

RESOLUTION NO. 2012-11

A RESOLUTION BY THE CITY OF Buda, TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF CENTERPOINT ENERGY ENTEX, SOUTH TEXAS DIVISION TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM; SUSPENDING THE EFFECTIVE DATE OF THIS RATE APPLICATION FOR FORTY-FIVE DAYS; AUTHORIZING THE CITY TO CONTINUE TO PARTICIPATE IN A COALITION OF CITIES KNOWN AS THE "ALLIANCE OF CENTERPOINT MUNICIPALITIES"; REQUIRING THE REIMBURSEMENT OF COSTS; DETERMINING THAT THE MEETING AT WHICH THE RESOLUTION WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS: on March 30, 2012 CenterPoint Energy Entex, South Texas Division ("CenterPoint") filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program ("GRIP"), resulting in a requested increase in the monthly customer charge from \$13.95 to \$15.28; and

WHEREAS: there are many customers of limited means who receive gas service from CenterPoint and relatively small increases in rates can have a negative effect on those customers being able to make ends meet; and

WHEREAS: the City has a special responsibility to exercise due diligence before approving rate increases of monopoly utilities who operate within its boundaries; and

WHEREAS: the application to increase rates by CenterPoint is very lengthy and complex; and

WHEREAS: it is necessary to suspend the effective date for the increase in rates for forty-five days, so that the City can assure itself that the data and calculations in CenterPoint's rate application are correctly done; and

WHEREAS: the effective date proposed by CenterPoint is May 29, 2012 but a suspension by the City will mean that the rate increase cannot go into effect prior to July 13, 2012.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
Buda, 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 requested effective date by CenterPoint for forty-five days pursuant to the authority granted the City under Section 104.301 of the Texas Utilities Code. The City finds that additional time is needed in order to review the data and calculations which provide the basis for the rate increase application.

Section 3. The City shall continue to act jointly with other cities that are part of a coalition of cities known as the Alliance of CenterPoint Municipalities ("ACM").

Section 4. The City authorizes the law firm of Herrera & Boyle, PLLC, to act on its behalf in connection with CenterPoint's application to increase rates.

Section 5. CenterPoint is ordered to pay the City's reasonable rate case expenses incurred in response to CenterPoint's rate increase application within 30 days of receipt of invoices for such expenses.

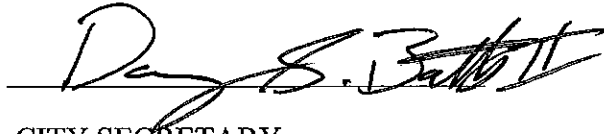
Section 6. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 7. This resolution shall be effective immediately upon passage.

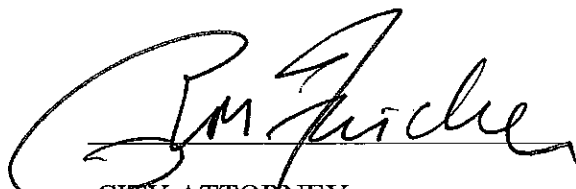
PASSED AND APPROVED this 15th day of May 2012
2011

Sarah Mangham
MAYOR

ATTEST:


CITY SECRETARY

APPROVED AS TO FORM:


CITY ATTORNEY

