

ORDINANCE 2017-11

AN ORDINANCE 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 ORDINANCE WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on or about March 30, 2017 CenterPoint Energy Resources Corp., South Texas Division ("CenterPoint") filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program ("GRIP"), which if approved, results in an increase in the monthly customer charges as follows;

| Rate Schedules | Current Customer Charge | 2014 "GRIP" Adjustment | Adjusted Charge | Percentage Increase in Cust. Charge |
|---|---------------------------------|--------------------------------|---------------------------------|--|
| R-2085-GRIP 2017 - Residential | \$21.20 per customer per month | \$2.04 per customer per month | \$23.24 per customer per month | 10% |
| GSS-2085-GRIP 2017 - General Service Small | \$34.74 per customer per month | \$4.13 per customer per month | \$38.87 per customer per month | 12% |
| GSLV-616-GRIP 2017 - General Service Large Volume | \$188.15 per customer per month | \$25.06 per customer per month | \$213.21 per customer per month | 13% |

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 are in conformity with section 104.301 of the Gas Utility Regulatory Act; and

WHEREAS, the effective date proposed by CenterPoint is May 29, 2017 but a suspension by the City will mean that the rate increase cannot go into effect prior to July 13, 2017.

NOW THEREFORE, BE IT ORDAINED 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 ordinance 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 CenterPoint's application to increase rates under section 104.301 of the Gas Utility Regulatory Act (GURA) is considered a ratemaking proceeding, CenterPoint is ordered to reimburse 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.

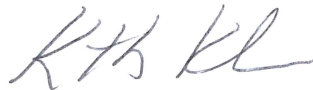
Section 6. A copy of this ordinance shall be sent to Mr. Thomas D. Stevens, Director of Regulatory Affairs, CenterPoint Energy, P.O. Box 2628, Houston, Texas 77252-2628; and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Ave., Suite 1250, Austin, Texas 78701.

Section 7. The meeting at which this ordinance was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 8. This ordinance shall take effect immediately after its final passage and publication in accordance with existing statutory requirements.

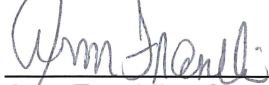
READ and APPROVED on First Reading on the 11th day of April, 2017.

READ and ADOPTED on Second Reading on the 25th day of April, 2017.



Ken Kesselus, Mayor

ATTEST:



Ann Franklin, City Secretary

APPROVED AS TO FORM:



David Bragg, City Attorney