

**Railroad Commission of Texas  
GUD No. 9670  
Proposal for Decision**

**Summary Schedules**

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**ATMOS ENERGY CORP., MID-TEX DIVISION  
REVENUE REQUIREMENTS BY SERVICE CLASS  
TEST YEAR ENDING DECEMBER 31, 2005**

Line No.	Description	ATMOS				RECOMMENDED		
		Current Revenues <sup>1</sup>	Proposed Revenues <sup>1</sup>	Proposed Change	Percent Change	Revenues <sup>1</sup>	Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1								
2	Residential (Base Revenue)	\$ 256,418,903	\$ 315,206,213	\$ 58,787,310	22.93%	\$ 234,912,852	\$ (21,506,051)	-8.39%
3	Residential (Rider GCR)	719,566,246	722,124,765	2,558,518	0.36%	721,229,332	1,663,086	0.23%
4	Residential (Rider FF & Rider TAX)	49,803,558	52,933,855	3,130,297	6.29%	48,791,051	(1,012,507)	-2.03%
5	<b>Total Residential</b>	<b>\$ 1,025,788,707</b>	<b>\$ 1,090,264,833</b>	<b>\$ 64,476,126</b>	<b>6.29%</b>	<b>\$ 1,004,933,235</b>	<b>\$ (20,855,472)</b>	<b>-2.03%</b>
6								
7	Commercial (Base Revenue)	\$ 57,040,492	\$ 63,106,791	\$ 6,066,299	10.64%	\$ 52,456,788	\$ (4,583,704)	-8.04%
8	Commercial (Rider GCR)	462,344,342	462,282,739	(61,603)	-0.01%	462,945,419	601,077	0.13%
9	Commercial (Rider FF & Rider TAX)	26,503,695	26,810,048	306,354	1.16%	26,300,498	(203,197)	-0.77%
10	<b>Total Commercial</b>	<b>\$ 545,888,529</b>	<b>\$ 552,199,578</b>	<b>\$ 6,311,049</b>	<b>1.16%</b>	<b>\$ 541,702,704</b>	<b>\$ (4,185,825)</b>	<b>-0.77%</b>
11								
12	Industrial/Transportation (Base Revenue)	\$ 15,469,450	\$ 7,478,622	\$ (7,990,828)	-51.66%	\$ 19,374,064	\$ 3,904,614	25.24%
13	Industrial/Transportation (Rider GCR)	44,169,152	42,265,985	(1,903,167)	-4.31%	45,817,356	1,648,204	3.73%
14	Industrial/Transportation (Rider FF & Rider TAX)	3,043,299	2,538,412	(504,887)	-16.59%	3,326,658	283,359	9.31%
15	<b>Total Industrial/Transportation</b>	<b>\$ 62,681,901</b>	<b>\$ 52,283,019</b>	<b>\$ (10,398,882)</b>	<b>-16.59%</b>	<b>\$ 68,518,078</b>	<b>\$ 5,836,177</b>	<b>9.31%</b>
16								
17	Other Revenue (Base Revenue)	\$ 18,823,441	\$ 18,823,441	\$ -	0.00%	\$ 18,202,703	\$ (620,738)	-3.30%
18	Other Revenue (Rider GCR)	3,912,367	3,318,621	(593,745)	-15.18%	-	(3,912,367)	-100.00%
19	Other Revenue (Rider FF & Rider TAX)	1,160,186	1,129,888	(30,298)	-2.61%	928,867	(231,319)	-19.94%
20	<b>Total Other Revenue</b>	<b>\$ 23,895,994</b>	<b>\$ 23,271,950</b>	<b>\$ (624,044)</b>	<b>-2.61%</b>	<b>\$ 19,131,570</b>	<b>\$ (4,764,423)</b>	<b>-19.94%</b>
21								
22	Base Revenue	\$ 347,752,286	\$ 404,615,067	\$ 56,862,781	16.35%	\$ 324,946,407	\$ (22,805,879)	-6.56%
23	Rider GCR	1,229,992,107	1,229,992,110	3	0.00%	1,229,992,107	0	0.00%
24	Rider FF & Rider TAX	80,510,737	83,412,203	2,901,466	3.60%	79,347,073	(1,163,664)	-1.45%
25	<b>Total Operating and Other Revenue</b>	<b>\$ 1,658,255,130</b>	<b>\$ 1,718,019,380</b>	<b>\$ 59,764,250</b>	<b>3.60%</b>	<b>\$ 1,634,285,587</b>	<b>\$ (23,969,543)</b>	<b>-1.45%</b>

