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JOINT REPORT AND APPLICATION §
OF ONCOR ELECTRIC DELIVERY §
COMPANY LLC, SHARYLAND §
DISTRIBUTION & TRANSMISSION §
SERVICES, L.L.C., SHARYLAND §
UTILITIES, L.P., AND SEMPRA §
ENERGY FOR REGULATORY §
APPROVALS UNDER PURA §§ 14.101, §
37.154, 39.262, AND 39.915 §

PUBLIC UTILITY COMMISSION

2019 FEB 19 11:00 AM

PUBLIC UTILITY COMMISSION
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SHARYLAND UTILITIES, L.P. AND SHARYLAND DISTRIBUTION & TRANSMISSION SERVICES, L.L.C.'S OBJECTIONS TO COMMISSION STAFF'S FOURTH SET OF REQUESTS FOR INFORMATION

Sharyland Utilities, L.P. ("Sharyland") and Sharyland Distribution & Transmission Services, L.L.C. ("SDTS") file these objections to the Commission Staff of the Public Utility Commission of Texas ("Staff") Fourth Set of Requests for Information ("RFIs") and respectfully show as follows:

I. PROCEDURAL HISTORY

Staff served its Fourth Set of RFIs on Friday, February 8, 2019 after 1:00 p.m. Pursuant to Order No. 3, Sharyland and SDTS's objections are timely filed.

II. NEGOTIATIONS

Counsel for Sharyland and SDTS have conferred with counsel for Staff in an effort to resolve their discovery disputes. Although the parties negotiated diligently and in good faith, the parties were unable to reach a mutually agreeable resolution. Therefore, Sharyland and SDTS are filing these objections.

III. GENERAL OBJECTIONS AND SUMMARY

Sharyland and SDTS generally object to the "Definitions and Instructions" preceding Staff's RFIs to the extent that they seek to expand their obligations under the relevant procedural rules. Sharyland and SDTS will provide responses consistent with the Commission's rules, the Texas Rules of Civil Procedure, the Administrative Procedure Act, and the Protective Order, as applicable.

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The Commission's Procedural Rules permit discovery of information that is "not privileged or exempted under the Texas Rules of Civil Evidence, the Texas Rules of Civil Procedure, or other law or rule, that is relevant to the subject matter in the proceeding." 16 Tex. Admin. Code (TAC) § 22.141(a). Staff RFI No. 4-5(a) seeks information that is irrelevant to this proceeding. *See In re Nat'l Lloyds Ins. Co.*, 449 S.W.3d 486, 488 (Tex. 2014); Tex. R. Civ. P. 193 cmt 2. Additionally, "[a] party raising objections on the grounds of relevance as well as grounds of privilege or exemption is not required to file an index to the privileged or exempt documents at the time the objections are filed" and "[a] party may instead include an objection to the filing of the index." 16 TAC § 22.144(d)(3).

IV. SPECIFIC OBJECTIONS

Sharyland and SDTS object to the following RFIs:

STAFF 4-5:

Please refer to Item No. 152 in AIS, "Table of Current and Post-Closing Asset Ownership Under the Proposed Transactions in Docket No. 48929."

- a. For each transmission line item listed, please update the table with separate columns containing the following information. Please provide your response in native Excel format.
 - i. Net book value of asset (current market value being used for this STM case);
 - ii. Estimated cost of the asset at the beginning of construction;
 - iii. Actual final construction cost of the asset;
 - iv. Cost variance (between ii. and iii.) and an explanation for any cost variances exceeding +/- 10%;
 - v. Date energized;
 - vi. Voltage (or voltage breakdown for substations), if not already provided;
 - vii. Associated CCN numbers (when applicable); and
 - viii. The Monthly Construction Report Docket Number and Item Number in which the asset's final cost was reported (when applicable).
- b. Are all of these assets currently energized? If no, please name which specific assets are not, and explain why.
- c. Are any of these assets listed land or easements without energized facilities? If so, please itemize and explain.
- d. What is the total net book value of assets being transferred from SDTS to Oncor subsidiary (North Texas Utility)?

- e. Please refer to Exhibit B, Attachment D of the Application, which lists the value of the transmission plant in service being transferred for FERC account 101 as \$91,877,490. Please confirm in your Excel response to this question that the assets discussed in response to Staff RFI No. 4-5(a) add up to \$91,877,490. If the assets discussed in response to question (a) do not add up to \$91,877,490, please explain.

Objections:

Sharyland and SDTS object to Staff RFI No. 4-5(a) because the information sought is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Tex. R. Civ. P. 192.3(a); 16 TAC § 22.141(a). This request seeks information regarding the transmission assets in what appears to be an attempt to challenge the prudence of these investments. However, the Joint Applicants are not seeking prudence findings in this proceeding. While this information may be relevant for purposes of a future rate case, it has no bearing on whether the Proposed Transactions are in the public interest in this sale, transfer, or merger proceeding.

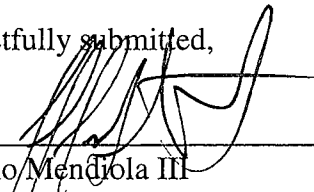
Sharyland and SDTS further object to Staff RFI No. 4-5(a) insofar as it requires the parties to create a spreadsheet that does not exist. *See In re Colonial Pipeline Co.*, 968 S.W.2d 938, 942 (Tex. 1998). Staff RFI No. 4-5(a) is also unduly burdensome, as the time and expense required to create a document that does not exist outweigh the likely benefit. Tex. R. Civ. P. 192.4(b). Lastly, the discovery should be limited, as much of the information Staff seeks in Staff RFI No. 4-5(a) is publicly available through the monthly construction reports that Sharyland is required to file pursuant to 16 TAC § 25.83. *See* Tex. R. Civ. P. 192.4(a) (limiting the scope of discovery when it is obtainable from some other source that is more convenient, less burdensome, or less expensive).

V. CONCLUSION AND PRAYER

WHEREFORE, PREMISES CONSIDERED, Sharyland and SDTS request that these objections be sustained, that they be relieved of responding to the RFI identified herein, and grant Sharyland and SDTS such other relief to which they may be justly entitled.

Respectfully submitted,

By: _____


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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on all parties of record in this proceeding on this the 19th day of February, 2019.



Sarah K. Merrick