

PROJECT NO. 24640

ISSUES RELATED TO
ESTABLISHMENT OF, AND ANNUAL
REVISIONS TO ACCESS LINE RATES
FOR TEXAS MUNICIPALITIES

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PUBLIC UTILITY COMMISSION
OF TEXAS

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**ORDER SETTING CPI-ADJUSTED CITY-PREFERRED
ACCESS LINE RATES FOR YEAR 2014**

This Order addresses city-preferred access line rates for the Year 2014. Pursuant to P.U.C. SUBST. R. 26.467(j) and TEX. LOC. GOV'T CODE § 283.055(g), Texas cities are allowed 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 2013 this amount equals 0.7792%.

On March 10, 2014, the Public Utility Commission of Texas (Commission) issued an Order¹ approving a 0.7792% increase in maximum access line rates for Texas cities with Commission-approved rates. However, since several cities adopt less than maximum rates, the Commission also ordered that:

- A municipality whose 2013 city-preferred access line rate(s) is below its 2013 CPI-adjusted maximum access line rates will remain at its 2013 city-preferred rate(s) unless it provides notification to the Commission of its desired rates no later than April 30, 2014.
- For a municipality whose 2013 city-preferred access line rate(s) is equal to its 2013 CPI-adjusted maximum access line rate(s), the new 2014 city-preferred access line rate will be set equal to the new 2014 CPI-adjusted maximum access line rate(s) unless the municipality provides a notification to the Commission of its desired rate(s) no later than April 30, 2014.

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

¹ *Issues Related to Annual Revisions to Access Line Rates for Texas Municipalities, Order Setting CPI-Adjusted Maximum Access Line Rates for Year 2014 (Mar. 10, 2014).*

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On October 23, 2001, the Commission issued an order delegating authority to Staff to administratively approve revisions to access line rates.² This Order is being issued pursuant to that authority.

Ordering Provision

Attachment A to this Order contains the Year 2014 city-preferred access line rates incorporating any adjustments requested by the cities. These rates are approved and shall be implemented prospectively no later than July 1, 2014.

SIGNED AT AUSTIN, TEXAS the 6th day of May 2014.

PUBLIC UTILITY COMMISSION OF TEXAS


IRENE MONTELONGO
DIRECTOR, DOCKET MANAGEMENT

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² Order Delegating Authority to Staff to Approve Revised Access Line Rates and Lifeline Exemption Status Changes, Docket No. 24640 (Oct. 23, 2001).