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Item Number: 41

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SOAH DOCKET NO. 473-19-4420
PUC DOCKET NO. 49493

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APPLICATION OF ENTERGY TEXAS, § BEFORE THE STATE OFFICE
INC. TO ADJUST ITS ENERGY § OF THE PUBLIC UTILITY COMMISSION
EFFICIENCY COST RECOVERY § ADMINISTRATIVE HEARINGS
FACTOR §

STIPULATION AND SETTLEMENT AGREEMENT

This Stipulation and Settlement Agreement (Agreement) is entered into by Entergy Texas, Inc. (ETI or the Company) and the Public Utility Commission of Texas Staff (Staff) (together, the Signatories). The Cities of Anahuac, Beaumont, Bridge City, Cleveland, Dayton, Groves, Houston, Huntsville, Liberty, Montgomery, Navasota, Nederland, Oak Ridge North, Orange, Pine Forest, Pinehurst, Port Arthur, Port Neches, Roman Forest, Shenandoah, Sour Lake, Splendora, Vidor, and West Orange (Cities), and Texas Industrial Energy Consumers (TIEC) do not oppose this Agreement. The Signatories stipulate and agree as follows:

I. BACKGROUND

1. On May 1, 2019, ETI filed its Application and supporting testimony with the Public Utility Commission of Texas (Commission) requesting authority to revise its energy efficiency cost recovery factor (EECRF) rates.
2. ETI initially requested that the EECRF for 2020 should collect a total of \$8,010,790,¹ reflecting the following five components: (1) \$7,508,671 for the Company's forecasted 2020 energy efficiency program budget; (2) \$1,673,201 for the performance bonus associated with the results of ETI's 2018 energy efficiency programs; (3) \$106,180 in Evaluation, Measurement, and Verification (EM&V) expenses to be collected in 2020; (4) a refund of \$1,386,600 for the over-recovery of 2018 energy-efficiency costs, including interest; and (5) \$109,336 for 2018 EECRF proceeding costs (\$98,064 for ETI's costs and \$11,273 for Cities' costs).
3. ETI filed errata to its initial request on May 16, 2019 and July 17, 2019.
4. The Signatories believe a negotiated resolution of this proceeding pursuant to the terms set out below is desirable and in the public interest because the result is reasonable under the

¹ Due to rounding, this amount differs by \$2 from the sum of the four component amounts that follow it.

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circumstances and will conserve the public's and the Signatories' resources and eliminate controversy.

II. AGREEMENT

The Signatories have reached agreement on the issues as set out below and agree that the Commission should enter an order consistent with this Agreement:

1. **Application.** The Signatories agree that ETI's application should be approved consistent with this Agreement.
2. **Notice.** The Signatories agree that ETI's notice was adequate and in compliance with 16 Texas Administrative Code (TAC) § 25.181(f)(13).
3. **Costs to be Recovered Through the EECRF.** The Signatories agree that, consistent with the errata filed by ETI, ETI's EECRF for 2020 should collect a total of \$8,010,785² reflecting the following four components: (1) \$7,508,671 for ETI's forecasted 2020 energy efficiency program budget, (2) \$1,673,207 in performance bonus associated with the results of ETI's 2018 energy-efficiency programs, (3) \$106,180 in EM&V expenses to be collected in 2020; (4) an over-recovery of \$1,386,610 for 2018 amounts, and (5) 2018 EECRF proceeding costs of \$109,336 (\$98,064 for ETI's costs and \$11,273 for Cities' costs). The Signatories also agree that the revised EECRF rates will be effective beginning with the first billing cycle of the Company's January 2020 billing month.
4. **EECRF Rates.** The Signatories agree to the following rates for the updated EECRF tariff:

<u>Customer Class</u>	<u>EECRF</u>
Residential Service	\$ 0.000778 per kWh
Small General Service	\$ (0.000150) per kWh
General Service	\$ 0.000457 per kWh
Large General Service	\$ 0.001268 per kWh
Large Industrial Power Service	
(Industrial Transmission Customers)	\$ 0.000000 per kWh
(Other than Industrial Transmission Customers)	\$ (0.000217) per kWh
Lighting	\$ (0.000002) per kWh

² Due to rounding, this amount differs by \$1 from the sum of the four component amounts that follow it.

5. **Obligation to Support this Stipulation.** The Signatories agree that they will support this Agreement before the Commission and will take reasonable steps to support Commission entry of an order consistent with this Agreement.
6. **Evidence and Proposed Order.** The Signatories agree that the Commission should issue the proposed order, included as Attachment 1, which is consistent with the terms of this Agreement. Attachment 2 to this Stipulation is the tariff schedule consistent with this Agreement along with supporting workpapers to the rate calculation.

The Signatories also agree to the admission into evidence of the following documents for the limited purpose of supporting this Agreement: the Application, which includes the Direct Testimony of John K. Carson and Jessica C. Landry and Affidavits of Wajiha Rizvi and Daniel J. Lawton, filed on May 1, 2019; the Proof of Notice filed by ETI on May 15, 2019; the Company's Errata No. 1 filed on May 16, 2019; the Company's Errata No. 2 filed on July 17, 2019; the Settlement Testimony of John K. Carson and the Affidavits of Staff personnel Therese Harris, Brian Murphy, and Ruth Stark in Support of Settlement filed on August 14, 2019; and this Agreement and its attachments.

7. **Effect of Stipulation and Settlement Agreement.**
 - a) The Agreement urges the Commission to adopt an appropriate order consistent with the terms stated herein. The terms of this Agreement may not be used either as an admission or concession or evidence in any other proceeding. The Signatories further agree that all oral or written statements made during the course of the settlement negotiations may not be used for any purpose and are governed by TEX. R. EVID. 408. The obligations set forth in this subsection shall continue and be enforceable, even if this Agreement is terminated as provided below.
 - b) This Agreement is binding on each Signatory only for the purpose of settling the issues as set out herein and for no other purpose. Except to the extent that this Agreement expressly governs a Signatory's rights and obligations for future periods, this Agreement, including all terms provided herein, shall not be binding or precedential on a Signatory outside of this case except for a proceeding to enforce the terms of this Agreement. The Signatories acknowledge and agree that a Signatory's support of the matters contained in this Agreement may differ from its position or testimony in other proceedings not referenced in this Agreement. To

the extent there is a difference, a Signatory does not waive its position in such other proceedings. Because this is a settlement agreement, a Signatory is under no obligation to take the same position as set out in this Agreement in other proceedings not referenced in this Agreement, whether those proceedings present the same or a different set of circumstances. A Signatory's agreement to entry of a final order of the Commission consistent with this Agreement should not be regarded as an agreement to the appropriateness or correctness of any assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this Agreement.


- c) This Agreement reflects a compromise, settlement and accommodation among the Signatories, and the Signatories agree that the terms and conditions stated herein are interdependent. If the Commission does not accept this Stipulation as presented or enters an order inconsistent with any material term of this Stipulation, any Signatory shall have the right to withdraw from all commitments and obligations and to seek a hearing on all issues, present evidence, and advance any positions it desires, as if it had not been a Signatory.
- d) This Agreement contains the entire understanding and agreement of the Signatories, and supersedes all other written and oral exchanges or negotiations among them or their representatives with respect to the subjects contained herein. Neither this Agreement nor any of the terms of this Agreement may be altered, amended, waived, terminated, or modified, except by a writing properly executed by the Signatories.
- e) There are no third-party beneficiaries of this Agreement. Although this Agreement represents a settlement among the Signatories with respect to the issues presented in this proceeding, this Agreement is merely a settlement proposal submitted to the Commission, which has the authority to enter an order resolving these issues.
- f) This Agreement is a true and complete resolution of all contested issues in this proceeding.

