

**RESOLUTION NO. 2023-16**

**A RESOLUTION BY THE CITY OF LA FERIA, TEXAS SUSPENDING THE AUGUST 23, 2023 EFFECTIVE DATE OF THE STATEMENT OF INTENT OF TEXAS GAS SERVICE COMPANY TO INCREASE RATES WITHIN INCORPORATED AREAS OF ITS SERVICE TERRITORY TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; AUTHORIZING PARTICIPATION WITH OTHER RIO GRANDE VALLEY TEXAS MUNICIPALITIES; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; 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**, on or about June 30, 2023, Texas Gas Service Company, a Division of ONE Gas, Inc. (TGS or Company) filed with the City of La Feria (City) and the other affected Rio Grande Valley municipalities a Statement of Intent seeking to increase gas utility rates within the incorporated areas of the Rio Grande Valley Service Area effective August 23, 2023; and

**WHEREAS**, the City is a gas utility customer of TGS and a regulatory authority with an interest in the rates and charges of TGS; and

**WHEREAS**, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

**WHEREAS**, the City retains its rights as a city with original jurisdiction including the right to suspend the application; and

**WHEREAS**, the City's consultants and attorneys recommend that the City suspend the application for further review.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA FERIA, TEXAS:**

**SECTION 1.** That the findings and recitations set out in the preamble of this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

**SECTION 2.** That the City is authorized to protect the interests of the City and protect the interests of TGS customers residing and conducting business within municipal limits.

**SECTION 3.** That the August 23, 2023 effective date of the request to increase rates submitted by TGS on or about June 30, 2023, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

**SECTION 4.** That the City joins the other Rio Grande Valley municipalities in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Thomas L. Brocato of the law firm of Lloyd Gosselink Rochelle and Townsend, P.C., Karl J. Nalepa of the consulting firm of ReSolved Energy Consulting, L.L.C., and Lane Kollen of the consulting firm of J. Kennedy and Associates, Inc., to review the Company's filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action.

**SECTION 5.** That the City shall work with other affected Rio Grande Valley municipalities in the review and evaluation of whether the proposed rates are appropriate, fair, just, and reasonable; and, intervene as a necessary party in the Railroad Commission of Texas' consideration of the TGS rate filing as it affects the customers in the unincorporated areas of the Rio Grande Valley region.


**SECTION 6.** That the City's reasonable rate case expenses shall be reimbursed in full by TGS.

**SECTION 7.** 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 8.** That a copy of this Resolution shall be sent to Stacey McTaggart, TGS at 1301 S. MoPac Expwy., Suite 400, Austin, Texas 78746 and to Thomas L. Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

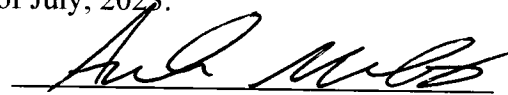
**SECTION 9.** That this Resolution shall be and become effective from and after its adoption.

APPROVED AS TO FORM:

  
CITY ATTORNEY

I, Amanda Morales, Secretary of the City Council of the City of La Feria, Texas, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of La Feria, Texas, at its regular meeting held of the 11<sup>th</sup> day of July, 2023, as the same appears in the records of this office.

**IN TESTIMONY WHEREOF,** I subscribe my name hereto officially under the corporate seal of the City of La Feria this 11<sup>th</sup> day of July, 2023.

  
Secretary for the City Council  
of the City of La Feria, Texas.