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**SOAH DOCKET NO. 473-22-1073  
DOCKET NO. 52485**

**APPLICATION OF SOUTHWESTERN §  
PUBLIC SERVICE COMPANY TO § BEFORE THE STATE OFFICE  
AMEND ITS CERTIFICATE OF §  
CONVENIENCE AND NECESSITY TO § OF  
CONVERT HARRINGTON §  
GENERATING STATION FROM COAL § ADMINISTRATIVE HEARINGS  
TO NATURAL GAS §**

**SOUTHWESTERN PUBLIC SERVICE COMPANY'S  
RESPONSE TO ALLIANCE OF XCEL MUNICIPALITIES'  
THIRD REQUEST FOR INFORMATION  
QUESTION NOS. 3-1 THROUGH 3-34**

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*SOAH Docket No 473-22-1073*

*PUC Docket No. 52485*

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<b>CONVERT HARRINGTON</b>	<b>§</b>	
<b>GENERATING STATION FROM COAL</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>
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**SOUTHWESTERN PUBLIC SERVICE COMPANY’S  
RESPONSE TO ALLIANCE OF XCEL MUNICIPALITIES’  
THIRD REQUEST FOR INFORMATION  
QUESTION NOS. 3-1 THROUGH 3-34**

Southwestern Public Service Company (“SPS”) files this response to the Alliance of Xcel Municipalities’ (“AXM”) Third Request for Information, Question Nos. 3-1 through 3-34. SPS has provided notice, by email, to all parties that SPS’s Responses to AXM’s Third Request for Information and accompanying exhibits (excluding voluminous and exhibits provided pursuant to the protective order) have been filed with the Commission and are available for download from the Commission’s Interchange website.

**I. WRITTEN RESPONSES**

SPS’s written responses to AXM’s Third Request for Information are attached and incorporated by reference. Each response is stated on or attached to a separate page on which the request has been restated. SPS’s responses are made in the spirit of cooperation without waiving SPS’s right to contest the admissibility of any of these matters at hearing. In accordance with 16 Tex. Admin. Code § 22.144(c)(2)(A) (“TAC”), each response lists the preparer or person under whose direct supervision the response was prepared and any sponsoring witness. When SPS provides certain information sought by the request while objecting to the provision of other

information, it does so without prejudice to its objection in the interests of narrowing discovery disputes under 16 TAC § 22.144(d)(5). Pursuant to 16 TAC § 22.144(c)(2)(F), SPS stipulates that its responses may be treated by all parties as if they were made under oath.

## **II. INSPECTIONS**

If responsive documents are more than 100 pages but less than eight linear feet in length, the response will indicate that the attachment is voluminous (“(V)”) and, pursuant to 16 TAC § 22.144(h)(2), the exhibit will be made available for inspection at SPS’s voluminous room at 600 Congress Avenue, Suite 2000, Austin, Texas 78701; telephone number (512) 721-2700. Voluminous exhibits will also be provided via email through Coffin Renner LLP’s file sharing link.

If a response or the responsive documents are provided pursuant to the protective order in this docket, the response will indicate that it or the attachment is either confidential (“CONF”) or Highly Sensitive (“HS”) as appropriate under the protective order. Access to Confidential and Highly Sensitive materials will be available on SPS’s file sharing platform to all parties that have signed and filed the certification under the protective order entered in this docket. Confidential and Highly Sensitive responsive documents will also be made available for inspection at SPS’s voluminous room, unless they form a part of a response that exceeds eight linear feet in length; then they will be available at their usual repository in accordance with the following paragraph. Please call in advance for an appointment to ensure that there is sufficient space to accommodate your inspection.

If responsive documents exceed eight linear feet in length, the response will indicate that the attachment is subject to the FREIGHT CAR DOCTRINE, and, pursuant to 16 TAC § 22.144(h)(3), the attachment will be available for inspection at its usual repository, SPS's offices in Austin, Texas, unless otherwise indicated. SPS requests that parties wishing to inspect this material provide at least 48-hour notice of their intent by contacting Stephanie Tanner at Coffin Renner LLP PC, 1011 West 31st Street, Austin, Texas 78705; telephone number (512) 879-0900; facsimile transmission number (512) 879-0912; email address [stephanie.tanner@crtxlaw.com](mailto:stephanie.tanner@crtxlaw.com). Inspections will be scheduled to accommodate all requests with as little inconvenience to the requesting party and to SPS's operations as possible.

Respectfully submitted,



XCEL ENERGY SERVICES INC.  
Mark Walker  
State Bar No. 20717318  
919 Congress Ave., Suite 900  
Austin, Texas 78701  
(512) 236-6926  
(512) 236-6935 (Fax)  
[mark.a.walker@xcelenergy.com](mailto:mark.a.walker@xcelenergy.com)

COFFIN RENNER LLP  
Mark A. Santos  
State Bar No. 24037433  
Kate Norman  
State Bar No. 24051121  
C. Glenn Adkins  
State Bar No. 24103097  
1011 West 31<sup>st</sup> Street  
Austin, Texas 78705  
(512) 879-0900  
(512) 879-0912  
[mark.santos@crtxlaw.com](mailto:mark.santos@crtxlaw.com)  
[kate.norman@crtxlaw.com](mailto:kate.norman@crtxlaw.com)  
[glenn.adkins@crtxlaw.com](mailto:glenn.adkins@crtxlaw.com)

ATTORNEYS FOR  
SOUTHWESTERN PUBLIC SERVICE COMPANY

## RESPONSES

### QUESTION NO. AXM 3-1:

Reference page 9, lines 12-15 of Company witness Grant's direct testimony, please describe and provide the docket numbers and orders related to the past regulatory actions in New Mexico and Texas involving retirement of SPS's coal assets.

### RESPONSE:

#### 1. Texas

- a. PUCT Docket No. 49831 – addressed how the coal handling equipment at Tolk moved from being owned by Savage to being owned by SPS and incorporated it into the dismantling study and depreciation rates. The order is available on the PUCT website.
- b. PUCT Docket No. 51802 – Pending Rate Case addresses depreciation related to Tolk and Harrington.
- c. PUCT Docket No. 52485 – Conversion of Harrington from coal to gas which is the pending docket.

#### 2. New Mexico

- a. NMPRC Case No. 20-00238-UT – SPS's pending rate case addressing
  - i. A change in the depreciable life of Tolk Generating Station to 2032 (and continued operation of Tolk in conservation mode)
  - ii. A change in the depreciable life of Harrington Generation Station coal assets to conclude (i.e., be retired) December 31, 2024
- b. NMPRC Case Co. 21-00200-UT - Conversion of Harrington from coal to gas which is a pending case.

Preparers: Jeremiah Cunningham, Jeffrey Comer, Linda Hudgins, Michael Knapp  
Sponsor: William A. Grant

**QUESTION NO. AXM 3-2:**

Reference page 9, lines 15-17 of Company witness Grant's direct testimony, please identify the stakeholders in New Mexico and Texas with which SPS had discussions involving retirement of SPS's coal assets and provide dates of such discussions.

