

Southwestern Public Service Company

Accumulated Provision for Depreciation and Amortization by
Functional Classification and Detailed Plant Account

(a) Base Period, (b) Test Year Period

Line No.	FERC Account No.	Description	Balance Beginning of Base Period 4/01/2018	Provision Charged Directly Against Income	Transportation & Other Clearing	Clearings from Retirement Work in Progress	Functional Adjustments - Book Transfers	Balance End of Base Period 3/31/2019	Retirement Work in Progress 3/31/2019	Adjustments ^(b)	Total Company Test Year Period	Test Year Period As Adjusted Retirement Work in Progress ^(b)	NM Retail Test Year Period ^(b)
1 Accumulated Provision for Depreciation													
2 Steam Production													
311		Structures & Improvements	\$ 130,949,417	\$ 6,489,662	\$ -	\$ (364,158)	\$ -	\$ 137,074,921	\$ -	\$ 1,769,745	\$ 138,844,666	\$ -	
312		Boiler Plant Equipment	591,582,107	24,534,248	-	(9,418,968)	-	606,697,387	-	7,644,476	614,341,863	-	
314		Turbogenerator Units	313,584,497	11,050,450	-	(4,172,165)	-	320,462,782	-	4,209,190	324,671,972	-	
315		Accessory Electrical Equipment	49,089,363	2,187,315	-	(352,162)	-	50,934,516	-	671,979	51,596,495	-	
316		Miscellaneous Power Plant Equipment	22,194,870	736,126	-	-	-	22,930,996	-	295,096	23,226,092	-	
317		Steam Production - Asset Retirement Cos	(426,613)	(185,564)	-	-	-	(612,177)	-	612,177	-	-	
317		Total Steam Production	\$ 1,106,973,641	\$ 44,812,237	\$ -	\$ (14,307,453)	\$ -	\$ 1,137,478,425	\$ (7,350,449)	\$ 15,202,663	\$ 1,152,681,088	\$ (5,518,457)	
317		Less: Steam Production - Asset Retirement Cos	426,613	185,564	-	-	-	612,177	-	(612,177)	-	-	
317		Total Steam Production Included in Rate Bas	\$ 1,107,400,254	\$ 44,997,801	\$ -	\$ (14,307,453)	\$ -	\$ 1,138,090,602	\$ (7,350,449)	\$ 14,590,486	\$ 1,152,681,088	\$ (5,518,457)	
3 Other Production													
341		Structures & Improvements	\$ 3,266,092	\$ 382,810	\$ -	\$ -	\$ -	\$ 3,648,902	\$ -	\$ 153,350	\$ 3,802,252	\$ -	
342		Fuel Holders, Producers, & Accessories	4,109,112	132,614	-	-	-	4,241,726	-	74,614	4,316,340	-	
343		Prime Movers	23,255,351	1,234,820	-	292,947	-	24,783,118	-	1,192,944	25,976,062	-	
344		Generators	40,004,745	4,647,160	-	(169,566)	-	44,482,340	-	7,138,685	51,621,025	-	
345		Accessory Electrical Equipment	9,136,057	793,503	-	(25,357)	-	9,904,203	-	431,081	10,335,284	-	
346		Miscellaneous Power Plant Equipment	1,211,743	128,085	-	-	-	1,339,828	-	56,635	1,396,463	-	
347		Other Production - Asset Retirement Cos	22,616	6,785	-	-	-	29,401	-	(29,401)	-	-	
347		Total Other Production	\$ 81,005,716	\$ 7,325,777	\$ -	\$ 98,025	\$ -	\$ 88,429,518	\$ 504,099	\$ 9,017,908	\$ 97,447,426	\$ (230,017)	
347		Less: Other Production - Asset Retirement Cos	(22,616)	(6,785)	-	-	-	(29,401)	-	(29,401)	-	-	
347		Total Other Production Included in Rate Bas	\$ 80,983,100	\$ 7,318,992	\$ -	\$ 98,025	\$ -	\$ 88,400,117	\$ 504,099	\$ 9,047,509	\$ 97,447,426	\$ (230,017)	
4 Transmission													
