BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF, AND OTHER ASSOCIATED RELIEF,	)	**CASE NO. 23-00271-UT**
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	
APPLICANT.	)	

SOUTHWESTERN PUBLIC SERVICE COMPANY'S ERRATA NOTICE REGARDING THE DIRECT TESTIMONY OF RUTH M. SAKYA

In accordance with Rule 1.2.2.37(G)(2) NMAC, Southwestern Public Service Company ("SPS") notifies the New Mexico Public Regulation Commission ("Commission"), the Commission's Utility Division Staff, and the intervenors of corrections to the Direct Testimony of Ruth M. Sakya. Corrections to Ms. Sakya's testimony, attachments, and workpapers address an inadvertent formula error in the excel worksheet used to develop the bill impact tables included in Ms. Sakya's testimony. This errata includes replacing Tables RMS-1 and RMS-2 in Ms. Sakya's testimony and Attachments RMS-2, RMS-4, and RMS-5 to Ms. Sakya's testimony, and providing the corrected workpapers. In the testimony originally filed, Tables RMS-1 and RMS-2 are found at pp. 32 and 33 of Ms. Sakya's testimony. This errata corrects these tables. A redlined version and a corrected version of Ms. Sakya's testimony along with corrected Attachments RMS-2, RMS-4, and RMS-5, including associated workpapers, are attached for filing with the Commission's

Records Division. SPS is also providing the corrected testimony via email service to those listed on the Certificate of Service.

Respectfully Submitted,

By: 

Patrick Pearsall
Duggins Wren Mann & Romero, LLP
600 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 495-8832
(512) 744-9399 (fax)
ppearsall@dwmrlaw.com

ATTORNEYS FOR SOUTHWESTERN PUBLIC SERVICE COMPANY

Redline version

Direct Testimony of Ruth M. Sakya

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF, AND OTHER ASSOCIATED RELIEF,	)	**Case No. 23-00271-UT**
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	
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DIRECT TESTIMONY

of

RUTH M. SAKYA

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

August 11, 2023

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

Acronym/Defined Term	Meaning
Commission or NMPRC	New Mexico Public Regulation Commission
FPPCAC	Fuel & Purchased Power Cost Adjustment Clause
IT	Information Technology
LGS-T	Large General Service – Transmission
kV	Kilovolt
IT	Information Technology
kW	Kilowatt
kWh	Kilowatt-hour
LMP	Locational Marginal Prices
MW	Megawatt(s)
MWh	Megawatt-hour
NMPRC	New Mexico Public Regulation Commission
PPA	Purchase Power Agreement(s)
PUCT	Public Utility Commission of Texas
R*C	Renewable*Connect
R*C-I	Renewable*Connect Phase I
REA	Renewable Energy Act
RECs	Renewable Energy Certificates
Roswell-Chaves Solar Facilities	NextEra Energy Resources Acquisition, LLC, Roswell Solar LLC, Chaves County Solar, LLC

Acronym/Defined Term	Meaning
RPS	Renewable Portfolio Standards
Rule 572	NMPRC Renewable Energy Rule; 17.9.572 NMAC
Solar*Connect	Commission-approved Solar*Connect Community
Southwest Power Pool	Southwest Power Pool, Inc.
SPS	Southwestern Public Service Company
TCR	Transmission Congestion Rights
WREGIS	Western Renewable Energy Generation Information System
XES	Xcel Energy Services Inc.
Xcel Energy	Xcel Energy Inc.

LIST OF ATTACHMENTS

Attachment	**Description**
Attachment RMS-1	Estimated 2025 Total R*C-I Charge Development *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-2	R*C-I Charge and Credits Illustrative Calculations *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-3	Proposed Form of R*C Rate Rider and Estimated 2025 Amounts *(Filename: Attachment RMS-3.docx)*
Attachment RMS-4	Bill Comparison *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-5	Workpapers *(Filename: Attachments RMS-1,2,4,5.xlsx)*

Case No. 23-00271-UT
Direct Testimony
of
Ruth M. Sakya

I. WITNESS IDENTIFICATION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Ruth M. Sakya. My business address is 119 E. Marcy Street, Suite 202, Santa Fe, New Mexico 87501.

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

A. I am filing testimony on behalf of Southwestern Public Service Company, a New Mexico corporation ("SPS") and wholly-owned electric utility subsidiary of Xcel Energy Inc. ("Xcel Energy").

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

A. I am employed by SPS as a Manager, Regulatory Administration.

Q. Please briefly outline your responsibilities as Manager, Regulatory Administration.

A. I am responsible for determining the appropriate regulatory policy for SPS. In this role, I direct and prepare comments, testimony, and briefing materials for policy matters impacting SPS and advocate on behalf of SPS and its customers before the New Mexico Public Regulation Commission ("Commission" or "NMPRC"), the Public Utility Commission of Texas ("PUCT"), and Southwest Power Pool, Inc. ("Southwest Power Pool").

Q. Please describe your professional experience.

A. I began my career in 1999 as an intern with the Illinois Commerce Commission and in 2000 joined the PUCT as a Senior Policy Analyst. I have held various other positions, including Rate Analyst at a multijurisdictional electric and gas utility, and Senior Analyst and Supervising Analyst with a consulting firm specializing in services to regulatory agencies and municipal entities. In 2004, I accepted a position with Xcel Energy Services Inc. ("XES") as Senior Rate Analyst. In 2007, I accepted a position with XES as Manager, Regulatory Policy. Beginning January 1, 2012, my position as Manager, Regulatory Policy was transferred to SPS, where my job responsibilities continued to be the same as they were since 2007. In April 2018, I became Manager, Regulatory Administration.

Q. Have you testified before any regulatory authorities?

A. Yes. I have filed testimony with, and testified before, the Commission, the PUCT, and the Colorado Public Utilities Commission in numerous cases. The testimonies covered topics including renewable energy, voluntary program development, energy efficiency, and grid modernization, among other subjects.

Q. Please describe your education.

A. I graduated from the University of Wyoming in 1998 with a Bachelor of Science degree in Finance, and received a Master of Science degree in Finance with an emphasis in Regulatory Economics in 2001. I have completed the coursework and successfully passed the qualifying exams for a Ph.D. in Public Affairs from the University of Colorado, Denver.

II. PURPOSE AND SUMMARY OF TESTIMONY

Q. Please briefly describe the proposed Large Customer Renewable*Connect program.

A. The proposed Large Customer Renewable*Connect ("R*C") program affords SPS's large commercial and industrial customers the option, pursuant to a regulated tariff, to acquire a portion of their capacity and energy needs specifically from clean energy resources. SPS will supply the initial phase of the program, referred to as Renewable Connect-I ("R*C-I"), with the existing approximately 80 megawatts ("MW") of non-jurisdictional generating capacity associated with the solar generation facilities underlying two purchased power agreements ("PPAs") between SPS and Roswell Solar, LLC and Chaves County Solar, LLC (collectively referred to as the "Roswell-Chaves Solar Facilities").[1]

[1] The approximately 80 MW portion of the Roswell-Chaves Solar Facilities' generating capacity is "non-jurisdictional," as discussed by SPS witness Brooke A. Trammell.

Q. What is the purpose of your direct testimony?

A. My testimony:

- describes SPS's proposed formula for calculating and applying the customer (subscriber) charge for the proposed R*C-I program phase;
- discusses the calculation of the estimated R*C-I charge (Attachment RMS-1) and monthly bill credits for the first year of the proposed program (2025);
- describes the proposed monthly bill credits that R*C-I subscribers will receive (Attachment RMS-2);
- describes the methodology for calculating the monthly credit/charge for unused energy (Attachment RMS-2);[2]
- presents the form of the proposed tariff, the R*C Rate Rider (Attachment RMS-3), and SPS's proposed process for implementing and annually updating the charge and credit components of the R*C Rate Rider as part of SPS's annual Renewable Portfolio Standard ("RPS") filings beginning in 2024; and
- provides estimated bill impacts for 2025 (the first year of the program) for customers (subscribers) who choose to participate in the R*C-I phase of the program (Attachment RMS-4).

[2] As discussed further below, a customer subscribing to the program may have "unused energy" in a month in which the customer consumes less energy than the volume of energy produced by and allocated to the customer in accordance with the customer's subscribed generation share (per MW) of the Roswell-Chaves Solar Facilities' non-jurisdictional capacity. A subscribing customer's monthly renewable energy allocation (in megawatt-hours ("MWh")) will be determined by multiplying their subscription share percentage—i.e., the ratio of the their subscribed generation share (in MW) to the total non-jurisdictional generating capacity of the Roswell-Chaves Solar Facilities (~80 MW currently)—by the actual monthly non-jurisdictional output of the Roswell-Chaves Solar Facilities.

Q. Please summarize the conclusions reached in your testimony.

A. As discussed further below I conclude as follows:

- SPS's proposed formula for calculating the R*C-I charge are reasonably designed to recover the costs for administering the program from customers who subscribe to purchase additional amounts of renewable energy through the program, while insulating costs to non-subscribing customers;

- SPS's proposed monthly bill credits for R*C-I subscribing customers are reasonable and consistent with sound regulatory practices and principles, including the methodology for calculating the credit (or in some instances charge) for any unused energy;

- the form of SPS's proposed tariff, the R*C Rate Rider, is reasonable and generally consistent with the Commission-approved Solar*Connect Community ("Solar*Connect") Rate Rider, the tariff for SPS's existing voluntary renewable energy purchase program; and

- SPS's plan for implementing the R*C Rate Rider, reconciling previous costs and revenues, and annually updating its charge and credit components is reasonable and consistent with the Commission-approved process for updating the Solar*Connect Rate Rider.

Q. Were Attachments RMS-1 through RMS-5 prepared by you or under your direct supervision or control?

A. Yes.

III. DETERMINATION OF RENEWABLE*CONNECT RATES

Q. Please describe, in general, the monthly R*C rate components.

A. In general, R*C subscribers will pay a monthly dollar ("$") per MWh charge for renewable energy purchased through the R*C program. The monthly charge is designed to recover SPS's costs of acquiring renewable resources and SPS's costs of administering and implementing the program. Subscribers will also receive monthly bill credits. Below, I present the formula for calculating the R*C-I charge and describe the individual charge components. I also describe the proposed R*C-I monthly bill credits and explain how each is calculated. Finally, I present the formula for calculating the charge/credit for any subscribed but unused energy in a particular month.

Q. What is the formula for calculating the R*C-I charge?

A. The R*C-I charge is calculated as follows:

R*C-I charge $= (\boldsymbol{A} + \boldsymbol{B} + \boldsymbol{C}) * \boldsymbol{D}$**,** where:

A. $/MWh, total Cost of the Renewable*Connect resource(s);
B. $/MWh, total resource(s) Net Curtailment and Congestion costs;
C. $/MWh, incremental program-specific Administration costs; and
D. Full Subscription Incentive Charge applied to 10-year term subscriptions.

SPS witness, Brooke A. Trammell discusses the reasonableness of each of these charge components in her direct testimony.

Q. What are the credits that will be applied to a subscriber's monthly bill during the R*C-I program phase?

A. R*C-I program phase subscribing customers will receive four credits applied to their monthly bill: a demand charge credit; an energy charge credit; a Fuel and Purchased Power Cost Adjustment Clause ("FPPCAC") charge credit; and a RPS Cost Rider charge credit.

Ms. Trammell discusses the necessity and reasonableness of each of these credits in her direct testimony.

Q. How will SPS apply the R*C-I charge and monthly credits to a subscribing customer's bill?

A. The R*C-I charge and credits will be applied to subscribing customers' monthly bills on top of their established Large General Service – Transmission ("LGS-T") tariff charges (Rate No. 34). Therefore, the R*C-I charge will be applied to the subscribing customer's monthly R*C-I renewable energy allocation during the applicable billing period. With the exception of the proposed demand charge credit, the monthly bill credits will each be applied to the subscribing customer's monthly

bill on a $/MWh basis, based on the portion of the customer's monthly R*C-I renewable energy allocation consumed during the applicable billing period. The demand charge credit will be applied on the customer's monthly bill on a dollar per kilowatt ("kW") basis, based on the customer's subscribed generation share of the Roswell-Chaves Solar Facilities' non-jurisdictional SPP accredited generating capacity. I provide various example calculations of a subscribing customer's total monthly charge for renewable energy acquired during the R*C-I program phase and the corresponding monthly credits as Attachment RMS-4 and in my workpapers (Attachment RMS-5).

