

The Company has listed below any material changes that have taken effect since January 1, 2022.

(a) FERC Uniform System of Accounts Changes

There were no material changes.

(b) FERC Form No. 1 Reporting Requirements Changes

There were no material changes.

(c) FERC Ratemaking Orders Applicable to the SPS Formula Rate

Public Utility Transmission Rate Changes to Address Accumulated Deferred Income Taxes (Docket No. RM19-5, Order No. 864) – On November 21, 2019, the Commission issued Order No. 864 requiring public utility transmission providers with transmission formula rates under an Open Access Transmission Tariff to account for changes caused by the Tax Cuts and Jobs Act of 2017. The Commission is requiring public utilities with transmission formula rates to: 1) include a mechanism in those transmission formula rates to deduct any excess accumulated deferred income taxes (“ADIT”) from or add any deficient ADIT to their rate bases; 2) incorporate a mechanism to decrease or increase their income tax allowances by any amortized excess or deficient ADIT, respectively; and 3) incorporate a new permanent worksheet into their transmission formula rates that will annually track information related to excess or deficient ADIT. The Company incorporated the excess/deficient ADIT in rate base and the related amortizations into the income tax calculation, approved by the Commission in Docket No. ER19-404. The Company is currently working with FERC Staff to develop a new permanent worksheet that will annually track information related to excess or deficient ADIT.

Exclude Costs Associated with Advanced Grid Intelligence and Security Initiative and other Ministerial Changes (Docket Nos. ER20-2829, EL21-58, and ER22-201) – On September 4, 2020, SPS filed to revise its transmission formula rate template to exclude costs associated with SPS’s Advanced Grid Intelligence and Security (“AGIS”) initiative from the determination of SPS’s wholesale revenue requirement because these costs are for the benefit of retail customers. In addition, SPS proposes several ministerial changes to Tables in the Template. SPS requested an effective date of January 1, 2020. On December 3, 2020, SPS filed a motion requesting to withdraw the filing and terminate the proceeding. On April 22, 2021, the Commission issued an Order granting SPS’ motion to withdraw the filing (175 FERC ¶ 61,060). However, the Commission did find the SPS tariffs under which SPS recovers AGIS costs from its wholesale rates need to be investigated. The Commission instituted a proceeding under FPA section 206 in Docket No. EL21-58 to investigate the justness and reasonableness of SPS’ tariff provisions, established a refund effective date, and set the proceeding for hearing and settlement judge procedures. On October 25, 2021, SPS filed an unopposed Settlement Agreement, which also required the creation of a new docket (Docket No. ER22-201). Under the Settlement Agreement, SPS agreed to exclude AGIS-related costs from its wholesale transmission rates, except the AGIS-related costs should remain in the calculation of the gross plant allocator in the SPS formula rate templates. SPS has also agreed to reimburse customers for AGIS-related costs collected through SPS’s wholesale transmission formula rates on and after May 19, 2021. On May 6, 2022, the Commission issued a Letter Order approving the Settlement Agreement effective May 19, 2021 (179 FERC ¶ 61,098).

Revisions to Allow Adjustments to ADIT to Flow Through ADIT Proration Calculation (Docket No. ER22-2746) – On August 30, 2022, SPS filed a limited revision to its transmission formula rate template to allow adjustments to the Accumulated Deferred Income Taxes (“ADIT”) portion of rate base to flow through the ADIT proration calculation. These revisions are

necessary to correct an error recently discovered by SPS with respect to tariff modifications recently accepted by the Commission in Docket No. ER22-201-000. SPS requested a May 19, 2021 effective date to correspond to the effective date of the revisions approved in Docket No. ER22-201-000. The case is currently pending.

