

PUC DOCKET NO. _____

APPLICATION OF SOUTHWESTERN	§	PUBLIC UTILITY COMMISSION
ELECTRIC POWER COMPANY TO	§	
ADJUST ENERGY EFFICIENCY COST	§	OF
RECOVERY FACTOR AND RELATED	§	
RELIEF	§	TEXAS

SOUTHWESTERN ELECTRIC POWER COMPANY'S APPLICATION

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Southwestern Electric Power Company (SWEPCO or Applicant) files its Application to Adjust Energy Efficiency Cost Recovery Factor and Related Relief pursuant to PURA¹ §39.905 and P.U.C. SUBST. R.25.181(f). In support thereof SWEPCO would show the following:

I. Applicant

SWEPCO is an electric utility that provides service in service areas comprising all or parts of 19 counties in northeast Texas and five counties in north Texas. SWEPCO's business address is 428 Travis Street, Shreveport, Louisiana 71101.

II. Applicant's Authorized Representatives

SWEPCO's authorized representative for the purpose of receiving service of documents is:

Nancy J. Napolitano
American Electric Power Service Corporation
400 West 15th Street
Suite 1520
Austin, Texas 78701
512.481.4543 (voice)
512.481.4591 (facsimile)
Email: njnapolitano@aep.com

¹ Public Utility Regulatory Act (PURA), TEX. UTIL. CODE ANN. §§ 11.001-66.016 (Vernon 2007 and Supp. 2010).

SWEPCO's authorized legal representatives are:

Rhonda Colbert Ryan
Joann Stevenson
American Electric Power Service Corporation
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III. Jurisdiction

The Commission has jurisdiction over this application pursuant to PURA §39.905 and P.U.C. SUBST. R. 25.181.

IV. Affected Persons

SWEPCO provides service to approximately 181,146 customers in Texas. SWEPCO proposes to apply the adjusted EECRF requested herein to all of its retail electric customers in its Texas service areas who take service below 69,000 volts.

V. Background

In Docket No. 38210,² the Commission authorized SWEPCO, pursuant to PURA §39.905 and P.U.C. SUBST. R.25.181(f), to implement an energy efficiency cost recovery factor (EECRF) designed to recover \$5,508,542 in energy efficiency costs representing its projected expenditures to achieve its energy efficiency objectives for 2011, return to customers of 2009 EECRF energy efficiency program revenues in excess of energy efficiency program costs, and SWEPCO's performance bonus.

P.U.C. SUBST. R. 25.181(f)(4) requires a utility with an EECRF to apply no later than May 1 of each year to adjust its EECRF in order to reflect changes in costs and performance bonus and to minimize any over- or under-collection in prior year program costs.

² *Application of Southwestern Electric Power Company to Adjust Energy Efficiency Cost Recovery Factor and Related Relief*, Docket No. 38210, (Aug. 19, 2010).

VI. Requested to Adjust the EECRF

By this application, SWEPCO requests the authority to adjust the EECRF to decrease the cost recovery factors for energy efficiency by \$260,674 to reflect the following three components:

- 1) recovery of \$4,631,288 in energy efficiency program costs projected to be incurred in 2012;
- 2) return of \$239,829 for over-recovery of energy efficiency program revenues collected for its 2010 programs that were collected from SWEPCO's EECRF in 2010 in excess of its energy efficiency program costs; and
- 3) recovery of \$856,409 representing SWEPCO's performance bonus for achieving demand reductions that exceeded its minimum goal to be achieved in 2010.

The total amount that SWEPCO requests be included in the adjusted EECRF cost recovery factors for 2012 is \$5,247,868.

VII. Adjusted EECRF Cost Recovery Factors for 2012

The adjusted Schedule EECRF containing the cost recovery factors for 2012 is attached hereto as Attachment A. SWEPCO requests the Commission to make the adjusted Schedule EECRF effective as of December 30, 2011, the commencement of its January 2012 billing month. The requested adjusted EECRF cost recovery factors to recover the applicable energy efficiency costs during 2012 are as follows:

<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

VIII. Testimony and Schedules Supporting Application

Accompanying this application are the direct testimonies of Lana L. Deville, Paul E. Pratt, and Jennifer L. Jackson and Schedules A through L, which support the relief sought by Applicant. The evidence sponsored by Ms. Deville, Mr. Pratt, and Ms. Jackson fully supports the relief sought by SWEPCO pursuant to PURA §39.905 and P.U.C. SUBST. R. 25.181(f).

IX. Notice

SWEPCO proposes to provide notice by: (a) providing a copy of this application by U.S. mail, postage prepaid, to all parties to SWEPCO Docket No. 37364, SWEPCO's last base rate case, and Docket No. 38210, its last EECRF case, and (b) by publishing notice of this application once in newspapers having general circulation in each county in its Texas service areas. A copy of the notice to be published is attached as Attachment B.

IX. Proposed Schedule

SWEPCO proposes the following schedule for this proceeding:

Staff Approval of Notice	May 13, 2011
Notice Completed	June 2, 2011
Proof of Notice	June 17, 2011
Intervention Deadline	June 17, 2011
Request for a Hearing	June 20, 2011
	<u>If no Hearing requested</u>
Staff Recommendation	July 6, 2011
Parties' Proposed Order	July 20, 2011

X. Conclusion and Prayer for Relief

WHEREFORE, PREMISES CONSIDERED, SWEPCO prays that the Commission:

- (i) grant SWEPCO's application;
- (ii) approve SWEPCO's proposed notice and method of providing notice;
- (iii) approve SWEPCO's proposed tariff schedule;

- (iv) authorize SWEPCO to begin applying the adjusted Schedule EECRF attached hereto as Attachment A as of December 30, 2011 (the commencement of SWEPCO's January 2012 billing month); and
- (v) grant such other and further relief to which SWEPCO may show itself justly entitled.

Dated: April 29, 2011

RESPECTFULLY SUBMITTED,

American Electric Power Service Corporation
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Austin, Texas 78701
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State Bar No. 17478800
Joann Stevenson
State Bar No. 24033231
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By: _____
Joann Stevenson
ATTORNEY FOR SOUTHWESTERN ELECTRIC
POWER COMPANY

CERTIFICATE OF SERVICE

A true and correct copy of the foregoing application has been provided, this 29th day of April, 2011, by U.S. mail, postage prepaid, to all parties to Docket Nos. 37364 and 38210.

Joann Stevenson