

ORDINANCE NO. 2010-001

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLS, TEXAS ("CITY") APPROVING NEW RATES FOR ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "COMPANY") IN RESPONSE TO THE COMPANY'S THIRD RATE REVIEW MECHANISM ("RRM") FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT JUST AND REASONABLE RATES; EXTENDING THE RRM PROCESS FOR TWO CYCLES AND ADOPTING A NEW RRM TARIFF, INCLUDING COST RECOVERY FOR A STEEL SERVICE LINE REPLACEMENT PROGRAM; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY.

WHEREAS, the City of Bells, Texas ("City") is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, in 2008, the Company implemented a Rate Review Mechanism ("RRM") tariff that allowed for three, annual rate adjustment filings to be made with the City pursuant to an expedited rate review process;

WHEREAS, on or about March 15, 2010, Atmos Mid-Tex filed with the City its third application pursuant to the RRM tariff to increase natural gas base rates on a system-wide basis by approximately \$70.2 million, such increase to be effective in every municipality that has adopted the RRM tariff within its Mid-Tex Division; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, Atmos Mid-Tex has commenced a program to replace steel service lines based on a relative leak repair risk analysis; and

WHEREAS, the City has considered the Company's application and finds it reasonable to: (1) increase system-wide base rate revenues by \$27 million; (2) extend the RRM process, with modifications for an additional two cycles and to thereafter require the filing of a system-wide Statement of Intent rate case on or before June 1, 2013; and (3) allow current recovery of incremental direct costs of the steel service line replacement program in rates set via this ordinance and in future RRM; and

WHEREAS, the attached tariffs implementing new rates ("Attachment A" to this Ordinance) and Atmos Mid-Tex's Proof of Revenues ("Attachment B" to this Ordinance) are just, reasonable, and in the public interest; and

WHEREAS, it is the intention of the parties that if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's Third RRM filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City; and

WHEREAS, the City finds that this resolution of the Company's RRM filing and the resulting rates are, as a whole, in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLS, TEXAS:

Section 1. That the findings set forth in this Ordinance are hereby in all things approved.

Section 2. That the City Council finds the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable and that the new tariffs and Atmos Mid-Tex's Proof of Revenues, which are attached hereto and incorporated herein as Attachments A and B, are just and reasonable and are hereby adopted.

Section 3. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 4. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 6. That if the City determines any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in the Company's Third RRM filing would be more beneficial to the City than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the City.

Section 7. That this Ordinance shall become effective from and after its passage and that the rates authorized by attached Tariffs shall be effective for bills rendered on or after October 1, 2010.

Section 8. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of David Park, Vice President Rates and Regulatory Affairs, at Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240.

PASSED AND APPROVED this 7 day of September, 2010.

Thomas Carter
Mayor

ATTEST:

Josanna Duvell
City Secretary

APPROVED AS TO FORM:

City Attorney



Ord 2010-007

David J. Park
Vice President
Rates & Regulatory Affairs

August 31, 2010

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

On August 31, 2010, Atmos Energy Corp., Mid-Tex Division (the "Company"), filed its Annual Gas Cost Reconciliation Filing for the twelve month period ended June 30, 2010. This report has been prepared in accordance with the Order of the Railroad Commission of Texas under Gas Utilities Docket No. 9400. This report reconciles the Company's expenditures for gas with the billing of those costs to residential, commercial, and industrial customers for the period noted above. This filing is for informative purposes only and no action is required on your city's part.

Enclosed is a copy of the schedules filed with the Commission.


Should you have any questions, please contact me at 214-206-2568.

Sincerely,

A handwritten signature in black ink, appearing to read "D. J. Park".

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010
PREPARED IN ACCORDANCE WITH THE ORDER OF
THE RAILROAD COMMISSION OF TEXAS UNDER
GAS UTILITIES DOCKET NO. 9400

The attached Annual Gas Cost Reconciliation Filing for the period ended June 30, 2010, was prepared by me or under my direct supervision. I hereby certify that the information contained therein is true and correct and that the Filing was prepared in accordance with the order of the Railroad Commission of Texas in Gas Utilities Docket No. 9400.



