



Control Number: 49586



Item Number: 35

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**PUC DOCKET NO. 49586  
SOAH DOCKET NO. 473-19-5244**

**APPLICATION OF TEXAS-NEW §  
MEXICO POWER COMPANY TO §  
ADJUST ITS ENERGY EFFICIENCY §  
COST RECOVERY FACTOR §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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**STIPULATION AND SETTLEMENT AGREEMENT**

This Stipulation and Settlement Agreement (“Agreement” or “Settlement Stipulation”) is entered into by Texas-New Mexico Power Company (“TNMP” or “the Company”), the Commission Staff (“Staff”), and Cities Served by TNMP (“Cities”) through their duly authorized representatives (collectively, the “Signatories”). By this Agreement, the Signatories have reached agreement on and resolved all issues among them in this proceeding.

**I. BACKGROUND**

1. On May 31, 2019, TNMP filed an application with the Public Utility Commission of Texas (the “Commission”) requesting authority, pursuant to the Public Utility Regulatory Act (PURA) and PURA § 39.905 and 16 Tex. Admin. Code § 25.182 (TAC), to adjust its Energy Efficiency Cost Recovery Factor (EECRF) for 2020 to reflect changes in costs and performance bonus and any over- or under-collection in the prior program year.
2. On June 3, 2019, Cities filed a Motion to Intervene.
3. On June 3, 2019, the Commission issued an Order of Referral, referring this docket to the State Office of Administrative Hearings (SOAH).
4. On June 7, 2019, the SOAH issued Order No. 1, which described the case, requested Staff’s comments on the sufficiency of notice and application, adopted the proposed protective order, and established a deadline to submit an agreed procedural schedule.
5. TNMP requests a 2020 EECRF pursuant to this Agreement in the amount of \$ \$5,853,453.
6. The Signatories believe that a negotiated resolution of this proceeding is desirable and in the public interest because the result is reasonable under the circumstances and will conserve the public’s and the Signatories’ resources and eliminate controversy.

**II. AGREEMENT**

The Signatories have reached agreement on the issues as set out below and agree that the

Commission should enter an order consistent with this agreement:

7. **Notice** - The Signatories agree that TNMP's Notice was adequate and in compliance with 16 TAC § 22.55.
8. **Establishment of EECRF** - The Signatories agree that the 2020 EECRF recovery requested by TNMP in its Application, as adjusted herein and supported by the direct testimony of Stacy R. Whitehurst, Stefani M. Case, and Michael S. Seamster should be approved. The total amount requested to be collected through TNMP's 2020 EECRF is \$5,853,453, consisting of the following components: (a) \$5,343,155 in forecasted energy efficiency costs for TNMP's 2020 energy efficiency programs, (b) \$796,166 representing a performance bonus for TNMP having achieved demand savings that exceeded its goal for 2018, (c) refund of \$352,606 for the over-collection of 2018 energy efficiency costs (which includes \$54,303 in TNMP rate case expenses associated with the 2018 EECRF proceedings), (d) 2018 rate case expenses for Cities of \$8,415, and (e) \$58,323 in forecasted Evaluation, Measurement and Verification expenses. (The direct assignment and allocation to TNMP's rate classes and the proposed EECRF rates are included as **Exhibit A** and are consistent with 16 TAC § 25.182. As part of this settlement agreement, the Parties have agreed to adjust the estimated billing determinants to lower the kWh rate for the "Secondary Service > 5 kW" customer class using revised estimated billing determinants.)
9. **Energy Education R&D Program** - If TNMP proposes to continue the Energy Education R&D program in program year 2021, TNMP agrees to provide, in its next Energy Efficiency Plan & Report and in any necessary supporting testimony in its application to adjust its EECRF for 2021, a detailed description of how its Energy Education R&D program would satisfy the requirements for a market transformation program under PURA § 25.181(k)(3) or TNMP agrees to terminate the Energy Education R&D program and will not request an amount in the program year 2021 budget.
10. **Establishment of Demand Goal** - The Signatories agree that TNMP's 2020 peak demand goal shall be 5.44 MW. This 5.44 MW goal is not less than the amount of energy efficiency to be acquired for TNMP's residential and commercial customers for the most recent preceding year (i.e. 2019) after the adjustments in accordance with 16 TAC § 25.181(u). TNMP's demand goal was calculated pursuant to 16 TAC § 25.181(e)(3).
11. **TNMP's Rate Case Expenses** – the 2018 EECRF rate case expenses of \$ 54,303 for TNMP,

which count against TNMP's 2018 administrative costs, are included in the EECRF surcharge. TNMP met the requirements of 16 TAC § 25.245.

12. **Cities Rate Case Expenses** – the 2018 rate case expenses for Cities of \$8,415 will be collected by TNMP and reimbursed to Cities as part of the EECRF pursuant to 16 TAC § 25.182(d)(3).
13. **Support for the Agreement and Proposed Order** – The Signatories agree to support this Settlement Stipulation and to take all reasonable and necessary steps to obtain prompt Commission approval of the joint Proposed Order that is attached to this Settlement Stipulation as **Exhibit B**. The Signatories agree that the Final Order and revised tariff should be approved at least 45 days in advance of the tariff's effective date. The Signatories, with the exception of Staff, will request a written Final Order from the Commission to be issued by October 21, 2019. The Signatories agree that TNMP's Rider EECRF will have an effective date of March 1, 2020.
14. **Evidence and Proposed Order** - The Signatories agree that the Commission should issue the joint Proposed Order, attached as **Exhibit B**, which is consistent with the terms of this Agreement. As indicated in the concurrently filed Joint Motion to Admit Evidence and Remand to the Commission, the Signatories agree to the admission into evidence of the following documents for the limited purpose of supporting this Agreement:
  - a. TNMP's Application and attachments filed on May 31, 2019;
  - b. The Direct Testimony and Exhibits of Stacy R. Whitehurst for TNMP filed on May 31, 2019;
  - c. The Direct Testimony and Exhibits of Stefani M. Case for TNMP filed on May 31, 2019;
  - d. The Direct Testimony and Exhibits of Michael S. Seamster for TNMP filed on May 31, 2019;
  - e. Affidavit Verifying Service by TNMP, filed on June 4, 2019;
  - f. The Direct Testimony and Exhibits of Karl J. Nalepa on behalf of Cities, including the Affidavit of Jamie L. Mauldin with Cities' rate case expense supporting documentation, filed on July 19, 2019;
  - g. The Affidavit of Stephen Mendoza of Commission Staff;
  - h. The Affidavit of Alicia Maloy of Commission Staff;
  - i. The Affidavit of Joe Luna of Commission Staff.

The Signatories waive cross-examination.

**15. Effect of Stipulation and Settlement Agreement.**

- a. This Agreement binds each Signatory only for the purpose of settling the issues as set out herein and for no other purpose. Except to the extent that this Agreement expressly governs a Signatory's rights and obligations for future periods, this Agreement shall not be binding or precedential on a Signatory outside of this case except for a proceeding to enforce the terms of this Agreement. The Signatories acknowledge and agree that a Signatory's support of the matters contained in this Agreement may differ from its position or testimony in other proceedings not referenced in this Agreement. To the extent that there is a difference, a Signatory does not waive its position in such other proceedings. Because this is a settlement agreement, a Signatory is under no obligation to take the same position as set out in this Agreement in other proceedings not referenced in this Agreement, whether those proceedings present the same or a different set of circumstances. A Signatory's agreement to entry of a Final Order of the Commission consistent with this Agreement should not be regarded as an agreement to the appropriateness or correctness of any assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this Agreement.
- b. The Signatories acknowledge and agree that the determination of energy efficiency program costs, performance bonus, the EECRF, revenue requirements and design of the rates proposed in this Agreement have been entered into as a matter of compromise and are not intended to create a precedent for resolving such issues in any future proceeding and are not binding or precedential on any signatory or its representatives in any other proceeding before the Commission or any court, tribunal, or similar authority.
- c. The Signatories agree that their request that the Commission enter an order consistent with the Agreement is the result of negotiation and is not intended to have precedential value with respect to any particular principle, treatment, or methodology that may underlie the Agreement.
- d. The Signatories agree that the terms and conditions herein are interdependent and not severable, and no Signatory shall be bound by any portion of this Agreement outside the context of the Agreement as a whole. The Signatories agree that none of the

provisions of this Agreement shall become fully operative unless the Commission shall have entered a final order approving this Agreement. If the Commission does not accept this Agreement as presented, or issues an interim or final Order inconsistent with any term or provision of this Agreement, the Signatories agree that any Signatory adversely affected by that modification or inconsistency has the right to withdraw its consent from this Agreement, thereby becoming released from all commitments and obligations, and to proceed to hearing on all issues, present evidence, advance any position it desires as if it had not been a Signatory, and exercise all rights available under law.

- e. If the Commission does not adopt appropriate orders consistent with the terms of this Agreement, the Signatories agree that neither oral nor written statements made during the course of the settlement negotiations, nor the terms of this Agreement may be used as an admission or concession of any sort or as evidence in any proceeding. This obligation shall continue and be enforceable, even if this Agreement is terminated.
- f. This Agreement contains the entire understanding and agreement of the Signatories, supersedes all other written and oral exchanges, or negotiations among them or their representatives with respect to the subjects contained herein; and neither this Agreement, nor any of the terms of this Agreement, may be altered, amended, waived, terminated, or modified, except by a writing properly executed by the Signatories.
- g. The Signatories mutually agree that they enter into this Agreement for their exclusive benefit and the benefit of their respective lawful successors. Signatories agree that nothing in this Agreement shall be construed to confer any right, privilege, or benefit on any person or entity other than the Signatories and their respective lawful successors.

16. **Execution.** Each signing representative warrants that he or she is duly authorized to sign this Agreement on behalf of the Signatory he or she represents. Facsimile and PDF copies of signatures are valid for purposes of evidencing execution. The Signatories may sign individual signature pages to facilitate the circulation and filing of the original of this Agreement. The Signatories agree that they will use their best efforts to obtain expeditious implementation of this Agreement by entry of appropriate orders.

