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## SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

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# APPLICATION OF ENTERGY TEXAS, INC. FOR AUTHORITY TO CHANGE RATES

## BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS

## <u>TEXAS INDUSTRIAL ENERGY CONSUMERS THIRD REQUEST FOR</u> <u>INFORMATION TO ENTERGY TEXAS, INC.</u>

Pursuant to 16 T.A.C. § 22.144, Texas Industrial Energy Consumers ("TIEC") requests that Entergy Texas, Inc. ("ETI") provide all of the information requested in Exhibit "A" within the time frame specified under the procedural schedule set in this proceeding.

Pursuant to 16 T.A.C. § 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to 16 T.A.C. § 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

Mr. Rex D. VanMiddlesworth Mr. Benjamin B. Hallmark Mr. Christian E. Rice O'Melveny & Myers LLP 303 Colorado, Suite 2750 Austin, Texas 78701 (737) 261-8600 rexvanm@omm.com bhallmark@omm.com crice@omm.com OMMeservice@omm.com

## **DEFINITIONS AND INSTRUCTIONS**

A. "ETI," "the Company" or "you" refers to Entergy Texas Inc., 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.

B. The terms "document" or "documents" are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced, reproduced or stored by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. The definition includes electronic information that has been deleted. "Document" or "documents" shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

C. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic information (which is included in the definition of "document") that is responsive to a request herein be produced on CD-ROM in a format that is compatible with Adobe Acrobat, Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a searchable .pdf copy of the entire email string. Attachments to emails should be provided with the email in searchable .pdf form, unless it is stored in a different format, in which the attachment should be produced in its native format and provided on CD-Rom.

D. The terms "and" and "or" shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

E. "Each" shall be construed to include the word "every" and "every" shall be construed to include the word "each."

F. "Any" shall be construed to include "all" and "all" shall be construed to include "any."

G. The term "concerning," or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

H. The term "including," or one of its inflections, means and refers to "including but not limited to."

I. 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.

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

K. If any document is withheld under any claims of privilege, please furnish a list identifying each document for which a privileges is claimed together with the following information: date, sender, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed. This instruction is not intended to impose an obligation greater than contemplated by the Commission's rules and any applicable orders in this case.

L. Pursuant to 16 T.A.C. § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

M. If the information requested is included in previously furnished exhibits, workpapers, and 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.

N. The term "emails" includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph "D." regarding specific instructions for producing such items.

O. "Communications" refers to correspondence of any kind, including emails.

P. "Identify" and "describe" shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, business affiliation, job title, and business address and telephone number;
- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;

- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

O'MELVENY & MYERS LLP

/s/ Christian E. Rice Rex D. VanMiddlesworth State Bar No. 20449400 Benjamin B. Hallmark State Bar No. 24069865 Christian E. Rice State Bar No. 24122294 303 Colorado, Suite 2750 Austin, Texas 78701 (737) 261-8600 rexvanm@omm.com bhallmark@omm.com crice@omm.com OMMeservice@omm.com

# ATTORNEYS FOR TEXAS INDUSTRIAL ENERGY CONSUMERS

#### **CERTIFICATE OF SERVICE**

I, Christian E. Rice, Attorney for TIEC, hereby certify that a copy of this document was served on all parties of record in this proceeding on this 21<sup>st</sup> day of September, 2022 by electronic mail, facsimile, and/or First Class, U.S. Mail, Postage Prepaid.

<u>/s/ Christian E. Rice</u> Christian E. Rice

Exhibit A

## SOAH DOCKET NO. 473-22-04394 PUC DOCKET NO. 53719

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## BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS

# TEXAS INDUSTRIAL ENERGY CONSUMERS THIRD REQUEST FOR INFORMATION TO ENTERGY TEXAS, INC.

- **TIEC 3-1** Please provide the depreciation study from ETI's last filed rate case, Docket No. 48371.
- **TIEC 3-2** Referring to the proposed Schedule IS:
  - a. Explain the differences between LMRs and LMMs.
  - b. How many of ETI's current Schedule IS customers are LMRs, LMMs, or both LMRs and LMMs?
  - c. Under the current Schedule IS, can a customer qualify as an LMM but not be registered as an LMR? Please explain why or why not.
  - d. Under the proposed Schedule IS, would LMMs also have to register as LMR? If so, explain the reason for this requirement.
  - e. List the criteria that the Company will use to determine whether a failure to comply with a Company-ordered curtailment request was justified.
  - f. State the definition of Firm Contract power as specified in VI. B. of the otherwise applicable firm tariff and explain how it is determined.
  - g. State the reasons for the proposal that the off-peak provision of Section V of the applicable rate schedule would not apply to the definition of Firm Contract Power for interruptible service and explain how this provision would be consistent with encouraging customers to utilize electricity during off-peak periods.
- **TIEC 3-3** Quantify the date, time, and duration of any curtailments required under Schedule IS that occurred during off-peak hours, as defined in the Company's Schedule LIPS-TOD, in the past ten years.
- **TIEC 3-4** Provide documentation for each instance listed in the response to TIEC 3-3 when a Schedule IS customer failed to curtail load down to the Firm Contract Power as specified in VI. B. of the otherwise applicabsle firm tariff.

