ORDINANCE NO.

AN ORDINANCE APPROVING A REQUEST BY TEXAS GAS SERVICE COMPANY, A DIVISION OF ONEOK, INC., TO IMPLEMENT THE FEBRUARY 10, 2012 INTERIM RATE ADJUSTMENT FILING PURSUANT TO THE TEXAS UTILITIES CODE § 104.301.

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

PART 1. On February 10, 2012, Texas Gas Service Company ("TGS") filed a request for interim rate adjustment and associated Rate Schedule IRA with the City that would allow TGS to recover the incremental costs of the new investment it has made within its Central Texas Service Area.

PART 2. TGS originally proposed an effective date of April 10, 2012 for the interim rate adjustment and Rate Schedule IRA.

PART 3. By City Ordinance No. 20120308-030 pursuant to Section 104.301(a) of the Texas Utilities Code, the City suspended implementation of the interim rate adjustment and Rate Schedule IRA in order to review and consider the IRA tariff and supporting documentation filed by TGS.

PART 4. The City has completed its review of TGS' 2012 interim rate adjustment and Rate Schedule IRA and has determined that it meets the statutory requirements of Section 104.301 of the Texas Utilities Code.

PART 5. The interim rate adjustment filing and Rate Schedules attached hereto as Exhibit A are approved to take effect on the proposed effective date of May 25, 2012.

PART 6. TGS is required to reimburse the City for the costs incurred to engage consultants to review this 2012 interim rate adjustment and Rate Schedule IRA. The expenses of TGS and the City in complying with the statutory filing requirements, review, and consultant fees associated with this interim rate filing, if determined to be reasonable and necessary, may be recovered in TGS's next general rate case.

