



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager   **DATE:** October 13, 2025  
**SUBJECT:** Consider Resolution No. 2025-043, finding that Oncor Electric Delivery Company LLC's application to change rates within the city should be denied, finding that the City's reasonable rate case expenses shall be reimbursed, and all matters related thereto.  
**PRESENTER:** Cori Reaume, Director of Planning

### **SUMMARY:**

The purpose of this item is to approve a resolution denying Oncor's requested rate increase.

### **GENERAL DESCRIPTION:**

Oncor Electric Delivery Company ("Oncor") filed an application on June 26, 2025 with North Richland Hills, and all other cities retaining original jurisdiction. This application seeks to increase system-wide transmission and distribution rates by about \$834 million or approximately 13% over present revenues. Oncor asks the City to approve a 12.3% increase in residential rates and several other rate changes, including a 51 % increase in street lighting rates.

In July, the City Council took initial action on Oncor's rate request, suspending the rate request from taking effect for 90 days, which is the fullest extension permissible under the law. This additional time has permitted the City, through its participation with the Steering Committee of Cities Served by Oncor (Steering Committee), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of the experts engaged by the Steering Committee, Oncor's request for a rate increase should be denied at this time.

Accordingly, the purpose of this Resolution is to deny the rate change application proposed by Oncor. Once adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas ("PUC") where the appeal will be consolidated with Oncor's filing (PUC Docket No. 58306) currently pending at the PUC.

### **Explanation of Resolution:**

Section 1. This paragraph finds that the Company's application is unreasonable and should be denied.

Section 2. This section states that the Company's current rates shall not be changed.



Section 3. The company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by the Steering Committee will submit monthly invoices, which will be reimbursed monthly by Oncor.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 5. This section provides that both Oncor and Steering Committee counsel will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

**Potential Impact of Rate Increase to NRH:**

**(Originally provided with the rate suspension but included here for reference.)**

The requested rate increase from Oncor would result in a significant impact to the North Richland Hills community, and that impact is two-fold. First, the request includes an increase to residential rates of over 12%. This increase, on an average residential customer, would amount to a bill increase of \$7.90 per month.

Additionally, the City would see changes to some of our established rates, with the most significant being a 51% increase in street lighting rates. This increase would not include the retail provider's energy charge, but would increase the TDSP (Transmission and Distribution Service Provider – Oncor) portion of the billing. After review of our current usage (in consultation with the Texas Coalition for Affordable Power staff), it is estimated that the proposed rate change would lead to an increase in electric expenditure **in excess of \$370,000 per year.**

**RECOMMENDATION:**

Approve Resolution 2025-043.