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SOAH DOCKET NO. 473-04-3554
PUC DOCKET NO. 28813

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PETITION TO INQUIRE INTO THE
REASONABLENESS OF THE RATES
AND SERVICES OF CAP ROCK
ENERGY CORPORATION

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PUBLIC UTILITY COMMISSION
BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

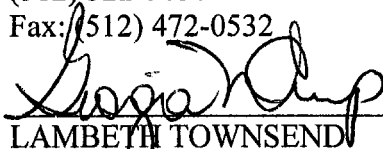
**CAP ROCK ENERGY CORPORATION'S
RESPONSE TO THE CITY OF GREENVILLE'S FOURTEENTH
REQUESTS FOR INFORMATION, QUESTION NOS. 14-9, 14-10, 14-14, AND 14-17**

To: The City of Greenville, by and through its attorney Jim Boyle, 1005 Congress Avenue,
Suite 550, Austin, Texas 78701

Cap Rock Energy Corporation ("Cap Rock" or the "Company") files its response to the
City of Greenville's Fourteenth Requests for Information, Question Nos. 14-9, 14-10, 14-14, and
14-17. These responses may be treated by all parties as if they were filed under oath.

Respectfully submitted,

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State Bar No. 24027645

ATTORNEYS FOR CAP ROCK ENERGY
CORPORATION

CERTIFICATE OF SERVICE

I, GEORGIA N. CRUMP, attorney, certify that a copy of this document was served on all parties of record in this proceeding on this the 4th day of June, 2004, in the following manner: hand delivered, sent via facsimile, or mailed by First Class Mail.


GEORGIA N. CRUMP

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**Greenville 14-9: Provide copies of all monthly invoices for purchased power under SPS
Rate Schedule 118 for 2001, 2002 and 2003.**

RESPONSE:

See responses to Pioneer's Second RFI, Question Nos. 2-24, 2-25 and 2-26.

Prepared by: Celia Zinn
Sponsored by: Lee D. Atkins

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**CAP ROCK ENERGY CORPORATION'S
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REQUESTS FOR INFORMATION, QUESTION NOS. 14-9, 14-10, 14-14, AND 14-17**

Greenville 14-10: Referring to Schedule 1-b, page 1 of 2

The following table is monthly network transmission charges and total transaction charges to Cap Rock reported by Southwestern Public Service Company (SPS) for Rate Schedule 118 for the test year as reported by SPS in its Electric Quarterly Reports submitted to the FERC.

	Total Transmission Charge	Total transaction charge	Energy (KWh)
Oct-02	152579.2	1777195	46237050
Nov-02	152146.3	1831143	48664494
Dec-02	153629.1	1951903	53984280
Jan-03	143733.8	1941122	51656017
Feb-03	147985.6	1900179	47392976
Mar-03	136082.4	2754738	49589236
Apr-03	140413.2	1505400	51669903
May-03	141100.2	2003776	56293608
Jun-03	143035.8	1818659	49589236
Jul-03	148530.6	2887875	64153906
Aug-03	137641.9	2686077	66465759
Sep-03	137989.6	1947326	47508568
TOTAL	1734868	25005394	633205033

- a. Explain the difference in kWh that SPS reports to have sold to Cap Rock in December 2002, January 2003 and March 2003 as shown in the table above versus the kWh reported to have been purchased by Cap Rock for those same months as shown in Schedule I-1b, page 1.
- b. Explain the \$2,195,239.66 difference between the \$25,005,394 in total transaction charges for sales to Cap Rock reported by SPS for the test year months under FERC Rate Schedule 118 versus the \$27, 200,633.66 in demand and energy charges shown in Schedule 1-1b, page 2. While the difference be recovered prospectively through the PCRF?

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REQUESTS FOR INFORMATION, QUESTION NOS. 14-9, 14-10, 14-14, AND 14-17**

Greenville 14-10 Continued:

- c. Provide copies of a bills for transmission service, capacity and energy purchased by Cap Rock and or NewCorp from SPS under FERC Rate Schedules Nos. 108, 102, 103, 104, 105, 107, FREQ 972 and GSUPT 130 as reported in SPS's 2001 and 2002 FERC Form No.- 1 Sale for Resale Account 447.**

RESPONSE:

See responses to Pioneer's Second RFI, Question Nos. 2-24, 2-25 and 2-26.

Prepared by: Celia Zinn
Sponsored by: Lee D. Atkins

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Greenville 14-14: Referring to Mr. Crowley's testimony at page 16, lines 17-20, provide copies Public Utility Commission of Texas regulations, policy statements or individual orders that permit or authorize the adjustment of the energy charge of a FERC approved wholesale rate for purposes of weather normalization?

RESPONSE:

The adjustments referenced on page 16, lines 17-20 of Mr. Crowley's testimony did not require or utilize any adjustments or changes to FERC approved wholesale rates. The adjustments were made using either new rates imposed by Cap Rock's wholesale power suppliers or using current approved energy and demand rates for wholesale service applied to weather adjusted (reduced) energy sales.

Prepared by: Larry A. Crowley
Sponsored by: Larry A. Crowley

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Greenville 14-17: Referring to Schedule G-6.1:

- a. The credits by NewCorp to Cap Rock for corporate overheads, services, engineering, O&M and administration related to transmission facilities totals \$2,514,600. Will all or a portion of these credits by NewCorp be recorded in NewCorp's 2003 FERC Form 1?
- b. If the answer to the previous question is yes, will any or all of the \$2,514,600 be recovered through the True-up Adjustment set forth in Section B Sheet 5 of Rate Schedule WP once NewCorp submits files its 2003 FERC Form 1?
- c. If the answer to (b) above is yes, and these expenses were actual expenses incurred during the test year and included in Cap Rock rates prior to the submission of it proposed rates in the instant docket, would not the recovery of these costs through the True-up Adjustment result in the double recovery of costs?
- d. Provide the monthly amount for each amount credited by NewCorp in Schedule G-6.1.

RESPONSE:

- a. The amounts shown on Schedule G-6.1 that are within brackets () are credits on the books and records of Cap Rock, and numbers with no brackets are expenses on the books of Cap Rock. Any charges or credits shown on the books and records of NewCorp will be reflected on its FERC Form 1.
- b. Yes.

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Greenville 14-17 (Continued):

RESPONSE:

- c. These amounts were actual expenses incurred during the test year, but such amounts have also been credited off the books and records of Cap Rock and charged to NewCorp. Monthly entries are made to the books and records of each respective entity in order to reflect the proper matching of costs with activities. The incurring of an expense, and the corresponding credit of that expense on the books and records of Cap Rock net to zero. The expenses that have been subsequently credited on the books of Cap Rock are not reflected in the rate case. The recovery of NewCorp's costs through its tariff true up would not result in double recovery because Cap Rock has shown -0- on its books and records.
- d. Response to be provided at a later date.

Prepared by: Celia Zinn

Sponsored by: Lee D. Atkins

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