



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** May 20, 2019
SUBJECT: Consider Resolution No. 2019-026, to deny Oncor Electric Delivery Company LLC's application to amend its distribution cost recovery factor 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 April 8, 2019.

GENERAL DESCRIPTION:

On or around April 8, 2019, Oncor filed an application for approval of a Distribution Cost Recovery Factor ("DCRF"). This is Oncor's second filing under a law adopted in 2011 allowing electric utilities to file limited issue, limited review cases. In the filing, Oncor is seeking a \$29,433,804 increase in distribution revenues.

The City of North Richland Hills, along with approximately 160 other cities served by Oncor, is a member of the Steering Committee of Cities Served by Oncor ("Steering Committee"). The Steering Committee has engaged the services of a consultant to review Oncor's filing. The consultant will review the filing and identify adjustments that should be made to Oncor's request.

Approving Resolution 2019-026 authorizes the City to participate with the Steering Committee of Cities Served by Oncor as a party in Oncor's filing; authorizes hiring Lloyd Gosselink and consultants to review the filing and take necessary action; finds Oncor's request to increase rates as unreasonable and denies such request; keeps the current rates in place until this case is settled; allows recovery of reasonable rate case expenses; confirms the Resolution was passed at a meeting that was open to the public; and requires notification to both Oncor and legal counsel for the Steering Committee.

RECOMMENDATION:

Approve Resolution No. 2019-026.