

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Revenue Requirement

Line	(A)	8.59%	8.99%	9.39%
		Equity Return (B)	Equity Return (C)	Equity Return (D)
1	Net Original Cost Rate Base (From Acctg. Sch. 2)	\$ 25,759,185	\$ 25,759,185	\$ 25,759,185
2	Rate of Return	7.13%	7.30%	7.47%
3	Net Operating Income Requirement	\$ 1,836,630	\$ 1,880,420	\$ 1,924,211
4	Net Income Available (From Acctg. Sch 9)	2,680,536	2,680,536	2,680,536
5	Additional Net Operating Income Needed Before Income Taxes	\$ (843,906)	\$ (800,116)	\$ (756,325)
6	Income Tax Requirement: (From Acctg. Sch. 11)			
7	Required Current Income Tax	\$ 584,218	\$ 611,503	\$ 638,788
8	Test Year Current Income Tax	1,110,037	1,110,037	1,110,037
9	Additional Current Income Tax Required	\$ (525,819)	\$ (498,534)	\$ (471,249)
10	Additional Gross Revenue Requirement	\$ (1,369,725)	\$ (1,298,650)	\$ (1,227,574)

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Rate Base

Line	(A)	(B)
1	Total Plant In Service	
2	Utility Plant In Service (From Acctg. Sch 3)	\$ 45,582,225
3	Less Depreciation Reserves:	
4	Utility Plant In Service (From Acctg. Sch 5)	16,846,337
5	Net Plant In Service	\$ 28,735,888
6	Add:	
7	Cash Working Capital (From Acctg. Sch. 8)	\$ (413,015)
8	Materials and Supplies and Prepayments	75,365
9	Prepaid Pension Asset	1,345,392
10	Propane Gas Inventory	0
11	Natural Gas Inventory	4,731,396
12	Total Additions To Net Plant In Service	\$ 5,739,138
13	Less:	
14	Interest Offset (From Acctg. Sch. 8)	\$ 117,658
15	Income Tax Offset (From Acctg. Sch. 8)	2,818
16	Stipulated Rate Base Reduction	754,173
17	Customer Advances For Construction	55,925
18	Customer Deposits	1,216,893
19	Deferred Income Taxes	6,568,374
20	Total Deductions To Net Plant In Service	\$ 8,715,841
21	Total Rate Base	\$ 25,759,185

Atmos Energy Corporation - Southeast Missouri Rate District

Case No. GR-2006-0387

Test Year Ending September 30, 2005 Updated Through June 30, 2006

Plant In Service

Line	Account (A)	Plant Title (B)	Balance 9/30/2005 (C)	Adjust- ments (D)	Adj No. (E)	Adjusted Balance 6/30/2006 (F)
1		Intangible				
2	301.00	Organization	\$ 894	\$ 11,693	P-1	\$ 12,587
3	302.00	Franchise & Consents	25,888	0	P-2	25,888
4	303.00	Other Misc. Intangibles	13,990	70,013	P-3	84,003
5		Total Intangible	\$ 40,772	\$ 81,706		\$ 122,478
6		Manufactured Gas Production Plant				
7	311.00	L-P Production Plant-Liq Petro Gas E	\$ 0	\$ 0	P-4	\$ 0
8		Total Manufactured Gas Production Plant	\$ 0	\$ 0		\$ 0
9		Transmission Plant				
10	365.10	Land	\$ 0	\$ 0	P-5	\$ 0
11	365.20	Right-Of-Way	\$ 106,661	\$ 0	P-6	\$ 106,661
12	366.00	Structures & Improvements	2,473	0	P-7	2,473
13	367.01	Mains - Steel & Cathodic Protection	6,760,750	520,905	P-8	7,281,655
14	367.02	Mains - Plastic	24,788	0	P-9	24,788
15	367.00	Mains - Total	6,785,538	520,905		7,306,443
16	369.00	Meas. & Reg. Equip.	328,117	26,846	P-10	354,963
17	370.00	Communication Equipment	5,038	0	P-11	5,038
18		Total Transmission Plant	\$ 7,227,827	\$ 547,751		\$ 7,775,578
19		Distribution Plant				
20	374.01	Land	\$ 174,752	\$ 0	P-12	\$ 174,752
21	374.02	Land Rights	121,977	0	P-13	121,977
22	375.00	Structures & Improvements	21,044	(1,329)	P-14	19,715
23	376.01	Mains - Steel	6,941,504	187,350	P-15	7,128,854
24	376.02	Mains - Plastic	5,803,135	620,946	P-16	6,424,081
25	376.00	Mains - Total	12,744,639	808,296		13,552,935
26	377.00	Compressor Station Equipment	0	0	P-17	0
27	378.00	Meas & Reg Equip	184,500	28,682	P-18	213,182
28	379.00	Meas & Reg Equip City Gate	379,402	88,554	P-19	467,956
29	380.00	Services	11,716,689	(652,358)	P-20	11,064,331
30	381.00	Meters	2,412,638	85,202	P-21	2,497,840
31	382.00	Meter Installations	2,668,707	210,894	P-22	2,879,601
32	383.00	House Regulators	877,093	56,005	P-23	933,098

