

Control Number: 42004



Item Number: 312

Addendum StartPage: 0

**SOAH DOCKET NO. 473-14-1665
DOCKET NO. 42004**

**APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR §
AUTHORITY TO CHANGE RATES AND §
TO RECONCILE FUEL AND § OF
PURCHASED POWER COSTS FOR THE §
PERIOD JULY 1, 2012 THROUGH §
JUNE 30, 2013 § ADMINISTRATIVE HEARINGS**

**SOUTHWESTERN PUBLIC SERVICE COMPANY'S
RESPONSE TO ALLIANCE OF XCEL MUNICIPALITIES'
TWENTY-FIFTH REQUEST FOR INFORMATION
QUESTION NOS. 25-1 THROUGH 25-9
(Filename: SPSRespAXM25th.doc; Total Pages: 27)**

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**SOAH DOCKET NO. 473-14-1665
DOCKET NO. 42004**

APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY FOR AUTHORITY TO CHANGE RATES AND TO RECONCILE FUEL AND PURCHASED POWER COSTS FOR THE PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013	§ § § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**SOUTHWESTERN PUBLIC SERVICE COMPANY'S
RESPONSE TO ALLIANCE OF XCEL MUNICIPALITIES'
TWENTY-FIFTH REQUEST FOR INFORMATION
QUESTION NOS. 25-1 THROUGH 25-9**

Southwestern Public Service Company ("SPS") files this response to Alliance of Xcel Municipalities' ("AXM") Twenty-Fifth Request for Information, Question Nos. 25-1 through 25-9.

I. WRITTEN RESPONSES

SPS's written responses to AXM's Twenty-Fifth Request for Information are attached and incorporated by reference. Each response is stated on or attached to a separate page on which the request has been restated. SPS's responses are made in the spirit of cooperation without waiving SPS's right to contest the admissibility of any of these matters at hearing. In accordance with P.U.C. PROC. R. 22.144(c)(2)(A), each response lists the preparer or person under whose direct supervision the response was prepared and any sponsoring witness. When SPS provides certain information sought by the request while objecting to the provision of other information, it does so without prejudice to its objection in the interests of narrowing discovery disputes under P.U.C. PROC.

R. 22.144(d)(5). As allowed under P.U.C. PROC. R. 22.144(c)(2)(F), SPS stipulates that its responses may be treated by all parties as if they were made under oath.

II. INSPECTIONS.

If responsive documents are more than 100 pages but less than eight linear feet in length, the response will indicate that the attachment is voluminous (“(V)”) and, pursuant to P.U.C. PROC. R. 22.144(h)(2), the exhibit will be made available for inspection at SPS’s voluminous room at 401 Congress Avenue, Suite 2100, Austin, Texas 78701; telephone number (512) 370-2867. Voluminous exhibits will also be provided on CD to any requesting party. Further, SPS will upload all voluminous documents, along with all native files for review to SPS’s Sharepoint website:

<https://collaboration.xcelenergy.com/sps/SPSFinalRateCases/default.aspx>

All parties will be provided a log in id number at time of intervention to access the Sharepoint website.

If a response or the responsive documents are provided pursuant to the protective order in this docket, the response will indicate that it or the attachment is either confidential (“CONF”) or highly Sensitive (“HS”) as appropriate under the protective order. Confidential and Highly Sensitive materials will be served on all parties that have signed and filed the certification under the protective order entered in this docket. Confidential and Highly Sensitive responsive documents will also be made available for inspection at SPS’s voluminous room, unless they form a part of a response that exceeds eight linear feet in length; then they will be available at their usual repository in accordance

with the following paragraph. Please call in advance for an appointment to ensure that there is sufficient space to accommodate your inspection.

If responsive documents exceed eight linear feet in length, the response will indicate that the attachment is subject to the FREIGHT CAR DOCTRINE, and, pursuant to P.U.C. PROC. R. 22.144(h)(3), the attachment will be available for inspection at its usual repository, SPS's offices in Amarillo, Texas, unless otherwise indicated. SPS requests that parties wishing to inspect this material provide at least 48 hour notice of their intent by contacting Ron Moss of Winstead P.C., 401 Congress Avenue, Suite 2100, Austin, Texas 78701; telephone number (512) 370-2867; facsimile transmission number (512) 370-2850; email address rhmoss@winstead.com. Inspections will be scheduled to accommodate all requests with as little inconvenience to the requesting party and to SPS's operations as possible.

Respectfully submitted,

XCEL ENERGY SERVICES INC.

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BY: 

ATTORNEYS FOR
SOUTHWESTERN PUBLIC SERVICE COMPANY

RESPONSES

QUESTION NO. AXM 25-1:

[DCRF Baseline]Ref: Freitas Direct, pages 25-27 and Att. APF-RR-4. The referenced testimony generally describes the approach used to calculate the DCRF baseline set forth on Attachment APF-RR-4. At page 27, Mr. Freitas indicates that the DCRF values on Attachment APF-RR-4 taken “directly from the functional cost of service study because only specific General and Intangible Plant FERC Accounts are allowed in the DCRF formula, and the functional cost of service did not provide sufficient detail.” Please provide the following:

- a. Please confirm that the data source for the specific general and intangible plant related values used on Attachment APF-RR-4 are calculated on the “WP DCRF Plant” and “WP DCRF Depr” tabs of spreadsheet file “KMK-RR-1_1.1.xlsx”. If the Company cannot provide the requested confirmation, please explain.
- b. Referring to part (a) above, please specifically identify and describe the unique information not available in “the functional cost of service study” for the “specific General and Intangible Plant FERC Accounts” allowed in the DCRF formula.
- c. Referring to part (b) above, please specifically identify and describe the steps undertaken by, or at the request of, Mr. Freitas to calculate the required data for the “specific General and Intangible Plant FERC Accounts” allowed in the DCRF formula.

