

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
APPLICATION FOR: (1) REVISION OF)
ITS RETAIL RATES UNDER ADVICE)
NOTICE NO. 312; (2) AUTHORITY TO)
ABANDON THE PLANT X UNIT 1,)
PLANT X UNIT 2, AND CUNNINGHAM)
UNIT 1 GENERATING STATIONS AND)
AMEND THE ABANDONMENT DATE)
OF THE TOLK GENERATING)
STATION; AND (3) OTHER)
ASSOCIATED RELIEF,)
)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
)
APPLICANT.)**

CASE NO. 22-00286-UT

DIRECT TESTIMONY

of

JARRED J. COOLEY

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
Commission	New Mexico Public Regulation Commission
FERC	Federal Energy Regulatory Commission
kV	Kilovolt
MW	Megawatt
MWh	Megawatt-hour
OATT	Open Access Transmission Tariff
RSC	Regional State Committee of the Southwest Power Pool
RTO	Regional Transmission Organization
SPS	Southwestern Public Service Company, a New Mexico Corporation
Southwest Power Pool	Southwest Power Pool, Inc
TCR	Transmission Congestion Rights
Xcel Energy	Xcel Energy Inc.

LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
JJC-1	Total Company Amounts and Jurisdictional Percentages (Filename: JJC-1.xlsx)
JJC-2	Southwest Power Pool's Organizational Chart (Filename: JJC-2.pdf)
JJC-3	Southwest Power Pool's Transmission Cost Allocation Methods (Filename: JJC-3.pdf)

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Direct Testimony
of
Jarred J. Cooley

1 **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is Jarred J. Cooley. My business address is 790 South Buchanan Street,
4 Amarillo, Texas 79101.

5 **Q. On whose behalf are you testifying in this proceeding?**

6 A. I am filing testimony on behalf of Southwestern Public Service Company, a New
7 Mexico corporation (“SPS”). SPS is a wholly-owned electric utility subsidiary of
8 Xcel Energy Inc. (“Xcel Energy”).

9 **Q. By whom are you employed and in what position?**

10 A. I am employed by SPS as Director, Strategic Planning.

11 **Q. Please briefly outline your responsibilities as Director, Strategic Planning.**

12 A. I am responsible for leading and directing Xcel Energy-wide teams to plan and
13 implement strategic business projects for SPS. In that role I work with generation
14 and transmission planning teams on long-term plans, supply feedback to customers
15 who want to connect to the SPS system, and coordinate with Southwest Power Pool,
16 Inc. (“Southwest Power Pool”) on regional policy and cost allocation issues
17 affecting SPS. My responsibilities insofar as Southwest Power Pool is concerned
18 include representing SPS through membership participation in several Southwest

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1 Power Pool member committees and helping direct overall strategic positions in the
2 various stakeholder working groups.

3 **Q. Please describe your educational background.**

4 A. I received my Bachelor of Science degree in Electrical Engineering in 2010 from
5 the University of Minnesota – Twin Cities.

6 **Q. Please describe your professional experience.**

7 A. In 2010, I started full-time as an engineer in the Transmission Planning department
8 with Xcel Energy, based in Minneapolis, Minnesota. In 2018, I relocated to
9 Amarillo, Texas and became Manager, Transmission Planning South, leading the
10 transmission planning department that was focused on the SPS service territory. In
11 October 2021, I took on my current role of Director, Strategic Planning for SPS.

12 **Q. Do you hold a professional license?**

13 A. Yes. I am a registered Professional Engineer in the State of Minnesota.

14 **Q. Have you filed testimony before any regulatory authorities?**

15 A. Yes. I submitted pre-filed written testimony to the New Mexico Public Regulation
16 Commission (“Commission”) on SPS’s behalf in Case Nos. 20-00238-UT and
17 19-00170-UT, and I testified in the hearing on the settlement in the latter case. I
18 also submitted pre-filed written testimony to the Commission in Case Nos.

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1 19-00157-UT and 20-00085-UT. Additionally, I submitted pre-filed written
2 testimony to the Public Utility Commission of Texas in Docket Nos. 51802 and
3 49831. I also submitted testimony to the Federal Energy Regulatory Commission
4 (“FERC”) in Docket No. ER18-2358-000.

