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DOCKET NO. 57356

PETITION OF AEP TEXAS INC. TO§PUBLIC UTILITY COMMISSIONUPDATE ITS TRANSMISSION COST§RECOVERY FACTOR§OF TEXAS

JOINT MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF APPROVAL

AEP Texas Inc. and the Staff (Staff) of the Public Utility Commission of Texas (Commission) (collectively, the Parties) timely file this Joint Motion to Admit Evidence and proposed Notice of Approval in support of AEP Texas' petition for a transmission cost recovery factor (TCRF) update.¹ AEP Texas is authorized to represent, that Texas Industrial Energy Consumers, the only other party to this proceeding is unopposed to the relief requested in this motion.

I. MOTION TO ADMIT EVIDENCE

To facilitate the evaluation of the reasonableness of AEP Texas' petition and the joint proposed notice of approval, the Parties request to admit the following evidence into the record of this proceeding:

- (a) AEP Texas' Petition, and all attachments thereto, filed on November 25, 2024 (Interchange Item No. 1);
- (b) AEP Texas' Affidavit Attesting to the Proof of Notice, filed on November 26, 2024 (Interchange Item No. 3);
- (c) Commission Staff's Recommendation on Sufficiency of the Petition and Notice, filed on December 9, 2024 (Interchange Item No. 4);
- (d) AEP Texas' updated attachments and workpapers B E, filed on December 20, 2024 (Interchange Item No. 6); and
- (e) Commission Staff's Final Recommendation and all attachments thereto, filed on December 30, 2024 (Interchange Item No. 9).

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¹ Order No. 1 established a deadline of January 3, 2025 for parties to file joint proposed findings of fact, conclusions of law, and ordering paragraphs.

II. JOINT PROPOSED NOTICE OF APPROVAL

Commission Staff has reviewed and agreed to the Proposed Notice of Approval provided as Attachment A to this motion. The Parties respectfully request that, after admitting the evidence listed in Section I, the administrative law judge (ALJ) adopt the attached Proposed Notice of Approval on or before January 9, 2025, in accordance with 16 Texas Administrative Code (TAC) § 25.193(b)(1).²

RESPECTFULLY SUBMITTED,

/s/ Leila Melhem

AMERICAN ELECTRIC POWER SERVICE CORPORATION

Leila Melhem State Bar No. 24083492 400 West 15th Street, Suite 1520 Austin, Texas 78701 Telephone: (512) 481-3321 Facsimile: (512) 481-4591 Email: <u>lmmelhem@aep.com</u>

ATTORNEY FOR AEP TEXAS INC.

Certificate of Service

I certify that on January 3, 2025, a true and correct copy of this document was provided by email to all parties in accordance with the Commission's Second Order Suspending Rules issued on July 16, 2020, in Project No. 50664.

/s/ Gregory Gullickson

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² Under 16 TAC § 25.193(b)(1), the Commission must issue an order within 45 days after a distribution service provider files a request to update its TCRF.

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PETITION OF AEP TEXAS INC. TO	§	PUBLIC UTILITY COMMISSION
UPDATE ITS TRANSMISSION COST	§	
RECOVERY FACTOR	§	OF TEXAS

PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the petition of AEP Texas Inc. to update its transmission cost recovery factor (TCRF). The Commission approves AEP Texas' TCRF update, effective for billings on and after March 1, 2025.

I. Findings of Fact

The Commission makes the following findings of fact.

<u>Petitioner</u>

- 1. AEP Texas is a Delaware corporation registered with the Texas secretary of state under filing number 802611352.
- AEP Texas owns and operates for compensation in Texas facilities and equipment to transmit and distribute electricity in the Electric Reliability Council of Texas (ERCOT) region.
- 3. AEP Texas holds certificate of convenience and necessity numbers 30028 and 30170 to provide service to the public .

<u>Petition</u>

- 4. On November 25, 2024, AEP Texas filed a petition to update its TCRF, effective for billings on and after March 1, 2025.
- 5. On December 20, 2024, AEP Texas filed updated attachments and workpapers B E to the petition.
- 6. AEP Texas' annual TCRF expense included in the March 2025 TCRF is \$461,642,624.
- 7. AEP Texas seeks approval of an adjustment to its TCRF rider to account for changes in wholesale transmission rates that have been approved or allowed by the Commission for

wholesale transmission providers, as shown in updated Attachment B, filed on December 20, 2024.

