

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



DEPARTMENT: Strategic and Legislative Affairs

AGENDA DATE: 11/17/25

PUBLIC HEARING DATE: 11/17/25

CONTACT PERSON NAME: Ian Voglewede

PHONE NUMBER: 915-299-9409

2nd CONTACT PERSON NAME: Matt Marquez

PHONE NUMBER: 915-212-0033

DISTRICT(S) AFFECTED: All Districts

STRATEGIC GOAL:

Goal 6 - Set the Standard for Sound Governance and Fiscal Management

SUBGOAL:

6.8 Support transparent and inclusive government.

SUBJECT:

Presentation, discussion, and action on Railroad Commission of Texas (RRC) Docket No. OS-25-00028202, the Statement of Intent of Texas Gas Service Company, a Division of ONE Gas, Inc., to Increase Rates within the Company's Incorporated Areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas.

BACKGROUND / DISCUSSION:

City Council will decide, under its original jurisdiction, at the Public Hearing whether to approve or deny the Statement of Intent of Texas Gas Service Company, a Division of ONE Gas, Inc., to Increase Rates within the Company's Incorporated Areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas.

COMMUNITY AND STAKEHOLDER OUTREACH:

City Council has requested that Texas Gas Service provide community meetings prior to the public hearing to inform ratepayers of the impacts of the request.

PRIOR COUNCIL ACTION:

Yes, City Council last made this decision in November of 2022, in the Company's last general rate case. On July 21, 2025, in this current case, the City Council voted to suspend the proposed rate increase.

AMOUNT AND SOURCE OF FUNDING:

N/A

REPORTING OF CONTRIBUTION OR DONATION TO CITY COUNCIL:

N/A

NAME	AMOUNT (\$)

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

DEPARTMENT HEAD:

Stephen Ian Voglewede
Digitally signed by Stephen Ian Voglewede
Date: 2025.11.04 08:54:37 -07'00'

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

RESOLUTION

WHEREAS, Texas Gas Service Company, a division of ONE Gas, Inc., (“TGS” or the “Company”), a gas utility, distributes natural gas within the city limits of the City of El Paso pursuant to a franchise originally granted to Southern Union Company on February 22, 2000, then assigned to ONEOK, Inc., and subsequently assigned to ONE Gas, Inc., the parent company of TGS; and

WHEREAS, on June 30, 2025, TGS, filed with the City of El Paso its *Statement of Intent of Texas Gas Service Company, a Division of ONE Gas, Inc. to Increase Rates within the Company’s Incorporated Areas of Central-Gulf, West North, and Rio Grande Valley Services Areas* (“Application”), and proposed that the rate change should be effective in thirty-five (35) days from that filing date; and

WHEREAS, pursuant to the Gas Utility Regulatory Act (“GURA”), Texas Utilities Code Section 103.001, the City of El Paso has exclusive original jurisdiction over the rates, operations, and services of TGS within the city limits of the City of El Paso; and

WHEREAS, on July 21, 2025, the City Council, as local regulatory authority, suspended the proposed rate change for a period of ninety (90) days beyond the date the change would otherwise be effective in order to determine whether the rates are appropriate, fair, just, and reasonable to ratepayers; and

WHEREAS, the City of El Paso hired and directed legal counsel and rate consultants to prepare a response to TGS’s requested system-wide rate increase and proposed consolidation of service areas, and

WHEREAS, the City Council finds that the rates and proposed consolidation of services areas proposed by TGS’s rates are unreasonable and unjustified, and the rate request and consolidation should be denied; and

WHEREAS, the City Council has determined that the amount of the rate increase request, proposed consolidation of service areas, rate class changes, and the rate design proposals in the Company’s Statement of Intent are unreasonable; and

WHEREAS, the City Council has determined that the appropriate action in light of the nature of the filing is to deny the request in its entirety; and

WHEREAS, GURA § 103.022 provides that reasonable costs of services incurred by the City of El Paso for participating in or conducting ratemaking activities are to be reimbursed by the regulated utility.

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

1. That the Application, including the proposed rate increase, consolidation of service areas, rate class changes, and rate design changes identified in the Company's Statement of Intent filed on June 30, 2025, are in all things denied.
2. That TGS is directed to reimburse all reasonable rate case expenses incurred by the City in relation to the Application.
3. That the City Manager shall so notify TGS by having a copy of this Resolution delivered or mailed to the Chief Executive Officer of the Company.

APPROVED by the CITY COUNCIL of the CITY OF EL PASO, TEXAS, this _____ day of November, 2025.

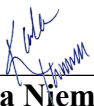
CITY OF EL PASO

RENARD U. JOHNSON
MAYOR

ATTEST:

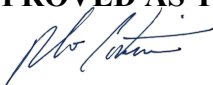
Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Karla Nieman, City Attorney

APPROVED AS TO CONTENT:



Robert Cortinas, Chief Financial Officer