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PUBLIC SERVICE  
COMMISSION

January 19, 2012

Mr. Jeff Derouen, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

**Re: Case No. 2011-00520 – Amended Schedules from December 28, 2011 Filing**

Dear Mr. Derouen:

We are filing the enclosed original and ten (10) copies of amended Exhibit A and Exhibit B, page 7 of 8, which replace these exhibits as filed on December 28, 2011 in case 2011-00520. Please indicate receipt of this filing by stamping and dating this letter and returning a scanned copy by E-mail to [michael.haynes@atmosenergy.com](mailto:michael.haynes@atmosenergy.com).

If you have any questions, feel free to call me at 972-855-3115.

Sincerely,

A handwritten signature in cursive script that reads "Michael Haynes".

Michael Haynes  
Rates Coordinator

Enclosures

**COMMONWEALTH OF KENTUCKY  
BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**GAS COST ADJUSTMENT    )  
FILING OF                    )  
ATMOS ENERGY CORPORATION    )**

**Case No. 2011-00520**

**NOTICE**

**QUARTERLY FILING**

**For The Period**

**February 1, 2012 – April 30, 2012**

**Attorney for Applicant**

**Mark R. Hutchinson  
611 Frederica Street  
Owensboro, Kentucky 42301**

**January 19, 2011**

Atmos Energy Corporation, ("the Company"), is duly qualified under the laws of the Commonwealth of Kentucky to do its business. The Company is an operating public utility engaged in the business of purchasing, transporting and distributing natural gas to residential, commercial and industrial users in western and central Kentucky. The Company's principal operating office and place of business is 3275 Highland Pointe Drive, Owensboro, Kentucky 42303. Correspondence and communications with respect to this notice should be directed to:

Mark A. Martin  
Vice President of Rates & Regulatory Affairs  
Kentucky/Mid-States Division  
Atmos Energy Corporation  
3275 Highland Pointe Drive  
Owensboro, Kentucky 42303

Mark R. Hutchinson  
Attorney for Applicant  
611 Frederica Street  
Owensboro, Kentucky 42301

Victor Edwards  
Manager, Rate Administration  
Atmos Energy Corporation  
5430 LBJ Freeway, Suite 700  
Dallas, Texas 75240

Michael Haynes  
Rates Coordinator  
Atmos Energy Corporation  
5430 LBJ Freeway, Suite 700  
Dallas, Texas 75240

The Company gives notice to the Kentucky Public Service Commission, hereinafter "the Commission", pursuant to the Gas Cost Adjustment Clause contained in the Company's settlement gas rate schedules in **Case No. 09-00354**.

The Company hereby files Forty-Eighth Revised Sheet No. 4, Forty-Eighth Revised Sheet No. 5 and Forty-Eighth Revised Sheet No. 6 to its PSC No. 1, Rates, Rules and Regulations for Furnishing Natural Gas to become effective February 1, 2012.

The Gas Cost Adjustment (GCA) for firm sales service is \$5.3995 per Mcf and \$4.3823 per Mcf for interruptible sales service. The supporting calculations for the Forty-Eighth Revised Sheet No. 5 are provided in the following Exhibits:

Exhibit A – Comparison of Current and Previous Gas Cost Adjustment (GCA) Cases - Amended

Exhibit B – Expected Gas Cost (EGC) Calculation – Page 7 Amended

Exhibit C - Rates used in the Expected Gas Cost (EGC) (Previously Filed)

Exhibit D – Correction Factor (CF) Calculation (Previously Filed)

Exhibit E – Refund Factor (RF) Calculation (Previously Filed)

Exhibit E – Refund Factor (Refund Certificate of Compliance) (Previously Filed)

Exhibit E – Performance Based Rate Recovery Factor (PBRRF) (Previously Filed)

Since the Company's last GCA filing, Case No. 2011-00400, the following changes have occurred in its pipeline and gas supply commodity rates for the GCA period.