**RESPONSE:**

On October 21, 2020, the Texas Commission on Environmental Quality ("TCEQ") held an open meeting to consider the SPS Agreed Order in settlement of the TCEQ enforcement action regarding achievement of compliance with National Ambient Air Quality Standards for the Harrington Generation Station. After public comment, TCEQ approved the settlement.

The 2021 New Mexico Integrated Resource Plan ("NM IRP") required multiple public meetings over several dates, each covering different topics:

1. May 21, 2020
  - a. Xcel Energy Overview
  - b. Resource Planning Overview
  - c. Factors impacting resource planning since 2018 NM IRP
  - d. Factors likely to influence Resource Planning over the Action Plan period
  - e. SPS's new renewable wind facilities
2. August 20, 2020
  - a. Emerging environmental impacts for SPS
  - b. Harrington NAAQS compliance
3. January 12, 2021
  - a. Introduction to 2021 NM IRP
  - b. New Mexico Energy Efficiency and Load Management programs
  - c. Sales and Load forecasting
4. March 23, 2021
  - a. Coal supply
  - b. Tolk Station water supply
  - c. Gas & Power market price forecasting
5. May 13, 2021
  - a. Energy storage
  - b. Generator interconnection agreement issues

Preparers: Jeffrey West, Linda Hudgins

Sponsor: William A. Grant



**QUESTION NO. AXM 3-3:**

Please provide copies of any agreements between SPS and regulatory commissions or other stakeholders regarding the retirement of SPS's coal assets at Harrington and/or conversion of the Harrington coal units to operate on natural gas.

**RESPONSE:**

Refer to Attachment JLW-1 to Jeff West's Direct Testimony, which reflects SPS's agreement to cease coal operations at Harrington by 2025. There are no other agreements between SPS and any other stakeholder related to retirement of SPS's coal assets at Harrington or conversion of the Harrington coal units to operate on natural gas.

Preparer: Jeffrey L. West  
Sponsor: Jeffrey L. West

**QUESTION NO. AXM 3-4**

Reference page 9, lines 18-20 of Company witness Grant's direct testimony, please provide the analysis supporting SPS's decision to enter into an Agreed Order with TCEQ to cease operations of the Harrington coal units along with the date of completion of that analysis.

**RESPONSE:**

The modeling conducted by the TCEQ in 2017-2019 determined that the area was exceeding the NAAQS standard of 75 ppb. The Agreed Order we executed to maintain compliance with the NAASQ SO2 standard in the area and avoid a nonattainment designation.

For the economic analysis supporting SPS's decision to cease coal operations as stated in the Agreed Order, please refer to the Strategist output files provided in Exhibit SPS-SC 1-3(ii). The analysis was conducted in the 3<sup>rd</sup> quarter of 2019.

Preparers: Jeffrey L. West, Ben R. Elsey  
Sponsors: William A. Grant, Jeffrey L. West

**QUESTION NO. AXM 3-5:**

Reference page 10, lines 1-3 of Company witness Grant's direct testimony, please provide a copy of the referenced RFI related to replacing Harrington.

**RESPONSE:**

Please refer to Exhibit SPS-AXM 1-18.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-6:**

Please explain why it was reasonable for SPS to enter into an Agreed Order with TCEQ to cease operation of the Harrington on coal before the Company obtained and evaluated potential alternatives for replacement or conversion of the Harrington units obtained through the November 2020 RFI process.

**RESPONSE:**

In 2020, it was determined by the TCEQ that the area around Harrington Station would not meet the current NAAQS standard of 75 ppb as referenced by TCEQ ambient air monitoring in 2017-2019. SPS entered into an Agreed Order with TCEQ to convert Harrington to natural gas to comply with the SO<sub>2</sub> NAAQS standard and avoid a nonattainment designation for the area. Due to the timing required, this Agreed Order had to be negotiated and finalized prior to any final RFI actions.

As described in the response to Question No. AXM 3-4, SPS conducted an economic analysis prior to the Agreed Order with the TCEQ. The 2019 economic analysis supported the decision to cease coal operations at Harrington.

Preparers: Jeffrey L. West, Ben R. Elsey  
Sponsors: Jeffrey L. West, Ben R. Elsey

**QUESTION NO. AXM 3-7:**

Please provide the MWh produced by each of the Harrington coal units during the February 2021 extreme weather event along with any analysis conducted by SPS of the estimated replacement energy savings resulting from the energy production from the Harrington coal units during the extreme weather event period.

**RESPONSE:**

See table below for total MWh produced, cost and revenue by each Harrington unit during winter storm Uri. There is no way to estimate the impact to the locational marginal price if Harrington was not online. SPS has not conducted an estimated replacement energy savings analysis for Harrington during winter storm Uri.

Unit	Production MWh	Average Generator LMP	Average Cost	Total Cost	Total Revenue
Harrington 1	42,862	\$2,250	\$19.07	\$817,378	
Harrington 2	47,884	\$2,250	\$19.07	\$913,147	
Harrington 3	51,141	\$2,250	\$19.07	\$975,258	
Total	141,887			\$2,705,783	\$319,245,750

Harrington Station revenue and costs for the period February 13, 2021 through February 19, 2021.

Preparer: Jeffrey Haskins  
Sponsor: William A. Grant

**QUESTION NO. AXM 3-8:**

Please provide any agreements between SPS and regulatory commissions or other stakeholders regarding the retirement of SPS's coal assets at Harrington and/or conversion of the Harrington coal units to operate on natural gas.

**RESPONSE:**

Refer to response to AXM 3-3.

Preparer: Jeffery L. West

Sponsor: Jeffery L. West

**QUESTION NO. AXM 3-9:**

Please indicate whether the fuel diversity value of maintaining the Harrington coal units in operations beyond 2024 was evaluated in the 2019 Economic Analysis, and if so, provide the estimated fuel diversity value of maintaining operations of the Harrington coal units.

**RESPONSE:**

SPS did not directly assign a value to fuel diversity in the 2019 Economic Analysis.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-10:**

Please identify each replacement generating resource or purchased power alternative, and their associated forecasted capital and operating costs and performance characteristics, that were considered as potential replacement for the Harrington coal units in each scenario of the 2019 Economic Analysis that assumed that the Harrington units would be retired by the end of 2024.

**RESPONSE:**

**2019 Economic Analysis**

Please refer to SPS's response to Question No. AXM 1-9 for the forecasted capital and operating costs and performance characteristics of each new generating resource selected in the 2019 economic analysis, which includes combined cycle generation and combustion turbine generators ("CTGs").

Please refer to Exhibit SPS-AXM 1-13 for the cost of each new renewable generating resource considered in the 2019 Economic resources. New wind generation was modeled using a 53.0% net capacity factor and new solar generation was modeled with a 26.6% net capacity factor.

**2021 Economic Analysis**

Please refer to SPS's response to Question No. AXM 1-10 for the forecasted capital and operating costs and performance characteristics of each new generating resource selected in the 2021 updated economic analysis.