A. R*C-I Charge Cost Components

Q. Please describe how the resource cost charge component (A) is calculated and applied in the R*C-I charge formula.

A. The resource cost charge component in the R*C-I formula is calculated using the combined cost of the energy and renewable energy certificates ("RECs") acquired under the Roswell-Chaves Solar Facilities PPAs on a per MWh basis (Attachment RMS-1, line 1).[3] The R*C-I resource cost component is composed of the weighted

[3] SPS will need to execute its REC Option to acquire the RECs associated with the R*C-I resources. Under the REC Option, SPS will begin receiving the associated RECs one year from the date of notice of intent to exercise the option.

average cost of the separate annual charges for the Roswell-Chaves Solar Facilities PPAs, each of which escalate at 2 percent yearly (though at different times during the year as the Roswell-Chaves Solar Facilities PPAs annual charges escalate at different times during the year). The Roswell-Chaves Solar Facilities PPAs annual charges as well as the calculation of the R*C-I weighted average resource costs are provided in Attachment RMS-5 (workpapers).

SPS will true up the resource costs every year, based on actual costs incurred, for inclusion as a reconciling line item in the R*C-I charge for the subsequent calendar year.[4]

Q. Please describe the curtailment and congestion cost component (B) of the R*C-I charge formula.

A. Annually, SPS will calculate the curtailment and congestion charges based on the prior period actual charges and, going forward, reconcile the actual amounts in the annual update filings, which I describe in Section IV of my testimony. Below, I identify the estimated amounts for inclusion in the 2025 R*C-I charge for curtailment and congestion costs, inclusive of the offsetting credit for Transmission

[4] Similar to SPS's RPS Cost Rider, there is a lag between the reconciliation of actual charges to the projected charges. For example, in SPS's calculation of the 2027 R*C-I charge, SPS will file the rate in 2026 and reconcile costs from 2025.

Congestion Rights ("TCR") revenue and describe how SPS calculated those amounts.[5]

Ms. Trammell supports the reasonableness of the compensation for Southwest Power Pool curtailment and congestion charges related to the production of energy from the Roswell-Chaves Solar Facilities, as well as the offsetting credit for the Southwest Power Pool integrated market TCR revenue.

Q. Please describe how the TCR revenue credit component of the curtailment and congestion costs will be calculated.

A. SPS calculates the R*C-I customer percentage by dividing the R*C-I loss adjusted MWh by total New Mexico retail loss adusted MWh. To that percentage the New Mexico TCR revenue is multiplied. *See* Attachment RMS-1, lines 2 through 5, for the estimated individual curtailment and congestion cost components for 2025.*See* Attachment RMS-5 (workpapers) for the detailed calculation of each cost component.

SPS will annually reconcile and update the TCR revenue credit calculation for inclusion in the R*C-I charge.

[5] SPS will provide an updated rate, for use in 2025, in its 2024 RPS filing.

Q. Please describe the administration costs (C) that SPS has included in the R*C-I charge formula.

A. SPS has included incremental administrative costs necessary for program implementation and administration. These costs, which I describe below, are specific to the R*C program and are not being collected through other rates or SPS will not collect as a result of the various credits. Ms. Trammell supports the reasonableness and necessity of including these costs in the R*C-I charge.

The specific administration cost components are as follows:

- **TCR Auction Administration Expenses** – These are the costs associated with running the TCR auction. SPS has estimated $194,566 as the total SPS annual auction administration costs and allocated a portion of those costs to the R*C-I charge ($1,358). SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Incremental REC Accounting & Management** – SPS has estimated an annual budget of $8,447 for this administrative-related cost specifically for the certifying, registering, and accounting for RECs associated with the implementation of the R*C-I program. SPS proposes to include only costs associated with the Roswell-Chaves Solar Facilities' RECs allocated to the R*C-I program. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Volumetric Western Renewable Energy Generation Information System ("WREGIS") REC Activity Costs** – Currently, WREGIS charges $0.0040/MWh for REC transaction activities (such as creation, transfer, and retirement). The estimated charges for WREGIS REC transaction costs for 2025 is $728. SPS will reconcile and update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Information Technology ("IT") Costs** – SPS is including a budget of $12,000 for IT set-up costs during the first year of the R*C-I program. Recurring IT costs after the first year of implementation will be included in other categories (e.g., labor) in subsequent years.

- **Marketing and Promotion Costs** – SPS is including an annual budget of $10,000 for marketing and promotion costs related to the R*C-I program. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Notice** – SPS has included an estimated $10,000 of notice expenses in its administrative budget. SPS will update this amount to actual costs in its 2024 filing.

- **External Legal Expense** – SPS has estimated $250,000 to include for external legal counsel costs during the first year of the R*C-I program phase (2025). SPS will update this amount to actual costs in its 2024 RPS filing.

- **Product Development Costs** – SPS has included $30,000 of product development costs. The product development team identifies, assesses, and develops new customer programs, including technical analysis, and supports the modification of current programs.

- **Labor Costs** – SPS has estimated $35,000 in labor costs to include during the first year of the R*C-I program phase (2025). Labor costs for 2026 and subsequent years have been estimated at $20,000 per year. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

In total, SPS estimates $357,533 of first year administration costs. When divided by the estimated renewable energy production available for the R*C-I program offering (182,095 MWh), the total estimated 2025 R*C-I administration cost rate

is $1.96/MWh (Attachment RMS-1, line 6). Also, s*ee* Attachment RMS-5 (workpapers) for a tabular summary of these costs.

Q. Please describe the full subscription incentive charge component (D) of the R*C-I charge formula.

A. As described by Ms. Trammell, for the R*C-I program phase, SPS will provide subscribing customers with the option to elect contract terms of either 10 or 16 years. However, as Ms. Trammell explains, the 10-year subscription term includes risk for SPS. Thus, to incentivize selection of the 16-year term, SPS has applied a full subscription incentive charge in the R*C-I formula for customers who elect a 10-year subscription term. Effectively, the charge provides an incentive for subscribers to take service under the 16-year term option.

Q. Have you calculated the estimated R*C-I charge for 2025, the first year of the program?

A. Yes. Although SPS will update the estimated R*C-I charge in its 2024 RPS filing and reconcile the R*C-I customer charge after the first program year such that it is based on actual costs, the estimated charges for the first year of the program (2025) for the 10-year and 16-year terms are: $41.44 per MWh and $41.03 per MWh respectively (Attachment RMS-1, line 10).

Please refer to Attachment RMS-1 for an illustration of the full calculation of the estimated R*C-I charge for 2025.

Q. Have you prepared sample calculations of a subscribing customer's monthly charge component (in total dollars) for renewable energy purchased through the R*C-I program?

A. Yes. My workpapers (Attachment RMS-5) include multiple illustrative calculations of the total monthly charges for renewable energy purchased through R*C-I program LGS-T customers taking service at 69 kilovolts ("kV") and 115kV+ in both summer and winter under a variety of assumptions regarding the subscribing customer's monthly renewable energy allocation and the subscription term.

B. <u>R*C-I Monthly Credits</u>

Q. Please identify the monthly R*C-I credits.

A. As noted above, subscribing customers will receive monthly credits for the: (i) demand charge; (ii) the energy charge; (iii) the FPPCAC; and (iv) the RPS Cost Rider.

Q. Please describe the monthly demand charge credit.

A. Each month, R*C-I subscribing customers will be charged for all applicable demand charges (which include costs for both production and transmission) for each kW of measured demand used at the subscribed premises based on their existing Commission-approved rates.[6] However, because the customers' subscribed generation shares of the R*C-I program resource production capacity will be used to meet some (or potentially all) of their measured demand, SPS will provide the customers a credit for the production-related demand costs included in the demand charge of SPS's base rates. The credit will be equal to the production component of the demand charges the customer paid on the portion of the subscribing customer's actual monthly measured demand served by the customer's subscription share of the R*C-I program resource generating capacity.

Q. How is a subscribing customer's total monthly demand charge credit determined?

A, The calculation is a multi-step process, which includes: adjusting the subscribed demand associated with the customer's generation share of the R*C-I program

[6] *See* Advice Notice 301, Ninth Revised Rate No. 34-Large General Service-Transmission. *See also* Advice Notice 314, Original Rate No. 85-Standby Service Rider.

resource to account for the Southwest Power Pool accreditation factors for the summer and winter; converting the adjusted subscribed demand to an at the meter number by applying the applicable loss factors; and finally multiplying the customer's loss adjusted subscribed demand by the unbundled production rate. My Attachment RMS-2 (page 1) provides an illustrative example of the calculation.

Additionally, customers can only take service if they have met the minimum 5 MW, on a per premise basis. Further, customers will only receive a credit equal to their metered demand.

Q. Please describe how the Southwest Power Pool accreditation-adjusted subscribed demand is calculated.

A. SPS begins by taking the subscribed demand and multiplying that demand by either the summer or winter solar accreditation factors, which are provided by the Southwest Power Pool. (*See* Attachment RMS-2, page 1, lines 1-3 for an illustrative example.) The Southwest Power Pool periodically updates its solar accreditation factors (*see* Attachment 5 (workpapers) for current annual accreditation factors). SPS proposes to update these factors, on a going-forward basis, as they are updated by the Southwest Power Pool.

Q. How did SPS calculate the loss-adjusted subscribed demand?

A. SPS divided the accreditation-adjusted subscribed demand (Attachment RMS-2, page 1, line 3) by the loss factor for each voltage level[7] (Attachment RMS-2, page 1, line 5), which resulted in an at the meter subscribed demand (Attachment RMS-2, page 1, line 6). SPS will adjust the loss factors as they are updated by new loss studies.

Q. What is the next step in determining the demand charge credit?

A. The next step is to calculate the demand charge credit in dollars (Attachment RMS-2, page 1, line 9). This is calculated by multiplying the at the meter customer subscribed demand (Attachment RMS-2, page 1, line 6) by the unbundled production cost rate ($/per kW)[8] (Attachment RMS-2, page 1, line 8).

[7] SPS Loss Study filed in Case No. 22-00286-UT.

[8] Case No. 22-00155-UT, WLB-Stip-4 (pp.1-2).

Q. Based on the guidelines provided above, have you prepared an illustrative calculation of a monthly demand charge credit available to a subscribing customer at various subscription levels?

A. Yes. See Attachment RMS-5 (workpapers) for illustrative calculations of the monthly demand charge credit under various subscription scenarios for customers taking service at 69 kV and 115+ kV in both summer and winter.

Q. Turning to the next credit, please describe the monthly energy charge credit that subscribing R*C-I customers will be eligible for and how it is applied.

A. Each month, R*C-I subscribing customers will be charged for their full monthly energy usage based on their existing Commission-approved rates.[9] However, because energy procured through the R*C-I program is replacing (some or all of the) energy that would have been purchased from SPS at the subscribing customer's existing rate, SPS will provide the customer a credit equal to what the customer would have paid for the subscribed energy volume at the customer's standard energy rate. This calculation is a multi-step process. I have provided an illustrative example as Attachment RMS-2, page 2.

[9] *See* Advice Notice 301, Ninth Revised Rate No. 34-Large General Service-Transmission.

The first step is to calculate the generating capacity available for the R*C-I program.[10] The R*C-I resource generating capacity (Attachment RMS-2, page 2, line 4) is calculated by multiplying the total Roswell-Chaves Solar Facilities' capacity (Attachment RMS-2, page 2, line 2) by the non-jurisdictional percentage (Attachment RMS-2, page 2, line 3). Because the generating capacity available for R*C-I will vary on a monthly basis as a result of the monthly system allocation to R*C-I, SPS proposes to true-up the actual amount when it reconciles the rate. For the estimated amounts, SPS used an average of actual 2022 allocations to the non-jurisdictional portion of the R*C-I resources.

The next step is to calculate the customer's subscription share ratio—i.e., the customer's subscribed share (as a percent) of the total R*C-I generating capacity (Attachment RMS-2, page 2, line 7). The subscriber's share ratio is the result of the division of the customer's subscribed MW (Attachment RMS-2, page 2, line 6) by the generating capacity available for R*C-I (Attachment RMS-2, page 2, line 4).

[10] As noted above, the R*C-I program offering will be supplied by the non-jurisdictional portion of the the Roswell-Chaves Solar Facilities generating capacity.

