



## **Filing Receipt**

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<b>PROCEEDING TO RESOLVE</b>	<b>§</b>	
<b>ISSUES IN DOCKET NO. 53719</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>RELATED TO TRANSPORTATION</b>	<b>§</b>	<b>OF</b>
<b>ELECTRIFICATION AND</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>
<b>CHARGING INFRASTRUCTURE</b>	<b>§</b>	

**TEXAS INDUSTRIAL ENERGY CONSUMERS' INITIAL BRIEF**

**INTRODUCTION**

Entergy Texas, Inc.'s (ETI) proposed Transportation Electrification and Charging Infrastructure Rider (the Proposed Rider) would allow ETI to charge customers taking metered service under the Proposed Rider for operation and maintenance (O&M) expenses. ETI's sole witness at hearing stated that the customer will be charged for 100 percent of the O&M costs that the customer incurs. But nothing in the Proposed Rider requires ETI to charge customers in this manner. Instead, the Proposed Rider allows ETI and the customer to agree to any rate that they jointly choose. Left unchanged, this language would allow ETI to charge a customer for less than the costs that the customer actually incurs, which could result in other customers paying for the costs incurred by the customer actually taking service under the Proposed Rider. Should the Commission approve the Proposed Rider, it should ensure that such cost shifting does not occur by adding language clarifying that customers taking service under the Proposed Rider must be charged for the O&M costs that they incur.

**III. CONTESTED ISSUES**

**TECI Rider**

**d. Will the revenue collected by Entergy Texas under each agreement with a participating person allow the utility to recover the costs of owning, constructing, financing, operating, and maintaining the public electric vehicle charging station from the person and not the utility's other customers under PURA § 42.0103(p)(2)? (PO Issue No. 4)**

The Proposed Rider requires customers taking service under the Proposed Rider to enter into an agreement with ETI and agree to pay ETI "an agreed-upon fixed amount to cover [O&M] expenses based on the Customer's desired level of warranty, insurance, remote monitoring, access,

and network services.”<sup>1</sup> While some ETI riders state the exact numerical amount that a customer will be charged,<sup>2</sup> the Proposed Rider does not do so for O&M expenses because customers will be able to choose from a variety of O&M packages with different costs.<sup>3</sup>

At hearing, ETI’s sole witness—Samantha Hill—stated that a customer taking service under the Proposed Rider would pay “whatever the actual cost is to serve [the customer’s] O&M . . . .”<sup>4</sup> Ms. Hill later reiterated that “the monthly payments due from the customer to cover 100 percent of the O&M costs will be in the customer agreement”<sup>5</sup> and that “Entergy would not charge less than what all of the O&M costs are.”<sup>6</sup> It appears that ETI intends to charge customers for all of the O&M costs that they incur, but nothing in the Proposed Rider requires ETI to do so.<sup>7</sup>

Without any language requiring ETI to charge customers for all of the O&M costs that they incur, it is possible for ETI to under-charge certain customers taking service under the Proposed Rider. That could, in turn, cause ETI to attempt to shift those costs to other customers.

To ensure that ETI charges customers for the O&M costs that the customer incurs and to prevent ETI from shifting those costs to other customers, the Commission should require that the amount that ETI and the customer agree the customer will be charged for O&M expenses is no less than the amount charged to ETI by the O&M vendor administering the package selected by the customer. Specifically, the Proposed Rider’s “Application” section should be amended to read as follows, with changes to the Proposed Rider underlined below:

Prior to the Company installing Transportation Electrification (“TE”) charging infrastructure at the Customer’s premises, the Customer will enter into an Agreement with the Company and agree to pay to the Company (i) a net monthly charge based on the investment by the Company in such TE and charging infrastructure and other modifications to Company’s facilities,

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<sup>1</sup> ETI Ex. 95, Supplemental Direct Testimony and Exhibits of Samantha F. Hill (Hill Supp. Dir.), Exhibit SFH-S-1 at Bates 000017.

<sup>2</sup> Tr. at 25:8-18 (Hill Cross). TIEC Ex. 1, ETI Schedule ALS.

<sup>3</sup> Tr. at 21:14-19, 23:24-24:2.

<sup>4</sup> Tr. at 21:9-11 (Hill Cross).

<sup>5</sup> Tr. at 22:8-10 (Hill Cross).

<sup>6</sup> Tr. at 22:18-19 (Hill Cross); *see also* Tr. at 24:9-12 (Hill Cross) (stating that ETI would not charge a customer for less than the cost of the O&M package that the customer has selected).

<sup>7</sup> Ms. Hill stated at hearing that the Proposed Rider does prohibit ETI from charging a customer for anything less than the customer’s incurred O&M costs, but when asked to point to that prohibition in the Proposed Rider she cited the Proposed Rider’s “agreed-upon fixed amount” language, which does not in fact prohibit ETI from charging a customer for a lesser amount than the customer has actually incurred. Tr. at 22:18-23:13.

subject to adjustment, and the monthly percentages below, as appropriate, and (ii) an agreed-upon fixed amount to cover operation and maintenance (“O&M”) expenses based on the Customer’s desired level of warranty, insurance, remote monitoring, access, and network services. The agreed-upon fixed amount to cover O&M expenses shall be no less than amount charged to ETI by the O&M vendor. ETI shall ensure that the entirety of any O&M expenses are covered by the Customer. Any subsequent capital additions, replacements, or modifications of TE and charging infrastructure will be treated as described below.<sup>8</sup>

In the alternative, the Commission should include an ordering paragraph in its order in this case stating that ETI may not shift any O&M costs incurred under the Proposed Rider to any other customer.

### **CONCLUSION**

For the foregoing reasons, TIEC respectfully requests that the Commission approve the Proposed Rider only with the additional language proposed by TIEC. TIEC also requests all other relief to which it is entitled.

Respectfully submitted,

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**ATTORNEYS FOR TEXAS INDUSTRIAL  
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<sup>8</sup> See ETI Ex. 95, Hill Supp. Dir., Exhibit SFH-S-1 at Bates 000017.

**CERTIFICATE OF SERVICE**

I, Christian Rice, Attorney for TIEC, hereby certify that a copy of this document was served on all parties of record in this proceeding on this 15<sup>th</sup> day of April, 2024 by electronic mail, facsimile, and/or First Class, U.S. Mail, Postage Prepaid.

*/s/ Christian E. Rice*

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Christian E. Rice