

Workpapers of Michael V. Pascucci

Sep-14			
Employee	Line Item	Amount	Receipt Pg No.
White DSM Expenses	WHTS10 T-Airfare	\$ 418.96	PP 125-127
White DSM Expenses	WHTS10 T-Airfare - Service Fee	11.36	PP 125-127
Shockley August 14 Expense	SHCJ04 T-Airfare	11.36	No Receipt
Shockley August 14 Expense	SHCJ04 T-Airfare	176.78	P 124
Shockley August 14 Expense	SHCJ04 T-Airfare	29.16	No Receipt
Total for September		\$ 647.62	
Total Adjustments for September		\$ (40.52)	
Total Requested for September		\$ 607.10	

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

<u>Oct-14</u>	<u>Nov-14</u>
<u>No Miscellaneous Expenses</u>	

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Attachment MVP-7
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Docket No. _____

Dec-14			
Employee	Line Item	Amount	Receipt Pg No.
Hooley Nov 15 - Dec 9 2014 Exp	204183 P-Mail/Frt/Postage	\$ 6.20	P 148
	Total for December	\$ 6.20	
	Total Adjustments for December	\$ -	
	Total Requested for December	\$ 6.20	

Southwestern Public Service Company

Docket No. _____

Workpapers of Michael V. Pascucci

Southwestern Public Service Company
EECRF Misc Rate Case Expenses Paid by Month and Event
For Docket No. 42454
May 2014 to December 2014

Line No.	Miscellaneous Expenses	May-14	Miscellaneous Expenses	Jun-14
1	Pre-Filing Meeting (April 28-29, 2014)		Pre-Hearing Conference (June 3, 2014)	
2	<i>Brooke Trammell</i>		<i>Brooke Trammell</i>	
3	Airfare	\$ 445.00	Airfare	\$ 550.00
4	Hotel	204.70	Hotel	-
5	Meals	101.90	Meals	10.55
6	Taxi/Bus/Other	36.00	Taxi/Bus/Other	58.60
7	Parking	\$ 16.00	Parking	8.00
8	<i>Jeremiah Cunningham</i>		Mileage	\$ 22.40
9	Airfare	\$ 475.00	<i>Susan Brymer</i>	
10	Hotel	214.65	Personal Mileage	\$ 1.12
11			Parking	\$ 1.00
12	Parking	\$ 16.00	<i>Jeremiah Cunningham</i>	
13			Airfare	\$ 472.00
14				
15	<i>Subtotal Total Airfare</i>	\$ 920.00	<i>Subtotal Airfare</i>	\$ 1,022.00
16	<i>SubTotal Hotel</i>	419.35	<i>Subtotal Hotel</i>	-
17	<i>SubTotal Meals</i>	101.90	<i>Subtotal Meals</i>	10.55
18	<i>SubTotal Taxi/Bus/Other</i>	36.00	<i>Subtotal Taxi/Bus/Other</i>	58.60
19	<i>SubTotal Parking</i>	\$ 32.00	<i>Subtotal Parking</i>	9.00
20			<i>Subtotal Personal Mileage</i>	\$ 23.52
21				
22	<i>Total Airfare</i>	\$ 920.00	EECRF Testimony Meeting (April 16, 2014)	
23	<i>Total Hotel</i>	419.35	<i>Shawn White</i>	
24	<i>Total Meals</i>	101.90	Hotel	\$ 55.20
25	<i>Total Taxi/Bus/Other</i>	36.00		
26	<i>Total Parking</i>	32.00	<i>Subtotal Hotel</i>	\$ 55.20
27	<i>Total Personal Mileage</i>	\$ -		
28			Technical Conference (June 10, 2014)	
29	Mailings/Freight/Postage	\$ -	<i>Brooke Trammell</i>	
30			Airfare	\$ 198.00
31			Hotel	204.70
32			Meals	26.05
33			Taxi/Bus/Other	100.81
34			Parking	16.25
35			Mileage	\$ -
36			<i>Richard M. Luth</i>	
37			Airfare	\$ 443.36
38			Hotel	204.70
39			Meals	165.15
40			Taxi/Bus/Other	82.04
41			Parking	8.00
42			Mileage	19.72
43			Tips/Tolls	\$ 2.00
44			<i>Jeremiah Cunningham</i>	
45			Airfare	\$ 432.00
46			Hotel	-
47			Meals	-
48			Taxi/Bus/Other	-
49			Parking	-
50			Mileage	\$ -
51				
52			<i>Subtotal Airfare</i>	\$ 1,073.36

Workpapers of Michael V. Pascucci

Southwestern Public Service Company
EECRF Misc Rate Case Expenses Paid by Month and Event
For Docket No. 42454
May 2014 to December 2014

Line No.	May-14	Jun-14
	<u>Miscellaneous Expenses</u>	<u>Miscellaneous Expenses</u>
53		<i>Subtotal Hotel</i> 409.40
54		<i>Subtotal Meals</i> 191.20
55		<i>Subtotal Taxi/Bus/Other</i> 182.85
56		<i>Subtotal Parking</i> 24.25
57		<i>Subtotal Personal Mileage</i> \$ 19.72
58		
59		Settlement Conference (June 23, 2014)
60		<i>Brooke Trammell</i>
61		Airfare \$ 465.00
62		
63		<i>Subtotal Airfare</i> \$ 465.00
64		
65		<i>Total Airfare</i> \$ 2,560.36
66		<i>Total Hotel</i> 464.60
67		<i>Total Meals</i> 201.75
68		<i>Total Taxi/Bus/Other</i> 241.45
69		<i>Total Parking</i> 33.25
70		<i>Total Personal Mileage</i> 43.24
71		<i>Total TIPS/Tolls</i> 2.00
72		<i>Mailings/Freight/Postage</i> \$ 83.25
73		
74		
75		
76		
77		
78		
79		
80		
81		
82		
83		
84		
85		
86		
87		
88		
89		
90		
91	Total Miscellaneous Expenses	\$ 3,629.90
	<u>\$ 1,509.25</u>	<u>\$ 3,629.90</u>

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts

		Jul-14			Aug-14
<u>Miscellaneous Expenses</u>			<u>Miscellaneous Expenses</u>		
Pre-Hearing Conference (June 3, 2014)			Paper Hearing (July 29, 2014)		
<i>Jeremiah Cunningham</i>			<i>Jeremiah Cunningham</i>		
Airfare	\$	-	Airfare	\$	406.00
Hotel		-	Hotel		-
Meals		-	Meals		-
Taxi/Bus/Other		-	Taxi/Bus/Other		-
Parking		8.00	Parking		-
Mileage	\$	-	Mileage	\$	-
<i>Subtotal Airfare</i>	\$	-	<i>Michael Pascucci</i>		
<i>Subtotal Hotel</i>		-	Airfare	\$	217.30
<i>Subtotal Meals</i>		-	Hotel		-
<i>Subtotal Taxi/Bus/Other</i>		-	Meals		-
<i>Subtotal Parking</i>		8.00	Taxi/Bus/Other		-
<i>Subtotal Personal Mileage</i>	\$	-	Parking		-
			Mileage	\$	-
Technical Conference (June 10, 2014)			<i>Subtotal Airfare</i>	\$	623.30
<i>Jeremiah Cunningham</i>			<i>Subtotal Hotel</i>		-
Airfare	\$	-	<i>Subtotal Meals</i>		-
Hotel		204.70	<i>Subtotal Taxi/Bus/Other</i>		-
Meals		9.73	<i>Subtotal Parking</i>		-
Taxi/Bus/Other		-	<i>Subtotal Personal Mileage</i>	\$	-
Parking		12.00			
Mileage	\$	-	<i>Total Airfare</i>	\$	623.30
<i>Michael Pascucci</i>			<i>Total Hotel</i>		-
Airfare	\$	266.39	<i>Total Meals</i>		-
Hotel		204.70	<i>Total Taxi/Bus/Other</i>		-
Meals		36.82	<i>Total Parking</i>		-
Taxi/Bus/Other		28.50	<i>Total Personal Mileage</i>	\$	-
Parking		15.55			
Mileage	\$	-	Mailings/Freight/Postage	\$	73.11
<i>Shawn White</i>					
Airfare	\$	11.36			
Hotel		-			
Meals		-			
Taxi/Bus/Other		-			
Parking		-			
Mileage	\$	-			
<i>Subtotal Airfare</i>	\$	277.75			
<i>Subtotal Hotel</i>		409.40			
<i>Subtotal Meals</i>		46.55			
<i>Subtotal Taxi/Bus/Other</i>		28.50			
<i>Subtotal Parking</i>		27.55			
<i>Subtotal Personal Mileage</i>	\$	-			
Settlement Conference (June 24, 2015)					
<i>Brooke Trammell</i>					
Airfare	\$	229.00			
Hotel		204.70			
Meals		53.97			
Taxi/Bus/Other		-			

