

RESOLUTION NO. R-2019-68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, SUSPENDING THE DECEMBER 19, 2019 EFFECTIVE DATE OF CENTERPOINT ENERGY TEXAS GAS BEAUMONT/EAST TEXAS DIVISION'S REQUESTED INCREASE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES IN THE CENTERPOINT BEAUMONT/EAST TEXAS SERVICE AREA; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; AUTHORIZING INTERVENTION IN GUD NO. 10920 AT THE RAILROAD COMMISSION; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Tyler, Texas ("City")

WHEREAS, on or about November 14, 2019, CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint" or "Company"), pursuant to Gas Utility Regulatory Act § 104.102, filed with the City of Tyler, Texas ("City") a Statement of Intent to change gas rates in all municipalities exercising original jurisdiction within its Beaumont/East Texas Division service area effective December 19, 2019; and

WHEREAS, the City is a gas customer of CenterPoint and a regulatory authority with exclusive original jurisdiction over the rates and charges of CenterPoint within the City; and

WHEREAS, it is reasonable for the City of Tyler, Texas to cooperate with other similarly situated cities in conducting a review of the Company's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

WHEREAS, CenterPoint has filed an application with the Railroad Commission, GUD No. 10920, that could become the docket into which appeals of city action on the CenterPoint filing are consolidated; and

WHEREAS, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS THAT:

PART 1: That the December 19, 2019, effective date of the rate request submitted by CenterPoint on or about November 14, 2019, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

PART 2. That the City is authorized to cooperate with other cities in the CenterPoint service area, the East Texas Coalition of Cities, to hire and direct legal counsel and consultants, negotiate with the Company, make recommendations to the City regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Railroad Commission.

PART 3. That subject to the right to terminate employment at any time, the City of Tyler, Texas hereby authorizes the hiring of Thomas Brocato of the law firm of Lloyd Gosselink and consultants to represent the City in all matters associated with the CenterPoint application to increase rates and appeals thereof.

PART 4. That intervention in Railroad Commission GUD No. 10920 is authorized.

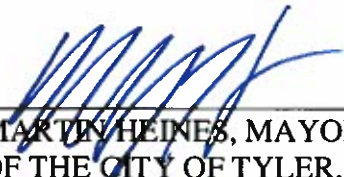
PART 5. That the City's reasonable rate case expenses shall be reimbursed by CenterPoint.

PART 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

PART 7. A copy of this Resolution shall be sent to CenterPoint, care of Sam Chang, CenterPoint Energy, Inc., 1005 Congress Avenue, Suite 650, Austin, Texas 78701 (se.chang@centerpointenergy.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PART 8: That this Resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED this the 11th day of December, 2019.



MARTIN HEINES, MAYOR
OF THE CITY OF TYLER, TEXAS

ATTEST:

APPROVED:



CASSANDRA BRAGER, CITY CLERK





DEBORAH G. PULLUM,
CITY ATTORNEY