26  
27  
28 Note:  
29 <sup>1</sup> Revenues are the results of application of the Current, Proposed, and Approved rates to billing determinants.

**ATMOS ENERGY CORP., MID-TEX DIVISION  
REVENUE REQUIREMENTS - RECOMMENDED  
TEST YEAR ENDING DECEMBER 31, 2005**

Line No.	Description	Ref	Base Revenue	Rider GCR	Rider FF & Rider TAX	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1						
2	Rider GCR Part A	<a href="#">Schedule H</a>	\$ -	\$ 1,155,349,772	\$ -	\$ 1,155,349,772
3	Rider GCR Part B	<a href="#">Schedule I</a>		74,642,335		74,642,335
4	Total Rider GCR			\$ 1,229,992,107		\$ 1,229,992,107
5						
6	Operation and Maintenance Expenses	<a href="#">Schedule F-1</a>	\$ 143,738,169	-		\$ 143,738,169
7						
8	Taxes Other than Income Taxes	<a href="#">Schedule F-5</a>	23,504,169		\$ 79,347,073	102,851,242
9						
10	Depreciation and Amortization Expense	<a href="#">Schedule F-3</a>	71,252,161			71,252,161
11						
12	Interest on Customer Deposits	<a href="#">Schedule F-7</a>	1,365,082			1,365,082
13	Interest on Customer Advances	<a href="#">Schedule F-7</a>	13,787			13,787
14						
15	Rate Base	<a href="#">Schedule B</a>	\$ 862,529,973			
16	Rate of Return	<a href="#">Schedule G</a>	7.589%			
17			65,455,416			65,455,416
18						
19	Federal Income Taxes	<a href="#">Schedule F-6</a>	19,619,538			19,619,538
20						
21	<b>Revenue Requirements</b>		<b>\$ 324,948,322</b>	<b>\$ 1,229,992,107</b>	<b>\$ 79,347,073</b>	<b>\$ 1,634,287,502</b>
22						
23	Current Revenues	Schedule A	\$ 347,752,286			\$ 1,658,255,130
24						
25	Approved Change		\$ (22,803,964)			\$ (23,967,628)
26						
27	Gas Cost Uncollectible Exp. To GCR		-			
28						
29	Approved Change (Adjusted for Comparison)		\$ (22,803,964)			
30						
31	Percentage Change		<b>-6.56%</b>			<b>-1.45%</b>