(d) Accounting Policies, Practices or Procedures of SPS

Eddy County HVDC Maintenance Accounting – In preparing the 2021 transmission formula rate true-up, SPS discovered the accounting for the revenue received from El Paso Electric Company and Public Service Company of New Mexico for the Eddy County HVDC maintenance expenses incurred by SPS was changed beginning in 2019 to credit FERC Account 562, instead of miscellaneous revenue. This accounting change was made to offset the expenses with the revenue received in the same account. Because the Eddy County HVDC maintenance revenue is already separately credited to transmission O&M expense, the Transmission O&M Expense Adjustment (line 40) on Worksheet G now reflects the difference between Eddy County HVDC transmission expense and the offsetting transmission revenue received in the calendar year. In addition, SPS has included a prior period adjustment in the 2023 estimated rates to correct the 2019 and 2020 O&M expense amounts.

Accounting for Internal Legal Labor Costs - Beginning in 2022, the Company changed the accounting for internal legal labor costs pertaining to compromise settlements for employee discrimination cases. These expenses are being charged to FERC Account 426.5, Other Deductions, instead of FERC Account 920, Administrative and General Salaries.

(e) FERC Related Items

(f) GAAP-Related Items

There were no material changes.

(g) Significant Unusual or Non-Recurring Income or Expense

None

(h) Other

SPS refiled its 2021 FERC Form 1 on May 24, 2022. See Appendix A 2021 SPS FF1-List of Changes for a summary of the updates. This refiling did not effect the 2021 true-up, the version posted June 15th, 2022 used values from the refiled FERC Form 1.

(i) SPP and/or Xcel Energy OATT changes that relate to SPS

- Docket ER16-1341 – Petition for Tariff Waiver Concerning the Implementation of the Revenue Crediting Process in Attachment Z2. SPP has filed a Z2 credit refund plan pending FERC approval.
- Docket EL18-9 – On October 10, 2017, Xcel Energy Services filed a formal complaint against SPP's Attachment Z2 process - On August 15, 2019, EDF Renewables, Inc., et al. filed an answer in response to the answer of Xcel Energy Services Inc. to SPP's Motion for Stay of Refund Condition, to Hold Proceedings in Abeyance, and for Initiation of Settlement Procedures filed on June 28, 2019 - On August 30, 2019, SPP filed an answer in response to the various answers filed in response to SPP's Motion for Stay of Refund Condition, to Hold Proceedings in Abeyance, and for Initiation of Settlement Procedures filed on June 28, 2019.

