

RESOLUTION No. 37-2006

RESOLUTION OF THE CITY OF ABILENE SUSPENDING THE EFFECTIVE DATE OF AEP TEXAS NORTH COMPANY'S REQUESTED RATE CHANGES TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES WITHIN AEP TEXAS NORTH COMPANY'S SERVICE TERRITORY; AUTHORIZING INTERVENTION IN THE PROCEEDING AT THE PUBLIC UTILITY COMMISSION; RETAINING COUNSEL TO REPRESENT THE CITY; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY

WHEREAS, on or about November 9, 2006, AEP Texas North Company's affiliated transmission and distribution company ("AEP TNC") filed with the City of Abilene and the Public Utility Commission of Texas ("PUC" or "Commission") a request to change electric transmission and distribution rates in all municipalities within the service territory of AEP Texas North Company; and

WHEREAS, the increase in electric transmission and distribution rates requested by AEP TNC will effect the residents and businesses located within the municipal limits of the City of Abilene; and

WHEREAS, it is in the public interest for the City of Abilene to cooperate with other cities in a review of the Company's application and work with other cities to coordinate the direction of legal counsel and consultants and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, the Public Utility Regulatory Act grants local regulatory authorities the right to suspend the effective date of proposed rate changes; and

WHEREAS, the Public Utility Regulatory Act grants local regulatory authorities the right to intervene in rate proceedings filed at the Public Utility Commission.

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

Part 1. That the effective date of the tariff changes submitted by AEP TNC on or about November 9, 2006, be suspended for ninety (90) days to permit adequate time to review the proposed changes and to establish reasonable rates.

Part 2. That the City is authorized to cooperate with other cities within the AEP TNC service territory and to work with other cities regarding the determination of reasonable rates and to participate in any necessary litigation associated with an appeal of a rate ordinance and the rate case filed at the Public Utility Commission.

Part 3. Subject to the right to terminate employment at any time, the City of Abilene hereby authorizes the hiring of Geoffrey Gay and Steven Porter of the law firm of Lloyd Gosselink Blevins Rochelle & Townsend, P.C., and qualified consultants and witnesses as may be necessary to review AEP TNC's filings, to represent the City of Abilene at the PUC to participate in all settlement discussions that may precede or occur after the Company makes its filing and to prosecute any appeals as directed by the Steering Committee.

Part 4. Fees and expenses incurred by the City of Abilene in AEP TNC ratemaking matters related to these proceedings shall be promptly reimbursed by AEP TNC pursuant to the Public Utility Regulatory Act.

Part 5. That the City is authorized to intervene in AEP TNC's rate case filed at the Public Utility Commission on or about November 9, 2006.


Part 6. That a copy of this suspension be sent to the local representative of AEP TNC's transmission and distribution company and to Erica Gonzalez, Lloyd Gosselink Blevins Rochelle & Townsend, P.C., fax (512-472-0532) email (egonzalez@lglawfirm.com).

Passed this 16th day of November, 2006.

ATTEST:




Jo Moore, City Secretary



Norman Archibald, Mayor

APPROVED:



City Attorney