

**Notice of Application Requesting an Adjustment to  
Energy Efficiency Cost Recovery Factor and Related Relief**

On April 29, 2011, Southwestern Electric Power Company (SWEPCO) filed an application with the Public Utility Commission of Texas (Commission) to approve an adjustment to SWEPCO's Energy Efficiency Cost Recovery Factor (EECRF). Section 39.905 of the Public Utility Regulatory Act and Section 25.181 of the Commission's Substantive Rules provide for the Commission to authorize a utility to implement an EECRF and annually adjust it to ensure the timely and reasonable recovery of the utility's costs incurred in connection with satisfying energy efficiency goals established by the Texas Legislature and Commission rules. In August 2010, the Commission authorized SWEPCO to place into effect during 2011 an EECRF designed to recover \$5,508,542 in energy efficiency costs, based on SWEPCO's projected energy efficiency costs to meet its energy efficiency objectives for 2010.

SWEPCO's April 2011 filing asks the Commission to adjust the EECRF for 2012 to decrease it by \$260,674. The adjusted EECRF is requested to recover \$5,247,868 in energy efficiency costs in 2012, consisting of: (1) \$4,631,288 in projected energy efficiency program costs for SWEPCO to meet its energy efficiency objectives for 2012; (2) return to customers of \$239,829 for over-recovery of energy efficiency revenues for its 2009 programs that were collected from SWEPCO's EECRF in 2009 in excess of its energy efficiency program costs; and (3) a performance bonus of \$856,409 for SWEPCO's having exceeded its demand reduction goals for 2010.

All retail customers who take service from SWEPCO at below 69,000 volts are affected by the requested adjusted EECRF. The adjusted EECRF includes the following proposed charges on bills rendered to SWEPCO's retail customers during 2012:

<u>Rate Customer Category</u>	<u>EECRF</u>
Residential	\$0.001260 per kWh
Commercial	\$0.000474 per kWh
Industrial	\$0.000786 per kWh
Lighting	\$0.000706 per kWh

The monthly amount billed in 2012 for service to a residential customer using 1000 kilowatt hours (kWh) per month will not see a change under the adjusted EECRF. The effect of the adjusted EECRF on the amounts billed to other retail customers will vary depending on the rate schedules under which the customer takes service and on the customer's consumption of electricity.

Persons who wish to intervene in or comment upon these proceedings, Docket No. \_\_\_\_\_, Application of Southwestern Electric Power Company to Adjust Energy Efficiency Cost Recovery Factor and Related Relief, should notify the Commission as soon as possible, as an intervention deadline will be imposed. A request to intervene or for further information should be mailed to the Public Utility Commission of Texas, P. O. Box 13326, Austin, Texas 78711-3326. Further information may also be obtained by calling the Public Utility Commission of Texas at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the Commission at (512) 936-7136.