



Control Number: 34800



Item Number: 1601

Addendum StartPage: 0

SOAH DOCKET NO. 473-08-0334
PUC DOCKET NO. 34800

APPLICATION OF ENTERGY
GULF STATES, INC. FOR
AUTHORITY TO CHANGE
RATES AND RECONCILE
FUEL COSTS

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§
§
§
§

BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS

**RESPONSE OF ENTERGY GULF STATES, INC.
TO TIEC'S FIFTEENTH REQUEST FOR INFORMATION**

Now comes, Entergy Gulf States, Inc. ("Entergy Gulf States" or "the Company") and files its Response to TIEC's Fifteenth Request for Information. The responses to such requests are attached hereto and are numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

Entergy Gulf States believes the foregoing responses are correct and complete as of the time of the responses, but the Company will supplement, correct or complete the responses if it becomes aware that the responses are no longer true and complete, and the circumstances are such that failure to amend the answer is in substance misleading. The parties may treat these responses as if they were filed under oath.

Respectfully submitted,

L. Richard Westerburg, Jr. 

L. Richard Westerburg, Jr.

Steve Neinast

Entergy Services, Inc.

919 Congress Avenue, Suite 701

Austin, Texas 78701

(512) 487-3957 telephone

(512) 487-3958 facsimile

Attachments: TIEC 15: 4, 5, 6, 7 and 8

1601

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Gulf States, Inc. to TIEC's Fifteenth Request for Information has been sent by either hand delivery, facsimile, or U.S. Mail to all parties on the attached service list on this the 16th day of May, 2008.

L. Richard Westerburg, Jr.

L. Richard Westerburg, Jr.

A handwritten signature in black ink, appearing to be "LAW", is written over the printed name of L. Richard Westerburg, Jr.

ENTERGY GULF STATES, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.
to the Fifteenth Set of Data Requests
of Requesting Party: TIEC

Prepared By: Corey Pettett
Sponsoring Witness: Corey Pettett
Beginning Sequence No. TH 3902
Ending Sequence No. TH 3908

Question No.: TIEC 15-4

Part No.:

Addendum:

Question:

With reference to the Rebuttal Testimony of EGSI witness Pettett at page 7, provide all documents reviewed or relied on by Mr. Pettett to determine EGSI's adjustment to SSTs and IS customers' usage for purpose of moving those customers to Rate Schedule LIPS.

Response:

The Company objects to this request on grounds that the responsive materials are highly sensitive protected ("highly sensitive") materials. Specifically, the responsive materials are protected pursuant to Texas Government Code Sections 552.101, 552.104 and/or 552.110. Highly sensitive materials will be provided pursuant to the terms of the protective order in this docket.

See attached.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO PARAGRAPH
4 OF DOCKET NO. 34800 PROTECTIVE ORDER**

The Response to this Request for Information includes Protected Materials within the meaning of the Protective Order in force in this Docket. Public Information Act exemptions applicable to this information include Tex. Gov't Code Sections 552.101, 552.104 and/or 552.110. EGSI asserts that this information is exempt from public disclosure under the Public Information Act and subject to treatment as Protected Materials because it concerns competitively sensitive commercial and/or financial information and/or information designated confidential by law.

Counsel for EGSI has reviewed this information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials Designation.

L. Richard Westerburg, Jr.
Entergy Services, Inc.

ENTERGY GULF STATES, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.
to the Fifteenth Set of Data Requests
of Requesting Party: TIEC

Prepared By: Robert R. Cooper
Sponsoring Witness: Robert R. Cooper
Beginning Sequence No. TH3909
Ending Sequence No. TH3954

Question No.: TIEC 15-5

Part No.:

Addendum:

Question:

With regard to the statement in EGSI witness Cooper's Rebuttal Testimony at page 4, beginning on line 19 that states "a customer deciding to switch during a peak summer month may have a different effect than a customer switching during a shoulder month," please provide a copy of any analysis, studies or reports or other documents or materials reviewed by you or under your direction and or supervision that address the sentence quoted above,

Response:

The Company objects to this request on grounds that the responsive materials are highly sensitive protected ("highly sensitive") materials. Specifically, the responsive materials are protected pursuant to Texas Government Code Sections 552.101, 552.104 and/or 552.110. Highly sensitive materials will be provided pursuant to the terms of the protective order in this docket.

