



# NEGOTIATED SETTLEMENT ON ATMOS RRM FILING

RS-24-154

September 3, 2024

# Background

- Cities exercise original jurisdiction over the level of gas rates charged within their boundaries
- Killeen is a member of the Atmos Cities Steering Committee (ACSC) along with 181 other cities served by Atmos Mid-Tex
- Since 2007, Atmos and ACSC have worked under an alternate rate review process referred to as the Rate Review Mechanism (RRM), as opposed to the statutory Gas Reliability Infrastructure Program

# Atmos RRM Filing

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- Atmos filed a rate request on April 1, 2024 claiming it is entitled to additional system-wide revenues of \$196.8 million (based on test year ending December 31, 2023)
- ACSC consultants analyzed the filing and determined that the system-wide deficiency under the RRM should be \$149.6 million

# Negotiated Settlement

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- The ACSC Executive Committee and Atmos negotiated a settlement
  - ▣ Atmos request reduced from \$196.8 million to \$164.7 million
  - ▣ The average residential increase is \$5.52 per month or 6.84%
  - ▣ The average commercial usage increase is \$13.39 per month or 3.44%

# Recommendation

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- Staff and the Executive Committee of the ACSC recommend approving the negotiated settlement between ASCS and Atmos Energy, Mid-Tex Division regarding the 2024 RRM filing.