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March 29, 2024

Public Utility Commission of Texas
Central Records
1701 North Congress Avenue
Austin, Texas 78711

Re: **SOAH Docket No. 473-24-04312; PUC Docket No. 54614** –*Application of El Paso Electric Company for Approval of Texas Electric Vehicle-Ready Pilot Programs and Tariffs*

To the Filing Clerk of the Public Utility Commission of Texas:

Please find attached the Company's Errata No. 1 to the Rebuttal Testimony of Manuel Carrasco. The errata consist of redlined edits to Mr. Carrasco's response to Q10 on page 3 of 5. A redlined copy and a clean copy of the errata page is attached. A clean copy of Mr. Carrasco's rebuttal testimony including these changes will be included in the Company's exhibits as uploaded to the file sharing site later today and as made available to SOAH and the court reporter.

Thank you for your attention to this matter.

Respectfully,

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cc: All parties of record

1 EXCESS OF THOSE COVERED BY THE LINE EXTENSION POLICY WILL BE
2 INCLUDED IN EPE'S BASE RATES AND RECOVERED FROM ALL OF EPE'S
3 TEXAS RETAIL CUSTOMERS WHO TAKE SERVICE AT DISTRIBUTION
4 VOLTAGES?

5 A. No. The costs of improvements to EPE's distribution system up to the utility meter that are
6 needed to support a customer's EV charging equipment will be treated in the same manner
7 as costs of improvement to support the equipment of any other non-EV customer. Instances
8 in which the estimated line extension cost exceeds those covered by the line extension
9 policy require the customer to be responsible for those costs as a customer contribution.
10 Customer contributions are deductions from net plant in service in the development of the
11 rate base upon which the rate of return is applied in determining a revenue requirement;
12 ~~and these amounts will still be deducted from net plant in service even though the~~
13 ~~contribution amounts will be paid by EPE's Electrification department on behalf of the~~
14 ~~customer under the PowerConnect Pilot Program.~~ While I understand that the amounts
15 covered by the PowerConnect pilot program would typically be capitalized, whether these
16 amounts will be included in rate base in a future rate proceeding is an issue to be decided
17 in that future case. Mr. Evans' testimony that the costs of improvements to EPE's
18 distribution system in excess of those covered by EPE's Line Extension Policy will be
19 included in EPE's rate base; is inaccurate.

20
21 Q11. WILL PROPERTY TAXES, INSURANCE EXPENSES, AND OPERATIONS AND
22 MAINTENANCE EXPENSES RELATED TO THOSE DISTRIBUTION FACILITIES
23 BE TREATED IN THE SAME MANNER AS EXPENSES RELATED TO OTHER
24 DISTRIBUTION FACILITIES?

25 A. Yes. Property taxes, insurance expenses, and operation and maintenance expenses related
26 to those distribution facilities that support the customer's EV charging equipment will be
27 treated in the same manner as costs of improvements to support the equipment of any other
28 non-EV customer.

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 25 non-EV customer.

26 27 **V. Take Charge TX Pilot Program**

28 Q12. HOW DO YOU RESPOND TO MR. NARVAEZ'S TESTIMONY THAT THIS
 29 PROGRAM SHOULD BE REJECTED BECAUSE IT RELIES ON NON-STANDARD
 30 PRICING?