251	-	4.36%	1,966,897	-
17	Meters	381	11,755,145	0	11,755,145	3.25%	382,042	-	7.09%	833,440	-
18	Meter Installations	382	17,483,129	0	17,483,129	5.67%	991,293	-	9.41%	1,645,162	-
19	House Regulators	383	2,065,584	0	2,065,584	2.74%	56,597	-	3.45%	71,263	-
20	House Reg. Installations	384	203,477	0	203,477	2.74%	5,575	-	1.70%	3,459	-
21	Ind. Meas. & Reg. Sta. Equip	385	557,017	0	557,017	5.16%	28,742	-	5.15%	28,686	-
22	Other Equipment	387	5,567	0	5,567	11.01%	613	-	17.84%	993	-
23	Land & Land Rights	389	52,332	52,332	0	0.00%	-	-	0.00%	-	-
24	Structures & Improvements	390	919,801	0	919,801	2.84%	26,122	-	4.17%	38,356	-
25	Improvements	390.3	1,513	0	1,513	2.84%	43	-	4.17%	63	-
26	Improv. to Leased Premises	390.9	39,013	0	39,013	2.84%	1,108	-	4.17%	1,627	-
27	Office Furniture & Equipment	391	295,089	0	295,089	6.87%	20,273	-	12.49%	36,857	-
28	Office Furn. Copiers & Type	391.3	2,949	0	2,949	6.87%	203	-	12.49%	368	-
29	Transportation Equipment	392	219,448	0	219,448	7.62%	2,690	14,032	24.37%	8,604	44,875
30	Stores Equipment	393	5,160	0	5,160	4.46%	112	118	10.33%	259	274
31	Tools, Shop, & Garage Equip.	394	1,050,575	0	1,050,575	6.16%	32,315	32,401	8.16%	42,807	42,920
32	Laboratory Equipment	395	8,747	0	8,747	0.37%	19	13	5.20%	268	187
33	Power Operated Equipment	396	271,570	0	271,570	7.97%	3,245	18,399	16.99%	6,918	39,222
34	Ditchers	396.3	115,539	0	115,539	7.97%	1,381	7,828	16.99%	2,943	16,687
35	Backhoes	396.4	62,584	0	62,584	7.97%	748	4,240	16.99%	1,594	9,039
36	Welders	396.5	22,336	0	22,336	7.97%	267	1,513	16.99%	569	3,226
37	Communication Equipment	397	7,863	0	7,863	8.50%	668	-	11.86%	933	-
38	Comm. Equip. Mobile Radios	397.1	1,156	0	1,156	8.50%	98	-	11.86%	137	-
39	Miscellaneous Equipment	398	1,124,563	0	1,124,563	7.61%	85,579	-	8.47%	95,250	-
40	Other Tangible Property	399	27,091	0	27,091	19.27%	5,220	-	7.22%	1,956	-
41	Oth Tang Prop Network H/W	399.3	1,367	0	1,367	19.27%	263	-	7.22%	99	-
42	Oth Tang Prop PC Hardware	399.6	814,535	0	814,535	19.27%	156,961	-	7.22%	58,809	-
43	Oth Tang Prop Appl Software	399.8	84,375	84,375	0	19.27%	-	-	7.22%	-	-
44											
45			<u>\$187,584,950</u>	<u>\$752,385</u>	<u>\$186,832,565</u>	3.48%	<u>6,509,050</u>	<u>\$78,544</u>	4.15%	<u>7,759,176</u>	<u>\$156,431</u>
46											
47	Division 79						156,509			232,629	
48	Allocation of Shared Services - General office						272,569			281,966	
49	Allocation of Shared Services - Customer Support						528,382			624,404	
50	Allocation of Operating Company General Office						<u>141,548</u>			<u>141,548</u>	
51											
52	Total						<u>\$7,608,057</u>			<u>\$9,039,723</u>	

moves to 0.00% or stays in 4030 is a matter of not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000), the non-capitalized portion stays in 4030. The rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate.

For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance (non-capitalized portion) stays in 4030.

Proforma Clearing amt = test year clearing percent, from Wp 10- multiplied by the proforma depreciation expense.

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 79**

Line No.	Description	Property Type	Balance at 3/31/07	Fully & Depreciable		Current Depreciation Rates			Proposed Depreciation Rates		
				Non-Depreciation Plant	Plant	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Land	350.1	49,164	49,164	0	0.00%	-		0.00%	-	
2	Rights-of-way	350.2	568,935		568,935	0.00%	-		3.12%	17,751	
3	Well Structures	351.1	102,923		102,923	3.00%	3,088		2.35%	2,419	
4	Wells	352	1,130,321		1,130,321	3.00%	33,910		4.78%	54,029	
5	Reservoirs	352.02	36,515		36,515	3.00%	1,095		3.32%	1,212	
6	Pipelines	353	1,090,230		1,090,230	3.00%	32,707		2.69%	29,327	
7	Compressor Station Equipment	354	2,273,547		2,273,547	3.00%	68,206		4.38%	99,581	
8	Meas. & Reg. Equipment	355	203,329		203,329	3.00%	6,100		5.16%	10,492	
9	Purification Equipment	356	288,382		288,382	2.50%	7,210		4.61%	13,294	
10	Other Equip	357	125,321		125,321	3.00%	3,760		3.15%	3,948	
11	Tools & Work Equipment	394	7,047		7,047	6.16%	434		8.16%	575	
12											
13			<u>\$5,875,715</u>	<u>\$49,164</u>	<u>\$5,826,551</u>	2.69%	<u>156,509</u>	<u>\$0</u>	3.99%	<u>232,629</u>	<u>\$0</u>

