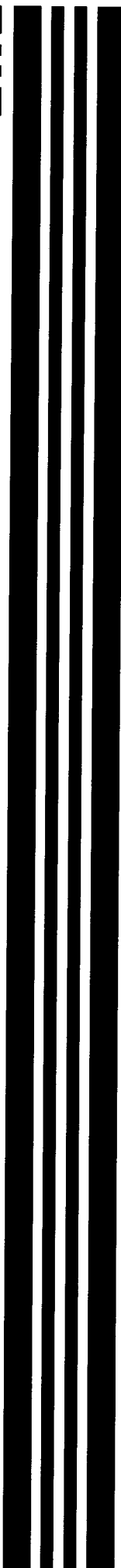


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Addendum StartPage: 0



APPLICATIONS FOR CERTIFICATES OF CON-	¶	PUBLIC UTILITY COMMISSION OF TEXAS
VENIENCE AND NECESSITY BY CAP ROCK	¶	
ELECTRIC COOP., COMMUNITY PUBLIC	¶	
SERVICE CO., EL PASO ELECTRIC CO., CITY	¶	
OF GOLDSMITH, RIO GRANDE ELECTRIC COOP.,	¶	
INC., SOUTHWEST TEXAS ELECTRIC COOP.,	¶	
TEXAS ELECTRIC SERVICE CO. AND WEST	¶	
TEXAS UTILITIES CO. FOR FACILITIES AND	¶	
SERVICES LOCATED IN BREWSTER, CRANE,	¶	
CROCKETT, CULBERSON, ECTOR, EL PASO,	¶	
HUDSPETH, JEFF DAVIS, LOVING, PECOS,	¶	
PRESIDIO, REEVES, TERRELL, WARD AND	¶	
WINKLER COUNTIES	¶	

ORDER

The Findings of Fact and Conclusions of Law contained in the Examiner's Report in this cause are adopted and made a part of this Order for all purposes. The Commission further issues the following Order:

1. Cap Rock Electric Cooperative, Inc. is granted a Certificate of Convenience and Necessity for the area in Ector County as shown on Staff Exhibit 9.
2. Community Public Service Company is granted a Certificate of Convenience and Necessity for a transmission line in Pecos County as is more specifically shown on CPS Exhibit 1.
3. Community Public Service Company is granted a Certificate of Convenience and Necessity for the area in Reeves, Terrell, Pecos, Winkler, and Ward Counties as shown on Staff Exhibits 15, 5, 12, 13, 8 and 7, respectively.
4. Texas Electric Service Company is granted a Certificate of Convenience and Necessity for two transmission lines and one substation in Ector County as is shown more specifically on TESCO Exhibit 1.
5. Texas Electric Service Company is granted a Certificate of Convenience and Necessity for a transmission line in Ward County as is shown more specifically on TESCO Exhibit 2.
6. Texas Electric Service Company is granted a Certificate of Convenience and Necessity for the area in Culberson, Reeves, Pecos, Loving, Winkler, Ward, and Crane Counties as shown on Staff Exhibits 6, 15, 12, 13, 4, 8, 7 and 14, respectively.
7. El Paso Electric Company is granted a Certificate of Convenience and Necessity for the area in El Paso, Hudspeth, and Culberson Counties as shown on Staff Exhibits 2, 3, 1 and 6, respectively.
8. The City of Goldsmith is granted a Certificate of Convenience and Necessity for the area in Ector County as shown on Staff Exhibit 10.
9. Southwest Texas Electric Cooperative, Inc. is granted a Certificate of Convenience and Necessity for the area in Pecos and Crockett Counties as shown on Staff Exhibits 12, 13, 18, 19, 11 and 16, respectively.
10. Rio Grande Electric Cooperative, Inc. is granted a Certificate of Convenience and Necessity for the area in El Paso, Hudspeth, Culberson, Reeves, Jeff Davis, Presidio, Brewster, Terrell, Pecos, and Crockett Counties as shown on Staff Exhibits

2, 3, 1, 6, 15, 20, 17, 23, 21, 22, 5, 12, 13, 18, 19, 11 and 16, respectively.

