Control Number: 35665

Item Number: 374

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PUC DOCKET NO. 35665

COMMISSION STAFF'S PETITION FOR THE SELECTION OF ENTITIES RESPONSIBLE FOR TRANSMISSION IMPROVEMENTS NECESSARY TO DELIVER RENEWABLE ENERGY FROM COMPETITIVE RENEWABLE ENERGY ZONES	§ § § § § § §	BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS

RESPONSE OF ONCOR ELECTRIC DELIVERY COMPANY LLC TO TEJAS TRANSMISSION LLC'S FIRST REQUEST FOR INFORMATION

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Oncor Electric Delivery Company LLC ("Oncor") files this Response to the aforementioned requests for information.

I. Written Responses

Attached hereto and incorporated herein by reference are Oncor's written responses to the aforementioned requests for information. Each such response is set forth on or attached to a separate page upon which the request has been restated. Such responses are also made without waiver of Oncor's right to contest the admissibility of any such matters upon hearing. Oncor hereby stipulates that its responses may be treated by all parties exactly as if they were filed under oath.

II. Inspections

In those instances where materials are to be made available for inspection by request or in lieu of a written response, the attached response will so state. For those materials that a response indicates may be inspected at the Austin voluminous room, please call at least 24 hours in advance for an appointment in order to assure that there is sufficient space and someone is available to accommodate your inspection. To make an appointment at the Austin voluminous room, located at 1005 Congress, Suite B-50,

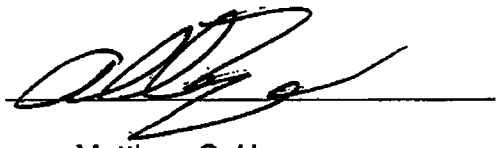
CERTIFICATE OF SERVICE

It is hereby certified that a copy of the foregoing has been hand delivered or sent via overnight delivery or first class United States mail, postage prepaid, to all parties of record in this proceeding, on this the 6th day of October, 2008.

Austin, Texas, or to review those materials that a response indicates may be inspected at their usual repository, please call Teri Smart at 214-486-4832. Inspections will be scheduled so as to accommodate all such requests with as little inconvenience to the requesting party and to company operations as possible.

Respectfully submitted,

ONCOR ELECTRIC DELIVERY COMPANY LLC

By: 

Matthew C. Henry
State Bar No. 00790870
Jo Ann Biggs
State Bar No. 02312400
E. Allen Nye, Jr.
State Bar No. 00788134
Vinson & Elkins LLP
Trammell Crow Center
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975
Telephone: 214-220-7700
Facsimile: 214-999-7740

Howard V. Fisher
State Bar No. 07051500
Oncor Electric Delivery Company LLC
1601 Bryan Street, Suite 23-035C
Dallas, Texas 75201-3411
Telephone: 214-486-3026
Facsimile: 214-486-3221

ATTORNEYS FOR ONCOR ELECTRIC DELIVERY COMPANY LLC

REQUEST:

What is the cost by each element (i.e., design, engineering, materials, labor, transportation, and other necessary expenses such as supervision, concrete, conductors, etc.) of the company's direct cost of tower construction for each type of tower provided in its CTP proposal in response to P.U.C. Subst. R. 25.216(e)(1)(I)?

RESPONSE:

The following response was prepared by or under the direct supervision of Wesley Speed, the sponsoring witness for this response.

The following tables provide the requested information for 345kV lattice towers, 138kV single circuit monopoles, and 345kV monopoles. The CTP Proposal submitted by Oncor in response to Commission Substantive Rule § 25.216(e)(1)(I) provides additional details on the specific material and labor components included in the direct cost to construct these structures. The labor costs provided below include all costs associated with foundation installation, including concrete, reinforcing steel, and labor. Conductor costs are not included in the structure cost estimates.

The following table summarizes the components of the 345kV lattice structure estimated costs. These costs apply to all new 345kV CTP facilities that Oncor proposes to construct.