The statement in question refers to the timing of resource needs and the differences between resource needs in peak and non-peak months. The statement refers to the fact that the Company peak traditionally occurs during the summer months, and that the planning process and resource procurement is timed to meet the coming summer peak. See the attached description of the varying monthly reliability need for resources, which was presented to the Entergy Operating Committee on March 17, 2005.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO PARAGRAPH
4 OF DOCKET NO. 34800 PROTECTIVE ORDER**

The Response to this Request for Information includes Protected Materials within the meaning of the Protective Order in force in this Docket. Public Information Act exemptions applicable to this information include Tex. Gov't Code Sections 552.101, 552.104 and/or 552.110. ECSI asserts that this information is exempt from public disclosure under the Public Information Act and subject to treatment as Protected Materials because it concerns competitively sensitive commercial and/or financial information and/or information designated confidential by law.

Counsel for ECSI has reviewed this information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials Designation.

L. Richard Westerburg, Jr.
Entergy Services, Inc.

ENTERGY GULF STATES, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.
to the Fifteenth Set of Data Requests
of Requesting Party: TIEC

Prepared By: Don Peters/Paul Scheurich
Sponsoring Witness: Don Peters
Beginning Sequence No. 554521
Ending Sequence No. 554540

Question No.: TIEC 15-6

Part No.:

Addendum:

Question:

Referring to page 13 of Mr. Peter's rebuttal testimony, please provide a copy of the current franchise agreements with each city that support the recommended allocation of municipal franchise fees.

Response:

Based on discussions between counsel for EGSI and TIEC, EGSI responds to this RFI as follows:

- A. None of the municipal franchise fee agreements referenced in Mr. Peters' testimony address the allocation of municipal franchise fees.
- B. The payment provisions in all of the franchise fee agreements are substantially identical in material respects, except for a couple of agreements, but the differences (as indicated above) do not pertain to allocating costs under the agreements. A sample copy of a current franchise fee agreement, which is representative of the majority of the agreements, is attached. Also attached is an agreement that contains the same payment language, but which utilizes a different payment percentage.

ORDINANCE NO. 1

FRANCHISE

AN ORDINANCE GRANTING TO GULF STATES UTILITIES COMPANY, AND ITS SUCCESSORS AND ASSIGNS THE RIGHT, PRIVILEGE AND FRANCHISE TO CONDUCT WITHIN THE CITY OF AMES, TEXAS, AN ELECTRICAL LIGHTING AND POWER BUSINESS AND TO ENTER UPON, ERECT, CONSTRUCT, MAINTAIN, OPERATE, USE, EXTEND, REPAIR, REPLACE AND REMOVE UNDER, UPON, OVER, ABOVE, ACROSS AND ALONG ANY AND ALL THE PRESENT AND FUTURE PUBLIC ROADS, HIGHWAYS, PARKS, STREETS, LANES, ALLEYS, AND OTHER PUBLIC AREAS OF THE CITY, AND OVER, UNDER, ABOVE, ALONG AND ACROSS ANY AND ALL STREAMS, CANALS, BAYOUS, EMBANKMENTS AND BRIDGES NOW OR HEREAFTER OWNED OR CONTROLLED BY IT, A SYSTEM OF POLES, POLE LINES, TOWERS, DISTRIBUTION LINES, TRANSMISSION LINES, WIRES, GUYS, CABLES, CONDUITS, TRANSFORMERS, AND OTHER DISTRIBUTION AND TRANSMISSION INSTRUMENTALITIES, FACILITIES AND APPURTENANCES (INCLUDING TELEPHONE AND TELEGRAPH POLES AND WIRES FOR SAID COMPANY'S OWN USE) NECESSARY OR PROPER FOR THE TRANSMISSION AND DISTRIBUTION, OR FOR THE TRANSMISSION OR DISTRIBUTION OF ELECTRICITY INTO, IN, WITHIN, FROM, ACROSS, AND THROUGH THE CITY OF AMES, AS NOW EXISTING, OR AS SAID CITY LIMITS MAY HEREAFTER BE EXTENDED; AND GRANTING GULF STATES UTILITIES COMPANY, AND ITS SUCCESSORS AND ASSIGNS, THE AUTHORITY TO USE SUCH FOR THE PURPOSE OF TRANSMISSION, DISTRIBUTION, DELIVERY AND SALE OF ELECTRICITY TO THE MUNICIPALITY, AND TO THE INHABITANTS, OF THE CITY OF AMES AND TO ANY OTHER GOVERNMENTAL AGENCY, GOVERNMENTAL SUBDIVISION, PERSON, FIRM OR CORPORATION, WHEREVER LOCATED WITHIN OR WITHOUT THE CITY LIMITS OF AMES TO BE USED BY SUCH PURCHASER OR PURCHASERS, FOR LIGHTING, COOLING, HEATING, POWER OR ANY OTHER PURPOSE OR PURPOSES FOR WHICH ELECTRICITY MAY BE USED; PROVIDING AN EFFECTIVE DATE; PROVIDING THAT THIS FRANCHISE SHALL BE EFFECTIVE FOR A PERIOD OF FIFTY (50) YEARS COMMENCING UPON AND EXTENDING FROM FINAL PASSAGE HEREOF; PROVIDING FOR THE TEMPORARY REMOVAL, RAISING OR LOWERING OF WIRES AND OTHER APPURTENANCES; PROVIDING FOR COMPENSATION TO BE PAID THE CITY; PROVIDING THAT THIS FRANCHISE SHALL NOT BE EXCLUSIVE; PROVIDING A SEVERABILITY CLAUSE; RESERVING ALL POWERS OF REGULATION; MAKING MISCELLANEOUS PROVISIONS RELATIVE TO THIS GRANT OF FRANCHISE; AND PROVIDING FOR THE ACCEPTANCE OF THIS FRANCHISE ORDINANCE BY COMPANY.