11. West Texas Utilities Company is granted a Certificate of Convenience and Necessity for the area in Brewster, Crane, Crockett, Jeff Davis, Pecos, Presidio, and Reeves Counties as shown on Staff Exhibits 21, 14, 11, 17, 18, 19, 23, 15 and 20, respectively.
12. All parties to this proceeding are granted Certificates of Convenience and Necessity pursuant to Section 53 of the Public Utility Regulatory Act and Rule .056(b) of the Public Utility Commission for all facilities which were in place as of September 1, 1975 within the areas as claimed and as shown on facilities maps submitted to the Commission by the parties as parts of applications for such certificates.
13. The final order as entered by the Commission in this matter shall constitute the Certificate of Convenience and Necessity for each party until formal certificates are issued by the Commission.
14. All certificates issued shall be non-exclusive and shall be subject to amendment or revocation in whole or part by the Commission upon a showing of public convenience and necessity, and such certificates shall be issued subject to all laws, rules, and conditions for "Certificates of Convenience and Necessity".

ISSUED IN AUSTIN, TEXAS on this the 11th day of AUGUST, 1976.

PUBLIC UTILITY COMMISSION OF TEXAS

SIGNED: 

GARRETT MORRIS

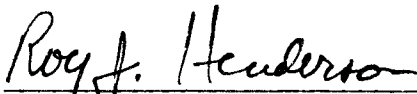
SIGNED: 

ALAN R. ERWIN

SIGNED: 

GEORGE M. COWDEN

ATTEST:



ROY J. HENDERSON
SECRETARY OF THE COMMISSION
AND DIRECTOR OF HEARINGS

APPLICATIONS FOR CERTIFICATES OF CON-	1	PUBLIC UTILITY COMMISSION OF TEXAS
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WINKLER COUNTIES	1	

EXAMINER'S REPORT

Procedural History

This case involves applications for Certificates of Convenience and Necessity for the above counties by Cap Rock Electric Coop., Inc. (Cap Rock), Community Public Service Co. (CPS), El Paso Electric Co. (El Paso), City of Goldsmith, Rio Grande Electric Coop., Inc. (Rio Grande), Southwest Texas Electric Coop., Inc. (Southwest Texas), Texas Electric Service Co. (TESCO) and West Texas Utilities Company (WTU). All parties seek certificates for retail service areas, and CPS, Rio Grande and TESCO filed applications for proposed transmission facilities.

A pre-hearing conference was held on June 3, 1976. The hearing was held on June 14 and 15, 1976. All parties timely filed applications and appeared at the pre-hearing conference and hearing.

Opinion

I. Undisputed Areas

Stipulations were reached by all parties and the staff as to service area boundaries in the following counties: Hudspeth, El Paso, Loving, Terrell, Culberson, Ward, Winkler, Ector, and Crane. Within the counties of Pecos and Reeves, there was no dispute as to the claimed boundaries of TESCO and CPS. Based on these stipulations, the staff recommendations and the facilities maps of the parties, it is recommended that the Commission adopt these agreements in the certificates to be issued. These areas are delineated on Staff Exhibits 1 through 10 and 14.

II. Proposed Transmission Facilities

CPS seeks a certificate for the upgrading of an existing sixty-six kilovolt line to a 138 kilovolt line, running from its Fort Stockton substation to the Rio Pecos generating plant owned by WTU, all within Pecos County. The existing line has been in existence for forty-six years and as a result of its age, maintenance expenses are such that it is more economically feasible to reconstruct the line than continue its upkeep at the lower voltage. The cost will be about \$1,400,000.00 and will be completed by 1977 or 1978. There is some question as to whether CPS needs a certificate since the construction is merely rebuilding an existing line rather than building a new transmission line in an area not previously certificated for that purpose. However, CPS has requested the certificate in order to be certain of the propriety of the construction, and it is recommended that it be granted as shown on CPS Exhibit 1.

TESCO has requested certificates for a proposed 138 kilovolt line and substation in the northeastern portion of Ector County and a proposed 138 kilovolt line in the north central portion of Ector County beginning at the Holt substation and extending into Andrews County. Both lines are shown more fully on TESCO Exhibit 1. Much of the right-of-way for both lines has been purchased, as has the

substation site. TESCO also seeks certification for a proposed 138 kilovolt line in northeastern Ward County, as shown on TESCO Exhibit 2, extending to a future substation in Monahans. Certification for all such lines is necessitated by increasing loads in the area. All will be completed in 1978. It is recommended that the Commission issue certificates for the substation and three lines as requested.

Rio Grande seeks certification of a proposed extension of an existing 115 kilovolt line in Hudspeth County. The line's purpose would be to serve a possible plant of El Paso Natural Gas Co. However, the plant is apparently not definitely planned at this time, and the line proposal is thus very indefinite. Since no decision has been made by Rio Grande as to the construction of the line, it is recommended that the certificate be denied at this time with no prejudice to Rio Grande's refiling if and when the necessity of the line is clearer.