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 86**

Line No.	Description (a)	Property Type (b)	Balance at 3/31/07 (c)	Fully & Non-Depreciation Plant (d)	Depreciable Plant (e)	Current Depreciation Rates			Proposed Depreciation Rates		
						Depreciation Rates (f)	Pro-Forma Depreciation Expense (g)	Pro-forma Clearing [1] (h)	Depreciation Rates (i)	Pro-Forma Depreciation Expense (j)	Pro-forma Clearing [1] (k)
1	Rights-of-Way	325.4	0		0	8.37%	-		8.37%	-	
2	Field Lines	332	0		0	8.84%	-		8.84%	-	
3	Land and Land Rights	365	11,608	11,608	0	0.00%	-		0.00%	-	
4	Rights-Of-Way	365.2	7,169		7,169	0.00%	-		2.00%	143	
5	Structures & Improvements	366	33,191		33,191	0.02%	7		1.86%	617	
6	Mains	367	1,874,261	1,870,787	3,474	1.60%	56		2.16%	75	
7	Compressor Station Equipment	368	31,496		31,496	1.49%	469		5.47%	1,723	
8	Meas. & Reg. Sta. Equipment	369	377,522		377,522	0.92%	3,473		2.68%	10,118	
9	Land & Land Rights	374	20,107	20,107	0	0.00%	-		0.00%	-	
10	Land Rights	374.2	2,624		2,624	0.00%	-		2.98%	78	
11	Structures & Improvements	375	360		360	3.70%	13		3.82%	14	
12	Mains	376	5,222,537		5,222,537	2.68%	139,964		2.72%	142,053	
13	Meas. & Reg. Sta. Eq-General	378	218,169		218,169	3.12%	6,807		5.31%	11,585	
14	Meas. & Reg. City Gate	379	1,494		1,494	3.25%	49		3.11%	46	
15	Meas. & Reg. Sta. Equipment-	379.8	14,851		14,851	3.25%	483		3.11%	462	
16	Services	380	3,453,237		3,453,237	4.23%	146,072		4.36%	150,561	
17	Meters	381	592,204		592,204	3.25%	19,247		7.09%	41,987	
18	Meter Installations	382	1,666,930		1,666,930	5.67%	94,515		9.41%	156,858	
19	House Regulators	383	56,051		56,051	2.74%	1,536		3.45%	1,934	
20	House Reg. Installations	384	5,985		5,985	2.74%	164		1.70%	102	
21	Ind. Meas. & Reg. Sta. Equip	385	60,014		60,014	5.16%	3,097		5.15%	3,091	
22	Other Equipment	387	8,202		8,202	11.01%	903		17.84%	1,463	
23	Structures & Improvements	390	66,567		66,567	2.84%	1,890		4.17%	2,776	
24	Air Conditioning Equipment	390.4	8,782		8,782	2.84%	249		4.17%	366	
25	Transportation Equipment	392	4,901		4,901	7.62%	35	338	24.37%	113	1,081
26	Tools, Shop, & Garage Equip.	394	80,398		80,398	6.16%	2,472	2,480	8.16%	3,275	3,286
27	Laboratory Equipment	395	4,001	4,001	0	0.37%	-		5.20%	-	
28	Power Operated Equipment	396	2,270		2,270	7.97%	27	153	16.99%	59	327
29	Ditchers	396.3	33,393		33,393	7.97%	404	2,257	16.99%	3,416	2,257
30	Communication Equipment	397	1,566		1,566	8.50%	133		11.86%	186	
31	Oth Tang Prop PC Hardware	399.6	15,269	15,269	0	19.27%	-		7.22%	-	
32											
33			<u>\$13,875,159</u>	<u>\$1,921,772</u>	<u>\$11,953,387</u>	3.53%	<u>422,066</u>	<u>\$5,229</u>	4.46%	<u>533,101</u>	<u>\$6,951</u>
	Allocation of Shared Services - General office						16,354			16,918	
	Allocation of Shared Services - Customer Support						21,733			25,682	
	Allocation of Operating Company General Office						8,543			8,543	
							468,696			584,245	

Method of capitalization stays in 1000 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000), the non-capitalized portion stays in 1000. The rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate.

For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance (non-capitalized portion) stays in 4030.

Proforma Clearing amt = test year clearing percent, from Wp 10- multiplied by the proforma depreciation expense.

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 2**

Line No.	Description	Property Type	Balance at 3/31/07	Fully & Non-Depreciation Plant	Depreciable Plant	Current Depreciation Rates			Proposed Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Structures & Improvements	390	2,497,655		2,497,655	7.43%	185,576		9.10%	227,287	
2	Improv. to Leased Premises	390.9	7,286,444		7,286,444	7.43%	541,383		9.10%	663,066	
3	Office Furniture & Equipment	391	9,234,587		9,234,587	4.89%	451,571		2.13%	196,697	
4	Remittance Processing Equipme	391.2	25,380	25,380	0	4.89%	-		2.13%	-	
5	Office Furn. Copiers & Type	391.3	436,305	436,305	0	4.89%	-		2.13%	-	
6	Transportation Equipment	392	18,885	18,885	0	28.96%	-		10.32%	-	
7	Tools, Shop, & Garage Equip.	394	7,683	7,683	0	10.00%	-		10.32%	-	
8	Communication Equipment	397	1,413,238		1,413,238	7.12%	100,623		8.45%	119,419	
9	Miscellaneous Equipment	398	631,641		631,641	5.36%	33,856		8.15%	51,479	
10	Other Tangible Property	399	10,196		10,196	15.75%	1,606		4.66%	475	
11	Oth Tang Prop Servers H/W	399.1	7,374,680		7,374,680	14.29%	1,053,842		6.95%	512,540	
12	Oth Tang Prop Servers S/W	399.2	2,247,318		2,247,318	14.29%	321,142		4.00%	89,893	
13	Oth Tang Prop Network H/W	399.3	1,938,358		1,938,358	14.29%	276,991		9.30%	180,267	
14	Oth Tang Prop CPU	399.4	1,095,465	1,095,465	0	26.26%	-		10.32%	-	
15	Oth Tang Prop MF Hardware	399.5	1,159,964	1,159,964	0	15.76%	-		10.32%	-	
16	Oth Tang Prop PC Hardware	399.6	3,482,009		3,482,009	16.83%	586,022		14.86%	517,426	
17	Oth Tang Prop PC Software	399.7	1,515,062		1,515,062	17.73%	268,620		9.02%	136,659	
18	Oth Tang Prop Appl Software	399.8	48,253,599		48,253,599	8.22%	3,966,446		11.11%	5,360,975	
19	Oth Tang Prop Mainframe S/W	399.9	2,575,367	2,575,367	0	22.16%	-		10.32%	-	
20											
21			<u>\$91,203,836</u>	<u>\$5,319,050</u>	<u>\$85,884,786</u>	9.07%	<u>7,787,677</u>	<u>\$0</u>	9.38%	<u>8,056,182</u>	<u>\$0</u>

