



September 19, 2005

TO THE GOVERNING BODY OF ALL MUNICIPALITIES SERVED BY ATMOS ENERGY CORP., MID-TEX DIVISION

Gentlemen:

Enclosed for filing in accordance with the provisions of Section 104.301 of the Texas Utilities Code ("Section 104.301") please find tariffs for gas services provided to customers within your city (the "City") by Atmos Energy Corporation's Mid-Tex Division, (the "Mid-Tex Division" or the "Company"). These tariffs will be effective on November 19, 2005, and are attached within the enclosed filing package in the section designated "Tariffs." Under Section 104.301, as amended, the City is provided the opportunity to review the filing and act before November 19, 2005, to suspend the effective date of these Tariffs for forty-five (45) days after that date.

These tariffs establish an interim rate adjustment in the Mid-Tex Division's monthly customer charge or meter charge effective in the City to recover the cost of new investment in new facilities used to provide gas utility services. These tariffs apply only to the distribution portion of the Mid-Tex Division and will only be in effect until the effective date of implementation of rates resulting from the Company's next rate case. All amounts collected under the adjustments of these tariffs are subject to refund based upon the findings in the next rate case.

The current rates were previously adjusted for investment through December 31, 2003. In this interim rate tariff filing, the Mid-Tex Division is implementing an interim rate adjustment based on the difference between the value of the invested capital for the

Mid-Tex Division as of December 31, 2004 and the value of the invested capital for the Mid-Tex Division as of December 31, 2003, as approved by the Commission in GUD No. 9560.

Also enclosed for filing are additional informational materials:

(a) The Railroad Commission of Texas' Interim Cost Recovery and Rate Adjustment Report ("IRA – TRC" Section).

(b) The Company's calculations of the Interim Cost Recovery and Rate Adjustment Amount ("IRA – Company" Section).

(c) The affidavits of Charles R. Yarbrough attesting to (i) the method and date on which notice will be given, and (ii) relocations. Barbara W. Myers also provides an affidavit which verifies that schedules enclosed are true and correct summaries of the Mid-Tex Division's books and records related to the invested capital for the Mid-Tex Division System ("Affidavits" Section);

(d) The Railroad Commission of Texas' Annual Earnings Monitoring Report ("EMR – TRC" Section).

(e) The Company's calculations demonstrating the earnings during 2004 ("EMR – Company" Section).

(f) The Project Report which describes the investment projects completed and placed in service during 2004 and the investments retired or abandoned during 2004 ("Project Report" Section). The Project Report also states the cost, need, and customers benefited by the change in investment.

(g) The Relocation Project Report which provides additional information about relocation project costs included in the Project Report ("Relocation Project Report" Section).

The Mid-Tex Division will provide notice of this proceeding to affected customers within the City by bill insert within 45 days after filing in accordance with Section 104.301.

Atmos Energy Corporation respectfully requests that the City not suspend consideration of this filing. Instead, we urge the City to allow the interim rate adjustment to go into effect by operation of law. If the City desires to take some definitive action on the filing: we urge the City to approve or deny the filing by November 19, 2005 in order to allow coordinated handling at the Railroad Commission of any appeals.

Respectfully Submitted,

A handwritten signature in black ink that reads "Richard Reis". The signature is written in a cursive, flowing style.

Richard T. Reis
Director of Rates, Atmos Energy Corp., Mid-Tex Division

cc (with enclosures):

Mr. Stephen L. Pitner, Railroad Commission of Texas
Mr. Lindil Fowler: Railroad Commission of Texas
Mr. Ed Abrahamson, Railroad Commission of Texas

ATMOS ENERGY CORP., MID-TEX DIVISION INTERIM RATE ADJUSTMENT

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Tariffs

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- Rate C - Commercial Sales
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Interim Cost Recovery and Rate Adjustment Report - Atmos Energy Corp., Mid-Tex Division ("IRA - Company")

Annual Earnings Monitoring Report - Railroad **Commission** of Texas ("EMR - TRC")

Annual Earnings Monitoring Report - Atmos Energy Corp., Mid-Tex Division ("EMR - Company")

Project Report

Relocation Project Report

Affidavits

- Charles R. Yarbrough, II (2)
- Barbara W. Myers

RATE SCHEDULE: 1	Rate R - Residential Sales	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 1 OF 1

RATE R - RESIDENTIAL SALES**Application**

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below:

Charge	Amount
GUD 9400 Customer Charge	\$ 9.00 per month
Interim Rate Adjustments	\$0.58 per month 1
Total Customer Charge	\$9.58 per month
First 0 Mcf to 3 Mcf	\$1.2390 per Mcf
All Additional Mcf	\$0.9890 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and Pipeline System costs calculated in accordance with Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

RATE SCHEDULE: 2	Rate C - Commercial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 1 OF 1

RATE C - COMMERCIAL SALES

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 3,000 Mcf.

Type of **Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Mcf charges to the amounts due under the riders listed below:

Charge	Amount
GUD 9400 Customer Charge	\$ 15.50 per month
Interim Rate Adjustments	\$1.93 per month ¹
Total Customer Charge	\$ 17.43 per month
First 0 Mcf to 30 Mcf	\$0.7894 per Mcf
Next 320 Mcf	\$0.5394 per Mcf
All Additional Mcf	\$ 0.2894 per Mcf

Gas Cost Recovery: Plus an amount for gas costs and Pipeline System costs calculated in accordance with Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ 2003 Interim Rate Adjustment - \$0.96 2004 Interim Rate Adjustment - \$0.97

RATE SCHEDULE: 3	Rate I - Industrial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 1 OF 2

RATE I - INDUSTRIAL SALES

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Meter and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
GUD 9400 Meter Charge	\$ 150.00 per meter
Interim Rate Adjustments	\$ 73.49 per meter 1
Total Meter Charge	\$ 223.49 per meter
First 0 MMBtu to 1,500 MMBtu	\$0.4882 per MMBtu
Next 3,500 MMBtu	\$ 0.3382 per MMBtu
Next 45,000 MMBtu	\$ 0.1882 per MMBtu
All Additional MMBtu	\$0.0382 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and Pipeline System costs calculated in accordance with Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

1 2003 Interim Rate Adjustment - \$31.85 2004 Interim Rate Adjustment - \$41.64

TARIFF FOR GAS SERVICE

ATMOS ENERGY CORP.,
MID-TEX DIVISION

RATE SCHEDULE: 3	Rate I - Industrial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 2 OF 2

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RATE SCHEDULE: 4	Rate T - Transportation	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 1 OF 2

RATE T - TRANSPORTATION

Application

Applicable, in the event that Company has entered into a Transportation Agreement to a customer directly connected to the Atmos Energy Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Meter and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
GUD 9400 Meter Charge	\$ 150.00 per meter
Interim Rate Adjustments	\$ 73.49 per meter 1
Total Meter Charge	\$223.49 per meter
First 0 MMBtu to 1,500 MMBtu	\$0.4882 per MMBtu
Next 3,500 MMBtu	\$0.3382 per MMBtu
Next 45,000 MMBtu	\$0.1882 per MMBtu
All Additional MMBtu	\$0.0382 per MMBtu

Pipeline Cost Recovery: Plus an amount for Pipeline System costs in accordance with Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

1 2003 Interim Rate Adjustment - \$31.85 2004 Interim Rate Adjustment - \$41.64

TARIFF FOR GAS SERVICE**ATMOS ENERGY CORP.,
MID-TEX DIVISION**

RATE SCHEDULE: 4	Rate T - Transportation	
APPLICABLE TO:	Entire System	REVISION: 1.2 DATE:
EFFECTIVE DATE:		PAGE: 2 OF 2

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in Platts Gas Daily in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Curtailement Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in Platts Gas Daily published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in Platts Gas Daily in the table entitled "Daily Price Survey-" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.



INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT

OF

ATMOS ENERGY CORP., MID-TEX DIVISION

TO THE

RAILROAD COMMISSION OF TEXAS

FOR THE

Twelve Month Period Ending December 31, 2004

Check one:

This is an original submission []

This is a revised submission []

Date of submission : *September 20, 2005*

General Instructions

(this page under construction)

IRA-3 -Summary

Line 1, b Net investment at year 1 is the net investment at the time of the most recent S.O.I. Or the previous GRIP filing.

Line 3, c Rate of return set at most recent S.O.I. Plus increase requested in this GRIP filing (increase of up to .75 basis points).

Line 8, c Total lines 5, 6 and 7.

Lines 18-49 Customer bill comparisons at 6, 30, and 300 mcf with and without gas cost included.

IRA - 5

IRA - 6

IRA - 7

IRA - 10

Total amount on additions page should equal the total of all addition detail pages.

IRA -14

Total amount on retirement page should equal the total of all retirement detail pages.

NOTE: Totals may vary due to rounding.

GENERAL QUESTIONS
ATMOS ENERGY CORP., MID-TEX DIVISION

If additional space is required, please attach pages providing the requested information.

1. State the exact name of the utility.

Atmos Energy Corp., Mid-Tex Division

2. State the date when the utility was originally organized.

December 11,1942

3. Report any change in name during the most recent year and state the effective date.

Name changed from TXU Gas Company to Atmos Energy Corp., Lone Star Division effective October 1, 2004; Name changed from Atmos Energy Corp., Lone Star Division to Atmos Energy Corp., Mid-Tex Division effective December 7,2004.

4. State the name, title, phone number, email address, and office address of the officer of the utility to whom correspondence should be addressed concerning this report.

Charles R. Yarbrough, II, Vice President, Rates and Regulatory Affairs,
214.206.2809, charles.yarbrough@atmosenergy.com, 5420 LBJ Freeway, Suite 1800,
Dallas, Texas 75240

5. State the name, title, phone number, email address, and office address of any other individual designated by the utility to answer questions regarding this report (optional).

Douglas Walther, Senior Counsel, 972.855.3102, douglas.walther@atmosenergy.com,
5430 LBJ Freeway, Suite 1800, Dallas Texas 75240-2601

6. State the location of the office where the Company's accounts and records are kept.

5420 LBJ Freeway, Suite 1800, Dallas Texas 75240

7. IF THIS IS A REVISED REPORT, provide the schedule number, line number, and column designation where each change input data appears.

**NOTICE
ATMOS ENERGY CORP., MID-TEX DIVISION**

1. Attach Notice

Attached are sample copies of the Notices sent to Rate Schedule R, C, and I/T customers.

2. Affidavit that Notice was Provided by Mail-out or Bill Insert

Included in the filing is an Affidavit by Charles R. Yarbrough, II that notice was provided.

CUSTOMER NOTICE

Pursuant to Texas Utilities Code Section 104.301, on September 20, 2005 Atmos Energy Corp., Mid-Tex Division (the "Company"), has filed an application for an interim rate adjustment with the Railroad Commission of Texas. The Company also filed on either September 19 or September 20 comparable applications for an identical interim rate adjustment with each incorporated municipality on its natural gas distribution system. The proposed interim rate adjustment will apply to the Company's entire distribution system and provides a regulated cost recovery for the additional capital investment incurred in 2004. These costs were not previously included in any rates for service.

The Company proposes to increase its customer charges in the amounts listed below. In accordance with Texas Utilities Code Section 104.101, the increase does not constitute a major change in the Company's rates.

Rate Schedules	Adjusted Base Charge	Proposed 2004 Interim Adjustment	Adjusted Charge	Increase Each Bill
Rate R - Residential Sales	\$9.29 per customer per month	\$0.29 per customer per month	\$9.58 per customer per month	\$0.29
Rate C - Commercial Sales	\$16.46 per customer per month	\$0.97 per customer per month	\$17.43 per customer per month	\$0.97

Persons with questions or who want more information about this filing may contact the Company at 1-800-460-3030. A copy of the filing will be posted at the following website: www.atmosenergy.com/grip and will be available for inspection, during normal business hours, at the Company's office located at 5420 LBJ Freeway, Suite 1800, Dallas, Texas, 75240. Persons who live inside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact their respective municipality. Persons who live outside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact the Gas Services Division, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967.

Pursuant to Texas Utilities Code Section 104.301, Atmos Energy Corp., Mid-Tex Division (the "Company"), has filed an application for an interim rate adjustment with the Railroad Commission of Texas and with each incorporated municipality on its natural gas distribution system. The proposed interim rate adjustment will apply to the Company's entire distribution system and provides a regulated cost recovery for the additional capital investment incurred in 2004. These costs were not previously included in any rates for service.

The Company proposes to increase its meter charges in the amounts listed below. In accordance with Texas Utilities Code Section 104.101, the increase does not constitute a major change in the Company's rates.

Rate Schedules	Adjusted Base Charge	Proposed 2004 Interim Adjustment	Adjusted Charge	Increase Each Bill
Rate I - Industrial Sales; Rate T - Transportation	\$181.35 per meter per month	\$41.64 per meter per month	\$223.49 per meter per month	\$41.64 per meter per month

Persons with questions or who want more information about this filing may contact the Company at 1-800-460-3030. A copy of the filing will be posted at the following website: www.atmosenergy.com/grip and will be available for inspection, during normal business hours, at the Company's office located at 5420 LBJ Freeway, Suite 1800, Dallas, Texas, 75240. Customers who receive service inside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact their respective municipality. Customers who receive service outside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact the Gas Services Division, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967.

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The Company proposes to increase its meter charges in the amounts listed below. In accordance with Texas Utilities Code Section 104.101, the increase does not constitute a major change in the Company's rates.

