
Entergy Texas, Inc.
2013 Energy Efficiency Plan and Report
Substantive Rule § 25.181 and § 25.183

APRIL 1, 2013

Project No. 41196

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Introduction

Entergy Texas, Inc. (ETI or Entergy) presents this Energy Efficiency Plan and Report (EEPR) to comply with P.U.C. SUBST. R. 25.181 and 25.183, which are the sections of the Energy Efficiency Rule (EE Rule) implementing Public Utility Regulatory Act (PURA) § 39.905. As mandated by this section of PURA, the EE Rule requires that each investor owned electric utility achieve the following minimum goals through market-based standard offer programs (“SOPs”), targeted market transformation programs (“MTPs”) or utility self-delivered programs:

- (e)(1) An electric utility shall administer a portfolio of energy efficiency programs to acquire, at a minimum, the following:
 - (A) The utility shall acquire no less than a 25% reduction of the electric utility’s annual growth in demand of residential and commercial customers for the 2012 program year.
 - (B) Beginning with the 2013 program year, until the trigger described in subparagraph (C) of this paragraph is reached, the utility shall acquire a 30% reduction of its annual growth in demand of residential and commercial customers.
 - (C) If the demand reduction goal to be acquired by a utility under subparagraph (B) of this paragraph is equivalent to at least four-tenths of 1 % its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year, the utility shall meet the energy efficiency goal described in subparagraph (D) of this paragraph for each subsequent program year.
 - (D) Once the trigger described in subparagraph (C) of this paragraph is reached, the utility shall acquire four-tenths of 1% of its summer weather-adjusted peak demand for the combined residential and commercial customers for the previous program year.
 - (E) Except as adjusted in accordance with subsection (w) of this section, a utility’s demand reduction goal in any year shall not be lower than its goal for the prior year, unless the commission establishes a goal for a utility pursuant to paragraph (2) of this subsection.

Energy Efficiency Plan and Report (EEPR) Organization

This EEPR consists of an executive summary, thirteen sections, and one appendix.

- Executive Summary highlights ETI's reported achievements for 2012 and ETI's plans for achieving its 2013 and 2014 projected energy efficiency savings goals.

Energy Efficiency Plan

- Section I describes ETI's program portfolio. It details how each program will be implemented, discusses related informational and outreach activities, and provides an introduction to any programs not included in ETI's previous EEP.
- Section II explains ETI's targeted customer classes, specifying the size of each class and the method for determining those sizes.
- Section III presents ETI's projected energy efficiency savings for the prescribed planning period broken out by program for each customer class.
- Section IV describes ETI's proposed energy efficiency budgets for the prescribed planning period broken out by program for each customer class.

Energy Efficiency Report

- Section V documents ETI's actual weather-adjusted demand savings goals and energy targets for the previous five years (2008-2012).
- Section VI compares ETI's projected energy and demand savings to its reported and verified savings by program for calendar years 2011 & 2012.
- Section VII documents ETI's incentive and administration expenditures for the previous five years (2008-2012) broken out by program for each customer class.
- Section VIII compares ETI's actual program funding for 2012 compared to its 2012 budget broken out by program for each customer class.
- Section IX describes the results from ETI's Market Transformation (MTP) programs.
- Section X details ETI's current EECRF, collection, and future filing.
- Section XI reflects ETI revenue collection through the 2012 EECRF.
- Section XII breaks out the over/under-recovery of energy efficiency program costs.
- Section XIII details ETI's performance incentive calculation.

Appendices

- Appendix A – Reported kW and kWh Savings broken out by county for each program.

Executive Summary

The Energy Efficiency Plan portion of this EEPR details Entergy’s plans to achieve its required reduction in its annual growth in demand of residential and commercial customers by December 31, 2013, December 31, 2014 and each year thereafter.¹ In the process, Entergy will also address the corresponding energy savings goal, which is calculated from its demand savings goal using a 20% capacity factor. The goals, budgets and implementation plans that are included in this EEPR reflect the requirements of the EE Rule and lessons learned regarding energy efficiency service provider and customer participation in the various energy efficiency programs. A summary of annual goals and budgets is presented in Table 1.

Table 1: Summary of Goals, Projected Savings, and Projected Budgets (at Meter)²

Calendar Year	Average Growth in Demand (MW)	Peak Demand (MW)	Goal Metric: 30% Growth (MW)	Goal Metric: 0.4% Peak Demand (MW)	Demand (MW) Goal ³	Energy (GWh) Goal ⁴	Projected (MW) Savings	Projected (GWh) Savings	Projected Budget (000's) ⁵
2013	4.0	2554	1.2	10.2	15.5	27,176	15.5	27,156	\$7,977
2014	-6.6	2654	-1.98	10.6	15.5	27,156	15.5	27,156	\$8,306

¹ Entergy’s 2012 demand and energy goals were prescribed by the parties’ Stipulation and Settlement Agreement in Docket No. 39366, *Application of Entergy Texas Inc. for Authority to Redetermined Rates for the Energy Efficiency Cost Recovery Tariff*. Further, in accordance with the “ratchet” requirements of P.U.C. SUBST. R. 25.181(e)(1)(E), ETI’s 2013 goal cannot be lower than the 2012 goal, and the 2014 goal cannot be lower than the 2013 goal.

