

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) CASE NO. 23-00162-UT
NECESSITY TO CONSTRUCT, OWN, AND)
OPERATE TWELVE MEGAWATTS OF)
BATTERY STORAGE FACILITIES)**

NOTICE TO PNM CUSTOMERS

To customers of Public Service Company of New Mexico (“PNM or Company”): this document is required by the New Mexico Public Regulation Commission (“PRC” or “Commission”). The purpose of this document is to provide you with notice of PNM’s Application requesting PRC authorization to allow PNM to construct, own, and operate twelve megawatts (“MW”) of battery energy storage systems (“BESS”) and authorization for the use of an expedited approval process for this PNM project and other similar projects in the future. This notice describes:

- The PRC process for considering PNM’s Application and requests; and
- How you can participate in this process if you wish to do so.

If you would like to participate in this process, the information below details how you may participate. **IF YOU DO NOT WANT TO PARTICIPATE IN THIS PROCESS, NO ACTION IS REQUIRED ON YOUR PART.**

NOTICE is hereby given by the PRC of the following matters:

On May 3, 2023, PNM filed an Application and supporting direct testimonies in accordance with Sections 62-9-1 and 62-9-6 of the Public Utility Act (“PUA”) and 17.1.2.9 NMAC. PNM seeks authorization for the acquisition, installation, and operation of two 6 MW 4-hour Lithium Iron Phosphate (“LFP”) battery storage systems on two distribution feeders (South Coors 12 and Tome 12) co-located at two PNM owned solar generation sites in Bernalillo County and Valencia County, New Mexico, collectively referred to as the “BESS Project.” PNM asserts that the BESS

Project will assist in meeting forecasted load growth, provide improved voltage support and power quality on two overloaded feeders, increase those feeders' solar hosting capacity, and reduce or delay the costs of system upgrades needed to ensure PNM provides safe and reliable service for customers. The battery facilities are intended to be operational in June 2024.

In accordance with Section 62-9-1(C) of the PUA, the PRC may approve PNM's requests for a CCN without formal hearing if no protest is filed within sixty (60) days after PNM gives notice of the Application. PNM requests that the PRC waive a formal hearing if no written protests are timely filed, and that the Commission rule on PNM's Application by December 31, 2023.

Specifically, PNM requests that the Commission issue a Final Order in this case by December 31, 2023, that:

1. Issues a Certificate of Public Convenience and Necessity for PNM's construction, ownership, and operation of the 12 MW of BESS on two feeders, to be co-located with existing PNM-owned solar facilities;
2. finds that the ratemaking treatment of the proposed facilities will be addressed in PNM's currently pending rate case, and as necessary in its next general rate case;
3. orders that, to the extent a similar project for the same purposes in the future requires the issuance of a CCN, a streamlined process should be authorized with approval within six months; and
4. grants such other and further approvals, authorizations, and relief as the Commission may deem necessary and appropriate in connection with the construction, ownership, and operation of the battery storage facilities.

PNM's Application states that the BESS Project will reduce costs to ratepayers by providing an alternative to new generation and deferring or avoiding otherwise needed upgrades to PNM's current distribution system. By locating the batteries on overloaded feeders with existing

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large solar installations, PNM asserts that it can reduce the use of fossil fuels for meeting demand beginning in 2024. Additionally, PNM asserts that the battery storage facilities will aid in ensuring grid reliability, support increased diversification of energy resources, contribute to the reduction of air pollutants resulting from power generation, and ensure efficient service to PNM's customers. PNM estimates the BESS Project cost at \$25.84 million, with the reasonableness of the final actual costs subject to Commission review and determination in a future general rate case. The BESS Project has an expected service life of 20 years.

Further information regarding this case can be obtained by contacting PNM or the Commission at the addresses and telephone numbers provided below. The Commission has assigned Case No. 23-00162-UT to this proceeding and all inquiries or written comments concerning this matter should refer to that case number.

The NMPRC assigned a Hearing Examiner to preside over this proceeding, and the Hearing Examiner established in her May 30, 2023 Procedural Order the following schedule for this case:

- a. On or before August 14, 2023, any person objecting to the requested approvals shall file a written Protest specifying the grounds for protest and demonstrating the need for a formal hearing on PNM's Application. If no written Protests are timely filed, the Commission may vacate and waive a formal hearing on this matter.
- b. On or before August 18, 2023, any person desiring to intervene to become a party ("intervenor") in this case must file a motion for leave to intervene in conformity with NMPRC Rules of Procedure, 1.2.2.23(A) and (B) NMAC.
- c. Staff and any intervenor testimony shall be filed by August 18, 2023. Staff testimony shall include Staff's opinion and proposed determination on every PNM request.
- d. Rebuttal testimony shall be filed by September 7, 2023.

