



Control Number 46306



Item Number 1

Addendum StartPage 0

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PUBLIC UTILITY COMMISSION
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APPLICATION OF SOUTHWESTERN §
PUBLIC SERVICE COMPANY FOR §
AUTHORITY TO REVISE ITS FUEL §
FACTORS USING THE FORMULAE §
APPROVED IN DOCKET NO. 40133 §

PUBLIC UTILITY COMMISSION
OF TEXAS

**APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY
FOR AUTHORITY TO REVISE ITS FUEL FACTORS USING THE FORMULAE
APPROVED IN DOCKET NO. 40133**

(Filename: Application.doc; Total Pages:19)

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Docket No. _____

*Southwestern Public Service Company's Application
For Authority to Revise its Fuel Factors
Using the Formulae Approved in Docket No. 40133*

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PUBLIC UTILITY COMMISSION

OF TEXAS

**APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY
FOR AUTHORITY TO REVISE ITS FUEL FACTORS USING THE FORMULAE
APPROVED IN DOCKET NO. 40133**

I. Summary of Request and Background Information

1. Southwestern Public Service Company (“SPS”) seeks to increase its fixed fuel factors, set forth in Electric Tariff Sheet No. IV-69, for electricity usage occurring on or after October 1, 2016. SPS makes this request, and provides the supporting attachments, in compliance with 16 Tex Admin Code §§ 25.237(a)(1)(B), 25.237(a)(2)(B), 25.237(b)(2), 25.237(c)(2), 25.237(d)(2), 25.237(e)(2) (TAC) and the Order issued on March 22, 2012, in Public Utility Commission of Texas (“Commission”) Docket No. 40133, *Application of Southwestern Public Service Company for: Authority to Revise its Fuel Factor Formulas; Change its Fuel Factors; and For Related Relief.*

2. 16 TAC § 25.237(a)(1)(B) provides that, ‘Fuel factors may be determined using a commission-approved, utility specific fuel factor formula. In Docket No. 40133, the Commission approved the fuel factor formulae that SPS is using in this Application to calculate its revised fuel factors.

3. 16 TAC § 25.237(a)(2)(B) provides that a utility using a formula to adjust its fuel factor may petition to adjust its fuel factors, in accordance with its approved fuel factor formula, ‘no sooner than four months after the filing of its most recent fuel factor adjustment petition. SPS last filed a petition to adjust its fuel factors on January 15, 2016, in Docket No. 45525. Thus, this application is timely.

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II. Jurisdiction

4. SPS, a New Mexico corporation, is a 'public utility, a 'utility, and an 'electric utility, as those terms are defined in Public Utility Regulatory Act ("PURA")¹ §§ 11.004(1) and 31.002(6). Thus, the Commission has jurisdiction over SPS and the subject matter of this application under PURA § 36.203 and 16 TAC § 25.237.

III. Parties Affected

5. SPS and its Texas retail customers are the only parties affected by this application.

IV. Authorized Representative

6. SPS's authorized representatives in this docket are:

Matthew P. Loftus
XCEL ENERGY SERVICES INC.
816 Congress Ave. Ste. 1650
Austin, Texas 78701-2471
E-mail: matthew.p.loftus@xcelenergy.com
Office: (512) 236-6923
Facsimile: (512) 478-9232

Jeremiah W. Cunningham
Manager, Rate Cases
Southwestern Public Service Company
600 S. Tyler, Suite 2400
Amarillo, Texas 79101
E-mail: jeremiah.w.cunningham@xcelenergy.com
Office: (806) 378-2430
Facsimile: (806) 378-2820

SPS requests that all documents issued or filed in this docket be served upon its authorized representatives.

V. Proposed Revised Fuel Factors and Proposed Effective Date

7. SPS uses the formulae approved in Docket No. 40133 to adjust its fuel factors. The following table reflects: (1) SPS's current fuel factors as approved in Docket No. 45525 on

¹ TEX. UTIL. CODE ANN. Title 2 (Vernon 2007 and Supp. 2012).

