



TOWN COUNCIL COMMUNICATION

DATE: August 19, 2025

FROM: Kirk Riggs, Town Administrator/Chief of Police

AGENDA ITEM: Discuss and consider a Resolution suspending the September 17, 2025, effective date of the proposal by CoServ Gas, LTD. to implement Interim Grip Rate Adjustments for Gas Utility Investment in 2024; providing procedures for submission of the Resolution; and providing an effective date.

SUMMARY:

On July 18, 2025, CoServ Gas, Ltd. ("CoServ" or "the Company") submitted a Gas Reliability Infrastructure Program (GRIP) Interim Rate Adjustment filing to the cities within its service area, including our town.

CoServ is seeking recovery of \$267,149,471 in invested capital, which would result in a monthly increase of \$3.33 for residential customers. This would raise the current residential customer charge from \$18.00 to \$21.33 per month.

The proposed effective date for the rate adjustment is September 17, 2025. The suspension must be adopted on or before September 17, 2025, to be valid. No further action is required by the Town after adoption unless otherwise advised by legal counsel.

Under the Texas Utilities Code, municipalities cannot challenge the merits of the GRIP filing. However, cities are authorized to **suspend the effective date for up to 45 days** to allow for administrative review and coordination through the Steering Committee of Cities Served by CoServ Gas, Ltd.

FISCAL INFORMATION: N/A

RECOMMENDED MOTION OR ACTION:

Move to approve a Resolution suspending the September 17, 2025, effective date of the proposal by CoServ Gas, LTD. to implement Interim Grip Rate Adjustments for Gas Utility Investment in 2024; providing procedures for submission of the Resolution; and providing an effective date, as presented.

ATTACHMENTS:

- Letter to cities
- CoServ Gas Tariff-Redline
- Draft Resolution