# PRAC 2023 August 24 Agenda

# Allocation Discussion (1 hour)

## Allocation Roadmap Mike and Nick

* 1. Renewable generation portfolio vs fossil portfolio drives need for change
* Fossil Portfolio
	+ Gross Peak
	+ Dispatchable resources
* Renewable Portfolio
	+ Net Peak
	+ Non-dispatchable
* Energy storage
	+ Provides required operational flexibility.
	1. Objectives of Allocation
* Cost based
* Price signals
* Residential impacts
* others
	1. Allocation Method Update Process
* Formalize process
* Consider outside facilitation
* Stakeholder participation
	1. Current Independent Allocators
* Rank based on importance

## Walkthrough of PNM’s proposed generation production allocation process for next rate case

* Customer class gross load
* Customer class Net load
	+ Renewable and storage allocation to customer class philosophy
* Rank hours by a metric
	+ EUE?
	+ Net Load?
	+ How many hours to include?
		- Basis for selection
* Allocator based on average of included hours
	+ Weighted?
	+ Straight?