

Docket No. 58964

APPLICATION OF TEXAS-NEW § BEFORE THE
MEXICO POWER COMPANY FOR § PUBLIC UTILITY COMMISSION
AUTHORITY TO CHANGE RATES § OF TEXAS

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Docket No. 58964

APPLICATION OF TEXAS-NEW MEXICO POWER COMPANY FOR AUTHORITY TO CHANGE RATES §
 § **BEFORE THE PUBLIC UTILITY COMMISSION**
 § **OF TEXAS**

PETITION AND STATEMENT OF INTENT OF TEXAS-NEW MEXICO POWER COMPANY FOR AUTHORITY TO CHANGE RATES

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Texas-New Mexico Power Company (“TNMP” or “Company”) files this Petition and Statement of Intent for Authority to Change Rates (“Petition”) in accordance with Subchapter C of Chapter 36 of the Public Utility Regulatory Act (“PURA”),¹ 16 Tex. Admin Code (“TAC”) § 22.243(b), and 16 TAC § 25.247. With this Petition, TNMP files a rate filing package (“RFP”) that complies in all material respects with the Commission’s *Transmission & Distribution (TDU) Investor-Owned Utilities Rate Filing Package for Cost-of-Service Determination*.²

I. INTRODUCTION

More than seven years have passed since the close of the test year utilized in TNMP’s most recent base rate proceeding.³ During this period, the Company has consistently fulfilled its public service obligations, delivering safe, reliable, and high-quality service, even as system load has significantly expanded, operational demands have intensified, and industry-wide costs have increased.

Since its last rate case, TNMP has seen considerable expansion throughout its service territory, accompanied by substantial growth in both customer count and electricity demand. Presently, TNMP serves approximately 282,000 customers. It owns, operates, and maintains over 1,000 miles of transmission lines, almost 14,000 miles of distribution lines, 117 load serving stations, and 54 switching stations. For additional perspective, at the time TNMP’s previous rate case was filed, it served 47 transmission service customers and 446 primary service customers. Today, those numbers have ballooned to 89 transmission service customers and 701 primary service customers, representing a growth of approximately 89 percent and 57 percent respectively.

¹ PURA is codified at Tex. Util. Code Ann. §§ 11.001-66.016.

² Adopted July 20, 2020 in Project No. 49199.

³ *Application of Texas-New Mexico Power Company for Authority to Change Rates*, Docket No. 48401 (May 30, 2018).

To accommodate its growth, TNMP has made substantial, prudently incurred investments in its transmission and distribution system. While Transmission Cost of Service (“TCOS”) and Distribution Cost Recovery Factor (“DCRF”) proceedings have recognized a portion of TNMP’s substantial investments with interim rate adjustments, these mechanisms do not permit recovery of corresponding increases in other elements of the Company’s cost of service. As a result, TNMP has continued to absorb higher costs to operate, maintain, and support an expanded and more complex system under base rates that have not been fully revisited since 2018.

TNMP serves a geographically diverse and non-contiguous service area that encompasses a mix of urban and rural communities. Planning, operating, and maintaining the Company’s services across a separated service territory presents unique operational investment challenges, including the need for varying infrastructure and flexible operations, to serve customers reliably under a wide range of local conditions. Despite these challenges, TNMP has continued to rise to the occasion and provide strong, consistent service in its territory.

A central focus of TNMP’s investment strategy has been to improve and preserve service reliability for customers. Over the last several years, the Company has maintained a consistent level of performance on key reliability metrics, including System Average Interruption Duration Index (“SAIDI”) and System Average Interruption Frequency Index (“SAIFI”). In fact, TNMP’s SAIDI and SAIFI performance is above the Texas utility average, reflecting a system that performs at or above the level of many of its peers, even as TNMP meets increasing service demands and withstands increasingly challenging operating conditions.

Against this backdrop, TNMP seeks a measured adjustment to its base rates. In this Petition and RFP, the Company proposes changes that will align its revenues with its current cost of providing transmission and distribution services, while accounting for its investments and customer benefits described above.

TNMP’s total company cost of service is approximately \$706.5 million, which is based on its reasonable and necessary expenses and a return of 7.88% on its rate base of \$2.788 million. TNMP’s cost of service results in a revenue deficiency of \$29.3 million on a Texas retail basis and requires an increase of 6% over current annualized revenues at current base rates.

