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Entergy Texas, Inc.

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2021 Energy Efficiency Plan and Report

Substantive Rule § 25.181 and § 25.183

APRIL 1, 2021

Project No. 51672

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Introduction

Entergy Texas, Inc. (ETI) presents this Energy Efficiency Plan and Report (EEPR) to comply with 16 Tex. Admin. Code (TAC) §§ 25.181 and 25.183, which together comprise the Energy Efficiency Rule (EE Rule) implementing Public Utility Regulatory Act (PURA) § 39.905. As mandated by this section of PURA, the EE Rule requires that each investor owned electric utility achieve the following minimum goals through market-based standard offer programs (SOPs), targeted market transformation programs (MTPs), or utility self-delivered programs:

- 25.181(e)(1) An electric utility shall administer a portfolio of energy efficiency programs to acquire, at a minimum, the following:
 - (A) Beginning with the 2013 program year, until the trigger described in subparagraph (B) of this paragraph is reached, the utility shall acquire a 30% reduction of its annual growth in demand of residential and commercial customers.
 - (B) If the demand reduction goal to be acquired by a utility under subparagraph (C) of this paragraph is equivalent to at least four-tenths of 1 % of its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year, the utility shall meet the energy efficiency goal described in subparagraph (C) of this paragraph for each subsequent program year.
 - (C) Once the trigger described in subparagraph (B) of this paragraph is reached, the utility shall acquire four-tenths of 1% of its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year.
 - (D) Except as adjusted in accordance with subsection (u) of this section, a utility's demand reduction goal in any year shall not be lower than its goal for the prior year, unless the commission establishes a goal for a utility under paragraph (2) of this subsection.

EEPR Organization

This EEPR consists of an executive summary, thirteen sections, and one appendix.

• The Executive Summary highlights ETI's reported achievements for 2020 and ETI's plans for achieving its 2021 and 2022 projected energy efficiency savings goals.

Energy Efficiency Plan (EEP)

- Section I describes ETI's plan for its energy efficiency program portfolio. It details how each program will be implemented, discusses related informational and outreach activities, and introduces any programs not included in ETI's previous EEP.
- Section II provides ETI's targeted customer classes, specifying the size of each class and the method for determining those sizes.
- Section III presents ETI's projected energy efficiency savings and goals for the prescribed planning period broken out by program for each customer class.
- Section IV provides ETI's proposed energy efficiency budgets for the prescribed planning period broken out by program for each customer class.

Energy Efficiency Report (EER)

- Section V presents ETI's actual weather-adjusted demand savings goals and energy targets for the previous five years (2016-2020) with actual demand reduction and energy savings achieved.
- Section VI compares ETI's projected energy and demand savings to its reported and verified savings by program for calendar years 2019 and 2020.
- Section VII presents ETI's incentive and administrative expenditures for the previous five years (2016-2020) broken out by program for each customer class.
- Section VIII compares ETI's actual program funding for 2020 compared to its 2020 budget broken out by program for each customer class.
- Section IX describes the results from ETI's MTPs.
- Section X describes research and development costs and administrative costs.
- Section XI describes ETI's current Energy Efficiency Cost Recovery Rider (EECRF).
- Section XII presents ETI's revenue collection through the 2020 EECRF.
- Section XIII identifies the over/under-recovery of energy efficiency program costs.

Acronyms – A list of abbreviations for common terms used within this document.

Appendices

• Appendix A – Reported kW and kWh savings broken out by county for each program.

Executive Summary

The EEP portion of this EEPR details ETI's plans to achieve its required reduction in its annual growth in demand of residential and commercial customers in 2021 and 2022. It also addresses the corresponding energy savings goal, which is calculated from its demand savings goal using a 20% capacity factor. The goals, budgets, and implementation plans that are included in this EEPR reflect the requirements of the EE Rule and lessons learned regarding energy efficiency service providers and customer participation in the various energy efficiency programs. A summary of annual goals and projected savings and budgets is presented in Table 1.

Table 1: Summary of Goals, Projected Savings, and Projected Budgets¹

Calendar Year	Average Growth in Demand	Peak Demand (kW at Source)	Goal Metric: 30% Growth	Goal Metric: 0.4% Peak Demand	Peak Demand Goal	Energy Goal	Projected Demand Reduction	Projected Energy Savings	Projected Budget (000's)
	(kW at Source)		(kW at Meter)	(kW at Meter)	(kW at Meter)	(kWh at Meter)	(kW at Meter)	(kWh at Meter)	
2021	26,115	2,781,052	7,241	10,282	15,500	27,156,000	15,500	27,156,000	\$7,711
2022	56,936	2,893,417	15,697	10,636	15,697	27,500,598	15,697	27,500,598	\$7,903

Note: Goals are calculated by multiplying peak demand values at the source by the applicable goal metric (30% of growth or 0.4% of peak demand) and by the utility's line losses.

Example Goal Metric Calculation: $(56,936 \text{ kW} \times 30\%) \times (1 - 0.081032 \text{ line losses}) = 15,697 \text{ kW}$ The line loss number is based on the loss study in ETI's last completed rate case, Docket No. 48371.

Example Goal Metric Calculation: $(2,893,417 \text{ kW} \times 0.4\%) \times (1 - 0.081032 \text{ line losses}) = 10,636 \text{ kW}$ The line loss number is based on the loss study in ETI's last completed rate case, Docket No. 48371.