8. **Execution.** The Signatories agree that this document may be executed in multiple counterparts and filed with facsimile signatures. The Signatories agree that they will use

their best efforts to obtain expeditious implementation of this Agreement by entry of appropriate orders.

Signatures are on the following pages.

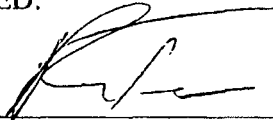
AGREED:



Wajihha Rizvi
ENTERGY SERVICES, INC.
919 Congress Ave.
Suite 701
Austin, Texas 78701
(512) 487-3957 telephone
(512) 487-3958 facsimile

Attorney for Entergy Texas, Inc.

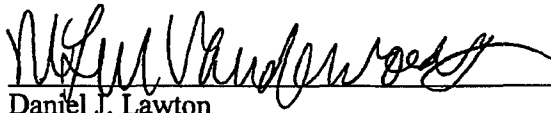
AGREED:



Rustin Tawater
Attorney – Legal Division
1701 N. Congress Ave.
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7295
(512) 936-7268 (facsimile)
Rustin.Tawater@puc.texas.gov

Public Utility Commission of Texas Staff

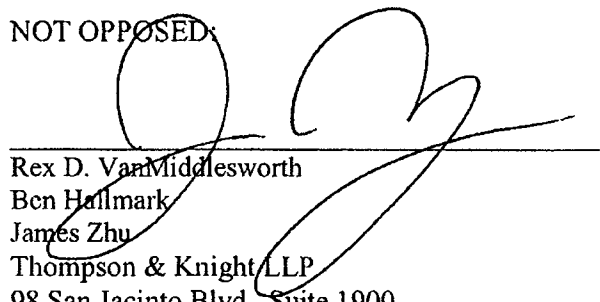
NOT OPPOSED:

A handwritten signature in black ink, appearing to read "Molly Mayhall Vandervoort", written over a horizontal line.

Daniel J. Lawton
Molly Mayhall Vandervoort
12600 Hill Country Blvd., Suite R-275
Austin, Texas 78738

Attorneys for Cities

NOT OPPOSED:



Rex D. VanMiddlesworth
Ben Hallmark
James Zhu
Thompson & Knight LLP
98 San Jacinto Blvd., Suite 1900
Austin, TX 78701

Attorneys for TIEC

**SOAH DOCKET NO. 473-19-4420
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APPLICATION OF ENTERGY TEXAS,	§	BEFORE THE STATE OFFICE
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STIPULATION AND SETTLEMENT AGREEMENT

ATTACHMENT 1

SOAH DOCKET NO. 473-19-4420
PUC DOCKET NO. 49493

APPLICATION OF ENTERGY TEXAS,	§	BEFORE THE STATE OFFICE
INC. TO ADJUST ITS ENERGY	§	OF
EFFICIENCY COST RECOVERY	§	ADMINISTRATIVE HEARINGS
FACTOR	§	

ORDER

This Order addresses the application of Entergy Texas, Inc. (ETI) to adjust its energy efficiency cost recovery factor (EECRF). A Stipulation and Settlement Agreement (Agreement) was executed that resolves all of the issues among the parties in this proceeding. Consistent with the Agreement, ETI's application is approved.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Applicant PURA § 31.002(6) and 16 TAC § 25.181(b)

1. ETI is a Texas corporation and wholly owned subsidiary of Entergy Corporation, a Delaware corporation.
2. ETI provides electric generation, transmission, and distribution services in Texas.

Application 16 TAC §§ 25.182(d)(8), (d)(10)(A)-(M), and (d)(11)(A)-(J)

3. On May 1, 2019, ETI filed an application to adjust its EECRF beginning with the first billing cycle of ETI's January 2020 billing month.
4. ETI initially sought Commission approval to adjust its EECRF to recover \$8,010,790¹ during program year 2020, which included:
 - (a) Forecasted energy efficiency costs in program year 2020 of \$7,508,671;
 - (b) Projected evaluation, measurement, and verification (EM&V) expenses in the amount of \$106,180 to be collected in 2020;
 - (c) A performance bonus of \$1,673,201 associated with the results of ETI's 2018 energy efficiency programs;

¹ Due to rounding, this amount differs by \$2 from the sum of the four component amounts that follow it.

- (d) An over-recovery of \$1,386,600 for program year 2018; and
 - (e) EECRF proceeding costs of \$109,336 (including \$98,064 for ETI's expenses and \$11,273 for Cities' expenses).
5. In support of the application, ETI presented testimony, exhibits, schedules, and workpapers demonstrating that the costs to be recovered through its 2020 EECRF were \$8,010,790.
 6. In State Office of Administrative Hearings (SOAH) Order No. 2 issued on June 7, 2019, the SOAH administrative law judge (ALJ) found the application sufficient.
 7. On May 16, 2019, ETI filed Errata No.1, correcting the 2018 demand and energy savings and the Company's performance bonus. This resulted in an increase to the Company's 2018 performance bonus to \$1,673,206.
 8. On July 19, 2019, ETI filed Errata No. 2, correcting the amount and allocation of the EM&V costs to reflect actual charges per program and reflecting the resulting impacts on the over-recovery amounts, bonus calculation, and rates.
 9. Under the amended application, ETI's EECRF would recover \$8,010,785² during program year 2020, which includes:
 - (a) Forecasted energy efficiency costs in program year 2020 of \$7,508,671;
 - (b) EM&V expenses in the amount of \$106,180 to be collected in 2020;
 - (c) A performance bonus of \$1,673,207 associated with the results of ETI's 2018 energy efficiency programs;
 - (d) A refund of \$1,386,610 for the net over-recovery of 2018 energy efficiency costs; and
 - (e) EECRF proceeding costs of \$109,336 (including \$98,064 for ETI's expenses and \$11,273 for Cities' expenses).

Notice 16 TAC §§ 22.55, 25.182(d)(13), and (14)

10. ETI provided notice of the application on May 1, 2019, by providing in writing a general description of the application and the docket number assigned to the application to all

² Due to rounding, this amount differs by \$1 from the sum of the four component amounts that follow it.

parties participating in ETI's most recent EECRF proceeding, Docket No. 48333³ and ETI's most recently-completed base rate case, Docket No. 48371.⁴ On May 1, 2019, ETI also provided notice of the application to the state agency that administers the federal weatherization program, the Texas Department of Housing & Community Affairs.

11. On May 15, 2019, ETI filed proof of notice of its EECRF application.
12. In SOAH Order No. 2 issued on June 7, 2019, the SOAH ALJ found the notice sufficient.

Intervenors and Intervenor Alignment 16 TAC § 22.103-22.105

13. Commission Staff participated in this docket.
14. In SOAH Order No. 1 issued on June 3, 2019, the SOAH ALJ granted the motion to intervene of the Cities of Anahuac, Beaumont, Bridge City, Cleveland, Dayton, Groves, Houston, Huntsville, Liberty, Montgomery, Navasota, Nederland, Oak Ridge North, Orange, Pine Forest, Pinehurst, Port Arthur, Port Neches, Roman Forest, Shenandoah, Sour Lake, Splendor, Vidor, and West Orange (collectively, Cities) and Texas Industrial Energy Consumers' (TIEC) motion to intervene.