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Plant In Service

Line	Account (A)	Plant Title (B)	Balance 9/30/2005 (C)	Adjust- ments (D)	Adj No. (E)	Adjusted Balance 6/30/2006 (F)
33	384.00	House Reg Installations	578,018	0	P-24	578,018
34	385.00	Ind. Meas. & Reg Sta Equip	263,864	60,843	P-25	324,707
35	387.00	Other Equipment	0	0	P-26	0
36		Total Distribution Plant	\$ 32,143,323	\$ 684,789		\$ 32,828,112
37		General Plant				
38	389.00	Land & Land Rights	\$ 0	\$ 0	P-27	\$ 0
39	390.00	Structures & Improvements	\$ 283,411	\$ 309,734	P-28	\$ 593,145
40	391.00	Office Furn & Equip	138,047	195,423	P-29	333,470
41	392.00	Transportation Equip	500,093	(323,700)	P-30	176,393
42	393.00	Stores Equip	5,030	727	P-31	5,757
43	394.00	Tools, Shop & Garage Equip	508,018	(53,976)	P-32	454,042
44	395.00	Laboratory Equip	10,532	0	P-33	10,532
45	396.00	Power Operated Equipment	439,058	19,135	P-34	458,193
46	397.00	Communications Equip	126,835	419,198	P-35	546,033
47	398.00	Misc Equip	111,708	66,397	P-36	178,105
48	399.00	Other Tangible Property	39,756	2,060,632	P-37	2,100,388
49		Total General Plant	\$ 2,162,488	\$ 2,693,570		\$ 4,856,058
51		Total Plant In Service	\$ 41,574,409	\$ 4,007,816		\$ 45,582,225

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Plant In Service

Adj. No.	Description	Adjustment Amount	Adjustment Total
Organization P-1			
1	To include allocated corporate plant (Hanneken)	\$ 11,693	\$ 11,693
Other Misc. Intangibles P-3			
1	To include allocated corporate plant (Hanneken)	\$ 70,013	\$ 70,013
Mains - Steel & Cathodic Protection P-8			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 520,905	\$ 520,905
Meas. & Reg. Equip P-10			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 26,846	\$ 26,846
Structures & Improvements P-14			
1	To adjust plant to June 30, 2006 levels (Began)	\$ (1,329)	\$ (1,329)
Mains - Steel P-15			
1	To include allocated corporate plant (Hanneken)	\$ 0	\$ 187,350
2	To adjust plant to June 30, 2006 levels (Began)	187,350	
Mains - Plastic P-16			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 620,946	\$ 620,946
Meas & Reg Equip P-18			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 28,682	\$ 28,682
Meas & Reg Equip City Gate P-19			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 88,554	\$ 88,554
Services P-20			
1	To adjust plant to June 30, 2006 levels (Began)	\$ (652,358)	\$ (652,358)
Meters P-21			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 85,202	\$ 85,202
Meter Installations P-22			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 210,894	\$ 210,894
House Regulators P-23			
1	To adjust plant to June 30, 2006 levels (Began)	\$ 56,005	\$ 56,005
Ind. Meas. & Reg. Sta Equip P-25			
			\$ 60,843

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Plant In Service

Adj. No.	Description	Adjustment Amount	Adjustment Total
1	To adjust plant to June 30, 2006 levels (Began)	\$ 60,843	
Structures & Improvements P-28			
1	To include allocated corporate plant (Hanneken)	\$ 145,485	\$ 309,734
2	To adjust plant to June 30, 2006 levels (Began)	164,249	
Office Furn & Equip P-29			
1	To include allocated corporate plant (Hanneken)	\$ 203,321	\$ 195,423
2	To adjust plant to June 30, 2006 levels (Began)	(7,898)	
Transportation Equip P-30			
1	To include allocated corporate plant (Hanneken)	\$ 162	\$ (323,700)
2	To adjust plant to June 30, 2006 levels (Began)	(323,862)	
Stores Equip P-31			
1	To include allocated corporate plant (Hanneken)	\$ 727	\$ 727
Tools, Shop & Garage Equip P-32			
1	To include allocated corporate plant (Hanneken)	\$ 8,101	\$ (53,976)
2	To adjust plant to June 30, 2006 levels (Began)	(62,077)	
Power Operated Equipment P-34			
1	To include allocated corporate plant (Hanneken)	\$ 536	\$ 19,135
2	To adjust plant to June 30, 2006 levels (Began)	18,599	
Communications Equip P-35			
1	To include allocated corporate plant (Hanneken)	\$ 418,808	\$ 419,198
2	To adjust plant to June 30, 2006 levels (Began)	390	
Misc Equip P-36			
1	To include allocated corporate plant (Hanneken)	\$ 32,833	\$ 66,397
2	To adjust plant to June 30, 2006 levels (Began)	33,564	
Other Tangible Property P-37			
1	To include allocated corporate plant (Hanneken)	\$ 2,045,243	\$ 2,060,632
2	To adjust plant to June 30, 2006 levels (Began)	15,389	

