**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

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| **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,**<br><br>**SOUTHWESTERN PUBLIC SERVICE COMPANY,**<br><br>**APPLICANT.** | ) | **Case No. 24-00___-UT** |

# DIRECT TESTIMONY

*of*

**PATRICK J. MURPHY**

*on behalf of*

**SOUTHWESTERN PUBLIC SERVICE COMPANY**

**April 1, 2024**

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## GLOSSARY OF ACRONYMS AND DEFINED TERMS

| Acronym/Defined Term | Meaning |
|---|---|
| AFC | Alternate Fuel Corridors |
| Commission or NMPRC | New Mexico Public Regulation Commission |
| DCFC | Direct Current Fast Chargers |
| EV | Electric Vehicle |
| EV Rule | Rule 17.9.574.11 NMAC |
| EVAAH | Electric Vehicle Accelerate at Home |
| EVSI | Electric Vehicle Supply Infrastructure |
| EV Statute | Section 62-8-12 of the Public Utility Act |
| FEAP | Fleet Electrification Advisory Program |
| IDP | Intrastructure Deployment Plan |
| L2 | Level 2 |
| NEVI | National Electric Vehicle Infrastructure |
| NMPRC | New Mexico Public Regulation Commission |
| O&M | Operations and Maintenance |
| OYC | Optimize Your Charge |
| PSCo | Public Service Company of Colorado |
| SPS | Southwestern Public Service Company, a New Mexico corporation |

| Acronym/Defined Term | Meaning |
| --- | --- |
| TEP | Transportation Electrification Plan |
| TOU | Time of Use |
| Xcel Energy | Xcel Energy, Inc |

## LIST OF ATTACHMENTS

| **Attachment** | **Description** |
|---|---|
| PJM-1 | 2025-2027 Transportation Electrification Plan<br>(*Filename*: PJM-1.doc) |
| PJM-2 | 2025-2027 TEP Budget<br>(*Filename*: PJM-2.xlsx) |
| PJM-3 | EVSI and DCFC Projects Scoring Criteria<br>*(Filename*: PJM-3.xlsx) |

Case No. 24-00___-UT
Direct Testimony
of
Patrick J. Murphy

## I. WITNESS IDENTIFICATION AND QUALIFICATIONS

**Q. Please state your name and business address.**

A. My name is Patrick J. Murphy. My business address is 1800 Larimer Street, Denver, Colorado 80202.

**Q. On whose behalf are you testifying in this proceeding?**

A. I am filing testimony on behalf of Southwestern Public Service Company ("SPS"), a New Mexico corporation and wholly-owned subsidiary of Xcel Energy Inc. ("Xcel Energy").

**Q. By whom are you employed and in what position?**

A. I am employed by Xcel Energy Services Inc., the service company subsidiary of Xcel Energy, as Transportation Strategy & Policy Manager, Customer Energy and Transportation Solutions.

**Q. Please briefly outline your responsibilities as Transportation Strategy & Policy Manager.**

A. I am responsible for strategy, policy, and regulatory work to promote the development of electric transportation throughout the service territories of Xcel Energy's operating companies, including Public Service Company of Colorado ("PSCo"), Northern States Power Company Minnesota, and SPS.

Case No. 24-00___-UT
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**Q. Please describe your educational background.**

A. I have a bachelor's degree in political science from Metropolitan State College of Denver and a Master of Public Administration degree with a focus on Environmental Policy, Management and Law from the University of Colorado at Denver.

**Q. Please describe your professional experience.**

A. I previously held several roles in regulatory for PSCo. I have worked on both PSCo's Regulatory Policy & Strategy Analysis and the Regulatory Administration and Pricing teams and have been the regulatory lead for PSCo's Transportation Electrification Plans. While in my regulatory role, I also assisted PSCo with its Renewable Energy Standard Plans, Colorado's Power Pathway, and its 2021 Electric Resource Plan and Clean Energy Plan.

Prior to joining Xcel Energy, I was employed at Boulder County Public Health where I designed and implemented a local oil and gas inspection program. While in that role, I also assisted the City and County of Broomfield design and implement their local oil and gas inspection program as well.

**Q. Have you testified before any regulatory authorities?**

A. Yes. I submitted pre-filed testimony on behalf of PSCo in its Application for Approval of its 2024-2026 Transportation Electrification Plan, proceeding number 23A-0242E with the Colorado Public Utilities Commission. In my prior role with Boulder County, I also provided oral testimony in rulemakings before the Air Quality Control Commission within the Colorado Department of Public Health and Environment and before the Colorado Oil and Gas Conservation Commission.[1]

[1] In July 2023, as a result of Senate Bill 23-285, the Colorado Oil and Gas Conservation Commission was renamed the Colorado Energy and Carbon Management Commission.

## II. PURPOSE AND SUMMARY OF TESTIMONY AND RECOMMENDATIONS

**Q. Please describe SPS's request in this proceeding.**

A. As explained in detail in the direct testimony of Jeremiah W. Cunningham, SPS requests that the New Mexico Public Regulation Commission ("Commission" or "NMPRC") approve SPS's 2025-2027 Transportation Electrification Plan ("TEP").

**Q. What is the purpose of your direct testimony?**

A. I support SPS's request for authority to implement its 2025-2027 TEP. Specifically, I:

- Provide an overview of the TEP;
- Address the current landscape for electric vehicles ("EVs");
- Provide an overview of current TEP programs and their performance to date;
- Sponsor SPS's proposed 2025-2027 TEP and portfolios;
- Sponsor SPS's proposed 2025-2027 TEP budget; and
- Provide information regarding SPS's long-term outlook for the two-year period beyond the TEP.

**Q. What are your recommendations in this case?**

A. I recommend that the Commission approve SPS's 2025-2027 TEP and associated budget and find that the plan and budget are reasonable, prudent and in the public interest.

**Q. Are you sponsoring any attachments with your direct testimony?**

A. Yes. I sponsor Attachment PJM-1, which is the 2025-2027 TEP, Attachment PJM-2, which is the budget for the 2025-2027 TEP, and Attachment PJM-3 which is the EVSI and DCFC Project Scoring Criteria.

**Q. Were Attachments PJM-1, PJM-2, and PJM-3 prepared by you or under your direct supervision and control?**

A. Yes.

## III. OVERVIEW OF SPS'S 2025-2027 TEP

**Q. What are the objectives of SPS's 2025-2027 TEP?**

A. SPS's 2025-2027 TEP aims to assist customers in addressing three of the key barriers to increasing transportation electrification: 1) the high upfront costs of the transition to transportation electrification; 2) the need for more and greater access to charging station infrastructure; and 3) a lack of awareness of EVs and their associated benefits.

**Q. How does SPS propose to address these barriers?**

A. Through this TEP, SPS proposes to address these barriers in the following ways:

- **Assisting with high up front costs:** Our residential programs help reduce the upfront cost of home charging needs by providing a Home Wiring and Charger Rebate, with enhanced rebates for low-income customers and underserved communities. For commercial customers, SPS proposes to make Electric Vehicle Supply Infrastructure ("EVSI") more accessible and provide customer choice through either Company-owned infrastructure or a rebate. SPS also proposes to maintain its Fleet Electrification Advisory Program ("FEAP") which provides a free feasibility study to fleet operators helping them more fully understand their transportation electrification needs and resources available.
- **Increasing access to charging station infrastructure:** SPS proposes to continue to operate its owned Direct Current Fast Charging ("DCFC") stations while also introducing a DCFC rebate program to support third party investment and build out of public DCFC stations. The 2025-2027 TEP proposes to make EVSI support available to all commercial customers through a single program. SPS also recognizes the important link between the TEP process and Distribution System Planning and proposes proactive

distribution investments aimed at successfully managing and preparing the grid for the increasing adoption of EVs and their associated charging needs.

- **Increasing awareness of EVs and their benefits:** SPS proposes to increase awareness of its programs, EVs, and the benefits of transportation electrification through its Advisory Services Portfolio. SPS will continue its digital tools and email campaigns while also adding in-person events, and dedicated staff to assist with outreach and education. Advisory Services are available to residential customers, commercial customers, and the communities we serve and are designed to assist these customers throughout their transportation electrification journey.

**Q. How does SPS's 2025-2027 TEP address equity issues?**

A. Equity continues to be a key component of SPS's electric transportation vision, and this TEP provides opportunities for all customers to benefit from zero-carbon transportation. The 2025-2027 TEP continues to build on the efforts of SPS's first TEP and focuses on extending the benefits of transportation electrification to low-income customers[2] and underserved communities[3]. To that end, SPS's 2025-2027

[2] Section 62-8-12(E)(1) defines "low-income" as a household with an annual household income at or below 200 percent of the Federal Poverty Level.

[3] Section 62-8-12(E)(3) NMSA defines "underserved community" as "an area in this state, including a county, municipality or neighborhood, or subset of such area, where the median income of the area is low-income." For the purposes of the 2025-2027 TEP, SPS proposes to define underserved community as a geographic area which falls into the 80th percentile or higher for low-income population, similar to Public Service of New Mexico's definition of underserved community as approved by the Commission as part of its 2022-2023 TEP, Proceeding No. 20-00237-UT.

TEP provides enhanced rebates, broader advisory services and opportunities for investment to support low-income customers and underserved communities as defined in Section 62-8-12 of the Public Utility Act ("EV Statute")

## IV. LANDSCAPE FOR ELECTRIC VEHICLES

**Q. Please generally describe the EV market.**

A. The EV market is still young and continues to be a nascent but growing market. Adoption levels are increasing but barriers to adoption still exist. These barriers, as mentioned previously, include the 1) high upfront cost of EVs, 2) need for greater access to charging station infrastructure, and 3) a general lack of awareness of EVs and their associated benefits. These barriers affect all customer types and need to be addressed by a variety of actors, including federal, state, and local governments, private industry, and public utilities.

**Q. What is the EV adoption rate in New Mexico?**

A. Through the end of 2023, New Mexico had 12,994 EVs (battery operated and plug-in hybrid) on the road, which represents approximately 1.63 percent of New Mexico households. In the SPS service territory, there are currently 405 EVs on the road, which represents approximately 0.4 percent of New Mexico households.[4]

[4] 2023 EV registrations provided by IHS Markit at the zip code level.

**Q. What factors are contributing to the lower adoption rate in the SPS service territory when compared to the rest of New Mexico?**

A. SPS has identified several factors that are contributing to a lower EV adoption rate in its service territory. Key factors include that the EV market is still in its early stages of growth, the rural nature of SPS's service territory and availability of EVs that suit our customer's needs, and the continued high upfront costs that customers face when making the transition to electric transportation. SPS witness Jeremiah W. Cunningham discusses these factors in greater detail in his direct testimony.

**Q. Do you expect the adoption rate in SPS's service territory to increase in the future?**

A. Yes. As the EV market continues to grow and evolve SPS expects EV adoption to continue to grow in its service territory. SPS's internal forecast estimates nearly 3,000 light duty EVs in its service territory in 2027 and nearly 10,000 EVs by 2030.

**Q. What steps is SPS taking to address expected future increases in EV adoption rates?**

A. With the 2025-2027 TEP, SPS proposes to build on the foundational efforts of the initial TEP and further prepare the service territory for increasing EV adoption rates. For example, SPS proposes distribution investments with the aim of

preparing the grid for increased transportation electrification. By making the EVSI program more widely available SPS is able to assist more customers, help lower the upfront costs of charging installation, and support the infrastructure needed as EV adoption increases. Providing rebates for third-party build out of DCFC stations will assist in deploying more public charging to serve EVs on the road and provide greater assurance to those considering purchasing an EV. SPS's residential offerings will continue to support customers' home charging needs where approximately 80 percent of EV charging occurs. Our managed charging options will help shift charging to the optimal times of the day. Lastly, advisory services will continue to provide information and support to all customers, further increase program awareness and make the benefits of driving electric more widely known.

## V. SPS's EXISTING 2022-2024 TEP

**Q. Please describe the TEP programs SPS currently administers in New Mexico.**

A. SPS's 2022-2024 TEP, as approved in Case No. 20-00150-UT, includes three portfolios: Residential, Commercial, and Advisory. These programs are progressing and assisting customers throughout their electrification journey. I provide an overview of each of the portfolio offerings and approved budgets here with greater programmatic and participation details below.

The Residential Portfolio currently includes a home charging service offering known as EV Accelerate At Home ("EVAAH"), a Home Charger and Wiring Rebate, an enhanced Home Charger and Wiring Rebate for low-income customers, and an EV Optimization program known as Optimize Your Charge ("OYC"). The total approved budget for the Residential Portfolio is $0.4 million.

The Commmercial Portfolio currently includes EVSI to support public charging and SPS-owned public DCFC Stations. The approved budget for the Commercial Portfolio is $2.8 million.

Lastly, the Advisory Services Portfolio currently provides advisory services to Residential customers, Commercial customers, and the communities SPS serves with the aim of educating SPS customers and communities on TEP offerings and

the broader benefits of transportation electrification. The total budget for Advisory Services is $0.3 million.

**Q. Please describe the status of SPS's residential offerings.**

A. SPS launched its Residential Portfolio in March 2022. All program offerings are seeing interest from customers but not at the levels that were originally forecasted. SPS continues its efforts to make customers aware of the programs and expects that as EV adoption increases, so too will participation levels in its residential offerings. A description of SPS's Residential TEP Program and current participation levels is provided in Table PJM-1 below.

**Table PJM-1: Residential Programs in the 2022-2024 TEP**

| Program | Description | Participation |
|---|---|---|
| EVAAH | • Provides customers with a Level 2 ("L2") charger<br>• $12.00 monthly fee covers the cost of the charger and maintenance<br>• Participants can terminate enrollment at anytime<br>• $200 early removal fee<br>• Required to enroll in OYC or SPS Residential General Service Rate No. 1 ("SPS TOU Rate") | 2 |

| | | |
|---|---|---|
| Home Charger and Wiring Rebate | • $500 rebate to offset cost of wiring to accommodate a L2 charger<br>• Rebate can be used for any home wiring upgrades, a charger or both.<br>• Participants are required to enroll in OYC or the SPS TOU rate. | 8 |
| Low-Income Home Charger and Wiring Rebate | • Provides increased assistance to low-income customers<br>• $2,500 rebates to address the costs of home wiring and purchase of a L2 charger<br>• Available to customers whose income is equal to or less than 200% of the federal poverty level.<br>• Income levels verified through third-party vendor<br>• Qualifying customers are required to enroll in either OYC or the SPS TOU rate but can opt out at any point | 0 |
| Optimize Your Charge | • Passive off-peak charging incentive program<br>• Customer selects one of three pre-set nine hour off-peak charging windows[5]<br>• Participants are required to charge during the window they have selected for at least 25% of the time<br>• Participants receive $50 credit for each year of compliance. | 16 |

[5] Charging windows for OYC are: 12:30 am – 9:30 am; 6:00 am – 3:00 pm; 9:00 pm – 6:00 am.

**Q. Is SPS proposing to adjust its Residential offerings?**

A. Yes, SPS is proposing several changes to its Residential Portfolio for the 2025-2027 TEP. SPS proposes to close its EVAAH program, increase the rebate amount for its standard Home Charger and Wiring Rebate, make the enhanced Home Charging and Wiring Rebate available to residents in underserved communities, provide customers with an additional active managed charging option, and streamline the existing OYC offering. The Residential Portfolio for the 2025-2027 TEP is discussed in greater detail later in my testimony. SPS witness Alex Trowbridge discusses the tariff and pricing components of the managed charging programs in his direct testimony.

**Q. Please describe the status of SPS's commercial offerings.**

A. SPS's initial TEP has two commercial program offerings that provide support for public charging within the service territory. SPS's EVSI program provides SPS-owned and maintained EVSI for public facing EV charging. SPS is also building and operating three DCFC sites each consisting of two charging ports to help address the need for increased access to public fast charging within the SPS footprint. Two of the SPS-owned DCFC projects are currently in the construction

phase and nearly complete and the third is currently in the permitting stage. Table PJM-2 below summarizes the Commercial Programs and participation levels.

**Table PJM-2: Commercial Programs in the 2022-2024 TEP**

| Program | Description | Participation |
|---|---|---|
| Public Charging EVSI | • Provides EVSI support to public EV charging stations<br>• EVSI owned and maintained by SPS | 4 sites (8 ports) |
| DCFC Stations | • SPS owned and operated public DCFC stations | 3 sites (6 ports) |

**Q. Is SPS proposing to adjust those offerings?**

A. Yes, SPS proposes to include an option for its EVSI program where customers can choose between SPS-owned EVSI or a rebate to support EVSI installation. SPS also seeks to remove the requirement that customers receiving EVSI are installing public facing charging, making the program available to all commercial customers. This TEP also introduces a rebate option for third party DCFC station operators to help with the cost of station installation. Lastly, SPS will support the needs of the grid through proactive distribution investments to help prepare the grid for the increase in load from EV charging. I discuss all of these adjustments in greater detail below.

**Q. Please describe the status of SPS's Advisory Services**

A. SPS provides Advisory Services to its residential customers, commercial customers, and broadly to the communities it serves. The aim of the portfolio is to make SPS's programs more widely known, provide customers with a foundational education about EVs, and assist all customers along their journey to transportation electrification. A summary of SPS Advisory Services is provided in Table PJM-3 below.

**Table PJM-3: Advisory Services in the 2022-2024 TEP**

| Program | Description |
|---|---|
| Residential Advisory | • Developed several digital educational initiatives including search engine advertising and social media advertising to communicate and raise greater awareness of SPS Residential TEP programs and the benefits of EVs.<br>• Conducted multiple email campaigns to bolster awareness of EV benefits and SPS's tools, information, and programs.<br>• Provides an EV catalog on the website to include both new and pre-owned EV models<br>• Established an EV Network to help auto dealers provide information regarding TEP residential programs |

| | |
|---|---|
| Commercial Advisory | • Makes information available to commercial customers as they consider converting their fleets.<br>• Provides a free suitability assessment, data analysis, and advisory services using the fleet's own operational data and business goals. |
| Community Advisory | • Makes information available to communities as they consider electric transportation<br>• Helps communities more fully understand what that transition involves and any tools available to assist them.<br>• Provides webinars for New Mexico local governments on EV planning. |

**Q. Is SPS proposing to adjust the Advisory Services offerings?**

A. Yes. SPS proposes to enhance its Advisory Services offerings by conducting in person ride and drive events to allow customers to become more familiar with EVs and electric bikes, creating a path for more fleet operators to take advantage of SPS's FEAP offering to better understand and prepare for their fleet electrification, and adding dedicated staff to focus on outreach and engagement efforts with customers.

**Q. Has SPS conducted a formal evaluation of its 2022-2024 TEP?**

A. No. SPS has contracted with Opinion Dynamics to conduct an evaluation, but due to slower than expected program uptake, SPS did not see it as appropriate to spend ratepayer dollars on an evaluation that would not result in actionable findings. That

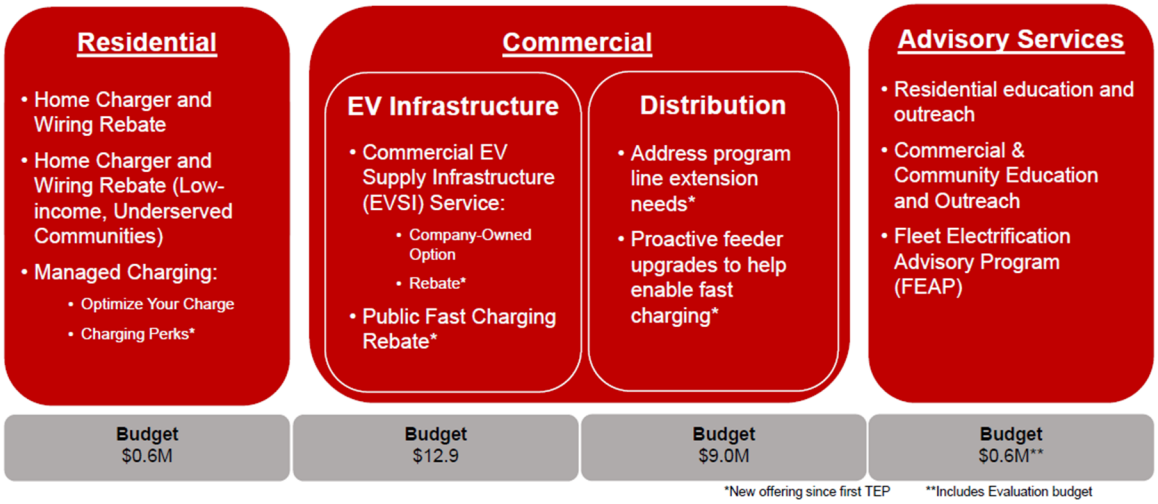
said, SPS and Opinion Dynamics have initiated the evaluation planning process and as participation increases, SPS and its evaluator will conduct in-depth interviews to better understand customer experience and program performance.