The rate changes proposed in this Petition are designed to align TNMP’s rates with the costs of the system that is in service today. Today’s system is larger, stronger, and more capable than the system reflected in the rates established over seven years ago. Adjusting base rates now

enables TNMP to recover the reasonable and necessary costs of its investments, continue to maintain and enhance its system, and attract the capital needed to support ongoing reliability and growth. TNMP's proposed rates are just and reasonable, in the public interest, and will help ensure that customers continue to receive the safe, reliable, and resilient services they need.

II. BUSINESS ADDRESS & AUTHORIZED REPRESENTATIVES

TNMP is an electric utility in Texas with its principal offices at 577 N. Garden Ridge Boulevard, Lewisville, Texas, 75067.

TNMP's authorized business representative for this proceeding is:

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TNMP requests that all pleadings, orders, discovery requests, and other information related to this Petition be served on TNMP by email at the email addresses listed above.

III. APPLICANT AND JURISDICTION

TNMP is a public utility as that term is defined in PURA § 11.004(1), an electric utility as that term is defined in PURA § 31.002(6), and a transmission and distribution utility as that term

is defined in PURA § 31.002(19). TNMP is a subsidiary of TNP Enterprises, Inc., which is wholly owned by TXNM Energy, Inc.

The Public Utility Commission of Texas (“Commission”) has jurisdiction over this Petition pursuant to PURA § 32.001. The Commission has exclusive jurisdiction over TNMP’s transmission rates pursuant to PURA § 35.004(d). The Commission has jurisdictional authority over TNMP’s distribution rates in areas outside a municipality as well as in areas inside a municipality that has ceded jurisdiction to the Commission (the “Ceded Jurisdiction Municipalities”). In addition, the Commission has exclusive appellate jurisdictional authority to review actions taken by a municipality that maintains its original jurisdiction (the “Original Jurisdiction Municipalities”). A list of the Ceded Jurisdiction Municipalities and the Original Jurisdiction Municipalities is attached hereto as **Attachment A**.

The Original Jurisdiction Municipalities have jurisdiction over rate changes for distribution services inside those areas pursuant to PURA § 33.001. TNMP is filing this case not only at the Commission, but with all of the Original Jurisdiction Municipalities. TNMP anticipates that it will appeal the actions, if any, of the Original Jurisdiction Municipalities to the Commission and that TNMP will seek consolidation of those appeals within this docket. It is TNMP’s intention to seek one set of system-wide rates for each customer class served on the TNMP system, just as system-wide rates are in place today.

IV. EFFECTIVE DATE

The proposed effective date of the requested rate change is December 23, 2025, which is at least 35 days after the filing of this Petition as allowed under PURA § 36.102.

V. TEST YEAR

The test year in this proceeding is based on the 12-month period of July 1, 2024 through June 30, 2025. This is the most recent 12-month period for which operating data is available.

VI. INCREASE IN REVENUE REQUIREMENT

Based on its test year adjusted for known and measurable changes, TNMP seeks a net increase in transmission and distribution rates of approximately \$34 million over adjusted test-year revenues, or approximately a 5% increase over adjusted test-year revenues of \$673 million.

VII. CLASSES AND NUMBERS OF RATEPAYERS AFFECTED

As a transmission and distribution utility, TNMP has approximately 126 retail electric provider (“REP”) customers, all of which will be affected by this Petition.

There are approximately 282,000 end users of electricity in TNMP’s service area, all of whom are REP customers. All of those end users may be affected by this Petition depending upon the actions taken by the REPs, which provide electricity to those end-use customers.

VIII. IMPACT OF PROPOSED RATE CHANGE ON VARIOUS CLASSES

TNMP’s proposed rate change, including other revenue, would have the effect on billings to REPs for several end-user rate classes shown on **Exhibit 1** to this Petition, and is expressly incorporated herein by reference. A Summary of Proposed Class Rates, included in the RFP as Schedule IV-J-7, is attached to this Petition as **Exhibit 2**, and is expressly incorporated herein by reference.

IX. PROPOSED REVISIONS OF TARIFFS AND SCHEDULES

TNMP is proposing various revisions to its tariffs and schedules. The proposed revised tariffs are included in TNMP’s RFP as Exhibits SRW-10 and SRW-11 to the Direct Testimony of TNMP Witness Stacy R. Whitehurst, and are expressly incorporated herein by reference.

