

**SOAH DOCKET NO. 473-19-6677
DOCKET NO. 49831**

**APPLICATION OF SOUTHWESTERN § BEFORE THE STATE OFFICE
PUBLIC SERVICE COMPANY FOR § OF
AUTHORITY TO CHANGE RATES § ADMINISTRATIVE HEARINGS**

**UPDATE TESTIMONY
of
PERRY D. FOSTER**

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

(Filename: FosterRRUpdate.doc; Total Pages: 24)

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¹ For ease of cross-referencing this update testimony with the original direct testimony filed on August 8, 2019, the sections and subsections in this update testimony correspond with the original sections and subsections in the original direct testimony.

Attachment PDF-RR-UA (*filename: PDF-RR-UABCD.xlsx*) 20

Attachment PDF-RR-UB(CD) (*filename: PDF-RR-UABCD.xlsx*) 21

Attachment PDF-RR-UC (*filename: PDF-RR-UABCD.xlsx*) 22

Attachment PDF-RR-UD (*filename: PDF-RR-UABCD.xlsx*) 23

GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
O&M	operation and maintenance
SPS	Southwestern Public Service Company, a New Mexico corporation
Total Company or total company	Total SPS (before any jurisdictional allocation)
Update Period	April 1, 2019 through June 30, 2019
Updated Test Year	July 1, 2018 through June 30, 2019
Xcel Energy	Xcel Energy Inc.
XES	Xcel Energy Services Inc.

LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
PDF-RR-U1	SPS Transmission Operation and Maintenance Expenses (Filename: PDF-RR-U1.xlsx)
PDF-RR-UA (Updated Test Year)	Summary of XES Expenses to SPS by Affiliate Class and Billing Method (Filename: PDF-RR-UABCD.xlsx)
PDF-RR-UB(CD) (Updated Test Year)	XES Expenses by Affiliate Class, Activity, Billing Method, and FERC Account (Filename: PDF-RR-UABCD.xlsx)
PDF-RR-UC (Updated Test Year)	Exclusions from XES Expenses to SPS by Affiliate Class and FERC Account (Filename: PDF-RR-UABCD.xlsx)
PDF-RR-UD (Updated Test Year)	Pro Forma Adjustments to XES Expenses by Affiliate Class and FERC Account (Filename: PDF-RR-UABCD.xlsx)

1 I. WITNESS IDENTIFICATION

3 A. My name is Perry D. Foster. My business address is 790 South Buchanan Street,
4 Amarillo, Texas 79101.

6 A. I am employed by Xcel Energy Services Inc. (“XES”) as Regional Director,
7 Substation Operations and Maintenance.

9 A. I am filing testimony on behalf of Southwestern Public Service Company, a New
10 Mexico corporation (“SPS”).

13 A. Yes.

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A. As explained in SPS's direct testimony, SPS is using an Updated Test Year in this case. The Updated Test Year is the period from July 1, 2018 through June 30, 2019. Because of the timing of the filing of this case, certain costs for the period from April 1, 2019 through June 30, 2019 ("Update Period") in my direct testimony were estimated. My assignment in this update testimony is to replace those estimated costs with actual costs. The result of this update is that the Updated Test Year now consists of only actual information, and no estimates. For ease of cross-referencing this update testimony with the my direct testimony filed on August 8, 2019, the sections and subsections in this update testimony correspond with the original sections and subsections in my direct testimony.

Regarding the Transmission & Substations affiliate costs I support, my direct testimony provided actual figures for April and May 2019 and estimated figures for June 2019 based on the forecasted budget. In this testimony, I replace the June 2019 estimates with actuals. In addition, the April through June 2019 expenses have now gone through the full pro forma adjustment review process. Thus, I provide updated figures for those Update Period expenses. My update testimony includes Attachments PDF-RR-UA through PDF-RR-UD in support of the Transmission & Substations affiliate costs I support.

1 **Q. Please summarize your update testimony and recommendations.**

2 A. *Native Costs* – The amounts included in Attachment PDF-RR-U1 represent at a
3 total company level (total SPS before jurisdictional allocations, or “total
4 company”), reasonable and necessary transmission O&M costs incurred directly
5 by SPS to support SPS’s ability to provide safe and reliable electric service to its
6 Texas retail customers. I recommend the Commission approve those costs for the
7 reasons discussed in my direct testimony.

