ORDINANCE NO. 093-034

AN ORDINANCE REVISING THE RATES OF TEXAS UTILITIES ELECTRIC COMPANY IN THE TOWN OF ADDISON, TEXAS; PROVIDING FOR CONDITIONS AND REPEAL OF CONFLICTING ORDINANCES.

WHEREAS, on January 22, 1993, Texas Utilities Electric Company (TUEC or Company) filed with the Town of Addison a request for an increase in electric utility rates to be charged within the City in the amount of \$760,253,740 per annum on a systemwide basis; and

WHEREAS, the City, having suspended the effective date of such proposed increase until May 27, 1993, and having considered the same after reasonable notice and public hearing, is of the opinion and finds that the rates of TUEC should be adjusted;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. That the rates, tariffs, and charges of TUEC for electric power and energy sold within the City be revised to increase annual revenues by \$180,000,000 on a Texas retail basis. Such Schedules of Rates, as are approved in accordance herewith, are those under which said Company shall be authorized to render electric service and to collect charges from its customers for the sale of electric power and energy within the corporate limits of the City until such time as said Rate Schedules may be changed, modified, amended, or withdrawn, with the approval of the City Council.

Section 2. The rates approved hereby fix the overall revenues of the Company at a level which will permit TUEC a reasonable opportunity to earn a reasonable return on its invested capital used and useful in rendering service to the public over and above the Company's reasonable and necessary operating expenses. The rates approved hereby are just and reasonable.

Section 3. The rates approved hereby shall be effective and in force as a part of the date hereof for consumption as of the date hereof and shall be charged and observed thereafter until revised according to law. Billings for periods of consumption which include consumption both under the Company's existing rate and the rate established hereby shall be prorated, based on the days within each such period, as though daily consumption was equal on each day throughout both such periods.

Section 4. That TUEC shall file with the City within ten (10) days hereof a revised Schedule of Rates and Tariffs setting forth those rates, tariffs, and charges based upon such increase in total operating revenues as prescribed herein. The rate design implemented by such schedules and tariffs shall be in accord with the existing rate design and shall reflect an equal base rate percentage increase across all customer classifications. Such Schedule of Rates and Tariffs may be modified or amended by the City Council within ten (10) days from the date of filing with the City, otherwise the same shall be considered approved as filed.

Section 5. Any TUEC request for modification of existing tariffs, rates or schedules not specifically addressed herein, including, but not limited to, the closure of certain tariffs, is denied.

ORDINANCE NO. 093-034

Section 6. Notwithstanding any other provision herein contained, the rates of TUEC within the Town of Addison shall not, in any case, exceed the rates of customers of TUEC in unincorporated areas whether such rates for unincorporated areas are set prior to or after the adoption of this ordinance and it shall be unlawful for TUEC, it agents, servants or employees to collect or attempt to collect higher rates within the Town of Addison than are collected by the TUEC within unincorporated areas.

Section 7. That the action of the City Council of the Town of Addison enacting this Ordinance constitutes, on the date of its final passage, a final determination of rates for TUEC within the Town of Addison in accordance with §43(e) of the Public Utility Regulatory Act.

Section 8. Nothing in this Ordinance contained shall be construed now or hereafter as limiting or modifying, in any manner, the right and power of the City under the law to regulate the rates and charges of TUEC.

Section 9. That all Ordinances, Resolutions, or parts thereof, in conflict herewith are repealed to the extent of such conflict.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON on this <u>25th</u> day of <u>May</u>, 1993.

ATTEST:

City Secretary Town of Addison, Texas

Town of Addison, Texas

R millister