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

APPLICATION OF EL PASO	§	BEFORE THE STATE OFFICE
	§	
ELECTRIC COMPANY TO	§	OF
	§	
CHANGE RATES	8	ADMINISTRATIVE HEARINGS

CITY OF EL PASO'S CORRECTIONS AND EXCEPTIONS TO THE PROPOSED ORDER

The City of El Paso ("City") files this response to the Commission Counsel's Requst for Corrections and Exceptions to the Proposed Order as served on August 26. 2022.

1. Finding of Fact No. 15 should be amended to reflect that the base rate increase filed in rebuttal does not include the rate case expenses or COVID 19 expense amortization (rider) which EPE agreed in rebuttal would not be part of base rates, but would be included as riders. (Rebuttal testimony of James Schichtl, page 2 of 14, EPE Ex. 41 page is attached). Thus FOF 15 should reflect that the COVID-19 and rate case expenses which EPE agreed would be recovered in riders should be in addition to the base rate increase. This addition does not change anything in the rest of the proposed order. The City proposes that FOF 15 should be amended to read:

FOF 15 In its rebuttal testimony filed on November 19, 2021, El Paso Electric agreed to shift COVID-19 expenses and rate case expenses out of base revenues into separate riders and reduced its requested increase Texas retail base-rate revenues to \$35,693,538, after accounting for zeroed out revenues that El Paso Electric is already recovering through its DCRF and TCRF and excluding non-firm base revenue. Wherefore, premises considered the City recommends that the PO be amended to reflect the change to FOF 15.

Respectfully submitted,

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1 h By:

Norman J. Gordon

<u>Certificate of Service</u>

DN No 52195 CITY OF EL PASO'S CORRECTIONS AND EXCEPTIONS TO PROPOSED ORDER

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 September 6, 2022.

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Norman J. Gordon

PUC Docket No. 52195 City of El Paso's Twentieth RFIs Questions CEP 20-1---CEP 20-8

- CEP 20-1. Reference the response to CEP 17-19 (e):
 - a. Is it correct that EPE cannot identify the individuals contacted at the other utilities?
 - b. If EPE can identify those individuals, please provide the names qualifications and any notes or records of the conversation not previously produced
- CEP 20-2. Reference the response to CEP 17-20, attachment 1. Please identify each of the ROW agreements as follows:
 - a. Date of agreement
 - b. Term
 - c. Amount of periodic payment or one-time payment
 - d. Area of ROW
- CEP 20-3. Reference the response to CEP 17-20, attachment 1. Please explain the headings for each column (i.e., what is meant by "Annual," Five Years," Ten Years," and "To Term."
- CEP 20-4. Reference the response to CEP 17-20 (a):
 - a. Please produce all documents upon which Mr. Hancock or Mr. Doyle relied for the conclusion that the negotiations with the Isleta Pueblo did not include an annual payment option.
 - b. Please produce all documents upon which Mr. Hancock or Mr. Doyle relied for the conclusion that annual payments would have resulted in a higher total payment and provide the basis for the calculation of the payment.
 - c. Please produce all documents upon which Mr. Hancock or Mr. Doyle relied for the conclusion that ratepayers would neither benefit from, nor be harmed, by an upfront payment.
 - d. Please produce all documents upon which Mr. Hancock or Mr. Doyle relied for the conclusion that the shareholders did not have a benefit from an upfront payment.
 - e. Please identify the total return to shareholders from the rate base treatment requested by EPE in this case and over the life of the Right of Way agreement.
 - f. Please provide all calculations made by Mr. Hancock for his conclusion that the single upfront payment does not have more value to shareholders than annual payments.

g. Please produce all documents upon which Mr. Hancock or Mr. Doyle relied for the conclusion that the standard utility industry payment practice for transmission right-of-way agreements is a lump-sum, upfront payment.

For Questions 20-5 through 20-8 Please reference the Rebuttal Testimony of Cynthia Prieto at pages 8-9-10 and 18 relating to Excess Deferred Income Taxes, (EDIT).

- CEP 20-5. **EDIT:** Please provide the vintage data for the EDIT related to capitalized costs and interest, and for each vintage provide both the tax and financial depreciation or amortization and the related asset lives.
- CEP 20-6. **EDIT:** Please provide the vintage data for the EDIT related to contributions in aid of construction, and for each vintage provide both the tax and financial depreciation or amortization and the related asset lives.
- CEP 20-7. **EDIT:** Please provide the vintage data for the EDIT related to repair allowances, and for each vintage provide both the tax and financial depreciation or amortization and the related asset lives.
- CEP 20-8. **EDIT:** Please provide the vintage data for the EDIT related to section 174 R&D, and for each vintage provide both the tax and financial depreciation or amortization and the related asset lives.