



PROJECT NO. 24640

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

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**NOTICE OF APPROVAL SETTING CPI-ADJUSTED CITY-PREFERRED
ACCESS LINE RATES FOR YEAR 2020**

This Notice of Approval addresses city-preferred access line rates for the year 2020. 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 2020, this amount equals an increase of 0.7267%.

On February 27, 2020, the Commission approved a 1.0237% increase in maximum access line rates for Texas municipalities with Commission-approved rates.¹ However, because several municipalities adopt rates less than the maximum allowed, the Commission also ordered that:

- A municipality whose 2019 city-preferred access line rates are below its 2019 CPI-adjusted maximum access line rates will remain at its 2019 city-preferred rates unless it notifies the Commission of its desired rates by April 30, 2020.²
- For a municipality whose 2019 city-preferred access line rates equal its 2019 CPI-adjusted maximum access line rates, the new 2020 city-preferred access line rates will be set at the new 2020 CPI-adjusted maximum access line rates unless the municipality notifies the Commission of its desired rates by April 30, 2020.³

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 Order Setting CPI-Adjusted Maximum Access Line Rates for Year 2020 (Feb. 27, 2020).

² *Id.* at Ordering Paragraph 2.

³ *Id.* at Ordering Paragraph 3.

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

Ordering Provision

Attachment A to this Notice of Approval contains the year 2020 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, 2020.

Signed at Austin, Texas the 30th day of June 2020.

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE

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