

Southwestern Public Service Company Applicable Electric Utility IRP Rule Requirements and Where Addressed in SPS's Filing

NMAC	Requirement	Where Addressed
17.7.3.9	INTEGRATED RESOURCE PLANS FOR ELECTRIC UTILITIES	
A.	Initial filings. Utilities with greater than 200,000 New Mexico retail customers shall file 15 months after the effective date of this rule. Utilities with less than 200,000 New Mexico retail customers shall file 27 months after the effective date of this rule. An original and fourteen copies of the IRP shall be filed with the commission.	IRP filed on July 16, 2018
B.	Contents of IRP for electric utilities. The IRP submitted by an electric utility shall contain the utility's New Mexico jurisdictional:	
1.	description of existing electric supply-side and demand-side resources;	Section 3
2.	current load forecast as described in this rule;	Section 4; Appendix D
3.	load and resources table;	Section 5
4.	identification of resources options;	Section 6
5.	description of the resource and fuel diversity;	Section 7
6.	identification of critical facilities susceptible to supply-source or other failures;	Section 3
7.	determination of the most cost effective resource portfolio and alternative portfolios;	Section 7
8.	description of public advisory process;	Section 8
9.	action plan; and	Section 9
10.	other information that the utility finds may aid the commission in reviewing the utility's planning processes.	Section 3 & 7
C.	Description of existing resources. The utility's description of its existing resources used to serve its jurisdictional retail load at the time the IRP is filed shall include:	
1.	name(s) and location(s) of utility-owned generation facilities;	Table 3-1
2.	rated capacity of utility-owned generation facilities;	Table 3-1
3.	fuel type, heat rates, annual capacity factors and availability factors projected for utility-owned generation facilities over the planning period;	Table 3-1, Appendix G
4.	cost information, including capital costs, fixed and variable operating and maintenance costs, fuel costs, and purchased power costs;	Table 3-1; Appendix A
5.	existing generation facilities' expected retirement dates;	Table 3-1
6.	amount of capacity obtained or to be obtained through existing purchased power contracts or agreements relied upon by the utility, including the fuel type, if known, and contract duration;	Section 3
7.	estimated in-service dates for utility-owned generation facilities for which a certificate of public convenience and necessity (CCN) has been granted but which are not in-service;	Section 3
8.	amount of capacity and, if applicable, energy, provided annually to the utility pursuant to wheeling agreements and the duration of such wheeling agreements;	Section 3
9.	description of existing demand-side resources, including	Section 3
a.	demand-side resources deployed at the time the IRP is filed; and	Section 3
b.	demand-side resources approved by the commission, but not yet deployed at the time the IRP is filed; information provided concerning existing demand-side resources shall include, at a minimum, the expected remaining useful life of each demand-side resource and the energy savings and reductions in peak demand, as appropriate, made by the demand-side resource;	Section 3
10.	Description of each existing and approved energy storage resource, to include, at a minimum, the expected remaining useful life of the resource, its maximum capacity and dispatch characteristics, and operating costs;	
11.	reserve margin and reserve reliability requirements (e.g. FERC, power pool, etc.) with which the utility must comply and the methodology used to calculate its reserve margin;	Section 3
12.	existing transmission capabilities:	
a.	the utility shall report its existing, and under-construction, transmission facilities of 115 kV and above, including associated switching stations and terminal facilities; the utility shall specifically identify the location and extent of transfer capability limitations on its transmission network that may affect the future siting of supply-side resources;	Appendix B
b.	the utility shall describe all transmission planning or coordination groups to which it is a party, including state and regional transmission groups, transmission companies, and coordinating councils with which the utility may be associated;	Section 3
13.	environmental impacts of existing supply-side resources:	
a.	the utility shall provide the percentage of kilowatt-hours generated by each fuel used by the utility on its existing system, for the latest year for which such information is available;	Figure 3F.3

