

ORDINANCE NO.

AN ORDINANCE PRESCRIBING AND LEVYING RATES AND CHARGES FOR SALES MADE AND SERVICES RENDERED IN CONNECTION WITH THE ELECTRIC LIGHT AND POWER SYSTEM OF THE CITY OF AUSTIN.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. FINDINGS.

The Council finds:

- (A) On January 25, 2016, the electric utility published a tariff package based on a 2014 fiscal test year and initiated a hearings process where interested customers and stakeholders could participate before a hearings examiner. Twenty-five persons, organizations, and customer groups intervened to participate. Discovery was conducted, and testimony and reports were filed. A multiday hearing was conducted from May 31 to June 2, 2016. On June 15, 2016, the hearings examiner issued a 299-page report summarizing the evidence presented and making recommendations to the Council. A supplemental report was issued on August 5, 2016.
- (B) Of the 25 stakeholder participants in the hearings process, 18, including the independent consumer advocate, initially signed a negotiated joint recommendation to the Council regarding retail electric base rates and charges, and related financial and budget policies. On August 15, 2016, the general terms of the joint recommendation were approved by the Electric Utility Commission by a vote of 9-1-1.
- (C) Subsequent to the Electric Utility Commission's approval, additional provisions were added to the joint recommendation concerning the Fayette Power Project and commercial value-of-solar programs, bringing the number of signatories to the joint recommendation to 20. A copy of the final joint recommendation is attached as Exhibit "A."
- (D) The joint recommendation is in the best interest of the city, the electric utility, and ratepayers. It is the intent of the Council to implement the terms of the joint recommendation, save for those that require action as part of the electric utility's fiscal year 2017 budget, through adoption of this ordinance and the attached rate schedules.
- (E) The rates and charges adopted are fair, just, reasonable, and nondiscriminatory.

