

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE)	
COMPANY OF NEW MEXICO’S)	
RENEWABLE ENERGY ACT PLAN)	
FOR 2022 AND PROPOSED 2022 RIDER)	
RATE UNDER RATE RIDER NO. 36,)	Case No. 21-00 ____ -UT
)	
PUBLIC SERVICE COMPANY OF NEW)	
MEXICO,)	
)	
Applicant.)	
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**PUBLIC SERVICE COMPANY OF NEW MEXICO’S APPLICATION FOR
APPROVAL OF ITS 2022 RENEWABLE ENERGY ACT PLAN
AND RIDER NO. 36 RATE FOR 2022**

Public Service Company of New Mexico (“PNM” or “Company”) hereby submits its Application for approvals related to its Renewable Energy Act Plan for 2022 (“2022 Plan”). The 2022 Plan includes the same resources approved in PNM’s most recent Renewable Energy Act plan case, Case No. 20-00124-UT, and includes no new procurements. The 2022 Plan and the revised Renewable Energy Rider, Rider No. 36 (“Rider 36”) rate, with requested variances, comply with the Renewable Energy Act, NMSA 1978, §§ 62-16-1 to -10 (“REA”), and the Commission’s recently-amended Renewable Energy Rule, 17.9.572 NMAC (“Rule 572”), and should be approved.

Specifically, PNM seeks the following Commission approvals in this case:

- Approval of PNM’s 2022 Plan;
- Approval to reset the rate for PNM’s Renewable Energy Rider, Rider No. 36 (“Rider 36”) to \$0.0083408/kWh, effective January 1, 2022, for recovery of RPS procurement costs anticipated to be incurred during 2022, including costs for

registering and retiring renewable energy certificates (“RECs”) in the Western Renewable Energy Generation Information System (“WREGIS”); and

- To the extent necessary, a variance from the data filing requirements of 17.9.530 NMAC.

PNM is not proposing any new procurements in the 2022 Plan. PNM is proposing to retire a small number of RECs in 2022 from resources that have not previously been part of an approved REA plan: 3,494 2018 vintage RECs from the 1.5 MW solar resource that sources the PNM Sky Blue voluntary renewable energy program and approximately 200 RECs from a new microgrid project at Mesa Del Sol in Albuquerque.

In further support of this Application, PNM states:

1. PNM is a New Mexico corporation that owns, operates and controls public utility plant, property and facilities, including generation, transmission and distribution facilities that provide retail and wholesale electric service in New Mexico. PNM is a public utility subject to the jurisdiction of the Commission.

2. The REA has the following three purposes:

(1) to prescribe the amounts of renewable energy resources that public utilities must include in their electric energy supply portfolios for sales to retail customers in New Mexico by prescribed dates;

(2) to allow public utilities to recover costs through the rate-making process incurred for procuring or generating renewable energy used to comply with the prescribed amount; and

(3) to protect public utilities and their ratepayers from renewable energy costs that are above a reasonable cost threshold. NMSA 1978, Section 62-16-2(B).

3. The REA also provides that:

a public utility that procures or generates renewable energy shall recover, through the rate-making process, the reasonable costs of complying with the renewable portfolio standard. Costs that are consistent with commission approval of procurement plans or transitional procurement plans shall be deemed to be reasonable. NMSA 1978, Section 62-16-6(A).

4. The Commission has established standards for REA plan filings in Rule 572 and in PNM's previous REA plan cases. PNM's last five REA plan cases were Case Nos. 16-00148-UT, 17-00129-UT, 18-00158-UT, 19-00159-UT, and 20-00124-UT.

5. In Case No. 12-00007-UT, the Commission approved original Rider 36 and approved PNM's recovery of certain Commission-approved RPS costs through Rider 36. The Commission subsequently approved recovery of particular RPS costs and revised Rider 36 rates in Case No. 12-00007-UT, in Case No. 13-00183-UT, Case No. 14-00158-UT, and in PNM's last five REA plan cases. Concurrently with this filing, PNM is filing Advice Notice 579, which contains the 20th Revised Rider No. 36.

6. PNM is filing its 2022 Plan in compliance with the amendments to the REA that took effect on June 14, 2019 and amendments to Rule 572 that became effective on May 4, 2021.