¹ For 2021 values in this table, all values are based on amounts approved in last year's EECRF proceeding, Docket No. 50803 (and they do not reflect the corrections to historical data included in Table 4 of this EEPR, which would not have affected the projected demand reduction or energy savings goals for 2021). For 2022 values in this table, the Average Growth in Demand and Peak Demand figures are from Table 4; the Projected Demand and Energy Savings are from Table 5; and the Projected Budget is from Table 6.

Energy Efficiency Plan

I. 2021 Programs

A. 2021 Program Portfolio

ETI plans to implement two MTPs and three SOPs in 2021. These include: the Commercial Solutions MTP, Load Management SOP, the Residential SOP, the Residential Solutions MTP, and the Hard-to-Reach SOP. All these programs have been structured to comply with the applicable Public Utility Commission of Texas (PUCT) rules governing program design and evaluation.

These programs target both broad market segments and specific market sub-segments that offer significant opportunities for cost-effective savings. ETI anticipates that targeted outreach to a broad range of service provider types will be necessary in order to meet the savings goals required by PURA § 39.905 on a continuing basis.

Table 2 below summarizes the programs and target markets.

Program	Target Market	Application	
Commercial Solutions MTP	Commercial	Retrofit; New Construction; Behavioral; Midstream	
Load Management SOP	Commercial	Existing, Demand Response	
Residential SOP	Residential	Retrofit	
Residential Solutions MTP	Residential	New Construction; Retrofit	
Hard-to-Reach SOP	Residential	Existing; Income Qualified	

Table 2: 2021	Energy	Efficiency	Program	Portfolios
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The programs listed in Table 2 are described in further detail below. ETI maintains a website containing links to the program manuals, all the requirements for project participation, and the forms required for project submission, at http://www.entergy-texas.com/energy_efficiency. This website will be the primary method of communication used to provide potential Project Sponsors with program updates and information.

B. Existing Programs

1. Commercial Solutions MTP

a) Program Description

The Commercial Solutions MTP (COM SOL MTP) offers technical support and incentives for a suite of offerings that help eligible customers overcome the market barriers to adopt energy efficiency measures. Using a combination of utility staff, third-party program implementer expertise, and the local network of qualified contractors, ETI helps customers identify energy efficiency opportunities, complete projects, and capture savings for the program. This approach is flexible depending on customer, project type, and market sector to effectively reach and deliver energy savings to the broadest audience possible. The COM SOL MTP program includes:

- A Commercial Solutions component designed to target small, medium, and large for-profit commercial customers in the service territory (this includes midstream and contractor direct install components);
- A "Schools Concerned with Reducing Energy" (SCORE) component to target local K-12 public school districts, universities and colleges in the service territory (including a Continuous Energy Improvement component driving behavioral changes in public schools);
- A City Smart component to target local, state, and federal governmental customers in the service territory;
- Prescriptive and custom measures to address both standard and more unique, complex opportunities for energy savings; and
- A Midstream point-of-sale lighting component through local wholesale distributors to achieve long-term coincident peak demand reduction and annual energy savings.

b) Implementation Process

With this program offering, ETI will target the following customers for program participation:

- Small, medium, and large commercial and small industrial businesses;
- Rural and urban public K-12 school districts, colleges, and universities;
- Government entities including cities, counties, state, and federal organizations; and
- Non-profit and institutional businesses such as religious institutions, private schools, and healthcare providers.

c) Outreach Activities

To market the availability of this program, ETI:

- Engages its third-party implementer, CLEAResult Consulting, to provide for outreach and training on the program;
- Conducts workshops and webinars to explain the benefits of the program and the necessary information needed to begin or continue participation;

- Participates in regional or area outreach opportunities;
- Attends appropriate industry-related meetings to generate awareness and interest; and
- Promotes awareness of the program through the Company's website, social media, email blasts, radio promotions, and print media.

2. Load Management SOP

a) Program Design

The Load Management (LM SOP) provides demand reduction opportunities to a small group of qualified commercial customers served by ETI and pays incentives to the customers for verifiable demand reductions. Each participant must participate in one scheduled curtailment and up to four unscheduled curtailments during the program year. Additionally, to ensure grid reliability, the Local Balancing Authority (LBA) can call for these customers to curtail through the Energy Efficiency Program Manager. The LBA is the entity that interacts with Midcontinent Independent System Operator, Inc. (MISO) and integrates resource plans in advance, ensuring that the necessary generation is available to reliably serve load.

b) Implementation Process

ETI recruits appropriate and qualified commercial customers to participate in the LM SOP. This program requires the examination of actual demand savings, operating characteristics, program design, long-range planning, and overall measure and program acceptance by the targeted customers. During the implementation process, ETI makes potential customers aware that, if the customer plans to use backup generation when curtailed, ETI assumes that their generators adhere to both state and federal guidelines for emissions.

c) **Outreach Activities**

To market the availability of this program, ETI:

- Targets several large commercial customers during the program year;
- Conducts workshops to explain elements such as responsibilities of the customers, project requirements, incentive information, and the application and reporting process; and
- Promotes awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

3. Residential SOP

a) <u>Program Design</u>

The Residential SOP (RES SOP) targets ETI's residential customers. Participating Project Sponsors receive incentive payments for installing pre-approved measures that provide verifiable demand and energy savings. Project Sponsors are encouraged to install comprehensive measures in their projects, and only retrofit projects qualify for incentive payments. Deemed savings are accepted and widely used by Project Sponsors to measure and verify savings for projects submitted in this program. The incentives will be offered at the standard incentive rate to encourage the implementation of this measure.

