

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14L-0228G

IN THE MATTER OF THE APPLICATION OF ATMOS ENERGY CORPORATION
FOR AN ORDER AUTHORIZING IT TO PUT INTO EFFECT CERTAIN GAS
RATE ADJUSTMENTS TO ITS GAS COST RECOVERY RATES UPON LESS THAN
STATUTORY NOTICE.

**COMMISSION DECISION AUTHORIZING
UPWARD REVISIONS OF GAS RATES**

Mailed Date: March 27, 2014

Adopted Date: March 26, 2014

I. BY THE COMMISSION

A. Statements

1. On March 14, 2014, Atmos Energy Corporation (Atmos or Applicant) filed a verified application. Atmos seeks a Commission decision authorizing it, without a formal hearing and on less-than-statutory notice, to place into effect on April 1, 2014, a tariff resulting in an overall increase to its existing natural gas rates on file with the Commission.

2. On March 19, 2015, Atmos filed an amended page 8 of the application, correcting a year reference in the first paragraph of said page.

3. The proposed tariff is attached to the application and affects the Applicant's customers in its four Colorado service areas.

4. Atmos acknowledges that it has read and agrees to abide by the provisions of Rules 4002(b)(IV) through (VI) and Rules 4002(b)(XI)(A) through (C) of the Rules Regulating Gas Utilities and Pipeline Operators, 4 *Code of Colorado Regulations* 723-4.

5. This application for authority to add a new tariff or change an existing tariff is made pursuant to § 40-3-104 (2), C.R.S., and Rule 4109(b)(II).

B. Findings of Fact

6. The Applicant is an operating public utility subject to the jurisdiction of this Commission and is engaged in, *inter alia*, the purchase, distribution, transportation, and sale of natural gas for domestic, mechanical, or public uses in its Northeast, Northwest/Central, Southeast, and Southwest rate areas in the State of Colorado.

7. The Applicant obtains its natural gas requirements from a mix of sources. Each of the divisions is connected to a pipeline supplier for delivery of its gas requirements through purchases or transport. Atmos' natural gas requirements for its Northeast Colorado Division are met through purchases from Tenaska Marketing Ventures and delivered by Public Service Company of Colorado (Public Service) and Tallgrass Interstate Gas Transmission. Atmos' natural gas requirements for its Northwest/Central Colorado Division are met from CIMA Energy and Concord Energy and delivered by Questar Pipeline and Public Service. Atmos' Southeast Colorado Division natural gas requirements are met from Concord Energy; Prowers Gas Gathering Co. LLC; Renegade Oil & Gas Company LLC; and Seminole Energy Services and are connected to Colorado Interstate Gas Company (CIG). Lastly, Atmos' Southwest Colorado Division natural gas requirements are met from Tenaska Marketing Ventures and are connected to Northwest Pipeline Corporation.

8. Transportation service provided by Public Service is regulated by this Commission. Rates for pipeline delivery services of CIG, Northwest Pipeline Corporation, Questar Pipeline, and Tallgrass Interstate Gas Transmission are regulated by the Federal Energy Regulatory Commission.

9. The Commission has no jurisdiction over the transportation rates of interstate pipeline companies and wholesale rates of suppliers, but we expect the Applicant to negotiate the lowest prices for supplies of natural gas that are consistent with the provisions of the Natural Gas Policy Act of 1978, 15 U.S.C. §§ 3301-3432 (Public Law 95-621) and applicable federal regulations.

10. Rule 4603(c) allows Atmos to revise its gas cost adjustment (GCA) rates “[i]f the projected gas costs have changed from those used to calculate the currently effective gas cost...provided that the resulting change to the GCA equates to at least one cent (\$0.01) per Mcf or Dth.”

11. The purpose of the revisions of the Applicant's gas rates is to effectuate an increase in the level of natural gas costs charged to the Applicant based on prices to be in effect April 1, 2014 through October 30, 2014, applied to normalized forecasted purchase and sales volumes during the same test period.

12. The effect of the above revisions is an overall increase of \$12,419,917 to the Applicant's customers in its four Colorado service areas. Specifically, the effect of the revisions is an increase of \$4,173,323 or 16 percent to customers in the Northeast Colorado Division; an increase of \$4,279,799 or 19 percent to customers in the Northwest/Central Colorado Division; an increase of \$1,899,014 or 17 percent to customers in the Southeast Colorado Division; and an increase of \$2,067,782 or 22 percent to Applicant's customers in the Southwest Colorado Division.

13. The proposed tariff, attached as Appendix A, will increase total annual revenues by \$12,419,917 which is an overall increase of 18 percent.

14. The Commission finds good cause to allow the proposed overall increase on less-than-statutory notice.

II. ORDER

A. The Commission Orders That:

1. The verified application filed by Atmos Energy Corporation (Atmos) is deemed complete.

2. The corrected application filed by Atmos for authority to change a tariff on less-than-statutory notice is granted.

3. Atmos is authorized to file, on not less than two days' notice, the tariff attached as Appendix A and made a part of this Decision. The tariff shall be effective for actual gas sales on or after their effective date of April 1, 2014.

4. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

5. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
March 26, 2014.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

GLENN A. VAAD

Commissioners

COMMISSIONER PAMELA J. PATTON
ABSENT.