



Legislation Text

File #: R2021-067, Version: 1

Consider approving Resolution No. 2021-067 denying Oncor Electric Delivery Company LLC's application for approval of a Distribution Cost Recovery Factor to increase distribution rates within the City of Farmers Branch; and take appropriate action

BACKGROUND:

On April 8, 2021, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") with each of the cities in their service area. In the filing, the Company sought to increase distribution rates by \$97.8 million annually, an approximately \$1.35 increase to the average residential customer's bill. This is Oncor's fourth DCRF filing under a law adopted in 2011 allowing electric utilities to file limited issue, limited review cases.

Farmers Branch is an electric utility customer of Oncor. The Oncor Cities Steering Committee ("OCSC" or "Steering Committee") 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 and the courts.

DISCUSSION:

The resolution authorizes the City to join with the Steering Committee to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue. The Steering Committee has engaged the services of consultants to review the Company's filing. The consultants will review the filing and identify adjustments that should be made to the Company's request. The Steering Committee's attorneys recommend that all members adopt the Resolution denying the requested relief.

FISCAL IMPACT:

No Financial Impact

RECOMMENDATION:

City Administration recommends adopting Resolution No. 2021-067 denying Oncor Electric Delivery Company's requested rate increase.

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2021-067 denying Oncor Electric Delivery Company LLC's application for approval of a Distribution Cost Recovery Factor to increase distribution rates.
2. I move to table the issue for further study or take no action.

ATTACHMENT(S):

1. Resolution No. 2021-067