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 12**

Line No.	Description	Property Type	Balance at 3/31/07	Fully & Non-Depreciation Plant	Depreciable Plant	Current Depreciation Rates			Proposed Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Improv. to Leased Premises	390.9	3,018,160		3,018,160	7.43%	224,249		9.10%	274,653	
2	Office Furniture & Equipment	391	56,077		56,077	4.89%	2,742		2.13%	1,194	
3	Communication Equipment	397	24,142,961		24,142,961	7.12%	1,718,979		8.45%	2,040,080	
4	Miscellaneous Equipment	398	1,916		1,916	5.36%	103		8.15%	156	
5	Other Tangible Property	399	214,670		214,670	15.75%	33,810		4.66%	10,004	
6	Oth Tang Prop Servers H/W	399.1	9,926,865		9,926,865	14.29%	1,418,549		6.95%	689,917	
7	Oth Tang Prop Servers S/W	399.2	6,861,559		6,861,559	14.29%	980,517		4.00%	274,462	
8	Oth Tang Prop Network H/W	399.3	459,784		459,784	14.29%	65,703		9.30%	42,760	
9	Oth Tang Prop PC Hardware	399.6	3,549,003		3,549,003	16.83%	597,297		14.86%	527,382	
10	Oth Tang Prop PC Software	399.7	2,852,804		2,852,804	17.73%	505,802		9.02%	257,323	
11	Oth Tang Prop Appl Software	399.8	74,270,949		74,270,949	8.22%	6,105,072		11.11%	8,251,502	
11	Oth Tang Prop Gen. Starup C	399.24	23,172,326		23,172,326	8.33%	1,930,255		15.89%	3,682,083	
12											
13			<u>\$148,527,074</u>	<u>\$0</u>	<u>\$148,527,074</u>	<u>9.15%</u>	<u>13,583,079</u>	<u>\$0</u>	<u>10.81%</u>	<u>16,051,516</u>	<u>\$0</u>

**Kansas Distribution System
Depreciation Adjustment
As of test period end March 31, 2007
Kansas Div 30**

Line No.	Description	Property Type	Balance at 3/31/07	Fully & Non-Depreciation Plant	Depreciable Plant	Current Depreciation Rates			Proposed Depreciation Rates		
						Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]	Depreciation Rates	Pro-Forma Depreciation Expense	Pro-forma Clearing [1]
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Office Furniture & Equipment	391	109,485		109,485	10.00%	10,949		10.00%	10,949	
2	Tools, Shop, & Garage Equip.	394	207,161		207,161	10.00%	10,331	10,385	10.00%	10,331	10,385
3	Communication Equipment	397	280,276		280,276	10.00%	28,028		10.00%	28,028	
4	Miscellaneous Equipment	398	491,456		491,456	10.00%	49,146		10.00%	49,146	
5	Oth Tang Prop Servers H/W	399.1	96,220		96,220	14.29%	13,750		14.29%	13,750	
6	Oth Tang Prop Network H/W	399.3	41,340		41,340	14.29%	5,907		14.29%	5,907	
7	Oth Tang Prop PC Hardware	399.6	722,262		722,262	20.00%	144,452		20.00%	144,452	
8	Oth Tang Prop PC Software	399.7	106,355		106,355	20.00%	21,271		20.00%	21,271	
9											
10			<u>\$2,054,556</u>	<u>\$0</u>	<u>\$2,054,556</u>	13.81%	<u>\$283,834</u>	<u>\$10,385</u>	13.81%	<u>\$283,834</u>	<u>\$10,385</u>

[1] For vehicle & POE depreciation expense, a portion of it is capitalized & some or all of the remaining balance is moved to account 8740. What determines whether or not the non-capitalized portion moves to 8740 or stays in 4030 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000), the non-capitalized portion stays in 4030. The rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate.

For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance (non-capitalized portion) stays in 4030.

Proforma Clearing amt = test year clearing percent, from Wp 10- multiplied by the proforma depreciation expense.

Atmos Energy Corp - Kansas Distrib System
Depreciation Exp Sub Acct Analysis
for the 12 mths ended 3/31/07

Wp 10-

line	Account	4030 Deprec Expense	DIV						Grand Total	Percent Cleared	Percent Cleared	Percent Cleared	
			79	81	86	2	12	30					80
1	7600	CWIP		-	-				-				
2	9344	Depr		103,263	6,241			(453,219)	133,161	(210,554)			
3	9345	Taxes						-		-			
4	30002	Depr		3,072	20,100					23,172			
5	30003	Depr	160,602							160,602			
6	30004	Depr		26,580	33,937					60,517			
7	30005	Depr		6,005,788	403,672					6,409,460			
8	30007	Depr	432	368,687	2,311	8,073,670	13,314,296	442,885	391	22,202,672			
9	30008	Depr		-	-	-	-	-	-	-			
10	30010	Amort		-	-	-	-	-	-	-			
11	30031	Vehic - 392		11,704	190					11,894	Div81	Div86	
12	30032	Vehic - 392		(9,821)	(172)					(9,993)	-83.91%	-90.53%	
13	30033	Vehic - 392		-	-					-			
14	30041	Heavy - 396		37,525	2,844					40,369	Div81	Div86	
15	30042	Heavy - 396		(31,899)	(2,412)					(34,311)	-85.01%	-84.81%	
16	30043	Heavy - 396		-	-					-			
17	30051	Stores - 393		438		(251)				187	Div81		
18	30052	Stores - 393		(225)						(225)	-51.37%		
19	30061	Tools - 394		63,268	4,956			20,712		88,936	Div81	Div86	Div30
20	30062	Tools - 394		(31,676)	(2,482)			(10,383)		(44,541)	-50.07%	-50.08%	-50.13%
21	30071	Lab D - 395		34						34	Div81		
22	30072	Lab D - 395		(14)						(14)	-41.18%		
23	40001	Bille				(704,635)	(1,397,309)			(2,101,944)			
24	40002	Bille				(508,405)	(919,161)			(1,427,566)			
25	40003	Bille				(1,127,491)	(2,047,230)			(3,174,721)			
26	40004	Bille				(797,878)	(1,241,896)			(2,039,774)			
27	40005	Bille				(399,777)	(693,468)			(1,093,245)			
28	40007	Bille				(125,159)				(125,159)			
29	40008	Bille				(2,987,830)	(6,000,110)			(8,987,940)			
30	40009	Bille				(650,425)	(1,014,444)			(1,664,869)			
31	40010	Bille				(771,756)	(679)			(772,435)			
32	41124	Billi				(68)			770,293	770,225			
33	41130	Billi		378,675	22,889				(401,565)	(1)			
34	Grand Total		161,034	6,925,399	492,074	(5)	(1)	(5)	502,280	8,080,776			