8 *Affiliate Costs* – The estimated Updated Test Year costs for the services of the
9 Transmission & Substations affiliate class that SPS sought to recover were
10 \$9,465,322 (total company). The actual Updated Test Year costs for the services
11 of the Transmission & Substations affiliate class that SPS seeks to recover are
12 \$9,651,325. Please refer to Attachments PDF-RR-UA through PDF-RR-UD. In
13 addition to providing updated SPS numbers, those attachments also reflect the
14 total updated XES class expenses for the Transmission & Substations affiliate
15 class. The actual costs are reasonable and necessary for the reasons I provided in
16 my direct testimony.

17 **Q. Were Attachments PDF-RR-U1 and PDF-RR-UA through PDF-RR-UD**
18 **prepared by you or under your direct supervision and control?**

19 A. Attachment PDF-RR-U1 was prepared by SPS witness Arthur P. Freitas and his
20 staff and is based on the cost of service study. My staff and I have reviewed this
21 attachment, and I believe it to be accurate. Attachments PDF-RR-UA through
22 PDF-RR-UD were prepared as described by SPS witness Melissa L. Schmidt. My
23 staff and I have reviewed these attachments and I believe them to be accurate.

1 Although the information I have described also is present in these other witnesses'
2 attachments, I have presented this information in the attachments to my update
3 testimony for the convenience of those reviewing it.

IV. UPDATED AFFILIATE EXPENSES FOR THE TRANSMISSION & SUBSTATIONS CLASS OF SERVICES

A. Summary of Affiliate Expenses for the Transmission & Substations Class of Services

Q. What is the dollar amount of the Updated Test Year XES charges that SPS requests, on a total company basis, for the Transmission & Substations affiliate class?

A. The following table summarizes the dollar amount of the actual Updated Test Year XES charges for the Transmission & Substations affiliate class.

Table PDF-RR-U1

Class of Services	Total XES Class Expenses	Requested Amount of XES Class Expenses Billed to SPS (Total Company)		
		Requested Amount	% Direct Billed	% Allocated
Transmission & Substations	\$41,179,143	\$9,651,325	62.08%	37.92%

Total XES Class Expenses

Dollar amount of total Updated Test Year expenses that XES charged to all Xcel Energy Inc. ("Xcel Energy") companies for the services provided by this affiliate class. This is the amount from Column E in Attachment PDF-RR-UA.

Requested Amount of XES Class Expenses Billed to SPS (Total Company)

Requested dollar amount of XES expenses to SPS (total company) for this affiliate class after exclusions and pro forma adjustments. This is the amount from Column K in Attachment PDF-RR-UA.

% Direct Billed

The percentage of SPS's requested XES expenses (total company) for this class that were billed 100% to SPS.

% Allocated

The percentage of SPS's requested XES expenses (total company) for this class that were allocated to SPS.

- 1 **Q. Please describe the updated attachments that support the information**
2 **provided on Table PDF-RR-U1.**
- 3 A. Attachments PDF-RR-UA through PDF-RR-UD present the updated information
4 about the requested SPS affiliate expenses for the Transmission & Substations
5 affiliate class. The detailed descriptions for Attachments PDF-RR-A through
6 PDF-RR-D that were provided in my direct testimony remain applicable to these
7 updated attachments.
- 8 **Q. Are there updated exclusions for the Transmission & Substations affiliate**
9 **class?**
- 10 A. Yes. The actual exclusions are provided on Attachment PDF-RR-UC.
- 11 **Q. Are there updated pro forma adjustments to SPS's per book expenses for the**
12 **Transmission & Substations affiliate class?**
- 13 A. Yes. As I mentioned in my direct testimony, pro forma adjustments are revisions
14 to Updated Test Year expenses for known and measurable changes. Pro forma
15 adjustments are shown on Attachment PDF-RR-UA, Column J, and on
16 Attachment PDF-RR-UB, Column M. The details for the pro forma adjustments,
17 including the witness or witnesses who sponsor each pro forma adjustment, are
18 provided in Attachment PDF-RR-UD.
- 19 **Q. Attachment PDF-RR-UD shows that you sponsor pro forma adjustments for**
20 **expenses for the Transmission & Substations affiliate class during the**
21 **Updated Test Year that result in a net decrease for the Transmission &**
22 **Substations affiliate class of \$41,105.99. Please explain the adjustments.**
- 23 A. The adjustments I sponsor remove costs not benefitting SPS (a decrease of
24 \$35,615.26); foreign travel (a decrease of \$1,365.98); and other life events (a
25 decrease of \$4,124.75).