**ATMOS ENERGY CORP., MID-TEX DIVISION  
REVENUE REQUIREMENTS - PROPOSED  
TEST YEAR ENDING DECEMBER 31, 2005**

Line No.	Description	Ref	Base Revenue	Rider GCR	Rider FF & Rider TAX	Total
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1						
2	Rider GCR Part A	Schedule H	\$ -	\$ 1,155,349,775	\$ -	\$ 1,155,349,775
3	Rider GCR Part B	Schedule I		74,642,335		74,642,335
4	Total Rider GCR			\$ 1,229,992,110		\$ 1,229,992,110
5						
6	Operation and Maintenance Expenses	Schedule F-1	\$ 159,896,630			\$ 159,896,630
7						
8	Taxes Other than Income Taxes	Schedule F-5	25,265,749		\$ 83,412,203	108,677,952
9						
10	Depreciation and Amortization Expense	Schedule F-3	84,449,984			84,449,984
11						
12	Interest on Customer Deposits	Schedule F-7	1,365,082			1,365,082
13	Interest on Customer Advances	Schedule F-7	13,787			13,787
14						
15	Rate Base	Schedule B	\$1,111,791,170			
16	Rate of Return	Schedule G	8.855%			
17			98,449,108			98,449,108
18						
19	Federal Income Taxes	Schedule F-6	35,171,086			35,171,086
20						
21	<b>Revenue Requirements</b>		\$ 404,611,426	\$ 1,229,992,110	\$ 83,412,203	\$ 1,718,015,739
22						
23	Current Revenues	Schedule A	\$ 347,752,286			\$ 1,658,255,130
24						
25	Proposed Change		\$ 56,859,139			\$ 59,760,609
26						
27						
28						
29						
30						
31	Percentage Change			16.35%		3.60%

**Railroad Commission of Texas - GUD 9670 - Proposal For Decision  
Atmos Energy Corporation, Mid-Tex Division  
Overall Cost of Service Summary - RECOMMENDED**

Line No.	Column (A) <u>Particulars</u>	(C) <u>Total</u>	(D) <u>Residential</u>	(E) <u>Commercial</u>	(F) <u>Industrial &amp; Transport</u>
1	Operating & Maintenance Expense	\$ 143,738,169	\$ 110,971,675	\$ 24,255,926	\$ 8,510,568
2	Depreciation	71,252,161	55,365,368	11,831,190	4,055,603
3	Taxes Other Than Income	23,504,169	17,715,335	4,212,062	1,576,772
4	Interest on Customer Deposits	1,365,082	787,192	577,443	447
5	Interest on Customer Advances	13,787	10,293	2,526	967
6	Subtotal	<u>\$ 239,873,368</u>	<u>\$ 184,849,864</u>	<u>\$ 40,879,147</u>	<u>\$ 14,144,357</u>
7	Income Taxes	19,619,538	14,760,806	3,387,585	1,471,147
8	Return on Rate Base	65,455,416	49,245,537	11,301,785	4,908,093
9	Total Gross Cost of Service	<u>\$ 324,948,322</u>	<u>\$ 248,856,208</u>	<u>\$ 55,568,517</u>	<u>\$ 20,523,597</u>
10					
11	Total Gross Cost of Service - Ratios - RECOMMENDED	100.0000%	<b>76.5833%</b>	<b>17.1007%</b>	<b>6.3160%</b>
12	Total Gross Cost of Service - Ratios - PROPOSED	100.0000%	81.6958%	16.3654%	1.9388%
13	Total Gross Cost of Service - Ratios - GUD 9400	100.0000%	77.8960%	17.0197%	5.0844%
14					
15	Less: Revenue Credits	<u>\$ 18,202,703</u>	<u>\$ 13,940,234</u>	<u>\$ 3,112,794</u>	<u>\$ 1,149,675</u>
16					
17	Net Cost of Service	<u>\$ 306,745,619</u>	<u>\$ 234,915,974</u>	<u>\$ 52,455,723</u>	<u>\$ 19,373,922</u>
18					
19	Net Revenues under Current Base Rates	<u>328,929,406</u>	<u>256,418,903</u>	<u>57,040,488</u>	<u>15,470,015</u>
20					
21	Excess (Deficiency)-New Tariff - For Rate Design:	<u>\$ 22,183,787</u>	<u>\$ 21,502,929</u>	<u>\$ 4,584,765</u>	<u>\$ (3,903,907)</u>

**ATMOS ENERGY CORP., MID-TEX DIVISION  
SUMMARY OF CURRENT, PROPOSED AND FINAL RATE STRUCTURE  
TEST YEAR ENDING DECEMBER 31, 2005**

