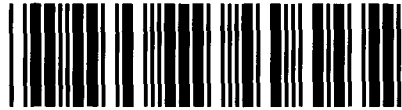


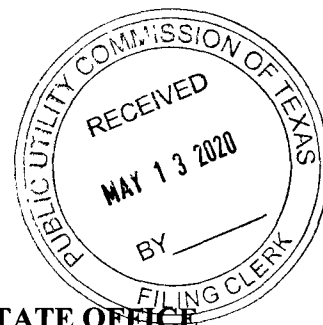
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Addendum StartPage: 0

**SOAH DOCKET NO. 473-20-3633  
PUC DOCKET NO. 50806**



**APPLICATION OF EL PASO § BEFORE THE STATE OFFICE**  
**ELECTRIC COMPANY TO ADJUST §**  
**ITS ENERGY EFFICIENCY COST § OF**  
**RECOVERY FACTOR AND §**  
**ESTABLISH REVISED COST CAP § ADMINISTRATIVE HEARINGS**

**SOAH ORDER NO. 1**  
**FILING DESCRIPTION; ADDRESSING JURISDICTION AND NOTICE;**  
**REQUIRING STAFF COMMENTS ON NOTICE; APPROVING DISCOVERY**  
**AND PROTECTIVE ORDER; AND NOTICE OF PREHEARING CONFERENCE**

**I. FILING DESCRIPTION**

On May 1, 2020, El Paso Electric Company (EPE or the Company) filed an application with the Public Utility Commission of Texas (Commission) requesting to Revise its Energy Efficiency Cost Recovery Factor (EECRF) and to Establish Revised Cost Cap (collectively, Application).

EPE provides service to approximately 333,000 retail customers in Texas. EPE proposes to apply the EECRF requested herein to all of its retail electric customers in its Texas service area that fall within the classes subject to the EECRF.

**A. Proposed 2021 EECRF and Request to Establish Revised Cost Cap**

EPE requests the authority to revise its EECRF for 2021 to reflect the following five components:

- 1) \$4,685,552 in projected energy efficiency program costs for 2021;
- 2) a \$1,175,558 performance bonus based on the Company's 2019 energy efficiency program performance;
- 3) EPE's prior year (2019) EECRF proceeding expenses of \$56,641;
- 4) a true-up adjustment, by rate class, of EPE's net under-recovery for 2019 of \$2,455, including interest; and

- 5) projected cost of evaluation, measurement, and verification that is allocated to EPE by the Commission of \$57,378.

The total amount that EPE requests be included in its 2021 EECRF is therefore \$5,977,584. The Company's request is based on continuing all of its energy efficiency programs and with the same megawatt goal (11.16 MW) and at the same level they have been at since 2011. With the programs that EPE proposes to offer in 2021, the Company calculates that it will be able to achieve the equivalent of an energy efficiency savings of greater than both the 30% energy efficiency goal and the four-tenths of 1% of its summer weather-adjusted peak demand goal that are prescribed by 16 Texas Administrative Code (TAC) § 25.181(e).

In order to operate its energy efficiency programs to accomplish its energy and demand goals, the rates for the commercial customers are projected to exceed the cost cap set by 16 TAC § 25.182(d)(7). Accordingly, pursuant to 16 TAC § 25.181(e)(2), in order to proceed with this approach, EPE requests that the Commission establish a revised cost cap for the commercial classes

#### **B. Adjusted Energy Efficiency Cost Recovery Factor**

Based on EPE's current base rates and fixed fuel factor, EPE's EECRF request would result in a residential customer using 625 kW hours of electricity per month being charged \$0.63 per month, which is the same as the current rate.

EPE requests that the Commission approve the adjusted EECRF effective as of the first billing cycle of January 2021 billing month.

## II. JURISDICTION AND NOTICE

The Commission has jurisdiction and authority over this proceeding pursuant to Public Utility Regulatory Act<sup>1</sup> § 39.905 and 16 TAC § 25.182. The Commission referred this case to the State Office of Administrative Hearings (SOAH) on May 12, 2020, requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision, if such is necessary. In its Order of Referral, the Commission set a deadline of May 19, 2020, for filing lists of issues to be addressed in this proceeding and stated it will consider and possibly adopt a preliminary order at its open meeting scheduled for May 29, 2020. SOAH has jurisdiction over the matters in this proceeding to conduct a hearing pursuant to Texas Government Code § 2003.049.

EPE proposes to provide notice of the Application consistent with 16 TAC § 25.182, to all parties that participated in EPE's last EECRF proceeding, Docket No. 49496, and its last completed base rate proceeding, Docket No. 46831. EPE will also provide notice to Texas Department of Housing and Community Affairs, which is the state agency that administers the federal weatherization program. Because EPE's service territory is not open to retail competition, no Retail Electric Provider (REP) is eligible to provide service in EPE's service area, so no notice to a REP is required.

## III. REQUIRING STAFF COMMENT ON NOTICE

Commission Staff shall examine EPE's proposed notice and, by May 29, 2019, provide comments or objections regarding the sufficiency of notice. If Staff finds the proposed notice sufficient, EPE shall immediately commence providing notice. Proof of notice will be filed with the Commission upon completion of notice.

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<sup>1</sup> Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.016.

