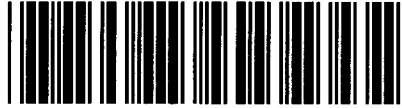


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September 14, 2012

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PUBLIC UTILITY COMMISSION  
FILING CLERK

Ms. Tracie Lowrey  
Filing Clerk  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
Austin, Texas 78711

Re: Docket No. 40617, *Non-Standard True-up Filing of Entergy Texas, Inc.  
Pursuant to the Financing Order in Docket No. 37247 Concerning  
Schedule SRC*

Dear Ms. Lowrey:

Pursuant to Order No. 2, ETI is required to file a Proposed Order if no hearing was requested by September 7, 2012. No party in this proceeding has requested a hearing. Accordingly, ETI files the attached Proposed Order approving ETI's adjusted Schedule SRC rates.

Sincerely,

Scott Olson  
ATTORNEY FOR  
ENTERGY TEXAS, INC.

cc: Parties of Record

11

**DOCKET NO. 40617**

<b>NON-STANDARD TRUE-UP FILING</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>OF ENTERGY TEXAS, INC. PURSUANT</b>	<b>§</b>	
<b>TO THE FINANCING ORDER IN</b>	<b>§</b>	<b>OF TEXAS</b>
<b>DOCKET NO. 37247 CONCERNING</b>	<b>§</b>	
<b>SCHEDULE SRC</b>	<b>§</b>	

**ORDER**

This Order addresses Entergy Texas, Inc.'s (ETI or the Company) Petition for Non-Standard True-Up (Petition) as the servicer of Transition Bonds issued pursuant to the Financing Order in Docket No. 37247.<sup>1</sup> No issues of fact or law are disputed by the parties; therefore, no hearing is necessary. ETI's Petition is approved.

The Public Utility Commission of Texas (Commission) adopts the following findings of fact and conclusions of law:

**I. Findings of Fact**

**Background, Procedural History, and Notice**

1. On September 11, 2009, the Commission approved a Financing Order in Docket No. 37247 (Financing Order), which authorized ETI to issue Transition Bonds.
2. ETI issued Transition Bonds pursuant to the Financing Order on November 6, 2009, and began billing System Restoration Costs (SRC) Charges on November 30, 2009.
3. Finding of Fact No. 88 in the Financing Order provides a non-standard true-up procedure to address certain changes to the billing units used to bill SRC Charges and requires ETI to make the non-standard true-up filing at least 90 days before the proposed true-up adjustment is to take effect.
4. On July 30, 2012, ETI filed a Petition proposing a true-up adjustment effective for bills rendered beginning on October 29, 2012, the date upon which bills for the first cycle for the month of November 2012 will be rendered.

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<sup>1</sup> *Application of Entergy Texas, Inc. for a Financing Order*, Docket No. 37247, Financing Order (Sept. 11, 2009).

5. On September 10, 2012, ETI filed its affidavit of completion of notice. ETI provided notice of the Petition to each party that participated in Docket No. 37247 and the governing bodies of Texas incorporated municipalities with original jurisdiction over ETI.
6. Texas Industrial Energy Consumers (TIEC), and the Cities of Anahuac, Beaumont, Bridge City, Cleveland, Conroe, Dayton, Groves, Houston, Huntsville, Montgomery, Navasota, Nederland, Oak Ridge North, Orange, Pine Forest, Pinehurst, Port Arthur, Port Neches, Rose City, Shenandoah, Silsbee, Sour Lake, Splendora, Vidor, and West Orange (Cities) intervened in this proceeding.
7. Commission Staff also participated in this docket.
8. No party opposed the adjusted Schedule SRC rates proposed in ETI's Petition.

**Schedule SRC**

9. The non-standard true-up procedure addressed in Finding of Fact Nos. 86-88 of the Financing Order in Docket No. 37247 requires adjustment of Schedule SRC if the forecasted billing units for any one of the classes for an upcoming period decrease by more than 10% compared to the threshold billing determinants established for the annual period ending December 31, 2008.
10. As addressed in the testimony and accompanying exhibits of Ms. Elizabeth E. Wotawa, the forecasted billing units for the Experimental Economic As-Available Power Service (EAPS) rate class are projected to be more than 10% below the billing determinants for that class for the year ending December 31, 2008.
11. In conducting the non-standard true-up the servicer will:
  - (a) allocate the upcoming period's Periodic Billing Requirement (PBR) based on the PBRAFs approved in Docket No. 36931;
  - (b) calculate under collections or over collections, including without limitation any caused by REP defaults, if applicable, from the preceding period in each class by subtracting the previous period's transition charge revenues collected from each class from the PBR determined for that class for the same period;
  - (c) sum the amounts allocated to each customer class in steps (a) and (b) to determine an adjusted PBR for each transition charge customer class;
  - (d) divide the PBR for each customer class by the maximum of the forecasted billing units or the threshold billing units for that class, to determine the "threshold rate;"

- (e) multiply the threshold rate by the forecasted billing units for each class to determine the expected collections under the threshold rate;
  - (f) allocate the difference in the adjusted PBR and the expected collections calculated in step (e) among the transition charge customer classes using the PBRAFs approved in the Docket No. 36931;
  - (g) add the amount allocated to each class in step (f) above to the expected collection amount by class calculated in step (e) above to determine the final PBR for each class; and
  - (h) divide the final PBR for each class by the forecasted billing units to determine the transition charge rate by class for the upcoming period.
12. The testimony of Ms. Wotawa, further detailed in Exhibit EEW-1, demonstrates ETI's compliance with the eight-step procedure described in Finding of Fact No. 87 and Appendix B (Schedule SRC) of the Financing Order in Docket No. 37247.
13. The SRC rates set out in Schedule SRC - Attachment A proposed by Ms. Wotawa in Exhibit EEW-3 properly reflect the charges resulting from the application of the eight-step process.
14. The calculation of the SRC rates set out in Schedule SRC - Attachment A, as supported by Ms. Wotawa in Exhibit EEW-1, complies with the requirements of the Financing Order in Docket No. 37247.

## II. Conclusions of Law

1. ETI is an electric utility, as that term is defined in § 31.002(6) of PURA.
2. ETI's application was processed in accordance with the requirements of PURA and the Administrative Procedure Act, TEX. GOV'T. CODE ANN. § 2001.001 - .902 (Vernon 2010 & Supp. 2011) (APA).
3. The Commission has jurisdiction over this matter pursuant to PURA §§ 14.001, 36.401-36.403, and 39.301-313 and the Financing Order in Docket No. 37247.
4. ETI provided adequate notice of this proceeding consistent with P.U.C. PROC. R. 22.55.
5. The requirements for informal disposition under P.U.C. PROC. R. 22.35 have been met in this proceeding.

**III. Ordering Paragraphs**

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. ETI's Petition for Non-Standard True-Up is approved.
2. The SRC rates set out in Schedule SRC - Attachment A (Appendix A to ETI's Petition) are hereby approved effective beginning with bills rendered on or after October 29, 2012.
3. ETI shall file a clean record copy of Schedule SRC - Attachment A with Central Records to be stamped "Approved" by the Commission's Central Records, and retained for future reference.
4. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

**SIGNED AT AUSTIN, TEXAS on the \_\_\_\_\_ day of October 2012.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

\_\_\_\_\_  
**DONNA L. NELSON, CHAIRMAN**

\_\_\_\_\_  
**KENNETH W. ANDERSON, JR., COMMISSIONER**

\_\_\_\_\_  
**ROLANDO PABLOS, COMMISSIONER**