

RESOLUTION NO. 2005- 003

A RESOLUTION OF THE CITY OF PATTISON TEXAS, PERTAINING TO ELECTRIC UTILITY STRANDED COST AND TRUE-UP PROCEEDINGS.

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WHEREAS, the Public Utility Commission of Texas has conducted proceedings to quantify CenterPoint Energy Houston Electric LLC's stranded costs and other true-up balances; and

WHEREAS, the Public Utility Commission of Texas has also conducted separate proceedings to recover the stranded cost and true-up amounts through securitization and issuance of a transition charge and through a competition transition charge; and

WHEREAS, the City Council has determined that it is in the best interest of the City and its residents to support a resolution of the stranded cost and true-up proceedings that results in the best outcome for ratepayers; and

WHEREAS, the City Council has determined that it is in the best interest of the City and its residents to support securitization of all stranded cost amounts appropriately determined by the Commission and ultimately by the appellate courts; and

WHEREAS, the City Council has determined that it is not in the best interest of the City and its residents to recover any stranded cost amounts through a competition transition charge because such a recovery would result in a much higher cost to ratepayers in the City. NOW, THEREFORE,

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

1. The City of Pattison supports resolution of the stranded cost and true-up proceedings in a manner that results in the best outcome for ratepayers. Therefore, the City of Pattison supports securitization of all stranded cost amounts appropriately determined by the Public Utility Commission of Texas and ultimately determined by the appellate courts. The City of _____ strenuously opposes inclusion of stranded cost amounts in a competition transition charge, which would result in a significantly higher cost to ratepayers in this City;
2. This Resolution shall take effect immediately upon its passage and approval in the manner required by the City Charter and Ordinances.

PASSED, APPROVED AND ADOPTED THIS 10 day of May, 2005.

Bill M... Mayor

ATTEST: [Signature] City Secretary

APPROVE: [Signature] City Attorney