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SOAH DOCKET NO. 473-12-2939
PUC DOCKET NO. 39925

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APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR §
AUTHORITY TO REVISE ITS FUEL § OF
FACTORS FORMULAS; CHANGE §
ITS FUEL FACTORS; AND FOR §
RELATED RELIEF § ADMINISTRATIVE HEARINGS

ALLIANCE OF XCEL MUNICIPALITIES
FIRST SET OF REQUESTS FOR INFORMATION TO
SOUTHWESTERN PUBLIC SERVICE COMPANY

Alliance of Xcel Municipalities ("AXM") First Set of Requests for Information ("RFIs") to Southwestern Public Service Company ("SPS") is hereby filed in this docket. Responses to the RFIs set forth on Exhibit A should be served on Alfred R. Herrera, Herrera & Boyle, PLLC at 816 Congress Avenue, Suite 1250, Austin, Texas 78701, within ten (10) days of service hereof or no later than December 16, 2011, in conformance with the agreed procedural schedule. Exhibit A is attached hereto and incorporated herein for all purposes.

Definitions

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 of any other media, including, but not limited to, 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.
4. The term "communication" includes all verbal and written communications (including written records of verbal communications) of every kind, including but not limited to, telephone calls, conferences, letters and all memoranda or other documents concerning the requested item. Where communications are not in writing, provide copies of all memoranda and documents and describe in full the substance of the communication to the extent that

substance is not reflected in the memoranda and documents provided and to the extent it is within the knowledge of SPS.

5. "Identification" of a document includes stating (a) the nature of the document (e.g., letter, memorandum, corporate minutes), (b) the date, if any, appearing thereon, (c) the date, if known, on which the document was prepared, (d) the title of the document, (e) the general subject matter of the document, (f) the number of pages comprising the document, (g) the identity of each person who signed or initialed the document, (h) the identity of each person to whom the document was addressed, (i) the identity of each person who received the document or reviewed it, (j) the location of the document, and (k) the identity of each person having custody of, or control over, the document. Identification of a document includes identifying all documents known or believed to exist, whether or not in the custody of SPS or in the custody of its attorneys or other representatives or agents.
6. "Identification" of a person includes stating his or her full name, his or her most recent known business address and telephone number, his or her present position, and his or her prior connection or association with any party to this proceeding.
7. "Person" refers to, without limiting the generality of its meaning, every natural person, corporate entity, partnership, association (whether formally organized or ad hoc), joint venture, unit operation, cooperative, municipality, commission, governmental body or agency.
8. Capitalized terms not otherwise defined herein shall have the meaning attributed to them in the referenced testimony.

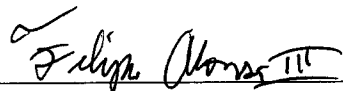
Instructions

1. If any RFI appears confusing, please request clarification from the undersigned counsel.
2. In providing your responses, please start each response on a separate page and type, at the top of the page, the RFI that is being answered.
3. As part of the response to each RFI, 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 RFI 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 RFI and who can vouch for the truth of the answer. If the RFI has sub-parts, please identify the witness or witnesses by sub-part.
4. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.
5. If SPS considers any RFI 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 SPS objects to any of the RFIs on the grounds that the RFI seeks proprietary information, or on any other grounds, please call the undersigned counsel as soon as possible.

6. 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.
7. These requests shall be deemed continuing so as to require further and supplemental responses if SPS receives or generates additional information within the scope of these requests between the time of the original response and the time of the hearings.

Respectfully submitted,

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**ATTORNEYS FOR
ALLIANCE OF XCEL MUNICIPALITIES**

CERTIFICATE OF SERVICE

I certify that I have served a copy of AXM's First Set of Requests for Information to SPS upon all known parties of record by fax and/or first class mail on this the 5th day of December 2011.

