

DOCKET NO. 51802

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

**UPDATE TESTIMONY
of
BENNIE F. WEEKS**

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

(Filename: WeeksRRUpdate.docx; Total Pages: 17)

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¹ For ease of cross-referencing this update testimony with the original direct testimony filed on February 8, 2021, the sections and subsections in this update testimony correspond with the original sections and subsections in the original direct testimony.

GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
RFP	Rate Filing Package
SPS	Southwestern Public Service Company, a New Mexico corporation
Total Company or total company	Total SPS (before any jurisdictional allocation)
Update Period	October 1, 2020 through December 31, 2020
Updated Test Year	January 1, 2020 through December 31, 2020
Xcel Energy	Xcel Energy Inc.
XES	Xcel Energy Services Inc.

LIST OF ATTACHMENTS

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

**UPDATE TESTIMONY
OF
BENNIE F. WEEKS**

I. WITNESS IDENTIFICATION

1

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

3 A. My name is Bennie F. Weeks. My business address is 790 S. Buchanan Street
4 Amarillo, Texas 79101.

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

6 A. I am employed by Xcel Energy Services Inc. (“XES”), the service company
7 subsidiary of Xcel Energy. I was previously Manager of Resource Planning and
8 Bidding. Currently, I hold a rotational position in the Strategy and Planning
9 Department.

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

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

13 **Q. Are you the same Bennie F. Weeks who filed direct testimony on behalf of SPS**
14 **in this docket?**

15 A. Yes.

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

3 **Q. What is your assignment in this update testimony?**

4 A. As explained in SPS’s direct testimony, SPS is using an Updated Test Year in this
5 case. The Updated Test Year is the period from January 1, 2020 through December
6 31, 2020. Because of the timing of the filing of this case, certain costs for the period
7 from October 1, 2020 through December 31, 2020 (“Update Period”) in my direct
8 testimony were estimated. My assignment in this update testimony is to replace
9 those estimated costs with actual costs. The result of this update is that the Updated
10 Test Year now consists of only actual information, and no estimates. For ease of
11 cross-referencing this update testimony with my direct testimony filed on February
12 8, 2021, the sections and subsections in this update testimony correspond with the
13 original sections and subsections in my direct testimony.

14 Regarding the Resource Planning affiliate costs I support, my direct
15 testimony provided actual figures for October and November 2020 and estimated
16 figures for December 2020 based on the forecasted budget. In this testimony, I
17 replace the December 2020 estimates with actuals. In addition, the October through
18 December 2020 expenses have now been through the full pro forma adjustment
19 review process. Thus, I provide updated figures for those Update Period expenses.
20 My update testimony includes Attachments BFW-RR-UA through BFW-RR-UD
21 in support of the Resource Planning affiliate costs I support.

22 **Q. Are any of the Rate Filing Package (“RFP”) schedules that you sponsor or co-**
23 **sponsor updated in this filing?**

24 A. Yes. The RFP schedules that I sponsor or co-sponsor that are updated in this filing
25 are Schedules H-12.6a, O-1.5, and O-1.6.

- 1 **Q. Please summarize your update testimony and recommendations.**
- 2 A. ***Affiliate Costs*** – The actual Updated Test Year costs for the services of the
3 Resource Planning affiliate class that SPS seeks to recover are \$719,699 (total SPS
4 before jurisdictional allocations, or “total company”). Please refer to Attachments
5 BFW-RR-UA through BFW-RR-UD. In addition to providing updated SPS
6 numbers, those attachments also reflect the total updated XES class expenses for
7 the Resource Planning affiliate class. The actual costs are reasonable and necessary
8 for the reasons I provided in my direct and update testimony.
- 9 **Q. Were Attachments BFW-RR-UA through BFW-RR-UD prepared by you or**
10 **under your direct supervision and control?**
- 11 A. Attachments BFW-RR-UA through BFW-RR-UD were prepared as described by
12 SPS witness Ross L. Baumgarten. My staff and I have reviewed these attachments
13 and believe them to be accurate. Although the information I have described is
14 present in Mr. Baumgarten’s attachments, I have also presented this information in
15 the attachments to my update testimony for the convenience of those reviewing it.
- 16 **Q. Were the portions of the updated RFP schedules you sponsor prepared by you**
17 **or under your supervision and control?**
- 18 A. Yes.
- 19 **Q. Do you incorporate the portions of the updated RFP schedules sponsored by**
20 **you into this update testimony?**
- 21 A. Yes.