Line No.	Description	Current	Proposed	RECOMMENDED
	(a)	(b)	(c)	(d)
1	<b>Rate R</b>			
2	Customer Charge per month	\$10.10	\$13.50	\$10.10
3	Consumption Charge per MCF			
4	First    3.0    Mcf	\$1.2390		
5	Over    3.0    Mcf	\$0.9890		
6	First    1.5    Mcf		\$3.0140	
7	Over    1.5    Mcf		\$0.4140	
8	All    Mcf			\$0.8267
9				
10				
11	<b>Rate C</b>			
12	Customer Charge per month	\$18.81	\$30.00	\$18.81
13	Consumption Charge per MCF:			
14	First    30    Mcf	\$0.7894		
15	Next    320    Mcf	\$0.5394		
16	Over    350    Mcf	\$0.2894		
17	First    20    Mcf		\$0.9960	
18	Over    20    Mcf		\$0.1960	
19	All    Mcf			\$0.4858
20				
21				
22	<b>Rate I &amp; T</b>			
23	Customer Charge per month	\$316.01	\$430.00	\$316.01
24	Consumption Charge per MMBTU:			
25	First    1,500    MMBTU	\$0.4882		
26	Next    3,500    MMBTU	\$0.3382		
27	Next    45,000    MMBTU	\$0.1882		
28	Over    50,000    MMBTU	\$0.0382		
29	First    1,500    MMBTU		\$0.1400	\$0.3601
30	Next    3,500    MMBTU		\$0.1016	\$0.3217
31	Over    5,000    MMBTU		\$0.0216	\$0.2417

**ATMOS ENERGY CORP., MID-TEX DIVISION  
TYPICAL BILL COMPARISON  
TEST YEAR ENDING DECEMBER 31, 2005**

**Rate R**

<u>Line</u>					<u>Current</u>		<u>Proposed</u>	<u>RECOMMENDED</u>
1	<b>Rate R @ 6 Mcf</b>							
2	Customer charge				\$10.10			
3	Consumption charge	3.0	MCF	X	\$1.2390 =		3.72	
4	Consumption charge	3.0	MCF	X	\$0.9890 =		2.97	
5	Rider GCR Part A	6.0	MCF	X	\$8.6452 =		51.87	
6	Rider GCR Part B	6.0	MCF	X	\$0.4727 =		2.84	
7	Subtotal						<u>\$71.50</u>	
8	Rider FF & Rider TAX			X	0.05103 =		3.65	
9	Total						<u>\$75.14</u>	
10								
11								
12	Customer charge						\$13.50	
13	Consumption charge	1.5	MCF	X	\$3.0140 =		4.52	
14	Consumption charge	4.5	MCF	X	\$0.4140 =		1.86	
15	Rider GCR Part A	6.0	MCF	X	\$8.6452 =		51.87	
16	Rider GCR Part B	6.0	MCF	X	\$0.5051 =		3.03	
17	Subtotal						<u>\$74.79</u>	
18	Revenue-related Tax Reimbursement			X	0.05103 =		3.82	
19	Total						<u>\$78.60</u>	
20	Increase (Decrease) w/ Gas Cost						4.60%	
21	Increase (Decrease) w/o Gas Cost						18.43%	
22								
23	Customer charge							\$10.10
24	Consumption charge	6.0	MCF	X	\$0.8267 =			4.96
25	Consumption charge	0.0	MCF	X				
26	Rider GCR Part A	6.0	MCF	X	\$8.6452 =			51.87
27	Rider GCR Part B	6.0	MCF	X	\$0.4937 =			2.96
28	Subtotal						<u>\$69.89</u>	
29	Rider FF & Rider TAX			X	0.05103 =			\$3.57
30	Total						<u>\$73.46</u>	
31	Increase (Decrease) w/ Gas Cost							-2.24%
32	Increase (Decrease) w/o Gas Cost							-10.30%

