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SOAH DOCKET NO. 473-21-0538

PUC DOCKET NO. 51415

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2021 APR 23 11 03 02

PUBLIC UTILITY COMMISSION OF TEXAS

APPLICATION OF  
SOUTHWESTERN ELECTRIC POWER COMPANY AUTHORITY TO CHANGE  
RATES

REBUTTAL TESTIMONY OF  
MONTE A. MCMAHON  
FOR  
SOUTHWESTERN ELECTRIC POWER COMPANY

APRIL 23, 2021

TESTIMONY INDEX

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EXHIBITS

EXHIBIT MAM – 1R	Retired Unit O&M Adjustment - Workpaper WP A-3.7
EXHIBIT MAM – 2R	ETEC-NTEC RFI 1-20
EXHIBIT MAM – 3R	Scott Norwood Direct Testimony - Attachment SN-6

1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.

3 A. My name is Monte A. McMahon. I am Vice President - Generating Assets for  
4 Southwestern Electric Power Company (SWEPCO or the Company). My business  
5 address is 2400 FM 3251, Hallsville, Texas.

6 Q. DID YOU FILE DIRECT TESTIMONY IN THIS CASE?

7 A. Yes.

8 II. PURPOSE OF REBUTTAL TESTIMONY

9 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

10 A. The purpose of my rebuttal testimony is to respond to certain portions of testimony  
11 submitted by Mr. Scott Norwood on behalf of the Cities Advocating Reasonable  
12 Deregulation (CARD) and Ms. Devi Glick on behalf of Sierra Club. Specifically, I will  
13 address Mr. Norwood's recommendation to disallow select portions of the Company's  
14 Test Year level of Generation non-fuel production O&M expense (Generation O&M)  
15 and Ms. Glick's finding that the Company has not performed an analysis demonstrating  
16 the prudence of retrofitting the Welsh Plant units to operate on natural gas.

17 III. MR. NORWOOD - GENERATION O&M

18 Q. ON PAGE 3, LINES 7-17 AND PAGE 5, LINE 7 THROUGH PAGE 6, LINE 9, MR.  
19 NORWOOD ASSERTS THAT THE COMPANY UNREASONABLY INFLATED  
20 ITS REQUESTED LEVEL OF GENERATION O&M BECAUSE IT DID NOT

1 MAKE AN ADJUSTMENT TO ACCOUNT FOR THE RETIREMENT OF DOLET  
2 HILLS AT THE END OF 2021. DO YOU AGREE?

3 A. No, I do not. During the Test Year and until its retirement at the end of 2021, Dolet  
4 Hills has been and will continue to be offered into the energy market year round,  
5 incurring expenses required to ensure the unit is available to operate when called upon  
6 by the Southwest Power Pool (SPP). SWEPCO expects that Dolet Hills will operate  
7 seasonally in 2021 much like it did during the Test Year and that, as a result, O&M  
8 expenses will also be similar. Mr. Norwood's adjustment would significantly under-  
9 recover the plant's O&M in 2021, following the March 2021 effective date of rates in  
10 this case.

11 Q. ON PAGE 3, LINES 18-27, AND PAGE 6, LINE 10 THROUGH PAGE 7, LINE 12,  
12 MR. NORWOOD CONTENDS THAT THE COMPANY'S REQUESTED LEVEL  
13 OF GENERATION O&M DOES NOT ACCOUNT FOR THE RECENT  
14 RETIREMENTS OF FIVE OF ITS NATURAL GAS GENERATING UNITS. DO  
15 YOU AGREE?

16 A. No, I do not. In my direct testimony on page 21, lines 1-2 and page 26, lines 14-19, I  
17 specifically discuss removal of the entire amount (\$616,316) of Test Year Generation  
18 O&M associated with the recently retired units identified by Mr. Norwood – Knox Lee  
19 Units 2-4, Lieberman Unit 2, and Lone Star Unit 1 (retired units). Workpaper WP A-  
20 3.7 (attached as Exhibit MAM-1R) for this adjustment was provided with the  
21 Company's Application and referenced in the Company's response to ETEC-NTEC  
22 RFI 1-20 (attached as Exhibit MAM-2R), which also included a breakdown of the  
23 amount removed for each retired unit.

