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## **Supreme Court stay blocks customers' bill credits reflecting ETA savings from coal closure**

In a disappointing ruling Tuesday, the New Mexico Supreme Court granted PNM a stay on the Public Regulation Commission's order requiring the utility to credit customers an average of \$8.19 a month.

The credit reflects the savings that customers would get from the issue of Energy Transition Act bonds, which would pay off past investments in San Juan Generating Station at much lower rates than the roughly 10% rate of return that customers are currently paying to PNM.

The 2019 ETA legislation enabled the AAA state-backed bonds to pay off remaining coal-plant debt, lowering customer bills and creating millions in funding for coal workers and the impacted community. PNM led regulators, customers and the public to believe it would issue the Energy Transition bonds as soon as San Juan closed, but earlier this year the utility revealed that it would delay the issue until after its next rate case at the PRC, allowing it to disguise any rate increase with the considerable Energy Transition bond savings.

While PNM has issued the transition funding for workers and the impacted community to the state agencies in charge of disbursing it, customers are continuing to pay PNM for the now-closed coal plant, and they will continue to until the Supreme Court lifts its stay.

The credits would also reflect the lower maintenance, fuel and operating costs resulting from retiring the coal plant, which PNM closed because it was too expensive to maintain.

The stay also means PNM continues to collect the roughly 10% rate of return from customers, allowing it more than \$100 million in excess profit over the 18 months it is planning to delay the bond issue.

"These delay tactics are unconscionable. Every week the bond issue is delayed means increased costs for PNM customers, many of whom are at the financial breaking point with the rising costs of everything. They deserve the bill reduction they were promised." said **Ona Porter of Prosperity Works.**

"By granting PNM's requested stay, customers continue to bear the financial burdens of the shuttered San Juan Generating Station while the rate credits that should be going to them remain in limbo," said **Cydney Beadles, Managing Senior Staff Attorney at Western Resource Advocates.** "We hope the court resolves this matter swiftly and restores the savings that customers have been entitled to receive since August."

"Coal electricity is expensive and unreliable, and renewables and storage are much more cost-effective. PNM is saving money by retiring the aging San Juan coal plant, but it's holding back

those savings from customers. The ETA led to more renewables for our state and climate and transition funds for workers and the impacted community. But PNM is trying to dodge the ETA's customer benefits. Customers should not be paying PNM for a plant that has closed. These cost savings should be issued now, and we hope is that the Supreme Court will confirm the Public Regulation Commission's ruling and require they be issued now", said **Camilla Feibelman, Sierra Club Rio Grande Chapter Director.**