

RESOLUTION NO. 2009-11

A RESOLUTION BY THE CITY OF SHOREACRES, TEXAS, AUTHORIZING THE CITY TO PARTICIPATE IN A PROCEEDING AT THE PUBLIC UTILITY COMMISSION OF TEXAS IN ORDER TO PREVENT ANY POSSIBLE OVER-RECOVERY OF COSTS REQUESTED BY CENTERPOINT ENERGY WHICH THE COMPANY CLAIMS ARE RELATED TO THE RESTORATION OF SERVICE FOLLOWING HURRICANE IKE; AUTHORIZING THE CITY TO PARTICIPATE IN A COALITION OF CITIES KNOWN AS THE TEXAS COAST UTILITIES COALITION (“TCUC”); AUTHORIZING THE HIRING OF COUNSEL AND EXPERTS THROUGH TCUC; REQUIRING THE REIMBURSEMENT OF COSTS; DETERMINING THAT THE MEETING COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, CenterPoint Energy (“CenterPoint”) plans to file with the Public Utility Commission of Texas (“PUC”) a request for \$700 million for recovery of costs associated with Hurricane Ike on or about April 1, 2009; and

WHEREAS, if CenterPoint’s request for hurricane recovery costs is granted, the ratepayers in the cities in CenterPoint’s service territory will be charged a monthly surcharge for a lengthy duration to allow CenterPoint to recoup these costs; and

WHEREAS, the City has an interest to ensure that hurricane recovery costs granted CenterPoint do not exceed the actual costs; and

WHEREAS, in order to efficiently, meaningfully and comprehensively review CenterPoint’s request, it is advantageous for the City to join with other similarly affected cities in a coalition of cities; and

WHEREAS, this proceeding will require the specialized knowledge of experts who understand hurricane cost recovery efforts and the impact upon ratepayers; and

WHEREAS, typically coalitions of cities, in response to cost recovery requests of this type and magnitude, provide direction to rate experts and utility lawyers.

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

Section 1. That the statements and findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. The City is authorized to participate with the Texas Coast Utilities Coalition (“TCUC”) in the aforementioned proceeding to be initiated by CenterPoint and

any other proceeding related to CenterPoint's request including appeals or other actions in the state courts of Texas and take such actions as are recommended by the Steering Committee of TCUC, including the selection of counsel or experts to work on behalf of TCUC.

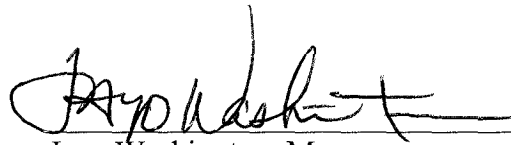
Section 3. The City retains its right to withdraw from TCUC at any time without any financial obligation to the remaining coalition members or to the experts of lawyers hired by the coalition.

Section 4. CenterPoint is ordered to pay the City's reasonable expenses incurred in this Hurricane Ike cost recovery proceeding in a timely manner.

Section 5. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 6. This resolution shall be effective immediately upon passage.

PASSED AND APPROVED this 23RD day of MARCH, 2009.



Jayo Washington, Mayor

ATTEST:



David K. Stalk, City Secretary