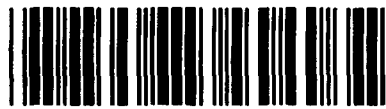




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COMPLIANCE FILING OF AEP TEXAS §  
INC. TO CEASE BILLING §  
TRANSITION CHARGE RATES §  
UNDER RIDER TC-2 §

PUBLIC UTILITY COMMISSION  
OF TEXAS

**NOTICE OF APPROVAL**

This Order addresses AEP Texas Inc.'s May 27, 2020 compliance filing to temporarily cease billing transition charge rates under Rider TC-2, which is currently applicable to customers in AEP Texas' central division. AEP Texas' central division was authorized to collect the nonbypassable transition charges to recover the securitized portion of certain regulatory assets in accordance with the financing order in Docket No. 32475.<sup>1</sup> AEP Texas states that no further billings under Rider TC-2 are necessary after June 2020 in order to adequately fund the final bond payment scheduled for July 1, 2020. With its filing, AEP Texas seeks to set all of its Rider TC-2 rates to zero because it expects to have collected sufficient amounts to pay the principal and interest on the final transition bond payment under the financing order in Docket No. 32475.

On June 22, 2020, Commission Staff recommended approving AEP Texas' compliance filing and finding the temporary cessation of AEP Texas' Rider TC-2 billing to be appropriate. Commission Staff recommended that AEP Texas' proposed TC-2 rates shown in Tariff Rate Schedule 6.1.1.2.1.1 Initial/Adjusted Transition Charge-2 Rates — Rider TC-2 be approved, effective June 29, 2020. Commission Staff also recommended that AEP Texas be required to remit and reconcile retail electric provider deposits and release and distribute remaining balances in the collection, general, excess funds, tranche and all other subaccounts, except the capital subaccount, as soon as is reasonably possible, in accordance with the financing order in Docket No. 32475.

The administrative law judge approves AEP Texas' compliance filing and finds the temporary cessation of Rider TC-2 billing to be appropriate, effective June 29, 2020, the first billing cycle of July 1, 2020. Within ten days of the date of this Notice of Approval, AEP Texas must provide a clean copy of the approved tariff schedule to Central Records to be marked

<sup>1</sup> Application of AEP Texas Central Company for a Financing Order, Docket 32475, Financing Order (June 21, 2006).

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*Approved* and filed in the Commission's tariff book. Additionally, AEP Texas must remit and reconcile retail electric provider deposits and release and distribute remaining balances in the collection, general, excess funds, tranche and all other subaccounts, except the capital subaccount, as soon as is reasonably possible, consistent with the financing order in Docket No. 32475.

**Signed at Austin, Texas the 23rd day of June 2020.**

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**ISAAC TA  
ADMINISTRATIVE LAW JUDGE**