

ISSUED under the Seal of the Commission at Santa Fe,
New Mexico, this 10th day of March, 2011.

NEW MEXICO PUBLIC REGULATION COMMISSION

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**BEFORE THE NEW MEXICO
PUBLIC REGULATION COMMISSION**

IN THE MATTER OF SOUTHWESTERN
PUBLIC SERVICE COMPANY’S
APPLICATION FOR REVISION OF ITS
RETAIL RATES UNDER ADVICE
NOTICE NO. 235,

SOUTHWESTERN PUBLIC SERVICE COMPANY,
APPLICANT.

Case No. 10-00395-UT

NOTICE

- NOTICE IS HEREBY GIVEN** by the New Mexico Public Regulation Commission (“Commission”) of the following:
1. On February 28, 2011, Southwestern Public Service Company (“SPS”) filed its application requesting Commission approval for revised New Mexico retail electric rates pursuant to Advice Notice No. 235 and for other approvals and authorizations described in the Application. In accordance with Rule 17.1.2.10(B)(2) NMAC of the Commission’s Utilities General Provisions-Utility Applications, SPS is providing the following information concerning the application.
 2. SPS’s rate case filing uses a future test period that extends from January 1, 2011 through December 31, 2011, which is adjusted for certain changes to occur in 2012 (“Test Year”).
 3. SPS’s proposed Test Year fuel and non-fuel base rate revenue requirement is \$299,245,883. This revenue requirement reflects: (a) for non-fuel base revenue, an increase of \$19,926,063 over current non-fuel base revenue, or a 14.9% increase; (b) for fuel revenue, a decrease of \$36,324,542 over current base fuel revenue; or (c) a net decrease in total fuel and non-fuel base revenue of \$16,398,479, or 5.2%. In

conjunction with this change in base rates, however, annual revenue credits of \$36,324,542 passed through SPS’s fuel and purchase power cost adjustment clause (“FPPCAC”) will stop. Thus, the net change in total revenue after base rates are changed and the revenue credit passed through the FPPCAC ceases is an increase of \$19,926,063, or 6.9%.

4. The proposed rate changes will affect all retail customer classifications.

5. Listed below are the present and proposed rates for each customer class proposed by SPS.

ADVICE NOTICE NO. 235

Rate No.	Title
Sixty-First Rev.	Table of Contents – Electric Rate Schedules
Ninth Rev. 1	Residential Service
Fifth Rev. 3	Irrigation Power Service
Eighth Rev. 6	Small General Service
Eighth Rev. 13	Primary General Service
Seventh Rev. 14	Municipal Street Lighting Service
Seventh Rev. 16	Large Municipal and School Service
Fourth Rev. 27	SLCA Integrated Projects Energy Rider for Cannon Air Force Base
Fifth Rev. 28	Area Lighting Service
Third Rev. 34	Large General Service – Transmission
Second Rev. 39	Residential Heating Service
Second Rev. 40	Secondary General Service
Second Rev. 42	Small Municipal and School Service Restructuring Cost Recovery Rider Residential Electric Water Heating Service LPP Cost Rider
First Rev. 59	Distributed Generation Standby Service
Original 67	Standby Service Rider

Rule Tariff Changes

Eighth Rev.	Table of Contents – Rules and Regulations
Fifth Rev. 16	Extension to Customers
Fourth Rev. 18	Billing

6. New Mexico gross receipts tax is not included in the present or proposed bill estimates. Franchise fees charged by governmental entities are not included in the present or proposed rates, and a specific franchise fee is collected as a separate line item from those customers subject to that fee. These proposed rates apply to all rate classes but would af-

fect only those customers utilizing the services indicated.

7. The proposed changes in rates stated by class and by consumption levels are for informational purposes only and the final rate design may vary the rates ultimately charged to each class and for each consumption level.

