



Control Number: 45624



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

2016 MAR 15 PM 2:45

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' FIRST SET OF REQUESTS  
FOR INFORMATION TO SOUTHERN CROSS TRANSMISSION, LLC**

Pursuant to § 22.144 of the Commission's Procedural Rules and SOAH Order No. 2, Texas Industrial Energy Consumers (TIEC) requests that Southern Cross Transmission, LLC (SCT) 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:

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

### **DEFINITIONS AND INSTRUCTIONS**

A. "Southern Cross," "SCT," or "you" refers to Southern Cross Transmission, LLC, 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.

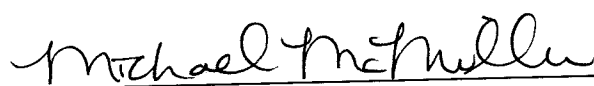
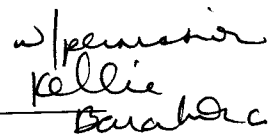
P. "Identify" and "describe" shall have the meaning set forth below according to the context in which the term is used:

- 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  
Katie 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 16<sup>th</sup> day of March, 2016 by facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.

Michael McMillin at permission  
Michael McMillin Kellie  
Burcher

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

<b>APPLICATION OF THE CITY OF</b>	<b>§</b>	
<b>GARLAND TO AMEND A</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>CERTIFICATE OF CONVENIENCE</b>	<b>§</b>	
<b>AND NECESSITY FOR THE RUSK TO</b>	<b>§</b>	<b>OF</b>
<b>PANOLA DOUBLE-CIRCUIT 345-KV</b>	<b>§</b>	
<b>TRANSMISSION LINE IN RUSK AND</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>
<b>PANOLA COUNTIES</b>	<b>§</b>	

**TEXAS INDUSTRIAL ENERGY CONSUMERS' FIRST SET OF REQUESTS  
FOR INFORMATION TO SOUTHERN CROSS TRANSMISSION, LLC**

**The following requests relate to the Direct Testimony of Mr. Parquet:**

- TIEC 1-1 Will SCT or any of its affiliates own any transmission or distribution assets in Texas related to this project? In ERCOT?
- TIEC 1-2 Please identify the location where Garland's ownership of the line connecting the Panola Switching Station to the DC Tie terminates. Does Garland own any portion of this line in Louisiana?
- TIEC 1-3 Refer to page 4, line 23 to page 5, line 2 of Mr. Parquet's testimony. Please explain in detail why Mr. Parquet believes it would be infeasible for a generator to interconnect on the Louisiana side of the border.
- TIEC 1-4 Refer to page 7, lines 14-17 of Mr. Parquet's testimony. Are there any direct or indirect costs of this project (including, but not limited to, the substations and lines) that are either (1) not the responsibility of SCT, or that (2) SCT will seek to recover from ratepayers? Please identify and specifically list all anticipated costs for which SCT is committing not to seek recovery.
- TIEC 1-5 Please identify and explain the reasons underlying the decision not to have a private entity owning the line between the Panola Switching Station and the DC Tie. Please specifically explain why the line is not being built as a private line owned by SCT.
- TIEC 1-6 Please provide the schematic and confidential document described on page 7, lines 20-22 of Mr. Parquet's testimony.
- TIEC 1-7 Does SCT have any plans to interconnect the line for which a CCN is being sought in this proceeding (the "Garland Line") to any facilities other than the Panola Switching Station, the Rusk Switching Station, or the DC Tie? If so, please describe those plans and provide any related documents.

- TIEC 1-8 Refer to page 10 of Mr. Parquet's testimony.
- a. In SCT's view, why is it necessary or desirable for SCT to be an ERCOT market participant?
  - b. Please explain why SCT believes that it needs to be an ERCOT market participant in addition to executing a coordinating agreement with ERCOT.
  - c. Please identify the reasons why SCT believes it is similar or dissimilar to the Southwestern Power Pool (SPP) or the Comision Federal de Electricidad (CFE) in terms of transacting with ERCOT. Are SPP and/or the CFE ERCOT market participants in addition to having coordination agreements?
  - d. Please provide a citation for the claim on page 10, lines 16-17.
  - e. Please identify the ways that SCT believes different than other owners of high voltage direct-current converter stations connected to the ERCOT grid.
- TIEC 1-9 Refer to page 11, lines 16-17 of Mr. Parquet's testimony. Please describe any other changes necessary to ensure SCT's adherence to the ERCOT protocols.
- TIEC 1-10 Refer to page 12, line 2 of Mr. Parquet's testimony. Please provide an organization chart for SCT and its affiliates and describe the ownership structure and relationship among SCT, Rusk Interconnection, LLC, and other affiliates of SCT.
- TIEC 1-11 Please identify the ERCOT-adopted standards of conduct Mr. Parquet is referencing on page 12, line 6 of his testimony.
- TIEC 1-12 Who will own the capacity on the DC Tie? Please explain how this capacity will be initially allocated/purchased.
- TIEC 1-13 Will the capacity on the DC Tie be sold under long-term contract(s)?
- TIEC 1-14 Will SCT ensure that the owners of the capacity on the DC Tie will not export power from ERCOT when LMPs in ERCOT are higher than prices in SERC? If so, please explain specifically how this would be accomplished.
- TIEC 1-15 Where specifically will SCT's DC line terminate in SERC? To what utility will SCT interconnect that line in SERC?
- TIEC 1-16 Refer to page 13, lines 4-5 of Mr. Parquet's testimony. Will SCT agree not to export power from ERCOT during an ERCOT declared emergency? If your answer is anything other than "yes," please explain.
- TIEC 1-17 Refer to page 12, lines 21-22 of Mr. Parquet's testimony.
- a. How are generation resources in SERC more diverse than those in ERCOT?

