

Atmos Energy Corporation - Kansas
 Section 14 - Class Cost Allocation Study
 For the test year ended March 31, 2007

SUMMARY**- with Test Year Normalized Revenues**

Line No.	Description	Total Kansas	Residential	Comm/PA w/Schools	Indus/Inter Sales	Irrigation	Transportation
1	Margin with test year rates, as filed	\$41,190,275	\$29,509,057	\$8,099,701	\$303,849	\$486,404	\$2,791,264
2	O&M Expense	15,042,894	11,455,047	2,584,787	77,403	140,801	784,856
3	Interest on Customer Deposits	185,163	170,868	14,294	0	0	0
4	Depreciation & Amort	9,623,968	6,963,058	1,856,250	59,609	106,778	638,274
5	Taxes Other than Income Tax	5,085,390	3,698,656	970,154	30,965	55,540	330,075
6	Income Tax	2,771,457	1,649,627	713,570	42,203	53,907	312,150
7							
8	Net Income at test year rates	<u>\$8,481,404</u>	<u>\$5,571,802</u>	<u>\$1,960,645</u>	<u>\$93,670</u>	<u>\$129,379</u>	<u>\$725,908</u>
9							
10	Rate Base	<u>\$135,561,525</u>	<u>\$97,265,061</u>	<u>\$27,839,818</u>	<u>\$940,775</u>	<u>\$1,509,851</u>	<u>\$8,006,020</u>
11							
12	ROR at test year rates	<u>6.3%</u>	<u>5.7%</u>	<u>7.0%</u>	<u>10.0%</u>	<u>8.6%</u>	<u>9.1%</u>

SUMMARY**- with Proposed Proforma Revenue by Class**

	Total Kansas	Residential	Comm/PA w/Schools	Indus/Inter Sales	Irrigation	Transportation
12 Proforma Margin with Proposed Rates	\$46,168,071	\$33,790,477	\$8,988,438	\$277,243	\$469,160	\$2,642,753
13 Interest on Customer Deposits	185,163	170,868	14,294	0	0	0
14 O&M Expense	15,042,894	11,455,047	2,584,787	77,403	140,801	784,856
15 Depreciation & Amort	9,623,968	6,963,058	1,856,250	59,609	106,778	638,274
16 Taxes Other than Income Tax	5,085,390	3,698,656	970,154	30,965	55,540	330,075
17 income Tax (proposed)	4,751,499	3,352,483	1,067,143	31,634	47,063	253,176
18						
19 Net Income at Proposed Rates	<u>\$11,479,157</u>	<u>\$8,150,365</u>	<u>\$2,495,809</u>	<u>\$77,633</u>	<u>\$118,978</u>	<u>\$636,372</u>
20						
21 Rate Base (proposed)	<u>\$135,561,525</u>	<u>\$97,265,061</u>	<u>\$27,839,818</u>	<u>\$940,775</u>	<u>\$1,509,851</u>	<u>\$8,006,020</u>
22						
23 ROR by class per Proposed Rates	<u>8.5%</u>	<u>8.4%</u>	<u>9.0%</u>	<u>8.3%</u>	<u>7.9%</u>	<u>7.9%</u>

24 Interest Deduction [Factor RB] \$ (4,281,252)||
 25 Composite Income Tax Rate 39.763%

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007

SUMMARY**- with Test Year Normalized Revenues**

Line No.	Description	Total Kansas	81	86	81	86	81	86	81
			Sales Resid.	Sales Resid.	Sales Com/PA	Sales Com/PA	Sales Schools	Sales Schools	Sales Indus/Inter
1	Margin with test year rates, as filed	\$41,190,275	\$28,575,608	\$933,449	\$7,190,604	\$642,747	\$199,081	\$67,269	\$303,849
2	O&M Expense	15,042,894	11,049,867	405,179	2,247,183	208,361	104,046	25,197	77,403
3	Interest on Customer Deposits	185,163	165,093	5,775	13,370	924	-	-	-
4	Depreciation & Amort	9,623,968	6,713,641	249,417	1,605,337	152,805	78,803	19,305	59,609
5	Taxes Other than Income Tax	5,085,390	3,566,343	132,312	839,415	79,713	40,993	10,033	30,965
6	Income Tax	2,771,457	1,637,760	11,867	686,735	50,747	(25,050)	1,139	42,203
7									
8	Net Income at test year rates	\$8,481,404	\$5,442,904	\$128,899	\$1,798,564	\$150,197	\$288	\$11,596	\$93,670
9									
10	Rate Base	\$135,561,525	\$93,753,070	\$3,511,992	\$23,995,468	\$2,320,640	\$1,211,158	\$312,553	\$940,775
11									
12	ROR at test year rates	6.3%	5.8%	3.7%	7.5%	6.5%	0.0%	3.7%	10.0%

SUMMARY**- with Proposed Proforma Revenue by Class**

Line No.	Description	Total Kansas	81	86	81	86	81	86	81
			Sales Resid.	Sales Resid.	Sales Com/PA	Sales Com/PA	Sales Schools	Sales Schools	Sales Indus/Inter
12	Proforma Margin with Proposed Rates	\$46,168,071	\$32,625,689	\$1,164,788	\$7,944,078	\$756,892	\$220,690	\$66,779	\$277,243
13	Interest on Customer Deposits	185,163	165,093	5,775	13,370	924	-	-	-
14	O&M Expense	15,042,894	11,049,867	405,179	2,247,183	208,361	104,046	25,197	77,403
15	Depreciation & Amort	9,623,968	6,713,641	249,417	1,605,337	152,805	78,803	19,305	59,609
16	Taxes Other than Income Tax	5,085,390	3,566,343	132,312	839,415	79,713	40,993	10,033	30,965
17	Income Tax (proposed)	4,751,499	3,248,625	103,858	986,515	96,148	(16,463)	944	31,634
18									
19	Net Income at Proposed Rates	\$11,479,157	\$7,882,119	\$268,246	\$2,252,258	\$218,941	\$13,310	\$11,301	\$77,633
20									
21	Rate Base (proposed)	\$135,561,525	\$93,753,070	\$3,511,992	\$23,995,468	\$2,320,640	\$1,211,158	\$312,553	\$940,775
22									
23	ROR by class per Proposed Rates	8.5%	8.4%	7.6%	9.4%	9.4%	1.1%	3.6%	8.3%

24	Interest Deduction [Factor RB]	\$ (4,281,252)	\$ (2,960,873)	\$ (110,914)	\$ (757,816)	\$ (73,290)	\$ (38,250)	\$ (9,871)	\$ (29,711)
25	Composite Income Tax Rate	39.763%							

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 For the test year ended March 31, 2007

SUMMARY**- with Test Year Normalized Revenues**

Line No.	Description	Total Kansas	86	81	86	81	81	81
			Sales Irrigation	Transport Firm	Transport Firm	Transport Interr.	Transport School Firm	Transport Schools Int.
1	Margin with test year rates, as filed	\$41,190,275	\$486,404	\$1,412,328	\$92,271	\$975,345	\$276,579	\$34,741
2	O&M Expense	15,042,894	140,801	364,200	35,166	273,733	102,270	9,488
3	Interest on Customer Deposits	185,163	-	-	-	-	-	-
4	Depreciation & Amort	9,623,968	106,778	295,937	28,710	223,717	82,167	7,743
5	Taxes Other than Income Tax	5,085,390	55,540	153,050	14,842	115,646	42,533	4,003
6	Income Tax	2,771,457	53,907	191,576	866	108,776	6,781	4,150
7								
8	Net Income at test year rates	\$8,481,404	\$129,379	\$407,565	\$12,686	\$253,472	\$42,827	\$9,357
9								
10	Rate Base	\$135,561,525	\$1,509,851	\$3,712,013	\$360,110	\$2,806,101	\$1,030,672	\$97,124
11								
12	ROR at test year rates	6.3%	8.6%	11.0%	3.5%	9.0%	4.2%	9.6%

SUMMARY**- with Proposed Proforma Revenue by Class**

Line No.	Description	Total Kansas	86	81	86	81	81	81
			Sales Irrigation	Transport Firm	Transport Firm	Transport Interr.	Transport School Firm	Transport Schools Int.
12	Proforma Margin with Proposed Rates	\$46,168,071	\$469,160	\$1,122,115	\$56,165	\$1,148,715	\$274,948	\$40,810
13	Interest on Customer Deposits	185,163	-	-	-	-	-	-
14	O&M Expense	15,042,894	140,801	364,200	35,166	273,733	102,270	9,488
15	Depreciation & Amort	9,623,968	106,778	295,937	28,710	223,717	82,167	7,743
16	Taxes Other than Income Tax	5,085,390	55,540	153,050	14,842	115,646	42,533	4,003
17	Income Tax (proposed)	4,751,499	47,063	76,226	(13,490)	177,742	6,134	6,565
18								
19	Net Income at Proposed Rates	\$11,479,157	\$118,978	\$232,703	(\$9,063)	\$357,877	\$41,843	\$13,012
20								
21	Rate Base (proposed)	\$135,561,525	\$1,509,851	\$3,712,013	\$360,110	\$2,806,101	\$1,030,672	\$97,124
22								
23	ROR by class per Proposed Rates	8.5%	7.9%	6.3%	-2.5%	12.8%	4.1%	13.4%

24	Interest Deduction [Factor RB]	\$ (4,281,252)	\$ (47,684)	\$ (117,231)	\$ (11,373)	\$ (88,621)	\$ (32,550)	\$ (3,067)
25	Composite Income Tax Rate	39.763%						

