

New SWEPCO Texas Rates

The Public Utility Commission of Texas has approved a base rate increase for SWEPCO.

- The PUCT approved the increase to recover SWEPCO’s investments in generation, transmission and distribution facilities since 2016, plus increased operations and maintenance costs to provide reliable and safe service to Texas customers.
- The Commission also approved cost recovery for the Dolet Hills Power Plant, which was retired Dec. 31, 2021.

Customer Bill Impact:

The bill for a Texas residential customer using 1,000 kilowatt-hours (kWh) will increase approximately \$8.31 per month, or 8.48%. This increase will begin with bills issued March 1.

The total increase includes (1) new base rates; (2) a surcharge to recover retroactive amounts for the rate increase; and (3) cost recovery for the retirement of the Dolet Hills Power Plant.

- By Texas law, new rates are retroactive to March 18, 2021. The surcharge for the retroactive amounts will be in effect for an estimated six months.
- Cost recovery for the early retirement of the lignite-fueled Dolet Hills plant will be through a rate rider in effect through 2046, the previously PUCT-approved retirement date for the plant.

Major Rate Class Impact:

Average Customer Impact by Major Rate Class (Total Bill)

Residential	8.48%	
Commercial	8.64%	
Industrial	-1.66%	
Municipal	-2.22%	
Municipal Lighting	4.31%	<i>New base rate impacts vary by rate class and usage characteristics.</i>
Lighting	4.38%	

Regulatory Review

SWEPCO filed its request at the PUCT on Oct. 13, 2020. On Nov. 18, 2021, the PUCT voted to grant SWEPCO an annual base rate increase of \$41.6 million and cost recovery of the Dolet Hills Power Plant. On Jan. 14, 2022, the PUCT issued its final order in the case.

About Base Rates:

Base rates refer to the costs of building, maintaining and operating SWEPCO’s electric system, including power plants, transmission and distribution lines, and facilities to serve customers. Base rates do not include the fuel portion of the customer’s bill, which pays for fuel and purchased power and is passed through to customers with no profit to the company.