[1] For vehicle & POE depreciation expense, a portion of it is capitalized & some or all of the remaining balance is moved to account 8740. What determines whether or not the non-capitalized portion moves to 8740 or stays in 4030 is whether or not the expense hits the default cost center (0000) or a cost center. If it hits the default cost center (0000), the non-capitalized portion stays in 4030. The rate of capitalization is determined by which cost center the expense hits. If it hits the default cost center (0000), the rate is the overall company rate. If it hits a cost center, the rate is the individual cost center rate.

For the other capitalized depreciation categories: 39300, 39400 & 39500 the capitalization rate is based on the same as above. The only difference is that the balance (non-capitalized portion) stays in 4030.

Atmos Energy Corporation - Kansas Distribution System
Taxes Other Than Income Taxes
Twelve Months Ended March 31, 2007 As Adjusted

Line No.	Description	Liberty Div 79	Kansas Div 81	Kansas Div (Div 79 + 81)	Southwest Div Div 86	Total Direct KS (d + e)	100.00% KS Admin 080DIV (g)	Kansas Total (h)
	(a)	source (b)	(c)	(d)	(e)	(f)	(g)	(h)
<u>Taxes Other Than Income Taxes, acct 4081 per book</u>								
1	FICA (01210)	\$ 1,984	\$ 208,459	\$ 210,443	\$ 14,146	\$ 224,589	\$ 16,439	\$ 241,028
2	Federal Unemployment (01211)	-	3,601	3,601	249	3,850	217	4,067
3	State Unemployment (01212)	-	3,275	3,275	223	3,498	197	3,695
4	FICA Accrual (01213)	(99)	(359)	(458)	(51)	(509)	(86)	(595)
5	FUTA Accrual (01214)	-	5	5	(1)	4	(1)	3
6	SUTA Accrual (01215)	(1)	(14)	(15)	(2)	(17)	(2)	(19)
7	Denver City Head Tax (01220)	2	122	124	9	133	12	145
8	Benefit Load Projects(01290)	-	4,772	4,772	-	4,772	-	4,772
9	Taxes Other Allocated (09344-5, 41124,29-30)	-	1,471,087	1,471,087	88,084	1,559,171	(1,370,912)	188,259
10	Ad Valorem accrual (30101)	331,984	1,279,795	1,611,779	152,699	1,764,478	2,653,103	4,417,581
11	Occupational License (30103)	-	75	75	-	75	-	75
12	Corp/State Franchise Tax (30105)	-	-	-	-	-	20,023	20,023
13	US DOT Pipe Safety funding (30108)	-	10,118	10,118	-	10,118	-	10,118
14	Public Srvc Comm Assessment (30112)	-	-	-	-	-	168,758	168,758
15								
16	Total Kansas Taxes Other per books	333,870	2,980,936	3,314,806	255,356	3,570,162	1,487,748	5,057,910
17								
18	Allocate KS Admin to KS Div & SW Div Section 12			94.30%	5.70%		-100.00%	
19				1,402,946	84,802		(1,487,748)	0
20	Total Taxes Other to KS Div and SW Div, unadjusted			\$ 4,717,752	\$ 340,158		\$ -	\$ 5,057,910
21								
22	<u>Adjustments</u>							
23	KS Advalorem Adjustment - current Wp 11-2			18,810	(77,961)			(59,151)
24	KS Advalorem Adjustment - CWIP Wp 11-4			26,427	4,208			30,635
25	Kansas Payroll Tax Adjustment Wp 11-5			45,816	1,517			47,333
26	Public Srvc Comm Assessment Adj. Wp 11-6			8,169	494			8,663
27	Total Adjustments to Taxes Other than Inc Taxes			99,223	(71,742)			27,481
28								
29	Total Taxes Other to KS Div and SW Div, Adjusted			\$ 4,816,975	\$ 268,415			\$ 5,085,391

Atmos Energy Corp. - Kansas
Taxes Other Than Income Taxes, acct. 4081, per books
Twelve Months Ended March 31, 2007

