

ENTERGY SERVICES, INC.
FEDERAL ENERGY REGULATORY COMMISSION
2017 Attachment O Annual Rate Update

Response of: Entergy Services, Inc.
to the First Set of Data Requests
of Requesting Party: East Texas Electric
Corporative

Filed: 08/30/17

Question No.: ETEC 1-9

Part No.:

Addendum:

Question:

Please identify the following related to major destructive events (i.e., storms, fires, etc.) in 2016:

- a. The FERC Account(s) and corresponding amounts that were recorded related to restoration costs incurred for repair work.
 - b. Any pending insurance claims and the amounts associated with anticipated reimbursements from these claims.
 - c. The FERC Account(s) where the reimbursements in (b) above will be recorded.
 - d. Verify whether ETI self-insures for property insurance by setting aside reserves. If so, please identify what FERC Account these reserves are held.
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Response:

- a. Flooding at the Hartburg Substation resulted in storm restoration costs. The storm costs were reflected in Account 106 at December 31, 2016 in the amount of \$2,879,560.
- b. This loss was an insurable claim under ETI's builder's risk insurance policy and ETI recorded an accrual for estimated insurance proceeds of \$2.6 million in December 2016 to Account 106.
- c. In 2017, the actual insurance proceeds were recorded to Account 108230.
- d. To the extent ETI is allowed to recover property insurance reserves in rates, it records those reserves to account 228.1, however, property insurance reserves are excluded from Attachment O.