

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File, Case No. GR-2011-0161  
File No. YG-2011-0367  
Atmos Energy Corporation

FROM: Thomas M. Imhoff, Energy Department - Tariffs/Rate Design

/s/ Thomas M. Imhoff 01/24/11  
Energy Department/Date

/s/ Robert S. Berlin 01/24/11  
General Counsel's Office/Date

SUBJECT: Staff Recommendation in the Matter of Atmos Energy Corporation's Motion for Waiver of Tariff Provisions Related to the Filing of a Revised ACA and Motion for Expedited Treatment

DATE: January 24, 2011

On January 18, 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 February 1, 2011. 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 January 18, 2011, the Commission issued an ORDER DIRECTING STAFF TO FILE ECOMMENDATION AND ESTABLISHING TIME FOR RESPONSE (ORDER) for Staff to file its recommendation no later than January 24, 2011. This memorandum is in response to that ORDER.

Atmos seeks a Waiver from its PGA tariff provisions to file revised ACA factors for its WEMO and NEMO Districts. Atmos' ACA levels for its WEMO District will be nearly \$0 by the end of February 2011, and the NEMO District will be nearly \$0 by the end of January 2011. By making these changes now, Atmos will have *de minimus* ACA balances and avoid an under-collection of these costs for the upcoming regular ACA filing in November 2011. The Commission's Energy Tariff/Rate Design Staff (Staff) has reviewed WEMO and NEMO's ACA balances and is of the opinion these changes should be made.

Staff has reviewed the Company's tariff filing and has determined that the tariff sheet has been filed in compliance with Atmos' PGA Clause, Commission rules and regulations. Staff is of the opinion that good cause for 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. Staff has no objection to Atmos' request because the WEMO and NEMO's District's ACA balances are nearing zero by end of February 2011, and January 2011, respectively, thereby avoiding an under-collection of gas costs. Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects, or is affected by, this filing.

Therefore, Staff recommends that the following tariff sheet and Motion be approved, as filed on

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January 18, 2011, and be allowed to become effective on February 1, 2011.

P.S.C. MO. No. 2  
13<sup>th</sup> Revised SHEET NO. 44, Cancelling 12<sup>th</sup> SHEET NO. 44

Staff has verified that Atmos has filed its annual report and is not delinquent on any assessment.

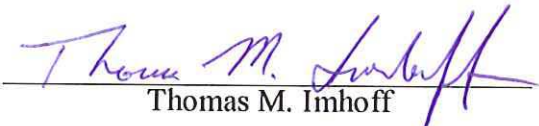
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy                     )  
Corporation's Purchased Gas Adjustment        )  
Tariff Filing   )       Case No. GR-2011-0161

**AFFIDAVIT OF THOMAS M. IMHOFF**

STATE OF MISSOURI        )  
                                      ) ss  
COUNTY OF COLE         )

Thomas M. Imhoff, 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.

  
Thomas M. Imhoff

Subscribed and sworn to before me this 24<sup>th</sup> day of January, 2011.



  
Notary Public