



Control Number: 38306



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DOCKET NO. 38306  
SOAH DOCKET NO. 473-10-4451

TEXAS NEW MEXICO POWER  
COMPANY'S REQUEST FOR  
APPROVAL OF AN ADVANCED  
METERING SYSTEM (AMS)  
DEPLOYMENT AND AMS  
SURCHARGES

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PUBLIC UTILITY COMMISSION  
OF TEXAS

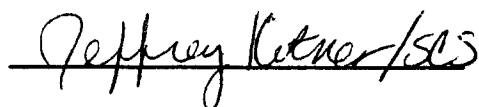
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**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSE TO ATM'S FIFTH REQUESTS FOR INFORMATION**

Texas-New Mexico Power Company (TNMP) files this response to ATM's Fifth Request for Information. ATM's Fifth Request for Information was received on October 28, 2010. Pursuant to the agreed Procedural Schedule as outlined in SOAH Order No. 2 issued June 22, 2010, Parties shall have ten (10) calendar days to respond to Requests for Information, making this response due by November 8, 2010. TNMP's response is therefore timely. All Parties may treat the answers as if they were filed under oath.

TNMP files these responses without agreeing to the relevancy of the information sought and without waiving their right to object at the time of the hearing to the admissibility of information produced herein.

Respectfully submitted,



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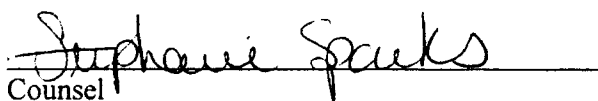
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**ATTORNEYS FOR TEXAS NEW MEXICO POWER  
COMPANY**

**CERTIFICATE OF SERVICE**

Counsel for Texas-New Mexico Power Company hereby certifies that a true and correct copy of its responses to ATM's Fifth Request for Information was served on all parties of record on November 8, 2010 by electronic transmission, fax, or overnight delivery.

  
Counsel

**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO ATM'S FIFTH REQUEST FOR INFORMATION  
QUESTIONS ATM5-1 THROUGH ATM5-4**

**ATM5-1**            Testimony of Mr. Whitehurst. Please summarize each major change the Company has made to its advanced metering system. (AMS) application to reflect the incorporation of that application into Docket 38480. If the Company has made no changes, please explain why not.

**RESPONSE**       Prepared by:    Stacy Whitehurst  
                      Sponsor:        Stacy Whitehurst  
                      Attachment:   None

There are no major changes as Docket No. 38306 and Docket No. 38480 are separate proceedings. Docket No. 38306 has not been incorporated into Docket No. 38480, nor has TNMP committed to incorporating Docket No. 38306 into Docket No. 38480. Further, TNMP is unaware of any requirement or order that Docket No. 38306 be incorporated into Docket No. 38480.

TNMP's AMS application is a filing under PURA 39.107(h), which states:

The commission shall establish a nonbypassable surcharge for an electric utility or transmission and distribution utility to use to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks to residential customers and nonresidential customers other than those required by the independent system operator to have an interval data recorder meter<sup>1</sup>.

In Docket No. 38306, TNMP is requesting approval of a nonbypassable surcharge to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks to residential customers and nonresidential customers. The surcharge sought in Docket No. 38306 is separate from the rate increase sought in Docket No. 38480.

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<sup>1</sup> Public Utility Regulatory Act, TEX. UTIL. CODE ANN. § 39.107(h) (Vernon 1998 & Supp. 2005) (PURA).

**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO ATM'S FIFTH REQUEST FOR INFORMATION  
QUESTIONS ATM5-1 THROUGH ATM5-4**

**ATM5-2**

Testimony of Mr. Morris, pages 2 and 3.

a. For each category of capital costs in Exhibit KKM-2, please identify the amount that will be allocated to TNMP and the amount that will be allocated to its sister companies. Please provide all supporting calculations and the basis for each allocation factor.

b. For each category of O&M expense in Exhibit KKM-2, please identify the amount that will be allocated to TNMP and the amount that will be allocated to its sister companies. Please provide all supporting calculations and the basis for each allocation factor.

**RESPONSE**

Prepared by: Kimberly Morris

Sponsor: Kimberly Morris

Attachment: None

Please refer to RFP Response in ATM1-35, ATM1-36, ATM3-13.

**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO ATM'S FIFTH REQUEST FOR INFORMATION  
QUESTIONS ATM5-1 THROUGH ATM5-4**

**ATM5-3**            Testimony of Mr. Monroy, pages 3 to 5. and testimony of Mr. Morris, pages 2 and 3.  
                      a. Please describe the procedures the Company will use to track costs associated with AMS deployment that are solely attributable to TNMP;  
                      b. Please describe the procedures the Company will use to track costs associated with AMS deployment that are to be allocated among all PNM companies

**RESPONSE**        Prepared by:    Henry Monroy  
                      Sponsor:        Henry Monroy  
                      Attachment:    None

- a. To clarify, all costs associated with the AMS deployment are solely attributable to TNMP and are not allocated or shared with subsidiaries or affiliates of PNM Resources, Inc. TNMP has identified specific unique identifiers within its accounting string to identify all revenues and costs associated with the AMS deployment. This unique identifier will be attached to all transactions and enable reporting and reconciliation from the accounting system to the AMS surcharge filings. The revenues and costs will be tracked against the AMS surcharge model as an additional control to provide variance analytics and additional controls regarding capture and reporting of AMS revenues and costs.
- b. See response to a. above.

**TEXAS-NEW MEXICO POWER COMPANY'S  
RESPONSES TO ATM'S FIFTH REQUEST FOR INFORMATION  
QUESTIONS ATM5-1 THROUGH ATM5-4**

**ATM5-4**

Response ATM 2-17:

- a. Please provide the supporting calculations and documentation used by the Company to determine its reported 2009 CAIDI value of 82.3 minutes.
- b. Please indicate if the calculation excludes major events as defined by the Texas P.U.C. in its Substantive Rule §25.52. If so, please provide the calculation of CAIDI including major events.

**RESPONSE**

Prepared by: Levi Portillo

Sponsor: Allan Burke

Attachment: None

- a. CAIDI stands for Customer Average Interruption Duration Index and is basically the average duration of an interruption. In other words, a CAIDI of 82.3 means that the average TNMP interruption lasted 82.3 minutes last year (2009). It is calculated dividing the total numbers of customer minutes of outage by the total number of customers. It can also be calculated as SAIDI/SAIFI.
- b. The calculation excludes major events. Only forced interruptions (as defined by the Texas P.U.C. in its Substantive Rule §25.52) are included in the calculation. TNMP has not performed the calculation of CAIDI including major events.