² Average Growth in Demand figures are from Table 4; Demand and Energy Savings Goals are pursuant to the “ratchet” requirements of P.U.C. SUBST. R. 25.181(e)(1)(E); Projected Savings are from Table 5; Projected Budgets are from Table 6. All kW/MW and kWh/MWh figures in this Table, and throughout this EEPR, are given “at Meter.”

³ Pursuant to the “ratchet” requirements of P.U.C. SUBST. R. 25.181(e)(1)(E), with limited exceptions, a utility’s demand reduction goal in any year may not be lower than its goal for the prior year.

⁴ Calculated using a 20% capacity factor for both 2013 and 2014.

⁵ Program Year 2014 includes costs for the Evaluation, Measurement, and Verification contractor.

Energy Efficiency Plan

I. 2013 Programs

A. 2013 Program Portfolio

Entergy plans to implement three market transformation and three standard offer programs in 2013. These include: the Texas SCORE /City Smart MTP, the Commercial Solutions MTP, Load Management SOP, Residential SOP, and Hard to Reach SOP. ETI will keep the Energy Star MTP and the Home Performance with Energy Star MTP but will combine them under a new name called “Entergy Solutions Premium Homes MTP”. All of these programs have been structured to comply with approved PUCT rules governing program design and evaluation.

These programs target both broad market segments and specific market sub-segments that offer significant opportunities for cost-effective savings. Entergy anticipates that targeted outreach to a broad range of service provider types will be necessary in order to meet the savings goals required by PURA § 39.905 on a continuing basis.

Table 2 below summarizes the programs and target markets.

Table 2: 2013 Energy Efficiency Program Portfolio

Program	Target Market	Application
Commercial Solutions MTP	Commercial	Retrofit; New Construction
SCORE/City Smart MTP	Schools, Government	Retrofit; New Construction
Load Management SOP	Commercial	Load Management
Residential SOP	Residential	Retrofit; New Construction
Hard-to-Reach SOP	Residential Income Qualified	Retrofit
ENTERGY SOLUTIONS Premium Homes MTP	Residential	New; Retrofit

The programs listed in Table 2 are described in further detail below. ETI maintains a website containing links to the program manuals, all of the requirements for project participation, the forms required for project submission, and the current available funding at www.energytexas.com/savemoney.com. This website will be the primary method of communication used to provide potential Project Sponsors with program updates and information.

B. Existing Programs

1. Residential Standard Offer Program (RES SOP)

a) Program Design

The RES SOP for 2013 targets residential customers. Incentives are paid to Project Sponsors for certain eligible measures installed in retrofit applications, which result in verifiable demand and energy savings. Project Sponsors are encouraged to install comprehensive measures in their projects. Deemed savings are accepted and widely used by Project Sponsors as measurable and verifiable savings for projects submitted in this program.

b) Implementation Process

Entergy will continue implementation of its RES SOP whereby any eligible project sponsor may submit an application for a project meeting the minimum requirements. The program information on Entergy's website is updated frequently to reflect participating Project Sponsors and incentive amounts that are available. In 2013, the number of contracts offered will be eight, allowing for better administrative control and visibility of Project Sponsors all year. By decreasing the number of Project Sponsors, the amount of money allocated to each Project Sponsors will increase in order to improve the likelihood that there will be Project Sponsors working in Entergy's service territory all year, rather than risk the possibility of running out mid-year.

c) Outreach Activities

Entergy markets the availability of its programs in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed;
- Maintains internet Web site with detailed project eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.
- ETI began promoting the awareness of its energy efficiency programs by rolling out some new program promotions through its website, social media, email blasts, radio promotions, and print media.

