

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE)
COMPANY'S ANNUAL 2021 RENEWABLE ENERGY)
PORTFOLIO PROCUREMENT PLAN AND REQUESTED) Case No. 20-00143-UT
APPROVALS THEREIN; PROPOSED 2021 RENEWABLE)
PORTFOLIO STANDARD COST AND RECONCILIATION)
RIDERS; APPLICATION FOR AN RPS INCENTIVE; AND)
OTHER ASSOCIATED RELIEF)

NOTICE TO SPS CUSTOMERS

NOTICE IS HEREBY GIVEN THAT:

1. Southwestern Public Service Company ("SPS") filed its Application with the New Mexico Public Regulation Commission ("Commission" or "NMPRC") on July 1, 2020, requesting the Commission enter a final order that:

(a) approves SPS's 2021 Annual Renewable Energy Act Plan ("2021 RPS Plan") for the 2021 Plan Year ("Plan Year") and 2022 Next Plan Year ("Next Plan Year") under Rule 572.14, the REA, and prior Commission Orders related to SPS's Plan Year and Next Plan Year RPS requirements;

(b) approves SPS's proposed rate for its 2021 RPS Rider, which includes, without limitation, recovery of its RPS-related costs over a 12-month period beginning January 1, 2021;

(c) approves SPS's proposed rate for its 2021 RPS Reconciliation Rider to appropriately credit customers in 2021 for the true-up of amounts associated with periods prior to the effective date of the Energy Transition Act, Senate Bill 489 ("ETA"), when the large customer cap was in effect. Those true-up amounts are comprised of reconciliation of the 2019 RPS Rider and associated interest;

(d) approves SPS's proposal to exercise its Renewable Energy Certificates ("REC") purchase options for the New Mexico retail allocation, for RPS compliance purposes, in five renewable energy Purchased Power Agreements ("PPAs") with NextEra Energy: (i) Bonita Wind Energy, LLC ("Bonita"); (ii) Roswell Solar, LLC ("Roswell"); (iii) Chaves County Solar, LLC ("Chaves"); (iv) Mammoth Plains Wind Project Holdings, LLC ("Mammoth"); and (v) Palo Duro Wind Energy, LLC ("Palo Duro");

(e) approves SPS's proposal to assign the unassigned portion (approximately 80 megawatt) of the Roswell and Chaves PPAs to its New

Mexico retail customers and to exercise the associated REC purchase options for meeting the RPS requirements;

(f) approves SPS's application for an incentive related to exceeding the RPS requirements;

(g) approves SPS's proposal to update the SunE PPA imputed REC prices;

(h) approves SPS's 2021 Solar*Connect Community Rate Rider and Solar*Connect credit, consistent with the final order in Case No. 18-00308-UT;

(i) grants SPS's variance requests to those subsections of Rule 572 that are now inconsistent with the amended REA;

(j) grants SPS's permanent variance requests from certain provisions of prior Commission Orders that are now inconsistent with the amended REA;

(k) grants all other approvals, authorizations, and relief that may be required for SPS to implement its 2021 RPS Plan; and

(l) acknowledges SPS's concurrent filing of its 2019 Annual Renewable Energy Portfolio Report ("2019 RPS Report") required under 17.9.572.19 NMAC;

2. SPS proposes to collect an estimated \$17.3 million in RPS

procurement costs over a 12-month period, beginning January 1, 2021 through its RPS Rider approved in Case No. 12-00350-UT. SPS will apply the 2021 RPS Rider using a kilowatt-hour ("kWh") based rate calculated at \$0.002217 per kWh that will apply to all of SPS's New Mexico retail rate classes, other than energy purchased under its Solar*Connect rider.

3. SPS proposes to return an estimated \$3.4 million for true-up of amounts associated with periods prior to the effective date of the ETA, when the large customer cap was in effect over a 12-month period, beginning January 1,

2021, through its RPS Reconciliation Rider approved in Case No. 19-00134-UT. These true-up amounts are comprised of reconciliation of the 2019 RPS Rider and associated interest. The 2021 rate for the RPS Reconciliation Rider is a credit of \$0.000801 per kWh. The credit is based upon the net true-up of amounts associated with prior periods divided by projected kWh sales to customers other than Large Customers, from January 1, 2021 through December 31, 2021.

