



Control Number: 47576



Item Number: 198

Addendum StartPage: 0

SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576

RECEIVED
2017 DEC 11 PM 2:50
FILED
STATE OFFICE OF PUBLIC UTILITIES
FILING CLERK

APPLICATION OF THE CITY OF § BEFORE THE STATE OFFICE
LUBBOCK THROUGH LUBBOCK §
POWER AND LIGHT FOR §
AUTHORITY TO CONNECT A § OF
PORTION OF ITS SYSTEM WITH §
THE ELECTRIC RELIABILITY §
COUNCIL OF TEXAS § ADMINISTRATIVE HEARINGS

**CITY OF LUBBOCK'S THIRD REQUEST FOR INFORMATION
TO SOUTHWEST POWER POOL**

The City of Lubbock through Lubbock Power and Light (Lubbock or LP&L) files this Third Request for Information (RFI) to Southwest Power Pool (SPP) in the above-styled docket. SPP is hereby requested to furnish one copy of all items of information enumerated on the attached sheets directly to the offices of Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701, (512) 322-5800, care of the undersigned attorney, within ten (10) calendar days. These requests shall be deemed continuing so as to require further and supplemental responses if SPP receives or generates additional information within the scope of these requests between the time of the original response and the time of the hearing. Also, where data is requested, provide it in hard copy and Excel format with all formulas intact.

DEFINITIONS AND INSTRUCTIONS

- A. "SPP" refers to Southwest Power Pool, and any person acting or purporting to act on its behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- B. The term "document" shall have the broadest meaning possible under the Texas Rules of Civil Procedure and shall include, but not be limited to, the original (or a copy when the original is not available), each non-identical copy (including those which are non-identical by reason of notations or marking, or by appearing in the files of a separate person), and any books, notebooks, pamphlets, periodicals, letters, reports, memoranda, handwritten notes, notations, messages, telegrams, wires, cables, press or news wire releases, records, studies, analyses, summaries, magazines, booklets, circulars, catalogs, bulletins, instructions, operating or

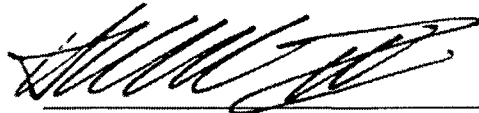
maintenance manuals, operating or product specifications, fabrication sheets, test data, design specifications, parts lists, calendars, day-timers, notes or records of meetings, notices, purchase orders, bills, ledgers, checks, tabulations, questionnaires, surveys, drawings, sketches, schematics, blueprints, flow sheets, working papers, charts, graphs, indices, tapes, agreements, releases, appraisals, valuations, estimates, opinions, financial statements, accounting records, income statements, photographs, films or videotapes, back-up tapes, minutes, contracts, leases, invoices, records of purchase or sale, correspondence, electronic or other transcription or tapings of or notes pertaining to telephone or personal conversations or conferences, tape recordings, electromagnetic recordings, voice mail message or transcriptions thereof, interoffice communications of all types, e-mail messages, printouts of e-mail messages, instant messages or printouts thereof, microfilms, electronic databases, CDs, DVDs, videotapes or cassettes, films, movies, computer printouts and any and all other written, printed, typed, punched, engraved, taped, filmed, recorded (electronically or otherwise), labeled, or graphic matter, of whatever description, however produced or reproduced (including computer-stored or generated data, together with instructions or programs necessary to search and retrieve such data), and shall include all attachments to (including tangible things) and enclosures with (including tangible things) any requested item, to which they are attached or with which they are enclosed, and each draft thereof. A draft of a non-identical copy is a separate document within the meaning of this term. An electronic copy of a paper document is a separate document within the meaning of this term.

- C. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, LP&L specifically requests that any electronic or magnetic data (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 Microsoft Office and/or Word Perfect and be produced with your response to these requests. LP&L further requests that SPP produce electronic copies of all paper documents, including any metadata attached to such documents, and produce all electronic originals or all responsive documents.
- 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.

- II. 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 or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- L. Pursuant to 16 Tex. Admin. Code § 22.144(h)(4) (TAC), 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, 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.

Respectfully submitted,

LLOYD GOSSELINK
ROCHELLE & TOWNSEND, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701
Telephone: (512) 322-5800
Facsimile: (512) 472-0532



LAMBETH TOWNSEND
State Bar No. 20167500
ltownsend@lglawfirm.com

CHRISTOPHER L. BREWSTER
State Bar No. 24043570
cbrewster@lglawfirm.com

WILLIAM A. FAULK, III
State Bar No. 24075674
cfaulk@lglawfirm.com

ATTORNEYS FOR CITY OF LUBBOCK

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was transmitted by fax, e-mail and/or regular, first class mail on this 11th day of December, 2017, to the parties of record.