Rate Schedules	Adjusted Base Charge	Proposed 2004 Interim Adjustment	Adjusted Charge	Increase Each Bill
Industrial Sales; Transportation	\$ 181.85 per meter per month	\$41.64 per meter per month	\$223.49 per meter per month	\$41.64 per meter per month

Persons with questions or who want more information about this filing may contact the Company at 1-800-460-3030. A copy of the filing will be posted at the following website: www.atmosenergy.com/grip and will be available for inspection, during normal business hours, at the Company's office located at 5420 LBJ Freeway, Suite 1800, Dallas, Texas, 75240. Customers who receive service inside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact their respective municipality. Customers who receive service outside the boundaries of an incorporated municipality and who wish to contact the regulatory authority having jurisdiction over this filing should contact the Gas Services Division, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967.

SUMMARY
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month Period Ending December 31,2004

Line No.	Description (a)	12131103 Previous Year (b)	Reference (c)	12131104 Current Year (d)	Reference (e)
1	Net Investment	\$ 1,016,873,565	(IRA-7. Ln. 30, Col. l)	\$ 1,045,776,217	(IRA-8, Ln. 30, Col. i)
2	Increase in Net Investment			\$ 28,902,652	(Ln. 1, Col. d) minus (Ln. 1, Col. b)
3	Authorized Return on Capital			8.258%	(IRA-15, Ln. 7, Col. d)
4					
5	Change in Return on Net Investment			\$ 2,386,781	(Ln. 2, Col. d) times (Ln. 3, Col. d)
6	Change in Depreciation Expense			\$ 3,104,904	(IRA-10, Ln. 30, Col. g) plus (IRA-13, Ln. 30, Col. g)
7	Change in Federal. Revenue, and Other Taxes			\$ 1,239,430	(IRA-5, Ln. 3, Col. g) plus (IRA-6. Ln. 22, Col. c)
8	Change in Revenue Requirement			\$ 6,731,115	(Sum Ln. 5 thru 7, Col. d)
9					
10	Annual Number of Bills			17,937,516	(IRA-Company., Sch B, Sum Ln. 22 thru 24, Col. b)
11	increase Per Bill Per Month			See Below	
12	(to be applied to monthly customer charge or initial block rate, check one)				
13	<input checked="" type="checkbox"/> Monthly Customer Charge				
14	<input type="checkbox"/> Initial Block Rate				
15					

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Current and Proposed Bill Information - With Gas Cost				
	Current	Proposed	Difference	% Change
21	Residential Customers:			
22	\$75.71	\$76.00	\$0.29	0.38%
23	Average Monthly Bill* @ 6 mcf			
24				
25	Commercial Customers:			
26	\$335.89	\$336.86	\$0.97	0.29%
27	Proposed Average Monthly Bill' @ 30 mcf			
28				
29	Industrial Customers:			
30	\$3,075.73	\$3,117.37	\$41.64	1.35%
31	Proposed Average Monthly Bill* @ 300 MMBTU			
32				
33	* Calculation includes the Sept. 2005 Rider GCR Factors			

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SUMMARY
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month Period Ending December 31, 2004

	Current	Proposed	Difference	% Change
36				
37				
38				
39				
40	\$15.98	\$12.17	\$0.29	1.81%
41				
42				
43				
44	\$4.54	\$4.1	\$0.97	2.41%
45				
46				
47	\$8.31	\$3.55	\$6.4	12.65%
48				
49				

Current and Proposed Bill Form with Gas Cost

Residential Customers:
 Average Monthly Bill* @ 6 f
 Average Monthly Bill* @ 6 f

Commercial Customers:
 Current Average Monthly Bill* @ 30 mcf
 Proposed Average Monthly Bill* @ 30 mcf

Industrial Customers:
 Current Average Monthly Bill* @ 300 MMBtu
 Proposed Average Monthly Bill* @ 300 MMBtu

TARIFF
ATMOS ENERGY **CORP.**, MID-TEX **DIVISION**

Tariff Placeholder - Include New Interim Rate Adjustment Tariff in Filing Packet.
(link to tariff website: <http://www.rrc.state.tx.us/gastariff/rpts/name.html>)

Proposed Implementation Date: November 19, 2005

Tariffs for Rate Schedules R, C, and I/T customers are included in the filing package in the section marked 'Tariffs.'

REVENUE RELATED AND OTHER TAXES
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month Period Ending December 31, 2004

Line No.	Description	Total	Adjustments (1)	12 Month End As Adjusted (at Present Rates)	Adjustments (2)	12 Month End As Adjusted (at Proposed Rates)	Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Non Revenue - Related						
2							
3	Ad Valorem Tax	\$ 15,261,253	\$ 504,158	\$ 15,765,411	\$ 448,101	\$ 16,213,512	\$ 448,101
4							
5	Revenue - Related						
6							
7	State Gross Receipts - Tax	\$ 14,917,784	Note 3	Note 3	Note 3	Note 3	Note 3
8	Local Gross Receipts - Tax	\$ 33,972,768	Note 3	Note 3	Note 3	Note 3	Note 3
9	Railroad Commission - Gas Utility Tax	\$ 424,800	Note 3	Note 3	Note 3	Note 3	Note 3
10							
11	Total Revenue Related Taxes	\$ 49,315,352	Note 3	Note 3	Note 3	Note 3	Note 3
12							
13							
14	TOTAL TAXES OTHER THAN INCOME	\$ 64,576,605	Note 3	Note 3	Note 3	Note 3	Note 3
15							
16	Notes:						
17	1. Adjustment amount is 1.550% of the net investment amounts included in the Company's 2003 Interim Rate Adjustment.						
18	2. Adjustment amount is 1.550% of the net investment amounts included in the Company's current Interim Rate Adjustment.						
19	3. Revenue-related taxes are recovered through Rider TAX and Rider FF.						

