107. On January 1, 1995, GSU changed its coal inventory accounting methodology from last in, first out, (LIFO) to the average cost method. GSU made this change to be consistent with Entergy's inventory accounting valuation methodology.

108. As a result of GSU's change to the average cost method, the value of GSU's coal inventory decreased by $996,109. The corresponding decrease in GSU's revenue requirement is a net reduction in Texas retail base rate revenues of $56,787.

109. GSU's change in coal inventory accounting methodology from LIFO to average cost resulted in fuel savings during the reconciliation period because the prices GSU paid for coal purchased during the first six months of 1995 were higher than the average price of all of the coal in its inventory.

110. Under the LIFO method, the cost of coal in GSU's inventory reflects the market price of coal. In contrast, under the average cost accounting method, the cost of the less expensive coal purchased by GSU in previous years and still in inventory decreases the overall average cost of the inventoried coal burned at GSU's power plants during the reconciliation period.

111. Therefore, the change in coal inventory accounting methodology from LIFO to average cost method did not have a significant adverse impact on ratepayers, but likely lowered the coal costs they would have otherwise paid during the reconciliation period, had the change in inventory accounting valuation methods not been made.

112. In October 1994, CEPCO advised GSU that CEPCO had expended all available funds for operating CEPCO's 30 percent share of the River Bend Nuclear Station (River Bend). CEPCO therefore advised that it would not make any further payments to GSU in 1994 for River Bend's operations, maintenance, or capital expenses.

113. Consequently, GSU ceased providing all power to CEPCO from River Bend and informed CEPCO that it would: (1) credit GSU's share of the expenses attributable to Big Cajun II, Unit 3, against amounts that CEPCO owed to GSU for operation of River Bend; and (2) seek to market CEPCO's share of the power from River Bend and apply the proceeds from that power against amounts that CEPCO owed to GSU.

114. Therefore, from November 2 through December 19, 1994, (the "displacement period"), CEPCO refused to provide GSU with GSU's share of the power from Big Cajun II, Unit 3.

115. Because CEPCO withheld GSU's share of power from Big Cajun II, Unit 3, during the displacement period, GSU replaced the energy which would have been generated by Big Cajun II, Unit 3, with more expensive energy, specifically purchased power and power from the other EOCs ("replacement power").

116. Instead of including the cost of this "replacement power" in its reconcilable fuel costs, GSU computed reconcilable fuel costs for the displacement period as if Big Cajun II, Unit 3 had continued to supply energy to GSU and as if the replacement power had not been purchased. This displaced cost adjustment represents the difference between the more expensive replacement power and an estimate of what the power from Big Cajun II, Unit 3, would have cost GSU's ratepayers if it had been operated during the displacement period.

117. In September 1994, GSU made an incorrect calculation, inflating the coal costs preceding the displacement period for Big Cajun II, Unit 3, and amounting to approximately $226,583 on a total company basis, or $90,653 on a Texas jurisdictional basis, meaning that GSU's coal costs should be adjusted downward by $90,653.

118. Had GSU calculated reconcilable coal costs for September 1994 utilizing the correct tonnage of coal actually burned at Big Cajun II, Unit 3, the total reconcilable coal costs for that month would

have been $2,368,985 for coal stock purchases and transportation, instead of $2,594,568 which GSU requested. The difference is approximately $225,583 on a total company basis, or $90,653 on a Texas jurisdictional basis.

119. In making its displaced cost adjustment calculation to account for the cost of the replacement power for Big Cajun II, Unit 3, GSU relied on questionable coal inventory data provided by CEPCO, failed to take into account the effect of prior month true-ups, and did not adjust for a 50,000 ton coal inventory adjustment made by CEPCO; GSU's displaced cost adjustment calculation of the coal costs attributable to the pseudo-burn at Big Cajun II, Unit 3 were therefore based on unsound data.

120. In light of the fact that Big Cajun II, Unit 3, did not actually generate power for GSU during the displacement period, it was not possible for GSU to accurately predict what the heat rate and unit efficiency of Big Cajun II, Unit 3, would have been in order to accurately calculate the displaced power cost adjustment for the reconciliation period.

121. Because it was not possible to accurately predict what the heat rate or unit efficiency would have been for Big Cajun II, Unit 3, during the displacement period had it provided GSU's share of the output, the best cost estimate available is the price of power GSU relied upon in deciding whether or not to schedule power from Big Cajun II, Unit 3.

122. The replacement power costs for Big Cajun II, Unit 3, can best be calculated utilizing an approximate cost of $15/MWh, which is the cost GSU's own dispatchers use in determining whether or not to schedule power from Big Cajun II, Unit 3. This cost is very close if not essentially the same as the $14.85/MWh cost of coal GSU utilized in its PROMOD computer runs to estimate the merger-related fuel savings for the reconciliation period.

123. Calculating the costs of generation or replacement power for Big Cajun II, Unit 3, during the displacement period based on a cost of $14.85/MWh, with 95.27 percent of that cost as reconcilable cost, results in a reconcilable cost of replacement power at Big Cajun II, Unit 3, of $14.15/MWh.

124. Therefore, $14.15/MWh is the cost that should be utilized to calculate the cost to GSU of replacement power for Big Cajun II, Unit 3, during the displacement period.

125. GSU had 255,300 MWh of displaced or replacement power at Big Cajun II, Unit 3, during the displacement period, resulting in reconcilable cost of generation for the reconciliation period of $3,612,495 ($14.15/MWh x 255,300 MWh = $3,612,495), which is $704,608 less, on a total company basis, than the $4,317,103 GSU charged or requested for this item in its application.

126. The foregoing methodology is an appropriate methodology of calculating the cost of replacement power for Big Cajun II, Unit 3, under the circumstances and eliminates the uncertainties and inaccuracies posed by GSU's methodology, which places too much reliance on unsound data from CEPCO's coal inventory and the unknown heat rate of the units at Big Cajun II.

127. Application of the foregoing methodology results in a reduction of $704,608 in reconcilable coal costs for GSU on a total company basis, or $226,447, with interest, on a Texas jurisdictional basis.

128. GSU's portion of the long-term coal consumed at Big Cajun during the reconciliation period was 1,599,232 tons or 25,943,427 MMBtu, representing total reconcilable coal expenses of $33,707,201.

129. The long-term coal supply for GSU's share of Big Cajun was purchased by CEPCO in conjunction with the Western Fuel Association (WFA). GSU's long-term coal expenses for its share

of Big Cajun of $33,707,201, subject to any disallowances for the cost adjustments for Big Cajun II, Unit 3 during the displacement period, were reasonable.

130. GSU's portion of the long-term coal purchases at Nelson Unit 6 accounted for 2,383,251 tons or 40,231,501 MMBtu for the reconciliation period, representing total reasonable reconcilable long-term coal expenses of $60,812,584.

131. In December 1994, GSU purchased 7,884 tons of spot coal from Kerr-McGee for its Nelson Unit 6 at a price of $4.15/ton or $0.2413/MMBtu. Under the terms of the spot-coal letter agreement, Kerr-McGee agreed to deliver up to 150,000 tons of coal at the $4.15/ton price.

132. GSU did not seek bids from any coal suppliers other than Kerr-McGee for the December 1994 spot-coal purchase, relying instead on a reported spot bid of $4.43/ton for 1995 deliveries of coal to the Lower Colorado River Authority (LCRA) and because the Kerr-McGee bid was lower than the LCRA's.

133. GSU could have obtained a lower bid for spot-coal in December 1994 if it had solicited bids from other Wyoming coal producers. The October 3, 1994 issue of *Coal Week* reported that Grand Island Nebraska purchased spot coal from the Caballo Rojo Mine for $4.05/ton or $0.2411/MMBtu. Additionally, for October, November, and December 1994, *Coal Week* also reported that the marker price for 8,400 Btu/lb. coal from Wyoming was $4.05/ton.

134. GSU was not prudent in its decision to purchase the spot coal from Kerr-McGee in December 1994 without bidding and should have solicited bids from all of the coal suppliers served by the Burlington Northern Railroad in Wyoming and taken the lowest bid.

135. GSU's December 1994 spot-coal purchase for Nelson Unit 6 should have reflected the lower market prices at the time of the purchase. The market price for the total 7,884 ton spot-coal purchase

for Nelson Unit 6 during the reconciliation period was $31,930.20, at a price of $4.05/ton. GSU paid approximately $32,719 for the spot-coal from Kerr-McGee at a price of $4.15/ton, or approximately $788 more than it should have paid for the spot coal at the time.

136. GSU did not include any expenses of the Nelson Rail Spur, a rail spur that is being constructed to its Nelson Station. GSU originally intended to complete the spur in 1995, but delayed its completion because it believed that the lower transportation rate to justify the construction of the spur was not available from the railroad companies.

137. Although GSU never received the equivalent of written bids containing rates used to justify the construction expense of the Nelson rail spur, it received verbal assurances from railroads that deliveries could be made over the Union Pacific/Southern Pacific railroads at a substantial savings over existing rates.

138. GSU's use of an estimated transportation rate during the reconciliation period to justify a several million dollar rail spur is not prudent management. Unless and until GSU shows complete and credible documentation that the rail spur is a benefit to GSU's ratepayers, GSU should not include any of the expenses in its fuel reconciliation or future rate proceedings.

139. GSU burned approximately 221,192 barrels of fuel oil or the equivalent of 1,396,899 MMBtu during the reconciliation period, resulting in total reconcilable fuel oil expenses of $4,028,017.

140. GSU burns small amounts of No. 2 fuel oil at its Sabine Station, Nelson Unit 6, and Big Cajun II, Unit 3, power plants for start-up and flame stabilization. Additionally, GSU maintains contingency supplies of No. 6 fuel oil in inventory at its Sabine, Willow Glen, and Nelson Stations in the event of gas curtailments during severe cold weather.

141. GSU purchased its fuel oil during the reconciliation period by soliciting bids from an approved qualified bidder's list. Accordingly, GSU's reconcilable fuel-oil expenses of $4,028,017 for the reconciliation period were reasonable and necessary.

