### BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION FOR APPROVAL OF ITS 2025-2027 TRANSPORTATION ELECTRIFICATION PLAN; PROPOSED PLAN RIDERS AND CREDIT; AND OTHER ASSOCIATED RELIEF,	) ) ) ) ) ) Case No. 24-00UT )
SOUTHWESTERN PUBLIC SERVICE COMPANY,	) )
APPLICANT.	) ) )

### **DIRECT TESTIMONY**

of

### **BRIANNE R. JOLE**

on behalf of

### SOUTHWESTERN PUBLIC SERVICE COMPANY

**April 1, 2024** 

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#### GLOSSARY OF ACRONYMS AND DEFINED TERMS

Acronym/Defined Term Meaning

Commission New Mexico Public Regulation

Commission

EVSI Electric Vehicle Supply Infrastructure

EV Electric Vehicle

MWh Megawatt-hour

MW Megawatt

NEVI National Electric Vehicle Infrastructure

NMPRC New Mexico Public Regulation

Commission

SPS Southwestern Public Service Company, a

New Mexico corporation

TEP Transportation Electrification Plan

TOU Time of Use

XES Xcel Energy Services, Inc

Xcel Energy Xcel Energy, Inc

#### I. <u>WITNESS IDENTIFICATION AND QUALIFICATIONS</u>

- 1 Q. Please state your name and business address.
- 2 A. My name is Brianne R. Jole. My business address is 4201 Frankford Avenue,
- 3 Lubbock, Texas 79401.
- 4 Q. On whose behalf are you testifying in this proceeding?
- 5 A. I am filing testimony on behalf of Southwestern Public Service Company, a New
- 6 Mexico corporation ("SPS") and wholly-owned subsidiary of Xcel Energy Inc.
- 7 ("Xcel Energy").
- 8 Q. By whom are you employed and in what position?
- 9 A. I am employed by Xcel Energy Services Inc. ("XES"), the service company
- subsidiary of Xcel Energy, as Manager, System Planning and Strategy, Distribution
- 11 Integrated Planning.
- 12 Q. Please briefly outline your responsibilities as Manager, Distribution System
- 13 Planning and Strategy.
- 14 A. I am responsible for planning the distribution system to support reliability,
- resiliency, and new growth, and ensuring the strategy behind SPS's distribution
- investment is in the best interest of new and existing customers.

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- 2 A. I graduated from Texas Tech University with a bachelor's degree in mechanical
- 3 engineering in 2016. I obtained my professional engineering licenses in both Texas
- 4 and New Mexico in 2021.

#### 5 Q. Please describe your professional experience.

- 6 A. I began my employment with SPS in Seminole, Texas as a distribution design
- 7 engineer in the distribution design engineering department. In October of 2023, I
- 8 accepted my current position with XES. I have worked to provide new service to
- 9 customers, address how all customers across Xcel Energy apply for and receive
- service, and manage resiliency projects across the SPS footprint.

1 2		II. PURPOSE AND SUMMARY OF TESTIMONY AND RECOMMENDATIONS
3	Q.	What is the purpose of your direct testimony?
4	A.	I support SPS's request for authority to implement its 2025-2027 Transportation
5		Electrification Plan ("TEP"). Specifically, I:
6		• describe the Distribution Investment included in the TEP; and
7		• provide SPS's Distribution System Plan for the two-year planning
8		horizon beyond the TEP (2028-2029).
9	Q.	Please summarize your testimony and recommendations.
10	A.	SPS is including distribution investment in the TEP for the costs of line extensions
11		to Commercial customers participating in SPS's Electric Vehicle Supply
12		Infrastructure ("EVSI") programs and to proactively assess and address grid
13		reinforcement projects such as feeder upgrades and voltage conversions that are
14		potential barriers to commercial and residential charging. These projects reduce the
15		cost and timeline burden on customers requesting charging facilities. SPS's
16		distribution investment will allow SPS to work toward achieving its transportation
17		electrification goals and will thereby benefit customers, SPS, and the State of New

Mexico. SPS's request to include distribution investment in the TEP is reasonable and prudent and should be approved.

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#### III. DISTRIBUTION INVESTMENT INCLUDED IN SPS'S TEP

#### 2 Q. Why is SPS including distribution investment in the TEP?

- 3 A. Distribution upgrades will be necessary at certain locations in SPS's service
- 4 territory to address barriers to commercial and residential charging, such as limited
- 5 capacity and obsolete primary voltages.

#### 6 Q. What types of distribution investment is SPS including in the TEP?

- 7 A. SPS proposes to invest in its distribution system to address feeder upgrades and
- 8 voltage conversions necessary for expansion of EV ("Electric Vehicle") charging.
- 9 SPS is also proposing to recover the costs of line extensions for EV projects
- installed through the EVSI program proposed in this plan.

#### 11 Q. What is the amount of distribution investment included in the TEP?

- 12 A. As set out below in Table BRJ-1, SPS has included \$6M in distribution feeder
- investment in the TEP, which is broken out for 2026 and 2027, as well as \$3M in
- line extension costs spread out over the full three years of the plan.

