BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S)
APPLICATION FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY	·)
TO CONSTRUCT, OWN, AND OPERATE	
30 MEGAWATTS OF BATTERY ENERGY) Case No. 25-000 UT
STORAGE FACILITIES)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
Applicant)
rippiicuit)

DIRECT TESTIMONY

OF

KYLE T. SANDERS

NMPRC CASE NO. 25-000__-UT INDEX TO THE DIRECT TESTIMONY OF KYLE T. SANDERS

WITNESS FOR PUBLIC SERVICE COMPANY OF NEW MEXICO

I.	INTRODUCTION A	ND PURPOSE	1
II.	NEED AND REASO	NABLENESS OF PROPOSED RESOURCES	4
III.	STATUTORY, REG	ULATORY, AND PRIOR ORDER REQUIREMENTS	6
IV.	COST RECOVERY.		13
V.	REGULATORY STA	AKEHOLDER OUTREACH PROCESS	16
VI.	CONCLUSION		18
PNM l	Exhibit KTS-1	Resume of Kyle T. Sanders	
AFFII	DAVIT		

1		I. INTRODUCTION AND PURPOSE
2	Q.	Please state your name, title, and business address.
3	A.	My name is Kyle T. Sanders. I am the Vice President of Regulatory for Public
4		Service Company of New Mexico ("PNM" or "Company"). My business address
5		is Public Service Company of New Mexico, 414 Silver Avenue SW, Albuquerque,
6		New Mexico 87102.
7		
8	Q.	Please summarize your educational and professional qualifications.
9	A.	PNM Exhibit KTS-1 describes my educational and professional qualifications.
10		
11	Q.	Have you previously provided testimony in Commission proceedings?
12	A.	Yes. A list of cases in which I have provided testimony before the NMPRC is
13		included in PNM Exhibit KTS-1.
14		
15	Q.	What is PNM requesting in this proceeding?
16	A.	PNM is seeking a certificate of public convenience and necessity ("CCN") for 30
17		MW of battery energy storage systems ("BESS") consisting of five 6 MW, 4-hour
18		batteries on five PNM distribution feeders (the "BESS Project"). PNM will own
19		and operate the BESS located at five different locations in PNM's service territory
20		on PNM's distribution system. These sites, all of which are located within existing

1		PNM solar generation facilities at the distribution level, will result in a streamlined
2		process, in that PNM already has control of locations, and in many cases, no
3		additional permits or reviews will be required. The locations are described in more
4		detail by PNM witness Erfan Hakimian.
5		
6	Q.	What is the purpose of your testimony?
7	A.	My testimony demonstrates how PNM's CCN application for the BESS Project
8		meets the regulatory framework and applicable legal standards in NMSA 1978,
9		Sections 62-9-1 and 62-9-6 of the Public Utility Act ("PUA"). Taken together with
10		PNM's other witnesses, PNM's application demonstrates that the proposed BESS
11		Project is in the public interest.
12		
13	Q.	How is your testimony organized?
14	A.	My testimony is organized as follows:
15		• Identification of the other PNM witnesses that support PNM's Application.
16		 Need and reasonableness of BESS Project.
17		• Compliance with NMSA 1978, Sections 62-9-1 and 62-9-6 of the PUA for
18		approval of PNM's requested CCN.
19		• Recovery of the associated BESS Project costs.
20		Stakeholder outreach process around the BESS Project.
21		

1	Q.	What is the timeframe PNM is requesting for approval of the application?
2	A.	PNM requests approval of a CCN for the BESS Project no later than May 6, 2025,
3		consistent with the requirement that a CCN application be approved within a
4		nine-month approval deadline (subject to extension). As described by PNM witness
5		Hakimian, approval within the nine-month timeframe will allow PNM to start
6		addressing the volume of pending interconnection applications on these five
7		distribution feeders, as well as to provide the direct and indirect system benefits
8		described in the testimonies of the other PNM witnesses.
9		
10	Q.	Who are the other PNM witnesses filing testimony in support of PNM's
11		application?
12	A.	There are three other witnesses testifying on behalf of PNM in this matter:
13		• Erfan Hakimian, Director of Transmission/Distribution Planning and Contracts,
14		will address matters related to hosting capacity on the PNM distribution system,
15		describe the analysis of sites for the 30 MW of BESS and the potential benefits,
16		and will address how PNM's application satisfies certain CCN criteria.
17		• Nicholas Pollman, Manager of Control Systems for Utility Operations and
18		Technology, will address matters related to the generation engineering aspects
19		of the BESS Project, including the technical specifications, integration, and
20		operational methodology of BESS deployment on PNM's system.

