

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Atmos Energy)	
Corporation's Filing for Purchased Gas)	<u>Case No. GR-2007-0403</u>
Adjustment in the 2006-2007 Period)	Tariff No. YG-2008-0243

ORDER APPROVING INTERIM RATES

Issue Date: October 30, 2007

Effective Date: November 1, 2007

On October 17, 2007, Atmos Energy Corporation (Atmos or Company) of Franklin, Tennessee, filed a tariff sheet proposed to become effective November 1, 2007. The tariff sheet was filed to reflect required changes in Atmos' Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the upcoming winter season.

Implementation of the tariff rates results in changes in gas costs in all of Atmos' PGA areas:

1. For Atmos' West Area (Butler District), the net effect of this filing is to increase the firm PGA factors for the 2007/2008 winter season to \$0.69970 per Ccf (100 cubic feet) from the current, summer firm PGA factor of \$0.58550 per Ccf. This represents a \$0.1142 per Ccf increase.

2. For Atmos' West Area (Rich Hill / Hume District), the net effect of this filing is to decrease the firm PGA factors for the 2007/2008 winter season to \$1.00880 per Ccf (100 cubic feet) from the current, summer firm PGA factor of \$1.02590 per Ccf. This represents a \$0.0171 per Ccf decrease.

3. For Atmos' Kirksville Area, the net effect of this filing is to increase the firm PGA factors for the 2007/2008 winter season to \$0.78750 per Ccf from the current, summer firm PGA factor of \$0.59020 per Ccf. This represents a \$0.1973 per Ccf increase.

4. For Atmos' Northeast Area (Hannibal, Canton, Bowling Green and Palmyra or Combined District), the net effect of this filing is to increase the firm PGA factors for the 2007/2008 winter season to \$0.78760 per Ccf from the current, summer firm PGA factor of \$0.69040 per Ccf. This represents a \$0.0972 per Ccf increase.

5. For Atmos' Southeast Area (SEMO District), the net effect of this filing is to increase the firm PGA factors for the 2007/2008 winter season to \$0.92330 per Ccf from the current, summer firm PGA factor of \$0.8171 per Ccf. This represents a \$0.1062 per Ccf increase.

6. For Atmos' Southeast Area (Neelyville District), the net effect of this filing is to decrease the firm PGA factors for the 2007/2008 winter season to \$0.8355 per Ccf from the current, summer firm PGA factor of \$1.0423 per Ccf. This represents a \$0.20680 per Ccf decrease.

The Commission's Staff filed its Memorandum and Recommendation on October 29, 2007. In its Memorandum and Recommendation, Staff supports the change in the costs and in the ACA factor and supports Commission approval and incorporation of the change in rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because Atmos' PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit

the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be immediately approved on an interim basis, subject to refund.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet should be approved to become effective on November 1, 2007, on an interim basis, subject to refund.

IT IS ORDERED THAT:

1. The proposed tariff sheet filed on October 17, 2007, by Atmos Energy Corporation is approved on an interim basis, subject to refund, for service rendered on and after November 1, 2007. The specific tariff sheet approved is:

P.S.C. MO. No. 2

2nd Revised Sheet No. 44, Canceling 1st Revised Sheet No. 44

2. This order shall become effective on November 1, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Colleen M. Dale, Chief Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 30th day of October, 2007.