

PUC DOCKET NO. \_\_\_\_\_

PUBLIC UTILITY COMMISSION OF TEXAS

APPLICATION OF  
SOUTHWESTERN ELECTRIC POWER COMPANY  
TO ADJUST  
ENERGY EFFICIENCY COST RECOVERY FACTOR AND RELATED RELIEF

DIRECT TESTIMONY OF  
LANA L. DEVILLE  
FOR  
SOUTHWESTERN ELECTRIC POWER COMPANY

APRIL 29, 2011

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1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.

3 A. My name is Lana L. Deville. I am an Energy Efficiency and Consumer Programs  
4 Coordinator for Southwestern Electric Power Company (SWEPCO or Company). My  
5 business address is 428 Travis Street, Shreveport, Louisiana 71101.

6 Q. PLEASE STATE YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND.

7 A. I received a Bachelor of Liberal Arts degree from Louisiana State University-  
8 Shreveport in 1985. I began my employment at SWEPCO in May 1984 and worked  
9 in a variety of positions and responsibilities from that time until May 1998. I  
10 accepted my current position as Energy Efficiency and Consumer Programs  
11 Coordinator for SWEPCO's demand-side management (DSM) programs in June  
12 1998. In this position, I am responsible for implementing and administering energy  
13 efficiency programs in compliance with Public Utility Commission of Texas (PUC or  
14 Commission) rules for such programs. I hold professional certification from the  
15 Association of Energy Engineers as a Certified Energy Manager.

16 Q. HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE ANY REGULATORY  
17 AGENCY?

18 A. Yes, I have previously filed testimony before the PUC in the following dockets:

- 19 • Docket No. 35625, Application of Southwestern Electric Power Company for an  
20 Energy Efficiency Cost Recovery Factor (EECRF) and Related Relief pursuant to  
21 PURA § 39.905(b) and P.U.C. SUBST. R. 25.181(f);
- 22 • Docket No. 36949, Application of Southwestern Electric Power Company for  
23 Approval of Reconciliation of Purchased Power and Conservation Factor (PPCF)  
24 for the Period 2006-2008;

1 • Docket No. 36961, Application of Southwestern Electric Power Company to  
2 Adjust Energy Efficiency Cost Recovery Factor and Related Relief; and

3 • Docket No. 38210, Application of Southwestern Electric Power Company to  
4 Adjust Energy Efficiency Cost Recovery Factor and Related Relief.

5 Q. DO YOU SPONSOR ANY OF THE SCHEDULES THAT ACCOMPANY  
6 SWEPCO'S FILING?

7 A. Yes, I sponsor Schedules B, I, J, and K. In addition, I co-sponsor a portion of  
8 Schedule A with SWEPCO witness Paul E. Pratt.

9

10 II. PURPOSE OF TESTIMONY AND SUMMARY OF SWEPCO'S FILING

11 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

12 A. The purpose of my testimony is to:

13 • provide a summary of the relief sought by SWEPCO in this proceeding and of  
14 its filing;

15 • lay out the policy considerations for recovery of SWEPCO's projected costs  
16 for its 2012 energy efficiency programs in its adjusted Energy Efficiency Cost  
17 Recovery Factor (EECRF), as contemplated by Public Utility Regulatory Act  
18 (PURA) §39.905 and PUC SUBST. R. 25.181(f);

19 • provide information regarding the over-recovery of SWEPCO's energy  
20 efficiency revenues for its 2010 programs to be returned through its adjusted  
21 EECRF in 2012; and

22 • provide information regarding SWEPCO's performance bonus achieved by its  
23 2010 energy efficiency results, as contemplated in PUC SUBST. R. 25.181(h),  
24 and to be recovered through its adjusted EECRF in 2012.

25 Q. WHAT RELIEF DOES SWEPCO SEEK IN THIS PROCEEDING?

26 A. In Docket No. 38210, the Commission authorized SWEPCO to adjust its 2011  
27 EECRF pursuant to PURA §39.905 and PUC SUBST. R. 25.181(f)(1) to recover  
28 \$5,508,542 in 2011 for energy efficiency. This included \$5,200,076, the amount of

1 its projected energy efficiency costs for its 2011 programs, and included \$676,534, the  
2 amount of SWEPCO's performance bonus achieved by its 2009 energy efficiency  
3 results. SWEPCO's approved 2011 EECRF also included \$368,068 returned to  
4 customers, the amount of energy efficiency program revenues that were over-  
5 recovered in its 2009 EECRF.

