



790 S. Buchanan St.
Amarillo, TX 79101

Xcel Energy/Southwestern Public Service Company (SPS) would like to invite interested persons in both Texas and New Mexico to participate in a Public Stakeholder Meeting regarding SPS's Time of Use (TOU) Rate Study.

WHEN: Wednesday, June 12, 2024

TIME: 3:00 PM – 4:30 PM Central Daylight Time

WHERE: Hybrid – 790 S. Buchanan Street, Amarillo, Texas 79101 or via Teams

Please Register to Attend at this Link: <https://www.surveymonkey.com/r/HGYL9ML>

The purpose of the meeting is to work with interested persons regarding the design and scope of the TOU Rate Study being conducted by Southwestern Public Service Company (SPS). Time-of-use (TOU) rates are utility pricing structures that adjust the amounts customers pay for electricity over the course of the day or based on the time of the year. SPS currently has TOU rate options in Texas and New Mexico for certain customer classes. SPS's 2024 TOU Rate Study will evaluate data that could be used in future customer rate designs.

This meeting is being held in compliance with the Stipulations and Final Orders in New Mexico Public Regulation Commission (NMPRC) Case No. 22-00286-UT and Public Utility Commission of Texas (PUCT) Docket No. 54634.

JUNE 12 MEETING TOPICS

- Review of survey results.
- Review of deliverables provided to stakeholders and request for future deliverables.
- Discussion regarding hiring of a consultant to assist with the TOU Rate Study.
- Formation of small groups to consider scoping of TOU Rate Study and necessary rule changes to implement TOU rates.
- Input from stakeholders regarding future meetings.
- Determine next steps necessary to develop the scope of work and engage necessary resources.

BACKGROUND

In November of 2022, SPS filed an application with the NMPRC seeking authority to revise its base rates. In May of 2023, SPS and the parties to the proceeding filed a Contested Comprehensive Stipulation. In October of 2023, the Certification of the Stipulation was adopted in a Final Order which approved the Contested Comprehensive Stipulation. In February of 2023, SPS filed an application with the PUCT seeking authority to revise its base rates. In December of



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2023, SPS and the parties to the proceeding filed the Unanimous Stipulation resolving all the issues in the case. A Final Order approving the Unanimous Stipulation was approved by the PUCT on April 11, 2024. In the Stipulation in both matters, a provision was included which requires SPS to engage with interested stakeholders to scope a TOU rate study. The terms of the stipulation include requirements to hold public stakeholder meetings. This meeting is in compliance with the terms of the stipulation.

WHY WE WOULD LIKE YOU TO CONSIDER PARTICIPATING

A few questions might help to explain why we would like you to consider participating in this process:

1) Why is my voice important to this process?

Time-of-use (TOU) rates are utility pricing structures that adjust the amounts customers pay for electricity over the course of the day or based on the time of the year. When both the cost of generating electricity and the electricity demand are low, the amount customers pay to use electricity may be lower. However, when both the cost of generation and demand for electricity are high, the amount customers pay to use electricity may be higher. TOU rates may vary by season, by weekday versus weekend, and across time periods during the day. This and other public stakeholder meetings are designed to solicit SPS's customers feedback on scoping the development of SPS's 2024 TOU Rate Study.

2) Why is this study being conducted at this time?

The electrical grid is undergoing a significant transformation. The continued need for system reliability, combined with the goal of minimizing costs for customers, makes the discussion regarding pricing structures relevant to all SPS customers.

3) What would be expected of me if I decide to participate?

The most important contribution you can make to this effort is to provide feedback and opinions regarding the scope and extent of SPS's 2024 TOU Rate Study.

You will be invited to attend as many meetings as possible. The amount of meetings and the scope of those meetings will be determined by the stakeholder group. The following is a list of roles and responsibilities for stakeholders who choose to participate:

- Review meeting materials in advance.
- Work offline in small subgroups, if interested.
- Serve as respectful, active participants during discussions.
- Consider views and input of other stakeholders.
- Share experiences and expertise.



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- Attend as many meetings as possible.
- Review the notes and materials from any missed meetings.

Who should I contact for more information?

Jeremiah Cunningham, Manager Rate Cases, Jeremiah.W.Cunningham@xcelenergy.com or
Alex Trowbridge, Manager, Pricing and Planning, Alexander.G.Trowbridge@xcelenergy.com

/s/Jeremiah Cunningham

Jeremiah Cunningham
Manager, Rate Cases
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