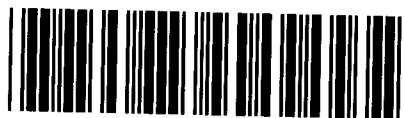




Control Number: 41791



Item Number: 99

Addendum StartPage: 0

SOAH DOCKET NO. 473-14-0366
PUCT DOCKET NO. 41791

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

BEFORE THE STATE
OFFICE OF ADMINISTRATIVE
HEARINGS

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PUBLIC UTILITY
FILING CLERK

CITIES' FIRST REQUEST FOR INFORMATION

Pursuant to §22.144 of the Commission's Procedural Rules, the Cities of Anahuac, Beaumont, Bridge City, Cleveland, Conroe, Dayton, Groves, Houston, Huntsville, Liberty, 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"), request that Entergy Texas, Inc. ("ETI" or "Company"), by and through its attorneys of record, provide all information requested on the attached Exhibit "A" within fifteen (15) calendar days of receipt thereof pursuant to PUC Proc. R. 22.144 and SOAH Order No. 3.

Pursuant to P.U.C. Proc. R. 22.144(c)(2), Cities further request that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be a change in circumstances, which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to P.U.C. Proc. R. 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. Cities further request that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following via overnight courier, on a piecemeal basis as individual items become available:

E-mail:

dlawton@ecpi.com
stephenmack@gmail.com
mayhalllaw@gmail.com

Physical Delivery:

Daniel J. Lawton
12600 Hill Country Blvd., Suite R-275
Austin, Texas 78738
(512) 322-0019
(855) 298-7978 – fax

DEFINITIONS AND INSTRUCTIONS

A. "ETI," "the Company" or "you" refers to Entergy Texas, Inc., and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. The terms "document" or "documents" are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced or reproduced by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, but you if necessary, into reasonably useable form. "Document" or "documents" shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

C. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, Cities specifically request that any electronic or magnetic data (which is included in the definition of "document") that is responsive to a request herein be produced on CD-Rom in a format that is compatible with Microsoft and/or Word Perfect and be produced with your response to these requests.

D. The terms "and" and "or" shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

E. "Each" shall be construed to include the word "every" and "every" shall be construed to include the word "each."

F. "Any" shall be construed to include "all" and "all" shall be construed to include "any."

G. The term "concerning," or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legal, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

H. The term "including," or one of its inflections, means and refers to "including but not limited to."

I. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

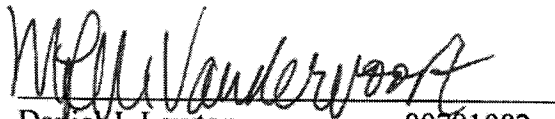
J. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

K. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.

L. Pursuant to P.U.C. Proc. R. 22.144(g)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

M. If the information requested is included in previously furnished exhibits, workpapers, responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

Respectfully submitted,
LAWTON LAW FIRM, P.C.



Daniel J. Lawton 00791082

Stephen Mack 24041374

Molly Mayhall Vandervoort 24048265

12600 Hill Country Blvd., Suite R-275

Austin, Texas 78738


(512) 322-0019

(855) 298-7978 - Fax

ATTORNEY FOR CITIES

CERTIFICATE OF SERVICE

I hereby certify that a copy of this document was served on all parties of record in this proceeding on this 12th day of November, 2013, by e-mail; First Class, U.S. Mail; hand delivery; or facsimile.


