

ORDINANCE 99-2

AN ORDINANCE APPROVING RATE SCHEDULES FOR TEXAS UTILITIES ELECTRIC COMPANY, PROVIDING AN EFFECTIVE DATE THEREFORE PROVIDING CONDITIONS UNDER WHICH SUCH RATE SCHEDULES MAY BE CHANGED, MODIFIED, AMENDED OR WITHDRAWN, FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; PROVIDING A SAVINGS CLAUSE AND DECLARING AN EMERGENCY REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.

BE IT ORDAINED BY THE CITY OF COMMERCE, TEXAS:

Section 1. On January 15, 1999, Texas Utilities Electric Company (hereinafter referred to as "TU Electric") filed with the Governing Body of this municipality a Statement of Intent and Application to implement within the corporate limits of this municipality proposed new rate schedules that provide additional rate options for its customers, which options are entirely voluntary on the part of the customer, namely is proposed Rate GRU-M-General Service Time-of-Use-Municipality, proposed Rate RTU1-M-Residential Time-of-Use Service-Municipality, and proposed Rate GTUC-M-General Service Time-of-Use Voluntary Curtailable-Municipality (said three proposed new rate schedules hereinafter collectively referred to as the "time-of-Use Rate Schedules").

Section 2. The time-of-Use Rate Schedules are hereby approved, and TU Electric is authorized to render service and to collect charges as specified in the time-of-Use Rate Schedules from its customers electing to receive electric service under said Time-of-Use Rate Schedules within the corporate limits of this municipality until such time as said rate schedules may be changed, modified, amended or withdrawn with the approval of the Governing Body of this municipality.

Section 3. The Time-of-Use Rate Schedules herein approved shall be effective from and after the final passage and approval of this Ordinance.

Section 4. The filing of said Time-of-Use Rate Schedules shall constitute notice to the consumers of electricity within its municipality of the availability and application of such time-of-Use Rate Schedules.

Section 5. TU Electric shall not seek any additional rate or surcharge mechanism to recover any revenues lost on account of the application of these time-of-use rates, and there shall be no imputed revenues on account of any reduction in TU electric's revenues that may result from the application of these time-of-use rates.

Section 6. The rate reductions approved by the Public Utility Commission of Texas in Docket No. 18490 shall be applied to the time-of-use rates approved herein, such that Rider RRD shall be applicable to Rate RTU1-M, Rider GSRD shall be applied to all customers taking secondary service under either Rate GTU-M designated as GTU-M-SEC or under Rate GTUC-M designated as GTUC-M-SEC, and Rider RD shall be applied to all other customers on Rate GTU-M or Rate GTUC-M.

Section 7. In its next general base rate case in which the time-of-use rates herein approved are at issue, TU Electric will wither (a) include all customers taking service under Rate GTUC or GTUC-M during the test year involved in such base rate case as a separate rate class in its cost allocation study, or (b) include in its cost allocation study the load and revenue data applicable to each GTUC or GTUC-M customer taking service under Rate GTUC or GTUC-M during the test year involved in such base rate case with the load and revenue data of the rate class applicable to such GTUC or GTUC-M customer immediately prior to such customer's taking service under Rate GTUC or GTUC-. In the event, however, that industry restructuring is mandated by legislative changes prior to the time that Tu Electric has another general base rate case and such legislation authorizes the recovery by TU electric of any stranded costs from its various customer classes in accordance with its last approved cost of service study, the customers then receiving service under the time-of-use rates will be included in the customer classes reflected in TU Electric's most recent cost of service study as follows:

- (A) Customers on Rate RTU1-M shall be included in Rate Class RTU;
- (B) Customers on Rate GTU-M shall be included in Rate Class HV, GP, or GS, depending upon the voltage level of the service, such that customers on Rate GTU-M receiving service at high voltages shall be included in Rate Class HV, customers receiving service at primary distribution voltages shall be included in Rate Class GP and customers receiving service at secondary distribution voltages shall be included in Rate Class GS; and
- (C) Customers on Rate GTUC-M shall be included in Rate Class NI (Noticed Interruptible) depending upon the voltage level of the service, such that customers on Rate GTUC-M receiving service at high voltages shall be included in Rate Class NI (High Voltage), customers on Rate GTUC-M receiving service at primary distribution voltages shall be included in Rate NI (Primary), and customers on Rate GTUC-M receiving service at secondary distribution voltages shall be included in Rate NI (Secondary).

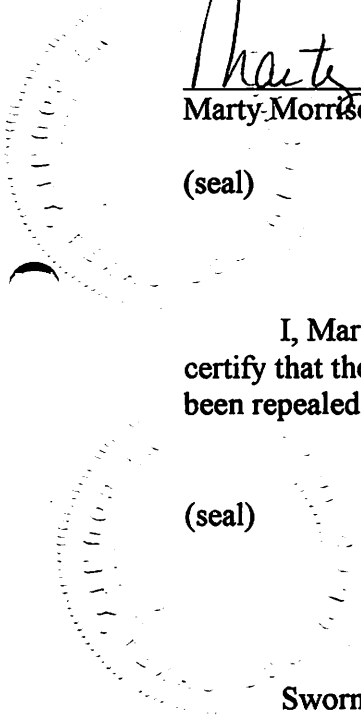
Section 8. Nothing in this Ordinance contained shall be construed now or hereafter as limiting or modifying in any manner the right and power of the Governing Body of this municipality under the law to regulate the rates, operations, and services of TU Electric.

Section 9. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public and as required by law and that public notice of the time, place, and purpose of said meeting was given as required.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Commerce, Texas, on this the 2nd day of February, 1999.

ATTEST:

CITY OF COMMERCE:


Marty Morrison
Marty Morrison, City Secretary

John R. Sands
John R. Sands, Mayor

(seal)

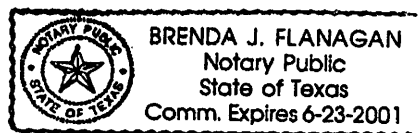
I, Marty Morrison, City Secretary of the City of Commerce, Texas, do hereby certify that the above is a true and correct copy of an ordinance and that the same has not been repealed and is in full force and effect.

(seal)

Marty Morrison
Marty Morrison, City Secretary

Sworn to and subscribed before me on this the 2nd day of February, 1999, to certify which witness by hand and seal of office.

(seal)



Brenda J. Flanagan
Notary Public, State of Texas