**Southwestern Public Service Company**

**Balance Sheet**

| Line No. | Account Title | (a) Base Period | (b) Future Test Year | Difference |
|---|---|---|---|---|
| 1 | **Utility Plant** | | | |
| 2 | Utility Plant | $ 5,372,176,653 | $ 6,262,615,190 | $ 890,438,537 |
| 3 | Construction Work In Progress | 238,518,687 | 592,130,431 | 353,611,744 |
| 4 | Total Utility Plant | **$ 5,610,695,340** | **$ 6,854,745,621** | **$ 1,244,050,281** |
| 5 | (Less) Accum. Prov. For Depr., Amort. & Depl. | 1,939,872,108 | 2,159,158,889 | 219,286,781 |
| 6 | Net Utility Plant | **$ 3,670,823,232** | **$ 4,695,586,732** | **$ 1,024,763,500** |
| 7 | **Other Property and Investments** | | | |
| 8 | Nonutility Plant | $ 4,429,030 | $ 4,423,841 | $ (5,189) |
| 9 | (Less) Accum. Prov. For Depr. and Amort. | 217,684 | 210,580 | (7,104) |
| 10 | Investments in Assoc. Companies | - | - | - |
| 11 | Investments in Subsidiary Companies | - | - | - |
| 12 | Noncurrent Portion of Allowances | - | - | - |
| 13 | Other Investments | - | - | - |
| 14 | Special Funds | - | - | - |
| 15 | Long-Term Portion of Derivative Instrument Assets | 33,163,997 | 35,137,095 | 29,477,232 |
| 16 | Total Other Property and Investments | **$ 37,375,343** | **$ 39,350,356** | **$ 1,975,013** |
| 17 | **Current and Accrued Assets** | | | |
| 18 | Cash | $ - | $ - | $ - |
| 19 | Special Deposits | - | - | - |
| 20 | Working Fund | 101,700 | 101,700 | (0) |
| 21 | Temporary Cash Investments | 494,489 | - | (494,489) |
| 22 | Notes Receivable | - | - | - |
| 23 | Customer Accounts Receivable | 58,099,156 | 219,798,625 | 161,699,469 |
| 24 | Other Accounts Receivable | 36,408,221 | - | (36,408,221) |
| 25 | (Less) Accum. Prov. For Uncollectible Acct. - Credit | 5,838,702 | - | (5,838,702) |
| 26 | Notes Receivable from Associated Companies | - | - | - |
| 27 | Accounts Receivable from Associated Companies | 1,983,037 | 4,318,614 | 2,335,577 |
| 28 | Fuel Stock | 18,493,107 | 22,967,971 | 4,474,864 |
| 29 | Fuel Stock Expenses Undistributed | - | - | - |
| 30 | Residuals (Elec) and Extracted Products | - | - | - |
| 31 | Plant Materials and Operating Supplies | 20,282,317 | 23,896,003 | 3,613,686 |
| 32 | Merchandise | 297,522 | - | (297,522) |
| 33 | Other Materials and Supplies | - | - | - |
| 34 | Nuclear Materials Held for Sale | - | - | - |
| 35 | Allowances | 4,158,647 | - | (4,158,647) |
| 36 | (Less) Noncurrent Portion of Allowances | - | - | - |
| 37 | Stores Expense Undistributed | - | - | - |
| 38 | Prepayments | 13,265,449 | - | (13,265,449) |
| 39 | Advances for Gas | - | - | - |
| 40 | Interest and Dividends Receivable | 111,980 | - | (111,980) |
| 41 | Rents Receivable | 695,669 | - | (695,669) |
| 42 | Accrued Utility Revenues | 129,287,055 | - | (129,287,055) |
| 43 | Miscellaneous Current and Accrued Assets | 2,092 | 171,090,979 | 171,088,887 |
| 44 | Derivative Instrument Assets | 56,939,825 | 62,641,229 | 5,701,404 |
| 45 | (Less) Long-Term Portion of Derivative Instrument Assets | 33,163,997 | 35,137,095 | 1,973,098 |
| 46 | Total Current and Accrued Assets | **$ 301,617,567** | **$ 469,678,026** | **$ 168,060,459** |
| 47 | **Deferred Debits** | | | |
| 48 | Unamortized Debt Expenses | $ 10,889,526 | $ - | $ (10,889,526) |
| 49 | Extraordinary Property Losses | - | - | - |
| 50 | Unrecovered Plant and Regulatory Study Costs | - | - | - |
| 51 | Other Regulatory Assets | 364,010,014 | 284,140,772 | (79,869,242) |
| 52 | Prelim. Survey and Investigation Charges (Electric) | - | - | - |
| 53 | Prelim. Survey and Investigation Charges (Gas) | - | - | - |
| 54 | Clearing Accounts | - | - | - |
| 55 | Temporary Facilities | - | - | - |
| 56 | Miscellaneous Deferred Debits | 12,572,467 | - | (12,572,467) |
| 57 | Def. Losses from Disposition of Utility Plan | - | - | - |
| 58 | Research, Develop and Demonstration Expenditures | - | - | - |
| 59 | Unamortized Loss on Reacquired Debt | 3,697,325 | - | (3,697,325) |
| 60 | Accumulated Deferred Income Taxes | 201,826,157 | - | (201,826,157) |
| 61 | Unrecovered Purchased Gas Costs | - | - | - |
| 62 | Total Deferred Debits | **$ 592,995,489** | **$ 284,140,772** | **$ (308,854,717)** |
| 63 | **Total Assets and Other Debits** | **$ 4,602,811,631** | **$ 5,488,755,887** | **$ 885,944,256** |