## IV. SPS's 2025-2027 TEP

**Q. Please describe the components of SPS's 2025-2027 TEP.**

A. SPS's 2025-2027 TEP is provided as Attachment PJM-1 to my Direct Testimony. As set out in the plan, SPS is maintaining the three portfolios approved in its initial TEP, but with adjustments based upon SPS's experience with the initial TEP. These adjustments aim to enhance the experience for all customers making the transition to electric transportation, support infrastructure necessary for increasing EV adoption, increase alignment with legal and policy objectives, and proactively prepare the grid for the increasing demand from EV charging. Figure PJM-1 below summarizes the proposed portfolios for SPS's 2025-2027 TEP.

**Figure PJM-1: Proposed Portfolios in the 2025-2027 TEP**




## Residential

**Q. What does SPS propose with respect to the Residential Portfolio?**

A. SPS proposes to maintain its Residential Portfolio with updates to enhance the customer experience, respond to new rule requirements, address program implementation issues, and provide load management solutions. See Table PJM-4 below for a comparison of SPS's current Residential offerings and those proposed in the 2025-2027 TEP.

**Table PJM-4: Residential Program Comparison**

| Program | Current State | Proposed Changes |
|---|---|---|
| EVAAH | Charger rental for residential customers | Close the program |
| EV Charger and Wiring Rebate | Rebate for charger and home wiring | Expand eligibility for the Enhanced Rebate to customers in underserved communities; Allow customers to self- certify for the enhanced rebate; Increase the standard rebate; Pay incentives through rebate, bill credit, or Automated Clearing House ("ACH") transfer; Expand options to meet managed charging requirement. |
| Optimize Your Charge | Passive Managed Charging Program; $50 annual incentive | Update charging window and minimum charging requirements |
| Charging Perks | Not currently offered | Offer as new active managed charging program with $50 sign-up incentive; $50 annual incentive |

**Q. What changes is SPS proposing to the Home Charging Service?**

A. SPS proposes to close the EVAAH program at this time. As discussed below, SPS has encountered significant barriers to effectively implement and provide support for this program. SPS proposes instead to refocus its efforts and increase the

standard EV Charger and Home Wiring Rebate to better assist customers with the up-front costs of wiring and chargers.

**Q. Please explain the difficulties that SPS has experienced in implementing EVAAH.**

A. As it currently exists, EVAAH provides customers with an EV charger for their home charging needs. SPS installs, owns, and maintains the chargers, and the customer pays a $12.00 monthly fee for the service. Through the 2022-2024 TEP, SPS has enrolled two customers in the program.

SPS contracted with two local electricians in 2022 to perform charger installations and assist with any ongoing maintenance or replacements that may occur. In 2023, both electricians opted not to perform services under the program. Since that time SPS has continually attempted to identify local electricians to support the needs of the program. SPS has completed two requests for proposals and has conducted several outreach campaigns but has yet to receive a proposal from a local electrician. SPS has contracted with an out of state electrical contractor to assist with the program but this is not a feasible long term solution due to pricing. The program has also seen low participation with only two currently active

customers. Although SPS has continued its efforts to publicize the program, interest has not risen to the levels forecasted in the inaugural TEP.

For these reasons, SPS proposes to close EVAAH at this time. There are risks to successful program implementation without a local workforce to perform the work and any ongoing maintenance at reasonable prices.

**Q. What changes is SPS proposing to the EV Charger and Home Wiring Rebate?**

A. To create a more streamlined program and comply with Rule 17.9.574.11 NMAC ("EV Rule") and the EV Statute, SPS proposes the following enhancements to its EV Charger and Home Wiring Rebate:

- expand eligibility for the enhanced rebate to both low-income customers and customers who reside in underserved communities;
- allow customers to self-certify their eligibility for the enhanced rebate, in compliance with the new EV Rule[6] requirements;
- Increase the standard rebate level to $1,200 to more fully address the costs of wiring upgrades and chargers;
- broaden the manner in which customers can receive the rebate to include ACH transfer and bill credits;
- allow enrollment in the new Charging Perks program to satisfy the managed charging requirement; and
- increase the maximum allowable limit for charger capacity from 50 amps to 100 amps, to allow for larger capacity chargers entering the market.

[6] Rule 17.9.574.11.C NMAC.

**Q. Why is SPS proposing to expand eligibility for the EV Charger and Home Wiring Rebate, making it available to customers in underserved communities?**

A. Home Wiring costs can be high and can prove to be a barrier to electrifying, especially for low-income customers. SPS believes that customers in underserved communities would also benefit from an enhanced rebate as transportation electrification becomes more prominent in these areas. The EV Rule requests that utilities propose "strategies and measures for expanding transportation electrification among low-income customers and underserved communities."[7] By expanding eligibility to residents of underserved communities, SPS is able to meet this directive.

**Q. How does the expanded eligibility for the EV Charger and Home Wiring Rebate support equitable access to electric vehicles?**

A. The goal of the enhanced rebate is to remove the barrier to vehicle charging among low-income customers and residents in underserved communities. SPS estimates that approximately 34 percent of all residential premises within SPS territory meet the state's low-income definition and are eligible for the enhanced rebate. By

[7] Rule 17.9.574.11(B)(1) NMAC.

including both low-income and underserved communities, eligibility increases to approximately 48 percent of residential premises. Additionally, Rule 17.9.574.11(C) NMAC permits customers to self-certify as low-income and SPS proposes to extend self-certification to customers residing within an underserved community.

**Q. Please explain why SPS proposes to increase the standard rebate amount.**

A. When designing the rebate levels for the inaugural TEP, SPS aimed to primarily cover the cost of wiring upgrades, but the rebate could also be used towards the purchase of a charger if project costs allowed. SPS has used project cost data to assess the current rebate amount, based on Xcel Energy's experience implementing similar rebate programs in other jurisdictions. SPS proposes to increase the rebate levels to align with current home wiring costs and include some charger costs as well. With the issues experienced implementing EVAAH in SPS's service territory and the proposal to close the home charging service, SPS sees an opportunity to continue its support of home charging needs by directing greater resources towards the standard Home Charger and Wiring Rebate. SPS proposes to increase the current $500 standard rebate to $1,200.

**Q. Please describe SPS's current residential managed charging offering.**

A. SPS currently offers OYC, a passive managed charging offering designed to encourage EV charging during off-peak hours. Customers choose one of three charging windows and are responsible for programming their vehicle to charge within their chosen window. If the participant charges within their chosen window at least 25 percent of the time, they receive a $50 bill credit annually.

**Q. How does SPS propose to amend its managed charging offerings?**

A. SPS proposes to 1) set a new single charging window for OYC, 2) increase the minimum amount that OYC participants must charge within the window from 25 percent to 50 percent, and 3) introduce a new active managed charging program, Charging Perks.

**Q. Why is SPS updating the Optimize Your Charge charging windows and the minimum charging requirements?**

A. Currently, customers must choose among three nine-hour windows. These windows overlap with both on- and off-peak windows within the SPS TOU Rate, hours with both higher and lower average renewable curtailments, and hours of both high and low carbon intensity. SPS is proposing to instead offer one 12-hour charging window for customers. By lengthening the single window to 12 hours,

participants will still have adequate time to charge their vehicles. By moving to a single window and aligning that window with more optimal times for the grid, OYC can continue to drive off-peak charging, help address renewable energy curtailments, and, if both of these two goals are met, align with periods of low emissions. A single charging window also creates a program that is easy to understand and participate in. In addition, SPS proposes to increase the minimum requirement from 25 percent to 50 percent. Currently, 82 percent of OYC customers are meeting the minimum charging requirement. By introducing a higher minimum, the program can ensure that more EV charging occurs off peak, with little additional burden on the majority of participating customers.

**Q. Can you describe active and passive managed charging?**

A. Active and passive managed charging are designed to encourage vehicle charging at a time preferred by the utility. Preferred times generally include off-peak hours or times of high renewable generation but can also include low emissions hours. Passive managed charging programs rely on participants to change their behavior to align with the utility's preferred charging time. Passive managed charging can be very effective at driving off-peak charging, but there are limitations to the value it can bring to the grid. Because passive programs rely on participants aligning

charging patterns to static windows, passive managed programs cannot fully address seasonal, daily, or hourly changes to electricity generation or the distribution grid. Active managed charging, on the other hand, is able to more flexibly respond to generation and grid conditions. For active managed charging programs, utilities send remote signals to vehicles or chargers (typically through an implementation partner) to start or stop charging on an hourly basis, allowing the utility to align charging to hourly grid conditions.

**Q. Why is SPS proposing Charging Perks?**

A. As a passive program, OYC has a limited ability to address daily or seasonal variation in energy demand, energy prices, renewable generation, and locational constraints. An active managed charging program, on the other hand, is more suited to addressing grid conditions due to the inherent flexibility of the charging signal. SPS's Charging Perks program will allow EVs to flexibly respond to grid conditions on an hourly basis to align charging with system-wide generation and, when technically feasible, distribution-level capacity. Charging Perks also optimizes each participants' individual charging schedule around the hourly pricing signal while still meeting participant charging needs. The addition of Charging

Perks provides greater customer choice and has the potential to benefit customers and the grid.

**Q. How will the Charging Perks program function?**

A. To operate Charging Perks in other jurisdictions, Xcel Energy has partnered with vendor Weavegrid and directly with several automotive Original Equipment Manufacturers ("OEMs") ("vendors"). Customers enroll in Charging Perks through either vendor's online platform. As part of the enrollment process, participants set their own charging parameters that the managed charging program must meet. For example, a customer might require their vehicle to be fully charged everyday by 7 AM. The vendors are responsible for knowing each participant's charging requirements and optimizing charging to meet that requirement. On a daily basis, SPS will analyze load and renewable generation and set a 'proxy' price for each hour within the next five days (excluding holidays and weekends). A lower hourly price highlights when there is lower customer demand and higher renewable energy generation. Each day, the updated hourly proxy price is shared with the vendors. The vendors receive this proxy price signal and use algorithms to optimize each participant's charging schedule. Each participant's charging schedule is set on an hourly basis, prioritizing: 1) the time at which the participant's vehicle needs to be

fully charged; 2) the participant's electricity rates, so they are not charging at higher-priced hours (on-peak, for example); and 3) the lowest-cost times of the proxy price signal (which are designed to highlight periods of high renewable generation and low demand).

**Commercial**

**Q. What does SPS propose with respect to the Commercial Portfolio?**

A. Through its Commercial Portfolio, SPS aims to expand charging access across its service territory to both residential and commercial EV owners. This will be accomplished through three complementary offerings that build on SPS's experience with its initial TEP and are aimed at making the installation of EV charging at commercial facilities as cost effective and seamless as possible. Table PJM-5 below lists the programs, their current offering, and proposed changes.

**Table PJM-5: Commercial Programs in the 2025-2027 TEP**

| Program Name | Current State | Proposed Changes |
|---|---|---|
| **Commercial EVSI** | SPS offers EVSI support for public charging stations. | Expand EVSI to be available to all Commercial Customers to serve charging installations for fleets, workplaces and multifamily residences; Offer an EVSI Rebate. Remove the requirement that stations be equipped with a credit card reader |

| | | |
|---|---|---|
| **Public Fast Charging** | SPS is building a small network of SPS-owned public charging stations. | Offer rebates for public DCFC stations to third party developers. Continue to operate and maintain SPS-owned stations from inaugural TEP. |
| **Distribution Investments** | Not offered through the current TEP. | Make distribution investments aimed at supporting EV charging inclusive of project line extension costs and targeted feeder upgrades. |

**Q. What barriers does the Commercial Portfolio address?**

A. The Commercial Portfolio aims to increase charging infrastructure, provide greater access to EV charging, and prepare the distribution system for increases in EV charging load. Installing the EVSI equipment necessary to power EV charging stations often comprises a significant portion of project cost and complexity. SPS's expanded Commercial EVSI program reduces the upfront costs of installing charging stations while providing the option for a seamless installation process for customers. Additionally, there is currently a lack of public charging available in SPS's service territory. Modifications to the Public Fast Charging program will continue to facilitate the buildout of additional public charging infrastructure. To enable greater uptake in the customer programs outlined above, SPS also proposes distribution investments aimed at supporting EV charging installations.

**EVSI Program**

**Q. Why is SPS proposing to expand EVSI eligibility beyond public charging installations?**

A. Under the current EVSI program, participants are required to install charging stations that are publicly available and equipped with a credit card reader. These requirements have proven to be overly restrictive and have led to limited participation in the program. Approximately 80 percent of project leads have chosen not to move forward with their projects, with many citing program requirements as their primary reason. Commercial customers looking to install charging for private purposes, such as fleet operators or workplace charging for employees, expressed interest in the program but were ultimately turned away due to their inability to meet the program's public facing requirements. Additionally, some public charging providers were concerned with the requirements around credit card chip readers. While SPS supports its initial focus on publicly accessible EV charging in its inaugural TEP, the EV charging space is a rapidly evolving market and prescriptive charging station requirements for program participants severely limit opportunities to attract investment in our region. By removing these

requirements, SPS will be able to better support commercial customers' infrastructure needs and increase charging availability across its service territory.

**Q. How can eligibility expansion support EV adoption across vehicle classes?**

A. With the EVSI program available to all commercial customers, SPS is able to provide support to a wide range of vehicle classes, as required by the EV rule.[8] Under the current program, EVSI is only available to public charging, which at this time in SPS's service territory serves almost exclusively private light duty vehicles. By expanding the program and making it available to any type of commercial charging use case, many other types of charging may be served, including but not limited to transit organizations, school bus fleets, workplace charging, rideshare organizations, municipal fleets, private fleets and charging for multifamily housing. Charging installed at these locations can further ease the transition to EV's for private vehicle owners while also allowing fleet operators and transit organizations to more cost effectively and efficiently electrify their vehicles.

[8] *See* Rule 17.9.574.11(B)(2) NMAC.

**Q. What equipment will be included in SPS's EVSI program?**

A. The full service EVSI program, summarized above and described in further detail in Attachment PJM-1, requires a customer to install a new line of service for the planned charging equipment. SPS will provide design, construction and maintenance services at no cost to the customer for all equipment between the point of interconnection and the charger stub, including service panels, conduit and wiring, meter casings as well as any necessary civil design work. Participating customers will still be subject to all applicable line extension costs according to existing SPS policies.

**Q. Why is SPS proposing to offer rebates in addition to SPS-owned EVSI?**

A. While the SPS-owned EVSI program provides valuable financial and design assistance to customers, it is not always the best fit for customers looking to install charging stations. Customers are often unable or unwilling to install a new line of service exclusively for EV charging due to a variety of factors. Some customers do not have space for the necessary equipment at their facility or may take service as a Primary or Large General Service Transmission customer ("LGST"), making the installation of a new line of service impractical. Other customers prefer to manage and maintain EVSI equipment themselves due to operational efficiencies or other

preferences. To expand access to financial support for EVSI to all commercial customers, SPS proposes to include a rebate option for EVSI. Customers receiving these rebates have fewer EVSI program participation requirements and will be able procure their own equipment and installation contractors. Unlike participants in the SPS-owned EVSI program, customers receiving a rebate will be fully responsible for coordinating all aspects of the design and installation of the EVSI equipment as well as all ongoing maintenance.

**Q. What equipment will be eligible for rebates under this program?**

A. The equipment eligible for rebates will be the same as that installed through SPS's Company-owned program. Eligible costs will include any material and labor costs associated with the installation and design work of EVSI equipment.

**Q. How will EVSI rebates be administered?**

A. Rebates will be administered as flat amounts based on the type of charging installed and whether or not the installation requires a new line of service. Table PJM-6 below shows the project tiers and associated rebate amount per port.

**Table PJM-6: EVSI Rebates in the 2025-2027 TEP**

| Project Type | Rebate Amount (per port) |
|---|---|
| L2 – New Construction | $1,500 |
| L2 – No New Line of Service | $6,000 |
| L2 – New Line of Service | $12,000 |
| DCFC | $39,000 |

**Q. Can you provide additional details about administration of the rebates ?**

A. Rebates will be made available to customers and EVSI contractors. Contractors accepting rebates on behalf of the customer must present invoices showing that the customer's price for the EVSI installation was discounted by the full rebate amount. Prospective rebate recipients must submit an application to SPS prior to project completion with estimated costs and project in-service date. SPS will approve or deny rebate applications based on the scoring criteria outlined in Attachment PJM-3. When a project meets these criteria, the customer will be informed and can proceed with the project confident that they will receive the rebate. The rebate applicant will then install the charging stations and associated EVSI equipment through their preferred vendor partners. Upon completion of the installation, the

applicant will submit invoices and proof of installation to SPS, at which point the rebate will be paid based on the charger type, port count and final project amount. Rebates will be capped at total project cost if those costs exceed the rebate amounts on a per-port basis.

**Q. How did SPS determine the rebate levels?**

A. Through implementation of EVSI programs across Xcel Energy's service territories, SPS has compiled a significant amount of cost data for EVSI projects. Based on this data, SPS has divided project types into the four categories outlined in Table PJM-6 and calculated rebate levels based upon aggregated per-port cost data. These project categories were broken out based on the cost difference across these project types. For L2 charging stations, the cost associated with EVSI installations has been highly dependent on whether the installation is part of a new construction project or a retrofit and if part of a retrofit, whether the installation necessitated a new line of service. The increased cost associated with a project requiring a new line of service is primarily due to the incremental equipment necessary to extend service, such as a new electrical panel and meter box, to install charging stations. Installations that occur as part of a new construction project will often be the lowest cost, as they do not usually require incremental civil design

work or equipment costs. Due to the high power output of DCFC stations, a new line of service or panel upgrade is almost always required, leading to much higher per-port installation costs when compared to L2 charging stations. The relative cost of each project type is reflected in the rebate amounts.

Each rebate level is intended to cover approximately 80 percent of average equipment and installation costs for a given project tier. The lower financial incentive compared to the fully funded option for the SPS-owned EVSI is due to the fact that SPS has less visibility into installation processes, labor practices and charger utilization than it will for projects built under the SPS-owned EVSI option. Projects that are built, owned and maintained by SPS will adhere to Company standards and labor practices in addition to being served by a dedicated meter that can provide valuable charging data for grid planning and reporting purposes. Those customers choosing the rebate option will not be subject to reporting requirements and will be free to use contractors and equipment of their choosing. To summarize, a rebate is less than for the SPS-owned equipment because it comes with fewer expectations and requirements of the customer, provides SPS with less load visibility, and may be more difficult to integrate into the distribution system.

**DCFC Rebates**

**Q. Please provide an overview of the Public Charging Rebate program.**

A. SPS proposes to offer rebates to third party developers for public fast charging installed in its service territory. Similar to the EVSI rebates, the DCFC rebates are designed to cover approximately 80 percent of the cost of the charging equipment to help drive down upfront costs for public charging installations and to encourage greater third-party investment in DCFC stations in SPS's service territory. The significant upfront costs associated with building and operating public fast charging stations is often cited as a primary barrier to implementation.[9] Given the lack of public fast charging stations in SPS's service territory, the rural nature of the service territory, and the ability of public fast charging to combat range anxiety and influence EV adoption, rapid expansion of public fast charging is critical. A robust public DCFC network will enable travel within and between communities, making EV ownership a much more practical option for customers.