In 2021, the RES SOP will also deploy two subprograms. First, an A/C Tune Up program that gives contracts to project sponsors that have access to licensed HVAC contractors. Second, a multifamily HVAC retrofit program that assists in replacing all outdated HVAC equipment with energy efficient heat pumps at an apartment complex. Apartment complexes are selected by an application process provided by ENERCHOICE LLC.

b) **Implementation Process**

ETI will continue implementing its RES SOP by allowing eligible Project Sponsors to apply for projects meeting the minimum program requirements. The program information is on ETI's RES SOP website and is updated frequently with participating Project Sponsor information and the incentives available for installing eligible measures. In 2021, ETI will select nine Project Sponsors to participate in the RES SOP to allow for the appropriate administrative control and visibility of Project Sponsors. The funding awarded to each Project Sponsor should increase the chances that there will be Project Sponsors working in ETI's service territory throughout the entire year and that available funds will not be exhausted by mid-year.

c) Outreach Activities

To market the availability of this program, ETI:

- Utilizes mass email notifications to keep potential Project Sponsors interested and informed;
- Maintains a website with detailed project eligibility, end-use measures, incentives, procedures, and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Conducts workshops as necessary to explain elements such as responsibilities of the Project Sponsor, project requirements, incentive information, and the application and reporting process; and
- Promotes awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

4. Entergy Residential Solutions MTP (RES SOL MTP)

a) <u>Program Design</u>

The Entergy Solutions High Performance Homes MTP (ENTERGY SOL MTP) has been combined with the A/C Distributor MTP (A/C and Pool Pump DIST MTP) into the RES SOL MTP for increased administrative efficiency and flexibility. Under the combined MTP, incentives are paid to builders and contractors for installing certain measures in new and existing construction applications that provide verifiable demand and energy savings.

The Entergy Solutions High Performance Homes MTP portion of the RES SOL MTP helps promote the new construction of higher efficiency homes in ETI's service territory. The program pays incentives to the builder that installed the higher energy efficiency equipment. The Program requires the involvement of a third-party rating service to verify the home meets the current energy efficiency code in Texas, which is the 2015 International Energy Conservation Code (IECC). Further, the program provides incentives for builders and contractors who exceed the IECC 2015 with the ultimate aim of promoting construction to Energy Star standards.

In PY 2021, the Entergy Solutions High Performance Homes MTP is partnering with a production builder to install 24 heat pump water heaters in a development in Orange County, Texas. These are the first heat pump water heaters that have been installed in New Construction in many years in Entergy's service territory. The heat pump technology is far more efficient than the heating coils used in typical electric water heater technology. ETI is looking forward to monitoring these unique homes in hopes of developing new programs that will capitalize on this technology.

The A/C and Pool Pump Distributor portion of the RES SOL MTP helps promote the installation of higher efficiency air conditioning and variable speed pool pumps for residential customers throughout ETI's service territory. The program pays incentives to the regional air conditioning and pool pump distributors to reduce the cost of the higher efficiency rated equipment to the local dealers with the goal that the dealer will pass the reduced cost along to the customers.

b) **Implementation Process**

Any eligible builder or contractor may apply for a home to participate in the program. The program information on ETI's website is updated frequently to reflect participating builders and contractors and incentive amounts that are available.

For the A/C and pool pump distributers, any participating distributor or manufacturer may submit a qualifying batch of invoices to ETI for incentive payment after a random sampling of inspections from each invoice is completed by either ETI or another third-party inspector.

c) **Outreach Activities**

To market the availability of this program to builders, ETI:

• Utilizes mass email notifications to keep potential builders and contractors interested and informed;

- Works with local code enforcement officials to make sure they understand the need for builders and contractors to follow the requirements of the IECC 2015 and identify common efforts to bypass the code;
- Maintains a website with detailed builder eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Participates in state-wide outreach activities;
- Conducts workshops as necessary to explain responsibilities of the builder or contractors, project requirements, incentive information, and the application and reporting process; and
- Promotes the awareness of its energy efficiency programs by rolling out program promotions through its website, social media, email blasts, radio promotions, and print media.

To market the availability of the program to A/C and pool pump distributers, ETI attends local dealer meetings to educate the dealer population on how to participate and how to fill out the necessary paperwork. Additionally, ETI's program implementer, TLR Energy, leverages its current A/C distributor and pool pump manufacturer contacts from a similar program with another utility to enroll them in the one offered by ETI. Most of the distributors and manufacturers that service ETI's territory are already participating in that program.