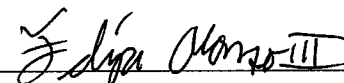

Felipe Alonso III

EXHIBIT A

SOAH DOCKET NO. 473-12-2939

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**ALLIANCE OF XCEL MUNICIPALITIES
FIRST SET OF REQUESTS FOR INFORMATION TO
SOUTHWESTERN PUBLIC SERVICE COMPANY**

- 1-1. Reference page 10 of Karen Roberts' direct testimony, please provide workpapers supporting the development of "D" component of the proposed revised fuel factor formula.
- 1-2. Reference page 10 of Karen Roberts' direct testimony, please provide the (NYMEX_n - NYMEX₁) underlying SPS's current fuel factor charges for each month since the current formula has been in effect along with SPS's system weighted average cost of natural gas (\$/MMBtu) for each month of the same period.
- 1-3. Reference page 12 of Karen Roberts' direct testimony, please provide the projected MWh produced by month for each SPS generating unit and purchased power resource underlying the Company's current fuel factor formula, along with the actual MWh supplied each month by each SPS generating unit and purchased power resource for each month since the current fuel factor formula has been in effect.
- 1-4. Reference page 12 of Karen Roberts' direct testimony, please provide the volume and weighted average price of gas (\$/MMBtu) purchased by SPS at each of the referenced hubs for each month since the Company's current fuel factor formula has been in effect along with the NYMEX Henry Hub price of gas for each month during this same period.
- 1-5. Please provide the forecasted NYMEX basis differential (\$/MMBtu) reflected in SPS's current fuel factor formula along with workpapers supporting the forecasted basis differential. If no basis differential was considered in setting the formula, please explain why not.
- 1-6. Reference page 16 of Karen Roberts' direct testimony, please provide data to support the testimony that the gas price indices for the other hubs at which SPS purchases gas are reasonably close to the Waha indices.
- 1-7. Please provide the over- or under-recoveries that would have occurred for each month since the current fuel factor has been in place if SPS's proposed fuel factor formulas had been in effect along with the actual over- or under-recoveries that occurred in each month, excluding the effects of fuel surcharges or credits.
- 1-8. Reference page 17 of Karen Roberts' direct testimony, please provide SPS's court filing requesting that the CSAPR be stayed or delayed and indicate the expected date of a court decision on this issue.

- 1-9. Please provide the electronic file with data underlying the graph presented in Attachment KR-1.
- 1-10. Reference page 8 of Dean Metcalf's direct testimony, please provide the 2010 actual emissions and net generation for each SPS generating unit (or power plant if unit data is not available) that correspond to the emissions levels presented in Table DRM-1.
- 1-11. Reference page 10 of Dean Metcalf's direct testimony, please identify and provided the estimated capital cost of pollution control equipment necessary at each SPS generating unit in order to comply with the CSAPR emission limits.
- 1-12. Reference page 10 of Dean Metcalf's direct testimony, please provide the SPS analyses evaluating potential CSAPR compliance options and supporting the selection of the two identified alternatives over other potential compliance strategies.
- 1-13. Would SPS be able to purchase energy from its Xcel affiliates as a means to partially or fully comply with CSAPR emission limits? If so, please provide any analysis of this potential alternative. If not, please explain why not.
- 1-14. Would SPS be able to purchase energy from the SPP market as a means to partially or fully comply with CSAPR emission limits? If so, please provide any analysis of this potential alternative. If not, please explain why not.
- 1-15. Reference page 12 of Dean Metcalf's direct testimony, please provide comments filed by SPS with EPA urging it to continue the course it was on before the CSAPR was proposed.
- 1-16. Reference page 13 of Dean Metcalf's direct testimony, please summarize the details of the proposed revisions to the CSAPR released by EPA on October 14, 2011 and provide an update of Table DRM-1 that reflects the emission limits under these proposed revisions.
- 1-17. Please provide the estimated NOx and SO2 emissions associated with SPS's opportunity sales during 2010 and for 2011 to date.
- 1-18. Reference Dean Metcalf's direct testimony, Table DRM-1, please provide the portion of 2010 emissions presented in this table associated with opportunity sales along with the portion associated with native load sales to the Texas retail jurisdiction.
- 1-19. Please explain how purchased energy effects and is accounted for in CSAPR's emission limits for SPS.
- 1-20. Has SPS analyzed whether the level of CSAPR compliance costs is justified when compared to early retirement and replacement of the effected SPS generating units? If so, please provide any such analysis. If not, please explain why not.
- 1-21. Please provide the electronic files with underlying data, assumptions and calculations for each of the exhibits attached to David Horneck's direct testimony.