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Depreciation Reserve

Line	Account (A)	Plant Title (B)	Balance 9/30/2005 (C)	Adjust- ments (D)	Adj. No. (E)	Adjusted Balance 6/30/2006 (F)
1		Intangible				
2	301.00	Organization	894	0	R-1	894
3	302.00	Franchise & Consents	25,888	0	R-2	25,888
4	303.00	Other Misc. Intangibles	13,990	0	R-3	13,990
5		Total Intangible Reserve	\$ 40,771	\$ 0		\$ 40,771
6		Manufactured Gas Production Plant				
7	311.00	L-P Production Plant-Liq Petro Gas Equ	0	0	R-4	0
8		Total Manufactured Gas Production P	\$ 0	\$ 0		\$ 0
9		Transmission Plant				
10	365.10	Land	\$ 0	\$ 0	R-5	\$ 0
11	365.20	Right-Of-Way	0	0	R-6	0
12	366.00	Structures & Improvements	1,636	60	R-7	1,696
13	367.01	Mains - Steel & Cathodic Protection	4,946,844	80,071	R-8	5,026,915
14	367.02	Mains - Plastic	17,667	285	R-9	17,952
15	367.00	Mains - Total	4,964,511	80,356		5,044,867
16	369.00	Measuring & Regulating Equipment	220,597	9,052	R-10	229,649
17	370.00	Communication Equipment	(414)	165	R-11	(249)
18		Total Transmission Plant	\$ 5,186,330	\$ 89,633		\$ 5,275,963
19		Distribution Plant				
20	374.01	Land	\$ 120,314	\$ (120,314)	R-12	\$ (1)
21	374.02	Land Rights	0	0	R-13	0
22	375.00	Structures & Improvements	10,340	384	R-14	10,724
23	376.01	Mains - Steel	2,783,068	(35,315)	R-15	2,747,753
24	376.02	Mains - Plastic	2,309,540	(606,115)	R-16	1,703,425
25	376.00	Mains - Total	5,092,608	(641,430)		4,451,178
26	377.00	Compressor Station Equipment	0	0	R-17	0
27	378.00	Meas & Reg Equip	98,524	4,431	R-18	102,955
28	379.00	Meas & Reg Equip City Gate	226,902	(134,984)	R-19	91,918
29	380.00	Services	4,623,201	(783,189)	R-20	3,840,012
30	381.00	Meters	1,005,146	(172,654)	R-21	832,492
31	382.00	Meter Installations	(560,617)	(30,093)	R-22	(590,710)
32	383.00	House Regulators	593,941	28,248	R-23	622,189

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Depreciation Reserve

	Account	Plant Title	Balance 9/30/2005	Adjust- ments	Adj. No	Adjusted Balance 6/30/2006
Line	(A)	(B)	(C)	(D)	(E)	(F)
33	384.00	House Reg Installations	206,822	14,436	R-24	221,258
34	385.00	Ind. Meas. & Reg Sta. Equip	106,075	7,627	R-25	113,702
35	387.00	Other Equipment	0	0	R-26	0
36		Total Distribution Plant Reserve	\$ 11,523,254	\$ (1,827,538)		\$ 9,695,716
37		General Plant				
38	389.00	Land & Land Rights	\$ 0	\$ 0	R-27	\$ 0
39	390.00	Structures & Improvements	178,543	88,681	R-28	267,224
40	391.00	Office Furn & Equip	90,076	97,920	R-29	187,996
41	392.00	Transportation Equip	121,608	(281,973)	R-30	(160,365)
42	393.00	Stores Equip	4,986	569	R-31	5,555
43	394.00	Tools, Shop & Garage Equip	71,885	(124,713)	R-32	(52,828)
44	395.00	Laboratory Equip	9,753	292	R-33	10,045
45	396.00	Power Operated Equipment	218,833	(29,341)	R-34	189,492
46	397.00	Communications Equip	63,844	156,062	R-35	219,906
47	398.00	Misc Equip	22,393	14,218	R-36	36,611
48	399.00	Other Tangible Property	(6,528)	1,136,779	R-37	1,130,251
49		Total General Plant	\$ 775,392	\$ 1,058,495		\$ 1,833,887
51		Total Depreciation Reserve	\$ 17,525,748	\$ (679,410)		\$ 16,846,337

