

RECEIVED

2016 DEC 30 PM 1:58

PUBLIC UTILITY COMMISSION
FILING CLERK

JOINT REPORT AND APPLICATION
OF ONCOR ELECTRIC DELIVERY
COMPANY LLC AND NEXTERA
ENERGY, INC. FOR REGULATORY
APPROVALS PURSUANT TO PURA
§§ 14.101, 39.262 AND 39.915

§
§
§

BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

**RESPONSE OF ONCOR ELECTRIC DELIVERY COMPANY LLC
TO THE OFFICE OF PUBLIC UTILITY COUNSEL'S
FIRST REQUEST FOR INFORMATION TO ONCOR**

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

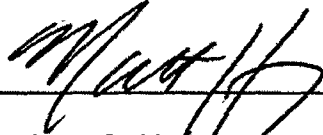
234

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, 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
Richard L. Adams
State Bar No. 00874950
Jo Ann Biggs
State Bar No. 02312400

Vinson & Elkins LLP
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975

**ATTORNEYS FOR ONCOR ELECTRIC
DELIVERY COMPANY LLC**

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 30th day of December, 2016.



Request

Please provide Oncor's operating & maintenance expense by FERC account for the years 2012 through 2016.

Response

The following response was prepared by or under the direct supervision of David M. Davis, the sponsoring witness for this response.

Please see pages 320-323 of the FERC Financial Report FERC Form No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report ("FERC Form No. 1") available from the "Investors" section of the Oncor web-site www.oncor.com for operation and maintenance expense by FERC account for the years 2012 through 2015.

Information regarding Oncor's operation and maintenance expense for the year 2016 is not available.

Request

Please provide Oncor's projected operating & maintenance expense (by FERC account if available) for the years 2017 through 2021.

Response

The following response was prepared by or under the direct supervision of David M. Davis, the sponsoring witness for this response.

The information requested is highly sensitive confidential information and will be made available only after execution of a certification to be bound by the protective order in this docket.

Please see Oncor's response to Cities RFI Set No. 6 (Oncor), Question No. 6-23. Also, see Attachment 1 for an index of additional highly sensitive confidential information responsive to this request.

It should be noted that, in any given year, Oncor management has historically had discretion to redirect authorized operating expenses and capital expenditures, as appropriate.

ATTACHMENTS:

ATTACHMENT 1 – Non-Voluminous Highly Sensitive Confidential Index, 1 page.

NON-VOLUMINOUS HIGHLY SENSITIVE CONFIDENTIAL INDEX

1. Document titled "Oncor Electric Delivery Company LLC - Projected Base Operating and Maintenance Expenses - 2018-2021 - \$ Millions", 1 page.

Request

Please provide the current balance of the Accumulated Deferred Federal Income Tax accounts on Oncor's books by account. Please specify the balance sheet date from which the balances were obtained.

Response

The following response was prepared by or under the direct supervision of David M. Davis, the sponsoring witness for this response.

Please see Oncor's response to Cities RFI Set No. 4 (Oncor), Question No. 4-02c for Accumulated Deferred Federal Income Tax balances at December 31, 2015.

Request

Please demonstrate that there will be no decrease in the accumulated deferred federal income taxes that will be deducted from rate base as a result of the proposed Transaction. Please provide all documentation relied upon regarding the treatment of accumulated deferred federal income tax.

Response

The following response was prepared by or under the direct supervision of David M. Davis, the sponsoring witness for this response.

The Proposed Transactions are not expected to impact the tax basis of Oncor's regulated assets, thus the balances of existing Deferred Federal Income Taxes should not be affected. As described in NextEra's responses to Cities RFI Set No. 6 (NEE), Question Nos. 6-32 and 6-35, it is not expected that NextEra will employ push-down accounting for the Proposed Transactions.

There are no documents responsive to this request.

Request

Regarding Regulatory Commitment No. 17 - Change in Control (Exhibit MH-5), please confirm that any payment of benefits mentioned in this Commitment will be considered a Transaction cost and will be excluded from any request for recovery from Oncor ratepayers.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-05.

Request

Regarding Regulatory Commitment No. 20 - Transaction Costs (Exhibit MH-5), please explain the differences between "fees and expenses" of the proposed Transaction used in the first sentence versus "costs" of the proposed Transaction used in the second sentence of this hold harmless commitment.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-06.

Request

Referencing your response to Staff RFI No. 1-36, are there any additional "costs" (as that term is used in Commitment No. 20) contemplated by Commitment No. 20 that ratepayers will be held harmless from that could occur as a direct or indirect result of the Transaction? For example, if Oncor's credit rating was to be downgraded due to the transaction, would Regulatory Commitment No. 20 hold ratepayers harmless from the financial impact resulting from a credit downgrade? If yes, please identify any additional costs that could be encompassed by the commitment.

Response

The following response was prepared by or under the direct supervision of David M. Davis, the sponsoring witness for this response.

Oncor is not aware of any additional costs that would be subject to Regulatory Commitment 20 (see Exhibit MH-5 of the direct testimony of NextEra witness Mr. Mark Hickson).

Regulatory Commitment 3 provides that NextEra will maintain or improve the current credit issuer/corporate ratings of Oncor at the time of Closing and that – if the issuer/corporate rating of Oncor is not maintained as investment grade from the date of Closing through December 31, 2020 – Oncor shall not use the lower credit rating as a justification for a higher regulatory rate of return (see Exhibit MH-5 of the direct testimony of NextEra witness Mr. Mark Hickson).

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please provide an organizational chart of Lone Star Transmission identifying the departments and number of employees.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-08.

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please provide an Oncor organizational chart after the consolidation showing how the Lone Star Transmission organization will be integrated into the Oncor organization.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-09.

1

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please provide any benefit/cost study prepared by Oncor or NextEra of the proposed consolidation. If no benefit/cost studies have been prepared, please list and describe the benefits and costs anticipated by the proposed consolidation.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-10

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please provide the estimated stand-alone revenue requirement of Lone Star Transmission and include supporting schedules.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-11.

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please provide the estimated incremental impact of the proposed consolidation on Oncor's revenue requirement and the rate impact by class, and include supporting schedules.

Response

The following response was prepared by or under the direct supervision of Stephen N. Ragland, the sponsoring witness for this response.

Oncor has not calculated the incremental impact of the proposed consolidation of Lone Star Transmission into Oncor. There will be no change to Oncor's or Lone Star Transmission's rates until the conclusion of Oncor's next base rate case and approval of the consolidation. NextEra Energy has committed to reflect the savings from the proposed Lone Star Transmission consolidation in Oncor's base rates at that time (Regulatory Commitment 42).

Request

Regarding the proposed consolidation of Lone Star Transmission into Oncor:

Please explain if costs associated with the proposed consolidation will be subject to the "hold customers harmless" commitments made by Oncor (Shapard Testimony at 14) and NextEra (Hickson Testimony at 43) and reflected in regulatory Commitment No. 20.

Response

See NextEra's response to OPC RFI Set No. 1 (Oncor), Question No. 1-13.