The next step is to calculate the customer's monthly R*C-I monthly renewable energy allocation (in kilowatt-hours ("kWh"). To do this, SPS will multiply the customer's subscription share ratio (Attachment RMS-2, page 2, line 11) by the energy produced and allocated to R*C-I (Attachment RMS-2, page 2, line 10). This calculation results in the customer's subscribed renewable energy allocation in kWh (Attachment RMS-2, page 2, line 12).

Finally, to calculate the subscribing customer's monthly energy credit (in $), the customer's monthly R*C-I renewable energy allocation (Attachment RMS-2, page 2, line 12) will be multiplied by the customer's existing Commission-approved energy rate at the time of billing (Attachment RMS-2, page 2, line 13)—currently $0.005752/kWh for LGS-T customers taking service at 69 kV or $0.005720/kWh for customers taking service at 115+ kV. Similar to the demand charge credit, customers will only receive a credit up to their metered usage. In other words, if the subscribed energy allocation is greater than metered usage, the credit will only be applied to the metered usage. *See* Attachment RMS-5 (workpapers) for illustrative calculations of monthly energy charge credits under various monthly R*C-I renewable energy allocation and consumption assumptions for LGS-T customers taking service at both 69 kV and 115+ kV.

Q. Please describe the basis for the FPPCAC charge credit and how it is calculated and applied.

A. Because renewable energy acquired through the R*C-I program is replacing energy that has been assessed standard FPPCAC charges, SPS will provide R*C-I customers with a credit equal to the FPPCAC charges assessed on the replaced energy. The FPPCAC charge credit is calculated in an identical fashion to the energy charge credit. The only difference is that the FPPCAC factor is applied instead of the energy charge rate. The customer cannot receive an FPPCAC credit greater than metered usage. An illustrative example is provided in Attachment RMS-2, page 3. More detailed sample calculations of monthly FPPCAC credits for customers taking service at 69 kV and 115+ kV in both summer and non-summer months are provided in Attachment RMS-5 (workpapers).

Q. Please describe the final R*C-I credit, the RPS Cost Rider charge credit.

A. Consistent with the Renewable Energy Act ("REA"),[11] and based on the approved RPS Rider rate by the Commission, SPS will provide a credit, based on SPS's Commission-approved RPS Cost Rider rate (currently, $0.000901/kWh of

[11] 1978 NMSA, §§ 62-16-1 through 62-16-10.

consumed energy) back to subscribing customers during a month's period[12] based on the portion of the subscribing customer's monthly renewable energy allocation consumed during the month. The calculation is performed in an identical fashion as the energy charge credit and FPPCAC credit. Please *see* Attachment RMS-2, page 4. Additional sample calculations of monthly RPS Cost Rider charge credits for customers taking service at 69 kV and 115+ kV are provided in Attachment RMS-5 (workpapers).

C. <u>Unused Energy Credit/Charge</u>

Q. Please describe what you mean by unused energy.

A. A subscribing customer will have "unused energy" in any month in which the customer does not consume all of their monthly R*C-I renewable energy allocation. In such a month, the amount of unused energy, measured in kWh, is calculated as the difference between the customer's monthly R*C-I renewable energy allocation and the customer's monthly metered energy usage at the subscribed premises. SPS has designed the tariff to significantly reduce unused energy, but it is still a potential

[12] Section 62-16-7(B)(3) provides that renewable energy purchased by a customer through a voluntary renewable program shall "not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements….".

scenario that must be addressed. *See* Attachment RMS-2, page 5, for an illustrative example of the calculation.

Q. Why is this calculation necessary?

A. Because, as SPS witness Ms. Trammell explains, all energy delivered from the R*C-I program resource in a month must be used either by the subscriber or allocated to SPS's system.

Q. Please describe this calculation.

A. First, SPS will calculate the customer's R*C-I subscription share ratio, which is identical to the calculation used in the credits I described earlier (Attachment RMS-2, page 5, lines 1-7).

Next, SPS calculates the unused energy credit,[13] which is applied to the customer's total R*C-I charge.[14] SPS begins by multiplying the actual monthly energy generated for R*C-I (Attachment RMS-2, page 5, line 10) by the customer's R*C-I subscription share ratio (Attachment RMS-2, page 5, line 11), to determine the customer's monthly R*C-I renewable energy allocation (in kWh) (Attachment

[13] It is possible for this to be a charge, depending of the Southwest Power Pool LMPs and/or natural gas prices.

[14] The customer will pay the R*C-I charge based on total allocated subscription, regardliess of metered consumption.

RMS-2, page 5, line 12). SPS then compares the customer's R*C-I renewable energy allocation (Attachment RMS-2, page 5, line 12) to the customer's metered usage (Attachment RMS-2, page 5, line 13). If the difference (R*C-I less metered usage) is positive the customer has unused energy (kWh) (Attachment RMS-2, page 5, line 14). Finally, SPS multiplies the unused energy (kWh) (Attachment RMS-2, page 5, line 14) by the unused energy rate (Attachment RMS-2, page 5, line 15), which yields the unused energy credit (Attachment RMS-2, page 5, line 16). As I mentioned earlier, this credit is applied against the total R*C-I charge.[15]

Q. How is the unused energy rate determined?

A. SPS will determine the unused energy rate (Attachment RMS-2, page 5, line 15) based on the Southwest Power Pool LMPs at the Roswell-Chaves site locations. SPS will calculate a weighted average LMP for each site location each calendar month.

[15] For the determination of the R*C-I charge, SPS begins by calculating the REC costs, which are recovered from the subscribing customers, regardless of the applied unused energy credit. As a result, all of the RECs associated with the allocated R*C-I resourse are retired on behalf of the subscribing customers.

Q. If SPS is providing a credit to subscribing R*C customers, how does SPS propose to collect this credit?

A. Because all subscribed but unused energy must be used, SPS is proposing to allocate this energy to the system. As a result, SPS also proposes to collect the unused energy credit provided to an R*C-I subscriber from SPS's non-subscribing customers through the FPPCAC.

Q. Why is this proposal reasonable?

A. The credit applied to customers is SPS's avoided cost of the Roswell-Chaves Solar Facilities PPAs. This methodology (using the LMP at the site location) is the same basis used to calculate avoided cost payment made to SPS's small distributed generation customers. This determination is designed to reflect the cost of the unused energy allocated to the SPS system in a manner that leaves non-subscribers indifferent to the unused energy allocation. Ms. Trammell further discusses the reasonableness of this cost component in her testimony.

Q. Why are REC costs specifically separated?

A. SPS is specifically exercising its REC Option to acquire the RECs for customers participating in R*C-I, and these RECs are not used for SPS's REA compliance or collected from customers in rates. As a result, subscribing customers should be

responsible for these costs. Additionally, potential R*C-I customers have indicated the desire to have RECs retired on their behalf consistent with their subscription.

Q. How will this credit (or charge) be reflected on a subscribing customer's bill?

A. A customer will see three line items: (i) the R*C-I charge, calculated on the customer's total subscribed renewable energy allocation; (ii) the unused energy credit/charge (described above); and (iii) the net amount for unused energy.

Q. Can you provide a sample calculation of a subscribing customer's monthly charges in a month in which the customer has unused energy?

A. Yes. Please refer to Attachment RMS-2, page 5, for an illustrative example.

Q. Have you included the unused energy credit in the bill impact calculation?

A. No. SPS expects the occurrence of unused energy by a R*C customer to be rare given the subscription structure for R*C. Additionally, it is difficult to make reasonable assumptions regarding the amount of unused energy and thus any unused energy credits (or charges) could skew the estimated bill impact calculations.

IV. PROPOSED IMPLEMENTATION AND ANNUAL UPDATE OF R*C RATE RIDER CHARGE AND CREDIT COMPONENTS

Q. Please describe SPS's proposal for Commission approval of the R*C Rate Rider.

A. SPS proposes to file a compliance advice notice and R*C Rate Rider consistent with the Commission's final decision in this case with its annual RPS filing on July 1, 2024. The R*C Rate Rider will be based upon the Commission-approved rates, terms, and conditions and the R*C rate calculation methodology updated to reflect the most current R*C charge and credit components. This will allow for implementation of the R*C-I program phase beginning in 2025. A copy of the proposed form of the R*C Rate Rider using current cost and credit components is included with this testimony as Attachment RMS-3.

Q. Please describe SPS's proposal for annual informational filings to update certain R*C-I charge and credit components.

A. As discussed above, certain components used to calculate the R*C charge and offsetting credit will need to be updated annually. The specific components are identified above. SPS proposes to file this information, along with an advice notice, with its RPS filings. The advice notice will include the revised R*C program

charge for the upcoming year. The information provided will also include workpapers supporting the calculation of the R*C charge and credits.

Q. What other information will be included in the annual informational filing?

A. The annual R*C informational filing will also include an updated forecast of annual solar generation from the Roswell-Chaves Solar Facilities that will be used in the calculation of the R*C-I charge and credits.

Q. Why is SPS proposing to submit the R*C program informational filings with its annual RPS filings?

A. Beyond administrative efficiency, combining the informational filings with the annual RPS filings makes sense because it will provide for a timely approval of the R*C charge and credit components for the following year. Under the Commission's Renewable Energy Rule[16] ("Rule 572"), SPS's RPS filings are required to be made on or before July 1 of each year and the Commission is to issue a decision on the filing by December 31 of the filing year. This period will afford the Staff and intervenors the opportunity to review and raise concerns regarding the calculation of the R*C-I charge and credit and, if the concerns cannot be addressed

[16] 17.9.572 NMAC.

by SPS, have those concerns decided by the Commission in time for implementation on January 1 of the following year.

Q. Please describe further the opportunity for review of the R*C program informational filing under the proposed process.

A. In conjunction with SPS's annual RPS filing, Staff and the intervenors will be served with a copy of the R*C Rate Rider informational filing and updated R*C charge and credit component calculations. Because the Commission would have already approved the methodology for calculating the R*C charges and credits, the scope of the review of the informational filing would be limited to:

- whether SPS has properly applied the approved methodology to calculate the updated R*C charges and credits; and
- whether the data included in the informational filing is accurate and otherwise proper.

Q. Is this process consistent with other Commission-approved processes?

A. Yes. SPS follows a similar process with its annual Solar*Connect filings.

V. ESTIMATED BILL IMPACTS FOR SUBSCRIBING CUSTOMERS

Q. Did SPS calculate bill impacts for participating customers?

A. Yes, SPS calculated the summer and winter bill impacts of a hypothetical R*C-I subscribing customer taking power at 69 kV and 115 kV+ at different subscription levels, for each of the two subscription terms (10-year or 16-year). Please refer to Attachment RMS-4 as well as the detailed calculations, provided in Attachment RMS-5 (workpapers).

Q. Please describe the estimated bill impact for a R*C-I subscribing customer.

A. The estimated bill impact calculations are based on annualized consumption volumes for a hypothetical R*C-I subscriber at different subscription levels and under each one of the subscription terms, based on the proposed R*C-I charge formula and credit methodologies. Please refer to Attachments RMS-4 and RMS-5 (workpapers) for examples of the calculation charges and credits comprising the estimated bill impacts. Additionally, Tables RMS-1 and RMS-2 (below) summarize the bill impacts at a 5 MW subscription, for a 16-year and 10-year term, respectively.