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1 **Q. How were New Mexico retail jurisdictional amounts in your testimony and**
2 **attachments calculated?**

3 A. Throughout this testimony, I quantify the expense and asset amounts on a New
4 Mexico retail basis based upon the jurisdictional allocation percentages that SPS
5 witness Stephanie N. Niemi uses to develop the New Mexico retail revenue
6 requirement reflected in her Attachment SNN-6. Ms. Niemi is responsible for
7 calculating jurisdictional allocation percentages that apply to the various cost
8 components in the cost of service. My staff and I conferred with Ms. Niemi and
9 her staff to determine the New Mexico retail jurisdictional amounts presented in
10 my testimony and attachments. If the percentages used to allocate amounts to the
11 New Mexico retail jurisdiction change, those new allocation percentages will need
12 to be applied to the total company numbers to derive updated New Mexico retail
13 amounts. Attachment JJC-1 contains the total company numbers and the
14 jurisdictional percentages used to derive the New Mexico retail amounts in my
15 testimony. I have reviewed Attachment JJC-1 and was engaged in its development,
16 and I believe it to be accurate and complete.

17 **Q. Was Attachment JJC-1 prepared by you or under your direct supervision?**

18 A. Yes. As I stated above, I have reviewed Attachment JJC-1 and believe it to be
19 accurate and complete.

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1 **Q. Are Attachments JJC-2 and JJC-3 true and correct copies of the documents**
2 **you represent them to be?**

3 **A. Yes.**

1 **III. SOUTHWEST POWER POOL SERVICES**

2 **Q. Please describe Southwest Power Pool and the services it provides to its**
3 **members.**

4 **A.** Southwest Power Pool, which is a FERC-approved Regional Transmission
5 Organization (“RTO”), is an Arkansas non-profit corporation with its principal
6 place of business in Little Rock, Arkansas. Southwest Power Pool has more than
7 110 members, which include electric cooperatives, federal agencies, independent
8 power producers, independent electric transmission companies, investor-owned
9 electric utilities, marketers, municipal utilities, state authorities, and contract
10 participants.

11 As an RTO, Southwest Power Pool provides several services to its
12 members, including:

- 13 • reliability coordination;
- 14 • tariff administration;
- 15 • regional scheduling;
- 16 • transmission expansion planning;
- 17 • market operation;
- 18 • contingency reserve sharing;
- 19 • generation interconnection studies;

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- 1 • scheduling authority function;
- 2 • compliance;
- 3 • training; and
- 4 • outage coordination.

5 **Q. How are Southwest Power Pool’s policies, rules, and tariffs developed?**

6 A. Southwest Power Pool is a member-driven organization. As a result, various
7 committees exist within Southwest Power Pool to develop policy, rules, and tariff
8 provisions related to a wide variety of topics. The primary role of Southwest Power
9 Pool stakeholder committees and working groups is to drive major initiatives that
10 improve or enhance Southwest Power Pool operations. The stakeholder process
11 also focuses on planning for the future. The various committees and working
12 groups provide recommendations to the Southwest Power Pool independent Board
13 of Directors on technical issues. The committees are further composed of working
14 groups, steering committees, task forces, advisory groups, and user forums. The
15 committees and groups are made up of representatives derived from the diverse
16 subset of Southwest Power Pool members, including SPS. An organizational chart
17 of Southwest Power Pool committees and working groups is attached to my
18 testimony as Attachment JJC-2. Additional groups and details can be found on the
19 www.SPP.org webpage.

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1 **Q. Do state retail rate regulators have a role in the Southwest Power Pool**
2 **member-driven process?**

3 A. Yes. The Regional State Committee (“RSC”) is composed of retail regulators
4 across the Southwest Power Pool footprint and has its own working group, the Cost
5 Allocation Working Group, which is made up of staff members of the retail
6 regulatory authorities. The RSC actively engages in a broad range of issues where
7 Southwest Power Pool has ceded authority, including transmission planning and
8 cost allocation, resource adequacy, allocation of transmission rights, and market
9 evolution issues. For example, the RSC: (1) establishes the approach for resource
10 adequacy across the entire region and with respect to transmission planning; (2)
11 decides whether transmission upgrades for remote resources will be included in the
12 regional transmission planning process; and (3) determines the role of transmission
13 owners in proposing transmission upgrades in the regional planning process.

