

**SOAH DOCKET NO. 473-12-4275
PUC DOCKET NO. 40094**

**APPLICATION OF EL PASO
ELECTRIC COMPANY TO CHANGE
RATES AND TO RECONCILE FUEL
COSTS**

§
§
§
§
§

**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**

ORDER NO. 7

**GRANTING MOTION TO ADMIT EVIDENCE, APPROVING INTERIM RATES,
DISMISSING SOAH DOCKET AND RETURNING SETTLED CASE TO COMMISSION**

On April 19, 2012, the following parties filed a Stipulation and Agreement (Agreement): El Paso Electric Company (EPE); the Staff of the Public Utility Commission of Texas (Commission); the City of El Paso; the Texas State Agencies; Texas Industrial Energy Consumers; Freeport-McMoRan Copper & Gold, Inc.; Wal-Mart Stores Texas, LLC and Sam's East, Inc.; Commercial Metals Company; ArcelorMittal Vinton, Inc.; United States Department of Defense and All Other Federal Executive Agencies; Solar Energy Industries Association and El Paso Solar Energy Association; and W. Silver Inc. (collectively, the Signatories). The Signatories are a majority of the parties to this case.

According to EPE, the Office of Public Utility Counsel (OPC) does not request a hearing on the Agreement and has taken no position on the Commission's adoption of the Agreement as a basis for its decision in this case. EPE stated that, while not joining the Agreement, OPC does not oppose it.

The following parties have filed statements of non-opposition to the Agreement: Ysleta Independent School District; El Paso Independent School District; Socorro Independent School District; San Elizario Independent School District; the Housing Authority of the City of El Paso; El Paso County Community College District; and the Region 19 Education Service Center. These parties stated that while they would not be signing the Agreement, they are not opposed to the entry of orders in the proceeding that are consistent with the Agreement. They further represented that their non-opposition includes the entry of an order approving implementation of the temporary rates to be effective May 1, 2012, as described in the Agreement.

The Agreement resolves all rate issues in this case and no party has filed an opposition to the Agreement. The Agreement also calls for the dismissal of EPE's request to reconcile fuel costs for the period July 1, 2009 through September 30, 2011, with the reconciliation of the costs for that period to be taken up in a future proceeding. The Signatories also filed an Unopposed Motion to admit evidence supporting the Agreement, to implement temporary rates effective with EPE's May 2012 billing cycle, and to return the case to the Commission.

These requests in the Unopposed Motion are **GRANTED**.

I. ADMISSION OF EVIDENCE

Consistent with the Signatories' request, the following evidence is **ADMITTED** into the record:

1. EPE's application, including its direct testimony and exhibits (already filed);
2. The affidavits attesting to notice and the publishers' affidavits filed by EPE on April 5, 2012; and
3. The Agreement, together with all of its attachments (1 through 4).

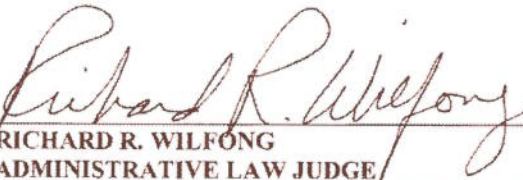
II. APPROVAL OF TEMPORARY RATES

The Unopposed Motion seeks approval of temporary base rates effective with EPE's May 2012 billing month for bills rendered on or after May 1, 2012. The proposed temporary rates are the same rates as the final rates that the Agreement recommends be approved by the Commission. The request to approve these temporary rates in areas in which the Commission is exercising original or appellate jurisdiction is **GRANTED**. These temporary rates are effective with EPE's May 2012 billing month for bills rendered on or after May 1, 2012, and are subject to refund or surcharge in accordance with P.U.C. PROC. R. 22.125(e), as appropriate, if the final rates approved by the Commission differ from the temporary rates. The rate schedules and rider that were filed as part of the Agreement are **APPROVED**.


III. RETURN OF CASE TO COMMISSION

This case is now settled in full. Therefore, it is **ORDERED** that this case is dismissed from the docket of the State Office of Administrative Hearings without prejudice and is returned to the Commission for final processing and approval. The Agreement includes a proposed order with agreed proposed findings of fact, conclusions of law and ordering paragraphs. As soon as practicable, EPE **SHALL** email the proposed order to the Commission in care of Ms. Sell at angie.sell@puc.state.tx.us.

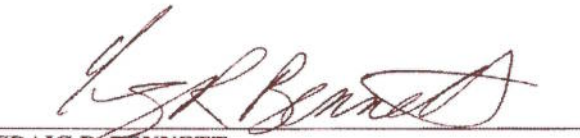
SIGNED April 26, 2012.



RICHARD R. WILFONG
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS



KERRIE JO QUALTROUGH
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS



CRAIG R. BENNETT
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS