COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF ATMOS ENERGY CORPORATION

CASE NO. 2009-00544

ORDER

On July 31, 2007, in Case No. 2006-00464,¹ 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, 2009, Atmos filed its GCA to be effective February 1, 2010. Atmos amended its GCA on January 8, 2010.

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 \$7.1655 per Mcf, an increase of \$.8417 per Mcf from the previous EGC of \$6.3238 per Mcf.

 Atmos's EGC for interruptible sales customers is \$6.2652 per Mcf, an increase of \$.8417 per Mcf from the previous EGC of \$5.4235 per Mcf.
- 3. Atmos's notice sets out no current period Refund Factor ("RF"). The total RF is \$0 per Mcf for firm sales customers and \$0 per Mcf for interruptible sales

¹ Case No. 2006-00464, Application of Atmos Energy Corporation for an Adjustment of Rates (Ky. PSC Jul. 31, 2007).

customers, and represents no change from the prior RF. 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 its Correction Factor ("CF") of (\$.8088) per Mcf, which represents an increase of \$.2591 per Mcf from the previous CF of (\$1.0679) per Mcf.
- 5. Atmos's notice sets out its Performance Based Rate Recovery Factor ("PBRRF") of \$.1298 per Mcf, which is effective from February 1, 2010 until February 1, 2011. This PBRRF factor represents an increase of \$.0392 per Mcf from the previous PBRRF factor of \$.0906 per Mcf.
- 6. Atmos's GCAs are \$6.4865 per Mcf for firm sales customers and \$5.5862 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$1.1400 per Mcf from the previous GCA of \$5.3465 per Mcf. The impact on interruptible sales customers is an increase of \$1.1400 per Mcf from the previous GCA of \$4.4462 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, 2010.

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, 2010.

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

By the Commission

ENTERED

JAN 19 2010 🗸

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE

COMMISSION IN CASE NO. 2009-00544 DATED JAN 1 9 2010

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: \$6.4865 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: \$5.5862 per Mcf of gas used during the billing period.

Judy Dunlap Rate Analyst, Rate Administration Atmos Energy Corporation 5430 LBJ Freeway, Suite 600 Dallas, TX 75240

Mark R Hutchinson Wilson, Hutchinson & Poteat 611 Frederica Street Owensboro, KY 42301

Mark A Martin Atmos Energy Corporation 3275 Highland Pointe Drive Owensboro, KY 42303