

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

In the Matter of Atmos Energy Corporation's)	
Tariff Revision Designed to Consolidate Rates)	
and Implement a General Rate Increase for)	Case No. GR-2006-0387
Natural Gas Service in the Missouri Service)	
Area of the Company.)	

**STAFF'S RECOMMENDATION REGARDING ATMOS ENERGY CORPORATION'S TARIFF REVISION
DESIGNED TO IMPLEMENT ITS ENERGY CONSERVATION AND EFFICIENCY PROGRAM**

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

1. On June 28, 2007, Atmos Energy Corporation ("Atmos") filed tariff sheets with an effective date of August 31, 2007, to implement its Energy Conservation and Efficiency Program. In addition to the filing of its tariff sheets, Atmos filed its "Filing Memorandum" to provide further explanation to the Commission regarding the collaborative process, program specifics, reporting, and program year.

2. Atmos filed its tariff sheets in accordance with the Commission's *Report and Order* issued on February 22, 2007, and effective March 4, 2007, in the above-captioned case.

3. The Staff has reviewed the tariff filing by Atmos and has determined the tariff filing complies with the Commission's *Report and Order* in this case. (See Staff's attached Memorandum, incorporated by reference herein).

WHEREFORE, the Staff recommends that the Commission approve the tariff sheets as referenced in the attached Staff Memorandum.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
Missouri Bar No. 51709

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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 13th day of July 2007.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2006-0387, File No. YG-2007-0957
Atmos Energy Corporation

FROM: Anne Ross, Energy Department - Tariffs/Rate Design

/s/ Thomas Imhoff 07/12/07

Energy Department/Date

/s/ Bob Berlin 07/12/07

General Counsel's Office/Date

SUBJECT: Staff Recommendation in the Matter of Atmos Energy Corporation's Tariff Revision
Designed to Implement its Energy Conservation and Efficiency Program in
Compliance with Commission Order

DATE: July 12, 2007

On April 7, 2006, Atmos Energy Corporation (Atmos or Company), of Franklin, Tennessee, filed certain tariff sheets containing revised charges designed to bring about an increase in revenues of approximately \$3.4 million. The Commission held local public hearings, a rate design technical conference, a settlement conference, and evidentiary hearings in this matter. On February 22, 2007, the Commission issued a Report and Order (R&O), which, in part, allowed Atmos to file tariffs that comply with the R&O, and also allowed it to include a fixed delivery charge rate design if it agreed to set up an energy efficiency program as outlined in the R&O.

On March 1, 2007, the Company made a compliance tariff filing pursuant to the R&O, by submitting a new Tariff No. 2, canceling and replacing its Tariff No. 1 in its entirety, and bearing an effective date of April 1, 2007.

On March 9, 2007, the Company submitted substitute tariff sheets to correct minor and typographical errors in its March 1 filing. On March 13, 2007, the Commission issued an order directing the Staff to file a recommendation regarding Atmos' compliance tariff filing no later than March 19, 2007. On March 19, 2007, Staff filed its recommendation of approval on these tariff sheets.

On March 26, 2007, Atmos discovered a mathematical error and filed a substitute tariff Sheet 44 to correct that error. On March 27, 2007, Staff filed its recommendation of approval on these tariff sheets.

On June 28, 2007, the Company filed tariff sheets to implement an 'Energy Conservation and Efficiency Program' in compliance with the Commission order.

Staff has reviewed the Company's tariff filing and believes the tariff filing complies with the Commission's R&O. Therefore, Staff recommends the approval of the following tariff sheets, as

filed on June 28, 2007, with an effective date of August 31, 2007:

1st Revised Sheet No. 2, Canceling Original Sheet No. 2

Original Sheet No. 112.1

1st Revised Sheet No. 115, Canceling Original Sheet No. 115

Original Sheet No. 116

Original Sheet No. 117

Original Sheet No. 118

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

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OF THE STATE OF MISSOURI**


In the Matter of Atmos Energy)
Corporation's Tariff Revision Designed)
to Consolidate Rates and Implement a)
General Rate Increase for Natural Gas)
Service in the Missouri Service Area of)
the Company)

Case No. GR-2006-0387

AFFIDAVIT OF ANNE ROSS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Anne Ross, of lawful age, on oath states: that she has 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 given by her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.



Anne Ross

Subscribed and sworn to before me this 12th day of July, 2007.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



Notary Public

My commission expires 9-21-10