

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF PUBLIC SERVICE COMPANY OF NEW)
MEXICO FOR REVISION OF ITS RETAIL)
ELECTRIC RATES PURSUANT TO)
ADVICE NOTICE NO. 352)**

Case No. 08-00273-UT

**PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)**

Applicant.)

PROCEDURAL ORDER

THIS MATTER comes before Elizabeth C. Hurst, Hearing Examiner in this case, upon Public Service Company of New Mexico's ("PNM" or "Company") Application.

Being fully advised, the Hearing Examiner **FINDS and CONCLUDES** that:

1. On September 22, 2008, PNM filed with the New Mexico Public Regulation Commission ("Commission") its Application for Revision of Retail Electric Rates Pursuant to Advice Notice No. 352 ("Application").

2. On September 30, 2008, the Commission entered its Order Suspending Rates and Appointing Hearing Examiner. Among other things, that Order suspended PNM's proposed rates for a period of nine months commencing on October 22, 2008, and appointed the undersigned as Hearing Examiner for this case.

3. The Commission has jurisdiction over the parties and subject matter of this case.

4. PNM is certified and authorized to conduct the business of providing public utility service within the State of New Mexico, provides electric utility services within the

State of New Mexico, and accordingly is a public utility as defined by the Public Utility Act, NMSA 1978, § 62-3-1, *et seq.*

5. A pre-hearing conference was held in this case on October 7, 2008. Attending that pre-hearing conference were the Hearing Examiner, PNM, current Interveners of record, the Commission's Utility Division Staff ("Staff") and other interested persons.

6. On October 8, 2008, Staff filed a Motion for an Order Extending the Suspension Period or in the Alternative Rejection of the Rate Case Application.

7. On October 14, 2008, PNM filed a Response in Opposition to Staff's Motion for an Order Extending the Suspension Period or in the Alternative Rejection of the Rate Case Application.

8. On October 21, 2008, the Commission issued an Order on Motion to Extend Suspension Period or in the Alternative to Reject Rate Case Application that granted PNM a limited variance from the provision of paragraph 99 of Case No. 07-00077-UT Final Order to allow time to gather additional information. Further, the Commission Ordered that should the circumstances dictate, the Commission reserved the right to extend the suspension period in this case pursuant to NMSA 1978, Section 62-8-7C.

9. Additionally, in related cases, an Order was issued by the Commission on October 14, 2008, that ordered Case Nos. 07-00232-UT and 08-00018-UT to be consolidated into Case No. 08-00305-UT for the purposes of hearing and considering the Resources Stipulation regarding generational resources including: a purchased power agreement between PNM and Valencia Power, LLC; an application to acquire the beneficial interest in the Palo Verde Nuclear Generating Station Unit 2 Owner Trust,

which owns a 2.267% interest in Palo Verde Unit 2 (29.8 MW) and related facilities, and PNM's application for a Certificate of Public Convenience and Necessity for PNM's 190 MW interest in the Luna Energy Facility, located in Luna County, New Mexico, and the Lordsburg Generating Station, located in Hidalgo County, New Mexico. The Hearing Examiner was ordered to give due regard to the schedule in the pending PNM rate case in setting a schedule for this consolidated case since the rate impacts of the Resources Stipulation are included in the pending rate case.

10. The procedural details provided below should be adopted for this case.

The Hearing Examiner **ORDERS** that:

A. A public hearing will be held beginning at 9:30 A.M. on March 30, 2009, at the Commission's offices, Marian Hall, 224 East Palace Avenue, Santa Fe, New Mexico, for the purpose of hearing and receiving evidence, arguments and any other appropriate matters related to this proceeding. The hearing may extend through April 10, 2009, and may be conducted during evenings and the intervening weekend of this period, consistent with the scheduling imperatives of this case.

B. On or before December 31 2008, any person who desires to become a party to this case must file a motion for leave to intervene, pursuant to 1.2.2.23.A NMAC.

C. On or before February 27, 2009, Staff shall, and any Intervenors may, file direct testimony.

D. Any desired rebuttal testimony shall be filed on or before March 23, 2009.

E. PNM shall cause, at its sole expense, a copy of the Notice attached hereto as Attachment 1 to be published in the Albuquerque Journal immediately. PNM shall

also mail or otherwise send to its electric utility customers a copy of the Notice before November 30, 2008.

F. The Commission's Utility Division Procedures (1.2.2 NMAC) will apply to this case except as modified by Order of the Commission or Hearing Examiner.

G. The procedural dates and requirements provided herein are subject to further Order of the Commission or Hearing Examiner.

H. Any person whose testimony has been filed will attend the hearing and submit to examination under oath.

I. Any interested person may appear at the time and place of hearing and make written or oral comment pursuant to 1.2.2.23.F NMAC without becoming an Intervenor. Interested persons may also send written comments, which shall reference NMPRC Case No. 08-00273-UT, to the Commission at the address set out below. All such comments will not be considered as evidence in this case.

New Mexico Public Regulation Commission
Marian Hall
224 E. Palace Avenue
Santa Fe, NM 87501
Telephone: 505.827-6941

J. Anyone filing pleadings, documents or testimony in this case will serve copies thereof on all parties of record and the Commission Staff via e-mail and first class U.S. mail. Any such filings shall also be sent to the Hearing Examiner via e-mail. Whenever practical, service of discovery requests and responses shall be made by e-mail. Whenever possible, all electronically transmitted documents shall be in Word format.

K. Interested persons should contact the Commission for confirmation of the hearing date, time and place, since hearings are occasionally rescheduled.

L. Any person with a disability requiring special assistance in order to participate in this proceeding should contact the Commission at least 24 hours prior to the commencement of the hearing.

M. PNM shall post this Procedural Order, and the attached Notice, on its website. Staff shall cause this Procedural Order and the attached Notice, to be posted on the Commission's website.

ISSUED at Santa Fe, New Mexico this 24th day of October, 2008.

NEW MEXICO PUBLIC REGULATION COMMISSION

Elizabeth C. Hurst
Hearing Examiner