



Filing Receipt

Received - 2022-09-16 05:52:45 PM
Control Number - 53719
ItemNumber - 115

September 16, 2022

Central Records
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

Re: SOAH Docket No. 473-22-04394; PUC Docket No. 53719 – *Application of Entergy Texas, Inc. for Authority to Change Rates* – **Errata No. 1**

Dear Central Records Staff:

Entergy Texas, Inc. (“ETI”) submits this Errata No. 1, which provides corrections to the Direct Testimony of certain witnesses, as well as certain Exhibits and Rate Filing Package Schedules, filed with ETI’s application in this docket on July 1, 2022.

The following non-substantive changes were made for the purpose of accuracy and clarity to the Direct Testimony of Bobby R. Sperandeo.

- At page 1, line 4 (Q1) “Foreset” is changed to “Forest” to correct a typo.
- At page 16, line 4 (Q18) the word “entirely” is replaced with the word “entirety.”
- At page 26, line 22 (Q38) the word “and” is added before “(3).”
- At page 27, lines 1-6 (Q38) the following text is removed from the description of the Corporate Development & Strategic Initiatives area of the Chief Financial Officer Services area because the same information is provided in the following paragraph: “; (4) providing data analysis advisory services to help EOCs solve problems, mitigate risks, and achieve goals; and (5) maintaining a data analytics platform comprised of software and other digital tools that houses data from various IT systems that is used for analysis and reporting by the analytics function as well as other functions across the company.”
- At page 34, line 14 (Q47) “ABW-B” is corrected to “BRS-B” and “ABW-C” is corrected to “BRS-C.”

Direct Testimony of Melanie L. Taylor, page 34, Figure 10 is corrected as follows: for 2017, “\$16,280,484” is corrected to “\$8,382,898”; for 2018 “\$28,556,934” is corrected to “\$14,623,076”; for 2019, “\$31,698,745” is corrected to “\$16,215,251”; for 2020, “\$64,877,597” is corrected to “\$33,182,360”; and for 2021, “\$91,729,959” is corrected to “\$46,229,254.” These revisions correct the inadvertent duplication of capital expense in the presentation of the data set only and do not affect the

cost of service or the company's request. A clean corrected version of Exhibit MLT-2 is provided through this errata.

Direct Testimony of Jennifer A. Raeder, page 61, line 13 (Q83) "21,409,231" is corrected to "21,407,567." This correction is made to accurately state the total ETI adjusted amount for the Human Resources class of affiliate costs.

Direct Testimony of Leslie Dennis, page 23, line 14 (Q47) "\$37,208" is corrected to "\$31,901" and "(2%)" is corrected to "(1%)" and page 23, line 15 (Q47) "2,433,174" is corrected to "\$2,438,480" and "(98%)" is corrected to "(99%)." These corrections are made to accurately state the allocations of affiliate costs for the Customer Service Operations class.

Direct Testimony of Meghan E. Griffiths is corrected to move testimony related to KFG, Inc. from Section V. Legal Fees and Expenses to Section VI. Consultant Fees and Expenses. The following non-substantive corrections reflect this change:

- At page 20, lines 14-18 (Q28) the sentences "I reviewed the invoices from KFG, Inc. ("KFG") for services performed from January 1, 2022 through February 28, 2022. The invoices from KFG are among my workpapers and include time worked on the ETI 2022 rate case and an explanation of the fees charged. Exhibit MEG-8 is a monthly summary of KFG's invoices." have been struck from this response.
- At page 21, line 8 (Q29) "KFG," has been struck from the response.
- The entire text of Section V. D. of Ms. Griffiths testimony, at pages 34-36 (Q54-Q59), is moved to Section VI.I. This change resulted in Section V.E. becoming Section V.D. and a corresponding renumbering of testimony questions on pages 36-53.
- At page 39, line 4 removes "and"; page 39, line 5 adds ";and"; page 39, line 6 adds "KFG, Inc. ("KFG")" to the bulleted list of consultants.
- At page 39, line 17 the word "and" at the beginning of the line is struck and the words ", and KFG." is inserted at following the words "Sargent & Lundy."
- At page 40 (Q63), the chart is updated to add the following: "KFG" under Firm, "Kenneth Gallagher" under Key Consultant, and "Nuclear Decommissioning" under Primary Area(s) of Responsibility.

Exhibit KV-12 to the Direct Testimony of Khamsune Vongkhamchanh contained a transcription error in the Demand Loss Analysis tab at cell C64. The value has been corrected to 1,988. This correction has no impact on other calculations within this Exhibit.

Highly Sensitive Exhibit ESH-4 (HSPM) to the Direct Testimony of Elizabeth S. Hunter contained a formula error which is now corrected. This change is necessary to accurately reflect the rates of return shown on the Exhibit for the years 2025 through 2045. A clean corrected version of Exhibit ESH-4 (HSPM) is provided through this errata.

Rate Filing Package Schedule O-6.3 contained a transcription error in the Demand Loss Analysis tab at cell C65. The value has been corrected to 1,988. This correction has no impact on other calculations within Schedule O-6.3.

Rate Filing Package Schedule E-2.5 removes a reference to Lewis Creek. This correction is necessary to show that Sabine is presently the only facility being served by Spindletop.

Rate Filing Package Schedule G-1.6 is updated to reflect the following: a reclass in the amount of \$220,252 concerning Merit Lump Sum, Impact Awards, Signing Bonus, Lump Sum Bonus, and Safety Award to the employee related payments column; inclusion of stock options in the amount of \$70,203 in incentive compensation; and inclusion of capitalized incentive reclass amounts of (\$33,432) charged to a below the line account. A clean corrected version of Schedule G-1.6 is provided through this errata.

Rate Filing Package Schedule Q-7 contained an error in the proposed voltage adjustment rate for LGS TOD. The stated proposed voltage adjustment rate for LGS TOD of (\$0.20) is corrected to (\$2.07) in the Schedule. The change is necessary to accurately reflect the LGS TOD adjustment rate. This correction has no impact on proposed revenues. A clean corrected version of Schedule Q-7 is provided through this errata.

Rate Filing Package Schedule Q-8.8 is corrected to include the rate schedule title sections. A clean corrected version of Schedule Q-8.8 has been provided through this errata.

The above-identified errata do not alter the relief requested in ETI's application. Except where indicated, attached to this letter are redlined and clean versions of the corrected Direct Testimony pages, Exhibits, and Schedules. Highly Sensitive Exhibit ESH-4 is being filed separately under seal. Highly Sensitive portions of this errata will be provided to the parties who have signed the protective order certifications in this docket. Finally, for the parties' convenience, ETI has attached a pdf of the Rate Filing Package MFR Schedules containing the corrected schedules.

Thank you for your assistance in this matter. If you have any questions, please do not hesitate to contact the undersigned counsel.

Sincerely,

A handwritten signature in black ink, appearing to read 'Georgy Hoyt', written over a horizontal line.

Georgy Hoyt
Attorney for Entergy Texas, Inc.

Enclosures

cc: All parties of record

1 **I. WITNESS INTRODUCTION AND QUALIFICATIONS**

2 **A. Qualifications**

3 Q1. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.

4 A. My name is Bobby R. Sperandeo. My business address is 2107 Research Forest
5 Drive, The Woodlands, Texas 77380. I am employed by Entergy Services, LLC.
6 (“ESL”) as the Director, ETI Finance for Entergy Texas, Inc. (“ETI” or
7 “Company”). ESL is the service company affiliate of ETI.

8
9 Q2. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
10 BACKGROUND.

11 A. I hold a Bachelor degree in Accounting and a Master of Business Administration
12 degree from the University of New Orleans. I am a Certified Public Accountant
13 and a Certified Internal Auditor. Prior to my employment with ESL, I worked for
14 Pan-American Life Insurance Group for seven years with various accounting roles
15 in their Controller’s group and Retirement Plan Services division. I began my
16 career with ESL in 2004 as an Accountant II in the Affiliate Accounting group.
17 In 2005, I was promoted to Accountant Lead and transferred to the Fuel
18 Accounting group. After four years in Fuel Accounting, I transferred to the
19 Utility Planning group where I worked on the financial plan for various operating
20 companies for approximately five years. In 2014, I joined the Regulatory
21 Services group where I served as the Regulatory Analyst for ETI for four years.
22 In 2018, I was promoted to my current position as Director, ETI Finance.

1 **V. ENTERGY’S COST CONTROL AND MONITORING PROCESS**

2 Q18. PLEASE DESCRIBE ENTERGY’S COST CONTROL AND MONITORING
3 PROCESS.

4 A. The cost control and monitoring process applies to the entirety of Entergy
5 Corporation (“Entergy” or the “Corporation”) and its affiliates. It consists of
6 (1) establishing annual budgets; and (2) reporting actual results against these
7 budgets.

8
9 **A. Establishing Annual Budgets**

10 Q19. WHAT BUDGETING PROCESS IS IN PLACE TO CONTROL COSTS THAT
11 GET ALLOCATED TO ETI?

12 A. ETI and the other Entergy-affiliated companies rely upon a three-phase budgeting
13 process that begins with Entergy’s executive management, and is ultimately relied
14 upon by ETI in developing its annual budget for non-fuel O&M and capital
15 expenditures. In the first phase, called “target-setting,” Entergy’s executive
16 management team establishes long-range financial plans, based upon the
17 Corporation’s prior year’s performance and future objectives. The long-range
18 financial plans, which encompass operational expectations, are used to develop
19 functional spending targets. Executive management establishes a process to
20 cascade these functional spending targets down through their respective functions,
21 ultimately reaching individual departments within the organization. In this
22 context, when I use the term “function,” I mean operational activities, such as
23 Distribution, Transmission, Nuclear, Corporate Services, and Power Generation.

ETI, as a whole, compare favorably to their peer groups with regard to costs and cost controls, particularly with regard to administrative and general costs, where significant levels of affiliate support costs for this Class are booked.

B. Financial Services Class Description

Q38. PLEASE DESCRIBE IN MORE DETAIL THE CHIEF FINANCIAL OFFICER SERVICES GROUP WITHIN THE FINANCIAL SERVICES CLASS.

A. The Chief Financial Officer Services Group within the Financial Services Class is comprised of the following areas: the Office of the Chief Financial Officer, Corporate Development & Strategic Initiatives, Investor Relations, Finance Business Partners, Revenue Forecasting and Sales & Load Forecasting.

The Office of the Chief Financial Officer is responsible for directing financial activities and enabling the proper delivery of the Finance Function services. The Chief Financial Officer also provides strategic direction, in particular, strategic input affecting the financing of investments in, and returns on, assets.

Corporate Development & Strategic Initiatives is responsible for: (1) providing valuation support on investment decisions and providing financial advisory services regarding work on mergers, acquisitions and other financial transactions in support of ETR's corporate strategic initiatives; (2) providing project management and decision-making frameworks to support the corporate strategic initiatives; and (3) monitoring, analyzing, and modeling key market

1 drivers, commodity markets, and economic environment impacting our business
2 and informing executive management and the EOCs of these findings.

3 Enterprise Data & Analytics is responsible for: (1) providing data analysis
4 advisory services to help EOCs solve problems, mitigate risks, and achieve goals;
5 and (2) maintaining a data analytics platform comprised of software and other
6 digital tools that houses data from various IT systems that is used for analysis and
7 reporting by the analytics function as well as other functions across the company.

8 Investor Relations is responsible for: (1) the timely communication of
9 information pertinent to an investment in Entergy and its affiliates to members of
10 the financial community; and (2) quarterly earnings releases, presentations,
11 analyst meetings, Entergy Corporation's annual report to shareholders, and the
12 investor guide/statistical supplement.

13 The Finance Business Partners provide: (1) financial decision support
14 services and overall financial planning and analysis for current and projected
15 business results for all of Entergy's departments; and (2) decision support to the
16 individual functions and operating companies, support financial planning &
17 analysis, and provide variance reporting & analysis. This group includes the
18 Operating Company Finance Directors who provide jurisdiction specific
19 monitoring, performance analysis and decision support for each of the regulated
20 utility companies, including ETI.

21 The Revenue Forecasting and Sales & Load forecasting departments
22 provide projected sales and revenues for financial planning purposes and support
23 analysis and decision making around business objectives.

1 Q47. WERE ANY AMOUNTS BILLED DIRECTLY, AND IF SO, WHY?

2 A. Yes. In the Test Year, ESL directly billed 15% of the services associated with the
3 Financial Services Class. Direct billing for these services was appropriate
4 because services were performed exclusively for ETI. For example, Project Code
5 F3PCF239TX, Corporate Reporting, Analysis/Policy EGS-TX, captures and
6 manages costs associated with performing general financial analysis and reporting
7 activities that are specifically related to ETI. It is appropriate that these and other
8 project costs included in Exhibits BRS-B and BRS-C are billed directly to ETI
9 using the “DIRECTTX” billing method because only ETI benefits from these
10 services.

11

12 Q48. DOES ESL ALLOCATE A PORTION OF THE COSTS OF THIS CLASS TO
13 ETI?

14 A. Yes, however, only costs incurred that benefit more than one of the Entergy
15 Companies are billed to these companies through an allocation.

16 Q49. ON WHAT BASIS ARE COSTS IN THIS CLASS ALLOCATED?

17 A. Each class is made up of services and related costs captured in one or more
18 project codes. As Mr. Dumas explains, only one allocation method is assigned to
19 each project code. Several departments may charge to a single project code, but
20 the allocation method for that project code remains the same. An allocation
21 method is selected based on cost causation. I will provide examples of this later
22 in my testimony. This practice ensures that each affiliate is charged the same

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C. Reliability Spending Trend

Q42. WHAT HAS BEEN THE TREND IN ETI'S ROUTINE DISTRIBUTION RELIABILITY SPENDING?

A. Figure 10 shows ETI's routine distribution reliability spending, excluding vegetation management, from 2017 through 2021. As shown in Figure 10, routine spending on reliability has increased substantially from 2017 to 2021.

**Routine Reliability Spending 2017-2021
(Capital and O&M)**

2017	2018	2019	2020	2021
\$8,382,898	\$14,623,076	\$16,215,251	\$33,182,360	\$46,229,254

Figure 10

D. Vegetation Management

Q43. PLEASE DESCRIBE ETI'S DISTRIBUTION LINE VEGETATION MANAGEMENT.

A. ETI's distribution line vegetation management consists primarily of three components: (1) a cycle-based proactive element; (2) a reactive, customer-driven component; and (3) a hazard tree component.

Q44. HAS THE COMPANY MADE IMPROVEMENTS TO VEGETATION MANAGEMENT?

A. Yes. In 2020, ETI implemented an artificial intelligence model ("Cycle Trim Model") to optimize its cycle trim plan for the year. The new Cycle Trim Model utilizes artificial intelligence to predict the best time to trim any particular feeder by projecting vegetation growth based on data provided to the model. The data

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Category	2017 Capital	OM	2017 Total	2018 Capital	OM	2018 Total	2019 Capital	OM	2019 Total	2020 Capital	OM	2020 Total	2021 Capital	OM	2021 Total
Backbone	1,205,518	38,435	1,243,952	944,590	30,007	974,598	2,400,189	76,924	2,477,114	4,696,907	262,911	4,959,818	1,099,490	28,238	1,127,728
Equipment Maintenance & Inspe	1,773,895	79,372	1,853,267	1,698,900	109,855	1,808,755	1,254,454	102,497	1,356,951	1,371,181	105	1,371,286	2,132,015		2,132,015
FLIP										137,680		137,680	6,448,090	660	6,448,749
FOCUS	3,191,793	94,843	3,286,636	4,904,726	299,803	5,204,529	2,990,996	112,388	3,103,384	8,367,720	284,611	8,652,331	8,110,856	157,855	8,268,711
Internal Projects	492,892	31,093	523,984	314,308	36,204	350,511	1,250,771	33,896	1,284,668	2,153,050	20,223	2,173,273	2,080,474	62,209	2,142,683
Pole Program	990,407	19,130	1,009,536	1,119,017	32,572	1,151,589	3,389,105	183,391	3,572,496	7,926,526	325,509	8,252,035	16,164,735	349,579	16,514,313
Underground Cable	121,806		121,806	3,895,615		3,895,615	943,288		943,288	3,807,905		3,807,905	8,691,762	2,527	8,694,288
Sectionalization	341,225	2,491	343,716	1,224,920	12,559	1,237,478	3,379,639	97,712	3,477,352	3,823,431	4,601	3,828,031	897,107	3,659	900,767
Grand Total	8,117,535	265,364	8,382,898	14,102,076	521,000	14,623,076	15,608,443	606,809	16,215,251	32,284,400	897,959	33,182,360	45,624,528	604,726	46,229,254

