



The identified excerpts from SPS's 2012 EE Report are material to the Commission's evaluation of PNM's proposed HER Program pending approval in this case because, in Case No. 10-00280-UT, the Commission denied a PNM request for a similar pilot HER Program, in part, on the grounds that SPS's recently approved pilot HER Program in Case No. 11-00400-UT had not been subject to independent evaluation by the Commission's third party evaluator, ADM, and that such independent evaluation would "provide the Commission with valuable information regarding whether the [HER] Program should be expanded beyond SPS". NMPRC Case No. 10-00280-UT, Final Order Partially Approving Recommended Decision, ¶¶3-6, issued June 23, 2011; and Recommended Decision, pp. 50-54, issued May 9, 2011.

Justification exists to include the reported TRC Test Ratio of SPS's pilot HER program, after one year of implementation and after ADM's independent evaluation, in the record in this case because these facts were not known at the time of the public hearing in this case, these facts only become known on August 1, 2013 with the publication and filing of SPS's 2012 EE Report, these facts are material to the Commission's evaluation of PNM's proposed pilot HER Program pending approval in this case, and the public interest will be served by a complete factual record in this case.

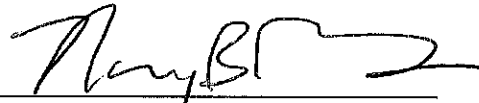
Staff has requested the position the parties in this case, and the parties have provided the following positions:

- The New Mexico Attorney General supports Staff's Motion.
- Coalition for Clean Affordable Energy opposes Staff's Motion and will file a response.
- Public Service Company of New Mexico takes no position at this time and will file a response.

- EnerNOC opposes the motion and reserves the right to file a written response.
- Western Resource Advocates opposes the motion.

Respectfully Submitted,

**New Mexico Public Regulation Commission  
Utility Division**



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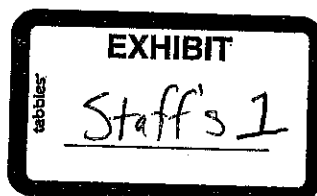
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Southwestern Public Service Company

2012 Energy Efficiency and Load Management Annual Report

Prepared in Compliance with the Efficient Use of Energy Act  
and 17.7.2 NMAC (Energy Efficiency Rule)

August 1, 2013



2013 and 2014 and anticipates the program to exceed a TRC score of 1.0 within a couple of years.

- **Interruptible Credit Option (“ICO”):** ICO didn’t have any participants in 2012, and therefore achieved a TRC ratio of less than 1.0. SPS believes that increasing participation will continue to be a challenge in the current economic climate but that for the small budget, the program is a valuable option for customers if economic conditions do change.
- **Business Saver’s Switch:** In 2012, the Saver’s Switch for Business program produced lower savings per switch than anticipated. Switches deployed have a life expectancy of 15 years and participants remaining on the program will contribute load relief for years to come after the initial investment in hardware and installation have been absorbed. As a result, the Business Saver’s Switch program is cost-effective when considering the life-cycle savings that are applied to new switches upon installation. SPS plans to conduct an evaluation of its Saver’s Switch for Business program in 2013 and 2014 and anticipates the program to exceed a TRC score of 1.0 within a couple of years.

**Table 2: 2012 SPS-NM DSM Third-Party Verified Achievements and Expenditures**

Program	Participants	Actual Spend	Peak Demand Savings kW	Annual Energy Savings kWh	Energy Loss Factor	Demand Loss Factor	Generator kW	Generator kWh	TRC Test
<b>Residential Segment</b>									
Energy Feedback Pilot	14,764	\$104,914	116	1,902,960	11.80%	16.20%	137	2,043,492	0.99
Evaporative Cooling Rebates	938	\$185,466	411	484,596	11.80%	16.20%	490	649,427	0.97
Home Energy Services: Residential & Low	1,877	\$1,262,842	1,213	2,860,134	11.80%	16.20%	1,448	3,231,444	3.58
Home Lighting & Recycling	95,279	\$1,019,461	1,470	13,194,102	11.80%	16.20%	1,754	14,959,299	6.22
Refrigerator Recycling	302	\$108,176	28	262,796	11.80%	16.20%	33	266,616	1.40
Residential Saver’s Switch	791	\$421,936	1,266	12,427	11.80%	16.20%	1,510	14,090	0.43
School Education Kits	3,426	\$163,794	20	729,897	11.80%	16.20%	24	827,548	2.93
<b>Residential Segment Total</b>	<b>116,566</b>	<b>\$3,270,006</b>	<b>4,521</b>	<b>19,326,310</b>	<b>11.80%</b>	<b>16.20%</b>	<b>5,395</b>	<b>21,611,916</b>	<b>4.36</b>
<b>Business Segment</b>									
Business Comprehensive	193	\$1,987,967	1,937	10,796,521	7.90%	11.00%	2,131	11,711,749	2.88
Interruptible Credit Option	0	\$4,699	0	0	7.90%	11.00%	0	0	0.50
Saver’s Switch for Business	88	\$170,956	63	352	7.90%	11.00%	69	382	0.04
Small Business Lighting	247	\$1,347,984	936	3,222,968	7.90%	11.00%	1,061	3,490,422	1.87
<b>Business Segment Total</b>	<b>478</b>	<b>\$3,511,596</b>	<b>2,936</b>	<b>14,009,841</b>	<b>7.90%</b>	<b>11.00%</b>	<b>3,241</b>	<b>16,211,554</b>	<b>2.30</b>
<b>Planning &amp; Research Segment</b>									
Business Education		\$99,498							
Consumer Education		\$184,236							
Market Research		\$39,778							
Measurement & Verification		\$16,121							
Planning & Administration		\$170,701							
Product Development		\$68,712							
<b>Planning &amp; Research Segment Total</b>		<b>\$544,041</b>							
<b>2012 TOTAL</b>	<b>117,043</b>	<b>\$7,325,644</b>	<b>7,406</b>	<b>33,336,151</b>	<b>10.20%</b>	<b>14.25%</b>	<b>8,636</b>	<b>37,123,470</b>	<b>2.65</b>

