Thursday, June 11, 2009

Telecommunications & Regulatory Affairs RECOMMENDATION FOR COUNCIL ACTION

Item No. 31

Subject: Approve an ordinance amending Ordinance No. 20090312-015 relating to suspension of the proposed rates and tariffs by Texas Gas Service, a division of ONEOK, INC. Related to Item #68.

For More Information: Rondella M. Hawkins, Office of Telecommunications & Regulatory Affairs, Manager, 512-974-2422

Prior Council Action: March 12, 2009 - Council suspended proposed rate increase; March 26, 2009 - Council first public hearing on proposed rate increase.

Texas Gas Service, a division of ONEOK, Inc. (TGS), filed a "Statement of Intent" with the City of Austin on February 11, 2009, to increase its rates proposed to be effective on March 18, 2009.

On March 12, 2009, the City Council passed an ordinance suspending the effective date of the proposed increase to not later than June 17th, the 90th day after the then-proposed effective date.

TGS agreed to extend the jurisdictional deadline over the rate approval of Austin and other cities in their Central Texas Service Area to June 25th by revising the proposed effective date to March 27, 2009 to allow more time for settlement negotiations and for each city to enact a final ratemaking ordinance.

This item approves an amending ordinance that extends the city's suspension of TGS' proposed effective date for the proposed increase to June 25th allowing negotiation of a final rate ordinance to conclude before the expiration of the suspended jurisdictional deadline.