



Control Number: 33884



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April 2, 2007

Theresa Gross  
Electric Division  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
Austin, TX 78701

**RE: Project No. 33884**  
**EGSI Energy Efficiency Report for Calendar Year 2006**

Dear Ms. Gross:

The Energy Efficiency Report for Calendar Year 2006 filed in Project No. 33884 on March 28, 2007 contained an error in the "Program Results" on page 3. In addition, per your request, I have added a page showing the results of Entergy's forecasted program savings and Entergy's actual program savings. Attached is a corrected and amended copy of the report.

Please feel free to contact me if you have any questions concerns.

Sincerely,

Kelley Carson  
Entergy Gulf States, Inc.  
Texas Customer Relations  
281 362-4033

**Entergy Gulf States, Inc.**

**Annual Energy Efficiency Report  
For Calendar Year 2006**

**Amended on April 2, 2007  
Project No. 33884**

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**Entergy Gulf States, Inc.**

**Annual Energy Efficiency Report  
For Calendar Year 2006**

**Amended on April 2, 2007  
Project No. 33884**

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**Entergy Gulf States, Inc.**  
**Annual Energy Efficiency Report**  
**For Calendar Year 2006**

**April 1, 2007**

**I. Summary of Program Year 2006**

This report presents information to comply with PUC Subst. R. §25.181(h)(1) and (4) and PUC Subst. R. §25.183(d) to demonstrate that in 2006, Entergy Gulf States, Inc. (EGSI or the Company) successfully implemented Standard Offer Programs (SOP) and Market Transformation Programs (MTP) to make significant progress towards meeting the goal for energy efficiency established in PURA §39.905.

**Program Expenditures**

In September 2001, EGSI and certain parties reached a settlement in Docket No. 24469 to delay competition in its Southeast Texas service area.

- The settlement included a \$900,000 funding requirement for programs to serve the Hard-to-Reach (HTR) customer class. For the 2006 program year, EGSI expenditures for the HTR SOP, including all administrative costs, were \$904,995.
- The Company provided funding for the TDHCA-administered low-income weatherization program for a full year at 0.12% of 2002 gross revenues. This equates to \$1,279,728. This is an increase in funding from prior year of \$1,004,410. The increase in funding was due to prior agreement with TDHCA.
- EGSI's total expenditures on its 2006 energy efficiency program were \$3,583,139. This includes \$230,508 or 6.64% for administrative costs.

## Program Results

In 2006, EGSI managed four SOPs and two MTPs. EGSI paid \$3,583,139 in incentives to achieve 5.80 MW in peak demand savings and 15,870 MWH annual energy savings.

- In 2006, EGSI offered the Residential and Small Commercial (Res/Com) SOP with all funding as a small projects set-aside. In this program element, qualified project sponsors reserved small blocks of funds and completed work within 45 days. In late 2006, unspent funds from another program that serves the residential and small commercial market (AC Distributor MTP) were transferred into the more active Res/Com SOP.
- The HTR SOP continues to perform well. All project sponsors substantially completed proposed work in the program and in the small projects set-aside.
- The Commercial and Industrial (C&I) SOP paid incentives for a variety of projects, at retail, institutional (hospital, university, or schools), and industrial sites.
- EGSI successfully contracted with one commercial customer to participate in the Load Management SOP. This customer was able to curtail load in a scheduled test.
- Energy Star for New Homes (Energy Star) MTP continues to be EGSI's best performing program. In 2006, EGSI received a performance award from the U.S. EPA Energy Star program. EGSI's Energy Star MTP resulted in 1,037 qualifying homes in its Southeast Texas service area.
- For 2006, EGSI modified the AC Distributor MTP program to focus on Houston-area distributors. The distributors in the area were reluctant to participate in the program due to the lack of a Deemed Savings table. This was due to the change in the minimum efficiency standards from a 10.0 SEER to a 13.0 SEER. When it was apparent that a Deemed Savings table would not be available in 2006, the budget from this program was transferred to the Commercial and Industrial (C&I) SOP.

## II. Actual Growth in Demand

[PUC Subst. R. §25.181(h)(4)(C)]

For 2006, EGSI's actual growth in peak demand was 57 MW. The Company's weather-adjusted growth in peak demand was 195 MW.