- b. How specifically will this project promote competition in the ERCOT wholesale market?

**The following requests relate to the Direct Testimony of Ms. Wolfe:**

- TIEC 1-18 For the economic study in Ms. Wolfe's testimony, please provide an excel file showing, by the hour, the:
- a. LMPs for generation, load nodes, and hubs;
  - b. Generation by plant;
  - c. Load by node;
  - d. Load by zone;
  - e. Exports;
  - f. Imports;
  - g. Calculated benefit to customers;
  - h. Calculated benefit to producers;
  - i. Total benefit; and
  - j. A calculation of export-related charges.
- TIEC 1-19 Please explain how total production costs could decline in hours when exports are occurring and wind is not being curtailed.
- TIEC 1-20 How did Ms. Wolfe benchmark the amount of wind curtailment that exists in the base case and ensure that that amount was reasonable? Please provide any related workpapers or supporting documents.
- TIEC 1-21 How did Ms. Wolfe translate the 2014 SSWG non-coincident peak case into a coincident peak forecast? Please provide any related workpapers or supporting documents.
- TIEC 1-22 Please compare, on an hourly basis, the load forecast Ms. Wolfe used with the most recent ERCOT 50/50 load forecast as used in the CDR.
- TIEC 1-23 Refer to page 4, line 22 to page 5, line 2 of Ms. Wolfe's testimony. Will exports from ERCOT only occur during hours in which renewables are constrained in the base case? If not, please explain the linkage between exports and renewable energy that is claimed in this sentence.

- TIEC 1-24 Refer to page 5, lines 2-5 of Ms. Wolfe's testimony. Please provide the calculations behind the LMP reduction claimed in this sentence.
- TIEC 1-25 Refer to page 8, lines 20-22 of Ms. Wolfe's testimony. Please describe in detail the assumptions that were "otherwise derived to the extent possible," and the data, methods, and calculations used to derive those assumptions. Please provide any related workpapers or supporting documents.
- TIEC 1-26 Refer to page 9, line 9 of Ms. Wolfe's testimony. Please provide the "additional data processing" referenced on that line, and describe in detail both the inputs and methods used in that process.
- TIEC 1-27 Please provide the monthly gas price forecasts used for ERCOT and SERC that are referenced on page 12 of Ms. Wolfe's testimony.
- TIEC 1-28 Please provide the adjustments and calculations related to the "to, from and over" tariff and other export charges referenced on pages 13 and 14 of Ms. Wolfe's testimony.
- TIEC 1-29 Did Ms. Wolfe assume any change in the amount of ancillary services needing to be procured in the "SCT Only" and "SCT + 2000 MW Wind" cases compared to the base case?
- TIEC 1-30 Were any transmission upgrades assumed in the "SCT + 2000 MW Wind" case that were not included in the other cases? If so, please describe those assumptions.
- TIEC 1-31 Refer to page 16, lines 15-17 of Ms. Wolfe's testimony.
- a. How was cost apportioned to imports and exports?
  - b. Were the Panola and Rusk Switching Stations included in any of the calculations of customer benefits?
  - c. In hours with exports, was the export load across the DC Tie included in the denominator of the cost of serving load in ERCOT?
- TIEC 1-32 Please provide an annual price duration curve for the "Base Case" and each of the change cases.
- TIEC 1-33 Was a simulation run for the "Base Case" plus 2000 MW of wind? If not, why not? If so, please provide it.
- TIEC 1-34 Refer to page 22, lines 15-16 of Ms. Wolfe's testimony. Did the transmission topology in any of the cases include the Houston Import Project? If not, why not?
- TIEC 1-35 Refer to page 24, line 18 of Ms. Wolfe's testimony. What reliability benefits are being referenced in this section? Does Ms. Wolfe believe that the "SCT Only" or

“SCT + 2000 MW Wind” could result in an increase in operating reserve requirements in ERCOT?

TIEC 1-36 Refer to page 25, lines 12-16. Please provide all documents and communications that led Ms. Wolfe to have the referenced understanding.