1. The commodity rates per Mcf used are based on historical estimates and/or current data for the quarter of February 1, 2012 through April 30, 2012, as shown in Exhibit C, page 1 of 2.
2. The G-1 Expected Commodity Gas Cost will be approximately \$5.2656 per Mcf for

the quarter of February 1, 2012 through April 30, 2012, as compared to \$5.8754 per Mcf used for the quarter of November 1, 2011 through January 31, 2012. The G-2 Expected Commodity Gas Cost will be approximately \$4.2484 for the quarter of February 1, 2012 through April 30, 2012, as compared to \$4.8139 for the quarter of November 1, 2011 through January 31, 2012.

3. The Company's notice sets out a new Correction Factor of \$0.0318 per Mcf which will remain in effect until at least April 30, 2012.
4. The Company's notice also sets out a new Refund Factor of (\$0.0281) per Mcf which will remain in effect until at least April 30, 2012.


The GCA tariff as approved in Case No. 92-558 provides for a Correction Factor (CF) which compensates for the difference between the expected gas cost and the actual gas cost for prior periods. A revision to the GCA tariff effective December 1, 2001, Filing No. T62-1253, provides that the Correction Factor be filed on a quarterly basis. In Case No. 2009-0354, effective June 1, 2010, the Company's GCA tariff allows recovery of any gas cost which is uncollectible, to be included in each February GCA filing.

The Company is filing its updated Correction Factor that is based upon the balance in the Company's 1910 Account as of October 31, 2011 (November, 2011 general ledger). The calculation for the Correction Factor is shown on Exhibit D, Page 1 of 6. Also beginning with the February, 2011 GCA filing in compliance with tariff page 24 from the Rate Case filing (Case No. 2009-0354) the Company is allowed to recover the net uncollectible gas cost (net uncollectible gas cost less subsequently collected gas cost).

WHEREFORE, Atmos Energy Corporation requests this Commission, pursuant to the Commission's order in Case No. 99-070, to approve the Gas Cost Adjustment (GCA) as filed in Forty-Eighth Revised Sheet No. 5; and Forty-Eighth Revised Sheet No. 6 setting out the General Transportation Tariff Rate T-3 and T-4 for each respective sales rate for meter readings made on and after February 1, 2012.

DATED at Dallas, Texas this 19th Day of January, 2012.

ATMOS ENERGY CORPORATION

By:  \_\_\_\_\_

Michael Haynes  
Rates Coordinator  
Atmos Energy Corporation

Line No.	Description	Case No.		Difference
		(a) 2011-00400	(b) 2011-00520	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b>G - 1</b>			
2				
3	<u>Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8	<u>Gas Cost Adjustment Components</u>			
9	EGC (Expected Gas Cost):			
10	Commodity	4.5822	4.0264	(0.5558)
11	Demand	1.2932	1.2392	(0.0540)
12	Total EGC	5.8754	5.2656	(0.6098)
13	CF (Correction Factor)	(0.2591)	0.0318	0.2909
14	RF (Refund Adjustment)	(0.0246)	(0.0281)	(0.0035)
15	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1302	(0.0070)
16	GCA (Gas Cost Adjustment)	5.7289	5.3995	(0.3294)
17				
18	<u>Rate per Mcf (GCA included)</u>			
19	First 300 Mcf	6.8289	6.4995	(0.3294)
20	Next 14,700 Mcf	6.4989	6.1695	(0.3294)
21	Over 15,000 Mcf	6.2289	5.8995	(0.3294)
22				
23				
24	<b>G - 2</b>			
25				
26	<u>Distribution Charge (per Case No. 09-00354)</u>			
27	First 15,000 Mcf	0.6300	0.6300	0.0000
28	Over 15,000 Mcf	0.4100	0.4100	0.0000
29				
30	<u>Gas Cost Adjustment Components</u>			
31	EGC (Expected Gas Cost):			
32	Commodity	4.5822	4.0264	(0.5558)
33	Demand	0.2317	0.2220	(0.0097)
34	Total EGC	4.8139	4.2484	(0.5655)
35	CF (Correction Factor)	(0.2591)	0.0318	0.2909
36	RF (Refund Adjustment)	(0.0246)	(0.0281)	(0.0035)
37	PBRRF (Performance Based Rate Recovery Factor)	0.1372	0.1302	(0.0070)
38	GCA (Gas Cost Adjustment)	4.6674	4.3823	(0.2851)
39				
40	<u>Rate per Mcf (GCA included)</u>			
41	First 300 Mcf	5.2974	5.0123	(0.2851)
42	Over 14,700 Mcf	5.0774	4.7923	(0.2851)
43				
44				
45	<b><u>Refund Factor (RF)</u></b>			
46				
47		Effective		
48		Date	RF	
49				
50	1 -	2011-00114	5/1/2011	(0.0070)
51	2 -	2011-00230	8/1/2011	(0.0072)
52	3 -	2011-00400	11/1/2011	(0.0070)
53	4 -	2011-00000	2/1/2012	(0.0069)
54				
55	Total Refund Factor (RF)			(\$0.0281)