6 PUC SUBST. R. 25.181(f)(4) requires a utility with an EECRF to apply no later  
7 than May 1 of each year to adjust its EECRF in order to reflect changes in costs and  
8 performance bonuses and minimize any over- or under-collection in prior years'  
9 program costs. Accordingly, by this application, SWEPCO requests the Commission  
10 to approve an adjustment to SWEPCO's EECRF for 2012 to decrease it by \$260,674.  
11 As my testimony and the testimony of SWEPCO witnesses Pratt and Jennifer L.  
12 Jackson explain, the amount SWEPCO now seeks to recover through its adjusted  
13 2012 EECRF reflects the following components:

- 14 1) recovery of \$4,631,288 in energy efficiency program costs projected to  
15 be incurred in 2012;
- 16 2) return to customers the amount of \$239,829 representing SWEPCO's  
17 2010 over-recovery of its actual energy efficiency program costs for  
18 2010; and
- 19 3) recovery of \$856,409 representing SWEPCO's performance bonus for  
20 achieving demand reductions that exceeded its minimum goal for  
21 2010.

22  
23 In summary, the total amount SWEPCO is requesting to recover through its adjusted  
24 EECRF beginning December 30, 2011 is \$5,247,868.

25 Q. DO SWEPCO'S CURRENT BASE RATES INCLUDE ANY AMOUNT THAT IS  
26 EXPRESSLY SPECIFIED AS ENERGY EFFICIENCY COSTS?

1 A. No. In establishing SWEPCO's base rates, the Commission order in Docket No.  
2 37364 did not include any amount for energy efficiency costs to be recovered in base  
3 rates.

4 Q. WHAT IS SWEPCO'S PROJECTED 2012 ENERGY EFFICIENCY PROGRAM  
5 BUDGET?

6 A. As shown in Schedule A, SWEPCO's projected total 2012 energy efficiency budget  
7 to achieve its energy efficiency objectives for 2012 is \$4,631,288. These 2012  
8 projected energy efficiency program costs are the amounts necessary for SWEPCO to  
9 achieve its energy efficiency objectives for 2012 pursuant to PUC SUBST. R.  
10 25.181(f)(1). These amounts are shown in more detail on Schedule A, which I  
11 co-sponsor with Mr. Pratt.

12 Q. DID SWEPCO INCUR ENERGY EFFICIENCY COSTS FOR ITS 2010 ENERGY  
13 EFFICIENCY PROGRAMS FOR WHICH NO PROVISION FOR RECOVERY  
14 THROUGH SWEPCO'S RATES WAS AVAILABLE IN 2010?

15 A. No, all of the energy efficiency costs incurred for SWEPCO's 2010 energy efficiency  
16 programs were collected by the EECRF during 2010 upon approval of Docket No.  
17 36961, Application of Southwestern Electric Power Company to Adjust Energy  
18 Efficiency Cost Recovery Factor and Related Relief.

19 Q. DID SWEPCO EXCEED ITS MINIMUM ENERGY EFFICIENCY GOAL FOR  
20 2010?

21 A. Yes, as I mentioned previously, SWEPCO exceeded its minimum demand reduction  
22 target of 20% of historic average load growth in demand for 2010 and, consequently,

1 qualifies for a performance bonus pursuant to PUC SUBST. R. 25.181(h). Schedule K  
2 provides the detail for the calculation of the \$856,409 performance bonus that  
3 SWEPCO earned for exceeding its minimum demand reduction goal for 2010.

4 Q. PLEASE DESCRIBE SWEPCO'S FILING.

5 A. SWEPCO's filing consists of my direct testimony and the direct testimony of two  
6 other witnesses. Mr. Pratt's direct testimony addresses SWEPCO's energy efficiency  
7 objectives for 2012 established by the Commission's rule; the energy efficiency  
8 programs that SWEPCO will offer in 2012 to meet these objectives; the costs  
9 SWEPCO projects to incur in 2012 in connection with these energy efficiency  
10 programs and objectives; the energy efficiency costs that SWEPCO incurred for its  
11 2010 programs; and the energy efficiency results achieved in 2010 through these  
12 programs. SWEPCO witness Jackson's direct testimony describes the design of the  
13 EECRF, the energy efficiency cost assignment among the customer classes to be  
14 recovered through the adjusted EECRF, and the billing determinants used to develop  
15 the EECRF. Accompanying the direct testimony of SWEPCO's witnesses are  
16 Schedules A through L, which provide the information the Commission has specified  
17 should be provided in support of a sufficient request for an adjusted EECRF.

