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SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

APPLICATION OF ENTERGY TEXAS, \$ BEFORE THE STATE OFFICE INC. FOR AUTHORITY TO CHANGE \$ OF ADMINISTRATIVE HEARINGS

OFFICE OF PUBLIC UTILITY COUNSEL'S PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

Pursuant to your request, the Office of Public Utility Counsel ("OPUC") offers the following Findings of Fact, Conclusions of Law, and Ordering Paragraphs for your consideration. These proposed findings and conclusions are not exhaustive, but each one presented below should be included in the Proposal for Decision's findings of fact, conclusions of law, and ordering paragraphs:

PROPOSED FINDINGS OF FACT

- 1. It is not appropriate for an electric utility in a vertically integrated area to own vehicle-charging facilities or other transportation electrification and charging infrastructure. The ownership of such facilities shall be left to competitive providers.
- 2. The Transportation Electrification and Charging Infrastructure ("TECI") rider would allow Entergy Texas, Inc. ("ETI") to plan, construct, own, operate, and maintain transportation electrification ("TE") related infrastructure and equipment on customer-owned property.
- 3. The Transportation Electrification and Charging Demand Adjustment ("TECDA") rider is designed to reduce electric bill uncertainty caused by low adoption rates and normal utility demand charges for non-residential Rate Schedule General Service ("GS") customers installing separately metered charging equipment.
- 4. Because ETI's TECDA and TECI Riders, as proposed, are unreasonably preferential and discriminatory, inequitable, and grant an unreasonable preference concerning rates to certain persons in a classification, they are neither just nor reasonable and should be rejected.
- 5. Ownership of TE and charging infrastructure should be left to the competitive market.

- 6. ETI's or any other utility's ventures in competitive markets must not be subsidized by its regulated electric service customers.
- 7. Regulated electric service customers shall be adequately compensated for use of customer information, systems, personnel, expenses, and investment for which the electric service customers bear the costs through their regulated rates.
- 8. Limited ownership of TE infrastructure and charging equipment may be appropriate provided certain conditions are in place.
- 9. ETI's costs for all investment, depreciation expense, and other costs associated with the TECI program and promotion of that program are not clearly identifiable, discernable, and separate.
- 10. ETI must separately identify all costs associated with the TECI program and promotion of that program for evaluation in future rate cases.
- 11. ETI has failed to provide an estimate of the potential range of impacts the TECI and TECDA Riders could have on non-participating customers within the GS rate class, or any reasonable explanation as to the lack of limitations on the time period in which the TECDA Rider would be available.

PROPOSED CONCLUSIONS OF LAW

- 1. If public utilities were allowed to operate TE in the manner that ETI proposes, it would undercut the mission and purpose of the Public Utility Commission of Texas and would inappropriately allow a regulated monopoly, like ETI, to provide a competitive service, contrary to Public Utility Regulatory Act ("PURA") § 11.0210 and 16 TAC § 25.1.
- 2. ETI shall not be allowed to own transportation electrification and charging infrastructure-including vehicle-charging facilities in the manner it has proposed in its application. Such ownership shall be wholly left to customers or third parties.

PROPOSED ORDERING PARAGRAPHS

- 1. ETI shall maintain a separate accounting for all investment, depreciation expense, and other costs associated with the TECI program and its promotion for consideration in ETI's next base rate case.
- 3. All rate case expenses relative to the TECI Rider and the TECDA Rider shall be separated and not allocated to Residential Service and other customer classes for which these riders are not applicable.

- 4. No under-recovered revenues that result from the demand cap in the TECDA rider shall be recovered from other customers.
- 5. Appropriate allocations of ETI's overhead costs shall be assigned to the TECI program.
- 6. The overhead costs assigned to TECI shall at least include investment in general and intangible rate base, administrative and general expenses, wages and salaries, property insurance, property taxes, and payroll taxes.
- 7. ETI's costs associated with activities to market TECI services and ETI's operation and maintenance expenses associated with TECI shall be directly assigned to TECI.

Date: January 31, 2023

Respectfully submitted,

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ATTORNEYS FOR THE OFFICE OF PUBLIC UTILITY COUNSEL

CERTIFICATE OF SERVICE

SOAH Docket No. 473-22-04394 PUC Docket No. 53719

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 31st day of January 2023, by facsimile, electronic mail, and/or first class, U.S. Mail.

Renee Wiersema