1		• Gary Barnard, Executive Director of Strategic Energy Development,	
2		Renewables and Contracts, will address the background and description of the	
3		proposed 30 MW BESS, the strategy, request for proposal process and the	
4		estimated capital costs and timing for the BESS Project, and how the BESS	
5		Project meets certain statutory criteria for approval of a CCN.	
6		With respect to the criteria in the PUA for issuance of a CCN, in many cases	
7		multiple PNM witnesses will address the same criteria. However, each witness is	
8		addressing each particular criteria [e.g., how the BESS Project will reduce costs to	
9	ratepayers as required by Section 62-9-1(E)(1)] based upon their own expertise and		
10	job responsibilities. PNM's intent in asking multiple witnesses the same question		
11	is not repetition, but to ensure the most complete response regarding each of the		
12		CCN criteria from the most knowledgeable witness(es).	
13			
14		II. NEED AND REASONABLENESS OF PROPOSED RESOURCES	
15 16	Q.	Why is PNM proposing the BESS Project?	
17	A.	As more fully discussed by PNM witness Hakimian, the BESS Project provides the	
18		second phase of distribution-sited BESS, which will ensure the continued safe and	
19		reliable operation of PNM's distribution system. These systems will enable PNM	
20		to continue to accommodate additional customer-owned distributed generation	
21		("DG") interconnections, as well as programs such as community solar. The BESS	

1		Project also provides other system benefits, including utilizing this additional
2		storage capacity to PNM's system to help manage overall loads and resources.
3		
4	Q.	What action has PNM previously taken to address the distribution system
5		overcapacity issues?
6	A.	Historically, PNM has implemented more traditional distribution system upgrades
7		to address overcapacity issues. Please see the Direct Testimony of PNM witness
8		Hakimian for a detailed description of those traditional upgrades.
9		
10	Q.	Does the BESS Project provide system-wide benefits to PNM customers?
11	A.	Yes. Just like other approved energy storage additions on PNM's system, customers
12		will benefit from the added capacity provided by the BESS Project. PNM witness
13		Hakimian describes the various benefits to the system as a whole and confirms that
14		the BESS Project provides overall benefits to PNM customers. He explains that
15		BESS installations will help the system store peak renewable energy production
16		while minimizing losses by being in close proximity to the sources of renewable
17		energy and use that stored energy when needed to serve customers while optimizing
18		the use of carbon-free resources. The BESS Project will also potentially provide
19		an added measure of resiliency to PNM's overall system while providing improved
20		reliability at a more localized level.
21		

1	Q.	What is the current status of the BESS Project?		
2	A.	Initial planning has been completed, as discussed in the Direct Testimony of PNM		
3		witness Hakimian. As discussed by PNM witness Barnard, PNM is utilizing an		
4		Engineering, Procurement, and Construction ("EPC") contract structure. PNM has		
5		contracted with Gridworks as the prime contractor for this effort.		
6				
7	III.	STATUTORY, REGULATORY, AND PRIOR ORDER REQUIREMENTS		
8 9	Q.	What general standards apply for granting a CCN in New Mexico?		
10	A.	Section 62-9-1 of the PUA prescribes the general standard for issuance of CCNs		
11		and provides that "[n]o public utility shall begin the construction or operation of		
12		any public utility plant or system or of any extension of any plant or system without		
13		first obtaining from the commission a certificate that public convenience and		
14	4 necessity require or will require such construction or operation." I note that Section			
15		62-9-1(A) provides that a CCN is not required for the extension of any plant or		
16		system within areas it serves that are necessary in the ordinary course of its		
17		business. Consistent with PNM's prior application related to BESS equipment		

18

19

installed on PNM's system at the distribution level, 1 PNM has interpreted the

exemption to not apply without further guidance from the Commission on whether

¹ Case No. 23-00162-UT, Recommended Decision at pp. 6-7 (Dec. 8, 2023, approved by Final Order on Dec. 21, 2023).