2. Hard To Reach Standard Offer Program (HTR SOP)

a) Program design

The HTR SOP targets low income customers with an income at or below 200% of the federal poverty level. Incentives are paid to Project Sponsors for certain measures installed in retrofit applications, which provide verifiable demand and energy savings.

b) Implementation Process

Entergy will continue implementation of its HTR SOP whereby any eligible Project Sponsor may submit an application for a project meeting the minimum requirements. The program information on Entergy's website is updated frequently to reflect participating Project Sponsors and incentive amounts that are available. In 2013, the number of contracts offered will be eight, allowing for better administrative control. By decreasing the number of Project Sponsors, the amount of money allocated to each Project Sponsor will increase in order to improve the likelihood that there will be Project Sponsors working in Entergy's service territory all year, rather than risk the possibility of running out of available funds by mid-year.

c) Outreach Activities

Entergy markets the availability of its programs in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed;
- Maintains internet Web site with detailed project eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.
- ETI began promoting the awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

3. Commercial Solutions MTP (COM SOL MTP)

a) Program design

The COM SOL MTP targets commercial customers. Incentives are paid to Project Sponsors for certain measures installed in new or retrofit applications, which provide verifiable demand and energy savings.

b) Implementation process

Entergy will continue implementation of its COM SOL MTP whereby any eligible Project Sponsor may submit an application for a project meeting the minimum requirements. The program information on Entergy's website is updated frequently to reflect participating Project Sponsors and incentive amounts that are available.

c) Outreach Activities

Entergy markets the availability of its programs in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential project sponsors interested and informed;

- Maintains internet Web site with detailed project eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Participates in state-wide outreach activities as may be available;
- Conducts workshops and webinars as necessary to explain elements such as responsibilities of the Project Sponsor, project requirements, incentive information, and the application and reporting process.
- ETI began promoting the awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

4. Energy Smart Schools and City Smart Programs (Texas SCORE)

a) Program Design

ETI has chosen to offer Energy Smart Schools (referred to as Texas SCORE) and City Smart Programs in its service territory. Entergy recognizes that public school districts in Texas are experiencing the burden of high energy costs now more than ever. While energy costs have historically accounted for only about 3% of Texas school districts' total budgets, those costs have now soared into the 5 to 6% range. The same is true for city and county buildings. Further, a majority of school districts and city and county governments lack the technical knowledge, first-hand experience, and management decision-making processes that are necessary for identifying, prioritizing, and completing projects that will improve their schools' energy performance and reduce operating costs. Cash incentives as well as technical expertise are offered to participating customers who install eligible measures in either a new or retrofit project.

b) Implementation Process

With this program, Entergy has targeted its public school districts and local, state, and federal governments for participation in the program. The program facilitates the identification of potential demand and energy savings opportunities, general operating characteristics, long range energy efficiency planning, and overall measure and program acceptance by the targeted customer participants.

c) Outreach Activities

Entergy markets the availability of the program in the following manner:

- Contracts with a third-party to implement outreach and planning activities;
- Targets a number of customer participants;
- Conducts workshops and webinars to explain virtues of the program and necessary information to begin or continue participation;
- Participates in regional or area outreach; and
- Attends appropriate industry-related meetings to generate awareness and interest.

- ETI began promoting the awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

5. Load Management Standard Offer Program (LM SOP)

a) Program Design

Entergy will implement the LM SOP under the approved PUCT template. The LM SOP will provide demand reduction solutions to a select group of customers. The calendar year 2013 Incentives will be paid to customers served by Entergy for certain measures installed in retrofit applications, which provide verifiable demand savings.

b) Implementation Process

Under the program, Entergy will initially target several select customers for participation in the LM SOP. This program will facilitate the examination of actual demand savings, operating characteristics, program design, long range planning, and overall measure and program acceptance by the targeted customers.

c) Outreach Activities

Entergy will target the availability of its programs in the following manner:

- Contracts with a third-party project sponsor to implement outreach activities.
- Targets several large commercial customers during the program.
- Conducts workshops to explain elements such as responsibilities of the customers, project requirements, incentive information, and the application and reporting process.
- ETI began promoting the awareness of its energy efficiency programs by rolling out new program promotions through its website, social media, email blasts, radio promotions, and print media.

6. Entergy Solutions Premium Homes Market Transformation Program (ENERGY SOL MTP)

a) Program Design

The ENTERGY SOLUTIONS PREMIUM HOMES MTP combines the attributes of the Energy Star Homes new construction program with the attributes of the Energy Star Home Performance retrofit program. The combining of the program is logical because both programs are driven predominantly by Home Energy Rating Services (HERS). The HERS raters provide professional assessments on new and existing homes to bring them up to Energy Star standards. Incentives are paid to builders for installing certain measures in new construction applications, which provide verifiable demand and energy savings. For the retrofit application, incentives can be paid to either the contractor that installed the energy efficient measures or the end use customer.

b) Implementation Process

Entergy will implement its ENTERGY SOLUTIONS PREMIUM HOMES MTP whereby any eligible builder or contractor may submit an application for a home to participate in the program. The program information on Entergy's website is updated frequently to reflect participating builders, contractors and incentive amounts that are available.

c) Outreach Activities

Entergy markets the availability of its programs in the following manner:

- Utilizes mass electronic mail (e-mail) notifications to keep potential builders interested and informed;
- Maintains internet Web site with detailed builder eligibility, end-use measures, incentives, procedures and application forms;
- Attends appropriate industry-related meetings to generate awareness and interest;
- Participates in state-wide outreach activities as may be available;
- Conducts workshops as necessary to explain elements such as responsibilities of the project sponsor, project requirements, incentive information, and the application and reporting process.
- ETI began promoting the awareness of its energy efficiency programs by rolling out some program promotions through its website, social media, email blasts, radio promotions, and print media.

