



# City of Killeen

## Legislation Details (With Text)

**File #:** RS-22-069    **Version:** 1    **Name:** Suspending Oncor Rate Case  
**Type:** Resolution    **Status:** Passed  
**File created:** 5/18/2022    **In control:** City Council  
**On agenda:** 6/14/2022    **Final action:** 6/14/2022  
**Title:** Consider a memorandum/resolution suspending the June 17, 2022, effective date of the requested rate change filed by Oncor Electric Delivery Company and approving cooperation with the Steering Committee of Cities Served by Oncor.  
**Sponsors:** City Attorney Department  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. Resolution, 2. Presentation

Date	Ver.	Action By	Action	Result
6/7/2022	1	City Council Workshop		

Consider a memorandum/resolution suspending the June 17, 2022, effective date of the requested rate change filed by Oncor Electric Delivery Company and approving cooperation with the Steering Committee of Cities Served by Oncor.

**DATE:**        **June 7, 2022**

**TO:**            **Kent Cagle, City Manager**

**FROM:**        **Traci Briggs, City Attorney**

**SUBJECT:**    **Suspend the effective date of Oncor’s requested rate change and approving cooperation with the Steering Committee of Cities Served by Oncor**

### **BACKGROUND AND FINDINGS:**

Oncor Electric Delivery Company (Oncor) filed an application on or about May 13, 2022 with cities seeking to increase system-wide transmission and distribution rates by about \$251 million or approximately 4.5% over present revenues. Oncor asks the City to approve an 11.2% increase in residential rates and a 1.6% increase in street lighting rates. If approved, a residential customer using 1,300 kWh per month would see a bill increase of about \$6.02 per month. This is the first comprehensive base rate case filed by Oncor since 2017.

The City is a member of a 169-city coalition known as the Steering Committee of Cities Served by Oncor ("Steering Committee"), which has been in existence since the late 1980s. Empowered by city resolutions and funded by *per capita* assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

The law allows suspension of the effective date of a rate increase for ninety (90) days. This will allow the City to work in conjunction with the Steering Committee to evaluate the filing, determine whether the filing complies with law, and if lawful, determine what further strategy, including settlement, to pursue. If the City fails to take some action regarding the filing before the effective date, Oncor's rate request is deemed administratively approved.

**THE ALTERNATIVES CONSIDERED:**

The city council may decline to suspend the effective date of Oncor's requested rate case and participation with the Steering Committee, or approve suspending the effective date of Oncor's requested rate case and participating with the Steering Committee.

**Which alternative is recommended? Why?**

Staff and attorneys for the Steering Committee recommend suspending the effective date of Oncor's rate case and approving participation with the Steering Committee. The additional time will allow the Steering Committee to thoroughly review the application and determine the best manner of going forward with the rate case.

**CONFORMITY TO CITY POLICY:**

This item conforms with state law and city policy.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

There is no expenditure associated with this item.

**Is this a one-time or recurring expenditure?**

N/A

**Is this expenditure budgeted?**

N/A

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

N/A

**RECOMMENDATION:**

Staff and the attorneys for the Steering Committee recommend suspending the June 17, 2022 effective date of Oncor's requested rate case and approve cooperation with the Steering Committee of Cities Served by Oncor.

**DEPARTMENTAL CLEARANCES:**

**ATTACHED SUPPORTING DOCUMENTS:**

Resolution