

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
ANNUAL 2024 RENEWABLE ENERGY)
PORTFOLIO PROCUREMENT PLAN)
AND REQUESTED APPROVALS)
THEREIN; PROPOSED 2024)
RENEWABLE PORTFOLIO STANDARD)
COST RIDER; TERMINATION OF THE)
RECONCILIATION RIDER; AND)
OTHER ASSOCIATED RELIEF,)
)
)
)
)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
)
)
APPLICANT.)**

CASE NO. 23-00__-UT

DIRECT TESTIMONY

of

JEFFREY L. COMER

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

June 30, 2023

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
Commission	New Mexico Public Regulation Commission
ETA	Energy Transition Act
kV	Kilovolt
kW	kilowatt
kWh	kilowatt-hour
LCC	Large Customer Cap
Next Plan Year	SPS's Filing for Next Plan Year 2025
Plan Year or 2024 Plan Year	SPS's Filing for Plan Year 2024
RPS	Renewable Portfolio Standard
Solar*Connect	SPS Solar*Connect Program
SPS	Southwestern Public Service Company, a New Mexico corporation

LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
JLC-1	Revenue Requirement for 2024 Plan Year and 2025 Next Plan Year (Filename: JLC-1.pdf)
JLC-2	Calculation of 2024 RPS Cost Rider (Filename: JLC-2.xlsx)
JLC-3	Proposed 2024 RPS Cost Rider Tariff (Filename: JLC-3.docx)
JLC-4	Terminated 2024 RPS Reconciliation Rider Tariff (Filename: JLC-4.pdf)
JLC-5	Bill Impacts (Filename: JLC-5.xlsx)
JLC-6	Proposed 2024 Solar*Connect Tariff (Filename: JLC-6.pdf)
JLC-7	Workpapers and Native Files (Folder Name: JLC-7)

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Direct Testimony
of
Jeffrey L. Comer

1 **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

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

3 A. My name is Jeffrey L. Comer. 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 testifying on behalf of Southwestern Public Service Company (“SPS”), a
7 wholly-owned electric utility subsidiary of Xcel Energy Inc.

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

9 A. I am employed by SPS as Case Specialist.

10 **Q. Please briefly outline your responsibilities as Case Specialist.**

11 A. In my current role, I provide strategic project management leadership for the
12 development and execution of major regulatory case filings primarily in SPS’s New
13 Mexico jurisdiction, including rate cases, resource planning, compliance filings,
14 tariff proposals, and renewable portfolio standard reports and plans. My department
15 facilitates the development of policy issues and advocacy to be included in
16 regulatory filings, and it coordinates the overall preparation of filed testimony,
17 attachments, schedules, and workpapers to produce filings in accordance with
18 applicable rules and procedures.

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

2 A. I graduated from Appalachian State University in 1989 with a Bachelor of Science
3 degree in Accounting. In 2014, I received a Master of Business Administration
4 degree from Texas A&M University, Commerce.

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

6 A. I began my professional career in 1989, as an Independent Auditor with Ernst and
7 Young, LLC. In 1990, I accepted a position as an Internal Auditor with Haverty
8 Furniture Company in Atlanta, Georgia, performing operational audits of each of
9 the stores I visited. In 1995, I became a Cost Analyst with Corporate Systems, Inc.,
10 an insurance risk management solutions provider in Amarillo, Texas where I
11 developed detailed customer profitability reports. I was promoted to Senior Cost
12 Analyst a year later. In 2006, I moved to Bell Helicopter in Amarillo, Texas where
13 I managed the V-22 Osprey production budgets. In August of 2008, I accepted a
14 Pricing Analyst position with Xcel Energy Services Inc./SPS. I moved into my
15 current role in 2015.

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1 **Q. Have you attended or taken any special courses or seminars relating to public**
2 **utilities?**

3 A. Yes, I completed a course entitled, “The Basics: Practical Regulatory Training for
4 the Electric and Natural Gas Industries” offered by the Center for Public Utilities
5 at New Mexico State University. I also attended an Edison Electric Institute electric
6 rate advanced course entitled, “Rates to Meet New Market Opportunities and
7 Constraints” hosted by the Wisconsin Public Utility Institute. Finally, I completed
8 a Utility Finance and Accounting for Financial Professionals course presented by
9 the Financial Accounting Institute.

10 **Q. Have you testified or filed testimony before any regulatory authorities?**

11 A. Yes. I have testified before both the New Mexico Public Regulation Commission
12 (“Commission”) and the Public Utility Commission of Texas.

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1 **II. TESTIMONY – SUMMARY, PURPOSE, AND RECOMMENDATIONS**

2 **Q. What is the scope of your testimony in this proceeding?**

3 A. My testimony supports SPS’s calculation of the 2024 Renewable Portfolio Standard
4 (“RPS”) Cost Rider revenue requirement and resulting rate, its proposed
5 termination of the RPS Reconciliation Rider, and RPS Cost Rider estimated bill
6 impacts. For informational purposes, I have provided an estimated 2025 revenue
7 requirement. I also present SPS’s 2024 Solar*Connect premium, consistent with
8 the final order in Case No. 18-00308-UT.¹

9 **Q. Please summarize the conclusions reached in your testimony.**

10 A. The RPS Cost Rider revenue requirement is calculated based on costs that were
11 deemed reasonable in past cases as discussed by SPS witness Zoë E. Lees, and the
12 RPS Cost Rider is calculated consistently with past RPS Cost Riders and applies
13 sound rate design principles. Accordingly, the 2024 RPS Cost Rider should be
14 approved. Under the rider established in accordance with the Final Order in Case

¹ Case No. 18-00308-UT, *In the Matter of Southwestern Public Service Company’s Application for (1) Authorization to Establish the Voluntary Solar*Connect Community Program (Solar*Connect) and Enter into a Purchased Power Agreement for the Purchase of 198 MW of Nominal Solar Capacity and Associated Energy for Solar*Connect; (2) Approval of the Proposed Methodology for Calculating and Annually Adjusting the Solar*Connect Costs and Revenues through the Solar*Connect Rider and its Fuel and Purchased Power Cost Adjustment Clause*, Final Order Adopting Recommended Decision (Sept. 11, 2019).

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1 No. 12-00350-UT,² the projected costs for 2024 result in a 2024 RPS Cost Rider
2 rate of \$0.000583 per kilowatt-hour (“kWh”) for all New Mexico retail customers,
3 other than kWh purchased under SPS’s existing voluntary program for purchasing
4 renewable energy (i.e., Solar*Connect). I provide estimated bill impacts in Section
5 V of my testimony.

6 As a result of the elimination of the large customer cap (“LCC”) under the
7 Energy Transition Act (“ETA”), SPS’s Reconciliation Rider was approved in Case
8 No. 19-00134-UT.³ My testimony supports the reasonableness of SPS’s request to
9 terminate the RPS Reconciliation rider effective December 31, 2023 for reasons
10 that will be explained later in my testimony.

11 Finally, I provide the calculation for the Solar*Connect premium and
12 demonstrate that the calculation complies with the Commission-approved
13 methodology in Case No. 18-00308-UT, demonstrating that SPS’s request that the

² Case No. 12-00350-UT, *In the Matter of Southwestern Public Service Company’s Application for Revision of its Retail Electric Rates Under Advice Notice No. 245*, Final Order Partially Adopting Recommended Decision (Mar. 26, 2014).