X. FILING OVERVIEW

This filing consists of a Table of Contents, this Petition, direct testimonies, proposed tariffs, schedules, and workpapers that satisfy the requirements of PURA § 36.102 and the Commission’s *Transmission & Distribution (TDU) Investor-Owned Utilities Rate Filing Package for Cost-of-Service Determination* instructions adopted in Project No. 49199 (the “RFP Instructions”). TNMP’s direct testimonies, along with supporting schedules and workpapers, are presented by the following witnesses:

<u>WITNESS</u>	<u>OVERVIEW OF SUBJECTS COVERED</u>
James Neal Walker	Mr. Walker discusses: (i) an overview of TNMP’s rate request and principal factors driving increased cost of service; (ii) TNMP’s service territory and business operations; (iii) TNMP’s safe and reliable operations and provision of service; and (iv) support for the reasonableness and necessity of TNMP’s investment in transmission and distribution (“T&D”) facilities and operations and maintenance (“O&M”) costs.
Keith Nix	Mr. Nix discusses: (i) TNMP’s Operations organization and its O&M expenses; (ii) TNMP’s vegetation management program

<u>WITNESS</u>	<u>OVERVIEW OF SUBJECTS COVERED</u>
	costs and related adjustments; (iii) TNMP's response to Hurricane Beryl impacts and support for TNMP's request to recover Hurricane Beryl related costs via rate rider; (iv) storm charges to TNMP's self-insurance reserve; and (v) support for requests related to discretionary service rates.
Christopher Gerety	Mr. Gerety discusses: (i) TNMP's Technical Services & Reliability organization and its O&M costs; (ii) T&D projects included in TNMP's invested capital; and (iii) TNMP's primary service substation rate class and wholesale distribution line service rate class expansion to include Distributed Energy Storage Resources.
Sabrina Greinel	Ms. Greinel discusses: (i) TNMP's capital structure; (ii) TNMP's cost of capital and cost of debt; and (iii) affiliate costs from PNMR Services Company ("PNMR Services") to TNMP.
Ellen Lapson	Ms. Lapson discusses: (i) TNMP's request for an authorized capital structure comprised of equity and long-term debt; (ii) TNMP's financial condition; and (iii) TNMP's key metrics for overall regulatory support.
Adrien McKenzie	Mr. McKenzie discusses: (i) an assessment of TNMP's fair rate of return on equity; and (ii) support for the reasonableness of TNMP's capital structure and related risks and guidelines.
Larry Morris	Mr. Morris discusses tax schedules and tax amounts included in the cost of service and rate base.
Earl Simpkins	Mr. Simpkins discusses: (i) affiliate costs from PNMR Services to TNMP; (ii) the costs TNMP incurs from Public Service Company of New Mexico ("PNM") for customer support services; and (iii) the reasonableness of PNMR Services and PNM costs and their direct assignment or allocation to TNMP.
Emmanuel J. Lopez	Mr. Lopez discusses: (i) the affiliate cost allocation system and affiliate costs between

<u>WITNESS</u>	<u>OVERVIEW OF SUBJECTS COVERED</u>
	PNMR and TNMP; and (ii) the methodology of how service bills are allocated.
Dr. Tobe Phelps	Dr. Phelps discusses: (i) the Business Technology Services affiliate class of services provided to TNMP; and (ii) the reasonableness and necessity of BTS's costs and services to TNMP.
Rebecca Teague	Ms. Teague discusses: (i) compensation and benefit plans as well as employee welfare programs offered to TNMP and PNMR Services employees; (ii) the reasonableness of compensation, benefit, and welfare programs; (iii) the Human Resources Department and Safety Department organization and the services they provide to TNMP; and (iv) the reasonableness of costs allocated to TNMP for Human Resources and Safety services.
Claudette Horn	Ms. Horn discusses: (i) the Environmental Services Department organization and the services it provides to TNMP; and (ii) the reasonableness of costs billed to TNMP for services.
Carter Cherry	Mr. Cherry discusses: (i) the Supply Chain Department and the types of services it provides to TNMP; (ii) the reasonableness of Supply Chain services costs; and (iii) the allocation of Supply Chain costs to TNMP.
Leonard Sanchez	Mr. Sanchez discusses: (i) the General Counsel Group and services; and (ii) the reasonableness of affiliate costs charged to TNMP by the General Counsel Group.
Dane Watson	Mr. Watson discusses: (i) the recent depreciation study completed for TNMP assets; and (ii) recommended depreciation rate changes for TNMP assets.
Gregory Wilson	Mr. Wilson discusses: (i) the reasonableness of TNMP's approach with respect to its self-insurance plan; (ii) an estimation of annual accruals needed to provide for the expected losses; (iii) estimations of target amounts to accumulate in self-insurance reserve; and (iv) a

