

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)
SOUTHWESTERN PUBLIC SERVICE COMPANY'S)
APPLICATION REQUESTING APPROVAL TO) Case No. 18-00329-UT
RETIRE AND ABANDON ITS PLANT X)
GENERATING STATION UNIT 1,)
PLANT X GENERATING STATION UNIT 2,)
AND CUNNINGHAM GENERATING STATION)
UNIT 1, AND DETERMINATION OF RELATED)
RATEMAKING PRINCIPLES AND TREATMENT.)
_____)

NOTICE TO SPS CUSTOMERS

NOTICE is hereby given that:

1. In accordance with the Abandonment Section 62-9-5 of the Public Utility Act, Southwestern Public Service Company ("SPS") filed an Application and supporting direct testimony with the New Mexico Public Regulation Commission ("Commission") requesting that the Commission enter an order: (a) authorizing SPS to retire and abandon the use of Plant X Generating Station Unit 1 ("Plant X 1") and Cunningham Generating Station Unit 1 ("Cunningham 1") as of December 31, 2019 and Plant X Generating Station Unit 2 ("Plant X 2") as of December 31, 2020; (b) authorizing SPS to record and recover the remaining, unrecovered net plant balance and estimated dismantling costs of each unit at the time of retirement and to include that amount in the base rates established in SPS's next base rate case; (c) authorizing SPS to record in a deferred account the difference between actual and estimated decommissioning and dismantling costs for each of the three units after completion of actual dismantling activities; (d) authorizing SPS to recover the deferred balance from

customers if actual decommissioning and dismantling costs exceed estimated decommissioning and dismantling costs, or to return the deferred balance to customers if estimated decommissioning and dismantling costs exceed actual decommissioning and dismantling costs; and (e) granting all other approvals, authorizations, and relief that may be required for SPS to retire and abandon Plant X 1, Plant X 2, and Cunningham 1 and to recover the associated costs.

2. SPS's Application states that: (a) Plant X 1, Plant X 2, and Cunningham 1 are near the end of their useful lives; and (b) the present and future public convenience and necessity do not require the service or use of Plant X 1, Plant X 2, or Cunningham 1 facilities. SPS's Application requests that the Commission issue a final order by April 15, 2019.

3. The Commission has assigned Case No. 18-00329-UT to this Application, and all correspondence, pleadings, comments, and other communications shall refer to that case number.

4. There is a two track procedural schedule established in this case; one track is for a stipulated or agreed upon resolution and the other track, if there is no stipulation, is a litigated track, both are set forth separately as follows:

(A) Any person desiring to intervene in the proceeding must file a Motion to Intervene by January 11, 2019, pursuant to 1.2.2.23 NMAC. All motions for leave to intervene shall be served on all existing parties and prospective intervenors of record.

(B) **Schedule if a Stipulation is filed:**

1. A public hearing to hear and receive testimony, exhibits, and arguments on any filed stipulation is set to commence at 9:00 A.M. on February 11, 2019, and continue thereafter, if necessary. The hearing will take place in the Hearing Room, ground floor, at the Commission's offices in the P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico.

2. Any Stipulation and required documents pursuant to 1.2.2.20. NMAC may be filed by January 18, 2019.

3. Any statement in opposition to a stipulation pursuant to 1.2.2.20B(2) NMAC may be filed by January 23, 2019.

4. Testimony in support of a stipulation shall be filed by SPS and Staff, and may be filed by the intervenors by January 25, 2019.

5. Any testimony in opposition to a stipulation may be filed by February 1, 2019.

6. Any rebuttal testimony may be filed by February 8, 2019.

C. Litigated Schedule (if no Stipulation is filed)

1. A public hearing to hear and receive testimony, exhibits, arguments and other appropriate matters relevant to this proceeding is set to commence at 9:00 A.M. on April 1, 2019, and continue thereafter, if necessary. The hearing will take place in the Hearing Room, ground floor, at the Commission's offices in the P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico.

2. Testimony shall be filed by Staff, and may be filed by the intervenors, by March 5, 2019.

3. Any rebuttal testimony may be filed by March 19, 2019.

4. SPS's Application, together with supporting pre-filed direct testimony, any exhibits and related papers, may be examined by any interested person at the offices of SPS or the Commission at the following addresses or by calling SPS at 1-800-895-4999 during normal business hours. All inquiries or written comments concerning this matter should refer to Case No. 18-00329-UT.

Southwestern Public Service Company
111 East Fifth Street
Post Office Box 1937
Roswell, New Mexico 88201
Mike McLeod

Southwestern Public Service Company
790 South Buchanan St., 7th Floor

Amarillo, Texas 79101
Jeff Comer, Regulatory Case Specialist

New Mexico Public Regulation Commission
Records Management Bureau
P. O. Box 1269
Santa Fe, New Mexico 87504-1269

Further information about this case can be obtained at the Commission's website, <http://www.nmprc.state.nm.us> under "Case Lookup EdoCKET", or at SPS's website, (XCEL Energy's website) <http://www.xcelenergy.com/regulatory>.

5. Any interested person may appear at the time and place of hearing and make written or oral comment pursuant to 1.2.2.23(F) NMAC without becoming an intervener. Written comments, which shall reference Case No. 18-00329-UT, may be mailed to the Commission at the address above. Such comments will not be considered as evidence in this case. The following physical address of the Commission shall be used only for special or hand-deliveries: 1120 Paseo de Peralta, Santa Fe, New Mexico 87501.

6. The procedural dates and requirements provided herein are as provided in the Procedural Order issued in this case and are subject to further order of the Commission or Hearing Examiner. Any interested person should contact the Commission at 505-827-6956 for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled.

7. Any person filing pleadings or testimony may file in person or by mail at the Commission's address above and shall serve copies on all parties of record, Staff, and the Hearing Examiner at Elizabeth.Hurst@state.nm.us on the date of filing. All documents emailed to the Hearing Examiner shall include versions in Microsoft Word or other native formats if available.

8. Any person whose testimony has been pre-filed shall attend the hearing and submit to examination under oath.

9. The Commission's Rules of Procedure (1.2.2 NMAC) shall apply to this case except as modified by Order of the Commission or Hearing Examiner. A copy of such Rules is available online at the official NMAC website <http://164.64.110.134/nmac/nmac-titles>.

10. ANY PERSON WITH A DISABILITY REQUIRING SPECIAL ASSISTANCE IN ORDER TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE COMMISSION AT 1-800-947-4722 AS SOON AS POSSIBLE PRIOR TO THE COMMENCEMENT OF THE PUBLIC HEARING.

ISSUED at Santa Fe, New Mexico this 29th day of November 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION

Elizabeth C. Hurst
Hearing Examiner