

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2012-0129, File No. YG-2012-0440  
Atmos Energy Corporation

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

/s/ Thomas M. Imhoff 3/21/12                      /s/ Robert S. Berlin 3/21/12  
Regulatory Review Division/Date                      General Counsel's Office/Date

SUBJECT: Staff Recommendation for Atmos Energy Corporation's Optional PGA Filing  
Effective April 1, 2011

DATE: March 21, 2012

On March 14, 2012, Atmos Energy Corporation (Atmos or Company) of Owensboro, Kentucky, filed a tariff sheet requesting an effective date of April 1, 2012. 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 summer season.

For the Atmos West Area (WEMO) including Butler, Rich Hill and Hume served by Panhandle Eastern Pipe Line Company (PEPL) and Southern Star Central Gas Pipeline Company (SCC), the effect of this change will be to decrease the firm PGA rate from the current \$0.53755 per Ccf (100 cubic feet) to \$0.42245 per Ccf. This represents a \$0.11510 per Ccf decrease.

For the Atmos Northeast Area (NEMO) including Hannibal, Canton, Bowling Green and Palmyra or Combined District served by the Panhandle Eastern Pipeline Company, the effect of this change will be to decrease the firm PGA rate from the current \$0.60233 per Ccf to \$0.48103 per Ccf. This represents a \$0.12130 per Ccf decrease.

For the Atmos Kirksville Area including Kirksville and Lancaster, served by the ANR Pipeline Company (ANR), the effect of these changes will decrease the firm PGA rate from the current \$0.61637 per Ccf to \$0.50787 per Ccf. This represents a \$0.10850 per Ccf decrease.

For the Atmos Southeast Area (SEMO) including Jackson, Charleston, New Madrid, Caruthersville, Neelyville and Kennett, 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 will decrease the firm PGA rate from the current \$0.61340 per Ccf to \$0.49250 per Ccf. This represents a \$0.12090 per Ccf decrease.

Case No. GR-2012-0129, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2011-2012 ACA filing. Case No. GR-2011-0161 was established to track the Company's PGA factors to be reviewed in its 2010-2011 ACA

filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2012-0129 and GR 2011-0161.

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.

Staff has reviewed this filing and has determined that it was calculated in conformance with Atmos' PGA Clause, with the exception of a typographical error noted and the correction discussed with the Company. Staff is of the opinion that good cause for approval of this tariff sheet 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. Therefore, Staff recommends that the following tariff sheet be approved, interim subject to refund:

P.S.C. MO. No. 2

17<sup>th</sup> Revised Sheet No. 44, Canceling 16<sup>th</sup> Revised No. 44

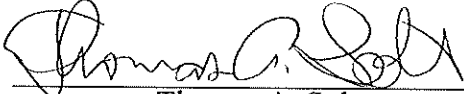
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy	)	Case No. GR-2012-0129
Corporation's Purchased Gas Adjustment	)	File No. YG-2012-0440
Tariff Filing	)	

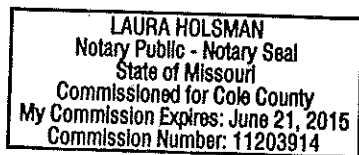
**AFFIDAVIT OF THOMAS A. SOLT**


STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Thomas A. Solt, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

  
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Thomas A. Solt

Subscribed and sworn to before me this 21<sup>st</sup> day of March, 2012.



  
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Notary Public