

RESOLUTION

WHEREAS, Texas Gas Service Company, a division of ONEOK, Inc. ("Company") distributes natural gas within the City Limits of the City of El Paso pursuant to a franchise granted to Southern Union Company dated as of February 22, 2000, and assigned to ONEOK, Inc., and is a gas utility;

WHEREAS, on July 23, 2013, the City Council denied the request of the "Company" for an Interim Rate Adjustment to adjust the tariff for gas service within the City of El Paso filed by the Company on April 2, 2013, and

WHEREAS, on August 2, 2013, Texas Gas Service Company filed an appeal to if the City Council's action to the Railroad Commission of Texas, and

WHEREAS, pursuant to the provisions of the Gas Utility Regulatory Act, Texas Utilities Code Ann Sec. 103.001, in order to provide fair, just, and reasonable rates and adequate and efficient services, the governing body of City of El Paso has exclusive original jurisdiction over the rates, operations, and services of a gas utility within the City of El Paso, and

WHEREAS, pursuant to the Gas Utility Regulatory Act, Texas Utilities Code Sec. 102.201-102.206, the City as regulatory authority its counsel, agents, or employees have the right to inspect and obtain copies of the papers, books, accounts, documents, and other business records of a gas utility within its jurisdiction, in order to inquire into the management and affairs of each gas utility and shall keep itself informed as to the manner and method in which each gas utility is managed and its affairs are conducted, and

WHEREAS, pursuant to the Franchise dated as of February 22, 2000, assumed by ONEOK, Inc. Sections 5 and 6, the City has reserved all the rights related to the investigation and supervision of rates as provided by law, and

WHEREAS, based upon the increased revenues and preliminary review of the Expenses of Texas Gas Service Company required to allow the Company a reasonable opportunity to earn a reasonable return on it is invested capital used and useful in rendering service to the public in the El Paso Service area, the City Council Concludes that additional study is appropriate, and

WHEREAS, the City Council has determined that the City Attorney and Office of the City Manager should obtain preliminary information from Texas Gas Service Company, a Division of ONEOK, Inc. related to its affairs and earnings from the El Paso Service Area

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That the City Attorney and the City Manager to request information from Texas Gas Service Company, a Division of ONEOK, Inc. related to its affairs and earnings from the El Paso Service Area pursuant to Gas Utility Regulatory Act, Texas Utilities Code

Sec. 102.201-102.206, and Sections 5 and 6 of the Franchise between the City of El Paso and Southern Union Company dated as of February 22, 2000.

2. That this resolution is intended to be interpreted broadly to provide all powers to obtain information determined by the City Attorney to be needed, whether by request, for production and/or inspection of documents and records, subpoena, examination under oath or otherwise as provided by law or the Franchise.
3. That the City Manager shall so notify Texas Gas Service Company of the suspension and the order to submit working papers by having a copy of this Resolution delivered or mailed to Texas Gas Service Company.
4. That the City Attorney is authorized to engage outside counsel to represent the City on this matter and the City Manager be authorized to engage consultants as required to assist in the evaluation.
5. That the City Attorney and Chief Manager shall report back to City Council the Progress on or before September 24, 2013.

PASSED AND APPROVED THIS 27th day of August, 2013.

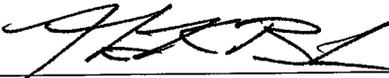
CITY OF EL PASO

Oscar Leaser, Mayor

ATTEST:

Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:



Matthew K. Behrens
Assistant City Attorney

APPROVED AS TO CONTENT:

Carmen Arrieta-Candelaria,
Chief Financial Officer

CITY CLERK DEPT.
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