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Allocation of Test Year Rate Base										
Line No.	Acct.	Description	Tot. Kansas	Sales Resid.	86 Sales Resid.	81 Sales Com/PA	86 Sales Com/PA	81 Sales Schools	86 Sales Schools	81 Sales Indus/Inter
1	301-303	Total Intangible Plant	\$41,078	\$28,656	\$1,065	\$6,852	\$652	\$336	\$82	\$254
2										
3	325-345	Total Natural Gas Production	281,824	195,992	7,612	60,425	6,424	3,138	988	3,019
4										
5	350-357	Total Underground Storage	5,868,667	4,127,648	159,254	1,257,467	127,958	66,588	21,056	57,744
6										
7	365-371	Total Transmission Plant	4,009,400	2,486,668	96,644	766,325	81,353	39,919	12,561	38,045
8										
9	374	Land and Land Rights	876,524	543,628	21,128	167,532	17,785	8,727	2,746	8,317
10	375	Structures & Improvements	111,448	69,121	2,686	21,301	2,261	1,110	349	1,058
11	376	Mains	103,212,309	64,013,244	2,487,877	19,727,173	2,094,242	1,027,618	323,346	979,379
12	378	Meas. & Reg. Sta. Equip.-Gen	2,649,391	1,643,177	63,862	506,383	53,758	26,378	8,300	25,140
13	379	Meas. & Reg. Sta. Equip.-City	1,908,534	1,183,690	46,004	364,782	38,725	19,002	5,979	18,110
14	380	Services	48,565,543	42,995,014	1,507,582	3,511,641	239,353	73,734	9,075	27,225
15	381	Meters	12,347,349	8,462,848	301,343	2,616,378	195,066	138,773	7,396	33,197
16	382	Meter Installations	19,150,059	13,125,412	467,366	4,057,858	302,537	215,229	11,471	51,487
17	383	House Regulators	2,121,635	1,818,964	65,257	198,261	16,231	3,369	615	1,112
18	384	House Reg. Installations	209,461	179,580	6,443	19,574	1,602	333	61	110
19	385	Ind. Meas. & Reg. Sta. Equip.	617,032	21,043	212	407,594	28,792	29,492	1,092	6,718
20	387	Other Equipment	13,769	8,540	332	2,632	279	137	43	131
21										
22	374-388	Total Distribution Plant (DP)	191,783,053	134,064,261	4,970,092	31,601,110	2,990,631	1,543,902	370,473	1,151,983
23										
24	389-399	Total General Plant	15,837,259.25	\$11,048,007	\$410,442	\$2,641,752	\$251,458	\$129,678	\$31,768	\$98,093
25										
26	1010	Total Gross Plant (GP)	<u>\$217,821,282</u>	<u>\$151,951,231</u>	<u>\$5,645,109</u>	<u>\$36,333,931</u>	<u>\$3,458,477</u>	<u>\$1,783,561</u>	<u>\$436,929</u>	<u>\$1,349,138</u>
27										
28	1080	Accumulated Depreciation	(74,024,048)	(51,638,871)	(1,918,425)	(12,347,667)	(1,175,323)	(606,123)	(148,485)	(458,489)
29										
30		Net Plant	<u>\$143,797,234</u>	<u>\$100,312,359</u>	<u>\$3,726,684</u>	<u>\$23,986,264</u>	<u>\$2,283,154</u>	<u>\$1,177,439</u>	<u>\$288,444</u>	<u>\$890,649</u>
31										
32		Work in Progress	2,074,080	1,446,870	53,752	345,969	32,931	16,983	4,160	12,846
33		Storage Gas	19,614,108	13,795,317	532,254	4,202,675	427,659	222,548	70,374	192,991
34		Accum. Deferred Income Tax	(25,433,490)	(17,742,298)	(659,140)	(4,242,463)	(403,823)	(208,254)	(51,017)	(157,530)
35		Customer Advances	(1,064,816)	(949,403)	(33,211)	(76,887)	(5,315)	0	0	0
36		Customer Deposits	(3,778,828)	(3,369,248)	(117,861)	(272,859)	(18,860)	0	0	0
37										
38		Working Capital:								
39		Prepayments	353,237	259,472	9,514	52,768	4,893	2,443	592	1,818
40		Cash Requirements	0	0	0	0	0	0	0	0
41										
42		Rate Base test year	<u>\$135,561,525</u>	<u>\$93,753,070</u>	<u>\$3,511,992</u>	<u>\$23,995,468</u>	<u>\$2,320,640</u>	<u>\$1,211,158</u>	<u>\$312,553</u>	<u>\$940,775</u>

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Allocation of Test Year Rate Base										
Line No.	Acct.	Description	Tot. Kansas	86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.	Factor
1	301-303	Total Intangible Plant	\$41,078	\$456	\$1,263	\$123	\$955	\$351	\$33	GP
2										
3	325-345	Total Natural Gas Production	281,824	4,227	-	-	-	-	-	P&C S
4										
5	350-357	Total Underground Storage	5,868,667	50,952	-	-	-	-	-	P&C W
6										
7	365-371	Total Transmission Plant	4,009,400	52,826	200,139	20,290	160,221	48,840	5,568	P&C
8										
9	374	Land and Land Rights	876,524	11,549	43,754	4,436	35,027	10,677	1,217	P&C
10	375	Structures & Improvements	111,448	1,468	5,563	564	4,454	1,358	155	P&C
11	376	Mains	103,212,309	1,359,887	5,152,103	522,328	4,124,505	1,257,280	143,327	P&C
12	378	Meas. & Reg. Sta. Equip.-Gen	2,649,391	34,907	132,251	13,408	105,873	32,274	3,679	P&C
13	379	Meas. & Reg. Sta. Equip.-City	1,908,534	25,146	95,269	9,659	76,268	23,249	2,650	P&C
14	380	Services	48,565,543	116,084	43,484	2,269	13,991	25,334	756	MQ
15	381	Meters	12,347,349	209,078	192,277	10,538	62,159	116,466	1,830	analysis
16	382	Meter Installations	19,150,059	324,268	298,211	16,344	96,405	180,632	2,838	MI
17	383	House Regulators	2,121,635	16,338	875	-	179	419	16	MIS
18	384	House Reg. Installations	209,461	1,613	86	-	18	41	2	MIS
19	385	Ind. Meas. & Reg. Sta. Equip.	617,032	32,026	45,041	2,521	14,675	27,405	420	MIL
20	387	Other Equipment	13,769	181	687	70	550	168	19	P&C
21										
22	374-388	Total Distribution Plant (DP)	191,783,053	2,132,547	6,009,602	582,135	4,534,103	1,675,303	156,910	
23										
24	389-399	Total General Plant	15,837,259.25	\$175,714	\$486,995	\$47,245	\$368,150	\$135,215	\$12,742	GP
25										
26	1010	Total Gross Plant (GP)	\$217,821,282	\$2,416,721	\$6,698,000	\$649,793	\$5,063,429	\$1,859,709	\$175,253	
27										
28	1080	Accumulated Depreciation	(74,024,048)	(821,295)	(2,276,238)	(220,825)	(1,720,748)	(632,001)	(59,558)	GP
29										
30		Net Plant	\$143,797,234	\$1,595,427	\$4,421,762	\$428,969	\$3,342,681	\$1,227,708	\$115,695	
31										
32		Work in Progress	2,074,080	23,012	63,778	6,187	48,214	17,708	1,669	GP
33		Storage Gas	19,614,108	170,290	0	0	0	0	0	P&C W
34		Accum. Deferred Income Tax	(25,433,490)	(282,184)	(782,079)	(75,872)	(591,222)	(217,145)	(20,463)	GP
35		Customer Advances	(1,064,816)	0	0	0	0	0	0	CD
36		Customer Deposits	(3,778,828)	0	0	0	0	0	0	CD
37										
38		Working Capital:								
39		Prepayments	353,237	3,306	8,552	826	6,428	2,401	223	OM
40		Cash Requirements	0	0	0	0	0	0	0	OM
41										
42		Rate Base test year	\$135,561,525	\$1,509,851	\$3,712,013	\$360,110	\$2,806,101	\$1,030,672	\$97,124	

Atmos Energy Corporation - Kansas
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 For the test year ended March 31, 2007

Test Year Margin - Normalized & Adjusted				81	86	81	86	81	86	81
Line No.	Acct.	Description	Tot. Kansas	Sales Resid.	Sales Resid.	Sales Com/PA	Sales Com/PA	Sales Schools	Sales Schools	Sales Indus/Inter
1	480/489	Gas Sales & Transp Revenue	\$38,506,606	\$26,719,108	\$866,376	\$6,750,321	\$593,436	\$182,627	\$61,944	\$286,095
2		Ad Valorem Surcharge	1,451,126	922,808	33,853	293,777	34,628	11,623	3,928	10,429
		Special contracts	513,138	296,804	10,888	94,488	11,137	3,738	1,263	6,922
3	488	Other - Misc. Service Revenue	719,405	636,888	22,332	52,018	3,546	1,092	134	403
5		Total Revenue, Adjusted	\$41,190,275	\$28,575,608	\$933,449	\$7,190,604	\$642,747	\$199,081	\$67,269	\$303,849
6										
7		Weather Adjusted Gas Cost	0	0	0	0	0	0	0	0
8										
9		Margin (revenue less gas cost)	\$41,190,275	\$28,575,608	\$933,449	\$7,190,604	\$642,747	\$199,081	\$67,269	\$303,849

