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**ORDINANCE NO.**

**AN ORDINANCE SUSPENDING A RATE INCREASE PROPOSED BY TEXAS GAS SERVICE; AUTHORIZING ENGAGEMENT WITH COALITION COUNSEL AND CONSULTANTS; REQUIRING REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AND PROVIDING NOTICE OF THIS ORDINANCE TO TEXAS GAS SERVICE.**

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

**PART 1.** On June 3, 2024, Texas Gas Service Company, a Division of ONE Gas, Inc. (“TGS”) filed a "Statement of Intent" with the Railroad Commission of Texas and several municipalities, including the City of Austin, to increase rates for natural gas service provided to its Central-Gulf Service Area customers.

**PART 2.** TGS’s application with the Railroad Commission is docketed as Gas Utilities Docket No. 17471, into which appeals of municipal actions on the TGS filing are consolidated.

**PART 3.** The City is authorized under Section 104.107 of the Texas Utilities Code to suspend the effective date of an increase in gas rates for 90 days in order to evaluate the effect of such a rate increase and to determine whether the rates are appropriate, fair, just, and reasonable to all classes of Austin ratepayers.

**PART 4.** The Council directs the city manager to: work in coalition with the other affected Texas municipalities to review and evaluate whether the proposed rates are appropriate, fair, just, and reasonable; engage rate counsel, namely Lloyd Gosselink Rochelle & Townsend, P.C., and experts and consultants to advise and assist the City and the municipal coalition in exercising regulatory authority over the rates of TGS; and, if necessary, intervene in the Railroad Commission of Texas' consideration of TGS’s rate filing as it affects customers in the unincorporated areas.

**PART 5.** In accordance with Section 103.022 of the Texas Utilities Code, TGS is directed to reimburse all municipal rate case expenses incurred by the City in relation to the filing.

**PART 6.** Notice of this ordinance shall be provided to TGS.

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**PART 7.** This ordinance takes effect on \_\_\_\_\_, 2024.

**PASSED AND APPROVED**

\_\_\_\_\_ §  
\_\_\_\_\_ §  
\_\_\_\_\_, 2024 § \_\_\_\_\_

Kirk Watson  
Mayor

**APPROVED:** \_\_\_\_\_

Deborah Thomas  
Acting City Attorney

**ATTEST:** \_\_\_\_\_

Myrna Rios  
City Clerk

