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DOCKET NO. 56921

**APPLICATION OF SOUTHWESTERN §
PUBLIC SERVICE COMPANY TO §
AMEND ITS INTERRUPTIBLE §
CREDIT OPTION TARIFF, AND FOR § PUBLIC UTILITY COMMISSION
APPROVAL OF A SOUTHWEST § OF TEXAS
POWER POOL INTEGRATED §
MARKETPLACE DEMAND §
RESPONSE OPTION TARIFF AND §
AN OFF-PEAK ALTERNATE RIDER §**

**SOUTHWESTERN PUBLIC SERVICE COMPANY'S
RESPONSE TO TEXAS INDUSTRIAL ENERGY CONSUMERS
THIRD REQUEST FOR INFORMATION
QUESTION NOS. 3-1 THROUGH 3-8
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**SOUTHWESTERN PUBLIC SERVICE COMPANY'S
RESPONSE TO TEXAS INDUSTRIAL ENERGY CONSUMERS
THIRD REQUEST FOR INFORMATION
QUESTION NOS. 1-1 THROUGH 1-31**

Southwestern Public Service Company ("SPS") files this response to the Texas Industrial Energy Consumers' ("TIEC") Third Request for Information, Question Nos. 3-1 through 3-8. In accordance with the Commission's *Order Suspending Rules* entered in Docket No. 50664, SPS has provided notice, by email, to all parties that SPS's Responses to TIEC'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 TIEC'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 98 San Jacinto Boulevard, Suite 1600, Austin, Texas 78701; telephone number (512) 721-2700. Voluminous exhibits will also be provided on SPS’s file sharing platform.

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 Amarillo, Texas, unless otherwise indicated. SPS requests that parties wishing to inspect this material provide at least 48-hour notice of their intent by contacting Jeffrey Stuart at Eversheds

Sutherland (US) L.L.P., 98 San Jacinto Boulevard, Suite 1600, Austin, Texas 78701; telephone number (512) 721-2700; facsimile transmission number (512) 721-2656; email address jeffreystuart@eversheds-sutherland.com. Inspections will be scheduled to accommodate all requests with as little inconvenience to the requesting party and to SPS's operations as possible.

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Respectfully submitted,

XCEL ENERGY SERVICES INC.

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/s/ Stephanie G. Houle

ATTORNEYS FOR
SOUTHWESTERN PUBLIC SERVICE COMPANY

RESPONSES

QUESTION NO. TIEC 3-1:

Referring to SPS's Response to TIEC 1-1, is SPS willing to allow metering to segregate customer load behind the delivery point so that portions of a customer site can participate in the proposed tariffs?

RESPONSE:

SPS presumes this question is asking whether SPS will allow metering to segregate load so that a customer could participate under multiple interruptible tariffs at a single Point-of-Delivery. With that clarification, yes, with the following conditions: (i) it is possible to segregate the customer's load with additional metering, and (ii) the customer agrees to pay the full cost of installation and the full cost of all metering equipment.

Preparer: Wesley L. Berger
Sponsors: Wesley L. Berger, Richard Lain

QUESTION NO. TIEC 3-2:

Referring to SPS's Response to TIEC 1-5, is there a scenario where "a customer may be requested to interrupt outside of the ICO tariff and the customer has not already been interrupted up to its maximum hours? If yes, please explain the scenario and why the interruption would not count toward the maximum interruptible hours.

RESPONSE:

SPS's intention is to interrupt ICO customers prior to interrupting firm customers whenever possible. So, interruptions beyond what is prescribed in the ICO tariff will be rare. The only scenario that SPS has thought of thus far where an ICO customer may get interrupted and the interruption didn't count toward its maximum interruptible hours is for the loss of an SPS distribution feeder or substation that directly serves the ICO customer among other customers.

Preparer: Wesley L. Berger

Sponsor: Wesley L. Berger

QUESTION NO. TIEC 3-3:

Referring to SPS's Response to TIEC 1-12, please explain the process that would occur after the customer sends an email that ensures that the customer has confirmation of the advance election that would then be a standing order unless cancelled or modified by the customer.

