



Control Number: 40358



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PUC DOCKET NO. 40358  
SOAH DOCKET NO. 473-12-6079

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<b>APPLICATION OF TEXAS NORTH COMPANY TO ADJUST ENERGY EFFICIENCY COST RECOVERY FACTOR AND RELATED RELIEF</b>	<b>§ § § §</b>	<b>PUBLIC UTILITY COMMISSION  OF TEXAS</b>
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## COMMISSION STAFF'S PROPOSED LIST OF ISSUES

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Proposed List of Issues and would show the following:

### I. LIST OF ISSUES

Staff has identified the following issues that should be addressed in this proceeding. These issues are stated in a neutral manner such that the Commission may consider arguments raised and evidence presented by all parties in the case. This is important because if the issue is stated to refer only to the applicant's request, the issue could be interpreted to only allow consideration of the applicant's request without taking the viewpoints of other parties into account.<sup>1</sup> Staff has previously made this point in filing a proposed list of issues, which the Commission has implicitly accepted in issuing a preliminary order.<sup>2</sup>

1. What is a reasonable estimate of Texas North Company's (TNC) 2013 energy efficiency program costs and is that estimate in accordance with P.U.C. SUBST. R. 25.181?
2. Should TNC be granted a proposed energy-efficiency bonus pursuant to P.U.C. SUBST. R. 25.181 and PURA § 39.905? If so, what is the proper calculation and assignment or allocation of the performance bonus among ratepayers?
3. Should TNC's EECRF rates be set to recover 2013 estimated Evaluation Measurement and Verification costs? If so, what is a reasonable estimate of those costs and how should those costs be allocated or assigned among ratepayers?

<sup>1</sup> See *Application of AEP Central Company to Adjust Energy Efficiency Cost Recovery Factor and Related Relief*, Docket No. 39360, Commission Staff's Exceptions to the Proposal for Decision at 6 (November 15, 2011) and *Texas Industrial Energy Consumers' Exceptions to the Proposal for Decision* at 1-2 (November 15, 2011).

<sup>2</sup> *Application of Entergy Texas, Inc. for Authority to Change Rates and Reconcile Fuel Costs*, Docket No. 39896, Commission Staff's Proposed List of Issues at 1-2 (December 6, 2011) and Preliminary Order 2-5 (December 19,

4. Do TNC's energy efficiency programs meet the cost-effectiveness standard and has TNC properly calculated the net benefits in accordance with P.U.C. SUBST. R. 25.181? Are any exceptions to the cost-effectiveness standard properly applied?
5. How should TNC's 2013 EECRF program costs be allocated or assigned among ratepayers?
6. What is the proper calculation of any under- or over-collections of EECRF revenues and is that calculation consistent with P.U.C. SUBST. R. 25.181 and PURA § 39.905?
7. What is a reasonable estimate of billing determinants for TNC's proposed 2013 EECRF?
8. What is the proper calculation of TNC's 2013 EECRF rates such that those rates conform to the requirements of P.U.C. SUBST. R. 25.181?
9. Does TNC's proposed tariff schedule comply with P.U.C. SUBST. R. 25.181?

## **II. ISSUES NOT TO BE ADDRESSED**

Staff has identified the following issues that should not be addressed in this proceeding. These issues were litigated and resolved in TNC's 2011 EECRF proceeding (Docket No. 39361) and Staff believes that these issues do not need to be re-litigated in this proceeding.

1. Does PURA § 39.905 or P.U.C. Substantive Rule 25.181 limit the definition of customer classes for the purpose of EECRF program cost recovery such that EECRF program costs cannot be assigned to retail rate classes?
2. Can a performance bonus be allocated among customer classes that did not participate in an energy efficiency program during the program year the bonus was earned?
3. In the true-up of program year 2011 costs, should retail rate classes that did not participate in an energy efficiency program be allocated any energy efficiency program costs?
4. Can the cost allocation methodology for true-up historical program costs differ from the cost allocation methodology used to allocate those costs in the program year the allocation factors were established?

**Dated: May 8, 2012**

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Keith Rogas  
Deputy Division Director  
Legal Division



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Brennan J. Foley  
Attorney-Legal Division  
State Bar No.24055490  
(512) 936-7163  
(512) 936-7268 (facsimile)  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this the 8<sup>th</sup> day of May, 2012 in accordance with P.U.C. Procedural Rule 22.74.



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Brennan J. Foley