**AGREED:**

**TEXAS-NEW MEXICO POWER COMPANY**

/s/ Stephanie C. Sparks

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**CITIES SERVED BY TEXAS-NEW MEXICO  
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/s/ Jamie L. Mauldin

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**TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
2020 COST CAP CALCULATIONS**

Line No.	Description	Residential	Non- Residential	Total
1	Bonus Expense 2016	\$ 646,129	437,646	\$ 1,083,774
2	Over-Recovery 2016	(209,733)	(202,968)	(412,701)
3	Municipal Expenses 2016	6,080	4,413	10,493
4	Revenues Collected in 2018	(3,913,255)	(2,300,395)	(6,213,650)
5	Incentive Expense 2018	2,574,071	1,710,181	4,284,252
6	Admin Expense 2018	437,644	167,053	604,696
7	R&D Expense 2018	165,060	24,622	189,682
8	EM&V Expenses 2016	24,620	31,671	56,291
9	EM&V Expenses 2017	31,708	24,583	56,291
10	2018 Bonus Achieved	498,234	297,932	796,166
11	2020 Incentive Forecast	2,740,000	1,740,000	4,480,000
12	2020 Admin Forecast	575,915	225,558	801,473
13	2020 R&D Forecast	36,388	25,294	61,682
14				
15	Total	\$ 3,612,861	\$ 2,185,588	\$ 5,798,449
16	2020 Billing kWh	3,104,500,338	3,854,832,365	
17	2019 Cap	0.001303	0.000799	
18	South Urban CPI Δ (see Wp CPI)	2.22%	2.22%	
19	2020 Caps	\$ 0.001332	\$ 0.000816	
20				
21	TNMP's Cap impact	\$ 0.001164	\$ 0.000567	
22	Over/(under)	\$ (0.0001683)	\$ (0.0002490)	
23				
24	Budget Over/(under)	(522,333)	(959,955)	
25	Cost Cap Status	Compliant	Compliant	
26				
27				



TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
2020 EECRF SUMMARY

Line No.	Description	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Bonus Expense 2016	\$ 646,129	-	\$ 434,917	\$ 2,729	-	\$ -	\$ 1,083,774
2	Over-Recovery 2016	(209,733)	(211,264)	44,968	(30,828)	-	(5,845)	(412,701)
3	Municipal Expenses 2016	6,080	-	4,385	27	-	-	10,493
4	Revenues Collected in 2018	(3,913,255)	161,910	(2,496,930)	27,395	-	7,230	(6,213,650)
5	Incentive Expense 2018	2,574,071	40,688	1,573,382	96,111	-	-	4,284,252
6	Admin Expense 2018	437,644	3,971	153,646	9,436	-	-	604,696
7	R&D Expense 2018	165,060	586	22,652	1,384	-	-	189,682
8	EM&V Expenses 2016	24,620	-	31,445	225	-	-	56,291
9	EM&V Expenses 2017	31,708	172	24,286	125	-	-	56,291
10	Remove 2018 TNMP EECRF Expenses from Admin	(33,408)	(528)	(20,420)	(1,247)	-	-	(55,604)
11	2018 Bonus Achieved	498,234	7,088	274,093	16,751	-	-	796,166
12	2020 Incentive Forecast	2,740,000	49,599	1,609,352	81,049	-	-	4,480,000
13	2020 Admin Forecast	575,915	5,361	207,456	12,741	-	-	801,473
14	2020 R&D Forecast	36,388	602	23,271	1,422	-	-	61,682
15	Interest on 2018 (Over)/Under recovery - 2 years	(7,275)	(121)	(6,344)	3,263	-	42	(10,434)
16	EM&V Expenses 2019	29,437	-	28,743	144	-	-	58,323
17	2018 TNMP EECRF Expenses	33,408	528	20,420	1,247	-	-	55,604
18	2018 Municipal Rate Case Expenses	5,056	80	3,090	189	-	-	8,415
19	<b>Total</b>	<b>\$ 3,640,078</b>	<b>\$ 58,671</b>	<b>\$ 1,932,414</b>	<b>\$ 222,163</b>	<b>\$ -</b>	<b>\$ 1,427</b>	<b>\$ 5,854,754</b>
20								
21	2020 Forecasted EECRF Billing kWh	3,104,500,338	35,008,454	2,397,068,051	1,388,314,917	3,397,031,791	34,440,943	
22	2020 EECRF per kWh	\$ 0 0011730	\$ 0 0016760	\$ 0 000806	\$ 0 000160	\$ -	\$ 0 000041	
23								

# **TEXAS-NEW MEXICO POWER COMPANY TARIFF FOR RETAIL DELIVERY SERVICE**

## **6.1. Rate Schedules**

**Applicable:** Entire Certified Service Area

**Effective Date:** March 1, 2020

**Page No.:** 135

**Revision:** 12

### **6.1.1.6.3 RIDER EECRF– ENERGY EFFICIENCY COST RECOVERY FACTOR**

#### **APPLICATION**

Applicable, pursuant to PURA § 39.905(b)(4) and Substantive Rule § 25.181(f), to all customer classes that receive services under the Company's energy efficiency programs.

#### **METHOD OF CALCULATION**

An Energy Efficiency Cost Recovery Factor (EECRF) shall be calculated annually and shall equal by rate class the sum of: forecasted energy efficiency costs, any adjustment for past over-recovery or under-recovery of EECRF costs, an energy efficiency performance bonus, any previous year's EECRF proceeding rate case expenses, and any allocated Evaluation, Measurement & Verification (EM&V) costs; divided by the forecasted billing units for each class.

Energy Efficiency Cost Recovery Factor (EECRF)

	<b>Residential Service</b>	<b>Secondary Service &lt; 5kW</b>	<b>Secondary Service &gt; 5kW</b>	<b>Primary</b>	<b>Lighting</b>
<b>(Effective Date),</b>	<b>(Per kWh)</b>	<b>(Per kWh)</b>	<b>(Per kWh)</b>	<b>(Per kWh)</b>	<b>(Per kWh)</b>
<b>March 1, 2020</b>	\$0.001172	\$0.0016760	\$0.000806	\$0.000160	\$0.000041
<b>March 1, 2019</b>	\$0.001221	\$(0.004307)	\$0.000852	\$0.000012	\$(0.000137)
<b>March 1, 2018</b>	\$0.001268	\$(0.003898)	\$0.001063	\$(0.000030)	\$(0.000165)
<b>March 1, 2017</b>	\$0.001232	\$(0.009022)	\$0.001271	\$(0.000050)	\$(0.000400)
<b>March 1, 2016</b>	\$0.001281	\$(0.007410)	\$0.001226	\$0.000015	\$0.000203
<b>March 1, 2015</b>	\$0.001249	\$0.003534	\$0.000847	\$0.000252	\$0.000420
<b>March 1, 2014</b>	\$0.001259	\$0.008816	\$0.000619	\$0.000113	\$0.000330

#### **NOTICE**

This rate schedule is subject to the Company's Tariff and Applicable Legal Authorities.

**PUC DOCKET NO. 49586  
SOAH DOCKET NO. 473-19-5244**

<b>APPLICATION OF TEXAS NEW</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>MEXICO POWER COMPANY TO</b>	<b>§</b>	
<b>ADJUST ITS ENERGY EFFICIENCY</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COST RECOVERY FACTOR</b>	<b>§</b>	

**ORDER**

This Order addresses the application of Texas-New Mexico Power Company (“TNMP”) to adjust its energy-efficiency cost-recovery factor (“EECRF”) and related relief pursuant to a stipulation and settlement agreement (henceforth, the “agreement”). The agreement resolves all issues among the parties. Consistent with the agreement, TNMP’s application is approved.

The Commission adopts the following findings of fact and conclusions of law:

**I. Findings of Fact**

**Applicant** *PURA § 31.002(6) and 16 TAC § 25.181(b)*

1. TNMP is a Texas corporation and a wholly owned subsidiary of PNM Resources, Inc.
2. TNMP provides electric transmission and distribution services in Texas.

**Application** *16 TAC §§ 25.182(d)(8), (d)(10)(A)-(M), (d)(11)(A)-(J)*

3. On May 31, 2019, TNMP filed an application to adjust its EECRF effective March 1, 2020.
4. No party objected to the sufficiency of the application.
5. TNMP initially sought Commission approval adjust its EECRF to recover \$5,854,754 during program year 2020, which included:
  - a. TNMP’s forecasted energy-efficiency costs in program year 2020 (including forecasted incentives, research and development, and administrative costs) of \$5,343,155;
  - b. Projected evaluation, measurement, and verification (EM&V) expenses for program year 2019 in the amount of \$58,323;

- c. A refund of \$340,872 for the over-collection of program year 2018 energy-efficiency costs, which includes \$55,604 of rate-case expenses incurred in TNMP's 2018 EECRF proceeding, Docket No. 48404<sup>1</sup>;
- d. \$8,415 of municipal rate-case expenses; and
- e. A performance bonus of \$796,166.

**Notice** 16 TAC § 22.55 and 25.182(d)(13), (14)

- 6. On May 31, 2019 and June 3, 2019, notice was provided via facsimile or first class mail to all parties in TNMP's most recently completed base-rate case; each of the parties to TNMP's most recent EECRF; all retail electric providers authorized to provide service in TNMP's service area at the time the EECRF application was filed; and to the state agency that administers the federal weatherization program, which is the Texas Department of Housing and Community Affairs.
- 7. On June 4, 2019, TNMP filed its affidavit of proof of notice.

**Intervenors and Intervener Alignment** 16 TAC §§ 22.103-22.105

- 8. Commission Staff participated in this docket.
- 9. On June 3, 2019, Cities Served by Texas-New Mexico Power Company (Cities) filed a motion for intervention.