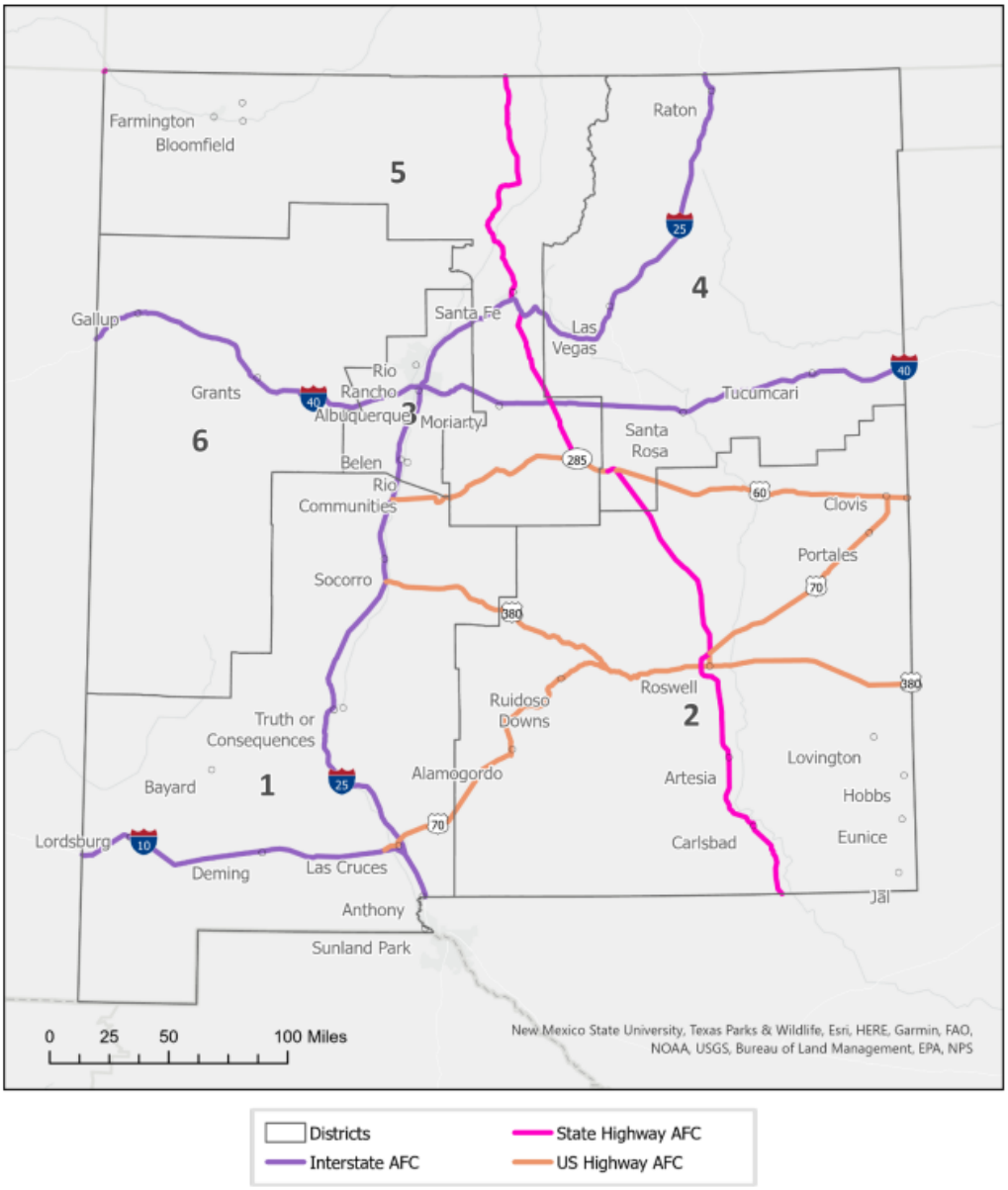
[9] Federal Support for EV Charging, Pg. 4-5, Union of Concerned Scientists, available at federal-ev-charging-policy_1.pdf (ucsusa.org)

**Q. What funding opportunities exist today for public charging developers in New Mexico?**

A. In 2022, the New Mexico Department of Transportation released its EV Infrastructure Deployment Plan ("IDP"), which outline plans for distributing federal National Electric Vehicle Infrastructure ("NEVI") funding for public fast charging. New Mexico has been awarded $38 million to fund the construction of public DCFC throughout the state with the first round of funding awards, $11.9 million in total, being distributed to six entities, for a total of 20 locations and 84 new DCFC chargers.[10] Sites that are eligible for NEVI funding must install at least four fast charging ports with at least 150kW in charging output. The state has identified Alternative Fuel Corridors ("AFC") along which site hosts installing NEVI compliant equipment will be eligible for funding. Figure PJM-2 below shows the AFCs identified by the state.

[10] NMDOT Announces First Round of Funding Awards for $11.9 Million from National Electric Vehicle Infrastructure (NEVI) Formula Funding | NMDOT. January 24, 2024.

**Figure PJM-2: Alternative Fuel Corridors**



According to the state's IDP, the primary focus, specifically in the initial rounds of funding, is to invest heavily along the state's interstate highways I-40, I-25 and I-10. The stated goal of these funding rounds is to ensure that charging is available every 50 miles along interstate corridors.[11] Beyond the initial funding rounds, the state is planning to engage with communities and stakeholders to prioritize locations beyond interstate corridors. As summarized in Attachment PJM-1, initial stakeholder engagement has indicated a preference in funding some public charging within or near the SPS service territory along U.S. Routes 285, 70, and 62 connecting the cities of Clovis, Roswell, Dexter, Hagerman, Artesia, Carlsbad, and Hobbs in addition to AFCs connecting other highly populated areas outside of the SPS service territory. An additional $68 million of federal funding from the Charging and Fueling Infrastructure ("CFI") grant program was awarded to the state in early 2024.[12] The majority of this funding is intended to go towards the construction of two medium- and heavy-duty vehicle charging stations along I-10 in the southwestern part of the state.

[11] New Mexico EV Infrastructure Deployment Plan at 80. NMDOT (last updated August 1, 2023).

[12] https://www.dot.nm.gov/blog/2024/01/15/new-mexico-receives-67-7-million-in-grants-

**Q. Why does SPS believe it is necessary to provide rebates for public charging equipment given the availability of federal funding for this same equipment?**

A. While SPS is encouraged by the State's NEVI deployment plan and the methodology surrounding it, funding gaps remain, specifically within SPS's service territory. The heavy focus on interstate highways leaves the vast majority of SPS customers ineligible for the initial round of the NEVI funding. While a small portion of I-40 runs through SPS's service territory, the majority of SPS customers are located in the far southeastern portion of the state, far removed from the interstate corridors expected to receive the first rounds of federal funding. This funding gap is shown by the locations of the first round of NEVI sites announced in January 2024[13] as well as the federal grants aimed at building out the charging network in the southwestern part of the state referenced above. Given the rural nature of SPS's service territory, public fast charging availability is critical to enable travel within and between communities and ease range anxiety among

from-biden-harris-administration-for-first-of-its-kind-infrastructure-in-the-southwest/#:~:text=The%20Biden%2DHarris%20Administration%20awarded,of%20the%20total%20funding%2.

[13] NMDOT Announces First Round of Funding Awards for $11.9 Million from National Electric Vehicle and Infrastructure (NEVI) Formula Funding. January 24, 2024. *See* https://www.dot.nm.gov/blog/2024/01/24/nmdot-announces-first-round-of-funding-awards-for-11-9-million-from-national-electric-vehicle-infrastructure-nevi-formula-funding/

prospective EV drivers. Without near term and certain investment in charging infrastructure, SPS's service territory will continue to lag behind the rest of the state.

While the NEVI plan's initial focus is on interstate highways in more populated regions of the state, the plan highlights the need to invest along AFCs in rural areas such as the SPS service territory in future years and the state plans to work with stakeholders to identify high impact locations for subsequent funding rounds.[14] SPS welcomes this approach and believes that the public fast charging rebates described here can help fill short term funding gaps while complementing and expanding the reach of federal funding as it becomes available. The DCFC rebates will be stackable with public funds as well as SPS's EVSI program, potentially allowing public funding to have greater impact. Additionally, DCFC rebates will be made available to sites not located along AFCs and sites that are not

[14] *See* New Mexico EV Infrastrucuture Deployment Plan at 92. available at https://realfilef260a66b364d453e91ff9b3fedd494dc.s3.amazonaws.com/ce532b3b-3924-4856-b533-15f065f22984?AWSAccessKeyId=AKIAJBKPT2UF7EZ6B7YA&Expires=1711053683&Signature=gZsjAUWYtgEp2QcAEAOUVaPun8A%3D&response-content-disposition=inline%3B%20filename%3D%22NEW%20MEXICO%202023%20ELECTRIC%20VEHICLE%20INFRASTRUCTURE%20DEPLOYMENT%20PLAN%20UPDATE%2008-01-23.pdf%22&response-content-type=application%2Fpdf

able to comply with certain NEVI requirements, helping to further fill gaps in the charging network.

**Q. Who will be eligible for SPS's public fast charging rebates?**

A. Any public charging developer or commercial entity that installs public DCFC stations will be eligible to receive SPS's DCFC rebates. Charging equipment must have a charging output of 150kW or higher and must be available for public use.

**Q. How will public fast charging rebates be administered?**

A. Public charging rebates will be administered as flat rebate amounts, as shown in Table PJM-7 below, and require pre-approval from SPS prior to installation. Customers planning to install public fast charging will be asked to submit an application that provides project details such as equipment specifications, site characteristics, project timelines and additional funding sources among other information. Program staff will then score applications according to the criteria provided in Attachment PJM-3. Upon receiving approval, applicants can proceed with equipment procurement and construction. Once construction is completed, the applicant will submit invoices showing the installed equipment, proof that the charging stations have been successfully brought online, and that the stations are publicly available. Once all necessary documentation and proof of commissioning

has been provided to SPS, the applicant will receive a rebate based on the equipment installed.

**Table PJM-7 Public Charging Rebates**

| Charger Output | Rebate Amount (per port) |
|---|---|
| 150-249kW | $45,000 |
| 250 – 349kW | $85,000 |
| 350kW+ | $105,000 |

**Q. Can you briefly discuss the scoring criteria contained in Attachment PJM-3?**

A. These criteria were selected to ensure that charging stations funded by the program are built in areas that equitably and effectively expand charging access throughout SPS's service territory. Applicants will be assigned a score within each category according to the scoring rubric outlined in Attachment PJM-3. Those meeting minimum scoring requirements will be approved for construction and notified of their ability to move forward with installation.

**Q. How were the rebate levels determined?**

A. The rebate amounts shown in Table PJM-7 are meant to cover approximately 80 percent of charging equipment costs within each charger output range. Cost

estimates are based on cost information acquired and stakeholder feedback through program implementation in other Xcel Energy jurisdictions.

**Q. Why is SPS proposing to offer flat rebate amounts across its EVSI and Public DCFC rebate programs?**

A. By offering flat rebate amounts rather than a percentage of total project cost, which is the process for NEVI program funding, SPS allows for simple program administration and an easy to understand rebate that public charging developers and site hosts can effectively plan around. Flat rebate amounts also allow for more effective forecasting of program spend as they are not subject to unexepected project cost fluctuations outside of SPS's control.

**Q. How will the Public Charging Rebate program complement existing funding opportunities?**

A. The public charging rebate program proposed here will be additive to existing funding opportunities. In addition to filling gaps in funding eligibility and accelerating charging buildout in rural areas, all rebates will be stackable with public funding to further drive down project costs. This stackability will also reduce the amount of NEVI funding necessary on a per-project basis, potentially

expanding the reach of federal programs by allowing investment in a larger number of projects.

**Q. Please provide a brief overview of the Distribution Investments proposed in this TEP.**

A. To facilitate the commercial programs described above, distribution investment in system upgrades to increase capacity is necessary. For that purpose, SPS proposes to include the costs for line extensions along with strategic investments in the distribution system to make capacity available in areas where fast charging, and specifically public charging, is likely to be installed. Details regarding the distribution investments are included in the direct testimony of SPS witness Brianne R. Jole. These investments are intended to work in conjunction with SPS's commercial programs to promote the construction of charging equipment.

**Q. How will these programs complement each other to provide a comprehensive solution to commercial charging barriers?**

A. The Commercial Portfolio is a suite of programs designed to work together to remove barriers to EV charging for commercial customers. EVSI support is available to all commercial customers looking to install EV charging across use cases ranging from low-wattage multifamily and workplace installations up to high

powered fast charging for fleets and public applications. The DCFC rebate program can be paired with the EVSI offerings to lower costs for public fast charging stations that are often expensive and difficult to build. Strategic investment in the distribution system is meant to unlock the capacity necessary to implement these programs at scale. All three offerings are designed to complement each other to provide comprehensive support at each level of the charger installation process.

**Q. How does this portfolio support federal and state efforts to expand charging access and vehicle electrification?**

A. In addition to the State's NEVI plan and other grant funding opportunities, New Mexico has also mandated that all state agency fleets must be all-electric by 2035.[15] The state has also mandated that by 2026, 43 percent of all passenger vehicles shipped to New Mexico auto dealerships by auto manufacturers must be zero-emission vehicles.[16] The Commercial Portfolio is well positioned to support each

[15] Executive Order 2023-138, Transitioning the State of New Mexico's Vehicle Fleet to Net Zero Emissions (October 16, 2023). *See* https://www.governor.state.nm.us/wp-content/uploads/2023/10/Executive-Order-2023-138.pdf

[16] Advanced Clean Cars II, Advanced Clean Trucks, and Heavy-Duty Omnibus Fact Sheet. New Mexico Environment Department. *See* Linkhttps://cloud.env.nm.gov/air/resources/_translator.php/NoP4Wd1EyorPC~sl~BWz~sl~H2+PXdCQEKefUZ7Ou8Vgq~sl~x2ZYzqa1zexRjUOtr97~sl~EtViq8FeLTyGF6VgLbKGFek~sl~iVEx5lSfjzjIGBA2~sl~lFKo+H8yUo3H0qYeqBAH+YzXvaH.pdf

of these initiatives while expanding the reach and impact of public funding. The EVSI offering can be used by commercial fleet customers, including state agencies, looking to electrify. This program will drive down the cost of installing charging infrastructure at fleet depot sites and can also be paired with FEAP to educate fleet operators on their vehicle and charging needs. Public charging expansion will also support the electrification of state fleets, along with private vehicles, by allowing for charging away from depots to enable fleet vehicles with long distance duty cycles to electrify. With both EVSI funding and public charging rebates eligible for stacking with public funds, utility program funding can cover a larger portion of the cost share required by the NEVI program. This in turn will require less NEVI funds per-project, allowing the funding opportunity to be extended to a wider range of projects throughout the state.

**Q. How does the Commercial Portfolio support equitable access to charging for underserved communities?**

A. The Commercial Portfolio supports underserved communities through increased charging access in a variety of ways. Through the expansion of the EVSI program, EVSI will now be available to support charging installations at multifamily locations, public transit depots or ride sharing organizations. Public charging

installations throughout our service territory will increase the viability of EV ownership for all customers. The siting and scoring criteria that SPS will use for these programs will prioritize development in underserved communities, promoting electric fueled travel in and through these locations. EVSI projects will be scored according to a similar framework with projects, both public and private, in underserved communities receiving higher scores.

In addition to ensuring that underserved communities gain access to EV charging, SPS also wants to ensure that charging access is accessible across its service territory. While providing access within underserved communities benefits those residents, residents of those communities still need the ability to travel outside of their immediate area. This will require charging availability to be distributed evenly and intelligently throughout the service territory, not just within underserved communities themselves. Given the lack of charging infrastructure in SPS's service territory, specifically public fast charging, any incremental addition that enables highway travel between communities can reasonably be expected to increase EV viability across the income spectrum. To accomplish this, geographic charging gaps and a project's ability to fill those gaps will be factored into project scoring as outlined in Attachment PJM-3.

**Advisory Services**

**Q. Can you please describe SPS's Advisory Services?**

A. SPS's Advisory Services provide residential and commercial customers with information regarding TEP programs, EVs and e-bikes, EV charging, and the benefits of transportation electrification. SPS proposes a new strategy within its Advisory Portfolio to further educate and directly engage with its customers through in-person "ride and drive" events for both vehicles and e-bikes. SPS will maintain its community advisory services and FEAP assessments to help fleet customers prepare to electrify and will add dedicated staff to conduct outreach and education efforts.

**Q. How is SPS enhancing its Advisory Services to support residential customers?**

A. SPS will both continue and expand its existing Residential Advisory Services. Considering the low EV adoption rate among residential customers in the SPS service territory, SPS sees a potential gap between its residential customers and awareness of EV benefits. To fill that gap, SPS plans to introduce in-person "ride and drive" events to give customers real-world experience with EVs by providing an opportunity to speak with EV owners and drive or ride in an EV. Studies show that direct experience with EVs can play a strong role in EV awareness and

potentially spark interest in electrification. In a 2023 national survey, 50 percent of respondents who had driven an EV in the last 12 months said they would definitely buy or lease an EV, compared to only three percent of respondents who had zero experience with EVs[17]. Marketing and digital tools will continue to play a strong role in education and awareness of EV benefits and SPS's EV offerings. SPS will continue updating its digital tools to offer more tailored information to its users regarding program offerings, EVs, charging, and incentives. Additionally, marketing budget and efforts will focus on channels found to be most effective at reaching customers during the inaugural TEP, like Search Engine Marketing. Lastly, SPS will continue to support and work to expand its EV Network by providing outreach materials, training, and education on EVs for auto dealerships.

**Q. What is SPS doing to support greater outreach and education to low-income households and households in underserved communities?**

A. In an effort to reach low-income customers and those in underserved communities, SPS plans to host ride and drive events in or in close proximity to underserved

[17] Limited Consumer Experience Represents a Challenge and Opportunity for Future EV Adoption (Consumer Reports nationally representative survey of 9,030 US adults conducted in June and July, 2023). *See* https://advocacy.consumerreports.org/wp-content/uploads/2024/02/CR_2023EV-Survey_Facthseet_Final.pdf

communities. Ride and drive events can be hosted independently, as part of a larger community event, or as a workplace charging event. In-person events will provide information on EV basics (vehicles, charging, costs, etc.) as well as SPS's TEP offerings. To support all SPS's customers, event materials will be available in both English and Spanish.

**Q. How is SPS supporting electric bikes?**

A. Similar to EV adoption, studies show that an individual's willingness to adopt an electric bike, or e-bike, is influenced by their previous experience with bikes.[18] To increase awareness of e-bikes and their benefits, SPS is proposing to host e-bike "ride and drive" events as either independent events or part of a larger community event. At these events, SPS will have several models of e-bikes available for attendees to test on site, staff to engage and educate attendees, and take-home materials. SPS will look to partner with a local organization(s) to source e-bikes, plan and host the events.

[18] 'Transportation Research Interdisciplinary Perspectives E-bikes Toward Inclusive Mobility: A Literature Review of Perceptions, Concerns and Barriers' by Kyuhyun Lee and Ipek Nese Sener, (Volume 22, November 2023). *See* https://www.sciencedirect.com/science/article/pii/S2590198223001872

**Q. How is SPS supporting commercial and fleet customers through education and advisory?**

A. SPS proposes to expand its FEAP offering to allow for more customer participation and to add a dedicated program employee in New Mexico to conduct education and outreach for commercial customers. Through FEAP and outreach efforts, commercial customers will have ample resources to identify solutions to their charging needs. FEAP provides feasibility studies and cost data around charging and vehicle needs to fleet operators considering fleet electrification. Program staff will also be available to help inform commercial customers about program offerings, assist with applications, and better understand how our programs can help them meet their goals.

While FEAP is offered today, the current EVSI program construct limits the ability of fleets to take part in SPS programming beyond the suitability assessment. With the eligibility expansion for EVSI, FEAP and other advisory efforts can work in conjunction with the financial and technical support offered through our EVSI and DCFC rebate programs. This improves the value of participating in these programs and engaging with the outreach efforts outlined here.

