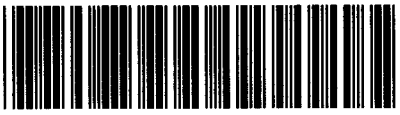
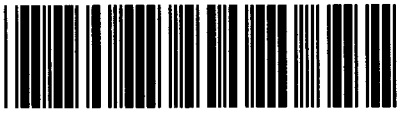


Control Number: 39896



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SOAH DOCKET NO. 473-12-2979
PUC DOCKET NO. 39896

APPLICATION OF ENTERGY TEXAS, INC. FOR AUTHORITY TO CHANGE RATES AND RECONCILE FUEL COSTS AND OBTAIN DEFERRED ACCOUNTING TREATMENT	§ § § § § §	**BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS**

RESPONSE OF ENTERGY TEXAS, INC.
TO CITIES' SEVENTH REQUEST FOR INFORMATION:
CITIES 7:8, 9, 23

Entergy Texas, Inc. ("Entergy Texas" or "the Company") files its Response to Cities' Seventh Request for Information. The response to such request is attached and is numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

Entergy Texas believes the foregoing response is correct and complete as of the time of the response, but the Company will supplement, correct or complete the response if it becomes aware that the response is no longer true and complete, and the circumstance is such that failure to amend the answer is in substance misleading. The parties may treat this response as if it were filed under oath.

Respectfully submitted,

Steve Neinast
Steve Neinast
Entergy Services, Inc.
919 Congress Avenue, Suite 701
Austin, Texas 78701
(512) 487-3957 telephone
(512) 487-3958 facsimile

Attachments: **CITIES 7:8, 9, 23**

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to Cities' Seventh Request for Information has been sent by either hand delivery, facsimile, overnight delivery, or U.S. Mail to the party that initiated this request in this docket on this the 26th day of January, 2012.

Steve Neinast
Steve Neinast

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ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
SOAH DOCKET NO. 473-12-2979
PUC DOCKET NO. 39896 - 2011 ETI Rate Case

Response of: Entergy Texas, Inc.	Prepared By: Dorothy Duncan/Carl Fruge
to the Seventh Set of Data Requests	Sponsoring Witness: Abdon F. Roman/Jay J. Joyce
of Requesting Party: Cities	Beginning Sequence No.
	Ending Sequence No.

Question No.: Cities 7-8 Part No.: Addendum:

Question:

[CWC] Regarding the statement at page 10 of Mr. Joyce's testimony that results of the analysis to determine the number of days between meter reading date and billing date were confirmed by the metering and billing calendars for the Test Year, please identify and provide all analyses performed to establish that the number of days is the most efficient period for such activity. Further, provide all work papers, assumptions, considerations, and material reviewed and/or relied upon that supports any position that the actual days for the activity during the Test Year is the most efficient period in sufficient detail to verify the reasonableness of position.

Response:

A review of the metering and billing calendars served as confirmation of the metering and billing dates reflected in the sampled data. The Company has a limited window of business days in which it performs metering services for each billing cycle. As an example, in the residential revenue sample, customer 17 is billed in cycle 1. The billing data reflects that the customer's meter was read on February 25, 2011 and the bill date for this customer was March 2, 2011.

The metering calendar shows that for this cycle's customers, meters will be read between Thursday, February 24, 2011 (Zero day or 1st available date) and Tuesday, March 1, 2011 (Critical day or Last read date). The calendar shows the bills for this cycle will be issued on Wednesday, March 2, 2011. Customer 4293, also shown on the residential revenue sample schedule shows a meter read date of Thursday, September 9, 2010 and a bill date of Monday, September 13, 2010.

The metering calendar shows that for cycle 10, meters will be read between Tuesday, September 7, 2010 (Zero day or 1st available date) and Friday, September 10, 2010 (Critical day or Last read date). The calendar shows the bills for this cycle will be issued on Monday, September 13, 2010.

See also the Company's response to Cities 7-9.

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
SOAH DOCKET NO. 473-12-2979
PUC DOCKET NO. 39896 - 2011 ETI Rate Case

Response of: Entergy Texas, Inc.	Prepared By: Carl Fruge
to the Seventh Set of Data Requests	Sponsoring Witness: Abdon F. Roman
of Requesting Party: Cities	Beginning Sequence No.
	Ending Sequence No.

