

AUSTIN ENERGY'S TARIFF PACKAGE: §  
2015 COST OF SERVICE STUDY §  
AND PROPOSAL TO CHANGE BASE §  
ELECTRIC RATES §

AUSTIN ENERGY  
2016 MAR 28 AM 8:16  
BEFORE THE CITY OF AUSTIN  
IMPARTIAL HEARING EXAMINER

**INDEPENDENT CONSUMER ADVOCATE'S  
FOURTH REQUEST FOR INFORMATION FROM AUSTIN ENERGY**

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The Independent Consumer Advocate ("ICA") hereby propounds its **fourth** Request for Information ("RFI") upon Austin Energy ("AE"), with the expectation that responses to this RFI are due within 10 days and governed by the terms of Chapter G of the City of Austin Procedural Rules for the Initial Review of Austin Energy's Energy Rates ("Procedural Rules") as issued by the Independent Hearing Examiner.

**GENERAL INSTRUCTIONS**

The following General Instructions apply to each of the ICA's RFI requests, which are attached below:

1. For each responsive answer, please identify the individual(s) responsible for its preparation, and the witness sponsoring the answer provided.
2. In the event any document requested in this request is unavailable, describe in detail the reasons the document is unavailable.
3. When producing documents pursuant to these RFIs, designate on the document or group of documents the RFI(s) in response to which the document(s) are produced.
4. If, in answering any of these RFIs, there is any ambiguity in interpreting either the request or a definition or instruction applied thereto, please contact John B. Coffman at:

Email: [john@johncoffman.net](mailto:john@johncoffman.net)

Austin Energy may also contact Clarence Johnson at:

Email: [cjenergyconsult@att.net](mailto:cjenergyconsult@att.net)

5. These data requests are continuing in nature and require supplemental responses when further or different information with respect to any of them is obtained.

6. Use of the singular or plural word form in a data request is not to be interpreted to exclude information or documents from the scope or intent of the specific request.
7. The terms “and” and “or” shall be construed either disjunctively or conjunctively whenever appropriate in order to bring within the scope of these requests any information or documents which might otherwise be considered to be beyond their scope.
8. If any document covered by this request is withheld for whatever reason, please furnish a list identifying all withheld documents in the following manner
  - (a) the reason for withholding;
  - (b) the date of the document;
  - (c) a brief description of the document;
  - (d) the name of each author or preparer;
  - (e) the name of each person who received the document; and
  - (f) a statement constituting the basis for withholding the document.
9. Please provide data responses as they become available.

Respectfully submitted,



John B. Coffman  
Independent Consumer Advocate

Submitted this date: March 25, 2016

### **CERTIFICATE OF SERVICE**

The forgoing filing has been served upon all of the email addresses contained in the official Service List for this proceeding as found on the website for the Office of the City Clerk's website on this 25<sup>th</sup> day of March, 2016.



## **ICA's Fourth Round of Requests for Information from Austin Energy**

- 4-1 For purposes of functionalizing structure square footage (WP-F-1.6 and 1.6.1): (a) please provide a more thorough description of “energy services” and explain why it is considered distribution. (b) identify the structures labeled as RLC, TLC, and SCC. (c) Please provide an explanation for why no energy control center space is assigned to production.
- 4-2 With respect to WP-6.1, what is “customer-months,” and how is it derived? Also, explain how customer-months is utilized in other allocation factor calculations.
- 4-3 Re: Answer to NXP-Samsung 3-12. With respect to debt which is directly assignable to functions (production, transmission, distribution), please explain whether interest rate differentials exist based on the function financed by the debt? Provide examples of comparable debt issuances.
- 4-4 Re: Answer to Public Citizen/Sierra Club 1-4 and 1-5. Please provide attachment 1 to both requests in machine readable excel format.
- 4-5 Provide average monthly kWh consumption for residential structures which utilize three phase service.
- 4-6 With respect to the non-nuclear decommissioning cost study: (a) For each generating facility, what is the amount of contingency, expressed in both dollars and percentages? (b) Explain the calculation of the percentage contingency applied to each facility decommissioning estimate. Show the line items upon which the percentage is based, and the amount of the sub-total which is multiplied by the contingency percentage. (c) Is the contingency percentage applied to salvage value and recycling? (d) Did the study consider the possibility of selling operating components (e.g., generators, black start equipment, pumps cranes, etc.) to buyers who can refurbish or re-install the equipment in other plants? If no, why was it not considered? If yes, what were the assumed sales proceeds, and what was the basis for the amounts? (e) Will Austin Energy consider selling the land associated with the facility after decommissioning? How is the real estate value of the land considered as an offset in the decommissioning study? (f) How are any water rights associated with the facility taken into account in the decommissioning

study? (g) For each facility, what is the percentage net salvage value based on the depreciable plant cost excluding water rights and land rights?

4-7 With respect to Austin Energy Generation and Climate Protection Plan through 2025, provide the expected or estimated cost per kw-year acquisition or construction cost for the following options discussed in the plan: (i.) highly efficient combined cycle gas units; (ii.) storage connected to distribution; (iii.) large scale storage; (iv.) demand response programs; (v.) wind generation; (vi.) solar generation. If AE does not have internal estimates for these options, this answer can refer to representative costs incurred by other entities or published reference material.

4-8 What was the actual net of salvage value minus decommissioning cost for the Holly Power Plant? What percentage of Holly total gross plant did this represent?

4-9(a) Does the cost of service include debt service and principal associated with construction work in progress and plant held for future use? (b) If yes, please provide the rationale and basis for including the cost, given that CWIP and PHFU are not used and useful. (c) If yes, what annual amount of the debt cost would be allocated to CWIP and PHFU if the same allocation method applied to functionalized plant in service had been applied to CWIP and PHFU.

4-10 (a) With respect to 311 reimbursement (NXP/Samsung 3-6) provide any cost analyses which support the "value of backup" of \$2.208 million. (b) Does the 4-year transition to an allocation based on number of service requests involve a reduction of the \$2.208 million direct charge to Austin Energy? Why or why not? (c) What is the class allocation factor applicable to the 311 reimbursement charge for Austin Energy?

4-11 Please identify the class allocation factor(s) used for the deposits and interest on deposits (NXP/Samsung 1-70) and the revenues shown on NXP/Samsung 1-71.

4-12 Do any of the pass-through charges have uncollectible rates or sales tax charges included in the calculation? If yes, provide the rates and charges for the test year.