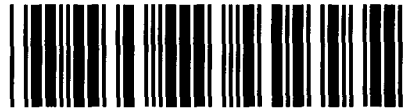




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DeAnn T. Walker
Chairman

Arthur C. D'Andrea
Commissioner

John Paul Urban
Executive Director



Greg Abbott
Governor

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Public Utility Commission of Texas

TO: Matthew Loftus
Southwestern Public Service Company
790 Buchanan Street
Amarillo, Texas 79101

Infrastructure & Reliability Division
Legal Division

FROM: Irene Montelongo
Director, Docket Management

RE: Docket No. 48347 – *Application of Southwestern Public Service Company for a Certificate of Convenience and Necessity Service Area Exception in Hartley County*

NOTICE OF APPROVAL

This Notice addresses the application of Southwestern Public Service Company (SPS) for a service area exception within Hartley County. Commission Staff recommends approval of the application. The Commission approves the application.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Procedural History

1. On May 8, 2018, SPS filed an application for a service area exception to allow SPS to provide electric utility service to a single customer within Rita Blanca Electric Cooperative, Inc.'s (Rita Blanca) certificated service area.
2. In Order No. 1 issued on May 11, 2018, the administrative law judge (ALJ) directed Commission Staff to comment on the sufficiency of the application and notice and established a procedural schedule.



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3. On May 16, 2018, Commission Staff filed a recommendation stating the application is sufficient for further review and that no additional notice is required. Commission Staff also stated that it is reasonable to regard this proceeding as a service area exception.
4. In Order No. 2 issued on May 17, 2018, the ALJ deemed SPS's application to be an application for a service area exception and found the application and *Texas Register* notice sufficient.
5. On May 31, 2018, Commission Staff recommended approval of the application.

Notice

6. Notice of the application appeared in the May 25, 2018 issue of the *Texas Register*.

Project Description

7. SPS provides service under certificate of convenience and necessity (CCN) No. 30153.
8. This application is for a service area exception because it affects a single customer located in Rita Blanca's singly-certificated service area who has requested service from SPS.
9. The proposed service area exception will permit SPS to provide retail electric service to a 200 horsepower compressor and two 10 horsepower pumps within Rita Blanca's service area and adjacent to SPS's service area.
10. SPS and Rita Blanca are the only utilities affected by the proposed service area exception. Both utilities have agreed upon the requested service area exception and all of the requested area is within Hartley County.
11. The proposed service area exception will have no negative effect on the community values, recreational and park areas, historical and aesthetic values, and environmental integrity.

Need for Proposed Service Area Exception

12. SPS received a request from P. David Walker to provide electric utility service to a 200 horsepower compressor and two 10 horsepower pumps located in Hartley County. This location is in Rita Blanca's singly-certificated service area.

13. The estimated cost to SPS to provide service is \$95,250.00 with the customer paying none of the cost.
14. Rita Blanca provided an affidavit of relinquishment of its right to serve the 200 horsepower compressor and two 10 horsepower pumps located within Section 10, Block 1, W.M.C. survey of Hartley County as depicted on maps attached to the application.

Informal Disposition

15. The only parties to this proceeding are SPS and Commission Staff.
16. More than 15 days have passed since the completion of notice.
17. No parties filed protests or requests for a hearing.

II. Conclusions of Law

1. SPS and Rita Blanca are electric utilities as defined in PURA § 37.001(2).¹
2. The Commission has jurisdiction over the application under PURA §§ 14.001, 37.051, 37.053, 37.054, and 37.056.
3. Notice is not required under 16 Texas Administrative Code (TAC) § 22.52(a), because this application constitutes a service area exception under 16 TAC § 25.101(b)(1)(B).
4. SPS is entitled to approval of the application described above, having demonstrated that the proposed service area exception is necessary 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 does not constitute a major rate proceeding as defined by 16 TAC § 22.2(27).
6. The requirements in 16 TAC § 25.101(b)(1)(B) have been met in this proceeding.

¹ Public Utility Regulatory Act (PURA), Tex. Util. Code Ann. §§ 11.001-58.302 (West 2016 & Supp. 2017), §§ 59.001- 66.016 (West 2007 & Supp. 2017).

7. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission approves the application.
2. The Commission amends the CCNs held by SPS and Rita Blanca for the certificated service area exception within Hartley County in accordance with the map attached to the application.
3. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

Signed at Austin, Texas the 5th day of June 2018.

PUBLIC UTILITY COMMISSION OF TEXAS



IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT