ORDINANCE NO. 20170817-047

A ORDINANCE DENYING ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO CHANGE RATES WITHIN THE CITY OF AUSTIN AND REQUIRING THAT ENCOR ELCTREIC DELIVERY COMPANY LLC REIMBURSE THE CITY'S REASONABLE RATE CASE EXPENSES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council finds that:

- (A) The City of Austin, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor.
- (B) The City is a member of the Steering Committee of Cities Served by Oncor ("Steering Committee"), a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area.
- (C) On or about March 17, 2017, Oncor filed with the City an application to increase system-wide transmission and distribution rates by \$317 million or approximately 7.5% over present revenues. The Company asked the City to approve an 11.8% increase in residential rates and a 0.5% increase in street lighting rates.
- (D) The Steering Committee is coordinating its review of Oncor's application and working with the designated attorneys and consultants to resolve issues in the Company's filing.
- (E) On April 13, 2017, the City adopted Ordinance <u>20170413-020</u> suspending Oncor's request.
- (F) Through review of the application, the Steering Committee's consultants determined that Oncor's proposed rates are excessive.
- (G) The Steering Committee's members and attorneys recommend that members deny the Application.

- **PART 2.** The rates proposed by Oncor to be recovered through its electric rates charged to customers located within the City limits, are hereby found to be unreasonable and are denied.
- **PART 3.** The Company shall continue to charge its existing rates to customers within the City.
- **PART 4.** The City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Ordinance.
- **PART 5.** A copy of this Ordinance shall be sent to Oncor, Care of Howard Fisher, Oncor Electric Delivery Company, LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, Counsel to the Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PART 6. This ordinance takes effect on August 28, 2017.

PASSED AND APPROVED		
August 17	, 2017	Steve Adler
APPROVED: _	Anne L. Morgan City Attorney	ATTEST: Jannette S. Goodall City Clerk