³ Case No. 19-00134-UT, *In the Matter of Southwestern Public Service Company’s Application Requesting (1) Acknowledgment of its Filing of the 2018 Annual Renewable Energy Portfolio Report; (2) Approval of its Annual Renewable Energy Portfolio Procurement Plan for Plan Year 2020; (3) Approval of the Proposed Rate for its 2020 Renewable Portfolio Standard Rider; and 4) Other Associated Relief* Final Order Adopting Recommended Decision (Apr. 22, 2020).

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1 Commission approve SPS's 2024 Solar*Connect Community Rate Rider, as set
2 forth in Advice Notice No. 316, is reasonable and should be approved.

3 **Q. Do you sponsor or co-sponsor any sections of the 2022 RPS Report presented**
4 **by SPS witness Zoë E. Lees?**

5 A. Yes. I co-sponsor Appendices E and F to the 2022 RPS Report which is provided
6 as Attachment ZEL-2 to the Direct Testimony of Ms. Lees.

7 **Q. Do you sponsor or co-sponsor any sections of the 2024 RPS Plan presented by**
8 **SPS witness Zoë E. Lees?**

9 A. Yes. I co-sponsor Section II(C) and Appendices B and C to the 2024 RPS Plan
10 which is provided as Attachment ZEL-3 to the Direct Testimony of Ms. Lees.

11 **Q. Were Attachments JLC-1 through JLC-7 prepared by you or under your**
12 **direct supervision and control?**

13 A. Yes.

1 **III. 2024 RPS COST RIDER RATE CALCULATION**

2 **A. Reconciliation of the 2022 RPS Cost Rider**

3 **Q. Is it necessary to reconcile the RPS Cost Rider each year?**

4 A. Yes, because each year, the RPS Cost Rider is based on projected costs, those
5 projected costs must be compared to actual costs. Then the actual costs are
6 compared to revenues collected during that year to ensure that SPS neither over-
7 recovers or under-recovers its RPS costs.

8 **Q. Please describe the reconciliation of the 2022 RPS Rider.**

9 A. Because the 2022 RPS costs were projected for the rider, it was first necessary to
10 determine the actual costs, which are presented in Attachment ZEL-2, Appendix E,
11 column B (lines 6-15). The difference between the projected and actual costs is
12 \$5.4 million. The material difference is the result of the SunE PPAs being less
13 uneconomic than forecasted (line 12 - \$5.1 million).

14 Next, the revenues received from the 2022 RPS Rider (column C, line 16 -
15 \$20.4 million) were compared to the actual costs (column B, line 16 - \$13.6 million)
16 to determine the line item over- or under-recoveries- (column D). When the actual
17 costs are compared to actual revenues, the net result is an over-collection of \$6.9
18 million (column D, line 16).

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1 Please refer to Appendix E of Attachment ZEL-2 (lines 6-16) for the
2 detailed reconciliation.

3 **Q. How is the differential between estimated and actual costs reconciled?**

4 A. The difference is included as a component in the 2024 RPS Cost Rider revenue
5 requirement calculation (described in the next subsection of my testimony).

6 **B. Plan Year and Next Plan Year Costs**

7 **Q. What are the Plan Year estimated costs?**

8 A. The total projected 2024 Plan Year (“Plan Year” or “2024 Plan Year”)⁴ renewable
9 energy costs are \$204,963,911 (total company) and are summarized in Attachment
10 ZEL-3, Appendix B, page 1. The New Mexico retail share of the projected Plan
11 Year costs are \$93,066,808 (column G, line 33); Table JLC-1 below shows the
12 division of the recovery of the New Mexico retail share.

13 **Table JLC-1: Recovery of Projected Plan Year Costs**

Recovery Method	Recovery Amount	Reference
Fuel Clause FPPCAC	\$(14,631,460)	column E, line 33
Retail Base Rates	\$94,325,872	column C, line 33

⁴ Plan Year means the calendar year for which approval is sought. NMAC 17.9.572.7.P.(1)

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2024 RPS Rider	\$13,372,396	column F, line 33
Total Recovery	\$93,066,808	

1

2 **Q. What are the Next Plan Year estimated costs?**

3 A. The Next Plan Year (“Next Plan Year”)⁵ cost estimates, both for economic energy
 4 and incremental RPS costs, are summarized in Attachment ZEL-3, Appendix B,
 5 page 2. The total forecasted Next Plan Year costs are \$196,782,017 (total
 6 company) (column A, line 33). The New Mexico retail share of the Next Plan Year
 7 costs are \$94,187,519 (column G, line 33). Table JLC-2 below shows the division
 8 of the recovery of the New Mexico retail share.

9 **Table JLC-2: Recovery of Next Plan Year Costs**

Recovery Method	Recovery Amount	Reference
Fuel Clause FPPCAC	\$(18,643,631)	column E, line 33
Retail Base Rates	\$100,579,475	column C, line 33
2024 RPS Rider	\$12,251,675	column F, line 33
Total Recovery	\$94,187,519	

⁵ Next Plan Year means the year following the Plan Year for which approval is sought and is presented for informational purposes. NMAC 17.9.572.14.A

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1 **Q. What is the basis of these cost estimates?**

2 A. Ms. Lees provides a narrative of the projected costs for the Plan Year and Next Plan
3 Year, which form the basis of my revenue requirement calculations.

4 **Q. How are the estimated Plan Year and Next Plan Year costs calculated?**

5 A. The Plan Year and Next Plan Year costs, for each of the components described
6 above, were projected as follows (the detailed calculations are provided in
7 Attachment ZEL-3, Appendix C):

- 8 1. Wind Energy Costs: Projected MWh production multiplied by the
9 applicable year contract costs less the Commission-established wind REC
10 price (currently, \$1.35/MWh for San Juan and Caprock⁶) (page 1, lines 2-3
11 and page 2, line 1), projected MWh production multiplied by the applicable
12 year contract prices for Mammoth and Palo Duro (page 1, lines 4-5 and page
13 2, lines 3-4)), for the Plan Year and Next Plan Year, projected MWh
14 production multiplied by the applicable year contract costs for the two
15 Bonita PPAs (Lorenzo and Wildcat facilities) (page 1, lines 6-7 and page 2,
16 lines 5-6);
- 17 2. Wind RECs: Projected MWh production, less wholesale transfers,
18 multiplied by the Commission-established wind REC price (currently,
19 \$1.35/MWh for San Juan and Caprock) (page 1, lines 9-10 and page 2, line
20 8); projected MWh production multiplied by REC option price in contracts
21 for Mammoth Plains and Palo Duro (page 1, lines 11-12 and page 2, lines
22 9-10), for the Plan Year and Next Plan Year, projected MWh production
23 multiplied by REC option price in contracts for the two Bonita PPAs

⁶ Energy and RECs from Caprock wind facilities will be included during the Plan Year only, as the PPA is set to expire during 2024.

