

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 13AL-0496G

IN THE MATTER OF ADVICE LETTER NO. 497, FILED BY ATMOS ENERGY CORPORATION TO PLACE INTO EFFECT TARIFF SHEET CHANGES TO BE EFFECTIVE ON JUNE 10, 2013.

**INTERIM DECISION OF
ADMINISTRATIVE LAW JUDGE
G. HARRIS ADAMS
MODIFYING GENERAL RATE SCHEDULE ADJUSTMENT**

Mailed Date: January 21, 2014

I. STATEMENT

1. On January 17, 2014, the Unopposed Motion to Modify General Rate Schedule Adjustment and for Waiver of Response Time (Motion) was filed by Atmos Energy Corporation (Atmos Energy). Exhibit 1 to the Motion contained the tariff sheets reflecting the proposed modifications.

2. By Decision No. R13-1022-I, issued August 19, 2013, Atmos Energy is authorized to implement an across-the-board General Rate Schedule Adjustment (GRSA) of 12.85 percent, subject to a customer refund condition, to go into effect on January 1, 2014.

3. By Decision No. R13-1583-I, issued on December 24, 2013, Decision No. R13-1022-I was modified to authorize Atmos Energy to put into effect an across-the-board GRSA of 5.14 percent.

4. On December 26, 2013, in compliance with Commission Decision No. R13-1583-I, Atmos Energy filed Advice Letter No. 506 and tariff sheets implementing the GRSA of 5.14 percent, effective January 1, 2014, in Proceeding No. 13AL-1377G.

Advice Letter No. 506 also sought to modify Atmos Energy's Advanced Metering Infrastructure Surcharge (AMIS) Reconciliation Calculation as filed in Proceeding No. 10A-189G to zero out the AMIS because the entirety of the AMIS is subsumed into the 5.14 percent GRSA such that continued collection of the surcharge would result in double-counting these revenues while the GRSA is in effect.

5. An all-party settlement has been reached between Atmos Energy, Staff of the Public Utilities Commission, Energy Outreach Colorado, and the Colorado Office of Consumer Counsel. That settlement was filed on January 15, 2014. In that settlement, the parties agreed to a rate increase in annual base revenues consisting of two steps. The first step consisted of an increase in annual base revenues of \$1,644,000 for January through February 2014 (First Settlement Rate Increase). The second step consisted of a reduction of \$344,000 to the First Settlement Rate Increase resulting in an authorized increase in annual base revenues of \$1,300,000 from March 1, 2014 onwards (Second Settlement Rate Increase).

6. The settlement includes a provision (Paragraph 15(e)) stating:

Pursuant to Commission Decision No. R13-1583-I, Advice Letter No. 506 implementing a GRSA of 5.14 percent went into effect on January 1, 2014. The GRSA of 5.14 percent is consistent with the level of the First Settlement Rate Increase. Consistent with the level of the Second Settlement Rate Increase, the Settling Parties agree that Atmos Energy shall make an Advice Letter filing to reflect a 4.06 percent GRSA proposed to become effective on March 1, 2014. Both GRSA's shall continue to be subject to the refund conditions set forth in Advice Letter Nos. 497, 505, and 506. The Settling Parties' intent is to reflect both Settlement Rate Increases in interim rates so that if the Settlement Rate Increases are approved without modification, the refund conditions will not be applicable.

Atmos Energy represents that the purpose of this Advice Letter is to put into effect interim rates consistent with the level of the Second Settlement Rate Increase beginning March 1, 2014.

7. Atmos Energy requests authorization to make a compliance filing to put into effect a GRSA of 4.06 percent, subject to the refund conditions authorized in Decision No. R13-1022-I, with an effective date of March 1, 2014. Specifically, according to Atmos Energy, the current request is only seeking to change the GRSA from 5.14 percent to 4.06 percent.

8. This approach results in a decrease in rates that will allow the soonest implementation of a modified GRSA for customers that is consistent with the settled revenue requirement.

9. Notice of Atmos Energy's proposed rate increase in this proceeding was provided to customers with the filing of Advice Letter No. 497 pursuant to Rule 1207 of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1. Although not required for a compliance filing, additional notice to customers of the 12.85 percent provisional GRSA increase was provided with bill inserts in the December billing cycle. The modification sought by the Motion will prospectively lower the provisional bill increase for customers from 5.14 percent to 4.06 percent. The advice letter filed in compliance with this Decision will also be a compliance filing within the notice provided for Advice Letter No. 497 and will further restrict the scope of this proceeding. As a result, additional notice is not necessary.

10. Good cause shown for the unopposed request, it is appropriate that response time be waived and the request granted.

II. ORDER

A. It Is Ordered That:

1. The Unopposed Motion to Modify General Rate Schedule Adjustment and for Waiver of Response Time (Motion) filed by Atmos Energy Corporation (Atmos Energy) on January 17, 2014, is granted.

2. Atmos Energy is authorized to make a compliance filing changing the General Rate schedule Adjustment (GRSA) authorized by Decision No. R13-1583-I to 4.06 percent. All other aspects of Decision No. R13-1022-I remain in full force and effect.

3. Atmos Energy is authorized to file compliance tariff pages substantially in the form attached to the Motion as Exhibit 1 as a new advice letter on not less than two business days' notice reflecting the GRSA of 4.06 percent. The advice letter and tariff shall be filed as a new advice letter proceeding and shall comply with all applicable rules. In calculating the proposed effective date, the date the filing is received at the Commission is not included in the notice period and the entire notice period must expire prior to the effective date. The advice letter and tariff must comply in all substantive respects to this Decision in order to be filed as a compliance filing on shortened notice.

4. This Decision is effective immediately.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

G. HARRIS ADAMS

Administrative Law Judge

ATTEST: A TRUE COPY

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

Doug Dean,
Director