



Control Number: 54040



Item Number: 46

**PUC DOCKET NO. 54040
SOAH DOCKET NO. 473-23-04811**

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**APPLICATION OF SOUTHWESTERN
ELECTRIC POWER COMPANY FOR
APPROVAL TO AMEND ITS
TRANSMISSION COST RECOVERY
FACTOR**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

PUBLIC UTILITY COMMISSION
INVESTMENT

ORDER REMANDING PROCEEDING TO DOCKET MANAGEMENT

This Order addresses the application of Southwestern Electric Power Company (SWEPCO) to amend its transmission cost recovery factor (TCRF). SWEPCO filed an unopposed agreement. The Commission administrative law judge (ALJ) filed a proposed order that would approve the TCRF as amended by the agreement. For the reasons discussed in this Order, the Commission does not approve the proposed order and remands this proceeding to Docket Management for further processing.

I. Background

The record shows that two cost categories labeled vegetation management projects, totaling \$8,822,582, were included in SWEPCO's initial TCRF calculation, but in reaching the parties agreement were removed. However, it is unclear from the record whether the entirety of these costs is required to be excluded from the transmission invested cost by the Commission's TCRF rule.¹ Under 16 Texas Administrative Code § 25.239, costs booked in FERC accounts 350 through 359 are authorized for recovery. These accounts can include certain activities such as clearing of land for new transmission or to increase actual widths of rights-of-way. It is not clear from the evidentiary record whether the entirety of SWEPCO's costs, labeled vegetation management costs, should have been excluded from the agreed transmission invested cost.

II. Remand for Further Processing

Therefore, the Commission remands this proceeding for further processing guided by the concerns above to confirm whether it was appropriate to remove all of SWEPCO's vegetation management costs from the agreed TCRF recovery. After admitting the parties' filings and

¹ 16 Texas Administrative Code § 25.239.

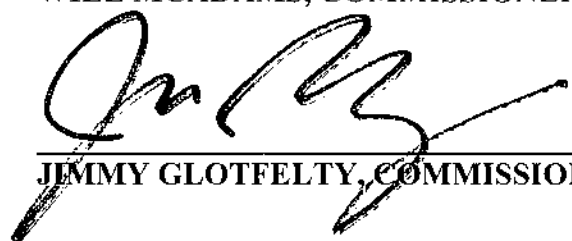
supplementary evidence, if any, into the evidentiary record, the ALJ shall prepare a revised proposed order for the Commission's consideration. The Commission requests that a revised proposed order, if any, be filed by July 12, 2023.

Signed at Austin, Texas the 29th day of June 2023.

PUBLIC UTILITY COMMISSION OF TEXAS


KATHLEEN JACKSON, INTERIM CHAIR


WILL MCADAMS, COMMISSIONER


JIMMY GLOTFELTY, COMMISSIONER