

PUC DOCKET NO. 51802

**APPLICATION OF SOUTHWESTERN § PUBLIC UTILITY COMMISSION
PUBLIC SERVICE COMPANY FOR § OF
AUTHORITY TO CHANGE RATES § TEXAS**

AFFIDAVIT

STATE OF TEXAS)
)
COUNTY OF POTTER)

DAVID T. HUDSON, first being sworn on his oath, states:

1. My name is David T. Hudson. I am the President of Southwestern Public Service Company (“SPS”). My business address is 790 S. Buchanan Street, Amarillo, Texas 79101.
2. I am over the age of 18 years, am of sound mind, and am fully competent to testify to all matters stated herein. I have personal knowledge of the facts stated herein, and they are true and correct.
3. I am a witness in SPS’s pending base rate case, Public Utility Commission of Texas Docket No. 51802. The purpose of this affidavit is to update certain portions of the direct testimony that I provided in that case.
4. As I stated in my direct testimony, SPS invested approximately \$1.75 billion (total company) in capital improvements in SPS’s service area between July 1, 2019 and December 31, 2020. SPS forecasted that it would place in service approximately \$1.196 billion (total company) during the Update Period. Now that the actual data from the Update Period is known, the actual amount of capital investment that SPS placed into service during the Update Period is \$1.198 billion. Thus, SPS invested approximately \$1.75 billion (total company) over an 18-month period. This investment affects SPS’s Texas retail rates in the same manner that I described in my direct testimony.

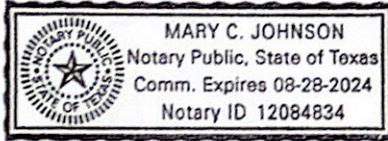
5. Based upon SPS’s update filing, SPS is asking to increase its base and miscellaneous tariff revenues by approximately \$143.0 million, in comparison with the \$143.4 million increase estimated in the initial filing. However, as stated in my direct testimony, given the no-fuel cost wind resource along with the crediting of the Production Tax Credits through eligible fuel expense, the impact on jurisdictional fuel revenues is a reduction of \$69 million. Thus, the proposed net increase in total revenues is \$74 million, which is a 9.2% increase in overall Texas retail revenues, including fuel and purchased power costs. Table DTH-RR-U1 is a summary of the proposed increase on a Texas retail jurisdictional basis, shown on a base revenue and total jurisdictional revenue basis.

Table DTH-RR-U1

	Current Revenue	Rate Case Request	Proposed Revenues	Net Revenue Increase	Net Percent Increase
Base Rate Revenue	\$618,856,799	\$143,060,618	\$761,917,417	\$143,060,618	23.1%
Energy Efficiency Rider	\$5,101,599	-	\$5,101,599	-	
Rate Case Rider	\$1,232,894	-	\$1,232,894	-	
Net Non-Fuel Revenue	\$625,191,292		\$768,251,910	\$143,060,618	22.9%
Fuel and Purchased Energy Revenue	\$176,203,758	-	\$106,861,534	(\$69,342,224)	-39.4%
Total Texas Revenue	\$801,395,050		\$875,113,444	\$73,718,394	9.2%

David T. Hudson
DAVID T. HUDSON

Subscribed and sworn to before me this 18 day of March 2021 by DAVID T. HUDSON.



Mary C. Johnson
Notary Public, State of Texas

My Commission Expires: 8.28.2024

CERTIFICATE OF SERVICE

I certify that on the 25th day of March 2021, notice of the filing of the foregoing update testimony with the PUCT was served on all parties of record by electronic service and was posted to SPS's file sharing platform.

/s/ Jeremiah W. Cunningham