C. New Programs for 2014

No new programs are planned for 2014.

II. Customer Classes

Table 3: Summary of Customer Classes

Customer Class	Number of Customers
Commercial	52,447
Residential	364,997
Hard to Reach⁶	118,624

⁶ According to the U.S. Census Bureau's 2010 Current Population Survey (CPS), 32.5% of Texas families fall below 200% of the federal poverty threshold.

III. Projected Energy Efficiency Savings and Goals

As prescribed by Substantive Rule § 25.181, a utility’s demand goal is specified as a percent of its historical five-year average growth in demand. As an example, the December 31, 2013 goal is based on the average annual growth in peak demand from 2008 to 2012. The demand goal for 2013 is based on meeting 30% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2013. The demand goal for 2014 is based on meeting 30% of the electric utility's annual growth in demand of residential and commercial customers by December 31, 2014. The corresponding energy savings goals are determined by applying a 20% capacity factor to the applicable demand goals for 2013 and 2014. However, in the Stipulation and Settlement Agreement, in Entergy’s 2011 EECRF case, Docket No. 39366, Entergy agreed with the other parties to specific demand and energy goals for 2012 of 15.5 mW and 27,156 mWh. Further, in accordance with the “ratchet requirements” of the Commission’s Energy Efficiency Rule, ETI’s 2013 demand goal cannot be lower than the 2012 goal, and similarly the 2014 goal cannot be lower than the 2013 goal.

Table 4 presents historical annual growth in demand for the previous five years that is used to calculate demand and energy goals. Table 5 presents the projected demand and energy savings broken out by program for customer class for 2013 and 2014.

Table 4: Annual Growth in Demand and Energy Consumption (at Meter)

Calendar Year	Peak Demand (MW)				Energy Consumption (GWh)				Growth (MW)	Average Growth (MW)[1]
	Total System		Residential & Commercial		Total System		Residential & Commercial			
	Actual	Weather Adjusted	Actual	Weather Adjusted	Actual	Weather Adjusted	Actual	Weather Adjusted	Weather Adjusted	Weather Adjusted
2008	3,192	3,224	2,567	2,617	15,625	15,265	9,688	9,759	30	NA
2009	3,247	3,160	2,534	2,414	15,377	15,377	9,578	9,541	-203	NA
2010	3,621	3,716	2,642	2,704	15,625	15,865	10,116	10,233	290	NA
2011	3,440	2,787	2,787	2,592	15,233	15,233	10,429	10,374	-112	NA
2012	3,398	3,367	2,611	2,554	15,186	15,023	10,333	10,241	-38	NA
2013	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.0
2014	NA	NA	NA	NA	NA	NA	NA	NA	NA	-6.6

[1] “Average growth” in demand over the prior 5 years is “NA” - Not Applicable - to any of the calculations or forecasts in this EEPR.

Table 5: Projected Demand and Energy Savings Broken Out by Program for Each Customer Class (at Meter)

Program Year 2013

Commercial	kW	kWh
Commercial Solutions (MTP)	1800	7,533,000
Load Management (SOP)	6710	40,000
Texas (SCORE) / City Smart (MTP)	1950	7,579,000
Commercial Total:	10,460	15,152,000
Residential	kW YTD	kWh YTD
Residential (SOP)	2240	6,371,000
Entergy Solutions Premium Home (MTP)	1700	1,946,000
Residential Total:	3,940	8,317,000
Hard-to-Reach	kW YTD	kWh YTD
Hard-to-Reach (SOP)	1100	3,687,000
Hard-to-Reach Total:	1,100	3,687,000
Total Annual Savings Goals:	15,500.00	27,156,000

Program Year 2014

Commercial	kW	kWh
Commercial Solutions (MTP)	1800	7,533,000
Load Management (SOP)	6710	40,000
Texas (SCORE) /City Smart (MTP)	1950	7,579,000
Commercial Total:	10,460	15,152,000
Residential	kW YTD	kWh YTD
Residential (SOP)	2240	6,371,000
Entergy Solutions Premium Home (MTP)	1700	1,946,000
Residential Total:	3,940	8,317,000
Hard-to-Reach	kW YTD	kWh YTD
Hard-to-Reach (SOP)	1100	3,687,000
Hard-to-Reach Total:	1,100	3,687,000
Total Annual Savings Goals:	15,500.00	27,156,000

