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APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY FOR AUTHORITY TO RECONCILE FUEL AND PURCHASED POWER COSTS FOR THE PERIOD JULY 1, 2018 THROUGH JUNE 30, 2021 **BEFORE THE STATE OFFICE**

OF

ADMINISTRATIVE HEARINGS

SOUTHWESTERN PUBLIC SERVICE COMPANY'S RESPONSE TO ALLIANCE OF XCEL MUNICIPALITIES'S MOTION TO STRIKE THE FIRST ERRATA TO THE DIRECT TESTIMONY OF RICHARD L. DERRYBERRY

Southwestern Public Service Company ("SPS") files this response to Alliance of Xcel Municipalities ("AXM")'s Motion to Strike the First Errata to the Direct Testimony of Richard L. Derryberry ("Errata"). AXM's Motion is without merit and should be denied. SPS's Errata made a correction to three sentences of Mr. Derryberry's direct testimony which brought it into line with the rest of his direct testimony and his rebuttal testimony. The error in Mr. Derryberry's direct testimony was inadvertent and it was wholly appropriate for SPS to amend this passage, which was not correct as filed. Given Mr. Derryberry's duty to testify truthfully, this correction was necessary. It should not be stricken.

The revised portion of Mr. Derryberry's direct testimony comports with other portions of Mr. Derryberry's direct testimony two pages prior when he stated that, in response to forecasts of severe winter weather, SPS,

Gas Supply and Planning took a number of steps, including:

- Planning to *maximize use* of storage inventories and executing that strategy;
- Purchasing enough natural gas supply to meet customers' load demands throughout the long weekend. For the Presidents Day weekend that meant purchasing gas supply beginning early Friday morning, concluding by 9:00 a.m. Central.
- Working with the plants to switch to fuel oil when appropriate to run some plants to minimize the high gas purchase costs being experienced.

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These actions were essential to meeting SPS customers' needs during this period and reflect the Company's commitment to reliability and safety and resulted in continued electric service for firm retail electrical customers during the February Event in contrast to other parts of Texas and the U.S.¹

SPS's Errata is also consistent with Mr. Derryberry's rebuttal testimony that "SPS planned to use its maximum daily storage withdrawal right of 88,589 MMBtu" during Winter Storm Uri,² and in fact requested to withdraw its maximum allowed each day.³

AXM has not been prejudiced by SPS's Errata. As noted, Mr. Derryberry stated in his direct testimony that SPS executed a strategy of maximizing its use of storage during Winter Storm Uri. In addition, AXM propounded five Requests for Information concerning storage in response to Mr. Derryberry's direct testimony⁴ and eight Requests for Information concerning storage in response to Mr. Derryberry's rebuttal testimony.⁵ Each of SPS's responses to these Requests for Information has been consistent with Mr. Derryberry's testimony that SPS maximized its use of storage during Winter Storm Uri. AXM will have the opportunity to cross-examine Mr. Derryberry on this issue during the hearing on the merits.

SPS has a duty to ensure that its testimony is factual. When it discovered the error in Mr. Derryberry's testimony it corrected that testimony, bringing it into line with Mr. Derryberry's other testimony and the facts. AXM's Motion lacks merit and it should be denied.

³ *Id.* at 18, lines 5-6.

⁴ Application of Southwestern Public Service Company for Authority to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2018 through June 30, 2021, Docket No. 53034, Alliance of Xcel Municipalities' Fourth Set of Requests for Information to Southwestern Public Service Company at Requests for Information Nos. AXM 4-4, AXM 4-15, AXM 4-16, AXM 4-17, and AXM 4-18 (June 2, 2022).

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¹ Application of Southwestern Public Service Company for Authority to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2018 through June 30, 2021, Docket No. 53034, Derryberry Direct at 26, lines 6-19 (Dec. 29, 2021).(emphasis added)

² Application of Southwestern Public Service Company for Authority to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2018 through June 30, 2021, Docket No. 53034, Derryberry Redirect at 17, lines 12-13 (August 10, 2022).

⁵ Application of Southwestern Public Service Company for Authority to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2018 through June 30, 2021, Docket No. 53034, Alliance of Xcel Municipalities' Eighth Set of Requests for Information to Southwestern Public Service Company at Requests for Information Nos. AXM 8-3, AXM 8-4, AXM 8-5 (August 15, 2022); Application of Southwestern Public Service Company for Authority to Reconcile Fuel and Purchased Power Costs for the Period July 1, 2018 through June 30, 2021, Docket No. 53034, Alliance of Xcel Municipalities' Eleventh Set of Requests for Information to Southwestern Public Service Company at Requests for Information Nos. AXM 11-1, AXM 11-6, AXM 11-15, AXM 11-16, and AXM 11-17 (August 18, 2022).

CONCLUSION AND PRAYER

For the foregoing reasons, SPS respectfully requests that the Administrative Law Judges **DENY** AXM's Motion to Strike the First Errata to the Direct Testimony of Richard L. Derryberry, and grant SPS all other relief to which it may be entitled.

Respectfully submitted,

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ATTORNEYS FOR SOUTHWESTERN PUBLIC SERVICE COMPANY

CERTIFICATE OF SERVICE

I certify that on August 25, 2022 this instrument was filed with the Public Utility Commission of Texas and a true and correct copy of it was served on all parties of record in this proceeding in accordance with the Order Suspending Rules issued in Project No. 50664.

Andrea Moore Stover

SPS's Resp to AXM's Motion to Strike the First Errata to the Direct Testimony of Richard L. Derryberry