

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

In the Matter of Atmos Energy Corporation's)	
Motion for Waiver of Tariff Provisions)	
Related to the Filing of Revised ACA Factors)	Case No. GR-2011-0161
and Motion for Expedited Treatment.)	

**STAFF'S RECOMMENDATION TO
APPROVE TARIFF FILING ON AN EXPEDITED BASIS**

COMES NOW the Staff of the Missouri Public Service Commission, and, files its Recommendation to approve this Request for Waiver of Tariff Provisions Related to Revised Actual Cost Adjustment factors. In support thereof Staff states:

1. On March 16, 2011, Atmos Energy Corporation (Atmos or Company), of Franklin, Tennessee, filed a Purchased Gas Adjustment (PGA) tariff sheet with the Missouri Public Service Commission (Commission) with a proposed effective date of April 1, 2011.

2. In addition, Atmos filed a Motion for Waiver of Tariff Provisions and Motion for Expedited Treatment (Motion) to the filing of a revised Actual Cost Adjustment (ACA) Factor. On March 17, 2011, the Commission issued its *Order Directing Staff to File Recommendation and Establishing Time for Response* (Order) directing Staff to file its recommendation no later than March 24, 2011. This memorandum is in response to that Order.

3. Atmos seeks a Waiver from its PGA tariff provisions to file a revised ACA factor for its Southeast Area – SEMO and Neelyville Districts, Atmos seeks to decrease this ACA factor to zero now because its ACA balance is nearly zero. To avoid undercollecting for gas costs Atmos seeks to change its ACA now.

4. The effect of this change will increase the firm PGA factors from the current \$0.59983 per Ccf (100 cubic feet) to \$0.64490 per Ccf. This represents an increase of \$0.04507

per Ccf for the typical residential customer in the SEMO District.

5. The tariff sheet filed also reflects changes in Atmos PGA factors as a result of estimated changes in the cost of natural gas.

6. For the Atmos Northeast Area (NEMO) approval of the ACA change will increase the firm PGA factors from the current \$0.60050 per Ccf to \$0.65050 per Ccf, which is an increase of \$0.05 per Ccf for the typical residential customer in the NEMO District.

7. The WEMO district will also increase by \$0.05 per Ccf for the typical residential customer in the WEMO District.

8. Atmos' Kirksville Area ACA factor will not change.

9. Staff agrees making minor changes to the ACA factor before the winter heating season is reasonable to avoid undercollection.

WHEREFORE based on the reasons stated above, Staff recommends Commission approval of the waiver request and tariff revisions on an expedited basis, however, the tariff sheets should be approved only on an interim subject to refund basis.

Respectfully submitted,

/s/ Lera L. Shemwell
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of March, 2011.

/s/ Lera Shemwell