BE IT ORDAINED BY THE City Council (being a Board of Aldermen) of the City of Ames, Texas:

Section 1: That, subject to the terms, conditions and provisions of this ordinance, the City of Ames, Texas, hereinafter referred to as

"City", does hereby grant unto Gulf States Utilities Company, hereinafter referred to as "Company", and its successors and assigns, the right, privilege and franchise to conduct within the City an electrical lighting and power business and to enter upon, erect, construct, maintain, extend, repair, replace and remove in, under, upon, over, above, across and along any and all of the present and future public roads, highways, parks, streets, lanes, alleys, and other public areas of the City and over, under, above, along and across any and all streams, canals, bayous, embankments and bridges, now or hereafter owned or controlled by the City a system of poles, pole lines, towers, distribution lines, transmission lines, wires, guys, cables, conduits, transformers and other distribution and transmission instrumentalities, facilities and appurtenances (including telephone and telegraph poles and wires for Company's own use) necessary or proper for the transmission and distribution, or for the transmission or distribution, of electricity, into, in, within, from, across, and through the City as now existing, or as said city limits may hereafter be extended; and Company and its successors and assigns are authorized to use said poles, pole lines, towers, distribution lines, transmission lines, wires, guys, conduits, transformers and other distribution and transmission instrumentalities, facilities and appurtenances for the transmission, distribution, delivery and sale of electricity to the municipality, and to the inhabitants of the City, and to any governmental agency, and to any governmental subdivision, and to any person, firm or corporation, wherever located, within or without the city limits of the City, for use by such purchaser, or purchasers, for light, power, cooling and heat, and for any other purpose,

or purposes, whether same or different from those herein specified, for which electricity may be used.

Section 2: Upon the filing with City by Company of the acceptance required hereunder, this franchise shall be in full force and effect for a term and period of fifty (50) years commencing upon, and extending from, the date of passage of this ordinance by City.

Section 3: Company, on written request of any person, shall relocate, raise or lower its wires temporarily to permit construction work in the vicinity thereof, or to permit the moving of houses or other bulky structures. The expense of such temporary relocation, raising or lowering of such wires shall be paid by the benefited party or parties and the Company may require the payment in advance, being without obligation to remove, raise or lower its wires until such payment shall have been made. The Company shall be given not less than forty-eight hours prior notice to arrange for such temporary wire changes.

Section 4: Within the streets or other public ways of the City, the location and route of all poles, stubs, guys, anchors, lines, conduits and cables placed and constructed, and to be placed and constructed, by Company in the construction and maintenance of its electrical lighting and power system in, within and through the City, shall be subject to the reasonable and proper regulation, control and direction of the City, or of any official to whom such duties have been, or may be, duly delegated.

Section 5: Nothing contained in this ordinance shall ever be construed as conferring upon Company any exclusive rights or privileges of any nature whatsoever.

Section 6: If any provision, section, subsection, sentence, clause, or phrase of this ordinance is, for any reason, held to be unconstitutional, void, or invalid (or for any reason unenforceable), the validity of the remaining portions of this ordinance shall not be affected thereby, it being the intent of the City in adopting this ordinance that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation, and, to this end, all provisions of this ordinance are declared to be severable.