- 1-22. Reference Attachment DGH-1 of David Horneck's direct testimony, please provide the actual generation and costs for each source presented in this table corresponding to the period covered by the 2009 fuel formula forecast.
- 1-23. Reference Attachment DGH-1 of David Horneck's direct testimony, please provide the actual volume (MWh) and cost of SPS purchases from Xcel affiliates as reflected in the 2009 and 2012 fuel formula forecasts, along with the actual volume (MWh) and cost of such SPS affiliate purchases for each month since January of 2009.
- 1-24. Please discuss the extent to which CSAPR proposed emission limits are expected to impact coal-fired generation of other Xcel operating companies.
- 1-25. Please discuss the extent to which CSAPR proposed emission limits are expected to impact the level of excess coal-fired generation owned by other utilities within SPP, which has been available for purchase in the SPP market over the last several years.
- 1-26. Please provide the monthly output summary reports and underlying fuel price, unit outage rate and emissions input assumptions for the production cost studies whose results are summarized in Attachment DGH-4.
- 1-27. Please provide the volume and cost of SO₂ and NO_x allowances purchased by SPS for each of the last three calendar years and 2011 to date.
- 1-28. Reference Attachment DGH-1 of David Horneck's direct testimony, please provide the forecasted SO₂ and NO_x emission rates used for each SPS generating unit in the production cost analysis presented in this exhibit along with the actual average emission rates for each generating unit in 2009, 2010 and 2011 to date.
- 1-29. Reference page 10 of David Horneck's direct testimony, please discuss the extent to which the referenced adjustments to emissions costs in the dispatch analysis were made in order to consider both seasonal and annual emissions limits under CSAPR.
- 1-30. Reference page 10 of David Horneck's direct testimony, please explain how SPS has determined that the production cost analysis represents the least cost compliance strategy if it does not consider allowance purchase alternatives.
- 1-31. Please explain how SPS currently recovers costs of purchased emissions allowances and provide the allowance costs reflected in the Company's current rates.
- 1-32. Reference page 10 of David Horneck's direct testimony, please provide the cost for emissions included in the dispatch price for each SPS generating unit for the analysis reflected in Attachment DGH-1.
- 1-33. Reference page 10 of David Horneck's direct testimony, please provide the total annual emissions cost used for the model run as presented in Attachment DGH-1.

- 1-34. Please provide the annual average equivalent availability factor and net generation for each SPS coal-fired generating unit for each of the last four calendar years and as forecasted for 2012 in the production cost analysis presented in Attachment DGH-1.
- 1-35. Please provide copies of any proposals to modify SPS's fuel charges to reflect CSAPR filed with regulatory commissions in New Mexico or other jurisdictions served by the Company and provide the status of such proposals.
- 1-36. Reference page 14 of David Horneck's direct testimony, please provide the estimated cost and lead time to implement NOx emissions control equipment to address the referenced NOx emission constraint on coal-fired generation and discuss SPS's current plans to implement such controls.
- 1-37. Reference page 14 of David Horneck's direct testimony, please explain why SPS has not prepared an updated forecast of 2012 production costs with and without the effects of CSAPR and explain how the Company has determined that its proposed fuel factor formula reasonably reflects the impacts of the current CSAPR without such an analysis.
- 1-38. Reference page 15 of David Horneck's direct testimony, please provide workpapers supporting the SPS coal price forecast used for the fuel factor formula analysis.
- 1-39. Reference page 16 of David Horneck's direct testimony, please provide workpapers supporting the SPS natural gas price forecast used for the fuel factor formula analysis.
- 1-40. Please provide the EPA's response to SPS's (Xcel Energy's) Motion to Stay CSAPR?
- 1-41. Please provide any decision that the D.C. Circuit issued regarding SPS's Motion to Stay CSAPR. If no decision has been reached at this time, please update this response as additional filings become available.