



## **Filing Receipt**

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**Control Number - 56165**

**Item Number - 91**

**SOAH DOCKET NO. 473-24-12812  
PUC DOCKET NO. 56165**

**APPLICATION OF AEP TEXAS INC.       §       BEFORE THE STATE OFFICE  
FOR AUTHORITY TO CHANGE       §       OF  
RATES       §       ADMINISTRATIVE HEARINGS**

**AEP TEXAS INC.'S PETITION FOR REVIEW OF THE  
ORDINANCES/RESOLUTIONS OF THE CITIES OF BEEVILLE, CHARLOTTE,  
ESCOBARES, PETRONILA, PORT ARANSAS, PRIMERA, RIO HONDO, SMILEY,  
SOUTH PADRE ISLAND, AND TAFT AND MOTION TO CONSOLIDATE**

AEP Texas Inc. files this petition appealing the rate decisions adopted by the Cities of Beeville, Charlotte, Escobares, Petronila, Port Aransas, Primera, Rio Hondo, Smiley, South Padre Island, and Taft. The appeal of these city ordinances/resolutions are filed pursuant to § 33.051 of the Public Utility Regulatory Act (PURA). In support of this petition and motion, AEP Texas states the following:

**I.       AEP Texas' Requested Rate Change**

On February 29, 2024, AEP Texas filed with the Public Utility Commission of Texas (Commission) a Petition and Statement of Intent to Change Rates within the areas over which the Commission has original jurisdiction. That Petition and Statement of Intent was assigned Docket No. 56165. AEP Texas concurrently filed a Petition and Statement of Intent with each incorporated city having original jurisdiction over its retail rates.

**II.       Municipal Actions**

The table below identifies the municipalities that have adopted ordinances/resolutions denying AEP Texas' requested rate change:

<b>City</b>	<b>Date of Ordinance/Resolution</b>
Beeville	3/12/2024
Charlotte	3/21/2024
Escobares	4/1/2024
Petronila	3/22/2024
Port Aransas	3/21/2024

<b>City</b>	<b>Date of Ordinance/Resolution</b>
Primera	3/19/2024
Rio Hondo	3/12/2024
Smiley	3/20/2024
South Padre Island	3/27/2024
Taft	3/12/2024

Copies of the ordinances/resolutions are provided as Attachment A.

### **III. Jurisdiction**

The Commission has jurisdiction over this appeal pursuant to PURA §§ 32.001(b), 33.051, and 33.053.

### **IV. Motion to Consolidate**

AEP Texas requests that its appeal of the ordinances/resolutions of the Cities of Beeville, Charlotte, Escobares, Petronila, Port Aransas, Primera, Rio Hondo, Smiley, South Padre Island, and Taft be consolidated with Docket No. 56165. This appeal involves issues of law and fact common to those involved in Docket No. 56165, and a separate hearing of this appeal and Docket No. 56165 would result in unwarranted expenses, delay, or substantial injustice.

### **V. Conclusion**

For the reasons set forth above, AEP Texas respectfully requests the ALJ enter an order consolidating this appeal of the ordinances/resolutions of the Cities of Beeville, Charlotte, Escobares, Petronila, Port Aransas, Primera, Rio Hondo, Smiley, South Padre Island, and Taft with Docket No. 56165. AEP Texas further respectfully requests that upon final hearing, AEP Texas be granted the rate relief as requested in its Petition and Statement of Intent.

Respectfully submitted,

Melissa Gage

State Bar No. 24063949

Email: [magage@aep.com](mailto:magage@aep.com)

Leila Melhem

State Bar No. 24083492

Email: [lmelhem@aep.com](mailto:lmelhem@aep.com)

Service: [aepaustintx@aep.com](mailto:aepaustintx@aep.com)

400 West 15<sup>th</sup> Street, Suite 1520

Austin, Texas 78701

Telephone: (512) 481-3320

Facsimile: (512) 481-4591

**AMERICAN ELECTRIC POWER SERVICE  
CORPORATION**

William Coe

State Bar No. 00790477

Email: [wcoe@dwmrlaw.com](mailto:wcoe@dwmrlaw.com)

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Stephanie Green

State Bar No. 24089784

Email: [sgreen@dwmrlaw.com](mailto:sgreen@dwmrlaw.com)

**DUGGINS WREN MANN & ROMERO, LLP**

By:   
Stephanie Green

**ATTORNEYS FOR AEP TEXAS INC.**

## CERTIFICATE OF SERVICE

I certify that on April 11, 2024, a true and correct copy of this document was served on all parties of record by electronic service in accordance with the Commission's Second Order Suspending Rules issued on July 16, 2020 in Project No. 50664. In addition, a copy of the foregoing has been served by certified U.S. mail, postage prepaid, upon the following on April 11, 2024:

The Honorable Brian Watson, Mayor  
City of Beeville  
400 N. Washington Street  
Beeville, Texas 78102

The Honorable Robert Kusch Jr., Mayor  
City of Primera  
22893 Stuart Place Road  
Harlingen, Texas 78552-2520

The Honorable Stephen Porter, Mayor  
City of Charlotte  
316 Jourdanton Avenue  
Charlotte, Texas 78011

The Honorable Gustavo Olivares, Mayor  
City of Rio Hondo  
121 North Aroyo  
Rio Hondo, Texas 78583

The Honorable Ivan Escobar, Mayor  
City of Escobares  
4829 Old Highway 83  
Escobares, Texas 78584


The Honorable Michael Mills, Mayor  
City of Smiley  
207 US Highway 87  
Smiley, Texas 78159

The Honorable Todd Wright, Mayor  
City of Petronila  
3736 FM 665  
Robstown, Texas 78380

The Honorable Patrick McNulty, Mayor  
City of South Padre Island  
4601 Padre Boulevard  
South Padre Island, Texas 78597-7325

The Honorable Wendy Moore, Mayor  
City of Port Aransas  
710 West Avenue  
Port Aransas, Texas 78373-4128

The Honorable Leonard Vasquez, Mayor  
City of Taft  
230 Green Avenue  
Taft, Texas 78390

  
\_\_\_\_\_  
Stephanie Green

**CITY OF BEEVILLE  
RESOLUTION NO. 2024-05**

**AN RESOLUTION OF THE CITY OF BEEVILLE, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT**

**WHEREAS**, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Beeville has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

**WHEREAS**, on February 29, 2024, AEP Texas filed with the City of Beeville a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

**WHEREAS**, the company has requested its proposed rate change become effective 35 days after the filing its Petition.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEEVILLE, TEXAS:**

**SECTION 1.** It is hereby found and determined that said meeting at which this Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

**SECTION 2.** AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

**SECTION 3.** The base rates set forth in this Resolution may be changed and amended by either the City or the Company only as provided by law.

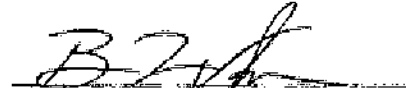
**SECTION 4.** This Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Fredrick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

**SECTION 5.** Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

**CONSIDERED, PASSED, APPROVED** and signed this the 12<sup>th</sup> day of March 2024, at a regular called meeting of the City Council of the City of Beeville, Texas at which a quorum was present and which was held in accordance with the provisions of chapter 551, Texas Government Code.

Seal

**CITY OF BEEVILLE**

  
Brian Watson, Mayor

**ATTEST:**

  
Gabriela Hernandez, City Secretary

**APPROVED AS TO FORM:**

  
Frank W. Warner, City Attorney

AN ORDINANCE / RESOLUTION OF THE CITY OF Charlotte, TEXAS  
FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS  
INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD  
REMAIN IN EFFECT

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Charlotte has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Charlotte a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

WHEREAS, the Company has requested its proposed rate change become effective 35 days after the filing its Petition.

NOW, THEREFORE, BE IT ORDAINED/RESOLVED BY THE CITY COUNCIL OF THE CITY OF Charlotte, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Ordinance/Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Ordinance / Resolution may be changed and amended by either the City or the Company only as provided by law.

SECTION 4. This Ordinance / Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

SECTION 5. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

CONSIDERED, PASSED, APPROVED AND SIGNED this the 21<sup>st</sup> day of March 2024, at a regular called meeting of the City Council of the city of Charlotte, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

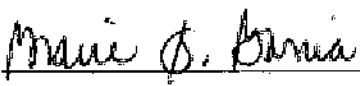


SIGNED this 21<sup>st</sup> day of March, 2024

CITY OF Charlotte

By:   
Stephen Porter, Mayor

Attest:

  
Grace S. Garcia, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_, City Attorney

CITY OF ESCOBARS  
RESOLUTION 2024-02

A RESOLUTION OF THE CITY OF ESCOBARES, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT.

**WHEREAS**, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Escobares has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

**WHEREAS**, on March 21, 2024, AEP Texas filed with the City of Escobares a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

**WHEREAS**, the Company has requested its proposed rate change become effective 35 days after filing its Petition.

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

**SECTION 1.** It is hereby found and determined that said meeting at which this Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place, and purpose of said meeting was given.