RESPONSE:

- a. Confirmed.
- b. The functional cost of service does not present General and Intangible accumulated depreciation, accumulated deferred income taxes, and depreciation expense by FERC plant account. In order to include only the accounts allowed in the DCRF, those cost items must be broken down into more detail.
- c. The method and calculations to break down accumulated depreciation and accumulated deferred income taxes are presented on the “WP DCRF Plant” tab of Attachment KMK-RR-1_1.1.xls. The basic methodology is to allocate the balances for total General and Intangible accumulated depreciation and accumulated deferred income taxes to the underlying plant accounts based on the gross plant balance in each plant account. In other words, it is using a plant-in-service allocation but at the

plant account level rather than the functional level. The method and calculations to break down depreciation expense are presented on the "WP DCRF Depr" tab of Attachment KMK-RR-1_1.1.xls. The methodology to break down depreciation expense by plant account is an allocation of total General and Intangible depreciation expense by the breakdown of depreciation expense presented on Schedule D-4 of the Rate Filing Package (Vol. SCH1, pages 118-129 of 489).

Preparer: Arthur P. Freitas
Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-2:

[DCRF Baseline]Ref: Freitas Direct, pages 25-27 and Att. APF-RR-4. Referring to Attachment APF-RR-4, the DCRF baseline for gross plant is shown as \$542,789,186. The functional category investment amounts comprising this value are linked to cells "AK122" through "AP122" of the "WP DCRF Plant" tab of "KMK-RR-1_1.1.xlsx". Please provide the following:

- a. Referring to the "WP DCRF Plant" tab, please confirm the following breakdown of the \$542,789,186 DCRF gross plant by FERC block of account:

	Accounts	Amounts
Intangible	303	\$ 9,993,792
Distribution	360-373	518,910,786
Office Furn. & Equip.	391	4,710,775
Communication Equip.	397	9,173,834
		<u>\$ 542,789,187</u>

If the Company cannot provide the requested confirmation, please explain.

- b. Referring to part (a) above and the "WP DCRF Plant" tab, please confirm that the following table represents the breakdown of the DCRF distribution plant block of accounts by functional category:

	Accounts	Amounts
Substations	360-373	\$ 106,197,896
Primary Sys	360-373	155,856,624
Secondary Sys	360-373	140,143,332
Service Lat	360-373	49,206,245
Lighting	360-373	21,068,561
Metering	360-373	46,438,128
		<u>\$ 518,910,786</u>

If the Company cannot provide the requested confirmation, please explain.

- c. Referring to part (b) above, the distribution plant investment of \$518,910,786 is the sum of cells "AK66..AP66" on the "WP DCRF Plant" tab. However, the comparable distribution plant investment on the "Total Company" tab of "KMK-RR-1_1.1.xlsx" is \$674,718,498 (i.e., the sum of cells "AT87..BD87"). The difference in these distribution plant amounts is \$155,807,712 which is attributable to the formula in cells "AK66..AP66" on the "WP DCRF Plant" tab that appears to exclude the distribution plant investment in FERC Accounts 365 (Overhead Conductor) and 367 (Underground Conductor) from the DCRF baseline calculations presented on Attachment APF-RR-4. Please state whether this exclusion was intentional and, if so, why the investment in Accounts 365 and 367 were excluded from the DCRF baseline.

RESPONSE:

- a. Confirmed.
- b. Confirmed.
- c. The gross plant for FERC Accounts 365 and 367 was inadvertently excluded from the DCRF baseline. Correcting for this inadvertent exclusion also affects the depreciation reserve and accumulated deferred income tax reserve. Attachment APF-RR-4 will be corrected in an errata filing.

Preparer: Arthur P. Freitas
Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-3:

[DCRF Baseline]Ref: Freitas Direct, pages 25-27 and Att. APF-RR-4. Referring to Attachment APF-RR-4, the DCRF baseline for accumulated deferred income taxes is shown as \$(84,243,741). The functional category investment amounts comprising this value are linked to cells "BA122" through "BF122" of the "WP DCRF Plant" tab of "KMK-RR-1_1.1.xlsx". Please provide the following:

- a. Referring to the "WP DCRF Plant" tab, please confirm the following breakdown of the DCRF ADIT Reserve amounts by FERC block of account:

	Accounts	Amounts
Intangible	303	\$ (1,539,736)
Distribution	360-373	(80,449,915)
Office Furn. & Equip.	391	(764,768)
Communication Equip.	397	(1,489,322)
		<u>\$ (84,243,741)</u>

If the Company cannot provide the requested confirmation, please explain.

- b. The cell formulae underlying the DCRF allocated amounts shown in part (a) above rely on "VLOOKUP" functions that effectively mask the ADIT reserve items SPS proposes to include in the calculation of the DCRF baseline. Please provide a breakdown of the \$(84,243,741) by timing difference and by FERC ADIT reserve account (Accounts 190, 282, etc.).
- c. Similar to part (b) above, it is difficult to determine which specific timing differences are included the amounts shown on Line 32 of Attachment APF-RR-4, Permanent and Flow-Through Differences. Please provide a breakdown of the \$25,073 by timing difference.

