

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF CORPUS CHRISTI, TEXAS
AUTHORIZING INTERVENTION IN THE PUBLIC UTILITY
COMMISSION OF TEXAS DOCKET NO. 47015 REGARDING AEP
TEXAS INC.'S APPLICATION TO AMEND ITS DISTRIBUTION COST
RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN
THE CITY; 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, 2017 AEP filed with the City an Application to Amend its Distribution Cost Recovery Factors ("DCRF"), PUC Docket No. 47015, seeking to increase electric distribution rates by \$28,010,174 (\$21,365,072 for the Central Division and \$6,645,102 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;

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. 47015.

Section 2. That subject to the right to terminate employment at any time, the City of Corpus Christi 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 rates proposed by AEP to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 4. That the Company shall continue to charge its existing rates to customers within the City.

Section 5. 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 6. 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 7. That a copy of this Resolution shall be sent to Melissa Gage, American Electric Power Service Corporation, 400 West 15th 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 _____, 2017.

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney

Corpus Christi, Texas

_____ of _____, _____

The above resolution was passed by the following vote:

Mayor	_____
Rudy Garza	_____
Paulette Guajardo	_____
Michael Hunter	_____
Ben Molina	_____
Joe McComb	_____
Lucy Rubio	_____
Greg Smith	_____
Carolyn Vaughn	_____