<u>WITNESS</u>	<u>OVERVIEW OF SUBJECTS COVERED</u>
	cost benefit analysis detailing self-insurance levels proposed by TNMP.
Rebecca Tafoya	Ms. Tafoya discusses: (i) TNMP’s experience with increasing insurance premiums; (ii) an overview of recovery of TNMP’s insurance premium expenses; and (iii) the expansion of the types of losses charged to TNMP’s self-insurance reserve.
Brian Arnell	Mr. Arnell discusses: (i) an overview of TNMP’s cost of service (“COS”) requests related to pension and retiree medical benefits; (ii) the costs associated with each plan; and (iii) the appropriate adjustments for preliminary costs.
Jay Joyce	Mr. Joyce discusses the lead-lag study conducted to measure the cash working capital allowance required for Company operations.
Kyle Sanders	Mr. Sanders discusses: (i) a verification of test year cost data from TNMP’s books and records; (ii) the development of TNMP’s overall revenue requirement; and (iii) the reasonableness of COS affiliate transactions.
Dr. Stuart McMenamin	Dr. McMenamin discusses: (i) the methods and data used to develop load estimates and weather adjustments for TNMP’s filing; (ii) the organization and processing of AMS data; and (iii) necessary modeling and weather adjustment calculations.
Stacy Whitehurst	Mr. Whitehurst discusses: (i) the development of TNMP’s fully allocated COS study; (ii) the adjustments made to test year energy sales, demands, customers, and revenues; (iii) the allocation of proposed revenue requirements to each class and proposed rate of return; (iv) the development of wholesale and retail T&D delivery charges to recover revenue; (v) adjustments to existing riders; (vi) the development of new riders to collect both hurricane restoration costs and rate case expenses associated with this proceeding; (vii) specific tariff adjustments; and (viii) information regarding certain TNMP expenses.

<u>WITNESS</u>	<u>OVERVIEW OF SUBJECTS COVERED</u>
Patrick Pearsall	Mr. Pearsall discusses: (i) the reasonableness of rate case expenses that have been, and will be, incurred by TNMP in this proceeding; and (ii) the reasonableness of expenses incurred by TNMP in prior proceedings.

Through this Petition and the RFP, TNMP requests that the Commission:

- Approve TNMP’s revenue requirement;
- Approve the requested capital structure of 52.46% debt and 47.54% equity;
- Approve the proposed return on equity of 10.4%;
- Approve the proposed depreciation rates;
- Approve TNMP’s proposed changes to its self-insurance reserve;
- Approve TNMP’s proposed revisions to its Tariff for Retail Delivery Service (“Retail Tariff”);
- Approve TNMP’s proposed revisions to its Wholesale Tariff for Transmission Service (“Wholesale Tariff”);
- Approve TNMP’s proposed changes to its discretionary service rates;
- Approve the recovery of TNMP’s Hurricane Beryl restoration costs via proposed rate rider;
- Approve the recovery of TNMP’s requested rate-case expenses via proposed rate rider; and
- Approve all such other and further relief requested as set forth in the Petition and RFP or to which TNMP is otherwise justly entitled.

XI. NOTICE

Pursuant to 16 TAC § 22.51(a)(1), TNMP will publish notice of this Petition once per week for four consecutive weeks in the newspapers listed on **Attachment B**. Collectively, these newspapers have general circulation in each county in TNMP’s service area which will be affected by the proposed rate change. A copy of the notice is attached as **Attachment C**.

Pursuant to 16 TAC § 22.51(a)(2), TNMP also intends to mail the form of notice attached as **Attachment D**, along with a copy of this Petition, to each REP listed on the Commission’s website as of the date on which this notice is sent. TNMP will also mail the form of notice attached

as **Attachment E**, along with a copy of this Petition, to each of the entities listed in the Commission’s transmission matrix in Docket No. 57491, *Commission Staff’s Petition to Set 2025 Wholesale Transmission Service Charges for the Electric Reliability Council of Texas*.

Pursuant to 16 TAC § 22.51(a)(3), TNMP will provide a copy of notice in the form attached as **Attachment F**, as well as this Petition, to the appropriate officer of each municipality in its service area.⁴ In addition, the Original Jurisdiction Municipalities will be provided with the Company’s RFP in electronic format via flash drive and hard copy by mail.⁵

Finally, pursuant to General Instruction No. 13 of the RFP Instructions, TNMP will provide notice of this filing in the form attached as **Attachment G** to each party in Docket No. 48401, *Application of Texas-New Mexico Power Company for Authority to Change Rates*, TNMP’s most recent prior base rate case. TNMP is providing the RFP in electronic format to all parties in Docket No. 48401 coincident with this filing. Pursuant to General Instruction No. 15 of the RFP Instructions, the Office of Public Utility Counsel will be provided with a courtesy hard copy on the date this Petition is filed.⁶

