



Control Number: 42560



Item Number: 9

Addendum StartPage: 0

PUC DOCKET NO. 42560
SOAH DOCKET NO. 473-14-3897

RECEIVED
14 JUN -9 AM 10:09
PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC LLC FOR APPROVAL OF AN ADJUSTMENT TO ITS ENERGY EFFICIENCY COST RECOVERY FACTOR	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
--	-----------------------	---

COMMISSION STAFF'S PROPOSED LIST OF ISSUES

COMES NOW the staff ("Staff") of the Public Utility Commission of Texas ("Commission"), 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 this case. This is important because if the issue is stated to refer only to the applicant's request, the issue could be interpreted to allow consideration of only the applicant's request without taking the viewpoints of other parties into account.¹ Staff has previously made this point in filing proposed lists of issues, which the Commission has implicitly accepted in issuing preliminary orders.²

Application

1. Does the energy efficiency cost recovery factor ("EECRF") application of CenterPoint Energy Houston Electric, LLC ("CenterPoint" or "the utility") comply with P.U.C. SUBST. R. 25.181(f) and contain the testimony and schedules required by P.U.C. SUBST. R. 25.181(f)(10) and address the factors required by P.U.C. SUBST. R. 25.181(f)(11)?

¹ 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 (Nov. 15, 2011) and Texas Industrial Energy Consumers' Exceptions to the Proposal for Decision at 1-2 (Nov. 15, 2011).

² *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 (Dec. 6, 2011) and Preliminary Order 2-5 (Dec. 19, 2011); *Application of El Paso Electric Company to Change Rates and Reconcile Fuel Costs*, Docket No. 40094, Commission Staff's List of Issues at 1-2 (Feb. 15, 2012) and Preliminary Order at 2-7 (Mar. 8, 2012); *Application of Southwestern Electric Power Company to Adjust Energy Efficiency Cost Recovery Factor and Related Relief*, Docket No. 40357, Commission Staff's List of Issues at 1-2 (May 8, 2012) and Preliminary Order at 2-4 (May 23, 2012).

2015 Program Year

2. What are CenterPoint's appropriate demand reduction goal and energy savings goal for program year 2015 consistent with P.U.C. SUBST. R. 25.181(e)?
 - A. Has the utility requested a lower demand reduction goal under P.U.C. SUBST. R. 25.181(e)(2)? If so, has the utility demonstrated that compliance with the goal specified in P.U.C. SUBST. R. 25.181(e)(1) is not reasonably possible and demonstrated that good cause supports the lower demand reduction goal proposed by the utility?
 - B. Has the utility received any identification notices under P.U.C. SUBST. R. 25.181(w)? If so, has the utility's demand reduction goal for program year 2015 been properly adjusted to remove any load that is lost as a result of identification notices submitted to the utility under that rule?
3. What is the appropriate amount of projected energy-efficiency-program costs to be recovered through CenterPoint's 2015 EECRF?
 - A. Are these costs reasonable estimates of the costs necessary to provide energy-efficiency programs and to meet the utility's goals under P.U.C. SUBST. R. 25.181?
 - B. Does the utility currently recover any energy-efficiency costs in its base rates? If so, what is the amount of projected program costs in excess of revenues collected through base rates?
 - C. Are the projected costs of administration and costs of research and development in compliance with the administrative spending caps in P.U.C. SUBST. R. 25.181(i)? If not, has the utility requested an exception to those caps under P.U.C. SUBST. R. 25.181(e)(2)? If so, has the utility demonstrated that compliance with the administrative spending cap is not reasonably possible and that good cause supports the higher administrative spending cap proposed by the utility?
4. What are the EM&V costs assigned to CenterPoint for program years 2014 and 2015, and have any of these costs already been recovered in a prior EECRF proceeding?³

³ P.U.C. SUBST. R. 25.181(q)(10).

Program Year 2013 and 2013 EECRF proceeding

5. Did the costs recovered by CenterPoint through its EECRF for program year 2013 comply with PURA § 39.905 and P.U.C. SUBST. R. 25.181 and were the costs reasonable and necessary to reduce energy and demand costs?
- A. Were the actual costs of administration and costs of research and development for program year 2013 in compliance with the administrative spending caps in P.U.C. SUBST. R. 25.181(i) or higher spending caps otherwise established by the Commission? If otherwise established by the Commission, in which docket were the higher spending caps established?
 - B. Did any costs for program year 2013 result from payments to an affiliate? If so, do those costs meet the requirements for affiliate expenses in PURA § 36.058?
 - C. What are the reasonable and necessary utility rate-case expenses for the utility's immediately previous EECRF proceeding?
 - D. What are the reasonable and necessary municipality rate-case expenses for the utility's immediately previous EECRF proceeding?
6. For each of CenterPoint's EECRF rate classes, what is the appropriate amount, if any, of under- or over-recovered EECRF costs consistent with P.U.C. SUBST. R. 25.181 for program year 2013?
- A. Did the utility recover any of its energy-efficiency costs through base rates for program year 2013? If so, what is the actual amount of energy-efficiency revenues collected through base rates consistent with P.U.C. SUBST. R. 25.181(f)(2)?
 - B. What was the actual revenue collected through the utility's EECRF for program year 2013?
 - C. What were the actual costs that comply with P.U.C. SUBST. R. 25.181(f)(12) of the utility's energy-efficiency programs for program year 2013?