January 22, 2016; and (2) the proposed increased fuel factors that are the subject of this application:

Voltage Levels	Current Fuel Factors Oct.-May (\$/kWh)	Current Fuel Factors Jun.-Sep. (\$/kWh)	Proposed Fuel Factors Oct.-May (\$/kWh)	Proposed Fuel Factors Jun.-Sep. (\$/kWh)
Secondary Distribution	\$0.023044	\$0.023051	\$0.025673	\$0.025572
Primary Distribution	\$0.022613	\$0.022620	\$0.025193	\$0.025093
Sub-Transmission	\$0.021248	\$0.021255	\$0.023672	\$0.023579
Backbone Transmission	\$0.021088	\$0.021095	\$0.023494	\$0.023402

8. The revised fuel factors will increase SPS's Texas retail fuel and purchased power revenues by approximately \$35,092,430.00, or 11.24 percent on an annual basis. Amounts collected from affected customers under the revised voltage level fuel factors will be subject to final review in SPS's next fuel reconciliation before the Commission.

9. The formulae approved in Docket No. 40133 use the Waha Index average closing prices for natural gas futures contracts for summer and winter periods, determined by using the last 20 trading days of the month prior to filing. The formulae account for differences in the fuel mix for each period (October through May; June through September). The resulting fuel factors and the summer and winter loss multipliers used to derive SPS's voltage level fuel factors have been adjusted to reflect line loss factors that were accepted as a part of a non-unanimous stipulation that was approved by the Commission in Docket No. 42004.²

² New loss factors were accepted as a part of a non-unanimous stipulation that was approved by the Commission in Docket No. 42004. See *Application of Southwestern Public Service Company for Authority to Change Rates and to Reconcile Fuel and Purchased Power Costs for the period of July 1, 2012 through June 30, 2013*, Docket No. 42004, Order (December 19, 2014), Section XII of the non-unanimous stipulation.

within 90 days after the date SPS filed this application, subject to SPS filing its proof of notice.³ The 90th day after the date SPS filed this application will be November 22, 2016.

VI. Supporting Documentation (Filing Package)

14. As required by 16 TAC § 23.237(b)(2), SPS has attached the following documentation to support its proposed revised fuel factors:

Attachment A	Fuel Factor Calculation
Attachment B	NYMEX and Waha Basis Differential Futures Prices and Calculation of Waha Futures Prices
Attachment C	Form of Notice
Attachment D	Proposed Electric Tariff Sheet No. IV-69
Attachment E	Workpaper Updated Loss Multipliers Approved in Docket No. 42004

VII. Notice

15. In accordance with 16 TAC § 25.235(b) as modified by 16 TAC § 25.237(b)(2), SPS will:

- (a) Provide notice by one-time publication in a newspaper having general circulation in each county in SPS’s Texas retail service territory. A copy of the proposed notice is provided as Attachment C to this application; and
- (b) Serve a copy of this application, including the attached filing package (Attachments A-E), on each party in SPS’s last fuel reconciliation proceeding, Docket No. 42004. Parties will be served with the native files of all computer-generated documents.

VIII. Prayer for Relief

16. For the reasons set out in this application, SPS requests that:

- (1) within 30 days of the date SPS filed this application, the Commission or its designee issue an order approving the proposed revised fuel factors set out

³ See 16 TAC § 25.237(e)(2)(C).

within 90 days after the date SPS filed this application, subject to SPS filing its proof of notice.³ The 90th day after the date SPS filed this application will be November 22, 2016.

VI. Supporting Documentation (Filing Package)

14. As required by 16 TAC § 23.237(b)(2), SPS has attached the following documentation to support its proposed revised fuel factors:

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Attachment E	Workpaper Updated Loss Multipliers Approved in Docket No. 42004

VII. Notice

15. In accordance with 16 TAC § 25.235(b) as modified by 16 TAC § 25.237(b)(2), SPS will:

- (a) Provide notice by one-time publication in a newspaper having general circulation in each county in SPS's Texas retail service territory. A copy of the proposed notice is provided as Attachment C to this application; and
- (b) Serve a copy of this application, including the attached filing package (Attachments A-E), on each party in SPS's last fuel reconciliation proceeding, Docket No. 46025. Parties will be served with the native files of all computer-generated documents.

VIII. Prayer for Relief

16. For the reasons set out in this application, SPS requests that:

- (1) within 30 days of the date SPS filed this application, the Commission or its designee issue an order approving the proposed revised fuel factors set out

³ See 16 TAC § 25.237(e)(2)(C).