142. GSU owns 70 percent of the River Bend Nuclear Station (RBNS), a General-Electric (GE) designed Boiling Water Reactor (BWR) nuclear power plant located near St. Francisville, Louisiana, which is approximately 24 miles north of Baton Rouge, Louisiana. CEPCO owns the remaining 30 percent share in RBNS. The plant is operated by Entergy Operations, Inc., since the merger of GSU with Entergy.

143. RBNS achieved commercial operation on June 16, 1986, and its nuclear reactor is rated at a capacity of 2,984 MWh, with its turbine generator rated at 936 MWe (Megawatts net electric).

144. Although RBNS' performance during the reconciliation period was comparatively low, based on its heat rate, capacity factor, and forced outage rates and those of other U.S. BWRs, Entergy's long-term goal of placing RBNS in the top quartile performers of national BWR nuclear power plants resulted in a substantial performance improvement during the reconciliation period.

145. RBNS' comparatively poor performance during the reconciliation period was due to an extended forced outage (FO-94-02) which started on September 8, 1994, and lasted approximately 42.7 days.

146. The uranium (U3O8) utilized as nuclear fuel at RBNS during the reconciliation period was purchased primarily under long-term contracts executed in the 1970's. During the 1970's, fuel-grade uranium was in short supply and the price of uranium was therefore high.

147. GSU made the purchases of the uranium in the core-in-service at RBNS, along with all other nuclear fuel cycle services, on behalf of CEPCO. The Commission previously considered these

nuclear fuel contracts and expenses for RBNS nuclear fuel and found them to be reasonable in Docket No. 10894.

148. The parties in that proceeding are identical to the parties in this proceeding and the issue of the reasonableness of GSU's nuclear fuel costs based on the 1970s long-term uranium contracts was fully and fairly litigated. Docket No. 10894 was GSU's last fully-contested fuel reconciliation.

149. With the exception of reactor operation and spent fuel disposal, GSU accumulates the costs of RBNS nuclear fuel as a total direct capitalized cost of nuclear fuel. GSU further capitalizes financing costs of the nuclear fuel at RBNS incurred prior to its insertion into the reactor core.

150. During the operation of the reactor at RBNS, GSU's recoverable nuclear fuel costs during the reconciliation period include: (1) the amortization of the nuclear fuel; (2) the in-core financing costs; and (3) spent fuel expense.

151. A typical fuel cycle for RBNS is approximately 18 months in duration, including a period for a refueling outage. Therefore, a typical fuel cycle at RBNS consists of approximately 16 months of operation and a two-month refueling outage.

152. The nuclear reactor at RBNS requires approximately 650,000 pounds of uranium to support an 18 month fuel cycle, which represents approximately one-third of all of the nuclear fuel in the reactor.

153. Each reload of the nuclear fuel typically remains in the reactor at RBNS for three fuel cycles. Therefore, the reactor refueling is staggered so that approximately one-third of the nuclear fuel is replaced each fuel cycle.

154. The uranium purchased by GSU pursuant to contracts entered into in the mid-1970s was used in the reactor core at RBNS from the time it achieved commercial operation, up to the present.

155. The 1970s uranium purchased by GSU for RBNS has now all been loaded into the reactor core and will be completely used over the next two refueling cycles, refueling cycles 6 (RF-6) and 7 (RF-7).

156. GSU did not solicit bids for the uranium enrichment services for RBNS because at the time, all U.S. suppliers had to contract with the United States Government for these services. Nevertheless, GSU achieved the prevailing market prices for its later uranium purchases and conversion services through operation of the competitive bidding process.

157. GSU's uranium, conversion, enrichment, and fabrication contracts were reasonable and consistent with the purchasing practices of other utilities for other U.S. nuclear facilities at the time, both in terms of price and contract specifics.

158. In 1990, at a time when uranium prices were relatively low, GSU purchased significant quantities of uranium in the spot market to complete the uranium requirements for RBNS refueling outage number 4 (RF-4) in April 1992.

159. By the end of 1990, GSU signed two additional separate uranium contracts to meet the uranium requirements for RBNS into the late 1990s. The suppliers were Uranerz Exploration and Mining (Uranerz) and RTZ Mineral Services (RTZ). GSU awarded these contracts to Uranerz and RTZ after the solicitation and receipt of favorable bids from these suppliers.

160. The relatively high cost of the nuclear fuel at RBNS incurred by GSU during the reconciliation period was due to the fact that the uranium was purchased under long-term contracts entered into in the mid-1970s when uranium prices were high.

161. Although GSU placed less expensive uranium into the core-in-service at RBNS during refueling outage number 5 (RF-5), the core-in-service during the reconciliation period still contained significant amounts of the expensive 1970s uranium from refueling outage number 3 (RF-3) and refueling outage number 4 (RF-4).

162. On a total percentage basis, from April 1994 through January 1996, the core-in-service at RBNS still contained approximately 52.5 percent of expensive 1970s uranium.

163. GSU's nuclear fuel costs for RBNS during the reconciliation period were nevertheless reasonable, because prior to and during the reconciliation period GSU and Entergy management made reasonable choices from among the range of alternatives available and in light of the information on nuclear fuel supplies and prices at the time.

164. GSU's uranium, conversion, enrichment, and fabrication contracts were well managed by GSU and Entergy and were consistent in terms and cost with the contracts and contemporaneous industry procurement practices at the time. Therefore, GSU's nuclear procurement prices and overall nuclear fuel costs were reasonable during the reconciliation period.

165. GSU's U.S. Department of Energy (DOE) nuclear Decontamination & Decommissioning (D&D) costs for RBNS during the reconciliation period were governed by Title XI of the National Energy Policy Act of 1992, which established a D&D fund with the U.S. Treasury and provided for annual deposits of $150,000,000 via a special assessment from domestic utilities.

166. Although neither GSU nor Entergy has sought or received a refund of D&D fees during the reconciliation period from the DOE, GSU made its last payment of the assessment "under protest with full reservation of all rights to challenge the validity of the assessment and to seek a refund of the entire amount of the payment, with interest as allowed by law." This issue should be addressed in GSU's next fuel reconciliation case.

167. Refueling Outage five (RF-5) at RBNS began on April 15, 1994, and ended on July 6, 1994. GSU originally planned RF-5 to last 53 days, but the outage actually lasted 82 days.

168. GSU established major activities for RF-5 as follows: (1) replacement of approximately one-third of the used nuclear fuel assemblies; (2) motor-operated valve testing; (3) main turbine rotor replacement; (4) Residual Heat Removal (RHR) system repairs; (5) diesel generator maintenance; and (6) other modifications to existing plant systems to improve the material condition of the plant.

169. In general, the purpose of a nuclear refueling outage is to refuel the reactor by replacing approximately one-third of the nuclear fuel in the reactor core, make repairs or modifications to the plant that cannot reasonably be made while the plant is operating, and to correct problems that are identified for the first time during the outage.

170. The length of a nuclear refueling outage is determined from a management perspective by evaluating the tasks on the "critical path." of the outage.

171. The critical path for an outage is the series of the most lengthy tasks during an outage that cannot be performed simultaneously. The parallel work that would have become critical path to the refueling outage if the actual critical path activity had not occurred is known as near-critical-path activity.

172. Without reference to the specific tasks and the critical path activities of a refueling outage based on an analysis that centers on critical path activities, it is nearly impossible to make a decision whether or not a particular extension of an outage was the result of imprudent management.

173. The duration of RF-5 at RBNS during the reconciliation period was reasonable to the extent of 69.06 days and was prudently planned and managed to that extent.

174. The duration of RF-5 was not reasonable to the extent of 12.94 days, due to GSU's failure to adequately plan and manage the reactor containment airlock work that was performed during the outage.

175. The cost of the replacement power attributable to the unreasonable 12.94 day extension of RF-5 is $1,830,569, based on the average cost of nuclear fuel at RBNS during the reconciliation period of $8.60/MWh. Therefore, $1,830,569 of GSU's fuel expenses attributable to the cost of the replacement power for the unreasonable extension of the duration of RF-5 by 12.94 days should be disallowed.

176. Forced Outage No. 94-01 (FO-94-01), or Outage No. 94-03 at RBNS, occurred on September 8, 1994, when RBNS experienced a process water "noise spike" that was perceived by the reactor vessel water level transmitters as an improper or high reactor vessel water level. The vessel water level transmitters sent a "scram signal" to the reactor protection system logic, which shut down the plant.

177. GSU replaced a leaking fuel rod assembly during forced outage FO-94-01, (outage no. 94-03), and also repaired eight segments of Control Rod Drive (CRD) piping, one of which was found to be leaking. The outage lasted 42.7 days.

178. The reactor vessel water level transmitter automatic shutdown feature at RBNS ensures that water will not enter the steam lines and eventually travel to the main turbine where the turbine blading could be damaged.

179. The actual source of the initiating event or noise spike causing forced outage FO-94-01 at RBNS was never identified, but all four of the reactor vessel water level transmitters responded to the event.

180. During RF-5, GSU installed Rosemount Model 1153 Transmitters to replace two of the four reactor vessel water level transmitters due to the degradation of the originally-installed Rosemount Model 1152 Transmitters. There was a need for the installation of a special "damping" card in the new Model 1153 transmitters to allow them to function like the original Model 1152 transmitters.

181. "Damping" on a reactor vessel water level transmitter serves to filter out spurious or background signals that do not represent actual vessel water conditions.

182. GSU personnel installed one of the new Model 1153 transmitters without any damping card and the other transmitter contained a damping card with incorrect settings.

183. The accepted exponential mathematical proof expressing process water noise spike amplitude, reactor water vessel level, and the level of damping installed in the Model 1153 transmitters at RBNS at the time of FO-94-01, conclusively demonstrates that a noise signal or spike of the amplitude experienced at RBNS on September 8, 1994 would have caused the reactor shutdown even if maximum damping had been installed in the transmitters.

184. Therefore, forced outage number FO-94-01, or outage number 94-03 at RBNS, was not due in whole or in part to imprudent management by GSU, because the spurious reactor vessel high water level signal was not caused by either GSU's failure to install damping or by the installation of incorrect damping levels in the Rosemount Model 1153 transmitters.

185. Because forced outage number FO-94-01, or outage number 94-03 at RBNS, was not due in whole or in part to imprudent management on GSU's part, although fuel costs increased due to the outage, GSU should not be required to absorb any of the increased fuel costs.

