

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	32700	Agenda Number	37.
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Meeting Date:	5/22/2014	Department:	Telecommunications and Reg Affairs
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Subject

Approve an ordinance suspending a Gas Reliability Infrastructure Program interim customer surcharge proposed by CenterPoint Energy, South Texas Division.

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
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 March 31, 2014, CenterPoint Energy, South Texas Division, made a Gas Reliability Infrastructure Program (GRIP) filing with the City of Austin and in the other cities it serves.

CenterPoint's filing was made pursuant to Section 104.301 of the Texas Utilities Code that allows a gas utility to recover capital investments in gas pipeline infrastructure made during the interim period between formal rate case filings. Operation and maintenance costs are not recovered through GRIP. GRIP rates must be based on reasonable increases in invested capital.

CenterPoint Energy has approximately 440 natural gas residential and 14 commercial customers in the City of Austin. CenterPoint has indicated the average monthly bill of a residential customer would increase by approximately \$1.00 and a commercial customer would increase by \$2.03 to recover this incremental investment.

Staff recommends suspending the proposed effective date of May 29 for forty-five days as provided by state law. This will allow additional time for staff to work with a coalition of other cities and to properly review the filing with the assistance of an outside rate consultant.

Staff will bring a recommended action in June.