5. Hard To Reach SOP

a) <u>Program Design</u>

The Hard-To-Reach SOP (HTR SOP) targets low-income customers who receive service from ETI with an income at or below 200% of the federal poverty level. Participating Project Sponsors receive incentive payments for installing eligible retrofit measures that provide verifiable demand and energy savings. For 2021, ETI will continue to provide incentives to Project Sponsors for installing LED lighting in addition to previously employed measures. The incentives will be offered at the standard incentive rate to encourage the implementation of this measure. In 2021, the HTR SOP will also deploy an A/C Tune Up program and give contracts to project sponsors that have access to licensed HVAC contractors.

b) Implementation Process

ETI will continue implementing its HTR SOP such that any eligible Project Sponsor may apply for a project meeting the minimum program requirements. The program information on ETI's HTR SOP website is updated frequently with participating Project Sponsor information and the incentives available for installing eligible measures. In 2021 ETI will select nine Project Sponsors to participate in the HTR SOP in order to allow for the appropriate administrative control and visibility of Project Sponsors. By limiting the number of Project Sponsors allowed to participate in the program, ETI believes that there will be sufficient funds available to keep Project Sponsors working in ETI's service territory throughout the entire year and that program funding will not be exhausted by mid-year.

c) <u>Outreach Activities</u>

To market the availability of this program, ETI:

- Utilizes mass email notifications to keep potential project sponsors interested and informed;
- Maintains website with detailed project eligibility, end-use measures, incentives, procedures, and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process; and
- Promotes awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

C. New Programs for 2022

Due to the COVID-19 outbreak, the online energy efficiency marketplace providing an outlet for consumers to purchase SMART thermostats, SMART power strips, and higher efficiency LED light bulbs that was planned to launch in 2021 has been postponed. ETI believes it needs that budget to support its current program offerings.

II. Customer Classes

Table 3 below identifies the customer classes targeted by ETI's energy efficiency programs and specifies the size of each class.

Customer Class	Number of Customers
Commercial	50,266
Residential	414,438
Hard to Reach	61.765*

Table 3:	Summary	of Customer	Classes ²
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² Commercial and Residential figures based on actual historical ETI data as of December 31, 2019; Hard-to-Reach figure based on data obtained from the 2017 US Census Bureau Current Population Survey of 14.9%.

III. Projected Energy Efficiency Savings and Goals

As prescribed by 16 TAC § 25.181(e), a utility's demand goal is specified as a percentage of its historical five-year average growth in demand and the corresponding energy savings goal is determined by applying a 20% capacity factor to the applicable demand goal. Table 4 presents historical annual growth in demand for the previous five years that is used to calculate demand and energy goals. The weather adjusted data for 2020 resulted in an increase to the demand and energy goals. The five-year average for growth from 2016 to 2020 was 56,936 kW. Using the goal metric calculation of 30% of growth at the meter, the new demand goal is 15,697 kW. Using the 20% conservation load factor calculation, the new energy goal is 27,500,598 kWh. Compared to previous goal years, the demand goal increased by 197 kW and the energy goal by 344,598 kWh.

Table 5 presents the demand and energy goals for years 2021 and 2022. This table also shows the breakdown in goals by energy efficiency program.

Calendar	Peak Demand at Source (kW)			Energy Consumption at Meter (kWb)				Industrial Opt Out	Growth (kW)	Average Courth (194)	
Year	To tal S	5ys tem	Residential &	Commercial	To tal S	ys te m	Residential & Commercial		(LW)		
	Actual	Weather Adjusted	Actual	Weather Adjusted	Actual	Weather Adjusted	Actual	Weather Adjusted	Afsource	Weather Adjusted	Westher Adjusted
2015	3 539,765	3,372,895	2 775,607	2 608,737	18,555,375,494	18,565,515,816	11,445,891,399	11.456,031,721	1,495	-41,741	NA
2016	3,535,916	3,546,564	2,690,571	2,701,219	18,599 778 372	18,619,312 630	11 168,283,152	11,187,817,410	1,421	92,482	NA
2017	3 468,265	3,525,483	2,646,584	2,703 802	18 619 957 598	18,930.151 255	11 062 075,723	11 372,269 380	1,421	2 582	NA
2018	3 534,157	3 579,455	2.699,306	2,744,604	19,612,291 900	19,256,202,352	11 615,486,722	11,259,397,174	1,421	40,802	NA
2019	3 634,264	3 634,264	2,781,052	2 781,052	19,538,240 683	19,350,300,168	11,387,210,651	11,199,270,136	3,330	36 448	NA
2020	3,708,061	3,890,578	2,710,900	2,893,417	19,452 864,015	19.270,964.119	11,174 638,619	11,356 538,516	3,591	112,365	NA
2021	NA	NA	NA	NA	NA	NA	NA	NA	3,591	NA	26 115
2022	NA	NA	NA	NA	NA	NA	NA	NA	3,591	NA	56,936

Table 4: Annual Growth in Demand and Energy Consumption³

³ In past EEPRs, data in this table had been rounded off to MW and MWh instead of kW and kWh. In updating the table for this year's EEPR to present data in kW and kWh, ETI also identified and made minor corrections to the historical data, which ETI plans to use in calculating its demand and energy goals on a going-forward basis. The years that have been corrected were Years 2015 to 2018.