1		energy storage equipment and facilities can be considered as necessary in the
2		ordinary course of business.
3		
4	Q.	Are there specific criteria applicable to CCN applications for energy storage
5		facilities?
6	A.	Yes. As amended in 2019, ² Section 62-9-1(E) of the PUA specifically governs the
7		CCN criteria to be met for an energy storage system, which is defined as "methods
8		and technologies used to store electricity." The BESS Project is a battery energy
9		storage system used to store electricity. Moreover, energy storage on distribution
10		level systems has not been determined to be in the ordinary course of business to
11		date. Therefore, this Application is governed by Section 62-9-1(E).
12		
13	Q.	What are the specific requirements under Section 62-9-1(E) for approval of an
14		energy storage system such as the BESS Project?
15	A.	Section 62-9-1(E) provides that the Commission shall approve an application for a
16		CCN for energy storage systems that meets the following criteria:
17 18 19		(1) reduce costs to ratepayers by avoiding or deferring the need for investment in new generation and for upgrades to systems for the transmission and distribution of energy;

² Section 62-9-1 was amended in 2019 to provide guidelines for the Commission when reviewing an application for a CCN for an energy storage system, which were codified as Section 62-9-1(D). In 2025, subsection (D) was redesignated as subsection (E) to account for additional unrelated amendments.

1 2		(2) reduce the use of fossil fuels for meeting demand during peak load periods and for providing ancillary services;
3 4 5		(3) assist with ensuring grid reliability, including transmission and distribution system stability, while integrating sources of renewable energy into the grid;
6 7		(4) support diversification of energy resources and enhance grid security;
8 9		(5) reduce greenhouse gases and other air pollutants resulting from power generation;
10 11 12 13		(6) provide the public utility with the discretion, subject to applicable laws and rules, to operate, maintain and control energy storage systems so as to ensure reliable and efficient service to customers; and
14 15		(7) are the most cost effective among feasible alternatives.
16	Q.	Do you view Section 62-9-1(E) as modifying the general requirements for
17		issuance of a CCN for an energy storage system such as the BESS Project?
18	Α.	Not necessarily, I believe that Section 62-9-1(E) provides further clarity for when
19		the Commission "shall approve an application for a CCN" for an energy storage
20		system if the project satisfies the seven criteria listed earlier in my testimony. I
21		believe the use of the word "shall" provides the clear circumstances in which the
22		approval of an energy storage project is mandatory. However, I do still address
23		below how the BESS Project also satisfies the more general requirements for a
24		CCN.
25		

- 1 Q. Has PNM provided evidence that the BESS Project meets all seven of the 2 criteria for approval under Section 62-9-1(E)?
- Yes, PNM has met the statutory criteria for approval of the BESS Project. Through
 their direct testimonies, PNM witnesses Hakimian, Pollman, and Barnard all
 demonstrate full satisfaction of the seven criteria under Section 62-9-1(E). PNM
 Table KTS-1 provides a cross reference of the locations in the Direct Testimonies
 of PNM witnesses where the seven statutory criteria are addressed.

8

PNM Table KTS-1

PUA Section	Criteria	PNM Witness	Location
62-9-1(E)(1)	Reduce costs to ratepayers by avoiding or deferring the need for investment in new generation and for upgrades to systems for the transmission and distribution of energy	Erfan Hakimian	Section V: Public Interest
62-9-1(E)(2)	Reduce the use of fossil fuels for meeting demand during peak load periods and for providing ancillary services	Nicholas Pollman	Section IV: Public Interest
62-9-1(E)(3)	Assist with ensuring grid reliability, including transmission and distribution system stability, while	Erfan Hakimian	Section V: Public Interest
02-9-1(E)(3)	integrating sources of renewable energy into the grid	Nicholas Pollman	Section IV: Public Interest
		Erfan Hakimian	Section V: Public Interest
	Symment diversification of energy	Nicholas Pollman Gary B. Barnard	Section IV: Public Interest
62-9-1(E)(4)	Support diversification of energy resources and enhance grid security		Section IV: Project Implementation and CCN Criteria

PUA Section	Criteria	PNM Witness	Location
62-9-1(E)(5)	Reduce greenhouse gases and other air pollutants resulting from power generation	Nicholas Pollman	Section IV: Public Interest
62-9-1(E)(6)	Provide the public utility with the discretion, subject to applicable laws and rules, to operate, maintain and control energy storage systems so as to ensure reliable and efficient service to customers	Nicholas Pollman	Section III: Utility Owned Proposed BESS Project And Section IV: Public Interest
62-9-1(E)(7)	Are the most cost effective among feasible alternatives	Erfan Hakimian	Section V: Public Interest