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- 1 (Lorenzo and Wildcat facilities) (page 1, lines 13-14 and page 2 lines 11-
2 12);
- 3 3. Hale and Sagamore (owned) Wind Facility Costs: Projected MWh
4 production multiplied by the estimated net costs (page 1, lines 16-17 and
5 page 2, lines 14-15);
- 6 4. SunE Solar Economic Energy: Projected MWh production multiplied by
7 the economic costs on a \$/MWh basis (as a part of the total applicable year
8 contract costs) (page 1, line 19 and page 2, line 17);
- 9 5. SunE Solar Uneconomic Energy: Projected MWh production multiplied by
10 the uneconomic costs on a \$/MWh basis (as a part of the total applicable
11 year contract costs) (page 1, line 20 and page 2, line 18);
- 12 6. SunE Solar RECs: Projected MWh production multiplied by solar REC
13 price established in Case No. 20-00143-UT (page 1, line 21 and page 2, line
14 19);
- 15 7. Roswell and Chaves Solar Economic Energy: Projected MWh production
16 multiplied applicable year contract costs (page 1, lines 22 and 24 and page
17 2, lines 20 and 22);
- 18 8. Roswell and Chaves Solar RECs: MWh production multiplied by REC
19 option price in contracts (page 1, lines 23 and 25 and page 2, lines 21 and
20 23);
- 21 9. DG Expenses: Currently-installed DG program production, adjusted for
22 annual degradation, multiplied by applicable incentive payments (page 1,
23 line 27 and page 2, line 25); and
- 24 10. WREGIS: Plan Year and Next Plan Year transactions multiplied by cost
25 per transactions (page 1, line 28 and page 2, line 26).
- 26 11. External Counsel Costs: \$22,000 (page 1, line 29 and page 2, line 27).

C. 2024 RPS Rider Revenue Requirement

1 **Q. What is SPS's 2024 RPS Rider revenue requirement?**

2 A. As detailed in Attachment JLC-1 SPS's total proposed 2024 revenue requirement
3 is \$6,418,756.70 (line 12). This amount is comprised of the \$13.4 million 2024
4 projected costs to be recovered through the RPS Rider netted with the \$6.9 million
5 over-recovery derived from the reconciliation of the 2022 RPS Cost Rider,
6 including associated interest.

7 The proposed 2024 revenue requirement includes the reconciliation of the
8 2022 RPS Rider because those costs are not associated with the elimination of the
9 large customer cap. The large customer cap was eliminated under the ETA.⁷

D. 2024 RPS Cost Rider Rate

10 **Q. Please describe how you determined the 2024 RPS Cost Rider rate.**

11 A. To determine the 2024 RPS Cost Rider rate, I divided the 2024 RPS Cost Rider
12 revenue requirement⁸ by: 1) projected kWh sales for the 2024 Plan Year for all
13 New Mexico retail customers, 2) less projected kWh sales under SPS's voluntary

⁷ Energy Transition Act, 2019 N.M. Laws ch. 65 § 2-7 (introduced as SB No. 489 (2019)).

⁸ Please refer to Attachment JLC-1.

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1 program for purchasing renewable energy (i.e., Solar*Connect)⁹ . The net
2 applicable kWh for calculating the 2024 RPS charge is 11,006,099,421.

3 **Q. What is SPS's proposed 2024 RPS Cost Rider rate and how does it compare**
4 **to the 2023 RPS Cost Rider rate?**

5 A. The proposed 2024 RPS Cost Rider rate is \$0.000583 per kWh (Attachment JLC-
6 2, line no. 5 and Attachment JLC-3) for all New Mexico customer classes other
7 than kWh purchased under SPS's voluntary program for renewable energy. The
8 proposed 2024 RPS Cost Rider¹⁰ is a reduction from the current 2023 RPS Cost
9 Rider rate of \$0.000901 per kWh.

10 **Q. Have you provided a draft of the proposed RPS Cost Rider?**

11 A. Yes. Attachment JLC-3 is a copy of the Eleventh Revised Rate No. 70, which is
12 the proposed 2024 RPS Cost Rider. SPS has filed Advice Notice 315 and the rate
13 tariff with its Application in the instant case.

⁹ Attachment JLC-2, line nos. 2-4.

¹⁰ Please see Attachment JLC-5, wp, Bills at Current Rates.

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1 **IV. REQUEST TO TERMINATE SPS'S RPS RECONCILIATION RIDER**

2 **Q. Please describe the RPS Reconciliation Rider that was approved in Case No.**
3 **19-00134-UT.**

4 A. The Reconciliation Rider was created to return or recover costs associated with time
5 periods prior to elimination of the large customer cap by the 2019 ETA amendment
6 to the REA.¹¹ The Reconciliation Rider rate was never intended to be an ongoing
7 charge/credit to SPS customers but was put in place as a mechanism to reconcile
8 balances, after the elimination of the large customer cap. Ms. Lees describes the
9 policy related to the proposed elimination of the RPS Reconciliation Rider while I
10 discuss the mechanics.

11 **Q. What is the current balance of the RPS Reconciliation Rider?**

12 A. At the end of 2022, SPS calculated an under recovery of \$130,588. Since inception
13 of the Reconciliation Rider, the end of year balances have oscillated between over-
14 and under-recovered balances as a result of deviations between forecasted and
15 actual sales and the delay between actual amounts and when the RPS Reconciliation
16 Rider is effective (e.g., the 2022 Reconciliation Rider balance would not be

¹¹ Energy Transition Act, 2019 N.M. Laws ch. 65 § 2-7 (introduced as SB No. 489 (2019)).

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1 collected/returned until 2024). Based on the current 2023 Reconciliation Rider rate
2 and SPS's remaining 2023 sales forecast, the forecasted under recovered balance at
3 the end of 2023 is estimated to be less than \$10,000, which, in context of the overall
4 2024 Revenue Requirement of \$6,418,756 is 0.16%. As a result, SPS proposes to
5 terminate the RPS Reconciliation Rider (tariff rider rate 77) effective December 31,
6 2023. Any actual over/(under) recovery at the end of 2023 will be added to or
7 subtracted from the 2025 RPS Rider Revenue Requirement to ensure SPS neither
8 over- nor under-collects.

9 **Q. What does SPS propose regarding the RPS Reconciliation Rider?**

10 A. SPS proposes Rate No. 77 be terminated effective December 31, 2023. The
11 terminated Rate No. 77 is attached to my testimony as Attachment JLC-4 and
12 reflects SPS's proposed termination of this Rider. SPS has identified the proposed
13 cancelled rate with its Advice Notice 315 filed with its Application.

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V. CUSTOMER BILL IMPACTS

Q. What is the bill impact for each customer class, considering the proposed 2024 RPS Cost Rider compared to the current 2023 RPS Cost Rider and 2023 RPS Reconciliation Rider?

A. Representative bill impacts for each customer class over the course of the year are shown below. Please refer to Attachment JLC-5 for the calculations and other usage levels for each customer class.