186. Forced outage number FO-94-02, or outage number 94-04 at RBNS occurred on October 8, 1994, due to a failure of a recirculation pump seal which required a reactor shutdown for repairs. This forced outage lasted 5.8 days, ending on November 3, 1994.

187. The failed recirculation pump seals at RBNS had been replaced prior to the forced outage with a new-type seal during an earlier refueling outage, RF-5. Before RF-5 at RBNS, the recirculation pump seals were replaced several times and the new design was an attempt by GSU to correct the performance problems encountered with the old design.

188. Although GSU carried out a thorough plan to evaluate potential materials to be installed in the new recirculation pump seal design that failed, the new pump seal design failed due to accelerated wear caused by particles in the reactor cooling water at RBNS.

189. GSU was not imprudent in choosing the old tungsten-carbide seal material rather than the new silicon-carbide material for the new seal design, given the history of repeated recirculation-pump seal failures at RBNS, because the new silicon-carbide material was not a sufficiently industry-proven material for the application.

190. There was no reason to suspect poor recirculation pump seal water at RBNS because both GSU and the seal manufacturer had tested the water quality prior to replacing the seals under various plant operating conditions and the test results reflected a high purity seal water supply at RBNS.

191. The seal water quality tests performed at RBNS by GSU and the seal manufacturer did not reveal a particulate problem at RBNS due to the "crud burst" phenomenon at RBNS. A "crud burst" is a phenomenon that occurs in water systems due to particulate accumulation on the inside surfaces of water pipes during normal operation.

192. GSU reasonably investigated the use of both available seal materials at RBNS and prudently chose the industry-proven tungsten-carbide seal material for recirculation pump seal replacement during RF-5. GSU prudently planned and management forced outage number FO-94-02.

193. Outage number 94-05, (forced outage number FO-94-03), occurred at RBNS on December 4, 1994, when a technician at the plant made a communication error which caused a reactor trip or shutdown during the monthly testing of the Main Steam Isolation Valves (MSIVs). The outage lasted approximately 7.4 days, ending on December 12, 1994.

194. During the monthly testing of the MSIVs at RBNS, GSU technicians initiated a half isolation of the controls for the MSIVs. The MSIV test is designed such that only a single, one-half isolation is encountered at one time. Two concurrent one-half isolations will cause the closure of the MSIVs and a plant shutdown or reactor "scram."

195. During the MSIV testing at RBNS, one of the technicians performing the test misunderstood a communication in the control room to be an acknowledgement that a first one-half isolation signal had been reset, when in fact the communication concerned the reset of an alarm annunciator.

196. Upon hearing the control room alarm reset communication, the technician signed-off the reset procedure step and the test proceeded to the next section, which involved inserting the second half isolation in the plant logic at RBNS.

197. Because the first one-half isolation had never in fact been reset, the insertion of the second half isolation completed the logic for the closure of the MSIVs, causing a plant shutdown and forced outage number FO-94-03.

198. The MSIV testing error and resulting forced outage number FO-94-03 was not caused by a failure to follow the operating and communications procedures in effect at RBNS, but by an isolated

misunderstanding of a specific verbal communication by a trained technician and was therefore due to human error.

199. Although GSU management had a clear policy in effect (ADM-022) regarding communications at RBNS, it was unlikely that any GSU management intervention would have prevented the human error since such errors causing a reactor shutdown are expected to happen from time-to-time at nuclear power plants like RBNS; therefore, forced outage number FO-94-03 was not caused by imprudent management at RBNS on GSU's part.

200. As a result of the operation of the ESA, GSU paid $36,936,199.02 to its affiliate Entergy operating companies (EOCs) for energy it received from the Entergy system energy exchange pool during the reconciliation period.

201. GSU's affiliate EOC purchased power expense represents 1,838,569 MWh of electricity it purchased from affiliate EOCs during the reconciliation period at an average cost of $20.09/MWh.

202. Schedule MSS-3 of the ESA determined the pricing and exchange of energy among GSU and the affiliate EOCs during the reconciliation period.

203. By approving Schedule MSS-3 and the ESA, the Federal Energy Regulatory Commission (FERC) has determined how the EOCs will be reimbursed for energy sold to the exchange pool and how the EOCs, including GSU, will purchase energy from the exchange pool.

204. When an EOC such as GSU supplies energy to the exchange pool that the EOC produced, it receives an Operations & Maintenance (O&M) adder, the purpose of which is to reimburse the producing EOC for the incremental cost associated with making the sale to the exchange pool.

205. The EOC exchange pool affiliate transaction O&M adder is not reflected in GSU's fuel costs for the reconciliation period and is therefore not passed on to ratepayers in their fuel costs.

206. GSU purchased power from its affiliate EOCs participating in the system exchange pool during the reconciliation period at an average price of $20.09/MWh and that price was no higher than the prices charged by the supplying EOC affiliates to the other EOCs or affiliates.

207. The FERC has determined that the ESA and Schedule MSS-3 is a just and reasonable way of allocating energy costs and revenues among the EOCs, including GSU, and has determined that the charges imposed on GSU by operation of the ESA are fair and reasonable in comparison to the charges imposed on the other EOCs.

208. Additionally, because the O&M adder for energy sales to the EOC energy exchange pool is not reflected in the GSU's fuel costs and does not include a profit, GSU's purchased power expenses of $36,936,199.02 for energy purchased from the system exchange pool during the reconciliation period were reasonable.

209. Although each EOC's allocation of energy costs and revenues under the ESA may vary based on its relative size and its operating characteristics, the ESA ensures that GSU is paying proportionately no more for purchased power through the ESA than any of its affiliates who are also parties to the agreement.

210. Schedule MSS-5 of the ESA provides that GSU is to be reimbursed for its cost of fuel to supply the pre-merger system power sales plus an O&M adder, but that GSU not share in the net revenue balance or profits from such sales. In its opinion and order approving the merger of Entergy and GSU, the FERC found good cause for limiting GSU's participation in the profits from off-system sales contracts in existence at the time of the merger.

211. The FERC approved the allocation of off-system sales O&M adders among GSU and the EOCs as set forth in Schedule MSS-5 of the ESA as reasonable. Although GSU did receive its share of net balance revenues from such sales made after the merger during the reconciliation period, GSU properly accounted for the differential in revenues received by GSU, as compared to the other EOCs.

212. The $1,189,982.80 System Fuels, Inc., fuel-oil purchase by GSU was reasonable because the $121.80 price per barrel was below the market price for fuel oil when compared to both the average and low spot market prices, according to *Platt's Oilgram*. The price for the fuel oil was no higher than the prices charged by System Fuels, Inc., to its other affiliates.

213. During the reconciliation period, GSU purchased all of Agrilectric Company's (Agrilectric) net energy output at a price of $35.42/MWh pursuant to a contract rate approved by the Louisiana Public Service Commission (LPSC). GSU purchased a total of $3,756,557.78 worth of purchased power from Agrilectric during the reconciliation period.

214. GSU's purchased power costs for its Agrilectric transactions during the reconciliation period were above GSU's avoided cost. Had Agrilectric been located in Texas rather than Louisiana, GSU would likely have paid for the purchased power in accordance with GSU's Texas tariff for Small Power Producers. The total purchase price for the Agrilectric power under that tariff would have been approximately $1,750,800.10, or approximately $2,005,756 less than GSU paid during the reconciliation period.

215. Because GSU was not obligated to purchase the Agrilectric power, the appropriate price ceiling is GSU's avoided cost, reflected by what GSU would have paid for the power had the Agrilectric power been purchased under GSU's Small Power Producer tariff. Accordingly, GSU's expenditure of $2,005,756 above its avoided cost of $1,750,800.10 for the Agrilectric purchased power was unreasonable and excessive and should be disallowed.

216. In the Preliminary Order in this docket, the Commission directed that the profit margins or "adders" from GSU's off-system power sales were, in their entirety, subject to a reasonableness review and reconciliation beginning April 28, 1994, through the end of the reconciliation period.

217. Pursuant to that Order, GSU is required to allocate 100 percent of its off-system sales adders as reconcilable beginning on April 28, 1994, the date of the final order in Docket No. 12712.

218. The Commission's Final Order in Docket No. 12712 did not explicitly continue the 75-25 percent split or sharing of the margins from GSU's off-system sales originally approved in Docket No. 10984. Therefore, no vested interest in a share of the off-system sales revenues or adders was conferred on GSU.

219. Although the interim fixed fuel factors in effect during the last portion of the reconciliation period were implemented by agreement of the parties on an interim basis in Docket No. 12712 beginning as early as March 1994, the Commission did not consider and finally approve those fuel factors until April 28,1994, the date the Final Order in that docket was signed.

220. The Commission Preliminary Order directed that GSU's off-system sales adder revenues should be allocated 100 percent to ratepayers as reconcilable beginning on April 28, 1994.

221. GSU's total transmission or wheeling revenues which it received under transmission service contracts approved by the FERC between GSU and wholesale transmission customers ("Company Service") amounted to $42,007,597, on an Entergy systemwide basis, for the reconciliation period.

222. GSU's company service transmission or wheeling revenues are revenues which GSU received pursuant to contracts GSU entered into before the merger with Entergy Corporation. Consequently, these revenues are not part of the Intra-System Bill (ISB) and are therefore not allocated to any of the other EOCs.

223. GSU's total transmission or wheeling revenues associated with FERC-regulated Entergy System transmission transactions under Entergy's open access transmission tariff ("Access Service") amounted to $1,501,687 during the reconciliation period. Access service transmission or wheeling revenues are revenues GSU received through the Entergy system pool and were allocated to each of the EOCs including GSU, on a monthly basis by operation of the ISB under the FERC-approved ESA.

224. GSU had total transmission equalization expenses, which were charged to FERC Account 565 and which GSU incurs under Schedule MSS-2 of the ESA, amounting to $16,565,619 during the reconciliation period.

225. GSU's total net transmission or wheeling revenues for the reconciliation period, after deducting transmission equalization charges, amounted to approximately $26,943,665 on a total company basis, or approximately $11,000,000 on a Texas retail jurisdictional basis.

