

AGENDA ITEM SUMMARY SHEET

City of Rollingwood

Meeting Date: November 19, 2025

Submitted By:

Staff

Agenda Item:

Discussion and possible action on a resolution to deny the rate application proposed by Texas Gas Service

Description:

On June 30, 2025, Texas Gas Service Company (TGS or Company) filed a Statement of Intent to Increase Rates application with each of the cities in its Central-Gulf, West North, and Rio Grande Valley service areas. In the filing, the Company asserted that it is entitled to a \$41.1 million increase or a 9.83% increase over current adjusted revenues, excluding gas costs.

In June, the Cities Served by Texas Gas Service Company (TGS Cities) engaged the services of consultants to review the Company's filing. The consultants identified numerous unreasonable expenses and proposed significant reductions to the Company's request. Accordingly, TGS Cities' attorney recommends that all TGS Cities members adopt the Resolution denying the rate change. Once the Resolution is adopted, TGS will have 30 days to appeal the decision to the Railroad Commission where the appeal will be consolidated with TGS' filing for the environs and those cities that have relinquished their jurisdiction (i.e. Gas Utility Docket 28202) currently pending at the Railroad Commission.

Under the law, cities with original jurisdiction over this matter have 125 days from the initial filing to take final action on the application. By the agreement of the parties, this deadline was suspended until November 17, 2025. As such, all cities with original jurisdiction will need to adopt the resolution no later than November 17. However, due to Rollingwood's meeting schedule, it was agreed that the City of Rollingwood could take action during its November 19, 2025 regular meeting

Accordingly, the purpose of the Resolution is to deny the rate application proposed by TGS.

Action Requested:

To consider the resolution and adopt it if desired.

Fiscal Impacts:

This resolution is not expected to have a direct fiscal impact on the City.

Attachments:

Proposed resolution