

AUSTIN ENERGY 2016 RATE REVIEW

AUSTIN ENERGY'S TARIFF PACKAGE §
UPDATE OF THE 2009 COST OF § **BEFORE THE CITY OF AUSTIN**
SERVICE STUDY AND PROPOSAL TO § **IMPARTIAL HEARING EXAMINER**
CHANGE BASE ELECTRIC RATES §

AUSTIN CITY CLERK
RECEIVED
2016 APR 5 11 37

**NXP Semiconductors and Samsung Austin Semiconductor, LLCs' Sixth Request for
Information to Austin Energy**

COMES NOW NXP Semiconductor, Inc. ("NXP") and Samsung Austin Semiconductor, LLC, ("Samsung") (collectively, "Customers"), each on its own behalf, by and through its attorneys of record, and requests that Austin Energy ("Austin Energy" or "you") provide information and answer the attached questions under oath pursuant to Procedural Rule § 7.3. It is further requested that the questions be answered in the order in which they are asked with as much detail so as to fully present all of the relevant facts.

INSTRUCTIONS

Please answer the attached questions on separate pages and copy the question immediately above the answer to each question. Following each answer, please identify the witness or witnesses or other individual(s) who will sponsor each of your answers at the hearing. These questions are continuing in nature and, should there be a change in circumstances which would modify or change any of your answers, then, in such case, please change or modify each answer and submit such changed answer as a supplement to the original answer within three (3) business days of your discovery that such change or modification is appropriate, pursuant to Procedural Rule § 7.3(i).

In answering this request for information, you are requested to furnish such information as is available to you, including information which you are able to obtain by due diligence from your present or former attorneys, accountants, investigators, consultants, employees, agents, and persons acting on your behalf.

If you are unable to answer any request fully and completely after exercising the due diligence to make inquiry and to secure information, you are to answer such request as fully and completely as you can and to specify the portions which you are unable to answer in such request. In addition to specifying those portions, you are to state with regard to each portion:

1. The fact on which you base the contention that you are unable to answer that portion;
2. The knowledge, information, and belief you have concerning that portion; and
3. The acts done and inquiries made by you in attempting to answer such request.

The singular includes the plural and the plural includes the singular.

Masculine, feminine, or neuter pronouns do not exclude the other genders.

The words “document” and “documents” have the broadest meaning that can be ascribed to them pursuant to the Texas Rules of Civil Procedure. Among other things, the words “document” and “documents” mean the final form and all drafts and revisions of any kind of written or graphic mater, original or reproduced copy, however produced or reproduced, of any kind and of every kind, and all copies there from which are different in any way from the original regardless of whether designated “confidential,” “privileged,” or otherwise restricted. Without limiting the generality of the foregoing, the words “document” and “documents” also include information stored or maintained on, or which could be reproduced from, film, microfilm, computer printout, disk or diskette, magnetic tape, cassette, phonographic disc, videotape or similar means.

The words “and” and “or” shall be construed conjunctively or disjunctively as necessary to bring within each request all documents which might otherwise be construed as outside its scope.

The words “communication” and “communications” include, without limitation of their generality, both written and oral: statements, representations, discussions, conversations, speeches, meetings, remarks, questions, answers, panel discussions and symposia. These words include, without limitation of their generality, both communications and statements which are face-to-face and those which are transmitted by any writing or document or by media such as intercoms, telephones, email, television or radio.

The words “identify” and “identification,” when used with respect to a natural person or persons, mean to state the name, address(es) and telephone number(s) of each such person. If any of the foregoing information is not available, state any other available means of identifying such person.

The words “identify” and “identification,” when used in reference to a person other than a natural person, mean to set forth its:

- (1) full name or title;
- (2) nature or organization, including the state under which the same was organized or incorporated;
- (3) address and telephone number (with area code prefix); and
- (4) principal line of business.

If any of the foregoing information is not available, state any other available means of identifying such person.

The words “identify” and “describe,” when used in reference to a fact, mean to state not only the fact itself, but also:

- (1) its date, time and place
- (2) the name, address and telephone number of each person with knowledge of the fact;
- (3) whether the act is supported by an oral communication, a document, or other event; and
- (4) any other evidence which supports such fact.