352		Structures & Improvements	\$ 18,506,875	\$ 1,820,257	\$ -	\$ (663,278)	\$ (128,771)	\$ 19,535,083	\$ -	\$ 3,733	\$ 19,538,816	\$ -	
353		Station Equipment	161,221,370	22,158,484	-	(27,614,229)	(908,334)	154,857,291	-	271,335	155,128,626	-	
354		Towers & Fixtures	2,515,880	110,120	-	-	-	2,626,000	-	(21,096)	2,604,904	-	
355		Poles & Fixtures	179,202,387	28,136,268	-	(18,773,350)	273,751	188,839,056	-	(1,497,831)	187,341,225	-	
356		Overhead Conductors & Devices	89,206,697	10,796,118	-	(7,542,120)	14,285	92,474,980	-	(721,170)	91,753,810	-	
357		Underground Conduit	201,155	3,405	-	-	-	204,560	-	(1,643)	202,917	-	
358		Underground Conductors & Devices	361,356	10,002	-	-	-	371,358	-	(2,983)	368,375	-	
359		Roads & Trails	9,880	9,490	-	-	-	19,370	-	(155)	19,215	-	
359.1		Transmission - Asset Retirement Cos	3,389	782	-	-	-	4,171	-	(4,171)	-	-	
359.1		Total Transmission	\$ 451,228,989	\$ 63,044,926	\$ -	\$ (54,592,977)	\$ (749,069)	\$ 458,931,869	\$ (29,872,287)	\$ (1,973,983)	\$ 456,957,886	\$ (2,580,973)	
359.1		Less: Transmission - Asset Retirement Cos	(3,389)	(782)	-	-	-	(4,171)	-	(4,171)	-	-	
359.1		Total Transmission Included in Rate Bas	\$ 451,225,600	\$ 63,044,144	\$ -	\$ (54,592,977)	\$ (749,069)	\$ 458,927,698	\$ (29,872,287)	\$ (1,969,812)	\$ 456,957,886	\$ (2,580,973)	
5 Distribution													
361		Structures & Improvements	\$ 2,977,588	\$ 474,727	\$ -	\$ (146,515)	\$ -	\$ 3,305,800	\$ -	\$ 5,601	\$ 3,311,401	\$ -	
362		Station Equipment	59,008,448	5,711,359	-	(4,697,987)	(535)	60,021,285	-	37,449	60,058,734	-	
363		Towers, & Fixtures	73,532,965	7,923,829	-	(4,768,188)	-	76,688,606	-	76,494	76,765,100	-	
364		Overhead Conductors & Devices	57,437,315	7,517,584	-	(4,740,029)	-	60,214,870	-	(201,638)	60,013,242	-	
366		Underground Conduit	10,077,139	481,690	-	(32,624)	-	10,526,205	-	(2,885)	10,523,320	-	
367		Underground Conductors & Devices	11,851,296	1,078,013	-	(150,641)	-	12,778,668	-	(21,702)	12,756,966	-	
368		Line Transformers	62,655,047	5,404,276	-	(1,152,652)	-	66,906,671	-	1,059,373	67,966,044	-	
369		Services	40,609,726	2,651,692	-	(405,118)	-	42,856,300	-	723,300	43,579,600	-	
370		Meters	26,543,267	1,827,107	-	(1,669,410)	-	26,700,964	-	439,996	27,140,960	-	
371		Installations On Customers' Premises	11,080,895	11,555	-	(9,969,114)	(579,918)	543,398	-	11,427,103	1,970,501	-	
373		Street Lighting & Signal Systems	10,200,546	978,370	-	(1,688,509)	579,918	10,160,325	-	(503,715)	9,656,610	-	
374		Distribution - Asset Retirement Cos	1,131,106	219,854	-	-	-	1,350,960	-	(1,350,960)	-	-	
374		Total Distribution	\$ 367,195,338	\$ 34,280,036	\$ -	\$ (29,420,787)	\$ (535)	\$ 372,054,052	\$ (7,950,609)	\$ 11,688,425	\$ 383,742,477	\$ (1,743,222)	
374		Less: Distribution - Asset Retirement Cos	(1,131,106)	(219,854)	-	-	-	(1,350,960)	-	(1,350,960)	-	-	
374		Total Distribution Included in Rate Bas	\$ 366,064,232	\$ 34,060,182	\$ -	\$ (29,420,787)	\$ (535)	\$ 370,703,092	\$ (7,950,609)	\$ 13,039,385	\$ 383,742,477	\$ (1,743,222)	

