

ORDINANCE NO. _____

AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE INCREASE REQUEST OF ENTERGY TEXAS, INC. FILED ON OR ABOUT AUGUST 31, 2021; SETTING JUST AND REASONABLE RATES FOR ENTERGY TEXAS, INC. FOR SERVICE WITHIN THE MUNICIPAL LIMITS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS

WHEREAS, on or about August 31, 2021, Entergy Texas, Inc. (“Entergy”) filed an Application to Amend its Distribution Cost Recovery Factor (“DCRF”) with the City to increase electric rates by amending its DCRF rider pursuant to Public Utility Regulatory Act (“PURA”) Section 36.210;

WHEREAS, City has exclusive original jurisdiction over the rates, operations and services of an electric utility within its municipal limits pursuant to PURA Section 33.001(a);

WHEREAS, the jurisdictional deadline for the City to act in this rate matter is October 30, 2021;

WHEREAS, Entergy’s existing DCRF rider is set to collect approximately \$26.3 million per year;

WHEREAS, Entergy’s proposed amended Distribution Cost Recovery Factor rider would increase customer rates in the Entergy Service Area by approximately \$13.9 million per year, for a total of \$40.2 million per year;

WHEREAS, the City retained the Lawton Law Firm, P.C. to review the Company’s rate request and make necessary rate recommendations to the City; and

WHEREAS, the Lawton Law Firm has recommended that the City deny the Company’s request to amend its Distribution Cost Recovery Factor.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, THAT:

Section 1. That the statement and findings set out in the preamble to this ordinance are hereby in all things approved and adopted.

Section 2. The City of Montgomery hereby denies Entergy’s request to amend its Distribution Cost Recovery Factor in total.

Section 3. The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 4. This ordinance shall become effective from and after its passage.

PASSED AND APPROVED this 14th day of September 2021.

Mayor Sara Countryman

ATTEST:

Susan Hensley, City Secretary