8. Further information regarding this case may be obtained by contacting SPS or the Commission at the addresses and telephone numbers provided below. The Commission has assigned Case No 10-00395-UT to this filing and inquiries should refer to that case number.

9. Any person desiring to become a party to this case must file, via hand-delivery or regular mail at the following address, an original and five (5) copies of a Motion for Leave to Intervene in conformity with 1.2.2.23.A NMAC on or before May 26, 2011:

New Mexico Public Regulation Commission
ATTN: Records Division
PERA Building
1120 Paseo de Peralta
P. O. Box 1269
Santa Fe, New Mexico 87504-1269

10. The parties shall attend a settlement conference to be held beginning at a time and at a location to be identified by the mediator, William J. Herrmann, in a Notice to be issued in the future, to determine whether a settlement of all or a part of the issues in this case can be resolved by way of a settlement.

11. Anthony F. Medeiros has been designated as the Hearing Examiner in this case by the Commission. The Hearing Examiner will set the remaining procedural dates and requirements, including a date for the hearing in this case, in a future Procedural Order.

12. The procedural dates and requirements currently set in this case are subject to further Order of the Commission or the Hearing Examiner. Interested persons should contact the Commission for confirmation of the hearing date, time and place, since hearings are occasionally rescheduled.

13. Any interested person may examine the rate filings together with any exhibits and related papers that may be filed in this case at the offices of SPS, 111 E. Fifth Street, Roswell, New Mexico, telephone (575) 625-5499, and 600 S. Tyler, Amarillo, Texas, telephone (806) 378 2868, or at the office of the Commission, P.E.R.A. Building, 1120 Paseo De Peralta, Santa Fe, New Mexico, telephone 1-888-427-5772. Further information can also be obtained by accessing the following website: [http://www.xcelenergy.com/New%20Mexico/Company/About_Energy_and_Rates/Energy%20Prices%20\(Rates%20and%20](http://www.xcelenergy.com/New%20Mexico/Company/About_Energy_and_Rates/Energy%20Prices%20(Rates%20and%20)

[Tariffs\)/Pages/2011ElectricRateCaseInformation.aspx](#).

14. The Commission’s Rules of Procedure, 1.2.2.1 NMAC, et seq., shall apply to this proceeding unless modified by order of the Commission or the Hearing Examiner. A copy of such Rules may be obtained from the offices of the Commission.

15. Any person desiring to become a party to this case must file a Motion for Leave to Intervene in conformity with 1.2.2.23(A) and 1.2.2.23(B) NMAC on or before the date ordered by the Commission and shown in Paragraph 9 above.

16. Any interested person may appear at the time and place of hearing and make a written or oral comment pursuant to 1.2.2.23(F) NMAC without becoming an Intervenor. Interested persons may also send written comments, which shall reference Case No. 10-00395-UT, to the Commission at the address set out in paragraph 9, above. However, comments governed by this paragraph will not be considered as evidence in this case.

17. Further information concerning this case may be obtained by contacting:

Southwestern Public Service Company
James Bagley, Manager
Regulatory Administration
P.O. Box 1261
Amarillo, TX 79105
Telephone: (806) 378-2868
or the
New Mexico Public Regulation Commission
P.E.R.A. Building
1120 Paseo De Peralta
P. O. Box 1269
Santa Fe, NM 87504-1269
Telephone: 1-888-427-5772

18. Anyone filing pleadings or pre-filed testimony will serve copies through U.S. mail and/or electronically on all parties of record, Commission Staff, and the Hearing Examiner. Any person whose testimony has been pre-filed will attend the hearing and submit to examination under oath. No person shall testify at the hearing unless that person has pre-filed testimony in accordance with this Order. Documents which are mailed to Commission shall be sent to the Commission at the following address: P.E.R.A. Building, P.O. Box 1269, Santa Fe, New Mexico 87504-1269.

19. Any person with a disability requiring special assistance in order to participate in this proceeding should contact the Commission as soon as possible prior to the commencement of the hearing.