Material Accounting Changes since January 1, 2022

- Docket ER18-2358 – Submission of Tariff Revisions to Add Additional Facilities for GridLiance High Plains LLC ("GridLiance HP") - On August 30, 2018, SPP submitted tariff revisions to add an Annual Transmission Revenue Requirement for transmission service using certain facilities of GridLiance High Plains LLC ("GridLiance HP"), previously named South Central MCN LLC, when GridLiance HP transfers functional control of additional transmission facilities to SPP. On September 22, 2022, FERC issued Opinion 579 in this case that reverses the initial decision and requires GridLiance HP to pay refunds back to 2018.
- Docket EL21-77 - On June 3, 2022, Tenaska Clear Creek Wind, LLC filed Comments in response to SPP's revised restudy results filed on May 13, 2022. On August 16, 2022, SPP submitted a filing to notify the Commission of revised costs estimates for the Network Upgrades assigned to the Clear Creek Project. On August 19, 2022, Tenaska Clear Creek Wind, LLC filed an answer in response to the filing submitted by SPP on August 16, 2022. On September 9, 2022, FERC issued an order approving SPP restudy results and denied Tenaska's complaint.
- Docket EL22-30 - On April 28, 2022, SPP filed an answer in response to the answer filed by Southwestern Public Service Company on March 25, 2022. On May 12, 2022, Southwestern Public Service Company filed an answer in response to the answer filed by SPP on April 28, 2022.
- Docket EL22-54 - On June 6, 2022, the SPP Market Monitoring Unit filed an answer to the Motion to Dismiss the Petition for Declaratory Order filed by Associated Electric Cooperative, Inc. On June 7, 2022, SPP filed an answer to the Motion to Dismiss the Petition for Declaratory Order filed by Associated Electric Cooperative, Inc. On June 17, 2022, Associated Electric Cooperative, Inc. filed an answer in response to the answers filed by SPP on June 7, 2022 and the SPP Market Monitoring Unit on June 6, 2022. On July 6, 2022, SPP submitted an informational filing. On July 21, 2022, SPP submitted an informational filing. On August 22, 2022, FERC issued an Order Granting Petition for Declaratory Order.
- Docket ER22-1535 - On April 4, 2022, SPP filed a Motion to Intervene. Several parties filed motions to intervene. On April 21, 2022, Invenergy Renewables, LLC filed a Protest. On April 21, 2022, the Clean Energy Entities filed Comments. On April 21, 2022, EDF Renewables, Inc. filed Comments. On May 11, 2022, SPP and the Midcontinent Independent System Operator, Inc. filed an answer in response to the protest filed by Invenergy Renewables, LLC on April 21, 2022.
- Docket ER22-1697 - On June 9, 2022, Advanced Energy Management Alliance filed a Protest and Comments. On June 9, 2022, the Missouri Public Service Commission filed Comments. On June 9, 2022, the Small Utility Joint Commenters filed Comments. On June 9, 2022, the Public Interest Organizations filed Comments and Protest. On June 9, 2022, the Advanced Energy Economy and the Solar Energy Industries Association filed a Protest. On June 9, 2022, Omaha Public Power District filed a Motion to Intervene and Comments. On June 9, 2022, the Evergy Companies filed Comments. On June 9, 2022, Xcel Energy Services Inc. filed a Motion to Intervene and Protest. On June 23, 2022, the SPP Market Monitoring Unit filed an answer in response to the protest and comments filed by Advanced Energy Management Alliance. On July 11, 2022, American Electric Power Service Corporation and the Evergy Companies filed a reply to certain comments and protests filed in this proceeding. On July 15, 2022, the Small Utility Joint Commenters filed a response to certain protests filed in this proceeding. On August 12, 2022, FERC issued a letter requesting additional information in order to process the filing. The response is due by September 12, 2022. On August 23, 2022, SPP filed a motion requesting an extension of time to file its response to the letter requesting additional information issued on August 12, 2022.
- Docket ER22-1719 - On June 6, 2022, the Joint Commenters filed an answer in response to protests filed in this proceeding. On June 6, 2022, SPP filed an answer in response to protests filed in this proceeding. On June 8, 2022, Xcel Energy Services Inc. filed an answer in response to the Protest filed by GridLiance High Plains LLC. On June 14, 2022, the Indicated SPP Transmission Owners filed an answer in response to the answers filed by SPP and the

Joint Commenters on June 6, 2022. On June 15, 2022, American Electric Power Service Corporation filed an answer in response to protests filed in this proceeding. On June 17, 2022, Oklahoma Gas and Electric Company filed an answer in response to the answers filed by SPP and the Joint Commenters. On June 28, 2022, FERC issued an order accepting SPP's revisions to the Tariff to establish Zonal Planning Criteria. An effective date of June 29, 2022 was granted. On July 22, 2022, the Indicated SPP Transmission Owners filed a Request for Rehearing, Alternative Requests for Clarification, and Request for Expedited Action of the order issued on June 28, 2022. On July 27, 2022, Oklahoma Gas and Electric Company filed a Request for Rehearing of the order issued on June 28, 2022. On July 28, 2022, GridLiance High Plains LLC filed a Request for Rehearing or, in the Alternative, Clarification of the order issued on June 28, 2022. On August 12, 2022, SPP filed an answer in response to the requests for rehearing filed in this proceeding. On August 22, 2022, the Joint Commenters filed an answer in support of SPP's answer filed on August 12, 2022. On August 25, 2022, the Eergy Companies filed a Petition for Review of the order issued on June 28, 2022 in ER22-1719-000 before the United States Court of Appeals for the District of Columbia Circuit. On August 26, 2022, Oklahoma Gas and Electric Company filed an answer in response to the answer filed by SPP on August 12, 2022. On August 31, 2022, FERC issued a Notice of Denial of Rehearing by Operation of Law and Providing for Further Consideration of the order issued on June 28, 2022.