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(a) Base Period, (b) Test Year Period

Line No.	Description	FERC Account No.	Balance Beginning of Base Period 4/01/2018	Provision Charged Directly Against Income	Transportation & Other Clearing	Clearings from Retirement Work in Progress	Functional Adjustments - Book Transfers	Balance End of Base Period 3/31/2019	Retirement Work in Progress 3/31/2019 ^(a)	Adjustments ^(b)	Total Company Test Year Period	Test Year Period	
												As Adjusted	NM Retail Test Year Period ^(b)
General													
52	Structures & Improvements	390	\$ 18,504,294	\$ 1,660,358	\$ -	\$ -	\$ -	\$ 20,164,652	\$ -	\$ 717,535	\$ 20,882,187		
53	Office Furniture & Equipment	391	4,172,827	612,148	-	(193,093)	4,591,882	279,871	12,182	4,871,753			
54	Stores Equipment	393	285,170	10,265	-	-	295,435	307,617	313,879	7,883,656			
55	Tools, Shop, & Garage Equipment	394	6,585,790	1,178,703	-	(194,716)	7,569,777	8,316,256	343,008	8,659,264			
56	Laboratory Equipment	395	8,123,768	353,233	-	(826)	8,476,765	69,600	(15,967)	1,763,775			
57	Miscellaneous Equipment	398	1,589,017	105,984	-	-	1,694,175	15,967	-	-			
58	General - Asset Retirement Cost	399.1	14,749	1,218	-	(549,380)	\$ -	\$ 42,648,144	\$ (527,911)	\$ 1,720,108	\$ 44,368,252	\$ (472,449)	
60	Total General		\$ 39,275,615	\$ 3,921,909	\$ -	\$ (549,380)	\$ -	\$ 42,648,144	\$ (527,911)	\$ 1,720,108	\$ 44,368,252	\$ (472,449)	
61	Less: General - Asset Retirement Cos	399.1	(14,749)	(1,218)	-	-	-	(15,967)	-	15,967	-	-	
62	Total General Included in Rate Base		\$ 39,260,866	\$ 3,920,691	\$ -	\$ (549,380)	\$ -	\$ 42,632,177	\$ (527,911)	\$ 1,736,075	\$ 44,368,252	\$ (472,449)	
Transportation													
63	Transportation Equipment	392	\$ 55,249,513	\$ -	\$ 6,690,303	\$ 502,475	\$ -	\$ 62,442,291	\$ -	\$ 3,306,001	\$ 65,748,292		
64	Power Operated Equipment	396	5,769,090	669,415	-	21,611	6,460,116	346,340	346,340	6,806,456			
66	Total Transportation		\$ 61,018,603	\$ -	\$ 7,359,718	\$ 524,086	\$ -	\$ 68,902,407	\$ -	\$ 3,652,340	\$ 72,554,747		
Network Equipment													
67	Computer Equipment	391.1	\$ 28,756,385	\$ 11,742,654	\$ -	\$ (2,825,049)	\$ 565	\$ 37,674,555	\$ -	\$ 5,404,076	\$ 43,078,631		
68	Communication Equipment	397	53,605,760	6,261,965	-	(513,070)	(565)	59,354,090	2,092,151	61,446,241			
70	Total Network Equipment		\$ 82,362,145	\$ 18,004,619	\$ -	\$ (3,338,119)	\$ -	\$ 97,028,645	\$ -	\$ 7,496,227	\$ 104,524,872		
71	Reserve Deficiency - General AR15 Asset ^(b)		(7,851,196)	593,883	551,119	-	-	(6,706,194)	-	453,121	(6,253,073)		
72	Limited Term Investments		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
73	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
74	Miscellaneous Intangible Plant		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
75	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
76	Plant Held for Future Use		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
77	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
78	Total Accumulated Reserve for Depreciation		\$ 2,181,208,851	\$ 171,983,387	\$ 7,910,837	\$ (101,586,605)	\$ (749,604)	\$ 2,258,766,866	\$ (45,197,157)	\$ 47,256,809	\$ 2,306,023,675	\$ (10,545,118)	
79	Less: Total Asset Retirement Cost		(745,247)	(43,075)	-	-	-	(788,322)	-	788,322	-	-	
80	Total Accumulated Reserve for Depreciation		\$ 2,180,463,604	\$ 171,940,312	\$ 7,910,837	\$ (101,586,605)	\$ (749,604)	\$ 2,257,978,544	\$ (45,197,157)	\$ 48,045,131	\$ 2,306,023,675	\$ (10,545,118)	
81	Jurisdictional Adjustments ^(b)		\$ 87,536,941	\$ 1,884,740	\$ 616,026	\$ 195,451	\$ 13,458,581	\$ 103,691,742	\$ -	\$ 18,699,575	\$ 122,391,317		
82	NM Total Company Accumulated Reserve for Depreciation		\$ 2,268,000,545	\$ 173,825,052	\$ 8,526,863	\$ (101,391,154)	\$ 12,708,977	\$ 2,361,670,286	\$ (45,197,157)	\$ 66,744,706	\$ 2,428,414,992	\$ (10,545,118)	
83	Accumulated Provision for Amortization		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
84	Steam Production		\$ 3,831,321	\$ 374,730	\$ -	\$ -	\$ 4,206,051	\$ -	\$ -	\$ 216,181	\$ 4,422,232		
85	Land & Water Rights		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
86	Total Steam Production		\$ 3,831,321	\$ 374,730	\$ -	\$ -	\$ 4,206,051	\$ -	\$ -	\$ 216,181	\$ 4,422,232		

