BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Atmos Energy Corporation's Purchased Gas Adjustment Factors to be audited in 2005-2006 Actual Cost Adjustment.) Case No. GR-2006-0300
) YG-2007-0255, YG-2007-0256,
) & YG-2007-0257

STAFF'S RECOMMENDATIONS REGARDING ATMOS' PGA FILINGS

COMES NOW the Staff (Staff) of the Missouri Public Service Commission (Commission) and for its Recommendation in this case states:

1. On October 17, 2006, Atmos Energy Corporation (Atmos or Company) filed tariff sheets with a proposed effective date of November 1, 2006. The tariff sheets were filed to reflect scheduled changes in Atmos' PGA factors as the result of estimated changes in the cost of natural gas for the upcoming winter season.

2. This tariff filing reflects changes in the Regular Purchased Gas Adjustment (RPGA) factors. In addition, this filing reflects changes in the Actual Cost Adjustment (ACA) factors. The winter season includes the months of November through March.

3. Atmos serves numerous areas within the state and three (3) Staff Recommendations which address the various areas are attached to this pleading.

4. The Staff has reviewed these PGA tariff filings and has determined that they were calculated in conformance with Atmos' PGA Clause.

5. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty days notice is demonstrated by Atmos' Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings.

6. Staff recommends the Commission approve the tariff sheets to change Atmos' PGA rates on an interim subject to refund basis only until the Procurement Analysis Department is able to complete its audit and make further recommendations to the Commission.

WHEREFORE the Staff recommends the Commission approve the tariff sheets with an effective date of November 1, 2006, interim, subject to 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 25th day of October, 2006.

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