**Southwestern Public Service Company**

**Balance Sheet**

| Line No. | Account Title | | (a) Base Period | | (b) Test Year | | Difference |
|---|---|---|---|---|---|---|---|
| 1 | **Proprietary Capital** | | | | | | |
| 2 | Common Stock Issued | $ | 100 | $ | - | $ | (100) |
| 3 | Preferred Stock Issued | | - | | - | | - |
| 4 | Capital Stock Subscribed | | - | | - | | - |
| 5 | Stock Liability for Conversior | | - | | - | | - |
| 6 | Premium on Capital Stock | | 1,174,495,982 | | 1,495,309,661 | | 320,813,679 |
| 7 | Other Paid-in Capital | | - | | - | | - |
| 8 | Installments Received on Capital Stock | | - | | - | | - |
| 9 | (Less) Discount on Capital Stock | | - | | - | | - |
| 10 | (Less) Capital Stock Expense | | 9,033,435 | | - | | (9,033,435) |
| 11 | Retained Earnings | | 395,997,589 | | 489,285,032 | | 93,287,443 |
| 12 | Unappropriated Undistributed Subsidiary Earnings | | - | | - | | - |
| 13 | Other Comprehensive Income | | (988,781) | | (479,563) | | 509,218 |
| 14 | (Less) Reacquired Capital Stock | | - | | - | | - |
| 15 | Total Proprietary Capital | **$** | **1,560,471,455** | **$** | **1,984,115,129** | **$** | **423,643,674** |
| 16 | **Long-Term Debt** | | | | | | |
| 17 | Bonds | $ | 550,000,000 | $ | - | $ | (550,000,000) |
| 18 | (Less) Reacquired Bonds | | - | | - | | - |
| 19 | Advances from Associated Companies | | - | | - | | - |
| 20 | Other Long-Term Debt | | 800,000,000 | | 1,700,092,660 | | 900,092,660 |
| 21 | Unamortized Premium on Long-Term Debt | | 9,553,199 | | - | | (9,553,199) |
| 22 | (Less) Unamortized Discount on Long-Term Debt-Debit | | 9,862,610 | | - | | (9,862,610) |
| 23 | Total Long-Term Debt | **$** | **1,349,690,589** | **$** | **1,700,092,660** | **$** | **350,402,071** |
| 24 | **Other Noncurrent Liabilities** | | | | | | |
| 25 | Obligations Under Capital Leases-Noncurrent | $ | - | $ | - | $ | - |
| 26 | Accumulated Provision for Property Insurance | | - | | - | | - |
| 27 | Accumulated Provision for Injuries and Damages | | 281,558 | | - | | (281,558) |
| 28 | Accumulated Provision for Pensions and Benefits | | 101,189,000 | | 94,482,782 | | (6,706,218) |
| 29 | Accumulated Miscellaneous Operating Provisions | | 1,153,776 | | - | | (1,153,776) |
| 30 | Accumulated Provision for Rate Refunds | | 5,352,890 | | - | | (5,352,890) |
| 31 | Long-Term Portion of Derivative Instrument Liabilities | | 30,642,736 | | 31,533,917 | | 891,181 |
| 32 | Long-Term Portion of Derivative Instrument Liab. - Hedges | | - | | - | | - |
| 33 | Asset Retirement Obligation | | 26,030,921 | | 20,287,374 | | (5,743,547) |
| 34 | Total Other Noncurrent Liabilities | **$** | **164,650,881** | **$** | **146,304,073** | **$** | **(18,346,808)** |
| 35 | **Current and Accrued Liabilities** | | | | | $ | - |
