

1 A. No. The 2012 actual rate class billing determinants used to allocate the
2 forecasted 2014 billing determinants were metered billing determinants;
3 therefore, no loss calculations are needed.

4 Q. HAVE YOU PROVIDED AN UPDATED RIDER EECRF?

5 A. Yes. The updated Rider EECRF tariff is attached to this testimony as ETI
6 Exhibit MLM-3.

7

8 Q. HAVE YOU MADE A DETERMINATION OF THE IMPACT OF THE EECRF
9 REDETERMINATION ON RESIDENTIAL CUSTOMERS?

10 A. Yes. I have determined the impact for a residential customer, assuming a
11 monthly usage of 1,000 kWh. The redetermined EECRF as calculated in
12 Exhibit MLM-2 pursuant to the Company's request will result in a \$0.43 per
13 month increase to a residential customer's bill. This is a 0.4% increase from
14 such customer's bill based on charges currently approved by the
15 Commission.

16

17 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

18 A. Yes.

ENERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
2013 RATE REDETERMINATION FOR RATES TO BE BILLED IN 2014

Line No.	Variable Name	Variable Description	Residential				Rate Class				Lighting	Total Co.
			SGS	GS	LGS	LIPS	SGS	GS	LGS	LIPS		
1	PEEC _k	Projected Energy Efficiency Cost (1)	\$ 5,158,996	\$ 48,432	\$ 2,266,916	\$ 793,887	\$ 145,403	\$ -	\$ -	\$ -	\$ 8,413,634	
2	TUA _k	True-Up Adjustment (2)	\$ 586,883	\$ (246,015)	\$ (674,809)	\$ 380,817	\$ 264,388	\$ 49	\$ 49	\$ 311,313		
3	EERR _k	Energy Efficiency Cost (L1 + L2)	\$ 5,745,879	\$ (197,583)	\$ 1,592,107	\$ 1,174,704	\$ 409,791	\$ 49	\$ 49	\$ 8,724,947		
4	BD _k	Projected Billing Determinants (BD) (3)	5,779,547,204	303,651,369	3,439,681,828	1,626,411,161	5,368,155,481	88,408,936	16,605,855,978			
5		Less: Projected LIPS Industrial Transmission BD (3)					4,955,666,707		4,955,666,707			
6	BD _k	Projected Adjusted Billing Determinants	5,779,547,204	303,651,369	3,439,681,828	1,626,411,161	412,488,774	88,408,936	11,650,189,271			
7	EECRF _k	Energy Efficiency Cost Recovery Factor (LN 3/LN 6)	\$ 0.000994 per kWh	\$ (0.000651) per kWh	\$ 0.000463 per kWh	\$ 0.000722 per kWh	\$ 0.000993 per kWh	\$ 0.000001 per kWh	N/A			
8	EEPB _k	Energy Efficiency Performance Bonus (4)	\$ 968,765	\$ 10,718	\$ 268,470	\$ 210,315	\$ 61,947	\$ -	\$ 1,520,215			
9	BD _k	Projected Adjusted Billing Determinants	5,779,547,204	303,651,369	3,439,681,828	1,626,411,161	412,488,774	88,408,936	11,650,189,271			
10	EECRF _k	Energy Efficiency Cost Recovery Factor (LN 8/ LN 9)	\$ 0.000168 per kWh	\$ 0.000035 per kWh	\$ 0.000078 per kWh	\$ 0.000129 per kWh	\$ 0.000150 per kWh	\$ -	N/A			
11		Energy Efficiency Cost Recovery Factor for all customers except LIPS Industrial Transmission (6) (LN7 + LN 10)	\$ 0.001162	\$ (0.000616)	\$ 0.000541	\$ 0.000851	\$ 0.001143	\$ 0.000001				
12		Energy Efficiency Cost Recovery Factor for LIPS Industrial Transmission Customers			\$ -							
13		Cost Cap Rate (5)	\$ 0.001225	\$ 0.000766	\$ 0.000766	\$ 0.000766	\$ 0.000766	\$ 0.000766				
14		Total Energy Efficiency Costs (LN 3 + LN 8)	\$ 6,714,644	\$ (186,865)	\$ 1,860,577	\$ 1,385,019	\$ 471,738	\$ 49	\$ 10,245,162			
15		Total Energy Efficiency Costs Subject to Cost Cap (5)	\$ 6,541,092	\$ (189,931)	\$ 1,783,762	\$ 1,316,811	\$ 462,437	\$ 49	\$ 9,914,220			
16		Maximum Energy Efficiency Cost per Cost Cap (LN 9 * LN 13)	\$ 7,079,945	\$ 232,597	\$ 2,634,796	\$ 1,245,831	\$ 315,966	\$ -	\$ 11,509,135			
17		Amount Over/(Under) Cost Cap (5) (LN 15 - LN 16)	\$ (538,853)	\$ (422,528)	\$ (851,034)	\$ 70,980	\$ 146,471	\$ -	\$ -			
18		Aggregate Amount Over/(Under) Cost Cap for Non-Residential Classes (5)					\$ (1,056,111)					