1

2

3

Q. Please explain how the BESS Project also meets the more general CCN standards under Section 62-9-1.

4 The Commission has equated "public convenience and necessity" with the public A. 5 interest and found that the CCN statute implies there must be a net public benefit 6 in order to grant a CCN.³ The utility has the burden of showing that the resource it proposes is the most effective resource among feasible alternatives.⁴ The BESS 7 Project will assist in meeting customer needs and forecasted load growth, allow for 8 9 an increase in solar hosting capacity, reduce costs to customers, and help ensure 10 that PNM can provide safe and reliable service for its customers. The BESS Project 11 will continue to address the issue of overcapacity on distribution feeders which has

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³ See, e.g., Case No. 19-00349-UT, Recommended Decision at 16 (Nov. 16, 2020).

⁴ *Id.* at 16-17 (citing Case No. 15-00261-UT, Corrected Recommended Decision (Aug. 15, 2016), Case No. 13-00390-UT, Final Order (Dec. 16, 2015), Case No. 15-00205-UT, Order Partially Granting PNM Motion to Vacate and Addressing Joint Motion to Dismiss (Dec. 22, 2015), and Case No. 2382, Final Order Approving Recommended Decision (Nov. 20, 1995)).

1

3

11

been the subject of customer and Commission concerns. The BESS Project will aid 2 in alleviating the capacity-constrained distribution feeders and will facilitate the use of DG energy to serve customers. These benefits all serve PNM customers as well 4 as the public interest. 5 6 Q. Does the PUA have other general requirements for issuance of a CCN? 7 A. Yes. Section 62-9-6 requires that a corporation applying for a CCN have its articles 8 of incorporation on file with the Commission. PNM's current articles of 9 incorporation have been filed with the Commission and can be found in the record 10 of Case No. 13-00390-UT, in PNM Exhibit GTO-2 to the December 20, 2013 Direct Testimony of Gerard T. Ortiz. PNM requests that the Commission take 12 administrative notice of this exhibit in the Commission's records. 13 Further, Section 62-9-6 also requires evidence, as the Commission may require, 14 15 demonstrating the consent and franchise of the municipality where construction and 16 operation of a new facility will occur. PNM witness Hakimian confirms that four 17 of the five BESS Project sites are outside of any municipal boundary so this 18 requirement of Section 62-9-6 is not applicable to those four. The fifth site is 19 located within the City of Rio Communities. However, if satisfaction of this 20 requirement is necessary, and as confirmed by PNM witness Hakimian, PNM will 21 obtain all necessary governmental permits and comply with all applicable zoning

1		and building requirements with respect to the construction and operation of the
2		BESS Project site within the City of Rio Communities.
3		
4	Q.	Is location approval for the BESS Project required from the Commission?
5	A.	No. Location approval is not required under Section 62-9-3 of the PUA. The BESS
6		Project is not a plant designed for or capable of operation at a capacity of three
7		hundred thousand kilowatts or more, nor is it a transmission line project that falls
8		within the location statute.
9		
10	Q.	Is the BESS Project consistent with PNM's most recent Integrated Resource
11		Plan ("IRP")?
12	A.	Yes. PNM's most recent IRP, which includes a Statement of Need, was filed in
13		2023 and accepted by the Commission in Case No. 23-00409-UT in 2024. PNM
14		filed an Application for a variance from the Accepted Statement of Need in the
15		2023 IRP on October 10, 2024, which included a supplemental report to the 2023
16		IRP. The variance was granted by the Commission on November 26, 2024. The
17		revised Statement of Need in the October 10 filing identified that 1100 MW to 1700
18		MW of dynamic balancing resources should be added through 2032 (page 5 of the
19		supplemental report). The BESS Project adds dynamic balancing resources that are
20		consistent with the identified need.
21		

IV. COST RECOVERY

2

1

3 Q. How does PNM plan to recover the costs associated with these projects?

4 A. PNM will recover the BESS Project costs in a future rate recovery proceeding.

5

6

Q. Has PNM estimated the cost for the BESS Project?

Yes, the BESS Project has an estimated capital cost of \$78.7 million, and a total estimated first year revenue requirement of \$3.3 million. The \$78.7 million capital includes approximately \$850 thousand distribution capital needed to interconnect the batteries to the distribution system. Please see PNM Table KTS-2 below for the breakout of costs by facility. PNM witness Barnard provides the details of the Battery Storage capital costs.

