



## **Filing Receipt**

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**SOAH DOCKET NO. 473-24-13232  
PUC DOCKET NO. 56211**

**APPLICATION OF CENTERPOINT      §      BEFORE THE STATE OFFICE  
ENERGY HOUSTON ELECTRIC, LLC      §                                      OF  
FOR AUTHORITY TO CHANGE RATES   §      ADMINISTRATIVE HEARINGS**

**June 19, 2024**

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 <ul style="list-style-type: none"><li>• <b>Please note that the discovery responses were prepared under the direction of the sponsors.</b></li></ul>	

**CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC  
PUC DOCKET NO. 56211  
SOAH DOCKET NO. 473-24-13232**

**IBEW Local 66  
REQUEST NO.: IBEW-RFI01-03S**

**QUESTION:**

Identify each expert you expect to call to testify at the hearing on the merits. For each testifying expert provide:

- a. the expert's name, address, and telephone number;
- b. the subject matter(s) on which the expert will testify;
- c. the facts known by the expert that relate to or form the basis of the expert's mental impressions and opinions formed or made in connection with this case;
- d. the expert's mental impressions and opinions formed or made in connection with the case, and any methods used to derive them;
- e. any bias of the witness;
- f. all documents, tangible things, reports, models, or data compilations provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and
- g. the expert's current resume and bibliography.

**ANSWER:**

The attached documents are supplements to CenterPoint Houston's original response to IBEW RFI01-03(f) filed on May 15, 2024.

Please see index below

**Attached file name IBEW RFI01-03S ITRON - CEHE 2018 Rate Case Confidential.pdf is confidential and is being provided pursuant to the Protective Order issued in Docket No. 56211.**

Confidential	Title	Expert Witness	Number of Pages	Page No(s)
n/a	IBEW RFI01-03S Entergy - 53719 - 2022 - Griffiths.pdf	Myles Reynolds	61	1-61
n/a	IBEW RFI01-03S ONCOR - 53601 - 2021-2023 Rate Case.pdf	Myles Reynolds	7	1-7
The attachments is confidential and being provided pursuant to the Protective Order issued in Docket No. 56211.	IBEW RFI01-03S ITRON - CEHE 2018 Rate Case Confidential.pdf	Myles Reynolds	3	1-3

**SPONSOR:**

Lynnae Wilson

**RESPONSIVE DOCUMENTS:**

IBEW RFI01-03S Entergy - 53719 - 2022 - Griffiths.pdf

IBEW RFI01-03S ONCOR - 53601 - 2021-2023 Rate Case.pdf

IBEW RFI01-03S ITRON - CEHE 2018 Rate Case Confidential.pdf

DOCKET NO. 53719

APPLICATION OF ENTERGY TEXAS, § PUBLIC UTILITY COMMISSION  
INC. FOR AUTHORITY TO CHANGE §  
RATES § OF TEXAS

DIRECT TESTIMONY

OF

MEGHAN E. GRIFFITHS

ON BEHALF OF

ENTERGY TEXAS, INC.

JULY 2022

ENTERGY TEXAS, INC.  
DIRECT TESTIMONY OF MEGHAN E. GRIFFITHS  
2022 RATE CASE

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**EXHIBITS**

Exhibit MEG-1	Summary of External Rate Case Expenses associated with Docket No. 49916
Exhibit MEG-2	Summary of Eversheds Sutherland (US) LLP Invoices (Docket No. 49916)
Exhibit MEG-3	Summary of Duggins Wren Mann & Romero LLP Invoices (Docket No. 49916)
Exhibit MEG-4	Summary of External Rate Case Expenses associated with Docket No. 53719
Exhibit MEG-5	Summary of Eversheds Sutherland (US) LLP Invoices
Exhibit MEG-6	Summary of Duggins Wren Mann & Romero LLP Invoices
Exhibit MEG-7	Summary of Jager Smith LLC Invoices
Exhibit MEG-8	Summary of KFG, Inc. Invoices
Exhibit MEG-9	Summary of Taggart Morton Invoices
Exhibit MEG-10	Summary of Alliance Consulting Group Invoices
Exhibit MEG-11	Summary of Expergy Invoices
Exhibit MEG-12	Summary of Jackson Walker LLP Invoices

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**I. INTRODUCTION**

Q1. PLEASE STATE YOUR NAME, EMPLOYER, TITLE, AND BUSINESS ADDRESS.

A. My name is Meghan E. Griffiths. I am a partner with the law firm of Jackson Walker, LLP (“Jackson Walker”). My business address is 100 Congress Avenue, Suite 1100, Austin, Texas, 78701.

Q2. PLEASE OUTLINE YOUR EDUCATIONAL BACKGROUND.

A. I have a Juris Doctorate, *cum laude*, from the University of Texas School of Law, and a Bachelor of Arts degree, *cum laude*, from the University of Texas at Austin, with a double major in the Plan II Honors Program and Russian Literature.

Q3. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE.

A. I am an attorney in good standing with the State Bar of Texas. I have been engaged in the practice of energy and utility law for 18 years, including before the Public Utility Commission of Texas (“Commission” or “PUC”), the Federal Energy Regulatory Commission, and other state utility commissions, as well as in state and federal courts. My current and past clients include electric utilities, power generation companies, large power users, electric sector investors, and retail electric providers. I have represented clients in rate case and other regulatory proceedings before the PUC since 2004. I have spoken at electric industry continuing legal education conferences over the years on matters related to the Texas electric power markets. I am a member of the Public Utility Law and the Oil,

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1 Gas, and Mineral Law sections of the State Bar of Texas, as well as the Gulf Coast  
2 Power Association. Prior to practicing law, I worked as a consultant for an  
3 international software company. More information about my legal background and  
4 experience is available at my law firm's website:  
5 <https://www.jw.com/people/meghan-griffiths/>.

6

7 Q4. PLEASE DESCRIBE YOUR QUALIFICATIONS TO OFFER RATE CASE  
8 EXPENSE TESTIMONY.

9 A. I have firsthand experience drafting, assembling, and filing testimony in base rate,  
10 fuel, and other Commission regulatory proceedings. I have participated in rate case  
11 activities, including managing rate cases, developing and addressing strategy,  
12 selecting witnesses and consultants, reviewing schedules, drafting and editing  
13 testimony, propounding and responding to discovery, drafting discovery motions  
14 and responses, analyzing Commission and judicial precedent, participating in  
15 depositions and hearings, drafting post-hearing briefing, filing appeals, and  
16 negotiating settlements. Based on my 18 years of experience representing clients  
17 at the PUC and other state utility commissions, I am familiar with the work that  
18 consultants and outside counsel perform for utilities like Entergy Texas, Inc.  
19 ("Entergy" or the "Company") in regulatory matters. Through my professional  
20 experience, I have developed the experience necessary to determine whether the  
21 work performed was reasonable and necessary and whether the rate case expenses  
22 charged are reasonable for the scope of work.



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1 Q5. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

2 A. Yes. I filed direct testimony on behalf of Sharyland Utilities, L.L.C. in Docket  
3 No. 51611, *Application of Sharyland Utilities L.L.C. for Authority to Change Rates*.

4

5 Q6. ON WHOSE BEHALF ARE YOU SUBMITTING THIS TESTIMONY?

6 A. Entergy.

7

8 **II. PURPOSE OF DIRECT TESTIMONY**

9 Q7. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS  
10 PROCEEDING?

11 A. The purpose of my testimony is to address the reasonableness of the external rate  
12 case expenses that have been or will be incurred by Entergy in the preparation of  
13 the Rate Filing Package; preparation of the testimony, exhibits, and workpapers;  
14 discovery; pleadings; motion practice; potential settlement discussions; hearings;  
15 briefings; and the overall case administration associated with Docket No. 49916<sup>1</sup>  
16 and Entergy's present rate case, Docket No. 53719. The final order in Docket  
17 No. 49916 stated: "In a future proceeding, Entergy Texas may seek to recover rate-  
18 case expenses related to this proceeding on behalf of itself and participating  
19 municipalities."<sup>2</sup> Richard E. Lain sponsors Entergy's internal rate case expenses.

---

<sup>1</sup> *Application of Entergy Texas, Inc. for Approval to Reconcile Fuel and Purchased Power Costs*, Docket No. 49916 (Aug. 27, 2020).

<sup>2</sup> *Id.* at Ordering Paragraph No. 4; *see also id.* at Finding of Fact No. 61.

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1 Q8. WHAT AMOUNT OF RATE CASE EXPENSES IS ENTERGY SEEKING TO  
2 RECOVER IN THIS DOCKET?

3 A. Entergy requests rate case expenses totaling approximately \$9,242,416, comprised  
4 of \$807,416 associated with Docket No. 49916 and \$8,435,000 associated with  
5 Docket No. 53719. ETT's rate case expense request is based on actual rate case  
6 amounts for Docket No. 49916 and estimates of the costs for consultants, law firms,  
7 and other expenses for Docket No. 53719. Of the total rate case expenses  
8 associated with Docket No. 49916, I support the \$305,739.69 in external legal fees,  
9 as shown in Exhibits MEG-1 through MEG-3.

10

11 Q9. HOW DOES ENTERGY PLAN TO RECOVER ITS RATE CASE EXPENSES?

12 A. Entergy's methodology for recovering its rate case expenses is addressed in the  
13 testimony of Mr. Lain, Manager of Regulatory Affairs. At present, Entergy has  
14 incurred rate case expenses for Docket No. 49916 and only a portion of its estimated  
15 rate case expense for Docket No. 53719, as a large portion of the costs will be  
16 incurred as the case progresses. The total amount of rate case expenses incurred in  
17 connection with Docket No. 53719 will depend on a variety of factors, such as the  
18 contested nature of the case and whether the case proceeds to hearing. Accordingly,  
19 while Entergy's requested rate case expense is currently based in part on estimates,  
20 it is my understanding that Entergy will update its actual expense as the case  
21 progresses and, if fully-litigated, in the number-running process.

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1 Q10. DO YOU SPONSOR ANY EXHIBITS IN THIS CASE?

2 A. Yes. I sponsor Exhibits MEG-1 through MEG-12, which are attached to my direct  
3 testimony.

4

5 Q11. WERE THESE EXHIBITS AND TESTIMONY PREPARED BY YOU OR  
6 UNDER YOUR DIRECT SUPERVISION AND CONTROL?

7 A. Yes. The information contained in these exhibits and testimony is true and correct  
8 to the best of my knowledge, information, and belief after reasonable inquiry.

9

10 Q12. DO YOU HAVE ANY WORKPAPERS?

11 A. Yes. The workpapers for my testimony are the invoices and engagement  
12 agreements that I have reviewed to date for each law firm or outside consultant that  
13 billed Entergy for services associated with Docket Nos. 49916 and 53719. The  
14 workpapers are voluminous and are being filed separately. My review to date is of  
15 the invoices for Docket No. 49916 and the invoices for Docket No. 53719 that have  
16 been provided for services rendered from October 1, 2021 to March 31, 2022.<sup>3</sup> The  
17 rate case expenses invoiced and incurred after this period will be subject to my  
18 review and addressed in supplemental or additional testimony, affidavit, or  
19 discovery as may become necessary. A summary of the rate case invoices reviewed  
20 to date are attached as Exhibits MEG-1 through MEG-12.

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<sup>3</sup> Due to timing, there may be invoices from this time period that may be provided in discovery, supplemental testimony, or an affidavit.

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1                                   **III.     SUMMARY OF DIRECT TESTIMONY**

2     Q13.   PLEASE   SUMMARIZE   YOUR   DIRECT   TESTIMONY   IN   THIS  
3            PROCEEDING.

4     A.     I have reviewed and evaluated Entergy's rate case expenses incurred for outside  
5            legal and consultant services rendered for the time period October 1, 2021 to  
6            March 31, 2022, as well as for Docket No. 49916. I have also reviewed the rate  
7            case expense estimate provided by Entergy. Based on my review, it is my opinion  
8            that the rate case expenses reviewed to date were incurred and that they are  
9            necessary, reasonable, warranted and not extreme, excessive, or disproportionate.  
10           I recommend that the Commission determine that Entergy's rate case expenses are  
11           reasonable and recoverable under Section 36.061(b)(2) of the Public Utility  
12           Regulatory Act ("PURA") and 16 Tex. Admin. Code ("TAC") § 25.245

13                 I find that the requested rate case expenses for outside legal and consulting  
14            services are reasonable based on the nature, extent, complexity, and difficulty of  
15            work related to the rate case issues, the scope and quality of service provided, the  
16            time and labor required and expended by Entergy's outside counsel and consultants,  
17            and the importance and need of the rate case expenses to Entergy. I also find:

- 18           •     The hourly rates charged by the lawyers and consultants are reasonable for  
19           experienced counsel and consultants representing utilities before the PUC.
- 20           •     The law firms working on multiple rate case issues have task codes and  
21           narrative descriptions to allow me to identify the expenses for the rate case  
22           by issue where the attorneys are working on specific issues, consistent with  
23           rate case expense rule, 16 TAC § 25.245.
- 24           •     The number of attorneys and consultants within the various firms working  
25           on this case at any given time was reasonable.