Section 7: The City by granting of this franchise, does not surrender or to any extent lose, waive, impair or lessen the lawful powers and rights, now or hereafter vested in the City under the constitution and statutes of the State of Texas to regulate the rates for services of Company; and Company, by its acceptance of this franchise, agrees that all such lawful regulatory powers and rights, as the same may be from time to time vested in the City, shall be in full force and effect and subject to the exercise thereof by the City at any time, and from time to time.

Section 8: As compensation to the City for the use and occupancy of its public roads, ways, highways, lanes, alleys, bridges, parks and other public places in the City, and in consideration for the other rights and privileges herein granted, Company agrees to pay to the City at the time Company accepts this franchise, the sum of \$ 5.83 for each day from date of final passage of this franchise ordinance to July 1, 1973, and, further, to pay to the City on September 1, 1973, and on each September 1 thereafter occurring during the continuance of this agreement,

a sum of money equal to four per cent (4%) of its gross receipts from billings for the twelve-month period from July 1 to June 30, inclusive, next preceding such September 1 -- exclusive of receipts from (1) sales to industrial consumers, (2) sales for governmental pumping, and (3) street lighting -- received by the Company for said twelve-month period (ending on the immediately preceding June 30) from its electrical lighting and power sales made direct by Company to ultimate consumers for consumption within the corporate limits of the City, and less a sum equal to the aggregate amount of any license, charge, fee, street or alley rental, or any other charge, or levy, or character of tax, for use or occupancy of the public roads, ways, highways, lanes, alleys, bridges, parks or other public places in the City, and any pole tax or inspection fee tax, paid other than under this agreement to the City, or any agency, instrumentality, subdivision or successor of the City, by the Company during those twelve months (ending August 31) next preceding said September 1 payment date.

"Sales to industrial consumers" shall include, but not be limited to, sales of electric energy used by a consumer principally for manufacturing, processing, mining, refining, irrigation, shipbuilding, construction, radio or television communication, operation of railroads, and other common carriers, and public utilities, including, but not limited to pumping, sewerage, and drainage. "Sales for governmental pumping" are those sales to the City, United States, County, State of Texas, or to any governmental or political subdivision, unit, body, district, agency, instrumentality or wholly-owned corporation, of any of the foregoing, which sales, if any, are made under a pumping service classification, or rate schedule, available only to such governmental authorities.

Each payment hereinabove provided shall compensate the City for the use of its public roads, ways, highways, lanes, alleys, bridges, parks and other

public places in the City, by Company with its facilities for the twelve-month period commencing upon, and extending from July 1 of the year of such particular payment.

Section 9: Company shall, within thirty days from the date of the final passage of this ordinance by the City Council of the City of Ames, Texas, file with the City Clerk of Ames, Texas, a written statement signed in its name and behalf in the following form:

"To the Honorable Mayor and the City Council of the City of Ames, Texas:

Gulf States Utilities Company, for itself, and its successors and assigns, hereby accepts the attached ordinance finally passed by the City Council of the City of Ames, Texas, the 22 day of August, 197_, and agrees to be bound by all of its terms and provisions.

GULF STATES UTILITIES COMPANY

By _____

Dated the ____ day of _____, 197_."

Section 10: This franchise ordinance shall be in force, and effective, from and after the passage of this ordinance, conditioned that Company file the written acceptance above provided, within the period provided, after the passage of this ordinance, and thereupon this franchise shall become a binding contract, and shall exist for a period of fifty (50) years from the date of its passage.

Passed and duly enacted as an ordinance of the City of Ames, Texas, at a regular meeting of the City Council of Ames, Texas, in accordance

with the laws of the said State of Texas, on this the 22 day of

August A. D., 1972

Said ordinance was introduced by E. L. Cox;

Read in full to the members of the City Council by E. L. Cox

_____;

Artris Searles

moved the passage of such

ordinance which was seconded by Alfred L. Freeman.

Thereupon, Mrs. Easing David Artris Searles,

Alfred L. Freeman, E. L. Cox,

and _____

voted for the passage of said ordinance and none,

and _____

voted against the passage of such ordinance.