	Estimated Tangent Structure Cost	Estimated 30 Degree Structure Cost	Estimated 90 Degree* Structure Cost	Estimated 90 Degree** Structure Cost
Materials and Supplies	$ 24,311	$ 108,457	$ 71,629	$ 143,258
Construction Labor	$ 46,462	$ 132,875	$ 128,811	$ 257,621
Transportation	$ 698	$ 2,414	$ 1,662	$ 3,323
Stores	$ 729	$ 3,254	$ 2,149	$ 4,298
Engineering and Admin	$ 3,800	$ 13,000	$ 10,750	$ 21,500
TOTAL	**$ 76,000**	**$ 260,000**	**$ 215,000**	**$ 430,000**

* Single Circuit Installation
** Double Circuit Installation

The following table summarizes the components of the 138kV single circuit monopole structure estimated costs for the existing Oncor owned portion of the Abilene South to Leon 138kV single circuit line.

	Estimated Tangent Structure Cost	Estimated 30 Degree Structure Cost	Estimated 90 Degree Structure Cost
Materials and Supplies	$ 5,881	$ 24,331	$ 34,085
Construction Labor	$ 9,327	$ 27,118	$ 44,110
Transportation	$ 766	$ 1,021	$ 1,532
Stores	$ 176	$ 730	$ 1,023
Engineering and Admin	$ 850	$ 2,800	$ 4,250
TOTAL	**$ 17,000**	**$ 56,000**	**$ 85,000**

The following table summarizes the components of the 138kV single circuit monopole structure estimated costs for the West B to Moss 138kV single circuit line.

	Estimated Tangent Structure Cost	Estimated 30 Degree Structure Cost	Estimated 90 Degree Structure Cost
Materials and Supplies	$ 12,612	$ 35,400	$ 58,000
Construction Labor	$ 10,378	$ 38,517	$ 55,578
Transportation	$ 382	$ 1,021	$ 1,532
Stores	$ 378	$ 1,062	$ 1,740
Engineering and Admin	$ 1,250	$ 4,000	$ 6,150
TOTAL	**$ 25,000**	**$ 80,000**	**$ 123,000**

The following table summarizes the components of the 345kV monopole structure estimated costs for structures designed to support (2) 1590 MCM ACSR conductors.

	Estimated Tangent Structure Cost	Estimated 30 Degree Structure Cost	Estimated 90 Degree Structure Cost
Materials and Supplies	$ 35,910	$ 136,752	$ 211,090
Construction Labor	$ 39,764	$ 141,847	$ 254,513
Transportation	$ 1,149	$ 2,298	$ 3,064
Stores	$ 1,077	$ 4,103	$ 6,333
Engineering and Admin	$ 4,100	$ 15,000	$ 25,000
TOTAL	**$ 82,000**	**$ 300,000**	**$ 500,000**

The following table summarizes the components of the 345kV monopole structure estimated costs for structures designed to support (2) 1926.9 MCM ACSS/TW conductors.

	Estimated Tangent Structure Cost	Estimated 30 Degree Structure Cost	Estimated 90 Degree Structure Cost
Materials and Supplies	$ 39,201	$ 143,228	$ 230,998
Construction Labor	$ 43,024	$ 154,177	$ 277,108
Transportation	$ 1,149	$ 2,298	$ 3,064
Stores	$ 1,176	$ 4,297	$ 6,930
Engineering and Admin	$ 4,450	$ 16,000	$ 31,900
TOTAL	**$ 89,000**	**$ 320,000**	**$ 550,000**

REQUEST:

For each requested CTP Facility transmission line, provide the basis, by FERC account, for the estimate of the company's anticipated average annual operating and maintenance cost per mile in current dollars for the first 10 years of operation as reported in the company's CTP proposal in response to P.U.C. Subst. R. 25.216(e)(1)(J). In this context, "basis" refers to the underlying data and calculations that substantiate the costs.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

The prime FERC accounts that will be used for charging expenses related to the operation and maintenance of Oncor's proposed CTP facilities include:

560 – Operation Supervision and Engineering
563 – Overhead Line Expenses
568 – Maintenance Supervision and Engineering
571 – Maintenance of Overhead Lines

These accounts cover all expenses contemplated for the CTP facilities including aerial inspection, walking patrols, vegetation management, recordkeeping, and supervision of operations and maintenance activities.

Attachment 1 summarizes the estimated annual per mile operation and maintenance costs, by voltage and vegetation management cycle, for the first 10 years of operation for all new CTP transmission lines facilities owned and operated by Oncor.

