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PUC DOCKET NO. 51415

APPLICATION OF SOUTHWESTERN	§	BEFORE THE PUBLIC UTILITY
ELECTRIC POWER COMPANY TO	§	COMMISSION OF TEXAS
AMEND ITS CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY TO	§	
CONVERT HARRINGTON	§	
GENERATING STATION FROM	§	
COAL TO NATURAL GAS	§	
	§	

**SIERRA CLUB'S FIRST SET OF REQUESTS FOR INFORMATION TO
SOUTHWESTERN PUBLIC SERVICE COMPANY**

Sierra Club submits this First Set of Requests for Information ("RFI") to Southwestern Public Service Company ("SPS"). Under 16 TAC §§ 22.141-145, Sierra Club requests that SPS provide the following information and answer the following questions under oath. Please answer the questions and sub-questions in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the 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. Please state the name of the witness in this proceeding who will sponsor the answer to the question.

Responses to the RFIs should be served on the following individuals within twenty (20) days of service, or by November 10, 2021, or as modified by order in this case:

Joshua Smith
Matthew Miller
Dru Spiller
Sierra Club Environmental Law Program
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DEFINITIONS

Unless otherwise specified in each individual interrogatory or request, “you,” “your,” the “Company,” or “SPS,” refers to Southwestern Electric Power Company, and its affiliates, directors, officers, employees, consultants, attorneys, and authorized agents.

“And” and “or” shall be construed either conjunctively or disjunctively as required by the context to bring within the scope of these interrogatories and requests for production of documents any information which might be deemed outside their scope by another construction.

“Any” means all, each and every example of the requested information.

“Communication” means any transmission or exchange of information between two or more persons, whether orally or in writing, and includes, without limitation, any conversation or discussion by means of letter, telephone, note, memorandum, telegraph, telex, telecopy, cable, email, or any other electronic or other medium.

“Control” means, without limitation, that a document is deemed to be in your control if you have the right to secure the document or a copy thereof from another person or public or private entity having actual possession thereof. If a document is responsive to a request, but is not in your possession or custody, identify the person with possession or custody. If any document was in your possession or subject to your control, and is no longer, state what disposition was made of it, by whom, the date on which such disposition was made, and why such disposition was made.

“Document” refers to written matter of any kind, regardless of its form, and to information recorded on any storage medium, whether in electrical, optical or electromagnetic form, and capable of reduction to writing by the use of computer hardware and software, and includes all copies, drafts, proofs, both originals and copies either (1) in the possession, custody or control of the Company regardless of where located, or (2) produced or generated by, known to or seen by the Company, but now in their possession, custody or control, regardless of where located whether or still in existence. Such “documents” shall include, but are not limited to, applications, permits, monitoring reports, computer printouts, contracts, leases, agreements, papers, photographs, tape recordings, transcripts, letters or other forms of correspondence, folders or similar containers, programs, telex, TWX and other teletype communications,

memoranda, reports, studies, summaries, minutes, minute books, circulars, notes (whether typewritten, handwritten or otherwise), agenda, bulletins, notices, announcements, instructions, charts, tables, manuals, brochures, magazines, pamphlets, lists, logs, telegrams, drawings, sketches, plans, specifications, diagrams, drafts, books and records, formal records, notebooks, diaries, registers, analyses, projections, email correspondence or communications and other data compilations from which information can be obtained (including matter used in data processing) or translated, and any other printed, written, recorded, stenographic, computer-generated, computer-stored, or electronically stored matter, however and by whomever produced, prepared, reproduced, disseminated or made. For purposes of the production of “documents,” the term shall include copies of all documents being produced, to the extent the copies are not identical to the original, thus requiring the production of copies that contain any markings, additions or deletions that make them different in any way from the original.