WP 11-1

with summary of per book allocations lines 34 & 35

line	Sub Account	Sub Acct Descrip	DIV						Grand Total	
			79	81	86	2	12	30		80
1	1200	Benefits Load				12,584				12,584
2	1210	Fica Load	1,984	208,459	14,146	1,979,436	1,186,402	61,118	16,439	3,467,984
3	1211	Futa Load	-	3,601	249	37,302	20,995	1,077	217	63,441
4	1212	Suta Load	-	3,275	223	30,240	15,573	987	197	50,495
5	1213	Fica Load Accrual	(99)	(359)	(51)	3,913	(2,054)	(131)	(86)	1,133
6	1214	Futa Load Accrual	-	5	(1)	365	(27)	.1	(1)	342
7	1215	Suta Load Accrual	(1)	(14)	(2)	(1,253)	(1,218)	(5)	(2)	(2,495)
8	1220	Denver City Tax Load	2	122	9	-	-	38	12	183
9	1290	Benefit Load Projects		4,772		38	185	116		5,111
10	9344	Taxes other		13,448	555			(81,694)		(67,691)
11	9345	Taxes other than inc tax		1,428,979	86,375	-		(120,415)	(1,420,709)	(25,770)
12	30101	Ad Valorem - Accrual	331,984	1,279,795	152,699	330,000	60,000	36,000	2,653,103	4,843,581
13	30103	Occupational Licenses		75				-		75
14	30105	Corp/State Franchise Tax							20,023	20,023
15	30108	Dot Transmission User Tax		10,118				-		10,118
16	30112	Public Service Comm	-	-				(14,251)	168,758	154,507
17	40001	Billed to Tex Div				(200,128)	(114,860)			(314,988)
18	40002	Billed to CO/KS Div				(169,226)	(89,873)			(259,099)
19	40003	Billed to LA Div				(246,184)	(127,310)			(373,494)
20	40004	Billed to Mid St Div				(315,179)	(154,393)			(469,572)
21	40005	Billed to KY Div				(59,824)	(25,733)			(85,557)
22	40007	Billed to Nonutilities				(40,843)				(40,843)
23	40008	Billed to Mid-Tex Div				(985,740)	(580,716)			(1,566,456)
24	40009	Billed to MS Div				(212,411)	(96,597)			(309,008)
25	40010	Billed to Atmos Pipeline Div				(253,439)	(25)			(253,464)
26	41124	Billing for taxes other						185,378		185,378
27	41129	Billing for CSC Depr & Taxes Other		28,660	1,154			25,948	-	55,762
28	41130	Billing for SS Depr & Taxes Other						(94,168)	49,797	(44,371)
29	Grand Total 4081 Per Book		\$ 333,870	\$ 2,980,936	\$ 255,356	\$ (90,349)	\$ 90,349	\$ (1)	\$ 1,487,748	\$ 5,057,909
30										
31										
32	Summary components of per bk Taxes Other than Income Taxes:									
33	Direct Tax		333,870	1,509,849	167,272	2,392,625	1,279,856	84,950	2,858,660	
34	Taxes allocated in		-	1,471,087	88,084	-	-	211,326	49,797	
35	Taxes allocated out		-	-	-	(2,482,974)	(1,189,507)	(296,277)	(1,420,709)	
36	Grand Total 4081 Per Book		\$ 333,870	\$ 2,980,936	\$ 255,356	\$ (90,349)	\$ 90,349	\$ (1)	\$ 1,487,748	\$ 5,057,909

Atmos Energy Corp
Kansas AdValorem Tax Adjustment
Adjust Tax Expense to most Current Taxes Paid

Wp 11-2

Proforma KS direct AdValorem Tax Exp and Adjustment

line		actual tax paid 12 mths Jun07	less annual capitalized	current pymts expensed	KS Div	SW Div
1	Div 79 Liberty	\$394,133		\$394,133	\$394,133	
2	Div 80 Admin	4,056,469	(92,172)	3,964,297	3,738,332	\$225,965
3		\$4,450,602	(\$92,172)	4,358,430	4,132,465	225,965
4						
5	est Year Advalorem exp per book 4081.30101:		Wp 11-3	4,417,581	4,113,655	303,926
6						
7	Difference to adjust per bk AdValorem Exp to Jun07 pymts			<u>(\$59,151)</u>	<u>\$18,810</u>	<u>(\$77,961)</u>

Kansas Direct AdValorem Taxes Payable, 2360.25201 per book, by Div

KS Liberty Div 79 AdValorem Tax Paid

line		2360 DR Payments	2360 CR Payables
8	Apr-06		31,000
9	May-06	167,469	31,000
10	Jun-06		31,000
11	Jul-06		31,000
12	Aug-06		31,000
13	Sep-06		31,000
14	Oct-06		31,000
15	Nov-06		31,000
16	Dec-06	197,067	53,134
17	Jan-07		31,000
18	Feb-07		31,000
19	Mar-07		31,000
20	Test year	<u>\$ 364,535</u>	<u>\$ 394,134</u>
21			
22	Apr-07		31,000
23	May-07	197,067	31,000
24	Jun-07		31,000
25	12 mths Jun07	\$ 394,133	\$ 394,134
26	Less annual capitalized	-	
27	current tax pymts expensed	<u>\$ 394,133</u>	KS Div

Admin Div 80 AdValorem Summary

line		2360 DR Payments	2360 CR Payables
28	Apr-06		350,000
29	May-06	1,953,769	350,000
30	Jun-06		350,000
48	Jul-06		350,000
49	Aug-06		350,000
50	Sep-06		350,000
51	Oct-06		350,000
52	Nov-06		350,000
53	Dec-06	2,008,564	165,340
54	Jan-07	910	350,000
55	Feb-07	689	350,000
56	Mar-07		350,000
57		<u>\$ 3,963,931</u>	<u>\$ 4,015,340</u>
58			
59	Apr-07		350,000
60	May-07	1,974,151	350,000
61	Jun-07	72,155	350,000
62	12 mths Jun07	\$ 4,056,469	\$ 4,015,340
63	Less annual capitalized	(92,172)	Wp 11-3
64	current tax pymts expensed	<u>\$ 3,964,297</u>	
65			
66	allocation KS Div (Sect 12)	\$ 3,738,332	94.30%
67	allocation SW Div (Sect 12)	\$ 225,965	5.70%

Atmos Energy Corp
 Total Kansas Direct AdValorem Summary, 4081.30101 per bk
 For the 12 months ended 3/31/07

Wp 11-3

Kansas Direct AdValorem Tax Exp, Div 79, 80, 81, 86

line		4081 DR gross exp accrual	4081 CR less capitalized Power Plant	4081 CR less reg asset 1823 DR	4081 DR plus Surcharge Banner	Total 4081.30101 net expense	KS Div	SW Div
1	Div 79 Liberty	\$394,134	\$0	(\$62,150)	\$0	\$331,984	\$331,984	
2	Div 80 Admin	4,085,581	(92,172)	(1,340,306)	0	2,653,103	2,501,876	\$151,227
3	Div 81 KS	0	0	0	1,279,795	1,279,795	1,279,795	
4	Div 86 SW	0	0	0	152,699	152,699		152,699
5	Test Year	\$4,479,715	(\$92,172)	(\$1,402,456)	\$1,432,494	\$4,417,581	\$4,113,655	\$303,926

Kansas Direct AdValorem tax by division:

KS Liberty Div 79 AdValorem Summary

line		4081 DR gross exp accrual	4081 CR less capitalized Power Plant	4081 CR less reg asset 1823 DR	4081 DR plus Surcharge Banner	Total 4081.30101 net expense	KS Div
6	Apr-06	31,000		(5,650)		25,350	
7	May-06	31,000		(5,650)		25,350	
8	Jun-06	31,000		(5,650)		25,350	
9	Jul-06	31,000		(5,650)		25,350	
10	Aug-06	31,000		(5,650)		25,350	
11	Sep-06	31,000		(5,650)		25,350	
12	Oct-06	31,000		(5,650)		25,350	
13	Nov-06	31,000		(5,650)		25,350	
14	Dec-06	53,134				53,134	
15	Jan-07	31,000		(5,650)		25,350	
16	Feb-07	31,000		(5,650)		25,350	
17	Mar-07	31,000		(5,650)		25,350	
18	Test Year	\$ 394,134	\$ -	\$ (62,150)	\$ -	\$ 331,984	KS Div

Admin Div 80 AdValorem Summary

line		4081 DR gross exp accrual	4081 CR less capitalized Power Plant	4081 CR less reg asset 1823 DR	4081 DR plus Surcharge Banner	Total 4081.30101 net expense	KS Div	SW Div
19	Apr-06	350,000	(7,681)	(121,846)		220,473		
20	May-06	350,000	(7,681)	(121,846)		220,473		
21	Jun-06	350,000	(7,681)	(121,846)		220,473		
22	Jul-06	350,000	(7,681)	(121,846)		220,473		
23	Aug-06	350,000	(7,681)	(121,846)		220,473		
24	Sep-06	350,000	(7,681)	(121,846)		220,473		
25	Oct-06	350,000	(7,681)	(121,846)		220,473		
26	Nov-06	350,000	(7,681)	(121,846)		220,473		
27	Dec-06	233,305	(7,681)			225,624		
28	Jan-07	352,276	(7,681)	(121,846)		222,749		
29	Feb-07	350,000	(7,681)	(121,846)		220,473		
30	Mar-07	350,000	(7,681)	(121,846)		220,473		
31	Test Year	\$4,085,581	\$ (92,172)	\$ (1,340,306)	\$ -	\$ 2,653,103		
32								
33	Test Yr Exp allocation KS Div (Sect 12)				94.30%	\$ 2,501,876	KS Div	
34	Test Yr Exp allocation SW Div (Sect 12)				5.70%	\$ 151,227	SW Div	

KS Div 81 AdValorem Summary

line		4081 DR gross exp accrual	4081 CR less capitalized Power Plant	4081 CR less reg asset 1823 DR	4081 DR plus Surcharge Banner	Total 4081.30101 net expense	KS Div
35	Apr-06				100,474	100,474	
36	May-06				47,293	47,293	
37	Jun-06				33,563	33,563	
38	Jul-06				25,392	25,392	
39	Aug-06				21,353	21,353	
40	Sep-06				29,503	29,503	
41	Oct-06				43,954	43,954	
42	Nov-06				102,572	102,572	
43	Dec-06				161,456	161,456	
44	Jan-07				223,254	223,254	
45	Feb-07				297,395	297,395	
46	Mar-07				193,586	193,586	
47	Test Year	\$ -	\$ -	\$ -	\$ 1,279,795	\$ 1,279,795	KS Div

SW Div 86 AdValorem Summary

line		4081 DR gross exp accrual	4081 CR less capitalized Power Plant	4081 CR less reg asset 1823 DR	4081 DR plus Surcharge Banner	Total 4081.30101 net expense	SW Div
48	Apr-06				11,900	11,900	
49	May-06				12,481	12,481	
50	Jun-06				14,649	14,649	
51	Jul-06				18,735	18,735	
52	Aug-06				17,944	17,944	
53	Sep-06				8,945	8,945	
54	Oct-06				8,176	8,176	
55	Nov-06				9,729	9,729	
56	Dec-06				8,478	8,478	
57	Jan-07				13,557	13,557	
58	Feb-07				16,912	16,912	
59	Mar-07				11,193	11,193	
60	Test Year	\$ -	\$ -	\$ -	\$ 152,699	\$ 152,699	SW Div

Kansas AdValorem Tax Adjustment

Adjust Proforma Advalorem Tax Expense for Construction Work in Progress

For Kansas Direct Divs 79, 80, 81, 86

<u>line</u>	<u>Tot KS Direct</u>	<u>KS Div</u>	<u>SW Div</u>	<u>source</u>	
1	Per Book Direct Kansas CWIP	1,467,041	\$1,266,854	\$200,187	Wp 14-1-1
2	Adjustment to CWIP	(9,673)	(9,673)	-	Wp 14-1-2
3	Adjusted Direct CWIP 3/31/07	\$ 1,457,368	\$ 1,257,180	\$ 200,187	
4	KS AdValorem Exp as % of Plant	2.10%	2.10%	2.10%	line 12
5					
6	Adj AdValorem Exp for CWIP	\$ 30,635	\$ 26,427	\$ 4,208	
7					
8		<u>Tot KS Direct</u>	<u>KS Div</u>	<u>SW Div</u>	<u>source</u>
9	Annual Kansas AdValorem Tax Exp Paic	\$ 4,358,430	\$ 4,132,465	\$ 225,965	Wp 11-2
10	Test Year KS Direct Gross Plant	\$ 207,335,824	\$193,460,665	\$ 13,875,159	Section 4
11					
12	Advalorem Tax Exp as % of Gross Plan	2.10%			

Atmos Energy Corp - Kansas Distribution System
Kansas Payroll Tax Adjustment
for the test year ended March 31, 2007

Wp 11-5

Adjust Payroll Tax Expense to synchronize with Labor Adjustment

Line No.	Description	Liberty Div 79	Kansas Div 81	Kansas Div (Div 79 + 81)	Southwest Div Div 86	Total Direct KS (d + e)	100.00% KS Admin 080DIV	Kansas Total
	(a) source	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Payroll Tax Adj Calculation (excl general office):								
1	Gross Direct Labor w/ Annualized merit increase	WP 9- \$ 30,485	\$ 6,558,757	\$ 6,589,242	\$ 396,131	\$ 6,985,372	\$ 835,411	\$ 7,820,783
2	3 yr average Expense Rate	WP 9- 48.02%	48.02%		48.02%		48.02%	
3								
4	Kansas Direct Proforma Labor exp	\$14,638	\$3,149,364	\$3,164,002	\$190,213	\$3,354,215	\$401,145	3,755,360
5	Normalized Payroll Tax Rate - budgeted	8.00%	1,171	251,949	253,120	15,217	268,337	32,092
6	less per book Kansas direct Payroll Tax (lines 1-8)	Sect 11-1 (1,886)	(219,861)	(221,747)	(14,573)	(236,320)	(16,776)	(253,096)
7								
8	Adjustment		(\$715)	\$32,088	\$31,373	\$644	\$32,017	\$15,316
9								
10	Div 80 percent allocated to KS Div & SW Div				94.30%	5.70%	-100.00%	
11	Allocate KS Admin tax adj to KS Div & SW Div				14,443	873	(15,316)	0
12								
13	Payroll Tax Adj allocated to KS Div and SW Div			\$ 45,816	\$ 1,517		\$ -	\$ 47,333

