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SOAH DOCKET NO. 473-17-1764  
PUC DOCKET NO. 46449

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APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE  
ELECTRIC POWER COMPANY FOR § OF PUBLIC UTILITY COMMISSION  
AUTHORITY TO CHANGE RATES § OF FILING CLERK  
ADMINISTRATIVE HEARINGS

**SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO**  
**OFFICE OF PUBLIC UTILITY COUNSEL'S**  
**THIRTEENTH REQUEST FOR INFORMATION**

**APRIL 4, 2017**

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**SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO  
OFFICE OF PUBLIC UTILITY COUNSEL'S  
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**Question No. 13-1:**

In response to OPUC RFI No. 3-5, SWEPCO stated "... transmission remediation needs did exist if Pirkey or Welsh units were retired. Those transmission remediation costs were accounted for in the development of the total CPWRR for a scenario where either Welsh or Pirkey was retired." Please provide the following information regarding these "remediation needs":

- a. Please describe the specific "remediation needs" that would have existed if Pirkey were retired.
- b. Please describe the means SWEPCO estimated it would have used to meet such "remediation needs" if it had decided to retire Pirkey.
- c. Please provide SWEPCO's estimates of the costs of the means to meet such "remediation needs" discussed in response to subpart 'b,' including estimates of the annual revenue requirements associated with such means.

**Response No. 13-1:**

- a. The Company conducted a transmission analysis that indicated the facilities listed in part b. of this response were required if Pirkey was retired as a part of a Pirkey unit disposition analysis. However, if SWEPCO determined that Pirkey was actually to be retired, then SWEPCO would need to notify SPP of that retirement. SPP would then perform any studies necessary at the time of that notification to identify the specific transmission remedies required. The new lines, line rebuilds, and new stations identified in Company's transmission analysis were necessary to relieve thermal overloading of existing transmission facilities. The Static Var Compensators (SVCs) were for replacement of the reactive capabilities of the generation units being removed from service.
- b. If Pirkey was retired, the following transmission system remediation projects would be required:
  - New 345/138kV Station at Cleco's Dolet Hills Station,
  - New 138 kV line from the Cleco's Dolet Hills station into Shreveport,
  - 7.1 miles of 138kV line rebuild, and
  - SVCs in Shreveport and East Texas areas.
- c. If Pirkey is retired, the estimated cost of the projects needed to meet the transmission remediation needs is \$103 million, with an annual revenue requirement of approximately \$14 million.

Prepared By: Mark Becker  
Sponsored By: Mark Becker

Title: Resource Planning Mgr  
Title: Resource Planning Mgr

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**Question No. 13-2:**

In response to OPUC RFI No. 3-5, SWEPCO stated " ...transmission remediation needs did exist if Pirkey or Welsh units were retired. Those transmission remediation costs were accounted for in the development of the total CPWRR for a scenario where either Welsh or Pirkey was retired." Please provide the following information regarding these "remediation needs":

- a. Please describe the specific "remediation needs" that would have existed if one or more Welsh unit were retired. Describe any differences in such needs that would exist if one, two or all three Welsh units were retired.
- b. Please describe the means SWEPCO estimated it would have used to meet such "remediation needs" if it had decided to retire one or more Welsh units. Describe any differences in such means that would exist if one, two or all three Welsh units were retired.
- c. Please provide SWEPCO's estimates of the costs of the means to meet such "remediation needs" discussed in response to subpart 'e,' including estimates of the annual revenue requirements associated with such means. Provide such estimates for scenarios in which one, two or all three Welsh units were retired.

**Response No. 13-2:**

- a. The Company conducted a transmission analysis that indicated the facilities listed in part b. of this response were required if one or more Welsh units were retired as a part of a Welsh unit disposition analysis. However, if SWEPCO determined that one or more Welsh units were actually to be retired, then SWEPCO would need to notify SPP of those retirements. SPP would then perform any studies necessary at the time of that notification to identify the specific transmission remedies required. The new lines, line rebuilds, and new stations identified in Company's transmission analysis were necessary to relieve thermal overloading of existing transmission facilities. The Static Var Compensators (SVCs) were for replacement of the reactive capabilities of the generation units being removed from service.
- b. If a single unit at the Welsh facility was retired, the following transmission remediation projects would be required:
  - New 345/138kV Station at Cleco's Dolet Hills Station,
  - New 138 kV line from the Cleco's Dolet Hills station into Shreveport and
  - SVCs in Shreveport and East Texas areas.

If more than one unit at the Welsh facility was retired, the following transmission remediation projects would be required:

- Install new 765/500 kV station at McNeil,
  - New 765 kV line from McNeil to Turk, new 765/345 kV station at Turk,
  - New 138 kV line from the Cleco system into Shreveport,
  - New 345/138 kV into in the Cleco system, and
  - SVCs in Shreveport and East Texas areas.
- c. If a single Welsh unit is retired, the estimated cost of the projects needed to meet the transmission remediation needs is \$88 million, with an annual revenue requirement of approximately \$12 million. If more than one unit at the Welsh facility is retired, the estimated cost of the projects needed to meet the transmission remediation needs is \$425 million, with an annual revenue requirement of approximately \$57 million.

Prepared By: Mark Becker  
Sponsored By: Mark Becker

Title: Resource Planning Mgr  
Title: Resource Planning Mgr

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**Question No. 13-3:**

Please provide in electronic Excel-compatible format, for all months from January 2010 to December 2015, the purchases or sales of electric capacity as described below. Provide notation identifying any such capacity purchase or sale that extends beyond one month:

- a. Purchases of capacity by SWEPCO (MW-mo and \$/kW-mo for each month), and
- b. Sales of capacity by SWEPCO (MW-mo and \$/kW-mo for each month).

**Response No. 13-3:**

Please see OPUC 13-3 HIGHLY SENSITIVE Attachment 1 for the requested information.

The attachment responsive to this request is HIGHLY SENSITIVE PROTECTED MATERIAL under the terms of the Protective Order. The Highly Sensitive information is available for review at the Austin offices of American Electric Power Company (AEP), 400 West 15<sup>th</sup> Street, Suite 1520, Austin, Texas, 78701, (512) 481-4562, during normal business hours.

Prepared By: Woodrow Lally  
Scott Mertz

Title: Dir Energy Marketing  
Regulatory Consultant Staff

Sponsored By: A. Naim Hakimi

Title: Dir Long Term Markets