

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT )      CASE NO.  
FILING OF ATMOS ENERGY CORPORATION )      2022-00086

ORDER

On March 31, 2022, Atmos Energy Corporation (Atmos) filed its Gas Cost Adjustment (GCA) to be effective May 1, 2022. Atmos's previous GCA rate was approved in Case No. 2021-00453.<sup>1</sup>

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.<sup>2</sup>

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

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<sup>1</sup> Case No. 2021-00453, *Electronic Purchased Gas Adjustment Filing of Atmos Energy Corporation* (Ky. PSC Jan. 28, 2022).

<sup>2</sup> KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

1. Atmos's report 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 \$6.7086 per Mcf, which is an increase of \$1.3609 per Mcf from the previous EGC of \$5.3477 per Mcf. Atmos's EGC for interruptible sales customers is \$5.5604 per Mcf, which is an increase of \$1.5241 per Mcf from the previous EGC of \$4.0363 per Mcf.

3. Atmos's report sets out no Refund Factor.

4. Atmos's report sets out a Correction Factor (CF) of \$0.6364 per Mcf, which is an increase of \$0.3720 per Mcf from its previous CF \$0.2644 per Mcf.

5. Atmos's report sets out a Performance-Based Rate Recovery (PBRR) Factor of \$0.1431 per Mcf.

6. Atmos's GCAs are \$7.4881 per Mcf for firm sales customers and \$6.3399 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$1.7329 per Mcf from the previous GCA of \$5.7552 per Mcf. The impact on interruptible sales customers is an increase of \$1.8961 per Mcf from the previous GCA of \$4.4438 per Mcf.

7. Should Atmos purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports then the supplier, cost, and amount must be documented in its cover letter to the Commission.

8. The rates proposed by Atmos and set forth in the Appendix to this Order are fair, just and reasonable and are approved for final meter readings by Atmos on and after May 1, 2022.

IT IS THEREFORE ORDERED that:

1. The rates set forth in the Appendix to this Order are approved for final meter readings on and after May 1, 2022.

2. Within 20 days of the date of the entry of this Order, Atmos shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

3. This case is closed and removed from the Commission's docket.

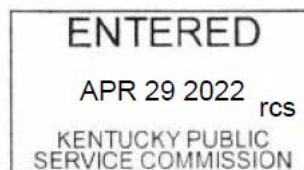
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PUBLIC SERVICE COMMISSION

  
\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Vice Chairman

\_\_\_\_\_  
Commissioner



ATTEST:

  
\_\_\_\_\_  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2022-00086 DATED APR 29 2022

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 the 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 \$7.4881 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 \$6.3399 per Mcf of gas used during the billing period.

\*Atmos Energy Corporation  
3275 Highland Pointe Drive  
Owensboro, KY 42303

\*Christina Vo  
Atmos Energy Corporation  
810 Crescent Centre Drive, Suite 600  
Franklin, TN 37067