

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE APPLICATION)
TO TERMINATE PUBLIC SERVICE)
COMPANY OF NEW MEXICO’S SKY BLUE)
VOLUNTARY RENEWABLE ENERGY)
PROGRAM)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
)
)
Applicant)
_____)**

Case No. 25-00071-UT

**PUBLIC SERVICE COMPANY OF NEW MEXICO’S AMENDED APPLICATION TO
TERMINATE PNM’S SKY BLUE VOLUNTARY RENEWABLE ENERGY PROGRAM**

Public Service Company of New Mexico (“PNM”) hereby submits its amended application for approval to terminate PNM’s Sky Blue voluntary renewable energy program and cancel Rider No. 30 (“Amended Application”).

The Recommended Decision in Docket No. 20-00124-UT, filed October 14, 2020, found that, among other things, the costs of the PNM Sky Blue program had exceeded its revenues, thereby costing non-subscribing customers approximately \$18,000 per month. The Commission’s Final Order in that docket, filed November 18, 2020, found that rather than order PNM to file an application to terminate the Sky Blue voluntary renewable program, an investigative proceeding should be initiated by the Commission on the subject of whether the Sky Blue program in its current form met the objectives of NMSA 1978, Section 62-16-7 and Rule 572, and resulted in fair, just and reasonable rates.

The Commission’s Order Adopting Recommended Decision with Modification in the resulting investigative proceeding (Docket No. 21-00158-UT), provided PNM with a transition

period beginning with the quarter ending on March 31, 2023, and excepting the fourth quarter of 2025. This time allowed PNM to evaluate specific metrics to determine the fate of Sky Blue: Customer satisfaction with the program, annual energy sales of the program, and accrual of the monetary balance of the regulatory asset.

Based on the information obtained during the transition period and included in the Direct Testimony and Exhibits filed with and in support of this Amended Application, PNM has determined its Sky Blue program should be terminated. PNM's original application had requested a termination date in mid-2025. After PNM filed its original application, on December 29, 2025, intervenor ARRAY Technologies, Inc. ("ARRAY") filed its Statement of Contested Issues, which requested this matter be dismissed. Shortly thereafter, on December 31, 2025, ARRAY and PNM filed an unopposed joint motion to stay the procedural schedule in order to discuss and potentially resolve the issues. In a second joint status report, filed February 27, 2026, PNM and ARRAY reported that they had reached an agreement. As a result of that, PNM now requests to terminate PNM Sky Blue no earlier than December 31, 2026. To the extent the Commission wishes for public notice to be reissued, PNM has attached a draft form of public notice with this Amended Application.

As explained in the Direct Testimony of Dru E. Jones, should the Commission issue an order approving PNM's request to terminate PNM Sky Blue, PNM will execute a communications plan to make the transition as smooth as possible for existing PNM Sky Blue customers, and it will file an advice notice, most likely in late 2026 or early 2027, cancelling PNM Rider No. 30, to go into effect no earlier than December 31, 2026.

In order to effectuate a smooth transition for existing PNM Sky Blue customers, PNM respectfully requests a final order in this case be issued no later than September 30, 2026. PNM

cannot begin to execute any communications plan to existing customers until it is certain that it has Commission authorization to terminate the Sky Blue program.

In support of this Amended 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. PNM is a public utility in New Mexico, as defined in NMSA 1978, Section 62-3-3, and is subject to the jurisdiction and authority of the Commission.

3. As a public utility, PNM is required to furnish adequate, efficient and reasonable service at just and reasonable rates. NMSA 1978, §§ 62-8-1 and 62-8-2.

4. PNM is filing with this Amended Application the supporting direct testimonies and exhibits of Alaric J. Babej and Dru E. Jones, which are included and incorporated as if set forth fully herein.

5. The following designated corporate representative and legal counsel for PNM should receive all notices, discovery requests, objections and responses, briefs, and all other documents related to this case:

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WHEREFORE,

For the reasons stated above, PNM respectfully requests that the Commission enter a final order that:

- (a) Approves PNM's request to terminate PNM's Sky Blue voluntary renewable energy program; and
- (b) Approve PNM's request to cancel Rider No. 30 via advice notice on or shortly after December 31, 2026.

Respectfully submitted this 18th day of March 2026.

PUBLIC SERVICE COMPANY OF NEW MEXICO

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