XII. MOTION TO ENTER PROTECTIVE ORDER

TNMP requests that the Presiding Officer assigned to this case issue a protective order in the form provided in Section VII of the RFP. TNMP anticipates that, in the course of this proceeding, it may be asked to furnish confidential information, the disclosure of which to third parties would place TNMP at a severe competitive advantage or cause it to violate contractual confidentiality obligations. TNMP requests that its proposed protective order govern review and use of confidential information and highly sensitive protected materials. TNMP’s proposed protective order is consistent with the order adopted by the Commission in Docket No. 48401, which was TNMP’s previous base rate proceeding, except to the extent the definition of “Highly Sensitive Protected Materials” has been modified to expressly include Critical Energy Infrastructure Information.

TNMP requests that the Presiding Officer consider this request for issuance of a protective order on an expedited basis. Pending adoption of a protective order, TNMP will offer access to

⁴ With respect to the Ceded Jurisdiction Municipalities, consistent with 16 TAC § 22.51(a)(3), TNMP will provide this notice to municipalities, as that term is defined in Title 1 Chapter 1, Section 1.005 of the Texas Local Government Code. TNMP will not provide notice to unincorporated communities or census-designated places within its service territory which do not maintain a local government.

⁵ Voluminous files are being provided to the Original Jurisdiction Municipalities only by electronic means.

⁶ Pursuant to General Instruction No. 15 of the RFP Instructions, voluminous files are being provided to OPUC only by electronic means.

confidential and highly sensitive materials to intervening parties who execute the protective order certification, which is included as Attachment A to the proposed protective order. Section VII of the RFP contains a list of documents accompanying the RFP that TNMP considers confidential or highly sensitive information entitled to protection under the proposed protective order.

XIII. REQUEST FOR REFERRAL

TNMP requests that this docket be referred to the State Office of Administrative Hearings (“SOAH”) and an administrative law judge be assigned for establishment of a procedural schedule, to conduct a hearing on the merits to the extent requested by a party to this docket, and issue a proposal for decision, if necessary, to resolve any issues that are contested by the parties.

XIV. CONCLUSION

WHEREFORE, TNMP respectfully prays that this Honorable Commission approves and authorizes the changes in the Company’s rates proposed in this RFP and grant TNMP such other and further relief that to which it is justly entitled.

Respectfully submitted,

/s/ Stephanie C. Sparks

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**ATTORNEYS FOR TEXAS-NEW MEXICO
POWER COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Petition and Statement of Intent, together with the RFP, has been hand delivered to the Office of the Public Utility Counsel, on this 14th day of November, 2025, and that TNMP will otherwise comply with the notice and service requirements described in Section XI of this Petition and as otherwise may be required by law.

/s/ Stephanie C. Sparks _____

TEXAS-NEW MEXICO POWER COMPANY
SUMMARY OF ELECTRIC DELIVERY REVENUES BY RATE CLASS
TEST YEAR ENDING JUNE 30, 2025
DOCKET NO. 58964
SPONSOR: STACY R. WHITEHURST

WP/ SRW-2
PAGE 1 OF 1

Line	Rate Class Description	Number of Customers	Present Revenues ¹ (a)	Change (b)	Proposed Revenues ² (c)	Change Pct (d)
1	Residential	237,040	\$227,796,419	\$14,491,608	\$242,288,027	6.4%
2	Secondary <= 5kW	15,997	\$5,154,131	(\$2,915,670)	\$2,238,461	-56.6%
3	Secondary > 5 kW NIDR	23,396	\$111,724,775	(\$1,288,722)	\$110,436,053	-1.2%
4	Secondary > 5 kW IDR	156	\$18,033,001	(\$425,361)	\$17,607,640	-2.4%
5	Primary NIDR	498	\$21,128,079	\$4,985,987	\$26,114,066	23.6%
6	Primary IDR	194	\$36,961,264	\$11,660,072	\$48,621,335	31.5%
7	Primary Substation	9	\$4,274,445	(\$2,240,148)	\$2,034,297	-52.4%
8	Transmission	89	\$53,724,277	(\$33,412)	\$53,690,865	-0.1%
9	Lighting	4,450	\$6,178,781	(\$406,711)	\$5,772,071	-6.6%
10	WDLS	27	\$436,338	\$5,439,299	\$5,875,637	1246.6%
11						
12	Retail Electric Delivery Revenues	281,856	485,411,510	29,266,941	514,678,451	6.0%
13						
14	Network Transmission Revenue		\$187,335,996	\$4,528,293	\$191,864,288	2.4%
15						
16	Total Revenues		\$672,747,506	\$33,795,234	\$706,542,739	5.0%

¹Test-Year revenues have been adjusted to normalize billing units, to remove the revenues associated with Energy Efficiency Cost Recovery Factor, Opt-out, and to increase test-year revenues to reflect DCRF, TCOS and TCRF adjustments.