**ATMOS ENERGY CORP., MID-TEX DIVISION  
TYPICAL BILL COMPARISON  
TEST YEAR ENDING DECEMBER 31, 2005**

**Rate C**

Line					<u>Current</u>	<u>Proposed</u>	<u>RECOMMENDED</u>
1	<b>Rate C @ 30 Mcf</b>						
2	Customer charge				\$18.81		
3	Consumption charge	30.0	MCF	X	\$0.7894 =		23.68
4	Consumption charge	0.0	MCF	X	\$0.5394 =		0.00
5	Consumption charge	0.0	MCF	X	\$0.2894 =		0.00
6	Rider GCR Part A	30.0	MCF	X	\$8.6452 =		259.35
7	Rider GCR Part B	30.0	MCF	X	\$0.4090 =		12.27
8	Subtotal					<u>\$314.12</u>	
9	Revenue-related Tax Reimbursement	\$314.12		X	0.05103 =		16.03
10	Total					<u>\$330.15</u>	
11							
12	Customer charge					\$30.00	
13	Consumption charge	20.0	MCF	X	\$0.9960 =	19.92	
14	Consumption charge	10.0	MCF	X	\$0.1960 =	1.96	
15	Rider GCR Part A	30.0	MCF	X	\$8.6452 =	259.35	
16	Rider GCR Part B	30.0	MCF	X	\$0.4078 =	12.23	
17	Subtotal					<u>\$323.47</u>	
18	Revenue-related Tax Reimbursement	\$323.47		X	0.05103 =	16.51	
19	Total					<u>\$339.98</u>	
20	Increase (Decrease) w/ Gas Cost					2.98%	
21	Increase (Decrease) w/o Gas Cost					22.09%	
22							
23	Customer charge						\$18.81
24	Consumption charge	30.0	MCF	X	\$0.4858 =		14.57
25	Consumption charge	0.0	MCF	X			
26	Rider GCR Part A	30.0	MCF	X	\$8.6452 =		259.35
27	Rider GCR Part B	30.0	MCF	X	\$0.4208 =		12.62
28	Subtotal					<u>\$305.36</u>	
29	Rider FF & Rider TAX	\$305.36		X	0.05103 =		\$15.58
30	Total					<u>\$320.95</u>	
31	Increase (Decrease) w/ Gas Cost					-2.79%	
32	Increase (Decrease) w/o Gas Cost					-21.43%	



**ATMOS ENERGY CORP., MID-TEX DIVISION  
TYPICAL BILL COMPARISON  
TEST YEAR ENDING DECEMBER 31, 2005**

**Rate I**

Line						<u>Current</u>	<u>Proposed</u>	<u>RECOMMENDED</u>
1	<b>Rate I @ 300 MMBTU</b>					\$316.01		
2	Customer charge					146.46		
3	Consumption charge	300	MMBTU	X	\$0.4882 =			
4	Consumption charge	0	MMBTU	X	\$0.3382 =	0.00		
5	Consumption charge	0	MMBTU	X	\$0.1882 =	0.00		
6	Consumption charge	0	MMBTU	X	\$0.0382 =	0.00		
7	Rider GCR Part A	300	MMBTU	X	\$8.8526 =	2,655.79		
8	Rider GCR Part B	300	MMBTU	X	\$0.3073 =	92.19		
9	Subtotal					<u>\$3,210.45</u>		
10	Revenue-related Tax Reimbursement	\$3,210.45		X	0.05103 =	163.83		
11	Total					<u>\$3,374.28</u>		
12								
13	Customer charge						\$430.00	
14	Consumption charge	300	MMBTU	X	\$0.1400 =		42.00	
15	Consumption charge	0	MMBTU	X	\$0.1016 =		0.00	
16	Consumption charge	0	MMBTU	X	\$0.0216 =		0.00	
17	Rider GCR Part A	300	MMBTU	X	\$8.8526 =	2,655.79		
18	Rider GCR Part B	300	MMBTU	X	\$0.2607 =	78.21		
19	Subtotal						<u>\$3,206.00</u>	
20	Revenue-related Tax Reimbursement	\$3,206.00		X	0.05103 =	163.60		
21	Total						<u>\$3,369.60</u>	
22	Increase (Decrease) w/ Gas Cost						-0.14%	
23	Increase (Decrease) w/o Gas Cost						-2.89%	
24								
25	Customer charge							\$316.01
26	Consumption charge	300	MMBTU	X	\$0.3601 =			108.02
27	Consumption charge	0	MMBTU	X	\$0.3217 =			0.00
28	Consumption charge	0	MMBTU	X	\$0.2417 =			0.00
29	Rider GCR Part A	300	MMBTU	X	\$8.8526 =			2,655.79
30	Rider GCR Part B	300	MMBTU	X	\$0.2650 =			79.50
31	Subtotal							<u>\$3,159.33</u>
32	Revenue-related Tax Reimbursement	\$3,159.33		X	0.05103 =	161.22		
33	Total							<u>\$3,320.55</u>
34	Increase (Decrease) w/ Gas Cost							-1.59%
35	Increase (Decrease) w/o Gas Cost							-12.76%