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Depreciation Reserve

Adj No	Description	Adjustment Amount	Adjustment Total
Structures & Improvements R-7			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 60	\$ 60
Mains - Steel & Cathodic Protection R-8			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 80,071	\$ 80,071
Mains - Plastic R-9			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 285	\$ 285
Measuring & Regulating Equipment R-10			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 9,052	\$ 9,052
Communication Equipment R-11			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 165	\$ 165
Land R-12			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ (120,314)	\$ (120,314)
Structures & Improvements R-14			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 384	\$ 384
Mains - Steel R-15			
1	To include reserve for allocated corporate plant (Hanneken)	\$ 0	\$ (35,315)
2	To adjust reserve to June 30, 2006 levels (Began)	(35,315)	
Mains - Plastic R-16			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 69,557	\$ (606,115)
2	To Correct Reserve (Rackers)	(675,672)	
Meas & Reg Equip R-18			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 4,431	\$ 4,431
Meas & Reg Equip City Gate R-19			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ (134,984)	\$ (134,984)
Services R-20			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ (783,189)	\$ (783,189)
Meters R-21			
1	To adjust reserve to June 30, 2006 levels (Began)	\$ (172,654)	\$ (172,654)

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Depreciation Reserve

Adj No	Description	Adjustment Amount	Adjustment Total
Meter Installations R-22			
		\$	(30,093)
1	To adjust reserve to June 30, 2006 levels (Began)	\$ (30,093)	
House Regulators R-23			
		\$	28,248
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 28,248	
House Reg Installations R-24			
		\$	14,436
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 14,436	
Ind Meas & Reg Sta Equip R-25			
		\$	7,627
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 7,627	
Structures & Improvements R-28			
		\$	88,681
1	To include reserve for allocated corporate plant (Hanneken)	\$ 75,914	
2	To adjust reserve to June 30, 2006 levels (Began)	12,767	
Office Furn & Equip R-29			
		\$	97,920
1	To include reserve for allocated corporate plant (Hanneken)	\$ 151,261	
2	To adjust reserve to June 30, 2006 levels (Began)	(53,341)	
Transportation Equip R-30			
		\$	(281,973)
1	To include reserve for allocated corporate plant (Hanneken)	\$ 658	
2	To adjust reserve to June 30, 2006 levels (Began)	(282,631)	
Stores Equip R-31			
		\$	569
1	To include reserve for allocated corporate plant (Hanneken)	\$ 525	
2	To adjust reserve to June 30, 2006 levels (Began)	44	
Tools, Shop & Garage Equip R-32			
		\$	(124,713)
1	To include reserve for allocated corporate plant (Hanneken)	\$ 1,150	
2	To adjust reserve to June 30, 2006 levels (Began)	(125,863)	
Laboratory Equip R-33			
		\$	292
1	To adjust reserve to June 30, 2006 levels (Began)	\$ 292	
Power Operated Equipment R-34			
		\$	(29,341)
1	To include reserve for allocated corporate plant (Hanneken)	\$ 550	

Atmos Energy Corporation - Southeast Missouri Rate District

Case No. GR-2006-0387

Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Depreciation Reserve

Adj No	Description	Adjustment Amount	Adjustment Total
2	To adjust reserve to June 30, 2006 levels (Began)	(29,891)	
Communications Equip R-35			
		\$	156,062
1	To include reserve for allocated corporate plant (Hanneken)	\$ 151,910	
2	To adjust reserve to June 30, 2006 levels (Began)	4,152	
Misc Equip R-36			
		\$	14,218
1	To include reserve for allocated corporate plant (Hanneken)	\$ 10,825	
2	To adjust reserve to June 30, 2006 levels (Began)	3,393	
Other Tangible Property R-37			
		\$	1,136,779
1	To include reserve for allocated corporate plant (Hanneken)	\$ 1,135,135	
2	To adjust reserve to June 30, 2006 levels (Began)	1,644	