Question No.: Cities 7-9 Part No.: Addendum:

Question:

[CWC] Please provide a detailed narrative identifying and justifying the steps and time duration of each step taken to read meters and process billing information through the mailing of a bill for each customer class.

Response:

The following narrative describes the Company's meter reading and billing process:

Major Accounts:

Meter Readings and Interval Data
Large Power Billing customers are billed using meter readings and interval data retrieved from electronic devices through multiple methods and based on the monthly reading and billing calendar. The methods are as follows: physically read and data extracted using an electronic probe device; remotely read through a phone line connection to the meter; remotely read through cellular technology located within the meter. Once meter readings and interval data are obtained, a series of data validation processes are performed on the data before it can be used in billing processes. Exceptions resulting from the validation process are reviewed and actions are taken to resolve these errors before data is sent to subsequent billing processes. Corrective actions could involve dispatch of meter reading operations to reread the service, extraction of remote reading data or dispatch of field operation personnel to perform an equipment check at the service.

Billing Determinants
Billing determinants are calculated from validated interval data and meter readings. Customer specific contractual arrangements and approved rate tariffs are assigned for each large power customer. Additionally, some complex arrangements require other data such as transmission schedules, interruptible schedules, standby/maintenance schedules, or hourly pricing files. The validated interval data and meter readings, contract information, assigned rate tariffs, and any other additional data are used to calculate the billing determinants. Additional validations are performed within the billing determinants calculation processing and are specific to these processes. Exceptions

resulting from the validations are reviewed and actions are taken to resolve these errors before this data is sent to the billing / invoicing calculation process. Corrective actions for this process may involve dispatch of meter reading operations to reread the service, extraction of remote reading data, dispatch of field operation personnel to perform an equipment check at the service, contract or tariff interpretation, and request for corrected information from other data sources.

Billing/Invoicing Calculations
Billing and invoicing calculations are performed utilizing validated billing determinants, contractual arrangements, and approved rate tariffs assigned to the large power customer. These calculations are performed within the customer care system; however, the complex arrangements are supplemented from some pricing calculations performed in billing determinants processing, and offline billing system calculations. Several types of reports are also produced during this process for various tariffs and contract requirements. Verification processes are performed for all large power billing customers, which include independent calculations to validate results from the customer care system calculations. Any issues identified during the verification process are analyzed and actions taken to resolve. Corrective actions could involve contract or tariff interpretation, billing determinants or other billing system updates, data review request, or field investigation.

Invoice Mailing
Large Power Billing invoices are mailed once verification of the billing calculations have been performed and all billing / invoicing data is processed within the customer care system. The invoice can be verified within the customer care system. Invoices are mailed the day after the information on the invoice is verified.

Non-Major Accounts:

Meter Readings (Manual)
The majority of the monthly meter readings for ETI are retrieved manually utilizing a third party supplier. The meter-reading contracts with the supplier for ETI were negotiated and awarded to the low bidder at the end of 2008. The scheduled monthly meter readings are performed through a 21 billing cycle schedule. Within each billing cycle, the volume of meter readings are grouped into reading routes that correlate with the resources to obtain monthly meter readings and reading validations.

Each month, the meter reading routes are prepared and downloaded through the Itron system to the meter reading handheld units. While carrying-out each schedule reading route, the supplier's workforce either obtains a monthly reading or provides an explanation using skip-codes as to the reason a monthly reading was not obtained (i.e. gate locked, bad dog). The reading route is then uploaded to ETI's Customer Information System (CIS) in preparation for billing.

CIS performs validations on the uploaded readings and either validates the meter reading for billing or sends the meter reading to an edit report for analysis. The failed readings are either edited and released for billing or sent to the supplier for verification. Meter readings uploaded with a skip-code are also included on the edit report for analysis. CIS

generates a reread ticket for the supplier for the majority of skip-code readings submitted. Other skip-code readings may require a field investigation order or a meter-exchange order depending on the reported problem (i.e. damaged meter, tampering). The edit report process also tracks failed and skipped readings to ensure timely response on reading verifications prior to billing. The billing group will estimate a monthly meter reading if the supplier was not able to obtain a monthly reading (i.e. gate locked, damaged meter).

