

Control Number: 31056



Item Number: 713

Addendum StartPage: 0

APPLICATION OF AEP TEXAS	§	BEFORE THE STATE OF ECE
CENTRAL COMPANY AND	§	SE M
CPL RETAIL ENERGY, LP TO	§	
DETERMINE TRUE-UP BALANCES	§	
PURSUANT TO PURA § 39.262 AND	§	OF 3
PETITION TO DETERMINE	§	7 0
AMOUNT OF EXCESS MITIGATION	§	2
CREDITS TO BE REFUNDED	§	i i i i i i i i i i i i i i i i i i i
AND RECOVERED	§	ADMINISTRATIVE HEARINGS

# COMMERCIAL CUSTOMERS GROUP'S RESPONSE TO AEP TEXAS CENTRAL COMPANY'S THIRD SET OF REQUESTS FOR INFORMATION

The Commercial Customer Group (CCG) hereby files its response to AEP Texas Central Company's (TCC) Third Request for Information ("RFIs") To CCR.

### I. Written Responses.

CCGs' written responses to TCC's Third RFIs are attached and incorporated by reference. Each response is stated on or attached to a separate page on which the request has been restated. CCGs' responses are made in the spirit of cooperation without waiving CCGs' right to contest the admissibility of any of these matters at hearing. Pursuant to P.U.C. PROC. R 22.144(c)(2)(A), each response lists the preparer or person under whose direct supervision the response was prepared and any sponsoring witness. When CCG provides certain information sought by the request while objecting to the provision of information, they do so without prejudice to their objection in the interests of narrowing discovery disputes pursuant to

P.U.C. PROC. R 22.144(d)(5). Pursuant to P.U.C. PROC. R 22.144(c)(2)(F), CCG stipulates that their responses may be treated by all parties as if they were made under oath.

#### II. Inspections.

If responsive documents are more than 100 pages but less than eight linear feet in length, the response will indicate that the attachment is VOLUMINOUS and, pursuant to P.U.C. PROC. R 22.144(h)(2), the attachment will be made available for inspection at the Law Offices of Jim Boyle, PLLC, 1005 Congress, Ste. 1050, Austin, Texas, 78701. If a response or the responsive documents are provided pursuant to the protective order in this docket, the response will indicate that it or the attachment is either CONFIDENTIAL or HIGHLY SENSITIVE as appropriate under the protective order. Highly sensitive responses will be made available for inspection at the Law Offices of Jim Boyle, PLLC, 1005 Congress, Ste. 1050, Austin, Texas, 78701, unless they form a part of a response that exceeds eight linear feet in length; then they will be available at their usual repository in accordance with the following paragraph. Please call in advance for an appointment to ensure that there is sufficient space to accommodate your inspection.

If responsive documents exceed eight linear feet in length, the response will indicate that the attachment is subject to the FREIGHT CAR DOCTRINE, and, pursuant to Commission Procedural Rule 22.144(h)(3), the attachment will be available for inspection at its usual repository, the Law Offices of Jim Boyle, PLLC, 1005 Congress, Ste. 1050, Austin, Texas, 78701, unless otherwise indicated. Cities request that parties wishing to inspect this

material provide at least 48 hours' notice of their intent by contacting the Law Offices of Jim Boyle, PLLC, 1005 Congress, Ste. 1050, Austin, Texas, 78701; telephone number (512) 474-1492; fax number (512) 474-2507. Inspections will be scheduled to accommodate all requests with as little inconvenience to the requesting party and CCGs' operations as possible.

Respectfully submitted, LAW OFFICES OF JIM BOYLE 1005 Congress Avenue, Suite 1050 Austin, Texas 78701 (512) 474-1492 (512) 474-2507 FAX

JIM BOYLE State Bar No. 02795000

Attorney for CCG

### **CERTIFICATE OF SERVICE**

I certify that I have served a copy of CCGs' Responses to TCC's Third Set of Requests for Information upon all known parties of record by fax and/or first class mail on this the 19<sup>th</sup> day of September 2005.

Response of CCG
To TCC's
Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-1. Please provide a complete list of the jurisdictions in which you have filed testimony or provided consulting services, as well as the client, date, and assignment.

### **RESPONSE:**

3-1. Please see Mr. Wielgus' response to RFIs 1-6 and 1-7.

# Response of CCG To TCC's Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-2. Please provide a copy of your engagement letter with Commercial Customers Group.

### **RESPONSE:**

3-2. Mr. Wielgus' does not have his own engagement letter with the Commercial Customer Group.

Response of CCG
To TCC's
Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-3. List those generation sale transactions that had been announced (e.g. through an auction) that had been stopped once underway. Of those transactions stopped, when were they restarted and completed?

### **RESPONSE:**

3-3. Mr. Wielgus' does not have this information.

# Response of CCG To TCC's Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-4. Define "indicative bid" within the context of an auction.

#### **RESPONSE:**

3-4. According to TCC's own documents, TCC used a very defined, detailed, and instructed process in the initial bidding of its asset auction starting with its Early Interest Letter as per EXHIBIT RRM-7, page 1, its presentation of the quality of the assets starting on page 5 of EXHIBIT RRM-7, also through its releases in EXHIBIT RRM-8, EXHIBIT RRM-9, and EXHIBIT RRM-10, and as per its Initial Indication Instructions as in contained in EXHIBIT RRM-12.

Per page 1 of EXHIBIT RRM-12, TCC showed the weight it would put on this round of bidding by stating that "The Initial Indications will be an important determinant in the structuring of Stage II of the Auction process." It was the information source on which it based critical decisions not to be taken lightly such as effectively eliminating buyers.

On page 3 of EXHIBIT RRM-12, TCC states further that "Based upon an overall assessment of each Initial Indication, with consideration given to the Bidder's financial and operational qualifications, TCC will select and invite the short-listed Bidders to participate in Stage II of the Auction." TCC stressed the importance of these bids by stating that "It is also very important to this process that thorough diligence be performed on the Stage I material before Initial Indications are submitted." TCC's weight and consideration of these bids was further confirmed by TCC stating, and highlighting by putting in italics the following statement: "Significant consideration will be given to the detail and thought demonstrated in the Initial Indication proposals." Moreover, on pages 4 and 5, TCC defined further this initial phase by providing very detailed instructions and the requirements of what was the minimum required from buyers for the Initial Indication bid just to be eligible for consideration at this stage.

# Response of CCG To TCC's Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-5. In projects where you submitted binds, please list those where your final bid was higher than your indicative bid, and indicate whether or not you won the project.

### **RESPONSE:**

3-5. Mr. Wielgus did not have this information.

# Response of CCG To TCC's Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-6. On projects with which you were associated, list those transactions that had a transaction advisor (and name the advisor) and a corresponding fairness opinion (and name the provider of that opinion).

#### **RESPONSE:**

3-6. It was not Mr. Wielgus' responsibility to select transaction advisors. Mr. Wielgus does not have this information.

# Response of CCG To TCC's Third Request for Information

Request for Information relating to the direct testimony of Mr. Paul J. Wielgus.

3-7. Under normal circumstances will different bidders place the same value on the same asset?

### **RESPONSE:**

3-7. Please see Mr. Wielgus' direct testimony, his attached exhibits, and his work papers.