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Depreciation Expense

Line	Account (A)	Plant Title (B)	Adjusted Plant (Acctg Sch 3) (C)	Depreciation Rate (D)	Depreciation Expense (E)
1		Intangible			
2	301.00	Organization	12,587		
3	302.00	Franchise & Consents	25,888		
4	303.00	Other Misc. Intangibles	84,003		
5		Total Intangible	\$ 122,478		\$
6		Manufactured Gas Production Plant			
7	311.00	L-P Production Plant-Liq Petro Gas Equ	\$		
8		Total Manufactured Gas Production Pla	\$		\$
9		Transmission Plant			
10	365.10	Land			
11	365.20	Right-Of-Way	106,661		
12	366.00	Structures & Improvements	2,473	3.2400%	80
13	367.01	Mains - Steel & Cathodic Protection	7,281,655	1.5300%	111,409
14	367.02	Mains - Plastic	24,788	1.5300%	379
15	367.00	Mains - Total	7,306,443		111,788
16	369.00	Meas. & Reg. Equip.	354,963	3.6000%	12,779
17	370.00	Communication Equipment	5,038	4.3600%	220
18		Total Transmission Plant	\$ 7,775,578		\$ 124,867
19		Distribution Plant			
20	374.01	Land	\$ 174,752		\$
21	374.02	Land Rights	121,977		
22	375.00	Structures & Improvements	19,715	2.5000%	493
23	376.01	Mains - Steel	7,128,854	1.5300%	109,071
24	376.02	Mains - Plastic	6,424,081	1.5300%	98,288
25	376.00	Mains - Total	13,552,935		207,359
26	377.00	Compressor Station Equipment			
27	378.00	Meas & Reg Equip	184,500	3.0100%	5,553
28	379.00	Meas & Reg Equip City Gate	467,956	3.1500%	14,741
29	380.00	Services	11,064,331	5.0000%	553,217
30	381.00	Meters	2,497,840	2.1600%	53,953
31	382.00	Meter Installations	2,879,601	2.9600%	85,236
32	383.00	House Regulators	933,098	4.1900%	39,097
33	384.00	House Reg Installations	578,018	3.3300%	19,248
34	385.00	Ind. Meas. & Reg Sta Equip	324,707	3.6000%	11,689

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Depreciation Expense

Line	Account (A)	Plant Title (B)	Adjusted Plant (Acctg Sch 3) (C)	Depreciation Rate (D)	Depreciation Expense (E)
35	387.00	Other Equipment			
36		Total Distribution Plant	\$ 32,799,430		\$ 990,586
37		General Plant			
38	389.00	Land & Land Rights	\$		\$
39	390.00	Structures & Improvements	593,145	5.0000%	29,657
40	391.00	Office Furn & Equip	333,470	4.7500%	15,840
41	392.00	Transportation Equip	176,393	10.3900%	18,327
42	393.00	Stores Equip	5,757	4.0100%	231
43	394.00	Tools, Shop & Garage Equip	454,042	4.3300%	19,660
44	395.00	Laboratory Equip	10,532	3.6900%	389
45	396.00	Power Operated Equipment	458,193	7.7100%	35,327
46	397.00	Communications Equip	546,033	4.3600%	23,807
47	398.00	Misc Equip	178,105	3.6000%	6,412
48	399.00	Other Tangible Property	2,100,388	4.7500%	99,768
49		Total General Plant	\$ 4,856,058		\$ 249,418
51		Total Depreciation	\$ 45,553,543		\$ 1,364,871