## V. TEP BUDGET FOR PLAN YEARS 2025-2027

**Q. Please provide an overview of SPS's budget for Plan Years 2025-2027.**

A. SPS's Budget for Plan Years 2025-2027 is provided as Attachment PJM-2 to my direct testimony. The budget proposes $ 19.4M in capital expenditures and $3.7M in Operations and Maintenance ("O&M") across the three-year plan.

**Q. Please summarize the overall budget for SPS's TEP.**

A. SPS's total budget for each year of the TEP ranges from $4.1M in year one to $8.8M in the final year of the program.

**Q. What is the cost breakdown by portfolio?**

A. See Table PJM-8 below for the breakdown of budget by portfolio and plan year.

**Table PJM-8: Portfolio Budget by TEP Year[19]**

| Portfolio | Spend | 2025 | 2026 | 2027 | Total |
|---|---|---|---|---|---|
| **Residential** | Capital | $ 90,000 | $ 100,000 | $ 170,000 | $ 360,000 |
| | O&M | $ 80,000 | $ 90,000 | $ 100,000 | $ 260,000 |
| | **Total** | **$ 170,000** | **$ 190,000** | **$ 270,000** | **$ 620,000** |
| **Commercial** | Capital | $ 2,870,000 | $7,260,000 | $ 8,570,000 | $ 18,700,000 |
| | O&M | $ 830,000 | $1,010,000 | $ 1,300,000 | $ 3,150,000 |
| | **Total** | **$ 3,700,000** | **$8,270,000** | **$ 9,870,000** | **$ 21,840,000** |
| **Advisory** | Capital | $ 100,000 | $ 100,000 | $ 100,000 | $ 300,000 |
| | O&M | $ 90,000 | $ 50,000 | $ 50,000 | $ 200,000 |
| | **Total** | **$ 190,000** | **$ 150,000** | **$ 150,000** | **$ 500,000** |
| **Evaluation** | O&M | $ 50,000 | $ 50,000 | $ 50,000 | $ 150,000 |
| | **Total** | **$ 50,000** | **$ 50,000** | **$ 50,000** | **$ 150,000** |
| **Totals** | **Capital** | **$ 3,060,000** | **$7,460,000** | **$ 8,840,000** | **$ 19,360,000** |
| | **O&M** | **$ 1,050,000** | **$1,200,000** | **$ 1,510,000** | **$ 3,760,000** |
| | **Total** | **$ 4,110,000** | **$8,660,000** | **$ 10,350,000** | **$ 23,110,000** |

**Q. Will the proposed budget reflect market demand?**

A. Yes, the budget is based on projections and forecasted participation. SPS's actual costs will depend on the market demand for TEP programs. Our budgets are designed as "up to" budgets, meaning actual spending will reflect market demand. If market demand does not reach budgeted levels, the funds will not be spent and

[19] Budget numbers have been rounded to the nearest $10,000 in Table PJM-8.

there will be no impact to customers. However, if market demand increases faster than anticipated SPS could use budget flexibility provisions as outlined in rules.

**Q. How were the residential budgets determined?**

A. Residential budgets were calculated based on program implementation data during the inaugural TEP and SPS's EV adoption forecasts. To calculate participation within its residential offerings, SPS used the following formula for each offering: *market participation rate (%) x incremental EV adoption forecast = total participation*. SPS calculated a market participation rate for each residential offering by comparing participation counts within its current residential offerings to EV registrations within the SPS service territory, with some adjustment to account for enhancements to the Residential Advisory service that are designed to further drive education and awareness of EVs and TEP offerings. SPS then applied the market participation rate for each residential offering to the annual incremental EV adoption forecasts for years 2025 to 2027 to calculate the estimated participation for each offering.

For cost inputs, SPS used actual program data where available and broader market data when necessary. For the EV Charger and Home Wiring Rebate, equipment and installation costs are based on available market data and experiences

operating similar programs in other jurisdictions. Finally, the budget for Optimize Your Charge and Charging Perks is based on actual program data, namely the costs associated with existing partner services and the rebate amounts as proposed in Attachment PJM-1.

**Q. How were commercial customer program budgets determined?**

A. Commercial program budgets were based on program implementation data, both in SPS's service territory and in other Xcel Energy jurisdictions, alongside an analysis of market trends and adoption forecasts specific to SPS. Pariticipant counts were largely based on current program participation and customer interactions in SPS while project cost data was gathered from programs across Xcel Energy's service territories.

SPS has implemented its EVSI program alongside outreach and advisory services since 2022. Through these efforts, customer and project data in the form of program participation leads and signed project contracts has been collected. This data provides insight on the types of businesses interested in participating, charging needs by customer type and barriers to participation that exist within the current program. With insights gleaned from this analysis alongside existing customer relationships and an analysis of business types across our service territory, a

reasonable participant forecast by end use and by program type (Company-owned EVSI or a rebate) was determined. Average project costs and rebate amounts per port were then applied to the participant forecast to determine program capital budgets. O&M budgets were determined based on staffing and marketing needs per participant with assumptions stemming from past implementation experience. Program staffing costs, based upon program implementation in other Xcel service territories, include funds for a full time employee located within the service territory dedicated exclusively to implementation of these programs.

Similar methods were used to size the public fast charging rebate program combined with analyses of the rate of public charging buildout across the state and within our service territory specifically. The rebate levels described above were then applied to the estimated participant counts to determine the budget put forward in this plan.

**Q. Please explain the increase in budget for commercial programs.**

A. SPS expects that the less prescriptive program requirements will lead to an increase in program participation. SPS has engaged with a variety of Commercial customers who have expressed interest in current Commercial offerings but have been unable or unwilling to participate due to program requirements. With the removal of public

charging requirements and the addition of rebates for both EVSI and DCFC equipment, SPS will be able to serve the needs of fleet, workplace and other private commercial charging use cases while also expanding support for public charging. With the new program design, customer input, the continued growth in the EV market and increasing state and federal focus in vehicle electrification, we can reasonably expect program participation to increase significantly compared to SPS's initial TEP. Additionally, with the program already in market and processes established, program staff is well positioned to deliver on projects and move them to construction sooner than was possible in the initial plan.

SPS also notes that per-project and per-port cost estimates within this TEP are significantly higher than what was provided in the inaugural TEP. Updated cost estimates reflect changes that have occurred in the market since the inaugural TEP was filed. Supply chain disruptions caused by the COVID pandemic and other factors have increased the installation costs for EV equipment significantly when compared to the cost assumptions used to determine the 2022-2024 TEP budget. When taken together, the increase in forecasted participation and updated pricing result in a significant budget increase for the Commercial Portfolio. Additionally, SPS is including $9M in distribution investments within the Commercial Portfolio.

The distribution investments and associated budget are discussed in the direct testimony of SPS witness Jole.

**Q. How was the Advisory Services budget determined?**

A. For Residential Advisory, SPS calculated budgets based on costs experienced within the inaugural TEP for digital marketing, web tools, and physical media, while also incorporating cost data for hosting in-person events that have been held in other service territories.

For Commercial Advisory, budgets were based on estimated costs to administer FEAP and community advisory based on previous implementation and participation projections based on current program interest.

**Q. Is SPS providing a budgetary carve out specifically to support low-income customers and underserved communities?**

A. Yes. SPS is committing to a budget floor of 15 percent of the total 2025-2027 TEP budget to be directed toward low-income customers and underserved communities.

**Q. Has SPS committed budget to evaluating the 2025-2027 TEP?**

A. Yes. As mentioned previously, SPS has contracted with Opinion Dynamics to perform a formal evaluation of TEP programs. For the 2025-2027 TEP, SPS and Opinion Dynamics intend to conduct evaluations that include primary data

collection from participants as programs achieve participation milestones that can provide actionable information. SPS believes this approach will enable SPS and its evaluator to conduct cost effective customer research of programs. For offerings with participation that does not meet those thresholds, SPS will work with the evaluator to identify alternative evaluation approaches that may include activities such as research with market actors other than the intended participants, secondary research, and program process evaluation. These alternative approaches will identify whether continued low participation can be addressed with changes in program design. Evaluation updates will be provided in TEP annual reports. Upon conclusion of the 2025-2027 TEP, SPS will provide a final evaluation report in 2028.

**Q. Was budget flexibility approved for SPS's 2022-2024 TEP?**

A. Yes. In the inaugural TEP, the Commission approved budget flexibility across portfolios up to 150 percent of the approved budget. Additionally, SPS was allowed an annual budget flexibility of up to 125 percent of the approved budget.

**Q. Does SPS propose to update its budget flexibility?**

A. Yes, SPS proposes to utilize the budget flexibility requirements included in Rule 17.9.574.14 NMAC.

**Q. Please describe how the updated budget flexibility will work.**

For the 2025-2027 TEP, SPS will have the ability to shift up to 20 percent of an approved program's budget between programs. Budget flexibility may not be used to shift any portion of program budgets dedicated to low-income customers to programs for standard customers or outreach and education efforts. However, budget flexibility can be used to shift budget dollars between different low-income programs or into low-income programs from other programs. Lastly, should SPS exceed 90 percent of a program budget during the 2025-2027 TEP it is authorized to increase that program's budget by 10 percent. This 10 percent provision does not apply to pilot programs with caps[20], a program where the budget was reduced due to budget flexibility, or any outreach and education programs. If program participation exceeds current forecasts, SPS also has the ability to request additional flexibility from the Commission.

[20] SPS does not have any pilots in market or proposed through the 2025-2027 TEP.

## VII. TWO-YEAR PLANNING PERIOD

**Q. What topic do you discuss in this section of your direct testimony?**

A. I address certain components of SPS's planning outlook two years beyond the three-year duration of the TEP. Specifically, I discuss subparts (1), (2), and (6) of Rule 17.9.574.11(D) NMAC. SPS witness Jeremiah W. Cunningham addresses subparts (3), (4), and (7) and SPS witness Brianne R. Jole addresses subparts (2) and (5).

**Q. What is the projected TE in SPS's New Mexico service territory, including estimates of the expected numbers of EVs by class, during the Planning Period?**

A. SPS's internal forecast for EV adoption estimates that there will be 6,349 light duty, 243 medium duty, and 100 heavy duty EVs in its service territory by 2029.

**Q. Does SPS have an estimate of projected load increases expected to result from these EV forecasts?**

A. Yes. Please see Table PJM-9 below for SPS's projected load increase.

**Table PJM-9: Projected EV Load Increases**

| Year | Light Duty EVs | EV Load (MWh) | Medium Duty | EV Load (MWh) | Heavy Duty | EV Load (MWh) |
|---|---|---|---|---|---|---|
| 2024 | 852 | 3,040 | 24 | 653 | 3 | 412 |
| 2025 | 1,292 | 4,688 | 46 | 1,238 | 9 | 1,246 |
| 2026 | 1,940 | 7,137 | 78 | 2,082 | 22 | 2,982 |
| 2027 | 2,892 | 10,775 | 120 | 3,215 | 42 | 5,623 |
| 2028 | 4,293 | 16,182 | 174 | 4,682 | 67 | 9,033 |
| 2029 | 6,349 | 24,208 | 243 | 6,512 | 100 | 13,436 |

**Q. What are the expected lead times for coordinating with stakeholders to install new charging infrastructure?**

A. Current EVSI and public charging installation lead times can vary widely. Program data across jurisdictions shows that the time from initial application through the completion of construction is 18 to 24 months on average. One can reasonably expect these lead times to decrease over the coming years as supply chain disruptions, specifically around transformers as well as EVSI and charging equipment, are improved and construction methods are standardized. For purposes of SPS's programs, we believe lead times will drop significantly compared to those experienced in the inaugural TEP due to these supply chain improvements along with program processes and customer relationships established through continued program implementation. SPS will continue to evaluate program uptake and lead

times as it implements the 2025-2027 TEP and will make process improvements as needed.

**Q. What are the expected lead times for the distribution infrastructure upgrades necessary to enable charging construction at scale?**

A. The feeder upgrades outlined in Ms. Jole's testimony are expected to take place in years two and three of the proposed plan. This allows time for project identification as well as the 12 to 18 month construction lead times typically needed for these projects. SPS will monitor EV adoption rates and grid conditions as it prepares its next TEP filing and potentially include additional distribution investments as appropriate.

**Q. Does this conclude your pre-filed direct testimony?**

A. Yes.

**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. 24-00___-UT** |
| **SOUTHWESTERN PUBLIC SERVICE COMPANY,** | ) | |
| **APPLICANT.** | ) | |

## VERIFICATION

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

*/s/Patrick J. Murphy*
PATRICK J. MURPHY

Xcel Energy®

# 2025-2027 NEW MEXICO TRANSPORTATION ELECTRIFICATION PLAN

## SOUTHWESTERN PUBLIC SERVICE COMPANY

# Table of Contents

# Executive Summary

In accordance with NMSA 1978, Section 68-8-12 (“EV Statute”) and New Mexico Public Regulation Commission (“NMPRC” or “Commission”) Rule 17.9.574, Southwestern Public Service Company (“SPS”) is proposing its next Transportation Electrification Plan (“TEP”) for years 2025-2027.

SPS's first TEP, approved for years 2022-2024, is enabling the implementation of residential, commercial, and advisory services portfolios. The approved TEP contains eight electric vehicle (“EV”) programs designed to help customers overcome barriers with residential charging, public charging, and EV awareness and planning. These barriers include: the upfront costs of EVs and EV infrastructure; lack of charging infrastructure; and limited awareness of EVs and their benefits. SPS's next TEP will continue assisting customers in its New Mexico service territory with three updated portfolios that include expanded offerings and updated programs in line with new Commission rules. This TEP was designed to align with the growing EV market in New Mexico along with recent changes in public policy aimed at expanding EV adoption and charging access, specifically New Mexico's adoption of Advanced Clean Car rules and the passing of the federal Infrastructure Investment and Jobs Act (“IIJA”), which has allotted federal funding to New Mexico's Department of Transportation (“NMDOT”) for public charging projects along identified Alternative Fuel Corridors (“AFCs”) and in other high-need areas. Additionally, SPS’s 2025-2027 TEP responds to key lessons learned from launching its inaugural programs.

SPS’s 2025-2027 TEP will help the state of New Mexico achieve its EV goals. New Mexico seeks to provide EV drivers with convenient, publicly accessible EV charging infrastructure across the state while ensuring a safe, consistent, affordable, and equitable charging experience for all users.[1] These state goals complement the commitments of SPS’s parent company, Xcel Energy Inc. ("Xcel Energy"), of powering zero-carbon transportation in areas that it serves by 2050, with an interim goal of enabling one out of five vehicles to be electric by 2030.[2]

SPS has determined a total budget of $23.1 million is necessary to implement its proposed TEP programs over the next three years. This budget was developed based on current participation and cost estimates along with forecasts to ensure SPS can meet expected program demand in an uncertain market. SPS will only recover TEP actual costs incurred over the course of the TEP's lifespan through approved cost recovery mechanisms.

SPS will evaluate and report on the effectiveness of the proposed TEP EV programs in an annual EV compliance report as well as an evaluation conducted at the end of the plan period. SPS will

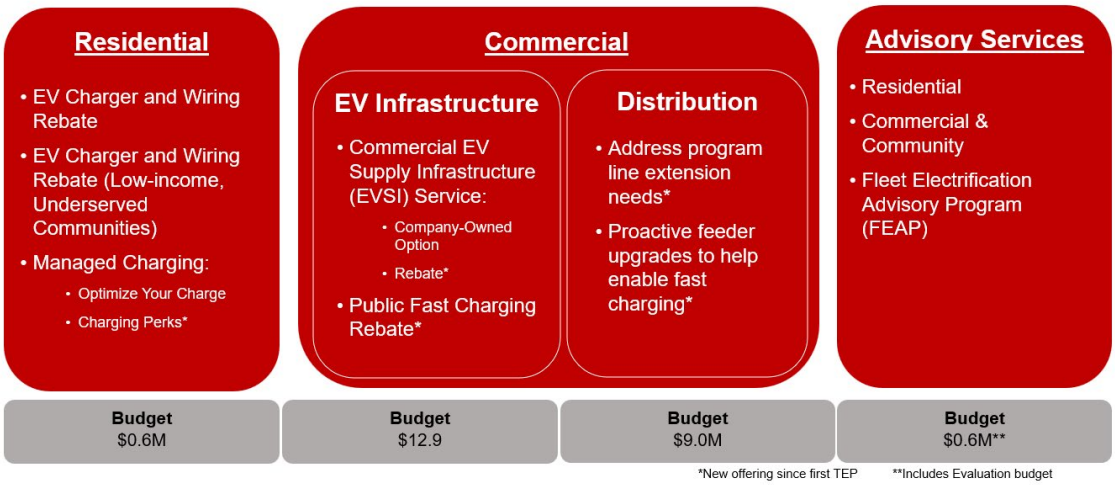
[1] “New Mexico EV Infrastructure Deployment Plan” Pg. 33. New Mexico DOT. Available at, https://www.dot.nm.gov/nevi/
[2] “Leading the Clean Energy Transition”. Xcel Energy Inc. Available at, https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Sustainability%20Report/2021%20SR/2021-Leading-the-Clean-Energy-Transition-SR.pdf

continue to prioritize transparency, sharing lessons learned, and assessing customer experiences and perceptions about EVs to glean information in order to support EV adoption.

***Portfolio and Program Summaries***

SPS proposes Residential, Commercial, and Advisory Services portfolios. The following narrative summarizes SPS's proposed programs for the 2025-2027 TEP, by portfolio.

**Figure 1: Proposed Programs for the 2025-2027 TEP, by Portfolio**




## 1. Residential

***Portfolio Goal:*** Assist residential customers in overcoming some of the cost barriers and better understand the complexities of adopting EVs while also supporting managed charging for the efficient operation of the grid.

- **EV Charger and Wiring Rebate**: Alleviate home wiring and charger cost barriers for prospective EV buyers.
- **EV Charger and Wiring Rebate (Low-Income and Underserved Communities):** Enhanced home wiring rebate available to low-income customers and residential customers living in underserved communities.
- **EV Optimization and Managed Charging:** Broaden the managed charging options by complementing the Optimize Your Charge ("OYC") program with Charging Perks, a newly offered active managed charging program. Customer programs to include:
    - **Optimize Your Charge (passive control):** Encourage EV charging during off-peak hours by providing an annual bill credit to customers who charge their vehicle during off-peak charging windows.
    - **Charging Perks (active control):** Encourage EV charging when it is most beneficial to the grid through dynamic remote management.

## 2. Commercial

***Portfolio Goal:*** Expand non-residential charging access in SPS's service territory through support for commercial charging that lowers the upfront costs of Electric Vehicle Supply Infrastructure ("EVSI") across all market segments, including transit, multi-family housing ("MFH"), fleet, workplace, and public charging.

- **Commercial EVSI:** Reduce the cost and administrative burden of installing EV charging to commercial customers.
    - **SPS-Owned Option:** Full-service offering in which SPS designs and constructs the EVSI through a third-party contractor at no cost to the customer. SPS will own, operate, and maintain EVSI, while the customer will procure, operate and maintain any charging stations supported by the EVSI.
    - **EVSI Rebate Option:** Available to customers who are unable to install a new line of service and customers who would prefer to use their own contractors and manage their own equipment.
- **Public Fast Charging Rebate:** Rebate offering for public Direct Current Fast Charging ("DCFC") built within SPS's service territory to drive down costs for public fast charging installations. The DCFC rebate is intended to complement state and federal funding available for public fast charging.
- **Investment in line extension needs:** SPS proposes funding to support project level distribution investments, such as line extension costs, to ensure the necessary equipment is available to serve customers interested in participating in SPS's programs.
- **Proactive feeder upgrades to enable fast charging:** SPS proposes broader proactive, system level distribution investments in feeder and voltage upgrades along travel corridors to help prepare the system for the increasing build out of fast charging.

## 3. Advisory Services

***Portfolio Goal:*** Improve the customer experience, provide a clear and simple path to electric transportation planning and adoption, and deliver critical and timely data to enable our customers to make informed decisions on clean transportation.