**SECTION 2.** AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just, and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

**SECTION 3.** The base rates set forth in this Resolution may be changed and amended by either the city or the Company only as provided by law.

**SECTION 4.** This Resolution shall be served on AEP Texas by mail to the Company's authorized representative, Jennifer J. Frederick at [jffrederick@aep.com](mailto:jffrederick@aep.com).

**SECTION 5.** Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

**CONSIDERED, PASSED, APPROVED AND SIGNED** this the 15<sup>th</sup> day of April, 2024, at a regular called meeting of the City of Escobares, Texas, at which a quorum was present, and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

SIGNED this 1<sup>st</sup> day of April, 2024.

CITY OF ESCOBARES, TEXAS

By: 

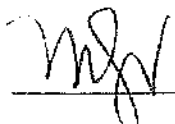
Mayor Ivan Escobar

Attest:

Idalia Alanis

Idalia Alanis, City Secretary

APPROVED AS TO FORM:



Martie Garcia Vela, City Attorney

## RESOLUTION NO. 2024-1-AEP

A RESOLUTION OF THE CITY OF PETRONILA, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY REMAIN IN EFFECT

WHEREAS, pursuant to 33.001 of the Public Utility Regulatory Act, the City of Petronila has exclusive, original jurisdiction over the electric rates, operations and services provided within the city limits by AEP Texas Inc. (AEP Texas of the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Petronila a Petition and Statement of Intent seeking a net increase of 13.1% over the net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues and increase of 9.29%.

Whereas, THE Company has requested its proposed rate change become effective 35 days after the filing of this petition.

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

SECTION 1. It is hereby found and determined that said meeting at which this Resolution was passed was open to the public, as requested by Texas law, and that advance public notice time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Resolution may be changed and amended by the City or the Company only as approved by law.

SECTION 4. This Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

SECTION 5. Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under the law to regulate the base rates and charges of AEP Texas.

CONSIDERED, PASSED, APPROVED AND SIGNED this, the 22<sup>nd</sup> day of March 2024, at a regular called meeting of the City Council of the City of Petronila, Texas, at which a quorum was present, and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

SIGNED this 22<sup>nd</sup> day of March 2024.

CITY OF PETRONILA

By: Todd Wright, Mayor  
Todd Wright, Mayor

Attested to by: Sydonia Wright  
Sydonia Wright, City Secretary

APPROVED AS TO FORM: \_\_\_\_\_  
City Attorney

SIGNED this 22<sup>nd</sup> day of March 2024.

CITY OF PETRONILA

By: Todd Wright, Mayor  
Todd Wright, Mayor

Attested to by: Sydonia Wright  
Sydonia Wright, City Secretary

**RESOLUTION NO. 2024-R19**

**A RESOLUTION OF THE PORT ARANSAS CITY COUNCIL OF THE CITY OF PORT ARANSAS, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC. EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT.**

**WHEREAS**, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Port Aransas has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).; and

**WHEREAS**, on February 29, 2024, AEP Texas filed with the City of Port Aransas a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

**WHEREAS**, the Company has requested its proposed rate change become effective 35 days after the filing its Petition.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARANSAS, NUECES COUNTY, TEXAS:**

**Section 1.** AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

**Section 2.** The base rates set forth in this Resolution may be changed and amended by either the City or the Company only as provided by law.

**Section 3.** This Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

**Section 4.** Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

**Section 5.** 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 that public notice of the time, place and purpose of said meeting was given as required.

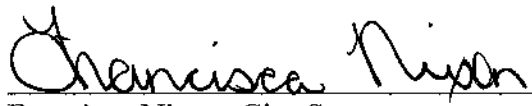
**PASSED and APPROVED** by the Port Aransas City Council, County of Nueces, State of Texas, on this 21<sup>st</sup> day of MARCH, 2024.



**CITY OF PORT ARANSAS, TEXAS**

  
\_\_\_\_\_  
Wendy Moore, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Francisca Nixon, City Secretary



**STATE OF TEXAS           \***  
**CITY OF PRIMERA       \***  
**CAMERON COUNTY       \***

**ORDINANCE NO. 2024-05**

**AN ORDINANCE OF THE CITY OF PRIMERA, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC. EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT.**

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Primera has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Primera a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

WHEREAS, the Company has requested its proposed rate change become effective 35 days after the filing its Petition.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PRIMERA, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Ordinance was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Ordinance may be changed and amended by either the City or the Company only as provided by law.

