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SOAH DOCKET NO. 473-18-3733
PUC DOCKET NO. 48371

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ENTERGY TEXAS, INC.'S
STATEMENT OF INTENT AND
APPLICATION FOR AUTHORITY TO
CHANGE RATES

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BEFORE THE STATE OFFICE

PUBLIC UTILITY COMMISSION
FILING CLERK

OF

ADMINISTRATIVE HEARINGS

**COMMISSION STAFF'S FOURTH REQUEST FOR
INFORMATION TO ENTERGY TEXAS, INC.
QUESTION NOS. STAFF 4-1 THROUGH 4-11**

Pursuant to 16 Tex. Admin. Code § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Entergy Texas, Inc. (ETI) by and through its attorneys of record, provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within ten working days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

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Dated: June 28, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on June 28, 2018, in accordance with 16 TAC § 22.74.



Heath D. Armstrong

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DEFINITIONS

- A. "ETI", "Company," or "you" refers to Entergy Texas, Inc. and any person acting or purporting to act on its behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- B. "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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INSTRUCTIONS

- 1) Pursuant to 16 Tex. Admin. Code § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) 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.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) 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 of copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 Tex. Admin. Code § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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**COMMISSION STAFF'S FOURTH REQUEST FOR
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QUESTION NOS. STAFF 4-1 THROUGH 4-11**

Staff 4-1 For the Company's requested Spindletop Regulatory Asset, please provide the total costs incurred by year since inception plus the following breakdown by jurisdiction:

	TEXAS			LOUISIANA		
	Alloc. %	Cost Added	Cost recovered from or (Paid to) rtpayers	Alloc. %	Cost Added	Cost recovered from or (Paid to) rtpayers
Year 1						
Year 2						
Year 3						
Etc.						
Etc.						

Staff 4-2 Please provide a detailed explanation of how Spindletop costs were treated in prior dockets (rate cases and other proceedings) with cites to Commission orders. Provide the balance requested and amount allowed for Spindletop costs in each docket.

Staff 4-3 Refer to Docket No. 41791, Schedule B-1 of the Company's application and provide a detailed breakdown of the amount included in Line 15, Regulatory Assets and Liabilities totaling \$8,737,445.

Staff 4-4 Please reconcile the amounts reported in the "Per Books" columns on Schedules A and B-1 of the Company's application with the amounts reported on ETI's 2017 FERC Form 1.

Staff 4-5 Please refer to the testimony of Kristine Jackson at page 14, lines 24-25 which states: "In addition, all ADFIT effects of ASC 740 are eliminated from the test year." Does this statement mean that ETI has excluded its ASC 740-10 (Formerly FIN 48) liabilities from rate base? If so, provide the amount excluded and provide a detailed explanation and justification for why has it been excluded given the Commission's ruling in Docket No. 39896 related to ADFIT associated with uncertain tax positions. If not excluded, what is the amount included in the ADFIT balance and where is the amount located in the rate filing package series G-4 Schedules?

Staff 4-6 Provide a detailed explanation and current status of each proceeding commenced or other action by regulators in response to the Tax Cuts and Jobs Act of 2017 by jurisdiction for each Entergy operating company. Please update this response monthly during the course of this proceeding.

- Staff 4-7** Admit or deny that ETI customers with distributed generation, and taking service under Option 4 of Schedule SQF, are compensated at a rate that exceeds the avoided cost of energy for a portion of the energy supplied to ETI. If deny, fully explain, providing all workpapers, studies, correspondence, etc. to support the answer.
- Staff 4-8** Please provide a list of all new capital projects requiring CCNs that were placed in service, completed or energized following the order in the last rate case. For each project, list the initial estimated cost, as shown in the CCN application. Also list the estimated cost just prior to the initiation of construction, and the actual final cost reported on the monthly construction report to the PUC. Finally, list the difference between the estimated cost in the CCN application and the final project cost, and provide a detailed explanation for any final costs that exceeded those in the CCN application.
- Staff 4-9** Identify and list each system company purchase that comprises the expense of \$4,269,065 recorded to OMP5551OD: 55 Ineligible - Other Demand listed on line 15 of Schedule P/WP AJ 05 and provided by STAFF 1-21.
- Staff 4-10** ETI's response to STAFF 1-23 confirms that ETI does not sell excess RECs. Does ETI ever let excess RECs expire?
- Staff 4-11** If the answer to STAFF 4-10 is yes, please explain why ETI chooses not to sell excess RECs and credit sales to REC expense.