

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF ATMOS ENERGY) CASE NO. 2010-00526
CORPORATION)

O R D E R

On May 28, 2010, in Case No. 2009-00354,¹ the Commission approved rates for Atmos Energy Corporation ("Atmos") and provided for their further adjustment in accordance with Atmos's Gas Cost Adjustment ("GCA") clause.

On December 29, 2010, Atmos filed its GCA to be effective February 1, 2011.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Atmos's notice includes revised rates designed to pass on to its sales customers its expected change in wholesale gas costs.
2. Atmos's Expected Gas Cost ("EGC") for firm sales customers is \$5.6717 per Mcf, a decrease of \$.1805 per Mcf from the previous EGC of \$5.8522 per Mcf. Atmos's EGC for interruptible sales customers is \$4.7000 per Mcf, a decrease of \$.1805 per Mcf from the previous EGC of \$4.8805 per Mcf.
3. Atmos's notice sets out a current period Refund Factor ("RF") of (\$.0034) per Mcf. The total RF is (\$.0203) per Mcf for firm and interruptible sales customers, a

¹ Case No. 2009-00354, Application of Atmos Energy Corporation for an Adjustment of Rates (Ky. PSC May 28, 2010).

decrease of \$.0034 per Mcf from the prior (\$.0169) per Mcf RF for both groups. Atmos's notice sets out no RF for T-2 firm and interruptible transportation customers, T-3 interruptible carriage service, or T-4 firm carriage service customers.

4. Atmos's notice sets out a Correction Factor ("CF") of (\$1.0078) per Mcf, which represents an increase of \$.2861 per Mcf from the previous CF of (\$1.2939) per Mcf.

5. Atmos's notice sets out its Performance Based Rate Recovery Factor of \$.1372 per Mcf, which is effective from February 1, 2011 until February 1, 2012. This represents an increase of \$.0074 per Mcf from the \$.1298 factor previously in effect.

6. Atmos's GCAs are \$4.7808 per Mcf for firm sales customers and \$3.8091 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$.1096 per Mcf from the previous GCA of \$4.6712 per Mcf. The impact on interruptible sales customers is an increase of \$.1096 per Mcf from the previous GCA of \$3.6995 per Mcf.

7. The rates in the Appendix, attached hereto and incorporated herein, are fair, just and reasonable and should be approved for final meter readings by Atmos on and after February 1, 2011.

IT IS THEREFORE ORDERED that:

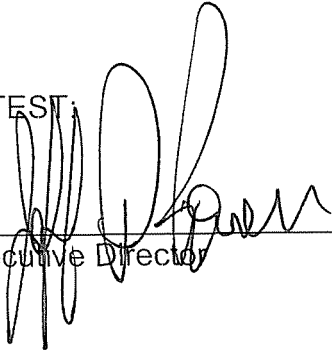
1. The rates in the Appendix to this Order are approved for final meter readings on and after February 1, 2011.

2. Within 20 days of the date of this Order, Atmos shall file its revised tariff sheets with this Commission setting out the rates authorized herein reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED ^R
JAN 14 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2010-00526

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00526 DATED JAN 14 2011

The following rates and charges are prescribed for the customers in the area served by Atmos Energy Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES:

Applicable to: General Sales Service Rate G-1

Gas Cost Adjustment

To each bill rendered under the above-named rate schedule there shall be added an amount equal to: \$4.7808 per Mcf of gas used during the billing period.

Applicable to: Interruptible Sales Service Rate G-2

Gas Cost Adjustment

To each bill rendered under the above-named rate schedule there shall be added an amount equal to: \$3.8091 per Mcf of gas used during the billing period.

Judy Dunlap
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