

AUSTIN ENERGY  
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<b>AUSTIN ENERGY'S TARIFF PACKAGE:</b>	<b>§</b>	<b>BEFORE THE CITY OF AUSTIN</b>
<b>2015 COST OF SERVICE STUDY</b>	<b>§</b>	<b>IMPARTIAL HEARINGS</b>
<b>AND PROPOSAL TO CHANGE</b>	<b>§</b>	<b>EXAMINER</b>
<b>BASE ELECTRIC RATES</b>	<b>§</b>	

**AE LOW INCOME CUSTOMERS' 4th SET OF REQUESTS FOR INFORMATION TO  
AUSTIN ENERGY**

COMES NOW, Texas Legal Services Center ("TLSC") on behalf of AE Low Income Customers, requesting Austin Energy to respond to the following 4<sup>th</sup> set of Requests for Information set forth below relating to this case. Austin Energy is requested to serve its response to these Requests for Information on the attorney listed below no later than ten days after AE receives this request.

**Definitions**

As used in this introduction and in these questions,

1. "Communication" means any disclosure, transfer, or exchange of information, whether oral or written, of every kind including but not limited to, telephone calls, conferences, letters and all memoranda or other documents concerning the requested item.
2. "Austin Energy", the "utility," "AE", and "Applicant" refer to Austin Energy.
3. "You," "yours," and "your" refer to Austin Energy (as defined above), including its General Manager, managers, officers, employees, consultants, agents and attorneys.
4. "Document" and "documents" mean any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tapes, film, electronic facsimile, computer storage device of any other media, including, but not limited to, 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 and summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form. A draft or non-identical copy is a separate document.
5. "Identify" has the following meanings depending on the context:
  - a. "Identify" when used with a natural person means to supply his or her name, last known residential and business addresses, last known residential and business telephone numbers, his or her present position, and his or her prior connection or association with any party to this proceeding. If the above information is unavailable, provide some other means of identifying the person and his or her present location.

- b. "Identify" when used with an entity means to provide its name, manner of organization (e.g., corporation, partnership, joint venture, etc.), address and telephone number.
  - c. "Identify" when used with a documents means to supply (i) the nature of the document (e.g., letter, memorandum, corporate minutes), (ii) the date, if any, appearing on the document, (iii) the date, if known, on which the document was prepared, (iv) the title of the document, including any jurisdictional styles and docketing numbers, if applicable, (v) the general subject matter of the document, (vi) the number of pages comprising the document, (vii) the identity of each person who signed or initialed the document, (viii) the identity of each person to whom the document was addressed, (ix) the identity of each person who received the document or reviewed it, (x) the location of the document and (xi) the identity of each person having custody of, or control over, the document. Identification of a document includes identifying all documents known or believed to exist, whether or not in the custody of CenterPoint or in the custody of its attorneys or other representatives or agents.
  - d. "Identify" when used with any other thing or matter means to provide a description with detail sufficient to allow a party to this action to identify it and determine its present location.
6. "FY" means fiscal year as utilized by AE and the City of Austin for budgeting purposes and for the council setting of AE electric rates that occur annually.
  7. "Council" or "City" means the Austin City Council.
  8. "Person" means any natural person. The term also means, whether formally organized or ad hoc, any business, organization, legal entity, or governmental entity.
  9. "Representative" means a general manager, officer,, employee, agent, spokesperson, or attorney of a person.
  10. The words "and" and "or" are to be construed conjunctively or disjunctively as necessary to give each request its broadest scope.
  11. The singular form of a word also refers to the plural, unless the context requires otherwise.

### **Instructions**

1. Please answer the questions and sub-questions under oath and in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the question.
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 (as defined by Tex. R. Civ. P. 192.7(b)) 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 subparts, please identify the person or persons by subpart. Please also state the name of the witness or witnesses 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 subparts, please identify the witness or witnesses by subpart.
  9. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.
  10. 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.
  11. 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.
  12. If the response to any question is voluminous, please provide separately an index to the materials contained in the response.
  13. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, description of document, subject matter of the document, and the basis upon which such privilege is claimed.
  14. If the information requested is included in previously furnished exhibits, workpapers, 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.
  15. If you are asked to identify a document and you do not include a copy of the document with your response, please provide the following information (if applicable) about the document:
    - a. The identity of the person who signed it;
    - b. The identity of the person or persons to whom it was addressed;
    - c. The identity of the persons who prepared it;
    - d. The title and substance of the document with enough detail to identify the document;
    - e. The date of the document;

- f. The date the document was executed or prepared, if different from the date it bears; and
- g. If the document, or a copy of it, is not in your custody or control, the identity of the person who has control or custody of it or a copy of it.
- h. If the person to be identified is not a natural person (e.g. a corporation) give its name and address and principal business activity.

### **Request for Information**

The definitions and instructions set out in this Request for Information apply to these questions. Unless specified otherwise in the RFI, these RFIs refer to the rate-filing package AE filed on January 25, 2016, including page (both section and Bates Stamp) references. The following RFIs relate to the Fayette Power Project ("FPP") that is identified at p. 3-22; Bates Stamp p. 051. If part of a response AE makes to these RFI's is a reference to the rate-filing package, please include the Bates Stamp page with the reference.