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- 1       •     The invoices reviewed to date accurately documented hours worked and  
2       services provided.
- 3       •     There were no entries by any lawyer or consultant that exceeded 12.0 hours  
4       per day for work that was performed on this case.
- 5       •     Disbursements had supporting documentation and those subject to special  
6       scrutiny (*e.g.*, hotels, valet parking, designer coffee, airfare, meals) were  
7       reasonable.

8

9

#### **IV.   SCOPE OF REVIEW AND STANDARD**

10   Q14.   HOW DID YOU PREPARE TO TESTIFY IN THIS CASE?

11   A.     I discussed the rate case with key members of the legal team of Entergy and the law  
12       firm of Eversheds Sutherland (US) LLP (“Eversheds”)—in particular, George Hoyt  
13       and Cathy Garza. I reviewed the applicable provisions of PURA, which allow for  
14       the recovery of rate case expenses,<sup>4</sup> the Commission’s rate case expense rule,  
15       16 TAC § 25.245, and the rulemaking order adopting the rule in 2014. I reviewed  
16       and relied upon the prior rate case expense testimony of Entergy in Docket  
17       Nos. 40295 and 48439, the Commission’s final order in Docket No. 48439, as well  
18       as rate case testimony in recent Commission proceedings.<sup>5</sup> I also reviewed Texas  
19       Disciplinary Rule of Professional Conduct 1.04(b) and the relevant Texas case law  
20       pertaining to the determination of attorneys’ fees and costs of litigation. I examined  
21       the experience and hourly rates of the attorneys and consultants working on the case  
22       so I could form an assessment of the need for their services and the reasonableness

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<sup>4</sup> PURA §§ 36.051, 36.061(b)(2).

<sup>5</sup> *E.g.*, *Application of Oncor Electric Delivery Company LLC for Authority to Change Rates*, Docket No. 53601 (May 13, 2021); *Application of Southwestern Electric Power Company for Authority to Change Rates*, Docket No. 46449 (Mar. 19, 2018); *Application of Southwestern Public Service Company for Authority to Change Rates*, Docket No. 49831 (Aug. 27, 2020).

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1 of their hourly rates. I made inquiries regarding Entergy's internal procedures for  
2 reviewing and paying invoices and controlling rate case costs and confirmed these  
3 procedures with Mr. Lain. I confirmed that Entergy continues to employ internal  
4 procedures in reviewing and paying invoices as well as controlling costs.

5 The relevant invoices and supporting documentation were provided to me  
6 by Eversheds attorneys. I conducted a review of the invoices submitted by  
7 Entergy's rate case outside attorneys and consultants. I also reviewed the rate case  
8 expense estimates provided by Entergy.

9

10 Q15. IS ENTERGY ENTITLED TO RECOVER ITS REASONABLE RATE CASE  
11 EXPENSES INCURRED BY THE COMPANY?

12 A. Yes. PURA § 36.051 provides that, in establishing an electric utility's rates, the  
13 Commission shall establish the utility's revenues at an amount that will permit the  
14 utility a reasonable opportunity to earn a reasonable return on its invested capital  
15 used and useful in providing service to the public in excess of the utility's  
16 reasonable and necessary operating expenses. PURA § 36.061(b)(2) provides that  
17 the Commission may allow as a cost or expense the reasonable costs of participating  
18 in a rate proceeding. Rate case expenses are therefore part of a utility's operating  
19 expenses. Pursuant to these provisions, the Commission has authority to allow  
20 utilities to recover their reasonable and necessary rate case expenses and  
21 historically has allowed them to do so. In 2014, the Commission adopted the rate  
22 case expense rule, 16 TAC § 25.245, which provides that, if a utility or municipality  
23 requesting recovery of or reimbursement for its rate case expenses meets its burden

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1 to prove the reasonableness of its rate case expenses by a preponderance of the  
2 evidence, then the presiding officer shall allow its rate case expenses. Agency  
3 regulations have the full force and effect of statutes. Accordingly, Entergy is  
4 entitled to recover its reasonable rate case expenses if it meets its burden of proof  
5 under the rate case expense rule.

6

7 Q16. WHAT STANDARDS DO YOU APPLY TO DETERMINE WHETHER  
8 SPECIFIC RATE CASE EXPENSES ARE REASONABLE AND  
9 RECOVERABLE?

10 A. I apply PURA §§ 36.051 and 36.061, the Commission's rate case expense rule,  
11 16 TAC § 25.245, and the Commission's order adopting that rule.<sup>6</sup> I also apply the  
12 Texas Disciplinary Rule of Professional Conduct 1.04(b) and the relevant Texas  
13 case law pertaining to the determination of attorneys' fees and costs of litigation.<sup>7</sup>

14

15 Q17. WHAT IS ENTERGY'S BURDEN OF PROOF UNDER THE RATE CASE  
16 EXPENSE RULE?

17 A. 16 TAC § 25.245(b) provides:

18 A utility or municipality seeking recovery of or reimbursement for  
19 rate-case expenses shall file sufficient information that details and  
20 itemizes all rate-case expenses, including, but not limited to,  
21 evidence verified by testimony or affidavit, showing:

---

<sup>6</sup> *Rulemaking to Propose New Subst. R. § 25.245, Relating to Recovery of Expenses for Rate-making Proceedings*, Project No. 41622, Order (Aug. 6, 2014).

<sup>7</sup> *See generally City of El Paso v. Pub. Util. Comm'n of Tex.*, 916 S.W.2d 515 (Tex. App.—Austin 1995, writ dismissed by agr.); *Arthur Andersen v. Perry Equipment Corp.*, 945 S.W.2d 812 (Tex. 1997); *Rohrmoos Venture v. UTSW DVA Healthcare, LLP*, 578 S.W.3d 469 (Tex. 2019); and *Iola Barker v. Hurst*, 632 S.W.3d 175 (Tex. App.—Houston [1st Dist.] 2021, no pet.).

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- 1 (1) the nature, extent, and difficulty of the work done by
- 2 the attorney or other professional in the rate case;
- 3 (2) the time and labor required and expended by the
- 4 attorney or other professional;
- 5 (3) the fees or other consideration paid to the attorney or
- 6 other professional for the services rendered;
- 7 (4) the expenses incurred for lodging, meals and
- 8 beverages, transportation, or other services or materials;
- 9 (5) the nature and scope of the rate case, including:
  - 10 (A) the size of the utility and number and type of
  - 11 consumers served;
  - 12 (B) the amount of money or value of property or
  - 13 interest at stake;
  - 14 (C) the novelty or complexity of the issues
  - 15 addressed;
  - 16 (D) the amount and complexity of discovery;
  - 17 (E) the occurrence and length of a hearing; and
- 18 (6) the specific issue or issues in the rate case and the
- 19 amount of rate-case expenses reasonably associated with
- 20 each issue.
- 21 Subsection (c) of the rule also provides:
  - 22 In determining the reasonableness of the rate-case expenses, the
  - 23 presiding officer shall consider the relevant factors listed in
  - 24 subsection (b) of this section *and any other factor shown to be*
  - 25 *relevant to the specific case.*<sup>8</sup> The presiding officer shall decide
  - 26 whether and the extent to which the evidence shows that:
    - 27 (1) the fees paid to, tasks performed by, or time spent on a task
    - 28 by an attorney or other professional were extreme or excessive;
    - 29 (2) the expenses incurred for lodging, meals and beverages,
    - 30 transportation, or other services or materials were extreme or

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<sup>8</sup> Emphasis added.



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- 1                   excessive;
- 2                   (3)     there was duplication of services or testimony;
- 3                   (4)     the utility's or municipality's proposal on an issue in the rate  
4                   case had no reasonable basis in law, policy, or fact and was not  
5                   warranted by any reasonable argument for the extension,  
6                   modification, or reversal of commission precedent;
- 7                   (5)     rate-case expenses as a whole were disproportionate,  
8                   excessive, or unwarranted in relation to the nature and scope of the  
9                   rate case addressed by the evidence pursuant to subsection (b)(5) of  
10                  this section; or
- 11                  (6)     the utility or municipality failed to comply with the  
12                  requirements for providing sufficient information pursuant to  
13                  subsection (b) of this section.
- 14                  If the utility demonstrates the criteria above, then the rule provides that the  
15                  presiding officer "shall allow or recommend allowance of recovery of rate-case  
16                  expenses equal to the amount shown in the evidentiary record to have been actually  
17                  and reasonably incurred by the requesting utility or municipality."<sup>9</sup>
- 18
- 19    Q18.   WHAT FACTORS DO TEXAS COURTS CONSIDER WHEN MAKING A  
20            DETERMINATION AS TO THE REASONABLENESS OF ATTORNEYS'  
21            FEES?
- 22    A.     In 1995, prior to the adoption of 16 TAC § 25.245, the Third Court of Appeals  
23            agreed with the Commission that its determination of the reasonableness of rate  
24            case expenses is analogous to a trial court's determination of attorneys' fees and  
25            costs of litigation and included consideration of the following factors:
- 26                  (1)     time and labor required;

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<sup>9</sup> 16 TAC § 25.245(d)(1).

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- 1 (2) nature and complexities of the case;
- 2 (3) amount of money or value of property or interest at stake;
- 3 (4) extent of responsibilities the attorney assumes;
- 4 (5) whether the attorney loses other employment because of the
- 5 undertaking; and
- 6 (6) benefits to the client from the services.<sup>10</sup>

7 Furthermore, the Texas Supreme Court identified the following factors that should  
8 be considered when examining the reasonableness of attorneys' fees:

- 9 (1) the time and labor required, the novelty and difficulty of the  
10 questions involved, and the skill required to perform the legal  
11 service properly;
- 12 (2) the likelihood . . . that the acceptance of the particular  
13 employment will preclude other employment by the lawyer;
- 14 (3) the fee customarily charged in the locality for similar legal  
15 services;
- 16 (4) the amount involved and the results obtained;
- 17 (5) the time limitations imposed by the client or by the  
18 circumstances;
- 19 (6) the nature and length of the professional relationship with  
20 the client;
- 21 (7) the experience, reputation, and ability of the lawyer or  
22 lawyers performing the services; and
- 23 (8) whether the fee is fixed or contingent on results obtained or  
24 uncertainty of collection before the legal services have been  
25 rendered.<sup>11</sup>

26 Subsequently, the Court provided additional guidelines for determining the

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<sup>10</sup> *City of El Paso*, 916 S.W.2d at 522.

<sup>11</sup> *Arthur Andersen*, 945 S.W.2d at 818.

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1           reasonableness and necessity of attorneys' fees by introducing the "lodestar"  
2           calculation by which a court can establish reasonable attorneys' fees by multiplying  
3           the reasonable hours worked by a reasonable hourly rate.<sup>12</sup> Under the lodestar  
4           method, the determination of what constitutes a reasonable attorney's fee involves  
5           a two-step process: "First, the court must determine the reasonable hours spent by  
6           counsel in the case and a reasonable hourly rate for such work. The court then  
7           multiplies the number of such hours by the applicable rate, the product of which is  
8           the base fee or lodestar. The court may then adjust the base lodestar up or down  
9           (apply a multiplier), if relevant factors indicate an adjustment is necessary to reach  
10          a reasonable fee in the case."<sup>13</sup>

11           The Court made clear that the lodestar method was merely a "short hand  
12          version of the *Arthur Anderson* factors and was never intended to be a separate test  
13          or method."<sup>14</sup> As in the federal courts, the base lodestar calculation usually includes  
14          at least the following considerations from *Arthur Andersen*: "the time and labor  
15          required," "the novelty and difficulty of the questions involved," "the skill required  
16          to perform the legal service properly," "the fee customarily charged in the locality  
17          for similar legal services," "the amount involved," "the experience, reputation, and  
18          ability of the lawyer or lawyers performing the services," "whether the fee is fixed  
19          or contingent on results obtained," "the uncertainty of collection before the legal

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<sup>12</sup> *Rohrmoos Venture*, 578 S.W.3d at 491; *see also*, *Iola Barker*, 632 S.W.3d at 186-87.

<sup>13</sup> *Iola Barker*, 632 S.W.3d at 186-87.

<sup>14</sup> *Rohrmoos Venture*, 578 S.W.3d at 490.

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1 services have been rendered,” and “results obtained.”<sup>15</sup> The lodestar method  
2 establishes a strong presumption that the lodestar figure is reasonable and was never  
3 intended to be conclusive in all circumstances. Consequently, the lodestar method  
4 allows for the base lodestar figure “to be adjusted up when considerations not  
5 already accounted for in the first step establish that the base lodestar figure  
6 represents an unreasonably low fee award, depriving fair compensation to the  
7 prevailing party’s attorney.”<sup>16</sup>

8  
9 Q19. DO YOU AUTOMATICALLY DISALLOW ANY EXPENSE THAT FAILED  
10 TO MEET THE CRITERIA YOU JUST RECITED?