Please refer to SPS's response to Question No. TIEC 2-2 for the cost of each new generating resource considered in the 2021 updated analysis.



Please refer to SPS's response to Sierra Club 1-3, Exhibit SPS-SC 1-3(i)(HS). The performance characteristics for each new generating resource can be found in the file 'SPS\_ReferenceCase\_1H21\_2021-06-21.xlsx'. Performance characteristics that remain constant across the entire study period can be found on the worksheet 'resource'. Performance characteristics that change seasonally or annually can be found on the worksheet 'TimeSeriesDatedChanges'. For example, the generic CTG is located on Row 40 of the worksheet 'resource'. As the forced out rate for the CTG doesn't change by season or year, it is shown in Cell P40 and this value applies to all years evaluated. However, as the minimum capacity value for the CTG does change by season, column W on the worksheet 'resource' provides label and not a value. This label can then be filtered on the worksheet 'TimeSeriesDatedChanges' to display the different minimum capacity value by season.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-11:**

Please explain whether carbon emissions costs were included in SPS's 2019 Economic Analysis, and if so, provide the basis for SPS's carbon emissions cost forecasts and identify the cumulative total NPV costs of carbon emissions for each case evaluated.

**RESPONSE:**

SPS did not include carbon emission costs in this analysis.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-12:**

Please explain whether carbon emissions costs were included in SPS's 2021 Updated economic analysis of Harrington retirement or replacement options, and if so, provide the basis for SPS's carbon emissions cost forecasts and identify the cumulative total NPV costs of carbon emissions for each case evaluated.

**RESPONSE:**

SPS did not include carbon emission costs in this analysis

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-13:**

Reference page 15, lines 15-16 of Company witness Grant's direct testimony, please explain why the converted Harrington units are not expected to remain in operation beyond the 2036 to 2040 timeframe.

**RESPONSE:**

The reference to the 2036-2040 timeframe is in testimony because those are the currently approved service lives for those units. The proposed conversion to natural gas does not affect the expected retirement dates.

Preparer: William A. Grant

Sponsor: William A. Grant

**QUESTION NO. AXM 3-14:**

Please provide the annual forced outage hours and planned outage hours for each Harrington coal unit for each of the last five calendar years.

**RESPONSE:**

Please refer to Exhibit SPS-AXM 1-14(d, e) for calendar years 2018, 2019 & 2020. Please refer to the table below which contains the forced and planned outage hours for each Harrington unit for years 2017 and 2021.

SPS Resource	Planned Outage Hours		Forced Outage Hours	
	2017	2021	2017	2021
Harrington 1	220	350	92	154
Harrington 2	1,114	304	91	201
Harrington 3	325	1,853	113	13

Preparers: Ashley Gibbons, Mark Lytal  
Sponsors: Ben R. Elsey, Mark Lytal

**QUESTION NO. AXM 3-15:**

Please provide the estimated annual change in non-fuel O&M and ongoing capital additions due to conversion of the Harrington coal units to operate on natural gas and explain how these changes were evaluated in the 2019 Economic Analysis and 2021 Updated analysis.

**RESPONSE:**

Please refer to the annual fixed O&M, variable O&M, and Capital additions included in SPS's response to Question No's. AXM 1-9 and AXM 1-10. These costs were directly incorporated into the 2019 Economic Analysis and 2021 Updated analysis.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-16:**

Reference page 8, lines 1-9 of Company witness West's direct testimony, please provide the approximate MW output rating at which the Harrington coal units exceed the referenced 75 ppb maximum hourly SO2 emissions limit.

**RESPONSE:**

This cannot be determined as the NAAQS standard is an hourly area wide standard including all sources in the area. It is not indicative of Harrington alone. Therefore, an approximate MW value for exceedance cannot be determined.

Preparer: Jeffrey L. West

Sponsor: Jeffrey L. West

**QUESTION NO. AXM 3-17:**

Please explain whether it would be feasible to comply with the 75 ppb maximum hourly SO<sub>2</sub> emissions limit by limiting the generating output levels of the Harrington coal units. If not, explain why not.

**RESPONSE:**

No. The NAAQS standard is an hourly standard based on emissions in the specific area. This area is the combined emissions from all sources in the area and not just Harrington alone. Additionally, combustion at lower loads is less efficient with the potential to generate more emissions although lower output as there are currently no SO<sub>2</sub> controls at Harrington.

Preparer: Jeffrey L. West

Sponsor: Jeffrey L. West



**QUESTION NO. AXM 3-18:**

Please explain why SPS's RFI did not specify the need for replacement resources for the Harrington Units by the end of 2024 given that the Agreed Order provided for no operations of Harrington on coal beyond that date.

**RESPONSE:**

As explained on Page 39, lines 11-12 of the Direct Testimony of Ben R. Elsey, SPS's RFI included a "maximum net capacity need" of "approximately 2,200 MW beginning summer 2025," which included both Tolk and Harrington.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-19:**

Please provide the interconnection costs incurred for SPS's Hale and Sagamore wind farms.

**RESPONSE:**

The Interconnection costs for Hale Wind Farm is \$1.5M. The Interconnection costs for Sagamore Wind Farm is estimated at completion to be \$68.7M.

Preparer: Danelle Heidingsfelder

Sponsor: Mark Lytal

**QUESTION NO. AXM 3-20:**

Please provide the assumed interconnection costs for SPS's Hale and Sagamore wind farms included in the economic analyses presented in support of the Company's application for approval of the projects.

**RESPONSE:**

In Docket No. 46936, the Company identified network upgrade costs of \$1.5 million for Hale and \$44.4 million for Sagamore wind farms in the Direct Testimony of William A. Grant in support of its application for approval of those projects. For Sagamore, the actual interconnection costs identified by the Southwest Power Pool are expected to be approximately \$60 million at completion. SPS concluded that the economics of the Sagamore project still made sense and the project would benefit its customers.

Preparers: Danelle Heidingsfelder, Brian Hudson  
Sponsors: Mark Lytal, William A. Grant

**QUESTION NO. AXM 3-21:**

Please provide the assumed interconnection costs for each scenario and sensitivity case evaluated in the 2019 Economic Analysis on a nominal and cumulative net present value basis for the associated study period.

**RESPONSE:**

SPS has not calculated the present value revenue requirements associated with only the interconnection costs for each scenario.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-22:**

Please clarify whether interconnection costs were included for the converted Harrington coal units.

**RESPONSE:**

No. There are no interconnection costs for the converted Harrington coal units.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-23:**

Please provide SPS's capital and operating cost, heat rate and outage rate assumptions for new gas-fired combustion turbine peaking units and for new gas-fired combined cycle generating units in the Company's most recent IRP and identify the source of those assumptions.

**RESPONSE:**

SPS is not required to file an IRP in Texas.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-24:**

Please provide SPS's assumptions for capacity rating, capital and operating costs, heat rate and outage rates for new gas-fired combustion turbine peaking units and for new gas-fired combined cycle generating units evaluated in the Company's most recent IRP and identify the source of those assumptions.