Test Year Margin - Proposed				81	86	81	86	81	86	81
Line No.	Acct.	Description	Tot. Kansas	Sales Resid.	Sales Resid.	Sales Com/PA	Sales Com/PA	Sales Schools	Sales Schools	Sales Indus/Inter
1	480/489	Gas Sales & Transp Revenue	\$44,935,528	\$31,691,997	\$1,131,568	\$7,797,572	\$742,209	\$215,859	\$65,381	\$269,918
2		Ad Valorem Surcharge	0							
		Special contracts	513,138	296,804	10,888	94,488	11,137	3,738	1,263	6,922
3	488	Other - Misc. Service Revenue	719,405	636,888	22,332	52,018	3,546	1,092	134	403
5		Total Revenue, Adjusted	\$46,168,071	\$32,625,689	\$1,164,788	\$7,944,078	\$756,892	\$220,690	\$66,779	\$277,243
6										
7		Weather Adjusted Gas Cost	0	0	0	0	0	0	0	0
8										
9		Margin (revenue less gas cost)	\$46,168,071	\$32,625,689	\$1,164,788	\$7,944,078	\$756,892	\$220,690	\$66,779	\$277,243

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 Section 14 - Class Cost Allocation Study
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Test Year Margin - Normalized & Adjusted										
Line No.	Acct.	Description	Tot. Kansas	86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.	Factor
1	480/489	Gas Sales & Transp Revenue	\$38,506,606	\$428,590	\$1,313,905	\$83,583	\$933,733	\$253,597	\$33,291	direct
2		Ad Valorem Surcharge	1,451,126	42,444	73,983	6,548	0	17,105	0	Surch
		Special contracts	513,138	13,651	23,795	2,106	41,404	5,502	1,439	AD
3	488	Other - Misc. Service Revenue	719,405	1,720	644	34	207	375	11	MQ
5		Total Revenue, Adjusted	\$41,190,275	\$486,404	\$1,412,328	\$92,271	\$975,345	\$276,579	\$34,741	
6										
7		Weather Adjusted Gas Cost	0	0	0	0	0	0	0	direct
8										
9		Margin (revenue less gas cost)	\$41,190,275	\$486,404	\$1,412,328	\$92,271	\$975,345	\$276,579	\$34,741	

Test Year Margin - Proposed										
Line No.	Acct.	Description	Tot. Kansas	86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.	Factor
1	480/489	Gas Sales & Transp Revenue	\$44,935,528	\$453,789	\$1,097,676	\$54,025	\$1,107,103	\$269,071	\$39,360	direct
2		Ad Valorem Surcharge	0							
		Special contracts	513,138	13,651	23,795	2,106	41,404	5,502	1,439	AD
3	488	Other - Misc. Service Revenue	719,405	1,720	644	34	207	375	11	MQ
5		Total Revenue, Adjusted	\$46,168,071	\$469,160	\$1,122,115	\$56,165	\$1,148,715	\$274,948	\$40,810	
6										
7		Weather Adjusted Gas Cost	0	0	0	0	0	0	0	direct
8										
9		Margin (revenue less gas cost)	\$46,168,071	\$469,160	\$1,122,115	\$56,165	\$1,148,715	\$274,948	\$40,810	

Allocation of Test Year O&M Expense - Normalized & Adjusted				81	86	81	86	81	86	81	
Line	No.	Acct.	Description	Tot. Kansas	Sales Resid.	Sales Resid.	Sales Com/PA	Sales Com/PA	Sales Schools	Sales Schools	Sales Indus/Inter
1	759		NG Production and Gathering - Other	1,715	\$1,193	\$46	\$368	\$39	\$19	\$6	\$18
2	784		Products Extraction Maintenance	563	392	15	121	13	6	2	6
3	814		Storage Oper. Supervision and Engineering	56,913	40,029	1,544	12,195	1,241	646	204	560
4	816		Wells Expense	33,760	23,745	916	7,234	736	383	121	332
5	818		Compressor station	8,543	6,009	232	1,830	186	97	31	84
6	819		Compressor station fuel	152,757	107,440	4,145	32,731	3,331	1,733	548	1,503
7	825		Storage well royalties	57,006	40,094	1,547	12,215	1,243	647	205	561
8	842		Storage Rents	137	96	4	29	3	2	0	1
9	856		Mains Expense	746	463	18	143	15	7	2	7
10	857		Measuring & Regulating Station Equipment	3,389	2,102	82	648	69	34	11	32
11	860		Rents	490	304	12	94	10	5	2	5
12	870		Supervision & Engineering	848,210	592,934	21,982	139,764	13,227	6,828	1,639	5,095
13	871		Load Dispatching & Odorization	17,048	11,917	442	2,809	266	137	33	102
14	874		Mains & Service Expenses	2,883,002	2,015,337	74,714	475,048	44,957	23,209	5,569	17,317
15	875		Meas. & Reg. Sta. Expenses - General	47,487	33,195	1,231	7,825	741	382	92	285
16	877		Meas. & Reg. Sta. Expenses - City Gate	5,706	3,989	148	940	89	46	11	34
17	878		Meter & House Reg. Expenses	593,839	415,118	15,389	97,850	9,260	4,781	1,147	3,567
18	879		Customer Installations Expenses	194,384	135,882	5,037	32,030	3,031	1,565	375	1,168
19	880		Other Expenses	107,957	75,466	2,798	17,789	1,683	869	209	648
20	881		Rents	320,782	224,240	8,313	52,857	5,002	2,582	620	1,927
21	885		Supervision & Engineering	136,722	95,574	3,543	22,528	2,132	1,101	264	821
22	886		Structures - Improvements	2,213	1,547	57	365	35	18	4	13
23	887		Mains	187,825	131,297	4,868	30,949	2,929	1,512	363	1,128
24	889		Meas. & Reg. Sta. Equip. - General	78,381	54,792	2,031	12,915	1,222	631	151	471
25	890		Meas. & Reg. Sta. Equip. - Industrial	5,399	3,774	140	890	84	43	10	32
26	892		Services	16,507	11,539	428	2,720	257	133	32	99
27	893		Meter & House Regulators	5,964	4,169	155	983	93	48	12	36
28	894		Other Equipment	41	29	1	7	1	0	0	0
29	901		Supervision	49,576	43,935	1,537	3,558	246	54	10	28
30	902		Meter Reading Expenses	660,949	585,137	20,517	47,791	3,257	1,003	124	371
31	903		Customer Records & Collection Expenses	223,735	198,278	6,936	16,058	1,110	244	43	127
32	904		Uncollectible Accounts	245,597	217,652	7,614	17,627	1,218	268	48	139
33	905		Misc. Customer Accounts Expenses	6,378	5,652	198	458	32	7	1	4
34	907		Supervision	3,342	2,962	104	240	17	4	1	2
35	908		Customer Assistance Expenses	20,991	18,603	651	1,507	104	23	4	12
36	909		Informational Advertising	58,598	51,931	1,817	4,206	291	64	11	33
37	910		Miscellaneous customer service	3,655	3,239	113	262	18	4	1	2
38	911		Supervision	50,855	45,069	1,577	3,650	252	55	10	29
39	912		Demonstrating and Selling	24,462	21,679	758	1,756	121	27	5	14
40	913		Promotional Advertising Expenses	80	71	2	6	0	0	0	0
41	916		Miscellaneous sales expense	135	120	4	10	1	0	0	0
42	920		Administrative and General Salaries	-	0	0	0	0	0	0	0
43	921		Office Supplies & Expense	10,562	7,758	284	1,578	146	73	18	54
44	922		Administrative expense Transferred	6,018,082	4,420,626	162,097	899,011	83,357	41,625	10,080	30,966
45	923		Administrative - Outside Services	243,789	179,077	6,566	36,418	3,377	1,686	408	1,254
46	924		Property Insurance - Debits	149,464	109,790	4,026	22,328	2,070	1,034	250	769
47	925		Injuries and Damages	6,849	5,031	184	1,023	95	47	11	35
48	926		Employee Welfare/Pensions	1,305,515	958,976	35,164	195,024	18,083	9,030	2,187	6,718
49	927		Franchise Requirements	476	350	13	71	7	3	1	2
50	928		Regulatory Commission Expense	120,575	88,569	3,248	18,012	1,670	834	202	620
51	9302		Miscellaneous General	71,644	52,627	1,930	10,703	992	496	120	369
52	931		Rents	99	73	3	15	1	1	0	1
53											
54			Total O&M adjusted	15,042,894	\$11,049,867	\$405,179	\$2,247,183	\$208,361	\$104,046	\$25,197	\$77,403
55											
56			Interest on Customer Deposits	185,163	165,093	5,775	13,370	924	0	0	0
57	403		Depreciation & Amort	9,623,968	6,713,641	249,417	1,605,337	152,805	78,803	19,305	59,609
58	408		Taxes Other than Income Tax	5,085,390	3,566,343	132,312	839,415	79,713	40,993	10,033	30,965
59			Income Tax	2,771,457	1,637,760	11,867	686,735	50,747	(25,050)	1,139	42,203
60											
61			Total Cost of Service	\$32,708,871	\$23,132,704	\$804,551	\$5,392,040	\$492,551	\$198,793	\$55,673	\$210,179