Statements of Position and Testimony 16 TAC §§ 22.124 and 22.225

15. On May 1, 2019, ETI filed the direct testimonies with schedules and workpapers of John K. Carson and Jessica C. Landry and the affidavits of Wajiha Rizvi and Daniel J. Lawton.
16. On May 16, 2019, and July 17, 2019, ETI filed revisions to the direct testimonies and exhibits of John K. Carson and Jessica C. Landry.
17. On August 14, 2019, ETI filed the testimony of ETI witness John K. Carson in support of the Agreement.
18. On August 14, 2019, Commission Staff filed the affidavits of Therese Harris, Brian Murphy, and Ruth Stark in support of the Agreement.

³ *Application of Entergy Texas, Inc. to Adjust its Energy Efficiency Cost Recovery Factor*, Docket No. 48333, Order (December 10, 2018).

⁴ *Entergy Texas, Inc.'s Statement of Intent and Application for Authority to Change Rates*, Docket No. 48371, Order (December 20, 2018).

Referral to SOAH 16 TAC §§ 22.121 and 25.182(f)(9)

19. On May 2, 2019, the Commission referred this proceeding to SOAH for assignment of an ALJ to conduct a hearing and issue a proposal for decision, if necessary.
20. On May 24, 2019, the Commission approved a preliminary order for this docket, which included a list of issues to be addressed in this proceeding.
21. In SOAH Order No. 1 issued on June 3, 2019, the SOAH ALJ described the case, set deadlines, established administrative procedures, and approved a protective order.
22. In SOAH Order No. 2 issued on June 7, 2019, the SOAH ALJ adopted a procedural schedule and gave notice of the convening of the hearing on the merits, which was set for one day at the SOAH offices on Friday, August 2, 2019.
23. On May 15, 2019, Commission Staff and Cities requested a hearing on the merits.

Energy Efficiency Goals 16 TAC § 25.181(e)

24. ETI's weather-adjusted average annual growth in demand for the previous five years (2014-2018), after industrial customer exclusions representing 3 megawatts (MW), is - 25,558 kilowatts (kW).
25. ETI's 2020 minimum goal of a 30% reduction of average annual growth in demand for five years is 7,095 kW at source.
26. In ETI's 2011 EECRF application, Docket No. 39366,⁵ ETI agreed to a demand-reduction goal of 15,500 kW and an energy-savings goal of 27,156,000 kilowatt-hours (kWh) for 2012.
27. Under 16 TAC § 25.181(e)(1)(D), a utility's demand-reduction goal may not be lower than the prior year, except as adjusted under § 25.181(u) for industrial customer exclusions. Thus, for 2020, ETI's demand-reduction goal is 15,500 kW.
28. ETI projects that it will achieve 15,500 kW in peak-demand reductions in program year 2020, which is equal to the minimum of 15,500 kW under 16 TAC § 25.181(e)(1)(E).

⁵ *Application of Entergy Texas, Inc. for Authority to Redetermine Rates for the Energy Efficiency Cost Recovery Factor Tariff and Request to Establish a Revised Energy Efficiency Goal and Cost Caps*, Docket No. 39366, Application (Apr. 29, 2011).

29. ETI's 2020 energy-savings goal, using a 20% load-conservation factor under 16 TAC § 25.181(e)(4), is 27,156,000 kWh.
30. ETI forecasts that it will achieve every savings of 27,156,000 kWh in program year 2020.
31. In the 2018 program year, ETI achieved a demand reduction from its hard-to-reach standard offer program of 1,755 kW, or 11% of the 2018 goal of 15,500 kW, which is in excess of the 5.0% minimum required by 16 TAC § 25.181(e)(3)(F). The estimated savings to be achieved through ETI's 2020 program for hard-to-reach customers is 1,100 kW or 7.1% of the proposed goal of 15,500 kW, which is in excess of the 5.0% minimum required by 16 TAC § 25.181(e)(3)(F).

Agreement PURA § 14.054 and 16 TAC § 22.35

32. On August 14, 2019, ETI filed the Agreement between ETI and Commission Staff, which resolved all of the issues between them in this proceeding. Cities and TIEC did not join, but do not oppose the Agreement.
33. The signatories agreed on the requested amounts as revised in Errata No. 2.
34. Under the amended application agreed to by signatories, ETI's EECRF would recover \$8,010,785 during program year 2020, which includes:
 - (a) Forecasted energy efficiency costs in program year 2020 of \$7,508,671;
 - (b) EM&V expenses in the amount of \$106,180 to be collected in 2020;
 - (c) A performance bonus of \$1,673,207 associated with the results of ETI's 2018 energy efficiency programs;
 - (d) A refund of \$1,386,610 for the net over-recovery of 2018 energy efficiency costs; and
 - (e) EECRF proceeding costs of \$109,336 (including \$98,064 for ETI's expenses and \$11,273 for Cities' expenses).
35. The Agreement provides an effective date of the first billing cycle of ETI's January 2020 billing month for ETI's EECRF tariff rider to remain in effect until December 31, 2020, or until such time as the Commission orders otherwise.
36. Under the Agreement, ETI's proposed 2020 rate class factors are as follows:

<u>Rate Class</u>	<u>EECRF</u>
Residential Service	\$ 0.000778 per kWh
Small General Service	\$ (0.000150) per kWh
General Service	\$ 0.000457 per kWh
Large General Service	\$ 0.001268 per kWh
Large Industrial Power Service	
(Industrial Transmission Customers)	\$ 0.000000 per kWh
(Other than Industrial Transmission Customers)	\$ (0.000217) per kWh
Lighting	\$ (0.000002) per kWh

37. On August 14, 2019, ETI filed an unopposed motion to admit evidence and remand the proceeding to the Commission in accordance with the Agreement.
38. In SOAH Order No. __ issued on August __, 2019, the SOAH ALJ granted ETI's motion to admit evidence and remand the docket to the Commission. The SOAH ALJ admitted the application, including the direct testimonies of John K. Carson and Jessica C. Landry and affidavits of Wajiha Rizvi and Daniel J. Lawton, filed on May 1, 2019; ETI's proof of notice, filed by ETI on May 15, 2019; the Company's Errata No. 1, filed on May 16, 2019; the Company's Errata No. 2 filed on July 17, 2019; the Settlement Testimony of John K. Carson filed on August 14, 2019; the affidavits of Therese Harris, Brian Murphy, and Ruth Star, with Commission Staff in Support of Settlement filed on August 14, 2019; and the Agreement filed on August 14, 2019.

Elements of Recovery and Coordination with Base Rate Recovery 16 TAC §§ 25.182(d)(1)

39. ETI's EECRF is calculated to recover ETI's forecasted annual energy efficiency expenditures, municipal and utility EECRF proceeding expenses from immediately preceding EECRF dockets, a performance bonus, EM&V costs allocated to ETI by the Commission as allowed by 16 TAC § 25.182(d)(1)(A), and a refund of the preceding year's over-recovery.
40. ETI does not recover any energy efficiency costs in its base rates.
41. ETI's EECRF is designed to provide only for energy charges for residential and non-residential rate classes in compliance in compliance with 16 TAC § 25.182(d)(6).

EECRF Cost Caps 16 TAC §§ 25.182(d)(7) and (g)

42. ETI's 2018 costs for residential customers was \$0.000961 per kWh, which is below the 2018 cost cap of \$0.001266 per kWh. The costs for non-residential customers was \$0.000577 per kWh, which is below the 2018 cost cap of \$0.000791 per kWh.
43. To calculate its 2020 cost caps, ETI applied a 2.224000% consumer price index adjustment to the base cap of \$0.001303 per kWh for the residential class and \$0.00815 per kWh for the commercial classes. ETI determined its EECRF cost caps for the 2020 program year to be \$0.001332 per kWh for the residential class and \$0.000833 per kWh for commercial customers.
44. ETI's 2020 EECRF tariff rider will impose a charge of \$0.000778 per kWh on residential customers and a group rate of \$0.000558 per kWh for non-residential classes.

