

EXHIBIT A

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN)
PUBLIC SERVICE COMPANY'S)
APPLICATION REQUESTING: (1))
ACKNOWLEDGEMENT OF ITS FILING)
OF THE 2016 ANNUAL RENEWABLE)
ENERGY PORTFOLIO REPORT; (2))
APPROVAL OF ITS ANNUAL)
RENEWABLE ENERGY PORTFOLIO) CASE NO. 17-_____-UT
PROCUREMENT PLAN FOR PLAN)
YEAR 2018; (3) APPROVAL OF THE)
PROPOSED RATE FOR ITS 2018)
RENEWABLE PORTFOLIO STANDARD)
RIDER; (4) APPROVAL OF VARIANCE)
FROM REQUIREMENTS OF RULE)
572.14(C)(1) NMAC; AND (5) OTHER)
ASSOCIATED RELIEF,)
SOUTHWESTERN PUBLIC SERVICE)
COMPANY,)
APPLICANT.)

PROPOSED NOTICE TO CUSTOMERS

NOTICE IS HEREBY GIVEN that:

1. Southwestern Public Service Company ("SPS") filed its Application with the New Mexico Public Regulation Commission ("Commission" or "NMPRC") on July 3, 2017, requesting the Commission enter a final order that:

(a) acknowledges, pursuant to 17.9.572.19 NMAC, SPS's concurrent filing of its 2016 Annual Renewable Energy Portfolio Report ("2016 RPS Report");

(b) approves SPS's 2018 Annual Renewable Energy Act Plan ("2018 RPS Plan") for the 2018 Plan Year and 2019 Next Plan Year (pursuant to 17.9.572.14 NMAC, the 2019 Next Plan Year is submitted for information purposes) under Rule 572.14, with the exception of Rule 572.14(C)(1), and prior Commission Orders related to SPS's 2018 Plan Year and 2019 Next Plan Year RPS requirements;

(c) approves SPS's request for a variance pursuant to Rule 572.21 from complying with all of the requirements of Rule 572.14(C)(1) for this filing;

(d) approves SPS's proposed rate for its 2018 RPS Rider, which includes, without limitation, recovery of SPS's RPS-related costs over a 12-month period beginning January 1, 2018; and

(e) grants all other approvals, authorizations, and relief that may be required for SPS to implement its 2018 RPS Plan.

2. Under Commission Rules 17.9.572.7(G) and 17.9.572.11, a public utility, must at a minimum, meet its 2018 RPS requirements from the following renewable resources: (i) 30 percent wind energy; (ii) 20 percent solar energy; (iii) 5 percent "Other" energy; and (iv) 3 percent from Distributed Generation ("DG") systems. The remainder of the requirement can be filled with any renewable resource, although new acquisitions must represent the most cost-effective resource, which in this case, is wind (Rule 572.13.C). In its 2018 RPS Plan, SPS affirms its expectation to meet the 2018 Plan Year and 2019 Next Plan Year RPS diversity requirements for wind, but not for the solar, "Other", or DG due to constraints under the Reasonable Cost Threshold.

3. SPS proposes to collect an estimated \$19.4 million in RPS-related costs over a 12-month period, beginning January 1, 2018, through its RPS Rider approved in Case No. 12-00350-UT. SPS proposes to calculate the 2018 RPS Rider using a kilowatt-hour (“kWh”) based rate calculated at \$0.004609 per kWh that will apply to all of SPS’s New Mexico retail rate classes, subject to the large customer cap under the Renewable Energy Act and Rule 17.9.572 NMAC.

4. The following tables compare the present bill and anticipated bill, including the proposed 2018 RPS Rider rate, under each affected customer class and for the indicated levels of consumption:

Residential Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2017 RPS Rider	Bills Including Proposed 2018 RPS Rider	Proposed Change \$	Proposed Change %
Consumption Level	Present	2018	2018	2018
0 kWh	\$ 8.77	\$ 8.77	\$ -	0.00%
250 kWh	\$ 33.32	\$ 33.54	\$ 0.22	0.66%
500 kWh	\$ 57.87	\$ 58.31	\$ 0.44	0.76%
750 kWh	\$ 82.44	\$ 83.09	\$ 0.65	0.79%
1000 kWh	\$ 106.99	\$ 107.85	\$ 0.86	0.80%
2000 kWh	\$ 205.19	\$ 206.93	\$ 1.74	0.85%

Residential Heating Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2017 RPS Rider	Bills Including Proposed 2018 RPS Rider	Proposed Change \$	Proposed Change %
Consumption Level	Present	2018	2018	2018
0 kWh	\$ 8.77	\$ 8.77	\$ -	0.00%
250 kWh	\$ 30.84	\$ 31.05	\$ 0.21	0.68%
500 kWh	\$ 52.91	\$ 53.34	\$ 0.43	0.81%
750 kWh	\$ 75.00	\$ 75.65	\$ 0.65	0.87%
1000 kWh	\$ 97.06	\$ 97.93	\$ 0.87	0.90%
2000 kWh	\$ 185.35	\$ 187.08	\$ 1.73	0.93%

Secondary General Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2017 RPS Rider	Bills Including Proposed 2018 RPS Rider	Proposed Change \$	Proposed Change %
Consumption Level	Present	2018	2018	2018
0 kW; 5000 kWh	\$ 207.71	\$ 212.05	\$ 4.34	2.09%
10 kW; 7500 kWh	\$ 452.28	\$ 458.78	\$ 6.50	1.44%
15 kW; 10000 kWh	\$ 619.84	\$ 628.51	\$ 8.67	1.40%
20 kW; 12500 kWh	\$ 787.40	\$ 798.23	\$ 10.83	1.38%
30 kW; 15000 kWh	\$ 1,031.99	\$ 1,044.99	\$ 13.00	1.26%
50 kW; 20000 kWh	\$ 1,521.14	\$ 1,538.48	\$ 17.34	1.14%