**Statement of Position and Pre-filed Testimony** 16 TAC §§ 22.124 and 22.225

- 10. On May 31, 2019, TNMP included in its application the direct testimonies and exhibits of Stefani M. Case, Stacy R. Whitehurst, and Michael S. Seamster.
- 11. On July 19, 2019, Cities filed the direct testimony and exhibits of Karl J. Nalepa.

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<sup>1</sup> *Application of Texas-New Mexico Power Company to Adjust its Energy Efficiency Cost Recovery Factor*, Docket No. 48404, Order (Oct. 12, 2018).

12. On August , 2018, Commission Staff filed the affidavits in support of the agreement of Joe Luna, Alicia Maloy, and Stephen Mendoza.

**Referral to SOAH** 16 TAC §§ 22.121 and 25.182(d)(9)

13. On June 3, 2019, the Commission referred this docket to SOAH and ordered TNMP to submit a list of issues by June 13, 2019.

14. In SOAH Order No. 1 issued on June 7, 2019, the SOAH ALJ described the case, set deadlines, discussed procedures, and approved a protective order.

15. On June 12, 2019, Commission Staff requested a hearing

16. On June 27, 2019, the Commission approved a preliminary order for this docket, which included a list of issues to be addressed in this proceeding.

17. In SOAH Order No. 2 issued on August 6, 2019, the SOAH ALJ adopted a procedural schedule.

**Energy Efficiency Goals** 16 TAC § 25.181(e)

18. TNMP's demand-reduction goal is four-tenths of 1% of TNMP's summer weather-adjusted peak demand for residential and commercial customers.

19. Before any adjustment is made for industrial-customer exclusions, TNMP's summer weather-adjusted five-year average peak demand is 1,382.5 megawatts (MW) and its goal under 16 TAC § 25.181(e)(1)(C) is 5.44 MW.

20. Under 16 TAC § 25.181(e)(1)(D), a utility's demand-reduction goal may not be lower than the prior year, except as adjusted under 16 TAC § 25.181(u) for industrial customer exclusions.

21. The demand-reduction goal for TNMP to achieve in 2020 is 5.44 MW, based on the requirements in 16 TAC § 25.181(e)(1)(D) and as adjusted in accordance with 16 TAC § 25.181(u).

22. TNMP projects that it will achieve 10.74 MW in demand reductions in program year 2020, which is greater than the minimum of 5.44 MW.
23. The estimated savings to be achieved through TNMP's programs for hard-to-reach customers is 0.896 MW or 16% of the proposed goal of 5.44 MW, which is in excess of the 5.0% minimum required by 16 TAC § 25.181(e)(3)(F).
24. TNMP forecasts that it will achieve energy savings of 15,014 (MWh) in program year 2020, which is greater than the minimum of 9,531 MWh, due to the mix of energy and demand achievable through the programs.

**Agreement** PURA § 14.054 and 16 TAC § 22.35

25. Under the agreement, TNMP's EECRF will be adjusted to recover \$5,853,453 during program year 2020, which includes:
  - a. TNMP's forecasted energy-efficiency costs in program year 2019 (including forecasted incentives, research and development, and administrative costs) of \$5,343,155;
  - b. Projected EM&V expenses for program year 2019 in the amount of \$58,323;
  - c. A refund of \$352,606 for the over-collection of program year 2018 energy-efficiency costs (including interest), which includes \$54,303 of rate-case expenses incurred in Docket No. 48404<sup>2</sup>, which was TNMP's 2018 EECRF proceeding;
  - d. \$8,415 of municipal rate-case expenses; and
  - e. A performance bonus of \$796,166.
26. The agreement provides an effective date for TNMP's program year 2020 EECRF tariff rider of March 1, 2020, and that rider will remain in effect until December 31, 2020.
27. On August 30, 2019, TNMP filed a unanimous agreement.

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<sup>2</sup> *Application of Texas-New Mexico Power Company to Adjust its Energy Efficiency Cost Recovery Factor*, Docket No. 48404, Order (Oct. 12, 2018).

28. On August 30, 2019, TNMP filed a joint motion to admit evidence and remand to the Commission.
29. In SOAH Order No. 3 issued on August \_\_, 2019, the SOAH ALJ granted the parties' motion to admit evidence into the record and remand the docket to the Commission. The SOAH ALJ admitted TNMP's application filed on May 31, 2019; TNMP's direct testimonies and exhibits of Stacy R. Whitehurst, Stefani M. Case, and Michael S. Seamster filed on May 31, 2019; TNMP's proof of notice filed on June 4, 2019; TNMP's responses to Commission Staff's first request for information filed on June 21, 2019; TNMP's responses to Cities' first request for information filed on July 8, 2019; TNMP's supplemental responses to Cities' first request for information filed on July 16, 2019; TNMP's supplemental responses to Cities' first request for information filed on July 17, 2019; Direct Testimony and Exhibits of Karl J. Nalepa on behalf of Cities, including the Affidavit of Jamie L. Mauldin with Cities' rate case expense supporting documentation, filed on July 19, 2019; the parties' agreement filed on August 30, 2019; and Commission Staff's affidavits in support of the parties' agreement by Joe Luna, Alicia Maloy, and Stephen Mendoza filed on August 30, 2019.

**Elements of Recovery and Coordination of Base Rate Recovery** 16 TAC §§ 25.182(d)(1) and (d)(6)

30. TNMP's EECRF is calculated to recover TNMP's forecasted annual energy-efficiency program expenditures, the preceding year's over- or under-recovery, municipal and utility EECRF proceeding expenses from TNMP's immediately preceding EECRF docket, performance bonus, and EM&V costs allocated to TNMP by the Commission as allowed by 16 TAC § 25.182(d)(1)(A).
31. TNMP does not recover any energy-efficiency costs in its base rates.

32. TNMP's EECRF is designed to provide only for energy charges for residential and commercial rate classes in compliance with 16 TAC § 25.182(d)(6).

**EECRF Cost Caps** 16 TAC § 25.182(d)(7)

33. Before applying the consumer price index adjustment, TNMP used a base cost cap of \$0.001303 per kilowatt-hour (kWh) for the residential class and \$0.000799 per kWh for the commercial classes in accordance with 16 TAC § 25.182(d)(7). TNMP calculated its EECRF cost caps for the 2020 program year to be \$0.001332 per kWh for the residential class and \$0.000816 per kWh for the commercial classes.

34. TNMP's EECRF rider tariff will impose a charge of \$0.001172 per kWh on residential customers and a range of \$0.000041 per kWh to \$0.0016760 per kWh for the commercial classes.

35. TNMP originally proposed a rate of \$0.000829 per kWh for the customer class "Secondary Service > 5 kW." As part of the settlement agreement, the Parties have agreed to adjust the estimated billing determinants to lower the kWh rate for the "Secondary Service > 5 kW" customer class using revised estimated billing determinants.

36. The total EECRF costs provided in the tariff comply with the limits set forth in 16 TAC § 25.182(d)(7).

**Over- or Under-Recovery** 16 TAC § 25.182(d)(2)

37. TNMP requests to recover from or refund to each rate class the difference between actual EECRF revenues and actual costs for that class that complies with 16 TAC § 25.182(d)(2), which results in a net over-recovery.

38. TNMP accurately calculated the over-recovery of 2018 program costs in the amount of \$352,606.



39. TNMP accurately calculated the interest on the over-recovery of 2018 program costs in the amount of \$10,434.

**Proceeding Expenses** 16 TAC § 25.182(d)(3)

40. In its application, TNMP included the testimony of Michael S. Seamster. In reaching his opinion on the reasonableness and necessity of TNMP's rate-case expenses, Mr. Seamster relied on the factors in 16 TAC § 25.245(b). In his testimony, Mr. Seamster stated that TNMP's rate-case expenses incurred in its 2018 EECRF proceeding, Docket No. 48404, in the amount of \$55,604 were reasonable and necessary.

41. The settlement included a \$1,301 reduction in rate case expenses.

42. The \$54,303 of rate-case expenses sought in the settlement agreement are reasonable and necessary.

**Performance Bonus Calculations** 16 TAC § 25.182(e)

43. In 2018, TNMP calculated its program costs as \$5,144,391.

44. Under 16 TAC § 25.182(e), TNMP's application sought the maximum allowable performance bonus, which is 10% of the net benefits of \$7,961,655 achieved through its energy-efficiency incentive program costs, for exceeding its goal for calendar year 2018. The resulting performance bonus from this calculation is \$796,166.

**Evaluation, Measurement, and Verification Costs** 16 TAC § 25.181(o)

45. TNMP's share under 16 TAC § 25.181(o)(10) of the estimated total 2019 EM&V costs in the amount of \$58,323 is directly assigned to the maximum extent reasonably possible to each rate class that receives services under its programs.

**Administrative and Research Development Cost Caps** 16 TAC § 25.181(g)

46. TNMP incurred \$603,251 in necessary administrative costs for the 2018 energy-efficiency programs to meet TNMP's goals, which was 11.88% of the total program costs. TNMP incurred \$189,682 in research and development costs for the 2018 energy-efficiency programs to meet TNMP's goals, which was 3.74% of the total program costs for the previous year. Therefore, TNMP's cumulative cost of administration and research and development was 15.62% of the total program costs.
47. TNMP's cost of administration did not exceed 15% of its total program costs. TNMP's cost of research and development did not exceed 10% of its total program costs for the previous program year. TNMP's cumulative cost of administration and research and development did not exceed 20% of its total program costs.

**Cost Effectiveness** 16 TAC § 25.181(d)

48. TNMP used an avoided cost of capacity of \$80 per kW for 2018 and 2019. TNMP used Commission Staff's posted avoided cost of energy of \$0.03757 per kWh for 2018 and \$0.05084 per kWh for 2019.
49. TNMP determined that its 2018 portfolio of energy-efficiency programs produced a benefit-cost ratio of 2.28, which exceeds the benefit-cost ratio of 1.0 or greater required by 16 TAC § 25.181(d).
50. TNMP's forecasted 2020 energy-efficiency program costs of \$5,343,155 conform to the requirements set forth in 16 TAC § 25.181(d) and are a reasonable estimate of the costs necessary to provide energy-efficiency programs and meet TNMP's goals for 2020.

