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APPLICATION OF ENTERGY TEXAS,  
INC. TO AMEND ITS TRANSMISSION  
COST RECOVERY FACTOR

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PUBLIC UTILITY COMMISSION

OF TEXAS

### COMMISSION STAFF'S LIST OF ISSUES

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Commission Staff's List of Issues. In support thereof, Staff would show the following:

#### I. BACKGROUND

On October 19, 2020, Entergy Texas, Inc. (ETI) filed an application to amend its transmission cost recovery factor (TCRF) and for approval of its proposed Rider TCRF under PURA<sup>1</sup> § 36.209 and 16 Texas Administrative Code (TAC) § 25.239. ETI's proposed TCRF amendment would collect approximately \$31.6 million annually from ETI's Texas retail customers, increasing ETI's overall annualized revenue requirement by 2.1%. ETI's TCRF baselines were established in its last base-rate case, Docket No. 48371.<sup>2</sup>

On January 4, 2021, the Commission referred this docket to the State Office of Administrative Hearings (SOAH). The Order of Referral established a deadline of January 14, 2021 for Staff to file a list of issues to be addressed in the docket. The Order of Referral also permitted Staff to identify any issues that should not be addressed in the proceeding and to identify any threshold issues that should be briefed for purposes of a preliminary order. Therefore, this pleading is timely filed.

#### II. PROPOSED LIST OF ISSUES

Staff proposes the following list of issues to be addressed in this proceeding, as modeled on the preliminary order from Docket No. 49057:<sup>3</sup>

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

<sup>2</sup> *Application of Entergy Texas, Inc. for Authority to Change Rates*, Docket No. 48371, Order (Dec. 20, 2018).

<sup>3</sup> *Application of Entergy Texas, Inc. for a Transmission Cost Recovery Factor*, Docket No. 49057, Preliminary Order (Mar. 13, 2019)

1. Is ETI seeking to recover only reasonable and necessary costs for transmission infrastructure improvement and changes in wholesale transmission charges to ETI under a tariff approved by a federal regulatory authority that have not otherwise been recovered, in accordance with 16 TAC § 25.239(c)?
2. What amount of transmission-infrastructure costs and wholesale transmission charges to ETI under a tariff approved by a federal regulatory authority are otherwise being recovered by ETI outside of the TCRF that ETI seeks to implement in this proceeding?
3. Has ETI accurately determined the amount of its approved transmission charges in accordance with 16 TAC § 25.239(b)(1)?
4. Has ETI accurately identified the amount of its transmission-investment costs?
5. Is ETI's determination of its transmission-investment costs in accordance with 16 TAC § 25.239(b)(2)?
6. Do all of the transmission-investment costs identified by ETI constitute improvement of the infrastructure as required by PURA § 36.209(b)?
7. Has ETI calculated its revenue requirement in accordance with 16 TAC § 25.239(e)?
8. What is the weighted average cost of capital used to calculate the revenue requirement under 16 TAC § 25.239(e), and in which proceeding was it established?
9. Has ETI correctly allocated its transmission-revenue requirement to its Texas retail customers?
10. Has ETI used the correct baseline costs established in ETI's most recent base-rate case, Docket No. 48371, to calculate the TCRF?
11. Has ETI used the correct class allocation factors established in the transmission-revenue requirement in ETI's most recent base-rate case, Docket No. 48371?
12. Has ETI used the customer-class billing determinants for the previous calendar year?
13. Has ETI calculated its proposed TCRF in compliance with 16 TAC § 25.239(d) and (e)?
14. Would granting ETI's application for approval of its requested TCRF allow ETI to over-recover its costs as described in PURA § 36.209(b) and 16 TAC § 25.239(f)?

15. Should the Commission approve ETI's proposed TCRF rider?
16. Should ETI seek recovery of rate-case expenses associated with this proceeding (including reimbursement to participating municipalities) in this docket or in a separate, future proceeding? If in this docket, what are ETI's reasonable and necessary rate-case expenses, and what are the participating municipalities reasonable and necessary rate-case expenses?
17. Has ETI requested exceptions to any requirements in any Commission rules? If so, has ETI demonstrated good cause for the exception, and should the Commission grant the exception?

### **III. ISSUES NOT TO BE ADDRESSED**

Staff has not identified any issues not to be addressed in this proceeding.

### **IV. THRESHOLD ISSUES TO BE ADDRESSED**

Staff has not identified any threshold issues to be addressed in this proceeding.

### **V. CONCLUSION**

Staff respectfully requests that the Commission issue a preliminary order including Staff's proposed issues to be addressed.

Dated: January 14, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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**PUC DOCKET NO. 51406  
SOAH DOCKET NO. 473-21-0958**

**CERTIFICATE OF SERVICE**

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on January 14, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Courtney Dean  
Courtney N. Dean