8. In Order No. 2 filed on December 10, 2024, the administrative law judge (ALJ) found the petition administratively complete.

Eligibility for TCRF Update

- AEP Texas' last TCRF update was approved on July 12, 2024, in Docket No. 56686,¹ effective for billings on and after September 1, 2024.
- 10. This petition is AEP Texas' second requested TCRF update in 2024.

<u>Notice</u>

- 11. On November 26, 2024, AEP Texas filed the affidavit of Gregory K. Gullickson, regulatory consultant for AEP Texas, attesting that provision of individual notice of the petition to all retail electric providers certified by the Commission to provide electric service in Texas and to the Office of Public Utility Counsel was completed on November 25, 2024.
- 12. In Order No. 2 filed on December 10, 2024, the ALJ found AEP Texas' notice sufficient.

Interventions

13. On December 23, 2024, Texas Industrial Energy Consumers filed a motion to intervene.

Evidentiary Record

In Order No. 3 filed on January __, 2025, the ALJ admitted the following evidence into the record of this proceeding: (a) AEP Texas' Application and all attachments filed on November 25, 2024; (b) AEP Texas' Proof of Notice, filed on November 26, 2024; (c) Commission Staff's Recommendation on Sufficiency of the Petition and Notice, filed on December 9, 2024; (d) AEP Texas' amended files to the petition, filed on December 20, 2024; and (e) Commission Staff's Final Recommendation and all attachments, filed on December 30, 2024.

¹ Petition of AEP Texas Inc. to Update Its Transmission Cost Recovery Factor, Docket No. 56686, Notice of Approval (July 12, 2024).

Informal Disposition

- 15. More than 15 days have passed since completion of the notice provided in this docket.
- 16. Commission Staff, AEP Texas, and TIEC are the only parties to this proceeding.
- 17. No party requested a hearing, and no hearing is needed.
- On December 30, 2024, Commission Staff recommended approval of the petition as amended on December 20, 2024.
- 19. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

- AEP Texas is an electric utility as defined in Public Utility Regulatory Act² (PURA) §§ 11.004 and 31.002(6).
- 2. The Commission has authority over this petition under PURA §§ 32.001 and 32.101.
- 3. AEP Texas provided notice of the petition in accordance with 16 Texas Administrative Code (TAC) § 22.55.
- 4. The Commission processed the petition in accordance with the requirements of PURA, the Administrative Procedure Act,³ and Commission rules.
- 5. AEP Texas is authorized to update its TCRF on March 1 and September 1 of each year under 16 TAC § 25.193(b).
- 6. The petition meets the requirements of 16 TAC § 25.193(b).
- 7. The petition does not constitute a major rate proceeding as defined by 16 TAC § 22.2(27).
- The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

 $^{^2}$ Public Utility Regulatory Act, Tex. Util. Code \$ 11.001 – 66.016 (PURA).

³ Tex. Gov*t Code §§ 2001.001 – .903.

III. Ordering Paragraphs

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

- 1. The Commission approves AEP Texas' TCRF update.
- The Commission approves, effective for billings on and after March 1, 2025, AEP Texas' Tariff Rate Schedule 6.1.1.4.1.1 - Rider TCRF - Transmission Cost Recovery Factor, which is marked as Updated Tariff Attachment E to AEP Texas' December 20, 2024 filing.
- 3. Within ten days of the date of this Notice of Approval, AEP Texas must file a clean record copy of the updated Tariff Rate Schedule 6.1.1.4.1.1 - Rider TCRF - Transmission Cost Recovery Factor, with the proper effective date, to be stamped *Approved* and retained by Central Records.
- 4. The Commission denies all other motions and any other request for general or specific relief, if not expressly granted in this Notice of Approval.

Signed at Austin, Texas the ___ day of January 2025.

PUBLIC UTILITY COMMISSION OF TEXAS

ERIC YOON ADMINISTRATIVE LAW JUDGE

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