

# PNM Stakeholder Outreach

FERC Order 898

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# AGENDA

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- Opening/Welcome
- Background of FERC Order No. 898
- FERC Order No. 898 In Relation to PNM
- Additions to FERC Form 1
- Question and Answer

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## BACKGROUND ON FERC ORDER NO. 898

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FERC issued Order No. 898 on June 29, 2023. This Order:

- Amends the Uniform System of Accounts.
- Creates new accounts to properly functionalize wind, solar, and other renewable generating and energy storage assets
- Adds new accounts for computer hardware, software, and communication equipment
- Codifies accounting treatment for environmental credits
- Updates relevant FERC forms to reflect these changes

Went into effect on January 1, 2025

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## FERC ORDER NO. 898 IN RELATION TO PNM

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PNM implemented Order No. 898 accounting in January 2025

- Will impact PNM's Formula Rate update in 2026
- A 205 filing will be made with FERC in Q1 of 2026

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## FERC ORDER NO. 898 IN RELATION TO PNM (CONT.)

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- New Accounts for Solar, Wind and Other Renewables
  - Summarized in Production Plant
  - No modification to FERC Formula Template
- New Functional Class for Energy Storage
  - Creates new sub-category of Plant on FERC Forms
  - Requires a modification to FERC Formula Template – Schedule 1
- Addition of new accounts for computer hardware, software, and communication equipment
  - Functionalization of certain General & Intangible Plant to Production, Distribution, Transmission Plant, and Energy Storage

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## ADDITIONS TO FERC FORM 1/FORM 3Q

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Additional lines will be needed on the FERC Form 1/Form 3Q to accommodate the new functional class and accounts per the FERC 898 Order, which will result in additional inputs to the FERC Formula Template

- Electric Plant in Service (FERC Page 204)
- Accumulated Provisions for Depreciation of Electric Utility Plant (FERC Page 219)
- Will update all references in the FERC Formula Template to the FERC Form 1 accordingly

# Questions?



Talk to us.

