

Control Number: 49499



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SOAH DOCKET NO. 473-19-4424

PUC DOCKET NO. 49499

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

2019 JUL 31 PM 2:42  
FILING CLERK

**AFFIDAVIT OF NANCY PALMA**

**THE STATE OF TEXAS**

§

§

**COUNTY OF TRAVIS**

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On this day, Nancy Palma personally appeared before me, the undersigned authority, and stated the following under oath:

1. My name is Nancy Palma, I am at least twenty-one (21) years of age, of sound mind, and I am authorized to make the statements in this affidavit, I have personal knowledge of the statements in this affidavit, and the statements in this affidavit are true and correct to the best of my knowledge.
2. I am currently employed as a Financial Analyst in the Rate Regulation Division of the Public Utility Commission of Texas.
3. On May 1, 2019, Southwestern Electric Power Company (SWEPCO or the Company) filed an application requesting approval of its Energy Efficiency Cost Recovery Factor (EECRF) for the 2020 year (2020 EECRF Application).<sup>1</sup> SWEPCO filed its application pursuant to §§14.001 and 39.905 of the Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001-66.016 (PURA) and 16 Texas Administrative Code (TAC) §§ 25.181 and 25.182.
4. In its 2020 EECRF Application, SWEPCO sought approval of its 2020 EECRF in the amount of \$5,097,476. This amount is comprised of the following:
  - a. Recovery of \$4,367,484 in projected energy efficiency program costs for the 2020 program year;
  - b. An adjustment for the over-recovery of \$81,311 in 2018 for program costs, including interest;
  - c. EM&V costs of \$64,991; and
  - d. Recovery of \$746,312 representing SWEPCO's performance bonus for achieving demand and energy savings that exceeded the goal to be achieved in 2018.

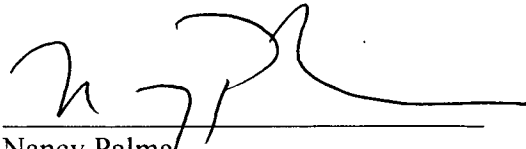
<sup>1</sup> Application of Southwestern Electric Power Company to adjust its Energy Efficiency Cost Recovery Factor and Related Relief, Docket No. 49499 (May 1, 2019).

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5. On July 31, 2019, SWEPCO, Texas Industrial Energy Consumers, and Commission Staff finalized a settlement to resolve all of the outstanding issues in this filing. Terms of the settlement propose to implement an EECRF rider sufficient to recover \$5,097,476. This amount is comprised of the following:
  - a. Energy efficiency costs of \$4,367,484 forecasted for the 2020 program year;
  - b. Minus \$81,311 net over-recovery of PY 2020 energy efficiency costs;
  - c. Plus EM&V costs of \$64,991;
  - d. Plus the adjusted \$746,312 energy efficiency performance bonus for demand and energy savings exceeding SWEPCO's 2018 goal.
6. My review of SWEPCO's 2020 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.
7. SWEPCO's proposed per-kWh rate class factors consistent with the settlement are as follows:

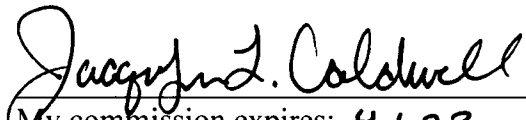
<b>EECRF Class</b>	<b>2019 EECRF</b>
Residential	\$0.001181
General Service	\$0.000971
Lighting & Power	\$0.000755
Municipal Pumping	\$0.000165
Municipal Service	\$0.002061
Cotton Gin	\$0.000060
Large Lighting & Power < 69kV	\$0.000526
Metal Melting < 69kV	\$0.003261
Oil Field Large Industrial Power	\$0.000258
Lighting	\$0.000000

8. Based upon my review of the SWEPCO's 2020 EECRF Application, as well as all files supporting the settlement, I have determined that the assignments and allocations of the various EECRF components to the EECRF rate classes proposed in the settlement are reasonable and consistent with 16 TAC §§ 25.181 and 25.182, and that the rates have been calculated correctly.
9. SWEPCO's proposed Energy Efficiency Cost Recovery Factor tariff schedule, included as Attachment A to the settlement agreement, is reasonable and complies with 16 TAC §§ 25.181 and 25.182.



Nancy Palma  
Financial Analyst, Tariff and Rate Analysis  
Rate Regulation Division  
Public Utility Commission of Texas

Subscribed and sworn to me this 31 day of July 2019



My commission expires: 4-1-23  
Name: Jacquelyn L. Caldwell  
Notary Public in and for the State of Texas

