

ORDINANCE NO. 201080201-122

AN ORDINANCE DETERMINING THE PROPRIETY OF A RATE CHANGE OF TEXAS GAS SERVICE PURSUANT TO A CONSERVATION ADJUSTMENT CLAUSE TARIFF.

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

PART 1. The Council finds:

- (A) The City Council is the regulatory body with exclusive original jurisdiction over the rates, operations, and services of Texas Gas Service Company (TGS), a division of ONE Gas, Inc., within the municipality.
- (B) The City adopted Ordinance No. 20161103-077 approving TGS's current rates and tariffs upon a finding that the rates and tariffs were reasonable and in the public interest.
- (C) The rates and tariffs approved and adopted in Ordinance No. 20161103-077 include a conservation adjustment clause tariff (CAC tariff) that allows an annual adjustment to conservation rate (CAC rate) in order to pay for TGS's gas conservation programs.
- (D) TGS filed its 2018 CAC rate adjustment in compliance with the CAC tariff.
- (E) City staff reviewed and, with consideration and positive recommendation by the City's Resource Management Commission, approved the CAC tariff filings and 2018 CAC rate adjustment on November 29, 2017.
- (F) On December 22, 2017, the City received a complaint filed by Paul Robbins under §104.105 of the Texas Utilities Code regarding the 2018 CAC rate increase of \$0.0022 per Ccf applied to residential customers.

PART 2. As the regulatory body with exclusive original jurisdiction over the TGS's rates within the municipality, under §104.105 of the Texas Utilities Code, upon the filing of a complaint by an interested person complaining about a filed rate increase, the City must enter on a hearing to determine the propriety of the rate increase.

PART 3. The City has reviewed the complaint filed by Paul Robbins, the CAC tariff, the 2018 CAC rate adjustment, information provided by TGS, and the recommendation of the City's Office of Telecommunications and Regulatory Affairs.

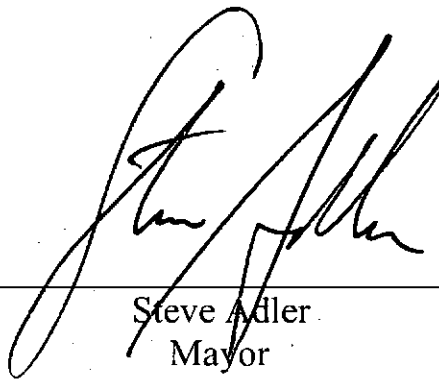
PART 4. The 2018 CAC rates appended to this ordinance as "Attachment 1" are reasonable, proper, in the public interest, and in compliance with the CAC tariff and applicable law.

PART 5. This ordinance takes effect on February 12, 2018.

PASSED AND APPROVED

February 1, 2018

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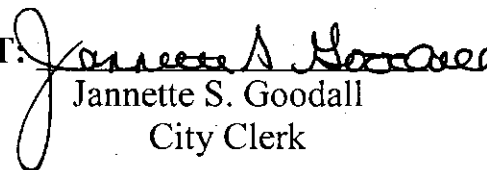
Steve Adler
Mayor

APPROVED:



Anne L. Morgan
City Attorney

ATTEST:



Jannette S. Goodall
City Clerk

Attachment 1

Ordinance No. 20180201-122

TEXAS GAS SERVICE COMPANY**Central Texas Service Area****RATE SCHEDULE 1C**

CONSERVATION ADJUSTMENT CLAUSE RATE**A. APPLICABILITY**

The Conservation Adjustment Clause ("CAC") rate, calculated pursuant to Rate Schedule CAC, shall apply to the following rate schedules listed below for all incorporated areas served by the Company in its Central Texas Service Area which includes Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas.

B. CURRENT CAC RATE

<u>Rate Schedule</u>	<u>Customer Class</u>	<u>*Conservation Rate</u>
10	Residential Service	\$.05210
20	Commercial	\$.00520

*The Conservation Rate will change annually pursuant to Rate Schedule CAC.

Supersedes Rate Schedule Dated:

December 27, 2016 (Cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills, TX)

January 6, 2017 (Cities of Cuero, Gonzales, Lockhart, Luling, Nixon, Shiner, and Yoakum, TX)

Meters Read On and After:

January 26, 2018 (Cities of Austin, Bee Cave, Cedar Park, Cuero, Dripping Springs, Gonzales, Kyle, Lakeway, Lockhart, Luling, Nixon, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, TX)