Allocation of Test Year O&M Expense - Normalized & Adjusted				86	81	86	81	81	81		
Line	No.	Acct.	Description	Tot. Kansas	86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.	Factor
1	759		NG Production and Gathering - Other	1,715	\$26	\$0	\$0	\$0	\$0	\$0	P&C S
2	784		Products Extraction Maintenance	563	8	0	0	0	0	0	P&C S
3	814		Storage Oper. Supervision and Engineering	56,913	494	0	0	0	0	0	P&C W
4	816		Wells Expense	33,760	293	0	0	0	0	0	P&C W
5	818		Compressor station	8,543	74	0	0	0	0	0	P&C W
6	819		Compressor station fuel	152,757	1,326	0	0	0	0	0	P&C W
7	825		Storage well royalties	57,006	495	0	0	0	0	0	P&C W
8	842		Storage Rents	137	1	0	0	0	0	0	P&C W
9	856		Mains Expense	746	10	37	4	30	9	1	P&C
10	857		Measuring & Regulating Station Equipment	3,389	45	169	17	135	41	5	P&C
11	860		Rents	490	6	24	2	20	6	1	P&C
12	870		Supervision & Engineering	848,210	9,432	26,579	2,575	20,053	7,409	694	DP
13	871		Load Dispatching & Odorization	17,048	190	534	52	403	149	14	DP
14	874		Mains & Service Expenses	2,883,002	32,058	90,340	8,751	68,159	25,184	2,359	DP
15	875		Meas. & Reg. Sta. Expenses - General	47,487	528	1,488	144	1,123	415	39	DP
16	877		Meas. & Reg. Sta. Expenses - City Gate	5,706	63	179	17	135	50	5	DP
17	878		Meter & House Reg. Expenses	593,839	6,603	18,608	1,803	14,039	5,187	486	DP
18	879		Customer Installations Expenses	194,384	2,161	6,091	590	4,596	1,698	159	DP
19	880		Other Expenses	107,957	1,200	3,383	328	2,552	943	88	DP
20	881		Rents	320,782	3,567	10,052	974	7,584	2,802	262	DP
21	885		Supervision & Engineering	136,722	1,520	4,284	415	3,232	1,194	112	DP
22	886		Structures - Improvements	2,213	25	69	7	52	19	2	DP
23	887		Mains	187,825	2,089	5,886	570	4,441	1,641	154	DP
24	889		Meas. & Reg. Sta. Equip. - General	78,381	872	2,456	238	1,853	685	64	DP
25	890		Meas. & Reg. Sta. Equip. - Industrial	5,399	60	169	16	128	47	4	DP
26	892		Services	16,507	184	517	50	390	144	14	DP
27	893		Meter & House Regulators	5,964	66	187	18	141	52	5	DP
28	894		Other Equipment	41	0	1	0	1	0	0	DP
29	901		Supervision	49,576	117	46	2	16	26	1	B
30	902		Meter Reading Expenses	660,949	1,580	592	31	190	345	10	MQ
31	903		Customer Records & Collection Expenses	223,735	530	206	11	74	116	4	B
32	904		Uncollectible Accounts	245,597	581	226	12	81	127	4	B
33	905		Misc. Customer Accounts Expenses	6,378	15	6	0	2	3	0	B
34	907		Supervision	3,342	8	3	0	1	2	0	B
35	908		Customer Assistance Expenses	20,991	50	19	1	7	11	0	B
36	909		Informational Advertising	58,598	139	54	3	19	30	1	B
37	910		Miscellaneous customer service	3,655	9	3	0	1	2	0	B
38	911		Supervision	50,855	120	47	2	17	26	1	B
39	912		Demonstrating and Selling	24,462	58	23	1	8	13	0	B
40	913		Promotional Advertising Expenses	80	0	0	0	0	0	0	B
41	916		Miscellaneous sales expense	135	0	0	0	0	0	0	B
42	920		Administrative and General Salaries	-	0	0	0	0	0	0	OM(F)
43	921		Office Supplies & Expense	10,562	99	256	25	192	72	7	OM(F)
44	922		Administrative expense Transferred	6,018,082	56,329	145,702	14,069	109,510	40,914	3,796	OM(F)
45	923		Administrative - Outside Services	243,789	2,282	5,902	570	4,436	1,657	154	OM(F)
46	924		Property Insurance - Debits	149,464	1,399	3,619	349	2,720	1,016	94	OM(F)
47	925		Injuries and Damages	6,849	64	166	16	125	47	4	OM(F)
48	926		Employee Welfare/Pensions	1,305,515	12,220	31,607	3,052	23,756	8,876	823	OM(F)
49	927		Franchise Requirements	476	4	12	1	9	3	0	OM(F)
50	928		Regulatory Commission Expense	120,575	1,129	2,919	282	2,194	820	76	OM(F)
51	9302		Miscellaneous General	71,644	671	1,735	167	1,304	487	45	OM(F)
52	931		Rents	99	1	2	0	2	1	0	OM(F)
53											
54			Total O&M adjusted	15,042,894	\$140,801	\$364,200	\$35,166	\$273,733	\$102,270	\$9,488	
55											
56			Interest on Customer Deposits	185,163	0	0	0	0	0	0	CD
57	403		Depreciation & Amort	9,623,968	106,778	295,937	28,710	223,717	82,167	7,743	GP
58	408		Taxes Other than Income Tax	5,085,390	55,540	153,050	14,842	115,646	42,533	4,003	OT
59			Income Tax	2,771,457	53,907	191,576	866	108,776	6,781	4,150	IT
60											
61			Total Cost of Service	\$32,708,871	\$357,025	\$1,004,763	\$79,585	\$721,872	\$233,752	\$25,384	

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007

Allocation Factors										
Line No.	Factor	Description	Tot. Kansas	81 Sales Resid.	86 Sales Resid.	81 Sales Com/PA	86 Sales Com/PA	81 Sales Schools	86 Sales Schools	81 Sales Indus/Inter
1		Peak Day(Ccf)	1,403,835	890,232	35,189	271,591	27,823	15,227	4,712	11,449
2	P	Peak Day factor	100.00%	63.41%	2.51%	19.35%	1.98%	1.08%	0.34%	0.82%
3	P(S)	Peak Day(Sales) factor	100.00%	70.18%	2.77%	21.41%	2.19%	1.20%	0.37%	0.90%
4										
5		Annual Delivery or Thru-put (Ccf adj.)	167,559,019	96,917,625	3,555,405	30,853,828	3,636,808	1,220,713	412,487	2,260,262
6		Annual Delivery w/o interruptible		96,917,625	3,555,405	30,853,828	3,636,808	1,220,713	412,487	1,095,292
7	AD	Annual Delivery factor	100.00%	57.84%	2.12%	18.41%	2.17%	0.73%	0.25%	1.35%
8	AV	Annual Vol Ccf excl. Transp. factor	100.00%	67.63%	2.48%	21.53%	2.54%	0.85%	0.29%	1.58%
9	Surch	Ad Valorem Surcharge factor	100.00%	63.59%	2.33%	20.24%	2.39%	0.80%	0.27%	0.72%
10										
11		Winter Volume Ccf excl. Transp.	117,765,509	83,359,454	2,981,701	25,287,456	2,521,359	1,103,646	377,709	1,446,089
12	WV	Winter Vol Ccf excl. Transp. factor	100.00%	70.78%	2.53%	21.47%	2.14%	0.94%	0.32%	1.23%
13										
14	P&C	Peak & Commodity (75%P / 25%AD)	100.00%	62.02%	2.41%	19.11%	2.03%	1.00%	0.31%	0.95%
15										
16	P&C S	P&C Sales (75%P(S) / 25%AV)	100.00%	69.54%	2.70%	21.44%	2.28%	1.11%	0.35%	1.07%
17										
18	P&C W	P&C Winter (75%P(S) / 25% WV)	100.00%	70.33%	2.71%	21.43%	2.18%	1.13%	0.36%	0.98%
19										
20		Number of Bills (avg monthly)	123,770	109,687	3,837	8,883	614	135	24	70
21	B	Bills factor	100.00%	88.62%	3.10%	7.18%	0.50%	0.11%	0.02%	0.06%
22										
23		Meter Quantity	128,438	113,706	3,987	9,287	633	195	24	72
24	MQ	Meter Quantity factor	100.00%	88.53%	3.10%	7.23%	0.49%	0.15%	0.02%	0.06%
25										
26		Meter \$ Investment	\$12,347,349	\$8,462,848	\$301,343	\$2,616,378	\$195,066	\$138,773	\$7,396	\$33,197
27	MI	Meter Investment factor	100.00%	68.54%	2.44%	21.19%	1.58%	1.12%	0.06%	0.27%
28										
29		Meter \$ Inv Small Class 1,2,3	\$9,768,463	\$8,374,898	\$300,455	\$912,837	\$74,730	\$15,513	\$2,833	\$5,118
30	MIS	Meter \$ Class 1,2,3 factor	100.00%	85.73%	3.08%	9.34%	0.77%	0.16%	0.03%	0.05%
31										
32		Meter \$ Inv Large Class 4-9	\$2,578,886	\$87,950	\$888	\$1,703,541	\$120,336	\$123,260	\$4,563	\$28,079
33	MIL	Meter \$ Class 4-9 factor	100.00%	3.41%	0.03%	66.06%	4.67%	4.78%	0.18%	1.09%
34										
35		Distribution Plant \$	\$191,783,053	\$134,064,261	\$4,970,092	\$31,601,110	\$2,990,631	\$1,543,902	\$370,473	\$1,151,983
36	DP	Distribution Plant factor	100.00%	69.90%	2.59%	16.48%	1.56%	0.81%	0.19%	0.60%
37										
38		Functional Plant \$	201,942,945	140,874,568	5,233,602	33,685,327	3,206,367	1,653,547	405,078	1,250,791
39	GP	Gross Plant factor	100.00%	69.76%	2.59%	16.68%	1.59%	0.82%	0.20%	0.62%
40										
41		Total Adjusted Revenue, test yr	\$41,190,275	\$28,575,608	\$933,449	\$7,190,604	\$642,747	\$199,081	\$67,269	\$303,849
42	R	Total Adjusted Revenue factor	100.00%	69.37%	2.27%	17.46%	1.56%	0.48%	0.16%	0.74%
43										
44		Resid. & Comm. Customers	123,021	109,687	3,837	8,883	614	-	-	-
45	CD	Customer Deposits factor	100.00%	89.16%	3.12%	7.22%	0.50%	0.00%	0.00%	0.00%
46										
47		Adjusted Functional O&M Expense \$	\$7,115,839	\$5,226,991	\$191,665	\$1,063,000	\$98,562	\$49,218	\$11,919	\$36,614
48	OM(F)	Adj. Funct. O&M Expense factor	100.00%	73.46%	2.69%	14.94%	1.39%	0.69%	0.17%	0.51%
49										
50		Adjusted O&M Expense \$	\$15,042,894	\$11,049,867	\$405,179	\$2,247,183	\$208,361	\$104,046	\$25,197	\$77,403
51	OM	Adjusted O&M Expense factor	100.00%	73.46%	2.69%	14.94%	1.39%	0.69%	0.17%	0.51%
52										
53	OT	Other Taxes (90% GP / 10%OM)	100.00%	70.13%	2.60%	16.51%	1.57%	0.81%	0.20%	0.61%
54										
55		Net taxable Income	\$6,971,608	\$4,119,790	\$29,851	\$1,727,483	\$127,654	(\$63,012)	\$2,864	\$106,161
56	IT	Income Tax factor	100.00%	59.09%	0.43%	24.78%	1.83%	-0.90%	0.04%	1.52%
57										
58		Rate Base	135,561,525	\$93,753,070	\$3,511,992	\$23,995,468	\$2,320,640	\$1,211,158	\$312,553	\$940,775
59	RB	Rate Base factor	100.00%	69.16%	2.59%	17.70%	1.71%	0.89%	0.23%	0.69%

