## 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.

Question No.: CITIES 58 -65 Part No.: Addendum:

Question:

Referring to Mr. Hahne's rebuttal testimony, page R3-166, lines 8-9, provide copies of <u>all</u> calculations supporting his statement that ESG pays an "equal unit price."

## Response:

Based in Mr. Hahne's review of approximately 1,200 ESI scope statements, his review of ESI's billing methods, and his knowledge of the cost allocation process used by ESI to allocate its costs to affiliates receiving services, he was able to determine that EGS pays a unit price equal to the unit price paid by EGS' affiliates.

For example, costs related to an activity performed for the benefit of all Entergy electric operating company (operating company) customers will typically be allocated on the basis of number of customers served by each operating company. In this example, the denominator is equal to the total number of electric customers served by all Entergy operating companies and the numerator is equal to the number of electric customers served by an individual Entergy electric operating company. This calculation would result in an "equal unit price" per customer being allocated to each of the operating companies.

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