



Control Number: 51415



Item Number: 196

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**SOAH DOCKET NO. 473-21-0538**

**PUC DOCKET NO. 51415**

<b>APPLICATION OF SOUTHWESTERN</b>	)	<b>BEFORE THE PUBLIC UTILITY</b>
<b>ELECTRIC POWER COMPANY FOR</b>	)	<b>COMMISSION OF TEXAS</b>
<b>AUTHORITY TO CHANGE RATES</b>	)	
	)	<b>REFERRED TO THE STATE OFFICE</b>
	)	<b>OF ADMINISTRATIVE HEARINGS</b>

**SIERRA CLUB'S SECOND SET OF REQUESTS FOR INFORMATION TO  
SOUTHWESTERN ELECTRIC POWER COMPANY**

Sierra Club submits this Second Set of Requests for Information ("RFI") to Southwestern Electric Power Company ("SWEPCO"). Under 16 TAC §§ 22.141-145, Sierra Club requests that SWEPCO provide the following information and answer the following questions under oath. Please answer the questions and sub-questions in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. Please state the name of the witness in this proceeding who will sponsor the answer to the question.

Responses to the RFIs should be served on the following individuals within twenty (20) days of service, or by March 11, 2021, or as modified by order in this case:

Joshua Smith  
Tony Mendoza  
Sierra Club Environmental Law Program  
2101 Webster St., Suite 1300  
Oakland, CA 94612  
joshua.smith@sierraclub.org  
tony.mendoza@sierraclub.org

## DEFINITIONS

Unless otherwise specified in each individual interrogatory or request, “you,” “your,” the “Company,” or “SWEPCO,” refers to Southwestern Electric Power Company, and its affiliates, directors, officers, employees, consultants, attorneys, and authorized agents.

“And” and “or” shall be construed either conjunctively or disjunctively as required by the context to bring within the scope of these interrogatories and requests for production of documents any information which might be deemed outside their scope by another construction.

“Any” means all, each and every example of the requested information.

“Communication” means any transmission or exchange of information between two or more persons, whether orally or in writing, and includes, without limitation, any conversation or discussion by means of letter, telephone, note, memorandum, telegraph, telex, telecopy, cable, email, or any other electronic or other medium.

“Control” means, without limitation, that a document is deemed to be in your control if you have the right to secure the document or a copy thereof from another person or public or private entity having actual possession thereof. If a document is responsive to a request, but is not in your possession or custody, identify the person with possession or custody. If any document was in your possession or subject to your control, and is no longer, state what disposition was made of it, by whom, the date on which such disposition was made, and why such disposition was made.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software, and includes all copies, drafts, proofs, both originals and copies either (1) in the possession, custody or control of the Company regardless of where located, or (2) produced or generated by, known to or seen by the Company, but now in their possession, custody or control, regardless of where located whether or still in existence. Such “documents” shall include, but are not limited to, applications, permits, monitoring reports, computer printouts, contracts, leases, agreements, papers, photographs, tape recordings, transcripts, letters or other forms of correspondence, folders or similar containers, programs, telex, TWX and other teletype communications,

memoranda, reports, studies, summaries, minutes, minute books, circulars, notes (whether typewritten, handwritten or otherwise), agenda, bulletins, notices, announcements, instructions, charts, tables, manuals, brochures, magazines, pamphlets, lists, logs, telegrams, drawings, sketches, plans, specifications, diagrams, drafts, books and records, formal records, notebooks, diaries, registers, analyses, projections, email correspondence or communications and other data compilations from which information can be obtained (including matter used in data processing) or translated, and any other printed, written, recorded, stenographic, computer-generated, computer-stored, or electronically stored matter, however and by whomever produced, prepared, reproduced, disseminated or made. For purposes of the production of “documents,” the term shall include copies of all documents being produced, to the extent the copies are not identical to the original, thus requiring the production of copies that contain any markings, additions or deletions that make them different in any way from the original.

“Identify” means:

- a. With respect to a person, to state the person’s name, address and business relationship (e.g., “employee”) vis-à-vis the Company;
- b. With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

“Person” means, without limitation, every natural person, corporate entity, partnership, association (formal or otherwise), joint venture, unit operation, cooperative, municipality, commission, governmental body or agency.

“Relating to” or “concerning” means and includes pertaining to, referring to, or having as a subject matter, directly or indirectly, expressly or implied, the subject matter of the specific request.

“Workpapers” are defined as original, electronic, machine-readable, unlocked, unlocked, in native format, and with formulae and links intact.