FEDERAL INCOME TAX
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month Period Ending December 31, 2004

Line No.	Description	YEAR 1		YEAR 2		
		(a)	(b)	(c)	(d)	(e)
1	Return on Investment					
2	Invested Capital (Rate Base)	\$	802,239,383	\$	831,142,035	
3	Rate of Return		8.258%		8.258%	
4	Return on Investment			\$	66,248,928	
5					\$	68,635,709
6	Interest Expense					
7	Invested Capital (Rate Base)	\$	802,239,383	\$	831,142,035	
8	Weighted Cost of Debt		3.173%		3.173%	
9	Interest Expense			\$	25,457,543	
10					\$	26,374,713
11	After Tax Income			\$	40,791,386	
12					\$	42,260,996
13	Gross-up Factor		=1+(C17/(1-C17))	1.538461538	=1+(E17/(1-E17))	1.538461538
14						
15	Before Tax Return			\$	62,755,978	
16					\$	65,016,917
17	Federal Income Tax Rate				35%	35%
18						
19	Federal Income Tax			\$	21,964,592	
20					\$	22,755,921
21						
22	CHANGE IN FEDERAL INCOME TAX			\$	791,329	

Investment Detail - Previous
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Per Most Recent Rate Case - GUD Docket No.: 9400 (1)

Line No.	NARUC Account No.	Note: (see note tab)	FERC Account No.	F.E.R.C. Account Titles (2)	Original Cost	RRC Approved Depreciation Rate	Annual Depreciation	Accumulated Depreciation	Net Plant
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1				1. INTANGIBLE PLANT					
2	301-303		301-303	intangible Plant	\$ 25,010,543				
3									
4				5. DISTRIBUTION PLANT					
5	374		374	Land & Land Rights	\$ 2,664,372				
6	375		375	Structures & improvements	1,068,709				
7	376		376	Mains	931,864,358				
8	377		377	Compressor Station Equipment	-				
9	378 & 379		378 & 379	Meas. and Reg. Station Equipment	19,115,036				
10	380		380	Services	415,625,664				
11	381-384		381-384	Meters & House Regulators	166,110,957				
12	385		385	Ind. Meas. & Reg. Station Equipment	-				
13	386 & 387		386 & 387	Other Prop. & Equipment					
14			388	Asset Retirement Costs for Distribution Plant					
15									
16				Subtotal	\$ 1,536,449,096				
17									
18				6. GENERAL PLANT					
19	389		389	Land & Land Rights	\$ 1,801,474				
20	390		390	Structures & Improvements	17,572,537				
21	391		391	Office Furniture & Equipment	6,725,608				
22	392		392	Transportation Equipment	13,183,669				
23	393-396		393-396	Stores, Tools, Lab & Power Equipment	7,572,587				
24	397		397	Communication Equipment	3,182,560				
25	398 & 399		398 & 399	Misc. & Other Equipment	17,781,183				
26			399.1	Asset Retirement Costs for General Plant	-				
27									
28				Subtotal	\$ 67,819,618				
29									
30				TOTAL	\$ 1,629,279,257	3.539%	\$ 57,654,365	\$ 612,405,692	\$ 1,016,873,565

33 Notes:

- 34 1. Adjusted to include investment added per the Company's 2003 interim Rate Adjustment.
 35 2. Only applicable FERC functions are included in the report.

Investment Detail - Current
 ATMOS ENERGY CORP., MID-TEX **DIVISION**
 Twelve Month Period Ending December 31,2004

Line No.	NARUC No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F.E.R.C. Account Titles (1) (d)	Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1				1. INTANGIBLE PLANT					
2	301-303		301-303	Intangible Plant	\$ 27,129,655				
3									
4				6. DISTRIBUTION PCANT					
5	374		374	Land & Land Rights	\$ 2,803,818				
6	375		375	Structures & Improvements	1,099,147				
7	376		376	Mals	978,021,625				
8	377		377	Compressor Station Equipment	-				
9	378 & 379		378 & 379	Meas. and Reg. Station Equipment	20,020,659				
10	380		380	Services	442,607,150				
11	381-384		381-384	Meters & House Regulators	175,122,877				
12	385		385	Ind. Meas. & Reg. Station Equipment	-				
13	386 & 387		386 & 387	Other Prop. & Equipment	-				
14			388	Asset Retirement Costs for Distribution Plant	-				
15									
16				Subtotal	\$ 1,619,675,276				
17									
18				6. GENERAL PLANT					
19	389		389	Land & Land Rights	\$ 1,691,154				
20	390		390	Structures & Improvements	17,138,423				
21	391		391	Office Furniture & Equipment	6,870,606				
22	392		392	Transportation Equipment	13,473,560				
23	393-396		393-396	Stores, Tools, Lab & Power Equipment	7,556,795				
24	397		397	Communication Equipment	3,323,124				
25	398 & 399		398 & 399	Misc. & Other Equipment	20,163,472				
26			399.1	Asset Retirement Costs for General Plant					
27									
28				Subtotal	\$ 70,217,134				
29									
30				TOTAL (2,3)	\$ 1,717,022,066	3.539%	\$ 60,759,269	\$ 671,245,849	\$ 1,045,776,217

32 Notes:

33 1. Only applicable FERC functions are included in the report.

34 2. Original Cost and Accumulated Depreciation reported on this schedule does not equal the per book balances due to adjustments.

35 3. The adjustments are identified on IRA - Company, Schedule A, Lines 1 and 2 of Column (d).

Investment Detail
(Investment To Be Recovered Through interIm **Filing**)
ATMOS ENERGY CORP., MID-TEX DIVISION
Twelve Month Period Ending December **31,2004**

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	FERC Account Titles (1) (d)	Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1				1. INTANGIBLE PLANT					
2	301-303		301-303	Intangible Plant	\$ 2,119,112				
3									
4				5. DISTRIBUTION PLANT					
5	374		374	Land & Land Rights	\$ 139,446				
6	375		375	Structures & Improvements	30,438				
7	376		376	Mains	46,157,267				
8	377		377	Compressor Station Equipment					
9	378 & 379		378 & 379	Meas. and Reg. Station Equipment	905,623				
10	380		380	Services	26,981,486				
11	381-384		381-384	Meters & House Regulators	9,011,920				
12	385		385	Ind. Meas. & Reg. Station Equipment					
13	386 & 387		386 & 387	Other Prop. & Equipment					
14			388	Asset Retirement Costs for Distribution Plant					
15									
16				Subtotal	\$ 83,226,180				
17									
18				6. GENERAL PLANT					
19	389		389	Land & Land Rights	\$ (110,320)				
20	390		390	Structures & Improvements	(434,114)				
21	391		391	Office Furniture & Equipment	144,998				
22	392		392	Transportation Equipment	289,891				
23	393-396		393-396	Stores, Tools, Lab & Power Equipment	(15,792)				
24	397		397	Communication Equipment	140,564				
25	398 & 399		398 & 399	Misc. & Other Equipment	2,382,289				
26			399.1	Asset Retirement Costs for General Plant					
27									
28				Subtotal	\$ 2,397,516				
29									
30				TOTAL	\$ 87,742,809	3.539%	\$ 3,104,904	\$ 58,840,157	\$ 28,902,652

32 Note:

33 1. Only applicable FERC functions are included in the report.

