

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy Corporation's Tariff)
Revision Designed to Consolidate Rates and) **Case No. GR-2006-0387**
Implement a General Rate Increase for Natural Gas)
Service in the Missouri Service Area of the Company.)

ATMOS ENERGY CORPORATION'S STATUS REPORT ON COLLABORATIVE PROCESS

COMES NOW Atmos Energy Corporation (“Atmos”), pursuant to the Commission’s *Report and Order* (“*Order*”) issued in this matter on February 22, and effective March 4, 2007, and for its first Status Report on Collaborative Process, respectfully states as follows:

1. In describing the collaborative process for designing the energy efficiency and conservation program set forth in its *Order*, the Commission stated:

The Commission finds that an energy and conservation program must be approved by the Commission and must be the result of a collaborative process involving the Staff, Public Counsel, Atmos, the other parties to this case (that wish to participate), the Energy Center of the Missouri Department of Natural Resources, and other parties that the Commission shall designate. . . .

Therefore, the Commission directs that if Atmos files tariff pages in compliance with this order designed to implement a fixed delivery charge, it shall also set up a new program by meeting with the other parties set out above, and any other social service agency or party that the Commission designates to participate, and design a program to be approved by the Commission and implemented no later than August 31, 2007. The Commission will direct that Atmos file a report regarding the status of any collaborative effort every thirty days. In addition, Atmos must present a program for Commission consideration no later than June 30, 2007. Finally, if the fixed delivery charge rate design is implemented, Atmos shall file on an annual basis a report with the Commission for the purpose of evaluating the effect of a fixed delivery charge rate design on energy efficiency and conservation. (Report and Order, pp. 22-23).

Accordingly, Ordered Paragraph 8 of the *Order* provides: "If Atmos Energy Corporation files tariffs that include a fixed delivery charge rate design, beginning on April 1, 2007, Atmos shall report to the Commission no later than the first day of every month as to the status of the collaborative process set out herein." (Report and Order, p. 48).

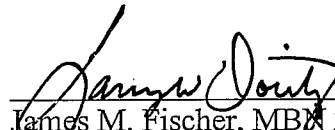
2. As set forth in the Commission's *Order Denying Application for Rehearing and Clarifying Report and Order* and its *Order Denying Motion to Reject Tariff and Order Approving Tariff*, issued March 27, 2007, the Commission has approved Atmos' tariffs that include a fixed delivery charge rate design effective April 1, 2007, and the Commission notes that it has been informed "that the preliminary meetings for setting up the program have taken place."¹

3. The first collaborative meeting regarding the energy efficiency and conservation program was held on March 22, 2007, at the Commission's offices in Jefferson City, Missouri, with fourteen (14) participants including representatives of Atmos, the Commission Staff, the Office of the Public Counsel and the Missouri Department of Natural Resources – Energy Center. Counsel for Noranda Aluminum, Inc. and Hannibal Regional Hospital had previously advised undersigned counsel that those parties did not wish to participate in the collaborative process. Copies of Exhibit 138, a part of the evidentiary record in this proceeding consisting of tariff sheets of other Missouri gas local distribution companies setting forth energy conservation and weatherization-type programs, was distributed and discussed. Additional resources and individuals/entities that might provide information/future presentations were identified. Participants also discussed various concepts and general proposals for designing Atmos' energy efficiency and conservation program, given the committed funding level.

¹ *Order Denying Application for Rehearing and Clarifying Report and Order*, page 2.

Information handouts regarding Community Action Agency ("CAA") service areas and their respective LIHEAP expenditures were distributed and discussed. Representatives of the DNR-Energy Center will be conducting further research regarding CAA activities/weatherization status within the Atmos service areas. It is Atmos' understanding that everyone involved considered the meeting to be very productive, and the next meeting/conference call is scheduled for April 4, 2007. As expressed during the meeting, Atmos hopes to expedite the process to the extent possible, so that its final program can be presented to, and approved by, the Commission prior to the dates set forth in the Commission's Report and Order.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, emailed or mailed, First Class mail, postage prepaid, this 29th day of March, 2007, to all counsel of record in this matter.



Larry W. Dority