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of
Ruth M. Sakya

Table RMS-1

Comparison of Bills under Current Base Rates with Proposed R*C-I Rates

16 YRS, 5 MW Subscription

Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
Large General Service Transmission 69 kV (Summer)				
4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 188,910.54	$(4,018.42)	-2.08%
Large General Service Transmission 69 kV (Non-Summer)				
4,200,000 kWh and 7,500 kW	$ 179,546.08	$193,686.63 ~~$ 183,694.56~~	$14,140.55 ~~$ 4,148.48~~	7.88%~~2.31%~~
Large General Service Transmission 69 kV (Annualized)				
4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,094.60 ~~$ 185,433.22~~	$ 8,087.56 ~~$ 1,426.18~~	4.40%~~0.78%~~
Large General Service Transmission 115 kV + (Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 461,506.73	$(2,944.39)	-0.63%
Large General Service Transmission 115 kV + (Non-Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,247.01 ~~$ 438,480.01~~	$ 14,658.80 ~~$ 4,891.80~~	3.38%~~1.13%~~

Large General Service Transmission 115 kV + (Annualized)				
11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 452,666.92 ~~$ 446,155.58~~	$ 8,791.07 ~~$ 2,279.73~~	1.98% ~~0.51%~~

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Direct Testimony
of
Ruth M. Sakya

Table RMS-2

Comparison of Bills under Current Base Rates with Proposed R*C Rates

10 YRS, 5 MW Subscription

Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
Large General Service Transmission 69 kV (Summer)				
4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 189,420.98	$(3,507.98)	-1.82%
Large General Service Transmission 69 kV (Non-Summer)		$194,043.44	$14,497.36	8.07%
4,200,000 kWh and 7,500 kW	$ 179,546.08	$194,043.44 ~~$ 183,872.27~~	$14,497.36 ~~$ 4,326.19~~	8.07% ~~2.41%~~
Large General Service Transmission 69 kV (Annualized)				
4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,502.62 ~~$ 185,721.84~~	$ 8,495.58 ~~$ 1,714.80~~	4.62% ~~0.93%~~
Large General Service Transmission 115 kV + (Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 462,000.74	$(2,450.38)	-0.53%
Large General Service Transmission 115 kV + (Non-Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,593.05 ~~$ 438,652.31~~	$ 15,004.84 ~~$ 5,064.10~~	3.46% ~~1.17%~~
Large General Service Transmission 115 kV + (Annualized)				

11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 453,062.28 ~~$ 446,435.12~~	$ 9,186.43 ~~$ 2,559.27~~	2.07% ~~0.58%~~

1

Q. The above bill impact examples show a decrease in total bills for the some subscribing customers during the summer months. Can you explain the factors contributing to the reduced bills and whether subscribing customers should expect such impacts to exist throughout their R*C-I subscription term?

A. Yes. The total R*C-I bill is significantly influenced by changes in the seasonal capacity accreditation by SPP and the monthly FPPCAC factor. As a result, customers may see an overall decrease in their total bill. However, while the estimated bill impact analysis shows a decrease for certain customers during the summer months primarily because of a higher SPP seasonal capacity accreditation, customers are expected to see a bill increase on an annual basis.

VI. CONCLUSION

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

A. Yes.

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF AND OTHER ASSOCIATED RELIEF,	)	
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	**Case No. 23-00271-UT**
APPLICANT.	)	

VERIFICATION

On this day, August 11, 2023, I, Ruth M. Sakya, swear and affirm under penalty of perjury under the law of the State of New Mexico, that my testimony contained in Direct Testimony of Ruth M. Sakya is true and correct.

/s/ Ruth M. Sakya
RUTH M. SAKYA

Corrected

Direct Testimony of Ruth M. Sakya

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF, AND OTHER ASSOCIATED RELIEF,	)	**Case No. 23-00271-UT**
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	
APPLICANT.	)	

DIRECT TESTIMONY

of

RUTH M. SAKYA

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

August 11, 2023

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

Acronym/Defined Term	Meaning
Commission or NMPRC	New Mexico Public Regulation Commission
FPPCAC	Fuel & Purchased Power Cost Adjustment Clause
IT	Information Technology
LGS-T	Large General Service – Transmission
kV	Kilovolt
IT	Information Technology
kW	Kilowatt
kWh	Kilowatt-hour
LMP	Locational Marginal Prices
MW	Megawatt(s)
MWh	Megawatt-hour
NMPRC	New Mexico Public Regulation Commission
PPA	Purchase Power Agreement(s)
PUCT	Public Utility Commission of Texas
R*C	Renewable*Connect
R*C-I	Renewable*Connect Phase I
REA	Renewable Energy Act
RECs	Renewable Energy Certificates
Roswell-Chaves Solar Facilities	NextEra Energy Resources Acquisition, LLC, Roswell Solar LLC, Chaves County Solar, LLC

Acronym/Defined Term	Meaning
RPS	Renewable Portfolio Standards
Rule 572	NMPRC Renewable Energy Rule; 17.9.572 NMAC
Solar*Connect	Commission-approved Solar*Connect Community
Southwest Power Pool	Southwest Power Pool, Inc.
SPS	Southwestern Public Service Company
TCR	Transmission Congestion Rights
WREGIS	Western Renewable Energy Generation Information System
XES	Xcel Energy Services Inc.
Xcel Energy	Xcel Energy Inc.

LIST OF ATTACHMENTS

Attachment	**Description**
Attachment RMS-1	Estimated 2025 Total R*C-I Charge Development *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-2	R*C-I Charge and Credits Illustrative Calculations *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-3	Proposed Form of R*C Rate Rider and Estimated 2025 Amounts *(Filename: Attachment RMS-3.docx)*
Attachment RMS-4	Bill Comparison *(Filename: Attachments RMS-1,2,4,5.xlsx)*
Attachment RMS-5	Workpapers *(Filename: Attachments RMS-1,2,4,5.xlsx)*

Case No. 23-00271-UT
Direct Testimony
of
Ruth M. Sakya

I. WITNESS IDENTIFICATION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Ruth M. Sakya. My business address is 119 E. Marcy Street, Suite 202, Santa Fe, New Mexico 87501.

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

A. I am filing testimony on behalf of Southwestern Public Service Company, a New Mexico corporation ("SPS") and wholly-owned electric utility subsidiary of Xcel Energy Inc. ("Xcel Energy").

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

A. I am employed by SPS as a Manager, Regulatory Administration.

Q. Please briefly outline your responsibilities as Manager, Regulatory Administration.

A. I am responsible for determining the appropriate regulatory policy for SPS. In this role, I direct and prepare comments, testimony, and briefing materials for policy matters impacting SPS and advocate on behalf of SPS and its customers before the New Mexico Public Regulation Commission ("Commission" or "NMPRC"), the Public Utility Commission of Texas ("PUCT"), and Southwest Power Pool, Inc. ("Southwest Power Pool").

Q. Please describe your professional experience.

A. I began my career in 1999 as an intern with the Illinois Commerce Commission and in 2000 joined the PUCT as a Senior Policy Analyst. I have held various other positions, including Rate Analyst at a multijurisdictional electric and gas utility, and Senior Analyst and Supervising Analyst with a consulting firm specializing in services to regulatory agencies and municipal entities. In 2004, I accepted a position with Xcel Energy Services Inc. ("XES") as Senior Rate Analyst. In 2007, I accepted a position with XES as Manager, Regulatory Policy. Beginning January 1, 2012, my position as Manager, Regulatory Policy was transferred to SPS, where my job responsibilities continued to be the same as they were since 2007. In April 2018, I became Manager, Regulatory Administration.

Q. Have you testified before any regulatory authorities?

A. Yes. I have filed testimony with, and testified before, the Commission, the PUCT, and the Colorado Public Utilities Commission in numerous cases. The testimonies covered topics including renewable energy, voluntary program development, energy efficiency, and grid modernization, among other subjects.

Q. Please describe your education.

A. I graduated from the University of Wyoming in 1998 with a Bachelor of Science degree in Finance, and received a Master of Science degree in Finance with an emphasis in Regulatory Economics in 2001. I have completed the coursework and successfully passed the qualifying exams for a Ph.D. in Public Affairs from the University of Colorado, Denver.

II. PURPOSE AND SUMMARY OF TESTIMONY

Q. Please briefly describe the proposed Large Customer Renewable*Connect program.

A. The proposed Large Customer Renewable*Connect ("R*C") program affords SPS's large commercial and industrial customers the option, pursuant to a regulated tariff, to acquire a portion of their capacity and energy needs specifically from clean energy resources. SPS will supply the initial phase of the program, referred to as Renewable Connect-I ("R*C-I"), with the existing approximately 80 megawatts ("MW") of non-jurisdictional generating capacity associated with the solar generation facilities underlying two purchased power agreements ("PPAs") between SPS and Roswell Solar, LLC and Chaves County Solar, LLC (collectively referred to as the "Roswell-Chaves Solar Facilities").[1]

[1] The approximately 80 MW portion of the Roswell-Chaves Solar Facilities' generating capacity is "non-jurisdictional," as discussed by SPS witness Brooke A. Trammell.

Q. What is the purpose of your direct testimony?

A. My testimony:

- describes SPS's proposed formula for calculating and applying the customer (subscriber) charge for the proposed R*C-I program phase;
- discusses the calculation of the estimated R*C-I charge (Attachment RMS-1) and monthly bill credits for the first year of the proposed program (2025);
- describes the proposed monthly bill credits that R*C-I subscribers will receive (Attachment RMS-2);
- describes the methodology for calculating the monthly credit/charge for unused energy (Attachment RMS-2);[2]
- presents the form of the proposed tariff, the R*C Rate Rider (Attachment RMS-3), and SPS's proposed process for implementing and annually updating the charge and credit components of the R*C Rate Rider as part of SPS's annual Renewable Portfolio Standard ("RPS") filings beginning in 2024; and
- provides estimated bill impacts for 2025 (the first year of the program) for customers (subscribers) who choose to participate in the R*C-I phase of the program (Attachment RMS-4).

[2] As discussed further below, a customer subscribing to the program may have "unused energy" in a month in which the customer consumes less energy than the volume of energy produced by and allocated to the customer in accordance with the customer's subscribed generation share (per MW) of the Roswell-Chaves Solar Facilities' non-jurisdictional capacity. A subscribing customer's monthly renewable energy allocation (in megawatt-hours ("MWh")) will be determined by multiplying their subscription share percentage—i.e., the ratio of the their subscribed generation share (in MW) to the total non-jurisdictional generating capacity of the Roswell-Chaves Solar Facilities (~80 MW currently)—by the actual monthly non-jurisdictional output of the Roswell-Chaves Solar Facilities.

Q. Please summarize the conclusions reached in your testimony.

A. As discussed further below I conclude as follows:

- SPS's proposed formula for calculating the R*C-I charge are reasonably designed to recover the costs for administering the program from customers who subscribe to purchase additional amounts of renewable energy through the program, while insulating costs to non-subscribing customers;

- SPS's proposed monthly bill credits for R*C-I subscribing customers are reasonable and consistent with sound regulatory practices and principles, including the methodology for calculating the credit (or in some instances charge) for any unused energy;

- the form of SPS's proposed tariff, the R*C Rate Rider, is reasonable and generally consistent with the Commission-approved Solar*Connect Community ("Solar*Connect") Rate Rider, the tariff for SPS's existing voluntary renewable energy purchase program; and

- SPS's plan for implementing the R*C Rate Rider, reconciling previous costs and revenues, and annually updating its charge and credit components is reasonable and consistent with the Commission-approved process for updating the Solar*Connect Rate Rider.

Q. Were Attachments RMS-1 through RMS-5 prepared by you or under your direct supervision or control?

A. Yes.

III. DETERMINATION OF RENEWABLE*CONNECT RATES

Q. Please describe, in general, the monthly R*C rate components.

A. In general, R*C subscribers will pay a monthly dollar ("$") per MWh charge for renewable energy purchased through the R*C program. The monthly charge is designed to recover SPS's costs of acquiring renewable resources and SPS's costs of administering and implementing the program. Subscribers will also receive monthly bill credits. Below, I present the formula for calculating the R*C-I charge and describe the individual charge components. I also describe the proposed R*C-I monthly bill credits and explain how each is calculated. Finally, I present the formula for calculating the charge/credit for any subscribed but unused energy in a particular month.

Q. What is the formula for calculating the R*C-I charge?

A. The R*C-I charge is calculated as follows:

R*C-I charge $= (\boldsymbol{A} + \boldsymbol{B} + \boldsymbol{C}) * \boldsymbol{D}$**,** where:

A. $/MWh, total Cost of the Renewable*Connect resource(s);
B. $/MWh, total resource(s) Net Curtailment and Congestion costs;
C. $/MWh, incremental program-specific Administration costs; and
D. Full Subscription Incentive Charge applied to 10-year term subscriptions.

SPS witness, Brooke A. Trammell discusses the reasonableness of each of these charge components in her direct testimony.

Q. What are the credits that will be applied to a subscriber's monthly bill during the R*C-I program phase?

A. R*C-I program phase subscribing customers will receive four credits applied to their monthly bill: a demand charge credit; an energy charge credit; a Fuel and Purchased Power Cost Adjustment Clause ("FPPCAC") charge credit; and a RPS Cost Rider charge credit.

Ms. Trammell discusses the necessity and reasonableness of each of these credits in her direct testimony.