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Cash Working Capital

Line	Description (A)	Test Year Expenses (B)	Revenue Lag (C)	Expense Lag (D)	Net Lag (C)-(D) (E)	Factor (E)/365 (F)	CWC Req (B)×(F) (G)
1	Operation and Maintenance Expense						
2	Base Payroll	\$ 500,183	36.3700	14.0000	22.3700	0.061288	\$ 30,655
3	Tax Withholding	483,139	36.3700	17.1500	19.2200	0.052658	25,441
4	Voluntary Withholdings	176,119	36.3700	21.2700	15.1000	0.041370	7,286
5	Pension Expense - Non-Qualified Plans	29,393	36.3700	15.2100	21.1600	0.057973	1,704
6	Pension Expense - Qualified Plan	27,641	36.3700	36.3700	0.0000	0.000000	0
7	OPEB's (FAS 106)	242,378	36.3700	45.6250	(9.2550)	(0.025356)	(6,146)
8	Group Health	277,710	36.3700	9.7500	26.6200	0.072932	20,254
9	Uncollectible Accounts	315,889	36.3700	36.3700	0.0000	0.000000	0
10	Depreciation Charged to O&M	4,133	36.3700	36.3700	0.0000	0.000000	0
11	M&S and Prepayments Charged to O&M	217,506	36.3700	36.3700	0.0000	0.000000	0
12	PSC Assessment	78,051	36.3700	(30.6300)	67.0000	0.183562	14,327
13	Cash Vouchers	1,540,908	36.3700	27.7500	8.6200	0.023616	36,390
14	Total Operation & Maintenance Expense	\$ 3,893,050					\$ 129,911
15	Taxes Other Than Income						
16	FICA - Employer Portion	119,983	36.3700	17.0000	19.3700	0.053068	\$ 6,367
17	Federal Unemployment	1,706	36.3700	75.6300	(39.2600)	(0.107562)	(184)
18	State Unemployment	2,661	36.3700	75.6300	(39.2600)	(0.107562)	(286)
19	Property Tax	424,619	36.3700	182.5000	(146.1300)	(0.400356)	(169,999)
20	Corporate Franchise	15,361	36.3700	(77.5000)	113.8700	0.311973	4,792
21	DOT Transportation Tax	66	36.3700	241.5000	(205.1300)	(0.562000)	(37)
22	Total Taxes Other Than Income	\$ 564,396					\$ (159,347)
23	Other Expenses						
24	Sales Tax	\$ 759,556	0.0000	18.4600	(18.4600)	(0.050575)	\$ (38,415)
25	Natural Gas	23,996,400	36.3700	41.6200	(5.2500)	(0.014384)	(345,164)
26	Total Other Expenses	\$ 24,755,956					\$ (383,579)
27	Total Cash Working Capital Requirement Before Income Tax and Interest						\$ (413,015)
28	Federal Tax Offset	\$ 504,880	36.3700	38.1300	(1.7600)	(0.004822)	\$ (2,435)
29	State Tax Offset	\$ 79,338	36.3700	38.1300	(1.7600)	(0.004822)	\$ (383)
30	Interest Expense Offset - LTD	\$ 865,509	36.3700	87.2800	(50.9100)	(0.139479)	\$ (120,720)
31	Interest Expense Offset - STD	\$ 33,487	36.3700	3.0000	33.3700	0.091425	\$ 3,062

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Income Statement

Line	Description (A)	Test Year Amounts (B)	Adjustment Amount (C)	Adjust. No. (D)	As Adjusted (E)
1	Operating Revenue	\$	\$		\$
2	Residential Sales	20,081,123	(14,941,175)	S-1	5,139,948
3	Small General Service	8,940,088	(6,983,599)	S-2	1,956,489
4	Large General Service	1,743,664	(1,496,021)	S-3	247,643
5	Interruptible Sales	0	0	S-4	0
6	Transportation Sales	1,548,421	163,875	S-5	1,712,296
7	Late Payment Charges	5	0	S-6	5
8	Other Operating Revenues	63,872	0	S-7	63,872
9	Total Operating Revenue	\$ 32,377,173	\$ (23,256,920)		\$ 9,120,253
10	Operating Expenses				
11	Operation & Maintenance Expense				
12	Natural Gas Supply Expense	\$ 23,900,997	\$ (23,900,997)	S-8	\$ 0
13	Manufactured Gas Production & Other Gas	\$ 95,403	(95,403)	S-9	0
14	Underground Storage	31	0	S-10	31
15	Other Storage	0	0	S-11	0
16	Transmission	1,811	(1)	S-12	1,810
17	Distribution	1,293,159	(6,594)	S-13	1,286,565
18	Customer Accounts	404,427	369,372	S-14	773,799
19	Customer Service & Information	12,771	0	S-15	12,771
20	Sales	11,762	(5,065)	S-16	6,697
21	Administrative & General	460,207	1,351,171	S-17	1,811,378
22	Total O & M Expense	\$ 26,180,568	\$ (22,287,518)		\$ 3,893,050
23	Other Operating Expenses				
24	Depreciation	\$ 1,374,386	\$ (338,041)	S-18	\$ 1,036,345
25	Amortization	3,801	(192,555)	S-19	(188,754)
26	Taxes Other Than Income Taxes	342,385	246,654	S-20	589,039
27	Total Other Operating Expenses	\$ 1,720,572	\$ (283,942)		\$ 1,436,630
28	Total Operating Expenses	\$ 27,901,140	\$ (22,571,460)		\$ 5,329,680
29	Net Income Before Income Taxes	\$ 4,476,033	\$ (685,460)		\$ 3,790,573

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Income Statement

Line	Description (A)	Test Year Amounts (B)	Adjustment Amount (C)	Adjust. No. (D)	As Adjusted (E)
30	Net Income Before Income Taxes (Fm Pg1)	\$ 4,476,033	\$ (685,460)		\$ 3,790,573
31	Current Income Tax Expense	\$ (316,046)	\$ 1,426,083	S-21	\$ 1,110,037
32	Deferred Income Tax Expense				
33	Deferred Income Tax Expense	\$ 316,046	\$ (316,046)	S-22	\$ 0
34	Deferred ITC Amortization	0	0	S-23	0
35	Total Deferred Income Tax Expense	\$ 316,046	\$ (316,046)		\$ 0
36	Total Income Tax Expense	\$ 0	\$ 1,110,037		\$ 1,110,037
37	Net Operating Income	\$ 4,476,033	\$ (1,795,497)		\$ 2,680,536