SECTION 4. This Ordinance shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

SECTION 5. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

CONSIDERED, PASSED, APPROVED AND SIGNED this the 19 day of March,

2024, at a regular called meeting of the City Commission of the City of Primera, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

SIGNED this 19 day of March, 2024.  
CITY OF PRIMERA

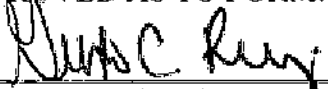
By:

  
\_\_\_\_\_  
R. Dave Kusch, Mayor

Attest:

  
\_\_\_\_\_  
Dianna Valdez, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Gustavo C. Ruiz, City Attorney

RESOLUTION 2024-08

A RESOLUTION OF THE CITY OF RIO HONDO, TEXAS, CAMERON COUNTY FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT.

WHEREAS, pursuant to Section 33.001 of the Public Utility Regulatory Act, the City of Rio Hondo has exclusive, original jurisdiction over the electric rates, operations, and services provided within the city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Rio Hondo a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

WHEREAS, the Company has requested its proposed rate change become effective 35 days after filing its Petition.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF RIO HONDO, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Resolution was passed open to the public, as required by Texas law, and the advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Resolution may be changed and amended by either the City or the Company only as provided by law.

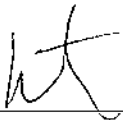
SECTION 4. This Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J, Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com)

SECTION 5. Nothing contained in this Resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

CONSIDERED, PASSED, APPROVED AND SIGNED this the 12<sup>th</sup> day of March 2024, at a regular called meeting of the City Commission of the City of Rio Hondo Texas, at which a quorum was present, and which was held in accordance with the provisions of Chapter 551, Texas Government Code.


Signed this 12th day of March 2024

CITY OF RIO HONDO

By: 

Gustavo Olivares, Mayor

Attest:



Ben Medina, City Secretary

ORDINANCE 02-24

AN ORDINANCE OF THE CITY OF SMILEY, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Smiley has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Smiley a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

WHEREAS, the Company has requested its proposed rate change become effective 35 days after the filing its Petition.

NOW, THEREFORE, BE IT ORDAINED/RESOLVED BY THE CITY COUNCIL OF THE CITY OF SMILEY, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Ordinance/Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Ordinance / Resolution may be changed and amended by either the City or the Company only as provided by law.

SECTION 4. This Ordinance shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

SECTION 5. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

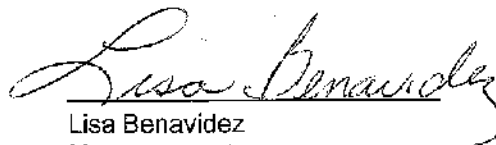
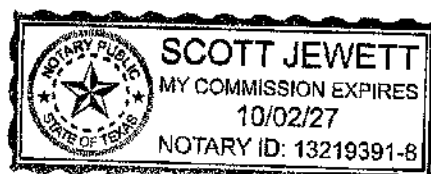
CONSIDERED, PASSED, APPROVED AND SIGNED this the 20<sup>th</sup> day of March 2024, at a regular called meeting of the City Council of the city of Smiley, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

Attest:



Attest:

Scott Jewett  
City Secretary

  
Lisa Benavidez  
Mayor



**RESOLUTION NO. 2024-09**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS FINDING THAT AEP TEXAS INC.'S PETITION AND STATEMENT OF INTENT SEEKING TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED.**

**WHEREAS**, pursuant to §33.001 of the Public Utility Regulatory Act, the City of the City of South Padre Island 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**, on February 29, 2024, AEP filed with the City a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

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

**WHEREAS**, the Company has requested its proposed rate change become effective 35 days after the filing its Petition; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH PADRE ISLAND, TEXAS:**

**SECTION 1:** It is hereby found and determined that said meeting at which this resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

**SECTION 2:** AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

**SECTION 3:** The base rates set forth in this resolution may be changed and amended by either the City or the Company only as provided by law.

**SECTION 4:** This resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jjfrederick@aep.com](mailto:jjfrederick@aep.com).

**SECTION 5:** Nothing contained in this resolution shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

**CONSIDERED, PASSED, APPROVED AND SIGNED** this the 27<sup>th</sup> day of March 2024, at a Special Called meeting of the City Council of the City of South Padre Island, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

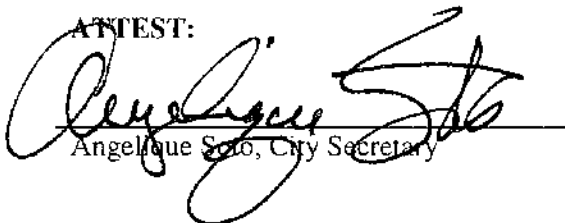
SIGNED this the 27<sup>th</sup> day of March, 2024.