- The total bill to a Residential Service customer taking 1,000 kWh per month would be \$129.44 under the proposed 2024 RPS Cost Rider, compared to \$129.68 under the current RPS and Reconciliation Riders (a decrease of 0.19% of total bill).
- A Small General Service customer taking 1,200 kWh per month would be charged \$134.16 over the course of the year under the proposed 2024 RPS Cost Rider, compared to \$134.45 under the current RPS and Reconciliation Riders (a decrease of 0.22% of total bill).
- A Secondary General Service customer with 15,000 kWh of energy and 35 kilowatts (“kW”) of demand a month would be charged \$1,333.88 under the proposed 2024 RPS Cost Rider, compared to \$1,337.44 under the current RPS and Reconciliation Riders (a decrease of 0.27% of total bill).
- An Irrigation Service customer with 7,500 kWh of energy and 35 kW of demand a month would be charged \$819.24 under the proposed 2024 RPS Cost Rider, compared to \$821.02 under the current RPS and Reconciliation Riders (a decrease of 0.22% of total bill).
- A Primary General Service customer with 15,000 kWh of energy and 35 kW of demand a month would be charged \$1,207.04 under the proposed

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- 1 2024 RPS Cost Rider, compared to \$1,210.60 under the current RPS and
2 Reconciliation Riders (a decrease of 0.29% of total bill).
- 3 • A Large General Service - Transmission customer taking service at 69
4 kilovolts (“kV”) with 4,000,000 kWh of energy and 6,100 kW of demand a
5 month would be charged \$204,500.76 under the proposed 2024 RPS Cost
6 Rider, compared to \$205,840.32 under the current RPS Riders (a decrease
7 of 0.65% of the total bill).¹²
- 8 • A Large General Service - Transmission 115+ kV customer with 4,000,000
9 kWh of energy and 6,300 kW of demand a month would be charged
10 \$203,706.91 under the proposed 2024 RPS Cost Rider, compared to
11 \$204,978.91 under the current RPS Riders (a decrease of 0.62% of total
12 bill).
- 13 • A Large Municipal and School Service customer with 20,000 kWh of
14 energy and 45 kW of demand a month would be charged \$1,491.01 under
15 the proposed 2024 RPS Cost Rider, compared to \$1,495.76 under the
16 current RPS and Reconciliation Riders (a decrease of 0.32% of total bill).
- 17 • A Small Municipal and School Service customer at 1,000 kWh of energy
18 per month would be charged \$103.20 under the proposed 2024 RPS Cost
19 Rider, compared to \$103.43 under the current RPS and Reconciliation
20 Riders (a decrease of 0.22% of total bill).

¹² The large customer cap was not applicable to all Large General Service Customers under the prior REA and Rule 572.

1 **VI. SOLAR*CONNECT PREMIUM CALCULATION**

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

3 A. In this section of my testimony, I discuss SPS’s Solar*Connect premium for 2024,
4 as shown in Advice Notice No. 316 and associated rate tariff.¹³

5 **Q. What is the 2024 Solar*Connect premium?**

6 A. The 2024 Solar*Connect premium is \$0.001674/ kilowatt-hour (“kWh”).

7 **Q. How is the Solar*Connect premium calculated?**

8 A. The premium is calculated as the total PPA price (also called the “charge”) less the
9 credit (the forecasted avoided costs), consistent with the approval received in Case
10 No. 18-00308-UT.¹⁴ For 2024, the total PPA price (the Solar*Connect Charge) is
11 \$0.041117/kWh¹⁵.

12 **Q. How is the credit calculated?**

13 A. The Solar*Connect Credit is the value, measured on a \$/MWh (\$/kWh) basis, of
14 the forecasted avoided costs to the SPS system as a result of the Solar*Connect
15 PPA. The avoided costs are forecasted on an annual basis, using a conservative

¹³ Please see attachment JLC-6 for a copy of the proposed Solar*Connect Community Rate Rider tariff.

¹⁴ See the Direct Testimony of Ruth M. Sakya in Case No. 18-00308-UT.

¹⁵ Please see detailed calculation in Attachment JLC-7 (workpapers).

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1 (i.e., low) forecast of gas prices. The forecasted avoided costs are calculated on an
2 hourly basis using a production costing model, Plexos. SPS runs the model both
3 with and without the Solar*Connect PPA to determine the costs that would have
4 been incurred but for the PPA.

5 Using this Commission-approved methodology, SPS has calculated the
6 forecasted avoided costs (the Solar*Connect Credit) for 2024 to be \$0.039443/
7 kWh¹⁶.

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

9 A. Yes.

¹⁶ Ibid.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF SOUTHWESTERN)
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COST RIDER; TERMINATION OF THE)
RECONCILIATION RIDER; AND)
OTHER ASSOCIATED RELIEF,)
)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
)
APPLICANT.)
_____)**

VERIFICATION

On this day, June 30, 2023, I, Jeffrey L. Comer, swear and affirm under penalty of perjury under the law of the State of New Mexico, that my testimony contained in Direct Testimony of Jeffrey L. Comer is true and correct.

/s/ Jeffrey L. Comer

JEFFREY L. COMER

**Southwestern Public Service Company
RPS Rider Revenue Requirement Calculation
For Calendar Year 2024**

Line No.	Description	2024 Revenue Requirement	Reference/Notes
1	2022 RPS Rider Reconciliation (Over-Recovery)	\$ (6,863,633.93)	Report Appendix E (Attachment ZEL-2)
2	2022 Rider Interest	(90,005.81)	Monthly interest (Cust. Dep. Rate)
3	2024 Projected Annual Costs:		
4	DG (Incentive, Admin, and Marketing)	154,430.45	Attachment ZEL-3, Appendices B & C
5	WREGIS	16,028.91	Attachment ZEL-3, Appendices B & C
6	External Counsel	22,000.00	Attachment ZEL-3, Appendices B & C
7	SunE RECs	58,738.92	Attachment ZEL-3, Appendices B & C
8	SunE Uneconomic Costs	10,961,191.02	Attachment ZEL-3, Appendices B & C
9	Solar RECs (other than SunE)	79,749.23	Attachment ZEL-3, Appendices B & C
10	Wind RECs	2,080,257.91	Attachment ZEL-3, Appendices B & C
11	Total Annual Costs (Sum L3 : L9)	<u>\$ 13,372,396.44</u>	
12	Total for RPS Rider Rate (Tariff No. 70) (L1+L2+L10)	<u>\$ 6,418,756.70</u>	

**Southwestern Public Service Company
RPS Rider Revenue Requirement Calculation - Projected
For Calendar Year 2025**

Line No.	Description	2025 Revenue Requirement	Reference/Notes
1	Projected 2023 RPS Rider Reconciliation	\$ (6,863,633.93)	Assumed to be the same as 2024
2	2023 Rider Interest	(90,005.81)	Assumed to be the same as 2024
3	2025 Projected Annual Costs:		
4	DG (Incentive, Admin, and Marketing)	\$ 121,446.98	Attachment ZEL-3, Appendices B & C
5	WREGIS	26,086.53	Attachment ZEL-3, Appendices B & C
6	External Counsel	22,000.00	Attachment ZEL-3, Appendices B & C
7	SunE RECs	59,080.24	Attachment ZEL-3, Appendices B & C
8	SunE Uneconomic Costs	10,142,381.79	Attachment ZEL-3, Appendices B & C
9	Solar RECs (other than SunE)	89,352.20	Attachment ZEL-3, Appendices B & C
10	Wind RECs	1,791,327.31	Attachment ZEL-3, Appendices B & C
11	Total Annual Costs (Sum L3: L9)	<u>\$ 12,251,675.04</u>	
12	Total for RPS Rider Rate (Tariff No. 70) (L1+L2+L10)	<u>\$ 5,298,035.30</u>	

Southwestern Public Service Company
New Mexico
2024 RPS Cost Rider

Line No.		
1	RPS Rider Revenue Requirement (JLC-1, p1, line no. 11)	\$ 6,418,757
	Divided by:	
2	Total 2024 kWh New Mexico Retail Forecast	11,011,224,671
3	Less Voluntary Program Sales (Solar*Connect)	<u>(5,125,250)</u> ¹
4	Net 2024 kWh Applicable to RPS Charge	<u>11,006,099,421</u>
5	2024 RPS Charge per kWh (line no. 1 ÷ line no. 4)	<u><u>\$ 0.000583</u></u>

¹ Per Rule 17.9.572.18 NMAC, all renewable energy purchased by a retail customer through an approved voluntary program shall not be subject to charges by the public utility to recover costs of complying with the RPS requirement.