- in *Attachment A* on an interim basis effective for electricity usage occurring on or after October 1, 2016;
- (2) if no hearing is requested within 30 days after the date SPS filed this application, and if SPS files its proof of notice within that 30-day period, that the Commission or its designee issue an order approving the proposed revised fuel factors on a permanent basis effective for electricity usage occurring on or after October 1, 2016;
 - (3) if a hearing is requested within 30 days after the date SPS filed this application, the Commission or its designee issue a final order approving the proposed revised fuel factors within 90 days after the date SPS filed this application, subject to SPS filing its proof of notice;
 - (4) the Commission or its designee approve SPS's proposed form and method of notice as described in Paragraph 14 of this application; and
 - (5) it be granted any other relief to which SPS may be entitled.

Respectfully submitted,



XCEL ENERGY SERVICES INC.

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ATTORNEY FOR SOUTHWESTERN PUBLIC SERVICE COMPANY

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Certificate of Service

I certify that on the date this document was filed with the Public Utility Commission of Texas, a true and correct copy of it was served on the Staff of the Public Utility Commission of Texas, the Office of Public Utility Counsel, and all parties in SPS's last fuel reconciliation proceeding, PUCT Docket No. 42004, by a combination of the following methods: electronic service and hand delivery, Federal Express, regular first class mail, or certified mail.

A handwritten signature in black ink, appearing to read "G. Mann", is written above a horizontal line.

Docket No. _____
Southwestern Public Service Company's Application
For Authority to Revise its Fuel Factors
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Southwestern Public Service Company

Fuel Factor Calculation
Revised Voltage Level Fuel Factors
June through September (Summer Months)

Summer Fuel Cost Factor expressed in \$ per MWh = 27.625 + (4.729 (W - 3.440))

<u>Line</u>	<u>Description</u>	<u>Source</u>
1	W = 2.828338	NYMEX _n + WBD _n NYMEX _n is the average of NYMEX closing prices for natural gas at the Henry Hub for the last 20 trading days of the month prior to filing. Closing prices included in the 20 day average will be prices for the months June - Sept. WBD _n is the average Waha closing price differentials for the last 20 trading days of the month prior to filing. Closing prices included in the 20 day average will be prices for the month June - Sept.
2	<u>3.440000</u>	Average Waha Settlement Prices- 20 trading days Nov 30 - Dec 28, 2011 for the months June through September (Summer Months)
3	-0.611662	Line 1 minus Line 2
4	<u>4.729000</u>	Based on PROSYM analysis, SPS estimates that for every one dollar (\$1.00) per MMBtu change in the price of natural gas would result in a change in reconcilable fuel expense equal to \$4.729 per MWh:
5	-2.892550	Line 3 times Line 4
6	27.625000	Average Texas Retail fuel cost factor in dollars per MWh covering June through September at time formula was developed (Summer Months)
7	24.732450	June through September average fuel cost factor in dollars per MWh (Lines 5 + 6)
8	24.577823	Line 7 X Summer Ratio

Average Fuel Factor Differentiated by Voltage Level

(A)	(B)	Line 8 times Column (B)
<u>Voltage Level</u>	<u>Loss Multiplier</u>	<u>Voltage Level Fuel Factors (\$ per kWh)</u>
9 Secondary Distribution Level	1.040440	\$ 0.025572
10 Primary Distribution Level	1.020978	\$ 0.025093
11 Sub-Transmission Level	0.959355	\$ 0.023579
12 Backbone Transmission Level	0.952151	\$ 0.023402

Southwestern Public Service Company

Fuel Factor Calculation
Revised Voltage Level Fuel Factors
June through September (Summer Months)

Winter Fuel Cost Factor expressed in \$ per MWh = 26.757 + (4.219 (W - 3.404))

