

**AGENDA**



**Recommendation for Council Action**

Austin City Council	Item ID	14307	Agenda Number	60.
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Meeting Date:	4/26/2012	Department:	Telecommunications and Reg Affairs
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**Subject**

Approve an ordinance suspending the effective date of CenterPoint Energy's proposed Gas Reliability Infrastructure Program interim customer charge.

**Amount and Source of Funding**

**Fiscal Note**

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Rondella M. Hawkins, Manager of the Office of Telecommunications and Regulatory Affairs; (512) 974-2442
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

**Additional Backup Information**

On March 29, 2012 CenterPoint Energy, South Texas Division, made a Gas Reliability Infrastructure Program (GRIP) filing with the City of Austin and in the other cities it serves.

CenterPoint's filing was made pursuant to Section 104.301 of the Texas Utilities Code that allows a gas utility to recover capital investments in gas pipeline infrastructure made during the interim period between formal rate case filings. Operation and maintenance costs are not recovered through GRIP. GRIP rates must be based on reasonable increases in invested capital.

CenterPoint Energy has approximately 246 natural gas customers in the City of Austin limits. CenterPoint has indicated the average monthly bill of a residential customer would increase by approximately \$1.33 to recover this incremental investment.

Staff recommends suspending the proposed effective date of May 29 for forty-five days as provided by state law. This will allow additional time for staff to work with a coalition of other cities and to properly review the filing with the assistance of an outside rate consultant.

