



## CITY OF GRAND PRAIRIE RESOLUTION

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**MEETING DATE:** 10/11/2022

**PRESENTER:** Chuong Q. Phung, Assistant City Attorney, City Attorney's Office

**TITLE:** A Resolution finding that Oncor Electric Delivery Company, LLC's application to change rates within the City should be denied

**REVIEWING COMMITTEE:**

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### **PURPOSE OF REQUEST:**

On May 13, 2022, 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 \$251 million or approximately 4.5% over present revenues. The Company asks the City to approve an 11.2% increase in residential rates and a 1.6% increase in street lighting rates. The impact of this requested increase on an average residential customer using 1,300 kWh/month would be about \$6.02 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 where the appeal will be consolidated with Oncor's filing (i.e. PUC Docket No. 53601) currently pending at the Commission.

All cities with original jurisdiction need to adopt the Resolution *prior to October 30, 2022*.

**EXPLANATION OF "BE IT RESOLVED" SECTIONS:**

Section 1. This paragraph finds that the Company's application is unreasonable and should be denied.

Section 2. This section states that the Company's current rates shall not be changed.

Section 3. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by Cities will submit monthly invoices that will be forwarded to Oncor for reimbursement.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 5. This section provides Oncor and counsel for Cities will be notified of the City's action by sending a copy of the approved and signed resolution to counsel.

**FINANCIAL CONSIDERATION:**

None

## **BODY**

**A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S ("ONCOR" OR "COMPANY") 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.**

**WHEREAS**, the City of Grand Prairie, 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; and

**WHEREAS**, 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; and

**WHEREAS**, on or about May 13, 2022, Oncor filed with the City an application to increase system-wide transmission and distribution rates by \$251 million or approximately 4.5% over present revenues. The Company asks the City to approve an 11.2% increase in residential rates and a 1.6% increase in street lighting rates; and

**WHEREAS** 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; and

**WHEREAS**, through review of the application, the Steering Committee's consultants determined that Oncor's proposed rates are excessive; and

**WHEREAS**, the Steering Committee's members and attorneys recommend that members deny the Application.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS:**

**Section 1.** That 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 shall be denied.

**Section 2.** That the Company shall continue to charge its existing rates to customers within the City.

**Section 3.** That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Resolution.

**Section 4.** That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

**Section 5.** That a copy of this Resolution 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., 816 Congress Ave., Suite 1900, Austin, TX 78701.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 11<sup>TH</sup> DAY OF CTOBER 2022.**