4. The following tables compare the present bills and anticipated bills, including the proposed 2021 RPS rider, under each affected customer class and for the indicated levels of consumption:

Residential Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
0 kWh	\$9.90	\$9.90	\$0	0.00%
250 kWh	\$32.76	\$33.08	\$0.32	0.98%
500 kWh	\$55.62	\$56.26	\$0.64	1.15%
750 kWh	\$78.49	\$79.45	\$0.96	1.22%
1,000 kWh	\$101.35	\$102.63	\$1.28	1.26%
2,000 kWh	\$192.80	\$195.36	\$2.56	1.33%

Residential Heating Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
0 kWh	\$9.90	\$9.90	\$0	0.00%
250 kWh	\$29.92	\$30.24	\$0.32	1.07%
500 kWh	\$49.94	\$50.58	\$0.64	1.28%
750 kWh	\$69.97	\$70.93	\$0.96	1.37%
1,000 kWh	\$89.99	\$91.27	\$1.28	1.42%
2,000 kWh	\$170.08	\$172.64	\$2.56	1.51%

Small General Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2020	2020	2020
0 kWh	\$15.78	\$15.78	\$0	0.00%
250 kWh	\$34.42	\$34.74	\$0.32	0.93%
500 kWh	\$53.06	\$53.70	\$0.64	1.21%
750 kWh	\$71.70	\$72.66	\$0.96	1.34%
1,000 kWh	\$90.34	\$91.62	\$1.28	1.42%
2,000 kWh	\$164.91	\$167.47	\$2.56	1.55%

Secondary General Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
1,500 kWh and 12 kW	\$281.82	\$283.74	\$1.92	0.68%
7,500 kWh and 35 kW	\$839.33	\$848.93	\$9.60	1.14%
15,000 kWh and 35 kW	\$1,026.10	\$1,045.30	\$19.20	1.87%
30,000 kWh and 100 kW	\$2,552.93	\$2,591.32	\$38.39	1.50%

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Irrigation Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
1,500 kWh and 12 kW	\$152.68	\$153.91	\$1.23	0.81%
7,500 kWh and 35 kW	\$623.84	\$633.44	\$9.60	1.54%
15,000 kWh and 35 kW	\$1,158.03	\$1,170.26	\$12.23	1.06%
30,000 kWh and 100 kW	\$2,350.20	\$2,374.65	\$24.45	1.04%

Primary General Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
1,500 kWh and 12 kW	\$271.79	\$273.71	\$1.92	0.71%
7,500 kWh and 35 kW	\$784.66	\$794.26	\$9.60	1.22%
15,000 kWh and 35 kW	\$935.60	\$954.80	\$19.20	2.05%
30,000 kWh and 100 kW	\$2,345.65	\$2,384.04	\$38.39	1.64%

Large General Service Transmission (69 kV)

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
500,000 kWh and 800 kW	\$19,919.93	\$20,559.78	\$639.85	3.21%
1,000,000 kWh and 1,500 kW	\$38,102.06	\$39,641.06	\$1,539.00	4.04%
4,000,000 kWh and 6,100 kW	\$150,119.11	\$156,320.01	\$6,200.90	4.13%
8,000,000 kWh and 12,200 kW	\$296,287.81	\$308,336.80	\$12,048.99	4.07%

Large General Service Transmission (115+ kV)

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
500,000 kWh and 800 kW	\$19,839.68	\$20,479.52	\$639.84	3.23%
1,000,000 kWh and 1,500 kW	\$39,128.96	\$40,647.83	\$1,518.87	3.88%
4,000,000 kWh and 6,300 kW	\$151,854.56	\$158,021.44	\$6,166.88	4.06%
8,000,000 kWh and 13,000 kW	\$304,237.02	\$316,130.13	\$11,893.11	3.91%

Large Municipal and School Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
10,000 kWh and 30 kW	\$669.93	\$682.72	\$12.79	1.91%
20,000 kWh and 45 kW	\$1,110.17	\$1,135.76	\$25.59	2.31%
30,000 kWh and 75 kW	\$1,741.95	\$1,780.34	\$38.39	2.20%

Small Municipal and School Service

	Annualized Monthly Bill		Bill Change	
	Bills Including 2020 RPS Rider	Bills Including Proposed 2021 RPS Rider and Reconciliation Rider	Proposed \$ Change	Proposed % Change
Consumption Level	Present	2021	2021	2021
500 kWh	\$47.93	\$48.57	\$0.64	1.34%
1,000 kWh	\$80.29	\$81.57	\$1.28	1.59%
2,000 kWh	\$145.00	\$147.56	\$2.56	1.77%

5. SPS’s proposed rate changes are for informational purposes only and the final 2021 RPS Rider and Reconciliation Rider rates may vary.

