



Control Number: 46831



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SOAH DOCKET NO. 473-17-2686
PUC DOCKET NO. 46831

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APPLICATION OF EL PASO
ELECTRIC COMPANY TO CHANGE
RATES

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§
§

BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS
PUBLIC UTILITY COMMISSION
FILING CLERK

**EL PASO ELECTRIC COMPANY'S SECOND REQUEST FOR INFORMATION
TO FREEPORT-MCMORAN, INC.**

El Paso Electric Company (EPE) requests that Freeport-McMoRan, Inc. (FMI) answer under oath this Second Request for Information (RFI), numbered EPE 2-1 through EPE 2-16. The answers should be provided in sufficient detail to present all relevant facts. These requests are deemed to be continuing and require further and supplemental responses from a party if it receives or generates additional information within the scope of these data requests between the time of the original responses and the time of the hearing in this proceeding. These responses are due within seven (7) calendar days of service in accordance with SOAH Order No. 2.

This is a request to fully respond to the attached RFIs and to produce any of the designated documents or tangible things that are described in the attached RFIs. Production of responses to the designated Requests should be made to:

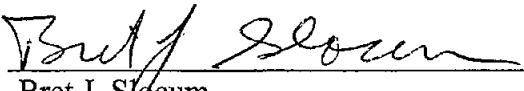
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618

Respectfully Submitted,

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Assistant Secretary
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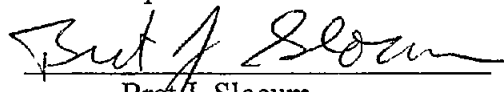
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By: 
Bret J. Slocum

**ATTORNEYS FOR EL PASO
ELECTRIC COMPANY**

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this document was served by electronic mail as provided for by SOAH Order No. 2 to all parties of record in this proceeding on July 7, 2017, except for Dr. Marjenah M. Fooladi who has failed to provide an email address.


Bret J. Slocum

DEFINITIONS AND INSTRUCTIONS

1. A reference to "EPE" or the "Company" shall mean El Paso Electric Company.
2. The term "Commission" refers to the Public Utility Commission of Texas.
3. Reference to "you" or "your" means all divisions, departments, bureaus, or agencies of the party served, and all witnesses whose testimony the respective party to which this Request is submitted intends to present to the Public Utility Commission of Texas, and all persons acting or purporting to act for or on behalf of the respective party, including all staff, employees, agents, representatives, attorneys, consultants, economists, engineers, and accountants.
4. "Document" or "documents" is intended to be comprehensive and shall mean every original (or an identical copy if the original is unavailable) and every copy which differs in any way from the original of every writing, recording (e.g., photograph, videotape, audiotape), or other tangible expression, whether handwritten, typed, drawn, sketched, printed, or recorded by any physical, mechanical, electronic, or electrical means whatsoever, and shall be construed to the fullest extent of the P.U.C. Procedural Rules and the Texas Rules of Civil Procedure, and shall include, without limitation all agreements, contracts, communications, correspondence, letters, telegrams, telexes, messages, memoranda, records, reports, books, summaries, tape recordings or other records of personal conversations, minutes or summaries or other records of meetings and conferences, summaries or other records of negotiations, other summaries, diaries, diary entries, calendars, appointment books, time records, instructions, work assignments, financial statements, work sheets, workpapers, drafts, graphs, maps, charts, tables, accounts, analytical records, consultants' reports, appraisals, bulletins, brochures, pamphlets, circulars, trade letters, press releases, notes, notices, marginal notations, notebooks, telephone records, bills, statements, records of obligation and expenditure, invoices, lists, journals, advertising, recommendations, printouts, compilations, tabulations, analyses, studies, surveys, transcripts of hearings, transcripts of testimony, affidavits, expense reports, microfilm, microfiches, articles, speeches, tape or disk recordings, sound recordings, video recordings, film, tape, photographs, punch cards, programs, data compilation from which information can be obtained (including matter used in data processing) and other printed, written, handwritten, typewritten, recorded,

