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APPLICATION OF SHARYLAND §
UTILITIES, L.P. TO AMEND ITS §
CERTIFICATE OF CONVENIENCE AND § BEFORE THE STATE OFFICE
NECESSITY FOR THE PROPOSED §
HEREFORD TO WHITE DEER 345 KV §
CREZ TRANSMISSION LINE § OF
(FORMALLY PANHANDLE AB TO §
PANHANDLE BA) IN ARMSTRONG, §
CARSON, DEAF SMITH, OLDHAM, § ADMINISTRATIVE HEARINGS
POTTER, AND RANDALL COUNTIES §


**CIELO WIND SERVICES, INC.'S RESPONSES TO
MASTERSON & STINNETT RANCH'S
FIRST REQUEST FOR INFORMATION AND
FOR ADMISSIONS TO THE IDENTIFIED WIND DEVELOPERS**

Cielo Wind Services, Inc. ("Cielo") submits the attached responses to Masterson & Stinnett Ranch's ("Masterson") First of Request for Information ("RFIs") and for Admissions ("RFAs") to the Identified Wind Developers.

Pursuant to Public Utility Commission Procedural Rule §22.144(c)(2)(F), Cielo stipulates that the attached response may be treated as if the answers were filed under oath.

Respectfully submitted,

SMITH & MAJCHER
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By: 
Lawrence S. Smith
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**ATTORNEYS FOR CIELO WIND SERVICES,
INC.**

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served by U.S. mail, facsimile, hand-delivery, or electronic mail, on the 12th day of August, 2010 to Masterson & Stinnett Ranch pursuant to Order No. 1.


Lawrence S. Smith

Masterson 1-1:

Has Federal Aviation Administration ("FAA") Form 7460-1, Notice of Proposed Construction or Alteration, or FAA Form 7460-2, Supplemental Notice, has been submitted to the FAA for any of your existing or planned wind farms located in whole or in part within the study area for this case? If so, please state which wind farm and the date of the filing, and provide a copy of the filing submitted to the FAA for such wind farm.

Cielo's Response to Masterson 1-1:

Cielo has applied for and received FAA permits for the wind turbines planned for its Wildorado Two wind farm. The turbine locations and the date of FAA approval are shown in Cielo's response to Staff RFI 1-5. By agreement of counsel, a copy of the filing which resulted in these permits is not provided.

Preparer: Lawrence S. Smith
Witness: Melissa Miller

Masterson 1-2:

Has the Federal Aviation Administration ("FAA") made a determination with respect to any FAA Form 7460-1 or FAA 7460-2 that has been submitted to the FAA for any of your existing or planned wind farms located in whole or in part within the study area for this case? If so, please state which wind farm and the date of the determination, and provide a copy of the FAA determination for such wind farm.

Cielo's Response to Masterson 1-2:

See response to Masterson RFI 1-1.

Preparer: Lawrence S. Smith
Witness: Melissa Miller

Masterson 1-3:

Has a generation interconnection request been made to ERCOT with respect to any of your planned wind farms located in whole or in part within the study area for this case? If so, please state which wind farm, the date of the request, and provide a copy of the request for such wind farm.

Cielo's Response to Masterson-1-3:

No.

Preparer: Lawrence S. Smith
Witness: Melissa Miller

Masterson 1-4:

Has a generation interconnection request been made to the Southwest Power Pool ("SPP") with respect to any of your planned wind farms located in whole or in part within the study area for this case? If so, please state which wind farm, the date of the request, and provide a copy of the request for such wind farm.

Cielo's Response to Masterson 1-4:

Yes, the Wildorado Two project will be interconnected with the SPP. The interconnection agreement is dated December, 2005; the interconnection request was earlier. By agreement of counsel, a copy of the request is not provided

Preparer: Lawrence S. Smith
Witness: Melissa Miller

Masterson 1-5:

Please provide a map showing the location of any of your existing or planned wind farms located in whole or in part within the study area for this case.

Cielo's Response to Masterson 1-5:

The map previously furnished by Sharyland Utilities to the Administrative Law Judge showing (confidentially) the location of the wind generation projects of parties to this case is generally accurate as to the location of the Wildorado Two project. It is located in the southeast corner of Oldham County and is traversed by an east west portion of link B1.

Preparer: Lawrence S. Smith
Witness: Melissa Miller

Masterson 1-6:

Admit or deny that power generation companies that own and operate transmission facilities are not subject to the requirement to seek a certificate of convenience and necessity or other approval from the Public Utility Commission of Texas ("PUC") for those transmission facilities.

Cielo's Response to Masterson 1-6:

Admit.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-7:

Admit or deny that new transmission lines owned and operated by an electric utility are subject to the requirement to seek a certificate of convenience and necessity or other approval from the Public Utility Commission of Texas.

