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ORDINANCE NO. _____

AN ORDINANCE APPROVING REVISED GAS TARIFFS OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. FINDINGS.

The Council finds:

- (A) The City, as a regulatory authority under the Gas Utility Regulatory Act (“GURA”), has exclusive original jurisdiction over the rates, operations, and services of gas utilities within the municipality, including those of Atmos Energy Corporation – Mid-Tex Division (“Atmos”).
- (B) The City works in coalition with a group of other municipalities that also regulate Atmos, the coalition known as Atmos Texas Municipalities (“ATM”).
- (C) Section 103.021 of the Texas Utilities Code authorizes the City to obtain information from Atmos as necessary to make a determination of the basis for Atmos’ proposed increase in rates.
- (D) Despite a 2013 Rate Review Mechanism (“RRM”) Atmos filed with the City on or around July 15, 2013 proposing a system-wide increase of \$22.7 million, upon extensive review and examination of the rate increase justification, ATM’s experts were successful in negotiating a reduced net rate increase of only \$16.6 million.
- (E) The Steering Committee of ATM and its lawyers recommend approval of the attached tariffs, set forth as Attachment A, that include a monthly increase of the residential customer charge of \$0.74.
- (F) The tariffs and specific rates and charges appended to this ordinance are reasonable and in the public interest.

PART 2. The tariffs appended to this ordinance as "Attachment A" for natural gas service provided by Atmos within the City are reasonable and are hereby approved.

1 **PART 3.** The benchmark for Pension and Other Post Employment Benefits shall be as
2 shown in Atmos' RRM 2013 Application at Workpapers F-2.3 and F-2.3.1, for fiscal year
3 2013, appended to this ordinance as "Attachment B."
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5 **PART 4.** To the extent any resolution or ordinance previously adopted by the City is
6 inconsistent with this Resolution, it is hereby superseded.
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8 **PART 5.** Atmos is hereby directed to reimburse the City's share of costs, as part of the
9 ATM, of engaging counsel, rate consultants, and other personnel in assisting the City in
10 its investigation of Atmos' proposed increase in rates.
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12 **PART 6.** This ordinance takes effect on _____.

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14 **PASSED AND APPROVED**

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18 _____, 2013

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19 _____
20 Lee Leffingwell
21 Mayor

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23 APPROVED: _____
24 Karen M. Kennard
25 City Attorney

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27 ATTEST: _____
Jannette S. Goodall
City Clerk