

# AGENDA



## Recommendation for Council Action

Austin City Council	Item ID	31984	Agenda Number	46.
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Meeting Date:	5/1/2014	Department:	Telecommunications and Reg Affairs
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### Subject

Set a public hearing regarding Texas Gas Service's proposal to increase customer gas rates. (Suggested date and time; May 15, 2014; 4:00 p.m. at City Hall; 301 W. Second Street, Austin, TX)

### 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 Texas Gas Service's proposed rates on March 20, 2014 granted.
For More Information:	Rondella M. Hawkins, TARA Officer; (512) 974-2422
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

### Additional Backup Information

On February 11, 2014, Texas Gas Service (TGS), a division of ONE Gas, Inc. filed its Gas Reliability Infrastructure Program (GRIP) filing in Austin and in the other Central Texas cities that it serves. Section 104.301 of the Texas Utilities Code allows a gas utility to recover additional invested capital costs through a new customer surcharge without filing a full rate case. GRIP rates must be based on reasonable increases in invested capital costs.

On March 20, 2014, the City Council suspended the effective date of the proposed increase to a date no earlier than May 29, 2014, to provide city staff an opportunity to properly review TGS's filing with the assistance of an outside rate consultant.

Changes to the rates or changes of a City franchisee are required by City Charter to be considered in a public hearing prior to approval.

**TEXAS GAS SERVICE COMPANY  
CENTRAL TEXAS SERVICE AREA  
INTERIM COST RECOVERY AND RATE ADJUSTMENT  
TARIFF CHANGES FROM 2008 THROUGH 2012**

**CHANGE IN CUSTOMER CHARGE BY CUSTOMER CLASS**

Rate Schedule - Customer Class	COA Approved Customer Charge				TGS Proposed 2013	TGS Proposed 2013	FSA Proposed 2013
	2008	2010	2011	2012	Interim Rate Adjustment	Customer Charge	Customer Charge
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Gas Sales</u>							
10 - Residential	\$9.75	\$10.21	\$11.33	\$12.62	\$1.62	\$14.24	\$14.24
20 - Commercial	\$12.75	\$14.36	\$18.41	\$23.23	\$6.19	\$29.42	\$29.42
22 - Large Commercial	\$80.00	\$97.84	\$158.68	\$213.67	\$72.29	\$285.96	\$285.96
30 - Industrial	\$40.00	\$46.26	\$64.34	\$88.83	\$29.44	\$118.27	\$118.27
32 - Large Industrial	\$80.00	\$105.10	\$166.62	\$233.09	\$107.20	\$340.29	\$340.29
40 - Public Authority	\$20.00	\$22.22	\$27.93	\$34.14	\$8.14	\$42.28	\$42.28
42 - Large Public Authority	\$80.00	\$111.13	\$186.08	\$267.18	\$100.17	\$367.35	\$367.35
48 - Public Schools/Space Heating	\$40.00	\$46.86	\$64.17	\$79.58	\$18.93	\$98.51	\$98.51
CNG -1- Compressed Nat. Gas	\$25.00	\$29.27	\$38.94	\$45.07	\$7.54	\$52.61	\$52.61
<u>T-1 Standard Transportation</u>							
Commercial	\$75.00	\$86.38	\$113.42	\$143.01	\$39.20	\$182.21	\$182.21
Large Commercial	\$150.00	\$187.03	\$278.54	\$381.10	\$142.21	\$523.31	\$523.31
Industrial	\$80.00	\$97.61	\$140.33	\$190.01	\$67.48	\$257.49	\$257.49
Large Industrial	\$150.00	\$224.19	\$406.02	\$512.44	\$272.84	\$785.28	\$785.28
Public Authority	\$25.00	\$28.16	\$34.64	\$40.80	\$8.14	\$48.94	\$48.94
Large Public Authority	\$100.00	\$141.64	\$249.69	\$352.77	\$111.85	\$464.62	\$464.62
Public Schools/Space Heating	\$60.00	\$67.03	\$84.44	\$104.91	\$26.38	\$131.29	\$131.29
CNG -1- Compressed Nat. Gas	\$40.00	\$41.57	\$45.42	\$49.92	\$5.77	\$55.69	\$55.69