1 **C. The Transmission & Substations Class of Services are Provided at**
2 **a Reasonable Cost**

3 **Q. What is the purpose of this section of your update testimony?**

4 A. In this section of my direct testimony, several numbers were based on estimates
5 for the Update Period. In this update testimony, I replace those estimates with
6 actual numbers, and explain that the actual costs for the Transmission &
7 Substations affiliate class are reasonable.

8 *1. Additional Evidence*

9 **Q. Is there additional support for a portion of the expenses that you present in**
10 **this testimony?**

11 A. Yes. Of the Updated Test Year costs for the Transmission & Substations class,
12 64.52% are compensation and benefits costs for XES personnel. SPS witnesses
13 Michael T. Knoll and Richard R. Schrubbe establish that the level of Xcel
14 Energy's compensation and benefits is reasonable and necessary.

15 *3. Cost Trends*

16 **Q. Please state the dollar amounts of the actual charges (per book) from XES to**
17 **SPS for the Transmission & Substations class of services for the three fiscal**
18 **years preceding the end of the Updated Test Year and the charges (per book)**
19 **for the Updated Test Year.**

20 A. The following table shows, for the fiscal years 2016, 2017, and 2018 (calendar
21 years), and for the Updated Test Year, the actual per book affiliate charges
22 (Column I on Attachment PDF-RR-UA) from XES to SPS for the services
23 grouped in the Transmission & Substations affiliate class:

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Table PDF-RR-U2

	(Per Book) Charges Over Time				
Class of Services	2016	2017	2018	Updated Test Year (Estimated)	Updated Test Year (Actual)
Transmission & Substations	\$16,007,358	\$9,525,230	\$10,657,339	\$9,625,701	\$10,094,045

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4. Staffing Trends

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Q. Please provide the staffing levels for the Transmission & Substations class of services for the three fiscal years preceding the end of the Updated Test Year and the Updated Test Year.

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A. The following table shows, for the fiscal years 2016, 2017, and 2018 (calendar years) and for the Updated Test Year, the average of the end of month staffing levels for the Transmission & Substations class of services.

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Table PDF-RR-U3

	Average of End of Month # of Staff				
Class of Services	2016	2017	2018	Updated Test Year (Estimated)	Updated Test Year (Actual)
Transmission & Substations	501	493	502	506	509

1 **D. The Costs for the Transmission & Substations Class of Services**
2 **are Priced in a Fair Manner**

3 **Q. Have any of the predominant allocation methods for the Transmission &**
4 **Substations affiliate operation and maintenance expenses changed?**

5 A. No. The predominant allocation methods have remained the same, but the
6 percentages and amounts have changed as follows:

7 **Table PDF-RR-U4**

Allocation Method	Estimated Percentage of XES charges to SPS/Amount Requested (total company) in Direct Testimony	Actual Percentage of XES charges to SPS/Amount Requested (total company) in Update Filing
Direct Billing	61.05% / \$5,778,706.07	62.08% / \$5,991,885.72
Electric Transmission Plant	38.91% / \$3,682,594.73	37.92% / \$3,659,439.64

8 **Q. Does this conclude your pre-filed update testimony?**

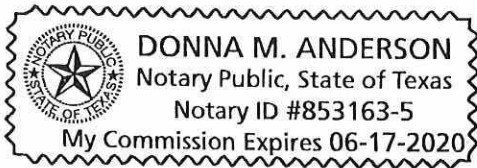
9 A. Yes.

AFFIDAVIT

STATE OF TEXAS)
)
COUNTY OF POTTER)


PERRY D. FOSTER, first being sworn on his oath, states:

I am the witness identified in the preceding Update Testimony. I have read the Update Testimony and the accompanying attachment(s) and am familiar with the 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 Update Testimony are true, valid, and accurate.




PERRY D. FOSTER

Subscribed and sworn to before me this 10 day of September, 2019 by PERRY D. FOSTER.


Notary Public, State of Texas

My Commission Expires: 6/17/2020

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.

A handwritten signature in blue ink, consisting of stylized initials, is written over a horizontal line.

Southwestern Public Service Company

SPS Transmission Operation & Maintenance Expenses

Total Company SPS Operation and Maintenance Expenses

Line No.	FERC Acct	Account Description	Native SPS O&M Expense through the Update Period (Jul '18-Jun '19)	Updated Test Year Affiliate O&M Expense (Jul '18-Jun '19)	Total Company Requested O&M
Production					
1	500	Operation Supervision and Engineering	\$ 1,302,088	\$ 845,746	\$ 2,147,834
2	501.35*	Coal Non-Mine; Non-Freight	34,732,116	-	34,732,116
3	507.70	Coal Ash Sales	(1,730,689)	1,503,199	(227,490)
4	502	Steam Expenses	10,073,061	(24,863)	10,048,198
5	505	Electric Expenses	9,786,043	559	9,786,601
6	506	Miscellaneous Steam Power Expenses	8,396,464	5,057,641	13,454,105
7	507	Rents	1,467,127	4,334,766	5,801,893
8	509	Steam Operation SO2 Allowance Expense	124,830	-	124,830
9	509.02	Allowances - NM Nox Expense Amortz	(2,340)	-	(2,340)
10	510	Maintenance Supervision and Engineering	1,499,505	4,805	1,504,310
11	511	Maintenance of Structures	4,965,791	1,535	4,967,326
12	512	Maintenance of Boiler Plant	16,708,182	1,041,142	17,749,323
13	513	Maintenance of Electric Plant	12,734,579	438,068	13,172,648
14	514	Maintenance of Miscellaneous Steam Plant	9,892,881	1,300,657	11,193,538
15	546	Operation Supervision and Engineering	(16,230)	49,163	32,932
16	546W	Operation Supervision and Engineering Wind	27,667	-	27,667
17	548	Generation Expenses	328,123	-	328,123
18	549	Misc Other Power Generation Expenses	224,417	161,231	385,648
19	549W	Misc Other Power Generation Expenses Wind	5,800,304	-	5,800,304
20	550	Rents	99,441	406,940	506,381
21	551	Maintenance Supervision and Engineering	175,358	376	175,734
22	552	Maintenance of Structures	364,670	679	365,349
23	553	Maintenance of Generating and Electric Equipment	1,215,324	32,503	1,247,827
24	553W	Maintenance of Generating and Electric Equipment Wind	3,843,120	-	3,843,120
25	554	Maintenance of Misc Other Power Generation Plant	189,267	167,464	356,731
26	554W	Maintenance of Misc Other Power Generation Plant Wind	31,430	-	31,430
27	556	System Control and Load Dispatching	(2,639)	1,031,823	1,029,185
28	557	Purchased Power Other	(466,572)	1,774,980	1,308,408
29	557.9*	REC Costs	2,543,109	-	2,543,109
30	Total Production O&M Expense		\$ 124,306,427	\$ 18,128,414	\$ 142,434,841

Southwestern Public Service Company

SPS Transmission Operation & Maintenance Expenses

Total Company SPS Operation and Maintenance Expenses

			Native SPS O&M Expense through the Update Period (Jul '18-Jun '19)	Updated Test Year Affiliate O&M Expense (Jul '18-Jun '19)	Total Company Requested O&M
Line No.	FERC Acct	Account Description			
Transmission					
31	560	Operation Supervision and Engineering	\$ (571,330)	\$ 9,857,223	\$ 9,285,893
32	561.1	Load Dispatch - Reliability	229,954	-	229,954
33	561.2	Load Dispatch - Monitor and Operate Trans. System	1,651,374	1,329,161	2,980,535
34	561.4	Scheduling, System Control and Dispatching Services	3,105,159	-	3,105,159
35	561.4W	Scheduling, System Control and Dispatching Services - Wholesale	974,315	-	974,315
36	561.5	Reliability, Planning and Standards Development	-	846	846
37	561.6	Transmission Service Studies	47,042	26,860	73,902
38	561.7	Generation Interconnection Studies	(3,424)	-	(3,424)
39	561.8	Reliability Planning and Standards Development Services	2,621,019	-	2,621,019
40	561.8W	Reliability Planning and Standards Development Services - Wholesale	454,281	-	454,281
41	562	Station Expenses	1,771,195	544	1,771,738
42	563	Overhead Line Expenses	945,666	12,197	957,863
43	565	Wheeling Lamar DC Tie	(420)	-	(420)
44	565	Wheeling Meter Charges	703,366	-	703,366
45	565	Wheeling Miscellaneous	33,381	-	33,381
46	565	Wheeling Schedule 11	102,664,790	-	102,664,790
47	565	Wheeling Schedule 11 - Wholesale	30,753,348	-	30,753,348
48	565	Wheeling Schedule 12	2,055,178	-	2,055,178
49	565	Wheeling Schedule 12 - Wholesale	535,444	-	535,444
50	565	Wheeling Schedule 1 - Wholesale	712,636	-	712,636
51	565	Wheeling Schedule 2	2,964	-	2,964
52	565	W-Wheeling Schedule 2 - Wholesale	508	-	508
53	565	Wheeling Schedule 9	6,040,362	-	6,040,362
54	565	Wheeling Schedule 9 - Wholesale	24,384,791	-	24,384,791
55	565	Z2 Direct Assigned Upgrade Charge	82,054	-	82,054
56	565	Z2 Direct Assigned Upgrade Charge - Wholesale	16,400	-	16,400
57	565	Z2 Schedule 11 Charges	(169,497)	-	(169,497)
58	565	Z2 Schedule 11 Charges - Wholesale	-	-	-
59	566	Misc Transmission Expenses	2,527,124	782,852	3,309,976
60	567	Rents	282,189	1,422,644	1,704,834
61	568	Maintenance Supervision and Engineering	(4,386)	7,960	3,574
62	570	Maintenance of Station Equipment	1,899,246	3,287	1,902,534
63	571	Maintenance of Overhead Lines	1,088,688	42,673	1,131,361
64	Sub-Total Transmission O&M Expenses		\$ 184,833,416	\$ 13,486,247	\$ 198,319,663
Regional Market Expenses					
65	575.1	Operation Supervision	\$ -	\$ 137,183	\$ 137,183
66	575.2	Day-Ahead and Real-Time Market Administration	-	302,981	302,981
67	575.5	Ancillary Services Market Administration	-	23,132	23,132
68	575.6	Market Monitoring and Compliance	-	46,429	46,429
69	575.7	Market Admin, Monitoring, and Compliance Services	6,163,708	-	6,163,708
70	575.7W	Market Admin, Monitoring, and Compliance Services - Wholesale	1,933,684	-	1,933,684
71	575.8	Regional Market Rents	5,371	45,687	51,058
72	Total Regional Market Expenses		\$ 8,102,764	\$ 555,412	\$ 8,658,175
73	Total Transmission O&M Expenses		\$ 192,936,179	\$ 14,041,659	\$ 206,977,838

Southwestern Public Service Company

SPS Transmission Operation & Maintenance Expenses

Total Company SPS Operation and Maintenance Expenses

			Native SPS O&M Expense through the Update Period (Jul '18-Jun '19)	Updated Test Year Affiliate O&M Expense (Jul '18-Jun '19)	Total Company Requested O&M
Line No.	FERC Acct	Account Description			
Distribution					
74	580	Operation Supervision and Engineering	\$ 2,633,263	\$ 1,025,866	\$ 3,659,129
75	581	Load Dispatching	32,133	239,967	272,099
76	582	Station Expenses	1,592,293	(14,169)	1,578,124
77	583	Overhead Line Expenses	3,937,620	99,718	4,037,338
78	584	Underground Line Expenses	263,184	-	263,184
79	585	Street Lighting and Signal Systems Expenses	350,477	2,904	353,381
80	586	Meter Expenses	2,493,053	169,959	2,663,012
81	587	Customer Installations Expenses	869,414	2,306	871,719
82	588	Misc Distribution Expense	10,534,860	1,207,141	11,742,001
83	589	Rents	1,004,026	1,515,415	2,519,442
84	590	Maintenance Supervision and Engineering	-	24,754	24,754
85	591	Maintenance of Structures	300	-	300
86	592	Maintenance of Station Equipment	770,434	1,147	771,581
87	593	Maintenance of Overhead Lines	10,623,795	202,369	10,826,164
88	594	Maintenance of Underground Lines	269,725	-	269,725
89	595	Maintenance of Line Transformers	-	-	-
90	596	Maintenance of Street Lighting and Signal Systems	490,965	2,021	492,986
91	597	Maintenance of Meters	14,821	-	14,821
92	598	Maintenance of Misc Distribution Plant	(543,095)	1,371	(541,724)
93	Total Distribution O&M Expenses		\$ 35,337,269	\$ 4,480,769	\$ 39,818,037
Customer Accounts					
94	901	Supervision	\$ -	\$ 29,707	\$ 29,707
95	902	Meter Reading Expenses	4,340,928	471,846	4,812,774
96	903	Customer Records and Collection Expenses	3,461,044	3,646,671	7,107,715
97	904.0*	Uncollectible Expenses	4,447,042	-	4,447,042
98	904.1*	Uncollectible Expenses	1,182,664	-	1,182,664
99	DEPINT Customer Deposit Interest Expense		131,865	-	131,865
100	Total Customer Accounts Expense		\$ 13,563,543	\$ 4,148,224	\$ 17,711,767
Customer Service					
101	908.00	Customer Assistance Expense	\$ 1,968,094	\$ 87,030	\$ 2,055,124
102	908.00	Historical EE Amortization	258,825	-	258,825
103	908.01	EE Amortization - Texas	-	-	-
104	908.03	EE Amortization - New Mexico	-	-	-
105	908.04	SaversSwitch	712,529	3,492	716,021
106	909.10	Informational and Instructional Advertising Expense	-	-	-
107	910.00	Miscellaneous Customer Service Expense	-	16,994	16,994
108	Total Customer Service Expense		\$ 2,939,448	\$ 107,515	\$ 3,046,963
Sales					
109	912.00	Demonstration and Selling Expense-Economic Development	\$ 268,577	\$ 97	\$ 268,674
110	Total Sales Expense		\$ 268,577	\$ 97	\$ 268,674

Southwestern Public Service Company

SPS Transmission Operation & Maintenance Expenses

Total Company SPS Operation and Maintenance Expenses

			Native SPS O&M Expense through the Update Period (Jul '18-Jun '19)		Updated Test Year Affiliate O&M Expense (Jul '18-Jun '19)		Total Company Requested O&M	
Line No.	FERC Acct	Account Description						
Administrative and General Expenses								
111	920*	Administrative and General Salaries	\$	4,790,698	\$	23,150,797	\$	27,941,496
112	921	Office Supplies and Expenses		304,031		18,918,661		19,222,692
113	922*	Administrative Expenses Transferred-Credit		(14,470,585)		(230,528)		(14,701,112)
114	923	Outside Services Employed		1,835,157		9,175,083		11,010,241
115	924	Property Insurance		3,180,828		1,633		3,182,461
116	925*	Injuries and Damages		5,330,221		2,118,099		7,448,320
117	926.01*	Employee Pensions and Benefits		16,109,725		12,729,019		28,838,744
118	926.03*	Deferred Pension Expense		1,574,975		-		1,574,975
119	928	Regulatory Commission Expense - TX		8,742,791		-		8,742,791
120	928.01	Regulatory Commission Expense - NM		4,851,744		-		4,851,744
121	928.02	Regulatory Commission Expense - Wholesale		523,587		-		523,587
122	928.03	Regulatory Commission Expense - Transmission Related		183,845		-		183,845
123	928.04	Regulatory Commission Expense - Misc		94,203		-		94,203
124	928.05	Regulatory Commission Expense - Energy Related		3,657		-		3,657
125	929	Duplicate Charges-Credit		(1,380,460)		-		(1,380,460)
126	930.11	General Advertising Expenses		-		-		-
127	930.20	Misc General Expenses		16,227		302,594		318,821
128	931	Rents		(1,010,618)		12,598,995		11,588,377
129	935	Maintenance of General Plant		482		89,165		89,647
130		Recoverable Contributions, Dues, and Donations		2,034,743		-		2,034,743
131	Total Administrative and General Expenses		\$	32,715,253	\$	78,853,520	\$	111,568,773
132	Total Operations and Maintenance Expense		\$	402,066,695	\$	119,760,197	\$	521,826,893

Note: All amounts included in this attachment are included in the cost of service study provided as Attachment APF-RR-U2 to the Update Testimony of Arthur P. Freitas

**Summary of XES Expenses to SPS by Affiliate Class and Billing Method
For Twelve Months ended June 30, 2019
Foster**

(A) Line No.	(B) Affiliate Class	(C) Billing Method (Cost Center)	(D) Allocation Method	(E) Total XES Billings for Class to all Legal Entities (FERC Acct. 400-935)	(F) XES Billings for Class to All Legal Entities Except SPS (FERC Acct. 400-935)	(G) XES Billings for Class to SPS (Total Company) (FERC Acct. 400-935)	(H) Exclusions	(I) Per Book	(J) Pro Formas	(K) Requested Amount (Total Company)	(L) % of Class Charges
1	Transmission & Substations	200116 - Distribution Electric FERC 580 (E&S)	Electric Distribution Plant	\$ 633.45	\$ 558.48	\$ 74.97	\$ -	\$ 74.97	\$ (74.97)	\$ -	0.00%
2	Transmission & Substations	200125 - Transm Elec 560 NSPM & NSPW	Electric Transmission Plant	5,867,095.89	5,867,095.89	-	-	-	-	-	0.00%
3	Transmission & Substations	200122 - Transmission Electric FERC 560 (E&S)	Electric Transmission Plant	12,849,279.42	9,039,074.23	3,810,205.19	(9,086.45)	3,801,118.74	(141,679.10)	3,659,439.64	37.92%
4	Transmission & Substations	Direct		22,462,134.02	16,160,824.72	6,301,309.30	(8,458.23)	6,292,851.07	(300,965.35)	5,991,885.72	62.08%
5	Transmission & Substations Total			\$ 41,179,142.78	\$ 31,067,553.32	\$ 10,111,589.46	\$ (17,544.68)	\$10,094,044.78	\$ (442,719.42)	\$ 9,651,325.36	100.00%
6	Total Witness - Perry Foster			\$ 41,179,142.78	\$ 31,067,553.32	\$ 10,111,589.46	\$ (17,544.68)	\$10,094,044.78	\$ (442,719.42)	\$ 9,651,325.36	
	Amounts may not add or tie to other schedules due to rounding										

Southwestern Public Service Company

XES Expenses by Affiliate Class, Activity, Billing Method and FERC Account

Perry D. Foster

SOAH Docket No. 473-19-6677

Docket No. 49831

**APPLICATION OF
SOUTHWESTERN PUBLIC SERVICE COMPANY
FOR AUTHORITY TO CHANGE RATES**

PDF-RR-UB(CD)

**Exclusions from XES Expenses to SPS by Affiliate Class and FERC Account
For Twelve Months ended June 30, 2019
Foster**

(A) Line No.	(B) Affiliate Class	(C) FERC Account	(D) Explanation for Exclusions	(E) Exclusions (Total Company)
1	Transmission & Substations	426.1 - Donations	Below the Line	\$ (1,770.86)
2	Transmission & Substations	426.4 - Life Insurance	Below the Line	(26.31)
3	Transmission & Substations	426.5 - Other Deductions	Below the Line	(15,747.51)
4	Transmission & Substations			\$ (17,544.68)
5	Total Witness - Perry Foster			\$ (17,544.68)
	Amounts may not add or tie to other schedules due to rounding			

**Pro Forma Adjustments to XES Expenses by Affiliate Class and FERC Account
For Twelve Months ended June 30, 2019
Foster**