²Proposed rates do not include proposed Rate Case Expense Amortization or Hurricane Beryl Amortization

Rate Case Expense Amortization	\$	5,413,336
Hurricane Beryl Amortization	\$	1,413,504

	TOTAL	HCRF	RCE
Residential	3,463,057	2,797,642	665,416
Secondary <= 5kW	33,891	27,744	6,148
Secondary > 5 kW	1,921,431	1,569,774	351,657
Primary	1,177,695	972,443	205,252
Primary Substation	5,630	43	5,587
Transmission	147,941	485	147,456
Lighting	44,289	28,436	15,852
WDLs	32,906	16,769	16,137
Total	6,826,840	5,413,336	1,413,504

PUBLIC UTILITY COMMISSION OF TEXAS
 TEXAS-NEW MEXICO POWER COMPANY
 RATE DESIGN SUMMARY
 DOCKET NO. 58964
 TEST YEAR ENDING: JUNE 30, 2025
 SPONSOR: STACY R. WHITEHURST

SCHEDULE IV-J-7

SUMMARY OF CLASS PROPOSED RATES

LINE NO.	CLASS (a)	CHARGES (b)	UNIT (c)	PROPOSED RATES		PRESENT RATES (f)	UNIT CHARGE % CHANGE (g)
				\$ (d)	UNIT CHARGE (e)		
1	RESIDENTIAL	CUSTOMER CHARGE	per ESI ID	4,323,610	\$ 1.52	1.13	34.5%
2		METERING CHARGE	per ESI ID	16,497,984	\$ 5.80	6.72	-13.7%
3		TRANSMISSION COST RECOVERY FACTOR	per kWh	65,653,329	\$ 0.020229	0.0277030	-27.0%
4		DISTRIBUTION SERVICE CHARGE	per kWh	155,817,600	\$ 0.048010	0.0256700	87.0%
5		DCRF	per kWh	-	\$ -	0.0174090	-100.0%
6		RCE	per kWh	665,416	\$ 0.000205	-	0.0%
7		HCRF	per kWh	2,797,346	\$ 0.000862	-	0.0%
8	SECONDARY < 5 kW	CUSTOMER CHARGE	per ESI ID	303,303	\$ 1.58	0.74	113.5%
9		METERING CHARGE	per ESI ID	1,211,293	\$ 6.31	7.62	-17.2%
10		TRANSMISSION COST RECOVERY FACTOR	per kWh	513,190	\$ 0.010692	0.0088220	21.2%
11		DISTRIBUTION SERVICE CHARGE	per kWh	211,198	\$ 0.004400	0.0425800	-89.7%
12		DCRF	per kWh	-	\$ -	0.0206730	-100.0%
13		RCE	per kWh	6,148	\$ 0.000128	-	0.0%
14		HCRF	per kWh	27,747	\$ 0.000578	-	0.0%
15	SECONDARY >= 5 kW	CUSTOMER CHARGE	per ESI ID	624,599	\$ 2.21	3.60	-38.6%
16		METERING CHARGE	per ESI ID	4,253,491	\$ 15.05	20.96	-28.2%
17		TRANSMISSION COST RECOVERY FACTOR	per kW	-	\$ -	-	0.0%
18		NON-IDR CUSTOMERS	per kW	31,452,939	\$ 4.400434	5.6003440	-21.4%
19		IDR CUSTOMERS	per kW	4,801,480	\$ 5.657347	7.1094690	-20.4%
20		DISTRIBUTION SERVICE CHARGE	per kW	86,920,841	\$ 9.6632	5.7256000	68.8%
21		DCRF	per kW	-	\$ -	3.5226580	-100.0%
22	RCE	per kW	351,657	\$ 0.042029	-	0.0%	
23	HCRF	per kW	1,569,773	\$ 0.187613	-	0.0%	
24	PRIMARY	CUSTOMER CHARGE	per ESI ID	143,493	\$ 17.28	26.89	-35.7%
25		METERING CHARGE	per ESI ID	184,681	\$ 22.24	221.59	-90.0%
26		TRANSMISSION COST RECOVERY FACTOR	per kW	-	\$ -	-	0.0%
27		NON-IDR CUSTOMERS	per kW	6,842,456	\$ 3.124152	2.6579860	17.5%