<u>Line</u>	<u>Description</u>	<u>Source</u>
1	W = 2.925244	NYMEX _n + WBDn NYMEX _n is the average of NYMEX closing prices for natural gas at the Henry Hub for the last 20 trading days of the month prior to filing. Closing prices included in the 20 day average will be prices for the months Oct. - May. WBDn is the average Waha closing price differentials for the last 20 trading days of the month prior to filing. Closing prices included in the 20 day average will be prices for the month Oct. - May
2	<u>3.404000</u>	Average Waha Settlement Prices- 20 trading days of Nov 30 - Dec 28, 2011 for the months October through May (Winter Months)
3	-0.478756	Line 1 minus Line 2
4	<u>4.219000</u>	Based on PROSYM analysis, SPS estimates that for every one dollar (\$1.00) per MMBtu change in the price of natural gas would result in a change in reconcilable fuel expense equal to \$4.219 per MWh:
5	<u>-2.019872</u>	Line 3 times Line 4
6	<u>26.757000</u>	Average Texas Retail fuel cost factor in dollars per MWh covering October through May at time formula was developed (Winter Months)
7	<u>24.737128</u>	October through May average fuel cost factor in dollars per MWh (Lines 5 + 6)
8	<u>24.592638</u>	Line 7 X Winter Ratio

Average Fuel Factor Differentiated by Voltage Level

(A) <u>Voltage Level</u>	(B) <u>Loss Multiplier</u>	Line 8 times Column (B) <u>Voltage Level Fuel Factors</u> <u>(\$ per kWh)</u>
9 Secondary Distribution Level	1.043927	\$ 0.025673
10 Primary Distribution Level	1.024400	\$ 0.025193
11 Sub-Transmission Level	0.962569	\$ 0.023672
12 Backbone Transmission Level	0.955342	\$ 0.023494

Southwestern Public Service Company

NYMEX and WAHA Basis Differential Futures Prices
and Calculation of WAHA Futures Prices

NYMEX*		Forward Price Curves											
Trade Date	Oct-16	Nov.-16	Dec.-16	Jan.-17	Feb-17	Mar.-17	Apr-17	May-17	Jun.-17	Jul-17	Aug-17	Sep-17	
7/25/2016	2.756	2.935	3.194	3.322	3.311	3.264	3.018	2.995	3.027	3.058	3.068	3.048	
7/26/2016	2.722	2.909	3.175	3.301	3.29	3.244	3.006	2.984	3.018	3.04	3.06	3.04	
7/27/2016	2.709	2.897	3.164	3.288	3.275	3.228	2.992	2.972	3.008	3.05	3.051	3.031	
7/28/2016	2.909	3.059	3.287	3.397	3.38	3.324	3.045	3.015	3.047	3.076	3.084	3.063	
7/29/2016	2.917	3.076	3.32	3.436	3.418	3.36	3.07	3.036	3.066	3.095	3.104	3.084	
8/1/2016	2.818	2.98	3.239	3.357	3.344	3.295	3.03	3.002	3.034	3.063	3.073	3.054	
8/2/2016	2.783	2.943	3.199	3.315	3.304	3.259	3.02	2.998	3.033	3.064	3.074	3.055	
8/3/2016	2.881	3.034	3.276	3.392	3.378	3.328	3.072	3.043	3.074	3.103	3.111	3.09	
8/4/2016	2.877	3.022	3.267	3.385	3.372	3.324	3.068	3.04	3.072	3.102	3.111	3.092	
8/5/2016	2.809	2.965	3.217	3.338	3.328	3.283	3.038	3.011	3.045	3.076	3.086	3.069	
8/8/2016	2.779	2.943	3.191	3.317	3.309	3.266	3.029	3.003	3.035	3.065	3.075	3.06	
8/9/2016	2.659	2.844	3.098	3.232	3.226	3.186	2.964	2.941	2.975	3.006	3.016	3.004	
8/10/2016	2.616	2.801	3.059	3.197	3.192	3.154	2.94	2.918	2.952	2.983	2.993	2.98	
8/11/2016	2.607	2.792	3.051	3.19	3.185	3.147	2.931	2.909	2.945	2.976	2.985	2.97	
8/12/2016	2.626	2.804	3.064	3.202	3.197	3.158	2.925	2.903	2.936	2.966	2.975	2.959	
8/15/2016	2.629	2.811	3.073	3.211	3.205	3.164	2.931	2.908	2.94	2.969	2.978	2.962	
8/16/2016	2.657	2.833	3.092	3.229	3.226	3.187	2.947	2.924	2.956	2.987	2.996	2.98	
8/17/2016	2.659	2.832	3.083	3.22	3.217	3.178	2.936	2.912	2.944	2.976	2.985	2.969	
8/18/2016	2.712	2.873	3.11	3.241	3.237	3.198	2.948	2.923	2.954	2.986	2.995	2.978	
8/19/2016	2.619	2.781	3.022	3.154	3.157	3.123	2.904	2.884	2.916	2.949	2.959	2.943	
Su	54.744	58.134	63.181	65.724	65.551	64.670	59.814	59.321	59.977	60.590	60.779	60.431	
Av	2.737	2.907	3.159	3.286	3.278	3.234	2.991	2.966	2.999	3.030	3.039	3.022	Sum
Winte	241.777			3.022213									
	491.139			3.069619									

