

RESOLUTION NO. 611

RESOLUTION OF THE CITY OF TERRELL, TEXAS SUSPENDING THE AUGUST 8, 2008, EFFECTIVE DATE OF ONCOR ELECTRIC DELIVERY COMPANY REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH ONCOR CITIES STEERING COMMITTEE TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; 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 FOR THE STEERING COMMITTEE

WHEREAS, on or about June 27, 2008, Oncor Electric Delivery Company (Oncor), pursuant to PURA §§ 33.001 and 36.001 filed with the City of Terrell a Statement of Intent to increase electric transmission and distribution rates by \$275 million in all municipalities exercising original jurisdiction within its service area effective August 8, 2008; and

WHEREAS, the City of Terrell is a member of the Oncor Cities Steering Committee ("Steering Committee") and will cooperate with the 109 similarly situated city members and other city participants in conducting a review of the Company's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, PURA § 36.108 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days after the date the rate change would otherwise be effective; and

WHEREAS, PURA § 33.023 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility.

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

1. That the August 8, 2008 effective date of the rate request submitted by Oncor on or about June 27, 2008, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.
2. As indicated in the City's resolution approving membership in the Steering Committee, the Executive Committee of Steering Committee is authorized to hire and direct legal counsel and consultants, negotiate with the Company, make recommendations regarding

reasonable rates, and to intervene and direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Public Utility Commission.

3. That the City's reasonable rate case expenses shall be reimbursed by Oncor.

4. 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.

5. A copy of this resolution shall be sent to Oncor, care of Debra Anderson, Oncor Electric Delivery Company, 1601 Bryan St., Suite 23-055C, Dallas, Texas 75201 and to Geoffrey Gay, General Counsel to the Oncor Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

HAL RICHARDS, MAYOR

ATTEST:

JOHN ROUNSAVALL, CITY SECRETARY