Q. How will SPS apply the R*C-I charge and monthly credits to a subscribing customer's bill?

A. The R*C-I charge and credits will be applied to subscribing customers' monthly bills on top of their established Large General Service – Transmission ("LGS-T") tariff charges (Rate No. 34). Therefore, the R*C-I charge will be applied to the subscribing customer's monthly R*C-I renewable energy allocation during the applicable billing period. With the exception of the proposed demand charge credit, the monthly bill credits will each be applied to the subscribing customer's monthly

bill on a $/MWh basis, based on the portion of the customer's monthly R*C-I renewable energy allocation consumed during the applicable billing period. The demand charge credit will be applied on the customer's monthly bill on a dollar per kilowatt ("kW") basis, based on the customer's subscribed generation share of the Roswell-Chaves Solar Facilities' non-jurisdictional SPP accredited generating capacity. I provide various example calculations of a subscribing customer's total monthly charge for renewable energy acquired during the R*C-I program phase and the corresponding monthly credits as Attachment RMS-4 and in my workpapers (Attachment RMS-5).

A. R*C-I Charge Cost Components

Q. Please describe how the resource cost charge component (A) is calculated and applied in the R*C-I charge formula.

A. The resource cost charge component in the R*C-I formula is calculated using the combined cost of the energy and renewable energy certificates ("RECs") acquired under the Roswell-Chaves Solar Facilities PPAs on a per MWh basis (Attachment RMS-1, line 1).[3] The R*C-I resource cost component is composed of the weighted

[3] SPS will need to execute its REC Option to acquire the RECs associated with the R*C-I resources. Under the REC Option, SPS will begin receiving the associated RECs one year from the date of notice of intent to exercise the option.

average cost of the separate annual charges for the Roswell-Chaves Solar Facilities PPAs, each of which escalate at 2 percent yearly (though at different times during the year as the Roswell-Chaves Solar Facilities PPAs annual charges escalate at different times during the year). The Roswell-Chaves Solar Facilities PPAs annual charges as well as the calculation of the R*C-I weighted average resource costs are provided in Attachment RMS-5 (workpapers).

SPS will true up the resource costs every year, based on actual costs incurred, for inclusion as a reconciling line item in the R*C-I charge for the subsequent calendar year.[4]

Q. Please describe the curtailment and congestion cost component (B) of the R*C-I charge formula.

A. Annually, SPS will calculate the curtailment and congestion charges based on the prior period actual charges and, going forward, reconcile the actual amounts in the annual update filings, which I describe in Section IV of my testimony. Below, I identify the estimated amounts for inclusion in the 2025 R*C-I charge for curtailment and congestion costs, inclusive of the offsetting credit for Transmission

[4] Similar to SPS's RPS Cost Rider, there is a lag between the reconciliation of actual charges to the projected charges. For example, in SPS's calculation of the 2027 R*C-I charge, SPS will file the rate in 2026 and reconcile costs from 2025.

Congestion Rights ("TCR") revenue and describe how SPS calculated those amounts.[5]

Ms. Trammell supports the reasonableness of the compensation for Southwest Power Pool curtailment and congestion charges related to the production of energy from the Roswell-Chaves Solar Facilities, as well as the offsetting credit for the Southwest Power Pool integrated market TCR revenue.

Q. Please describe how the TCR revenue credit component of the curtailment and congestion costs will be calculated.

A. SPS calculates the R*C-I customer percentage by dividing the R*C-I loss adjusted MWh by total New Mexico retail loss adusted MWh. To that percentage the New Mexico TCR revenue is multiplied. *See* Attachment RMS-1, lines 2 through 5, for the estimated individual curtailment and congestion cost components for 2025.*See* Attachment RMS-5 (workpapers) for the detailed calculation of each cost component.

SPS will annually reconcile and update the TCR revenue credit calculation for inclusion in the R*C-I charge.

[5] SPS will provide an updated rate, for use in 2025, in its 2024 RPS filing.

Q. Please describe the administration costs (C) that SPS has included in the R*C-I charge formula.

A. SPS has included incremental administrative costs necessary for program implementation and administration. These costs, which I describe below, are specific to the R*C program and are not being collected through other rates or SPS will not collect as a result of the various credits. Ms. Trammell supports the reasonableness and necessity of including these costs in the R*C-I charge.

The specific administration cost components are as follows:

- **TCR Auction Administration Expenses** – These are the costs associated with running the TCR auction. SPS has estimated $194,566 as the total SPS annual auction administration costs and allocated a portion of those costs to the R*C-I charge ($1,358). SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Incremental REC Accounting & Management** – SPS has estimated an annual budget of $8,447 for this administrative-related cost specifically for the certifying, registering, and accounting for RECs associated with the implementation of the R*C-I program. SPS proposes to include only costs associated with the Roswell-Chaves Solar Facilities' RECs allocated to the R*C-I program. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Volumetric Western Renewable Energy Generation Information System ("WREGIS") REC Activity Costs** – Currently, WREGIS charges $0.0040/MWh for REC transaction activities (such as creation, transfer, and retirement). The estimated charges for WREGIS REC transaction costs for 2025 is $728. SPS will reconcile and update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Information Technology ("IT") Costs** – SPS is including a budget of $12,000 for IT set-up costs during the first year of the R*C-I program. Recurring IT costs after the first year of implementation will be included in other categories (e.g., labor) in subsequent years.

- **Marketing and Promotion Costs** – SPS is including an annual budget of $10,000 for marketing and promotion costs related to the R*C-I program. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

- **Notice** – SPS has included an estimated $10,000 of notice expenses in its administrative budget. SPS will update this amount to actual costs in its 2024 filing.

- **External Legal Expense** – SPS has estimated $250,000 to include for external legal counsel costs during the first year of the R*C-I program phase (2025). SPS will update this amount to actual costs in its 2024 RPS filing.

- **Product Development Costs** – SPS has included $30,000 of product development costs. The product development team identifies, assesses, and develops new customer programs, including technical analysis, and supports the modification of current programs.

- **Labor Costs** – SPS has estimated $35,000 in labor costs to include during the first year of the R*C-I program phase (2025). Labor costs for 2026 and subsequent years have been estimated at $20,000 per year. SPS will update these costs annually for inclusion in the R*C-I charge for the subsequent calendar year.

In total, SPS estimates $357,533 of first year administration costs. When divided by the estimated renewable energy production available for the R*C-I program offering (182,095 MWh), the total estimated 2025 R*C-I administration cost rate

is $1.96/MWh (Attachment RMS-1, line 6). Also, s*ee* Attachment RMS-5 (workpapers) for a tabular summary of these costs.

Q. Please describe the full subscription incentive charge component (D) of the R*C-I charge formula.

A. As described by Ms. Trammell, for the R*C-I program phase, SPS will provide subscribing customers with the option to elect contract terms of either 10 or 16 years. However, as Ms. Trammell explains, the 10-year subscription term includes risk for SPS. Thus, to incentivize selection of the 16-year term, SPS has applied a full subscription incentive charge in the R*C-I formula for customers who elect a 10-year subscription term. Effectively, the charge provides an incentive for subscribers to take service under the 16-year term option.

Q. Have you calculated the estimated R*C-I charge for 2025, the first year of the program?

A. Yes. Although SPS will update the estimated R*C-I charge in its 2024 RPS filing and reconcile the R*C-I customer charge after the first program year such that it is based on actual costs, the estimated charges for the first year of the program (2025) for the 10-year and 16-year terms are: $41.44 per MWh and $41.03 per MWh respectively (Attachment RMS-1, line 10).

Please refer to Attachment RMS-1 for an illustration of the full calculation of the estimated R*C-I charge for 2025.

Q. Have you prepared sample calculations of a subscribing customer's monthly charge component (in total dollars) for renewable energy purchased through the R*C-I program?

A. Yes. My workpapers (Attachment RMS-5) include multiple illustrative calculations of the total monthly charges for renewable energy purchased through R*C-I program LGS-T customers taking service at 69 kilovolts ("kV") and 115kV+ in both summer and winter under a variety of assumptions regarding the subscribing customer's monthly renewable energy allocation and the subscription term.

B. <u>R*C-I Monthly Credits</u>

Q. Please identify the monthly R*C-I credits.

A. As noted above, subscribing customers will receive monthly credits for the: (i) demand charge; (ii) the energy charge; (iii) the FPPCAC; and (iv) the RPS Cost Rider.

Q. Please describe the monthly demand charge credit.

A. Each month, R*C-I subscribing customers will be charged for all applicable demand charges (which include costs for both production and transmission) for each kW of measured demand used at the subscribed premises based on their existing Commission-approved rates.[6] However, because the customers' subscribed generation shares of the R*C-I program resource production capacity will be used to meet some (or potentially all) of their measured demand, SPS will provide the customers a credit for the production-related demand costs included in the demand charge of SPS's base rates. The credit will be equal to the production component of the demand charges the customer paid on the portion of the subscribing customer's actual monthly measured demand served by the customer's subscription share of the R*C-I program resource generating capacity.

Q. How is a subscribing customer's total monthly demand charge credit determined?

A, The calculation is a multi-step process, which includes: adjusting the subscribed demand associated with the customer's generation share of the R*C-I program

[6] *See* Advice Notice 301, Ninth Revised Rate No. 34-Large General Service-Transmission. *See also* Advice Notice 314, Original Rate No. 85-Standby Service Rider.

resource to account for the Southwest Power Pool accreditation factors for the summer and winter; converting the adjusted subscribed demand to an at the meter number by applying the applicable loss factors; and finally multiplying the customer's loss adjusted subscribed demand by the unbundled production rate. My Attachment RMS-2 (page 1) provides an illustrative example of the calculation.

Additionally, customers can only take service if they have met the minimum 5 MW, on a per premise basis. Further, customers will only receive a credit equal to their metered demand.

Q. Please describe how the Southwest Power Pool accreditation-adjusted subscribed demand is calculated.

A. SPS begins by taking the subscribed demand and multiplying that demand by either the summer or winter solar accreditation factors, which are provided by the Southwest Power Pool. (*See* Attachment RMS-2, page 1, lines 1-3 for an illustrative example.) The Southwest Power Pool periodically updates its solar accreditation factors (*see* Attachment 5 (workpapers) for current annual accreditation factors). SPS proposes to update these factors, on a going-forward basis, as they are updated by the Southwest Power Pool.

Q. How did SPS calculate the loss-adjusted subscribed demand?

A. SPS divided the accreditation-adjusted subscribed demand (Attachment RMS-2, page 1, line 3) by the loss factor for each voltage level[7] (Attachment RMS-2, page 1, line 5), which resulted in an at the meter subscribed demand (Attachment RMS-2, page 1, line 6). SPS will adjust the loss factors as they are updated by new loss studies.

Q. What is the next step in determining the demand charge credit?

A. The next step is to calculate the demand charge credit in dollars (Attachment RMS-2, page 1, line 9). This is calculated by multiplying the at the meter customer subscribed demand (Attachment RMS-2, page 1, line 6) by the unbundled production cost rate ($/per kW)[8] (Attachment RMS-2, page 1, line 8).

[7] SPS Loss Study filed in Case No. 22-00286-UT.

[8] Case No. 22-00155-UT, WLB-Stip-4 (pp.1-2).

Q. Based on the guidelines provided above, have you prepared an illustrative calculation of a monthly demand charge credit available to a subscribing customer at various subscription levels?

A. Yes. See Attachment RMS-5 (workpapers) for illustrative calculations of the monthly demand charge credit under various subscription scenarios for customers taking service at 69 kV and 115+ kV in both summer and winter.

Q. Turning to the next credit, please describe the monthly energy charge credit that subscribing R*C-I customers will be eligible for and how it is applied.

A. Each month, R*C-I subscribing customers will be charged for their full monthly energy usage based on their existing Commission-approved rates.[9] However, because energy procured through the R*C-I program is replacing (some or all of the) energy that would have been purchased from SPS at the subscribing customer's existing rate, SPS will provide the customer a credit equal to what the customer would have paid for the subscribed energy volume at the customer's standard energy rate. This calculation is a multi-step process. I have provided an illustrative example as Attachment RMS-2, page 2.

[9] *See* Advice Notice 301, Ninth Revised Rate No. 34-Large General Service-Transmission.

