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

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In the Matter of Atmos Energy Corporation's filing for a Purchased Gas Adjustment.

Case No. GR-2008-0364

## **STAFF'S RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, and for its Recommendation, states:

1. On October 17, 2008, Atmos Energy Corporation, filed a tariff sheet requesting an effective date of November 1, 2008. This tariff sheet was filed to reflect changes in the Atmos PGA factors as a result of estimated changes in the cost of natural gas for the upcoming 2008-2009 winter and changes in the ACA factor.

2. Atmos requests an effective date of November 1, 2008.

3. For the Atmos West Area - served by Panhandle Eastern Pipe Line Company, the effect of these changes are to reduce the firm PGA rate for the 2008/2009 Winter to \$0.86520 per Ccf (100 cubic feet) from the current, firm PGA factor of \$0.91800 per Ccf.

4. The PGA rate for the 2007/2008 Winter was \$0.69970 Ccf. Based on average winter usage, a residential customer's winter bill for the five months is expected to be approximately \$101.00 higher compared with last winter.

5. For the Atmos West Area - served by the Southern Star Central Gas Pipeline Company the effect of these changes are to reduce the firm PGA rate for the 2008/2009 Winter to \$0.73185 per Ccf from the current, firm PGA factor of \$1.22710 per Ccf.

6. The PGA rate for the 2007/2008 Winter was \$1.00880 per Ccf, so these changes decrease the firm PGA rate \$0.27695 per Ccf below last winter. Based on average winter usage,

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a Residential customer's bill for the five winter months is expected to be approximately \$170.00 lower than last year.

7. For the Atmos Kirksville Area, served by ANR Pipeline Company, the effect of these changes is to decrease the firm PGA factors for the 2008/2009 Winter to \$0.96310 per Ccf from the current, firm PGA factor of \$1.03340 per Ccf.

8. The PGA rate for the 2007/2008 Winter was \$0.78750 per Ccf. Based on average winter usage, a Residential customer's bill for the five winter months is expected to be approximately \$114 higher compared with the previous winter.

9. For the Atmos Northeast Area served by the Panhandle Eastern Pipeline Company, the effect of these changes is to decrease the firm PGA factors for the 2008/2009 Winter to \$0.95430 per Ccf from the current, firm PGA factor of \$1.0124 per Ccf .

10. The PGA rate for the 2007/2008 Winter was \$0.78760 per Ccf. Based on average winter usage, a Residential customer's bill for the five winter months is expected to be approximately \$108 higher than last winter.

11. For the Atmos Southeast Area - served by the Natural Gas Pipeline Company of America, Texas Eastern Pipeline Company, Mississippi River Transmission, and Ozark Gas Transmission, the effect of these changes is to decrease the firm PGA factors for the 2008/2009 Winter to \$0.96760 per Ccf from the current, firm PGA factor of \$1.17539 per Ccf.

12. The PGA rate for the 2007/2008 Winter was \$0.92330 per Ccf. Based on average winter usage, a Residential customer's bill for the five winter months is expected to be approximately \$22.00 higher than last winter.

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13. For Atmos' Southeast Area - Natural Gas Pipeline Company of America, the effect of these changes is to decrease the firm PGA factors for the 2008/2009 Winter to \$0.92210 per Ccf from the current, firm PGA factor of \$1.08750 per Ccf.

14. The PGA rate for the 2007/2008 Winter was \$0.83550 per Ccf. Based on average winter usage, a Residential customer's bill for the five winter months is expected to be approximately \$44.00 higher than last winter.

15. These rate changes should be approved only on an interim, subject-to-refund status pending final Commission decisions in ACA Case Nos. GR-2008-0364 and GR-2007-0403.

WHEREFORE the Staff recommends that the tariffs be approved to be effective November 1, on an interim basis, subject to audit and refund.

Respectfully submitted,

<u>/s/ Lera L. Shemwell</u>

Lera L. Shemwell Deputy General Counsel Missouri Bar No. 43792

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-7431 (Telephone) (573) 751-9285 (Fax) E-mail: <u>lera.shemwell@psc.mo.gov</u>

## **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered or transmitted by facsimile or electronic mail to all counsel of record this 28th day of October, 2008.

/s/ Lera L. Shemwell