**RESPONSE:**

SPS is not required to file an IRP in Texas.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-25:**

Please provide SPS's assumptions for capacity rating, capital and operating costs, heat rate and outage rates for new gas-fired combustion turbine peaking units and for new gas-fired combined cycle generating units evaluated in the Company's 2019 Economic Analysis and identify the source of those assumptions.

**RESPONSE:**

Please refer to Question No. AXM 3-10. The capital, operating cost, and outage rate assumptions were developed internally by the company. The capacity and heat rate assumptions were developed externally by a turbine manufacturer.

Preparer: Ben R. Elsey

Sponsor: Ben R. Elsey



**QUESTION NO. AXM 3-26:**

Please provide SPS's assumptions for capacity rating, capital and operating costs, heat rate and outage rates for new gas-fired combustion turbine peaking units and for new gas-fired combined cycle generating units evaluated in the Company's 2021 updated economic analysis of the Harrington units as discussed in SPS witness Elsey's direct testimony and identify the source of those assumptions.

**RESPONSE:**

Please refer to Question No. AXM 3-10. The capital, operating cost, and outage rate assumptions were developed internally by the company. The capacity and heat rate assumptions were developed externally by a turbine manufacturer.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-27:**

Please provide the engagement agreement between SPS and Guidehouse governing the work addressed in the report included as Attachment DDK-1 of witness Koujak's direct testimony.

**RESPONSE:**

Refer to Exhibit SPS-AXM 3-27.

Preparer: Counsel

Sponsor: Counsel

**QUESTION NO. AXM 3-28:**

Please provide independent analysis conducted by witness Koujak to assess the reasonableness of assumed interconnection costs included in the Harrington Analysis.

**RESPONSE:**

Refer to Attachment DDK-1 to the Direct Testimony of D. Dean Koujak for Mr. Koujak's independent analysis.

Preparer: D. Dean Koujak

Sponsor: D. Dean Koujak

**QUESTION NO. AXM 3-29:**

Reference Table 2 on page 13 of 16 of Attachment DDK-1 to witness Koujak's direct testimony, please provide the PVRR of interconnection costs included for each scenario presented in this table.

**RESPONSE:**

SPS has not calculated the present value revenue requirements associated with only the interconnection costs for each scenario.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-30:**

Reference Table 3 on page 14 of 16 of Attachment DDK-1 to witness Koujak's direct testimony, please provide the PVRR of interconnection costs included for each scenario and sensitivity analysis presented in this table.

**RESPONSE:**

SPS has not calculated the present value revenue requirements associated with only the interconnection costs for each scenario.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-31:**

Please identify the level of interconnection costs for new generating resources (expressed on a \$/kW basis) for each review of utility resource procurements projects, or of utility IRPs conducted by witness Koujak over the last three calendar years.

**RESPONSE:**

The specific information sought is protected under various Non-Disclosure Agreements (NDAs) or Confidentiality Agreements (CAs) executed by witness Koujak with the specific clients he has engaged with over the last three calendar years. However, the level of interconnection costs is highly variable between jurisdictions and may vary based on the specific point of interconnection. Accordingly, the level of interconnection costs associated with other utilities, specific to those projects that were assessed, cannot be used as a benchmark for projects in New Mexico or Texas. As noted in our report, the approach taken by SPS accounts for such variation at the circuit level by testing a low, base, and high case of interconnection costs to see their impact on the overall economics of the projects. Whenever costs are uncertain, the industry practice has been to run sensitivity tests to determine to what extent the decision is sensitive to variation in such costs. Because SPS has conformed to the industry practice, we found that the approach is reasonable.

Preparer: D. Dean Koujak  
Sponsor: D. Dean Koujak

**QUESTION NO. AXM 3-32:**

Please explain whether SPS evaluated the option of adding new gas-fired combustion turbine or combined cycle resources at the Harrington plant site as an alternative to gas conversion or to replacement of Harrington units with new resources in order to avoid incurring interconnection costs associated with new resources at other locations. If not, explain why not.

**RESPONSE:**

As described on page 41, lines 17-19 of the Direct Testimony of Ben R. Elsey, future generic combustion turbines and battery energy storage resources were exempt from the additional network upgrade costs on the assumption they would utilize generator replacement rules. Therefore, SPS's 2021 updated analysis did evaluate the option of adding new gas-fired combustion turbines at existing generation locations (including Harrington) to avoid incurring transmission costs. SPS did not evaluate adding a new combined cycle resource at the Harrington location, as SPS does not believe it is feasible to build a new combined cycle before Harrington is required to cease burning coal. In the absence of Harrington, SPS would have a large capacity need that would require replacement resources immediately. Furthermore, construction of new combined cycle at Harrington would still require a new natural gas pipeline.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

**QUESTION NO. AXM 3-33:**

Please provide the required start-up time (hours), ramp rate and load following capability of simple cycle gas-fired combustion turbine peaking resource alternatives evaluated in the 2019 Economic Analysis and 2021 updated economic analysis described in Company witness Elsey's direct testimony.

**RESPONSE:**

For the 2021 updated economic analysis, please refer to Question No. AXM 3-10. Please note: SPS did not include a start-up time or ramp rate in the EnCompass modeling because the generic combustion turbine generator ("CTG") can reach maximum load within an hour.

For the 2019 economic analysis, the minimum and maximum output for generic CTG is 69.99 MW and 233.3 MW, respectively. As described in the Direct Testimony of Ben R. Elsey, the 2019 Harrington analysis was conducted in Strategist. As Strategist is not an hourly dispatch production cost model, hourly inputs such as start-up time, and sub-hourly inputs such as ramp rate were not included in the analysis.

Preparers: Ashley Gibbons, Ben R. Elsey  
Sponsor: Ben R. Elsey



**QUESTION NO. AXM 3-34:**

Please provide the required start-up time (hours), ramp rate and load following capability of simple cycle gas-fired combustion turbine peaking resource alternatives evaluated in the 2019 and 2021 updated economic analyses described in Company witness Elsey's direct testimony.

**RESPONSE:**

Please refer to Question No. AXM 3-33.

Preparer: Ben R. Elsey  
Sponsor: Ben R. Elsey

### **CERTIFICATE OF SERVICE**

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on January 31, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

  
\_\_\_\_\_  
Mark A. Santos



150 N Riverside Plaza #2100,  
Chicago, IL 60606  
858.354.8333  
guidehouse.com

04/13/2021

Kate Norman  
Coffin Renner LLP  
1011 W. 31st Street  
Austin, TX 78705

**Re: Advisory Services for Harrington Power Plant Replacement**

Dear Kate,

This letter and the Terms and Conditions attached hereto as Exhibit 1 (this "Agreement") confirms the retention of Guidehouse Inc. ("Guidehouse") effective as of March 26, 2021 by Coffin Renner LLP ("Law Firm") on behalf of Southwestern Public Service Company, a wholly-owned electric utility subsidiary of Xcel Energy, Inc. ("Client") to provide independent professional services in connection with the above referenced matter.

