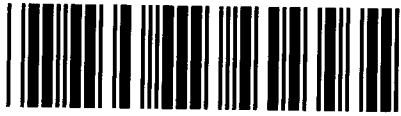




Control Number: 45999



Item Number: 8

Addendum StartPage: 0

**Donna L. Nelson**  
Chairman

**Kenneth W. Anderson, Jr.**  
Commissioner

**Brandy Marty Marquez**  
Commissioner

**Brian H. Lloyd**  
Executive Director



RECEIVED  
2016 JUL -8 PM 2:31  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**Greg Abbott**  
Governor

## *Public Utility Commission of Texas*

**TO: Melissa Gage**  
**American Electric Power**  
**400 West 15<sup>th</sup> Street, Suite 1520**  
**Austin, TX 78701**

**Commission Staff - Rate Regulation Division**  
**Commission Staff - Legal Division**

**RE: Docket No. 45999 - *Petition of AEP Texas North Company for Approval of Transmission Cost Recovery Factor Update***

### **NOTICE OF APPROVAL**

This Notice addresses AEP Texas North Company's (AEP TNC) petition for approval of transmission cost recovery factor update. Public Utility Commission of Texas (Commission) Staff recommended approval of the petition. The petition is approved.

#### **I. Findings of Fact**

##### **Procedural History**

1. On May 26, 2016, AEP TNC filed its petition for approval of transmission cost recovery factor (TCRF) update pursuant to 16 Tex. Admin. Code § 25.193(b) (TAC).
2. On June 1, 2016, AEP TNC filed its affidavit of notice attesting that the Commission Staff, Office of Public Utility Counsel (OPUC), and each Retail Electric Provider (REP) currently certified with the Commission were provided notice. Such individual notice was completed by May 26, 2016, by providing the Commission Staff, OPUC, and each REP with a copy of the petition by U.S. Mail.
3. On May 31, 2016, Order No. 1 was issued, requiring Commission Staff to file comments and/or a recommendation regarding AEP TNC's petition and to provide a proposed schedule for processing.

4. On June 16, 2016, Commission Staff filed its response to Order No. 1, finding notice sufficient and proposing a procedural schedule.
5. On June 20, 2016, Order No. 2 was issued, deeming notice sufficient and establishing a procedural schedule.
6. On July 1, 2016, Commission Staff filed its recommendation for approval of AEP TNC's application.

**Applicant's Request**

7. AEP TNC seeks approval of an adjustment to its Rider TCRF for changes in wholesale transmission rates that have been approved or allowed by the Commission for wholesale transmission providers. The changes in the wholesale transmission rates were approved by the Commission in the following proceedings:

LCRA Transmission Services Corporation	Docket No. 32987/34552/35020/35925/ 37570/38493/39032/39284/39542/39856/39891/ 40029/41913/42771/44180/44964/45022
Brazos Electric Power Cooperative, Inc.	Docket No. 33326/35430/37022/38822/ 40465/41520/42555/44754
San Antonio City Public Service	Docket No. 33197/42579
Bryan Texas Utilities	Docket No. 32958/34548/35991/39565/ 41920/44467
AEP Texas Central Company	Docket No. 33309/35437/36732/38026/39638/ 40136/41008/41621/42104/42571/44033/44994/45479
CenterPoint	Docket No. 32093/32415/36102/39633/ 39933/42334/43836/45214
ONCOR	Docket No. 33904/35398/37496/38495/ 39644/40142/40603/41166/41706/42267/ 42706/44363/44968
Brownsville PUB	Docket No. 32905/38556
City of College Station	Docket No. 34230/35837
Sharyland Utilities	Docket No. 34612/41794/41474/42767/44438/45165
ETT	Docket No. 33734/37635/38216/38950/ 39636/39984/40275/40713/41780/42134/ 42708/44379/44888
San Bernard Electric	Docket No. 34672/44897
AEP Texas North Company	Docket No. 33310/35436/36733/38027/ 39367/40135/41009/42035/42629/44032/44993/45480
Fannin County	Docket No. 35698

Golden Spread	Docket No. 35950/39024
Concho Valley	Docket No. 35950
Coleman	Docket No. 35950
Big Country	Docket No. 35950
TMPA	Docket No. 36392/37404
City of Garland	Docket No. 36439/38709/42630/43347/45120
Cherokee County	Docket No. 36668
Grayson-Collin	Docket No. 36984
TNMP	Docket No. 36025/38012/38480/40674/ 41176/41727/42181/42691/44340/44953/45559
Deep East Texas	Docket No. 36762
Greenville Electric Utility System (GEUS)	Docket No. 37180/42581
STEC	Docket No. 37535/38569/41527/42023/44825
Medina	Docket No. 37535
Magic Valley	Docket No. 38569
Farmer's	Docket No. 38518
Denton Municipal	Docket No. 38815/42770/45071
Trinity Valley	Docket No. 38916
Wood County	Docket No. 39290
Bandera	Docket No. 39542/39891/40022
Taylor	Docket No. 39861
Lone Star	Docket No. 40020/40893/40798/41765/42469
Cross Texas	Docket No. 41190/41893/42200/42712/43950
WETT	Docket No. 41923/44746
Austin Energy	Docket No. 42385
Lyntegar	Docket No. 42326/44818

8. AEP TNC seeks to recover a maximum 24-month surcharge for collection of rate case expenses approved for Lone Star in Docket No. 42469.
9. AEP TNC seeks to recover a maximum 36-month surcharge for collection of rate case expenses approved for Sharyland in Docket No. 41723.
10. AEP TNC seeks to recover a maximum 12-month surcharge for collection of rate case expenses approved for San Bernard Electric Coop in Docket No. 44897.

11. AEP TNC seeks to recover a maximum 24-month surcharge for collection of rate case expenses approved for Cross Texas Transmission in Docket No. 44546.
12. AEP TNC seeks to recover a maximum 24-month surcharge for collection of rate case expenses approved for Wind Energy Transmission Texas in Docket No. 44746.

## II. Conclusions of Law

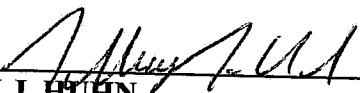
1. AEP TNC is an electric utility as defined in §§ 11.004 and 31.002(6) of the Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001 - 66.016 (West 2007 & Supp. 2015) (PURA).
2. The Commission has jurisdiction over this matter pursuant to PURA §§ 32.001 and 32.101.
3. AEP TNC is authorized through 16 TAC § 25.193(b) to update its TCRF on March 1 and September 1 of each year.
4. The application does not constitute a major rate proceeding as defined by 16 TAC § 22.2.
5. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

## III. Ordering Paragraphs

1. The petition is approved and Tariff Rate Schedule, 6.1.1.6.2.1 - Rider TCRF - *Transmission Cost Recovery Factor* shall be effective for billings on and after September 1, 2016.
2. Within 10 days of the date of this Notice, AEP TNC shall file a "clean" copy of the approved Tariff Rate Schedule, 6.1.1.6.2.1 - Rider TCRF - *Transmission Cost Recovery Factor*, to be stamped "Approved" by Central Records.
3. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

SIGNED AT AUSTIN, TEXAS the 8<sup>th</sup> day of July 2016.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
\_\_\_\_\_  
**JEFFREY J. HUHN**  
**ADMINISTRATIVE LAW JUDGE**