

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	69465	Agenda Number	20.
Meeting Date:	4/13/2017		Department:	Telecommunications and Reg Affairs
Subject				
Approve an ordinance suspending a rate increase proposed by Oncor Electric Delivery Company, LLC; requiring reimbursement of municipal rate case expenses by the regulated utility; and providing notice of this ordinance to Oncor Electric Delivery Company, LLC.				
Amount and Source of Funding				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:				
For More Information:	Rondella M. Hawkins, TARA's Officer; 512-974-2422			
Council Committee, Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				
<p>On March 17, 2017, Oncor Electric Delivery Company, LLC ("Oncor"), filed for a rate review with all of the Texas cities it serves, and it simultaneously filed with the Public Utility Commission of Texas (PUC) to increase its transmission and distribution rates to deliver electricity, beginning on April 21, 2017. Oncor's last rate review and increase was in 2011.</p> <p>The City has exclusive original jurisdiction over the rates, operations and services of Oncor in Austin, pursuant to Section 33.001 of the Texas Utilities Code. Oncor is seeking to increase rates by approximately \$317 million over rates currently in place, or approximately 7.5% over present revenues. There are approximately 1,100 customers (860 residential and 250 commercial customers) in the City of Austin that could be impacted by the rate increase. These customers are in an area generally north of Howard Lane, south of Wells Branch Parkway, west of I-35 and east of Loop 1.</p> <p>Residential customers would see an 11.8% increase in rates. If approved, a residential customer using 1,300 kWh per month would see a bill increase of about \$6.68 per month.</p> <p>City staff recommends that Council approve an ordinance to suspend the effective date of an increase in rates for 90 days until July 20, 2017 to permit staff working in conjunction with a coalition of cities served by Oncor Electric Delivery adequate time to evaluate the justification and reasonableness of the filing.</p>				