



# STAFF REPORT

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<b>MEETING DATE:</b>	March 16, 2026
<b>MEETING TYPE:</b>	City Council
<b>SUBMITTED BY:</b>	Katherine Lindsey
<b>AGENDA CAPTION:</b>	Discuss and consider a Resolution AUTHORIZING MEMBERSHIIP IN THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FOUR CENTS PER CAPIT TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION. Presented by Katherine Lindsey, Assistant to the City Administrator.

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## **Background Information**

### **Purpose of the Resolution:**

Most municipalities have retained original jurisdiction over gas utility rates and services within municipal limits. The Atmos Cities Steering Committee (“ACSC”) is composed of 188 municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division that have retained original jurisdiction. Atmos is a monopoly provider of natural gas. Because Atmos has no competitors, regulation of the rates that it charges its customers is the only way that cities can ensure that natural gas rates are fair. Working as a coalition to review the rates charged by Atmos allows cities to accomplish more collectively than each city could do acting alone. Cities have more than 100 years experience in regulating natural gas rates in Texas.

ACSC is the largest coalition of cities served by Atmos Mid-Tex. There are 188 ACSC member cities, which represent more than 70 percent of the total load served by Atmos-Mid Tex. ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of residential and small commercial customers within the cities. Although many of the activities undertaken by ACSC are connected to rate cases (and therefore expenses are reimbursed by the utility), ACSC also undertakes additional activities on behalf of municipalities for which it needs funding support from its members.

### **The ACSC Membership Assessment Supports Important Activities:**

ACSC is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Atmos within the City. These activities will continue throughout the calendar year. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that ACSC be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

### **Explanation of Resolution Paragraphs:**

- I. This paragraph authorizes the continuation of the City’s membership in ACSC.

II. This paragraph authorizes payment of the City's assessment to the ACSC in the amount of four cents (\$0.04) per capita. This is a decrease of \$0.01 to the 2025 assessment.

III. This paragraph requires notification that the City has adopted the Resolution.

**Budget Implications**

The assessment payment check should be made out to "City of Arlington, C/O *Atmos Cities Steering Committee* and mailed to City of Arlington, C/O Brandi Stigler, Atmos Cities Steering Committee, PO Box 90231, Arlington, Texas 76004

**Legal Review**

The Atmos Cities Steering Committee's attorney, Thomas Brocato with Lloyd Gosselink Attorneys at Law, drafted the resolution.

**Staff Recommendation**

Staff recommends that the City Council approves the resolution.

**Supporting Documentation and Attachments**