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SOAH DOCKET NO. 473-22-1073 PUC DOCKET NO. 52485

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APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONVERT HARRINGTON GENERATING STATION FROM COAL TO NATURAL GAS BEFORE THE STATE OFFICE OF

ADMINISTRATIVE HEARINGS

OFFICE OF PUBLIC UTILITY COUNSEL'S FIRST REQUEST FOR INFORMATION TO SOUTHWESTERN PUBLIC SERVICE COMPANY

Pursuant to 16 Texas Administrative Code ("TAC") § 22.144, the Office of Public Utility Counsel ("OPUC") submits this First Request for Information to Southwestern Public Service Company ("SPS"). OPUC requests that SPS provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F) within 20 days pursuant to 16 TAC § 22.144(c)(1). OPUC further requests that SPS provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

- "SPS," the "Company," "Applicant," "You," and "Your" refer to Southwestern Public Service Company and its affiliates, subsidiaries, 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" and "documents" include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars,

records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports, summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

- 1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
- 2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- 3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
- 4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
- 5. If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
- 6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
- 7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.

- 8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other than by providing clerical assistance, in the preparation of the answer to the question. If the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.
- 9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
- 10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
- 11. 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 to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
- 12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
- 13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
- 14. If the requested information 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 to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

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- 1-1. Please reference the Direct Testimony of Jeffrey L. West at page 13. Please explain how SPS recycles 100% of the fly ash generated from coal combustion at the Harrington Station. Please explain what SPS does with the recycled fly ash.
- **1-2.** Please reference the Direct Testimony of Mark Lytal at page 9. Please provide a detailed map showing the Oneok WesTex pipeline relative to the Harrington Station.
- **1-3.** Please reference the Direct Testimony of Mark Lytal at page 9. Please confirm that Harrington Units 1 and 3 already have two levels of gas burners installed while Unit 2 only has one level installed.
- **1-4.** Please reference the Direct Testimony of Mark Lytal at page 11. Mr. Lytal testifies that SPS developed indicative numbers for the cost of a smaller pipeline that were used to evaluate the single unit conversion case.
 - a. Please provide the indicative numbers for the cost of a smaller pipeline.
 - b. Please explain if the existing Oneok WesTex pipeline could serve a single unit case.
- **1-5.** Please reference the Direct Testimony of Mark Lytal at page 13. For all three pipelines that SPS currently operates in its service territory, please provide:
 - a. T-4 operating permit (Texas Railroad Commission, or "RRC")
 - b. P-5 organization report (RRC)
 - c. Age
 - d. Length
 - e. Diameter
 - f. Maximum throughput (Dth per day)
 - g. Location map
- **1-6.** Please reference the Direct Testimony of Mark Lytal at page 13. Please explain if SPS has incurred any RRC safety violations since 2016 on the pipelines it operates in its service territory. If so, please provide the violation letter and all documentation of the violations, including any resolution of the violations.
- 1-7. Please reference the Direct Testimony of Mark Lytal at page 13. Please explain if SPS has conducted RRC prescribed integrity testing on the pipelines it operates in its service territory. If so, did the integrity testing interrupt operation of the respective power plants and if it did, for how long were the plants interrupted. How does SPS anticipate conducting integrity testing on the proposed pipeline if it takes the Harrington Station out of service for a period of time?

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- **1-8.** Please reference the Direct Testimony of Mark Lytal at page 14. Please explain if SPS expects to be able to serve the Harrington Station at full load from either the El Paso Natural Gas Company ("EPNG") or the Natural Gas Pipeline Company of America ("NGPA") pipeline.
- **1-9.** Please reference the Direct Testimony of Mark Lytal at page 14. Does SPS anticipate entering into firm natural gas transportation agreements with EPNG and NGPA for the Harrington Station? If so, will the agreements include capacity payments? If not, please explain why not.
- **1-10.** Please reference the Direct Testimony of Mark Lytal at page 14. Does SPS anticipate entering into firm natural gas supply agreements for the Harrington Station? If so, will the agreements include minimum take provisions? If not, please explain why not.
- **1-11.** Please reference the Direct Testimony of Mark Lytal, Attachment ML-1. Please provide a version of Exhibit ML-1 assuming \$65 million total project cost.
- **1-12.** Please reference the Direct Testimony of Mark Lytal, Attachment ML-2:
 - a. Please explain the difference between Routes 1A and 1B.
 - b. Please identify which pipeline is farther west: EPNG or NGPA.
- **1-13.** Please reference the Direct Testimony of John M. Goodenough at page 7. Please clarify that if the financial forecast is the "median" forecast and the planning forecast is the "high" forecast, what is the "low" forecast and how was it derived? Please provide the "low" forecast or indicate where it can be found in the filing.
- **1-14.** Please reference the Direct Testimony of John M. Goodenough at page 15, Table JMG3. Please clarify that the difference between the financial forecast and planning forecast is volatile oil and gas load, as described by SPS witness Ben Elsey at page 31. Does anything else account for the differences between the financial forecast and planning forecast as described by Mr. Goodenough?
- **1-15.** Please reference the Direct Testimony of Ben Elsey at page 13. Please explain what costs the EnCompass analysis assumes for operating the natural gas pipeline. Do the operating costs include costs for integrity testimony and other testing prescribed by the RRC? If so, please describe these costs.
- **1-16.** Please reference the Direct Testimony of Ben Elsey at page 14. Please explain if the EnCompass analysis assumes a firm natural gas supply at the Harrington Station. If so,

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please describe the price premium applied to the natural gas price. If not, please explain why not.

- 1-17. Please reference the Direct Testimony of Ben Elsey at pages 33-34. Mr. Elsey testifies that the high customer rate impact in the first three years for scenarios where Harrington units are retired early is due to the need to accelerate collection on the remaining depreciation expense and decommissioning costs associated with Harrington 12 to 16 years earlier than currently planned. Please explain if SPS considered any scenarios where the depreciation and decommissioning costs are spread over the projected remaining life of the Harrington Station in the same manner as the retirement of SWEPCO's Dolet Hills Station as described in the proposal for decision in PUC Docket No. 51415.
- **1-18.** Please reference the Direct Testimony of Ben Elsey at page 37. Please explain why the EnCompass model was allowed to add "significant" amounts of renewable generation to the analysis that SPS does not believe will occur. Please explain how the results are affected if the renewable generation is removed from the analysis.
- **1-19.** Please reference the Direct Testimony of Ben Elsey at page 41. Please clarify what SPS's most likely network upgrade costs are expected to be and explain the basis for that amount.

Date: December 31, 2021

Respectfully submitted,

Chris Ekoh Interim Public Counsel State Bar No. 06507015

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ATTORNEYS FOR THE OFFICE OF PUBLIC UTILITY COUNSEL

CERTIFICATE OF SERVICE

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I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 31st day of December 2021, by facsimile, electronic mail, and/or first class, U.S. Mail.

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Tucker Furlow