

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS	)	CASE NO.
ADJUSTMENT FILING OF ATMOS ENERGY	)	2021-00366
CORPORATION	)	

ORDER

On September 28, 2021, Atmos Energy Corporation (Atmos) filed its Gas Cost Adjustment (GCA) to be effective November 1, 2021. Atmos's previous GCA rate was approved in Case No. 2021-00250.<sup>1</sup>

The Commission's standard of review for GCA 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. 2021-00250, *Electronic Purchased Gas Adjustment Filing of Atmos Energy Corporation* (Ky. PSC July 19, 2021).

<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 \$6.1085 per Mcf, which is an increase of \$0.9444 per Mcf from the previous EGC of \$5.1641 per Mcf. Atmos's EGC for interruptible sales customers is \$4.7916 per Mcf, which is an increase of \$0.9435 per Mcf from the previous EGC of \$3.8481 per Mcf.

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

4. Atmos's report sets out a Correction Factor (CF) of (\$0.1782) per Mcf, which is an increase of \$0.1905 per Mcf from its previous CF (\$0.3687) per Mcf.

5. Atmos's report sets out a Performance-Based Rate Recovery Factor of \$.1807 per Mcf.

6. Atmos's GCAs are \$6.1110 per Mcf for firm sales customers and \$4.7941 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of \$1.1349 per Mcf from the previous GCA of \$4.9761 per Mcf. The impact on interruptible sales customers is an increase of \$1.1340 per Mcf from the previous GCA of \$3.6601 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 should be approved for final meter readings by Atmos on and after November 1, 2021.

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 November 1, 2021.

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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By the Commission



ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00366 DATED OCT 22 2021

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 \$6.1110 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 \$4.7941 per Mcf of gas used during the billing period.

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