



City of Austin

Recommendation for Action

File #: 25-1321, **Agenda Item #:** 28.

7/24/2025

Posting Language

Approve an ordinance suspending rate increase proposed by Oncor Electric Delivery Company, LLC for electric services; requiring reimbursement of municipal rate case expenses; providing notice; and approving the City's membership in a coalition including participation in proceedings related to this proposed rate increase at the Public Utility Commission of Texas. Funding: This item has no fiscal impact to the City.

Lead Department

Financial Services Department

Fiscal Note

This item has no fiscal impact.

For More Information:

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Additional Backup Information:

On June 26, 2025, Oncor Electric Delivery Company, LLC filed a Statement of Intent seeking to increase its revenues by about \$833.6 million, which equates to a net increase of approximately 13.0% in Oncor's overall revenue. Oncor's rate filing seeks the City's approval for a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, a typical residential Oncor customer using 1,000 kWh per month would see a monthly bill increase of about \$7.00 beginning on July 31, 2025. The last rate case filing made by Oncor was in 2022. There are approximately 1,410 Oncor customers (1,150 residential and 260 commercial customers) in the City that would be impacted by the proposed rate increase. These customers are in an area generally north of Howard Lane, south of Wells Branch Parkway, west of Interstate 35 and east of Loop 1.

The City has exclusive original jurisdiction over the rates, operations, and services of Oncor in the City of Austin, pursuant to Section 33.001 of the Texas Utilities Code. City staff recommends that Council approve an ordinance suspending the July 31, 2025, effective date of Oncor's proposed rate increase for 90 days, as permitted by statute. This suspension will allow staff, in coordination with other municipalities served by Oncor, adequate time to evaluate the filing, assess its compliance with applicable laws, and determine appropriate next steps, including the potential pursuit of a settlement.