

ENTERGY GULF STATES, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
Docket No. 22356

Response of: Entergy Gulf States, Inc.  
to the Fifty Eighth Set of Data Requests  
of Requesting Party: Cities

Prepared By: Mark Young  
Sponsoring Witness: Robert Hahne  
Beginning Sequence No.  
Ending Sequence No.

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Question No.: CITIES 58 -47

Part No.:

Addendum:

Question:

Provide Mr. Hahne's definition of joint costs. Provide copies of all documents used in preparing his definition. Provide examples.

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Response:

Joint costs are often referred to as common costs and are costs associated with services and products that are incurred or provide joint benefits to regulated and/or non-regulated business units or affiliates. The primary document used to develop his definition is entitled *Cost Allocation and Affiliate Transactions – A Survey and Analysis of State Cost Allocation Issues* prepared by Deloitte & Touche on behalf of the Edison Electric Institute in June 1999. This document is provided in response to the CITIES 58-43. An example of a joint or common cost would be the accounting services that ESI provides to all companies as described in ESI scope statement F21600 as discussed in Mr. Hahne's rebuttal testimony page R3-167, lines 17-23.