| 36 | Notes Payable | $ | 37,000,000 | $ | 123,334,555 | $ | 86,334,555 |
| 37 | Accounts Payable | | 163,839,495 | | 196,555,909 | | 32,716,414 |
| 38 | Notes Payable to Associated Companies | | 16,000,000 | | - | | (16,000,000) |
| 39 | Accounts Payable to Associated Companies | | 19,790,289 | | 12,836,486 | | (6,953,803) |
| 40 | Customer Deposits | | 9,855,516 | | 9,322,217 | | (533,299) |
| 41 | Taxes Accrued | | 26,653,357 | | 35,042,507 | | 8,389,150 |
| 42 | Interest Accrued | | 17,056,910 | | 25,266,042 | | 8,209,132 |
| 43 | Dividends Declared | | 27,827,975 | | - | | (27,827,975) |
| 44 | Matured Long-Term Debt | | - | | - | | - |
| 45 | Matured Interests | | - | | - | | - |
| 46 | Tax Collections Payable | | 4,663,504 | | - | | (4,663,504) |
| 47 | Miscellaneous Current and Accrued Liabilitie | | 51,931,875 | | 143,645,045 | | 91,713,170 |
| 48 | Obligations Under Capital Leases-Current | | - | | - | | - |
| 49 | Derivative Instrument Liabilities | | 34,207,462 | | 35,098,643 | | 891,181 |
| 50 | (Less) Long-Term Portion of Derivative Instrument | | 30,642,736 | | 31,533,917 | | 891,181 |
| 51 | Derivative Instrument Liabilities - Hedges | | - | | - | | - |
| 52 | (Less) Long-Term Portion of Derivative Instr. Liab. - | | - | | - | | - |
| 53 | Total Current and Accrued Liabilities | **$** | **378,183,647** | **$** | **549,567,486** | **$** | **171,383,839** |
| 54 | **Deferred Credits** | | | | | | |
| 55 | Customer Advances for Construction | $ | 2,940 | $ | 2,940 | $ | (0) |
| 56 | Accumulated Deferred Investment Tax Credits | | 767,876 | | 220,186 | | (547,690) |
| 57 | Deferred Gains from Disposition of Utility Plan | | - | | - | | - |
| 58 | Other Deferred Credits | | 8,240,745 | | - | | (8,240,745) |
| 59 | Other Regulatory Liabilities | | 134,804,684 | | 108,166,947 | | (26,637,737) |
| 60 | Unamortized Gain on Reacquired Debt | | - | | - | | - |
| 61 | Accumulated Deferred Income Taxes | | 1,005,998,814 | | 1,000,286,466 | | (5,712,348) |
| 62 | Total Deferred Credits | **$** | **1,149,815,059** | **$** | **1,108,676,538** | **$** | **(41,138,521)** |
| 63 | **Total Liabilities and Other Credits** | **$** | **4,602,811,631** | **$** | **5,488,755,887** | **$** | **885,944,256** |

**(c) Explanation of Adjustments**
The Base Period information presented in the I Series Schedules is directly from SPS's most recent FERC Form 1

The Test Year information presented in the I Series Schedules is directly from SPS's most recent budget. Please refer to the testimony of SPS witness Gregory J. Robinson for a description of SPS's budgeting process. The budget may contain items that are aggregated as compared to the Base Period data. Because the Test Year information is directly from the budget and cannot be derived from the cost of service data, linkage period information is not available.

