



## Filing Receipt

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**SOAH DOCKET NO. 473-22-1074  
PUC DOCKET NO. 52487**

<b>APPLICATION OF ENTERGY TEXAS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONSTRUCT ORANGE COUNTY ADVANCED POWER STATION</b>	<b>§ § § § §</b>	<b>BEFORE THE STATE OFFICE  OF  ADMINISTRATIVE HEARINGS</b>
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**RESPONSE OF ENTERGY TEXAS, INC.  
TO TEXAS INDUSTRIAL ENERGY CONSUMERS' EIGHTEENTH REQUEST FOR  
INFORMATION:  
TIEC 18: 1 THROUGH 10**

Entergy Texas, Inc. ("ETI" or "the Company") files its Response to Texas Industrial Energy Consumers' Eighteenth Request for Information. The response to such request is attached and is numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

ETI believes the foregoing response is correct and complete as of the time of the response, but the Company will supplement, correct or complete the response if it becomes aware that the response is no longer true and complete, and the circumstance is such that failure to amend the answer is in substance misleading. The parties may treat this response as if it were filed under oath.

Respectfully submitted,

**Laura Bradshaw Kennedy**  
Laura Bradshaw Kennedy  
State Bar No. 24041234  
ENTERGY SERVICES, LLC  
919 Congress Avenue, Suite 701  
Austin, Texas 78701  
Office: (512) 487-3962  
Facsimile: (512) 487-3958  
[lkenn95@entergy.com](mailto:lkenn95@entergy.com)

Attachments: **TIEC 18: 1 THROUGH 10**

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to Texas Industrial Energy Consumers' Eighteenth Request for Information has been sent by either hand delivery, electronic delivery, facsimile, overnight delivery, or U.S. Mail to the party that initiated this request in this docket on this the 21<sup>st</sup> day of April 2022.

**Laura Bradshaw Kennedy**  
Laura Bradshaw Kennedy

ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
DOCKET NO. 52487

Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: William C. John  
Sponsoring Witness: William C. John  
Beginning Sequence No. LC1853

Ending Sequence No. LC1853

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Question No.: TIEC 18-1

Part No.:

Addendum:

Question:

Regarding the load forecast shown in ABW-R-2, please provide the probabilistic forecast for industrial load underlying the forecast and compare it to the forecast underlying Exhibits ABW-3.

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Response:

Please see the Company's response to TIEC 7-12.

ENTERGY TEXAS, INC.  
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Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
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Consumers

Prepared By: William C. John  
Sponsoring Witness: William C. John  
Beginning Sequence No. LC1854

Ending Sequence No. LC1854

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Question No.: TIEC 18-2

Part No.:

Addendum:

Question:

Regarding the electrification load shown in ABW-R-2, was it previously included in the probabilistic forecast underlying ABW-3 and if so what probability was applied to it?

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Response:

No.

Response of: Entergy Texas, Inc.	Prepared By: William C. John; Ryan Magee
to the Eighteenth Set of Data Requests	Sponsoring Witness: William C. John; Ryan Magee
of Requesting Party: Texas Industrial Energy Consumers	Beginning Sequence No. LC1863
	Ending Sequence No. LC1867

Question No.: TIEC 18-3

[illegible]

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO  
PARAGRAPH 4 OF DOCKET NO. 52487 PROTECTIVE ORDER**

The Response to this Request for Information includes Protected Materials within the meaning of the Protective Order in force in this Docket. Public Information Act exemptions applicable to this information include Tex. Gov't Code Sections 552.101, 552.104 and/or 552.110. ETI asserts that this information is exempt from public disclosure under the Public Information Act and subject to treatment as Protected Materials because it concerns competitively sensitive commercial and/or financial information and/or information designated confidential by law.

Counsel for ETI has reviewed this information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials Designation.

Laura Kennedy  
Entergy Services, LLC.

ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
DOCKET NO. 52487

Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: Ryan Magee  
Sponsoring Witness: Ryan Magee  
Beginning Sequence No. LC1855

Ending Sequence No. LC1855

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Question No.: TIEC 18-4

Part No.:

Addendum:

Question:

What probabilities did ETI put on additional cogeneration or interruptible load as part of the forecast shown in ABW-R-2?

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Response:

Customer projects that include cogeneration or interruptible loads are not included in the forecast.



ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
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Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
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Consumers

Prepared By: Abigail Weaver  
Sponsoring Witness: Abigail Weaver  
Beginning Sequence No. LC1856

Ending Sequence No. LC1858

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Question No.: TIEC 18-5

Part No.:

Addendum:

Question:

Regarding [REDACTED] in ABW-R-2, please provide the following information:

- a. How much load would be electrified;
  - b. What ETI means by [REDACTED]
  - c. A description of the current power source for that load; and
  - d. Any documents related to [REDACTED] including contracts, with any identifying information (including but not limited to physical and e-mail addresses) omitted.
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Response:

- a. The customer's load represented in this example is a [REDACTED] MW load, and if they proceed to electrify incremental portions of their facility, the customer has indicated their load would increase to [REDACTED] MW.
- b. Electrification refers to the process whereby a customer modifies their facilities to utilize electricity vs. another energy source, such as natural gas. For example, a customer may switch out a gas boiler to one that utilizes electricity.
- c. The customer is not currently connected to the Entergy Texas, Inc. system.
- d. See the Company's response to TIEC 17-2.

