

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE TARRIFS,)	
AGREEMENTS AND FORMS)	
PROPOSED BY QUALIFYING)	CASE NO. 23-00071-UT
UTILITIES FOR THE COMMUNITY)	
SOLAR PROGRAM)	
)	
EL PASO ELECTRIC COMPANY,)	
Applicant,)	
<hr style="width: 40%; margin-left: 0;"/>)	

NOTICE TO EL PASO ELECTRIC CUSTOMERS

NOTICE is hereby given of the following matters pertaining to the above-captioned case pending before the New Mexico Public Regulation Commission ("Commission" or "NMPRC"):

On September 14, 2022, El Paso Electric Company (“EPE” or “Company”) filed its Application for Approval of Tariffs Necessary for Implementation of the New Mexico Community Solar Program and Accounting Order (“Application”) in accordance with the Community Solar Act (“CSA”), NMSA 1978, §§ 62-16B-1 to -8 (2022), and 17.9.573 NMAC (“Rule 573”). The Application was filed in the NMPRC Case No. 22-00243-UT, *In the Matter of Implementation and Administration of the Community Solar Program*. By order dated March 1, 2023, the Commission consolidated such docket with the above-captioned case for New Mexico’s Investor-Owned Utilities to file their relevant Community Solar tariffs, forms, and agreements in a two-phase proceeding.

Community Solar is a renewable energy program in New Mexico whereby certain customers of qualifying electric utilities, including EPE, may access solar energy produced by Community Solar Facilities, which are unregulated, third-party solar generators not owned or operated by EPE. These Facilities will convert solar energy into electricity that is distributed on

the qualifying utilities' electrical grids to customers who subscribe to the Community Solar Program ("Subscribers"). Certain customers may become Subscribers by contracting with the Subscriber Organization that owns or operates the Community Solar Facility for a share of its energy generated each month.

The qualifying utilities' customers who are eligible to become Subscribers include small commercial retail customers and residential retail customers by rate class, as well as non-profit organizations, religious organizations, Indian Tribes, public housing authorities, and certain private and public educational institutions regardless of rate class. Thirty percent (30%) of the electricity generated by Community Solar Facilities each month shall be reserved for low-income customers and the organizations that serve them. Low-income customers may pre-qualify for this thirty percent carve out based on participation in certain State welfare programs or through a self-attestation process that must be later confirmed by documentation. *See* 17.9.573.15 NMAC.

Community Solar Bill Credit

Community Solar Program Subscribers will receive a Community Solar Bill Credit which offsets some or all their monthly electricity bill. The subscription must be sized to supply no more than one hundred percent (100%) of the Subscriber's average annual electricity billed consumption, in kilowatt hours ("kWh"). This Bill Credit rate is a dollar-per-kilowatt-hour rate determined by the NMPRC. In Case 22-00243-UT, the Commission ordered that EPE's Community Solar Program Rate ("Rate No. 47") go into effect on December 16, 2022; and in this Case No. 23-00071-UT, the Commission ordered that EPE's Community Solar Program Rate No. 47 be subject to a public hearing. Under Rate No. 47, the Bill Credit of EPE customers who subscribe to the Community Solar Program will be determined by multiplying their Community

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Solar Billing Energy by the sum of: (1) the applicable Base Rate Component for a customer’s applicable retail service rate schedule, (2) the fuel charge provided through Rate No. 18 Fuel and Purchased Power Cost Adjustment Clause (“FPPCAC”), and (3) the Rate No. 38 Renewable Portfolio Standard (“RPS”) Cost Rider.

Retail Service Rate Schedule	Base Rate Component (\$ Per kWh)
Rate 01 Residential Service	- 0.047369
Rate 03 Small General Service	-0.059284
Rate 04 General Service	- 0.047036
Rate 05 Irrigation Service	- 0.033493
Rate 07 City and County Service	- 0.045876
Rate 08 Water, Sewage, Storm Sewage Pumping, Sewage Disposal	- 0.033508
Rate 09 Large Power Service	- 0.034421
Rate 19 Seasonal Agriculture Processing Service	- 0.036477

The following Table shows typical Community Solar Bill Credits based upon the different

Base Rates.