RESPONSE:

- a. Confirmed.

- b. SPS has not masked the detail of the ADIT reserve items. The "VLOOKUP" function is merely choosing the appropriate functional and jurisdictional allocators to allocate and functionalize the accumulated deferred income taxes ("ADIT") included in the DCRF. The ADIT items that are included in the DCRF broken down by FERC Account (190, 282, etc.) and by plant account are clearly presented on tab "WP DCRF Plant" in the table titled "Texas Rules ADIT," which is in columns L through T. The formula in this table also clearly illustrates the ADIT items included, namely timing differences and the state tax unblending adjustment.
- c. Similar to subpart (b) above, the "VLOOKUP" function is merely choosing the appropriate functional and jurisdictional allocators to allocate and functionalize the Schedule M timing differences included in the DCRF. The Schedule M timing differences included in the DCRF are clearly broken down by FERC plant account on tab "WP DCRF Perm M." Please refer to Excel row 122.

Preparer: Arthur P. Freitas
Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-4:

[DCRF Baseline]Ref: Freitas Direct, pages 25-27 and Att. APF-RR-4. Referring to Attachment APF-RR-4, the DCRF baseline for depreciation expense is shown as \$21,487,684. The functional category investment amounts comprising this value are linked to cells "M122" through "R122" of the "WP DCRF Depr" tab of "KMK-RR-1_1.1.xlsx". Please provide the following

- a. Referring to the "WP DCRF Depr" tab, please confirm the following breakdown of the DCRF Depreciation Expense amounts by FERC block of account:

	Accounts	Amounts
Intangible	303	\$ 2,595,444
Distribution	360-373	17,564,622
Office Furn. & Equip.	391	791,970
Communication Equip.	397	535,647
[rounding difference]		\$ 21,487,683

If the Company cannot provide the requested confirmation, please explain.

- b. The cell formulae underlying the DCRF allocated amounts shown in part (a) above generally rely on "VLOOKUP" functions that effectively mask the specific depreciation and amortization expense amounts SPS is proposing to include in the calculation of the DCRF baseline. Please provide a breakdown of the \$21,487,683 by primary plant account and specifically show the associated depreciable or amortizable investment and the depreciation/amortization rates applied to quantify this amount.
- c. As noted in the above table, the "WP DCRF Depr" tab proposes to include \$2,595,444 of depreciation/amortization for intangible plant in the DCRF baseline. However, spreadsheet rows 670-673 of the "Total Company" tab of "KMK-RR-1_1.1.xlsx" shows depreciation and amortization expense on intangible plant of \$0. It appears that the intangible plant depreciation includes a cell formula bust (see cell "H12" of the "WP DCRF Depr" tab) that picks up general plant depreciation. Please confirm. If the Company cannot provide the requested confirmation, please explain.
- d. The distribution plant depreciation in cell "H66" of the "WP DCRF Depr" tab references cell "L688" of the "Total Company" tab in the amount of \$17,620,058. The total distribution plant depreciation included in the DCRF baseline of

\$17,564,622 (see cells "M66" through "Q66" of the "WP DCRF Depr" tab) does not tie to the portion of the \$17,620,058 of distribution plant depreciation allocated to the distribution functional categories on the "Total Company" tab (see cells "AT688" through "BD688") which total \$17,609,667. Please explain these differences.

- e. Referring to part (d) above, the distribution plant depreciation included in the DCRF baseline appears to exclude the amounts on row 691, "Amortization-Distribution Regulatory Credits" allocated to the distribution functional categories on the "Total Company" tab. Please explain why these credits are excluded from the baseline calculation.
- f. The general plant depreciation for FERC Accounts 391 and 397 (see cells "H106" and "H115" of the "WP DCRF Depr" tab) are based on a prorate or allocation of the total general plant depreciation of \$16,533,812 (excluding call center) which is linked to cell "L700" of the "Total Company" tab. The prorate factors are calculated on the "WP D-4 Depr" tab (see cells "K347" and "K353"). Please explain why a prorate factor is necessary and is used in lieu of a calculation that simply applies the authorized (or proposed) book depreciation rates times the depreciable investment in these plant accounts (excluding the call center).

RESPONSE:

- a. Confirmed.
- b. SPS has not masked the specific depreciation and amortization expense amounts that SPS is proposing to include in the calculation of the DCRF baseline. The depreciation expense amounts included in the DCRF are clearly presented broken down by function and FERC plant Account on the tab "WP DCRF Depr." Columns M through R clearly present the functional amounts by plant account. Column K clearly presents the Texas jurisdictional depreciation expense by plant account. Column H clearly presents the total SPS depreciation expense by plant account. Tabs "WP D-4 Depr" and "WP D-4 Amort" clearly present the depreciable plant balances by plant account. The depreciation rates applied to the plant balances by plant account are found in Schedule D-4 of SPS's rate filing package (Vol. SCH1, page 118-129 of 489).
- c. In Attachment KMK-RR-1_1.1, "Total Company" tab, amortization associated with FERC Account 303 is presented on Excel rows 698 and 699 in the General section. There is no formula bust in the DCRF calculation. As noted in SPS's response to Question No. AXM 25-1(b), the functional cost of service did not break down

General and Intangible plant by plant account, so the workpapers to the DCRF calculate the necessary breakdown.

