



Control Number: 50731



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**SOAH DOCKET NO. 473-20-3299  
DOCKET NO. 50731**



**APPLICATION OF TEXAS-NEW §  
MEXICO POWER COMPANY FOR §  
A DISTRIBUTION COST §  
RECOVERY FACTOR §**

**BEFORE THE STATE OFFICE  
OF  
ADMINISTRATIVE HEARINGS**

**TEXAS-NEW MEXICO POWER COMPANY'S RESPONSES TO COMMISSION  
STAFF'S FIRST SET OF REQUESTS FOR INFORMATION TO TEXAS-NEW  
MEXICO POWER COMPANY**

TEXAS-NEW MEXICO POWER COMPANY ("TNMP") files this response to Commission Staff's First Set of Requests for Information. TNMP's responses to requests for information shall be made within ten working (10) working days, making the responses due by May 1, 2020. This response is therefore timely. All parties may treat the answers as if they were filed under oath.

TNMP files these responses without agreeing to the relevancy of the information sought and without waiving their right to object at the time of the hearing to the admissibility of information produced herein.

**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO COMMISSION STAFF'S FIRST RFI**

Respectfully submitted,

/s/ Stephanie C. Sparks

Scott Seamster  
State Bar No. 00784939  
Associate General Counsel  
**TEXAS-NEW MEXICO POWER COMPANY**  
577 N. Garden Ridge Blvd.  
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**ATTORNEYS FOR TEXAS-NEW  
MEXICO POWER COMPANY**

**CERTIFICATE OF SERVICE**

I hereby certify that on this 1st day of May, 2020, a true and correct copy of the foregoing document was transmitted to the parties of record in accordance with 16 Tex. Admin. Code § 22.74.

/s/ Stephanie C. Sparks  
Stephanie C. Sparks



**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO COMMISSION STAFF'S FIRST RFI**

1-1 Please refer to General Instruction No. 6 of the Distribution Cost Recovery Factor Filing Package Instructions which states in part:

**Approved DCRF Schedules:** The DSP shall provide a copy of the distribution schedules or amounts approved in its last comprehensive base-rate proceeding. The amounts in the first column in the schedules in the DCRF-RFP should tie to those schedules or amounts.

Please provide a reconciliation of the amounts in the first column of each schedule in the DCRF-RFP in this proceeding to the schedules approved in Docket No. 48401 that were included in the application. If such reconciliation is provided in the filing package, please provide its location therein.

Prepared by: Kyle Sanders

Sponsored by: Kyle Sanders

Attachment: TNMP 50731\_Staff 1-1.xlsx

**RESPONSE:**

Attached is a reconciliation for the DCRF Baseline Values as shown on Exhibit SRW-2 to the first column in Exhibit KTS-2 filed in this proceeding.

Additionally, the first column in each schedule of the DCRF filing package is linked directly to the respective settlement schedule in Docket 48401. Please refer to the electronic excel version of Exhibit KTS-2 – DCRF\_Filing\_Schedules to see the links to the schedules in Docket 48401. The schedules from Docket 48401 are included within the working excel document for ease of following the links.

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<b>MEXICO POWER COMPANY FOR</b>	<b>§</b>	<b>OF</b>
<b>A DISTRIBUTION COST</b>	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>
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/s/ Stephanie C. Sparks  
Stephanie C. Sparks



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	A	B	C	D	E	F	G
1	<b>Commission 1-1</b>						
2							
3							
4							
5							
6	<b>Line No.</b>	<b>Description</b>	<b>DCRF Baseline Values (Exhibit SRW-2)</b>	<b>EXHIBIT KTS-2</b>	<b>Variance</b>	<b>Reference</b>	<b>Explanation of Variance</b>
7	1						
8	2	Distribution Invested Capital (Original Cost)	\$ 1,003,511,525	\$ 1,003,511,525	\$ -	Schedule-B, Column 1, Line 1	
9	3	Distribution Invested Capital (Depreciation Reserve)	(409,888,899)	(409,888,899)	-	Schedule-B, Column 1, Line 2	
10	4						
11	5	CWIP	-	1,622,112	1,622,112	Schedule-B, Column 1, Line 5	Note 1
12	6	Working Capital	-	(2,242,796)	(2,242,796)	Schedule-B, Column 1, Line 6	Note 1
13	7	Other	-	(78,880,941)	(78,880,941)	Schedule-B, Column 1, Line 9	Note 1
14	8	Accumulated Deferred Federal Income Taxes	(80,503,021)	(80,503,021)	-	Schedule-B, Column 1, Line 10	
15	9	DIC <sub>RC</sub>	\$ 513,119,605	\$ 433,617,980	\$ (79,501,625)		
16	10	ROR <sub>AT</sub>	7.89%	7.89%	(0)	Schedule-B, Column 1, Line 13	
17	11	Return on DIC	40,462,560	34,212,459	(6,250,101)		Note 2
18	12						
19	13	Operation & Maintenance, including A&G	-	138,234,839	(138,234,839)	Schedule-A, Column 1, Line 1	Note 1
20	14	DEPR <sub>RC</sub>	\$ 49,275,191	\$ 49,275,191	-	Schedule-E-1, Column 1, Line 23	
21	15	FIT <sub>RC</sub>	\$ (957,079)	\$ (1,957,655)	1,000,575	Schedule E-3, Column 1, Line 35	Note 2
22	16						
23	17	Ad Valorem Tax	8,944,713	9,466,519	521,806	Schedule E-2, Column 1, Line 1	Note 3
24	18	Payroll Taxes	\$ -	\$ 1,240,083	1,240,083	Schedule E-2, Column 1, Line 2	Note 1
25	20	Texas Margin Tax	788,341	1,365,674	577,333	Schedule E-2, Column 1, Line 3	Note 4
26	19	Gross Receipts Tax	43,142	(7,911)	(51,053)	Schedule E-2, Column 1, Line 4	Note 4
27	21	OT <sub>RC</sub>	\$ 9,776,196	\$ 12,064,365	\$ 2,288,169		
28	22						
29	23	DISTREV <sub>RC</sub>	\$ 98,556,867	\$ 231,829,199	\$ (141,196,196)	Line 11 + Line 13 + line 14 + Line 15 + Line 21	
30	24						
31	25	Note 1: Included amount from Docket 48401 based on the DCRF template provided on PUCT website. The DCRF template does not permit updates to these amounts.					
32	26	Note 2: DCRF filing Return on DIC and FIT calculations were updated to reflect the rate base and associated synchronized interest reflected in line 9					
33	27	Note 3: TNMP inadvertently included the full distribution allocation of Ad Valorem Tax from Docket 48401 in the base line values. Correcting this allocation would result in an increase of \$186,679 to the DCRF Revenue Requirement					
34	28	Note 4: TNMP inadvertently included the full distribution allocation of Texas Margin Tax from Docket 48401 in the base line values. TNMP calculated the increase in Margin Tax based on the increase to the revenue requirement. Correcting this value would have no impact on the requested revenue requirement					
35	29	Note 5: TNMP inadvertently included the full distribution allocation of Gross Receipts Tax from Docket 48401 in the base line values. This amount is not updated as part of the DCRF filing but rather carrying forward from this baseline amount. There would be no impact to the requested revenue requirement for updating this value.					