11 A. No. Commission precedent does not require the automatic disallowance of an  
12 expense. Under the rate case expense rule, the standard is a qualitative one in which  
13 “extreme or excessive” fees or expenses are to be determined in the context of the  
14 evidence, rather than prescriptively setting numeric or dollar thresholds. Therefore,  
15 if an item appears to call for further scrutiny, the item is investigated further to  
16 determine whether the item is necessary, reasonable, and warranted under the  
17 circumstances.

18  
19 Q20. IS ENTERGY ALLOWED TO RECOVER ESTIMATED RATE CASE  
20 EXPENSES?

21 A. Yes. It has typically been necessary to estimate some level of rate case expenses to

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<sup>15</sup> *Id.* at 500; *Iola Barker*, at 187.

<sup>16</sup> *Rohrmoos Venture*, 578 S.W.3d at 502.

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1 complete a contested case proceeding before the Commission, and the rate filing  
2 package calls for a schedule with such an estimate.<sup>17</sup> Historically, the Commission  
3 has allowed utilities to recover rate case expenses estimated incurred up to a certain  
4 date and amount as long as the expenses were actually incurred prior to recovery.  
5 The Commission has also allowed utilities to recover the cost of an appeal of the  
6 Commission's final order either when new rates become effective or by recording  
7 the expense as a regulatory asset to be recovered in the utility's next rate case or  
8 rate case expense proceeding. Recently the Commission has expressed a desire to  
9 avoid bifurcation of rate case expense recovery from the instant rate case and to,  
10 instead, have rate case expenses addressed with the applicable rate case.<sup>18</sup> A  
11 reasonable way to accomplish this policy goal is to allow rate case expenses to be  
12 updated as the case progresses, either through discovery or supplementary  
13 testimony and affidavit, and to update the final rate case expenses in the number-  
14 running process. Rate case expenses associated with any appeals would be recorded  
15 as a regulatory asset to be reviewed for recovery in Entergy's next rate case.

16

17 **Q21. HOW DOES ENTERGY CONTROL ITS RATE CASE EXPENSES?**

18 A. Entergy internally reviews legal and consulting invoices to ensure that they are  
19 correctly calculated, and that the activities performed and billed are, from its

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<sup>17</sup> Schedule G-14.1: Rate Case Expenses, "For purposes of this schedule, rate case expenses are any expenses which have been, or will be, incurred pursuant to this rate application."

<sup>18</sup> *Review of Rate Case Expenses Incurred by Southwestern Electric Power Company and Municipalities in Docket No. 46449*, Docket No. 47141, Open Meeting (Jul. 18, 2019); *Application of Oncor Electric Delivery Company LLC for Approval to Amend Its Distribution Cost Recovery Factor*, Docket No. 50734, Open Meeting (Jul. 31, 2020).

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1 perspective, necessary and reasonable. As part of that internal process, appropriate  
2 personnel review each invoice received from the attorneys and the consultants and  
3 forward them to Accounts Payable for payment. In addition, Entergy has an  
4 existing relationship and experience with its legal counsel and many of its  
5 consultants in prior rate cases, so there is a level of trust, confidence, cooperation,  
6 and efficient interaction that has developed between them.

7

8 Q22. DO YOU PRESENT A SUMMARY OF THE EXTERNAL RATE CASE  
9 EXPENSES INCURRED BY ENTERGY RELATING TO DOCKET NOS. 49916  
10 AND 53719?

11 A. Yes. Exhibits MEG-1 and MEG-4 provide a summary of the external rate case  
12 invoices billed to date to Entergy that I received and reviewed so far, and the total  
13 amount that I recommend as reasonable and necessary rate case expenses to date  
14 that the Commission should allow the utility to recover in this proceeding for the  
15 external expenses incurred and reviewed. As noted before, rate case expenses yet  
16 to be incurred will need to be reviewed and addressed later.

17

18 Q23. PLEASE DESCRIBE THE NATURE AND SCOPE OF DOCKET NO. 49916.

19 A. Docket No. 49916 addressed Entergy's application for authority to reconcile fuel  
20 and purchased-power costs for the period of April 1, 2016 through March 31, 2019.  
21 During the reconciliation period, Entergy incurred approximately \$1.6 billion in

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1 eligible fuel and purchased power expenses to generate and purchase electricity.<sup>19</sup>  
2 Along with its application filed on September 19, 2019, Entergy attached a filing  
3 package that included pre-filed direct testimony of six witnesses, exhibits,  
4 schedules, and workpapers in accordance with Commission rules and the  
5 Commission's Electric Utility Fuel Reconciliation Package for Generating  
6 Utilities.<sup>20</sup> Three parties intervened, including the Office of Public Utility Counsel,  
7 Texas Industrial Energy Consumers, and the Cities of Anahuac, Beaumont, Bridge  
8 City, Cleveland, Dayton, Groves, Houston, Huntsville, Liberty, Montgomery,  
9 Navasota, Nederland, Oak Ridge North, Orange, Pinehurst, Port Arthur, Port  
10 Neches, Roman Forest, Shenandoah, Sour Lake, Splendora, Vidor, and West  
11 Orange.<sup>21</sup> The parties engaged in discovery. Entergy filed the rebuttal testimony  
12 of four internal witnesses to rebut the recommendations made in Mr. Norwood's  
13 direct testimony.<sup>22</sup> Prior to the hearing, the parties reached a settlement agreement  
14 in principle and filed a motion to abate. Entergy filed the stipulation and settlement  
15 agreement on June 11, 2020, and the Commission issued its order on August 27,  
16 2020. The order allowed Entergy to defer the review of the rate case expenses  
17 incurred to a future base rate proceeding.<sup>23</sup>

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<sup>19</sup> Docket No. 49916, Application at 4-5 (Sept. 19, 2019).

<sup>20</sup> *Id.* at 5.

<sup>21</sup> Docket No. 49916, Order at Finding of Fact No. 18.

<sup>22</sup> *Id.* at Finding of Fact No. 24.

<sup>23</sup> *Id.* at Finding of Fact No. 61.

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1 Q24. PLEASE DESCRIBE THE NATURE AND SCOPE OF DOCKET NO. 53719.

2 A. Docket No. 53719 is a system-wide base or general rate case, in which its retail  
3 rates in Texas will be subject to review and adjustment by the Commission. In a  
4 rate proceeding, Entergy, as the utility, by law has the burden of proof. This means  
5 that it must address multiple factual and legal matters in its rate filing package, its  
6 direct testimony, and in its rebuttal testimony, along with responding to discovery  
7 requests from the Commission's Staff and intervening parties, plus responding to  
8 questions and requests from the Commissioners in the open meetings in which the  
9 rate case is deliberated. This requires utilizing highly qualified attorneys along with  
10 witnesses and consulting experts able to capably address the various substantive  
11 areas of utility operations, management, accounting, finance, etc.

12

13 Q25. DID ENTERGY PROPOSE ANYTHING IN DOCKET NO. 49916 THAT HAS  
14 NO REASONABLE BASIS IN LAW, POLICY, OR FACT AND IS NOT  
15 WARRANTED BY ANY REASONABLE ARGUMENT FOR THE  
16 EXTENSION, MODIFICATION, OR REVERSAL OF COMMISSION  
17 PRECEDENT?

18 A. No, not that I am aware of. There of course is the potential for other parties to this  
19 case to raise issues concerning positions taken in Docket No. 49916 to which  
20 Entergy will have to respond. The reasonableness of Entergy's position on any  
21 issues other parties raise is something that will have to be addressed later, after this  
22 rate case has progressed through resolution of those issues.



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1 Q26. IS ENTERGY PROPOSING ANYTHING IN THIS RATE CASE THAT HAS NO  
2 REASONABLE BASIS IN LAW, POLICY, OR FACT?

3 A. No, not that I am aware of. There of course is the potential for other parties to this  
4 case to raise issues to which Entergy will have to respond. The reasonableness of  
5 Entergy's position on any issues other parties raise is something that will have to  
6 be addressed later after this rate case has progressed through resolution of those  
7 issues.

8  
9 Q27. ARE THE EXTERNAL RATE CASE EXPENSES OF ENTERGY AS A WHOLE  
10 DISPROPORTIONATE, EXCESSIVE, OR UNWARRANTED IN RELATION  
11 TO THE NATURE AND SCOPE OF THE RATE CASE?

12 A. No. The rate case expenses of Entergy's outside counsel and consultants incurred  
13 to date, as well as those estimated to be incurred, appear to me not to be  
14 disproportionate, excessive, or unwarranted for the type of rate proceedings  
15 involving the issues I have previously described. But again, the actual rate case  
16 expenses will not be known until the end of the proceeding, and would be the  
17 subject of supplemental discovery responses or additional testimony at a later date.

18

19 **V. LEGAL FEES AND EXPENSES**

20 Q28. WHAT INVOICES FOR LEGAL SERVICES DID YOU REVIEW?

21 A. I reviewed Eversheds' invoices for time worked during the period from May 1,  
22 2019 through August 31, 2020 in connection with Docket No. 49916 and January 1,  
23 2022 through February 28, 2022 in connection with Docket No. 53719. The firm's

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1 invoices are among my workpapers and include time, task, and attorney  
2 information, as well as billing category task codes. Exhibits MEG-2 and MEG-5  
3 contain monthly summaries of Eversheds' invoices. In addition, I reviewed the  
4 invoices and supporting documents for Duggins Wren Mann & Romero LLP  
5 ("Duggins Wren") for the time period from January 1, 2019 through August 31,  
6 2020 in connection with Docket No. 49916 and October 1, 2021 through  
7 February 28, 2022 in connection with Docket No. 53719. The invoices from  
8 Duggins Wren are among my workpapers and include time, task, attorney  
9 information, and billing category task codes. Exhibits MEG-3 and MEG-6 contain  
10 monthly summaries of Duggins Wren's invoices. I also reviewed the invoices for  
11 Jager Smith LLC ("Jager Smith") for the time period from February 1, 2022  
12 through March 31, 2022. The invoices from Jager Smith are among my workpapers  
13 and include time, task, attorney information, and billing category task codes.  
14 Exhibit MEG-7 is a monthly summary of Jager Smith's invoices. I reviewed the  
15 invoices from KFG, Inc. ("KFG") for services performed from January 1, 2022  
16 through February 28, 2022. The invoices from KFG are among my workpapers  
17 and include time worked on the ETI 2022 rate case and an explanation of the fees  
18 charged. Exhibit MEG-8 is a monthly summary of KFG's invoices. I also reviewed  
19 the invoices from Taggart Morton LLC ("Taggart Morton") for services performed  
20 from March 1, 2022 through March 31, 2022. The invoice from Taggart Morton is  
21 among my workpapers and includes time, task, attorney information, and billing  
22 category task codes. Exhibit MEG-9 is a monthly summary including the Taggart  
23 Morton invoice.

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1 Q29. PLEASE DESCRIBE YOUR REVIEW OF THE INVOICES FOR LEGAL  
2 SERVICES AND SUPPORTING DOCUMENTATION.

3 A. I spoke with Ms. Garza regarding the scope of services being provided by  
4 Eversheds and the other firms providing legal services in Entergy's rate  
5 proceedings, the key issues in the cases, and Entergy's rate case expense request. I  
6 subsequently reviewed the invoices and time entries of Eversheds, Duggins Wren,  
7 Jager Smith, KFG, and Taggart Morton. I also spoke with Ms. Garza regarding the  
8 respective roles of the attorneys on the Entergy rate case team.

9

10 A. Eversheds

11 Q30. ARE YOU FAMILIAR WITH THE EXPERIENCE AND REPUTATION OF  
12 THE EVERSHEDS TEAM?

13 A. Yes. I have known the Eversheds attorneys working on this case professionally for  
14 many years, and I have personal knowledge of the high level of experience and  
15 professionalism that each attorney on the team brings to the case. Lino Mendiola  
16 has more than 25 years of experience representing utilities, private equity investors,  
17 and large industrial energy users before state and federal regulatory agencies. He  
18 is recognized as a leading lawyer in Texas electric regulatory law. Mr. Mendiola  
19 has represented Entergy since 2015 and is serving as one of the lead counsels for  
20 the utility in this proceeding. Michael Boldt has 14 years of experience in electric  
21 rate and regulatory proceedings and has represented Energy since 2015. John  
22 Zerwas, Caren Pinzur, and Ms. Garza have 14, 10, and five years of experience in  
23 electric rate and regulatory proceedings, respectively. Ms. Garza has been

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1 designated as the lead lawyer on the rate case expense issues. All of the attorneys  
2 on the Eversheds team are experienced and well respected in their field.

3 Other members of the Eversheds rate case team include Senior Paralegal  
4 Sarah Merrick. Ms. Merrick has approximately 10 years of experience in electric  
5 rate and regulatory proceedings.

