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

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 OPUC’S FOURTH REQUEST FOR INFORMATION:
OPUC 4:1 THROUGH 11**

Entergy Texas, Inc. (“ETI” or the “Company”) files its Response to OPUC’s Fourth 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.

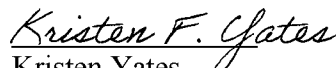
Respectfully submitted,


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

Attachments: **OPUC 4:1 THROUGH 11**

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to OPUC’s Fourth 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 8th day of September 2022.


Kristen Yates

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

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: Office of Public Utility
Counsel

Prepared By: Dawn D. Renton
Sponsoring Witness: Dawn D. Renton
Beginning Sequence No. PI1409
Ending Sequence No. PI1411

Question No.: OPUC 4-1

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Ms. Dawn Renton, Exhibit DDR-2 (HSPM). Please provide a detailed description of project [REDACTED]. Please include in your response a description of the affiliate charges. Please also provide the proposed useful life/amortization period for this project.

Response:

Please see the Direct Testimony of Dawn D. Renton at page 5. As noted in footnote 3, the Customer Digital Roadmap involved nine different project codes, including C1PPDR215S. Because there is not a project code, C1PPDR2155, the information provided relates to C1PPDR215S.

The Customer Digital Roadmap - Entergy Utility Operations project was implemented to upgrade customer-focused digital technology systems over the 2015-2019 time period to improve the Company's customer service experience and deliver business value. The technologies associated with this project reduce operational risk and enable Entergy's future offerings to customers in the utility's service area. Entergy has adopted a programmatic approach to implementing these customer-focused digital technologies starting with the definition of the business rules and consequent system requirements to be included in competitive Requests for Proposals for new systems. The Digital Roadmap included the following systems: My Account Online and Customer Interfacing Web pages. In particular, the project involved development of new layout and design works for the Entergy Web interfaces which deal with customers. System implementation for this project also involved development to build on new infrastructure and interfaces from My Account Online to subsystems ("e.g.", billing / processing) as well as upgrades or replacement of the current hardware.

The affiliate charges associated with this project are a combination of system implementors, external technical subject matter experts and developers, and Entergy internal labor.

The useful life of the assets is 10 years.

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

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: Office of Public Utility
Counsel

Prepared By: Scott Blessing
Sponsoring Witness: Elizabeth S. Hunter
Beginning Sequence No. PI1415
Ending Sequence No. PI1417

Question No.: OPUC 4-2

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Ms. Elizabeth Hunter, Exhibit ESH-4 (HSPM). Please provide the [REDACTED] for 2025 through 2045. Please include in your response a reconciliation between these [REDACTED] and those shown in Exhibit ESH-2 (HSPM) for the same annual periods.

Response:

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

The highly sensitive Exhibit ESH-4 to the Direct Testimony of Elizabeth S. Hunter contained a formula error, which inadvertently caused highly sensitive Exhibit ESH-4 and highly sensitive Exhibit ESH-2 to display different expected rates of return for 2025 through 2045. Highly sensitive Exhibit ESH-4 has since been corrected and is provided as highly sensitive attachment (TP-53719-00OPC004-X002_HSPM). The revised highly sensitive Exhibit ESH-4 (Exhibit ESH-4 R) shows the same expected rates of return as highly sensitive Exhibit ESH-2. The formula error in the original highly sensitive Exhibit ESH-4 was isolated to that exhibit and did not impact other exhibits, such as highly sensitive Exhibit ESH-2. Highly sensitive materials have been included on the secure ShareFile site provided to the parties that have executed protective order certifications in this proceeding.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO
PARAGRAPH 4 OF DOCKET NO. 53719 PROTECTIVE ORDER**

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

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

Kristen F. Yates
Entergy Services, LLC.

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

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: Office of Public Utility
Counsel

Prepared By: Gregory S. Wilson
Sponsoring Witness: Allison P. Lofton
Beginning Sequence No. PI1412
Ending Sequence No. PI1412

Question No.: OPUC 4-3

Part No.:

Addendum:

Question:

Please refer to ETI's Response to Commission Staff RFI No. 1-28, Attachment TP-53719- 00PUS001-X028, Tab "WP." Please provide an explanation as to why the average number of storms is calculated using storms that are less than \$50,000. Please provide the impact to the Monte Carlo Simulation model where only storms greater than \$50,000 were used to determine the variables for average number of storms, average natural logs, and the standard deviation.

Response:

Please see Entergy Texas, Inc.'s response to Staff 1-28, Attachment (TP-53719-00PUS001-X028), Tab "WP," for the amount of transmission and distribution operations and maintenance losses that were charged to the self-insurance reserve. The capital costs associated with those storms are not charged to the self-insurance reserve; however, the Company's records indicate that the total cost of each of those storms listed in the referenced file is over \$50,000. Accordingly, the Monte Carlo simulation previously provided only uses storms where the total damage was greater than \$50,000.

