

Southwestern Public Service Company
 Provided in Accordance with Filled Formula Rate Implementation Procedures
 Section 2.d.(ii), Sheet No. 344LL

Formula Line No.		2009 - (CY) Estimated Allocated Amount (1)	2008 - (PY) Estimated Allocated Amount (1)	Change
1	CURRENT YEAR REVENUE REQUIREMENT (from formula line 35)	\$ 90,350,663	\$ 86,929,491	\$ 3,421,172
2	PRIOR YEAR TRUE UP ADJUSTMENT	(1,892,283)	0	(1,892,283)
3	INTEREST ON PRIOR YEAR TRUE UP ADJUSTMENT	(101,994)	0	(101,994)
4	CURRENT YEAR REVENUE REQUIREMENT WITH TRUE UP	\$ 88,356,386	\$ 86,929,491	\$ 1,426,895
5	DIVISOR			
6	Transmission Network Load	4,472,000	4,125,000	347,000
7	RATES			
8	Annual Cost (\$/kWYr)	\$19.758	\$21.074	-\$1.316
9	Network & P-to-P Rate (\$/kW/Mo)	\$1.647	\$1.756	-\$0.109
10	Weekly Point to Point On and Off Peak	\$0.380	\$0.405	-\$0.025
11	Daily Point to Point On Peak	\$0.063	\$0.068	-\$0.005
11	Daily Point to Point Off Peak	\$0.054	\$0.058	-\$0.004
12	Hourly Point to Point On Peak	\$3.938	\$4.250	-\$0.312
12	Hourly Point to Point Off Peak	\$2.250	\$2.417	-\$0.167
13	METER CHARGE			
14	Current Year Revenue Requirement	\$157,945	\$142,697	\$15,248
15	Number of Delivery Points	168	166	2
16	Annual Meter Charge (\$ per delivery point)	\$940	\$860	\$80
17	Monthly Meter Charge (\$ per delivery point)	\$78	\$72	\$6
18	REVENUE REQUIREMENT (w/o incentives) from formula line 134	\$ 103,526,414	\$ 99,158,723	\$ 4,367,691
19	REVENUE CREDITS			
20	Account No. 454	1,218	1,175	43
21	Account No. 456	11,907,058	11,297,824	609,234
22	Total Revenue Credits	11,908,276	11,298,999	609,277
23	NET REVENUE REQUIREMENT (w/o incentives)	\$ 91,618,138	\$ 87,859,724	\$ 3,758,414
24	NET PLANT CARRYING CHARGE (w/o incentives)			
25	Annual Rate	17.88%	17.34%	0.54%
26	Monthly Rate	1.49%	1.45%	0.04%
27	GROSS PLANT CARRYING CHARGE (w/o incentives)			
28	Annual Rate	12.65%	12.52%	0.13%
29	NET PLANT CARRYING CHARGE, W/O DEPRECIATION (w/o incentives)			
30	Annual Rate	14.99%	14.63%	0.36%
31	NET PLANT CARRYING CHARGE, W/O DEPRECIATION, INCOME TAXES AND RETURN			
32	Annual Rate	2.62%	2.75%	-0.13%
33	ADDITIONAL REVENUE REQUIREMENT (w/incentives)	\$ -	\$ -	\$ -
34	LESS SPP Base Plan Upgrade Revenue Requirement	\$ 1,267,475	\$ 930,233	\$ 337,242
35	CURRENT YEAR REVENUE REQUIREMENT (ln 23 + ln 33 - ln 34)	\$ 90,350,663	\$ 86,929,491	\$ 3,421,172
36	CURRENT YEAR RADIAL LINE REVENUE REQUIREMENT DIRECTLY BILLED	\$ 617,927	\$ 594,285	\$ 23,642
37	CURRENT YEAR METER CHARGE REVENUE REQUIREMENT DIRECTLY BILLED	\$ 157,945	\$ 142,697	\$ 15,248