Rate No.	01	03	04	05	07	08	09	19
DEC Unit Cost ¹	\$0.080879	\$0.098456	\$0.065375	\$0.070057	\$0.076576	\$0.051162	\$0.045791	\$0.097785
Rate 18 FPPCAC ²	\$0.027030	\$0.027030	\$0.027030	\$0.027030	\$0.027030	\$0.027030	\$0.027030	\$0.027030
Rate 38 RPS Cost ³	\$0.007290	\$0.007290	\$0.007290	\$0.007290	\$0.007290	\$0.007290	\$0.007290	\$0.007290
Less: Minimum Charges	\$0.010623	\$0.010024	\$0.000661	\$0.004670	\$0.002703	\$0.001225	\$0.000206	\$0.001387
Total Aggregate Retail Rate	\$0.104576	\$0.122752	\$0.099034	\$0.099707	\$0.108193	\$0.084257	\$0.079905	\$0.130718
Less: Distribution Costs	\$0.022887	\$0.029148	\$0.017678	\$0.031894	\$0.027997	\$0.016429	\$0.011164	\$0.059921
Community Solar Bill Credit Rate ⁴	\$0.081689	\$0.093604	\$0.081356	\$0.067813	\$0.080196	\$0.067828	\$0.068741	\$0.070797

¹ Demand, energy, and customer (DEC) component unit cost from cost-of-service study.

² Rate 18 FPPCAC rate varies monthly. The values shown in this table are for illustrative purposes only.

³ Rate 38 RPS Cost Rider rate varies annually. The values shown in this table are for illustrative purposes only.

⁴ Community Solar Bill Credit Rate less Rate 18 FPPCAC and Rate 38 RPS Cost equals the Base Rate Component rate applicable to each Retail Service Rate Schedule listed in the Community Solar Bill Credit provision above.

To simplify, the average EPE residential customer is billed around 650 kWh per month or 7,800 kWh annually for electricity. If fully subscribed to the Community Solar Program, using the Rate 01 Community Solar Bill Credit Rate in the table above, the average residential customer would receive a monthly Bill Credit of approximately \$53.00 per month or \$637.00 per year.

Service under this rate schedule is subject to EPE's Rules and Regulations, which are on file with the Commission and available for inspection at Company offices. EPE's Community Solar Bill Credit rate will be effective beginning on the first billing cycle following the Commission's Final Order in NMPRC Case No. 23-00071-UT. The Community Solar Bill Credit will commence with the subscribing customer's first billing cycle following subscription acceptance by the Subscriber Organization and also the Subscriber Organization providing EPE with the customer's account information and Community Solar Billing Energy. Moreover, Subscriber Organizations are unregulated third parties that may impose additional charges on the subscribing customer that are not impacted by the Bill Credit.

Administrative Cost Rider

EPE is requesting Commission approval of a rate rider ("Rate No. 47.1") for the following recovery of the costs to administer the Community Solar Program, in accordance with the CSA and Rule 573. Charges under this rate schedule are applicable to Community Solar Program Subscribers and/or Subscriber Organizations.

Description of Charge	Charge
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Community Solar New Service Start	\$ 3.00
Community Solar Bill Credit Processing Monthly Fee	\$ 1.00
Community Solar Special Bill Analysis Charge	\$ 74.00 minimum
Monthly Metering Charge	\$ 127.00
Trip Charge (Standard Rate)	\$ 30.00
Trip Charge (Non-Standard Rate)	\$ 253.00
Noncompliant Data Charge	At cost

Below is a description of the charges in the table above:

Community Solar New Service Start—The charge to Subscribers for a new Community Solar subscription setup or a change to an existing subscription.

Community Solar Bill Credit Processing Monthly Fee—The charge to Subscribers, per subscription, for monthly processing of bill credits due.

Community Solar Special Billing Analysis Charge—The Company encourages Customers to access its online service that provides Customer usage and billing information free of charge through EPE’s web portal at www.epelectric.com. In the event the Customer would like the Company to perform this activity, this minimum charge will be assessed each time a Customer (i.e., potential Subscriber) or Subscriber Organization requests and the Company provides a manually prepared special billing analysis to compare the Customer’s net bill with and without the Community Solar subscription. The charge will equal the Company’s cost of fulfilling the request, including but not limited to labor, overheads, materials, and data processing expenses; or the minimum charge, whichever is greater.

