

**CITY OF SEABROOK
RESOLUTION 2022-12**

**DENIAL OF CENTERPOINT DISTRIBUTION
COST RECOVERY FACTOR (“DCRF”)**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC’S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; 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 Seabrook, Texas (“City”) is an electric utility customer of CenterPoint Energy Houston Electric, LLC (“CenterPoint” or “Company”), and a regulatory authority with an interest in the rates and charges of CenterPoint; and

WHEREAS, the City is a member of the Gulf Coast Coalition of Cities (“GCCC”) (such participating cities are referred to herein as “GCCC”), a coalition of similarly situated cities served by CenterPoint that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in CenterPoint’s service area; and

WHEREAS, on or about April 5, 2022 CenterPoint filed with the City an Application for Approval to Amend its Distribution Cost Recovery Factor (“DCRF”) Pursuant to 16 Tex. Admin. Code § 25.243 seeking Total DCRF Revenue Requirement of \$198,422,017 to be effective on September 1, 2022; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, GCCC is coordinating its review of CenterPoint’s DCRF filing with designated attorneys and consultants to resolve issues in the Company’s application; and

WHEREAS, the GCCC’s members and attorneys recommend that GCCC members deny the DCRF.

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

Section 1. That the rates proposed by CenterPoint 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 2. That the Company shall continue to charge its existing rates to customers within the City.

Section 3. That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint within 30 days of presentation of an invoice to CenterPoint.

Section 4. 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 5. That a copy of this Resolution shall be sent to Denise Gaw, CenterPoint Energy Service Company, LLC, 1111 Louisiana Street, Houston, Texas 77002 and to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

ADOPTED BY VOTE OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS, with a quorum present, by an affirmative vote of a majority of Councilmembers present, in accordance with Seabrook City Charter Section 2.10, at a regular meeting.

PASSED AND APPROVED this 19th day of April, 2022.

Thomas G Kolupski
Mayor

ATTEST:

Robin Lenio, TRMC
City Secretary

APPROVED AS TO FORM:

Steven L. Weathered
City Attorney