18 Q. WHAT DOES SWEPCO REQUEST TO BE THE EFFECTIVE DATE OF THE  
19 ADJUSTED EECRF?

20 A. SWEPCO requests that the adjusted EECRF be made effective as of December 30,  
21 2011, which is the commencement of SWEPCO's January 2012 billing month.

1                    III. POLICY CONSIDERATIONS FOR RECOVERY OF DSM EXPENDITURES

2                                    A. Statutory Policies

3        Q.        WHAT ARE THE POLICY CONSIDERATIONS THAT GOVERN THE  
4                    RECOVERY OF ENERGY EFFICIENCY COSTS?

5        A.        In PURA §39.905, the Texas Legislature established policies that an electric utility  
6                    such as SWEPCO:

- 7                    •        Must provide incentives adequate for the purpose of acquiring cost-effective  
8                                    energy efficiency equivalent to at least 20% of the utility's annual growth in  
9                                    demand of residential and commercial customers by December 31, 2009.
- 10                  •        Must provide incentives through market-based standard offer programs  
11                                    (SOPs) or limited, targeted market transformation programs (MTPs).
- 12                  •        Must provide incentives in such a manner that competitive energy efficiency  
13                                    service providers (EESPs) install the measures that produce the required gains  
14                                    in energy efficiency necessary to meet the utility's mandated annual goal.

15                  The Legislature has also recognized that a utility should have access to a mechanism  
16                    to enable it to fully and timely recover the costs of providing these energy efficiency  
17                    incentive programs. Specifically, utilities are allowed to recover the differential  
18                    between the costs expressly included in its base rates (if such energy efficiency costs  
19                    are expressly recovered in base rates) and the increased costs it must incur in order to  
20                    meet the objectives of PURA §39.905, as well as additional cost-effective energy  
21                    efficiency in excess of the minimum goals. The Legislature also recognized that  
22                    utilities should be provided an incentive to exceed the goals in the statute and  
23                    authorized the Commission to award performance bonuses to the utilities for  
24                    exceeding their annual goals.



1                                    B. Commission Rule Pertaining to an EECRF Filing

2    Q.     WHAT ARE THE MINIMUM ANNUAL ENERGY EFFICIENCY GOALS FOR  
3           THE YEARS 2010 THROUGH 2012?

4    A.     PUC SUBST. R. 25.181(e) requires a utility to administer energy efficiency goals that  
5           achieve the equivalent of at least 20% reduction of the utility's annual growth in  
6           demand of residential and commercial customers for the 2010 and 2011 program  
7           years, and at least 25% reduction of the utility's annual growth in demand of  
8           residential and commercial customers for the 2012 program year.

9    Q.     WHY IS SWEPCO FILING THIS REQUEST TO ADJUST ITS EECRF FOR  
10          RECOVERY OF ITS ENERGY EFFICIENCY EXPENDITURES?

11   A.     The Commission's rule includes provisions for a utility such as SWEPCO to request  
12          that an EECRF be adjusted to recover all of its forecasted annual energy efficiency  
13          program costs, or to recover its forecasted annual energy efficiency program costs that  
14          are not recovered through a Commission order establishing an express amount of  
15          energy efficiency program costs to be recovered within a utility's base rates (SUBST.  
16          R. 25.181(f)(1)). Also, as I stated earlier, PUC SUBST. R. 25.181(f)(4) requires a  
17          utility with an EECRF to file no later than May 1 of each year to adjust its EECRF to  
18          reflect changes in program costs and performance bonus, and to minimize any over-  
19          or under-collection in prior year program costs.

20   Q.     WHAT ARE THE REQUIRED ELEMENTS TO BE COVERED WITHIN THE  
21          SCOPE OF THIS PROCEEDING?

1 A. As outlined in the Commission's rule for energy efficiency, an EECRF rate schedule  
2 must be included in the utility's tariff to permit the utility to timely recover the  
3 reasonable costs of providing energy efficiency programs, including the prior year's  
4 over- or under-collection of energy efficiency costs and any applicable performance  
5 bonus. The EECRF is to be calculated to recover the costs associated with the  
6 programs from the customer classes that receive services under the programs  
7 SWEPCO offers (SUBST. R. 25.181(f)(3)). The Commission may approve an energy  
8 charge or a monthly customer charge for the EECRF, and the EECRF must be set at a  
9 rate that will give SWEPCO the opportunity to earn revenues equal to the sum of  
10 SWEPCO's forecasted energy efficiency costs, net of energy efficiency costs included  
11 in base rates, applicable prior year over- or under-collection, and applicable  
12 performance bonus (SUBST. R. 25.181(f)(6)).