SOUTHWESTERN PUBLIC SERVICE COMPANY

**ELEVENTH REVISED RATE NO. 70
CANCELING TENTH REVISED RATE NO. 70**

**X
X**

RPS COST RIDER

Page 1 of 1

APPLICABLE: This rate rider is applicable to bills for electric service provided under all of SPS’s retail rate schedules.

TERRITORY: Area served by Company in New Mexico.

RATE: The rate is applied to each kWh used per month to each customer class listed below other than kWh purchased under Rate Rider 76.

X

CUSTOMER CLASS:	\$/kWh	
For calendar year 2024:		X
Residential Service, Residential Heating Service, Small General Service, Small Municipal and School Service, Municipal Street Lighting Service, Area Lighting Service	\$0.000583	X
Secondary General Service, Irrigation Power Service, Large Municipal and School Service	\$0.000583	X
Primary General Service	\$0.000583	X
Large General Service – Transmission	\$0.000583	X

Renewable energy costs recovered through this rider are approved for recovery by the Commission. Company will reconcile costs previously approved for recovery through this Rider. Over-recovery of previously approved renewable energy costs will represent a credit to and reduction of approved renewable energy costs recoverable over a future period, and under-recovery of previously approved renewable energy costs will represent a charge in addition to approved renewable energy costs recoverable over a future period.

315	X
Advice Notice No.	
<i>/s/ Brooke A. Trammell</i>	
REGIONAL VICE PRESIDENT – REGULATORY & PRICING	

SOUTHWESTERN PUBLIC SERVICE COMPANY

**FOURTH REVISED RATE NO. 77
CANCELING THIRD REVISED RATE NO. 77**

RPS RECONCILIATION RIDER

FOR ILLUSTRATIVE PURPOSES ONLY

Page 1 of 1

APPLICABLE: This rate rider is applicable to bills for electric service provided under all of SPS's retail rate schedules, excluding customers previously considered Large Qualifying Customers as defined by Section 62-16-4A(2) of the Renewable Energy Act, or those customers that would meet that definition while this rider is in effect.

TERRITORY: Area served by Company in New Mexico.

RATE: (\$0.000088) per kWh in each billing period, calendar year 2023.

Renewable energy costs recovered or credited through this rider are approved for recovery by the New Mexico Public Regulation Commission. Company will reconcile costs previously approved for recovery through this Rider. Over-recovery of previously approved renewable energy costs will represent a credit to and reduction of approved renewable energy costs recoverable over a future period, and under-recovery of previously approved renewable energy costs will represent a charge in addition to approved renewable energy costs recoverable over a future period.