2021	Projected	l Savings		
Customer Class and Program	kW	kWh		
Commercial	10,460	15,608,000		
Commercial Solutions MTP	3,750	15,568,000		
Load Management SOP	6,710	40,000		
Residential	3,940	8,060,000		
Residential SOP	2,140	5,836,000		
Residential Solutions MTP	1,800	2,224,000		
Hard-To-Reach	1,100	3,488,000		
Hard-To-Reach SOP	1,100	3,488,000		
Total Annual Projected Savings	15,500	27,156,000		
2022	Projected Savings			
Customer Class and Program	kW	kWh		
Commercial	11,697	18,363,798		
Commercial Solutions MTP	4,697	18,323,798		
Load Management SOP	7,000	40,000		
Residential	3,000	7,036,800		
Residential SOP	1,000	3,236,000		
Residential Solutions MTP	2,000	3,800,800		
Hard-To-Reach	1,000	2,100,000		
Hard-To-Reach SOP	1,000	2,100,000		
Total Annual Projected Savings	15,697	27,500,598		

Table 5: Projected Demand and Energy Savings Broken Out by Program for EachCustomer Class (at Meter)

IV. Program Budgets

Table 6: Proposed Annual Budget Broken	Out by Program for Each Customer Clas
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2021	Incentives	Admin	CY2021 EM&V Costs for Review of PY2020	Total Budget
Commercial	\$3,026,978	\$341,244	\$60,649	\$3,428,872
Commercial Solutions MTP	\$2,651,478	\$288,707	\$48,814	\$2,989,000
Load Management SOP	\$375,500	\$52,537	\$11,835	\$439,872
Residential	\$2,656,919	\$309,704	\$30,805	\$2,997,428
Residential SOP	\$1,750,210	\$179,311	\$22,712	\$1,952,233
Residential Solutions MTP	\$906,709	\$130,393	\$8,093	\$1,045,195
Hard-To-Reach	\$1,026,789	\$125,037	\$10,465	\$1,162,291
Hard-To-Reach SOP	\$1,026,789	\$125,037	\$10,465	\$1,162,291
R&D	\$75,000	\$47,000	\$0	\$122,000
EM&V	\$0	\$0	\$101,920	\$101,920
Total Annual Budgets	\$6,785,686	\$822,985	\$101,920	\$7,710,591
2022	Incentives	Admin	CY2022 EM&V Costs for Review of PY2021	Total Budget
Commercial	\$3,106,522	\$341,244	\$61,942	\$3,509,708
Commercial Solutions MTP	\$2,731,022	\$288,707	\$49,855	\$3,069,584
Load Management SOP	\$375,500	\$52,537	\$12,087	\$440,124
Residential	\$2,736,626	\$309,704	\$31,462	\$3,077,792
Residential SOP	\$1,802,716	\$179,311	\$23,196	\$2,005,223
Residential Solutions MTP	\$933,910	\$130,393	\$8,266	\$1,072,569
Hard-To-Reach	\$1,057,593	\$125,037	\$10,689	\$1,193,318
Hard-To-Reach SOP	\$1,057,593	\$125,037	\$10,689	\$1,193,318
R&D	\$75,000	\$47,000	\$0	\$122,000
EM&V	\$0	\$0	\$104,092	\$104,092
Total Annual Budgets	\$6,975,741	\$822,985	\$104,092	\$7,902,818

V. Historical Demand Savings Goals and Energy Targets for Previous Five Years

Table 7 presents ETI's demand and energy reduction goals for the previous five years (2016-2020) calculated in accordance with 16 TAC § 25.181 and actual demand reduction and energy savings achieved.

Calendar Year	Actual Weather Adjusted Demand Goal (kW)	Actual Weather Adjusted Energy Goal (kWh)	Actual Demand Reduction (kW) [1]	Actual Energy Savings (kWh) [1]
<u>2020</u>	15,500	27,156,000	21,629	48,282,450
<u>2019</u>	15,500	27,156,000	22,595	47,945,445
<u>2018</u>	15,500	27,156,000	21,153	51,740,286
<u>2017</u>	15,500	27,156,000	21,199	50,574,878
<u>2016</u>	15,500	27,156,000	19,739	45,044,145

Table 7: Historical Demand and	Energy Savings	Goals and	Achievements (at the Meter,
			except as noted)

[1] Beginning with 2018, Actual Demand and Energy Savings is to reported at the Source. Example based on 2020 Actual Savings:

Demand $20,008 \times (1+0.081032) = 21,629$

Energy 44,885,306 x (1+0.075685) = 48,282,450

The line loss number is based on the loss study in ETI's last completed rate case, Docket No. 48371.

2019	Proi	ected Savings	Reported as	nd Verified Savings	
Customer Class and Program	kW	kWh	kW	kWh	
Commercial	10,460	15,608,000	13,211	31,461,132	
Commercial Solutions MTP	3,750	15,568,000	5,464	31,387,379	
Load Management SOP	6,710	40,000	7,747	73,753	
Residential	3,940	8,060,000	5,936	10,435,841	
Residential SOP	2,140	5,836,000	3,962	5,725,406	
Residential Solutions MTP	1,800	2,224,000	1,974	4,710,435	
Hard-to-Reach	1,100	3,687,000	1,859	2,675,040	
Hard-to-Reach SOP	1,100	3,687,000	1,859	2,675,040	
Total	15,500	27,355,000	21,005	44,572,012	
2020	Proj	ected Savings	Reported and Verified Savings		
Customer Class and Program	kW	kWh	kW	kWh	
Commercial	10,460	15,608,000	12,419	31,766,415	
Commercial Solutions MTP	3,750	15,568,000	6,196	31,760,192	
Load Management SOP	6,710	40,000	6,223	6,223	
Residential	3,940	8,060,000	5,820	10,425,987	
Residential SOP	2,140	5,836,000	3,814	5,774,166	
Residential Solutions MTP	1,800	2,224,000	2,006	4,651,821	
Hard-to-Reach	1,100	3,488,000	1,768	2,692,904	
Hard-to-Reach SOP	1,100	3,488,000	1,768	2,692,904	
Total	15,500	27,156,000	20,008	44,885,306	

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VI. Projected, Reported, and Verified Demand and Energy Savings

Table 8: Projected versus Reported and Verified Savings for 2019 and 2020 (at Meter)

VII. Historical Program Expenditures

This section documents ETI's incentive and administration expenditures for the previous five years (2016-2020) broken out by program for each customer class.

