

RESOLUTION NO. R-13-2023

A RESOLUTION OF THE TOWN OF FULTON, TEXAS AUTHORIZING PARTICIPATION WITH THE CITIES SERVED BY AEP TEXAS; AUTHORIZING HIRING OF LEGAL COUNSEL; FINDING THAT THE TOWN'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 LEGAL COUNSEL.

WHEREAS, the Town of Fulton, Texas ("Town") is an electric utility customer of AEP Texas Inc. ("AEP" or "Company"), and a regulatory authority with an interest in the rates and charges of AEP; and

WHEREAS, the Town is a member of the Cities Served by AEP ("Cities"), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP's service area; and

WHEREAS, on or about November 15, 2023 AEP filed an Application to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 55820, seeking to increase electric distribution rates by approximately \$47.3 million (an approximately \$2.09 increase to the average residential customer's bill from the rates approved in the Company's most recent DCRF case); and

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

WHEREAS, Cities are coordinating its review of AEP's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FULTON, TEXAS:

Section 1. That the Town is authorized to participate with Cities in PUC Docket No. 55820.

Section 2. That subject to the right to terminate employment at any time, the Town hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the Town regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

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

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 7. That a copy of this Resolution shall be sent to Jamie Mauldin, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, 816 Congress Ave., Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2023.

Kelli Cole, Mayor

ATTEST:

Stephanie Garcia, City Secretary

APPROVED AS TO FORM:

Hal George, Town Attorney