## III. Projected Annual Growth & Corresponding Goals for 2007

[PUC Subst. R. §25.181(h)(4)(A) AND (B)]

### PROGRAM YEAR 2007

Energy Efficiency Demand Goal (%)	Energy Efficiency Demand Goal (MW)	Estimated Energy Savings (MWh)	Adjusted 7% to Reflect Line Losses	
			Demand Goal (MW)	Estimated Energy Savings (MWh)
10%	5.61	20,102	5.22	18,695

#### IV. Comparison of Projected Savings to Reported Savings

[PUC Subst. R. §25.181(h)(4)(D) AND (E)]

#### PROGRAM YEAR 2006

Program	Projected Savings		Contracted Savings		Reported Savings	
	kW	kWh	kW	kWh	kW	kWh
<b>Res./Small Com. SOP</b>	<b>651.8</b>	<b>2,284,000</b>	<b>628.2</b>	<b>1,867,440</b>	<b>628.2</b>	<b>1,867,440</b>
Hardin	--	--	--	--	13.7	41,031
Jefferson	--	--	--	--	382.6	956,722
Liberty	--	--	--	--	100.8	178,270
Montgomery	--	--	--	--	196.7	640,405
Orange	--	--	--	--	16.9	36,087
Trinity	--	--	--	--	3.5	10,094
Walker	--	--	--	--	3.0	4,831
<b>Hard-to-Reach SOP</b>	<b>752.0</b>	<b>2,767,000</b>	<b>921.6</b>	<b>2,881,352</b>	<b>921.6</b>	<b>2,881,352</b>
Hardin	--	--	--	--	83.5	288,734
Jefferson	--	--	--	--	635.2	2,035,752
Liberty	--	--	--	--	48.7	127,322
Montgomery	--	--	--	--	142.0	398,287
Orange	--	--	--	--	12.2	31,257
<b>Com./Indl. SOP</b>	<b>1,467.7</b>	<b>6,428,000</b>	<b>1,704.8</b>	<b>8,642,252</b>	<b>1,704.8</b>	<b>8,642,252</b>
Grimes	--	--	--	--	245.4	1,777,530
Hardin	--	--	--	--	170.4	478,803
Harris	--	--	--	--	26.3	153,521
Jefferson	--	--	--	--	715.4	3,770,635
Liberty	--	--	--	--	24.0	158,807
Montgomery	--	--	--	--	613.4	2,378,880
Orange	--	--	--	--	13.0	47,701
<b>Energy Star MTP</b>	<b>1,520.8</b>	<b>5,329,000</b>	<b>2,045.9</b>	<b>2,479,385</b>	<b>2,045.9</b>	<b>2,479,385</b>
Hardin	--	--	--	--	185.2	238,326
Jefferson	--	--	--	--	133.6	190,147
Montgomery	--	--	--	--	1703.4	2,022,135
Orange	--	--	--	--	23.7	28,777
<b>TOTAL this Page</b>	<b>4,392.3</b>	<b>16,808,000</b>	<b>5,300.5</b>	<b>15,870,429</b>	<b>5,300.5</b>	<b>15,870,429</b>

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Program	Projected Savings		Contracted Savings		Reported Savings	
	kW	kWh	kW	kWh	kW	kWh
<b>Total Previous Page</b>	<b>4,392.3</b>	<b>16,808,000</b>	<b>5,300.5</b>	<b>15,870,429</b>	<b>5,300.5</b>	<b>15,870,429</b>
<b>TDHCA</b>	<b>500.0</b>	<b>1,840,000</b>	<b>500.0</b>	<b>1,150,000</b>	<b>500.0</b>	<b>1,150,000</b>
Brazos Valley (Grimes, Madison, Montgomery, Walker)					158.4	364,320
GETCAP (Polk, San Jacinto, Trinity)					28.7	66,010
PHS (Chambers, Hardin, Jefferson, Liberty, Orange)					49.6	114,080
Tri-County (Tyler)					25.1	57,730
<b>TOTAL ALL PROGRAMS</b>	<b>4,892.3</b>	<b>18,648,000</b>	<b>5,800.5</b>	<b>17,020,429</b>	<b>5,800.5</b>	<b>17,020,429</b>

**V. Baseline and Milestones Achieved by Market Transformation Programs**

[PUC Subst. R. §25.181(h)(4)(F)]

EGSI completed a residential air conditioning baseline study in January 2002. EGSI did not offer the AC Distributor program in 2006.

EGSI completed its initial baseline study in 2001. Presently, the EPA is implementing changes to the definition of the baseline or “reference” home. ResNet, the association that sets standards for home energy raters is also implementing changes. Texas had negotiated a delay in the new Energy Star standard until January 2007. EGSI, however, began implementing the new Energy Star standard starting July 1, 2006. EGSI and CenterPoint Energy began a new baseline study together in October of 2006. The baseline study was jointly solicited due to the commonality of many of the builders and by doing so, costs were shared. The new baseline study will be completed in mid-2007 after all EPA Energy Star, ResNet, and EGSI program changes have been in effect for about 12 months.