13 According to the Commission's rule regarding a proceeding to change an  
14 EECRF, a utility must show that the costs to be recovered through the EECRF are  
15 reasonable estimates of the costs necessary to provide energy efficiency programs and  
16 to meet the utility's goals (SUBST. R. 25.181(f)(11)(A)); the costs assigned or  
17 allocated to customer classes are reasonable and consistent (SUBST. R.  
18 25.181(f)(11)(D)); the estimate of billing determinants for the period for which the  
19 EECRF is to be in effect is reasonable (SUBST. R. 25.181(f)(11)(E)); and any  
20 calculations or estimates of system losses and line losses used in calculating the  
21 charges are reasonable (SUBST. R. 25.181(f)(11)(F)).

1 Q. WHAT ARE THE ESSENTIAL ELEMENTS CONTAINED WITHIN SWEPCO'S  
2 APPLICATION REQUESTING EECRF RECOVERY OF ENERGY EFFICIENCY  
3 PROGRAM COSTS?

4 A. According to SUBST. R. 25.181(f)(9), a utility's application to change an EECRF must  
5 include information and schedules otherwise required in any Commission approved  
6 EECRF filing package. The Commission has not yet adopted such a filing package.  
7 In the absence of an adopted filing package, SWEPCO has included witness  
8 testimony and schedules in its application that provide information in compliance  
9 with PUC SUBST. R. 25.181(f) for approval of an adjusted EECRF. The testimony  
10 and schedules that SWEPCO has included in this filing are comparable to the  
11 testimony and schedules that were submitted in Docket Nos. 35625, 36961, and  
12 38210 and which formed the basis for the Commission's authorization of the EECRF  
13 in those proceedings.

14 SWEPCO's application includes testimony and schedules showing its  
15 forecasted energy efficiency program costs for 2012, the amount of energy efficiency  
16 program costs included for recovery in base rates, the amount of 2010 energy  
17 efficiency program costs that exceeded the amount recovered in base rates and the  
18 2010 EECRF, the performance bonus SWEPCO seeks to be awarded for its 2010  
19 results achievement, information concerning the calculation of billing determinants,  
20 and information from its last base rate case concerning the allocation of energy  
21 efficiency costs to customer classes.

Additionally, SWEPCO's application includes schedules and testimony that describe SWEPCO's energy efficiency program incentive payments and administrative costs for its energy efficiency programs for the most recent year (2010), and projected budgets for these costs for the year in which the EECRF is expected to be in effect (2012), including costs for the dissemination of information and outreach, other major administrative costs, the basis for the projection of costs for 2012, and other information that supports the determination of the EECRF. All of these elements of SWEPCO's application for approval of its 2012 EECRF are required by virtue of SUBST. R. 25.181(f)(9).

### C. Achievement of Objectives that Exceed the Minimum Goals of the Statute and Rule

Q. WHAT DEMAND AND ENERGY SAVINGS DOES SWEPCO PROPOSE TO ACHIEVE THROUGH ITS 2012 PROGRAMS?

A. SWEPCO's 2012 minimum residential and commercial customer demand reduction target for 2012 is 5.6 megawatts (MW) under PUC SUBST. R. 25.181(e)(1)(B), which states: "An electric utility shall administer energy efficiency programs to achieve the following minimum goals: 25% reduction of the electric utility's annual growth in demand of residential and commercial customers for the 2012 program year." SWEPCO's 2012 energy efficiency savings goal is 9,811 megawatt-hours (MWh) reduction in energy consumption calculated in accordance with PUC SUBST. R. 25.181(e)(4). The objectives SWEPCO seeks to achieve through the proposed amount of 2012 energy efficiency expenditures include a reduction of as much as

1 13.69 MW in SWEPCO's residential and commercial growth in demand, and a  
2 reduction of as much as 20,310 MWh in energy consumption.

