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<b>PETITION OF ENTERGY GULF STATES, INC. FOR CERTIFICATION OF AN INDEPENDENT ORGANIZATION FOR THE ENTERGY SETTLEMENT AREA OF TEXAS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
	<b>§</b>	
	<b>§</b>	<b>OF TEXAS</b>
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**ORDER REQUESTING BRIEFING ON THRESHOLD LEGAL/POLICY ISSUE**

**I. Introduction**

On November 26, 2003, Entergy Gulf States, Inc. (Entergy) filed an application for certification of an independent organization for the Entergy Settlement Area of Texas. Specifically, Entergy requested that the Commission certify the Entergy Transmission Organization as the independent organization under PURA<sup>1</sup> § 39.151(c) and approve the installation of a non-affiliated oversight entity referred to as the Third-Party Overseer (TPO). Entergy explained that the TPO would remain in place until the earlier of: (1) a Federal Energy Regulatory Commission (FERC)-approved independent entity is in place that can assume the TPO's responsibilities; or (2) a FERC-approved entity is in place that can assume all of Entergy Transmission Organization's independence responsibilities under PURA § 39.151(a).

**II. Threshold Legal / Policy Issues**

To develop a statement of Commission policy, precedent, and/or position on threshold legal or policy issues relevant to this proceeding, any interested person may file a brief that addresses the following issue:

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<sup>1</sup> Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-64.158 (Vernon 1998 & Supp. 2003) (PURA).

On December 2, 2003, the SeTrans sponsors (including Entergy Corporation) issued a statement indicating that they have decided unanimously to suspend efforts to develop the SeTrans regional transmission organization (RTO). In view of the suspension of these efforts, should the Commission delay further efforts to establish retail competition in the Entergy Settlement Area of Texas (ESAT) until after the creation of a FERC-approved RTO to serve as the independent organization of a region that includes ESAT?

Briefs on the threshold issue are due on **Thursday, January 15, 2004** and shall not exceed fifteen pages. The parties' briefs will be fully considered by the Commission at the open meeting currently scheduled to convene on **January 29, 2004**.



**ISSUED BY THE POLICY DEVELOPMENT DIVISION  
ON BEHALF OF THE PUBLIC UTILITY COMMISSION OF  
TEXAS ON THE 22<sup>nd</sup> DAY OF DECEMBER, 2003.**