Monthly Metering Charge—The charge to Subscriber Organizations for the production meter used to measure the amount of electricity and renewable energy certificates generated by each Community Solar Facility and for the associated costs of operating and maintaining the meter and processing and accounting for such measurements each month.

Trip Charge (Standard Rate)—The charge to Subscriber Organizations when the telecommunication line required for transmitting real-time data to EPE becomes inactive and Company service personnel are dispatched to the Subscriber Organization’s Community Solar Facility premises and it is determined that the inactive or non-operational condition of the telecommunications equipment was caused by a problem in the Community Solar Facility’s wiring or equipment. The Standard Rate is charged when Company service personnel are dispatched during normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

Trip Charge (Non-Standard Rate)—The charge to Subscriber Organizations when the telecommunication line required for transmitting real-time data to EPE become inactive and Company service personnel are dispatched to the subscriber organization’s Community Solar Facility premises and it is determined that the inactive or non-operational condition of the telecommunications equipment was caused by a problem in the Community Solar Facility’s wiring or equipment. The Standard Rate is charged when Company service personnel are dispatched outside of normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

Non-Compliant Billing Data Charge—The charge to Subscriber Organizations when a Subscriber Organization’s failure to provide compliant (i.e., complete, timely, and accurate) billing data negatively impacts the Company’s ability to correctly apply the Community Solar Bill Credit for subscribing customers. The Customer will be charged the reasonable costs incurred in performing the requested service including but not limited to labor, materials, parts, special equipment, transportation, meter testing and related overhead costs.

Regulatory Asset Account

EPE is also seeking approval of a Regulatory Asset Account to defer for recovery in a general rate case all unavoidable costs of implementing the Community Solar Program. For all costs that are approved to be recorded in the regulatory asset, EPE will seek to recover such costs in a future rate case, plus carrying charges.

Monthly Subscriber Information Form

EPE is seeking approval of a Monthly Subscriber Information Form which will be completed by the Subscriber Organizations and submitted to the Company on a monthly basis to provide EPE the data necessary to calculate subscribers' monthly Community Solar Bill Credits.

Phase II Proceeding

Any interested person may examine EPE's Application and the pre-filed testimonies, exhibits, pleadings and other documents filed in the case online at <https://www.nm-prc.org/case-lookup-e-docket/> under "Case Lookup E-Docket", or by making arrangements for an in-person viewing at the Commission offices by calling 1-505-827-6968 during normal business hours, or at EPE's offices, 100 N. Stanton, El Paso, Texas 79901, telephone number (915) 543-9227, or at EPE's website <https://www.epelectric.com/company/regulatory>. All inquiries or written comments concerning this matter should refer to Case No. 23-00071-UT. Please note, however, that applicable records may also be found in NMPRC Dockets 22-00020-UT and 22-00243-UT.

Case No. 23-00071-UT is a two-phase proceeding. Phase 1 has concluded. The procedural schedule for Phase 2 of this case is as follows:

1. The Companies shall file their proposed tariffs, including Community Solar bill credit, on or before **August 1, 2023**

2. The Companies also shall respectively file on or before **August 1, 2023**, a proposed form of Notice to Customers (“Notice”) that, at a minimum, sets forth information regarding the company’s proposed tariffs (rates, agreements, and forms) to be addressed in Phase 2 and explains for customers the Community Solar Program’s subscriber eligibility and participation processes.

3. On or before **August 7, 2023**, any person proposing any revisions to the Companies’ proposed forms of notice shall file a red-lined (legislative formatted) version of the proposed form of notice.

4. The Companies shall file direct testimony supporting their proposed tariffs, including Community Solar bill credit, no later than **September 16, 2023**.

5. Any person desiring to intervene to become a party (intervenor) in Phase 2 that has not already intervened in Phase 1 must file a motion to intervene that conforms to 1.2.2.23(A), (B) NMAC on or before **October 17, 2023**. Intervenors in Phase 1 are automatically deemed intervenors in Phase 2.