## VI. Program Funding

[PUC Subst. R. §25.181(h)(4)(G), (H) AND (J)]

### PROGRAM YEAR 2006

<b>Program</b>	<b>Budget</b>	<b>Funds Expended (Incentives)</b>	<b>Funds Expended (Admin.)</b>	<b>Funds Committed (Not Expended)</b>	<b>Funds Remaining (Not Committed)</b>
Res/Small Com SOP	\$359,183	\$323,265	\$35,918	\$0	\$0
Hard-to-Reach SOP	\$900,078	\$810,070	\$90,008	\$0	\$0
Com./Indl. SOP	\$708,912	\$638,021	\$70,891	\$0	\$0
Energy Star MTP	\$335,238	\$301,714	\$33,524	\$0	\$0
TDHCA	\$1,279,728	\$1,168,520	\$167	\$0	\$111,041
<b>TOTAL</b>	<b>\$3,583,139</b>	<b>\$3,241,590</b>	<b>\$230,508</b>	<b>\$0</b>	<b>\$111,041</b>

Percent Admin:

6.64%

## VII. Explanation of a Total Program Cost Increase

[PUC Subst. R. §25.181(h)(4)(I)]

In 2006, EGSI spent a total of \$3,583,139 on its energy efficiency program. This is a 6.8% increase over the \$3,353,898 spent in 2005.

**VIII. Most Current Information Available for Ongoing and Completed Energy Efficiency Programs by Customer Class**

[PUC Subst. R. §25.181(h)(4)(K)]

**PROGRAM YEAR 2006**

<b>Customer Class</b>	<b>Number of Customers</b>	<b>Project Expenditures</b>	<b>Reported Savings</b>	
			<b>kW</b>	<b>kWh</b>
Hard-to-Reach	1,490	\$1,978,590	1,421.6	2,881,352
Residential	852	\$953,166	2,576.1	5,410,913
Small Commercial	28	\$13,362	10.8	85,911
Com./Industrial	32	\$638,021	1,792.0	8,642,253
<b>TOTAL</b>	<b>2,402</b>	<b>\$3,583,139</b>	<b>5,800.5</b>	<b>17,020,429</b>

**IX. Description of Proposed Changes in the Energy Efficiency Plan**

[PUC Subst. R. §25.181(h)(4)(L)]

EGSI will update its Energy Efficiency Plan to reflect the weather-adjusted demand growth in 2006 and projections through 2010.

For 2006, the Company will continue to offer its current portfolio of standard offer programs: Res/Com SOP, HTR SOP, C&I SOP, and the TDHCA low-income weatherization program. EGSI will also offer the Energy Star MTP but will not offer the AC Distributor MTP or Load Management Program. Depending on market response to other offered programs, EGSI may develop a new program to replace the AC Distributor MTP.

## X. Other Information Requested by the PUCT

[PUC Subst. R. §25.181(g)(5)(M)]

### Inspection Results for Standard Offer Programs

Following are inspection results for the Res/Com SOP and HTR SOP offered in 2006.

	Measures Installed	Measures Inspected	Percent Inspected	Percent Failures
Res/Com SOP	1,576	33	2.1%	2.0%
HTR SOP	3,175	345	10.9%	3.0%

EGSI collects site specific information on 100% of its large C&I SOP projects. Any discrepancies at the application or installation reporting stage are corrected by the sponsor before submitting their final savings report and incentive invoice.

### Monthly Demand and Energy Savings for All Energy Efficiency Programs

Following are monthly savings of demand and energy. It should be noted that the information provided by this table are of information reported to Entergy by the Project Sponsor via invoice date, which is not necessarily the date of installation of the energy efficiency measures

Month	kWh	kW
Jan-06	0	0
Feb-06	0	0
Mar-06	264574	209.07
Apr-06	382597	255.35
May-06	785283	412.22
Jun-06	989256	522.42
Jul-06	790476	374.54
Aug-06	1400356	739.2
Sep-06	2006524	683.52
Oct-06	2464668	706.65
Nov-06	1954229	703.59
Dec-06	4832466	1193.94
<b>TOTAL</b>	<b>15,870,429</b>	<b>5800.5</b>

**Comparison of Projected vs. Actual Savings for 2006:**

Program Program	Forecasted Savings		Forecasted Expenditures	Actual Savings		Actual Expenditures
	kW	KWh		kW	kWh	
Res/Sm. Com SOP	651.8	2,284,000	\$ 359,183	628.2	1,867,440	\$ 359,183
Hard To Reach SOP	752	2,767,000	\$ 900,078	921.6	2,881,352	\$ 900,078
Com/Industrial SOP	978.4	4,286,000	\$ 335,238	1704.8	8,642,252	\$ 708,912
Energy Star MTP	1412.1	4,948,000	\$ 472,608	2045.9	2,479,385	\$ 335,238
TDHCA SOP	500.0	1,840,000	\$ 1,279,728	500	1,150,000	\$ 1,279,728
Load Management SOP*	489.2	-	\$ 11,733			\$ -
New Pilot Program*	108.6	381,000	\$ 59,863			\$ -
<b>TOTAL</b>	<b>4892.1</b>	<b>16,506,000</b>	<b>\$ 3,418,431</b>	<b>5800.5</b>	<b>17,020,429</b>	<b>\$ 3,583,139</b>

Note: Both Program Budgets and Goals from the Load Management SOP and the New Pilot Program were transferred to the Com/Industrial SOP in mid 2006