

DOCKET NO. 51802

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

UPDATE TESTIMONY

of

CAROL C. BOUW

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

(Filename: BouwRRUpdate.docx; Total Pages: 30)

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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.

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GLOSSARY OF ACRONYMS AND DEFINED TERMS

<u>Acronym/Defined Term</u>	<u>Meaning</u>
GC	General Counsel
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	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>
CCB-RR-U2	Updated Native SPS Costs for Outside Law Firms and Third Party Legal Vendors (Filename: CCB-RR-U2.xlsx)
CCB-RR-UA (Updated Test Year)	Summary of XES Expenses to SPS by Affiliate Class and Billing Method (Filename: CCB-RR-UABCD.xlsx)
CCB-RR-UB(CD) (Updated Test Year)	XES Expenses by Affiliate Class, Activity, Billing Method, and FERC Account (Filename: CCB-RR-UABCD.xlsx)
CCB-RR-UC (Updated Test Year)	Exclusions from XES Expenses to SPS (Filename: CCB-RR-UABCD.xlsx)
CCB-RR-UD (Updated Test Year)	Pro Forma Adjustments to XES Expenses by Affiliate Class and FERC Account (Filename: CCB-RR-UABCD.xlsx)

**UPDATE TESTIMONY
OF
CAROL C. BOUW**

I. WITNESS IDENTIFICATION

1

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

3 A. My name is Carol C. Bouw. My business address is 401 Nicollet Mall,
4 Minneapolis, Minnesota 55401.

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

6 A. I am employed by Xcel Energy Services Inc. (“XES”) as Director, Strategy &
7 Performance.

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

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

11 **Q. Are you the same Carol C. Bouw who filed direct testimony on behalf of SPS**
12 **in this docket?**

13 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 my 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 legal costs that I support from outside law firms and third
15 party legal vendors that SPS incurred directly, rather than through XES (“native
16 SPS costs”), my update testimony includes Attachment CCB-RR-U2, which
17 replaces the estimated costs that I provided in my direct testimony for the Updated
18 Test Year with actual costs.

19 Regarding the General Counsel (“GC”) Claims, GC Legal Services, and
20 Corporate Secretary affiliate costs I support, my direct testimony provided actual
21 figures for October and November 2020 and estimated figures for December based
22 on the forecasted budget. In this update testimony, I replace the December 2020
23 estimates with actuals. In addition, the October through December 2020 expenses
24 have now gone through the full pro forma adjustment review process. Thus, I

1 provide updated figures for those Update Period expenses. My update testimony
2 includes Attachments CCB-RR-UA through CCB-RR-UD in support of the GC
3 Claims, GC Legal Services, and Corporate Secretary affiliate costs.

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

5 A. ***Native Costs*** – The amounts included in Attachment CCB-RR-U2 represent, at a
6 Total Company level, reasonable and necessary costs incurred directly by SPS to
7 support SPS’s ability to provide service to its Texas retail customers.² I recommend
8 the Public Utility Commission of Texas approve those costs for the reasons
9 discussed in my direct testimony.

10 ***Affiliate Costs*** - The estimated Updated Test Year costs for the services of the
11 following affiliate classes that SPS sought to recover (total SPS before
12 jurisdictional allocations, or Total Company) were:

- 13 • GC Claims - \$166,951
- 14 • GC Legal Services - \$1,964,857
- 15 • Corporate Secretary - \$34,642

16 The actual Updated Test Year costs for the services of the following affiliate classes
17 that SPS seeks to recover are:

- 18 • GC Claims - \$164,100
- 19 • GC Legal Services - \$1,908,185
- 20 • Corporate Secretary - \$31,305

² As shown on Attachment CCB-RR-U2, I sponsor only those amounts in Federal Energy Regulatory Commission Account 923 that relate to expenses for outside law firms and other third-party legal vendors.

1 Please refer to Attachments CCB-RR-UA through CCB-RR-UD. In addition to
2 providing updated SPS numbers, those attachments also reflect the total updated
3 XES class expenses for the GC Claims, GC Legal Services, and Corporate
4 Secretary affiliate classes. The actual costs are reasonable and necessary for the
5 reasons I provided in my direct testimony.

6 **Q. Were Attachments CCB-RR-UA through CCB-RR-UD prepared by you or**
7 **under your direct supervision and control?**

8 A. Attachments CCB-RR-UA through CCB-RR-UD were prepared as described by
9 SPS witness Ross L. Baumgarten. My staff and I have reviewed these attachments
10 and I believe them to be accurate. Although the information I have described also
11 is present in Mr. Baumgarten's attachments, I have presented this information in
12 the attachments to my update testimony for the convenience of those reviewing it.

