

**AGENDA**



**Recommendation for Council Action**

Austin City Council	Item ID	57313	Agenda Number	34.
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Meeting Date:	5/19/2016	Department:	Telecommunications and Reg Affairs
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**Subject**

Approve an ordinance suspending a Gas Reliability Infrastructure Program interim customer surcharge proposed by CenterPoint Energy Resources and requesting reimbursement for expenses to review the rate adjustment.

**Amount and Source of Funding**

**Fiscal Note**

Purchasing Language:	
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Prior Council Action:	
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For More Information:	Rondella M. Hawkins, TARA Officer, 512-974-2422
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Council Committee, Boards and Commission Action:	
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MBE / WBE:	
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Related Items:	
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**Additional Backup Information**

Pursuant to the Gas Utilities Regulatory Act, the City has original jurisdiction over privately owned gas utility rates set for customers within its city limits.

On March 31, 2016 , CenterPoint Energy Resources Corp., South Texas Division (“CenterPoint”) filed its Gas Reliability Infrastructure Program (GRIP) filing in Austin and in the other cities that it serves in the South Texas Division. This filing was made in compliance with the Texas Utilities Code, Section 104.301 which allows a gas utility to make interim rate adjustments in order to recover capital investments in gas pipeline infrastructure made during the interim period between rate cases. CenterPoint proposed an effective date of May 30, 2016 for the interim rate adjustment. The collective increase is \$19,894,741 to the monthly customer charges in the CenterPoint South Texas Division.

Below is the proposed rate adjustments to the monthly customer charge per customer class:

Rate Schedules	Current Customer Charge	2016 <input type="checkbox"/> GRIP <input type="checkbox"/> Adjustment	Adjusted Charge
Residential	\$20.07 per customer per month	\$1.14 per customer per month (5.68%)	\$21.21 per customer per month
General Service Small	\$32.44 per customer per month	\$2.31 per customer per month (7.12%)	\$34.75 per customer per month
General Service Large Volume	\$174.75 per customer per month	\$13.50 per customer per month (7.73%)	\$188.25 per customer per month

CenterPoint has approximately 700 customers in the Austin area. State law authorizes the City to suspend the implementation date of the interim charge by 45 days. Staff recommends a 45-day suspension until July 14, 2016, to allow additional time to review the filing to ensure it complies with statute. Staff will provide a recommendation to the City Council on June 16, 2016 following a public hearing which is required by the City Charter.