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Addendum StartPage: 0

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APPLICATION OF SOUTHWESTERN §
ELECTRIC POWER COMPANY FOR §
CERTIFICATE OF CONVENIENCE AND §
NECESSITY AUTHORIZATION AND §
RELATED RELIEF FOR THE §
ACQUISITION OF WIND GENERATION §
FACILITIES §

PUBLIC UTILITY COMMISSION

OF TEXAS

GOLDEN SPREAD ELECTRIC COOPERATIVE INC.'S
FIRST REQUEST FOR INFORMATION TO
SOUTHWESTERN ELECTRIC POWER COMPANY

TO: Southwestern Electric Power Company, by and through his attorney of record, William Coe and Kerry McGrath, Duggins Wren Mann & Romero, LLP, 600 Congress Avenue, Suite 1900, Austin, TX 78701; and

Rhonda C. Ryan, American Electric Power Service Corporation, 400 West 15th Street, Suite 1520, Austin, TX 78701

NOW COMES Golden Spread Electric Cooperative, Inc. ("GSEC") by and through its attorneys of record, and requests that Southwestern Electric Power Company ("SWEPCO") provide all the information requested and to answer under oath the questions propounded herein. The questions should be answered in the order in which they are asked and in sufficient detail to fully present all of the relevant facts.

Instructions

Please copy the question immediately above the answer to each and indicate at the bottom of each answer the name and job title of the person, other than counsel, chiefly responsible for preparation of the answer. Also state the name of the witness in this proceeding who will sponsor the answer to the question and who can vouch for the truth and veracity of the response given.

If any question appears confusing, please request clarification from the attorneys of record.



If SWEPCO asserts that any documents responsive to any request have been discarded or destroyed and are thus not available, state when, and explain why any such document was destroyed or discarded and identify the person directing the destruction or discarding; provide all documents relating to any criteria or procedure of the company under which such document was discarded or destroyed.

If SWEPCO asserts documents are under claim of privilege, please furnish a list identifying each document for which privilege is claimed, together with the following information: date, sender, recipient, recipient of copies, subject matter of document, and the basis upon which such privilege is claimed. Please also further support the privilege that you claim, with reference to applicable decisions and Attorney General Opinions.

If SWEPCO asserts documents are protected from disclosure under the protective order, you must specifically state the provision of the Government Code that applies to the particular documents sought, and explain why the exception applies. A contention that information is excepted from disclosure in accordance with Section 552.101 should specifically identify the law, statute, or judicial decision that makes the information confidential. A contention that a document is protected under Section 552.104 or Section 552.110(b) requires a showing of some actual or specific harm in a particular competitive situation; a generalized allegation that a competitor will gain an unfair advantage will not suffice. ORD 541 at 4 (1990); ORD 661 at 5-6 (1999). A contention that a document is confidential under 552.110(a) should show that the information meets the definitions of a trade secret. ORD 552 at 2 (1990); ORD 402 (1983); Section 757, Restatement of Torts, as adopted by the Texas Supreme Court in *Hyde Corp. v. Huffines*, 314 S.W.2d 763, 776 (Tex.), *cert. denied*, 358 U.S.898 (1958). See also OR2002-3953 (2002).

These questions and requests are continuing in nature and should there be a change in circumstances, which would modify or change an answer supplied, then in such event you are requested to change or modify such answer under oath and to submit such changed answer as a supplement to your original answer.

DEFINITIONS

For the purpose of this request for information, the expressions set forth below shall have the following meanings:

(1) "SWEPCO" or "the Company" refers to Southwestern Electric Power Company and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

(2) "AEP" refers to American Electric Power, and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representative, employees or other persons.

(3) "You," "your," "yours," and "Company" refer collectively to SWEPCO and AEP, including its officers, directors, agents, attorneys, consultants, employees, representatives, any other person or entity acting or purporting to act on their behalf.

(4) "Application" refers to the Application and supporting testimony, schedules and other documents submitted by SWEPCO and AEP in PUC Docket No. 49737.

(5) "Document" and "documents" are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced or reproduced by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, including, but not limited to memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, electronic mail (email), cards, computer storage device or any other media, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche, drafts, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports and summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form, and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. "Document" or

“documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

(6) The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

(7) “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

(8) “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

(9) The term “concerning” or one of its reflections, 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.

(10) The term “including” or one of its inflections, means and refers to “including but not limited to.”

(11) “Relate to,” “regarding,” “concerning” and similar terms mean addressing, analyzing, referring, discussing, mentioning in any way, explaining, supporting, describing, forming the basis for, or being logically or causally connected in any way with the subject of these discovery requests.

