

**Dear Valued Atmos Energy Customer:**

Pursuant to the Public Utilities Commission of the State of Colorado Rules 4750 through 4760 the following DEMAND SIDE MANAGEMENT notification is given.



You are receiving this notice because you are an Atmos Energy Corporation (“Company”) sales customer. This provides you with information about the Company’s recent application filed with the Public Utilities Commission of the State of Colorado (“PUC”) affecting all residential and commercial sales customers taking service from the Company. The application requests that the PUC approve the Company’s proposed July 1 2010 – July 1, 2011 Demand Side Management (“DSM”) Plan and the DSM Cost Adjustment that covers the associated estimated DSM costs. The proposed changes contained in the application will become effective on July 1, 2010, if approved by the PUC.

DSM programs are designed to promote and fund energy efficiency. DSM costs incurred pursuant to PUC Rule 4750 implementing SS 40-1-102, 40-3.2-101, 40-3.2-103, and 40-3.2-105, C.R.S. are allowed to be recovered in a DSM cost adjustment mechanism.

These changes reflect a decrease in the current DSM Cost Adjustment for both the DSMCA Base charge and Volumetric DSMCA.

*Continued on reverse side*

If the Company's proposal is approved, an average residential and commercial/public authority customer's monthly bill is estimated to decrease as shown below. The overall impact of base revenue (fixed monthly charge and distribution system rate but not upstream pipeline, deferred cost, and commodity cost) are proposed to decrease across all sales customer classes as follows:

<b>Residential Class</b>	<b>Existing Rate</b>	<b>Residential Proposed Rate</b>	<b>%</b>	<b>Existing Rate</b>	<b>Commercial Proposed Rate</b>	<b>%</b>
<b>Northwest</b>						
Facilities Charge + DSCMA Base	\$ 10.29	\$ 10.08	(2.04%)	\$ 24.15	\$ 23.92	(.95%)
DSF + Volumetric DSMCA	\$ 0.14745	\$ 0.14504	(1.63%)	\$ 0.11309	\$ 0.11205	(.92%)
<b>Northwest/Central</b>						
Facilities Charge + DSCMA Base	\$ 10.22	\$ 10.08	(1.37%)	\$ 24.14	\$ 23.92	(.91%)
DSF + Volumetric DSMCA	\$ 0.14757	\$ 0.14504	(1.71%)	\$ 0.11323	\$ 0.11205	(1.04%)
<b>Southeast</b>						
Facilities Charge + DSCMA Base	\$ 10.28	\$ 10.08	(1.95%)	\$ 24.14	\$ 23.92	(.91%)
DSF + Volumetric DSMCA	\$ 0.14794	\$ 0.14504	(1.96%)	\$ 0.11366	\$ 0.11205	(1.42%)
<b>Southwest</b>						
Facilities Charge + DSCMA	\$ 10.22	\$ 10.08	(1.37%)	\$ 24.13	\$ 23.92	(.87%)
DSF + Volumetric DSMCA	\$ 0.14833	\$ 0.14504	(2.22%)	\$ 0.11341	\$ 0.11205	(1.20%)

Copies of the Company's filing also are available for examination at the offices of the PUC, 1560 Broadway, Suite 250, Denver, Colorado 80202, 1-800-888-0170. Anyone who desires may file a written objection with the PUC at the same address. The filing of a written objection by itself will not allow you to participate as a party in any proceeding on the proposed action. If you wish to participate as a party in any proceeding established in this matter, you must file written intervention documents under applicable rules. Anyone who desires to file written objection to the proposed action shall file it with the PUC, 1560 Broadway, Suite 250, Denver, Colorado 80202. The PUC may hold a hearing to determine what rates, rules or regulations will be authorized. If a hearing is held, the PUC may suspend the proposed rates, rules or regulations. The rates, rules and regulations ultimately authorized may or may not be the same as those proposed. Anyone who desires to receive notice of any hearing shall file a written request for notice with the PUC, at the above address, at least 10 days before the proposed effective date. If a hearing is held, any member of the public may attend and make a statement under oath about the proposed change whether or not he has filed an objection or intervention.