- **Residential Advisory:** Provides SPS residential customers with insight into SPS EV programs, EV and electric bike ownership, charging costs and logistics, and the broader benefits of transportation electrification to increase customer knowledge and support transportation electrification.
- **Commercial and Community Advisory:** Provides dedicated staff located within the service territory to engage directly with customers and communities to assist and inform

them of programs offered by SPS and strategies to achieve their vehicle electrification or charging goals.

- **Fleet Electrification and Advisory Program ("FEAP"):** Provides commercial fleet owners and operators interested in electrifying their fleets with an initial fleet electrification feasibility study to identify the types of vehicles and charging necessary to meet their electrification goals and a total cost of ownership calculation to show potential savings.

# Glossary

| Acronym | Meaning |
|---|---|
| ACC II | Advanced Clean Cars II |
| ACH | Automated Clearing House |
| ACT | Advanced Clean Trucks |
| AFC | Alternative Fuel Corridor |
| DCFC | Direct Current Fast Charger |
| EV | Electric Vehicle |
| EVAAH | EV Accelerate at Home |
| EVSI | Electric Vehicle Supply Infrastructure |
| EV Statute | NMSA 1978, Section 68-8-12 |
| FEAP | Fleet Electrification Advisory Program |
| HDO | Heavy-Duty Engine and Omnibus |
| IDP | Infrastructure Deployment Plan |
| IIJA | Infrastructure Investment and Jobs Act |
| IOU | Investor-Owned Utility |
| IRA | Inflation Reduction Act |
| L2 | Level 2 |
| MFH | Multi-family housing |
| NEVI | National Electric Vehicle Infrastructure Program |
| NMDOT | New Mexico Department of Transportation |
| NMPRC or Commission | New Mexico Public Regulatory Commission |
| O&M | Operations & Maintenance |
| OYC | Optimize Your Charge |
| PSCo | Public Service Company of Colorado |
| SPS | Southwestern Public Service Company |
| TEP | Transportation Electrification Plan |
| SPS TOU Rate | SPS Residential General Service Rate No. 1 |
| Xcel Energy | Xcel Energy Inc. |
| ZEV | Zero Emission Vehicle |

# Introduction

In passing the EV Statute in 2019, the New Mexico legislature recognized the important role of electric utilities in supporting widespread transportation electrification. The EV Statute requires electric public utilities to file an application with the Commission to support widespread transportation electrification no later than January 1, 2021. Southwestern Public Service Company ("SPS"), a New Mexico corporation and electric utility operating company that is a wholly-owned subsidiary of Xcel Energy, filed its first Transportation Electrification Plan ("TEP") in Case No. 20-00150-UT. The New Mexico Public Regulation Commission ("NMPRC" or "Commission") approved SPS's inaugural TEP in September 2021, to be implemented for plan years 2022-2024. SPS launched programs in the first quarter of 2022 and has shared a detailed status update in its TEP Annual Report.[3]

Since the approval and subsequent launch of SPS's inaugural TEP programs, the NMPRC initiated a rulemaking process and eventually adopted Rule 17.9.574 NMAC, which establishes additional requirements that apply to investor-owned utilities' ("IOUs") TEP applications. Broadly, these requirements include: new filing dates and review timelines, program and budgetary considerations, annual reporting requirements, and a requirement to file a planning outlook for two years beyond the three-year duration of the proposed TEP.

SPS has prepared its 2025-2027 TEP with these requirements in mind, while also building on insights from its inaugural TEP. Additionally, the geography and demographics of SPS's New Mexico territory, evolving conditions in the EV market, and public policy all play a role in SPS's chosen strategies. In the subsequent sections, SPS further describes: the background for this TEP; proposed program additions, modifications, and budgets; and a corresponding reporting and evaluation approach.

[3] SPS filed its first TEP Annual Report on August 1, 2023 in Proceeding No. 20-00150-UT.

# Background

## NMSA 1978, Section 62-8-12 (2019)

The EV Statute was enacted by the New Mexico Legislature in 2019 to expand the electrification of the state's transportation sector. The statute allows utility applications intended to expand transportation electrification to include investments or incentives to facilitate the deployment of charging infrastructure and associated electrical equipment. The EV Statute also allows public utilities filing a TEP the option of recovering reasonable costs through a commission approved tariff rider, base rates, or both.

## NMPRC Rule 17.9.574 NMAC

Following a rulemaking process, the Commission established additional program requirements for IOUs and TEP applications in December 2022. Rule 17.9.574 requires all IOUs to file three-year TEP applications, provides filing dates and review timelines, and adds annual progress reporting requirements.

Specifically, the rule requires TEPs to address the following considerations:

- Strategies and measures for expanding transportation electrification among low-income customers and underserved communities[4], including but not limited to:
    - A percentage budgetary carveout for measures aimed at increasing EV awareness and adoption among low-income customers and underserved communities;
    - Outreach and marketing strategies and measures for expanding transportation electrification among low-income customers and in underserved communities; and
    - Strategies and measures for mass transit operations, ride-sharing programs and multifamily dwelling units in the utility's service area that serve low-income customers and underserved communities;
- Strategies and measures for expanding transportation electrification across multiple EV classes, including but not limited to personal and commercial light-duty, medium-duty, and heavy-duty EVs, and electric bicycles;
- Expected customer participation estimates and the methods used to derive such estimates;
- Strategies and measures for serving multiple market segments, including but not limited to commercial businesses, multifamily dwelling units, single family homes, and ride-sharing and public transit programs;

[4] The EV Statute defines "low-income customers" as customers with an "annual household adjusted gross income, as defined in the Income Tax Act [Chapter 7, Article 2 NMSA 1978], of equal to or less than two hundred percent of the federal poverty level" and defines "underserved communities" as "an area in this state, including a county, municipality or neighborhood, or subset of such area, where the median income of the area is low-income." NMSA 1978, Section 62-8-11(E).

- Strategies and measures for coordinating with State or federal EV infrastructure planning;
- Strategies and measures for coordinating with existing business locations that sell and dispense transportation fuel to the public; and
- Identification of key performance indicators for program success and how these indicators are utilized to further the success of the program.

## SPS's 2022-2024 TEP

SPS's first TEP was designed to enable access to the benefits of electric transportation by beginning to address barriers to EV adoption while remaining mindful of the cost impacts to SPS's customers. In designing the TEP programs, SPS considered the unique characteristics of its service territory, including the state of the EV market and targeted ways in which SPS could help address adoption barriers to best serve the charging needs of customers. Those barriers included: upfront costs of EV charging infrastructure; lack of information and awareness; and insufficient incentives to charge when energy costs are lowest.

To help address these barriers and capture these potential benefits, SPS proposed and received approval for three transportation electrification portfolios, containing eight new EV programs in total:

- **Residential Charging:** Customers receive performance incentives for charging off-peak and a rebate to assist with home charging and wiring costs, with an enhanced rebate available to low-income customers. SPS also provides a home charging service where it provides charging equipment that customers can pay for on their bill.
- **Public Fast Charging:** SPS supports site hosts and developers with charging infrastructure through a Public Charging EVSI program. SPS is also constructing its own publicly available DCFC stations.
- **Advisory Services:** SPS offers advisory services for residential customers, fleets, and communities. This portfolio supports EV adoption, participation in SPS's EV programs, vehicle charging to support the efficient operation of the grid, and the broader awareness of the benefits of EV adoption.

As described in further detail in SPS's TEP Annual Status Report, since the Commission's final approval of TEP programs in September 2021, SPS has implemented all eight TEP programs to help customers overcome barriers with charging at home, public charging, and EV awareness.

SPS has encountered both successes and challenges throughout the implementation of this inaugural TEP. While EV adoption in its service territory remains low, SPS believes the opportunity to support residential customers will continue to be critical to further New Mexico's transition to clean transportation, though SPS plans to streamline its residential program offerings. In parallel, SPS recognizes a gap still exists in public and commercial charging

infrastructure and the overall awareness of EVs. These lessons have informed the additions and modifications included in SPS's 2025-2027 TEP. For example, an enhanced managed charging strategy for residential customers, with a new active managed charging program, can facilitate the dissemination of real-time price signals to customers regarding charging at times that are best for SPS's grid. Expanded support for EVSI to all commercial customers, through either SPS ownership of EVSI or a rebate, responds directly to feedback received from SPS customers unable to meet current EVSI program requirements limiting the offering to public facing chargers. A new public charging rebate program for third-party developers will support the further build out of public fast charging. SPS further elaborates on these program modifications and new programs later in this TEP.

## New Mexico Electric Vehicle Market

SPS currently estimates that there are 405[5] light-duty EVs (battery electric vehicle and plug-in hybrid electric vehicles) along with an estimated 15 locations with public level 2 charging stations and 10 locations with DCFC available to the public in its service territory.[6] This is representative of a relatively new EV market that SPS has worked to help develop with the launch of its inaugural TEP. When SPS proposed its inaugural TEP, there were estimated to be far fewer EVs – roughly 100 at the end of 2019[7] – operating in its service territory.

SPS's current rate of EV adoption is much lower than statewide rates. Only 0.4% of households in SPS's New Mexico service territory are EV owners. This is in comparison to roughly 1.1% of households across the state of New Mexico.

SPS is not aware of any medium- or heavy-duty EVs in its service territory currently.

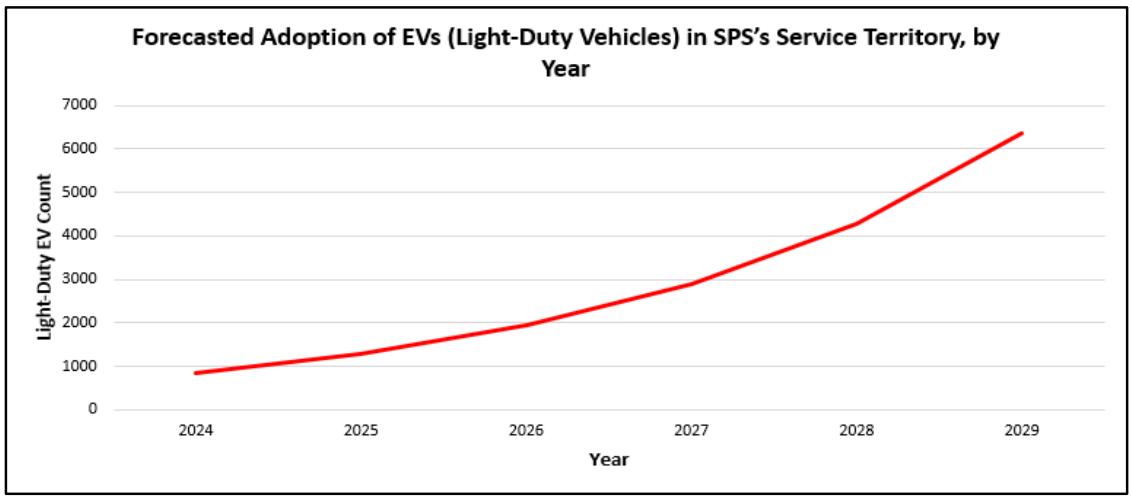
SPS's forecast for light-duty EV adoption in its service territory through 2029 is provided in the table and figure below.

**Table 1: Forecasted Adoption of EVs (Light-Duty Vehicles) in SPS's Service Territory, by Year**

| 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|
| 852 | 1,292 | 1,940 | 2,892 | 4,293 | 6,349 |

[5] I.H.S. Markit Data
[6] EValuateNM, Atlas Public Policy (October 2023).
[7] Case No. 20-00150-UT, Direct Testimony of Mathias C. Bell at p. 7:6-7, Xcel Energy estimate based on car registration data

**Figure 2: Forecasted Adoption of EVs (Light-Duty Vehicles) in SPS's Service Territory, by Year**




## Public Policy

In November 2023, New Mexico adopted the Advanced Clean Cars II ("ACC II"), Advanced Clean Trucks ("ACT"), and Heavy-Duty Engine and Vehicle Omnibus ("HDO") rules to increase availability and expand consumer choice of zero emission vehicles ("ZEVs") while also reducing emissions from the transportation sector. The ACC II and ACT rules establish requirements for vehicle manufacturers to increase the percentage of ZEVs to be made available in New Mexico beginning in 2026, with the percentage gradually increasing each year through 2031, while the HDO rule regulates the allowable nitrogen oxide and particulate matter emissions from heavy-duty diesel and gasoline powered trucks.[8] New Mexico Governor Michelle Grisham has also recently signed Executive Order 2023-138 directing state agencies to acquire ZEVs for all new fleet vehicle acquisitions, aiming for a full ZEV fleet transition by 2035.[9] In 2024, Governor Grisham also signed New Mexico's Clean Fuel Standard (House Bill 41) which directs the New Mexico Environment Department to draft rules for a Clean Fuels Standard; this policy aims to incentivize the production of low-carbon transportation fuels (such

[8] "Fact Sheet: Advanced Clean Cars II, Advanced Clean Trucks, and Heavy-Duty Omnibus". New Mexico Environment Department. Available at https://cloud.env.nm.gov/air/resources/_translator.php/NoP4Wd1EyorPC~sl~BWz~sl~H2+PXdCQEKefUZ7Ou8Vgq~sl~x2ZYzqa1zexRjUOtr97~sl~EtViq8FeLTyGF6VgLbKGFek~sl~iVEx5lSfjzjIGBA2~sl~lFKo+H8yUo3H0qYeqBAH+YzXvaH.pdf

[9] "Executive Order 2023-138". State of New Mexico. Available at, https://www.governor.state.nm.us/wp-content/uploads/2023/10/Executive-Order-2023-138.pdf

as electricity) by setting carbon intensity requirements and a credit generation framework for producers and importers of all transportation fuels.[10]

New Mexico has seen an influx of opportunity for federal investments through the Inflation Reduction Act ("IRA") and the Infrastructure Investment and Jobs Act ("IIJA") to support the state's clean energy transition efforts. The IRA provides rebates, tax credits, and discounts towards energy efficient appliances, energy efficiency improvement projects, and new and used EVs.[11] The IRA also aims to expand clean energy job opportunities by bringing an estimated investment of $15 billion to New Mexico between now and 2030 in large-scale clean power generation and storage, as well as supporting domestic manufacturing of clean energy and transportation technologies.[12] The IIJA provides funding for infrastructure investment in New Mexico by funding traditional infrastructure as well as clean energy and transportation infrastructure.[13]

Importantly, the IIJA created and funded the National EV Infrastructure ("NEVI") program, which has allotted NMDOT $38.3 million to distribute between 2022 and 2026 in support of expanding the National EV Charging Infrastructure network along Alternative Fuel Corridors ("AFCs"). New Mexico's AFCs include three primary interstates and parkways; specifically, I-40, I-25, and I-10.[14] During the first two years of the NEVI program, NMDOT will prioritize projects along the Interstate AFCs by deploying and installing NEVI-compliant chargers at least every 50 miles and within one mile of interstate exits. [15] To date, $11.9 million has been awarded to support projects along these AFCs.[16] In subsequent years (Year 3 and beyond) and after the primary AFCs are completely built out, NMDOT will work to identify community and corridor charging locations using public and stakeholder input. Input gathered so far indicates that New Mexicans would like charging stations within or near the SPS service territory along U.S. Routes

[10] "New Mexico becomes fourth state to enact Clean Fuel Standards as governor signs legislation". State of New Mexico. Available at, https://www.env.nm.gov/wp-content/uploads/2024/03/2024-03-05-COMMS-New-Mexico-becomes-fourth-state-to-enact-Clean-Fuel-Standards-as-governor-signs-legislation-Final.pdf
[11] "The Inflation Reduction Act Delivers Affordable Clean Energy for New Mexico". The White House. Available at, https://www.whitehouse.gov/wp-content/uploads/2022/08/New-Mexico.pdf
[12] "The Inflation Reduction Act Delivers Affordable Clean Energy for New Mexico". The White House. Available at, https://www.whitehouse.gov/wp-content/uploads/2022/08/New-Mexico.pdf
[13] "The Infrastructure Investment and Jobs Act will Deliver for New Mexico". The White House. Available at, https://www.whitehouse.gov/wp-content/uploads/2021/08/NEW-MEXICO_Infrastructure-Investment-and-Jobs-Act-State-Fact-Sheet.pdf
[14] "New Mexico EV Infrastructure Deployment Plan". Pg. 35. New Mexico DOT. Last updated August 1, 2023. Available at, https://www.dot.nm.gov/nevi/
[15] New Mexico EV Infrastructure Deployment Plan. Pg. 80. New Mexico DOT. Last updated August 1, 2023. Available at, https://www.dot.nm.gov/nevi/
[16] "NMDOT Announces First Round of Funding Awards for $11.9 Million from National Electric Vehicle Infrastructure (NEVI) Formula Funding". New Mexico DOT. Available at, https://www.dot.nm.gov/blog/2024/01/24/nmdot-announces-first-round-of-funding-awards-for-11-9-million-from-national-electric-vehicle-infrastructure-nevi-formula-funding/#:~:text=Santa%20Fe%2C%20NM%20%E2%80%93%20The%20New%20Mexico%20Department,Infrastructure%20network%20in%20the%20State%20of%20New%20Mexico.

285, 70, and 62 connecting the cities of Clovis, Roswell, Dexter, Hagerman, Artesia, Carlsbad, and Hobbs in addition to along AFCs connecting other highly populated areas outside of the SPS service territory. Figure 3 below is replicated from NMDOT's New Mexico EV Infrastructure Deployment Plan ("IDP").

**Figure 3: Communities and Corridors to be Considered for EV Charging in Year 3 and Beyond (NMDOT)** [17]


[17] "New Mexico EV Infrastructure Deployment Plan". Pg. 93, Figure 30: Communities and Corridors to be Considered for EV Charging in Year 3 and Beyond. New Mexico DOT. Last updated August 1, 2023. Available at, https://www.dot.nm.gov/nevi/

# Budget

Table 2 shows the budgets for the portfolios in the 2025-2027 TEP, including capital and operations and maintenance ("O&M") expenses. These budgets were determined using program data from implementation of existing programs both within SPS and other Xcel Energy service territories. Internal EV adoption and charging forecasts were used where appropriate to determine total addressable market and participant assumptions.

**Table 2: 2025 – 2027 TEP Budget**

| Portfolio | Spend | 2025 | 2026 | 2027 | Total |
|---|---|---|---|---|---|
| **Residential** | Capital | $ 90,000 | $ 100,000 | $ 170,000 | $ 360,000 |
| | O&M | $ 80,000 | $ 90,000 | $ 100,000 | $ 260,000 |
| | **Total** | **$ 170,000** | **$ 190,000** | **$ 270,000** | **$ 620,000** |
| **Commercial** | Capital | $ 2,870,000 | $7,260,000 | $ 8,570,000 | $ 18,700,000 |
| | O&M | $ 830,000 | $1,010,000 | $ 1,300,000 | $ 3,150,000 |
| | **Total** | **$ 3,700,000** | **$8,270,000** | **$ 9,870,000** | **$ 21,840,000** |
| **Advisory** | Capital | $ 100,000 | $ 100,000 | $ 100,000 | $ 300,000 |
| | O&M | $ 90,000 | $ 50,000 | $ 50,000 | $ 200,000 |
| | **Total** | **$ 190,000** | **$ 150,000** | **$ 150,000** | **$ 500,000** |
| **Evaluation** | O&M | $ 50,000 | $ 50,000 | $ 50,000 | $ 150,000 |
| | **Total** | **$ 50,000** | **$ 50,000** | **$ 50,000** | **$ 150,000** |
| **Totals** | **Capital** | **$ 3,060,000** | **$7,460,000** | **$ 8,840,000** | **$ 19,360,000** |
| | **O&M** | **$ 1,050,000** | **$1,200,000** | **$ 1,510,000** | **$ 3,760,000** |
| | **Total** | **$ 4,110,000** | **$8,660,000** | **$ 10,350,000** | **$ 23,110,000** |

In considering the TEP budget, it is important to understand that the budgets reflect up estimates for each portfolio designed to ensure that SPS has sufficient budgets necessary to meet a range of forecasted demand for program support during this TEP. SPS will only recover TEP costs actually incurred. Additionally, as programs are implemented in 2025 and beyond, SPS will seek to balance the desire to launch new TEP programs and program changes quickly to support the market with the need to ensure a high-quality customer experience.

