

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE APPROVING A TARIFF THAT ESTABLISHES A METHOD FOR REVIEWING PROPOSED RATES FOR NATURAL GAS OVER THE NEXT FIVE YEARS CHARGED BY ATMOS ENERGY CORPORATION – MID-TEX DIVISION.**

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

**PART 1. FINDINGS.**

The city council finds that:

- (A) the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) having exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division (“Atmos”) rates, operations, and services within the City and has participated in prior cases regarding Atmos as a part of a coalition of cities known as the Atmos Texas Municipalities (“ATM”); and
- (B) the City previously approved a rate review mechanism that has since expired, that provided a negotiated rate review process for annual adjustments in gas utility rates reflective of Atmos’ annual system-wide cost of providing service in lieu of interim rate adjustments made under the Gas Reliability Infrastructure Program (Section 104.301, Texas Utilities Code); and
- (C) as a result of recent negotiations between the ATM cities and Atmos, a proposed rate review mechanism tariff, the RRM – Rate Review Mechanism, instituting a rate review mechanism for the next five years (“2013 RRM Tariff”), has been agreed to by ATM and is now being presented by Atmos to the City for its individual approval.

**PART 2. RATE REVIEW TARIFF.** The City agrees that the 2013 RRM Tariff, attached hereto and incorporated herein as Attachment A, is reasonable and in the public interest and from the effective date of this ordinance is in full force and effect in the City.

**PART 3. NOTICE.** A copy of this ordinance shall be sent to Atmos, care of Christopher Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701.

**PART 4.** This ordinance takes effect on \_\_\_\_\_, 2013.

**PASSED AND APPROVED**

\_\_\_\_\_, 2013      §  
                                 §  
                                 § \_\_\_\_\_  
                                 Lee Leffingwell  
                                 Mayor

**APPROVED:** \_\_\_\_\_ **ATTEST:** \_\_\_\_\_  
                         Karen M. Kennard                           Jannette S. Goodall  
                         City Attorney                           City Clerk