

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14L-1020G

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: October 29, 2014

Adopted Date: October 29, 2014

I. BY THE COMMISSION

A. Statements

1. On October 15, 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 November 1, 2014, tariffs resulting in an overall increase to its existing natural gas rates on file with the Commission. The application contains all of the materials required by the applicable Commission Rules and therefore is deemed complete.

2. The proposed tariffs are attached to the application and affect the Applicant's customers in its Colorado service areas.

3. 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.

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

B. Findings of Fact

5. 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.

6. 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 Kinder Morgan Interstate GTLLC. Atmos' natural gas requirements for its Northwest/Central Colorado Division are met from BP Energy Company and J.P. Morgan and delivered by Questar Pipeline and Public Service. Atmos' Southeast Colorado Division natural gas requirements are met from Concord Energy, LLC, 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 BP America Production Company and J.P. Morgan and are connected to Northwest Pipeline Corporation.

7. Transportation service provided by Public Service is regulated by this Commission. Rates for pipeline delivery services of CIG, Northwest Pipeline Corporation, Questar Pipeline, and Kinder Morgan GTLLC are regulated by the Federal Energy Regulatory Commission. The Commission has no jurisdiction over the transportation rates of interstate

pipeline company CIG and wholesale rates of suppliers, but we expect 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.

8. The Commission's Gas Cost Adjustment (GCA) Rules at 4602(b) require that Atmos revise GCA rates to be effective on November 1 of each year. The instant filing is intended to comply with this requirement.

9. The purpose of the revisions of the Applicant's gas rates is: (1) to effectuate an increase in the level of natural gas costs charged to the Applicant based on prices to be in effect November 1, 2014 through October 31, 2015, applied to normalized forecasted purchase and sales volumes during the same test period; (2) to reflect costs for upstream pipeline services anticipated to be charged Applicant by interconnecting pipelines for the same period; and (3) to adjust for previous under-/over-recovered gas cost balance in Applicant's Deferred Gas Cost Account No. 191 as of June 30, 2014.

10. The proposed tariffs, attached as Appendix A, will increase total annual revenues by \$591,010, which is an overall increase of .86 percent.

11. The effect of the above revisions is an overall increase of \$591,010 to the Applicant's customers in its Colorado service areas. Specifically, the effect of the revisions is an increase of \$1,304,173 to customers in the Northeast Colorado Division; a decrease of \$479,353 to customers in the Northwest/Central Colorado Division; an increase of \$256,185 to customers in the Southeast Colorado Division; and a decrease of \$489,994 to Applicant's customers in the Southwest Colorado Division.

12. 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 application filed by Atmos for authority to change tariffs on less-than-statutory notice is granted.

3. Atmos is authorized to file, on not less than one day's notice; the tariffs attached as Appendix A and made a part of this Decision. These tariffs shall be effective for actual gas sales on or after their effective date of November 1, 2014.

4. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

5. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 29, 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

PAMELA J. PATTON

GLENN A. VAAD

Commissioners