

RESOLUTION NO. R-2023-46

RESOLUTION OF THE CITY OF TYLER, TEXAS AUTHORIZING AND APPROVING MEMBERSHIP IN THE CITIES SERVED BY CENTERPOINT GAS (CITIES) FOR THE PURPOSE OF PROTECTING THE INTEREST OF THE CITY AND ITS CITIZENS WITH RESPECT TO CENTERPOINT MATTERS; FURTHER SUSPENDING THE DECEMBER 4, 2023 EFFECTIVE DATE OF THE STATEMENT OF INTENT OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS TO CHANGE RATES IN THE TEXAS DIVISION; TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; AUTHORIZING PARTICIPATION WITH THE CITIES SERVED BY CENTERPOINT GAS; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; 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.

WHEREAS, on or about October 30, 2023, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas (CenterPoint or Company) filed with the City of Tyler, Texas (City) and the other affected Texas municipalities a Statement of Intent seeking to change rates within the Texas division to be effective December 4, 2023; and

WHEREAS, the City is a regulatory authority with an interest in the rates and charges of CenterPoint; and

WHEREAS, the Cities Served by CenterPoint Gas (Cities) is a coalition of similarly situated cities served by CenterPoint that have joined together to efficiently and cost effectively review and respond to gas issues affecting rates charged in CenterPoint's service area; and

WHEREAS, the Cities Served by CenterPoint Gas (Cities) has hired outside consultants to review the Company's filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action; 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, the City retains its rights as a city with original jurisdiction including the right to suspend the application; and

WHEREAS, the City's consultants and attorneys recommend that the City suspend the application for further review.

WHEREAS, CenterPoint has filed an application with the Railroad Commission that could become the docket into which appeals of city action on the CenterPoint filing are consolidated;

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 ORDAINED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

SECTION 1. That the findings and recitations set out in the preamble of this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. That the December 4, 2023, effective date of the request to increase rates submitted by CenterPoint on or about October 30, 2023, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 3. That the City is a member of the Cities Served by CenterPoint Gas (Cities) municipalities in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Jamie L. Mauldin of the law firm of Lloyd Gosselink Rochelle and Townsend, P.C. ,Karl J. Nalepa of the consulting firm of ReSolved Energy Consulting, L.L.C., and Lane Kollen of J. Kennedy & Associates, Inc., as well as any additional consultants deemed necessary, to review the Company's filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action.

SECTION 4. That the City shall work with Cities in the review and evaluation of whether the proposed rates are appropriate, fair, just, and reasonable; and intervene as a necessary party in the Railroad Commission of Texas' consideration of the CenterPoint rate filing as it affects the customers in the unincorporated areas of CenterPoint's Texas Division.

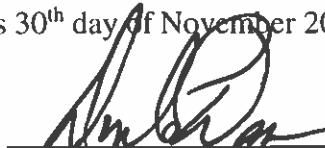
SECTION 5. That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint.

SECTION 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.

SECTION 7. That a copy of this Resolution shall be sent to Keith L. Wall, CenterPoint Energy, at P.O. Box 2628, Houston, Texas 77252-2628, and to Jamie L. Mauldin at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

SECTION 8. That this Resolution shall be and become effective from and after its adoption.

PASSED AND APPROVED on this 30th day of November 2023.


DONALD P. WARREN, MAYOR
OF THE CITY OF TYLER, TEXAS

ATTEST:


CASSANDRA BRAGER, CITY CLERK

APPROVED:


DEBORAH G. PULLUM,
CITY ATTORNEY