TERMINATED

Terminated Effective December 31, 2023

/s/ Brooke A. Trammell

REGIONAL VICE PRESIDENT –
REGULATORY & PRICING

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at		Monthly Bill at		\$ Change	% Change
	Current RPS	Proposed RPS	Riders	Rider		
<u>Residential Service (Summer)</u>						
0 kWh	\$ 10.14	\$ 10.14	\$	\$	-	0.00%
250 kWh	\$ 42.63	\$ 42.57	\$	\$	(0.06)	-0.14%
500 kWh	\$ 75.13	\$ 75.01	\$	\$	(0.12)	-0.16%
750 kWh	\$ 107.62	\$ 107.45	\$	\$	(0.17)	-0.16%
1,000 kWh	\$ 140.12	\$ 139.88	\$	\$	(0.24)	-0.17%
2,000 kWh	\$ 270.10	\$ 269.63	\$	\$	(0.47)	-0.17%
<u>Residential Service (Non-Summer)</u>						
0 kWh	\$ 10.14	\$ 10.14	\$	\$	-	0.00%
250 kWh	\$ 38.72	\$ 38.66	\$	\$	(0.06)	-0.15%
500 kWh	\$ 67.30	\$ 67.18	\$	\$	(0.12)	-0.18%
750 kWh	\$ 95.88	\$ 95.70	\$	\$	(0.18)	-0.19%
1,000 kWh	\$ 124.46	\$ 124.22	\$	\$	(0.24)	-0.19%
2,000 kWh	\$ 238.79	\$ 238.31	\$	\$	(0.48)	-0.20%
<u>Residential Service Annualized</u>						
0 kWh	\$ 10.14	\$ 10.14	\$	\$	-	0.00%
250 kWh	\$ 40.02	\$ 39.96	\$	\$	(0.06)	-0.15%
500 kWh	\$ 69.91	\$ 69.79	\$	\$	(0.12)	-0.17%
750 kWh	\$ 99.79	\$ 99.62	\$	\$	(0.17)	-0.17%
1,000 kWh	\$ 129.68	\$ 129.44	\$	\$	(0.24)	-0.19%
2,000 kWh	\$ 249.23	\$ 248.75	\$	\$	(0.48)	-0.19%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at		Monthly Bill at		\$ Change	% Change
	Current RPS	Proposed RPS	Riders	Rider		
<u>Residential Heat Service (Summer)</u>						
0 kWh	\$	10.14	\$	10.14	\$ -	0.00%
250 kWh	\$	42.63	\$	42.57	\$ (0.06)	-0.14%
500 kWh	\$	75.13	\$	75.01	\$ (0.12)	-0.16%
750 kWh	\$	107.62	\$	107.45	\$ (0.17)	-0.16%
1,000 kWh	\$	140.12	\$	139.88	\$ (0.24)	-0.17%
2,000 kWh	\$	270.10	\$	269.63	\$ (0.47)	-0.17%
<u>Residential Heat Service (Non-Summer)</u>						
0 kWh	\$	10.14	\$	10.14	\$ -	0.00%
250 kWh	\$	33.28	\$	33.22	\$ (0.06)	-0.18%
500 kWh	\$	56.42	\$	56.30	\$ (0.12)	-0.21%
750 kWh	\$	79.56	\$	79.38	\$ (0.18)	-0.23%
1,000 kWh	\$	102.70	\$	102.46	\$ (0.24)	-0.23%
2,000 kWh	\$	195.26	\$	194.79	\$ (0.47)	-0.24%
<u>Residential Heat Service Annualized</u>						
0 kWh	\$	10.14	\$	10.14	\$ -	0.00%
250 kWh	\$	36.40	\$	36.34	\$ (0.06)	-0.16%
500 kWh	\$	62.66	\$	62.54	\$ (0.12)	-0.19%
750 kWh	\$	88.91	\$	88.74	\$ (0.17)	-0.19%
1,000 kWh	\$	115.17	\$	114.93	\$ (0.24)	-0.21%
2,000 kWh	\$	220.21	\$	219.74	\$ (0.47)	-0.21%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at		Monthly Bill at		\$ Change	% Change
	Current RPS	Proposed RPS	Current RPS	Proposed RPS		
	Riders	Rider				
<u>Small General Service (Summer)</u>						
0 kWh	\$ 17.48	\$ 17.48	\$	\$	-	0.00%
250 kWh	\$ 44.09	\$ 44.03	\$	\$	(0.06)	-0.14%
500 kWh	\$ 70.69	\$ 70.57	\$	\$	(0.12)	-0.17%
750 kWh	\$ 97.30	\$ 97.12	\$	\$	(0.18)	-0.18%
1,200 kWh	\$ 145.19	\$ 144.91	\$	\$	(0.28)	-0.19%
2,000 kWh	\$ 230.33	\$ 229.86	\$	\$	(0.47)	-0.20%
<u>Small General Service (Non-Summer)</u>						
0 kWh	\$ 17.48	\$ 17.48	\$	\$	-	0.00%
250 kWh	\$ 40.73	\$ 40.67	\$	\$	(0.06)	-0.15%
500 kWh	\$ 63.98	\$ 70.57	\$	\$	6.59	10.30%
750 kWh	\$ 87.23	\$ 97.12	\$	\$	9.89	11.34%
1,200 kWh	\$ 129.08	\$ 144.91	\$	\$	15.83	12.26%
2,000 kWh	\$ 203.48	\$ 229.86	\$	\$	26.38	12.96%
<u>Small General Service Annualized</u>						
0 kWh	\$ 17.48	\$ 17.48	\$	\$	-	0.00%
250 kWh	\$ 41.85	\$ 41.79	\$	\$	(0.06)	-0.14%
500 kWh	\$ 66.22	\$ 66.10	\$	\$	(0.12)	-0.18%
750 kWh	\$ 90.59	\$ 90.41	\$	\$	(0.18)	-0.20%
1,200 kWh	\$ 134.45	\$ 134.16	\$	\$	(0.29)	-0.22%
2,000 kWh	\$ 212.43	\$ 211.95	\$	\$	(0.48)	-0.23%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Secondary General Service (Summer)</u>				
1,500 kWh and 12 kW	\$ 363.95	\$ 363.59	\$ (0.36)	-0.10%
7,500 kWh and 35 kW	\$ 1,113.70	\$ 1,111.92	\$ (1.78)	-0.16%
15,000 kWh and 35 kW	\$ 1,409.77	\$ 1,406.20	\$ (3.57)	-0.25%
30,000 kWh and 100 kW	\$ 3,451.41	\$ 3,444.28	\$ (7.13)	-0.21%
<u>Secondary General Service (Non-Summer)</u>				
1,500 kWh and 12 kW	\$ 326.20	\$ 325.84	\$ (0.36)	-0.11%
7,500 kWh and 35 kW	\$ 1,004.07	\$ 1,002.29	\$ (1.78)	-0.18%
15,000 kWh and 35 kW	\$ 1,301.28	\$ 1,297.72	\$ (3.56)	-0.27%
30,000 kWh and 100 kW	\$ 3,139.48	\$ 3,132.35	\$ (7.13)	-0.23%
<u>Secondary General Service Annualized</u>				
1,500 kWh and 12 kW	\$ 338.78	\$ 338.42	\$ (0.36)	-0.11%
7,500 kWh and 35 kW	\$ 1,040.61	\$ 1,038.83	\$ (1.78)	-0.17%
15,000 kWh and 35 kW	\$ 1,337.44	\$ 1,333.88	\$ (3.56)	-0.27%
30,000 kWh and 100 kW	\$ 3,243.46	\$ 3,236.33	\$ (7.13)	-0.22%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Irrigation Service (Summer)</u>				
1,500 kWh and 12 kW	\$ 202.72	\$ 202.36	\$ (0.36)	-0.18%
7,500 kWh and 35 kW	\$ 832.32	\$ 830.54	\$ (1.78)	-0.21%
15,000 kWh and 35 kW	\$ 1,529.82	\$ 1,526.26	\$ (3.56)	-0.23%
30,000 kWh and 100 kW	\$ 3,127.19	\$ 3,120.06	\$ (7.13)	-0.23%
<u>Irrigation Service (Non-Summer)</u>				
1,500 kWh and 12 kW	\$ 196.74	\$ 196.38	\$ (0.36)	-0.18%
7,500 kWh and 35 kW	\$ 815.37	\$ 819.24	\$ 3.87	0.47%
15,000 kWh and 35 kW	\$ 1,514.01	\$ 1,510.45	\$ (3.56)	-0.24%
30,000 kWh and 100 kW	\$ 3,080.05	\$ 3,072.92	\$ (7.13)	-0.23%
<u>Irrigation Service Annualized</u>				
1,500 kWh and 12 kW	\$ 198.73	\$ 198.37	\$ (0.36)	-0.18%
7,500 kWh and 35 kW	\$ 821.02	\$ 819.24	\$ (1.78)	-0.22%
15,000 kWh and 35 kW	\$ 1,519.28	\$ 1,515.72	\$ (3.56)	-0.23%
30,000 kWh and 100 kW	\$ 3,095.76	\$ 3,088.63	\$ (7.13)	-0.23%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Primary General Service (Summer)</u>				
1,500 kWh and 12 kW	\$ 361.32	\$ 360.97	\$ (0.35)	-0.10%
7,500 kWh and 35 kW	\$ 1,069.18	\$ 1,067.40	\$ (1.78)	-0.17%
15,000 kWh and 35 kW	\$ 1,300.09	\$ 1,296.53	\$ (3.56)	-0.27%
30,000 kWh and 100 kW	\$ 3,240.33	\$ 3,233.20	\$ (7.13)	-0.22%
<u>Primary General Service (Non-Summer)</u>				
1,500 kWh and 12 kW	\$ 315.63	\$ 315.28	\$ (0.35)	-0.11%
7,500 kWh and 35 kW	\$ 935.64	\$ 933.86	\$ (1.78)	-0.19%
15,000 kWh and 35 kW	\$ 1,165.86	\$ 1,162.30	\$ (3.56)	-0.31%
30,000 kWh and 100 kW	\$ 2,858.00	\$ 2,850.87	\$ (7.13)	-0.25%
<u>Primary General Service Annualized</u>				
1,500 kWh and 12 kW	\$ 330.86	\$ 330.51	\$ (0.35)	-0.11%
7,500 kWh and 35 kW	\$ 980.15	\$ 978.37	\$ (1.78)	-0.18%
15,000 kWh and 35 kW	\$ 1,210.60	\$ 1,207.04	\$ (3.56)	-0.29%
30,000 kWh and 100 kW	\$ 2,985.44	\$ 2,978.31	\$ (7.13)	-0.24%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Attachment JLC-5
 Page 7 of 10
 Case No. 23-00 ___-UT