Molly Mayhall Vandervoort

ATTACHMENT A

**SOAH DOCKET NO. 473-14-0366
PUCT DOCKET NO. 41791**

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

CITIES' FIRST REQUEST FOR INFORMATION

- 1-1 **Compensation:** Please refer to the testimony of Jennifer A. Raeder, page 29, line 1 through page 31, line 12. Does ETI agree that the value of restricted stock units increases when the price of Entergy's stock price increases?
- 1-2 **Compensation:** Please refer to the testimony of Jennifer A. Raeder, page 29, line 1 through page 31, line 12. Please explain if the value of the restricted stock units decreases if Entergy's earnings decrease in comparison to utilities similar to Entergy.
- 1-3 **Compensation:** Please refer to the testimony of Jennifer A. Raeder, page 29, line 1 through page 31, line 12. Please explain if the restricted stock units include an additional element of risk for participating employees compared to cash compensation.
- 1-4 **Compensation:** Please refer to the testimony of Jennifer A. Raeder, page 29, line 1 through page 31, line 12. Please explain if, and in what way, the restricted stock units are a more effective tool for attracting and retaining qualified employees than cash incentives.
- 1-5 **Compensation:** Please refer to the testimony of Jennifer A. Raeder, page 29, line 1 through page 31, line 12. Please explain whether the restricted stock units are intended to have the effect of increasing shareholder value or decreasing shareholder value.
- 1-6 **Compensation:** Please explain each of the responsibilities the Company has to protect the interest of stakeholders other than shareholders in the design of their employee compensation program.
- 1-7 **Compensation:** Have the compensation surveys used by the Company recognized that utility compensation plans are evaluated by regulatory bodies to determine if incentive programs benefit stakeholders other than shareholders? If so, please provide references to filed documents and copies of documentation not already provided in this docket.

- 1-8 **Compensation:** Please explain what efforts the Company has undertaken to protect ratepayers from incentives that may be adverse to their interest.
- 1-9 **Compensation:** Please explain whether the Company's review of compensation surveys included an effort to identify incentive programs that avoid conflicts with the interests of ratepayers.
- 1-10 **Compensation:** Please explain whether the Company's review of compensation surveys included an effort to identify incentives to keep the utility's rates low.
- 1-11 In reference to the response to question Beaumont 1-19, Mr. Joyce states he included a negative \$324,923 related to use tax in the Docket No. 39896 cash working capital study and in the current Docket No. 41791 cash working capital study used a negative \$56,826 related to sales/use tax. Please explain in detail why the use tax component of the cash working capital study declined from a negative \$324,923 in Docket No. 39896 to a negative \$56,826 in the current docket.
- 1-12 In reference to the direct testimony of Mark McCulla on pages 68-69, for Project F1PPU75349: Grand Gulf Uprate, please provide the following:
- a. Identify any capacity contracts ETI has had, or currently plans to have, between June 1, 2012 to June 1, 2042, sourced at the Grand Gulf facilities. For any such contract, provide the implementation date and termination date of the contract.
 - b. Subsequent to EAI leaving the system agreement, will ETI have any contractual relationship for access to energy generated at the Grand Gulf facilities? If so, identify the contract or tariff.
 - c. Subsequent to EAI leaving the system agreement, what portion of the transmission projects located in Texas will be paid for by EAI customers? If EAI will maintain financial responsibility for the transmission projects, identify the tariff or contract through which the charges flow?
 - d. Provide all operating committee minutes or SPO minutes discussing the need for the construction of these transmission projects and the allocation of their costs between operating companies; and
 - e. Provide the justification for ETI customers building and paying for transmission investments necessary to designate a Non-ETI generating station as a network resource.
- 1-13 Refer to highly sensitive O'Brien WP AJO-2. Under the column heading "SOURCE," please explain the difference between an Internal Offer and an External Offer.

- 1-14 Refer to highly sensitive O'Brien WP AJO-2. Under the column heading "REJEXP_DESCRIPTION," please provide a more detailed description each term and an explanation of how each term would result in a rejected offer. (For example, perhaps "Cost" means the cost of the block of power offered by a potential supplier, and the offer was rejected because the cost was higher than other alternatives offered at the same time):
- a. Cost.
 - b. Avoided Cost Rejection.
 - c. Offer No Longer Available.
 - d. Potentially Uneconomic – Fuel.
 - e. Transmission-TLR.
 - f. Transmission-ATC.
- 1-15 Refer to the response to Beaumont 1-27. Please explain why the design enhancements installed in 2011 were not included in the original rotor design.
- 1-16 Refer to the response to Beaumont 1-28. Please explain why the design enhancements installed in 2012 were not included in the original rotor design.
- 1-17 Refer to the response to Beaumont 1-29:
- a. Please describe the specific reasons that unit design, age of the unit, and the effects of normal wear and tear have caused the Nelson 6 heat rate to be significantly above other similarly situated coal units.
 - b. Please describe the Company's plans to replace the unit's HP/IP turbine in the fall of 2014, including a description of the project, the cost, and the amount of time the unit is off-line.