Joseph T. Donath
Mayor, City of Ames, Texas

Attest:

Louise L. Jones
City Clerk

THE STATE OF TEXAS

COUNTY OF LIBERTY

This is to certify that the above and foregoing is a true and correct copy of an ordinance adopted by the City Council, being a Board of Aldermen, of the City of Ames, Texas, at a regular meeting held on the 22 day of August A. D., 1972

Louise L. Jones
City Clerk

79-1023

AN ORDINANCE GRANTING TO GULF STATES UTILITIES COMPANY, ITS SUCCESSORS, AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONDUCT WITHIN A CERTAIN TERRITORY WITHIN THE CITY AN ELECTRICAL LIGHTING AND POWER BUSINESS AND TO ERECT, CONSTRUCT, MAINTAIN, OPERATE, USE, EXTEND, REMOVE, REPLACE AND REPAIR IN, UNDER, UPON, OVER, ACROSS, AND ALONG ANY AND ALL OF THE PRESENT AND FUTURE PUBLIC ROADS, HIGHWAYS, STREETS, LANES AND ALLEYS OF THE CITY AND OVER AND ACROSS ANY STREAM OR STREAMS, BRIDGE OR BRIDGES, NOW OR HEREAFTER OWNED OR CONTROLLED BY IT A SYSTEM OF POLES, POLE LINES, TOWERS, TRANSMISSION LINES, WIRES, GUYS, CABLES, CONDUITS AND OTHER DESIRABLE INSTRUMENTALITIES AND APPURTENANCES (INCLUDING TELEGRAPH AND TELEPHONE POLES AND WIRES FOR COMPANY'S OWN USE), NECESSARY OR PROPER FOR THE SUPPLY AND DISTRIBUTION OF ELECTRICITY FOR LIGHT, POWER AND HEAT, AND FOR ANY OTHER PURPOSE FOR WHICH ELECTRICITY MAY BE USED, TO THE MUNICIPALITY AND INHABITANTS OF THE MUNICIPALITY, OR ANY OTHER PERSON OR PERSONS FOR A PERIOD OF THIRTY YEARS FROM THE EFFECTIVE DATE: REGULATING THE USE OF STREETS BY THE COMPANY AND THE REPAIR AND RESTORATION OF STREETS DISTURBED BY CONSTRUCTION; CONTAINING A CONTRACT BY THE COMPANY TO FURNISH FIRST-CLASS SERVICE AND THE GRADE OF SERVICE TO ITS CUSTOMERS AS PROVIDED BY ITS RATE SCHEDULES EXCEPT UNDER CONDITIONS BEYOND THE COMPANY'S CONTROL; PROVIDING FOR THE TEMPORARY REMOVAL, RAISING AND LOWERING OF WIRES AND OTHER APPURTENANCES AND ESTABLISHING STANDARDS FOR THEIR CONSTRUCTION; PROVIDING FOR COMPENSATION TO BE PAID TO THE CITY; PROVIDING FOR USE BY THE CITY FOR ITS TRAFFIC SIGNAL LIGHT SYSTEM AND ITS POLICE AND FIRE ALARM SYSTEM OF CERTAIN WIRE AND CONDUIT SPACE; PROVIDING THAT THIS FRANCHISE SHALL NOT BE EXCLUSIVE; PROVIDING THE COMPANY'S OBLIGATION TO FURNISH EFFICIENT SERVICE AT REASONABLE RATES; PROVIDING A SEVERABILITY CLAUSE; RESERVING ALL POWERS OF REGULATION; PROVIDING FOR INDEMNITY BY THE COMPANY TO THE CITY; MAKING MISCELLANEOUS PROVISIONS RELATIVE TO THIS GRANT OF FRANCHISE; PROVIDING FOR ACCEPTANCE BY THE COMPANY; AND PROVIDING AN EFFECTIVE DATE.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON:

Section 1. That, subject to the terms, conditions and provisions of this ordinance, the City of Houston, hereinafter referred to as "City," does hereby grant unto Gulf States Utilities Company, hereinafter called "Company," its successors and assigns, the right, privilege and franchise to conduct within the Company's territory as certified by the Public Utility Commission of Texas within the boundaries of the City of Houston, as such boundaries now exist or may hereafter be extended, an electrical lighting and power business and to erect, construct, maintain, operate, use, extend, remove, replace and repair, in, under, upon, over, across and along any and all of the present and future public roads, highways, streets, lanes and alleys owned or controlled by the City, and over and across any stream or streams, bridge or bridges, now or hereafter owned or controlled by the City, a system

of poles, pole lines, towers, transmission lines, wires, guys, conduits, cables and other desirable instrumentalities and appurtenances (including telegraph and telephone poles and wires for use of Company), necessary or proper for the purpose of carrying, conducting, supplying, distributing and selling to the municipality and the inhabitants of said City or other person or persons, firms or corporations, electricity for light, power and heat, and for any other purpose for which electricity may be used; to carry, conduct, supply and distribute electricity by means of said poles, pole lines, towers, transmission lines, conduits, cables or other instrumentalities, and to sell same to said City and inhabitants hereof, or to any other person or persons, firm or corporations,