David J. Park
Vice President
Rates & Regulatory Affairs

Filed: August 31, 2010

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

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**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

CALCULATION OF RECONCILIATION FACTOR

Line No.	Description (a)	Amount (b)	Reference (c)
9-MONTH REFUND PER GUD 9400 (Oct - Jun)			
1	Total Amount to (Refund)/Surcharge	\$ (6,972,652)	Schedule 2, Col. (b), Line 15
2			
3	Total Estimated Rate R, Rate C and Rate I Mcf	118,043,996	Schedule 8, Col. (b), Line 11
4			
5	Reconciliation Factor	<u><u>\$ (0.0591)</u></u>	Line 1 divided by Line 3
5-MONTH ALTERNATIVE PROPOSAL (Nov - Mar)			
6	Total Amount to (Refund)/Surcharge	\$ (6,971,759)	Schedule 2, Col. (c), Line 15
7			
8	Total Estimated Rate R, Rate C and Rate I Mcf	92,484,481	Schedule 8, Col. (c), Line 6
9			
10	Reconciliation Factor	<u><u>\$ (0.0754)</u></u>	Line 1 divided by Line 3
4-MONTH ALTERNATIVE PROPOSAL (Nov - Feb)			
11	Total Amount to (Refund)/Surcharge	\$ (6,971,048)	Schedule 2, Col. (d), Line 15
12			
13	Total Estimated Rate R, Rate C and Rate I Mcf	76,155,429	Schedule 8, Col. (c), Line 5
14			
15	Reconciliation Factor	<u><u>\$ (0.0915)</u></u>	Line 1 divided by Line 3

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

SUMMARY OF (OVER)/UNDER RECOVERY

Line No.	Description (a)	9-Month Per GUD 9400 Amount (b)	5-Month Alternative Proposal Amount (c)	4-Month Alternative Proposal Amount (d)	Reference (f)
1	Gas Cost Incurred	\$ 774,599,521	\$ 774,599,521	\$ 774,599,521	Schedule 3, Col. (c), Line 17
2					
3	Gas Cost Billed	790,350,820	790,350,820	790,350,820	Schedule 5, Col. (e), Line 14
4					
5	Total Gas Cost (Over)/Under Recovered	\$ (15,751,299)	\$ (15,751,299)	\$ (15,751,299)	Line 1 minus Line 3
6					
7	Amount Remaining from Previous Filing	5,835,983	5,835,983	5,835,983	Schedule 9, Col. (b), Line 7
8					
9	Net Gas Cost Written Off (1)	3,094,823	3,094,823	3,094,823	Schedule 6, Col. (h), Line 13
10					
11	Balance from 9530 Refund	(78,556)	(78,556)	(78,556)	Reference, Note (2)
12					
13	Interest	(73,604)	(72,710)	(71,999)	Schedule 7, Col. (f), (i), Line 27
14					
15	Total Amount to (Refund)/Surcharge	\$ (6,972,652)	\$ (6,971,759)	\$ (6,971,048)	Line 5 plus Line 7 plus Line 9 plus Line 11 plus Line 13
16					
17					

Note:

(1) For the period July 1, 2009 - June 30, 2010.

(2) Balance on refund remaining from GUD 9530. This is included per Section 7 of the Unanimous Settlement Agreement attached to the Final Order.

