

ORDINANCE~AN ORDINANCE GRANTING TO AEP TEXAS INC., ITS SUCCESSORS AND ASSIGNS, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE LINES AND APPURTENANCES AND APPLIANCES FOR CONDUCTING ELECTRICITY IN, OVER, UNDER AND THROUGH THE STREETS, AVENUES, ALLEYS AND PUBLIC PLACES OF THE CITY OF BAY CITY, TEXAS



EXECUTIVE SUMMARY- AEP Franchise Agreement

BACKGROUND:

Purpose of the Ordinance:

AEP Texas is presenting the renewal of a Franchise Agreement with the City of Bay City. The existing Franchise expires on October 27, 2022. The proposed renewal is for an additional 15-year period at the same rate factor per kilowatt hour, \$0.002786, established by the Texas Public Utilities Regulatory Act. The rate factor is calculated monthly and paid monthly to the City of Bay City. The Franchise allows AEP Texas to operate facilities within the City of Bay City rights-of-ways.

FINANCIAL IMPLICATIONS:

No cost to City. Franchise fees are paid to the City and deposited into the City's General Operating Fund.

RECOMMENDATION:

Recommend City Council approve Ordinance as stated.

ATTACHMENTS: Ordinance