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**SOAH DOCKET NO. 473-24-12812
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APPLICATION OF AEP TEXAS INC. FOR AUTHORITY TO CHANGE RATES	§ § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**SMT TX MANAGEMENT LLC’S RESPONSE TO
STAFF’S FIRST REQUESTS FOR INFORMATION**

SMT TX Management LLC (“SMT TX”), files this Response to Commission Staff’s (“Staff”) First Request for Information (“RFI”) submitted on May 22, 2024. Pursuant to State Office of Administrative Hearings Order No. 2, this Response is timely filed.

SMT TX reserves the right to object at the time of the hearing to the admissibility of information produced herein.

Respectfully submitted,

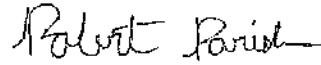
By: _____

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**ATTORNEYS FOR SMT TX MANAGEMENT
LLC**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing instrument has been forwarded to all parties of record via electronic mail on the 29th day of May 2024, in accordance with the Order Suspending Rules, issued in Project No. 50664.

A handwritten signature in black ink, appearing to read "Robert Parish", written in a cursive style.

Robert Dakota Parish

Staff 1-1: Regarding rates regulated by the PUC, please identify all types of distribution-level controllable load resources other than BESS that do not pay distribution delivery charges (also known as distribution service charges) for load they impose on the distribution system. Please identify the authority or basis by which these resources are authorized to avoid paying for distribution delivery service for the load they impose on the distribution system.

Response: SMT TX does not own or operate any distribution-level controllable resources other than BESS resources and therefore is not aware of the tariff structure for non-BESS distribution-level controllable resources. Lastly, SMT TX does not take the position that under Commission rules, AEP Texas Inc, (“AEP”) may not charge for distribution delivery service as other utilities have such charges. Instead, please refer to the Direct Testimony of David Spotts, Section IV (Pgs. 4-9) for SMT TX’s position as it relates to charges for distribution delivery service.

Preparer: David Spotts

Sponsor: David Spotts

Staff 1-2. Regarding rates regulated by the PUC, please identify all types of distribution-level ancillary service providers other than BESS that do not pay distribution delivery charges (also known as distribution service charges) for load they impose on the distribution system. Please identify the authority or basis by which these resources are authorized to avoid paying for distribution delivery service for the load they impose on the distribution system.

Response: SMT TX's understanding is that all distribution-level ancillary service providers pay for distribution delivery charges for auxiliary power to operate those facilities that provide ancillary services. SMT TX also pays those distribution delivery charges for auxiliary power for its BESS resources. However, AEP's proposal in this proceeding would impose a separate delivery charge tariff for charging the BESS resource which would cause BESS resources to become economically infeasible. Transmission-level BESS resources do not pay a similar transmission charge for charging BESS resources. Lastly, this Wholesale Distribution Tariff proposed by AEP would impose charges on SMT TX in addition to SMT TX having to pay cost in aid of construction to AEP for each project causing AEP to substantially over recover costs for BESS resources at distribution voltage.

Preparer: David Spotts

Sponsor: David Spotts