# Portfolio Updates

## Residential

As part of the approved 2022-2024 TEP, SPS launched several EV offerings designed to help residential customers overcome the cost barriers and complexities in adopting EVs and ensure that vehicle charging is managed for the efficient operation of the grid. These offerings include:

- Home Charging Service, marketed to customers as EV Accelerate At Home ("EVAAH");
- EV Charger and Wiring Rebate; and
- EV Optimization, marketed to customers as Optimize Your Charge (a passive control managed charging program)

With the 2025-2027 TEP, SPS proposes to continue the existing Residential programs, with the exception of EVAAH, with the continued goal of supporting EV adoption by addressing the equipment selection, upfront costs, and charger installation barriers:

- SPS plans to sunset the current EVAAH program, due to several challenges with program implementation discussed further below.
- SPS proposes updating the EV Charger and Wiring Rebate amount, eligibility criteria, program requirements, and administration.
- SPS proposes expanding the managed charging offerings, to incentivize off-peak charging and set the foundation to utilize EVs as a supporting component to manage the distribution grid.

In the table below, SPS provides an overview of the new offerings and enhancements to existing programs included in this TEP.

**Table 3: Proposed Changes to Residential Portfolio**

| Program | Current State | Proposed Changes |
|---|---|---|
| **EVAAH** | Charger rental for residential customers | Close program to new enrollments. |
| **EV Charger and Wiring Rebate** | Rebate for charger and home wiring | Update standard rebate amount; Expand eligibility for the enhanced rebate to customers in underserved communities; Pay incentives through rebate, bill credit, or Automated Clearing House ("ACH") transfer; Expand options to meet managed charging requirement; Increase maximum charger capacity. |
| **Optimize Your Charge** | Passive Managed Charging Program; $50 annual incentive | Update charging window and minimum charging requirements |
| **Charging Perks** | Not currently offered | Offer as new active managed charging program with $50 sign-up incentive; $50 annual incentive |

SPS proposes the following budget to support the Residential Portfolio:

**Table 4: Residential Portfolio Budget**

| Portfolio | Program | Spend Type | Category | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|---|---|---|
| Residential | EV Charger and Home Wiring Rebate | **Capital** | | **$67,000** | **$101,000** | **$173,000** | **$341,000** |
| | | | Rebates | $45,000 | $79,000 | $151,000 | $275,000 |
| | | | Rebate Management | $21,000 | $22,000 | $23,000 | $66,000 |
| | | **O&M** | | **$13,000** | **$14,000** | **$14,000** | **$41,000** |
| | | | Program Administration | $13,000 | $14,000 | $14,000 | $41,000 |
| | | **Total** | | **$80,000** | **$115,000** | **$188,000** | **$382,000** |
| | Optimization | **O&M** | | **$66,000** | **$72,000** | **$83,000** | **$220,000** |
| | | | Customer Incentives | $6,000 | $7,000 | $11,000 | $24,000 |
| | | | Program Administration | $59,000 | $65,000 | $73,000 | $197,000 |
| | | **Total** | | **$66,000** | **$72,000** | **$83,000** | **$220,000** |
| | IT | **Capital** | | **$20,000** | **$0** | **$0** | **$20,000** |
| | Total | **Capital** | | **$87,000** | **$101,000** | **$173,000** | **$361,000** |
| | | **O&M** | | **$79,000** | **$85,000** | **$98,000** | **$261,000** |
| | | **Total** | | **$165,000** | **$186,000** | **$271,000** | **$623,000** |

In the table above, the IT budget includes IT costs related to supporting changes to existing residential programs and the introduction of Charging Perks. For example, this would include creating a new enrollment process for customers to enroll in Charging Perks.

Table 5 below shows the forecasted participation across all residential offerings.

**Table 5: Participation Estimates (Incremental)**

| Participant Estimate | | | | |
|---|---|---|---|---|
| **Category** | **2025** | **2026** | **2027** | **2025-2027** |
| EV Charger and Wiring Rebate | 32 | 59 | 111 | 203 |
| Standard Rebate | 27 | 53 | 98 | 178 |
| Enhanced Rebate | 5 | 7 | 13 | 25 |
| Total Optimization | 52 | 78 | 116 | 245 |
| Optimize Your Charge | 39 | 58 | 87 | 184 |
| Charging Perks | 13 | 19 | 29 | 61 |

## EV Accelerate At Home

**Program Description**

SPS launched EVAAH aiming to assist residential customers in overcoming the initial cost and informational barriers to easily access Level 2 (“L2”) home charging. Access to home charging

continues to be a major barrier to greater light-duty EV adoption across all demographic groups.[18]

Under EVAAH, SPS owns and maintains L2 chargers, with participants paying a monthly rental charge on their existing energy bill that covers the cost of the charger, installation, and maintenance over a ten-year period. To participate, customers are required to enroll in either SPS's managed charging program, OYC, or the SPS Residential General Service Rate No. 1 ("SPS TOU Rate").

As of February 2024, SPS has two customers enrolled in EVAAH. Program participation is lower than initially forecasted within the inaugural TEP, as EV adoption rates remain low in SPS's territory when compared to New Mexico as a whole.

SPS contracts with third party electricians to support its EVAAH program. The electricians initially retained to support this program have recently declined to continue to support charger installations for EVAAH. Despite issuing multiple competitive solicitations, SPS has been unsuccessful in retaining local electricians to support continued operation of this program.

**Modifications from First TEP**

SPS proposes to close the EVAAH program to new enrollments. Without local electricians, non-local options materially increase costs for the program, which SPS anticipates would lead to major challenges enrolling additional customers in the program.

## EV Charger and Wiring Rebate

**Program Description**

Home wiring costs can be an unexpected cost for prospective EV buyers and in some instances can be substantial. The EV Charger and Wiring Rebate is designed to help alleviate this cost barrier by offsetting all or a portion of the installation and/or EV charger cost.

Eligible customers can use the rebate to offset the cost of the L2 home charger, the wiring costs associated with installing the charger, or both.

As approved within the inaugural TEP, SPS currently offers a standard $500 rebate available to all eligible residential customers and an enhanced rebate of $2,500 available to SPS low-income customers, as defined in the EV Statute. In assessing current wiring and installation costs, SPS found these rebate amounts still adequately address home wiring costs. As discussed more below, SPS is proposing to update the standard rebate amount to cover some charger costs as well, given the decision to close EV Accelerate at Home to new customers.

[18]"Across Racial Demographics, Interest in Purchasing Electric Vehicles is Considerable, but Systemic Barriers Persist." Consumer Reports. Available at, https://advocacy.consumerreports.org/press_release/across-racial-demographics-interest-in-purchasing-electric-vehicles-is-considerable-but-systemic-barriers-persist/

As of February 2024, SPS has administered eight standard EV Charger and Wiring rebates and has yet to administer any enhanced rebates for low-income customers. One customer is currently going through the rebate administration process for the low-income rebate.

**Modifications from First TEP**

SPS proposes the following modifications to the EV Charger and Wiring Rebate:

1) Update the standard rebate amount;
2) Expand eligibility for the enhanced rebate to residential customers living in underserved communities;
3) Allow self-certification of eligibility for the enhanced rebate;
4) Expand options for customer incentives to be delivered through bill credits or ACH transfer, in addition to rebate checks and instant rebates;
5) Expand options to meet managed charging requirements; and
6) Update criteria for eligible chargers.

Information on each of these changes is outlined below.

**1) Update the standard rebate amount**

Under the inaugural TEP, the $500 standard EV Charger and Home Wiring Rebate is available to customers installing home wiring. This rebate amount was designed to address home wiring costs and could also be applied to the cost of an EV charger. As SPS plans to discontinue EVAAH, SPS sees a need to continue supporting customers who are planning to purchase and install a charger and home wiring. As such, SPS proposes to increase the standard rebate amount to $1,200 to cover a larger portion of the home wiring and charger costs.

**2) Expand eligibility to underserved communities**

Currently, the enhanced EV Charger and Home Wiring Rebate is available to low-income customers, defined by the EV Statute as those households with an annual income of 200 percent or less of the Federal Poverty Level. To further support EV adoption, help address the associated upfront costs, and in line with EV Statute and Rule[19], SPS proposes broadening eligibility of the enhanced rebate to include both 1) low-income customers, and 2) residential customers living in underserved communities.

SPS proposes to define underserved communities as a census tract which falls in the 80$^{th}$ percentile or higher for low-income residents, as found within the Council on Environmental Inequality's Climate and Economic Justice Screening Tool[20] (part of the Justice40 Initiative).

[19] 17.9.574.11 NMAC; NMSA 1978 Section 62-8-12(E)
[20] "Climate and Economic Justice Screening Tool". U.S. Council on Environmental Quality. Available at, https://screeningtool.geoplatform.gov/en/#13.63/44.97069/-93.26578

This is consistent with prior approval by the Commission for defining underserved communities and creates a streamlined process for identifying such communities.[21]

As can be seen in Table 6 below, SPS estimates that by broadening eligibility for the enhanced rebate to both low-income and residents within underserved communities, the total number of eligible residential customers increases from 34 percent to 48 percent of total residential SPS customers.

**Table 6: Enhanced Rebate Eligibility Analysis**

| Equity Analysis for SPS NM | | |
|---|---|---|
| | # | % |
| Residential Premises in SPS NM Territory | 96,000 | 100% |
| # of Premises Considered Low-Income | 33,000 | 34% |
| # of Premises Located in Underserved Community | 29,000 | 30% |
| # of Premises Considered Low Income, but not in Underserved Community | 17,000 | 18% |
| Total Eligible for Enhanced Rebate (Low Income and Underserved) | 46,000 | 48% |

Low-income customers who receive the enhanced rebate are allowed to unenroll from the managed charging program at any time. SPS does not propose any change to this requirement currently.

**3) Allow self-certification for the enhanced rebate**

Under the inaugural TEP, customers applying for the enhanced rebate are verified as eligible through Xcel Energy's third-party verification partner. To simplify the application and verification process, and in line with NMPRC Rule 17.9.574.11, customers will be able to self-certify their eligibility for the enhanced rebate. For customers who are unwilling or unable to self-certify, SPS's verification partner will continue to be available to work with those customers to verify eligibility for the enhanced rebate.

**4) Expand options for delivery of customer incentives**

Currently, EV Home Charger and Wiring Rebate recipients receive the rebate as a rebate check sent to the customer after the installation is complete.[22]

To create a simpler customer experience and a more streamlined administration process, SPS plans to expand the options for customers to receive the rebate, allowing customers to choose

[21] In Case No. 20-00237-UT involving PNM's 2022-2023 Transportation Electrification Plan, the Commission approved PNM's proposal to define underserved communities as a geographic unit which ranks in the 80th to 90th national percentile or higher for low-income residents, using the online tool EJScreen.
[22] Additionally, participants in EVAAH may receive the rebate through an instant reduction in their installation cost from their electrician, if they enroll in EVAAH and have their EVAAH electrician install the home wiring.

among 1) a bill credit, 2) ACH transfer, or 3) rebate check. By offering several options, customers can choose the method which best fits their needs.

5) **Expand options to meet managed charging requirement**

Currently, EV Home Charger and Wiring Rebate recipients can enroll in Optimize Your Charge or be on the SPS TOU Rate to meet managed charging requirements. As SPS proposes to deploy Charging Perks, a new active managed charging program, SPS proposes allowing rebate recipients to also meet the managed charging requirement through enrollment in Charging Perks.

6) **Update criteria for eligible chargers**

SPS proposes increasing the eligible charger capacity from the current 50 amps to 100 amps, to support the larger capacity chargers recently introduced in the market.

## EV Optimization/Managed Charging

**Program Description**

As EV adoption continues to grow, EVs can play either a key supporting role or present a challenge to the efficient management of the electric grid. Unmanaged, EV charging can impose additional stress on the grid at times when demand is high. However, when charging is thoughtfully managed, the potential negative consequences of EV charging can not only be avoided, but the vehicles can be turned into grid assets.

SPS currently offers two options for customers to manage their EV charging: the OYC program and the SPS TOU Rate. Both options are considered passive managed charging, as they rely on customers to change behavior to align with the preferred charging schedule. Managed charging can generally be categorized into two methods: passive control and active control, as outlined below:

- **Passive control** relies on customer behavior to impact charging patterns. While simpler in design and implementation than active control options, passive control's simple structure can limit its effectiveness as a tool to help manage the grid. TOU rates and passive charging program windows are typically updated in rate cases or TEPs and can go several years between changes to the windows, incentives, and rates, meaning passive options cannot quickly respond to daily or seasonal changes to the grid. While passive control is effective at encouraging charging during off-peak hours, active control options can provide more value to the grid due to their higher level of flexibility.
- **Active control** relies on communication signals sent to the vehicle or charger from the utility or managed charging vendor to control charging. The communication signals used in managed charging can remotely adjust the time of charge, enabling both load curtailment and load increase without any immediate participant behavior change. Active control options offer more flexibility, allowing utilities to send participating vehicles hourly charging signals based on forecasted, near-term generation and/or grid conditions.

As EV adoption increases, we will witness an increase in incremental energy and capacity demand over the coming years. Active managed charging programs will play a key role in creating and operating a flexible, resilient grid.

As of February 2024, 16 customers have enrolled in OYC.

**Modifications from First TEP**

SPS proposes to expand and improve the managed charging options by complementing the Optimize Your Charge program with a newly offered active managed charging program. Customers will now have the following managed charging programs to choose from:

- **Optimize Your Charge (passive control)**: Customers receive an annual bill credit for adhering to a set charging schedule. To streamline and simplify the customer experience and increase the program's value to the grid, SPS will:
  - Set a new, single charging window applicable to all participants.
  - Increase the minimum charging threshold from 25 percent to 50 percent.
  - Continue to offer a $50 annual incentive for meeting minimum charging threshold.
- **Charging Perks (active control)**: A new program option in which SPS and partners send charging signals to participants remotely controlling when vehicles start and stop charging, with the goal of assisting the grid to operate more efficiently and helping reduce renewable energy curtailments.
  - $50 sign-up incentive and $50 annual incentive
  - Hourly charging signals align charging with off-peak periods and renewable energy curtailment.

Table 7 below summarizes these program options.

**Table 7: Overview of Managed Charging Programs**

| Option | Type | Description | Benefits | Challenges |
|---|---|---|---|---|
| **Optimize Your Charge** | Passive | Customer receives annual bill credit for successfully charging during off-peak window. | Easy to understand and administer. Effective at driving off-peak charging. | No ability to respond to current grid conditions. |
| **Charging Perks** | Active | Customer receives annual bill credit for allowing SPS to remotely manage charging times to align with times most beneficial to the grid. | Can more rapidly respond to changing grid conditions and renewable generation. | More complex; Requires sophisticated software management tools. |

Information on both programs is below.

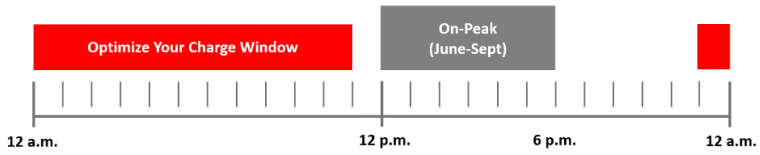
*Optimize Your Charge*

Optimize Your Charge encourages participants to charge during one of the three designated off-peak charging windows, outlined in Table 8 below. Table 8 also illustrates the updated off-peak charging window as proposed in this TEP.

**Table 8: Passive Charging Windows**

**Current OYC Window Options**


**New Proposed OYC Window**




By moving to a single charging window applicable to all participants, SPS can offer a simpler customer experience while reducing administrative burden. In addition, by lengthening the charging window to 12 hours each day and moving all customers to this single window, SPS can better align the customer charging with hours of lower energy costs and high renewable generation without negatively affecting customer charging needs.

To further drive charging during off-peak hours, participants will be required to charge during the window at least 50 percent of the time, an increase from the current 25 percent requirement. Increasing the minimum charging requirement to 50 percent ensures that customers are aligning charging with optimal grid conditions. And with the elongated 12-hour window, participants still have ample opportunity to meet both this increased minimum requirement and their own charging needs.

*Charging Perks*

SPS also proposes to introduce Charging Perks, a new active managed charging program, already piloted by SPS's sibling company, Public Service of Colorado ("PSCo"). Program participants are provided a $50 sign-up incentive and an additional annual participation incentive of $50.

Charging Perks provides dynamic charging signals (the "EV Proxy Price Signal") to indicate the optimal time to charge on an hourly basis. The EV Proxy Price Signal leverages daily energy forecasts that predict peak hours and when curtailment of renewable energy is most likely. Charging Perks' implementing partners, which currently includes vendor Weavegrid (supporting Tesla and Toyota/Lexus) and automotive Original Equipment Manufacturers ("OEMs") (Ford, GM, and BMW), take the hourly charging signals and optimize each driver's charging schedule to those signals, first taking into account each participant's individual charging requirements (for example, fully charged by 5AM), then pricing, and then the amount of renewable energy on the system.

Through the Colorado pilot, PSCo found that active managed charging is successful at shifting EV charging load to reduce peak demand, helping reduce curtailment of excess renewable energy, and potentially supporting management of the distribution grid.

By introducing Charging Perks, SPS can provide additional customer choice and further drive charging at the optimal times, aligning charging with off-peak windows and renewable energy in a flexible manner, that meet EV driver needs.

**Process and Policy**

*Eligibility*

For both managed charging programs (with some distinctions unique to each), customers must meet the basic eligibility requirements outlined below. Upon enrollment in Optimize Your Charge or Charging Perks, customers will execute a Customer Service Agreement. The agreement will further outline eligibility and terms and conditions that a participant must adhere to throughout their participation. These include requiring the participant to:

- Own or lease an EV;
- Have an active residential electric service account with SPS;
- Own or rent a single-family home, defined as a detached single-family home, townhome, row house, or duplex (note: the building owner must provide written consent for renters to participate);
- Enroll an eligible EV or charging equipment;
- For Charging Perks, the participant must have an eligible L2 charger or L2 charger with eligible vehicle installed at the participating premise.

## Commercial

Under the 2022-2024 TEP, SPS focused its efforts on increasing access to public charging across its New Mexico service territory through the installation of SPS-owned fast charging while also providing make-ready support through the construction of EVSI to customers installing their own public charging stations.

The 2025-2027 TEP aims to expand support for public charging buildout in southeastern New Mexico through funding of commercial EVSI, public fast charging, and distribution investments:

- SPS proposes support for commercial charging across all market segments through full-service make-ready and rebates for EVSI.
- SPS proposes rebates for public fast charging stations. SPS is not proposing to build and operate any additional public fast charging stations at this time but will operate and maintain the stations that were approved under the inaugural TEP.
- SPS proposes distribution investments which are intended to provide support for public and commercial charging. These investments include line extension costs for charging installations as well as proactive feeder upgrades aimed at travel corridors to help prepare the distribution system for the build out of high-speed charging.

The commercial portfolio outlined here is meant to expand charging access across a variety of non-residential use cases while also reducing cost barriers to fleet and public fast charging. The three programs outlined here are meant to work in concert to enable the construction of third-party charging in an efficient and affordable manner.

