

City Council Regular Meeting

DEPARTMENT: Legal

FROM: Matt Ribitzki, Sr. Deputy City Attorney/Legal Services Director

MEETING: October 6, 2025

SUBJECT:

Consider and take possible action on a resolution finding that Oncor Electric Delivery Company LLC's application to change rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel. (Staff Contact: Matt Ribitzki, Sr. Deputy City Attorney/Legal Services Director)

SUMMARY:

On June 26, 2025, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed an application with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by about \$834 million or approximately 13% over present revenues. The Company asks the City to approve a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, the impact of this requested increase on an average residential customer would be about \$7.90 per month.

In a prior City action, Oncor's rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law. This time period has permitted the City, through its participation with the Steering Committee of Cities Served by Oncor ("Steering Committee"), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of the experts engaged by the Steering Committee, Oncor's request for a rate increase should be denied.

Accordingly, the purpose of the resolution is to deny the rate change application proposed by Oncor. Once the resolution is adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas ("PUC") where the appeal will be consolidated with Oncor's filing (PUC Docket No. 58306) currently pending at the PUC.

The City will need to adopt the resolution by October 29, 2025.

RECOMMENDATION:

Approve the resolution.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

On July 21, 2025, the City Council passed are resolution suspending the July 31, 2025, effective date of Oncor Electric Delivery Company's requested rate change to permit time to study the request and establish reasonable rates, and approving cooperation with the Steering Committee of Cities Served by Oncor to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals.

REFERENCE:

n/a

FISCAL IMPACT:

None.

STAFF CONTACT:

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