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts

		<u>Jul-14</u>		<u>Aug-14</u>
<u>Miscellaneous Expenses</u>			<u>Miscellaneous Expenses</u>	
	Parking	16 00		
	Mileage	\$ -		
<i>Matthew Loftus</i>				
	Parking	\$ 8.00		
<i>Subtotal Airfare</i>	\$	229.00		
<i>Subtotal Hotel</i>		204 70		
<i>Subtotal Meals</i>		53.97		
<i>Subtotal Taxi/Bus/Other</i>		-		
<i>Subtotal Parking</i>		24 00		
<i>Subtotal Personal Mileage</i>	\$	-		
Paper Hearing (July 29, 2014)				
<i>Brooke Trammell</i>				
	Airfare	\$ 98.00		
	Hotel	-		
	Meals	-		
	Taxi/Bus/Other	-		
	Parking	-		
	Mileage	\$ -		
<i>Subtotal Airfare</i>	\$	98.00		
<i>Subtotal Hotel</i>		-		
<i>Subtotal Meals</i>		-		
<i>Subtotal Taxi/Bus/Other</i>		-		
<i>Subtotal Parking</i>		-		
<i>Subtotal Personal Mileage</i>	\$	-		
<i>Total Airfare</i>	\$	604.75		
<i>Total Hotel</i>		614.10		
<i>Total Meals</i>		100.52		
<i>Total Taxi/Bus/Other</i>		28 50		
<i>Total Parking</i>		59 55		
<i>Total Personal Mileage</i>	\$	-		
Mailings/Freight/Postage	\$	68.16		
		<u>\$ 1,475 58</u>		<u>\$ 696.41</u>

Workpapers of Michael V. Pascucci

<u>Miscellaneous Expenses</u>		Sep-14	<u>Miscellaneous Expenses</u>	Oct-14
Paper Hearing (July 29, 2014)				
<i>Shawn White</i>			<i>Total Airfare</i>	\$ -
	Airfare	430.32	<i>Total Hotel</i>	-
	Hotel	-	<i>Total Meals</i>	-
	Meals	-	<i>Total Taxi/Bus/Other</i>	-
	Taxi/Bus/Other	-	<i>Total Parking</i>	-
	Parking	-	<i>Total Personal Mileage</i>	\$ -
	Mileage	\$ -		
<i>Derek Shockley</i>			Mailings/Freight/Postage	\$ -
	Airfare	\$ 217.30		
	Hotel	-		
	Meals	-		
	Taxi/Bus/Other	-		
	Parking	-		
	Mileage	\$ -		
<i>Subtotal Airfare</i>		\$ 647 62		
<i>Subtotal Hotel</i>		-		
<i>Subtotal Meals</i>		-		
<i>Subtotal Taxi/Bus/Other</i>		-		
<i>Subtotal Parking</i>		-		
<i>Subtotal Personal Mileage</i>		\$ -		
<i>Total Airfare</i>		\$ 647 62		
<i>Total Hotel</i>		-		
<i>Total Meals</i>		-		
<i>Total Taxi/Bus/Other</i>		-		
<i>Total Parking</i>		-		
<i>Total Personal Mileage</i>		\$ -		
Mailings/Freight/Postage		\$ -		

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Southwestern Public Service Company

Workpapers of Michael V. Pascucci

<u>Miscellaneous Expenses</u>	<u>Nov-14</u>	<u>Miscellaneous Expenses</u>	<u>Dec-14</u>
<i>Total Airfare</i>	\$ -	<i>Total Airfare</i>	\$ -
<i>Total Hotel</i>	-	<i>Total Hotel</i>	-
<i>Total Meals</i>	-	<i>Total Meals</i>	-
<i>Total Taxi/Bus/Other</i>	-	<i>Total Taxi/Bus/Other</i>	-
<i>Total Parking</i>	-	<i>Total Parking</i>	-
<i>Total Personal Mileage</i>	\$ -	<i>Total Personal Mileage</i>	\$ -
Mailings/Freight/Postage	\$ -	Mailings/Freight/Postage	\$ 6 20

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Southwestern Public Service Company
EECRF Employee/Other Rate Case Expenses by Event
For Docket No. 42454
May 2014 to December 2014

Unadjusted Amounts

Line No.	EECRF Testimony Meeting (April 16, 2014)	Pre-Filing Meeting (April 28-29, 2014)
1	<i>Total Airfare</i>	<i>Total Airfare</i>
2	<i>Total Hotel</i>	<i>Total Hotel</i>
3	<i>Total Meals</i>	<i>Total Meals</i>
4	<i>Total Taxi/Bus/Other</i>	<i>Total Taxi/Bus/Other</i>
5	<i>Total Parking</i>	<i>Total Parking</i>
6	<i>Total Personal Mileage</i>	<i>Total Personal Mileage</i>
7	<i>Total TIPS/Tolls</i>	<i>Total TIPS/Tolls</i>
8	Total EECRF Testimony Meeting	Total Pre-Filing Meeting
9		

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts

Line No.	Pre-Hearing Conference (June 3, 2014)	Technical Conference (June 10, 2014)
1	<i>Total Airfare</i>	<i>Total Airfare</i>
2	<i>Total Hotel</i>	<i>Total Hotel</i>
3	<i>Total Meals</i>	<i>Total Meals</i>
4	<i>Total Taxi/Bus/Other</i>	<i>Total Taxi/Bus/Other</i>
5	<i>Total Parking</i>	<i>Total Parking</i>
6	<i>Total Personal Mileage</i>	<i>Total Personal Mileage</i>
7	<i>Total TIPS/Tolls</i>	<i>Total TIPS/Tolls</i>
8	Total Pre-Hearing Conference	Total Technical Conference
9		

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts

Line No.	Settlement Conference (June 23, 2014)	Paper Hearing (July 29, 2014)
1	<i>Total Airfare</i>	<i>Total Airfare</i>
2	<i>Total Hotel</i>	<i>Total Hotel</i>
3	<i>Total Meals</i>	<i>Total Meals</i>
4	<i>Total Taxi/Bus/Other</i>	<i>Total Taxi/Bus/Other</i>
5	<i>Total Parking</i>	<i>Total Parking</i>
6	<i>Total Personal Mileage</i>	<i>Total Personal Mileage</i>
7	<i>Total TIPS/Tolls</i>	<i>Total TIPS/Tolls</i>
8	Total Settlement Conference	Total Paper Hearing
9	Total Miscellaneous Expenses minus Postage/Freight	

\$ 694.00	1368.92
204.70	0
53.97	0
-	0
24.00	0
-	0
-	0
<u>\$ 976.67</u>	<u>\$ 1,368.92</u>
	<u>\$ 7,734.24</u>

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Southwestern Public Service Company
EECRF Employee/Other Rate Case Expenses by Employee
For Docket No. 42454
May 2014 to December 2014

		Unadjusted Amounts	
Line No.		Jeremiah Cunningham	Susan Bryner
	Brooke Trammell		
1	Total Airfare	\$ 1,985.00	\$ 1,785.00
2	Total Hotel	614.10	419.35
3	Total Meals	192.47	9.73
4	Total Taxi/Bus/Other	195.41	-
5	Total Parking	56.25	36.00
6	Total Personal Mileage	22.40	-
7	Total TIPS/Tolls	\$ -	\$ -
8	Total for Brooke Trammell	\$ 3,065.63	Total for Susan Bryner
			\$ 2,250.08
			\$ 2.12

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts			
Line No.	Matthew Loftus	Michael Pascucci	Shawn White
1	Total Airfare	\$ -	Total Airfare \$ 441.68
2	Total Hotel	-	Total Hotel 55.20
3	Total Meals	-	Total Meals -
4	Total Taxi/Bus/Other	-	Total Taxi/Bus/Other -
5	Total Parking	8.00	Total Parking -
6	Total Personal Mileage	-	Total Personal Mileage -
7	Total TIPS/Tolls	\$ -	Total TIPS/Tolls \$ -
8	Total for Matthew Loftus	\$ 8.00	Total for Shawn White \$ 496.88

Southwestern Public Service Company

Workpapers of Michael V. Pascucci

Unadjusted Amounts			
Line No	Derek Shockley	Mike Luth	
1	Total Airfare	\$ 217.30	Total Airfare \$ 443.36
2	Total Hotel	-	Total Hotel 204.70
3	Total Meals	-	Total Meals 165.15
4	Total Taxi/Bus/Other	-	Total Taxi/Bus/Other 82.04
5	Total Parking	-	Total Parking 8.00
6	Total Personal Mileage	-	Total Personal Mileage 19.72
7	Total TIPS/Tolls	\$ -	Total TIPS/Tolls \$ 2.00
8	Total for Derek Shockley	\$ 217.30	Total for Mike Luth \$ 924.97
Total Miscellaneous Expenses minus Postage/Freight			\$ 7,734.24

DOCKET NO. **44698**

APPLICATION OF SOUTHWESTERN § PUBLIC UTILITY COMMISSION
PUBLIC SERVICE COMPANY TO §
ADJUST ITS ENERGY EFFICIENCY §
COST RECOVERY FACTOR § OF TEXAS

DIRECT TESTIMONY
of
JEFFREY L. COMER

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

(Filename: ComerEECRFDirect.doc)

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
Commission	Public Utility Commission of Texas
CP	Coincident Peak
EECRF	Energy Efficiency Cost Recovery Factor
EM&V	Evaluation, Measurement and Verification
kW	Kilowatt
kWh	Kilowatt-hour
PY	Program Year
Rule 25.181	P.U.C. SUBST. R. 25.181
SPS	Southwestern Public Service Company, a New Mexico corporation
Xcel Energy	Xcel Energy Inc.

LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
JLC-1	Calculation of Energy Efficiency Cost Recovery Factor (<i>Filename:</i> Attachment JLC-1.xls)
JLC-2	Energy Efficiency Cost Recovery Factor Rider (<i>Filename:</i> Attachment JLC-2.doc)
JLC-3	Workpapers of Jeffrey L. Comer (<i>Filename:</i> Attachment JLC-3.pdf)

**DIRECT TESTIMONY
OF
JEFFREY L. COMER**

1 **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is Jeffrey L. Comer. My business address is 600 South Tyler Street, Suite
4 2400, Amarillo, Texas 79101.

5 **Q. On whose behalf are you testifying in this proceeding?**

6 A. I am filing testimony on behalf of Southwestern Public Service Company, a New
7 Mexico corporation ("SPS") and wholly-owned electric utility subsidiary of Xcel
8 Energy Inc. ("Xcel Energy"). Xcel Energy is a registered holding company that
9 owns several electric and natural gas utility operating companies, a regulated natural
10 gas pipeline company, and transmission development companies.¹

11 **Q. By whom are you employed and in what position?**

12 A. I am employed by SPS as Pricing Analyst in the Pricing and Planning Department.

¹ Xcel Energy is the parent company of four wholly-owned electric utility operating companies: Northern States Power Company, a Minnesota corporation; Northern States Power Company, a Wisconsin corporation; Public Service Company of Colorado, a Colorado corporation; and SPS. Xcel Energy's natural gas pipeline subsidiary is WestGas InterState, Inc. Xcel Energy also has two transmission-only operating companies, Xcel Energy Southwest Transmission Company, LLC and Xcel Energy Transmission Development Company, LLC, both of which are regulated by the Federal Energy Regulatory Commission.

1 **Q. Please briefly outline your responsibilities as Pricing Analyst.**

2 A. My primary responsibilities include the development of new rate design proposals
3 and modifications to existing rate structures to comply with regulatory requirements
4 in SPS's Texas and New Mexico retail jurisdictions.

5 **Q. Please describe your educational background.**

6 A. I graduated from Appalachian State University in 1989, with a Bachelor of Science
7 in Accounting. In 2014, I earned a Master of Business Administration degree from
8 Texas A&M University-Commerce.

9 **Q. Please describe your professional experience.**

10 A. I began my career in 1989, as an Independent Auditor with Ernst and Young, LLC.
11 In 1990, I accepted a position as an Internal Auditor with Haverty Furniture
12 Company in Atlanta, Georgia, performing operational audits of each of the stores I
13 visited. In 1995, I became a Cost Analyst with Corporate Systems, Inc., a risk and
14 insurance management solutions provider in Amarillo, Texas, where I developed
15 detailed customer profitability reports. I was promoted to Senior Cost Analyst a year
16 later. In 2006, I joined Bell Helicopter in Amarillo, Texas where I managed the V-
17 22 Osprey production budgets. In August 2008, I accepted my current position of
18 Pricing Analyst with SPS.

19 **Q. Have you attended or taken any special courses or seminars relating to public**
20 **utilities?**

21 A. Yes. I completed a course entitled, "Rates to Meet New Market Opportunities and
22 Constraints" in July 2011 offered by Edison Electric Institute. I also completed a

1 course entitled, "The Basics: Practical Regulatory Training for the Electric and
2 Natural Gas Industries" in May 2009 offered by the Center for Public Utilities at
3 New Mexico State University.

4 **Q. Have you previously filed testimony before any regulatory agency?**

5 A. Yes. I submitted pre-filed testimony on behalf of SPS before the Public Utility
6 Commission of Texas ("Commission") in Docket No. 40293, SPS's 2012 Energy
7 Efficiency Cost Recovery Factor ("EECRF") proceeding, and Docket No. 43361,
8 SPS's Transmission Cost Recovery Factor True-up, on the topic of cost allocation
9 and rate design. Additionally, I testified on behalf of SPS before the New Mexico
10 Public Regulation Commission regarding cost allocation and rate design in Case No.
11 13-00286-UT, SPS's 2014 energy efficiency plan.

1 **II. ASSIGNMENT AND RECOMMENDATIONS**

2 **Q. What are your assignments in this proceeding?**

3 A. I discuss SPS's current EECRF. I also describe and quantify the elements of SPS's
4 proposed EECRF for Program Year ("PY") 2016, including the incentive payments
5 and the net over-recovery of PY 2014 costs. In addition, I:

- 6 • support the allocation of costs among rate classes eligible to participate in the
7 energy efficiency programs whose costs are recovered through the EECRF;
8 • support the forecast of billing determinants in PY 2016 and the EECRF rate
9 design;
10 • discuss SPS's compliance with the customer cost caps imposed by P.U.C.
11 SUBST. R. 25.181 ("Rule 25.181"); and
12 • sponsor the EECRF tariff rider for PY 2016.