- stenographic, computer-generated, computer-stored, electronically-stored matter, however and by whomever produced, prepared, reproduced, disseminated, or made.
5. "Person" means any natural person, firm, association, partnership, joint venture, corporation, estate, trust, receiver, syndicate, municipal corporation, government agency, any other form of legal entity, and other group or combination acting as a unit.
 6. "Relating to" a subject means making a statement about, mentioning, referring to, discussing, describing, reflecting, identifying, dealing with, consisting of, constituting or in any way pertaining, in whole or in part, to the subject.
 7. The words "communication" or "communications" include any verbal conversations or any other statement from one person to another, including but not limited to, any interview, conference, conversation, discussion, meeting or telephone conversation.
 8. "Identify" means:
 - a. as to a "person," stating his, her or its:
 - (i) legal, full and customarily used names;
 - (ii) present residential or business address;
 - (iii) job title; and
 - (iv) name of employer.
 - b. as to a document, act, event, transaction or occurrence, stating:
 - (i) its date, authors or participants;
 - (ii) the place where it took place, was created or occurred;
 - (iii) its purpose and subject matter; and
 - (iv) a concise description of what transpired.
 9. "Including" means and refers to "including but not limited to."
 10. Use of the singular or plural word form in a data request is not to be interpreted to exclude information or documents from the scope or intent of the specific request.
 11. For each response, please restate the RFI and identify the individual(s) responsible for preparing and sponsoring the response by name and title.
 12. For each document produced that is generated by computer, please identify:
 - a. the nature and source of the data constituting the input;
 - b. the form of the input (*e.g.*, tapes, punch cards);
 - c. the recording system employed (*e.g.*, program, flow charts); and

- d. the person(s) responsible for processing the input and/or performing the programming.
13. If the response to any request is voluminous, please provide a detailed index of the voluminous material, pursuant to 16 TEX. ADMIN. CODE § 22.144(h)(4).
 14. If the information requested was included in previously furnished exhibits, schedules, work papers, responses to other discovery inquiries, or otherwise, in hard copy or electronic format, please furnish specific references to the previously furnished materials, including Bates Stamp page citations and detailed cross-references.
 15. If, in answering any of these requests, there is any ambiguity in interpreting either the request or a definition or instruction applied thereto, please contact EPE's attorneys, Bret Slocum at (512) 703-4531 or Mark Held at (512) 703-4539.
 16. If an RFI calls for production of a document that was, but is no longer, in your possession, or subject to your control, or in existence, state whether it:
 - a. is missing or lost;
 - b. has been destroyed;
 - c. has been transferred, voluntarily or involuntarily to others; or
 - d. has been otherwise disposed of; and in each instance, explain the facts concerning how the document became unavailable; state the date or approximate date of the unavailability; the contents of the document; and the person who authorized the transfer, destruction or other disposition of said document. Documents prepared prior to, but which relate to or refer to, the time period covered by these RFIs are to be identified.
 17. If you decline to respond to any request for information or data on the basis of privilege, please state as to each such request an explanation for the refusal. Identify those documents and communications that are withheld from the response to each specific data request. The identification shall be served within the time specified by the presiding examiner for this proceeding and in accordance with the Rules of the Commission, and shall:
 - a. specify the date of the document, its author(s) (with title and designation if an attorney), and recipients (with title and designation if an attorney);
 - b. contain a brief summary of the subject matter of the document; and

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EL PASO ELECTRIC COMPANY'S SECOND
REQUEST FOR INFORMATION TO FMI

- EPE 2-1** Is it Freeport McMorRan, Inc.'s (FMI) and Mr. Griffey's position that the language in PURA Section 39.554(e) that a customer has the option to choose "single meter that runs forward and backward" was intended to prohibit EPE from measuring the amount of the rollback by requiring that the meter only measure the net amount?
- EPE 2-2** Is it FMI's and Mr. Griffey's position that the language in PURA Section 39.554(e) that a customer has the option to choose "single meter that runs forward and backward" prohibits the use of any meter that uses digital technology and does not have mechanical parts that are physically running forward and backward?
- EPE 2-3** Is it FMI's and Mr. Griffey's position that a bi-directional meter is not a single meter?
- EPE 2-4** Admit or deny that EPE's use of a bi-directional meter and netting the inflows and outflows for purposes of billing provides the exact same result for the DG customer as would be the case if EPE used a single channel meter whose dial ran forward and backward. If denied, please explain.
- EPE 2-5** With regard to Mr. Griffey's statement on page 37 of his testimony that "If there is a single meter that rolls forward and backward, EPE would have to assume the amount of "rollback" energy for any billing period as well as the time of use period when it occurs," is it Mr. Griffey's position that there is not a meter in existence or that could be built that would both "run forward and backward" and also record the amount of electricity flowing each way and the time of such flows (on to the grid and being delivered to the customer)?
- EPE 2-6** With regard to Mr. Griffey's example on page 24 and 25 of his testimony presenting a DG customer who is a net consumer for the month, does Mr. Griffey agree that through NEM, EPE is compensating the customer for his energy outflows by crediting their bill for the amount of outflows at the retail rate?
- EPE 2-7** Is it FMI's and Mr. Griffey's understanding that with the current accounting EPE only records as revenues the actual revenues EPE bills and receives from the DG

