CITY OF PLANO
COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY
☐ Consent ☐ Regular ☐ Statutory

Council Meeting Date:	April 22, 2013
Department:	Office of Policy and Government Relations
Department Head	Mark Israelson
Agenda Coordinator (include phone #):	**Nancy Rodriguez X7510**

CAPTION

A Resolution of the City Council of City of Plano, Texas, authorizing continued participation with the Atmos Cities Steering Committee; authorizing the payment of five cents per capita to the Atmos Cities Steering Committee to fund regulatory and related activities related to Atmos Energy Corporation; and providing an effective date.

FINANCIAL SUMMARY

☐ NOT APPLICABLE ☒ OPERATING EXPENSE ☐ REVENUE ☐ CIP

FISCAL YEAR: **2012-13**	**Prior Year (CIP Only)**	**Current Year**	**Future Years**	**TOTALS**
Budget	0	171,420	0	**171,420**
Encumbered/Expended Amount	0	-82,023	0	**-82,023**
This Item	0	-12,992	0	**-12,992**
BALANCE	0	76,405	0	**76,405**

FUND(S): GENERAL FUND

COMMENTS: Funding for this item is included in the approved FY 2012-13 Non-Departmental budget. This item authorizes the continuation of the City's membership on the Atmos Cities Steering Committee (ACSC) and the payment of the City's annual assessment for continued membership.

STRATEGIC PLAN GOAL: Continued membership on the ACSC allows the City of Plano to continue working with a coalition of North Texas municipalities to ensure natural gas rates are fair and relates to the City's goals of Partnering for Community Benefit and Financially Strong CIty with Service Excellence.

SUMMARY OF ITEM

This Resolution authorizes continued membership and per capita assessment to Atmos Cities Steering Committee.

List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Memorandum, Resolution	

P.O. Box 860358 Plano, Texas 75086-0358
972-941-7000 www.plano.gov

Date: April 22, 2013

To: Plano City Council

Through: Bruce Glasscock, City Manager

From: Mark Israelson, Director of Policy and Government Relations

Subject: Resolution Authorizing Continued Participation with Atmos Cities Steering Committee

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 municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division regardless of whether original jurisdiction has been retained. 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 167 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 Resolution Paragraphs:

I. This paragraph authorizes the continuation of the City's membership in ACSC.

II. This paragraph authorizes payment of the City's assessment to the ACSC in the amount of five cents ($0.05) per capita.

III. This paragraph requires notification that the City has adopted the Resolution.

Payment of Assessment

The assessment payment check should be made out to **"*Atmos Cities Steering Committee*"** and mailed to Mary Bunkley, Treasurer, Atmos Cities Steering Committee, c/o Arlington City Attorney's Office, Mail Stop 63-0300, P.O. Box 90231, Arlington, Texas 76004-3231.

A Resolution of the City Council of City of Plano, Texas, authorizing continued participation with the Atmos Cities Steering Committee; authorizing the payment of five cents per capita to the Atmos Cities Steering Committee to fund regulatory and related activities related to Atmos Energy Corporation; and providing an effective date.

WHEREAS, the City of Plano is a regulatory authority under the Gas Utility Regulatory Act (GURA) and has exclusive original jurisdiction over the rates and services of Atmos Energy Corporation, Mid-Tex Division (Atmos) within the municipal boundaries of the city; and

WHEREAS, the Atmos Cities Steering Committee (ACSC) has historically intervened in Atmos rate proceedings and gas utility related rulemakings to protect the interests of municipalities and gas customers residing within municipal boundaries; and

WHEREAS, ACSC is participating in Railroad Commission dockets and projects, as well as court proceedings and legislative activities, affecting gas utility rates; and

WHEREAS, the City is a member of ACSC; and

WHEREAS, the City Council authorized participation with the Atmos Cities Steering Committee on May 14, 2012 by Resolution No. 2012-5-3(R) and on April 25, 2011 by Resolution No. 2011-4-8(R); and

WHEREAS, in order for ACSC to continue its participation in these activities which affects the provision of gas utility service and the rates to be charged, it must assess its members for such costs; and

WHEREAS, the City Council finds that it is in the best interest of the City of Plano to continue participation in the ACSC.

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

Section I. That the City is authorized to continue its membership with the Atmos Cities Steering Committee to protect the interests of the City of Plano and protect the interests of the customers of Atmos Energy Corporation, Mid-Tex Division residing and conducting business within the City limits.

Section II. The City is further authorized to pay its 2013 assessment to the ACSC in the amount of five cents ($0.05) per capita.

Section III. A copy of this Resolution and approved assessment fee payable to "Atmos Cities Steering Committee" shall be sent to:

Mary Bunkley
Treasurer, Atmos Cities Steering Committee
c/o Arlington City Attorney's Office, Mail Stop 63-0300
P.O. Box 90231
Arlington, Texas 76004-3231

Section IV. This Resolution shall become effective immediately.

DULY PASSED AND APPROVED this the 22nd day of April, 2013.

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Phil Dyer, MAYOR

ATTEST:

_____
Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

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Diane C. Wetherbee, CITY ATTORNEY