**VII. UPDATED AFFILIATE EXPENSES FOR THE RESOURCE
PLANNING CLASS OF SERVICES**

A. Summary of Affiliate Expenses for the Resource Planning 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 Resource Planning affiliate class?

A. The following table summarizes the dollar amount of the actual Updated Test Year XES charges for the Resource Planning affiliate class.

Table BFW-RR-U1²

		Requested Amount of XES Class Expenses Billed to SPS (Total Company)		
Class of Services	Total XES Class Expenses	Requested Amount	% Direct Billed	% Allocated
Resource Planning	\$3,518,877	\$719,699	64.97%	35.03%

Q. Please describe the updated attachments that support the information provided on Table BFW-RR-U1.

A. Attachments BFW-RR-UA through BFW-RR-UD present the updated information concerning the requested SPS affiliate expenses for the Resource Planning affiliate class. The detailed descriptions for Attachments BFW-RR-A through BFW-RR-D that were provided in my direct testimony remain applicable to these updated attachments.

² **Total XES Class Expenses** is the Dollar amount of total Updated Test Year expenses that XES charged to all Xcel Energy companies for the services provided by this affiliate class. This is the amount from Column E in Attachment BFW-RR-UA. **Requested Amount** is SPS's requested amount after exclusions and pro forma adjustments. **% Direct Billed** is the percentage of SPS's requested XES expenses for the class that were billed 100% to SPS. **% Allocated** is the percentage of SPS's requested XES expenses for the class that were allocated to SPS.

- 1 **Q. Are there updated exclusions for the Resource Planning affiliate class?**
- 2 A. Yes. The actual exclusions are provided on Attachment BFW-RR-UC.
- 3 **Q. Are there updated pro forma adjustments to SPS's per book expenses for the**
4 **Resource Planning affiliate class?**
- 5 A. Yes. As I mentioned in my direct testimony, pro forma adjustments are revisions
6 to Updated Test Year expenses for known and measurable changes. Pro forma
7 adjustments are shown on Attachment BFW-RR-UA, Column J, and on Attachment
8 BFW-RR-UB, Column M. The details for the pro forma adjustments, including the
9 witness or witnesses who sponsor each pro forma adjustment, are provided in
10 Attachment BFW-RR-UD.
- 11 **Q. Attachment BFW-RR-UD shows that you sponsor pro forma adjustments for**
12 **expenses for the Resource Planning affiliate class during the Updated Test**
13 **Year that result in a net decrease for the Resource Planning affiliate class of**
14 **\$352.71. Please explain the adjustments.**
- 15 A. The adjustments that I sponsor remove costs not benefitting SPS (a decrease of
16 \$352.71).
- 17 **C. The Resource Planning Class of Services are Provided at a**
18 **Reasonable Cost**
- 19 **Q. What is the purpose of this section of your update testimony?**
- 20 A. In this section of my direct testimony, several numbers were based on estimates for
21 the Update Period. In this update testimony, I replace those estimates with actual
22 numbers, and explain that the actual costs for the Resource Planning affiliate class
23 are reasonable.

1 *I. Additional Evidence*

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

4 A. Yes. Of the Updated Test Year costs for the Resource Planning class, 90.58% are
5 compensation and benefits costs for XES personnel. SPS witnesses Michael P.
6 Deselich and Richard R. Schrubbe establish that the level of Xcel Energy's
7 compensation and benefits is reasonable and necessary.

8 *3. Cost Trends*

9 **Q. Please quantify the actual per book charges from XES to SPS for the Resource**
10 **Planning class of services for the three years preceding the Updated Test Year**
11 **and for the Updated Test Year.**

12 A. Table BFW-RR-U2 shows the actual per book affiliate charges for the years from
13 2017-2019 and for the Updated Test Year. Those charges also appear on Column
14 I on Attachment BFW-RR-UA.

15 **Table BFW-RR-U2**

	(Per Book) Charges Over Time				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
Resource Planning	\$704,001	\$617,288	\$703,682	\$763,250	\$701,065

4. *Staffing Trends*

Q. Please provide the staffing levels for the Resource Planning class of services for the three years preceding the Updated Test Year and for the Updated Test Year.

A. Table BFW-RR-U3 shows the average end-of-month staffing levels for the Resource Planning class of services.

Table BFW-RR-U3

	Average of End of Month # of Staff				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
Resource Planning	25	26	25	25	25

D. The Costs for the Resource Planning Class of Services are Priced in a Fair Manner

Q. Have any of the predominant allocation methods for the Resource Planning affiliate operation and maintenance expenses changed?

