



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 17, 2016

Action Item for the City Council Meeting of May 24, 2016

DATE: April 29, 2016
TO: Ronald L. Olson, City Manager
FROM: Miles Risley, City Attorney
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826-3873

AEP Distribution Cost Recovery Factor

CAPTION:

Resolution of the City of Corpus Christi, Texas to authorize intervention in the Public Utility Commission of Texas Docket No. 45787 regarding AEP Texas Central Company's application for approval of a distribution cost recovery factor to increase distribution rates within the city; 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.

PURPOSE:

Resolution to intervene in AEP's filing at the Public Utility Commission for a Distribution Cost Recovery Factor

BACKGROUND AND FINDINGS:

On April 6, AEP Texas Central Company filed an Application for approval of a Distribution Cost Recovery Factor to become effective September 2, 2016 Public Utility Commission of Texas Docket 45787. The City has jurisdiction over the application with regard to customers within the municipal boundary. AEP is seeking approval of a cost recovery factor to recover \$54,012,978 in invested capital. The proposed tariff would impose a factor on residential customers of \$0.002916 per kWh. AEP gives notice of appeal to PUC of any municipal filings and any interim or final orders issued by a municipality's governing body in this matter. Approval of this Resolution authorizes the City to intervene and participate in the matter to review the application with other cities for compliance with applicable distribution cost recovery regulations.

ALTERNATIVES:

Do not approve the Resolution and do not participate in the case.

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Not applicable

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

Operating Revenue Capital X Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Comments:

RECOMMENDATION:

Approval of the Resolution

LIST OF SUPPORTING DOCUMENTS:

Resolution