Performance Bonus

7. What were CenterPoint's demand and energy reduction goals for program year 2013? If the Commission granted an exception for a lower demand goal, in what docket was the lower goal established?

8. What is CenterPoint's appropriate energy-efficiency performance bonus, if any, consistent with P.U.C. SUBST. R. 25.181(h) for program year 2013?
- A. Did the utility exceed its demand and energy reduction goals for program year 2013? If so, by what amounts?
 - B. What are the net benefits of the utility's energy-efficiency program for program year 2013?
 - C. Did the utility exceed the EECRF cost caps in P.U.C. SUBST. R. 25.181(f)(7)?
 - D. Did the Commission establish a lower demand reduction goal, higher administrative spending cap, or higher EECRF cost cap for the utility for program year 2013? If so, should the Commission reduce the utility's performance bonus?

EECRF Design

9. What are CenterPoint's appropriate 2015 EECRFs for each rate class consistent with P.U.C. SUBST. R. 25.181(f)?
- A. What is the total cost that should be recovered through the utility's 2015 EECRFs?
 - B. What are the appropriate EECRF rate classes for the utility's 2015 EECRFs?
 - C. Has the utility requested a good-cause exception under P.U.C. SUBST. R. 25.181(f)(2) to combine one or more rate classes? If so, for each rate class that is proposed to be combined, does it have fewer than 20 customers, is it similar to the other rate classes, and does it receive services under the same energy-efficiency programs as the other rate classes?
 - D. Are the costs assigned or allocated to rate classes reasonable and consistent with P.U.C. SUBST. R. 25.181?
 - i. Are the utility's program costs directly assigned to each EECRF rate class that receives services under the programs to the maximum extent possible?
 - ii. Is any bonus allocated consistent with P.U.C. SUBST. R. 25.181(h)(6)?
 - iii. Are administrative costs, including rate-case expenses and research and development costs, allocated consistent with P.U.C. SUBST. R. 25.181(i)?

- iv. How are the EM&V costs assigned to the rate classes and is the assignment consistent with PURA § 39.905 and P.U.C. SUBST. R. 25.181?
- v. Are any under- or over-recovered EECRF costs allocated to the rate classes consistent with P.U.C. SUBST. R. 25.181(f)(2)?
- E. Does the utility propose an EECRF for any commercial rate classes as a demand charge? If so, for each such rate class, do the base rates for that class contain demand charges? For each such rate class, should the EECRF for that rate class be an energy charge or a demand charge?
- F. What is the appropriate estimate of billing determinants for the 2015 program?
- G. What are the appropriate calculated or estimated system losses and line losses that should be used in calculating the 2015 EECRF charges?
- 10. Do CenterPoint's total 2015 EECRF costs, excluding EM&V costs and municipal rate-case expenses, exceed the EECRF cost caps prescribed in P.U.C. SUBST. R. 25.181(f)(7)? If so, did the utility request an exception to the EECRF cost caps pursuant to P.U.C. SUBST. R. 25.181(e)(2)? If so, has the utility demonstrated that compliance with the EECRF cost caps is not reasonably possible and demonstrated that good cause supports the higher EECRF cost caps?
- 11. Do the incentive payments for each of CenterPoint's customer classes in program year 2013 comply with P.U.C. SUBST. R. 25.181(g)?

Tariff

- 12. What tariff schedule should be adopted for CenterPoint in compliance with P.U.C. SUBST. R. 25.181?

II. ISSUES NOT TO BE ADDRESSED

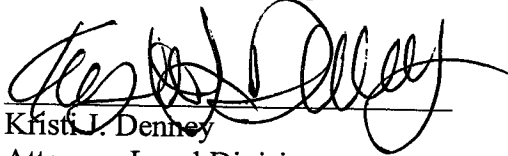
Staff has not identified any issues not to be addressed.

DATE: June 9, 2014

Respectfully Submitted,

Joseph P. Younger
Division Director-Legal Division

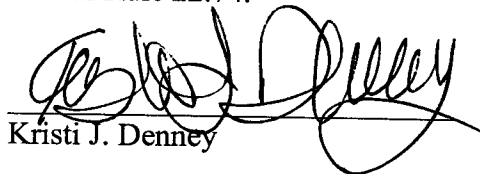
Karen S. Hubbard
Managing Attorney-Legal Division



Kristi J. Denney
Attorney-Legal Division
State Bar No. 24074129
(512) 936-7290
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this day,
June 9, 2014, in accordance with P.U.C. Procedural Rule 22.74.



Kristi J. Denney