Neither the Adjusted Base Period nor Test Year cost of service will directly tie to the financial information presented in the I Series Schedules because certain accounting and regulatory adjustments are made to the cost of service studies that are not reflected in these schedules. Please refer to the testimony of SPS's witness Arthur P. Freitas for explanations of these cost of service adjustments.

# Southwestern Public Service Company

## Income Statement

| Line No. | Account Title | (a) Base Period | (b) Test Year | Difference |
|---|---|---|---|---|
| 1 | **Utility Operating Income** | | | |
| 2 | Operating Revenues | $ 1,928,484,384 | $ 2,093,303,141 | $ 164,818,757 |
| 3 | **Utility Operating Expenses** | | | $ - |
| 4 | Operation Expenses | $ 1,402,372,891 | $ 1,467,478,771 | $ 65,105,880 |
| 5 | Maintenance Expenses | 74,093,601 | 70,335,353 | (3,758,248) |
| 6 | Depreciation Expenses | 114,493,394 | 141,271,337 | 26,777,943 |
| 7 | Depreciation Expenses for Asset Retirement Obligation | (791,285) | - | 791,285 |
| 8 | Amortization & Depletion of Utility Plant | 10,387,666 | 17,207,119 | 6,819,453 |
| 9 | Amortization of Utility Plant Acq. Adjustment | - | - | - |
| 10 | Amort. Of Property Losses, Unrecovered Plant and | | - | - |
| 11 | Regulatory Study Costs | - | - | - |
| 12 | Amortization of Conversion Expenses | - | - | - |
| 13 | Regulatory Debits | 8,663,597 | 2,898,054 | (5,765,543) |
| 14 | (Less) Regulatory Credits | 361,631 | - | (361,631) |
| 15 | Taxes Other Than Income Taxes | 53,884,830 | 61,498,867 | 7,614,037 |
| 16 | Income Taxes - Federal | (57,693,429) | 49,872,408 | 107,565,837 |
| 17 | Income Taxes - Other | 2,722,867 | (33,810) | (2,756,677) |
| 18 | Provision for Deferred Income Taxes | 231,390,850 | 42,634,234 | (188,756,616) |
| 19 | (Less) Provision for Deferred Income Taxes | 101,515,361 | - | (101,515,361) |
| 20 | Investment Tax Credit Adj. - Net | (340,664) | (207,027) | 133,637 |
| 21 | (Less) Gains from Disposition of Utility Plant | - | 660,305 | 660,305 |
| 22 | Losses from Disposition of Utility Plant | - | - | - |
| 23 | (Less) Gains from Disposition of Allowances | 604,655 | - | (604,655) |
| 24 | Losses from Disposition of Allowances | 2,176 | - | (2,176) |
| 25 | Accretion Expense | 1,099,746 | - | (1,099,746) |
| 26 | Total Utility Operating Expenses | **$ 1,737,804,593** | **$ 1,852,295,001** | **$ 114,490,408** |
| 27 | Net Utility Operating Income | **$ 190,679,791** | **$ 241,008,139** | **$ 50,328,348** |
| 28 | | | | |
| 29 | **Other Income and Deductions** | | | |
| 30 | **Other Income** | | | |
| 31 | Nonutility Operating Income | $ 190,679,791 | $ 241,008,139 | $ 50,328,348 |
| 32 | Revenues from Merchandising, Jobbing and Contract Work | - | - | - |
| 33 | (Less) Costs and Exp. Of Merch., Jobbing and Contr. Work | - | - | - |
| 34 | Revenues from Nonutility Operations | 241,909 | 294,934 | 53,025 |
| 35 | (Less) Expenses of Nonutility Operations | 134,769 | 82,212 | (52,557) |
| 36 | Nonoperating Rental Income | - | - | - |
| 37 | Equity in Earnings of Subsidiary Companies | - | - | - |
| 38 | Interest and Dividend Income | 191,472 | 750,160 | 558,688 |
| 39 | Allowance for Other Funds Used During Construction | 12,108,648 | 10,127,640 | (1,981,008) |
| 40 | Miscellaneous Nonoperating Income | 193,128 | - | (193,128) |
| 41 | Gain on Disposition of Property | 3,603,887 | - | (3,603,887) |
| 42 | Total Other Income | **$ 16,204,275** | **$ 11,090,523** | **$ (5,113,752)** |
| 43 | | | | |
| 44 | **Other Income Deductions** | | | |
| 45 | Loss on Disposition of Property | $ - | $ - | $ - |
| 46 | Miscellaneous Amortization | - | - | - |
| 47 | Miscellaneous Income Deductions | 3,242,631 | - | (3,242,631) |
| 48 | Total Other Income Deductions | **$ 3,242,631** | **$ -** | **$ (3,242,631)** |
| 49 | **Taxes Applicable to Other Income and Deductions** | | | |
| 50 | Taxes Other Than Income Taxes | $ 21,865 | $ - | $ (21,865) |
| 51 | Income Taxes - Federal | 577,801 | - | (577,801) |
| 52 | Income Taxes - Other | 28,350 | - | (28,350) |
| 53 | Provision for Deferred Income Taxes | 4,813,640 | - | (4,813,640) |
| 54 | (Less) Provision for Deferred Income Taxes - Cr. | 4,781,577 | - | (4,781,577) |
| 55 | Investment Tax Credit Adj. - Net | - | - | - |
| 56 | (Less) Investment Tax Credits | - | - | - |
| 57 | Total Taxes on Other Income and Deductions | 660,079 | - | (660,079) |
| 58 | Net Other Income and Deductions | **$ 12,301,565** | **$ 11,090,523** | **$ (1,211,042)** |