Table BRJ-1

Program	Spend Type	Category	2025		2025		2025 2026		2027		2025-2027	
	Capital		\$	512,000	\$	3,940,000	\$	4,273,000	\$	8,726,000		
		Distribution - Line Extension	\$	512,000	\$	1,060,000	\$	1,393,000	\$	2,966,000		
Communical Distribution		Distribution - Feeders	\$		\$	2,880,000	\$	2,880,000	\$	5,760,000		
Commercial - Distribution	O&M		\$	-	\$	120,000	\$	120,000	\$	240,000		
		Distribution - Feeders	\$	-	\$	120,000	\$	120,000	\$	240,000		
	Total		\$	512,000	\$	4,060,000	\$	4,393,000	\$	8,966,000		

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As specific feeder projects are refined, SPS will file New Mexico Public 1 Regulation Commission ("Commission" or "NMPRC") 440 forms to notify the 2 3 Commission of the initiation of a specific project and its inclusion in the TEP. A consolidated list will also be provided for reference through SPS's annual TEP 4 5 report filed in August of each year. 6 A. DISTRIBUTION INVESTMENT IN FEEDER UPGRADES AND VOLTAGE CONVERSIONS 8 Q. How did SPS develop its budget for the distribution feeder upgrade investment 9 included in the TEP? 10 A. SPS anticipates the need for 6-9 projects over the lifecycle of this TEP, ranging 11 from \$0.5-\$1M per project across the population centers SPS serves. SPS also understands that it might identify a need for additional projects during the 12 13 timeframe of this TEP. This budget will allow SPS to upgrade over 10 miles of feeder lines within population centers. SPS also recognizes there are significant 14 15 planning and material lead times for the types of projects to be included in this plan. 16 For that reason, funding does not begin until 2026 even though the plan begins in 2025. 17

1	Q.	Has SPS identified a definite need for the proposed feeder upgrades and
2		voltage conversions?
3	A.	Yes, SPS has identified locations along National Electric Vehicle Infrastructure
4		("NEVI") funded highways where charging infrastructure is needed but
5		understands that additional needs will likely arise through the life of this TEP within
6		SPS's service territory beyond the NEVI funded highways. SPS is confident that
7		upgrades will need to be made but must retain the flexibility to assess the most
8		crucial locations during the life of this TEP to achieve the greatest benefit for
9		customers.
10	Q.	Please discuss the Distribution Investment included in the TEP pertaining to
11		feeder investments.
12	A.	Feeder upgrades benefit those in the community by increasing capacity that support
13		
		additional Electric Vehicle ("EV") infrastructure and residential charging needs.
14		additional Electric Vehicle ("EV") infrastructure and residential charging needs.  SPS is proposing feeder projects to address areas that would be strained to support
14 15		

- Q. Please describe the Distribution Investment included in the TEP pertaining to
   voltage conversions.
- A. Lower voltage primary systems see higher amps on their conductor for the same load seen on a higher voltage primary system. Adding charging or any additional load places greater strain on the primary conductors. Proactively converting locations on lower voltage primary systems that are forecasted to have public facing chargers enables a faster connection timeline for those sites.
- 8 Q. Please describe the methodology SPS will use to select projects.

A.

SPS will first review and evaluate grid reinforcement projects along NEVI funded highways at locations likely to install charging facilities. Based on that evaluation, SPS will identify and install the necessary feeder upgrades and voltage conversions. If SPS identifies a need for new substation infrastructure, those upgrades will be included in SPS's Distribution System Plan for years beyond this TEP. SPS will assess all feeder lines on an annual basis. During that assessment, SPS will review enrollment in its residential and commercial programs and adoption rates across the state to forecast additional load SPS expects to see on its system. Upgrades identified during the annual review due to EV adoption would be considered for projects under this TEP.

### B. DISTRIBUTION INVESTMENT FOR LINE EXTENSIONS

- 2 Q. How did SPS develop its budget for line extensions?
- 3 A. SPS and Xcel Energy have implemented EVSI and public charging programs across
  4 Colorado and New Mexico over the past three years. Accordingly, SPS used line
  5 extension cost data for projects completed through these programs and applied the
  6 costs to participation forecasts for its Commercial Portfolio. The budget covers the
  7 line extension cost of EVSI projects correlating to the amount of charging capacity
  8 installed.
- 9 Q. Why is SPS proposing to recover line extension costs through this rider?
- 10 A. Recovering EV-specific line extension costs through this rider will provide cost
  11 transparency and ensure that costs incurred to facilitate transportation
  12 electrification are appropriately attributed to SPS's TEP programs. It will also give
  13 SPS budget certainty and allow for timely cost recovery.

1	Q.	Does the inclusion of these costs in the EV Rider impact SPS's current line
2		extension policy?
3	A.	No. Customers who install EV charging through SPS programs will still be
4		responsible for costs outside of those covered by SPS's existing line extension
5		policy (Rule 16 on file with NMPRC). <sup>1</sup>
6	Q.	Is SPS's proposed distribution investment reasonable and prudent?
7	A.	Yes. As explained above, SPS's proposed distribution investment will provide
8		necessary infrastructure to support charging stations, which will benefit SPS's
9		customers, communities, and the state. The inclusion of line extension costs related
10		to program efforts will enable budget certainty and cost transparency, resulting in
11		an effective and efficient process.

