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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' ERRATA
TO THE DIRECT TESTIMONY OF CHARLES S. GRIFFEY**

Texas Industrial Energy Consumers (TIEC) files the following errata to the Direct Testimony of Charles S. Griffey. Mr. Griffey's testimony is revised as follows:

Page 12, Line 22: Add clause "While I am not an attorney, based on my regulatory experience," after first sentence.

This change is reflected on the Direct Testimony of Charles S. Griffey filed on April 27, 2016.

Respectfully submitted,

THOMPSON & KNIGHT LLP

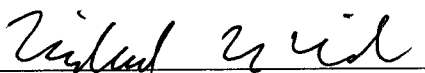


Phillip G. Oldham
State Bar No. 00794392
Katherine L. Coleman
State Bar No. 24059596
Michael McMillin
State Bar No. 24088034
98 San Jacinto Blvd., Suite 1900
Austin, Texas 78701
(512) 469.6100
(512) 469.6180 (fax)

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 11th day of May, 2016 by hand-delivery, facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.



Michael McMillin

analysis, SCT's consultants assumed that exports across the 1250 MW of existing DC ties were not allowed in any of the cases studied. In the cases with the SCT project, exports were allowed *only across the SCT line*. When these exports were allowed in the SCT cases, output from previously constrained zero-production-cost renewable generation increased, which in turn reduced overall production cost. Therefore, the increase in assumed wind production, reduction to overall production costs, and the corresponding wheeling revenue are all solely a product of the way the modeling was performed (i.e., the base case was incorrectly specified). Thus, the purported benefits of lower production costs and increased wheeling revenues are purely an artifice of SCT's modeling approach and cannot actually be attributed to the SCT project. There are other problems with the modeling as well, as discussed below in Section III.

Additionally, we do not know what the cost impacts on ERCOT ratepayers would be for any transmission upgrades that may be required to support 2000 MW of additional exports, or the increased cost of ancillary services associated with the line and its exports. While it is too soon to determine such issues with specificity, it is appropriate for the Commission to follow the general principle that customers should not have to pay to support exports of energy from ERCOT, and ensure that exporting entities bear the full cost of exporting power.

Q. WOULD SUCH A FINDING VIOLATE POSTAGE STAMP PRICING OR DISCRIMINATE AGAINST THE SCT PROJECT?

A. While I am not an attorney, based on my regulatory experience, No. ^ PURA § 35.004(d) requires postage stamp pricing for electric transmission service *within* ERCOT—not for exports from ERCOT. While PURA § 35.004(b) requires the