Primary General Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2017 RPS Rider	Bills Including Proposed 2018 RPS Rider	Proposed Change \$	Proposed Change %
Consumption Level	Present	2018	2018	2018
0 kW; 7500 kWh	\$ 335.70	\$ 342.20	\$ 6.50	1.94%
10 kW; 10000 kWh	\$ 558.18	\$ 566.85	\$ 8.67	1.55%
15 kW; 12500 kWh	\$ 711.28	\$ 722.11	\$ 10.83	1.52%
20 kW; 15000 kWh	\$ 864.36	\$ 877.37	\$ 13.01	1.51%
30 kW; 17500 kWh	\$ 1,086.86	\$ 1,102.03	\$ 15.17	1.40%
50 kW; 20000 kWh	\$ 1,448.14	\$ 1,465.48	\$ 17.34	1.20%

Large General Service Transmission (69 kV)

	Annualized Monthly Bill		Bill Change	
	Bills Including 2017 RPS Rider	Bills Including Proposed 2018 RPS Rider	Proposed Change \$	Proposed Change %
Consumption Level	Present	2018	2018	2018
1000 kW; 500000 kWh	\$ 27,439.08	\$ 27,872.53	\$ 433.45	1.58%
2000 kW; 1000000 kWh	\$ 53,398.71	\$ 54,265.59	\$ 866.88	1.62%
3000 kW; 1500000 kWh	\$ 79,358.32	\$ 80,658.64	\$ 1,300.32	1.64%
4000 kW; 2000000 kWh	\$ 105,317.94	\$ 107,051.70	\$ 1,733.76	1.65%
5000 kW; 2500000 kWh	\$ 131,277.56	\$ 133,444.76	\$ 2,167.20	1.65%
6000 kW; 3500000 kWh	\$ 173,788.39	\$ 176,822.47	\$ 3,034.08	1.75%

5. SPS's proposed rate changes are for informational purposes only and the final 2018 RPS Rider rate may vary.

6. Further information regarding this case may be obtained by contacting SPS or the Commission at the addresses and telephone numbers provided below. All inquiries or written comments concerning this matter should refer to Case No. 17-_____-UT.

7. By order issued in this case on _____, 2017, the Hearing Examiner has established the following procedural schedule and requirements for this case:

- A. Any person desiring to intervene to become a party ("intervenor") to this case must file a motion for leave in conformity with NMPRC Rules of Procedure 1.2.2.23(A) and 1.2.2.23(B) NMAC on or before _____, 2017.
- B. A settlement meeting between and among the parties to this case shall be held on _____ at a location to be determined.
- C. Staff shall, and any intervenor may, file direct testimony on or before _____, 2017; alternatively, a stipulation may be filed on or before _____, 2017.
- D. Any rebuttal testimony or testimony in support of a stipulation shall be filed on or before _____, 2017.

E. A public hearing will be held beginning at _____ on _____, 2017, commencing at _____.m. MST and continuing as necessary on _____, 2017 at the Commission's offices in the P.E.R.A. Building, 1120 Paseo De Peralta, Santa Fe, New Mexico, for purposes of hearing and receiving testimony, exhibits, arguments, and any other appropriate matters relevant to this proceeding.

8. SPS's Application, 2016 RPS Report and 2018 RPS Plan, together with supporting pre-filed direct testimony and any exhibits and related papers, may be examined by any interested person at the offices of SPS or the Commission at the following addresses or by calling 1-800-895-4999 during normal business hours. All inquiries or written comments concerning this matter should refer to Case No. 17-_____-UT.

Southwestern Public Service Company
111 East Fifth Street
Post Office Box 1937
Roswell, New Mexico 88201
Mike McLeod

Southwestern Public Service Company
790 S. Buchanan
Amarillo, Texas 79101
Linda Hudgins, Regulatory Case Specialist II

New Mexico Public Regulation Commission
PERA Building – 1120 Paseo de Peralta
Santa Fe, New Mexico 87501

9. Any interested person may appear at the time and place of hearing and make written or oral comment pursuant to 1.2.2.23.F NMAC without becoming an Intervenor. Interested persons may also send written comments, which shall reference

Case No. 17-_____-UT, to the Commission at the address set out above. All such comments will not be considered as evidence in this case.

10. The procedural dates and requirements provided herein are as provided in the Procedural Order issued in this case, and are subject to further order of the Commission or Hearing Examiner.

11. Any interested person should contact the Commission for confirmation of the hearing date, time and place since hearings are occasionally rescheduled.

12. Anyone filing pleadings or testimony will serve copies thereof on all parties of record and the Utility Division Staff by first class mail or hand-delivery and by e-mail as provided by the Procedural Order. Any person whose testimony has been pre-filed will attend the hearing and submit to examination under oath. All documents mailed to the Commission and its personnel shall be mailed to: P.O. Box 1269, Santa Fe, New Mexico, 87504. The physical address of the Commission shall be used only for special or hand deliveries.

13. The Commission's Administrative Procedures (1.2.2 NMAC) will apply to this case except as modified by Order of the Commission or Hearing Examiner.

14. Any person with a disability requiring special assistance in order to participate in this case should contact the Commission at least 24 hours prior to the commencement of the hearing.

ISSUED at Santa Fe, New Mexico, this _____ day of July 2017.

**NEW MEXICO PUBLIC REGULATION
COMMISSION**
