



Control Number: 51415



Item Number: 27

Addendum StartPage: 0



**SOAH DOCKET NO. 473-21-0538
PUC DOCKET NO. 51415**

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

**OFFICE OF PUBLIC UTILITY COUNSEL'S
FIRST REQUEST FOR INFORMATION TO
SOUTHWESTERN ELECTRIC POWER COMPANY**

Pursuant to 16 Texas Administrative Code (“TAC”) § 22.144, the Office of Public Utility Counsel (“OPUC”) submits this First Request for Information to Southwestern Electric Power Company (“SWEPCO”). OPUC requests that SWEPCO provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F) within the timeframe specified in the procedural schedule in this proceeding, or within 20 days pursuant to 16 TAC § 22.144(c)(1) if a procedural schedule has not been adopted. OPUC further requests that SWEPCO provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

1. “SWEPCO,” the “Company,” “Applicant,” “You,” and “Your” refer 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. “Document” and “documents” include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, 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, summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your 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.
3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.
8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other

than by providing clerical assistance, in the preparation of the answer to the question. If the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.

9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
11. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
14. If the requested information is included in previously furnished exhibits, workpapers, or 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 to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

SOAH Docket No. 473-21-0538
PUC Docket No. 51415
OPUC's First Request for Information to
Southwestern Electric Power Company

- 1-1. Please refer to the Direct Testimony of Mr. Thomas P. Brice, pages 5 and 6. Please provide copies of any documentation that relates to discussions, presentations or other communications among the four owners of the Dolet Hills Power Station (“Dolet Hills”) concerning the retirement of the plant. Please also include native copies of any analyses performed as well as copies of any presentation materials.
- 1-2. Please refer to the Direct Testimony of Mr. Thomas P. Brice, pages 6 and 7, and the attached workpapers. Please provide copies of any documentation that relates to discussions, presentations or other communications related to the \$140 million capital investment in the Oxbow Mining area. Please also include documentation that shows the need for the Oxbow Mining upgrade for reliable delivery of lignite to Dolet Hills or for extending the useful life of the power station.
- 1-3. Please refer to the Direct Testimony of Mr. Thomas P. Brice. Please provide the docket numbers for all proceedings held before the Arkansas Public Service Commission concerning the retirement of Dolet Hills. Please include in your response the retirement date approved by the Arkansas Public Service Commission.
- 1-4. Please refer to the Direct Testimony of Mr. Thomas P. Brice. Please provide the docket numbers for all proceedings held before the Louisiana Public Service Commission concerning the retirement of Dolet Hills. Please include in your response the retirement date approved by the Louisiana Public Service Commission.
- 1-5. Please refer to the workpapers of Mr. Thomas P. Brice, page 8. Please provide a copy of the Integrated Resource Plan referred to in Mr. Brice’s workpapers which include a copy of the Direct Testimony of Mark A. Becker filed before the Louisiana Public Service Commission, October 6, 2020.
- 1-6. Please refer to the Direct Testimony of Mr. Thomas P. Brice, page 6. Please provide a detailed explanation of the force majeure events of 2017 and 2018 as they relate to the useful life of Dolet Hills and the associated mining operations.
- 1-7. Please refer to the Direct Testimony of Mr. Thomas P. Brice, page 6. Please provide copies of all studies and related analyses in native format that support Mr. Brice’s statement that SWEPCO determined early in 2020 that the economically recoverable reserves were depleted and that mining activities should cease and the plant be retired by the end of 2021.
- 1-8. Please refer to the Direct Testimony of Mr. Thomas P. Brice, page 6. Please provide copies of all studies and related analyses in native format that were conducted between 2015 and

SOAH Docket No. 473-21-0538
PUC Docket No. 51415
OPUC's First Request for Information to
Southwestern Electric Power Company

the most recent study concerning the continued operations of Dolet Hills and the need for continued operations of the Dolet Hills Mining Company.

- 1-9.** Please refer to the Direct Testimony of Mr. Thomas P. Brice, page 7. Please provide the monthly accounting entries made by SWEPCO showing the accumulated balance of the protected excess deferred income taxes from January 2018 to the most recent monthly information available. Please include in your response the total amount of protected excess deferred income taxes referenced as being used to offset the accelerated recovery of Dolet Hills.
- 1-10.** Please refer to the Direct Testimony of Mr. Thomas P. Brice, page 7. Please provide the monthly accounting entries made by SWEPCO showing the accumulated balance of the unprotected excess deferred income taxes from January 2018 to the most recent monthly information available. Please include in your response the account numbers used to record the monthly amortization, and the total amount of unprotected excess deferred income taxes referenced as being used to offset the accelerated recovery of Dolet Hills.
- 1-11.** Please refer to the workpapers of Mr. Thomas P. Brice, page 5. Please provide copies of the PLEXOS® studies referred to in Mr. Brice's workpapers.
- 1-12.** Please refer to the Direct Testimony of Mr. Thomas P. Brice. Please provide copies of all communications between SWEPCO or any entity related to SWEPCO and the Sierra Club concerning Dolet Hills. Please provide this information for the period of 2016 to the date of the filing of this application.
- 1-13.** Please refer to the Direct Testimony of Ms. Ferry-Nelson, page 15. Please provide a schedule that shows the direct legal expenses billed by American Electric Power Service Corporation's ("AEPSC") Legal Department to SWEPCO that relate only to the Texas jurisdiction. Please provide this information by month for the period January 2017 through the end of the test year. Please also include a docket number where applicable and a description of the direct legal services provided by AEPSC.
- 1-14.** Please refer to the Direct Testimony of Ms. Ferry-Nelson, page 23. Please provide a schedule that shows the direct regulatory services expenses billed by AEPSC's Regulatory Services Department to SWEPCO that relate only to the Texas jurisdiction. Please provide this information by month for the period January 2017 through the end of the test year. Please also include a docket number where applicable and a description of the direct regulatory services provided by AEPSC.

