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

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In the matter of PGA / ACA filing of Atmos Energy Corporation for the West Area (Old Butler), West Area (Old Greeley), Southeastern Area (Old SEMO), Southeastern Area (Old Neelyville), Kirksville Area, and in the Northeastern Area

Case No. GR-2008-0364 YG-2009-0741

## **STAFF RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Recommendation, states as follows:

1. On April 17, 2009, Atmos Energy Corporation (Atmos or Company) filed a Purchased Gas Adjustment (PGA) tariff sheet bearing an effective date of May 1, 2009. This tariff sheet was filed to reflect changes in Atmos' PGA factors as a result of an estimated change in the cost of natural gas for the current summer season. In addition, Atmos filed a Motion for Waiver of Tariff Provisions to the filing of a revised Actual Cost Adjustment (ACA) Factor and Motion for Expedited Treatment. The above-captioned case was established to track the company's PGA factors to be reviewed in its 2007-2008 Actual Cost Adjustment (ACA) filing. Case No. GR-2007-0403 was established to track the Company's PGA factors to be reviewed in its 2006-2007 ACA filing.

2. On April 20, 2009, the Commission issued its Order Directing Staff To File Recommendation and Establishing Time For Response to its recommendation by April 24, 2009.

3. Atmos seeks a waiver from its PGA tariff provisions to file a revised ACA factor for its Kirksville District customers in its northeast service area. Atmos's ACA level for its Kirksville District will be nearly \$0 by the end of April. Staff has reviewed the Kirksville ACA balance and is of the opinion this change should be made.

4. Staff has reviewed the Company's tariff filing and has determined that the tariff sheet has been filed in compliance with Atmos' PGA clause and Commission rules. Staff believes good cause for the approval of these tariff sheets on less than thirty (30) days notice is demonstrated by Atmos' Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings and its Motion.

5. Noting that the PGA rate factors proposed by Atmos involve significant reductions, and for reasons explained more fully in Staff's Memorandum, attached hereto as Appendix A and incorporated herein by reference, the PGA factor rate changes should be approved on an interim, subject to refund status, pending final Commission decisions in ACA Case Nos. GR-2008-0364 and GR-2007-0403.

WHEREFORE, for the reasons stated in Staff's Memorandum, the Staff respectfully requests that the Commission issue an order approving Atmos' tariff sheet in File No. YG-2009-0741, on an interim, subject to refund basis.

Respectfully submitted,

## /s/ Robert S. Berlin

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## **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 24<sup>th</sup> day of April 2009.

/s/ Robert S. Berlin