III. Disputed Areas

The only disputes in this case involve WTU, Rio Grande and Southwest Texas in the counties of Brewster, Crockett, Jeff Davis, Pecos, Presidio and Reeves. The latter two parties have no dispute with each other.

Basically, the disputes revolve around the claims by WTU for single certification subject to grandfather rights of the two cooperatives, in and around areas where WTU has any concentration of lines, and dual certification in outlying areas from their distribution lines. The latter claim for dual certification in some instances includes territory of up to six and seven miles from their nearest line. The disputes are centered around what few population centers there are in this area of the state. The outermost regions of these counties are generally claimed by the cooperatives with no contest over such by WTU. WTU also has requested single certification within the extraterritorial jurisdiction of incorporated cities in these counties.

As is the case in most rural, undeveloped areas in the state, the distribution lines of the cooperatives are generally spread throughout the counties involved. WTU's lines, on the other hand, are generally concentrated in and around the towns and oil fields. It is easily observed from the exhibits in the case that WTU does not have a history of service in the undeveloped areas for which it requests dual certification. Further, there is no evidence of any weight that either of the cooperatives cannot supply reliable service at reasonable rates to any customer or type of land in the areas at issue. It would thus seem that WTU's claim concerns its need to grow in the future, as it perceives such, rather than to fulfill an existing public need which is not now met.

The recommendations by the staff, as seen through Staff Exhibits 11, 12, 13, and 15 through 23 seem to reach a desirable reconciliation of the need for utilities to grow, as well as preventing unnecessary future duplication of facilities where none now exists. If WTU's requests were granted in full, there is no doubt duplication of facilities would increase in the area. The staff recommendations do not ignore WTU's need for growth, however. In most incorporated and unincorporated towns involved, such as Alpine, Ozona, Valentine, Iraan and Marfa, recommendations are made for single certification for WTU in and around these towns. Dual certification is recommended for WTU within a very reasonable distance of each line it now has. In summary, the staff recommendations do not in any way unnecessarily restrict WTU but instead provide substantial area for it to expand current facilities for reasonable growth. It is recommended, therefore, that the Commission adopt in its final order Staff Exhibits 1 through 23 in this matter.

Based upon the evidence presented to the Examiner at the hearing, the following findings of fact and conclusions of law are recommended to the Commission:

Findings of Fact

1. All parties have timely filed applications and were provided notice of the hearing.

2. Agreements and stipulations were reached as to the following parties, and no protest or dispute was entered concerning the requested service areas of such: Cap Rock Electric Coop., Inc., Community Public Service Co., City of Goldsmith, Texas Electric Service Co., and El Paso Electric Co. These parties are fully capable of providing adequate retail electric service to any portion of the service areas requested.
3. Community Public Service Co. has an existing need to upgrade an existing sixty-six kilovolt line extending from its Fort Stockton substation to the Rio Pecos generating plant, within Pecos County, to a 138 kilovolt line, due to the age and condition of the existing line. It is within the public necessity and convenience that the line be so upgraded.
4. Texas Electric Service Co. has an existing need to construct two 138 kilovolt lines and a substation in Ector County, as shown on TESCO Exhibit 1, and a 138 kilovolt line in Ward County, as shown on TESCO Exhibit 2, in order to provide reliable service to increasing loads in the area involved. It is within the public convenience and necessity that these lines and substation be constructed.
5. Rio Grande Electric Coop., Inc. has not made a final decision as of this date to construct a 115 kilovolt line in Hudspeth County, as requested in its application.
6. Southwest Texas Electric Coop. has sufficient distribution lines and source of power to provide continuous and reliable service of electricity to the areas in Pecos and Crockett Counties as shown on Staff Exhibits 16 and 19. Southwest Texas Electric Coop. has historically served these areas and can continue to do so without substantial and unnecessary duplication of facilities by other utilities.
7. Rio Grande Electric Coop. has sufficient distribution lines, transmission facilities and source of power to provide continuous and reliable service of electricity to the areas in El Paso, Hudspeth, Culberson, Reeves, Jeff Davis, Presidio, Brewster, Terrell, Pecos and Crockett Counties as shown on Staff Exhibits 1, 2, 3, 5, 6, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, and 23. Rio Grande Electric Coop. has historically served these areas and can continue to do so without substantial and unnecessary duplication of facilities by other utilities.
8. West Texas Utilities Co. has sufficient distribution lines, transmission facilities and source of power to provide continuous and reliable service to the areas in Brewster, Crane, Crockett, Jeff Davis, Pecos, Presidio, and Reeves Counties as shown on Staff Exhibits 11, 14, 15, 16, 17, 18, 19, 20, 21 and 23. West Texas Utilities Co. has historically served these areas and can continue to do so without substantial and unnecessary duplication of facilities by other utilities.