**Atmos Energy Corp - Kansas Distribution System
 Kansas PSC Assessment Adjustment - 4082.30112**

Adjust Tax Exp to current PSC fees paid, proforma 12 mths June 30, 2007

Line No.	month	Div 80 PSC fee paid & exp		
1	Apr-06	\$ 34,303		
2	May-06	1,863		
3	Jun-06	-		
4	Jul-06	41,693		
5	Aug-06	2,450		
6	Sep-06	-		
7	Oct-06	35,952		
8	Nov-06	785		
9	Dec-06	-		
10	Jan-07	42,231	Section 12	Section 12
11	Feb-07	9,481	KS Div	SW Div
12	Mar-07	-	94.30%	5.70%
13	Test Year	\$ 168,758	\$ 159,139	\$ 9,619
14				
15	Apr-07	42,308		
16	May-07	2,521		
17	Jun-07	-		
18	12 mths Jun07	\$ 177,421	\$ 167,308	\$ 10,113
19				
20	Adjustment	\$ 8,663	\$ 8,169	\$ 494

**Kansas Distribution System
 Computation of Federal Income Taxes
 Twelve Months Ended March 31, 2007, As Adjusted**

Line No.	Description (a)	Kansas (b)	Southwest (c)	Total (d)
<u>Per Books:</u>				
1	Required Return Section 3A	\$10,300,669	\$847,836	\$11,148,505
2	Interest Deduction	3,841,645	316,201	4,157,846
3	Equity Portion of Return	6,459,024	531,635	6,990,659
4	Application of Composite Tax Rate to NIBT	2,569,238	211,471	2,780,709
5	Allowance for Step Rate	(1,548)	(127)	(1,675)
6	Sub-Total	2,567,691	211,344	2,779,034
7	Tax Expansion Factor	1.6605	1.6605	1.6605
8	Total Income Tax Liability	<u>\$4,263,673</u>	<u>\$350,938</u>	<u>\$4,614,611</u>
<u>After Adjustments:</u>				
9	Required Return Section 3	\$10,630,805	\$848,590	\$11,479,395
10	Interest Deduction	3,964,769	316,482	4,281,252
11	Equity Portion of Return	6,666,036	532,108	7,198,144
12	Application of Composite Tax Rate to NIBT	2,651,582	211,659	2,863,242
13	Allowance for Step Rate	(1,551)	(124)	(1,675)
14	Sub-Total	2,650,031	211,535	2,861,567
15	Tax Expansion Factor	1.6605	1.6605	1.6605
16	Total Income Tax Liability	<u>\$4,400,401</u>	<u>\$351,256</u>	<u>\$4,751,657</u>
17	State Tax Rate	7.35%		
18	Federal Tax Rate	35%		
19	Combined Tax Rate	<u>39.778%</u>		

Kansas Distribution System
Computation of Federal Income Taxes
Twelve Months Ended March 31, 2007, As Adjusted

Line No.	Description (a)	Total	
		Kansas (i)	Southwest (i)
1	Income Taxes - Current	\$3,106,071	\$331,721
2	Income Taxes - Deferred	1,294,329	19,536
3	Total Income Tax Expense Section 11B	<u>4,400,401</u>	<u>351,256</u>
4			
5			
6	ADIT Balances:		
7	3/31/2006 WP 11E-1	(\$25,002,592)	(\$347,732)
8	3/31/2007 WP 14-4	<u>(\$26,296,921)</u>	<u>(\$367,268)</u>

**Kansas Distribution System
Schedule of Income Tax Credits
Twelve Months Ended December 31, 2002**

Line No.	Description (a)	Beginning Balance (b)	Activity (c)	Ending Balance (d)
1	1997	811,501	(\$6,654)	\$804,847
2	1998	804,847	(122,383)	682,464
3	1999	682,464	(61,737)	620,727
4	2000	620,727	210,465	831,192
5	2001	831,192	(508,459)	322,733
6	2002	322,733	329,913	652,646
7	2003	652,646	(88,912)	563,734
8	2004	563,734	(88,912)	474,822
9	2005	474,822	(88,912)	385,910
10	2006	385,910	(88,912)	296,998
11				
12	Kansas Total at March 31, 2006			204,069
13				
14	Kansas Total at March 31, 2007			157,053
15				
16				
17	[1] Data is presented as of the end of the			
18	Company's fiscal year ending September 30.			

**Kansas Distribution System
Schedule of Deferred Income Taxes
Twelve Months Ended March 31, 2007**

Line No.	Description	Beginning Balance	Activity	Ending Balance
	(a)	(b)	(c)	(d)
	Atmos Energy Corporation [1] (in 000's)			
1	1997	72,073	15,755	87,828
2	1998	87,828	(7,615)	80,213
3	1999	80,213	32,397	112,610
4	2000	112,610	19,009	131,619
5	2001	131,619	7,315	138,934
6	2002	138,934	(4,394)	134,540
7	2003	134,540	88,810	223,350
8	2004	223,350	(9,419)	213,931
9	2005	213,931	10,911	224,842
10	2006	224,842	62,387	287,229
11				
12				
13	Kansas Total at March 31, 2006		Wp 11-4	\$25,350,324
14				
15	Kansas Total at March 31, 2007		Wp 11-4	\$28,773,491
16				
17				
18	[1] Data is presented as of the end of the			
19	Company's fiscal year ending September 30.			