The words “identify” and “identification,” when used in reference to a document, mean to state:

- (1) its date;
- (2) its author;
- (3) its addressee;
- (4) the type of document (e.g., letter, memorandum, receipt, invoice, schedule, report, telegram, chart, photograph, etc.); and
- (5) its present location and identity of its custodian. If any document was, but is no longer, in your possession, custody, or control, or is no longer in existence, explain why.

If any of the foregoing information is not available, state any other available means of identifying such document. If a document is one of a series of pages contained in a book, pamphlet, binder, folder, microfilm (or other storage device), include in your identification of such document(s) any available numerical reference (or other aid) to the pages and line or other portion thereof at which the information referred to can be found. A true and correct copy of any document may be produced and filed with your Answers hereto in lieu of the above information.

The words “identify” and “describe,” when used with respect to an oral communication mean:

- (1) to state the substance of each such oral communication;
- (2) to state the exact words used by each person participating in the oral communication;
- (3) to identify each speaker;
- (4) to identify each person present at the making or reception of such oral communication;
- (5) to specify the date, time and place of each oral communication;
- (6) to identify each person repeating such oral communication;
- (7) to identify every document which records, memorializes, or relates to all or part of such communication; and
- (8) to identify the mode of such communication (e.g., telephone, face-to-face, etc.)

The words “person” and “persons” as used herein, mean all individuals and entities, and shall be deemed to include natural persons, firms, partnerships, associations, organizations, joint ventures, corporations, and any other entities, including without limitation, any electric utility, cogenerator, independent power producer, qualifying facility, or any other entity which generates electricity.

The words “regarding,” “relate,” “related,” “relates” and “relating,” as used herein, mean involving, relating to, referring to, having any relationship to, pertaining to, evidencing or constituting evidence of, in whole or in part.

If you withhold any requested information from disclosure because you contend that it is "confidential" or otherwise subject to exemptions from disclosure in this proceeding under the Texas Public Information Act, Tex. Gov't Code Ch. 552, or otherwise, please consider this to constitute a formal Request under the Public Information Act. Please also submit a Privilege Index pursuant to and consistent with Procedural Rule § 7.3(d)(2).

If you have any question concerning the attached Questions or any of these instructions, please contact the undersigned.

Respectfully submitted,

By: Maria Faconti
J. Christopher Hughes
State Bar No. 00792594
Maria C. Faconti
State Bar No. 24078487
HUSCH BLACKWELL, LLP
111 Congress Avenue, Suite 1400
Austin, Texas 78701
Phone: (512) 472-5456
Fax: (512) 481-1101
chris.hughes@huschblackwell.com
maria.faconti@huschblackwell.com

**ATTORNEYS FOR NXP SEMICONDUCTORS AND
SAMSUNG AUSTIN SEMICONDUCTOR, LLC**

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this pleading has been forwarded by fax, U.S. first class mail, hand-delivery, or by courier service to Austin Energy and filed with the City Clerk on the 5th day of April, 2016.

Maria Faconti
Maria C. Faconti

**NXP Semiconductors and Samsung Austin Semiconductor, LLC Sixth Request for
Information to Austin Energy**

- 6-1. Please provide the number of Austin Energy Full Time Equivalents (FTEs) in the approved 2015-2016 Budget.
- 6-2. Please provide the number of total City FTEs for each of the departments or funds listed in Austin Energy's Response to NXP/Samsung RFI No. 3-9 Attachment 1.
- 6-3. When and why did Austin Energy replace the originally filed Excel spreadsheet on the Rate Review Site? (This question is in reference to the replacement that occurred before the April 4, 2016 update.)
- 6-4. Why did Austin Energy not notify all Intervenorors that the filed Excel spreadsheet on the Rate Review Site was replaced?
- 6-5. Please provide the amount of dollars, directly or indirectly, in account 923 related to the combined billing system.
- 6-6. Please provide the amount of dollars, directly or indirectly, in account 923 related to the 311 Call Center.
- 6-7. Please provide the total amount spent from inception on the combined billing system. Include amounts paid to IBM and all other contractors who were engaged on the project. How much of the total cost was capitalized and how much expensed?
- 6-8. Please explain why Austin Energy has a direct charge for Audit Expense recorded in FERC account 923. Is this in addition to the amount paid to the City for support service or other payments?
- 6-9. Please reconcile the depreciation and amortization amount shown on Schedule A with the amount shown on C-3.2.1 of Austin Energy's Rate Filing (Excel spreadsheets).
- 6-10. Refer to WP G-10.1.1, line 17 (Excel row 17). The "Billing Adjustment Factor" of - 0.47% is calculated of the basis of the differences between total "FY14 Actual Base Revenue" in column (A) and total "FY14 Calculated Base Revenue" in column (B).
 - (a) Please provide the "FY14 Calculated Base Revenue" in column (B) by rate class. If AE makes a claim of customer confidentiality, provide the requested information for the other remaining classes.
 - (b) Please calculate the individual "Billing Adjustment Factors" for each class. Provide the factors out to not less than four significant digits. Note that this information is not subject to claims of customer confidentiality insofar as it provides no information that related to competitive matters.
 - (c) Why did Austin Energy not employ class specific adjustment factors to make this calculation?
 - (d) Does the ratio of "FY14 Actual Base Revenue" to "FY14 Calculated Base Revenue" vary by class?
 - (e) Fully explain why a single system wide factor employed for all classes.

