

DOCKET NO. _____

APPLICATION OF ENTERGY TEXAS, INC. FOR AUTHORITY TO REDETERMINE RATES FOR ENERGY EFFICIENCY COST RECOVERY FACTOR	§ § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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**APPLICATION OF ENTERGY TEXAS, INC. FOR AUTHORITY TO REDETERMINE
RATES FOR ENERGY EFFICIENCY COST RECOVERY FACTOR**

Entergy Texas, Inc. (“ETI” or “the Company”) files this Application to Redetermine Rates for Energy Efficiency Cost Recovery Factor (“Application”) to be effective for use beginning with the first billing cycle of its January 2018 billing month. In support thereof, ETI shows the following:

I. BUSINESS ADDRESS AND AUTHORIZED REPRESENTATIVES

The business address of the Company is:

Entergy Texas, Inc.
350 Pine Street
Beaumont, Jefferson County, Texas 77701

The business mailing address of the Company is:

Entergy Texas, Inc.
P.O. Box 2951
Beaumont, Texas 77704

The business telephone number of the Company is (409) 838-6631.

The authorized representatives for the Company in this proceeding are:

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Rate Analyst, II
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Inquiries and pleadings concerning this Application should be directed to the following representatives:

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II. JURISDICTION

The Public Utility Commission of Texas (“PUC” or “Commission”) has jurisdiction over ETI and the subject matter of this Application under Public Utility Regulatory Act (“PURA”) § 39.905 and 16 Texas Administrative Code (TAC) § 25.181(f).

III. AFFECTED PERSONS

ETI provides service to approximately 444,000 customers in Texas. ETI proposes to apply the redetermined energy efficiency cost recovery factor (“EECRF”) requested herein to all of its retail electric customers that fall within the classes subject to the EECRF as detailed in Section IV below.

IV. DESCRIPTION OF APPLICATION

PURA § 39.905(b) and 16 TAC § 25.181(f) establish the mechanism under which electric utilities may recover costs associated with providing energy efficiency programs sufficient to achieve the Commission’s 2017 energy efficiency goal.¹ A utility with an EECRF is required to file by not later than May 1 of each year to redetermine its EECRF for the following year.²

In its Application, the Company is requesting a redetermined EECRF to accomplish four objectives under the governing statute and applicable rule: (1) recover its projected 2018 program costs; (2) refund the over-recovery of program costs collected in 2016 rates; (3) recover a performance bonus associated with the results of its 2016 energy efficiency programs; and (4) recover the 2016 EECRF proceeding costs of ETI and Cities. The Company’s EECRF is also designed to comply with the cost caps prescribed under 16 TAC § 25.181(f)(7).

In particular, ETI requests authority to redetermine its EECRF to recover \$9,768,890 in 2018, which reflects the following four components:

- (1) \$7,713,653 million for the Company’s forecasted 2018 energy efficiency program budget;
- (2) \$2,040,450 in performance bonus

¹ Pursuant to 16 TAC § 25.181(e), the “energy efficiency goal” is a percentage reduction of the annual growth in demand of an electric utility’s residential and commercial customers, based on the energy savings achieved from the utility’s energy efficiency programs. The energy efficiency goal is a 30% reduction of annual growth in demand. However, pursuant to 16 TAC § 25.181(e)(1)(E), the Company’s goal cannot be lower than the prior year’s goal.

² See 16 TAC § 25.181(f)(8).

associated with the results of ETI's 2016 energy efficiency programs; and (3) an over-recovery of \$63,656 for 2016 amounts; and (4) 2016 EECRF proceeding costs of \$ \$78,442 (\$53,482 for ETI and \$24,960 for Cities).

The redetermined EECRF pursuant to the Company's request will result in a \$0.10 per month increase to a residential customer's bill assuming a monthly usage of 1,000 kWh. This is a 0.10% increase from such customer's bill based on charges currently approved by the Commission. The requested revised EECRF rates would be as follows:

<u>Rate Class</u>		<u>EECRF</u>
Residential Service	\$	0.000961 per kWh
Small General Service	\$	0.000423 per kWh
General Service	\$	0.001044 per kWh
Large General Service	\$	(0.000165) per kWh
Large Industrial Power Service		
Transmission Customers Only	\$	0.000000 per kWh
Other Than Transmission Customers	\$	0.001471 per kWh
Lighting	\$	(0.000002) per kWh

In support of the Company's Application, ETI submits the Direct Testimony of Mr. John K. Carson (Attachment A) and Mr. Scott M. Celino (Attachment B) and associated exhibits and workpapers. Mr. Carson sets forth in his Direct Testimony the projected costs of the Company's energy efficiency programs for the 2018 program year, the actual costs of the Company's energy efficiency programs for the 2016 program year, and the performance bonus calculation allowed under PURA and the Commission's rules for the Company's performance in 2016. Mr. Carson sets forth why these costs are reasonable and consistent with 16 TAC § 25.181. Mr. Celino describes in his Direct Testimony the calculation of the redetermined EECRF rates including an adjustment for the over-collection of energy efficiency program expenditures incurred by the Company in 2016. He further sponsors revised Rider EECRF, which is the rate

schedule that contains the EECRF rates, and supports the Company's request to recover affiliate expenses associated with the 2016 EECRF proceeding. The affidavit of Paula Cyr supports the reasonableness of the external litigation expenses ETI incurred in connection with its 2016 EECRF proceeding (Attachment C). The affidavit of Dan Lawton supports the reasonableness of the Cities expenses in connection with the 2016 EECRF proceeding (Attachment D).

V. NOTICE AND PROTECTIVE ORDER

ETI will provide notice of this proceeding consistent with 16 TAC § 25.181(f)(13). The Company will file an affidavit attesting to the completion of notice within 14 days after this application is filed. The form of the notice to be provided is set forth in Attachment E to this Application. The Company requests that the Commission find the Company's notice is sufficient.

The Company also proposes a protective order to be used in this proceeding for the disclosure of protected materials and highly sensitive protected materials. (Attachment F). The proposed protective order is consistent with the protective order approved by the Commission in Docket No. 45915, *Application of Entergy Texas, Inc. for Authority to Redetermine Rates for Energy Efficiency Cost Recovery Factor*.

VI. PRAYER

WHEREFORE, premises considered, ETI requests:

1. that its Application be deemed complete and sufficient and in compliance with PURA § 39.905(b) and 16 TAC § 25.181(f);
2. that ETI's proposed notice of this filing as described above and attached to this Application be considered sufficient and authorized;
3. that ETI's proposed protective order be approved for use in this proceeding;

4. that ETI's request for authority to redetermine its EECRF to recover \$9,768,890 be granted;
5. that ETI's Application and proposed redetermined EECRF be approved with implementation beginning with the first billing cycle of its January 2018 billing month; and
6. such other relief to which it has shown itself entitled.

Respectfully submitted,

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