



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council
MEETING DATE:	August 19, 2024
ITEM TITLE:	Consider and take appropriate action on Ordinance approving a negotiated settlement with Atmos West Texas and Atmos Energy Corp, West Texas Division regarding 2024 RRM filing.
STAFF INITIATOR:	Randy Criswell, City Manager

BACKGROUND:

On or about April 1, 2024, Atmos Energy filed a rate application under the Rate Review Mechanism (RRM), a procedure that has been used since 2007 for consideration and review of rate filings under the Gas Reliability Infrastructure Program (GRIP) statute. The original filing was for an increase in revenues of \$6.7 million. WolfForth is a member of a coalition of over 70 cities called Cities Served by Atmos West Texas, a coalition formed to evaluate Atmos rate filings and to work together as a group to negotiate appropriate settlements. We are represented by Mr. Thomas Brocato, General Counsel to Cites, at Lloyd Gosselink Rochelle & Townsend, P.C.

After review of the Cities' consultants' report and ensuing negotiations, Atmos agreed to an increase of \$4.3 million with an effective date of October 1, 2024. The effect of this increase on the average residential customer is approximately \$1.27/month. A staff report from Mr. Brocato is included as an exhibit.

Ordinance No. 2024-018 has been prepared, is also included as an exhibit, and is recommended for adoption.

EXHIBITS:

COUNCIL ACTION/STAFF RECOMMENDATION:

Staff recommends adoption of Ordinance No. 2024-018