1 Q. PLEASE EXPLAIN HOW THE COMPANY IDENTIFIED THE AMOUNT OF  
2 TEST YEAR O&M EXPENSE ASSOCIATED WITH THE RETIRED UNITS?

3 A. As shown in Exhibit MAM-1R, the Company maintains O&M expense records by  
4 “Benefiting Loc” (i.e., benefiting location), which identifies costs at the generating unit  
5 level. Extracting test year O&M expense using this identifier ensured that the  
6 Company’s adjustment of \$616,316 accounted for all costs incurred for the retired  
7 units.

8 Q. AT ANY POINT IN HIS TESTIMONY, DOES MR. NORWOOD ACKNOWLEDGE  
9 THAT THE COMPANY REMOVED THE TEST YEAR O&M EXPENSE FOR THE  
10 RETIRED UNITS?

11 A. No, he does not.

12 Q. USING HIS CALCULATION IN ATTACHMENT SN-6, WHAT LEVEL OF TEST  
13 YEAR GENERATION O&M ADJUSTMENT DOES MR. NORWOOD  
14 RECOMMEND TO ACCOUNT FOR THE RETIRED UNITS?

15 A. In total, Mr. Norwood is recommending a \$1,699,879 reduction to Test Year  
16 Generation O&M – nearly 3 times the historical Test Year amount of the retired units.  
17 His recommended adjustment exceeds the Company’s adjustment of \$616,316 by  
18 \$1,083,563.

19 Q. WHAT METHOD DOES MR. NORWOOD USE TO CALCULATE THE IMPACT  
20 OF THE RETIRED UNITS ON TEST YEAR GENERATION O&M?

21 A. In Attachment SN-6 (attached as Exhibit MAM-3R), Mr. Norwood calculates his  
22 proposed adjustments using a plant-level analysis. He calculates these plant-level  
23 adjustments based on the percentage of capacity retired at each affected generation

1 plant. The amount of his recommended plant-level reduction to Test Year expense,  
2 shown as “CARD ADJUST”, is *in addition* to the amount already removed by the  
3 Company for the retired units (shown as “SWP Adj to TY”).

4 Q. PLEASE EXPLAIN THE PLANT-LEVEL ADJUSTMENTS CALCULATED BY  
5 MR. NORWOOD IN ATTACHMENT SN-6 TO HIS DIRECT TESTIMONY.

6 A. To calculate Mr. Norwood’s *total* plant-level adjustment, one must add line item  
7 “CARD ADJUST” to line item “SWP Adj to TY” – the Test Year amount *already*  
8 removed by the Company. For the Knox Lee plant, in *total* he proposes a \$696,217  
9 reduction to Test Year expense – more than 23 times the actual Test Year amount for  
10 retired Knox Lee Units 2-4.<sup>1</sup> He proposes a *total* reduction of \$504,022 to the  
11 Lieberman plant Test Year expense – more than 6 times the actual Test Year amount  
12 for retired Lieberman Unit 2.<sup>2</sup> Although the “SWP Adj to TY” amount in SN-6 does  
13 not match the Company’s total Test Year adjustment for Lone Star,<sup>3</sup> Mr. Norwood’s  
14 plant-level calculation is consistent with the Company’s in removing the entire amount  
15 of Test Year expense for Lone Star, a single unit facility. As I previously mentioned,  
16 Mr. Norwood’s *total* recommended Test Year O&M adjustment calculated in  
17 Attachment SN-6 is \$1,699,879 - nearly 3 times the amount of actual Test Year expense  
18 incurred for the retired units.

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<sup>1</sup> Monte A. McMahon, Rebuttal Exhibits MAM-1R and MAM-2R.