6

7 **Q31. HOW DID YOU CONDUCT YOUR REVIEW OF EVERSHEDS' RATE CASE**  
8 **EXPENSES?**

9 A. I was supplied with relevant invoices and related documentation for the attorneys  
10 and consultants, which I then reviewed and audited consistent with the standards  
11 described above. I was further advised that the Eversheds invoices are reviewed by  
12 the billing attorney to ensure time and task descriptions are reasonable, and that  
13 mistakes are caught and corrected (which, as mentioned above, are then further  
14 reviewed by Entergy for correctness and reasonableness). In my experience, billing  
15 attorneys will exercise their judgment and make adjustments of their own from  
16 time to time regarding particular time entries based on what they determine is fair  
17 and reasonable to the client under the circumstances of the matter. I also  
18 investigated out-of-pocket expenses to determine whether there was sufficient  
19 documentation of the expense included in the invoices to allow me to determine if  
20 the expense was reasonable and necessary to Entergy's presentation of its rate case.

21

22 **Q32. HOW ARE HOURLY RATES ESTABLISHED BY A LAW FIRM?**

23 A. In my experience, hourly rates are largely a function of the nature of the work, the

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1 relevant experience and knowledge of the attorneys within the law firm, the length  
2 of the relationship with the client, and the current and anticipated workload of the  
3 relevant attorneys relative to the time commitment of an engagement that may limit  
4 the ability to undertake other legal work. Rate cases, for example, involve not only  
5 complicated and highly technical questions, but a large number of issues that have  
6 to be addressed within the procedural schedule for completion of the case, which  
7 requires a large time commitment from lawyers with the experience and capability  
8 to handle all the regulatory issues. Some consideration is often given in recognition  
9 of the ongoing relationship with the client and the nature of the work to be  
10 performed. Obviously, the greater the demand for legal services, the higher the  
11 rates tend to be. Also, as the underlying costs of providing services tend to increase  
12 over time, so do the hourly rates for legal and non-legal consultants to cover those  
13 overhead expenses.

14  
15 Q33. WHAT DID YOU LEARN ABOUT THE SERVICES AND RATES  
16 EVERSHEDES CHARGES ENTERGY?

17 A. Eversheds has provided legal services to Entergy since 2015. Based on its ongoing  
18 relationship with Entergy, Eversheds offers the utility discounted rates for services.  
19 Also, Eversheds utilizes a team approach in its representation of Entergy, matching  
20 attorneys to tasks such that legal services are provided with the higher-cost and  
21 more experienced attorneys addressing difficult, complex, or unique tasks, while  
22 the lower-cost attorneys with less experience and legal assistants address the more  
23 basic, but necessary, tasks. This allows quality legal services to be provided overall

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1 on a more cost-effective basis.

2

3 Q34. HOW DID YOU EVALUATE THE RATES THAT EVERSHEDS CHARGED?

4 A. I evaluated their rates based on my understanding of the issues in this rate case, my  
5 discussions with the attorneys, and my knowledge of their experience, credibility,  
6 and competence. I also compared their current rates to the rates they charged in  
7 the prior rate case and to rates charged by other attorneys providing similar services  
8 for rate cases for Texas utilities.

9

10 Q35. HOW WERE YOU ABLE TO COMPARE EVERSHEDS' RATES FOR  
11 SERVICES WITH THOSE OF OTHER ATTORNEYS PROVIDING SIMILAR  
12 SERVICES?

13 A. My primary source of information was from testimony filed in other recent  
14 proceedings before the Commission. I also have familiarity in general with hourly  
15 rates from my own law firm experience and working with other lawyers. While  
16 there can be and is variation in the hourly rates that different lawyers and law firms  
17 charge for working on rate cases, as well as variation in hourly rates over time, the  
18 upper end of the legal rates currently charged in rate cases appears to be in the \$600  
19 to \$800 per hour range. In Docket No. 53601, Oncor's recently-filed 2022 rate  
20 case, attorney rates range from \$440 to \$800 per hour depending on the  
21 classification and experience of the attorney.<sup>24</sup> In Docket No. 43950, a rate case

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<sup>24</sup> *Application of Oncor Electric Delivery Company LLC for Authority to Change Rates*, Docket No. 53601, Application at 1889 (May 13, 2022).

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1 filed in late-2014, and settled and approved in the first half of 2015, attorney and  
2 legal assistant billing rates were above those which Eversheds is charging Entergy  
3 (or, for that matter, what Jackson Walker is charging Entergy in this case), and the  
4 rates in that case were all supported by testimony as reasonable.<sup>25</sup> Similarly, the  
5 same held true in Docket No. 46957, a rate case filed in 2017.<sup>26</sup> In Docket  
6 No. 51415, a fully-litigated rate case filed in 2020 and approved in 2022, rate case  
7 expenses exceeding \$550 per hour were disallowed as excessive; however, the  
8 portion of those attorneys' fees above \$550 per hour were disallowed because the  
9 utility failed to meet its burden of proof to show that the nature, extent, and  
10 difficulty of the work performed by certain attorneys who charged in excess of \$550  
11 per hour was justified.

12  
13 Q36. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF  
14 THE RATES CHARGED BY EVERSHEDS TO DATE IN THIS CASE?

15 A. While there is a competitive market for regulatory counsel, only a few firms could  
16 meet Entergy's requirements. Based on my experience, expertise, review of the  
17 documents, and review of 16 TAC § 24.245 and Texas jurisprudence on reasonable  
18 attorneys' fees, and given Eversheds' high level of expertise and knowledge of  
19 electric utility regulation in Texas and rate cases in particular, their long-standing  
20 and successful representation of the utility in its prior cases, their provision of legal

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<sup>25</sup> *Application of Cross Texas Transmission, LLC for Authority to Change Rates and Tariffs*, Docket No. 43950, Application at 594-95 & 608-09 (Dec. 23, 2014).

<sup>26</sup> *Application of Oncor Electric Delivery Company LLC for Authority to Change Rates*, Docket No. 46957, Application at 1571 (Mar. 17, 2017) and Final Order (Oct. 13, 2017).

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1           and case management services discussed earlier, the extensive and intense time  
2           commitment necessary to complete the rate case, the vital value and importance of  
3           the rate case to the utility, and the discount Eversheds gives the utility on its rates  
4           due to the ongoing and long-term relationship, it is my opinion the rates charged  
5           by the Eversheds attorneys are reasonable. In addition, as noted above, those rates  
6           are generally comparable to rates charged by other law firm practitioners providing  
7           similar services, which further confirms that Eversheds' hourly rates are reasonable.

8

9   **Q37. DID EVERSLED'S INVOICES INCLUDE TIME BILLED BY NON-**  
10   **ATTORNEY PERSONNEL?**

11   A.   Yes. Eversheds uses a paralegal and bills for her services on an hourly basis at a  
12       rate lower than what an attorney would bill. This reduces the overall cost of the  
13       legal services provided. Like the attorneys, the hourly rates for paralegals can vary  
14       over time. I reviewed the time and tasks billed by non-attorneys just as I did for  
15       the attorneys. I conclude that the rates billed for the paralegal's time worked are  
16       reasonable and also reasonably comparable with the rates charged by other large  
17       firms for similar services.

18

19   **Q38. DID YOU REVIEW ALL OF THE EVERSLED'S INVOICES?**

20   A.   Yes.

21

22   **Q39. WHAT DID YOU FIND?**

23   A.   I found that the level of detail was sufficient to allow me to reasonably identify the



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1 nature, extent, and difficulty of the work being performed, and to form some  
2 judgment about the reasonableness of the time and labor required and spent and the  
3 out-of-pocket expenses incurred. All of the invoices reflect the date and a  
4 description of the services provided by each timekeeper, billed in 1/10 hour  
5 increments, and the respective timekeeper's hourly rate. When I needed more  
6 information about any particular entries, I investigated it further, so as to be able to  
7 form an opinion as to the reasonableness of the invoices.

8

9 Q40. WHAT WERE THE RATES OF EVERSHEDES PERSONNEL FOR THE  
10 AMOUNTS THAT WERE INCURRED BY ENTERGY ON INVOICES  
11 RECORDED AND PAID FOR SERVICES RENDERED THROUGH  
12 FEBRUARY 28, 2022?

13 A. Eversheds' fees were \$136,142.50 in Docket No. 49916 and \$15,281.00 so far in  
14 Docket No. 53719. For Docket No. 49916, the hourly rates for attorneys ranged  
15 from \$385 to \$635. For Docket No. 53719, the hourly rates for attorneys ranged  
16 from \$385 to \$710.

17

18 Q41. WHAT IS YOUR CONCLUSION REGARDING THE RATES, FEES, AND  
19 EXPENSES THAT EVERSHEDES HAS INVOICED ENTERGY IN  
20 CONNECTION WITH DOCKET NOS. 49916 AND 53719?

21 A. My opinion is that the rates charged, time spent, tasks performed, and fees and  
22 expenses charged to date by Eversheds, as set forth in the Total Requested Amount  
23 columns in Exhibits MEG-2 and MEG-5, are necessary, reasonable, warranted, and

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1       thus not extreme or excessive, and therefore should be recovered. This is based  
2       upon my review and evaluation of the invoices, and such factors as the number of  
3       and complexity of the rate case issues, the significance of the rate case to the utility,  
4       and the fact that the utility has the burden of proof (and thus must prepare, file, and  
5       give notice of an application, along with prepared direct testimony, that is subject  
6       to initial review for sufficiency and completeness, as well as be prepared to fully  
7       prosecute the case through discovery to an evidentiary hearing and through the  
8       applicable post-hearing procedures).

9               The number of hours billed to date is necessary and reasonable. There were  
10       no time entries for more than 12 hours in a single day. The invoices reviewed to  
11       date appear to have been calculated correctly. No double billings or inconsistencies  
12       were found. Nothing was found that appeared unusual or unreasonable in the  
13       expenses included on the invoices. It appears that none of the legal fees should  
14       have been assigned to other jurisdictions or other matters, that none were lacking  
15       in supporting documentation or other verification (after due inquiry to the extent  
16       necessary), and that no luxury items were billed to the utility.

17  
18                               **B.     Duggins Wren**

19    Q42.   ARE YOU FAMILIAR WITH DUGGINS WREN?

20    A.     Yes. I am very familiar with Duggins Wren and their excellent professional  
21       reputation. I also personally know several of the lawyers employed at Duggins  
22       Wren and am familiar with their extensive expertise in the utility industry. Jay  
23       Breedveld has represented electric utilities for more than 20 years, including

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1 representing them in regulatory, trial, and appellate proceedings before state and  
2 federal agencies and courts. Scott Olson has represented electric utilities before  
3 state and federal agencies and courts for 21 years. William Coe has 23 years of  
4 experience in electric rate and regulatory proceedings. Patrick Pearsall has more  
5 than 15 years of experience representing electric utilities in regulatory, trial, and  
6 appellate proceedings before state and federal agencies and courts. Stephanie  
7 Green has four years of experience representing energy and utility clients before  
8 state and federal agencies and courts. Linda Nickell has 29 years of experience in  
9 electric rate and regulatory proceedings and has represented Entergy since 1999.

10

11 Q43. DID YOU REVIEW ALL OF THE DUGGINS WREN INVOICES?

12 A. Yes, I have reviewed all of the invoices submitted by Duggins Wren for legal  
13 services performed for Entergy from January 1, 2019 through August 31, 2020 in  
14 connection with Docket No. 49916 and from October 1, 2021 to February 28, 2022  
15 in connection with Docket No. 53719. The invoices are included among my  
16 workpapers. Exhibits MEG-3 and MEG-6 contain monthly summaries of Duggins  
17 Wren's invoices.

18

19 Q44. HAVE YOU FORMED AN OPINION REGARDING THE INVOICES  
20 RECEIVED BY ENTERGY FROM DUGGINS WREN FOR OUTSIDE  
21 ATTORNEY SERVICES TO DATE?

22 A. Yes. In my opinion, the fees of Duggins Wren have been reasonable in amount and  
23 were provided on an effective basis at reasonable hourly rates. The amount of fees

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1 received and paid to date is reasonable in cases of their size.

2

3 Q45. WHAT WERE THE RATES OF DUGGINS WREN PERSONNEL FOR THE  
4 AMOUNTS THAT WERE INCURRED BY ENTERGY ON INVOICES  
5 RECORDED AND PAID FOR SERVICES RENDERED THROUGH  
6 FEBRUARY 28, 2022?

7 A. Duggins Wren's fees were \$169,597.19 for Docket No. 49916 and \$92,978.71 in  
8 Docket No. 53719. For Docket No. 49916, the hourly rates for attorneys ranged  
9 from \$230 to \$420. For the present rate case, the attorney hourly rates ranged from  
10 \$240 to \$435.