IPS Code Description	Custom Category	FP and Desc	2017 Capital	OM	2017 Total	2018 Capital	OM	2018 Total	2019 Capital	OM	2019 Total	2020 Capital	OM	2020 Total	2021 Capital	OM	2021 Total	
Major Reliability Programs	Backbone	F1PCDA0989 - FEEDER BACKBONE CIRCUIT INSPECTION	745,837	35,775	781,612	613,413	24,350	637,763	1,548,095	76,668	1,624,763	1,561,005	102,566	1,663,571				
		F1PPDA0989 - MAXIMO DIST BACKBONE IMPROVE BLKT							137		137	1,064,069	17,270	1,081,339	933,936	28,238	962,173	
		F1PPU26439 - 84 DeQueen Backbone PA15-0111	244,462	2,659	247,121	312,284	5,657	317,941	3		3							
		F1PPU26454 - 86 DeQueen Backbone PA15-0121	215,219		215,219	18,268		18,268	85		85							
		F1PPU26821 - 2017 Backbone 801FE - 168 Locations				626		626	176,250		176,250	96,452		96,452				
		F1PPU27003 - 198 Crockett - Backbone Reliability							84,056		84,056	255,388	57,705	313,093				
		F1PPU27025 - BKBONE-2018-724DY-SBRK-BB17T012							37,443		37,443	532,256	55,011	587,267				
		F1PPU27034 - BB19T016 - Backbone - 64CRK										21,086		21,086	(21,086)		(21,086)	
		F1PPU27100 - 101BL Backbone							90,656		90,656	95,181		95,181	190,003		190,003	
		F1PPU27227 - West End Backbone Proj - BB19T043										569,951		569,951	(3,362)		(3,362)	
		F1PPU27281 - BKBONE-2019-BB19T013-600HU							319,182	11	319,193	230,910	30,358	261,268				
		F1PPU27408 - 2019 BACKBONE - BB19T042 - 66MAN							22,726		22,726							
		F1PPU27516 - BKBONE-2019-BB19T008-920DO							121,557	245	121,802	270,609		270,609				
		Backbone Total	#####	38,435	#####	944,590	30,007	974,598	2,400,189	76,924	2,477,114	4,696,907	#####	4,959,818	1,099,490	28,238	1,127,728	
		Equipment Maintenance & Ins	F1PCDA0598 - DISTRIBUTION EQUIPMENT MAINTENANCE	1,759,521	79,372	1,838,893	1,673,178	109,854	1,783,032	1,181,174	102,497	1,283,670	961,876	105	961,981			
		F1PCU25008 - DISTR UG Network Inspection/Maint	14,374		14,374	25,722	1	25,723	73,280		73,280							
		F1PPDA0598 - MAXIMO DIST EQUIPMENT MAINT BLKT										409,305		409,305	2,132,015		2,132,015	
Equipment Maintenance & Inspection Total			#####	79,372	#####	1,698,900	#####	1,808,755	1,254,454	#####	1,356,951	1,371,181	105	1,371,286	2,132,015	-	2,132,015	
FLIP	FLIP	F1PPU27554 - Feeder Inv Package - 336NC - Section													448,953		448,953	
		F1PPU27561 - Feeder Inv Package-241WS-Sectional													179,740		179,740	
		F1PPU27562 - Feeder Inv Package-724DY-Sectional													414,749		414,749	
		F1PPU27563 - Feeder InvPackage - 101BL - Section										42,191		42,191	366,889		366,889	
		F1PPU27564 - Feeder Inv Package-381MC-Sectional										42,191		42,191	81,441		81,441	
		F1PPU27565 - Feeder Inv Pack-520BW-FeederDivide													2,633,764	77	2,633,841	
		F1PPU27566 - Feeder Inv Package-566CR-FeederTie							11,108		11,108	1,711,678		1,711,685	7		1,711,685	
		F1PPU27578 - Feeder Inv Package-100BL-Sectional							42,191		42,191	610,875		610,875	575		611,451	
		FLIP Total	-	-	-	-	-	-	-	-	-	137,680	-	137,680	6,448,090	660	6,448,749	
		FOCUS	F1PPDA1700 - DISTR FOCUS PROGRAM	3,064,983	94,843	3,159,827	4,605,283	299,741	4,905,024	1,950,027	112,334	2,062,361	1,210,449	61,586	1,272,035	(42,035)		(42,035)
			F1PPDA1750 - MAXIMO DIST FOCUS BLKT							19,986		19,986	5,402,614	197,673	5,600,287	6,562,035	157,379	6,719,414
			F1PPU26357 - 808P OR424 FC15T21-HU1	126,810		126,810	65,227	62	65,289									
			F1PPU26767 - FC15T062-BM 2016 FOCUS				234,217		234,217	20,235		20,235	276,460		276,460			
F1PPU27028 - FC19T019_FOCUS_568DC_RCLR7355								302,579	54	302,633	30,863	1,244	32,107	39,749	39,749			
F1PPU27141 - FOCUS-2020-AD20T002-809PD-973								469,988		469,988	811,832		811,832					
F1PPU27300 - Focus-FC20T014-722ME-LFUS 3061										106,083		106,083	173,881		173,881			
F1PPU27329 - FOCUS-Recloser-15321										379,493		379,493						
F1PPU27422 - FOCUS-AD20T019-FDR-131VI-RECLOSER										785		785	606,623	95	606,717			
F1PPU27424 - FOCUS-2020_FC20T035_211BA_RCLR 2158										10,334		10,334	163,340		163,340			
F1PPU27459 - FOCUS-DLOC 5398822089							228,181		228,181	138,806	24,108	162,914						
F1PPU28023 - FOCUS-2021-FC20T006-251KP-RCLR 7467													198,558	371	198,929			
F1PPU28025 - FOCUS-2021-FC21T051-141LV-SBKR 141													408,704	10	408,714			
FOCUS Total	#####	94,843	#####	4,904,726	#####	5,204,529	2,990,996	#####	3,103,384	8,367,720	#####	8,652,331	8,110,856	#####	8,268,711			
Internal Projects	Internal Projects	F1PCDA0198 - DISTRIBUTION INTERNAL PROJECTS	381,059	1,784	382,842	187,758	7,983	195,741	541,336	(53)	541,283	(2,563)	145	(2,418)	(7,406)		(7,406)	
		F1PCU25084 - TEXAS TARGETED CIRCUITS PROGRAM	2,472		2,472					182	182		(48)		(48)			
		F1PPDA2600 - DISTR OCA Outage Causal Analysis	74,162	32	74,194	2,897		2,897		621,891	3	621,894	1,520,160	1,224	1,521,384	943,060	13,603	956,663
		F1PPU25008 - MAXIMO DIST NETWORK IMPROVE BLKT																
		F1PPU27502 - Sandy Shores Neutral relocation							84,840		84,840	246,407	3,504	3,504	1,872	622	2,494	
		F1PCU25021 - DISTR STRATEGIC RELIABILITY	30,503	29,277	59,780	123,653	28,220	151,874	2,704	33,764	36,468							
		F1PPDA1300 - DISTR:Optimized Patrol Program	4,696		4,696													
		F1PPDA1350 - MAXIMO DIST OPTIMIZED PATROL BLKT																
		F1PPU25021 - MAXIMO DIST STRATEGIC RELIAB BLKT										354,489	15,398	369,886	1,142,900	47,072	1,189,972	
		F1PPU27417 - Veg-Reliability Improvement Program										27,151		27,151	2,332		2,332	
		F1PPU27450 - ARC Program - Lighthouse										7,406		7,406	(2,385)		(2,385)	
		Internal Projects Total	492,892	31,093	523,984	314,308	36,204	350,511	1,250,771	33,896	1,284,668	2,153,050	20,223	2,173,273	2,080,474	62,209	2,142,683	
		Pole Program	Pole Program	F1PCUA5001 - DISTR POLE REPLC PROGRAM & LINE MTC	990,407	19,130	1,009,536	1,119,017	32,572	1,151,589	3,383,868	182,792	3,566,660	7,461,608	302,472	7,764,080		
F1PPPOLNWI - Pole - Network Identify Replace															631,828	34,878	666,706	
F1PPPOLRPL - Pole Program - Insp Rest NP-RPL															13,687,148	297,090	13,984,238	
F1PPUA5001 - MAXIMO DIST REPLACE POLE BLKT									5,236	599	5,836	464,919	23,037	487,955	17,610	1,863,369		
Pole Program Total	990,407			19,130	#####	1,119,017	32,572	1,151,589	3,389,105	#####	3,572,496	7,926,526	#####	8,252,035	#####	#####	#####	
Underground Cable	Underground Cable	F1PPU26466 - 743 OK Cable Replacement	3,172		3,172													
		F1PPU26699 - Wdinds Rcb1 724ME 17MC86 - 21GM36	14,910		14,910	880,649		880,649										
		F1PPU26778 - Orange UG Re-Cable				58,575		58,575	368,905		368,905							
		F1PPU26779 - Silsbee UG Re-Cable				241,682		241,682	(10,641)		(10,641)							
		F1PPU26783 - Conroe Recable 591AP LF# 3914	78,237		78,237	238,235		238,235										
		F1PPU26789 - Recable 521BW LF7453 - 23BW10				573,410		573,410	(19,779)		(19,779)							
		F1PPU26803 - Recable - 724ME - 17GM42 to 21GM36	23,629		23,629	299,452		299,452	(0)		(0)							
		F1PPU26811 - Recable 506CN LF10375 - C5										4,838		4,838	287	287		
		F1PPU26925 - Recable - 2017 - 707GL - B1 TO B2				335,423		335,423										
		F1PPU26947 - Conroe RECABLE 560WD LF# 9533				305,758		305,758	59,528		59,528							
		F1PPU26948 - Conroe RECABLE 506CN LF# 9768				957,127		957,127	492,659		492,659	5,730		5,730				
		F1PPU27454 - RE-CABLE-703GL-22CX26to20CX35						52,059		52,059	886,111		886,111					
		F1PPU27460 - RECABLE-2017-724ME-22GM41 to 17GM60	1,857		1,857	5,304	5,304	557		557	283,183		283,183					
		F1PPU27533 - RECABLE-2018-539LA-LF 3510 N(40)-50									512,347		512,347					
		F1PPU27660 - Woodlands Recable 709GL PC222												2,126,653		2,126,653		
		F1PPU27706 - Woodlands Recable 709GL PC221												470,588	2,527	473,115		
		F1PPU27710 - Conroe Recable 563WD												539,151		539,151		
		F1PPU27711 - Woodlands Recable 741OK												1,718,290		1,718,290		
		F1PPU27721 - Conroe Recable 741OK																
		F1PPU27721 - Conroe Recable 2018 506CN LF3565										553,485		553,485				
		F1PPU27722 - Conroe Recable 2018 539LA LF5955										293,305		293,305				
		F1PPU27723 - Conroe Recable 2018 539LA LF3511										658,174		658,174				
		F1PPU27742 - April Sound Recable														713,594	713,594	
F1PPU27782 - Woodlands Cable Injection 744OK														623,234	623			

1 Q82. DO ETI'S CUSTOMERS BENEFIT FROM HR SERVICES?

2 A. Yes. Similar to Entergy's Compensation and Benefits Programs, Entergy's HR
3 Class is critical to ensuring that Entergy is able to attract and retain qualified
4 employees, who in turn, provide quality service to the EOCs' customers.

5 ETI's customers also benefit from centralized HR services, because the
6 costs associated with the HR Department are shared between ETI and the other
7 EOCs. If ETI had a stand-alone HR Department, the costs to its customers would
8 be higher due to a loss of economies of scale.

9

10 **E. Overview of HR Class Costs and Billing Methods**

11 Q83. WHAT IS THE TOTAL ETI ADJUSTED AMOUNT FOR THE HR CLASS?

12 A. As shown in Table 8, the total ETI adjusted amount for this class of services is
13 \$21,407,567.

14 **Table 8: HR Class – Total ETI Adjusted Amount²⁰**

		Total ETI Adjusted		
Class	Total Billings	Amount	% Direct Billed	% Allocated
HR	\$621,169,957	\$21,407,567	20%	80%

²⁰ **Total Billings** is ESL's total billings to all Entergy companies for the Test Year, plus all other affiliate charges that originated from any Entergy company. This is the amount from Column C of Exhibits JAR-A, JAR-B, and JAR-C. **Total ETI Adjusted Amount** is ETI's cost of service amount after pro forma adjustments and exclusions. **% Direct Billed** is the percentage of the Total ETI Adjusted Amount that was billed directly to ETI for the Test Year. **% Allocated** is the percentage of the Total ETI Adjusted Amount that was allocated to ETI for the Test Year.

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1 explains the shared services loading process, and the witnesses who support the
2 types of costs reflected in the shared services loader, bolsters this category of costs
3 in the Customer Service Operations Class.

4 Office and Employee Expenses (1%) covers costs of maintaining
5 workspaces, office supplies, business travel, etc. Workspaces and office supplies
6 are primarily addressed by Ms. Renton, and Mr. Sperandeo supports the employee
7 business travel and expense processes and, thus, they provide secondary support
8 for this category of costs in this class. The remaining costs consist of other
9 expenses.

10

11 Q47. HOW ARE THE COSTS OF THIS CLASS OF SERVICES BILLED TO ETI?

12 A. As with all classes of ESL charges, the Customer Service Operations Class costs
13 are both direct billed and allocated to affiliates. Of the \$2,470,381 Total ETI
14 Adjusted amount for this class, \$31,901 (1%) was directly billed to ETI and
15 \$2,438,480 (99%) was allocated to ETI.

16 Direct-billed costs are fully assigned to a single affiliate, such as ETI.
17 Allocated costs are billed to two or more affiliates based on the cost-causative
18 driver of the services provided by ESL. As Mr. Dumas explains, project codes are
19 utilized to capture ESL costs. All ESL costs are billed to one or more project codes.
20 Each project code is assigned a billing method, which is the mechanism for
21 ensuring that the costs captured are billed to the correct entity and that the amount
22 billed—either directly or by way of an allocation—is accurate. Exhibits LD-B and
23 LD-C show all of the costs included in the Customer Service Operations Class of

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2 types of costs reflected in the shared services loader, bolsters this category of costs
3 in the Customer Service Operations Class.

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12 A. As with all classes of ESL charges, the Customer Service Operations Class costs
13 are both direct billed and allocated to affiliates. Of the \$2,470,381 Total ETI
14 Adjusted amount for this class, ~~\$37,208~~\$31,901 (21%) was directly billed to ETI and
15 ~~\$2,433,174~~\$2,438,480 (9899%) was allocated to ETI.

16 Direct-billed costs are fully assigned to a single affiliate, such as ETI.
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18 driver of the services provided by ESL. As Mr. Dumas explains, project codes are
19 utilized to capture ESL costs. All ESL costs are billed to one or more project codes.
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21 ensuring that the costs captured are billed to the correct entity and that the amount
22 billed—either directly or by way of an allocation—is accurate. Exhibits LD-B and
23 LD-C show all of the costs included in the Customer Service Operations Class of

1 invoices are among my workpapers and include time, task, and attorney
2 information, as well as billing category task codes. Exhibits MEG-2 and MEG-5
3 contain monthly summaries of Eversheds' invoices. In addition, I reviewed the
4 invoices and supporting documents for Duggins Wren Mann & Romero LLP
5 ("Duggins Wren") for the time period from January 1, 2019 through August 31,
6 2020 in connection with Docket No. 49916 and October 1, 2021 through
7 February 28, 2022 in connection with Docket No. 53719. The invoices from
8 Duggins Wren are among my workpapers and include time, task, attorney
9 information, and billing category task codes. Exhibits MEG-3 and MEG-6 contain
10 monthly summaries of Duggins Wren's invoices. I also reviewed the invoices for
11 Jager Smith LLC ("Jager Smith") for the time period from February 1, 2022
12 through March 31, 2022. The invoices from Jager Smith are among my workpapers
13 and include time, task, attorney information, and billing category task codes.
14 Exhibit MEG-7 is a monthly summary of Jager Smith's invoices. I also reviewed
15 the invoices from Taggart Morton LLC ("Taggart Morton") for services performed
16 from March 1, 2022 through March 31, 2022. The invoice from Taggart Morton is
17 among my workpapers and includes time, task, attorney information, and billing
18 category task codes. Exhibit MEG-9 is a monthly summary including the Taggart
19 Morton invoice.

20

1 Q29. PLEASE DESCRIBE YOUR REVIEW OF THE INVOICES FOR LEGAL
2 SERVICES AND SUPPORTING DOCUMENTATION.

3 A. I spoke with Ms. Garza regarding the scope of services being provided by
4 Eversheds and the other firms providing legal services in Entergy's rate
5 proceedings, the key issues in the cases, and Entergy's rate case expense request. I
6 subsequently reviewed the invoices and time entries of Eversheds, Duggins Wren,
7 Jager Smith, and Taggart Morton. I also spoke with Ms. Garza regarding the
8 respective roles of the attorneys on the Entergy rate case team.

9
10 A. **Eversheds**

11 Q30. ARE YOU FAMILIAR WITH THE EXPERIENCE AND REPUTATION OF
12 THE EVERSLEDs TEAM?

13 A. Yes. I have known the Eversheds attorneys working on this case professionally for
14 many years, and I have personal knowledge of the high level of experience and
15 professionalism that each attorney on the team brings to the case. Lino Mendiola
16 has more than 25 years of experience representing utilities, private equity investors,
17 and large industrial energy users before state and federal regulatory agencies. He
18 is recognized as a leading lawyer in Texas electric regulatory law. Mr. Mendiola
19 has represented Entergy since 2015 and is serving as one of the lead counsels for
20 the utility in this proceeding. Michael Boldt has 14 years of experience in electric
21 rate and regulatory proceedings and has represented Energy since 2015. John
22 Zerwas, Caren Pinzur, and Ms. Garza have 14, 10, and five years of experience in
23 electric rate and regulatory proceedings, respectively. Ms. Garza has been

1 no time entries for more than 12 hours in a single day. The invoices reviewed to
2 date appear to have been calculated correctly. No double billings or inconsistencies
3 were found. Nothing was found that appeared unusual or unreasonable in the
4 expenses included on the invoices. It appears that none of the legal fees should
5 have been assigned to other jurisdictions or other matters, that none were lacking
6 in supporting documentation or other verification (after due inquiry to the extent
7 necessary), and that no luxury items were billed to the utility.

8
9 **D. Taggart Morton**

10 Q54. PLEASE DESCRIBE TAGGART MORTON'S ROLE IN THE CASE.

11 A. It is my understanding that Taggart Morton specializes in representing public
12 utilities and has an existing relationship with Entergy Corp., Entergy's parent
13 company. Similar to Docket No. 48371, Taggart Morton was engaged to provide
14 Entergy with legal advice with respect to case strategy. I have reviewed the
15 information provided on its website.

16 Q55. DID YOU REVIEW ANY INVOICES FOR TAGGART MORTON?

17 A. Yes, I have reviewed an invoice for services provided for Entergy for March 2022.
18 The invoice is included among my workpapers. Exhibit MEG-9 is a monthly
19 summary of Taggart Morton invoices.

20

1 Q56. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE
2 SUBMITTED BY TAGGART MORTON?

3 A. I did not make any adjustments to the Taggart Morton invoice.
4

5 Q57. WHAT WAS THE RATE INCURRED BY ENTERGY ON THE INVOICE FOR
6 SERVICES PERFORMED IN MARCH 2022?

7 A. The hourly rate was \$305, and Taggart Morton's fees for services performed in
8 March 2022 totaled \$152.00.
9

10 Q58. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF
11 THE RATES AND CHARGES BY TAGGART MORTON IN THIS CASE?

12 A. The rate charged by Taggart Morton is reasonable. The number of hours billed is
13 reasonable. The invoice was calculated correctly. There were no double billings.
14 There were no charges that should have been recovered through the reimbursement
15 for other expenses. None of the charges should have been assigned to other
16 jurisdictions or other matters. There were no time entries for more than 12 hours
17 in a single day. No luxury items were billed to the utility. Accordingly, in my
18 opinion the amounts charged to date by Taggart Morton are necessary, reasonable,
19 and warranted, and thus not extreme or excessive.
20

21 **VI. CONSULTANT FEES AND EXPENSES**

1 Q59. WAS IT NECESSARY FOR ENTERGY TO RETAIN CONSULTANTS FOR
2 THIS PROCEEDING?

3 A. Yes. Entergy does not have the internal expertise necessary to properly and
4 adequately address all of the complex issues in a base rate case without the
5 assistance of qualified outside consultants. Its reliance on outside consultants for
6 this case is necessary and reasonable. Entergy is also a fully-integrated utility such
7 that it provides generation, transmission and distribution, and retail service to its
8 customers. As such, its rate cases are complex.

9

10 Q60. WHAT FIRMS ARE PROVIDING CONSULTING SERVICES TO ENTERGY
11 IN THIS 2022 RATE CASE?

12 A. The following consulting firms have been retained to provide services in connection
13 with this case:

- 14 • Alliance Consulting Group (“Alliance”);
- 15 • The Brattle Group;
- 16 • Commonwealth Consulting Group (“Commonwealth”);
- 17 • Expert Powerhouse, LLC DBA Expergy (“Expergy”);
- 18 • Jackson Walker LLP (“Jackson Walker”);
- 19 • Lewis & Ellis, Inc. (“Lewis & Ellis”);
- 20 • Osprey Energy Group (“Osprey”);
- 21 • Sargent & Lundy, L.L.C. (“Sargent & Lundy”); and
- 22 • KFG Inc. (“KFG”).

1 If other consulting firms subsequently provide services to the utility in connection
2 with this case, or the consulting firms listed above submit further invoices beyond
3 those which I have reviewed, that will be something that can be addressed in
4 supplemental testimony or an affidavit in this docket.

5

6 Q61. WHAT INVOICES OR SUPPORTING DOCUMENTATION FOR
7 CONSULTING SERVICES DID YOU REVIEW?

8 A. I reviewed engagement letters and/or invoices submitted to Entergy directly or to
9 Eversheds or Duggins Wren (and then passed through to Entergy) by Alliance, The
10 Brattle Group, Commonwealth, Expergy, Jackson Walker, Lewis & Ellis, Osprey,
11 Sargent & Lundy, and KFG. As the case progresses, I will review the additional
12 invoices submitted as well as invoices for the other consultants.

13

14 Q62. ARE THE CONSULTANTS' INVOICES SIMILAR TO THE INVOICES
15 SUBMITTED BY THE LAW FIRMS?

16 A. Yes. For the most part, the consultants' invoices include identification of the person
17 or persons performing a billable task, the time they spent, and a description of the
18 task or tasks performed.

19

20 Q63. WHAT SERVICES DID AND DO THE OUTSIDE CONSULTANTS PROVIDE
21 TO ENTERGY?

22 A. The table below lists the consulting firms, the key consulting professionals, and
23 their primary areas of responsibility.