Investment **Detail** - Additlons
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month Period Ending December 31,2004

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	FERC. Account Titles (1) (d)	Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1				1. INTANGIBLE PLANT					
2	301-303		301-303	Intangible Plant	\$ 11,578,167				
3									
4				5. DISTRIBUTION PLANT					
5	374		374	Land & Land Rights	\$ (1,791)				
6	375		375	Structures & Improvements	7,393				
7	376		376	Mains	41,639,947				
8	377		377	Compressor Station Equipment	-				
9	378 & 379		378 & 379	Meas. and Reg. Station Equipment	365,976				
10	380		380	Services	27,351,807				
11	381-384		381-384	Meters & House Regulators	11,839,056				
12	385		385	Ind. Meas. & Reg. Station Equipment					
13	386 & 387		386 & 387	Other Prop. & Equipment					
14			388	Asset Retirement Costs for Distribution Plant					
15									
16				Subtotal	\$ 81,202,388				
17									
18				6. GENERAL PLANT					
19	389		389	Land & Land Rights	\$ -				
20	390		390	Structures & Improvements	451,150				
21	391		391	Office Furniture & Equipment	144,998				
22	392		392	Transportation Equipment	573,038				
23	393-396		393-396	Stores, Tools, Lab & Power Equipment	82,668				
24	397		397	Communication Equipment	116,445				
25	398 & 399		398 & 399	Misc. & Other Equipment	2,306,171				
26			399.1	Asset Retirement Costs for General Plant					
27									
28				Subtotal	\$ 3,674,470				
29									
30				TOTAL	\$ 96,455,025	3.539%	\$ 3,413,198		
31									

32 Note:

33 1. Only applicable FERC functions are included in the report.

**INVESTMENT DETAIL
ATMOS ENERGY CORP., MID-TEX DIVISION
FOOTNOTES**

1. **None.**

INFRASTRUCTUREDETAIL - ADDITIONS
ATMOS ENERGY CORP., MID-TEX **DIVISION**
Twelve Month Period Ending December 31,2004

COMPLETE THE FOLLOWING FOR EACH ASSET:

Asset or ID Number:

Project Reason:

Project Description:

Project Start Date:

Project Completion Date:

Customers Benefited - Geographical

Customers Benefited - **Number/Class**

Total Project Cost Information (MUST EQUAL TOTAL AMOUNT ON ADDITIONS PAGE):

(include name of **company(s)** and amount/type of work performed)

*****SEE PROJECT REPORT FOR **INDIVIDUAL** PROJECT INFORMATION*****

Investment Detail - Retirements
 ATMOS ENERGY CORP., MID-TEX DIVISION
 Twelve Month **Period** Ending December 31, 2004

Line No.	NARUC Account No.	Note: (see note tab)	FERC Account No.	F.E.R.C. Account Titles (1)	Original Cost	RRC Approved Depreciation Rate	Annual Depreciation	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)		(e)	(f)	(g)	(h)	(i)
1				I. INTANGIBLE PLANT					
2	301-303		301-303	Intangible Plant	\$ (9,459,055)				
3									
4				5. DISTRIBUTION PLANT					
5	374		374	Land & Land Rights	\$ 141,237				
6	375		375	Structures & Improvements	23,045				
7	376		376	Mains	4,517,320				
8	377		377	Compressor Station Equipment	-				
9	378 & 379		378 & 379	Meas. and Reg. Station Equipment	539,647				
10	380		380	Services	(370,321)				
11	381-384		381-384	Meters & House Regulators	(2,827,136)				
12	385		385	Ind. Meas. & Reg. Station Equipment	-				
13	386 & 387		386 & 387	Other Prop. & Equipment	-				
14			388	Asset Retirement Costs for Distribution Plant	-				
15									
16				Subtotal	\$ 2,023,792				
17									
18				6. GENERAL PLANT					
19	389		389	Land & Land Rights	\$ (110,320)				
20	390		390	Structures & Improvements	(885,264)				
21	391		391	Office Furniture & Equipment	-				
22	392		392	Transportation Equipment	(283,147)				
23	393-396		393-396	Stores, Tools, Lab & Power Equipment	(98,460)				
24	397		397	Communication Equipment	24,119				
25	398 & 399		398 & 399	Misc. & Other Equipment	76,118				
26			399.1	Asset Retirement Costs for General Plant	-				
27									
28				Subtotal	\$ (1,276,954)				
29									
30				TOTAL	\$ (8,712,216)	3.539%	\$ (308,294)		
31									

32 Note:

33 1. Only applicable FERC functions are included in the report.

**INFRASTRUCTUREDETAIL - RETIREMENTS
ATMOS ENERGY CORP., MID-TEX DIVISION
Twelve Month Period Ending December 31,2004**

COMPLETE THE FOLLOWING FOR EACH ASSET RETIRED:

Asset or ID Number:

Book Value at Retirement Date:

Salvage Value:

Reason for Retirement:

Asset Description:

Retirement Date:

Asset Location:

Customers Benefited - Geographical

Customers Benefited - Number/Class

*******SEE PROJECT REPORT FOR INDIVIDUAL PROJECT INFORMATION*******

WEIGHTED AVERAGE COST OF CAPITAL
 ATMOS ENERGY CORP., MID-TEX DIVISION
 AS OF DECEMBER 31, 2004
 PER MOST RECENT RATE CASE - GUD DOCKET NO. 9400

Per Last Rate Case Docket No. 9400					
Line No.		Investment Balance (a)	Percent of Total (b)	Cost (c)	Weighted Cost (d)
1	Common Equity	\$ 428,042,237	49.8%	10.00%	4.980%
2	Preferred Stock	16,330,929	1.9%	5.51%	0.105%
3	Preferred Trust Securities -				
4	Long-Term Debt	415,149,398	48.3%	6.57%	3.173%
5	Short-Term Debt				
6					
7	Total	\$ 859,522,564	100.0%		8.258%

Rate of Return 8.258% allowed in Docket No. 9400

**ALLOCATION OF INVESTMENT RECOVERY
ATMOS ENERGY CORP., MID-TEX DIVISION**

Allocation Factors Per Rate Case - Docket No. 9400		
Rate R:	0.750502	GUD 9400 Final Order, Schedule F (D), Line 2, Page 2
Rate C:	0.186409	GUD 9400 Final Order, Schedule F (D), Line 2, Page 2
Rate I and Rate T:	0.063089	GUD 9400 Final Order, Schedule F (D), Line 2, Page 2
Total System:	<u>1.000000</u>	

Allocation Factors Requested in this filing		
Rate R:	0.706577	GUD 9560, Final Order, Finding of Fact #46
Rate C:	0.214653	GUD 9560, Final Order, Finding of Fact #46
Rate I and Rate T:	0.078770	GUD 9560, Final Order, Finding of Fact #46
Total System:	<u>1.000000</u>	

New Investment Recovery Distribution		
Requested Recovery Amount	\$	6,731,115 (IRA-3, Ln. 8, Col. d)
Rate R:	0.706577	4,756,051 IRA - Company, Sch A, Ln. 15, Col g
Rate C:	0.214653	1,444,854 IRA - Company, Sch A, Ln. 16, Col g
Rate I and Rate T:	0.078770	530,210 IRA - Company, Sch A, Ln. 17, Col g
Total System	<u>1.000000</u>	<u>\$ 6,731,115</u>

SIGNATURE PAGE
ATMOS ENERGY CORP., MID-TEX DIVISION
RAILROAD COMMISSION OF TEXAS - INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT

I certify that I am the responsible official of Atmos Energy Corp., Mid-Tex Division; that I have examined the foregoing report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from December 31, 2003 to December 31, 2004 inclusive.

