



APR -1.2023

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ELECTRIC TARIFF

Fall 2022 Fuel Cost Surcharge Rider

Application of Fuel Cost Surcharge Factors are as follows.

Applicable to all fuel rate schedules under the Fuel Cost Recovery Factor Tariff (Sheet IV-69) For usage from April 1, 2023 through January 31, 2024, the fuel cost surcharge factors will be billed to all applicable customers except for the transmission voltage level customers, through the application of a Fuel Surcharge Factor. The fuel cost surcharge is applied to transmission voltage level customers on the basis of their actual historical kWh usage recorded monthly during the period that the under-recovery accumulated. In Docket No. 54282, the total amount of the fuel cost surcharge for all applicable customer classes consists of \$70,079,557.39 and related interest of \$627,910.02 for a total of \$70,707,467.41. Interest was calculated at the rate of 0.12 percent per annum in 2022 and 1.19 percent per annum in 2023 and 2024 in accordance with Texas Admin Code § 25.236(e)(1)

Method of Calculation

- (a) For all applicable Texas retail customers except for transmission voltage level customers:

The fuel surcharge is calculated by the application of a Fuel Surcharge Factor, determined in accordance with the following formula:

Fuel Surcharge Factor (FSF) = $\{(F + I) / K\}$, where

F= Total cumulative fuel cost under-recovery by fuel rate schedule from March 2022 through August 2022 plus a settled amount of \$10.5 million in under-recovered fuel costs from September 2022,

I= Interest on the remaining principal balance at the end of each month,

K= The estimated kWh usage for the fuel rate schedule for April 2023 through January 2024.

FSF= The total amount of the surcharge attributable to each respective fuel rate schedule, inclusive of interest through January 2024, divided by projected kWh sales for each respective fuel rate schedule during April 2023 through January 2024. The FSF is calculated to the nearest 0.0001 cent

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To determine the customer's surcharge amount the FSF is multiplied by the customer's kWh usage for April 2023 through January 2024. The fuel cost surcharge to each customer is determined to the nearest whole cent.

Residential Service	\$ 15,156,486.88	\$ 0.007462
Small General Service	\$ 1,789,799.90	\$ 0.007227
Small Municipal and School Service (Secondary)	\$ 112,967.67	\$ 0.006915
Large Municipal Service (Secondary)	\$ 934,278.86	\$ 0.007252
Large School Service (Secondary)	\$ 886,792.15	\$ 0.007163
Secondary General Service	\$ 12,321,259.24	\$ 0.006587
Large Municipal Service (Primary)	\$ 186,458.92	\$ 0.007954
Large School Service (Primary)	\$ 13,780.66	\$ 0.006225
Primary General Service	\$ 9,647,999.89	\$ 0.004432
Guard Lighting and Flood Lighting Service	\$ 118,488.49	\$ 0.005815
Municipal and State Street Lighting Service	\$ 79,111.64	\$ 0.007114
Subtotal	\$ 41,247,424.30	

- (b) For all transmission voltage level customers, the fuel cost surcharge amounts are determined on the basis of each customer's actual historical kWh usage recorded monthly

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during the period that the under-recovery accumulated. The monthly fuel cost surcharge for each of these customers is calculated by determining the fuel cost surcharge to the nearest whole cent then dividing it by ten. The total amount of the surcharge for each fuel rate schedule is as follows including interest as previously described.

Large General Service Transmission 69 to 115 kV	\$ 5,224,180.99
Large General Service Backbone Transmission 115 kV+	\$ 24,235,862.12
Subtotal	\$ 29,460,043.11
Total of All Schedules	\$ 70,707,467.41

- (c) Any difference between amounts actually surcharged and the amounts of the surcharge specified herein will be maintained in the under/over-recovery balance pursuant to Texas Admin Code § 25.236 (e) on a per fuel rate schedule basis.
- (d) The surcharges implemented through this Fuel Cost Surcharge Rider will be subject to final review by the Commission in SPS's next fuel reconciliation proceeding.

Effective: April 1, 2023

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