*Data Sc Inte ntr nital Exch ange (ICE)

Southwestern Public Service Company
NYMEX and WAHA Basis Differential Futures Prices
and Calculation of WAHA Futures Prices

		Forward Price Curves											
		Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Trade Date		7/25/2016	2.8300	3.1465	3.2895	3.2910	3.0440	2.7780	2.7275	2.7720	2.9080	2.9230	2.8455
		2.5560	2.8040	3.1275	3.2685	3.2700	3.0240	2.7660	2.7165	2.7630	2.9000	2.9150	2.8375
7/26/2016		2.5195	2.7945	3.1190	3.2580	3.2575	2.9905	2.7520	2.7045	2.7530	2.8900	2.9060	2.8285
7/27/2016		2.5065	2.7945	3.1190	3.2580	3.2575	2.9905	2.7520	2.7045	2.7530	2.8900	2.9060	2.8285
7/28/2016		2.6990	2.9590	3.2395	3.3645	3.3600	3.0690	2.7950	2.7375	2.7820	2.9160	2.9290	2.8505
7/29/2016		2.6995	2.9760	3.2675	3.4010	3.3955	3.0925	2.8200	2.7585	2.8010	2.9150	2.9490	2.8715
8/1/2016		2.6030	2.8800	3.1865	3.3220	3.3215	3.0275	2.7800	2.7245	2.7690	2.9030	2.9180	2.8415
8/2/2016		2.5680	2.8430	3.1465	3.2800	3.2815	2.9915	2.7700	2.7205	2.7680	2.9040	2.9190	2.8425
8/3/2016		2.6585	2.9215	3.2185	3.3545	3.3530	3.0555	2.8220	2.7655	2.8090	2.9430	2.9560	2.8775
8/4/2016		2.6570	2.8995	3.1995	3.3375	3.3370	3.0465	2.8180	2.7625	2.8070	2.9420	2.9560	2.8795
8/5/2016		2.6040	2.8400	3.1820	3.3080	3.3130	3.0230	2.7930	2.7385	2.7850	2.9210	2.9360	2.8615
8/8/2016		2.5815	2.8205	3.1910	3.2895	3.2965	3.0110	2.7840	2.7305	2.7750	2.9100	2.9250	2.8525
8/9/2016		2.4690	2.7340	3.1055	3.2170	3.2260	2.9435	2.7190	2.6685	2.7150	2.8510	2.8660	2.7965
8/10/2016		2.4310	2.6835	3.0590	3.1745	3.1845	2.9040	2.6950	2.6455	2.6920	2.8280	2.8430	2.7725
8/11/2016		2.4270	2.6745	3.0510	3.1675	3.1775	2.8970	2.6860	2.6365	2.6850	2.8210	2.8350	2.7625
8/12/2016		2.4460	2.6865	3.0640	3.1795	3.1895	2.9080	2.6800	2.6305	2.6760	2.8110	2.8250	2.7515
8/15/2016		2.4490	2.6910	3.0705	3.1835	3.1950	2.9115	2.6885	2.6380	2.6825	2.8165	2.8305	2.7570
8/16/2016		2.4770	2.7130	3.0895	3.2015	3.2160	2.9345	2.7045	2.6540	2.6985	2.8345	2.8485	2.7750
8/17/2016		2.4640	2.7170	3.0805	3.1925	3.2070	2.9255	2.6935	2.6420	2.6865	2.8235	2.8375	2.7640
8/18/2016		2.5170	2.7580	3.1075	3.2135	3.2270	2.9455	2.6930	2.6405	2.6840	2.8285	2.8425	2.7680
8/19/2016		2.4240	2.6710	3.0195	3.1265	3.1470	2.8705	2.6465	2.5990	2.6435	2.7940	2.8090	2.7355
Su		50.757	55.897	62.671	65.129	65.246	59.615	54.884	53.841	54.747	57.480	57.769	56.271
Av	age	2.538	2.795	3.134	3.256	3.262	2.981	2.744	2.692	2.737	2.874	2.888	2.814
		Wt	Wt	Wt	Wt	Wt	Wt	Wt	Wt	Su	Su	Sum	Su
Su		226.267	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338	282.8338
Winte		468.039	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244	2.925244

