

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	14013	Agenda Number	90.
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Meeting Date:	4/26/2012	Department:	Telecommunications and Reg Affairs
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Subject

Set a public hearing regarding Texas Gas Service's proposal to increase customer gas rates. (Suggested date and time: May 24, 2012, 4:00 p.m. at City Hall; 301 W. Second Street, Austin, TX).

Amount and Source of Funding

Fiscal Note

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

Purchasing Language:	
Prior Council Action:	Suspension of Texas Gas Service's proposed rates on March 8, 2012 granted.
For More Information:	Rondella M. Hawkins, Office of Telecommunications and Regulatory Affairs; (512) 974-2422
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

On February 10, 2012, Texas Gas Service (TGS), a division of ONEOK, Inc., filed its Gas Reliability Infrastructure Program (GRIP) filing in Austin and in the other Central Texas cities that it serves. Section 104.301 of the Texas Utilities Code allows a gas utility to recover additional invested capital costs through a new customer surcharge without filing a full rate case. GRIP rates must be based on reasonable increases in invested capital costs.

On March 8, 2012, the City Council suspended the effective date of the proposed increase to a date no earlier than May 25, 2012, to provide city staff an opportunity to properly review TGS's filing with the assistance of an outside rate consultant.

Changes to the rates or charges of a City franchisee are required by City Charter to be considered in a hearing prior to approval.

