



Control Number: 41766



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November 21, 2013

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Ms. Naomi Hudgins
Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78701

RE: Docket No. 41766 - Application of West Texas Rural Telephone Cooperative, Inc. for Approval of Revised Depreciation Rates and Notification of New Rates Pursuant to P.U.C. Substantive Rule §26.206

Dear Ms. Hudgins:

On behalf of West Texas Rural Telephone Cooperative, Inc. (WTR or the Cooperative), and pursuant to Order No. 2 in the above reference docket, attached for filing is an original and nine copies of WTR's Proposed Notice of Approval.

The Cooperative is providing copies of this Proposed Notice of Approval to Commission Staff and to SOLIX Inc., administrator of the Texas Universal Service Fund.

Please direct any questions regarding this filing to me at (512) 343-2544, or to gail.odell@chrsolutions.com.

Sincerely,

Gail Odell
Authorized Representative for
West Texas Rural Telephone Cooperative, Inc.

GO/pjf

Attachment

cc: Mr. A J Smullen, PUC Legal Division, Public Utility Commission of Texas
SOLIX, Inc., Administrator, Texas Universal Service Fund
Ms. Amy Linzey, West Texas Rural Telephone Cooperative, Inc.

5. On August 26, 2013, Commission recommended that the ALJ find the application and notice of the application sufficient for purposes of review and proposed an agreed procedural schedule. Staff made no recommendation regarding WTR's notice to the Commission of the creation of depreciation rates for new Account 2423.03 Buried Cable – Non-Metallic (Fiber Optic) and new Account 2423.05 – Buried Cable Drops (Fiber Optic).
6. On August 28, 2013, Order No. 2 was entered finding the application and notice of the application sufficient and establishing a procedural schedule.
7. On September 16, 2013, WTR filed a supplement to its application.
8. WTR currently has a depreciation rate of 5% associated with Account 2122.00 – Furniture Office Equipment.
9. The proposed accelerated depreciation rate for Account 2122.00 will allow WTR to fully amortize the cost of the plant over its estimated useful life.
10. On November 8, 2013, Commission Staff recommended approval of WTR's application regarding Account 2122.00 – Furniture Office Equipment. Commission Staff found WTR's application in compliance with P.U.C. SUBST. R. 26.206(h). Staff did not make a recommendation regarding WTR's notice to the Commission regarding Account 2423.03 Buried Cable – Non-Metallic (Fiber Optic) and new Account 2423.05 – Buried Cable Drops (Fiber Optic). Staff noted that WTR's notice to the Commission was not an application and did not require Commission approval. Staff retained the right to initiate review and modification of the rates in WTR's notice by filing an appropriate motion pursuant to P.U.C. SUBST. R. 26.206(h).
11. The Commission provided notice of the application to interested parties.
12. More than 15 days have passed since completion of notice.
13. The only parties to this proceeding are WTR and Commission Staff.

Legal Conclusions

1. WTR is a public utility as defined in § 51.002 of the Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.016 (Vernon 2007 & Supp. 2013) (PURA).
2. The Commission has jurisdiction over this matter pursuant to PURA §§ 14.001, 52.002, 52.252, 52.253, and 53.056.
3. Notice of this proceeding was provided in compliance with P.U.C. Proc. R. 22.54.

4. The proposed change in depreciate rate for Account 2122 – Furniture Office Equipment in this docket is adequate and proper within the meaning of PURA §§ 52.252, 52.253, and 53.056 and complies with P.U.C. SUBST. R. 26.206.
5. The proposed change in depreciation rate constitutes an accounting change, not a change in rates as defined by PURA § 11.003(16).
6. The proposed effective date of September 30, 2013 complies with P.U.C. SUBST. R. 26.206.
7. Approval of a retroactive effective date for the proposed depreciation rate change does not constitute retroactive rate making. *Application of West Texas Rural Telephone Cooperative, Inc.*, Docket No. 36137, P.U.C. BULL. 4 (Jun. 18, 1981).
8. Pursuant to P.U.C. SUBST. R. 26.206, the depreciation rate change approved in this proceeding may be reviewed and possibly disallowed in whole or in part as a cost of service in a future case, notwithstanding WTR's use of the depreciation rate approved herein.
9. WTR's notice to the Commission regarding Account 2423.03 Buried Cable – Non-Metallic (Fiber Optic) and new Account 2423.05 – Buried Cable Drops (Fiber Optic) is not an application and does not require Commission approval. Accordingly, Staff retains the right to initiate review and modification of the rates in WTR's notice by filing an appropriate motion pursuant to P.U.C. SUBST. R. 26.206(h).
10. As no protests, motions to intervene, or requests for hearing were filed, the application may be approved without a hearing, pursuant to the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§ 2001.001–.902 (Vernon 2008 & Supp. 2013.)
11. This application does not constitute a major rate proceeding as defined by P.U.C. PROC. R. 22.2.
12. The requirements for informal disposition pursuant to P.U.C. PROC. R. 22.35 have been met in this proceeding.

Ordering Paragraphs

1. The application of WTR for approval of a revised depreciation rate for Account 2122.00 – Furniture Office Equipment, effective September 30, 2013 is approved.¹
2. All other motions, request for entry of specific findings of fact and conclusions of law, and any other requests for relief, general and specific, if not expressly granted, are denied.

SIGNED AT AUSTIN, TEXAS on the _____ day of November 2013.

PUBLIC UTILITY COMMISSION OF TEXAS

IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT

¹ Administrative approval of this uncontested application has no precedential value in a future proceeding.