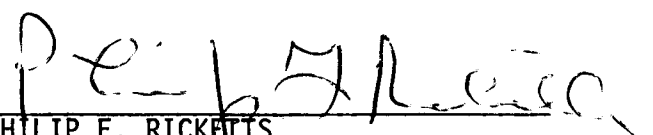
Conclusions of Law

1. Cap Rock Electric Cooperative, Inc. is entitled to a Certificate of Convenience and Necessity for the area in Ector County as shown on Staff Exhibit 9.
2. Community Public Service Company is entitled to a Certificate of Convenience and Necessity for a transmission line in Pecos County as is more specifically shown on CPS Exhibit 1.
3. Community Public Service Company is entitled to a Certificate of Convenience and Necessity for the area in Reeves, Terrell, Pecos, Winkler, and Ward Counties as shown on Staff Exhibits 15, 5, 12, 13, 8 and 7, respectively.
4. Texas Electric Service Company is entitled to Certificates of Convenience and Necessity for two transmission lines and one

substation in Ector County as is shown more specifically on TESCO Exhibit 1.

5. Texas Electric Service Company is entitled to a Certificate of Convenience and Necessity for a transmission line in Ward County as is shown more specifically on TESCO Exhibit 2.
6. Texas Electric Service Company is entitled to a Certificate of Convenience and Necessity for the area in Culberson, Reeves, Pecos, Loving, Winkler, Ward, and Crane Counties as shown on Staff Exhibits 6, 15, 12, 13, 4, 8, 7 and 14, respectively.
7. El Paso Electric Company is entitled to a Certificate of Convenience and Necessity for the area in El Paso, Hudspeth, and Culberson Counties as shown on Staff Exhibits 2, 3, 1 and 6, respectively.
8. The City of Goldsmith is entitled to a Certificate of Convenience and Necessity for the area in Ector County as shown on Staff Exhibit 10.
9. Southwest Texas Electric Cooperative, Inc. is entitled to a Certificate of Convenience and Necessity for the area in Pecos and Crockett Counties as shown on Staff Exhibits 12, 13, 18, 19, 11 and 16, respectively.
10. Rio Grande Electric Cooperative, Inc. is entitled to a Certificate of Convenience and Necessity for the area in El Paso, Hudspeth, Culberson, Reeves, Jeff Davis, Presidio, Brewster, Terrell, Pecos, and Crockett Counties as shown on Staff Exhibits 2, 3, 1, 6, 15, 20, 17, 23, 21, 22, 5, 12, 13, 18, 19, 11 and 16, respectively.
11. West Texas Utilities Company is entitled to a Certificate of Convenience and Necessity for the area in Brewster, Crane, Crockett, Jeff Davis, Pecos, Presidio, and Reeves Counties as shown on Staff Exhibits 21, 14, 16, 11, 17, 18, 19, 23, 15 and 20, respectively.
12. All parties to this proceeding are entitled to Certificates of Convenience and Necessity pursuant to Section 53 of the Public Utility Regulatory Act and Rule .056(b) of the Public Utility Commission for all facilities which were in place as of September 1, 1975 as shown on facilities maps submitted to the Commission by the parties as parts of applications for such certificates.
13. The final order as entered by the Commission in this matter shall constitute the Certificate of Convenience and Necessity for each party until formal certificates are issued by the Commission.
14. All certificates issued shall be non-exclusive and shall be subject to amendment or revocation in whole or part by the Commission upon a showing of public convenience and necessity, and such certificates shall be issued subject to all laws, rules, and conditions for "Certificates of Convenience and Necessity".

Respectfully submitted,


PHILIP F. RICKETTS
HEARINGS EXAMINER

APPROVED this 15th day of JULY, 1976.

Roy J. Henderson

ROY J. HENDERSON
COMMISSION SECRETARY
AND DIRECTOR OF HEARINGS

APPLICATIONS FOR CERTIFICATES OF CON-		PUBLIC UTILITY COMMISSION OF TEXAS
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ISSUED IN AUSTIN, TEXAS on this the _____ day of JULY, 1976.

PUBLIC UTILITY COMMISSION OF TEXAS

SIGNED: _____
GARRETT MORRIS

SIGNED: _____
ALAN R. ERWIN

SIGNED: _____
GEORGE M. COWDEN

ATTEST:

ROY J. HENDERSON
SECRETARY OF THE COMMISSION