The first step is to calculate the generating capacity available for the R*C-I program.[10] The R*C-I resource generating capacity (Attachment RMS-2, page 2, line 4) is calculated by multiplying the total Roswell-Chaves Solar Facilities' capacity (Attachment RMS-2, page 2, line 2) by the non-jurisdictional percentage (Attachment RMS-2, page 2, line 3). Because the generating capacity available for R*C-I will vary on a monthly basis as a result of the monthly system allocation to R*C-I, SPS proposes to true-up the actual amount when it reconciles the rate. For the estimated amounts, SPS used an average of actual 2022 allocations to the non-jurisdictional portion of the R*C-I resources.

The next step is to calculate the customer's subscription share ratio—i.e., the customer's subscribed share (as a percent) of the total R*C-I generating capacity (Attachment RMS-2, page 2, line 7). The subscriber's share ratio is the result of the division of the customer's subscribed MW (Attachment RMS-2, page 2, line 6) by the generating capacity available for R*C-I (Attachment RMS-2, page 2, line 4).

[10] As noted above, the R*C-I program offering will be supplied by the non-jurisdictional portion of the the Roswell-Chaves Solar Facilities generating capacity.

The next step is to calculate the customer's monthly R*C-I monthly renewable energy allocation (in kilowatt-hours ("kWh"). To do this, SPS will multiply the customer's subscription share ratio (Attachment RMS-2, page 2, line 11) by the energy produced and allocated to R*C-I (Attachment RMS-2, page 2, line 10). This calculation results in the customer's subscribed renewable energy allocation in kWh (Attachment RMS-2, page 2, line 12).

Finally, to calculate the subscribing customer's monthly energy credit (in $), the customer's monthly R*C-I renewable energy allocation (Attachment RMS-2, page 2, line 12) will be multiplied by the customer's existing Commission-approved energy rate at the time of billing (Attachment RMS-2, page 2, line 13)—currently $0.005752/kWh for LGS-T customers taking service at 69 kV or $0.005720/kWh for customers taking service at 115+ kV. Similar to the demand charge credit, customers will only receive a credit up to their metered usage. In other words, if the subscribed energy allocation is greater than metered usage, the credit will only be applied to the metered usage. *See* Attachment RMS-5 (workpapers) for illustrative calculations of monthly energy charge credits under various monthly R*C-I renewable energy allocation and consumption assumptions for LGS-T customers taking service at both 69 kV and 115+ kV.

Q. Please describe the basis for the FPPCAC charge credit and how it is calculated and applied.

A. Because renewable energy acquired through the R*C-I program is replacing energy that has been assessed standard FPPCAC charges, SPS will provide R*C-I customers with a credit equal to the FPPCAC charges assessed on the replaced energy. The FPPCAC charge credit is calculated in an identical fashion to the energy charge credit. The only difference is that the FPPCAC factor is applied instead of the energy charge rate. The customer cannot receive an FPPCAC credit greater than metered usage. An illustrative example is provided in Attachment RMS-2, page 3. More detailed sample calculations of monthly FPPCAC credits for customers taking service at 69 kV and 115+ kV in both summer and non-summer months are provided in Attachment RMS-5 (workpapers).

Q. Please describe the final R*C-I credit, the RPS Cost Rider charge credit.

A. Consistent with the Renewable Energy Act ("REA"),[11] and based on the approved RPS Rider rate by the Commission, SPS will provide a credit, based on SPS's Commission-approved RPS Cost Rider rate (currently, $0.000901/kWh of

[11] 1978 NMSA, §§ 62-16-1 through 62-16-10.

consumed energy) back to subscribing customers during a month's period[12] based on the portion of the subscribing customer's monthly renewable energy allocation consumed during the month. The calculation is performed in an identical fashion as the energy charge credit and FPPCAC credit. Please *see* Attachment RMS-2, page 4. Additional sample calculations of monthly RPS Cost Rider charge credits for customers taking service at 69 kV and 115+ kV are provided in Attachment RMS-5 (workpapers).

C. <u>Unused Energy Credit/Charge</u>

Q. Please describe what you mean by unused energy.

A. A subscribing customer will have "unused energy" in any month in which the customer does not consume all of their monthly R*C-I renewable energy allocation. In such a month, the amount of unused energy, measured in kWh, is calculated as the difference between the customer's monthly R*C-I renewable energy allocation and the customer's monthly metered energy usage at the subscribed premises. SPS has designed the tariff to significantly reduce unused energy, but it is still a potential

[12] Section 62-16-7(B)(3) provides that renewable energy purchased by a customer through a voluntary renewable program shall "not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements….".

scenario that must be addressed. *See* Attachment RMS-2, page 5, for an illustrative example of the calculation.

Q. Why is this calculation necessary?

A. Because, as SPS witness Ms. Trammell explains, all energy delivered from the R*C-I program resource in a month must be used either by the subscriber or allocated to SPS's system.

Q. Please describe this calculation.

A. First, SPS will calculate the customer's R*C-I subscription share ratio, which is identical to the calculation used in the credits I described earlier (Attachment RMS-2, page 5, lines 1-7).

Next, SPS calculates the unused energy credit,[13] which is applied to the customer's total R*C-I charge.[14] SPS begins by multiplying the actual monthly energy generated for R*C-I (Attachment RMS-2, page 5, line 10) by the customer's R*C-I subscription share ratio (Attachment RMS-2, page 5, line 11), to determine the customer's monthly R*C-I renewable energy allocation (in kWh) (Attachment

[13] It is possible for this to be a charge, depending of the Southwest Power Pool LMPs and/or natural gas prices.

[14] The customer will pay the R*C-I charge based on total allocated subscription, regardliess of metered consumption.

RMS-2, page 5, line 12). SPS then compares the customer's R*C-I renewable energy allocation (Attachment RMS-2, page 5, line 12) to the customer's metered usage (Attachment RMS-2, page 5, line 13). If the difference (R*C-I less metered usage) is positive the customer has unused energy (kWh) (Attachment RMS-2, page 5, line 14). Finally, SPS multiplies the unused energy (kWh) (Attachment RMS-2, page 5, line 14) by the unused energy rate (Attachment RMS-2, page 5, line 15), which yields the unused energy credit (Attachment RMS-2, page 5, line 16). As I mentioned earlier, this credit is applied against the total R*C-I charge.[15]

Q. How is the unused energy rate determined?

A. SPS will determine the unused energy rate (Attachment RMS-2, page 5, line 15) based on the Southwest Power Pool LMPs at the Roswell-Chaves site locations. SPS will calculate a weighted average LMP for each site location each calendar month.

[15] For the determination of the R*C-I charge, SPS begins by calculating the REC costs, which are recovered from the subscribing customers, regardless of the applied unused energy credit. As a result, all of the RECs associated with the allocated R*C-I resourse are retired on behalf of the subscribing customers.

Q. If SPS is providing a credit to subscribing R*C customers, how does SPS propose to collect this credit?

A. Because all subscribed but unused energy must be used, SPS is proposing to allocate this energy to the system. As a result, SPS also proposes to collect the unused energy credit provided to an R*C-I subscriber from SPS's non-subscribing customers through the FPPCAC.

Q. Why is this proposal reasonable?

A. The credit applied to customers is SPS's avoided cost of the Roswell-Chaves Solar Facilities PPAs. This methodology (using the LMP at the site location) is the same basis used to calculate avoided cost payment made to SPS's small distributed generation customers. This determination is designed to reflect the cost of the unused energy allocated to the SPS system in a manner that leaves non-subscribers indifferent to the unused energy allocation. Ms. Trammell further discusses the reasonableness of this cost component in her testimony.

Q. Why are REC costs specifically separated?

A. SPS is specifically exercising its REC Option to acquire the RECs for customers participating in R*C-I, and these RECs are not used for SPS's REA compliance or collected from customers in rates. As a result, subscribing customers should be

responsible for these costs. Additionally, potential R*C-I customers have indicated the desire to have RECs retired on their behalf consistent with their subscription.

Q. How will this credit (or charge) be reflected on a subscribing customer's bill?

A. A customer will see three line items: (i) the R*C-I charge, calculated on the customer's total subscribed renewable energy allocation; (ii) the unused energy credit/charge (described above); and (iii) the net amount for unused energy.

Q. Can you provide a sample calculation of a subscribing customer's monthly charges in a month in which the customer has unused energy?

A. Yes. Please refer to Attachment RMS-2, page 5, for an illustrative example.

Q. Have you included the unused energy credit in the bill impact calculation?

A. No. SPS expects the occurrence of unused energy by a R*C customer to be rare given the subscription structure for R*C. Additionally, it is difficult to make reasonable assumptions regarding the amount of unused energy and thus any unused energy credits (or charges) could skew the estimated bill impact calculations.

IV. PROPOSED IMPLEMENTATION AND ANNUAL UPDATE OF R*C RATE RIDER CHARGE AND CREDIT COMPONENTS

Q. Please describe SPS's proposal for Commission approval of the R*C Rate Rider.

A. SPS proposes to file a compliance advice notice and R*C Rate Rider consistent with the Commission's final decision in this case with its annual RPS filing on July 1, 2024. The R*C Rate Rider will be based upon the Commission-approved rates, terms, and conditions and the R*C rate calculation methodology updated to reflect the most current R*C charge and credit components. This will allow for implementation of the R*C-I program phase beginning in 2025. A copy of the proposed form of the R*C Rate Rider using current cost and credit components is included with this testimony as Attachment RMS-3.

Q. Please describe SPS's proposal for annual informational filings to update certain R*C-I charge and credit components.

A. As discussed above, certain components used to calculate the R*C charge and offsetting credit will need to be updated annually. The specific components are identified above. SPS proposes to file this information, along with an advice notice, with its RPS filings. The advice notice will include the revised R*C program

charge for the upcoming year. The information provided will also include workpapers supporting the calculation of the R*C charge and credits.

Q. What other information will be included in the annual informational filing?

A. The annual R*C informational filing will also include an updated forecast of annual solar generation from the Roswell-Chaves Solar Facilities that will be used in the calculation of the R*C-I charge and credits.

Q. Why is SPS proposing to submit the R*C program informational filings with its annual RPS filings?

A. Beyond administrative efficiency, combining the informational filings with the annual RPS filings makes sense because it will provide for a timely approval of the R*C charge and credit components for the following year. Under the Commission's Renewable Energy Rule[16] ("Rule 572"), SPS's RPS filings are required to be made on or before July 1 of each year and the Commission is to issue a decision on the filing by December 31 of the filing year. This period will afford the Staff and intervenors the opportunity to review and raise concerns regarding the calculation of the R*C-I charge and credit and, if the concerns cannot be addressed

[16] 17.9.572 NMAC.

by SPS, have those concerns decided by the Commission in time for implementation on January 1 of the following year.

Q. Please describe further the opportunity for review of the R*C program informational filing under the proposed process.

A. In conjunction with SPS's annual RPS filing, Staff and the intervenors will be served with a copy of the R*C Rate Rider informational filing and updated R*C charge and credit component calculations. Because the Commission would have already approved the methodology for calculating the R*C charges and credits, the scope of the review of the informational filing would be limited to:

- whether SPS has properly applied the approved methodology to calculate the updated R*C charges and credits; and
- whether the data included in the informational filing is accurate and otherwise proper.

Q. Is this process consistent with other Commission-approved processes?

A. Yes. SPS follows a similar process with its annual Solar*Connect filings.

V. ESTIMATED BILL IMPACTS FOR SUBSCRIBING CUSTOMERS

Q. Did SPS calculate bill impacts for participating customers?

A. Yes, SPS calculated the summer and winter bill impacts of a hypothetical R*C-I subscribing customer taking power at 69 kV and 115 kV+ at different subscription levels, for each of the two subscription terms (10-year or 16-year). Please refer to Attachment RMS-4 as well as the detailed calculations, provided in Attachment RMS-5 (workpapers).

Q. Please describe the estimated bill impact for a R*C-I subscribing customer.

A. The estimated bill impact calculations are based on annualized consumption volumes for a hypothetical R*C-I subscriber at different subscription levels and under each one of the subscription terms, based on the proposed R*C-I charge formula and credit methodologies. Please refer to Attachments RMS-4 and RMS-5 (workpapers) for examples of the calculation charges and credits comprising the estimated bill impacts. Additionally, Tables RMS-1 and RMS-2 (below) summarize the bill impacts at a 5 MW subscription, for a 16-year and 10-year term, respectively.