(12) “Provide the basis,” “state the basis,” or “explain the basis” means provide all information on or describe every fact, statistic, inference, estimate, consideration, conclusion, study, and analysis known to SWEPCO/AEP that was relied upon in support of the expressed contention, proposition, conclusion or statement.

(13) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall be also taken to mean and include the plural.

(14) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

(15) If any document is withheld under any claim of privilege, please furnish a list identifying each documents for which a privilege is claimed, together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

(16) If the response to any request is voluminous, please provide a detailed index of the voluminous material, pursuant to PUC PROC. R. 22.144(h)(4).

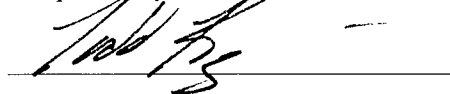
(17) If the information requested is included in previously furnished exhibits, workpapers, and responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

(18) "Commission" and "PUC" means the Public Utility Commission of Texas; and

(19) "Staff" means the professional staff of the PUC.

The requests for information are set forth on the attached list.

Respectfully Submitted,



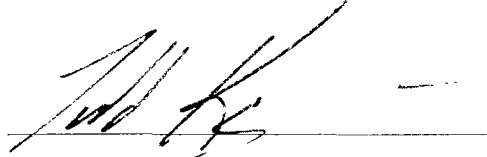
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ATTORNEYS FOR GOLDEN SPREAD ELECTRIC
COOPERATIVE INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served on all parties of record in the proceeding on this 23rd day of September, 2019, by facsimile, electronic mail, and/or first class U.S. Mail.

A handwritten signature in black ink, appearing to read 'Todd F. Kimbrough', is written over a horizontal line.

Todd F. Kimbrough

SOAH DOCKET NO. 473-19-6862
PUC DOCKET NO. 49737

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GOLDEN SPREAD ELECTRIC COOPERATIVE INC.'S
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- GSEC 1-1.** Please refer to page 7 of the direct testimony of Johannes P. Pfeifenberger, that states “The Company relied on the PROMOD ‘Reference Case (Future 1)’ that SPP staff and stakeholders developed for the 2019 ITP.”
- a. How much wind capacity is included in the referenced Future 1 2019 ITP PROMOD Model for 2024? For 2029?
 - b. How much wind capacity is included in the Future 2 of the same 2019 ITP PROMOD Model for 2024? For 2029?
- GSEC 1-2.** How much wind capacity is included in the Future 1 2020 ITP PROMOD Model for 2025? For 2030?
- GSEC 1-3.** How much wind capacity is included in the Future 2 2020 ITP PROMOD Model for 2025? For 2030?
- GSEC 1-4.** How much wind capacity is included in the Future 1 2021 ITP PROMOD Model for 2026? For 2031?
- GSEC 1-5.** How much wind capacity is included in the Future 2 2021 ITP PROMOD Model for 2026? For 2031?
- GSEC 1-6.** Please provide a list every economic ITP Future 1 model that has been completed by SPP in the last 10 years.
- a. For each of the models listed, please provide a description of Future 1.

- b. For each of the Future 1 models listed, please provide the corresponding amount of wind generation capacity predicted by year.
- c. Please list every economic ITP Future model other than Future 1 that has been completed by SPP in the last 10 years.
- d. For each of the additional models listed, please list the corresponding amount of wind generation capacity in each additional Future model predicted by year.
- e. For each of the additional models listed, please provide a description of each model/“Future.”

GSEC 1-7. Please provide the actual amount of wind generation capacity in SPP in each year starting in 2011 and ending with the current amount of wind generation capacity.

GSEC 1-8. Please refer to page 18 of the direct testimony of Johannes P. Pfeifenberger. With the referenced addition of 4,400 MW of RFP bids to SPP’s Reference Case, how much wind capacity was used in the 2024 and 2029 Bid Evaluation Case models?

GSEC 1-9. How much wind capacity was used in the 2024 and 2029 “Base Case” and “No-SPP-Upgrades Case” model?

GSEC 1-10. If the amount of wind generation capacity utilized differs between the “Bid Evaluation Case,” “Base Case,” and “No-SPP-Upgrades Case,” please explain why they differ from one another.

GSEC 1-11. How much wind generation capacity does AEP expect to be in the SPP footprint in each of the following years: 2024, 2025, 2026, 2029, 2030, and 2031?

GSEC 1-12. Please explain the methodology AEP utilized to determine that the Selected Wind Facilities would provide a 15% capacity benefit.

GSEC 1-13. Please describe SPP’s current methodology for accrediting wind capacity.

