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Received - 2022-05-31 12:07:44 PM
Control Number - 53539
ItemNumber - 5

DOCKET NO. 53539

APPLICATION OF BROWNSVILLE	§	PUBLIC UTILITY COMMISSION
PUBLIC UTILITIES BOARD TO	§	OF TEXAS
AMEND A CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY	§	
FOR A SERVICE AREA BOUNDARY	§	
CHANGE IN CAMERON COUNTY	§	

COMMISSION STAFF'S RECOMMENDATION FINAL DISPOSITION

On April 29, 2022, Brownsville Public Utilities Board (Brownsville PUB) filed an application for a service area boundary exception. Brownsville PUB seeks a boundary exception to provide electrical service to Madiera Properties, Ltd.' s property in the certificate service area of AEP Texas Inc. in Cameron County.

On May 3, 2022, the administrative law judge (ALJ) filed Order No. 1 establishing a deadline of May 31, 2022, for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation on the final disposition of the application. Therefore, this pleading is timely filed.

I. FINAL RECOMMENDATION

Staff recommends approval of the application, as supported by the attached memorandum of Pai Liu, Infrastructure Division. The application is complete and meets all applicable statutory criteria and filing requirements of 16 TAC § 25.101(b)(1)(B). Therefore, Staff recommends that approving this application would serve the public interest and is necessary for the service, accommodation, convenience, and safety of the public, pursuant to PURA § 37.056.

II. CONCLUSION

For the reasons stated above, Staff respectfully recommends that that the application be approved.

Dated: May 31, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Keith Rogas
Division Director

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/s/ Bradley Reynolds
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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 31, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Bradley Reynolds
Bradley Reynolds

Public Utility Commission of Texas

Memorandum

TO: Bradley Reynolds, Attorney
Legal Division

FROM: Pai Liu, Infrastructure Analyst
Infrastructure Division

DATE: May 31, 2022

RE: Docket No. 53539 - *Application of Brownsville Public Utilities Board to Amend AEP Texas Inc. 's Certificate of Convenience and Necessity for a Service Area Boundary Change in Cameron County.*

BACKGROUND

On April 29, 2022, Brownsville Public Utilities Board (Brownsville PUB) filed an application for a service area boundary change to its electric certificate of convenience and necessity number 30021 in Cameron County, Texas (Application) under 16 Texas Administrative Code (TAC) § 25.101(b)(1)(B). No party has requested to intervene in this proceeding.

PROJECT DESCRIPTION

Brownsville PUB seeks approval to provide electric services to a property. According to the Application, the request for service was made by Madeira Properties, Ltd. The area where the property is currently located is in the singly certificated service territory of AEP Texas Inc. (AEP); however, because the property is located within the city limits of the City of Brownsville, it falls within the scope of the agreement for dual certification between AEP Texas Inc. (successor in interest to Central Power and Light) and Brownsville PUB. Brownsville PUB and AEP are the only utilities that are affected by the proposed service area boundary change. Brownsville PUB provided affidavits to verify and affirm that the information and attachments submitted with the application are true and correct. Magic Valley Electric Cooperative has been given notice and is not impacted by the granting of this application. AEP has been given notice and by agreement will not contest or oppose this application. Madeira Properties, Ltd. and Cameron County Commissioners were also provided with notice. If the application is granted, the area will be dually certificated by Brownsville PUB and AEP.

The property is located within the city limits of the City of Brownsville. The site located at Acacia Place De Madeira Subdivision in Brownsville, Cameron County, Texas is comprised of 1330.32 acres out of (1222.09 acres out of 1282.657-acre tract and 108.23 acres out of a 108.45-acre-tract). According to the Application, at Attachment D1, the map shows the

proposed Brownsville PUB/AEP certified area, existing AEP certified area, existing Brownsville PUB/AEP certified area, existing AEP distribution line, existing AEP transmission line, existing Brownsville PUB distribution line, proposed Brownsville PUB distribution line and existing Brownsville City limits.

CERTIFICATE REQUIREMENTS

The existing service is adequate in the area subject to the proposed change. Brownsville PUB has demonstrated need for the service. The property will receive adequate service and no other entities will be impacted by granting the service area boundary change. The proposed service area boundary change will not have any negative effect on community values, recreational and park areas, historical and aesthetic values, or environmental integrity. Additionally, the effect of granting the service area exception will not impact the ability of this state to meet the renewable energy goal established by PURA § 39.904(a).

NEED AND COST FOR THE PROPOSED CONSTRUCTION

Brownsville PUB's estimated cost to provide service to the customer is approximately \$550,941.51 with no customer contribution. According to Brownsville PUB, Brownsville PUB's residential rate is lower than average residential rate offered by retail electric providers in AEP's service territory. The property does not have existing electric service. There are existing AEP and Brownsville PUB distribution lines next to the property. Therefore, Brownsville PUB has demonstrated the lowering of cost to consumers in the area as required in PURA § 37.056(c)(4)(E).

CONCLUSIONS AND RECOMMENDATIONS

Following my review of the materials provided in the application, I agree with Brownsville PUB's statement of justification. If the proposed service area boundary change is made, new facilities would be introduced as needed to deliver electric service to the location identified in Attachment D1.

I conclude that Brownsville PUB's Application satisfies the provisions of 16 TAC § 25.101(b)(1)(B) and PURA § 37.056. Therefore, I recommend approval of the Application.