

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT TO THE DEMAND-SIDE)	
MANAGEMENT BALANCE ADJUSTMENT)	CASE NO.
COMPONENT OF ATMOS ENERGY)	2004-00431
CORPORATION'S DEMAND SIDE MANAGEMENT)	
COST RECOVERY MECHANISM)	

O R D E R

On October 29, 2004, Atmos Energy Corporation ("Atmos") filed a proposed increase to the Demand-Side Management Balance Adjustment ("DBA") component of its Demand-Side Management Cost Recovery ("DSMRC") tariff. The increase is based on Atmos's under-recovery of demand-side management program costs incurred from October 2003 through September 2004. Atmos's revised tariff, which was filed with a proposed effective date of January 1, 2005, would increase its DBA from (\$0.0025) to \$0.0001 per Mcf. Atmos supported its proposed increase with a schedule of its monthly DSMRC recoveries and costs for the 12-month period ended September 30, 2004.

Based on a review of the revised tariff and Atmos's supporting calculation of its under-recovery of costs, the Commission finds that the proposed increase is reasonable and should be approved effective January 1, 2005.

IT IS THEREFORE ORDERED that:

1. Atmos's proposed increase in the DBA component of its DSMRC tariff is approved effective January 1, 2005.
2. Within 20 days of the date of this Order, Atmos shall file its revised DSMRC tariff showing the date issued and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 8th day of December, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Executive Director