BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 23L-0596G

IN THE MATTER OF THE APPLICATION OF ATMOS ENERGY CORPORATION FOR AN ORDER AUTHORIZING IT TO ADJUST ITS EXTRAORDINARY GAS COST RECOVERY RIDER ON LESS THAN STATUTORY NOTICE.

COMMISSION DECISION DEEMING APPLICATION COMPLETE AND APPROVING APPLICATION

Mailed Date: December 26, 2023 Adopted Date: December 20, 2023

I. <u>BY THE COMMISSION</u>

A. Statements

1. On December 8, 2023, Atmos Energy Corporation (Atmos or Applicant) filed a Verified Application requesting an order from the Commission authorizing Atmos Energy to revise its Extraordinary Gas Cost Recovery Rider ("EGCRR") for the Company's North rate division effective December 31, 2023, on less than statutory notice.

2. Atmos Energy requests that the Commission deem the application complete and grant the relief sought herein through its modified procedures, without a hearing, as provided in § 40- 6-109(5), C.R.S., and Rule 1403.

3. Atmos Energy acknowledges that it has read and agrees to abide by the provisions of subparagraphs (b)(IV) through (VI) and (b)(XI)(A) through (C) of Commission Rule 4002.

4. Atmos Energy is a natural gas distribution company providing gas distribution, transmission, and transportation service to its retail customers in Colorado, Texas, Louisiana,

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Kentucky, Mississippi, Kansas, Tennessee, and Virginia. Atmos Energy provides natural gas sales and transportation service to approximately 126,000 customers within the State of Colorado. Atmos Energy's existing operations and general service areas in Colorado are set forth in the Company's tariffs on file with the Commission.

5. Atmos Energy attests that the contents of this application are true, accurate, and correct to the best of Atmos Energy's knowledge and belief. An affidavit, signed by Ms. Kathleen Ocanas, Atmos Energy's Vice President of Rates and Regulatory Affairs, is attached to the application.

B. Background

6. In Proceeding No. 21A-0186G, the Commission approved the EGCRR for Atmos Energy to recover the extraordinary gas costs incurred because of the February 2021 extreme weather event known as Winter Storm Uri. A separate EGCRR rate was established for each of the Company's three rate divisions (North, Southeast, and Southwest).

7. The EGCRR was set to collect the applicable gas costs over a 24-month period for the North rate division and a 12- month period for the Southeast and Southwest rate divisions.

8. Customers received notice of the EGCRR prior to it going to effect on February 1, 2022, through Advice Letter No. 579.

9. The EGCRR terminated automatically for the Southeast and Southwest rate divisions on January 31, 2023, pursuant to the EGCRR tariff.

10. For the North rate division, the EGCRR is set to terminate on January 31, 2024.

11. Atmos Energy has been monitoring the recovery of extraordinary gas costs for the North rate division and determined that it will be close to recovering all the applicable gas costs by the end of December 2023.

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12. If the EGCRR remains in place through January 31, 2024, pursuant to the current EGCRR tariff, then Atmos Energy projects that it will over-collect the applicable gas costs by approximately \$1.3 million.

13. To prevent an over-collection, Atmos Energy filed an application to adjust the EGCRR tariff, so that the EGCRR rate for the North rate division terminates on December 31, 2023 (*i.e.*, one month earlier than what would happen under the current tariff).

II. ORDER

A. The Commission Orders That:

1. The verified application filed by Atmos Energy Corporation (Atmos) on December 8, 2023, is deemed complete.

2. 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 December 31, 2023.

3. 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.

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- 4. This Decision is effective on its Mailed Date.
- B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING December 20, 2023.



ATTEST: A TRUE COPY

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Rebecca E. White, Director

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

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Commissioners