11

12 Q46. ARE THE DUGGINS WREN BILLING TASK CODES REASONABLE?

13 A. Yes. Duggins Wren has established different billing task codes, each of which  
14 contain multiple sub-task codes, which is included in my workpapers. The billing  
15 categories for the rate case appear to be consistent with the typical category of  
16 issues that can arise in a rate case. They are also broad enough to encompass certain  
17 nuances, including unusual issues particular to a specific utility, though foresight is  
18 not perfect so there could be issues that arise in a rate case that are not as readily  
19 identified by an existing category. The lawyer time entries on the invoice also  
20 describe the individual tasks and associated time so that understanding of the rate  
21 case issue involved can still be possible.

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1 Q47. WHAT IS YOUR CONCLUSION REGARDING THE RATES, FEES, AND  
2 EXPENSES THAT DUGGINS WREN HAS INVOICED ENTERGY IN  
3 DOCKET NOS. 49916 AND 53719?

4 A. My opinion is that the rates charged, time spent, tasks performed, and fees and  
5 expenses charged to date by Duggins Wren, as set forth in the Total Requested  
6 Amount columns in Exhibits MEG-3 and MEG-6, are necessary, reasonable,  
7 warranted, and thus not extreme or excessive, and therefore should be recovered.  
8 This is based upon my review and evaluation of the invoices and supporting  
9 documentation, and such factors as the number of and complexity of the rate case  
10 issues, the significance of the rate case to the utility, and the fact that the utility has  
11 the burden of proof (and thus must prepare, file, and give notice of an application,  
12 along with prepared direct testimony, that is subject to initial review for sufficiency  
13 and completeness, as well as be prepared to fully prosecute the case through  
14 discovery to an evidentiary hearing and through the applicable post-hearing  
15 procedures).

16 The number of hours billed to date is necessary and reasonable. There were  
17 no time entries for more than 12 hours in a single day. The invoices reviewed to  
18 date appear to have been calculated correctly. No double billings or inconsistencies  
19 were found. Nothing was found that appeared unusual or unreasonable in the  
20 expenses included on the invoices. It appears that none of the legal fees should  
21 have been assigned to other jurisdictions or other matters, that none were lacking  
22 in supporting documentation or other verification (after due inquiry to the extent  
23 necessary), and that no luxury items were billed to the utility.

A. It is my understanding that Mr. Smith provided legal services to Entergy related to nuclear decommissioning and in the preparation of certain witnesses' direct testimony.

A. Yes, I have reviewed all of the invoices submitted by Jager Smith for legal services performed for Entergy from February 1, 2022 to March 31, 2022. The two invoices are included among my workpapers. Exhibit MEG-7 is a monthly summary of Jager Smith's invoices.

A. Yes. In my opinion, the fees of Jager Smith have been reasonable in amount and were provided on an effective basis at reasonable hourly rates. The amount of fees received for services provided through March 31, 2022 is reasonable in a case of this size.

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1 Q51. HOW MANY JAGER SMITH ATTORNEYS BILLED TIME TO ENTERGY  
2 FOR WORK IN CONNECTION WITH DOCKET NO. 53719?

3 A. One attorney, Mr. Smith, billed time to Entergy for work in connection with Docket  
4 No. 53719.

5  
6 Q52. WHAT WERE MR. SMITH'S FEES AND HOURLY RATE?

7 A. Mr. Smith's fees were \$3,300.00. Mr. Smith's rate was \$300 per hour.

8  
9 Q53. WHAT IS YOUR CONCLUSION REGARDING THE RATES, FEES, AND  
10 EXPENSES THAT JAGER SMITH HAS INVOICED ENTERGY IN THE  
11 INSTANT CASE?

12 A. My opinion is that the rates charged, time spent, tasks performed, and fees and  
13 expenses charged to date by Jager Smith, as set forth in Exhibit MEG-7, are  
14 necessary, reasonable, warranted, and thus not extreme or excessive, and therefore  
15 should be recovered. This is based upon my review and evaluation of the invoices  
16 and supporting documentation, and such factors as the number of and complexity  
17 of the rate case issues, the significance of the rate case to the utility, and the fact  
18 that the utility has the burden of proof (and thus must prepare, file, and give notice  
19 of an application, along with prepared direct testimony, that is subject to initial  
20 review for sufficiency and completeness, as well as be prepared to fully prosecute  
21 the case through discovery to an evidentiary hearing and through the applicable  
22 post-hearing procedures).

23 The number of hours billed to date is necessary and reasonable. There were

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1 no time entries for more than 12 hours in a single day. The invoices reviewed to  
2 date appear to have been calculated correctly. No double billings or inconsistencies  
3 were found. Nothing was found that appeared unusual or unreasonable in the  
4 expenses included on the invoices. It appears that none of the legal fees should  
5 have been assigned to other jurisdictions or other matters, that none were lacking  
6 in supporting documentation or other verification (after due inquiry to the extent  
7 necessary), and that no luxury items were billed to the utility.

8  
9 **D. KFG**

10 **Q54. WHAT WORK DID KFG PERFORM?**

11 A. I have reviewed KFG's engagement letter with Entergy and the information  
12 provided on its website. It is my understanding that Kenneth F. Gallagher of KFG  
13 provided consulting services on nuclear decommissioning issues relating to River  
14 Bend Station. Mr. Gallagher has specialized knowledge and experience with such  
15 issues and was engaged to provide advice regarding highly technical and complex  
16 issues addressed by testifying witnesses.

17  
18 **Q55. DID YOU REVIEW ALL OF THE KFG INVOICES?**

19 A. Yes, I have reviewed all of the invoices submitted by KFG for services performed  
20 for Entergy from January 1, 2022 to February 28, 2022. The two invoices are  
21 included among my workpapers. Exhibit MEG-8 is a monthly summary of KFG's  
22 invoices.



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1 Q56. DID THE KFG INVOICES INCLUDE TIME BILLED BY PERSONNEL OTHER  
2 THAN THE KEY CONSULTANT?

3 A. No.

4

5 Q57. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES  
6 SUBMITTED BY KFG?

7 A. I did not make any adjustments to the KFG invoices.

8

9 Q58. WHAT WERE THE RATES OF MR. GALLAGHER FOR THE AMOUNTS  
10 INCURRED BY ENTERGY ON INVOICES RECORDED AND PAID FOR  
11 SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

12 A. KFG's fees were \$15,600.00. Mr. Gallagher's rate was an average of \$224.14 per  
13 hour. Mr. Gallagher's engagement contemplates a monthly commitment fee in the  
14 amount of \$19,500 for approximately 87 hours worked per month. If Mr. Gallagher  
15 spends over 87 hours, then the excess hours (i.e., the number of hours above 87)  
16 are multiplied by a rate of \$200 per hour. Mr. Gallagher's monthly commitment  
17 fee, excess hours fee (if any), and expenses are then allocated to his matters  
18 depending on his time spent. For example, if Mr. Gallagher spent 10 hours on  
19 consulting related to Entergy's rate case out of 100 hours in any given month, he  
20 would allocate 10% of his fees for that month to Entergy. For additional detail as  
21 to the work performed by Mr. Gallagher and the cost allocation, please refer to the  
22 invoices in my workpapers.

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1 Q59. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF  
2 THE RATES AND CHARGES BY KFG IN THIS CASE?

3 A. The rates charged by KFG are reasonable and are equivalent to the rates charged  
4 by Mr. Gallagher in the prior Entergy rate case.<sup>27</sup> The number of hours billed is  
5 reasonable. The invoices were calculated correctly. There were no double billings.  
6 There were no charges that should have been recovered through the reimbursement  
7 for other expenses. None of the charges should have been assigned to other  
8 jurisdictions or other matters. There were no time entries for more than 12 hours  
9 in a single day. No luxury items were billed to the utility. Accordingly, in my  
10 opinion the amounts charged to date by KFG are necessary, reasonable, and  
11 warranted, and thus not extreme or excessive.

12

13 E. Taggart Morton

14 Q60. PLEASE DESCRIBE TAGGART MORTON'S ROLE IN THE CASE.

15 A. It is my understanding that Taggart Morton specializes in representing public  
16 utilities and has an existing relationship with Entergy Corp., Entergy's parent  
17 company. Similar to Docket No. 48371, Taggart Morton was engaged to provide  
18 Entergy with legal advice with respect to case strategy. I have reviewed the  
19 information provided on its website.

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<sup>27</sup> *Review of the Rate Case Expenses Incurred In Docket 48371*, Docket No. 48439, Direct Testimony of Stephen F. Morris at 38 (Jan. 18, 2019).

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1 Q61. DID YOU REVIEW ANY INVOICES FOR TAGGART MORTON?

2 A. Yes, I have reviewed an invoice for services provided for Entergy for March 2022.

3 The invoice is included among my workpapers. Exhibit MEG-9 is a monthly  
4 summary of Taggart Morton invoices.

5

6 Q62. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE  
7 SUBMITTED BY TAGGART MORTON?

8 A. I did not make any adjustments to the Taggart Morton invoice.

9

10 Q63. WHAT WAS THE RATE INCURRED BY ENTERGY ON THE INVOICE FOR  
11 SERVICES PERFORMED IN MARCH 2022?

12 A. The hourly rate was \$305, and Taggart Morton's fees for services performed in  
13 March 2022 totaled \$152.00.

14

15 Q64. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF  
16 THE RATES AND CHARGES BY TAGGART MORTON IN THIS CASE?

17 A. The rate charged by Taggart Morton is reasonable. The number of hours billed is  
18 reasonable. The invoice was calculated correctly. There were no double billings.

19 There were no charges that should have been recovered through the reimbursement  
20 for other expenses. None of the charges should have been assigned to other  
21 jurisdictions or other matters. There were no time entries for more than 12 hours  
22 in a single day. No luxury items were billed to the utility. Accordingly, in my  
23 opinion the amounts charged to date by Taggart Morton are necessary, reasonable,

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1 and warranted, and thus not extreme or excessive.

2

3 **VI. CONSULTANT FEES AND EXPENSES**

4 Q65. WAS IT NECESSARY FOR ENTERGY TO RETAIN CONSULTANTS FOR  
5 THIS PROCEEDING?

6 A. Yes. Entergy does not have the internal expertise necessary to properly and  
7 adequately address all of the complex issues in a base rate case without the  
8 assistance of qualified outside consultants. Its reliance on outside consultants for  
9 this case is necessary and reasonable. Entergy is also a fully-integrated utility such  
10 that it provides generation, transmission and distribution, and retail service to its  
11 customers. As such, its rate cases are complex.

12

13 Q66. WHAT FIRMS ARE PROVIDING CONSULTING SERVICES TO ENTERGY  
14 IN THIS 2022 RATE CASE?

15 A. The following consulting firms have been retained to provide services in connection  
16 with this case:

- 17 • Alliance Consulting Group (“Alliance”);
- 18 • The Brattle Group;
- 19 • Commonwealth Consulting Group (“Commonwealth”);
- 20 • Expert Powerhouse, LLC DBA Expergy (“Expergy”);
- 21 • Jackson Walker LLP (“Jackson Walker”);
- 22 • Lewis & Ellis, Inc. (“Lewis & Ellis”);
- 23 • Osprey Energy Group (“Osprey”); and

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1           •       Sargent & Lundy, L.L.C. (“Sargent & Lundy”).

2           If other consulting firms subsequently provide services to the utility in connection  
3           with this case, or the consulting firms listed above submit further invoices beyond  
4           those which I have reviewed, that will be something that can be addressed in  
5           supplemental testimony or an affidavit in this docket.

6

7   Q67.   WHAT INVOICES OR SUPPORTING DOCUMENTATION FOR  
8           CONSULTING SERVICES DID YOU REVIEW?

9   A.    I reviewed engagement letters and/or invoices submitted to Entergy directly or to  
10       Eversheds or Duggins Wren (and then passed through to Entergy) by Alliance, The  
11       Brattle Group, Commonwealth, Expergy, Jackson Walker, Lewis & Ellis, Osprey,  
12       and Sargent & Lundy. As the case progresses, I will review the additional invoices  
13       submitted as well as invoices for the other consultants.

14

15   Q68.   ARE THE CONSULTANTS’ INVOICES SIMILAR TO THE INVOICES  
16           SUBMITTED BY THE LAW FIRMS?

17   A.    Yes. For the most part, the consultants’ invoices include identification of the person  
18       or persons performing a billable task, the time they spent, and a description of the  
19       task or tasks performed.

20   Q69.   WHAT SERVICES DID AND DO THE OUTSIDE CONSULTANTS PROVIDE  
21           TO ENTERGY?

22   A.    The table below lists the consulting firms, the key consulting professionals, and  
23       their primary areas of responsibility.