13 In support of my testimony, I provide Attachment JLC-1, which reflects the
14 calculation of SPS's 2016 EECRF, and Attachment JLC-2, which contains the
15 EECRF tariff rider reflecting the adjusted rates. In addition, I provide the
16 workpapers that I used to complete my testimony and attachments in Attachment
17 JLC-3.

18 **Q. What recommendations do you make in this proceeding?**

19 A. I recommend that the Commission adopt the overall EECRF cost allocation and rate
20 design that I sponsor in this testimony. Those rates accurately reflect SPS's
21 projected EECRF costs for PY 2016, and they are within the cost caps prescribed by
22 Rule 25.181.

1

2

III. SPS'S CURRENT EECRF

3 **Q. Does SPS currently have a Commission-approved EECRF in place?**

4 A. Yes. In Docket No. 39364, the Commission approved SPS's first EECRF, for PY
5 2012.² That EECRF was adjusted in Docket No. 40293 for PY 2013,³ Docket No.
6 41446⁴ for PY 2014, and Docket No. 42454 for 2015. SPS currently charges the
7 EECRF rates approved in Docket No. 42454 to its eligible customers.

8 **Q. What are the effective dates for SPS's current EECRF approved in Docket No.**
9 **42454?**

10 A. The effective dates of SPS's current EECRF are January 1, 2015 through December
11 31, 2015.

² *Application of Southwestern Public Service Company for Approval of an Energy Efficiency Cost Recovery Factor*, Docket No. 39364, Final Order (Sept. 2, 2011).

³ *Application of Southwestern Public Service Company to Adjust its Energy Efficiency Cost Recovery Factor*, Docket No. 40293, Final Order (June 28, 2012).

⁴ *Application of Southwestern Public Service Company to Adjust its Energy Efficiency Cost Recovery Factor*, Docket No. 41446, Final Order (Nov. 4, 2013).

1 **IV. ELEMENTS OF SPS'S PROPOSED 2016 EECRF**

2 **Q. How much does SPS seek to recover through its 2016 EECRF?**

3 A. SPS seeks Commission approval to recover \$2,845,862 through its EECRF for PY
4 2016, which is January 1, 2016 through December 31, 2016. These costs are
5 summarized in Attachment JLC-1, page 1, lines 1-8.

6 **Q. What are the elements of costs that comprise the \$2,845,862 of EECRF costs?**

7 A. The elements of costs in the PY 2016 EECRF are:

- 8 • SPS's forecasted energy efficiency costs in PY 2016 (including program and
9 administrative costs) of \$3,390,062;
- 10 • less the \$672,864 of SPS's over-recovered PY 2014 energy efficiency
11 expenses; and
- 12 • plus the \$128,663 of rate case expenses incurred in Docket No. 42454, SPS's
13 2014 EECRF proceeding.

14 **Q. What are SPS's forecasted energy efficiency expenses in PY 2016?**

15 A. SPS's forecasted energy efficiency expenses in PY 2016 are \$3,390,062 (Attachment
16 JLC-1, page 2 row 8). That amount includes: (1) \$3,002,700 for incentive costs; (2)
17 \$312,606 for administrative costs; (3) \$40,000 for research and development costs;
18 and (4) \$34,756 for Evaluation, Measurement and Verification ("EM&V") costs
19 allocated to SPS by the Commission.

20 **Q. Is SPS proposing to adjust the 2016 EECRF for under- or over-recovery of its**
21 **energy efficiency expenditures in PY 2014?**

22 A. Yes. As I will discuss in the next section of my testimony, SPS over-recovered its
23 energy efficiency costs by an overall amount of \$672,864 in PY 2014 (Attachment

1 JLC-1, page 4). In addition, \$128,663 of EECRF proceeding expenses incurred by
2 SPS in Docket No. 42454 are offset against the over-recovery (Attachment JLC-1,
3 page 5). That produces a net over-recovery amount of approximately \$544,200
4 (Attachment JLC-1, page 1).

5 **Q. Is SPS seeking recovery of a performance bonus in this docket?**

6 A. No. SPS is not eligible to recover a performance bonus in its PY 2016 EECRF
7 because it did not exceed its demand reduction goal in PY 2014. SPS witness
8 Michael V. Pascucci discusses this further in his direct testimony.

9 **Q. Do SPS's base rates recover any of the 2016 energy efficiency program and**
10 **other expenses SPS is seeking permission to recover in this proceeding?**

11 A. No. SPS's base rates do not recover any of the energy efficiency expenses that will
12 be incurred in PY 2016.

V. RECOVERY OF 2014 EECRF COSTS

Q. You testified earlier that SPS over-recovered its EECRF costs in PY 2014 on an overall basis. By how much did SPS over-recover its costs?

A. In PY 2014, SPS recovered a total of \$3,152,432 in revenue under the EECRF tariff, compared to \$2,479,568 of spending on energy efficiency programs, for an over-recovery of \$672,864. Please refer to Attachment JLC-1, page 4. Under Rule 25.181(f)(1)(A), however, the utility's over-recovery or under-recovery amount includes the utility and municipal EECRF proceeding expenses. In Docket No. 42454, SPS's 2014 EECRF proceeding, SPS incurred \$128,663 of expenses. Subtracting that amount from the PY 2014 over-recovery amount yields a net over-recovery for PY 2014 of \$544,200. Please refer to Attachment JLC-1, page 1.

Q. How are rate case expenses from Docket No. 42454 allocated to the EECRF rate classes?

A. The \$128,663 of rate case expenses are allocated to each EECRF rate class in proportion to its actual 2014 program costs incurred. Please refer to Attachment JLC-1, page 5.

Q. How will the over-recovery be reflected in PY 2016 EECRF rates?

A. Costs recoverable through the 2016 EECRF for each EECRF rate class will be offset by the amount of the PY 2014 over-recovery or increased by the amount of the PY 2014 under-recovery from each EECRF rate class.

Q. Are there other PY 2014-related costs recoverable through PY 2016 rates?

A. No.

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1 proceeding, Docket No. 40293. Because the energy efficiency programs are
2 designed to reduce both peak demand and energy, a 50/50 weighted allocation
3 between CP and kWh is reasonable, and consistent with this previous EECRF
4 stipulation. The allocation of commercial program costs is shown on Attachment
5 JLC-1, page 3.

6 PY 2015 Residential program costs are direct assigned to Residential Service
7 customers.

8 **Q. Did SPS take system line losses into consideration in its allocation of costs to the**
9 **EECRF rate classes?**

10 A. Yes. It is necessary to consider line losses because power and energy are lost
11 between the power source (*i.e.*, a generating station) and the customer's meter,
12 especially as the voltage-level at which the customer takes service is reduced.
13 Accounting for line losses is also consistent with how SPS allocates capacity and
14 energy costs in base rate filings, the most recently-completed base rate case being
15 Docket No. 42004.⁵

16 **Q. What line loss factors did SPS use in its cost allocation?**

17 A. SPS used the line loss factors approved in Docket No. 42004, which are shown in the
18 following table.

⁵ Final Order approving Stipulation, *Application of Southwestern Public Service Company for Authority to Charge Rates and to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2012 through June 30, 2013*; Docket No. 42004 (Dec. 19, 2014).