RESPONSE:

To clarify, on the day of an ICO economic event, the customer will make their buy through elections by logging into the ICO website and indicating their buy through request up to 45 minutes before the start of an event. Once submitted in the portal, the buy-through request is automatically recorded. A customer could confirm their elections by logging back into their account and verifying their elections were submitted properly.

For an advance election to buy-through up to a specified price, such election shall be made no later than the last business day prior to the first day of the month to which the election will apply, and shall be delivered to Customer's service representative by electronic mail as provided in Customer's Agreement. The service representative will confirm receipt of the election via electronic mail and enter it into the ICO system of record. The customer can request confirmation of their advance elections at any time by contacting their service representative.

Preparer: Joseph Koski
Sponsor: Wesley L. Berger

The following requests pertain to the Interruptible Credit Option Tariff, Sheet IV-177:

QUESTION NO. TIEC 3-4:

Referring to SPS's Response to TIEC 1-21, please confirm the following: Within each 90-day window, a customer can modify the markets it participates in and its bid pricing as often as desired. If anything other than an unqualified confirm, please explain the maximum frequency a customer can modify the markets it participates in and its bid pricing.

RESPONSE:

Not confirmed. SPS's response to Question No. TIEC 1-21 is not applicable to the ICO Tariff. That response pertains to the SPP IM Tariff. In addition, the representation above is not an accurate reading of that response as to how it pertains to the SPP IM Tariff. Customers are allowed to exit the SPP IM Tariff upon a minimum of 90 days written notice, and customers are allowed to modify their bid pricing and SPP markets in which they participate upon a minimum of 90 days written notice to SPS. In other words, a customer cannot change either the markets in which it participates or its bid pricing within the 90-day window referenced in the question.

Preparer: Wesley L. Berger
Sponsor: Wesley L. Berger

QUESTION NO. TIEC 3-5:

Referring to SPS' s Response to TIEC 1-28, is SPS willing to modify the currently proposed tariff to allow for seasonal sign-up options?

RESPONSE:

Pursuant to SPS's response to TIEC 1-28, if SPS determines in the future that Southwest Power Pool's planning requirements require the ICO Tariff to apply to either summer or winter, SPS is willing to consider modifying the ICO Tariff in a future filing.

Preparer: Richard Lain

Sponsor: Richard Lain

The following requests pertain to the Off-Peak Alternate Rider, Tariff Sheets IV-18, IV-173, and IV-108:

QUESTION NO. TIEC 3-6:

Please respond to the following assuming a theoretical 10,000 kilowatt (kW) customer is participating in the Off-Peak Alternate Rider at transmission level and fails to interrupt during on-peak hours in August 2025:

- a. Would the monthly demand penalty charge for the following month be calculated as follows: $10,000 \text{ kW} \times \$14.55/\text{kW-month} = \$145,500$?
- b. Would the demand penalty charge continue for 12-months (through August 2026) and total \$1,746,000 ($\$145,500 \times 12$ months)?
- c. If either of the above calculations in subparts (a) and (b) are inaccurate, please explain how the penalty will be assessed using the same 10,000 kW load.
- d. Would the customer be subject to a second, additional demand penalty charge if the customer failed to interrupt a second time during the same month?

RESPONSE:

- a. Yes.
- b. Yes.
- c. Not applicable.
- d. No.

Preparers: Wesley L. Berger, Joseph Koski
Sponsor: Wesley L. Berger

QUESTION NO. TIEC 3-7:

Is it SPS's intention to not provide an early termination provision for this rider? If yes, please explain the reasoning for not allowing early termination. If no, please point to the provision that allows for early termination or provide the proposed early termination language.

RESPONSE:

SPS does not intend to provide an early termination provision for the Off-Peak Alternate Rider. As discussed in the Direct Testimony of Wesley L. Berger on page 10, lines 10-16, the purpose of the five-year contract term is to allow SPS time to acquire additional resources to serve the customer if/when the customer chooses to exit the Off-Peak Alternate Rider.

