



BOARD/COMMISSION RECOMMENDATION

Electric Utility Commission

Recommendation No. 20131216-011

Resolution regarding Franchise Fee Agreements

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; **NOW THEREFORE**,


BE IT RESOLVED: 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

BE IT FURTHER RESOLVED: the Electric Utility Commission also recommends that the savings from these franchise renegotiations be used to lower Austin Energy electric rates.

Date of Approval: December 16, 2013

Record of the vote: Approved by the Electric Utility Commission on a vote of 4-1-2, with Vice Chair Hadden, Commissioners Fath, Heidebrecht and Shaw voting for the resolution; Commissioner Rai voting against the resolution; and Chair Bernfeld and Commissioner Butler abstaining.

Attest:


Toye Goodson, Staff Liaison