“Identify” means:

- a. With respect to a person, to state the person’s name, address and business relationship (e.g., “employee”) vis-à-vis the Company;
- b. With respect to a document, to state the nature of the document in sufficient detail for identification in a request for production, its date, its author, and to identify its custodian. If the information or document identified is recorded in electrical, optical or electromagnetic form, identification includes a description of the computer hardware or software required to reduce it to readable form.

“Person” means, without limitation, every natural person, corporate entity, partnership, association (formal or otherwise), joint venture, unit operation, cooperative, municipality, commission, governmental body or agency.

“Relating to” or “concerning” means and includes pertaining to, referring to, or having as a subject matter, directly or indirectly, expressly or implied, the subject matter of the specific request.

“Workpapers” are defined as original, electronic, machine-readable, unlocked, unlocked, in native format, and with formulae and links intact.

INSTRUCTIONS

1. The Definitions, Instructions, and Claim of Privilege set out in this Request for Information apply to these questions.
2. In answering these questions, furnish all information that is available to you, including information in the possession of your agents, employees, and representatives, all others from whom you may freely obtain it, and your attorneys and their investigators.
3. Please answer each question based upon your knowledge, information, or belief, and any answer that is based upon information or belief should state that it is given on that basis.
4. If you have possession, custody, or control (as defined by Tex. R. Civ. P. 192.7(b)) of the originals of these documents requested, please produce the originals or a complete copy of the originals and all copies that are different in any way from the original, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of the originals of the documents requested, please produce copies of the documents, however made, in your possession, custody, or control. If any document requested is not in your possession or subject to your control, please explain why not, and give the present location and custodian of any copy or summary of the document.
6. If any question appears confusing, please request clarification from the undersigned counsel.
7. In providing your responses, please start each response on a separate page and type, at the top of the page, the question that is being answered.
8. As part of the response to each question, please state, at the bottom of the answer, the name and job position of each person who participated in any way, other than providing clerical assistance, in the preparing of the answer. If the question has sub-parts, please identify the person or persons by sub-part. Please also state the name of the witness in this docket who will sponsor the answer to the question and who can vouch for the truth of the answer. If the question has sub-parts, please identify the witness or witnesses by sub-part.

9. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.

10. Wherever the response to a request for information consists of a statement that the requested information is already available to Sierra Club, please provide a detailed citation to the document that contains the information. The citation shall include the title of the document, relevant page number(s), and to the extent possible paragraph number(s) and/or chart(s)/table(s)/figure number(s).

11. In the event that any document referred to in response to any request for information has been destroyed, specify the date and the manner of such destruction, the reason for such destruction, the person authorizing the destruction and the custodian of the document at the time of its destruction.

12. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer between the time of your original response and the time of the hearings, then you should submit, under oath, a supplemental response to your earlier answer.

13. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please call the undersigned counsel as soon as possible in order to discuss the situation and to try to resolve the problem. Likewise, if you object to any of the questions on the grounds that the question seeks confidential information, or on any other grounds, please call the undersigned counsel as soon as possible.

14. If the response to any question is voluminous, please provide separately an index to the materials contained in the response.

15. If the information requested is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.

16. Data should be provided in native electronic format including active EXCEL workbooks and all linked workbooks, with all formulas, cell references, links, etc., intact, functioning, and complete for all tables, figures, and attachments in the testimony.

17. To the extent that a question asks for the production of copyrighted material, it is sufficient to provide a listing of such material, indicating the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

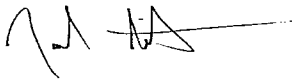
18. Sierra Club reserves the right to serve supplemental, revised, or additional discovery requests as permitted in this proceeding.

PRIVILEGE

If you claim a privilege including, but not limited to, the attorney-client privilege or the work product doctrine, as grounds for not fully and completely responding to any request for information or request for production, describe the basis for your claim of privilege in sufficient detail so as to permit meaningful evaluation of the validity of the claim. With respect to documents for which a privilege is claimed, produce a “privilege log” that identifies the author, recipient, date and subject matter of the documents or interrogatory answers for which you are asserting a claim of privilege and any other information pertinent to the claim that would likewise enable evaluation of the validity of such claims.

