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**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

**APPLICATION OF SOUTHWESTERN PUBLIC SERVICE
COMPANY TO ADJUST ITS ENERGY EFFICIENCY COST
RECOVERY FACTOR**

SOAH ORDER NO. 1

**FILING DESCRIPTION; JURISDICTION; REQUIRING STAFF
COMMENTS ON SUFFICIENCY OF APPLICATION AND NOTICE;
ADOPTING PROTECTIVE ORDER; SETTING PREHEARING
CONFERENCE; AND GENERAL PROCEDURES**

I. FILING DESCRIPTION

On May 1, 2025, Southwestern Public Service Company (SPS) filed an application to adjust its energy-efficiency cost recovery factor (EECRF) to recover \$5,439,692. That amount includes the following:

- \$5,078,439 in projected costs for the 2026 energy-efficiency program;

- \$802,978 for a performance bonus based on achieving demand savings in 2024 in excess of its 2024 goal;
- \$52,415 in projected evaluation, measurement, and verification costs;
- \$533,808 to be refunded to customers for under-recovery of 2024 program costs, including interest; and
- \$39,6674 related to rate-case expenses for SPS in Docket No. 56570, which was SPS's 2024 EECRF proceeding.

The effective date of this 2026 EECRF is January 1, 2026.

II. JURISDICTION

On May 2, 2025, the Commission issued its Order of Referral, referring this matter to the State Office of Administrative Hearings (SOAH), requesting the assignment of a SOAH Administrative Law Judge (ALJ) to conduct a hearing and issue a proposal for decision (PFD), if necessary. The Commission issued the Preliminary Order with the referral, listing issues to be addressed in this proceeding. The Commission has jurisdiction over this matter under Public Utility Regulatory Act (PURA)¹ §§ 14.001 and 39.905 and 16 Texas Administrative Code § 25.181-.182. SOAH has jurisdiction over all matters relating to the conduct of a hearing in this matter under Texas Government Code § 2003.049 and PURA § 14.053.

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001–66.016.

III. SUFFICIENCY OF APPLICATION AND NOTICE

Within its application, SPS described its proposed provision of notice of the application and requests that its proposed notice be found sufficient. No later than **noon on May 29, 2025**, Commission staff shall, and any other party may, file comments on the sufficiency of SPS's application and proposed notice.

IV. ADOPTING PROTECTIVE ORDER

SPS requests entry of the substantially same protective order approved by the Commission in Docket No. 54634, SPS's last base-rate case, and attached to its Application as Attachment B. That protective order is **ADOPTED** for this proceeding. Any objections to the form of the protective order must be filed **no later than five working days** after the date of this Order.

V. SETTING PREHEARING CONFERENCE

A prehearing conference will convene at **9:00 a.m. (CT) on May 30, 2025**, remotely via Zoom videoconference. The parties may attend the prehearing conference in one of these ways:

To join by computer or smart device, go to
<https://soah-texas.zoomgov.com> and enter:

Meeting ID: 161 691 2326

Video Passcode: PUC58NU7

To join by telephone (audio only), call

+1 669 254 5252, and enter:

Meeting ID: 161 691 2326

Telephone Passcode: 06674216

The purpose of the prehearing conference is to discuss the following matters:

1. Pending motions filed **by noon on May 29, 2025**;
2. A procedural schedule;
3. Potential referral to mediation; and
4. Any other matter that may assist in the disposition of this proceeding in a fair and efficient manner.

In developing a proposed procedural schedule, the parties must anticipate a record close date that ensures that the ALJ has 60 days to issue the PFD. Additionally, the parties must endeavor to provide the Commission with enough time for two dates for open meetings to discuss the PFD, and seven calendar days after the last open meeting to issue an order. This can usually be achieved by allowing the Commission five weeks before the effective date to issue an order.

If, no later than **noon on May 29, 2025**, SPS files an agreed procedural schedule that complies with this Order on behalf of all parties and persons/entities with pending motions to intervene, SPS may file an agreed motion to cancel the prehearing conference. The proposed procedural schedule must include three different dates in three different weeks for a hearing on the merits. The ALJ will rule on such motion after reviewing the proposed schedule.

VI. PROCEDURES

Except as modified by the Commission or SOAH, the Commission's procedural rules will govern the conduct of this case, and the parties are expected to comply with those rules. The Commission's procedural rules are available at: <https://www.puc.texas.gov/agency/rulesnlaws/procrules/procedural.aspx>.

A. FILING

The Commission is currently only accepting filings made online through the Commission's Interchange e-file system at <https://interchange.puc.texas.gov/filer>. All filings must contain both the SOAH and PUC docket numbers.

B. SERVICE

When a party files a document with the Commission, that party is also required to serve (i.e., provide a copy of that document to) every other party. At this time, service must be accomplished by e-mail.² Any party to this proceeding who has not previously provided an e-mail address SHALL, no later than seven days after the date of this Order, file a notice informing the parties of the e-mail address to be used for service. SOAH orders will be served electronically at the e-mail address provided by the parties. Only one address per party will be included on the official service list maintained by SOAH pursuant to 16 Texas Administrative Code § 22.74(b). Corrections to the service list should be directed to the ALJ's legal secretary, Nora Arizola, by email at nora.arizola@soah.texas.gov.

² See 16 Tex. Admin. Code § 22.74(c).

C. MOTIONS

Unless otherwise specified in the Commission's procedural rules or an order issued in this case, any responses to a motion or other pleading shall be filed within five working days from receipt of the motion or pleading. If a party does not respond, the ALJ will assume that the party agrees with or does not oppose the requested relief.

D. DISCOVERY

Discovery may begin immediately pursuant to Subchapter H of the Commission's procedural rules. Copies of requests for information (RFIs) and objections and responses to RFIs will not be provided to the ALJ. If a party files a motion to compel responses to discovery, the motion shall include every RFI and objection to which the motion applies. Any affidavits supporting an objection, motion to compel, or response shall be attached to the relevant document. The ALJ will resolve discovery disputes based on the written documents, any sworn affidavits attached thereto, and materials, if any, provided for in camera inspection, unless the ALJ concludes that a prehearing conference on the discovery dispute should be held.

If a party seeks *in camera* review of documents in accordance with Rule 22.144(g), it will submit the documents to the ALJ at SOAH. Documents submitted for review should not be filed with the Commission filing clerk. If they are filed with the Commission filing clerk, even inadvertently, the documents may

not be physically removed from the Commission. Further, any claim to privilege or exemption may be waived by the filing.

Signed May 19, 2025

ALJ Signature(s):

A handwritten signature in black ink, appearing to read "Daniel Wiseman", is written over a horizontal line.

Daniel Wiseman,

Presiding Administrative Law Judge