**Table 9: Commercial Portfolio Budget**

| Portfolio | Program | Spend Type | Category | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|---|---|---|
| Commercial | Commercial - EVSI | **Capital** | | **$1,819,000** | **$2,509,000** | **$3,397,000** | **$7,725,000** |
| | | | EVSI | $1,471,000 | $1,536,000 | $2,347,000 | $5,354,000 |
| | | | Rebates | $348,000 | $973,000 | $1,051,000 | $2,371,000 |
| | | **O&M Expenses** | | **$371,000** | **$622,000** | **$916,000** | **$1,910,000** |
| | | | Infrastructure Maintenance | $74,000 | $150,000 | $268,000 | $492,000 |
| | | | Program Administration | $298,000 | $472,000 | $648,000 | $1,418,000 |
| | | **Total** | | **$2,190,000** | **$3,131,000** | **$4,313,000** | **$9,634,000** |
| | Commercial - Public DCFC Rebates | **Capital** | | **$540,000** | **$807,000** | **$898,000** | **$2,245,000** |
| | | | Rebates | $540,000 | $807,000 | $898,000 | $2,245,000 |
| | | **O&M Expenses** | | **$456,000** | **$272,000** | **$268,000** | **$996,000** |
| | | | Infrastructure Maintenance | $200,000 | $200,000 | $200,000 | $600,000 |
| | | | Program Administration | $256,000 | $72,000 | $68,000 | $396,000 |
| | | **Total** | | **$997,000** | **$1,079,000** | **$1,166,000** | **$3,242,000** |
| | Commercial - Distribution | **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 |
| | | | Distribution - Feeders | $ - | $2,880,000 | $2,880,000 | $5,760,000 |
| | | **O&M Expenses** | | $ - | $120,000 | $120,000 | $120,000 |
| | | | Distribution - Feeders | **$ -** | **$120,000** | **$120,000** | **$240,000** |
| | | **Total** | | **$512,000** | **$4,060,000** | **$4,393,000** | **$8,966,000** |
| | Commercial - Total | **Capital** | | **$2,871,000** | **$7,257,000** | **$8,567,000** | **$18,695,000** |
| | | **O&M Expenses** | | **$828,000** | **$1,014,000** | **$1,304,000** | **$3,146,000** |
| | | **Total** | | **$3,699,000** | **$8,271,000** | **$9,872,000** | **$21,841,000** |

## Commercial EVSI

**Program Description**

The current commercial EVSI program, approved in the inaugural TEP as the EV Supply Infrastructure Service, reduces the cost and administrative burden of installing EV charging at a commercial premise by providing financial, design, construction, and ongoing maintenance support for all equipment between a customer's meter and the charging equipment. This includes service panels, conduit and wiring from the service connection to the charger hub, as well as any necessary civil design work. SPS leads design and construction of EVSI through a third-party contractor at no cost to the customer. The customer procures, operates, and maintains the charging stations at their site while SPS retains ownership of the EVSI.

As approved within the inaugural TEP, SPS currently offers EVSI support for public charging applications only. As of February 2024, this program has four sites installing a total of eight charging ports.

**Modifications from First TEP**

SPS proposes the following modifications to the current EVSI program:

1) Expand EVSI to be available to all Commercial customers;
2) Remove the requirement that stations be equipped with a credit card reader; and
3) Offer a Rebate Option

Information on each of these changes is outlined below.

1) **Expand EVSI to be available to all Commercial customers**

The initial TEP's program was designed to serve exclusively publicly available charging in SPS's service territory. All charging stations that received support through this program were required to be available to the public 24/7. SPS is proposing to expand EVSI support to all commercial customers seeking to install EV charging.

2) **Remove the requirement that stations be equipped with a credit card reader**

Under the current program, all charging stations that receive support are required to be equipped with a credit card reader. SPS is proposing to remove this requirement.

3) **Offer a rebate option**

This plan is also expanding beyond SPS-built and owned EVSI to provide rebates for customers unable to, or who choose not to, participate in SPS's traditional EVSI program. This will include enabling primary and transmission general customers to receive financial support for EV charging installations without the requirement to install a new line of service or have SPS-owned and maintained equipment on their premise.

With the addition of the rebate option, as described above, SPS is proposing to provide EVSI support through both fully funded design and construction of EVSI as well as rebates meant to cover much of the cost of EVSI work. Both options in this modified program are described separately below.

**SPS-Owned Option:** The full-service offering involves SPS design and construction of EVSI through a third-party contractor at no cost to the customer, as is offered under the current program. The customer will procure, operate, and maintain the charging stations at their site while SPS will retain ownership of the EVSI and be responsible for operation and maintenance of that equipment. Any customer taking the full-service option will be required to install the charging stations on a new line of service from SPS to provide visibility to charging data and better enable the potential for future managed charging.

**EVSI Rebate Option:** In addition to a full-service EVSI option, SPS is proposing to offer rebates for EVSI. This will expand the offering and provide an option to customers who may be unable to install a new line of service, whether because of space or building code considerations or if they are a primary or transmission general customer, along with customers who would prefer to use their own contractors and manage their own equipment. EVSI rebates will be administered as a flat amount based on the type of project. Project types were determined based on estimated cost which vary due to the equipment, design, and civil work necessary to install EVSI. Table 10 below shows the rebate tiers broken out by project type and rebate amounts associated with each project type.

**Table 10: Commercial EVSI Rebate Tiers**

| Project Type | Rebate Amount |
|---|---|
| L2 - New Construction | $ 1,500.00 |
| L2 - No New Line of Service | $ 6,000.00 |
| L2 - New Line of Service | $ 12,000.00 |
| DCFC | $ 39,000.00 |

Table 11 below shows the forecasted participants and installed charging ports across all commercial end uses. Actual participation numbers are likely to vary from these forecasts.

**Table 11: Forecasted Participation for Commercial EVSI Program**

| Program Participants | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|
| EVSI Sites | 5 | 5 | 9 | 19 |
| EVSI Ports | 20 | 21 | 55 | 96 |
| Rebated Sites | 6 | 17 | 19 | 42 |
| Rebated Ports | 40 | 96 | 107 | 243 |
| **Total Sites** | **11** | **22** | **28** | **61** |
| **Total Ports** | **60** | **117** | **162** | **339** |

The expansion of the EVSI programs through the removal of public charging requirements and the inclusion of rebates is meant to meet customer demand across commercial charging types. Through implementation of the current program, SPS has engaged with several commercial customers interested in installing charging stations with the assistance of the EVSI program who ultimately chose not to move forward due to their inability or unwillingness to comply with current program requirements (such as the requirement to make the EV charging public facing and publicly available 24/7). By removing these requirements while simultaneously offering rebates, SPS hopes to serve charging development across use cases and business types including but not limited to public, commercial fleet and workplace charging as well as charging at multifamily buildings. EVSI support will be made available to all commercial customers that plan to install two or more charging ports at their facility. This expansion will also allow SPS to aid in the development of charging for ride sharing, public transit and medium and heavy-duty fleet vehicles.

**Process and Policy**

*Eligibility*

See below for a list of program eligibility requirements:

- Participant must have an active commercial electric service account through SPS.
- Premise on which EV charging is installed must be owned by participant or have written consent from site owner.
- Participant must install at least two EV charging ports and provide proof of install upon project completion.
- Participants taking SPS-owned EVSI service must install charging on a new line of service.

While the program will be made available to additional end uses, supporting public charging, specifically public fast charging, will remain a focus of the EVSI program. Given the rural nature of SPS's service territory and the dearth of current charging availability, public fast charging is critical to enabling EV travel throughout the service territory and alleviating range anxiety. The program has been budgeted and designed with a focus on providing support to public fast charging. Marketing efforts will include a focus on fueling stations and other commercial facilities along travel corridors, and all other commercial customers looking to electrify within the service territory. The program will aim to complement state and federal funding sources where applicable.

## Public Fast Charging Rebate

### Program Description

Given the lack of public fast charging within SPS's service territory and the role charging access plays in vehicle purchasing decisions, the need for public charging is significant and requires investment from a multitude of sources.[23]

In the inaugural TEP, SPS was approved to construct and own a limited number of public fast charging stations throughout its service territory with the goal of increasing public charging access. SPS's owned fast charging sites are expected to be operational by the end of 2024 and will continue to be operated through the remainder of this plan.

Beyond these critical investments, SPS sees a need to continue to support the buildout of public fast charging in its New Mexico service territory.

### Modifications from first TEP

To further drive down costs for public fast charging installations SPS is proposing a rebate offering to support the cost of public DCFC chargers built within its service territory. Rebates will be administered per port as flat dollar amounts based on the charging output of the equipment installed. Table 12 below shows the wattage ranges and rebate amounts that will be made available to customers installing public charging.

**Table 12: Public Charging Rebate Amounts, Per Port**

| Port Output | Rebate |
|---|---|
| 150 - 249kW | $ 45,000.00 |
| 250 - 349kW | $ 85,000.00 |
| 350+ kW | $ 105,000.00 |

See Table 13 below for the forecasted program participants, installed charging ports and installed charging capacity.

**Table 13: Forecasted Participation for Public Charging Rebate Program**

| Program Participants | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|
| Sites | 2 | 2 | 2 | 6 |
| Ports | 8 | 10 | 9 | 27 |

[23] "More Americans Would Buy an Electric Vehicle, and Some Consumers Would Use Low-Carbon Fuels, Survey Shows". Consumer Reports. July 7, 2022. Available at, https://www.consumerreports.org/cars/hybrids-evs/interest-in-electric-vehicles-and-low-carbon-fuels-survey-a8457332578/

The program budget also includes funding to continue operation of SPS's owned DCFC stations. While SPS will continue operating these stations, it is not proposing to build any additional owned and operated stations through this TEP. At this time, SPS believes the transition to a rebate structure for the 2025-2027 TEP to support third party developers will be an effective approach to increase public charging access throughout SPS's service territory.

**Process and Policy**

Rebates will be made available to all public charging developers and site hosts interested in ownership and operation of public DCFC. Charging ports must have a minimum output of 150kW and be made available to the public to receive the rebate. Other than these requirements, charging developers and site hosts taking these rebates will be allowed to build and operate their charging stations according to their design preferences, subject to any local, state, or federal requirements. Customer rebate applications will be scored based on their ability to meet rural or underserved communities' charging needs, project readiness and grid impact among other factors. Rebate applicants will receive pre-approval of rebates which will be paid out upon completion of the project.

This program is meant to complement and expand upon existing public charging funding efforts to further drive down costs and increase the financial viability of operating public fast charging within SPS's service territory. Customers will have the option to stack SPS rebates with state and federal incentives to further drive down costs while also expanding the reach of those funds. Customers can also take advantage of SPS's complementary Commercial EVSI support. SPS will coordinate marketing efforts with its Commercial EVSI program, distribution investments and federal funding opportunities where applicable to maximize the program's impact and expand public charging access as quickly and cost-effectively as possible.

## Distribution Investment

**Program Description**

SPS plans to invest in its distribution system over the course of this TEP to support state transportation electrification goals and enable SPS's proposed programs. SPS's distribution investment will include both project level investments and broader system-level investments. Project level investments include line extensions to commercial customers involved in our EVSI programs. Broader system-level investments are included to assess and address proactive feeder upgrades and voltage conversions that will prepare the distribution system for increased charging development.

Given the high-speed charging this plan aims to support in SPS's New Mexico service territory, SPS must continue to assess forecasted capacity constraints on its distribution system and address them as they begin to constrain our ability to support EV charging. To do so, SPS has

identified travel corridors within its service territory that are eligible for state and federal public fast charging funds and plans to proactively upgrade feeders serving fueling stations and other relevant commercial facilities along those routes as they begin to become constrained. Feeder upgrades will prepare the distribution system for fast charging stations that SPS's customers plan to construct and support all potential EV adoption by providing additional capacity to the area. Figure 4 shows the AFCs in the state's NEVI plan that will be eligible for federal public charging funds while Figure 5 shows how these highways overlap with SPS' service territory. These highways will be the focus of SPS's feeder analysis.

**Figure 4: Alternative Fuel Corridors (AFC) Eligible for Federal Funding**

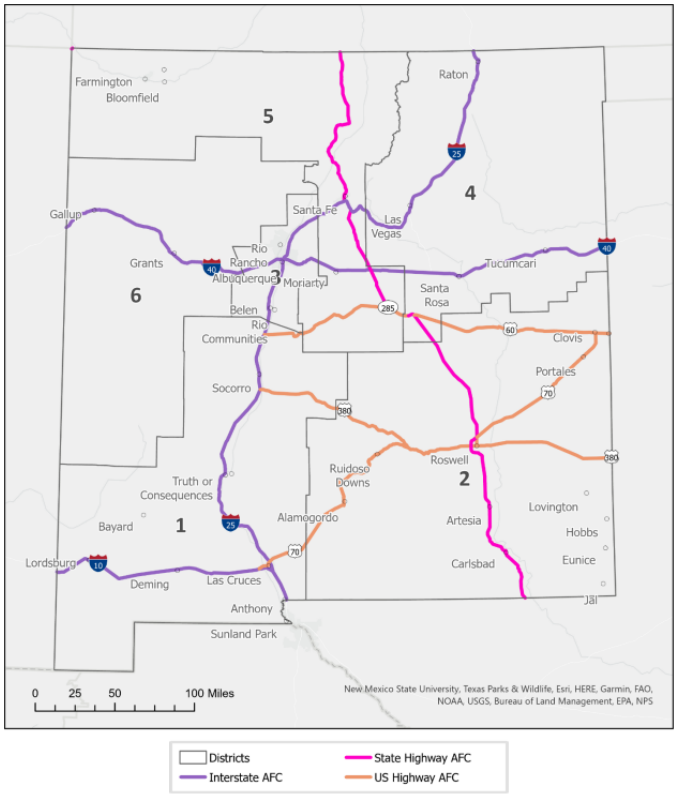
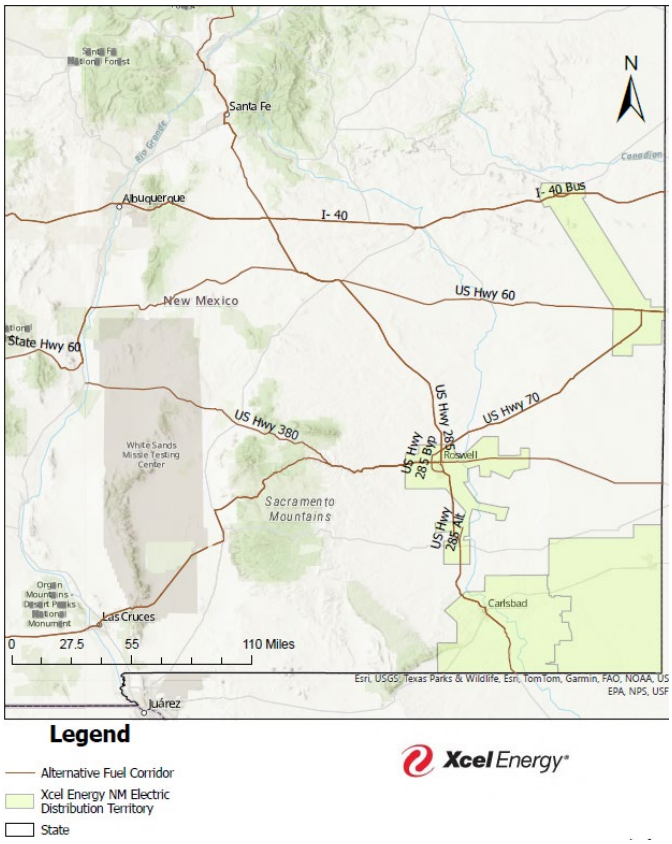


**Figure 5: Federal Highways Overlaid with SPS Service Territory**




**Modifications from first TEP**

SPS's initial TEP did not include investments for system upgrades aimed at supporting EV charging or existing programs. Given increasing costs and material acquisition lead times along with the expanded scope of this proposal, it is necessary for SPS to include distribution investments to support the commercial charging installations within this TEP.

**Process and Policy**

As stated earlier, the Commercial EVSI program will expand eligibility to all commercial customers but with a continued focus on fast charging. For fast charging installations to occur at the scale outlined in this plan over the next three years and beyond, SPS needs to ensure that the distribution system is prepared for customers that are ready to install fast charging at their facilities. This proposal works to address potential constraints by including an estimate for line extension costs necessary to interconnect the projects forecasted for these programs. No changes to the line extension process or policies are being proposed. Customers will continue to receive a construction allowance based on the estimated Company revenues generated by the charging equipment and be responsible for any costs that this allowance does not cover. Through this

proposal, SPS is requesting to recover the costs associated with EV specific line extensions through the EV Infrastructure Rider to ensure that funding is readily available for customer projects moving forward through SPS's programs.

Capacity constraints are a significant impediment to fast charging implementation as they can cause delays and cost increases to prospective fast charging projects. This problem will need to be addressed proactively to enable installations at the rate outlined in this plan and envisioned by the state. Given the rural nature of SPS's service territory and the current lack of public fast charging availability that is necessary to navigate areas such as this, SPS chose to focus on enabling highway fast charging through feeder upgrades.

SPS will analyze feeders that serve facilities along the highways outlined in Figure 5 and identify those that are at risk of being overloaded by public fast charging installations. SPS anticipates the need for 6-9 projects during this 2025-2027 TEP ranging from $0.5 million - $1 million per project across the population centers that SPS serves. The cost to upgrade feeders was estimated based on current loading, estimated capacity headroom needed to accommodate a typical fast charging station, the location of relevant facilities, such as fueling stations or retailers, served on each feeder, and the projected impact additional fast charging will have on the system. Program marketing efforts of the EVSI and the DCFC Rebate programs outlined earlier will be aligned with this distribution effort to ensure public charging entities can leverage the capacity, making public fast charging available to those in the region and traveling through.

# Advisory

Through Advisory Services, SPS addresses one of the central obstacles to EV adoption for both personal and commercial vehicles: access to clear and trusted information on EVs, their charging needs, and their broader economic and societal benefits. SPS's Advisory Services portfolio improves the customer experience, provides a clear and simple path to electric transportation planning and adoption, and delivers critical and timely data to enable our customers to make informed decisions about clean transportation. Our tailored support services and tools help enable our residential and commercial customers, and the communities SPS serves, to effectively transition to electrified transportation. By providing more resources to increase familiarity with EVs and connect customers with relevant EV programs throughout their electrification journey, the Advisory Services portfolio enhances the overall experience of acquiring and using EVs.

SPS's proposals for the 2025-2027 TEP build upon many of the successes and learnings from our first TEP. SPS is proposing to extend, and in some cases modify and expand, key components of the Advisory Services portfolio currently in market.

SPS proposes the following budget to support Advisory Services.

**Table 14: Advisory Services Portfolio Budget**

| Portfolio | Program | Spend Type | Category | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|---|---|---|
| **Advisory** | Advisory | **Capital** | FEAP Rebates | **$100,000** | **$100,000** | **$100,000** | **$300,000** |
| | | **O&M Expenses** | Residential Advisory | **$92,000** | **$54,000** | **$54,000** | **$200,000** |
| | | **Total** | | **$192,000** | **$154,000** | **$154,000** | **$500,000** |

## Residential Advisory

### Program Description

Residential Advisory Services aims to provide SPS's residential customers with actionable insight into EV and charging costs, ownership, and the buying experience to further drive EV adoption. While EV adoption continued to grow during the inaugural TEP, lack of knowledge and experience with EVs is still a critical barrier to adoption for many households. In a 2023 national survey of residential utility customers, *29 percent of respondents said they do not know who to trust for reliable information about electric vehicles, while 26 percent of respondents said they are not familiar enough with electric vehicles to buy one.*[24]

Customers are seeking both information about EVs and EV charging and a trusted advisor to provide that information. During the inaugural TEP period, SPS focused its Advisory Services on addressing this key barrier by developing its web-based advisory tools and EV Network. These efforts were designed to set the foundational structure to reach SPS's broad base of residential customers and provide education and awareness of the basic components and benefits of

[24] "2023 EV Residential Customer Survey". E Source.

transportation electrification as well as of SPS's incentives and programs for EV and equipment purchases and charging.

SPS's Residential Advisory Services currently includes:

- **Digital Tools**. Our self-serve website tools, all of which are available in both English and Spanish, are designed to help residential customers compare EV models, charging programs, and incentives by providing personalized, easily digestible information. In addition, the Home Charging Advisor tool provides estimated savings that would result from switching from an internal combustion engine vehicle to an EV, accounting for the benefits available through SPS programs.
- **Advertising and Media**. SPS seeks to inform and connect with customers by providing relevant content on preferred platforms. Advertising channels may include search-engine marketing, social, digital, and traditional media such as print and radio. Calls to action via this advertising drive traffic to our online resources for EV information at: ev.xcelenergy.com.
- **Trade Ally Support for Auto Dealers and Electricians.** EV Dealers remain an important partner, with 64 percent of vehicle shoppers preferring to buy at dealerships.[25] SPS conducts sales-team training on EV benefits, promotes SPS's EV offerings, and provides educational materials for customers about charging and rate options. SPS also provides training to electricians contracted to support the EVAAH program.
- **Dealer Residential Referral Incentive.** Our Dealer Partners play a crucial role in providing information on EVs, incentives, and managed charging programs available to customers. As part of SPS's Residential Advisory efforts, referral incentives are available to dealers who successfully enroll SPS residential customers in SPS's residential EV programs.