- (f) Fully explain for each individual customer class why “FY14 Actual Base Revenue” is different than “FY14 Calculated Base Revenue.” What factors resulted in there being differences between these two sets of revenue.
 - (g) Refer to Schedule G-10, line 12 (Excel row 18) and line 2 (Excel row 8). Why are these amounts different? Please reconcile these amounts.
 - (h) Refer to WP G-10.2, line 12 (Excel row 18) and line 2, (Excel row 8). Why are these amounts different? Please reconcile these amounts.
- 6-11. Please describe the ERCOT “credits” referred to in AE current tariff for the Regulatory Charge. Please provide the amount of the “credits” included in the Regulatory Charge during the test year.
 - 6-12. Please provide the number of FTEs assigned to AE’s IT function.
 - 6-13. Please provide in Excel spreadsheet format a list of the contracts/charges in FERC Account 923 described as “Other” in Work Paper D-5.1, including a description of the services provides and/or nature of the charge.
 - 6-14. Please provide the number and amount of all workers compensation claims filed and/or settled during the Test Year for Austin Energy.
 - 6-15. Please provide the amount of losses associated with the disposition of On-Site Energy Systems assets included in the test year and in the prior three years.
 - 6-16. Please refer to WP G-10.1.1. Austin Energy has reduced the Base Rate Revenue for Transmission Voltage ≥ 20 MW at 85% aLF by \$2,539,854 (38.9%). Please explain and reconcile the “Normalized Base Revenue Under Current Rates” in column (C) with “FY14 Actual Base Revenue” in column (A). Fully describe the basis for this adjustment to revenue.
 - 6-17. Please provide the workpapers supporting the transfer to the Workers Compensation Fund that was used in the rate filing and the approved budget for 2015-2016.
 - 6-18. Please provide the amount included in O&M for the Test Year and any known and measurable adjustments for Customer Care Operations, including the 3-1-1 Call Center. Please identify the amounts by FERC account.
 - 6-19. Regarding Austin Energy’s proposed reduction of \$6,844,343 to transmission revenue resulting in a reduce proposed test year amount of \$62,129,919, from FY 2014 transmission revenue of amount of \$68,974,261, please provide an explanation of where the additional approximate \$14 million in revenue is accounted for in light of the following;
 - (a) In Public Utility Commission Docket 42385 (June 2014), Austin Energy received approval of Austin Energy’s proposed interim transmission cost of service of \$1,160.111 per MW, which according to the testimony of Russell H. Maenius would increase AE’s annual revenues by \$10,286,336.
 - (b) Austin Energy’s approved transmission cost of service in Docket No. 42385 was \$75,697,440, as shown on Schedule A of Austin Energy’s transmission rate filing.

- (c) Austin Energy's transmission revenue based on Docket No. 43881 (2015 transmission matrix) utilizing updated ERCOT 4 CP numbers is \$73,876,692.
 - (d) Austin Energy reports in its Fiscal Year 2014-15 4th Quarter Report that it expects to receive \$74.3 million for ERCOT's use of AE's transmission system.
 - (e) Austin Energy's revenue approved by the PUC in Docket 45382 on March 25, 2016 is \$76,609,599.
- 6-20. Is Austin Energy proposing to offset the recovery of transmission expense with transmission revenue received from ERCOT?