

Legislation Text

File #: 6432, **Version:** 1

CC MEETING: November 21, 2023

DATE: November 15, 2023

TO: City Council

FROM: Meredith A. Ladd, City Attorney

Consider A **Resolution Of The City Council Of The City Of Carrollton, Texas, Finding That Coserv Gas, LTD.'S Statement Of Intent To Increase Rates Within The City Should Be Denied; Finding That The City's Reasonable Rate Case Expenses Shall Be Reimbursed By The Company; Finding That The Meeting At Which This Resolution Is Passed Is Open To The Public As Required By Law; And Requiring Notice Of This Resolution To The Company And The City's Legal Counsel.**

BACKGROUND:

On July 28, 2023, CoServ Gas, Ltd. ("CoServ" or "Company"), pursuant to Subchapter C of Chapter 104 of the Gas Utility Regulatory Act, filed its Statement of Intent to change gas rates at the Railroad Commission of Texas ("RRC") and in all municipalities exercising original jurisdiction within its service area.

The Steering Committee of Cities Served by CoServ Gas, Ltd. ("CoServ Gas Cities") engaged the services of consultants to review the Company's filing. The consultants identified numerous unreasonable expenses and proposed significant reductions to the Company's request. Settlement discussions are ongoing, but no agreement has been met. Accordingly, CoServ Gas Cities' attorneys recommend that all member cities adopt the Resolution denying the rate change. Once the Resolution is adopted, CoServ will have 30 days to appeal the decision to the Railroad Commission where the appeal will be consolidated with CoServ's filing.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends Council approve the Resolution.