<sup>2</sup> *Id.*

<sup>3</sup> The Lone Star “SWP Adj to TY” amount included in Mr. Norwood’s Attachment SN-6 is \$18,107 less than the total amount removed by the Company from Test Year O&M and reflected in Exhibits MAM-1R and MAM-2R. The amount used by Mr. Norwood was provided by the Company in response to CARD RFI 1-15, which did not include amounts in FERC accounts 5600, 9200, 9210, and 9302, which are Lone Star Test Year expense falling outside non-fuel production FERC accounts. All Test Year expenses for Knox Lee and Lieberman were captured in non-fuel production FERC accounts.

1 Q. IS MR. NORWOOD'S RECOMMENDED TEST YEAR GENERATION O&M  
2 ADJUSTMENT REASONABLE?

3 A. No, Mr. Norwood's recommended adjustment ignores economies of scale and  
4 artificially inflates the impact of the retired units on Test Year Generation O&M by  
5 almost 300%. His plant-level calculations are approximations, rather than actual Test  
6 Year expenses associated with the retired units. The Company's proposal to remove  
7 the actual amount of the retired units' Test Year expense is reasonable and based on a  
8 known and measurable change, not an inflated approximation as recommended by Mr.  
9 Norwood.

10 Q. WHEN A GENERATING UNIT RETIRES AT A FACILITY WITH REMAINING  
11 UNITS OPERATIONAL, ARE PLANT-LEVEL O&M EXPENSES NECESSARILY  
12 REDUCED BY AN AMOUNT EQUAL TO THE PERCENTAGE OF CAPACITY  
13 RETIRED?

14 A. No. As capacity is retired at a multi-unit generating facility, the advantages of  
15 economies of scale are decreased. For instance, when a generating facility has multiple  
16 units, there are often shared assets such as fuel delivery and water treatment systems,  
17 tools, buildings and infrastructure, and transformers. When a unit retires, the expenses  
18 associated with those shared assets must now be distributed amongst fewer units.  
19 Additionally, Mr. Norwood's capacity-based approach assumes that each unit  
20 contributes equally to the overall plant-level O&M expense on a \$/MW basis. This  
21 would only be true if all units exhibited identical operational and maintenance  
22 characteristics (e.g., hours of operation, heat rate, equipment failures, etc.). Mr.  
23 Norwood's capacity-based, plant-level method of calculating the impact of the retired



1 units on Test Year expense is not based on a known and measurable change and  
2 overstates the costs attributable to the retired units.

3 Q. DOES MR. NORWOOD'S RECOMMENDED TEST YEAR ADJUSTMENT FOR  
4 THE RETIRED UNITS RESULT IN A REASONABLE LEVEL OF ONGOING  
5 EXPENSE?

6 A. No, it does not. The Company's requested level of ongoing Generation O&M includes  
7 the removal of the retired units' Test Year expense (\$616,316) in its entirety. This  
8 reduction is a known and measurable adjustment, based on historic actual costs for  
9 these units. Further reducing Test Year expense by \$1,083,563, the difference between  
10 Mr. Norwood's *total* recommended plant-level reduction of \$1,699,879 and \$616,316  
11 - is the equivalent of a making a Test Year adjustment nearly 3 times greater than the  
12 amount actually attributable to the retired units.

13 Q. PLEASE SUMMARIZE YOUR RESPONSE TO MR. NORWOOD.

14 A. Mr. Norwood's recommended adjustments to Test Year Generation O&M at Dolet  
15 Hills and the five retired gas units are unreasonable and overstated. With respect to  
16 Dolet Hills, it is not reasonable to eliminate O&M expense for a plant that will continue  
17 to operate for almost a year after the effective date of rates in this case. Mr. Norwood's  
18 proposed Test Year Generation O&M adjustment to account for the five retired gas  
19 units incorporates the Company's adjustment without even discussing it in his  
20 testimony, then includes further adjustments based on plant-level calculations that  
21 grossly overstate the retired units' actual O&M expense incurred in the Test Year. The  
22 Company's adjustment, which removes the actual amount of the retired units' Test  
23 Year expense, accurately reflects the reduction that will result from those retirements.