Scope and Delivery of Services

The scope of this project is for Guidehouse to serve as an independent monitor and evaluator and oversee Xcel Energy's consideration of alternatives to coal-fired Harrington units in a process to amend its CCN with the Texas and New Mexico utility commissions.

Throughout this analysis, Guidehouse will independently monitor and review the analysis, and provide inputs and recommendations, as needed. At the end of the analysis, Guidehouse will prepare and deliver an independent report of its findings and conclusions regarding the Harrington CCN Analysis, based on its own fair evaluation, based on guiding principles, and backed by industry practices. Guidehouse will be available to provide expert witness testimony, if and as requested by the Client or Texas or New Mexico utility commissions. Appendix shows the estimate for the time commitment, and the associated price estimates, for these tasks.

Client and Law Firm agree to provide Guidehouse with timely access to information, locations and personnel reasonably necessary for the performance of the Services. Guidehouse's work product is to be used only with regard to the Services and not for any other purpose without Guidehouse's written approval.

Please keep in mind that, to the extent that Client and Law Firm ask Guidehouse to reach conclusions or form opinions, Guidehouse is obligated to give Client and Law Firm Guidehouse's best independent judgment. Guidehouse has not made and cannot make any guarantees regarding the outcome of any legal proceeding. Guidehouse understands that all communications between Guidehouse and Law Firm or Client, either oral or written, as well as any materials or information developed or received by Guidehouse pursuant to this Agreement, are intended to be made or prepared for purposes of assisting Law Firm in rendering legal advice to Client and thus are protected by applicable legal privileges. Therefore, all such communications will be treated by Guidehouse as confidential.

The preparation of Guidehouse's work product is an evolving process during which Guidehouse's analysis is focused and refined as its research and document review proceeds and as information emerges in this

Xcel Energy  
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engagement. Preliminary conclusions, superseded drafts, work lists, and irrelevant data are not a part of, and will not be recorded in, Guidehouse's final work product. Such documents may be appropriately discarded on a routine basis as work tasks are completed. Of course, circumstances may arise that require the retention of such drafts or other interim documents, including but not limited to subpoenas and court orders. Guidehouse understands that Client and Law Firm will provide it with instructions regarding document retention and production procedures that Client and Law Firm expect it to follow.

#### The Services Disclaimer

Guidehouse will not be auditing any financial statements or performing any attest procedures, nor will Guidehouse be providing legal advice, in the course of the Agreement. Guidehouse's services are not designed, nor should they be relied upon, to disclose internal weaknesses in internal controls, financial statement errors, irregularities, illegal acts or disclosure deficiencies.

Client and Law Firm agree that prior to the submission of any statement or pleading describing Guidehouse's experience, credentials, or the nature of Guidehouse's work and opinions related to this Agreement, or the publishing of any report authored by Guidehouse, Guidehouse will be provided a reasonable opportunity to review such statement for accuracy and provide appropriate disclaimers and legends to any such information and materials.

#### Fees and Expenses

The engagement team will be led by Laura Manz who will be assisted by others as appropriate. In the event Laura Manz becomes unavailable for any reason, Guidehouse will endeavor to propose an alternate individual of like experience and expertise, who shall be reasonably acceptable to Client. Guidehouse will make every reasonable effort to perform the assignment in a cost-effective manner. The hourly rates outlined below will be in effect through December 31, 2021.

Level	Rate
Managing Director	\$448
Director	\$364
Associate Director	\$319
Managing Consultant	\$266
Senior Consultant	\$231
Consultant	\$179

Guidehouse's hourly rates are based on the experience and skills of the personnel involved and are adjusted periodically, usually on January 1<sup>st</sup> of each year. Guidehouse does not predict or warrant the outcome of any particular matter or issue, and Guidehouse's fees are not dependent on such outcomes. Independent contractors or subcontractors may be utilized from time to time, at the applicable rates set forth above. Professional services will be billed monthly based on hours incurred and the rates in effect at the time services are performed. Related expenses will be invoiced monthly at cost with no mark-up. Actual cost of related expenses will be charged, including travel and transportation expenses, such as mileage (payable at the standard IRS rate), tolls, parking, airfare, hotel accommodations and meals. For certain assignments, invoices may be sent semi-monthly. Related expenses will be billed monthly at cost with no mark-up.

Guidehouse will invoice on a monthly basis and will provide invoices to Client and Law Firm. Guidehouse's invoices are due upon receipt of payment from Client to Law Firm, and payment of professional fees and expenses is expected within 30 days of Law Firm's receipt of payment from Client. Any objection to the

## D. Dean Koujak Engagement Letters

Xcel Energy  
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invoice must be made within 60 days after the date of the invoice; lack of timely objection to an invoice shall evidence Client and Law Firm's agreement to all invoiced amounts. A late charge of 1% per month will accrue on undisputed amounts not paid within 30 days of the date Law Firm is compensated by Client. If payment on invoices is past due more than 60 days and Law Firm has received payment from Client within that timeframe, Guidehouse reserves the right to terminate the engagement or suspend services until payment is received. If a report, deposition, declaration, or trial testimony is required, Guidehouse reserves the right to require payment of outstanding fees and expenses prior to submission of such report or testimony. Client, through Law Firm, will be solely responsible for all financial obligations to Guidehouse in connection with this Agreement. All costs of collection of amounts due and owing hereunder shall be paid by Client through Law Firm.

From time to time, Guidehouse may give Client and Law Firm an estimate of fees and expenses relating to this matter. Such estimates are subject to many unknown and uncontrollable variables. As such, estimates are projections at a particular point in time. Estimates may change as Guidehouse moves forward, and estimates are not an agreed upon fixed fee. It is agreed that any fee estimates Guidehouse provides to Law Firm will be promptly forwarded to Client, and that Guidehouse may communicate directly with Client regarding billing and other administrative matters.

The Term

The term of this Agreement is from the Effective Date to (i) termination of this Agreement by either party by giving written notice to the other (such termination shall be effective on the date that the party receives the notice in fact); (ii) the completion of the Services; or (iii) Client's receipt of a final invoice for professional fees. Notwithstanding, (i) and (ii), this Agreement shall terminate if Guidehouse has not performed Services in the preceding 12 months.

Entire Agreement

This Agreement constitutes the entire agreement between Guidehouse, on one side, and Client and Law Firm on the other side. In the event Client requires Guidehouse to execute a purchase order or other Client documentation in order to receive payment for Guidehouse's services, the terms and conditions contained in such purchase order or documentation shall be null and void and shall not govern the terms of this Agreement. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein and supersedes any other such promises or representations. It can only be modified by a written agreement signed by duly authorized representatives of each party.

If Client and Law Firm wish to engage Guidehouse to provide the Services please sign in the space provided and return an executed original to Guidehouse.

**[SIGNATURE PAGE FOLLOWS]**

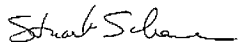
D. Dean Koujak Engagement Letters

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If Client or Law Firm have any questions, please do not hesitate to call.