Dated: October 21, 2021

Respectfully submitted,

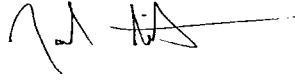


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Counsel for Sierra Club

CERTIFICATE OF SERVICE

I, Joshua Smith, certify that a copy of the foregoing Sierra Club submission was served upon all parties of record in this proceeding on October 21, 2021, by First-class U.S. mail, hand delivery, and/or e-mail, as permitted by the presiding officer.



Joshua Smith
Sierra Club Environmental Law Program

EXHIBIT A

PUC DOCKET NO. 52485

APPLICATION OF SOUTHWESTERN	§	BEFORE THE PUBLIC UTILITY
ELECTRIC POWER COMPANY TO	§	COMMISSION OF TEXAS
AMEND ITS CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY TO	§	
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**SIERRA CLUB'S FIRST SET OF REQUESTS FOR INFORMATION TO
SOUTHWESTERN PUBLIC SERVICE COMPANY**

- 1.1 Please provide any responses to Requests for Information issued by SPS any other party to this proceeding.
- 1.2 Please provide all work papers and schedules supporting SPS/Xcel's application and supporting testimony (in electronic, machine-readable format with formulae intact).
- 1.3 Please refer to the Direct Testimony of Ben R. Elsey at page 13. Please provide all Encompass and all Strategist modeling input and output files supporting SPS/Xcel's application and supporting testimony (in electronic, machine-readable format with formulae intact).
- 1.4 Please refer to the Direct Testimony of Ben R. Elsey at page 13-14. For the Harrington analyses, please provide all documents, analyses, or forecasts that the Company relied upon to calculate or develop costs included in the Company's modeling, including, without limitation, all:
 - a. Fuel costs for all electric power supply resources (owned and purchased, including all fuel contracts) and market energy costs (which are forecasted based on gas prices);
 - b. Purchased energy costs for all electric power supply resources;
 - c. Capacity costs of purchased power;
 - d. Variable operational and maintenance ("VOM") costs of purchased power;
 - e. Capital cost forecasts for new and existing electric generation facilities, including, but not limited to, the assumed costs for converting each of the three Harrington units and assumed pipeline costs;
 - f. Energy costs for new and existing wind and solar generation facilities;
 - g. Electric transmission interconnection and network upgrade costs for new generation;
 - h. Fixed operation and maintenance costs for existing and new generation facilities;
 - i. VOM costs for existing and new generation facilities, including all maintenance schedules or maintenance plans;
 - j. Remaining book value of SPS-owned generating units; and

- 1.5 For the Harrington units:
- a. Please produce any unit replacement studies done by the Company.
 - b. Identify any transmission grid updates or changes that would be needed to allow for the retirement of any of the units.
 - c. Produce any analysis or assessment of the need for the continued operations of each unit.
 - d. Provide the remaining book value (plant balance) at the start of 2021.
 - e. Identify the current undepreciated book value, and the expected undepreciated book value for each year of the remaining operation life of the unit.
 - f. Produce any analysis or assessment of the impact that retirement of each unit would have on capacity adequacy, transmission grid stability, transmission grid support, voltage support, or transmission system reliability.
- 1.6 Has SPS/Xcel evaluated whether any of the Harrington units will require additional investments to comply with final, proposed, or possible future environmental regulations including, but not limited to: existing consent decrees, new source review provisions, coal combustion residuals, effluent limitation guidelines, national ambient air quality standards, cooling water intake standards, the cross-state air pollution rule, the mercury and air toxics standards, regional haze, and carbon dioxide emissions?
- a. If not, please explain why not.
 - b. If so, please provide a summary, organized by electric generating unit, briefly describing the additional investments, including the purpose, and capital and annual O&M costs of such investments.
 - c. Please also include all supporting analyses, calculations, data, documents, modeling input and output files, and work papers associated with each investment.
- 1.7 For the Harrington units, please provide the following historical annual data going back to 2015 – 2021, broken down by unit:
- i. Installed Capacity
 - ii. Capacity factor
 - iii. Availability factor
 - iv. Heat Rate
 - v. Forced outage rate
 - vi. Fixed O&M costs
 - vii. Non-Fuel Variable costs
 - viii. Fuel Costs
 - ix. Environmental capital costs
 - x. Non-environmental capital costs
 - xi. Energy revenues (i.e., avoided energy purchase costs)
 - xii. Ancillary services revenues
 - xiii. Any other revenues
 - xiv. Depreciation
 - xv. Undepreciated net book value
 - xvi. Property taxes
 - xvii. Property insurance
 - xviii. Projected retirement date, if any.

