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SOAH DOCKET NO. 473-19-4424  
PUC DOCKET NO. 49499

2019 JUL 31 PM 2:44  
PUBLIC UTILITY COMMISSION  
FILING CLERK

*Application of Southwestern Electric Power Company to Adjust its Energy Efficiency Cost Recovery Factor and Related Relief*

**AFFIDAVIT OF JOE LUNA**

**THE STATE OF TEXAS §**  
**§**  
**COUNTY OF TRAVIS §**

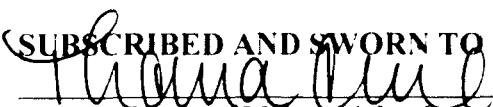
ON THIS DAY, before me, the undersigned authority, personally appeared Joe Luna, who on his oath stated as follows:

1. My name is Joe Luna, CFE, CPA. I am employed as a Senior Regulatory Accountant in the Rate Regulation Division of the Public Utility Commission of Texas.
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, Southwestern Electric Power Company (SWEPCO) filed its original Application for Approval to Adjust the Energy Efficiency Cost Recovery Factor and Related Relief under Docket No. 49499 (Application) pursuant to Public Utility Regulatory Act, Tex. Util. Code Ann. § 39.905 (PURA) and 16 Texas Administrative Code (TAC) §§ 25.181 and 25.182. SWEPCO's request reflects changes in its costs and performance bonus and any over- or under-collection of the prior program year.
4. In this Application filing, SWEPCO requested approval of its 2020 Energy Efficiency Cost Recovery Factor (EECRF) in the amount of \$5,097,476.
5. As a result of SWEPCO and the Staff of the Public Utility Commission entering into a Stipulation, the EECRF of \$5,097,476 is comprised of the following:
  - \$4,367,484 in energy efficiency expenses forecasted for the 2020 program year;
  - \$ (78,896) in over-recovery of energy efficiency costs;
  - \$ (2,415) in interest on the over-recovery for years 2018 and 2019;
  - \$ 746,312 in energy efficiency performance bonus for 2018; and
  - \$ 64,991 in estimated evaluation, measurement and verification (EM&V) costs for 2020;
6. In this Application, SWEPCO is not requesting recovery of rate-case expenses through its EECRF.

7. A review of SWEPCO's interest amount, calculation, and interest factors for years 2018-2019 indicates that the amounts are correct.
8. Based on my review of the Application, I have determined that a total of \$(2.415) in interest associated with the over-recovery from previous years as calculated by SWEPCO is reasonable. The effect of these expenses is reflected in the Stipulation filed by SWEPCO, Texas Industrial Energy Consumers (TIEC), and Commission Staff on July 31, 2019.
9. I have reviewed the Stipulation, and taken as a whole, the Stipulation represents a reasonable resolution of the issues in this proceeding. Approval of the Stipulation would conserve limited resources that would result from continued litigation of this docket. In my opinion, adoption of the Stipulation is in the public interest, and I therefore recommend that the Commission approve the Stipulation as filed.



Joe Luna, CFE, CPA  
Senior Regulatory Accountant  
Rate Regulation Division  
Public Utility Commission of Texas

SUBSCRIBED AND SWORN TO before me, on the 31<sup>st</sup> day of July, 2019  
  
NOTARY PUBLIC in and for the State of Texas.



JOHN W. SHY  
SACRET TO THE PRESIDENT  
SACRET TO THE VICE PRES  
SACRET TO THE SENATE  
SACRET TO THE HOUSE