

Control Number: 9561



Item Number: 499

Addendum StartPage: 0

· Book

#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT § COMPANY FOR AUTHORITY TO CHANGE RATES §

PUBLIC UTILITY COMMISSION OF TEXAS

DOCKET NO. 9595

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INQUIRY OF THE PUBLIC UTILITY
COMMISSION INTO THE PRUDENCE AND
EFFICIENCY OF THE PLANNING AND
MANAGEMENT OF THE CONSTRUCTION OF THE
SOUTH TEXAS NUCLEAR PROJECT REGARDING
CENTRAL POWER AND LIGHT COMPANY

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# EXAMINER'S ORDER NO. 17 ORDER ON LIMITED REMAND ORDER REGARDING NUMBER OF DOCUMENTS TO BE FILED

Attached is a copy of the Commission's Order on Limited Remand of Docket No. 9595 for consolidation with Docket No. 9561. Because Docket Nos. 9595 and 9561 have been consolidated, it is necessary for the parties to file a sufficient number of documents so that copies may be placed in each file.

Whenever a document is filed in this consolidated docket please file 12 copies if the document is a pleading (a total of 12 not 12 for each docket number) and 19 copies of briefs, reply briefs, exceptions, replies to exceptions, appeals and responses to appeals.

SIGNED AT AUSTIN, TEXAS the day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE

Book

#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES 999

PUBLIC UTILITY COMMISSION

OF TEXAS

#### **EXAMINER'S ORDER NO.18**

#### **GRANTING MOTIONS TO CONSOLIDATE**

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been filed. The motions are GRANTED. The parties should add the following entities to their service lists:

Mayor Arturo Guajardo City of San Juan 709 S. Nebraska St. San Juan, Texas 78589

Mayor Fidencio R. Barrera City of Pharr P.O. Drawer B 217 W. Park Pharr, Texas 78577

Mayor H. W. Card, Jr. City of Harlingen P.O. Box 2207 118 E. Tyler Harlingen, Texas 78551 Mayor Ronald Harwell City of Primera Primera Rd. Rt. 1, Box 176 Harlingen, Texas 78550

Mayor Rodolfo Villarreal City of Alamo 423 N. Tower Rd. Alamo, Texas 78516

Mayor C. W. Crowell City of Raymondville 142 S. 7th Street Raymondville, Texas 78580

SIGNED AT AUSTIN, TEXAS on the day of October 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODGINS

ADMINISTRATIVE LAW JUDGE

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

1990 OCT \$4 PN 3: 52 PUBLIC UTILITY COMMISSION OF TEXAS

#### EXAMINER'S ORDER NO.19

The post hearing conference originally scheduled for 1:30 p.m. October 10, 1990, is **RESCHEDULED**. The rescheduling is in response to the postponement of the final order meeting in which Docket No. 8646 will be considered--from October 4, 1990, to October 9, 1990. Therefore, a post hearing conference on October 10, 1990, to discuss the implications to Docket No. 9561 of the decision in Docket No. 8646 would be premature.

The posthearing conference in Docket No. 9561 is RESCHEDULED for 1:30 p.m., Thursday, October 18, 1990.

SIGNED AT AUSTIN, TEXAS on the day of October 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

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APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

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OF TEXAS

#### EXAMINER'S ORDER NO. 20

#### **GRANTING MOTIONS TO INTERVENE**

On October 2, 1990, the following cities filed a joint motion intervene:

Del Rio Karnes City Lyford

Justiciable interests in the outcome of this proceeding having been shown, the motions to intervene by the cities are GRANTED. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5 is also GRANTED.

SIGNED AT AUSTIN, TEXAS on the 5 day of October 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE

/cst

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES § PUBLIC UTILITY COMMISSION §

### EXAMINER'S ORDER NO. 6 REQUIRING CENTRAL POWER AND LIGHT COMPANY TO INFORM THE EXAMINER OF THE DATE NOTICE IS COMPLETED

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On July 3, 1990, Central Power and Light Company (CPL) filed a letter informing the administrative law judge (ALJ) that the San Antonio Express newpaper inadvertently failed to publish CPL's notice of application in this docket in two of the four consecutive weeks designated for publication. This newpaper serves five counties in CPL's service territory. These counties are Atascosa, Wilson, Guadalupe, Karnes and Zavala.

The newspaper will republish the notice to cover a complete four week period beginning Saturday June 30, 1990.

CPL is ORDERED to inform the ALJ of the date notice is complete. Thereafter, in compliance with Section 43(a) of the Public Utility Regulatory Act (PURA), Tex. Rev. Civ. Stat. Ann. art. 1446c (Vernon Supp. 1990), CPL's effective date shall be revised and the suspension period recalculated. The intervention deadline for affected persons from the aforementioned counties shall also be recalculated.

SIGNED AT AUSTIN, TEXAS the day of July 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

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#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES

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PUBLIC UTILITY COMMISSION

OF TEXAS

#### EXAMINER'S ORDER NO. 7

#### GRANTING MOTION TO CONSOLIDATE AND INTERVENE

#### Motions to Consolidate

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. No objections have been filed. The motions are **GRANTED**. The parties should add the following entities to their service lists:

Mayor Lonnie Glasscock III City of San Patricio Route 2, Box 40 Mathis, Texas 78368

Mayor Armando Garcia City of San Diego 404 South Mier San Diego, Texas 78384

Mayor George L. Martin City of Rockport P.O. Box 1059 Rockport, Texas 78382

#### Motions to Intervene

On June 27, 1990, the following cities filed a joint motion to intervene:

Bay City Carrizo Springs Driscoll Edcouch Mission Rancho Viejo Runge Beeville Columbus Eagle Lake La Feria Point Comfort Roma Smiley On July 2, 1990, the following cities filed a joint motion to intervene:

Bishop Luling Pearsall Refugio

Edinburg Palm Valley Port Lavaca Yorktown

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

Justiciable interests in the outcome of this proceeding having been shown, the motion to intervene by the cities is **GRANTED**. The request for grouping is also GRANTED.