226. Because GSU's transmission or wheeling revenues and costs were not allocated to Texas retail ratepayers during the reconciliation period, but were allocated to a separate rate class specified by the Commission's Order in Docket No. 12852, GSU's last base rate case, Texas retail ratepayers should not benefit from an inclusion of GSU's net wheeling revenues in this fuel reconciliation proceeding.

227. GSU's SO2 emissions allowance revenues during the reconciliation period resulted from the EPA auction of withheld allowances first available for use in the years 2000-2001. GSU received approximately $50,000 from the auction of its SO2 emissions allowances during the reconciliation period.

228. GSU accounted for the SO2 emissions allowance revenues which it received during the reconciliation period in FERC Account 411.8, entitled "Gains from Disposition of Allowances,"

which is included as utility operating income in the Statement of Income for the Year in FERC Form 1 for 1994.

229. P.U.C. SUBST. R. 23.23 defines eligible fuel costs according to the FERC Uniform System of Accounts, as of September 30, 1992.

230. On March 31, 1993, the FERC issued Order No. 552, effective January 1, 1993, regarding "Revisions to Uniform System of Accounts to Account for Allowances under the Clean Air Act Amendments of 1990," expressly leaving the proper accounting treatment of revenues from SO2 emissions allowances to be determined by the state regulatory commissions.

231. Because the Commission has not expressly determined whether or not SO2 emission allowance revenues are reconcilable fuel revenues, GSU should record SO2 emission allowance revenues in FERC Account 254, rather than Account 411.8, so that both emissions revenues and costs may be considered by the Commission at a future date.

232. Because GSU's SO2 emission allowance revenues amounted to only $50,000 during the reconciliation period, the regulatory treatment of such revenues should not be decided on the merits due to the relatively small amount of such revenues in this reconciliation.

233. GSU's system electricity losses during the reconciliation period amounted to 2,543,009 MWh of electricity, out a total of 51,512,084 MWh of electricity produced. During the reconciliation period, GSU identified and recovered approximately $1,000,000 in lost revenues due to equipment failure, process failure, and theft of electricity.

234. GSU has in place adequate measures to address lost revenues attributable to theft of electricity and current diversion in its diverse, mainly rural service territories and its employees have been trained

to investigate current diversion, take corrective action appropriate to the circumstances, and reasonably recover lost revenues during the reconciliation period.

235. GSU's reconcilable fuel expenses are $316,507,429 for the reconciliation period, GSU's its reconcilable fuel revenues are $296,971,740, and miscellaneous reasonable adjustments are ($12,039) for generation expenses and purchased-power true-ups.

236. GSU's cumulative fuel cost under-recovery for the reconciliation period is $22,894,943, with interest, as of October 1996. This finding is subject to exact calculation of the recommended adjustment of the Staff's recommended 100 percent off-system sales adder allocation for the months of March and April 1994 and removal of the $300,000 theft recovery disallowance.

237. GSU's total fuel cost disallowances for the reconciliation period are $12,541,771, subject to exact calculation of the disallowance of the $317,000 in total Texas jurisdictional coal costs as recommended by the OPC.

238. After deduction of GSU's total fuel cost disallowances for the reconciliation period, GSU's total net fuel cost under-recovery, before interest, is $20,452,982.

239. GSU adjusted its Generation Expenses & Purchased Power Expenses, resulting in net amounts for these downward adjustments of $17 and $12,022, respectively. The foregoing adjustments are reasonable as timing adjustments to reflect actual costs and adjustments in the applicable months.

240. GSU made the refunds ordered in Docket No. 13170, its last fuel reconciliation for the period October 1, 1991, through December 31, 1993, after December 31, 1994. GSU should have made these refunds to customers before December 31, 1994, because on January 1, 1995, interest on the refunded amounts began to accrue.

241. In making the refunds ordered in Docket No. 13170, GSU made an entry of $50,091 to reflect the interest associated with those refunds which was not correct because the actual refunds occurred over several months. Therefore, the $50,091 in interest recorded for the refunds should be deducted or removed.

242. As of October 31, 1994, GSU's ending balance of the refunds ordered in Docket No. 10894 was under recovered by ($779,971). GSU did not carry forward this refund balance from Docket No. 10894 and include the balance in the instant fuel proceeding, the next fuel reconciliation after Docket No. 13170, as required in Docket No. 10894.

243. GSU did not carry forward or transfer its $779,971 over-refund amount from the Docket No. 10894 refunds until April 1996. The $779,971 amount of the over-refund in Docket No. 10894 should be carried forward into GSU's over/under-recovered fuel balance at the beginning of November 1994.

244. Based on GSU's Texas retail eligible projected fuel costs of $232,636,597 as set in Docket No. 12852, GSU's under collection of approximately $22,894,943 in fuel costs is equivalent to 9.5 percent, which exceeds the threshold limit of 4.0 percent set forth in P.U.C. SUBST. R. 23.23(b)(2)(A)(iii)(II).

245. GSU continues in a state of material under collection of its fuel costs and should surcharge its net fuel cost under-recovery, net of interest, of $20,452,982, in a single one-month period in the first monthly billing cycle following the Commission's Final Order in this proceeding.

246. GSU's cumulative under-recovered interest balance on its under-recovery balance is $2,441,961 as of October 1996.

247. Therefore, subject to calculation of the appropriate corrections by Commission Staff to account for the timing of the Commission Final Order in this proceeding, GSU's cumulative under-recovered interest balance of $2,441,961, as of October 1996, should be surcharged in a single one-month period in the first monthly billing cycle following the Commission's Final Order in this proceeding.

248. Except as indicated otherwise above, during the reconciliation period GSU generated electricity efficiently and maintained effective cost controls, and for all nonaffiliated fuel and fuel-related contracts, its contract negotiations produced the lowest reasonable cost of fuel to ratepayers.

B. Conclusions of Law

1. Entergy-Gulf States (GSU) is a public utility as defined in the Public Utility Regulatory Act of 1995, Tex. Rev. Civ. Stat. Ann. art. 1446c-o (Vernon Supp. 1997) [PURA 95] §2.0011(1).

2. The Public Utility Commission of Texas (Commission) has jurisdiction over this proceeding under PURA 95 §§1.101(a), 2.001, 2.208, and 2.212(g).

3. The State Office Of Administrative Hearings (SOAH) has jurisdiction over all matters relating to the conduct of a hearing, including the preparation of a proposal for decision with findings of fact and conclusions of law in this proceeding pursuant to PURA 95 §1.101(e) and TEX. GOV'T. CODE ANN. Ch. 2003.047.

4. GSU provided published and direct notice of its application in this proceeding as required by P.U.C. SUBST. R. 23.23(b)(4).

5. P.U.C. SUBST. R. 23.23(b) (eff. May 1, 1993) applies to this proceeding because GSU's fixed fuel factors in effect during the first two months of the reconciliation period (January and

February 1994) were set in Docket No. 10894, decided on August 19, 1993, after the May 1, 1993 effective date. GSU's fixed fuel factors in effect for the remainder of the reconciliation period were set in Docket No. 12712, decided on April 28, 1994.

6. A utility's expense is not an allowable reconcilable fuel cost to the extent it resulted from the utility's imprudence, or was not reasonable and necessary to provide reliable electric service, as set forth in P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(I).

7. The scope of a fuel reconciliation proceeding includes any issue related to determining the reasonableness of the utility's fuel expenses during the reconciliation period and whether the utility has over- or under-recovered its reasonable fuel expenses. P.U.C. SUBST. R. 23.23(b)(3)(B)(i).

8. Prudence is the exercise of that judgment and the choosing of one of that select range of options which a reasonable utility manager would exercise or choose in the same or similar circumstances given the information or alternatives available at the point in time such judgment is exercised or option is chosen. There may be more than one prudent option within the range available to a utility in any given context. Any choice within the select range of reasonable options is prudent, and the Commission should not substitute is judgment for that of the utility. The reasonableness of an action or decision must be judged in light of the circumstances, information, and available options existing at the time, without benefit of hindsight. *Inquiry of the Public Utility Commission of Texas into the Prudence and Efficiency of the Planning and Management of the Construction of the South Texas Nuclear Project,* Docket No. 6668, 16 P.U.C. BULL. 183, 483 (June 20, 1990); and *Petition of Southwestern Public Service Company for a Fuel Reconciliation,* Docket No. 14174, __ P.U.C. BULL. __ (Jan. 5, 1996) (not yet published).

9. An isolated error or failure to identify or correct an isolated problem can constitute imprudence; however, whether it does or not depends upon whether the utility's conduct accords with the prudence standard as stated above. *Application of Gulf States Utilities Company to*

Reconcile Fuel Costs, Establish New Fixed Fuel Factors, and Recover its Under-Recovered Fuel Expense, Docket No. 10894, 19 P.U.C. BULL. 1401, 1419 (April 28, 1994).

10. If its eligible fuel expenses for the reconciliation period included an item or class of items supplied by an affiliate of the utility, the utility has the burden of showing that the prices charged by the supplying affiliate to the utility were reasonable and necessary and no higher than the prices charged by the supplying affiliate to its other affiliates or divisions or to unaffiliated persons or corporations for the same item or class of items. P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(II).

11. The doctrine of *res judicata*, or claim preclusion, bars litigation of all issues connected with a cause of action or defense, which, with the use of diligence, might have been tried in the prior suit. The doctrine of collateral estoppel, or issue preclusion, bars the re-litigation of any ultimate issue of fact actually litigated and essential to the judgment in a prior suit, regardless of whether the second suit is based upon the same cause of action. *Bonniwell v. Beech Aircraft Corp.*, 663 S.W.2d 816, 818 (Tex. 1984). The doctrine of collateral estoppel requires that the facts sought to litigated in the second action were fully and fairly litigated in the prior action. *Bonniwell*, 663 S.W.2d at 818.

