

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE PETITION)	
OF PUBLIC SERVICE COMPANY OF)	
NEW MEXICO FOR ENERGY EFFICIENCY)	Case No. 18-00043-UT
DISINCENTIVE IDENTIFICATION AND)	
REMOVAL MECHANISM APPROVALS)	

INITIAL ORDER

THIS MATTER comes before the New Mexico Public Regulation Commission (“Commission” or “NMPRC”) on the March 2, 2018 Petition for Approval of Disincentive Mechanism filed by **Public Service Company of New Mexico (PNM)**. The Commission, having reviewed the application and being otherwise duly informed, **FINDS:**

1. PNM’s Petition requests that the Commission institute a proceeding to approve a mechanism to remove regulatory barriers and disincentives for energy efficiency programs pursuant to the Efficient Use of Energy Act, §§62-17-1 through 17.

2. PNM’s Petition asserts the need for the requested mechanism was recognized by interested stakeholders in the 2016 Rate Case – 16-00276-UT, and the stipulation approved in that case calls for PNM to initiate this proceeding.

3. Although the Commission’s Final Order in 16-00276-UT declined to specifically adopt or endorse the portion of the Stipulation covering this subject, it left the provision in the Stipulation unmodified.

4. The Commission acknowledges, as it has done previously, that §62-17-5 directs the Commission to identify regulatory disincentives or barriers for public utility expenditures on energy efficiency and load management measures and ensure that they are removed.

5. The signatories assert that identification of such a mechanism in a standalone case would be more efficient than pursuing this mechanism in the context of a rate proceeding.

6. The mechanism proposed by the current docket is the Lost Contribution to Fixed Cost Mechanism which PNM had originally included as part of its application in case 16-00276-UT.

7. The Commission has jurisdiction over the subject matter of the Petition.

8. A proceeding on PNM's proposed Lost Contribution to Fixed Cost Mechanism should be initiated.

IT IS THEREFORE ORDERED:

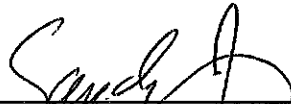
A. Pursuant to its authority under NMSA 1978, § 8-8-14 and the Commission's Rules of Procedure, 1.2.2.1 NMAC *et seq.*, the Commission hereby designates and appoints Anthony Medeiros as Hearing Examiner to preside over this case, to take all action necessary and convenient thereto within the limits of the Hearing Examiner's authority, to take any other action in this case that is consistent with Commission procedure, and to submit a Recommended Decision containing proposed findings of fact and conclusions of law regarding this case to the Commission.

B. A copy of this Order shall be served on all parties listed on the certificate of service from PNM case 16-00276-UT via email, if the email addresses are known, and if not known, by regular mail.

C. This Order is effective immediately.

ISSUED under the Seal of the Commission at Santa Fe, New Mexico, this 21st day of
March, 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION



SANDY JONES, CHAIR



CYNTHIA HALL, VICE CHAIR



PATRICK H. LYONS, COMMISSIONER



LYNDA LOVEJOY, COMMISSIONER



VALERIE ESPINOZA, COMMISSIONER



BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE COMPANY OF NEW MEXICO FOR)
ENERGY EFFICIENCY DISINCENTIVE)
IDENTIFICATION AND REMOVAL MECHANISM)
APPROVALS)
_____)
)**

Case No. 18-00043-UT

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing **Initial Order** issued by the New Mexico Public Regulation Commission on March 21, 2018, was sent via email on March 21, 2018 to the parties listed below:

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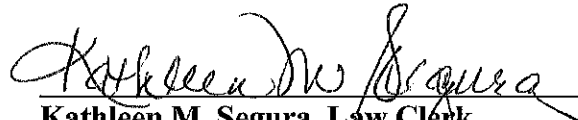
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bcollins@lrre.com;

DATED this 21st day of March, 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION



Kathleen M. Segura, Law Clerk