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<b>Firm</b>	<b>Key Consultant(s)</b>	<b>Primary Area(s) of Responsibility</b>
Alliance	Dane A. Watson	Depreciation Study
The Brattle Group	Ann E. Bulkley	Return on Equity, Capital Structure
Commonwealth	Lisa Blankenship	Benchmarking Analysis
Expergy	Jay Joyce	Lead-Lag Study for Cash Working Capital Allowance
Jackson Walker	Meghan Griffiths	External Rate Case Expenses
Lewis & Ellis	Gregory S. Wilson	Self-Insurance (Storm) Reserve
Osprey	Jess K. Totten	Policy Perspective on Utility Ratemaking in Texas
Sargent & Lundy	Sean C. McHone	Demolition Study

1 For more detail on the principal subjects of testimony by witness, please see  
2 Entergy witness Eliccer Viamontes' direct testimony.

3

4 Q70. DID YOU APPLY THE STANDARDS YOU DESCRIBED EARLIER IN YOUR  
5 TESTIMONY WHEN YOU REVIEWED THE WORK PERFORMED BY  
6 THOSE CONSULTANTS?

7 A. Yes.

8

9 Q71. HOW DID YOU EVALUATE THE RATES CHARGED BY THOSE  
10 CONSULTANTS?

11 A. Based on my understanding of the issues in this rate case and prior rate cases, as  
12 well as prior testimony regarding each of the key consultants' experience,  
13 credibility, and competence, and additional due diligence when necessary, I was  
14 able to evaluate the reasonableness of the rates charged in this case.

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1 Q72. WHAT IS YOUR CONCLUSION REGARDING THE RATES CHARGED BY  
2 THE CONSULTANTS IN THIS CASE?

3 A. The rates charged by the consultants are reasonable for these types of rate case  
4 services, and thus not extreme or excessive, as discussed for each in turn below.  
5

6 A. Alliance

7 Q73. ARE YOU FAMILIAR WITH ALLIANCE'S WORK?

8 A. I am familiar with Alliance's depreciation work and Dane A. Watson's excellent  
9 professional reputation. Mr. Watson specializes in regulatory and financial  
10 consulting for utilities and has extensive experience in preparing depreciation  
11 studies. He is the principal of Alliance, which he formed after working with TXU  
12 for approximately 20 years. He has over 30 years of experience in the area of  
13 depreciation and valuation, including prior experience providing testimony on  
14 behalf of Entergy. He is a Certified Depreciation Professional by the Society of  
15 Depreciation Professionals and is active in industry organizations, including service  
16 as the Chairman of Edison Electric Institute Property Accounting and Valuation  
17 Committee. He is also a Registered Professional Engineer ("PE") in the State of  
18 Texas. Specific information regarding Mr. Watson's education and professional  
19 experience is included in his direct testimony.  
20

21 Q74. DID YOU REVIEW ALL OF THE ALLIANCE INVOICES?

22 A. Yes, I have reviewed all of the invoices submitted by Alliance for depreciation study  
23 services performed for Entergy from January 1, 2022 to February 28, 2022. The

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1 invoices are included among my workpapers. Exhibit MEG-10 is a monthly  
2 summary of the Alliance's invoices.

3

4 Q75. DID THE ALLIANCE INVOICES INCLUDE TIME BILLED BY PERSONNEL  
5 OTHER THAN THE KEY CONSULTANT?

6 A. Yes. Mr. Watson has others assisting him who bill at hourly rates less than his,  
7 including Karen Ponder, Rebecca Richards, Rhonda Watts, and Alan Ponder. This  
8 team approach maximizes the quality of the overall work and reduces the overall  
9 cost of the consulting services provided. Ms. Ponder assisted in performing the  
10 depreciation study, including data gathering and analysis. Ms. Richards assisted in  
11 the accrual template and appendices for the report. Ms. Watts worked on interim  
12 retirement data and evaluation for production and transmission. Mr. Ponder worked  
13 on data reconciliation.

14

15 Q76. WHAT WERE THE RATES OF MR. WATSON, MS. PONDER, MS.  
16 RICHARDS, MS. WATTS, AND MR. PONDER INCURRED BY ENTERGY ON  
17 INVOICES RECORDED AND PAID FOR SERVICES RENDERED THROUGH  
18 FEBRUARY 28, 2022?

19 A. Alliance's fees were \$14,593.75. Mr. Watson's rate was \$295 per hour.  
20 Ms. Ponder's, Ms. Richards', and Ms. Watts' rate was \$195 per hour. Mr. Ponder's  
21 rate was \$80 per hour.



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1 Q77. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES  
2 SUBMITTED BY ALLIANCE?

3 A. I did not make any adjustments to the Alliance invoices.  
4

5 Q78. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF  
6 THE RATES AND CHARGES BY ALLIANCE IN THIS CASE?

7 A. The rates charged by Alliance are reasonable and are only somewhat higher than  
8 the rates Alliance charged in the prior Entergy rate case.<sup>28</sup> Alliance's rate is also  
9 comparable to the rate charged recently by Mr. Watson for his services in other rate  
10 cases and supported as reasonable by rate case expense testimony in Docket  
11 Nos. 51802<sup>29</sup> and 51611.<sup>30</sup> The number of hours billed is reasonable. The invoices  
12 were calculated correctly. There were no double billings. There were no charges  
13 that should have been recovered through the reimbursement for other expenses.  
14 None of the charges should have been assigned to other jurisdictions or other  
15 matters. There were no time entries for more than 12 hours in a single day. No  
16 luxury items were billed to the utility. Accordingly, in my opinion the amounts  
17 charged to date by Alliance are necessary, reasonable, and warranted, and thus not  
18 extreme or excessive.

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<sup>28</sup> Docket No. 48439, Direct Testimony of Stephen F. Morris at 33 (Jan. 18, 2019), available at [https://interchange.puc.texas.gov/Documents/48439\\_4\\_1005162.PDF](https://interchange.puc.texas.gov/Documents/48439_4_1005162.PDF).

<sup>29</sup> *Application of Southwestern Public Service Company for Authority to Change Rates*, Docket No. 51802, Southwestern Public Service Company's Motion to Admit Additional Evidence and Response to Commission Counsel's April 5, 2022 Memorandum, SPS Exhibit 111 – Second Supplemental Affidavit of Thomas K. Anson Regarding Rate Case Expenses at 4 (Apr. 14, 2022).

<sup>30</sup> *Application of Sharyland Utilities, L.L.C. for Authority to Change Rates*, Docket No. 51611, Direct Testimony of Meghan E. Griffiths at 20 (Dec. 18, 2020).

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**B. Brattle Group**

1  
2 Q79. ARE YOU FAMILIAR WITH THE BRATTLE GROUP'S WORK?

3 A. Yes. The Brattle Group is a well-known consulting firm providing advice on utility  
4 matters. I am familiar with the Brattle Group's excellent professional reputation.  
5 Specific information regarding education and experience of the Brattle Group  
6 employee, Ann E. Bulkley, who assisted Entergy in its rate case proceeding, is  
7 included in her direct testimony.

8  
9 Q80. DID YOU REVIEW THE BRATTLE GROUP ENGAGEMENT LETTER?

10 A. Yes. Ms. Bulkley's rate was \$625 per hour.  
11

12 Q81. DID YOU REVIEW ANY INVOICES FOR THE BRATTLE GROUP?

13 A. No, not yet. As the case progresses, I plan to review the invoices and to address the  
14 reasonableness and necessity of the fees and expenses through supplemental  
15 testimony or an affidavit.  
16

17 **C. Commonwealth**

18 Q82. WHAT WORK IS COMMONWEALTH PROVIDING?

19 A. Lisa Blankenship of Commonwealth is providing a benchmarking analysis,  
20 document review and preparation, and testimony review on behalf of Entergy for  
21 its rate case presentation. Ms. Blankenship has extensive expertise in this area and  
22 has specifically provided benchmarking analysis for Entergy in many of its rate  
23 proceedings.

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1 Q83. WHAT IS MS. BLANKENSHIP'S HOURLY RATE?

2 A. Ms. Blankenship's rate is \$125 per hour.

3

4 Q84. HAVE YOU REVIEWED ANY COMMONWEALTH INVOICES?

5 A. No, not yet. As the case progresses, I plan to review the invoices and to address the  
6 reasonableness and necessity of the fees and expenses through supplemental  
7 testimony or an affidavit.

8

9

**D. Expergy**

10 Q85. WHAT WORK DID EXPERGY PROVIDE?

11 A. Jay Joyce of Expergy provided a lead-lag study and supporting testimony on behalf  
12 of Entergy for its rate case presentation. Mr. Joyce is the principal of Expergy and  
13 has extensive experience conducting lead-lag studies, testifying before the  
14 Commission and other regulatory agencies through the United States, and has  
15 testified in prior Entergy rate cases. Specific information regarding Mr. Joyce's  
16 education and professional experience is included in his direct testimony.

17

18 Q86. DID YOU REVIEW ALL OF EXPERGY'S INVOICES AND SUPPORTING  
19 DOCUMENTATION?

20 A. Yes, I have reviewed the invoice submitted by Expergy for its lead-lag study for  
21 cash working capital allowance for Entergy from February 1, 2022 to February 28,  
22 2022. The invoice is included among my workpapers. Exhibit MEG-11 is a  
23 monthly summary of Expergy invoices, which I will update as the case progresses.

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1 Q87. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICE  
2 SUBMITTED BY EXPERGY?

3 A. I did not make any adjustments to the Expergy invoice.  
4

5 Q88. WHAT WERE THE FEES AND WHAT WAS MR. JOYCE'S HOURLY RATE?

6 A. Expergy's fees were \$11,020.00. Mr. Joyce's rate was \$290 per hour.  
7

8 Q89. WHAT IS YOUR CONCLUSION REGARDING THE REASONABLENESS OF  
9 THE RATE AND CHARGES BY EXPERGY IN THIS CASE?

10 A. The rate charged by Expergy is reasonable and is only slightly higher than the rate  
11 Mr. Joyce charged in the prior Entergy rate case.<sup>31</sup> Mr. Joyce's rate is also  
12 comparable to the rate charged recently for his services in other rate cases and  
13 supported as reasonable by rate case expense testimony in Docket Nos. 48591<sup>32</sup> and  
14 an affidavit in Docket No. 49351.<sup>33</sup> The number of hours billed is reasonable. The  
15 invoice was calculated correctly. There were no double billings. There were no  
16 charges that should have been recovered through the reimbursement for other  
17 expenses. None of the charges should have been assigned to other jurisdictions or  
18 other matters. There were no time entries for more than 12 hours in a single day.

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<sup>31</sup> Docket No. 48439, Direct Testimony of Stephen F. Morris at 37 (Jan. 18, 2019).

<sup>32</sup> *Review of Rate Case Expenses Incurred by Texas New Mexico Power Company and Municipalities in Docket Nos. 48401, 35038, and 41901*, Docket No. 48591, Direct Testimony of Stacy R. Whitehurst at 9 (Bates 254) (Mar. 22, 2019).

<sup>33</sup> *Ratepayers Appeal of the Decision by Bear Creek Special Utility District to Change Rates*, Docket No. 49351, Bear Creek Special Utility District's First Supplemental Response to Commission Staff's Seventh Request for Information Question Nos. Staff 7-3, 7-26, 7-27 at Page 8 of 48 (Jan. 14, 2021).

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1 No luxury items were billed to the utility. Accordingly, in my opinion the amounts  
2 charged to date by Expergy are necessary, reasonable, and warranted, and thus not  
3 extreme or excessive.

4

5 **E. Jackson Walker**

6 Q90. DID YOU REVIEW THE INVOICES PROVIDED BY YOUR FIRM?

7 A. Yes. The invoices for my firm's services from January 1, 2022 to February 28,  
8 2022 are included among my workpapers. Exhibit MEG-12 is a monthly summary  
9 showing those invoices.

10

11 Q91. PLEASE DESCRIBE THE SERVICES JACKSON WALKER PROVIDED TO  
12 ENTERGY.

13 A. I was retained to provide expert testimony regarding the rate case expenses for  
14 outside services incurred by Entergy in this rate proceeding. The scope of services  
15 provided in this case is required by Commission precedent and 16 TAC § 25.245  
16 in order for the utility to recover its reasonable and necessary rate case expenses.

17

18 Q92. DID THE JACKSON WALKER INVOICES INCLUDE TIME BILLED BY  
19 MORE THAN ONE PERSON?

20 A. Yes. I was assisted in my work by other legal associates with lower hourly rates,  
21 including Heath Armstrong. This team approach maximizes the quality of the  
22 overall work and reduces the overall cost of the consulting services provided.

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1 Q93. WHAT WERE THE RATES FOR YOU AND MR. ARMSTRONG FOR THE  
2 AMOUNTS INCURRED BY ENTERGY ON INVOICES RECORDED AND  
3 PAID FOR SERVICES RENDERED THROUGH FEBRUARY 28, 2022?

4 A. Jackson Walker's fees were \$9,328.09. My rate was \$720 per hour.  
5 Mr. Armstrong's rate was \$515 per hour.  
6

7 Q94. WHAT ADJUSTMENTS, IF ANY, DID YOU MAKE TO THE INVOICES  
8 SUBMITTED TO ENTERGY BY JACKSON WALKER?

9 A. I did not make any adjustments to the Jackson Walker invoices.  
10

11 Q95. APPLYING THE STANDARDS YOU DESCRIBED EARLIER, WHAT IS  
12 YOUR CONCLUSION REGARDING THE JACKSON WALKER INVOICES  
13 SUBMITTED TO ENTERGY?