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007

Allocation Factors									
Line				86	81	86	81	81	81
No.	Factor	Description	Tot. Kansas	Sales Irrigation	Transport Firm	Transport Firm	Transport Interr.	Transport School Firm	Transport Schools Int.
1		Peak Day(Ccf)	1,403,835	12,213	71,735	7,552	37,041	17,784	1,287
2	P	Peak Day factor	100.00%	0.87%	5.11%	0.54%	2.64%	1.27%	0.09%
3	P(S)	Peak Day(Sales) factor	100.00%	0.96%	0.00%	0.00%	0.00%	0.00%	0.00%
4									
5		Annual Delivery or Thru-put (Ccf adj.)	167,559,019	4,457,620	7,770,074	687,695	13,520,125	1,796,487	469,890
6		Annual Delivery w/o interruptible		4,457,620	7,770,074	687,695	0	1,796,487	0
7	AD	Annual Delivery factor	100.00%	2.66%	4.64%	0.41%	8.07%	1.07%	0.28%
8	AV	Annual Vol Ccf excl. Transp. factor	100.00%	3.11%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Surch	Ad Valorem Surcharge factor	100.00%	2.92%	5.10%	0.45%	0.00%	1.18%	0.00%
10									
11		Winter Volume Ccf excl. Transp.	117,765,509	688,095	0	0	0	0	0
12	WV	Winter Vol Ccf excl. Transp. factor	100.00%	0.58%	0.00%	0.00%	0.00%	0.00%	0.00%
13									
14	P&C	Peak & Commodity (75%P / 25%AD)	100.00%	1.32%	4.99%	0.51%	4.00%	1.22%	0.14%
15									
16	P&C S	P&C Sales (75%P(S) / 25%AV)	100.00%	1.50%	0.00%	0.00%	0.00%	0.00%	0.00%
17									
18	P&C W	P&C Winter (75%P(S) / 25% WV)	100.00%	0.87%	0.00%	0.00%	0.00%	0.00%	0.00%
19									
20		Number of Bills (avg monthly)	123,770	293	114	6	41	64	2
21	B	Bills factor	100.00%	0.24%	0.09%	0.00%	0.03%	0.05%	0.00%
22									
23		Meter Quantity	128,438	307	115	6	37	67	2
24	MQ	Meter Quantity factor	100.00%	0.24%	0.09%	0.00%	0.03%	0.05%	0.00%
25									
26		Meter \$ Investment	\$12,347,349	\$209,078	\$192,277	\$10,538	\$62,159	\$116,466	\$1,830
27	MI	Meter Investment factor	100.00%	1.69%	1.56%	0.09%	0.50%	0.94%	0.01%
28									
29		Meter \$ Inv Small Class 1,2,3	\$9,768,463	\$75,224	\$4,030	\$0	\$824	\$1,928	\$73
30	MIS	Meter \$ Class 1,2,3 factor	100.00%	0.77%	0.04%	0.00%	0.01%	0.02%	0.00%
31									
32		Meter \$ Inv Large Class 4-9	\$2,578,886	\$133,854	\$188,247	\$10,538	\$61,335	\$114,538	\$1,757
33	MIL	Meter \$ Class 4-9 factor	100.00%	5.19%	7.30%	0.41%	2.38%	4.44%	0.07%
34									
35		Distribution Plant \$	\$191,783,053	2,132,547	6,009,602	582,135	4,534,103	1,675,303	156,910
36	DP	Distribution Plant factor	100.00%	1.11%	3.13%	0.30%	2.36%	0.87%	0.08%
37									
38		Functional Plant \$	201,942,945	2,240,552	6,209,741	602,426	4,694,325	1,724,143	162,478
39	GP	Gross Plant factor	100.00%	1.11%	3.07%	0.30%	2.32%	0.85%	0.08%
40									
41		Total Adjusted Revenue, test yr	\$41,190,275	\$486,404	\$1,412,328	\$92,271	\$975,345	\$276,579	\$34,741
42	R	Total Adjusted Revenue factor	100.00%	1.18%	3.43%	0.22%	2.37%	0.67%	0.08%
43									
44		Resid. & Comm. Customers	123,021	-	-	-	-	-	-
45	CD	Customer Deposits factor	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
46									
47		Adjusted Functional O&M Expense \$	\$7,115,839	\$66,604	\$172,280	\$16,635	\$129,486	\$48,377	\$4,488
48	OM(F)	Adj. Funct. O&M Expense factor	100.00%	0.94%	2.42%	0.23%	1.82%	0.68%	0.06%
49									
50		Adjusted O&M Expense \$	\$15,042,894	\$140,801	\$364,200	\$35,166	\$273,733	\$102,270	\$9,488
51	OM	Adjusted O&M Expense factor	100.00%	0.94%	2.42%	0.23%	1.82%	0.68%	0.06%
52									
53	OT	Other Taxes (90% GP / 10%OM)	100.00%	1.09%	3.01%	0.29%	2.27%	0.84%	0.08%
54									
55		Net taxable Income	\$6,971,608	\$135,602	\$481,910	\$2,180	\$273,628	\$17,058	\$10,440
56	IT	Income Tax factor	100.00%	1.95%	6.91%	0.03%	3.92%	0.24%	0.15%
57									
58		Rate Base	135,561,525	\$1,509,851	\$3,712,013	\$360,110	\$2,806,101	\$1,030,672	\$97,124
59	RB	Rate Base factor	100.00%	1.11%	2.74%	0.27%	2.07%	0.76%	0.07%

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007
Summary Results of Kansas Meter Analysis

line		81 Sales Resid.	86 Sales Resid.	81 Sales Com/PA	86 Sales Com/PA	81 Sales Schools	86 Sales Schools	81 Sales Indus/Inter
1	Meter Quantity							
2	MQ	113,706	3,987	9,287	633	195	24	72
3								
4	Relative Meter Quantity Factor							
5	MQ f	88.53%	3.10%	7.23%	0.49%	0.15%	0.02%	0.06%
6								
7								
8								
9	Meter Investment by Class for							
10	13 month average							
11	MI	\$8,462,848	\$301,343	\$2,616,378	\$195,066	\$138,773	\$ 7,396	\$ 33,197
12								
13	Relative Meter Investment Factor							
14	MI f	68.54%	2.44%	21.19%	1.58%	1.12%	0.06%	0.27%
15								
16								
17								
18	SPECIAL SUMMARY RESULTS FOR							
19	USE WITH HOUSE REGULATORS							
20	Summary totals from above for							
21	Meter Size Class 1,2,& 3 only							
22	MIS	\$8,374,898	\$300,455	\$ 912,837	\$ 74,730	\$ 15,513	\$ 2,833	\$ 5,118
23								
24	Relative meter Investment Factor							
25	for meter size class 1,2,&3							
26	MIS f	85.73%	3.08%	9.34%	0.77%	0.16%	0.03%	0.05%
27								
28								
29								
30	SPECIAL SUMMARY RESULTS FOR							
31	USE WITH LARGE METERS							
32	Summary totals from above for							
33	Meter Size Class 4-9 only							
34	MIL	\$ 87,950	\$ 888	\$1,703,541	\$120,336	\$123,260	\$ 4,563	\$ 28,079
35								
36	Relative meter Investment Factor for							
37	meter size class 4-9:							
38	MIL f	3.41%	0.03%	66.06%	4.67%	4.78%	0.18%	1.09%

