



## Recommendation for Action

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**File #:** 19-1351, **Agenda Item #:** 33.

3/7/2019

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### **Posting Language**

Set a public hearing to consider a proposed Pipeline Integrity Testing (PIT) surcharge by Texas Gas Service, a Division of ONE Gas, Inc., as allowed under Texas Gas Service's Rate Schedule PIT (Suggested date: March 28, 2019 at Austin City Hall, 301 West 2nd Street, Austin, Texas).

### **Lead Department**

Telecommunications and Regulatory Affairs.

### **Fiscal Note**

This item has no fiscal impact.

### **Prior Council Action:**

November 3, 2016 - Council approved Ordinance No. 20161103-077 setting Texas Gas Service rates and approving Rate Schedule PIT.

### **For More Information:**

Rondella Hawkins, TARA Officer; (512) 974-2422.

### **Additional Backup Information:**

On February 8, 2019, Texas Gas Service (TGS) notified the City of its intent to begin collecting recovery of PIT expenses incurred in the Central Texas Service Area (CTSA, during the calendar year ending December 31, 2018, beginning with the April 2019 billing cycle and continuing through March 2020. Other cities in the CTSA include Bee Caves, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills, and Yoakum, Texas. The PIT Rider that authorizes the surcharge also requires that the notice to customers of the PIT surcharge be filed with, reviewed, and approved by the City which is the regulatory authority for City of Austin customers.

Article XI of the City Charter requires that City Council conduct a public hearing before taking action on the proposed rate. Pursuant to Rate Schedule PIT, the PIT surcharge is scheduled to begin with the April 2019 billing cycle. Staff therefore recommends Council approve setting a public hearing to consider these changes, with a suggested date of March 28, 2019 at City Hall.