14 A. Jackson Walker has charged only for the services provided that were reasonable and  
15 necessary to perform the informal audit, formulate opinions, and prepare my  
16 testimony. I have utilized associates, research attorneys, and legal assistants to  
17 minimize the cost of the informal audit of Entergy's law firm and consultant  
18 invoices. The Jackson Walker hourly rates are reasonable and reasonably  
19 comparable to the rates charged by Eversheds for its legal services to Entergy and  
20 other large law firms' comparable rates, such as those recovered in Docket  
21 No. 48439. The number of hours billed is reasonable. The invoices were calculated  
22 correctly. There were no double billings. There were no charges that should have  
23 been recovered through the reimbursement for other expenses. None of the charges

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1 should have been assigned to other jurisdictions or other matters. There were no  
2 time entries for more than 12 hours in a single day. No luxury items were billed to  
3 the utility. Accordingly, in my opinion the amounts charged by Jackson Walker  
4 to date are necessary, reasonable, warranted, and thus not extreme or excessive.

6 **F. Lewis & Ellis**

7 Q96. ARE YOU FAMILIAR WITH LEWIS & ELLIS' WORK?

8 A. Yes. Lewis & Ellis and its consultant, Gregory S. Wilson, are known for their  
9 extensive experience in consulting with utilities. Specifically, Mr. Wilson is a  
10 consulting actuary and Vice President of Lewis & Ellis, which specializes in  
11 property and casualty actuarial matters. Mr. Wilson has over 35 years of experience  
12 in this area and has been active in professional actuarial organizations, including  
13 serving as the President of the Southwest Actuarial Forum. Mr. Wilson has also  
14 consulted with Entergy on this issue in previous rate cases before the Commission,  
15 as well as on behalf of AEP Texas Central Company, AEP Texas North Company,  
16 and Southwestern Electric Power Company in rate cases and other proceedings  
17 before the Commission. In addition, Mr. Wilson has testified on self-insurance  
18 issues before the Missouri Public Service Commission in conjunction with a utility  
19 rate filing. Further, 16 TAC § 25.231(b)(1)(G) requires that Entergy present the  
20 evaluation and testimony of an independent actuary such as Mr. Wilson to perform  
21 a cost/benefit analysis of self-insurance versus obtaining commercial insurance.  
22 Specific information regarding Mr. Wilson's education and professional experience  
23 is included in his direct testimony.

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1 Q97. WHAT IS MR. WILSON'S HOURLY RATE?

2 A. Mr. Wilson's hourly rate is \$490 per hour.

3

4 Q98. HAVE YOU REVIEWED THE LEWIS & ELLIS INVOICES FOR INCLUSION  
5 IN ENTERGY'S RATE CASE EXPENSE REQUEST?

6 A. No, not yet. As the case progresses, I plan to review the invoices and to address the  
7 reasonableness and necessity of the fees and expenses through supplemental  
8 testimony or an affidavit.

9

10 G. Osprey

11 Q99. ARE YOU FAMILIAR WITH OSPREY'S WORK?

12 A. Yes. I am personally familiar with Osprey and its consultant Jess K. Totten.  
13 Mr. Totten is an experienced utility regulatory practitioner and was retained by  
14 Entergy to provide expert testimony and analysis regarding Entergy's request to  
15 recover a higher rate of return based on the high-quality performance by Entergy  
16 and its management team. Mr. Totten has considerable regulatory, ratemaking, and  
17 policy experience and was employed by the Commission for approximately 23  
18 years in roles such as Staff Attorney, Manager in the Policy Development Division,  
19 Director of the Electric Industry Oversight Division, and Director of the  
20 Competitive Markets Division. Since leaving the Commission in 2011, Mr. Totten  
21 has consulted on electric utility matters and provided expert testimony in several  
22 proceedings before the Commission and in Texas courts. Specific information  
23 regarding Mr. Totten's education and professional experience is included in his



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1 direct testimony.

2

3 Q100. WHAT IS MR. TOTTEN'S HOURLY RATE?

4 A. Mr. Totten's rate is \$350 per hour.

5

6 Q101. HAVE YOU REVIEWED THE OSPREY INVOICES FOR INCLUSION IN  
7 ENTERGY'S RATE CASE EXPENSE REQUEST?

8 A. No, not yet. As the case progresses, I plan to review the invoices and to address the  
9 reasonableness and necessity of the fees and expenses through supplemental  
10 testimony or an affidavit.

11

12 **H. Sargent & Lundy**

13 Q102. ARE YOU FAMILIAR WITH SARGENT & LUNDY'S WORK?

14 A. Yes. I know Sargent & Lundy to be a well-respected engineering firm that handles  
15 work for power utilities and power generators. To assist with its rate case  
16 proceeding, Entergy retained Sean C. McHone, a senior vice president and project  
17 director at Sargent & Lundy, to sponsor and address the results of site-specific  
18 studies conducted by Sargent & Lundy to estimate the costs of dismantling certain  
19 Entergy electric power generating facilities (known as the demolition study).  
20 Mr. McHone is a licensed PE with over 20 years of experience performing detailed  
21 engineering and design assessments exclusively within the power industry,  
22 particularly the design and engineering of major steam-electric generating stations.  
23 Mr. McHone is also familiar with some of Entergy's fossil fuel generating plants

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1 and has assisted Entergy in prior rate case proceedings. Specific information  
2 regarding Mr. McHone's education and professional experience is included in his  
3 direct testimony.

4

5 Q103. HAVE YOU REVIEWED THE SARGENT & LUNDY INVOICES FOR  
6 INCLUSION IN ENTERGY'S RATE CASE EXPENSE REQUEST?

7 A. No, not yet. As the case progresses, I plan to review the invoices and to address the  
8 reasonableness and necessity of the fees and expenses through supplemental  
9 testimony or an affidavit.

10

11 **VII. FUTURE RATE CASE EXPENSES**

12 Q104. DOES ENTERGY INTEND TO SEEK RECOVERY OF ADDITIONAL RATE  
13 CASE EXPENSES RELATED TO THIS RATE CASE FILING?

14 A. Yes. Entergy's filing includes an estimate of expenses to be incurred between when  
15 the rate case filing was prepared and when the case concludes, and will seek  
16 recovery of those costs. As actual expenses are incurred, Entergy will replace the  
17 estimates with actuals.

18

19 Q105. HAVE YOU REVIEWED THE RATE CASE EXPENSES ENTERGY  
20 ESTIMATES IT WILL INCUR FOR OUTSIDE LEGAL COUNSEL AND  
21 CONSULTANTS GOING FORWARD? IF SO, IS THE ESTIMATE  
22 REASONABLE?

23 A. Yes, I have reviewed Entergy's current estimate of its total rate case expenses. The

Entergy Texas, Inc.  
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1 estimate for Entergy's outside legal and consulting expenses appears to be  
2 reasonable. But as noted above, Entergy will seek recovery of the rate case  
3 expenses it will actually incur in this rate case and any related proceedings in  
4 compliance with the rate case expense rule after those additional expenses are  
5 incurred, so the estimate is simply an informational item, not an actual rate case  
6 expense recovery amount.

7  
8 **VIII. CONCLUSION**

9 **Q106. WHAT IS THE OVERALL RATE CASE EXPENSE AMOUNT FOR WHICH**  
10 **ENTERGY SEEKS RECOVERY?**

11 **A.** Entergy is requesting recovery of \$305,739.69 in external legal expenses associated  
12 with Docket No. 49916. For Docket No. 53719, Entergy has estimated that it will  
13 incur a total of approximately \$5.2 million in external rate case expenses. So far,  
14 Entergy had incurred, and I reviewed, approximately \$162,254.05 in external rate  
15 case expenses. This amount will obviously increase as additional invoices are  
16 received and paid. Therefore, I anticipate that I will be filing additional or  
17 supplemental testimony addressing such additional rate case expenses.

18  
19 **Q107. DO YOU HAVE AN OPINION REGARDING THE EXTERNAL RATE CASE**  
20 **EXPENSES INCURRED TO DATE BY ENTERGY?**

21 **A.** Yes. The external rate case expenses incurred so far for which Entergy seeks  
22 recovery were in fact incurred, are necessary, reasonable, and warranted, and thus  
23 not extreme or excessive. As discussed earlier, prosecuting a full rate case involves

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1           some complex issues, so it was both necessary and reasonable for Entergy to retain  
2           outside counsel and consultants to ensure the utility meets its burden of proof.  
3           Moreover, Entergy is being prudent in retaining a highly-qualified team of counsel  
4           with specialized skills to oversee the filing of Entergy's application and rate filing  
5           package and to pursue the rate case to completion. Entergy has also engaged  
6           reputable outside consultants, each with a clearly defined scope of work. Entergy  
7           internal personnel provide oversight by reviewing each invoice received from the  
8           attorneys and the consultants to ensure that the invoices are calculated correctly and  
9           the activities performed and billed are necessary and reasonable. Therefore, I  
10          recommend that the external rate case expenses incurred to date for which Entergy  
11          seeks recovery should be authorized for recovery. Again, I anticipate that I will  
12          address the expenses yet to be incurred at a later date.

13

14    Q108. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY IN THIS CASE?

15    A.     Yes, it does.

## 505

Notary Public State of Texas



Exhibit MEG-1 through MEG-12  
2022 Rate Case

See Native Excel file Griffiths Direct\_Exhibits MEG-1 through MEG-12.

WP/MEG Testimony  
2022 Rate Case  
Page 1 of 9 through 9 of 9  
(Public Version)

This workpaper contains information that is confidential and will be provided under the terms of the Protective Order (Confidentiality Disclosure Agreement) entered in this case.

WP/MEG Testimony  
2022 Rate Case  
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This workpaper contains voluminous information that is being provided electronically.



**2022 RATE CASE  
ONCOR ELECTRIC DELIVERY COMPANY LLC  
WORKPAPERS FOR  
THE DIRECT TESTIMONY OF  
ROBERT A. SCHMIDT**

**WP/Schmidt-Direct**  
**Page 1 of 1**

In accordance with RFP General Instruction No. 12(c), below is a list of the files that are being provided electronically:

Testimony Workpapers/Schmidt

Schmidt Testimony Workpapers.pdf

VP/Schmidt-Direct  
Page 1 of 3

**Rate Case Estimate - 2021 Test Year**

	<u>Paid Through</u>	<u>Current Amount</u>	<u>Hours</u>	<u>Average/Hour</u>	<u>Rate Case Estimate</u>
<u>Law Firms</u>					
Vinson & Elkins	Jan 2022	\$ 1,115,945	1,592.8	\$ 701	\$ 1,650,000
Hunton Andrews Kurth	Jan 2022	\$ 1,270,880	1,860.7	\$ 683	\$ 1,850,000
Richard L. Adams Law PLLC	Feb 2022	\$ 190,965	251.1	\$ 761	\$ 300,000
Subtotal Legal		\$ 2,577,790			\$ 3,800,000
<u>Consultants</u>					
Alliance Consulting (D. Watson)	Feb 2022	\$ 147,365	664.3	\$ 222	\$ 180,000
Aon Consulting (A. Taper)	Feb 2022	\$ 266,194	328.7	\$ 810	\$ 320,000
Baker Botts (A. Stover)	Feb 2022	\$ 28,050	41.0	\$ 684	\$ 50,000
Burns & McDonnell (J. Nichols)	May 2021	\$ 424,895	2,010.8	\$ 211	\$ 550,000
Theresa Gage	Feb 2022	\$ 450	3.0	\$ 150	\$ 30,000
Lapson Advisory (E. Lapson)	Feb 2022	\$ 105,913	211.8	\$ 500	\$ 125,000
Lewis & Ellis (G. Wilson)	Feb 2022	\$ 8,085	16.5	\$ 490	\$ 20,000
Principle Services (T. Vaughn)	November 2020	\$ 4,841	12.9	\$ 375	\$ 10,000
Keith Pruett	Feb 2022	\$ 27,375	119.3	\$ 230	\$ 40,000
PWC (S. Maltalano)	February 2021	\$ 4,500	6.0	\$ 750	\$ 20,000
Steve Ragland	Feb 2022	\$ 8,748	58.0	\$ 151	\$ 15,000
ScottMadden, Inc. (D. D'Ascendis)	Jan 2022	\$ 32,855	113.8	\$ 289	\$ 65,000
James Shrewsbury	Feb 2022	\$ 9,800	116.0	\$ 84	\$ 15,000
Woodview Advisors (M. Smith)	Feb 2022	\$ 54,810	101.5	\$ 540	\$ 80,000
KPMG (Support M. Smith)	Feb 2022	\$ 330,287	1,082.1	\$ 305	\$ 380,000
Subtotal Consulting		\$ 1,454,168			\$ 1,900,000
<u>Other Expenses</u>					
Employee Expenses		\$ -			\$ 20,000
Printing of Rate Filing Package	February 2021	\$ 2,113			\$ 100,000
Newspaper Notice		\$ -			\$ 75,000
Hearings Transcripts		\$ -			\$ 45,000
Miscellaneous		\$ -			\$ 60,000
Subtotal Other		\$ 2,113			\$ 300,000
<u>Intervenor Expenses</u>					
Cities (Steering Committee)		\$ -			\$ 500,000
Alliance of Oncor Cities (AOC)		\$ -			\$ 200,000
Subtotal Intervenor		\$ -			\$ 700,000
<b>Total Dec 2021 TY Rate Case Expenses</b>		<b>\$ 4,034,071</b>			<b>\$ 6,700,000</b>