## Southwestern Public Service Company

## Income Statement

| | | | |
|---|---|---|---|
| 59 **Interest Charges** | | | |
| 60 Interest on Long-Term Debt | $ 75,120,649 | $ 92,723,014 | $ 17,602,365 |
| 61 Amortization of Debt Discount and Expense | 1,090,735 | 1,134,377 | 43,642 |
| 62 Amortization of Loss on Reacquired Debt | 1,224,570 | 452,234 | (772,336) |
| 63 (Less) Amortization of Premium on Debt - Credit | - | - | - |
| 64 (Less) Amortization of Gain on Reacquired Debt - Credit | - | - | - |
| 65 Interest on Debt to Associated Companies | 73,221 | 5,418 | (67,803) |
| 66 Other Interest Expense | 2,709,069 | 1,358,081 | (1,350,988) |
| 67 (Less) Allow. for Borrowed Funds Used During Constr. - Cr. | 7,089,201 | 9,669,561 | 2,580,360 |
| 68 Net Interest Charges | **$ 73,129,043** | **$ 86,003,563** | **$ 12,874,520** |
| 69 Income Before Extraordinary Items | $ 129,852,313 | $ 166,095,099 | $ 36,242,786 |
| 70 **Extraordinary Items** | | | |
| 71 Extraordinary Income | - | - | - |
| 72 (Less) Extraordinary Deductions | - | - | - |
| 73 Net Extraordinary Items | - | - | - |
| 74 Income Taxes - Federal and Other | - | - | - |
| 75 Extraordinary Items After Taxes | - | - | - |
| 76 Net Income | **$ 129,852,313** | **$ 166,095,099** | **$ 36,242,786** |

**(c) Explanation of Adjustments**

The Base Period information presented in the I Series Schedules is directly from SPS's most recent FERC Form 1.

