

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

The Final Report of Atmos Energy Corporation on Its)
Hedging Program for the 2004-2005 Heating Season) Case No.
And Motion to Conduct a Hedging Program for the 2005-) 2005-00175
2006 Heating Season)

**PETITION FOR CONFIDENTIALITY OF
SCHEDULES TO ATMOS'S FINAL HEDGING REPORT**

Atmos Energy Corporation ("Atmos Energy"), respectfully petitions the Kentucky Public Service Commission ("Commission"), pursuant to 807 KAR 5:001, Section 7, and all other applicable law, for confidential treatment of the attached schedules to Atmos Energy's Final Hedging Report for the 2004-2005 heating season.

1. On July 20, 2004 the Commission entered an Order in this proceeding approving Atmos Energy's hedging program for the 2004-2005 heating season. The Commission's Order further directed Atmos Energy to file a final hedging report within thirty (30) days of March 31, 2005 end of the heating season. Atmos Energy filed its interim report with the Commission on or about November 30, 2004.

2. The attachments to this Petition contain sensitive pricing information and confidential information about Atmos Energy's hedging strategies. Atmos Energy's hedging strategies (including the prices Atmos Energy would likely pay for hedging contracts under various market conditions) constitutes sensitive, proprietary information which if publicly disclosed could put Atmos Energy at a commercial disadvantage in

future hedging negotiations. Prospective brokers of hedging devices would gain insight into how Atmos Energy is likely to react to changing market conditions in terms of what Atmos Energy might be willing to pay for hedging contracts. This information would not otherwise be available. Although the full extent to which Atmos Energy would be disadvantaged in future negotiations is difficult to predict, it is clear that Atmos Energy would likely be disadvantaged in future negotiations if the information contained in the attached schedules is made public.

3. Atmos Energy would not, as a matter of company policy, disclose information like that contained in the attached schedules to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos Energy's internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the attached schedules is not disclosed to any personnel of Atmos Energy except those who need to know in order to discharge their responsibility. Atmos Energy has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry. The Commission has historically granted Atmos Energy confidential protection to information concerning the actual price being paid by Atmos Energy to individual marketing companies and other suppliers of natural gas.

4. There is no significant interest in public disclosure of the information contained in the attached schedules. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

5. The information contained in the attached schedules is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of

KRS 265.880: (a) the economic value of the information is derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure and (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of this information is derived by Atmos Energy maintaining the confidentiality of the information since prospective brokers could obtain economic value by its disclosure.

6. Pursuant to 807 KAR 5:001, Section 7 (3), temporary confidentiality of the attached schedules should be maintained until the Commission enters an order as to this Petition. Once the order regarding confidentiality has been issued, Atmos Energy would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:0001, Section 7 (4).

WHEREFORE, Atmos Energy petitions the Commission to treat as confidential all of the material and information which is included in the attached Exhibit "A" marked CONFIDENTIAL.

Respectfully submitted this 27 day of April, 2005.



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VERIFICATION

I, Gary L. Smith, being duly sworn under oath state that I am Vice President of Marketing and Regulatory Affairs for Atmos Energy Corporation, and that the statements contained in the foregoing Petition are true as I verily believe.



Gary L. Smith

CERTIFICATE OF SERVICE

I hereby certify that on the 28 day of April, 2005, the original of this Petition, with the Confidential Information for which confidential treatment is sought, together with ten (10) copies of the Petition without the confidential information, were filed with the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602,



Mark R. Hutchinson