

ORDINANCE NO. 2005-*

**AN ORDINANCE OF THE CITY OF COCKRELL HILL, TEXAS, APPROVING
ATMOS ENERGY CORP., MID-TEX DIVISION'S REQUEST TO AUTHORIZE
THE COMPLIANCE TARIFFS FOR THE ANNUAL GAS RELIABILITY
INFRASTRUCTURE PROGRAM RATE ADJUSTMENT IN THE CITY OF
COCKRELL HILL.**

WHEREAS, The City of Cockrell Hill ("City") as a regulatory authority, has previously approved by ordinance or operation of law the Atmos Energy Corp., Mid-Tex Division's ("Company") application requesting the annual gas reliability infrastructure program rate adjustment for customers on the Company's system-wide distribution system; and

WHEREAS, the City has determined that the Company's annual gas reliability infrastructure program rate adjustment within the City limits should be amended;

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

SECTION 1. That the Company's request to authorize the compliance tariffs, attached hereto as Exhibit A, for an annual gas reliability infrastructure program rate adjustment with respect to customers served from the Company's distribution facilities located inside the City, as part of the Company's system-wide gas utility system, is approved in all respects.

SECTION 2. That the existing annual gas reliability infrastructure program rate adjustment approved by the City is hereby found, after reasonable notice and hearing, to be unreasonable and shall be changed as hereinafter ordered. The changes resulting from this Ordinance are hereby determined to comply with the provisions of TEX. UTIL. CODE ANN. § 104.301 and 16 TEX. ADMIN. CODE § 7.7101.

SECTION 3. That this Ordinance shall become effective immediately from and after its passage, as the law and charter in such cases provide.

SECTION 4. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 5. That a copy of this Ordinance, constituting final action on the Company's request to authorize the compliance tariffs for the annual gas reliability infrastructure program rate adjustment, shall be forwarded to the Company's designated representative within 10 days at the following address: Richard Reis, Atmos Energy Corp., Mid-Tex Division, 300 S. St. Paul Street, 8th Floor, Dallas, Texas, 75201.

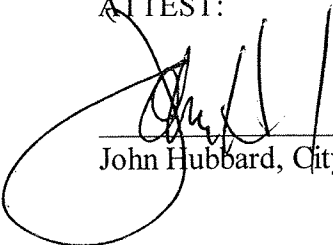
DULY PASSED and approved by the City Council of Cockrell Hill, Texas, on this the 24 day of May, 2005.

APPROVED:



C. P. Slayton, MAYOR

ATTEST:



John Hubbard, City Secretary

APPROVED AS TO FORM:

Robert Brown, CITY ATTORNEY

RATE SCHEDULE: 7	Rate R - Residential Sales	
APPLICABLE TO:	Entire System	REVISION: 1.1 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 Adjustment	\$ 0.29 per month ¹
Total Customer Charge	\$ 9.29 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.

¹ 2003 Interim Rate Adjustment - \$0.29

RATE SCHEDULE: 8	Rate C - Commercial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.1 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 Adjustment	\$ 0.96 per month ¹
Total Customer Charge	\$16.46 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

RATE SCHEDULE: 9	Rate I - Industrial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.1 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 Adjustment	\$ 31.85 per meter ¹
Total Meter Charge	\$181.85 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).

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."

¹ 2003 Interim Rate Adjustment - \$31.85

RATE SCHEDULE: 9	Rate I - Industrial Sales	
APPLICABLE TO:	Entire System	REVISION: 1.1 DATE:
EFFECTIVE DATE:		PAGE: 2 OF 2

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.

¹ 2003 Interim Rate Adjustment - \$31.85

RATE SCHEDULE: 10	Rate T - Transportation	
APPLICABLE TO:	Entire System	REVISION: 1.1
EFFECTIVE DATE:		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 Adjustment	\$ 31.85 per meter ¹
Total Meter Charge	\$181.85 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).

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.

¹ 2003 Interim Rate Adjustment - \$31.85

RATE SCHEDULE: 10	Rate T - Transportation	
APPLICABLE TO:	Entire System	REVISION: 1.1
EFFECTIVE DATE:		DATE:
		PAGE: 2 OF 2

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.

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

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.

¹ 2003 Interim Rate Adjustment - \$31.85