- d. The depreciation expense associated with wholesale meters was inadvertently eliminated twice. SPS will correct this in an errata filing.
- e. The amortization expense titled "Amortization – Distribution Regulatory Credits" on Excel row 691 of the "Total Company" tab is the amortization of a regulatory asset recorded in FERC Account 254, which is not an includable account per the approved DCRF formula.
- f. The method employed by SPS to allocate General and Intangible plant to each plant account is a simpler and more internally consistent method of identifying the depreciation expense allowable in the DCRF baseline. The method proposed above of multiplying plant investment balances by the proposed depreciation rates is an alternate method of achieving the same end result. SPS intends for the two methods to be mathematically equivalent.

Preparer: Arthur P. Freitas
Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-5:

[DCRF Baseline]Ref: Freitas Direct, pages 25-27and Att. APF-RR-4. Referring to Attachment APF-RR-4, the DCRF baseline for property tax expense is shown as \$4,890,068. The functional category investment amounts comprising this value are linked to cells "AT710" through "BD710" of the "Total Company" tab of "KMK-RR-1_1.1.xlsx".The functional allocation factor used to apportion property tax expense on spreadsheet row 710 between categories is net plant (i.e., "PLTSVC-N"). Please provide the following:

- a. Since the net plant investment allocated to the distribution functional categories on the "Total Company" tab include net plant amounts not includable in DCRF (e.g., general plant vehicles, tools, etc.), why does Attachment APF-RR-4 include the full amount of property taxes allocated to the distribution functional categories rather than further allocate these amounts between DCRF includable net investment to total distribution net investment? Please explain.
- b. If the Company considers the property taxes to be properly allocated for DCRF purposes as set forth on Attachment APF-RR-4, please explain the basis for that position.
- c. Please provide the amount of property tax expense apportioned between DCRF includable net investment to total distribution net investment in the matter described in part (a) above, showing all calculations.

RESPONSE:

- a. SPS agrees that the property tax associated with the general plant accounts that are not allowable in the DCRF should be excluded from the DCRF baseline. SPS will correct this in an errata filing.
- b. Please refer to subpart (a).
- c. Please refer to Exhibit SPS-AXM 25-5(CD), specifically tab "WP DCRF Prop Tax," for the calculation of property taxes that excludes the general plant accounts not eligible for inclusion in the DCRF. This exhibit is provided on the enclosed CD.

Preparer: Arthur P. Freitas
Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-6:

[DCRF Baseline] Ref: Freitas Direct, pages 25-27 and Att. APF-RR-4. Please correct all cell formulae calculations (i.e., plant, accumulated depreciation, accumulated deferred income tax reserves, depreciation expense, property tax, etc.) and provide a revised Attachment APF-RR-4 with the corrected amounts and all supporting calculations. If the Company believes that no corrections or revisions are necessary, please explain.

RESPONSE:

Please refer to Exhibit SPS-AXM 25-5(CD), specifically the tab "DCRF Baseline."

Preparer: Arthur P. Freitas

Sponsor: Arthur P. Freitas

QUESTION NO. AXM 25-7:

[Rate Case Expense]Ref: McNulty Kropp Direct, page 60 and Attachment KMK-RR-1, page 202. Please update the referenced attachment of estimated rate case expense for the 2014 rate case to include:

- a. Separate columns of data for each line item showing:
 - i. actual paid rate case expenses to date through February 2014;
 - ii. billed but unpaid rate case expense invoices through February 2014; and
 - iii. estimated remaining cost to complete.
- b. Please update the response to part (a) above for actual data on a calendar month basis.

RESPONSE:

Please refer to Exhibit SPS-AXM 25-7. SPS's estimate of remaining costs has not changed.

Preparers: Emily Bustos, Ruth Sakya
Sponsors: David T. Hudson, Kathy McNulty Kropp

QUESTION NO. AXM 25-8:

[Prepaid Pension Asset] Ref: Schrubbe Direct, pages 43-50 and Attachment RRS-RR-8.
Please provide the following:

- a. Please confirm that the amounts on Attachment RRS-RR-8 are on a total Company basis. If the Company cannot provide the requested confirmation, please explain.
- b. Please clarify whether the amounts shown on Attachment RRS-RR-8 as "Pension (Expense) Credit Accrual" represent the actuarially determined gross NPPC (net periodic pension cost) that are before or after allocation between expense and capital accounts.
- c. Referring to part (b) above, if the NPPC amounts are after allocation, please show the gross NPPC amounts and the capital/expense allocation factors applied to determine the net expense amounts.

RESPONSE:

- a. Yes, the amounts on Attachment RRS-RR-8 are on a total company basis.
- b. Yes, the amounts shown on Attachment RRS-RR-8 as "Pension (Expense) Credit Accrual" represent the actuarially determined gross NPPC (net periodic pension cost) that are before the allocation between expense and capital accounts.
- c. Not applicable.

Preparer: Todd Degrugillier
Sponsor: Richard R. Schrubbe

QUESTION NO. AXM 25-9:

[Prepaid Pension Asset]Ref: Schrubbe Direct, page 49, Attachment RRS-RR-8 and KMK-RR-1 1.3. At page 49, Mr. Schrubbe indicates that the prepaid pension asset does not include any pension cost capitalized to construction work in progress. The "Average Balance Sheet" tab of KMK-RR-1_1.3 shows the calculation of the average pension asset balance of \$175,061,484 that SPS proposes to include in rate base. Please provide the following:

- a. Referring to the "Average Balance Sheet" tab, do the prepaid pension asset amounts represent the difference between the actuarially determined NPPC accruals and external pension fund contributions?
 - i. If not, please explain.
 - ii. If so, please provide the underlying NPPC accrual and contribution amounts used to calculate the values each month during the period June 2012 through June 2013, showing all calculations.
- b. Referring to part (a) above, please explain how the individual amounts comprising the average prepaid pension asset balance were allocated between expense and capital so as to exclude all pension costs capitalized to construction work in progress. If such allocations were not prepared, please explain.