**ATMOS ENERGY CORP., MID-TEX DIVISION  
TYPICAL BILL COMPARISON  
TEST YEAR ENDING DECEMBER 31, 2005**

**Rate T**

Line					<u>Current</u>	<u>Proposed</u>	<u>RECOMMENDED</u>
1	<b>Rate I @ 300 MMBTU</b>				\$316.01		
2	Customer charge				146.46		
3	Consumption charge	300	MMBTU	X	\$0.4882 =		
4	Consumption charge	0	MMBTU	X	\$0.3382 =	0.00	
5	Consumption charge	0	MMBTU	X	\$0.1882 =	0.00	
6	Consumption charge	0	MMBTU	X	\$0.0382 =	0.00	
7	Rider GCR Part A	0	MMBTU	X	\$8.8526 =	0.00	
8	Rider GCR Part B	300	MMBTU	X	\$0.3073 =	92.19	
9	Subtotal					<u>\$554.66</u>	
10	Revenue-related Tax Reimbursement	\$554.66		X	0.05103 =	28.30	
11	Total					<u>\$582.96</u>	
12							
13	Customer charge					\$430.00	
14	Consumption charge	300	MMBTU	X	\$0.1400 =	42.00	
15	Consumption charge	0	MMBTU	X	\$0.1016 =	0.00	
16	Consumption charge	0	MMBTU	X	\$0.0216 =	0.00	
17	Rider GCR Part A	0	MMBTU	X	\$8.8526 =	0.00	
18	Rider GCR Part B	300	MMBTU	X	\$0.2607 =	78.21	
19	Subtotal					<u>\$550.21</u>	
20	Revenue-related Tax Reimbursement	\$550.21		X	0.05103 =	28.08	
21	Total					<u>\$578.29</u>	
22	Increase (Decrease) w/ Gas Cost					-0.80%	
23	Increase (Decrease) w/o Gas Cost					-2.89%	
24							
25	Customer charge						\$316.01
26	Consumption charge	300	MMBTU	X	\$0.3601 =		108.02
27	Consumption charge	0	MMBTU	X	\$0.3217 =		0.00
28	Consumption charge	0	MMBTU	X	\$0.2417 =		0.00
29	Rider GCR Part A	0	MMBTU	X	\$8.8526 =		0.00
30	Rider GCR Part B	300	MMBTU	X	\$0.2650 =		79.50
31	Subtotal						<u>\$503.54</u>
32	Revenue-related Tax Reimbursement	\$503.54		X	0.05103 =		25.69
33	Total						<u>\$529.23</u>
34	Increase (Decrease) w/ Gas Cost						-9.22%
35	Increase (Decrease) w/o Gas Cost						-12.76%