

RESOLUTION NO. 2024-043

RESOLUTION OF THE CITY OF WOLFFORTH SUSPENDING THE DECEMBER 19, 2024 EFFECTIVE DATE OF ATMOS ENERGY CORP., WEST TEXAS DIVISION'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH THE CITIES SERVED BY ATMOS WEST TEXAS AND AUTHORIZING INTERVENTION IN ATMOS WEST TEXAS' REQUESTED RATE CHANGE PROCEEDINGS BEFORE THE COMMISSION; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

WHEREAS, on or about October 25, 2024, Atmos Energy Corp., West Texas Division (“Atmos West Texas” or “Company”) filed with the City of Wolfforth (“City”) a Statement of Intent to increase gas utility rates in all municipalities exercising original jurisdiction within its service area, effective December 19, 2024; and

WHEREAS, the City is a member of Cities Served by Atmos West Texas (“Cities”), a coalition of similarly situated cities served by Atmos West Texas that have joined together to efficiently and cost effectively facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos West Texas service area; and

WHEREAS, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days after the date the rate change would otherwise be effective; and

WHEREAS, the City retains its rights as a city with original jurisdiction including the right to suspend the application; and

WHEREAS, the City’s consultants and attorneys recommend that the City suspend the application for further review; and

WHEREAS, Atmos West Texas has filed an application with the Railroad Commission that could become the docket into which appeals of city action on the Atmos West Texas filing are consolidated; and

(unapproved draft)

WHEREAS, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOLFFORTH, TEXAS:

SECTION 1. That the December 19, 2024, effective date of the rate request submitted by Atmos West Texas on or about October 25, 2024, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That the City joins other Cities Served by Atmos West Texas in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Thomas Brocato of Lloyd Gosselink Rochelle and Townsend, P.C, and consultants to review the Company's filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action.

SECTION 3. That the City shall work with Cities Served by Atmos West Texas in the review and evaluation of whether the proposed rates are appropriate, fair, just, and reasonable; and intervene as a necessary party in the Railroad Commission of Texas' consideration of Atmos West Texas' rate filing in Case No. 00018879 as it affects the customers in the unincorporated areas of Atmos West Texas' service territory.

SECTION 4. That the City's reasonable rate case expenses shall be reimbursed by Atmos West Texas.

SECTION 5. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 6. A copy of this Resolution shall be sent to Atmos West Texas, care of Philip Littlejohn, Vice President of Rates and Regulatory Affairs, West Texas Division, 6606 66th Street, Lubbock, Texas 89424 (Philip.littlejohn@atmosenergy.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

(unapproved draft)

PASSED AND APPROVED this 4th day of November, 2024.

Doug Hutcheson, Mayor Pro Tem
City of Wolfforth, Texas

ATTEST:

City Secretary

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