IV. Program Budgets

Table 6: Proposed Annual Budget Broken Out by Program for Each Customer Class

Program Year 2013

Commercial	Incentives	Admin	Budget
Commercial Solutions (MTP)	\$ 1,143,754	\$ 150,000	\$ 1,343,754
Load Management (SOP)	\$ 328,400	\$ 30,000	\$ 358,400
Texas (SCORE) / City Smart (MTP)	\$ 1,243,753	\$ 150,000	\$ 1,343,753
Commercial Total:	\$ 2,715,907	\$ 330,000	\$ 3,045,907
Residential			
Residential (SOP)	\$ 2,196,753	\$ 145,000	\$ 2,341,793
Entergy Solutions Premium Home (MTP)	\$ 1,060,040	\$ 105,000	\$ 1,165,000
Residential Total:	\$ 3,256,793	\$ 250,000	\$ 3,506,793
Hard-to-Reach			
Hard-to-Reach (SOP)	\$ 1,324,200	\$ 100,000	\$ 1,424,200
Hard-to-Reach Total:	\$ 1,324,200	\$ 100,000	\$ 1,424,200
Total Annual Savings Goals:	\$ 7,296,900	\$ 680,000	\$ 7,976,900

Program Year 2014

Commercial	Incentives	Admin	Budget
Commercial Solutions (MTP)	\$ 1,143,754	\$ 150,000	\$ 1,343,754
Load Management (SOP)	\$ 328,400	\$ 30,000	\$ 358,400
Texas (SCORE) / City Smart (MTP)	\$ 1,243,753	\$ 150,000	\$ 1,343,753
Commercial Total:	\$ 2,715,907	\$ 330,000	\$ 3,045,907
Residential			
Residential (SOP)	\$ 2,196,753	\$ 145,000	\$ 2,341,793
Entergy Solutions Premium Home (MTP)	\$ 1,060,040	\$ 105,000	\$ 1,165,000
Residential Total:	\$ 3,256,793	\$ 250,000	\$ 3,506,793
Hard-to-Reach			
Hard-to-Reach (SOP)	\$ 1,324,200	\$ 100,000	\$ 1,424,200
Hard-to-Reach Total:	\$ 1,324,200	\$ 100,000	\$ 1,424,200
Evaluation, Measurement, and Verification			
EM&V Total			\$ 328,734
Total Annual Savings Goals:	\$ 7,296,900	\$ 680,000	\$ 8,305,634

Energy Efficiency Report

V. Historical Demand Savings Goals and Energy Targets for Previous Five Years

Table 7 documents ETI's demand and energy reduction goals for the previous five years (2008-2012) calculated in accordance with Substantive Rule 25.181 and actual demand reduction and energy savings achieved.

Table 7: Historical Demand and Energy Savings Goals and Achievements (at the Meter)

Calendar Year	Actual Weather Adjusted Demand Goal (MW)	Actual Weather Adjusted Energy Goal (MWh)	Actual Demand Reduction (MW)	Actual Energy Savings (MWh)
2012 ⁷	15.5	27,156	17.50	33,696
2011 ⁸	13.52	23,687	16.2	22,235
2010 ⁹	-6.20	-10,862	13.2	31,438
2009 ¹⁰	8.62	15,102	13.66	33,970
2008 ¹¹	3.52	6,167	5.53	13,361

⁷ 2012 information taken from current EEPR.

⁸ 2011 information taken from EEPR Project No. 40194.

⁹ 2010 information taken from EEPR Project No. 39366.

¹⁰ 2009 information taken from EEPR Project No. 38212.

¹¹ 2008 information taken from EEPR Project No. 36956.

VI. Projected, Reported and Verified Demand and Energy Savings

Table 8: Projected versus Reported and Verified Savings for 2012 and 2011 (at Meter)

2012	Projected Savings		Reported and Verified Savings	
	MW	MWh	MW	MWh
Customer Class and Program				
Commercial	10.5	7,579	10	15,983
Commercial Solutions MTP	1.8	7,533	1.7	7,866
Load Management SOP	6.7	40	5.5	-
SCORE/City Smart MTP	2.0	7,579	2.8	8,117
Residential	3.9	8,317	5.8	13,618
Residential SOP	2.2	6,371	4.8	11,043
ENERGY STAR Homes MTP	1.6	1,546	0.7	1,783
Home Performance with ENERGY STAR MTP	0.1	400	0.3	792
Hard-to-Reach	1.1	3,687	1.8	4,095
Hard-to-Reach SOP	1.1	3,687	1.8	4,095
Total Annual Goals	15.5	27,156	17.5	33,696
2011	Projected Savings		Reported and Verified Savings	
	MW	MWh	MW	MWh
Customer Class and Program				
Commercial	6.2	11,774	11.1	10,366
Commercial Solutions MTP	1.3	6,200	1.3	3,034
Load Management SOP	3	-	6.6	-
SCORE/City Smart MTP	1.9	5,574	3.2	7,332
Residential	4.4	6,250	3.9	8,820
Residential SOP	2.2	4,200	2.7	6,257
ENERGY STAR Homes MTP	2	1,600	0.9	2,187
Solar PV MTP	0.1	150	0.2	367
Home Performance with ENERGY STAR MTP	0.1	300	0.1	9
Hard-to-Reach	1.8	3,700	1.2	3,049
Hard-to-Reach SOP	1.8	3,700	1.2	3,049
Total Annual Goals	12.4	21,724	16.2	22,235

