

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO’S)
RENEWABLE ENERGY ACT PLAN)
FOR 2026 AND PROPOSED 2026 RIDER)
NO. 36 RATE,)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
)
)
Applicant.)
_____)**

Case No. 25-00 ____-UT

**PUBLIC SERVICE COMPANY OF NEW MEXICO’S APPLICATION FOR
APPROVAL OF ITS 2026 RENEWABLE ENERGY ACT PLAN
AND RIDER NO. 36 RATE FOR 2026**

Pursuant to 17.9.572.14 NMAC, Public Service Company of New Mexico (“PNM” or “Company”) hereby submits its Application for approvals related to its Renewable Energy Act Plan for 2026 (“2026 Plan”). The 2026 Plan includes the same resources approved in PNM’s most recent Renewable Energy Act plan case, Case No. 24-00207-UT, and includes no new procurements. The 2026 Plan and the revised Renewable Energy Rider, Rider No. 36 (“Rider 36”) rate, with requested variances, comply with the Renewable Energy Act, NMSA 1978, §§ 62-16-1 to -10 (2004, as amended through 2019) (“REA”), and the Commission’s Renewable Energy Rule, 17.9.572 NMAC (“Rule 572”), and should be approved.

Specifically, PNM seeks the following Commission approvals in this case:

- Approval of PNM’s 2026 Plan;
- Approval to reset the rate for PNM’s Renewable Energy Rider, Rider No. 36 (“Rider 36”), to \$0.0064782/kWh , effective January 1, 2026, for recovery of RPS procurement costs anticipated to be incurred during 2026, including costs for

registering and retiring renewable energy certificates (“RECs”) in the Western Renewable Energy Generation Information System (“WREGIS”);

- To the extent necessary, a variance from the data filing requirements of 17.9.530 NMAC; and
- Pursuant to NMSA, 1978, Section 62-16-4(H) of the Renewable Energy Act, PNM requests that the Commission approve PNM’s Application without a formal hearing if no protests are filed within 90 days of the date of notice.

In further support of this 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. The REA has the following three purposes:

(1) to prescribe the amounts of renewable energy resources that public utilities must include in their electric energy supply portfolios for sales to retail customers in New Mexico by prescribed dates;

(2) to allow public utilities to recover costs through the rate-making process incurred for procuring or generating renewable energy used to comply with the prescribed amount; and

(3) to protect public utilities and their ratepayers from renewable energy costs that are above a reasonable cost threshold. NMSA 1978, § 62-16-2(B).

3. The REA also provides that:

a public utility that procures or generates renewable energy shall recover, through the rate-making process, the reasonable costs of complying with the renewable portfolio standard. Costs that are consistent with commission approval of procurement plans or transitional procurement plans shall be deemed to be reasonable. NMSA 1978, § 62-16-6(A).

4. The Commission has established standards for REA plan filings in Rule 572 and in PNM's previous REA plan cases. PNM's last five REA plan cases were Case Nos. 20-00124-UT, 21-00143-UT, 22-00143-UT, 23-00196-UT, and 24-00207-UT.

5. In Case No. 12-00007-UT, the Commission approved original Rider 36 and approved PNM's recovery of certain Commission-approved RPS costs through Rider 36. The Commission subsequently approved recovery of particular RPS costs and revised Rider 36 rates in Case No. 12-00007-UT, in Case No. 13-00183-UT, Case No. 14-00158-UT, and in PNM's last eight REA plan cases. Concurrently with this filing, PNM is filing Advice Notice 643, which contains the 28th Revised Rider No. 36.

6. PNM is filing its 2026 Plan in compliance with the amendments to the REA that took effect on June 18, 2021, which includes the 2019 amendments resulting from the Energy Transition Act, and amendments to Rule 572 that became effective on February 28, 2023.

8. A proposed form of Notice is attached to this Application as Appendix A.

9. PNM incorporates the testimony and exhibits of the following witnesses as if fully set forth in this Application: Shane Gutierrez, Arin R. Apodaca, and Heidi M. Pitts. PNM's 2026 Plan is attached as PNM Exhibit SG-3 to Mr. Gutierrez's testimony. PNM will serve a copy of this Application, supporting direct testimonies and exhibits, and Advice Notice No. 643 on the New Mexico Department of Justice and all counsel of record in PNM's most recent rate case, Case No. 24-00089-UT, and will publish notice of this filing in accordance with the requirements of the Commission's Rules of Procedure at 1.2.2 NMAC.

10. In compliance with 17.1.2.10(B)(2)(b) and (C)(2)(a) - (e) NMAC, PNM states:

- the 2026 revenue requirement of \$54,323,667 to be recovered through Rider No. 36 compares with the 2025 revenue requirement of \$54,124,093, which is an increase of \$199,574 or 0.37%;
- the customer classifications to which the revised Rider 36 will apply and the present and proposed rates for those classifications are shown below:

Affected Electric Rate Classes	Tariff Applied	Current Rate (May 1, 2025)	Proposed Rate To be Effective January 1, 2026
Residential Service 1A & 1B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Small Power Service 2A & 2B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
General Power Service 3B & 3C	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Large Power Service 4B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Large Power Service for Customers >= 8,000kW 5B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Private Area Lighting Service 6	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Irrigation Service 10A & 10B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Water & Sewage Pumping 11B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782kWh
Large Service for Public Universities 15B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782 /kWh
Streetlighting and Floodlighting Service 20	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Large Service, Manufacturing – Distribution Level 30B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Large Service for Station Power 33B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Large Power Service >= 3,000kW 35B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh
Special Service -Renewable Energy Res. 36B	PNM Rider No. 36	\$0.0063456 per kWh	\$0.0064782/kWh

- the impact on Residential and Small Power customers at various levels of consumption, including the average consumption level for each rate class, is shown on PNM Exhibit HMP-3 to the Direct Testimony of Heidi M. Pitts.

11. The following designated corporate representatives 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, PNM respectfully requests that the Commission issue an order consistent with the REA granting the relief requested in this Application and in the 2026 Plan, and granting such other approvals, authorizations and actions that may be required under the REA, Rule 572, and Commission rules and orders to implement the 2026 Plan and revisions to Rider 36.

Respectfully submitted this 30th day of May 2025.

PUBLIC SERVICE COMPANY OF NEW MEXICO

/s/ John Verheul

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