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Missouri Public
Service Commission

FROM: James A. Gray, Gas Department - Tariffs/Rate Design *mm* *mm*

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Utility Operations Division/Date General Counsel's Office/Date

DATE: July 24, 2000

On July 14, 2000, Greeley Gas Company (Greeley or Company), a division of Atmos Energy Corporation of Dallas, Texas, filed a tariff sheet proposed to become effective August 1, 2000. On July 17, 2000, Greeley filed a substitute tariff sheet to correct a filing error. The tariff sheet was filed to reflect unscheduled changes in Greeley's Purchased Gas Adjustment (PGA) factors as the result of changes in the estimated cost of natural gas for the remaining summer season. The summer season includes the months of April through October.

In conjunction with the filing of this tariff sheet, Greeley filed a REQUEST FOR VARIANCE FROM TARIFF PROVISIONS (Application). This Application requests a one-time waiver from the PGA Clause of Greeley's tariff due to escalations in the market price of gas since its scheduled winter filing. In addition, Greeley cites the following three reasons for approval of this one-time waiver:

1. Send the correct price signal to its customers that will more closely reflect current gas costs;
2. Mitigate the under-recovery of gas costs this summer which would reduce the possibility of a higher Actual Cost Adjustment (ACA) for the next ACA period; and
3. Raise consumer awareness of the possible increases in gas prices this winter.

The effect of this change will increase the PGA factor for the remainder of the 2000 summer season to \$0.4463 per Ccf from the scheduled 1999-2000 winter season PGA factor of \$0.3123 per Ccf. Greeley did not file a scheduled 2000 summer PGA.

Case No. GR-2001-36, under which this change was filed, was established to track the Company's PGA factors to be reviewed in its 1999-2000 ACA filing. Interim subject to refund status should be maintained pending a final Commission decision in Case No. GR-2001-36.

The Commission's Gas Department - Tariffs/Rate Design Staff (Staff) has reviewed the Application and agrees that the one-time waiver request be granted. Staff has also reviewed the PGA filing and has determined, with the exception of the one-time waiver request to file an unscheduled summer PGA, this filing was calculated in conformance with Greeley's Commission approved PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty days notice is demonstrated by Greeley's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the Commission grant the one-time waiver as requested by the Company on July 14, 2000, and approve the following tariff sheet, as substituted on July 17, 2000, to become effective August 1, 2000, interim subject to refund:

P.S.C. MO. No. 1

Forty-Fifth Revised Sheet No. 6 Cancelling Forty-Fourth Revised Sheet No. 6

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