8. A proposed form of Notice is attached to this Application as Appendix A.

9. PNM incorporates the testimony and exhibits of the following witnesses as if fully set forth in this Application: Nicholas L. Phillips, Shane Gutierrez, Thomas S. Baker, and Heidi M. Pitts. PNM's 2022 Plan is attached as PNM Exhibit NLP-2 to Mr. Phillip's testimony. PNM will serve a copy of this Application, supporting direct testimonies and exhibits, and Advice Notice No. 579 on the Attorney General and all counsel of record in PNM's most recent rate case, and will publish notice of this filing in accordance with the requirements of the Commission's Rules of Practice and Procedure.

10. In compliance with 17.1.2.10(B)(2)(b) and (C)(2)(a) - (e) NMAC, PNM states:

- the 2022 revenue requirement of \$66,901,332 to be recovered through Rider No. 36 compares with the 2021 revenue requirement of \$67,677,600, which is a decrease of \$776,268 or 1.15%;
- the customer classifications to which the revised Rider 36 will apply and the present and proposed rates for those classifications are shown below:

Affected Electric Rate Classes	Tariff Applied	Current Rate (As of May 1, 2021)	Proposed Rate To be Effective January 1, 2022
Residential Service 1A & 1B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Small Power Service 2A & 2B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
General Power Service 3B & 3C	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Power Service 4B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Power Service for Customers \geq 8,000kW 5B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Private Area Lighting Service 6	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Irrigation Service 10A & 10B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Water & Sewage Pumping 11B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Service for Public Universities 15B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Streetlighting and Floodlighting Service 20	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Service, Manufacturing – Distribution Level 30B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Service for Station Power 33B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Large Power Service \geq 3,000kW 35B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Special Service -Renw. Energy Res. 36B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh

- the impact on Residential and Small Power customers at various levels of consumption, including the average consumption level for each rate class, is shown on PNM Exhibit HMP-3 to the Direct Testimony of Heidi M. Pitts.

11. The following designated corporate representatives and legal counsel for PNM should receive all notices, discovery requests, objections and responses, briefs, and all other documents related to this case:

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Associate General Counsel
Ryan Jerman
Corporate Counsel
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All pleadings, correspondence and other documents should be delivered electronically to the following email addresses:

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WHEREFORE, PNM respectfully requests that the Commission issue an order consistent with the REA granting the relief requested in this Application and in the 2022 Plan, and granting

such other approvals, authorizations and actions that may be required under the REA, Rule 572, and Commission rules and orders to implement the 2022 Plan and revisions to Rider 36.

Respectfully submitted this 1st day of June 2021.

PUBLIC SERVICE COMPANY OF NEW MEXICO

/s/ Leslie M. Padilla

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Leslie Padilla, Corporate Counsel
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Attorneys for Public Service Company of New Mexico

GCG#528273

APPENDIX A

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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COMPANY OF NEW MEXICO'S)	
RENEWABLE ENERGY ACT PLAN)	
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FORM OF NOTICE OF PROCEEDING AND HEARING

NOTICE is hereby given of the following matters pertaining to the above-captioned case pending before the New Mexico Public Regulation Commission (“NMPRC” or “Commission”):

On June 1, 2021, Public Service Company of New Mexico (“PNM”) filed its Application for Approval of its Renewable Energy Act Plan for 2022 (“2022 Plan”) pursuant to the Renewable Energy Act, NMSA 1978, Sections 62-16-1 to -10 (“REA”), and the Commission’s Renewable Energy Rule, 17.9.572 NMAC (“Rule 572”).

PNM’s Application asks the Commission to approve its 2022 Plan, including the following new or continued approvals:

- Approval of PNM’s 2022 Plan;
- Approval to reset the rate for PNM’s Renewable Energy Rider, Rider No. 36 (“Rider 36”) to \$0.0083408/kWh, effective January 1, 2022, for recovery of RPS procurement costs anticipated to be incurred during 2022, including costs for

registering and retiring renewable energy certificates (“RECs”) in the Western Renewable Energy Generation Information System (“WREGIS”); and

- To the extent necessary, a variance from the data filing requirements of 17.9.530 NMAC.

As part of the Application, PNM proposes a 2022 revenue requirement of \$66,901,332 to be recovered through Rider 36 as compared with the 2021 revenue requirement of \$67,677,600. This is a decrease of \$776,268 or 1.15%.

PNM is proposing that the following Revised Rider No. 36 rates become effective January 1, 2022, in addition to any other charges that the customer is paying and be collected through a line item charge on customers’ bills.

