

December 8, 2017

Integrated Resource Plan Public Advisory Group: Public Input and Requests Meeting Date: October 26, 2017

Questions received in 10/31/17 email

PAG Q1:

In the 2012 Burns & McDonnell (B&McD) Condition Assessment Report on Rio Grande Units 6 and 7 dated December 2012, Section 11.5, B&McD provided recommendations regarding actions to maintain the reliability of Rio Grande Unit 7 and reduce the potential for extended unit forced outages through the scheduled retirement date in December 2020. Have these actions been taken? Please clarify what recommended actions have been taken and what, if any, recommended actions have not been taken. For those recommended actions that have not been taken, please explain the rationale for not taking those actions.

EPE Response:

EPE reviewed the BMcD recommendations and took them into consideration along with EPE's already existing operating and maintenance plan. During normal course of business, EPE had already performed several of the items such as boiler chemical cleanings, turbine inspections, turbine rotor borescope inspections, and visual inspections of piping. EPE schedules activities based on fire hours, operation history and conditions assessments. EPE periodically performs more extensive evaluations such as non-destructive testing of piping and tanks based on results of previous testing and condition assessment. The BMcD assessment is an example of a more extensive evaluation undertaken by EPE. The results of EPE's O&M were complimented in the BMcD reports and have resulted in EPE's units being at the high end of age for the industry's currently operating units as denoted in EPE's October 26, 2017 PAG presentation.

PAG Q2:

In the same B&McD Report mentioned in item 1 above, Appendix A identifies recommended additional and planned maintenance expenditures for Rio Grande 7. Please clarify what the expenditures have been and what are still planned in relation to what is recommended and planned in this Appendix.

EPE Response:

Items identified on the Maintenance Expenditure have been performed or will be scheduled on a prioritized condition basis. Many of the identified tasks can only be performed in conjunction with a major inspection. For example, significant cooling water delivery upgrades, boiler water wall tube repairs and replacements have been performed, while repairs to high energy piping and turbine shell will be performed during major inspections, if further inspection deems this necessary.

The predictive/preventive maintenance programs that EPE utilizes, provide the ability to evaluate the current plant/unit system conditions on a near real time basis. This, in conjunction with routine operations system walk downs, provide the necessary information to best plan the timing for maintenance activities and condition trending for future planning.

PAG Q3:

In the same B&McD Report mentioned in item 1 above, the expected retirement date for Rio Grande Unit 7 was identified as December 2020. Now the forecasted retirement date for Rio Grande Unit 7 is the end of 2022. Please clarify the rationale for the original retirement date of 2020 and the rationale for the change to 2022.

EPE Response:

In 2012, the original targeted retirement date for RG U7 was 2020 based on the BMcD review. The retirement dates were re-evaluated in 2016. Based on the positive findings from the 2012 report and an updated discussion with plant staff, maintenance record reviews and finding of no detrimental trends that would significantly impact a decision to extend the operational life by two years, the projected date was re-targeted as 2022.

PAG Q4:

In the same B&M Report mentioned in item 1 above, Section 11.4, the report says "Due to the impending retirement of Unit 6 in December 2014, B &McD does not recommend additional actions beyond EPE's current operating and maintenance activities." Has EPE continued to maintain Rio Grande Unit 6? Has EPE taken any additional actions or made investments in Rio Grande Unit 6 since that time of the nature referred to for Unit 7? Please clarify.

EPE Response:

EPE has continued to perform O&M as required on RG 6 to maintain inactive reserve status. EPE has not performed any significant maintenance activities on RG 6 given its current status.

PAG Q5:

In the 2012 B&McD Condition Assessment Report on Newman Units 1, 2, and 4 dated December 2012, Section 11.2.2, B&McD provided recommendations regarding actions to maintain the reliability of Newman Unit 1 and prevent the potential for extended unit forced outages through the scheduled retirement date in December 2022. Have these actions been taken? Please clarify what recommended actions have been taken and what, if any, recommended actions have not been taken. For those recommended actions that have not been taken, please explain the rationale for not taking those actions.

EPE Response:

Reference PAG Q1.

PAG Q6:

In the same B&McD Report mentioned in item 5 above, Appendix A identifies recommended additional and planned maintenance expenditures for Newman Unit 1. Please clarify what the expenditures have been and what are still planned in relation to what is recommended and planned in this Appendix.

EPE Response:

Reference PAG Q2.

PAG Q7:

Please clarify the rational for the planned retirement date of December 2022 for Newman Unit 1.

EPE Response:

Newman Unit 1 retirement currently is planned for 2022 given past assessments. The retirement of Newman 1 will be analyzed as part of this IRP cycle.

PAG Q8:

In the same B&McD Report mentioned in item 5 above, Section 11.2.3, B&McD provided recommendations regarding actions to maintain the reliability of Newman Unit 2 and prevent the potential for extended unit forced outages through the scheduled retirement date in December 2023. Have these actions been taken? Please clarify what recommended actions have been taken and what, if any, recommended actions have not been taken. For those recommended actions that have not been taken, please explain the rationale for not taking those actions.

EPE Response:

Reference PAG Q1.

PAG Q9:

In the same B&McD Report mentioned in item 5 above, Appendix B identifies recommended additional and planned maintenance expenditures for Newman Unit 2. Please clarify what the expenditure have been and what are still planned in relation to what is recommended and planned in this Appendix.

EPE Response:

Reference PAG Q2.

PAG Q10:

In the same B&McD Report mentioned in item 5 above, the planned retirement date for Newman Unit 2 was identified as December 2023. Now EPE forecasts the retirement of Newman Unit 2 for 2022. Please clarify the rationale for the original retirement date of 2023 and the rationale for the change to 2022.

EPE Response:

The retirement date of Newman 2 was shifted to 2022 to align with the retirements of RG 7 and Newman 2.

PAG Q11:

In the same B&McD Report mentioned in item 5 above, the planned retirement date for Newman Unit 4 is identified as December 2021. Now it appears that EPE plans to retire Newman Unit 4 at the end of 2026. Please clarify the rationale for the original retirement date of 2021 and the rationale for the change to 2026.

EPE Response:

In 2012, the original targeted retirement date for Newman U4 was a phased retirement of 2021, 2022 and 2023 based on the BMcD review. The retirement dates were re-evaluated in 2016. Based on the positive findings from the 2012 report and an updated discussion with plant staff, maintenance record reviews and finding of no detrimental trends that would significantly impact a decision to extend the operational life by two years, the projected date was re-targeted as 2026.