



CITY COUNCIL ITEM SUMMARY

MEETING DATE:	June 3, 2021
SUBCATEGORY:	First Reading of Ordinances
DEPARTMENT NAME:	Finance
AGENDA ITEM TITLE:	Amendment to Utilities Ordinance Regarding Gas Rates
DEPARTMENT SUMMARY RECOMMENDATION:	<p>The proposed budget includes two gas rate changes. The first change is a \$0.05 per dekatherm increase in the capital improvements. This will be used to offset the rising cost of labor and materials associated with the deliverability of the gas system. This was last changed in FY2015.</p> <p>The second increase is in the Gas Index Price Adders. This will increase 7% for firm customers and 4% for interruptible customers. This will be used in the operations and maintenance of the existing gas system and for the expanding regulatory compliance. The Gas Index Price Adders have never been adjusted.</p> <p>With both of these changes, the estimated increase for a residential customer using about 100 therms equates to about \$2.72 per month.</p>
LEGAL:	None