VII. Historical Program Expenditures

This section documents ETI's incentive and administration expenditures for the previous five years (2008-2012) broken out by program for each customer class.

Table 9: Historical Program Incentive and Administrative Expenditures for 2008 through 2012 (in 000's)

2008 through 2012	2012		2011		2010		2009		2008	
	Incent	Admin	Incent	Admin	Incent	Admin	Incent	Admin	Incent	Admin
Commercial	2621	280	2201	171	2345	240	2012	118	470	64
Large Commercial MTP	1039	133	783	83	1093	95	1079	68	93	16
Load Management SOP	248	30	253	15	134	53	85	10	47	12
SCORE MTP	1334	117	1165	73	1118	92	848	40	330	36
Residential	3219	313	2682	226	2661	286	2624	85	952	104
Residential & Small Commercial	2192	165	1529	105	1439	100	1694	40	448	49
Energy Star® Homes MTP	696	89	582	62	431	78	457	25	256	27
Home Performance with Energy Star® MTP	331	59	NA	NA	NA	NA	NA	NA	NA	NA
Solar Photovoltaic MTP	NA	NA	521	29	454	72	93	10	NA	NA
Statewide CFL Pilot MTP	NA	NA	50	30	337	36	380	10	248	28
Hard-to-Reach	1384	120	1208	104	1401	99	2072	79	823	50
Hard-to-Reach SOP	1384	120	1208	104	1401	99	2072	79	823	50
Low Income Weatherization SOP	NA	NA	NA	NA	N/A	N/A	875	5	341	34
Total Expenditures	7224	713	6091	501	6407	625	6708	282	2245	218

VIII. Program Funding for Calendar Year 2012

Table 10: Program Funding for Calendar Year 2012

2012	Total Projected Budget	Number of Customers Participating	Actual Funds Expended (Incentives)	Actual Funds Expended (Admin)	Total Funds Expended	Funds Committed (Not Expended)	Funds Remaining (Not Committed)
Commercial	\$3,045,907	114	\$2,620,464	\$279,915	\$2,900,379	\$146,528	\$0
Commercial Solutions MTP	\$1,343,754	65	\$1,038,410	\$133,264	\$1,171,674	\$172,080	\$0
Load Management MTP	\$359,400	9	\$248,211	\$29,835	\$278,046	\$81,354	\$0
Score MTP	\$1,343,753	40	\$1,333,843	\$116,816	\$1,450,659	(\$106,906)	\$0
Residential	\$3,506,793	5847	\$3,219,283	\$312,642	\$3,531,925	(\$134,680)	\$109,548
Residential SOP	\$2,341,793	4631	\$2,191,933	\$164,742	\$2,356,675	(\$14,882)	\$0
Energy Star® Homes MTP	\$665,000	965	\$696,029	\$88,769	\$784,798	(\$119,798)	\$0
Home Performance w/ Energy Star MTP	\$500,000	251	\$331,321	\$59,131	\$390,452	\$0	\$109,548
Hard-to-Reach	\$1,424,200	1711	\$1,384,238	\$119,787	\$1,504,025	(\$79,825)	\$0
Hard-to-Reach SOP	\$1,424,200	1711	\$1,384,238	\$119,787	\$1,504,025	\$0	\$0
Total Expenditures	7,976,900	7,672	7,223,985	712,344	7,936,329	(\$67,977)	\$109,548

IX. Market Transformation Program Results

Commercial Solutions MTP

The primary objective of changing from a SOP (as has been implemented in the past) to an MTP was to devote more resources, especially man-power, to the program. Entergy was experiencing significant dropout numbers from Project Sponsors who secured the SOP offerings but failed to either start or complete their projects before their milestone dates, causing them to lose project funding. Entergy hired CLEAResult Consulting as Implementer for the Commercial Solutions Program. CLEAResult was able to devote the necessary resources to recruit new customers to the program and effectively manage the various projects. In addition, CLEAResult was able to add a significant amount of technical expertise to customers who were unsure of some of the new technologies, especially in lighting and HVAC. Many of the smaller commercial customers, less than 100 kW of demand usage, started to participate in the program, where they had not

participated in the past. As a result, 66 different commercial customers participated in the program and achieved 1.7 mW of demand savings and 7.9 mWh of energy savings.

