

**Public Service Company of New Mexico
2021 Renewable Energy Act Procurement Plan
Executive Summary**

Public Service Company of New Mexico (“PNM”) is submitting a request to the New Mexico Public Regulation Commission (“NMPRC”) for approvals related to its Renewable Energy Act Plan for 2021 (“2021 Plan”). As part of its 2021 Plan, PNM is not requesting approval of any new resources. PNM projects that it will meet the RPS standard of 20 percent of retail sales (net sales under voluntary customer programs) in both 2021 and 2022. As part of PNM’s 2021 Plan, PNM requests approval to begin collecting the balance as of December 31, 2020 of the regulatory asset approved by the Commission in Case No. 10-00018-UT for PNM’s voluntary renewable program, also known as Sky Blue.

PNM’s 2021 RPS Plan

PNM is projecting to exceed its 2021 RPS requirements by approximately 332,000 MWh.

As part of PNM’s 2021 Plan, PNM is requesting approval to reset the Renewable Energy Rider, Rider No. 36 (“Rider 36”) rate from \$0.0076413 per kWh to \$0.0085525 per kWh effective January 1, 2021.

Because the Rider 36 rate is assessed as a per kWh charge, the bill impact on each customer will vary with usage. For residential customers, the impact ranges from \$0.00 to \$1.82 per month depending on kWh use. An average residential customer using 600 kWh per month will pay an additional \$0.55 per month under the 2021 Rider 36 rate. For small power customers, the impact ranges from \$0.00 to \$13.67 per month depending upon kWh use.

Sky Blue

PNM Sky Blue is a voluntary renewable energy program for residential and business retail customers. While Sky Blue began as a wind-only voluntary energy purchase program in 2003, the current Sky Blue program is a mix of wind and solar energy that has been in effect since May 1, 2013. The rate premium in Rider No. 30 for participation in PNM Sky Blue is \$0.017 per kWh above PNM’s standard rates. Sky Blue is sourced by a 1.5 MW solar photovoltaic facility located at PNM’s Manzano Solar Energy Center, in Valencia County, New Mexico, as well as the New Mexico Wind Energy Center located in Quay and De Baca Counties. In Case No. 10-00018-UT, PNM received approval to accrue costs not collected through Rider No. 30. As discussed in PNM’s 2021 Plan, PNM has had difficulties maintaining subscription levels sufficient to recover program costs resulting in an approximately \$2.3 million under collection. Given that PNM anticipates filing for changes in the Sky Blue program in late 2020, PNM is requesting collection of the regulatory asset balance as of December 31, 2020 through the updated Rider 36 rate.

Requested Approvals

PNM seeks the following Commission approvals in this case:

- Approval of PNM's 2021 Plan, which contains no new procurements;
- Approval to reset the rate for PNM's Renewable Energy Rider, Rider No. 36 ("Rider 36") to \$0.0085525/kWh, effective January 1, 2021, for recovery of RPS procurement costs anticipated to be incurred during 2021, including costs for registering and retiring renewable energy certificates ("RECs") in the Western Renewable Energy Generation Information System ("WREGIS");
- Approval to begin collecting the balance as of December 31, 2020 of the regulatory asset that was approved by the Commission in Case No. 10-00018-UT for PNM's Sky Blue voluntary renewable program ("Sky Blue") through Rider 36; and
- Approval of a variance from the requirements of 17.9.572 NMAC ("Rule 572") that are inconsistent with the 2019 amendments to the REA; and
- To the extent necessary, a variance from the data filing requirements of 17.9.530 NMAC.

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