

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF SOUTHWESTERN )  
PUBLIC SERVICE COMPANY'S )  
APPLICATION FOR: (1) REVISION OF )  
ITS RETAIL RATES UNDER ADVICE )  
NOTICE NO. 282; (2) AUTHORIZATION )  
AND APPROVAL TO SHORTEN THE )  
SERVICE LIFE OF AND ABANDON ITS )  
TOLK GENERATING STATION UNITS; )  
AND (3) OTHER RELATED RELIEF, )  
)  
SOUTHWESTERN PUBLIC SERVICE )  
COMPANY, )  
)  
APPLICANT. )  
)  
)**

---

**CASE NO. 19-00170-UT**

**DIRECT TESTIMONY**

*of*

**CASEY S. MEEKS**

*on behalf of*

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

**TABLE OF CONTENTS**

GLOSSARY OF ACRONYMS AND DEFINED TERMS..... iii

LIST OF ATTACHMENTS ..... iv

I. WITNESS IDENTIFICATION AND QUALIFICATIONS ..... 1

II. ASSIGNMENT AND SUMMARY OF TESTIMONY AND RECOMMENDATIONS ..... 4

III. THE RANKING, ESTIMATION, AND MANAGEMENT OF DISTRIBUTION CAPITAL ADDITIONS ..... 8

IV. DISTRIBUTION CAPITAL ADDITIONS ..... 21

    A. DISTRIBUTION CAPITAL ADDITIONS FOR THE PERIOD OF APRIL 1, 2018 THROUGH MARCH 31, 2019 ..... 21

    B. DISTRIBUTION CAPITAL ADDITIONS FOR THE PERIOD OF APRIL 1, 2019 THROUGH AUGUST 31, 2019 ..... 29

V. DISTRIBUTION BUSINESS AREA OPERATION AND MAINTENANCE EXPENSES INCURRED DURING THE TEST YEAR ARE REASONABLE AND NECESSARY ..... 35

VI. PROPOSED RATE TARIFF MODIFICATIONS ..... 43

VII. PROPOSED RULE TARIFF MODIFICATION ..... 45

VERIFICATION..... 46

## **GLOSSARY OF ACRONYMS AND DEFINED TERMS**

<b><u>Acronym/Defined Term</u></b>	<b><u>Meaning</u></b>
Base Period	April 1, 2018 through March 31, 2019
Commission	New Mexico Public Regulation Commission
CWIP	Construction Work in Progress
FERC	Federal Energy Regulatory Commission
O&M	Operation and Maintenance
Operating Companies	Northern States Power Company, a Minnesota corporation; Northern States Power Company, a Wisconsin corporation; Public Service Company of Colorado, a Colorado corporation; and SPS
Operating Company	One of the Operating Companies
RFP	Rate Filing Package
SPS	Southwestern Public Service Company, a New Mexico corporation
Test Year	Historical Test Year Period consisting of the Base Period and further incorporating all proper adjustments and capital additions
the Act	New Mexico Night Sky Protection Act, NMSA 1978, § 74-12-1 <i>et seq.</i>
WBS	Work Breakdown Structure
XES	Xcel Energy Services Inc.

## LIST OF ATTACHMENTS

<b><u>Attachment</u></b>	<b><u>Description</u></b>
CSM-1	Total Company Amounts and Jurisdictional Percentages ( <i>Filename: CSM-1.xlsx</i> )
CSM-2	Distribution Capital Additions to Plant in Service: April 1, 2018 through March 31, 2019 ( <i>Filename: CSM-2.xlsx</i> )
CSM-3	Distribution Capital Additions to Plant in Service: April 1, 2019 through August 31, 2019 ( <i>Filename: CSM-3.xlsx</i> )
CSM-4	Distribution Operation and Maintenance Expense by FERC Account April 1, 2018 through March 31, 2019 ( <i>Filename: CSM-4.xlsx</i> )

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1           **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

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

3   A. My name is Casey S. Meeks. My business address is 4201 Frankford, Lubbock,  
4       Texas 79407.

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

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

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

10   A. I am employed by SPS as Senior Director, Distribution Operations.

11   **Q. Please briefly outline your responsibilities as Senior Director, Distribution**  
12       **Operations.**

13   A. My responsibilities as Senior Director, Distribution Operations include leading  
14       the SPS Distribution Operations organization. Distribution Operations includes  
15       electric distribution design and layout, construction, operations, maintenance, and  
16       emergency repair activities for the SPS distribution systems. As such, I provide  
17       the central point of contact for all issues regarding SPS Distribution Operations. I  
18       am also responsible for deploying Distribution Operations personnel in an

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 effective and efficient manner, with an emphasis on safety, reliability, customer  
2 satisfaction, and compliance.

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

4 A. I received a Bachelor of Science degree in Mechanical Engineering from Texas  
5 Tech University in Lubbock, Texas in December of 2007.

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

7 A. I was hired by SPS in Hobbs, New Mexico as a distribution engineer in January of  
8 2008. As a distribution engineer, I was responsible for the design, procurement of  
9 materials, and management of projects primarily related to the extension of  
10 electrical service to new customers in and around the Hobbs, New Mexico area.  
11 In 2011, I took a position as Manager of Distribution Design for the Texas South  
12 and New Mexico regions of SPS, leading a team of designers and engineers  
13 responsible for the design of projects that safely serve new electric customers and  
14 provide for distribution system reliability. In 2013, I was promoted to Director of  
15 Distribution Engineering, Construction and Maintenance for the Texas South  
16 division of SPS. In October of 2018, I began my current position as Senior  
17 Director of Distribution Operations for SPS, where I devote my time to operating  
18 SPS's Texas and New Mexico electric distribution systems.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

- 1 **Q. Do you hold a professional license?**
- 2 A. Yes. I am a licensed Professional Engineer in Texas and New Mexico.
- 3 **Q. Are you a member of any professional organizations?**
- 4 A. Yes. I am a member of the American Society of Mechanical Engineers.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **II. ASSIGNMENT AND SUMMARY OF TESTIMONY AND**  
2 **RECOMMENDATIONS**

3 **Q. What is your assignment in this proceeding?**

4 **A.** My testimony will address the following topics:

- 5 1. I explain how Distribution capital projects are ranked, estimated, selected  
6 for funding, and managed.
- 7 2. I present the Distribution capital additions from April 1, 2018 through  
8 August 31, 2019, including the cost data for the capital additions that  
9 closed to plant-in-service during the period of April 1, 2018 through  
10 March 31, 2019 and the capital additions that have closed or are expected  
11 to close to plant-in-service during the period from April 1, 2019 through  
12 August 31, 2019.
- 13 3. I discuss the overall Operation and Maintenance (“O&M”) expenses for  
14 the Distribution organization for the Test Year<sup>1</sup> and explain that the level  
15 of expenses is reasonable and necessary to support the electric service SPS  
16 provides to its New Mexico retail customers and is representative of future  
17 costs.
- 18  
19 4. I support SPS’s request to modify Area Lighting Service Tariff No. 28,  
20 Municipal Street Lighting Service Tariff No. 14, and Rule 16, Extensions  
21 to Customers.  
22

23 In addition, I sponsor Schedules P-8 and P-10 of SPS’s Rate Filing Package  
24 (“RFP”).

---

<sup>1</sup> The Test Year is the Historical Test Year Period consisting of the Base Period (April 1, 2018 through March 31, 2019) and further incorporating all proper adjustments and capital additions.



Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Please summarize the conclusions and recommendations in your testimony.**

2 A. First, the Distribution (and related General and Intangible Plant) capital additions  
3 of \$54,886,427 on a New Mexico retail basis that SPS has placed into service  
4 during the period of April 1, 2018 through March 31, 2019 and expects to close to  
5 plant-in-service from April 1, 2019 through August 31, 2019 are necessary  
6 because they support SPS's ability to provide safe and reliable electric service to  
7 its customers, and the process for developing costs and managing projects ensures  
8 that the expenditures are reasonable and that the costs were prudently incurred.  
9 Therefore, the New Mexico Public Regulation Commission ("Commission")  
10 should authorize the inclusion of these Distribution capital additions in SPS's rate  
11 base.

12 Second, the distribution-related O&M expenses included in the Test Year  
13 are reasonable and necessary because they support SPS's ability to provide safe  
14 and reliable electric service to its customers.

15 **Q. Were Attachments CSM-1 through CSM-4 prepared by you or under your**  
16 **direct supervision?**

17 A. Yes.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Were the RFP Schedules that you sponsor prepared by you or under your**  
2 **direct supervision and control?**

3 A. Yes.

4 **Q. Do you incorporate the RFP Schedules that you sponsor into your testimony?**

5 A. Yes.

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

8 A. Throughout this testimony, I quantify the expense and asset amounts on a New  
9 Mexico retail basis by applying the jurisdictional allocation percentages SPS  
10 witness Arthur P. Freitas uses to develop the New Mexico retail revenue  
11 requirement in his Attachment APF-6. Mr. Freitas is responsible for calculating  
12 jurisdictional allocation percentages that apply to the various cost components in  
13 the cost of service. My staff and I conferred with Mr. Freitas and his staff to  
14 determine these New Mexico retail jurisdictional amounts presented in my  
15 testimony and attachments. If the percentages used to allocate amounts to the  
16 New Mexico retail jurisdiction change, those new allocation percentages will  
17 need to be applied to the total company numbers to derive updated New Mexico  
18 retail amounts. My Attachment CSM-1 contains the total company numbers and

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1           the jurisdictional percentages used to derive the New Mexico retail amounts in my  
2           testimony.

1                   **III. THE RANKING, ESTIMATION, AND MANAGEMENT OF**  
2                   **DISTRIBUTION CAPITAL ADDITIONS**

3   **Q.   Please describe the Distribution business area and the work that the**  
4           **Distribution business area performs to support SPS’s operations.**

5   A.   The Distribution business area assists the SPS executive leadership with  
6           engineering support and managerial reporting for SPS operations. The  
7           Distribution business area is comprised of the following functional areas:  
8           Distribution Business Operations; Distribution Electric Engineering; Distribution  
9           Planning and Performance; Vice President Distribution Operations; Gas  
10          Operations; and Distribution Operations. These functional areas focus on  
11          reliability, safety, customer service, operational efficiency, and the fiscal  
12          oversight necessary to construct, operate, and maintain SPS’s electric distribution  
13          system in New Mexico and Texas.

14   **Q.   Please describe the process for ranking and funding Distribution capital**  
15          **projects.**

16   A.   The Distribution business area has a well-defined process for identifying, ranking,  
17          and determining electric distribution capital projects. At a high level, the process  
18          of determining capital expenditures begins with completing all the steps necessary  
19          to evaluate the capital expenditures for a project’s life cycle. The identification

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 and assessment of problems, or “risks,” along with their related solutions, or  
2 “mitigations” is central to this process. Risks are problems that can result in  
3 negative consequences to SPS’s customers, the environment, or SPS’s ability to  
4 provide safe and reliable service. Mitigations are solutions that address the risks.  
5 Each risk can have one or more identified mitigations. Therefore, to ensure each  
6 risk is addressed correctly, both the risk and the mitigations are ranked and the  
7 solution that provides the best value is selected.

8 **Q. Please explain how the process you just described is incorporated into the**  
9 **steps necessary to build the capital expenditures budget for the Distribution**  
10 **business area.**

11 A. The following key steps are necessary to ensure that a comprehensive capital  
12 budget is prepared with a focus on providing safe and reliable electric service:

13 **Step 1** - Engineering and operations personnel identify potential risks and  
14 mitigations, the estimated life of the project, the associated costs,  
15 and the estimated in-service date.

16 **Step 2** - Each risk and mitigation and its associated attributes are reviewed  
17 for accuracy, completeness, and reasonableness.

18 **Step 3** - As each risk and mitigation is submitted for consideration, it is  
19 scored based on certain criteria and the likelihood of the risk  
20 occurring as well as the consequences of not addressing the risk.