SPS works in good faith to comply with the EUEA and to offer cost-effective energy efficiency and load management programs to all of its customers and will be evaluating each of these programs to ensure they are cost-effective in the future or removed from the portfolio.

### Section III: Segment and Program Descriptions

#### *Residential Segment*

SPS has approximately 92,000 customers in its Residential Segment in New Mexico. The service area is relatively rural, with only a few small cities, including Clovis, Roswell, and Hobbs. The climate in this part of New Mexico consists of winters with very little snow and hot, relatively dry summers.

SPS's achievements were under the goal for the Residential Segment as a whole in 2012, but showed good performance in the Home Lighting & Recycling and School Education Kits programs. While not meeting anticipated levels of savings, Home Energy Services and the Energy Feedback Pilot both made significant contributions to the portfolio. Home Lighting performed well due to increased efforts in marketing and advertising including television, radio, on-line, publication, bill inserts, community events and point of purchase displays. On the other hand, customers continued to be reluctant to retire their old, inefficient refrigerators in 2012.

The Energy Feedback Pilot and Residential Saver's Switch were not cost effective in 2012. The Energy Feedback Pilot got a late start in the calendar year and didn't have the time to gain enough traction to be cost-effective. SPS expects it will be cost-effective in 2013. Residential Saver's Switch is a relatively new program that did not get as many new customers as anticipated in 2012. However, the program will continue to yield benefits over time as the deployed switches have a life expectancy of 15 years and participants remaining on the program will continue to contribute load relief for years to come after the initial investment in hardware and installation have been absorbed. SPS has begun to investigate switch performance to ensure that the appropriate savings are being realized and expects the program to be cost-effective in the next couple of years. All other Residential programs were cost effective in 2012.

#### *Energy Feedback Pilot (formerly Consumer Behavior Program)*

The Energy Feedback Pilot will provide approximately 15,000 selected customers with a Home Energy Report by mail approximately six times per year. The report provides information on the customer's energy usage and benchmark their energy consumption behavior as compared to 100 similar customers. The program aims to produce a decrease in energy usage by inducing changes in the behavior of the end-user and an increased or earlier adoption of energy efficient technologies and energy efficient practices.

#### *Deviations from Goal*

SPS experienced delays in the program setup which meant that the first Home Energy Reports weren't sent to customers until March 2012. The program underspent its budget because fewer Home Energy Reports were sent to customers than originally forecast. The lower electric spend for 2012 reflects this delay as fewer HERs were sent to participants. This also explains why energy savings were lower than expected. The impact of receiving HERs is cumulative and fewer reports resulted in lower than expected savings. Participation is slightly below goal due to normal attrition from customer moves.

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

IN THE MATTER OF THE APPLICATION )  
OF PUBLIC SERVICE COMPANY OF NEW )  
MEXICO FOR APPROVAL OF ELECTRIC )  
ENERGY EFFICIENCY PROGRAMS AND )  
PROGRAM COST TARIFF RIDER )  
PURSUANT TO THE NEW MEXICO )  
PUBLIC UTILITY AND EFFICIENT USE OF )  
ENERGY ACTS, )  
)  
PUBLIC SERVICE COMPANY OF NEW )  
MEXICO, )  
)  
APPLICANT. )  
\_\_\_\_\_ )

Case No. 12-00317-UT

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NEW MEXICO  
PUBLIC REGULATION COMMISSION  
OFFICE OF THE CLERK  
ALBUQUERQUE, NEW MEXICO

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing *Staff's Motion to Reopen the Record* filed August 12, 2013, was sent by electronic mail to the following:

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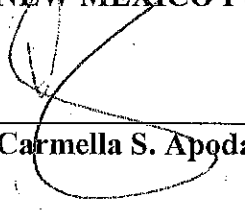
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**DATED** this **12th** day of August, 2013.

**NEW MEXICO PUBLIC REGULATION COMMISSION**



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**Carmella S. Apodaca**