6. By order issued in this case on July 27, 2020, the Hearing Examiner has established the following procedural schedule and requirements for this case:

- A. Any person desiring to intervene to become a party (“intervenor”) in this case must file a motion for leave to intervene in conformity with NMPRC Rules of Procedure 1.2.2.23(A) and 1.2.2.23(B) NMAC on or before August 28, 2020.
- B. Staff shall, and any intervenor may, file direct testimony on or before September 11, 2020.
- C. A stipulation may be filed on or before September 25, 2020.
- D. Opposition to a stipulation must be filed on or before September 30, 2020.
- E. If a stipulation is filed as provided above, direct testimony in support of it shall be filed no later than October 2, 2020. Alternatively, if a stipulation is not filed, any rebuttal testimony shall be filed by October 2, 2020.
- F. Testimony in opposition of a stipulation shall be filed by October 14, 2020.
- G. A prehearing will be held on October 19, 2020, at 9:00 A.M. and a public hearing will be held beginning at 9:00 A.M. on October 21, 2020, and continuing as necessary through October 22, 2020. The prehearing and hearing will be held either (i) at the Commission’s offices in the P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico, or (ii) via the Zoom platform in whole or in part depending on potential COVID-19 restrictions and guidelines and related safety concerns.

7. SPS’s Application, 2019 RPS Report and 2021 RPS Plan, together with supporting pre-filed direct testimony and any exhibits and related papers, may be examined by any interested person online at the SPS website

http://www.xcelenergy.com/company/rates_and_regulations, or the Commission's website Case Lookup E-Docket <http://www.nmprc.state.nm.us/>.

8. Any interested person should contact the Commission at (505) 690-4191 for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled.

9. The Commission has assigned Case No. 20-00143-UT to this proceeding and all inquiries or written comments concerning this matter should refer to that case number. Any interested person may appear at the time and place of the hearing and make written or oral comment pursuant to 1.2.2.23.F NMAC without becoming an Intervenor. All such comments will not be considered as evidence in this case. Written comments also may be sent to the Commission at the following address:

New Mexico Public Regulation Commission
P.E.R.A. Building
P.O. Box 1269
Santa Fe, NM 87504-1269

10. Anyone filing pleadings, testimony and other documents shall follow the Commission's Temporary NMPRC Filing Policy, available at <http://nmprc.state.nm.us>, toward the top of the page and to the right of "NEW!" Pleadings, testimony, and other documents shall also be served on all parties of record and Staff in the way or ways specified in the most recent Certificate of Service issued by the Hearing Examiner. Copies of all filings shall also be emailed

on the date of filing and service to the Hearing Examiner at Elizabeth.Hurst@state.nm.us. Any person whose testimony has been pre-filed will attend the hearing and submit to examination under oath.

11. The Commission's Rules of Procedure found at 1.2.2 NMAC will apply to this case unless modified by order of the Commission or Hearing Examiner. A copy of such Rules may be obtained from the offices of the Commission and are available online at the official NMAC website <http://164.64.110.134/nmac/nmac-titles>

12. The procedural dates and requirements provided herein are subject to further order of the Commission or hearing examiner.

13. ANY PERSON WITH A DISABILITY REQUIRING SPECIAL ASSISTANCE IN ORDER TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE COMMISSION AT (505) 490-0689 AT LEAST 24 HOURS PRIOR TO THE COMMENCEMENT OF THE PUBLIC HEARING.

I S S U E D at Santa Fe, New Mexico this 27th day of July 2020.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/Elizabeth C. Hurst

Elizabeth C. Hurst, Hearing Examiner