Southwestern Public Service Company
NYMEX and WAHA Basis Differential Futures Prices
and Calculation of WAHA Futures Prices

Trade Date	Forward Price Curves											
	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
7/25/2016	-0.2	-0.105	-0.0475	-0.0325	-0.02	-0.22	-0.24	-0.2675	-0.255	-0.15	-0.145	-0.2025
7/26/2016	-0.2025	-0.105	-0.0475	-0.0325	-0.02	-0.22	-0.24	-0.2675	-0.255	-0.15	-0.145	-0.2025
7/27/2016	-0.2025	-0.1025	-0.045	-0.03	-0.0175	-0.2375	-0.24	-0.2675	-0.255	-0.15	-0.145	-0.2025
7/28/2016	-0.21	-0.1	-0.0475	-0.0325	-0.02	-0.255	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
7/29/2016	-0.2175	-0.1	-0.0525	-0.035	-0.0225	-0.2675	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
8/1/2016	-0.215	-0.1	-0.0525	-0.035	-0.0225	-0.2675	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
8/2/2016	-0.215	-0.1	-0.0525	-0.035	-0.0225	-0.2675	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
8/3/2016	-0.2225	-0.1125	-0.0575	-0.0375	-0.025	-0.2725	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
8/4/2016	-0.22	-0.1225	-0.0675	-0.0475	-0.035	-0.2775	-0.25	-0.2775	-0.265	-0.16	-0.155	-0.2125
8/5/2016	-0.205	-0.125	-0.035	-0.03	-0.015	-0.26	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/8/2016	-0.1975	-0.1225	0	-0.0275	-0.0125	-0.255	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/9/2016	-0.19	-0.11	0.0075	-0.015	0	-0.2425	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/10/2016	-0.185	-0.1175	0	-0.0225	-0.0075	-0.25	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/11/2016	-0.18	-0.1175	0	-0.0225	-0.0075	-0.25	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/12/2016	-0.18	-0.1175	0	-0.0225	-0.0075	-0.25	-0.245	-0.2725	-0.26	-0.155	-0.15	-0.2075
8/15/2016	-0.18	-0.12	-0.0025	-0.0275	-0.01	-0.2525	-0.2425	-0.27	-0.2575	-0.1525	-0.1475	-0.205
8/16/2016	-0.18	-0.12	-0.0025	-0.0275	-0.01	-0.2525	-0.2425	-0.27	-0.2575	-0.1525	-0.1475	-0.205
8/17/2016	-0.195	-0.115	-0.0025	-0.0275	-0.01	-0.2525	-0.2425	-0.27	-0.2575	-0.1525	-0.1475	-0.205
8/18/2016	-0.195	-0.115	-0.0025	-0.0275	-0.01	-0.2525	-0.2425	-0.27	-0.2575	-0.1525	-0.1475	-0.205
8/19/2016	-0.195	-0.11	-0.0025	-0.0275	-0.01	-0.2525	-0.2425	-0.27	-0.2575	-0.1525	-0.1475	-0.205

*Data Source: International Exchange (ICE)

**PUBLIC NOTICE
BY
SOUTHWESTERN PUBLIC SERVICE COMPANY**

Southwestern Public Service Company (SPS), doing business as Xcel Energy, gives notice that, under Section 36.203 of the Public Utility Regulatory Act and 16 Texas Admin Code § 25.237(b)(2), on August 24, 2016, it filed with the Public Utility Commission of Texas (Commission) a tariff to implement increased fuel factors. All of SPS's Texas retail customers will be affected by the Commission's approval of the increased fuel factor tariff. The increased fixed fuel factors, if approved, will affect only the fuel portion of the rates charged by SPS in Texas and will not affect SPS's non-fuel base rates.

