

# AGENDA



## Recommendation for Committee Action

Public Utilities Committee	Item ID	43824	Agenda Number	6.
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Meeting Date:	4/15/2015	Department:	Austin Water Utility
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### Subject

Briefing by Texas Gas Service Company on services provided; staff briefing, public comment, and possible Committee action relating to a Gas Reliability Infrastructure Program interim customer surcharge proposed by Texas Gas Service Company.

### Amount and Source of Funding

### Fiscal Note

Purchasing Language:	
Prior Council Action:	
For More Information:	
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

### Additional Backup Information

This item regarding Texas Gas Service's proposal to increase customer gas rates is scheduled for a public hearing on May 21, 2015.

On February 17, 2015, Texas Gas Service (TGS), a division of ONE Gas, 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 increase in invested capital costs.

On March 26, 2015, the City Council suspended the proposed effective date of the rate adjustment up to 45 days (on or before May 27, 2015) to provide city staff an opportunity to properly review TGS's filing with the assistance of an outside rate consultant. Prior to final Council consideration of the proposed rate increase, the Council Public Utilities Committee will review the proposed increase and the findings of the rate consultant.

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