Atmos Energy Corporation - Kansas
 Section 14 - Class Cost Allocation Study
 For the test year ended March 31, 2007
Summary Results of Kansas Meter Analysis

line		86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.	Total
1	Meter Quantity							
2	MQ	307	115	6	37	67	2	128,438
3								
4	Relative Meter Quantity Factor							
5	MQ f	0.24%	0.09%	0.00%	0.03%	0.05%	0.00%	100.00%
6								
7								
8								
9	Meter Investment by Class for							
10	13 month average							
11	MI	\$209,078	\$192,277	\$ 10,538	\$ 62,159	\$ 116,466	\$ 1,830	\$12,347,349
12								
13	Relative Meter Investment Factor							
14	MI f	1.69%	1.56%	0.09%	0.50%	0.94%	0.01%	100.00%
15								
16								
17								
18	SPECIAL SUMMARY RESULTS FOR							
19	USE WITH HOUSE REGULATORS							
20	Summary totals from above for							
21	Meter Size Class 1,2,& 3 only							
22	MIS	\$ 75,224	\$ 4,030	\$ -	\$ 824	\$ 1,928	\$ 73	\$ 9,768,463
23								
24	Relative meter Investment Factor							
25	for meter size class 1,2,&3							
26	MIS f	0.77%	0.04%	0.00%	0.01%	0.02%	0.00%	100.00%
27								
28								
29								
30	SPECIAL SUMMARY RESULTS FOR							
31	USE WITH LARGE METERS							
32	Summary totals from above for							
33	Meter Size Class 4-9 only							
34	MIL	\$133,854	\$188,247	\$ 10,538	\$ 61,335	\$ 114,538	\$ 1,757	\$ 2,578,886
35								
36	Relative meter Investment Factor for							
37	meter size class 4-9:							
38	MIL f	5.19%	7.30%	0.41%	2.38%	4.44%	0.07%	100.00%

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
March 31, 2007 Balance
Plant in Service

Line No.	Property Type	Description	Liberty/Bufalo Div 79	Kansas Div 81	Kansas Div (Div 79 + 81)	Southwest Div Div 86	Total Kansas
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)
	Kansas Direct Gas Plant						
	Intangible Plant						
1	30200	Franchises & Consents		37,160.26	37,160.26		37,160.26
2	30300	Misc. Intangible Plant		3,917.80	3,917.80		3,917.80
3		Total Intangible Plant	-	41,078.06	41,078.06	-	41,078.06
4							
5	Production and Gathering Plant						
6	32540	Rights-of-way		29.25	29.25	2,623.90	2,653.15
7	32800	Field Meas. & Reg. Sta. Struc		508.20	508.20	-	508.20
8	33200	Field Lines		12,980.50	12,980.50	224,926.21	237,906.71
9	33300	Field Compressor Sta. Equipme			-	-	-
10	33400	Field Meas. & Reg. Sta. Equip		40,756.08	40,756.08	-	40,756.08
11		Total Prod & Gathering Plant	-	54,274.03	54,274.03	227,550.11	281,824.14
12							
13	Underground Storage						
14	35010	Land	49,164.40		49,164.40		49,164.40
15	35020	Rights-of-way	568,935.31		568,935.31		568,935.31
16	35101	Well Structures	102,922.98		102,922.98		102,922.98
17	35200	Wells	1,130,321.09		1,130,321.09		1,130,321.09
18	35202	Reservoirs	36,514.65		36,514.65		36,514.65
19	35210	Leaseholds	-		-		-
20	35300	Pipelines	1,090,229.67		1,090,229.67		1,090,229.67
21	35400	Compressor Station Equipment	2,273,547.23		2,273,547.23		2,273,547.23
22	35500	Meas. & Reg. Equipment	203,328.57		203,328.57		203,328.57
23	35600	Purification Equipment	288,382.11		288,382.11		288,382.11
24	35700	Other Equip	125,321.36		125,321.36		125,321.36
25		Total Underground Storage Plant	5,868,667.37	-	5,868,667.37	-	5,868,667.37
26							
27	Transmission Plant						
28	36500	Land and Land Rights		4,761.40	4,761.40	11,608.09	16,369.49
29	36520	Rights-of-way			-	7,168.64	7,168.64
30	36600	Structures & Improvements			-	33,191.19	33,191.19
31	36700	Mains Cathodic Protection		1,650,986.00	1,650,986.00	1,870,786.79	3,521,772.79
32	36701	Mains Steel			-	3,474.09	3,474.09
33	36800	Compressor Station Equipment			-	31,496.47	31,496.47
34	36900	Meas. & Reg. Sta. Equipment		18,405.96	18,405.96	377,521.61	395,927.57
35	37100	Other Equipment			-	-	-
36		Total Transmission Plant	-	1,674,153.36	1,674,153.36	2,335,246.88	4,009,400.24
37							
38	Distribution Plant						
39	37400	Land & Land Rights		569,838.31	569,838.31	20,107.39	589,945.70
40	37402	Land Rights		286,578.42	286,578.42		286,578.42
41	37500	Structures & Improvements		111,087.71	111,087.71	360.00	111,447.71
42	37600	Mains Cathodic Protection		5,709,663.31	5,709,663.31	327,472.82	6,037,136.13
43	37601	Mains Steel		31,263,746.01	31,263,746.01	2,916,411.35	34,180,157.36
44	37602	Mains Plastic		61,241,288.05	61,241,288.05	1,753,727.26	62,995,015.31
45	37800	Meas. & Reg. Sta. Eq-General		2,431,221.23	2,431,221.23	218,169.30	2,649,390.53
46	37900	Meas. & Reg. City Gate		1,892,189.07	1,892,189.07	1,494.06	1,893,683.13
47	37908	Meas. & Reg. Sta. Equipment-			-	14,850.51	14,850.51
48	38000	Services		45,112,305.98	45,112,305.98	3,453,236.89	48,565,542.87
49	38100	Meters		11,755,145.01	11,755,145.01	592,203.86	12,347,348.87
50	38200	Meter Installations		17,483,129.14	17,483,129.14	1,666,930.03	19,150,059.17
51	38300	House Regulators		2,065,584.39	2,065,584.39	56,050.84	2,121,635.23
52	38400	House Reg. Installations		203,476.68	203,476.68	5,984.79	209,461.47
53	38500	Ind. Meas. & Reg. Sta. Equip		557,017.49	557,017.49	60,014.07	617,031.56
54	38700	Other Equipment		5,566.99	5,566.99	8,202.00	13,768.99
55		Total Distribution Plant	-	180,687,837.79	180,687,837.79	11,095,215.17	191,783,052.96
56							
57	Direct General Plant						

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
March 31, 2007 Balance
Plant in Service

Line No.	Property Type	Description	Liberty/Buffalo Div 79	Kansas Div 81	Kansas Div (Div 79 + 81)	Southwest Div Div 86	Total Kansas
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)
Kansas Direct Gas Plant							
58	38900	Land & Land Rights		52,332.48	52,332.48		52,332.48
59	39000	Structures & Improvements		919,801.25	919,801.25	66,566.82	986,368.07
60	39003	Improvements		1,512.88	1,512.88		1,512.88
61	39004	Air Conditioning Equipment			-	8,781.87	8,781.87
62	39009	Improv. to Leased Premises		39,013.13	39,013.13		39,013.13
63	39100	Office Furniture & Equipment		295,088.68	295,088.68	-	295,088.68
64	39103	Office Furn. Copiers & Type		2,948.82	2,948.82	-	2,948.82
65	39200	Transportation Equipment		219,447.90	219,447.90	4,901.19	224,349.09
66	39300	Stores Equipment		5,160.28	5,160.28		5,160.28
67	39400	Tools, Shop, & Garage Equip.	7,047.42	1,050,575.07	1,057,622.49	80,398.29	1,138,020.78
68	39500	Laboratory Equipment		8,746.86	8,746.86	4,000.78	12,747.64
69	39600	Power Operated Equipment		271,570.37	271,570.37	2,270.42	273,840.79
70	39603	Ditchers		115,538.88	115,538.88	33,392.77	148,931.65
71	39604	Backhoes		62,584.36	62,584.36		62,584.36
72	39605	Welders		22,336.41	22,336.41		22,336.41
73	39700	Communication Equipment		7,863.46	7,863.46	1,565.66	9,429.12
74	39701	Comm. Equip. Mobile Radios		1,155.59	1,155.59		1,155.59
75	39702	Comm. Equip. Fixed Radios		-	-	-	-
76	39800	Miscellaneous Equipment		1,124,562.80	1,124,562.80		1,124,562.80
77	39900	Other Tangible Property		27,090.76	27,090.76		27,090.76
78	39903	Oth Tang Prop Network H/W		1,367.22	1,367.22		1,367.22
79	39906	Oth Tang Prop PC Hardware		814,535.06	814,535.06	15,268.86	829,803.92
80	39907	Oth Tang Prop PC Software		-	-	-	-
81	39908	Oth Tang Prop Appl Software		84,375.02	84,375.02	-	84,375.02
82		Total Direct General Plant	7,047.42	5,127,607.28	5,134,654.70	217,146.66	5,351,801.36
83							
84		Total Kansas Direct Gross Plant	5,875,714.79	187,584,950.52	193,460,665.31	13,875,158.82	207,335,824.13
85							
86		General Plant Alloc from Shared Services			3,192,134.26	191,528.06	3,383,662.32
87		General Plant Alloc from Customer Support			5,777,703.16	237,643.32	6,015,346.48
88		General Plant Alloc from CO/KS Gen Office			1,024,606.96	61,842.13	1,086,449.09
89							
90		Total KS Direct and Allocated Gross Plant			203,455,109.69	14,366,172.32	217,821,282.02

