

AUSTIN ENERGY'S TARIFF PACKAGE:  
2015 COST OF SERVICE STUDY  
AND PROPOSAL TO CHANGE BASE  
ELECTRIC RATES

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BEFORE THE CITY OF AUSTIN  
IMPARTIAL HEARING EXAMINER

**INDEPENDENT CONSUMER ADVOCATE'S RESPONSE TO  
NXP/SAMSUNG'S FIRST AND SECOND REQUESTS FOR INFORMATION**

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Pursuant to § 7.3(c)(1) of the Procedural Rules for the Initial Review of Austin Energy's Rates, the Independent Consumer Advocate ("ICA") hereby timely responds to NXP/Samsung's First and Second Requests for Information (both of which were filed on May 6, 2016):

Respectfully submitted,



John B. Coffman  
Independent Consumer Advocate

Submitted this date: May 11, 2016

AUSTIN ENERGY  
2016 MAY 11 PM 12:43

**CERTIFICATE OF SERVICE**

This filing has been served upon all of the email addresses contained on the official Service List for this proceeding as found on the website for the Office of the City Clerk's website on this 11<sup>th</sup> day of May, 2016.



NXP/Samsung RFI **1-1** to the ICA: Please provide all workpapers and supporting documents and any material relied upon and/or employed by Mr. Johnson in his Direct Testimony.

ICA Answer: Please see ICA workpapers provided in response to Austin Energy Request 1-1 to ICA.

Sponsored by: Clarence Johnson

NXP/Samsung RFI **1-2** to the ICA: Please provide the DOE generation cost assessment referenced in footnote 42, on page 43 of Mr. Johnson's Direct Testimony.

ICA Answer: The DOE table is provided at page 28 of ICA workpapers provided in response to Austin Energy Request 1-1 to ICA.

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NXP/Samsung RFI **1-3** to the ICA: Please provide a copy of the material referenced in footnote 55, on page 58 of Mr. Johnson's Direct Testimony.

ICA Answer: Please see page 23-24 of ICA workpapers provided in response to Austin Energy Request 1-1 to ICA.

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NXP/Samsung RFI **1-4** to the ICA: Please provide a copy of the material referenced in footnote 56, on page 58 of Mr. Johnson's Direct Testimony.

ICA Answer: The referenced Regulatory Assistance Project study prepared for NARUC can be downloaded from the following web address:

<http://pubs.naruc.org/pub/536F0210-2354-D714-51CF-037E9E00A724>

NXP/Samsung RFI **2-1** to the ICA: On page 66, line 12, Mr. Johnson states, “[m]eter reading expense obviously is associated with meter investment.” Please provide any and all materials, workpapers, studies, documents, and references Mr. Johnson relied upon to make this statement.

ICA Answer: The cited statement refers to the fact that meter reading expense is associated with the principal cost object, meters. Meter reading exists in order to implement the meter function, and therefore should follow the allocation of meter investment. In Mr. Johnson’s experience, electric utilities frequently allocate meter reading expense on the weighted meter allocation factor. The attached schedule and workpaper from Oncor’s Docket No. 38329 class cost of service study provides an example.

Sponsored by: Clarence Johnson

**PUC DOCKET NO. 38929  
ONCOR ELECTRIC DELIVERY COMPANY  
CLASS ALLOCATION FACTORS  
FOR THE TEST YEAR ENDING JUNE 30, 2010**

**SPONSOR: J. M. SHERBURNE**

**WORKPAPER - METER WEIGHTING**

(a)		(b)	(c)	(d)	(e)	(f)	(g)
Line	Rate Class	Meter Investment	Meter Count	Investment per Meter	Annual Bills (II-H-4.1)	Investment x Bills	Weight Factor
1	Residential	\$ 120,943,107	1,312,545	\$ 92.14	32,231,196	\$ 2,969,910,353	0.513860
2	Secondary LE 10 kW	\$ 25,388,120	118,058	\$ 215.05	2,623,272	\$ 564,129,018	0.097607
3	Secondary GT 10 kW	\$ 109,853,274	124,000	\$ 885.91	2,154,756	\$ 1,908,927,433	0.330286
4	Primary LE 10 kW	\$ 822,312	1,585	\$ 518.81	23,088	\$ 11,978,261	0.002073
5	Primary GT 10 kW DLS	\$ 21,719,231	3,690	\$ 5,885.97	48,420	\$ 284,998,683	0.049311
6	Primary Substation	\$ 739,306	83	\$ 8,907.30	792	\$ 7,054,579	0.001221
7	Transmission	\$ 2,343,072	264	\$ 8,875.27	2,088	\$ 18,531,570	0.003206
8	Lighting	\$ 292,089	611	\$ 478.05	11,940	\$ 5,707,931	0.000988
9	Wholesale XFMR	\$ 222,682	25	\$ 8,907.30	204	\$ 1,817,089	0.000314
10	Wholesale DLS	<u>\$ 815,961</u>	<u>100</u>	\$ 8,159.61	<u>804</u>	<u>\$ 6,560,327</u>	<u>0.001135</u>
11	Total	\$ 283,139,154	1,560,961		37,096,560	\$ 5,779,615,245	1.000000

PUC Docket No. 38329  
II-I-Meter

Customer and Sales Expenses	Source	MET	Alloc #	Allocation Factor	Residential	Secondary ≤10 kW	Secondary > 10 kW	Primary ≤10 kW	Primary > 10 kW	Primary Substation	Transmissi	Lighting	Wholesale XFMR	Wholesale DLS	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Customer Accounting Expenses	II-D-1														
Supervision		28056.22		73 CUS ACCT	14417	2738	9267	58	1383	34	90	28	9	32	28056
Meter Reading Expenses		16590724		6 CUS W ALL	8525293	1619371	5479684	34393	818105	20257	53190	16392	5209	18830	16590724
Customer Records and Collection Expenses		1289305		6 CUS W ALL	662521	125845	425839	2673	63577	1574	4134	1274	405	1463	1289305
Uncollectible Accounts		0		15 REVENUE RTL	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Customer Account Expenses		0		73 CUS ACCT	0	0	0	0	0	0	0	0	0	0	0
Subtotal Customer Accounting		17908085			9202231	1747954	5914790	37123	883066	21866	57413	17693	5623	20326	17908085
Subtotal 902-903		17880029			9187814	1745216	5905523	37065	881682	21832	57323	17665	5614	20294	17880029