Section 2. This franchise shall be in full force and effect for a term and period of thirty (30) years from and after the effective date hereof. By mutual agreement of the City and Company, the term of this franchise may be extended for a subsequent period of time, but such extensions, if any, shall not be automatic and neither the City nor Company shall act or refrain from acting on the assumption that the term of the franchise will be extended.

Section 3. All poles erected by the Company pursuant to the authority herein granted shall be of sound material and reasonably straight, and shall be so set that they will not interfere with the flow of water in any gutter or drain, and so that the same will interfere as little as practicable with the ordinary travel, on the streets, sidewalks, or other public ways. Within the streets or other public ways of the City, the location and route of all poles, stubs, guys, anchors, lines,

conduits and cables placed and constructed and to be placed and constructed by Company in the construction and maintenance of its electrical lighting and power system in the City, shall be subject to the reasonable and proper regulation, control and direction of the City, or of any City official to whom such duties have been or may be duly delegated, which regulation and control shall include, but not by way of limitation, the right to require in writing the relocation of Company facilities, exclusive of street lighting and facilities installed for service directly to the City, at Company's cost within the streets or other public way whenever such shall be reasonably necessary on account of the widening, change of grade, relocation, or other City construction within such streets or public ways. Except for emergency repairs, all underground construction of new lines, extensions, replacements and/or repair of old lines in City streets, right-of-way or alleys shall require engineering plans and profile to be presented to the Director of the Public Works Department for his prior approval. Such plans shall be to prevailing City of Houston standards and will not be filed with the City, but will be retained by the Company. A current set of maps of underground installations in any City street, right-of-way or alley shall be kept by the Company at a designated place showing locations, depth and pertinent details of such installations. The Company is to make such information available to the City immediately upon request. All materials shall conform to the prevailing City of Houston Specifications and Standards or in the absence thereof shall conform to approved City of Houston American Society for Testing Materials or American Association of State Highway Officials Standards covering the type of material and all construction shall conform to prevailing City of Houston Standards and Practices. The Company shall participate fully on a pro rata basis in a utility coordinating organization operating at a minimum a one call information center as and when all franchised utilities are required to participate by City ordinance.

Section 4. Street cut permits shall be obtained five (5) days prior to the start of any work in streets when such are required. The surface of any public road, highway, street, lane, alley, or other public place disturbed by Company, when permitted, in erecting, constructing, maintaining, operating, using, extending, removing, replacing or repairing its electrical lighting and power system shall be restored immediately after the completion of the work, not to exceed forty-eight (48) hours after the installation of that portion of the repaired line, to as good a condition as before the commencement of the work and maintained to the satisfaction of the City, in conformity with prevailing City of Houston standards and procedures, or of any City official to whom such duties have been or may be duly delegated, for one year from the date the surface of such public road, highway, street, lane, alley, or other public place is broken for such construction, maintenance or removal work, after which time responsibility for the maintenance shall become the duty of the City. No public road, highway, street, lane, alley, or other public place shall be encumbered by construction, maintenance or removal work by Company for a longer period than shall be necessary to execute such work.

Section 5. The service furnished hereunder to the City and its inhabitants shall be first-class in all respects, considering all circumstances, and Company shall furnish the grade of service to its customers as provided by its rate schedules and shall maintain its system in reasonable operating condition during the continuance of this agreement. An exception to this requirement is automatically in effect when due to shortages in materials, supplies and equipment beyond the control of the Company and when due to fire, strikes, riots, storms, floods, war and other casualties, and when due to Governmental regulations, limitations

and restrictions as to the use and availability of materials, supplies and equipment and as to the use of the service, and when due to unforeseen and unusual demands for service. In any of which events the Company shall do all things reasonably within its power to restore normal service.

