

A U S T I N C I T Y C O U N C I L  
**AGENDA**

Thursday, November 16, 2006

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**Telecommunications & Regulatory Affairs  
RECOMMENDATION FOR COUNCIL ACTION****ITEM No. 36**

**Subject:** Approve a resolution regarding a surcharge application filed by Texas Gas Service to recover utility relocation costs.

**Amount and Source of Funding:****Fiscal Note:**

**Additional Backup Material**  
(click to open)  
No Attachments Available

**For More Information:** Rondella Hawkins, Manager; (512) 974-2422  
**Boards and Commission Action:**

On October 16, 2006, Texas Gas Service (TGS) filed its application with the City of Austin to recover \$1,269,599.46 in relocation costs for 55 projects (42 City of Austin projects, 10 Texas Department of Transportation projects and 3 Travis County projects) Section 104.112 of the Texas Utilities Code requires the City to grant or deny the application no later than the 35th day after filing, which is November 20, 2006.

Denial of the application must be based on the finding that:

1. the relocation was not necessary or required;
2. the costs of the relocation were excessive or not supported;
3. the utility did not pursue reimbursement from the entity requiring the relocation; if applicable;
4. the surcharge is unduly discriminatory among customers or classes of customers located in the service area; or
5. the period over which the relocation costs are designed to be recovered is less than one or more than three years.

If the City fails to make a decision before the deadline, the application is deemed approved. The Office of Telecommunications and Regulatory Affairs is reviewing the application to determine the reasonableness of the application cost request.

The total amount recovered through the surcharge will be subject to reconciliation and shall be discontinued when the total amount authorized for recovery is collected. Texas Gas Service shall file monthly reports with our office detailing the amount of surcharge collected from each customer class