1 IV. MS. GLICK – WELSH PLANT RETROFIT ANALYSIS

2 Q. ON PAGE 7, LINE 11, AND PAGE 40, LINE 15, THROUGH PAGE 41, LINE 21,  
3 OF HER TESTIMONY, MS. GLICK FINDS THAT THE COMPANY HAS NOT  
4 PERFORMED AN ANALYSIS SUPPORTING THE PRUDENCE OF  
5 RETROFITTING THE WELSH PLANT UNITS TO OPERATE ON NATURAL  
6 GAS. WHY HAS THIS ANALYSIS NOT BEEN PERFORMED?

7 A. Although the Company has made the decision to cease burning coal at the Welsh Plant  
8 in 2028, it has not yet made a decision whether to convert Units 1 & 3 from coal to  
9 natural gas-fired operations. As 2028 approaches, the Company will monitor various  
10 factors with the potential to change over time and influence the outcome of its decision.  
11 These factors include such things as federal and state requirements, natural gas prices,  
12 and energy market conditions. At a time when the Company has sufficient information  
13 to do so, analyses regarding the disposition of Welsh Units 1 & 3 post coal-burning  
14 operations will be performed.

15 Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

16 A. Yes, it does.

SOUTHWESTERN ELECTRIC POWER COMPANY  
Retired Unit O&M Cost Removal  
For the Test Year Ended March 31, 2020

Line No.	(1) Description	(2) Schedule A Reference	(3) Workpaper Reference	(4) Acct Reference	(5) Exp Amt As Adjusted	(6) TY Amt Per Books	(7) Total Adjustment
1		Sch A, ln 4		5000	(36,889)	-	(36,889)
2				5000	(8,197)	-	(8,197)
3				5020	(127,644)	-	(127,644)
4				5050	(112,471)	-	(112,471)
5				5060	(21,000)	-	(21,000)
6				5100	(74,032)	-	(74,032)
7				5110	(29,747)	-	(29,747)
8				5120	(151,667)	-	(151,667)
9				5130	(23,423)	-	(23,423)
10				5140	(12,621)	-	(12,621)
11				5370	(469)	-	(469)
12				5460	(49)	-	(49)
13				5600	(11,343)	-	(11,343)
14				9200	(1,483)	-	(1,483)
15				9210	(386)	-	(386)
16				9302	(4,895)	-	(4,895)
17	Total				<u>\$ (616,316)</u>	<u>\$ -</u>	<u>\$ (616,316)</u>

Justification for requested adjustment:

Remove O&M Costs associated with retired units for Knox Lee, Lone Star and Lieberman power plants.

Sponsored by: Monte McMahon and Michael Baird

W/P Schedule A-3.7  
Attachment 1

SWEPCO Retired Units O&M Costs April 2019-March 2020

<b>Sum of Act \$ O&amp;M Account</b>	<b>Period Test Year</b>	<b>FERC</b>	<b>Adj</b>
5000000 Oper Supervision & Engineering	36,889.00	5000	(36,889.00)
5000001 Oper Super & Eng-RATA-Affil	8,197.00	5000	(8,197.00)
5020000 Steam Expenses	127,644.00	5020	(127,644.00)
5050000 Electric Expenses	112,471.00	5050	(112,471.00)
5060000 Misc Steam Power Expenses	21,000.00	5060	(21,000.00)
5100000 Maint Supv & Engineering	74,032.00	5100	(74,032.00)
5110000 Maintenance of Structures	29,747.00	5110	(29,747.00)
5120000 Maintenance of Boiler Plant	151,667.00	5120	(151,667.00)
5130000 Maintenance of Electric Plant	23,423.00	5130	(23,423.00)
5140000 Maintenance of Misc Steam Plt	12,621.00	5140	(12,621.00)
5370000 Hydraulic Expenses	469.00	5370	(469.00)
5460000 Oper Supervision & Engineering	49.00	5460	(49.00)
5600000 Oper Supervision & Engineering	11,343.00	5600	(11,343.00)
9200000 Administrative & Gen Salaries	1,483.00	9200	(1,483.00)
9210001 Off Supl & Exp - Nonassociated	386.00	9210	(386.00)
9302000 Misc General Expenses	4,895.00	9302	(4,895.00)
<b>Grand Total</b>	<b>616,316.00</b>		<b>(616,316.00)</b>