SIGNED AT AUSTIN, TEXAS on the American day of July 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATÁVE LÄW JUDGE

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book

City of Lyford

P. O. Box 310 Lyford, Texas 78569

PHONE 347-3512

0.00

July 13, 1990

# 9561

Administrative Law Judge Amalija J. Hodgins Public Utility Commission of Texas 7800 Shoal Creek Boulevard Suite 400N Austin, Texas 78757

Dear Judge Hodgins:

On June 22, 1990, Central Power and Light Company (CPL) filed an appeal from the final action of City of Lyford. CPL moved that its appeal be consolidated with its environs case, Docket No. 9561. It is my understanding that once the appeal is consolidated with the environs rate proceeding, our city will be placed on the service list which would mean that we would get copies of all the material filed in that docket. Please be advised that our city does not wish to receive all these documents on an ongoing basis, and I am hereby requesting that you notify all parties that they do not need to send the City of Lyford any pleadings or responses to requests for information. The City would simply appreciate receiving from the Commission any procedural orders regarding the hearing schedule, the final examiner's report when completed, and the final order of the Commission when rendered.

Thank you for your attention hereto.

Very truly yours,

Jesse G. Martinez, Mayor Pro-Tem

city of Lyford

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

§ § PUBLIC UTILITY COMMISSION

OF TEXAS

EXAMINER'S ORDER NO. 9

#### GRANTING MOTIONS TO CONSOLIDATE

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been filed. The motions are GRANTED. The parties should add the following entities to their service lists:

Mayor Jose Rolando Pena City of Palmview Route 10, Box 598-B Mission, Texas 78572

Mayor Salvador Vela City of Alton Route 2, Box 124-00 Mission, Texas 78572

SIGNED AT AUSTIN, TEXAS on the Harday of July 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE/LAW JUDGE

/cst

Book

#### DOCKET NO. 9561

APPLICATION OF CENTRAL POWERISS AUG -8 SPM 2: 25 PUBLIC UTILITY COMMISSION AND LIGHT COMPANY FOR AUTHORITY STATES OF TEXAS

#### EXAMINER'S ORDER NO. 10

The Office of Public Utility Counsel's request for a one-day extension of the deadline for filing the revenue requirement testimony of Randy M. Allen is **GRANTED**.

SIGNED AT AUSTIN, TEXAS, on this the 8th day of August, 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODGINS

ADMINISTRATIVE LAW JUDGE

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

PUBLIC UTILITY COMMISSION

AM 11: 20

OF TEXAS

EXAMINER'S ORDER NO. 11

On August 16, 1990, Central Power and Light Company (CPL) filed a motion to extend the deadlines for filing intervenor and staff rate design testimony. CPL indicated that the extension would facilitate the parties' attempts to reach a consensus on rate design issues. CPL did not request any extension of the deadline for filing rate design rebuttal testimony or any postponement of the hearing on the merits.

Pursuant to P.U.C. PROC. R. 21.102, CPL's motion is GRANTED. Intervenor rate design testimony shall be due August 23, 1990. Staff rate design testimony shall be due August 30, 1990.

SIGNED AT AUSTIN, TEXAS, on this the 17th day of August, 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

HODGINS

ADMINISTRATIVE LAW JUDGE

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

§ Š § PUBLIC UTILITY COMMISS

OF TEXAS

EXAMINER'S ORDER NO. 12

#### GRANTING MOTIONS TO CONSOLIDATE AND INTERVENE

#### Motions to Consolidate

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The city requests that it be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been filed. The motion is GRANTED. The parties should add the following entity to their service lists:

Mayor J. C. Barr City of Port Aransas P.O. Drawer I Port Aransas, Texas 78373

#### Motions to Intervene

On August 8, 1990, the following cities filed a joint motion to intervene:

Cotulla Odem Portland |

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

Justiciable interests in the outcome of this proceeding having been shown, the motion to intervene by the cities is GRANTED.

SIGNED AT AUSTIN, TEXAS on the  $\alpha$ 

day of August 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

Book

COCKET NO. 9561

APPLICATION OF CENTRAL POWERS SEP 10 181 3: 33 AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES

PUBLIC UTILITY COMMISSION
OF TEXAS

#### EXAMINER'S ORDER NO. 13

#### GRANTING MOTIONS TO CONSOLIDATE

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been filed. The motions are GRANTED. The parties should add the following entities to their service lists:

Mayor Roy Luevano City of Uvalde P.O. Box 799 Main & Getty Uvalde, Texas 78802-0799

Mayor Paul Soechting City of El Campo 315 E. Jackson El Campo, Texas 77437

Mayor Alfredo Gutierrez, Jr. City of Del Rio Drawer DD 109 W. Broadway Del Rio, Texas 78840

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

SIGNED AT AUSTIN, TEXAS on the

day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODBINS

ADMINISTRATINE LAW JUDGE

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR **AUTHORITY TO CHANGE RATES** 

PUBLIC UTILITY COMMISSION 1990 SEP\$ 10 PM 3: 33 OF TEXAS

EXAMINER SORDER NO. 14

#### GRANTING MOTIONS TO CONSOLIDATE

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been The motions are GRANTED. The parties should add the following entities to their service lists:

Mayor Lupita Paiz City of Sinton P.O. Box 1395 Sinton, Texas 78387

Mayor Jessie Rodriguez, Sr. City of Odem P.O. Drawer 754 Odem, Texas 78370

Mayor Philip Allen City of Ganado P.O. Box 264 Ganado, Texas 77963

Mayor Leroy Haertig City of Woodsboro P.O. Box 632 121 N. Wood Woodsboro, Texas 78393

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

SIGNED AT AUSTIN, TEXAS on the

day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATÍVE LÁW JUDGE

/cst

# Public Utility Commission of Texas

# Memorandum

TO:

Commissioner Marta Greytok Commissioner Jo Campbell Chairman Paul D. Meek

All Parties of Record

Docket No. 8646

Consolidated Docket Nos. 9595/9561

FROM:

Amy Hodgins A

Administrative Law Judge

DATE:

September 11, 1990

RE:

Adding Consolidated Docket Nos. 9595/9561 to the Final Order

Meeting agenda for October 4, 1990

In Docket No. 6668 (STP prudence) the Commission determined that it would decide STP prudence issues related to CPL at the time it considered Docket No. 8646 (CPL's then pending rate case). Docket No. 9595 was created to preserve CPL prudence issues for the Commission's consideration. Therefore, in compliance with the Commission's intent, Docket No. 9595 has been added to the agenda for the final order meeting of October 4, 1990, at which time the Commission is scheduled to consider Docket No. 8646.