GSEC 1-14. Admit or Deny. SPP’s current methodology for accrediting wind capacity would allow an SPP Load Responsible Entity to have 100% of their accredited capacity come from wind.

GSEC 1-15. Admit or Deny. SPP can sustain resource adequacy indefinitely with only wind generation resources. Please explain your response.

GSEC 1-16. Admit or Deny. SPP is in the process of changing the capacity accreditation methodology of wind. If admit,

- a. Please describe the methodology SPP is considering adopting.

- b. Please provide the method of calculating and the current capacity rating, by resource, for each of SWEPCO's current wind resources referred to on page 19 of the direct testimony of John F. Torpey.
- c. Please provide an estimation of the capacity rating AEP expects, by resource, for each of SWEPCO's current wind resources, for each of the following years: 2024, 2025, 2026, 2029, 2030, and 2031 utilizing the current SPP method.
- d. Please provide an estimation of the capacity rating AEP expects, by resource, for each of SWEPCO's current wind resources, for each of the following years: 2024, 2025, 2026, 2029, 2030, and 2031 utilizing the proposed SPP method.
- e. Which of SWEPCO's current wind resources have firm transmission service?

GSEC 1-17. Admit or Deny. In the SPP stakeholder processes, AEP has voted to approve the use of Effective Load Carrying Capability as the guiding principle for the accreditation of solar, wind and storage resources in the SPP Balancing Authority, replacing the current accreditation methodology found in section 7.1.5.3 (7) of the SPP Planning Criteria once new criteria language is approved.

GSEC 1-18. Does AEP expect to obtain firm transmission service for the Selected Wind Facilities?

- a. If so, how much does AEP expect to pay for firm transmission service and when does it anticipate paying these amounts?
- b. Will SWEPCO be responsible for paying all costs associated with firm transmission service for the Selected Wind Facilities?
 - If not, please describe how the difference between what SWEPCO pays and the cost will be funded, including which companies will fund the difference.
 - Will other Texas rate payers other than SWEPCO incur part of the cost of the firm transmission for the Selected Wind Facilities?

GSEC 1-19. Did AEP or Invenergy request Network Resource Interconnection Service ("NRIS") from SPP?

- a. If so, please provide the cost of NRIS and cost difference between Energy Resource Interconnection Service ("ERIS") and NRIS for each wind resource.
- b. If not, please explain why NRIS was not requested.
- c. Admit or Deny: ERIS is generally considered an "energy-only" interconnection service available up to the output consistent with congestion pricing, and NRIS interconnection integrates generators with the transmission system to serve native load customers as network resources. Please explain your answer.
- d. Admit or Deny: The Selected Wind Facilities are intended to be "energy-only" resources not intended to serve load. Please explain your answer.

GSEC 1-20. Will AEP consider obtaining NRIS service for the Selected Wind Facilities? Please explain.

- GSEC 1-21.** Do upgrades built to acquire NRIS service decrease congestion?
- GSEC 1-22.** Would NRIS service for the Selected Wind Facilities mitigate the congestion risk for the Selected Wind Facilities?
- GSEC 1-23.** Would NRIS service mitigate the congestion risk to other Texas rate payers that will result from the Selected Wind Facilities? Please provide all documents relied upon in providing this answer.
- GSEC 1-24.** Please refer to page 35 of the direct testimony of Johannes P. Pfeifenberger. Admit or Deny that NRIS service for the Selected Wind Facilities could mitigate the cost that other Texas transmission rate payers would be allocated as opposed to the implementation of the referenced SPP transmission upgrades built through the ITP process to alleviate congestion. Please explain your answer and provide all supporting documents.
- GSEC 1-25.** For each of SWEPCO's current wind resources referred on page 19 of the direct testimony of John F. Torpey, please provide, by resource, the annual number of negative prices hours for the last 10 years.
- GSEC 1-26.** For each of SWEPCO's current wind resources referred to on page 19 of the direct testimony of John F. Torpey, please provide, by resource, the annual number of negative prices hours predicted, by each model and case, for each year that correspond to the estimated life of the Selected Wind Facilities.
- GSEC 1-27.** Admit or Deny. The Selected Wind Facilities will increase congestion on the SPP transmission system. Please provide all documents relied upon in reaching your answer.
- GSEC 1-28.** Please refer to page 35 of the direct testimony of Johannes P. Pfeifenberger. If congestion increases and SPP transmission upgrades are implemented, please describe who will be allocated the cost of the transmission upgrades. Specifically, will other Texas transmission rate payers, other than SWEPCO, pay for the transmission upgrades?
- GSEC 1-29.** Please refer to page 34 of the direct testimony of Johannes P. Pfeifenberger. How much of the \$1.6 billion of transmission upgrades in 2019 through 2024 were paid for by Texas rate payers? How much of this cost was paid for by SWEPCO?
- GSEC 1-30.** How does the addition of wind resources in the SPP ITP models affect the Average Production Cost ("APC") benefit metric utilized in the SPP ITP process?

