



CITY COUNCIL COMMUNICATION

September 9, 2008

SUBJECT: Atmos Cities Steering Committee Rate Review Mechanism

SUBMITTED BY: Vicki Rodriguez, Finance Director

REFERENCE NO: Ordinance No. 1829

ACTION REQUESTED:

Consider approval of Ordinance No. 1829 approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the Company's Rate Review Mechanism (RRM) filing in all cities exercising original jurisdiction.

SUMMARY OF SUBJECT:

The City of Euless is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of more than 150 cities served by Atmos Mid-Tex that have joined together to facilitate the review and response to natural gas issues affecting rates charged in the Atmos Mid-Tex service area. The RRM tariff allows for an expedited rate review process controlled by cities as a substitute to the current GRIP process instituted by legislature. The ACSC Executive Committee, ACSC Lawyers, and ACSC Consultants recommend ACSC members approve the attached rate tariffs ("Attachment A" to this ordinance) that will increase the Company's revenue requirement by \$20 million. The attached tariffs implementing new rates and Atmos' Proof of Revenues ("Attachment B" to this Ordinance) are consistent with the negotiated resolution reached by ACSC Cities (including but not limited to a reduction of the residential customer monthly charge to \$7.00 per month) and are just, reasonable, and in the public interest.

SUPPORTING DOCUMENTS:

- Ordinance No. 1829
- Model Staff Report

APPROVED BY:

_____ LG _____

City Manager's Office

_____ SC _____

City Secretary's Office