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January 25, 2001

BRIAN D. KINKADE
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Director, Utility Services

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Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

FILED³

JAN 25 2001

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. GR-2001-394

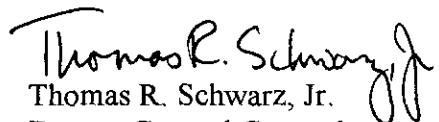
Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,


Thomas R. Schwarz, Jr.
Deputy General Counsel
(573) 751-5239
(573) 751-9285 (Fax)

TRS:sw
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³

JAN 25 2001

Missouri Public
Service Commission

In the matter of Greeley Gas Company's)
Purchased Gas Adjustment factors to be)
reviewed in its 2000-2001 Actual Cost)
Adjustment.)

Case No. GR-2001-394

STAFF RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission")
and for its recommendation in the above-captioned matter states as follows:

1. Greeley Gas Company ("Greeley") filed a tariff on January 18, 2001, proposing to
increase its Purchased Gas Adjustment ("PGA") factor for service provided on and after
February 1, 2001.

2 Staff has reviewed the tariff and has found that the filing complies with the provisions
of Greeley's tariffs for unscheduled winter PGA filings. Staff finds that good cause has been
shown for making the tariff effective on less than thirty days notice, as reflected by the provision
for a ten day effective date in Greeley's tariff. See the Staff Memorandum attached hereto as
Attachment A.

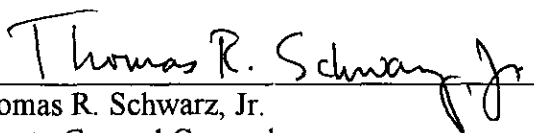
3. Staff emphasizes that it has not audited the books and records of Greeley, and that it
will conduct a thorough review of Greeley's gas purchases during the Actual Cost Adjustment
audit.

2

WHEREFORE, Staff recommends that the rates proposed by Greeley be approved, effective for service on and after February 1, 2001, and that these rates remain interim, subject to refund.

Respectfully submitted,

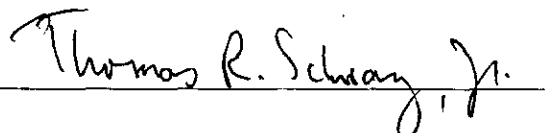
DANA K. JOYCE
General Counsel


Thomas R. Schwarz, Jr.
Deputy General Counsel
Missouri Bar No. 29645

Attorney for the Staff of the
Missouri Public Service Commission
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 25th day of January, 2001.



MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2001-394, File No. 200100750,
Greeley Gas Company, a Division of Atmos Energy Corporation

WDB

FROM: Daniel I. Beck, Gas Department - Tariffs/Rate Design

Wes Beachum 1/25/01 *Thomas R. Schwanz Jr. 1/25/01*
Utility Operations Division / Date General Counsel's Office / Date

SUBJECT: Staff Recommendation for Greeley Gas Company's Unscheduled Winter Season PGA
Filing Effective February 1, 2001.

DATE: January 25, 2001

On January 18, 2001, Greeley Gas Company (Greeley or Company), a Division of Atmos Energy Corporation of Dallas, Texas, filed a tariff sheet proposed to become effective February 1, 2001. The tariff sheet was filed to reflect unscheduled winter changes in Greeley's Purchased Gas Adjustment (PGA) factors as the result of estimated changes in the cost of natural gas. The winter season includes the months of November through March.

The net effect of these changes will increase the firm PGA factor for the remainder of the 2000-2001 winter season to \$0.7339 per Ccf from the scheduled 2000 winter season firm PGA factor of \$0.3991 per Ccf. The firm PGA factor would increase 84% under this proposal. This proposal would increase a typical residential customer's bill 45% for February and March when compared to the rates that are currently in effect. Compared to the rates that are currently in effect, this proposal would increase the typical residential customer's total winter heating season bill 19%. A typical residential customer's usage is assumed to be based on a year with normal weather. Deviations from normal weather could lessen or exacerbate the impact of this increase.

Case No. GR-2001-394 under which this change was filed, was established to track the Company's PGA factors to be reviewed in its 2000-2001 ACA filing. Case No. GR-2001-36 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 decisions in Case Nos. GR-2001-394 and GR-2001-36.

The Commission's Gas Department - Tariffs/Rate Design Staff (Staff) has reviewed this filing and has determined that it was calculated in conformance with Greeley's 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 a minimum of ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheet be approved, interim subject to refund:

P.S.C. MO. No. 1

Forty-seventh Revised Sheet No. 6 Cancelling Forty-sixth Revised Sheet No. 6.

Copies: Director - Utility Operations Division
Director - Research and Public Affairs Division
Director - Utility Services Division
General Counsel
Manager - Financial Analysis Department
Manager - Procurement Analysis Department
Manager - Gas Department
Bob J. Cline, Manager, Rate Administration (Greeley)
Douglas C. Walther, Senior Attorney (Greeley)
Office of the Public Counsel

WINTER SEASON
 Approximate Billing Impact Of 888 Ccf per Winter Season
 Greeley Gas Company
 Residential Heating Customer

	Prior Winter Season (Months)	Ccf Usage	Total Fuel Bill (\$)
+	November 2000	97	79.25
#	December	179	133.58
#	January 2001	236	174.52
#	February	217	160.87
#	March	159	119.21
	5 Month Winter Season Total	888	\$667.43

	Forecasted Winter Season (Months)	Ccf Usage	Total Fuel Bill (\$)
^	November 2000	97	79.25
#	December	179	133.58
#	January 2001	236	174.52
@	February	217	233.52
@	March	159	172.44
	5 Month Winter Season Total	888	\$793.31

45%
45%

REMARKS

For a typical residential customer using approximately 888 Ccf during the winter season (November - March), natural gas rates will increase by \$125.88 or approximately 19% when comparing the fuel bills for the prior winter season ending March 2000 with the fuel bills for the forecasted winter season ending March 2001.

Notes:

- (1) Total fuel bill does not include gross receipts or local sales taxes.
- (2) Monthly usage priced at the rates in effect during the appropriate time period.
- (3) Tariff Sheet No. 2: Customer Charge = \$5.00; Non-gas Component Charge = \$0.3192 per Ccf.
- ^ Tariff Sheet No. 6: PGA Charge = \$.4463 per Ccf.
- * Tariff Sheet No. 6: PGA Charge = \$.3991 per Ccf.
- @ Tariff Sheet No. 6: PGA Charge = \$.7339 per Ccf.

Missouri Public Service Commission
 February 2001

Service List for
Case No. GR-2001-394
Revised: January 25, 2001 (SW)

Office of the Public Counsel
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