

The Public Utility Commission of Texas (commission) proposes to amend §25.236 relating to Recovery of Fuel Costs. The proposed amendment will implement the provisions of Public Utility Regulatory Act (PURA) §39.202(c) establishing the requirement of final fuel reconciliation for affiliated power generation companies. Project Number 23014 has been assigned to this proceeding.

The commission proposes to amend §25.236 by adding a new subsection (g) establishing a timeline for the filing of the final fuel reconciliation. The timeline as proposed is based upon staff estimates of available commission staff, complexity of the reconciliation filings and the anticipated workload of staff and potential interested parties.

Andy Curtis, Fuel Analyst, Electric 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. Curtis 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 the section will be the timely evaluation of the fuel expenses of affiliated power generation companies in accordance with the requirements of Senate Bill 7, 76th Legislature, Regular Session (SB7). There will be no 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. Curtis 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.

The commission staff will conduct a public hearing on this rulemaking under Government Code §2001.029 at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701, on Friday, March 23, 2001 from 1:00 to 4:00 p.m. in Hearing Room Gee.

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. 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 23014.

This amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998, Supplement 2001) (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, §39.202(c), which requires each affiliated power generation company to file a final fuel reconciliation for the period ending the day before the date customer choice is introduced.

Cross Reference to Statutes: Public Utility Regulatory Act §14.002 and §39.202

**§25.236. Recovery of Fuel Costs.**

(a) - (f) (No change.)

(g) **Final fuel reconciliation.** Notwithstanding the provisions of subsections (b) and (f) of this section, each electric utility's affiliated power generation company, except El Paso Electric Company's, shall file after January 1, 2002, a final fuel reconciliation according to the schedule in paragraphs (1) — (9) of this subsection. For the final fuel reconciliation, the presiding officer shall set a procedural schedule that will enable the commission to issue a final order in the proceeding within six months of the filing date, except for Reliant Energy and TXU Electric proceedings, which will be completed in eight months.

- (1) West Texas Utilities — June 1, 2002;
- (2) Reliant Energy — July 1, 2002;
- (3) Southwestern Public Service — August 1, 2002;
- (4) TXU Electric — October 1, 2002;
- (5) Central Power & Light — December 1, 2002;
- (6) Lower Colorado River Authority — February 1, 2003;
- (7) Entergy Gulf States, Inc. — March 1, 2003;
- (8) Texas-New Mexico Power Company — April 1, 2003; and
- (9) Southwestern Electric Power Company — May 1, 2003.



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 2nd DAY OF FEBRUARY 2001 BY THE  
PUBLIC UTILITY COMMISSION OF TEXAS  
RHONDA G. DEMPSEY**