

This rule was filed as NMPSC Rule 430.

TITLE 17 PUBLIC UTILITIES AND UTILITY SERVICES
CHAPTER 7 ENERGY CONSERVATION
PART 430 COSTS OF RESIDENTIAL ENERGY CONSERVATION PROGRAMS FOR COVERED UTILITIES

17.7.430.1 ISSUING AGENCY: New Mexico Public Service Commission [New Mexico Public Regulation Commission].
[Recompiled 12/30/01]

17.7.430.2 SCOPE: NMPSC Rule 430 [17.7.430 NMAC] shall apply to all regulated utilities operating in the State of New Mexico which meet the definition of "Covered Utility."
[Recompiled 12/30/01]

17.7.430.3 STATUTORY AUTHORITY: NMPSC Rule 430 [17.7.430 NMAC] is adopted under the authority vested in the Commission by the Public Utility Act, NMSA 1978, Section 62-3-1 et. seq., and the National Energy Conservation Policy Act, Public Law 95-619, 92 Stat. 3206, November 9, 1978, Section 215(c)(1)(C).
[Recompiled 12/30/01]

17.7.430.4 DURATION:
[Recompiled 12/30/01]

17.7.430.5 EFFECTIVE DATE:
[Recompiled 12/30/01]

17.7.430.6 OBJECTIVE: NMPSC Rule 430 [17.7.430 NMAC] is promulgated pursuant to Section 215(c)(1)(C) of the National Energy Conservation Policy Act, Public Law 95-619, 92 Stat. 3206, November 9, 1978, 42 USC Section 8201 et. seq. (NECPA). NECPA requires the establishment of utility programs to encourage and facilitate the installation of energy conservation measures and renewable resource measures. Administration of utility programs is overseen by the New Mexico Energy, Minerals and Natural Resources Department, which has promulgated a New Mexico Residential Conservation Service Plan approved by the U.S. Department of Energy. The New Mexico Public Service Commission [New Mexico Public Regulation Commission] is charged with determining whether utility programs carried out under Section 215(b) of NECPA should be treated as a current expense of providing utility service and charged to all ratepayers of a utility in the same manner as current operating expenses of providing utility service, or charged to the residential customer for whom the activity is performed. Section 215(c)(1)(C). The purpose of NMPSC Rule 430 [17.7.430 NMAC] is to require that all costs incurred by a utility under Section 215(b) of NECPA be treated as a current expense charged to all ratepayers.
[Recompiled 12/30/01]

17.7.430.7 DEFINITIONS: When used in NMPSC Rule 430 [17.7.430 NMAC] unless otherwise specified the following definitions will apply:

- A. "Utility Program" or "Program" means a program meeting the requirements of Section 215 of NECPA.
- B. "Eligible Customer" means a person who:
 - (1) owns or occupies a residential building and
 - (2) receives a fuel bill from a covered utility or participating home heating supplier for fuel used in such residential building.
- C. "Covered Utility" means in any calendar year a public utility which during the second preceding calendar year had either:
 - (1) sales of natural gas for purposes other than resale which exceeded 10 billion cubic feet or
 - (2) sales of electric energy for purposes other than resale which exceeded 750 million kilowatt hours.
- D. "Program Audit" means an energy audit in which the estimates of costs and savings are based on an on-site inspection of an eligible customer's residence by an auditor qualified according to the New Mexico

Residential Conservation Service Plan promulgated by the New Mexico Energy, Minerals and Natural Resources Department.
[Recompiled 12/30/01]

- 17.7.430.8 [TABLE OF CONTENTS:]**
- A. Purpose: [17.7.430.6 NMAC]
 - B. Authority: [17.7.430.3 NMAC]
 - C. Application [17.7.430.2 NMAC]
 - D. Definitions: [17.7.430.7 NMAC]
 - E. Treatment of Program Costs [17.7.430.9 NMAC]
 - F. Customer Charges [17.7.430.10 NMAC]
 - G. Billing Practice [17.7.430.11 NMAC]

[Recompiled 12/30/01]

17.7.430.9 TREATMENT OF PROGRAM COSTS: The following program elements are to be treated as a current operating expense:

- A. Administrative and general expenses, including those associated with program audits, list distribution, customer billing services, and "arranging". These administrative costs may include any costs the utility incurs if it conducts random post-installation inspections required by 10 CFR Section 456.313(b) and conciliation conferences required by 10 CFR Section 456.315(a);
- B. Project Manager requirements, including:
 - (1) program audits;
 - (2) arranging for a lender to make a loan to an eligible customer to finance the purchase and installation costs of energy conservation and renewable resource measures, including the costs of arranging repayment of the principal and interest of a loan as part of the periodic bill; and
 - (3) arranging to have the program measures installed.

[Recompiled 12/30/01]

17.7.430.10 CUSTOMER CHARGES: There shall be no charge to a customer who requests a program audit over and above those charges in rates based on current operating expenses.

[Recompiled 12/30/01]

17.7.430.11 BILLING PRACTICE: Costs incurred by the utility attributable to the RCS Program and passed on to the ratepayers shall not be stated as a separate line item on bills.

[Recompiled 12/30/01]

17.7.430.12 [HISTORY: NMPSC Case No. 2086, order dated June 30, 1988, unless otherwise noted. Formerly NMPSC General Order No. 38, superseded for purposes of rule reorganization and codification.]

[Recompiled 12/30/01]

HISTORY OF 17.7.430 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the Commission of Public Records-State Records Center and Archives.

General Order No. 38, Rules And Regulations Governing Costs Of Residential Energy Conservation Programs For Covered Utilities, 5/18/82.

NMPSC Rule 430, Costs Of Residential Energy Conservation Programs For Covered Utilities, 6/30/88.

History of Repealed Material: [RESERVED]