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		Requested Amount of XES Class Expenses Billed to SPS (Total Company)		
Class of Services	Total XES Class Expenses	Requested Amount	% Direct Billed	% Allocated
GC Claims	\$1,584,486	\$164,100	89.12%	10.88%

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1 **Q. Are there updated pro forma adjustments to SPS's per book expenses for the**
2 **GC Claims affiliate class?**

3 A. Yes. As I mentioned in my direct testimony, pro forma adjustments are revisions
4 to Updated Test Year expenses for known and measurable changes. Pro forma
5 adjustments are shown on Attachment CCB-RR-UA, Column J, and on Attachment
6 CCB-RR-UB, Column M. The details for the pro forma adjustments, including the
7 witness or witnesses who sponsor each pro forma adjustment, are provided in
8 Attachment CCB-RR-UD.

9 **Q. Attachment CCB-RR-UD shows that you sponsor pro forma adjustments for**
10 **expenses for the GC Claims affiliate class during the Updated Test Year that**
11 **result in a net decrease for the GC Claims affiliate class of \$180.08. Please**
12 **explain the adjustments.**

13 A. The adjustments that I sponsor remove expenses that are not recoverable from SPS
14 customers.

15 **C. The GC Claims Class of Services are Provided at a Reasonable Cost**

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

17 A. In this section of my direct testimony, several numbers were based on estimates for
18 the Update Period. In this update testimony, I replace those estimates with actual
19 numbers, and explain that the actual costs for the GC Claims affiliate class are
20 reasonable.

1 *1. 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 GC Claims class, 94.89% 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 *2. Cost Trends*

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

12 A. Table CCB-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 CCB-RR-UA.

15 **Table CCB-RR-U2**

	(Per Book) Charges Over Time				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
GC Claims	\$124,804	\$191,731	\$159,952	\$162,450	\$159,744

3. *Staffing Trends*

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

A. Table CCB-RR-U3 shows the average end-of-month staffing levels for the GC Claims class of services.

Table CCB-RR-U3

	Average of End of Month # of Staff				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
GC Claims	19	19	18	21	21

D. The Costs for the GC Claims Class of Services are Priced in a Fair Manner

Q. Have any of the predominant allocation methods for the GC Claims affiliate operation and maintenance (“O&M”) expenses changed?

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

Table CCB-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	89.32% / \$149,123	89.12% / \$146,250
Assets / Revenues / No. of Employees	10.68% / \$17,829	10.88% / \$17,850

1 **IV. UPDATED AFFILIATE EXPENSES FOR THE GC LEGAL**
2 **SERVICES CLASS OF SERVICES**

3 **A. Summary of Affiliate Expenses for the GC Legal Services Class of**
4 **Services**

5 **Q. What is the dollar amount of the Updated Test Year XES charges that SPS**
6 **requests, on a total company basis, for the GC Legal Services affiliate class?**

7 A. The following table summarizes the dollar amount of the actual Updated Test Year
8 XES charges for the GC Legal Services affiliate class.

9 **Table CCB-RR-U5**

		Requested Amount of XES Class Expenses Billed to SPS (Total Company)		
Class of Services	Total XES Class Expenses	Requested Amount	% Direct Billed	% Allocated
GC Legal Services	\$13,188,077	\$1,908,185	44.03%	55.97%

10 **Q. Please describe the updated attachments that support the information**
11 **provided on Table CCB-RR-U5.**

12 A. Attachments CCB-RR-UA through CCB-RR-UD present the updated information
13 about the requested SPS affiliate expenses for the GC Legal Services affiliate class.
14 The detailed descriptions for Attachments CCB-RR-A through CCB-RR-D that
15 were provided in my direct testimony remain applicable to these updated
16 attachments.

17 **Q. Are there updated exclusions for the GC Legal Services affiliate class?**

18 A. Yes. The actual exclusions are provided on Attachment CCB-RR-UC.

19 **Q. Are there updated pro forma adjustments to SPS's per book expenses for the**
20 **GC Legal Services affiliate class?**

21 A. Yes. As I mentioned in my direct testimony, pro forma adjustments are revisions
22 to Updated Test Year expenses for known and measurable changes. Pro forma

adjustments are shown on Attachment CCB-RR-UA, Column J, and on Attachment CCB-RR-UB, Column M. The details for the pro forma adjustments, including the witness or witnesses who sponsor each pro forma adjustment, are provided in Attachment CCB-RR-UD.

Q. Attachment CCB-RR-UD shows that you sponsor pro forma adjustments for expenses for the GC Legal Services affiliate class during the Updated Test Year that result in a net decrease for the GC Legal Services affiliate class of \$4,646.52. Please explain the adjustments.

A. The adjustments that I sponsor remove: costs not benefiting SPS (a decrease of \$1,974.00); costs related to employee life events (a decrease of \$228.08); and non-recoverable employee recognition costs (a decrease of \$2,444.44).

C. The GC Legal Services Class of Services are Provided at a Reasonable Cost

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

A. In this section of my direct testimony, several numbers were based on estimates for the Update Period. In this update testimony, I replace those estimates with actual numbers, and explain that the actual costs for the GC Legal Services affiliate class are reasonable.