customer? If the answer is not a categorical yes, please explain Mr. Griffey's understanding of such current accounting.

- EPE 2-8** If the answer to the previous question #7 is yes, then is it Mr. Griffey's understanding that in the rate setting process the cost associated with the delivery of power to a DG customer for which the associated revenue is not collected is essentially allocated by the reduced billing determinates with the result it is recovered from other residential or small commercial customers?
- EPE 2-9** What is FMI's and Mr. Griffey's understanding of how EPE will book revenues under its proposed accounting treatment for the rollback portion, including the impact on billing determinates?
- EPE 2-10** Is it Mr. Griffey's understanding that at those times when a DG customer is a net producer, the power the DG customer is producing flows to other customers, irrespective of whether it is net excess power (power in excess of the customer's consumption for that month) or power that rolls back the meter as it comes onto the grid (power that reduces the kWh consumed on the bill)? If the answer is not a categorical yes, please explain Mr. Griffey's understanding.
- EPE 2-11** Does Mr. Griffey agree, that from other customers' perspective the excess power is indistinguishable from power that rolls the DG customer's meter back through net metering? If the answer is not a categorical yes, please explain Mr. Griffey's understanding.
- EPE 2-12** Does Mr. Griffey agree that with regard to the excess power, EPE pays for such power under its avoided cost tariff and charges all customers for it as purchased power? If the answer is not a categorical yes, please explain Mr. Griffey's understanding.
- EPE 2-13** Does Mr. Griffey agree that the payment for excess power is a credit to the customer's bill? If the answer is not a categorical yes, please explain Mr. Griffey's understanding.
- EPE 2-14** Do FMI and Mr. Griffey's agree that if EPE's proposal to treat the rollback portion of a DG customer's bill as purchased power is approved, such expense is a fuel cost that will not be collected through the base rates being set in this proceeding? If the answer is not a categorical yes, please explain FMI's and Mr. Griffey's understanding.

EPE 2-15 If the Commission were to approve EPE's proposal to treat the rollback portion of a DG customer's bill as purchased power and also allocate in a fuel reconciliation proceeding the cost of that purchased power to residential and small general service rate classes, is it still FMI's and Mr. Griffey's position that EPE's proposal would not comply with Section 39.554(h) of PURA? Please explain your answer.

EPE 2-16 With regard to page 36 of Mr. Griffey's testimony where he states: "Second, EPE has not made an ongoing effort to ensure that customers' DRG installations meet the size requirements in PURA § 39.554(e)(2)(B)":

a. Do Mr. Griffey and FMI agree that the determination of the permissible size of a DG system is not a size that changes, but rather is based on the customer's consumption for the year previous to installation? Please explain your answer.

b. Does Mr. Griffey believe evaluation of the size of the system at the time the interconnection agreement is signed and requiring in that agreement that EPE must be notified of any change to the system (as specified in the Commission standard interconnection agreement), is a reasonable means of ensuring the customer's DRG installation meets the size requirements?

c. If the answer to subquestion b is no, what does Mr. Griffey believe would be a reasonable "ongoing effort?" Provide any cost benefit analysis performed by Mr. Griffey that would justify the expense of such an effort?

d. Do FMI and Mr. Griffey agree that if a DG customer were to oversize their DG facility, beyond the annual consumption for the year previous to installation, there would be no consequence for FMI because the oversizing would simply lead to greater production of excess generation which is paid for by EPE at a rate consistent with the fuel cost avoided by that production? If the answer is not a categorical yes, please explain FMI's and Mr. Griffey's understanding.