PNM Table KTS-2							
First Year Revenue Requirement by Facility							
Capacity Capital Revenue Facility (MW) Investment ITC * Requirement							
Alamogordo Otero	6	\$ 15,738,000	40%	\$ 486,015			
Deming	6	15,738,000	40%	486,015			
Meadow Lake	6	15,738,000	30%	923,361			
Rio Communities	6	15,738,000	30%	923,361			
San Miguel	6	15,738,000	40%	486,015			
Total	30	\$ 78,690,000		\$ 3,304,765			
* Please see PNM Table KTS-3 for ITC calculation							

13

14

1 Q. Has PNM modeled the Investment Tax Credits associated with the BESS

2 **Project?**

- 3 A. Yes. PNM has assumed between 30% and 40% Investment Tax Credits ("ITC")
- 4 related to the various locations of the BESS Project. This translates to \$28.0 million
- of ITC benefit that will be returned to customers when PNM begins to utilize ITC
- 6 to offset tax liability.

7

8 Q. How is the estimated ITC percentage derived?

9 A. Please see PNM Table KTS-3 below for the component of available ITC that PNM

has assumed for each location.

,	PNI	M Table KTS-3				
	ITC	Calculation				
	Bonus ITC					
	Prevailing					
Base	Wages &	Low-income	Energy	Domestic		
Credit	Apprenticeship	Communities	Communities	Content *	Total ITC	
6%	24%	0%	10%	0%	40%	
6%	24%	0%	10%	0%	40%	
6%	24%	0%	0%	0%	30%	
6%	24%	0%	0%	0%	30%	
6%	24%	0%	10%	0%	40%	
	6% 6% 6% 6%	Prevailing Wages & Credit Apprenticeship 6% 24% 6% 24% 6% 24% 6% 24% 6% 24%	Prevailing Wages & Low-incomeCreditApprenticeshipCommunities6%24%0%6%24%0%6%24%0%6%24%0%6%24%0%	Calculation Bonus ITC	Calculation Bonus ITC Bonus ITC Bonus ITC	

^{*} Qualification for the Inflation Reduction Act Domestic Content bonus ITC will be known at the time the batteries and equipment are ordered for the BESS Project.

12

11

1	Q.	Does PNM expect changes to the current ITC and how does PNM plan to
2		handle such changes for the BESS Project?
3	A.	PNM does not expect changes to the current ITC on the BESS Project. Current tax
4		reform does not remove the ITC provisions on battery storage projects, so these
5		projects will still qualify. However, in the case of an unlikely event that changes
6		the projects' awarded ITC, PNM would pass the actual ITC earned by each project
7		back to customers. As mentioned in the footnote to PNM Table KTS-3 above, the
8		most likely event would be an upside to the ITC currently estimated as these
9		projects could qualify for the domestic content provision of an additional 10% of
10		ITC.
11		
12	Q.	How does PNM plan to account for any difference in the cost of the BESS
13		Project from what is estimated in this case?
14	A.	To the extent the actual costs of the project are different from the estimated capital
15		cost of \$78.7 million, PNM would provide the information required by the Cost
16		Overrun Rule (17.3.580 NMAC) to request recovery of these costs in its next
17		general rate review application.
18		
19	Q.	Is the application of the Commission's Cost Overrun Rule in 17.3.580 NMAC
20		to the estimated cost of the BESS Project reasonable?

1	A.	Yes, I believe so. The Cost Overrun Rule applies to an "electric generating plant"		
2		as defined in 17.3.580.7(E) NMAC, and the storage component of the project will		
3		provide system capacity similar to a generation plant. Therefore, PNM believes		
4		that extending the application of 17.3.580 NMAC to the BESS Project is consistent		
5		with the objectives of the rule as well as recent treatment of similar projects. ⁵ The		
6		estimated capital cost of the BESS Project does not include any amount for		
7		contingencies.		
8				
9		V. REGULATORY STAKEHOLDER OUTREACH PROCESS		
10				
10 11	Q.	Please describe the outreach process around the BESS Project PNM engaged		
	Q.	Please describe the outreach process around the BESS Project PNM engaged in with its regulatory stakeholders.		
11	Q. A.	•		
11 12		in with its regulatory stakeholders.		
111213		in with its regulatory stakeholders. PNM met with five different stakeholders over the course of two meetings the		
11 12 13 14		in with its regulatory stakeholders. PNM met with five different stakeholders over the course of two meetings the week of July 14, 2025. Those who attended included:		
11 12 13 14 15		 in with its regulatory stakeholders. PNM met with five different stakeholders over the course of two meetings the week of July 14, 2025. Those who attended included: PNM, 		
11 12 13 14 15 16		 in with its regulatory stakeholders. PNM met with five different stakeholders over the course of two meetings the week of July 14, 2025. Those who attended included: PNM, New Mexico Department of Justice, 		

