

PROJECT NO. 22429

RULEMAKING TO ADDRESS SYSTEM § PUBLIC UTILITY COMMISSION
BENEFIT FEE AND ASSOCIATED §
PROGRAMS PURSUANT TO PURA §
SECTIONS 39.901 AND 39.903. § OF TEXAS

SUPPLEMENTAL ORDER FOR FY 2001

In accordance with PURA¹ § 39.903(d), the Commission shall annually review and approve system benefit accounts, projected revenue requirements, and proposed nonbypassable fee. For fiscal year 2001 (FY 2001), the Commission adopts this Supplemental Order approving additional revenue requirement and setting the supplemental nonbypassable fee for FY 2001 pursuant to PURA § 39.901(b) and (c).

I. System Benefit Account

The Commission approves system benefit accounts for FY 2001 as follows:

<u>ACCOUNT</u>	<u>AMOUNT</u>
Texas Education Agency (Foundation School Program)	\$65,868,783.00
Account Total	\$65,868,783.00

II. Projected Revenue Requirements

The Commission approves projected supplemental revenue requirement of \$65,868,783.00 for FY 2001, which is composed solely of the Texas Education Agency (TEA) revenue requirement of \$65,868,783.00. This amount was calculated by TEA pursuant to PURA § 39.901(b) and (c), and is based on the property value decreases in the amount of \$6,404,755,743.00, as certified by the Texas Comptroller of Public Accounts for the year 2000.

¹ Public Utility Regulatory Act, TEX. UTIL. CODE ANN. § 11.001 – 64.158 (Vernon 1998 & Supp. 2000) (PURA).

The figure of \$65,868,783.00 represents the full amount of losses to the Foundation School Program due to decreases in taxable property values of utility plants caused by the deregulation of electric utility industry in Texas.

III. Nonbypassable Fees

The Commission finds that 232,598,611 projected megawatt hours² (MWh) is a reasonable amount to use in calculating the proposed nonbypassable fee. Dividing projected revenue requirement by the amount of sales results in a proposed nonbypassable fee of \$0.2831864847 per MWh. The Commission approves this amount as the supplemental nonbypassable fee for FY 2001. Total amounts that shall be paid by the electric utilities based on this rate are calculated in the table below:

<u>UTILITY</u>	<u>AMOUNT</u>
Central Power & Light	\$ 6,032,893.58
Entergy Gulf States – TX	\$ 4,200,407.71
Reliant Energy - HL & P	\$19,657,021.98
Southwestern Public Service – TX	\$ 3,149,523.91
Southwestern Electric Power Company – TX	\$ 2,120,749.60
Texas – New Mexico Power	\$ 2,173,027.81
TXU Electric	\$27,165,325.92
West Texas Utilities	\$ 1,369,832.50
Total	<hr/> \$65,868,783.00

² This total is based on 1999 electric retail sales in the IOU areas, as listed in Project No. 22209, 2000 Update Reports of Generating Electric Utilities.

IV. Fee Remittance

The electric utilities identified in Section III of this Supplemental Order shall remit the total assessed nonbypassable fee amounts for FY 2001, as set out in Section III, by April 15, 2001. Payments shall be made to the Texas Comptroller of Public Accounts in accordance with the instructions to be issued by the Administrative Services Division of the Commission. This Order applies only to the fees and revenues for the fiscal year 2001. The Commission is in the process of implementing a rulemaking to address all issues related to the system benefit account, fees, and associated programs for future fiscal years.

V. Cost Recovery

An electric utility required by this Order to remit the supplemental nonbypassable fee for FY 2001 may recover the amount assessed against it in this Order by including that amount as part of its annual costs in the annual report required by PURA § 39.257 for the calendar year 2000. An electric utility may also report a portion of the payment in the 2000 report and the balance in the 2001 report.

Those electric utilities that do not have earnings in their annual report sufficient to cover the entire amount assessed in this Order may petition the Commission for other relief, including approval of the recovery of the assessed amount as a regulatory asset.

SIGNED AT AUSTIN, TEXAS THE 7th DAY OF DECEMBER, 2000.

PUBLIC UTILITY COMMISSION OF TEXAS

PAT WOOD, III, CHAIRMAN

JUDY WALSH, COMMISSIONER

BRETT A. PERLMAN, COMMISSIONER