BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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IN THE MATTER OF THE TARIFFS, AGREEMENTS, AND FORMS PROPOSED BY QUALIFYING UTILITIES FOR THE COMMUNITY SOLAR PROGRAM

PUBLIC SERVICE COMPANY OF NEW MEXICO, Applicant. Case No. 23-00071-UT

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 August 28, 2023, Public Service Company of New Mexico ("PNM") filed Amended Advice Notice No. 608 for approvals and authorizations necessary to implement the Community Solar Program. Advice Notice No. 608 is in compliance with the Procedural Order issued on March 31, 2023, as well as the Order Amending Procedural Schedules for Phase 1 and Phase 2 Evidentiary Hearings issued on August 3, 2023. Amended Advice Notice 608 includes the Implementation of Community Solar Original Rider Nos. 56 and 57 and Original Rate Schedule No. 37.

Original Rate Schedule No. 37, Community Solar Program Tariff, has no effect on rates. Original Rate Schedule No. 37 sets forth the necessary agreements and terms for PNM's required interactions with community solar subscriber organizations in furtherance of the Community Solar Act, NMSA 1978, §§ 62-16B-1 to -8 (2021, as amended through 2022) ("Act"). Original Rate Schedule No. 37, Community Solar Program Tariff, places some limitations on participation in the community solar program, including:

- A customer cannot participate in the community solar program if the customer currently receives service pursuant to Rider No. 50, Voluntary Solar Renewable Energy Program – PNM Solar Direct for Governmental and Large Commercial Customers.
- (2) A customer cannot participate in the community solar program if the customer currently has behind-the-meter generating facilities, including customers who take service pursuant to Rider No. 24, Net Metering Service.
- (3) A Subscriber may only have one single Subscription during a given billing period.
- (4) Application of the Community Solar Rider assumes that the subscription of a retail customer of the Company to a Community Solar Facility was sized to supply no more than one hundred percent of the Subscriber's average annual electricity consumption in conformance with NMSA 1978, § 62-16B-5.
- (5) The Subscriber Organization is solely responsible for determining if the Subscriber qualifies as a Low-Income Customer, unless the Commission provides another process for determining Low-Income Customer eligibility.

Original Rider No. 56, Community Solar Rider, establishes the community solar bill

credit to be applied to an eligible retail customer of PNM who is a subscriber to a community solar facility. Like the Original Rate Schedule No. 37, Original Rider No. 56, Community Solar Rider, sets forth the same limitations on customers for participation in the community solar program as does the Community Solar Program Tariff. Additionally, Original Rider No. 56 limits the bill credit applied to the subscriber's monthly consumption, as defined in the rider. The rider also provides a mechanism for recording the bill credits in a regulatory asset to be addressed in PNM's next general rate proceeding.

Original Rider No. 57, Community Solar Administrative Cost Rider, establishes the tariff structure for administrative charges to be paid by community solar subscribers. Pursuant to 17.9.573.13(D) NMAC, a utility may recover administrative costs of carrying out its responsibilities concerning the community solar program through a rate rider applicable to community solar subscribers. In furtherance of this rule, PNM is establishing Original Rider No. 57 for implementation purposes, without a stated rate at this time. To establish the actual rate for administrative services to be charged to community solar subscribers, PNM will

accumulate its administrative costs associated with the community solar program in a regulatory asset and upon full implementation of the community solar program—that being when community solar facilities are available to provide energy to PNM and subscribers to those facilities are eligible to receive a corresponding community solar bill credit—PNM will file with the Commission a revised Rider No. 57 that determines a Community Solar Administrative Charge, as that term is used in Rider No. 57, to be applied to community solar subscribers. The underlying basis of the cost-based Community Solar Administrative Charge will be the administrative costs accumulated in PNM's regulatory asset.

