

**RESOLUTION OF THE CITY OF CORPUS CHRISTI, TEXAS  
AUTHORIZING PARTICIPATION IN THE PUBLIC UTILITY  
COMMISSION OF TEXAS DOCKET 48222 REGARDING AEP TEXAS  
INC.'S APPLICATION TO AMEND ITS DISTRIBUTION COST  
RECOVERY FACTORS; 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 Corpus Christi, Texas ("City") is an electric utility customer of AEP Texas Inc. ("AEP" or "Company"), and a regulatory authority with an interest in the rates and charges of AEP; and

WHEREAS, the City is a member of the Cities Served by AEP ("Cities"), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP's service area; and

WHEREAS, on or about April 3, 2018 AEP filed with the City an Application to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 48222, seeking a net increase in electric distribution rates by approximately \$3.1 million (an approximately \$800,000 decrease for the Central Division and \$3.9 million increase for the North Division); and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, Cities are coordinating its review of AEP's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Cities members and attorneys recommend that members deny the DCRF.

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

Section 1. That the City is authorized to participate with Cities in PUC Docket No. 48222 to review application for compliance with applicable laws and regulations.

Section 2. That subject to the right to terminate employment at any time, the City of hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. That the City's reasonable rate case expenses shall be reimbursed in full by AEP within 30 days of presentation of an invoice to AEP.

Section 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.

Section 5. That a copy of this Resolution shall be sent to Melissa Gage, American Electric Power Service Corporation, 400 West 15<sup>th</sup> Street, Suite 1520, Austin, Texas 78701 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_

Joe McComb  
Mayor

ATTEST:

\_\_\_\_\_  
Rebecca Huerta, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Corpus Christi, Texas

\_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_

The above resolution was passed by the following vote:

Joe McComb \_\_\_\_\_

Rudy Garza \_\_\_\_\_

Paulette Guajardo \_\_\_\_\_

Michael Hunter \_\_\_\_\_

Debbie Lindsey-Opel \_\_\_\_\_

Ben Molina \_\_\_\_\_

Lucy Rubio \_\_\_\_\_

Greg Smith \_\_\_\_\_

Carolyn Vaughn \_\_\_\_\_