WILLIAM A. FAULK, III

SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576

LUBBOCK'S THIRD REQUEST FOR INFORMATION TO SPP

- LP&L 3-1:** Please provide all drafts of the LP&L Exit Study Comprehensive Assessment.
- LP&L 3-2:** Please provide all notes, emails, and written correspondence from or to any employee of Southwest Power Pool having to do with the Study referenced in question 1, above.
- LP&L 3-3:** Please provide all draft and final work papers related to the LP&L Exit Study Comprehensive Assessment.
- LP&L 3-4:** Please provide all notes, emails, and correspondence from or to any employee of Southwest Power Pool that address or reference Lubbock, Lubbock Power & Light, the Exit Study Task Force, or the Exit Study from June 2014 to the present.
- LP&L 3-5:** Please provide all agendas, minutes, and notes of all meetings of the Exit Study Task Force including Open Session and Executive Session meetings.
- LP&L 3-6:** Please provide all agendas, minutes, and notes of all meetings of the Strategic Planning Committee including Open Session and Executive Session meetings that reference Lubbock or Lubbock Power and Light.
- LP&L 3-7:** The following questions reference the LP&L Exit Study Comprehensive Assessment:
- (a) On page 7, a statement is made under the bullet "Annual Transmission Revenue Requirement (ATRR) Impact Analysis" that, "there would be approximately 10% less load in the SPS zone." Please provide:
 - i. The current 12-CP load and load ratio share of LP&L in the SPS Zone, and
 - ii. The calculation that shows that there will be "approximately 10% less load."
 - (b) On page 7, under bullet "Operational Analysis" the following statement is made, "[] loading on existing known constraints increased more than 35% in some instances and decreased in others." Please provide the maximum percentage decrease on existing known constraints.
 - (c) On page 7, under bullet "Congestion Rights Analysis," did SPP perform a qualitative review of requested versus awarded ARRs and whether or not the percent of awarded ARRs will increase or decrease with removal of LP&L's affected load?

SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576

LUBBOCK'S THIRD REQUEST FOR INFORMATION TO SPP

- (d) Please provide all workpapers related to Tables 3.11 and 3.13.
- (e) Please provide a detailed explanation of how the Adjusted Production Cost analysis was performed.
- (f) As part of the Adjusted Production Cost analysis provided in Tables 3.11 and 3.13, did SPP perform locational marginal price analysis for scenarios with LP&L in SPP and LP&L in ERCOT? Please provide workpapers or other supporting documentation of all of the locational marginal price analysis performed that was used in developing figures on Table 3.11 and 3.13.
- (g) On page 34, under section 3.4. *IMPACTS TO REGIONAL ATRR*, SPP states that the analysis was performed “with removal of LP&L’s 469 MW.”
 - i. Did SPP perform the ATRR analysis by removing LP&L’s entire load information, or by removing only the portion of LP&L’s load that is proposed to be transferred to ERCOT?
- (h) On page 36, section 3.5. *OPERATIONAL ASSESSMENT*, as part of this assessment, did SPP perform shift factor analysis on the constraints identified? If so, please provide all analysis and work papers related to shift factors.
- (i) On page 42, section 4.2. *ECONOMIC-BASED CONCLUSIONS*, the following statement is made, “Further, SPP believes that APC savings are more reflective of the benefits expected in the SPP Integrated Marketplace than production cost savings.” Please provide a detailed explanation for this statement.
- (j) Was the reliability analysis conducted using similar resource output assumptions that were used in the SPP Fleet Option for economic analysis? If the answer is no, please provide a detailed explanation as to why different assumptions were used in economic analysis compared to reliability analysis.
- (k) Please refer to Tables 3.8 and 3.11. Production Cost for LP&L in SPP for Combined Cycle Option was \$6,679M in 2020 and \$8,653M in 2025 with forced outages; Production Cost for SPP Fleet Option was \$6,692M in 2020 and \$8,657M in 2025 with forced outages. The production cost difference between the two options was \$13M in 2020 and \$4M in 2025. Would the production cost savings associated with a combined cycle plant compared to the SPP fleet option justify the investment of approximately \$700M in capital cost associated with a 700 MW combined cycle plant?

**SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576**

LUBBOCK'S THIRD REQUEST FOR INFORMATION TO SPP

- LP&L 3-8:** The SPP ITP10 planning models have historically placed a 700 MW generic resource or proxy generator near Lubbock. What is the basis for including this proxy generator at Lubbock? What are the impacts to the results of the load flow studies used in the ITP10 planning process when the 700 MW proxy generator is removed from the model?
- LP&L 3-9:** Please provide the ballot from a vote taken on RR172 at the Market Operation Policy Committee meeting of July 11, 2017 with regard to Agenda Item 13 Zonal Placement.
- LP&L 3-10:** Please refer to Direct Testimony of Antoine Lucas at page 11, beginning at line 8. Please confirm or deny that SPP believes that Adjusted Production Cost savings are more reflective of the benefits expected in the SPP Integrated Marketplace.
- LP&L 3-11:** Please describe the benefit metrics that SPP normally considers in the ITP planning process when evaluating potential transmission projects. Did SPP consider each of these benefits in determining the benefits of LP&L load transition to ERCOT? If not, why not?
- LP&L 3-12:** Please refer to the SPP Market Monitoring Unit State of the Market Report 2016 for the following questions.
- (a) Please refer to section 1.5, on page 8. The following statement is made, "The results showed the percent of hours with pivotal supplier is the highest (around 100%) in the New Mexico and Texas region-irrespective of demand level-where one of the SPP's frequently constrained areas in 2016 was located."
 - i. Please explain why the New Mexico and Texas regions have 100% hours of pivotal supplier.
 - ii. How does SPP define the term "pivotal supplier?"
 - (b) Please refer to section 1.6 on page 9, where the following statement is made, "[] has maintained a high level of reserve margin approaching 50 percent in 2014 and 2015, and 43 percent in 2016." Please explain the difference between the reserve margin shown in the State of the Market Report compared to the comment made by Mr. Lucas in his direct testimony on page 15, line 1 where a PRM of only 29.7% is reported.
 - (c) With regard to Figure 2-73 on page 89, please explain why the SPP South hub prices are significantly higher than SPP North hub prices.

**SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576**

LUBBOCK'S THIRD REQUEST FOR INFORMATION TO SPP

- (d) **If market prices do not support the cost of new entry generation, and since the current planning reserve margin is well in excess of SPP's 12% reserve margin requirement, why has SPP proposed a Tariff change to incorporate a mandatory Resource Adequacy Requirement including a Planning Reserve Margin Deficiency Payment based on Cost of New Entry?**
- (e) **Refer to section 2.13.3 TRANSMISSION CONSTRAINTS. From Figure 2-80 Congestion by shadow price, top ten flowgates, please identify the constraints that affect prices in the Texas Panhandle and Lubbock.**
- (f) **Refer to section 2.13.3.2 West Texas and Texas Panhandle constraints. The following statement is made, "The west Texas and Texas Panhandle area from Lubbock down into southeast New Mexico has historically been the most congested transmission corridor in the SPP market." Please explain why this area has been the most congested area in SPP.**
- (g) **Refer to section 2.13.6 FREQUENTLY CONSTRAINED AREAS AND LOCAL MARKET POWER. The following statement is made, "Congestion in the market creates local areas where only a limited number of suppliers can provide the energy to serve local load without overloading a constrained transmission element." This section goes on to say, "[] the MMU ... recommended the Texas Panhandle area maintain the designation as a frequently constrained area."**
 - i. **Is the Texas Panhandle area frequently import-constrained?**
 - ii. **If the answer to the prior request is yes, please identify each year that the Texas Panhandle has been identified as a frequently constrained area.**

LP&L 3-13: In regard to Mr. Lucas' comments on page 16, line 9, does SPP guarantee that the results of screening studies will be consistent with results of future ATSS requests?

- (a) **Are screening studies binding on SPP?**
- (b) **What is the typical cost of a screening study?**

**SOAH DOCKET NO. 473-18-1279
PUC DOCKET NO. 47576**

LUBBOCK'S THIRD REQUEST FOR INFORMATION TO SPP

- LP&L 3-14:** In regard to Mr. Lucas' comments on page 19, lines 10-26, based on your familiarity with LP&L's transmission system that was used to perform the LP&L Exit Study Comprehensive Assessment, do you have any reason to believe that LP&L's transmission facilities would not meet the "Criteria for Inclusion of Transmission Facilities" as required in Attachment AI, Section II of the SPP Open Access Transmission Tariff. If yes, please fully explain your answer. If no, why did SPP not include an amount for LP&L ATRR as an additional cost in the study scenario in which LP&L remains in SPP?
- LP&L 3-15:** Please describe the ability to provide the systems needed for Texas utilities in SPP to offer retail open access. Also, please describe how that ability has changed since the SPP report filed in Docket No. 33687.
- LP&L 3-16:** For the years 2006 to 2009, please provide a spreadsheet with the monthly coincident peak (CP) demands for each SPP zone and region.