COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF ATMOS ENERGY) CASE NO. 2011-00068
CORPORATION)

ORDER

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 February 28, 2011, Atmos filed an interim GCA to be effective April 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 \$5.4651 per Mcf, a decrease of \$.2066 per Mcf from the previous EGC of \$5.6717 per Mcf. Atmos's EGC for interruptible sales customers is \$4.5066 per Mcf, a decrease of \$.1934 per Mcf from the previous EGC of \$4.7000 per Mcf.
- 3. Atmos's notice sets out its total Refund Factor ("RF") of (\$.0203) per Mcf for firm and interruptible sales customers, which represents no change from its prior RF.

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

- 4. Atmos's notice sets out a Correction Factor ("CF") of (\$.3454) per Mcf, which represents an increase of \$.6624 per Mcf from the previous CF of (\$1.0078) 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.
- 6. Atmos's GCAs are \$5.2366 per Mcf for firm sales customers and \$4.2781 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$.4558 per Mcf from the previous GCA of \$4.7808 per Mcf. The impact on interruptible sales customers is an increase of \$.4690 per Mcf from the previous GCA of \$3.8091 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 April 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 April 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

MAR 2 2 2011

KENTUCKY PUBLIC SERVICE COMMISSION

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00068 DATED MAR 2:2 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: \$5.2366 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: \$4.2781 per Mcf of gas used during the billing period.

Victor Edwards Manager, Rate Administration Atmos Energy Corporation 3275 Highland Pointe Drive Owensboro, KY 42303

Honorable Mark R Hutchinson Attorney at Law 611 Frederica Street Owensboro, KENTUCKY 42301