Atmos Energy Corporation  
 Comparison of Current and Previous Cases  
 Transportation Service

Line No.	Description	(a)	(b)	(c)
		Case No.		Difference
		2011-00400	2011-00520	
		\$/Mcf	\$/Mcf	\$/Mcf
1	<b><u>T -4 Transportation Service / Firm Service (High Priority)</u></b>			
2				
3	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
4	First 300 Mcf	1.1000	1.1000	0.0000
5	Next 14,700 Mcf	0.7700	0.7700	0.0000
6	Over 15,000 Mcf	0.5000	0.5000	0.0000
7				
8				
9	<b><u>T - 3 / Interruptible Service (Low Priority)</u></b>			
10				
11	<u>Simple Margin / Distribution Charge (per Case No. 09-00354)</u>			
12	First 15,000 Mcf	0.6300	0.6300	0.0000
13	Over 15,000 Mcf	0.4100	0.4100	0.0000
14				



**ATMOS ENERGY CORPORATION**

<b>Current Rate Summary</b>					
<b>Case No. 2011-00520</b>					
<b><u>Firm Service</u></b>					
Base Charge:					
	Residential (G-1)	-	\$12.50	per meter per month	
	Non-Residential (G-1)	-	30.00	per meter per month	
	Transportation (T-4)	-	300.00	per delivery point per month	
	Transportation Administration Fee	-	50.00	per customer per meter	
<b><u>Rate per Mcf</u><sup>2</sup></b>		<b><u>Sales (G-1)</u></b>		<b><u>Transportation (T-4)</u></b>	
First	300 <sup>1</sup> Mcf	@	6.4995 per Mcf	@	1.1000 per Mcf
Next	14,700 <sup>1</sup> Mcf	@	6.1695 per Mcf	@	0.7700 per Mcf
Over	15,000 Mcf	@	5.8995 per Mcf	@	0.5000 per Mcf
					(R, -)
					(R, -)
					(R, -)
<b><u>Interruptible Service</u></b>					
Base Charge					
		-	\$300.00	per delivery point per month	
	Transportation Administration Fee	-	50.00	per customer per meter	
<b><u>Rate per Mcf</u><sup>2</sup></b>		<b><u>Sales (G-2)</u></b>		<b><u>Transportation (T-3)</u></b>	
First	15,000 <sup>1</sup> Mcf	@	5.0123 per Mcf	@	0.6300 per Mcf
Over	15,000 Mcf	@	4.7923 per Mcf	@	0.4100 per Mcf
					(R, -)
					(R, -)
<sup>1</sup> All gas consumed by the customer (sales, transportation; firm and interruptible) will be considered for the purpose of determining whether the volume requirement of 15,000 Mcf has been achieved.					
<sup>2</sup> DSM, PRP and R&D Riders may also apply, where applicable.					

**ISSUED:** January 19, 2012

**Effective:** February 1, 2012

(Issued by Authority of an Order of the Public Service Commission in Case No. 2011-00520.)