Firm	Key Consultant(s)	Primary Area(s) of Responsibility
Alliance	Dane A. Watson	Depreciation Study
The Brattle Group	Ann E. Bulkley	Return on Equity, Capital Structure
Commonwealth	Lisa Blankenship	Benchmarking Analysis
Expergy	Jay Joyce	Lead-Lag Study for Cash Working Capital Allowance
Jackson Walker	Meghan Griffiths	External Rate Case Expenses
Lewis & Ellis	Gregory S. Wilson	Self-Insurance (Storm) Reserve
Osprey	Jess K. Totten	Policy Perspective on Utility Ratemaking in Texas
Sargent & Lundy	Sean C. McHone	Demolition Study
KFG	Kenneth Gallagher	Nuclear Decommissioning

1 For more detail on the principal subjects of testimony by witness, please see
2 Entergy witness Eliecer Viamontes' direct testimony.

3

4 Q64. DID YOU APPLY THE STANDARDS YOU DESCRIBED EARLIER IN YOUR
5 TESTIMONY WHEN YOU REVIEWED THE WORK PERFORMED BY
6 THOSE CONSULTANTS?

7 A. Yes.

8

9 Q65. HOW DID YOU EVALUATE THE RATES CHARGED BY THOSE
10 CONSULTANTS?

11 A. Based on my understanding of the issues in this rate case and prior rate cases, as
12 well as prior testimony regarding each of the key consultants' experience,
13 credibility, and competence, and additional due diligence when necessary, I was
14 able to evaluate the reasonableness of the rates charged in this case.

1 Q66. WHAT IS YOUR CONCLUSION REGARDING THE RATES CHARGED BY
2 THE CONSULTANTS IN THIS CASE?

3 A. The rates charged by the consultants are reasonable for these types of rate case
4 services, and thus not extreme or excessive, as discussed for each in turn below.
5

6 A. Alliance

7 Q67. ARE YOU FAMILIAR WITH ALLIANCE'S WORK?

8 A. I am familiar with Alliance's depreciation work and Dane A. Watson's excellent
9 professional reputation. Mr. Watson specializes in regulatory and financial
10 consulting for utilities and has extensive experience in preparing depreciation
11 studies. He is the principal of Alliance, which he formed after working with TXU
12 for approximately 20 years. He has over 30 years of experience in the area of
13 depreciation and valuation, including prior experience providing testimony on
14 behalf of Entergy. He is a Certified Depreciation Professional by the Society of
15 Depreciation Professionals and is active in industry organizations, including service
16 as the Chairman of Edison Electric Institute Property Accounting and Valuation
17 Committee. He is also a Registered Professional Engineer ("PE") in the State of
18 Texas. Specific information regarding Mr. Watson's education and professional
19 experience is included in his direct testimony.
20

21 Q68. DID YOU REVIEW ALL OF THE ALLIANCE INVOICES?

22 A. Yes, I have reviewed all of the invoices submitted by Alliance for depreciation study
23 services performed for Entergy from January 1, 2022 to February 28, 2022. The

1 invoices are included among my workpapers. Exhibit MEG-10 is a monthly
2 summary of the Alliance's invoices.

3

4 Q69. DID THE ALLIANCE INVOICES INCLUDE TIME BILLED BY PERSONNEL
5 OTHER THAN THE KEY CONSULTANT?

6 A. Yes. Mr. Watson has others assisting him who bill at hourly rates less than his,
7 including Karen Ponder, Rebecca Richards, Rhonda Watts, and Alan Ponder. This
8 team approach maximizes the quality of the overall work and reduces the overall
9 cost of the consulting services provided. Ms. Ponder assisted in performing the
10 depreciation study, including data gathering and analysis. Ms. Richards assisted in
11 the accrual template and appendices for the report. Ms. Watts worked on interim
12 retirement data and evaluation for production and transmission. Mr. Ponder worked
13 on data reconciliation.

14

15 Q70. WHAT WERE THE RATES OF MR. WATSON, MS. PONDER, MS.
16 RICHARDS, MS. WATTS, AND MR. PONDER INCURRED BY ENTERGY ON
17 INVOICES RECORDED AND PAID FOR SERVICES RENDERED THROUGH
18 FEBRUARY 28, 2022?

19 A. Alliance's fees were \$14,593.75. Mr. Watson's rate was \$295 per hour.
20 Ms. Ponder's, Ms. Richards', and Ms. Watts' rate was \$195 per hour. Mr. Ponder's
21 rate was \$80 per hour.

1 Q71. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES
2 SUBMITTED BY ALLIANCE?

3 A. I did not make any adjustments to the Alliance invoices.
4

5 Q72. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF
6 THE RATES AND CHARGES BY ALLIANCE IN THIS CASE?

7 A. The rates charged by Alliance are reasonable and are only somewhat higher than
8 the rates Alliance charged in the prior Entergy rate case.²⁷ Alliance's rate is also
9 comparable to the rate charged recently by Mr. Watson for his services in other rate
10 cases and supported as reasonable by rate case expense testimony in Docket
11 Nos. 51802²⁸ and 51611.²⁹ The number of hours billed is reasonable. The invoices
12 were calculated correctly. There were no double billings. There were no charges
13 that should have been recovered through the reimbursement for other expenses.
14 None of the charges should have been assigned to other jurisdictions or other
15 matters. There were no time entries for more than 12 hours in a single day. No
16 luxury items were billed to the utility. Accordingly, in my opinion the amounts
17 charged to date by Alliance are necessary, reasonable, and warranted, and thus not
18 extreme or excessive.

²⁷ Docket No. 48439, Direct Testimony of Stephen F. Morris at 33 (Jan. 18, 2019), available at https://interchange.puc.texas.gov/Documents/48439_4_1005162.PDF.

²⁸ *Application of Southwestern Public Service Company for Authority to Change Rates*, Docket No. 51802, Southwestern Public Service Company's Motion to Admit Additional Evidence and Response to Commission Counsel's April 5, 2022 Memorandum, SPS Exhibit 111 – Second Supplemental Affidavit of Thomas K. Anson Regarding Rate Case Expenses at 4 (Apr. 14, 2022).

²⁹ *Application of Sharyland Utilities, L.L.C. for Authority to Change Rates*, Docket No. 51611, Direct Testimony of Meghan E. Griffiths at 20 (Dec. 18, 2020).

1 B. **Brattle Group**

2 Q73. ARE YOU FAMILIAR WITH THE BRATTLE GROUP'S WORK?

3 A. Yes. The Brattle Group is a well-known consulting firm providing advice on utility
4 matters. I am familiar with the Brattle Group's excellent professional reputation.
5 Specific information regarding education and experience of the Brattle Group
6 employee, Ann E. Bulkley, who assisted Entergy in its rate case proceeding, is
7 included in her direct testimony.

8

9 Q74. DID YOU REVIEW THE BRATTLE GROUP ENGAGEMENT LETTER?

10 A. Yes. Ms. Bulkley's rate was \$625 per hour.

11

12 Q75. DID YOU REVIEW ANY INVOICES FOR THE BRATTLE GROUP?

13 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
14 reasonableness and necessity of the fees and expenses through supplemental
15 testimony or an affidavit.

16

17 C. **Commonwealth**

18 Q76. WHAT WORK IS COMMONWEALTH PROVIDING?

19 A. Lisa Blankenship of Commonwealth is providing a benchmarking analysis,
20 document review and preparation, and testimony review on behalf of Entergy for
21 its rate case presentation. Ms. Blankenship has extensive expertise in this area and
22 has specifically provided benchmarking analysis for Entergy in many of its rate
23 proceedings.

1 Q77. WHAT IS MS. BLANKENSHIP'S HOURLY RATE?

2 A. Ms. Blankenship's rate is \$125 per hour.

3

4 Q78. HAVE YOU REVIEWED ANY COMMONWEALTH INVOICES?

5 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
6 reasonableness and necessity of the fees and expenses through supplemental
7 testimony or an affidavit.

8

9 D. **Expergy**

10 Q79. WHAT WORK DID EXPERGY PROVIDE?

11 A. Jay Joyce of Expergy provided a lead-lag study and supporting testimony on behalf
12 of Entergy for its rate case presentation. Mr. Joyce is the principal of Expergy and
13 has extensive experience conducting lead-lag studies, testifying before the
14 Commission and other regulatory agencies through the United States, and has
15 testified in prior Entergy rate cases. Specific information regarding Mr. Joyce's
16 education and professional experience is included in his direct testimony.

17

18 Q80. DID YOU REVIEW ALL OF EXPERGY'S INVOICES AND SUPPORTING
19 DOCUMENTATION?

20 A. Yes, I have reviewed the invoice submitted by Expergy for its lead-lag study for
21 cash working capital allowance for Entergy from February 1, 2022 to February 28,
22 2022. The invoice is included among my workpapers. Exhibit MEG-11 is a
23 monthly summary of Expergy invoices, which I will update as the case progresses.

1 Q81. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE
2 SUBMITTED BY EXPERGY?

3 A. I did not make any adjustments to the Expergy invoice.
4

5 Q82. WHAT WERE THE FEES AND WHAT WAS MR. JOYCE'S HOURLY RATE?

6 A. Expergy's fees were \$11,020.00. Mr. Joyce's rate was \$290 per hour.
7

8 Q83. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF
9 THE RATE AND CHARGES BY EXPERGY IN THIS CASE?

10 A. The rate charged by Expergy is reasonable and is only slightly higher than the rate
11 Mr. Joyce charged in the prior Entergy rate case.³⁰ Mr. Joyce's rate is also
12 comparable to the rate charged recently for his services in other rate cases and
13 supported as reasonable by rate case expense testimony in Docket Nos. 48591³¹ and
14 an affidavit in Docket No. 49351.³² The number of hours billed is reasonable. The
15 invoice was calculated correctly. There were no double billings. There were no
16 charges that should have been recovered through the reimbursement for other
17 expenses. None of the charges should have been assigned to other jurisdictions or
18 other matters. There were no time entries for more than 12 hours in a single day.

³⁰ Docket No. 48439, Direct Testimony of Stephen F. Morris at 37 (Jan. 18, 2019).

³¹ *Review of Rate Case Expenses Incurred by Texas New Mexico Power Company and Municipalities in Docket Nos. 48401, 35038, and 41901*, Docket No. 48591, Direct Testimony of Stacy R. Whitehurst at 9 (Bates 254) (Mar. 22, 2019).

³² *Ratepayers Appeal of the Decision by Bear Creek Special Utility District to Change Rates*, Docket No. 49351, Bear Creek Special Utility District's First Supplemental Response to Commission Staff's Seventh Request for Information Question Nos. Staff 7-3, 7-26, 7-27 at Page 8 of 48 (Jan. 14, 2021).

1 No luxury items were billed to the utility. Accordingly, in my opinion the amounts
2 charged to date by Expergy are necessary, reasonable, and warranted, and thus not
3 extreme or excessive.

4

5 E. **Jackson Walker**

6 Q84. DID YOU REVIEW THE INVOICES PROVIDED BY YOUR FIRM?

7 A. Yes. The invoices for my firm's services from January 1, 2022 to February 28,
8 2022 are included among my workpapers. Exhibit MEG-12 is a monthly summary
9 showing those invoices.

10

11 Q85. PLEASE DESCRIBE THE SERVICES JACKSON WALKER PROVIDED TO
12 ENTERGY.

13 A. I was retained to provide expert testimony regarding the rate case expenses for
14 outside services incurred by Entergy in this rate proceeding. The scope of services
15 provided in this case is required by Commission precedent and 16 TAC § 25.245
16 in order for the utility to recover its reasonable and necessary rate case expenses.

17

18 Q86. DID THE JACKSON WALKER INVOICES INCLUDE TIME BILLED BY
19 MORE THAN ONE PERSON?

20 A. Yes. I was assisted in my work by other legal associates with lower hourly rates,
21 including Heath Armstrong. This team approach maximizes the quality of the
22 overall work and reduces the overall cost of the consulting services provided.

1 Q87. WHAT WERE THE RATES FOR YOU AND MR. ARMSTRONG FOR THE
2 AMOUNTS INCURRED BY ENTERGY ON INVOICES RECORDED AND
3 PAID FOR SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

4 A. Jackson Walker's fees were \$9,328.09. My rate was \$720 per hour.
5 Mr. Armstrong's rate was \$515 per hour.
6

7 Q88. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES
8 SUBMITTED TO ENTERGY BY JACKSON WALKER?

9 A. I did not make any adjustments to the Jackson Walker invoices.
10

11 Q89. APPLYING THE STANDARDS YOU DESCRIBED EARLIER, WHAT IS
12 YOUR CONCLUSION REGARDING THE JACKSON WALKER INVOICES
13 SUBMITTED TO ENTERGY?

14 A. Jackson Walker has charged only for the services provided that were reasonable and
15 necessary to perform the informal audit, formulate opinions, and prepare my
16 testimony. I have utilized associates, research attorneys, and legal assistants to
17 minimize the cost of the informal audit of Entergy's law firm and consultant
18 invoices. The Jackson Walker hourly rates are reasonable and reasonably
19 comparable to the rates charged by Eversheds for its legal services to Entergy and
20 other large law firms' comparable rates, such as those recovered in Docket
21 No. 48439. The number of hours billed is reasonable. The invoices were calculated
22 correctly. There were no double billings. There were no charges that should have
23 been recovered through the reimbursement for other expenses. None of the charges

1 Q91. WHAT IS MR. WILSON'S HOURLY RATE?

2 A. Mr. Wilson's hourly rate is \$490 per hour.

3

4 Q92. HAVE YOU REVIEWED THE LEWIS & ELLIS INVOICES FOR INCLUSION
5 IN ENTERGY'S RATE CASE EXPENSE REQUEST?

6 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
7 reasonableness and necessity of the fees and expenses through supplemental
8 testimony or an affidavit.

9

10 G. Osprey

11 Q93. ARE YOU FAMILIAR WITH OSPREY'S WORK?

12 A. Yes. I am personally familiar with Osprey and its consultant Jess K. Totten.
13 Mr. Totten is an experienced utility regulatory practitioner and was retained by
14 Entergy to provide expert testimony and analysis regarding Entergy's request to
15 recover a higher rate of return based on the high-quality performance by Entergy
16 and its management team. Mr. Totten has considerable regulatory, ratemaking, and
17 policy experience and was employed by the Commission for approximately 23
18 years in roles such as Staff Attorney, Manager in the Policy Development Division,
19 Director of the Electric Industry Oversight Division, and Director of the
20 Competitive Markets Division. Since leaving the Commission in 2011, Mr. Totten
21 has consulted on electric utility matters and provided expert testimony in several
22 proceedings before the Commission and in Texas courts. Specific information
23 regarding Mr. Totten's education and professional experience is included in his

1 direct testimony.

2

3 Q94. WHAT IS MR. TOTTEN'S HOURLY RATE?

4 A. Mr. Totten's rate is \$350 per hour.

5

6 Q95. HAVE YOU REVIEWED THE OSPREY INVOICES FOR INCLUSION IN
7 ENTERGY'S RATE CASE EXPENSE REQUEST?

8 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
9 reasonableness and necessity of the fees and expenses through supplemental
10 testimony or an affidavit.

11

12 H. **Sargent & Lundy**

13 Q96. ARE YOU FAMILIAR WITH SARGENT & LUNDY'S WORK?

14 A. Yes. I know Sargent & Lundy to be a well-respected engineering firm that handles
15 work for power utilities and power generators. To assist with its rate case
16 proceeding, Entergy retained Sean C. McHone, a senior vice president and project
17 director at Sargent & Lundy, to sponsor and address the results of site-specific
18 studies conducted by Sargent & Lundy to estimate the costs of dismantling certain
19 Entergy electric power generating facilities (known as the demolition study).
20 Mr. McHone is a licensed PE with over 20 years of experience performing detailed
21 engineering and design assessments exclusively within the power industry,
22 particularly the design and engineering of major steam-electric generating stations.
23 Mr. McHone is also familiar with some of Entergy's fossil fuel generating plants

1 included among my workpapers. Exhibit MEG-8 is a monthly summary of KFG's
2 invoices.

3

4 Q100. DID THE KFG INVOICES INCLUDE TIME BILLED BY PERSONNEL OTHER
5 THAN THE KEY CONSULTANT?

6 A. No.

7

8 Q101. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES
9 SUBMITTED BY KFG?

10 A. I did not make any adjustments to the KFG invoices.

11

12 Q102. WHAT WERE THE RATES OF MR. GALLAGHER FOR THE AMOUNTS
13 INCURRED BY ENTERGY ON INVOICES RECORDED AND PAID FOR
14 SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

15 A. KFG's fees were \$15,600.00. Mr. Gallagher's rate was an average of \$224.14 per
16 hour. Mr. Gallagher's engagement contemplates a monthly commitment fee in the
17 amount of \$19,500 for approximately 87 hours worked per month. If Mr. Gallagher
18 spends over 87 hours, then the excess hours (i.e., the number of hours above 87)
19 are multiplied by a rate of \$200 per hour. Mr. Gallagher's monthly commitment
20 fee, excess hours fee (if any), and expenses are then allocated to his matters
21 depending on his time spent. For example, if Mr. Gallagher spent 10 hours on
22 consulting related to Entergy's rate case out of 100 hours in any given month, he
23 would allocate 10% of his fees for that month to Entergy. For additional detail as

1 to the work performed by Mr. Gallagher and the cost allocation, please refer to the
2 invoices in my workpapers.
3

4 Q103. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF
5 THE RATES AND CHARGES BY KFG IN THIS CASE?

6 A. The rates charged by KFG are reasonable and are equivalent to the rates charged
7 by Mr. Gallagher in the prior Entergy rate case.³³ The number of hours billed is
8 reasonable. The invoices were calculated correctly. There were no double billings.
9 There were no charges that should have been recovered through the reimbursement
10 for other expenses. None of the charges should have been assigned to other
11 jurisdictions or other matters. There were no time entries for more than 12 hours
12 in a single day. No luxury items were billed to the utility. Accordingly, in my
13 opinion the amounts charged to date by KFG are necessary, reasonable, and
14 warranted, and thus not extreme or excessive.
15

16 **VII. FUTURE RATE CASE EXPENSES**

17 Q104. DOES ENTERGY INTEND TO SEEK RECOVERY OF ADDITIONAL RATE
18 CASE EXPENSES RELATED TO THIS RATE CASE FILING?

19 A. Yes. Entergy's filing includes an estimate of expenses to be incurred between when
20 the rate case filing was prepared and when the case concludes, and will seek

³³ *Review of the Rate Case Expenses Incurred In Docket 48371*, Docket No. 48439, Direct Testimony of Stephen F. Morris at 38 (Jan. 18, 2019).

1 invoices are among my workpapers and include time, task, and attorney
2 information, as well as billing category task codes. Exhibits MEG-2 and MEG-5
3 contain monthly summaries of Eversheds' invoices. In addition, I reviewed the
4 invoices and supporting documents for Duggins Wren Mann & Romero LLP
5 ("Duggins Wren") for the time period from January 1, 2019 through August 31,
6 2020 in connection with Docket No. 49916 and October 1, 2021 through
7 February 28, 2022 in connection with Docket No. 53719. The invoices from
8 Duggins Wren are among my workpapers and include time, task, attorney
9 information, and billing category task codes. Exhibits MEG-3 and MEG-6 contain
10 monthly summaries of Duggins Wren's invoices. I also reviewed the invoices for
11 Jager Smith LLC ("Jager Smith") for the time period from February 1, 2022
12 through March 31, 2022. The invoices from Jager Smith are among my workpapers
13 and include time, task, attorney information, and billing category task codes.
14 Exhibit MEG-7 is a monthly summary of Jager Smith's invoices. ~~I reviewed the~~
15 ~~invoices from KFG, Inc. ("KFG") for services performed from January 1, 2022~~
16 ~~through February 28, 2022. The invoices from KFG are among my workpapers~~
17 ~~and include time worked on the ETI 2022 rate case and an explanation of the fees~~
18 ~~charged. Exhibit MEG-8 is a monthly summary of KFG's invoices. I also reviewed~~
19 the invoices from Taggart Morton LLC ("Taggart Morton") for services performed
20 from March 1, 2022 through March 31, 2022. The invoice from Taggart Morton is
21 among my workpapers and includes time, task, attorney information, and billing
22 category task codes. Exhibit MEG-9 is a monthly summary including the Taggart
23 Morton invoice.