## INSTRUCTIONS

1. The Definitions, Instructions, and Claim of Privilege set out in this Request for Information apply to these questions.
2. In answering these questions, furnish all information that is available to you, including information in the possession of your agents, employees, and representatives, all others from whom you may freely obtain it, and your attorneys and their investigators.
3. Please answer each question based upon your knowledge, information, or belief, and any answer that is based upon information or belief should state that it is given on that basis.
4. If you have possession, custody, or control (as defined by Tex. R. Civ. P. 192.7(b)) of the originals of these documents requested, please produce the originals or a complete copy of the originals and all copies that are different in any way from the original, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of the originals of the documents requested, please produce copies of the documents, however made, in your possession, custody, or control. If any document requested is not in your possession or subject to your control, please explain why not, and give the present location and custodian of any copy or summary of the document.
6. If any question appears confusing, please request clarification from the undersigned counsel.
7. In providing your responses, please start each response on a separate page and type, at the top of the page, the question that is being answered.
8. As part of the response to each question, please state, at the bottom of the answer, the name and job position of each person who participated in any way, other than providing clerical assistance, in the preparing of the answer. If the question has sub-parts, please identify the person or persons by sub-part. Please also state the name of the witness in this docket who will sponsor the answer to the question and who can vouch for the truth of the answer. If the question has sub-parts, please identify the witness or witnesses by sub-part.

9. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.

10. Wherever the response to a request for information consists of a statement that the requested information is already available to Sierra Club, please provide a detailed citation to the document that contains the information. The citation shall include the title of the document, relevant page number(s), and to the extent possible paragraph number(s) and/or chart(s)/table(s)/figure number(s).

11. In the event that any document referred to in response to any request for information has been destroyed, specify the date and the manner of such destruction, the reason for such destruction, the person authorizing the destruction and the custodian of the document at the time of its destruction.

12. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer between the time of your original response and the time of the hearings, then you should submit, under oath, a supplemental response to your earlier answer.

13. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please call the undersigned counsel as soon as possible in order to discuss the situation and to try to resolve the problem. Likewise, if you object to any of the questions on the grounds that the question seeks confidential information, or on any other grounds, please call the undersigned counsel as soon as possible.

14. If the response to any question is voluminous, please provide separately an index to the materials contained in the response.

15. If the information requested is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

16. Data should be provided in native electronic format including active EXCEL workbooks and all linked workbooks, with all formulas, cell references, links, etc., intact, functioning, and complete for all tables, figures, and attachments in the testimony.

17. To the extent that a question asks for the production of copyrighted material, it is sufficient to provide a listing of such material, indicating the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

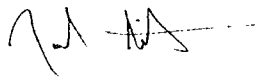
18. Sierra Club reserves the right to serve supplemental, revised, or additional discovery requests as permitted in this proceeding.

### **PRIVILEGE**

If you claim a privilege including, but not limited to, the attorney-client privilege or the work product doctrine, as grounds for not fully and completely responding to any request for information or request for production, describe the basis for your claim of privilege in sufficient detail so as to permit meaningful evaluation of the validity of the claim. With respect to documents for which a privilege is claimed, produce a “privilege log” that identifies the author, recipient, date and subject matter of the documents or interrogatory answers for which you are asserting a claim of privilege and any other information pertinent to the claim that would likewise enable evaluation of the validity of such claims.

Dated this 19<sup>th</sup> day of February, 2021.

Respectfully submitted,



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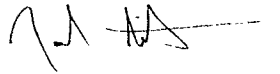
Matthew E. Miller

Sierra Club Environmental Law Program  
1536 Wynkoop Street, Suite 200  
Denver, CO 80202  
Tele: 303-454-3344  
Email: matthew.miller@sierraclub.org

*Counsel for Sierra Club*

**CERTIFICATE OF SERVICE**

I, Joshua Smith, certify that a copy of the foregoing Sierra Club submission was served upon all parties of record in this proceeding on February 19, 2021, by First-class U.S. mail, hand delivery, and/or e-mail, as permitted by the presiding officer.



