



NEW MEXICO PUBLIC REGULATION COMMISSION FROM THE OFFICE OF DISTRICT 5 COMMISSIONER SANDY JONES

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Public Regulation Commission Chair to address ratemaking policies and procedures

SANTA FE, NM – The rates New Mexicans pay for utilities, including electricity, natural gas, telephone, and internet service are influenced by a myriad of variables including the cost to maintain infrastructure and operations, return on equity, and even attorneys’ fees.

In an effort to streamline rate cases and provide a more level playing field among stakeholders, Public Regulation Commission Chairman Sandy Jones will lead a workshop to address rate making policies and procedures on Wednesday, July 25.

“The role of the PRC is to balance consumer interests, utility return on equity, environmental impacts, and system reliability so that we all have safe, dependable and affordable utilities,” said Commissioner Jones. “Our goal on Wednesday is to explore ideas submitted by stakeholders and adopt rules that both consumers and utilities can accept.”

Wednesday’s workshop is the third and final workshop. Two were held last year and specific topics were addressed through written comments submitted by 18 stakeholders, which included utility companies, associations, and members of the public. The commission narrowed the topics and divided the remaining issues into sub-workgroups for further review and recommendations.

Up for discussion on Wednesday:

- Developing a standardized formula for determining a utility’s return on equity.
- Adjusting the rate on equity to reward or penalize utilities for meeting or failing to meet certain metrics, such as number of customer complaints, outages, reduction in peak demand, achievement of renewable portfolio standards, and energy efficiency savings.
- Limiting utility recovery of attorney and expert witness fees to 50 percent.
- Allowing intervenors to recover their expenses, should their position be adopted.
- Giving intervenors and staff access to proprietary software used by utilities in rate proceedings.
- Defining and recovering regulatory assets that result from rate actions of regulatory agencies.

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The New Mexico Public Regulation Commission (NMPRC) regulates the utilities, telecommunications, and motor carrier industries to ensure fair and reasonable rates, and to assure reasonable and adequate services to the public as provided by law. The NMPRC promotes public safety through the offices of State Fire Marshal, the Firefighter Training Academy, Pipeline Safety Bureau, and Transportation Division.