SOAH Docket No. 473-21-0538
PUC Docket No. 51415
OPUC's First Request for Information to
Southwestern Electric Power Company

- 1-15.** Please refer to the Direct Testimony of Mr. Michael A. Baird, page 22. Please provide the underlying computation and supporting documentation for each of the numbers included in the Annual Incentive Plan Chart and the Long-Term Incentive Plan chart on page 22 of Mr. Baird's Direct Testimony.
- 1-16.** Please refer to the Direct Testimony of Mr. Michael A. Baird, pages 14-17. Please provide a schedule that details the annual net periodic costs as determined by an actuarial study for both pension and other post-employment benefits for the period 1987 to the present. Please include the total amount of the monies deposited annually into each of the separate funds for the same period.
- 1-17.** Please refer to the Direct Testimony of Mr. Michael A. Baird. Please provide both the level of pension expense and other post-employment benefit expense that was included in the current rates charged to Texas customers resulting from the Company's last base rate case. Please include in your response the date of the actuarial studies which supported these levels of expense.
- 1-18.** Please refer to the Direct Testimony of Mr. Andrew Carlin, page 6. Please provide a copy of the Annual Incentive Plan and Long-Term Incentive Plan that was in effect during the test year. Please include in your response a description of any changes to these plans that have occurred since the Company's last base rate case and for what period such changes applied.
- 1-19.** Please refer to the Direct Testimony of Mr. Andrew Carlin, pages 30-31. Please provide a schedule in Microsoft Excel format that details the following information for each SWEPCO employee eligible to receive an annual incentive plan award during the test year:
- a. Date of award,
 - b. Total compensation on which any short-term incentive ("STI") compensation was based,
 - c. Amount of STI compensation awarded,
 - d. Target percentage for STI incentive compensation, and
 - e. Applicable organization or business unit to determine performance.
- 1-20.** Please refer to the Direct Testimony of Mr. Andrew Carlin, pages 30-31. Please provide a schedule in Microsoft Excel format that details the following information for each AEPSC employee eligible to receive an annual incentive plan award during the test year:
- a. Date of award,
 - b. Total compensation on which any short-term incentive ("STI") compensation was based,
 - c. Amount of STI compensation awarded,

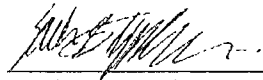
SOAH Docket No. 473-21-0538
PUC Docket No. 51415
OPUC's First Request for Information to
Southwestern Electric Power Company

- d. Target percentage for STI incentive compensation, and
 - e. Applicable organization or business unit for measuring performance.
- 1-21.** Please refer to the Direct Testimony of Mr. Andrew Carlin, page 31. Please provide the performance measures used during the test year for each of the organizations or business units that were used to determine employee performance for purposes of receiving an annual incentive plan award. Please provide these same performance measures for the calendar years 2016, 2017, 2018 and 2019.
- 1-22.** Please refer to the Direct Testimony of Mr. Andrew Carlin, pages 30-31. Please admit or deny that there were SWEPCO employees who received no STI compensation, or who received less STI compensation than their respective target percentage. If admit, please provide the total number of SWEPCO employees who received no STI compensation and the number who received less than their respective target percentage for STI incentive.
- 1-23.** Please refer to the Direct Testimony of Mr. Andrew Carlin, pages 30-31. Please admit or deny that there were AEPSC employees who received no STI compensation, or who received less STI compensation than their respective target percentage. If admit, please provide the total number of AEPSC employees who received no STI compensation and the number who received less than their respective target percentage for STI incentive.
- 1-24.** Please refer to Schedule G-7.4, sponsored by Mr. David A. Hodgson. Please identify the specific line items that relate to the unprotected excess accumulated deferred federal income tax ("ADIT"). Also, please identify the specific line items that relate to the protected excess deferred federal income tax. To the extent that there are other ADIT amounts that are included in the monthly balances in these line items, please provide the monthly amounts that are not related to either protected or unprotected excess deferred federal income taxes to be refunded to customers.
- 1-25.** Please refer to Schedule G-7.4, sponsored by Mr. David A. Hodgson. Please admit or deny that there have been excess deferred federal income tax amounts amortized to owner equity since January 2018. If admit, please provide the total amounts that have been amortized to owner equity accounts up to the most recent amortization.
- 1-26.** Please refer to Schedule G-7.4, sponsored by Mr. David A. Hodgson. Please admit or deny that there is an ADIT amount included in this proceeding related to the Supplemental Executive Retirement Plan. If admit, please provide the amount of ADIT included that is associated with this benefit.

Dated: November 2, 2020

Respectfully submitted,

Lori Cobos
Chief Executive & Public Counsel
State Bar No. 24042276

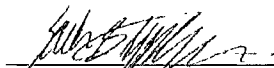


Zachary Stephenson
Assistant Public Counsel
State Bar No. 24073402
Tucker Furlow
Senior Assistant Public Counsel
State Bar No. 24060897
Chris Ekoh
Senior Managing Public Counsel
State Bar No. 06507015

OFFICE OF PUBLIC UTILITY COUNSEL
1701 N. Congress Avenue, Suite 9-180
P.O. Box 12397
Austin, Texas 78711-2397
512-936-7500 (Telephone)
512-936-7525 (Facsimile)
zachary.stephenson@opuc.texas.gov
tucker.furlow@opuc.texas.gov
chris.ekoh@opuc.texas.gov
opuc_eservice@opuc.texas.gov (Service)

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 2nd day of November 2020, by facsimile, electronic mail, and/or first class, U.S. Mail.



Zachary Stephenson