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

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: Office of Public Utility
Counsel

Prepared By: Gregory S. Wilson
Sponsoring Witness: Gregory S. Wilson
Beginning Sequence No. PI1413
Ending Sequence No. PI1413

Question No.: OPUC 4-4

Part No.:

Addendum:

Question:

Please refer to ETI's Response to OPUC RFI No. 1-1. Please provide an explanation as to why the Average of LN for Claims >50K includes the natural logs for claims that are less than 50K.

Response:

Please see the Company's response to OPUC 4-3.

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

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

Prepared By: Lori Toncrey
Sponsoring Witnesses: Jennifer A. Raeder,
Allison P. Lofton
Beginning Sequence No. PI1414
Ending Sequence No. PI1414

of Requesting Party: Office of Public Utility
Counsel

Question No.: OPUC 4-5

Part No.:

Addendum:

Question:

Please refer to WP/Schedule G-2.2. Please provide copies of the actuarial studies for the qualified pension plans, the non-qualified pension plans, and the OPEB plans for the 2022 Plan year (January 1, 2022-December 31, 2022).

Response:

The actuarial studies for the qualified pension plans, the non-qualified pension plans, and the Other Post-Employment Benefits (“OPEB”) plans for the 2022 Plan Year are not yet available. The soonest the actuarial studies for the 2022 Plan Year would be available is January 2023. The latest actuarial studies are for the 2021 Plan Year (January 1, 2021-December 31, 2021). See the Company’s response to Cities 2-19.

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

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

Prepared By: Brad Fleming
Sponsoring Witnesses: Gregory S. Wilson,
Allison P. Lofton

of Requesting Party: Office of Public Utility
Counsel

Beginning Sequence No. LS1
Ending Sequence No. LS1

Question No.: OPUC 4-6

Part No.:

Addendum:

Question:

Please refer to ETI's Response to OPUC RFI No. 1-3. Please provide an explanation as to why Mr. Gregory Wilson's analysis continues to include \$15.8 million in expenses related to Hurricane Laura along with a brief description of the expenses. Please also confirm or deny that the Company intends to securitize these expenses.

Response:

The \$15.8 million referenced in OPUC 1-3 are the expenses associated with the Company's storm restoration activities for Hurricane Laura that were not included in the amount authorized for securitization in Docket No. 51997 either as a result of the settlement agreement in Docket No. 51997 or because the final invoices were processed subsequent to the amounts included for approval in Docket No. 51997. Accordingly, those amounts are properly included in the storm reserve account 228100 balance as of December 31, 2021. The Company does not currently intend to seek securitization of that amount because it is below the \$100 million threshold required for securitization under PURA § 36.403(j).

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PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 53719

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

of Requesting Party: Office of Public Utility
Counsel

Prepared By: Joshua Paternostro
Sponsoring Witnesses: Jennifer A.
Raeder, Allison P. Lofton
Beginning Sequence No. LS12
Ending Sequence No. LS12

Question No.: OPUC 4-7

Part No.:

Addendum:

Question:

Please refer to Schedule G-1.6. With respect to the Total Incentive Compensation for the test year of \$6,640,167, please provide the following:

- a. Breakdown of the amounts related to each of the annual incentive plans for the ETI employees;
- b. Breakdown of the amounts related to each of the long-term incentive plans for the ETI employees; and
- c. Confirmation or denial that these amounts include any incentive compensation allocated from ESI.

Response:

- a. Please see the table below. See also the Direct Testimony of Jennifer A. Raeder, pages 7-8, and Exhibit JAR-1 for descriptions of the Company's annual incentive plans.

Incentive Plan	Amount
EAIP	40,488
EXIP	2,038,818
OSIP	302,825
SMIP	1,090,576
TSIP	130,104
TSPB	559,205
Unidentified/True-up	1,752,935
Total:	\$ 5,914,951

- b. The amounts related to the long-term plans are \$87,250 (long-term executive incentive), \$384,283 (restricted stock awards), and \$70,203 (Stock Options).
- c. Deny.

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

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

Prepared By: Kaitlyn Roberts
Sponsoring Witnesses: Allison P. Lofton,
Jennifer A. Raeder

of Requesting Party: Office of Public Utility
Counsel

Beginning Sequence No. LS2
Ending Sequence No. LS4

Question No.: OPUC 4-8

Part No.:

Addendum:

Question:

Please refer to WP/Schedule P, page 107. Please provide the following information:

- a. The total Executive Annual Incentive Plan amount before allocation to ETI;
 - b. Calculation of \$955,026 total Executive Annual Incentive Plan amount, including basis of allocation;
 - c. The total long-term incentive amounts by plan before allocation to ETI;
 - d. Calculation of the allocation of the long-term incentive plan totals to ETI; and
 - e. Description of how the total adjustment was determined for each FERC account.
-

Response:

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- a. The total Executive Annual Incentive Plan (“EAIP”) amount before allocation to Entergy Texas, Inc. (“ETI”) is \$17,425,660, as shown on highly sensitive Exhibit JAR-2 to the Direct Testimony of Jennifer A. Raeder.
- b. Please see highly sensitive attachment (TP-53719-00OPC004-X008_HSPM) in the tab labeled “Affiliate EAIP,” in Excel rows 143 through 146 in column G for the calculation.
- c. The long-term incentive compensation amounts are reflected below and only include amounts recorded to accounts that are included in the cost of service. Also,

these amounts reflect amounts recorded at Entergy Services, LLC (“ESL”) for long-term incentive compensation and only a portion of these amounts were allocated to ETI during the test year.