Even though Docket No. 9595, which contains issues that impact both Docket Nos. 8646 and 9561 (CPL's second pending rate case, Step 2 of the proposed nonunanimous agreement), was consolidated with Docket No. 9561, this agenda addition is  $\underline{not}$  intended to indicate or imply that Docket No. 9561 will be before the Commission for any purpose on October 4, 1990.

The sole purpose of placing consolidated Docket Nos. 9595/9561 on the agenda with Docket No. 8646 is to provide the Commission with the flexibility to take any action with regard to Docket No. 9595, which it finds warranted by its Docket No. 8646 decision.

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#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES 999

PUBLIC UTILITY COMMISSION

OF TEXAS

#### EXAMINER'S ORDER NO. 21

Although the Commission's action in Docket No. 8646 is clear, obviating a need for a post-hearing conference, there are other issues which the administrative law judge (ALJ) would like to discuss with the parties.

All parties are requested to attend the previously scheduled posthearing conference (set for 1:30 p.m. October 18, 1990) to discuss the following issues:

- 1. Mr. Butler's Motion to Withdraw as Counsel for City of Corpus Christi;
- 2. Identification of the Cities from which appeals of city ordinances have been filed, and granted or are pending;
- 3. Identification of the Cities, if any, that have not yet acted about CPL's rate change request in this docket;
- 4. Identification of the NUA signatories, particularly changes from the Docket No. 8646 signatories (e.g. Corpus Christi, etc.);
- The status of QF wheeling in this docket;

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6. Any other clarifications which the ALJ may have regarding the impact of the Commission's decision in Docket No. 8646 in this case, to aid in the prompt issuance of an Examiner's Report.

SIGNED AT AUSTIN, TEXAS on this the day of October 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODGINS

ADMINISTRATIVE LAW JUDGE

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DOCKET, NO. 9561

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY 190 OCT 11 CHANGE RATES

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PUBLIC UTILITY COMMISSION

**OF TEXAS** 

#### EXAMINER'S ORDER NO. 22

In preparation for the post hearing conference of October 18, 1990, the parties are requested to file, by noon on October 17, 1990, a list designating each issue raised in this docket which has been rendedered res judicata by the Commission's decision in Docket No. 8646.

The parties should be prepared to discuss the res judicata issues at the post hearing conference.

SIGNED AT AUSTIN, TEXAS on the \_\_\_\_\_\_

\_ day of October 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODGINS

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APPLICATION OF CENTRAL POWER AND LIGHT § COMPANY FOR AUTHORITY TO CHANGE RATES §

PUBLIC UTILITY COMMISSION OF TEXAS

DOCKET NO. 9595

INQUIRY OF THE PUBLIC UTILITY
COMMISSION INTO THE PRUDENCE AND
EFFICIENCY OF THE PLANNING AND
MANAGEMENT OF THE CONSTRUCTION OF THE
SOUTH TEXAS NUCLEAR PROJECT REGARDING
CENTRAL POWER AND LIGHT COMPANY

ORDER ON LIMITED REMAND OF DOCKET NO. 9595 TO THE HEARINGS DIVISION FOR CONSOLIDATION WITH DOCKET NO. 9561

On August 29, 1990, the Commission considered and APPROVED the parties' proposed settlement of Central Power and Light Company's (CPL's) Appeal of the administrative law judge's (ALJ's) order denying CPL's Motion to Consolidate Docket Nos. 9561 and 9595.

The parties' agreement, ADOPTED by the Commission, is set forth below:

- 1. Docket No. 9595 is remanded to the Hearings Division for the limited purpose of granting the motion for consolidation with Docket No. 9561 under the following conditions:
  - a) The record in Docket No. 9595, without supplement, rebuttal or further clarification, is to be made part of the record in Docket No. 9561, without any additional right of discovery. The record in Docket No. 9595 will include all evidence admitted in Docket No. 6668;

b) Docket Nos. 6668/9595 was a phase of Docket No. 8646 and should be in same relationship to Docket No. 9561.

SIGNED AT AUSTIN, TEXAS on this the 13th day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

SIGNED:

CAMPBELL, COMMISSIONER

SIGNED:

MARTA GREYTOK, CO

SIGNED:

PAUL D. MEEK, CHAIRMAN

ATTEST:

MARY ROSS MCDONALD
SECRETARY OF THE COMMISSION

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DOCKET NOS. 8646, 9141, 9595 & 9561

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES

PETITION OF CENTRAL POWER AND LIGHT COMPANY TO CONTINUE DEFERRED ACCOUNTING FOR UNIT 1 OF THE SOUTH TEXAS PROJECT BEYOND FEBRUARY 15, 1990

INQUIRY OF THE PUBLIC UTILITY COMMISSION OF TEXAS INTO THE PRUDENCE AND EFFICIENCY OF THE PLANNING AND MANAGEMENT OF THE CONSTRUCTION OF UNIT NO. 1 OF THE SOUTH TEXAS NUCLEAR PROJECT REGARDING CENTRAL POWER AND LIGHT COMPANY

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES PUBLIC UTILITY COMMISSION

OF TEXAS

#### **ORDER**

In public meeting at its offices in Austin, Texas, the Public Utility Commission of Texas finds that these cases were processed in accordance with applicable statutes and rules by presiding officers who filed examiners' reports. The Commission adopts the findings of fact and conclusions of law attached to this Order as Attachment I, which is incorporated by reference into this Order.

The Commission further issues the following order:

- 1. The application of Central Power and Light Company ("CPL" or "the Company") in Docket No. 8646 is GRANTED in part and DENIED in part, as reflected in the terms of this Order and the attached findings of fact and conclusions of law.
- 2. Because the nonunanimous agreement is not rejected and the permanent rates approved pursuant to this Order are greater than or equal to the interim rates that have been in effect, no refund of the interim rates is necessary.
- This is the final order in Docket Nos. 8646, 9141, and 9595. Docket No. 9595 (relating to the Company's prudence with respect to STP 1 and STP 2)

has previously been consolidated with Docket No. 9561, which is the Company's next succeeding rate case. All issues in Docket No. 9595 pertaining to STP 1 are SEVERED from that case and CONSOLIDATED with Docket Nos. 8646 and 9141. All remaining issues in Docket No. 9595 are SEVERED from that case to be considered by the Commissioners as part of Docket No. 9561, and Docket No. 9595 is closed. This Order thus disposes of Docket Nos. 8646, 9141, and 9595. Docket No. 9561 is restyled Application of Central Power and Light Co. for Rate Changes and Inquiry into the Company's Prudence with Respect to South Texas Project Unit 2.

