

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

ADVICE NOTICE NO. 288

July 1, 2020

**NEW MEXICO PUBLIC REGULATION COMMISSION  
OF THE STATE OF NEW MEXICO**

Southwestern Public Service Company hereby gives notice to the public and the Commission of the filing of a change in its Renewable Portfolio Standard Cost Rider rate. The requested change has an effective date of July 31, 2020.

| <b>Rate No.</b>       | <b>Title of Sheet</b>                       | <b>Canceling Rate No.</b> | <b>Effective Date</b> |
|-----------------------|---|---------------------------|-----------------------|
| One Hundred Seven Rev | Table of Contents – Electric Rate Schedules | One Hundred Six Rev       | July 31, 2020         |
| Eighth Rev. 70        | RPS Cost Rider                              | Seventh Rev. 70           | July 31, 2020         |
| First Rev. 77         | RPS Reconciliation Rider                    | Original 77               | July 31, 2020         |

SOUTHWESTERN PUBLIC SERVICE COMPANY

*/s/ Evan D. Evans*

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Evan D. Evans  
Director - Regulatory and Pricing Analysis  
Southwestern Public Service Company

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

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| <u>Rate No.</u> | <u>Tariff No.</u> | <u>Title</u>                          | <u>Territory</u>  |
|-----------------|-------------------|---------------------------------------|---|
|                 |                   |                                       | Except where otherwise stated; Artesia, Carlsbad, Clovis, Dexter, Eunice, Hagerman, Hobbs, Jal, Lake Arthur, Loving, Malaga, Otis, Portales, Roswell, Texico, and Tucumcari |
| 1               | 1018.20           | Residential Service                   |   |
| 3               | 2002.24           | Irrigation Power Service              |   |
| 4               | 3018.33           | Purchases from Qualifying Facility    |   |
| 6               | 3110.21           | Small General Service                 |   |
| 13              | 4106.20           | Primary General Service               |   |
| 14              | 5027.15           | Municipal Street Lighting Service     |   |
| 16              | 6016.20           | Large Municipal and School Service    |   |
| 26              | 7004.10           | Miscellaneous Service Charges         |   |
| 27              | 4107.9            | SLCA Integrated Projects Energy Rider | Cannon AFB, Clovis  |
| 28              | 5118.10           | Area Lighting Service                 |   |
| 31              | 7201.2            | Photovoltaic Water Pumping Systems    |   |

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| Advice Notice No.                                 |          |
| <i>/s/ Evan D. Evans</i>                          |          |
| <b>DIRECTOR - REGULATORY AND PRICING ANALYSIS</b> |          |

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

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| 33              | 7202.3            | Renewable Energy Rate Rider                 |   |
| 34              | 4110.8            | Large General Service - Transmission        |   |
| 39              | 1017.7            | Residential Heating Service                 |   |
| 40              | 4060.7            | Secondary General Service                   |   |
| 42              | 6018.7            | Small Municipal and School Service          |   |
| 44              | 7203.16           | Energy Efficiency Rider                     |   |
| 52              | 5004.7            | Small Solar Distributed Generation Program  |   |
| 53              | 5005.7            | Medium Solar Distributed Generation Program |   |
| 54              | 5006.6            | Large Solar Distributed Generation Program  |   |

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| Rate<br>No. | Tariff<br>No. | Title   | Territory   |
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| 57          | 5009.3        | Small SDG-REC Purchase Program                                      |   |
| 58          | 5010.3        | Medium SDG-REC Purchase Program                                     |   |
| 62          | 5014.3        | 3 <sup>rd</sup> Party Small Solar Distributed Generation Program    |   |
| 63          | 5015.3        | 3 <sup>rd</sup> Party Medium Solar Distributed Generation Program   |   |
| 64          | 5016.2        | 3 <sup>rd</sup> Party Large Solar Distributed Generation Program    |   |
| 65          | 5017.2        | 3 <sup>rd</sup> Party Small Biomass Distributed Generation Program  |   |
| 66          | 5018.2        | 3 <sup>rd</sup> Party Medium Biomass Distributed Generation Program |   |
| 70          |               | Renewable Portfolio Cost Rider                                      | X   |
| 72          | 7107.3        | Fuel and Purchased Power Cost Adjustment Clause                     |   |
| 73          | 4030.3        | General Service – Time of Use Rate                                  |   |
| 76          | 7208          | Solar*Connect Community Rate Rider                                  |   |
| 77          |               | RPS Reconciliation Rider  | X   |

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| 288 <span style="float:right">X</span>        |
| Advice Notice No.                             |
| <i>/s/ Evan D. Evans</i>                      |
| DIRECTOR - REGULATORY AND PRICING<br>ANALYSIS |

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

**EIGHTH REVISED RATE NO. 70  
CANCELING SEVENTH REVISED RATE NO. 70**

**X  
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**RPS COST RIDER**

**X**

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

**TERRITORY:** Area served by Company in New Mexico.

**RATE:** The rate is applied to each kWh used per month to each customer class listed below other than kWh purchased under Rate Rider 33 or Rate Rider 76.