Reference the CTP Proposal submitted by Oncor in response to Commission Substantive Rule § 25.216(e)(1)(J) for detail on annual O&M costs including an explanation of the estimated 3 – 4, 5, and 7 year vegetation management frequencies. Costs for wood facilities have been excluded from this response because Oncor does not propose utilize wood construction for CTP facilities.

As described in Oncor's CTP Proposal operations and maintenance costs for the first 10 years of operation of the CTP transmission line facilities are comprised of inspections and vegetation management. These costs are detailed by voltage class, by geographical region in Attachment 2. Slight differences in the costs detailed by activity versus detailed by FERC account are attributed to rounding.

ATTACHMENTS:

ATTACHMENT 1 - Estimated Annual Per Mile Operation and Maintenance Costs Table, 1 page

ATTACHMENT 2 - Estimated Annual Per Mile Operation and Maintenance Costs, Detail, 2 pages

Oncor
Docket No. 35665
Tejas Transmission LLC
RFI Set No. 1
Question No. 1-02
Attachment No. 1

Estimated Annual Per Mile Operation and Maintenance Costs Table

FERC	345 kV Non-wood			138 kV Non-wood		
Account	7 year	5 year	3-4 year	7 year	5 year	3-4 year
560	$2	$2	$2	$2	$2	$2
563	$18	$18	$18	$23	$23	$23
568	$14	$35	$55	$6	$19	$40
571	$141	$350	$555	$62	$192	$396
TOTAL	$175	$405	$630	$93	$236	$461

Oncor
Docket No. 35665
Tejas Transmission LLC
RFI Set No. 1
Question No. 1-02
Attachment No. 2

Estimated Annual Per Mile Operation and Maintenance Costs Detail

- 345kV Non-wood, 7 year geographical region

	Base Cost Per Mile	No. Per Year	Annual Per Mile Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 25	0.20	$ 5
Mowing (160' ROW)	$ 1,554	0.05	$ 78
Spraying (160' ROW)	$ 1,240	0.05	$ 62
Side-Trimming	$ 2,700	-	$ -
		Subtotal	$ 158
		Supervision (10% of Total Cost)	$ 16
		Total Cost	$ 173

- 345kV Non-wood, 5 year geographical region

	Base Cost Per Mile	No. Per Year	Total Annual Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 25	0.20	$ 5
Mowing (160' ROW)	$ 1,554	0.10	$ 155
Spraying (160' ROW)	$ 1,240	0.10	$ 124
Side-Trimming	$ 2,700	0.03	$ 68
		Subtotal	$ 365
		Supervision (10% of Total Cost)	$ 36
		Total Cost	$ 401

- 345kV Non-wood, 3-4 year geographical region

	Base Cost Per Mile	No. Per Year	Total Annual Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 25	0.20	$ 5
Mowing (160' ROW)	$ 1,554	0.10	$ 155
Spraying (160' ROW)	$ 1,240	0.10	$ 124
Side-Trimming	$ 2,700	0.10	$ 270
		Subtotal	$ 567
		Supervision (10% of Total Cost)	$ 57
		Total Cost	$ 624

- 138kV Non-wood, 7 year geographical region

	Base Cost Per Mile	No. Per Year	Annual Per Mile Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 50	0.20	$ 10
Mowing (70' ROW)	$ 680	0.05	$ 34
Spraying (70' ROW)	$ 543	0.05	$ 27
Side-Trimming	$ 2,700	-	$ -
		Subtotal	$ 84
		Supervision (10% of Total Cost)	$ 8
		Total Cost	$ 93

- 138kV Non-wood, 5 year geographical region

	Base Cost Per Mile	No. Per Year	Annual Per Mile Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 50	0.20	$ 10
Mowing (70' ROW)	$ 680	0.10	$ 68
Spraying (70' ROW)	$ 543	0.10	$ 54
Side-Trimming	$ 2,700	0.03	$ 68
		Subtotal	$ 213
		Supervision (10% of Total Cost)	$ 21
		Total Cost	$ 234