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Large General Service - Transmission 69 kV (Summer)</u>				
500,000 kWh and 800 kW	\$ 28,550.55	\$ 28,431.72	\$ (118.83)	-0.42%
1,000,000 kWh and 1,500 kW	\$ 54,458.49	\$ 54,129.90	\$ (328.59)	-0.60%
4,000,000 kWh and 6,100 kW	\$ 215,291.67	\$ 214,019.67	\$ (1,272.00)	-0.59%
8,000,000 kWh and 12,200 kW	\$ 423,229.45	\$ 420,685.45	\$ (2,544.00)	-0.60%
<u>Large General Service - Transmission 69 kV (Non-Summer)</u>				
500,000 kWh and 800 kW	\$ 26,619.71	\$ 26,486.78	\$ (132.93)	-0.50%
1,000,000 kWh and 1,500 kW	\$ 50,862.63	\$ 50,508.20	\$ (354.43)	-0.70%
4,000,000 kWh and 6,100 kW	\$ 201,114.65	\$ 199,741.30	\$ (1,373.35)	-0.68%
8,000,000 kWh and 12,200 kW	\$ 394,875.41	\$ 392,129.80	\$ (2,745.61)	-0.70%
<u>Large General Service - Transmission 69 kV Annualized</u>				
500,000 kWh and 800 kW	\$ 27,263.32	\$ 27,135.09	\$ (128.23)	-0.47%
1,000,000 kWh and 1,500 kW	\$ 52,061.25	\$ 51,715.43	\$ (345.82)	-0.66%
4,000,000 kWh and 6,100 kW	\$ 205,840.32	\$ 204,500.76	\$ (1,339.56)	-0.65%
8,000,000 kWh and 12,200 kW	\$ 404,326.76	\$ 401,648.35	\$ (2,678.41)	-0.66%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Large General Service - Trans 115+ kV (Summer)</u>				
500,000 kWh and 800 kW	\$ 28,125.21	\$ 28,006.38	\$ (118.83)	-0.42%
1,000,000 kWh and 1,500 kW	\$ 55,200.69	\$ 54,872.09	\$ (328.60)	-0.60%
4,000,000 kWh and 6,300 kW	\$ 215,095.72	\$ 213,823.72	\$ (1,272.00)	-0.59%
8,000,000 kWh and 13,000 kW	\$ 428,947.59	\$ 426,403.59	\$ (2,544.00)	-0.59%
<u>Large General Service - Trans 115+ kV (Non-Summer)</u>				
500,000 kWh and 800 kW	\$ 26,132.54	\$ 26,013.71	\$ (118.83)	-0.45%
1,000,000 kWh and 1,500 kW	\$ 51,215.35	\$ 50,886.76	\$ (328.59)	-0.64%
4,000,000 kWh and 6,300 kW	\$ 199,920.50	\$ 198,648.50	\$ (1,272.00)	-0.64%
8,000,000 kWh and 13,000 kW	\$ 397,588.16	\$ 395,044.16	\$ (2,544.00)	-0.64%
<u>Large General Service - Trans 115+ kV Annualized</u>				
500,000 kWh and 800 kW	\$ 26,796.76	\$ 26,677.93	\$ (118.83)	-0.44%
1,000,000 kWh and 1,500 kW	\$ 52,543.80	\$ 52,215.20	\$ (328.60)	-0.63%
4,000,000 kWh and 6,300 kW	\$ 204,978.91	\$ 203,706.91	\$ (1,272.00)	-0.62%
8,000,000 kWh and 13,000 kW	\$ 408,041.30	\$ 405,497.30	\$ (2,544.00)	-0.62%

Southwestern Public Service Company

Bill Comparison Summary
Monthly Bills by Rate Class

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Large Municipal and School Service (Summer)</u>				
10,000 kWh and 30 kW	\$ 935.45	\$ 933.07	\$ (2.38)	-0.25%
20,000 kWh and 45 kW	\$ 1,576.89	\$ 1,572.14	\$ (4.75)	-0.30%
30,000 kWh and 75 kW	\$ 2,467.97	\$ 2,460.84	\$ (7.13)	-0.29%
<u>Large Municipal and School Service (Non-Summer)</u>				
10,000 kWh and 30 kW	\$ 853.82	\$ 851.44	\$ (2.38)	-0.28%
20,000 kWh and 45 kW	\$ 1,455.20	\$ 1,450.45	\$ (4.75)	-0.33%
30,000 kWh and 75 kW	\$ 2,264.65	\$ 2,257.52	\$ (7.13)	-0.31%
<u>Large Municipal and School Service Annualized</u>				
10,000 kWh and 30 kW	\$ 881.03	\$ 878.65	\$ (2.38)	-0.27%
20,000 kWh and 45 kW	\$ 1,495.76	\$ 1,491.01	\$ (4.75)	-0.32%
30,000 kWh and 75 kW	\$ 2,332.42	\$ 2,325.29	\$ (7.13)	-0.31%

Southwestern Public Service Company

Bill Comparison Summary
 Monthly Bills by Rate Class

Attachment JLC-5
 Page 10 of 10
 Case No. 23-00 ___-UT

Description	Monthly Bill at Current RPS Riders	Monthly Bill at Proposed RPS Rider	\$ Change	% Change
<u>Small Municipal and School Service (Summer)</u>				
500 kWh	\$ 64.08	\$ 63.96	\$ (0.12)	-0.19%
1,000 kWh	\$ 110.98	\$ 110.75	\$ (0.23)	-0.21%
2,000 kWh	\$ 204.80	\$ 204.32	\$ (0.48)	-0.23%
<u>Small Municipal and School Service (Non-Summer)</u>				
500 kWh	\$ 58.42	\$ 58.30	\$ (0.12)	-0.21%
1,000 kWh	\$ 99.66	\$ 99.42	\$ (0.24)	-0.24%
2,000 kWh	\$ 182.15	\$ 181.68	\$ (0.47)	-0.26%
<u>Small Municipal and School Service Annualized</u>				
500 kWh	\$ 60.31	\$ 60.19	\$ (0.12)	-0.20%
1,000 kWh	\$ 103.43	\$ 103.20	\$ (0.23)	-0.22%
2,000 kWh	\$ 189.70	\$ 189.23	\$ (0.47)	-0.25%

SOUTHWESTERN PUBLIC SERVICE COMPANY

**THIRD REVISED RATE NO. 76
CANCELING SECOND REVISED RATE NO. 76**

**X
X**

SOLAR*CONNECT COMMUNITY RATE RIDER

APPLICABILITY: This rate rider is available as an option to all Customers taking retail electric service from Company.

This tariff defines the procedure by which the Solar*Connect Rate Rider may be annually updated subject to the jurisdiction of the New Mexico Public Regulation Commission (“Commission”). The annual update Solar*Connect Rate Rider procedure will not become effective until an Informational Filing is made, as discussed herein.

This rate rider shall at all times be subject to change or modification by order of the Commission or successor agency.

TERRITORY: Area served by Company in New Mexico.

DEFINITIONS:

Solar*Connect Allocation: The share of Solar*Connect Resource that a subscriber has signed up for, measured in kW.

