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

- (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 Pipeline Integrity Testing (PIT) Rider that allows TGS to impose a surcharge on customers' monthly bills to recover the costs of legally-mandated pipeline safety testing.
- (D) On February 21, 2019, TGS filed its initial notice of the PIT Rider proposing a surcharge to recover a total of \$758,590 in authorized expenses for the twelve month period, April 2019 to March 2020.
- (E) The PIT Rider requires that the initial notice of the PIT Surcharge be filed with, reviewed, and approved by the City Council.
- (F) City staff reviewed and approved TGS's PIT Surcharge Rider on March 15, 2019.

**PART 2.** Under §104.105 of the Texas Utilities Code, as the regulatory body with exclusive original jurisdiction over TGS's rates within the municipality, the City must enter on a hearing to determine the propriety of the surcharge.

**PART 3.** The PIT Surcharge Rider and the PIT Rate appended to this ordinance as “Attachment 1” are reasonable, proper, in the public interest, and in compliance with Rate Schedule PIT and applicable law.

**PART 4.** This ordinance takes effect on \_\_\_\_\_, 2019.

**PASSED AND APPROVED**

\_\_\_\_\_, 2019      § \_\_\_\_\_  
   § \_\_\_\_\_  
   § \_\_\_\_\_

Steve Adler  
Mayor

**APPROVED:** \_\_\_\_\_ **ATTEST:** \_\_\_\_\_  
Anne L. Morgan                      Jannette S. Goodall  
City Attorney                      City Clerk