Revised
2013 EECRF
EXHIBIT MLM-2
PAGE 1 OF 8

Notes:
(1) See Exhibit MLM-2, Page 2
(2) See Exhibit MLM-2, Page 4
(3) See Exhibit MLM-2, Page 8
(4) See Exhibit MLM-2, Page 3
(5) Per P U C SUBST. R. 25 181(f)(7) excluding costs for Evaluation, Measurement, and Verification (EM&V) Costs per MLM-2, Page 2 and municipal EECRF preceding expenses per MLM-2, Page 5
(6) The Company's proposed rates are under the established cost cap requirements as reflected on lines 13 - 18

ENTERGY TEXAS, INC.
 ENERGY EFFICIENCY COST RECOVERY (EECR) FACTOR RIDER
 2014 PROJECTED ENERGY EFFICIENCY COSTS

Rate Class		Incentives and Admin (1)	Affiliate Costs (1)	Subtotal (2)	EM&V (1)	Total Projected Energy Efficiency Costs
RES	Residential	\$ 4,930,993	\$ 55,588	\$ 4,986,581	\$ 172,415	\$ 5,158,996
SGS	Small Gen Service	44,618	768	45,386	3,046	48,432
GS	General Service	2,153,548	37,057	2,190,605	76,311	2,266,916
LGS	Large General Service	713,887	12,284	726,171	67,716	793,887
LIPS	Large Ind. Power Service excluding Industrial Transmission	133,854	2,303	136,157	9,246	145,403
LGT	Lighting	0		0	0	0
Total Applicable Retail		\$ 7,976,900	\$ 108,000	\$ 8,084,900	\$ 328,734	\$ 8,413,634

Notes:

- (1) Per Exhibit JKC-9 & Exhibit JKC-7B for the allocation of the EM&V costs.
- (2) Subject to cost caps per P U. C. SUBST. R. 25 181(f)(7)

ENTERGY TEXAS, INC.
 ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
 2012 ENERGY EFFICIENCY PERFORMANCE BONUS (EEPB)

Rate Class		Allocation (2)	EEPB by Rate Class (3)
RES	Residential	63.726%	\$ 968,765
SGS	Small Gen. Service	0.705%	10,718
GS	General Service	17.660%	268,470
LGS	Large General Service	13.835%	210,315
LIPS	Large Ind. Power Service Industrial Transmission	0.000%	0
LIPS	Large Ind. Power Service - Non-Industrial Transmission	4.075%	61,947
LGT	Lighting	0.000%	0
Total Applicable Retail		100.000%	\$ 1,520,215 (1)

Notes:

- (1) Per Exhibit JKC-1, ETI's 2013 Energy Efficiency Plan and Report, Table 11 and Exhibit JKC-10
- (2) Per exhibit MLM-2, page 5 of 8 allocation percentages based upon the directly assigned incentive costs per Exhibit JKC-7A.
- (3) EEPB X Applicable Rate Class Allocation

ENERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
TRUE-UP OF 2012 ENERGY EFFICIENCY COSTS