Table 9: Historical Program Incentive and Administrative Expenditures for 2016 through2020 (in 000's)

2016 ()	20	20	2019		2018		2017		2016	
2016 through 2020	Incent	Admin								
Commercial	2,721	350	2,814	367	2,791	388	2,789	372	2,489	399
Commercial (Commercial Solutions) MTP	2,569	309	2,587	319	2,603	345	2,529	312	2,211	336
Load Management SOP	152	41	228	48	189	42	259	60	279	63
Residential	2,304	321	2,541	363	2,534	322	2,481	265	2,453	345
Residential SOP	1,557	201	1,674	230	1,699	201	1,659	140	1,697	189
Residential Solutions MTP	747	120	866	133	NA	NA	NA	NA	NA	NA
Entergy Solutions High Performance Homes MTP	NA	NA	NA	NA	520	73	446	67	420	108
A/C Distributor MTP	NA	NA	NA	NA	315	47	376	58	272	48
Hard-to-Reach	884	153	1,014	160	1,006	146	1,072	95	1,259	148
Hard-to-Reach SOP	884	153	1,014	160	1,006	146	1,072	95	1,259	147
Total Expenditures	5,909	823	6,369	890	6,332	855	6,343	732	6,138	892

VIII. Program Funding for Calendar Year 2020

2020	Incentive Budget	Admin Budget	R&D Budget	EM&V Budget	Total Projected Budget	Number of Customers Participating or Installations	Actual Funds Expended (Incentives)	Actual Funds Expended - Admin (Not Including EM&V, or EECRF Proceeding Costs)	R&D Costs	Actual Funds Expended - EM&V (Admin)	Actual Funds Expended - Utility EECRF Proceeding Costs (Admin)	Actual Funds Expended - Cities EECRF Proceeding Costs (Admin)	Total Funds Expended	Funds Committed (Not Expended)	Funds Remaining (Not Committed)	10% Difference?
Commercial	\$ 3,026,978	\$ 341,24	S 9,845	\$ 49,251	\$ 3,427,319	875	\$ 2,721,054	\$ 244,673	\$ 27,285	\$ 49,251	\$ 24,548	\$ 4,310	\$ 3,071,122	s -	S 356,197	
Commercial Solutions M I P	\$ 2,651,478	\$ 288 703	\$ 8,330	\$ 39 804	\$ 2 988 319	867	\$ 2 569 181	\$ 215 946	\$ 25 763	\$ 39 804	\$ 23,178	\$ 1,070	\$ 2 877,942	\$ -	\$ 110,378	No
Load Management SOP	\$ 375 500	\$ 52.537	\$ 1,516	\$ 9 447	\$ 439.000	8	\$ 151 873	\$ 28 727	\$ 1.523	\$ 9447	\$ 1.370	\$ 241	\$ 193,180	\$	\$ 245 820	56%
Residential	\$ 2,656,919	\$ 309,70-	S 8,935	S 40,741	\$ 3,016,300	8,387	\$ 2,303,970	\$ 232,267	S 23,103	\$ 40,741	\$ 20,785	S 3,650	S 2,624,516	s -	S 391,784	
Residential SOP	\$ 1,750 210	\$ 179,31	\$ 5,173	\$ 20,778	\$ 1,955,473	6,328	\$ 1556,896	\$ 147 752	\$ 15,612	\$ 20 7 78	\$ 14,045	\$ 2,466	\$ 1,757,549	\$-	\$ 197 924	10%
Residential Solutions MTP	\$ 906,709	\$ 130,391	\$ 3,762	\$ 19.963	\$ 1,060,827	2 059	\$ 747 075	\$ 84 515	\$ 7491	\$ 19,963	\$ 6 740	\$ 1183	\$ 866 967	\$-	\$ 193,860	18%
Hard-To-Reach	\$ 1,026,789	\$ 111,572	\$ 3,219	\$ 16,188	\$ 1,157,768	2,942	S 883,881	\$ 118,334	S 8,863	S 16,188	\$ 7,974	S 1,400	\$ 1,036,640	s -	\$ 121,128	
Hard-to-Reach SOP	\$ 1,026,789	\$ 111,572	\$ 3,219	\$ 16,188	\$ 1,157 768	2,912	\$ 883 881	\$ 118.334	\$ 8,863	\$ 16,188	\$ 7,974	\$ 1400	\$ 1,036,640	\$-	\$ 121128	10%
Total	S 6,710,686	\$ 762,520	S 22,000	\$ 106,180	\$ 7,601,387	12,204	\$ 5,908,905	S 595,274	\$ 59,252	\$ 106,180	\$ 53,307	\$ 9,360	\$ 6,732,278	s -	\$ 869,109	

Table 10: Program Funding for Calendar Year 2020

Per 16 TAC § 25.181(l)(2)(Q), please note that there were four programs where the projected budget and actual total funds expended varied by more than ten percent: Load Management SOP (56%), Residential SOP (10%), Residential Solutions MTP (18%), Hard-To-Reach SOP (10%).