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b.	to the extent feasible, for each existing supply-side resource on its system, the utility shall present emission rates (expressed in pounds emitted per kilowatt-hour generated) of criteria pollutants as well as carbon dioxide and mercury;	Table 3-10
c.	to the extent feasible, for each existing supply-side resource on its system, the utility shall present the water consumption rate.	Table 3-10
14.	a summary of back-up fuel capabilities and options.	Section 3
D.	Current load forecast.	
1.	The utility shall provide a load forecast for each year of the planning period; the load forecast shall incorporate the following information and projections:	Section 4; Appendices D, E, & F
a.	annual sales of energy and coincident peak demand on a system-wide basis, by customer class, and disaggregated among commission jurisdictional sales, FERC jurisdictional sales, and sales subject to the jurisdiction of other states;	Section 4; Appendix D
b.	annual coincident peak system losses and the allocation of such losses to the transmission and distribution components of the system;	Appendix D
c.	weather normalization adjustments;	Section 4; Appendix D
d.	assumptions for economic and demographic factors relied on in load forecasting;	Section 4; Appendix D
e.	expected capacity and energy impacts of existing and proposed demand-side resources; and	Section 4; Appendix D
f.	typical historic day or week load patterns on a system-wide basis for each major customer class.	Section 4; Appendix E
2.	The utility shall develop base-case, high-growth and low-growth forecasts, or an alternative forecast that provides an assessment of uncertainty (<i>e.g.</i> , probabilistic techniques).	Section 4
3.	Required detail.	
a.	The utility shall explain how the demand-side savings attributable to actions other than the utility-sponsored demand-side resources for each major customer class are accounted for in the utility's load forecast and the effect, as appropriate, on its load forecast of the utility-sponsored demand-side resources on each major customer class.	Section 4; Appendix D
b.	The utility shall compare the annual forecast of coincident peak demand and energy sales made by the utility to the actual coincident peak demand and energy sales experienced by the utility for the four years preceding the year in which the plan under consideration is filed. In addition, the utility shall compare the annual forecast in its most recently filed resource plan to the annual forecast in the current resource plan. In its initial IRP filing, the utility shall provide information demonstrating how well its forecasts during the preceding four years predicted demand.	Section 4; Appendix D
c.	The utility shall explain and document the assumptions, methodologies, and any other inputs upon which it relied to develop its load forecast.	Section 4; Appendices D, E, & F
E.	Load and resources table. The utility shall provide a load and resources table of its existing loads and resources at the time of its IRP filing. The load and resources table, to the extent practical, shall contain the appropriate components from the load forecast. Resources shall include:	Section 5 (Overall discussion in text; L&R table provided in Tables 5-2, 5-3, & 5-4)
1.	utility-owned generation;	Section 5
2.	energy storage resources;	
3.	existing and future contracted-for purchased power including qualifying facility purchases;	Section 5
4.	purchases through net metering programs, as appropriate;	Section 5
5.	demand-side resources, as appropriate; and	Section 4; Section 5
6.	other resources relied upon by the utility, such as pooling, wheeling, or coordination agreements effective at the time the plan is filed.	Section 5
F.	Identification of resource options.	
1.	In identifying additional resource options, the utility shall consider all feasible supply-side, energy storage, and demand-side resources. The utility shall describe in its plan those resources it evaluated for selection to its portfolio and the assumptions and methodologies used in evaluating its resource options, including, as applicable: life expectancy of the resources, the recognition of whether the resource is replacing/adding capacity or energy, dispatchability, lead-time requirements, flexibility and efficiency of the resource.	Section 6
2.	For supply-side resource options, the utility shall identify the assumptions actually used for capital costs, fixed and variable operating and maintenance costs, fuel costs forecast by year, and purchased power demand and energy charges forecast by year, fuel type, heat rates, annual capacity factors, availability factors and, to the extent feasible, emission rates (expressed in pounds emitted per kilowatt-hour generated) of criteria pollutants as well as carbon dioxide and mercury.	Section 6, Appendix G