28		IDR CUSTOMERS	per kW	13,599,270	\$ 5.509085	3.6007490	53.0%
29		DISTRIBUTION SERVICE CHARGE	per kW	55,718,609	\$ 7.8299	4.5340000	72.7%
30		DCRF	per kW	-	\$ -	0.8396490	-100.0%
31	RCE	per kWh	205,252	\$ 0.031652	-	0.0%	
32	HCRF	per kW	972,440	\$ 0.149962	-	0.0%	
33	PRIMARY SUBSTATION	CUSTOMER CHARGE	per ESI ID	5,508	\$ 51.00	26.89	89.7%
34		METERING CHARGE	per ESI ID	4,021	\$ 37.23	221.59	-83.2%
35		TRANSMISSION COST RECOVERY FACTOR	per kW	0	\$ 5.509085	3.6007490	53.0%
36		DISTRIBUTION SERVICE CHARGE	per kW	271,714	\$ 0.9169	4.5340000	-79.8%
37		DCRF	per kW	-	\$ -	0.8396490	-100.0%
38		RCE	per kWh	5,587	\$ 0.020689	-	0.0%
39		HCRF	per kW	43	\$ 0.000160	-	0.0%
40	TRANSMISSION	CUSTOMER CHARGE	per ESI ID	87,256	\$ 81.70	31.96	155.6%
41		METERING CHARGE	per Meter	2,707,244	\$ 2,233.70	1,158.21	92.9%
42		TRANSMISSION COST RECOVERY FACTOR	per 4CP kVa	50,768,118	\$ 5.89	5.16	14.3%
43		DISTRIBUTION SERVICE CHARGE	per kW	128,316	\$ 0.01	-	0.0%
44		DCRF	per Meter & ESIIID	0	\$ -	665.91	-100.0%
45		RCE	per kWh	147,456	\$ 0.01	-	0.0%
46		HCRF	per 4CP kVa	493	\$ 0.000025	-	0.0%
47	LIGHTING	CUSTOMER CHARGE	per customer	296,904	-	-	-
48		METERING CHARGE	per customer	45,924	-	-	-
49		TRANSMISSION COST RECOVERY FACTOR	-	-	-	-	-
50		DISTRIBUTION SERVICE CHARGE	per kW	5,419,148	-	-	-
51		DCRF	per kW	0	-	-	-
52		RCE	per kWh	15,852	-	-	-
53		HCRF	per kWh	\$28,424	-	-	-
54	Wholesale DLS	CUSTOMER CHARGE	per ESI ID	14,946	\$ 46.13	26.89	71.6%
55		METERING CHARGE	per Meter	48,415	\$ 79.11	221.59	-64.3%
56		TRANSMISSION COST RECOVERY FACTOR	per kW	0	\$ -	-	0.0%
57		DISTRIBUTION SERVICE CHARGE	per kW	5,812,271	\$ 3.16632	4.53400	-30.2%
58		DCRF	per kW	-	\$ -	-	0.0%
59		RCE	per kW	16,137	\$ 0.00888	-	0.0%
60		HCRF	per kW	16,770	\$ 0.009231	-	0.0%
61	TOTAL	CUSTOMER CHARGE		5,799,619			
62		METERING CHARGE		24,953,053			
63		TRANSMISSION COST RECOVERY FACTOR		173,630,782			
64		DISTRIBUTION SERVICE CHARGE		310,299,697			
65		DCRF		-			
66		RCE		1,413,504			
67		HCRF		5,413,036			
68	TOTAL				\$ 521,509,691		
69	BASE RATE TOTAL				514,683,151	514,678,451	4,700

MUNICIPALITIES THAT MAINTAIN ORIGINAL JURISDICTION:

Alvin	Clifton	Friendswood	League City	Texas City
Angleton	Coppell	Gatesville	Lewisville	Toyah
Bailey's Prairie	Covington	Glen Rose	Pearland	Walnut Springs
Barstow	Dickinson	Holiday Lakes	Pecos	West Columbia
Blum	Farmersville	Kermit	Rio Vista	Whitney
Brazoria	Fort Stockton	La Marque	Sweeny	

MUNICIPALITIES THAT HAVE CEDED ORIGINAL JURISDICTION:

Aubrey	Dean	Kopperl	Old Ocean	Talco
Bagwell	Deport	Krugerville	Olney	Thurber
Bailey	Detroit	Lamkin	Pattonville	Tioga
Belcherville	Eliasville	Leonard	Petrolia	Tolar
Bells	Emory	Lone Oak	Pilot Point	Tom Bean
Blossom	Fullbright	Loving	Point	Trenton
Blue Ridge	Gordon	Lowry Crossing	Princeton	Valley Mills
Bluffdale	Gustine	Megargel	Randolph	Westminster
Bogota	Hamilton	Meridian	Ringgold	Whitewright
Bryson	Hico	Mingus	Saint Jo	Wickett
Byers	Hillcrest Village	Montague	Sanderson	Wink
Carlton	Iredell	Morgan	Santo	
Celeste	Jean	Newcastle	Strawn	
Crawford	Jermyn	Nocona	Sylvan	

**NEWSPAPERS THROUGH WHICH NOTICE WILL BE PUBLISHED PURSUANT TO
16 TAC § 22.51(a)(1):**

Abilene Reporter-News

The Dallas Morning News

The Facts (Brazosport)

Fort Worth Star-Telegram

Galveston Daily News

Sherman Herald Democrat

Mount Pleasant Daily Tribune

Odessa American

Paris News

Pecos Enterprise

San Angelo Standard-Times

Waco Tribune-Herald

Wichita Falls Times Record News

NOTICE OF RATE CHANGE REQUEST

Texas-New Mexico Power Company (“TNMP”) publishes this notice that on November 14, 2025, TNMP filed with the Public Utility Commission of Texas (“Commission”) its Petition and Statement of Intent to Change Rates, a copy of which is kept at TNMP’s office at 577 N. Garden Ridge Blvd, Lewisville, Texas 75067. This notice is being published pursuant to 16 Tex. Admin. Code § 22.51(a)(1).

TNMP’s rate filing, based on the system-wide financial results for a 12-month test year ending on June 30, 2025, adjusted for known and measurable changes, supports a net increase in transmission and distribution rates of approximately \$34 million over adjusted test-year revenues, or approximately a 5% increase over adjusted test-year revenues of \$673 million. Test-year revenues have been adjusted to normalize billing units, to remove the revenues associated with TNMP’s Energy Efficiency Cost Recovery Factor, and to increase test-year revenues to reflect Transmission Cost of Service (“TCOS”), Distribution Cost Recovery Factor (“DCRF”), and Transmission Cost Recovery Factor (“TCRF”) adjustments. TCOS revenue was adjusted to include the September 19, 2025 interim update rates at 2024 ERCOT 4CP. DCRF revenue was adjusted to include the June 29, 2025 interim update approved in Docket No. 57816. TCRF revenue was adjusted to equal the September 1, 2025 TCRF revenue requirement reflected on Line 2, Attachment A of TNMP’s petition filed and approved in Docket No. 58161.

In addition, TNMP is requesting recovery of \$20.5 million for Hurricane Beryl restoration costs to be collected over 5 years with carrying charges.

If approved, the increased rates will be charged to TNMP’s direct customers, all retail electric providers (“REPs”), in those portions of TNMP’s service area under the original jurisdiction of the Commission. Each such REP is potentially affected by the proposed change. Depending on the REPs’ actions, the end-use customer classes of such REPs are potentially affected by the proposed change. In addition, the result could be a change in TNMP’s transmission cost of service rates, which would impact all load serving entities in the Electric Reliability Council of Texas. TNMP has requested a December 23, 2025 effective date for its proposed rate change.

Persons who wish to intervene in or comment upon these proceedings, in Docket No. 58964, *Application of Texas-New Mexico Power Company for Authority to Change Rates*, should notify the Commission as soon as possible, as an intervention deadline will be imposed. A request to intervene or for further information should be mailed to the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326. Further information may also be obtained by calling the Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals may contact the Commission through Relay Texas at 1-800-735-2989. The deadline for intervention in this proceeding is 45 days after the date the application was filed with the Commission.



NOTICE OF RATE CHANGE REQUEST

November 14, 2025

Notice to all REPs Certified with the Commission:

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Texas-New Mexico Power Company



NOTICE OF RATE CHANGE REQUEST

November 14, 2025

Notice to Customers of Wholesale Transmission:

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Texas-New Mexico Power Company



NOTICE OF RATE CHANGE REQUEST

November 14, 2025

Notice to All Municipalities in the TNMP Service Area:

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Texas-New Mexico Power Company



NOTICE OF RATE CHANGE REQUEST

November 14, 2025

Notice to all Parties in PUC Docket No. 48401:

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Texas-New Mexico Power Company