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(a) Base Period, (b) Test Year Period

Line No.	Description	FERC Account No.	Balance Beginning of Base Period 4/01/2018	Provision Charged Directly Against Income	Transportation & Other Clearing	Clearings from Retirement Work in Progress	Functional Adjustments - Book Transfers	Balance End of Base Period 3/31/2019	Retirement Work in Progress 3/31/2019 ⁽¹⁾	Adjustments ^(b)	Total Company Test Year Period	Test Year Period As Adjusted Retirement Work in Progress ^(c)	NM Retail Test Year Period ^(d)
87	Internal Combustion Production												
88	Land Rights	340.2	\$ 682	\$ -	\$ -	\$ -	\$ -	\$ 682	\$ -	\$ -	\$ 682	\$ -	
89	Total Internal Combustion Production		\$ 682	\$ -	\$ -	\$ -	\$ -	\$ 682	\$ -	\$ -	\$ 682	\$ -	
90	Transmission												
91	Land Rights	350.2	\$ 19,214,689	\$ 2,252,740	\$ -	\$ -	\$ -	\$ 21,467,429	\$ -	\$ 969,291	\$ 22,436,720	\$ -	
92	Total Transmission		\$ 19,214,689	\$ 2,252,740	\$ -	\$ -	\$ -	\$ 21,467,429	\$ -	\$ 969,291	\$ 22,436,720	\$ -	
93	Distribution												
94	Land Rights	360.2	\$ 1,343,316	\$ 147,080	\$ -	\$ -	\$ -	\$ 1,490,396	\$ -	\$ 64,548	\$ 1,554,944	\$ -	
95	Total Distribution		\$ 1,343,316	\$ 147,080	\$ -	\$ -	\$ -	\$ 1,490,396	\$ -	\$ 64,548	\$ 1,554,944	\$ -	
96	General												
97	Land Rights	389.2	\$ 16,778	\$ 1,022	\$ -	\$ -	\$ -	\$ 17,800	\$ -	\$ 426	\$ 18,226	\$ -	
98	Leasehold Improvement	390	\$ 645,665	\$ 301,423	\$ -	\$ 1	\$ -	\$ 947,089	\$ -	\$ 125,615	\$ 1,072,704	\$ -	
99	Total General		\$ 662,443	\$ 302,445	\$ -	\$ 1	\$ -	\$ 964,889	\$ -	\$ 126,040	\$ 1,090,929	\$ -	
100	Transportation												
101	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
102	Network Equipment												
103	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
104	Limited Term Investments												
105	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
106	Miscellaneous Intangible Plant												
107	Miscellaneous Intangible:	303	\$ 99,639,573	\$ 25,100,602	\$ -	\$ (13,598,928)	\$ -	\$ 111,141,247	\$ -	\$ 10,451,700	\$ 121,592,947	\$ -	
108	Total Miscellaneous Intangible Plant		\$ 99,639,573	\$ 25,100,602	\$ -	\$ (13,598,928)	\$ -	\$ 111,141,247	\$ -	\$ 10,451,700	\$ 121,592,947	\$ -	
109	Plant Held for Future Use												
110	None		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
111	Total Accumulated Reserve for Amortization		\$ 124,692,024	\$ 28,177,597	\$ -	\$ (13,598,927)	\$ -	\$ 139,270,694	\$ -	\$ 11,827,761	\$ 151,098,455	\$ -	
112	Jurisdictional Adjustments ^(b)		\$ (4,394,388)	\$ (603,331)	\$ -	\$ -	\$ 164,791	\$ (4,832,928)	\$ -	\$ (230,960)	\$ (5,063,888)	\$ -	
113	NM Total Company Accumulated Reserve for Amortization		\$ 120,297,636	\$ 27,574,266	\$ -	\$ (13,598,927)	\$ 164,791	\$ 134,437,766	\$ -	\$ 11,596,801	\$ 146,034,567	\$ -	
114	NM Total Company Accumulated Reserve for Depreciation and Amortization		\$ 2,388,298,181	\$ 201,399,318	\$ 8,526,863	\$ (114,990,081)	\$ 12,873,768	\$ 2,496,108,052	\$ (45,197,157)	\$ 78,341,507	\$ 2,574,449,559	\$ (10,545,118)	\$ 676,998,697