14 **Q. Have the services that SPS receives from Southwest Power Pool changed since**
15 **SPS’s last rate case, Case No. 20-00238-UT?**

16 A. No. As a member of Southwest Power Pool, SPS continues to receive the same
17 services that the Commission reviewed in SPS’s last case.

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1 **Q. Do SPS's customers obtain benefits by SPS being a member of the Southwest**
2 **Power Pool?**

3 A. Yes. SPS's customers benefit by having access to a larger pool of generation
4 resources as part of the Southwest Power Pool's Integrated Marketplace, allowing
5 low-cost generation to serve SPS's load. Additionally, SPS is able to decrease the
6 amount of generation reserves needed in the event of a sudden resource outage
7 because it is part of a reserve sharing arrangement. Finally, Southwest Power Pool
8 is responsible for overseeing transmission planning studies, the generator
9 interconnection queue, transmission service requests, load interconnection
10 requests, and outage coordination.

11 **Q. How are the costs associated with new transmission infrastructure within**
12 **Southwest Power Pool allocated to SPS?**

13 A. Southwest Power Pool costs have been allocated to SPS based on four different
14 allocation methods: (1) Pre-2005; (2) Original Base Plan Funding; (3) the Balanced
15 Portfolio; and (4) the Highway/Byway (Current Base Plan Funding). A matrix
16 showing the effects of these methods during the Test Year is shown in Attachment
17 JJC-3. Costs incurred under these same allocation methodologies were reviewed
18 and approved by the Commission in Case Nos. 20-00238-UT and 19-00170-UT.

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1 **Q. How does Southwest Power Pool administer these cost allocations and collect**
2 **the revenue for the regional transmission funding?**

3 A. Southwest Power Pool administers the process through Attachment J of the
4 Southwest Power Pool Open Access Transmission Tariff (“OATT”) and recovers
5 the revenue through the resulting Schedule 11 charges under the Southwest Power
6 Pool OATT. Southwest Power Pool collects both zonal and regionally-allocated
7 costs under Schedule 11. Southwest Power Pool then distributes this revenue to the
8 Transmission Owners. Costs captured in Schedule 11 are generally related to
9 projects identified by the Southwest Power Pool as needed to either improve
10 reliability or provide an economic benefit within the Southwest Power Pool
11 footprint. Economic-driven projects are identified to allow utilities to access
12 lower-cost energy.

13 **Q. How is SPS charged for the transmission planning function performed by**
14 **Southwest Power Pool?**

15 A. SPS is located in Zone 11. As such, the retail customers of SPS are assessed
16 Schedule 11 charges for their share of regional transmission projects and their share
17 of transmission system projects in Zone 11. Ms. Niemi discusses specific
18 Schedule 11 charges assessed by Southwest Power Pool to SPS in the Test Year.

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1 **Q. What is the Southwest Power Pool administrative fee?**

2 A. The Southwest Power Pool applies an administrative fee to all transmission service
3 customers to cover the expenses that Southwest Power Pool incurs for the services
4 it provides under its OATT, such as transmission service, tariff administration, and
5 facilitation of Southwest Power Pool's Integrated Marketplace. The fee is set
6 annually by the Southwest Power Pool Board of Directors based on the next year's
7 expected budget, including reconciliation from the previous year's over-or-under-
8 collection.

9 **Q. How does Southwest Power Pool collect these administrative fees?**

10 A. Southwest Power Pool collects these fees through Schedule 1-A of its OATT.

11 **Q. How are Schedule 1-A charges assessed?**

12 A. Starting January 1, 2021, Southwest Power Pool separated the Schedule 1-A
13 charges into four separate charges. They are:

- 14 • Schedule 1-A1 - Transmission Administration Service;
- 15 • Schedule 1-A2 - Transmission Congestion Rights Administration Service;
- 16 • Schedule 1-A3 - Integrated Marketplace Clearing Administration Service;
- 17 and

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- 1 • Schedule 1-A4 - Integrated Marketplace Facilitation Administration
2 Service.