Over-or Under-Recovery 16 TAC § 25.182(d)(2)

45. ETI requests to refund to each rate class the difference between the actual EECRF revenues and actual costs for that class that complies with 16 TAC § 25.182(d)(2), which results in a net over-recovery.
46. ETI accurately calculated the \$1,386,610 over-recovery of 2018 program costs.

Proceeding Expenses 16 TAC § 25.182(d)(3)

47. ETI filed the affidavit of Wajiha Rizvi, Senior Counsel for Entergy Services, LLC. Ms. Rizvi relied upon the factors required by 16 TAC § 25.245 in reaching her opinion that ETI's non-affiliate rate case expenses incurred in ETI's 2018 EECRF proceeding, Docket No. 48333, were reasonable. Ms. Rizvi relied upon the factors required by 16 TAC § 25.245 in reaching her opinion that ETI's external legal counsel's fees of \$61,408.14 and UPS delivery charges of \$142.142 incurred in ETI's 2018 EECRF proceeding, Docket No. 48333, were reasonable.
48. ETI filed the direct testimony of Jessica C. Landry stating that the activities of Entergy Services, LLC charged to ETI were for legal and regulatory services in connection with ETI's 2018 EECRF proceeding. Ms. Landry opined that the charges in the amount of

\$36,643 under project code F3PPEECRF3 were for rate case expenses in ETI's 2018 EECRF proceeding, Docket No. 48333, and were reasonable and necessary.

49. Cities filed the direct testimony of Daniel J. Lawton. Mr. Lawton opined that Cities' attorney's fees and expenses of \$11,273 incurred in ETI's 2018 EECRF proceeding, Docket No. 48333, were reasonable.

Performance Bonus Calculations 16 TAC §§ 25.181(f) and 25.182(d)(e)

50. In 2018, ETI achieved 19,665 kW in demand savings and 48,099,849 kWh in energy savings. ETI's demand reduction goal was 15,500 kW and its energy savings goal was 27,156,000 kWh. ETI achieved 127% of its demand reduction goal and 177% of its energy savings goal, qualifying it for a performance bonus as calculated under 16 TAC § 25.182(e).
51. Based upon a weighted average cost of capital of 7.725280%, \$80 avoided cost per kW, \$0.03757 avoided cost per kWh, and a 2.0% inflation rate, the total present value of avoided costs associated with the 2018 demand reductions and energy savings is \$25,970,207.
52. In the Agreement, ETI seeks the maximum allowable performance bonus under 16 TAC § 25.182(e), which is 10% of the net benefits of \$16,732,069 achieved through its energy efficiency incentive program costs, for exceeding its goal for calendar year 2018. The resulting performance bonus from this calculation is \$1,673,207.

Evaluation, Measurement, and Verification Costs 16 TAC § 25.181(o)

53. ETI's share under 16 TAC § 25.181(o)(10) of the estimated total EM&V costs to be collected in 2020 in the amount of \$106,180 is directly assigned to the maximum extent reasonably possible to each rate class that received services under its programs.

Administrative and Research and Development Cost Caps 16 TAC § 25.181(g)

54. Including ETI's rate case expenses, ETI incurred \$724,943 in necessary administrative costs, which was 10.1% of the total program costs, for the 2018 energy efficiency programs to meet its goals. ETI incurred \$28,001 in research and development costs, which was 0.4% of the total program costs for the previous year, for the 2018 energy efficiency programs

to meet ETI's goal. Therefore, ETI's cumulative cost of administration and research and development was 10.5% of the total program costs.

55. ETI's 2018 program year cost of administration did not exceed 15% of its total program costs. ETI's cost of research and development did not exceed 10% of its total program costs for the 2018 program year. ETI's cumulative cost of administration and research and development did not exceed 20% of its total 2018 program costs.
56. ETI's budget for the 2020 program year includes \$775,985 in administrative costs for the 2020 energy efficiency programs to meet its goal, which is 10.2% of the total program costs, and \$22,000 for research and development expenditures, which is 0.3% of the total program costs. ETI's cumulative budgeted cost of administration and research and development is 10.5% of the 2020 total program costs.
57. ETI's budgeted 2020 program year cost of administration does not exceed 15% of its total program costs. ETI's 2020 budgeted cost of research and development does not exceed 10% of its total program costs. ETI's cumulative budgeted cost of administration and research and development does not exceed 20% of its total 2020 program costs.

Cost Effectiveness 16 TAC § 25.181(d)

58. ETI used an avoided cost of capacity of \$80 per kW-year for 2018. ETI used Commission Staff's posted avoided cost of energy of \$0.03757 per kWh for 2018.
59. ETI determined that its total energy efficiency program costs, exclusive of municipal rate case expenses, were \$9,226,865 and its total avoided costs are \$25,970,207 which produced a portfolio benefit-cost ratio of 2.81 and exceeds the benefit-cost ratio of 1.0 or greater required by 16 TAC § 25.181(d).
60. ETI's forecasted 2020 EECRF program costs of \$7,508,671 conform to the requirements set forth in 16 TAC § 25.181(d) and are a reasonable estimate of the costs necessary to provide energy efficiency programs and meet ETI's goals for 2020.

Total Cost Recovery 16 TAC § 25.182(d)

61. ETI's total costs recoverable through the 2018 EECRF (including actual 2018 program costs, the 2016 performance bonus and true-up amounts in the 2018 rates, and the 2016 EECRF proceeding costs in the 2018 rates) were \$ 9,768,890.
62. The costs incurred and recovered by ETI through its EECRF for program year 2018 were reasonable and necessary to reduce energy and demand costs and are reconciled for program year 2018.

Rate Classes and Direct Assignment of Costs 16 TAC § 25.182(d)(2)

63. ETI's program costs are directly assigned to each EECRF rate class that receives services under the programs to the maximum extent possible.
64. ETI did not propose an EECRF for any commercial rate class as a demand charge.
65. ETI's proposed rate classes reflect the retail rate classes approved in ETI's most recent base-rate proceeding, excluding non-eligible customers.

Fostering of Competition Among Energy Efficiency Service Providers 16 TAC § 25.181(g)(2)

66. ETI has adopted measures to foster competition among energy efficiency service providers.

Requirements for Standard Offer, Market Transformation, and Self-Delivered Programs 16 TAC § 25.181(k)

67. ETI's energy efficiency program includes standard offer and market transformation programs.

Incentive Payments 16 TAC § 25.182(f)

68. ETI's program incentive costs for 2018 were \$6,332,263.
69. ETI's projected program incentive costs for 2020 are \$6,710,686.
70. ETI's incentive payments for the customer classes in program year 2018 are less than 100% of avoided cost for each customer class.

Affiliate Costs PURA § 36.058, 16 TAC 25.182(d)(10)(I), and 25.272(e)

71. The costs charged to ETI by its affiliate, Entergy Services, LLC, under project code F3PPEECRF3 in calendar year 2018 should be characterized as energy efficiency costs and recovered through the EECRF. The overall purpose of this project is to capture and

manage costs associated with services provided in the preparation, production, and litigation of the EECRF filing and the charges are reasonable and necessary to provide energy efficiency programs. The price for these affiliate payments is not higher than the prices charged by the supplying affiliate for the same item or class of items to its other affiliates or divisions or a nonaffiliated person within the same market area or having the same market conditions.

Energy Efficiency Plan and Report 16 TAC § 25.181(l)

72. On May 16, 2019, ETI filed its 2019 amended EEPR required by 16 TAC § 25.181(l), and on July 17, 2019, ETI filed additional changes to the EEPR.