4. No later than 20 days after the date of this Order, CPL shall file with the Commission five copies of a proposed tariff designed to implement this Order and to generate revenues no greater than those prescribed by this Order; CPL shall concurrently file one copy of the proposed tariff with each party. No later than 10 days after the date of the tariff filing or the date of this Order, whichever is later, the parties shall file any objections to the tariff proposal, and general counsel shall file the staff's comments recommending approval, modification, or rejection of the individual sheets of the proposed tariff. Any responses to comments and objections must be filed no later than 15 days after the filing of the tariff or the date of this Order, whichever is later.

The Hearings Division shall by letter approve, modify, or reject each tariff sheet, effective the date of the letter, based upon the materials submitted to the Commission under the foregoing procedure. In the absence of written notice of modification or rejection by the Hearings Division, the proposed tariff sheets will be deemed approved and effective on the 21st day after the date of filing or the date of this Order, whichever is later.

If any sheets are modified or rejected, the Company shall file proposed revisions of those sheets in accordance with the Hearings Division letter no later than 10 days after the date of that letter, with the review procedures set out above again to apply. Copies of all documents related to the review procedure must be served on all parties and the general counsel.

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#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT § COMPANY FOR AUTHORITY TO CHANGE RATES §

PUBLIC UTILITY COMMISSION OF TEXAS

DOCKET NO. 9595

INQUIRY OF THE PUBLIC UTILITY
COMMISSION INTO THE PRUDENCE AND
EFFICIENCY OF THE PLANNING AND
MANAGEMENT OF THE CONSTRUCTION OF THE
SOUTH TEXAS NUCLEAR PROJECT REGARDING
CENTRAL POWER AND LIGHT COMPANY



#### ORDER ON LIMITED REMAND OF DOCKET NO. 9595 TO THE HEARINGS DIVISION FOR CONSOLIDATION WITH DOCKET NO. 9561

On August 29, 1990, the Commission considered and APPROVED the parties' proposed settlement of Central Power and Light Company's (CPL's) Appeal of the administrative law judge's (ALJ's) order denying CPL's Motion to Consolidate Docket Nos. 9561 and 9595.

The parties' agreement, ADOPTED by the Commission, is set forth below:

- 1. Docket No. 9595 is remanded to the Hearings Division for the limited purpose of granting the motion for consolidation with Docket No. 9561 under the following conditions:
  - a) The record in Docket No. 9595, without supplement, rebuttal or further clarification, is to be made part of the record in Docket No. 9561, without any additional right of discovery. The record in Docket No. 9595 will include all evidence admitted in Docket No. 6668;

- b) The Examiner's Report in Docket No. 9595 and proposal for decision, as amended by the Commission, is to be considered as the Examiner's Report concerning evidence from Docket No. 9595 and is to be made part of the record in Docket No. 9561;
- c) The Examiner's Report in Docket No. 9561 will address the evidence offered and admitted in Docket No. 9561 and not that incorporated from Docket No. 9595; therefore, the Examiner in Docket No. 9561 is not required to read the record in Docket No. 9595;
- d) Testimony on STP Unit 2 prudence issues already filed in Docket No. 9561 or to be filed pursuant to the ALJ's current schedule and orders shall remain in Docket No. 9561 subject to the ALJ's orders on pending motions to strike; and
- e) The parties to Docket No. 9595 are considered parties to Docket No. 9561.

#### 2. Rationale:

a) Docket No. 9595 record should be available in Docket No. 9561 to support whatever the Commission's final decision as to such docket may be; and b) Docket Nos. 6668/9595 was a phase of Docket No. 8646 and should be in same relationship to Docket No. 9561.

SIGNED AT AUSTIN, TEXAS on this the 13th day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

SIGNED:

Ø CAMPBELL. COMMISSIONER

SIGNED:

MARTA GREYTOK, COMMISSIONER

SIGNED:

PAUL D. MEEK, CHAIRMAN

ATTEST:

MARY ROSS MCDONALD

SECRETARY OF THE COMMISSION

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DOCKET NO. 9561

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES 1990 SEP \$7 PM 3:

PUBLIC UTILITY COMMISSION

OF TEXAS

#### EXAMINER'S ORDER NO. 15

#### **GRANTING MOTIONS TO CONSOLIDATE**

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. No objections have been filed. The motions are **GRANTED**. The parties should add the following entities to their service lists:

Mayor John Puhl City of Palm Valley 1313 Stuart Place Rd. Harlingen, Texas 78552

Mayor Victor Gaenzel, Jr. City of Pleasanton P.O. Box 209 108 2nd Street Pleasanton, Texas 78579

Mayor Eugene Czaja City of Yorktown P.O. Box 605 102 W. Main Yorktown, Texas 78164

Mayor Keith Bellamy City of Bishop P.O. Box 356 115 S. Ash Bishop, Texas 78343

Mayor Roberto Barrientos City of Eagle Pass P.O. Box 4019 100 S. Monroe Street Eagle Pass, Texas 78853

Mayor Keith Bellamy City of Driscoll P.O. Box 356 115 S. Ash Driscoll, Texas 78343 Mayor Joe D. Hermes City of Edna 105 S. Allen Edna, Texas 77957

Mayor Rudy de la Vina, Jr. City of Edinburg P.O. Box 1079 210 W. McIntyre Edinburg, Texas 78540

Mayor Bill Webb City of Refugio P.O. Drawer 1285 Refugio, Texas 78374

Mayor Bill Webb City of Portland P.O. Drawer 1285 Portland, Texas 78374

Mayor Norma Garcia City of Mercedes P.O. Box 837 400 S. Ohio Mercedes, Texas 78570

Mayor Joe Chisum City of Leakey P.O. Box 457 Forth Street Leakey, Texas 78873 Mayor Pat O'Bryant City of Camp Wood P.O. Box 130 109 W. Forth Street Camp Wood, Texas 78833

Mayor Michael Braden City of Sabinal P.O. Box 838 501 N. Center Sabinal, Texas 78881

Mayor Don Tymrak
City of Karnes City
P.O. Box 399
314 E. Calvert
Karnes City, Texas 78118

Mayor Rod Sadler City of Kingsville P.O. Box 1458 200 E. Kleberg Kingsville, Texas 78363

Mayor Daulton Braden City of Runge P.O. Box 206 306 N. Helena Runge, Texas 78151

Mayor Ruhmann C. Franklin City of Kenedy P.O. Box 539 303 W. Main Kenedy, Texas 78119

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

SIGNED AT AUSTIN, TEXAS on the

day of September 1990.

