

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

**AUG 10 2011**

In the Matter of the Application of Atmos )  
Energy for an Order to Permit the Company ) Docket No. 03-ATMG-539-TAR  
Establish Rates for a Weather Normalization )  
Adjustment. )

by  
State Corporation Commission  
of Kansas

**NOTICE OF FILING OF STAFF REPORT**

COMES NOW the Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectfully), and for its Notice of Filing of Staff Report and states as follow:

1. Staff hereby files the attached Staff Report indicating Atmos filed their new WNAF on July 15, 2011.

- A. During Staff's review, Atmos made a change in their WNAF calculations due to an error in weather data for one station.
- B. The initial factor filed was for a refund to customers of \$0.00258 per Ccf. The change in weather data resulted in a factor of \$0.00260 per Ccf. Atmos has refiled its corrected calculations.
- C. Staff made arrangements with Atmos to file Section VI of their tariff before staff would recommend the 2011/2012 factor.

Atmos has complied with Staff's Request and Section VI is now on file. A copy of Staff's Report is attached hereto.



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Mark Sievers, Chairman  
Ward Loyd, Commissioner  
Thomas E. Wright, Commissioner

Sam Brownback, Governor

## MEMORANDUM

To: Mark Sievers, Chairman  
Ward Loyd, Commissioner  
Thomas E. Wright, Commissioner

From: James Sanderson  
Managing Economist

Date: August 9, 2011

Re: Atmos Weather Normalization Factor for 2011/2012  
Docket No. 03-ATMG-539-TAR

Date to Legal: 8/9/11  
Date to Commissioners:

Each year Atmos Energy files a report showing the calculation of its Weather Normalization Adjustment Factor (WNAF). The purpose of the factor is to adjust the company's revenues to normal weather conditions – that is, to remove the effects of non-normal weather from delivery charges. The commission approved Atmos' WNAF in Docket 03-ATMG-539-TAR. As agreed to in that docket, Atmos provides commission staff with their data and calculations by July 15<sup>th</sup>. Commission staff carries out a review process and reports to the commission.

This year, Atmos filed their new WNAF on July 15<sup>th</sup>. Staff has reviewed Atmos' factor and a couple of items should be noted. During staff's review, Atmos made a change in their WNAF calculations due to an error in weather data for one station. The initial factor Atmos filed was for a refund to customers of \$0.00258 per Ccf. The change in weather data resulted in a factor of \$0.00260 per Ccf. Atmos has re-filed its corrected calculations. In addition, it was determined that Section VI of the Atmos Tariff – the section outlining calculation of the WNAF – was not filed after Atmos' 2010 rate case (10-ATMG-495-RTS). Following the rate case, changes were made to the calculation procedures, and the temperature sensitivity coefficients were changed to those estimated by commission staff member Michael Mount in his weather normalization procedures. Staff made arrangements with Atmos to have them file Section VI of their Tariff before staff would recommend the 2011/2012 factor. Atmos complied with staff's request, and Section VI is now on file.

Staff has examined Atmos' data and calculations, and staff believes the \$0.00260 per Ccf refund to customers is correct. This factor represents an over-collection in the amount of \$281,837 due to temperature conditions during the 2010/2011 season. The new factor will be billed over the 12-month period beginning August 2011.

cc: Bob Glass, Chief of Economic Policy and Rates

Michael Schmidt, Director of Utilities

Patti Petersen-Klein, Executive Director

## CERTIFICATE OF SERVICE

03-ATMG-539-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Notice of Filing of Staff Report was placed in the United States mail, postage prepaid, or hand-delivered this 10th day of August, 2011, to the following:

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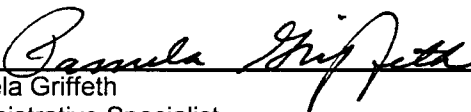
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Pamela Griffeth  
Administrative Specialist