

Legislation Text

File #: 20-697, **Version:** 1

Presenter/Contact

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SUBJECT:

Discuss and consider approval of the second and final reading of an ordinance amending Chapter 130, Article III, Sections 130-56 and 130-57, Code Of Ordinances of the City of New Braunfels, Texas, providing for upward adjustment of electric rates and charges for Fiscal Year 2022 and Fiscal Year 2023.

BACKGROUND / RATIONALE:

NBU staff is proposing electric rate changes designed to fund its FY 2022 through FY 2023 budget. In June 2020, the NBU Board of Trustees approved the NBU Budget for FY 2021 which provides the basis and rationale for an electric rate adjustment effective August 1, 2021. The NBU Board approved the rate increase and structure at its September 24, 2020 meeting.

NBU's twenty-year electric infrastructure strategies are identified in NBU's Master Plan. NBU had to satisfy a revenue requirement for revenue in order to build and maintain infrastructure to meet regulatory requirements. The proposed rates will provide the revenue needed to make these investments.

The proposed electric rate design includes an annual upward adjustment of distribution rates for FY 2022 and FY 2023 of 5.0% and 10.0%, respectively.

The presentation, proposed rates, updated ordinance, and board resolution are attached. The second reading of the proposed ordinance is scheduled for October 26, 2020, and, if approved, the proposed rates become effective on August 1, 2021.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

<input type="checkbox"/>	N/A	City Plan/Council Priority:	
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FISCAL IMPACT:

N/A

COMMITTEE RECOMMENDATION:

The New Braunfels Utilities Board of Trustees adopted a resolution on September 24, 2020, recommending the proposed amendments to the electric rate Ordinance.

STAFF RECOMMENDATION:

NBU Staff recommends approval of the ordinance.

ATTACHMENTS:

1. Ordinance
2. Proposed Electric Rate Tables
3. NBU Board Resolution - Electric
4. Electric Rate Presentation