21 **Step 4** - All risks and mitigations are ranked or prioritized.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1           **Step 5** - After ranking, the business area determines which risks/mitigations  
2           will be funded during the year.

3           **Step 6** - Risks/mitigations are assigned a capital project number based on the  
4           type of work involved. Capital projects are either classified as  
5           “specific” or “routine.”

6           **Step 7** - Capital project numbers are automatically tied to closing patterns  
7           based on the attributes of the work. Alternatively, in-service dates  
8           are given to large, specific projects.

9           **Step 8** - All capital projects that are included within the authorized funding  
10          level are reviewed and approved both at the business area level and  
11          at the corporate level.

12          **Step 9** - Approved projects are deployed during the year.

13                 The determination of the estimated in-service date of all large projects  
14                 (not in Step 1 above) and the closing patterns associated with different types of  
15                 work (noted in Step 7 above) determine the date the project goes from  
16                 construction work in progress (“CWIP”) to plant-in-service and becomes a plant  
17                 addition. The process of moving projects from CWIP to plant-in-service is  
18                 described in more detail by SPS witness Laurie J. Wold, as it relates to integrating  
19                 SPS’s capital budget across all business areas at the corporate level.

20                 Within the Distribution business area, I will focus on how capital projects  
21                 are developed and become plant additions for the electric distribution system.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Please describe how engineering and operations personnel identify and**  
2 **propose risks and mitigations for inclusion in the capital expenditures budget**  
3 **(Step 1).**

4 A. The electric distribution system serves a diverse range of customers across an  
5 equally diverse topography. As a result, numerous problems or risks can occur.  
6 Each functional area is comprised of operating areas across the service territory.  
7 As capital spending is determined, and throughout the year as new issues are  
8 identified, each operating area brings forward risks and mitigations based on its  
9 knowledge of the assets and operations within its territory. The operating areas'  
10 focus is on building, operating, and maintaining physical assets while achieving  
11 quality improvements and cost efficiencies. Engineers that support the operating  
12 areas also submit risks and mitigations for consideration. All risks and  
13 mitigations are submitted as project requests and entered into Risk Register,  
14 which is a software tool used to track and rank project requests based on the  
15 inputs provided.

16 An example of a risk and mitigation that would be entered into Risk  
17 Register is as follows:

18 Risk: Overload of 12.5 kV Livingston Ridge Substation Transformer

19 Mitigation: Install Livingston Ridge #2 Transformer: 115/12.47, 28 MVA

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Please describe how engineering and operations personnel estimate the costs**  
2 **of proposed capital projects when they are identifying risks and mitigations**  
3 **within Step 1.**

4 A. Estimates are constructed based on historical actuals of projects with similar  
5 scope and scale. Known variations from historical actuals are taken into  
6 consideration in developing the final estimate.

7 **Q. Please describe the review process (Step 2).**

8 A. Budgeting personnel focus on asset health, standardization, and mitigation of risk,  
9 and provide coordination and consistency in evaluating project requests within the  
10 Distribution business area. A thorough review of each submission ensures that  
11 the proposed projects will be ranked and scored appropriately based on their  
12 merits. Additional review may occur after the project requests are scored based  
13 on the comparative ranking of individual projects. Corporate guidelines and  
14 economic factors (such as inflation) are identified annually and their impacts are  
15 included in the budgeting process and the review.

16 **Q. Please describe how the risks and mitigations are scored (Step 3).**

17 A. To facilitate the review and ranking process, project requests that are presented  
18 and entered into Risk Register must include specific information regarding their



Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 annual costs and benefits. Engineering and operations personnel work with  
2 budgeting personnel to score each risk and mitigation individually before ranking  
3 the projects. The business values used to score risks and mitigations and assign a  
4 risk score are as follows:

- 5 • Reliability – identification of overloaded facilities, potential customer  
6 minutes out and the annual hours at risk, failure probabilities, peak day  
7 hours, age of facilities, potential customer outages;
- 8 • Safety – identification of the yearly incident rate before and after the risk  
9 is mitigated;
- 10 • Environmental – evaluation of compliance before and after the risk is  
11 mitigated, and the estimated exposure;
- 12 • Legal – evaluation of compliance before and after the risk is mitigated;  
13 and
- 14 • Financial – identification of the gross cash flow, such as incremental  
15 revenue, realized salvage value, incremental recurring costs, etc., and  
16 identification of avoided costs such as quality of service pay-outs and  
17 failure repairs.

18 **Q. Please describe why and how projects are ranked (Step 4).**

19 A. Funding for projects is not unlimited and typically the cost for projects identified  
20 exceeds the available funding. Therefore, it is important to rank or prioritize the  
21 risks and mitigations prior to authorizing or deploying the work. In addition, the  
22 volume and diversity of risks require the use of a systematic process to perform  
23 asset specific risk assessment over the life cycle of the asset. That assessment is

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 then ranked against other asset assessments that have been reviewed using the  
2 same criteria. Non-discretionary projects and discretionary projects providing the  
3 most value receive a higher ranking based on the business values discussed earlier  
4 (i.e., safety, reliability, environment, legal, and financial).

5 **Q. Please describe how the authorized funding or spending guidelines are**  
6 **determined and applied (Step 5).**

7 A. Capital expenditure guidelines are determined at the corporate level for both the  
8 legal entity and the business area. Capital expenditures associated with  
9 non-discretionary projects are included in the budget first and then any authorized  
10 spending is targeted at discretionary projects based on their ranking.  
11 Non-discretionary projects and discretionary projects that fall within the approved  
12 funding guidelines are included in the annual capital expenditures budget.

13 **Q. Please describe how risks and mitigations are assigned project numbers**  
14 **(Step 6).**

15 A. Once the mitigations become approved projects, a unique tracking number may be  
16 assigned based on a dollar threshold. If the project or program exceeds \$300,000,  
17 it will be assigned a unique number for purposes of tracking and reporting.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Why are in-service dates or closing patterns determined and assigned to**  
2 **capital projects (Step 7)?**

3 A. Closing patterns are developed to forecast when the construction of assets is  
4 expected to be complete and the assets placed in service. Thus, closing patterns  
5 determine how and when capital expenditures are moved from CWIP to plant  
6 in-service.

7 **Q. How are closing patterns for Distribution capital projects developed?**

8 A. Closing patterns are developed based on the type of work involved. Routine  
9 projects are assigned to a closing pattern. The estimated in-service date is used  
10 for large and complex projects. These patterns are determined by evaluating the  
11 type of work (e.g., underground relocation, overhead new services, underground  
12 rebuilds) and using historical data to evaluate what percentage of the expected  
13 budgeted expenditures should close to plant in-service on a monthly basis. This  
14 analysis is based on the average time for construction and the energized date of  
15 the project. For example, overhead extension projects have a closing pattern of  
16 three months and underground extension projects have a closing pattern of four  
17 months due to the nature of the work involved. Closing patterns are monitored  
18 and revised as construction practices change.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Please describe the capital expenditures budget approval process (Step 8).**

2 A. Capital projects that have been included in the approved funding are uploaded  
3 into the Financial Management System. The Utility President executive  
4 management team reviews and approves this list. After the business area has been  
5 afforded the opportunity to make adjustments, the capital projects are available  
6 for corporate approval. At the corporate level, the business area and legal entity  
7 capital expenditures budget is reviewed and approved. After receiving approval  
8 from the Board of Directors, work release plans are finalized and work can be  
9 deployed.

10 **Q. Please describe the capital expenditures budget deployment process (Step 9).**

11 A. After the capital expenditures budget is finalized, the approved project list  
12 becomes the basis for the release of projects during the related calendar year.  
13 This process is flexible to allow for additions and deletions within a given year.  
14 For example, if an emergency occurs during the year, priorities may change and  
15 result in an adjustment to the list of approved projects included for funding.  
16 Projects that were previously approved may be delayed to accommodate the  
17 emergency.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. In addition to specific projects, does the Distribution business area develop a**  
2 **general capital budget?**

3 A. Yes. Distribution develops a routine or “blanket” capital budget.

4 **Q. How are routine or blanket capital budgets developed?**

5 A. The budget for new electric service routine work is developed using a cost per  
6 meter methodology. This process begins with developing a forecast for the  
7 number of new meter sets for each local operating area. Inputs and assumptions  
8 are also developed that reflect inflation factors used in determining the assumed  
9 increase or decrease in the components that make up the new business costs. The  
10 factors (labor, non-labor, contractor, material, equipment, and fleet inflation rates;  
11 bargaining labor increases; and corporate overhead rates) reflect both corporate  
12 and operating company rates. Historical data is used to determine the major  
13 drivers or components that make up new business costs. The components are:  
14 labor (both company and contracted), labor loadings, material (excluding meters  
15 and transformers), equipment, transportation, overheads, and other costs.

16 Using these components, SPS then develops a cost per meter component  
17 matrix for each local operating area. The matrix provides SPS with the ability to  
18 apply the related inflation factors to the specific components that make up the

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 overall cost per meter. SPS also uses this data to analyze variances. The variance  
2 analysis allows SPS to determine which components account for the difference in  
3 the forecast versus actual expenditures.

4 After the preliminary forecast has been determined, the data is reviewed  
5 with management in each local operating area to determine if there will be  
6 substantial changes in the operations (e.g., crew mix, major projects, and labor  
7 issues). Pending the outcome of these reviews, adjustments are made to the  
8 preliminary forecast and the proposed routine budgets are submitted for final  
9 approval.

10 The budget for electric reconstruction routine blankets uses the averages  
11 of historical values escalated by the corporate inflation rate (e.g., 2.77% for 2018  
12 through 2027) to determine expected levels of spending. This total expected  
13 budget is then allocated to each service area using the average historical ratio of  
14 the past five years. The allocation is adjusted to ensure unique, one-time projects  
15 in a service area do not impact the calculation of the average five-year historical  
16 expenditures.

17 Routine project requests such as new business growth, reinforcements, or  
18 rebuilds include a five-year expenditure history and estimated in-service in the

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 request. This routine grouping of projects serves to allocate funding for  
2 performing core business functions, such as: connecting new customers;  
3 reconstruction of facilities; street light expenditures; and funds for the purchase of  
4 new meters, transformers, and fleet.

5 **Q. Please explain how Distribution capital costs are managed.**

6 A. After the estimates are developed, all projects follow a project flow process that  
7 requires reviews and approvals at the budget, management, senior management,  
8 and executive levels. After this approval, the Investment Delivery group within  
9 the Distribution business area monitors all distribution capital dollars to ensure  
10 that authorized projects align with the established forecast. Actual spending  
11 compared to forecasted levels is monitored on a regular basis.

12 **Q. Are employees within the Distribution business area held accountable for**  
13 **deviations from the budget?**

14 A. Yes. All management employees in the Distribution business area have specific  
15 budgetary targets that are measured on a monthly basis to ensure adherence to the  
16 targets and provide for action plan development to address variances.

17 Performance evaluations for management employees in both operating  
18 areas and investment delivery incorporate specific budgetary goals. Performance

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 is measured on a monthly basis to ensure adherence to the goals and provide for  
2 action plan development to address variances. Performance management plans  
3 for all directors and managers include a metric associated with their capital spend.  
4 This metric is designed to develop accurate capital project costs and manage the  
5 planned capital additions. The scorecard for SPS also contains a Key  
6 Performance Indicator associated with capital additions.



1                   **IV. DISTRIBUTION CAPITAL ADDITIONS**

2   **Q. As part of this rate case, is SPS asking to include Distribution capital**  
3   **additions in its rate base?**

4   A. Yes. SPS seeks to include Distribution capital additions in rate base that have  
5   closed or are expected to close to plant-in-service for the period of April 1, 2018  
6   through August 31, 2019. SPS has included these capital additions in its Test  
7   Year rate base. In Subsection A, I address the capital additions that have closed  
8   to plant-in-service during the period of April 1, 2018 through March 31, 2019. In  
9   Subsection B, I will discuss the capital additions that have closed to plant-in-  
10   service or are expected to close to plant-in-service during the period of April 1,  
11   2019 through August 31, 2019. All of these Distribution capital additions support  
12   SPS's ability to provide safe and reliable electric service to its customers.