<u>Rate Class</u>		<u>Actual 2012 EECR Costs by Rate Class (1)</u>	<u>Actual 2010 Performance Bonus by Rate Class (2)</u>	<u>2010 True-Up Adj. Collected in 2012 Rates (3)</u>	<u>Actual 2012 EECR Revenues by Rate Class (4)</u>	<u>2012 EECR Costs True-Up (Over)/Under Recovery</u>
RES	Residential	\$ 5,103,350	\$ 844,139	\$ (687,503)	\$ 4,673,103	\$ 586,883
SGS	Small Gen. Service	57,313	41,388	(24,992)	319,724	(246,015)
GS	General Service	1,435,623	366,980	(58,317)	2,419,095	(674,809)
LGS	Large General Service	1,160,253	128,259	(13,816)	893,879	380,817
LIPS	Large Ind. Power Service - excluding Industrial Transmission	310,738	26,415	18,231	90,996	264,388
LGT	Lighting	-	4,833	(4,833)	(49)	49
Total Company		\$ 8,067,277	\$ 1,412,014	\$ (771,230)	\$ 8,396,748	\$ 311,313

Notes:

- (1) Based on Exhibit JKC-1, ETI's 2013 Energy Efficiency Plan and Report, Table 10 and MLM-2, page 5 of 8
- (2) Per Docket No 39366 Final EECRF Tariff Filing allocated to the rate classes based on the Production Demand Allocation Factor (PDAF) approved in ETI's base rate case Docket No 37744 to be consistent with the allocation of the 2012 EECRF rates
- (3) As per Docket No 39366 Final EECRF Tariff Filing
- (4) Per Exhibit JKC-6

ENERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
2012 ACTUAL ENERGY EFFICIENCY COSTS

Rate Class	Assigned Incentive Costs (2)	Directly Assigned Incentive Costs (3)	Directly Assigned Admin Costs (3)	Residential & Hard-to-Reach (1)				Commercial Solutions MTP (1)				Load Management MTP (1)				Score MTP (1)				Total Actual 2012 Cost Allocation	
				Allocation		Allocation		Allocation		Allocation		Allocation		Allocation		Allocation		Allocation			
				Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees	Admin Costs	Legal Fees		
RES Residential	63,726%	\$ 4,603,521	\$ 183,085	\$ 315,597	\$ 1,137	\$ 3,540	\$ 11	0.705%	17.660%	13.835%	4.075%	0.705%	17.660%	13.835%	4.075%	0.705%	17.660%	13.835%	4.075%	\$ 5,103,350	
SGS Small Gen. Service	0.705%	50,931				88,665	267	17.660%				88,665	267	17.660%			70,697	237	2.822	\$ 9	
GS General Service	17.660%	1,275,756				69,459	209	13.835%				69,459	209	13.835%			55,383	186	55.383	\$ 237	
LGS Large General Service	13.835%	999,407	13,485			-	-					-	-				16,313	55	16,313	\$ 55	
LIPS LIPS - excluding Industrial Transmission	4.075%	294,370																			\$ 55
LGT Lighting	0.000%																				\$ 55
Total Company	100.000%	\$ 7,223,985	\$ 196,580	\$ 315,597	\$ 1,137	\$ 161,664	\$ 487	32.200%	13.835%	13.835%	4.075%	32.200%	13.835%	13.835%	4.075%	32.200%	13.835%	13.835%	4.075%	\$ 145,216	\$ 487

Notes:

- (1) Represents total 2012 actual costs per Exhibit JKC-1, Table 10, less directly assigned incentive and administrative costs from Exhibit JKC-7A.
- (2) Those costs that could not be directly assigned by rate class in Exhibit JKC-7A were allocated in proportion to the program costs directly assigned by rate class.
- (3) Per Exhibit JKC-7A.

**ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
DEVELOPMENT OF BILLING DETERMINANTS BY RATE CLASS
(kWh)**

	REVENUE CLASS				
	<u>Residential</u>	<u>Commercial</u>	<u>Government</u>	<u>Industrial</u>	<u>Total</u>
2014 Forecasted Billing Determinants	5,797,417,919	4,576,514,251	279,154,505	6,336,894,602	16,989,981,277
2012 Actual Billing Determinants					
RATE CLASS/VOLTAGE LEVEL:	<u>Residential</u>	<u>Commercial</u>	<u>Government</u>	<u>Industrial</u>	<u>Total</u>
Residential					
Secondary	5,586,460,451	(9,998)			5,586,450,453
Total Residential	5,586,460,451	(9,998)	-	-	5,586,450,453
Small General Service					
Secondary	(103,741)	263,734,998	6,455,138	21,752,979	291,839,374
Total Small General Service	(103,741)	263,734,998	6,455,138	21,752,979	291,839,374
General Service					
69/138 KV		32,839,000		39,153,073	71,992,073
Primary		55,378,430	1,664,700	88,729,028	145,772,158
Secondary		2,772,169,195	123,299,502	194,369,622	3,089,838,319
Total General Service	-	2,860,386,625	124,964,202	322,251,723	3,307,602,550
Large General Service					
69/138 KV				83,559,931	83,559,931
Primary		88,505,590	26,581,200	322,928,101	438,014,891
Secondary		908,074,099	41,247,184	92,210,036	1,041,531,319
Total Large General Service	-	996,579,689	67,828,384	498,698,068	1,563,106,141
Large Industrial Power Service					
230 KV				1,384,356,396	1,384,356,396
69/138 KV		209,558,156	40,092,000	3,359,498,527	3,609,148,683
Primary		37,340,400		110,370,590	147,710,990
Total Large Industrial Power Service	-	246,898,556	40,092,000	4,854,225,513	5,141,216,069
Lighting					
Secondary	17,367,328	28,322,590	39,425,234	1,411,745	86,526,898
Total Lighting	17,367,328	28,322,590	39,425,234	1,411,745	86,526,898
Non-Applicable kWh					
NA				367,707,273	367,707,273
Total Non-Applicable kWh	-	-	-	367,707,273	367,707,273
Grand Total	5,603,724,038	4,395,912,460	278,764,958	6,066,047,301	16,344,448,758

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
DEVELOPMENT OF BILLING DETERMINANTS
(kWh)

Percentage of 2012 Rate Class kWh to Total kWh

RATE CLASS/VOLTAGE LEVEL	REVENUE CLASS			
	Residential	Commercial	Government	Industrial
Residential				
Secondary	99.6919%	-0.0002%	0.0000%	0.0000%
Total Residential	99.6919%	-0.0002%	0.0000%	0.0000%
Small General Service				
Secondary	-0.0019%	5.9996%	2.3156%	0.3586%
Total Small General Service	-0.0019%	5.9996%	2.3156%	0.3586%
General Service				
69/138 KV	0.0000%	0.7470%	0.0000%	0.6454%
Primary	0.0000%	1.2598%	0.5972%	1.4627%
Secondary	0.0000%	63.0624%	44.2306%	3.2042%
Total General Service	0.0000%	65.0692%	44.8278%	5.3124%
Large General Service				
69/138 KV	0.0000%	0.0000%	0.0000%	1.3775%
Primary	0.0000%	2.0134%	9.5353%	5.3235%
Secondary	0.0000%	20.6572%	14.7964%	1.5201%
Total Large General Service	0.0000%	22.6706%	24.3317%	8.2211%
Large Industrial Power Service				
230 KV	0.0000%	0.0000%	0.0000%	22.8214%
69/138 KV	0.0000%	4.7671%	14.3820%	55.3820%
Primary	0.0000%	0.8494%	0.0000%	1.8195%
Total Large Industrial Power Service	0.0000%	5.6165%	14.3820%	80.0229%
Lighting				
Secondary	0.3099%	0.6443%	14.1428%	0.0233%
Total Lighting	0.3099%	0.6443%	14.1428%	0.0233%
Non-Applicable kWh				
NA	0.0000%	0.0000%	0.0000%	6.0617%
Total Non-Applicable kWh	0.0000%	0.0000%	0.0000%	6.0617%
Grand Total	100.0000%	100.0000%	100.0000%	100.0000%

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
DEVELOPMENT OF BILLING DETERMINANTS
(kWh)