Low Income Energy Efficiency 16 TAC § 25.181(p)

73. ETI is not an unbundled transmission and distribution utility.

Outreach to Retail Electric Providers 16 TAC § 25.181(r)

74. ETI does not serve in an area in which customer choice is offered.

Industrial Customer Exclusions 16 TAC § 25.181(u)

75. ETI received, as of the filing of the application, notices under 16 TAC § 25.181(u) to exclude approximately 3 MW of peak demand from its energy efficiency programs for program year 2020. The excluded peak demand has been reflected in the EECRF calculations.

Line Losses

76. ETI's line loss factors were derived from its last completed rate case, Docket No. 48371.
77. ETI's line loss of 7.5685% used in calculating its 2020 EECRF charges is reasonable.

Billing Determinants 16 TAC § 25.182(d)(10)(E)

78. The estimate of billing determinants used in calculating ETI's 2020 EECRF and the calculation of the 2020 EECRF tariff rider are reasonable.

Good Cause

79. ETI did not seek a good cause exception to be eligible for a lower demand reduction goal, a higher administrative spending cap, or a higher EECRF cost cap under 16 TAC § 25.181(e)(2) or to combine rate classes under 16 TAC § 25.182(d)(2).

Informal Disposition

80. More than 15 days have passed since completion of the notice provided in this docket.
81. The proposed resolution of this docket set forth in the Agreement is not adverse to any party.
82. No protests, motions to intervene, or requests for hearing were filed that have not been addressed, and no party, including Commission Staff, disputes any issue of law or fact.

II. Conclusions of Law

1. ETI is a public utility as that term is defined in PURA § 11.004(1) and an electric utility as that term is defined in PURA § 31.002(6).
2. The Commission exercises regulatory authority over ETI and the subject matter of this application under PURA §§ 14.001, 32.001, 36.001, 36.204, and 39.905.
3. Under PURA § 39.905 and 16 TAC § 25.182(d)(8), an electric utility may file for an EECRF.
4. ETI complied with the requirement under 16 TAC § 25.182(d)(8) to apply by May 1 of each year to adjust its EECRF effective January 1 of the following year.
5. The Commission processed the application in accordance with the requirements of PURA, the Administrative Procedure Act,⁶ and Commission rules.
6. SOAH exercised jurisdiction over this proceeding in accordance with PURA § 14.052 and Texas Government Code § 2003.049.
7. ETI's provided notice of the application in accordance with 16 TAC § 25.182(d)(13) and 16 TAC § 22.55 and filed an affidavit attesting to the completion of notice as required by 16 TAC § 25.182(d)(14).
8. ETI's application is sufficient under 16 TAC § 25.182(d)(10) and (11).
9. The hearing on the merits was set and notice of the hearing was given in compliance with Texas Government Code §§ 2001.051 and 2001.052.

⁶ Tex. Gov't Code Ann. § 2001.001-.902 (West 2016).

10. ETI calculated its weather-adjusted average annual growth in demand in compliance with 16 TAC § 25.181(e)(3).
11. ETI's has acquired a 30% reduction of its annual growth in demand for residential and commercial customers in compliance with 16 TAC § 25.181(e)(1)(B) and (C).
12. ETI's minimum energy savings goal was calculated in compliance with 16 TAC § 25.181(e)(4).
13. ETI's portfolio of energy efficiency programs effectively and efficiently achieves the goals set out in PURA § 39.905(a) and 16 TAC § 25.181 as required by 16 TAC § 25.181(e)(5).
14. ETI's proposed EECRF rates comply with the requirement for cost caps under 16 TAC § 25.182(d)(7).
15. ETI's refund of \$1,386,610 for ETI's net over-recovery of ETI's 2018 program-year energy efficiency costs is in compliance with PURA § 39.905(b-1) and 16 TAC § 25.182(d)(2).
16. EECRF proceeding expenses are rate case expenses.
17. The requirement of 16 TAC §§ 25.182(d)(3)(A) and 25.245 apply to the recovery of EECRF proceeding expenses.
18. ETI's 2018 rate case expenses of \$98,064 comply with PURA § 36.061(b)(2), 16 TAC § 25.182(d)(3)(A), and 25.245.
19. Cities' 2018 rate case expenses of \$11,273 comply with PURA § 33.023(a) and 16 TAC §§ 25.182(d)(3)(B) and 25.245.
20. ETI qualified for an energy efficiency performance bonus of \$1,673,207 for its energy efficiency achievements in program year 2018 as allowed by PURA § 39.905(b)(2) and in compliance with 16 TAC § 25.182(e).
21. ETI's amounts and allocation of its administration and research and development costs comply with 16 TAC § 25.181(g).
22. ETI's energy efficiency programs adhere to the cost-effectiveness standards contained in 16 TAC § 25.181(d).

23. ETI's 2020 energy efficiency program costs, not including EM&V expenses to be collected in 2020, of \$7,508,671, to be recovered through the EECRF are reasonable estimates for the costs necessary to provide energy efficiency programs in 2020 under PURA § 39.905 and 16 TAC § 25.182(d)(1).
24. ETI's cost recovery of \$502,113—which consists of ETI's projected EM&V expenses to be incurred in 2020, ETI's refund of its net over-recovery of program year 2018 energy efficiency costs, ETI's performance bonus earned in 2018, ETI's rate case expenses incurred in Docket No. 48333, and Cities' rate case expenses incurred in Docket No. 48333—complies with PURA § 39.905 and 16 TAC § 25.182(d).
25. ETI's assignments and allocations of its proposed 2020 EECRF rates to each rate class are reasonable and as required by PURA § 39.905(b)(4) and 16 TAC § 25.182(d)(2).
26. ETI's has adopted measures to foster competition among energy efficiency service providers in compliance with 16 TAC § 25.181(g)(2).
27. ETI's standard offer and market transformation programs comply with PURA § 39.905(a)(3) and 16 TAC § 25.181(h-i).
28. ETI's incentive payments, which did not exceed 100% of avoided cost, comply with 16 TAC § 25.181(f).
29. The affiliate expenses included in ETI's EECRF rates in this Order are reasonable and necessary and in accordance with PURA § 36.058, 16 TAC §§ 25.181(c)(1)(I), 25.182(d)(10)(I), and 25.272(e).
30. ETI's load associated with industrial customers who provided qualifying identification notices were excluded from ETI's calculated demand reduction goal in accordance with 16 TAC § 25.181(u).
31. ETI's proposed 2020 EECRF rates are just and reasonable, not unreasonably preferential, prejudicial, or discriminatory and are sufficient, equitable, and consistent in application to each customer class as required by PURA § 36.003.
32. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

1. The Commission approves ETI's EECRF, as modified by the Agreement, to the extent provided in this Order.
2. ETI's 2020 EECRF is approved in the amount of \$8,010,785, which is comprised of: (a) the estimated 2020 energy efficiency program costs of \$7,508,671; (b) a performance bonus for 2018 program achievements of \$1,673,207; (c) \$106,180 in EM&V expenses to be collected in 2020; (d) (\$1,386,610) for the over-recovery of 2018 program costs; and (e) \$11,273 for Cities' rate case expenses and \$98,064 for ETI's rate case expenses in Docket No. 48333.
3. The Commission approves the schedule for ETI's EECRF tariff rider, which is included as Attachment 2 to the Agreement.
4. ETI is authorized to apply the EECRF tariff rider approved by this Order beginning on and after January 1, 2020.
5. Within 10 days of this Order, ETI must file with the Commission a clean copy of the approved EECRF tariff to be stamped "approved" and retained by Central Records.
6. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that underlies the Agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the Agreement.
7. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

Signed at Austin, Texas the _____ day of [month] 2019.

