Oncor Files Rate Case to Recover Costs of Significant System Investments and Meet Growth Needs Across Texas

DALLAS (May 13, 2022) – Today, Oncor filed a rate increase request in order to recover the costs associated with significant system investments and continue meeting growth needs across the state. The filing, which includes an annual revenue increase of approximately $251 million over current adjusted rates, was made with the Public Utility Commission of Texas (PUCT) and cities in the Oncor service area that have original jurisdiction over the company’s rates.

Oncor, along with every other transmission and distribution utility (TDU) in the state, is required to regularly file comprehensive rate reviews. The company’s last comprehensive rate review occurred in 2017 (based on 2016 costs).

Oncor rates are among the lowest of any investor-owned utility in Texas and are expected to remain so even with the requested increase. The new rates could result in a 4.2% overall increase on bills for the average residential customer using 1,300 kilowatt-hours (kWh) of electricity per month with a retail electric plan charging 11 cents per kWh. This will mean a cost increase of 20 cents a day or $6.02 per month.

Since the company’s last comprehensive rate review, Oncor has invested more than $10 billion to build, upgrade and operate a safer, smarter, more reliable electric grid. This includes capital investments in the growth and maintenance of the transmission and distribution system, enhancements to safety and reliability, and a continued focus on utilizing new technology and innovations.

Oncor’s investments also support Texas’s ongoing and expected growth in customers, transmission interconnection requests and renewable generation and other interconnections. For example, since the beginning of 2017, Oncor has added nearly 10,000 miles of new and re-built transmission and distribution lines, nearly 355,000 new customer connections, and approximately 200 new substations.

“For generations, Oncor has strived to deliver safe, reliable and affordable power to Texas families and businesses. As the largest electricity delivery company in the state, we appreciate the responsibility we have to meet the energy demands of today and tomorrow – and doing so in a cost effective manner. Our rates will remain among the lowest of any investor-owned utility in Texas,” said Oncor Executive Vice President and Chief Operating Officer Jim Greer.

“The investments we continue to make in our system will support the ERCOT market and the more than 13 million customers we currently serve. And, they will be crucial for attracting new residents, industries, businesses and jobs to the state Oncor has been honored to serve for more than 100 years.”

Rate review proceedings are expected to last several months with adjusted rates most likely taking effect in the fourth quarter of 2022 or the first quarter of 2023. Additional information on the rate review and customer updates will be available at Oncor.com/RateCase.
Headquartered in Dallas, Oncor Electric Delivery Company LLC is a regulated electricity distribution and transmission business that uses superior asset management skills to provide reliable electricity delivery to consumers. Oncor (together with its subsidiaries) operates the largest distribution and transmission system in Texas, delivering power to more than 3.8 million homes and businesses and operating more than 140,000 miles of transmission and distribution lines in Texas. While Oncor is owned by two investors (indirect majority owner, Sempra, and minority owner, Texas Transmission Investment LLC), Oncor is managed by its Board of Directors, which is comprised of a majority of disinterested directors.

Forward-Looking Statements
This news release contains forward-looking statements relating to Oncor within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. All statements, other than statements of historical facts, that are included in this news release, or made in presentations, in response to questions or otherwise, that address activities, events or developments that Oncor expects or anticipates to occur in the future, including such matters as projections, capital allocation, future capital expenditures, business strategy, competitive strengths, goals, future acquisitions or dispositions, development or operation of facilities, market and industry developments and the growth of our business and operations (often, but not always, through the use of words or phrases such as "intends," "plans," "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "should," "projection," "target," "goal," "objective" and "outlook"), are forward-looking statements. Although Oncor believes that in making any such forward-looking statement its expectations are based on reasonable assumptions, any such forward-looking statement involves risks, uncertainties and assumptions. Factors that could cause actual results to differ materially from those projected in such forward-looking statements include: legislation, governmental policies and orders, and regulatory actions; legal and administrative proceedings and settlements, including the exercise of equitable powers by courts; weather conditions and other natural phenomena, including any weather impacts due to climate change; acts of sabotage, wars or terrorist or cyber security threats or activities; health epidemics and pandemics, including the evolving COVID-19 pandemic and its variants and its impact on Oncor's business and the economy in general; loss of key technology platforms; economic conditions, including the impact of a recessionary environment, inflation, supply chain shortages, and labor availability and cost; unanticipated population growth or decline, or changes in market demand and demographic patterns; Electric Reliability Council of Texas, Inc. ("ERCOT") grid needs; changes in business strategy, development plans or vendor relationships; changes in interest rates or rates of inflation; unanticipated changes in operating expenses, liquidity needs and capital expenditures; inability of various counterparties to meet their financial obligations to Oncor, including failure of counterparties to perform under agreements; general industry trends; significant decreases in demand or consumption of electricity delivered by Oncor, including as a result of increased consumer use of third-party non-wires alternatives or other technologies; hazards customary to the industry and the possibility that Oncor may not have adequate insurance to cover losses resulting from such hazards; changes in technology used by and services offered by Oncor; significant changes in Oncor's relationship with its employees, including the availability of qualified personnel, and the potential adverse effects if labor disputes or grievances were to occur; changes in assumptions used to estimate costs of providing employee benefits, including pension and retiree benefits, and future funding requirements related thereto; significant changes in accounting policies or critical accounting estimates material to Oncor; commercial bank and financial market conditions, access to capital, the cost of such capital, and the results of financing and refinancing efforts, including availability of funds in the capital markets and the potential impact of any disruptions in U.S. credit markets; circumstances which may contribute to future impairment of goodwill, intangible or other long-lived assets; financial and other restrictions under Oncor's debt agreements; Oncor's ability to generate sufficient cash flow to make interest payments on its debt instruments; actions by credit rating agencies; and Oncor's ability to effectively execute its operational strategy.

Further discussion of risks and uncertainties that could cause actual results to differ materially from management's current projections, forecasts, estimates and expectations is contained in filings made by Oncor with the U.S. Securities and Exchange Commission. Specifically, Oncor makes reference to the section entitled "Risk Factors" in its annual and quarterly reports. Any forward-looking statement speaks only as of the date on which it is made, and, except as may be required by law, Oncor undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for Oncor to predict all of them; nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. As such, you should not unduly rely on such forward-looking statements.

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