W/P Schedule A-3.7  
Attachment 2  
Page 3 of 5

SWEPSCO Retired Units O&M Costs April 2019-March 2020

Sum of Act \$ Benefiting Loc	O&M Account	Cost Category	Period Test Year	
1131 Knox Lee Plant Unit 2	5110000 Maintenance of Structures	Fleet Services	14	
		Incentives	173	
		Internal Labor	1,162	
		Material & Supplies	384	
		Other Clearings/Billings	6	
	5120000 Maintenance of Boiler Plant	Other Cost Category	1	
		Fleet Services	29	
		Incentives	562	
		Internal Labor	4,615	
		Material & Supplies	1,667	
	5130000 Maintenance of Electric Plant	Other Clearings/Billings	3,211	
		Other Cost Category	18	
		Outside Services	5,756	
		Fleet Services	35	
		Incentives	484	
			Internal Labor	6,405
			Material & Supplies	141
Other Clearings/Billings			-	
Other Cost Category			(36)	
Outside Services			-	
<b>1131 Knox Lee Plant Unit 2 Total</b>			<b>24,627</b>	
1133 Knox Lee Plant Unit 3	5120000 Maintenance of Boiler Plant	Fleet Services	2	
		Incentives	38	
		Internal Labor	524	
		Material & Supplies	(154)	
		Other Cost Category	-	
	5130000 Maintenance of Electric Plant	Outside Services	70	
		Fleet Services	9	
		Incentives	118	
		Internal Labor	1,538	
		Material & Supplies	3,480	
		Other Cost Category	(59)	
		Outside Services	-	
<b>1133 Knox Lee Plant Unit 3 Total</b>			<b>5,566</b>	
1215 Lone Star Plant Unit 1	5000000 Oper Supervision & Engineering	Fleet Services	17	
		Incentives	364	
		Internal Labor	1,482	
		Material & Supplies	1,154	
		Other Clearings/Billings	7,290	
		Other Cost Category	30	
		Outside Services	2,507	
	5000001 Oper Super & Eng-RATA-Affil	Other Cost Category	8,197	
		5020000 Steam Expenses	Fleet Services	667
	Incentives		16,424	
	Internal Labor		73,263	
	Material & Supplies		1,923	
	Other Clearings/Billings		-	
	Other Cost Category		2,540	
	5050000 Electric Expenses	Outside Services	23,001	
		Fleet Services	374	
		Incentives	8,965	
		Internal Labor	47,859	
		Other Clearings/Billings	-	
	5060000 Misc Steam Power Expenses	Other Cost Category	831	
		Fleet Services	2	
		Incentives	14	
		Internal Labor	160	
Material & Supplies		2,250		
Other Clearings/Billings		298		
Other Cost Category		40		
Outside Services	18,928			
		Travel & Entertainment	2,076	

W/P Schedule A-3.7  
Attachment 2  
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SWEPCO Retired Units O&M Costs April 2019-March 2020