Very truly yours,

**GUIDEHOUSE INC.**

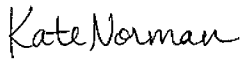


By: Stuart Schare  
[Partner]

Date: 04/13/2021

Agreed to and Accepted by:

**Coffin Renner LLP**



By: Kate Norman  
Partner

Date: 4/15/2021

D. Dean Koujak Engagement Letters

Xcel Energy  
04/13/2021**EXHIBIT 1****TERMS AND CONDITIONS*****Intellectual Property and Guidehouse***

***Deliverables:*** Upon full payment of all amounts due Guidehouse in connection with this Agreement, all rights, title and interest in any information and items, including summaries, documents, reports and portions thereof Guidehouse provides to Client (the "Guidehouse Deliverables") will become Client's sole and exclusive property for use in connection with the professional services set forth in this Agreement, subject to the exceptions set forth below. Guidehouse shall retain sole and exclusive ownership of all rights, title and interest in its work papers, proprietary information, processes, methodologies, know-how and software, including such information as existed prior to the delivery of the Services and, to the extent such information is of general application, anything that it may discover, create or develop during provision of the Services ("Guidehouse Property"). To the extent the Guidehouse Deliverables contain Guidehouse Property; Client is granted a non-exclusive, non-assignable, royalty-free license to use it in connection with the subject of this Agreement. Without the prior written consent of Guidehouse, in no event shall Guidehouse's name be mentioned nor shall Guidehouse Deliverables be disclosed, referenced, used in connection with any offering documents or shared with any third party, except (a) as required by law; (b) as required by any government or regulatory agency with supervisory authority over Client; and (c) Client's legal advisors and auditors. It is strictly prohibited for the Guidehouse Deliverables to be disclosed, referenced, filed or distributed in connection with the purchase or sale of securities, and in connection with any financing or business transaction.

***Confidentiality:*** If any of Guidehouse's professionals are asked to provide testimony, it may be necessary for him or her to resist efforts by a third party to elicit confidential and proprietary materials of Guidehouse and other Guidehouse clients. Guidehouse will take all reasonable efforts to protect the interests of Law Firm and Client, consistent with its need to protect Guidehouse's confidential and proprietary

materials as well as those of Guidehouse's other clients and to comply with Guidehouse's applicable non-disclosure obligations.

Guidehouse understands that all communications between it and Client and Law Firm, oral and written, as well as any materials and information developed or received by Guidehouse pursuant to this Agreement, are intended to be confidential. Accordingly, Guidehouse agrees, subject to applicable law or court order, not to disclose any of its communications, or any of the information it receives and develops in the course of the Services, to any person or entity apart from Client and Law Firm and such other persons or entities as Client and Law Firm may designate.

If access to any of the materials and information in Guidehouse's possession relating to this Agreement are sought by a third party, or any of its professionals are requested or compelled to testify as a fact witness in any legal proceeding related to this Agreement, by subpoena or otherwise, or it is made a party to any litigation related to this Agreement, Guidehouse will promptly notify Law Firm of such action, and either tender to Client its defense responding to such request and cooperate with Client concerning Guidehouse's response thereto or retain counsel for its defense for which Client shall reimburse Guidehouse for all reasonable attorney's fees and costs of defense. In such event, Client shall compensate Guidehouse at its standard billing rates for its professional fees and expenses, including reasonable attorneys' fees (internal and external), involved in responding to such action.

***Data Transfer:*** By accepting these terms, Client hereby provides consent for Guidehouse to obtain, store and process any personally identifiable information ("PII") acquired by it in this engagement. If any such PII originates from a non-U.S. country ("Foreign Data"), Client hereby warrants that at all times it has the requisite consent or authority under applicable law to transfer such Foreign Data to the U.S. If Client directs Guidehouse to transfer Foreign Data from Guidehouse to a third party in the U.S.,

## D. Dean Koujak Engagement Letters

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Guidehouse shall not be liable for the data handling practices of any such third party.

**Conflicts of Interest:** Guidehouse is not aware of circumstances that constitute a conflict of interest or that would otherwise impair Guidehouse's ability to provide objective assistance. Guidehouse's determination of conflicts is based primarily on the substance of its work and not the parties involved. Guidehouse is a large consulting company that is engaged by many companies and individuals. Guidehouse may have in the past represented, may currently represent or may in the future represent other clients whose interests may have been, may currently be or may become adverse to Client in litigation, transactions, or other matters (collectively "Other Clients"). Therefore as a condition to Guidehouse's undertaking to provide the Services to the Client and absent any conflict in fact, Client agrees that Guidehouse may continue to represent, and in the future may represent Other Clients. Notwithstanding any other provisions herein, in exchange for Guidehouse agreeing to provide the Services under this Agreement, Client agrees and acknowledges that Guidehouse is not restricted in any way from providing eDiscovery services to Other Clients.

**Standard of Care:** In providing the Services, Guidehouse and its personnel shall exercise reasonable care, and Guidehouse, its interim personnel, officers, directors, agents, employees and outside consultants, if any, will not be liable to Client and Law Firm (or any parent, subsidiary or affiliate, director or officer thereof) for any loss, financial or otherwise, which may result to Client and Law Firm (or any parent, subsidiary, affiliate, director or officer thereof) as a result of the Services or the methods by which the Services were provided, unless such a loss is the direct result of an act of fraud. Guidehouse cannot guarantee or assure the achievement of any particular performance objective, nor can Guidehouse guarantee or assure any particular outcome for Client or any other person as a result of this Agreement or the performance of the Services.

**Limitation of Liability:** Notwithstanding the terms of any other provision, the total liability of Guidehouse for all claims of any kind arising out

of this Agreement, whether in contract, tort or otherwise, shall be limited to the total fees paid to Guidehouse in the preceding 12 months. Neither Guidehouse nor Client shall in any event be liable for any indirect, consequential or punitive damages, even if Client or Guidehouse have been advised of the possibility of such damages. No action, regardless of form, arising out of or relating to this Agreement, may be brought by either party more than one year after the cause of action has accrued, except an action for non-payment may be brought within one year following the date of the last payment due under this Agreement. Guidehouse shall not be liable for any loss or destruction of any valuable documents provided to Guidehouse. Client shall be responsible for insuring such documents against loss and destruction.

**Third Party Beneficiaries:** This Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the parties.

**Force Majeure:** Guidehouse shall not be deemed in default of any provision of this Agreement or be liable for any delay, failure in performance, or interruption of the Services resulting directly or indirectly from acts of God, electronic virus attack or infiltration, civil or military authority action, civil disturbance, war, epidemic, strike and other labor disputes, fires, floods, other catastrophes, and other forces beyond its reasonable control making it commercially impracticable to perform the obligations of this Agreement.