13                   **A. Distribution Capital Additions for the Period of**  
14                   **April 1, 2018 through March 31, 2019**

15   **Q. What is the dollar amount of the Distribution capital additions that SPS is**  
16   **requesting in this case for the period of April 1, 2018 through March 31,**  
17   **2019?**

18   A. SPS is requesting \$38,668,052 on a New Mexico retail basis in Distribution  
19   capital additions for the period of April 1, 2018 through March 31, 2019. This

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 amount consists of Distribution plant capital additions of \$35,534,299, as well as  
2 general plant capital additions of \$3,133,753. Attachment CSM-2 provides all of  
3 the Distribution capital additions closed to plant-in-service during this time  
4 period. A summary of these capital additions is provided in Table CSM-1 below.

5 **Q. Have you prepared a list of SPS’s requested Distribution capital additions**  
6 **closed to plant-in-service during the period of April 1, 2018 through March**  
7 **31, 2019?**

8 A. Yes. My Attachment CSM-2 is a list of SPS’s requested Distribution capital  
9 additions for the period of April 1, 2018 through March 31, 2019. Attachment  
10 CSM-2 provides the following information:

Column A —	Asset Class	Identifies the type of asset.
Column B —	Witness	Identifies the witness supporting the project.
Column C —	Project Category	Provides the project category that is descriptive of the project’s type.
Column D —	WBS Level 2 Number	Provides the Work Breakdown Structure (“WBS”) Level 2 number for the project

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

Column E—	Project Description (WBS Level 2 Description)	Provides a short title for the WBS Level 2 number for the project.
Column F —	Additions to Plant-in-Service (April 1, 2018– March 31, 2019) Total Company	Provides the Total Company dollar amount for the plant additions for the period April 1, 2018 through March 31, 2019.
Column G —	Additions to Plant-in-Service (April 1, 2018– March 31, 2019) NM Retail	Provides the New Mexico Retail dollar amount for the plant additions for the period April 1, 2018 through March 31, 2019.

1    **Q.    Please describe the Distribution capital additions placed in service for the**  
2                    **period of April 1, 2018 through March 31, 2019, as shown in Attachment**  
3                    **CSM-2.**

4    A.    As shown in Table CSM-1 below, the plant additions for this period fall within  
5                    the following categories: (1) New Business; (2) Distribution Line and Substation  
6                    Capacity; (3) Purchases; (4) Distribution Line and Substation Reconstruction; and  
7                    (5) Outdoor/Area Lighting.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1  
2  
3

**Table CSM-1**  
**Distribution – Capital Investment**  
**for the period of April 1, 2018 through March 31, 2019**

<b>Type of Work</b>	<b>Distribution Capital Additions (total company)</b>	<b>Distribution Capital Additions (NM retail)</b>
New Business	\$23,535,240	\$13,721,199
Distribution Line and Substation Capacity	\$27,192,050	\$8,283,375
Purchases	\$25,190,122	\$7,398,599
Distribution Line and Substation Reconstruction	\$32,878,380	\$8,758,784
Outdoor/Area Lighting	\$2,801,614	\$506,095
<b>Total</b>	<b>\$111,597,408</b>	<b>\$38,668,052</b>

4 **Q. Please describe the “New Business” category of the Distribution capital**  
5 **additions.**

6 A. These projects include installation of all primary and secondary extensions and  
7 service laterals, as well as the replacement and removal of existing electric  
8 services. Typically, this is work that is required for SPS to meet its obligation to  
9 serve new customers.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1           As shown in Table CSM-1, New Business projects comprise  
2 approximately \$13,721,199 on a New Mexico retail basis of the Distribution  
3 capital additions that SPS is requesting in this case. Of this amount, \$11,460,741  
4 is for routine overhead new extensions and routine underground new  
5 extensions. Projects required to support this growth include the installation of  
6 feeders, primary and secondary extensions, and service laterals. The remaining  
7 \$2,260,457 is for specifically identified projects.

8 **Q. Please describe the “Distribution Line and Substation Capacity” category of**  
9 **the Distribution capital additions.**

10 A. These projects include infrastructure work related to increasing feeder and  
11 substation capacity to deal with equipment overloads, contingencies, and voltage  
12 support. Typically, this work is necessitated by increased load from existing and  
13 new customers.

14           As shown in Table CSM-1, Distribution Line and Substation Capacity  
15 projects comprise approximately \$8,283,375 on a New Mexico retail basis of the  
16 Distribution capital additions that SPS is requesting in this case. Of this amount,  
17 the majority of the Distribution Line and Substation Capacity projects is made up  
18 of specific projects that total \$8,135,328. The remainder, or \$148,047, are

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 designated as routine and include overhead reinforcements and underground  
2 reinforcements.

3 **Q. Please describe the “Purchases” category of the Distribution capital**  
4 **additions.**

5 A. These projects include the purchase of distribution line transformers and  
6 distribution meters. These items are acquired to provide timely service in  
7 accordance with tariff requirements, carry out standard construction projects  
8 necessary to meet customer requirements, and replace failed or damaged  
9 equipment.

10 As shown in Table CSM-1, Purchases comprise approximately \$7,398,599  
11 on a New Mexico retail basis of the Distribution capital additions that SPS is  
12 requesting in this case. Of this amount, \$3,643,208 is for equipment purchases of  
13 transformers and meters due to normal wear and tear, emergencies, new customer  
14 growth, and increased transformer prices associated with the efficiency standards,  
15 raw materials, manufacturing, and delivery. Plant additions associated with  
16 special tools and locate costs, as well as purchases of right-of-way easements,  
17 communications equipment, and special tools account for \$2,212,729. Fleet

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 purchases total \$1,542,662; it is necessary to replace vehicles and equipment that  
2 are costly to maintain and have become less reliable over time.

3 **Q. Please further describe the “Distribution Line and Substation**  
4 **Reconstruction” category of the Distribution capital additions.**

5 A. These are projects constructed at customer request, those that are required to  
6 comply with city or state requirements, or to adhere to code guidelines. These  
7 projects include relocating facilities that are in direct conflict with street  
8 expansions within public rights-of-way and safety-related work required by a  
9 governing authority. These projects also include the replacement of failed,  
10 eminently failing, or damaged equipment. Examples include the replacement of a  
11 wood pole that is damaged by a vehicle and the replacement of substation  
12 components such as circuit breakers, voltage regulators, or lightning arrestors.

13 As shown in Table CSM-1 Distribution Line and Substation  
14 Reconstruction projects comprise approximately \$8,758,784 on a New Mexico  
15 retail basis of the Distribution capital additions that SPS is requesting in this  
16 case. Of that amount, a significant portion is comprised of routine distribution  
17 and substation reconstruction work necessary to maintain system reliability,

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 which totals \$6,256,878. The remaining \$2,501,906 is comprised of specific  
2 projects necessary to maintain system reliability.

3 **Q. Please further describe the “Outdoor/Area Lighting” category of the**  
4 **Distribution capital additions.**

5 A. These projects include the installation, removal, and replacement of street and  
6 area lighting as required by SPS’s tariffs and construction standards. Examples of  
7 these projects are the replacement of failing or damaged equipment and new  
8 installations made at customer request.

9 As shown in Table CSM-1, Outdoor/Area Lighting projects comprise  
10 approximately \$506,095 on a New Mexico retail basis of the Distribution capital  
11 additions that SPS is requesting in this case.

12 **Q. Are the Distribution capital additions for the period of April 1, 2018 through**  
13 **March 31, 2019 presented in Attachment CSM-2 reasonable and necessary?**

14 A. Yes. As discussed in my testimony above, the Distribution capital additions  
15 presented in Attachment CSM-2 are reasonable and necessary to provide safe and  
16 reliable electric service to SPS’s customers. The process for developing costs and  
17 managing projects ensures that the expenditures are reasonable and necessary and  
18 that the costs were prudently incurred.



Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

**B. Distribution Capital Additions for the Period of  
April 1, 2019 through August 31, 2019**

**Q. What is the dollar amount of the Distribution capital additions for the period of April 1, 2019 through August 31, 2019 that SPS is requesting to include in rate base?**

A. SPS is requesting \$16,218,375 on a New Mexico retail basis in Distribution capital additions for the period of April 1, 2019 through August 31, 2019. This amount consists of Distribution plant capital additions of \$15,199,329 and general plant capital additions of \$1,019,046. Attachment CSM-3 provides all of the Distribution capital additions to plant-in-service during this time period.

**Q. Please describe the information included in Attachment CSM-3, which provides details about the dollar amount for Distribution capital additions for the period of April 1, 2019 through August 31, 2019.**

A. Attachment CSM-3 provides the following information:

Column A —	Asset Class	Identifies the type of asset.
Column B —	Witness	Identifies the witness supporting the project.
Column C —	Project Category	Provides the project category that is descriptive of the project's type.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

Column D—	Project Description	Provides a short title that describes the project.
Column E —	Additions to Plant-in-Service (April 1, 2019– August 31, 2019) Total Company	Provides the Total Company dollar amount for the plant additions for the period April 1, 2019 through August 31, 2019.
Column F —	Additions to Plant-in-Service (April 1, 2019– August 31, 2019) NM Retail	Provides the New Mexico retail dollar amount for the plant additions for the period April 1, 2019 through August 31, 2019.

1   **Q.   Please describe the Distribution capital additions placed in service for the**  
2       **period of April 1, 2019 through August 31, 2019.**

3   A.   The capital additions that have been or will be placed in service during the period  
4       from April 1, 2019 through August 31, 2019 that SPS is requesting to include in  
5       rate base are similar to the projects that were closed during the period from April  
6       1, 2018 through March 31, 2019, which are discussed in the previous subsection  
7       of my testimony. As with the projects above, these projects support SPS’s ability  
8       to provide safe and reliable electric service to its customers. The table below  
9       shows the project categories and amounts.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1  
2  
3

**Table CSM-2**  
**Distribution – Capital Investment**  
**for the Period April 1, 2019 through August 31, 2019**

<b>Type of Work</b>	<b>Distribution Capital Additions (total company)</b>	<b>Distribution Capital Additions (NM retail)</b>
New Business	\$ 5,357,825	\$2,824,429
Distribution Line and Substation Capacity	\$9,102,324	\$3,827,529
Purchases	\$ 10,825,129	\$3,092,730
Distribution Line and Substation Reconstruction	\$19,696,151	\$5,858,026
Outdoor/Area Lighting	\$ 985,855	\$615,661
<b>Total</b>	<b>\$45,967,283</b>	<b>\$16,218,375</b>

- 4 **Q. Please describe the types of projects included in the “New Business”**  
5 **category.**
- 6 A. The general description of the New Business category is provided in the previous  
7 subsection of this testimony and applies to the projects included for the period  
8 April 1, 2019 through August 31, 2019 identified as “New Business” on  
9 Attachment CSM-3. The total planned investment in this category is \$2,824,429  
10 on a New Mexico retail basis during the period.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Please describe the types of projects included in the “Distribution Line and**  
2 **Substation Capacity” category.**

3 A. The general description of the Distribution Line and Substation Capacity category  
4 is provided in the previous subsection of this testimony and applies to the projects  
5 included for the period April 1, 2019 through August 31, 2019 identified as  
6 “Distribution Line and Substation Capacity” on Attachment CSM-3. The total  
7 planned investment in this category is \$3,827,529 on a New Mexico retail basis  
8 during the period.

9 **Q. Please describe the types of projects included in the “Purchases” category.**

10 A. The general description of the Purchases category is provided in the previous  
11 subsection of this testimony and applies to the projects included for the period  
12 April 1, 2019 through August 31, 2019 identified as “Purchases” on Attachment  
13 CSM-3. The total planned investment in this category is \$3,092,730 on a New  
14 Mexico retail basis during the period.