1

2 Q29. PLEASE DESCRIBE YOUR REVIEW OF THE INVOICES FOR LEGAL
3 SERVICES AND SUPPORTING DOCUMENTATION.

4 A. I spoke with Ms. Garza regarding the scope of services being provided by
5 Eversheds and the other firms providing legal services in Entergy's rate
6 proceedings, the key issues in the cases, and Entergy's rate case expense request. I
7 subsequently reviewed the invoices and time entries of Eversheds, Duggins Wren,
8 Jager Smith, ~~KFC~~, and Taggart Morton. I also spoke with Ms. Garza regarding the
9 respective roles of the attorneys on the Entergy rate case team.

10

11

A. Eversheds

12 Q30. ARE YOU FAMILIAR WITH THE EXPERIENCE AND REPUTATION OF
13 THE EVERSHERDS TEAM?

14 A. Yes. I have known the Eversheds attorneys working on this case professionally for
15 many years, and I have personal knowledge of the high level of experience and
16 professionalism that each attorney on the team brings to the case. Lino Mendiola
17 has more than 25 years of experience representing utilities, private equity investors,
18 and large industrial energy users before state and federal regulatory agencies. He
19 is recognized as a leading lawyer in Texas electric regulatory law. Mr. Mendiola
20 has represented Entergy since 2015 and is serving as one of the lead counsels for
21 the utility in this proceeding. Michael Boldt has 14 years of experience in electric
22 rate and regulatory proceedings and has represented Energy since 2015. John
23 Zerwas, Caren Pinzur, and Ms. Garza have 14, 10, and five years of experience in

1 the case through discovery to an evidentiary hearing and through the applicable
2 post-hearing procedures).

3 The number of hours billed to date is necessary and reasonable. There were
4 no time entries for more than 12 hours in a single day. The invoices reviewed to
5 date appear to have been calculated correctly. No double billings or inconsistencies
6 were found. Nothing was found that appeared unusual or unreasonable in the
7 expenses included on the invoices. It appears that none of the legal fees should
8 have been assigned to other jurisdictions or other matters, that none were lacking
9 in supporting documentation or other verification (after due inquiry to the extent
10 necessary), and that no luxury items were billed to the utility.

11
12 ~~D.A. KFG~~

13 ~~Q54.Q1. WHAT WORK DID KFG PERFORM?~~

14 ~~A. I have reviewed KFG's engagement letter with Entergy and the information~~
15 ~~provided on its website. It is my understanding that Kenneth F. Gallagher of KFG~~
16 ~~provided consulting services on nuclear decommissioning issues relating to River~~
17 ~~Bend Station. Mr. Gallagher has specialized knowledge and experience with such~~
18 ~~issues and was engaged to provide advice regarding highly technical and complex~~
19 ~~issues addressed by testifying witnesses.~~

20
21 ~~Q55.Q1. DID YOU REVIEW ALL OF THE KFG INVOICES?~~

22 ~~A. Yes, I have reviewed all of the invoices submitted by KFG for services performed~~
23 ~~for Entergy from January 1, 2022 to February 28, 2022. The two invoices are~~

1 ~~included among my workpapers. Exhibit MEG-8 is a monthly summary of KFG's~~
2 ~~invoices.~~

3
4 ~~Q56.Q1. DID THE KFG INVOICES INCLUDE TIME BILLED BY PERSONNEL~~
5 ~~OTHER THAN THE KEY CONSULTANT?~~

6 ~~A. No.~~

7
8 ~~Q57.Q1. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE~~
9 ~~INVOICES SUBMITTED BY KFG?~~

10 ~~A. I did not make any adjustments to the KFG invoices.~~

11
12 ~~Q58.Q1. WHAT WERE THE RATES OF MR. GALLAGHER FOR THE~~
13 ~~AMOUNTS INCURRED BY ENTERGY ON INVOICES RECORDED AND~~
14 ~~PAID FOR SERVICES RENDERED THROUGH FEBRUARY 28, 2022?~~

15 ~~A. KFG's fees were \$15,600.00. Mr. Gallagher's rate was an average of \$224.14 per~~
16 ~~hour. Mr. Gallagher's engagement contemplates a monthly commitment fee in the~~
17 ~~amount of \$19,500 for approximately 87 hours worked per month. If Mr. Gallagher~~
18 ~~spends over 87 hours, then the excess hours (i.e., the number of hours above 87)~~
19 ~~are multiplied by a rate of \$200 per hour. Mr. Gallagher's monthly commitment~~
20 ~~fee, excess hours fee (if any), and expenses are then allocated to his matters~~
21 ~~depending on his time spent. For example, if Mr. Gallagher spent 10 hours on~~
22 ~~consulting related to Entergy's rate case out of 100 hours in any given month, he~~
23 ~~would allocate 10% of his fees for that month to Entergy. For additional detail as~~

1 ~~to the work performed by Mr. Gallagher and the cost allocation, please refer to the~~
2 ~~invoices in my workpapers.~~

3
4 ~~Q59-Q1. WHAT IS YOUR CONCLUSION REGARDING THE~~
5 ~~REASONABLENESS OF THE RATES AND CHARGES BY KFG IN THIS~~
6 ~~CASE?~~

7 ~~A. The rates charged by KFG are reasonable and are equivalent to the rates charged~~
8 ~~by Mr. Gallagher in the prior Entergy rate case.²⁷ The number of hours billed is~~
9 ~~reasonable. The invoices were calculated correctly. There were no double billings.~~
10 ~~There were no charges that should have been recovered through the reimbursement~~
11 ~~for other expenses. None of the charges should have been assigned to other~~
12 ~~jurisdictions or other matters. There were no time entries for more than 12 hours~~
13 ~~in a single day. No luxury items were billed to the utility. Accordingly, in my~~
14 ~~opinion the amounts charged to date by KFG are necessary, reasonable, and~~
15 ~~warranted, and thus not extreme or excessive.~~

16
17 ~~E.D. Taggart Morton~~

18 ~~Q60-Q54. PLEASE DESCRIBE TAGGART MORTON'S ROLE IN THE CASE.~~

19 A. It is my understanding that Taggart Morton specializes in representing public
20 utilities and has an existing relationship with Entergy Corp., Entergy's parent
21 company. Similar to Docket No. 48371, Taggart Morton was engaged to provide

²⁷ ~~Review of the Rate Case Expenses Incurred In Docket 48371, Docket No. 48439, Direct Testimony of Stephen F. Morris at 38 (Jan. 18, 2019).~~

1 Entergy with legal advice with respect to case strategy. I have reviewed the
2 information provided on its website.

3 ~~Q61.~~Q55. DID YOU REVIEW ANY INVOICES FOR TAGGART MORTON?

4 A. Yes, I have reviewed an invoice for services provided for Entergy for March 2022.
5 The invoice is included among my workpapers. Exhibit MEG-9 is a monthly
6 summary of Taggart Morton invoices.

7
8 ~~Q62.~~Q56. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE
9 SUBMITTED BY TAGGART MORTON?

10 A. I did not make any adjustments to the Taggart Morton invoice.

11

12 ~~Q63.~~Q57. WHAT WAS THE RATE INCURRED BY ENTERGY ON THE
13 INVOICE FOR SERVICES PERFORMED IN MARCH 2022?

14 A. The hourly rate was \$305, and Taggart Morton's fees for services performed in
15 March 2022 totaled \$152.00.

16

17 ~~Q64.~~Q58. WHAT IS YOUR CONCLUSION REGARDING THE
18 REASONABLENESS OF THE RATES AND CHARGES BY TAGGART
19 MORTON IN THIS CASE?

20 A. The rate charged by Taggart Morton is reasonable. The number of hours billed is
21 reasonable. The invoice was calculated correctly. There were no double billings.
22 There were no charges that should have been recovered through the reimbursement

1 for other expenses. None of the charges should have been assigned to other
2 jurisdictions or other matters. There were no time entries for more than 12 hours
3 in a single day. No luxury items were billed to the utility. Accordingly, in my
4 opinion the amounts charged to date by Taggart Morton are necessary, reasonable,
5 and warranted, and thus not extreme or excessive.

6
7 **VI. CONSULTANT FEES AND EXPENSES**

8 ~~Q65-Q59.~~ Q59. WAS IT NECESSARY FOR ENTERGY TO RETAIN CONSULTANTS
9 FOR THIS PROCEEDING?

10 A. Yes. Entergy does not have the internal expertise necessary to properly and
11 adequately address all of the complex issues in a base rate case without the
12 assistance of qualified outside consultants. Its reliance on outside consultants for
13 this case is necessary and reasonable. Entergy is also a fully-integrated utility such
14 that it provides generation, transmission and distribution, and retail service to its
15 customers. As such, its rate cases are complex.

16
17 ~~Q66-Q60.~~ Q60. WHAT FIRMS ARE PROVIDING CONSULTING SERVICES TO
18 ENTERGY IN THIS 2022 RATE CASE?

19 A. The following consulting firms have been retained to provide services in connection
20 with this case:

- 21 • Alliance Consulting Group (“Alliance”);
- 22 • The Brattle Group;
- 23 • Commonwealth Consulting Group (“Commonwealth”);

- 1 • Expert Powerhouse, LLC DBA Expergy (“Expergy”);
- 2 • Jackson Walker LLP (“Jackson Walker”);
- 3 • Lewis & Ellis, Inc. (“Lewis & Ellis”);
- 4 • Osprey Energy Group (“Osprey”); ~~and~~
- 5 • Sargent & Lundy, L.L.C. (“Sargent & Lundy”); and
- 6 • KFG Inc. (“KFG”).

7 If other consulting firms subsequently provide services to the utility in connection
8 with this case, or the consulting firms listed above submit further invoices beyond
9 those which I have reviewed, that will be something that can be addressed in
10 supplemental testimony or an affidavit in this docket.

11
12 ~~Q67-Q61.~~ WHAT INVOICES OR SUPPORTING DOCUMENTATION FOR
13 CONSULTING SERVICES DID YOU REVIEW?

14 A. I reviewed engagement letters and/or invoices submitted to Entergy directly or to
15 Eversheds or Duggins Wren (and then passed through to Entergy) by Alliance, -The
16 Brattle Group, Commonwealth, Expergy, Jackson Walker, Lewis & Ellis, Osprey,
17 ~~and Sargent & Lundy, and KFG.~~ As the case progresses, I will review the additional
18 invoices submitted as well as invoices for the other consultants.

19
20 ~~Q68-Q62.~~ ARE THE CONSULTANTS’ INVOICES SIMILAR TO THE INVOICES
21 SUBMITTED BY THE LAW FIRMS?

22 A. Yes. For the most part, the consultants’ invoices include identification of the person
23 or persons performing a billable task, the time they spent, and a description of the

1 task or tasks performed.

2

3 ~~Q69-Q63.~~ WHAT SERVICES DID AND DO THE OUTSIDE CONSULTANTS
4 PROVIDE TO ENTERGY?

5 A. The table below lists the consulting firms, the key consulting professionals, and
6 their primary areas of responsibility.

Firm	Key Consultant(s)	Primary Area(s) of Responsibility
Alliance	Dane A. Watson	Depreciation Study
The Brattle Group	Ann E. Bulkley	Return on Equity, Capital Structure
Commonwealth	Lisa Blankenship	Benchmarking Analysis
Expergy	Jay Joyce	Lead-Lag Study for Cash Working Capital Allowance
Jackson Walker	Meghan Griffiths	External Rate Case Expenses
Lewis & Ellis	Gregory S. Wilson	Self-Insurance (Storm) Reserve
Osprey	Jess K. Totten	Policy Perspective on Utility Ratemaking in Texas
Sargent & Lundy	Sean C. McHone	Demolition Study
<u>KFG</u>	<u>Kenneth Gallagher</u>	<u>Nuclear Decommissioning</u>

7 For more detail on the principal subjects of testimony by witness, please see
8 Entergy witness Eliecer Viamontes' direct testimony.

9

10 ~~Q70-Q64.~~ DID YOU APPLY THE STANDARDS YOU DESCRIBED EARLIER IN
11 YOUR TESTIMONY WHEN YOU REVIEWED THE WORK PERFORMED BY
12 THOSE CONSULTANTS?

13 A. Yes.

14

1 ~~Q71-Q65.~~ HOW DID YOU EVALUATE THE RATES CHARGED BY THOSE
2 CONSULTANTS?

3 A. Based on my understanding of the issues in this rate case and prior rate cases, as
4 well as prior testimony regarding each of the key consultants' experience,
5 credibility, and competence, and additional due diligence when necessary, I was
6 able to evaluate the reasonableness of the rates charged in this case.

7 ~~Q72-Q66.~~ WHAT IS YOUR CONCLUSION REGARDING THE RATES
8 CHARGED BY THE CONSULTANTS IN THIS CASE?

9 A. The rates charged by the consultants are reasonable for these types of rate case
10 services, and thus not extreme or excessive, as discussed for each in turn below.
11

12 A. Alliance

13 ~~Q73-Q67.~~ ARE YOU FAMILIAR WITH ALLIANCE'S WORK?

14 A. I am familiar with Alliance's depreciation work and Dane A. Watson's excellent
15 professional reputation. Mr. Watson specializes in regulatory and financial
16 consulting for utilities and has extensive experience in preparing depreciation
17 studies. He is the principal of Alliance, which he formed after working with TXU
18 for approximately 20 years. He has over 30 years of experience in the area of
19 depreciation and valuation, including prior experience providing testimony on
20 behalf of Entergy. He is a Certified Depreciation Professional by the Society of
21 Depreciation Professionals and is active in industry organizations, including service
22 as the Chairman of Edison Electric Institute Property Accounting and Valuation

1 Committee. He is also a Registered Professional Engineer (“PE”) in the State of
2 Texas. Specific information regarding Mr. Watson’s education and professional
3 experience is included in his direct testimony.
4

5 ~~Q74-Q68.~~ DID YOU REVIEW ALL OF THE ALLIANCE INVOICES?

6 A. Yes, I have reviewed all of the invoices submitted by Alliance for depreciation study
7 services performed for Entergy from January 1, 2022 to February 28, 2022. The
8 invoices are included among my workpapers. Exhibit MEG-10 is a monthly
9 summary of the Alliance’s invoices.
10

11 ~~Q75-Q69.~~ DID THE ALLIANCE INVOICES INCLUDE TIME BILLED BY
12 PERSONNEL OTHER THAN THE KEY CONSULTANT?

13 A. Yes. Mr. Watson has others assisting him who bill at hourly rates less than his,
14 including Karen Ponder, Rebecca Richards, Rhonda Watts, and Alan Ponder. This
15 team approach maximizes the quality of the overall work and reduces the overall
16 cost of the consulting services provided. Ms. Ponder assisted in performing the
17 depreciation study, including data gathering and analysis. Ms. Richards assisted in
18 the accrual template and appendices for the report. Ms. Watts worked on interim
19 retirement data and evaluation for production and transmission. Mr. Ponder worked
20 on data reconciliation.
21

1 ~~Q76-Q70.~~ WHAT WERE THE RATES OF MR. WATSON, MS. PONDER, MS.
2 RICHARDS, MS. WATTS, AND MR. PONDER INCURRED BY ENTERGY ON
3 INVOICES RECORDED AND PAID FOR SERVICES RENDERED THROUGH
4 FEBRUARY 28, 2022?

5 A. Alliance's fees were \$14,593.75. Mr. Watson's rate was \$295 per hour.
6 Ms. Ponder's, Ms. Richards', and Ms. Watts' rate was \$195 per hour. Mr. Ponder's
7 rate was \$80 per hour.

8 ~~Q77-Q71.~~ WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE
9 INVOICES SUBMITTED BY ALLIANCE?

10 A. I did not make any adjustments to the Alliance invoices.
11

12 ~~Q78-Q72.~~ WHAT IS YOUR CONCLUSION REGARDING THE
13 REASONABLENESS OF THE RATES AND CHARGES BY ALLIANCE IN
14 THIS CASE?

15 A. The rates charged by Alliance are reasonable and are only somewhat higher than
16 the rates Alliance charged in the prior Entergy rate case.²⁸ Alliance's rate is also
17 comparable to the rate charged recently by Mr. Watson for his services in other rate
18 cases and supported as reasonable by rate case expense testimony in Docket

²⁸ Docket No. 48439, Direct Testimony of Stephen F. Morris at 33 (Jan. 18, 2019), available at https://interchange.puc.texas.gov/Documents/48439_4_1005162.PDF.

1 Nos. 51802²⁹ and 51611.³⁰ The number of hours billed is reasonable. The invoices
2 were calculated correctly. There were no double billings. There were no charges
3 that should have been recovered through the reimbursement for other expenses.
4 None of the charges should have been assigned to other jurisdictions or other
5 matters. There were no time entries for more than 12 hours in a single day. No
6 luxury items were billed to the utility. Accordingly, in my opinion the amounts
7 charged to date by Alliance are necessary, reasonable, and warranted, and thus not
8 extreme or excessive.

9 B. **Brattle Group**

10 ~~Q79-Q73.~~ Q74. ARE YOU FAMILIAR WITH THE BRATTLE GROUP'S WORK?

11 A. Yes. The Brattle Group is a well-known consulting firm providing advice on utility
12 matters. I am familiar with the Brattle Group's excellent professional reputation.
13 Specific information regarding education and experience of the Brattle Group
14 employee, Ann E. Bulkley, who assisted Entergy in its rate case proceeding, is
15 included in her direct testimony.

16
17 ~~Q80-Q74.~~ Q74. DID YOU REVIEW THE BRATTLE GROUP ENGAGEMENT
18 LETTER?

19 A. Yes. Ms. Bulkley's rate was \$625 per hour.

²⁹ *Application of Southwestern Public Service Company for Authority to Change Rates*, Docket No. 51802, Southwestern Public Service Company's Motion to Admit Additional Evidence and Response to Commission Counsel's April 5, 2022 Memorandum, SPS Exhibit 111 – Second Supplemental Affidavit of Thomas K. Anson Regarding Rate Case Expenses at 4 (Apr. 14, 2022).

³⁰ *Application of Sharyland Utilities, L.L.C. for Authority to Change Rates*, Docket No. 51611, Direct Testimony of Meghan E. Griffiths at 20 (Dec. 18, 2020).

1

2 ~~Q81-Q75.~~ DID YOU REVIEW ANY INVOICES FOR THE BRATTLE GROUP?

3 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
4 reasonableness and necessity of the fees and expenses through supplemental
5 testimony or an affidavit.

6

7 C. Commonwealth

8 ~~Q82-Q76.~~ WHAT WORK IS COMMONWEALTH PROVIDING?

9 A. Lisa Blankenship of Commonwealth is providing a benchmarking analysis,
10 document review and preparation, and testimony review on behalf of Entergy for
11 its rate case presentation. Ms. Blankenship has extensive expertise in this area and
12 has specifically provided benchmarking analysis for Entergy in many of its rate
13 proceedings.

14 ~~Q83-Q77.~~ WHAT IS MS. BLANKENSHIP'S HOURLY RATE?

15 A. Ms. Blankenship's rate is \$125 per hour.

16

17 ~~Q84-Q78.~~ HAVE YOU REVIEWED ANY COMMONWEALTH INVOICES?

