

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	28086	Agenda Number	44.
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Meeting Date:	10/17/2013	Department:	Telecommunications and Reg Affairs
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Subject

Set a public hearing regarding ATMOS Energy Corporation's proposal to increase customer rates (Suggested date and time: October 24, 2013, 4:00 p.m., Austin City Hall, 301 W. Second Street, Austin, TX).

Amount and Source of Funding

Fiscal Note

Purchasing Language:	
Prior Council Action:	City Council approved the Rate Review Mechanism for Atmos Energy Corporation on June 27, 2013.
For More Information:	Rondella M. Hawkins, TARA Officer; 512-974-2422
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

Under the Gas Utilities Regulatory Act (Chapters 101 through 105 of the Texas Utilities Code) ("GURA"), the City has original jurisdiction over gas utility rates set for customers within its city limits. In July of this year, Atmos Energy Corporation, Mid-Tex Division, filed for an increase in system-wide rates, pursuant to a rate review mechanism, of approximately \$22.7 million. Austin is a member of the Atmos Texas Municipalities (ATM) coalition who hired rate experts to review the reasonableness of the request. After months of investigation by ATM's expert rate consultants and weeks of negotiation, ATM's counsel has proposed that the ATM municipalities agree to a reduced rate increase of \$16.6 million.

The City Charter requires that City Council must conduct a public hearing prior to approving a franchisee's rate increase.