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### PUC DOCKET NO. 41791 SOAH DOCKET NO. 473-14-0366

APPLICATION OF ENTERGY TEXAS, § INC. FOR AUTHORITY TO CHANGE § RATES AND RECONCILE FUEL COSTS §

PUBLIC UTILITY & MINHS STON: 03

### **ENTERGY TEXAS, INC.'S LIST OF ISSUES**

In accordance with the Order of Referral entered in this docket on September 25, 2013, Entergy Texas, Inc. (ETI or the Company) files this list of issues to be addressed in this proceeding.

## I. Issues to be Addressed - Rate Change Request

- 1. Are ETI's proposed rates just and reasonable and in compliance with all relevant statutory and Commission requirements? If not, what are the just and reasonable rates ETI should be permitted to charge?
- 2. What is ETI's reasonable and necessary cost of providing service calculated in accordance with statutory and Commission requirements?
- 3. What is the amount of ETI's affiliate costs that meet the standard for recovery of affiliate costs under PURA § 36.058 and Commission requirements?
- 4. What revenue requirement is necessary to give ETI a reasonable opportunity to earn a reasonable return in excess of its reasonable and necessary expenses?
- 5. What amount of reserves for storm and property insurance would be reasonable, adequate, and in the public interest?
- 6. What level of costs related to analyzing and planning for a transition to a regional transmission organization should be reflected in ETI's rates?
- 7. What is the amount of rate case expenses that are reasonable and necessary, and does the requested amount of rate case expenses include any anticipated expenses to appeal this docket?
- 8. Are all of the components of ETI's rate base reasonable and necessary?

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- 9. What is the appropriate and reasonable overall rate of return, return on equity, cost of debt, and capital structure for ETI?
- 10. Are ETI's proposed depreciation rates and practices justified under statutory and Commission rules?
- 11. How should ETI's cost of service be allocated to its customer classes?
- 12. What is the appropriate and reasonable cost allocation and rate design for ETI?
- 13. What pro-forma adjustments to ETI's test-year results would be reasonable and in compliance with all relevant statutory and Commission requirements?
- 14. Which of the proposed capital additions to rate base are reasonable and in compliance with all relevant statutory and Commission requirements?
- 15. Should the Commission approve ETI's requests for other modifications to rate schedules, agreements, and terms and conditions applicable to electric service?
- 16. What are the baseline values that should be used for calculating ETI's future purchased capacity cost recovery factor, transmission cost recovery factor, and distribution cost recovery factor?
- 17. Does any of ETI's requested relief require a good-cause exception to the Commission rules and if so, should the exception be granted?

#### Riders and Tariffs

18. Should the Commission approve ETI's request for the following new riders: a Rough Production Cost Equalization Adjustment Rider ("Rider RPCEA"); a Rate Case Expense Rider ("Rider RCE-3"); a new Street and Highway Lighting Schedule specific for LED technology ("Schedule SHL-LED); an Experimental Market Valued Load Modifying Rider ("MVLMR"); an Experimental Market Valued Demand Response Rider ("MVDRR"); the Deferred Tax Accounting Tracker ("Rider DTA"); and a Transmission Cost Recovery Factor Rider ("Rider TCRF").

- 19. If Rider TCRF is rejected, should ETI's alternative request for deferral of certain transmission-related costs be approved?
- 20. What tariff revisions are appropriate as a result of this proceeding?

#### **Fuel Reconciliation**

- 21. Has ETI met the burden of proof for fuel reconciliation proceedings in P.U.C. Subst. R. 25.236(d)(1)?
- 22. During the reconciliation period, did ETI prudently manage its fuel, fuel-related, and purchased-power contracts; fuel inventories; generation of electricity; generating-facilities maintenance; and generating-unit dispatch?
- 23. Did ETI take advantage of opportunities in the fuel and purchased-power markets to reduce costs, lessen price volatility, and enhance reliability?
- 24. Did ETI pay affiliates for fuel or purchased-power and did such payments meet the statutory standards for passing such costs on to Texas customers?
- 25. Did ETI record revenues and expenses from off-system sales in a manner consistent with the Commission's rules?
- 26. What is the proper quantification of any capacity costs (whether explicitly stated or not) in ETI's purchased-power contracts?
- 27. Has ETI properly accounted for the amount of fuel-related revenues collected during the reconciliation period?
- 28. Does ETI's fuel balance exceed the 4% threshold set forth in P.U.C. Subst. R. 27.237(a)(3)(B)? If so, is it expected that the balance will continue to exceed the threshold?
- 29. Should the Commission grant ETI's request for a special-circumstances finding, pursuant to P.U.C. SUBST. R. 25.236(a)(6), to recover as eligible fuel certain capacity costs related to two purchased power agreements in effect during the

Reconciliation Period to the extent that those capacity costs were offset with savings in fuel costs provided to the Company's customers?

- 30. Is ETI's request to carry forward its fuel balance appropriate, or should a refund or surcharge be imposed by this docket?
- 31. If a refund or surcharge results from this docket, how and over what period of time should that be made?

## II. Issues Not to be Addressed

None identified.

# III. Issues for Threshold Briefing

None identified.

Respectfully submitted,

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# **CERTIFICATE OF SERVICE**

I certify that a true and correct copy of this document was served by email, facsimile, hand-delivery, overnight delivery, or 1<sup>st</sup> Class U.S. Mail on all parties of record in this proceeding on October 4, 2013.

Steven H. Neinast