



NEW MEXICO  
**PUBLIC REGULATION  
COMMISSION**

***COMMISSIONERS***

Gabriel Aguilera  
James Ellison  
Pat O’Connell, Chair

***CHIEF OF STAFF***

Cholla Khoury

**FOR IMMEDIATE RELEASE:** October 31, 2024

Contact: Patrick Rodriguez [patrickj.rodriguez@prc.nm.gov](mailto:patrickj.rodriguez@prc.nm.gov) / 505-490-7910

## **NMPRC issues statement of policy and guiding principles for regional market participation**

SANTA FE – New Mexico Public Regulation Commission (NMPRC) today issued a statement of policy and guiding principles for regional market participation. This follows a series of inquiries and workshops held by the Commission over the past year with utilities, stakeholders, and energy experts to discuss the potential participation by Public Service Company of New Mexico (PNM) and El Paso Electric Company (EPE) in a day-ahead regional market.

Regional electric markets include real-time and day-ahead markets that model all available electric generation resources and “dispatches” them in the most economical way possible that meets demand for electricity reliably.

In the statement, the Commission said that regional markets could benefit New Mexico’s ratepayers through cost savings and reliability enhancements. The statement identifies five guiding principles that the Commission encourages utilities to consider when contemplating market participation. These include:

- The primary driver of any market decision must be customer benefits, prioritizing economic and reliability benefits.
- A utility’s market participation should not interfere with its obligations to comply with New Mexico statutes and should allow for sufficient tracking and reporting of greenhouse gas emissions to demonstrate compliance with the Energy Transition Act.
- The regional market’s decision-making process should be fair and transparent, allowing for diverse and meaningful stakeholder input.
- The decision to join a regional market should include stakeholder input, including making the study assumptions and results the utility is relying on available to regulators and stakeholders.
- Utilities should keep the Commission updated on progress toward market participation and its performance in the market.

The guidance document is a culmination of outreach efforts that included several workshops and opportunities for public comment. The Commission received comments from multiple stakeholders, including PNM, EPE, Southwestern Public Service Company, Southwest Power Pool, Western Resource Advocates, Interwest Energy Alliance, Clean Energy Buyers Association, New Mexico Affordable Reliable Energy Alliance and Special Participant Greater Kudu, LLC, New Mexico Renewable Energy Transmission Authority, and Advanced Energy United.

PNM and EPE both participate in the Western Energy Imbalance Market. During a workshop held in May, California Independent System Operator (CAISO) reported that PNM's customers have received an economic benefit of approximately \$99 million and that EPE's customers have received an economic benefit of approximately \$19 million since joining in 2021 and 2023, respectively.

A copy of the statement of policy and guiding principles for regional market participation is available upon request.

*The New Mexico Public Regulation Commission (NMPRC) serves New Mexico by ensuring safe operations and reliable utility services at fair, just, and reasonable rates consistent with the State's legal, economic, environmental, and social policies. To learn more about the work of the NMPRC, please visit [www.prc.nm.gov](http://www.prc.nm.gov).*

###