**Total Cost Recovery** 16 TAC § 25.181(d)

51. TNMP's cost recovery of \$501,833, which consists of TNMP's (i) projected EM&V expenses for program year 2019; (ii) refund of the net over-recovery of program year 2018 energy-

efficiency costs with interest; (iii) rate-case expenses incurred in Docket No. 48404; and (iv) TNMP's performance bonus earned in 2018, is a reasonable amount.

**Rate Classes and Direct Assignment of Costs** 16 TAC § 25.182(d)(2)

52. TNMP directly assigned costs to the maximum extent reasonably possible to each rate class that receives services under the programs in compliance with 16 TAC § 25.182(d)(2).

**Fostering of Competition Among Energy-Efficiency Service Providers** 16 TAC § 25.181(g)(2)

53. TNMP has adopted measures, including issuing requests for proposals and accepting online applications and registrations, to foster competition among energy-efficiency service providers.

**Requirements for Standard Offer, Market Transformation, and Self-Delivered Programs** 16 TAC § 25.181(k)

54. TNMP's energy-efficiency program includes standard offer and market transformation programs.

**Incentive Payments** 16 TAC § 25.181(f)

55. TNMP's incentive payments do not exceed 100% of avoided cost for any customer class.

**Affiliate Costs** PURA § 36.058, 16 TAC § 25.181(c)(1) and 25.182(d)(10)(I)

56. TNMP did not incur any affiliate costs for energy efficiency in 2018.

**Energy-Efficiency Plan and Report** 16 TAC § 25.181(l)

57. On March 29, 2019, TNMP filed its 2019 energy-efficiency plan and report required by 16 TAC § 25.181(l). On May 28, 2019, TNMP filed its amended 2019 energy-efficiency plan and report.

**Low-Income Energy Efficiency** 16 TAC § 25.181(p)

58. TNMP is implementing a targeted low-income energy-efficiency program through two implementers to provide marketing and education to local government organizations and not-

for-profit agencies. Frontier Energy contracts with the Texas Department of Housing and Community Affairs sub-recipients and other not-for-profit community action and government agencies to provide weatherization services to residential electric distribution customers of TNMP who have household incomes at or below 200% of current federal poverty level guidelines. Additionally, EnerChoice reaches the multifamily market through a competitive bidding process.

59. TNMP's budgeted incentive amount for its low-income programs in program year 2020 is \$635,697, which is greater than 10% of the total portfolio budget amount of \$5,343,155.

**Outreach to Retail Electric Providers** 16 TAC § 25.181(r)

60. TNMP serves an area in which customer choice is offered.
61. TNMP has implemented a retail electric provider market transformation program that is a partnership between retail electric providers and TNMP to offer energy-saving products and services to end-use customers in 2016, 2017, and 2018, without enough retail electric provider assistance to become cost-effective. The program has been discontinued.

**Industrial Customer Exclusions** 16 TAC § 25.181(u)

62. TNMP received, as of the filing of the application, notices under 16 TAC § 25.181(u) constituting exclusions of 29.1 MW from TNMP's energy-efficiency programs for program year 2020. The lost load that was associated with TNMP's excluded customers was reflected in the EECRF calculations.

**Line Losses** 16 TAC § 25.181(e)(3)(B)

63. The average line losses over the five-year period for which the summer weather-adjusted peak demand was calculated were 5.75%.

**Billing Determinants** 16 TAC § 25.182(d)(10)(E)

64. The estimate of billing determinants in calculating TNMP's 2020 EECRF and the calculation of the 2020 EECRF tariff-rider rates are reasonable.

**Good Cause Exceptions** 16 TAC §§ 22.5(b), 22.35(b)(2) and 16 TAC §§ 25.181(e)(2) and 25.182(d)(2)

65. TNMP did not seek a good cause exception to be eligible for a lower demand-reduction goal, a higher administrative spending cap, or a higher EECRF cost cap under 16 TAC § 25.181(e)(2), or to combine rate classes under 16 TAC § 25.182(d)(2).

66. It is appropriate to consider this Order at the earliest open meeting available; therefore, good cause exists to waive the requirement in 16 TAC § 22.35(b)(2) that a proposed order be served on parties 20 days before the Commission is scheduled to consider the application in an open meeting.

**Informal Disposition** 16 TAC § 22.35(a)

67. More than 15 days have passed since the completion of notice provided in this docket.

68. The proposed resolution of this docket set forth in the agreement is not adverse to any party.

69. No protests, motions to intervene, or requests for hearing were filed that have not been dealt with, and no party, including Commission Staff, disputes any issue of law or fact.

## **II. Conclusions of Law**

1. TNMP is a public utility as that term is defined in PURA<sup>3</sup> § 11.004(1) and an electric utility as that term is defined in PURA § 31.002(6).

2. The Commission has jurisdiction over this matter under PURA §§ 14.001, 32.001, 36.001, 36.204, and 39.905.

3. Under PURA § 39.905 and 16 TAC § 25.182(d), an electric utility must file for an EECRF.

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<sup>3</sup> Public Utility Regulatory Act, Tex. Util. Code Ann. §§ 11.001–58.302 (West 2016 & Supp. 2017), §§ 59.001–66.016 (West 2016 & Supp. 2017) (PURA).

4. TNMP complied with the requirement under 16 TAC § 25.182(d)(8) to apply by June 1st of each year, to adjust its EECRF effective March 1 of the following year.
5. The Commission processed the application in accordance with the requirements of PURA, the Administrative Procedure Act, and Commission rules.
6. SOAH exercised jurisdiction over this proceeding in accordance with PURA § 14.053 and Texas Government Code § 2003.049.
7. TNMP provided notice of the application in accordance with 16 TAC § 25.182(d)(13) and 16 TAC § 22.55 and filed an affidavit attesting to the completion of notice as required by 16 TAC § 25.182(d)(14).
8. TNMP's application is sufficient under 16 TAC § 25.182(d)(10) and (11).
9. TNMP calculated its summer weather-adjusted peak demand in compliance with 16 TAC § 25.181(e)(3).
10. TNMP has acquired a four-tenths of 1% reduction of its summer weather-adjusted peak demand of residential and commercial customers in compliance with 16 TAC § 25.181(e)(1)(C), (D) and (e)(3)(B).
11. TNMP's minimum energy-savings goal was calculated in compliance with 16 TAC § 25.181(e)(4).
12. TNMP's portfolio of energy-efficiency programs effectively and efficiently achieves the goals set out in 16 TAC § 25.181 as required by 16 TAC § 25.181(e)(5).
13. TNMP's proposed EECRF rates comply with the requirements for cost caps under 16 TAC § 25.182(d)(7).

14. TNMP's request to refund \$352,606 for TNMP's net over-recovery of program year 2018 energy-efficiency costs with interest is in compliance with PURA § 39.905(b-1) and 16 TAC § 25.182(d)(2).
15. EECRF proceeding expenses are rate-case expenses.
16. The requirements of 16 TAC § 25.182(d)(3)(A) and 16 TAC § 25.245 apply to the recovery of EECRF proceeding expenses.
17. TNMP's 2018 rate-case expenses of \$54,303 comply with PURA § 36.061(b)(2) and 16 TAC §§ 25.182(d)(3)(A) and 25.245.
18. Cities' proceeding expenses of \$8,415 comply with PURA § 33.023(a) and 16 TAC §§ 25.182(d)(3)(B) and 25.245.
19. TNMP qualified for an energy-efficiency performance bonus of \$796,166 for its energy-efficiency achievements in program year 2018 in compliance with the requirements of PURA § 39.905 and 16 TAC § 25.182(e).
20. TNMP's amounts and allocation of its administration and research and development costs comply with 16 TAC § 25.181(g).
21. TNMP's energy-efficiency programs adhere to the cost-effectiveness standards contained in 16 TAC § 25.181(d).
22. TNMP's cost recovery of \$501,833, which consists of TNMP's (i) projected EM&V expenses for program year 2018; (ii) refund of net over-recovery of program year 2018 energy efficiency costs with interest; (iii) rate-case expenses incurred in Docket No. 48404; and (iv) TNMP's performance bonus earned in 2018, complies with PURA § 39.905 and 16 TAC § 25.182(d).
23. TNMP's assignments and allocations of its proposed 2020 EECRF rates to the rate classes are reasonable and as required by PURA § 39.905(b)(4) and 16 TAC § 25.182(d)(2).

24. TNMP has adopted measures to foster competition among energy-efficiency service providers in compliance with 16 TAC § 25.181(g)(2).
25. TNMP's standard offer, market transformation, and self-delivered programs comply with PURA § 39.905(a)(3) and 16 TAC § 25.181(k).
26. TNMP's incentive payments, which do not exceed 100% of avoided cost, are in compliance with 16 TAC § 25.181(p).
27. TNMP's targeted low-income energy-efficiency program exceeds the minimum of 10% of its energy-efficiency budget for the program year in compliance with 16 TAC § 25.181(p).
28. TNMP's outreach and information programs meet the requirement of PURA § 39.905(a)(4) and 16 TAC § 25.181(r) to encourage and facilitate the involvement of retail electric providers in the delivery of efficiency and demand-response programs.
29. TNMP's load associated with industrial customers who provided qualifying identification notice was excluded from TNMP's calculated demand-reduction goal in accordance with 16 TAC § 25.181(u).
30. TNMP's proposed 2020 EECRF rates are just and reasonable, not unreasonably preferential, prejudicial, or discriminatory, and are sufficient, equitable, and consistent in application to each consumer class as required by PURA § 36.003.
31. Under 16 TAC § 22.5(b), there is good cause to waive the 20-day notice requirement in 16 TAC § 22.35(b)(2).
32. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

### **III. Ordering Paragraphs**

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:



1. The Commission approves TNMP's EECRF, as modified by the agreement, to the extent provided in this Order.
2. TNMP's 2020 EECRF is approved in the amount of \$5,853,453, which is composed of (a) estimated 2020 energy-efficiency program costs of \$5,343,155; (b) a performance bonus of \$796,166 for 2018 program achievements; (c) \$8,415 in municipal rate-case expenses; (d) \$58,323 in EM&V costs for 2019; and (e) \$352,606 for the over-recovery of 2018 program costs with interest, including \$54,303 in 2018 EECRF rate-case expenses.
3. The Commission approves TNMP's EECRF tariff-rider schedule included with the parties' agreement.
4. TNMP is authorized to apply the EECRF tariff rider approved by this Order beginning on and after March 1, 2020.
5. Within 10 days of the date of this Order, TNMP must file with the Commission a clean copy of the approved EECRF tariff to be stamped "approved" and retained by Central Records.
6. Entry of this Order does not indicate the Commission's endorsement or approval of any principle or methodology that may underlie the agreement and must not be regarded as precedential as to the appropriateness of any principle or methodology underlying the agreement.
7. All other motions and any other requests for general or specific relief, if not expressly granted, are denied.