PUBLIC UTILITY COMMISSION OF TEXAS

DEANN T. WALKER, CHAIRMAN

ARTHUR C. D'ANDREA, COMMISSIONER

SHELLY BOTKIN, COMMISSIONER

**SOAH DOCKET NO. 473-19-4420
PUC DOCKET NO. 49493**

APPLICATION OF ENTERGY TEXAS,	§	BEFORE THE STATE OFFICE
INC. TO ADJUST ITS ENERGY	§	OF
EFFICIENCY COST RECOVERY	§	ADMINISTRATIVE HEARINGS
FACTOR	§	

STIPULATION AND SETTLEMENT AGREEMENT

ATTACHMENT 2

Attachment A

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

Applicable through December 2020 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 2020. 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	\$0.000778 per kWh	R
Small General Service	SGS, UMS, TSS	(\$0.000150) per kWh	R
General Service	GS, GS-TOD	\$0.000457 per kWh	R
Large General Service	LGS, LGS-TOD	\$0.001268 per kWh	I
Large Industrial Power Service – Industrial Transmission Customers Only	LIPS, LIPS-TOD	\$0.000000 per kWh	
Other than Industrial Transmission Customers	LIPS, LIPS-TOD	(\$0.000217) per kWh	R
Lighting	SHL, LS-E, ALS, RLU	(\$0.000002) per kWh	R

Notes:

(1) See Attachment B

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
2019 RATE REDETERMINATION FOR RATES TO BE BILLED IN 2020

2019 EECRF
EXHIBIT JCL-1
PAGE 1 OF 6

Line No.	Variable Name	Variable Description	Rate Class						Total Co.
			Residential	SGS	GS	LGS	LIPS	Lighting	
1	PEEC _k	Projected Energy Efficiency Cost (1)	\$ 4,187,703	\$ 171,357	\$ 1,713,574	\$ 1,199,502	\$ 342,715	\$ -	\$ 7,614,852
2	TUA _k	True-Up Adjustment (2)	\$ (422,720)	\$ (222,821)	\$ (489,100)	\$ 409,264	\$ (551,735)	\$ (162)	\$ (1,277,273)
3	EEERF _k	Energy Efficiency Cost (L1 + L2)	\$ 3,764,983	\$ (51,463)	\$ 1,224,474	\$ 1,608,766	\$ (209,020)	\$ (162)	\$ 6,337,579
4	BD _k	Projected Billing Determinants (BD) (3)	6,038,573,050	344,162,584	3,559,029,403	1,497,010,021	8,234,388,712	98,411,328	19,771,575,099
5		Less: Projected LIPS Industrial Transmission and Opt out customers BD (3)				47,361,405	7,755,929,404		7,803,290,809
6	BD _k	Projected Adjusted Billing Determinants	6,038,573,050	344,162,584	3,559,029,403	1,449,648,616	478,459,308	98,411,328	11,968,284,290
7	EECRF _k	Energy Efficiency Cost Recovery Factor (LN 3/LN 6)	\$ 0.000623 per kWh	\$ (0.000150) per kWh	\$ 0.000344 per kWh	\$ 0.001110 per kWh	\$ (0.000437) per kWh	\$ (0.000002) per kWh	N/A
8	EEPB _k	Energy Efficiency Performance Bonus (4)	\$ 935,630	\$ -	\$ 403,881	\$ 228,516	\$ 105,180	\$ -	\$ 1,673,207
9	BD _k	Projected Adjusted Billing Determinants	6,038,573,050	344,162,584	3,559,029,403	1,449,648,616	478,459,308	98,411,328	11,968,284,290
10	EECRF _k	Energy Efficiency Cost Recovery Factor (LN 8/ LN 9)	\$ 0.000155 per kWh	\$ - per kWh	\$ 0.000113 per kWh	\$ 0.000158 per kWh	\$ 0.000220 per kWh	\$ - per kWh	N/A
11		Energy Efficiency Cost Recovery Factor for all customers except LIPS Industrial Transmission (6) (LN7 + LN10)	\$ 0.000778	\$ (0.000150)	\$ 0.000457	\$ 0.001268	\$ (0.000217)	\$ (0.000002)	
12		Energy Efficiency Cost Recovery Factor for LIPS Industrial Transmission Customers					\$ -		
13		Cost Cap Rate (5)	\$ 0.001332	\$ 0.000833	\$ 0.000833	\$ 0.000833	\$ 0.000833		
14		Total Energy Efficiency Costs (LN 3 + LN 8)	\$ 4,700,613	\$ (51,463)	\$ 1,628,355	\$ 1,837,282	\$ (103,841)	\$ (162)	\$ 8,010,785
15		Total Energy Efficiency Costs Subject to Cost Cap (5)	\$ 4,649,935	\$ (47,308)	\$ 1,615,719	\$ 1,806,118	\$ (93,040)	\$ (157)	\$ 7,931,267
16		Maximum Energy Efficiency Cost per Cost Cap (LN 9 * LN 13)	\$ 8,043,379	\$ 286,687	\$ 2,964,671	\$ 1,207,557	\$ 398,557		\$ 12,900,851
17		Amount Over/(Under) Cost Cap (5) (LN 15 - LN 16)	\$ (3,393,444)	\$ (333,995)	\$ (1,348,952)	\$ 598,561	\$ (491,597)		
18		Aggregate Amount Over/(Under) Cost Cap for Non-Residential Classes (6)						\$ (1,575,983)	

Notes:

- (1) See Exhibit JCL-1, Page 2.
- (2) See Exhibit JCL-1, Page 4
- (3) See Exhibit JCL-1, Page 6
- (4) See Exhibit JCL-1, Page 3.
- (5) Per 16 Texas Admin. Code (TAC) § 25.182(d)(7) excluding Evaluation, Measurement, and Verification (EM&V) Costs per JCL-1, Page 2, municipal EECRF proceeding expenses per JCL-1, Page 5, and interest per JCL-1, Page 4.
- (6) The Company's proposed rates are under the established cost cap requirements as reflected on lines 13 - 18

Amounts may not add or agree with other schedules due to rounding

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY (EECR) FACTOR RIDER
2020 PROJECTED ENERGY EFFICIENCY COSTS

Rate Class		Incentives (1)	Admin (1)	R&D (1)	EM&V Costs (1)	Total Projected Energy Efficiency Costs
RES	Residential	\$ 3,683,708	\$ 434,741	\$ 12,325	\$ 56,929	\$ 4,187,703
SGS	Small Gen. Service	151,349	\$ 17,062	\$ 484	2,463	\$ 171,357
GS	General Service	1,513,489	\$ 170,622	\$ 4,837	24,626	\$ 1,713,574
LGS	Large General Service	1,059,442	\$ 119,435	\$ 3,386	17,238	\$ 1,199,502
LIPS	Large Ind. Power Service excluding Industrial Transmission	302,698	\$ 34,124	\$ 967	4,925	\$ 342,715
LGT	Lighting					\$ -
Total Applicable Retail		\$ 6,710,686	\$ 775,985	\$ 22,000	\$ 106,180	\$ 7,614,852

Notes:

(1) Per Exhibit JKC-7.

Amounts may not add or agree with other schedules due to rounding.

