

# STAFF REPORT



**SUBJECT:** Assessment Resolution for Steering Committee of Cities Served by Atmos Energy

**DEPARTMENT:** Administration

**STAFF CONTACT:** Jason King, City Manager

## 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 178 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 178 ACSC member cities, which represent more than 60 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 "BE IT RESOLVED PARAGRAPHS"

- I. The City is currently a member of the Steering Committee; this paragraph authorizes the continuation of the City's membership.
- II. This paragraph authorizes payment of the City's assessment to the Steering Committee in the amount of five cents (\$0.05) per capita, based on the population figure for the City as shown in the latest TML Directory of City Officials.
- III. This paragraph requires payment of the 2023 assessment be made and a copy of the resolution be sent to the Steering Committee.

## PAYMENT OF ASSESSMENT

The assessment payment check should be made out to "Atmos Cities Steering Committee" and mailed to Brandi Stigler, Atmos Cities Steering Committee, c/o Arlington City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010.