**X**

| <b>CUSTOMER CLASS:</b>  | <b>\$/kWh</b> |          |
|---|---------------|----------|
| Residential Service, Residential Heating Service,<br>Small General Service, Small Municipal and School Service,<br>Municipal Street Lighting Service, Area Lighting Service | \$0.002217    | <b>X</b> |
| Secondary General Service, Irrigation Power Service,<br>Large Municipal and School Service  | \$0.002217    | <b>X</b> |
| Primary General Service   | \$0.002217    | <b>X</b> |
| Large General Service – Transmission  | \$0.002217    | <b>X</b> |

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

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| <b>DIRECTOR, REGULATORY PRICING &amp;<br/>ANALYSIS</b> |          |

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

**FIRST REVISED RATE NO. 77  
CANCELING ORIGINAL RATE NO. 77**

**X**

**RPS RECONCILIATION RIDER**

**X**

Page 1 of 1

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

**TERRITORY:** Area served by Company in New Mexico.

**RATE:** \$(0.000801) per kWh in each billing period.

**X**

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

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Advice Notice No.

*/s/ Evan D. Evans*

**DIRECTOR, REGULATORY PRICING &  
ANALYSIS**

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

ADVICE NOTICE NO. 289

July 1, 2020

**NEW MEXICO PUBLIC REGULATION COMMISSION  
OF THE STATE OF NEW MEXICO**

Southwestern Public Service Company hereby gives notice to the public and the Commission of the filing of its Solar\*Connect Community Rate Rider with an effective date of January 1, 2021.

| <b>Rate No.</b>     | <b>Title of Sheet</b>                       | <b>Canceling Rate No.</b> | <b>Effective Date</b> |
|---------------------|---|---------------------------|-----------------------|
| One Hundred One Rev | Table of Contents – Electric Rate Schedules | One Hundred               | January 1, 2021       |
| Original 76         | Solar*Connect Community Rate Rider          |                           | January 1, 2021       |

SOUTHWESTERN PUBLIC SERVICE COMPANY

*/s/ Evan D. Evans*

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Evan D. Evans  
Director - Regulatory and Pricing Analysis  
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ORIGINAL RATE NO. 76

SOLAR\*CONNECT COMMUNITY RATE RIDER

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

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

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

**TERRITORY:** Area served by Company in New Mexico.

**DEFINITIONS:**

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

**Solar\*Connect Charge:** For calendar year 2021, the Solar\*Connect Charge is \$39/MWh (\$0.039/kWh).

Following calendar year 2021, the Solar\*Connect Charge will be increased two percent (2%) per calendar year, which will take effect beginning January 1 of each calendar year.

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

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## ORIGINAL RATE NO. 76

## SOLAR\*CONNECT COMMUNITY RATE RIDER

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**DEFINITIONS (cont.):**

by the Commission. The Solar\*Connect Credit will be updated annually. The Solar\*Connect Credit for 2021 is \$24.58/MWh (\$.02458/kWh).

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

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

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

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

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

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

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/s/ Evan D. Evans

DIRECTOR - REGULATORY AND PRICING  
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ORIGINAL RATE NO. 76

SOLAR\*CONNECT COMMUNITY RATE RIDER

**SUBSCRIPTIONS (cont.):**

Solar\*Connect Subscribers have the right to increase their subscription option at any point during their obligation term without penalty, so long as there is available unsubscribed capacity from the Solar\*Connect Resource for the subscription.

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

**DETERMINATION OF SOLAR\*CONNECT SUBSCRIBER MONTHLY**

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

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

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

B = Solar\*Connect Subscriber Monthly Generation (kWh)

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

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

A minimum of three years for commercial customers. Year to year thereafter. After a commercial contract has been in effect for three years or more, a customer can cancel the contract with one year prior notification to the Company.

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ORIGINAL RATE NO. 76

SOLAR\*CONNECT COMMUNITY RATE RIDER

**CONTRACT PERIOD (cont.):**

When a participating Solar\*Connect Subscriber ends service at one address and starts electric service at a new address within Company’s service territory, that subscriber’s Solar\*Connect subscription will automatically transfer to the new address. In the event that the Solar\*Connect Subscriber chooses to cancel a subscription, the Solar\*Connect Subscriber may do so by notifying the Company prior to a move.

**ANNUAL SOLAR\*CONNECT RATE RIDER UPDATE FILINGS:**

1. **Filing Date:** Each year, beginning in 2020, Company shall file an Informational Filing in conjunction with its annual Renewable Portfolio Standard proceeding. The Informational Filing will contain:
  - a. The updated Solar\*Connect Credit for the upcoming calendar year.
  
2. **Review Period:**
  - a. The Commission Staff and intervenors shall receive a copy of the Informational Filing.
  - b. The scope of review will be limited to:
    - i. whether SPS has properly applied the Commission-approved methodology for calculating the updated Solar\*Connect Credit;
    - ii. whether the data included in the informational filing is accurate;
    - iii. the amount of subsidization by non-participants for the previous year; and
    - iv. the actual number of participants and the subscription levels for the previous year.
  - c. Commission staff and intervenors will formally communicate any issues (“Disputed Issues”) in writing to Company and other parties.

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ORIGINAL RATE NO. 76

SOLAR\*CONNECT COMMUNITY RATE RIDER

**ANNUAL SOLAR\*CONNECT RATE RIDER UPDATE FILINGS (cont.):**

**3. Effectiveness of updated Solar\*Connect Rate Rider:**

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

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

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

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

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

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