Preparer: Wesley L. Berger

Sponsor: Wesley L. Berger

QUESTION NO. TIEC 3-8:

Please respond to the following assuming a theoretical 10,000 kW customer that starts service on the rider on January 1, 2025 at transmission voltage and each year is required to curtail 4 times, in the same 4 months (February, June, August, and November), and each time the customer fails to curtail:

- a. What is the earliest month and year the customer can exit the program?
- b. What is the penalty cost each month that the customer will pay for failing to curtail until the customer can exit the program? In responding, please show the monthly penalty by month, including calculations, starting with January 1, 2025, and continuing each month until the customer can exit the program.

RESPONSE:

- a. The initial contract term is five years. So, if a customer begins service under the Off-Peak Alternate Rider on January 1, 2025, the earliest the customer can exit is December 31, 2029.
- b. First, we need to clarify the example to define what failing to interrupt means. The Off-Peak Alternate Rider requires the customer to allow SPS to install equipment that will allow SPS to interrupt the customer. In the event that a customer fails to interrupt when SPS operates the control equipment, the customer shall not be penalized unless either (i) evidence of tampering/bypassing SPS's direct load control equipment is found or (ii) customer's owned equipment fails to reduce customer's load upon receipt of interruption signal from SPS. Thus, it is extremely unlikely that the theoretical example above will occur.

Please see Exhibit SPS-TIEC 3-8 for penalty by month and calculations. It should be noted that even if the customer is no longer enrolled in 2030, they still will receive penalties incurred during participation in 2029.

Preparers: Wesley L. Berger, Joseph Koski
Sponsor: Wesley L. Berger

CERTIFICATE OF SERVICE

I certify that on the 20th day of November 2024, notice of the filing of the foregoing instrument with the PUCT was served on all parties of record by electronic service.

/s/ Scottie Agnew
Scottie Agnew

2025												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2025 Penalty		\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
June 2025 Penalty						\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
August 2025 Penalty								\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
November 2025 Penalty											\$145,500	\$145,500
Total	\$ -	\$ 145,500	\$ 145,500	\$ 145,500	\$ 145,500	\$ 291,000	\$ 291,000	\$ 436,500	\$ 436,500	\$ 436,500	\$ 582,000	\$ 582,000
2026												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2025 Penalty	\$145,500											
February 2026 Penalty		\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
June 2025 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500							
June 2026 Penalty						\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
August 2025 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500					
August 2026 Penalty								\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
November 2025 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500		
November 2026 Penalty											\$145,500	\$145,500
Total	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000
2027												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2026 Penalty	\$145,500											
February 2027 Penalty		\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
June 2026 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500							
June 2027 Penalty						\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
August 2026 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500					
August 2027 Penalty								\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
November 2026 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500		
November 2027 Penalty											\$145,500	\$145,500
Total	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000
2028												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2027 Penalty	\$145,500											
February 2028 Penalty		\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
June 2027 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500							
June 2028 Penalty						\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
August 2027 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500					
August 2028 Penalty								\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
November 2027 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500		
November 2028 Penalty											\$145,500	\$145,500
Total	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000

2029												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2028 Penalty	\$145,500											
February 2029 Penalty		\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
June 2028 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500							
June 2029 Penalty						\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
August 2028 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500					
August 2029 Penalty								\$145,500	\$145,500	\$145,500	\$145,500	\$145,500
November 2028 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500		
November 2029 Penalty											\$145,500	\$145,500
Total	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000	\$582,000
2030												
	January	February	March	April	May	June	July	August	September	October	November	December
February 2029 Penalty	\$145,500											
June 2029 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500							
August 2029 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500					
November 2029 Penalty	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500	\$145,500		
Total	\$582,000	\$436,500	\$436,500	\$436,500	\$436,500	\$291,000	\$291,000	\$145,500	\$145,500	\$145,500	\$0	\$0