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
O&M for Test Year Ended March 31, 2007

Line	Acct. No.	Description	Per Books O&M	Assigned Adjustments	Adjusted SW 86
1	759	NG Production and Gathering - Other	1,715		1,715
2	784	Products Extraction Maintenance	563		563
3	814	Storage Oper. Supervision and Engineering	56,913		56,913
4	816	Wells Expense	33,760		33,760
5	818	Compressor station	8,543		8,543
6	819	Compressor station fuel	152,757		152,757
7	825	Storage well royalties	57,006		57,006
8	842	Storage Rents	137		137
9	856	Mains Expense	746		746
10	857	Measuring & Regulating Station Equipment	3,389		3,389
11	860	Rents	490		490
12	870	Supervision & Engineering	698,019	150,191	848,210
13	871	Load Dispatching & Odorization	17,048		17,048
14	874	Mains & Service Expenses	2,883,002		2,883,002
15	875	Meas. & Reg. Sta. Expenses - General	47,487		47,487
16	877	Meas. & Reg. Sta. Expenses - City Gate	5,706		5,706
17	878	Meter & House Reg. Expenses	593,839		593,839
18	879	Customer Installations Expenses	194,384		194,384
19	880	Other Expenses	107,957		107,957
20	881	Rents	320,782		320,782
21	885	Supervision & Engineering	136,722		136,722
22	886	Structures - Improvements	2,213		2,213
23	887	Mains	187,825		187,825
24	889	Meas. & Reg. Sta. Equip. - General	78,381		78,381
25	890	Meas. & Reg. Sta. Equip. - Industrial	5,399		5,399
26	892	Services	16,507		16,507
27	893	Meter & House Regulators	5,964		5,964
28	894	Other Equipment	41		41
29	901	Supervision	49,576		49,576
30	902	Meter Reading Expenses	660,949		660,949
31	903	Customer Records & Collection Expenses	223,735		223,735
32	904	Uncollectible Accounts	951,110	(705,513)	245,597
33	905	Misc. Customer Accounts Expenses	6,378		6,378
34	907	Supervision	3,342		3,342
35	908	Customer Assistance Expenses	20,991		20,991
36	909	Informational Advertising	58,598		58,598
37	910	Miscellaneous customer service	3,655		3,655
38	911	Supervision	50,855		50,855
39	912	Demonstrating and Selling	24,462		24,462
40	913	Promotional Advertising Expenses	80		80
41	916	Miscellaneous sales expense	135		135
42	920	Administrative and General Salaries	0		0
43	921	Office Supplies & Expense	10,562		10,562
44	922	Administrative expense Transferred	6,083,870	(65,788)	6,018,082
45	923	Administrative - Outside Services	243,789		243,789
46	924	Property Insurance - Debits	149,464		149,464
47	925	Injuries and Damages	6,849		6,849
48	926	Employee Welfare/Pensions	1,249,886	55,629	1,305,515
49	927	Franchise Requirements	476		476
50	928	Regulatory Commission Expense	20,575	100,000	120,575
51	9302	Miscellaneous General	58,497	13,147	71,644
52	931	Rents	99		99
53					
54		Total	15,495,228	(452,334)	15,042,894

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
O&M for Test Year Ended March 31, 2007

	<u>Adjustments to Operation & Maintenance Expenses</u>	<u>Amount</u>
1		
2	Labor	170,191
3	Benefits	55,629
4	Expense Reports	(85,788)
5	Bad Debt Expense Prior Period Adjustment	(705,513)
6	Amortization of Rate Case Expenses	100,000
7	50% of Charitable Contributions	17,875
8	AGA Dues	(4,728)
9		
10		
11	Total Adjustments	<u>(452,334)</u>
12		
13	Total Adjusted Operation and Maintenance Expenses	<u><u>\$15,042,894</u></u>

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007
Volumes

Line No.	Description	Tot. Kansas	81 Sales Resid.	86 Sales Resid.	81 Sales Com/PA	86 Sales Com/PA	81 Sales Schools	86 Sales Schools	81 Sales Indus/Inter
1	Peak Month (February 2007) Ccf								
2	As Billed	33,823,291	21,420,632	799,034	6,495,494	703,168	176,226	-	347,797
3	School Adjustment	0			(177,977)	(103,956)	177,977	103,956	
4	Weather Adjustment	(4,417,224)	(3,344,854)	(84,535)	(885,701)	(42,759)	(49,658)	(9,717)	
5	Irrigation Adjustment	1,819							
6	Declining Use Adjustment	(281,854)	(271,137)	(10,717)					
7	As adjusted	29,126,032	17,804,641	703,782	5,431,816	556,453	304,545	94,239	347,797
8									
9	Annual Delivery or Thru-put Ccf								
10	As Billed	161,748,347	91,699,465	3,481,794	28,938,146	3,969,144	462,261	-	2,260,262
11	School Adjustment	0			(656,678)	(398,745)	656,678	398,745	
12	Weather Adjustment	9,575,482	6,694,063	127,134	2,572,360	66,409	101,774	13,742	
13	Irrigation Adjustment	(2,235,384)							
14	Declining Use Adjustment	(1,529,426)	(1,475,903)	(53,523)					
15	As adjusted	167,559,019	96,917,625	3,555,405	30,853,828	3,636,808	1,220,713	412,487	2,260,262
16									
17	Winter Volume Ccf excl. Transp. [1]								
18	As Billed	111,258,558	78,695,710	2,943,260	23,948,178	2,846,938	430,237	-	1,446,089
19	School Adjustment	0			(589,241)	(367,972)	589,241	367,972	
20	Weather Adjustment	8,081,222	5,933,177	83,228	1,928,519	42,393	84,168	9,737	
21	Irrigation Adjustment	(260,051)							
22	Declining Use Adjustment	(1,314,220)	(1,269,433)	(44,787)					
23	As adjusted	117,765,509	83,359,454	2,981,701	25,287,456	2,521,359	1,103,646	377,709	1,446,089

Atmos Energy Corporation - Kansas
Section 14 - Class Cost Allocation Study
For the test year ended March 31, 2007
Volumes

Line No.	Description	Tot. Kansas	86 Sales Irrigation	81 Transport Firm	86 Transport Firm	81 Transport Interr.	81 Transport School Firm	81 Transport Schools Int.
1	Peak Month (February 2007) Ccf							
2	As Billed	33,823,291	28,968	1,730,268	151,030	1,855,390	60,114	55,170
3	School Adjustment	0		(295,568)		-	295,568	-
4	Weather Adjustment	(4,417,224)						
5	Irrigation Adjustment	1,819	1,819					
6	Declining Use Adjustment	(281,854)						
7	As adjusted	29,126,032	30,787	1,434,700	151,030	1,855,390	355,682	55,170
8								
9	Annual Delivery or Thru-put Ccf							
10	As Billed	161,748,347	6,693,004	8,973,845	687,695	13,526,045	592,716	463,970
11	School Adjustment	0		(1,203,771)		(5,920)	1,203,771	5,920
12	Weather Adjustment	9,575,482						
13	Irrigation Adjustment	(2,235,384)	(2,235,384)					
14	Declining Use Adjustment	(1,529,426)						
15	As adjusted	167,559,019	4,457,620	7,770,074	687,695	13,520,125	1,796,487	469,890
16								
17	Winter Volume Ccf excl. Transp. [1]							
18	As Billed	111,258,558	948,146					
19	School Adjustment	0						
20	Weather Adjustment	8,081,222						
21	Irrigation Adjustment	(260,051)	(260,051)					
22	Declining Use Adjustment	(1,314,220)						
23	As adjusted	117,765,509	688,095	-	-	-	-	-

Atmos Energy Corporation
Kansas Distribution System
Summary of Other Rate Base Components
Test Year Twelve Months Ended March 31, 2007

Line No.	Description	Reference	<u>Kansas Div 81</u>		<u>Southwest KS 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)
	Construction Work in Progress	Wp 14-1	\$ 1,885,382	\$ 1,838,896	\$ 237,409	\$ 235,184	\$ 2,122,791	\$ 2,074,080
	Rate Base Deductions:							
	Customer Advances for Construction [1]	Wp 14-2	(1,024,315)	(1,024,315)	(40,501)	(40,501)	(1,064,816)	(1,064,816)
	Customer Deposits [1]	Wp 14-3	(3,605,139)	(3,605,139)	(173,689)	(173,689)	(3,778,828)	(3,778,828)
	Accumulated Deferred Income Tax	Wp 14-4	(\$28,773,491)	\$ (25,447,855)	(\$367,268)	\$ 14,365	(29,140,759)	(25,433,490)
	Total		<u>\$ (31,517,563)</u>	<u>\$ (28,238,412)</u>	<u>\$ (344,049)</u>	<u>\$ 35,359</u>	<u>\$ (31,861,612)</u>	<u>\$ (28,203,054)</u>

[1] 13 month average.