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

GAS COST INCURRED

Line No.	FERC Account	Description (b)	Amount (c) Schedule 4, Col. (n)
1	800	Natural Gas Well Head Purchases	\$ (36,968)
2	801	Natural Gas Field Line Purchases	21,465
3	802	Natural Gas Gasoline Plant Outlet Purchases	9,632,459
4	803	Natural Gas Transmission Line Purchases	727,709,376
5	805	Other Gas Purchases	(227,281)
6	806	Exchange Gas	360,851
7	808.1	Gas Withdrawn From Storage - Debit	89,463,557
8	808.2	Gas Delivered To Storage - Credit	(51,342,972)
9	812	Gas Used for Other Utility Operations - Credit	(114,174)
10	858	Transmission and Compression of Gas by Others	348,848
11			
12			
13		Total Gas Cost Incurred	\$ 775,815,161
14			
15	805	Less: Total Imbalance Fees (1)	1,215,640
16			
17		Total Gas Cost Less Imbalance Fees	\$ 774,599,521
18			
19			

Note:
1. Reference Schedule 4, Line 16.

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010

GAS COST INCURRED - BY MONTH

Line No.	FERC Account (a)	Jul-09 (b)	Aug-09 (c)	Sep-09 (d)	Oct-09 (e)	Nov-09 (f)	Dec-09 (g)
1	800 - Natural Gas Well Head Purchases	\$ 4,890	\$ 6,242	\$ 10,485	\$ 1,438	\$ (3,087)	\$ (169)
2	801 - Natural Gas Field Line Purchases	-	-	-	-	-	-
3	802 - Natural Gas Gasoline Plant Outlet Purchases	1,064,870	1,017,118	997,746	1,030,955	981,994	1,039,223
4	803 - Natural Gas Transmission Line Purchases	19,687,247	18,687,943	16,234,561	31,865,192	39,526,119	142,796,072
5	805 - Other Gas Purchases-CNG Charges	-	7,411	-	-	-	-
6	805 - Other Gas Purchases-Recovery of Gas Loss	(13,949)	(34,674)	(19,286)	(33,113)	(23,329)	(19,689)
7	806 - Exchange Gas	(384,779)	(1,210,034)	(780,635)	2,712,445	(448,146)	4,019,014
8	808.1 - Gas Withdrawn From Storage - Debit	-	-	-	-	3,781,342	24,518,437
9	808.2 - Gas Delivered To Storage - Credit	(5,270,186)	(4,960,804)	(4,239,391)	(5,908,130)	(175,781)	(1,048,191)
10	812 - Gas Used for Other Utility Operations - Credit	(4,780)	(2,911)	(4,449)	(4,083)	(6,574)	(15,498)
11	858 - Transmission and Compression of Gas by Others	-	-	-	-	16,506	38,184
12							
13							
14	Total Gas Cost Incurred	\$ 15,083,312	\$ 13,510,292	\$ 12,199,031	\$ 29,664,704	\$ 43,649,044	\$ 171,327,383
15							
16	Total Imbalance Fees (1)	\$ 74,743	\$ 89,204	\$ 196,670	\$ 63,900	\$ 117,405	\$ 83,974
17							
18							
19	Total Gas Cost Less Imbalance Fees	\$ 15,008,569	\$ 13,421,088	\$ 12,002,361	\$ 29,600,804	\$ 43,531,639	\$ 171,243,409
20							
21							
22	Note:						
23	1. Excluded pursuant to Railroad Commission letter directive, March 3, 2006.						