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

Table BFW-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	59.58% / \$466,299	64.97% / 467,616
MWH Generation	27.63% / \$216,279	20.75% / \$149,365
Assets, Revenues, and Number of Employees	12.79% / \$100,100	14.27% / \$102,719

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

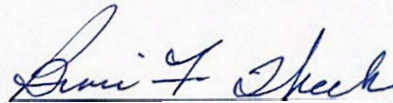
2 **A.** **Yes.**

AFFIDAVIT

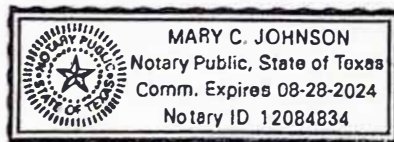
STATE OF TEXAS)
COUNTY OF POTTER)

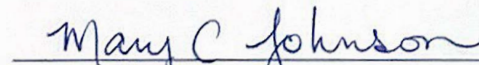
BENNIE F. WEEKS, first being sworn on her oath, states:

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.


BENNIE F. WEEKS

Subscribed and sworn to before me this 18 day of March 2021 by BENNIE F. WEEKS.




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

Southwestern Public Service Company

Summary of XES Expenses to SPS by Affiliate Class and Billing Method
For the Twelve Months ended December 31, 2020

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Line No.	Affiliate Class	Billing Method (Cost Center)	Allocation Method	Total XES Billings for Class to all Legal Entities (FERC Acct. 400-935)	XES Billings for Class to all Legal Entities Except SPS (FERC Acct. 400-935)	XES Billings for Class to SPS (Total Company) (FERC Acct. 400-935)	Exclusions	Per Book	Pro Forms	Requested Amount (Total Company)	% of Class Charges
1	Resource Planning	200070 - Corporate Strategy & Business Development - Corporate Governance	Assets/Revenue/No. of Employees	\$ 779,618.97	\$ 678,865.05	\$ 100,753.92	\$ -	\$ 100,753.92	\$ 1,964.59	\$ 102,718.51	14.27%
2	Resource Planning	200135 - Energy Supply Business Resources	MWH Generation	766.18	587.48	178.70	-	178.70	-	178.70	0.02%
3	Resource Planning	200136 - Energy Markets - Fuel	MWH Generation	618,946.34	471,998.46	146,947.88	(1,528.66)	145,419.22	3,766.71	149,185.93	20.73%
4	Resource Planning	Direct	Direct	2,119,545.39	1,664,832.34	454,713.05	-	454,713.05	12,902.52	467,615.57	64.97%
5	Resource Planning	Resource Planning Total		\$ 3,518,876.88	\$ 2,816,283.33	\$ 702,593.55	\$ (1,528.66)	\$ 701,064.89	\$ 18,633.81	\$ 719,698.70	100.00%
6	Total Witness	Bennie F. Weeks		\$ 3,518,876.88	\$ 2,816,283.33	\$ 702,593.55	\$ (1,528.66)	\$ 701,064.89	\$ 18,633.81	\$ 719,698.70	
			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

Bennie F. Weeks

Docket No. 51802

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

BFW-RR-UB(CD) is provided in electronic format.

Southwestern Public Service Company**Exclusions from XES Expense to SPS
For the Twelve Months Ended December 31, 2020**

(A)	(B)	(C)	(D)	(E)
Line No.	Affiliate Class	FERC Account	Explanation for Exclusions	Exclusions (Total Company)
1	Resource Planning	426.1 - Donations	Below the Line	\$ (1,175.25)
2	Resource Planning	426.5 - Other Deductions	Below the Line	(353.41)
3	Resource Planning Total			<u>\$ (1,528.66)</u>
4	Total Witness Bennie F. Weeks			<u><u>\$ (1,528.66)</u></u>

Amounts may not add or tie to other schedules due to rounding

Southwestern Public Service Company

**Pro Forma Adjustments to XES Expenses by Affiliate Class and FERC
For the Twelve Months Ended December 31, 2020**

(A) Line No.	(B) Affiliate Class	(C) FERC Account	(D) Explanation for Pro Formas	(E) Sponsor	(F) Pro Formas (Total Company)
1	Resource Planning	557 - Other expenses	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	\$ 12,498.79
2	Resource Planning	557 - Other expenses	Business Area Adjustment	Bennie F. Weeks	(81.60)
3	Resource Planning	920 - Administrative and general salaries	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	6,487.73
4	Resource Planning	921 - Office supplies and expenses	Business Area Adjustment	Bennie F. Weeks	(271.11)
5	Resource Planning Total				\$ 18,633.81
6	Total Witness Bennie F. Weeks				\$ 18,633.81
	Amounts may not add or tie to other schedules due to rounding				