Allocated 2014 Forecasted Billing Determinants

RATE CLASS/VOLTAGE LEVEL	REVENUE CLASS				
	Residential	Commercial	Government	Industrial	Total
Residential					
Secondary	5,779,557,613	(10,409)	-	-	5,779,547,204
Total Residential	5,779,557,613	(10,409)	-	-	5,779,547,204
Small General Service					
Secondary	(107,327)	274,570,294	6,464,158	22,724,243	303,651,369
Total Small General Service	(107,327)	274,570,294	6,464,158	22,724,243	303,651,369
General Service					
69/138 KV	-	34,188,158	-	40,901,247	75,089,405
Primary	-	57,653,599	1,667,026	92,690,754	152,011,379
Secondary	-	2,886,061,072	123,471,801	203,048,171	3,212,581,044
Total General Service	-	2,977,902,830	125,138,827	336,640,172	3,439,681,828
Large General Service					
69/138 KV	-	-	-	87,290,858	87,290,858
Primary	-	92,141,756	26,618,345	337,346,750	456,106,850
Secondary	-	945,381,441	41,304,823	96,327,188	1,083,013,452
Total Large General Service	-	1,037,523,197	67,923,168	520,964,796	1,626,411,161
Large Industrial Power Service					
230 KV	-	-	-	1,446,167,519	1,446,167,519
69/138 KV	-	218,167,649	40,148,025	3,509,499,188	3,767,814,862
Primary	-	38,874,494	-	115,298,606	154,173,100
Total Large Industrial Power Service	-	257,042,143	40,148,025	5,070,965,313	5,368,155,481
Lighting					
Secondary	17,967,633	29,486,196	39,480,327	1,474,779	88,408,936
Total Lighting	17,967,633	29,486,196	39,480,327	1,474,779	88,408,936
Non-Applicable kWh					
NA	-	-	-	384,125,299	384,125,299
Total Non-Applicable kWh	-	-	-	384,125,299	384,125,299
Grand Total	5,797,417,919	4,576,514,251	279,154,505	6,336,894,602	16,989,981,277

Summary

Billing Determinants by Class

Residential	5,779,547,204
Small General Service	303,651,369
General Service	3,439,681,828
Large General Service	1,626,411,161
Large Industrial Power Service	5,368,155,481
Lighting	88,408,936
Total	<u>16,605,855,978</u>

Large Industrial Power Service Industrial Transmission Voltage Levels

230 KV	1,446,167,519
69/138 KV	3,509,499,188
Total	<u>4,955,666,707</u>

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RATES
RIDER SCHEDULE EECRF

Applicable through December 2014 Billing Month

T

Net Monthly Rate

The following Energy Efficiency Cost Recovery Factor will be added to the rates set out in the Net Monthly Bill for electric service billed under all retail rate schedules * on file with the Public Utility Commission of Texas. The Energy Efficiency Cost Recovery Factor shall be effective for bills rendered on and after the first billing cycle of January 2014. Amounts billed pursuant to this Rider EECRF are not subject to the IHE but are subject to State and local sales taxes.

T

* Excluded Schedules: EAPS, LQF, SMS and SQF.

<u>Rate Class</u>	<u>Rate Schedules</u>	<u>Energy Efficiency Cost Recovery Factor (1)</u>	
Residential	RS, RS-TOD	\$0.001162 per kWh	I
Small General Service	SGS, UMS, TSS	(\$0.000616) per kWh	R
General Service	GS, GS-TOD	\$0.000541 per kWh	R
Large General Service	LGS, LGS-TOD	\$0.000851 per kWh	I
Large Industrial Power Service –			
Industrial Transmission Customers Only	LIPS, LIPS-TOD	\$0.000000 per kWh	T
Other than Industrial Transmission Customers	LIPS, LIPS-TOD	\$0.001143 per kWh	T, I
Lighting	SHL, LS-E, ALS, RLU	\$0.000001 per kWh	I

Notes:

(1) See Attachment B

ENERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
RATE DEVELOPMENT FORMULA (Continued)

