**WTMPA 3-1.** What transmission function activities are being evaluated for in-house performance as mentioned in the response to WTMPA 2-1?

**Response:**

Overall, in order to reduce costs, SPS has driven towards more in-house performance opposed to contracting out sourcing. Certain rules are in place such as no out sourcing for preventative or corrective maintenance, these are all done in-house by SPS labor. One of the main items which has switched is the delivery of the protective materials to the field crews. This includes the delivery of rubber gloves, mats and other rubber equipment and occurs every 3 months. This has moved to in-house due to a higher cost of contractor delivery. Another example is for certain construction day jobs such as the pouring of concrete. Previously these jobs were subcontracted out to various companies, now SPS has been able to perform the majority of these jobs in-house.

**WTMPA 3-2.** Please verify that the $644,145 noted to be removed from the formula rate in the response to WTMPA 2-4 will be removed from transmission O&M and lower the overall O&M by the same amount.

**Response:**

Yes, the $644,145 noted to be removed from the formula rate has been removed and re-posted on December 12th, 2017.