

RESOLUTION 12-2002

A RESOLUTION OF THE CITY OF ABILENE AUTHORIZING INTERVENTION IN GAS UTILITIES DOCKET 9292 AT THE RAILROAD COMMISSION; AUTHORIZING PARTICIPATION IN A STEERING COMMITTEE WITH OTHER CITIES SERVED BY TXU AND REQUIRING REIMBURSEMENT FROM TXU LONE STAR PIPELINE OF CITIES' REASONABLE RATE CASE EXPENSES.

WHEREAS, TXU Lone Star Pipeline (LSP) filed a Statement of Intent with the Railroad Commission (designated as GUD 9292) on April 5, 2002 to surcharge residential and commercial gas customers who are residents of the City of Abilene to cover costs associated with a new pipeline to serve the Metroplex;

WHEREAS, the requested surcharges of 37¢ per month and \$2.10 per month on residential and commercial customers, respectively, will adversely impact the City of Abilene and its residents;

WHEREAS, Cities served by TXU have a history of cooperation in gas rate matters and such cooperation in GUD 9292 will be efficient and cost effective in evaluating whether the proposed pipeline is reasonable and necessary and whether associated costs should be recovered in piecemeal ratemaking through a surcharge;

WHEREAS, pursuant to Utilities Code § 103.023, municipalities have standing to intervene in this case; and

WHEREAS, pursuant to Utilities Code § 103.022, municipalities are entitled to reimbursement of their reasonable costs of participation.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS.

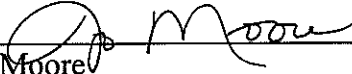
Section 1. That the City is authorized to intervene in GUD 9292 and to participate with other Cities Served by TXU in creating a committee to hire, supervise and direct legal counsel and consultants as may be reasonable to protect the interests of residential and commercial customers who are residents of Cities.

Section 2. That the Steering Committee formed to oversee this effort on behalf of Cities is authorized to take all reasonable steps before the Railroad Commission and before the Courts as may be necessary in an appeal of a Commission Order.


Section 3. That LSP is hereby directed to promptly pay Cities' rate case expenses as they are incurred.

Signed this 9 day of May, A.D., 2002.

ATTEST:

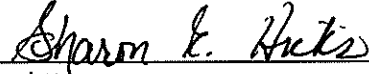


Jo Moore
City Secretary



Grady Barr
Mayor

APPROVED:



Sharon E. Hertz
City Attorney