1. Additional Evidence

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

A. Yes. Of the Updated Test Year costs for the GC Legal Services class, 92.11% are compensation and benefits costs for XES personnel. Mr. Deselich and Mr. Schrubbe establish that the level of Xcel Energy's compensation and benefits is reasonable and necessary.

3. *Cost Trends*

Q. Please quantify the actual per book charges from XES to SPS for the GC Legal Services class of services for the three years preceding the Updated Test Year and for the Updated Test Year.

A. Table CCB-RR-U6 shows the actual per book affiliate charges for the years from 2017-2019 and for the Updated Test Year. Those charges also appear on Column I on Attachment CCB-RR-UA.

Table CCB-RR-U6

	(Per Book) Charges Over Time				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
GC Legal Services	\$1,773,589	\$1,894,691	\$1,878,439	\$1,914,280	\$1,861,962

Q. Has the trend in the per book charges over time changed with the replacement of the estimated charges with the actual charges for the period of time between 2019 and the Updated Test Year?

A. Yes. The actual costs for the Updated Test Year show a decrease from the per book charges incurred in 2019.

4. *Staffing Trends*

Q. Please provide the staffing levels for the GC Legal Services class of services for the three years preceding the Updated Test Year and for the Updated Test Year.

A. Table CCB-RR-U7 shows the average end-of-month staffing levels for the GC Legal Services class of services.

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Table CCB-RR-U7

	Average of End of Month # of Staff				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
GC Legal Services	75	71	73	79	79

2 **D. The Costs for the GC Legal Services Class of Services are Priced in**
3 **a Fair Manner**

4 **Q. Have any of the predominant allocation methods for the GC Legal Services**
5 **affiliate O&M expenses changed?**

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

8

Table CCB-RR-U8

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
Assets/Revenue/No. of employees	56.01% / \$1,100,490	55.97% / \$1,068,035
Direct Billing	43.99% / \$864,368	44.03% / \$840,150

1 **V. UPDATED AFFILIATE EXPENSES FOR THE CORPORATE**
2 **SECRETARY CLASS OF SERVICES**

3 **A. Summary of Affiliate Expenses for the Corporate Secretary Class**
4 **of Services**

5 **Q. What is the dollar amount of the Updated Test Year XES charges that SPS**
6 **requests, on a total company basis, for the Corporate Secretary affiliate class?**

7 A. The following table summarizes the dollar amount of the actual Updated Test Year
8 XES charges for the Corporate Secretary affiliate class.

9 **Table CCB-RR-U9**

		Requested Amount of XES Class Expenses Billed to SPS (Total Company)		
Class of Services	Total XES Class Expenses	Requested Amount	% Direct Billed	% Allocated
Corporate Secretary	\$242,544	\$31,305	0.0%	100%

10 **Q. Please describe the updated attachments that support the information**
11 **provided on Table CCB-RR-U9.**

12 A. Attachments CCB-RR-UA through CCB-RR-UD present the updated information
13 about the requested SPS affiliate expenses for the Corporate Secretary affiliate
14 class. The detailed descriptions for Attachments CCB-RR-A through CCB-RR-D
15 that were provided in my direct testimony remain applicable to these updated
16 attachments.

17 **Q. Are there updated exclusions for the Corporate Secretary affiliate class?**

18 A. No. The actual exclusions provided on Attachment CCB-RR-UC are the same as
19 those provided in Attachment CCB-RR-C.

1 **Q. Are there updated pro forma adjustments to SPS's per book expenses for the**
2 **Corporate Secretary affiliate class?**

3 A. Yes. As I mentioned in my direct testimony, pro forma adjustments are revisions
4 to Updated Test Year expenses for known and measurable changes. Pro forma
5 adjustments are shown on Attachment CCB-RR-UA, Column J, and on Attachment
6 CCB-RR-UB, Column M. The details for the pro forma adjustments, including the
7 witness or witnesses who sponsor each pro forma adjustment, are provided in
8 Attachment CCB-RR-UD.

9 **Q. Attachment CCB-RR-UD shows that you sponsor pro forma adjustments for**
10 **expenses for the Corporate Secretary affiliate class during the Updated Test**
11 **Year that result in a net decrease for the Corporate Secretary affiliate class of**
12 **\$722. Please explain the adjustments.**

13 A. The adjustments that I sponsor remove minimal costs associated with
14 miscellaneous expenses that are not recoverable through rates.

15 **C. The Corporate Secretary Class of Services are Provided at a**
16 **Reasonable Cost**

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

18 A. In this section of my direct testimony, several numbers were based on estimates for
19 the Update Period. In this update testimony, I replace those estimates with actual
20 numbers, and explain that the actual costs for the Corporate Secretary affiliate class
21 are reasonable.

