

RESOLUTION NO. _____

A RESOLUTION BY THE CITY OF FORNEY, TEXAS AUTHORIZING AND APPROVING MEMBERSHIP IN THE CITIES SERVED BY SIENERGY (CITIES) FOR THE PURPOSE OF PROTECTING THE INTEREST OF THE CITY AND ITS CITIZENS WITH RESPECT TO SIENERGY MATTERS; FURTHER SUSPENDING THE JUNE 9, 2023 EFFECTIVE DATE OF THE STATEMENT OF INTENT OF SIENERGY, LP TO INCREASE RATES WITHIN INCORPORATED AREAS OF NORTH, CENTRAL, AND SOUTH TEXAS; 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 THE CITIES SERVED BY SIENERGY; 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 May 5, 2023, SiEnergy, LP (SiEnergy or Company) filed with the City of Forney (City) and the other affected North, Central, and South Texas municipalities a Statement of Intent seeking to increase gas utility rates within the incorporated areas of the North, Central, and South Texas to be effective June 9, 2023; and

WHEREAS, the City is a regulatory authority with an interest in the rates and charges of SiEnergy; and

WHEREAS, the Cities Served by SiEnergy (Cities) is a coalition of similarly situated cities served by SiEnergy, LP (SiEnergy) that have joined together to efficiently and cost effectively review and respond to gas issues affecting rates charged in SiEnergy's service area; and

WHEREAS, the City is a member of the Cities Served by SiEnergy (Cities) (such participating cities are referred to herein as Cities), a coalition of similarly situated cities served by SiEnergy that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in SiEnergy's service area; 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.

WHEREAS, SiEnergy has filed an application with the Railroad Commission that could become the docket into which appeals of city action on the SiEnergy filing are consolidated;

WHEREAS, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORNEY, 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 June 9, 2023, effective date of the request to increase rates submitted by SiEnergy on or about May 5, 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 3. That the City is a member of the Cities Served by SiEnergy (Cities) municipalities in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Jamie L. Mauldin of the law firm of Lloyd Gosselink Rochelle and Townsend, P.C., and Karl J. Nalepa of the consulting firm of ReSolved Energy Consulting, L.L.C., as well as any additional consultants deemed necessary, 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 4. That the City shall work with Cities 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 SiEnergy rate filing as it affects the customers in the unincorporated areas of North, Central and South Texas.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed in full by SiEnergy.

SECTION 6. 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 7. That a copy of this Resolution shall be sent to June M. Dively, SiEnergy, LP at 3 Lakeway Centre CT, Suite 110, Lakeway, Texas 78734 and to Jamie L. Mauldin at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

SECTION 8. That this Resolution shall be and become effective from and after its adoption.

APPROVED AS TO FORM:

JENNIFER BARNES SMITH, CITY ATTORNEY

I, Rosa Rios, Interim Secretary of the City Council of the City of Forney, 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 Forney, Texas, at its regular meeting held of the 16th day of May, 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 Forney this 16th day of May, 2023.

Interim Secretary for the City Council
of the City of Forney, Texas