I understand until the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, all amounts collected under the tariff or rate schedule before the filing of the rate case are subject to refund.

September 19, 2005
Date


Signature

Vice President, Rates and Regulatory Affairs
Title

Address: 5420 LBJ Freeway, Suite 1800
Dallas, Texas 75240

Phone: 214.206.2809

Email address: charles.yarbrough@atmosenergy.com

Alternative contact regarding this report:

Name: Douglas C. Walther
Title: Senior Counsel

Address: 5430 LBJ Freeway, Suite 1800
Dallas, Texas 75240-2601

Phone: 972.855.3102

Email address: douglas.walther@atmosenergy.com

**ATMOS ENERGY CORP., MID-TEX DIVISION
INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
AS OF DECEMBER 31, 2004**

Note: Totals may vary due to rounding.

Summary

ATMOS ENERGY CORP., MID-TEX DIVISION
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
 AS OF DECEMBER 31, 2004

Change to Customer/Meter Charge for 2004 Interim Rate Adjustment

Line No.	Rate Class (a)	Customer/Meter Charge per GUD 9400 Adjusted (1) (b)	Interim Cost Recovery Adjustment to Monthly Charge (2) (c)	Proposed Customer/Meter Charge (d)
1	Rate Schedule R	\$ 9.29	\$ 0.29	\$ 9.58
2				
3	Rate Schedule C	\$ 16.46	\$ 0.97	\$ 17.43
4				
5	Rate Schedules I and T	\$ 181.85	\$ 41.64	\$ 223.49
6				

Note:

1. Column (b) is GUD 9400 including the 2003 Interim Rate Adjustment as applicable.
2. Column (c) is 2004 Interim Rate Adjustment per the proposed Tariffs for Rate R, C, I and T customers.

**ATMOS ENERGY CORP., MID-TEX DIVISION
INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
AS OF DECEMBER 31, 2004**

Line No.	Description (a)	Total Approved Per GUD 9400 Adjusted At 12/31/03 (1) (b)	Per Book As of 12/31/04 (c)	Adjustments (d)	Per Book Adjusted As of 12/31/04 (e)	Ref (f)	Change in Investment (Col. e - Col. b) (g)
1	Utility Plant Investment	\$ 1,629,279,257	\$ 1,805,736,448	\$ (88,714,382)	\$ 1,717,022,066	2	\$ 87,742,809
2	Accumulated Depreciation	612,405,692	759,443,466	(88,197,616)	671,245,849	2	58,840,157
3	Net Utility Plant Investment	\$ 1,016,873,565	\$ 1,046,292,983	\$ (516,766)	\$ 1,045,776,217		\$ 28,902,652
4							
5							
6	Calculation of the Interim Rate Adjustment Amount:						
7	Return						
8	Depreciation Expense						
9	Property-related Taxes (Ad Valorem)						
10	Revenue-related Taxes						
11	Federal Income Tax						
12	Interim Rate Adjustment Amount						
13							
14	Interim Rate Adjustment Amount times the Allocation Factors:						
15	Rate Schedule R						
16	Rate Schedule C						
17	Rate Schedules I and T						
18	Total						
19							
20	Total Change in Customer/Meter Charge:						
21	Rate Schedule R						
22	Rate Schedule C						
23	Rate Schedules I and T						
24							
25	Notes:						
26	1. Amounts are the approved amounts per GUD 9400 adjusted to include Net Utility Plant Investment included in the Company's 2003 Interim Rate Adjustment.						
27	2. See Workpaper/Schedule A for adjustment details.						
28	3. Revenue-related taxes are recovered through Rider TAX and Rider FF.						

(Sch. A, Ln. 3, Col. g) times (Sch. B, Ln. 1, Col. b) \$ 2,386,781
(Sch. A, Ln. 1, Col. g) times (Sch. B, Ln. 6, Col. b) 3,104,904
(Sch. A, Ln. 3, Col. g) times (Sch. B, Ln. 11, Col. b) 448,101
(Sch. C, Ln. 9, Col. b) 791,329
\$ 6,731,115

(Sch. A, Ln. 12, Col. g) times (Sch. B, Ln. 16, Col. b) \$ 4,756,051
(Sch. A, Ln. 12 Col. g) times (Sch. B, Ln. 17, Col. b) 1,444,854
(Sch. A, Ln. 12, Col. g) times (Sch. B, Ln. 18, Col. b) 530,210
\$ 6,731,115

(Sch. A, Ln. 15, Col. g) divided by (Sch. B, Ln. 22, Col. b) \$ 0.29
(Sch. A, Ln. 16, Col. g) divided by (Sch. B, Ln. 23, Col. b) \$ 0.97
(Sch. A, Ln. 17, Col. g) divided by (Sch. B, Ln. 24, Col. b) \$ 41.64

ATMOS ENERGY CORP., MID-TEX DIVISION
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
 AS OF DECEMBER 31, 2004

Line No.	Description (a)	Total (b)	Reference (c)
1	Return Factor	8.258%	GUD 9400, Schedule G, Line 24, Column (e)
2			
3	Depreciation Expense Factor Calculation:		
4	Total Depreciation Expense	\$ 55,042,990	GUD 9400, Schedule E (D), Line 3, Column (d), Page 7 of 8
5	Invested Capital - Gross Plant	\$ 1,555,483,296	GUD 9400, Schedule E (D), Line 33, Column (d), Page 1 of 8
6	Depreciation Expense Factor	3.539%	Line 4 divided by Line 5
7			
8	Property Tax Factor Calculation:		
9	Property-Related Taxes (Ad Valorem)	\$ 15,261,253	GUD 9400, Schedule E (D), Line 5, Column (d), Page 7 of 8
10	Total Net Plant	\$ 984,355,200	GUD 9400, Schedule E (D), Line 33, Column (d), Page 3 of 8
11	Property Tax Factor	1.550%	Line 9 divided by Line 10
12			
13	Federal Income Tax Factor Calculation (1 / .65) * (.35)	53.84615%	GUD 9400, Schedule M (D), Line 20, Column (f)
14			
15	Allocation Factors		
16	Rate Schedule R	0.706577	GUD 9560, Final Order, Finding of Fact #46
17	Rate Schedule C	0.214653	GUD 9560, Final Order, Finding of Fact #46
18	Rate Schedules I and T	0.078770	GUD 9560, Final Order, Finding of Fact #46
19	Total	1.000000	Sum of Line 16 through Line 18
20			
21	2004 Year-end number of customers times 12 (Rate R and C): 2004 Year-end number of meters times 12 (Rate I and T).		
22	Rate Schedule R	16,430,676	GUD 9560, Final Order, Finding of Fact #49, adjusted to current year
23	Rate Schedule C	1,494,108	GUD 9560, Final Order, Finding of Fact #49, adjusted to current year
24	Rate Schedules I and T	12,732	GUD 9560, Final Order, Finding of Fact #49, adjusted to current year

