

TOWN OF ADDISON, TEXAS

ORDINANCE NO. 008-048

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY'S REQUESTED INCREASES TO ITS ELECTRIC TRANSMISSION AND DISTRIBUTION RATES AND CHARGES WITHIN THE TOWN SHOULD BE DENIED; FINDING THAT THE TOWN'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY ONCOR ELECTRIC DELIVERY COMPANY; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING THAT NOTICE OF THIS ORDINANCE BE PROVIDED TO THE COMPANY AND LEGAL COUNSEL; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to § 33.001 of the Public Utility Regulatory Act ("PURA"), the Town of Addison, Texas (the "City") has exclusive original jurisdiction over the electric rates, operations, and services provided within City limits;

WHEREAS, on or about June 27, 2008, Oncor Electric Delivery Company ("Oncor" or "Company"), pursuant to PURA §§ 33.001 and 36.001, filed with the City a Statement of Intent to increase electric transmission and delivery rates by \$275 million on a system-wide basis within its service area effective August 8, 2008; and

WHEREAS, pursuant to PURA § 36.108, the City lawfully suspended the August 8, 2008 effective date by resolution to provide time to study the reasonableness of the Company's application to increase rates; and

WHEREAS, the City is a member of the Oncor Cities Steering Committee ("Steering Committee") and has cooperated with 145 similarly situated city members to conduct a review of the Company's application, to hire and direct legal counsel and consultants, to prepare a common response to the filing, to negotiate with the Company and to direct any necessary litigation appealing final city action; and

WHEREAS, the City, in a reasonably noticed meeting that was open to the public, considered the Company's application; and

WHEREAS, the consultants who were retained by the Steering Committee to evaluate the merits of the Company's application have determined that the Company's requested \$275 million increase in revenues for its transmission and distribution system is not supported by evidence; and

WHEREAS, PURA § 33.023 provides that reasonable costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

Section 1. The rates proposed by Oncor Electric Delivery Company, to be recovered through its electric transmission and distribution rates charged to customers located within the Town of Addison, Texas limits, are hereby found to be unreasonable and shall be and are hereby denied.

Section 2. The Company shall continue to charge its existing rates for transmission and distribution services to customers within the City.

Section 3. The City's reasonable rate case expenses shall be reimbursed by Oncor.

Section 4. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting and a public hearing on this matter was given as required.

Section 5. A copy of this Ordinance shall be sent to Oncor, care of Debra Anderson, Oncor Electric Delivery Company, 1601 Bryan St., Suite 23-055C, Dallas, Texas 75201 and to Geoffrey Gay, General Counsel to the Oncor Cities Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

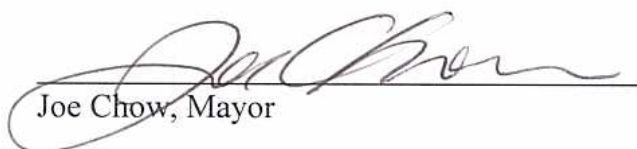
Section 6. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 7. This Ordinance shall be cumulative of all other ordinances of the City and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance.

Section 8. The provisions of this Ordinance are severable, and if any section or provision of this Ordinance or the application hereof is for any reason adjudged invalid or held unconstitutional by a court of competent jurisdiction, the same shall not affect the validity of any other section or provision of this Ordinance, and the City Council declares that it would have adopted the valid portions of this Ordinance adopted herein without the invalid parts, which remaining parts shall remain in full force and effect.

Section 9. This Ordinance shall become effective from and after its passage and approval.

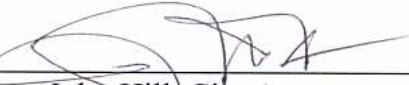
PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 14th day of October, 2008.


Joe Chow, Mayor

ATTEST:

By: 
Mario Canizares, City Secretary

APPROVED AS TO FORM:

By: 
John Hill, City Attorney

PUBLISHED
11/16/08