

PROJECT NO. 25716

RULEMAKING PROCEEDING TO	§	PUBLIC UTILITY COMMISSION
REVISE PUC SUBSTANTIVE RULE	§	
§25.72, UNIFORM SYSTEM OF	§	OF TEXAS
ACCOUNTS	§	

**PROPOSAL FOR PUBLICATION OF AMENDMENT TO §25.72
AS APPROVED AT THE MAY 2, 2002 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes an amendment to §25.72, relating to Uniform System of Accounts. The proposed amendment inserts text inadvertently omitted from subsection (g) of this section during the reorganization and renumbering of commission Substantive Rules from Chapter 23 to Chapter 25. Project Number 25716 is assigned to this proceeding.

Darryl Tietjen, Director of Financial Analysis, Financial Review Division, has determined that for each year of the first five-year period the proposed section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Mr. Tietjen has determined that for each year of the first five years the proposed section is in effect the public benefit anticipated as a result of enforcing this section will be more accurate reflection of commission intent and policy. There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing this section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Mr. Tietjen has also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

Comments on the proposed amendment (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, within 30 days after publication. Comments should be organized in a manner consistent with the organization of the proposed rule. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. All comments should refer to Project Number 25716.

This amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998, Supplement 2002) (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and specifically §14.003 which permits the commission to require certain reports from utilities.

Cross Reference to Statutes: Public Utility Regulatory Act §§14.002, 14.003 and 36.054.

§25.72. Uniform System of Accounts.

(a) — (f) (No change.)

(g) **Rules related to capitalization of construction costs.** Each electric utility and electric cooperative shall accrue allowance for funds used during construction on construction work in progress to the extent not included in rate base. In the event construction work in progress is included in rate base pursuant to the rules in §25.231(c)(2)(D) of this title (relating to Cost of Service), capitalization of allowance for funds used during construction for electric utilities and electric cooperatives shall be discontinued to the extent construction work in progress is included~~is allowed~~.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 3d DAY OF MAY 2002 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
RHONDA G. DEMPSEY**