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010

GAS COST INCURRED - BY MONTH

Line No.	FERC Account (a)	Jan-10 (h)	Feb-10 (i)	Mar-10 (j)	Apr-10 (k)	May-10 (l)	Jun-10 (m)	Amount (n)
1	800 - Natural Gas Well Head Purchases	\$ 1,131	\$ -	\$ -	\$ -	\$ (98,130)	\$ 40,232	\$ (36,968)
2	801 - Natural Gas Field Line Purchases	-	-	-	-	21,460	5	21,465
3	802 - Natural Gas Gasoline Plant Outlet Purchases	1,058,484	933,545	(224,725)	727,375	517,248	488,627	9,632,459
4	803 - Natural Gas Transmission Line Purchases	157,614,140	148,046,281	66,501,325	33,199,516	28,214,828	25,336,154	727,709,376
5	805 - Other Gas Purchases-CNG Charges	68	-	-	516	814	-	8,810
6	805 - Other Gas Purchases-Recovery of Gas Loss	(15,774)	(12,411)	(15,782)	(21,685)	(16,713)	(9,686)	(236,091)
7	806 - Exchange Gas	(9,925,831)	9,584,248	(4,819,100)	(12,738)	(100,561)	1,726,968	360,851
8	808.1 - Gas Withdrawn From Storage - Debit	19,250,974	25,456,082	16,456,734	(12)	-	-	89,463,557
9	808.2 - Gas Delivered To Storage - Credit	(2,971,712)	(2,695,130)	(151,355)	(7,652,027)	(7,946,036)	(8,324,229)	(51,342,972)
10	812 - Gas Used for Other Utility Operations - Credit	(24,897)	(18,289)	(14,106)	(11,938)	(2,975)	(3,674)	(114,174)
11	858 - Transmission and Compression of Gas by Others	76,914	82,897	71,155	45,884	17,308	-	348,848
12								
13								
14	Total Gas Cost Incurred	\$ 165,063,497	\$ 181,377,222	\$ 77,804,146	\$ 26,274,892	\$ 20,607,243	\$ 19,254,397	\$ 775,815,161
15								
16	Total Imbalance Fees (1)	\$ 158,704	\$ 173,662	\$ 104,472	\$ 114,931	\$ 78,805	\$ (40,829)	\$ 1,215,640
17								
18								
19	Total Gas Cost Less Imbalance Fees	\$ 164,904,793	\$ 181,203,560	\$ 77,699,674	\$ 26,159,961	\$ 20,528,438	\$ 19,295,226	\$ 774,599,521
20								
21								
22								
23	Note: 1. Excluded pursuant to Railroad Commission letter directive, March 3, 2006.							

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

GAS COST BILLED

Line No.	Month-Yr (a)	Billed Volumes/Quantities			Total Gas Cost Recovered (1) (e)
		Rate R (Mcf) (b)	Rate C (Mcf) (c)	Rate I (MMBtu) (d)	
1	July-09	2,026,903	2,351,955	120,804	\$ 17,633,199
2	August-09	1,887,331	2,288,478	129,178	21,623,437
3	September-09	1,701,716	2,085,621	131,458	19,592,143
4	October-09	2,589,166	2,594,395	190,988	26,918,393
5	November-09	4,505,729	3,389,922	235,264	51,734,708
6	December-09	13,866,504	6,750,102	469,146	121,191,840
7	January-10	21,358,465	10,192,877	689,745	185,392,606
8	February-10	18,069,182	8,734,383	515,453	143,456,426
9	March-10	15,230,549	7,850,254	197,415	116,624,529
10	April-10	6,394,173	4,403,248	211,630	46,563,176
11	May-10	2,843,768	2,905,686	148,151	22,065,792
12	June-10	2,101,414	2,429,243	156,577	17,554,570
13					
14	Total	92,574,900	55,976,164	3,195,809	\$ 790,350,820
15					
16					
17					
18	Note:				
19	1. Reference Workpaper WP/Billed Gas Cost, column (i).				

