



STAFF REPORT

MEETING DATE: March 4, 2024

MEETING TYPE: City Council

SUBMITTED BY: Katherine Lindsey

AGENDA CAPTION: Discuss and consider Resolution R2024-03-1175 AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF TEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC. Presented by: Katherine Lindsey, Assistant to the City Administrator.

Background Information

Purpose of the Resolution

The City of Hutchins is a member of a 169-member city coalition known as the Steering Committee of Cities Served by Oncor (Steering Committee). The resolution approves the assessment of a ten cent (\$0.10) per capita fee to fund the activities of the Steering Committee.

Why this Resolution is Necessary

The Steering Committee undertakes activities on behalf of municipalities for which it needs funding support from its members. Municipalities have original jurisdiction over the electric distribution rates and services within the city. The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s. Empowered by city resolutions and funded by per capita assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, ERCOT, the courts, and the Legislature on electric utility regulation matters for over three decades.

The Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery Company, LLC within the City. Steering Committee representation is also strong at ERCOT. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that the Steering Committee be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

Explanation of “Be It Resolved” Paragraphs

I. The City is currently a member of the Steering Committee; this paragraph authorizes the continuation of the City’s membership.

II. This paragraph authorizes payment of the City’s assessment to the Steering Committee in the amount of ten cents (\$0.10) per capita, based on the population figure for the City as shown in the latest TML Directory of City Officials.

III. This paragraph requires payment of the 2024 assessment be made and a copy of the resolution be sent to the Steering Committee.

Payment of Assessment

A copy of the resolution should be mailed with payment of the fee to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010. Checks should be made payable to: *Steering Committee of Cities Served by Oncor*.

Budget Implications

Membership requires the City to pay a fee in the amount of ten cents (\$0.10) per capita, based on population. This brings the invoice total to \$602.00. It is the same as last year.

Operational Impact

Membership will allow the City to stay informed on matters regarding state legislative bills, Oncor, and ERCOT, and better benefit from related advocacy efforts.

Legal Review

The Resolution was drafted and approved by Thomas Brocato, the attorney representing the Steering Committee.

Staff Recommendation

Staff recommends that the Council make a motion to approve the Resolution authorizing continued participation with the steering committee of cities served by Oncor; and authorizing the payment of ten cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC.

Supporting Documentation and Attachments