

Mayor and Council Communication

DATE: 03/08/22

M&C FILE NUMBER: M&C 22-0166

LOG NAME: 21FY22 ONCOR CITIES STEERING COMMITTEE MEMBERSHIP DUES

SUBJECT

(ALL) Authorize Payment to the Oncor Cities Steering Committee in the Amount of \$92,772.00 to Fund Participation in Dockets, Rate Cases, and Other Proceedings Related to Electric Utility Regulation at the Texas Legislature and State Regulatory Entities

RECOMMENDATION:

It is recommended that the City Council authorize the payment of \$92,772.00 to the Oncor Cities Steering Committee to fund participation in current and upcoming electric utility dockets and other proceedings related to electric utility regulation at the Texas Legislature and state regulatory entities.

DISCUSSION:

Municipalities in Texas have original jurisdiction over the electric transmissions and distribution rates and services within their corporate limits. In 1996, the City of Fort Worth (City) joined Arlington, Dallas, Irving, Waco and 114 other cities in the Texas Utility (TU) Electric Service Area to form a steering committee of TU Electric Service Area Cities to address issues related to electric utilities regulation (Mayor and Council Communication G-11549). Oncor Electric Delivery Company, LLC (Oncor), is the successor organization to TU Electric Company.

The Steering Committee represents its 162 member cities in ratemaking and other regulatory and legislative proceedings, serving as an advocate that seeks to ensure reasonable outcomes for municipalities and other utility customers. 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. A number of issues that will require steering committee participation are pending and anticipated in the next 12 months before the Texas Legislature, Public Utility Commission of Texas, the Electric Reliability Council of Texas, and the courts associated with electric utility rates, regulations, and efforts at deregulation.

On December 9, 2021, the Steering Committee approved the 2022 assessment for Steering Committee membership. Based upon the population-based assessment protocol previously adopted by the Steering Committee, the assessment for 2022 is a per capita fee of \$0.10 based upon the population figures for each city shown in the latest Texas Municipal League Directory of City Officials. At this rate, City's dues will be \$92,772.00 for the year.

Funding is budgeted in the dues and memberships account of the Property Management Utility Administration Department's General Fund.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the General Fund. Prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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Expedited