Section 6. The Company on the written request of any person shall remove or raise or lower its wires temporarily to permit construction work in the vicinity thereof or to permit the moving of houses or other bulky structures. The expense of such temporary removal, raising or lowering of wires shall be paid by the benefited party or parties, and Company may require such payment in advance, being without obligation to remove, raise or lower its wires until such payment shall have been made. The Company shall be given not less than two (2) working days advance notice to arrange for such temporary wire changes. All of the Company's lines for the transmission and distribution of electrical energy, located within the City shall be constructed, operated and maintained, as to clearances, in accordance with the National Electrical Safety Code, as published in March, 1948, by the National Bureau of Standards, Handbook 30; provided, however, nothing herein shall impair the right of the City in the future by ordinance to adopt and require compliance with any new, amended or revised code, or by ordinance to require compliance with such further or different standards as may be found to be in the public interest.

Section 7(a). In consideration for the rights and privileges herein granted, Company agrees to pay to City the sum of \$50.00 plus a sum of money equal to 3% of the gross receipts, exclusive of receipts for street lighting, received by the Company from its electrical lighting and power sales for consumption within the corporate limits of the City. This payment shall be made to the City's Department of Public Service not later than February 15

following each year the franchise continues, beginning with February 15, 1980.

Section 7(b). Each payment hereinabove provided shall compensate the City for the use of its public roads, ways, highways, lanes, alleys, bridges, parks and other public places in the City, by Company with its facilities for the calendar year immediately previous to the year in which such payment is due.

Section 8. In addition to the considerations set forth in Section 7, the Company shall hold itself ready to furnish, free of charge, subject to the use of the City, such wire space as may be required from time to time by the City upon the poles now owned or hereafter erected by the Company, for the use of the City's police, fire alarm and traffic signal systems; provided such conductor space does not exceed the capacity on existing poles. The specific location for these traffic, police and fire alarm conductors on Company poles shall be determined by the Company and will be allotted at the time specific applications for space are received from the City. All City traffic police and fire alarm circuits on company poles shall be installed in strict compliance with the applicable provisions of the National Electrical Safety Code, Handbook 30, as published in March, 1948, by the United States Department of Commerce, Bureau of Standards; provided, however, nothing herein shall impair the right of the City in the future by ordinance to adopt any new, amended or revised code, or by ordinance to specify such further or different standards as may be found to be in the public interest. Where main underground duct lines are located between manholes, the Company shall permit free of charge the installation in one interior duct by the City of traffic, police or fire alarm signal cables; provided space is available in an interior duct not suitable for power circuits without

interference with the Company's system neutral conductors. All cables installed by the City in Company ducts shall be of the nonmetallic sheath type to prevent corrosive or electrolytic action between City and Company owned cables. A request for duct assignment shall in each instance be submitted to the Company and a sketch showing duct allocation shall be received from the Company prior to the installation of City cables in Company owned duct lines. All City owned conductors and cables, whether on poles or in duct lines, shall be constructed, maintained and operated in such manner as to not interfere with or create a hazard in the operation of the Company's electrical transmission and distribution system.

Section 9. Nothing contained in this ordinance shall ever be construed as conferring upon Company any exclusive rights or privileges of any nature whatsoever.

Section 10. It shall be the Company's obligation as provided in Section 5 hereof to furnish efficient electrical service to the public at reasonable rates and to maintain its property in good repair and working order, except when prevented from so doing by forces and conditions not reasonably within the control of Company. Should Company fail or refuse to maintain its properties in good order and furnish efficient service at all times throughout the life of this grant, except only when prevented from so doing by forces and conditions not reasonably within the control of the Company, or should the Company fail or refuse to furnish efficient service at reasonable rates, lawfully determined, throughout the life of this grant, excepting only during such periods as the Company shall in good faith and diligently contest the reasonableness of the rates in question, the Company shall be subject to forfeiture of this ordinance. Any violation of this

ordinance shall also subject the Company to a fine of up to two hundred dollars (\$200) for each day it shall so fail or refuse after reasonable notice thereof and a hearing thereon by the City. Any suit to recover such penalty shall be filed within one year from the date the penalty accrues.

Section 11. The City by the granting of this franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers and rights, now or hereafter vested in the City under the Constitution and statutes of the State of Texas and under the Charter of the City to regulate the rates and services of Company; and Company by its acceptance of this franchise agrees that all such lawful regulatory powers and rights as the same may be from time to time vested in the City shall be in full force and effect and subject to the exercise thereof by the City at any time and from time to time.

