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**SOAH DOCKET NO. 473-22-04394
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APPLICATION OF ENTERGY TEXAS, INC. FOR AUTHORITY TO CHANGE RATES	§ § §	STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**RESPONSE OF ENTERGY TEXAS, INC.
TO STAFF'S SIXTH REQUEST FOR INFORMATION:
STAFF 6:1 THROUGH 2**

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

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

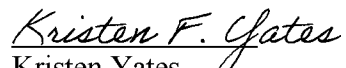
Respectfully submitted,


Kristen Yates
ENTERGY SERVICES, LLC
919 Congress Avenue, Suite 701
Austin, Texas 78701
Office: (512) 487-3962
Facsimile: (512) 487-3958

Attachments: **STAFF 6:1 THROUGH 2**

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to Staff's Sixth Request for Information has been sent by either hand delivery, electronic delivery, facsimile, overnight delivery, or U.S. Mail to the party that initiated this request in this docket on this the 11th day of October 2022.


Kristen Yates

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 53719

Response of: Entergy Texas, Inc.
to the Sixth Set of Data Requests
of Requesting Party: Commission Staff

Prepared By: Jess K. Totten
Sponsoring Witness: Jess K. Totten
Beginning Sequence No. LC445
Ending Sequence No. LC445

Question No.: STAFF 6-1

Part No.:

Addendum:

Question:

Please provide all docket numbers and relevant findings of fact for any Commission final order that ETI knows of where the Commission awarded, under the provisions of PURA§ 36.052, an electric utility additional basis points to its return on equity for positive managerial or operational performance. Please also provide all docket numbers and relevant findings of fact for any Commission final order that ETI knows of where the Commission awarded an electric utility additional basis point to its return on equity for any reason.

Response:

Entergy Texas, Inc. is not aware of any case in which additional basis points have been granted by the Commission.

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 53719

Response of: Entergy Texas, Inc.
to the Sixth Set of Data Requests
of Requesting Party: Commission Staff

Prepared By: Jess K. Totten
Sponsoring Witness: Jess K. Totten
Beginning Sequence No. LC446
Ending Sequence No. LC447

Question No.: STAFF 6-2

Part No.:

Addendum:

Question:

Please provide all docket numbers and relevant findings of fact for any Commission final order that ETI knows of where the Commission ordered, under the provisions of **PURA** § 36.052, a specified reduction of basis points to an electric utility's return on equity for negative managerial or operational performance. Please also provide all docket numbers and relevant findings of fact for any Commission final order that ETI knows of where the Commission ordered a specified reduction of basis points to an electric utility's return on equity for any reason.

Response:

Entergy Texas, Inc. ("ETI") is not aware of any case in which the Commission ordered a reduction in a utility's return on equity ("ROE"), consisting of specific basis points, based on the utility's negative performance. In his Direct Testimony, Jess K. Totten discusses a recent case in which the Commission reduced a utility's ROE based on its performance but did not tie the performance to a specific reduction in basis points for the ROE. In that case, *Application of Southwestern Electric Power Company for Authority to Change Rates*, Docket No. 51415, Commission Staff recommended a reduction in the utility's ROE because of an outage on the transmission system. The Commission held an open-meeting discussion of the utility's ROE in the context of poor reliability statistics, and, following this discussion, agreed to a reduction in the ROE from the level recommended in the Proposal for Decision. A relevant sentence from the final order in Docket No. 51415 reads as follows (page 2):

Furthermore, in establishing a reasonable return on invested capital, PURA § 36.052 provides the Commission authority to consider the efforts of the utility in conserving resources; the quality of service; the efficiency of operations; and the quality of management. SWEPCO has continued to increase its vegetation management expenses but its system average interruption duration index (SAIDI) and system average interruption frequency index (SAIFI) scores have worsened since 2018 which is indicative of periodically unreliable service quality and substandard operational planning. (Citation deleted.)

The discussion and order make it clear that the Commission was reducing the ROE based on negative performance and other factors. The final order does not, however, expressly state that the ROE was being reduced by a specific amount on the basis of negative performance.

In addition, the Commission expressly declined to adopt Commission Staff's recommendation to reduce the ROE because of a transmission outage. Finding of Fact No. 100 reads as follows: "A downward adjustment to the ROE is not warranted for the August 18, 2019 outage on SWEPCO's transmission system, which was caused by vegetation contact with a SWEPCO transmission line."