1 *1. 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 Corporate Secretary class, 90.85% are
5 compensation and benefits costs for XES personnel. Mr. Deselich and Mr.
6 Schrubbe establish that the level of Xcel Energy's compensation and benefits is
7 reasonable and necessary.

8 *3. Cost Trends*

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

12 A. Table CCB-RR-U10 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 CCB-RR-UA.

15 **Table CCB-RR-U10**

	(Per Book) Charges Over Time				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
Corporate Secretary	\$696,963	\$705,754	\$100,382	\$34,572	\$31,329

4. *Staffing Trends*

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

A. Table CCB-RR-U11 shows the average end-of-month staffing levels for the Corporate Secretary class of services.

Table CCB-RR-U11

	Average of End of Month # of Staff				
Class of Services	2017	2018	2019	Updated Test Year (Estimated)	Updated Test Year (Actual)
Corporate Secretary	3	3	2	2	2

D. The Costs for the Corporate Secretary Class of Services are Priced in a Fair Manner

Q. Have any of the predominant allocation methods for the Corporate Secretary affiliate O&M expenses changed?

A. No. All of the costs for the Corporate Secretary class of services are allocated based on the Assets, Revenues, and Number of Employees allocation method (100%, \$31,305.10).

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

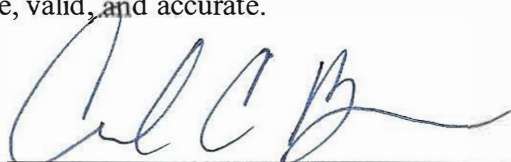
A. Yes.

AFFIDAVIT

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN)

CAROL C. BOUW, 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.



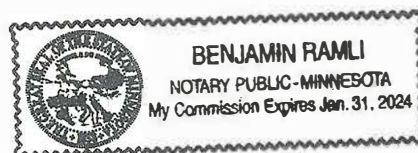
CAROL C. BOUW

Subscribed and sworn to before me this 18 day of March 2021 by CAROL C. BOUW.



Notary Public, State of Minnesota

My Commission Expires: 1/31/2024



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

Updated Native SPS Costs for Outside Law Firms and Third Party Legal Vendors

Line No.	FERC Acct	Account Description	Native SPS O&M Expense through the Update Period (Jan '20-Dec '20)	Test Year Affiliate O&M Expense (Jan '20-Dec '20)	Total Company Requested O&M
Production					
1	500	Operation Supervision and Engineering	\$ 1,517,241	\$ 2,098,185	\$ 3,615,426
2	501.35	Coal Non-Mine; Non-Freight	\$ 32,828,421	\$ -	\$ 32,828,421
3	507.70	Coal Ash Sales	\$ (1,058,626)	\$ 1,536,346	\$ 477,719
4	502	Steam Expenses	\$ 11,136,654	\$ 306	\$ 11,136,960
5	505	Electric Expenses	\$ 9,191,610	\$ (1)	\$ 9,191,609
6	506	Miscellaneous Steam Power Expenses	\$ 8,734,628	\$ 3,968,138	\$ 12,702,766
7	507	Rents	\$ (336,163)	\$ 3,325,979	\$ 2,989,816
8	509	Steam Operation SO2 Allowance Expense	\$ -	\$ -	\$ -
9	509.02	Allowances - NM Nox Expense Amortz	\$ 34,908	\$ -	\$ 34,908
10	510	Maintenance Supervision and Engineering	\$ 392,616	\$ 141,553	\$ 534,169
11	511	Maintenance of Structures	\$ 3,855,605	\$ 4,641	\$ 3,860,246
12	512	Maintenance of Boiler Plant	\$ 12,763,158	\$ 884,336	\$ 13,647,494
13	513	Maintenance of Electric Plant	\$ 6,487,016	\$ 411,080	\$ 6,898,096
14	514	Maintenance of Miscellaneous Steam Plant	\$ 9,786,531	\$ 3,330	\$ 9,789,861
15	546	Operation Supervision and Engineering	\$ 13,703	\$ 410,582	\$ 424,285
16	546W	Operation Supervision and Engineering Wind	\$ 39,160	\$ 59,436	\$ 98,596
17	548	Generation Expenses	\$ 299,285	\$ -	\$ 299,285
18	549	Misc Other Power Generation Expenses	\$ 356,713	\$ 428,568	\$ 785,280
19	549W	Misc Other Power Generation Expenses Wind	\$ 8,485,357	\$ -	\$ 8,485,357
20	550	Rents	\$ (5,103)	\$ 364,836	\$ 359,732
21	550W	Rents Wind	\$ 5,303,789	\$ -	\$ 5,303,789
22	551	Maintenance Supervision and Engineering	\$ (11,461)	\$ 449,280	\$ 437,819
23	552	Maintenance of Structures	\$ 230,305	\$ (0)	\$ 230,305
24	553	Maintenance of Generating and Electric Equipment	\$ 692,966	\$ 417,635	\$ 1,110,601
25	553W	Maintenance of Generating and Electric Equipment Wind	\$ 4,388,789	\$ 1,256	\$ 4,390,045
26	554	Maintenance of Misc Other Power Generation Plant	\$ 45,238	\$ (2)	\$ 45,236
27	554W	Maintenance of Misc Other Power Generation Plant Wind	\$ 3,657,398	\$ -	\$ 3,657,398
28	556	System Control and Load Dispatching	\$ -	\$ 1,042,838	\$ 1,042,838
29	557	Purchased Power Other	\$ (893,980)	\$ 1,868,299	\$ 974,319
30	557.90	REC Costs	\$ 4,110,497	\$ -	\$ 4,110,497
31	Total Production O&M Expense		\$ 122,046,254	\$ 17,416,618	\$ 134,159,083

