

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

<b>IN THE MATTER OF PUBLIC SERVICE</b>	)	
<b>COMPANY OF NEW MEXICO’S APPLICATION</b>	)	
<b>FOR CONTINUATION OF A PLAN TO MANAGE</b>	)	
<b>FUEL AND PURCHASED POWER COSTS BY</b>	)	<b>Case No. 24-00238-UT</b>
<b>ENTERING INTO CERTAIN FORWARD</b>	)	
<b>MARKET TRANSACTIONS,</b>	)	
	)	
<b>PUBLIC SERVICE COMPANY OF NEW MEXICO,</b>	)	
	)	
<b>Applicant.</b>	)	
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**NOTICE OF PROCEEDING AND HEARING**

This is NOTICE of a proceeding before the New Mexico Public Regulation Commission. What follows is a summary of the case, an overview of the procedural schedule of the case, and information about how you can participate in the process.

1. On June 28, 2024, Public Service Company of New Mexico (“PNM” or the “Company”) filed with the New Mexico Public Regulation Commission (“NMPRC” or “Commission”) its Application for approval of the continuation of PNM’s hedging plan (“Plan”), initially approved by the Commission in Case No. 09-00321-UT and continued in Case Nos. 14-00190-UT and 19-00187-UT, to manage its fuel and purchased power costs by entering into certain forward market transactions, and for such approvals, authorizations and variances that may be required in connection with the Plan (“Application”).

2. PNM is requesting that the Commission approve the continuation of its Plan to participate in forward gas and electric markets by engaging in forwards and futures transactions through 2029, provided that the Company would be allowed to enter into forward transactions under the Plan that will not close until the end of 2030. Forward markets are the markets for month-ahead or longer term, which could be up to two to three years ahead. PNM states that its

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ability to participate in forward markets has enabled it to improve the management of its fuel and purchased power costs, reduced volatility in fuel and purchased power expenses and provided other benefits to customers. PNM proposes to continue to flow the benefits, as well as the costs, of the Plan to PNM's retail customers through the Company's Fuel and Purchased Power Cost Adjustment Clause ("FPPCAC"). The Company states that no change is being sought in its base electric rates.

3. Specifically, the Plan involves PNM's participation in the forward markets for the month-ahead and the longer term in order to conduct the following activities:

a. to procure natural gas and energy in the forward markets to serve jurisdictional load, including:

i. procurement of natural gas fuel for generation at PNM's gas-fired generation plants during the current calendar year and for up to two calendar years in advance at a price set either by contract or the use of financial instruments; and

ii. procurement of electricity through purchases during the current calendar year and for up to two calendar years in advance at a price set either by contract or the use of financial instruments; and

b. to enter into off-system sales in the forward markets to enhance margins benefiting jurisdictional ratepayers, including:

i. off-system sales of anticipated excess energy during the current calendar year and for up to one calendar year in advance at a price set either by contract or the use of financial instruments; and

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ii. sales from PNM's gas-fired generation plants for fixed-margin, "spark-spread" financial transactions during the current calendar year and for up to one calendar year in advance.

4. PNM has requested the expeditious consideration of its Application so that the benefits of the Plan can continue to be provided to customers uninterrupted.

5. Further information regarding this case can be obtained by contacting PNM or the Commission at the address and telephone numbers provided below. The Commission has assigned Case No. 24-00238-UT to this proceeding, and all inquiries or written comments concerning this matter should refer to that case number.

6. The following procedural schedule has been established for this case:

a. Any person desiring to become a party ("intervenor") to this case must file a motion for leave to intervene in conformity with 1.2.2.23 NMAC on or before **Friday, August 30, 2024**. All motions for leave to intervene shall be served on all existing parties and other proposed intervenors of record.

b. Staff shall, and any intervenors may, pre-file direct testimony on or before the close of business on **Friday, September 6, 2024**.

c. Rebuttal testimony shall be filed on or before the close of business on **Wednesday, September 18, 2024**.

d. The public evidentiary hearing shall commence on **Monday, September 30, 2024**, beginning at 9:00 a.m. MT. The hearing shall be transcribed by a court reporter, and the transcript shall be available in the normal course. This hearing may be vacated, however, if deemed unnecessary by the Hearing Examiner and upon motion of the parties.