Case No. 23-00271-UT
Direct Testimony
of
Ruth M. Sakya

Table RMS-1

Comparison of Bills under Current Base Rates with Proposed R*C-I Rates

16 YRS, 5 MW Subscription

Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
Large General Service Transmission 69 kV (Summer)				
4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 188,910.54	$(4,018.42)	-2.08%
Large General Service Transmission 69 kV (Non-Summer)				
4,200,000 kWh and 7,500 kW	$ 179,546.08	$193,686.63	$14,140.55	7.88%
Large General Service Transmission 69 kV (Annualized)				
4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,094.60	$ 8,087.56	4.40%
Large General Service Transmission 115 kV + (Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 461,506.73	$(2,944.39)	-0.63%
Large General Service Transmission 115 kV + (Non-Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,247.01	$ 14,658.80	3.38%
Large General Service Transmission 115 kV + (Annualized)				
11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 452,666.92	$ 8,791.07	1.98%

Table RMS-2

Comparison of Bills under Current Base Rates with Proposed R*C Rates

10 YRS, 5 MW Subscription

Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
Large General Service Transmission 69 kV (Summer)				
4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 189,420.98	$(3,507.98)	-1.82%
Large General Service Transmission 69 kV (Non-Summer)		$194,043.44	$14,497.36	8.07%
4,200,000 kWh and 7,500 kW	$ 179,546.08	$194,043.44	$14,497.36	8.07%
Large General Service Transmission 69 kV (Annualized)				
4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,502.62	$ 8,495.58	4.62%
Large General Service Transmission 115 kV + (Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 462,000.74	$(2,450.38)	-0.53%
Large General Service Transmission 115 kV + (Non-Summer)				
11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,593.05	$ 15,004.84	3.46%
Large General Service Transmission 115 kV + (Annualized)				
11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 453,062.28	$ 9,186.43	2.07%

1

Q. The above bill impact examples show a decrease in total bills for the some subscribing customers during the summer months. Can you explain the factors contributing to the reduced bills and whether subscribing customers should expect such impacts to exist throughout their R*C-I subscription term?

A. Yes. The total R*C-I bill is significantly influenced by changes in the seasonal capacity accreditation by SPP and the monthly FPPCAC factor. As a result, customers may see an overall decrease in their total bill. However, while the estimated bill impact analysis shows a decrease for certain customers during the summer months primarily because of a higher SPP seasonal capacity accreditation, customers are expected to see a bill increase on an annual basis.

VI. CONCLUSION

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

A. Yes.

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF AND OTHER ASSOCIATED RELIEF,	)	
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	**Case No. 23-00271-UT**
APPLICANT.	)	

VERIFICATION

On this day, August 11, 2023, I, Ruth M. Sakya, swear and affirm under penalty of perjury under the law of the State of New Mexico, that my testimony contained in Direct Testimony of Ruth M. Sakya is true and correct.

/s/ Ruth M. Sakya
RUTH M. SAKYA

Attachment RMS-2 - Corrected

Illustrative Calculation of Estimated 2025 Demand Charge Credit
For the Year 2025

Customer R*C Subscription kW[1]>>	5,000	
Customer Metered Demand kW >>	30,000	

115+ kV Customer

Line No.	Description	Winter[4]	Summer[4]
1	Customer Demand at Subscription Level (KW)	5,000	5,000
2	SPP Solar Accredidation Factor (2025)	14.73%	69.56%
3	Customer Demand, Adjusted for Accredidation (L1*L2)	737	3,478
4			
5	Loss Factor[2]	1.020504	1.020504
6	Customer Demand, at the Meter (kW) (L3/L5)	722	3,408
7			
8	Unbundled Production Rate ($/kW)[3]	$ 8.18	$ 9.79
9	Demand Charge Credit ($) (L6*L8)	$ 5,904	$ 33,365

[1] Credit cannot exceed metered demand. If metered demand is less than Subscribed share, credit will be based on metered demand.

[2] SPS Loss Study filed in Case No. 22-00286-UT.

[3] Case No. 22-00155-UT, WLB-Stip-4 (pp.1-2).

[4] Summer is June-Sept; Winter is the Remaining Months.

Illustrive Example of Energy Charge Credit
For the Year 2025

Customer R*C Subscription (kW)>>	5,000	
Customers Metered Usage (kWh)>>	20,000,000	
	115+ kV Customer	

Line No.	Description	Winter[1]	Summer[1]
1	***Customer Allocated Share of R*C Resource***		
2	Total Roswell/Chaves Rated Capacity (kW)	140,000	140,000
3	Available Capacity for R*C (kW)	56.31%	56.31%
4	Capacity Available for R*C (kW) (L2*L3)	78,835	78,835
5			
6	Customer Subscribed Amount of R*C (kW)	5,000	5,000
7	Customer R*C Share (%) (L6/L4)	6.34%	6.34%
8			
9	***Customer Energy Credit***		
10	Energy Generated in Month for R*C (kWh)	13,279,142	18,965,376
11	Customer R*C Share (%) (L7)	6.34%	6.34%
12	Customer Allocated R*C (kWh) (L10*L11)	842,214	1,202,857
13	Energy Charge ($/kWh)	$ 0.005720	$ 0.005720
14	Energy Charge Credit ($) (L12*L13)	$ 4,817.47	$ 6,880.34

[1] Summer is June-Sept; Winter is the Remaining Months.

Illustrive Example of FPPCAC Charge Credit
For the Year 2025

Customer R*C Subscription (kW)>>	5,000	
Customers Metered Usage (kWh)>>	20,000,000	
	115+ kV Customer	

Line No.	Description	Winter[1]	Summer[1]
1	***Customer Allocated Share of R*C Resource***		
2	Total Roswell/Chaves Rated Capacity (kW)	140,000	140,000
3	Available Capacity for R*C (kW)	56.31%	56.31%
4	Capacity Available for R*C (kW) (L2*L3)	78,835	78,835
5			
6	Customer Subscribed Amount of R*C (kW)	5,000	5,000
7	Customer R*C Share (%) (L6/L3)	6.34%	6.34%
8			
9	***Customer FPPCAC Credit***		
10	Energy Generated in Month for R*C (kWh)	13,279,142	18,965,376
11	Customer R*C Share (%) (L7)	6.34%	6.34%
12	Customer Allocated R*C (kWh) (L10*L11)	842,214	1,202,857
13	FPPCAC Charge ($/kWh)	$ 0.010020	$ 0.010020
14	FPPCAC Charge Credit ($) (L12*L13)	$ 8,439	$ 12,053

[1] Summer is June-Sept; Winter is the Remaining Months.

Illustrive Example of RPS Rate Rider Charge Credit
For the Year 2025

Customer R*C Subscription (kW)>>	5,000	
Customers Metered Usage (kWh)>>	20,000,000	
	115+ kV Customer	

Line No.	Description	Winter[1]	Summer[1]
1	***Customer Allocated Share of R*C Resource***		
2	Total Roswell/Chaves Rated Capacity (kW)	140,000	140,000
3	Available Capacity for R*C (kW)	56.31%	56.31%
4	Capacity Available for R*C (kW) (L2*L3)	78,835	78,835
5			
6	Customer Subscribed Amount of R*C (kW)	5,000	5,000
7	Customer R*C Share (%) (L6/L3)	6.34%	6.34%
8			
9	***Customer RPS Rate Rider Credit***		
10	Energy Generated in Month for R*C (kWh)	13,279,142	18,965,376
11	Customer R*C Share (%) (L7)	6.34%	6.34%
12	Customer Allocated R*C (kWh) (L10*L11)	842,214	1,202,857
13	RPS Rate Rider Charge ($/kWh)	$ 0.000901	$ 0.000901
14	RPS Rate Rider Charge Credit ($) (L12*L13)	$ 759	$ 1,084

[1] Summer is June-Sept; Winter is the Remaining Months.

Illustrive Example of Unused Credit (Charge)
For the Year 2025

Customer R*C Subscription (kW)>>	5,000	
Customers Metered Usage (kWh)>>	300,000	
	115+ kV Customer	

Line No.	Description	Winter[1]	Summer[1]
1	***Customer Allocated Share of R*C Resource***		
2	Total Roswell/Chaves Rated Capacity (kW)	140,000	140,000
3	Available Capacity for R*C (kW)	56.31%	56.31%
4	Capacity Available for R*C (kW) (L2*L3)	78,835	78,835
5			
6	Customer Subscribed Amount of R*C (kW)	5,000	5,000
7	Customer R*C Share (%) (L6/L3)	6.34%	6.34%
8			
9	***Unused Energy Determination***		
10	Energy Generated in Month for R*C (kWh)	13,279,142	18,965,376
11	Customer R*C Share (%) (L7)	6.34%	6.34%
12	Customer Allocated R*C (kWh) (L10*L11)	842,214	1,202,857
13	Customer's Metered Usage (kWh)	300,000	300,000
14	Unused Energy (kWh) (L12-L13)	542,214	902,857
15	Unused Energy Rate ($/kWh)	$ 0.035870	$ 0.033280
16	Unused Energy Credit (L14*L15)	$ 19,449	$ 30,047

[1] Summer is June-Sept; Winter is the Remaining Months.

Attachment RMS-4 - Corrected

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
16 YRS, 5 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 69 kV (Summer)**				
2	4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 188,910.54	$ (4,018.42)	-2.08%
3	5,800,000 kWh and 10,000 kW	$ 258,167.38	$ 254,419.58	$ (3,747.80)	-1.45%
4					
5	**Large General Service Transmission - 69 kV (Non-Summer)**				
6	4,200,000 kWh and 7,500 kW	$ 179,546.08	$ 193,686.63	$ 14,140.55	7.88%
7	5,800,000 kWh and 10,000 kW	$ 241,199.94	$ 255,026.21	$ 13,826.27	5.73%
8					
9	**Large General Service Transmission - 69 kV (Annualized)**				
10	4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,094.60	$ 8,087.56	4.40%
11	5,800,000 kWh and 10,000 kW	$ 246,855.75	$ 254,824.00	$ 7,968.25	3.23%
12					
13	**Large General Service Transmission - 115 kV + (Summer)**				
14	3,500,000 kWh and 6,000 kW	$ 155,726.29	$ 151,923.51	$ (3,802.78)	-2.44%
15	7,600,000 kWh and 12,000 kW	$ 316,501.02	$ 313,223.71	$ (3,277.31)	-1.04%
16	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 461,506.73	$ (2,944.39)	-0.63%
17	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 787,383.49	$ (9,396.88)	-1.18%
18					
19	**Large General Service Transmission - 115 kV + (Non-Summer)**				
20	3,500,000 kWh and 6,000 kW	$ 144,868.79	$ 159,215.34	$ 14,346.55	9.90%
21	7,600,000 kWh and 12,000 kW	$ 296,278.28	$ 310,585.87	$ 14,307.59	4.83%
22	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,247.01	$ 14,658.80	3.38%
23	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 763,116.95	$ 15,571.42	2.08%
24					
25	**Large General Service Transmission - 115 kV + (Annualized)**				
26	3,500,000 kWh and 6,000 kW	$ 148,487.96	$ 156,784.73	$ 8,296.77	5.59%
27	7,600,000 kWh and 12,000 kW	$ 303,019.19	$ 311,465.15	$ 8,445.96	2.79%
28	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 452,666.92	$ 8,791.07	1.98%
29	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 771,205.80	$ 7,248.66	0.95%

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
16 YRS, 10 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 69 kV (Summer)**				
2					
3	5,800,000 kWh and 10,000 kW	$ 258,167.38	$ 283,706.39	$ 25,539.01	9.89%
4					
5	**Large General Service Transmission - 69 kV (Non-Summer)**				
6					
7	5,800,000 kWh and 10,000 kW	$ 241,199.94	$ 274,260.45	$ 33,060.51	13.71%
8					
9	**Large General Service Transmission - 69 kV (Annualized)**				
10					
11	5,800,000 kWh and 10,000 kW	$ 246,855.75	$ 277,409.10	$ 30,553.35	12.38%
12					
13	**Large General Service Transmission - 115 kV + (Summer)**				
14					
15	7,600,000 kWh and 12,000 kW	$ 316,501.02	$ 309,202.21	$ (7,298.81)	-2.31%
16	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 457,485.24	$ (6,965.88)	-1.50%
17	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 790,695.77	$ (6,084.60)	-0.76%
18					
19	**Large General Service Transmission - 115 kV + (Non-Summer)**				
20					
21	7,600,000 kWh and 12,000 kW	$ 296,278.28	$ 324,104.68	$ 27,826.40	9.39%
22	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 461,765.82	$ 28,177.61	6.50%
23	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 776,643.02	$ 29,097.49	3.89%
24					
25	**Large General Service Transmission - 115 kV + (Annualized)**				
26					
27	7,600,000 kWh and 12,000 kW	$ 303,019.19	$ 319,137.19	$ 16,118.00	5.32%
28	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 460,338.96	$ 16,463.11	3.71%
29	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 781,327.27	$ 17,370.13	2.27%