Schools Concerned with Reducing Energy (SCORE/City Smart) MTP

In 2012, Entergy had great success with the SCORE/City Smart MTP. School districts and governmental entities targeted by the program had great success in reducing their demand and energy consumption. Program participants are touting the value of the program and recommending participation to others. In 2012, Entergy saved 2.8 mW and 7.6 mWh through the program. Many projects that were scheduled for several years down the road are now being moved up to be completed earlier due to ‘Energy Efficiency Business Plan’ that is part of the program. Due to this, the program is on track to be very successful for several years to come.

Energy Star® Homes MTP

The primary objective of this program is to achieve peak demand reductions and/or energy savings through increased sales of Energy Star® homes and products. Additionally, the program is designed to condition the market so that consumers are aware of and demand Energy Star® homes and products and builders have the technical capacity to supply them.

The economic recession played a major impact the Energy Star® Homes Program in 2013. For several years, builders were having trouble securing lines of credit to build additional homes and customers were having trouble getting mortgages for similar reasons. Also, the enforcement of the International Energy Conservation Code (IECC) 2009 by local code officials and the roll out of Energy Star version 3 resulted in the reluctance of many builders to continue their participation the Energy Star program. With much effort, the result was that more homes were certified in 2013 as in 2012, but with a dramatic reduction in savings per home. With the addition of an aggressive marketing push, ETI was able to attract 26 builders and had 933 homes completed. The savings was .655mW and 178.3 mWh. ICF International has been retained in the same capacity as Program Implementer for 2013. In 2013, the Energy Star Homes MTP will be combined with the Home Performance with Energy Star MTP and become the Entergy Solutions Premium Home MTP.

In addition, ETI received a “Partner of the Year” award from the Environmental Protection Agency for its Energy Star Homes MTP.

Home Performance with Energy Star (HPwES) MTP.

In 2012, Entergy rolled out the Home Performance with Energy Star MTP with much anticipation for a banner year. Entergy Texas was experiencing a large number of inquiries from customers who wanted to update their existing homes to become Energy Star compliant. Many had disposable income necessary to improve their home’s efficiency to the 2009 International Energy Conservation Code (IECC), but did not know where to begin. The HPwES provides them with a roadmap to achieve that level of efficiency. The home is first analyzed by a certified Home Energy Rating System (HERS) company and then provides the customer a hierarchy of energy efficient measures that can be installed in the home from most to least cost effective. Entergy provides an incentive to the customer should they decide to install at least three of those measures. Six contractors were recruited to participate in the program along with several Home Energy

Rating Services companies to provide the initial analysis. The program ran into a large hurdle with the onset of the long, hot weather and the drought in Texas. Most of the contractors were air conditioning firms and were overly burdened with service work from the overtaxed air conditioning units. The program was put on the back burner until the contractors could catch up. The program did deliver 321 kW and 790,000 kWh and has gained a tremendous amount of momentum going into 2013, where it will be combined with the Energy Star Homes program and become the Entergy Solutions Premium Home MTP.

X. Current Energy Efficiency Cost Recovery Factor (EECRF)

ETI applied for its Energy Efficiency Cost Recovery Factor (EECRF) rate schedule on May 1, 2012. The EECRF was approved for \$7,918,219 and ETI began implementation of the rider on January 1, 2013

XI. Revenue Collected through EECRF (2012)

ETI has billed out \$8,396,748 as of December 31, 2012 under the EECRF.

XII. Over/Under-recovery of Energy Efficiency Program Costs

Entergy was approved to collect \$8,577,113 through the EECRF for 2012. Entergy collected \$8,396,748 from its customers in 2012. As a result, Entergy under-recovered \$180,365 that will be collected from Entergy's customers when it files its next Energy Efficiency Cost Recovery Factor on May 1, 2013.

XIII. Performance Incentive Calculation

In 2012, ETI's total spending on energy efficiency programs was \$7,936,329.

Under SUBST. R. 25.181, the calculation of the performance incentive is the lesser of:

Percentage of net benefits
Or
20% of program costs

Because ETI exceeded the 2012 goal by 12.92% for kW and 24.08% for kWh savings, ETI will request a performance incentive of \$1,528,626 as part of the 2013 EECRF filing.

