

RESOLUTION 2017-05

A RESOLUTION OF THE CITY OF SEABROOK, TEXAS FINDING THAT CENTERPOINT ENERGY RESOURCES D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS' ("CENTERPOINT" OR "COMPANY") STATEMENT OF INTENT TO INCREASE RATES FILING WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; 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, the City of Seabrook, Texas ("City") is a gas utility customer of CenterPoint Energy Resources d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas, Division ("CenterPoint" or "Company"), and a regulatory authority with an interest in the rates and charges of CenterPoint; and

WHEREAS, the City is a member of the Gulf Coast Coalition of Cities ("GCCC") (such participating cities are referred to herein as "GCCC"), a coalition of similarly situated cities served by CenterPoint that have joined together to efficiently and cost effectively review and respond to natural gas issues affecting rates charged in the CenterPoint's Texas Coast Division service area; and

WHEREAS, on or about November 16, 2016, CenterPoint filed with the City a Statement of Intent to Increase Rates seeking to increase natural gas rates by \$31.0 million annually and to all customers residing in the City; and

WHEREAS, CenterPoint is also requesting consolidation of the Houston and Texas Coast Divisions into a single Texas Gulf Division; and

WHEREAS, GCCC is coordinating its review of CenterPoint's Statement of Intent filing and designated attorneys and consultants to resolve issues in the Company's filing; and

WHEREAS, through review of the application, GCCC's consultant determined that CenterPoint's proposed rates are excessive; and

WHEREAS, the GCCC's members and attorneys recommend that GCCC members deny the Statement of Intent; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS:

Section 1. That the rates proposed by CenterPoint to be recovered through its gas rates charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 2. That the Company shall continue to charge its existing rates to customers within the City.

Section 3. That the Company's proposed consolidation of the Houston and Texas Coast Divisions into a single Texas Gulf Division is unreasonable and shall be denied.

Section 4. That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint within 30 days of the adoption of this Resolution.

Section 5. 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 6. That a copy of this Resolution shall be sent to CenterPoint and to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this 21st day of March, 2017.



O.J. Miller
Mayor Pro Tem

ATTEST:



Robin Hicks
City Secretary

APPROVED AS TO FORM:

Steven L. Weathered
City Attorney

