

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 03A-532SG

IN THE MATTER OF THE APPLICATION OF ATMOS ENERGY CORPORATION, 1800 THREE LINCOLN CENTER, 5430 LBJ FREEWAY, POST OFFICE BOX 650205, DALLAS, TX 75265-0205 FOR AN ORDER AUTHORIZING THE ISSUANCE OF UP TO 1,000,000 SHARES OF COMMON STOCK THROUGH AND PURSUANT TO THE ATMOS ENERGY CORPORATION RETIREMENT SAVINGS PLAN AND 2,000,000 SHARES OF COMMON STOCK PURSUANT TO ITS DIRECT STOCK PURCHASE PLAN.

**ORDER OF THE COMMISSION
GRANTING APPLICATION**

Mailed Date: December 30, 2003

Adopted Date: December 30, 2003

I. BY THE COMMISSION

A. Procedure and Record

1. Atmos Energy Corporation (Atmos or the Company), a Virginia and Texas corporation, filed with the Colorado Public Utilities Commission (Commission) on December 12, 2003, a Verified Application, along with exhibits required under Rule 56 of the Commission's Rules of Practice and Procedure, 4 Code of Colorado Regulations (CCR) 723-1 (collectively, the Application). The Application seeks an Order from this Commission authorizing Atmos to issue additional shares of Atmos no par value Common Stock in an amount up to 1,000,000 shares through and pursuant to the Atmos Energy Corporation Retirement Savings Plan and up to 2,000,000 shares pursuant to its Direct Stock Purchase Plan.

2. Notice of this Application was issued by the Commission on December 15, 2003, allowing entities until December 26, 2003 to intervene or participate as a party in this proceeding and setting this matter for hearing on January 2, 2004. In addition, the Company published a

notice of the Application in the legal notices of *The Denver Post* on Friday, December 12, 2003. An Affidavit of Publication issued by The Denver Newspaper Agency was filed with the Commission on December 15, 2003, and reflects that *The Denver Post* is a newspaper of general circulation under Rule 4(b)(1) of the Commission's Rules of Practice and Procedure, 4 CCR 723-1. No one sought intervention or opposed the granting of the Application.

3. The Company has requested this Commission determine this matter without hearing and on modified procedure. Because no one has intervened in connection with the Application, it is appropriate that this Commission consider this matter in accordance with § 40-6-109(5), C.R.S., and Rule 24 of this Commission's Rules of Practice and Procedure, 4 CCR 723-1.

B. Findings of Fact

4. Atmos is a Virginia and Texas corporation qualified to do business within the State of Colorado. Its Restated Articles of Incorporation, as amended, have been filed with this Commission. Atmos is in good standing with the Colorado Secretary of State. The Company provides gas utility service to various areas in the State of Colorado through its Greeley Gas Division. The Application has been filed in accordance with § 40-1-104, C.R.S., which requires a public utility to obtain the approval of this Commission before it issues securities such as Common Stock or assumes debt.

5. At the date of the Application, the Company had 100,000,000 shares of Common Stock authorized. As of September 30, 2003, the Company had 51,475,785 shares of Common Stock outstanding.

6. For the 12 months ended September 30, 2003, the dividend rate was \$1.20 per share.

7. The purpose of the Application is to obtain an order authorizing the Company to issue additional shares of Atmos no par value Common Stock in an amount up to 1,000,000 shares through and pursuant to the Atmos Energy Corporation Retirement Savings Plan and up to 2,000,000 shares pursuant to its Direct Stock Purchase Plan.

8. The issuance of such shares will be registered with the Securities and Exchange Commission. A copy of the Registration Statement will be submitted by Atmos as a late-filed exhibit to the Application subsequent to its filing with the Securities and Exchange Commission.

9. At a meeting of the Company's Board of Directors on November 12, 2003, the Board of Directors authorized, among other matters, its proper officers to execute and file the Application or to cause the Application to be filed.

10. The Application contains all of the information required under Rule 56 of the Commission's Rules of Practice and Procedure, 4 CCR 723-1.

11. The Company and the issuance of debt and equity securities by the Company are subject to the jurisdiction of this Commission in accordance with § 40-1-104, C.R.S.

12. The issuance of Common Stock, as stated in the Application, will be consistent with the provisions of the public utilities law, is for a lawful purpose, and is not inconsistent with the public interest.

13. The Application should be granted and issuance of Common Stock referenced therein should be authorized and approved.

II. ORDER

A. The Commission Orders That:

1. The Application (Docket No. 03A-532SG) of Atmos Energy Corporation is deemed complete and is granted.
2. Atmos Energy Corporation is hereby authorized to issue additional shares of Atmos no par value Common Stock in an amount up to 1,000,000 shares through and pursuant to the Atmos Energy Corporation Retirement Savings Plan and up to 2,000,000 shares pursuant to its Direct Stock Purchase Plan, as stated in the Application.
3. Nothing contained herein shall be construed to imply any recommendation or guaranty of any obligation with regard to Atmos Energy Corporation's securities approved under the Application on the part of the State of Colorado.
4. The January 2, 2004, hearing on this matter is vacated.
5. This Decision and Order shall be effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
DECEMBER 30, 2003.**

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

POLLY PAGE

JIM DYER

Commissioners