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

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

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

**MAY 18, 2021**

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**Files provided electronically on the PUC Interchange**

 OPUC\_3-5\_Attachment\_1.xlsx

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

**Question No. OPUC 3-5:**

Please refer to the Direct Testimony of Mr. Dan Boezio, page 16. Please provide a schedule that details the total capital rebuilds and upgrades to SWEPCO's Texas jurisdictional transmission system for each of the calendar years 2016, 2017, 2018, 2019 and the test year. Please provide a description of the major rebuilds and upgrades as well as the capitalized costs. Please also include in your response the percentage of the current transmission system that has been rebuilt or upgraded since the last base rate proceeding in terms of miles of transmission plant.

**Response No. OPUC 3-5:**

On 11/13/20, OPUC provided the following clarification concerning this request: "Mr. Boezio's testimony is correct. We are looking for O&M cost increases related to capital improvements." SWEPCO provides the following response to the clarified request:  
Some O&M related to construction is not assigned to a capital project, but it is assigned to the appropriate O&M project applicable to the work performed. Most of the O&M related to a capital project is related to transmission line rehabilitation projects. Before the line rehabilitation construction begins, the existing Rights-of-Ways (ROW) are cleared or widened as necessary to facilitate the construction. This existing ROW work is O&M and is not capitalized. See OPUC 3-5 Attachment 1 for O&M related to capital line rehabilitation projects.

**Supplemental Response No. OPUC 3-5:**

The response attachment, OPUC 3-5 Attachment 1, appears to show a reduction in O&M spending from 2017 to 2019 even though overall O&M expenses were trending up. The apparent reduction in O&M expenses is due to an accounting process change. Prior to 2018, O&M expenses for ROW maintenance were associated to the same Project ID as the line rebuild project. In recent years, the O&M expenses for ROW maintenance were charged directly to a Vegetation Management Project ID, so it is no longer possible to show the ROW expense for each line. In total, vegetation management O&M expenses are trending up, and as required by the Texas Commission, the cost of ROW clearing or widening is expensed to O&M rather than capitalized.

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**SWEPSCO TRANSMISSION  
O&M Associated with Capital**

Proj_ID	Project	2016	2017	2018	2019	Test Year
A13006085	A13006085 T/SW/AbbottTee-Waldron 69kV-Ref	3,002	0	0	0	0
A13006B01	A13006B01 Many to Negreet 69 kV Replace Crossarms	(53,305)	0	0	0	0
A14013001	A14013001 T/SEP/BROWNLEE RD-MINDEN RD	0	0	0	0	0
A15706503	A15706503 T/SEP/GRANDSALINE-MINEOLA 69KV	14,378	1	0	0	0
A15706507	A15706507 T/SEP/BOONEVILLE-BRANCH69KV	31,649	0	0	0	0
A15706545	A15706545 T/SEP/DIANA-PLILERRD/STRUCTURE REPLACEMENT	1,588	97,816	0	0	0
A15706624	A15706624 Clarendon - Jericho 69kV Structures	0	26,178	0	0	0
A15706C02	A15706C02 SEP-East Leesville-Hicks-Rehabilitation	0	38,730	0	0	0
A15706C15	A15706C15 SEP-WILKES-NNEWBOSTON-Line Rehabilitation	0	28,242	0	0	0
A15706C23	A15706C23 SEP-CARTHAGE-CB2560-Line Rehabilitation	0	9,596	0	0	0
A15706C27	A15706C27 SEP-TaylorSt-ThirtyNinthSt-Line Rehabilitation	0	10,783	0	0	0
A15706C31	A15706C31 SEP-Diana-Pliler-Line Rehabilitation	0	34,470	0	0	0
A15706C33	A15706C33 SEP-NLeesville-Hornbeck-Line Rehabilitation	0	54,865	0	0	0
A15706C39	A15706C39 SEP-RedPoint-DeanPoint-Line Rehabilitation	0	90,825	41	0	0
A15706C41	A15706C41 SEP-Arsenal Hill-ShedRoad-Line Rehabilitation	0	118	0	0	0
A15706C43	A15706C43 SEP-Blanchard-NorthMarket-Line Rehabilitation	0	43,536	76,988	0	0
A15706C53	A15706C53 SEP-MurfWest-Dierks-Line Rehabilitation	0	6,243	0	0	0
A15706C55	A15706C55 SEP-Dierks-Mena-Line Rehabilitation	0	6,267	0	0	0
A15706C57	A15706C57 SEP-PrairieGrove-SiloamSpr-Line Rehabilitation	0	32,327	0	0	0
A15706C63	A15706C63 SEP-Dyess-Springdale1-Line Rehabilitation	0	47,743	73,524	0	0
A15706C67	A15706C67 SEP-Booneville-WBooneville-Line Rehabilitation	0	17,584	17,203	0	0
A15706C71	A15706C71 SEP-GrandSaline-Quitman-Line Rehabilitation	0	74,399	194	0	0
A15706C73	A15706C73 SEP-Winnsboro-Pittsburg-Line Rehabilitation	0	25,690	16,532	0	0
A15706C75	A15706C75 SEP-Whitney-Kilgore-Line Rehabilitation	0	0	41,927	0	0
A15706C93	A15706C93 SEP-FlintCreek-Brookline- Line Rehabilitation	0	0	28,868	0	0
A15706C95	A15706C95 SEP-Sugarhill-Ashdown-Line Rehabilitation	0	45,701	2,446	0	0
A15706C97	A15706C97 SEP-Nashville-WMurfreesbro-Line Rehabilitation	0	7,590	10,733	0	0
A15706D02	A15706D02 SEP-Nashville-Okay-Line Rehabilitation	0	46,759	5,372	0	0
A15706D04	A15706D04 SEP-EastRogers-BeaverDam-Line Rehabilitation	0	66,905	46,047	0	0
A15706D21	A15706D21 Shamrock - Nichols (SPS) 115kV	0	0	16,453	0	0
A15717001	A15717001 T/SEP/Brooks St-Edwards St 69kV	751	0	0	0	0
A18806013	A18806013 Bann-New Boston Failed Insulator Replacement	0	0	0	13,545	7,030
B194ARLRE	B194ARLRE T/SW/Non-Specific Work - Line	6,523	48,765	73,674	78,333	70,255
B194LALRE	B194LALRE T/SW/Non-Specific Work - Line	0	114,855	103,306	27,892	6,934
SI194ARLR	SI194ARLR TB/SI/SEP/AR - Line Rehabilitation	146,913	23,584	0	0	0
SI194LALR	SI194LALR TB/SI/SEP/LA - Line Rehabilitation	38,319	6,093	0	0	0
SI194TXLR	SI194TXLR TB/SI/SEP/TX - Line Rehabilitation	128,872	13,980	0	0	0
	<b>Total O&amp;M Associated with Line Rehabilitation</b>	<b>318,690</b>	<b>1,019,645</b>	<b>513,308</b>	<b>119,770</b>	<b>84,219</b>