- 1.8 For each Harrington unit, please state the Company's forward-looking assumptions for each of the following, by year 2021 through 2032. For any assumption which varies from a modeling input used in this case, please state the deviation, and explain why the Company has changed its assumption.
- i. Installed Capacity
 - ii. Capacity factor
 - iii. Availability factor
 - iv. Heat rate
 - v. forced outage rate
 - vi. Fixed O&M cost
 - vii. Variable O&M cost
 - viii. Fuel cost
 - ix. Environmental capital cost
 - x. Non-environmental capital cost
 - xi. Energy revenues (i.e., avoided energy purchase costs)
 - xii. Ancillary services revenues
 - xiii. Any other revenues
 - xiv. Depreciation cost
 - xv. Undepreciated net book value
 - xvi. Property taxes
 - xvii. Property insurance
 - xviii. Projected retirement date, if any
- 1.9 Please provide all load forecasts for the last 10 years that have been prepared by or for SPS/Xcel.
- 1.10 Please refer to the Direct Testimony of Ben R. Elsey at 6-7. Indicate the date at which SPS first knew it would be in violation of NAAQS standards if it continued burning coal at Harrington beyond the end of 2024.
- a. Provide all internal reports and presentations created prior to October 2020 that discuss the need to cease coal-fired operations at Harrington.
 - b. Provide all internal reports and presentations created prior to October 2020 that discuss alternatives to Harrington.
- 1.11 Please refer to the Direct Testimony of Ben R. Elsey at 8. Indicate whether SPS has considered securitization of other financing options as a way to minimize rate impacts from early retirement of the Harrington units.
- 1.12 Please refer to the Direct Testimony of Ben R. Elsey at 9. If SPS retired one Harrington unit at the end of 2024, and converted the other two, would the Company need additional replacement resources in 2024? Please explain.
- 1.13 Please refer to the Direct Testimony of Ben Elsey at 8 and 18, discussing the need for replacement capacity if Harrington is retired, rather than repowered. Please state by year, through 2040, how much replacement capacity would be needed if SPS retired Harrington Unit One in 2024, while repowering units Two and Three. Please state whether your responses to this interrogatory are consistent with the Loads and Resources Table presented in SPS's most recent IRP, and if not, what is changed.

