

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF ATMOS ENERGY)	CASE NO.
CORPORATION)	2017-00029

ORDER

On April 22, 2014, in Case No. 2013-00148,¹ 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 January 3, 2017, Atmos filed its GCA to be effective February 1, 2017. On January 10, 2017, Atmos filed a request for a waiver of the 30-day notice requirement so that its proposed rates could be effective February 1, 2017. In support of its request for a shortened notice period, Atmos stated that, although its filing was mailed on December 29, 2016, due to the holidays, it was not received by the Commission until January 3, 2017. On January 17, 2017, Atmos filed supplemental information in support of its application.

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.

¹ Case No. 2013-00148, *Application of Atmos Energy Corporation for an Adjustment of Rates and Tariff Modifications* (Ky. PSC Apr. 22, 2014).

2. Atmos's Expected Gas Cost ("EGC") for firm sales customers is \$4.3087 per Mcf, which is an increase of \$.0336 per Mcf from the previous EGC of \$4.2751 per Mcf. Atmos's EGC for interruptible sales customers is \$3.0930 per Mcf, which is an increase of \$.0397 per Mcf from the previous EGC of \$3.0533 per Mcf.

3. Atmos's notice sets out no current quarter Refund Factor.

4. Atmos's notice sets out its current Correction Factor ("CF") of (\$.0964) per Mcf, which is an increase of \$.1601 per Mcf from its previous CF of (\$.2565) per Mcf.

5. Atmos's notice sets out its Performance Based Rate Recovery Factor ("PBRF") of \$.1719 per Mcf, which is an increase of \$.0528 per Mcf from its previous PBRF \$.1191 per Mcf.

6. Atmos's GCAs are \$4.3842 per Mcf for firm sales customers and \$3.1685 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$.2465 per Mcf from the previous GCA of \$4.1377 per Mcf. The impact on interruptible sales customers is an increase of \$.2526 per Mcf from the previous GCA of \$2.9159 per Mcf.

7. KRS 278.180(1) requires Atmos to provide the Commission with 30 days' notice of any change in rates. Based on Atmos's application's acceptance for filing as of January 3, 2017, the earliest that Atmos's new rate and tariff can be effective is February 2, 2017, rather than its requested effective of February 1, 2017.

8. Atmos states that it mailed its GCA application by certified mail on December 29, 2016; however, due to the holidays, the application was not received for filing by the Commission until January 3, 2017. Atmos's request for a waiver of the 30-

day notice requirement in order for its proposed rates to be effective February 1, 2017, is reasonable and should be approved.

9. The rates set forth in the Appendix to this Order are fair, just and reasonable, and should be approved for final meter readings by Atmos on and after February 1, 2017, pursuant to Atmos's showing of good cause for its January 3, 2017 filing date.

IT IS THEREFORE ORDERED that:

1. Atmos's requested for a waiver of the 30-day notice requirement is granted and its proposed rates are approved for final meter readings on and after February 1, 2017.

2. The rates set forth in the Appendix to this Order are approved for final meter readings on and after February 1, 2017.

3. Within 20 days of the date 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.

By the Commission

ENTERED
JAN 24 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2017-00029

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00029 DATED **JAN 24 2017**

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: \$4.3842 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: \$3.1685 per Mcf of gas used during the billing period.

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