Atmos Energy Corporation
Kansas Distribution System
Computation of Work in Progress
As of March 31, 2007

Line No.	Description (a)	Ref. (b)	Kansas Div (c)	Southwest Div (d)	Total KS Juris (e)
1	CWIP	Wp 14-1-1	\$ 1,885,382	\$ 237,409	\$ 2,122,791
2	Adjustments:				
3	Additional Projects	Wp 14-1-2	\$ -	\$ -	\$ -
4	Long-term Projects	Wp 14-1-2	\$ (46,486)	\$ (2,225)	\$ (48,711)
5	Total Adjusted CWIP		<u>\$ 1,838,896</u>	<u>\$ 235,184</u>	<u>\$ 2,074,080</u>

Atmos Energy Corporation
Kansas Distribution Systems
Construction Work in Progress acct 107
As of March 31, 2007

Line No.	Description (a)	Book Amounts (b)	alloc % (c)	Kansas Juris (d)	Kansas Div (e)	Southwest Div (f)
	Direct					
1	Liberty Div 79	\$10,567		\$10,567	\$10,567	
2	Kansas Div 81	1,233,250		1,233,250	1,233,250	
3	Southwest Div 86	198,795		198,795		198,795
4	Kansas Admin Div 80	24,429	100.00%	24,429	23,037	1,392
5						
6	Allocated					
7	Shared Services Div 02	9,030,726	3.71%	335,040	316,075	18,965
8	Customer Support Div 12	(2,638)	4.05%	(107)	(103)	(4)
9	CO/KS General Office Div 30	606,689	52.88%	320,817	302,556	18,261
10						
11	Total	<u>\$11,101,818</u>		<u>\$2,122,791</u>	<u>\$1,885,382</u>	<u>\$237,409</u>

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

Atmos Energy Corporation
Kansas Distribution Systems
CWIP Adjustment acct 107
For the test year ended March 31, 2007

Line No.	Description	Kansas Div 79 & 81	Shared Srvc Divs.	Alloc. Rate	Kansas Jurisdictional	Kansas Div Alloc	SW Div Alloc
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Add New Short Term Projects	-	-		-	-	-
2							
3	Remove Long Term Projects - Kansas						
4	060. Ola. Evertt Av Bridge Repl. (60.14545)	(9,673.08)		100.00%	(9,673)	\$ (9,673)	
5							
6	Remove Long Term Projects - Shared Services					94.30%	5.70%
7	010.1134.Complex Bill Module (010.11142)		(858,064.04)	3.71%	(31,834)	\$ (30,020)	\$ (1,815)
8	Advantage Enterprise Rollout (010.11254)		(194,176.81)	3.71%	(7,204)	\$ (6,793)	\$ (411)
9							
10					<u>\$ (48,711)</u>	<u>\$ (46,486)</u>	<u>\$ (2,225)</u>

Atmos Energy Corporation
Kansas Distribution System
Customer Advance for Construction 252
Thirteen Month Average Balance Ended March 31, 2007

Wp 14-2

Line No.	Month	Kansas Div DIV 81	SW KS Div DIV 86	Total
	(a)	(b)	(c)	(d)
1	Mar-06	\$ (1,024,315)	\$ (40,501)	\$(1,064,816)
2	Apr-06	(1,024,315)	(40,501)	(1,064,816)
3	May-06	(1,024,315)	(40,501)	(1,064,816)
4	Jun-06	(1,024,315)	(40,501)	(1,064,816)
5	Jul-06	(1,024,315)	(40,501)	(1,064,816)
6	Aug-06	(1,024,315)	(40,501)	(1,064,816)
7	Sep-06	(1,024,315)	(40,501)	(1,064,816)
8	Oct-06	(1,024,315)	(40,501)	(1,064,816)
9	Nov-06	(1,024,315)	(40,501)	(1,064,816)
10	Dec-06	(1,024,315)	(40,501)	(1,064,816)
11	Jan-07	(1,024,315)	(40,501)	(1,064,816)
12	Feb-07	(1,024,315)	(40,501)	(1,064,816)
13	Mar-07	(1,024,315)	(40,501)	(1,064,816)
14				
15	13 Month Average	<u>(\$1,024,315)</u>	<u>(\$40,501)</u>	<u>(\$1,064,816)</u>

**Atmos Energy Corporation
Kansas Distribution System
Customer Deposits 235**

Wp 14-3

Thirteen Month Average Balance Ended March 31, 2007

Line No.	Month	CoKs GO DIV 30	Kansas Div DIV 81	SW KS Div DIV 86	Total
	(a)	(b)	(c)	(d)	(e)
1	Mar-06	\$ (17,804)	\$ (3,436,605)	\$ (161,925)	\$(3,616,334)
2	Apr-06	(17,804)	(3,413,430)	(162,033)	(3,593,267)
3	May-06	(17,804)	(3,411,725)	(160,566)	(3,590,095)
4	Jun-06	(17,804)	(3,415,410)	(162,371)	(3,595,585)
5	Jul-06	(17,804)	(3,441,197)	(166,187)	(3,625,188)
6	Aug-06	(17,804)	(3,484,979)	(169,897)	(3,672,680)
7	Sep-06	(17,804)	(3,554,490)	(177,538)	(3,749,832)
8	Oct-06	(17,804)	(3,685,732)	(181,034)	(3,884,570)
9	Nov-06	(17,804)	(3,791,084)	(184,499)	(3,993,387)
10	Dec-06	(17,804)	(3,807,556)	(184,127)	(4,009,487)
11	Jan-07	(17,804)	(3,828,393)	(183,875)	(4,030,072)
12	Feb-07	(17,804)	(3,828,393)	(183,079)	(4,029,276)
13	Mar-07	(17,804)	(3,767,813)	(180,825)	(3,966,442)
14					
15	13 Month Average	(\$17,804)	(\$3,605,139)	(\$173,689)	(\$3,796,632)

Atmos Energy Corporation
Kansas Distribution Systems
ADIT accts 1900, 2550, 2820, 2830
Balance as of March 31, 2007

Line No.	description	Account #				Per Bk Total	alloc %	Kansas Juris	Kansas Div	Southwest Div
		1900	2550	2820	2830					
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Direct										
1	Liberty Div 79	\$0	\$0	\$263,007	\$0	\$263,007		\$263,007	\$263,007	
2	Kansas Div 81	(2,865,295)	0	(23,468,658)	(413)	(26,334,366)		(\$26,334,366)	(26,334,366)	
3	Southwest Div 86	0	0	(252,388)	0	(252,388)		(\$252,388)		(252,388)
4										
5 Allocated										
6	Shared Services Div 02	25,779,173	0	(48,515,578)	(23,731,735)	(46,468,140)	2.41%	(1,121,335)	(225,562)	(54,566)
7	CO/KS General Office Div 30	3,594,732	(296,998)	(6,271,333)	26,373	(2,947,226)	45.07%	(1,328,409)	0	(60,314)
8										
9	Total Unadjusted							(\$28,773,491)	(\$26,296,921)	(\$367,268)
10										
11 Adjustments from WP 14-1-1										
12	Liberty Div 79					0				
13	Kansas Div 81					3,718,833				
14	Southwest Div 86					452,997				
15										
16 Allocated										
17	Shared Services Div 02					23,943				
18	CO/KS General Office Div 30					0				
19										
20 Direct with Adjustments										
21	Liberty Div 79	\$0	\$0	\$263,007	\$0	\$263,007		\$263,007	\$263,007	
22	Kansas Div 81	(2,865,295)	0	(23,468,658)	(413)	(22,615,533)		(\$22,615,533)	(22,615,533)	
23	Southwest Div 86	0	0	(252,388)	0	200,609		\$200,609		200,609
24										
25 Allocated with Adjustments										
26	Shared Services Div 02	25,779,173	0	(48,515,578)	(23,731,735)	(46,444,197)	3.71%	(1,723,080)	(1,625,547)	(97,533)
27	CO/KS General Office Div 30	3,594,732	(296,998)	(6,271,333)	26,373	(2,947,226)	52.88%	(1,558,493)	(1,469,782)	(88,712)
28										
29	Total	<u>\$ 26,508,610</u>	<u>\$ (296,998)</u>	<u>\$ (78,244,950)</u>	<u>\$ (23,705,775)</u>	<u>\$ (71,543,340)</u>		<u>\$ (25,433,490)</u>	<u>\$ (25,447,855)</u>	<u>\$ 14,365</u>

Atmos Energy Corporation
Kansas Distribution Systems
ADIT
Adjustments as of March 31, 2007

Line No.	description	Shared Services	CO/KS Regional	Kansas Div 81	Southwest Div 86
	(a)	(b)	(c)	(d)	(e)
1	Amortization - LGS Acq. 1810.13523	(852,646)			
2	Section 481(a) Cushion Gas	542,552			
3	Section 481(a) Line Pack Gas	182,587			
4	Regulatory Liability - Atmos 109	190,514			
5	Unrecovered Gas Cost Adj		2,754,033	9,786,402	1,192,098
6					
7	Total	63,007	2,754,033	9,786,402	1,192,098
8					
9	ADIT Computation Rate	x 38%	x 38%	x 38%	x 38%
10					
11	Adjustment	23,943	1,046,533	3,718,833	452,997

Atmos Energy Corporation
Kansas Distribution System
Computation of Interest on Customer Deposits
For the test year ended March 31, 2007

Line No.	Description (a)	Reference (b)	Div 81 Kansas (c)	Div 86 Southwest (d)	Total Kansas (e)
1	Thirteen Month Average Customer Deposits	Section 14A	\$3,605,139	\$173,689	\$3,778,828
2	KCC Approved Interest Rate Cal Yr 2007		4.90%	4.90%	
3	Interest on Customer Deposits		176,652	8,511	185,163
	Test Year Interest on Customer Deposits		<u>145,033</u>	<u>7,443</u>	<u>152,476</u>
			<u>\$31,619</u>	<u>\$1,068</u>	<u>\$32,687</u>

Depreciation Study
Shared Services
Kansas Rate Divisions