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**PUC DOCKET NO. 50790**

**JOINT REPORT AND APPLICATION §  
OF ENTERGY TEXAS, INC. AND §  
EAST TEXAS ELECTRIC §  
COOPERATIVE, INC. FOR §  
REGULATORY APPROVALS §  
RELATED TO TRANSFERS OF THE §  
HARDIN COUNTY PEAKING §  
FACILITY AND A PARTIAL §  
INTEREST IN MONTGOMERY §  
COUNTY POWER STATION §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**



**TEXAS INDUSTRIAL ENERGY CONSUMERS' FIRST SET OF  
REQUESTS FOR INFORMATION TO ENTERGY TEXAS, INC.**

Pursuant to 16 T.A.C. § 22.144, Texas Industrial Energy Consumers ("TIEC") requests that Entergy Texas Inc. ("ETI") provide all of the information requested in Exhibit "A" within the time frame specified under the procedural schedule entered in this proceeding.

Pursuant to 16 T.A.C. § 22.144(c)(2), TIEC further requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced. These requests are continuing in nature, and should there be, for any reason, a change in circumstances which would modify or change an answer supplied by you, such changed answer should be submitted immediately as a supplement to your original answer pursuant to 16 T.A.C. § 22.144(i). Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request. TIEC further requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.

All information responsive to the requests on the attached Exhibit "A" should be sent to the following persons via overnight courier, on a piecemeal basis as individual items become available:

Mr. Rex D. VanMiddlesworth  
Mr. Benjamin B. Hallmark  
Mr. James Z. Zhu  
Thompson & Knight LLP  
98 San Jacinto Blvd., Suite 1900  
Austin, TX 78701  
(512) 469.6100  
(512) 469.6180 (fax)  
[rex.vanm@tklaw.com](mailto:rex.vanm@tklaw.com)  
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[tk.eservice@tklaw.com](mailto:tk.eservice@tklaw.com)

### **DEFINITIONS AND INSTRUCTIONS**

A. “ETI,” “the Company” or “you” refers to Entergy Texas Inc., and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

B. “ETEC” refers to East Texas Electric Cooperative, Inc. and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

C. “Joint Applicants” refers to Entergy Texas Inc. and East Texas Electric Cooperative, Inc., and their affiliates, subsidiaries, and any person acting or purporting to act on their behalf, as it relates to this proceeding and related appeals, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

D. The terms “document” or “documents” are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description whether printed, produced, reproduced or stored by any process whether visually, magnetically, mechanically, electronically or by hand, whether final or draft, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, notes, calendars, tapes, computer disks, data on computer drives, e-mail, cards, recordings, contracts, agreements, invoices, licenses, diaries, journals, accounts, pamphlets, books, ledgers, publications, microfilm, microfiche and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. The definition includes electronic information that has been deleted. “Document” or “documents” shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

E. Pursuant to Rule 196.4 of the Texas Rules of Civil Procedure, TIEC specifically requests that any electronic or magnetic information (which is included in the definition of “document”) that is responsive to a request herein be produced on CD-ROM in a format that is

compatible with Adobe Acrobat, Microsoft, Macintosh and/or Word Perfect and be produced with your response to these requests. If emails are responsive to these requests, please provide a searchable .pdf copy of the entire email string. Attachments to emails should be provided with the email in searchable .pdf form, unless it is stored in a different format, in which the attachment should be produced in its native format and provided on CD-Rom.

F. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

G. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

H. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

I. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

J. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

K. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

L. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

M. 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 of copies, subject matter of the document, and the basis upon which such privilege is claimed.

N. Pursuant to 16 T.A.C. § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

O. If the information requested is included in previously furnished exhibits, workpapers, and 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.

P. The term “emails” includes the entire email string and all attachments found anywhere within the email string. Please refer to paragraph “D.” regarding specific instructions for producing such items.

Q. “Communications” refers to correspondence of any kind, including emails.

R. “Identify” and “describe” shall have the meaning set forth below according to the context in which the term is used:

- i. When used in reference to an individual, shall mean to state his or her full name, present or last known residence address, business affiliation and business address, and residence and business telephone number;
- ii. When used in reference to a corporation, shall mean to state its full name, its state of incorporation, its address and its principal place of business;
- iii. When used in reference to any entity other than an individual or corporation, shall mean to state its official name, its organizational form and its address;
- iv. When used in reference to a document, shall mean to state the type of document, date, author, addressee, title, its present location, the name and address of its custodian, and the substance of the contents thereof. In lieu of identifying any document, copies thereof may be furnished; and
- v. When used in reference to a communication, shall mean to state the form of the communication (e.g., telephone conversation, letter, telegram, teletype, telecopy, written memorandum, face to face conversation, or any other form), the date of the communication or the dates on which the communication was sent and/or received if not the same, the parties to the communication, the party who initiated it, the substance of the communication, and the present location and the name and address of the custodian if the communication was non-verbal and/or of any written memorialization of the communication.

Respectfully submitted,

THOMPSON & KNIGHT LLP

/s/ James Z. Zhu

Rex D. VanMiddlesworth

State Bar No. 20449400

Benjamin B. Hallmark

State Bar No. 24069865

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(512) 469.6100

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**ATTORNEYS FOR TEXAS INDUSTRIAL  
ENERGY CONSUMERS**

### **CERTIFICATE OF SERVICE**

I, James Z. Zhu, Attorney for TIEC, hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 15<sup>th</sup> day of May, 2020 by facsimile, electronic mail and/or first Class, U.S. Mail, Postage Prepaid.