3 Schedule 1-A1 charges are divided between FERC Accounts 561.4 and 561.8.
4 Schedules 1-A2, 1-A3, and 1-A4 are charged to FERC Account 575.7.

5 **Q. Please describe the different charges within Schedule 1-A.**

6 A. Schedule 1-A1, Transmission Administration Service, is intended to recover the
7 Southwest Power Pool's administration costs related to the provision of
8 Transmission Service. Schedule 1-A2, Transmission Congestion Rights
9 Administration Service, is intended to recover the Southwest Power Pool's
10 administration costs related to congestion rights in the Integrated Marketplace.
11 Holders of Transmission Congestion Rights ("TCRs") are charged the portion of
12 Southwest Power Pool's administration costs for items such as TCR auction, TCR
13 simultaneous feasibility tests, and the administration of a secondary market for
14 TCRs. Schedule 1-A3, Integrated Marketplace Clearing Administration Service, is
15 intended to recover the Southwest Power Pool's administration costs associated
16 with providing market settlements, credit evaluation, market monitoring, and
17 customer service to Integrated Marketplace participants. Schedule 1-A4, Integrated
18 Marketplace Facilitation Administration Service, is intended to recover the
19 Southwest Power Pool's administration costs associated with facilitating the day-

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1 ahead and real-time energy and ancillary services markets, and the reliability unit
2 commitment processes for Integrated Marketplace participants. Ms. Niemi
3 discusses how SPS proposes to recover each of these administrative fees in her
4 testimony.

5 **Q. What was the Base Period amount of Schedule 1-A expense?**

6 A. The Base Period amount of Schedule 1-A expense was \$4,857,716 on a New
7 Mexico retail basis (\$14,361,572 total company). I calculated that amount by
8 multiplying the per megatt-hour (“MWh”) fee charged in calendar year 2021 to the
9 MWh of load consumed by SPS customers during the last six months of 2021, and
10 by multiplying the per MWh fee charged in calendar year 2022 to the MWh of load
11 consumed by SPS customers during the first six months of 2022. I then added the
12 two amounts together to get the Base Period Schedule 1-A expenses. Table JJC-1
13 provides the New Mexico Retail amount of Schedule 1-A fees by FERC account:

14

Table JJC-1

FERC Account	Amount
561.4	\$1,261,116
561.8	\$501,170
575.7	\$3,095,429
Total	\$4,857,716

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1 **Q. Did SPS make any adjustments to reach an Adjusted Base Period amount of**
2 **Schedule 1-A expense?**

3 A. Yes. SPS increased the amount by \$2,870 on a New Mexico Retail basis (\$8,034
4 total company) to address administrative credits for production months outside of
5 the Base Period. This adjustment normalized the Base Period amount.

6 **Q. What is the Linkage Period amount of Schedule 1-A expense?**

7 A. The Schedule 1-A expense for the Linkage Period³ is \$5,250,645 on a New Mexico
8 Retail basis (\$14,361,572 total company). I calculated that amount the same way I
9 calculated the Adjusted Base Period amount. The Linkage Period amount is
10 slightly more than the Adjusted Base Period amount because the jurisdictional
11 allocators changed between the Base Period and the Linkage Period.

12 **Q. What Schedule 1-A expense for the Future Test Year Period?**

13 A. The Schedule 1-A expense for the Future Test Year Period is also \$5,250,645 on a
14 New Mexico Retail basis (\$14,361,572 total company). This number is the same,
15 and was calculated in the same way as the Linkage Period Schedule 1-A expense.
16 Table JJC-2 (next page) provides the New Mexico Retail amount of Schedule 1-A
17 fees by FERC account for both the Future Test Year Period and Linkage Period:

³ The Linkage Period is the 12-month period from July 1, 2022 through June 30, 2023.

