

May 27, 2026

Ordinance No. _____

WHEREAS, Atmos Energy Corp., Mid-Tex Division (“Atmos”) provides natural gas utility service within the City of Dallas in accordance with Ordinance No. 27793; and

WHEREAS, on February 14, 2018, the City of Dallas adopted Ordinance No. 30777 which approved new rates for gas distribution service in the City of Dallas including Rider DARR-Dallas Annual Rate Review (“Rider DARR”); and

WHEREAS, on May 13, 2020, the City of Dallas adopted Ordinance No 31532 which amended Rider DARR; and

WHEREAS, Atmos filed for a \$38.14 million annual increase including revenue related taxes applicable to Dallas customers on January 15, 2026 pursuant to terms of the Dallas Annual Rate Review (DARR) tariff; and

WHEREAS, the City of Dallas has determined that Atmos failed to demonstrate the reasonableness of the requested increase; and

WHEREAS, Atmos and the City of Dallas have agreed to an annual rate increase of \$34.1 million including the increase to revenue related taxes and fees to customers within the City of Dallas to settle and resolve the 2026 DARR filing; and

WHEREAS, the Rider DARR as amended establishes an effective date for new rates of June 1, 2026, and

WHEREAS, the tariffs attached to this Ordinance, R-Residential Sales, C-Commercial Sales, I-Industrial Sales and T-Transportation, and rate riders WNA-Weather Normalization Adjustment (Dallas),SUR-Surcharges and TAX-Tax Adjustment are determined to be fair and reasonable.

Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the rate adjustments and tariffs presented in the “Dallas Annual Rate Review Filing Test Year Ended 9-30-25” filed by Atmos Energy Corp. on January 15, 2026, are unreasonable and are therefore denied in all respects.

SECTION 2. That the tariffs attached hereto as Exhibit A, including tariffs, R-Residential Sales, C-Commercial Sales, I-Industrial Sales and T-Transportation, and rate riders WNA-Weather Normalization Adjustment (Dallas), SUR-Surcharges, and CEE-Conservation and Energy Efficiency are hereby approved effective June 1, 2026.

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SECTION 3. That the City's expenses in reviewing the DARR filing and negotiating the settlement are deemed reasonable and Atmos shall reimburse the City in full for the costs of City's consultants and outside legal counsel.

SECTION 4. That this ordinance shall take effect immediately from and after its passage in accordance with the provisions of the City Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

BERTRAM A. VANDENBERG, Interim City Attorney

BY: _____
Assistant City Attorney

Passed: _____