



## Legislation Text

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**File #:** R2017-082, **Version:** 1

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### **Consider approving Resolution No. 2017-082 denying Oncor Electric Delivery Company's application to change rates within the City of Farmers Branch; 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 158-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.

#### DISCUSSION:

In March, the Steering Committee engaged the services of three consultants, Mr. Lane Kollen, Mr. Richard Baudino, and Mr. Karl Nalepa, to review the Company's filing. The consultants identified numerous unreasonable expenses and propose significant reductions to the Company's request. Accordingly, the Steering Committee's attorneys recommend that all members adopt the Resolution denying the rate change. Once the Resolution is adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas where the appeal will be consolidated with Oncor's filing (i.e. PUC Docket No. 46957) currently pending at the Commission.

Under the law, cities with original jurisdiction over this matter have 125 days from the initial filing to take final action on the application. By the agreement of the parties, this deadline was suspended until August 19, 2017. As such, all cities with original jurisdiction will need to adopt the resolution no later than August 19.

#### RECOMMENDATION:

City Administration recommends adopting Resolution No. 2017-082 denying Oncor Electric Delivery Company's requested rate increase.

#### POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2017-082 denying Oncor Electric Delivery Company's requested rate increase.
2. I move to approve Resolution No. 2017-082 denying Oncor Electric Delivery Company's requested rate increase, with modifications.
3. I move to table the issue for further study or take no action.

#### ATTACHMENTS:

1. Resolution No. 2017-082