



Control Number: 45075



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PUBLIC UTILITY COMMISSION

***Public Utility Commission of Texas***

**TO:** AEP Texas Central Company  
  
Legal Division  
Infrastructure & Reliability Division

**FROM:** Stephanie Frazzell  
Administrative Law Judge

**RE:** Docket No. 45075 – *Application of AEP Texas Central Company to Amend a Certificate of Convenience and Necessity for a Service Area Exception in Goliad County*

**NOTICE OF APPROVAL**

This Notice approves the application of AEP Texas Central Company (AEP TCC) to amend a certificate of convenience and necessity for a service area exception within Goliad County. The application was filed pursuant to PURA<sup>1</sup> §§ 14.001, 37.051, 37.053, 37.054 and 37.056.

On September 25, 2015, the Public Utility Commission of Texas (Commission) Staff recommended approval of the application to amend the certificate of convenience and necessity (CCN) for a service area exception to allow AEP TCC to provide service to a specific customer located within the singly-certificated service area of Karnes Electric Cooperative, Inc. (KEC). The proposed service area exception will not affect the existing certificated boundaries of AEP TXX or KEC. No party intervened in this proceeding. Based on satisfaction of these requirements, the following fact statements and legal conclusions are approved.

<sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (West 2007 & Supp. 2014) (PURA)



## I. Fact Statements

### Procedural History

1. On August 26, 2015, AEP TCC filed an application for a service area exception to allow AEP TCC to provide electric utility service to a residential property located within the singly-certificated service area of KEC in Goliad County.
2. On September 2, 2015, Order No. 1 was issued, requiring Commission Staff to comment on the sufficiency of the application and notice, and establishing a procedural schedule.
3. On September 9, 2015, Commission Staff filed a recommendation that the application be deemed sufficient and that no additional notice was required. Commission Staff also stated that it is reasonable to regard this proceeding as a "minor boundary change" service area exception pursuant to 16 Tex. Admin. Code § 25.101(b)(1)(B) (TAC).
4. On September 15, 2015, Order No. 2 was issued, deeming the application to be an application for a minor boundary change service area exception and finding the application and *Texas Register* notice to be sufficient.
5. On September 25, 2015, Commission Staff recommended final approval of the application based on AEP TCC's satisfaction of the provisions of PURA § 37.056.

### Notice

6. Notice of the application was published in the *Texas Register* on September 18, 2015.

### Project Description

7. AEP TCC is an electric cooperative providing service under CCN No. 30028.
8. The application is for a service area exception because it affects a single customer located in KEC's singly-certificated service area, who has requested service from AEP TCC.
9. The application seeks to align the certification boundary so that AEP TCC will provide retail electric service to the residential property.
10. It is in the best interest of the three companies and the single affected customer to amend the CCNs of AEP TCC and KEC as requested.

11. No current customer will be required to switch electric service providers. No other utility company provides electric service in the area.
12. AEP TCC and KEC are the only utilities that are affected by the proposed service area exception. The utilities have all agreed upon the requested service area exception, and all of the requested area is within Green County.
13. The proposed service area exception will not affect the existing certificated boundaries of AEP TCC and KEC.
14. The proposed service area exception is in the public interest and will have no negative effect on the community values, recreational and park areas, historical and aesthetic values, and environmental integrity.

**Need for Proposed Minor Boundary Change**

15. Craig V. Winborn requested service from AEP TCC for his property located near 7064 State Hwy 230 W, in Goliad County. Mr. Winborn's neighbor refused to give KEC and easement to construct facilities to serve his property.
16. AEP TCC and KEC have existing distribution facilities in the vicinity of Mr. Winborn's property, but Mr. KEC is unable to secure the necessary easements to serve Mr. Winborn. AEP TCC is able to serve Mr. Winborn from a different location and avoid easement issues.
17. The estimated cost to provide service is approximately \$45,000. The estimated customer contribution to offset cost to be paid by Mr. Winborn is \$43,850.
18. KEC provided affidavits of relinquishment of its right to serve the development in Goliad County, as depicted on the maps attached to the application.

**II. Legal Conclusions**

1. AEP TCC is an electric utility as defined in PURA § 37.001(2).
2. The Commission has jurisdiction over these matters pursuant to PURA §§ 14.001, 37.051, 37.053, 37.054, and 37.056.


3. Notice of the application was provided in compliance with PURA § 37.054 and 16 TAC § 22.55. Published notice is not required under 16 TAC § 22.52(a), because this application constitutes a "minor boundary change."
4. AEP TCC is entitled to approval of the application described above, having demonstrated that the proposed service area exception is for the service, accommodation, convenience, or safety of the public within the meaning of PURA § 37.056(a), taking into consideration the factors set forth in PURA § 37.056 (c).
5. The application may be approved without a hearing pursuant to the Administrative Procedure Act, Tex. Gov't Code Ann. § 2001.001-2001.092 (West 2008 & Supp. 2014).
6. This application does not constitute a major rate proceeding as defined by 16 TAC § 22.2.
7. The requirements for administrative approval pursuant to 16 TAC § 25.101(b)(1)(B) have been met in this proceeding.
8. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

### III. Ordering Paragraphs

1. AEP TCC's application is approved.
2. AEP TCC's and KEC's CCNs are each amended for the certificated service area exception within Goliad County in accordance with the boundary maps attached to the application.
3. All other motions, requests for entry of specific fact statements and legal conclusions, and any other requests for general or specific relief, if not expressly granted herein, are denied.

SIGNED AT AUSTIN, TEXAS the 7<sup>th</sup> day of September 2015.

### PUBLIC UTILITY COMMISSION OF TEXAS

  
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STEPHANIE FRAZZELL  
ADMINISTRATIVE LAW JUDGE