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

**SUMMARY OF NET GAS COST WRITTEN OFF
All Areas For The Period of July, 2009 - June, 2010**

Line No.	Month-Yr (a)	Gas Cost Written Off (b)	Margin Written Off (c)	Tax and Other Written Off (d)	Total Written Off (e)=(b)+(c)+(d)	Gas Cost Collected (f)	Margin Collected (g)	Net (h)=(b)+(f)	Cumulative Net (i)
1	July-09	727,104	616,821	27,648	1,371,573	(25,479)	(90,511)	701,626	701,626
2	August-09	468,039	890,599	19,443	1,378,081	(24,980)	(109,507)	443,059	1,144,684
3	September-09	282,293	414,746	13,415	710,455	(31,838)	(109,604)	250,455	1,395,139
4	October-09	178,501	359,212	11,209	548,923	(64,662)	(177,616)	113,839	1,508,979
5	November-09	92,859	208,144	6,813	307,816	(73,445)	(192,049)	19,414	1,528,392
6	December-09	84,049	213,895	6,435	304,380	(66,450)	(186,684)	17,600	1,545,992
7	January-10	84,790	205,101	6,393	296,285	(43,257)	(167,549)	41,533	1,587,525
8	February-10	116,743	201,604	7,060	325,407	(50,893)	(203,833)	65,851	1,653,375
9	March-10	147,103	229,724	9,068	385,895	(40,901)	(141,376)	106,202	1,759,578
10	April-10	337,182	372,057	15,000	724,240	(28,385)	(88,518)	308,797	2,068,374
11	May-10	559,626	483,870	18,937	1,062,433	(23,075)	(82,223)	536,551	2,604,925
12	June-10	532,554	399,646	16,607	948,807	(42,656)	(83,536)	489,898	3,094,823
13	Total	\$ 3,610,844	\$ 4,595,420	\$ 158,029	\$ 8,364,293	\$ (516,021)	\$ (1,633,008)	\$ 3,094,823	

14
15
16 Note:
17 1. Amounts in columns (b) Gas Cost Written Off and (f) Gas Cost Collected relate to customer bills rendered on or after February 1, 2008. For purposes of
18 this filing only, the Company does not seek recovery of bad debt gas cost for bills rendered prior to February 1, 2008 because Rider GCR part A costs were
19 not accounted for separately in the Company's billing system prior to February 1, 2008. Therefore, any gas cost related to bills issued prior to
20 February 1, 2008 will be included in columns (c) Margin Written Off and (g) Margin Collected.

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010

INTEREST CALCULATION

Line No.	Month/Year (a)	9-Month Per GUD 9400			Interest Rate (2)	5-Month Alternative Proposal			4-Month Alternative Proposal		
		Monthly (Over)/ Under Recovery (1) (b)	Amount of (Refund)/ Surcharge (3) (c)	Monthly Interest (4) (d)		Cumulative (Over)/ Under Recovery (g)	Amount of (Refund)/ Surcharge (5) (h)	Monthly Interest (4) (i)	Cumulative (Over)/ Under Recovery (j)	Amount of (Refund)/ Surcharge (6) (k)	Monthly Interest (4) (l)
1	July-09	\$ (1,923,004)	\$ (1,923,004)	2.090%	\$ (3,413)	\$ (1,923,004)	\$ (3,413)	\$ (1,923,004)	\$ (3,413)	\$ (3,413)	
2	August-09	(7,759,291)	(9,682,295)	2.090%	(17,187)	(9,682,295)	(17,187)	(9,682,295)	(17,187)	(17,187)	
3	September-09	(7,339,327)	(17,021,622)	2.090%	(29,240)	(17,021,622)	(29,240)	(17,021,622)	(29,240)	(29,240)	
4	October-09	2,796,250	(14,225,372)	2.090%	(25,251)	(14,225,372)	(25,251)	(14,225,372)	(25,251)	(25,251)	
5	November-09	(8,183,655)	(22,409,028)	2.090%	(38,494)	(22,409,028)	(38,494)	(22,409,028)	(38,494)	(38,494)	
6	December-09	50,069,168	27,660,140	2.090%	49,099	27,660,140	49,099	27,660,140	49,099	49,099	
7	January-10	(20,446,280)	7,213,860	0.340%	2,083	7,213,860	2,083	7,213,860	2,083	2,083	
8	February-10	37,812,985	45,026,845	0.340%	11,744	45,026,845	11,744	45,026,845	11,744	11,744	
9	March-10	(38,818,653)	6,208,192	0.340%	1,793	6,208,192	1,793	6,208,192	1,793	1,793	
10	April-10	(20,094,418)	(13,886,227)	0.340%	(3,881)	(13,886,227)	(3,881)	(13,886,227)	(3,881)	(3,881)	
11	May-10	(1,000,803)	(14,887,030)	0.340%	(4,299)	(14,887,030)	(4,299)	(14,887,030)	(4,299)	(4,299)	
12	June-10	2,230,554	(12,656,475)	0.340%	(3,537)	(12,656,475)	(3,537)	(12,656,475)	(3,537)	(3,537)	
13	Beg. Balance Prior Filing (7)	5,835,983	(6,820,492)	0.340%	-	(6,820,492)	-	(6,820,492)	-	-	
14	July-10		(6,820,492)	0.340%	(1,970)	(6,820,492)	(1,970)	(6,820,492)	(1,970)	(1,970)	
15	August-10		(6,820,492)	0.340%	(1,970)	(6,820,492)	(1,970)	(6,820,492)	(1,970)	(1,970)	
16	September-10		(6,820,492)	0.340%	(1,906)	(6,820,492)	(1,906)	(6,820,492)	(1,906)	(1,906)	
17	October-10		(6,523,498)	0.340%	(1,884)	(6,523,498)	(1,884)	(6,820,492)	(1,970)	(1,970)	
18	November-10		(6,053,826)	0.340%	(1,692)	(6,221,019)	(1,738)	(6,820,492)	(1,703)	(1,703)	
19	December-10		(4,988,438)	0.340%	(1,440)	(4,861,194)	(1,404)	(4,441,087)	(1,651,394)	(1,282)	
20	January-11		(3,500,581)	0.340%	(1,011)	(2,962,145)	(855)	(2,306,239)	(2,306,239)	(616)	
21	February-11		(2,123,295)	0.340%	(554)	(1,204,226)	(314)	-	-	-	
22	March-11		(1,179,815)	0.340%	(341)	-	-	-	-	-	
23	April-11		(638,647)	0.340%	(176)	-	-	-	-	-	
24	May-11		(260,672)	0.340%	(75)	-	-	-	-	-	
25	June-11		(0)	0.340%	(0)	-	-	-	-	-	
26											
27	Total	\$ (6,820,492)	\$ (6,820,492)		\$ (73,604)	\$ (6,820,492)	\$ (72,710)	\$ (6,820,492)	\$ (6,820,492)	\$ (71,999)	