Sum of Act \$ Benefiting Loc	O&M Account	Cost Category	Period Test Year
	5100000 Maint Supv & Engineering	Fleet Services	329
		Incentives	7,088
		Internal Labor	41,598
		Other Clearings/Billings	44
		Other Cost Category	24,618
		Travel & Entertainment	95
	5110000 Maintenance of Structures	Fleet Services	145
		Incentives	2,467
		Internal Labor	21,066
		Material & Supplies	44
		Other Clearings/Billings	-
		Other Cost Category	42
		Outside Services	4,243
	5120000 Maintenance of Boiler Plant	Fleet Services	217
		Incentives	3,939
		Internal Labor	25,523
		Material & Supplies	17,190
		Other Clearings/Billings	-
		Other Cost Category	649
		Outside Services	74,779
		Travel & Entertainment	24
	5130000 Maintenance of Electric Plant	Fleet Services	9
		Incentives	223
		Internal Labor	1,254
		Material & Supplies	7,858
		Other Clearings/Billings	1
		Other Cost Category	(86)
		Travel & Entertainment	26
	5140000 Maintenance of Misc Steam Plt	Fleet Services	2
		Incentives	14
		Internal Labor	162
		Material & Supplies	411
		Other Cost Category	(19)
		Outside Services	10,874
		Other Clearings/Billings	386
	9210001 Off Supl & Exp - Nonassociated		
1215 Lone Star Plant Unit 1 Total			465,871
1293 Lieberman Plant Unit 2	5020000 Steam Expenses	Fleet Services	80
		Incentives	754
		Internal Labor	8,940
		Other Clearings/Billings	-
		Other Cost Category	52
	5050000 Electric Expenses	Fleet Services	407
		Incentives	5,851
		Internal Labor	48,113
		Other Clearings/Billings	-
		Other Cost Category	71
	5060000 Misc Steam Power Expenses	Fleet Services	8
		Incentives	414
		Internal Labor	930
		Other Clearings/Billings	-
		Other Cost Category	1
	5120000 Maintenance of Boiler Plant	Fleet Services	20
		Incentives	206
		Internal Labor	2,377
		Other Clearings/Billings	7,586
		Other Cost Category	3
		Outside Services	2,677
	5130000 Maintenance of Electric Plant	Fleet Services	15
		Incentives	161
		Internal Labor	1,904
		Other Cost Category	(57)
	5140000 Maintenance of Misc Steam Plt	Other Clearings/Billings	1,177

W/P Schedule A-3 7  
Attachment 2  
Page 5 of 5

SWEPSCO Retired Units O&M Costs April 2019-March 2020

Sum of Act \$ Benefiting Loc	O&M Account	Cost Category	Period Test Year
<b>1293 Lieberman Plant Unit 2 Total</b>			<b>81,690</b>
<b>1384 Lone Star Plant Unit 0</b>	<b>5000000 Oper Supervision &amp; Engineering</b>	Incentives	2,071
		Internal Labor	6,122
		Other Clearings/Billings	14,844
		Other Cost Category	109
		Travel & Entertainment	899
	<b>5060000 Misc Steam Power Expenses</b>	Material & Supplies	89
		Other Cost Category	-
		Outside Services	(4,210)
	<b>5100000 Maint Supv &amp; Engineering</b>	Other Clearings/Billings	260
	<b>5120000 Maintenance of Boiler Plant</b>	Material & Supplies	139
	<b>5370000 Hydraulic Expenses</b>	Other Clearings/Billings	469
	<b>5460000 Oper Supervision &amp; Engineering</b>	Outside Services	49
	<b>5600000 Oper Supervision &amp; Engineering</b>	Other Clearings/Billings	11,343
	<b>9200000 Administrative &amp; Gen Salaries</b>	Other Clearings/Billings	1,483
	<b>9302000 Misc General Expenses</b>	Other Cost Category	4,895
<b>1384 Lone Star Plant Unit 0 Total</b>			<b>38,562</b>
<b>Grand Total</b>			<b>616,316</b>

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

**SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO EAST TEXAS  
ELECTRIC COOPERATIVE, INC. AND NORTHEAST TEXAS ELECTRIC  
COOPERATIVE, INC.'S FIRST REQUEST FOR INFORMATION**

**Question No. ETEC-NTEC 1-20:**

Adjustment A-3.7 reduces O&M costs associated with retired units for Knox Lee, Lone Star, and Lieberman power plants. Please discuss the methodology and assumptions used to determine the reduction to O&M expense. In addition, please provide the O&M costs associated with the retired units during the test year ending March 31, 2020.

