



Main Offices
414 Silver Ave. SW
Albuquerque, NM 87102

Required Customer Communication

To PNM Customers:

The enclosed document is required by the New Mexico Public Regulation Commission. The purpose is to provide you with notice of a Public Regulation Commission proceeding and hearing.

The notice:

- describes the Public Regulation Commission proceeding.
- describes how you can participate in this process if you choose to do so.

If you **do** wish to participate in this process, the attachment provides details on how to take part. If you **do not** wish to participate in this process, no action is required on your part.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE)	
COMPANY OF NEW MEXICO'S)	
APPLICATION FOR APPROVAL OF ITS)	
RENEWABLE ENERGY ACT PLAN)	
FOR 2019 AND PROPOSED 2019 RIDER)	
RATE UNDER RATE RIDER NO. 36)	Case No. 18-00158-UT
)	
PUBLIC SERVICE COMPANY OF NEW)	
MEXICO)	
)	
APPLICANT.)	

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 ("Commission" or NMPRC):

On June 1, 2018, Public Service Company of New Mexico (PNM) filed an Application for Approval of its Renewable Energy Act Plan for 2019 ("2019 Plan") pursuant to the Renewable Energy Act (REA), NMSA 1978, Sections 62-16-1 to -10 (2007, as amended through 2014), and the Commission's Renewable Energy Rule, 179.572 NMAC ("Rule 572").

PNM's Application requests that the Commission to approve its 2019 Plan, including the following new or continued approvals:

1. Approval of a not-to-exceed price of \$2.00 per MWh/REC for any Renewable Energy Certificates (RECs) PNM may need to procure in calendar year 2020 to make up for any deficiency in the number of RECs available to meet the 2019 Renewable Portfolio Standard (RPS) of no less than fifteen percent of PNM's total retail sales, consistent with Paragraph 7 of the Stipulation approved, as modified, by the Commission's Final Order in Case 14-00158-UT.
2. Approval of the 2019 capacity reservation program for solar distributed generation facilities larger than 100 kW.
3. Approval to increase the rate for PNM's Renewable Energy Rider, Rider No. 36 ("Rider 36"), from the current rate of \$0.0062877 per kWh to \$0.0071959 per kWh, effective January 1, 2019, for recovery of RPS procurement costs anticipated to be incurred during 2019, including costs for registering and retiring RECs in the Western Renewable Energy Generation Information System (WREGIS).
4. To the extent a variance is required, approval of a variance from the data filing requirements of 179.530 NMAC ("Rule 530"). Rule 530 requires the filing of extensive data schedules that PNM asserts are unnecessary for review and approval of the Rider 36 rate for which PNM is seeking approval.

PNM explains in the Application that its proposed revision of Rider 36 reflects that two customers will file for an exemption from Rider No. 36 for the 2019 Plan Year pursuant to NMSA 1978, Section 62-16-4(A)(3). PNM proposes to recover \$49,610,333 through Rider 36, as compared with \$42,842,386 to be recovered in 2018, for an increase of \$6,767,947.

PNM is proposing that the following Revised Rider No. 36 rates become effective January 1, 2019 in addition to any other charges 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 April 27, 2018)*	Proposed Rate to be Effective January 1, 2019*
Residential Service 1A & 1B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Small Power Service 2A & 2B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
General Power Service 3B & 3C	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Power Service 4B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Power Service for Customers >=8,000 kW 5B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.007195 per kWh
Private Area Lighting Service 6	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Irrigation Service 10A & 10B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Water & Sewage Pumping 11B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Service for Public Universities 15B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Streetlighting and Floodlighting Service 20	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Service, Manufacturing – Distribution Level 30B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Service for Station Power 33B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Large Power Service >=3,000kW 35B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh
Special Service - Renw. Energy Res. 36B	PNM Rider No. 36	\$0.0062877 per kWh	\$0.0071959 per kWh

*Rates for each affected customer's bill are exclusive of gross receipts tax and franchise fees and take into account the maximum annual cap of the lesser of \$99,000 (as adjusted by inflation) or 2% of annual revenues that is applicable to certain customers.