The Test Year information presented in the I Series Schedules is directly from SPS's most recent budget. Please refer to the testimony of SPS witness Gregory J. Robinson for a description of SPS's budgeting process. The budget may contain items that are aggregated as compared to the Base Period data. Because the Test Year information is directly from the budget and cannot be derived from the cost of service data, linkage period information is not available.

Neither the Adjusted Base Period nor Test Year cost of service will directly tie to the financial information presented in the I Series Schedules because certain accounting and regulatory adjustments are made to the cost of service studies that are not reflected in these schedules. Please refer to the testimony of SPS's witness Arthur P. Freitas for explanations of these cost of service adjustments.

Due to the use of budget numbers for the Future Test Year, some lines under the Future Test Year column have been aggregated.

**Southwestern Public Service Company**

**Statement of Changes in Financial Position**

| Line No. | Account Title | (a) Base Period Year-End Balance | (b) Future Test Year Year-End Balance | Difference[1] |
|---|---|---|---|---|
| 1 | **Net Cash Flow from Operating Activities** | | | |
| 2 | Net Income | $ 129,852,313 | $ 166,095,099 | $ 36,242,786 |
| 3 | **Noncash Charges (Credits) to Income** | | | |
| 4 | Depreciation and Depletion | 114,856,940 | 142,944,686 | 28,087,746 |
| 5 | Amortization of Premium, Discount & Debt Expense | 2,315,304 | 1,586,610 | (728,694) |
| 6 | Amortization of Regulatory Assets & Liabilities | 9,975,312 | 2,775,671 | (7,199,641) |
| 7 | Amortization of Software and Other | 10,431,625 | 17,207,119 | 6,775,494 |
| 8 | Deferred Income Taxes, Net | 129,907,552 | 42,634,234 | (87,273,318) |
| 9 | Investment Tax Credit Adjustment, Net | (340,664) | (207,027) | 133,637 |
| 10 | Net (Increase) Decrease in Receivables | 8,062,336 | (15,146,874) | (23,209,210) |
| 11 | Net (Increase) Decrease in Inventory | (3,585,100) | - | 3,585,100 |
| 12 | Net (Increase) Decrease in Allowances Inventory | (2,509,152) | - | 2,509,152 |
| 13 | Net (Increase) Decrease in Payables and Accrued Expenses | 12,400,554 | 26,147,100 | 13,746,546 |
| 14 | Net (Increase) Decrease in Other Regulatory Assets | (5,509,513) | - | 5,509,513 |
| 15 | Net (Increase) Decrease in Other Regulatory Liabilities | 6,879,480 | - | (6,879,480) |
| 16 | (Less) Allowance for Other Funds Used During Construction | (12,118,203) | (10,127,640) | 1,990,563 |
| 17 | (Less) Undistributed Earnings from Subsidiary Companies | - | - | - |
| 18 | Change in Accrued Utility Revenues | (20,080,407) | - | 20,080,407 |
| 19 | Change in Other Current Assets and Liabilities | (2,987,645) | 11,196,219 | 14,183,864 |
| 20 | Net realized and unrealized hedging and derivative transactions | 268,149 | - | (268,149) |
| 21 | Change in Other Noncurrent Liabilities and Deferreds | 8,958,588 | 4,238,377 | (4,720,211) |
| 22 | Net Cash Provided by (Used In) Operating Activities | **$ 386,777,469** | **$ 389,343,577** | **$ 2,566,108** |
| 23 | | | | |
| 24 | **Cash Flows from Investment Activities:** | | | |
| 25 | Construction and Acquisition of Plant (Including Land): | $ - | $ - | $ - |
| 26 | Gross Additions to Utility Plant | (554,936,347) | (731,580,877) | (176,644,530) |
| 27 | Gross Additions to Common Utility Plant | | | |
| 28 | Gross Additions to Nonutility Plant | - | - | - |
| 29 | (Less) Allowance for Other Funds Used During Construction | 12,118,203 | 10,127,640 | (1,990,563) |
| 30 | Other: | | | |
| 31 | | | | |
| 32 | Cash Outflows for Plant | **$ (542,818,144)** | **$ (721,453,237)** | **$ (178,635,093)** |
| 33 | | | | |
| 34 | **Other: Miscellaneous Investing Activities** | | | |
| 35 | Investments in Utility Money Pool | $ (105,000,000) | $ - | $ 105,000,000 |
| 36 | Repayments to Utility Money Pool | 105,000,000 | - | (105,000,000) |
| 37 | Net Cash Provided by (Used In) Investing Activities | **$ (542,818,144)** | **$ (721,453,237)** | **$ (178,635,093)** |