**PUBLIC UTILITY COMMISSION OF TEXAS** 

AMALIJA J. HODGINS

ADMINISTRATIVE LAW JUDGE

/cst



## Public Utility Commission of Texas

7800 Shoal Creek Boulevard · Suite 400N Austin, Texas 78757 · 512/458-0100 Jo Campbell Commissioner

Marta Greytok Commissioner

Paul D. Meek Chairman

1990 SEP 26 PM 4: 26

PUBLIC UTILITY COMMISSION FILING CLERK

September 26, 1990

TO ALL PARTIES OF RECORD Docket Nos. 8646, 9141, 9595, and 9561 )Central Power and Light Company (CPL) rate case and South Texas Nuclear Project prudence case involving CPL

Dear Sir or Madam:

The Commissioners have decided to postpone consideration of the Examiners' Reports issued in Docket Nos. 8646 and 9141 and in Docket No. 6668, now Docket No. 9595. Those cases will not be heard on Thursday, October 4, 1990, at 9:00 a.m. as you were previously notified. Instead, those cases will be heard on Tuesday, October 9, at 10:00 a.m. The deadline for replies to exceptions to the Examiners' Report in Docket Nos. 8646 and 9141 has not been changed.

Also, attached is a copy of a letter from Suzanne J. Nelson, Ed.D., Superintendent of Schools, Tuloso-Midway Independent School District, expressing a desire to speak at the final order meeting at which the Examiners' Reports in these cases are heard.

Sincerely,

Elizabeth Hagan Drews Administrative Law Judge

cc: Suzanne J. Nelson

#### Tuloso-Midway Independent School District P.O. Box 10900 Corpus Christi, Texas 78460-0900 [512] 241-3286

September 19, 1990

Ms. Mary Ross McDonald Secretary, Public Utilities Commission State of Texas 7800 Shoal Creek Blvd. #400 North Austin, Texas 78757

Dear Ms. Ross:

The Tuloso-Midway Independent School District would like to go on record as opposing additional rate hikes proposed by Central Power and Light Company in the city of Corpus Christi.

School systems have been and are faced with serious budgetary problems caused by the unwillingness on the part of the legislature to properly fund them and by local taxpayers who continue to oppose any kind of tax rate hikes.

In our particular school district our electricity bill exceeds \$600,000 per year. That cost can be prorated at \$218.00 per student per year. To put this figure into perspective, it is important for you to realize that the total budget of the campus operations (including instructional materials) comes to less than one-half of our annual electric bill which means we are spending twice as much on electricity as we are spending for instruction. With the exception of payroll, electricity is the single most expensive item to the budget to the school district.

We find it difficult to understand why the schools and school children of South Texas should be held hostage because of the mismanagement and cost overrun of the South Texas Nuclear Power Plant. You are asking us to mortgage our children's <u>present</u>, for Central Power and Light's <u>future</u>.

On behalf of the Board of Trustees, Administration and patrons we are requesting the opportunity to speak at the hearing on October 4, 1990.

Sincerely,

Suzanne J. Nelson, Ed.D.

Superintendent of Schools

SJN/gm

9/25/90 Copies to:

Commissioner Campbell Commissioner Greytok Chairman Meek Liz Drews Jeff Friedman Steve Davis Book

#### **DOCKET NO. 9561**

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES 888

PUBLIC UTILITY COMMISSION

OF TEXAS

EXAMINER'S ORDER NO. 16

# GRANTING MOTIONS TO CONSOLIDATE AND MOTIONS TO INTERVENE

#### Motions to Consolidate

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5. No objections have been filed. The motions are GRANTED. The parties should add the following entities to their service lists:

Mayor Kay Phillips City of Bayside P.O. Box 194 Bayside Community Center Bayside, Texas 78061

Mayor Ruben Ochoa City of Santa Rosa P.O. Box 326 413 Santa Cruz Santa Rosa, Texas 78593

Mayor Armando Cuellar, MD City of Weslaco 500 S. Kansas Weslaco, Texas 78596

Mayor Rodolfo S. Rodriguez City of Pearsall 213 S. Oak Pearsall, Texas 78061 Mayor Hector Casiano City of Donna 921 E. Miller Donna, Texas 78537

Mayor Eva Medrano City of Mathis 411 E. San Patricio Mathis, Texas 78368

Mayor Mark Crawford City of Ingleside P.O. Drawer 400 Ingleside, Texas 78382

Mayor Eduardo Vela City of Hidalgo P.O. Box 187 311 E. Esperanza Hidalgo, Texas 78557 Mayor Armando Garza City of Elsa P.O. Box 427 214 E. 4th Elsa. Texas 78543

Mayor Jesus Rodriguez City of Carrizo Springs P.O. Box 268 308 Pena Carrizo Springs, Texas 78834

Mayor Benito Perez City of Crystal City 101 E. Dimmit Crystal City, Texas 78839

Mayor Ygnacio G. Garcia City of Brownsville P.O. Box 911 Market Square Brownsville, Texas 78520

Mayor Betty Turner City of Corpus Christi P.O Box 9296 1201 Leopard Corpus Christi, Texas 78403

Mayor Pat Townsend, Jr. City of Mission 900 Doherty Mission, Texas 78572

Mayor Ted Reed City of Victoria P.O. Box 1758 105 W. Juan Linn Victoria, Texas 77902-1758