RESPONSE:

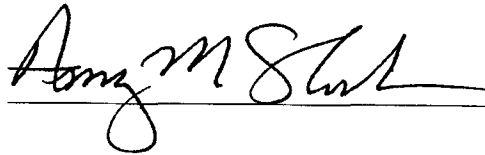
- a. Yes, the prepaid pension asset amounts represent the difference between the actuarially determined net periodic pension cost accruals and pension fund contributions.
 - i. Not applicable.
 - ii. The \$175,061,484 average pension asset balance represents the net of the \$176,920,702 qualified prepaid pension asset and the (\$1,859,218) non-qualified unfunded pension liability. The underlying monthly activity for the qualified prepaid pension asset can be found on Exhibit SPS-AXM 25-9.1 and the underlying monthly activity for the non-qualified unfunded pension liability can be found on Exhibit SPS-AXM 25-9.2.
- b. By definition, the prepaid pension asset is composed of amounts that are in excess of the amounts charged to pension expense for a given year. Suppose, for example, that the pension trust fund increases by \$25 million in a particular year, but the actuarially determined pension expense for that year is only \$15 million. Some part of the \$15 million would be capitalized and assigned to construction work in progress ("CWIP"), but none of the \$15 million would be included in the prepaid pension

asset. Only the \$10 million in excess of the \$15 million would be included in the prepaid pension asset, and none of that \$10 million is capitalized and assigned to CWIP. Therefore, none of SPS's prepaid pension asset reflects costs that have been capitalized and assigned to CWIP as the prepaid pension asset represents only cash contributions that have yet to be expensed or capitalized.

Preparer: Todd Degrugillier
Sponsor: Richard R. Schrubbe

CERTIFICATE OF SERVICE

I certify that on the 31st day of March 2014, a true and correct copy of the foregoing instrument was served on all parties of record by electronic service and by either hand delivery, Federal Express, regular first class mail, certified mail, or facsimile transmission.

A handwritten signature in cursive script, appearing to read "Amy M. Stul", is written over a horizontal line.

Southwestern Public Service Company

Rate Case Expenses by Month for Docket No. 42004
June 2013 - February 2014

		(A)	(B)	(C)=(A+B)	(D)	(E)=(D-C)	(C/E)
		Expenses Paid To Date	Incurred But Not Paid	Total Expenses To Date	Filed Estimate	Remaining Estimated Expenses	Total Expenses % of Estimate
Line No.	Feb-14						
1	Consultants						
2	Alliance Consulting Group						
3	Depreciation Study & Testimony						
4	Professional Fees	4,025.00	33,025.00	0.00	33,025.00	91,250.00	
5	Expenses	201.25	1,651.26	0.00	1,651.26	0.00	
6	Total Charges	4,226.25	34,676.26	0.00	34,676.26	91,250.00	56,573.74 38.0%
7	Concentric Energy Associates						
8	Cost of Equity						
9	Professional Fees	3,094.46	33,124.94	3,963.95	37,088.89	85,000.00	
10	Expenses	0.00	0.00	0.00	0.00	0.00	
11	Total Charges	3,094.46	33,124.94	3,963.95	37,088.89	85,000.00	47,911.11 43.6%
12	Deloitte & Touche LLP						
13	Audit of Rate Filing Package						
14	Professional Fees	54,009.00	404,009.00	0.00	404,009.00	425,000.00	
15	Expenses	0.00	0.00	0.00	0.00	0.00	
16	Total Charges	54,009.00	404,009.00	0.00	404,009.00	425,000.00	20,991.00 95.1%
17	Rachel Sours-Page						
18	Service Co Testimony						
19	Professional Fees	0.00	0.00	0.00	0.00	100,000.00	
20	Expenses	0.00	0.00	0.00	0.00	0.00	
21	Total Charges	0.00	0.00	0.00	0.00	100,000.00	100,000.00 0.0%
22	Kay Trostle						
23	Rate Case Expense Review						
24	Professional Fees	0.00	0.00	0.00	0.00	7,500.00	
25	Expenses	0.00	0.00	0.00	0.00	0.00	
26	Total Charges	0.00	0.00	0.00	0.00	7,500.00	7,500.00 0.0%
27	Lester Baldock Consulting						
28	Loss Study; Customer Information						
29	Professional Fees	0.00	22,881.25	0.00	22,881.25	90,000.00	
30	Expenses	0.00	0.00	0.00	0.00	0.00	
31	Total Charges	0.00	22,881.25	0.00	22,881.25	90,000.00	67,118.75 25.4%
32	Scott Madden, Inc.						
33	Benchmarking Study						
34	Professional Fees	0.00	39,970.00	0.00	39,970.00	68,200.00	
35	Expenses	0.00	0.00	0.00	0.00	0.00	
36	Total Charges	0.00	39,970.00	0.00	39,970.00	68,200.00	28,230.00 58.6%

