



## Filing Receipt

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**SOAH DOCKET NO. 473-22-2610**  
**PUC DOCKET NO. 53551**

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

**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 2, 2022, 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 340,000 retail customers in Texas. EPE proposes to apply the EECRF to all of its retail electric customers in its Texas service area that fall within the classes subject to the EECRF.

**A. Proposed 2023 EECRF and Request to Establish Revised Cost Cap**

EPE requests the authority to revise its EECRF for 2023 to reflect the following five components:

- 1) \$5,325,552 in projected energy efficiency program costs for 2023;
- 2) a \$2,200,669 performance bonus based on achieving demand savings in 2021 in excess of its goal;
- 3) \$85,367 in expenses from last year's EECRF proceeding;

- 4) \$290,647 to be surcharged to customers for under-recovery of 2021 program costs, including interest; and
- 5) \$67,272 in projected cost of evaluation, measurement, and verification costs.

The total amount that EPE requests be included in its 2021 EECRF is therefore \$7,969,507. 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 2023, 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).

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), to proceed with this approach, EPE requests that the Commission establish a revised cost cap for the residential and 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 666 kW hours of electricity per month being charged \$1.15 per month, which is an increase of \$0.18, or about a 0.18% increase in a residential customer's current average monthly bill of \$100.13.

EPE requests that the Commission approve the adjusted EECRF effective as of the first billing cycle of January 2023 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. On May 4, 2022, the Commission referred this case to the State Office of Administrative Hearings (SOAH) requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision, if such is necessary, and included a preliminary order. 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. 52081, 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 13, 2022**, 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 as Attachment C. The proposed protective order is **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.

#### V. NOTICE OF PREHEARING CONFERENCE

A **prehearing conference** will convene via videoconference commencing at **1:30 p.m., May 26, 2022**. Attend the hearing in one of these ways

Join by computer or smart device

Join by telephone (audio only)

Go to <https://soah-texas.zoomgov.com> and enter the following:

Meeting ID: 161 030 7043

Passcode: PHC-526

Call +1 669 254 5252, and enter the following:

Meeting ID: 161 030 7043

Passcode: 0165411

The following matters will be discussed at the prehearing conference:

1. Pending motions;
2. 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.

- d. Determine appropriate briefing deadlines that allow reply briefs to be filed on the date calculated in c. above.
  - e. Depending on transcript turnaround time, calculate the last hearing day that would allow a briefing deadline calculated in d. above.
  - f. Determine the number of days needed for hearing and determine which day would be the first day of hearing.
3. Service procedures, including service by email, by Interchange, or any other method acceptable to the parties.
  4. Any other matters that may assist in the disposition of this case in a fair and efficient manner.

To avoid the prehearing conference, the parties may submit a joint propose procedural schedule by May 24, 2022.

## VI. FILING AND SERVICE PROCEDURES

All documents shall be filed with the Commission's filing clerk, not with the SOAH filing clerk. Both the SOAH and Commission docket numbers must be included in the caption of all documents or other correspondence filed in this case. Parties wishing to hand-deliver a file-stamped copy of a document to the ALJ (such as protected material not available on the Commission interchange) should deliver it to Room 504, 5th Floor, William P. Clements Building, 300 West 15th Street, Austin, Texas.

**SIGNED: May 9, 2022.**

  
CHRISTIAAN STANO  
ADMINISTRATIVE LAW JUDGE  
STATE OFFICE OF ADMINISTRATIVE HEARINGS