

P  
L  
M

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 23rd  
day of September, 1997.

In the Matter of the Application of )  
Atmos Energy Corporation, through its )  
Divisions Greeley Gas Company and )  
United Cities Gas Company, for )  
Authority to Issue and Sell 1,500,000 )  
Shares of Common Stock through its )  
Direct Stock Purchase Plan. )

Case No. GF-98-55

**ORDER APPROVING FINANCING**

On August 6, 1997, Atmos Energy Company, through its divisions Greeley Gas Company and United Cities Gas Company (Atmos), filed an application with the Commission requesting Commission approval to issue 1,500,000 additional shares of common stock through its direct stock purchase plan, designed to provide investors with a convenient and economical means to purchase shares of Atmos' common stock and to reinvest all or a portion of their cash dividends in additional shares of Atmos' stock. Atmos states that the issuance of the additional common stock will generate financing necessary to continue the general corporate purposes of Atmos and to provide safe and adequate service to its customers.

On September 4, 1997, the Staff of the Commission (Staff) filed its recommendation. In that recommendation, the Staff states that Atmos' current capital structure is that of an investment grade utility and consists of 43.68% long-term debt and 53.12% common equity. Upon issuance of the proposed stock, Atmos' resulting capital structure will be 57.32% equity and 42.68% long-term debt. The Staff adds that Atmos' pre-tax interest coverage ratio, funds from operations to total debt, and funds

flow interest coverage ratios are currently in the "AA" range. Total debt to total capital will move from "A" toward the "AA" range upon issuance of the stock.

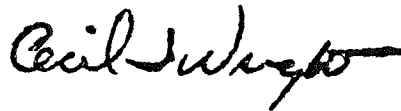
Based on its review, the Staff recommends the Commission approve the Atmos application to issue up to 1,500,000 shares of common stock.

The Commission has reviewed the Atmos application and accompanying documents and the Staff recommendation and finds the proposed issuance of common stock by Atmos to be in the public interest. The Commission will approve the application and order Atmos to file all relevant documents relating to the transaction in this docket.

**IT IS THEREFORE ORDERED:**

1. That Atmos Energy Corporation is hereby authorized to issue 1,500,000 shares of common stock through its direct stock purchase plan, as set out in its application in this case.
2. That upon completion of the approved transaction, Atmos will file copies of all relevant documents in this docket.
3. That this order shall become effective on October 3, 1997.

**BY THE COMMISSION**



**Cecil I. Wright  
Executive Secretary**

(S E A L)

Lumpe, Ch., Crumpton, Murray,  
and Drainer, CC., concur.

ALJ: Derque