18 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
19 reasonableness and necessity of the fees and expenses through supplemental
20 testimony or an affidavit.

21

22 D. Expergy

1 ~~Q85-Q79.~~ WHAT WORK DID EXPERGY PROVIDE?

2 A. Jay Joyce of Expergy provided a lead-lag study and supporting testimony on behalf
3 of Entergy for its rate case presentation. Mr. Joyce is the principal of Expergy and
4 has extensive experience conducting lead-lag studies, testifying before the
5 Commission and other regulatory agencies through the United States, and has
6 testified in prior Entergy rate cases. Specific information regarding Mr. Joyce's
7 education and professional experience is included in his direct testimony.

8

9 ~~Q86-Q80.~~ DID YOU REVIEW ALL OF EXPERGY'S INVOICES AND
10 SUPPORTING DOCUMENTATION?

11 A. Yes, I have reviewed the invoice submitted by Expergy for its lead-lag study for
12 cash working capital allowance for Entergy from February 1, 2022 to February 28,
13 2022. The invoice is included among my workpapers. Exhibit MEG-11 is a
14 monthly summary of Expergy invoices, which I will update as the case progresses.

15 ~~Q87-Q81.~~ WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE
16 SUBMITTED BY EXPERGY?

17 A. I did not make any adjustments to the Expergy invoice.

18

19 ~~Q88-Q82.~~ WHAT WERE THE FEES AND WHAT WAS MR. JOYCE'S HOURLY
20 RATE?

21 A. Expergy's fees were \$11,020.00. Mr. Joyce's rate was \$290 per hour.

22

1 ~~Q89-Q83.~~ WHAT IS YOUR CONCLUSION REGARDING THE
2 REASONABLENESS OF THE RATE AND CHARGES BY EXPERGY IN THIS
3 CASE?

4 A. The rate charged by Expergy is reasonable and is only slightly higher than the rate
5 Mr. Joyce charged in the prior Entergy rate case.³¹ Mr. Joyce's rate is also
6 comparable to the rate charged recently for his services in other rate cases and
7 supported as reasonable by rate case expense testimony in Docket Nos. 48591³² and
8 an affidavit in Docket No. 49351.³³ The number of hours billed is reasonable. The
9 invoice was calculated correctly. There were no double billings. There were no
10 charges that should have been recovered through the reimbursement for other
11 expenses. None of the charges should have been assigned to other jurisdictions or
12 other matters. There were no time entries for more than 12 hours in a single day.
13 No luxury items were billed to the utility. Accordingly, in my opinion the amounts
14 charged to date by Expergy are necessary, reasonable, and warranted, and thus not
15 extreme or excessive.

16
17 E. **Jackson Walker**

³¹ Docket No. 48439, Direct Testimony of Stephen F. Morris at 37 (Jan. 18, 2019).

³² *Review of Rate Case Expenses Incurred by Texas New Mexico Power Company and Municipalities in Docket Nos. 48401, 35038, and 41901*, Docket No. 48591, Direct Testimony of Stacy R. Whitehurst at 9 (Bates 254) (Mar. 22, 2019).

³³ *Ratepayers Appeal of the Decision by Bear Creek Special Utility District to Change Rates*, Docket No. 49351, Bear Creek Special Utility District's First Supplemental Response to Commission Staff's Seventh Request for Information Question Nos. Staff 7-3, 7-26, 7-27 at Page 8 of 48 (Jan. 14, 2021).

1 ~~Q90-Q84.~~ Q84. DID YOU REVIEW THE INVOICES PROVIDED BY YOUR FIRM?

2 A. Yes. The invoices for my firm's services from January 1, 2022 to February 28,
3 2022 are included among my workpapers. Exhibit MEG-12 is a monthly summary
4 showing those invoices.

5

6 ~~Q91-Q85.~~ Q85. PLEASE DESCRIBE THE SERVICES JACKSON WALKER
7 PROVIDED TO ENTERGY.

8 A. I was retained to provide expert testimony regarding the rate case expenses for
9 outside services incurred by Entergy in this rate proceeding. The scope of services
10 provided in this case is required by Commission precedent and 16 TAC § 25.245
11 in order for the utility to recover its reasonable and necessary rate case expenses.

12

13 ~~Q92-Q86.~~ Q86. DID THE JACKSON WALKER INVOICES INCLUDE TIME BILLED
14 BY MORE THAN ONE PERSON?

15 A. Yes. I was assisted in my work by other legal associates with lower hourly rates,
16 including Heath Armstrong. This team approach maximizes the quality of the
17 overall work and reduces the overall cost of the consulting services provided.

18 ~~Q93-Q87.~~ Q87. WHAT WERE THE RATES FOR YOU AND MR. ARMSTRONG FOR
19 THE AMOUNTS INCURRED BY ENTERGY ON INVOICES RECORDED
20 AND PAID FOR SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

21 A. Jackson Walker's fees were \$9,328.09. My rate was \$720 per hour.
22 Mr. Armstrong's rate was \$515 per hour.

1

2 ~~Q94-Q88.~~ WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE
3 INVOICES SUBMITTED TO ENTERGY BY JACKSON WALKER?

4 A. I did not make any adjustments to the Jackson Walker invoices.

5

6 ~~Q95-Q89.~~ APPLYING THE STANDARDS YOU DESCRIBED EARLIER, WHAT
7 IS YOUR CONCLUSION REGARDING THE JACKSON WALKER INVOICES
8 SUBMITTED TO ENTERGY?

9 A. Jackson Walker has charged only for the services provided that were reasonable and
10 necessary to perform the informal audit, formulate opinions, and prepare my
11 testimony. I have utilized associates, research attorneys, and legal assistants to
12 minimize the cost of the informal audit of Entergy's law firm and consultant
13 invoices. The Jackson Walker hourly rates are reasonable and reasonably
14 comparable to the rates charged by Eversheds for its legal services to Entergy and
15 other large law firms' comparable rates, such as those recovered in Docket
16 No. 48439. The number of hours billed is reasonable. The invoices were calculated
17 correctly. There were no double billings. There were no charges that should have
18 been recovered through the reimbursement for other expenses. None of the charges
19 should have been assigned to other jurisdictions or other matters. There were no
20 time entries for more than 12 hours in a single day. No luxury items were billed to
21 the utility. Accordingly, in my opinion the amounts charged by Jackson Walker
22 to date are necessary, reasonable, warranted, and thus not extreme or excessive.

23

F. Lewis & Ellis

~~Q96-Q90.~~ ARE YOU FAMILIAR WITH LEWIS & ELLIS' WORK?

A. Yes. Lewis & Ellis and its consultant, Gregory S. Wilson, are known for their extensive experience in consulting with utilities. Specifically, Mr. Wilson is a consulting actuary and Vice President of Lewis & Ellis, which specializes in property and casualty actuarial matters. Mr. Wilson has over 35 years of experience in this area and has been active in professional actuarial organizations, including serving as the President of the Southwest Actuarial Forum. Mr. Wilson has also consulted with Entergy on this issue in previous rate cases before the Commission, as well as on behalf of AEP Texas Central Company, AEP Texas North Company, and Southwestern Electric Power Company in rate cases and other proceedings before the Commission. In addition, Mr. Wilson has testified on self-insurance issues before the Missouri Public Service Commission in conjunction with a utility rate filing. Further, 16 TAC § 25.231(b)(1)(G) requires that Entergy present the evaluation and testimony of an independent actuary such as Mr. Wilson to perform a cost/benefit analysis of self-insurance versus obtaining commercial insurance. Specific information regarding Mr. Wilson's education and professional experience is included in his direct testimony.

~~Q97-Q91.~~ WHAT IS MR. WILSON'S HOURLY RATE?

A. Mr. Wilson's hourly rate is \$490 per hour.

1 ~~Q98-Q92.~~ HAVE YOU REVIEWED THE LEWIS & ELLIS INVOICES FOR
2 INCLUSION IN ENTERGY'S RATE CASE EXPENSE REQUEST?

3 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
4 reasonableness and necessity of the fees and expenses through supplemental
5 testimony or an affidavit.

6

7 G. Osprey

8 ~~Q99-Q93.~~ ARE YOU FAMILIAR WITH OSPREY'S WORK?

9 A. Yes. I am personally familiar with Osprey and its consultant Jess K. Totten.
10 Mr. Totten is an experienced utility regulatory practitioner and was retained by
11 Entergy to provide expert testimony and analysis regarding Entergy's request to
12 recover a higher rate of return based on the high-quality performance by Entergy
13 and its management team. Mr. Totten has considerable regulatory, ratemaking, and
14 policy experience and was employed by the Commission for approximately 23
15 years in roles such as Staff Attorney, Manager in the Policy Development Division,
16 Director of the Electric Industry Oversight Division, and Director of the
17 Competitive Markets Division. Since leaving the Commission in 2011, Mr. Totten
18 has consulted on electric utility matters and provided expert testimony in several
19 proceedings before the Commission and in Texas courts. Specific information
20 regarding Mr. Totten's education and professional experience is included in his
21 direct testimony.

22

1 ~~Q100.~~Q94. WHAT IS MR. TOTTEN'S HOURLY RATE?

2 A. Mr. Totten's rate is \$350 per hour.

3

4 ~~Q101.~~Q95. HAVE YOU REVIEWED THE OSPREY INVOICES FOR INCLUSION
5 IN ENTERGY'S RATE CASE EXPENSE REQUEST?

6 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
7 reasonableness and necessity of the fees and expenses through supplemental
8 testimony or an affidavit.

9

10 H. **Sargent & Lundy**

11 ~~Q102.~~Q96. ARE YOU FAMILIAR WITH SARGENT & LUNDY'S WORK?

12 A. Yes. I know Sargent & Lundy to be a well-respected engineering firm that handles
13 work for power utilities and power generators. To assist with its rate case
14 proceeding, Entergy retained Sean C. McHone, a senior vice president and project
15 director at Sargent & Lundy, to sponsor and address the results of site-specific
16 studies conducted by Sargent & Lundy to estimate the costs of dismantling certain
17 Entergy electric power generating facilities (known as the demolition study).
18 Mr. McHone is a licensed PE with over 20 years of experience performing detailed
19 engineering and design assessments exclusively within the power industry,
20 particularly the design and engineering of major steam-electric generating stations.
21 Mr. McHone is also familiar with some of Entergy's fossil fuel generating plants
22 and has assisted Entergy in prior rate case proceedings. Specific information

1 regarding Mr. McHone's education and professional experience is included in his
2 direct testimony.

4 ~~Q103~~Q97. HAVE YOU REVIEWED THE SARGENT & LUNDY INVOICES FOR
5 INCLUSION IN ENTERGY'S RATE CASE EXPENSE REQUEST?

6 A. No, not yet. As the case progresses, I plan to review the invoices and to address the
7 reasonableness and necessity of the fees and expenses through supplemental
8 testimony or an affidavit.

10 I. KFG

11 Q98. WHAT WORK DID KFG PERFORM?

A. I have reviewed KFG's engagement letter with Entergy and the information provided on its website. It is my understanding that Kenneth F. Gallagher of KFG provided consulting services on nuclear decommissioning issues relating to River Bend Station. Mr. Gallagher has specialized knowledge and experience with such issues and was engaged to provide advice regarding highly technical and complex issues addressed by testifying witnesses.

19 Q99. DID YOU REVIEW ALL OF THE KFG INVOICES?

20 A. Yes, I have reviewed all of the invoices submitted by KFG for services performed
21 for Entergy from January 1, 2022 to February 28, 2022. The two invoices are
22 included among my workpapers. Exhibit MEG-8 is a monthly summary of KFG's
23 invoices.

1
2 Q100. DID THE KFG INVOICES INCLUDE TIME BILLED BY PERSONNEL OTHER
3 THAN THE KEY CONSULTANT?

4 A. No.

5
6 Q101. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES
7 SUBMITTED BY KFG?

8 A. I did not make any adjustments to the KFG invoices.

9
10 Q102. WHAT WERE THE RATES OF MR. GALLAGHER FOR THE AMOUNTS
11 INCURRED BY ENTERGY ON INVOICES RECORDED AND PAID FOR
12 SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

13 A. KFG's fees were \$15,600.00. Mr. Gallagher's rate was an average of \$224.14 per
14 hour. Mr. Gallagher's engagement contemplates a monthly commitment fee in the
15 amount of \$19,500 for approximately 87 hours worked per month. If Mr. Gallagher
16 spends over 87 hours, then the excess hours (i.e., the number of hours above 87)
17 are multiplied by a rate of \$200 per hour. Mr. Gallagher's monthly commitment
18 fee, excess hours fee (if any), and expenses are then allocated to his matters
19 depending on his time spent. For example, if Mr. Gallagher spent 10 hours on
20 consulting related to Entergy's rate case out of 100 hours in any given month, he
21 would allocate 10% of his fees for that month to Entergy. For additional detail as
22 to the work performed by Mr. Gallagher and the cost allocation, please refer to the
23 invoices in my workpapers.

Q103. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF
THE RATES AND CHARGES BY KFG IN THIS CASE?

A. The rates charged by KFG are reasonable and are equivalent to the rates charged
by Mr. Gallagher in the prior Entergy rate case.³⁴ The number of hours billed is
reasonable. The invoices were calculated correctly. There were no double billings.
There were no charges that should have been recovered through the reimbursement
for other expenses. None of the charges should have been assigned to other
jurisdictions or other matters. There were no time entries for more than 12 hours
in a single day. No luxury items were billed to the utility. Accordingly, in my
opinion the amounts charged to date by KFG are necessary, reasonable, and
warranted, and thus not extreme or excessive.

VII. FUTURE RATE CASE EXPENSES

Q104. DOES ENTERGY INTEND TO SEEK RECOVERY OF ADDITIONAL RATE
CASE EXPENSES RELATED TO THIS RATE CASE FILING?

A. Yes. Entergy's filing includes an estimate of expenses to be incurred between when
the rate case filing was prepared and when the case concludes, and will seek
recovery of those costs. As actual expenses are incurred, Entergy will replace the
estimates with actuals.

³⁴ *Review of the Rate Case Expenses Incurred In Docket 48371, Docket No. 48439, Direct Testimony of Stephen F. Morris at 38 (Jan. 18, 2019).*

ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021	
	Units in MW
TRANSMISSION SYSTEM	
Total Input	3,721
Total Delivery to Customers	1,557
TRANSMISSION - 230 KV AND ABOVE	
Total Losses (Include Wheeling Losses)	9
Deliveries to Customers	411
Total	3,301
Deliveries to Substations(no local)	297
Deliveries to Local Distribution Level	3,004
Loss Ratio*	1.002464
TRANSMISSION - BELOW 230 KV	
Recieved from 230 KV and Above	3,004
Total Losses (Include Wheeling Losses)	25
Deliveries to Customers (Inc Sales)	945
Deliveries to Substation Level	2,034
Loss Ratio*	1.008499
DISTRIBUTION SYSTEM	
SUBSTATION	
Receipt from Transmission 230 KV and Above	297
Receipt from Transmission below 230 KV	2,034
Total Receipt	2,331
Transformer Losses - 230 KV and Above	3
Transformer Losses - Below 230 KV	30
Total Losses	33
Delivery to Customers	0
Delivery to Distribution Level	2,298
Loss Ratio*	1.014334
PRIMARY DISTRIBUTION	
Receipt from Substation	2,298
Feeder Trunk Losses	67
Lateral Losses	0
Total Losses (Include Wheeling Losses)	69

ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021

Units in MW

Delivery to Customers	201
Delivery to Secondary Level	2,028
Loss Ratio*	1.030953

SECONDARY DISTRIBUTION

Receipt from Primary Distribution Feeder	2,028
Distribution Transformer Losses	36
Secondary and Service Loss	3
Total Losses	40
	2,090
Delivered to Customer	1,988
Loss Ratio*	1.019962

Accumulation of Losses by Delivery

Transmission Delivery - 230 KV and Above	1.002464
Transmission Delivery - Below 230 KV	1.010983
Delivery at Primary Distribution Feeder and substation transformers	1.057216
Delivery at Secondary	1.078320

Summary Accumulation of Losses by Delivery

	Estimated Losses
Transmission Delivery - 230 KV and Above	9
Transmission Delivery - Below 230 KV	25
Substation	33
Delivery at Primary Distribution Feeder	69
Delivery at Secondary	40
Total Losses	176

* Dimensionless number.

ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021

Units in MW

TRANSMISSION SYSTEM

Total Input	3,721
Total Delivery to Customers	3,545

TRANSMISSION - 230 KV AND ABOVE

Total Losses (Include Wheeling Losses)	9
Deliveries to Customers	411
Total	3,301
Deliveries to Substations(no local)	297
Deliveries to Local Distribution Level	3,004
Loss Ratio*	1.002464

TRANSMISSION - BELOW 230 KV

Recieved from 230 KV and Above	3,004
Total Losses (Include Wheeling Losses)	25
Deliveries to Customers (Inc Sales)	945
Deliveries to Substation Level	2,034
Loss Ratio*	1.008499

DISTRIBUTION SYSTEM

SUBSTATION

Receipt from Transmission 230 KV and Above	297
Receipt from Transmission below 230 KV	2,034
Total Receipt	2,331
Transformer Losses - 230 KV and Above	3
Transformer Losses - Below 230 KV	30
Total Losses	33
Delivery to Customers	0
Delivery to Distribution Level	2,298
Loss Ratio*	1.014334

PRIMARY DISTRIBUTION

Receipt from Substation	2,298
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ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021

	Units in MW
Feeder Trunk Losses	67
Lateral Losses	0
Total Losses (Include Wheeling Losses)	69
Delivery to Customers	201
Delivery to Secondary Level	2,028
Loss Ratio*	1.030953

SECONDARY DISTRIBUTION

Receipt from Primary Distribution Feeder	2,028
Distribution Transformer Losses	36
Secondary and Service Loss	3
Total Losses	40
Delivered to Customer	1,988
Loss Ratio*	1.019962

Accumulation of Losses by Delivery

Transmission Delivery - 230 KV and Above	1.002464
Transmission Delivery - Below 230 KV	1.010983
Delivery at Primary Distribution Feeder and substation transformers	1.057216
Delivery at Secondary	1.078320

Summary Accumulation of Losses by Delivery

	Estimated Losses
Transmission Delivery - 230 KV and Above	9
Transmission Delivery - Below 230 KV	25
Substation	33
Delivery at Primary Distribution Feeder	69
Delivery at Secondary	40
Total Losses	176

* Dimensionless number.

ETI Energy Loss Analysis for Analysis Period Ending June 30, 2021

	<i>Units in MWH (except as noted)</i>
Transmission Systems	
Transmission - 230 KV AND ABOVE	
Total Energy Available	19,339,874
Total Delivery to Customers	19,333,806
Total Losses (Include Wheeling Losses)	79,686
Deliveries to Customers	2,858,582
Energy available to next level	16,401,606
Deliveries to Substations	1,394,136
Deliveries to Local Transmission	15,007,469
Loss Ratio*	1.004137
Transmission - Below 230 KV	
Received from 230 KV and above	15,007,469
Total Losses (Include Wheeling Losses)	181,004
Deliveries to Customers	4,651,675
Deliveries to Substation Level	10,174,789
Loss Ratio*	1.012208
Distribution Systems	
SUBSTATION	
Receipt from 230 KV and Above	1,394,136
Receipt from Below 230 KV	10,174,789
Total Receipt	11,568,926
Transformer Losses - 230 KV and Above	8,266
Transformer Losses - Below 230 KV	158,757
Total Losses	167,023
Delivery to Customers	0
Delivery to Primary Distribution Feeder Level	12,315,034
Loss Ratio (Substation)*	1.014649
PRIMARY DISTRIBUTION	

ETI Energy Loss Analysis for Analysis Period Ending June 30, 2021

	<i>Units in MWH</i>
Receipt from Substation	12,315,034
Feeder Losses	182,759
Laterals Losses	12,683
Wheeling Losses	907
Total Losses	196,348
Delivery to Customers	1,085,552
Delivery to Secondary Level	11,033,133
Loss Ratio (Primary Feeder)*	1.016202
TOTAL DISTRIBUTION PRIMARY SYSTEM *	1.031088
SECONDARY DISTRIBUTION	
Receipt from Distribution Primary Feeder	11,033,133
Distribution Transformer Losses	280,792
Secondary and Service Losses	14,345
Total Losses	295,137
Load Delivered at Secondary	10,737,997
Loss Ratio*	1.027485
Accumulation of Losses by Delivery	
Transmission Delivery - 230 KV and Above	1.004137
Transmission Delivery - Below 230 KV	1.016396
Delivery at Primary Distribution Feeder and substation transformers	1.047994
Delivery at Secondary	1.076798
Summary Accumulation of Losses by Delivery	
	Estimated Losses
Transmission Delivery - 230 KV and Above	79,686
Transmission Delivery - Below 230 KV	181,004
Substation	167,023
Delivery at Primary Distribution Feeder	196,348
Delivery at Secondary	295,137
Total Losses Calculated	919,199

* Dimensionless number.

ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021

Units in MW

TRANSMISSION SYSTEM

Total Input	3,721
Total Delivery to Customers	1,557

TRANSMISSION - 230 KV AND ABOVE

Total Losses (Include Wheeling Losses)	9
Deliveries to Customers	411
Total	3,301
Deliveries to Substations(no local)	297
Deliveries to Local Distribution Level	3,004
Loss Ratio*	1.002464

TRANSMISSION - BELOW 230 KV

Received from 230 KV and Above	3,004
Total Losses (Include Wheeling Losses)	25
Deliveries to Customers (Inc Sales)	945
Deliveries to Substation Level	2,034
Loss Ratio*	1.008499

DISTRIBUTION SYSTEM

SUBSTATION

Receipt from Transmission 230 KV and Above	297
Receipt from Transmission below 230 KV	2,034
Total Receipt	2,331
Transformer Losses - 230 KV and Above	3
Transformer Losses - Below 230 KV	30
Total Losses	33
Delivery to Customers	0
Delivery to Distribution Level	2,298
Loss Ratio*	1.014334

PRIMARY DISTRIBUTION

Receipt from Substation	2,298
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ETI 12CP Demand Loss Analysis for Test Year Ending June 30, 2021

	Units in MW
Feeder Trunk Losses	67
Lateral Losses	0
Total Losses (Include Wheeling Losses)	69
Delivery to Customers	201
Delivery to Secondary Level	2,028
Loss Ratio*	1.030953

SECONDARY DISTRIBUTION

Receipt from Primary Distribution Feeder	2,028
Distribution Transformer Losses	36
Secondary and Service Loss	3
Total Losses	40
	2,090
Delivered to Customer	1,988
Loss Ratio*	1.019962

Accumulation of Losses by Delivery

Transmission Delivery - 230 KV and Above	1.002464
Transmission Delivery - Below 230 KV	1.010983
Delivery at Primary Distribution Feeder and substation transformers	1.057216
Delivery at Secondary	1.078320

Summary Accumulation of Losses by Delivery

	Estimated Losses
Transmission Delivery - 230 KV and Above	9
Transmission Delivery - Below 230 KV	25
Substation	33
Delivery at Primary Distribution Feeder	69
Delivery at Secondary	40
Total Losses	176

* Dimensionless number.

ETI Energy Loss Analysis for Analysis Period Ending June 30, 2021

	<i>Units in MWH (except as noted)</i>
Transmission Systems	
Transmission - 230 KV AND ABOVE	
Total Energy Available	19,339,874
Total Delivery to Customers	19,333,806
Total Losses (Include Wheeling Losses)	79,686
Deliveries to Customers	2,858,582
Energy available to next level	16,401,606
Deliveries to Substations	1,394,136
Deliveries to Local Transmission	15,007,469
Loss Ratio*	1.004137
Transmission - Below 230 KV	
Received from 230 KV and above	15,007,469
Total Losses (Include Wheeling Losses)	181,004
Deliveries to Customers	4,651,675
Deliveries to Substation Level	10,174,789
Loss Ratio*	1.012208
Distribution Systems	
SUBSTATION	
Receipt from 230 KV and Above	1,394,136
Receipt from Below 230 KV	10,174,789
Total Receipt	11,568,926
Transformer Losses - 230 KV and Above	8,266
Transformer Losses - Below 230 KV	158,757
Total Losses	167,023
Delivery to Customers	0
Delivery to Primary Distribution Feeder Level	12,315,034
Loss Ratio (Substation)*	1.014649
PRIMARY DISTRIBUTION	

ETI Energy Loss Analysis for Analysis Period Ending June 30, 2021

	<i>Units in MWH</i>
Receipt from Substation	12,315,034
Feeder Losses	182,759
Laterals Losses	12,683
Wheeling Losses	907
Total Losses	196,348
Delivery to Customers	1,085,552
Delivery to Secondary Level	11,033,133
Loss Ratio (Primary Feeder)*	1.016202
TOTAL DISTRIBUTION PRIMARY SYSTEM *	1.031088
SECONDARY DISTRIBUTION	
Receipt from Distribution Primary Feeder	11,033,133
Distribution Transformer Losses	280,792
Secondary and Service Losses	14,345
Total Losses	295,137
Load Delivered at Secondary	10,737,997
Loss Ratio*	1.027485
Accumulation of Losses by Delivery	
Transmission Delivery - 230 KV and Above	1.004137
Transmission Delivery - Below 230 KV	1.016396
Delivery at Primary Distribution Feeder and substation transformers	1.047994
Delivery at Secondary	1.076798
Summary Accumulation of Losses by Delivery	
	Estimated Losses
Transmission Delivery - 230 KV and Above	79,686
Transmission Delivery - Below 230 KV	181,004
Substation	167,023
Delivery at Primary Distribution Feeder	196,348
Delivery at Secondary	295,137
Total Losses Calculated	919,199

* Dimensionless number.

ENTERGY TEXAS, INC.
INVENTORY VALUES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

FUEL OIL INVENTORY

Entergy Texas, Inc. values its oil inventory at average fuel cost. Any new purchases are recorded at cost and then added to the previous month's ending inventory for dollars and barrels. The total dollars are then divided by the total barrels to determine a new average fuel cost for the month. Any oil burns during the month are valued at this new average fuel cost and subtracted from inventory for dollars and barrels to arrive at the ending inventory.

The BTU content of fuel oil burned from inventory is based on the weighted average BTU content of oil purchased based on the industry standard conversion factors for the type of oil.

NATURAL GAS INVENTORY

Entergy Texas, Inc. values its gas inventory at modified average cost. Inventoried gas is stored at the Spindletop Gas Storage Facility and withdrawn as needed to meet the burn requirements at Sabine station. Monthly gas injections into storage and withdrawals from storage are netted to determine if either a net injection (purchase) or net withdrawal (burn) occurred. A net injection increases inventory and is recorded as a purchase to inventory for MCFs, MMBTUs, and dollars based on the lowest cost of gas per MMBTU purchased at Sabine during the month. Associated transportation cost per MMBTU and taxes on transportation dollars are also recorded to inventory. The purchase total for quantities and dollars are then added to the previous month's ending inventory for quantities and dollars to arrive at total available gas inventory. Total dollars for gas stock and transportation are divided by total MMBTUs to determine a new modified average cost for these components. The new modified average for these components plus the tax rate on transportation dollars equals the new total modified average cost. A net withdrawal decreases inventory and is recorded as a burn from inventory at the modified average cost at the end of the previous month. Quantities and dollars burned are subtracted from inventory to arrive at the ending inventory. The BTU content of gas burned from inventory is based on net storage in/out measurements reported in monthly gas storage volume statements.

COAL INVENTORY

Entergy Texas, Inc. values its coal inventory at average cost. The average cost method involves adding current month's purchases and MMBTUs to previous month's ending inventory for purchases and MMBTUs. Total inventory dollars are divided by total inventory MMBTUs to determine the new average cost of inventory. Any coal burned during the current month is valued at the new average cost and subtracted from inventory to arrive at the new ending inventory value.

Coal inventory quantities are maintained only in MMBTUs. Maintaining the book inventory of coal in MMBTUs instead of coal tons is a more accurate measurement on which to base inventory cost. A quantity of coal measured as one ton when brought to a plant can pick up moisture, for example a 10% increase could occur. When that quantity of coal is brought to the burn process, it would then be weighed as 1.1 tons. By measuring coal in MMBTUs instead of moisture-laden weight, coal stock costs will be

more accurately reflected, as well as the remaining book inventory. This is because the chemical analysis performed to derive the BTU content of coal received and coal burned compensates for the effect of the change in moisture content. The BTU value of coal with a 10% moisture level will be lower than that of coal with no moisture (a dry ton). When a ton of coal burned is converted to MMBTU by applying the measured BTU value, the resulting MMBTU is an inherent quantity that is essentially the same whether the coal is wet or dry.

ENTERGY TEXAS, INC.
INVENTORY VALUES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

FUEL OIL INVENTORY

Entergy Texas, Inc. values its oil inventory at average fuel cost. Any new purchases are recorded at cost and then added to the previous month's ending inventory for dollars and barrels. The total dollars are then divided by the total barrels to determine a new average fuel cost for the month. Any oil burns during the month are valued at this new average fuel cost and subtracted from inventory for dollars and barrels to arrive at the ending inventory.

The BTU content of fuel oil burned from inventory is based on the weighted average BTU content of oil purchased based on the industry standard conversion factors for the type of oil.

NATURAL GAS INVENTORY

Entergy Texas, Inc. values its gas inventory at modified average cost. Inventoried gas is stored at the Spindletop Gas Storage Facility and withdrawn as needed to meet the burn requirements at Sabine and Lewis Creek stations. Monthly gas injections into storage and withdrawals from storage are netted to determine if either a net injection (purchase) or net withdrawal (burn) occurred. A net injection increases inventory and is recorded as a purchase to inventory for MCFs, MMBTUs, and dollars based on the lowest cost of gas per MMBTU purchased at Sabine during the month. Associated transportation cost per MMBTU and taxes on transportation dollars are also recorded to inventory. The purchase total for quantities and dollars are then added to the previous month's ending inventory for quantities and dollars to arrive at total available gas inventory. Total dollars for gas stock and transportation are divided by total MMBTUs to determine a new modified average cost for these components. The new modified average for these components plus the tax rate on transportation dollars equals the new total modified average cost. A net withdrawal decreases inventory and is recorded as a burn from inventory at the modified average cost at the end of the previous month. Quantities and dollars burned are subtracted from inventory to arrive at the ending inventory. The BTU content of gas burned from inventory is based on net storage in/out measurements reported in monthly gas storage volume statements.

COAL INVENTORY

Entergy Texas, Inc. values its coal inventory at average cost. The average cost method involves adding current month's purchases and MMBTUs to previous month's ending inventory for purchases and MMBTUs. Total inventory dollars are divided by total inventory MMBTUs to determine the new average cost of inventory. Any coal burned during the current month is valued at the new average cost and subtracted from inventory to arrive at the new ending inventory value.

Coal inventory quantities are maintained only in MMBTUs. Maintaining the book inventory of coal in MMBTUs instead of coal tons is a more accurate measurement on which to base inventory cost. A quantity of coal measured as one ton when brought to a plant can pick up moisture, for example a 10% increase could occur. When that quantity of coal is brought to the burn process, it would then be weighed as 1.1 tons. By measuring coal in MMBTUs instead of moisture-laden weight, coal stock costs will be

more accurately reflected, as well as the remaining book inventory. This is because the chemical analysis performed to derive the BTU content of coal received and coal burned compensates for the effect of the change in moisture content. The BTU value of coal with a 10% moisture level will be lower than that of coal with no moisture (a dry ton). When a ton of coal burned is converted to MMBTU by applying the measured BTU value, the resulting MMBTU is an inherent quantity that is essentially the same whether the coal is wet or dry.

Entergy Texas, Inc.
Cost of Service
Schedule G-1.6 Payments Other Than Standard Pay
Electric
For the Test Year Ended December 31, 2021

ERRATA
Schedule G-1.6
2022 TX Rate Case
Page 1 of 1

Line No.	Month-Year	Incentive Compensation (1)(2)	Severance (1)(2)	Employee Related Payments (1)(2)	Total (1)(2)
1	Jan-21	712,697	-	28,994	741,690
2	Feb-21	341,980	-	19,691	361,672
3	Mar-21	580,608	-	25,122	605,730
4	Apr-21	337,375	-	36,859	374,235
5	May-21	344,601	-	32,602	377,203
6	Jun-21	547,945	-	33,364	581,309
7	Jul-21	474,528	-	90,556	565,084
8	Aug-21	337,964	-	24,184	362,148
9	Sep-21	467,569	-	39,120	506,689
10	Oct-21	338,064	-	26,085	364,149
11	Nov-21	345,444	-	24,085	369,529
12	Dec-21	1,627,910	-	96,583	1,724,493
13	Total	6,456,686	-	477,245	6,933,931
14					
15	2020	5,092,547	-	285,521	5,378,068
16	2019	5,921,306	-	274,042	6,195,348
17	2018	4,200,653	-	249,393	4,450,047

Notes:

(1) Excludes Affiliates

(2) Schedule reflects incurred costs for incentive compensation, severance and employee-related payments. See AJ22 for adjustments to these amounts.

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

RESIDENTIAL SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge:					
2	RS	5,024,955 Bills	\$10.00	\$50,249,550	\$16.96	\$85,223,237
3	Year-End Customer Adj. (Regular)	48,441 Bills	\$10.00	\$484,410	\$16.96	\$821,559
4	RS-TOD	304 Bills	\$10.00	\$3,040	\$16.96	\$5,156
5	RS-TOD Year-End Cust Adj.	80 Bills	\$10.00	\$800	\$16.96	\$1,357
6	Total	5,073,780 Bills		\$50,737,800		\$86,051,309
7	Energy Charge:					
8	Summer Minimum					
9	RS	- mWh				
10	Year-End Cust. Adj.	- mWh				
11	Weather Adjustment	- mWh				
12	Total	- mWh				
13	Summer All kWh					
14	RS	3,477,974 mWh	\$0.06971	\$242,449,563	\$0.09444	\$328,459,859
15	Year-End Cust. Adj.	29,679 mWh	\$0.06971	\$2,068,955	\$0.09444	\$2,802,928
16	Weather Adjustment	60,870 mWh	\$0.06971	\$4,243,248	\$0.09444	\$5,748,563
17	Total	3,568,523 mWh		\$248,761,766		\$337,011,350
18	Winter Minimum					
19	RS	- mWh				
20	Year-End Cust. Adj.	- mWh				
21	Weather Adjustment	- mWh				
22	Total	- mWh				
23	Winter <= 1,000 kWh					
24	RS	1,811,971 mWh	\$0.06971	\$126,312,498	\$0.09444	\$171,122,541
25	Year-End Cust. Adj.	20,589 mWh	\$0.06971	\$1,435,259	\$0.09444	\$1,944,425
26	Weather Adjustment	(17,753) mWh	\$0.06971	(\$1,237,549)	\$0.09444	(\$1,676,577)
27	Total	1,814,807 mWh		\$126,510,208		\$171,390,389
28	Winter > 1,000 kWh					
29	RS	882,464 mWh	\$0.05188	\$45,782,232	\$0.07030	\$62,037,219
30	Year-End Cust. Adj.	10,027 mWh	\$0.05188	\$520,201	\$0.07030	\$704,898
31	Weather Adjustment	(8,646) mWh	\$0.05188	(\$448,552)	\$0.07030	(\$607,811)
32	Total	883,845 mWh		\$45,853,881		\$62,134,306

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

RESIDENTIAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Time-Of-Day					
2	On-peak (May-Oct)	75 mWh	\$0.161270	\$12,095	\$0.218450	\$16,384
3	Year-End Cust. Adj.	27 mWh	\$0.161270	\$4,354	\$0.218450	\$5,898
4	Weather Adjustment	(1) mWh	\$0.161270	(\$118)	\$0.218450	(\$159)
5	On-peak (Nov-Apr)	57 mWh	\$0.106000	\$6,042	\$0.143590	\$8,185
6	Year-End Cust. Adj.	11 mWh	\$0.106000	\$1,166	\$0.143590	\$1,579
7	Weather Adjustment	(1) mWh	\$0.106000	(\$59)	\$0.143590	(\$80)
8	Off-peak (All)	388 mWh	\$0.027640	\$10,724	\$0.037440	\$14,527
9	Year-End Cust. Adj.	114 mWh	\$0.027640	\$3,151	\$0.037440	\$4,268
10	Weather Adjustment	4 mWh	\$0.027640	\$99	\$0.037440	\$134
11	Total	674		\$37,454		\$50,736
12	Total Energy Charge	6,267,850 mWh		\$421,163,309		\$570,586,781
13	Distribution of Public Benefit Funds			(\$2,500,000)		(\$2,500,000)
14	Total RS Base Revenue	6,267,850 mWh		\$469,401,109		\$654,138,090
15	Riders					
16	AMS	5,073,780 Bills	\$2.88	\$14,612,486	\$2.88	\$14,612,486
17	DCRF	6,267,850 mWh	\$0.003908	\$24,494,757	-	-
18	EECRF	6,267,850 mWh	\$0.001027	\$6,437,082	\$0.001027	\$6,437,082
19	HRC	6,267,850 mWh	-	-	-	-
20	PCF	6,267,850 mWh	-	-	-	-
21	SCO-2	6,267,850 mWh	(\$0.000036)	(\$225,643)	(\$0.000036)	(\$225,643)
22	SRC	6,267,850 mWh	\$0.005040	\$31,589,964	\$0.005040	\$31,589,964
23	SRC-2	6,267,850 mWh	\$0.003280	\$20,558,548	\$0.003280	\$20,558,548
24	TCRF	6,267,850 mWh	\$0.005428	\$34,021,889	-	-
25	TTC	6,267,850 mWh	-	-	-	-
26	FFF	6,267,850 mWh	\$0.038066	\$238,591,975	\$0.038066	\$238,591,975
27	RCE-4	6,267,850 mWh	\$0.000190	\$1,190,891	\$0.000190	\$1,190,891
28	GCRR	6,267,850 mWh	\$0.006776	\$42,470,951	\$0.006776	-
29	MTM	6,267,850 mWh	(\$0.000209)	(\$1,309,981)	(\$0.000209)	(\$1,309,981)
30	TCJA	%	(0.0582160)	(\$27,326,655)	(\$0.058216)	(\$27,326,655)
31	FITC	%	(0.0075980)	(\$3,566,510)	(\$0.007598)	(\$3,566,510)
32	Total Riders			\$ 381,539,754		\$ 280,552,157
33	Total Revenue			\$ 850,940,863		\$ 934,690,247
34	Revenue Change					\$83,749,384
35	Percent Change					9.84%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

