



Control Number: 52195



Item Number: 29

Addendum StartPage: 0

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

**CITY OF EL PASO'S SECOND REQUESTS FOR INFORMATION
TO EL PASO ELECTRIC COMPANY QUESTIONS CEP 2-1 THROUGH CEP 2-17**

The City of El Paso (the "City") requests that the El Paso Electric Company ("EPE") provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within twenty (20) calendar days. Please copy the question immediately above the answer to each question. The question(s) are continuing in nature, and if there is a relevant change in circumstances, such as that new or additional information or review reveals that an answer previously made is no longer complete or is inaccurate, that EPE submit an amended answer, under oath, as a supplement to your original answer within five days of the discovery of new or additional information. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

The City requests that EPE serve its respective responses to this Request on the following person via electronic mail and delivery of hard copies:

Norman J. Gordon
PO Box 8
El Paso, Texas, 79940
221 N. Kansas, Suite 700
El Paso, Texas, 79901
ngordon@ngordonlaw.com

Manuel Arambula, Senior Assistant City Attorney
300 N. Campbell, Third Floor
El Paso, Texas, 79901
Arambulaml@elpasotexas.gov

DEFINITIONS AND INSTRUCTIONS

1. This Request is directed to El Paso Electric Company ("EPE"). Reference to EPE, **"you" or "your"** means all divisions, departments, bureaus, agencies, and all witnesses whose testimony EPE intends to present, and all persons acting or purporting to act for or on behalf of EPE, including its directors, officers, employees, and agents.

2. The terms **"document" and "documents"** are used in their broadest sense and shall mean and include all written, printed, electronic, typed, recorded, or graphic matter of every kind and description, including drafts, originals and copies, and all attachments and appendices thereto. Without limiting the foregoing, the terms "document" or "documents" shall include all agreements, contracts, communications, correspondence, letters, telegrams, telexes, messages, memoranda, records, reports, books, summaries, tape recordings or other records of personal conversations, minutes or summaries or other records of negotiations, other summaries, diaries, diary entries, calendars, appointment books, time books, time records, instructions, work assignments, financial statements, work sheets, workpapers, drafts, graphs, maps, charts, tables, accounts, analytical records, consultant reports, appraisals, bulletins, brochures, pamphlets, circulars, trade letters, press releases, notes, notices, marginal notations, notebooks, telephone records, bills, statements, records of obligation and expenditure, invoices, lists, journals, advertising, recommendations, printouts, compilations, tabulations, analyses, studies, surveys, transcripts of hearings, transcripts of testimony, affidavits, expense reports, microfilm, microfiches, articles, speeches, tape or disk recordings, sound recordings, video recordings, film, tape, photographs, punch cards, programs, data compilation from which information can be obtained (including matter used in data processing) and other printed, written, handwritten, typewritten, recorded, stenographic, computer-generated, computer-stored, electronically-stored matter, however and by whomever produced, prepared, reproduced, disseminated, or made.

3. **"Person"** means any natural person, firm, association, partnership, joint venture, corporation, estate, trust, receiver syndicate, municipal corporation, government agency, any other form of legal entity, and other group or combination acting as a unit.

4. **"Relating to"** a subject means making a statement about, mentioning, referring to, discussing, describing, reflecting, identifying, dealing with, consisting of, constituting or in any way pertaining, in whole or in part, to the subject.

5. **"Identify"** means:

- a. as to a "person," stating his, her or its:
 - (i) legal, full, and customarily used names;
 - (ii) present residential or business address;
 - (iii) job title; and
 - (iv) name of employer.
- b. as to a document, act, event, transaction or occurrence, stating:
 - (i) its date, authors or participants;
 - (ii) the place where it took place, was created or occurred;
 - (iii) its purpose and subject matter; and
 - (iv) a concise description of what transpired.

6. For each response, please state the Request for Information and identify the individual(s) responsible for preparing and sponsoring the response by name and title.

7. Pursuant to Rule 196.4, Texas Rules of Civil Procedure, any electronic or magnetic data included in the definition of document should be produced on a CD-ROM or similar media that is compatible with Microsoft Office software.

8. For each document produced that is generated by computer, please identify:

- a. the nature and source of the data constituting the input;
- b. the form of the input (e.g., tapes, punch cards);
- c. the recording system employed (e.g., program, flow charts); and
- d. the person(s) responsible for processing the input and/or performing the programming.

9. “**Each**” shall be construed to include the word “**every**” and “**every**” shall be construed to include the word “**each**”.

10. “**Any**” shall be construed to include “**all**” and “**all**” shall be construed to include “**any**.”

11. The terms “**and**” and “**or**” shall be construed as either disjunctive or conjunctive as necessary to make this request inclusive rather than exclusive.

12. The term “**concerning**” includes the following meanings: relating to; pertaining to; regarding; discussion; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically, or factually connected to the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

13. The term “**including**” means and refers to “including but not limited to.”

14. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

15. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

Dated June 28, 2021

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

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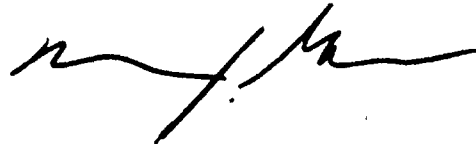
Dated June 28, 2021

Respectfully submitted,

Norman J. Gordon (ngordon@ngordonlaw.com)
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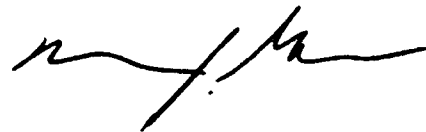
Attorneys for the City of El Paso



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 28, 2021.



