

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF ATMOS) CASE NO. 2008-00562
ENERGY CORPORATION)

O R D E R

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 30, 2008, Atmos filed a GCA to be effective February 1, 2009. Atmos amended its application on January 15, 2009.

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 \$9.0769 per Mcf, a decrease of \$1.3156 per Mcf from the previous EGC of \$10.3925. Atmos's EGC for interruptible sales customers is \$8.0362 per Mcf, a decrease of \$1.4493 per Mcf from the previous EGC of \$9.4855.
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.

customers, and represents no change from the prior RF. Atmos's notice sets out no RF for T-2 firm transportation customers, T-2 interruptible service, T-3 carriage service, or T-4 firm carriage service.

4. Atmos's notice sets out a Correction Factor ("CF") of \$.9331 per Mcf, which is an increase of \$.4238 per Mcf from the previous CF of \$.5093 per Mcf.

5. Atmos's notice sets out a Performance Based Rate Recovery Factor ("PBRRF") of \$.0906 per Mcf, which is effective from February 1, 2009 until February 1, 2010. This proposed PBRRF factor is \$.0063 less than the previous PBRRF factor of .0969.

6. Atmos's GCAs are \$10.1006 per Mcf for firm sales customers and \$9.0599 per Mcf for interruptible sales customers. The impact on firm sales customers is a decrease of \$.8981 per Mcf from the previous GCA of \$10.9987. The impact on interruptible sales customers is a decrease of \$1.0318 per Mcf from the previous GCA of \$10.0917.

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, 2009.

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, 2009.

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.

Done at Frankfort, Kentucky, this 30th day of January, 2009.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00562 DATED JANUARY 30, 2009

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: \$10.1006 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: \$9.0599 per Mcf of gas used during the billing period.

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