15 **Q. Please describe the types of projects included in the “Distribution Line and**  
16 **Substation Reconstruction” category.**

17 A. The general description of the Distribution Line and Substation Reconstruction  
18 category is provided in the previous subsection of this testimony and applies to

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 the projects included for the period April 1, 2019 through August 31, 2019  
2 identified as “Distribution Line and Substation Reconstruction” on Attachment  
3 CSM-3. The total planned investment in this category is \$5,858,026 on a New  
4 Mexico retail basis during the period.

5 **Q. Please describe the types of projects included in the “Outdoor/Area**  
6 **Lighting” category.**

7 A. The general description of the Outdoor/Area Lighting category is provided in the  
8 previous subsection of this testimony and applies to the projects included for the  
9 period April 1, 2019 through August 31, 2019 identified as “Outdoor/Area  
10 Lighting” on Attachment CSM-3. The total planned investment in this category is  
11 \$615,661 on a New Mexico retail basis during the period.

12 **Q. Are the Distribution capital additions presented in Attachment CSM-3**  
13 **consistent with what is expected to be placed in service during the period**  
14 **April 1, 2019 through August 31, 2019?**

15 A. Yes. With respect to the included projects, although the actual cost of any single  
16 capital project may vary somewhat from the estimated amount on Attachment  
17 CSM-3, and it is possible that other projects will emerge or replace those listed,  
18 Attachment CSM-3 is a reasonable estimate of the total costs of the Distribution

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 capital investment that will be placed in service during the period April 1, 2019  
2 through August 31, 2019.

3 **Q. Are the Distribution capital additions for the period presented in Attachment**  
4 **CSM-3 reasonable and necessary?**

5 A. Yes. As discussed in my testimony above, the Distribution capital additions  
6 presented in Attachment CSM-3 are reasonable and necessary to provide and  
7 maintain distribution facilities needed for SPS's operations and for the safe,  
8 secure, and functional operation of these facilities, which is necessary to provide  
9 safe and reliable utility service to SPS's customers. The process for developing  
10 costs and managing projects discussed above ensures that the expenditures are  
11 reasonable and necessary and that the costs were prudently incurred.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

V. **DISTRIBUTION BUSINESS AREA OPERATION AND MAINTENANCE  
EXPENSES INCURRED DURING THE TEST YEAR ARE REASONABLE  
AND NECESSARY**

1 **Q. What types of services and costs are specifically associated with SPS's**  
2 **Distribution business area?**

3 A. The Distribution business area is comprised of the following functional areas:

- 4 (1) Distribution Business Operations;  
5 (2) Distribution Electric Engineering;  
6 (3) Distribution Planning and Performance;  
7 (4) Vice President Distribution Operations;  
8 (5) Gas Operations; and  
9 (6) Distribution Operations.

10 These functional areas focus on reliability, safety, customer service, operational  
11 efficiency, and the fiscal oversight necessary to construct, operate, and maintain  
12 SPS's electric distribution system in New Mexico and Texas.

13 **Q. One of the functional areas you listed above is Gas Operations. SPS does not**  
14 **provide natural gas service, so what types of services does Gas Operations**  
15 **provide to SPS?**

16 A. The Gas Operations functional area provides services for both gas and electric  
17 utility operations, of which the services for electric utility operations are

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 applicable to SPS's electric distribution service. The services grouped in Gas  
2 Operations ensure that SPS's electric Distribution facilities are properly recorded  
3 in the Geographic Information System and that electric Distribution maps are  
4 properly maintained. This information is used in maintaining SPS's Distribution  
5 and Transmission facilities. The Gas Operations organization also performs  
6 electric facility location services for SPS, which ensure that SPS's facilities are  
7 properly located during excavation, as required by local governments and other  
8 authorities. These functions are required by all utilities, and without them SPS  
9 would not be able to provide electric service to its customers. In addition, SPS  
10 owns natural gas pipelines that are connected to the Blackhawk generating  
11 facility, Nichols generating facility, and Plant X generating facility, and Gas  
12 Operations helps to maintain the pipelines and perform safety inspections.

13 **Q. What types of Distribution business area O&M expenses are included in**  
14 **SPS's cost of service?**

15 A. Distribution business area O&M expenses include both native SPS costs and  
16 affiliate charges. Native SPS costs are those costs incurred directly by SPS  
17 associated with the provision of electric service to customers. These costs include  
18 labor, materials, and other non-fuel O&M costs. For example, the salaries of SPS  
19 employees are native costs. Another component of SPS's O&M expenses are



Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 those associated with services provided by Xcel Energy Services Inc. (“XES”) to  
2 SPS. These services are in addition to, and not duplicative of, the services that  
3 SPS employees provide. XES is a centralized service company and the charges  
4 for its services must be provided “at cost” (i.e., without profit). Finally, O&M  
5 expenses may include charges to SPS from other Operating Companies or  
6 affiliated interests. Similar to the charges from XES, these services are charged to  
7 SPS “at cost.” SPS witness Melissa L. Schmidt provides additional details  
8 regarding the methodology of charging affiliate costs to SPS from XES and other  
9 affiliated interests.

10 The costs for these services also include labor, overheads, materials, and  
11 supplies. SPS witness Michael T. Knoll provides testimony regarding labor costs,  
12 SPS witness Richard R. Schrubbe provides testimony regarding pension and  
13 related costs, and Ms. Schmidt provides testimony regarding the methodology of  
14 billings for labor and labor-related overheads.

15 **Q. Please describe SPS’s Distribution-related O&M expenses for which SPS**  
16 **seeks recovery in its base rates.**

17 A. Distribution-related O&M expenses are recorded to Federal Energy Regulatory  
18 Commission (“FERC”) Accounts 580 – 598, which are described below.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

<b>FERC Account</b>	<b>Description</b>
580	Operation Supervision and Engineering
581	Load Dispatching
582	Station Expenses
583	Overhead Line Expenses
584	Underground Line Expenses
585	Street Lighting and Signal Systems Expenses
586	Meter Expenses
587	Customer Installation Expenses
588	Misc. Distribution Expense
589	Rents
590	Maintenance Supervision and Engineering
591	Maintenance of Structures
592	Maintenance of Station Equipment
593	Maintenance of Overhead Lines
594	Maintenance of Underground Lines
595	Maintenance of Line Transformers
596	Maintenance of Street Lighting and Signal Systems
597	Maintenance of Meters
598	Maintenance of Misc. Distribution Plant

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 Attachment CSM-4 provides the total Test Year Distribution-related O&M  
2 expenses broken down by FERC account. My testimony supports these costs as  
3 reasonable and representative of the Distribution-related O&M expenses SPS will  
4 incur prospectively.

5 **Q. Please generally describe the types of costs recorded to FERC Accounts 580**  
6 **through 598.**

7 A. All of these accounts relate to Distribution operation activities. For example,  
8 FERC Account 580 includes costs that relate to the general supervision and  
9 direction of the operation of the distribution system. FERC Account 581 includes  
10 costs and expenses incurred in load dispatching operations, such as directing  
11 switching, controlling voltages, and communication service for system control  
12 purposes. FERC Account 582 relates to the operation of distribution  
13 substations. FERC Accounts 583 and 584 include costs that relate to the  
14 operation of overhead and underground distribution lines, such as inspecting and  
15 patrolling line as well as tools and supplies related to the work. FERC Account  
16 585 includes expenses incurred for the operation of street lighting and signal  
17 systems, such as replacing lamps, patrolling for lamp outages, and testing lines  
18 and equipment. FERC Account 586 relates to the operations of meters, such as

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 meter reading. FERC Account 587 relates to customer installations, such as  
2 changing customers' equipment due to changes in service characteristics and  
3 installing, removing, renewing, and changing lamps and fuses. FERC Account  
4 588 relates to miscellaneous distribution expense, which can include  
5 miscellaneous meetings and office supplies. FERC Account 589 relates to rents,  
6 such as rental payments SPS distribution pays for facility attachments.

7 **Q. In addition to Distribution business area O&M expense recorded in FERC**  
8 **Accounts 580 – 598, do you support any other O&M expense?**

9 A. Yes. I also support costs related to “shut offs” and “turn ons” of electric service  
10 and “move-in and move-out” meter readings that are recorded to FERC Account  
11 903, which is a Customer Operations account. SPS utilizes Distribution business  
12 area personnel to: (1) perform “shut offs” and “turn ons” of electric service (also  
13 referred to as “credit work”) due to non-payment of bills; and (2) perform meter  
14 readings when customers move in or out of residences. SPS incurs these costs to  
15 fulfill the duties set forth in its Commission-approved Rules and Regulations. For  
16 example, Rule Tariff 7 addresses disconnection of service and Rule Tariff 11  
17 addresses change of premises by a customer.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. Are the services provided by the Distribution business area that relate to the**  
2 **O&M expenses necessary and reasonable for SPS's operations?**

3 A. Yes. The services provided by SPS distribution employees relate to reliability,  
4 safety, customer service, operational efficiency, and the fiscal oversight necessary  
5 to construct, operate, and maintain SPS's electric distribution systems in New  
6 Mexico and Texas. Without the incurrence of these costs, SPS would be unable  
7 to provide reliable, safe electric service to its customers.

8 **Q. Do SPS's New Mexico retail customers benefit from the services that are**  
9 **provided by the Distribution business area?**

10 A. Yes. The services provided by the Distribution business area benefit SPS's New  
11 Mexico retail customers by supporting the safe and reliable distribution of energy  
12 resources from the generators, transmission infrastructure, and ultimately to the  
13 customers residence, place of business, or point of interconnection.

14 **Q. Is the Test Year level of O&M costs associated with the Distribution business**  
15 **area reasonable and representative of the costs apt to prevail in the future?**

16 A. Yes. The Test Year level of Distribution business area O&M expenses are  
17 reasonable and representative of the costs SPS will experience in the future. As I  
18 discussed earlier, SPS provides Distribution business area services as efficiently

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 as possible, making all reasonable efforts to manage costs and stay within an  
2 O&M budget.

1                   **VI. PROPOSED RATE TARIFF MODIFICATIONS**

2   **Q. Do you support any proposed tariff modifications?**

3   A. Yes. I provide the operational basis for SPS’s request to modify Area Lighting  
4   Service Tariff No. 28 and Municipal Street Lighting Service Tariff No. 14. The  
5   proposed modifications are presented in the direct testimony of SPS witness Evan  
6   D. Evans.

7   **Q. Why are you supporting SPS’s proposed change to Area Lighting Service**  
8   **Tariff No. 28?**

9   A. The Distribution business area is responsible for maintaining inventory and  
10   replacing fixtures related to this tariff. Although Tariff No. 28 is closed to new  
11   customers, existing lights must be maintained pursuant to the New Mexico Night  
12   Sky Protection Act, NMSA 1978, § 74-12-1 *et seq.* (“the Act”), which requires  
13   utilities to install lighting that complies with the Act when repairing legacy light  
14   offerings. Specifically, the Act requires shielding of fixtures with a wattage  
15   greater than 150 watts. Additionally, SPS proposes to update the lighting under  
16   this tariff to LED lighting. This change will standardize the lighting color and  
17   ensure consistent lighting across the SPS service area and will allow the  
18   Distribution business area to be more efficient in maintaining the appropriate  
19   standardized inventory.

Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

1 **Q. What change does SPS propose to Tariff No. 14?**

2 A. As discussed in the direct testimony of Mr. Evans, SPS proposes to remove the  
3 4,000 lumen LED option from this tariff.

4 **Q. Why is SPS proposing this tariff change?**

5 A. As discussed by Mr. Evans, it is unnecessary for SPS to include the 4,000 lumen  
6 LED option in the tariff because SPS has not seen any demand for the option in  
7 New Mexico. In addition, SPS has not historically offered an equivalent output  
8 high pressure sodium light. SPS maintains in its inventory higher output LED  
9 lights that are functional equivalents to other historical offerings, and that are  
10 intended for use in the majority of lighting applications.



