

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
March 20, 2001**

CASE NO: GO-98-567

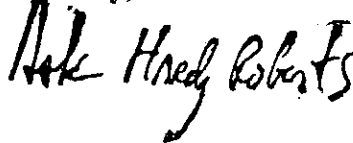
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Enclosed find certified copy of ORDER in the above-numbered case(s).

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 20th
day of March, 2001.

In the Matter of the Application of)	
Associated Natural Gas Company, a Division)	
of Arkansas Western Gas Company, for a)	<u>Case No. GO-98-567</u>
Three-Year Variance from Section (19) of)	
4 CSR 240-10.030, Regarding the Testing of)	
Gas Meters)	

ORDER GRANTING EXTENSION OF VARIANCE

On July 21, 1998, the Missouri Public Service Commission (Commission) granted a variance for rule 4 CSR 240-10.030(19) upon the request of Associated Natural Gas (ANG), a division of Arkansas Western Gas Company. The variance waived the requirement of testing every meter at least every 120 months and permitting ANG to test its meters under a meter sampling program. The variance was granted for a period of three calendar years, ending on December 31, 2000, and the Commission had ordered ANG and Staff of the Commission (Staff) to file a report with their recommendations for the continuation or revision of the variance no later than November 30, 2000. No report was filed by November 30, 2000.

On February 13, 2001, the Commission issued an order directing ANG and Staff to file a report no later than February 28, 2001. On February 16, 2001, ANG filed notice in this case of the sale of its assets to Atmos Energy Corporation (Atmos). On February 28, 2001,

Staff and Atmos, the successor to ANG, filed their joint report and recommendation.

In the joint report and recommendation, Atmos and Staff stated that ANG sold all of its Missouri gas properties to Atmos and the Commission approved the sale in Case No. GM-2000-312 on April 20, 2000, effective May 1, 2000. Atmos and Staff stated that they had reviewed the results for the calendar year 2000 sample testing program, which were attached as Appendix A to ANG's annual report, and incorporated into the joint report by reference. Atmos and Staff jointly recommended that the variance granted be extended through calendar year 2001. Further, Atmos and Staff recommended that Atmos be directed to file reference to the extension of the variance granted at an appropriate location in its tariff, and that such references or revised tariff sheets be filed no later than 30 days after the effective date of the order approving the extension of the variance. Atmos and Staff recommended that they be directed to file a report, jointly or separately, with their recommendations for continuation or revision of the variance no later than November 30, 2001. Atmos also agreed to file an annual report with the Commission in this case including the information specified in the application no later than January 31, 2002. Further, Atmos agreed to provide Staff any available preliminary data for the meter testing program by November 1, 2001.

Since Atmos recently purchased ANG's properties and obtained authorization to provide gas in ANG's gas service area, the Commission finds it reasonable to extend this variance until December 31, 2001.

The Commission also finds it reasonable to provide Atmos an additional year to evaluate its meter testing program. Therefore, the Commission will approve the extension of this variance through December 31, 2001. The Commission will also direct Atmos and Staff to file a report, jointly or separately, recommending continuation, revision or discontinuance of this program. These reports should explain the results of Atmos' evaluation of its meter testing program, make a recommendation regarding continuation or revision of the variance and state the reasons in support or opposition to the continuance or revision of the variance. The Commission shall direct the parties to file this report, or reports, no later than November 30, 2001.

IT IS THEREFORE ORDERED:

1. That the variance of rule 4 CSR 240-10.030(19) is extended from January 1, 2001, through December 31, 2001, as recommended by the Staff of the Missouri Public Service Commission and Atmos Energy Corporation on February 28, 2001.

2. That Atmos Energy Corporation shall file a reference to the extension of the variance granted at an appropriate location in its tariff, and that such references or revised tariff sheets shall be filed no later than April 19, 2001.

3. That the Staff of the Missouri Public Service Commission and Atmos Energy Corporation shall file a report, jointly or separately, with their recommendations for continuation or revision of the variance, stating reasons in support or opposition to the continuation or revision of the variance and explaining the results of the meter testing program no later than November 30, 2001.

4. That Atmos Energy Corporation shall file an annual report with the Missouri Public Service Commission in this case including the information specified in the application no later than January 31, 2002.

5. That Atmos Energy Corporation shall provide Staff of the Missouri Public Service Commission any available preliminary data for the meter testing program by November 1, 2001.

6. That this order shall become effective on March 30, 2001.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Drainer, Murray, Schemenauer,
and Simmons, CC., concur

Register, Regulatory Law Judge

ALJ/Sec'y:

Register/Boye

3-15
Date Circulated

60-10-567
CASE NO.

SL 03
Lampe, Chair

mad
Drafter, Vice Chair

CM
Murray, Commissioner

GLC
Schemenauer, Commissioner

KS
Simmons, Commissioner

3-20
Agenda Date

Action taken:

5-045

Must Vote Not Later Than

SLK

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 20th day of March 2001.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