3 Q. DO YOU BELIEVE IT IS CONSISTENT WITH THE COMMISSION'S RULE TO  
4 PURSUE THE OBJECTIVES SWEPCO HAS ESTABLISHED FOR ITS 2012  
5 PROGRAM?

6 A. Yes. I believe the intent of the 2010 amendments to the Commission's rule is to  
7 achieve as much cost-effective energy efficiency savings as is reasonably possible.  
8 This intent is manifested in PURA §39.905(b)(2), where the Legislature authorized  
9 the Commission to provide a performance bonus to reward a utility for "administering  
10 programs under this section that exceed the *minimum* goals established by this  
11 section."<sup>1</sup> The express characterization of the goals in PURA §39.905 as "minimum  
12 goals" clearly indicates the Legislature's desire that utilities exceed these goals where  
13 additional cost-effective energy efficiency savings are reasonably possible.

14 D. Industrial Customers

15 Q. DOES SWEPCO HAVE ANY GRANDFATHERED LOAD MANAGEMENT  
16 STANDARD OFFER PROGRAMS THAT CONTINUE FOR INDUSTRIAL  
17 CUSTOMERS UNDER PUC SUBST. R. 25.181(t)?

18 A. No, it does not. While SWEPCO has had in place a Load Management SOP in which  
19 industrial customers could participate, no such customers availed themselves of these  
20 opportunities, and none of the program expenditures incurred in research and

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<sup>1</sup> Emphasis added.

1 development (R&D) in 2010 was attributable to load management programs in which  
2 industrial customers participated. This is further detailed in Schedule I.

3 Q. WHY DOES SWEPCO NOT PROPOSE TO INCLUDE CHARGES IN THE  
4 ADJUSTED EECRF FOR TRANSMISSION SERVICE LEVEL CUSTOMERS?

5 A. SWEPCO does not propose to include any charges for transmission service level  
6 customers in the adjusted EECRF because it has no grandfathered programs under  
7 PUC SUBST. R. 25.181(t).

8 E. Research and Development Costs

9 Q. DO SWEPCO'S 2010 ENERGY EFFICIENCY PROGRAM COSTS INCLUDE  
10 R&D EXPENDITURES?

11 A. Yes. The energy efficiency program costs for 2010 of \$4,282,043 shown on Schedule  
12 H include \$185,499 in costs for R&D programs funded by SWEPCO. These projects  
13 include:

- 14 • Participation in the Electric Power Research Institute (EPRI) "Hyper-Efficient  
15 Appliance" R&D Project with the objective of testing, evaluating, and  
16 accelerating the adoption of high efficiency refrigerators and clothes washers.  
17 SWEPCO's participation costs for 2010 were \$8,317.
- 18 • Joint sponsorship of an LED Outdoor Lighting Project to determine potential  
19 energy savings, ability to survive real world electrical disturbances, and  
20 acceptance by the public. SWEPCO's share of the costs was \$80,219.
- 21 • Participation in an R&D project relating to LED Lighting for Broiler Houses  
22 that was designed to measure savings as well as the performance of different  
23 dimming technologies with the LED lamps. The expenditure for this project  
24 was \$40,110.
- 25 • Participation in R&D projects of the Center for Commercialization of Electric  
26 Technologies (CCET). SWEPCO's share of these costs was \$8,270.

- Activities to support existing program refinement and to select new programs include: development of a new LED Lighting Pilot MTP, energy efficiency conference attendance, costs related to developing upgrades and enhancements to SWEPCO's web-based electronic energy efficiency program tracking and reporting database, training at a Research and Evaluation workshop, and participation in the Texas Renewables Energy Industries Association. The total cost of these activities is \$48,583.

All of these R&D expenditures incurred in 2010 were for the purpose of fostering continuous improvement and innovation in the application of energy efficiency technology and energy efficiency program design and implementation.

Q. DOES SWEPCO'S PROJECTED 2012 ENERGY EFFICIENCY PROGRAM BUDGET INCLUDE R&D EXPENDITURES?

A. SWEPCO does not plan to conduct any R&D activities in 2012.

F. Over- / Under-Recovery of 2010 Costs

Q. IS SWEPCO SEEKING TO RETURN THE AMOUNT OF OVER-RECOVERED ENERGY EFFICIENCY REVENUES COLLECTED THROUGH ITS 2010 EECRF IN EXCESS OF THE AMOUNT OF ENERGY EFFICIENCY PROGRAM COSTS INCURRED?