SPS seeks Commission approval to increase its fuel factors effective October 1, 2016, and June 1, 2017 for usage occurring on or after those dates. SPS has proposed that its fixed fuel factor be adjusted under formulas approved by the Commission in Docket No. 40133. The revised fuel factors, differentiated by voltage level, are as follows:

	Fixed Fuel Factors October- May \$/kWh	Fixed Fuel Factors June - September \$/kWh
Fuel Cost Factor	\$0.024593	\$0.024578
Voltage Level Fuel Factors		
Secondary Distribution	\$0.025673	\$0.025572
Primary Distribution	\$0.025193	\$0.025093
Sub-transmission	\$0.023672	\$0.023579
Backbone Transmission	\$0.023494	\$0.023402

The revised fuel factors will decrease SPS's Texas retail fuel and purchased power revenues by approximately \$35,092,430.00, or 11.24 percent on an annual basis. Compared to the fuel factors in effect when SPS filed its application, the proposed fuel factors will result in an approximate increase of 2.67 percent, or \$2.63 per month, during the months October through May in the total bill for a residential customer using 1,000 kilowatt-hours (kWh) of electricity per month. A residential customer using 1,000 kWh of electricity per month will experience an increase of approximately 2.32 percent, or \$2.52 per month in their total bill, during the months June through September as a result of the proposed change in the fuel factors. Amounts collected from affected customers under the revised voltage level fuel factors will be subject to

final review in SPS's next fuel reconciliation before the Commission. The revised fuel factors will be in effect from October 1, 2016 unless revised by Commission order.

Persons who have questions or who want more information on the revised fixed fuel factors may contact SPS at 600 S. Tyler, Suite 2400, Amarillo, Texas, or call toll-free 1-800-895-4999, during normal business hours. A complete copy of SPS's filing is available for inspection at the address listed above.

The Commission has assigned Docket No. _____ to this proceeding. Persons who wish to formally participate in this proceeding, or who wish to express their comments concerning this petition, should contact the Commission, Office of Consumer Protection, P.O. Box 13326, Austin, Texas 78711-3326, or call (512) 936-7120 or toll-free at (888) 782-8477. Hearing and speech impaired individuals with text telephones (TTY) may call (512) 936-7136 or use Relay Texas (toll-free) 1-800-735-2989.



ELECTRIC TARIFF

FUEL COST RECOVERY FACTOR

Application of fuel cost recovery factors are as follows:

SECONDARY DISTRIBUTION FUEL COST RECOVERY FACTOR:

The Secondary Distribution fuel cost recovery factor to be billed is 2.5572¢ per kilowatt-hour for the months of June-September and 2.5673¢ per kilowatt-hour for the months of October-May and shall apply when service is metered at less than approximately 2.4 kV.

PRIMARY DISTRIBUTION FUEL COST RECOVERY FACTOR:

The Primary Distribution fuel cost recovery factor to be billed is 2.5093¢ per kilowatt-hour for the months of June-September and 2.5193¢ per kilowatt-hour for the months of October-May and shall apply when service is metered at greater than or equal to approximately 2.4 kV and less than approximately 69 kV

SUB-TRANSMISSION FUEL COST RECOVERY FACTOR:

The Sub-transmission fuel cost recovery factor to be billed is 2.3579¢ per kilowatt-hour for the months of June-September and 2.3672¢ per kilowatt-hour for the months of October-May and shall apply when service is metered at greater than or equal to approximately 69 kV and less than approximately 115 kV or loss compensated meters are used to include losses to the sub-transmission.

BACKBONE-TRANSMISSION FUEL COST RECOVERY FACTOR:

The Backbone transmission fuel cost recovery factor to be billed is 2.3402¢ per kilowatt-hour for the months of June-September and 2.3494¢ per kilowatt-hour for the months of October-May and shall apply when service is metered at greater than or equal to approximately 115 kV or loss compensated meters are used to include losses to the backbone transmission.