Solar*Connect Charge: For calendar year 2024, the Solar*Connect Charge is \$41.12/MWh (\$0.041117/kWh).

**X
X**

Solar*Connect Credit: The value, on a \$/kWh basis, of fossil fuel, variable operating and maintenance costs, and purchased energy that is expected to be saved through the addition of solar generation to the Company system, based on a methodology approved by the Commission as may be changed subsequently by the Commission. The Solar*Connect Credit will be updated annually. The Solar*Connect Credit for 2024 is \$39.44/MWh (\$.039443/kWh).

X

316

X

Advice Notice No.

/s/ Brooke A. Trammell

REGIONAL VICE PRESIDENT –
REGULATORY & PRICING

SOUTHWESTERN PUBLIC SERVICE COMPANY

**THIRD REVISED RATE NO. 76
CANCELING SECOND REVISED RATE NO. 76**

**X
X**

SOLAR*CONNECT COMMUNITY RATE RIDER

Solar*Connect Resource: A long-term PPA between Company and SoCore Clovis 1 LLC (“SoCore”) for the purchase of all of the capacity and net energy, including renewable energy certificates (“RECs”), from a 1.98 MWac solar-powered electric generating facility to be developed by SoCore and located near Clovis, New Mexico.

Solar*Connect Subscriber: A Customer of the Company who subscribes to receive additional photovoltaic energy through the Solar*Connect Rate Rider.

Solar*Connect Subscriber Monthly Generation: The product of the total monthly Solar*Connect Resource generation in kWh and a Solar*Connect Subscriber’s Capacity Ratio.

Solar*Connect Subscriber Monthly Premium: The net cost of a customer’s Solar*Connect Subscriber Monthly Generation—the Solar*Connect Subscriber’s total monthly Solar*Connect Charge less the subscriber’s total monthly Solar*Connect Credit.

Solar*Connect Subscriber Capacity Ratio: The ratio of a Solar*Connect Subscriber’s Solar*Connect Allocation to the total capacity of the Solar*Connect Resource.

SUBSCRIPTIONS: Customers will have the option to purchase a minimum of 0.5 kW of the capacity (with 0.1 kW increments available above the minimum) of the Solar*Connect Resource.

Solar*Connect Subscribers have the right to increase their subscription option at any point during their obligation term without penalty, so long as there is

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<i>/s/ Brooke A. Trammell</i>	
REGIONAL VICE PRESIDENT – REGULATORY & PRICING	

SOUTHWESTERN PUBLIC SERVICE COMPANY

**THIRD REVISED RATE NO. 76
CANCELING SECOND REVISED RATE NO. 76**

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SOLAR*CONNECT COMMUNITY RATE RIDER

SUBSCRIPTIONS (cont.): available unsubscribed capacity from the Solar*Connect Resource for the subscription.

The Solar*Connect Rate Rider will be temporarily closed to new Solar*Connect Subscribers when the Solar*Connect Resource is fully subscribed.

DETERMINATION OF SOLAR*CONNECT SUBSCRIBER MONTHLY

PREMIUM: The Solar*Connect Subscriber Monthly Premium for individual subscribers will be determined as follows:

Solar*Connect Subscriber Monthly Premium = (A x B) – (B x C), where:

A = Solar*Connect Charge (\$/kWh)

B = Solar*Connect Subscriber Monthly Generation (kWh)

C = Solar*Connect Credit (\$/kWh)

CONTRACT PERIOD: A minimum of one year for residential customers. Month to month thereafter. After a residential contract has been in effect for one year or more, a customer can cancel the contract with one-month prior notification to the Company.

When a participating Solar*Connect Subscriber ends service at one address and starts electric service at a new address within Company's service territory, that subscriber's Solar*Connect subscription will automatically transfer to the new address. In the event that the Solar*Connect Subscriber chooses to cancel a

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SOLAR*CONNECT COMMUNITY RATE RIDER

CONTRACT PERIOD (cont.): subscription, the Solar*Connect Subscriber may do so by notifying the Company prior to a move.

ANNUAL SOLAR*CONNECT RATE RIDER UPDATE FILINGS:

1. **Filing Date:** Each year, beginning in 2020, Company shall file an Informational Filing in conjunction with its annual Renewable Portfolio Standard proceeding. The Informational Filing will contain:
 - a. The updated Solar*Connect Credit for the upcoming calendar year.

2. **Review Period:**
 - a. The Commission Staff and intervenors shall receive a copy of the Informational Filing.
 - b. The scope of review will be limited to:
 - i. whether SPS has properly applied the Commission-approved methodology for calculating the updated Solar*Connect Credit;
 - ii. whether the data included in the informational filing is accurate;
 - iii. the amount of subsidization by non-participants for the previous year; and
 - iv. the actual number of participants and the subscription levels for the previous year.
 - c. Commission staff and intervenors will formally communicate any issues (“Disputed Issues”) in writing to Company and other parties.

3. **Effectiveness of updated Solar*Connect Rate Rider:**
 - a. The updated Solar*Connect Rate Rider will become effective upon the issuance of a final order by the Commission, but no later than January 1 of the following year.

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SOLAR*CONNECT COMMUNITY RATE RIDER

TAX ADJUSTMENT: Billings under the rate rider may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right of privilege of rendering the service, or on any object or event incidental to the rendition of the service.

LINE EXTENSIONS: Company will make line extensions in accordance with its standard line extension policy.

FRANCHISE FEE: All current and future franchise fees not included in base rates shall be separately assessed in the municipality where the excess franchise fee is authorized. Bills computed under the above rate will be increased by the additional franchise fees imposed by the appropriate municipality or taxing authority in which Customer's consuming facility resides, when applicable. The franchise fee will appear on the bill as a separate item.

RULES, REGULATIONS AND CONDITIONS OF SERVICE: Service supplied under this schedule is subject to the terms and conditions set forth in Company's Rules, Regulations and Conditions of Service on file with Commission.

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/s/ Brooke A. Trammell

REGIONAL VICE PRESIDENT –
REGULATORY & PRICING

Workpapers

**Attachment JLC-7 is provided in
native format**

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN)
 PUBLIC SERVICE COMPANY’S ANNUAL 2024)
 RENEWABLE ENERGY PORTFOLIO)
 PROCUREMENT PLAN AND REQUESTED)
 APPROVALS THEREIN; PROPOSED 2024) **Case No. 23-00__-UT**
 RENEWABLE PORTFOLIO STANDARD COST)
 RIDER; TERMINATION OF THE)
 RECONCILIATION RIDER; AND OTHER)
 ASSOCIATED RELIEF,)
)
 SOUTHWESTERN PUBLIC SERVICE)
 COMPANY,)
)
)
APPLICANT.)

CERTIFICATE OF SERVICE

I CERTIFY that on this date I served upon the individuals listed below, via email only, a true and correct copy of *Southwestern Public Service Company’s Renewable Portfolio Standard Application for the 2024 Plan Year and 2025 Next Plan Year, and Direct Testimony of Zoë E. Lees, Christopher Whiteside, and Jeffrey L. Comer* was electronically sent to each of the following on this 30th day of June 2023.

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Respectfully submitted,
/s/ Luis F. Saenz
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