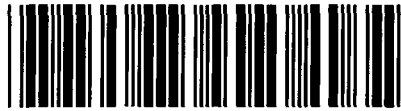




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SOAH DOCKET NO. 473-19-5244

PUC DOCKET NO. 49586

*Application of Texas-New Mexico Power Company to Adjust its Energy Efficiency Cost Recovery Factor*

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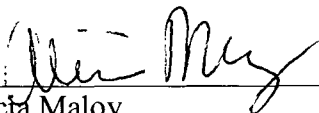
**AFFIDAVIT OF ALICIA MALOY**

THE STATE OF TEXAS   §  
                                     §  
COUNTY OF TRAVIS   §


ON THIS DAY, before me, the undersigned authority, personally appeared Alicia Maloy who on her oath stated as follows:

1. My name is Alicia Maloy. I am employed as a Senior Infrastructure Analyst in the Infrastructure & Reliability Division of the Public Utility Commission of Texas ("PUCT").
2. I am at least 21 years of age, fully competent and authorized to make the statements herein. Additionally, I have personal knowledge of the facts stated herein, and they are true and correct to the best of my knowledge.
3. On May 31, 2019, Texas-New Mexico Power Company (TNMP) filed an Application to Adjust its Energy Efficiency Cost Recovery Factor ("EECRF") pursuant to PURA § 39.905 and 16 Texas Administrative Code (TAC) §§ 25.181 and 25.182.
4. In its Application, TNMP requested an EECRF in 2020 of \$5,854,754 comprised of the following components: \$5,343,155 in energy efficiency expenses forecasted for the 2020 program year; \$58,323 in evaluation, measurement and verification ("EM&V") contractor costs; a performance bonus of \$796,166 for exceeding its demand and energy goals in 2018; and an adjustment of \$340,872 for over-recovery of energy efficiency costs plus \$10,434 in interest in the 2018 program year.
5. TNMP, the Cities served by TNMP, and Commission Staff entered into a Stipulation and Settlement Agreement (Stipulation). In the Stipulation, the Signatories agreed that if TNMP proposes to continue the Energy Education R&D program in program year 2021, TNMP will provide 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). Otherwise, TNMP will terminate the Energy Education R&D program and not request an amount in the program year 2021 budget.

6. My review included an examination of the reasonableness of TNMP's forecasted 2020 energy efficiency expenses; verification that TNMP's demand and energy goals were calculated pursuant to 16 TAC § 25.181(e) and that TNMP's proposed line loss is reasonable; review of TNMP's performance bonus for the 2018 program year to verify compliance with 16 TAC § 25.182(e); and a review of TNMP's energy efficiency expenses in 2018 to verify that they were reasonable and necessary to reduce demand and energy growth.
7. Based upon my review of TNMP's Application, accompanying work papers, and responses to requests for information, I have determined that TNMP's total requested energy efficiency expenses for the 2020 program year, which are below the cost caps pursuant to 16 TAC § 25.182(d)(7), are reasonable. TNMP's proposed administrative costs are reasonable and fall below the caps set in 16 TAC § 25.181(g); TNMP's demand goal complies with 16 TAC § 25.181(e), and the proposed line loss is reasonable; TNMP's 2020 programs are designed to support a 5% allocation of the total program budget to the hard-to-reach customers pursuant to 16 TAC § 25.181(e)(3)(F); TNMP's 2020 programs are designed to support a 10% allocation of the total program budget to the targeted low-income program pursuant to 16 TAC § 25.181(p); TNMP's requested performance bonus for program year 2018 was calculated in accordance with 16 TAC § 25.182(e); and TNMP's 2018 program costs were reasonable and necessary to achieve demand and energy savings.
8. Based upon my review of the TNMP's Application and the Stipulation, as described above, I conclude that the Stipulation is reasonable and meets the requirements of 16 TAC §§ 25.181 and 25.182.

  
Alicia Maloy  
Infrastructure Analyst  
Infrastructure & Reliability Division  
Public Utility Commission of Texas

**SUBSCRIBED AND SWORN TO** before me, on this the 23<sup>rd</sup> day of August, 2019.

  
NOTARY PUBLIC in and for the State of Texas.

