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**PUC DOCKET NO. 55094
SOAH DOCKET NO. 473-23-20742**

APPLICATION OF AEP TEXAS INC.	§	
TO ADJUST ITS ENERGY	§	PUBLIC UTILITY COMMISSION
EFFICIENCY COST RECOVERY	§	OF TEXAS
FACTOR AND RELATED RELIEF	§	

**AEP TEXAS INC. AND COMMISSION STAFF'S PROPOSED CORRECTIONS TO THE
PROPOSED ORDER**

AEP Texas Inc. respectfully submits the following proposed corrections to the Proposed Order for purposes of accuracy and clarity. AEP Texas is authorized to represent that Staff of the Public Utility Commission of Texas (Commission) agrees with the proposed corrections.

I. INTRODUCTION

On September 7, 2023, the Office of Policy & Docket Management (OPDM) issued a Proposed Order in this case to be considered by the Commission at a future open meeting. OPDM's cover memorandum directed parties to file any corrections to the Proposed Order by September 15, 2023. Accordingly, these proposed corrections are timely filed.

II. PROPOSED CORRECTIONS

AEP Texas proposes corrections to proposed Finding of Fact Nos. 4, 30, 32, 38, 46, 52, 70, 77, and 83 and Ordering Paragraph No. 4 for the reasons discussed below.

Proposed Finding of Fact No. 4

AEP Texas proposes that proposed Finding of Fact No. 4 be corrected as follows:

4. On ~~May 26, June 1~~, 2023, AEP Texas filed an application for approval to adjust its EECRF effective March 1, 2024.

This revision is necessary because AEP Texas filed its application on June 1, 2023.

Proposed Finding of Fact No. 30

AEP Texas proposes that proposed Finding of Fact No. 30 be stricken.

- ~~30. The agreed EECRF includes a black-box increase of \$265.50 to the rate case expenses incurred in Docket No. 53679 for Cities requested by AEP Texas in the application.~~

This revision is appropriate because there was no black-box increase to the rate-case expenses incurred in Docket No. 53679 for Cities. The evidence in the record, as shown by Cities' affidavit supporting its rate-case expenses, supports Cities' rate-case expenses in the amount of

\$6,803. That amount is \$265.50 more than the amount AEP Texas originally included in its application because, at the time of filing, AEP Texas had not yet processed that \$265.50 invoice. AEP Texas subsequently processed and paid the invoice. Therefore, that amount was included in this proceeding. Accordingly, the phrase “black box increase” is inappropriate because the total amount of Cities’ rate-case expenses is not a result of negotiation, but is based on the evidence supporting Cities’ actually incurred rate-case expenses.

Proposed Finding of Fact No. 32

AEP Texas proposes that proposed Finding of Fact No. 32 be corrected as follows:

32. It is appropriate for the Commission to approve the rates from the EECRF tariffs that ~~are~~ is attached as exhibit 1 to the parties’ agreement.

This revision is grammatically appropriate and necessary for clarity because there is only one AEP Texas EECRF tariff schedule containing the EECRF charges, as is reflected in Finding of Fact No. 31.

Proposed Finding of Fact No. 38

AEP Texas proposes that proposed Finding of Fact No. 38 be corrected as follows:

38. For assessing whether ~~SPS’s~~ AEP Texas’s rates exceed the cost caps—after excluding evaluation, measurement, and verification costs, municipal EECRF proceeding expenses, and interest from over- and under-recoveries—AEP Texas’s rate for the residential class is \$0.000981 per kWh, and AEP Texas’s group rate for the aggregate commercial class (except the transmission class) is \$0.000782 per kWh.

This revision is necessary to correct the erroneous reference to SPS contained in this finding.

Proposed Finding of Fact No. 46

AEP Texas proposes that proposed Finding of Fact No. 46 be corrected as follows:

46. In 2022, AEP Texas’s energy-efficiency programs realized \$60,774,931 in net benefits, calculated as the difference between \$86,739,023 in total avoided costs associated with its 2022 programs and ~~\$25,957,555~~ \$25,964,092 in 2022 program costs that include the performance bonus for 2020.

