



## MEMORANDUM

**DATE:** May 18, 2026  
**TO:** Members of the Public Utilities Board  
**FROM:** Melissa Cuevas, DME Executive Manager of Energy Services  
**THROUGH:** Tony Puente, DME General Manager  
**SUBJECT:** Oncor and REP Commercial Rates Comparison

### Overview

At the request of PUB Chair Devin Taylor, DME staff has prepared a comparison of commercial rates between Oncor Electric Delivery Company (Oncor) and Denton Municipal Electric (DME).

This memo outlines the rate classifications used, the methodology applied in comparing delivery charges, and the resulting full-bill comparisons using Retail Electric Provider (REP) energy charges.

### Oncor Commercial Rates

Two Oncor commercial rate classes were used in the comparison:

- Secondary Service  $\leq$  10 kW
- Secondary Service  $>$  10 kW

To align these with DME's commercial rate structure, DME staff classified the Oncor commercial rate classes as follows:

- Secondary Service  $\leq$  10 kW  $\rightarrow$  General Service Small (GSS)  $\leq$  21 kW
- Secondary Service  $>$  10 kW  $\rightarrow$  General Service Medium (GSM), 21 kW – 240 kW and General Service Large (GSL),  $>$  240 kW

### Methodology for Delivery Charges Comparison

Because Oncor only assesses transmission and distribution delivery charges, and energy usage charges are determined separately by the customer's Retail Electric Provider (REP), DME isolated the delivery-related components that are more comparable to Oncor's rates:

- Demand Charges
- Transmission Cost Recovery Factor (TCRF)
- Other applicable delivery fees

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The tables below show the breakdown of Oncor and DME delivery and demand related charges:

**Oncor Rates**

<b>Charge</b>	<b>GS Small</b>	<b>GS Medium</b>	<b>GS Large</b>
Distribution System Charge	\$0.021251	\$5.480386	\$5.480386
Transmission Cost Recovery Factor	\$0.018157	\$5.12104	\$5.12104
Distribution Cost Recovery Factor	\$0.006411	\$1.036859	\$1.036859
Energy Efficiency Cost Recovery Factor	\$0.000055	\$0.000546	\$0.000546
<b>Total - \$/kWh</b>	<b>\$0.045874</b>	<b>\$0.000546</b>	<b>\$0.000546</b>
<b>Total - \$/kW</b>	<b>N/A</b>	<b>\$11.64</b>	<b>\$11.64</b>

**DME Rates**

<b>Charge</b>	<b>GS Small</b>	<b>GS Medium</b>	<b>GS Large</b>
Demand Charge	N/A	\$4.85	\$10.96
Transmission Cost Recovery Factor	\$0.0156	\$4.45	\$6.16
<b>Total - \$/kWh</b>	<b>\$0.0156</b>	<b>N/A</b>	<b>N/A</b>
<b>Total - \$/kW</b>	<b>N/A</b>	<b>\$9.30</b>	<b>\$17.12</b>

**Full-Bill Comparison Including Energy Usage Charges**

To provide a complete picture of the total customer bill, DME obtained commercial rate offerings from Retail Electric Providers within the Oncor service territory. For each REP, staff applied the energy usage charge listed on the Electricity Facts Label (EFL) to the same kWh/kW usage and demand profiles used in the rate comparison provided to the PUB on April 13, 2026.

The table below shows the comparison of REP + Oncor full bills versus DME’s full bills:

<b>REP/MOU</b>	<b>Class</b>	<b>REP Charges</b>	<b>Oncor Charges</b>	<b>Bill Total</b>
Reliant Energy	GS Small	\$117.81	\$57.38	\$175.18
Champion Energy	GS Medium	\$1,179.66	\$598.56	\$1,778.22
Champion Energy	GS Large	\$27,392.48	\$10,309.78	\$37,702.26
Denton Municipal Electric	GS Small			\$180.13
Denton Municipal Electric	GS Medium			\$1,753.58
Denton Municipal Electric	GS Large			\$37,734.46

**Conclusion**

The above full-bill comparison reflects that DME commercial rates are competitive to those offered by investor-owned (private) electric utilities, based on staff’s analysis.

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