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1

Table JJC-2

FERC Account	Amount
561.4	\$1,329,513
561.8	\$528,352
575.4	\$3,392,780
Total	\$5,250,645

2 **Q. Has SPS applied any escalators or other types of adjustments to calculate the**
3 **Future Test Year Period Schedule 1-A fees?**

4 A. No. As noted above, SPS carried the Adjusted Base Period amount forward to the
5 Future Test Year Period without any changes. Therefore, the Future Test Year
6 Period Schedule 1-A expenses are based on known values, not forecasts or
7 escalated amounts.

8 **Q. What are the elements of cost embedded within the Schedule 1-A fees?**

9 A. All of the Base Period, Linkage Period, and Future Test Year Period Schedule 1-A
10 fees are pass-through costs from Southwest Power Pool for the services that I
11 discussed earlier in my testimony.

12 **Q. Are the Schedule 1-A amounts charged by the Southwest Power Pool**
13 **reasonable and necessary costs of providing service?**

14 A. Yes. The Schedule 1-A administrative fee, which covers the transmission planning
15 cost, tariff administrator responsibilities, and operation of the Southwest Power

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1 Pool Integrated Market, has benefited SPS customers by allowing SPS to gain
2 greater access to economic market resources and by enhancing the reliability of the
3 grid.

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1 **IV. CHANGE IN MINIMUM PLANNING RESERVE MARGIN**

2 **Q. What do you discuss in this section of your testimony?**

3 A. I discuss recent changes in Southwest Power Pool’s minimum planning reserve
4 margin requirements and explain how those changes affect SPS’s capacity position.
5 SPS witness Ben Elsey also discusses Southwest Power Pool’s increased minimum
6 planning reserve margin requirement and particularly SPS’s proposal to extend the
7 service lives of its Nichols Unit 1 and Nichols Unit 2 generation facilities in order
8 to meet these increased capacity requirements. The purpose of my testimony is to
9 discuss Southwest Power Pool’s minimum planning reserve margin itself in more
10 detail.

11 **Q. What is the basis for establishing Southwest Power Pool’s minimum planning
12 reserve margin requirement?**

13 A. Southwest Power Pool outlines its resource adequacy process through Attachment
14 AA of the Southwest Power Pool OATT. Southwest Power Pool performs a loss-
15 of-load-expectation study for the Southwest Power Pool area and determines what
16 level of reserves would be required to meet the industry standard of loss of load one
17 day every ten years due to generation capacity and deliverability. Southwest Power

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1 Pool studies the reserve margin requirement every two years to determine whether
2 the value is still adequate.

3 **Q. What is the history of the Southwest Power Pool recommended planning**
4 **reserves?**

5 A. Several years ago, Southwest Power Pool required companies to maintain a 13.6%
6 reserve capacity to meet the region-wide reserve requirement. In 2018, Southwest
7 Power Pool reduced this requirement to 12%. In July 2022, the Regional State
8 Committee and the Southwest Power Pool Board of Directors approved a proposal
9 to increase the planning reserve margin requirement to 15% effective for the
10 summer of 2023.

11 **Q. Do Southwest Power Pool criteria specifically require a 15% planning reserve**
12 **margin?**

13 A. The 15% is the *minimum* value necessary for each load serving entity in order to
14 reach the region-wide requirement. If a load responsible entity, such as SPS, does
15 not have enough capacity to meet the planning reserve margin, that entity is
16 required to pay a deficiency payment. Furthermore, in some situations, carrying

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1 only the minimum required reserves would be detrimental to the load (i.e.,
2 customers) in specific areas.

3 **Q. What amount of reserves reflect the 15% minimum planning reserve**
4 **requirement and how does that impact the SPS system?**

5 A. SPS’s identified load in the planning forecast in Schedule P-11 for summer of 2023
6 is 4,101 megawatts (“MW”). As discussed by SPS witness Mr. Elsey, if a 15%
7 minimum reserve margin requirement is applied to the planning forecast, SPS will
8 need an additional 615 MW to meet the capacity need. If the minimum planning
9 reserve margin requirement was still 12%, SPS would have needed to plan for only
10 492 MW. The change from 12% to a 15% reserve margin led to an increase of 123
11 additional MW now needed to meet the new criteria. Further, SPS and other
12 stakeholders had advocated to increase the minimum planning reserve margin
13 requirement by 1% each year through 2025. However, Southwest Power Pool
14 chose to increase the requirement in one year, meaning all load-serving entities
15 must carry sufficient capacity beginning in 2023. As I mentioned previously, Mr.
16 Elsey discusses how SPS is satisfying this requirement with the necessary extension
17 of the Nichols units.