Southwestern Public Service Company

Updated Native SPS Costs for Outside Law Firms and Third Party Legal Vendors

			Native SPS O&M	Test Year		
Line	FERC		Expense through the	Affiliate O&M		Total Company
No.	Acct	Account Description	Update Period	Expense		Requested O&M
			(Jan '20-Dec '20)	(Jan '20-Dec '20)		
Transmission						
32	560	Operation Supervision and Engineering	\$ 1,313,086	\$ 6,480,566	\$	7,793,651
33	561	Load Dispatch - Reliability	\$ (921)	\$ -	\$	(921)
34	561	Load Dispatch - Reliability	\$ 870	\$ -	\$	870
35	561	Load Dispatch - Monitor and Operate Trans. System	\$ 2,067,224	\$ 1,196,249	\$	3,263,473
36	561	Scheduling, System Control and Dispatching Services	\$ 3,797,900	\$ -	\$	3,797,900
37	561.4W	Scheduling, System Control and Dispatching Services - Wholesale	\$ 1,085,513	\$ -	\$	1,085,513
38	562	Reliability, Planning and Standards Development	\$ -	\$ 15,007	\$	15,007
39	562	Transmission Service Studies	\$ (6,427)	\$ 21,195	\$	14,768
40	562	Generation Interconnection Studies	\$ (23,396)	\$ 149,923	\$	126,527
41	562	Reliability Planning and Standards Development Services	\$ 2,881,351	\$ -	\$	2,881,351
42	561.8W	Reliability Planning and Standards Development Services - Wholesale	\$ 474,912	\$ -	\$	474,912
43	562	Station Expenses	\$ 1,493,479	\$ 43	\$	1,493,522
44	563	Overhead Line Expenses	\$ 2,155,178	\$ 3,035	\$	2,158,213
45	565	Transmission of Others	\$ 266,590	\$ -	\$	266,590
46	565	Wheeling Lamar DC Tie	\$ -	\$ -	\$	-
47	565	Wheeling Meter Charges	\$ 464,397	\$ -	\$	464,397
48	565	Wheeling Miscellaneous	\$ 31,189	\$ -	\$	31,189
49	565	Wheeling Schedule 11	\$ 107,224,348	\$ -	\$	107,224,348
50	565	Wheeling Schedule 11 - Wholesale	\$ 30,634,304	\$ -	\$	30,634,304
51	565	Wheeling Schedule 12	\$ 2,013,194	\$ -	\$	2,013,194
52	565	Wheeling Schedule 12 - Wholesale	\$ 486,620	\$ -	\$	486,620
53	565	Wheeling Schedule 1 - Wholesale	\$ 464,620	\$ -	\$	464,620
54	565	Wheeling Schedule 2	\$ 125,465	\$ -	\$	125,465
55	565	W-Wheeling Schedule 2 - Wholesale	\$ 34,544	\$ -	\$	34,544
56	565	Wheeling Schedule 9	\$ 8,990,528	\$ -	\$	8,990,528
57	565	Wheeling Schedule 9 - Wholesale	\$ 25,522,668	\$ -	\$	25,522,668
58	565	Z2 Direct Assigned Upgrade Charge	\$ 245,782	\$ -	\$	245,782
59	565	Z2 Direct Assigned Upgrade Charge - Wholesale	\$ 16,400	\$ -	\$	16,400
60	565	Z2 Schedule 11 Charges	\$ -	\$ -	\$	-
61	565	Z2 Schedule 11 Charges - Wholesale	\$ -	\$ -	\$	-
62	566	Misc Transmission Expenses	\$ 2,124,599	\$ 1,258,542	\$	3,383,141
63	567	Rents	\$ 77,837	\$ 1,512,456	\$	1,590,293
64	569	Transmission Mtce of Structures	\$ -	\$ -		
65	568	Maintenance Supervision and Engineering	\$ -	\$ -	\$	-
66	570	Maintenance of Station Equipment	\$ 1,568,565	\$ (0)	\$	1,568,565
67	571	Maintenance of Overhead Lines	\$ 661,726	\$ 47,409	\$	709,135
68	Sub-Total Transmission O&M Expenses		\$ 196,192,147	\$ 10,684,425	\$	206,609,112
Regional Market Expenses						
69	575.1	Operation Supervision	\$ 13,322	\$ 142,932	\$	156,254
70	575.2	Day-Ahead and Real-Time Market Administration	\$ -	\$ 288,869	\$	288,869
71	575.5	Ancillary Services Market Administration	\$ -	\$ 13,813	\$	13,813
72	575.6	Market Monitoring and Compliance	\$ -	\$ 24,160	\$	24,160
73	575.7	Market Admin, Monitoring, and Compliance Services	\$ 6,408,957	\$ -	\$	6,408,957
74	575.7W	Market Admin, Monitoring, and Compliance Services - Wholesale	\$ 1,831,803	\$ -	\$	1,831,803
75	575.8	Regional Market Rents	\$ (3,393)	\$ 38,523	\$	35,130
76	Total Regional Market Expenses		\$ 8,250,689	\$ 508,298	\$	8,758,987
77	Total Transmission O&M Expenses		\$ 204,442,836	\$ 11,192,722	\$	215,368,099