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
2018 ENERGY EFFICIENCY PERFORMANCE BONUS (EEPB)

Rate Class		Allocation (2)	EEPB by Rate Class (3)
RES	Residential	55.918%	\$ 935,630
SGS	Small Gen. Service	0.000%	-
GS	General Service	24.138%	403,881
LGS	Large General Service	13.657%	228,516
LIPS	Large Ind. Power Service Industrial Transmission	0.000%	-
LIPS	Large Ind. Power Service - Non-Industrial Transmission	6.286%	105,180
LGT	Lighting	0.000%	-
Total Applicable Retail		100.000%	\$ 1,673,207

Notes:

- (1) Per Exhibit JKC-8
- (2) Per Exhibit JCL-1, page 5 of 6 allocation percentages based upon the directly assigned incentive costs per Exhibit JKC-5
- (3) EEPB X Applicable Rate Class Allocation.

Amounts may not add or agree with other schedules due to rounding.

ENTERGY TEXAS, INC
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
TRUE-UP OF 2018 ENERGY EFFICIENCY COSTS

Rate Class	Actual 2018 EECR Costs by Rate Class (1)	2016 & 2017 EM&V Costs For Review of 2016 Program (8)	2017 & 2018 EM&V Costs For Review of 2017 Program (5)	Actual 2016 Performance Bonus Collected in 2018 Rates (2)	Actual 2016 Proceeding Costs Collected in 2018 Rates (3)	2016 True- Up Adj Collected in 2018 Rates (3)	Actual 2018 EECR Revenues by Rate Class (4)	2018 EECR Costs True-Up (Over)/Under Recovery (6)	2018 Interest on (Over)/Under Recovery (7)	2019 Interest on (Over)/Under Recovery (7)	EECR (Over)/Under Recovery Including Interest
RES Residential	\$ 3,946,204	43,887	62,163	\$ 1,212,889	\$ 46,628	\$ 151,497	\$ 5,873,433	\$ (410,165)	\$ (4,307)	\$ (8,248)	\$ (422,720)
SGS Small Gen Service	\$					\$ (32,683)	\$ 183,520	\$ (216,203)	\$ (2,270)	\$ (4,348)	\$ (222,821)
GS General Service	\$ 1,716,608	23,238	17,811	673,129	22,979	642,269	3,570,608	\$ (474,574)	\$ (4,983)	\$ (9,543)	\$ (489,100)
LGS Large General Service	\$ 975,352	32,320	17,868	95,269	6,816	\$ (963,926)	\$ (233,410)	\$ 397,109	\$ 4,170	\$ 7,985	\$ 409,264
LIPS Large Ind Power Service - excluding Industrial Transmission	\$ 447,043	3,046	4,638	59,163	2,020	139,417	1,190,677	\$ (535,349)	\$ (5,621)	\$ (10,765)	\$ (551,735)
LGT Lighting	\$					\$ (231)	\$ (74)	\$ (157)	\$ (2)	\$ (3)	\$ (162)
Total Company	\$ 7,085,207	\$ 102,491	\$ 102,481	\$ 2,040,450	\$ 78,442	\$ (63,656)	\$ 10,584,754	\$ (1,239,338)	\$ (13,013)	\$ (24,922)	\$ (1,277,273)

Notes:

- (1) Based on Exhibit JKC-1 ETI's 2019 Energy Efficiency Plan and Report, Table 10 and JCL-1, page 5 of 6. This amount includes 2018 proceeding costs but excludes EM&V Costs.
- (2) Per Docket No. 47115 Final EECRF Compliance Tariff Filing, the 2016 performance bonus was allocated in proportion to the program costs allocated to each rate class.
- (3) As per Docket No. 47115 Final Order and Final EECRF Compliance Tariff Filing.
- (4) Per Exhibit JCL-4 and WHP JCL-1.
- (5) Based on Exhibit JKC-1 ETI's 2019 Energy Efficiency Plan and Report, Table 10 and JCL-1, page 5 of 6.
- (6) This True-Up amount includes 2018 proceeding costs.
- (7) Interest Calculated per Docket No. 48692:

2018 Annual Interest Rate	1.05%
2019 Annual Interest Rate	1.99%
- (8) EM&V Costs incurred in Program Year 2017 per prior year EECRF Exhibit JCL-1, page 5 of 6. These costs were excluded from the prior year EECRF calculation.

Amounts may not add or agree with other schedules due to rounding.

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
2018 ACTUAL ENERGY EFFICIENCY COSTS

Rate Class		% of Directly Assigned Incentive Costs (2)	Directly Assigned Incentive Costs (3)	Directly Assigned Admin Costs (3)	Residential & Hard-to-Reach (1)				Commercial Solutions MTP + SCORE (1)					Load Management SOP (1)					Total Actual 2017 Cost Allocation
					Allocation EM&V Costs	Allocation R&D Costs	Allocation Utility Proceeding Costs	Allocation Cities Proceeding Costs	Allocation (2)	Allocation EM&V Costs	Allocation R&D Costs	Allocation Utility Proceeding Costs	Allocation Cities Proceeding Costs	Allocation (2)	Allocation EM&V Costs	Allocation R&D Costs	Allocation Utility Proceeding Costs	Allocation Cities Proceeding Costs	
H&S Residential		55.918%	\$ 3,540,898	\$ 328,509	\$ 62,163	\$ 15,658	\$ 54,836	\$ 6,303	0.000%	\$ -	\$ -	\$ -	\$ -						\$ 4,008,367
SGS Small Gen. Service		0.000%							24.138%	17,811	6,302	22,070	2,537						-
GS General Service		24.138%	1,528,491	157,208					13.657%	10,077	3,566	12,487	1,435	13.657%	7,791	\$ 835	\$ 2,924	\$ 336	1,734,419
LGS Large General Service		13.657%	864,820	88,949															993,220
LIPS LIPS - excluding Industrial Transmission		6.286%	398,054	40,941					6.286%	4,638	1,641	5,747	661						451,682
LGT Lighting		0.000%																	-
Total Company		100.000%	\$ 6,332,263	\$ 615,607	\$ 62,163	\$ 15,658	\$ 54,836	\$ 6,303	44.082%	\$ 32,527	\$ 11,508	\$ 40,305	\$ 4,633	13.657%	\$ 7,791	\$ 835	\$ 2,924	\$ 336	\$ 7,187,688

Notes:

- (1) Represents total 2018 actual costs per Exhibit JKC-1, Table 10, less directly assigned incentive and administrative costs from Exhibit JKC 5
- (2) Those costs that could not be directly assigned by rate class in Exhibit JKC 5 were allocated in proportion to the program costs directly assigned by rate class. For those programs providing services to only certain rate classes, the allocation of costs was only between those rate classes.
- (3) Per Exhibit JKC 5

Amounts may not add or agree with other schedules due to rounding

ENTERGY TEXAS, INC.
ENERGY EFFICIENCY COST RECOVERY FACTOR RIDER
BILLING DETERMINANTS BY RATE CLASS
(kWH)

Billing Determinants by Class

Residential	6,038,573,050
Small General Service	344,162,584
General Service	3,559,029,403
Large General Service	1,497,010,021
Large Industrial Power Service	8,234,388,712
Lighting	98,411,328
Total	<u>19,771,575,099</u>

Large Industrial Power Service Industrial Transmission Voltage Levels

230 KV	2,907,624,897
69/138 KV	4,848,304,507
Total	<u>7,755,929,404</u>

Large General Service Opt out customers

69/138 KV	47,361,405
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Amounts may not add or agree with other schedules due to rounding.

