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SOAH DOCKET NO. 473-25-05084
PUC DOCKET NO. 57149

APPLICATION OF EL PASO	§	BEFORE THE STATE OFFICE
ELECTRIC COMPANY FOR AUTHORITY	§	
TO RECONCILE FUEL COSTS	§	OF
	§	
	§	ADMINISTRATIVE HEARINGS

EL PASO ELECTRIC COMPANY'S RESPONSE TO
COMMISSION STAFF’S FIRST REQUESTS FOR INFORMATION
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-6

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ELECTRIC COMPANY TO	§	OF
RECONCILE FUEL COSTS	§	ADMINISTRATIVE HEARINGS

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QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-6

STAFF 1-1:

Were any outages during the reconciliation period caused by imprudent management of EPE's generating facilities or caused by vendor errors? If so, what were the replacement costs associated with the outages, and what is the appropriate rate treatment to be reflected in EPE's fuel balance?

RESPONSE:

Please refer to table below regarding EPE's outages caused by vendor/contractor error. There were no outages during the fuel reconciliation caused by imprudent management.

Costs associated with outages caused by imprudent management or vendor errors are not passed through fuel.

UNIT NAME	DATE STARTED	DATE COMPLETE	OUTAGE DURATION HOURS	REASON FOR OUTAGE (1)
Montana 2	3/3/2023 9:18	3/3/2023 9:35	0.28	Contractor procedure error
Newman SGT3	2/14/2023 6:34	2/16/2023 16:30	57.93	Gas fuel system B-Contractor Error
Newman SGT4	2/14/2023 6:34	2/16/2023 16:30	57.93	Gas fuel system B-Contractor Error
Newman SST	2/14/2023 6:34	2/16/2023 16:30	57.93	Gas fuel system B-Contractor Error

Preparer: Kara Randle
Denise Perez

Title: Project Manager-Nuclear Oversight
Principal Accountant – Regulatory Accounting

Sponsor: Jeffery M. Hughes
Victor Martinez
Julissa I. Reza

Title: Power Plant Manager
Director- Energy Resources
Manager – Regulatory Accounting

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STAFF 1-2:

During the reconciliation period, did EPE prudently manage its (1) generation of electricity; (2) maintenance of its generating facilities; and (3) dispatch of its generating units?

RESPONSE:

Yes, during the reconciliation period EPE prudently managed its (1) generation of electricity; (2) maintenance of its generating facilities; and (3) dispatch of its generating units. See the direct testimony of EPE witness Jeffery M. Hughes for a discussion of EPE's management and operation of its generating units and the direct testimony of EPE witness Abel Bustillos for a discussion of the dispatch of EPE's generating units.

Preparer: Kara Randle

Title: Project Manager-Nuclear Oversight

Sponsor: Jeffery M. Hughes

Title: Power Plant Manager

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STAFF 1-3:

Did EPE properly apply reasonable line-loss factors in determining reconcilable fuel balances for each rate class?

- a) What line-loss factors were used?
- b) What was the source of the line-loss values?

RESPONSE:

Yes.

- a) Please see page 10, line 5-13 of the Direct Testimony of George Novela. Because Commission approval of the 2021 loss study did not occur until after the Reconciliation Period, EPE's filed schedules and data in this proceeding do not reflect the 2021 loss analysis previously approved by the PUCT in Docket No. 54142. Because of this timing issue EPE used the 2017 loss study, approved in Docket No. 50058.

An adjustment was made by EPE to its fuel balances when the Order was issued in Docket No. 54142. That adjustment reflects that the new loss factors were to be considered effective on April 1, 2022, and the adjustment will be included in EPE's next fuel reconciliation.

- b) Please see the response to part a.

Preparer: Mariah Novela

Title: Senior Accountant – Regulatory
Accounting

Sponsor: Julissa I. Reza
George Novela

Title: Manager – Regulatory Accounting
Sr. Director – Regulatory Policy & Rates

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STAFF 1-4:

What are EPE's appropriate energy- and demand-loss factors?

RESPONSE:

Please see the response to Staff 1-3.

Preparer: George Novela

Title: Senior Director- Regulatory Policy and
Rates

Sponsor: George Novela

Title: Senior Director- Regulatory Policy and
Rates

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STAFF 1-5:

What efforts and progress has EPE made in minimizing forced outages due to personnel or contractor errors at its Newman station in accordance with the final order in Docket No. 54142?

- a) Include a description of the root causes and estimated replacement power and capitalized repair costs incurred for any outages at the Newman station during the reconciliation period that were related to EPE personnel or contractor errors.

RESPONSE:

Please refer to the direct testimony of EPE's witness, Jeff Hughes, on page 18, lines 11 through 27, regarding the efforts and progress EPE has made in minimizing forced outages at EPE's Newman Power Station due to EPE personnel or contractor errors.

- a.) Please refer to the direct testimony of EPE's witness, Jeff Hughes, on page 17, lines 8 through 30, and page 18, lines 1 through 9, regarding the root causes and capitalized repair costs for outages at the Newman station during the reconciliation period that were related to EPE personnel or contractor errors.

Please refer to the direct testimony of EPE witness, Victor Martinez, on page 36, lines 16 through 26, regarding the replacement power costs attributable to forced outages during the reconciliation period related to EPE personnel or contractor errors.

Preparer: Kara Randle

Title: Project Manager- Nuclear Oversight

Sponsor: Jeffery M. Hughes
Victor Martinez

Title: Power Plant Manager
Director- Energy Resources

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STAFF 1-6:

Has EPE complied with previous Commission orders concerning performance standards for the Palo Verde nuclear generating station?

RESPONSE:

Yes. Please refer to the Direct Testimony of EPE Witness Victor Martinez page 45 lines 31 through 37 and page 50 lines 1 through 13 regarding EPE's compliance with previous Commission orders concerning performance standards for Palo Verde Generating Station.

Preparer: Kara Randle

Title: Project Manager-Nuclear Oversight

Sponsor: Victor Martinez

Title: Director- Energy Resources