	ESL Amount before allocation to ETI
Equity Ownership Plan	2,662,964
Long Term Incentive Plan	13,191,724
Equity Awards Program	-
Restricted Share Program	1,780,757
Restricted Stock Program	18,327,977

- d. Please see highly sensitive attachment (TP-53719-00OPC004-X008_HSPM) in the tab labeled “Summary,” Excel rows 22 through 27 in column C for the calculation. Each of these cells are linked to supporting workpapers, which detail the calculation.
- e. Please see highly sensitive attachment (TP-53719-00OPC004-X008_HSPM), which includes the calculation of adjustments by FERC account. Specifically, reference the tab labeled, “AJ22B.3_Sch P pg. 107.” The adjustment was determined as follows:
 - The Adjustment to remove financially based incentive compensation from short term incentive compensation is calculated by applying the financially based disallowance factor to the EAIP (reference lines 1 through 4) by FERC Account. See tab “Affiliate EAIP” for the FERC accounts in which the short-term incentive was recorded and the financially based disallowance factor was applied.
 - The Adjustment to remove Restricted Shares, Long-Term Incentive Plan, and Equity Ownership Plan is included in lines 7 through 10. The Company removed the costs recorded to its books for those specific plans by FERC account.
 - The Company also removed related FICA Taxes associated with financially based incentive compensation, Equity Ownership Plan, Long-Term Incentive Compensation, and Restricted Share Program on line 15.

Highly sensitive materials have been included on the secure ShareFile site provided to the parties that have executed protective order certifications in this proceeding.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO
PARAGRAPH 4 OF DOCKET NO. 53719 PROTECTIVE ORDER**

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

Kristen F. Yates
Entergy Services, LLC.

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

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: Office of Public Utility
Counsel

Prepared By: Jo Ann Sivori
Sponsoring Witness: Jennifer A. Raeder
Beginning Sequence No. LS5
Ending Sequence No. LS5

Question No.: OPUC 4-9

Part No.:

Addendum:

Question:

Please refer to ETI's HSPM Response to OPUC RFI No. 1-10. Please provide the total amount of the annual incentive compensation by plan that has been allocated to ETI from ESI.

Response:

The 2021 Total Amount of Annual Incentive Compensation by Plan allocated to Entergy Texas, Inc. from Entergy Services, LLC is as follows: (Note: amounts are approximations)

EAIP	EXIP	OSIP	SMIP	TSIP	TSPB	Total
\$267,822	\$2,269,320	\$8,068	\$2,669,838	\$84,816	\$16	\$5,299,881

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

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

Prepared By: Kaitlyn Roberts
Sponsoring Witnesses: Jennifer A. Raeder,
Allison P. Lofton

of Requesting Party: Office of Public Utility
Counsel

Beginning Sequence No. LS6
Ending Sequence No. LS6

Question No.: OPUC 4-10

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Ms. Jennifer Raeder, HSPM Exhibit JAR-2. Please reconcile the amount noted as EAIP on Ms. Raeder' HSPM Exhibit JAR-2 and the \$98,118 amount noted on WP/Schedule P, page 104.

Response:

The \$134,793 noted as Executive Annual Incentive Plan ("EAIP") on the highly sensitive Exhibit JAR-2 to the Direct Testimony of Jennifer A. Raeder is the total amount of EAIP funded for Entergy Texas, Inc. ("ETI") for the 2021 Test Year. \$98,118 is the amount of EAIP recorded to expense for ETI in the Test Year and included in the cost of service.

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

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

Prepared By: Lauren Hayes, Jo Ann Sivori
Sponsoring Witnesses: Jennifer A. Raeder,
Ryan Dumas

of Requesting Party: Office of Public Utility
Counsel

Beginning Sequence No. LS7
Ending Sequence No. LS8

Question No.: OPUC 4-11

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Ms. Raeder, HSPM Exhibit JAR-2.
Please provide the information contained in this exhibit for the Annual Incentive Payout
for the 2018 performance, the 2019 performance, and the 2020 performance. Please also
include the percentage of each of the ESI plans that were allocated to ETI.

Response:

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

Please see the highly sensitive attachments (TP-53719-00OPC004-X011-001_HSPM
through TP-53719-00OPC004-X011-003_HSPM) for the short-term incentive allocations
for the 2018, 2019, and 2020 Plan Years. See also the highly sensitive attachment
(TP-53719-00OPC004-X011-004_HSPM) for approximation of percentages of
Entergy Services, LLC plans that were allocated to Entergy Texas, Inc. Highly sensitive
materials have been included on the secure ShareFile site provided to the parties that have
executed protective order certifications in this proceeding.

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

Kristen F. Yates
Entergy Services, LLC.