This revision to correct the figure stated for 2022 program costs that include the performance bonus for 2020 is necessary for accuracy. The corrected figure is set forth in Schedule D to AEP Texas’s application, which presents the total program costs that include the performance

bonus for 2020 and is the figure used in the calculation of the performance bonus for 2022. This figure is also shown in Tab 4 of the Performance Bonus Calculator workpaper filed with AEP Texas's application.

Proposed Finding of Fact No. 52

AEP Texas proposes that proposed Finding of Fact No. 52 be corrected as follows:

52. AEP Texas incurred \$1,539,077 in administrative costs and \$391,130 in research and development costs for the 2022 energy-efficiency programs. AEP Texas incurred ~~\$17,290,817~~ \$17,220,700 in total program costs that year, excluding any performance bonus.

This revision to correct the figure stated for the amount AEP Texas incurred in total program costs for 2022 excluding any performance bonus is necessary for accuracy. Schedule B to AEP Texas's application presents this figure as well as the other amounts contained in this finding for AEP Texas's administrative and research and development costs which are together used to calculate the cost percentages for comparison to the cost caps stated in Finding of Fact Nos. 53 through 55.

Proposed Finding of Fact No. 70

AEP Texas proposes that proposed Finding of Fact No. 70 be corrected as follows:

70. In 2022, AEP Texas spent \$1,790,209 on its targeted low-income energy efficiency program, an amount not less than 10% of ~~SPS's~~ AEP Texas's projected energy-efficiency budget of \$17,6~~7~~47,658, for that program year.

The first revision is necessary to correct the erroneous reference to SPS contained in this finding. Additionally, the figure stated for the projected energy-efficiency budget contains a typographical error and should be \$17,747,658. This corrected figure can be confirmed, at Table 11 of Schedule S to AEP Texas's application, by taking the Total Budget figure of \$17,959,017 and subtracting the total for the Statewide EM&V Contractor of \$211,359.

Proposed Finding of Fact No. 77

AEP Texas proposes that proposed Finding of Fact No. 76 be corrected as follows:

76. AEP Texas's line-loss factors used in calculating its ~~2024 EECRF~~ charges demand reduction goal are reasonable.

This revision is necessary for clarity and accuracy. AEP Texas uses reasonable line loss factors in the calculation of its demand-reduction goal in accordance with 16 Tex. Admin. Code § 25.181(e)(3)(B). However, line-loss factors are not otherwise used in the calculation of EECRF

charges. As AEP Texas explained in Schedule Q to its application, “the AEP Texas kWh sales forecast for 2024 is based on energy delivered at the meter so it was not necessary to adjust the EECRF factors for system and line losses.”

Proposed Finding of Fact No. 83

AEP Texas proposes that proposed Finding of Fact No. 83 be corrected as follows:

82. All the parties ~~either signed or did not oppose~~ the agreement.

The agreement in this case was unanimous. The meanings of unanimous agreement and unopposed agreement are distinct. Because all parties to this proceeding signed the agreement, it is appropriate here to indicate that.

Proposed Ordering Paragraph No. 4

AEP Texas proposes that proposed Ordering Paragraph No. 4 be corrected as follows:

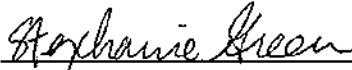
4. Within ten days of the date of this Order, AEP Texas must provide the Commission with a clean copy of the EECRF tariff schedules approved by this Order to be stamped *Approved* and retained by Central Records.

This revision is grammatically appropriate and necessary for clarity because there is only one AEP Texas EECRF tariff schedule containing the EECRF charges, as is reflected in Finding of Fact No. 31.

III. CONCLUSION

AEP Texas respectfully requests that the Commission modify the Proposed Order as indicated above.

RESPECTFULLY SUBMITTED,



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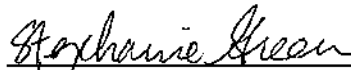
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ATTORNEYS FOR AEP TEXAS INC.

Certificate of Service

I certify that on September 15, 2023, a true and correct copy of this document was served on all parties of record by electronic service consistent with the Commission's Second Order Suspending Rules filed on July 16, 2020 in Project No. 50664.



Stephanie Green