



Legislation Text

File #: 17-2375, **Version:** 1

Resolution - A Resolution of the City of Mansfield, Texas Finding that Oncor Electric Delivery Company LLC's ("Oncor" Or "Company") Application to Change Rates Within the City Should be Denied; Finding that the City's Reasonable Rate Case Expenses Shall be Reimbursed by the Company; Finding that the Meeting at Which this Resolution is Passed is Open to the Public as Required By Law; Requiring Notice of this Resolution to the Company and Legal Counsel

Staff requests that Council adopt the attached resolution, thus denying Oncor's proposed rate increase. Staff recommends that Council adopt the attached resolution.

Oncor Electric Delivery Company ("Oncor" or "the Company") filed an application on or about March 17, 2017, with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by \$317 million or approximately 7.5% over present revenues. 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.

On April 10th, 2017 the City Council passed a resolution to suspend the April 21st, 2017 effective date of Oncor's requested rate change, thus giving staff along with the Oncor Cities Steering Committee time to evaluate the requested rate increase.

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.

N/A

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