

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

**DEPARTMENT:** Financial Services

**AGENDA DATE:** Consent Agenda December 22, 2009

**CONTACT PERSON NAME AND PHONE NUMBER:** Liza Ramirez-Tobias (915) 541-4074

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

That the rate adjustment identified in the Statement of Intent to Increase Rates filed by Texas Gas Service Company a division of ONEOK, Inc. on December 3, 2009, be and is hereby suspended for 90 days after the effective date specified in the filing, ordering the Company to provide working papers and directing City Manager to notify Company of suspension. [Liza Ramirez-Tobias, (915) 541-4074]

**BACKGROUND / DISCUSSION:**

On December 3, 2009, Texas Gas Service Company filed a Statement of Intent to Increase Rates to propose rate changes and tariffs for gas service within the City of El Paso specifying that the rate change should be effective on January 7, 2010. 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. City Council has determined that additional time and information is needed for it to study the proposed rate changes and tariffs and the reasons. 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 and tariffs for a period of 90 days after the proposed date the change would otherwise be effective. The City Council has determined that it is in the best interest of its citizens and ratepayers to suspend the proposed rate change and tariffs. The City Council finds that the City and its counsel and consultants require sufficient supporting documentation and explanation to review the request for an interim rate adjustment.

**PRIOR COUNCIL ACTION:**

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

City Council approved rates in February 2008

**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?**

None

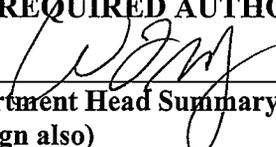
**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

  
(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

*Information copy to appropriate Deputy City Manager*

## 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 December 3, 2009, Texas Gas Service Company filed a Statement of Intent to Increase Rates to propose rate changes and tariffs for gas service within the City of El Paso specifying that the rate change should be effective on January 7, 2010;

**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 and information is needed for it to study the proposed rate changes and tariffs 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 and tariffs for a period of 90 days after the proposed date the change would otherwise be effective;

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

**WHEREAS**, the City Council finds that the City and its counsel and consultants require sufficient supporting documentation and explanation to review the request for an interim rate adjustment.

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

1. That the rate adjustment identified in the Statement of Intent to Increase Rates filed by Texas Gas Service Company a division of ONEOK, Inc., on December 3, 2009, be and is hereby suspended for 90 days after the effective date specified in the filing.
2. That Texas Gas Service Company is hereby ordered to file with the City Clerk and Office of the City Attorney on or before December 22, 2009 complete working papers supporting all of its claimed cost of the investment in service for gas utility services as needed by the City's attorneys and consultants to conduct its analysis and make recommendations to the Council, including change in return on net investment, change in depreciation expense, change in ad valorem tax and change in federal income taxes to support the Company's request for an Interim Rate Increase.

3. That the City Manager shall so notify Texas Gas Service Company of the suspension and the order to submit working papers by having a copy of this Resolution delivered or mailed to the Vice President, West Texas Region.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

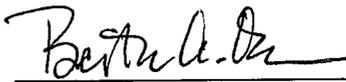
**CITY OF EL PASO**

\_\_\_\_\_  
John F. Cook, Mayor

ATTEST:

\_\_\_\_\_  
Richarda Duffey Momsen,  
City Clerk

APPROVED AS TO FORM:



\_\_\_\_\_  
Bertha A. Ontiveros  
Assistant City Attorney

APPROVED AS TO CONTENT:



\_\_\_\_\_  
Liza Ramirez-Tobias  
Capital Assets Manager  
Financial Services Department