- 138kV Non-wood, 3-4 year geographical region

	Base Cost Per Mile	No. Per Year	Annual Per Mile Cost
Fixed Wing Aerial Inspection	$ 7	2.00	$ 13
Ground-Based Inspections	$ 50	0.20	$ 10
Mowing (70' ROW)	$ 680	0.10	$ 68
Spraying (70' ROW)	$ 543	0.10	$ 54
Side-Trimming	$ 2,700	0.10	$ 270
		Subtotal	$ 415
		Supervision (10% of Total Cost)	$ 42
		Total Cost	$ 457

REQUEST:

With respect to the statement in the Joint CTP Cover Pleading, page 4, that proposals from other parties may experience delays and start-up costs that the Joint Parties would not experience, please describe and substantiate with specificity all additional delays and start-up costs that the company believes would result if Tejas were awarded its requested facilities and agreed to operate under the Joint Development Plan.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Generally, the delays and start-up costs referenced in the Joint CTP cover pleading are related to the fact that the Joint Parties are already operating utilities in Texas, and have constructed and currently operate and maintain existing transmission facilities in Texas, while Tejas is not a utility and does not have existing transmission facilities in Texas nor is it authorized to do so. The potential delays and start-up costs referred to in the Joint Parties' cover pleading include, but are not limited to, the following:

(1) Potential delay and start-up costs associated with the formation and staffing of an entity sufficient to become an electric utility in Texas; and to perform the obligations and services required of such.

(2) Potential delay and additional costs associated with the formation and staffing of an entity to address the regulatory, routing, landowner, and other issues that normally arise in connection with transmission line routing and certification. The Joint Parties already have the staffs and the expertise to address these issues and have an established record of working with landowners in Texas to minimize the challenges presented by routing and building transmission lines.

(3) The potential delay and additional costs associated with the additional complexities of CCN cases relating to the creation of a new electric utility in Texas. The Joint Parties currently possess CCNs and are already electric utilities in Texas.

(4) The potential delays and additional costs associated with operating in new areas in which Tejas does not have established material supplier and contractor relationships. The Joint Parties already have existing relationships in place in Texas with contractors for title work, routing analysis, aerial photography, material supply, construction and other services.

(5) The potential delay and additional costs that may be required to resolve interconnection and operational issues. The Joint Parties are already experienced at interconnecting to the ERCOT grid and operating in ERCOT.

(6) The potential delay and additional expense associated with establishing and staffing a new operations center. The Joint Parties already have operations centers and employees and/or contractors in place to operate the proposed transmission lines.

(7) Potential delay and additional expense associated with establishing and staffing service centers necessary to maintain proposed transmission facilities. Even if Tejas were hypothetically able to overcome these cost and delay challenges, they would still not be able to replicate the experience or expertise of the Joint Parties in certificating, operating, and maintaining transmission facilities in Texas.

(8) Potential delay and additional cost associated with the acquisition of equipment and facilities necessary to operate and maintain proposed transmission facilities.

REQUEST:

With respect to the statement in Pat Wood's testimony, page 10, lines 10-11, please name the companies that have filed CTP Proposals in the proceeding that the company believes do not have operating experience in Texas and state the basis for asserting that they do not have such operating experience.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Based on available information, it appears that Cross Texas Transmission, LLC, Isolux Corsan Concesiones, S.A., Lone Star Transmission, LLC, Tejas Transmission LLC, and Trans-Elect Texas, LLC do not have experience operating transmission facilities that are a part of the ERCOT grid. The previously mentioned entities do not own or operate existing transmission facilities in ERCOT.

REQUEST:

With respect to the statement in Pat Wood's testimony at page 5, line 18, that the readiness of the Joint Parties obviates the need for "new company CCN proceedings," does the company contend that PURA requires a company applying for its first CCN for transmission facilities to prove it meets criteria that current CCN holders are presumed to meet? If so, please identify each requirement and all provisions of PURA that impose such a requirement.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Oncor contends that a company applying for its first CCN would need to meet the requirements of PURA generally and has no current position as to the specific criteria applicable to "new company CCN proceedings". Recent Commission proceedings demonstrate that dockets involving entities seeking CCNs for the first time are often highly contested and invoke significant issues beyond those typically raised in traditional transmission line CCN cases.

REQUEST:

With respect to the statement in Pat Wood's testimony at page 5, lines 18-21, regarding "the months of discovery and testimony required to determine if issuing a new CCN is in the public interest," does the company contend that PURA requires the Commission to determine whether a CCN is in the public interest when deciding whether to grant or deny the CCN? If so, please identify all provisions of PURA that impose such a requirement.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

See Oncor's response to Docket No. 35665, Tejas Transmission LLC RFI Set No. 1, Question No. 1-05.