**Resolution of Disputes:** To promote rapid and economical resolution of disputes that may arise, any and all disputes or claims related to or arising from this Agreement, except claims by Guidehouse for non-payment of amounts owed hereunder, shall be resolved by final, binding and confidential arbitration conducted in New York, New York by JAMS Inc. (formerly Judicial Arbitration and Mediation Services) ("JAMS") under the then-applicable JAMS rules, including its optional appellate procedure if the parties so elect. The parties hereby give up their right to have any such disputes and claims litigated in a court or by a jury. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of



## D. Dean Koujak Engagement Letters

Xcel Energy  
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laws principles. In any arbitration (or litigation in the case of claims by Guidehouse for nonpayment of amounts owed hereunder), the prevailing party shall be entitled to recover from the other party reasonable costs and expenses, including reasonable attorneys' fees, incurred in enforcing this Agreement and reasonable attorneys' fees and costs incurred in obtaining, appealing or enforcing any judgment entered by the arbitrator or the court. The waiver of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent or additional breach.

**Restriction on Use of Personnel:** Client agrees that during the term of this Agreement (including any renewals and extensions thereof), and for a period of one year following its termination ("Restriction Period"), neither Client nor any affiliate, parent or subsidiary thereof will knowingly employ or engage as an independent contractor, consultant or otherwise, any person who, during the Restriction Period, is or was an employee or independent contractor of

Guidehouse that provided Services under this Agreement.

**Disposition of Documents:** At the conclusion of the Services, Client will have the following three options with respect to disposition of documents related to this Agreement. Client may (a) direct Guidehouse to return all such documents to Client, where practicable; (b) authorize Guidehouse to discard or destroy all documents; or (c) direct Guidehouse to store any or all such documents at the expense of Client. It is also Client's obligation to pay Guidehouse for storage costs in the event Guidehouse is bound to retain documents related to the Services by any third party, court order, operation of law, or other legally binding reason for retention. The terms and pricing for all storage will be provided to Client at the beginning of any storage period. If Client does not request option (a), (b) or (c) within 60 days after the conclusion of the Services, Guidehouse may implement any one of these options at its sole discretion. Guidehouse may retain a copy of its reports and work papers.

**Appendix**

The table below shows the estimates for the hours and the associated fees for the tasks associated with this project.

Tasks	Hours	Estimated Fees (\$)	Pricing Terms
Task 1: Conduct Independent Evaluation and Monitoring; prepare and deliver Independent Review Report	200	73,000	T&M
Task 2: Provide expert testimony, as needed	120	44,000	T&M
Project Management	45	14,000	T&M

Guidehouse agrees not to exceed the total amount of Estimated Fees without prior consultation with and approval from Client.



Via E-mail

November 17, 2021

Kate Norman  
Coffin Renner LLP  
1011 W 31st St  
Austin, TX 78705

RE: Xcel Energy – Southwestern Public Service Company Independent Evaluator Engagement re:  
Harrington Station Options Analysis

Dear Kate:

This letter is to confirm that effective October 21, 2021, Coffin Renner LLP (“Coffin Renner”) has retained Charles River Associates (“CRA”) on behalf of its client, Xcel Energy Incorporated; Southwestern Public Service Company (together the “Client”) to assist with certain matters pertaining to the Independent Evaluation of the Harrington Station Options analysis on behalf of Southwestern Public Service, and related testimony.

In establishing and maintaining good relationships with our clients, we have found it important to provide each client with a statement of our engagement practices and billing policies. These practices and policies are set forth in our attached Terms and Conditions, which are incorporated herein by reference and which are intended to safeguard our client information, establish reasonable fees for our services, and provide for the billing and collection of those fees in a timely manner.

CRA will provide its services hereunder on a time and materials basis, and will invoice for actual hours worked and expenses incurred. The current rate for Dean Koujak is \$495.00 per hour. Junior staff, if necessary, will be billed between \$250 to \$350 per hour. All invoices will be submitted to Coffin Renner for prompt delivery to your Client for payment. Although CRA has been retained by Coffin Renner to provide consulting services with respect to matters pertaining to your Client, we recognize that your Client is our ultimate client. CRA will look to Coffin Renner for assistance in collection of all fees owed to CRA by your Client. To facilitate timely payment of fees, CRA agrees to provide separate invoices for New Mexico and Texas services by the 8<sup>th</sup> of each month.

If you agree to the retention of CRA on these terms, please either sign and return an electronic copy of this letter or confirm your acceptance by email. Thank you for your confidence in our ability to assist you and your client. We look forward to working with you.

Sincerely yours,

A handwritten signature in black ink, appearing to be "CRA" or a similar stylized mark, followed by a long horizontal line.

Charles River Associates

James McMahon  
Vice President

JM/ddk

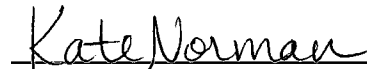
Page 2  
November 17, 2021

Confidential

Enclosure

Accepted by:

Coffin Renner LLP

  
\_\_\_\_\_  
Signature

Kate Norman, Partner

\_\_\_\_\_  
Print Name and Title

November 17, 2021

\_\_\_\_\_  
Date

D. Dean Koujak Engagement Letters

Charles River Associates

November 17, 2021

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## Terms and Conditions

### Confidentiality

All of CRA's work for clients is confidential. CRA staff members and consultants have signed confidentiality agreements and are obligated not to disclose any confidential information or documents used or obtained in the course of our work. This obligation of confidentiality does not apply to data or information which: (1) is or becomes generally available to the public other than as a result of a disclosure by CRA or any of its representatives; or (2) was in CRA's possession prior to the time it was disclosed to CRA by you or your client; or (3) is disclosed to CRA by a third party who is under no obligation of confidentiality to you or your client. Should CRA be compelled by any valid court or administrative order to disclose any confidential information held in connection with this engagement, we will first notify you and will cooperate, to the extent practicable, with any attempts to legally limit or avoid such disclosure.

### Relationship

The role of CRA is solely that of an independent contractor. In no event shall this agreement or any work performed by CRA create a relationship of principal and agent, partnership or joint venture, or any fiduciary relationship between the parties. This agreement may be terminated, at the discretion of either party, on ten (10) days' written notice, or earlier with the consent of both parties. CRA will be compensated for all services rendered and expenses incurred by CRA up to the date of termination.

Under this agreement, CRA will provide consulting services and will report on the progress of our work, either orally or, if requested, in written form. CRA will offer independent, objective opinions and analysis. Coffin Renner confirms that its Client has authorized Coffin Renner to enter into this agreement with CRA on behalf of its Client. CRA shall perform services at the direction of Coffin Renner without further confirmation from its Client. Coffin Renner shall bear the responsibility of keeping its Client apprised of CRA's efforts.

### Data Handling

Any nonpublic information you have supplied to CRA will be kept confidential with at least the same degree of care as we use for our own materials. It is your obligation to inform CRA at the outset of the engagement of any special data handling, storage, or destruction requirements. CRA shall take appropriate steps to accommodate your data handling, storage, and destruction needs on the understanding that certain measures may incur additional expense, which shall be borne by you. Unless other terms are agreed or there is an order or other legal requirement to the contrary, upon the conclusion of the provision of services under this retention, CRA may destroy or return to you all information related to this retention (hard-copy or electronic). CRA reserves the right to bill your client for such destruction or re-delivery activities. CRA reserves the right to maintain copies (at its expense) of such material as it deems necessary for administrative, legal, or regulatory purposes. The terms of this paragraph shall survive the termination and/or the expiration of this agreement.

