



Commission required PNM to increase by \$9.1M the amount of the \$16.5M unspecified “black box” revenue reduction under the Revised Stipulation the Signatories filed a Joint Notice of Acceptance of the Commission’s Modifications.

2. While the other Signatories to the Revised Stipulation filed a Joint Notice of Acceptance of the Commission’s Modifications, PNM filed a pleading entitled Notice of Acceptance of Proposed Modifications to Revised Stipulation Subject to a Clarifying Change to the Revised Order. While PNM’s pleading proposed an alternative resolution rather than an unequivocal acceptance or denial of the terms of the Revised Order and therefore may properly be construed as a rejection, it may also be viewed as incorporating both a request for clarification and a transmittal confirming that PNM would accept the Revised Stipulation upon confirmation by the Commission of those terms.

3. Upon consideration of the pleadings, the Commission finds that in the interests of promoting a result that is in the public interest and promotes the Commission’s policy of promoting the resolution of disputes through settlements, the Commission will accept and adopt ‘clarifying changes’ to the Revised Order set out in PNM’s Notice of Acceptance.

4. The Commission’s acceptance of these modifications is subject to the reservation that it will not accept PNM’s apparent unilateral attempt to revise the terms of the Revised Stipulation and Commission Revised Order by inserting a clause stating: “If any party appeals the final decisions of the Commission, PNM reserves its right to respond in accordance with the New Mexico Appellate Rules through cross-appeal.” Not only can this clause be read as a unilateral change to a stipulated agreement, this provision that would potentially allow PNM to evade and challenge the Commission’s Revised Order after having obtained the principal

benefits of that Order. Accordingly, this provision should be and hereby is struck from any modifications incorporated to the Commission's Revised Order.

**IT IS THEREFORE ORDERED:**

A. The Commission's January 10, 2018 revised Order shall be modified in accordance with the findings and conclusions set forth above in this Order as well as the provisions of PNM's January 16, 2018 Notice of Acceptance so that Paragraph 67 and Decretal Paragraph C of the Revised Order shall reflect a reduction to PNM's revenue requirement of \$4.4M rather than the \$9.1M figure stated in those paragraphs.

B. The Commission rejects PNM's attempted further modification of the agreement reflected in the Revised Stipulation and the Commission's modifications thereto by seeking to reserve its right to respond to any appeal through a cross-appeal.

C. This Order confirms that PNM will make comprehensive adjustments to the revenue requirement for changes in the Federal tax rates.

D. The Compliance filing required by Section D of the Revised Stipulation shall include 1) an illustrative cost of service that corresponds with the Revised Order as modified by this order; 2) new rates; and 3) Proof of revenue with new rates and billing determinants.

E. The remaining provisions of the Commission's January 10, 2018 Revised Order shall be unaffected by this order.

F. Because PNM's Notice of Acceptance requested confirmations of modifications to the Revised Stipulation and the Commission's Revised Order not addressed by the other Signatories in their Joint Response and other filings, and because the Commission has struck PNM's unilateral reservation of rights to a cross appeal, both the Signatories and PNM shall file pleadings by 12:00 p.m. (noon) on Friday January 19, 2018 stating whether they accept the terms of this order. If no signatory objects to the provisions of this order, the provisions of this order

shall be effective and the parties shall follow the procedures outlined in the Certification of Revised Stipulation

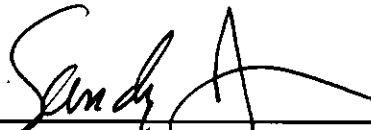
G. All pending motions, requests or any other matter not expressly ruled on or addressed in the hearing or in this order herein are hereby deemed denied and disposed of consistent with this Order.

H. A copy of this order shall be served on all parties listed on the attached certificate of service via e-mail where such e-mail addresses are known and if not known, by regular first class postal delivery.

I. This order is effective immediately.

ISSUED under the Seal of the Commission at Santa Fe, New Mexico, this 17<sup>th</sup> day of  
January, 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION




SANDY JONES, CHAIRMAN



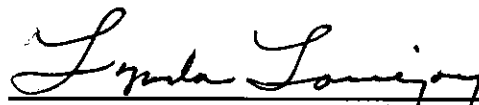
CYNTHIA B. HALL, VICE CHAIR



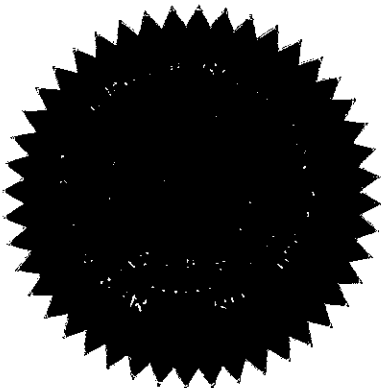
VALERIE ESPINOZA, COMMISSIONER



PATRICK H. LYONS, COMMISSIONER



LYNDA LOVEJOY, COMMISSIONER



**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION OF )  
PUBLIC SERVICE COMPANY OF NEW )  
MEXICO FOR REVISION OF ITS RETAIL )  
ELECTRIC RATES PURSUANT TO ADVICE )  
NOTICE No. 533. )  
)  
PUBLIC SERVICE COMPANY OF NEW )  
MEXICO, APPLICANT )**

**Case No. 16-00276-UT**

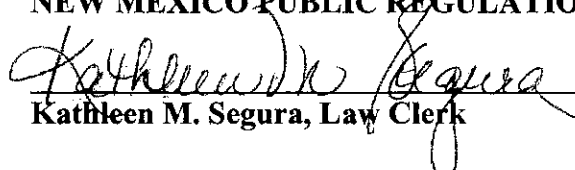
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing **Order on Notice of Acceptance** issued by the New Mexico Public Regulation Commission on January 17, 2018, was sent via email on January 17, 2018, to the parties listed below:

|                     |  |                      |  |
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**DATED** this 17<sup>th</sup> day of January 2018.

**NEW MEXICO PUBLIC REGULATION COMMISSION**

  
Kathleen M. Segura, Law Clerk