6. Interested persons who do not wish to intervene in Phase 2 of this proceeding and are not affiliated with a party will have the opportunity to may make oral or written comment as allowed by Rule 1.2.2.23(F) NMAC. The public comment hearing in this matter shall be scheduled by the Commission on a date and time yet to be determined.

7. Staff shall and any intervenor may file response testimony on or before **November 10, 2023**.

8. Any rebuttal testimony shall be filed on or before **December 8, 2023**.

9. Motions *in limine*, motions to strike, and other prehearing motions shall be filed on or before **December 15, 2023**. Responses to such motions shall be filed on or before **December**

22, 2023.

10. A prehearing conference is tentatively scheduled for January 11, 2024, commencing at 2:00 p.m. on the Zoom videoconference platform. The purpose of that conference is to address, among other things, the following matters:

- (a) The order of presentation of the parties and their respective witnesses.
- (b) Designation by each party of the witnesses they intend to cross-examine and for what length of time.
- (c) Pending motions *in limine*, motions to strike, and other prehearing motions.
- (d) Any other matters that may expedite orderly conduct and disposition of this proceeding.

11. The **January 11, 2024** prehearing conference may be vacated by the presiding hearing examiner if the conference is determined not necessary.

12. The public hearing in Phase 2 will be held beginning on **January 17, 2024**, and will continue as determined to be necessary by the presiding hearing examiner through **January 19, 2024**. Each hearing session shall commence at 9:00 a.m. MT unless otherwise ordered.

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 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 above.

Since the evidentiary hearing will be conducted via Zoom, the parties and Staff will be

required to electronically distribute the exhibits they intend to offer for admission into evidence at the hearing in advance of the hearing. That electronic distribution shall provide the documents to all parties, the Hearing Examiner, and the court reporter. The requirements for those and any other necessary submissions shall be set forth in a subsequent prehearing order issued by the Hearing Examiner.

The procedural dates and requirements provided herein are subject to further Order of the Commission or the Hearing Examiner. 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, since hearings are occasionally rescheduled or canceled if deemed not required in the discretion of the Hearing Examiner or the Commission.

The PRC's rules of procedure, 1.2.2 NMAC, shall apply to this case except as modified by Order of the Commission or Hearing Examiner. The Rules of Procedure and other PRC rules are available online at the New Mexico Compilation Commission at <https://nmonesource.com/nmos/en/nav.do>.

Any person may examine the utility filings in this case together with any exhibits and related papers that may be filed in this case at the Commission's website under Case Lookup – eDocket at <https://edocket.nmprc.state.nm.us> or at the offices of the Companies. EPE's mailing address and contact information is referenced above. The addresses of the other Companies are as follows:

Public Service Company of New Mexico
414 Silver Avenue SW MS 1105
Albuquerque, New Mexico 87158
Telephone: (505) 241-2700

Southwestern Public Service Company
790 S. Buchanan St.
Amarillo, Texas 79101
Telephone: (806) 378-2115

Any person filing pleadings or testimony shall serve copies via email on all parties,

Commission Staff, and the Hearing Examiner. Any person whose testimony has been pre-filed shall attend the hearing and submit to examination under oath. Anyone filing pleadings, testimony, and other documents must follow the Commission's filing policy. Pleadings, testimony, and other documents must be served on all parties of record and Staff in the way or ways specified in the most recent certificate of service issued by the Hearing Examiner. Copies of all filings shall also be emailed on the date of filing and service to the Hearing Examiners by no later than 5:00 p.m. MT at hans.muller@prc.nm.gov, anthony.medeiros@prc.nm.gov, elizabeth.hurst@prc.nm.gov, and christopher.ryan@prc.nm.gov. 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.

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 TO REQUEST SUCH ASSISTANCE AS SOON AS POSSIBLE, PREFERABLY AS SOON AS THE PERSON RECEIVES NOTICE OF THIS PROCEEDING TO ALLOW CONSIDERATION OF THE REQUEST AND TO ARRANGE FOR A POTENTIAL REASONABLE ACCOMMODATION.

ISSUED at Santa Fe, New Mexico this **6th** day of September **2023**.

NEW MEXICO PUBLIC REGULATION COMMISSION



/s/ Hans Muller

Hans Muller
Hearing Examiner