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Entergy Services, LLC.

ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
DOCKET NO. 52487

Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: Misty Harris  
Sponsoring Witness: Abigail B. Weaver  
Beginning Sequence No. LC1859

Ending Sequence No. LC1859

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Question No.: TIEC 18-6

Part No.:

Addendum:

Question:

Referring to the Rebuttal Testimony of Abigail B. Weaver page 44, line 21 to page 45, line 2, please provide any communications between ETI and the Independent Monitor from May 3, 2020 to present discussing whether he found the RFP terms to be fair, reasonable, and capable of attracting PPA bids.

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Response:

The Independent Monitor ("IM") found the RFP terms to be reasonable, as set forth in the IM Report attached to the Direct Testimony of Wayne Oliver as highly sensitive Exhibit WJO-3. Entergy Texas, Inc. does not have additional communications on this issue from May 3, 2020 to present.

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Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests

of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: Misty Harris  
Sponsoring Witnesses: Phong D. Nguyen;  
Abigail B. Weaver

Beginning Sequence No. LC1868

Ending Sequence No. LC1868

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Question No.: TIEC 18-7

Part No.:

Addendum:

Question:

Did the IM or the RFP development team evaluate whether to issue a RFP with terms that would allow a PPA to avoid being treated as a lease under Accounting Standards Codification (ASC) 842? If so, please provide any documents and communications discussing the development of RFP terms related to lease accounting rules.

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Response:

Information included in the response contains highly sensitive protected (“highly sensitive”) materials. Specifically, the responsive materials are protected pursuant to Texas Government Code Sections 552.101, 552.104 and/or 552.110. Highly sensitive materials will be provided pursuant to the terms of the Protective Order in this docket.

See the highly sensitive attachments (TP-52487-00TIE0-X018-001\_HSPM through TP-52487-00TIE0-X018-004\_HSPM) included on the secure ShareFile site provided to the parties that have executed protective order certifications in this proceeding.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO  
PARAGRAPH 4 OF DOCKET NO. 52487 PROTECTIVE ORDER**

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Counsel for ETI has reviewed this information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials Designation.

Laura Kennedy  
Entergy Services, LLC.

ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
DOCKET NO. 52487

Response of: Entergy Texas, Inc.  
to the Eighteenth Set of Data Requests  
of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: Ellen Lapson  
Sponsoring Witness: Ellen Lapson  
Beginning Sequence No. LC1860

Ending Sequence No. LC1860

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Question No.: TIEC 18-8

Part No.:

Addendum:

Question:

Please provide Ms. Lapson's understanding of what criteria have to be met for a PPA to be treated as a lease under ASC 842.

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Response:

ASC 842 defines a lease as "a contract, or part of a contract, that conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration." Control is considered to exist if the customer has both of the following:

- The right to obtain substantially all of the economic benefits from the use of [an identified] asset.
- The right to direct the use of the [identified] asset.

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Response of: Entergy Texas, Inc.  
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Consumers

Prepared By: Bobby Sperandeo  
Sponsoring Witness: Bobby Sperandeo  
Beginning Sequence No. LC1861

Ending Sequence No. LC1861

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Question No.: TIEC 18-9

Part No.:

Addendum:

Question:

Please provide ETI's understanding of what criteria have to be met for a PPA to be treated as a lease under ASC 842.

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Response:

The Company's understanding comports with Ms. Ellen Lapson's understanding as stated in the response to TIEC 18-8.

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PUBLIC UTILITY COMMISSION OF TEXAS  
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Response of: Entergy Texas, Inc.  
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of Requesting Party: Texas Industrial Energy  
Consumers

Prepared By: Ellen Lapson  
Sponsoring Witness: Ellen Lapson  
Beginning Sequence No. LC1862

Ending Sequence No. LC1862

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Question No.: TIEC 18-10

Part No.:

Addendum:

Question:

Please admit or deny that three criteria in determining whether a PPA contains a lease under ASC 842 are: (a) whether the power comes from an identifiable asset with no right of substitution for the seller; (b) whether the buyer has the right to control the asset; and (c) whether the buyer has the right to receive substantially all of the economic benefits of the contracted asset. If your answer is anything other than an unqualified "admit," please provide a full explanation of why you cannot admit.

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Response:

See the response to TIEC 18-8 for the criteria for determining whether a power purchase agreement is or contains a lease.