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SOAH DOCKET NO. 473-15-1556

PUC DOCKET NO. 43697

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APPLICATION OF SOUTHWESTERN	§	BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR	§	UTILITY COMMISSION
AUTHORITY TO CHANGE RATES	§	ADMINISTRATIVE HEARINGS

FILED CLERK

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

The Office of Public Utility Counsel (OPUC) files and submits this Tenth 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, OPUC requests that SPS, as defined herein, provide the following information and answer the following questions 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,

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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**

1. The Definitions, Instructions, and Claim of Privilege set out in this Request for Information apply to these questions.
2. 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.
3. 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.
4. 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.
5. 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.

6. If any question appears confusing, please request clarification from the undersigned counsel.
7. 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.
8. 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.
9. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.
10. 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.
11. 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.

12. If the response to any question is voluminous, please provide separately an index to the materials contained in the response.
13. If the information requested is included in previously furnished exhibits, workpapers, or 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.
14. 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.

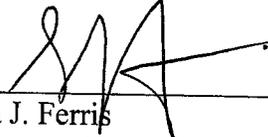
#### **Claim of Privilege**

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.

February 6, 2015

Respectfully submitted,

Tonya Baer  
Public Counsel  
State Bar No. 24026771



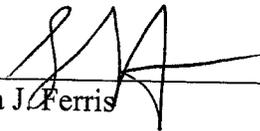
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**CERTIFICATE OF SERVICE**

SOAH Docket No. 473-15-1556  
PUC Docket No. 43695

I certify that today, February 6, 2015, a true copy of the Office of Public Utility Counsel's Tenth Request for Information to SPS was served on all parties of record via United States First-Class Mail, hand-delivery or facsimile.



Sara J. Ferris

**SOAH Docket No. 473-15-1556**  
**PUC Docket No. 43695**  
**OPUC's Tenth Request For Information To**  
**Southwestern Public Service Company**

- 10-1.** In reference to SPS's response to OPUC RFI No. 2-1:
- a) Please explain in detail why the increased shared asset costs mentioned under "business system" would not be considered capitalized costs. Why is SPS including these costs as an expense item? Please provide all documentation supporting your response.
  - b) Please explain why the costs associated with the various business systems capital projects (general, ledger, work and asset management, talent management, and other infrastructure/network projects) would be considered ongoing costs. Were any of the contracts, consulting and professional services related to these projects capitalized? Explain your response and provide all supporting documentation.
  - c) Does SPS expect that the costs associated with plant life maintenance activities to be ongoing costs? How long does SPS expect this program to continue? Please provide all written documentation regarding the plant life maintenance activities program.
- 10-2.** In Mr. Nygaard's testimony on p. 43, lines 6-7, he states that the increase in chief administrative costs between 2013 and the test year were the result of consulting services for initial work on the General Ledger and Work Asset Management replacement projects. Does the \$730,871 increase in Chief Administrative Officer costs shown in SPS's response to OPUC RFI No. 2-1 assume that the initial consulting services will be ongoing costs? Please explain your response and provide all supporting documentation.
- 10-3.** Please provide the amounts requested for the Texas retail jurisdiction for:
- a) Federal Affairs costs (see SPS's response to OPUC RFI No. 6-2), and
  - b) Governmental Affairs costs (see SPS's response to OPUC RFI No. 6-4).
- 10-4.** In reference to SPS's response to OPUC RFI No. 6-12, please explain how Texas retail ratepayers benefit from the payment of dues to the Minnesota Utility Investors. What is the Texas retail amount of the dues that SPS is requesting for recovery?
- 10-5.** In reference to SPS's response to OPUC RFI No. 6-25, please provide the Texas retail amount SPS is requesting for recovery. Please identify the FERC accounts that SEP costs are recorded in.
- 10-6.** Please identify the Texas retail amount SPS is requesting for recovery for the following work orders:
- a) 434522 (CC – Mtr Rdg Roswell NW)
  - b) 493906 (Mkt Cons Mkts NMex Elec)
  - c) 500016 (EA Foundation)

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- d) 624153 (SPS E Reg Expense – NM FERC 928)
- e) 628452 (GP SPS Gov Affairs – NM)
- f) 629452 (SPS Rates & Reg – NM)
- g) 808203 (CSED New Mexico – FERC 912)
- h) 834312 (CO&M – New Mexico #588)
- i) 834366 (CO&M – New Mexico #580)
- j) 999909 (NS General – SPS – NM)

If any adjustments have been made to the book amounts shown for these work orders in Attachment JSSP-RR-10, please identify the witnesses, schedules, and workpaper pages where each work order adjustment was made.

- 10-7.** In reference to SPS's response to OPUC RFI No. 6-7, please reconcile the \$753,518 requested amount with the SPS total amounts (i.e., \$1,004,004) requested in Attachment-RR-14 for work orders 144 (Proprietary Trading – Front/Mid Office), 145 (Gen Proprietary Trading – Mid Office), 128 (Proprietary Trading – Back Office), and 129 (Gen/Proprietary Trading – Back Office).
- 10-8.** Do work orders 144, 145, 128 and 129 contain any costs associated with proprietary trading incentive costs? If not, please reconcile the \$364,809 of requested proprietary trading costs (\$753,518 - \$388,709) implied in SPS's response to OPUC RFI No. 6-7 with the total \$1,004,004 requested in work orders 144, 145, 128 and 129.
- 10-9.** If any adjustments have been made to the SPS requested costs from work orders 144, 145, 128 and 129, please cite the witness, testimony, schedules and workpaper pages where the adjustments have been made.
- 10-10.** In reference to Attachment JSSP-RR-12, please indicate which work orders are included as capitalized expenses in Docket No. 43695. Can it be assumed that the work orders that have not been capitalized have been expensed?
- 10-11.** In reference to SPS's response to OPUC RFI No. 2-4, please identify the requested Texas retail portion of the capitalized non-qualified pension costs.
- 10-12.** In reference to SPS's response to OPUC RFI No. 4-26, please provide a workpaper showing the specific dues adjustments made to the expenses in Schedule G.3(c).
- 10-13.** In reference to SPS's response to OPUC RFI No. 6-14, what is the total amount of test year EEI dues (before deductions for legislative advocacy, etc.) charged to SPS and SPS Texas retail? Please provide all supporting documentation.