

Bond Case Briefs

Municipal Finance Law Since 1971

PUBLIC UTILITIES - TEXAS

City of Richardson, Texas v. Oncor Electric Delivery Company LLC

Supreme Court of Texas - February 2, 2018 - S.W.3d - 2018 WL 663159

City brought breach of contract action against electric utility, alleging that utility's refusal to pay costs for relocating electric utility poles and facilities in order to accommodate city's widening of public alleys violated franchise contract, common law principles, and statutory law.

The District Court entered summary judgment for city. Utility appealed. The Dallas Court of Appeals reversed. City petitioned for review, which the Supreme Court granted.

The Supreme Court of Texas held that tariff, which set rates for utility's relationship with retail customers and required customers to pay relocation costs, did not express with unmistakable clarity an intent that city pay for costs of relocating utility poles to accommodate city's widening of alleys, and thus, tariff did not conflict with franchise contract's requirement that utility pay relocation costs, such that the contract controlled dispute over relocation costs.