Costs under the Load Management SOP were lower than projected due to several factors, the foremost being COVID-19. A couple of the program's participants provided essential services such as food, groceries, flood control, and sewage control services. When asked to curtail their load, they were afraid the switchgear may not operate properly, causing them to lose power, and lose customers. They were not willing to risk that their switch gear would not function properly, so they either refused to curtail or reduced their curtailment amount.

The Residential and Hard-to-Reach SOP and the Residential MTP were undersubscribed due to COVID 19. Due to the reluctance of customers to allow our contractors in their homes to install energy efficiency measures, these programs were underbudget.

IX. Market Transformation Program Results

COM SOL MTP

The primary objective of the COM SOL MTP is to provide a conduit for ETI's commercial customers to install more energy efficient measures in their facilities, both new and existing. CLEAResult Consulting, Inc. was hired to provide expertise in working with customers to ensure they are installing the most cost-effective energy efficient measures by providing equipment recommendations, engineering oversight, consultations, and benchmarking. Under the SCORE component of the COM SOL MTP, school districts and governmental entities targeted by the program have had great success in reducing their demand and energy consumption. Program participants are touting the value of the program and recommending participation to others. Many projects that were scheduled for several years in the future are now being moved up to be completed earlier due to the "Energy Efficiency Business Plan" that is part of the program. In addition, CLEAResult continues to have success working with several schools to control costs by using behavioral measures and techniques. For 2020, this program achieved 6,196 kW and 31,760,192 kWh in reported and verified savings.

ETI issued a request for proposals for the Commercial Solutions MTP as the current contract with CLEAResult Consulting expired on December 30, 2018. Several energy efficiency service providers were solicited to submit bids. CLEAResult won the contract for years 2019-2021. A request for proposals will be issued for the Commercial Solutions MTP in 2021.

COVID-19 Implications

The implications of COVID-19 on the COM SOL MTP were minimal. Some projects were delayed to later in the year or into 2021. Inspections were conducted with added COVID-19 protections, such as mask wearing and limiting in-person site visits by ETI employees. Some inspections had to be completed virtually due to facilities not allowing in outside personnel. Projects that were impacted by COIVD-19 restrictions were tagged in our database to identify changes to these projects.

RES SOL MTP

The RES SOL MTP in 2020 included two components: the ENTERGY SOL MTP and the A/C and Pool Pump DIST MTP. For 2020, the RES SOL MTP achieved a total of 2,006 kW and 4,651,821 kWh in reported and verified savings.

The ENTERGY SOL MTP provides the attributes of an Energy Star Homes new construction program. In this program, savings are driven predominantly by Home Energy Rating Services (HERS). HERS raters provide professional assessments on new and existing homes to bring them up to Energy Star standards. Incentives are paid to builders for installing certain measures in new construction applications that provide verifiable demand and energy savings. The incentives are designed to bridge the gap between the costs of standard efficiency models and higher efficiency models. The program implementer, TRC Company, provides training opportunities for local Code Enforcement Officials to learn about the energy efficiency codes and how to apply them.

The A/C and Pool Pump DIST MTP portion of the RES SOL MTP helps promote the installation of higher efficiency air conditioning for residential customers throughout ETI's service territory. The program pays incentives to the regional air conditioning distributors and pool pump

distributers to reduce the cost of the higher efficiency rated equipment to the local dealers with the goal that the dealer will pass the reduced cost along to the customers.

COVID-19 Implications

The implications that COIVD-19 had on residential new construction in Entergy's service territory were minimal. The State of Texas deemed residential new construction an essential occupation during COVID-19, only requiring smaller work crews and requiring those crews to follow special health and safety practices. The only major disruption in new construction occurred as a result of building material shortages.

X. Research and Development and Administrative Costs

ETI, along with Frontier Energy, continues to develop a database that serves as the repository of all its energy efficiency program activities. It allows the Evaluation, Measurement, and Verification contractor the opportunity to access all the data from Entergy's energy efficiency programs from one database. Previously, Entergy had data housed in three different locations. As part of this project, a Dashboard was developed that allows Program Managers to see results from their programs, program pipelines from start to completion, savings goals and projections, and budget totals in a real-time environment. Each year, ETI incurs some costs to get updates and enhancements to the database.

ETI's Administrative Costs consist of employee salaries and benefits, EM&V costs for both the State's contractor as well as ETI, EECRF proceeding costs, marketing and advertising costs, Electric Utility Marketing Managers of Texas (EUMMOT) fees, and employee expenses used for training, Quality Assurance/Quality Control activities on program results from third parties, and cost of attending local energy efficiency conferences. In 2020, some additional administrative costs were incurred by CLEAResult Consulting for supporting the CoolSaver residential air conditioning tune up program and ENERCHOICE LLC for supporting the Multifamily HVAC retrofit program.

XI. Current Energy Efficiency Cost Recovery Factor (EECRF)

ETI filed an application for a revised EECRF rate schedule on May 1, 2020 in Docket No. 50803. The revised EECRF was approved for recovery of \$9,431,190, and ETI implemented the revised rider on January 1, 2021.

XII. Revenue Collected through EECRF (2020)

ETI's 2020 EECRF revenues as of December 31, 2020 were \$7,638,574.

