

## **ORDINANCE NO.**

### **AN ORDINANCE APPROVING REVISED GAS TARIFFS OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION.**

#### **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

#### **PART 1. FINDINGS.**

The Council finds:

- (A) The City of Austin (“City”), as a regulatory authority under the Gas Utility Regulatory Act (“GURA”), has exclusive original jurisdiction over the rates, operations, and services of gas utilities within the municipality, including those of Atmos Energy Corporation – Mid-Tex Division (“Atmos”).
- (B) The City works in coalition with a group of other municipalities that also regulate Atmos, the coalition known as Atmos Texas Municipalities (“ATM”).
- (C) Pursuant to a regular rate review mechanism (“RRM”) established by Atmos and the ATM municipalities, Atmos filed its last RRM on March 6, 2009, requesting a net increase in rates \$15,047,441.
- (D) After almost four months of review and examination of the rate increase justification, ATM’s experts were successful in getting Atmos to modify its requested net rate increase down to \$2.6 million causing rates to increase by approximately 15 cents per month for a typical residential customer.
- (F) The amended tariffs also includes changes to the Gas Cost Recovery tariff and the Conservation Energy Efficiency tariff ATM to allow certain costs related to financial hedging of gas costs to be included in periodic fuel adjustments and to allow for conservation measures up to \$1,500 per household for senior citizens and customers of modest means.
- (G) The Steering Committee of ATM and its lawyers recommend approval of the attached tariffs, set forth as Attachment A.
- (H) The tariffs and specific rates and charges appended to this ordinance are reasonable and in the public interest.

**PART 2.** The rates, tariffs, charges, schedules, and service rules appended to this ordinance as "Attachment A" for natural gas service provided by Atmos within the City of Austin, are reasonable and are hereby approved.

**PART 3.** This ordinance takes effect on \_\_\_\_\_, 2009.

**PASSED AND APPROVED**

\_\_\_\_\_, 2009      §  
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                                 Lee Leffingwell  
                                 Mayor

APPROVED: \_\_\_\_\_  
                 David Allan Smith  
                 City Attorney

ATTEST: \_\_\_\_\_  
                 Shirley A. Gentry  
                 City Clerk