

PROJECT NO. 24640

ISSUES RELATED TO ANNUAL  
REVISIONS TO ACCESS LINE  
RATES FOR TEXAS  
MUNICIPALITIES

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PUBLIC UTILITY COMMISSION  
OF TEXAS

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NOTICE OF APPROVAL SETTING CPI-ADJUSTED CITY-PREFERRED  
ACCESS LINE RATES FOR YEAR 2019

This Notice of Approval addresses city-preferred access line rates for the year 2019. Under 16 Texas Administrative Code § 26.467(j) and Texas Local Government Code § 283.055(g), Texas 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 2018, this amount equals an increase of 1.1120%.

On March 13, 2019, the Commission approved a 1.1120% increase in maximum access line rates for Texas municipalities with Commission-approved rates.<sup>1</sup> However, because several municipalities adopt rates less than the maximum allowed, the Commission also ordered that:

- A municipality whose 2018 city-preferred access line rates are below its 2019 CPI-adjusted maximum access line rates will remain at its 2018 city-preferred rates unless it notifies the Commission of its desired rates by April 30, 2019.<sup>2</sup>
- For a municipality whose 2018 city-preferred access line rates equal its 2018 CPI-adjusted maximum access line rates, the new 2019 city-preferred access line rates will be set at the new 2019 CPI-adjusted maximum access line rates unless the municipality notifies the Commission of its desired rates by April 30, 2019.<sup>3</sup>

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.

<sup>1</sup> *Issues Related to Annual Revisions to Access Line Rates for Texas Municipalities*, Project No. 24640, Order Setting CPI-Adjusted Maximum Access Line Rates for Year 2019 (Mar. 13, 2018).

<sup>2</sup> *Id.* at Ordering Paragraph 3.

<sup>3</sup> *Id.* at Ordering Paragraph 4.

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On October 23, 2001, the Commission issued an order delegating authority to Commission Staff to administratively approve revisions to access line rates.<sup>4</sup> This Notice of Approval is issued in accordance with that authority.

***Ordering Provision***

Attachment A to this Notice of Approval contains the year 2019 city-preferred access line rates incorporating any adjustments requested by the municipalities. These rates are approved and shall be implemented prospectively by the municipalities no later than July 1, 2019.

**Signed at Austin, Texas the 14th day of June 2019.**

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**PUBLIC UTILITY COMMISSION OF TEXAS**

  
**HUNTER BURKHALTER**  
**ADMINISTRATIVE LAW JUDGE**

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<sup>4</sup> *Id.*, Order Delegating Authority to Staff to Approve Revised Access Line Rates and Lifeline Exemption Status Changes at 2 (Oct. 23, 2001).