

## AGENDA



Thursday, June 11, 2009

**Public Hearings and Possible Actions  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 68**

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**Subject:** Conduct a public hearing and consider an ordinance adopting new rates and tariffs for customers of Texas Gas Service. Related to Item #31.

**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.

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On February 11, 2009, Texas Gas Service, a division of ONEOK, Inc., filed a Statement of Intent with the City of Austin and other cities in their Central Texas Service area, to increase its rates by \$3,563,868 or approximately 2.5%. In addition, TGS proposed multiple new rate adjustment clauses, a new rate design, and changes to their Rules of Service to reflect new or increased service charges.

On March 12th, the City passed an ordinance suspending the effective date of the proposed increase to not than June 16th, so that the City could analyze information provided by TGS and evaluate the proposed rate increase to determine whether the rates were appropriate, fair, just and reasonable to all classes of ratepayers.

The City Charter and the Texas Utilities Code require the City Council to conduct a public hearing on proposed new gas rates for Texas Gas Service customers and to adopt the new rates and tariffs by ordinance.