REQUEST:

Does the company contend that transmission service is a monopoly service to be provided only by those incumbent entities currently owning or operating for compensation transmission equipment or facilities within Texas? If so, please identify all provisions of PURA that allow only current TSPs to obtain CCNs for transmission facilities.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

No.

REQUEST:

Does the company contend that any new entity seeking to obtain a CCN for transmission facilities in Texas must show that a need exists that is not being met and could not be met by an incumbent TSP? If so, please identify all provisions of PURA that require such a showing.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Oncor does not presently have a position concerning this legal issue. However, Oncor is aware that other entities have expressed such contentions in other Commission dockets.

REQUEST:

Does the company contend that new entrants may not obtain CCNs to become "transmission-only" utilities and build and provide transmission service without a defined service territory? If so, please identify all provisions of PURA that prohibit them from obtaining CCNs to do so.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

No. However, Oncor is aware that other entities have expressed such contentions in other Commission dockets.

REQUEST:

Does the company contend that as a prerequisite for obtaining a CCN for transmission facilities, an applicant must be an electric utility that owns transmission facilities to provide electric service for compensation in Texas? If so, identify all provisions of PURA that impose such a requirement.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Oncor does not presently have a position concerning this legal issue. However, Oncor is aware that this issue has been raised in other Commission proceedings.

REQUEST:

With respect to the statement in Pat Wood's testimony at page 5, lines 18-21, regarding "the months of discovery and testimony required to determine if issuing a new CCN is in the public interest," does the company contend that the Commission would necessarily take more time to grant a "new CCN" forCREZ transmission facilities to Tejas than it would take to approve the application of a current CCN holder for the same facilities? If so, please identify all provisions in PURA and practical considerations that would necessarily lengthen such a CCN proceeding for Tejas and fully explain why the cited provisions and practical considerations would do so.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

See Oncor's response to Docket No. 35665, Tejas Transmission LLC RFI Set No. 1, Question No. 1-05.

REQUEST:

With respect to the statement in Pat Wood's testimony at page 6, lines 8-12, regarding the "comprehensive coordinated sequencing plan" developed by the Joint Parties, does the company contend that the requirements, features, or characteristics of the plan would prevent Tejas from constructing and operating its Requested Facilities in full coordination with the Joint Parties? If so, please identify such requirements, features, and characteristics and explain fully and with specificity the basis for each contention.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

The Joint Development Plan is an aggressive, innovative, and coordinated approach developed by the Joint Parties - eight financially secure, existing, operating, and certificated utilities – with the goal of completing all CTP facilities in a timely and efficient manner. Please refer to Oncor's response to Docket No. 35665, Tejas RFI Set No. 1, Question No. 1-03 for a discussion of the delays that may impact Tejas' ability to timely certificate and construct CTP facilities.

REQUEST:

With respect to the statement in Pat Wood's testimony at page 6, lines 17-21, asserting that with Commission approval, "the Joint Parties can each start the following day," does the company contend that it can more quickly than Tejas begin "to acquire rights of way, solidify supplier relationships, procure materials, complete CCN applications, coordinate with ERCOT and powergenerators-and finish the CREZ initiative expeditiously and without favoring any one generator over any other generator"? If so, please explain fully and with specificity the basis for each contention.

RESPONSE:

The following response was prepared by or under the direct supervision of Charles W. Jenkins, the sponsoring witness for this response.

Oncor has already begun advance routing work and has relationships in place with material suppliers and contractors to facilitate the expeditious completion of the CTP facilities that Oncor proposes to construct. For specific detail on the advanced efforts that Oncor has taken, see Oncor's response to Commission Substantive Rule § 25.216(e)(1)(P), pp. 5 - 8. More generally, Oncor can and will proceed more expeditiously than Tejas on all facilities requested in Oncor's CTP Proposal for all of the reasons presented in Oncor's CTP Proposal. Additionally, please see Oncor's response to Tejas RFI Set No. 1, Question No. 1-03 for a discussion of the delays that could impact Tejas' ability to timely certificate and construct CTP facilities.