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PUC DOCKET NO. 55094
SOAH DOCKET NO. 473-23-20564

APPLICATION OF AEP TEXAS INC.	§	PUBLIC UTILITY
TO ADJUST ITS ENERGY EFFICIENCY	§	COMMISSION OF TEXAS
COST RECOVERY FACTOR	§	FACTOR

**SIERRA CLUB'S FIRST SET OF
REQUESTS FOR INFORMATION TO AEP TEXAS**

Sierra Club submits this First Set of Interrogatories and Requests for Information to AEP Texas, Inc. ("AEP"). Under 16 TAC §§ 22.141-145, Sierra Club requests that AEP 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 cause who will sponsor the answer to the question.

Responses to the RFI should be served on the following individuals within ten (10) days of service, as set forth by SOAH Order No. 1 in this case:

A. Joshua Smith
Cyrus Reed
Sierra Club Environmental Law Program
2101 Webster St., Suite 1300
Oakland, CA 94612
joshua.smith@sierraclub.org
cyrus.reed@sierraclub.org

DEFINITIONS

Unless otherwise specified in each individual interrogatory or request, "you," "your," the "Company," or "AEP," refers to AEP Texas, 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 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.

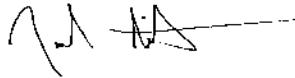
PRIVILEGE

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 this 7th day of July, 2023.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Smith', written over a horizontal line.

Joshua Smith
Sierra Club Environmental Law Program
2101 Webster St., Suite 1300
Oakland, CA 94612

DISCOVERY REQUESTS

SC1-1. Please provide all public and confidential discovery responses issued by AEP in this proceeding.

SC1-2. AEP’s proposed budget of roughly \$24.8 million is slightly lower than the budget approved in 2022 (\$26.4 million) and 2023 (\$26 million). Is it accurate that the major difference between the budgets for these three years is the performance bonus, which is lower this year, and that the program budgets between 2022, 2023 and 2024 are very similar?

SC1-3. Why is AEP proposing a very similar EECRF in 2024 for residential and commercial customers as it proposed in 2023? Would customers benefit from a slightly higher rate (i.e., greater investment in energy efficiency programs) if it led to more money for programs that help customers save money and could help make the grid more reliable? If not, please explain.

SC1-4. AEP is proposing to spend a total of \$24,833,529 in ratepayer funds in Docket 55094, of which \$18,694,458 is for program costs, not including EM & V costs. Why is ONCOR proposing to spend roughly \$18.7 million for program costs in 2024, as opposed to a lower number that would still meet the required goals, or a higher number below the cost caps established by the PUCT?

SC1-5. In Sierra Club’s initial filing of comments, we provided the table below, based on information presented in the Company’s application. Does AEP believe the information below is accurate—i.e., that AEP could spend up to \$34.9 million in 2024 if the PUCT were to approve an EECRF at the cost cap? If these numbers are not accurate, please provide an alternative table that shows the maximum amount of money that would be generated at the cost cap that could be spent by AEP.

Table 1—AEP Cost Caps and Proposed Budget

Proposed EECRF	Cost Cap EECRF	Proposed Budget	What AEP Texas could spend at cost cap
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\$0.000996	\$0.001556	\$13,939,962	\$20,878,601
\$0.000686	\$0.000973	\$11,356,530	\$14,035,929

SC1-6. Does AEP believe it could attain cost effective demand reduction and energy savings if it were to increase the proposed EECRF beyond what is proposed in Docket 55074?

SC1-7. Could AEP spend \$34.9 million (or whatever the maximum budget would be at the cost caps) if it were granted by the PUCT?

SC1-8. If AEP were to propose a budget of \$34.9 million up to the cost caps, how would it choose to spend the amount, and how many additional MWs and MWhrs could it achieve for residential and commercial customers?

SC1-9. Does AEP propose to offer residential demand response programs in 2024?

SC1-10. If so, please provide information about the budget, description of the program, and amount of MWs and MWhs it expect to achieve?

SC1-11. Has AEP or its affiliates conducted any study of potential for EE or DSM to reduce energy demand, capacity, or the need for supply side generation? If yes, please provide all such studies. If not, why not?

SC1-12. In 2023, the Texas legislature passed, and the Governor signed SB 1699 which includes some provisions and requirements for residential demand response. That law specifically allows and encourages utilities to spend up to 10% of their total demand response budgets on programs that encourage retail electric providers to provide demand response programs. Does AEP believe it is meeting the intent of SB 1699 with the proposed residential demand response programs it is offering?

