

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

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PUBLIC UTILITY COMMISSION  
OF TEXAS

**ORDER SETTING CPI-ADJUSTED CITY-PREFERRED  
ACCESS LINE RATES FOR YEAR 2016**

This Order addresses city-preferred access line rates for the Year 2016. Pursuant to 16 Tex. Admin. Code § 26.467(j) and Tex. Loc. Gov't Code 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 2015, this amount equals a decrease of 0.0878%.

On March 22, 2016, the Public Utility Commission of Texas (Commission) issued an Order<sup>1</sup> approving a 0.0878% decrease 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 2015 city-preferred access line rate(s) is below its 2015 CPI-adjusted maximum access line rates will remain at its 2015 city-preferred rate(s) unless it provides notification to the Commission of its desired rates no later than April 30, 2016.
- For a municipality whose 2015 city-preferred access line rate(s) is equal to its 2015 CPI-adjusted maximum access line rate(s), the new 2016 city-preferred access line rate will be set equal to the new 2016 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, 2016.

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.

<sup>1</sup> *Issues Related to Annual Revisions to Access Line Rates for Texas Municipalities*, Order Setting CPI-Adjusted Maximum Access Line Rates for Year 2016 (Mar. 22, 2016).

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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.<sup>2</sup> This Order is being issued pursuant to that authority.

***Ordering Provision***

Attachment A to this Order contains the Year 2016 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, 2016.

SIGNED AT AUSTIN, TEXAS the 6th day of May 2016.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
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**IRENE MONTELONGO**  
**DIRECTOR, DOCKET MANAGEMENT**

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