Southwestern Public Service Company

Updated Native SPS Costs for Outside Law Firms and Third Party Legal Vendors

Line No.	FERC Acct	Account Description	Native SPS O&M Expense through the Update Period (Jan '20-Dec '20)	Test Year Affiliate O&M Expense (Jan '20-Dec '20)	Total Company Requested O&M
Distribution					
78	580	Operation Supervision and Engineering	\$ 4,320,990	\$ 570,941	\$ 4,891,931
79	581	Load Dispatching	\$ 17,320	\$ 324,920	\$ 342,240
80	582	Station Expenses	\$ 993,289	\$ (3)	\$ 993,286
81	583	Overhead Line Expenses	\$ 951,616	\$ 84,308	\$ 1,035,924
82	584	Underground Line Expenses	\$ 828,061	\$ (0)	\$ 828,061
83	585	Street Lighting and Signal Systems Expenses	\$ 539,851	\$ 31,829	\$ 571,680
84	586	Meter Expenses	\$ 1,869,842	\$ 155,078	\$ 2,024,920
85	587	Customer Installations Expenses	\$ 591,615	\$ 233	\$ 591,848
86	588	Misc Distribution Expense	\$ 6,066,963	\$ 1,891,816	\$ 7,958,779
87	589	Rents	\$ 298,621	\$ 2,115,935	\$ 2,414,556
88	590	Maintenance Supervision and Engineering	\$ -	\$ 26,186	\$ 26,186
89	591	Maintenance of Structures	\$ (1)	\$ -	\$ (1)
90	592	Maintenance of Station Equipment	\$ 705,815	\$ 3,132	\$ 708,947
91	593	Maintenance of Overhead Lines	\$ 8,642,103	\$ 254,910	\$ 8,897,014
92	594	Maintenance of Underground Lines	\$ 53,993	\$ (0)	\$ 53,993
93	595	Maintenance of Line Transformers	\$ -	\$ -	\$ -
94	596	Maintenance of Street Lighting and Signal Systems	\$ 314,957	\$ (0)	\$ 314,956
95	597	Maintenance of Meters	\$ 57,366	\$ -	\$ 57,366
96	598	Maintenance of Misc Distribution Plant	\$ 14,530	\$ -	\$ 14,530
97		Total Distribution O&M Expenses	\$ 26,266,931	\$ 5,459,285	\$ 31,726,216
Customer Accounts					
98	901	Supervision	\$ -	\$ 28,508	\$ 28,508
99	902	Meter Reading Expenses	\$ 4,356,976	\$ 628,154	\$ 4,985,130
100	903	Customer Records and Collection Expenses	\$ 2,717,747	\$ 4,400,676	\$ 7,118,423
101	904	Uncollectible Expenses	\$ 6,464,353	\$ -	\$ 6,464,353
102	904	Uncollectible Expenses	\$ (230,332)	\$ -	\$ (230,332)
	905	Customer Accounts Miscellaneous	\$ 101,982	\$ 78,576	\$ 180,558
103		DEPINT Customer Deposit Interest Expense	\$ 44,060	\$ -	\$ 44,060
104		Total Customer Accounts Expense	\$ 13,454,785	\$ 5,135,914	\$ 18,410,142
Customer Service					
105	908.00	Customer Assistance Expense	\$ 2,277,342	\$ 76,128	\$ 2,353,470
106	908.00	Historical EE Amortization	\$ -	\$ -	\$ -
107	908.01	EE Amortization - Texas	\$ -	\$ -	\$ -
108	908.03	EE Amortization - New Mexico	\$ -	\$ -	\$ -
109	908.04	SaversSwitch	\$ 613,243	\$ 4,867	\$ 618,109
110	909.10	Informational and Instructional Advertising Expense	\$ 4,059	\$ -	\$ 4,059
111	910.00	Miscellaneous Customer Service Expense	\$ 65,107	\$ 43,893	\$ 109,000
112		Total Customer Service Expense	\$ 2,959,750	\$ 124,888	\$ 3,084,639
Sales					
112	912.00	Demonstration and Selling Expense-Economic Development	\$ 231,661	\$ 60,420	\$ 292,082
113	916.00	Miscellaneous Sales Expense	\$ 6,894	\$ 4,144	\$ 11,039
114		Total Sales Expense	\$ 238,556	\$ 64,564	\$ 303,120

