

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2007-0403, File No. JG-2007-0743, Atmos Energy Corporation

FROM: Tom Imhoff, Energy Department – Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 4/20/07</u> Energy Department/Date	<u>/s/ Lera Shemwell 4/20/07</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation on Atmos Energy Corporation's Optional PGA Filing
Effective May 1, 2007

DATE: April 20, 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.

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.

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.

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.

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.

Case No. GR-2007-0403, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing. Case Nos. GR-2004-0479,

Appendix A

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GR-2005-0311, and GR-2006-0300 were established to track the Company's PGA factors to be reviewed in its 2003-2004, 2004-2005 and 2005-2006 ACA filings. Interim subject to refund status should be maintained pending final Commission decisions in ACA Case Nos. GR-2004-0479, GR-2005-0311, GR-2006-0300 and GR-2007-0403.

Staff has verified that this company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

P.S.C. MO. No.2

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

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

In the matter of the Purchased Gas
Adjustment filing of Atmos Energy
Corporation

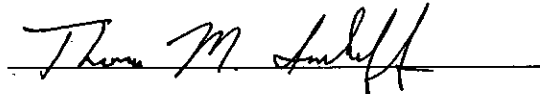
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Case No. GR-2007-0403

AFFIDAVIT OF THOMAS M. IMHOFF

STATE OF MISSOURI)
) ss
COUNTY OF COLE)


Thomas M. Imhoff, of lawful age, on oath states: that he has participated in the preparation of the foregoing written report, consisting of two pages to be presented in the above case; that the information in the attached written report was given by Atmos Energy Corporation; that he has knowledge of the matters set forth in such report; and that such matters are true to the best of his knowledge and belief.



Subscribed and sworn to before me this 20th day of April, 2007.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086


Notary Public

My commission expires 9-21-10