Signed at Austin, Texas the \_\_\_\_\_ day of September 2019.

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**DEANN T. WALKER, CHAIRMAN**

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**ARTHUR C. D'ANDREA, COMMISSIONER**

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**SHELLY BOTKIN, COMMISSIONER**

## TEXAS-NEW MEXICO POWER COMPANY TARIFF FOR RETAIL DELIVERY SERVICE

### 6.1. Rate Schedules

Applicable: Entire Certified Service Area  
Effective Date: March 1, 2020

Page No.: 135  
Revision: 12

#### 6.1.1.6.3 RIDER EECRF– ENERGY EFFICIENCY COST RECOVERY FACTOR

##### **APPLICATION**

Applicable, pursuant to PURA § 39.905(b)(4) and Substantive Rule § 25.181(f), to all customer classes that receive services under the Company's energy efficiency programs.

##### **METHOD OF CALCULATION**

An Energy Efficiency Cost Recovery Factor (EECRF) shall be calculated annually and shall equal by rate class the sum of: forecasted energy efficiency costs, any adjustment for past over-recovery or under-recovery of EECRF costs, an energy efficiency performance bonus, any previous year's EECRF proceeding rate case expenses, and any allocated Evaluation, Measurement & Verification (EM&V) costs; divided by the forecasted billing units for each class.

Energy Efficiency Cost Recovery Factor (EECRF)

(Effective Date)	Residential Service (Per kWh)	Secondary Service < 5kW (Per kWh)	Secondary Service > 5kW (Per kWh)	Primary (Per kWh)	Lighting (Per kWh)
March 1, 2020	\$0.001172	\$0.0016760	\$0.000806	\$0.000160	\$0.000041
March 1, 2019	\$0.001221	\$(0.004307)	\$0.000852	\$0.000012	\$(0.000137)
March 1, 2018	\$0.001268	\$(0.003898)	\$0.001063	\$(0.000030)	\$(0.000165)
March 1, 2017	\$0.001232	\$(0.009022)	\$0.001271	\$(0.000050)	\$(0.000400)
March 1, 2016	\$0.001281	\$(0.007410)	\$0.001226	\$0.000015	\$0.000203
March 1, 2015	\$0.001249	\$0.003534	\$0.000847	\$0.000252	\$0.000420
March 1, 2014	\$0.001259	\$0.008816	\$0.000619	\$0.000113	\$0.000330

##### **NOTICE**

This rate schedule is subject to the Company's Tariff and Applicable Legal Authorities.

**TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
2020 COST CAP CALCULATIONS**

Line No.	Description	Residential	Non- Residential	Total
1	Bonus Expense 2016	\$ 646,129	437,646	\$ 1,083,774
2	Over-Recovery 2016	(209,733)	(202,968)	(412,701)
3	Municipal Expenses 2016	6,080	4,413	10,493
4	Revenues Collected in 2018	(3,913,255)	(2,300,395)	(6,213,650)
5	Incentive Expense 2018	2,574,071	1,710,181	4,284,252
6	Admin Expense 2018	437,644	167,053	604,696
7	R&D Expense 2018	165,060	24,622	189,682
8	EM&V Expenses 2016	24,620	31,671	56,291
9	EM&V Expenses 2017	31,708	24,583	56,291
10	2018 Bonus Achieved	498,234	297,932	796,166
11	2020 Incentive Forecast	2,740,000	1,740,000	4,480,000
12	2020 Admin Forecast	575,915	225,558	801,473
13	2020 R&D Forecast	36,388	25,294	61,682
14				
15	Total	\$ 3,612,861	\$ 2,185,588	\$ 5,798,449
16	2020 Billing kWh	3,104,500,338	3,854,832,365	
17	2019 Cap	0.001303	0.000799	
18	South Urban CPI Δ (see Wp CPI)	2.22%	2.22%	
19	2020 Caps	\$ 0.001332	\$ 0.000816	
20				
21	TNMP's Cap impact	\$ 0.001164	\$ 0.000567	
22	Over/(under)	\$ (0.0001683)	\$ (0.0002490)	
23				
24	Budget Over/(under)	(522,333)	(959,955)	
25	Cost Cap Status	Compliant	Compliant	
26				
27				

Sponsored by: Stacy Whitehurst

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
2020 EECRF SUMMARY

Line No.	Description	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Bonus Expense 2016	\$ 646,129	-	\$ 434,917	\$ 2,729	\$ -	\$ -	\$ 1,083,774
2	Over-Recovery 2016	(209,733)	(211,264)	44,968	(30,828)	-	(5,845)	(412,701)
3	Municipal Expenses 2016	6,080	-	4,385	27	-	-	10,493
4	Revenues Collected in 2018	(3,913,255)	161,910	(2,496,930)	27,395	-	7,230	(6,213,650)
5	Incentive Expense 2018	2,574,071	40,688	1,573,382	96,111	-	-	4,284,252
6	Admin Expense 2018	437,644	3,971	153,646	9,436	-	-	604,696
7	R&D Expense 2018	165,060	586	22,652	1,384	-	-	189,682
8	EM&V Expenses 2016	24,620	-	31,445	225	-	-	56,291
9	EM&V Expenses 2017	31,708	172	24,286	125	-	-	56,291
10	Remove 2018 TNMP EECRF Expenses from Admin	(33,408)	(528)	(20,420)	(1,247)	-	-	(55,604)
11	2018 Bonus Achieved	498,234	7,088	274,093	16,751	-	-	796,166
12	2020 Incentive Forecast	2,740,000	49,599	1,609,352	81,049	-	-	4,480,000
13	2020 Admin Forecast	575,915	5,361	207,456	12,741	-	-	801,473
14	2020 R&D Forecast	36,388	602	23,271	1,422	-	-	61,682
15	Interest on 2018 (Over)/Under recovery - 2 years	(7,275)	(121)	(6,344)	3,263	-	42	(10,434)
16	EM&V Expenses 2019	29,437	-	28,743	144	-	-	58,323
17	2018 TNMP EECRF Expenses	32,626	516	19,943	1,218	-	-	54,303
18	2018 Municipal Rate Case Expenses	5,056	80	3,090	189	-	-	8,415
19	<b>Total</b>	<b>\$ 3,639,297</b>	<b>\$ 58,659</b>	<b>\$ 1,931,936</b>	<b>\$ 222,133</b>	<b>\$ -</b>	<b>\$ 1,427</b>	<b>\$ 5,853,452.56</b>
20								
21	2020 Forecasted EECRF Billing kWh	3,104,500,338	35,008,454	2,397,068,051	1,388,314,917	3,397,031,791	34,440,943	
22	2020 EECRF per kWh	\$ 0 0011720	\$ 0 0016760	\$ 0 000806	\$ 0 000160	\$ -	\$ 0 000041	
23								

**TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ACTUAL REVENUES COLLECTED FOR YEAR ENDING 2018**

Line No.	Month	Secondary Service		Secondary Service					
		Residential	Less than 5 kW	Greater than 5 kW	Primary	Transmission	Lighting	Total	
1	Jan-2018	\$ 335,585	\$ (27,571)	\$ 210,624	\$ (3,200)	\$ -	\$ (1,178)	\$ 514,259	
2	Feb-2018	290,796	(26,614)	216,654	(3,115)	-	(1,187)	476,535	
3	Mar-2018	228,717	(10,469)	172,389	(1,876)	-	(506)	388,256	
4	Apr-2018	225,327	(10,212)	176,649	(2,090)	-	(485)	389,190	
5	May-2018	260,912	(9,709)	188,851	(1,851)	-	(486)	437,717	
6	Jun-2018	397,214	(10,620)	224,841	(2,117)	-	(475)	608,843	
7	Jul-2018	454,400	(11,337)	244,488	(2,011)	-	(478)	685,062	
8	Aug-2018	465,253	(11,580)	255,742	(2,115)	-	(483)	706,817	
9	Sep-2018	415,830	(11,350)	239,610	(2,308)	-	(481)	641,301	
10	Oct-2018	331,536	(11,289)	220,047	(2,222)	-	(501)	537,571	
11	Nov-2018	250,928	(13,768)	176,674	(2,184)	-	(485)	411,166	
12	Dec-2018	256,757	(7,392)	170,360	(2,307)	-	(484)	416,933	
13								-	
14	Total	\$ 3,913,255	\$ (161,910)	\$ 2,496,930	\$ (27,395)	\$ -	\$ (7,230)	6,213,650	

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ENERGY EFFICIENCY EXPENSES FOR YEAR ENDING 2018

Line No.	EE Program	Incentive	Admin	R&D	Total	2018 TNMP Rate Case Expenses included in Admin Col.	Program Cost Percentage
1							0.00%
2	Commercial Solutions	\$ 619,490	60,456.37	\$ 8,919	\$ 688,865	\$ 8,040	13.55%
3	Open for Small Business	438,203	42,764.49	6,309	487,277	5,687	9.59%
4	SCORE/CitySmart	406,338	39,654.73	5,850	451,843	5,274	8.89%
5	Load Management	246,150	24,177.17	3,544	273,871	3,195	5.39%
6	Residential SOP	1,214,261	220,440.78	17,482	1,452,184	15,759	28.60%
7	Hard-to-Reach SOP	349,988	63,537.95	5,039	418,565	4,542	8.24%
8	REP Pilot	113,834	11,109.13	1,639	126,582	1,477	2.49%
9	Low Income	399,946	103,524.80	5,758	509,229	5,191	10.03%
10	High Performance Homes	496,042	39,030.97	7,142	542,215	6,438	10.67%
11	Energy Education			128,000	128,000	-	2.55%
12							0.00%
13							0.00%
14							0.00%
15							
16	Total	\$ 4,284,252	\$ 604,696	\$ 189,682	\$ 5,078,630	\$ 55,604	100.00%
17	% of Total Budget	84.36%	11.9067%	3.73%			
18	Cap Compliant	COMPLIANT	COMPLIANT	COMPLIANT		\$ 55,604	

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
INCENTIVES PAID BY RATE CLASS FOR YEAR ENDING 2017

Line No.	EE Program	Incentive	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial SOP								
2	Commercial Solutions	\$ 619,490	\$ -	\$ 2,327	\$ 617,163	\$ -	\$ -	\$ -	\$ 619,490
3	Open for Small Business	438,203	-	8,613	429,590	-	-	-	438,203
4	SCORE/CitySmart	406,338	-	29,747	370,029	6,561	-	-	406,338
5	Load Management	246,150	-	-	156,600	89,550	-	-	246,150
6	Residential SOP	1,214,261	1,214,261	-	-	-	-	-	1,214,261
7	Hard-to-Reach SOP	349,988	349,988	-	-	-	-	-	349,988
8	REP Pilot	113,834	113,834	-	-	-	-	-	113,834
9	Low Income	399,946	399,946	-	-	-	-	-	399,946
10	High Performance Homes	496,042	496,042	-	-	-	-	-	496,042
11	Energy Education	-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13									
14									
15									
16	Total	\$ 4,284,252	\$ 2,574,071	\$ 40,688	\$ 1,573,382	\$ 96,111	\$ -	\$ -	\$ 4,284,252



**TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ADMIN PAID/ALLOCATED BY RATE CLASS FOR YEAR ENDING 2017**

<u>Line No.</u>	<u>EE Program</u>	<u>Admin</u>	<u>Residential</u>	<u>Secondary Service Less than 5 kW</u>	<u>Secondary Service Greater than 5 kW</u>	<u>Primary</u>	<u>Transmission</u>	<u>Lighting</u>	<u>Total</u>
1	Commercial Solutions	\$ 60,456	\$ -	\$ 227	\$ 60,229	\$ -	\$ -	\$ -	\$ 60,456
2	Open for Small Business	42,764	-	841	41,924	-	-	-	42,764
3	SCORE/CitySmart	39,655	-	2,903	36,111	640	-	-	39,655
4	Load Management	24,177	-	-	15,381	8,796	-	-	24,177
5	Residential SOP	220,441	220,441	-	-	-	-	-	220,441
6	Hard-to-Reach SOP	63,538	63,538	-	-	-	-	-	63,538
7	REP Pilot	11,109	11,109	-	-	-	-	-	11,109
8	Low Income	103,525	103,525	-	-	-	-	-	103,525
9	High Performance Homes	39,031	39,031	-	-	-	-	-	39,031
10	Energy Education	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
12									
13									
14									
15	Total	\$ 604,696	\$ 437,644	\$ 3,971	\$ 153,646	\$ 9,436	\$ -	\$ -	\$ 604,696

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
R&D PAID BY RATE CLASS FOR YEAR ENDING 2017

Line No	EE Program	R&D	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial Solutions	\$ 8,919	\$ -	\$ 34	\$ 8,885	\$ -	\$ -	\$ -	\$ 8,919
2	Open for Small Business	6,309	-	124	6,185	-	-	-	6,309
3	SCORE/CitySmart	5,850	-	428	5,327	94	-	-	5,850
4	Load Management	3,544	-	-	2,255	1,289	-	-	3,544
5	Residential SOP	17,482	17,482	-	-	-	-	-	17,482
6	Hard-to-Reach SOP	5,039	5,039	-	-	-	-	-	5,039
7	REP Pilot	1,639	1,639	-	-	-	-	-	1,639
8	Low Income	5,758	5,758	-	-	-	-	-	5,758
9	High Performance Homes	7,142	7,142	-	-	-	-	-	7,142
10	Energy Education	128,000	128,000	-	-	-	-	-	128,000
11									
12									
13									
	Total	\$ 189,682	\$ 165,060	\$ 586	\$ 22,652	\$ 1,384	\$ -	\$ -	\$ 189,682

**TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
BONUS ALLOCATION BY RATE CLASS FOR YEAR ENDING 2017**

<b>Line No.</b>	<b>EE Program</b>	<b>Bonus</b>	<b>Residential</b>	<b>Secondary Service Less than 5 kW</b>	<b>Secondary Service Greater than 5 kW</b>	<b>Primary</b>	<b>Transmission</b>	<b>Lighting</b>	<b>Total</b>
1	Commercial Solutions	\$ 107,913	\$ -	405	107,508	-	-	-	\$ 107,913
2	Open for Small Business	76,333	\$ -	1,500	74,833	-	-	-	76,333
3	SCORE/CitySmart	70,783	\$ -	5,182	64,458	1,143	-	-	70,783
4	Load Management	42,903	\$ -	-	27,295	15,608	-	-	42,903
5	Residential SOP	227,678	\$ 227,678	-	-	-	-	-	227,678
6	Hard-to-Reach SOP	65,624	\$ 65,624	-	-	-	-	-	65,624
7	REP Pilot	19,830	\$ 19,830	-	-	-	-	-	19,830
8	Low Income	79,892	\$ 79,892	-	-	-	-	-	79,892
9	High Performance Homes	84,922	\$ 84,922	-	-	-	-	-	84,922
10	Energy Education	20,288	20,288	-	-	-	-	-	20,288
11	-	-	-	-	-	-	-	-	-
12									
13									
14									
15	<b>Total</b>	<b>796,166</b>	<b>\$ 498,234</b>	<b>\$ 7,088</b>	<b>\$ 274,093</b>	<b>\$ 16,751</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 796,166</b>

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ESTIMATED INCENTIVE BY RATE CLASS FOR 2020 PROGRAM YEAR

Line No.	EE Program	Incentive	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial Solutions	513,333	-	1,928	511,405	-	-	-	\$ 513,333
2	Open for Small Business	513,333	-	10,090	503,243	-	-	-	513,333
3	SCORE/CitySmart	513,333	-	37,580	467,464	8,289	-	-	513,333
4	Load Management	200,000	-	-	127,239	72,761	-	-	200,000
5	Residential SOP	1,400,000	1,400,000	-	-	-	-	-	1,400,000
6	Hard-to-Reach SOP	400,000	400,000	-	-	-	-	-	400,000
7	Rep Pilot	-	-	-	-	-	-	-	-
8	Low Income	490,000	\$ 490,000	-	-	-	-	-	490,000
9	High Performance homes	450,000	450,000	-	-	-	-	-	450,000
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
21	Total	\$ 4,480,000	\$ 2,740,000	\$ 49,599	\$ 1,609,352	\$ 81,049	\$ -	\$ -	\$ 4,480,000

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ESTIMATED ADMIN EXPENSE BY RATE CLASS FOR 2020 PROGRAM YEAR

Line No.	EE Program	Admin	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial Solutions	81,629	-	307	81,323	-	-	-	81,629
2	Open for Small Business	57,741	-	1,135	56,607	-	-	-	57,741
3	SCORE/CitySmart	53,543	-	3,920	48,758	865	-	-	53,543
4	Load Management	32,644	-	-	20,768	11,876	-	-	32,644
5	Residential SOP	297,644	297,644	-	-	-	-	-	297,644
6	Hard-to-Reach SOP	85,790	85,790	-	-	-	-	-	85,790
7	Rep Pilot	-	-	-	-	-	-	-	-
8	Low Income	139,781	139,781	-	-	-	-	-	139,781
9	High Performance homes	52,700	52,700	-	-	-	-	-	52,700
10		-							
11									
12									
13									
14									
15									
16									
17									
18									
19									
20	Total	\$ 801,473	\$ 575,915	\$ 5,361	\$ 207,456	\$ 12,741	\$ -	\$ -	\$ 801,473

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ESTIMATED R&D BY RATE CLASS FOR 2020 PROGRAM YEAR

Line No.	EE Program	R&D	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial Solutions	9,162	-	34	9,128	-	-	-	9,162
2	Open for Small Business	6,481	-	127	6,354	-	-	-	6,481
3	SCORE/CitySmart	6,010	-	440	5,473	97	-	-	6,010
4	Load Management	3,641	-	-	2,316	1,324	-	-	3,641
5	Residential SOP	17,959	17,959	-	-	-	-	-	17,959
6	Hard-to-Reach SOP	5,176	5,176	-	-	-	-	-	5,176
7	Rep Pilot	-	-	-	-	-	-	-	-
8	Low Income	5,915	5,915	-	-	-	-	-	5,915
9	High Performance homes	7,337	7,337	-	-	-	-	-	7,337
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20	Total	\$ 61,682	\$ 36,388	\$ 602	\$ 23,271	\$ 1,422	\$ -	\$ -	\$ 61,682

