



Legislation Details (With Text)

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File created: 3/20/2017 **In control:** City Council

On agenda: 4/4/2017 **Final action:**

Title: Consider approving Resolution No. 2017-054 suspending the April 21, 2017 effective date of Oncor Electric Delivery Company's proposed rate change to allow the City an opportunity to review the request; and take appropriate action.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No. 2017-054

Date	Ver.	Action By	Action	Result
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Consider approving Resolution No. 2017-054 suspending the April 21, 2017 effective date of Oncor Electric Delivery Company's proposed rate change to allow the City an opportunity to review the request; and take appropriate action.

BACKGROUND:

On March 17, 2017 Oncor Electric Delivery Company (“Oncor” or “The Company”) filed an application with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by \$317 million. The Company asks the City to approve an 11.8% increase in residential rates, and a 0.5% increase in street lighting rates. If approved, a residential customer using 1000 kWh per month would see a bill increase of about \$6.68 per month.

Farmers Branch is a member of the 156-city coalition known as the Steering Committee of Cities Served by Oncor (“Steering Committee”). The Steering Committee has been in existence since the late 1980’s. The Steering Committee has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

This is the first comprehensive base rate case for Oncor since January, 2011.

DISCUSSION:

Resolution No. 2017-054 suspends the April 21, 2017 effective date of the Company’s rate increase for the maximum period permitted by law to allow the City, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

The law provides that a rate case request made by an electric utility cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the City fails to take some action regarding the filing before the effective date, Oncor’s rate request is deemed administratively approved.

RECOMMENDATION:

City Administration recommends approving Resolution No. 2017-054 suspending the April 21, 2017 effective date for a rate change by Oncor Electric Delivery Company.

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2017-054 suspending the April 21, 2017 effective date of Oncor Electric Delivery Company's proposed rate change to allow the City an opportunity to review the request.
2. I move to approve Resolution No. 2017-054 suspending the April 21, 2017 effective date of Oncor Electric Delivery Company's proposed rate change to allow the City an opportunity to review the request, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENTS:

1. Resolution No. 2017-054