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**JOINT REPORT AND APPLICATION OF §
WIND ENERGY TRANSMISSION §
TEXAS, LLC; AXINFRA US LP; §
HOTSPUR HOLDCO 1 LLC; HOTSPUR §
HOLDCO 2 LLC; AND 730 HOTSPUR §
LLC, FOR REGULATORY APPROVALS §
PURSUANT TO PURA §§14.101, 39.262 §
AND 39.915 §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

REDACTED

DIRECT TESTIMONY

OF

CHARLES S. GRIFFEY

ON BEHALF OF

TEXAS INDUSTRIAL ENERGY CONSUMERS

May 21, 2020

PUC DOCKET NO. 50584

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| JOINT REPORT AND APPLICATION OF | § | |
| WIND ENERGY TRANSMISSION | § | |
| TEXAS, LLC; AXINFRA US LP; | § | PUBLIC UTILITY COMMISSION |
| HOTSPUR HOLDCO 1 LLC; HOTSPUR | § | OF TEXAS |
| HOLDCO 2 LLC; AND 730 HOTSPUR | § | |
| LLC, FOR REGULATORY APPROVALS | § | |
| PURSUANT TO PURA §§14.101, 39.262 | § | |
| AND 39.915 | § | |

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1 **DIRECT TESTIMONY OF CHARLES S. GRIFFEY**

2 **I. INTRODUCTION**

3 **Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.**

4 A. My name is Charles S. Griffey, and I am a consultant providing services to the electric and
5 natural gas industries. My address is 2918 Todville Road, Seabrook, Texas 77586.

6 **Q. ON WHOSE BEHALF ARE YOU PROVIDING TESTIMONY?**

7 A. I am testifying on behalf of Texas Industrial Energy Consumers.

8 **Q. PLEASE OUTLINE YOUR FORMAL EDUCATION AND CERTIFICATIONS.**

9 A. I have a Master of Business and Public Management from the Jones Graduate School of
10 Business at Rice University and a Bachelor of Science in Chemical Engineering from Rice
11 University. I am a Chartered Financial Analyst and a Professional Engineer registered in
12 the State of Texas.

13 **Q. PLEASE STATE YOUR PROFESSIONAL EXPERIENCE.**

14 A. I provide consulting services to the energy industry, including generators, retail electric
15 providers, customers, fuel suppliers, and the Staff of the Public Utility Commission of
16 Texas ("Commission"). Prior to becoming a consultant in 2009, I was employed by Reliant
17 Energy, Inc. ("Reliant") as Senior Vice President of Regulatory Affairs and Market Design,
18 reporting to the CEO. I was responsible for Reliant's nationwide efforts in the design of
19 competitive markets, regulatory affairs, including interface with state commissions and
20 Regional Transmission Organizations, and government affairs. Reliant owned generation
21 in a number of states and had retail operations in Texas and the Mid-Atlantic region. At
22 Reliant, I served on the Strategic Planning Committee, the Retail Leadership Team, and
23 the Wholesale Leadership Team.

24 I began working for Houston Lighting and Power ("HL&P")—the electric utility
25 serving parts of Southeast Texas and the predecessor company to Reliant—in 1989, in
26 Corporate Planning. There I dealt with generation planning and demand-side management,
27 including analysis of power purchases and determination of marginal cost. Beginning in

1 1995, I was also responsible for the rate department, and I eventually became Vice
2 President of Regulatory Planning, with responsibility for generation planning, financial
3 planning, rates, and rate design and cost allocation. Subsequently, I helped lead the
4 integrated utility's efforts in restructuring the ERCOT market and transitioning the
5 company for competition by, integrating both wholesale and retail market design and
6 operations; restructuring utility functions and affiliate issues; managing the corporate
7 separation and spin-off of the unregulated business; and working on public policy.

8 Before working for Reliant, I worked for Austin Energy, for the Public Utility
9 Commission of Texas, and for Bechtel Group, Inc. as an engineer on the Coolwater Coal
10 Gasification Project.