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Joshua Smith  
Staff Attorney  
Sierra Club Environmental Law Program



**EXHIBIT A**

**SOAH DOCKET NO. 473-21-0538**

**PUC DOCKET NO. 51415**

<b>APPLICATION OF SOUTHWESTERN ELECTRIC POWER COMPANY FOR AUTHORITY TO CHANGE RATES</b>	) ) ) ) )	<b>BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS  REFERRED TO THE STATE OFFICE OF ADMINISTRATIVE HEARINGS</b>
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**SIERRA CLUB'S SECOND SET OF REQUESTS FOR INFORMATION TO  
SOUTHWESTERN ELECTRIC POWER COMPANY**

- 2.1 For each of the Company's coal or solid-fuel units (Dolet Hills, Flint Creek, Pirkey, Turk, and Welsh), please identify the amount of money that SWEPCO included in the Company's test year spending as proposed in this case for capital expenditures during the test year.
- 2.2 Refer to SWEPCO's response to Sierra Club 1-5, Attachment 6 and the CCR and ELG retrofits analysis.
  - a. Indicate which modeling software was used to conduct the analysis.
  - b. Provide all workbooks, with formulas intact, used to develop the results shown in Attachment 6.
  - c. Provide a list of all capital expenditures associated with CCR and ELG compliance included in each of the six modeled scenarios for each unit and provide the cost of each.
  - d. Provide the following forecasts utilized for this analysis:
    - i. EIA commodity price forecasts (with and without CO2 price)
    - ii. SPP market price forecasts (with and without CO2 price)
    - iii. CO2 price forecasts
  - e. Explain why the Company used the EIA commodity price forecasts instead of AEP's own forecasts.
  - f. Provide each the following inputs for each unit, both new and existing, modeled at the highest level of granularity used in conducting the retrofit analysis:
    - i. Coal price (\$/MMBtu)
    - ii. Natural Gas price (\$/MMBtu)
    - iii. Heat rate for each unit (Btu)
    - iv. Capital expenditures (\$)
    - v. Variable Operation and Maintenance (\$/MWh)

- vi. Fixed Operation and Maintenance (\$/MW)
- g. For each replacement resource available to the model, provide each of the following inputs for each resource at the highest level of granularity used in conducting the retrofit analysis:
  - i. Replacement resource options
  - ii. Replacement resource size (MW)
  - iii. Year replacement resource is available (year)
  - iv. Cost of replacement resource option (\$/MW)
  - v. Annual capacity factor
- h. Provide the following outputs by unit:
  - i. Annual generation (MWh)
  - ii. Fuel costs (\$)
  - iii. VOM costs (\$)
  - iv. FOM costs (\$)
  - v. Capital expenditures for ELG and CCR environmental compliance (\$)
  - vi. Other capital expenditures (\$)
  - vii. Energy and ancillary market revenues (\$)
- i. Explain the End Effects assumptions and methodology used.
- j. Provide the discount rate used.

2.3 Refer to SWEPCO response to Sierra Club 1-9(d) regarding the description of the projects that the Company intends to undertake and the costs that will be incurred to comply with ELG and CCR requirements for the Flint Creek coal unit. For each step or item described under the Dry Ash Handling System and the Pond Closure by Removal and construction of new Coal Pile Runoff Pond projects, indicate the following:

- a. Whether the step or item is required if the plant retires prior to October 17, 2028.
- b. Whether the step or item is required if the plant retires prior to December 31, 2028.
- c. The cost of each step or item.

2.4 Refer to SWEPCO response to Sierra Club 1-17 regarding SWEPCO's investment in the Oxbow Mine lignite reserves.

- a. Explain which specific assets or operations are covered by SWEPCO's investment in the Oxbow Mine and therefore are included in rate base.
- b. Explain which specific assets or operations are covered by the undepreciated balance related to DHLC and therefore are not included in rate base.
- c. Indicate whether SWEPCO receives a rate or return on its investment in the Oxbow Mine.

2.5 Refer to SWEPCO workpaper H-5.2b regarding Fossil Generation Plant additions greater than 100K. Indicate which generation unit(s) are associated with each project.

2.6 For each of the Company's solid-fuel units (Dolet Hills, Flint Creek, Pirkey, Turk, and Welsh), provide the following information about future planned capital expenditures.

- a. Provide a forecast of annual capital expenditures for each generation unit over the next ten years.
- b. Provide a specific accounting of all projects and capital expenditures already scheduled or planned at SWEPCO's solid fuel units (coal and lignite) over the next ten years.

2.7 Refer to SWEPCO Schedule H-5.2b and H-5.3b.

- a. Indicate whether these costs are all included in the plant in service totals by plant.
- b. Explain why the amounts listed here on schedule H-5.3b differ from annual plant additions for accounts 310 – 317 as reported in the prior rate case.
- c. Indicate whether any of the projects listed on schedule H-5.3b are included in the total SWEPCO share of Flint Creek CCR/ELG costs total provided in SC 1-9, Attachment 1. If yes, identify all projects that are included in the total from SC 1-9, Attachment 1.