Table JLC-1

Service Level	Energy Loss Factor	Demand Loss Factor
Service Level 1 (Source Voltage)	1.000000	1.000000
Service Level 2 (115 kV and higher)	1.025158	1.026174
Service Level 3 (69 kV)	1.032914	1.035392
Service Level 4 (Primary Voltage Service)	1.099263	1.127359
Service Level 5 (Secondary Voltage Service at Transformer)	1.118223	1.158647
Service Level 6 (Secondary Voltage with distribution service line)	1.121893	1.164118

2 **Q. How did you apply the line loss factors?**

3 A. I applied the line loss factors to the meter-level forecasted kWh and CP kilowatts
4 (“kW”) to arrive at line loss-adjusted kWh and CP kW. Line loss-adjusted kWh and
5 CP kW are then used to allocate EECRF costs among commercial rate class
6 customers. Please refer to Attachment JLC-1, pages 2 and 3 for the calculation.

7 **Q. To which EECRF rate classes did SPS allocate energy efficiency costs?**

8 A. SPS allocated energy efficiency costs to residential and commercial EECRF rate
9 classes that received service under the programs in PY 2014 in accordance with Rule
10 25.181(c)(49) and (f)(2).

11 **Q. What does Rule 25.181(f)(2) require?**

12 A. Rule 25.181(f)(2) allows the Commission to set an EECRF for “each eligible rate
13 class” and requires that costs be directly assigned to each EECRF rate class that
14 receives services under the energy efficiency program to the maximum extent
15 reasonably possible. Section (c)(49) of P.U.C. SUBST. R. 25.181 defines “rate class”
16 for the purpose of calculating EECRF rates as “those retail rate classes approved in

1 the utility's most recent base rate proceeding, excluding non-eligible customers."

2 **Q. What is SPS's most recent base rate proceeding?**

3 A. SPS's most recent base rate proceeding was Docket No. 42004.

4 **Q. Did Docket No. 42004 approve retail rate classes for the purposes of SPS's**
5 **EECRF?**

6 A. No. The final order in Docket No. 42004 approved a stipulation whereby the parties
7 agreed that "The listing and organization of rates on this exhibit does not represent
8 an agreement on what is a 'rate class' and is not precedential on what 'rate classes'
9 were used in this case and is not precedential on how to define the terms 'rate' and
10 'rate class' in SPS's next base rate case or in future SPS proceedings."⁶

11 SPS's retail rate classes were approved in its previous base rate proceeding,
12 Docket No. 40824.⁷ In Finding of Fact 26.c of the Final Order in that docket, the
13 Commission approved the following five major rate classes, as set forth in Exhibit A
14 of the Order: (1) Residential Service, (2) Small General Service, (3) Commercial &
15 Industrial Service, (4) Municipal & Schools Service, and (5) Street & Area Lighting
16 Service. Therefore, for the purpose of calculating SPS's PY 2016 EECRF rates,
17 SPS's EECRF rate classes are based on those retail rate classes approved in Docket

6 Non-Unanimous Stipulation, Exhibit A, Docket No. 42004 (Dec. 19, 2014) (parties to the Stipulation were Staff of the Commission, SPS, Office of Public Utility Counsel, Texas Industrial Energy Consumers, State of Texas agencies and institutions of higher education, Alliance of Xcel Municipalities, Texas Cotton Ginners' Association, Occidental Permian Ltd., Pioneer Natural Resources USA, Inc., U.S. Department of Energy, Wal-Mart Stores, LLC and Sam's East, Inc., Canadian river Municipal Water Authority, Carson County Gin, LLP, and Amarillo Recycling. Golden Spread Electric Cooperative, Inc. and Sierra Club did not join the Stipulation. Intervenor Laurance Kriegel opposed the Stipulation.

7 Final Order approving uncontested stipulation, *Application of Southwestern Public Service Company for Authority to Change Rates and Reconcile Fuel and Purchased Power Costs for the Period January 1, 2010 Through June 30, 2012* (June 19, 2013).

1 No. 40824.

2 **Q. Do SPS's proposed EECRF rate classes comply with Rule 25.181(f)(2)?**

3 A. Yes. SPS set a single EECRF rate for the Residential Service rate class and a single
4 EECRF rate for the Small General Service rate class. Additionally, SPS set a
5 Secondary General Service and Primary General Service EECRF rate in the
6 Commercial & Industrial rate class, and a Small Municipal and School Service,
7 Large Municipal Service, and a Large School Service EECRF rate in the Municipal
8 & Schools Service rate class. SPS does not propose to set an EECRF rate for the
9 Street & Area Lighting Service rate class, because all of the customers in that rate
10 class are non-eligible customers.

11 **Q. Why does SPS propose to establish more than one EECRF rate for customers**
12 **within the Commercial & Industrial Service rate class and for customers within**
13 **the Municipal & Schools Service rate class?**

14 A. To comply with the requirement in Rule 25.181(f)(2) to directly assign energy
15 efficiency program costs "to the maximum extent reasonably possible," SPS set two
16 EECRF rates within the Commercial & Industrial Service rate class and three
17 EECRF rates within the Municipal & Schools Service rate class, excluding non-
18 eligible customers within those rate classes.

19 **Q. Why did SPS not set two EECRF rates for the Residential Service rate class?**

20 A. Consistent with Rule 25.181(c)(49) and (f)(2), SPS set one EECRF rate for all
21 Residential Service rate class customers. That EECRF rate would apply to both
22 those customers taking service under the Residential Service (Tariff Sheet No. IV-3)
23 and those customers taking service under the Residential Service with Electric Space

1 Heating (Tariff Sheet No. IV-184). SPS believes that charges to residential
2 customers for energy efficiency programs should be uniform because the dual-
3 purpose demand and energy reduction goals of energy efficiency programs benefit all
4 residential customers in a similar manner. Outside of the primary source of energy
5 for space heating during off-peak months, all residential customers are similar in the
6 use of electricity for residential purposes: lighting, cooling and appliances. Given
7 the substantial similarities among residential customers, SPS believes that it is
8 reasonable to group all Residential Service rate class customers under a single
9 EECRF rate to recover costs that represent less than 7/10ths of one percent of total
10 costs currently billed to residential customers, and that the resulting allocation to all
11 residential customers is reasonable.

12 **Q. What EECRF rate would apply to Commercial & Industrial Service rate class**
13 **customers taking service under Service Agreements?**

14 A. As in its previous EECRF proceedings, including Docket No. 42454 that authorized
15 the current EECRF, SPS proposes to set a single EECRF rate for Commercial &
16 Industrial Service rate class customers taking service under the Primary General
17 Service Tariff, SAS-4, SAS-8, and SAS-13 because the Primary General Service rate
18 would otherwise apply to those service agreement customers in the absence of the
19 service agreements. Each of those service agreements is applicable to a single
20 Commercial & Industrial Service rate class customer with service connections at
21 primary voltage.

1 **Q. Is SPS's proposal to set seven EECRF rates consistent with its approach in**
2 **other SPS EECRF proceedings?**

3 A. Yes, it is consistent with the method SPS has used to allocate costs in previous
4 EECRF filings. In Docket No. 41446, the proceeding to establish SPS's 2014
5 EECRF, and in Docket No. 42454, the proceeding to establish SPS's 2015 EECRF,
6 the Commission approved the same seven EECRF rates as SPS has requested in this
7 proceeding for the same five retail rate classes.⁸

8 In Conclusion of Law 22 of the Final Order in Docket No. 42454, the Commission stated that "SPS's proposed seven EECRF rate classes are reasonable and consistent with P.U.C. SUBST. R. 25.181(f)'s requirement to directly assign costs to the maximum extent reasonably possible" and "the program-year 2015 administrative costs, including rate-case expenses and research and development costs, allocated to the rate classes are reasonable and consistent with P.U.C. SUBST. R. 25.181.

1 **VII. RATE DESIGN OF EECRF**

2 **Q. After costs are allocated to the appropriate EECRF rate class, what is the next**
3 **step in the EECRF calculation?**

4 A. The next step is to determine the PY 2016 forecasted billing determinants by eligible
5 rate class and to calculate EECRF rates.

