

RESOLUTION NO. 04-2011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, SUSPENDING THE FEBRUARY 14, 2011 EFFECTIVE DATE OF ONCOR ELECTRIC DELIVERY COMPANY'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR TO HIRE LEGAL AND CONSULTING SERVICES AND 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 FOR THE STEERING COMMITTEE.

WHEREAS, on or about January 7, 2011, Oncor Electric Delivery Company ("Oncor"), pursuant to Public Utilities Regulatory Act ("PURA") §§33.001 and 36.001 filed with the City of Mesquite, Texas ("City"), a Statement of Intent to increase electric transmission and distribution rates in all municipalities exercising original jurisdiction within its service area effective February 14, 2011; and

WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor ("Steering Committee") and will cooperate with the 146 similarly situated city members and other city participants in conducting a review of Oncor's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with Oncor prior to setting reasonable rates and direct any necessary litigation; and

WHEREAS, PURA §36.108 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for 90 days after the date the rate change would otherwise be effective; and

WHEREAS, PURA §33.023 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

SECTION 1. That the February 14, 2011 effective date of the rate request submitted by Oncor Electric Delivery Company ("Oncor") on or about January 7, 2011, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That as indicated in the City of Mesquite's ("City") resolution approving membership in the Steering Committee, the Executive Committee of the Steering Committee is authorized to hire and direct legal counsel and consultants, negotiate with Oncor, make recommendations regarding reasonable rates, and to intervene and direct any necessary

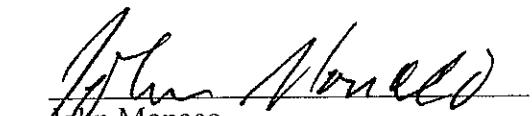
administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Public Utility Commission.

SECTION 3. That the City's reasonable rate case expenses shall be reimbursed by Oncor on a monthly basis.

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.

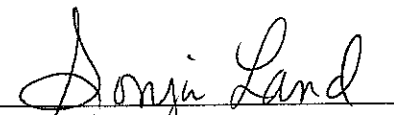
SECTION 5. That a copy of this Resolution shall be sent to Oncor, care of Autry Warren, Oncor Electric Delivery Company, LLC, 1601 Bryan Street, 23rd Floor, Dallas, Texas 75201 and to Geoffrey Gay, General Counsel to the Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 18th day of January, 2011.



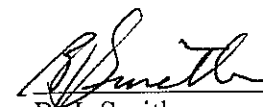
John Monaco
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



B. J. Smith
City Attorney