**Southwestern Public Service Company**

**Statement of Changes in Financial Position**

| LineNo . | Account Title | (a) Base Period Year-End Balance | (b) Future Test Year Year-End Balance | Difference |
|---|---|---|---|---|
| 1 | **Cash Flows from Financing Activities** | | | |
| 2 | Proceeds from the Issuance of: | | | |
| 3 | Long-Term Debt | $ 148,123,356 | $ 297,000,000 | $ 148,876,644 |
| 4 | Preferred Stock | - | - | - |
| 5 | Common Stock | - | - | - |
| 6 | Other: Capital Contribution from Parent | 160,000,000 | 78,390,561 | (81,609,439) |
| 7 | | | | |
| 8 | **Net Increase in Short-Term Debt** | - | 123,334,555 | 123,334,555 |
| 9 | Other: Borrowings from Utility Money Pool Arrangement | 458,000,000 | - | (458,000,000) |
| 10 | Other: Borrowings to Utility Money Pool Arrangement | - | 84,457,540 | 84,457,540 |
| 11 | | | | |
| 12 | **Cash Provided by Outside Sources** | 766,123,356 | 583,182,655 | (182,940,701) |
| 13 | | | | |
| 14 | Payment for Retirement of | | | |
| 15 | Long-Term Debt | $ - | $ (200,000,000) | $ (200,000,000) |
| 16 | Preferred Stock | - | - | - |
| 17 | Common Stock | - | - | - |
| 18 | Other: | - | - | - |
| 19 | | | | |
| 20 | **Net Decrease in Short-Term Debt** | (47,000,000) | - | 47,000,000 |
| 21 | Other: Repayments under Utility Money Pool Arrangement | (480,000,000) | - | 480,000,000 |
| 22 | | | | |
| 23 | Dividends on Preferred Stock | - | - | - |
| 24 | Dividends on Common Stock | (83,497,845) | (117,102,448) | (33,604,603) |
| 25 | Net Cash Provided by (Used In) Financing Activities | **$ 155,625,511** | **$ 266,080,207** | **$ 110,454,696** |
| 26 | | | | |
| 27 | | | | |
| 28 | Net Increase (Decrease) in Cash and Cash Equivalents | $ (415,164) | $ (66,029,452) | $ (65,614,288) |
| 29 | | | | |
| 30 | Cash and Cash Equivalents at Beginning of Year | $ 1,011,354 | $ 66,131,152 | $ 65,119,798 |
| 31 | | | | |
| 32 | Cash and Cash Equivalents at End of Year | $ 596,190 | $ 101,700 | $ (494,490) |

**(c) Explanation of Adjustments**

The Base Period information presented in the I Series Schedules is directly from SPS's most recent FERC Form 1.

The Test Year information presented in the I Series Schedules is directly from SPS's most recent budget. Please refer to the testimony of SPS witness Gregory J. Robinson for a description of SPS's budgeting process. The budget may contain items that are aggregated as compared to the Base Period data. Because the Test Year information is directly from the budget and cannot be derived from the cost of service data, linkage period information is not available.

Neither the Adjusted Base Period nor Test Year cost of service will directly tie to the financial information presented in the I Series Schedules because certain accounting and regulatory adjustments are made to the cost of service studies that are not reflected in these schedules. Please refer to the testimony of SPS's witness Arthur P. Freitas for explanations of these cost of service adjustments.