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SOAH DOCKET NO. 423-21-0538
PUC DOCKET NO. 51415

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APPLICATION OF SOUTHWESTERN §
ELECTRIC POWER COMPANY FOR §
AUTHORITY TO CHANGE RATES §
BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

**SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO TEXAS
INDUSTRIAL ENERGY CONSUMERS' FIFTH SET OF REQUESTS FOR
INFORMATION**

FEBRUARY 8, 2021

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Question No. TIEC 5-1:

Please provide the dollar impact on SWEPCO's revenue requirement in this case of including versus excluding retail behind-the-meter generation in the monthly peak load that SWEPCO reports to SPP.

Response No. TIEC 5-1:

The estimated dollar impact on SWEPCO's revenue requirement is \$5.7 million which reflects and is based on billing from SPP.

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Title: Reg Pricing & Analysis Mgr

Sponsored By: Jennifer L. Jackson

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Question No. TIEC 5-2:

Please provide a narrative explanation of how SWEPCO identifies and quantifies the amount of load being served by behind-the-meter generation for purposes of reporting monthly peak load data to SPP.

Response No. TIEC 5-2:

SWEPCO's load served using behind-the-meter generation is based on SCADA information telemetered to the company in real time.

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Question No. TIEC 5-3:

Please indicate how many MW or kW of load would be included in SWEPCO's reporting of monthly peak load data to SPP in each of the following circumstances:

- a. an interruptible customer that uses 50 MW of power during most hours of the month but is not consuming power at the time of the monthly peak of the SWEPCO zone.
- b. a firm customer whose load varies over the course of the month between 10 MW and 50 MW, but that is only consuming 10 MW at the time of monthly peak of the SWEPCO zone.
- c. a backup customer that self-supplies 50 MW of its own load with behind-the-meter generation throughout the month and does not take any backup or other power from SWEPCO during the month.
- d. a customer that has 50 MW of load supplied by behind-the-meter generation, which load is integrated with the generation so that the customer will never take more than 10 MW of backup or standby power from SWEPCO, and which is not taking any power from SWEPCO at the time of the monthly peak of the SWEPCO zone.
- e. a residential or commercial solar customer that is generating 10 kW of its 20 kW load at the time of the monthly peak of SWEPCO zone.

Response No. TIEC 5-3:

- a. 0 MW for this customer.
- b. 10 MW for this customer.
- c. 50 MW if the behind the meter generator was serving that load at the time of the peak.
- d. 50 MW if the behind the meter generator was serving that load at the time of the peak.
- e. 10 kW because SWEPCO has not made any adjustments for such loads in its reporting to SPP at this time.

Prepared By: C. Richard Ross

Title: Dir Transmission RTO Policy

Prepared By: Chad M. Burnett

Title: Dir Economic Forecasting

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Question No. TIEC 5-4:

Is it SWEPCO's position that all load served by retail behind-the-meter generation must be included in reporting SWEPCO's monthly peak load data to the SPP, even if that load could never be served by SPP's or SWEPCO's transmission or distribution grid (i.e., load that drops off when the retail behind-the-meter generation goes down)? Please explain why or why not.

Response No. TIEC 5-4:

SWEPCO isn't aware that this situation exists in Texas, however if the load drops instantaneously with loss of generation or has reverse power relaying in place that instantaneously interrupts the customer load so that it never places any demand on the system, then SWEPCO's position is the BTM generation should not be added back into the load.

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Question No. TIEC 5-5:

Please provide a narrative explanation of how SWEPCO quantifies load served behind the meter by a Qualifying Facility in reporting monthly net peak load to SPP.

Response No. TIEC 5-5:

See SWEPCO's response to TIEC 5-4, 5-3, and 5-2.

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Question No. TIEC 5-6:

18 CFR §292.305(c)(i) provides that “The rates for sales of backup power or maintenance power . . . shall not be based on an assumption (unless supported by factual data) that forced outages or other reductions in output by all qualify facilities on an electric utility’s system will occur simultaneously or during the time of system peak, or both.” Please state SWEPCO’s position on whether this regulation impacts the monthly peak load data it includes for load served by a QF behind the meter and, if not, please explain why not.

Response No. TIEC 5-6:

SWEPCO did not make such an assumption in the calculation of its monthly peak load data.

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Question No. TIEC 5-7:

Does SWEPCO build its transmission system to serve the maximum non-coincident peak of each customer?

Response No. TIEC 5-7:

AEP/SWEPCO does not build its transmission system to serve the maximum non-coincident peak for all customer loads, assuming their peaks all occur at the same time. The Company builds its transmission system to ensure the transmission system can meet the peak requirements of each customer on a stand-alone basis.

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Question No. TIEC 5-8:

Is the maximum non-coincident peak of each customer included in SWEPCO's reporting to SPP of its monthly peak load data?

Response No. TIEC 5-8:

The monthly peak load data SWEPCO reports to SPP would represent the coincident peak load for each customer.

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