- Docket ER22-1792 - On June 9, 2022, FERC issued an order accepting SPP's revisions to the Tariff to modify the transmission owner selection criteria and scoring process contained in Attachment Y, Section III.2(f). An effective date of July 4, 2022 was granted. This order constitutes final agency action.
- Docket ER22-1846 - On June 2, 2022, Kansas Electric Power Cooperative, Inc. filed a Motion for Leave to File Comments Out-of-Time and Supporting Comments. On June 7, 2022, the Kansas Corporation Commission filed Comments in support. On June 7, 2022, FERC issued a Notice Granting Extension of Time to and including June 14, 2022 to file comments in this proceeding. On June 15, 2022, the Supporting Parties filed an answer in response to protests filed in this proceeding. On June 15, 2022, the Indicated Transmission Owners filed an answer in response to certain comments filed in support of SPP's filing. On June 16, 2022, SPP filed an answer in response to protests filed in this proceeding. On July 28, 2022, FERC issued a letter stating SPP's filing is deficient and requesting additional information in order to process the filing. On August 29, 2022, SPP submitted its response to the letter requesting additional information issued on July 28, 2022.
- Docket ER22-1950 - Several parties filed motions to intervene. On June 30, 2022, FERC issued an order accepting SPP's revisions to update the transmission owner selection process contained in Attachment Y, Section III.2 in order to add new subsection (d) to specify that the Industry Expert Panel will draft and SPP will issue formal guidance to respondents no later than 45 calendar days after issuance of the Request for Proposal. An effective date of July 25, 2022 was granted. This order constitutes final agency action.
- Docket ER22-379 - On June 8, 2022, SPP submitted its response to the request for additional information issued on May 10, 2022. On June 29, 2022, the Clean Energy Advocates filed a Protest in response to SPP's response to the request for additional information filed on June 8, 2022. On August 5, 2022, FERC issued an order accepting SPP's revisions to Attachment AA of the Tariff to add a reference to the capacity accreditation methodology provisions adopted in an SPP Business Practice as well as the SPP Planning Criteria, subject to the condition that SPP submit a compliance filing to include additional detail in the Tariff.
- Docket ER22-2167 - On June 22, 2022, SPP submitted an executed Shared Network Upgrade Facilities Construction Agreement among Tip Top Solar Energy Center LLC, Southwestern Public Service Company, Public Service Company of Oklahoma and SPP. SPP Service Agreement No. 3978. An effective date of August 22, 2022 was requested. On July 1, 2022, American Electric Power Service Corporation filed a Motion to Intervene. On July 29, 2022,

FERC issued an order accepting the agreement, effective August 22, 2022 as requested. This order constitutes final agency action.

- Docket ER22-2516 - On August 1, 2022, Xcel Energy Services Inc. filed a Motion to Intervene in the limited waiver for Chavez County Solar II. On August 2, 2022, SPP filed a Motion to Intervene.
- Docket ER22-2660 - On August 15, 2022, SPP, on behalf of Southwestern Public Service Company, submitted revisions to modify SPS' formula rate template contained in Addendum 5 to Attachment H of the Tariff. The filing incorporates revisions that were previously accepted by the Commission in Docket No. ER22-201. An effective date of May 19, 2021 was requested.
- Docket ER22-2685 - On August 18, 2022, SPP submitted revisions to the Western Energy Imbalance Service Rate Schedule Tariff to modify the Western Markets Executive Committee Charter.
- Docket ER22-2749 - On August 31, 2022, SPP submitted revisions to Attachment X of the Tariff to add Surety Bonds as a form of Financial Security. An effective date of November 1, 2022 was requested.

Classification or Reclassification of Facilities from Transmission to Radial or from Radial to Transmission

The 2021 Radial Line Study used by SPS to determine the SPS Transmission Formula 2021 True-Up has been used for the SPS Transmission Formula 2023 Projection.