/s/ James Z. Zhu

James Z. Zhu

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**TEXAS INDUSTRIAL ENERGY CONSUMERS' FIRST SET OF  
REQUESTS FOR INFORMATION TO ENTERGY TEXAS, INC.**

- TIEC 1-1** Please provide all exhibits and workpapers in native Excel format and all formulas intact and provide all source documents in native format.
- TIEC 1-2** Please provide the current scheduled commercial operation date (month, day, year) of Montgomery County Power Station (MCPS).
- TIEC 1-3** Please provide the original cost of the Hardin County CT units when they were originally placed in-service in 2001.
- TIEC 1-4** Please provide all ETI load forecasts from 2018 through most recent.
- TIEC 1-5** Please provide the sales price that ETI received for the Hardin County Peaking Facility CT units in 2009.
- TIEC 1-6** Referring to the Direct Testimony of Stuart Barrett, please provide the "Settlement Agreement" identified on page 5 that ETI and East Texas Electric Cooperative (ETEC) reached during the MCPS Certificate of Convenience and Necessity (CCN) proceeding and provide an explanation of the outstanding issues the agreement addressed.
- TIEC 1-7** Please explain why the O&M expense projected for Hardin County (\$7.0 million shown on Exhibit APL-1) are significantly higher on a per-MW basis than the total O&M expense projected for MCPS (\$15.8 million shown on Exhibit APL-1).
- TIEC 1-8** Referring to page 4 of the Direct Testimony of Allison P. Lofton, does ETI expect average annual planned outage costs for Hardin County to stay at the \$4.0 million assumed for the first full calendar year of operation? If not, please provide a 5-year forecast for average annual planned outage costs.

*The following pertain to the Direct Testimony of Anastasia R. Meyer.*

- TIEC 1-9** In reference to Table 1, please provide a listing of the individual owned resources and PPAs (by unit and fuel type) used to compile the table and indicate the supply role (base load, core load following, seasonal load following, peaking & reserve) for each resource.
- TIEC 1-10** Please provide a complete listing of ETI's existing PPAs, including each PPA's capacity and contract expiration date.
- TIEC 1-11** Please provide the hourly data used to develop Figure 1.
- TIEC 1-12** Please provide ETI's hourly load interval data for 2018 and 2019.
- TIEC 1-13** Please provide all workpapers used to develop Table 5. In responding, please include a listing of each individual resource included in each supply category for each year of the analysis.

*The following pertain to the Direct Testimony of Phong D. Nguyen.*

- TIEC 1-14** Has ETI conducted or reviewed a cost/benefits analysis that compares the impact to ratepayers (including base rates and fuel costs) of ETI retaining all 993 MW of MCPS with the impact of this application (ETI acquiring the Hardin County Peaking Facility and transferring 75 MW of MCPS capacity to ETEC)? If yes, please provide such analysis.
- TIEC 1-15** Please provide all workpapers (in Excel format with formulas intact), input assumptions, and source documents underlying the economic evaluation of the Hardin Acquisition for each sensitivity studied. In responding, please include the following assumptions used for the Hardin Peaking Facility and New Build CT in the economic evaluation of the Hardin Acquisition:
- a. Fixed Costs for each year of the analyses:
    - i. Investments (Additions and Retirements)
    - ii. Fixed O&M Expense
    - iii. Depreciation Expense, including assumed service life and net salvage percentage
    - iv. Deferred Income Taxes
    - v. Income Taxes
    - vi. Taxes Other than Income
    - vii. Rate Base
    - viii. Rate of Return
  - b. Variable Costs for each year of the analyses
    - i. Non-Fuel Variable O&M Expense
    - ii. Fuel Expense
    - iii. Natural Gas Prices, at Henry Hub and with transportation costs
    - iv. Carbon Prices
    - v. Heat Rate
    - vi. Net Generation
    - vii. Capacity Factor



- i. Transmission Costs
- c. Other assumptions:
  - i. Discount Rate
  - ii. Escalation/Inflation rate

- TIEC 1-16** Please provide all workpapers (in Excel format with formulas intact), input assumptions, and source documents underlying the economic evaluation of the MCPS Partial Interest Transfer for each sensitivity studied. In responding, please include the same set of input assumptions requested in TIEC 1-15 for 100% ETI ownership of MCPS and the transfer of 75 MW of MCPS to ETEC.
- TIEC 1-17** Please provide a summary by year of the costs and benefits for each sensitivity studied of the MCPS Partial Interest Transfer.
- TIEC 1-18** Please provide a workpaper showing how the levelized Real CT capacity price curve used in the economic evaluations of the Hardin Acquisition and MCPS Partial Interest Transfer was calculated.
- TIEC 1-19** Were fuel cost differences considered in the Hardin Acquisition versus New Build CT analysis? If so, please indicate the workpaper/tab/cell location where the fuel cost differences were considered. If not, please provide an explanation why fuel cost differences were not considered.
- TIEC 1-20** Please provide a copy of the Entergy Service LLC's (ESL's) Business Plan 2019 update used for inputs to the AURORA model.
- TIEC 1-21** With respect to the AURORA model used in the analyses, please provide the following:
- a. A listing of all generation additions and retirements assumptions included in the Aurora runs and any changes ESL made to the prepopulated model.
  - b. A listing of transmission additions assumed.
  - c. Were transmission constraints modeled? If yes, please explain how.
  - d. The vintage of the input data.
  - e. Please provide all output files from AURORA and all workpapers (in native format with formulas intact) used to process the data for the economic analyses.
- TIEC 1-22** Please provide all documents (in native Excel format with formulas intact) showing the development of all MISO locational marginal prices used in the analyses.
- TIEC 1-23** Please provide all documents (in native Excel format with formulas intact) showing the development of all MISO Planning Resource Auction capacity amounts used in the analyses.