XIII. Over/Under-recovery of Energy Efficiency Program Costs

ETI had an over-recovery of its 2020 energy efficiency programs of \$573,029, which should be refunded in the 2022 EECRF.

Acronyms

СОМ	Commercial
EEP	Energy Efficiency Plan, which was filed as a separate document prior to April 2009
EEPR	Energy Efficiency Plan and Report
EER	Energy Efficiency Report, which was filed as a separate document prior to April 2009
EE Rule	Energy Efficiency Rule, 16 TAC §§ 25.181 and 25.183
EECRF	Energy Efficiency Cost Recovery Factor
HERS	Home Energy Rating Services
HTR	Hard-To-Reach
EM&V	Evaluation, Measurement and Verification
LM	Load Management
MTP	Market Transformation Program
PUCT	Public Utility Commission of Texas
PURA	Public Utility Regulatory Act
RES	Residential
RFP	Request for Proposals
SCORE	Schools Concerned with Reducing Energy
SOP	Standard Offer Program

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Appendix

Appendix A: Reported Demand and Energy Reduction by County 2020 Update⁴

	Residential SOP						
County	Savings kW	Savings	Incentives				
BRAZOS	4 01	6 750	\$ 1674				
CHAMBERS	17 89	21,680	\$ 6 800				
GRIMES	0 92	1 388	\$ 372				
HARDIN	351 48	514 471	\$ 145 270				
JASPER	1 15	1 869	\$ 511				
JEFFERSON	1 549 29	2,341 371	\$ 632 584				
LIBERTY	39 18	67 870	\$ 16450				
MADISON	4 53	8 255	\$ 1987				
MONTGOMERY	749 92	1,211 337	\$ 305 742				
ORANGE	458 71	656,299	\$ 187 392				
SAN JACINTO	8 09	13 995	\$ 3469				
TRINITY	156 63	265 435	\$ 66 279				
TYLER	1 63	2 317	\$ 707				
WALKER	470 71	661.131	\$ 187.659				
TO TAL	3,81412	5,774,166	\$1,556,896				

Residential Solutions								
County	Savings kW	Savings KWb	Incentives					
BRAZORIA	0 31	2,367	\$ 300					
CHAMBERS	21 52	50 726	\$ 4 400					
HARDIN	22.15	35 733	\$ 4,725					
HARRIS	9 78	25,868	\$ 4.055					
JEFFERSON	107 86	221,841	\$ 30,275					
LIBERTY	48 30	121,506	\$ 9 730					
MONTGOMERY	1 768 72	4 139 614	\$ 510 630					
ORANGE	19 23	32 030	\$ 5.050					
TRINITY	0 70	2 591	\$ 400					
WALKER	7 69	19,545	\$ 3350					
TO TAL	2,006.26	4,651,821	\$ 572,915					

(Commercial Solutions MTP									
County	Savings kW	Savings KWb	Incentives							
Burleson	4 72	11 977	\$ 1419							
Chambers	46 98	200 463	\$ 9 551							
Grimes	29 23	147 550	\$ 6 708							
Hardın	100 82	477 655	\$ 15,699							
Harris	97 20	394 730	\$ 22 284							
Jefferson	1 369 89	6 955,064	\$ 311 186							
Liberty	158 91	567 083	\$ 33,531							
Madison	61 45	217 955	\$ 13 649							
Madison	35 53	932 143	\$ 4400							
Montgomerv	2 874 63	14 828 097	\$ 638 726							
Orange	173 74	739 061	\$ 35 920							
Robertson	14 25	69 445	\$ 3 041							
San Jacinto	8 62	37 155	\$ 1990							
Transtv	4 43	15,216	\$ 985							
T v ler	368 17	1 201,291	\$ 75,310							
Walker	847 71	4 965 306	\$ 91 893							
TO TAL	6,196 28	31,760,192	\$1,266,294							

Load Management SOP						
County	Savings &W	Savings KWh	Incentives			
Chambers	0.00	0	\$	-		
Hardın	527 00	527	\$	17 128		
Jefferson	943 00	943	\$	22 198		
Liberty	1 564 00	1 564	Ş	34 125		
Montgomerv	2 914 00	2,914	\$	75 140		
Orange	143 00	143	\$	1 658		
Tyler	132 00	132	\$	1,625		
TO TAL	6,223 00	6,223	\$	151,873		

10 1111	0101412		511.00,055				
Hard to Reach SOP							
County	Savings kW	Savings KWh	Incentive				
BRAZOS	2 16	2 040	\$ 1.02				
CHAMBERS	0.45	1 126	\$ 8				
GALVESTON	4 87	6,166	\$ 2.50				
GRIMES	1 39	2 098	\$ 73				
HARDIN	99 47	140 587	\$ 5117				
JEFFERSON	664 48	955 858	\$ 314 22				
LIBERTY	30 15	53 704	\$ 16.34				
MADISON	5 80	10 958	\$ 3 28				
MONTCOMERY	468 61	783 631	\$ 232 42				
ORANGE	216 50	326 783	\$ 113 82				
SAN JACINTO	194	3 523	\$ 1.07				
TRINITY	131 26	219 695	\$ 74 61				
WALKER	140 85	186 736	\$ 72.56				
TOTAL	1 767 89	2 692 904	\$ 883.88				

⁴ The reported demand and energy reductions by county tables may not match up exactly with the tables above due to minor rounding discrepancies.