**Kansas Distribution System
Computation of Deferred Income Taxes
Twelve Months Ended March 31, 2006**

Line No.	Description	CO/KS GO	KS Admin	Shared Services	Allocated		Direct		Total		
					Kansas	Southwest	Kansas	Southwest	Kansas	Southwest	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Deferred Income Taxes March 31, 2006										
2	190	\$4,236,426	\$0	\$38,603,207	\$3,463,818	\$208,583	\$3,435,736		\$6,899,554	\$208,583	\$7,108,137
3	282	(11,953,065)	0	(41,350,038)	(7,408,245)	(446,622)	(22,665,276)		(30,073,521)	(446,622)	(30,520,143)
4	283		0	(52,234,634)	(1,828,212)	(109,693)	(413)		(1,828,625)	(109,693)	(1,938,318)
5											
6	Total	(\$7,716,639)	\$0	(\$54,981,465)	(\$5,772,639)	(\$347,732)	(\$19,229,953)	\$0	(\$25,002,592)	(\$347,732)	(\$25,350,324)
7											
8											
9											
10	Allocation Factors Used from										
11	Section 12 - Kansas	53.20%	91.07%	6.89%							
12	Section 12 - Southwest	5.22%	8.93%	0.68%							

Atmos Energy Corporation
Development of Allocation Factors
For Fiscal Year 2007

Line No.	Div #	Division Name	Gross Direct PP&E	Percent of PP&E	Direct O&M	Percent of O&M	Avg Number of Customers	Percent of Customers	Average Allocation Percentage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1		Shared Services Div 02 - Utility Only Allocation to Business Units (Div 12 Customer Support uses col h customer factors)							
2		West Tex Business Unit	\$398,740,964	7.42%	\$25,920,364	7.89%	297,240	9.62%	8.31%
3		CO/KS Business Unit	354,701,307	6.60%	22,493,532	6.85%	235,655	7.62%	7.02%
4		LA Business Unit Div 007	152,641,872	2.84%	7,426,747	2.26%	74,661	2.42%	2.51%
5		LA Business Unit Div 077	376,265,849	7.01%	24,809,531	7.55%	252,901	8.18%	7.58%
6		KY/MidStates Business Unit	915,901,270	17.05%	44,312,982	13.49%	464,841	15.04%	15.19%
7		Mississippi Business Unit	323,787,054	6.03%	36,818,964	11.21%	250,184	8.09%	8.44%
8		Mid-Tex Business Unit	1,988,757,546	37.03%	118,929,678	36.20%	1,514,844	49.01%	40.75%
9		Atmos Pipeline MidTex BU	859,896,947	16.01%	47,798,914	14.55%	336	0.01%	10.19%
10			<u>\$5,370,692,810</u>	<u>100.00%</u>	<u>\$328,510,711</u>	<u>100.00%</u>	<u>3,090,662</u>	<u>100.00%</u>	<u>99.99%</u>
11									
12		Shared Services - Consolidated Allocation to Business Units (Div 12 Customer Support uses col h customer factors)							
13		West Tex Business Unit	\$398,740,964	7.33%	\$25,920,364	7.27%	297,240	9.61%	8.07%
14		CO/KS Business Unit	354,701,307	6.52%	22,493,532	6.31%	235,655	7.62%	6.82%
15		LA Business Unit Div 007	152,641,872	2.81%	7,426,747	2.08%	74,661	2.42%	2.43%
16		LA Business Unit Div 077	376,265,849	6.92%	24,809,531	6.96%	252,901	8.18%	7.35%
17		KY/MidStates Business Unit	915,901,270	16.84%	44,312,982	12.43%	464,841	15.04%	14.77%
18		Mississippi Business Unit	323,787,054	5.95%	36,818,964	10.32%	250,184	8.09%	8.12%
19		Mid-Tex Business Unit	1,988,757,546	36.56%	118,929,678	33.35%	1,514,844	49.00%	39.64%
20		Atmos Pipeline MidTex BU	859,896,947	15.81%	47,798,914	13.40%	336	0.01%	9.74%
21		AESI	52,369	0.00%	458,775	0.13%	0	0.00%	0.04%
22		Atmos P/L & Storage	49,971,843	0.92%	1,916,926	0.54%	2	0.00%	0.49%
23		Atmos Energy Power Systems	3,610,397	0.07%	1,019,370	0.29%	2	0.00%	0.12%
24		Atmos Energy Marketing	15,384,115	0.28%	24,714,763	6.93%	813	0.03%	2.41%
25			<u>\$5,439,711,534</u>	<u>100.00%</u>	<u>\$356,620,544</u>	<u>100.00%</u>	<u>3,091,479</u>	<u>100.00%</u>	<u>100.00%</u>
26									
27		Colorado/Kansas General Office Div 30 Allocation to states Colorado, Kansas, Missouri							
28	29+71	Missouri	\$6,773,640	1.96%	\$367,294	2.41%	4,173	1.77%	2.05%
29	33 - 41	Colorado	140,110,597	40.61%	7,551,377	49.46%	106,406	45.15%	45.07%
30	81+86	Kansas	198,161,240	57.43%	7,348,984	48.13%	125,076	53.08%	52.88%
31		Total	<u>\$345,045,478</u>	<u>100.00%</u>	<u>\$15,267,655</u>	<u>100.00%</u>	<u>235,655</u>	<u>100.00%</u>	<u>100.00%</u>
32									
33		Kansas Admin Office Div 80 Allocation to Kansas Divisions							
34	81	Kansas	\$184,264,337	92.99%	\$6,891,747	93.78%	120,239	96.13%	94.30%
35	86	SW Kansas	13,896,904	7.01%	457,237	6.22%	4,837	3.87%	5.70%
36		Total	<u>198,161,240</u>	<u>100.00%</u>	<u>7,348,984</u>	<u>100.00%</u>	<u>125,076</u>	<u>100.00%</u>	<u>100.00%</u>
37									
38		Shared Services Div 02 Allocation to Kansas Divisions (Div 12 Customer Support uses col h customer factors)							
39	81	Kansas						3.89%	3.50%
40	86	SW Kansas						0.16%	0.21%
41		Total						<u>4.05%</u>	<u>3.71%</u>
42									
43		Colorado/Kansas General Office Div 30 Allocation to Kansas Divisions							
44	81	UCG Kansas						51.03%	49.87%
45	86	SW Kansas						2.05%	3.01%
46		Total						<u>53.08%</u>	<u>52.88%</u>

Note: Please see attachment _____ for descriptions of factors.