

RESOLUTION NO. 11-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS, SUPPORTING THE LEGISLATIVE ACTIVITY AND GOALS OF THE ALLIANCE OF ONCOR CITIES ("AOC") BEFORE THE TEXAS LEGISLATURE AS THEY RELATE TO THE SETTING OF ELECTRIC UTILITY RATES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DELCARING AN EFFECTIVE DATE.

A regular meeting of the City Council of the City of Commerce, Texas, was held in Commerce, Texas, at City Hall on the 15th day of March 2011, at 6:00 p.m.; a majority of Council Members being present and constituting a quorum, the following resolution was adopted;

WHEREAS, the City of Commerce, Texas, hereinafter referred to as "City", is a member of the Alliance of Oncor Cities ("AOC"); and

WHEREAS, AOC and its predecessor, the Alliance of TXU/Oncor Cities, has participated in numerous gas utility ratemaking proceedings before the Public Utility Commission of Texas ("PUC"); and,

WHEREAS, during the 82nd Regular Session of the Texas Legislature the Public Utility Commission, which sets electric utility rates on appeal from decisions made by municipalities, is up for sunset review; and

WHEREAS, during sunset review the Legislature may consider amending, altering or eliminating laws which affect electric utility ratemaking, and,

WHEREAS, it is believed that legislation will be introduced to adversely affect the participation of municipalities in the electric utility ratemaking process at the PUC.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, TEXAS:

SECTION 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

SECTION 2. The City directs AOC to oppose legislation which allows for:

- Annual rate increases based upon a formula or pre-set criteria.
- The elimination or reduction in the ability of incorporated municipalities to exercise original jurisdiction to set rates.
- The imposition of taxes on ratepayers which are not paid by the gas utility to the Internal Revenue Service or the Texas Comptroller of Accounts;
- The setting of rates which unfairly burden low use customers.
- The reasonable rate cases expenses by municipalities to be reimburse by the utility requesting an increase in rates.

SECTION 3. The City authorizes the AOC Steering Committee to hire and direct legislative advocates to act on its behalf during the 82nd Regular Session of the Texas Legislature.

SECTION 4. The City will support the legislative effort by the AOC Steering Committee in an amount not to exceed \$_____.

SECTION 5. That a copy of the resolution shall be sent to Mr. Jim Boyle, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701.

SECTION 6. That the meeting at which the aforesaid resolution was adopted was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

SECTION 7. That this resolution shall become effective from and after its passage.

PASSED BY THE GOVERNING BODY of the City of Commerce, Texas, at a regular meeting of the City Council of the City of Commerce, Texas, on the 15th day of March 2011.

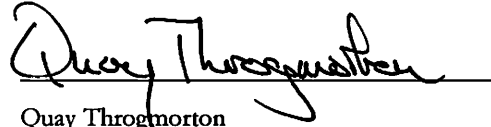
ATTEST:



Marty Cunningham
City Secretary

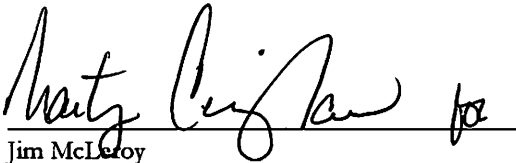
(Seal)

CITY OF COMMERCE, TEXAS



Quay Throgmorton
Mayor

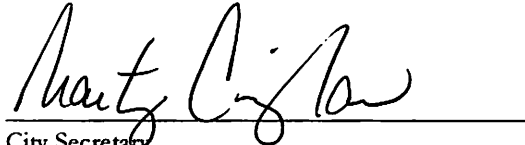
APPROVED AS TO FORM:



Jim McLeroy
City Attorney

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

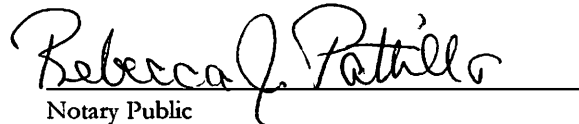
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City Secretary
City of Commerce, Texas

Sworn to and subscribed before me, on this the 3rd day of March, 2011 to certify which witness my hand and seal of office.

(seal)



Notary Public
State of Texas