Table 11: Performance Incentive Calculation

	kW	kWh
Demand and Energy Goals	15,500	27,156,000
Demand and Energy Savings	17,503	33,696,184
<i>Reported/Verified Total (including HTR, measures with 10yr EUL, and measures with EULs < or > 10 years)</i>	17,503	33,696,184
<i>Reported/Verified Hard-to- Reach</i>	1,759	11.00%
Avoided Cost		
<i>per kW</i>		\$80
<i>per kWh</i>		\$0.64
<i>Inflation Rate</i>		2.00%
<i>Discount Rate</i>		8.27%
<i>PV (Avd Capacity Cost)</i>		\$584.75
<i>PV (Avd Energy Cost)</i>		\$0.47
Total Avoided Cost		\$31,595,322
2012 Program Costs		\$7,936,329
Net Benefits		\$23,658,993
Performance Incentive		\$1,528,626

Acronyms

C&I	Commercial and Industrial
CCET	Center for the Commercialization of Electric Technologies
DR	Demand Response
DSM	Demand Side Management
EEP	Energy Efficiency Plan, which was filed as a separate document prior to April 2009
EEPR	Energy Efficiency Plan and Report
EER	Energy Efficiency Report, which was filed as a separate document prior to April 2009
EE Rule	Energy Efficiency Rule, PUCT Substantive Rules § 25.181 and § 25.183
ERCOT	Electric Reliability Council of Texas
HTR	Hard-To-Reach
M&V	Measurement and Verification
MTP	Market Transformation Program
PUCT	Public Utility Commission of Texas
REP	Retail Electrical Provider
RES	Residential
SCORE	Schools Conserving Resources
SOP	Standard Offer Program

Appendix

APPENDIX A: REPORTED DEMAND AND ENERGY REDUCTION BY COUNTY 2012

Home Performance w/ Energy Star MTP			
Counties	# of Customers	Savings kW	Savings kWh
Hardin	18	11.84	44,134
Jefferson	61	100.13	207,326
Montgomery	72	108.78	189,907
Orange	100	100.6	350,757
Total	251	321.35	792,124

SCORE/City Smart MTP			
Counties	# of Customers	Savings kW	Savings kWh
Chambers	1	35.66	89,257
Grimes	1	14.52	61,519
Hardin	2	109.84	296,020
Jefferson	13	1390.87	3,139,609
Liberty	2	36.81	78,023
Madison	1	28	46,482
Montgomery	6	301.73	1,116,180
Orange	2	45.51	164,836
Tyler	2	18.08	10,056
Walker	10	820.77	3,114,881
Total	40	2801.79	8,116,863

Commercial Solutions MTP			
Counties	# of Customers	Savings kW	Savings kWh
Hardin	1	11.18	45,150
Jefferson	23	547.86	2,613,171
Liberty	2	19.1	83,264
Montgomery	31	977.29	4,485,020
Orange	6	100.27	526,545
Walker	2	27.62	113,267
Total	65	1683.32	7,866,417

Load Management SOP			
Counties	# of Customers	Savings kW	Savings kWh
Jefferson	4	4952.1	0
Montgomery	3	117.6	0
Hardin	1	290.7	0
Walker	1	143.6	0
Total	9	5504	0

Residential SOP			
Counties	# of Customers	Savings kW	Savings kWh
Brazos	10	10.17	21,316
Chambers	26	21.34	62,798
Grimes	9	15.29	54,558
Hardin	427	474.18	1,532,775
Harris	1	1.87	2,342
Jefferson	2926	3036.68	6,294,066
Liberty	9	6.44	16,239
Madison	1	1.44	1,285
Montgomery	265	274.96	477,777
Orange	936	912.59	2,517,425
San Jacinto	1	0.57	2,505
Tyler	11	10.45	33,235
Walker	9	12.59	26,215
Total	4631	4778.57	11,042,536

Energy Star MTP			
Counties	# of Customers	Savings kW	Savings kWh
Brazos	7	10.13	19,662
Burleson	1	0.44	720
Chambers	4	6.27	17,342
Galveston	1	0.13	417
Grimes	3	2.31	5,181
Hardin	5	8.74	22,553
Harris	47	48.31	132,236
Jefferson	27	13.52	33,562
Leon	3	1.48	3,715
Liberty	8	4.04	10,766
Madison	4	2.28	4,796
Milam	1	0.8	2,249
Montgomery	845	551.06	1,514,742
Orange	5	3.3	10,763
Tyler	1	0.81	2400
Walker	2	0.76	1241
Washington	1	0.62	891
Total	965	655	1,783,236

Hard to Reach SOP			
Counties	# of Customers	Savings kW	Savings kWh
Brazos	9	7.9	15,731
Chambers	9	8.03	19,767
Grimes	21	29.49	106,438
Hardin	204	191.76	620,449
Harris	1	0.4	1,880
Jasper	4	3.65	4,643
Jefferson	1027	1076.87	2,182,737
Liberty	3	4.05	7,365
Montgomery	180	180.84	509,590
Orange	235	238.85	586,922
Trinity	2	4.51	4,456
Tyler	9	7.28	23,897
Walker	7	5.68	11,132
Total	1711	1759.31	4,095,008