



Legislation Details (With Text)

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**Title:** A resolution denying rates as requested by Oncor Electric Delivery Company LLC in its application for a Distribution Cost Recovery Factor filed with the City of Dallas on April 3, 2020 - Financing: No cost consideration to the City

**Sponsors:**

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**Attachments:** 1. Resolution

Date	Ver.	Action By	Action	Result
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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** May 13, 2020

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Budget

**EXECUTIVE:** Elizabeth Reich

**SUBJECT**

A resolution denying rates as requested by Oncor Electric Delivery Company LLC in its application for a Distribution Cost Recovery Factor filed with the City of Dallas on April 3, 2020 - Financing: No cost consideration to the City

**BACKGROUND**

Oncor Electric Delivery Company LLC ("Oncor" or "the Company") filed an application on or about April 3, 2020 with the City of Dallas seeking approval of a Distribution Cost Recovery Factor (DCRF) within the City of Dallas. Oncor is seeking to increase system wide rates by \$75.9 million annually, including \$10.9 million from within the City of Dallas. Oncor filed this application with all cities in its service territory and the Public Utility Commission of Texas (PUC) concurrently (PCU Docket No. 50734).

The City is a member of the Steering Committee of Cities Served by Oncor (Oncor Cities Steering Committee or OCSC), 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. OCSC is coordinating the review of Oncor's current application and has retained attorneys and consultants to determine if the rates requested are fair and reasonable. After thorough review of the application and supporting documentation, OCSCs consultants will make recommendations to the PUC as to fair and reasonable rates to be charged by Oncor. OCSC therefore recommends that member cities deny the DCRF application prior to the statutory deadline (June 2, 2020) and participate in the PUC proceeding through OCSC.

PUC rules allow cities 60 days to act on a DCRF application. If the City fails to take some action regarding the application before June 2, 2020, Oncor's DCRF application is deemed administratively approved. This item authorizes a resolution to deny rates requested by Oncor and will allow OCSD to review the requested rates and take action before the PUC on behalf of the City of Dallas.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

### **FISCAL INFORMATION**

No cost consideration to the City.