

RESOLUTION NO. 2025-XXXX

RESOLUTION OF THE CITY OF TEXAS CITY, SUSPENDING THE DECEMBER 19, 2025 EFFECTIVE DATE OF TEXAS-NEW MEXICO POWER COMPANY'S (TNMP'S) REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER TNMP CITIES; HIRING LLOYD GOSSELINK ATTORNEYS 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 November 14, 2025, Texas-New Mexico Power Company (TNMP), pursuant to PURA §§ 33.001 and 36.001 filed with the City of Texas City, a Statement of Intent to change electric delivery rates in all municipalities exercising original jurisdiction within its service area effective December 19, 2025; and

WHEREAS, the City of Texas City is a member of the coalition of TNMP Cities and will cooperate with the other similarly situated city members and other city participants in conducting a review of the Company's application and to hire and direct legal counsel and consultants to prepare a common response and to negotiate with the Company 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 ninety (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.

THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

1. That the December 19, 2025 effective date of the rate request submitted by TNMP on or about November 14, 2025, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.
2. That the City is authorized to cooperate with other cities served by TNMP to coordinate efforts to protect the interests of the City and protect the interests of TNMP's end-use customers residing and conducting business within municipal limits.

3. Subject to the right to terminate employment at any time, the City of Texas City, hereby authorizes the hiring of Jamie Mauldin of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations regarding reasonable rates and to 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.

4. That the City's reasonable rate case expenses shall be reimbursed by TNMP.

5. 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.

6. A copy of this Resolution shall be sent to TNMP, care of Scott Seamster, Corporate Counsel, 577 N. Garden Ridge Boulevard, Lewisville, Texas 75067 and scott.seamster@txnmenergy.com and to Jamie Mauldin, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 and jmauldin@lglawfirm.com.

Mayor, City of Texas City

ATTEST:
