

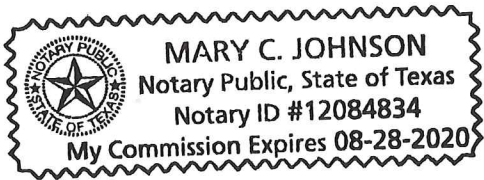
increased investment affects SPS's Texas retail rates in the same manner that I described in my direct testimony.

5. Based upon SPS's update filing, SPS is asking to increase its base and miscellaneous tariff revenues by \$136.5 million. However, as stated in my direct testimony, given the no-fuel cost wind resource along with the crediting of the PTCs through eligible fuel expense, the fixed fuel factor dropped in July of 2019, and the impact on jurisdictional fuel revenues is a reduction of \$84.6 million. Thus, the proposed net increase in revenues is \$51.9 million, which is a 6% increase in overall Texas retail revenues, including fuel and purchased power costs. Attachment DTH-RR-U3 is a summary of the proposed increase on a Texas retail jurisdictional basis, shown on a base revenue and total jurisdictional revenue basis.

David T. Hudson

DAVID T. HUDSON

Subscribed and sworn to before me this 18 day of September, 2019 by DAVID T. HUDSON.

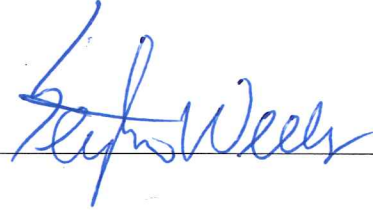


Mary C Johnson
Notary Public, State of Texas

My Commission Expires: 8.28.20

CERTIFICATE OF SERVICE

I certify that on the 20th day of September 2019, a true and correct copy of the foregoing update testimony was served on all parties of record by electronic service and by either hand delivery, Federal Express, regular first class mail, certified mail, or facsimile transmission.



Southwestern Public Service Company

Summary of Texas Retail Rate Increase Request

Line No.	Description	(1) Current Revenue	(2) Rate Case Request	(3) Proposed Revenues	(4) Net Revenue Increase	(5) Net Percent Increase
1	Base Rate and TCRF Revenues	\$ 553,798,751	\$ 136,476,306	\$ 690,275,057	\$ 136,476,306	24.6%
2						
3	EECRF Revenue	5,028,342	-	5,028,342	-	
4						
5	Rate Case Expense Rider Revenue	1,068,463	-	1,068,463		
6						
7	Net Non-Fuel Revenue	\$ 559,895,556		\$ 696,371,862	\$ 136,476,306	24.4%
8						
9	Fuel and Purchased Energy Revenue	311,133,201		226,506,812	(84,626,389)	-27.2%
10						
11	Total Texas Retail Revenue	\$ 871,028,757		\$ 922,878,674	\$ 51,849,917	6.0%