Southwestern Public Service Company

Rate Case Expenses by Month for Docket No. 42004
June 2013 - February 2014

		(A)	(B)	(C)=(A+B)	(D)	(E)=(D-C)	(C/E)	
		Expenses Paid To Date	Incurred But Not Paid	Total Expenses To Date	Filed Estimate	Remaining Estimated Expenses	Total Expenses % of Estimate	
Line No.	Feb-14							
37	TLG Services, Inc.							
38	Dismantling Study & Testimony							
39	Professional Fees	0.00	0.00	0.00	0.00			
40	Expenses	0.00	0.00	0.00	0.00			
41	Total Charges	0.00	0.00	0.00	0.00	0.00	0.0%	
42	Towers Perrin (Towers Watson)							
43	Labor Cost Study							
44	Professional Fees	0.00	0.00	0.00	15,000.00			
45	Expenses	0.00	0.00	0.00	0.00			
46	Total Charges	0.00	0.00	0.00	15,000.00	15,000.00	0.0%	
47	Total Consultants	61,329.71	534,661.45	3,963.95	538,625.40	881,950.00	335,824.60	61.1%
48	Legal Counsel							
49	Courtney Countiss Brian & Bailey							
50	Regulatory Counsel							
51	Professional Fees	7,030.50	26,918.46	28,380.00	55,298.46	213,350.00		
52	Expenses	0.00	0.00	0.00	0.00	0.00		
53	Total Charges	7,030.50	26,918.46	28,380.00	55,298.46	213,350.00	158,051.54	25.9%
54	Graves Dougherty Hearon & Moody							
55	Regulatory Counsel							
56	Professional Fees	83,122.24	383,758.70	109,640.93	493,399.63	1,270,000.00		
57	Expenses	0.00	0.00	0.00	0.00	0.00		
58	Total Charges	83,122.24	383,758.70	109,640.93	493,399.63	1,270,000.00	776,600.37	38.9%
59	Winstead PC							
60	Regulatory Counsel							
61	Professional Fees	0.00	111,423.87	70,935.14	182,359.01	502,000.00		
62	Expenses	0.00	0.00	0.00	0.00	0.00		
63	Total Charges	0.00	111,423.87	70,935.14	182,359.01	502,000.00	319,640.99	36.3%
64	Total Legal Counsel	90,152.74	522,101.03	208,956.07	731,057.10	1,985,350.00	1,254,292.90	36.8%
65	City of Amarillo							
66	Cities Expenses							
67	Professional Fees	0.00	31,165.06	9,788.75	40,953.81	1,000,000.00		
68	Expenses	0.00	0.00	0.00	0.00	0.00		
69	Total Charges	0.00	31,165.06	9,788.75	40,953.81	1,000,000.00	959,046.19	4.1%
70	Total Consultants, Legal, and Cities	151,482.45	1,087,927.54	222,708.77	1,310,636.31	3,867,300.00	2,549,163.69	33.9%

Southwestern Public Service Company

Rate Case Expenses by Month for Docket No. 42004
June 2013 - February 2014

		(A)	(B)	(C)=(A+B)	(D)	(E)=(D-C)	(C/E)	
		Expenses Paid To Date	Incurred But Not Paid	Total Expenses To Date	Filed Estimate	Remaining Estimated Expenses	Total Expenses % of Estimate	
Line No.	Feb-14							
71	Miscellaneous Expenses							
72	Employee and Other Expenses							
73	Airfare	4,905.00	21,567.02	2,062.00	23,629.02			
74	Airfare - Service Fees	40.00	371.18	0 00	371.18			
75	Car Rental	884.07	3,894.90	488 32	4,383.22			
76	Car Rental - Gas	57.20	282 05	27.59	309.64			
72	Car Rental - Service Fee	18.34	82.53	18.34	100.87			
73	Equipment Rental	718.78	2,156.34	1,098.48	3,254.82			
74	Hotel	2,347.56	12,107.45	1,237.00	13,344.45			
75	Hotel - Service Fee	5 10	74.39	0.00	74 39			
76	Lodging Tax	351.68	1,664.50	185.55	1,850.05			
77	Mailings/Freight/Postage	76,644.98	80,927.23	3,129.85	84,057.08			
78	Materials - Non-Inventory	0 00	43,895 81	705.70	44,601 51			
79	Meals	1,496.14	4,802.92	986 18	5,789.10			
80	Notice	0.00	0.00	0.00	0.00			
81	Office Supplies	0.00	9,916 72	758 80	10,675.52			
80	Outside Vendor - Contract Employee	3,328.44	14,241 78	0 00	14,241 78			
81	Other	0.00	0.00	0.00	0.00			
82	Overtime Payroll	985 27	4,311.04	0.00	4,311.04			
83	Parking	132.72	1,233.90	101.00	1,334.90			
84	Personal Car Mileage	29.76	530.90	0.00	530.90			
85	Printing (Sir Speedy)	0.00	0.00	0.00	0.00			
86	Taxi/Bus/Other	85.00	483.20	0.00	483.20			
87	Telephone	0 00	0.00	0 00	0.00			
88	Temporary Employees	0.00	0.00	0.00	0.00			
89	Tip (s)	3.00	25 00	10.00	35.00			
90	Total Miscellaneous Expenses	92,033.04	202,568.86	10,808.81	213,377.67	525,000.00	311,622.33	40.6%
91	TOTAL RATE CASE EXPENSES	243,515.49	1,290,496.40	233,517.58	1,524,013.98	4,392,300.00	2,860,786.02	34.7%

