



# LAWRENCEVILLE

## GEORGIA

### AGENDA REPORT

MEETING: WORK SESSION, MARCH 4, 2025

AGENDA CATEGORY: GENERAL CITY BUSINESS

<b>Item:</b>	Ordinance Amendment – Removal of Public Hearing Requirement for Natural Gas Margin Rate Adjustments
<b>Department:</b>	Finance
<b>Date of Meeting:</b>	Wednesday, March 4, 2026
<b>Fiscal Impact:</b>	N/A
<b>Presented By:</b>	Keith Lee, Chief Financial Officer
<b>Action Requested:</b>	Approval of an ordinance amendment to Section 38-240 of the Code of Ordinances to remove the requirement for a public hearing prior to adjusting the natural gas margin rate.

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**Summary:** Section 38-240 of the City’s Code of Ordinances currently requires a public hearing before the City Council may adjust the natural gas margin rate. The City does not impose a similar public hearing requirement for electric, water, stormwater, or other utility rates and fees.

This amendment would remove the public hearing requirement specific to natural gas margin rate adjustments, thereby aligning the governance framework for natural gas with the City’s other enterprise funds and utility rate-setting practices. Council would retain full authority to approve margin rate adjustments by ordinance, but without a mandatory public hearing requirement unless otherwise required by law or directed by Council.

The proposed change promotes consistency across utilities, improves administrative efficiency, and provides Council flexibility in responding to market conditions, cost fluctuations, and system funding needs in a timely manner.

**Background:** The natural gas margin rate is a component of the City’s natural gas pricing structure that supports system operations, infrastructure investment, and long-term financial stability of the Natural Gas Fund.

While public hearings are appropriate in certain legislative contexts, the City's other utility rates are adjusted through standard ordinance action without a required public hearing. The current natural gas provision creates an inconsistency in process that is not required by state law and is unique among the City's utilities.

The proposed ordinance amendment removes only the mandatory public hearing requirement and does not otherwise alter Council's rate-setting authority or the structure of the margin rate.

**Fiscal Impact:** N/A

**Attachments/Exhibits:**

- Natural Gas Ordinance Change.docx
- Natural Gas Ordinance Redline.docx