Southwestern Public Service Company

Updated Native SPS Costs for Outside Law Firms and Third Party Legal Vendors

Line No.	FERC Acct	Account Description	Native SPS O&M Expense through the Update Period (Jan '20-Dec '20)	Test Year Affiliate O&M Expense (Jan '20-Dec '20)	Total Company Requested O&M
Administrative and General Expenses					
115	920	Administrative and General Salaries	\$ 5,091,651	\$ 28,421,698	\$ 33,513,349
116	921	Office Supplies and Expenses	\$ 2,693,105	\$ 17,788,272	\$ 20,481,377
117	922	Administrative Expenses Transferred-Credit	\$ (19,257,283)	\$ (517,108)	\$ (19,774,391)
118	923*	Outside Services Employed	\$ 673,333	\$ 5,677,501	\$ 6,350,834
119	924	Property Insurance	\$ 3,844,844	\$ 2,760	\$ 3,847,604
120	925	Injuries and Damages	\$ 5,309,125	\$ 2,366,746	\$ 7,675,871
121	926.01	Employee Pensions and Benefits	\$ 17,110,144	\$ 9,508,106	\$ 26,618,250
122	926.03	Deferred Pension Expense	\$ -	\$ -	\$ -
	928	A&G Regulatory Commission Expense	\$ (4,554)	\$ 4,131	\$ (423)
123	928	Regulatory Commission Expense - TX	\$ 1,418,661	\$ -	\$ 1,418,661
124	928.01	Regulatory Commission Expense - NM	\$ 2,275,741	\$ -	\$ 2,275,741
125	928.02	Regulatory Commission Expense - Wholesale	\$ 1,301,992	\$ -	\$ 1,301,992
126	928.03	Regulatory Commission Expense - Transmission Related	\$ -	\$ -	\$ -
127	928.04	Regulatory Commission Expense - Misc	\$ 155,334	\$ 70	\$ 155,404
128	928.05	Regulatory Commission Expense - Energy Related	\$ -	\$ -	\$ -
129	929.00	Duplicate Charges-Credit	\$ (1,137,629)	\$ -	\$ (1,137,629)
130	930.11	General Advertising Expenses	\$ -	\$ -	\$ -
131	930.20	Misc General Expenses	\$ 54,811	\$ 318,228	\$ 373,040
132	931	Rents	\$ (1,905,859)	\$ 13,827,351	\$ 11,921,492
133	935	Maintenance of General Plant	\$ 75	\$ 23,372	\$ 23,448
134		Recoverable Contributions, Dues, and Donations	\$ 1,232,509	\$ -	\$ 1,232,509
135	Total Administrative and General Expenses		\$ 18,856,001	\$ 77,421,126	\$ 96,277,550
136	Total Operations and Maintenance Expense		\$ 388,265,114	\$ 116,815,119	\$ 499,328,849

Note: All amounts included in this attachment are included in the cost of service study provided as Attachment SNN-RR-U2

¹ Ms. Bouw sponsors only those amounts recorded in FERC Account 923 that are incurred for Outside Legal Services.

