

PROJECT NO. 24640

ISSUES RELATED TO ANNUAL § PUBLIC UTILITY COMMISSION
REVISIONS TO ACCESS LINE RATES §
FOR TEXAS MUNICIPALITIES § OF TEXAS

ORDER SETTING CPI-ADJUSTED CITY-PREFERRED
ACCESS LINE RATES FOR YEAR 2018

This Order addresses city-preferred access line rates for the Year 2018. Under 16 Texas Administrative Code § 26.467(j) and Texas Local Government Code § 283.055(g),¹ municipalities are permitted to annually revise their access line rates by an amount equal to one-half the annual change in the most recent consumer price index (CPI). For the year 2017, this amount equals an increase of 1.0237%.

On March 8, 2018, the Commission approved a 1.0237% increase in maximum access line rates for Texas municipalities with Commission-approved rates.² However, because several municipalities adopt rates less than the maximum allowed, the Commission also ordered that:

- A municipality whose 2017 city-preferred access line rates are below its 2018 CPI-adjusted maximum access line rates will remain at its 2017 city-preferred rates unless it notifies the Commission of its desired rates by April 30, 2018.³
- For a municipality whose 2017 city-preferred access line rates equal its 2017 CPI-adjusted maximum access line rates, the new 2018 city-preferred access line rates will be set at the new 2018 CPI-adjusted maximum access line rates unless the municipality notifies the Commission of its desired rates by April 30, 2018.⁴

In response to that Order, several municipalities responded to the Commission either by affirming the Commission's default rates or by declining the default rates and choosing different rates.

¹ Tex. Loc. Gov't Code Ann. § 283.055(g) (West 2005).

² Order Setting CPI-Adjusted Maximum Access Line Rates for Year 2018 (Mar. 8, 2018).

³ *Id.* at Conclusion of Law No. 2.

⁴ *Id.* at Conclusion of Law No. 3.

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On October 23, 2001, the Commission issued an order delegating authority to administratively approve revisions to access line rates.⁵ This Order is issued under that authority.

Ordering Provision

Attachment A to this Order contains the Year 2018 city-preferred access line rates incorporating any adjustments requested by the municipalities. The rates are approved. The municipalities shall implement the approved rates prospectively no later than July 1, 2018.

Signed at Austin, Texas the 16th day of May 2018.

PUBLIC UTILITY COMMISSION OF TEXAS



IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT

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⁵ Order Delegating Authority to Staff to Approve Revised Access Line Rates and Lifeline Exemption Status Changes at 2 (Oct. 23, 2001).