Case No. 19-00170-UT  
Direct Testimony  
of  
Casey S. Meeks

**VII. PROPOSED RULE TARIFF MODIFICATION**

1 **Q. Do you propose any rule tariff modifications?**

2 A. Yes. As discussed in the direct testimony of Mr. Evans, SPS proposes to modify  
3 Rule No. 16, Extension to Customers.

4 **Q. Why is SPS proposing this rule change?**

5 A. As explained by Mr. Evans, SPS proposes to remove the language from Rule  
6 No. 16 that conflicts with SPS's Rule No. 9, Right-of-Way, regarding right of  
7 way and easement costs. Removing the conflicting language from Rule No. 16  
8 will clarify that customers will provide any necessary rights-of-way to SPS at no  
9 charge for properties controlled by the customer, will reduce delays in service to  
10 customers, and will avoid having SPS's other customers bear unnecessary costs.

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


12 A. Yes.

VERIFICATION


STATE OF TEXAS            )  
  ) ss.  
COUNTY OF LUBBOCK    )

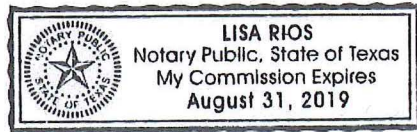
CASEY S. MEEKS, first being sworn on his oath, states:

I am the witness identified in the preceding direct testimony. I have read the direct testimony and the accompanying attachment(s) and am familiar with their contents. Based upon my personal knowledge, the facts stated in the testimony are true. In addition, in my judgment and based upon my professional experience, the opinions and conclusions stated in the testimony are true, valid, and accurate.

  
\_\_\_\_\_  
CASEY S. MEEKS

SUBSCRIBED AND SWORN TO before me this 24<sup>th</sup> day of June, 2019 by CASEY S. MEEKS.

  
\_\_\_\_\_  
Notary Public of the State of Texas  
My Commission Expires: August 31, 2019.



Southwestern Public Service Company  
Total Company Amounts and Jurisdictional Percentages

Line No.	Witness	Description	Page No.	Line No.	Total Company Amount	Number Scale	Allocator (Name)	TY Allocator (%)	NM Amount
1	Meeks	Distribution Plant Additions April 1, 2018 through August 31, 2019	5	3	\$ 157,564,691	Dollars	(1)	(1)	\$ 54,886,427
2	Meeks	Distribution Plant Additions April 1, 2018 through March 31, 2019	21	18	\$ 111,597,408	Dollars	(1)	(1)	\$ 38,668,052
3	Meeks	Distribution Additions April 1, 2018 through March 31, 2019	22	1	\$ 100,309,251	Dollars	(1)	(1)	\$ 35,534,299
4	Meeks	General Plant Additions April 1, 2018 through March 31, 2019	22	2	\$ 11,288,157	Dollars	LABXAG	27.76%	\$ 3,133,753
5	Meeks	New Business	24	Table CSM-1	\$ 23,535,240	Dollars	(1)	(1)	\$ 13,721,199
6	Meeks	Distribution Line and Substation Capacity	24	Table CSM-1	\$ 27,192,050	Dollars	(1)	(1)	\$ 8,283,375
7	Meeks	Purchases	24	Table CSM-1	\$ 25,190,122	Dollars	(1)	(1)	\$ 7,398,599
8	Meeks	Distribution Line and Substation Reconstruction	24	Table CSM-1	\$ 32,878,380	Dollars	(1)	(1)	\$ 8,758,784
9	Meeks	Outdoor/Area Lighting	24	Table CSM-1	\$ 2,801,614	Dollars	(1)	(1)	\$ 506,095
10	Meeks	Total	24	Table CSM-1	\$ 111,597,408	Dollars	(1)	(1)	\$ 38,668,052
11	Meeks	New Business	25	2	\$ 23,535,240	Dollars	(1)	(1)	\$ 13,721,199
12	Meeks	Routine Overhead New Extensions and Routing Underground New Extensions	25	3	\$ 20,889,322	Dollars	(1)	(1)	\$ 11,460,741
13	Meeks	Specific Projects	25	7	\$ 2,645,919	Dollars	(1)	(1)	\$ 2,260,457
14	Meeks	Distribution Line and Substation Capacity	25	15	\$ 27,192,050	Dollars	(1)	(1)	\$ 8,283,375
15	Meeks	Specific Projects	25	18	\$ 26,020,081	Dollars	(1)	(1)	\$ 8,135,328
16	Meeks	Routine Projects	25	18	\$ 1,171,969	Dollars	(1)	(1)	\$ 148,047
17	Meeks	Purchases	26	10	\$ 25,190,122	Dollars	(1)	(1)	\$ 7,398,599
18	Meeks	Equipment Purchases for Transformers and Meters	26	12	\$ 12,938,854	Dollars	(1)	(1)	\$ 3,643,208
19	Meeks	Special tools and locate costs, as well as purchases of right-of-way easements, communications equipment, and special tools	26	17	\$ 6,694,413	Dollars	(1)	(1)	\$ 2,212,729
20	Meeks	Fleet purchases	27	1	\$ 5,556,855	Dollars	(1)	(1)	\$ 1,542,662
21	Meeks	Distribution Line and Substation Reconstruction	27	14	\$ 32,878,380	Dollars	(1)	(1)	\$ 8,758,784
22	Meeks	Routine Projects	28	1	\$ 23,520,572	Dollars	(1)	(1)	\$ 6,256,878
23	Meeks	Specific Projects	28	1	\$ 9,357,808	Dollars	(1)	(1)	\$ 2,501,906
24	Meeks	Outdoor/Area Lighting	28	10	\$ 2,801,614	Dollars	(1)	(1)	\$ 506,095
25	Meeks	Distribution Plant Additions April 1, 2019 through August 31, 2019	29	6	\$ 45,967,283	Dollars	(1)	(1)	\$ 16,218,375
26	Meeks	Distribution Additions April 1, 2019 through August 31, 2019	29	8	\$ 42,296,556	Dollars	(1)	(1)	\$ 15,199,329
27	Meeks	General Plant Additions April 1, 2019 through August 31, 2019	29	9	\$ 3,670,727	Dollars	LABXAG	27.76%	\$ 1,019,046
28	Meeks	New Business	31	Table CSM-2	\$ 5,357,825	Dollars	(1)	(1)	\$ 2,824,429
29	Meeks	Distribution Line and Substation Capacity	31	Table CSM-2	\$ 9,102,324	Dollars	(1)	(1)	\$ 3,827,529
30	Meeks	Purchases	31	Table CSM-2	\$ 10,825,129	Dollars	(1)	(1)	\$ 3,092,730
31	Meeks	Distribution Line and Substation Reconstruction	31	Table CSM-2	\$ 19,696,151	Dollars	(1)	(1)	\$ 5,858,026
32	Meeks	Outdoor/Area Lighting	31	Table CSM-2	\$ 985,855	Dollars	(1)	(1)	\$ 615,661
33	Meeks	Total	31	Table CSM-2	\$ 45,967,283	Dollars	(1)	(1)	\$ 16,218,375
34	Meeks	New Business	31	9	\$ 5,357,825	Dollars	(1)	(1)	\$ 2,824,429
35	Meeks	Distribution Line and Substation Capacity	32	7	\$ 9,102,324	Dollars	(1)	(1)	\$ 3,827,529
36	Meeks	Purchases	32	13	\$ 10,825,129	Dollars	(1)	(1)	\$ 3,092,730
37	Meeks	Distribution Line and Substation Reconstruction	33	3	\$ 19,696,151	Dollars	(1)	(1)	\$ 5,858,026
38	Meeks	Outdoor/Area Lighting	33	11	\$ 985,855	Dollars	(1)	(1)	\$ 615,661

(1) Distribution Assets direct assigned according to location. General and Intangible Plant allocated using LABXAG (27.76%).

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2018 through March 31, 2019

Line No.	Asset Class	Witness	Project Category	WBS Level 2	Project Description (WBS Level 2 Description)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)	
						Total Company	NM Retail
1	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010017.001	TX - OH Rebuild Blanket	\$ 9,759,736	\$ -
2	Electric Distribution	Meeks	New Business	A.0010002.001	NM - OH Extension Blanket	9,050,623	9,050,623
3	Electric Distribution	Meeks	Purchases	D.0005014.009	TX Electric Distribution Transforme	7,325,623	-
4	Electric Distribution	Meeks	New Business	A.0010001.001	TX - OH Extension Blanket	5,043,139	-
5	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.130	Convert Soncy to 115/13.2kV 50	4,996,621	-
6	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005583.001	TEXAS MAJOR STORM RECOVERY	4,169,374	-
7	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010017.007	TX - Pole Blanket	4,128,697	-
8	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.370	Install 115/12.47kV 14MVA substation	3,798,784	3,798,784
9	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010018.001	NM - OH Rebuild Blanket	3,358,925	3,358,925
10	Electric Distribution	Meeks	Purchases	D.0005014.011	NM Electric Distribution Transforme	3,204,394	3,204,394
11	Electric Distribution	Meeks	New Business	A.0010001.002	TX - UG Extension Blanket	2,954,609	-
12	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.015	Outpost Substation 115-13.2kV 28MVA	2,945,627	-
13	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.259	Convert Centre Street Replace	2,840,066	-
14	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.258	Install New 34.5kV Source book	2,722,944	-
15	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.211	Convert Curry Co. Interchange	2,439,579	2,439,579
16	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005521.004	Tx N-Dist Substation Equip Rep	2,339,009	-
17	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010017.005	TX - OH Street Light Rebuild Blanke	1,999,307	-
18	Electric Distribution	Meeks	Purchases	D.0005014.028	TX-Electric Meter Blanket	1,970,023	-
19	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010156.001	Install Preston West Substation - L	1,726,698	-
20	Electric Distribution	Meeks	New Business	A.0010002.002	NM - UG Extension Blanket	1,605,710	1,605,710
21	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005584.001	Convert 4kV Load out of RIAC East a	1,490,201	1,490,201
22	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0000781.020	Install Outpost Substation 115-13.2	1,445,465	-
23	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010018.007	NM - Pole Blanket	1,433,712	1,433,712
24	Electric Distribution	Meeks	New Business	A.0005500.051	Citurion Jal Orig Pmp Stn PME/Oxy M	1,095,058	1,095,058
25	Electric Distribution	Meeks	New Business	A.0010001.004	TX - UG New Services Blanket	1,068,676	-
26	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010033.001	TX - OH Reinforcement Blanket	1,033,451	-
27	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005521.200	NM - Subs Equipment Replace	873,726	873,726
28	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010138.001	Land purchase for Western St Sub	831,102	-
29	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010017.002	TX - UG Conversion/Rebuild Blanket	775,292	-
30	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005517.024	Substation Land - New Mexico	674,045	674,045
31	Electric Distribution	Meeks	New Business	A.0010059.001	SEM/RING ENERGY/5.7 MILE RECONDUCTO	662,233	-
32	Electric Distribution	Meeks	New Business	A.0010060.002	EUNICE/SAGE BRUSH 556 EXT	606,001	606,001
33	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005521.085	Feeder breaker degradation - S	599,725	-
34	Electric Distribution	Meeks	New Business	A.0010060.005	JAL/ GWS DEEP POSEIDON SWD/ RECON &	581,119	581,119
35	Electric Distribution	Meeks	Purchases	A.0005517.013	NM-Elec-Easement	570,765	-
36	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010092.004	Reconductor Intrepid Potash Pond	565,257	565,257
37	Electric Distribution	Meeks	New Business	A.0010060.003	CIMAREX WHITE CITY PME	536,443	536,443
38	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005584.002	NEW MEXICO MAJOR STORM RECOVERY	523,036	523,036
39	Electric Distribution	Meeks	New Business	A.0010002.004	NM - UG New Services Blanket	482,572	482,572
40	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010076.001	JAL/ JAL ORIGINATION PUMP/3PH RCND	476,927	476,927
41	Electric Distribution	Meeks	Purchases	D.0005014.030	NM-Electric Meter Blanket	438,814	438,814
42	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005583.005	TX Mixed Work Adjustment	422,109	-
43	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010123.004	Damron Transformer Replacement	411,441	-

