

**RESOLUTION NO. R-2013-12**

**A RESOLUTION OF THE CITY OF TYLER, TEXAS, ENDORSING CERTAIN LEGISLATIVE ACTION IN THE REGULAR SESSION OF THE 83RD TEXAS LEGISLATURE TO ENHANCE THE COMPETITIVE ELECTRIC MARKET AND SYSTEM RELIABILITY AND TO PROTECT THE TRADITIONAL ROLE OF CITIES IN THE REGULATORY PROCESS**

**WHEREAS**, the City of Tyler, Texas is a member of the Steering Committee of Cities Served by Oncor ("OCSC"), a coalition of 150 cities which intervenes in Oncor rate cases and otherwise pursues policies and advocacy to secure affordable electric energy for its members and their residents in the deregulated electric market; and

**WHEREAS**, affordable and reliable power means economic development for the City and a better standard of living for our citizens; and

**WHEREAS**, the City supports legislative initiatives that promote a healthy electric market where competition can flourish and electric customers can save money; and

**WHEREAS**, the City endorses the legislative agenda of OCSC and opposes legislative initiatives that would fundamentally alter the Electric Reliability Council of Texas (ERCOT) energy market or the traditional role of cities in the regulatory process.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, THAT:**

**PART 1.** The Regular Session of the 83rd Texas Legislature be encouraged to preserve the traditional role of cities in the regulatory process, including management of the public rights-of-way, original jurisdiction, and reimbursement of reasonable rate case expenses.

**PART 2.** The Legislature make no statutory changes that would lead to a reduction in municipal revenues paid by public utilities as franchise fees for rental of public rights-of-way.

**PART 3.** The Legislature facilitate and encourage public/private partnership opportunities between cities and electric generation developers in creating small-scale (not to exceed 50 MW) power plants capable of rapidly meeting peak power needs.

**PART 4.** The Legislature preclude foreign ownership of electric distribution assets and clarify existing law that home rule cities, individually or collectively, shall be permitted to own and operate electric distribution assets so long as said cities are not involved in retail sales of electricity.

**PART 5.** The Legislature resist any efforts to transform the energy-only ERCOT market into a capacity market which would increase the price of electricity.

**PART 6.** The Legislature enhance protections against anti-competitive activities in the wholesale market and require the Public Utility Commission (“PUC”) to reform its rules related to Voluntary Mitigation Plans and allow cities and other interested parties to participate in review of such plans.

**PART 7.** The Legislature recognize that “smart meters” are under-utilized with regard to encouraging and incentivizing reductions in energy consumption during peak periods and that the regulated transmission and distribution utilities which own the “smart meters” be allowed to re-enter the retail electric market to the extent they offer regulated rate plans designed to incent reductions in peak energy consumption.


**PART 8.** The Legislature mandate that the PUC and market participants provide consumer education regarding the relationship between time of use, cost of energy production and transmission, and the price paid by consumers.

**PART 9.** The Legislature require the PUC to establish certain uniform products that must be offered by all retail electric providers (“REPs”) and to establish new rules governing the powertochoose and powertosavetexas websites that will better inform retail customers of complaints against REPs and better educate customers regarding the economic and market benefits of reducing demand during peak periods.

**PART 10.** This resolution shall take effect immediately upon its passage.

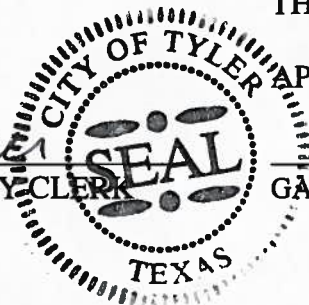
**PART 11.** A copy of this resolution shall be sent to the elected lawmakers representing the City’s interests in the Texas House and Senate and to Jay Doegey, Chair of the Steering Committee of Cities Served by Oncor, Arlington City Attorney, Mail Stop 63-0300, P.O. Box 90231, Arlington, Texas 76004-3231.

PRESENTED AND PASSED on this 27th day of March, 2013 by a vote of 6 ayes and 0 nays at a regular meeting of the City Council of Tyler, Texas.

  
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BARBARA BASS, MAYOR OF  
THE CITY OF TYLER, TEXAS

ATTEST:

  
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CASSANDRA BRAGER, CITY CLERK



APPROVED:  
  
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GARY C. LANDERS, CITY ATTORNEY