

ORDINANCE NO.

AN ORDINANCE APPROVING A REVISED CONSERVATION CLAUSE TARIFF AND REVISED CONSERVATION RATES IN ACCORDANCE WITH A FILING OF TEXAS GAS SERVICE; DETERMINING THE PROPRIETY OF A RATE CHANGE 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 a conservation rate (CAC rate) in order to pay for TGS's gas conservation programs.
- (D) On October 1, 2018, TGS filed a notice of proposed changes to its CAC tariff, changing the conservation program budget and corresponding rate adjustment cycle from an annual adjustment to an adjustment every three years.
- (E) On October 15, 2018, TGS filed a notice of changes to its CAC rate necessary to pay for the conservation program budget over the next three years, the rate to be effective January 1, 2019.
- (F) City staff reviewed and, with consideration and positive recommendation by the City's Resource Management Commission, approved TGS's CAC tariff filings and 2019 CAC rate adjustment on November 1, 2018.

(G) On October 17, 2018, the City received a complaint filed by Paul Robbins under §104.105 of the Texas Utilities Code regarding TGS's 2019 CAC rate change applied to residential customers.

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

PART 3. The City has reviewed and heard in a public hearing the complaint filed by Paul Robbins and reviewed the revised CAC tariff, the 2019 CAC rate, information provided by TGS, and the recommendation of the City's Office of Telecommunications and Regulatory Affairs.

PART 4. The CAC tariff and the 2019 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 _____, 2018.

PASSED AND APPROVED

_____, 2018

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Steve Adler
Mayor

APPROVED: _____
Anne L. Morgan
City Attorney

ATTEST: _____
Jannette S. Goodall
City Clerk