Southwestern Public Service Company

SPS Qualified Prepaid Pension Asset
13 Month Average

	June 2012	Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Average
Beginning Balance														
13 244510 1700 - Reg Asset NCE Plan	62,635,160	61,959,493	61,410,493	60,861,493	60,312,493	59,763,493	59,214,493	68,263,026	67,763,193	67,060,859	66,459,776	65,858,692	65,257,609	
13 431110 - Liability NCE Plan	(12,352,250)	(12,586,500)	(12,709,083)	(12,831,667)	(12,954,250)	(13,076,833)	(13,199,417)	(22,730,000)	(16,690,250)	(16,844,500)	(16,999,000)	(17,033,500)	(17,033,500)	
13 244510 1700 - Reg Asset SPS Barg Plan	156,778,750	156,165,500	155,526,917	154,888,333	154,249,750	153,611,167	152,972,583	177,112,000	176,370,417	175,311,167	174,410,750	173,510,333	172,609,917	
13 431110 - Liability SPS Barg Plan	(29,295,483)	(29,381,500)	(29,524,917)	(29,668,333)	(29,811,750)	(29,955,167)	(30,098,583)	(35,316,000)	(39,889,917)	(40,037,167)	(40,238,750)	(40,440,333)	(40,641,917)	
13 244510 9997 - Contra Reg Asset	(14,184,750)	(14,574,000)	(14,574,000)	(14,574,000)	(14,720,500)	(14,720,500)	(14,720,500)	(14,877,000)	(14,877,000)	(14,877,000)	(17,428,750)	(17,428,750)	(17,428,750)	
13 150201 1700 - Current Reg Asset	177,765,576	176,156,993	174,703,409	173,249,826	171,796,243	170,342,660	168,889,076	167,329,026	187,553,443	185,584,859	183,787,276	181,989,692	180,192,109	
Total														
FAS 87 Current Year Accruals														
13 244510 1700 - Reg Asset NCE Plan	(675,667)	(549,000)	(549,000)	(549,000)	(549,000)	(549,000)	(549,000)	(499,833)	(702,333)	(601,083)	(601,083)	(601,083)	(601,083)	
13 431110 - Liability NCE Plan	(234,250)	(122,583)	(122,583)	(122,583)	(122,583)	(122,583)	(122,583)	(129,250)	(59,750)	(94,500)	(94,500)	(94,500)	(94,500)	
13 244510 1700 - Reg Asset SPS Barg Plan	(612,750)	(638,583)	(638,583)	(638,583)	(638,583)	(638,583)	(638,583)	(741,583)	(1,059,250)	(900,417)	(900,417)	(900,417)	(900,417)	
13 431110 - Liability SPS Barg Plan	(85,917)	(143,417)	(143,417)	(143,417)	(143,417)	(143,417)	(143,417)	(253,917)	(147,250)	(201,583)	(201,583)	(201,583)	(201,583)	
Total	(1,608,583)	(1,453,583)	(1,453,583)	(1,453,583)	(1,453,583)	(1,453,583)	(1,453,583)	(1,626,583)	(1,968,583)	(1,797,583)	(1,797,583)	(1,797,583)	(1,797,583)	
Quarterly Short-Term Reverses														
13 244510 9997 - Contra Reg Asset	(389,250)			(146,500)			(156,500)			(2,551,750)			498,250	
13 150201 1700 - Current Reg Asset	389,250			146,500			156,500			2,551,750			(498,250)	
Total														
Adj for Demographics														
13 244510 1700 - Reg Asset NCE Plan							81,000							
13 431110 - Liability NCE Plan							34,000							
13 244510 1700 - Reg Asset SPS Barg Plan							(165,000)							
13 431110 - Liability SPS Barg Plan							(131,000)							
Total														
OSRRP JP														
13 244510 1700 - Reg Asset NCE Plan							54,000							
13 431110 - Liability NCE Plan							(98,000)							
Total														
Contributions & Other Cash														
13 431110 - Liability NCE Plan							118,513	6,169,000						
13 431110 - Liability SPS Barg Plan							15,682,000							
Total							118,513	21,851,000						
Year End FAS 158 Adj														
13 244510 1700 - Reg Asset NCE Plan							9,462,533							
13 431110 - Liability NCE Plan							(9,462,533)							
13 244510 1700 - Reg Asset SPS Barg Plan							24,943,000							
13 431110 - Liability SPS Barg Plan							(24,943,000)							
Total														
Ending Balance														
13 244510 1700 - Reg Asset NCE Plan	61,959,493	61,410,493	60,861,493	60,312,493	59,763,493	59,214,493	58,665,026	67,763,193	67,060,859	66,459,776	65,858,692	65,257,609	64,656,526	
13 431110 - Liability NCE Plan	(12,386,500)	(12,709,083)	(12,831,667)	(12,954,250)	(13,076,833)	(13,199,417)	(13,322,000)	(16,690,250)	(16,750,000)	(16,844,500)	(16,939,000)	(17,033,500)	(17,128,000)	
13 244510 1700 - Reg Asset SPS Barg Plan	156,165,500	155,526,917	154,888,333	154,249,750	153,611,167	152,972,583	152,334,000	176,370,417	175,311,167	174,410,750	173,510,333	172,609,917	171,709,500	
13 431110 - Liability SPS Barg Plan	(29,381,500)	(29,524,917)	(29,668,333)	(29,811,750)	(29,955,167)	(30,098,583)	(30,242,000)	(39,889,917)	(40,037,167)	(40,238,750)	(40,440,333)	(40,641,917)	(40,843,500)	
13 244510 9997 - Contra Reg Asset	(14,574,000)	(14,574,000)	(14,574,000)	(14,574,000)	(14,720,500)	(14,720,500)	(14,720,500)	(14,877,000)	(14,877,000)	(17,428,750)	(17,428,750)	(17,428,750)	(16,930,500)	
13 150201 1700 - Current Reg Asset	176,156,993	174,703,409	173,249,826	171,796,243	170,342,660	168,889,076	167,329,026	187,553,443	185,584,859	183,787,276	181,989,692	180,192,109	178,394,526	
Total														176,920,702

