



City of Benbrook

CITY COUNCIL COMMUNICATION

DATE: 05/07/20	REFERENCE NUMBER: G-2464	SUBJECT: Adopt Resolution denying Oncor Distribution Cost Recovery Factor Filing	PAGE: 1 of 2
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The City of Benbrook is an electric utility customer of Oncor Electric Delivery Company LLC (“Oncor” or “Company”). The Oncor Cities Steering Committee (“OCSC”) is 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 in matters before the Public Utility Commission (“PUC” or “Commission”) and the courts.

On April 3, 2020, Oncor filed an Application to Amend its Distribution Cost Recovery Factor (“DCRF”) with each of the cities retaining original jurisdiction and with the Commission in Docket No. 50734. In the filing, the Company sought to increase distribution rates by \$75.9 million annually (an approximately \$0.88 increase to the average residential customer’s bill).

The resolution authorizes the City to join with OCSC to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by Oncor.

Explanation of “Be It Resolved” Paragraphs:

1. This section authorizes the City to participate with OCSC as a party in the Company’s DCRF filing, PUC Docket No. 50734.
2. This section authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with Oncor, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes OCSC to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.
3. This paragraph finds that the Company’s application is unreasonable and should be denied.
4. This section states that the Company’s current rates shall not be changed.

SUBMITTED BY:	DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

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- 5. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by OCSC will submit monthly invoices that will be forwarded to Oncor for reimbursement.
- 6. 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.
- 7. This section provides that Oncor and counsel for OCSC will be notified of the City's action by sending a copy of the approved and signed Resolution to counsel.

RECOMMENDATION

Staff recommends that the City Council adopt the resolution to deny the DCRF application proposed by Oncor.