



City of Pflugerville

Legislation Details (With Text)

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Type: Resolution **Status:** Consent Agenda
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Title: Approving a Resolution authorizing participation in a coalition of similarly situated cities in connection with the statement of intent to change Rate CGS and Rate PT of Atmos Pipeline Texas filed on or about May 19, 2023; authorizing participation in related rate proceedings, authorizing the retention of special counsel; requiring the reimbursement of municipal rate case expenses; finding that the meeting complies with the open meetings act; and making other findings and provisions related to the subject.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Atmos Resolution, 2. Atmos Agenda Information Sheet

Date	Ver.	Action By	Action	Result
6/27/2023	1	City Council	Approved	Pass

Approving a Resolution authorizing participation in a coalition of similarly situated cities in connection with the statement of intent to change Rate CGS and Rate PT of Atmos Pipeline Texas filed on or about May 19, 2023; authorizing participation in related rate proceedings, authorizing the retention of special counsel; requiring the reimbursement of municipal rate case expenses; finding that the meeting complies with the open meetings act; and making other findings and provisions related to the subject.

On about May 19, 2023, Atmos Pipeline Texas (“APT” or “Atmos”) submitted a Statement of Intent with the Railroad Commission of Texas to raise “Rate CGS” (“city gate service”) and Rate PT (“pipeline transportation”). This request represents an increase in revenue of approximately \$119.4 million or a 14.40% increase over current revenues.

The proposed increase directly affects the following firm transportation customers: Atmos Energy Corp., Mid-Tex Division; Co-Serv Gas Ltd.; the City of Rising Star; the City of Navasota; Corix Utilities, Inc.; Terra Gas Supply; Terra Gas Service, Co.; and WTG Marketing, Inc. In addition, there are 70 interruptible customers who take service under “Rate PT - Pipeline Transportation” and that will be affected by this rate increase request.

It is expected that Atmos MidTex (the distribution gas-utility company) will pass along to its customers, APT’s proposed increase in rates. Thus, the rates that the City’s citizens and businesses, and the City as a consumer of gas-utility services pay Atmos Texas MidTex (the distribution gas-utility company), will likely be affected by APT’s proposed rate increase.

Cities, by statute, are entitled to reimbursement of their reasonable rate case expenses from the utility. Legal counsel and consultants approved by the City will submit monthly invoices to a member ATM city that will be forwarded to APT for reimbursement.

Prior City Council Action

City Council approved a resolution authorizing participation in a coalition of similarly situation cities in connection with a statement of intent to change Rate CGS and Rate PT of Atmos Pipeline Texas on February 14, 2017.

Deadline for City Council Action

Action is requested June 27, 2023.

Supporting documents attached:

Atmos Agenda Information Sheet
Atmos Resolution

Recommended Action

Approve the resolution authorizing participation in a coalition of similarly situated cities in connection with the statement of intent to change Rate CGS and Rate PT of Atmos Pipeline Texas.