6 **Q. Please describe how SPS determined the 2016 forecasted billing determinants.**

7 A. As part of its normal course of business, SPS projects monthly energy (kWh) sales.
8 The Forecasting Department provides total retail sales at the meter for each Texas
9 retail rate class. These rate class projected kWh sales are used to determine PY 2016
10 EECRF billing determinants. The EECRF billing units are reflected in Attachment
11 JLC-1, page 1.

12 **Q. Do the forecasted kWh sales developed in SPS's normal course of business**
13 **assume normal weather conditions?**

14 A. Yes. Normal daily weather was based on the average of the last thirty years of
15 historical heating-degree days and cooling-degree days. The heating-degree days
16 and cooling-degree days were weighted by the number of times a particular billing
17 cycle day was included in a billing month. These weighted heating-degree days and
18 cooling-degree days were divided by the total billing cycle days to arrive at average
19 daily heating-degree days and cooling-degree days for a billing month.

1 **Q.** Has the Commission approved the use of 30-year average weather for
2 calculating EECRF billing determinants?

3 A. Yes. The Commission's order in Docket No. 42454 approved SPS's calculation of
4 billing determinants using 30-year average weather.⁹

5 **Q.** Did SPS adjust the forecasted billing determinants to account for line losses?

6 A. No. It is not necessary to adjust the forecast for line losses because meter-level data
7 is developed in the SPS forecasts, which is the same level at which SPS customers
8 are billed.

9 **Q.** Rule 25.181(f)(10)(E) also requires the utility to provide the billing determinants
10 for the most recent year. What were SPS's billing determinants for 2014?

11 A. The actual billing determinants for 2014 are shown in Attachment JLC-1, page 4.
12 Those billing determinants were not weather-normalized because the amounts billed
13 under the PY 2014 EECRF are based upon actual kWh, not weather-normalized
14 kWh.

15 **Q.** Is the entire difference between the PY 2016 billing determinants and the actual
16 2014 billing determinants attributable to weather-normalization?

17 A. No. Other factors, such as the changing mix of customers and changes in how
18 customers use electricity, also affect forecasted 2016 kWh compared to 2014 actual
19 kWh.

9 Docket No. 42454 at COL 25.

1 **Q. Does Rule 25.181 prescribe the types of billing determinants to be used for**
2 **billing the EECRF?**

3 A. Yes. Under Rule 25.181(f)(6), the utility can impose only energy charges for
4 residential customers and for those commercial classes whose base rates do not
5 provide for demand charges. For the commercial classes whose base rates do
6 provide for demand charges, the EECRF rates can provide for energy charges or
7 demand charges, but not both. If an EECRF charge is based upon demand, a demand
8 ratchet mechanism cannot be applied to the EECRF.

9 **Q. How does SPS propose to bill its customers for the EECRF?**

10 A. SPS does not charge demand rates for its Residential Service, Small General Service,
11 and Small Municipal and School Service rate classes. Therefore, under Rule
12 25.181(f)(6), SPS must recover the EECRF amounts from those rate classes using a
13 kWh-based energy charge only. Although SPS charges demand rates in addition to
14 kWh energy rates under its Secondary General, Primary General (except customers
15 taking service under SAS-4, SAS-8, and SAS-13), Large Municipal, and Large
16 School rate classes, SPS proposes to use an energy charge (per kWh) only for
17 recovery of energy efficiency costs from those classes as well. An energy charge is
18 appropriate, in part, because some of the costs recovered through the EECRF are for
19 programs aimed at reducing energy consumption. In addition, for billing and rate
20 design purposes, the rule states the maximum charge in kWh terms, so it is easier to
21 determine whether the rate is in compliance with the maximum rate per kWh if the
22 rate itself is kWh-based.

1 **Q. How were the EECRFs for the various rate classes determined using PY 2016**
2 **projected billing units?**

3 A. After quantifying the EECRF class energy efficiency revenue requirements and
4 projected 2016 kWh billing units excluding industrial and opt-out customers, SPS
5 calculated the EECRF for each rate class by dividing costs recoverable through the
6 EECRF by the projected 2016 billing units for each rate class. Please refer to
7 Attachment JLC-1, page 1, lines 1-8. The resulting rate class EECRFs will be
8 applied to each retail customer's 2016 billed kWh.

9 **Q. What EECRF rates does SPS propose for PY 2016?**

10 A. Based upon the calculations described above, the proposed PY 2016 EECRFs are as
11 shown in Table JLC-2:

Table JLC-2

2016 EECRF (\$/kWh) by Rate Class	
EECRF Rate Class	2016 EECRF
Residential Service	\$ 0.000735
Small General Service	\$ 0.000352
Secondary General Service	\$ 0.000166
Primary General Service	\$ 0.000141
Small Municipal and School Service	\$ 0.000338
Large Municipal Service	\$ 0.000155
Large School Service	\$ 0.001495

12

13 These factors also appear on Attachment JLC-1, page 1.

1 **VIII. COMPLIANCE WITH CUSTOMER COST CAPS**

2 **Q. Does Rule 25.181 establish any limits on the total EECRF charged to**
3 **customers?**

4 A. Yes. Rule 25.181(f)(7) sets maximum limits on the amounts that can be charged to
5 retail customers for energy efficiency programs.

6 **Q. What are the cost caps set forth in Rule 25.181(f)(7) for PY 2015?**

7 A. Rule 25.181 Subsection (f)(7)(E) states:

8 “For the 2014 program year and thereafter, the residential and
9 commercial cost caps shall be calculated to be the prior period’s cost
10 caps increased by a rate equal to the most recently available calendar
11 year’s percentage change in the South urban consumer price index
12 (CPI), as determined by the Federal Bureau of Labor Statistics.”

13 **Q. Have you determined what the percentage change is for the South Urban CPI in**
14 **the most recently available calendar year?**

15 A. Yes. The cumulative percentage change in the South Urban CPI for calendar year
16 2014 over calendar year 2012 was 3.27 percent. Therefore, I escalated the stated
17 2013 rate caps provided in Rule 25.181 (f)(7)(E) by 3.27 percent to determine the
18 maximum 2016 residential and commercial EECRF. The resulting caps are shown
19 on Attachment JLC-1, page 1.

20 **Q. What is the basis for determining whether proposed EECRF rates are in excess**
21 **of the CPI-adjusted cap for the 2016 program year?**

22 A. The caps are based upon the recovery of 2016 program costs, excluding Evaluation,
23 Measurement, and Verification costs, and do not include recovery of prior year under
24 or over-recovered balances.

1 **Q.** Do the EECRF rates requested by SPS in this proceeding exceed the caps set
2 forth above?

3 A. No.

4 **Q.** If SPS's EECRF is approved, what is the expected impact on a residential
5 customer's monthly bill?

6 A. The amount billed to a residential customer using 1,000 kWh of electricity per month
7 would increase by approximately \$0.10 per month as compared to the EECRF
8 currently in place.¹⁰ A 1,000 kWh residential customer would be charged \$0.64 per
9 month under the current EECRF, and \$0.74 per month under the proposed EECRF.

¹⁰ Proposed EECRF = $\$0.000735 \times 1,000 \text{ kWh} = \0.74 . Current EECRF: $\$0.000636 \times 1,000 \text{ kWh} = \0.64 .

1 **VIII. TARIFF REVISIONS**

2 **Q. Have you included an updated EECRF tariff rider that reflects SPS's proposed**
3 **rates for 2016?**

4 **A. Yes. Please refer to Attachment JLC-2.**

1

IX. CONCLUSION

2

Q. Were Attachments JLC-1 through JLC-3 prepared by you or under your direct supervision and control?

3

4

A. Yes.

5

Q. Does this conclude your pre-filed direct testimony?

6

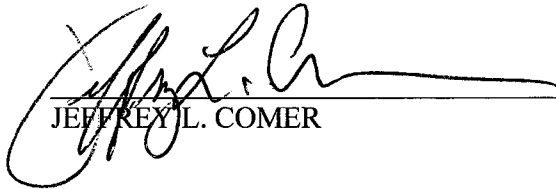
A. Yes.