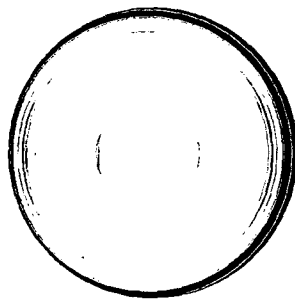
Southwestern Public Service Company

SPS Non-Qualified Unfunded Pension Liability
13 Month Average

	June 2012	Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Average
Beginning Balance														
13 244510 1800 - Reg Asset	1,383,977	1,360,394	1,347,227	1,334,061	1,320,894	1,307,727	1,294,561	1,461,215	1,448,631	1,436,048	1,423,465	1,410,881	1,398,298	
13 244510 9998 - Contra Reg Asset	(133,750)	(159,500)	(159,500)	(159,500)	(160,250)	(160,250)	(160,250)	(161,000)	(161,000)	(161,000)	(150,750)	(150,750)	(150,750)	
13 150201 1800 - Short-Term Reg Asset	133,750	159,500	159,500	159,500	160,250	160,250	160,250	161,000	161,000	161,000	150,750	150,750	150,750	
13 338310 - Current Liability	(452,000)	(452,000)	(452,000)	(452,000)	(452,000)	(452,000)	(452,000)	(418,000)	(418,000)	(418,000)	(418,000)	(418,000)	(418,000)	
13 431440 - Liability	(2,816,158)	(2,804,090)	(2,789,105)	(2,804,105)	(2,759,135)	(2,744,150)	(2,729,164)	(2,884,000)	(2,865,515)	(2,847,030)	(2,828,545)	(2,810,060)	(2,821,560)	
Total	(1,884,181)	(1,895,696)	(1,893,877)	(1,922,044)	(1,890,240)	(1,888,422)	(1,886,604)	(1,840,785)	(1,834,884)	(1,828,982)	(1,823,080)	(1,817,178)	(1,841,262)	
Current Year Accruals														
13 244510 1800 - Reg Asset	(23,583)	(13,167)	(13,167)	(13,167)	(13,167)	(13,167)	(13,167)	(12,583)	(12,583)	(12,583)	(12,583)	(12,583)	(12,583)	
13 431440 - Liability	(17,917)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	
Total	(41,500)	(28,167)	(28,167)	(28,167)	(28,167)	(28,167)	(28,167)	(24,083)	(24,083)	(24,083)	(24,083)	(24,083)	(24,083)	
Cash Payments														
13 431440 - SERP	29,985	29,985		59,970	29,985	29,985	29,985	29,985	29,985	29,985	29,985		58,560	
13 431440 - Other Payments														
Total	29,985	29,985		59,970	29,985	29,985	29,985	29,985	29,985	29,985	29,985		58,560	
Quarterly Short-Term Reclass														
13 244510 9998 - Contra Reg Asset	(25,750)			(750)	(750)								9,750	
13 150201 1800 - Short-Term Reg Asset	25,750			750	750								(9,750)	
Total														
OSERP JE														
13 244510 1800 - Reg Asset							(54,000)							
13 431440 - Liability							98,000							
Total							44,000							
Year End FAS 158 Adj														
13 244510 1800 - Reg Asset							233,821							
13 338310 - Current Liability							34,000							
13 431440 - Liability							(267,821)							
Total														
Ending Balance														
13 244510 1800 - Reg Asset	1,360,394	1,347,227	1,334,061	1,320,894	1,307,727	1,294,561	1,461,215	1,448,631	1,436,048	1,423,465	1,410,881	1,398,298	1,385,715	
13 244510 9998 - Contra Reg Asset	(159,500)	(159,500)	(159,500)	(160,250)	(160,250)	(160,250)	(161,000)	(161,000)	(161,000)	(150,750)	(150,750)	(150,750)	(141,000)	
13 150201 1800 - Short-Term Reg Asset	159,500	159,500	159,500	160,250	160,250	160,250	161,000	161,000	161,000	150,750	150,750	150,750	141,000	
13 338310 - Current Liability	(452,000)	(452,000)	(452,000)	(452,000)	(452,000)	(452,000)	(418,000)	(418,000)	(418,000)	(418,000)	(418,000)	(418,000)	(418,000)	
13 431440 - Liability	(2,804,090)	(2,789,105)	(2,804,105)	(2,759,135)	(2,744,150)	(2,729,164)	(2,884,000)	(2,865,515)	(2,847,030)	(2,828,545)	(2,810,060)	(2,821,560)	(2,774,500)	
Total	(1,895,696)	(1,893,877)	(1,922,044)	(1,890,240)	(1,888,422)	(1,886,604)	(1,840,785)	(1,834,884)	(1,828,982)	(1,823,080)	(1,817,178)	(1,841,262)	(1,806,785)	(1,859,218)

SOAH DOCKET NO. 473-14-1665
DOCKET NO. 42004

APPLICATION OF SOUTHWESTERN PUBLIC
SERVICE COMPANY FOR AUTHORITY TO CHANGE
RATES AND TO RECONCILE FUEL AND PURCHASED
POWER COSTS FOR THE PERIOD JULY 1, 2012
THROUGH JUNE 30, 2013



SPS-AXM 25(CD)