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1 **Q. Should the new Southwest Power Pool 15% minimum planning reserve**
2 **margin requirement be used to determine whether SPS's system has capacity**
3 **that exceeds the generation needed to appropriately and cost-effectively serve**
4 **its customers?**

5 **A.** No. The the SPP planning reserve margin requirement is a *minimum* requirement,
6 not a maximum or a target and does not fully capture all the resource needs in the
7 SPS footprint. Additionally, while SPS must exceed that minimum threshold, that
8 threshold does not dictate all of SPS's planning. SPS conducts resource planning to
9 prudently provide energy to customers—not just to have capacity—and to meet
10 applicable Renewable Portfolio Standards requirements. Finally, given the features
11 of SPS's service territory and system, such as system topology, import capabilities,
12 load and generation siting, and congestion management needs; just meeting the
13 Southwest Power Pool minimum requirement would not necessarily ensure reliable
14 service for customers.

15 **Q. Is the location of the SPS system, and the location of SPS's generating**
16 **resources within the system, important in evaluating SPS's generating**
17 **capacity?**

18 **A.** Yes. Because of SPS's location within Southwest Power Pool and the existing
19 transmission constraints, it is important to consider the need for generation in

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1 particular areas and not just the total capacity of SPS's generating fleet. SPS is on
2 the furthest, most remote Southwestern edge of the Eastern Interconnection and is
3 the southern most utility system in the Southwest Power Pool's 14-state footprint.
4 The design of the transmission system depends on the placement of SPS's
5 generation resources, SPS's load, and the transmission tie-lines back to the rest of
6 Southwest Power Pool. For example, generation located in New Mexico or the
7 southern part of SPS's system helps reduce the flow of energy into that
8 southernmost area of the system. Having generation in close proximity to load can
9 help balance resource planning needs with the necessary transmission construction
10 that may be required to maintain system reliability. Although the transmission
11 capability between the SPS area and the rest of the Southwest Power Pool footprint
12 has been greatly improved, SPS is still affected more than other utilities when one
13 or more of the 345 kilovolt ("kV") tie lines into the SPS system is out of service for
14 maintenance or any other reason. Considering the location of the SPS system
15 relative to the rest of the Southwest Power Pool geography, the SPS transmission
16 system topology, and the location of load and of the SPS generation facilities within
17 the SPS footprint; SPS likely would have required significantly more transmission
18 expansion required if there was less generation available within the SPS footprint
19 to serve the load.

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1 **Q. Does SPS continue to see increased load growth on its system?**

2 A. Yes. As discussed by SPS witnesses Casey Meeks and Rene Miranda, oil and gas
3 development in the New Mexico portion of the Permian Basin is still growing and
4 in the future SPS will need additional generation capacity on its system to serve
5 that continued load growth. As noted previously, siting future generation near this
6 load will likely be beneficial to SPS's system operations.

7 **Q. Does this conclude your pre-filed direct testimony?**

8 A. Yes.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
APPLICATION FOR: (1) REVISION OF)
ITS RETAIL RATES UNDER ADVICE)
NOTICE NO. 312; (2) AUTHORITY TO)
ABANDON THE PLANT X UNIT 1,)
PLANT X UNIT 2, AND CUNNINGHAM)
UNIT 1 GENERATING STATIONS AND)
AMEND THE ABANDONMENT DATE)
OF THE TOLK GENERATING)
STATION; AND (3) OTHER)
ASSOCIATED RELIEF,)
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SOUTHWESTERN PUBLIC SERVICE)
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VERIFICATION

On this day, November 18, 2022, I, Jarred J. Cooley, swear and affirm under penalty of perjury under the law of the State of New Mexico, that my testimony contained in Direct Testimony of Jarred J. Cooley is true and correct.