12. By definition, collateral estoppel does not bar the re-litigation of issues stipulated and specifically reserved for future review in the prior proceeding. Because the final order in Docket No. 13170 specifically reserved, in a non-contested proceeding, the review of the reasonableness of certain fuel issues, it is appropriate to consider those issues in this docket. Once the Commission has reviewed the prudence of the original prices, terms, and conditions of a fuel contract in a fuel reconciliation proceeding, *res judicata* precludes the reconsideration of such in a subsequent proceeding. *Application of Southwestern Electric Power Company to Reconcile Fuel Costs,* Docket No. 12855, 20 P.U.C. BULL. 843, at 864-865; and *Petition of General Counsel for a Fuel Reconciliation for Southwestern Public Service Company,* Docket No. 9030, 17 P.U.C. BULL. 395 (June 3, 1991).

13. GSU, the other Entergy Operating Companies, and System Fuels, Inc., are affiliates under PURA 95 §1.003(2).

14. GSU successfully carried its burden of proof to show that its purchased power and fuel oil transactions with its affiliates during the reconciliation period occurred at reasonable and necessary prices charged by the affiliates and were at prices that were no higher than the prices charged by the supplying affiliates to its other affiliates or divisions or to unaffiliated persons or corporations for the same item or class of items in accordance with P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(II) and PURA 95 §2.208(b).

15. GSU's Agrilectric purchased power transaction expenses above GSU's avoided cost during the reconciliation period were not reasonable and necessary, and therefore not in accordance with P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(I).

16. GSU's long- and short-term natural gas contracts and expenses were reasonable and necessary to provide reliable electric service to its customers during the reconciliation period, with the exception of $62,958 in spot-gas purchases at Willow Glen in March 1994, which GSU failed to show was reasonable and necessary as required by P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(I).

17. GSU failed to show that 12.94 days of Refueling Outage 5 (RF-5) at River Bend Nuclear Station (RBNS) were prudently planned and managed; therefore, GSU's replacement purchased power costs for that portion of RF-5 were not reasonable and necessary as required by P.U.C. SUBST. R. 23.23(b)(3)(B)(i)(I). However, under generally accepted principles of cost-of-service rate regulation currently applicable to GSU, GSU ratepayers should bear the risk of costs associated with an extended forced outage that is not caused in whole or in part by imprudent management.

18. GSU did not properly and accurately account for $90,653 in coal costs for the month of September 1994 at Big Cajun II, Unit 3, during the reconciliation period and that expense is not reasonable as required by P.U.C. SUBST. R. 23.23(b)(3)(B)(i) and (ii).

19. GSU failed to accurately justify $226,447 in replacement power costs for Big Cajun II, Unit 3, with interest on a Texas retail basis, as reasonable and necessary fuel expenses incurred during the reconciliation period as required by P.U.C. SUBST. R. 23.23(b)(3)(B)(i) and (ii).

20. The Commission has the discretion under P.U.C. SUBST. R. 23.23(b)(1) and (b)(3)(B)(ii) to proportionately and consistently allocate fuel costs among fixed- and non-fixed-fuel-factor customers. Because, GSU did not establish that its fuel cost allocation methodology proportionately and consistently allocates fuel costs to fixed- and non-fixed fuel-factor customers based on GSU's actual incurrence of fuel costs to serve them, the Commission is well within its discretion to adopt a just and reasonable fuel cost allocation methodology based on actual fuel cost incurrence, and is not required to allocate fuel costs according to whether the customer pays rates based on GSU's system average or system incremental fuel costs.

21. A total of $12,541,771 of GSU's requested fuel costs should be disallowed because GSU failed to carry its burden to prove the reasonableness of these costs as required by P.U.C. SUBST. R. 23.23(b)(3)(B)(i) and (ii).

22. GSU should surcharge its total fuel cost under-recovery as of October 1996 of $20,452,982, net of interest, in the form of a one-time monthly surcharge on customer bills, because GSU is in a state of material under collection as defined in P.U.C. SUBST. R. 23.23(b)(2)(A)(iii)(II).

23. GSU should also surcharge its cumulative under-recovered interest on the under-recovered fuel balance of $2,441,961, as of October 1996, in the form of a one-time monthly surcharge on

customer bills, because GSU is in a state of material under collection as defined in P.U.C. SUBST. R. 23.23(b)(2)(A)(iii)(II).

24. Except as provided otherwise in the Findings of Fact, GSU met its burden of proof under PURA 95 §§2.212(g), 2.208(b), and P.U.C. SUBST. R. 23.23(b)(3)(B)(i)-(ii) regarding costs it requested be treated as allowable reconcilable fuel expense for the reconciliation period.

SIGNED AT AUSTIN, TEXAS the 18th day of December 1996.

STATE OFFICE OF ADMINISTRATIVE HEARINGS

William Clay Harris
WILLIAM CLAY HARRIS
ADMINISTRATIVE LAW JUDGE

ATTACHMENT A

PROCEDURAL TIMELINE

DATE	EVENT
12-07-95	GSU files its application for fuel reconciliation
01-09-96	Case transferred to SOAH
01-22-96	Initial prehearing conference held; order issued adopting protective order to be used by the parties
01-30-96	Commission issues order requesting briefing on threshhold issues
01-31-96	GSU begins publishing notice once a week for two consecutive weeks in newspapers of general circulation in those counties affected by the application
02-05-96	Protective order modified
02-06-96	GSU begins mailing notice of application to retail customers in monthly billings
02-23-96	Second prehearing conference held
02-23-96	Commission issues Preliminary Order
06-04-96	GSU begins mailing notice of application to its large industrial customers
08-14-96	GSU files affidavits of published notice and direct mail notice to its retail customers and all parties to Docket No. 13170
09-09-96	Hearing on the merits begins
09-23-96	GSU files revised proof of published notice
10-08-96	Hearing on the merits concludes after 21 days of hearing

ATTACHMENT B

PARTIES AND REPRESENTATIVES

GSU
Carolyn Shellman, Paula Cyr

Public Utility Commission
Michael Etchison

Cities of Port Neches, Groves, Nome, Vidor, Beaumont, China, Conroe, Port Arthur, Nederland
Barbara Day

State of Texas *
Jason M. Wakefield, Rupaco T. Gonzalez, Jr.
Richard A. Muscat

North Star Steel Texas, Inc.
Garrett A. Stone, Phillip A. Chabot, Jr.
Julie B. Greenisen

OPC
Marion Taylor Drew, Alex Schnell

Texas Industrial Energy Consumers
Rex D. VanMiddlesworth, Carl S. Richie

* Withdrew 07-17-96

ATTACHMENT C

COMPARISON OF 1995 MERGER RELATED FUEL SAVINGS

INPUTS:	1992 FORECAST	1995 ACTUAL
Fuel Costs ($/MMBTU) (1)		
Spot GAS		
Texas	2.11	1.70
Louisiana	2.34	1.93
Nelson Coal	1.45	1.63
Cajun 2,#3	1.85	1.53
River Bend	0.86	0.83
Demand		
Peak (MW)	5637	5983
Energy (GWH)	32566	34043
Equivalent Availability		
Nelson Coal	63%	78%
Cajun 2,#3	90%	74%
River Bend	76%	99%
Economy Purchases ($/MWH)		
Annual Average Cost		
Peak	23.9	19.2
Off-Peak	18.8	14.7
RESULTS:		
Savings:		
Energy and Purchase Power Expense		
Energy(GWH)		
Gas	(2,248)	(1,133)
Coal	(123)	(136)
Nuclear	71	(0)
Net Purchase & Sales (2)	2,301	1,269
Total	0	0
Energy($000)		
Gas	(66,025)	(19,084)
Coal	(2,128)	(2,013)
Nuclear	539	-
Net Purchase & Sales (2)	32,619	11,503
Total	(34,995)	(9,593)

(1) Forecast of GSU fuel prices prior to the Merger.
(2) Excludes La Station; Includes NISCO & Cogen @ Avoided Cost

WCH
9/12/96

GSU Recoverable Fuel Costs
Price/Volume Variance Analysis
Jan - Jun 1995 Actual vs Docket No. 12712 Order
($000)

	Jan - Jun 1995 Variance		
	Price	Volume	Total
Recoverable Cost			
Gas	(1,358)	9,850	8,493
Coal	(4,504)	122	(4,382)
Nuclear	(2,723)	4,977	2,254
Total Thermal	(8,584)	14,949	6,365
Less: Other Non-Recov	3,502		3,502
Plus Stipulation	2,208		2,208
Plus Proj Merger Savings	8,403		8,403
Plus Net Purch & Sales	(13,609)	(4,259)	(17,868)
Total Fuel & Purchased Power	(15,085)	10,690	(4,395)
Texas Allocator			39.054%
Texas Fuel & Purchased Power			(1,717)

GSU Recoverable Fuel Costs
Price/Volume Variance Analysis
Jan - Jun 1995 vs Docket No. 12712 Order
($000)

	Summer 91 Docket 10894 ALJ	Aug-93 Stipulated Order	Mar-94 Stipulated Order	Actual 95	Actual vs 3/94 Difference	% Difference
Recoverable MWH						
Gas	9,153			9,667	514	6%
Coal	1,908			1,916	8	0%
Nuclear	2,284			2,825	541	24%
Total Thermal	13,346			14,409	1,063	8%
Net Purch & Sales	1,385			776	(609)	-44%
Total Fuel & Puch Power	14,731			15,184	454	3%
Recoverable Cost						
Gas	176,722			185,215	8,493	5%
Coal	34,158			29,776	(4,382)	-13%
Nuclear	23,726			25,980	2,254	9%
Total Thermal	234,606			240,971	6,365	3%
Net Purch & Sales	23,288			5,420	(17,868)	-77%
Less: Other Non-Recov	-			3,502	3,502	
Total Fuel & Puch Power	257,895	257,895		242,889	(15,006)	-6%
Less Stipulation	-	2,208			2,208	
Total less Stipulation		255,687	255,687			
Less Proj Merger Savings			8,403		8,403	
Total Recoverable Cost			247,284	242,889	(4,395)	-2%
$/MWH						
Gas	19.3			19.2	(0.1)	-1%
Coal	17.9			15.5	(2.4)	-13%
Nuclear	10.4			9.2	(1.2)	-11%
Total Thermal	17.6			16.7	(0.9)	-5%
Net Purch & Sales	16.8			7.0	(9.8)	-58%
Total Fuel & Puch Power	17.5			16.0	(1.5)	-9%

