



Legislation Text

File #: 2020-0111, **Version:** 1

Consider a resolution suspending for 45 days the effective date proposed by Atmos Energy Corporation - MidTex Division in its application filed on or about February 28, 2020.

On or about February 28, 2020, Atmos Energy filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program ("GRIP"). Atmos Energy's application, if approved by the Commission, will result in an increase in the monthly customer charges of \$4.71 per month for residential customers and \$14.54 per month for commercial customers. This increase, if approved, would result in a system-wide increase in Atmos Energy's revenues of about \$113.06 million.

The City is a member of the coalition of cities known as Atmos Texas Municipalities (ATM). ATM is comprised of about 50 cities and has been represented by the law firm of Herrera Law & Associates, PLLC to assist in reviewing applications to change rates submitted by Atmos Energy.

On March 27, 2020, Atmos Energy informed ATM's Special Counsel that it would delay implementation of its GRIP increase in rates to September 1, 2020 to not seek an increase during the midst of the COVID-19 pandemic. However, it does not appear Atmos Energy has withdrawn its pending GRIP application.

The City's ability to review and effectuate a change in Atmos Energy's requested increase, through partnership in the ATM is limited. Nonetheless, to allow for a limited review of Atmos Energy's GRIP application, it is recommended that the City suspend Atmos Energy's proposed effective date of April 28, 2020 for forty-five days as allowed by state law, so that the City may evaluate whether data and calculations in Atmos Energy's rate application are correctly done.