**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

ATMOS ENERGY CORPORATION

<b>Current Gas Cost Adjustments</b>			
<b>Case No. 2011-00520</b>			
<b><u>Applicable</u></b>			
For all Mcf billed under General Sales Service (G-1) and Interruptible Sales Service (G-2).			
Gas Charge = GCA			
GCA = EGC + CF + RF + PBRRF			
<b><u>Gas Cost Adjustment Components</u></b>	<u>G - 1</u>	<u>G-2</u>	
EGC (Expected Gas Cost Component)	5.2656	4.2484	(R, R)
CF (Correction Factor)	0.0318	0.0318	(I, I)
RF (Refund Adjustment)	(0.0281)	(0.0281)	(R, R)
PBRRF (Performance Based Rate Recovery Factor)	<u>0.1302</u>	<u>0.1302</u>	(R, R)
GCA (Gas Cost Adjustment)	<u><u>\$5.3995</u></u>	<u><u>\$4.3823</u></u>	(R, R)

**ISSUED:** January 19, 2012

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**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

**ATMOS ENERGY CORPORATION**

**Current Transportation**

**Case No. 2011-00520**

The Transportation Rates (T-3 and T-4) for each respective service net monthly rate is as follows:

**System Lost and Unaccounted gas percentage:** 1.91%

<u>Transportation Service</u> <sup>1</sup>				<u>Simple Margin</u>		<u>Non- Commodity</u>		<u>Gross Margin</u>			
<b><u>Firm Service (T-4)</u></b>											
First	300	Mcf	@	\$1.1000	+	\$0.0000	=	\$1.1000	per Mcf	(-)	
Next	14,700	Mcf	@	0.7700	+	0.0000	=	0.7700	per Mcf	(-)	
All over	15,000	Mcf	@	0.5000	+	0.0000	=	0.5000	per Mcf	(-)	
 <b><u>Interruptible Service (T-3)</u></b>											
First	15,000	Mcf	@	\$0.6300	+	\$0.0000	=	\$0.6300	per Mcf	(-)	
All over	15,000	Mcf	@	0.4100	+	0.0000	=	0.4100	per Mcf	(-)	

<sup>1</sup> Excludes standby sales service.

**ISSUED:** January 19, 2012

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**ISSUED BY:** Mark A. Martin - Vice President of Rates & Regulatory Affairs, Kentucky/Midstates Division

	(a)	(b)	(c)	(d)
Line No. Description	Purchases Mcf	MMbtu	Rate \$/Mcf	Total \$
1 <b>Texas Gas Area</b>				
2 Firm Transportation	1,652,944	1,662,862	3.4541	5,709,436
3 No Notice Storage	1,008,229	1,014,278	4.4857	4,522,608
4 Total Texas Gas Area	2,661,173	2,677,140	3.8449	10,232,044
5				
6 <b>Tennessee Gas Area</b>				
7 FT-A and FT-G	698,345	703,862	3.3670	2,351,309
8 FT-GS	96,985	97,751	4.2722	414,337
9 Gas Storage				
10 Injections	(158,251)	(159,501)	3.3036	(522,797)
11 Withdrawals	410,521	413,764	4.0656	1,669,000
12	1,047,600	1,055,876	3.7341	3,911,849
13 <b>Trunkline Gas Area</b>				
14 Firm Transportation	218,191	219,500	3.3375	728,213
15				
16				
17 <b>Company Owned Storage</b>				
18 Injections	(757,159)	(761,702)	3.2690	(2,475,153)
19 Withdrawals	2,435,388	2,450,000	4.0250	9,802,437
20 Net WKG Storage	1,678,229	1,688,298	4.3661	7,327,284
21				
22				
23 Local Production	90,285	92,000	3.2690	295,142
24				
25				
26				
27 Total Commodity Purchases	5,695,478	5,732,814	3.9495	22,494,532
28				
29 Lost & Unaccounted for @ 1.91%	108,784	109,497		
30				
31 Total Deliveries	5,586,694	5,623,317	4.0264	22,494,532
32				
33				
34				
35 Total Expected Commodity Cost	5,586,694	5,623,317	4.0264	22,494,532
36				
37				
38 Note: Column (c) is calculated by dividing column (d) by column (a)				
39				