/s/ Jarred J. Cooley _____
JARRED J. COOLEY

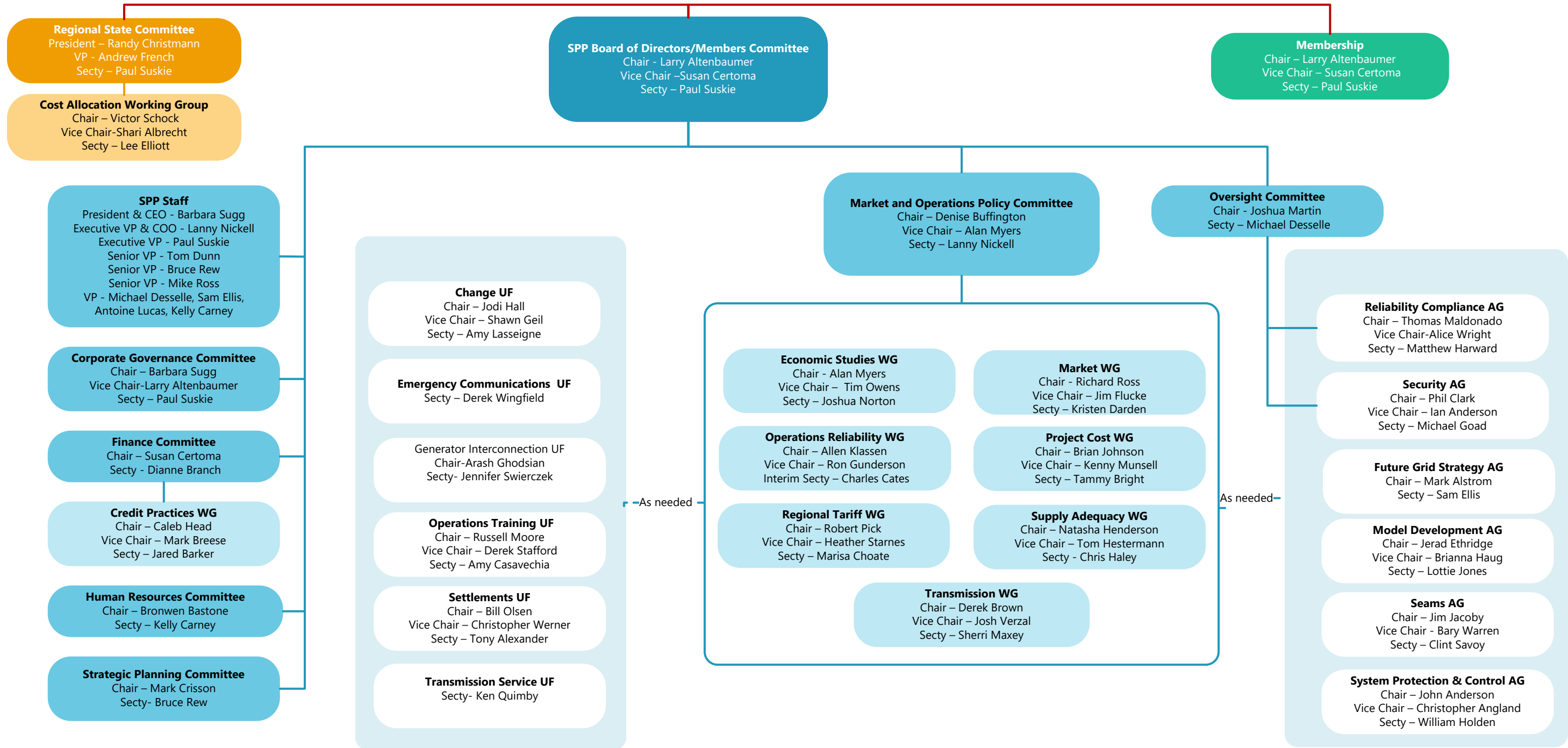
Southwestern Public Service Company

Total Company Amounts and Jurisdictional Percentages

Line No.	Witness	Description	Page No.	Line No.	Total Company Amount	Number Scale	Allocator (Name)	Allocator (%)	NM Retail Amount
1	Cooley	Schedule 1-A Expense (Future Test Year)	4	9 & 10	\$ 14,361,572	dollars	Various	Various	\$ 5,250,645
2	Cooley	Schedule 1-A Expense (Base Period)	14	6 & 7	\$ 14,361,572	dollars	Various	Various	\$ 4,857,716
3	Cooley	FERC Account 561.4 (Base Period)	14	Table JJC-1	\$ 4,085,855	dollars	Various	Various	\$ 1,261,116
4	Cooley	FERC Account 561.8 (Base Period)	14	Table JJC-1	\$ 1,625,049	dollars	Various	Various	\$ 501,170
5	Cooley	FERC Account 575.7 (Base Period)	14	Table JJC-1	\$ 8,650,669	dollars	Various	Various	\$ 3,095,429
6	Cooley	Total Schedule 1-A Expense (Base Period)	14	Table JJC-1	\$ 14,361,572	dollars	Various	Various	\$ 4,857,716
7	Cooley	Schedule 1-A Expense (Adjustment to Base Period)	15	3	\$ 8,034	dollars	Various	Various	\$ 2,870
8	Cooley	Schedule 1-A Expense (Linkage Period)	15	7 & 8	\$ 14,361,572	dollars	Various	Various	\$ 5,250,645
9	Cooley	Schedule 1-A Expense (Future Test Year)	15	13 & 14	\$ 14,361,572	dollars	Various	Various	\$ 5,250,645
10	Cooley	FERC Account 561.4 (Future Test Year)	16	Table JJC-2	\$ 4,085,855	dollars	Various	Various	\$ 1,329,513
11	Cooley	FERC Account 561.8 (Future Test Year)	16	Table JJC-2	\$ 1,625,049	dollars	Various	Various	\$ 528,352
12	Cooley	FERC Account 575.7 (Future Test Year)	16	Table JJC-2	\$ 8,650,669	dollars	Various	Various	\$ 3,392,780
13	Cooley	Total Schedule 1-A Expense (Future Test Year)	16	Table JJC-2	\$ 14,361,572	dollars	Various	Various	\$ 5,250,645

BP allocators are different than LP and TY allocators
LP and TY allocators are the same