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e. With regard to PNM’s direct testimony and Staff and intervenors’ direct testimony, motions in limine, motions to strike, and other prehearing motions shall be filed on or before August 25, 2023. Responses to such motions shall be filed on or before August 31, 2023.

f. With regard to rebuttal testimony, motions in limine, motions to strike, and other prehearing motions shall be filed on or before September 14, 2023. Responses to such motions shall be filed on or before September 21, 2023.

g. A public hearing may be held beginning on October 12, 2023, and will continue through October 13, 2023, as determined to be necessary by the Hearing Examiner. Each hearing session shall commence at 9:00 a.m. Mountain Time (“MT”) unless otherwise ordered.

h. Based on present conditions and logistical issues, the Hearing Examiner has concluded that it will be necessary to conduct any evidentiary hearing 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. Any Zoom hearing will be livestreamed through YouTube and will be displayed 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 the Commission’s website and shall not join the hearing via Zoom except to provide oral comment as allowed below.

i. Interested persons who are not affiliated with a party may make oral or written comment as allowed by Rule 1.2.2.23(F) NMAC. Oral comments shall be taken shortly after the beginning of the evidentiary hearing on October 12, 2023, and commenters shall be limited to 3 minutes per comment. As part of the public hearing, public comment will be taken via the Zoom platform; therefore, persons wishing to make an oral public comment must register in advance, not later than 8:30 a.m. MT on October 12, 2023, by emailing Ana Kippenbrock at ana.kippenbrock@prc.nm.gov. Written public comments may be submitted before the Commission takes final action by sending the comment, which shall reference PRC Case No. 23-00162-UT, to prc.records@prc.nm.gov. Public comments, whether oral or written, shall not be considered as evidence in this proceeding.

The procedural dates and requirements currently set in this case are subject to further Order of the Commission or the Hearing Examiner. Interested persons should review the May 30, 2023 Procedural Order for further procedural requirements and details.

The Commission’s rules of procedure, 1.2.2.1 NMAC et seq., shall apply in this case except as modified by order of the Hearing Examiner or Commission. The rules of procedure and

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other PRC rules are available online at the New Mexico Compilation Commission at <https://nmonesource.com/nmos/en/nav.do>.

Anyone filing pleadings, documents, or testimony in this case shall comply with the Commission's electronic filing policy which is amended from time to time. This includes compliance with the following (not exhaustive) set of requirements. Filings must be in pdf format. They must include an electronic signature and be sent to the Records Management Bureau's email address, PRC.Records@prc.nm.gov, or to another Records Bureau address as set out on the Commission's webpage. Any filing must be submitted within regular business hours of the due date to be considered timely filed. Documents received after regular business hours will be considered filed the next business day. Regular Commission business hours are from 8:00 a.m. to 5:00 p.m. MT. Parties shall serve a copy on all parties of record and Staff. Copies of all filings shall also be emailed on the date of filing and service to the Hearing Examiner at elizabeth.hurst@prc.nm.gov by no later than 5:00 p.m. MT. Any filing emailed to the Hearing Examiner shall include the Word or other native version of the filing (e.g., Excel or Power Point) if created in such format. Any filings not emailed to the Hearing Examiner in compliance with the requirements of this order and Commission rules are subject to being summarily rejected and stricken from the record at the Hearing Examiner's discretion.

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, [website www.pnm.com](http://www.pnm.com), or on the Commission's website at www.nmprc.state.nm.us under "Case Lookup – eDocket."

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Any person whose testimony has been pre-filed will attend the hearing and submit to examination under oath.

Interested persons should contact the Commission at (505) 690-4191 or ana.kippenbrock@prc.nm.gov for confirmation of the hearing date, time, and place because hearings are occasionally rescheduled or canceled if deemed not required in the discretion of the Hearing Examiner or the Commission.

PERSONS WITH DISABILITIES

ANY PERSON WITH A DISABILITY REQUIRING SPECIAL ASSISTANCE TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE COMMISSION'S ADA COORDINATOR AT (505) 412-3502 AS SOON AS POSSIBLE TO REQUEST SUCH ASSISTANCE.

ISSUED under the seal of the Commission at Santa Fe, New Mexico this 30th day of May 2023.

NEW MEXICO PUBLIC REGULATION COMMISSION



Elizabeth C. Hurst

Elizabeth C. Hurst
Hearing Examiner
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