Type of issue	FERC Form 1 page	Responsible Department	Templates impacted (tab name)	Description	Root Cause	\$ Value Impact
Presentation issue	204-207	Capital Asset Accounting	SPS Production Formula (FERC-1 PIS) SPS Transmission Formula (W&D.1)	Value for FERC Plant Account 373 is in FERC Plant Account 372 line; value for FERC Plant Account 374 is in FERC Plant Account 373 line. FERC Formulas require should be 50. The FERC Formulas require we removed FERC Account 374, Asset Retirement Costs.	The review did not identify mis-presented data.	Increase in line 73: "Street Lighting and Signal System" of \$26,784,457. Increase in line 74: "Asset Retirement Costs for Distribution Plant" of \$7,467,368.
Misstated disclosure	232	Benefits & Utility Accounting	SPS Production Formula (WP Ppd Pension)	Regulatory asset balances for prepaid pension qualified/non-qualified are incorrect.	Reclassing entry was not identified during the review process.	Increase in Footnote Line: "Regulatory Asset - Pension Qualified" of \$151,000. Decrease in Footnote Line: "Regulatory Asset - Pension Non-Qualified" of \$151,000.
Incomplete disclosure	219	Capital Asset Accounting	SPS Production Formula (WP AccDepr) SPS Transmission Formula (W&D.1)	Footnote showing accumulated depreciation at FERC rates is missing.	The review did not identify the missed data.	A footnote duplicating the entirety of page 219 excluding ARC balances was excluded totaling - \$2,868,097,573.
Misstated disclosure / Software issue	274	Capital Asset Accounting	SPS Transmission Formula (W&D)	Footnote showing plant ADIT balances by function is missing.	Adoption of new technology required to file FERC FORM with XBRL. Issues occurred with the technology in certain cases where the text format was not compliant with software technology. Further, the amounts that were entered, but not compliant with the technology, weren't adequately reviewed.	Reclassification of amounts between Electric Transmission Plant and Electric Transmission - Production Plant within the footnote detailing categories of plant ADIT balances of \$928,978,571.
Misstated disclosure / Software issue	274	Capital Asset Accounting	SPS Production Formula (WP ADIT Unblending)	Footnote showing ADIT unblending adjustment to FERC jurisdiction is missing.	Adoption of new technology required to file FERC FORM with XBRL. Issues occurred with the technology in certain cases where the text format was not compliant with software technology. Further, the amounts that were entered, but not compliant with the technology, weren't adequately reviewed.	Increase in Footnote Line: "Regulatory Asset - Pension Qualified" of \$151,000. Decrease in Footnote Line: "Regulatory Asset - Pension Non-Qualified" of \$151,000. Decrease in footnote detailing ADIT unblending adjustment of \$3,507,555.

Type of issue	FERC Form 1 page	Responsible Department	Templates impacted (tab name)	Description	Root Cause	\$ Value Impact
Incomplete disclosure	320	Utility Accounting	SPS Production Formula (WP Def Fuel)	Footnote showing deferred fuel and REC amounts in FERC 557 is missing.	The review did not identify the missed data.	A total of 9 footnotes were not included that are used in formula rates. Four footnotes with detail relating to gen book cost had a total amount of \$2,689,755. Two footnotes relating to allowances of \$677,908 were excluded. One footnote detailing pension expense of \$29,190,662 was excluded. Two footnotes relating to fuel and REC balances had a total balance of \$267,348,302. No changes to page.
Misstated disclosure	320-323	Utility Accounting	SPS Production Formula (WP FERC-1 O&M) SPS Transmission Formula (W&G)	Journal entry between 923/921/930.1 is not included in OM; FF1 does not tie to Trial Balance for those accounts.	Reclassing entry was not identified during the review process.	Increase in line 182 "Office Supplies and Expenses" of \$136. Decrease in line 184 "Outside Services Employed" of \$1,361. Increase in line 191 "General Advertising Expenses" of \$1,225.
Incomplete disclosure	336-337	Capital Asset Accounting	SPS Production Formula (WP Depr Exp) SPS Transmission Formula (Ws)	Footnote showing depreciation expense at FERC rates is missing.	The review did not identify the missed data.	A footnote duplicating the entirety of page 336 using only FERC formula rates was excluded. The footnote has a total of \$350,627,899.