 5 See Case No. 23-00353-UT, Final Order, \P 46 (May 30, 2024); Recommended Decision, p. 37 (May 3, 2024).

1		 Renewable Energy Industries Association.
2		Also invited were Otero County, San Miguel County, Luna County, Valencia
3		County, Coalition for Clean Affordable Energy, Interwest Energy Alliance, and
4		New Energy Economy.
5		
6	Q.	What was the purpose and format of the stakeholder meetings?
7	A.	PNM presented a short overview of the BESS Project filing accompanied by
8		slides, then opened the floor for questions from the stakeholders.
9		
10	Q.	What were some of the questions received from stakeholders during the
11		public outreach meetings?
12	A.	Some of the questions from stakeholders were whether the BESS Project would
13		reduce solar curtailments, why the five sites were selected, what determines if a
14		feeder is at or near capacity, was the EPC contract the result of a competitive
15		procurement, when will the resources be online, and is operational data available
16		from the 12 MW of distribution-sited batteries approved in Case No. 23-00162-
17		UT. PNM has attempted to incorporate the information shared through the
18		discussions into the filing itself.
19		
20	Q.	Has PNM considered any environmental justice implications of the BESS
21		Project?

1	A.	Yes. The batteries will be placed on existing PNM solar generation sites, within the
2		existing footprint and fence lines of these sites. The batteries and inverters
3		organically fold into the pre-existing Photovoltaic ("PV") inverters and equipment.
4		One of the main reasons for siting these new battery installations on existing sites
5		is due to environmental justice concerns. PNM is attempting to minimize impacts
6		to low-income populations and underserved areas by not acquiring or otherwise
7		developing any additional land that could potentially impact such populations or
8		areas.
9		The environmental justice mapping and screening tool that PNM used in Case No.
10		23-00162-UT to assess the environmental justice attributes of the areas those
11		batteries were sited is no longer available. The Environmental Protection Agency
12		removed public access to their EJScreen tool on February 5, 2025.6
13		
14		VI. CONCLUSION
15 16	Q.	In conclusion, what is PNM requesting in this case?
17	A.	PNM is seeking approval of a CCN for the BESS Project discussed throughout
18		my testimony. This project is comprised of five 6 MW sites, for a total of 30 MW
19		of battery storage sited on PNM's distribution system. As discussed throughout

 $^6 \textit{See} \ \underline{\text{https://envirodatagov.org/epa-removes-ejscreen-from-its-website/}.$

1		the Application, this project is in the public interest. Therefore, PNM respectful	lly
2		requests the Commission approve the Application and grant the CCN for the	
3		BESS Project.	
4			
5	Q.	Does this conclude your testimony?	
6	A.	Yes.	
7		GCG#5340	015

Resume of Kyle T. Sanders

PNM Exhibit KTS-1

Is contained in the following 3 pages.

KYLE T. SANDERS EDUCATIONAL AND PROFESSIONAL SUMMARY

Name: Kyle T. Sanders

Address: PNM Resources Inc.

