

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	43130	Agenda Number	6.
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Meeting Date:	4/16/2015	Department:	Telecommunications and Reg Affairs
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Subject

Set a public hearing regarding Texas Gas Service's proposal to increase customer's gas rates. (Suggested date and time May 21, 2015; 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 26, 2015 granted.
For More Information:	Rondella M. Hawkins, TARA Officer; (512) 974-2422
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

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.