ATTACHMENT D

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED
CALCULATED INTEREST BALANCE ON FUEL OVER/(UNDER) RECOVERY BALANCE
For the Reconciliation Period January 1, 1994 through June 30, 1995

Line No. (a)	Month (b)	Year (c)	Texas Cumulative Over/(Under) Recovery (d) *Staff Schedule B*	Interest Rate (e)	Monthly Interest Amount (f)	GSU Interest Refund (g) *Schedule FR-21*	GSU Interest Adjustment (h) *Schedule FR-21*	Staff Interest Adjustment (i) *Staff Schedule C*	Cumulative Interest Amount (j)	Cumulative Over/(Under) Recovery of Fuel & Interest (k)
1	Beginning Balance		$0						$0	$0
2	Jan.	1994	($2,564,813)	0.002684992	$0	$0	$0	$0	$0	($2,564,813)
3	Feb.	1994	($3,453,700)	0.002684992	($6,887)	$0	$0	$0	($6,887)	($3,460,587)
4	Mar.	1994	($6,974,558)	0.002684992	($9,292)	$0	$0	$0	($16,178)	($6,990,736)
5	Apr.	1994	($9,272,399)	0.002684992	($18,770)	$0	$0	$0	($34,948)	($9,307,347)
6	May	1994	($17,517,602)	0.002684992	($24,990)	$0	$0	$0	($59,938)	($17,577,540)
7	Jun.	1994	($20,317,253)	0.002684992	($47,196)	$0	$0	$0	($107,134)	($20,424,387)
8	Jul.	1994	($23,557,526)	0.002684992	($54,839)	$0	$0	$0	($161,973)	($23,719,499)
9	Aug.	1994	($25,943,591)	0.002684992	($63,687)	$0	($2,506) (A)	$2,506	($225,660)	($26,169,251)
10	Sep.	1994	($24,805,003)	0.002684992	($70,264)	$0	$0	$0	($295,924)	($25,100,927)
11	Oct.	1994	($22,949,086)	0.002684992	($67,396)	$0	$0	$0	($363,320)	($23,312,406)
12	Nov.	1994	($22,316,626)	0.002684992	($62,594)	$0	$0	$0	($425,914)	($22,742,540)
13	Dec.	1994	($22,473,435)	0.002684992	($61,064)	$0	$0	$0	($486,977)	($22,960,412)
14	Jan.	1995	($20,130,450)	0.003530630	($81,065)	$0	$0	$0	($568,042)	($20,698,491)
15	Feb.	1995	($16,881,715)	0.003530630	($73,079)	$0	$0	$0	($641,121)	($17,522,836)
16	Mar.	1995	($16,387,832)	0.003530630	($61,867)	$0	$0	$0	($702,987)	($17,090,819)
17	Apr.	1995	($16,422,196)	0.003530630	($60,341)	$0	$0	$0	($763,329)	($17,185,524)
18	May	1995	($20,841,507)	0.003530630	($60,676)	$0	$50,091 (B)	($50,091)	($824,004)	($21,665,511)
19	Jun.	1995	($20,437,571)	0.003530630	($76,493)	$0	$0	$0	($900,497)	($21,338,069)
20	Jul.	1995	($20,452,982)	0.003530630	($75,337)	$0	$0	$0	($975,834)	($21,428,816)
21	Aug.	1995	($20,452,982)	0.003530630	($75,657)	$0	$0	$0	($1,051,491)	($21,504,474)
22	Sep.	1995	($20,452,982)	0.003530630	($75,924)	$0	$0	$0	($1,127,416)	($21,580,398)
23	Oct.	1995	($20,452,982)	0.003530630	($76,192)	$0	$0	$0	($1,203,608)	($21,656,590)
24	Nov.	1995	($20,452,982)	0.003530630	($76,461)	$0	$0	$0	($1,280,069)	($21,733,052)
25	Dec.	1995	($20,452,982)	0.003530630	($76,731)	$0	$0	$0	($1,356,801)	($21,809,783)
26	Jan.	1996	($20,452,982)	0.004867551	($106,160)	$0	$0	$0	($1,462,961)	($21,915,943)
27	Feb.	1996	($20,452,982)	0.004867551	($106,677)	$0	$0	$0	($1,569,638)	($22,022,620)
28	Mar.	1996	($20,452,982)	0.004867551	($107,196)	$0	$0	$0	($1,676,834)	($22,129,817)

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED
CALCULATED INTEREST BALANCE ON FUEL OVER/(UNDER) RECOVERY BALANCE
For the Reconciliation Period January 1, 1994 through June 30, 1995

Line No. (a)	Month (b)	Year (c)	Texas Cumulative Over/(Under) Recovery (d) *Staff Schedule B*	Interest Rate (e)	Monthly Interest Amount (f)	GSU Interest Refund (g)	GSU Interest Adjustment (h) *Schedule FR-21*	Staff Interest Adjustment (i) *Staff Schedule C*	Cumulative Interest Amount (j)	Cumulative Over/(Under) Recovery of Fuel & Interest (k)
29	Apr.	1996	($20,452,982)	0.004867551	($107,718)	$0	$0	$0	($1,784,552)	($22,237,535)
30	May	1996	($20,452,982)	0.004867551	($108,242)	$0	$0	$0	($1,892,794)	($22,345,777)
31	Jun.	1996	($20,452,982)	0.004867551	($108,769)	$0	$0	$0	($2,001,564)	($22,454,546)
32	Jul.	1996	($20,452,982)	0.004867551	($109,299)	$0	$0	$0	($2,110,862)	($22,563,845)
33	Aug.	1996	($20,452,982)	0.004867551	($109,831)	$0	$0	$0	($2,220,693)	($22,673,675)
34	Sep.	1996	($20,452,982)	0.004867551	($110,365)	$0	$0	$0	($2,331,058)	($22,784,041)
35	Oct.	1996	($20,452,982)	0.004867551	($110,902)	$0	$0	$0	($2,441,961)	($22,894,943)
36		TOTAL			($2,441,961)		$47,585	($47,585)		

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED
CALCULATED INTEREST BALANCE ON FUEL OVER/(UNDER) RECOVERY BALANCE
For the Reconciliation Period January 1, 1994 through June 30, 1995

COLUMN INFORMATION

Column	Work Paper Reference	Discription
(a)		Line Number of Staff Schedule.
(b)		Month of activity.
(c)		Year of activity.
(d)		Staff Recommended Texas Cumulative Over/(Under) Recovery from Staff Schedule B.
(e)		Commission approved interest rates.
(f)		Prior month's column (k), Cumulative Over/(Under) Recovery of Fuel & Interest, times the current month's column (e), interest rate.
(g)		GSU's interest refunded according to Schedule FR-21.
(h)		GSU's interest adjustment according to Schedule FR-21.
(i)		Staff recommended interest adjustments according to Staff Schedule C.
(j)		Prior month's column (j) plus current month's column (f).
(k)		Column (d) plus column (j).

NOTES

Note	Work Paper Reference	Discription
(A)		Staff recommendation to remove GSU's August 1994 Loss Factor Adjustment to interest.
(B)		Staff recommendation to remove GSU's May 1995 Adjustment to interest accrual on Docket No. 13170 refund.

ATTACHMENT E

ERRATA
Docket No. 15102
Staff Schedule B
Page 1 of 2

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED FUEL OVER/(UNDER) RECOVERY CALCULATION
For the Reconciliation Period January 1, 1994 through June 30, 1995

										Texas Retail Basis		
Line No. (a)	Month (b)	Year (c)	Total Company Fuel Cost (d)	Staff Adjustments (e)	Total Company Adjusted Fuel Cost (f)	Texas Retail Allocator (Jeff Goodman) (g)	Texas Allocated Fuel Costs (h)	Texas Fuel Revenue (i)	Texas Monthly Over/(Under) Recovery (j)	GSU's Fuel Refund & Adjustments (k)	Staff Adjustments (l)	Texas Cumulative Over/(Under) Recovery (m)
			Schedule FR-21	Staff Schedule C		Staff Schedule C		Schedule FR-21		Schedule FR-21	Staff Schedule C	
1	Beginning Balance								0			0
2	Jan.	1994	47,680,643	406,262	48,086,905	39.074%	18,789,477	16,237,538	(2,551,939)	0 (A)	(12,874)	(2,564,813)
3	Feb.	1994	43,941,055	839,728	44,780,783	37.295%	16,700,993	15,823,530	(877,463)	0 (A)	(11,424)	(3,453,700)
4	Mar.	1994	46,583,979	1,109,286	47,693,265	37.368%	17,822,019	14,313,275	(3,508,744)	0 (A)	(12,113)	(6,974,558)
5	Apr.	1994	44,900,421	1,435,596	46,336,017	37.197%	17,235,608	14,949,441	(2,286,167)	0 (A)	(11,674)	(9,272,399)
6	May	1994	61,294,794	1,102,828	62,397,622	37.376%	23,321,735	15,092,469	(8,229,266)	0 (A)	(15,937)	(17,517,602)
7	Jun.	1994	53,232,378	928,732	54,161,110	38.378%	20,785,951	18,000,141	(2,785,810)	0 (A)	(13,841)	(20,317,253)
8	Jul.	1994	59,150,756	(194,027)	58,956,729	38.760%	22,851,628	19,627,326	(3,224,302)	0 (A)	(15,971)	(23,557,526)
9	Aug.	1994	53,980,498	1,511,661	55,492,159	38.206%	21,201,334	18,815,269	(2,386,065)	(148,226) (B)	148,226	(25,943,591)
10	Sep.	1994	46,501,724	829,438	47,331,162	38.407%	18,178,479	19,317,067	1,138,588	0	0	(24,805,003)
11	Oct.	1994	39,688,673	1,129,197	40,817,870	37.065%	15,129,144	16,985,061	1,855,917	0	0	(22,949,086)
12	Nov.	1994	35,927,886	779,226	36,707,112	36.997%	13,580,530	14,992,961	1,412,431	0 (C)	(779,971)	(22,316,626)
13	Dec.	1994	43,023,099	355,053	43,378,152	36.682%	15,911,974	15,755,165	(156,809)	0	0	(22,473,435)
14	Jan.	1995	42,476,092	(283,383)	42,192,709	38.477%	16,234,489	15,759,924	(474,565)	0 (D)	2,817,550	(20,130,450)
15	Feb.	1995	31,630,461	961,513	32,591,974	39.150%	12,759,758	16,008,492	3,248,734	0	0	(16,881,715)
16	Mar.	1995	34,936,268	985,959	35,922,227	41.018%	14,734,579	15,228,462	493,883	0	0	(16,387,832)
17	Apr.	1995	38,517,509	182,513	38,700,022	37.356%	14,456,780	14,422,417	(34,363)	0	0	(16,422,196)
18	May	1995	45,607,886	(432,527)	45,175,359	38.020%	17,175,671	15,568,464	(1,607,207)	0 (D)	(2,812,104)	(20,841,507)
19	Jun.	1995	49,720,742	894,717	50,615,459	38.797%	19,637,280	20,074,738	437,458	0 (D)	(33,523)	(20,437,571)
20	Jul.	1995	0	0	0	- NA -	0	0	0	0 (D)	(15,411)	(20,452,982)
21	Aug.	1995	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
22	Sep.	1995	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
23	Oct.	1995	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
24	Nov.	1995	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
25	Dec.	1995	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
26	Jan.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
27	Feb.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
28	Mar.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
29	Apr.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
30	May	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
31	Jun.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
32	Jul.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
33	Aug.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
34	Sep.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
35	Oct.	1996	0	0	0	- NA -	0	0	0	0	0	(20,452,982)
36		TOTAL	818,794,864	12,541,771			316,507,429	296,971,740		(148,226)	(769,067)	