<sup>1</sup> https://www.prc.nm.gov/consumer-relations/company-directory/electric-companies/xcel-energy-sps/

### 1 IV. <u>DISTRIBUTION SYSTEM PLANNING HORIZON FOR TWO YEARS</u> 2 <u>BEYOND THE TEP (2028-2029)</u>

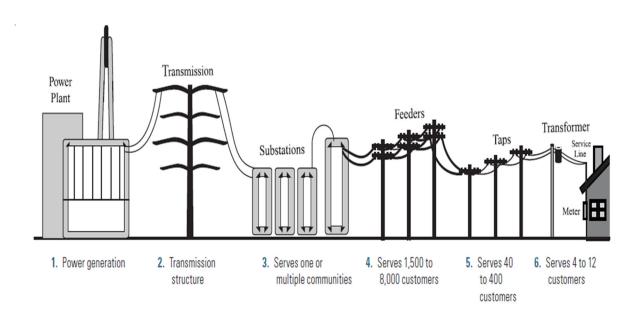
#### 3 Q. Please generally describe SPS's Distribution System Plan for 2028-2029.

A.

SPS intends to assess on an annual basis its loading levels on feeders<sup>2</sup>, the additional forecasted projects SPS expects to serve on the feeders, and an overall corporate forecast for general growth throughout the system. The purpose of these assessments is to proactively plan for the future, maintain and improve resiliency, and identify existing and anticipated capacity deficiencies or constraints that will potentially result in overloads during normal (also called "system intact" or N-0) and single contingency (N-1) operating conditions. Normal operation is the condition under which all electric infrastructure equipment is fully functional. Single contingency operation is the condition under which a single element (feeder circuit or distribution substation transformer) is out of service. Figure BRJ-1 below depicts the traditional power system, going from Generation all the way down to the customer's meter.

<sup>&</sup>lt;sup>2</sup> A feeder is a three-phase set of conductors leaving from a substation circuit breaker serving load.

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Direct Testimony
of
Brianne R. Jole



SPS strives to limit feeders to 75% of their rated capacity during our planning cycle. This allows SPS to transfer load to feeders from adjacent connections during outages, while also having room to address load requests in a timely manner. Once a feeder has reached 75% of its rated capacity based on current system peaks and future forecasts, a project will be developed and proposed through the yearly budget cycle. Additionally, once a substation reaches similar constraints, a new project is initiated to address the capacity constraints.

New substation assets have been identified to support current residential and commercial growth unrelated to transportation electrification. Additional capacity

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A.

will be brought into city centers and feeders will be extended from new locations to prepare for EV adoption as those assets are integrated. The reliability and resiliency provided by additional capacity in city centers is valuable to all customers who reside in those locations regardless of the speed at which EV adoption takes place. Currently, SPS anticipates the need for an additional substation in Portales to address the voltage conversion work required to support EV growth in the area estimated at \$17-20M. Additional substation needs are expected to arise through the life of this TEP and will be forecasted in SPS's annual TEP update. What are the anticipated grid management requirements and projected peak load requirements to reliably accommodate expanded transportation electrification in SPS's New Mexico service territory, and how may the requirements be reduced by improved distribution planning? Currently, there has been slower than expected EV adoption in SPS's service territory. The forecast of EV adoption across SPS's service territory described by Mr. Murphy for all EVs in his Table PJM-9 reflects 44,156 megawatt hour ("MWh") on SPS's system by 2029. This increase is expected to impact SPS's distribution peak by 13.5 megawatt ("MW") spread across the territory based on

1 EV load shapes seen in other Xcel Energy operating companies. Adoption at the forecasted rate will allow SPS to study the impact of time of use ("TOU") rates on 2 customer behavior, effectiveness of charging programs at shifting charging to off 3 4 peak times, and additional proactive investments in a strategic way to limit the 5 future impact increased adoption will have on SPS's system peak and reliability for 6 all customers served. 7 Does this conclude your pre-filed direct testimony? Q. 8 A. Yes.

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SOUTHWESTERN PUBLIC SERVICE COMPANY,  APPLICANT.	) ) ) ) ) )

### **VERIFICATION**

On this day, April 1, 2024, I, Brianne R. Jole, swear and affirm under penalty of perjury under the law of the State of New Mexico, that my testimony contained in Direct Testimony of Brianne R. Jole is true and correct.

/s/Brianne R. Jole BRIANNE R. JOLE

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SOUTHWESTERN PUBLIC SERVICE COMPANY,	)
APPLICANT.	)

### **CERTIFICATE OF SERVICE**

I certify that a true and correct copy of *Southwestern Public Service Company's Application and the Direct Testimony of Jeremiah W. Cunningham, Patrick J. Murphy, Brianne R. Jole, Stephanie N. Niemi and Alexander G. Trowbridge* was electronically sent to each of the following on this 1<sup>st</sup> day of April 2024:

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