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ESTIMATED EM&V BY RATE CLASS FOR 2019 CALENDAR YEAR

Line No.	EE Program	EM&V	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial Solutions	10,641	-	-	10,641	-	-	-	\$ 10,641
2	Open for Small Business	6,920	-	-	6,920	-	-	-	6,920
3	SCORE/CitySmart	7,952	-	-	7,952	-	-	-	7,952
4	Load Management	3,374	-	-	3,230	144	-	-	3,374
5	Residential SOP	13,080	13,080	-	-	-	-	-	13,080
6	Hard-to-Reach SOP	4,240	4,240	-	-	-	-	-	4,240
7	Rep Pilot	3,749	3,749	-	-	-	-	-	3,749
8	Low Income	8,368	8,368	-	-	-	-	-	\$ 8,368
9	High Performance homes	-	-	-	-	-	-	-	-
10	Education Kits	-	-	-	-	-	-	-	-
11									
12									
13									
14									
15									
16									
17									
18									
19									
20	Total	\$ 58,323	\$ 29,437	\$ -	\$ 28,743	\$ 144	\$ -	\$ -	\$ 58,323

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
INTEREST ON UNDER(OVER) RECOVERY

Line No.	Description	Interest Rate	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Bonus Expense 2016		\$ 646,129	\$ -	\$ 434,917	\$ 2,729	\$ -	\$ -	\$ 1,083,774
2	Over-Recovery 2016		\$ (209,733)	\$ (211,264)	\$ 44,968	\$ (30,828)	\$ -	\$ (5,845)	\$ (412,701)
3	Municipal Expenses 2016		\$ 6,080	\$ -	\$ 4,385	\$ 27	\$ -	\$ -	\$ 10,493
4	Revenues Collected in 2018		\$ (3,913,255)	\$ 161,910	\$ (2,496,930)	\$ 27,395	\$ -	\$ 7,230	\$ (6,213,650)
5	Incentive Expense 2018		\$ 2,574,071	\$ 40,688	\$ 1,573,382	\$ 96,111	\$ -	\$ -	\$ 4,284,252
6	Admin Expense 2018		\$ 437,644	\$ 3,971	\$ 153,646	\$ 9,436	\$ -	\$ -	\$ 604,696
7	R&D Expense 2018		\$ 165,060	\$ 586	\$ 22,652	\$ 1,384	\$ -	\$ -	\$ 189,682
8	EM&V Expenses 2016		\$ 24,620	\$ -	\$ 31,445	\$ 225	\$ -	\$ -	\$ 56,291
9	EM&V Expenses 2017		\$ 31,708	\$ 172	\$ 24,286	\$ 125	\$ -	\$ -	\$ 56,291
10	Total UNDER/(OVER) RECOVERY		\$ (237,676)	\$ (3,938)	\$ (207,247)	\$ 106,604	\$ -	\$ 1,385	\$ (340,872)
11	2018 Interest Rate	1.05%	(2,496)	(41)	(2,176)	1,119	-	15	(3,579)
12	2019 Interest rate	1.99%	(4,779)	(79)	(4,168)	2,144	-	28	(6,855)
13									
14	Total Interest		(7,275)	(121)	(6,344)	3,263	-	42	(10,434)



**WP 2019 EMV TNMP**

<u>Program</u>	<u>2019 Cost</u>	<u>Residential</u>	<u>Secondary Service Less than 5 kW</u>	<u>Secondary Service Greater than 5 kW</u>	<u>Primary</u>	<u>Transmission</u>	<u>Lighting</u>	<u>Total</u>
Commercial Solutions MTP	10,641	-	-	10,641.12	-	-	-	10,641
Open for Small Business MTP	6,920	-	-	6,919.54	-	-	-	6,920
SCORE/CitySmart MTP	7,952	-	-	7,952.14	-	-	-	7,952
Load Management SOP	3,374	-	-	3,230.01	143.67	-	-	3,374
Residential SOP	13,080	13,080	-	-	-	-	-	13,080
Hard-to-Reach SOP	4,240	4,240	-	-	-	-	-	4,240
Low Income Weatherization	3,749	3,749	-	-	-	-	-	3,749
High-Performance Homes MTP	8,368	8,368	-	-	-	-	-	8,368
REP Pilot MTP	\$0	-	-	-	-	-	-	-
<b>Total</b>	<b>58,323</b>	<b>29,437</b>	<b>-</b>	<b>28,743</b>	<b>144</b>	<b>-</b>	<b>-</b>	<b>58,323</b>

Sponsored by: Stacy Whitehurst

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR FILING  
2020 FORECASTED ENERGY EFFICIENCY COSTS

Line						Based on 2018 actual %				
No.	EE Program	Incentive	Admin	R&D	Total	Admin		2017 r&D % less kits	R&D	
1	Commercial Solutions	513,333	81,629	9,162	\$ 604,125	0 10	81,629.39	0 15	9,162 45	
2	Open for Small Business	513,333	57,741	6,481	577,556	0 07	57,741 46	0 11	6,481 16	
3	SCORE/CitySmart	513,333	53,543	6,010	572,886	0 07	53,542.60	0 10	6,009 86	
4	Load Management	200,000	32,644	3,641	236,285	0 04	32,644.49	0 06	3,640 64	
5	Residential SOP	1,400,000	297,644	17,959	1,715,603	0 37	297,643.50	0 29	17,959 30	
6	Hard-to-Reach SOP	400,000	85,790	5,176	490,967	0 11	85,790 20	0 08	5,176 43	
7	Rep Pilot	-	-	-	-	-	-	-	-	
8	Low Income	490,000	139,781	5,915	635,697	0.17	139,781.23	0 10	5,915 33	
9	High Performance homes	450,000	52,700	7,337	510,037	0.07	52,700 38	0 12	7,336 62	
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20	Total	\$ 4,480,000	\$ 801,473	\$ 61,682	\$ 5,343,155	100%	801,473	100%	61,682	
21										
22	Allocation of Budget	83 85%	15 000%	1 154%	100 00%					
23										
24										
25	Low Income Percentage				11 897%					

Sum of KWH	Sum of KWH	Column Labels 1. Residential	2. SLT5	SSGT5	Primary	7. Transmission	8. Lighting
Forecasted 2019 kWH		3,104,500,338	35,166,716	2,345,265,535	1,496,407,199	3,397,031,791	34,670,440
Industrial Opt-out							
		Column Labels 1. Residential	2. SLT5	SSGT5	Primary	7. Transmission	8. Lighting
Sum of 2014-KWH			147,934	17,907,760	42,433,603	-	307,689
Sum of 2015-KWH			177,707	14,898,444	64,310,093		307,234
Sum of 2016-KWH			137,242	14,121,602	82,501,362		307,296
Sum of 2017-KWH			222,960	10,876,848	117,925,739		112,632
Sum of 2018-KWH			105,469	8,501,848	233,290,611		112,632
5 Year Average			158,262	13,261,300	108,092,282	-	229,497
Net		3,104,500,338	35,008,454	2,332,004,235	1,388,314,917	3,397,031,791	34,440,943

Settlement Billing determinant change 2397068051

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
ESTIMATED INCENTIVE BY RATE CLASS FOR 2019 PROGRAM YEAR

Line No.	EE Program	Incentive	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial SOP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Commercial Solutions	450,000	-	-	450,000	-	-	-	450,000
3	Open for Small Business	450,000	-	-	450,000	-	-	-	450,000
4	SCORE/CitySmart	450,000	-	-	450,000	-	-	-	450,000
5	Load Management	200,000	-	-	191,483	8,517	-	-	200,000
6	Residential SOP	1,300,000	1,300,000	-	-	-	-	-	1,300,000
7	Hard-to-Reach SOP	300,000	300,000	-	-	-	-	-	300,000
8	CoolSaver Pilot	150,000	150,000	-	-	-	-	-	150,000
9	Low Income	475,000	\$ 475,000	-	-	-	-	-	475,000
10	High Performance homes	350,000	350,000	-	-	-	-	-	350,000
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	Total	\$ 4,125,000	\$ 2,575,000	\$ -	\$ 1,541,483	\$ 8,517	\$ -	\$ -	\$ 4,125,000

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
INCENTIVES PAID BY RATE CLASS FOR YEAR ENDING 2018

Line No.	EE Program	Total	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting
1	Commercial Solutions	100%		0%	100%			
2	Open for Small Business	100%		2%	98%			
3	SCORE/CitySmart	100%		7%	91%	2%		
4	Load Management	100%			64%	36%		
5	Residential SOP	100%	100%					
6	Hard-to-Reach SOP	100%	100%					
7	REP Pilot	100%	100%					
8	Low Income	100%	100%					
9	High Performance Homes	100%	100%					
10	Energy Education	100%	100%					
11	-	100%	100%					
12								
	Score	Sum of Costs						
	Secondary Service Less than 5 kW	29747 34379	7 32%					
	SSGT5	370029 0269	91 06%					
	Primary	6561 279322	1 61%					
	Grand Total	\$ 406,337 65		406337 65	-			
	LM	Sum of Costs						
	SSGT	156,600	63 62%					
	Primary	89,550	36 38%					
	(blank)							
	Grand Total	\$ 246,150 00		246150	-			
	Comm Sol	Sum of Costs						
	Secondary Service Less than 5 kW	\$ 2,327	0 38%					
	SSGT5	\$ 617,163	99 62%					
			0 00%					
	Grand Total	619489 84		619489 84	-			
	Open fo Biz	Sum of Costs						
	Secondary Service Less than 5 kW	\$ 8,613	1 97%					
	SSGT5	\$ 429,590	98 03%					
	(blank)							
	Grand Total	\$ 438,203 07		438203 07	-			

Sum of ENERGY EFFICIENCY	Column Labels						Grand Total
	Residential Service	Secondary Service Less than 5 kW	SSGT5	Primary Service	Transmissi on Service	Lighting	
Row Labels							
201801	335584.91	-27571.13	210624.1	-3200.08	0	(1,178)	514,259
201802	290795.63	-26613.61	216654.48	-3115.13	0	(1,187)	476,535
201803	228717.33	-10468.6	172389.35	-1875.7	0	(506)	388,256
201804	225327.01	-10211.81	176649.44	-2090.4	0	(485)	389,190
201805	260911.72	-9708.82	188850.76	-1850.58	0	(486)	437,717
201806	397214.14	-10620	224840.71	-2116.67	0	(475)	608,843
201807	454400.08	-11336.68	244487.55	-2011.08	0	(478)	685,062
201808	465252.67	-11580.25	255742.26	-2114.96	0	(483)	706,817
201809	415830.14	-11350.12	239610.16	-2307.76	0	(481)	641,301
201810	331536.34	-11288.92	220047.26	-2222.1	0	(501)	537,571
201811	250928.05	-13767.68	176673.77	-2183.63	0	(485)	411,166
201812	256756.86	-7392.37	170359.82	-2306.72	0	(484)	416,933
Grand Total	3,913,255	(161,910)	2,496,930	(27,395)	-	(7,230)	6,213,650

