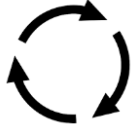




Questions from Rate Advisory Committee Meetings



General
(CPS Energy & Industry)

Question asked by: DeeDee Belmares

Date question asked: June 10, 2021

Date question answered: July 2, 2021

Question: When was the last time CPS Energy did a cost of service?

Answer: The last cost of service study was completed based on our fiscal year 2017 (February 1, 2016 – January 31, 2017).

A cost of service study is an exhaustive analysis covering every aspect of a utility's cost structure. An important step in the cost of service process is "normalizing" the study. This ensures that the information in the study represents a typical operating year. Traditionally, a cost of service study is valid for 4 to 6 years.