Formula Line No.	RATE BASE:	Transmission		Change
		2009 - (CY) Estimated Allocated Amount	2008 - (PY) Estimated Allocated Amount	
38	GROSS PLANT IN SERVICE			
39	Production	0	0	0
40	Transmission	724,303,234	701,571,054	22,732,180
41	Forecasted Transmission Plant Additions	36,893,346	17,035,430	19,857,916
42	Distribution	0	0	0
43	General	21,346,009	21,421,816	(75,807)
44	Intangible	5,422,297	5,022,174	400,123
45	Common	0	0	0
46	TOTAL GROSS PLANT (sum Ins 39 to 45)	787,964,886	745,050,474	42,914,412
46	GROSS PLANT ALLOCATOR	0.22100	0.21320	0.00780
47	ACCUMULATED DEPRECIATION & AMORTIZATION			
48	Production - Depreciation	0	0	0
49	Transmission - Depreciation	211,900,015	194,977,555	16,922,460
50	Transmission - Forecasted Transmission Plant Additions	275,314	88,469	186,845
51	Distribution - Depreciation	0	0	0
52	General - Depreciation	11,648,797	11,350,393	298,404
53	Electric Intangible - Amortization	2,698,416	4,310,858	(1,612,442)
54	Common	0	0	0
55	Total Electric Accumulated Depr & Amort (sum Ins 48 to 54)	226,522,542	210,727,275	15,795,267
56	NET PLANT IN SERVICE			
57	Production	0	0	0
58	Transmission	512,403,219	506,593,499	5,809,720
59	Transmission Forecasted Plant Additions	36,618,032	16,946,961	19,671,071
60	Distribution	0	0	0
61	General	9,697,212	10,071,423	(374,211)
62	Intangible	2,723,881	711,316	2,012,565
63	Common	0	0	0
64	TOTAL NET PLANT (sum Ins 57 to 63)	561,442,344	534,323,199	27,119,145
64	NET PLANT ALLOCATOR	0.30635	0.29871	0.00764
65	ADJUSTMENTS TO RATE BASE			
66	Account No. 281 (enter negative)	0	0	0
67	Account No. 282 (enter negative)	(85,874,664)	(79,621,091)	(6,253,573)
68	Account No. 283 (enter negative)	(1,401,477)	(1,375,745)	(25,732)
69	Account No. 190	4,851,827	4,655,179	196,648
70	Account No. 255 (enter negative)	0	0	0
71	Account No. 107	0	0	0
72	Net Pre-Funded AFUDC on CWIP included in Rate Base	0	0	0
73	Unamortized Balance of Abandoned Incentive Plant	0	0	0
74	Unamortized Balance of Extraordinary Property Loss	0	0	0
75	TOTAL ADJUSTMENTS (sum Ins 66 to 74)	(82,424,314)	(76,341,657)	(6,082,657)
76	LAND HELD FOR FUTURE USE	17,081	17,122	(41)
77	WORKING CAPITAL			
78	CWC	0	0	0
79	Materials & Supplies	428,950	415,187	13,763
80	Materials & Supplies	(139,736)	(128,266)	(11,470)
81	Prepayments	1,256,163	1,502,283	(246,120)
82	TOTAL WORKING CAPITAL (sum Ins 78 to 81)	1,545,377	1,789,204	(243,827)
83	BALANCE OF NETWORK CREDITS	0	0	0
84	RATE BASE (sum Ins 64, 75, 76, 82, 83)	480,580,488	459,787,868	20,792,620

