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DOCKET NO. 57158

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COMPLIANCE FILING OF ENTERGY INC FOR ANNUAL UPDATE OF VOLUNTARY RENEWABLE OPTION TARIFFS, RIDER SVRO AND RIDER LVRO

PUBLIC UTILITY COMMISSION OF TEXAS

COMMISSION STAFF'S FINAL RECOMENDATION

On October 1, 2024, Entergy Texas, Inc (ETI) filed a compliance filing for approval to annual update to its two voluntary rate tariffs, Rider Small Volume Renewable Option (Rider SVRO) and Rider Large Volume Renewable Option (Rider LVRO), as required by the final order in Docket No. 53153¹ filed on August 25, 2022.

On October 28, 2024, the administrative law judge (ALJ) filed Order No. 2, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a final recommendation or to request a hearing by November 14, 2024. Therefore, this pleading is timely filed.

I. STAFF RECOMMENDATION ON COMPLIANCE

Staff has reviewed ETI's compliance filing and as further detailed in the attached memorandums of Jorge Ordonez of the Commission's Rate Regulation Division and Tsungirirai Gotora of the Commission's Infrastructure Division, recommends that it be found in compliance with the final order in Docket 53153.²

Staff also recommends that ETI be required to file a "clean" copy of its approved riders, Small Volume Renewable Option Rider and Large Volume Renewable Option Rider to be stamped "Approved" by the Commission's Central Records Division and retained for future reference.

II. CONCLUSION

For the reasons detailed above, Staff respectfully requests the entry of an order consistent with the foregoing recommendation.

¹ Entergy Texas, Inc.'s Statement of Intent and Application for Approval of Two Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO, Docket No. 53153, Order (Aug 25, 2022).

Dated: November 14, 2024

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Marisa Lopez Wagley Division Director

Andy Aus Managing Attorney

<u>/s/Juan Guajardo</u> Juan Guajardo State Bar No. 24126519 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326 (512) 936-7207 (512) 936-7268 (facsimile) Juan.Guajardo@puc.texas.gov

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on November 14, 2024, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Juan Guajardo Juan Guajardo

Memorandum

RE:	Docket No. 57158 Compliance Filing of Entergy Texas, Inc for Annual Update of Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO
DATE:	November 14, 2024
FROM:	Jorge Ordonez, Rate Regulation Division
TO:	Juan Guajardo, Legal Division

Procedural Background

On October 1, 2024, Entergy Texas, Inc. (ETI) filed a compliance filing (Compliance Filing) for annual update of its two voluntary rate tariffs, *Small Volume Renewable Option Rider* (Rider SVRO) and *Large Volume Renewable Option Rider* (Rider LVRO), as required by the final order in Docket No. 53153 (Final Order).¹

Discussion

Findings of Fact 41 through 43 of the Final Order require:

41. No later than October 1 of each calendar year, Entergy Texas will file with the Commission the updated Rider SVRO tier rate and Rider LVRO monthly rate, to be effective with the first billing cycle of the following January billing month.

42. In the annual true-up process for each of the Riders SVRO and LVRO, Entergy Texas will compare the actual cost of RECs purchased by Entergy Texas and retired on behalf of participating customers to the revenues actually collected based on the fixed REC [(renewable energy credit)] price used to develop the rates charged under Rider SVRO and Rider LVRO for the most recent preceding 12 months.

43. The over- or under-collection of REC costs will be incorporated into the subsequent updated pricing for the next 12 months for both green pricing options. This true-up will be limited only to the REC procurement cost portion of the rates and will not include a true-up of program costs.

In its Compliance Filing, ETI stated that the revised rates in Rider SVRO and Rider LVRO reflect an update to the fixed REC pricing based on the most recent preceding 12 months using

¹ Entergy Texas, Inc's Statement of Intent and Application for Approval of Two Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO, Docket No. 53153, Order (Aug. 25, 2022).

the S&P Global Renewable Energy Credit Index for Texas RECs. ETI also stated in its Compliance Filing that the revised rates in Rider SVRO and Rider LVRO reflect a true-up of REC costs.

Recommendation

I have reviewed the calculations underlying the proposed updated rates, and I recommend that the ETI's proposed riders *Small Volume Renewable Option Rider* and *Large Volume Renewable Option Rider*, as shown in Attachment A and B of the Compliance Filing, be APPROVED as filed. I further recommend that ETI be required to file a "clean" record copy of its approved riders, *Small Volume Renewable Option Rider* and *Large Volume Renewable Option Rider*, to be stamped "Approved" by the Commission's Central Records Division and retained for future reference.

Memorandum

TO:	Juan Guajardo, Attorney Legal Division
FROM:	Tsungirirai Gotora, Sr. Infrastructure Analyst Infrastructure Division
DATE:	November 14, 2024
RE:	Docket No. 57158 – Compliance Filing of Entergy Texas, Inc for Annual Update of Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO

On October 1, 2024, Entergy Texas, Inc. (ETI) filed compliance filing annual update of its two voluntary rate tariffs, Rider Small Volume Renewable Option (Rider SVRO) and Rider Large Volume Renewable Option (Rider LVRO), as required by the final order in Docket No. 53153¹ filed on August 25, 2022.

My review included an examination of ETI's compliance filing, Attachment E - Workpaper (TX REC Pricing) (HSPM)² and ETI's responses to Staff's First Request for Information (RFI).³

Based upon my review of ETI's compliance filing, Attachment E - Workpaper (TX REC Pricing) (HSPM) and ETI's responses to Staff's First RFI, I recommend approval of ETI's compliance filing.

¹ Entergy Texas, Inc.'s Statement of Intent and Application for Approval of Two Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO, Docket No. 53153, Order (Aug. 25, 2022).

² HSPM - Compliance Filing of Entergy Texas, Inc for Annual Update of Voluntary Renewable Option Tariffs, Rider SVRO and Rider LVRO (Oct. 1, 2024).

³ ETI's response to Staff's First request for Information (Nov. 7, 2024).