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2018 through March 31, 2019

Line No.	Asset Class	Witness	Project Category	WBS Level 2	Project Description (WBS Level 2 Description)	Additions to Plant-in Service	
						(F) Total Company	(G) Additions to Plant-in Service (April 1, 2018 - March 31, 2019) N M Retail
44	Electric Distribution	Meeks	New Business	A.0010060.006	Mesquite Services, LLC- Cypress SWD	391,721	391,721
45	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010123.002	Repl Failed Kite Transfmr 69/13.2	387,573	-
46	Electric Distribution	Meeks	New Business	A.0005500.047	JAL/SE SEC6T24R31/ OXY MESA VER/ RE	384,087	384,087
47	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010018.005	NM - OH Street Light Rebuild Blanke	364,543	364,543
48	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0000296.002	Replace existing Hereford 69/1	353,737	-
49	Electric Distribution	Meeks	New Business	A.0010060.001	SUMMIT MIDSTREAM PARTNERS	334,871	334,871
50	Electric Distribution	Meeks	New Business	A.0010001.003	TX - OH New Services Blanket	332,463	-
51	Electric Distribution	Meeks	New Business	A.0010002.003	NM - OH New Services Blanket	318,684	318,684
52	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005583.002	TEXAS POLE INSPECTIONS	245,252	-
53	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005502.052	Install Market St 12.5KV Feede	243,496	243,496
54	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010017.003	TX - OH Services Renewal Blanket	228,205	-
55	Electric Distribution	Meeks	Purchases	A.0005517.015	TxN-Elec Easement	211,270	-
56	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005517.025	Substation Laud - TX	198,094	-
57	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010010.001	NM - OH Relocation Blanket	190,629	190,629
58	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005522.006	Replace Existing Substation Breaker	173,392	173,392
59	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005521.086	ELR - Substation Relays - SPS	168,354	-
60	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005508.186	Rebuild Planview City 69/2.4KV	163,638	-
61	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010018.003	NM - OH Services Renewal Blanket	161,682	161,682
62	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0010034.001	NM - OH Reinforcement Blanket	148,047	148,047
63	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010009.001	TX - OH Relocation Blanket	147,804	-
64	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010018.002	NM - UG Conversion/Rebuild Blanket	140,471	140,471
65	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005584.006	NM Mixed Work Adjustment	138,150	138,150
66	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010124.005	Replace Failed Urton XFR	136,684	136,684
67	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010017.006	TX - UG Street Light Rebuild Blanke	131,369	-
68	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0000646.019	Convert Town of Booker to 34.5	116,413	-
69	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.183	Conv Portales So to 115/4.2KV	109,620	109,620
70	Electric Distribution	Meeks	Purchases	A.0005517.017	TxS-Elec Easement	98,050	-
71	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010002.006	NM - UG New Street Light Blanket	96,395	96,395
72	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0005522.184	Conv Market St to 115/12.5KV 2	90,453	90,453
73	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0001300.053	Install 2 12.47KV OH lines from Sie	85,671	85,671
74	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010001.006	TX - UG New Street Light Blanket	68,800	-
75	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010001.005	TX - OH New Street Light Blanket	67,137	-
76	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005508.153	SPS-TX Convert Obsolete Vltg D	65,298	-
77	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0005521.087	ELR - Substation Regulators -	63,109	-
78	Electric Distribution	Meeks	Outdoor/Area Lighting	A.0010002.005	NM - OH New Street Light Blanket	62,606	62,606
79	Electric Distribution	Meeks	Distribution Line and Substation Capacity	A.0000860.005	Convert Curry Co. Interchange 69KV	61,151	61,151
80	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010009.002	TX - UG Relocation Blanket	58,730	-
81	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010018.004	NM - UG Services Renewal Blanket	55,062	55,062
82	Electric Distribution	Meeks	New Business	A.0005505.009	Txn-(0025) Ug Services	53,048	-
83	Electric Distribution	Meeks	Purchases	A.0005584.004	SPS-NM CAPITALIZED ELECTRIC LOCATES	50,873	50,873
84	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010017.004	TX - UG Services Renewal Blanket	46,841	-
85	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	A.0010026.002	NM - FPI Blanket	37,862	-
86	Electric Distribution	Meeks	Purchases	A.0005583.003	SPS-TX CAPITALIZED ELECTRIC LOCATES	36,209	-

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Asset Class	Witness	Project Category	WBS Level 2	Project Description (WBS Level 2 Description)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)
Line No.					Total Company	NM Retail
87	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005584.003	NEW MEXICO POLE INSPECTIONS	34,207	34,207
88	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0010025.001	TX - REMS Blanket	31,413	-
89	Electric Distribution	Meeks	Outdoor/Area Lighting A.0005506.009	TXOH Street Lights-TX	28,906	-
90	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005502.225	SENM	26,407	26,407
91	Electric Distribution	Meeks	Outdoor/Area Lighting A.0010018.006	NM - UG Street Light Rebuild Blanke	18,391	18,391
92	Electric Distribution	Meeks	New Business A.0005501.116	AMARILLO/TIMES SQUARE VILLAGE I/BAC	18,298	-
93	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005502.223	Convert Hereford 69/13.2kV to	18,248	-
94	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005522.106	Convert Wade to 115/12.5KV & MVA	18,204	-
95	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005508.179	Convert Town of Booker to 34.5	17,159	-
96	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005522.218	Convert Livingston Ridge #1 69	13,916	13,916
97	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005521.182	Convert Centre Street - Remova	13,854	-
98	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005518.095	Sps-Poor Perf Fdr Replace Blkt	12,188	-
99	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0010025.002	TX - FPIP Blanket	10,363	-
100	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005509.011	TXUG ConvrnsRebuilds-TX	9,769	-
101	Electric Distribution	Meeks	New Business A.0005505.007	NMUG Services-NM	9,137	9,137
102	Electric Distribution	Meeks	New Business A.0005504.008	TXOH Services-TX	8,273	-
103	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005502.232	Inst Muleshoe East 12.5/2.4 3-	7,147	-
104	Electric Distribution	Meeks	Outdoor/Area Lighting A.0005506.008	NMOH Street Lights-NM	6,761	6,761
105	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005510.007	NMOH Relocations-NM	6,687	6,687
106	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0010033.002	TX - UG Reinforcement Blanket	6,261	-
107	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0010009.003	TX - UG Service Conversion Blanket	5,499	-
108	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005521.202	Replace Substation Relays-NM	4,573	4,573
109	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005511.011	NMUG Relocations-NM	3,353	3,353
110	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005521.140	Potash #2 Replace Failed XFMR	2,964	2,964
111	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005522.073	Reinf Price T1 69 to 115 kv 2	2,917	2,917
112	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0000860.004	Convert Curry Co. Interchange	2,677	2,677
113	Electric Distribution	Meeks	New Business A.0005504.007	NMOH Services-NM	2,344	2,344
114	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0010010.002	NM - UG Relocation Blanket	2,044	2,044
115	Electric Distribution	Meeks	New Business A.0005501.011	TXUG Extension-TX	1,825	-
116	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005503.008	TXUG Reinforcements-TX	1,642	-
117	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005511.012	TXUG Relocations-TX	1,530	-
118	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005522.260	Reinforce Pringle Oil Field 10	1,493	-
119	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005509.010	NMUG ConvrnsRebuilds-NM	1,341	1,341
120	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005510.021	Txn Blanket-Oh Relocations	1,246	-
121	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005502.247	Install Sunset 13.2kV Feeders	1,157	-
122	Electric Distribution	Meeks	New Business A.0005500.009	NMOH Extension-NM	894	894
123	Electric Distribution	Meeks	Distribution Line and Substation Capacity 11789422	Purch Land for Higg East Sub	542	-
124	Electric Distribution	Meeks	Distribution Line and Substation Capacity A.0005522.357	Install Ponderosa #1 115/25KV	324	324
125	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005521.188	Order new system spare 115/12k	252	-
126	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005508.031	Txn-(022) Oh Rebuilds	159	-
127	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005518.013	Reliability Monitoring System	159	-
128	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005508.101	Inspect/Replace Poles, Texas	3	-
129	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction A.0005518.087	Reliability Monitoring System	3	-

Southwestern Public Service Company  
 Distribution Capital Additions  
 April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Asset Class	Witness	Project Category	WBS Level 2	Project Description (WBS Level 2 Description)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)
Line No.					Total Company	NM Retail
130	Electric Distribution	New Business	A.0005504.009	Txs-(023) Oh Services	(1)	-
131	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005519.023	TX North-UG Service Conv	(119)	-
132	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005584.005	SPS NM Targeted OH Rebuild - A	(129)	(129)
133	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005510.008	TXOH Relocations-TX	(144)	-
134	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005510.072	TX Pole Transfers	(168)	-
135	Electric Distribution	New Business	A.0005505.011	0025 Blanket - New Mexico Ug S	(191)	(191)
136	Electric Distribution	Purchases	A.0005516.033	Scrap Sale Credits-SPS	(218)	-
137	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005521.011	Purchase 115/25KV 50 MVA reserve tr	(511)	(511)
138	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005521.012	Replace North Hobbs T2 - 28MVA	(664)	(664)
139	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.175	Construct Kilgore 115/4.2KV 14M	(710)	(710)
140	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.263	Install New 115/12.5KV Bensing	(883)	(883)
141	Electric Distribution	New Business	A.0005500.024	Txs Blanket-Oh Extension	(1,270)	-
142	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005508.007	NMOH Rebuilds-NM	(1,670)	(1,670)
143	Electric Distribution	New Business	A.0005505.008	TXUG Services-TX	(2,277)	-
144	Electric Distribution	Purchases	A.0005511.048	Capitalized Locating Costs-Ele	(3,838)	-
145	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005509.037	Nm Blanket-Ug Conv/Rebuilds	(6,945)	(6,945)
146	Electric Distribution	New Business	A.0005500.025	NM Blanket-Oh Extension	(9,031)	(9,031)
147	Electric Distribution	New Business	A.0005500.023	TX Blnk-Overhead Extensions	(12,170)	-
148	Electric Distribution	Distribution Line and Substation Capacity	A.0005502.009	TXOH Reinforcements-TX	(17,433)	-
149	Electric Distribution	New Business	A.0005500.007	TXOH Extension-TX	(17,735)	-
150	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.007	Wood Draw Pad Expansion	(21,958)	(21,958)
151	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.105	Inst China Draw 69/12.5KV 28MV	(23,296)	(23,296)
152	Electric Distribution	Outdoor/Area Lighting	A.0005507.006	NMUG Street Lights-NM	(42,601)	(42,601)
153	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.177	Inst Camex 115/13.2kv 28MVA T3	(44,813)	-
154	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.077	Convert Zodiack T1 69 to 115 kv	(61,323)	(61,323)
155	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.178	Inst Higg East 115/12.5KV 28MV	(80,931)	-
156	Electric Distribution	Distribution Line and Substation Capacity	A.0000302.016	Conv Channing to 230/35kv 2-28	(96,646)	-
157	Electric Distribution	Distribution Line and Substation Capacity	A.0005522.127	Inst Battle Axe 115/12.5KV 28MV	(107,731)	(107,731)
158	Electric Distribution	New Business	A.0006062.010	Distribution CIAC TX Elec	(119,885)	-
159	Electric Distribution	New Business	A.0005500.043	BUSHLAND/ 26511 N US HIGHWAY 287/ N	(175,186)	-
160	Electric Distribution	Distribution Line and Substation Capacity	A.0005502.231	Install Battle Axe 12.5KV Feed	(239,996)	(239,996)
161	Electric Distribution	Distribution Line and Substation Reconstruction	A.0005508.008	TXOH Rebuilds-TX	(280,170)	-
162	Electric Distribution	New Business	A.0006062.011	Distribution CIAC NM Elec	(1,668,842)	(1,668,842)
163	<b>Electric Distribution Total</b>				<b>\$ 100,309,251</b>	<b>\$ 35,534,299</b>
164	Electric General	Purchases	A.0006056.213	TX-DIST Fleet New Unit Purchases	\$ 4,441,545	\$ 1,233,036
165	Electric General	Purchases	A.0006059.006	TX-Dist Electric Tools and Equip	2,514,101	697,950
166	Electric General	Purchases	A.0006059.016	TX-Dist Subs Tools and Equip	1,340,173	372,051
167	Electric General	Purchases	A.0006056.214	NM-DIST Fleet New Unit Purchase El	1,101,616	305,824
168	Electric General	Purchases	A.0005549.009	SPS-Dist Sub Communication Equ	985,469	273,580
169	Electric General	Purchases	A.0005549.010	NM-Dist Sub Communication Equi	374,135	103,865
170	Electric General	Purchases	A.0006059.007	NM-Dist Electric Tools and Equip	347,200	96,388