Mayor Ramon de la Fuente City of Asherton P.O. Box 368 Asherton, Texas 78827

Mayor Jerry Riviera City of Gregory P.O. Box 297 Gregory, Texas 78359 Mayor Jesse F. Byars City of La Feria 115 E. Commercial La Feria, Texas 78559

Mayor Aldo Tatangelo City of Laredo P.O. Box 579 1105 Lincoln Laredo, Texas 78042

Mayor Alvaro Escobedo City of Big Wells General Delivery Highway 85 Big Wells, Texas 78830

Mayor Gilbert Galvan City of San Benito P.O. Box 1870 485 N. Sam Houston San Benito, Texas 78586

Mayor Jose Carlos Saenz City of Roma P.O. Box 947 Roma, Texas 78584

Mayor Calvin Byrd City of Port Isabel P.O. Box 146 305 E. Maxan Port Isabel, Texas 78578

Mayor Rodolfo Farias City of La Joya P.O. Drawer H La Joya, Texas 78560

Mayor Joe R. Lozano City of Cotulla 117 N. Front Cotulla, Texas 78014

Mayor Octavio Figueroa, Jr. City of Alice P.O. Drawer 3229 Alice, Texas 78333 Mayor Robert Watson City of Aransas Pass P.O. Drawer X Aransas Pass, Texas 78336

Mayor Pro-Tem Frank Saldana City of Combes P.O. Box 280 306 Templeton Combes, Texas 78535

Mayor John Ybanez City of Beeville 400 N. Washington Beeville, Texas 78102

Mayor Pro-Tem Frank Moffett City of Dilley P.O. Box 230 101 S. Commerce Dilley, Texas 78017

Mayor Truett Thomas City of Orange Grove P.O. Drawer 350 Orange, Texas 78372

Mayor Espiridion Jackson City of Edcouch P.O. Box 86 206 Hill Edcouch, Texas 78538

Mayor John McGinnis City of Lytle P.O. Box 743 Lytle, Texas 78052

Mayor Bob Pinkerston City of South Padre Island P.O. Box 3410 4501 Padre Blvd. South Padre Island, Texas 78597 Mayor Travis Griffin City of Smiley P.O. Box 18 115 W. 1st Smiley, Texas 78159

Mayor Michael Brotzman City of Rio Hondo P.O. Box 389 121 N. Arroyo Blvd. Rio Hondo, Texas 78583

Mayor William Ordner City of Petronila Rt. 3, Box 51 Robstown, Texas 78380

Mayor W. S. "Bill" Hooper City of Luling P.O. Box 630 509 E. Crockett Luling, Texas 78648

Mayor Tiney Browning City of Port Lavaca P.O. Box 105 Port Lavaca, Texas 77979

Mayor Walter F. Hallerman City of Rancho Viejo 3461 Carmen Avenue Rancho Viejo, Texas 78520

Mayor Carlos Perez City of La Villa P.O. Box 38 La Villa, Texas 78562

#### Motions to Intervene

On September 14, 1990, the following cities filed a joint motion to intervene:

Alice Kingsville Three Rivers Ganado Port Aransas

Victoria

Weslaco

Justiciable interests in the outcome of this proceeding having been shown, the motions to intervene by the cities are GRANTED. The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

SIGNED AT AUSTIN, TEXAS on the

day of September 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

AMALIJA J. HODGINS

ADMINISTRATIZVE LAW JUDGE

/cst

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# Public Utility Commission of Texas

7800 Shoal Creek Boulevard · Suite 400N Austin, Texas 78757 · 512/458-0100 Jo Campbell Commissioner

Marta Greytok Commissioner

Paul D. Meek Chairman

1 1 1 1 2 -0 1 1 1 1 0 1

August 2, 1990

Kathleen F. Archer, M.D. 5022 Holly Road Corpus Christi, TX 78411

Dear Dr. Archer:

Thank you for your letter to the Public Utility Commission of Texas expressing your interest in the Application of Central Power & Light Company (CPL) for Authority to Change Rates.

Your letter states that "you wish to lodge a formal complaint" in the company's application for rate change. Because your request is general in nature, I will briefly describe for you the differences between intervention and participation and provide you with a phone number you may call to obtain further information.

An intervenor is a person who, upon showing a justiciable interest, is permitted to become a party to the proceeding. P.U.C. PROC. R. §21.41. Intervenors are full participants to the proceeding and make legal arguments, conduct discovery, cross-examine witnesses and are themselves, if they testify, subject to cross-examination by the other parties in the case. If you intend to intervene, you are required to file a motion to intervene with the Commission conforming to Commission rules and practice and serve the motion on all parties of record. For your convenience I have attached a copy of the current service list.

A protestant is a person opposing any matter contained in the application or petition submitted to the Commission. P.U.C. PROC. R. §21.41. Protestants are not parties to the case and may not conduct discovery, cross-examine witnesses or present a direct case. Protestants may, however, make a written or verbal statement for the record in support of, or in opposition to, the application and give information to the staff that they feel may be helpful.

If you intend to be a protestant, the Commission's practice is to hear statements of protest or support from members of the public on the morning of the first day of the hearing. The hearing on the merits in this matter has been scheduled for 10:00 a.m., Monday, August 27, 1990. The hearing will be held at the Commission's offices, 7800 Shoal Creek Boulevard, Austin, Texas. You should plan to make your statement on the morning of that first day of hearing. I suggest that you call the Hearings Division at (512) 458-0266 a few days before the hearing is to commence as hearing schedules are subject to change.

Although public comments are not sworn and therefore not treated as evidence, they help to inform the Commission and its staff of public concerns and to identify issues to be explored during the hearing. The Commission welcomes such participation in its proceedings. We ask that you limit your statement to ten minutes. In lieu of appearing at the hearing you may wish to submit your statement in writing. If you choose this alternative, your written statement should be filed with the Commission no later than 4:00 p.m. on Monday, August 20, 1990.

In future correspondence with the Commission, please refer to Docket No. 9561 which is the Commission filing number assigned to this case. If you have any questions regarding the status of the case on CPL's requested rate change, please contact the Commission's General Counsel's Office at (512) 458-0282.

