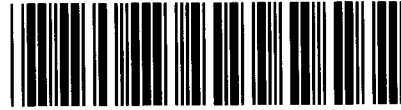




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APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR § OF
AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS

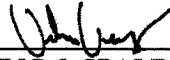
**OCCIDENTAL PERMIAN LTD.'S RESPONSE TO
PIONEER NATURAL RESOURCES USA INC.'S
FIRST REQUEST FOR INFORMATION - QUESTION 1-1**

Occidental Permian Ltd. ("OPL") files the following Response to the First Set of Requests for Information ("RFIs") to OPL filed by Pioneer Natural Resources USA, Inc. ("Pioneer"). Pioneer's First Set of RFIs was filed at the Commission and received by OPL on June 9, 2015. Pursuant to Order No. 3, OPL's response is timely filed. OPL provides these responses in the spirit of cooperation without waiving its right to contest the admissibility of any response or document. Pursuant to P.U.C. Proc. R. 22.144(c)(2)(F), these responses may be treated as if filed under oath.

If responsive documents are more than 100 pages, the exhibit will be made available for inspection at OPL's voluminous room at 401 Congress Ave., Suite 3200, Austin, Texas 78701, telephone number (512) 457-2001. Voluminous exhibits will also be provided on CD to any requesting party.

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Respectfully submitted,



KING & SPALDING LLP

Mike Stenglein

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401 Congress Avenue, Suite 3200

Austin, Texas 78701

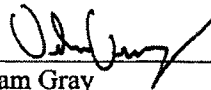
Telephone. (512) 457-2000

Facsimile (512) 457-2100

**ATTORNEYS FOR
OCCIDENTAL PERMIAN LTD.**

CERTIFICATE OF SERVICE

I, Adam Gray, Attorney for OPL, hereby certify that a copy of this document was served on all parties of record in this proceeding on this 15th day of June 2015 by hand-delivery, facsimile, electronic mail and/or First Class, U.S. Mail, Postage Prepaid.



Adam Gray

**PUC DOCKET NO. 43695
SOAH DOCKET NO. 473-15-1556**

APPLICATION OF SOUTHWESTERN	§	BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR	§	OF
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**OCCIDENTAL PERMIAN LTD.'S RESPONSE TO
PIONEER NATURAL RESOURCES USA INC.'S
FIRST REQUEST FOR INFORMATION**

Question No. PNR-OPL 1-1:

Please refer to Page 6 (Bates 9), Lines 2 and 12-14, Page 7 (Bates 10), Lines 20-21, Page 8 (Bates 11), Lines 8-10, and Page 24 (Bates 29), Lines 8-9, of the direct cost allocation/rate design testimony of Charles Griffey in this proceeding. Please provide the support for Mr. Griffey's statements that SPS has had a traditional approach of mitigating rate increases through a gradualism adjustment of 150 percent, that SPS generally limited increases to a maximum of 150 % of the system average base rate increase, and that SPS has changed its traditional approach. Please identify all dockets relied on by Mr. Griffey for the statements and provide citations to the applications, pleadings, testimonies, interim orders, proposals for decision, stipulations, final orders, or other documents upon which Mr. Griffey relies for his statements.

Response:

As referenced on Page 24 of Mr. Griffey's direct cost allocation/rate design testimony, Mr. Griffey relied on the deposition testimony of SPS's witness Richard M. Luth for his statements regarding SPS's approach to gradualism, as well as Mr. Luth's statement at Page 40 of his direct testimony in Docket 42004 that it was "SPS's practice ... to avoid any rate increase that raises a particular class's rate by more than 150 percent of the overall average increase in a single rate case." For reference, a relevant section of Mr. Luth's deposition transcript (Page 86, Line 14 through Page 87, Line 9) is quoted below:

14 Q Let's talk about another change to your
15 testimony. In Docket 42004, you indicated that SPS's --
16 SPS generally proposed the limit increases to any
17 particular class to 150 percent of the system average
18 base rate increase. Correct?

19 A Yes.

20 Q And you had also made that same recommendation
21 in 40824. Correct?

22 A Yes.

23 Q I mean, in every case up until this one, you've
24 included a gradualism cap of 150 percent of base rate.
25 Right?

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1 A I can't think of another measure of maximum
2 increase.

3 Q Yeah. And you've used that same thing in your
4 testimony in New Mexico, too, proposed a maximum
5 increase be 150 percent so as not to have undue impact
6 on any particular class?

7 A Yes.

8 Q When did you change to 200 percent?

9 A With this filing.

Prepared by: Charles S. Griffey

Sponsored by: Charles S. Griffey