- 1.14 Please state whether, if it was deemed economical and prudent to retire one of the three Harrington units, while repowering the others, which unit would be the most appropriate to retire, and the reason(s) for that selection.
- 1.15 Please state whether, if it was deemed economical and prudent to retire two of the Harrington units, while repowering the third, which two units would be the most appropriate to retire, and the reason(s) for that selection.
- 1.16 Please refer to the Direct Testimony of Ben R. Elsey at 9. Indicate whether decommissioning costs were incorporated into SPS's Harrington analysis. If so, explain how they were incorporated.
- 1.17 Please refer to the Direct Testimony of Ben R. Elsey at 19 regarding SPS's ability to acquire replacement resources before Harrington has to cease coal-fired operations.
 - a. Explain what actions SPS has taken to evaluate the availability and cost of alternative resource options.
 - b. Indicate whether SPS has issued an RFP for replacement resources in the time since its agreement with TCEQ was made.
 - c. Has SPS discussed with TCEQ the possibility of delaying compliance by a short period of time if doing so would allow the transition to alternative resources?
- 1.18 Please refer to the Direct Testimony of Ben R. Elsey at 27-28 regarding the capital investment required for various resource options. Provide the Levelized Cost of Energy for each of the resource options listed there.
- 1.19 Please refer to the Direct testimony of D. Dean Koujak at 10. Please provide all of the referenced proposals in response to the Request for Information.
- 1.20 Please refer to the Direct testimony of D. Dean Koujak at 12, and Attachment DDK-1 at pages 9-10 of 16.
 - a. For Guidehouse's review of SPS's fuel price forecasts, please provide all documentation, evidence, and supporting examples relied upon for the statement, "On similar engagements, we have observed similar approaches used by other utilities."
 - b. For Guidehouse's review of SPS's market electricity prices, please provide all documentation, evidence, and supporting examples relied upon for the statement, "On similar engagements, we have observed similar approaches used by other utilities."
 - c. For Guidehouse's review of SPS's load and demand, please provide all documentation, evidence, and supporting examples relied upon for the statement, "we conclude that the load and demand forecasts are reasonable and in line with industry practice."
 - d. For Guidehouse's review of SPS's interconnection costs, please provide all documentation, evidence, and supporting examples relied upon for the statement that this approach is "in line with standard industry practices."
- 1.21 Please refer to the Direct testimony of D. Dean Koujak at 12, and Attachment DDK-1 at page 14 of 16. Please provide all modeling input and output files for the referenced 36 sensitivity runs (in electronic, machine-readable format with formulae intact).
- 1.22 Please refer to the Direct Testimony of Mark Lytal at 8. Please provide a detailed breakdown of cost estimates for converting each of the Harrington units to burn gas, including, but not limited to capital cost estimates for the referenced gas distribution

head, burners, piping, and 20-inch diameter pipeline, and all O&M forecasts for operating and maintaining the gas pipeline.

- 1.23 Please refer to the Direct Testimony of Mark Lytal at 8-10.
- What is the capacity (in dekatherms per day) of the pipeline serving Nichols Station?
 - Please provide all documentation, analyses, and forecasts (including all forecasted operations) supporting the assertion that conversion of the Harrington units is expected to require natural gas pipeline capacity of 265,000 dekatherms per day.
 - Please confirm that the forecasted pipeline capacity of 265,000 dekatherms per day assumes full load for operation of the plant.
 - Did SPS evaluate the pipeline capacity needs for different operational loads at Harrington? If yes, please provide all documentation. If not, why not?
- 1.24 Please refer to the Direct Testimony of Mark Lytal at 10. Please provide
- All forecasts of O&M expenses associated with operating and maintaining the proposed natural gas pipeline
 - All forecasted O&M costs associated with the coal and ash systems for which costs will no longer be incurred.
 - All ongoing capital expenses associated with coal preparation, coal transport and combustion, and ash handling will no longer be incurred following the conversion.
- 1.25 Please refer to the Direct Testimony of Mark Lytal at 11.
- Please explain, in detail, why the conversion of two units at Harrington would still require SPS to build a 20" natural gas pipeline to the facility. Please provide all documentation, analyses, forecasts, and studies supporting that statement.
 - Please explain why "SPS has not conducted detailed analysis to determine what cost savings" could be achieved with the conversion of only one Harrington unit.
 - Please provide the referenced "Indicative numbers for a smaller pipeline were developed and used in evaluations for a single unit conversion."
- 1.26 Please refer to the Direct Testimony of Mark Lytal at 16, stating that the "conversion will allow the Harrington units to be operated very similar to how the existing SPS natural gas-fired thermal steam units are currently operated and there may be opportunities to run the Harrington units at lower generation levels after the conversion, which would yield more dispatch flexibility to energy markets and reliability needs of the Bulk Electric System."
- Would the conversion of one or two Harrington units yield similar "dispatch flexibility"? Please explain.
 - Did SPS conduct any reliability analysis, including but, not limited to, load flow analyses indicating that the Harrington units are required to maintain system reliability? If so, please provide.
- 1.27 Please refer to the Direct Testimony of Mark Lytal at 18. Please provide a detailed breakdown and all documents, analyses, or forecasts that the Company relied upon to calculate or develop all estimated Harrington conversion costs, including, but not limited to:
- Development
 - Land Rights

