THE LAWTON LAW FIRM, P.C.

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July 6, 2022

Via E-Mail

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Mr. Michael S. Stelly City of West Orange, Texas 2700 Austin Avenue West Orange, TX 77630

Re: Entergy Texas, Inc.'s 2022 Statement of Intent to Increase Base Rates to be Filed with Cities

Dear Cities:

On July 1, 2022, Entergy Texas, Inc. ("Entergy" or "Company") filed with each city a statement of intent requesting a system-wide base rate increase of approximately \$131.4 million annually, which would be an 11.2% increase over current rates (excluding fuel). If approved, Entergy's base rate increase request would result in an average monthly increase of approximately \$13.50 for a residential customer using 1000 kWh per month.

Entergy has proposed that the base rate increase become effective on August 5, 2022, or 35 days after the date its statement of intent was filed. As such, the City must take action to approve, deny, modify, or suspend the rate increase request before August 5, 2022. We recommend that the Cities suspend the effective date of the proposed rate increase to permit time to review Entergy's request and make an informed recommendation to the Cities.

We are providing each City a proposed ordinance that would suspend the effective date proposed by Entergy an additional 90 days to November 3, 2022. Pursuant to Public Utility Regulatory Act, Tex. Util. Code § 36.108, municipal regulatory authorities may suspend the effective date of the rate change proposed by a utility up to an additional 90 days. The proposed ordinance also authorizes the City to join with the Steering Committee of Cities to retain rate consultants, participate in the base rate proceeding before the Public Utility Commission and any courts, and to seek reimbursement for rate case expenses from Entergy.

Once again, to set a new effective date this proposed ordinance must be passed by August 5, 2022. Please forward completed Ordinances to us by email at danlawtonlawfirm@gmail.com and molly@mayhallvandervoort.com.

If there are any questions or concerns, please do not hesitate to call.

Sincerely,

Daviel J. Lawton/www
Daniel J. Lawton