

RESOLUTION NO. 1-2005

A RESOLUTION BY THE CITY OF ABILENE, TEXAS AUTHORIZING INTERVENTION BEFORE THE RAILROAD COMMISSION OF TEXAS IN GAS UTILITIES DOCKET (GUD) NO. 9530; AUTHORIZING PARTICIPATION WITH OTHER CITIES SERVED BY ATMOS ENERGY CORPORATION, FORMERLY KNOWN AS TXU GAS COMPANY, IN ADMINISTRATIVE AND COURT PROCEEDINGS INVOLVING A GAS COST PRUDENCE REVIEW RELATED TO A FILING MADE IN SEPTEMBER OF 2004 AS REQUIRED BY THE FINAL ORDER IN GUD NO. 8664; DESIGNATING A REPRESENTATIVE OF THE CITY TO SERVE ON A STEERING COMMITTEE; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES

WHEREAS, the City of Abilene, Texas is a customer of Atmos Energy Corporation, formerly known as TXU Gas Company, (Atmos/TXU Gas) and the City Council is a regulatory authority with an interest in the rates and charges of Atmos/TXU Gas; and

WHEREAS, Atmos/TXU Gas made a filing at the Railroad Commission of Texas on or about September 24, 2004, now docketed as GUD No. 9530, for a gas cost prudence review of \$2.2 billion in previously incurred and billed gas costs; and

WHEREAS, the filing made by Atmos/TXU Gas was required by the terms of the Final Order of the Railroad Commission in GUD No. 8664; and

WHEREAS, ratepayers of Atmos/TXU Gas, including the City of Abilene and its residents would be entitled to a *pro rata* portion of a refund associated with any costs found to have been unreasonable; and

WHEREAS, the City of Abilene and its residents could benefit from coordination with other Cities in a review of the reasonableness of the gas costs of Atmos/TXU Gas and the joint participation in the Railroad Commission proceedings and any subsequent litigation or appeal related to those gas costs; and

WHEREAS, the reasonable costs associated with the participation of Cities in this ratemaking proceeding are reimbursable from the Company.

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

1. Intervention is hereby authorized in GUD No. 9530 and/or any successor docket at the Railroad Commission of Texas.

2. The City is authorized to cooperate with other Cities within the Atmos/TXU Gas system and hereby designates Odis Dolton as a representative to a Cities' Steering Committee that shall direct the efforts of counsel and consultants and the course of settlement and/or litigation before the Railroad Commission or of an appeal to any court regarding any matter related to the gas cost prudence review filing made by Atmos/TXU Gas in 2004.

3. Atmos/TXU Gas shall promptly reimburse the City's reasonable costs associated with the City's participation in GUD No. 9530 or any subsequent proceeding.

APPROVED AND ADOPTED this 13th day of January, 2005.

ATTEST:



City Secretary



Mayor

APPROVED:



City Attorney