Notes:
 1. Reference Schedule 4 (Gas Cost Incurred), Line 19 (by month) minus Schedule 5 (Gas Cost Billed), column (e) by month plus Schedule 6 (Net Gas Cost Written Off), column (h) by month.
 2. Interest rate is based on the PUCT/RRC rate on customer deposits.
 3. Reference Schedule 8, column (b) by month divided by Schedule 8, line 11 multiplied by Schedule 7 line 27, column (b).
 4. The monthly interest amount is calculated by taking column (c) x column (d), divided by 365 days in the year x the total number of days in each month.
 5. Reference Schedule 8, column (b) by month divided by Schedule 8, column (c) line 6 multiplied by Schedule 7 line 27, column (b).
 6. Reference Schedule 8, column (b) by month divided by Schedule 8, column (c) line 5 multiplied by Schedule 7 line 27, column (b).
 7. Reference Schedule 9.

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

ESTIMATED VOLUME CALCULATION FOR (REFUND)/SURCHARGE

Line No.	Month-Yr (a)	Total Estimated Volume (1) (b)	Volume Sub- Totals (c)	Time Periods (d)
1	October-09	5,140,156		
2	November-09	8,128,737		
3	December-09	18,438,941		
4	January-10	25,750,722		
5	February-10	23,837,029	76,155,429	4-month Sub-Total (Nov.-Feb.)
6	March-10	16,329,052	92,484,481	5-month Sub-Total (Nov.-Mar.)
7	April-10	9,366,133		
8	May-10	6,541,703		
9	June-10	4,511,523		
10				
11	Total for 9 months	<u>118,043,996</u>		
12				
13				
14				
15				

Note:

1. Source - MidTex 2011 Forecasted Volumes from Mid-Tex Finance

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

SUMMARY OF (OVER)/UNDER RECOVERY FROM PREVIOUS FILING

Line No.	Description (a)	Amount (b)	Reference (c)
1	Prior (Over)/Under Gas Cost Recovery	\$ (17,804,767)	Prior Gas Cost Reconciliation
2			
3	Amount Refunded to Customers	24,770,475	For the Periods November, 2009 through March, 2010
4			
5	Interest	<u>(1,129,725)</u>	
6			
7	Total Amount to (Refund)/Surcharge from Previous Filing	\$ <u>5,835,983</u>	

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

LOST AND UNACCOUNTED FOR GAS ("LUG") CALCULATION

Line No.	Description (a)	Mcf or Percent (b)	Reference (c)
1	Net Purchase Volume	155,877,401	WP/LUG-Related Mcf Col (d), Ln 13
2	Less: Total Sales Volume	151,706,930	WP/LUG-Related Mcf Col (h), Ln 13
3	Less: Company Use Volume	22,904	WP/LUG-Related Mcf Col (i), Ln 13
4	LUG Volume	<u>4,147,567</u>	Line 1 minus Lines 2 and 3
5	LUG Percent	<u><u>2.66%</u></u>	Line 4 divided by Line 1

WORKPAPERS

ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010

GAS COST BILLED - BY MONTH

Line No.	Month-Yr (a)	Rate R		Rate C		Rate I		Total Billed	
		Volume (b)	Amount (c)	Volume (d)	Amount (e)	Volume (f)	Amount (g)	Volume (h)	Amount (i)
1	Jul-09	2,026,903.4	\$ 7,916,238.50	2,351,954.5	\$ 9,260,543.86	120,804.0	\$ 456,416.48	4,499,661.9	\$ 17,693,198.84
2	Aug-09	1,887,331.4	\$ 9,498,294.70	2,268,477.5	\$ 11,507,056.70	128,178.0	\$ 618,085.65	4,304,986.9	\$ 21,623,437.05
3	Sep-09	1,701,715.5	\$ 8,515,500.52	2,085,820.9	\$ 10,436,808.95	131,456.0	\$ 639,833.79	3,918,794.4	\$ 19,592,143.27
4	Oct-09	2,589,166.1	\$ 12,971,281.94	2,594,394.8	\$ 13,014,832.55	190,988.0	\$ 932,278.63	5,374,548.9	\$ 26,918,393.12
5	Nov-09	4,505,729.1	\$ 28,611,232.76	3,389,922.3	\$ 21,674,405.82	235,264.0	\$ 1,449,069.24	8,130,915.4	\$ 51,794,707.82
6	Dec-09	13,866,504.3	\$ 79,729,694.34	6,750,101.7	\$ 38,821,341.83	469,146.0	\$ 2,640,804.19	21,085,752.0	\$ 121,191,840.36
7	Jan-10	21,358,465.1	\$ 122,817,320.27	10,192,877.0	\$ 58,700,717.61	689,745.0	\$ 3,874,568.51	32,241,087.1	\$ 185,392,606.39
8	Feb-10	18,069,181.5	\$ 94,864,171.46	8,734,383.3	\$ 45,928,363.72	515,453.0	\$ 2,663,890.80	27,319,017.8	\$ 143,456,425.98
9	Mar-10	15,230,549.1	\$ 76,358,855.84	7,850,254.3	\$ 39,415,651.67	197,415.0	\$ 830,021.79	23,278,218.4	\$ 116,624,529.30
10	Apr-10	6,394,173.1	\$ 27,020,278.71	4,403,248.2	\$ 18,655,078.20	211,630.0	\$ 887,819.16	11,009,051.3	\$ 46,563,176.07
11	May-10	2,843,767.7	\$ 10,627,461.62	2,905,686.1	\$ 10,912,878.77	148,151.0	\$ 525,451.85	5,897,604.8	\$ 22,065,792.24
12	Jun-10	2,101,413.5	\$ 7,865,176.19	2,429,243.0	\$ 9,116,320.83	156,577.0	\$ 573,072.58	4,687,233.5	\$ 17,554,569.60
13	Grand Total	92,574,899.8	\$ 486,795,506.36	55,976,163.6	\$ 287,444,000.50	3,195,809.0	\$ 16,111,312.67	151,745,872.4	\$ 790,350,820.04