### Liability

The total liability of CRA shall be limited to the total amount of fees paid to CRA under this engagement. Under no circumstances shall CRA be liable for any (1) loss of profits; (2) loss of sales; (3) loss of turnover; (4) loss of or damage to business; (5) loss of data; (6) business interruption; (7) wasted management or other staffing; (8) loss of customers; (9) indirect, consequential, incidental, or special damages. For the purposes of this paragraph, the term "loss" includes a partial loss or reduction in value as well as a complete or total loss. None of the foregoing exclusions and limitations on liability shall apply in respect of (a) liability in negligence causing personal injury or death; (b) liability for fraudulent misrepresentation; or (c) any other liability which cannot by law be excluded or limited (as appropriate). The terms of this paragraph shall survive termination and/or the expiration of this agreement.

D. Dean Koujak Engagement Letters

Charles River Associates

November 17, 2021

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**Intellectual Property**

You acknowledge and agree that in performing the services for you under this retention, CRA may utilize proprietary works, including without limitation software, tools, models, specifications and other materials, that were developed by CRA or a third party prior to the start of or outside of this engagement ("Preexisting Materials"). CRA owns all right, title and interest in and to the Preexisting Materials and (a) to the extent (i) CRA incorporates Preexisting Materials into the work product, or (ii) any intellectual property rights in such Preexisting Materials are required in connection with the development, use or commercialization of any work product; and (b) all fees to CRA pursuant to this agreement have been fully-paid by you, CRA shall grant you a fully-paid, non-transferable, non-exclusive, royalty-free user license to use the Preexisting Materials, limited to the purposes as stated within this retention agreement.

**Reports**

CRA's reports, and any portions or drafts thereof, are prepared for your use in connection with this matter and shall not be made available to any other party without the prior authorization of CRA, provided, however, that any such materials may be shared with your directors, officers, employees and agents, including accountants, legal counsel and other advisors to the extent necessary in connection with this engagement.

**Billing and Payment**

All invoices are due and payable upon receipt. CRA accepts payment via wire or EFT/ACH transfer. Our remittance instructions are provided below. CRA reserves the option to charge interest on invoices that are outstanding more than thirty (30) days, at a rate equal to the lower of 1.5 percent per month or the maximum rate permitted under applicable law. The obligation to pay CRA's fees and expenses is not contingent upon the results of the services or any suit or matter in connection with which the services are provided. Any objection with respect to CRA's invoices must be made by the client in writing within five (5) business days following receipt of the invoice to which objection is made. CRA reserves the right to suspend and/or terminate services, withhold any report or deliverable, and to prohibit the client from using or permitting the use of any report or any portion thereof until all of CRA's fees and expenses incurred to date have been paid in full. CRA may request a retainer at any time. CRA's hourly rates and costs are subject to periodic change. From time to time you or your Client may ask CRA to provide estimates of the likely costs of the engagement or of a particular phase or period of work. You agree that (1) these estimates are provided for your own internal budgeting processes, (2) your Client will remain responsible for CRA's fees on a time and materials basis in the event that they exceed any estimate that we have given; and (3) these estimates are not binding on CRA unless CRA agrees in writing as an amendment to this agreement that such estimates shall be binding. Expenses for travel, outside photocopying and data acquisition are billed at cost.

<b><u>Domestic Wire Transfer:</u></b>	<b><u>International Wire Transfer:</u></b>	<b><u>ACH/EFT:</u></b>
Acct Name: CRA International, Inc. DBA: Charles River Associates  Bank Name: Citizens Bank Bank Address: 1 Citizens Drive, Riverside, RI 02915 Routing/ABA: 011500120 Account Number: 1139714659	Acct Name: CRA International, Inc. DBA: Charles River Associates Bank Name: Citizens Bank Bank Address: 1 Citizens Drive, Riverside, RI 02915-3019 SWIFT Code: CTZIUS33 Account Number: 1139714659	Acct Name: CRA International, Inc. DBA: Charles River Associates Bank Name: Citizens Bank Bank Address: 1 Citizens Drive, Riverside, RI 02915-3019 Routing/ABA: 211070175 Account Number: 1139714659

Please include the CRA project number and/or the invoice number with your payment to ensure that it is appropriately credited.

D. Dean Koujak Engagement Letters

Charles River Associates

November 17, 2021

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Remittance advices and general invoice inquiries should be sent to [CRA\\_AR@crai.com](mailto:CRA_AR@crai.com).

**Miscellaneous**

In the event that the scope and/or parties to this retention change after the commencement of CRA's services hereunder, CRA reserves the right to decline to provide further services and terminate this retention without liability, unless CRA determines that such change in scope and/or parties will not create a conflict of interest for CRA. Any change to the scope or terms of this engagement will be agreed in writing, with e-mail deemed sufficient. You will from time to time provide to us such information and documentation as we may request to comply with our obligations under applicable anti-money laundering or similar legislation in any relevant jurisdiction. We may decline to act or to continue to act for you until you have complied with any such request.

In the event that CRA is required to undertake collection efforts for unpaid invoices, client shall also be responsible for payment of CRA's reasonable attorneys' fees and costs associated therewith. If CRA is required by government regulation, protective order, subpoena, or other similar legal requirement that may arise during or after the pendency of this agreement, to produce or destroy documents or provide personnel as witnesses with respect to the services or this agreement, CRA shall be reimbursed for its professional time and expenses, as well as reasonable attorneys' fees and expenses, including the allocable cost of in-house counsel, incurred in responding to such requests.

Neither party shall be liable in damages or have the right to terminate this agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to acts of God, government restrictions, wars (declared or undeclared), acts or threats of terrorism, pandemic, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

The client may not use the name, trade name or mark of CRA, any of its subsidiaries or its employees in any marketing or similar promotional materials, including websites or press releases without the express written consent of CRA, unless required by law.

The parties to this agreement hereby submit to the personal jurisdiction of the courts of the Commonwealth of Massachusetts, agree that any dispute that may arise in connection with this agreement shall be resolved by the courts of the Commonwealth of Massachusetts, and governed under the laws of the Commonwealth of Massachusetts without regard to conflicts of laws. The parties to this agreement hereby waive the right to a trial by jury on any matters arising under or related to this agreement. Charles River Associates is a registered trade name of CRA International, Inc., which is the entity being retained herein.

**Entire Agreement**

This agreement constitutes the complete and exclusive statement of the parties in relation to the subject matter hereof; sets forth all obligations of the parties in relation to the subject matter hereof; supersedes all prior or simultaneous written or oral proposals, estimates and understandings relating thereto, all of which are expressly excluded.