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Income Statement

Adj No.	Description	Adjustment Amount	Total Adjustment
Residential Sales S-1			
		\$	\$ (14,941,175)
1	To reflect normal weather. (Meyer)	213,474	
2	To eliminate natural gas costs. (Meyer)	(15,219,541)	
3	To eliminate unbilled revenue. (Meyer)	7,210	
4	To reflect customer annualization. (Meyer)	58,227	
5	To adjust to a 365 day test year (Meyer)	(545)	
Small General Service S-2			
		\$	\$ (6,983,599)
1	To reflect normal weather. (Meyer)	96,394	
2	To eliminate natural gas costs. (Meyer)	(7,135,157)	
3	To eliminate unbilled revenue. (Meyer)	6,925	
4	To reflect customer annualization. (Meyer)	48,668	
5	To adjust to a 365 day test year (Meyer)	(429)	
Large General Service S-3			
		\$	\$ (1,496,021)
1	To annualize customers. (Meyer)	(15,896)	
2	To eliminate natural gas costs. (Meyer)	(1,477,131)	
3	To eliminate unbilled revenue. (Meyer)	(6,327)	
4	To include large customer annualization (Ross)	3,440	
5	To include large customer annualization (Ross)	(107)	
Interruptible Sales S-4			
		\$	\$ 0
1	No adjustment required.	0	
Transportation Sales S-5			
		\$	\$ 163,875
1	To annualize customers. (Meyer)	163,875	
Late Payment Charges S-6			
		\$	\$ 0
1	No adjustment required.	0	
Other Operating Revenues S-7			
		\$	\$ 0
1	No adjustment required.	0	
Natural Gas Supply Expense S-8			
		\$	\$ (23,900,997)
1	To eliminate natural gas costs. (Meyer)	(23,900,997)	

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Income Statement

Adj No	Description	Adjustment Amount	Total Adjustment
Manufactured Gas Production & Other Gas Supply S-9			
1	To eliminate natural gas costs. (Meyer)	\$ (95,403)	\$ (95,403)
Underground Storage S-10			
1	No adjustment required	\$ 0	\$ 0
Other Storage S-11			
1	No adjustment required	\$ 0	\$ 0
Transmission S-12			
1	To annualize payroll. (Hanneken)	\$ (1)	\$ (1)
Distribution S-13			
1	To annualize payroll. (Hanneken)	\$ (1,165)	\$ (1,165)
2	To remove dues and miscellaneous expenses (Hagemeyer)	(2,021)	(2,021)
3	To remove disallowed advertising and promotional expense (Hagemeyer)	(3,408)	(3,408)
Customer Accounts S-14			
1	To annualize payroll. (Hanneken)	\$ (485)	\$ (485)
2	Reserved	265,242	265,242
3	To reflect interest on customer deposits. (Began)	100,394	100,394
4	To annualize postage (Meyer)	4,222	4,222
Customer Service & Information S-15			
1	No adjustment required	\$ 0	\$ 0
Sales S-16			
1	To annualize payroll. (Hanneken)	\$ 0	\$ 0
2	To remove disallowed advertising and promotional expense (Hagemeyer)	(4,977)	(4,977)
3	To remove dues and miscellaneous expenses (Hagemeyer)	(88)	(88)
Administrative & General S-17			
1	To annualize payroll. (Hanneken)	\$ 0	\$ 0
2	To remove lobbying related labor (Hagemeyer)	0	0
3	To reallocate non-utility expense (Hanneken)	(74,264)	(74,264)
4	To adjust Call Center Expense (Hanneken)	15,464	15,464

