



# City Council Agenda Item Summary Report

**Meeting Date:** February 2, 2021

**Submitted by:** Jon Thatcher, City Attorney

<b>Consent</b> X	<b>Public Hearing</b>	<b>Action Item</b>
<b>Item Title:</b> Consider a Resolution authorizing continued participation with the ATMOS Cities Steering Committee authorizing the payment of membership dues for 2021 to fund regulatory and related activities related to the Atmos Energy Corporation.		

**How this item ties-in with the City’s Mission, Vision and Values:** The City of Forney has the responsibility to ensure effective and efficient delivery of services to its citizens [Accountable].

## Summary Statement

### **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 178 municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division that have retained original jurisdiction. 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 178 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.

### **Assessment**

The assessment payment to ACSC is calculated in the amount of five cents (\$0.05) per capita (the same rate as 2020), which totals \$1,361.80 for 2021.