WP/Schmidt-Direct  
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**Oncor December 2021 Test Year Rate Case Expenses  
Listing of Legal and Consulting Hourly Rates**

Firm Name	Name	Title	Rate	Rate Range
Vinson & Elkins - Legal	JoAnn Biggs	Partner	\$775	\$735 - \$775
	Jaren Taylor	Partner	\$775	\$750 - \$775
	Winston Skinner	Counsel	\$675	\$650 - \$675
	Erik Jacobson	Associate	\$575	\$550 - \$575
	Jared Jones	Associate	\$490	\$405 - \$490
Huntton Andrews Kurth - Legal	Tab Urbanke	Partner	\$770	
	Myles Reynolds	Partner	\$770	
	Alan Marcus	Partner	\$717	\$695 - \$717
	James Ritter	Associate	\$638	\$568 - \$638
	Lauren Froeland	Associate	\$650	\$612 - \$650
	Lauren Froeland	Counsel	\$686	
	Alicia Kliner	Associate	\$506	\$440 - \$506
	K. Thomas	Associate	\$475	
	Christina Reeves	Paralegal	\$360	\$345 - \$360
Richard L Adams Law PLLC	Richard Adams	Partner/Principal	\$800	\$700 - \$800
Alliance Consulting - Depreciation Study	Dane Watson	Partner	\$270	
	Karon Ponder	Senior Consultant	\$195	
	Rhonda Watts	Senior Consultant	\$195	
	Rebecca Richards	Senior Consultant	\$195	
	Alan Ponder	Consultant/Admin	\$70	
Aon Consulting - Pension/OPEB	Alan Taper	Lead Actuarial Consultant	\$1,016	\$976 - \$1,016
	Allison Logan	Senior Actuarial Consultant	\$920	\$884 - \$920
	Brian Walker	Senior Actuarial Consultant	\$920	\$884 - \$920
	Gina Evans	Actuarial Consultant	\$668	\$644 - \$668
	Richard Maaaznek	Actuarial Consultant	\$668	\$644 - \$668
	Justin Adler	Senior Actuarial Analyst	\$512	\$440 - \$512
	Courtney Morris	Senior Actuarial Analyst	\$512	\$440 - \$512
	Anna Brack	Actuarial Analyst	\$368	\$352 - \$368
	Mika Teachout	Administrative Support	\$296	
Baker Botts - Rate Case Expenses	Andrea Stover	Partner	\$675	
	Leah Burcat	Associate	\$550	
	Gabbi Foldman	Associate	\$450	
	Landon Lill	Associate	\$550	
	Brian Lynch	Paralegal	\$300	
Burns & McDonnell - Sharyland Assets	Joseph Nichols	Consultant	\$263	\$263 - \$355
	Omar Urquidez	Consultant	\$263	\$263 - \$355
	Ravikanth Varnasi	Consultant	\$277	\$277 - \$380
	Doug Houseman	Consultant	\$289	\$289 - \$395
	Francesca Winter	Consultant	\$263	
	Jeffrey Kopp	Consultant	\$380	
	Michael Cote	Consultant	\$237	
	Praety Mathora	Consultant	\$237	
	Aishwarya Chekrevarthi	Consultant	\$214	
	Jeffrey Chapman	Consultant	\$198	
	Jonathan Branscomb	Consultant	\$198	
	Mohammed Moderresl	Consultant	\$198	
	Chad Courter	Consultant	\$173	
	Jacob Wolfe	Consultant	\$148	
	Stewart Krinickas	Consultant	\$148	
	Hy Luu	Consultant	\$146	
	Klara Ross	Consultant	\$146	

WP/Schmidt-Direct  
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**Oncor December 2021 Test Year Rate Case Expenses  
Listing of Legal and Consulting Hourly Rates**

Firm Name	Name	Title	Rate	Rate Range
Theresa Gage - Policy/Review	Theresa Gage	Consultant	\$150	
Lapson Advisory - Capital Structure	Ellen Lapson John Perkins	Principal Associate	\$800 \$375	
Lewis & Ellis, Inc. - Insurance Reserve	Gregory Wilson	VP & Principal	\$490	
Principle Services - Rate Base/Acquisitions	Troy Vaughn	Consultant	\$375	
Keith Pruett - Accounting/Cost of Service	Keith Pruett	Consultant	\$150	\$150 - \$250 1st 20 hrs \$150. > 20 hrs \$250
PWC - Federal Income Tax	Sal Montalbano	Partner/Principal Managing Director Director/Senior Manager Manager Senior Associate Associate Administrative Assistance	\$750 \$650 \$450 \$350 \$250 \$200 \$100	
Steve Ragland - Accounting/Affiliate	Steve Ragland	Consultant	\$150	\$150 - \$250 1st 20 hrs \$150 > 20 hrs \$250
ScottMadden, Inc. - ROE	Logan Toms Dylan D'Ascendis Matthew Howard Sara Derstine	Partner Director Manager Senior Associate Associate Senior Analyst Analyst/Research Analyst Administrative Assistant	\$470 \$365 \$340 \$300 \$255 \$170 \$145 \$65	
James Shrewsbury - Rate Design	James Shrewsbury	Consultant	\$125	\$75-\$200 1st 20 hrs \$125 > 20 hrs \$200
Woodview Advisors - Outsourcing	Matthew Smith	Partner	\$540	
KPMG - Outsourcing	Tom Peterson Thomas Heck Kyle McNamara Mahendra Goyal David Perera Michele Loux Kushal Singha	Managing Director Partner Director Director Manager Manager Senior Associate	\$540 \$540 \$485 \$485 \$430 \$430 \$350	

Oncor - Docket No. 53601  
STAFF RFI Set No. 1  
Question No. 1-02  
SUPP (08-15-2022)  
Page 1 of 1

**SUPPLEMENTAL RESPONSE (8/15/2022)**

**Request**

Please provide a detailed schedule of, and justification for, each individual whose hourly billing rate is \$550 an hour or greater. The schedule should include the vendor's name, individual's name, individual's title, number of hours billed broken out by days, and specific descriptions of work hours. Please calculate the total amount of rate-case expenses that are in excess of \$550 per hour.

**Supplemental Response**

The following supplemental response was prepared by or under the direct supervision of Robert S. Schmidt, the sponsoring witness for this supplemental response.

Please see Attachment 1 to this supplemental response for the requested updated information. Attachment 1 includes incremental information related to invoices in the August 15, 2022 updated response to Staff RFI Set No. 1, Question No. 1-01 (d), as well as updated grand total numbers.

**ATTACHMENT:**

Attachment 1 – 2022 Rate Case Summary – 550 August 2022 Update, 1 page.

DOCKET 53601 ATTACHMENT 1  
TO PUC STAFF RFI SFT NO. 1  
QUESTION NO. 1-02  
SUPPLEMENT 8/15/22

Oncor Electric Delivery Company LLC

Rate Case Expense - Billing Rates of Greater Than \$550 per Hour

2022 Base Rate Case - Docket No. 53601

<u>Firm</u>	<u>Individual</u>	<u>Title</u>	<u>Month</u>	<u>Rate</u>	<u>Hours</u>	<u>Actual Fees</u>	<u>Fees Greater Than \$550/Hr</u>
Vinson & Elkins	Biggs	Partner	May 2022	\$ 775.00	7.0	5,425.00	1,575.00
Vinson & Elkins	Taylor	Partner	May 2022	\$ 775.00	9.5	7,362.50	2,137.50
Vinson & Elkins	Skinner	Counsel	May 2022	\$ 675.00	1.8	1,215.00	225.00
Vinson & Elkins	Biggs	Partner	June 2022	\$ 775.00	49.4	38,285.00	11,115.00
Vinson & Elkins	Taylor	Partner	June 2022	\$ 775.00	8.2	6,355.00	1,845.00
Vinson & Elkins	Skinner	Counsel	June 2022	\$ 675.00	5.2	3,510.00	650.00

Subtotal V&E Fees > \$550/Hour 17,547.50

Vinson & Elkins provided legal services in connection with rate case planning, testimony development, preparation of the rate filing package, and litigation of the December 2021 test year rate case. Vinson and Elkins attorneys were involved in all subject areas of the rate case.

<u>Firm</u>	<u>Individual</u>	<u>Title</u>	<u>Month</u>	<u>Rate</u>	<u>Hours</u>	<u>Fees</u>	<u>Than \$550/Hr</u>
Hunton Andrews Kurth	Urbanke	Partner	May 2022	\$ 770.00	64.0	49,280.00	24,080.00
Hunton Andrews Kurth	Reynolds	Partner	May 2022	\$ 770.00	7.1	5,467.00	1,567.00
Hunton Andrews Kurth	Marcus	Partner	May 2022	\$ 761.00	3.0	2,283.00	633.00
Hunton Andrews Kurth	Freeland	Counsel	May 2022	\$ 675.00	23.3	15,727.50	2,912.50
Hunton Andrews Kurth	Urbanke	Partner	June 2022	\$ 770.00	73.0	56,210.00	16,080.00
Hunton Andrews Kurth	Reynolds	Partner	June 2022	\$ 770.00	33.9	26,103.00	7,458.00
Hunton Andrews Kurth	Marcus	Partner	June 2022	\$ 761.00	13.9	10,577.90	2,032.90
Hunton Andrews Kurth	Freeland	Counsel	June 2022	\$ 675.00	120.1	81,067.50	15,012.50
Hunton Andrews Kurth	Ritter	Associate	June 2022	\$ 675.00	29.9	20,182.50	3,737.50
Hunton Andrews Kurth	Skočnickovich	Associate	June 2022	\$ 598.00	15.2	9,089.60	729.60

Subtotal Hunton Fees > \$550/Hour 65,118.00

Hunton Andrews Kurth provided legal services in connection with rate case planning, testimony development, preparation of the rate filing package, and litigation of the December 2021 test year rate case. Vinson and Elkins attorneys were involved in all subject areas of the rate case.

<u>Firm</u>	<u>Individual</u>	<u>Title</u>	<u>Month</u>	<u>Rate</u>	<u>Hours</u>	<u>Fees</u>	<u>Than \$550/Hr</u>
Adams Law	Adams	Principal	July 2022	\$ 800.00	23.6	18,880.00	5,900.00

Adams Law (Richard Adams) provided legal services in connection with rate case planning, testimony development, preparation of the rate filing package, and litigation of the December 2021 test year rate case. Adams Law (Richard Adams) was involved in primarily financial aspects (return on equity and capital structure) areas of the case.

Subtotal Adams Fees > \$550/Hour 5,900.00

<u>Firm</u>	<u>Individual</u>	<u>Title</u>	<u>Month</u>	<u>Rate</u>	<u>Hours</u>	<u>Fees</u>	<u>Than \$550/Hr</u>
Aon Consulting	Taper	Lead Actuarial Cons	June 2022	\$ 1,016.00	1.5	1,524.00	699.00
Aon Consulting	Logan	Sr Actuarial Cons	June 2022	\$ 920.00	0.5	460.00	185.00

Aon Consulting provided research, analysis, and testimony preparation on pension, OPEB, and healthcare issues.

Subtotal Aon Fees > \$550/Hour 884.00

<u>Firm</u>	<u>Individual</u>	<u>Title</u>	<u>Month</u>	<u>Rate</u>	<u>Hours</u>	<u>Fees</u>	<u>Than \$550/Hr</u>
Baker Botts	Stover	Partner	June 2022	\$ 675.00	1.4	945.00	175.00

Baker Botts provided research, analysis, and testimony preparation on rate case expense issues.

Subtotal Baker Botts Fees > \$550/Hour 175.00

Incremental 53601 Fees > \$550/hour for This Monthly Update 89,624.50

Fees > \$550 per Hour as Provided in July 15, 2022 Response 1,142,548.56

Updated Fees > \$550 per Hour 1,232,173.06

### **CERTIFICATE OF SERVICE**

I certify that on June 19, 2024, this document was filed with the Public Utility Commission of Texas in Docket No. 56211, and a true and correct copy of it was served by electronic mail on all parties of record in this proceeding in accordance with the Second Order Suspending Rules issued in Project No. 50664.

Terence Glenn Russell