City of Austin	
Council Meeting Backup:	

File ID: 25-2169

ORDINANCE NO.

AN ORDINANCE DENYING A RATE INCREASE PROPOSED BY ONCOR ELECTRIC DELIVERY SERVICE LLC (ONCOR) FOR ELECTRIC SERVICE; AUTHORIZING THE CITY'S ONGOING PARTICIPATION IN THE PROCEEDINGS BEFORE THE PUBLIC UTILITY COMMISISON OF TEXAS RELATED TO THE PROPOSED RATE INCREASE; AUTHORIZING ENGAGEMENT WITH COALITION COUNSEL AND CONSULTANTS, INCLUDING SETTLEMENT AUTHORITY; REQUIRING REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AND PROVIDING NOTICE OF THIS ORDINANCE TO ONCOR.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Council makes the following findings:

- (A) On June 26, 2025, Oncor filed for a rate review with the City and the other Texas municipalities it serves and with the Public Utility Commission of Texas (PUCT) to increase its rates and proposed to implement its proposed increase in rates on or about July 31, 2025.
- (B) The City is the regulatory authority under the Texas Utilities Code Section 33.001 and has exclusive original jurisdiction over Oncor's rates, operations, and services within the municipality.
- (C) On July 24, 2025, the City passed Ordinance No. 20250724-028 suspending the effective date of the rate increase for 90 days in order to evaluate the effect of the increase and to determine, by conducting hearings, if necessary, whether the rates are appropriate, fair, just, and reasonable, as authorized by Texas Utilities Code Section 36.108
- (D) The City coordinated its efforts with a coalition of similarly situated municipalities known as the Alliance of Oncor Cities (AOC) and other impacted cities.
- (E) The City conducted a public hearing concerning the change in electric rates proposed by Oncor on October 23, 2025. The City accepted input from stakeholders and members of the public.

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overall revenue request would result in no ncor a reasonable opportunity to earn a rested capital used and useful in providing utility's reasonable and necessary operating
proposed rates, return on equity, and proposed sonable.
under Chapter 33 of the Texas Utilities Code, ncor in its Statement of Intent to be recovered nits are unfair, unjust, and unreasonable, and nied.
r to continue to work with AOC, represented tes, PLLC and experts and consultants to reising regulatory authority over Oncor's rates, JCT's consideration of Oncor's rate filing.
& Associates, PLLC, with the participation iate and settle the proceedings at the PUCT
e provided to Oncor.
es Code Section 33.023, Oncor is directed to incurred by the City in relation to the filing.
, 2025.
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Kirk Watson Mayor
ATTEST:
Erika Brady