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DOCKET NO. 39638

APPLICATION OF AEP TEXAS §
CENTRAL COMPANY FOR INTERIM §
UPDATE OF WHOLESALE §
TRANSMISSION RATES PURSUANT §
TO P.U.C. SUBST. R. 25.192(h)(1) §

PUBLIC UTILITY COMMISSION
OF TEXAS

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**ORDER NO. 1
REQUIRING COMMENTS AND/OR RECOMMENDATION**

On August 2, 2011, AEP Texas Central Company (TCC) filed an application with the Public Utility Commission of Texas (Commission) for interim update of wholesale transmission rates pursuant to P.U.C. SUBST. R. 25.192(h)(1). TCC requested an interim revision to its previously-approved transmission cost of service (TCOS) and wholesale transmission rate.

Together with the application, TCC filed the direct testimony of Andrew J. Williamson and the interim TCOS filing package, schedules, and workpapers.

TCC's application compares the actual June 30, 2011, transmission net plant balances with the December 31, 2009, transmission net plant balances established in Docket No. 38026.¹ The difference between these two balances provides the basis for the increase in transmission invested capital for TCC in this proceeding.

The requested increase in total transmission invested capital in this filing is \$52,391,090, with a total revenue requirement increase of \$7,066,772. TCC further requested that the Commission approve an interim wholesale transmission rate of \$2.035760/kW, effective September 6, 2011.

Consistent with the procedures employed in prior interim update cases, TCC will provide written notice in a form provided with its application as Exhibit A pursuant to P.U.C. SUBST. R. 25.192(h)(4)(A) to all parties participating in TCC's last complete review of its TCOS.² TCC will also provide direct written notice to every distribution service provider listed in the last

¹ *Application of AEP Texas Central Company for Interim Update of Wholesale Transmission Rates Pursuant to P.U.C. SUBST. R. 25.192(h)(1)*, Docket No. 38026, Order (May 4, 2010).

² *Application of AEP Texas Central Company for Authority to Change Rates*, Docket No. 33309, Order on Rehearing (Mar. 4, 2008).

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docket in which the Commission set the annual transmission service charges for the Electric Reliability Council of Texas.³ Upon completion of the notice described, TCC will file an affidavit attesting to such notice.

TCC requested that the Commission docket this application and issue an order establishing an appropriate intervention deadline and requiring Commission Staff to comment on the material sufficiency of the application. TCC stated that the Commission has previously set intervention deadlines in interim TCOS update cases of approximately 21 days. If no timely requests to intervene are filed, TCC requested that this application to be processed informally pursuant to P.U.C. PROC. R. 22.35.

Commission Staff shall file comments and/or recommendation regarding TCC's requests on or before **August 15, 2011**.

SIGNED AT AUSTIN, TEXAS on the 3rd day of August 2011.

PUBLIC UTILITY COMMISSION OF TEXAS



**IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT**

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³ Commission Staff's Application to Set 2011 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas, Docket No. 38900, Order (Apr. 8, 2011).