



City of Austin

Recommendation for Action

File #: 26-1835, Agenda Item #: 11.

5/28/2026

Posting Language

Approve an ordinance suspending a rate increase proposed by SiEnergy Gas, LLC, for natural gas services; approving the City’s participation in a coalition, including participation in proceedings related to the proposed rate increase at the Railroad Commission of Texas; requiring reimbursement of the municipal rate case expenses; and providing notice to SiEnergy Gas, LLC. Funding: This item has no fiscal impact.

Lead Department

Austin Financial Services

Fiscal Note

This item has no fiscal impact.

For More Information:

Marija Norton, Controller, 512-974-2951; Kim Euresti, Deputy Controller, 512-974-2232.

Additional Backup Information:

On May 4, 2026, SiEnergy Gas, LLC, filed a Statement of Intent seeking to increase the gas utility rates within the City of Austin and the other areas it serves in Texas. SiEnergy has also provided notice of intent to consolidate operations and assets with other members of the SiEnergy Holding, LLC family of companies, Pines Gas, Inc., and Pines Gas Development, Inc. In the filing, SiEnergy is seeking to increase revenue in the incorporated areas by approximately \$4.0 million or a 31.4% increase over adjusted revenues, excluding gas costs. SiEnergy has proposed an effective date of June 8, 2026.

There are approximately 304 residential customers in the City of Austin that would be impacted by the proposed rate increase as demonstrated in the following chart:

Residential	Existing Rate - Monthly	Proposed Rate - Monthly
Customer Charge	\$19.25	\$24.75
Volumetric Charge per Ccf	\$0.6511	\$0.8996
General Service Small		
Customer Charge	\$42.50	\$70.00
Volumetric Charge per Ccf	\$0.6958	\$0.8996

The Texas Utilities Code § 103.001 (the Gas Utility Regulatory Act, or GURA) grants a city exclusive original jurisdiction over gas utility rates charged to customers within the city limits. GURA permits cities to suspend a proposed change in rates for up to 90 days.

City staff recommends that Council approve an ordinance that suspends SiEnergy’s proposed rate increase effective date of June 8, 2026 by the maximum statutory suspension period of 90 days. This suspension will allow staff to evaluate the filing and work with a coalition of cities who are served by SiEnergy and the

coalition's legal counsel, who will hire outside rate experts and consultants to study and investigate the proposed rate increase, determine further strategies - including potential settlement - and represent the City in matters related to SiEnergy's application to increase its rates, including proceedings before the Railroad Commission of Texas.