

## CITY OF BURNET

# Atmos Rate Case

## City Council Regular Meeting

### January 27, 2025

Discuss and consider action: Resolution No. R2025-07: K. McBurnett

RESOLUTION BY THE CITY OF BURNET, TEXAS (“CITY”) DENYING THE INCREASE IN RATES PROPOSED BY ATMOS ENERGY CORPORATION IN ITS MID-TEX DIVISION FILED ON ABOUT DECEMBER 16, 2024; AUTHORIZING INTERVENTION IN PROCEEDINGS RELATED TO ATMOS ENERGY’S APPLICATION TO INCREASE RATES; AUTHORIZING SPECIAL COUNSEL TO REPRESENT THE CITY IN MATTERS RELATED TO ATMOS ENERGY’S PROPOSED INCREASE IN RATES; DIRECTING ATMOS TO REIMBURSE RATE CASE EXPENSES; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE



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## Atmos Rate Case

- On December 16, 2024, Atmos Energy Corporation filed a Statement of Intent to increase its base rate revenues for the Mid-Tex Division by approximately \$16.73 million.
- If approved by the Railroad Commission of Texas, Atmos's proposed rate increase would result in a 14.05% rise in residential customers' bills excluding the cost of gas. Rates for commercial, industrial, and transportation customers would remain unchanged.



## Atmos Rate Case

- The City of Burnet is a member of a coalition of cities known as Atmos Texas Municipalities (“ATM”).
- ATM Special Counsel recommends the City deny Atmos’s proposed rate increase by adopting the proposed resolution. If adopted, the accompanying resolution:
  - Denies Atmos’s proposed increase in rates;
  - Authorizes Herrera Law & Associates, PLLC to represent the City through ATM in proceedings related to Atmos’s proposal to increase rates; and
  - Directs Atmos to reimburse ATM’s rate-case expenses.



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## Atmos Rate Case

- If the City doesn't take action on the resolution, Atmos' proposed increase in rates is deemed approved by operation of law.
- Under the Gas Utility Regulatory Act (GURA) § 103.022, cities are entitled to recover reasonable rate case expenses from the utility. This means that any legal and consulting costs incurred by the City as part of this process will be reimbursed by Atmos Energy, ensuring the City's budget is not negatively impacted.



# Questions?

## Recommendation

- Staff recommends approval of Resolution No. R2025-07 as presented.



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