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Item Number: 46

Addendum StartPage: 0

SOAH DOCKET NO. 473-19-5244  
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APPLICATION OF TEXAS-NEW  
MEXICO POWER COMPANY TO  
ADJUST ITS ENERGY EFFICIENCY  
COST RECOVERY FACTOR

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BEFORE THE STATE OFFICE  
OF  
ADMINISTRATIVE HEARINGS

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**EXCEPTIONS TO PROPOSED ORDER**

COMES NOW, Texas-New Mexico Power Company ("TNMP"), with the consent and approval of Staff of the Public Utility Commission of Texas ("Staff"), and Cities Served by Texas-New Mexico Power ("Cities") (collectively, the "Parties"), and files these Exceptions to Proposed Order.

**I. BACKGROUND**

On October 25, 2019, the Office of Policy & Docket Management, filed a Proposed Order in this proceeding, and set a deadline of November 13, 2019 for the Parties to file corrections or exceptions to the Proposed Order. Therefore, these exceptions are timely filed.

**II. EXCEPTIONS**

TNMP respectfully requests the following changes be made to the Proposed Order:

1. **Finding of Fact 5(a):** change "TNMP's forecasted energy-efficiency costs of \$5,287,551 in program year 2020 (including a deduction of \$55,604 to remove EECRF expenses from TNMP's administrative expenses)" to "TNMP's forecasted energy-efficiency costs of \$5,343,155 in program year 2020".

TNMP requests this change because TNMP set forth its forecasted energy-efficiency costs for program year 2020 of \$5,343,155 in its Application of Texas-New Mexico Power Company for the Approval to Adjust the Energy Efficiency Cost Recovery Factor (Application) at page 3 (bates stamp 3).

**2. Finding of Fact 6:** add “June 3, 2019”.

TNMP requests this change because the affidavit of Pamela Collins, filed on June 4, 2019, states that notice was served on May 31, 2019 and June 3, 2019.

**3. Finding of Fact 21:** delete “annual growth in” and change “1,382.5” to “1,304”.

TNMP requests this change because TNMP’s five-year average (not annual growth) weather and loss adjusted peak demand is 1,304 MW, as set forth in the Direct Testimony of Stacy R. Whitehurst at page 6 (bates page 99).

**4. Finding of Fact 22:** change “5.1 MW” to “5.2 MW”.

TNMP requests this change because TNMP’s calculated minimum demand-reduction goal under 16 Texas Administrative Code (TAC) § 25.181 (e)(1)(c) is 5.2 MW, as set forth in the Direct Testimony of Stacy R. Whitehurst at page 6 (bates page 99).

**5. Finding of Fact 27(c):** delete “includes a deduction for”.

TNMP requests this change because the adjustment of \$342,172 includes TNMP's rate case expenses, not a deduction for such expenses, as set forth in the Stipulation and Settlement Agreement (Agreement) at page 2 (bates page 2).

6. **Finding of Fact 28:** delete "with the rider remaining in effect until December 31, 2020, or until the Commission orders otherwise".

TNMP requests this change because TNMP is not aware of any requirement limiting its rider to a December 31, 2020 effective termination date.

7. **Finding of Fact 33:** change "\$0.000833" to "\$0.000816".

TNMP requests this change because TNMP calculated its EECRF cost caps for the 2020 program year to be \$0.000816 per kWh for commercial customers, as set forth in the Direct Testimony of Stacy R. Whitehurst at Exhibit SRW-2, line 19 (bates page 119).

8. **Finding of Fact 40:** change "\$6,228,165" to "\$5,144,391" and add "and the previous bonus was \$1,083,774".

TNMP requests this change because TNMP's 2018 program costs were \$5,144,391, as set forth in the Direct Testimony of Stacy R. Whitehurst at Confidential Exhibit SRW-9, line 8.

**9. Finding of Fact 48:** change “rate case expenses from Docket No. 48404—is a reasonable amount” to “(iv) TNMP and municipal rate case expenses from Docket No. 48404—is a reasonable amount”.

TNMP requests this change to clarify that the net cost recovery of \$510,833 in Finding of Fact 48 includes municipal rate case expenses, not only TNMP’s rate case expenses.

**10. Finding of Fact 57:** delete “(including EM&V)”.

TNMP requests this change because TNMP’s total portfolio budget amount of \$5,343,155 does not include EM&V.

**11. Conclusion of Law 4:** change “May” to “June”; change “January” to “March”.

TNMP requests this change because 16 TAC § 25.182(d)(8) requires a utility in an area in which customer choice is offered to apply, not later than June 1 of each year, to adjust its EECRF from the prior program year, with an effective date of March 1 of the following year.

**12. Conclusion of Law 23:** change “(iv) rate case expenses” to “(iv) TNMP and municipal rate case expenses”.

TNMP requests this change to clarify that the net cost recovery of \$510,833 in Conclusion of Law 23 includes municipal rate case expenses, not only TNMP’s rate case expenses.

**13. Conclusion of Law 28:** change “PURA 39.305(a)(4)” to “PURA 39.905(a)(4)”.

TNMP requests this change because PURA 39.905(a)(4) applies to a utility’s outreach and information programs to encourage and facilitate the involvement of retail electric providers in the delivery of efficiency and demand-response programs.

**14. Order Paragraph 2:** change “\$5,854,753” to “\$5,853,453”.

TNMP requests this change because the total amount should be “\$5,853,453” pursuant to Finding of Fact 27 and as set forth in the Agreement at page 2 (bates page 2).

**15. Order Paragraph 4:** change “January” to “March”.

TNMP requests this change because 16 TAC § 25.182(d)(8) requires a utility in an area in which customer choice is offered to apply, not later than June 1 of each year, to adjust its EECRF from the prior program year, with an effective date of March 1 of the following year.

### **III. CONCLUSION**

WHEREFORE, TNMP respectfully requests, on behalf of itself and the Parties, the issuance of a revised proposed order consistent with the above recommendations.

Respectfully submitted,

By: /s/ Stephanie C. Sparks

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**ATTORNEYS FOR TEXAS-NEW  
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing motion has been served on all parties of record by either first class mail, electronic transmission, facsimile transmission, or hand delivery, on this 5th day of November, 2019.

/s/ Stephanie C. Sparks  
Counsel