



ACTION PLAN INTRODUCTION

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August 29, 2023

RULE REQUIREMENTS FOR STATEMENT OF NEED

17.7.3.10 STATEMENT OF NEED:

A. The statement of need is a description and explanation of the amount and the types of new resources, including the technical characteristics of any proposed new resources, to be procured, expressed in terms of energy or capacity, necessary to reliably meet an identified level of electricity demand in the planning horizon and to effect state policies.

B. The statement of need shall not solely be based on projections of peak load. The need may be attributed to, but not limited by, incremental load growth, renewable energy customer programs, or replacement of existing resources, and may be defined in terms of meeting net capacity, providing reliability reserves, securing flexible resources, securing demand-side resources, securing renewable energy, expanding or modifying transmission or distribution grids, or securing energy storage as required to comply with resource requirements established by statute or commission decisions.



RULE REQUIREMENTS FOR ACTION PLAN

17.7.3.11 ACTION PLAN:

A. The utility's action plan shall:

- (1) detail the specific actions the utility shall take to implement the IRP spanning a three year period following the filing of the utility's IRP;
- (2) detail the specific actions the utility shall take to develop any resource solicitations or contracting activities to fulfill the statement of need as accepted by the commission; and
- (3) include a status report of the specific actions contained in the previous action plan.

B. The utility shall update the commission by filing two reports describing the utility's implementation of the action plan. These reports shall be filed in the existing IRP docket one year after the filing of the IRP, and two years after the filing of the IRP, respectively.

C. 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.

D. The utility shall promptly notify the commission and participants of material events that would have the effect of changing the results of the utility's action plan had those events been recognized when the action plan was developed.

E. In accepting the action plan, the commission shall take into consideration contractual obligations as between the utility and any regional transmission organizations or balancing authorities of which the utility is a member.



EXAMPLES OF ACTIONS TO BE IDENTIFIED IN AN ACTION PLAN NMAC 17.7.3.11(A)

- Identify actions to be taken to issue an RFP (next slide)
- Identify regulatory filings and timing of those filings following the RFP
- Identify whether SPS will evaluate existing generation units for extending service lives and/or PPA extensions
- Identify any necessary DSM studies, such as a TOU Study
- Evaluate DSM offerings for Energy Efficiency filings, such as ICO tariffs



EXAMPLES OF ACTIONS TO BE IDENTIFIED IN AN ACTION PLAN NMAC 17.7.3.11(B)

- Identify actions to be taken to issue an RFP
 - Develop model PPA for RFP
 - Develop RFP bid evaluation criteria and other RFP documents
- Identify capacity need for the RFP based on IRP modeling conducted
- Identify technical characteristics of resources to fill need (e.g., intermittent, dispatchable)
- The RFP will incorporate stakeholder feedback from the IRP process
 - Encouraging the bidding of emerging technologies
 - Structuring as an all-source solicitation to obtain bids with technological and geographic diversity
- SPS will work with the independent monitor appointed by the Commission pursuant to NMAC 17.7.3.14





STATUS REPORT OF 2021 IRP ACTION PLAN