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED FUEL OVER/(UNDER) RECOVERY CALCULATION
For the Reconciliation Period January 1, 1994 through June 30, 1995

COLUMN INFORMATION

Column	Work Paper Reference	Discription
(a)		Line Number of Staff Schedule.
(b)		Month of activity.
(c)		Year of activity.
(d)		Total Company Fuel Cost (System Expenses) per Schedule FR-21.
(e)		Staff Adjustments on a Total System Basis. See column (u) on Staff Schedule C.
(f)		Column (d) plus Column (e).
(g)		Staff recommended Texas Retail Allocator. See column (d) on Staff Schedule C. (Jeff Goodman)
(h)		Column (f) times column (h).
(i)		Texas Retail Fuel Revenue according to GSU's Schedule FR-21.
(j)		Column (j) less Column (i).
(k)		Fuel refund and adjustments, according to GSU's Schedule FR-21.
(l)		Staff recommended Adjustments on a Texas Basis. Also see Staff Schedule C columns (g), (h), (i), and (j). (Craig Archer)
(m)		The sum of Columns (k), (l), and (m) plus the prior months amount of Column (n).

NOTES

Note	Work Paper Reference	Discription
(A)		Staff recommendation of loss adjustments per GSU's response to General Counsel's 6th RFI CA-42. (Craig Archer)
(B)		Staff recommendation to to remove GSU's August 1995 loss factor adjustment to Texas Retail Over/(Under) Balance. (Craig Archer)
(C)		Staff recommendation to account for the over refunded amount from Dcoekt No. 10894 to be carried forward into the "then existing over/under balance" (Craig Archer)
(D)		Staff recomendation to account for the accumulation of interest on Docket No. 13170 refund which was Not refunded before 12/31/94 per joint stipulation (Craig Archer)

ATTACHMENT F

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED AJUSTMENTS
For the Reconciliation Period January 1, 1994 through June 30, 1995

ADJUSTMENTS ON A TEXAS RETAIL BASIS
(POSITIVE AMOUNTS INCREASE FUEL COST. NEGATIVE AMOUNTS DECREASE FUEL COSTS)

Line No. (a)	Month (b)	Year (c)	Texas Retail Allocator (Jeff Goodman) (d)	Staff Recommendation to Remove GSU's May 1995 Adjustment to Interest (Craig Archer) (e)	Staff Recommendation to Remove GSU's August 1995 Loss Factor Adjustment to Interest (Craig Archer) (f)	Staff Recommendation to Remove GSU's August 1995 Loss Factor Adjustment to Tx Over/Under (Craig Archer) (g)	Loss Adjustments Per GSU's Response to General Counsel's Sixth RFI CA-42 (Craig Archer) -- For Interest Calculations ONLY -- (h)	To Account for the Accumulation of Interest on Docket No. 13170's Refund which was NOT refunded before 12/31/94 per Joint Stipulation (Craig Archer) (i)	Over Refunded Amount from Docket No. 10894 to be carried forward into the "then existing over/under balance" (Craig Archer) (j)
1	Beginning Balance								
2	Jan.	1994	0.39074	$0	$0	$0	($12,874)	$0	$0
3	Feb.	1994	0.37295	$0	$0	$0	($11,424)	$0	$0
4	Mar	1994	0.37368	$0	$0	$0	($12,113)	$0	$0
5	Apr	1994	0.37197	$0	$0	$0	($11,674)	$0	$0
6	May	1994	0.37376	$0	$0	$0	($15,937)	$0	$0
7	Jun.	1994	0.38378	$0	$0	$0	($13,841)	$0	$0
8	Jul	1994	0.38760	$0	$0	$0	($15,971)	$0	$0
9	Aug.	1994	0.38206	$0	$2,506	$148,226	$0	$0	$0
10	Sep	1994	0.38407	$0	$0	$0	$0	$0	$0
11	Oct.	1994	0.37065	$0	$0	$0	$0	$0	$0
12	Nov	1994	0.36997	$0	$0	$0	$0	$0	($779,971)
13	Dec.	1994	0.36682	$0	$0	$0	$0	$0	$0
14	Jan.	1995	0.38477	$0	$0	$0	$0	$2,817,550	$0
15	Feb.	1995	0.39150	$0	$0	$0	$0	$0	$0
16	Mar.	1995	0.41018	$0	$0	$0	$0	$0	$0
17	Apr	1995	0.37356	$0	$0	$0	$0	$0	$0
18	May	1995	0.38020	($50,091)	$0	$0	$0	($2,812,104)	$0
19	Jun.	1995	0.38797	$0	$0	$0	$0	($33,523)	$0
20	Jul	1995	- NA -	- NA -	- NA -	- NA -	- NA -	($15,411)	- NA -
21									
22	TOTALS			($50,091)	$2,506	$148,226	($93,834)	($43,488)	($779,971)

ERRATA
Docket No 15102
Staff Schedule C
Page 1 of 3

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED AJUSTMENTS
For the Reconciliation Period January 1, 1994 through June 30, 1995

ADJUSTMENTS ON A TOTAL GSU SYSTEM BASIS
(POSITIVE AMOUNTS INCREASE FUEL COST. NEGATIVE AMOUNTS DECREASE FUEL COSTS)

Line No (a)	Month (b)	Year (c)	*ERRATA* Off-System Sale's Revenue Above Off-System Sale's Cost Allocator (Jeff Goodman) (k)	*ERRATA* Methodology Impact on Recoverable GSU System Expenses (Jeff Goodman) (l)	*ERRATA* Application of Off-System Sale's Revenue Above Off-System Sale's Cost (Craig Archer) (m)	Generation Expense Adjustments Per GSU's Response to General Counsel's Sixth RFI CA-42 (Craig Archer) (n)	Purchased Power Adjustments Per GSU's Response to General Counsel's Sixth RFI CA-42 (Craig Archer) (o)	Total Monthly GSU Wheeling Revenue (Jim Neeley) (p)	*ERRATA* Fuel Pricing (Brian Almon) (q)	*ERRATA* Absent Loss Recovery Program (Hal Hughes) (r)	*ERRATA* Agrilectric Adjustment (Hal Hughes) (s)	*ERRATA* Replacement Power Cost (Glenn Dishong) (t)	TOTAL STAFF RECOMMENDED DISALLOWANCE (u)
23	Beginning Balance												
24	Jan.	1994	75%	$443,985	$105,280	$0	$0	$0	$0	($16,666)	($126,337)	$0	$406,262
25	Feb.	1994	75%	$940,413	$20,620	$0	$0	$0	$0	($16,666)	($104,639)	$0	$839,728
26	Mar	1994	100%	$1,305,130	($0)	$0	$0	$0	($62,958)	($16,666)	($116,220)	$0	$1,109,286
27	Apr	1994	100%	$1,545,488	($2)	$0	$0	$0	$0	($16,666)	($93,225)	$0	$1,435,596
28	May	1994	100%	$1,211,895	($20,698)	$0	$0	$0	$0	($16,666)	($71,704)	$0	$1,102,828
29	Jun.	1994	100%	$1,918,223	($4)	$0	$0	$0	$0	($16,666)	($101,608)	($871,213)	$928,732
30	Jul.	1994	100%	$1,174,269	($787)	($391,485)	$0	$0	$0	($16,666)	($2)	($959,356)	($194,027)
31	Aug.	1994	100%	$1,251,914	($15,470)	$391,305	$0	$0	$0	($16,666)	($99,422)	$0	$1,511,661
32	Sep	1994	100%	$926,663	($328)	$34,550	$0	$0	$0	($16,666)	($114,781)	$0	$829,438
33	Oct	1994	100%	$1,391,579	($48,805)	($81,649)	$0	$0	$0	($16,666)	($115,262)	$0	$1,129,197
34	Nov	1994	100%	$957,263	($61,604)	$47,262	($5,503)	$0	$0	($16,666)	($141,526)	$0	$779,226
35	Dec	1994	100%	$519,891	($9,643)	$0	$0	$0	($788)	($16,666)	($137,740)	$0	$355,053
36	Jan	1995	100%	$488,666	($3,461)	$0	($617,940)	$0	$0	($16,666)	($133,982)	$0	($283,383)
37	Feb	1995	100%	$606,575	($111,491)	($9,000)	$615,213	$0	$0	($16,666)	($123,118)	$0	$961,513
38	Mar	1995	100%	$371,009	($20,739)	$0	$767,306	$0	$0	($16,666)	($114,951)	$0	$985,959
39	Apr	1995	100%	$376,196	($36,002)	$0	$0	$0	$0	($16,666)	($141,015)	$0	$182,513
40	May	1995	100%	$528,434	($36,141)	$0	($769,776)	$0	$0	($16,666)	($138,378)	$0	($412,527)
41	Jun	1995	100%	$1,111,373	($95,821)	$9,000	($1,322)	$0	$0	($16,666)	($131,847)	$0	$894,717
42	Jul	1995	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -		- NA -	$0
43													
44	TOTALS			$17,088,966	($335,097)	($17)	($12,022)	$0	($63,746)	($299,988)	($2,005,756)	($1,830,569)	$12,541,771

