

**CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Financial Services
AGENDA DATE: City Council Agenda, September 25, 2007
CONTACT PERSON/PHONE: Nadia Powell, Consumer Affairs Officer
DISTRICT(S) AFFECTED: All

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Suspending the rate change in the Statement of Intent to Change Rates filed by Texas Gas Service Company, a division of ONEOK, Inc., on August 31, 2007, for 90 days following the effective date of October 19, 2007

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

Texas Gas Service filed an application on August 31, 2007 to request approval of its proposed rate increase. State law allows the City as the local regulatory authority to suspend the proposed rate schedule for no longer than 90 days after the effective date. The TGS filing states that the new rates would be effective on October 19, 2007.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

The City Council has considered previous rate filings since the franchise was approved by Ordinance 14360 on March 2, 2000. On August 31, 2004, the City Council approved a Resolution approving an Interim Adjustment for Changes in Investment and related rate changes.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) Ben Carter **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

CITY CLERK DEPT.
07 SEP 19 AM 10:10

RESOLUTION

WHEREAS, Texas Gas Service Company, a division of ONEOK, distributes natural gas within the City Limits of the City of El Paso pursuant to a franchise granted to Southern Union Company dated as of February 22, 2000, and assigned to ONEOK, Inc. and is a gas utility;

WHEREAS, on August 31, 2007, Texas Gas Service Company filed a Statement of Intent to Change Rates within the City of El Paso specifying that the rate change should be effective on October 19, 2007;

WHEREAS, pursuant to the Gas Utility Regulatory Act, Texas Utilities Code Section 103.001, the City of El Paso has exclusive original jurisdiction over the rates, operations, and services of the Texas Gas Service Company within the City of El Paso;

WHEREAS, the City Council has determined that additional time is needed for it to study and to have its Public Utility Regulation Board study the proposed increase and the reasons therefor;

WHEREAS, pursuant to the Gas Utility Regulatory Act, Texas Utilities Code Section 104.107, the City of El Paso, as regulatory Authority, has the right to suspend the proposed rate change for a period of 90 days after the proposed date the change would otherwise be effective; and

WHEREAS, the City Council has determined that it is in the best interest of its citizens and ratepayers to suspend the rate change.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That the rate change identified in the Statement of Intent to Change Rates filed by Texas Gas Service Company a division of ONEOK, Inc., on August, 31, 2007, be and is hereby suspended for 90 days after the effective date specified in the Statement of Intent.
2. That the City Manager shall so notify Texas Gas Service Company of the suspension and the order to submit testimony by having a copy of this Resolution delivered or mailed to the Vice President, West Texas Region.

PASSED AND APPROVED this _____ day of _____, 2007.

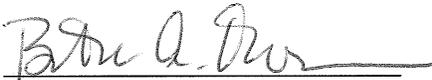
CITY OF EL PASO

John F. Cook, Mayor

ATTEST:

Richarda Duffey Momsen,
City Clerk

APPROVED AS TO FORM:



Bertha A. Ontiveros
Assistant City Attorney

APPROVED AS TO CONTENT:

William F. Studer, Jr., Deputy City Manager
Financial Services