Affected Electric Rate Classes	Tariff Applied	Current Rate (As of May 1, 2021)	Proposed Rate To be Effective January 1, 2022
Residential Service 1A & 1B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Small Power Service 2A & 2B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
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Large Power Service for Customers $\geq 8,000$ kW 5B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
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Irrigation Service 10A & 10B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
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Streetlighting and Floodlighting Service 20	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
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Large Power Service $\geq 3,000$ kW 35B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh
Special Service -Renw. Energy Res. 36B	PNM Rider No. 36	\$0.0084816 per kWh	\$0.0083408 per kWh

For PNM residential customers on Rate Schedule 1A without demand meters, the present average monthly bill and the anticipated bill for each of the following levels of consumption are as follows:

<u>Consumption (kWh)</u>	<u>Average Present Bill</u>	<u>Average Anticipated bill</u>
0	\$7.11	\$7.11
250	\$34.59	\$34.56
500	\$63.74	\$63.67
750	\$99.55	\$99.45
1000	\$137.11	\$136.97
2000	\$297.75	\$297.47

The proposed rate changes stated by customer rate class are for informational purposes. The final rates approved by the Commission in this proceeding may vary from the rates set forth above.

On _____, 2021 the Commission entered an Order designating the undersigned to preside over this proceeding and to issue a Recommended Decision.

Further information regarding this case can be obtained by contacting PNM or the Commission at the addresses and telephone numbers provided below. The Commission has assigned Case No. 21-00xxx-UT to this proceeding and all inquiries or written comments concerning this matter should refer to that case number.

The present procedural schedule for this case is as follows:

- a. On or before _____, 2021, any person desiring to intervene to become a party (“intervenor”) in this case must file a motion for leave to intervene in conformity with NMPRC Rules of Procedure, 1.2.2.23(A) and (B) NMAC.

- b. Staff and any intervenor testimony shall be filed by _____, 2021.
- c. Rebuttal testimony shall be filed by _____, 2021.
- d. A public hearing on this matter shall be held beginning on _____, 2021 commencing at 9:30 a.m. at the _____

The procedural dates and requirements of this case are subject to further order of the Commission or Hearing Examiner.

The Commission's Rules of Procedure at 1.2.2 NMAC shall apply to this case except as modified by order of the Commission or Hearing Examiner. A copy of such Rules may be obtained from the offices of the Commission and such Rules are available at the official NMAC website, <http://www.nmprc.state.nm.us/nmac/>.

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

Any interested person may appear at the time and place of the hearing and make written or oral comment pursuant to 1.2.2.23(F) NMAC without becoming an intervenor. All such comments shall not be considered as evidence in this case. Written comments, which shall reference NMPRC Case No. 21-00 ___-UT, also may be sent to the Commission via email to prc.records@state.nm.us.

Interested persons should contact the Commission for confirmation of the hearing date, time and place since hearings are occasionally rescheduled. Any interested person may examine PNM's Application and all other pleadings, testimony, exhibits and other documents filed in the public record for this case, by appointment, at the Commission's address set out above or at the offices of PNM at the following address:

Public Service Company of New Mexico
414 Silver Ave. SW
Albuquerque, New Mexico 87102
Telephone: (505) 241-2700

Anyone filing pleadings, testimony and other documents in this case must comply with the Commission's electronic filing policy, as amended from time to time. This includes filings in .pdf format, with electronic signatures, sent to the Records Bureau's e-mail address, as set out on the Commission's website, at: prc.records@state.nm.us, within regular business hours of the due date to be considered timely filed. Regular business hours are from 8:00 am to 5:00 pm MDT. Documents received after regular business hours will be considered as filed the next business day. Parties must serve copies of all filings on all parties of record and the Commission's Utility Division Staff ("Staff"). All filings shall be e-mailed to Staff and the parties on the date they are filed with the Commission. All filings shall be e-mailed to the Hearing Examiner at _____ . Additional details regarding this proceeding and its procedural requirements are set forth in the Hearing Examiner's Procedural Order, issued _____, 2021.

Individuals with a disability who are in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, may contact the Commission's docketing office at least 24 hours prior to the hearing. The Commission's docketing office may be reached at (505) 827-4526. Public documents associated with the hearing can be provided in various accessible forms for disabled individuals. Requests for summaries or other types of accessible forms also should be addressed to the Utility Division at (505) 827-6941.

ISSUED at Santa Fe, New Mexico this _____ day of _____ 2021.

NEW MEXICO PUBLIC REGULATION COMMISSION

Hearing Examiner

GCG#528274