

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE SUSPENDING A RATE INCREASE PROPOSED BY TEXAS GAS SERVICE; APPROVING CITY MEMBERSHIP IN A COALITION AND 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.** Council finds that:

(A) On June 30, 2025, Texas Gas Service Company (TGS), a division of ONE Gas, Inc., filed a Statement of Intent with the City to increase rates across the entire State within all municipalities exercising original jurisdiction within the incorporated areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas effective August 19, 2025.

(B) The City is authorized under Texas Utilities Code Section 104.107 (Section 104.107) 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 2.** In accordance with Section 104.107, Council suspends the effective date of the proposed increase for 90 days so that the City may analyze information provided by TGS and evaluate the proposed rate increase.

**PART 3.** 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 TGS's rates; 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 4.** In accordance with Texas Utilities Code Section 103.022, TGS is directed to reimburse all municipal rate case expenses incurred by the City in relation to the filing.

**PART 5.** Notice of this ordinance shall be provided to TGS.

**PART 6.** This ordinance takes effect on \_\_\_\_\_, 2025.

**PASSED AND APPROVED**

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\_\_\_\_\_, 2025

\_\_\_\_\_  
Kirk Watson  
Mayor

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

Deborah Thomas  
City Attorney

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

Erika Brady  
City Clerk