

2020 Request for Information for Generating Resources

Southwestern Public Service Company
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Introduction:

This announcement constitutes a Request for Information ("RFI") notice soliciting current pricing, technical characteristics, and other relevant information for potential generating resources. This is not a Request for Proposals ("RFP") or solicitation for formal proposals. This RFI does not constitute a commitment, implied or otherwise, that SPS will take action in this matter. SPS will not be responsible for any costs incurred in furnishing SPS responsive information.

SPS is interested in understanding the current availabilities, flexibilities, and preferences of market participants interested in providing capacity and associated energy to SPS from all generating resource types, including energy storage, whether existing or yet-to-be constructed. SPS is considering the availability of capacity resources for possible future owned generation, build-own-transfers ("BOTs"), and purchased power agreements ("PPAs").

General Background:

- SPS is a New Mexico corporation and wholly-owned electric utility subsidiary of Xcel Energy.
- SPS's total company service territory encompasses a 52,000-square-mile area in eastern and southeastern New Mexico, the Texas Panhandle, and the Texas South Plains and its primary business is generating, transmitting, distributing, and selling electric energy.
- SPS has a long history of providing safe, reliable, value-added service to our customers
- SPS serves 394,220 electric retail customers in Texas and New Mexico.
- As prescribed in the Uncontested Comprehensive Stipulation ("Stipulation") filed at the New Mexico Public Regulation Commission on January 13, 2020 and approved by the New Mexico Public Regulation Commission ("NMPRC") in Case No. 19-00170-UT, the Stipulation requires SPS to submit a robust analysis of the possible abandonment of its Tolk Generating Station Units 1 and 2 (Tolk) and potential means of replacement of those resources (the "Tolk Analysis"). The Tolk Analysis shall include replacement resources priced based on an RFI solicitation. The Tolk Analysis will also consider a scenario in which all SPS's coal-burning units are retired or replaced before 2030.
- SPS will be evaluating multiple scenarios with various capacity replacement dates. The
 minimum net capacity need is approximately 500 MW beginning summer 2023. The
 maximum net capacity need is approximately 2,200 MW beginning summer 2025.

Qualifications and Assumptions:

- Expressions of interest should be from existing or proposed generating facilities within the SPS zone or delivered to the SPS zone from existing or proposed sites within the Southwest Power Pool.
- Expressions of interest should include a proposed Commercial Operation Date ("COD") if the submission is a future resource.
- Expressions of interest should include all capacity, energy, environmental attributes such as Renewable Energy Credits (RECs), and other generation-related services.
- For purposes of this RFI, "renewable energy" refers to electrical power generated by solar, wind, biomass, or other commercially viable renewable energy technologies including energy storage.
- SPS is interested in the availability of capacity and associated energy resources for possible future owned generation, BOTs, and PPAs.
- PPA durations are recommended to be 25 and/or 30 years.
- Interested parties should respond to this RFI within 60 days of issuance.

Specific Information of Interest:

- Project type, including technical characteristics.
- Project site location for delivery within (or to) the SPS system.
- Proposed COD for resource facilities responsive to this RFI, including details on whether
 a delay in the proposed COD could impact the pricing and if so an estimate of the price
 of those impact(s).
- Pricing and quantity in megawatts. All pricing in respondent proposals should reflect costs (to the extent applicable) at the time of submittal and should include costs of interconnection to the transmission system if applicable.
- Statement on current interconnection status (if any), and anticipated extent of need for transmission system upgrades for the proposal.
- Proposals must demonstrate an anticipated ability to obtain all required state/local preconstruction approvals and any associated risks to meet the COD.

Content of Submissions:

- Appendix A includes a set of forms applicable to the resource type being submitted.
 - For dispatchable resources the submitter should complete Appendix A-PPA_DIS forms
 - For renewable generation resources the submitter should complete Appendix A-PPA_RENEW forms
 - For Build-Own-Transfer or sale of an existing asset the submitter should complete Appendix A-BOT.
- Some information may be requested on more than one form. Although such requests
 may be redundant, submitters must provide the information requested on each
 applicable form.
- SPS will convene a Bidders Meeting for all interested parties to allow for clarifications and any questions that potential bidders may have. See meeting details below.

Bidders Meeting:

Date: September 21, 2020

Time: 1:00PM – 3:00 PM Mountain Daylight Time

Join Zoom Meeting:

https://xcelenergy.zoom.us/j/93175193060?pwd=cVpNeTZvTEkycURIMUhqMlZWL2 l4dz09

Meeting ID: 931 7519 3060

Passcode: 270511 One tap mobile

- +17209289299,,93175193060#,,,,,0#,,270511# US (Denver)
- +12133388477,,93175193060#,,,,,0#,,270511# US (Los Angeles)

Dial by your location

- +1 720 928 9299 US (Denver)
- +1 213 338 8477 US (Los Angeles)
- +1 346 248 7799 US (Houston)
- +1 206 337 9723 US (Seattle)
- +1 312 626 6799 US (Chicago)
- +1 646 518 9805 US (New York)
- +1 651 372 8299 US (St. Paul)
- +1 786 635 1003 US (Miami)

Meeting ID: 931 7519 3060

Passcode: 270511

Find your local number: https://xcelenergy.zoom.us/u/aLUXvN6pb

Proposal Submission Deadline:

Proposals will be accepted until 5:00 P.M. Central Time on **Friday**, **November 6**, **2020**. All Proposals must be transmitted by to the following email address:

SPSTolkAnalysis@xcelenergy.com

Proposals received later than the due date and time indicated will be rejected.

Follow-up Requests

To the extent SPS has questions or seeks clarification regarding a Proposal, SPS may pose follow-up questions. Submitters are not obligated to respond to such follow-up questions, but, are advised that a failure to provide adequate information may lead to a Proposal or a portion of a Proposal being disregarded.

Confidentiality

SPS recognizes that certain information contained in a Proposal submitted may be deemed by the submitter to be confidential. To the extent a submitter believes portions of its Proposal (or any subsequent responses to follow-up questions) constitute confidential material, the submitter should clearly label such material as confidential ("Confidential Material"). SPS will not be responsible for identifying any Confidential Material that has not been designated as such by the submitter. If SPS receives a request from a regulatory or judicial authority to which Confidential Material is responsive, or if SPS receives a request (that SPS reasonably deems to be a valid request) from a party in a regulatory or judicial proceeding to which request SPS determines Confidential Material in the Proposal is responsive, or to the extent otherwise required by law, SPS may provide the Confidential Material pursuant to a confidentiality or protective agreement or order in such proceeding. To the extent Confidential Material is proposed to be disclosed publicly (i.e., not subject to a confidentiality or protective agreement), SPS will notify the submitter as soon as reasonably possible; it is the sole responsibility of the submitter to seek to protect the material subsequent to such notification. SPS may disclose non-Confidential Material at its discretion without prior notice.