**CITY OF SOUTH PADRE ISLAND, TEXAS**

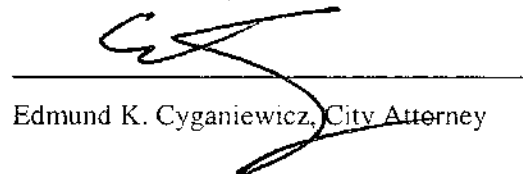


By:   
Patrick McNulty, Mayor

**ATTEST:**

  
Angelique Soto, City Secretary

**APPROVED AS TO FORM:**

  
Edmund K. Cyganiewicz, City Attorney

### **ACTION REQUIRED BY APRIL 4, 2024**

Action is required by your City as a regulatory authority which has retained original jurisdiction to review and act on AEP Texas' requested change in base rates. Your City's exercise of its regulatory authority is governed by the Public Utility Regulatory Act, commonly referred to as "PURA." PURA requires that a municipal regulatory authority must take action on AEP Texas' rate request within 35 days after the case is filed. If your City has ceded original jurisdiction, then no action is required. If your City has retained original jurisdiction then you can take one of four basic actions by April 4, 2024:

- 1) deny AEP Texas' request;
- 2) grant AEP Texas' request in whole or part; or
- 3) "suspend" AEP Texas' requested change in rates for an additional 90 days (a total of 125 days) before taking final action.
- 4) cede original jurisdiction to the Public Utility Commission of Texas (PUC);

Once your City acts, PURA authorizes AEP Texas to appeal that action to the PUC, which has the authority to make the final decision on the rate change request. AEP Texas is filing the same rate change request with all other cities in its Texas service area that have the same regulatory authority as your City. Similar actions by these other cities would also be appealed by AEP Texas, and ultimately the Commission would exercise its statutory authority to set uniform system wide rates throughout AEP Texas' service area.

If you would like more information on permanently ceding original jurisdiction to the Commission, please contact your External Affairs Manager.

**If no action is taken by your city by April 4, 2024, AEP Texas rate change request is deemed approved.** In order to avoid this result, and to provide the simplest means of processing the Company's request, **AEP Texas recommends that your City Council take action by April 4, 2024.** If you deny the request, AEP Texas will then appeal the matter to the PUC, together with all the other appeals of municipal actions within AEP Texas' service area, and the cases will be consolidated at the PUC. Draft ordinances are provided with this attachment for your consideration and convenience.

Once your City Council has taken one of the above actions, please scan and email a copy of the approved ordinance to: [jjfrederick@aep.com](mailto:jjfrederick@aep.com)

If you have questions on this request or the draft ordinance, please do not hesitate to contact your AEP Texas External Affairs Manager. Thank you for your attention to this matter.



AN ORDINANCE / RESOLUTION OF THE CITY OF 2024-01, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT AEP TEXAS INC EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Taft has exclusive, original jurisdiction over the electric rates, operations, and services provided within city limits by AEP Texas Inc. (AEP Texas or the Company).

WHEREAS, on February 29, 2024, AEP Texas filed with the City of Taft a Petition and Statement of Intent seeking a net increase of 13.1% over net present distribution revenues. Related to its transmission cost of service, the Company requests a rate increase of \$63.1 million above its adjusted test year revenues, an increase of 9.29%.

WHEREAS, the Company has requested its proposed rate change become effective 35 days after the filing its Petition.

NOW, THEREFORE, BE IT ORDAINED/RESOLVED BY THE CITY COUNCIL OF THE CITY OF Taft, TEXAS:

SECTION 1. It is hereby found and determined that said meeting at which this Ordinance/Resolution was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. AEP Texas' request for approval of its base rates increase is denied. The existing rates and charges of AEP Texas are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Ordinance / Resolution may be changed and amended by either the City or the Company only as provided by law.

SECTION 4. This Ordinance / Resolution shall be served on AEP Texas by email to the Company's authorized representative, Jennifer J. Frederick at [jifrederick@aep.com](mailto:jifrederick@aep.com).

SECTION 5. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of AEP Texas.

CONSIDERED, PASSED, APPROVED AND SIGNED this the 12<sup>th</sup> day of March, 2024, at a regular called meeting of the City Council of the city of Taft, Texas, at which a quorum was present and which was held in accordance with the provisions of Chapter 551, Texas Government Code.

SIGNED this 12<sup>th</sup> day of March, 2024

CITY OF Taft

By: Leonard Vasquez  
Leonard Vasquez, Mayor

Attest:

Andrea Gomez  
Andrea Gomez City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_, City Attorney