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2018 through March 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line No.	Asset Class	Witness	Project Category	WBS Level 2	Project Description (WBS Level 2 Description)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)	Additions to Plant-in Service (April 1, 2018 - March 31, 2019)
						Total Company	NM Retail
171	Electric General	Meeks	Purchases	A.0005549.034	TX Frame Relay Replacement	111,566	30,972
172	Electric General	Meeks	Purchases	A.0005549.028	NM-Elec Dist Communication Equip	17,563	4,876
173	Electric General	Meeks	Purchases	A.0005014.110	Remodel SPS Lubbock Dist Control Ce	16,427	4,560
174	Electric General	Meeks	Purchases	A.0006056.019	NM-DIST Fleet New Unit Purchase EI	12,286	3,411
175	Electric General	Meeks	Purchases	A.0005555.002	NM - Frame Relay Replacement	10,356	2,875
176	Electric General	Meeks	Purchases	A.0005014.076	SPS-Subs Furniture Blanket	8,831	2,452
177	Electric General	Meeks	Purchases	A.0006059.105	NM-Transportation Tools & Equi	5,480	1,521
178	Electric General	Meeks	Purchases	A.0006056.010	TX-DIST Fleet New Unit Purchases	1,408	391
179	<b>Electric General Total</b>					<b>\$ 11,288,157</b>	<b>\$ 3,133,753</b>
180	<b>Grand Total</b>					<b>\$ 111,597,408</b>	<b>\$ 38,668,052</b>



Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2019 through August 31, 2019

(A) Line No.	(B) Asset Class	(C) Witness	(C) Project Category	(D) Project Description	(E) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	(F) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
1	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	TX Pole Replacement and Reinforcement: This project is to replace and reinforce existing poles.	\$ 3,912,127	\$ -
2	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM Pole Replacement and Reinforcement: This project is to replace and reinforce existing poles.	\$ (141,569)	\$ (141,569)
3	Electric Distribution	Meeks	Purchases	TX Transformer Purchase: This project is for distribution transformer purchases.	3,579,136	-
4	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Install Hillside #2 Transformer and Feeders: This project is to install a new substation transformer and associated feeders to serve general load growth in the Hillside area.	4,185,901	-
5	Electric Distribution	Meeks	New Business	NM OH Extension and Services: This project is to extend new OH distribution lines and services to serve new load.	3,110,322	3,110,322
6	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM Pole Replacement and Reinforcement: This project is to replace and reinforce existing poles.	2,804,648	2,804,648
7	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Purchase mobile transformer to be used in the event of a substation transformer failure.	2,534,120	-
8	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	TX OH Relocations, Rebuilds and Conversions: This project is to relocate, rebuild or convert existing distribution line facilities.	3,127,124	-
9	Electric Distribution	Meeks	New Business	TX OH Extension and Services: This project is to extend new OH distribution lines and services to serve new load.	1,938,923	-
10	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM OH Relocations, Rebuilds and Conversions: This project consists of costs to relocate, rebuild or convert existing distribution line facilities.	1,729,490	1,729,490
11	Electric Distribution	Meeks	Purchases	TX Meter Purchase: This project is for the purchase of new electric meters.	1,495,728	-
12	Electric Distribution	Meeks	Purchases	NM Transformer Purchase: This project is for distribution transformer purchases.	1,192,384	1,192,384
13	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	SPS Storm Recovery Project - TX: This project is for costs associated with SPS's Storm response.	1,198,853	-
14	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Rebuild existing line to serve customer driven XTO load increase.	714,692	714,692
15	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Purchase spare transformer to be used in the event of a transformer failure.	870,043	-
16	Electric Distribution	Meeks	New Business	TX UG Extension and Services: This project is to extend new UG distribution lines and services in order to serve new load.	1,069,978	-
17	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Replace end of life transformer to continue serving load in the Plainview region.	548,177	-

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2019 through August 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	
Line No.	Asset Class	Witness	Project Category	Project Description	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
18	Electric Distribution	Meeks	Purchases	NM Meter Purchase: This project consists of costs for the purchase of new electric meters.	497,952	497,952
19	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	TX Substation Asset Replacement: This blanket project involves the replacement of Substation equipment and the money properly spent on those assets that can be capitalized.	696,004	-
20	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Retire existing substation assets - TX	453,614	-
21	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Retire existing substation assets - NM	4,293	4,293
22	Electric Distribution	Meeks	Purchases	Extend service to serve new customer request and set primary meter at Striker well site.	411,806	411,806
23	Electric Distribution	Meeks	Distribution Line and Substation Capacity	TX OH Reinforcements: This project is to reinforce or reconductor existing distribution lines to serve new or existing customers.	301,060	-
24	Electric Distribution	Meeks	Outdoor/Area Lighting	NM ST LT Rebuilds: This project is to replace or rebuild street light facilities	599,863	599,863
25	Electric Distribution	Meeks	Outdoor/Area Lighting	TX ST LT Rebuilds: This project is to replace or rebuild street light facilities	369,016	-
26	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	SPS Storm Recovery Project-NM: This project is for costs associated with SPS's Storm response.	220,647	220,647
27	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM Substation Asset Replacement: This blanket project involves the replacement of Substation equipment and the money properly spent on those assets that can be capitalized.	204,189	204,189
28	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM OH Line Rebuild and Obsolete Voltage Conversion: Rebuild and Convert OH Lines to address reliability issues with aged infrastructure and obsolete voltage equipment	186,924	186,924
29	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Convert Soney Substation: Convert Soney Substation from 69kV to 115kV and convert existing feeder line voltage	290,434	-
30	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	TX UG Relocations, Rebuilds and Conversions: This project is to relocate, rebuild or convert existing distribution line facilities.	257,199	-
31	Electric Distribution	Meeks	Purchases	TX-Dist Sub Communication Equipment: This project includes all of the communication assets installed or replaced in distribution substations in Texas.	179,610	-
32	Electric Distribution	Meeks	Distribution Line and Substation Capacity	NM OH Reinforcements: This project is to reinforce or reconductor existing distribution lines to serve new or existing customers.	163,983	163,983
33	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Substation Land - TX: This project is for the purchase of Land and ROW for new substations.	153,280	-

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2019 through August 31, 2019

(A) Line No.	(B) Asset Class	(C) Witness	(C) Project Category	(D) Project Description	(E) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	(F) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
34	Electric Distribution	Meeks	New Business	NM UG Extension and Services: This project is to extend new UG distribution lines and services in order to serve new load.	74,877	74,877
35	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	TX OH Line Rebuild and Obsolete Voltage Conversion: Rebuild and Convert OH lines to address reliability issues with aged infrastructure and obsolete voltage equipment	106,430	-
36	Electric Distribution	Meeks	Distribution Line and Substation Capacity	TX UG Reinforcements: This project is to reinforce or reconductor existing distribution lines to serve new or existing customers.	78,731	-
37	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM UG Relocations, Rebuilds and Conversions: This project is to relocate, rebuild or convert existing distribution line facilities.	134,563	134,563
38	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Install Ponderosa Feeder: This project is to install a new feeder to serve new load.	65,700	65,700
39	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Substation Relay Replacement: Replace existing substation relay equipment that has reached end of life.	52,236	-
40	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Install new Outpost Feeders: Install new feeders associated with a new substation driven by a TXDOT relocation to expand Loop 335 Highway.	46,106	-
41	Electric Distribution	Meeks	Purchases	TX Locates: This project contains costs for underground facility locates.	44,634	-
42	Electric Distribution	Meeks	Purchases	NM Locates: This project contains costs for underground facility locates.	39,137	39,137
43	Electric Distribution	Meeks	Distribution Line and Substation Capacity	NM UG Reinforcements: This project is to reinforce or reconductor existing distribution lines to serve new or existing customers.	36,420	36,420
44	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Convert Plainview Substation Transformer from 69kV to 115kV.	26,669	-
45	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	SCADA Monitoring: Install SCADA monitoring at existing substations where it does not currently exist.	22,927	-
46	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Wreck out Muleshoe East: This project is to remove and wreck out existing distribution substation facilities in support of related voltage conversion work.	16,368	-
47	Electric Distribution	Meeks	Purchases	NM ROW: This project contains costs for securing ROW and permitting in support of capital projects.	16,333	16,333
48	Electric Distribution	Meeks	Outdoor/Area Lighting	NM OH Street Light: This project is to install new OH street lights.	15,894	15,894
49	Electric Distribution	Meeks	New Business	TX CIAC in Support Reconstruction Work: This project consists of payments due to facility damage.	9,961	-

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2019 through August 31, 2019

(A) Line No.	(B) Asset Class	(C) Witness	(C) Project Category	(D) Project Description	(E) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	(F) Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
50	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Substation Land - New Mexico: This project is for the purchase of Land and ROW for new substations.	8,700	8,700
51	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Convert Booker Substation: This project includes costs to install a new substation and associated feeders to convert Booker Substation from 69kV to 115kV.	8,163	-
52	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Substation Fence Improvements: Replace or install substation fences to mitigate public safety and reliability impacts.	4,276	-
53	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Spare Transformer Replacement: This project is to replace the existing substation spare transformer.	3,793	-
54	Electric Distribution	Meeks	Outdoor/Area Lighting	TX OH Street Light: This project is to install new OH street lights.	2,161	-
55	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Pringle Oil Field: Upgrade the existing Pringle Oil Field transformer to serve new customer load.	892	-
56	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM UG Extension and Services: This project is to extend new UG distribution lines and services in order to serve new load.	150	150
57	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	NM OH Line Conversion and Obsolete Voltage Conversion: Rebuild and Convert OH lines to address reliability issues with aged infrastructure and obsolete voltage equipment	1	1
58	Electric Distribution	Meeks	Distribution Line and Substation Reconstruction	Convert Portales South: This project includes costs to convert the Portales South Substation 69kV to 115kV as well as associated feeder conversion work.	(3)	(3)
59	Electric Distribution	Meeks	Outdoor/Area Lighting	NM UG Street Light: This project is to install new UG street lights.	(95)	(95)
60	Electric Distribution	Meeks	Outdoor/Area Lighting	TX UG Street Light: This project is to install new UG street lights.	(983)	-
61	Electric Distribution	Meeks	New Business	NM CIAC in Support Reconstruction or customer-driven work: This project consists of customer payments for work performed.	(360,770)	(360,770)
62	Electric Distribution	Meeks	New Business	TX CIAC in Support Reconstruction or customer-driven work: This project consists of customer payments for work performed.	(485,465)	-
63	Electric Distribution	Meeks	Distribution Line and Substation Capacity	Roadrunner Substation	3,468,798	3,468,798
64	<b>Electric Distribution Total</b>				<b>\$ 42,296,556</b>	<b>\$ 15,199,329</b>

Southwestern Public Service Company  
Distribution Capital Additions  
April 1, 2019 through August 31, 2019