AFFIDAVIT

STATE OF TEXAS)
)
COUNTY OF POTTER)

JEFFREY L. COMER, first being sworn on his oath, states:

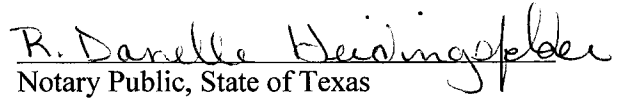
I am the witness identified in the preceding testimony. I have read the testimony and the accompanying attachments and am familiar with their contents. Based upon my personal knowledge, the facts stated in the testimony are true. In addition, in my judgment and based upon my professional experience, the opinions and conclusions stated in the testimony are true, valid, and accurate.



JEFFREY L. COMER

Subscribed and sworn to before me this 24 day of April, 2015 by Jeffrey L. Comer.





Notary Public, State of Texas

My Commission Expires: January 8, 2019

CERTIFICATE OF SERVICE

I certify that on the 1st day of May 2015, a true and correct copy of the foregoing instrument was served on all parties of record by hand delivery, Federal Express, regular first class mail, certified mail, electronic mail, or facsimile transmission.



CALCULATION OF EECRF RATES FOR PROGRAM YEAR 2016

Line No.	EECRF Class	Allocated 2016 Program Costs	Plus/minus Under/(Over) Recovery of 2014 PY Costs	Plus: Docket No. 42/54 Rate Case Expenses	Net Under/(Over) Recovery of 2014 Costs	Net Recoverable Costs in 2016 Program Year ⁽¹⁾	Divided by: Net Forecast 2016 EECRF Metered kWh	= 2016 EECRF per kWh
1	Residential	\$ 1,707,175	\$ (18,202)	\$ 76,651	\$ 58,449	\$ 1,765,624	2,403,059,067	\$ 0.000735
2	Small General Service	\$ 17,699	\$ 76,502	\$ 95,298	\$ 77,599	\$ 95,298	270,652,475	\$ 0.000352
3	Secondary General Service	\$ 303,872	\$ 10,108	\$ 33,160	\$ 43,269	\$ 347,141	2,096,824,237	\$ 0.000166
4	Primary General Service	\$ 1,312,322	\$ (999,695)	\$ 1,756	\$ (997,939)	\$ 314,383	2,228,651,102	\$ 0.000141
5	Small Municipal and School Service	\$ 1,135	\$ 4,979	\$ 107	\$ 5,086	\$ 6,221	18,403,699	\$ 0.000338
6	Large Municipal Service	\$ 35,076	\$ (8,755)	\$ 577	\$ (8,178)	\$ 26,898	173,576,684	\$ 0.000155
7	Large School Service	\$ 12,783	\$ 262,199	\$ 15,316	\$ 277,514	\$ 290,298	194,208,176	\$ 0.001495
8		\$ 3,390,062	\$ (672,864)	\$ 128,663	\$ (544,200)	\$ 2,845,862	7,395,375,439	\$ 0.000386

Excluding Under/(Over) Recovery of 2014 Costs.

	Allocated 2016 Program Costs, excluding EM&V and 2014 Municipal Rate Case	EECRF Class Expenses ⁽²⁾	Divided by Net Forecast 2016 EECRF Metered KWh
9	Residential	\$ 1,650,956	2,403,059.067
10	Small General Service	\$ 16,971	270,652.475
11	Secondary General Service	\$ 297,600	2,096,824.237
12	Primary General Service	\$ 1,301,893	2,228,651,102
13	Small Municipal and School Service	\$ 1,068	18,403.699
14	Large Municipal Service	\$ 34,540	173,576.684
15	Large School Service	\$ 12,258	194,209.176
16		\$ 3,355,306	7,385,375.439

Maximum Rates:

		2014 (2013, adjusted for most recent change in CPI - South urban)	CPI - South Urban, 2012 → 2013	2015	CPI - South Urban, 2014 → 2013
EECRF Class					
17 Residential	\$	0.001220	1.0156	\$ 0.001239	1.0169
18 Commercial	\$	0.000763	1.0156	\$ 0.000775	1.0169
			= 226.721 + 223.242		= 230.552 + 228.721
				Cumulative	1.0327
					=230.552 + 223.242

¹ = Allocated 2016 Program Costs + Net Under/(over) Recovery of 2014 PY Costs

² = SPS is not requesting recovery of 2014 municipal Rate Case Expenses in its 2016 EECRF

³ = Sum of Costs, lines 10 through 15 ÷ Sum of Metered kWh, lines 10 through 15

SOUTHWESTERN PUBLIC SERVICE COMPANY

2016 PROGRAM BUDGET

Program	Incentives	Program-Specific Admin	Allocation of General Administrative Costs	Allocation of R&D	Allocation of EM&V	Total
Commercial	\$ 1,495,200	\$ 62,009	\$ 87,224	\$ 19,917	\$ 18,538	\$ 1,682,887
1 Commercial & Industrial SOP	\$ 906,100	\$ 28,221	\$ 52,858	\$ 12,070	\$ 11,185	\$ 1,010,434
2 Small Commercial SOP	\$ 53,300	\$ 5,000	\$ 3,109	\$ 710	\$ 2,095	\$ 64,214
3 Load Management SOP	\$ 150,000	\$ 24,788	\$ 8,750	\$ 1,998	\$ 1,022	\$ 186,559
4 Recommisioning MTP	\$ 385,800	\$ 4,000	\$ 22,506	\$ 5,139	\$ 4,235	\$ 421,680
Residential	\$ 632,500	\$ 21,538	\$ 36,897	\$ 8,426	\$ 8,058	\$ 707,420
5 Residential SOP	\$ 632,500	\$ 21,538	\$ 36,897	\$ 8,426	\$ 8,058	\$ 707,420
Hard-to-Reach	\$ 875,000	\$ 53,894	\$ 51,044	\$ 11,657	\$ 8,161	\$ 999,756
6 Hard-to-Reach	\$ 500,000	\$ 16,394	\$ 29,168	\$ 6,661	\$ 6,797	\$ 559,020
7 Low-Income Weatherization	\$ 375,000	\$ 37,500	\$ 21,876	\$ 4,996	\$ 1,364	\$ 440,736
Total	\$ 3,002,700	\$ 137,441	\$ 175,165	\$ 40,000	\$ 34,756	\$ 3,390,062

C&I SOP = Large Commercial SOP.
R&D and EM&V costs are allocated according to each program's share of total incentive costs (consistent with Company request).