Ln No	Description	Rate Class					
		Residential	SGS	GS	LGS	LIPS	Lighting
13	$EERR_k =$ ENERGY EFFICIENCY COST FOR RATE CLASS _k (LN 5+ LN 12)	\$5,745,879	(\$197,583)	\$1,592,107	\$1,174,704	\$409,791	\$49
14	$BD_k =$ ENERGY EFFICIENCY COST RECOVERY BILLING DETERMINANTS FOR RATE CLASS _k (8)	5,779,547,204	303,651,369	3,439,681,828	1,626,411,161	412,488,774	88,408,936
15	$EERR_k / BD_k =$ ENERGY EFFICIENCY COST RECOVERY FACTOR FOR RATE CLASS _k (\$/kWh) (LN 13 / LN 14)	\$0.000994 per kWh	(\$0.000651) per kWh	\$0.000463 per kWh	\$0.000722 per kWh	\$0.000993 per kWh	\$0.000001 per kWh
16	$EEPB_k =$ ENERGY EFFICIENCY PERFORMANCE BONUS FOR RATE CLASS _k (3)	\$968,765	\$10,718	\$268,470	\$210,315	\$61,947	\$0
17	$BD_k =$ ENERGY EFFICIENCY COST RECOVERY BILLING DETERMINANTS FOR RATE CLASS _k (8)	5,779,547,204	303,651,369	3,439,681,828	1,626,411,161	412,488,774	88,408,936
18	$EEPB_k / BD_k =$ ENERGY EFFICIENCY PERFORMANCE BONUS FOR RATE CLASS _k (3) (\$/kWh) (LN 16 / LN 17)	\$0.000168 per kWh	\$0.000035 per kWh	\$0.000078 per kWh	\$0.000129 per kWh	\$0.000150 per kWh	\$0.000000 per kWh
	EECRF FOR ALL CUSTOMERS EXCEPT LIPS INDUSTRIAL TRANSMISSION CUSTOMERS (LN 15 + LN 18)	\$0.001162 per kWh	(\$0.000616) per kWh	\$0.000541 per kWh	\$0.000851 per kWh	\$0.001143 per kWh	\$0.000001 per kWh
	EECRF FOR LIPS INDUSTRIAL TRANSMISSION CUSTOMERS					\$0.000000 per kWh	

Notes:

- (1) Rate Classes as defined in Attachment A to this Rider EECRF
- (2) For the initial filing, the Projected Energy Efficiency Cost Period shall be the twelve-month period commencing on January 1, 2009. For subsequent redeterminations, the Projected Energy Efficiency Cost Period shall be the twelve-month period commencing on January 1st of the year in which revised rates shall be in effect.
- (3) For the initial filing, the Performance Bonus shall be set to zero. For each subsequent redetermination, the Performance Bonus shall be determined pursuant to the rules established in P.U.C. SUBST. R. 25.181(h) for the twelve months ending December 31st of the calendar year immediately preceding the filing year. The Performance Bonus shall be allocated to the rate classes based on the Class Production Demand Allocation Factor approved in ETI's last base rate case modified to remove the Large Industrial Power Service (LIPS) transmission level and Lighting rate classes. The Performance Bonus shall be allocated to each rate class in proportion to the program costs directly assigned to each rate class which excludes the LIPS Industrial transmission level and Lighting rate classes.
- (4) For the initial filing, the true-up adjustment shall be zero. For the initial redetermination, the Energy Efficiency Cost (Over)/Under Recovery Period shall reflect the recovery of costs which shall commence on the date that the Energy Efficiency Cost Rates approved in Docket No. 34800 become effective or the date allowed in the final rules in P.U.C. SUBST. R. 25.181, whichever is earlier, and shall end December 31, 2008. For subsequent redeterminations, the Energy Efficiency Cost (Over)/Under Recovery Period shall be the twelve months ending December 31st of the calendar year immediately preceding the filing year.

Revised

ENERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
RATE DEVELOPMENT FORMULA (Continued)

- (5) For the initial redetermination, the Energy Efficiency Cost Period shall reflect the recovery of costs which shall commence on the date that the initial Energy Efficiency Cost Rates become effective or the date allowed in the final rules in P.U.C. SUBST. R. 25.181, whichever is earlier, and shall end December 31, 2008. For subsequent redeterminations, the Energy Efficiency Cost Period shall be the twelve months ending December 31st of the calendar year immediately preceding the filing year.
- (6) The value of $PEEPB_k$ for rate class k shall be the Energy Efficiency Performance Bonus previously determined under the provisions of this Rider EECRF for the second calendar year immediately preceding the filing year.
- (7) The value of PTU_k for rate class k shall be equal to the True-up Adjustment (TUA_k) previously determined under the provisions of this Rider EECRF for the Energy Efficiency Cost Period for the twelve months ending December 31st of the calendar year immediately preceding the filing year.
- (8) For the initial filing, the Retail Rate Class Billing Determinants shall be based on data for the twelve months ended December 31, 2009. For subsequent redeterminations, the Retail Rate Class Billing Determinants shall be based on projected data for the calendar year in which the redetermined rates shall be in effect excluding LIPS Industrial transmission level customers.

Revised

2013 EECRF
EXHIBIT MLM-3
PAGE 4 OF 4

Page 35.6
Attachment B
Page 3 of 3

T