(A)	(B)	(C)	(D)	(E)	(F)	
Line No.	Asset Class	Witness	Project Category	Project Description	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) Total Company	Additions to Plant-in-Service (April 1, 2019 - August 31, 2019) NM Retail
65	Electric General	Meeks	Purchases	TX Tools and Equipment: This project provides the funds to purchase tools and equipment necessary to support distribution work.	\$ 1,896,667	\$ 526,542
66	Electric General	Meeks	Purchases	TX Fleet: This project is to purchase fleet vehicles and equipment in support of distribution work.	592,174	164,396
67	Electric General	Meeks	Purchases	NM Fleet: This project is to purchase fleet vehicles and equipment in support of distribution work.	327,529	90,927
68	Electric General	Meeks	Purchases	TX-Dist Sub Communication Equipment: This project includes all of the communication assets installed or replaced in distribution substations in Texas.	187,003	51,915
69	Electric General	Meeks	Purchases	NM Tools and Equipment: This project provides the funds to purchase tools and equipment necessary to support distribution work.	175,065	48,601
70	Electric General	Meeks	Purchases	NM-Dist Sub Communication Equipment: This project includes all of the communication assets installed or replaced in distribution substations in New Mexico.	124,418	34,540
71	Electric General	Meeks	Purchases	SPS-Dist Sub Communication Equipment: This project includes all of the communication assets installed or replaced in distribution substations in Texas.	52,924	14,692
72	Electric General	Meeks	Purchases	TX Frame Relay Replacement: This project is to replace existing Frame Relay communication circuits.	12,629	3,506
73	Electric General	Meeks	Distribution Line and Substation Capacity	Roadrunner Substation	302,319	83,928
74	<b>Electric General Total</b>				<b>\$ 3,670,727</b>	<b>\$ 1,019,046</b>
75	<b>Grand Total</b>				<b>\$ 45,967,283</b>	<b>\$ 16,218,375</b>

Southwestern Public Service Company

Total Company SPS Operation and Maintenance Expenses

Line No.	FERC Acct	Account Description	SPS Total Company O&M Expense - Adjusted Test Year Period	SPS NM Retail O&M Expense - Adjusted Test Year Period
<b>Production</b>				
1	500	Operation Supervision and Engineering	\$ 2,268,554	\$ 627,965
2	501.35	Coal Non-Mine; Non-Freight	36,822,078	10,563,515
3	507.70	Coal Ash Sales	(638,126)	(183,066)
4	502	Steam Expenses	10,999,173	3,044,713
5	505	Electric Expenses	9,804,750	2,714,081
6	506	Miscellaneous Steam Power Expenses	12,308,638	3,407,190
7	507	Rents	6,346,153	1,756,697
8	509	Steam Operation SO2 Allowance Expense	159,720	69,444
9	510	Maintenance Supervision and Engineering	1,487,576	411,780
10	511	Maintenance of Structures	5,165,862	1,429,977
11	512	Maintenance of Boiler Plant	17,498,911	5,020,086
12	513	Maintenance of Electric Plant	12,292,355	3,526,430
13	514	Maintenance of Miscellaneous Steam Plant	11,085,594	3,068,636
14	546	Operation Supervision and Engineering	20,803	5,759
15	548	Generation Expenses	607,534	168,173
16	549	Misc Other Power Generation Expenses	4,229,813	1,209,556
17	550	Rents	509,638	141,074
18	551	Maintenance Supervision and Engineering	215,299	59,598
19	552	Maintenance of Structures	396,710	109,815
20	553	Maintenance of Generating and Electric Equipment	5,156,506	1,466,076
21	554	Maintenance of Misc Other Power Generation Plant	303,609	84,043
22	556.00	System Control and Load Dispatching	1,086,063	300,636
23	557	Purchased Power Other	1,649,520	476,935
24	<b>Total Production O&amp;M Expense</b>		<b>\$ 139,776,736</b>	<b>\$ 39,479,115</b>

Southwestern Public Service Company

Total Company SPS Operation and Maintenance Expenses

Line No.	FERC Acct	Account Description	SPS Total Company O&M Expense - Adjusted Test Year Period	SPS NM Retail O&M Expense - Adjusted Test Year Period
<b>Transmission</b>				
25	560	Operation Supervision and Engineering	\$ 9,782,898	\$ 2,049,023
26	561.1	Load Dispatch - Reliability	231,641	47,369
27	561.2	Load Dispatch - Monitor and Operate Trans. System	3,248,302	664,252
28	561.4	Scheduling, System Control and Dispatching Services	4,043,263	989,084
29	561.5	Reliability, Planning and Standards Development	31	6
30	561.6	Transmission Service Studies	66,498	13,598
31	561.7	Generation Interconnection Studies	(55,916)	(11,434)
32	561.8	Reliability Planning and Standards Development Services	3,190,183	875,170
33	562	Station Expenses	1,936,338	405,565
34	563	Overhead Line Expenses	834,686	174,825
35	564	Underground Line Expenses	-	-
36	565	Wheeling Lamar DC Tie	(420)	(116)
37	565	Wheeling Meter Charges	912,309	-
38	565	Wheeling Miscellaneous	31,117	6,363
39	565	Wheeling Schedule 12	1,833,497	588,980
40	565	Wheeling Schedule 12 - Wholesale	493,218	-
41	565	Wheeling Schedule 1 - Wholesale	762,783	-
42	565	Wheeling Schedule 2	4,678	1,503
43	565	W-Wheeling Schedule 2 - Wholesale	1,115	-
44	565	Wheeling Schedule 7&8	-	-
45	565	Wheeling Schedule 9	6,062,371	1,239,706
46	565	Wheeling Schedule 9 - Wholesale	25,175,406	-
47	565	565000S11T-Wheeling Schedule 11 - Total	135,171,319	33,009,456
48	565	565Z2DAUC - Z2 Direct Assigned Upgrade Charge	81,490	26,180
49	565	565Z2DAUCW - Z2 Direct Assigned Upgrade Charge - Wholesale	16,962	-
50	565	565Z2Sch11 - Z2 Schedule 11 Charges	(182,512)	(58,629)
51	565	565Z2Sch11W - Z2 Schedule 11 Charges - Wholesale	(4,093)	-
52	566	Misc Transmission Expenses	3,050,286	638,881
53	567	Rents	1,966,505	411,884
54	568	Maintenance Supervision and Engineering	8,520	1,784
55	570	Maintenance of Station Equipment	1,742,671	365,002
56	571	Maintenance of Overhead Lines	1,288,468	269,869
57	<b>Sub-Total Total Transmission O&amp;M Expenses</b>		<b>\$ 201,693,613</b>	<b>\$ 41,708,320</b>
<b>Regional Market Expenses</b>				
58	575.1	Operation Supervision	\$ 158,137	\$ 45,366
59	575.2	Day-Ahead and Real-Time Market Administration	306,568	87,948
60	575.5	Ancillary Services Market Administration	24,516	7,033
61	575.6	Market Monitoring and Compliance	41,429	11,885
62	575.7	Market Admin, Monitoring, and Compliance Services	8,199,872	2,005,954
63	575.8	Regional Market Rents	51,609	14,806
64	<b>Total Regional Market Expenses</b>		<b>\$ 8,782,132</b>	<b>\$ 2,172,993</b>
65	<b>Total Transmission O&amp;M Expenses</b>		<b>\$ 210,475,744</b>	<b>\$ 43,881,313</b>

Southwestern Public Service Company

Total Company SPS Operation and Maintenance Expenses

Line No.	FERC Acct	Account Description	SPS Total Company O&M Expense - Adjusted Test Year Period	SPS NM Retail O&M Expense - Adjusted Test Year Period
<b>Distribution</b>				
66	580	Operation Supervision and Engineering	\$ 3,163,274	\$ 1,111,790
67	581	Load Dispatching	313,310	111,864
68	582	Station Expenses	1,595,635	569,703
69	583	Overhead Line Expenses	3,666,655	1,454,447
70	584	Underground Line Expenses	145,869	50,477
71	585	Street Lighting and Signal Systems Expenses	154,975	55,332
72	586	Meter Expenses	3,381,132	1,205,442
73	587	Customer Installations Expenses	918,200	327,833
74	588	Misc Distribution Expense	13,631,759	3,709,454
75	589	Rents	2,595,221	799,926
76	590	Maintenance Supervision and Engineering	19,407	6,929
77	591	Maintenance of Structures	4,271	(2,928)
78	592	Maintenance of Station Equipment	789,883	282,019
79	593	Maintenance of Overhead Lines	7,027,707	2,463,915
80	594	Maintenance of Underground Lines	407,483	130,209
81	595	Maintenance of Line Transformers	346	346
82	596	Maintenance of Street Lighting and Signal Systems	637,197	242,783
83	597	Maintenance of Meters	13,267	4,737
84	598	Maintenance of Misc Distribution Plant	(240,996)	(158,415)
85		<b>Total Distribution O&amp;M Expenses</b>	<b>\$ 38,224,594</b>	<b>\$ 12,365,862</b>
<b>Customer Accounts</b>				
86	901	Supervision	\$ 29,486	\$ 9,165
87	902	Meter Reading Expenses	4,784,352	1,487,047
88	903	<b>Customer Records and Collection Expenses</b>	<b>6,947,307</b>	<b>2,159,325</b>
89	904	Uncollectible Expenses	4,380,461	1,361,536
90	904	Uncollectible Expenses Misc	1,058,042	328,861
91	905	Customer Acct - Misc	-	-
92	DEPINT	Customer Deposit Interest Expense	151,110	34,508
93		<b>Total Customer Accounts Expense</b>	<b>\$ 17,350,759</b>	<b>\$ 5,380,441</b>
<b>Customer Service</b>				
94	908.00	Customer Asst Expense	\$ 2,113,147	\$ 656,797
95	908.00	Historical EE Amortization	388,237	-
96	908.04	SaversSwitch	855,119	-
97	909.00	Informational and Instructional Advertising Expense	600,478	186,641
98	910.00	Miscellaneous Customer Service Expense	17,088	5,311
99		<b>Total Customer Service Expense</b>	<b>\$ 3,974,069</b>	<b>\$ 848,749</b>



Southwestern Public Service Company

Total Company SPS Operation and Maintenance Expenses

Line No.	FERC Acct	Account Description	SPS Total Company O&M Expense - Adjusted Test Year Period	SPS NM Retail O&M Expense - Adjusted Test Year Period
<b>Sales</b>				
100	912.00	Demonstration and Selling Expense-Economic Development	\$ 260,978	\$ 81,116
101	Total Sales Expense		\$ 260,978	\$ 81,116
<b>Administrative and General Expenses</b>				
102	920	Administrative and General Salaries	\$ 28,862,730	\$ 8,012,705
103	921	Office Supplies and Expenses	19,880,024	5,518,978
104	922	Administrative Expenses Transferred-Credit	(17,541,474)	(4,869,763)
105	923	Outside Services Employed	10,024,264	2,782,878
106	924	Property Insurance	3,263,374	866,236
107	925	Injuries and Damages	6,582,771	1,827,471
108	926.00	Employee Pensions and Benefits	34,553,810	9,592,630
109	926.03	Deferred Pension Expense	(2,798,525)	-
110	928.01	Regulatory Commission Expense - NM	6,452,462	6,452,462
111	928.04	Regulatory Commission Expense - Misc	5,528,868	30,507
112	929.00	Duplicate Charges-Credit	(1,390,153)	(367,516)
113	930.20	Misc General Expenses	1,192,983	315,390
114	931	A&G Rents	12,941,448	3,752,019
115	935	Maintenance of General Plant	185,735	51,677
116		Recoverable Contributions, Dues, and Donations	228,213	228,213
117	Total Administrative and General Expenses		\$ 107,966,529	\$ 34,193,886
118	<b>Total Operations and Maintenance Expense</b>		<b>\$ 518,029,409</b>	<b>\$ 136,230,481</b>

**Note:** All amounts included in this attachment are included in the cost of service study provided as Attachment APF-6.