



Control Number: 45624



Item Number: 167

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SOAH DOCKET NO. 473-16-2751
DOCKET NO. 45624

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PUBLIC UTILITY COMMISSION

APPLICATION OF THE CITY OF
GARLAND TO AMEND A
CERTIFICATE OF CONVENIENCE
AND NECESSITY FOR THE RUSK TO
PANOLA DOUBLE-CIRCUIT 345-KV
TRANSMISSION LINE IN RUSK AND
PANOLA COUNTIES

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BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

**TEXAS INDUSTRIAL ENERGY CONSUMERS' SECOND SET
OF REQUESTS FOR INFORMATION TO THE CITY OF GARLAND**

Pursuant to § 22.144 of the Commission's Procedural Rules and SOAH Order No. 2, Texas Industrial Energy Consumers (TIEC) requests that the City of Garland, Texas (Garland) provide all of the information requested in Exhibit "A" within ten (10) calendar days.

Pursuant to P.U.C. Proc. R. 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to P.U.C. Proc. R. 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

Ms. Kellie Barahona
Thompson & Knight LLP
98 San Jacinto Blvd., Suite 1900
Austin, Texas 78701
(512) 469-6100
(512) 469-6180 (fax)
Kelile.Barahona@tklaw.com

DEFINITIONS AND INSTRUCTIONS

A. “Garland,” “the City,” “the City of Garland,” or “you” refers to the City of Garland, Texas and/or Garland Power and Light (GP&L), and their affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. The terms “document” or “documents” are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced, reproduced or stored by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. The definition includes electronic information that has been deleted. “Document” or “documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

C. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic information (which is included in the definition of “document”) that is responsive to a request herein be produced on CD-ROM in a format that is compatible with Adobe Acrobat, Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a searchable .pdf copy of the entire email string. Attachments to emails should be provided with the email in searchable .pdf form, unless it is stored in a different format, in which the attachment should be produced in its native format and provided on CD-Rom.

D. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

E. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

F. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

G. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

H. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

I. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

J. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

K. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

L. Pursuant to P.U.C. Proc. R. 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

M. If the information requested is included in previously furnished exhibits, workpapers, and 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.

N. The term “emails” includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph “D.” regarding specific instructions for producing such items.

O. “Communications” refers to correspondence of any kind, including emails.

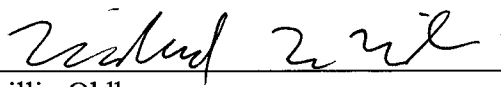
P. “Identify” and “describe” shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, present or last known residence address, business affiliation and business address, and residence and business telephone number;
- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;

- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

THOMPSON & KNIGHT LLP



Phillip Oldham
State Bar No. 00794392
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State Bar No. 24059596
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State Bar No. 24088034
98 San Jacinto Blvd., Suite 1900
Austin, Texas 78701
(512) 469.6100
(512) 469.6180 (fax)

ATTORNEYS FOR TEXAS INDUSTRIAL
ENERGY CONSUMERS

CERTIFICATE OF SERVICE

I, Michael McMillin, Attorney for TIEC, hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 4th day of April, 2016 by facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.

A handwritten signature in dark ink, appearing to read "Michael McMillin", is written above a horizontal line.

Michael McMillin

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**TEXAS INDUSTRIAL ENERGY CONSUMERS' SECOND SET
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TIEC 2-1 If Rusk Interconnection, LLC ("Rusk") cannot or will not pay to operate and maintain the line for any reason, will Garland commit not to seek recovery of those costs in TCOS?

TIEC 2-2 Will Garland commit not to seek to recover the cost of decommissioning the facilities in TCOS under any circumstances?

The following questions relate to the documents Garland produced in response to Staff's RFI 1-9:

TIEC 2-3 Please refer to Article 3 of the Asset Purchase agreement between Garland and Rusk (attachment 2 to Garland's response to Staff 1-9).

- a. Please explain the reasons why Garland requested the right to "put" the project back to Rusk (the Put Right).
- b. Please identify the specific circumstances in which Garland would expect to exercise this Put Right.
- c. Does Garland believe that exercising the Put Right would provide Rusk with a CCN under PURA's transfer provision (PURA 37.154)? Does Garland believe that exercising the Put Right would require PUC approval? Please explain your answer.
- d. Does Garland's believe that exercising the Put Right would make Rusk an electric utility in Texas?
- e. Would Garland's commitments not to place the cost of the line into TCOS be imputed to Rusk if Garland were to exercise the Put Right? Please explain why or why not.

TIEC 2-4 Please refer to Article 9.1 of the Asset Purchase agreement.

- a. Please provide all executed financing documents related to this agreement.
- b. Please provide all documents and communications exchanged between Garland and Rusk pertaining to how the lender or equity financing entity could exercise its security interest in the line if Rusk were to default.

TIEC 2-5 Please refer to Article 9.6.3(ii) of the Asset Purchase agreement.

- a. Please confirm that subpart (b) would allow Garland to seek TCOS recovery of the costs of owning and operating the line notwithstanding its stated commitment not to seek such costs.
- b. Please explain under what circumstances subpart (c) becomes operative. Does Garland agree that, as written, this subpart contradicts its commitment not to seek recovery of any costs of owning, operating, maintaining, or decommissioning the Facilities?

TIEC 2-6 Please refer to the definition of “Integration Event” in the Decommission Escrow agreement (Exhibit 1.1(a) to the Asset Purchase agreement). Given Garland’s commitment not to seek recovery of operations and maintenance costs in TCOS, please explain why the parties included such a circumstance in their contract. Please identify the circumstances where Garland would seek to include such costs in its TCOS.