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3.	The utility shall describe its existing rates and tariffs that incorporate load management or load shifting concepts. The utility shall also describe how changes in rate design might assist in meeting, delaying or avoiding the need for new capacity.	Section 6
G.	Determination of the most cost effective resource portfolio and alternative portfolios.	
1.	To identify the most cost-effective resource portfolio, utilities shall evaluate all feasible supply, energy storage, and demand-side resource options on a consistent and comparable basis, and take into consideration risk and uncertainty (including but not limited to financial, competitive, reliability, operational, fuel supply, price volatility and anticipated environmental regulation). The utility shall evaluate the cost of each resource through its projected life with a life-cycle or similar analysis. The utility shall also consider and describe ways to mitigate ratepayer risk.	Section 7
2.	Each electric utility shall provide a summary of how the following factors were considered in, or affected, the development of resource portfolios:	
a.	load management and energy efficiency requirements;	Section 7
b.	renewable energy portfolio requirements;	Section 7
c.	existing and anticipated environmental laws and regulations, and, if determined by the commission, the standardized cost of carbon emissions;	Section 7
d.	fuel diversity;	Section 7
e.	susceptibility to fuel interdependencies;	Section 7
f.	transmission constraints; and	Section 7
g.	system reliability and planning reserve margin requirements.	Section 7
3.	Alternative portfolios. In addition to the detailed description of what the utility determines to be the most cost-effective resource portfolio, the utility shall develop a reasonable number of alternative portfolios by altering risk assumptions and other parameters developed by the utility and the public advisory process.	Section 7
H.	Public advisory process. Public input is critical to the development and implementation of integrated resource planning in New Mexico. A utility shall incorporate a public advisory process in the development of its IRP. At least one year prior to the filing date of its IRP, a utility shall initiate a public advisory process to develop its IRP. The purpose of this process shall be to receive public input, solicit public commentary concerning resource planning and related resource acquisition issues. This process shall be administered as follows.	Section 8; Appendices H & I
1.	The utility shall initiate the process by providing notice at least 30 days prior to the first scheduled meeting to the commission, interveners in its most recent general rate case, and participants in its most recent renewable energy, energy efficiency and IRP proceedings; the utility shall at the same time, also publish this notice in a newspaper of general circulation in every county which it serves and in the utility's billing inserts; this notice shall consist of:	Section 8; Appendices H & I
a.	a brief description of the IRP process;	Appendix H
b.	time, date and location of the first meeting;	Appendix H
c.	a statement that interested individuals should notify the utility of their interest in participating in the process; and	Appendix H
d.	utility contact information.	Appendix H
2.	Upon receipt of the initial notice, the commission may designate a facilitator to assist the participants with dispute resolution.	N/A (No facilitator designated)
3.	The utility or its designee shall chair the public participation process, schedule meetings, and develop agendas for these meetings. With adequate notice to the utility, participants shall be allowed to place items on the agenda of public participation process meetings.	Section 8; Appendix I
4.	Meetings held as part of the public participation process shall be noticed and scheduled on a regular basis and shall be open to members of the public who shall be heard and their input considered as part of the public participation process. Upon request, the utility shall provide an executive summary containing a non-technical description of its most recent IRP.	Section 8; Appendix H
5.	The purposes of the public participation process are for the utility to provide information to, and receive and consider input from, the public regarding the development of its IRP. Topics to be discussed as part of the public participation process include, but are not limited to, the utility's load forecast; evaluation of existing supply- and demand-side resources; the assessment of need for additional resources; identification of resource options; modeling and risk assumptions and the cost and general attributes of potential additional resources; and development of the most cost-effective portfolio of resources for the utility's IRP.	Section 8; Appendix I

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6.	In its initial IRP advisory process, the utility and participants shall explore a procedure to coordinate the IRP process with renewable energy procurement plans and energy efficiency and load management program proposals. Any proposed procedure shall be designed to conserve commission, participant and utility resources and shall indicate what, if any, variances may be needed to effectuate the proposed procedure.	N/A
I.	Action plan.	
1.	The utility's action plan shall detail the specific actions the utility will take to implement the integrated resource plan spanning a four-year period following the filing of the utility's IRP. The action plan will include a status report of the specific actions contained in the previous action plan.	Section 9
2.	An action plan does not replace or supplant any requirements for applications for approval of resource additions set forth in New Mexico law or commission regulations.	Section 9