Section 12. The Company, its successors and assigns, shall protect and hold City harmless against all claims for damages or demands for damages to any person or property by reason of the construction and maintenance of its electrical lighting and power system, or in any way growing out of the granting of this franchise, either directly or indirectly, or by reason of any act, negligence, or nonfeasance of the contractors, agents, or employees of Company, its successors or assigns, and shall refund to City all sums which it may be adjudged to pay on any such claim or any other claim against City which may arise or grow out of the exercise of the rights and privileges hereby granted, or by the abuse thereof, and Company, its successors and assigns, shall indemnify and hold the City harmless from and on account of all damages, costs, expenses, actions and causes of action that may accrue to or be brought by any person, persons, company or companies

at any time hereafter by reason of the exercise of the rights and privileges hereby granted, or of the abuse thereof. Provided, however, Company shall not indemnify or hold the City harmless under the provisions of this Section 12 from any claims, demands or causes of action that may be asserted by reason of any personal injury, death or property damage which is caused by the sole or concurring negligence of the City, its employees, agents or contractors.

Section 13. In granting this franchise, it is understood that the lawful power vested by law in the City to regulate public utilities within City, and to regulate the local rates of public utilities within the City within the limits of the Constitution and laws, and to require all persons or corporations to discharge the duties and undertakings, for the performance of which this franchise was made, is reserved; and this grant is made subject to all lawful rights, powers and authorities, either of regulation or otherwise, reserved to the City by its Charter or by the general laws of this State.

Section 14. If any provision, section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional, void or invalid, (or for any reason unenforceable), the validity of the remaining portions of this ordinance shall not be affected thereby, it being the intent of the City in adopting this ordinance that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity or any other portion, provision or regulation, and to this end, all provisions of this ordinance are declared to be severable.

Section 15. The Company shall, within thirty (30) days from the date this ordinance is passed, file with the City Secretary a tariff setting forth rates, rules and regulations for the Company, a map of the Company's territory as certified by the Public Utility Commission of Texas within the boundaries of the City of Houston, and a written statement signed in its name and behalf in the following form:

"To the Honorable Mayor and City Council of the City of Houston:

"The Company for itself, its successors and assigns, hereby accepts the attached ordinance and agrees to be bound by all of its terms and provisions.

GULF STATES UTILITIES COMPANY

By: 
Senior Vice President

Dated the 3rd day of May, 1979."

Section 16. This franchise ordinance shall be in full force and effect from and after the first day of the month following final passage hereof, and the filing of the Company's written acceptance as required herein. If the Company does not file the required acceptance within the time period provided, this contract shall be null and void unless City Council by ordinance extends the acceptance period.

PASSED first reading the 21st day of June, 1979

PASSED second reading the 27th day of June, 1979

PASSED third and final reading the 11th day of July, 1979

PASSED this the 11th day of July, 1979.

APPROVED this the 11th day of July, 1979.


Mayor of the City of Houston

APPROVED:


Assistant City Attorney

I, ANNA RUSSELL, City Secretary of the City of Houston,
Texas, do hereby certify that the within and foregoing is a true
and correct copy of Ordinance No.79-1023 , passed by the City
Council and approved by the Mayor of said City on the 11th day of
July , 19 79, as the same appears in the records in my office.
WITNESS my hand and the Seal of said City this 13th day of
July , A. D. 1979 .



City Secretary of the City of Houston
Anna Russell

ENTERGY GULF STATES, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.
to the Fifteenth Set of Data Requests
of Requesting Party: TIEC

Prepared By: Don Peters
Sponsoring Witness: Don Peters
Beginning Sequence No. *SS4541*
Ending Sequence No. *SS4541*

Question No.: TIEC 15-7

Part No.:

Addendum:

Question:

Referring to page 14 of Mr. Peter's rebuttal testimony, please provide the basis for and provide documents supporting the allocation of street rental taxes relative to total revenues.

Response:

Street rental taxes paid by the Company are based on a percentage of gross receipts received by the Company. Therefore, the allocation of street rental taxes is based on total adjusted revenue.

ENTERGY GULF STATES, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
Docket No. 34800 - 2007 Texas Rate Case

Response of: Entergy Gulf States, Inc.
to the Fifteenth Set of Data Requests
of Requesting Party: TIEC

Prepared By: Evelyn Arthur
Sponsoring Witness: Corey Petett
Beginning Sequence No. 554542
Ending Sequence No. 554542

Question No.: TIEC 15-8

Part No.:

Addendum:

Question:

If not previously provided, please state the kWh sales and total revenues by customer class within cities.

Response:

See the Company's response to TIEC 14-1.