

RESOLUTION NO. 2009-18

A RESOLUTION BY THE CITY OF SHOREACRES, TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC TO REVISE CERTAIN DISCRETIONARY CHARGES; SUSPENDING THE EFFECTIVE DATE FOR ANOTHER NINETY DAYS; AUTHORIZING THE SETTING OF INTERIM RATES; 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; AUTHORIZING THE CITY'S INTERVENTION AS PART OF TCUC AT THE PUBLIC UTILITY COMMISSION OF TEXAS IN DOCKET NO. 37105; 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**, on or about June 12, 2009 CenterPoint Energy Houston Electric, Inc. ("CEHE" or "CenterPoint"), filed with the City Secretary an application to reduce several service charges, like the charges for move-in, disconnection and reconnection; and

**WHEREAS**, simultaneously with the filing of the application with the City Secretary, to reduce several discretionary service charges CenterPoint filed the identical application with the Public Utility Commission of Texas ("PUCT" or "Commission") which has been docketed as Docket No. 37105, and

**WHEREAS**, the changes in the pricing of service charges came about as a result of an order issued by the Commission in Docket No. 35639 with regard to the implementation of Advanced Meter Service ("AMS"); and

**WHEREAS**, CenterPoint has requested an implementation date ("effective date") of August 1, 2009 for its changes in discretionary service charges; and

**WHEREAS**, it is quite likely that there will not be a final order at the Commission until after the August 1, 2009 effective date; and

**WHEREAS**, it is important for administrative efficiency purposes that the rates for service charges be the same throughout CenterPoint's service territory; and

**WHEREAS**, the City has been participating as a member of the Texas Coast Utilities Coalition ("TCUC"), a coalition of similarly situated municipalities; and

**WHEREAS**, the City has benefitted from its participation in the coalition through the sharing of costs and expertise; and

**WHEREAS**, in order to get the benefit of reduced discretionary service charges as soon as possible it is necessary to put the rates requested by CenterPoint in its application on August 1, 2009 into effect on an interim basis until a final order is issued by the Commission in Docket No. 37105; and

**WHEREAS**, given the complexity in calculating the service charges it is necessary to participate with TCUC in order to hire special counsel and an expert for the purpose of assisting the City in its role as a regulatory authority under the Public Utility Regulatory Act ("PURA"); and

**WHEREAS**, the application filed by CenterPoint with the City and at the Commission is a request for a change in rates. The City is entitled to have its reasonable rate case expenses reimbursed by the electric utility in ratemaking proceedings of this sort.

**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 suspends the effective date of August 1, 2009 for an additional 90 days pursuant to the authority granted the City under Section 36.108 of the Public Utility Regulatory Act. The City finds that the effective date needs to be suspended in order to be able to synchronize the rates or charges which are under

consideration in Docket No. 37105 before the Public Utility Commission of Texas. The City, further finds, that the additional time is needed in order to properly determine the reasonableness of such charges.

**Section 3.** The City sets as interim rates the rates set forth in the application and tariffs filed with the City Secretary on or about June 12, 2009. The interim rates shall remain in effect until the adoption of a final decision by the Council with rates or charges which are different than the interim rates or charges adopted herein. If the Council does not change the interim rates or charges by October 1, 2009, then, the interim rates shall become the final rates.

**Section 4.** The City authorizes the law firm of Herrera & Boyle, PLLC to file an intervention in Docket No. 37105 at the Commission on behalf of the City as a member of the Texas Coast Utilities Coalition.

**Section 5.** The City is authorized to participate as a member of TCUC and to hire the law firm of Herrera & Boyle, PLLC to represent its interests as a regulatory authority with regard to CenterPoint's application and to retain such experts as are appropriate for such a proceeding.

**Section 6.** 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 or lawyers hired by the coalition.

**Section 7.** CenterPoint is ordered to pay the City's reasonable rate case expenses incurred in response to CenterPoint's application in a timely manner.


**Section 8.** 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 9.** This resolution shall be effective immediately upon passage.

PASSED AND APPROVED this 13<sup>th</sup> day of July 2009.

  
\_\_\_\_\_  
JAYO WASHINGTON, MAYOR

ATTEST:

  
\_\_\_\_\_  
DAVID K. STALL, CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
DICK GREGG, JR., CITY ATTORNEY