ATMOS ENERGY CORP., MID-TEX DIVISION
 INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
 AS OF DECEMBER 31, 2004

Line No.	Description (a)	Factors (b)	Reference (c)
1	Cost of Common Equity	\$ 38,332,107	GUD 9400, Schedule G, Line 6, Column (e)
2	Cost of Preferred Stock	805,821	GUD 9400, Schedule G, Line 4, Column (e)
3	Return excluding debt, per GUD 9400	39,137,928	Line 1 plus Line 2
4	Total Invested Capital	769,721,018	GUD 9400, Schedule G, Line 16, Column (e)
5	Return rate excluding debt, per GUD 9400	5.085%	Line 3 divided by Line 4
6	Federal Income Tax Factor	53.84615%	Schedule B, Line 13, Column (b)
7	Federal Income Tax Adjustment Factor	2.738%	Line 5 times Line 6
8	Change in Invested Capital - Net Utility Plant	\$ 28,902,652	Schedule A, Line 3, Column (g)
9	Change in Federal Income Tax	\$ 791,329	Line 7 times Line 8

**ATMOS ENERGY CORP., MID-TEX DIVISION
INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
AS OF DECEMBER 31, 2004**

Line No.	Description (a)	Adjustments (b)	Total Adjustment (c)
1	Utility Plant Investment Adjustments:		
2	a) Reverse Atmos' reinstatement of Poly 1 Pipe replacements, net of retirements,		
3	Poly pipe software, and TXU Business Services capital	\$ (88,714,382)	
4			\$ (88,714,382)
5			
6			
7	Accumulated Depreciation Adjustments:		
8	a) Reverse Atmos' accumulated depreciation for Poly 1 Pipe, net of retirements,		
9	and Poly pipe software	\$ (88,197,616)	
			\$ (88,197,616)



ANNUAL EARNINGS MONITORING REPORT

OF

**ATMOS ENERGY CORP.,
MID-TEX DIVISION**

TO THE

RAILROAD COMMISSION OF TEXAS

FOR THE

Twelve Month Period Ending December 31, 2004

Check one:

This is an original submission []

This is a revised submission []

Date of submission : **September 20, 2005**

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL EARNINGS MONITORING REPORT
AS OF DECEMBER 31, 2004**

Line No.	Description (a)	At Rates At 12/31/02			At Rates At 12/31/04			
		Total (b)	Reference (c)	Adjustment Amount (d)	Total (e)	Reference (f)	Increase/Decrease Amount (g)	Total (h)
1	Total Operating Revenues	\$ 969,966,157	1	\$ (59,560,276)	\$ 910,405,881	2	\$ 336,157,457	\$ 1,246,563,338
2								
3	Operating Expenses:							
4								
5	Gas Cost - Commodity Cost	\$ 459,466,746	1	\$ -	\$ 459,466,746	2	\$ 318,116,555	\$ 777,583,301
6	Operation and Maintenance Expenses	251,789,964	1	(12,215,221)	239,574,743	2	70,708,821	310,283,564
7	Depreciation and Amortization Expense	61,921,258	1	(6,878,268)	55,042,990	2	5,067,025	60,110,015
8	Interest on Customer Deposits	1,472,587	1	-	1,472,587	2	250,340	1,722,927
9	Interest on Customer Advances	124,993	1	-	124,993	2	(118,733)	6,260
10	Taxes Other Than Income Taxes	73,801,939	1	(3,427,568)	70,374,371	2	23,032,920	93,407,291
11								
12	Total Operating Expenses Before	\$ 848,577,487	1	\$ (22,521,057)	\$ 826,056,430	2	\$ 417,056,929	\$ 1,243,113,359
13	Federal Income Taxes							
14								
15	Total Operating Income Before Federal	\$ 121,388,670	1	\$ (37,039,219)	\$ 84,349,451	2	\$ (80,899,472)	\$ 3,449,979
16	Income Taxes							
17								
18	Federal Income Taxes	\$ 30,220,354	1	\$ (9,434,466)	\$ 20,785,888	2	\$ (30,753,685)	\$ (9,967,797)
19								
20	Return on Rate Base	\$ 91,168,316	1	\$ (27,604,753)	\$ 63,563,563		\$ (50,145,787)	\$ 13,417,776
21								
22								
23	Rate Base	\$ 1,013,946,786		\$ (244,225,768)	\$ 769,721,018		\$ 236,464,906	\$ 1,006,185,924
24	Percent Return on Rate Base	8.991%			8.258%			1.334%
25								
26	Notes:							
27	1. Column (b) is the Company's Proposed Cost of Service from GUD 9400. Column (d) is the adjustment to the Proposed Cost of Service needed to							
28	arrive at Column (e) which represents the Cost of Service from the Final Order issued in GUD 9400.							
29	2. Column (g) is the adjustment needed to arrive at the Adjusted 2004 amounts shown in Column (h).							

**SIGNATURE PAGE
ATMOS ENERGY CORP.,
MID-TEX DIVISION
RAILROAD COMMISSION OF TEXAS - INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT**

I certify that I am the responsible official of Atmos Energy Corp., Mid-Tex Division; that I have examined the foregoing report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from December 31, 2002 to December 31, 2004 inclusive.

I understand until the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, all amounts collected under the tariff or rate schedule before the filing of the rate case are subject to refund.