- **TIEC 3-5** Provide documentation for each instance listed in the response to TIEC 3-3 when the failure of a Schedule IS customer to curtail load down to the Firm Contract Power level during on-peak hours resulted in ETI incurring a financial penalty from MISO for non-compliance.
- **TIEC 3-6** Referring to the proposed SMS rate schedule:
  - a. Explain the reasons for the proposed new language in III. A. (1). In particular, why would Schedule GS be the default firm power rate schedule if the customer would otherwise qualify for a different rate schedule based on the customer's size and delivery voltage?
  - b. Explain the reasons for the proposal to increase the prior notification requirement for Maintenance Service from 24 hours to five days.
  - c. Explain the reasons for the proposal to limit the availability of Maintenance Service to not more than six times per calendar year or 90 calendar days per Contract Year, whichever is reached first.
  - d. Define the circumstances in III. B. when Maintenance Service would be no longer available to the Customer.
- **TIEC 3-7** Does MISO limit maintenance outages of ETI generating resources to six outages per year or 90 calendar days, whichever is reached first? If so, please provide supporting documents.
- **TIEC 3-8** Regarding the proposed Market Valued Demand Response Rider (MVDR):
  - a. Are Aggregators of Retail Customers (ARCs) or similar organizations eligible to qualify as a Market Participant?
  - b. Does MISO allow ARCs or similar entities to participate as LMRs?
  - c. Does MISO allow ARCs or similar entities to participate in the (real-time and/or day-ahead) energy and capacity markets?
  - d. Do other MISO members allow ARCs or similar entities to act as Market Participants on behalf of the retail customers served by these other MISO members?
- **TIEC 3-9** Has ETI or any other Entergy affiliate ever allowed ARCs or similar entities to act as Market Participants on behalf of participating retail customers? If so, list all such ARCs or similar entities representing retail customers that have qualified as a Market Participant.
- **TIEC 3-10** Please provide a copy of any orders issued by the state regulatory commissions of Arkansas, Louisiana, or Mississippi that are known to ETI and address the issue of whether ARCs or similar entities should be allowed to act as a Market Participant

on behalf of retail customers in the context of a tariff similar to ETI's proposed Rider MVDR.

- **TIEC 3-11** In the absence of allowing a third-party to be the Market Participant:
  - a. Explain how ETI would track the costs and revenues associated with each Rider MVDR participant in each of the various MISO markets.
  - b. Would ETI require that any direct benefits be shared between ETI and each Rider MVDR participant? If so, state ETI's revenue sharing proposal, and explain whether any benefits would be retained by ETI and/or flowed back to ETI's other retail customers.
  - c. Explain ETI's role in facilitating market participation to ARCs.
  - d. Explain how ETI would disaggregate the MISO submissions on behalf of the ARCs, retail MVDR customers, and ETI's other retail customers.
- **TIEC 3-12** Would a MVDR participant have the flexibility of periodically adjusting the demand/prices submissions to address changing or exigent circumstances from time-to-time? If not explain why. If so, state the process through which demand/price submissions can be adjusted and what limitations, if any, ETI would impose.

## *The following RFIs pertain to the Direct Testimony of Jess K. Totten:*

- **TIEC 3-13** Referring to pages five to six regarding low rates:
  - a. Please explain why Mr. Totten believes that the period 2017-2021 is the appropriate reference period for determining whether rates are low for the purpose of an return on equity (ROE) bonus to be granted for rates in place in 2023.
  - b. Please state whether Mr. Totten or Mr. Starkweather have updated the comparisons to include rates in 2022.
- **TIEC 3-14** Referring to pages six to seven:
  - a. Please explain why Mr. Totten believes that the period 2018-2020 is the appropriate reference period for determining whether O&M costs are low for the purpose of an ROE bonus to be granted for rates in place in 2023.
  - b. Has Mr. Totten or Mr. Sperandeo updated the comparisons to include rates in 2021 or 2022?
  - c. Are these non-fuel O&M expenses or O&M including fuel?
- **TIEC 3-15** Referring to pages eight to 11 regarding ETI's response to two hurricanes, has Mr. Totten examined any other utilities' responses to hurricanes to determine how ETI's hurricane response ranked in relation to other utilities' responses? If not, please explain why not and how Mr. Totten determined ETI's response was effective and efficient. If yes, please provide Mr. Totten's examination of other utilities' responses.
- **TIEC 3-16** For Montgomery County Power Station (MCPS), please provide:
  - a. By year, the projected capacity factors from ETI's base case from the MCPS CCN;
  - b. By year, the projected variable energy cost savings from ETI's base case from the MCPS CCN;
  - c. By year, the projected capacity factors from ETI's base case from the Orange County Advanced Power Station CCN analysis; and
  - d. By month, the actual capacity factor for MCPS from June 2021 June 2022.
- **TIEC 3-17** How did the two hurricanes that hit during the summer of 2021 affect the construction of MCPS?
- **TIEC 3-18** How many miles is the MCPS from the landfall location of each of the two storms?

- **TIEC 3-19** Did Mr. Totten consider the Commission's rejection of ETI's CCN for the Liberty County Solar facility in his consideration of whether ETI's management was effective and efficient? If not, please explain why not. If yes, please explain in detail how Mr. Totten included that rejection in his consideration.
- **TIEC 3-20** Referring to page three, please provide any analyses of ETI's performance in response to significant storms in the last four years.
- **TIEC 3-21** Please provide any documents, including but not limited to analyses, comparing ETI's performance relative to other utilities, regionally or nationally, in the following categories:
  - a. Efforts or achievements in conserving resources;
  - b. Quality of service;
  - c. Quality of management;
  - d. Retail rates;
  - e. Operations and maintenance costs; and
  - f. Bringing new generation online relative to the construction/acquisition schedule and budget estimates.
- **TIEC 3-22** Regarding Mr. Totten's testimony that ETI had "effective responses to challenging circumstances, and the Company's restoration efforts represent high-quality service and efficient operations and demonstrate an effective management," please state whether Mr. Totten believes that Texas law, including the Commission's rules, requires ETI to:
  - a. Effectively respond to challenging circumstances;
  - b. Provide high-quality service;
  - c. Conduct efficient operations; or
  - d. Provide effective management.