

RESOLUTION NO. R-2016-15

A RESOLUTION BY THE CITY OF BASTROP, TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF CENTERPOINT ENERGY RESOURCES CORP., 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"; 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 or about March 31, 2016 CenterPoint Energy Resources Corp., 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 for a residential customer from \$20.07 to \$21.21; and

WHEREAS: In 2012, through its "GRIP" tariff, CenterPoint increased its customer charge for Residential customers from \$13.95 to \$15.28, an increase of about 9.53%; and

WHEREAS: In 2013, through its "GRIP" tariff, CenterPoint increased its customer charge for Residential customers from \$15.28 to \$16.89, an increase of about 10.54%; and

WHEREAS: In 2014, through its "GRIP" tariff, CenterPoint increased its customer charge for Residential customers from \$16.89 to \$17.89, an increase of about 5.92%; and

WHEREAS: In 2015, through its "GRIP" tariff, CenterPoint increased the customer charge for Residential customers from \$17.89 to \$20.07, an increase of about 12.19%; and

WHEREAS: With its most recent application filed on March 31, 2016, CenterPoint proposes to increase its customer charge for Residential customers by an additional \$1.14, from a charge of \$20.07 to a proposed charge of \$21.21, which represents an increase of about 5.68% over its current customer charge; and

WHEREAS: In total, since 2012, CenterPoint has increased its customer charge for Residential customers by over 52%; and

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

WHEREAS: the application to increase rates by CenterPoint is 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 30, 2016 but a suspension by the City will mean that the rate increase cannot go into effect prior to July 14, 2016.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, 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 that 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. To the extent allowed by law, 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 to the extent allowed by law.

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

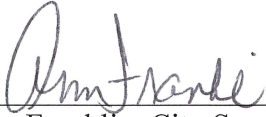
Section 7. This resolution shall be effective immediately upon passage.

PASSED AND APPROVED this 24th day of May 2016.



Ken Kesselus, Mayor

ATTEST:



Ann Franklin, City Secretary