SMALL GENERAL SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge:					
2	SGS	434,918 Bills	\$14.19	\$ 6,171,486	\$24.52	\$ 10,664,189
3	Year-End Customer Adj.	6,502 Bills	\$14.19	\$ 92,263	\$24.52	\$ 159,429
4	Total SGS	441,420 Bills		\$ 6,263,749		\$ 10,823,618
5	UMS	14,284 Bills	\$10.09	\$ 144,126	\$17.40	\$ 248,542
6	Year-End Customer Adj.	44 Bills	\$10.09	\$ 444	\$17.40	\$ 766
7	TSS Minimum Charge	1,743 Signals	\$0.00	\$ -	\$ 8.00	\$ 13,944
8	Year-End Customer Adj.	(2) Signals	\$0.00	\$ -	\$ 8.00	\$ (16)
9	TSS Regular Customers	996 Signals	\$0.00	\$ -	\$ -	\$ -
8	Year-End Customer Adj.	(1) Signals	\$0.00	\$ -	\$0.00	\$ -
9	Total Customer Charge	458,484 Bills		\$ 6,408,319		\$ 11,086,854
10	Energy Charge:					
11	SGS	475,806 mWh	\$0.06150	\$ 29,262,069	\$0.07206	\$ 34,286,580
12	Year-End Customer Adj.	6,051 mWh	\$0.06150	\$ 372,137	\$0.07206	\$ 436,035
13	Weather Adjustment	891 mWh	\$0.06150	\$ 54,797	\$0.07206	\$ 64,205
14	Total SGS	482,748 mWh		\$ 29,689,003		\$ 34,786,820
15	UMS	5,834 mWh	\$0.06150	\$ 358,791	\$0.07206	\$ 420,398
16	Year-End Customer Adj.	23 mWh	\$0.06150	\$ 1,415	\$0.07206	\$ 1,657
17	TSS mWh In Minimum	0 mWh				
18	Year-End Customer Adj.	0 mWh				
19	Weather Adjustment	0 mWh				
20	TSS	2,557 mWh	\$0.03083	\$ 78,832	\$0.03612	\$ 92,359
21	Year-End Customer Adj.	(5) mWh	\$0.03083	\$ (154)	\$0.03612	\$ (181)
22	Weather Adjustment	0 mWh	\$0.03083	\$ -	\$0.03612	\$ -
23	Total Energy	491,157 mWh		\$ 30,127,887		\$ 35,301,053
24	Total SGS Base Revenue	491,157 mWh		\$ 36,536,206		\$ 46,387,907

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

SMALL GENERAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Riders					
2	AMS	441,420 Bills	\$4.26	\$ 1,880,449	\$4.26	\$ 1,880,449
3	DCRF	491,157 mWh	\$0.003669	\$ 1,802,055	-	\$ -
4	EECRF	491,157 mWh	\$0.000976	\$ 479,369	\$0.000976	\$ 479,369
5	HRC	491,157 mWh	\$0.000000	\$ -	\$0.000000	\$ -
6	PCF	491,157 mWh	\$0.000000	\$ -	\$0.000000	\$ -
7	SCO-2	491,157 mWh	(\$0.000034)	\$ (16,699)	(\$0.000034)	\$ (16,699)
8	SRC	491,157 mWh	\$0.004970	\$ 2,441,050	\$0.004970	\$ 2,441,050
9	SRC-2	491,157 mWh	\$0.003070	\$ 1,507,852	\$0.003070	\$ 1,507,852
10	TCRF	491,157 mWh	\$0.003911	\$ 1,920,915	-	\$ -
11	TTC	491,157 mWh	\$0.000000	\$ -	\$0.000000	\$ -
12	FFF	491,157 mWh	\$0.038066	\$ 18,696,382	\$0.038066	\$ 18,696,382
13	RCE-4	491,157 mWh	\$0.000198	\$ 97,249	\$0.000198	\$ 97,249
14	GCRR	491,157 mWh	\$0.005629	\$ 2,764,723	-	\$ -
15	MTM	491,157 mWh	(\$0.000174)	\$ (85,461)	(\$0.000174)	\$ (85,461)
16	TCJA	%	(0.0498340)	\$ (1,820,745)	(0.0498340)	(\$1,820,745)
17	FITC	%	(0.0064220)	\$ (234,636)	(0.0064220)	(\$234,636)
18	Total Riders			\$ 29,432,503		\$ 22,944,810
19	Total Revenue			\$ 65,968,709		\$ 69,332,717
20	Revenue Change					\$3,364,008
21	Percent Change					5.10%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

GENERAL SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge:					
2	GS	240,328 Bills	\$39.20	\$ 9,420,858	\$55.52	\$ 13,343,957
3	Year-End Customer Adj.	644 Bills	\$39.20	\$ 25,245	\$55.52	\$ 35,757
4	Total	240,972 Bills		\$ 9,446,103		\$ 13,379,714
5	Demand Charge:					
6	All kW	11,015,414 kW	\$7.40	\$ 81,514,066	\$10.03	\$ 110,484,605
7	Year-End Customer Adj.	45,280 kW	\$7.40	\$ 335,072	\$10.03	\$ 454,158
8	Total	11,060,694 kW		\$ 81,849,138		\$ 110,938,763
9	Voltage Adjustment:					
10	Secondary	10,416,343 kW	\$0.00	\$ -	\$0.00	\$ -
11	Year End Adj. - Secondary	23,723 kW	\$0.00	\$ -	\$0.00	\$ -
12	Primary	473,802 kW	(\$0.96)	\$ (454,850)	(\$1.30)	\$ (615,943)
13	Year End Adj. - Primary	21,001 kW	(\$0.96)	\$ (20,161)	(\$1.30)	\$ (27,301)
14	Transmission	125,269 kW	(\$1.83)	\$ (229,242)	(\$2.48)	\$ (310,667)
15	Year End Adj. - Transmission	556 kW	(\$1.83)	\$ (1,017)	(\$2.48)	\$ (1,379)
16	Total Voltage Adj.	11,060,694 kW		\$ (705,270)		\$ (955,290)
17	Total Demand Charges			\$ 81,143,868		\$ 109,983,473
18	Energy Charge:					
19	GS	3,156,638 mWh	\$0.02210	\$ 69,761,700	\$0.02998	\$ 94,636,007
20	Year-End Customer Adj.	9,760 mWh	\$0.02210	\$ 215,696	\$0.02998	\$ 292,605
21	Weather Adjustment	6,106 mWh	\$0.02210	\$ 134,943	\$0.02998	\$ 183,058
22	Total Energy	3,172,504 mWh		\$ 70,112,339		\$ 95,111,670
23	GS Non-TOD Base Revenue			\$ 160,702,310		\$ 218,474,857

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

GENERAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	GS - Time-Of-Day					
2	Customer Charge:					
3	Bills - (May-Oct)	24 Bills	\$39.20	\$ 941	\$55.52	\$ 1,333
4	Bills - (Nov-Apr)	24 Bills	\$39.20	\$ 941	\$55.52	\$ 1,333
5	Total	48 Bills		\$ 1,882		\$ 2,666
6	Demand Charge:					
7	kW (May-Oct)	3,938 kW	\$11.02	\$ 43,397	\$14.94	\$ 58,834
8	kW (Nov-Apr)	4,481 kW	\$5.70	\$ 25,542	\$7.73	\$ 34,638
9	Total	8,419 kW		\$ 68,939		\$ 93,472
10	Voltage Adjustment:					
11	Secondary	570 kW	\$0.00	\$ -	\$0.00	\$ -
12	Primary	0 kW	(\$0.96)	\$ -	(\$1.30)	\$ -
13	Transmission	7,849 kW	(\$1.83)	\$ (14,364)	(\$2.48)	\$ (19,466)
14	Total Voltage Adj.	8,419 kW		\$ (14,364)		\$ (19,466)
15	Total Demand Charges			\$ 54,575		\$ 74,006
16	Energy Charge:					
17	On-peak (May-Oct)	15 mWh	\$0.05491	\$ 824	\$0.07447	\$ 1,117
18	Weather Adjustment	0 mWh	\$0.05491	\$ -	\$0.07447	\$ -
19	On-peak (Nov-Apr)	14 mWh	\$0.02185	\$ 306	\$0.02964	\$ 415
20	Weather Adjustment	0 mWh	\$0.02185	\$ -	\$0.02964	\$ -
21	Off-peak (All)	107 mWh	\$0.01891	\$ 2,023	\$0.02565	\$ 2,745
22	Weather Adjustment	0 mWh	\$0.01891	\$ -	\$0.02565	\$ -
23	Total Energy	136 mWh		\$ 3,153		\$ 4,277
24	GS-TOD Base Revenue			\$ 59,610		\$ 80,949
25	Total GS Base Revenue	3,172,640 mWh		\$ 160,761,920		\$ 218,555,806

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

GENERAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Riders					
2	AMS	240,756 Bills	\$5.94	\$ 1,430,091	\$5.94	\$ 1,430,091
3	DCRF	11,069,113 kW	\$0.840	\$ 9,298,055	-	\$ -
4	EECRF	3,172,640 mWh	\$0.000972	\$ 3,083,806	\$0.000972	\$ 3,083,806
5	HRC	3,172,640 mWh	\$0.000000	\$ -	\$0.000000	\$ -
6	PCF	3,172,640 mWh	\$0.000000	\$ -	\$0.000000	\$ -
7	SCO-2	3,172,640 mWh	(\$0.000026)	\$ (82,489)	(\$0.000026)	\$ (82,489)
8	SRC	3,172,640 mWh	\$0.004650	\$ 14,752,776	\$0.004650	\$ 14,752,776
9	SRC-2	3,172,640 mWh	\$0.002320	\$ 7,360,525	\$0.002320	\$ 7,360,525
10	TCRF	11,069,113 kW	\$1.235000	\$ 13,670,355	-	\$ -
11	TTC	3,172,640 mWh	\$0.000000	\$ -	\$0.000000	\$ -
12	FFF - GS	3,172,504 mWh	\$0.038004	\$ 120,567,842	\$0.038004	\$ 120,567,842
13	FFF - GS-TOD	136 mWh	\$0.037654	\$ 5,121	\$0.037654	\$ 5,121
14	RCE-4	3,172,640 mWh	\$0.000129	\$ 409,271	\$0.000129	\$ 409,271
15	GCRR	11,069,113 kW	\$1.408000	\$ 15,585,311	\$0.000000	\$ -
16	MTM	11,069,113 kW	(\$0.043400)	\$ (480,400)	(\$0.043400)	\$ (480,400)
17	TCJA	3,172,640 %	0.0000%	\$ -	0.0000%	\$ -
18	FITC	3,172,640 %	0.0000%	\$ -	0.0000%	\$ -
19	Total Riders	3,172,640 mWh		\$ 185,600,264		\$ 147,046,543
20	Total Revenue			\$346,362,184		\$365,602,349
21	Revenue Change					\$19,240,165
22	Percent Change					5.55%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LARGE GENERAL SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge:					
2	LGS	4,656 Bills	\$125.73	\$ 585,399	\$181.38	\$ 844,489
3	Demand Charge:					
4	All kW	2,921,739 kW	\$14.18	41,430,265	\$18.84	55,045,571
5	Total kW	2,921,739 kW		\$ 41,430,265		\$ 55,045,571
6	Voltage Adjustment:					
7	Secondary	2,147,038 kW	\$0.00	\$ -	\$0.00	\$ -
8	Primary	708,878 kW	(\$0.81)	\$ (574,191)	(\$1.07)	\$ (758,499)
9	Transmission	65,824 kW	(\$1.55)	(102,027)	(\$2.07)	(136,256)
10	Total Voltage Adj.	2,921,739 kW		\$ (676,218)		\$ (894,755)
11	Total Demand Charges			\$ 40,754,047		\$ 54,150,816
12	Energy Charge:					
13	LGS	1,282,854 mWh	\$0.00542	\$ 6,953,069	\$0.00721	\$ 9,249,377
14	Weather Adjustment	2,019 mWh	\$0.00542	\$ 10,943	\$0.00721	\$ 14,557
15	Total	1,284,873 mWh		\$ 6,964,012		\$ 9,263,934
16	LGS Non-TOD Base Revenue			\$ 48,303,458		\$ 64,259,239

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LARGE GENERAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	LGS - Time-Of-Day					
2	Customer Charge:					
3	Bills - (May-Oct)	12 Bills	\$125.73	\$ 1,509	\$181.38	\$ 2,177
4	Bills - (Nov-Apr)	12 Bills	\$125.73	\$ 1,509	\$181.38	\$ 2,177
5	Total	24 Bills		\$ 3,018		\$ 4,354
6	Demand Charge:					
7	kW (May-Oct)	10,871 kW	\$17.58	\$ 191,112	\$23.37	\$ 254,055
8	kW (Nov-Apr)	10,008 kW	\$9.12	\$ 91,273	\$12.12	\$ 121,297
9	Total kW	20,879 kW		\$ 282,385		\$ 375,352
10	Voltage Adjustment:					
11	Secondary	9,401 kW	\$0.00	\$ -	\$0.00	\$ -
12	Primary	11,478 kW	(\$0.81)	\$ (9,297)	(\$1.07)	\$ (12,281)
13	Transmission	0 kW	(\$1.55)	\$ -	(\$2.07)	\$ -
14	Total Voltage Adj.	20,879 kW		\$ (9,297)		\$ (12,281)
15	Total Demand Charges			\$ 273,088		\$ 363,071
16	Energy Charge:					
17	On-peak (May-Oct)	1,631 mWh	\$0.01465	\$ 23,894	\$0.01948	\$ 31,772
18	Weather Adjustment	1 mWh	\$0.01465	\$ 15	\$0.01948	\$ 19
19	On-peak (Nov-Apr)	1,476 mWh	\$0.00526	\$ 7,764	\$0.00700	\$ 10,332
20	Weather Adjustment	1 mWh	\$0.00526	\$ 5	\$0.00700	\$ 7
21	Off-peak (All)	9,419 mWh	\$0.00446	\$ 42,009	\$0.00594	\$ 55,949
22	Weather Adjustment	6 mWh	\$0.00446	\$ 27	\$0.00594	\$ 36
23	Total	12,534 mWh		\$ 73,714		\$ 98,115
24	LGS-TOD Base Revenue			\$ 349,820		\$ 465,540
25	Total LGS Base Revenue	1,297,407 mWh		\$ 48,653,278		\$ 64,724,779

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LARGE GENERAL SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Riders					
2	AMS	4,572 Bills	\$29.50	\$ 134,874	\$29.50	\$ 134,874
3	DCRF	2,942,618 kW	\$0.784	\$ 2,307,013	-	\$ -
4	EECRF	1,297,407 mWh	\$0.001702	\$ 2,208,187	\$0.001702	\$ 2,208,187
5	HRC	1,297,407 mWh	\$0.000000	\$ -	\$0.000000	\$ -
6	PCF	1,297,407 mWh	\$0.000000	\$ -	\$0.000000	\$ -
7	SCO-2	1,297,407 mWh	(\$0.000015)	\$ (19,461)	(\$0.000015)	\$ (19,461)
8	SRC	1,297,407 mWh	\$0.002560	\$ 3,321,362	\$0.002560	\$ 3,321,362
9	SRC-2	1,297,407 mWh	\$0.001400	\$ 1,816,370	\$0.001400	\$ 1,816,370
10	TCRF	2,942,618 kW	\$1.488	\$ 4,378,616	-	\$ -
11	TTC	1,297,407 mWh	\$0.000000	\$ -	\$0.000000	\$ -
12	FFF - LGS	1,284,873 mWh	\$0.037778	\$ 48,539,932	\$0.037778	\$ 48,539,931
13	FFF - LGS-TOD	12,534 mWh	\$0.037450	\$ 469,397	\$0.037450	\$ 469,397
14	RCE-4	1,297,407 mWh	\$0.000094	\$ 121,956	\$0.000094	\$ 121,956
15	GCRR	2,942,618 kW	\$1.738000	\$ 5,114,271	\$0.000000	\$ -
16	MTM	2,942,618 kW	(\$0.054000)	\$ (158,901)	(\$0.054000)	\$ (158,901)
17	TCJA	%	0.0000%	\$ -	0.0000%	\$ -
18	FITC	%	0.0000%	\$ -	0.0000%	\$ -
18	Total Riders			\$ 68,233,616		\$ 56,433,715
19	Total Revenue			\$ 116,886,894		\$ 121,158,494
20	Revenue Change					\$ 4,271,600
21	Percent Change					3.65%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LARGE INDUSTRIAL POWER SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge:					
2	Bills	1,392 Bills	\$2,500.00	\$ 3,480,000	\$4,000.00	\$ 5,568,000
3	Demand Charge:					
4	kW (May-Oct)	8,127,013 kW	\$8.15	\$ 66,235,156	\$10.85	\$ 88,178,091
5	kW (Nov-Apr)	7,832,279 kW	\$7.58	\$ 59,368,675	\$10.09	\$ 79,027,695
6	Total kW	15,959,292 kW		125,603,831		167,205,786
7	Voltage Adjustment:					
8	Less Than 69 kV	1,581,816 kW	\$1.42	\$ 2,246,179	\$1.89	\$ 2,989,632
9	69 kV	3,853,913 kW	\$0.05	\$ 192,696	\$0.07	\$ 269,774
10	138 kV	5,008,261 kW	(\$0.29)	\$ (1,452,396)	(\$0.39)	\$ (1,953,222)
11	230 kV	5,515,302 kW	(\$0.75)	\$ (4,136,477)	(\$1.00)	\$ (5,515,302)
12	Total Voltage Adj.	15,959,292 kW		\$ (3,149,998)		\$ (4,209,118)
13	Total Demand Charges			\$ 122,453,833		\$ 162,996,668
14	Energy Charge:					
15	1st Block kWh					
16	(First 584 kWh Per kW)	7,333,910 mWh	\$0.004867	\$ 35,694,140	\$0.006481	\$ 47,531,071
17	Weather Adjustment	696 mWh	\$0.004867	\$ 3,387	\$0.006481	\$ 4,511
18	2nd Block kWh					
19	(Remaining kWh)	461,482 mWh	\$0.003262	\$ 1,505,354	\$0.004342	\$ 2,003,755
20	Weather Adjustment	44 mWh	\$0.003262	\$ 144	\$0.004342	\$ 191
21	Total Energy Charge	7,796,132 mWh		\$ 37,203,025		\$ 49,539,528
22	LIPS Non-TOD Base Revenue			\$ 163,136,858		\$ 218,104,196
23	LIPS - Time-Of-Day					
24	Customer Charge:					
25	Bills	96 Bills	\$2,500.00	\$ 240,000	\$4,000.00	\$ 384,000
26	Demand Charge					
27	kW (May-Oct)	279,925 kW	\$8.93	\$ 2,499,730	\$11.88	\$ 3,325,509
28	kW (Nov-Apr)	267,604 kW	\$6.61	\$ 1,768,862	\$8.80	\$ 2,354,915
29	Total kW	547,529 kW		\$ 4,268,592		\$ 5,680,424
30	Voltage Adjustment:					
31	34.5 kV	60,000 kW	\$1.42	\$ 85,200	\$1.89	\$ 113,400
32	69 kV	70,168 kW	\$0.05	\$ 3,508	\$0.07	\$ 4,912
33	138 kV	387,361 kW	(\$0.29)	\$ (112,335)	(\$0.39)	\$ (151,071)
34	230 kV	30,000 kW	(\$0.75)	\$ (22,500)	(\$1.00)	\$ (30,000)
35	Total Voltage Adj.	547,529 kW		\$ (46,127)		\$ (62,759)
36	Total Demand Charges			\$ 4,222,465		\$ 5,617,665

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LARGE INDUSTRIAL POWER SERVICE (CONTINUED)