Mass Billing

Mass Customer Accounting Services is responsible for billing ETI residential and small to medium commercial customer classes. Once the route meter readings are obtained for these customers and uploaded to Itron and the CIS billing system, a series of internal data validation processes are performed in CIS on the readings as part of the pre-billing process. Exceptions resulting from these processes are reviewed and actions are taken to resolve these errors and ensure accuracy of the billing before the data is sent to the billing process. These actions could involve analyzing customer usage patterns and history, dispatching of meter reading operations personnel to reread the meter, or dispatching of field operation personnel to perform an equipment check at the service. Once the meter readings are validated or verified, they are released to be billed on the pre-scheduled billing cycle date.

ETI customers are grouped into 21 billing cycles and one billing cycle is billed each business day of the month. Bills for all customers in the same billing cycle are mailed on the same day. Billing calculations are performed within CIS utilizing validated billing determinants and approved rate tariffs for each customer class. Following the billing calculations, a series of internal data validation processes are performed in CIS on the billings prior to being sent to the customers. Exceptions resulting from these processes are reviewed and actions are taken to resolve these errors and to ensure accuracy of the billing. These actions could involve analyzing customer usage patterns and history, dispatching of meter reading operations personnel to reread the meter, or dispatching of field operation personnel to perform an equipment check at the service. Once the customer billings are validated or verified, the bills are released to the customer via their preferred delivery method.

Customer Information Delivery

During the bill delivery process, CIS invoicing data for residential, commercial, governmental, and industrial customers is composed into customer bill and disconnect notice images and print files. Special messages and inserts are assigned as appropriate for these customers. Customer address information is processed through the United States Postal Service approved software to standardize the addresses and format the address block elements to meet qualifications for discounted postage rates. The fully composed bill images are transmitted to our archival system. In addition to meeting archival requirements, these images are available to the Customer Service Centers to assist in customer inquiries and customer requests for bill reprints. To ensure quality, validations are performed daily on random samples from each rate and rider combination. These

processes are performed in one day and enable the Company to provide customers with an accurate and timely invoice.

Paper Bill
Bills images for customers who choose paper bills are transmitted in a print ready file to the bill print vendor. The vendor prints, inserts, and presents the bills to the United States Postal Service for same day mailing. Costs for the paper bill process are kept low through competitive bidding.

Customers who choose to receive their bill through alternate channels participate in Checkfree, My Account Online, or Electronic Data Interchange, as described below.

Checkfree Bill
The Company sends a data file to Checkfree to compose and present to customers who choose Checkfree as their online bill service. When the bill is ready for review, Checkfree sends the customer an email notification. The customer logs on to Checkfree where the customer can view the bill and make a payment. This bill is available to customers the same day it is invoiced. This is a low cost paper free option. Customer satisfaction is enhanced with this delivery since customers may also pay bills from other companies who contract with Checkfree.

My Account Online Bill
The bill image presented to customers enrolled in My Account Online comes from the Company's archival system. The Company sends an email to the customer when the bill is ready for review. The customer can log on to the Company's website where the customer can view the bill, make an online payment, print a copy of the bill, or sign up for services. This bill is available to the customer the same day it is invoiced. With this delivery option, the Company offers additional services to the customer and promotes paper free billing that is low cost and environmentally responsible.

Electronic Data Interchange Bill
Industrial, commercial, and governmental accounts may request the Electronic Data Interchange invoice. Invoice data is transmitted in a file format to an electronic mailbox of the customer's choice the same day it is invoiced. The Company receives an automated acknowledgement of the data exchange the following day. Advantages for this type of invoice include elimination of lost invoices, reduction in cycle time, cheaper delivery, and electronic payment.

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
SOAH DOCKET NO. 473-12-2979
PUC DOCKET NO. 39896 - 2011 ETI Rate Case

Response of: Entergy Texas, Inc. to the Seventh Set of Data Requests of Requesting Party: Cities	Prepared By: Joe Bennett & Cindy Orkus Sponsoring Witness: Michael P. Considine Beginning Sequence No. Ending Sequence No.

Question No.: Cities 7-23 Part No.: Addendum:

Question:

[CWC] Please identify the amount of employee deductions, by category, associated with incentive compensation corresponding to the categories noted for regular payroll deductions.

Response:

Federal Income Tax Withholding		$ 1,229,602
FICA Withholding		$ 277,890