

RESOLUTION NO. 13-00006

A RESOLUTION OF THE CITY OF CORPUS CHRISTI, TEXAS, ENDORSING CERTAIN LEGISLATIVE ACTION IN THE REGULAR SESSION OF THE 83RD TEXAS LEGISLATURE TO ENHANCE THE COMPETITIVE ELECTRIC MARKET AND SYSTEM RELIABILITY AND TO PROTECT THE TRADITIONAL ROLE OF CITIES IN THE REGULATORY PROCESS

WHEREAS, the City of Corpus Christi, Texas is a member of Texas Coalition for Affordable Power (“TCAP”), a non-profit political subdivision created by cities throughout Texas to secure affordable electric energy for its members in the deregulated electric market; and

WHEREAS, TCAP pools the energy needs of its more than 160 political subdivision members to negotiate favorable prices and contract terms for the purchase of approximately 1.3 billion kilowatt hours annually; and

WHEREAS, affordable and reliable power means economic development for the City and a better standard of living for our citizens; and

WHEREAS, the City supports legislative initiatives that promote a healthy electric market where competition can flourish and electric customers can save money; and

WHEREAS, the City endorses the legislative agenda of TCAP and opposes legislative initiatives that would fundamentally alter the ERCOT energy market or the traditional role of cities in the regulatory process.

THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, THAT:

1. The Regular Session of the 83rd Texas Legislature be encouraged to preserve the traditional role of cities in the regulatory process, including original jurisdiction and reimbursement of reasonable rate case expenses.
2. The Legislature make no statutory changes that would lead to a reduction in revenues paid by public utilities as franchise fees for rental of public rights-of-way.
3. The Legislature facilitate and encourage public/private partnerships between cities and electric generation developers in creating small-scale (not to exceed 50 MW) power plants capable of rapidly meeting peak power needs.
4. The Legislature recognize that “smart meters” are under-utilized with regard to encouraging and incentivizing reductions in energy consumption during peak periods and that the regulated transmission and distribution utilities which own the “smart meters” be allowed to re-enter the retail electric market to the extent they offer regulated rate plans designed to incent reductions in peak energy consumption.

5. The Legislature preclude foreign ownership of electric distribution assets and make it clear that, notwithstanding any other provision in law, home rule cities, individually or collectively, shall be permitted to own and operate electric distribution assets so long as said cities are not involved in retail sales of electricity.

6. The Legislature resist any efforts to transform the energy-only ERCOT market into a capacity market which would increase the price of electricity by artificially inflating generator profits.

7. The Legislature enhance protections against anti-competitive activities in the wholesale market and require the Public Utility Commission (“PUC”) to reform its rules related to Voluntary Mitigation Plans and allow cities and other interested parties to participate in review of such plans.

8. The Legislature mandate that the PUC and market participants provide consumer education regarding the relationship between time of use, cost of energy production and transmission, and the price paid by consumers.

9. The Legislature require the PUC to establish certain uniform products that must be offered by all retail electric providers (“REPs”) and to establish new rules governing the powertochoose.org and powertosavetexas.org websites that will better inform retail customers of complaints against REPs and better educate customers regarding the economic and market benefits of reducing demand during peak periods.

10. This resolution shall take effect immediately upon its passage.

11. A copy of this resolution shall be sent to the elected lawmakers representing the City’s interests in the Texas House and Senate and to Randolph C. Moravec, Executive Director of TCAP, 15455 Dallas Parkway, Addison, Texas 75001.

PRESENTED AND PASSED on this 15th day of January, 2013 by a vote of ____ ayes and ____ nays at a regular meeting of the City Council of Corpus Christi, Texas.

Mayor

ATTEST:

Armando Chapa
City Secretary

The above resolution was passed by the following vote:

Nelda Martinez _____

Kelley Allen _____

Rudy Garza _____

Priscilla Leal _____

David Loeb _____

Chad Magill _____

Colleen McIntyre _____

Lillian Riojas _____

Mark Scott _____