ERRATA
Docket No. 15102
Staff Schedule C

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED AJUSTMENTS
For the Reconciliation Period January 1, 1994 through June 30, 1995

COLUMN INFORMATION

Column	Work Paper Reference	Discription
(a)		Line Number of Staff Schedule
(b)		Month of Activity
(c)		Year of Activity
(d)		Staff recommendation of the Texas Retail Allocator Also see column (l). (Jeff Goodman)
(e)		Staff recommendation to Remove GSU's May 1995 Adjustment to Interest Also see column (i) to account for the accumulation of interest on Docket No 13170 refund which was not refunded before December 31, 1994 per joint stipulation. (Craig Archer)
(f)		Staff recommendation to Remove GSU's August 1995 Loss Factor Adjustment to Interest Also see column (g) & (h) to to account for the Loss Adjustment per GSU's response to General Counsels Sixth RFI CA-42. - This Adjustment FOR INTEREST CALCULATIONS ONLY! - (Craig Archer)
(g)		Staff recommendation to Remove GSU's August 1995 Loss Factor Adjustment to Texas Over/(Under). Also see column (f) & (h) to to account for the Loss Adjustment per GSU's response to General Counsel's Sixth RFI CA-42. - This Adjustment FOR INTEREST CALCULATIONS ONLY! - (Craig Archer)
(h)		Staff recommendation to account for the Loss Adjustments, FOR INTEREST CALCUATIONS ONLY, per GSU's response to General Counsel's Sixth RFI CA-42 Also see columns (f) and (g) (Craig Archer)
(i)		Staff recommendation to account for the accumulation of interest on Docket No. 13170's refund which was NOT refunded before December 31, 1994 per joint stipulation (Craig Archer)
(j)		Staff recommendation on over refunded amount from Docket No 10894 to be carried forward into the "then existing over/(under) balance" (Craig Archer)
(k)	ERRATA	Off-System Sales Revenue Above Off-System Sales Cost Allocator (Jeff Goodman)
(l)	ERRATA	Staff recommendation of the methodology impact on recoverable GSU System Expenses. Also see column (d) Staff recommendation of the Texas Retail Allocator (Jeff Goodman)
(m)	ERRATA	Staff recommendation of the application of Off-System Sale's Revenues above Off-System Sales Cost. (Jeff Goodman & Craig Archer)
(n)		Staff recommendation of the Generation Expenses Adjustments, excluding an adjustment to nuclear costs in December 1994, per GSU's response to General Counsel's Sith RFI CA-42 (Craig Archer)
(o)		Staff recommendation of the Purchased Power Expense Adjustments per GSU's response to General Counsel's Sixth RFI CA-42 (Craig Archer)
(p)		Staff recommendation of the total monthly wheeling revenues (Jim Nesley)
(q)	ERRATA	Staff recommendation on the fuel Pricing (Brian Almon)
(r)		Staff recomendation on the absent Loss Recovery Program (Hal Hughes)
(s)		Staff recomendation on the Agrilectric Adjustment (Hal Hughes)
(t)	ERRATA	Staff recomendation on the replacement power cost (Glenn Dishong)
(u)		Total Staff Recommended Disallowances The sum of columns (l) through column (t)

ATTACHMENT G

ERRATA
Docket No. 15102
Attachment CA-2
Page 1 of 1

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
STAFF RECOMMENDED SUMMARY SCHEDULE
OF OFF-SYSTEM SALES MARGIN SHARING
For the Reconciliation Period January 1, 1994 through June 30, 1995

Line No. (a)	Month (b)	Year (c)	TOTAL AMOUNT WHICH SHOULD BE CREDITED TO ELIGIBLE FUEL COSTS (d)	TOTAL AMOUNT WHICH WAS CREDITED TO ELIGIBLE FUEL COSTS (e)	Staff Adjustment (Craig Archer) (f)
1	Jan.	1994	2,521,407	2,626,687	105,280
2	Feb.	1994	3,577,532	3,598,152	20,620
3	Mar.	1994	4,845,954	4,845,954	(0)
4	Apr.	1994	6,207,505	6,207,503	(2)
5	May	1994	2,139,813	2,119,115	(20,698)
6	Jun.	1994	5,706,035	5,706,031	(4)
7	Jul.	1994	13,212,443	13,211,656	(787)
8	Aug.	1994	10,568,154	10,552,684	(15,470)
9	Sep.	1994	3,585,706	3,585,378	(328)
10	Oct.	1994	3,232,158	3,183,353	(48,805)
11	Nov.	1994	9,034,409	8,972,805	(61,604)
12	Dec.	1994	3,916,257	3,906,614	(9,643)
13	Jan.	1995	5,071,112	5,067,651	(3,461)
14	Feb.	1995	5,738,906	5,627,415	(111,491)
15	Mar.	1995	5,252,350	5,231,611	(20,739)
16	Apr.	1995	6,614,720	6,578,718	(36,002)
17	May	1995	13,224,514	13,188,373	(36,141)
18	Jun.	1995	10,841,256	10,745,435	(95,821)
		TOTAL	115,290,232	114,955,135	(335,097)

COLUMN INFORMATION

lumn	Work Paper Reference	Discription
a)	-	Line Number of Staff Schedule.
b)	-	Month of activity.
c)	-	Year of activity.
d)		From Schedule of Staff Recommended Off-System Sales Margin Sharing.
e)		From ScheduleFR-21
f)		Staff Recommended Monthly Adjustment.

ERRATA
Docket No 15102
Attachment CA-3
Page 1 of 2

ATTACHMENT H

GULF STATES UTILITY COMPANY
DOCKET NO. 15102 - FUEL RECONCILIATION
SCHEDULE OF STAFF RECOMMENDED OFF-SYSTEM SALES MARGIN SHARING
For the Reconciliation Period January 1, 1994 through June 30, 1995

						ITEMS SUBJECT TO SHARING (Per Final Order in Docket 10894 and Jeff Goodman's Testimony)							
Line No.	Month	Year	Total Off-System Sales Gross Revenues	Reconciling Revenues to Agree to ISB Attachment 9-G GROSS REVENUES	Costs to Supply the Off-System Sales Which are Embedded in the Generation and Purchased Power Expenses	Incremental O&M Adders	Other Adders	OSS Adjustment Per GSU's Response to General Counsel's Sixth RFI CA-42	PROFIT FROM OFF-SYSTEM SALE	TOTAL ITEMS SUBJECT TO SHARING	Allocation Percentage to Rate Payers (Per Staff Witness Jeff Goodman)	PROFIT AND ADDERS ALLOCATED TO RATE PAYERS	TOTAL AMOUNT WHICH SHOULD BE CREDITED TO ELIGIBLE FUEL COSTS
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
1	Jan.	1994	$3,470,437 (A)	($843,751)	$2,205,567	$89,287	$0	$105,280	$226,552	$421,119 (C)	75.00%	$315,839	$2,521,407
2	Feb.	1994	$2,769,599 (B)	$843,751	$3,470,080	$52,125	$45,592	$20,620	$24,933	$143,269	75.00%	$107,452	$3,577,532
3	Mar.	1994	$4,845,954		$4,590,613	$171,557	$0	$63,836	$19,948	$255,342 (D)	100.00%	$255,342	$4,845,954
4	Apr.	1994	$6,207,505		$5,807,539	$230,844	$6	$99,990	$69,126	$399,966	100.00%	$399,966	$6,207,505
5	May	1994	$2,139,813		$1,787,098	$78,634	$62,093	$67,482	$144,506	$352,714	100.00%	$352,714	$2,139,813
6	Jun.	1994	$5,706,035		$5,070,208	$211,445	$10	$210,906	$213,465	$635,827	100.00%	$635,827	$5,706,035
7	Jul.	1994	$13,212,443		$12,387,799	$545,495	$2,363	$245,638	$31,149	$824,644	100.00%	$824,644	$13,212,443
8	Aug.	1994	$10,568,154		$9,673,488	$448,453	$46,412	$234,832	$164,969	$894,666	100.00%	$894,666	$10,568,154
9	Sep.	1994	$3,585,706		$3,251,469	$140,570	$984	$121,232	$71,451	$334,237	100.00%	$334,237	$3,585,706
10	Oct.	1994	$3,232,158		$2,907,780	$114,513	$45,469	$70,243	$94,152	$324,377	100.00%	$324,377	$3,232,158
11	Nov.	1994	$9,034,409		$8,473,895	$443,741	$2,960	$112,164	$1,649	$560,514	100.00%	$560,514	$9,034,409
12	Dec.	1994	$3,916,257		$3,653,448	$159,105	$8	$82,856	$20,841	$262,810	100.00%	$262,810	$3,916,257
13	Jan.	1995	$5,071,112		$4,685,700	$197,232	$10,376	$119,694	$58,110	$385,412	100.00%	$385,412	$5,071,112
14	Feb.	1995	$5,738,906		$5,273,808	$203,720	$75,760	$31,581	$154,037	$465,099	100.00%	$465,099	$5,738,906
15	Mar.	1995	$5,252,350		$4,846,170	$201,318	$0	$107,451	$97,411	$406,180	100.00%	$406,180	$5,252,350
16	Apr.	1995	$6,614,720		$6,220,973	$271,550	$1,525	$89,055	$31,617	$393,747	100.00%	$393,747	$6,614,720
17	May	1995	$13,224,514		$12,383,994	$537,866	$1,639	$200,685	$100,331	$840,521	100.00%	$840,521	$13,224,514
18	Jun.	1995	$10,841,256		$10,000,634	$473,692	$24,097	$183,680	$159,154	$840,623	100.00%	$840,623	$10,841,256
		TOTAL	$115,431,329	$0	$106,690,262	$4,571,147	$319,293	$2,167,225	$1,683,402	$8,741,068		$8,599,970	$115,290,232