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
16 YRS, 15 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 115 kV + (Summer)**				
2					
3					
4	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 453,463.74	$ (10,987.38)	-2.37%
5	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 786,674.27	$ (10,106.10)	-1.27%
6					
7	**Large General Service Transmission - 115 kV + (Non-Summer)**				
8					
9					
10	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 475,284.63	$ 41,696.42	9.62%
11	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 790,161.83	$ 42,616.30	5.70%
12					
13	**Large General Service Transmission - 115 kV + (Annualized)**				
14					
15					
16	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 468,011.00	$ 24,135.15	5.44%
17	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 788,999.31	$ 25,042.17	3.28%

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
16 YRS, 30 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 815,932.70	$ 19,152.33	2.40%
2					
3	**Large General Service Transmission - 115 kV + (Non-Summer)**				
4					
5					
6					
7	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 830,597.50	$ 83,051.97	11.11%
8					
9	**Large General Service Transmission - 115 kV + (Annualized)**				
10					
11					
12					
13	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 825,709.23	$ 61,752.09	8.08%

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
10 YRS, 5 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 69 kV (Summer)**				
2	4,200,000 kWh and 7,500 kW	$ 192,928.96	$ 189,420.98	$ (3,507.98)	-1.82%
3	5,800,000 kWh and 10,000 kW	$ 258,167.38	$ 254,913.59	$ (3,253.79)	-1.26%
4					
5	**Large General Service Transmission - 69 kV (Non-Summer)**				
6	4,200,000 kWh and 7,500 kW	$ 179,546.08	$ 194,043.44	$ 14,497.36	8.07%
7	5,800,000 kWh and 10,000 kW	$ 241,199.94	$ 255,372.10	$ 14,172.16	5.88%
8					
9	**Large General Service Transmission - 69 kV (Annualized)**				
10	4,200,000 kWh and 7,500 kW	$ 184,007.04	$ 192,502.62	$ 8,495.58	4.62%
11	5,800,000 kWh and 10,000 kW	$ 246,855.75	$ 255,219.26	$ 8,363.51	3.39%
12					
13	**Large General Service Transmission - 115 kV + (Summer)**				
14	3,500,000 kWh and 6,000 kW	$ 155,726.29	$ 152,433.95	$ (3,292.34)	-2.11%
15	7,600,000 kWh and 12,000 kW	$ 316,501.02	$ 313,717.72	$ (2,783.30)	-0.88%
16	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 462,000.74	$ (2,450.38)	-0.53%
17	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 787,877.50	$ (8,902.87)	-1.12%
18					
19	**Large General Service Transmission - 115 kV + (Non-Summer)**				
20	3,500,000 kWh and 6,000 kW	$ 144,868.79	$ 159,572.91	$ 14,704.12	10.15%
21	7,600,000 kWh and 12,000 kW	$ 296,278.28	$ 308,431.68	$ 12,153.40	4.10%
22	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 448,593.05	$ 15,004.84	3.46%
23	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 763,462.99	$ 15,917.46	2.13%
24					
25	**Large General Service Transmission - 115 kV + (Annualized)**				
26	3,500,000 kWh and 6,000 kW	$ 148,487.96	$ 157,193.26	$ 8,705.30	5.86%
27	7,600,000 kWh and 12,000 kW	$ 303,019.19	$ 310,193.69	$ 7,174.50	2.37%
28	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 453,062.28	$ 9,186.43	2.07%
29	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 771,601.16	$ 7,644.02	1.00%

Southwestern Public Service Company
- New Mexico Retail
Comparison of Bills under Current Base Rates with Proposed R*C Rates
10 YRS, 10 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 69 kV (Summer)**				
2					
3	5,800,000 kWh and 10,000 kW	$ 258,167.38	$ 284,694.40	$ 26,527.02	10.28%
4					
5	**Large General Service Transmission - 69 kV (Non-Summer)**				
6					
7	5,800,000 kWh and 10,000 kW	$ 241,199.94	$ 274,952.24	$ 33,752.30	13.99%
8					
9	**Large General Service Transmission - 69 kV (Annualized)**				
10					
11	5,800,000 kWh and 10,000 kW	$ 246,855.75	$ 278,199.63	$ 31,343.88	12.70%
12					
13	**Large General Service Transmission - 115 kV + (Summer)**				
14					
15	7,600,000 kWh and 12,000 kW	$ 316,501.02	$ 310,190.22	$ (6,310.80)	-1.99%
16	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 458,473.25	$ (5,977.87)	-1.29%
17	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 791,683.78	$ (5,096.59)	-0.64%
18					
19	**Large General Service Transmission - 115 kV + (Non-Summer)**				
20					
21	7,600,000 kWh and 12,000 kW	$ 296,278.28	$ 324,796.76	$ 28,518.48	9.63%
22	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 462,457.90	$ 28,869.69	6.66%
23	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 777,335.10	$ 29,789.57	3.98%
24					
25	**Large General Service Transmission - 115 kV + (Annualized)**				
26					
27	7,600,000 kWh and 12,000 kW	$ 303,019.19	$ 319,927.91	$ 16,908.72	5.58%
28	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 461,129.68	$ 17,253.83	3.89%
29	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 782,117.99	$ 18,160.85	2.38%

Southwestern Public Service Company
- New Mexico Retail

10 YRS, 15 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 115 kV + (Summer)**				
2					
3					
4	11,000,000 kWh and 18,000 kW (average)	$ 464,451.12	$ 454,945.75	$ (9,505.37)	-2.05%
5	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 788,156.29	$ (8,624.08)	-1.08%
6					
7	**Large General Service Transmission - 115 kV + (Non-Summer)**				
8					
9					
10	11,000,000 kWh and 18,000 kW (average)	$ 433,588.21	$ 476,322.75	$ 42,734.54	9.86%
11	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 791,199.95	$ 43,654.42	5.84%
12					
13	**Large General Service Transmission - 115 kV + (Annualized)**				
14					
15					
16	11,000,000 kWh and 18,000 kW (average)	$ 443,875.85	$ 469,197.08	$ 25,321.23	5.70%
17	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 790,185.40	$ 26,228.26	3.43%

Southwestern Public Service Company
- New Mexico Retail

10 YRS, 30 MW Subscription

Line No	Description	Monthly Bill at Current Rates	Monthly Bill at R*C Rates	$ Change	% Change
1	**Large General Service Transmission - 115 kV + (Summer)**				
2					
3					
4					
5	20,000,000 kWh and 30,000 kW	$ 796,780.37	$ 818,896.73	$ 22,116.36	2.78%
6					
7	**Large General Service Transmission - 115 kV + (Non-Summer)**				
8					
9					
10					
11	20,000,000 kWh and 30,000 kW	$ 747,545.53	$ 832,673.73	$ 85,128.20	11.39%
12					
13	**Large General Service Transmission - 115 kV + (Annualized)**				
14					
15					
16					
17	20,000,000 kWh and 30,000 kW	$ 763,957.14	$ 828,081.40	$ 64,124.26	8.39%

Workpapers and Native Files
Corrected

Attachment RMS-5 -Corrected is provided in native format as part of Attachment RMS-1,2,4,5_Corrected.xlsx

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR AUTHORIZATION OF LARGE CUSTOMER RENEWABLE*CONNECT PROGRAM AND TARIFF AND OTHER ASSOCIATED RELIEF,	)	
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	**Case No. 23-00271-UT**
Applicant.	)	

CERTIFICATE OF SERVICE

I CERTIFY that on this date a I served upon the individuals listed below, via email only, a true and correct copy of *Southwestern Public Service Company's errata notice regarding the Direct Testimony of Ruth M. Sakya* was electronically sent to each of the following on this 17th day of November 2023.

PRC Records Management Bureau	prc.records@prc.nm.gov;
Ana Kippenbrock	ana.kippenbrock@prc.nm.gov;
Scott Cameron	scott.cameron@prc.nm.gov;
Russell Fisk	russell.fisk@prc.nm.gov;
Arthur O'Donnell	arthur.o'donnell@prc.nm.gov;
MaryJane Parks	maryjane.parks@prc.nm.gov;
LaurieAnn Santillanes	laurieann.santillanes@prc.nm.gov;
Federal Executive Agencies	
Maj Leslie R. Newton	leslie.newton.1@us.af.mil;
Capt. Ashley N. George	ashley.george.4@us.af.mil;
Mr. Thomas A. Jernigan	thomas.jernigan.3@us.af.mil;
Mrs. Ebony Payton	ebony.payton.ctr@us.af.mil;
TSgt Rafael Franjul	rafael.franjul@us.af.mil;
Mr. Michael Gorman	mgorman@consultbai.com
Ms. Sally Wilhems	swilhelms@consultbai.com;
Louisiana Energy Services	
Joan E. Drake	jdrake@modrall.com;
Susan E. Miller	susan.miller@modrall.com;
Perry Robinson	perry.robinson@urenco.com;

Michael Gorman	mgorman@consultbai.com;
Sally Wilhelms	swilhelms@consultbai.com;

New Mexico Large Customer Group	
Nikolas Stoffel	nsstoffel@hollandhart.com;
Thorvald Nelson	tnelson@hollandhart.com
David Austin Rueschhoff	darueschhoff@hollandhart.com;
Austin W. Jensen	awJensen@hollandhart.com;
Adele Lee	aclee@hollandhart.com;
C.L. Moser	clmoser@hollandhart.com;
NM People's Energy Cooperative	
Jane Yee	jane.cambio@gmail.com;
Andrew Stone	andrew@stone.com;
Brian T. Naughton	btnaughton@gmail.com;
Occidental Permian	
Phillip G. Oldham	poldham@omm.com;
Katherine L. Coleman	kcoleman@omm.com;
Michael A. McMillin	mmcmillin@omm.com
Christian E. Rice	crice@omm.com;
O'Melveny & Myers	ommeservice@omm.com;
Melissa Trevino	melissa_trevino@oxy.com;
Ryan Pfefferle	ryan_pfefferle@oxy.com;
SPS	
Stephanie Houle	stephanie.g.houle@xcelenergy.com;
Erika Kane	erika.m.kane@xcelenergy.com;
Brooke Trammell	brooke.a.trammell@xcelenergy.com;
Zoe Lees	Zoe.e.lees@xcelenergy.com;
Linda Hudgins	Linda.l.hudgins@xcelenergy.com;
Luis Saenz	Luis.f.saenz@xcelenergy.com;
Andrew Trowbridge	Alexander.g.trowbridge@xcelenergy.com;
Stephanie Green	sgreen@dwmrlaw.com;
Patrick Pearsall	ppearsall@dwmrlaw.com;
PRC Advocacy Staff	
Bradford Borman	bradford.borman@prc.nm.gov;
John Bogatko	john.bogatko@prc.nm.gov;
Joan Ellis	joan.ellis@prc.nm.gov
Ryan Friedman	ryan.friedman@prc.nm.gov
Elisha Leyba-Tercero	elisha.leyba-tercero@prc.nm.gov;

Ed Rilkoff	ed.rilkoff@prc.nm.gov;
Elizabeth Ramirez	elizabeth.ramirez@prc.nm.gov;
Peggy Martinez-Rael	peggy.martinez-rael@prc.nm.gov;
Walmart	
Julie A. Clark	jclark@clarkflege.com;
Steve W. Chris	stephen.chriss@walmart.com;
Lisa V. Perry	Lisa.Perry@walmart.com;
Emma Burton	eburton@clarkflege.com;

Respectfully submitted,
/s/ Luis F. Sáenz
Southwestern Public Service Company
119 E. Marcy St. Suite 202
Santa Fe, NM 87501
(575)-202-6662
Luis.F.Saenz@xcelenergy.com