- a. How does SPP determine if a wind generation facility should be assigned ownership?
- b. Does an additional wind generation facility that is assigned ownership:
 - i. Increase production costs?
 - ii. Decrease purchase costs?
 - iii. Increase sales revenues?
 - iv. Increase or decrease the APC benefit associated with additional transmission?
- c. Does an additional wind generation facility that is not assigned ownership:
 - i. Increase production costs?
 - ii. Decrease purchase costs?
 - iii. Increase sales revenues?
 - iv. Increase or decrease the APC benefit associated with additional transmission?
- d. Will the sales from a wind generation facility that is assigned ownership, relative to not assigning wind ownership:
 - i. Increase production costs?
 - ii. Decrease purchase costs?
 - iii. Increase sales revenues?
 - iv. Increase or decrease the APC benefit associated with additional transmission?
 - v. Show more or less benefit from the addition of transmission projects than a facility with assigned ownership?
- e. Will the Selected Wind Facilities be assigned ownership by SPP? Please provide all supporting evidence.

GSEC 1-31. How much wind was assigned ownership in the ITP 2019 model Future 1? Future 2?

GSEC 1-32. Were the Selected Wind Facilities assigned ownership in the ITP 2019 model Future 1? Future 2?

GSEC 1-33. How much of the wind does AEP expect to be assigned ownership in the ITP model for 2024, 2025, 2026, 2029, 2030, and 2031?

- a. Admit or Deny. A portion of the wind that will be added in 2024, 2025, 2026, 2029, 2030, and 2031 will not be assigned ownership in the ITP model.
- b. Admit or Deny. It is possible that all or a majority of the wind that will be added in 2024, 2025, 2026, 2029, 2030, and 2031 will not be assigned ownership in the ITP model.

GSEC 1-34. How much wind capacity, by year, was assumed by the Aurora and Plexos models?

- GSEC 1-35.** If a gen-tie or set of gen-ties are built to alleviate the congestion from the Selected Wind Facilities to SWEPCO load, who will pay for the cost of gen-tie(s)?
- GSEC 1-36.** Referring to SWEPCO's Response No. TIEC 2-19, how does a Market Participant obtain Auction Revenue Rights ("ARRs")? Is firm transmission a prerequisite for obtaining ARRs?
- GSEC 1-37.** Admit or Deny. All else equal, additional wind in SPP will increase ancillary service costs.
- GSEC 1-38.** How are ancillary service costs paid for in SPP?
- GSEC 1-39.** How much will the Selected Wind Facilities increase ancillary service costs in SPP?
- GSEC 1-40.** How much would the addition of a typical 1,000 MW wind generation project in SPP increase ancillary service costs in SPP?
- GSEC 1-41.** Please provide all studies or work product in your possession that discusses the relationship between wind and ancillary service costs in SPP.
- GSEC 1-42.** Admit or Deny. A significant factor in the need for a ramping energy or ancillary service product in SPP is the increasing amount of wind generation in SPP. If Deny, please describe the reasons for the need of a ramping product in SPP.
- GSEC 1-43.** Please refer to page 9 of the direct testimony of Johannes P. Pfeifenberger, "there is a possibility that more wind generation could be built in the SPP footprint than projected due to the potential for future carbon charges or other environmental regulations of fossil resources, customers' shifting preferences for clean energy resources, continued declines in renewable generation costs, future increases in natural gas prices, and the retirement of older and inefficient generators."
- a. How much wind generation is possible?
 - b. Did AEP consider a high wind scenario? Why or why not?
 - c. Would more wind generation increase or decrease congestion?
 - d. Would more wind in SPP increase or decrease the economic benefits of the Selected Wind Facilities? Please explain how.
 - e. Would more wind in SPP increase or decrease the amount of capacity benefit expected by the Selected Wind Facilities? Please explain.
- GSEC 1-44.** Please refer to SWEPCO's Response No. TIEC 2-17, "the addition of the new wind resources is not expected to have a significant impact on SPP market energy prices, under the assumption that the additional wind facilities will be built in SPP regardless of SWEPCO ownership."

- a. Please provide any documentation SWEPCO relied on when making this claim.
- b. If the additional wind facilities are built and not owned by AEP, who will own these wind facilities?

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