



**FOR IMMEDIATE RELEASE**

May 14, 2024

## **NMPRC to hold 3rd workshop to discuss regional market participation**

**SANTA FE** – The New Mexico Public Regulation Commission (NMPRC) on Friday, May 17, will hold a third workshop to further discuss anticipated benefits to customers regarding Public Service Company of New Mexico's (PNM) and El Paso Electric Company's (EPE) potential participation in either a regional day-ahead market (DAM) or a regional transmission organization (RTO)/independent system operator (ISO).

This workshop will include presentations by representatives from both the California Independent System Operator Corporation (CAISO) and Southwest Power Pool, Inc. (SPP) to discuss an overview and update of their respective DAMs, including status, tariff development, Federal Energy Regulatory Commission approval, and applicable timelines; current utility commitments; proposed methods of greenhouse emissions tracking of resources purchased in the DAM; governance structure; costs of utility participation; concerns regarding impacts on non-jurisdictional transmission customers; and transparency of market data.

"We're looking forward to hosting the CAISO and SPP representatives to discuss how their regional day-ahead market offerings can ensure customers continue to receive affordable and reliable electricity as we adapt to an increasingly complex electric grid," said **Commissioner Gabriel Aguilera**.

During an open meeting last July, the Commission explained that New Mexico ratepayers could benefit from a regional market that optimizes economic dispatch and maximizes the use of the electric grid and available generation. Additionally, the Commission noted that regional markets can also help meet the state's emissions reduction targets and improve grid reliability at a reduced cost to ratepayers as compared to transacting through a bilateral energy market.

Although the concept of a DAM has not been implemented in the United States, according to the State-Led Market Study, which was funded by the U.S. Department of Energy, it's generally expected that a DAM would require centrally optimized day-ahead unit commitment and real-time dispatch, with participants continuing to administer their own transmission tariffs and transmission planning functions while retaining operational control over their transmission systems.

RTOs and ISOs have additional responsibilities, as they are typically tasked with optimizing transmission and energy flows across the market footprint, performing transmission planning and administering the generator interconnection procedures within the market footprint, ensuring reliable operation of the grid, and managing wholesale energy market transactions and cash flows within the market. Electric utilities, CAISO, SPP, state

regulators, and electric industry stakeholders in the Western U.S. are currently developing and considering viable regional DAMs and discussing the potential for a western-wide RTO/ISO.

During the first workshop held last September, representatives from investor-owned utility Southwestern Public Service Company (SPS) spoke about the company's experiences participating in SPP. A second workshop, held in January, included presentations by PNM, EPE, and technical consulting firm Energy and Environmental Economics Inc., as well as a discussion on the Western Markets Exploratory Group's western DAM production cost impact study. Both workshops are available to watch on the NMPRC's [YouTube channel](#).

PNM, EPE, SPS, stakeholders, rural electric cooperatives, and other interested parties are encouraged to participate in the Q&A portion of the workshop. Any interested persons who wish to participate via Zoom in the Q&A portion of the discussion may sign up by email at [public.comment@prc.nm.gov](mailto:public.comment@prc.nm.gov) or by phone at 505-490-7910 no later than 5 p.m. the day before the workshop.

Details about the workshop are as follows:

- WHO: NMPRC, CAISO, SPP, and industry stakeholders to discuss possible regional market participation for PNM and EPE.
- WHAT: Regarding Case No. 23-00268-UT, In the Matter of an Inquiry and Potential Rulemaking Pertaining to Investor-Owned Electric Utilities' Regional Market Activity
- WHEN: Friday, May 17, at 12:30 p.m. MDT
- WHERE: Hearing Room inside the Bokum Building, located at 142 W Palace Ave., Santa Fe, NM 87501; Watch online via the NMPRC's [YouTube Channel](#).
- AGENDA: Find an agenda for the workshop [here](#).

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*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).*

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