Norman J. Gordon

PUC Docket No. 52195
City of El Paso's Second RFIs
Questions CEP 2-1---CEP 2-17

- CEP 2-1. **Post Test Year Adjustments:** Please identify all adjustments (rate base, operations and capital structure) incorporated in the Company's application to reflect known and measurable changes occurring after the test period in Company's pending rate application.
- CEP 2-2. **Post Test Year Adjustments:** Please identify all post test-year adjustments (rate base, operations and capital structure) incorporated in the Company's application that are included because the Company believes that they are "reasonably certain to occur" as opposed to having occurred.
- CEP 2-3. **Regulatory Assets and Liabilities:** For each regulatory asset and liability, provide and explanation of the item, the reason for including it in rate base, and any related statutes, orders, legal precedent or other available documentary support for including the item in rate base.
- CEP 2-4. **Regulatory Assets and Liabilities:** For each regulatory asset and liability, provide an analysis of the item showing by month the related revenue or expense, the increases and decreases to the account balance with basic descriptive information (i.e. "Storm Damage", Insurance Reimbursements", "Amortization"), and the account balances. This analysis should begin with the later of the origination of the item or the last jurisdictional filing which included the item and the analysis should continue through the latest available date. Please provide the response in Excel compatible format with fully functional formulas. Please update this response as additional months become available.
- CEP 2-5. **Payroll related expenses:** Please provide the following information for each pay period in the test year for each employee group with a separate payroll annualization calculation in the Company's work papers, preferably in an Excel compatible file with fully functional formulas:
- a. number of employees
 - b. regular pay
 - c. overtime pay
 - d. compensated absences not included in b. above
 - e. incentives or bonuses

- f. regular hours
- g. overtime hours

CEP 2-6. **Payroll related expenses:** Please provide the following information for each pay period following the test year through the latest available date for each employee group with a separate payroll annualization in the Company's work papers, preferably in an Excel compatible file with fully functional formulas. Please update this response as additional pay periods become available:

- a. number of employees
- b. regular pay
- c. overtime pay
- d. compensated absences not included in b. above
- e. incentives or bonuses
- f. regular hours
- g. overtime hours

CEP 2-7. **Payroll related expenses:** Please provide the payroll expense percentage (percentage of total payroll cost that is recorded in O&M expense accounts) for the test year and each of the three years prior to the test year.

CEP 2-8. **Payroll related expenses:** Please provide a narrative description of any and all programs that the Company or its parent company has instituted which resulted in a decrease to its number of employees since the beginning of the test year.

CEP 2-9. **Payroll related expenses:** Please provide a narrative description of any and all programs that the Company or its parent company plans to institute which could result in a decrease to its number of employees the since the end of the test year.

CEP 2-10. **Payroll related expenses:** Please quantify the savings which have been achieved or that are expected to be achieved from programs to reduce the number of employees of the Company or its parent company.

- CEP 2-11. **Payroll related expenses:** Please provide the Company's policies regarding eligibility for pay increases.
- CEP 2-12. **Payroll related expenses:** If the Company included an adjustment to payroll expenses that included pay increases after the end of the test year, please provide an explanation of the increase together with documentation supporting the amount and effective date of the increase.
- CEP 2-13. **General:** Please provide detail trial balances for each year, from 2017 through 2019. Please provide the response in Excel compatible format with fully functional formulas.
- CEP 2-14. **General:** Please provide detail trial balances by month beginning one month before the first month of the test year and continuing through the latest available date.
- CEP 2-15. **Incentive compensation:** Please provide an analysis of each incentive plan showing the amounts included in test year expenses based on a) company earnings, b) utility investment cost containment, c) expense containment, d) customer service, and e) safety.
- CEP 2-16. **Incentive compensation:** Please provide an analysis of each incentive plan showing the amounts included in pro forma expenses based on a) company earnings, b) utility investment cost containment, c) expense containment, d) customer service, and e) safety.
- CEP 2-17. **Incentive compensation:** For each short-term incentive compensation plan for which any expense is included in El Paso Electric's pro forma cost of service, please provide the information for (1) El Paso Electric's short-term plans, and (2) affiliated company short-term plans allocated to El Paso Electric
- a. Please provide a description of each plan.
 - b. Provide a description of each of the goals or performance measures for each plan.

- c. Provide the amount paid in the test year for each goal or performance measure, by plan.
- d. Provide the amount included in Pro forma operating expense for each goal or performance measure for each plan.
- e. Provide the amount included in operating expenses for each plan for each year 2016 through 2020.
- f. Provide the amount capitalized for each plan for each year 2016 through 2020.
- g. For each plan, show the amounts and dates of each incentive payment for each year 2016 through 2020.
- h. For each month 2016 through 2020, provide the amount included in operating expenses for each incentive or bonus plan.
- i. Provide the amount of any adjustments related to each incentive or bonus plan.
- j. Provide the jurisdictional allocation factors for each incentive or bonus plan.
- k. Please provide the amount of payroll taxes associated with each plan in the test year