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e. Oral public comments will be permitted at the commencement of the public hearing. Any person interested in providing public comment must contact Ana Kippenbrock, with the Hearing Examiners Division, at Ana.Kippenbrock@prc.nm.gov or (505) 690-4191 by no later than noon on **Friday, September 27, 2024**. Public comments will be limited to three minutes per speaker. Public comment is not evidence. 1.2.2.23(F) NMAC. Written comments can also be submitted at any time before the Commission takes final action on PNM's Application by e-mailing those comments to the Commission's Records Bureau at prc.records@prc.nm.gov. Any comments offered must reference Case No. 24-00238-UT. Those comments are also not evidence. 1.2.2.23(F) NMAC.

f. The Commissioners may, at their discretion, conduct a public-comment hearing to receive oral comments at some point in the days immediately prior to the scheduled evidentiary hearing. Notice of that public-comment hearing, if one is conducted, will be provided to the service list and will be posted on the Commission's website. The protocols that will govern that public-comment hearing will be determined by the Commissioners and set out in an order. The purpose of a public-comment hearing is to receive oral comment from the public about PNM's Application. To reiterate, comments are not evidence.

g. All established procedural dates and requirements set in this case are subject to further order of the Commission or the hearing examiner.

h. Interested persons should contact the Commission for confirmation of the hearing date, time and place, since hearings are occasionally rescheduled or canceled.

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i. Further information about the hearing can be obtained from PNM's website, [www.pnm.com](http://www.pnm.com) or at "Case Lookup EdoCKET" on the Commission's website at [www.prc.nm.gov](http://www.prc.nm.gov).

7. The evidentiary hearing in this case will be conducted via the Zoom videoconference platform. Access to and participation in the evidentiary hearing shall be limited to party participants (i.e., counsel and witnesses), the Commissioners, and other essential Commission personnel. The Zoom hearing will be livestreamed through YouTube and a link to the stream provided on the Commission's website at <https://www.nm-prc.org>. Persons not participating in the evidentiary hearing as an attorney or witness may view the hearing on YouTube.

8. The Commission's procedural rules (found at 1.2.2 NMAC) shall apply to this proceeding except as modified by order of the Commission or Hearing Examiners. The rules are available at the New Mexico Compilation Commission's website at <https://nmonesource.com/nmos/en/nav.do> under New Mexico Laws and Court Rules, New Mexico Administrative Code, title one, chapter two, part two.

9. Any interested person may examine PNM's filing in this case together with any exhibits and related papers which may be filed in this case at PNM Headquarters, Main Offices, Albuquerque, New Mexico 87158, telephone (505) 241-2700; on PNM's website: [www.pnm.com](http://www.pnm.com), or at "Case Lookup EdoCKET" on the Commission's website at [www.prc.nm.gov](http://www.prc.nm.gov).

10. Any person filing prepared testimony under 1.2.2.35(I) NMAC on behalf of a party shall attend the evidentiary hearing and submit to examination under oath.

11. All documents filed with the Commission shall be filed in accordance with the Commission's rules set forth in 1.2.2 NMAC. The following physical address of the Commission shall be used only for special or hand deliveries: 142 West Palace Ave, Santa Fe, NM 87501.

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12. The Commission has not decided if PNM’s application should be approved. The Commission has commenced this case to test PNM’s evidence and analyses to determine if PNM’s application should be approved as presented, modified or denied in whole or in part.

13. Additional details regarding this proceeding and its procedural requirements are set forth in the Hearing Examiner’s Procedural Order issued in conformity with this Notice.

**PERSONS WITH DISABILITIES**

IF YOU ARE AN INDIVIDUAL WITH A DISABILITY WHO IS IN NEED OF A READER, AMPLIFIER, QUALIFIED SIGN LANGUAGE INTERPRETER, OR ANY OTHER FORM OF AUXILIARY AID OR SERVICE TO ATTEND OR PARTICIPATE IN THE HEARING, OR FOR A SUMMARY OR OTHER TYPE OF ACCESSIBLE FORMAT OF PUBLIC DOCUMENTS, PLEASE CONTACT THE DIRECTOR OF ADMINISTRATIVE SERVICES OF THE COMMISSION AT (505) 827-8019 AS SOON AS POSSIBLE PRIOR TO THE HEARING.

**ISSUED** under the seal of the Commission at Santa Fe, New Mexico, this **16<sup>th</sup>** day of **July 2024**.

**NEW MEXICO PUBLIC REGULATION COMMISSION**



A handwritten signature in black ink, appearing to read "John F. Kreienkamp".

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John F. Kreienkamp  
Hearing Examiner  
[john.kreienkamp@prc.nm.gov](mailto:john.kreienkamp@prc.nm.gov)