Assignment of Residential Costs	Residential SOP	Hard-to-Reach	Low-Income Weatherization	Total
Residential	\$ 707,420	\$ 559,020	\$ 440,736	\$ 1,707,175

Allocation of Commercial Budget

Eligibility of Commercial EECRF Classes for Programs

Commercial EECRF Class	C&I SOP	Small Comm. SOP	Load Mgt. SOP	Retro-Cmsn MTP
Small General Service	No	Yes	Yes	No
Secondary General Service	Yes	Yes	Yes	Yes
Primary General Service	Yes	Yes	Yes	Yes
Small Municipal and School Service	No	Yes	Yes	No
Large Municipal Service	Yes	Yes	Yes	Yes
Large School Service	Yes	Yes	Yes	Yes
Total	\$ 1,010,434	\$ 64,214	\$ 186,559	\$ 421,680

1,682,887

SOUTHWESTERN PUBLIC SERVICE COMPANY

2016 PROGRAM BUDGET

Allocation of Budget to Eligible Customer EECRF Classes

Commercial EECRF Class	Small Comm. SOP - Alloc	C&I SOP - Alloc.	Load Mgt. SOP - Alloc.	Retro-Cnsmn. MTP - Alloc.	SubTotal	Allocation of R&D	Allocation of EM&V	Total
Small General Service	\$ 5,555	\$ -	\$ 11,230	\$ -	\$ 16,785	\$ 186	\$ 728	\$ 17,699
Secondary General Service	\$ 38,132	\$ 121,170	\$ 84,219	\$ 50,608	\$ 294,130	\$ 3,470	\$ 6,273	\$ 303,872
Primary General Service	\$ 10,682	\$ 848,359	\$ 72,820	\$ 354,326	\$ 1,286,188	\$ 15,705	\$ 10,429	\$ 1,312,322
Small Municipal and School Service	\$ 357	\$ -	\$ 720	\$ -	\$ 1,076	\$ 12	\$ 47	\$ 1,135
Large Municipal Service	\$ 2,673	\$ 17,650	\$ 6,437	\$ 7,372	\$ 34,131	\$ 409	\$ 536	\$ 35,076
Large School Service	\$ 4,011	\$ -	\$ 8,112	\$ -	\$ 12,123	\$ 135	\$ 526	\$ 12,783
Total	\$ 61,409	\$ 987,179	\$ 183,538	\$ 412,306	\$ 1,644,433	\$ 19,917	\$ 18,538	\$ 1,682,887

*Note: Net 4-CP kW proj. 2016 and net 2016 proj. kWh do not include opt-out customers.
Allocation adjusted to reflect to the extent which customers in Sec Gen, Pri Gen, Large Muni, Large School are eligible for Small Commercial SOP.

	Net 4-CP kW 2016 Proj.		
	Small	Large	Total
Small General Service	58,391	-	58,391
Small Municipal and School Service	3,556	-	3,556
Large Municipal Service	25,332	4,987	30,318
Large School Service	42,532	-	42,532
Secondary General Service	390,713	36,623	427,336
Primary Service	89,106	214,262	303,368
	<u>609,629</u>	<u>255,871</u>	<u>865,500</u>

	Net Proj. 2016 Line Loss-adjusted kWh		
	Small	Large	Total
Small General Service	303,643,118	-	303,643,118
Small Municipal and School Service	20,646,982	-	20,646,982
Large Municipal Service	162,254,389	31,940,107	194,194,496
Large School Service	217,090,297	-	217,090,297
Secondary General Service	2,143,773,064	200,944,024	2,344,717,088
Primary Service	719,584,014	1,730,289,682	2,449,873,696
	<u>3,566,991,863</u>	<u>1,963,173,813</u>	<u>5,530,165,677</u>

SOUTHWESTERN PUBLIC SERVICE COMPANY

**CALCULATION OF EECRF RECOVERY BALANCES
YEAR ENDED DECEMBER 31, 2014**

<u>EECRF Class</u>	<u>Actual Program Costs</u>	<u>Amount Charged</u>	<u>Over/(under) Recovery</u>
Residential	\$ 1,477,199	\$ 1,495,402	\$ 18,202
Small General Service	\$ 21,143	\$ (55,359)	\$ (76,502)
Secondary General Service	\$ 639,057	\$ 628,949	\$ (10,108)
Primary General Service	\$ 33,834	\$ 1,033,529	\$ 999,695
Small Municipal and School Service	\$ 2,060	\$ (2,919)	\$ (4,979)
Large Municipal Service	\$ 11,115	\$ 19,869	\$ 8,755
Large School Service	\$ 295,160	\$ 32,961	\$ (262,199)
	<u>\$ 2,479,568</u>	<u>\$ 3,152,432</u>	<u>\$ 672,864</u>
			<u>\$ 672,864</u>

Detail on 2014 EECRF Billing:

	<u>Billed in 2014</u>	<u>\$</u>
	<u>kWh</u>	
Residential	2,407,952,142	\$ 1,495,402
Small General Service	270,360,330	\$ (55,359)
Secondary General Service	2,164,006,561	\$ 628,949
Primary General Service	2,292,898,689	\$ 1,033,529
Small Municipal and School Service	17,749,316	\$ (2,919)
Large Municipal Service	182,575,407	\$ 19,869
Large School Service	177,767,134	\$ 32,961
	<u>7,513,309,579</u>	<u>\$ 3,152,432</u>

SOUTHWESTERN PUBLIC SERVICE COMPANY

Allocation of EECRF Rate Case Expenses, based in part upon
Allocation of Commercial Program Administrative, General Administrative,
R&D and EM&V

Rate Case Expenses From Docket No. 42454

\$ 128,663

	2014 Program Costs		Allocated Rate Case Expenses	
Residential	\$ 1,477,199	59.575%	\$ 76,651	
Small General Service	\$ 21,143	0.853%	\$ 1,097	
Secondary General Service	\$ 639,057	25.773%	\$ 33,160	
Primary General Service	\$ 33,834	1.365%	\$ 1,756	
Small Municipal and School Service	\$ 2,060	0.083%	\$ 107	
Large Municipal Service	\$ 11,115	0.448%	\$ 577	
Large School Service	\$ 295,160	11.904%	\$ 15,316	
	\$ 2,479,568	100.000%	\$ 128,663	
			Allocation of Program Administration; General Administration and R&D	Total
Commercial Program Administrative, General Administrative, R&D, and EM&V	2014 Program Incentive Costs	Class Share		
<i>Large Commercial SOP</i>				
Small General Service	\$ 10,105	2.275%	\$ 2,017	\$ 12,122
Secondary General Service	\$ 177,599	39.982%	\$ 35,444	\$ 213,044
Primary General Service	\$ -	0.000%	\$ -	\$ -
Small Municipal and School Service	\$ 1,717	0.387%	\$ 343	\$ 2,060
Large Municipal Service	\$ 9,265	2.086%	\$ 1,849	\$ 11,115
Large School Service	\$ 245,511	55.271%	\$ 48,998	\$ 294,509
	\$ 444,197	100.000%	\$ 88,651	\$ 532,848
<i>Small Commercial SOP</i>				
Small General Service	\$ 7,396	11.223%	\$ 1,626	\$ 9,021
Secondary General Service	\$ 57,969	87.967%	\$ 12,742	\$ 70,711
Primary General Service	\$ -	0.000%	\$ -	\$ -
Small Municipal and School Service	\$ -	0.000%	\$ -	\$ -
Large Municipal Service	\$ -	0.000%	\$ -	\$ -
Large School Service	\$ 534	0.810%	\$ 117	\$ 651
	\$ 65,898	100.000%	\$ 14,485	\$ 80,383
<i>Load Management SOP</i>				
Small General Service		0.000%	\$ -	\$ -
Secondary General Service	\$ 65,750	73.505%	\$ 28,114	\$ 93,864
Primary General Service	\$ 23,700	26.495%	\$ 10,134	\$ 33,834
Small Municipal and School Service		0.000%	\$ -	\$ -
Large Municipal Service		0.000%	\$ -	\$ -
Large School Service		0.000%	\$ -	\$ -
	\$ 89,450	100.000%	\$ 38,248	\$ 127,698
<i>Recommissioning SOP</i>				
Small General Service		0.000%	\$ -	\$ -
Secondary General Service	\$ 226,744	100.000%	\$ 34,695	\$ 261,439
Primary General Service		0.000%	\$ -	\$ -
Small Municipal and School Service		0.000%	\$ -	\$ -
Large Municipal Service		0.000%	\$ -	\$ -
Large School Service		0.000%	\$ -	\$ -
	\$ 226,744	100.000%	\$ 34,695	\$ 261,439
Total Commercial Program Costs	\$ 826,290		\$ 176,079	\$ 1,002,369