

DRAFT RESOLUTION

ITEM #11

EUC MEETING 12/16/2013

EUC Resolution to Renegotiate Franchise Fees

Whereas, the Public Utility of Texas has no jurisdiction over rates within the City Limits of Austin and therefore cannot require that Austinites pay the franchise fees of ratepayers living outside of the City Limits; and

Whereas, almost all other franchise fees collected in the Austin City Limits are collected from specific customers, and not from the general revenue of the utility;

Therefore be it resolved that the Electric Utility Commission recommends that the Austin City Council renegotiate franchise fees as soon as possible, to the extent that this is contractually allowed, with all outlying cities in its service territory so that the franchise fees are collected from ratepayers in these cities and not ratepayers living inside the Austin City Limits; and

Further be it resolved that the savings from these franchise renegotiations be used to lower Austin Energy electric rates or to increase Austin Energy's transfer to the General Fund.