Sincerely,

AMALIJA J. HODGINS

ADMINISTRATIVE LAW JUDGE

/tlg

xc: All parties of record and Current Service List Designees Docket No. 9561

### SERVICE LIST

**DOCKET NO.** 9561 (page 1 of 3)

CITIES

REPRESENTATIVE/ADDRESS PARTIES Nancy Leshikar/Joe N. Pratt CENTRAL POWER & LIGHT COMPANY REDFORD, WRAY & WOOLSEY 6836 Austin Center Blvd., Ste. 250 One Northpoint Centre Austin, TX 78731 512/794-2100 General Counsel Division PUBLIC UTILITY COMMISSION OF TEXAS PUBLIC UTILITY COMMISSION OF TEXAS 7800 Shoal Creek Blvd., Ste. 400N Austin, TX 78757 512/458-0282 C. Kingsbery Ottmers OFFICE OF PUBLIC UTILITY COUNSEL 7800 Shoal Creek, #290E Austin, TX 78757 512/475-3700 Jonathan Day TEXAS INDUSTRIAL ENERGY CONSUMERS Rex D. VanMiddlesworth Sheryl A. Purvis MAYOR, DAY & CALDWELL 1900 NCNB Center Houston, TX 77002 713/225-7000 Rupaco T. Gonzalez STATE OF TEXAS Assistant Attorney General Public Agency Representation Section P. O. Box 12548, Capitol Station Austin, TX 78711-2548 512/462-3773 Taylor S. Davis/Marianne Carroll OCCIDENTAL CHEMICAL CORPORATION NORTON & BLAIR 301 Congress, #1900 Austin, TX 78701 512/472-5997

Don Butler

**BUTLER & CASSTEVENS** 

Austin, TX 78746 512/327-2812

901 Mopac Expressway South 525 Barton Oaks Plaza Two

## SERVICE LIST

**DOCKET NO.** 9561 (page 2 of 3)

**PARTIES** 

REPRESENTATIVE/ADDRESS

LOWER COLORADO RIVER AUTHORITY

Lawrence S. Smith SMALL, CRAIG & WERKENTHIN P. O. Box 2023 Austin, TX 78768 512/472-8355

COASTAL REFINING & MARKETING, INC.

Louis S. Zimmerman FULBRIGHT & JAWORSKI One American Center 600 Congress, Suite 2400 Austin, TX 78701 512/474-5201

DEPARTMENT OF THE NAVY

David LaCroix Assistant Counsel (Code 09CG) Naval Facilities Eng. Command Hoffman Bldg. 11, Room 11N69 200 Stovall Street Alexandria, VA 22332-2300

LOWER RIO GRANDE VALLEY WATER DISTRICT MANAGERS' ASSOCIATION (Water District)

R. Glenn Jarvis
Raymond L. Thomas
JARVIS, SCHWARZ & KITTLEMAN
P. O. Box 1416
McAllen, TX 78502
512/686-8797

**PARTIES** 

Mayor Robert Wilson City of Indian Lake 62 S. Aztec Cove Drive Los Fresnos, TX 78141

Mayor Lonnie Glasscock III City of San Patricio Rt. 2, Box 40 Mathis, TX 78368

Mayor Armando Garcia City of San Diego 404 South Mier San Diego, TX 78384

Mayor Herb O. Grebe City of Taft 501 Green Avenue Taft, TX 78390

## SERVICE LIST

**DOCKET NO.** 9561 (page 3 of 3)

**PARTIES** 

PARTIES (Continued)

## REPRESENTATIVE/ADDRESS

Mayor Louise Shumate City of Three Rivers P. O. Box 398 101 Thornton Three Rivers, TX 78071

Mayor August Caron City of George West P. O. Drawer F 204 Bowie George West, TX 78071

Mayor Salvador Vela City of Alton Rt. 2, Box 124-00 Mission, TX 78572

Mayor Jose R. Pena City of Palmview Rt. 10, Box 598-B Mission, TX 78572

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#### DOCKET NO. 9561

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES 999

PUBLIC UTILITY COMMISSION

OF TEXAS

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#### EXAMINER'S ORDER NO. 8

## GRANTING MOTIONS TO CONSOLIDATE AND INTERVENE

## Motions to Consolidate

Central Power and Light Company (CPL) has filed appeals from several municipal rate making ordinances and motions to consolidate those appeals with this docket. No objections have been filed. The motions are **GRANTED**. The parties should add the following entities to their service lists:

Mayor Leslie Cole, Sr. City of Fulton P.O. Box 1130 Fulton, Texas 78579

Mayor Herb O. Grebe City of Taft 501 Green Avenue Taft, Texas 78390

Mayor Louise Shumate City of Three Rivers P.O. Box 398 101 Thornton Three Rivers, Texas 78701 Mayor August Caron City of George West P. O. Drawer F 204 Bowie George West, Texas 78071

Mayor Bill Swinnea City of Progreso Lakes P.O. Box 10 Progreso Lakes, Texas 78579

## Motions to Intervene

On July 13, 1990, the following cities filed a joint motion to intervene:

El Campo Harlingen Santa Rosa

The cities request that they be grouped with the cities whose intervention was granted in Examiner's Order No. 5.

Justiciable interests in the outcome of this proceeding having been shown, the motion to intervene by the cities is GRANTED. The request for grouping is also GRANTED.

The City of Lyford's request in a letter filed July 13, 1990, to receive only procedural orders regarding the hearing schedule, the final examiner's report when completed, and the final order of the Commission is hereby noted. All parties may refrain from sending copies of any pleadings or responses to requests for information to the City of Lyford.

SIGNED AT AUSTIN, TEXAS on the 19th day of July 1990.