(c) Explanation of Adjustments

⁽¹⁾ Jurisdictional adjustments unblend the New Mexico total company depreciation reserve from the financial reserve as discussed in the Direct Testimony of Laurie J. Wold.

⁽²⁾ Retirement Work In Progress ("RWIP") only provided by Functional Class because it is not calculated at the FERC account level.

⁽³⁾ Change in reserve from April 2019 - August 2019 includes depreciation expense on all plant including plant additions expected to close within five months after the end of the Base Period, retirements, clearings from RWIP and other adjustments as described in the Direct Testimony of Arthur P. Freitas.

⁽⁴⁾ Reserve Deficiency: Represents blended financial reserve deficiency as reflected on Texas and FERC sets of books. In the Jurisdictional Adjustments line, this will be reversed to arrive at the New Mexico total company depreciation reserve.

⁽⁵⁾ NM Retail amount shown for grand total only because jurisdictional adjustments to unblend the New Mexico total company depreciation reserve from the financial reserve are shown by total accumulated reserve for depreciation and total accumulated reserve for amortization on this schedule. See Attachment APP-8, page 16, line 587 through page 18, line 651 for details of unblending adjustments.

Difference between total Base Period balances prior to jurisdictional adjustments and Test Year Period balances after all adjustments equals (\$193,239,784). For summary of all adjustments, see Attachment APP-6, pages 69-77, lines 1-312.

Southwestern Public Service Company

Depreciation Rate Study

Please refer to Attachment DAW-2 to the Direct Testimony of Southwestern Public Service Company witness Dane A. Watson for the Depreciation Study.

Southwestern Public Service Company

Depreciation and Amortization Methods

Southwestern Public Service Company (“SPS”) is not requesting a change in depreciation and amortization methods, formulae, or procedures. SPS filed its current depreciation rates pursuant to NMPRC 17.3.340 NMAC, with its Annual Report on April 30, 2019. SPS performed a study of all its property as of December 31, 2018 and based on the results is requesting changes to certain depreciation and amortization rates due to changes in the lives and expected net salvage percentages. Please refer to Attachment DAW-2 to the Direct Testimony of Southwestern Public Service Company witness Dane A. Watson for the Depreciation Study. These rate changes are consistent with the existing methods, formulae and procedures.