

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	59826	Agenda Number	32.
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Meeting Date:	6/23/2016	Department:	Legal
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Subject

Authorize negotiation and execution of a legal services contract with the law firm of Lloyd Gosselink Rochelle and Townsend, P.C. to advise and represent the City during its participation in the ratemaking proceeding filed by Texas Gas Service, in an amount not to exceed \$175,000. Related to Item # 60.

Amount and Source of Funding

Funding in the amount of \$175,000 is available in the FY 2015-2016 Support Services Fund Operating Budget. Any additional funding required is contingent upon available funding in future budgets.

Fiscal Note

Purchasing Language:	
Prior Council Action:	
For More Information:	Contact Clark Cornwell, Assistant City Attorney, 512-974-6482
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

Texas Gas Service ("TGS") filed a statement of intent with the City for an increase in customer gas rates for its customers in its Central Texas Region that includes Austin and 8 other Austin-area municipalities and unincorporated areas. Under the Gas Utility Regulatory Act (GURA), the City Council is the regulatory authority with exclusive original jurisdiction over the rates TGS charges within the City. GURA and the City Charter require the City Council to consider the rate increase and conduct a hearing before exercising its jurisdiction to regulate those rates. GURA, by §103.022 of the Texas Utilities Code, requires the gas utility to reimburse the City for costs to engage rate case consultants and legal counsel necessary to conduct the rate case.

The City requires assistance from specialized legal counsel to include: conducting investigations, presenting evidence, assisting with litigation, conducting rate case discovery, rate analysis counsel, and possible contested rate case proceedings at the Texas Railroad Commission for its participation as a member of the Central Texas Region coalition of municipalities.

Lloyd Gosselink has a high level of expertise in gas rate cases, particularly advising and representing municipalities and municipal coalitions conducting and participating in ratemaking proceedings.