MS 1105 414 Silver SW

Albuquerque, NM 87102

Position: Vice-President, PNM Regulatory

Education: Bachelor of Accountancy, New Mexico State University, 2009

Employment: PNM Services Company:

Senior Revenue Requirements Analyst (2012-2013)

Financial Analyst (2013-2015)

Manager of Cost of Service (2015-2017)

Director Financial Planning and Load Forecasting (2017) Director of Corporate Budget and Cost of Service (2019-2023)

Executive Director of Financial Planning, Corporate Budget, and Cost of

Service (2023-2025)

Vice-President, PNM Regulatory (Current)

New Mexico Gas Company:

Director of Planning and Forecasting (2017-2019)

Testimony and Affidavit Filed:

Texas Public Utility Commission

- In the Matter of the Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, PUCT Docket No. 44953, filed July 17, 2015
- In the Matter of the Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, PUCT Docket No. 45559, filed January 29, 2016
- In the Matter of the Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, PUCT Docket No. 46184, filed July 19, 2016
- In the Matter of the Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, PUCT Docket No. 46786, filed January 20, 2017
- In the Matter of the Application of Texas-New Mexico Power Company for A Distribution Cost Recovery Factor, PUCT Docket No. 50731, filed April 6, 2020
- In the Matter of the Application of Texas-New Mexico Power Company for A Distribution Cost Recovery Factor, PUCT Docket No. 51959, filed April 6, 2021

New Mexico Public Regulation Commission

- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 26, 2016 (PNM's Rider No. 36 Reconciliation for 2015.)
- In the Matter of PNM's Application for Approval of Its Renewable Energy Act Plan for 2017 and Proposed 2017 Rider Rate under Rate Rider No. 36, NMPRC Case No. 16-00148-UT, filed June 1, 2016
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2017 (PNM's Rider No. 36 Reconciliation for 2016.)
- In the Matter of PNM's Application for Approval of Its Renewable Energy Act Plan for 2018 and Proposed 2018 Rider Rate under Rate Rider No. 36, NMPRC Case No. 17-00129-UT, filed June 1, 2017
- In the Matter of PNM's Application for Approval of Two Purchased Power Agreements and an Energy Storage Agreement Pursuant to 17.9.551 NMAC, An Addendum to the Special Service Contract with Great Kudu LLC, and Amended Rider No. 49, NMPRC Case No. 21-00031-UT, filed February 8, 2021
- In the Matter of the Application of Public Service Company of New Mexico for Decertification and Abandonment of 114 MW of Leased Palo Verde Nuclear Generating Station Capacity and Sale and Transfer of Related Assets and for Approval to Procure New Resources under 17.9.551 NMAC, NMPRC Case No. 21-00083-UT, filed April 2, 2021
- In the Matter of Public Service Company of New Mexico's Request for Approval of New Resources under 17.9.551 NMAC to Replace 114 MW of Leased Palo Verde Nuclear Generating Station Capacity, NMPRC Case No. 21-00215-UT, filed August 27, 2021
- In the Matter of Public Service Company of New Mexico's Request for Continued Use of Fuel and Purchased Power Cost Adjustment Clause, NMPRC Case No. 21-00166-UT, filed June 17, 2022
- In the Matter of Public Service Company of New Mexico's Application for Authorization to Implement Grid Modernization Components that Include Advanced Metering Infrastructure and Application to Recover the Associated Costs Through a Rider, Issuance of Related Accounting Orders and Other Associated Relief, NMPRC Case No. 22-00058-UT, filed October 3, 2022
- In the Matter of The Application of Public Service Company of New Mexico for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 595, NMPRC Case No. 22-00270-UT, filed December 5, 2022
- In the Matter of the Application of Public Service Company of New Mexico for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 625, NMPRC Case No. 24-00089-UT, filed June 14, 2024.

Federal Energy Regulatory Commission

 Public Service Company of New Mexico Filing to Revise Depreciation Rates in PNM's Transmission Formula Rate, FERC Docket No. ER 16-2713-000, filed September 30, 2016

• Public Service Company of New Mexico Filing of Transmission Service Agreements with Leeward Renewable Energy Development, LLC, FERC Docket No. ER 21-1363-001, affidavit filed April 19, 2021

GCG#533987

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE COMPANY OF NEW MEXICO'S APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT, OWN, AND OPERATE 30 MEGA WATTS OF BATTERY ENERGY STORAGE FACILITES	2))
PUBLIC SERVICE COMPANY OF NEW MEXICO)))
<u>AFFIDAVIT</u>	
STATE OF NEW MEXICO)	
COUNTY OF BERNALILLO) ss	
KYLE T. SANDERS, Director, VP of Regulatory for Pu Mexico, upon being duly sworn according to law, under oath, d foregoing Direct Testimony of Kyle T. Sanders, and it is trupersonal knowledge and belief.	eposes and states: I have read the
DATED this 6 th day of August, 2025.	
/s/ Kyle T. San KYLE T. SAN	