A. Yes. In addition to its projected total 2012 program expenditures, SWEPCO is requesting to include in its adjusted 2012 EECRF the amount of its actual 2010 EECRF recovery that exceeded the program costs actually incurred.

Q. PLEASE EXPLAIN THE BASIS FOR SWEPCO'S INCLUSION OF THE 2010 OVER-RECOVERY AMOUNT IN ITS ADJUSTED 2012 EECRF.

A. PURA §39.905(b-1) provides that:

The energy efficiency cost recovery factor under Subsection (b)(1) may not result in an over-recovery of costs but may be adjusted each year to

1 change rates to enable utilities to match revenues against energy  
2 efficiency costs and any incentives to which they are granted. The  
3 factor shall be adjusted to reflect any over-collection or under-  
4 collection of energy efficiency cost recovery revenues in previous  
5 years.

6 PUC SUBST. R. 25.181(f)(4) further states that the “EECRF shall be designed to  
7 permit the utility to recover any under-recovery of energy efficiency program costs or  
8 return any over-recovery of costs.” SWEPCO incurred total program costs of  
9 \$4,282,043 in good faith in 2010 to pursue the goals set forth in the Commission’s  
10 rule.

11 SWEPCO collected \$4,521,871 in energy efficiency program revenue through  
12 its 2010 EECRF in 2010, representing an over-recovery of \$239,829, which is the  
13 difference between the total amount of its 2010 energy efficiency program revenue  
14 recovered through its EECRF (\$4,521,871) and its 2010 energy efficiency program  
15 expenditures (\$4,282,043). It, accordingly, requests an adjustment to its 2012 EECRF  
16 of this over-recovered 2010 energy efficiency program cost amount as shown on  
17 Schedule J.

18 G. 2010 Performance Bonus

19 Q. HAS SWEPCO CALCULATED THE PERFORMANCE BONUS IT SEEKS IN  
20 CONNECTION WITH ITS 2010 ENERGY EFFICIENCY PROGRAM  
21 ACHIEVEMENTS?

22 A. Yes. Please refer to Schedule K, which contains the information from Table 12 in  
23 SWEPCO’s 2011 Energy Efficiency Plan and Report (EEPR) filed April 1, 2011, in  
24 Project No. 39105 and details the calculation of the performance bonus SWEPCO



1 seeks to be awarded based upon its 2010 program year energy efficiency results.

2 SWEPCO achieved a 14.748 MW reduction in peak demand from its portfolio  
3 of energy efficiency programs offered in 2010. SWEPCO's demand reduction goal to  
4 be achieved in 2010 was 5.6 MW. SWEPCO's achievement represents 263% of its  
5 2010 goal, qualifying SWEPCO for a performance bonus. All of the calculations and  
6 requirements regarding the utility performance bonus are as outlined in PUC SUBST.  
7 R. 25.181(h).

8  
9 IV. CONCLUSION

10 Q. PLEASE BRIEFLY SUMMARIZE YOUR TESTIMONY.

11 A. The components included by SWEPCO in its requested adjusted EECRF for 2012  
12 have been properly calculated in accordance with the applicable standards and  
13 criteria.

14 1. The energy efficiency costs projected by SWEPCO for its 2012 programs  
15 represent reasonable estimates of the costs necessary to provide energy  
16 efficiency programs for 2012 to meet SWEPCO's energy efficiency objectives  
17 for 2012.

18 2. The energy efficiency costs incurred for the 2010 program were reasonable  
19 and necessary costs to provide energy efficiency programs for 2010.  
20 SWEPCO now requests an adjustment in the 2012 EECRF to include a return  
21 to customers of the over-recovered amounts collected through the 2010  
22 EECRF.

23 3. The performance bonus, which SWEPCO earned in 2010 and now requests be  
24 included in the adjusted EECRF, also comports fully with the applicable  
25 provisions of the Commission's rules.

26 Q. DOES SWEPCO'S APPLICATION MEET ALL OF THE REQUIREMENTS FOR A  
27 UTILITY'S EECRF FILING SET FORTH IN PUC SUBST. R 25.181(f)?

1 A. Yes, SWEPCO's application meets all of the requirements for adjustment to its 2012  
2 EECRF to recover the components described in my direct testimony and supported by  
3 SWEPCO's other witnesses.

4 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

5 A. Yes, it does.