



City of Killeen

Legislation Text

File #: RS-23-123, **Version:** 1

Consider a resolution finding that Oncor Electric's application to increase rates within the City should be denied, authorizing participation with the Steering Committee of Cities Served by Oncor, and finding that the City's reasonable rate case expenses shall be reimbursed by Oncor Electric.

DATE: August 1, 2023

TO: Kent Cagle, City Manager

FROM: Holli Clements, City Attorney

SUBJECT: Deny Oncor Electric's application to increase rates within the City and authorize participation with the Steering Committee of Cities Served by Oncor

BACKGROUND AND FINDINGS:

On June 30, 2023, Oncor Electric Delivery Company, LLC ("Oncor" or "Company") filed an Application to Amend its Distribution Cost Recovery Factor ("DCRF") and Update its Mobile Generation Riders to increase distribution rates within each of the cities in its service area. In the filing, the Company asserts it is seeking an increase in distribution revenues of approximately \$152.78 million. The Company is also seeking to update its Rider Mobile Generation and Rider Wholesale Mobile Generation to recover revenue related to mobile generation unit leasing and operation. The Rider would recover approximately \$1.07 million.

The purpose of the Resolution is to deny the DCRF application proposed by Oncor. The Resolution authorizes the City to join with the Steering Committee of Cities Served by Oncor ("OCSC") to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

THE ALTERNATIVES CONSIDERED:

The alternatives are:

- 1.) Decline to approve the resolution denying Oncor's request to increase rates and authorizing participation with the Steering Committee; or
- 2.) Approve the resolution denying Oncor's request to increase rates and authorizing participation with the Steering Committee.

Which alternative is recommended? Why?

Staff recommends approval of the resolution denying Oncor's request to increase rates and authorizing participation with the Steering Committee.

CONFORMITY TO CITY POLICY:

This item confirms 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 recommends approval of the resolution denying Oncor's request to increase rates and authorizing participation with the Steering Committee.

DEPARTMENTAL CLEARANCES:

Click or tap here to enter text.

ATTACHED SUPPORTING DOCUMENTS:

Resolution