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Energy Charge:					
2	1st Block kWh					
3	(First 584 kWh Per kW)	167,642 mWh	\$0.004867	\$ 815,914	\$0.006481	\$ 1,086,488
4	2nd Block kWh					
5	(Remaining kWh)	0 mWh	\$0.003262	\$ -	\$0.004342	\$ -
6	Total	167,642 mWh		\$ 815,914		\$ 1,086,488
7	LIPS-TOD Base Revenue			\$ 5,278,379		\$ 7,088,153
8	LIPS Base Revenue w/o IS	7,963,774 mWh		\$ 168,415,237		\$ 225,192,349
9	Rider IS					
10	No Notice	831,634 kW	(\$4.88)	\$ (4,058,374)	(\$4.88)	\$ (4,058,374)
11	5 Minute Notice	541,069 kW	(\$3.75)	\$ (2,029,009)	(\$3.75)	\$ (2,029,009)
12	Total IS Rider	1,372,703 kW		\$ (6,087,383)		\$ (6,087,383)
13	Total LIPS Base Revenue	7,963,774		\$ 162,327,854		\$ 219,104,966
14	Riders					
15	AMS	444 Bills	\$35.39	\$ 15,713	\$35.39	\$ 15,713
16	DCRF	16,506,821 kW	\$0.047000	\$ 775,821	\$0.000000	\$ -
17	EECRF (exc. Trans.)	662,980 mWh	(\$0.000017)	\$ (11,271)	(\$0.000017)	\$ (11,271)
18	HRC - LIPS	15,134,118 kW	\$0.000000	\$ -	\$0.000000	\$ -
19	HRC - LIPS-IS	1,372,703 kW	\$0.000000	\$ -	\$0.000000	\$ -
20	PCF	16,506,821 kW	\$0.000000	\$ -	\$0.000000	\$ -
21	SCO-2 (T & D)	1,641,816 kW	(\$0.005760)	\$ (9,457)	(\$0.005760)	\$ (9,457)
22	SCO-2 (T only)	14,865,005 kW	(\$0.000580)	\$ (8,622)	(\$0.000580)	\$ (8,622)
23	SRC	16,506,821 kW	\$0.136520	\$ 2,253,511	\$0.136520	\$ 2,253,511
24	SRC-2 (T & D)	1,641,816 kW	\$0.522950	\$ 858,588	\$0.522950	\$ 858,588
25	SRC-2 (T only)	14,865,005 kW	\$0.052330	\$ 777,886	\$0.052330	\$ 777,886
26	TCRF	16,506,821 kW	\$0.832000	\$ 13,733,675	\$0.000000	\$ -
27	TTC - LIPS	15,134,118 kW	\$0.000000	\$ -	\$0.000000	\$ -
28	TTC - LIPS-IS	1,372,703 kW	\$0.000000	\$ -	\$0.000000	\$ -
29	FFF - LIPS	7,796,132 mWh	\$0.035864	\$ 279,600,478	\$0.035864	\$ 279,600,478
30	FFF - LIPS-TOD	167,642 mWh	\$0.036088	\$ 6,049,864	\$0.036088	\$ 6,049,864
31	RCE-4	16,506,821 kW	\$0.025180	\$ 415,642	\$0.025180	\$ 415,642
32	GCRR	16,506,821 kW	\$1.41500	\$ 23,357,152	\$0.000000	\$ -
33	MTM	16,506,821 kW	(\$0.04520)	\$ (746,108)	(\$0.04520)	\$ (746,108)
34	TCJA	%	0.0000%	\$ -	0.0000%	\$ -
35	FITC	%	0.0000%	\$ -	0.0000%	\$ -
36	Total Riders			\$ 327,062,872		\$ 289,196,224
37	Total Revenue			\$ 489,390,726		\$ 508,301,190
38	Revenue Change					\$ 18,910,464
39	Percent Change					3.86%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LIGHTING SERVICE

LINE NO	RATE CATEGORY	RATE CODE	LIGHTING TYPE	LUMENS	KWH PER LIGHT	TEST YEAR KWH	NO. OF LIGHTS	PRESENT RATES			PROPOSED RATES		
					4000Hr			RATE	POLE RATE	REVENUE	RATE	POLE RATE	REVENUE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	NON-ROADWAY LIGHTING SERVICE												
2	HIGH PRESSURE SODIUM												
3	ALCE,ALCE_U,ALCG	4CE,4CG	NRL	9,500	38.3	12,242,522	319,648	\$6.99	-	\$2,234,340	\$9.05	-	\$2,892,814
4	ALCJ,ALCJ_U	4CJ FLD	NRL	9,500	38.3	3,138,882	81,955	\$8.52	-	\$698,257	\$11.02	-	\$903,144
5	ALCK,ALCK_U	4CK FLD	NRL	42,000	150.0	8,367,412	55,783	\$15.86	-	\$884,718	\$20.54	-	\$1,145,783
6	ALCR,ALCR_U	4CR FLD	NRL	109,000	367.3	5,166,220	14,065	\$27.72	-	\$389,882	\$35.89	-	\$504,793
7	ALCW,ALCW_U	4CW Shoe	NRL		150.0	-	-	\$21.00	-	-	\$27.19	-	-
8	ALCX,ALCX_U	4CX Shoe	NRL		367.3	17,630	48	\$33.74	-	\$1,620	\$43.69	-	\$2,097
9	ALCZ,ALCZ_U	NA	NRL		367.3	-	-	\$36.78	-	-	\$47.63	-	-
10	ALDA,ALDA_U	4DA Acorn	NRL		58.6	8,458	144	\$13.16	-	\$1,895	\$17.04	-	\$2,454
11	ALDB,ALDB_U	4DB	NRL		58.6	2,551	44	\$19.05		\$838	\$24.67	-	\$1,085
12	ALDC,ALDC_U	4DC	NRL		58.6	2,110	36	\$10.78		\$388	\$13.96	-	\$503
13	ALDD,ALDD_U	4DD Col	NRL		100.0	4,800	48	\$14.92	-	\$716	\$19.32	-	\$927
14	MERCURY VAPOR												
15	ALCA,ALCA_U	4CA LSE	NRL	7,000	70.0	5,821,846	83,169	\$7.02	-	\$583,846	\$9.10	-	\$756,838
16	ALCB	4CB LSE	NRL	7,000	70.0	-	469	-	\$2.19	\$1,028	-	\$2.84	\$1,333
17	ALCC	4CC LSE	NRL	20,000	153.5	71,137	463	\$12.61	-	\$5,838	\$16.33	-	\$7,561
18	ALCD	4CD LSE	NRL	20,000	153.5	-	60	-	\$2.19	\$131	-	\$2.84	\$170
19	ALCL	4CL FLD	NRL	20,000	153.5	712,752	4,643	\$12.61	-	\$58,548	\$16.33	-	\$75,820
20	ALCM	4CM FLD	NRL	20,000	153.5	-	-	\$12.61	\$2.19	-	\$16.33	\$2.84	-
21	ALCN	4CN FLD	NRL	55,000	367.3	929,073	2,529	\$18.49	-	\$46,761	\$23.94	-	\$60,544
22	ALCO	4CO FLD	NRL	55,000	367.3	-	16	-	\$2.19	\$35	-	\$2.84	\$45
23	METAL HALIDE												
24	ALCU,ALCU_U	4CU FLD	NRL	30,000	120.0	2,068,201	17,235	\$13.77	-	\$237,326	\$17.83	-	\$307,300
25	ALCS,ALCS_U	4CS FLD	NRL	92,000	367.3	14,782,317	40,246	\$26.52	-	\$1,067,324	\$34.34	-	\$1,382,048
26	ALCV,ALCV_U	4CV Sec	NRL		120.0	184,360	1,536	\$19.45	-	\$29,875	\$25.20	-	\$38,707
27	ALCY,ALCY_U	4CY			120.0	2,880	24	\$25.80	-	\$619	\$33.41	-	\$802
28	AREA LIGHTING SERVICE- LIGHT EMITTING DIODE (LED)												
29	ALEDA,ALEDA_U	NA	NRL	6,600	16.7	631,519	37,815	\$9.54	-	\$360,755	\$12.36	-	\$467,393
30	ALEDB,ALEDB_U	NA	NRL	6,300	16.7	250,379	14,993	\$13.68	-	\$205,104	\$17.72	-	\$265,676
31	ALEDC	NA	NRL	23,100	66.7	777,405	11,655	\$18.99	-	\$221,328	\$24.59	-	\$286,596
32	ALEDD	NA	NRL	32,300	87.0	1,806,622	20,766	\$24.42	-	\$507,106	\$31.63	-	\$656,829
33	ALEDE	NA	NRL	21,700	69.0	2,484	36	\$21.91	-	\$789	\$28.37	-	\$1,021
34	ALEDF	NA	NRL	35,800	112.3	1,348	12	\$27.91	-	\$335	\$36.14	-	\$434
35	ALEDG	NA	NRL	7,300	23.3	5,757	247	\$12.13	-	\$2,996	\$15.71	-	\$3,880
36	ALEDH	NA	NRL	7,500	20.0	480	24	\$17.62	-	\$423	\$22.82	-	\$548
37	ALEDJ	NA	NRL	7,400	20.0	-	-	\$17.94	-	-	\$23.23	-	-
37	RESIDENTIAL LIGHTING SERVICE (RLU)												
38	RL130	130-39MV	NRL	3,300	10.6	130,016	12,266	\$1.54	-	\$18,890	\$1.99	-	\$24,409
39	RL140	140 MV	NRL	3,300	10.6	-	-	-	\$0.92	-	\$1.99	\$1.19	-
39	RL150	150 MV	NRL	3,300	10.6	-	-	-	\$0.92	-	\$1.99	\$1.19	-
40	RL160	160-69MV	NRL	7,000	17.5	1,310,020	74,858	\$1.82	-	\$136,242	\$2.36	-	\$176,665
40	RL170	170 MV	NRL	7,000	17.5	-	59	-	\$0.92	\$55	-	\$1.19	\$71
41	RL180	180-89MV	NRL	7,000	17.5	-	-	-	\$0.92	-	-	\$1.19	-
41	RL190	190-99HPS	NRL	9,500	9.6	565,846	58,942	\$1.89	-	\$111,400	\$2.45	-	\$144,408
42	RLJA	4JA MV	NRL	3,300	10.6	-	-	\$1.54	-	-	\$1.99	-	-
42	RESIDENTIAL LIGHTING SERVICE -LED OPTION (RLU-LED)												
43	RL200	NA	NRL	4,700	4.2	-	-	\$1.83	-	-	\$2.37	-	-
44	RL210	NA	NRL	7,200	5.0	-	-	\$2.01	-	-	\$2.60	-	-
45	RL220	NA	NRL	6,600	4.2	50	12	\$1.80	-	\$22	\$2.33	-	\$28
46	RL230	NA	NRL	5,400	4.2	-	-	\$2.53	-	-	\$3.28	-	-
47	RL240	NA	NRL	5,300	4.2	-	-	\$3.97	-	-	\$5.14	-	-
48	ALCT,ALCT_U	4CT	NRL	STD WOOD POLE		0	10,977		\$7.67	\$84,190	\$9.93		\$108,997
49	ALDE,ALDE_U	4DE	NRL	POLE, METAL 30 F		0	60		\$12.06	\$724	\$15.62		\$937
50	ALDF,ALDF_U	4DF	NRL	POLE, METAL 39 F		0	24		\$16.74	\$402	\$21.68		\$520
51	ALDG,ALDG_U	4DG	NRL	POLE, FIBERGLAS		0	391		\$5.88	\$2,300	\$7.61		\$2,976

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

LIGHTING SERVICE

LINE NO	RATE CODE	LIGHTING TYPE	LUMENS	KWH PER LIGHT 4000Hr	NO. OF LIGHTS	PRESENT RATES			PROPOSED RATES		
						RATE	POLE RATE	REVENUE	RATE	POLE RATE	REVENUE
(a)	(b)	(c)	(d)	(e)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	<u>ROADWAY LIGHTING SERVICE</u>										
2	<u>HIGH PRESSURE SODIUM</u>										
3	SHPA	4PA (A)	RL	23,000	100.0	6,393,700	63,937	\$12.18	-		\$778,753
4	SHPB	4PB (B)	RL	23,000	100.0	6,000	60	\$7.36	-		\$442
5	SHPC	4PC (A)	RL	42,000	150.0	3,203,400	21,356	\$14.96	-		\$319,486
6	SHPD	NA	RL	38.3	17,005		444	\$9.74	-		\$4,325
7	SHPE; SHPE_U	NA	RL	100.0				\$12.78			\$16.55
8	SHPF; SHPF_U	NA	RL	150.0				\$14.70			\$19.03
9	SHPM; SHPM_U	NA	RL	58.6				\$12.65			\$16.38
10	SHPN; SHPN_U	NA	RL	58.6				\$12.25			\$15.86
11	SHPG; SHPG_U	4PG,4PJ (A)	RL	9,500	38.3	13,249,067	345,929	\$6.99	-		\$2,418,044
12	SHPL	4PL (C) LSE	RL	9,500	38.3	-	-	\$6.99	\$2.19		\$9.05
13	SHPO	NA	RL	58.6	2,813	48		\$10.54	-		\$506
14	SHPP	4PP	RL	14,500	58.6	52,271	892	\$7.53	-		\$6,717
15	SHP4	4P4 (A) LSE	RL	23,000	100.0	-	-	\$12.18	\$2.19		\$15.77
16	<u>MERCURY VAPOR</u>										
17	SHKA	4KA,WA,WJ	RL	3,300	42.4	1,298,542	30,626	\$5.86	-		\$179,468
19	SHKB,SHWK	4KB,WK,WB	RL	7,000	70.0	2,775,570	39,651	\$7.03	-		\$278,747
21	SHKC	4KC (A)	RL	12,000	97.3	45,731	470	\$9.69	-		\$4,554
22	SHKE	4KE,WM,WD	RL	20,000	153.5	297,790	1,940	\$12.61	-		\$24,463
20	SHKG	4KG,4MB (C)	RL	7,000	70.0	-	-	\$7.03	\$2.19		\$9.10
23	SHFD	4FD (B)	RL	20,000	153.5	12,894	84	\$8.71	-		\$732
18	SHMA	4MA (C)	RL	3,300	42.4	8,141	192	\$5.86	\$2.19		\$1,546
24	<u>LED</u>										
25	SLLA	4LA	RL		16.7	374,641	22,434	\$7.33			\$164,441
26	SLLB	4LB	RL		20.0	243,560	12,178	\$8.03			\$97,789
27	SLLC	4LC	RL		38.3	335,202	8,752	\$11.32			\$99,073
28	SLLD	4LD	RL		80.0	212,400	2,655	\$14.00			\$37,170
29	SLL E	NA	RL		16.7	752	45	\$11.59			\$522
30	SLLG	NA	RL		46.6	-	-	\$13.41			-
31	SLLH	NA	RL		69.0	2,898	42	\$16.02			\$673
32	SLLL	NA	RL		16.7	601	36	\$7.20			\$259
33	SLLM	NA	RL		20.0	-	-	\$16.43			-
34	SLLN	NA	RL		20.0	1,280	64	\$16.11			\$1,031
35	S LLO	NA	RL		23.3	-	-	\$10.62			-
36	<u>ENERGY ONLY</u>										
37	SHGA	4GA SHL(D)	RL	(ENERGY)		3,269,464		\$0.03828			\$125,155
38	SHXA	4XA SHL(E)	RL	(ENERGY)		76,416		\$0.03828			\$2,925
39	TOTAL LIGHTING					90,885,214	1,405,670				\$12,443,867
40	RIDERS										
41	DCRF					90,885,214	kWh	\$0.014732			\$1,338,921
42	EECRF					90,885,214	kWh	(\$0.000001)			(\$91)
43	HRC					90,885,214	kWh	-			\$0
44	PCF					90,885,214	kWh	-			\$0
45	SCO-2					90,885,214	kWh	(\$0.000121)			(\$10,997)
46	SRC					90,885,214	kWh	\$0.022780			\$2,070,365
47	SRC-2					90,885,214	kWh	\$0.011000			\$999,737
48	TCRF					90,885,214	kWh	\$0.002397			\$217,852
49	TTC					90,885,214	kWh	-			\$0
50	FFF					90,885,214	kWh	\$0.038066			\$3,459,637
51	RCE-4					90,885,214	kWh	0			\$0
52	GCRR					90,885,214	kWh	0.002757			\$250,571
53	MTM					90,885,214	kWh	(\$0.000090)			(\$8,180)
54	TCJA						%	-6.8657%			(\$854,358)
55	FITC						%	-0.7389%			(\$91,948)
56	Total Riders										\$7,371,509
57	TOTAL REVENUE										\$ 19,815,376
58	REVENUE CHANGE										\$ 21,677,366
59	PERCENT CHANGE										\$ 1,861,990
											9.40%

ENTERGY TEXAS, INC.
PROOF OF REVENUE STATEMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

STANDBY AND MAINTENANCE SERVICE

Line No.	Description	Bills, kW or mWh	Present Rates		Proposed Rates	
			Rate \$	Revenue \$	Rate \$	Revenue \$
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Customer Charge	77 Bills	\$950	\$73,150	\$4,000.00	\$308,000
2	Billing Demand - Standby Service					
3	Distribution (less than 69 kV)	- kW	\$2.21	-	\$2.40	-
4	Transmission (69 kV and greater)	4,686,433 kW	\$0.74	\$3,467,960	\$0.78	\$3,655,418
5	Total Standby Charges	4,686,433 kW		\$3,467,960		\$3,655,418
6	Billing Demand - Maintenance Service					
7	Distribution (less than 69 kV)	kW	\$2.03		\$2.21	-
8	Transmission (69 kV and greater)	kW	\$0.55		\$0.60	-
9	28 Day Month	3,351,633 kW - days	28	\$65,836	28	\$71,822
10	30 Day Months	11,171,763 kW - days	30	\$204,812	30	\$223,435
11	31 Day Months	20,542,122 kW - days	31	\$364,458	31	\$397,593
12	Total Maintenance Charges	35,065,518		\$635,106		\$692,850
13	Total Demand Charges			\$4,103,066		\$4,348,268
14	Energy Charge: Less than 69 kV					
15	On-Peak kWh	- mWh	\$0.04334	-	\$0.04713	-
16	Off-Peak kWh	- mWh	\$0.00476	-	\$0.00518	-
17	Total Less than 69 kV	-		-		-
18	Energy Charge: 69 kV or Greater					
19	On-Peak kWh	200,219 mWh	\$0.04147	\$8,303,082	\$0.04513	\$9,035,883
20	Off-Peak kWh	643,986 mWh	\$0.00455	\$2,930,136	\$0.00496	\$3,194,093
21	Total 69 kV or Greater	844,205		\$11,233,218		\$12,229,976
22	Energy Charge:					
23	All kWh	844,205 mWh		\$11,233,218		\$12,229,976
24	Total Base Revenue			\$15,409,434		\$16,886,244
					\$	1,476,810

ENTERGY TEXAS, INC.
RENEWABLE PORTFOLIO STANDARD CALCULATION OPT-OUT CREDIT RIDER
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2021

Line No.	Rate Class	Energy @Plant MWh (1)	Energy @Plant Allocation (1)	Test Year Retail REC Program Costs (2)	Applicable Energy @Meter MWh (3)	Rider RPSCOC per kWh
1	Test Year REC Program Costs			<u>\$ 2,854,374</u>		
2	Residential Service	6,749,210	33.32406%	(\$951,192)		
3	Small General Service	528,876	2.61131%	(\$74,537)		
4	General Service	3,410,707	16.84028%	(\$480,685)	3,172,640	\$ (0.000152)
5	Large General Service	1,386,342	6.84503%	(\$195,383)	1,297,407	\$ (0.000151)
6	Large Industrial Power Service	8,080,262	39.89610%	(\$1,138,784)	7,963,774	\$ (0.000143)
7	Lighting Service	<u>97,865</u>	<u>0.48321%</u>	<u>(\$13,793)</u>		
8	Total Texas Retail	<u>20,253,262</u>	<u>100.0000%</u>	<u>(\$2,854,374)</u>		

Notes:

- (1) See Schedule P-7.2. SMS and EAPS excluded from MWh.
- (2) Test Year REC Program Costs from COS AJ21.
- (3) SMS and EAPS excluded from MWh.

ENTERGY TEXAS, INC.
TARIFF SCHEDULES

THE PROPOSED TARIFFS OF ENTERGY TEXAS, INC. FOLLOW
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