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:

Consumption (kWh)	Present Bill	Anticipated bill
0	\$7.11	\$7.11
250	\$32.22	\$32.45
500	\$58.99	\$59.45
750	\$92.44	\$93.12
1000	\$127.62	\$128.53
2000	\$278.78	\$280.59

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 June 14, 2018 the Commission entered an Order designating the undersigned to preside over this proceeding and 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. 18-00158-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. Any person desiring to become a party ("intervenor") in this case shall file no later than August 31, 2018 the original and five copies of a motion for leave to intervene in conformity with Rules 1.2.2.23(A) and 1.2.2.23(B) NMAC.
- b. Staff shall, and any intervenor may, filed direct testimony on or before September 6, 2018.
- c. Rebuttal testimony may be filed on or before September 20, 2018.
- d. A public hearing on this matter shall be held beginning on September 27, 2018, commencing at 9:30 a.m. MDT in the Fourth Floor Hearing Room of the Commission in the P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico, continuing if necessary on September 28, 2018.

Interested persons should contact the Commission at (505) 827-6956 for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled or, if deemed not required, canceled at the discretion of the Hearing Examiner or Commission.

Interested persons may appear at the time and place of hearing and make oral or written comment pursuant to 1.2.2.23(F) NMAC without becoming an intervenor. Comments shall not be considered as evidence in this case. Written comments, which shall reference Case No. 18-00158-UT, also may be sent to the Commission at the following address:

New Mexico Public Regulation Commission
P.E.R.A. Building
1120 Paseo de Peralta
P.O. Box 1269
Santa Fe, NM 87504-1269
Telephone: 1-800-663-9782

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, 1.2.2.1 through 1.2.2.40 NMAC shall apply to this case except as modified by order of the Commission or Hearing Examiner. A copy of those rules may be obtained from the offices of the Commission and are available at the official NMAC website, <http://www.nmcpr.state.nm.us/nmac/>.

PNM's Application, together with supporting pre-filed direct testimony, and any exhibits and related papers, may be examined by any interested person online at the PNM website at <https://pnm.com/regulatory> or in person 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

The public record for this case is accessible on the Commission's website at <http://www.nmprc.state.nm.us/> under Case Lookup E-docket or examined in person at the Commission's Records Bureau in the P.E.R.A. Building, 1120 Paseo De Peralta, Santa Fe, New Mexico, (505) 827-6968.

Anyone filing pleadings, testimony, and other documents shall file either in person with the Commission's Records Bureau in the P.E.R.A. Building in Santa Fe, New Mexico, or by mail addressed to: Records Bureau, New Mexico Public Regulation Commission, P.E.R.A. Building, P.O. Box 1269, Santa Fe, New Mexico, 87504-1269. The following physical address shall be used only for special or hand-deliveries: 1120 Paseo de Peralta, Santa Fe, NM 87501. All filings shall be served on the parties of record and Staff on the date of filing as specified in the most recent Certificate of Service ("Official Service List") issued in this case. All filings shall be e-mailed to the Hearing Examiner at anthony.medeiros@state.nm.us on the date filed by no later than 5:00 p.m. Mountain Prevailing Time. Such filings shall include the Word or other native version of the filing (e.g., Excel or Power Point) if created in such format. Any filings not e-mailed to the Hearing Examiner in compliance with the foregoing requirements are subject to being summarily rejected and stricken from the record in the Hearing Examiner's discretion.

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, AT EITHER (505) 827-4500 OR 888-427-5772.

ISSUED at Santa Fe, New Mexico this **27th** day of **June 2018**.
NEW MEXICO PUBLIC REGULATION COMMISSION

Anthony F. Medeiros
Hearing Examiner