PUBLIC UTILITY COMMISSION OF TEXAS

/cst

## DOCKET NO. 9561

APPLICATION OF CENTRAL POWER AND LIGHT COMPANY FOR AUTHORITY TO CHANGE RATES	5 5 5	PUBLIC UTILITY COMMISSION
		OF TEXAS

## DOCKET NO. 9595

INQUIRY OF THE PUBLIC UTILITY UTILITY COMMISSION OF TEXAS INTO THE PRUDENCE AND EFFICIENCY OF THE PLANNING AND MANAGEMENT OF THE CONSTRUCTION OF THE SOUTH	\$ \$ \$ \$ PUBLIC UTILITY COMMISSION \$ OF TEXAS
TEXAS NUCLEAR PROJECT REGARDING CENTRAL POWER AND LIGHT COMPANY	S OF TEXAS  S ,

# MOTION AND STIPULATION

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

WHEREAS, on May 17, 1990, Central Power and Light Company (CPL or Company) filed with the Public Utility Commission of Texas (the Commission) and with the municipalities served by CPL which have retained original jurisdiction applications to increase the rates charged within their respective original jurisdictions, said proposed changes reflecting annual revenue requirements of \$1,046,044,856 on a retail basis, based on a fully adjusted test-year including weather normalization, resulting in an increase of approximately \$106,520,351 or 11.34% on a retail basis over comparable fully adjusted test-year revenues; and

WHEREAS, the records in Docket Nos. 9561 and 9595 comprise the entire record in regard to the matters addressed herein; and

WHEREAS, a Stipulation and Joint Motion for Approval Thereof was filed on February 8, 1990 in Docket Nos. 8646, 6668 (now 9595 as to CPL), 6753 and 9141 (such document, including amendments and modifications thereto, hereinafter referred to as the "Docket 8646 Stipulation") which presented a plan for bringing CPL's investment in the South Texas Nuclear Project (STP) into CPL's rates; and

WHEREAS, this Motion and Stipulation is consistent with the plan set out in the Docket 8646 Stipulation for bringing STP into CPL's rates, and presents a proposal for a complete and final resolution of all issues in Docket No. 9561 and a final resolution of issues in Docket No. 9595 concerning the reasonable original cost of CPL's investment in STP Unit No. 2; and

WHEREAS, the Cities listed on attached Stipulation Exhibit A have taken final action, appeals thereof have been filed and such appeals have been consolidated; and

WHEREAS, certain Intervenor Cities are appearing and acting jointly herein and are presenting a consolidated case; and

WHEREAS, the Cities which have intervened in this proceeding are:

Agua Dulce Aransas Pass

Bay City Bayside Beeville Big Wells Bishop

Camp Wood Carrizo Springs Columbus Corpus Christi Cotulla

Devine Driscoll

Eagle Lake Edcouch Edna Edinburg El Campo

Goliad Gregory

Harlingen

Ingleside

Kenedy

La Feria Leakey Los Fresnos Luling

McAllen Mission

Odem
Orange Grove

Palm Valley Pearsall Pharr Point Comfort Portland Port Lavaca

Rancho Viejo Raymondville Refugio Roma Runge

Santa Rosa Sinton Smiley Three Rivers

Uvalde

Yorktown

#### ; and

WHEREAS, motions to intervene were filed by Office of Public Utility Counsel (OPC), Texas Industrial Energy Consumers (TIEC), Department of the Navy (Navy), various cities served by CPL (Cities), State of Texas (State), Lower Rio Grande Valley Water District Managers' Association (Water District), Occidental

Chemical Corporation (Oxychem), Coastal Refining and Marketing, Inc. (Coastal), Lower Colorado River Authority (LCRA), and certain cotton ginning customers of CPL (South Texas Cotton Ginners) (collectively referred to as "Intervenors," or for those signing this Motion and Stipulation, the "Signing Intervenors"); and

WHEREAS, the Signing Intervenors, Commission General Counsel and CPL desire to resolve in the manner indicated herein all outstanding issues in Docket No. 9561 and issues related to the reasonable original cost of CPL's investment in STP Unit No. 2 in Docket No. 9595; and

WHEREAS, resolution of such issues in Docket Nos. 9561 and 9595 in the manner set forth herein would allow the Signing Intervenors, Commission General Counsel and CPL to limit rate case expenses, conserve resources and avoid the uncertainty that further litigation would bring; and

WHEREAS, subject to the terms and conditions provided herein and the Exhibits hereto, CPL, the Commission General Counsel and Signing Intervenors desire the Commission to authorize the base rate increase, fixed fuel factors, fuel reconciliation, accounting treatments and rate design provided for herein based on the record evidence before the Commission in Docket Nos. 9561 and 9595 and to otherwise find the terms and conditions herein reasonable and consistent with the Commission's statutory authority and its rules and regulations;

NOW THEREFORE, CPL, Commission General Counsel and Signing Intervenors (collectively referred to as the "Signatories") by their undersigned representatives agree and stipulate as follows:

I.

# PURPOSE AND EFFECT OF THIS NOTION AND STIPULATION

This Motion and Stipulation presents the agreement of the Signatories concerning the complete resolution of Docket No. 9561 and resolution of the Docket No. 9595 issues relating to the reasonable original cost of CPL's investment in STP Unit No. 2. The Signatories agree that this Motion and Stipulation is in all respects consistent with the Docket 8646 Stipulation. The Signatories agree that this Motion and Stipulation is contingent upon the Commission entering a final order or orders that are consistent with and implement the terms of the Docket 8646 Stipulation. If the Commission does not enter such final order or orders consistent with the terms of the Docket 8646 Stipulation, the Signatories do not agree to the resolution of Docket Nos. 9561 and 9595 as set out in this Motion and Stipulation, but recognize the right of each to proceed as agreed to in Article XV.

II.

#### RELIEF REQUESTED

The Signatories request the Commission to approve the base rate increase, fixed fuel factors, fuel reconciliation, accounting

treatments and rate design set out in Articles III through XIII of this Motion and Stipulation and the exhibits referred to in those Articles. The Signatories agree that the record evidence before the Commission supports resolution of Docket Nos. 9561 and 9595 (concerning the reasonable original cost of CPL's investment in STP Unit No. 2) on the terms set out in this Motion and Stipulation if the Docket 8646 Stipulation is implemented in Docket No. 8646 through entry of Commission final orders consistent with its terms. Signatories respectfully request that the Commission, based on such record evidence, make appropriate findings of fact and conclusions of law and enter the necessary orders approving the relief requested in this Motion and Stipulation.

#### III.

## REVENUE INCREASE, COST OF SERVICE, OPERATING EXPENSES

The Signatories agree that the total Company base rate revenue increase to which CPL is entitled under the terms and conditions hereof is an annual amount of \$120 million. It is agreed that the increase should become effective beginning with consumption on January 1, 1991, and thereafter. While the Signatories recognize that they cannot by agreement bind the Commission regarding the timing of permanent rate approval and effectiveness, the timing of the rate increase specified herein is absolutely essential to this Motion and Stipulation.