September 19, 2005
Date


Signature

Vice President, Rates and Regulatory Affairs
Title

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**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL EARNINGS MONITORING REPORT
AS OF DECEMBER 31, 2004**

Schedule A

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL EARNINGS MONITORING REPORT
INCOME STATEMENT AT END OF REPORTING PERIOD
AS OF DECEMBER 31, 2004

Line No.	Description (a)	Total Approved Per GUD 9400 (b)		As of 12/31/04		
		Amount (c)	Ref (1) (d)	Adjustments (e)	Ref (2) (f)	Adjusted Amount (g)
1	Annual Revenues	\$ 910,405,881	\$ 1,246,563,338	480-495 (3)	\$ -	\$ 1,246,563,338
2	Operating Expenses:					
3	Gas Cost - Commodity Cost	\$ 459,466,746	777,583,301	800-809	\$ -	\$ 777,583,301
4	Operation and Maintenance Expenses	239,574,743	310,283,564	810-932	-	310,283,564
5	Depreciation and Amortization Expense	55,042,990	60,110,015	403/404/407	-	60,110,015
6	Taxes Other Than Income Taxes	70,374,371	93,407,291	408.1	-	93,407,291
7	Interest on Customers' Deposits and Advances	1,597,580	1,729,187	431	-	1,729,187
8	Total Operating Expenses (Sum of Line 4 through Line 8)	\$ 826,056,431	\$ 1,243,113,359			\$ 1,243,113,359
9	Operating Income before Federal Income Taxes (Line 1 - Line 9)	\$ 84,349,450	\$ 3,449,979			\$ 3,449,979
10						
11	Less: Federal Income Taxes (4)	20,785,888				(9,967,797)
12						
13	Earned Return (Line 11 - Line 13)	63,563,562				13,417,776
14						
15	Allowed Return:					
16	Rate Base (5)	\$ 769,721,018				\$ 1,006,185,924
17	Allowed Rate of Return - GUD 9400	8.258%				8.258%
18	Calculated Allowed Return (Line 18 * Line 19)	\$ 63,563,562				\$ 83,090,834
19						
20	Excess Return (Deficit) (Line 15 - Line 20)					\$ (69,673,058)
21						
22	Allowed Rate of Return - GUD 9400 (Line 19)					8.258%
23	Actual Rate of Return - Year 2004 (Line 15/Line 18)					1.334%
24						
25	Notes:					
26	1. Column (d) references the FERC Account numbers associated with the amounts included in Column (c).					
27	2. The data referenced in Column (f) refers to the source of data for Column (e).					
28	3. Column (c), Line 1 includes amounts reported in FERC Accounts 480 through 495 and Unbilled Revenue.					
29	4. The amount in Column (g) is from Schedule A.1, Column (b), Line 16.					
30	5. The amount in Column (g) is from Schedule B, Column (f), Line 23.					

Schedule A.1

ATMOS ENERGY CORP., MID-TEX DIVISION
 ANNUAL EARNINGS MONITORING REPORT
 FEDERAL INCOME TAX SCHEDULE AT END OF REPORTING PERIOD
 AS OF DECEMBER 31, 2004

Line No.	Description (a)	Adjusted Amount (b)	Reference (c)
1	Total Revenues	\$ 1,246,563,338	Schedule A, Column (g), Line 1
2			
3	Deduct:		
4	Gas Cost - Commodity Cost	\$ 777,583,301	Schedule A, Column (g), Line 4
5	Operation and Maintenance Expenses	310,283,564	Schedule A, Column (g), Line 5
6	Depreciation and Amortization Expense	60,110,015	Schedule A, Column (g), Line 6
7	Taxes Other Than Income Taxes	93,407,291	Schedule A, Column (g), Line 7
8	Interest on Customers' Deposits and Advances	1,729,187	Schedule A, Column (g), Line 8
9	Interest Expense	31,929,399	See Note 1
10	Total Deducts	<u>1,275,042,757</u>	Sum of Lines 4 through 9
11			
12	Book Taxable Income	<u>\$ (28,479,420)</u>	Line 1 - Line 10
13			
14	Tax Rate	35% Statutory Tax Rate	
15			
16	Total Federal Income Taxes	<u>\$ (9,967,797)</u>	Line 12 times Line 14
17			
18	Note:		
19	1. This amount is calculated by applying the weighted cost of debt to the total rate base (Schedule C, Column (e), Line 1		
20	times Schedule C, Column (b), Line 7).		

Schedule B

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL EARNINGS MONITORING REPORT
TOTAL RATE BASE
AS OF DECEMBER 31, 2004

Line No.	Description (a)	Amount per Books (b)	Ref (1) (c)	Adjustments (d)	Ref (2) (e)	Adjusted Amount (f)
1	Net Plant in Service					
2	Utility Plant in Service	\$ 1,805,736,448	101	\$ -	\$	1,805,736,448
3	Accum. Provision for Depreciation and Amort.	759,443,466	108/111	-		759,443,466
4	Net Gas Distribution Plant in Service (Line 2 - Line 3)	\$ 1,046,292,983		\$ -	\$	1,046,292,983
5						
6	Additions:					
7	Materials & Supplies	\$ 2,367,477	154/163	\$ 280,644	5	\$ 2,648,120
8	Prepayments	138,322	165	10,625,333	5	10,763,655
9	Gas Stored Underground	135,147,595	164.1	(135,147,595)	6	-
10	Other (3)	-		-		-
11	Total Additions (Sum of Line 7 through Line 10)	\$ 137,653,394		\$ (124,241,619)		\$ 13,411,776
12						
13	Deductions:					
14	Customer Deposits	\$ 34,536,247	235/253	\$ -	\$	34,536,247
15	Customer Advances for Construction	5,684,535	252/253	-		5,684,535
16	Injuries and Damages Reserve	567,545	228.2	-		567,545
17	Accum. Deferred Income Taxes	(48,510,887)	190/282/283	-		(48,510,887)
18	Other (ITC)	-	190/255	-		-
19	Total Deductions (Sum of Line 14 through Line 18)	\$ (7,722,560)		\$ -		\$ (7,722,560)
20						
21	Total Cash Working Capital (4)	\$ (61,241,394)		\$ -		\$ (61,241,394)
22						
23	Total Rate Base (Line 4 + Line 11 - Line 19 + Line 21)	\$ 1,130,427,543		\$ (124,241,619)		\$ 1,006,185,924
24						

Notes:

- Column (c) references the FERC Account numbers associated with the amounts included in Column (b).
- The information listed in Column (e) refers to the footnote explanation of the adjustment shown in Column (d).
- Line 10 is an input area for adjustments.
- The Cash Working Capital is the amount approved in GUD 9400.
- Adjusted to 13 month averages for 2004.
- Working Gas in Storage (FERC Account 164.1) moved to Pipeline to reflect Final Order classification for rate purposes.

Schedule C

ATMOS ENERGY CORP., MID-TEX DIVISION
 ANNUAL EARNINGS MONITORING REPORT
 WEIGHTED AVERAGE COST OF CAPITAL
 AS OF DECEMBER 31, 2004

Line No.	Description (a)	Balance (b)	Percent of Total (c)	Cost (d)	Weighted Cost [Col. (c) * Col. (d)] (e)
1	Long-Term Debt	\$ 485,987,801	48.3%	6.57%	3.173%
2					
3	Preferred Stock	19,117,533	1.9%	5.51%	0.105%
4					
5	Common Equity	501,080,590	49.8%	10.00%	4.980%
6					
7	Total (Line 1 + Line 3 + Line 5)	\$ 1,006,185,924	100%		8.258%
8					

9 Notes:

10 1. Column (c) is the approved Capital Structure from GUD 9400.

11 2. Column (d) are the approved rates of return from GUD 9400.

