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Received - 2021-10-12 02:04:19 PM

Control Number - 52195

ItemNumber - 255

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

APPLICATION OF EL PASO § BEFORE THE STATE OFFICE
ELECTRIC COMPANY TO CHANGE § OF
RATES § ADMINISTRATIVE HEARINGS

EL PASO ELECTRIC COMPANY'S RESPONSE TO
VINTON STEEL, LLC'S FIFTH REQUEST FOR INFORMATION
QUESTION NOS. VS 5-1 THROUGH VS 5-6

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VS 5-1:

Please refer to the response to VS 1-14. According to that response, Rate No. 38 customers with average load factors lower than 83% will receive a base rate increases as opposed to those with load factors of 83 % or higher who will receive base rate decreases under the proposed rates. Please provide all studies, work papers, and analyses that justify that rate design.

RESPONSE:

Please see El Paso Electric Company's response to VS 1-29.

Preparer: Manuel Carrasco

Title: Manager – Rate Research

Sponsor: Manuel Carrasco

Title: Manager – Rate Research

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VS 5-2:

In designing the proposed Noticed Interruptible Power Service (Rate 38) has EPE taken into account the principal of gradualism and the impact of rate shock for the individual customers (intra-class) served by Rate No. 38? Please explain in detail.

RESPONSE:

No, not at the individual Noticed Interruptible Power Service Rate No. 38 customer level. However, El Paso Electric Company ("EPE") is proposing to limit the revenue increase from non-firm service equivalent to the system average increase proposed in this rate case. Also, like in its previous rate cases, EPE is proposing to continue to move existing interruptible demand charges towards full cost. To make that gradual move, a rate moderation adjustment is made that provides a credit that is higher than EPE's incremental capacity cost.

Preparer: Manuel Carrasco

Title: Manager – Rate Research

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VS 5-3:

Please refer to the response to VS 1-5. Provide the amount of mW load that was curtailed through the Noticed Interruptible Power Service tariff from the end of 2020 to the present date.

RESPONSE:

To date (October 6, 2021), there have been no curtailments through the Noticed Interruptible Power Service tariff in 2021.

Preparer: Walter Guerrero

Title: Supervisor – Commercial Services

Sponsor: George Novela

Title: Director – Economic & Rate Research

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VS 5-4:

Refer to the response to VS 1-5. For each curtailment listed, please provide the reason for each curtailment order and describe the operational effects of the curtailment. Include curtailments that may have been ordered in 2021 to date.

RESPONSE:

El Paso Electric Company's ("EPE") Rate No. 38-Noticed Interruptible Power Service interruptions are called upon only when EPE has determined that no other resources are available to serve customer demand. This typically happens during peak summer periods but can also be caused by or exacerbated by unit outages or other capacity limitations. EPE does not call on Rate No. 38 customers for interruptions for economic reasons. These interruptions assist in reestablishing reserve margins and avoiding the curtailment of firm demand.

Interruption No.	2016 MW	2017 MW	2018 MW	2019 MW	2020 MW	2021 MW
1	Loss of Local Generation: Interruption reduced system load by 32 MW	Loss of Local Generation: Interruption reduced system load by 35 MW	Loss of Local Generation: Interruption reduced system load by 61 MW	No interruptions	Low Voltage Event, System Imbalance Issue, Loss of Local Generation: Interruption reduced system load by 59 MW	No interruptions to date
2	N/A	N/A	N/A		Constrained Energy Supply in Open Market Combined with Record Peak Demand: Interruption reduced system load by 53 MW	

Preparer: Walter Guerrero

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VS 5-5:

In the past 5 years, has EPE ordered any curtailments due to capacity issues on its transmission system? Please explain in detail.

RESPONSE:

El Paso Electric Company has not ordered any Noticed Interruptible Tariff curtailments due to capacity issues on its transmission system in the past 5 years.

Preparer: Walter Guerrero

Title: Supervisor – Commercial Services

Sponsor: George Novela

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VS 5-6:

Refer to the response to VS 2-6. The response states that if the interruptible capacity was not available over the 10-year planning horizon, "EPE would have to seek other resources such as purchased power to meet any reserve margin deficiency." Please provide all resources, other than purchased power, that EPE would have to seek in the event that interruptible capacity is not available.

RESPONSE:

El Paso Electric Company ("EPE") has not analyzed or determined what resources would replace the 56 MW of interruptible capacity because it would be premature and it would be a hypothetical situation. Please reference EPE's latest Integrated Resource Plan which was recently completed and provided as CEP 13-29, Attachment 1, for the types of resources being selected in general to meet future capacity needs. Hypothetically, if the interruptible capacity were to be unavailable in the future, EPE would likely issue a request for proposal to solicit replacement resources in the long term. In the short term, if the interruptible load were not available, EPE would likely fill that need with market purchases.

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