

**RESOLUTION NO. R-2018-11**

**A RESOLUTION OF THE CITY OF TYLER, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S ("ONCOR" OR "COMPANY") APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City is a member of the Steering Committee of Cities Served by Oncor ("OCSC"), a membership 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; and

**WHEREAS**, on or about April 5, 2018 Oncor filed with the City an Application for Approval of a Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 48231, seeking to increase electric distribution rates by approximately \$19,002,177; and

**WHEREAS**, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

**WHEREAS**, Cities are coordinating its review of Oncor's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

**WHEREAS**, Cities members and attorneys recommend that members deny the DCRF; and

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

**PART 1:** That the City is authorized to participate with Cities in PUC Docket No. 48231.

**PART 2:** That subject to the right to terminate employment at any time, the City of hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

**PART 3:** That the rates proposed by Oncor to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

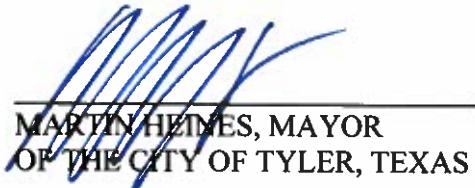
**PART 4:** That the Company shall continue to charge its existing rates to customers within the City.

**PART 5:** That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of presentation of an invoice to Oncor.

**PART 6:** That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

**PART 7:** That a copy of this Resolution shall be sent to Stephen N. Ragland, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

**PASSED AND APPROVED** this 23<sup>rd</sup> day of May, 2018.



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MARTIN HEMES, MAYOR  
OF THE CITY OF TYLER, TEXAS

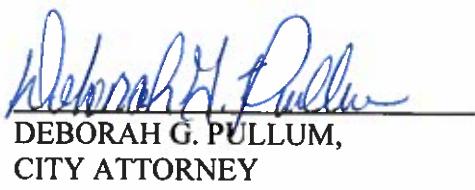
ATTEST:



Cassandra Brager  
CASSANDRA BRAGER, CITY CLERK



APPROVED:



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Deborah G. Pullum  
DEBORAH G. PULLUM,  
CITY ATTORNEY