BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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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 Tariff No. YG-2007-0602

STAFF RECOMMENDATION REGARDING COMPLIANCE TARIFF SHEETS

COMES NOW the Staff of the Missouri Public Service Commission (Staff), pursuant to the Commission's orders regarding the compliance tariff sheets filed by the Atmos Energy Corporation (Atmos or Company) in the above-captioned case, states as follows:

1. On March 13, 2007, the Commission issued its *Order Directing Filing of Tariff Responses* (Order) stating "On March 1, 2007, Atmos Energy Corporation filed tariff sheets intended to comply with the Commission's Report and Order." The Commission's Order directed the Staff to file its recommendation with regard to the compliance tariffs filed by Atmos, Tariff No. YG-2007-0602.

2. The Staff has reviewed the Company's tariff filings for compliance with the Commission's Report and Order and its Memorandum recommending approval is attached hereto as Appendix A and is incorporated by reference herein. The Staff recommends that the Commission approve the Company's tariff, as substituted, with an effective date of April 1, 2007:

P.S.C. MO. No. 2, Original SHEET NO. 1 through Original SHEET NO. 115

The Staff also recommends that the Commission cancel Atmos P.S.C. MO. No. 1, which is replaced by its MO. No. 2 tariff, in its entirety.

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

WHEREFORE, for the reasons stated above and in Staff's Memorandum, the Staff recommends that the Commission cancel Atmos P.S.C. MO. No. 1 tariff and approve Atmos P.S.C. MO. No. 2 tariff in its entirety.

Respectfully submitted,

Robert S. Berlin

Robert S. Berlin Senior Counsel Missouri Bar No. 51709

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 526-7779 (Telephone) (573) 751-9285 (Fax) email: bob.berlin@psc.mo.gov

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 19th day of March 2007.

/s/ Robert S. Berlin

<u>MEMORANDUM</u>

TO: Missouri Public Service Commission Official Case File, Case No. GR-2006-0387, File No. YG-2007-0602 Atmos Energy Corporation

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

/s/ Thomas Imhoff	03/19/07	/s/ Robert Berlin	03/19/07
Energy Department/Date		General Counsel's Office/Date	

- SUBJECT: Staff Recommendation 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 in Compliance with Commission Order
- DATE: March 19, 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 16, 2007, Atmos submitted additional substitute tariff sheets correcting minor and typographical errors.

Staff has reviewed the Company's tariff filing and believes the tariff filing, as substituted on March 9 and March 16, complies with the Commission's R&O. Therefore, Staff recommends the approval of the following tariff sheets, as filed on March 1, 2007, and thereafter substituted, with an effective date of April 1, 2007:

P.S.C. MO. No. 2, Original SHEET NO. 1 through Original SHEET NO. 115

The Commission should also cancel Atmos P.S.C. MO. No. 1, which is replaced by its MO. No. 2 tariff, in its entirety. 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

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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 THOMAS A. SOLT

STATE OF MISSOURI) ss **COUNTY OF COLE** ١

Thomas A. Solt, of lawful age, on oath states: that he has participated in the preparation of the foregoing written recommendation, consisting of _____ pages to be presented in the above case; that the information in the attached written report was given by Atmos Energy Company; that he has knowledge of the matters set forth in such report; and that such matters are true to the best of his knowledge and belief.

homas a. D

Subscribed and sworn to before me this <u>19th</u> day of March 2007.



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

Notary Publie

My commission expires $\frac{9-2}{-10}$