

Control Number: 49493



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

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APPLICATION OF ENTERGY TEXAS,
INC TO ADJUST ITS ENERGY
EFFICIENCY COST RECOVERY
FACTOR

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PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

COMMISSION STAFF'S AFFIDAVITS IN SUPPORT OF THE STIPULATION

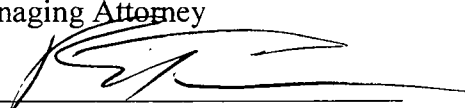
Comes now the Staff of the Public Utility Commission of Texas, representing the public interest and files the attached affidavits of Brian Murphy, Therese Harris and Ruth Stark.

DATED: August 14, 2019

Respectfully Submitted,
**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**


Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney


Rustin Tawater
State Bar No. 24110430
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(512) 936-7348
(512) 936-7268 (facsimile)
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SOAH DOCKET NO. 473-19-4420
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on August 14, 2019, in accordance with 16 TAC § 22.74.



Rustin Tawater

5. Pursuant to the terms of the Stipulation and Settlement Agreement, Entergy, Staff, and Cities have agreed that Entergy's 2020 EECRF should be set to collect \$8,010,785, comprised of the following:
 - a. Estimated energy efficiency program costs of \$7,508,671 for program year 2020;
 - b. A shareholder bonus of \$1,673,207 based on Entergy's energy efficiency achievements in 2018;
 - c. Plus \$106,180 in EM&V costs to be recovered in 2020;
 - d. A refund of over-recovered 2018 program costs in the amount of \$1,386,610, inclusive of interest; and,
 - e. 2018 EECRF proceeding expenses incurred by Entergy and Cities served by Entergy in the amount of \$109,336.

6. Entergy's rates in its *Rider EECRF*, consistent with the terms of the Stipulation and Settlement Agreement, are as follows:

<u>EECRF Rate Class</u>	<u>EECRF Charge</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 Customers	\$ (0.000217) per kWh
Lighting	\$ (0.000002) per kWh

7. My review of Entergy's 2018 EECRF application included an examination of the assignment and allocation of the various EECRF components to the rate classes, as well as the mathematical calculation of the EECRF rates.

8. Based upon my review of Entergy's 2020 EECRF application, Entergy's errata to its 2018 EECRF application, accompanying work papers, and Entergy's responses to requests for information, I have determined that the Entergy's assignments and allocations of the various EECRF components to the rate classes are reasonable and consistent with 16 TAC § 25.182, and that the rates have been calculated correctly.

9. Entergy's proposed tariff schedule, attached to the Stipulation and Settlement Agreement, is reasonable and complies with 16 TAC § 25.182.

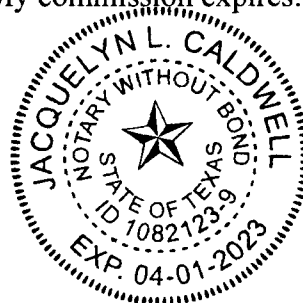
Brian Murphy

Brian T. Murphy
Senior Rate Analyst, Tariff and Rate Analysis
Rate Regulation Division
Public Utility Commission of Texas

Subscribed and sworn to me this 13th day of August, 2019

Jacquelyn L. Caldwell
Name: Jacquelyn L. Caldwell
Notary Public in and for the State of Texas

My commission expires: 4/1/23



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

Application of Entergy Texas, Inc. to Adjust its Energy Efficiency cost Recovery Factor

AFFIDAVIT OF THERESE HARRIS

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

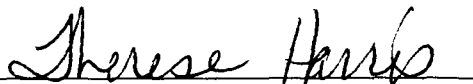
ON THIS DAY, before me, the undersigned authority, personally appeared Therese Harris who on her oath stated as follows:

1. My name is Therese Harris. I am employed as Director of Infrastructure Analysis in the Infrastructure & Reliability Division of the Public Utility Commission of Texas (“PUCT”).
2. I am at least 21 years of age, fully competent and authorized to make the statements herein. Additionally, I have personal knowledge of the facts stated herein, and they are true and correct to the best of my knowledge.
3. On May 1, 2019, Entergy Texas, Inc. (“ETI” or “Company”) filed an Application for Authority to Adjust its Energy Efficiency Cost Recovery Factor (“EECRF”) under PURA § 39.905 and 16 Texas Administrative Code (TAC) §§ 25.181 and 25.182 (“Application”).

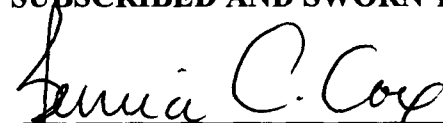
In its Application, ETI requested \$8,010,790 to be recovered through its EECRF in program year 2020. This was revised by ETI’s errata to its Application as described below.

