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SOAH DOCKET NO. 473-04-6558  
PUC DOCKET NO. 29801

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PUBLIC UTILITY COMMISSION  
FILING CLERK

APPLICATION OF SOUTHWESTERN §  
PUBLIC SERVICE COMPANY FOR: §  
(1) RECONCILIATION OF ITS FUEL §  
COSTS FOR 2002 AND 2003; (2) A §  
FINDING OF SPECIAL §  
CIRCUMSTANCES; AND (3) RELATED §  
RELIEF §

BEFORE THE  
PUBLIC UTILITY COMMISSION  
OF TEXAS

**OFFICE OF PUBLIC UTILITY COUNSEL'S  
EIGHTH REQUEST FOR INFORMATION TO  
SOUTHWESTERN PUBLIC SERVICE COMPANY**

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW, the Office of Public Utility Counsel ("OPC"), and files this, its 8th Request for Information to Southwestern Public Service Company ("SPS") in the captioned proceeding.

Under Commission Procedural Rules 22.141-.145, 16 Tex. Admin. Code Ch. 22, OPC requests that SPS, as defined herein, provide the following information and answer the following question under oath. Please answer the questions and sub-questions in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the question.

**Definitions**

As used in this introduction and in these questions,

- (1) "SPS", the "Company", and "Applicant" refer to Southwestern Public Service Company and its affiliates;
- (2) "You", "yours" and "your" refer to SPS (as defined above), including its directors, officers, employees, consultants, agents, and attorneys.

(3) "Document" and "documents" mean any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports and summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

#### **Instructions**

In answering these questions, furnish all information that is available to you, including information in the possession of your agents, employees, and representatives, all others from whom you may freely obtain it, and your attorneys and their investigators.

Please answer each question based upon your knowledge, information, or belief, and any answer that is based upon information or belief should state that it is given on that basis.

If you have possession, custody, or control (as defined by Tex. R. Civ. P. 192.7(b)) of the originals of these documents requested, please produce the originals or a complete copy of the originals and all copies that are different in any way from the original, whether by interlineation, receipt stamp, or notation.

If you do not have possession, custody, or control of the originals of the documents requested, please produce copies of the documents, however made, in your possession, custody, or control. If any document requested is not in your possession or subject to your control, please

explain why not, and give the present location and custodian of any copy or summary of the document

### **Claim of Privilege**

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

### **Questions**

**The Definitions, Instructions, and Claim of Privilege set out in this Request for Information apply to these questions.**

**If any question appears confusing, please request clarification from the undersigned counsel.**

**In providing your responses, please start each response on a separate page and type, at the top of the page, the question that is being answered.**

**As part of the response to each question, please state, at the bottom of the answer, the name and job position of each person who participated in any way, other than providing clerical assistance, in the preparing of the answer. If the question has sub-parts, please identify the person or persons by sub-part. Please also state the name of the witness in this docket who will sponsor the answer to the question and who can vouch for the truth of the answer. If the question has sub-parts, please identify the witness or witnesses by sub-part.**

**Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.**

**These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer between the time of your original response and the time of the hearings, then you should submit, under oath, a supplemental response to your earlier answer.**

**If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please call the undersigned counsel as soon as possible in order to discuss the situation and to try to resolve the problem. Likewise, if you object to any of the questions on the grounds that the question**

**seeks confidential information, or on any other grounds, please call the undersigned counsel as soon as possible.**

**If the response to any question is voluminous, please provide separately an index to the materials contained in the response.**

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

**To the extent that a question asks for the production of copyrighted material, it is sufficient to provide a listing of such material, indicating the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.**

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**OPC's Eighth Request For Information to SPS**

- RFI 8-1** Please provide a copy of the Xcel Energy Joint Operating Agreement referred to in SPS's direct testimony of Patricia Gambino at p. 14 (Bates p. 384), LS 16 & 17.
- RFI 8-2** Please explain what SPS means by the term "incremental fuel cost and the units used for the sales are dispatched" at p. 15 (Bates 385), L 14 of SPS's direct testimony of Patricia Gambino. In your explanation, please provide an example of the application of the term to SPS's operations.
- RFI 8-3** Please explain the relationship, if any, between the "market price" paid by PSCo. & SPS's pricing of its electricity based on "incremental cost" referred to at p. 16 (Bates 386) of SPS's direct testimony of Patricia Gambino. In your explanation, please define "market price" and "incremental cost" and explain how they are different and how they are alike.
- RFI 8-4** Did the purchase price SPS paid to PSCo. for purchased power include a "margin" or a profit? (Re: Gambino Direct, p. 17 (Bates 387) LS 2 & 3).
- RFI 8-5** If the answer to the above RFI is yes, was the margin or profit included in SPS's reconciliation? Please identify in its application where these amounts would be identified.
- RFI 8-6** Did the purchase price SPS paid NSP for purchased power include a "margin" or a profit? (Re: Gambino Direct, p. 17 (Bates 387) LS 8 & 9).
- RFI 8-7** If the answer to the above RFI is yes, did SPS include the amounts of the margin or profit in SPS's reconciliation? If so, please identify where the amounts are located in SPS's application?
- RFI 8-8** Please provide your understanding of the terms "margin" and "profit". In your explanation, please address how the terms relate to costs.
- RFI 8-9** Has SPS ever recorded wheeling expenses in any of its rate cases, including rate cases when the Commission approved SPS's requests involving its base rate? (Re: Gambino Direct, pp. 23-26 (Bates 393-396)).
- RFI 8-10** If the answer to the above RFI is yes, please identify the docket(s) and explain how SPS was allowed to recover its wheeling expenses. In your explanation, please address whether the wheeling expenses were allowed in SPS's base rates or its fuel factors or some other rate component.
- RFI 8-11** If SPS believes that responding to RFI Nos. 8-9 would be burdensome, please provide answers to RFI Nos. 8-9 and 8-10 for the last three cases for which SPS was seeking changes to its base rates.

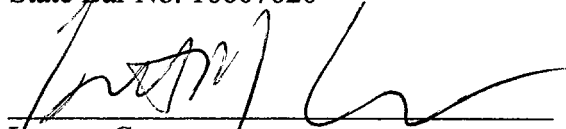
OPC's Eighth Request For Information to SPS

- RFI 8-12** Does SPS know if the Commission has ever approved a recovery of wheeling expenses in SPS's fuel factors?
- RFI 8-13** If the answer to the above RFI is yes, please identify each docket that SPS knows that the Commission approved recovery of wheeling expenses in SPS's fuel factors.
- RFI 8-14** Has SPS incurred wheeling expenses as understood in this docket, previous to this reconciliation period?
- RFI 8-15** If the answer to the above RFI is yes, to your knowledge, has SPS sought recovery of these expenses in its rates?
- RFI 8-16** If the answer to the above RFI is yes, please identify the docket number(s) and explain whether recovery was sought in the base rate, fuel factor or some other rate component and what the outcome of SPS's request was.

August 31, 2004

Respectfully submitted,

Suzi Ray McClellan  
Public Counsel  
State Bar No. 16607620



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Ilanetta Cooper  
Assistant Public Counsel  
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**SOAH DOCKET NO. 473-04-6558  
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OPC's Eighth Request For Information to SPS**

**CERTIFICATE OF SERVICE  
SOAH DOCKET NO. 473-04-6558  
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I certify that today, August 31, 2004, I served a true copy of the foregoing Office of Public Utility Counsel's 8th Request for Information To Southwestern Public Service Company ("SPS") on all parties of record via United States First-Class Mail, hand-delivery or facsimile.

  
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Lanetta Cooper