Formula Line No.		Transmission	Transmission	Change
		2009 - (CY)	2008 - (PY)	
		Estimated Allocated Amount	Estimated Allocated Amount	
85	OPERATIONS & MAINTENANCE EXPENSE			
90	Transmission	12,218,578	12,618,915	(400,337)
95	A&G	6,303,805	5,829,413	474,392
96	Plus Acct 924 Property Insurance	482,363	444,938	37,425
97	Plus Acct 928 Transmission Specific	182,884	406,955	(244,071)
98	Plus Acct 928 Transmission Allocated	0	0	0
99	Plus Transmission Safety and Siting Advertising	0	0	0
100	A & G Subtotal	6,949,052	6,681,306	267,746
101	Common	0	0	0
102	Transmission Lease Payments	0	0	0
103	TOTAL O&M EXPENSE (sum lns 90, 100, 101, 102)	19,167,630	19,300,221	(132,591)
104	DEPRECIATION & AMORTIZATION EXPENSE			
105	Transmission	14,057,488	13,368,471	689,017
106	Plus Budgeted Transmission Capital Expenditures	775,535	358,103	417,432
107	Plus Pre-Funded AFUDC Amortization	0	0	0
108	Plus Recovery of Abandoned Incentive Plant	0	0	0
109	Plus Recovery of Extraordinary Property Loss	0	0	0
110	General	1,546,314	1,305,893	240,421
111	Electric Intangible Amortization	0	0	0
112	Common	0	0	0
113	TOTAL DEPRECIATION AND AMORTIZATION (sum lns 105 to 112)	16,379,337	15,032,467	1,346,870
114	TAXES OTHER THAN INCOME TAXES			
115	LABOR RELATED			
116	Payroll	675,057	647,084	27,973
117	PLANT RELATED			
118	Property	3,925,118	3,980,955	(55,837)
119	Franchise			
120	Other - Texas Use	8,942	2,798	6,144
121	TOTAL OTHER TAXES (sum lns 116 to 120)	4,609,117	4,630,837	(21,720)
122	INCOME TAXES			
123	$T = 1 - ((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)$	36.04%	35.99%	0.05%
124	$CIT = (T / (1 - T)) * (1 - (WCLTD / R))$	36.96%	37.90%	-0.94%
125	where WCLTD=(page 4, line 167) and R=(page 4, line 170)			
126	and FIT, SIT & p are as given in Note M.			
127	$1 / (1 - T) =$ (from line 123)	1.5635	1.5623	0.0012
128	Amortized Investment Tax Credit (266.8f) (enter negative)	(305,365)	(220,101)	(85,264)
129	Income Tax Calculation = line 124 * line 132	17,140,576	16,572,088	568,488
130	ITC adjustment (line 127 * line 128) multiplied by net plant allocator	(146,263)	(102,716)	(43,547)
131	TOTAL INCOME TAXES (sum lns 129 to 130)	16,994,313	16,469,372	524,941
132	RETURN (Rate Base * Rate of Return - line 84 * line 170)	46,376,017	43,725,826	2,650,191
133	INTEREST ON NETWORK CREDITS			
134	REVENUE REQUIREMENT (sum lns 103, 113, 121, 131, 132)	103,526,414	99,158,723	4,367,691

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Formula Line No.		2009 - (CY) Estimated Allocated Amount	2008 - (PY) Estimated Allocated Amount	Change
135	TRANSMISSION PLANT INCLUDED IN OATT TRANSMISSION RATE			
136	Total transmission plant (Line 40)	789,956,520	763,299,048	26,657,472
137	Less Generator Step-up facilities	24,487,845	24,468,912	18,933
138	Less Radial Line facilities	41,164,777	37,257,557	3,907,220
139	Transmission Plant Included in OATT Trans Rate (In 136 - 137 - 138)	724,303,898	701,572,579	22,731,319
140	Percentage of transmission plant included in ISO Rates (line 139 / 136)	TP= 0.91689	0.91913	(0.00224)
141	WAGES & SALARY ALLOCATOR (W&S)			
		FF1 Amount	FF1 Amount	FF1 Amount Change
142	Production	35,216,038	35,683,787	(467,749)
143	Transmission	7,960,096	7,659,364	300,732
144	Regional Market	134,478	99,848	34,630
145	Distribution	15,014,428	14,714,415	300,013
146	Other	9,940,637	9,723,407	217,230
147	Total (sum lines 142 to 146)	68,265,677	67,880,821	384,856
143	Transmission Wages & Salary Allocated Amount Based on TP Allocator	7,298,532	7,039,951	258,581
148	Transmission Wages & Salary Allocator	0.10691	0.10371	= W/S 0.00320
149	COMMON PLANT ALLOCATOR (CE)			
154	Electric Related Amount	1.00000	1.00000	
155	W/S Allocator	0.10691	0.10371	
156	Transmission Related Amount	0.10691	0.10371	= C/E 0.00320
157	RETURN (R)			
158	Long Term Interest	53,939,869	48,636,150	5,303,719
159	Preferred Dividends	0	0	0
160	Common Stock:			
161	Proprietary Capital	804,689,674	786,153,880	18,535,794
162	Less Preferred Stock	0	0	0
163	Less Account 216.1	0	0	0
164	Less Account 219	(8,139,860)	(6,004,566)	(135,294)
165	Common Stock:	810,829,534	792,158,446	18,671,088
		%	%	
		Weighted	Weighted	
167	Long Term Debt	0.0332	0.0310	0.0022
168	Preferred Stock	0.0000	0.0000	0.0000
169	Common Stock	0.0633	0.0641	-0.0008
170	Total (sum lines 167 to 169)	0.0965	0.0951	0.0014

(1) Note: The 2008 Estimated Allocated Amount utilizes EOY (2007) Plant Balances while the 2009 Estimated Allocated Amount utilizes 2008 13 Monthly Average Plant Balances.