

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	15329	Agenda Number	134.
Meeting Date:	5/24/2012		Department:	Telecommunications and Reg Affairs
Subject				
Conduct a public hearing and consider an ordinance regarding ATMOS Energy Corporation's proposal to increase customer gas rates.				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	Suspension of Atmos Energy Corporation's proposed rates on March 1, 2012 granted. April 26, 2012 --- Set Public Hearing for May 24, 2012.			
For More Information:	Rondella M. Hawkins, Office of Telecommunications and Regulatory Affairs; (512) 974-2422			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

On January 31 of this year, Atmos Energy Corporation, Mid-Tex Division, filed for an increase in its system-wide annual rates by \$49.0 million, or 4.36% including gas costs or 11.94% excluding gas costs. Under the Gas Utilities Regulatory Act (Chapters 101 through 105 of the Texas Utilities Code), the City has original jurisdiction over gas utility rates set for customers within its city limits. Atmos Energy has approximately 6,300 customers in the City of Austin limits.

On March 1, 2012, the City Council adopted an ordinance suspending the effective date of the proposed increase to no later than June 4, 2012, as provided by state law. Austin is a member of the Atmos Texas Municipalities (ATM) which is a coalition of cities that are affected by the rate increase who jointly hired experts to properly review the filing.

The City Charter requires Council to hold a public hearing prior to taking any action that affects rates of a franchise holder.

Staff recommends approval.