



Control Number: 52195



Item Number: 41

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

2021 JUL -7 AM 9:37

**APPLICATION OF EL PASO
ELECTRIC COMPANY TO CHANGE
RATES**

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PUBLIC UTILITY COMMISSION

OF TEXAS

**COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
EL PASO ELECTRIC COMPANY
QUESTION NOS. STAFF 3-1 THROUGH 3-9**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that El Paso Electric Company (EPE) by and through its attorney of record, 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 the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. 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.

Provide responses to the Requests for Information by filing with the Commission solely through the Interchange on the Commission's website and provide notice, by email, to all other parties that the pleading or document has been filed with the Commission, unless otherwise ordered by the presiding officer pursuant to the Order Suspending Rules in Docket No. 50664.

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Dated: July 7, 2021

Respectfully submitted,
**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rashmin J. Asher
Managing Attorney

/s/ Daniel Moore
Robert Dakota Parish
State Bar No. 24116875
Forrest Smith
State Bar No. 24093643
Daniel Moore
State Bar No. 24116782
1701 N. Congress Avenue
P.O. Box 13480
Austin, Texas 78711-3480
(512) 936-7442
(512) 936-7268 (facsimile)
Robert.Parish@puc.texas.gov

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record on July 7, 2021 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/Daniel Moore
Daniel Moore

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**COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
EL PASO ELECTRIC COMPANY
QUESTION NOS. STAFF 3-1 THROUGH 3-9**

DEFINITIONS

- 1) "EPE," "Company," or "you" refers to El Paso Electric Company and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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**COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
EL PASO ELECTRIC COMPANY
QUESTION NOS. STAFF 3-1 THROUGH 3-9**

INSTRUCTIONS

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. 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.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) 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.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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**COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION TO
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QUESTION NOS. STAFF 3-1 THROUGH 3-9**

- Staff 3-1** For any facilities EPE seeks to recover, and for which the Public Utility Commission of Texas (Commission) granted a certificate of convenience and necessity (CCN), please provide the following information:
- a. The Commission docket number for the CCN amendment.
 - b. The first Monthly Project Construction Report (MCPR) on which the project was reported (control number, item number, or project number).
 - c. The final MCPR on which the project was reported (control number, item number, or project number).
 - d. The initial estimated project cost from internal utility project approval, the estimated cost in the CCN for the option certificated, the percent of contingency cost included in the CCN estimate, the final project cost, and the percent difference from the estimated cost in the CCN.
 - e. A breakdown of the total project cost, by FERC account (and subaccount), booked to each account that were associated with the CCN.
 - f. If a cost in aid of construction was charged, please state what the amount was and how the amount of the contribution was calculated.
 - g. If a cost in aid of construction was not charged, please explain why not.
- Staff 3-2** For any new transmission lines that did not require a CCN, please provide the following information:
- a. Explain the need for the new facility.
 - b. If the need was to connect a new single-point load customer or generation source, was a cost in aid of construction charged?
 - i. If a cost in aid of construction was not charged, please explain why not.
 - ii. If a cost in aid of construction was charged, please state what the amount was and how the amount of the contribution was calculated.
 - c. The first MCPR on which the project was reported (control number, item number, or project number).

- d. The final MCPR on which the project was reported (control number, item number, or project number).
- e. The initial estimated project cost from internal utility project approval, the percent of contingency cost included in the estimate, the final project cost, and the percent difference from the estimated cost.
- f. A breakdown of the total project costs, by FERC account (and subaccount), booked to each account that were associated with the project.

Staff 3-3 For each new substation or high voltage switching stations for which EPE is seeking rate recovery, please complete the following table for the completed station costs:

Project Portion	Cost	FERC Accounts
Design, Planning, Engineering		
Land, Land rights, and other common costs (if T and D)		
Labor		
Total Components		
Transformers (total units and cost per unit)		
Control House and Communications		
Bus and Breakers, and Switches		
Total		n/a

Staff 3-4 For each new transmission line for which EPE is seeking rate recovery, please complete the following table for completed transmission line costs:

Project Portion	Cost	FERC Accounts
Design, Planning, Engineering		
Land, Land rights		
Labor		
Total Components		
Total		n/a

Staff 3-5 For each new substation or high voltage switching stations for which EPE is seeking rate recovery, please provide the following information:

- a. Whether the station was included as part of a project discussed in Staff 3-1 or Staff 3-2, above.

- b. The first MCPR on which the project was reported (control number, item number, or project number).
- c. The final MCPR on which the project was reported (control number, item number, or project number).
- d. The initial estimated project cost from internal utility project approval, the percent of contingency cost included in the estimate, the final project cost, and the percent difference from the estimated cost.
- e. A breakdown of the total project costs, by FERC account (and subaccount), booked to each account that were associated with the project.

Staff 3-6 For responses to Staff 3-1 and Staff 3-4, please fill out the following table:

(a) Project Name, (with CCN Docket No., if any)	(b) Costs Initially Approved by Utility Management	(c) Initial Estimated Costs in First MCPR Entry	(d) First MCPR Where Project Appeared	(e) Final Total Project Costs	(f) Last MCPR Where Project Appeared	(g) Percent difference between (c) and (e)

- a. For projects for which a CCN amendment was granted by the Commission, please include the estimated cost for the route selected at the time the CCN was granted.
- b. For any projects for which the Final Total Project Costs in column (e) exceed the Initial Estimated Costs in First MCPR Entry in column (c) by more than 10%, please explain the reasons for the project having exceeded the initial cost estimate to that degree. Describe the actions that were taken that resulted in the cost increase and why those actions were taken.

Staff 3-7 Please provide the system studies that identify the system needs addressed by the plant additions EPE is seeking to recover.

Staff 3-8 For each new substation or high voltage switching station for which EPE is seeking rate recovery, please answer the following regarding the need for the facility.

- a. Is the facility providing service?
- b. When was the facility energized?

- c. What was the need for the facility? Does the project meet a need identified in the studies you provided in response to Staff 3-5?
- d. For any facilities that transform voltage between transmission and distribution voltages, please provide the following:
 - i. Historic growth rates for load in the project area (or county) for the past 5 years;
 - ii. Load growth rates in the area (or county) since the facility was energized;
 - iii. The planning study that supports the need for the facility; and
 - iv. The type of load the facility is expected to serve (industrial, commercial, residential, etc.).
- e. For any facilities that transform voltage between transmission and distribution voltages, if the service area is dually certificated with another utility, how did you determine which portion of expected load growth that EPE will serve as opposed to the other utility?

Staff 3-9

For each project that is responsive to Staff 3-1 through Staff 3-8, please list the contingency included in each estimate by percentage and show how the contingency was calculated.