

RESOLUTION NO. 25-2021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH ONCOR CITIES STEERING COMMITTEE; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; 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.

WHEREAS, the City of Mesquite, Texas (the "**City**"), is an electric utility customer of Oncor Electric Delivery Company LLC ("**Oncor**" or "**Company**"), with an interest in the rates and charges of Oncor; and

WHEREAS, the Steering Committee of Cities Served by Oncor ("**OCSC**") is a coalition 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 in matters before the Public Utility Commission ("**Commission**") and the courts; and

WHEREAS, on or about April 8, 2021, Oncor filed with the Commission an Application for Approval to Amend its Distribution Cost Recovery Factor ("**DCRF**"), Commission Docket No. 51996, seeking to increase its total distribution revenue requirement by approximately \$97,826,277; and

WHEREAS, the City will cooperate with OCSC in coordinating their review of Oncor's DCRF filing with designated attorneys and consultants, prepare a common response, negotiate with the Company, and direct any necessary litigation to resolve issues in the Company's filing; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if Oncor's Application is granted; and

WHEREAS, working with the OCSC to review the rates charged by Oncor allows members to accomplish more collectively than each city could do acting alone; and

WHEREAS, OCSC's members and attorneys recommend that members who have retained original jurisdiction over electric utility rates deny Oncor's DCRF.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City is authorized to participate with OCSC in Commission Docket No. 51996.

SECTION 2. That, subject to the right to terminate employment at any time, the City of Mesquite hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C., 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 Oncor's DCRF application.

SECTION 3. That the rates proposed by Oncor to be recovered through its DCRF charged to customers located within the City limits should be denied.

SECTION 4. That Oncor should continue charging its existing rates to customers within the City.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Resolution and within 30 days of presenting monthly bills to Oncor thereafter.

SECTION 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.

SECTION 7. That a copy of this Resolution shall be sent to J. Michael Sherburne, Vice President – Regulatory, Oncor Electric Delivery Company LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202; to Tab R. Urbantke, Hunton Andrews Kurth LLP, 1445 Ross Avenue, Suite 3700, Dallas, Texas 75202; and to Thomas Brocato, General Counsel to OCSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P. O. Box 1725, Austin, Texas 78767-1725, or tbrocato@lglawfirm.com.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 3rd day of May 2021.



Bruce Archer
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:



David L. Paschall
City Attorney