



CITY OF ARANSAS PASS

AGENDA MEMORANDUM
City Council Meeting of April 20, 2019

Date: April 16, 2020
To: Mayor and Council Members
From: Gary Edwards, City Manager

Title: AEP Texas Rate Case

PURPOSE:

Consider and Act on Resolution of the City of Aransas Pass, Texas finding that AEP Texas Inc.'s Application to amend its distribution cost recovery factors to increase distribution rates within the city should be denied; authorizing participation with the cities served by AEP Texas; authorizing hiring of Legal Counsel; finding that the City's reasonable rate case expenses shall be reimbursed by the company; 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.

BACKGROUND AND FINDINGS:

AEP Texas, Inc. filed an application on April 6, 2021 seeking an increase in distribution Rates with each of the cities in their service area. In the filing, the company is seeking an increase in distribution revenues of approximately \$54.56 million (approximately \$2.60 to the average residential customer's bill from the rates just approved in the company's rate case).

The purpose of the Resolution is to deny the DCRF application proposed by AEP, and authorizes the City to join with the cities served by AEP to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement to pursue.

LIST OF SUPPORTING DOCUMENTS:

Resolution