4-1. What is the amount of debt AE currently has outstanding (as of the end of FY 2015) that is attributable to the FPP? Please include all amounts attributable to the scrubbers and other modifications to FPP.

4-2. How is the debt identified in RFI No. 4-1 supported (bonds? Commercial paper?)? Please be specific and break the amount identified in RFI No. 4-1 into the various debt instruments supporting the debt.

4-3. What is the amount of the debt service related to FPP that is included in AE's 2014 test year cost of service (please include any adjustments made to the test year debt service, if any, that were included in the rate-filing package) supporting AE's proposed rates?

4-4. For each debt instrument identified in RFI No. 4-2, please provide the number of years of AE payments and the number of years of AE payments remaining for the corresponding debt instrument as of the end of FY 2015. (In other words, how many payments on the FPP debt did AE original agree to and how many more years from the end of FY 2015 will AE have to make payments before the FPP debt is retired?

4-5. Do any of the debt instruments identified in RFI No. 4-2 have any early payment (such as to pay off the debt early or to accelerate the amount or times of payment) restrictions such as a prohibition against early retirement of the debt, financing penalties, prohibited debt retirement before a certain date or number of payments and such other restrictions?

4-6. If the answer to RFI No. 4-5 is yes, please identify each debt instrument with an early payment restriction and for each debt instrument please explain the early payment restriction.

4-7. Are any of the debt instruments identified in RFI No. 4-2 tied to debt instruments of AE's FPP partner, LCRA?

4-8. If the answer to RFI No. 4-7 is yes, please explain how the debt instruments are tied to AE's partner, LCRA.



4-9. Does AE know whether LCRA has any outstanding debt relating to FPP units 1 and/or 2?

4-10. If the answer to RFI No. 4-9 is yes, then, does LCRA have outstanding debt related to FPP units 1 and/or 2 and if so, what the amount(s) is(are)? (In answering this question AELIC understands that AE may not know the exact debt amounts. AELIC is asking for a good faith effort on best information available. The amount may be a range or be the amount as of a certain time in the near past).

4-11. Will FPP have to go through some type of re-certification or licensing process to continue operating FPP as a power plant? If so, please identify the re-certification or licensing process; provide a brief summary of that process; and identify when the plant has to go through the re-certification or licensing process.

4-12. Does AE know whether LCRA has a decommissioning reserve for its share of FPP?

4-13. If the answer to RFI No. 4-12 is yes, does LCRA have a decommissioning reserve for its share of FPP, and if so, please provide the amount LCRA has established to cover its share of the decommissioning costs for units 1 and 2; or if aggregated with unit 3, the total costs for all three units and also provide the recovery mechanism, including annual amount of cost to recover in rates and the rate recovery element, if any.

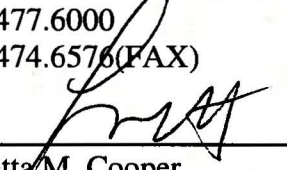
4-14. Can ERCOT require AE and/or LCRA to continue to have FPP available for electricity production even if AE and LCRA seek to decommission FPP? In other words, can AE and/or LCRA be estopped from decommissioning FPP by ERCOT? If so, please explain what ERCOT's powers have to estop a generation owner from decommissioning a plant and what appeal powers, if any, AE and/or LCRA may have to challenge an ERCOT decision estopping AE and/or LCRA from decommissioning FPP.

4-15. Does AE have any long term coal contracts directly or indirectly through LCRA as project manager involving FPP? If so, explain what rights, if any, AE (directly or indirectly through LCRA as project manager) would have to opt out of the contract before the termination date. In your explanation please identify and quantify any costs such as a financing penalty for early termination or for liquidated damages AE may incur with early termination.

4-16. Could ERCOT require AE and LCRA to mothball FPP instead of decommissioning the unit even if ERCOT agreed that FPP would not be required to generate electricity? What would mothballing entail and how would it effect AE's ability to decommission FPP?

Respectfully Submitted

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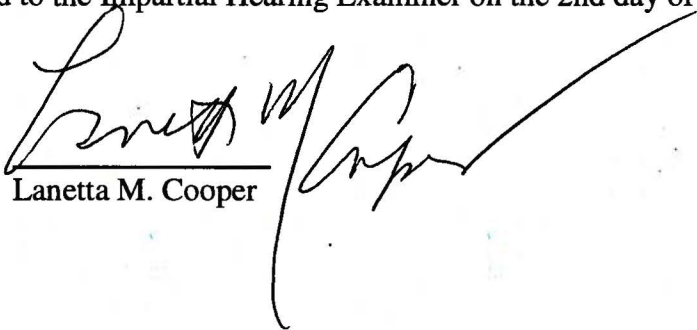
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**CERTIFICATE OF SERVICE**

The undersigned certifies that TLSC has served a copy of the attached document upon all known parties of record by email and to the Impartial Hearing Examiner on the 2nd day of March 2016



Lanetta M. Cooper