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 Act. 400-935)	XES Billings for Class to all Legal Entities Except SPS (FERC Act. 400-935)	XES Billings for Class to SPS (Total Company) (FERC Act. 400-935)	Exclusions	Per Book	Pro Forms	Requested Amount (Total Company)	% of Class Charges
1	Corporate Secretary	200063 - Executive - Corporate Governance	Assets/Revenue/No. of Employees	\$ 231,373.19	\$ 201,466.95	\$ 29,906.24	\$ (17.14)	\$ 29,889.10	\$ 106.57	\$ 29,995.67	95.82%
2	Corporate Secretary	200064 - Shareholder - Corporate Governance	Assets/Revenue/No. of Employees	10,180.09	8,865.68	1,314.41	(4.98)	1,309.43	-	1,309.43	4.18%
3	Corporate Secretary	200075 - Board of Directors - Corporate Governance	Assets/Revenue/No. of Employees	990.98	860.08	130.90	-	130.90	(130.90)	-	0.00%
4	Corporate Secretary Total			\$ 242,544.26	\$ 211,192.71	\$ 31,351.55	\$ (22.12)	\$ 31,329.43	\$ (24.33)	\$ 31,305.10	100.00%
5	GC Claims	200071 - Legal - Corporate Governance	Assets/Revenue/No. of Employees	\$ 134,182.66	\$ 116,852.05	\$ 17,330.61	\$ -	\$ 17,330.61	\$ 519.63	\$ 17,850.24	10.88%
6	GC Claims	Direct	Direct	1,450,303.36	1,307,889.56	142,413.80	-	142,413.80	3,835.76	146,249.56	89.12%
7	GC Claims Total			\$ 1,584,486.02	\$ 1,424,741.61	\$ 159,744.41	\$ -	\$ 159,744.41	\$ 4,355.38	\$ 164,099.79	100.00%
8	GC Legal Services	200071 - Legal - Corporate Governance	Assets/Revenue/No. of Employees	\$ 7,026,234.59	\$ 6,118,706.41	\$ 907,528.18	\$ (2,618.45)	\$ 904,909.73	\$ 15,720.68	\$ 920,630.41	48.25%
9	GC Legal Services	200086 - Legal & Claims Services	Assets/Revenue/No. of Employees	52,561.10	44,857.44	7,703.66	-	7,703.66	17.13	7,720.79	0.40%
10	GC Legal Services	200093 - Legal - OpCo's & TransCo's	Assets/Revenue/No. of Employees	938,232.54	800,327.94	137,904.60	-	137,904.60	1,779.09	139,683.69	7.32%
11	GC Legal Services	200101 - Legal Gas	Assets/Revenue/No. of Employees	6,658.92	6,658.92	-	-	-	-	-	0.00%
12	GC Legal Services	200107 - Legal - NSPM & NSPW	Assets/Revenue/No. of Employees	117,737.47	117,737.47	-	-	-	-	-	0.00%
13	GC Legal Services	Direct	Direct	5,046,651.89	4,235,207.41	811,444.48	-	811,444.48	28,706.01	840,150.49	44.03%
14	GC Legal Services Total			\$ 13,188,076.51	\$ 11,323,495.59	\$ 1,864,580.92	\$ (2,618.45)	\$ 1,861,962.47	\$ 46,222.90	\$ 1,908,185.37	100.00%
15	Total Witness Carol C. Bouw			\$ 15,015,106.79	\$ 12,959,429.91	\$ 2,055,676.88	\$ (2,640.57)	\$ 2,053,036.31	\$ 50,553.96	\$ 2,103,590.27	
	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

Carol C. Bouw

Docket No. 51802

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

CCB-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) Line No.	(B) Affiliate Class	(C) FERC Account	(D) Explanation for Exclusions	(E) Exclusions (Total Company)
1	Corporate Secretary	426.4 - Expenditures for certain civic, political and related activities	Below the Line	\$ (17.14)
2	Corporate Secretary	426.5 - Other Deductions	Below the Line	(4.98)
3	Corporate Secretary Total			<u>\$ (22.12)</u>
4	GC Legal Services	426.1 - Donations	Below the Line	\$ (1,754.62)
5	GC Legal Services	426.4 - Expenditures for certain civic, political and related activities	Below the Line	(44.62)
6	GC Legal Services	426.5 - Other Deductions	Below the Line	(819.21)
7	GC Legal Services Total			<u>\$ (2,618.45)</u>
8	Total Witness Carol C. Bouw			<u><u>\$ (2,640.57)</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	Corporate Secretary	920 - Administrative and general salaries	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	\$ 828.40
2	Corporate Secretary	921 - Office supplies and expenses	Business Area Adjustment	Carol C. Bouw	(721.83)
3	Corporate Secretary	930.2 - Miscellaneous general expenses	Board of Directors	Stephanie N. Niemi	(130.90)
4	Corporate Secretary Total				\$ (24.33)
5	GC Claims	920 - Administrative and general salaries	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	\$ 4,535.46
6	GC Claims	921 - Office supplies and expenses	Business Area Adjustment	Carol C. Bouw	(180.08)
7	GC Claims Total				\$ 4,355.38
8	GC Legal Services	566 - Miscellaneous transmission expenses	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	\$ 2,923.02
9	GC Legal Services	920 - Administrative and general salaries	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	48,156.41
10	GC Legal Services	921 - Office supplies and expenses	Business Area Adjustment	Carol C. Bouw	(4,646.52)
11	GC Legal Services	928 - Regulatory Commission Expenses	3% Wage Adjustment	Stephanie N. Niemi/Michael P. Deselich	113.48
12	GC Legal Services	930.1 - General advertising expenses	Advertising	Stephanie N. Niemi	(323.48)
13	GC Legal Services Total				\$ 46,222.90
14	Total Carol C. Bouw				\$ 50,553.96
	Amounts may not add or tie to other schedules due to rounding				