

RQ-0644-GA

Lee F. Jackson, Chancellor

University of North Texas

University of North Texas
Health Science Center at Fort Worth

University of North Texas
Dallas Campus

October 18, 2007

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OPINION COMMITTEE

The Honorable Greg Abbott
Attorney General of Texas
Attn: Opinion Committee
P.O. Box 12548
Austin, TX 78711-2548

FILE # ML-45416-07
I.D. # 45416

via Certified Mail, Return Receipt Requested

Re: Request for Attorney General Opinion

Dear General Abbott:

The University of North Texas System requests an opinion on whether Section 36.351 of the Texas Public Utility Regulatory Act requires Denton Municipal Electric to discount charges for electric service provided to the University of North Texas after September 1, 2007.

As more fully explained in the enclosed Brief in Support of Request for Attorney General Opinion, we believe that Section 36.351 was not amended or repealed by the Texas legislature when it restructured the electric utility industry, and requires Denton Municipal Electric to discount charges for electric service provided to the University of North Texas after September 1, 2007.

The University of North Texas is a state university located in Denton, Texas. Denton Municipal Electric is a municipally owned utility that provides electric service to the University of North Texas. The City of Denton has chosen to remain out of the competitive electric market and not participate in customer choice, thereby maintaining a monopoly over electric service within its certificated area. As such, Denton Municipal Electric is the only electric service provider available to the University of North Texas.

As required by Section 36.351, Utilities Code, Denton Municipal Electric has been discounting charges for electric service provided to the University of North Texas. The discount is a twenty-percent reduction of the base rate that would otherwise be paid by the University of North Texas. Denton Municipal Electric discontinued the twenty-percent discount for electric service provided to the University of North Texas after September 1, 2007. Denton Municipal Electric eliminated the twenty-percent discount on a theory that either Section 36.351 was repealed by Section 63 of the electric utility restructuring legislation (Senate Bill 7, 76th Legislature, 1999) or that Denton Municipal Electric is an entity not subject to Section 36.351 following restructuring of the electric utility industry. The University of North Texas System believes that Section 36.351, Utilities Code, requires Denton Municipal Electric to discount charges for electric service provided to the University of North Texas after September 1, 2007. We seek your opinion concerning this important issue.

P.O. Box 311220
Denton, Texas
76203-1220

940.565.2904 TEL
817.267.0652 METRO
940.565.4998 FAX

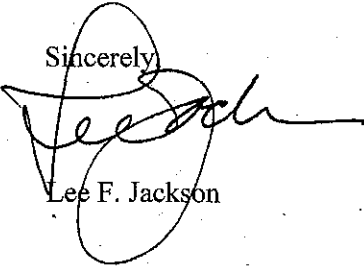
940.369.8652 TTY
www.unt.edu
chancellor@unt.edu



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Thank you in advance for your consideration of this request. Please do not hesitate to contact my office or the UNT System Office of General Counsel should you have any questions or require further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Lee F. Jackson", written over the word "Sincerely,".

Lee F. Jackson

Enclosure

cc: Gayle Strange, Chair, Board of Regents, University of North Texas System
Gretchen M. Bataille, President, University of North Texas