

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

<b>IN THE MATTER OF PUBLIC SERVICE</b>	)	
<b>COMPANY OF NEW MEXICO’S</b>	)	
<b>RENEWABLE ENERGY ACT PLAN</b>	)	
<b>FOR 2027 AND PROPOSED 2027 RIDER</b>	)	
<b>RATE UNDER RATE RIDER No. 36,</b>	)	<b>Docket No. 26-0000XXX</b>
	)	
<b>PUBLIC SERVICE COMPANY OF NEW</b>	)	
<b>MEXICO,</b>	)	
	)	
<b>Applicant.</b>	)	
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**PUBLIC SERVICE COMPANY OF NEW MEXICO’S APPLICATION FOR  
APPROVAL OF ITS 2027 RENEWABLE ENERGY ACT PLAN  
AND RIDER NO. 36 RATE FOR 2027**

Pursuant to 17.9.572.14 NMAC, Public Service Company of New Mexico (“PNM” or “Company”) hereby submits its Application for approvals related to its Renewable Energy Act Plan for 2027 (“2027 Plan”). The 2027 Plan includes the same resources approved in PNM’s most recent Renewable Energy Act plan Docket, Docket No. 25-00042-UT, and includes no new procurements. The 2027 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 (2004, as amended through 2021) (“REA”), and the Commission’s Renewable Energy Rule, 17.9.572 NMAC (“Rule 572”), and should be approved.

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

- Approval of PNM’s 2027 Plan;
- Approval to reset the rate for PNM’s Rider 36 to \$0.0058701/kWh, effective January 1, 2027, for recovery of renewable portfolio standard (“RPS”) procurement costs anticipated to be incurred during 2027, including costs for registering and

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

- To the extent necessary, a variance from the data filing requirements of 17.9.530 NMAC; and
- Pursuant to Section 62-16-4(H) of the REA, PNM requests that the Commission approve PNM’s Application without a formal hearing if no protests are filed within 90 days of the date of notice.

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, § 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, § 62-16-6(A).

4. The Commission has established standards for REA plan filings in Rule 572 and in PNM's previous REA plan Dockets. PNM's last five REA plan dockets were Docket Nos. 21-00143-UT, 22-00143-UT, 23-00196-UT, 24-00207-UT and 25-00042-UT.

5. In Docket 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 Docket No. 12-00007-UT, in Docket No. 13-00183-UT, Docket No. 14-00158-UT, and in PNM's last nine REA plan Dockets. Concurrently with this filing, PNM is filing Advice Notice 658, which contains the 30th Revised Rider No. 36.

6. PNM is filing its 2027 Plan in compliance with the amendments to the REA that took effect on June 18, 2021, which includes the 2019 amendments resulting from the Energy Transition Act, and amendments to Rule 572 that became effective on February 28, 2023.

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: Shane Gutierrez, Randall Hackbarth, and Erica Baca. PNM's 2027 Plan is attached as PNM Exhibit SG-3 to Mr. Gutierrez's testimony. PNM will serve a copy of this Application, supporting direct testimonies and exhibits, and Advice Notice No. 658 on the New Mexico Department of Justice and all counsel of record in PNM's most recent rate case, Docket No. 24-00089-UT, and will publish notice of this filing in accordance with the requirements of the Commission's Rules of Procedure at 1.2.2 NMAC.

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

- the 2027 revenue requirement of \$52,976,102 to be recovered through Rider 36 compares with the 2026 revenue requirement of \$54,323,667, which is a decrease of \$1,347,565;
- the customer classifications to which the revised Rider 36 will apply and the present and proposed rates for those classifications are shown below:

<b>Affected Electric Rate Classes</b>	<b>Tariff Applied</b>	<b>Current Rate (May 1, 2026)</b>	<b>Proposed Rate To be Effective January 1, 2027</b>
Residential Service 1A & 1B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Small Power Service 2A & 2B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
General Power Service 3B & 3C	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Power Service 4B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Power Service for Customers $\geq$ 8,000kW 5B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Private Area Lighting Service 6	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Irrigation Service 10A & 10B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Water & Sewage Pumping 11B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Service for Public Universities 15B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Streetlighting and Floodlighting Service 20	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Service, Manufacturing – Distribution Level 30B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Service for Station Power 33B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Large Power Service $\geq$ 3,000kW 35B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/kWh
Special Service -Renewable Energy Res. 36B	PNM Rider No. 36	\$0.0063867 per kWh	\$0.0058701/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 EB-3 to the Direct Testimony of Erica Baca.

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 Docket:

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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 2027 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 2027 Plan and revisions to Rider 36.

Respectfully submitted this 28<sup>th</sup> day of May, 2026.

**PUBLIC SERVICE COMPANY OF NEW MEXICO**

*/s/ John Verheul*

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