SC1-13. Please provide any evidence that AEP is meeting the intention of SB 1699.

SC1-14. Is AEP proposing any winter residential demand response? Why not?

SC1-15. Please provide a brief description of any proposed low-income and hard-to-reach programs, including budgets and expected MWs and MWhrs.

SC1-16. Does AEP believe it could increase participation, MWs and MWhs of savings for these populations by increasing the proposed budget? If so, why hasn't AEP proposed a more robust program?

SC1-17. Please describe efforts by AEP to reach families living in multi-family housing, including renters.

SC1-18. In 2021, the US Congress and the President signed the IIJA. In 2022, the US Congress passed and the President signed the IRA. Is Oncor aware of programs and funding contained within these bills that could increase efforts to reduce energy demand and increase energy savings? If yes, please identify them and explain whether AEP has evaluated opportunities to increase energy efficiency program offerings in light of the IIJA or IRA.

SC1-19. Will the IIJA or IRA increase AEP's customers' energy efficiency adoption or decrease overall energy consumption or demand? If yes, please provide all documentation evaluating the projected increase or energy or demand decreases. If not, why not?

SC1-20. How has the 2024 EE plan submitted by AEP changed as a result of the passage and implementation of the IIJA or IRA?

SC1-21. Does AEP believe that programs such as increased weatherization through TDHCA - reportedly \$174 million approved over the next three to five years - new funding through SECO such as the HOMES rebate program or a revolving loan program could present opportunities for AEP to partner with state, federal and local government to increase energy efficiency offerings?

SC1-22. Is it prudent for regulated utilities like AEP to inform its customers of, or encourage them to take advantage of, federal energy efficiency programs, tax credits, or rebates offered under the IIJA or IRA? If not, why not? If yes, what steps is Oncor taking to make its customers aware of those funding opportunities.

SC1-23. Does AEP plan to increase information to its customers about these opportunities?

SC1-24. Should AEP design programs that would use a small amount of ratepayer money to allow customers to gain further access to federal funding (and tax incentives)?

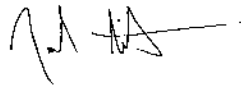
SC1-25. Please describe any efforts made by AEP to offer residential and/or commercial incentives or programs to increase the use of onsite solar (PV) power, including budgets and expected demand reduction and energy savings in 2024.

SC1-26. If none are offered, why hasn't AEP offered solar programs?

- SC1-27.** Has AEP considered any programs to add storage capability to its solar programs?
- SC1-28.** Could customers benefit from offering an additional incentive for storage or solar?
- SC1-29.** Please describe any efforts made by AEP to encourage the use of EVs through the energy efficiency programs or separately through other efforts.
- SC1-30.** Has AEP considered offering any incentives for EV charging, or the use of EV chargers as a demand response/peak shifting tool?
- SC1-31.** Please describe what efforts AEP is making through its energy efficiency programs to encourage the use of modern heat pumps for space heating (and cooling), including budgets and expected demand reduction and energy savings.
- SC1-32.** Has AEP considered adding programs designed to take advantage of federal rebates and tax credits for heat pumps?
- SC1-33.** Please provide the total amount of the performance bonus earned by AEP in 2020, 2021, 2022 and 2023 and the proposed performance bonus in 2024.
- SC1-34.** Given that the proposed bonus in 2024 appears to be slightly lower than in some previous years, why didn't AEP propose a larger budget that would provide more program money in 2024?

Dated this 7th day of July, 2023.

Respectfully submitted,



Joshua Smith
Sierra Club Environmental Law Program
2101 Webster St., Suite 1300
Oakland, CA 94612
Tele: 415-977-5560
Email: joshua.smith@sierraclub.org

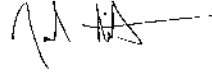
Dr. Cyrus Reed, PhD
Conservation Director
Lone Star Chapter, Sierra Club
6406 North I-35, Suite 1806
Austin, Texas 78752

Tel: 512-888-9411

Email: Cyrus.reed@sierraclub.org

CERTIFICATE OF SERVICE

I, Joshua Smith, certify that a copy of the Sierra Club's Motion to Intervene was served upon all parties of record in this proceeding on July 7, 2023, by electronic mail.



Joshua Smith
Sierra Club Environmental Law Program