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Income Statement

Adj No	Description	Adjustment Amount	Total Adjustment
5	To remove Employee Illness Bank (Hanneken)	0	
6	To Remove CSC Incentive (Hagemeyer)	0	
7	To annualize allocated labor (Hanneken)	15,623	
8	To remove All Employee Broadcast (Hanneken)	0	
9	To remove dues and miscellaneous expenses (Hagemeyer)	(120)	
10	To annualize Blueflame Insurance (Hanneken)	0	
11	To annualize allocated O&M (Hanneken)	868,212	
12	To adjust pension expense to reflect FAS 87. (Gibbs)	18,946	
13	Reserved	0	
13	To adjust other employee benefits to reflect FAS 106. (Hagemeyer)	53,891	
14	To reallocate employee benefits (Hagemeyer)	82,482	
15	To remove Cenntennial Project from Expense (Hanneken)	0	
16	To remove Board of Directors costs (Hanneken)	0	
17	To reclassify legal expense - Outside services (Hanneken)	37,283	
18	To adjust Injuries and Damages expense. (Hagemeyer)	183,587	
19	To remove disallowed advertising and promotional expense (Hagemeyer)	(35)	
20	To adjust PSC assessment for true-up. (Hanneken)	78,051	
21	To normalize rate case expense. (Began)	11,954	
22	To annualize insurance expense	60,097	
Depreciation		\$-18	\$ (338,041)
1	To annualize depreciation. (Began)	\$ (9,515)	
2	To annualize capitalized depreciation. (Began)	(60,343)	
3	To annualize the reserve amortization (Rackers)	(268,183)	
Amortization		\$-19	\$ (192,555)
1	To include the stipulated amortization expense reduction)	\$ (192,555)	
2	To adjust expense to reflect the amortization of AAO deferrals.	0	

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Adjustments To Income Statement

Adj. No.	Description	Adjustment Amount	Total Adjustment
3	Reserved	0	
Taxes Other Than Income Taxes S-20			
1	To annualize FICA. (Hanneken)	\$ 37,361	\$ 246,654
3	To annualize property tax expense. (Hanneken)	193,415	
5	To adjust State Franchise Tax. (Hanneken)	15,361	
6	To adjust DOT Tax	517	
Merchandise Sales S-19			
1	No adjustment required	0	0
Current Income Tax Expense S-21			
1	To annualize current income tax expense. (Rackers)	\$ 1,426,083	\$ 1,426,083
Deferred Income Tax Expense S-22			
1	To adjust deferred income tax expense. (Rackers)	\$ (316,046)	\$ (316,046)
Deferred ITC Amortization S-23			
1	No adjustment required	\$ 0	\$ 0

Atmos Energy Corporation - Southeast Missouri Rate District
Case No. GR-2006-0387
Test Year Ending September 30, 2005 Updated Through June 30, 2006

Income Tax

	Description (A)	Test Year (B)	7.13% Return (C)	7.30% Return (D)	7.47% Return (E)
Line					
1	Net Operating Income (Acctg. Sch. 1)	\$ 2,680,536	\$ 1,836,630	\$ 1,880,420	\$ 1,924,211
2	Add:				
3	Current Income Tax	1,110,037	584,218	611,503	638,788
4	Deferred Income Taxes				
5	Deferred Income Tax Expense	0	0	0	0
6	Deferred ITC Amortization	0	0	0	0
7	Net Income Before Taxes (Acctg. Sch. 9)	\$ 3,790,573	\$ 2,420,848	\$ 2,491,923	\$ 2,562,999
8	Subtractions From Net Income Before Taxes				
9	Interest Expense @ 3.49%	\$ 898,996	\$ 898,996	\$ 898,996	\$ 898,996
10	Total Subtractions	\$ 898,996	\$ 898,996	\$ 898,996	\$ 898,996
11	Net Taxable Income	\$ 2,891,577	\$ 1,521,852	\$ 1,592,927	\$ 1,664,003
12	Provision For Federal Income Tax				
13	Net Taxable Income (Page 1)	\$ 2,891,577	\$ 1,521,852	\$ 1,592,927	\$ 1,664,003
14	Deduct:				
15	Missouri Income Tax 100.00%	150,746	79,338	83,044	86,749
16	Federal Taxable Income	\$ 2,740,831	\$ 1,442,514	\$ 1,509,883	\$ 1,577,254
17	Federal Income Tax @ 35.00%	\$ 959,291	\$ 504,880	\$ 528,459	\$ 552,039
18	Provision For Missouri Income Tax				
19	Net Taxable Income (Page 1)	\$ 2,891,577	\$ 1,521,852	\$ 1,592,927	\$ 1,664,003
20	Deduct:				
21	Federal Income Tax 50.00%	479,645	252,440	264,230	276,019
22	Missouri Taxable Income	\$ 2,411,932	\$ 1,269,412	\$ 1,328,697	\$ 1,387,984
23	Missouri Income Tax @ 6.25%	\$ 150,746	\$ 79,338	\$ 83,044	\$ 86,749
24	Summary of Provision For Income Tax				
25	Federal Income Tax	\$ 959,291	504,880	528,459	552,039
26	Missouri Income Tax	150,746	79,338	83,044	86,749
27	Total Income Tax	\$ 1,110,037	\$ 584,218	\$ 611,503	\$ 638,788