(A) Line No.	(B) Affiliate Class	(C) FERC Account	(D) Explanation for Pro Formas	(E) Sponsor	(F) Pro Formas (Total Company)
1	Trans & Subs	408.1 - Tax Other Than Income Tax -	Business Area Adjustment	Perry Foster	\$ (5.17)
2	Trans & Subs	500 - Operation supervision and engineering	223.62% Incentive	Arthur Freitas/Michael Knoll	(265.96)
3	Trans & Subs	500 - Operation supervision and engineering	3% Wage Adjustment	Arthur Freitas/Michael Knoll	113.18
4	Trans & Subs	546 - Operation supervision and engineering	223.62% Incentive	Arthur Freitas/Michael Knoll	(29.27)
5	Trans & Subs	546 - Operation supervision and engineering	3% Wage Adjustment	Arthur Freitas/Michael Knoll	12.45
6	Trans & Subs	560 - Operation supervision and engineering	223.62% Incentive	Arthur Freitas/Michael Knoll	(450,304.44)
7	Trans & Subs	560 - Operation supervision and engineering	3% Wage Adjustment	Arthur Freitas/Michael Knoll	135,421.19
8	Trans & Subs	560 - Operation supervision and engineering	Business Area Adjustment	Perry Foster	(39,551.56)
9	Trans & Subs	561.6 - Transmission service studies	223.62% Incentive	Arthur Freitas/Michael Knoll	(662.50)
10	Trans & Subs	561.6 - Transmission service studies	3% Wage Adjustment	Arthur Freitas/Michael Knoll	177.14
11	Trans & Subs	563 - Overhead line expenses	223.62% Incentive	Arthur Freitas/Michael Knoll	(799.68)
12	Trans & Subs	563 - Overhead line expenses	3% Wage Adjustment	Arthur Freitas/Michael Knoll	250.79
13	Trans & Subs	563 - Overhead line expenses	Business Area Adjustment	Perry Foster	(1,120.90)
14	Trans & Subs	566 - Miscellaneous transmission expenses	223.62% Incentive	Arthur Freitas/Michael Knoll	(322.37)
15	Trans & Subs	566 - Miscellaneous transmission expenses	3% Wage Adjustment	Arthur Freitas/Michael Knoll	99.83
16	Trans & Subs	571 - Maintenance of overhead lines	223.62% Incentive	Arthur Freitas/Michael Knoll	(74.36)
17	Trans & Subs	571 - Maintenance of overhead lines	3% Wage Adjustment	Arthur Freitas/Michael Knoll	44.09
18	Trans & Subs	580 - Operation supervision and engineering	223.62% Incentive	Arthur Freitas/Michael Knoll	(4,052.75)

**Pro Forma Adjustments to XES Expenses by Affiliate Class and FERC Account
For Twelve Months ended June 30, 2019
Foster**

(A) Line No.	(B) Affiliate Class	(C) FERC Account	(D) Explanation for Pro Formas	(E) Sponsor	(F) Pro Formas (Total Company)
19	Trans & Subs	580 - Operation supervision and engineering	3% Wage Adjustment	Arthur Freitas/Michael Knoll	743.14
20	Trans & Subs	580 - Operation supervision and engineering	Business Area Adjustment	Perry Foster	(411.40)
21	Trans & Subs	592 - Distribution Maintenance of Station Equipment	223.62% Incentive	Arthur Freitas/Michael Knoll	(1.15)
22	Trans & Subs	592 - Distribution Maintenance of Station Equipment	3% Wage Adjustment	Arthur Freitas/Michael Knoll	0.34
23	Trans & Subs	920 - Administrative and general salaries	3% Wage Adjustment	Arthur Freitas/Michael Knoll	424.67
24	Trans & Subs	925 - Injuries & Damages	Business Area Adjustment	Perry Foster	(0.10)
25	Trans & Subs	926 - Employee pensions and benefits	Business Area Adjustment	Perry Foster	(16.86)
26	Trans & Subs	926 - Employee pensions and benefits	Pension & Benefits Adjustment	William Grant	(82,387.78)
27	Transmission & Substations Total				\$ (442,719.42)
28	Total Witness - Perry Foster				\$ (442,719.42)
	Amounts may not add or tie to other schedules due to rounding				