



## RESOLUTION NO. 2020-53

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH ONCOR CITIES STEERING COMMITTEE; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; 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; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Farmers Branch, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

**WHEREAS**, the Oncor Cities Steering Committee ("OCSC") is a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area in matters before the Public Utility Commission ("Commission") and the courts; and

**WHEREAS**, on or about April 3, 2020, Oncor filed with the Commission an Application to Amend its Distribution Cost Recovery Factor ("DCRF"), Commission Docket No. 50734, seeking to increase distribution rates by \$75.9 million annually (an approximately \$0.88 increase to the average residential customer's bill); and

**WHEREAS**, the City will cooperate with OCSC in coordinating their review of Oncor's DCRF filing with designated attorneys and consultants, prepare a common response, negotiate with the Company, and direct any necessary litigation, to resolve issues in the Company's filing; and

**WHEREAS**, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

**WHEREAS**, working with the OCSC to review the rates charged by Oncor allows members to accomplish more collectively than each city could do acting alone; and

**WHEREAS**, OCSC's members and attorneys recommend that members deny Oncor's DCRF; and

**WHEREAS**, the City Council of the City of Farmers Branch, Texas, finds it to be in the public interest to concur in such recommendation.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:**

**SECTION 1.** The City is authorized to participate with OCSC in Commission Docket No. 50734.

**SECTION 2.** Subject to the right to terminate employment at any time, the City hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal Oncor's DCRF application.

**SECTION 3.** The rates proposed by Oncor to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

**SECTION 4.** The Company shall continue to charge its existing rates to customers within the City.

**SECTION 5.** The City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Resolution.

**SECTION 6.** 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.** A copy of this Resolution shall be sent to Tab Urbantke, Attorney for Oncor, at Hunton Andrews Kurth LLP, 1445 Ross Avenue, Suite 3700, Dallas, Texas 75202, and to Thomas Brocato, General Counsel to OCSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, TX 78767-1725, or [tbrocato@lglawfirm.com](mailto:tbrocato@lglawfirm.com).

**SECTION 8.** This Resolution shall take effect immediately upon its passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THIS 5<sup>th</sup> DAY OF MAY 2020.**

**ATTEST:**

**APPROVED:**

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Amy Piukana, City Secretary

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Robert C. Dye, Mayor

**APPROVED AS TO FORM:**



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Peter G. Smith, City Attorney

(kbl:4/16/2020:115165)