



790 S. Buchanan St.
Amarillo TX, 79101

INFORMATIONAL FILING ONLY

December 1, 2021

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
Room 1A-East
888 First Street, NE
Washington, DC 20426

Re: Southwestern Public Service Company
Informational Filing: 2020 Transmission Formula Rate Annual Update
Per Attachment O-SPS Protocols
Docket Nos. ER08-313-000 *et al.*

Dear Secretary Bose:

Pursuant to the Formula Rate Implementation Procedures (“Protocols”) included as Appendix 1 to Attachment O-SPS to the Xcel Energy Operating Companies Joint Open Access Transmission Tariff (“Xcel Energy Tariff”), Southwestern Public Service Company (“SPS”) hereby submits, as an informational filing, the Annual Update of its Transmission Formula Rate. The Annual Update informational filing submitted herein includes the calculation of the 2022 SPS estimated Annual Transmission Revenue Requirement (“ATRR”), 2020 ATRR true-up, and charges for transmission service on the SPS system for the upcoming rate year (January 1, 2022 to December 31, 2022). The Annual Update also includes SPS’s Base Plan Upgrade (“BPU”) revenue requirement, which includes the costs of BPU facilities recovered regionally under Schedule 11 to the Southwest Power Pool, Inc. (“SPP”) Open Access Transmission Tariff (“SPP OATT”).

This submission is provided to the Commission for informational purposes only. This submission is not intended to be subject to the Commission’s notice requirements, and the Commission need not take any action in response to this informational filing.

Background

SPS is a corporation created and organized under the laws of the State of New Mexico with its principal office in Amarillo, Texas. SPS is a wholly owned utility operating company subsidiary of Xcel Energy Inc. (“Xcel Energy”) engaged in, *inter alia*, the generation, purchase, transmission, distribution, and/or sale of electricity in portions of Texas, New Mexico,

Oklahoma, and Kansas. SPS is a transmission-owning member of the SPP. Transmission service over the SPS transmission system has been available under the SPP OATT since June 2000.

Under Attachment O-SPS of the Xcel Energy OATT, the ATRR for the SPS pricing zone (Zone 11 to the SPP Tariff) is posted on the SPS OASIS and reflected in Attachment H of the SPP OATT, and forms the basis for billing Network Integration Transmission Service (“NITS”) customers and deriving the unit charges for Point-to-Point (“PTP”) transmission service to load located in the SPS pricing zone under both the Xcel Energy OATT and the SPP Regional OATT. The ATRR for the BPU Revenue Requirement is also posted on the SPS OASIS and reflected in Attachment H of the SPP OATT and is incorporated in SPP regional transmission charges under Schedule 11 to the SPP OATT.

This Informational Filing

Pursuant to the Protocols, SPS hereby submits, as an informational filing, the Annual Update of its transmission formula rate for the upcoming 2022 rate year starting January 1, 2022. Pursuant to the Protocols, SPS posted, and distributed to its transmission customers, an Annual Update on October 1, 2021 and an additional update on December 1, 2021. SPS convened a meeting with affected customers on October 12, 2021. This submission is provided for informational purposes only.

On September 4, 2020, in Docket No. ER20-2829-000 SPS filed proposed modifications to its Attachment O-SPS transmission formula rate template to exclude costs associated with SPS’s Advanced Grid Intelligence and Security (“AGIS”) initiative from the determination of SPS’s wholesale revenue requirement. SPS requested an effective date of January 1, 2020 for those template modifications. SPS subsequently filed a motion to withdraw its proposed modifications, and on April 22, 2021, the Commission issued an order granting the motion to withdraw and instituted a proceeding in Docket No. EL21-58-000 to investigate the justness and reasonableness of the recovery of AGIS costs under SPS’s wholesale and transmission rates. The Commission established a refund effective date of May 19, 2021 and set the proceeding in Docket No. EL21-58-000 for hearing and settlement judge procedures.¹ On October 25, 2021, SPS filed an unopposed Offer of Settlement and Settlement Agreement to resolve all outstanding issues in Docket No. EL21-58-000.

Under the Settlement Agreement, SPS has agreed to exclude AGIS-related costs from its wholesale and transmission rates, except to the extent it is agreed by the settling parties that AGIS-related costs should remain such as for purposes of calculating the gross plant allocator in the SPS formula rate templates. SPS has also agreed to reimburse customers for AGIS-related costs collected through SPS’s wholesale and transmission formula rates on and after May 19,

¹ *Sw. Pub. Serv. Co., et al.*, 175 FERC ¶ 61,060 (2021).

2021. The Settlement Agreement and the related revisions to SPS's transmission formula rates filed in Docket No. ER22-201-000 remain pending before the Commission. SPS has requested an effective date of May 19, 2021 for these revisions. SPS has posted on the Xcel Energy Transmission website² and distributed to its transmission service customers, a populated template showing the estimated 2022 rates under the modified template. Because the SPS filing in Docket No. ER22-201-000 remains pending Commission action, SPS is submitting the estimated 2022 ATRR and 2022 rates without reflecting the template changes filed in Docket No. ER22-201-000.

Communications

XES requests that all correspondence and communications with respect to this informational filing be sent to the following:

Wesley Berger
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Conclusion

SPS will post a copy of this transmittal letter on the transmission page of the Xcel Energy Inc. website (www.transmission.xcelenergy.com), the Xcel OASIS & OATT, and the SPP Member Related postings page so SPS and SPP OATT customers are aware of the informational filing. SPS will also electronically serve a courtesy copy of this transmittal letter on all parties to Docket No. ER08-313-000 et al. to notify them of the informational filing. Please direct any questions regarding this informational filing to the undersigned at (806) 378-2424 or Mr. Wesley Berger at (806) 378-2891.

² See <https://www.transmission.xcelenergy.com/Resources/Open-Access-Same-Time-Information-System-&-Open-Access-Transmission-Tariff>. See the SPS Formula Rate Matters tab.

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Respectfully Submitted,

/s/ Casey Settles

Casey Settles
Case Specialist
Southwestern Public Service Company

Attachments:

12-2021---Attachment O-SPS 2022 Rate Projected R1 in PDF
12-2021---Attachment O-SPS 2022 Rate Projected R1 in Excel
10-2021---Attachment O-SPS 2020 Rate Actual Revised in PDF
10-2021---Attachment O-SPS 2020 Rate Actual Revised in Excel
10-2021---Customer Variance Packet 2022 Projection in PDF
10-2021---2022---SPS Material Accounting Changes-2022 Projection in PDF
10-2021---2020 and 2022 actuarial report in PDF
10-2021-SPS RLS for 2020_True-Up_REVISED in PDF
10-2021---Supporting Document_Attachment O-2022 Trans Formula Rate Projected in PDF