2016 Rider EECRF Revenues

2019 EECRF
W/P JCL-1
PAGE 1 OF 1

Res	\$	5,873,433
SGS	\$	183,520
GS	\$	3,570,608
LGS	\$	(233,410)
LIPS	\$	1,190,677
Lgt	\$	(74)
Total	\$	10,584,754

Source: Revenue Accounting

Revenue Class	Rate Class	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total
R	Residential	\$586,085.45	\$476,293.52	\$348,189.05	\$323,419.75	\$355,316.44	\$576,691.85	\$629,408.84	\$642,669.70	\$647,036.89	\$503,023.55	\$367,178.84	\$417,959.40	\$5,873,273.28
C	Residential	\$13.81	\$7.10	\$4.26	\$3.43	\$2.58	\$2.12	\$3.28	\$8.74	\$12.52	\$8.36	\$8.64	\$21.44	\$96.28
I	Residential	\$22.52	\$10.54	(\$0.85)	\$2.72	\$1.93	\$2.82	\$3.45	\$9.01	\$3.18	\$2.27	\$1.81	\$3.95	\$63.35
	Residential Total	\$586,121.78	\$476,311.16	\$348,192.46	\$323,425.90	\$355,320.95	\$576,696.79	\$629,415.57	\$642,687.45	\$647,052.59	\$503,034.18	\$367,189.29	\$417,984.79	\$5,873,432.91
R	Small General Service	\$13.26	\$7.40	\$1.70	\$16.70	\$0.58	\$0.87	\$2.11	\$4.39	\$6.50	\$6.95	\$5.94	\$8.16	\$74.56
C	Small General Service	\$15,292.04	\$13,344.82	\$11,539.63	\$10,685.15	\$11,225.05	\$15,302.93	\$16,914.75	\$17,406.48	\$16,434.79	\$14,487.56	\$11,780.94	\$12,234.34	\$166,648.48
G	Small General Service	\$582.11	\$475.88	\$532.76	\$413.58	\$397.54	(\$263.23)	\$388.32	\$393.85	\$389.35	\$368.46	\$368.35	\$382.69	\$4,429.66
I	Small General Service	\$1,228.80	\$1,068.08	\$837.79	\$687.61	\$804.20	\$1,274.61	\$1,098.01	\$1,263.57	\$1,182.54	\$1,033.56	\$788.79	\$1,100.01	\$12,367.57
	Small General Service Total	\$17,116.21	\$14,896.18	\$12,911.88	\$11,803.04	\$12,427.37	\$16,315.18	\$18,403.19	\$19,068.29	\$18,013.18	\$15,896.53	\$12,944.02	\$13,725.20	\$183,520.27
R	General Service	\$5.12	\$3.44	\$0.04	\$0.00	\$0.00	\$3.12	\$40.29	\$16.69	\$66.66	\$35.29	\$28.94	\$30.82	\$230.41
C	General Service	\$248,589.73	\$217,150.44	\$239,753.04	\$223,388.54	\$228,959.99	\$293,059.97	\$302,631.79	\$304,185.16	\$332,309.00	\$275,666.81	\$234,126.07	\$217,544.20	\$3,117,364.74
G	General Service	\$9,129.98	\$8,869.57	\$11,275.68	\$9,689.93	\$10,034.41	\$11,278.91	\$12,307.19	\$12,090.33	\$12,107.47	\$11,137.57	\$9,787.93	\$9,511.68	\$127,220.65
I	General Service	\$26,925.31	\$26,574.66	\$24,947.70	\$24,861.45	\$24,458.00	\$29,402.48	\$29,765.97	\$30,339.60	\$29,234.71	\$27,993.71	\$26,004.43	\$25,283.79	\$325,791.81
	General Service Total	\$284,650.14	\$252,598.11	\$275,976.46	\$257,939.92	\$263,452.40	\$333,744.48	\$344,745.24	\$346,631.78	\$373,717.84	\$314,833.38	\$269,947.37	\$252,370.49	\$3,570,607.61
C	Large General Service	(\$6,314.23)	(\$12,274.80)	(\$13,658.58)	(\$13,204.19)	(\$13,170.44)	(\$15,477.02)	(\$16,035.30)	(\$15,745.27)	(\$16,785.21)	(\$15,818.68)	(\$13,502.49)	(\$12,654.68)	(\$164,640.89)
G	Large General Service	\$178.42	(\$705.29)	(\$807.06)	(\$845.41)	(\$861.16)	(\$938.06)	(\$837.35)	(\$906.81)	(\$929.07)	(\$862.10)	(\$813.70)	(\$826.45)	(\$9,154.04)
I	Large General Service	(\$2,977.57)	(\$3,963.83)	(\$5,367.06)	(\$5,184.81)	(\$5,086.54)	(\$5,427.02)	(\$5,649.62)	(\$5,321.72)	(\$5,622.39)	(\$5,246.80)	(\$4,981.36)	(\$4,786.54)	(\$59,615.26)
	Large General Service Total	(\$9,113.38)	(\$16,943.92)	(\$19,832.70)	(\$19,234.41)	(\$19,118.14)	(\$21,842.10)	(\$22,522.27)	(\$21,973.80)	(\$23,336.67)	(\$21,927.58)	(\$19,297.55)	(\$18,267.67)	(\$233,410.19)
C	Large Industrial Power Service	\$24,479.67	\$28,372.90	\$36,532.43	\$38,575.42	\$33,592.26	\$37,965.54	\$40,801.44	\$42,947.13	\$44,291.93	\$41,295.08	\$38,694.59	\$34,518.28	\$442,066.67
G	Large Industrial Power Service	\$6,444.40	\$6,752.06	\$8,231.42	\$6,526.85	\$7,942.18	\$8,419.11	\$8,554.90	\$8,718.29	\$8,547.16	\$6,319.30	\$6,300.53	\$3,965.57	\$86,721.77
I	Large Industrial Power Service	\$54,377.51	\$43,682.76	\$53,598.64	\$51,933.61	\$51,591.40	\$55,602.04	\$57,878.15	\$56,880.38	\$66,219.92	\$52,143.11	\$60,181.41	\$57,799.58	\$661,888.51
	Large Industrial Power Service Total	\$85,301.58	\$78,807.72	\$98,422.49	\$97,035.88	\$93,125.84	\$101,986.69	\$107,234.49	\$108,545.80	\$119,059.01	\$99,757.49	\$105,176.53	\$96,283.43	\$1,190,676.95
R	Lighting	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.36)
C	Lighting	(\$1.32)	(\$1.50)	(\$1.69)	(\$1.66)	(\$1.62)	(\$1.63)	(\$1.63)	(\$1.60)	(\$1.61)	(\$1.62)	(\$1.63)	(\$1.63)	(\$19.14)
G	Lighting	(\$0.17)	(\$4.93)	(\$4.95)	(\$4.93)	(\$4.93)	(\$4.95)	(\$4.67)	(\$4.67)	(\$4.69)	(\$4.68)	(\$4.65)	(\$4.64)	(\$52.86)
I	Lighting	(\$0.11)	(\$0.12)	(\$0.12)	(\$0.12)	(\$0.13)	(\$0.13)	(\$0.13)	(\$0.13)	(\$0.12)	(\$0.13)	(\$0.13)	(\$0.13)	(\$1.50)
	Lighting Total	(\$1.63)	(\$6.58)	(\$6.79)	(\$6.74)	(\$6.71)	(\$6.74)	(\$6.46)	(\$6.43)	(\$6.45)	(\$6.46)	(\$6.44)	(\$6.43)	(\$73.86)
	Grand Total	\$964,074.70	\$805,662.67	\$715,603.80	\$670,963.59	\$705,201.71	\$1,006,894.30	\$1,077,269.76	\$1,094,953.09	\$1,134,499.50	\$911,587.54	\$735,953.22	\$762,089.81	\$10,584,753.69