**Response No. ETEC-NTEC 1-20:**

The electronically filed workpaper for adjustment A-3.7 details the adjustment to remove test year Generation O&M associated with the retired units. See ETEC-NTEC 1-20 Attachment 1 for the retired unit test year O&M, by unit.

Prepared By: Tara D. Beske

Title: Regulatory Consultant Staff

Sponsored By: Monte A. McMahon

Title: VP Generating Assets SWEPCO

Sponsored By: Michael A. Baird

Title: Mng Dir Acctng Policy & Rsrch



<b>SWEPCO Generation Test Year O&amp;M Retired Units</b>	
<b>Unit</b>	<b>Test Year O&amp;M</b>
Knox Lee Unit 2	\$24,627
Knox Lee Unit 3	\$5,566
Lone Star Unit 1	\$465,871
Lieberman Unit 2	\$81,690
Lone Star Unit 0	\$38,562
<b>Grand Total</b>	<b>\$616,316</b>

Attachment SN-6

Page 1 of 1

**CARD Recommended Adjustment for Retired Gas Unit O&M Expense**

LIEBERMAN O&M - UN2 RET 5/20

	<u>MW</u>	<u>MWh</u>	<u>NFOM</u>	<u>NFOM, \$/kW</u>
2016	242	56,817	\$4,499,271	\$18.6
2017	242	35,012	\$5,729,746	\$23.7
2018	242	66,732	\$4,792,443	\$19.8
2019	242	77,862	\$4,976,341	\$20.6
TYE 3/31/20	217		\$4,878,929	<b>\$20.2</b>
SWP Adj to TY			<u>-\$81,690</u>	
SWP Request	217		\$4,797,239	
CARD RECOM	<b>217</b>	CARD RECOM	<b>\$4,374,907</b>	<b>\$20.2</b>
		CARD ADJUST	<b>-\$422,332</b>	

KNOX LEE O&M - UN2&3 RET 5/20; UN4 RET 1/19

	<u>MW</u>	<u>MWh</u>	<u>NFOM</u>	<u>NFOM, \$/kW</u>
2016	469	136,800	\$5,888,025	\$12.6
2017	469	51,891	\$6,569,673	\$14.0
2018	469	142,518	\$7,144,416	\$15.2
2019	390	107,853	\$6,075,141	\$15.6
Test Year	390		\$5,902,713	<b>\$15.1</b>
SWP Adj to TY			<u>-\$30,193</u>	
SWP Request	344		\$5,872,520	\$17.1
CARD RECOM	<b>344</b>	CARD RECOM	<b>\$5,206,496</b>	<b>\$15.1</b>
		CARD ADJUST	<b>-\$666,024</b>	

LONE STAR O&M - UNI RET 5/20

	<u>MW</u>	<u>MWh</u>	<u>NFOM</u>	<u>NFOM, \$/kW</u>
2016	50	8,530	\$779,438	\$15.6
2017	50	1,131	\$118,002	\$2.4
2018	50	5,918	\$387,665	\$7.8
2019	50	11,736	\$470,420	\$9.4
TY (4/19-3/20)	50		\$499,640	\$10.0
SWP Adj to TY			<u>-\$486,326</u>	
SWP Request			\$13,314	
CARD RECOM		CARD RECOM	<b>\$0</b>	<b>\$8.6</b>
		CARD ADJUST	<b>-\$13,314</b>	

TOTAL SWEPCO REQUEST:	<b>\$10,683,073</b>
TOTAL CARD RECOM	<b>\$9,581,403</b>
TOTAL CARD ADJUST	<b>-\$1,101,670</b>