**ATMOS ENERGY CORP., MID-TEX DIVISION
ANNUAL GAS COST RECONCILIATION FILING
FOR THE PERIOD ENDED JUNE 30, 2010**

LUG-RELATED VOLUMES/QUANTITIES - BY MONTH

Line No.	Month-Yr (a)	Net Purchases				Billed Volumes/Quantities					Company Use Mcf (i)
		Net Purchase MMBtu (b)	Btu Factor (c)	Net Purchase Mcf (d)	Rate R (Mcf) (e)	Rate C (Mcf) (f)	Industrial (Mcf) (g)	Total (Mcf) (h)			
1	July-09	4,287,826	1.012	4,236,220	2,026,903	2,351,955	118,218	4,497,076	1,236		
2	August-09	4,071,646	1.014	4,016,582	1,887,331	2,288,478	126,305	4,302,114	579		
3	September-09	4,309,565	1.015	4,247,378	1,701,716	2,085,621	129,060	3,916,396	890		
4	October-09	7,733,617	1.012	7,640,909	2,589,166	2,594,395	188,242	5,371,803	815		
5	November-09	9,603,833	1.010	9,511,184	4,505,729	3,389,922	233,097	8,128,748	1,074		
6	December-09	32,740,953	1.008	32,468,680	13,866,504	6,750,102	463,963	21,080,569	2,807		
7	January-10	28,488,980	1.008	28,250,705	21,358,465	10,192,877	684,423	32,235,765	4,509		
8	February-10	33,681,734	1.010	33,362,093	18,069,182	8,734,383	509,297	27,312,862	3,642		
9	March-10	15,961,894	1.010	15,802,048	15,230,549	7,850,254	193,000	23,273,803	2,949		
10	April-10	6,769,829	1.007	6,722,097	6,394,173	4,403,248	209,266	11,006,687	2,630		
11	May-10	5,131,420	1.006	5,101,420	2,843,768	2,905,686	146,587	5,896,041	793		
12	June-10	4,555,878	1.008	4,518,085	2,101,414	2,429,243	154,409	4,685,066	980		
13	Total	157,337,175		155,877,401	92,574,900	55,976,164	3,155,867	151,706,930	22,904		

CITY OF BELLS

ORDINANCE NO. 2010-002

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF BELLS, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011; ADOPTING THE ANNUAL BUDGET OF THE CITY OF *Bells,* , TEXAS FOR THE 2010-2011 FISCAL YEAR.

WHEREAS, the mayor of the City of Bells, Texas has theretofore filed with the City Secretary a proposed budget for the city covering the fiscal year October 1, 2010 through September 30, 2011; and

WHEREAS, the governing body of the city has this date concluded its public hearing on said budget;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLS, TEXAS THAT:

SECTION 1: That the appropriations for the Fiscal year beginning October 1, 2010 and ending September 30, 2011, for the support of the general government of the City of Bells, Texas be fixed and determined for said terms in accordance with the expenditures shown in the City's Fiscal Year 2010-2011 Budget, a copy of which is appended hereto:

SECTION 2: That the Budget is hereby approved in all respects and adopted as the City's Budget for the Fiscal year beginning October 1, 2010 and ending September 30, 2011.

The approved Balanced Budget total is \$1,111,646.00

Administrative Fund	\$618,346.00
Water and Sewer Fund	\$493,300.00

DULY PASS by the City Council of the City of Bells, Texas on this the 22nd, day of September 2010.



Thomas Carter, Mayor

ATTEST


Joanna Duevel, City Secretary