



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** July 24, 2017
SUBJECT: Consider Resolution No. 2017-028, to deny Oncor Electric Delivery Company LLC's application to change rates within the City of North Richland Hills.

PRESENTER: Karen Bostic, Assistant City Manager

SUMMARY:

The purpose of the Resolution is to deny Oncor Electric Delivery Company LLC's ("Oncor") rate request that was filed with the city on or about March 17, 2017.

GENERAL DESCRIPTION:

On or around March 17, 2017, Oncor filed an application to change rates with cities that retain original jurisdiction. This application seeks to increase system-wide transmission and distribution rates by \$317 million which equates to an 11.8% increase in residential rates and a .5% increase in street lighting rates. If approved, the average residential customer would see a bill increase of about \$6.68 per month. On April 10 City Council passed Resolution No. 2017-020 to suspend the effective date of the request to provide time for the Steering Committee of Cities Served by Oncor ("Steering Committee") to evaluate the filing and possible settlement discussions. The City of North Richland Hills, along with 158 other cities served by Oncor, is a member of the Steering Committee.

In March the Steering Committee engaged consultants to review Oncor's rate filing. The consultants identified numerous unreasonable expenses and propose significant reductions to Oncor'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 (PUC Docket No. 46957) currently pending at the Commission.

RECOMMENDATION:

Approve Resolution No. 2017-28.