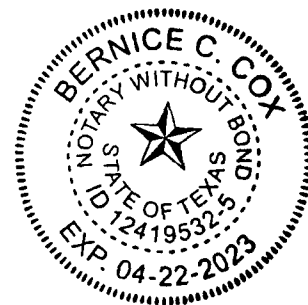
4. On July 19, 2019, ETI filed an errata to the Application in order to correct the amount and allocation of the Evaluation, Measurement and Verification (EM&V) costs for review of the 2017 program year. This reduced ETI’s requested EECRF to \$8,010,785. This amount is comprised of the following components: \$7,508,671 in energy efficiency program expenses forecasted for the 2020 program year; a reduction of \$1,386,610 for over-recovery of 2018 energy efficiency costs that includes interest; \$109,336 in rate case expenses for the EECRF proceeding in 2018; \$106,180 for EM&V contractor costs to be collected in 2020 for review of the 2019 program year; and a performance bonus of \$1,673,207 for exceeding the 2018 demand and energy goals at a cost that did not exceed the cost caps.

5. My review included examination of the reasonableness of ETI's forecasted 2020 energy efficiency expenses; verification that ETI's requested demand and energy goals for the 2020 program year complied with 16 TAC § 25.181(e) and that ETI's proposed line loss is reasonable; review of ETI's performance bonus for the 2018 program year to verify compliance with 16 TAC § 25.182(e); and a review of ETI's energy efficiency expenses recovered in the 2018 program year to verify that they were reasonable and necessary to reduce demand and energy growth.
6. Based upon my review of ETI's Application, accompanying work papers, ETI's errata to its Application, and the Stipulation and Settlement Agreement, I have determined that ETI's 2018 program costs were reasonable and necessary to achieve demand and energy savings; the demand goal complies with 16 TAC § 25.181(e), and the proposed line loss is reasonable; the Company's requested performance bonus for program year 2018 was calculated in accordance with 16 TAC § 25.182(e); the requested administrative costs are reasonable and fall below the caps set in 16 TAC § 25.181(g); and ETI's 2020 hard-to-reach program is designed to achieve savings no less than 5% of the Company's total demand reduction goal pursuant to 16 TAC § 25.181(e)(3)(F). Overall, ETI's total requested energy efficiency expenses for the 2020 program year, which are below the cost caps under 16 TAC § 25.182(d)(7), are reasonable.
7. Based upon my review of the Stipulation and Settlement Agreement, as described above, I conclude that the Stipulation and Settlement Agreement is reasonable and meets the requirements of 16 TAC §§ 25.181 and 25.182.

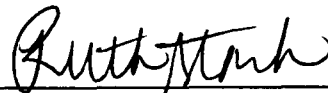

Therese Harris
Director, Infrastructure Analysis
Infrastructure & Reliability Division
Public Utility Commission of Texas

SUBSCRIBED AND SWORN TO before me, on this the 13 day of August, 2019.


NOTARY PUBLIC in and for the State of Texas.

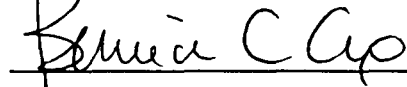


6. ETI incurred \$98,064 of rate-case expenses which are comprised of billings from its outside legal counsel, Duggins Wren Mann & Romero, LLP, affiliate legal expenses, and UPS delivery charges.
7. The Company's external legal expenses of \$61,408 are supported by detailed monthly billings and other documentation, along with the affidavit of Wajiha Rizvi, an attorney employed by Entergy Services, LLC, attesting to the reasonableness of the Duggins Wren Mann & Romero, LLP expenses. ETI's affiliate legal billings of \$36,643 are addressed in the direct testimony of Jessica C. Landry, a regulatory project coordinator also employed by Entergy Services, LLC.
8. Cities incurred \$11,272 of rate-case expenses in Docket No. 48333 which includes \$9,982 related to legal representation by its outside counsel, the Lawton Law Firm and \$1,290 for consulting fees paid to ReSolved Energy Consulting.
9. The Cities' rate-case expenses are supported by detailed monthly billings and other documentation along with the affidavit of Daniel J. Lawton, an attorney with the Lawton Law Firm, attesting to the reasonableness of the Cities' expenses.
10. I have reviewed ETI's Application, testimony, and affidavits filed on behalf of ETI and the Cities along with supporting documentation, which also included itemized rate-case expense invoices.
11. Based upon my review, I have determined that the agreed amount of rate-case expenses of ETI and Cities in the amount of \$109,336 related to the Company's 2018 EECRF proceeding, Docket No. 48333, are reasonable and provide an equitable and fair resolution of this proceeding
12. Although the agreement contains provisions that may differ from positions that Staff would take in a fully litigated proceeding, the terms of the Stipulation are within the reasonable range of likely results from continued litigation. Furthermore, adoption of the Stipulation avoids a contested hearing and the incurrence of the additional rate-case expenses that would be associated with such proceeding.



Ruth Stark, CPA
 Senior Regulatory Accountant
 Rate Regulation Division
 Public Utility Commission of Texas

SUBSCRIBED AND SWORN TO before me, on this the 12th day of August, 2019



NOTARY PUBLIC in and for the State of Texas.

