

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

June 28, 2001

CASE NO: GR-2001-396

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

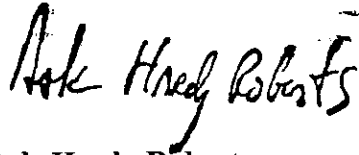
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Missouri Public Service Commission
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101 Madison Street, Suite 400
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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 28th day
of June, 2001.

In the Matter of Atmos Energy Corporation's	)	
Purchased Gas Adjustment Factors to be Audited	)	<u>Case No. GR-2001-396</u>
in its 2000-2001 Actual Cost Adjustment.	)	Tariff No. 200101191

**ORDER GRANTING VARIANCE AND
ORDER APPROVING INTERIM RATES**

Atmos Energy Corporation filed a tariff sheet with the Commission on June 15, 2001, carrying an effective date of July 1, 2001. The tariff sheet reflects an unscheduled Summer Purchased Gas Adjustment (PGA) change reducing the cost of gas, rather than waiting until Atmos' next scheduled Winter filing. This unscheduled Summer PGA filing applies to Atmos' service area previously served by Associated Natural Gas Company.

Additionally, Atmos filed a pleading requesting the Commission grant a variance from its tariff provision to permit Atmos to file this unscheduled Summer PGA. Atmos stated that good cause exists for granting Atmos a variance from its PGA tariff provision because of recent reductions in natural gas prices. Atmos stated that it is reasonable and appropriate to file an unscheduled Summer PGA filing because 1) it will give a more accurate price signal to consumers regarding the current cost of natural gas, and 2) reducing the cost of gas will help keep the Deferred Carrying Cost Balance (DCCB) and the ACA balances at appropriate levels and not create significant over-collections or under-collections.

On June 26, 2001, the Staff of the Missouri Public Service Commission filed its recommendation that the Commission approve Atmos' proposed tariff sheet for service on and after July 1, 2001, as an interim rate, subject to refund. Staff also recommended that Atmos' request for a one-time variance from the PGA clause of its tariff be granted.

For Atmos' Butler District, the effect of these changes will decrease the firm PGA factor for the remainder of the 2001 summer season to \$0.67077 per Ccf from a winter season firm PGA factor of \$1.16519 per Ccf. For Atmos' Kirksville District, the effect of these changes will decrease the firm PGA factor for the remainder of the 2001 summer season to \$0.78998 per Ccf from a winter season firm PGA factor of \$1.07076 per Ccf. For Atmos' SEMO District, the effect of these changes will increase the firm PGA factor for the remainder of the 2001 summer season to \$0.79986 per Ccf from a winter season firm PGA factor of \$1.13726 per Ccf.

Staff stated that, with exception of the one-time variance request to file an unscheduled summer PGA, this filing was calculated in conformity with Atmos' PGA Clause. Staff further stated that Atmos' PGA Clause allows for ten business days' notice for filings reflecting PGA changes and that, under the circumstances, good cause exists to approve the proposed tariff sheet on less than 30 days' notice. Staff recommended that the Commission approve the tariff sheet to become effective July 1, 2001, on an interim basis, subject to refund, pending a final Commission decision in Atmos' ACA Case Nos. GR-98-399, GR-99-392, GR-2000-573 and GR-2001-396.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the tariff sheet conforms to the company's Commission-approved PGA Clause and is therefore reasonable. This

unscheduled decrease in Atmos' rates is necessary because of the recent reductions in natural gas prices. The Commission also finds that it is reasonable to grant Atmos' request for a one-time variance from Atmos' PGA tariff 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 and after the requested effective date of July 1, 2001, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the Request for Variance From Tariff Provisions filed by Atmos Energy Corporation on June 15, 2001, shall be granted.
2. That Tariff No. 200101191, submitted in Case No. GR-2001-396, by Atmos Energy Corporation, is approved on an interim basis, subject to refund, for service rendered on and after July 1, 2001. The tariff sheet approved is:

P.S.C. Mo. No. 1
23rd Revised Sheet No. 16T, Canceling 22nd Revised Sheet No. 16T

3. That this order shall become effective on July 1, 2001.

BY THE COMMISSION

(SEAL)



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Lumpe, Ch., Murray, Simmons,
and Gaw, CC., concur.

Register, Regulatory Law Judge

ALJ/Secretary: Regulation / Pope

Date Circulated 6-27 GR-2001-396
CASE NO.

Lumpke, Chair AK

Breiner, Vice Chair AK

Murray, Commissioner KS

Simmons, Commissioner 7/16

Gaw, Commissioner 7/16

6-28

Agenda Date

Action taken: 4-045

Must Vote Not Later Than 6-28

(PCA order)

JAC

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and
I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 28th day of June 2001.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

