

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: October 12, 2017

Item Number: **012**

Telecommunications and Regulatory Affairs

Approve the second reading of an ordinance granting a franchise agreement to Oncor Electric Delivery Company LLC for use of the City's rights-of-way for placing facilities or equipment to provide electric utility services within Oncor's certificated area.

| | |
|--|--|
| Lead Department | Telecommunications and Regulatory Affairs. |
| Fiscal Note | Estimated annual franchise revenue in the amount of \$175,000 is anticipated under this franchise agreement. |
| Prior Council Action | Franchise Ordinance No.920716-A approved July 16, 1992 and amended by Ordinance No. 930916-A on September 16, 1993. Approved Ordinance on first reading at the August 31, 2017 Council meeting. |
| For More Information | Rondella M. Hawkins, TARA Officer; 512-974-2422. |
| Council Committee, Boards and Commission Action | n/a. |

Additional Backup Information:

Oncor Electric Delivery Company LLC (Oncor), provides electric utility service to approximately

1,100 customers (862 residential and 256 commercial customers) located in an arc across the northern boundary of the City. Oncor's current franchise expires on September 16, 2017. Council approved the proposed franchise on first reading at its August 31, 2017 meeting.

Per City Charter, franchise adoption requires the ordinance to be read and approved on three readings at separate meetings with at least 31 days between the first and third reading.

Key terms of the non-exclusive franchise agreement are as follows:

- * Term: 15-year initial term with 5-year extension for total of 20 years;
- * Standard Terms including: Abide by City's current street-cut and other regulations;
- * City granted right to audit;
- * Indemnification for the City;
- * Requirement to relocate facilities at Oncor's expense to accommodate City road construction or other improvements.