Cielo's Response to Masterson 1-7:

Admit.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-8:

Admit or deny that new transmission lines owned and operated by an electric utility that would connect a power generation company's facilities at the point of interconnection specified in the interconnection agreement to the transmission facilities of the electric utility are eligible, subject to prudence review, for consideration for cost recovery from ratepayers by the electric utility.

Cielo's Response to Masterson 1-8:

Admit.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-9:

Admit or deny that new Competitive Renewable Energy Zone ("CREZ") transmission lines authorized by the CREZ Transmission Plan adopted in the Order on Rehearing in PUC Docket No. 33672 are eligible, subject to prudence review, for consideration for cost recovery from ERCOT ratepayers.

Cielo's Response to Masterson 1-9:

Admit.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-10:

Admit or deny that transmission lines owned and operated by an electric utility that would connect a power generation company's facilities at the point of interconnection specified in the interconnection agreement to the Competitive Renewable Energy Zone ("CREZ") transmission facilities authorized by the CREZ Transmission Plan adopted in the Order on Rehearing in PUC Docket No. 33672 are not subject to the CREZ certification process but instead to the standard ERCOT interconnection process and the non-CREZ certification process, and will be eligible for consideration for recovery as transmission facilities through the standard transmission cost of service process.

Cielo's Response to Masterson 1-10:

It is Cielo's counsel's view that the issue whether the interconnection lines will be treated as CREZ lines is essentially unresolved. Regardless of that resolution, it is counsel's view that if the interconnection lines are built by a transmission service provider, the costs will be eligible for inclusion in that TSP's transmission cost of service.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-11

Admit or deny that the new, approximately 200 mile, 345-kilovolt transmission line build by NextEra Energy Resources (f/k/a FPL Energy) from its Horse Hollow and Callahan Divide wind farms in West Texas to a substation new San Antonio were built and placed into service in October 2009, and was not subject to the requirement to seek a certificate of convenience and necessity or other approval from the Public Utility Commission of Texas ("PUC").

Cielo's Response to Masterson 1-11:

Cielo has no information about the line referred to.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-12:

Admit or deny that the approximately 18 mile, 230-kilovolt transmission line in Wildorado Wind from its Wildorado wind farm in the Texas Panhandle referenced in the SU's Response to Cielo-SU 1-3 and the Southwestern Public Service Co. ("SPS") Response to Staff 1-10, and depicted in SPS's Exhibit Staff 1010, was not subject to the requirement to seek a certificate of convenience and necessity or other approval from the Public Utility Commission of Texas ("PUC").

Cielo's Response to Masterson 1-12:

Cielo believes that to be the case.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-13:

Admit or deny that sufficient financial commitment by renewable generators for the Panhandle A and Panhandle B CREZs was provided during May-June 2010 in PUC Docket No. 37567, Commission Staff's Petition for Determination of Financial Commitment for the Panhandle A and Panhandle B Competitive Renewable Energy Zones.

Cielo's Response to Masterson 1-13:

Admit.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-14

Admit or deny that the PUC chose not to adopt a dispatch priority mechanism at the time in the Order Adopting Amendment to §25.174 as Approved at the October 8, 2009 Open Meeting, PUC Project No. 34577 Proceeding to Establish Policy Relating to Excess Development in Competitive Renewable Energy Zones, and that there is presently no dispatch priority mechanism at this time.

Cielo's Response to Masterson 1-14

Please see the final order in Docket No. 34577. Over the last five or six years, during the Commission's consideration of the designation of Competitive Renewable Energy Zones and the several follow-on proceedings, a number of renewable energy generators (though not all renewable energy generators) advocated that those generators who had shown a commitment of some sort to the development of renewable energy should have priority access to the transmission lines which would result from the CREZ process. In Docket No. 34577 the Commission decided that, rather than adopting a dispatch priority mechanism as advocated by some renewable energy generators, ERCOT would continue to rely, at least until an identified congestion problem arose, on the usual economic dispatch modeling conducted by ERCOT to prioritize access to the ERCOT transmission grid. In summary, there is a dispatch priority mechanism in place, but it is not the one advocated by some renewable energy generators.

Preparer: Lawrence S. Smith
Witness: None.

Masterson 1-15:

Admit or deny that in PUC Docket No. 37567 Cielo Wind Services, Inc. provided financial commitment in the amount of \$500,000 for Panhandle A and \$500,000 for Panhandle B, that Fremantle Energy, LLC provided financial commitment in the amount of \$-0- for Panhandle A and \$-0- for Panhandle B, and that Pattern Renewable LP provided financial commitment in the amount of \$-0- for Panhandle A and \$3,190,000 for Panhandle B.

Cielo's Response to Masterson 1-15:

Please see the final order in Docket No. 37567.

Preparer: Lawrence S. Smith
Witness: None.