

RESOLUTION

No. 2006-10-03-02

WHEREAS, Texas Gas Service Company, an operating division of ONEOK, Inc. (“Company”), is a regulated utility subject to the exclusive original jurisdiction of the Village of Vinton (“City”) for rates services and operations within the City and operates pursuant to an assignment of a franchise previously granted to Southern Union Company; and

WHEREAS, on June 9, 2006, the Company filed a Statement of Intent to Change Rates pursuant to Texas Utilities Code Sec. 104.301 (Interim Adjustment for Changes in Investment, also known as Gas Reliability Infrastructure Program, or “GRIP”) requesting an interim adjustment of \$825,952 and specifying an effective date of August 30, 2006; and

WHEREAS, the City Council finds that the Company gave notice of the increase by means of billing inserts on or before July 24, 2006, and by publication in The El Paso Times, a newspaper of general circulation, for four weeks commencing June 18, 2006, and

WHEREAS, the City Council finds that, calculations of return, depreciation, ad valorem taxes, income taxes and revenue related taxes are consistent with the findings of the City Council in the resolution passed on September 21, 2004; and

WHEREAS, after negotiations the Company has agreed to reduce its request and has filed new schedules in support of the reduced request which schedules are attached to this Resolution as Exhibit “A”; and

WHEREAS, the City Council finds that a reasonable amount to represent the recovery permitted under the Texas Utilities Code Sec. 104.301 (“GRIP Statute”) for the change in investment for the year ending December 31, 2005, is \$811,052 for the El Paso Service Area of which approximately \$1,819 would be recovered from Village of Vinton customers, assigned to customer classes through a change in the customer charge for residential customers of \$0.26 per month, commercial \$0.94 per month, public authority \$2.94 per month, industrial \$8.71 per month, municipal pumping \$15.82 per month and transportation customers \$51.91 per month, and

WHEREAS, the City Council finds that it is reasonable to allow the Company to defer recovery of expenses incurred by the City in connection with this proceeding until the next general rate case, such deferral to be without interest or return,

BE IT RESOLVED BY THE CITY COUNCIL OF THE VILLAGE OF VINTON:

1. That Texas Gas Service Company be allowed to implement an interim rate adjustment pursuant to Texas Utilities Code Sec. 104.301, due to changes in the value of invested capital in the El Paso service area for the year ending December 31, 2005, in the amount of \$811,052 for the El Paso distribution system allocated among customer classes as provided in the rate schedules attached to this resolution effective for meters read on or after August 30, 2006, subject to the remaining terms of this Resolution.
2. That Texas Gas Service Company is ordered to continue to comply in all respects with the annual filings required under Texas Utilities Code Sec. 104.301.

3. That the recovery by Texas Gas Service Company of expenses related to this proceeding is deferred until the next general rate case, but no interest or return will be allowed on such recovery.
4. That all relief requested by Texas Gas Service Company not granted herein is denied.

ADOPTED this the 3rd day of October, 2006.

VILLAGE OF VINTON, TEXAS



Madeleine Praino, Mayor

ATTEST:


City Clerk