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SOAH DOCKET NO. 473-21-2606
PUC DOCKET NO. 52195

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APPLICATION OF EL PASO

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BEFORE THE STATE OFFICE

ELECTRIC COMPANY TO

OF

CHANGE RATES

ADMINISTRATIVE HEARINGS

CITY OF EL PASO'S LIST OF ISSUES

Comes now the City of El Paso, Intervenor, pursuant to the Order of Referral dated June 10, 2021, and provides its Proposed List of Issues. There are no issues which should not be addressed.

Rate Base-Invested Capital

1. What is the appropriate debt-to-equity capital structure for the utility?
2. What is the appropriate overall rate of return, return on equity, and cost of debt for the utility?
3. What are the reasonable and necessary components of the utility's rate base?
4. What is the original cost of the property used and useful in providing service to the public at the time the property was dedicated to public use?
5. What is the amount, if any, of accumulated depreciation on that property?
6. What amount, if any, of the utility's invested capital has not previously been subject to a prudence review by the Commission? If there are any such amounts, what are the amounts, for what facilities, property, or equipment was the investment made, and were the amounts prudently incurred? What amount, if any, of allowance for fluids used during construction (AFUDC) is being transferred to invested capital in this proceeding? If AFUDC is being transferred, for what facilities and at what rate was the AFUDC accrued?
7. What is the reasonable and necessary working capital allowance for the utility calculated in accordance with Commission rules?
 - a. Does the utility's lead-lag study for its proposed allowance for cash working capital comply with Commission rules?
 - b. If not, should cash working capital be set at a negative one-eighth of operations and maintenance expenses?

8. What is the reasonable and necessary amount, if any, of the utility's accumulated reserve for deferred federal income taxes, unamortized investment tax credits, contingency reserves, property insurance reserves, contributions in aid of construction, customer deposits, and other sources of cost-free capital? What other items, if any, should be deducted from the utility's rate base?
9. What regulatory assets, if any, are appropriately included in rate base? If included, what is the appropriate treatment of such regulatory assets?
10. Does the utility have any uncertain tax positions that are subject to the Financial Accounting Standards Board's Interpretation No. 48? If so, what is the amount and what, if any, provisions should be made for such amounts?
11. What is the appropriate treatment of and refund period for Excess Deferred Federal Income Taxes (EDIT)

Expenses

12. What are the utility's reasonable and necessary operations and maintenance expenses?
13. What are the reasonable and necessary administrative and general expenses?
14. What is the appropriate amount of and appropriate recovery period for recoverable COVID-19 expenses
15. What are the utility's reasonable and necessary rate-case expenses established in accordance with PURA § 36.061(b)(2) and 16 TAC § 25.245?
 - a. Does this amount include any anticipated expenses to appeal this docket?
 - b. What are the intervening cities' reasonable and necessary rate-case expenses in accordance with PURA § 33.023(b) and 16 TAC § 25.245?
16. What is the reasonable and necessary depreciation expense? For each proposed change, what are the proper and adequate rates and methods for depreciation?
17. What is the reasonable and necessary amount for assessments and taxes, other than federal income taxes?
18. What is the reasonable and necessary amount for the utility's federal income tax expense?

19. What is the reasonable and necessary amount for the utility's advertising expense, contributions, and donations?
20. What is the reasonable and necessary amount for nuclear decommissioning expense calculated in accordance with Commission rules?
21. What are the reasonable and necessary pension and post-retirement benefits, if any, calculated in accordance with PURA § 36.065 and 16 TAC § 25.231(a)(1)(H)?
22. Has the utility made any payments for expenses to affiliates? If so, for each item or class of items.
 - a. Are costs appropriately assigned to the utility and its affiliates?
 - b. Has the utility met the standard of recovery of affiliate costs under PURA § 36.058 and Commission rules?
23. Are any expenditures unreasonable, unnecessary, or not in the public interest, including but not limited to incentive compensation, executive salaries, advertising expenses, legal expenses, penalties and interest on overdue taxes, criminal penalties or fines, and civil penalties or fines?
24. What post-test-year adjustments for known and measurable changes to historical test-year data for expenses, if any, should be made? For any such adjustments, have all the attendant impacts on all aspects of a utility's operations (including but not limited to, revenue, expenses and invested capital) been identified with reasonable certainty, quantified and matched?

Rate Design and Tariffs

25. What are the just and reasonable rates calculated in accordance with PURA and Commission rules? Do the rates comport with the requirements in PURA § 36.003?
26. What are the appropriate rate classes for which rates should be determined?
27. What treatment for residential Distributed Generation (DG) customers is fair and reasonable for all customers.
28. What are the appropriate billing and usage data for the utility's test year?
 - a. What known and measurable changes, if any, should be used to adjust the test-year data?

- b. What changes, if any, are necessary to reflect abnormal weather conditions?
- 29. What are the appropriate allocations of the utility's revenue requirement to jurisdictions, functions, and rate classes?
- 30. Has El Paso Electric proposed any rate riders? If so, should any of the proposed rate riders be adopted? If so, what are the appropriate costs to be recovered through the riders and what are the appropriate terms and conditions of the riders?
- 31. Should a rate rider be set in this proceeding to provide for a refund or surcharge under the relation back provision of PURA § 36.211 or should such a rate rider be considered in a separate proceeding after the rates are set in this proceeding? If a rate rider is set as part of this proceeding, what are the parameters of such a rate rider, and the process, including the period of time the refund or surcharge should be in effect and the appropriate carrying charge?
- 32. Does the utility have any other existing rate riders that should be modified or terminated? What regulatory assets or other items are currently being recovered through rate riders?
- 33. What tariff revisions are appropriate as a result of this proceeding?

The Preliminary Order should contain language which provides that the list of issues is not intended to be exhaustive and that the parties and the AU are free to raise and address any issues relevant in this docket that they deem necessary.

Respectfully submitted,

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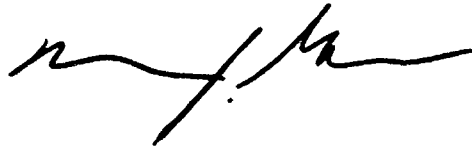
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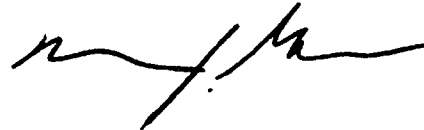
Attorneys for the City of El Paso



By: _____
Norman J. Gordon

Certificate of Service

I certify that a true and correct copy of this document was served by e-mail and/or US mail on all parties of record in this proceeding on June 16, 2021.



Norman J. Gordon