11 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE ANY REGULATORY**
12 **COMMISSIONS OR COURTS?**

13 A. Yes. I have testified before, the Federal Energy Regulatory Commission ("FERC"), and
14 the state regulatory commissions of Colorado, Indiana, Kansas, Louisiana, Maryland,
15 Mississippi, New Mexico, Pennsylvania, and Texas. I have also testified or provided
16 expert reports to state and federal courts and provided testimony before the Texas
17 Legislature. As a consultant, I have testified on behalf of individual ratepayers and
18 customer coalitions, retail electric providers, generators, fuel suppliers, and the Staff of the
19 Texas Public Utility Commission. Exhibit CSG-1 lists the testimony I have presented and
20 a summary of my work experience.

21 **Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY IN ANY SALE,**
22 **TRANSFER OR MERGER (STM) PROCEEDINGS BEFORE THE**
23 **COMMISSION?**

24 A. Yes, I have provided testimony in the following STM proceedings before the Commission:
25 • Docket No. 41223, *Application of Entergy Texas, Inc., ITC Holdings Corp., MidSouth*
26 *Transco LLC, Transmission Company of Texas, LLC and ITC MidSouth LLC for*
27 *Approval of Change of Ownership and Control of transmission Business, Transfer of*
28 *Certification Rights, Certain Cost Recovery Approvals and Related Relief;*
29 • Docket No. 41850, *Application of Entergy Texas, Inc., ITC Holdings Corp., MidSouth*
30 *Transco LLC, Transmission Company Texas, LLC, and ITC MidSouth LLC for*
31 *Approval of Change of Ownership and Control of Transmission Business, Transfer of*
32 *Certification Rights and Related Relief;*

- 1 • Docket No. 45815, *Joint Report and Application of Oncor Electric Delivery Company,*
2 *LLC, Ovation Acquisition I, LLC, Ovation Acquisition II, LLC and Shary Holdings,*
3 *LLC for Regulatory Approvals Pursuant to PURA §§ 14.101, 37.154, 39.262(l)-(m),*
4 *and 39.915;*
 - 5 • Docket No. 46050, *Application of AEP Texas Central Company, AEP Texas North*
6 *Company and AEP Utilities, Inc. for Approval of Merger;*
 - 7 • Docket No. 46238, *Joint Report and Application of Oncor Electric Delivery Company*
8 *LLC and NextEra Energy, Inc. for Regulatory Approvals Pursuant to PURA §§ 14.101,*
9 *39.262 and 39.915*
 - 10 • Docket No. 48929, *Joint Report and Application of Oncor Electric Delivery*
11 *Company LLC, Sharyland Distribution & Transmission Services, L.L.C., Sharyland*
12 *Utilities, L.P., and Sempra Energy for Regulatory Approvals Under PURA §§ 14.101,*
13 *37.154, 39.262, and 39.915;*
 - 14 • Docket No. 49849, *Joint Report and Application of El Paso Electric Company, Sun*
15 *Jupiter Holdings LLC, and IIF US Holding 2 LP for Regulatory Approvals Under*
16 *PURA §§ 14.101, 39.262, and 39.915.*
- 17 In addition, I provided expert consulting services in the following cases that were settled
18 or dismissed without intervenor testimony:
- 19 • Docket No. 37990, *Joint Report and Application of Sharyland Utilities, L.P., Sharyland*
20 *Distribution & transmission Services, LLC, Hunt Transmission Services, LLC, Cap*
21 *Rock Energy Corporation and NewCorp Resources Electric Cooperative, Inc. for*
22 *Regulatory Approvals Pursuant to PURA §§ 14.101, 37.154, 39.262 and 39.915;*
 - 23 • Docket No. 47453, *Joint Report and Application of Texas Transmission Holdings*
24 *Corporation and NextEra Energy, Inc. for Regulatory Approvals Pursuant to PURA*
25 *§§ 14.101, 39.262 and 39.915;*
 - 26 • Docket No. 47469, *Joint Report and Application of Sharyland Utilities, L.P., Sharyland*
27 *Distribution & Transmission Services, LLC and Oncor Electric Delivery Company,*
28 *LLC for Transfer of Facilities, Transfer of Rights Under and Amendment of*
29 *Certifications of Convenience and Necessity, and for other Regulatory Approvals.*

30 **Q. HAVE YOU TESTIFIED CONCERNING RING-FENCING IN ANY OTHER**
31 **CASES?**

32 A. Yes. I testified regarding ring-fencing in the most recent rate case for CenterPoint Energy,
33 PUC Docket No. 49421, the *Application of CenterPoint Energy Houston Electric, LLC for*
34 *Authority to Change Rates.*