Consumer Price Index - All Urban Consumers  
Original Data Value

Series Id CUUR0300SA0, CUUS0300SA0  
Not Seasonally Adjusted  
Area South urban  
Item All items  
Base Period 1982-84=100  
Years 2002 to 2015

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	increase over prior	
														year	% increase
2002	170 6	171 0	172 1	173 1	173 2	173 5	173 6	173 8	174 2	174 9	174 9	174 6	173 3		
2003	175 1	176 4	177 5	177 4	176 8	177 2	177 3	177 9	178 3	178 1	177 5	177 5	177 3	4 000	2 31%
2004	178 2	179 1	180 1	180 9	182 0	182 9	182 6	182 6	182 8	183 7	183 7	183 3	181 8	4 500	2 54%
2005	183 6	184 7	185 9	187 3	187 3	187 8	188 5	189 4	192 0	192 5	190 7	190 1	188 3	6 500	3 58%
2006	191 5	191 8	192 8	194 7	195 5	196 3	197 0	197 1	195 8	194 7	194 3	194 8	194 7	6 400	3 40%
2007	195 021	195 950	197 904	199 618	200 804	201 675	201 571	201 041	201 697	202 155	203 437	203 457	200 361	5 861	2 91%
2008	204 510	205 060	206 676	208 085	210 006	212 324	213 304	212 387	212 650	210 108	205 559	203 501	208 681	8 320	4 15%
2009	204 288	205 343	206 001	206 657	207 265	209 343	208 619	209 000	208 912	209 292	209 738	209 476	207 845	-0 836	-0 40%
2010	210 056	210 020	211 216	211 528	211 423	211 232	210 988	211 308	211 775	212 026	211 996	212 488	211 338	3 493	1 68%
2011	213 589	214 735	217 214	218 820	219 820	219 318	219 682	220 471	220 371	219 969	219 961	219 469	218 618	7 280	3 44%
2012	220 497	221 802	223 314	224 275	223 356	223 004	222 667	223 919	225 052	224 504	223 404	223 109	223 242	4 624	2 12%
2013	223 933	225 874	226 628	226 202	226 289	227 148	227 548	227 837	227 876	227 420	226 811	227 082	226 721	3 48	1 56%
2014	227 673	228 664	230 095	231 346	231 762	232 269	232 013	231 611	231 762	231 131	229 845	228 451	230 552	3 83	1 69%
2015	226 855	227 944	229 337	229 957	230 886	232 026	231 719	231 26	230 913	230 86	230 422	229 581	230 147	-0 41	-0 18%
2016	229 469	229 646	230 977	231 975	232 906	233 838	233 282	233 561	234 069	234 337	234 029	234 204	232 692	2 55	1 11%
2017	235 492	236 052	236 154	236 728	236 774	237 346	236 942	237 892	239 649	239 067	238 861	238 512	237 456	4 76	2 05%
2018	239 772	241 123	241 595	242 486	243 279	243 77	243 776	243 605	243 64	244 163	243 484	242 15	242 737	5 28	2 22%

[http://data.bls.gov/pdq/surveyOutputServlet?series\\_id=CUUR0300SA0, CUUS0300SA0](http://data.bls.gov/pdq/surveyOutputServlet?series_id=CUUR0300SA0, CUUS0300SA0)

		2 12%	1 56%	1 69%	-0 18%	1 11%	2 05%	2 22%	
percentage chan	2013 Cost caps	2014 Cost caps	2015 Cost caps	2016 Cost Caps	2017 Cost Caps	2018 Cost Caps	2019 Cost Caps	2020 Cost Caps	
Residential	\$ 0 00120	\$ 0 001225	\$ 0 001244	\$ 0 001266	\$ 0 001263	\$ 0 001277	\$ 0 001303	\$ 0 001332	
Non-residential	\$ 0 00075	\$ 0 000766	\$ 0 000778	\$ 0 000791	\$ 0 000790	\$ 0 000799	\$ 0 000815	\$ 0 000833	

Utility	Year	Sector	Program	Blended Cost	Secondary Service/Secondary Service					Transmission	Lighting	Total
					Residential	Less than 5 kW	Weather than 5 kW	Primary				
TNMP	2017	Com	Commercial Solutions MTP	9736	0	139 2975464	9596 46701	0		0	0	9735 76456
TNMP	2017	Com	Load Management SOP	2650	0	0	2525 34081	124 9233877		0	0	2650 2642
TNMP	2017	Com	Open for Small Business MTP	3647	0	0	3647 40967	0		0	0	3647 40967
TNMP	2017	Com	SCORE/CitySmart MTP	8550	0	32 56575152	8516 97221	0		0	0	8549 53796
TNMP	2017	HTR	Hard-to-Reach SOP	5732	\$5,732							5732 25234
TNMP	2017	LI	Low Income Weatherization	3358	\$3,358							3357 95592
TNMP	2017	Res	CoolSaver Pilot MTP	3747	\$3,747							3746 76959
TNMP	2017	Res	Efficiency Connection MTP	1074	\$1,074							1073 84677
TNMP	2017	Res	High-Performance Homes MTP	4438	\$4,438							4438 22644
TNMP	2017	Res*	Residential SOP	13359	\$13,359							13359.1443
Total				56291	\$ 31,708	\$ 172	\$ 24,286	\$ 125	\$ -	\$ -	\$ -	\$ 56,291



TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
INCENTIVES PAID BY RATE CLASS FOR YEAR ENDING 2017

Line No.	EE Program	Incentive	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1									
2	Commercial Solutions	\$ 567,691	\$ -	\$ 8,122	\$ 559,568	\$ -	\$ -	\$ -	\$ 567,691
3	Open for Small Business	367,728	-	-	367,728	-	-	-	367,728
4	SCORE/CitySmart	472,319	-	1,799	470,519	-	-	-	472,319
5	Load Management	145,960	-	-	139,080	6,880	-	-	145,960
6	Residential SOP	1,314,981	1,314,981	-	-	-	-	-	1,314,981
7	Hard-to-Reach SOP	299,747	299,747	-	-	-	-	-	299,747
8	Efficiency Connection	30,577	-	-	30,577	-	-	-	30,577
9	Low Income	525,375	525,375	-	-	-	-	-	525,375
10	High Performance Homes	373,039	373,039	-	-	-	-	-	373,039
11	CoolSaver	114,600	114,600	-	-	-	-	-	114,600
12	Energy Education	-	-	-	-	-	-	-	-
13									
14									
15									
16	Total	\$ 4,212,016	\$ 2,627,742	\$ 9,922	\$ 1,567,472	\$ 6,880	\$ -	\$ -	\$ 4,212,016

Utility	Year	Sector	Program	Blended Cost	Secondary Service/Secondary Service					Transmission	Lighting	Total
					Residential	Less than 5 kW	Greater than 5 kW	Primary				
TNMP	2016	Com	Commercial Solutions MTP	11069	0	0	11069 1114	0		0	0	11069 1114
TNMP	2016	Com	Load Management SOP	5291	0	0	5065 28732	225.2959128		0	0	5290 58323
TNMP	2016	Com	Open for Small Business MTP	5218	0	0	5217.58021	0		0	0	5217 58021
TNMP	2016	Com	SCORE/CitySmart MTP	10093	0	0	10093 4295	0		0	0	10093.4295
TNMP	2016	HTR	Hard-to-Reach SOP	3123	\$3,123							3123 24363
TNMP	2016	LI	Low Income Weatherization	2367	\$2,367							2366 85679
TNMP	2016	Res	Education Kits	2033	\$2,033							2033 46254
TNMP	2016	Res	Efficiency Connection Pilot MTP	1913	\$1,913							1912 92139
TNMP	2016	Res	High Performance New Homes MTI	4719	\$4,719							4719.41113
TNMP	2016	Res	Residential SOP	10465	\$10,465							10464.5718
Total				56291	\$ 24,620	\$ -	\$ 31,445	\$ 225	\$ -	\$ -	\$ -	\$ 56,291

TEXAS-NEW MEXICO POWER COMPANY  
ENERGY EFFICIENCY COST RECOVERY FACTOR  
INCENTIVES PAID BY RATE CLASS FOR YEAR ENDING 2016

Line No.	EE Program	Incentive	Residential	Secondary Service Less than 5 kW	Secondary Service Greater than 5 kW	Primary	Transmission	Lighting	Total
1	Commercial SOP								
2	Commercial Solutions	\$ 588,470	\$ -	\$ -	\$ 588,470	\$ -	\$ -	\$ -	\$ 588,470
3	Open for Small Business	508,604	-	-	508,604	-	-	-	508,604
4	SCORE/CitySmart	470,019	-	-	470,019	-	-	-	470,019
5	Load Management	266,530	-	-	255,180	11,350	-	-	266,530
6	Residential SOP	1,267,249	1,267,249	-	-	-	-	-	1,267,249
7	Hard-to-Reach SOP	309,685	309,685	-	-	-	-	-	309,685
8	Efficiency Connection	19,035	19,035	-	-	-	-	-	19,035
9	Low Income	434,417	434,417	-	-	-	-	-	434,417
10	High Performance Homes	387,858	387,858	-	-	-	-	-	387,858
11	Energy Education	108,238	108,238	-	-	-	-	-	108,238
12									
13									
14									
15									
16	Total	\$ 4,360,106	\$ 2,526,483	\$ -	\$ 1,822,273	\$ 11,350	\$ -	\$ -	\$ 4,360,106