

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

In the Matter of Atmos Energy	)	
Corporation's Filing for Purchased Gas	)	<b><u>Case No. GR-2007-0403</u></b>
Adjustment in the 2006-2007 Period	)	Tariff No. JG-2007-0743

**ORDER APPROVING INTERIM RATES**

Issue Date: April 24, 2007

Effective Date: May 1, 2007

On April 16, 2007, Atmos Energy Corporation (Atmos or Company) of Franklin, Tennessee, filed a tariff sheet proposed to become effective May 1, 2007. The tariff sheet was filed to reflect an optional change in Atmos' Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the upcoming summer season.

Implementation of the tariff rates results in reductions in gas costs in all four of Atmos' PGA areas:

1. For Atmos' West Area (Old Butler and Greeley Districts), the net effect of this filing is to decrease the firm PGA factors for the 2007 summer season to \$0.72090 per Ccf (100 cubic feet) from the current firm PGA factor of \$0.86930 per Ccf. This represents a \$0.1484 per Ccf decrease.

2. For Atmos' Kirksville Area, the net effect of this filing is to decrease the firm PGA factors for the 2007 summer season to \$0.8070 per Ccf from the current firm PGA factor of \$0.90290 per Ccf. This represents a \$0.0958 per Ccf decrease.

3. For Atmos' Northeast Area (Hannibal, Canton, Bowling Green and Palmyra or combined District), the net effect of this filing is to decrease the firm PGA factors for the 2007 summer season to \$0.78040 per Ccf from the current firm PGA factor of \$0.93070 per Ccf. This represents a \$0.1503 per Ccf decrease.

4. For Atmos' Southeast Area (Old SEMO and Neelyville District), the net effect of this filing is to decrease the firm PGA factors for the 2007 summer season to \$0.87680 per Ccf from the current firm PGA factor of \$1.00210 per Ccf. This represents a \$0.1253 per Ccf decrease.

The Commission's Staff filed its Memorandum and Recommendation on April 20, 2007. In its Memorandum and Recommendation, Staff supports the decrease and supports Commission approval and incorporation of the reduction in rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because Atmos' PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be immediately approved on an interim basis, subject to refund.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet

should be approved to become effective on May 1, 2007, on an interim basis, subject to refund.

**IT IS ORDERED THAT:**

1. The proposed tariff sheet filed on April 16, 2007, by Atmos Energy Corporation is approved on an interim basis, subject to refund, for service rendered on and after May 1, 2007. The specific tariff sheet approved is:

**P.S.C. MO. No. 2**

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**1st Revised Sheet No. 44, Canceling Original Revised Sheet No. 44**

2. This order shall become effective on May 1, 2007.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale  
Secretary

( S E A L )

Colleen M. Dale, Chief Regulatory Law  
Judge, by delegation of authority pursuant  
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 24th day of April, 2007.