During its inaugural TEP, SPS has sought to optimize and grow its Residential Advisory services, launching the first dealer partner within the EV Network and driving 10,508 unique visitors within New Mexico to our online tools and information between 2022 and 2023. However, SPS is still learning how to best reach customers to educate around EV benefits and SPS's programs. Throughout the 2025-2027 TEP, SPS will take several steps to further educate customers on EV benefits, the buying and ownership process, and programs available to SPS customers.

**Modifications from First TEP**

SPS will continue and expand its Residential Advisory Services, with additions designed to further drive foundational understanding of the benefits of EVs as well as the EV purchase and ownership experience through 'hands on' experience with EVs. The table below provides an overview of the existing Residential Advisory Services and proposed changes.

[25] "2023 EV Residential Customer Survey". E Source.

**Table 15: Proposed Changes to Residential Advisory Services**

| Residential Advisory Service Category | Current State | Proposed Changes |
|---|---|---|
| **Drive Electric Experience at Community Events** | Not currently offered | Host or participate in community events to increase hands-on experience with EVs, to support EV awareness and education and thereby increase access to the benefits of transportation electrification. This may include ride-and-drive events, workplace charging events, and other community events. |
| **E-Bike Events** | Not currently offered | Host or participate in community events to broaden education and awareness of electric bikes. This may include 'ride and drive' events, partnerships with local dealers, and other events. |
| **Advertising and Media** | Focused on search-engine marketing, social and digital media, and traditional media. | Focus strategically on channels with the greatest success during 2022-2024 TEP, including search-engine marketing. |
| **Trade Ally Support for Auto Dealers and Electricians** | Establish EV dealer network. Provide training to contracted electricians. | Continue to grow and educate dealer network. Explore opportunities for direct-to-consumer automotive retailers to participate in SPS's EV Network. |
| **Dealer Referral Incentive** | Provide EV Network partner incentives for enrolling customers within one of our EV programs. | Continue to offer this incentive program to drive program growth. Explore opportunity for direct-to-consumer automotive retailers to participate. |
| **Digital Tools** | Website provides personalized, self-service information on EVs and programs to help customers compare EV models, purchasing options, charging programs, rebates, and incentives. | Improve the existing webpages for mobile device user experience, further tailor the presentation of offerings to residential customers' unique needs, and incorporate new program options. |

Below is information on the two new initiatives within the Residential Advisory program.

*Drive Electric Experience*

Residential surveys of EV and non-EV owners have shown that direct experience with electric vehicles, whether via a family member, neighbor, or community or workplace event, can provide a positive impact to an individual's understanding of EV benefits and in turn their willingness to adopt an EV. In a 2023 national survey, of those respondents who had driven an EV in the last 12

months, 50 percent reported they would definitely buy or lease an EV. On the other hand, of those who had zero experience with EVs, only 3 percent said they would definitely buy or lease an EV.[26]

One of the most effective methods to encourage hands-on experience with electric vehicles is through 'Ride and Drive' events. At these in-person events, potential EV buyers can talk with experts or actual EV owners about EV ownership, charging experiences, and costs while also riding along or driving an actual EV.

SPS's sibling organizations in Colorado (PSCo) and Minnesota (Northern States Power) have sponsored Ride and Drive events for several years now and have found these events can drive interest in EVs and their associated benefits.

SPS proposes to participate in and/or host community Ride and Drive events, potentially in partnership with its EV Network. SPS may participate in large events, individual community events, or workplace or other events while potentially working with local communities or businesses who are interested in hosting or partnering to support the events.

To promote education and awareness of EV benefits, programs, and incentives among low-income households and underserved communities, SPS proposes to host these events within or adjacent to underserved communities or participate in larger events that support low-income households or underserved communities. Similar to its Digital Tools, SPS will provide educational materials and signage in both English and Spanish.

*E-Bike Events*

E-bikes can play a supporting role in electrification of residential transportation. Paired with an EV, residents can use e-bikes for shorter trips around town when a vehicle may not be necessary. E-bikes offer an opportunity for customers to engage in transportation electrification at a lower price point than purchasing an EV.

Studies show that willingness to adopt an e-bike is driven by previous experience with bikes or, lacking that, social perception and knowledge of the benefits of e-bikes[27]. To that end, SPS proposes to support e-bike adoption by identifying and working with local partner(s) to host e-bike "Ride and Drive" events, either independently or as part of a larger community event. At these events, SPS plans to have several e-bike models available for attendees to test and will provide materials on e-bike ownership and benefits. Event signage and educational materials will be made available in both English and Spanish at in-person events.

[26] "2023 Electric Vehicle Survey". Consumer Reports. Available at, https://advocacy.consumerreports.org/wp-content/uploads/2024/02/CR_2023EV-Survey_Facthseet_Final.pdf
[27] "E-bikes Toward Inclusive Mobility: A Literature Review of Perceptions, Concerns, and Barriers." ScienceDirect. Available at, https://www.sciencedirect.com/science/article/pii/S2590198223001872.

## Commercial and Community Advisory

**Program Overview**

Commercial and Community Advisory Services is an instrumental component of SPS's ability to support fleet owners, employers, multifamily housing owners, businesses, and other entities regarding their plans for vehicle electrification and installing the charging infrastructure necessary to support those plans. Our commercial and community advisors work with a wide range of customers considering vehicle electrification and charging to support an end-to-end solution for customers needing advice on what to electrify, how, and when.

FEAP is a program dedicated explicitly to commercial fleet owners and operators interested in electrifying their vehicles. The program provides customers with an initial fleet electrification feasibility study that provides data on the types of vehicles and charging necessary to meet their electrification goals. This study also provides customers with a total cost of ownership calculation to show the potential savings of fleet electrification. This information can then be used to aid the customer's decision-making process and help align them with program resources to enable their transition to EVs.

**Proposals and Modifications from first TEP**

SPS proposes to expand on previous outreach and education efforts with additional funding for advisory staff. SPS will also continue offering its FEAP program to Commercial customers, who will now have additional options to complement this offering with the updates to the Commercial EVSI program.

**Table 16: Proposed Changes to Commercial Advisory Services**

| Commercial Advisory Service Category | Current State | Proposed Changes |
|---|---|---|
| **Commercial Advisory Support** | Customers supported through shared advisory services | Fund dedicated staff member to support Commercial Advisory Services |
| **Fleet Electrification Advisory Program (FEAP)** | Commercial fleet owners receive free fleet electrification feasibility study | No changes proposed. Participants can take advantage of expanded SPS infrastructure program |

*Commercial Advisory Support*

A dedicated program staff member will be located within the service territory to interface directly with customers and communities to educate them on programs offered by SPS and the ways they can help customers or residents achieve their vehicle electrification or charging goals. Staff will assist customers in identifying charging solutions that are catered specifically to their needs and then put them in contact with the resources necessary to execute on those solutions, whether through SPS programs or complementary state and federal programs. Staff will also

assist with other stakeholder outreach efforts related to ensuring the success of TEP customer programs. Program personnel will engage with communities through events and general program marketing activities. Program staff will also leverage SPS's existing account and area managers to provide education around vehicle electrification and the resources available through SPS's TEP programs.

*Fleet Advisory Services (FEAP)*

While SPS proposes no changes to how the FEAP program will operate for the 2025-2027 TEP, the program will have new practical applications for participants. FEAP can act as an initial engagement for SPS's proposed expanded EVSI program as well as an opportunity to educate customers on any state and federal support that they may be eligible for. With additional financial and design support available to commercial customers through the expanded EVSI program, specifically customers interested in installing non-public EV charging, the advisory work outlined here will be able to more directly link customers to resources that can reduce EV charging costs and complexity.

FEAP will be made available to commercial fleet owners and operators with five or more vehicles in their fleet. A study will be conducted based on information provided by the customer. This study can be used by the customer to evaluate their electrification needs and decide if they want to move forward with electrification plans. Any company programs available to fleet customers that can reduce the costs of EV charging installations will be factored into any cost calculations included in these studies.

# Reporting and Evaluation

As part of its second TEP, SPS proposes to continue to prioritize transparency, sharing lessons learned, and assessing our customers' experiences and perceptions about EVs that could lead to increased adoption. SPS's approach for reporting and evaluation for this TEP reflects a continuation of reporting commitments from the inaugural TEP combined with any new requirements from the EV Rule. SPS proposes to:

- Provide data on key metrics in an annual TEP progress report. SPS will file its first annual progress report by April 1, 2025, and will file annually thereafter by April 1.
- Engage a third-party evaluator to conduct a portfolio evaluation at the conclusion of the plan period. Provide updates on evaluation activities in the annual TEP progress report. This will include a summary of any key findings identified by evaluation activities conducted during the report year. The evaluation of the TEP programs will provide information on key metrics such as the customer experience and the impact programs have on customer perceptions of EVs.

These reporting and evaluation activities will help deliver critical insights and enable SPS to measure the following outcomes and plan future programs:

- effectiveness of program design in reaching customers;
- impacts of programs and advisory services on customer attitudes about EVs;
- actual costs of charging infrastructure installations for TEP programs;
- impact of rates and managed charging programs on charging behavior and impact on peak demand;
- impacts on greenhouse gas and NOx emissions, including, to the extent possible, local impacts;
- need for additional managed charging programs, including new potential optimization charging programs and rate structures, that could be implemented in the future to serve EV customers; and
- potential enhancements and future design considerations.

As part of annual reporting, SPS will share information and provide reporting on metrics[28] that can serve as indicators for program performance, including:

- an estimate of EV adoption, including estimated changes in EV adoption since the utility's most recently approved TEP;

[28] These metrics reflect reporting commitments from SPS's first TEP and new requirements from the EV Rule. Some additional detail has been added to reflect how SPS believes it can report on these metrics for this proposed TEP.

- an estimate of the number and type of EV charging stations and ports funded through the public fast charging rebate program and SPS owned public fast chargers and an estimate of required maintenance, frequency of repairs, and station outages, to the extent possible;
- the number of participants in TEP programs, including:
    - estimated low-income customer participation; and
    - participation by customer rate class.
- an estimate of energy usage or of the amount of energy sold for EV charging to residential managed charging and SPS-owned EVSI program participants[29] during off-peak and on-peak hours, as well as the change in usage since the last annual progress report;
- TEP spending by program measure;
- estimated electricity consumption by participating EV charging stations in kWh, to the extent possible;
- estimated load in kW for residential managed charging and SPS-owned EVSI program participants;
- geographical distribution of participants and infrastructure investments;
- descriptions of average load data and load profiles of residential managed charging and SPS-owned EVSI program participants;
- a listing and summary of all customer outreach activities, the cost of those activities, an estimate of the number of customers reached, and an assessment of the effectiveness of each activity;
- readily available data that may inform future measures to help better understand the impact of EV charging on the electric grid;
- estimated number and capacity of known charging stations and ports in service territory;
- TEP spending, broken out by portfolio and program category;
- TEP revenues received through dedicated TEP program charges and rates;
- average costs for charging installations, including EV supply infrastructure and charging equipment, where feasible;
- estimate for utilization of SPS-owned public charging equipment;
- estimates for reduced carbon emissions resulting from EVs and TEP programs;
- estimates for reduced NOx emissions resulting from EVs and TEP programs;
- insights drawn from customer experience and program performance, including customer surveys;
- a summary of ongoing EV pilots and programs from other Xcel Energy service territories; and

[29] SPS will only be able to capture kWh, kW, the amount of energy sold, and load profiles for EVSI program participants that receive a dedicated meter for EV charging.

- an annual reconciliation of the EV Infrastructure Rider to demonstrate revenues collected and funds expended.

SPS estimates costs for evaluation and stakeholder feedback for the TEP will be approximately $150,000 over the three-year plan. The third-party evaluator would be selected by SPS after the TEP is approved by the Commission.

**Southwestern Public Service Company**

**Budget Rollup**

| Portfolio | Spend | 2025 | 2026 | 2027 | Total |
|---|---|---|---|---|---|
| **Residential** | Capital | $ 86,560 | $ 101,402 | $ 173,458 | $ 361,420 |
| | O&M | $ 78,565 | $ 85,062 | $ 97,520 | $ 261,147 |
| | **Total** | **$ 165,125** | **$ 186,464** | **$ 270,978** | **$ 622,567** |
| **Commercial** | Capital | $ 2,871,454 | $ 7,256,612 | $ 8,567,429 | $ 18,695,495 |
| | O&M | $ 827,662 | $ 1,014,021 | $ 1,304,242 | $ 3,145,924 |
| | **Total** | **$ 3,699,116** | **$ 8,270,633** | **$ 9,871,670** | **$ 21,841,419** |
| **Advisory** | Capital | $ 100,000 | $ 100,000 | $ 100,000 | $ 300,000 |
| | O&M | $ 92,000 | $ 54,000 | $ 54,000 | $ 200,000 |
| | **Total** | **$ 192,000** | **$ 154,000** | **$ 154,000** | **$ 500,000** |
| **Evaluation** | O&M | $ 50,000 | $ 50,000 | $ 50,000 | $ 150,000 |
| | **Total** | **$ 50,000** | **$ 50,000** | **$ 50,000** | **$ 150,000** |
| **Totals** | **Capital** | **$ 3,058,014** | **$ 7,458,014** | **$ 8,840,886** | **$ 19,356,915** |
| | **O&M** | **$ 1,048,227** | **$ 1,203,082** | **$ 1,505,762** | **$ 3,757,071** |
| | **Total** | **$ 4,106,241** | **$ 8,661,097** | **$ 10,346,648** | **$ 23,113,986** |

**Southwestern Public Service Company**

**Portfolio Budgets**

| Portfolio | Program | Spend Type | Category | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|---|---|---|
| **Commercial** | Commercial - EVSI | **Capital** | | **$1,818,823** | **$2,508,763** | **$3,397,140** | **$7,724,727** |
| | | | EVSI | $1,471,006 | $1,535,997 | $2,346,595 | **$5,353,599** |
| | | | Rebates | $347,817 | $972,766 | $1,050,545 | **$2,371,128** |
| | | **O&M Expenses** | | **$371,242** | **$622,274** | **$916,093** | **$1,909,609** |
| | | | Infrastructure Maintenance | $73,550 | $150,350 | $267,680 | **$491,580** |
| | | | Program Administration | $297,692 | $471,924 | $648,413 | **$1,418,029** |
| | | **Total** | | **$2,190,066** | **$3,131,037** | **$4,313,233** | **$9,634,336** |
| | Commercial - Public DCFC Rebates | **Capital** | | **$540,206** | **$807,380** | **$897,623** | **$2,245,210** |
| | | | Rebates | $540,206 | $807,380 | $897,623 | **$2,245,210** |
| | | **O&M Expenses** | | **$456,420** | **$271,746** | **$268,149** | **$996,315** |
| | | | Infrastructure Maintenance | $200,000 | $200,000 | $200,000 | **$600,000** |
| | | | Program Administration | $256,420 | $71,746 | $68,149 | **$396,315** |
| | | **Total** | | **$996,626** | **$1,079,127** | **$1,165,772** | **$3,241,525** |
| | Commercial - Distribution | **Capital** | | **$512,424** | **$3,940,468** | **$4,272,666** | **$8,725,558** |
| | | | Distribution - Line Extension | $512,424 | $1,060,468 | $1,392,666 | **$2,965,558** |
| | | | Distribution - Feeders | $ - | $2,880,000 | $2,880,000 | $5,760,000 |
| | | **O&M** | | $ - | **$120,000** | **$120,000** | **$240,000** |
| | | | Distribution - Feeders | $ - | $ 120,000 | $ 120,000 | $240,000 |
| | | **Total** | | **$512,424** | **$4,060,468** | **$4,392,666** | **$8,965,558** |
| | Commercial - Total | **Capital** | | **$2,871,454** | **$7,256,612** | **$8,567,429** | **$18,695,495** |
| | | **O&M Expenses** | | **$827,662** | **$1,014,021** | **$1,304,242** | **$3,145,924** |
| | | **Total** | | **$3,699,116** | **$8,270,633** | **$9,871,670** | **$21,841,419** |

**Southwestern Public Service Company**

**Portfolio Budgets**

| Portfolio | Program | Spend Type | Category | 2025 | 2026 | 2027 | 2025-2027 |
|---|---|---|---|---|---|---|---|
| Residential | EVAAH | **Capital** | | $ - | $ - | $ - | $ - |
| | | | Equipment and Installation | $ - | $ - | $ - | $ - |
| | | | Installation Management | $ - | $ - | $ - | $ - |
| | | | Equipment Maintenance (Replacement) | $ - | $ - | $ - | $ - |
| | | **O&M** | | $ - | $ - | $ - | $ - |
| | | | Equipment Maintenance (Repair) | $ - | $ - | $ - | $ - |
| | | | Program Administration | $ - | $ - | $ - | $ - |
| | | **Total** | | $ - | $ - | $ - | $ - |
| | Charger and Home Wiring Rebate | **Capital** | | **$66,560** | **$101,402** | **$173,458** | **$341,420** |
| | | | Rebates | $45,455 | $79,407 | $150,534 | $275,397 |
| | | | Rebate Management | $21,105 | $21,995 | $22,923 | $66,023 |
| | | **O&M** | | **$13,002** | **$13,550** | **$14,122** | **$40,674** |
| | | | Program Administration | $13,002 | $13,550 | $14,122 | $40,674 |
| | | **Total** | | **$79,562** | **$114,953** | **$187,580** | **$382,094** |
| | Optimization | **O&M** | | **$65,563** | **$71,512** | **$83,398** | **$220,473** |
| | | | Customer Incentives | $6,242 | $6,565 | $10,882 | $23,689 |
| | | | Program Administration | $59,322 | $64,946 | $72,516 | $196,784 |
| | | **Total** | | **$65,563** | **$71,512** | **$83,398** | **$220,473** |
| | IT | **Capital** | | $20,000 | $0 | $0 | $20,000 |
| | Total | **Capital** | | **$86,560** | **$101,402** | **$173,458** | **$361,420** |
| | | **O&M** | | **$78,565** | **$85,062** | **$97,520** | **$261,147** |
| | | **Total** | | **$165,125** | **$186,464** | **$270,978** | **$622,567** |
| **Advisory** | Advisory | **Capital** | FEAP Rebates | **$100,000** | **$100,000** | **$100,000** | **$300,000** |
| | | **O&M Expenses** | Residential Advisory | **$92,000** | **$54,000** | **$54,000** | **$200,000** |
| | | **Total** | | **$192,000** | **$154,000** | **$154,000** | **$500,000** |
| **Evaluation** | Evaluation | **O&M Expenses** | | **$ 50,000.00** | **$ 50,000.00** | **$ 50,000.00** | **$ 150,000.00** |

## New Mexico EVSI and Public Charging Scoring App

**Project Address**

| | Points Possible | Points Given |
|---|---|---|
| 1. Does this project increase access to electricity as a transportation fuel? | 10 | |
| 2. Will this project improve air quality and reduce greenhouse gas emissions? | 5 | |
| 3. Does this project support customer choice? | 5 | |
| 4. Does this project assist the State of New Mexico in reaching their EV goals? | 5 | |
| 5. Does this project allow efficient grid operation? | 5 | |
| 6. Does this project serve an "underserved community"? | 10 | |
| 7. Project Readiness - is sufficient project detail provided | 10 | |
| Total | 50 | |

*Project Readiness score must exceed 4 for approval
*Total project score must exceed 20 for approval

**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,** | ) | |
| **SOUTHWESTERN PUBLIC SERVICE COMPANY,** | ) | **Case No. 24-00___-UT** |
| **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 1st day of April 2024:

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Respectfully submitted,
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