

ENTERGY TEXAS, INC.
Electric Service

SCHEDULE SCO-2

Sheet No.: 146
Effective Date: April 29, 2022
Revision: 0
Supersedes: New Schedule
Schedule Consists of: One Sheet
Plus Attachment A

STORM COST OFFSET-2

I. GENERAL

This Storm Cost Offset Rate Schedule SCO-2 is applicable under the regular terms and conditions of Entergy Texas, Inc. ("Company" or "ETI") to all electric service billed under the Company's Rate Schedules listed below and all associated Riders, whether for metered or un-metered service, and subject to the jurisdiction of the Public Service Commission of Texas ("PUCT" or the "Commission").

Rate Schedule SCO-2 is applicable to energy consumption and demands of the Company's customers who take bundled service from the Company, and if the Company's Service Area becomes subject to retail competition, to Retail Electric Providers or other entities during the term that this rate schedule is in effect, and to the facilities, premises, and loads of all other customers obligated to pay System Restoration Costs Charges.

II. DEFINITIONS

For the purposes of this schedule, the following terms shall have the following meanings:

Company – Entergy Texas, Inc., and its successors and assigns that provide transmission or distribution service directly to customers taking service at facilities, premises, or loads located within the Service Area.

Retail Electric Provider ("REP") – If the Company's Service Area becomes subject to retail competition, the entity which serves the customer's energy needs, and will remit to the Servicer the System Restoration Costs – 2 ("SRC-2") billed in accordance with Rate Schedule SRC-2.

Service Area – The Company's certificated service area as it existed on the date of the Financing Order.

III. APPLICABILITY

Rate Schedule SCO-2 will flow through to customers subject to Rate Schedule SRC-2 the accumulated deferred federal income taxes ("ADFIT") effects associated with System Restoration Costs and will reflect ETI's Commission-approved weighted-average cost of capital ("WACC").

IV. TERM

This schedule shall remain in effect until Rate Schedule SRC-2 is terminated.

V. SCO-2 RATE CLASSES

The Rate Schedule SCO-2 Rate Classes will be the same as the Rate Classes for Rate Schedule SRC-2. For purposes of determining and billing Storm Cost Offset Rates, each end-use customer will be designated as a customer belonging to one of eight classes as identified and defined in § V of Rate Schedule SRC-2, with the exception of Standby and Maintenance Service customers, who will have their Storm Cost Offset Rates designed in the same manner as in Rate Schedule SRC-2.

VI. ALLOCATION OF SCO-2 BENEFITS

The allocation of Rate Schedule SCO-2 benefits will be in the same manner as Rate Schedule SRC-2.

VII. ANNUAL TRUE-UP PROCEDURE

Rate Schedule SCO-2 true-up will be performed at the same time, using the same billing determinants, as the Standard True-Up or Non-Standard True-Up for Rate Schedule SRC-2.

ENTERGY TEXAS, INC.

SCHEDULE SCO-2 – ATTACHMENT A

INITIAL OR ADJUSTED STORM COST OFFSET RATES

I. NET MONTHLY RATE

The Initial SCO-2 Rates to be applied beginning on the effective date of this schedule are set out below. Adjusted SCO-2 Rates to be applied in subsequent periods will be determined in the Standard True-Up or Non-Standard True-Up process.

SCO-2 Rate Class	Initial or Adjusted SCO-2 Rates	
Residential	(\$0.000050)	per kWh
Small General Service	(\$0.000037)	per kWh
General Service	(\$0.000039)	per kWh
Large General Service	(\$0.000026)	per kWh
Large Industrial Power Service – Trans. & Distribution	(\$0.000928)	per kW
Large Industrial Power Service – Distribution Only	(\$0.007272)	per kW
Standby and Maintenance Service Standby Service	(\$0.000246)	per kW
Maintenance Service	(\$0.000120)	per kW
Street and Outdoor Lighting	(\$0.000200)	per kWh

II. EFFECT OF CHANGE IN TAX RATE OR WACC

In the event a change in the federal corporate income tax rate occurs while Rate Schedule SCO-2 is in effect, the excess or deficient unprotected and protected ADFIT created by the change in tax rate and associated with the Storm Restoration Costs approved in PUCT Docket No. 51997 shall be determined in the first Standard True-Up or Non-Standard True-Up process following the change in tax rate. The amount of excess or deficient ADFIT so determined shall be included in Adjusted SCO-2 Rates such that the excess or deficient ADFIT will be collected from or returned to customers over the remaining term of this Schedule SCO-2.

In the event a change in the Company’s Commission-approved WACC occurs while Rate Schedule SCO-2 is in effect, the result of such change on ADFIT effects associated with the Storm Restoration Costs approved in PUCT Docket No. 51997 shall be determined in the first Standard True-Up or Non-Standard True-Up process following the change in WACC. The increase or decrease in the amount of return on ADFIT so determined shall be included in Adjusted SCO-2 Rates such that the increase or decrease in the return on ADFIT will be collected from or returned to customers over the remaining term of this Schedule SCO-2.