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**REGIONAL VICE PRESIDENT, RATES AND
REGULATORY AFFAIRS**

**SOUTHWESTERN PUBLIC SERVICE COMPANY
CURRENT LOSS MULTIPLIERS
BASED ON FORECAST USED IN DOCKET NO 40133**

Line No	Voltage Level Annual	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
1	Secondary Distribution Level	5,314,996,224	6,018,909,009	1.132439	1.047755
2	Primary Distribution Level	2,448,277,141	2,722,486,629	1.112001	1.028846
3	Sub-Transmission Level	1,049,610,424	1,083,291,373	1.032089	0.954909
4	Backbone Transmission Level	5,310,645,354	5,440,368,488	1.024427	0.947820
5	Total	<u>14,123,529,144</u>	<u>15,265,055,499</u>	<u>1.080824</u>	

	Voltage Level October through May (Winter)	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
6	Secondary Distribution Level	3,280,516,728	3,714,985,083	1.132439	1.049152
7	Primary Distribution Level	1,616,594,657	1,797,654,875	1.112001	1.030217
8	Sub-Transmission Level	719,376,957	742,461,044	1.032089	0.956182
9	Backbone Transmission Level	3,507,107,705	3,592,775,825	1.024427	0.949084
10	Total	<u>9,123,596,047</u>	<u>9,847,876,827</u>	<u>1.079385</u>	

	Voltage Level June through September (Summer)	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
11	Secondary Distribution Level	2,034,479,496	2,303,923,926	1.132439	1.045216
12	Primary Distribution Level	831,682,484	924,831,754	1.112001	1.026352
13	Sub-Transmission Level	330,233,468	340,830,329	1.032089	0.952595
14	Backbone Transmission Level	1,803,537,649	1,847,592,663	1.024427	0.945523
15	Total	<u>4,999,933,097</u>	<u>5,417,178,672</u>	<u>1.083450</u>	

**SOUTHWESTERN PUBLIC SERVICE COMPANY
UPDATED LOSS MULTIPLIERS
BASED ON FORECAST USED IN DOCKET NO. 40133**

Line No	Voltage Level Annual	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
1	Secondary Distribution Level	5,314,996,224	5,953,949,125	1.120217	1.042690
2	Primary Distribution Level	2,448,277,141	2,691,300,475	1.099263	1.023186
3	Sub-Transmission Level	1,049,610,424	1,084,157,302	1.032914	0.961429
4	Backbone Transmission Level	5,310,645,354	5,444,250,570	1.025158	0.954210
5	Total	14,123,529,144	15,173,657,472	1.074353	

	Voltage Level October through May (Winter)	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
6	Secondary Distribution Level	3,280,516,728	3,674,890,607	1.120217	1.043927
7	Primary Distribution Level	1,616,594,657	1,777,062,692	1.099263	1.024400
8	Sub-Transmission Level	719,376,957	743,054,530	1.032914	0.962569
9	Backbone Transmission Level	3,507,107,705	3,595,339,521	1.025158	0.955342
10	Total	9,123,596,047	9,790,347,350	1.073080	
11			Updated Loss Factor	Current Loss Factor	Winter Ratio
			1.073080	1.079385	0.994159

	Voltage Level June through September (Summer)	Forecasted Texas Sales @ Meter (1)	Forecasted Texas Sales @ Source (2)	Forecasted Loss Factor (3)	Forecasted Loss Multiplier (4)
12	Secondary Distribution Level	2,034,479,496	2,279,058,518	1.120217	1.040440
13	Primary Distribution Level	831,682,484	914,237,783	1.099263	1.020978
14	Sub-Transmission Level	330,233,468	341,102,772	1.032914	0.959355
15	Backbone Transmission Level	1,803,537,649	1,848,911,049	1.025158	0.952151
16	Total	4,999,933,097	5,383,310,122	1.076676	
17			Updated Loss Factor	Current Loss Factor	Summer Ratio
			1.076676	1.083450	0.993748

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PUCT DOCKET NO. _____

APPLICATION OF SOUTHWESTERN PUBLIC
SERVICE COMPANY FOR AUTHORITY TO
REVISE ITS FUEL FACTORS USING THE
FORMULAE APPROVED IN DOCKET NO. 40133

Native Filing (CD)