2.8 Provide total company plant in service amounts from 2015 through present by plant account for each month. For each month, include plant balance as of first day of the month, addition, transfers, retirements, and plant balance at the end of the month.

2.9 Refer to Schedule H-12.2 H-12.2a and 12.2a1 H-12.2b and 12.2b1 (Production data). Update this schedule with generation data for the months of April – December of 2020.

2.10 Provide the Company's most-recent Fundamentals Forecast, including base band commodity and power market price forecasts. Indicate the date of such AEP Fundamentals Forecast.

2.11 Refer to the following Schedule, Attachments, and Exhibits. Confirm whether the values represent whole plant or just SWEPCO share. For Turk, indicate whether the values include the Arkansas share.

- a. SWEPCO response to SC 1-7, Attachment 2.
- b. SWEPCO response to SC 1-7, Attachment 3.
- c. Schedule H-12.2a & 12.2a1
- d. Schedule H-5.2b
- e. Schedule H-5.3b

2.12 Indicate the percentage of Turk costs, revenues, and generation allocated to SWEPCO for the non-merchant share of the plant in this docket.

2.13 Provide total energy and ancillary service market revenues by plant for each of SWEPCO's solid fuel units (coal and lignite) for the period 2015 – 2020. Indicate whether the values represent SWEPCO's share or total unit.

2.14 Provide total projected energy and ancillary service market revenues by plant for each of SWEPCO's solid fuel units (coal and lignite) for the period 2021 – 2030. Indicate whether the values represent SWEPCO's share or total unit.

- 2.15 Refer to SWEPCO response to Sierra Club 1-7, Attachment 2. Indicate whether the O&M costs listed under Welsh 0 represent common plant costs. If not, explain what the costs represent.
- 2.16 Please refer to Schedule H-5.3b and Bates stamp pages 5200-02 of the Company's Application.
- a. For SWEPCO's solid fuel units, since 2015, has the Company conducted any analyses of compliance control strategies or costs associated with the Regional Haze Rule's best available retrofit technology or "reasonable progress" requirements, including, but not limited to, any four-factor analysis under 40 C.F.R. § 51.308(e)-(f)? If yes, please provide all such analyses, including all supporting calculations, data, documents, technical or economic reports or presentations, modeling input and output files, and workpapers associated with each such analysis. If the Company has not conducted any such analyses, explain why.
- b. For SWEPCO's solid fuel units, since 2015, has SWEPCO conducted any analyses of compliance with proposed or finalized EPA regulations for carbon dioxide emissions? If yes, please provide all such analyses, including all supporting calculations, data, documents, technical or economic reports or presentations, modeling input and output files, and workpapers associated with each such analysis. If the Company has not conducted any such analyses, explain why.
- 2.17 Refer to Schedule H-5.3b at pages 4-7.
- a. Please explain whether (and what portion of) the identified ELG or CCR costs at Flint Creek could be avoided by a commitment to cease burning coal under the CCR Rule's alternative closure provisions, 40 C.F.R. § 257.103, or the ELG Rule, 40 C.F.R. § 423.19(f).
- b. Has SWEPCO conducted any economic or technical alternatives analysis (including any retirement versus retrofit analysis) for the Company's CCR or ELG compliance costs at its coal-burning units? If yes, please provide all such analyses, including all supporting calculations, data, documents, technical or economic reports or presentations, modeling input and output files, and workpapers associated with each such analysis. If the Company did not conduct any such analyses, explain why.
- c. Please provide the CCR and ELG project cost and schedule for each of SWEPCO's coal plants, including a detailed summary of the actual cost for completed phases of the projects, the date of completion, and all anticipated remaining costs and spend dates.
- d. At any time after EPA issued its proposed revised ELG Rule in November 2019, 84 Fed. Reg. 64,620, or after its final rule, 85 Fed. Reg. 64,650, did SWEPCO conduct any further economic, technical, or alternatives analysis (including any retirement analysis) for the Company's ELG costs referenced in Schedule H-5.3b at pages 4-7. If yes, please provide all such analyses, including all supporting calculations, data, documents, technical or economic reports or presentations. If not, please explain why.
- e. At any time after EPA issued its proposed revised CCR Rule in December 2019, 84 Fed. Reg. 65,941, or after its final rule, 85 Fed. Reg. 53,516, did SWEPCO conduct any further economic, technical, or alternatives analysis (including any retirement analysis)

for the Company's CCR costs referenced in Schedule H-5.3b at pages 4-7. If yes, please provide all such analyses, including all supporting calculations, data, documents, technical or economic reports or presentations. If not, please explain why.