Group Organizational Chart



Summary of SPP Cost Allocation Methods						
Date Range	Upgrade Type	Zonal	Regional	Customer	Sponsor	Comments
Pre-2005	Pre-BPF Needs	100%				Before Regional Cost Sharing
	Other	100%				
Traditional Base Plan Funding NTC Issue Date Before June 19, 2010	Sponsored				100%	
	Reliability	67%	33%			Based on Need-By Date - Zonal on MW-Mi beneficiary %
	Generation Interconnection			100%		
	NITS Service Upgrade costs covered by Safe Harbor limit	67%	33%			Zonal on MW-Mi
	NITS Service Upgrade costs <i>NOT</i> covered by Safe Harbor limit				100%	Safe Harbor Limit: E&C Cost <=\$180,000/MW Requested
	PtP Service Upgrade costs that do not qualify for Base Plan Funding				100%	costs in excess of access charges
Balanced Portfolio	Balanced Portfolio		100%			
	Sponsored				100%	
Base Plan Funding (Highway Byway NTC) Issue Date of June 19, 2010 or later	Reliability/Economic Updgrade Voltage greater than or equal to 300 kV	0%	100%			
	Reliability/Economic Updgrade Voltage greater than or equal to 100 kV and under 300 kV	67%	33%			
	Reliability/Economic Updgrade Voltage under 100 kV	100%	0%			
	Upgrades related to delivery of power from Wind projects outside TSR Customer's Load Zone and less than 300kV			67%	33%	Effective in 2009
	Upgrades related to delivery of power from Wind projects greater than or equal to 300kV			100%		
	NITS Service Upgrade costs covered by Safe Harbor limit	<i>Voltage Dependent:</i> =>300kV=100% Regional, 100kV to 299kV=33% Regional+67% Zonal, <100kV=100% Zonal				"Highway/Byway" method, upgrade =>300kV 100% Regional in all cases
	NITS Service Upgrade costs <i>NOT</i> covered by Safe Harbor limit or do not qualify for Base Plan Funding				100%	
	PIP Service Upgrade costs that do not qualify for Base Plan Funding				100%	
	Generation Interconnection				100%	