- c. Materials and Supplies;
 - d. Construction.
 - e. Overhead; and
 - f. Contingency.
- 1.28 Please refer to the Direct Testimony of William Grant at –14-15 regarding the need for replacement resources to provide voltage stability to support renewables on the system.
- a. Explain what resource and technology options, in combination or individually, SPS has considered that can provide the voltage stability support, and any other grid services necessary, if all or part of Harrington retired.
 - b. Provide the lead-time and construction time required to procure and build all alternative resources considered by SPS.
 - c. Indicate whether the Company has issued an RFP in the past year, or otherwise solicited bids and pricing information, on resources that could replace all or part of Harrington.
 - d. If yes, provide all documents which summarize the results of all such solicitations.
 - e. If no, explain the basis of the statement that it's not clear that SPS would be able to secure those replacement resources prior to January 1, 2025.
 - f. Detail all actions the Company has taken to evaluate and secure resources and technologies that could replace all or part of Harrington.
 - g. Provide all analysis supporting the statement that SPS might be forced to take a high cost replacement resource if it needs to replace Harrington.
- 1.29 Refer to the direct testimony of Ben Elsey at 29-30. Provide the base, high, and low gas price forecasts used by SPS in the Harrington analysis.
- a. Please explain the basis of the high and low gas price assumptions in detail.
 - b. How do current gas prices compare to the prices SPS used for the Harrington analysis?
- 1.30 Refer to the direct testimony of Ben Elsey at 29-30. Provide each of the referenced base, high, and low market energy price forecasts used by SPS in the Harrington analysis.
- a. Please explain in detail how SPS developed the forecasts.
 - b. How do current market energy prices compare to the prices SPS used for the Harrington analysis?
- 1.31 Refer to the direct testimony of Ben Elsey at 29-30.
- a. Provide each of the referenced base, high, and low load forecasts used by SPS in the Harrington analysis.
 - b. Explain the basis of the load forecasts
- 1.32 Refer to the direct testimony of Ben Elsey at 29-30.
- a. Please explain in detail how SPS developed the different assumptions for the cost of transmission network upgrades.
 - b. Please provide all documentation and analyses supporting SPS's transmission network upgrade assumptions.
- 1.33 Refer to the direct testimony of Ben Elsey at 39-40. Indicate whether SPS evaluated any scenarios where tax credits for renewables were assumed to extend beyond 2025.
- a. If yes, provide the results.

- b. If no, explain why no such analysis was conducted, given the uncertainty on whether tax credits will be extended.
- 1.34 Refer to the direct testimony of Ben Elsey at 33-34.
 - a. Please provide all analyses and workpapers (in native format, with formulae intact) for the Company's assertion that customers will incur "\$168M of additional costs between now and the end of 2024, on a PVRR basis, if all three Harrington Units are retired"
 - b. Did the Company evaluate the cost of accelerated depreciation for customers if just one or two Harrington Units are retired? If so, please provide all supporting analysis. If not, why not?
- 1.35 Refer to the direct testimony of Ben Elsey at 34.
 - a. Please explain why customers will incur "\$39M higher costs between now and 2025, on a PVRR basis, if Harrington Unit 1 is retired."
 - b. Please provide all analyses and workpapers (in native format, with formulae intact) for that assertion.