#### IV. DISCOVERY AND PROTECTIVE ORDER

Discovery may begin immediately pursuant to Subchapter H of the Commission's Procedural Rules. EPE has requested approval of the proposed protective order attached to its Application. The proposed protective order is hereby **APPROVED**, subject to any objections raised by the parties before the prehearing conference. Any objections raised by the parties will be discussed at that time.

#### VI. NOTICE OF PREHEARING CONFERENCE

The undersigned ALJ will convene a **prehearing conference** via Zoom commencing at **10:00 a.m., June 4, 2020**. Parties may access the prehearing through the link below and enter the password. You may also access the hearing by going to [www.zoom.us](http://www.zoom.us) and enter the meeting ID and password to "join a meeting." The contact information for the Zoom videoconference is, which also includes information for dialing in as an audio-only participant:

<https://zoom.us/j/99865764132?pwd=TVcyUjRyOWg3YW95SGhqazloeGZ4dz09>

Meeting ID: 998 6576 4132

Password: 8h#J\*=

One tap mobile

+13462487799,,99865764132#,,1#,373210# US (Houston)

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Dial by your location

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+1 206 337 9723 US (Seattle)

+1 213 338 8477 US (Los Angeles)

+1 253 215 8782 US (Tacoma)

+1 602 753 0140 US (Phoenix)

+1 470 250 9358 US (Atlanta)

+1 470 381 2552 US (Atlanta)

+1 646 518 9805 US (New York)

+1 646 876 9923 US (New York)  
+1 651 372 8299 US (St. Paul)  
+1 786 635 1003 US (Miami)  
+1 267 831 0333 US (Philadelphia)  
+1 301 715 8592 US (Germantown)  
+1 312 626 6799 US (Chicago)

Meeting ID: 998 6576 4132

Password: 373210

Find your local number: <https://zoom.us/j/adK8tXviEx>

The following matters will be discussed at the prehearing conference:

1. Pending motions to intervene.
2. Any other motion filed by 3:00 p.m. on June 3, 2020, and emailed to the ALJ's assistant on that day.<sup>2</sup>
3. A procedural schedule, including a date for the hearing that will enable the Commission to make a final decision by the jurisdictional deadline. To assist the parties in making this determination, the parties should calculate a hearing date in the following manner:
  - a. Find the open meeting date immediately prior to the effective date.
  - b. Assume PFD issuance at least 21 days prior to the date in a. above.
  - c. Subtract 60 days from the date in b. above, which is the day that reply briefs would be due.
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4. Service procedures, including service by email, by Interchange, or any other method acceptable to the parties.

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<sup>2</sup> [erin.hurley@soah.texas.gov](mailto:erin.hurley@soah.texas.gov).

5. Any other matters that may assist in the disposition of this case in a fair and efficient manner.


## VII. FILING AND SERVICE PROCEDURES

All pleadings shall be filed with the Commission's filing clerk, not with the SOAH filing clerk. The Commission's filing clerk will forward a copy of the pleadings to SOAH. Parties wishing to hand-deliver a file-stamped copy of a pleading to the ALJ should deliver it to Room 505, Fifth Floor, William P. Clements Building, 300 West 15th Street, Austin, Texas. Parties may also email copies of pleadings, especially those that are time-sensitive, to the ALJ's Administrative Assistant, Erin Hurley, at 512-475-3419 or [erin.hurley@soah.texas.gov](mailto:erin.hurley@soah.texas.gov) as long as all other parties are copied on the same email. SOAH support personnel may not provide advice or interpret orders or regulations for the parties.

The procedures regarding filing specified in the Subchapter E of the Commission's procedural rules apply in this proceeding. All parties are expected to know those procedures and comply with them fully. Pleadings and other filing shall be deemed filed when the proper number of legible copies are presented to the Commission filing clerk for filing.

All mail sent to the parties by the ALJ will be sent first class mail or by email, unless a party requests express mailing and provides an express mail account number. Parties wishing to receive ALJ mailings by email should register for email service on the SOAH website. Parties seeking to arrange express mailing should contact Ms. Hurley at the email address, above.

**SIGNED: May 13, 2020.**

  
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STEVEN H. NEINAST  
ADMINISTRATIVE LAW JUDGE  
STATE OFFICE OF ADMINISTRATIVE HEARINGS

**SOAH DOCKET NO. 473-20-3633  
PUC DOCKET NO. 50806**

<b>APPLICATION OF EL PASO</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>ELECTRIC COMPANY TO ADJUST</b>	<b>§</b>	
<b>ITS ENERGY EFFICIENCY COST</b>	<b>§</b>	<b>OF</b>
<b>RECOVERY FACTOR AND</b>	<b>§</b>	
<b>ESTABLISH REVISED COST CAP</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>

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REQUIRING STAFF COMMENTS ON NOTICE; APPROVING DISCOVERY  
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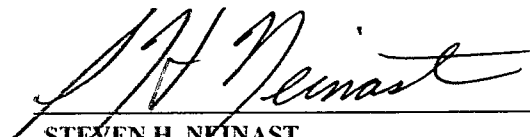
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**SIGNED: May 13, 2020.**



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STEVEN H. NEINAST  
ADMINISTRATIVE LAW JUDGE  
STATE OFFICE OF ADMINISTRATIVE HEARINGS