PNM is proposing that the following Original Rider No. 56 rates become effective September 27, 2023, in addition to any other charges that the customer is paying and be collected through a line-item charge on customers' bills.

| Applicable Rate Schedule | Base Bill Credit Rate | Renewable Energy Rate | FPPCAC Rate |
|---|--------------------------|--------------------------|--------------|
| 1A – Residential Service, and 1B – Residential Service TOU | \$0.0741172/kWh | Rider No. 36 | Rider No. 23 |
| 2A – Small Power Service, and 2B – Small Power Service TOU | \$0.0745436/kWh | Rider No. 36 | Rider No. 23 |
| 3B – General Power Service TOU, 3D – Pilot Municipalities and Counties General Power TOU, 3C – General Power Service (LLF) TOU, 3E – Pilot Municipalities and Counties General Power (LLF) TOU, and 3F - Non-Residential Charging Station- Pilot | \$0.0356176/kWh | Rider No. 36 | Rider No. 23 |
| 4B – Large Power Service TOU | \$0.0267389/kWh | Rider No. 36 | Rider No. 23 |
| 10A – Irrigation Service, and 10B – Irrigation Service TOU | \$0.0443528/kWh | Rider No. 36 | Rider No. 23 |
| 11B – Water & Sewage Pumping TOU | \$0.0311224/kWh | Rider No. 36 | Rider No. 23 |

The distribution cost components applicable to each applicable rate schedule are identified below and may be reset in the Company's general rate proceeding.

| Applicable Rate Schedule | Distribution Cost Components |
|---|------------------------------|
| 1A – Residential Service, and 1B – Residential Service TOU | \$0.0198480/kWh |
| 2A – Small Power Service, and 2B – Small Power Service TOU | \$0.0231922/kWh |
| 3B – General Power Service TOU, 3D – Pilot Municipalities and Counties General Power TOU, 3C – General Power Service (LLF) TOU, 3E – Pilot Municipalities and Counties General Power (LLF) TOU, and 3F - Non-Residential Charging Station-Pilot | \$0.0171791/kWh |
| 4B – Large Power Service TOU | \$0.0089315/kWh |
| 10A – Irrigation Service, and 10B – Irrigation Service TOU | \$0.0318900/kWh |
| 11B – Water & Sewage Pumping TOU \$ | \$0.0146221/kWh |

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.

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. 23-00071-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 **October 30, 2023**, 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 November 10, 2023.
- c. Rebuttal testimony shall be filed by December 8, 2023.
- d. Motions in limine, motions to strike, and other prehearing motions shall be filed on or before December 15, 2023. Responses to such motions shall be filed on or before December 22, 2023.
- e. A prehearing conference is tentatively scheduled for **January 11, 2024**, commencing at 2:00 p.m. on the Zoom videoconference platform. The purpose of that conference is to address, among other things, the following matters:
 - i. The order of presentation of the parties and their respective witnesses.
 - ii. Designation by each party of the witnesses they intend to crossexamine and for what length of time.
 - iii. Pending motions in limine, motions to strike, and other prehearing motions.
 - iv. Any other matters that may expedite orderly conduct and disposition of this proceeding.
- f. A public hearing on this matter shall be held beginning on January 17, 2024 and will continue as needed through January 19, 2024 commencing at 9:00 a.m. via Zoom.

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 https://nmonesource.com/nmos/nmac/en/nav_date.do.

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. 23-00071-UT, also may be sent to the Commission via email to prc.records@prc.nm.gov.

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@prc.nm.gov, within regular business hours of the due date

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to be considered timely filed. Regular business hours are from 8:00 am to 5:00 pm Mountain Time. 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 Examiners at Anthony.medeiros@prc.nm.gov; Christopher.Ryan@prc.nm.gov ; Hans.Muller@prc.nm.gov; and Elizabeth.Hurst@prc.nm.gov. Additional details regarding this proceeding and its procedural requirements are set forth in the Hearing Examiner's Procedural Order, issued August 3, 2023.

PERSONS WITH DISABILITIES

ANY PERSON WITH A DISABILITY REQUIRING SPECIAL ASSISTANCE TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE COMMISSION'S ADA COORDINATOR AT (505) 412-3502 TO REQUEST SUCH ASSISTANCE AS SOON AS POSSIBLE, PREFERABLY AS SOON AS THE PERSON RECEIVES NOTICE OF THIS PROCEEDING TO ALLOW CONSIDERATION OF THE REQUEST AND TO ARRANGE FOR A POTENTIAL REASONABLE ACCOMMODATION.

ISSUED at Santa Fe, New Mexico this 6th day of September 2023.



NEW MEXICO PUBLIC REGULATION COMMISSION

<u>/s/ Hans Muller</u> Hans Muller Hearing Examiner