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New Mexico Public Regulation Commission

FY 28 BUDGET REQUEST

Legislative Finance Committee

Representative Nathan P. Small, Chair
Senator George K. Muñoz, Vice Chair

November 16, 2026

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Priorities and Goals

- Pivot from purely reactive to proactive regulation through continued modernization and optimization including through AI platforms and forecast modeling
- Provide leadership in regulation by partnering with other state agencies, implementing legislation and state policies, and working to improve transparency to be a resource to the and the industry and the public

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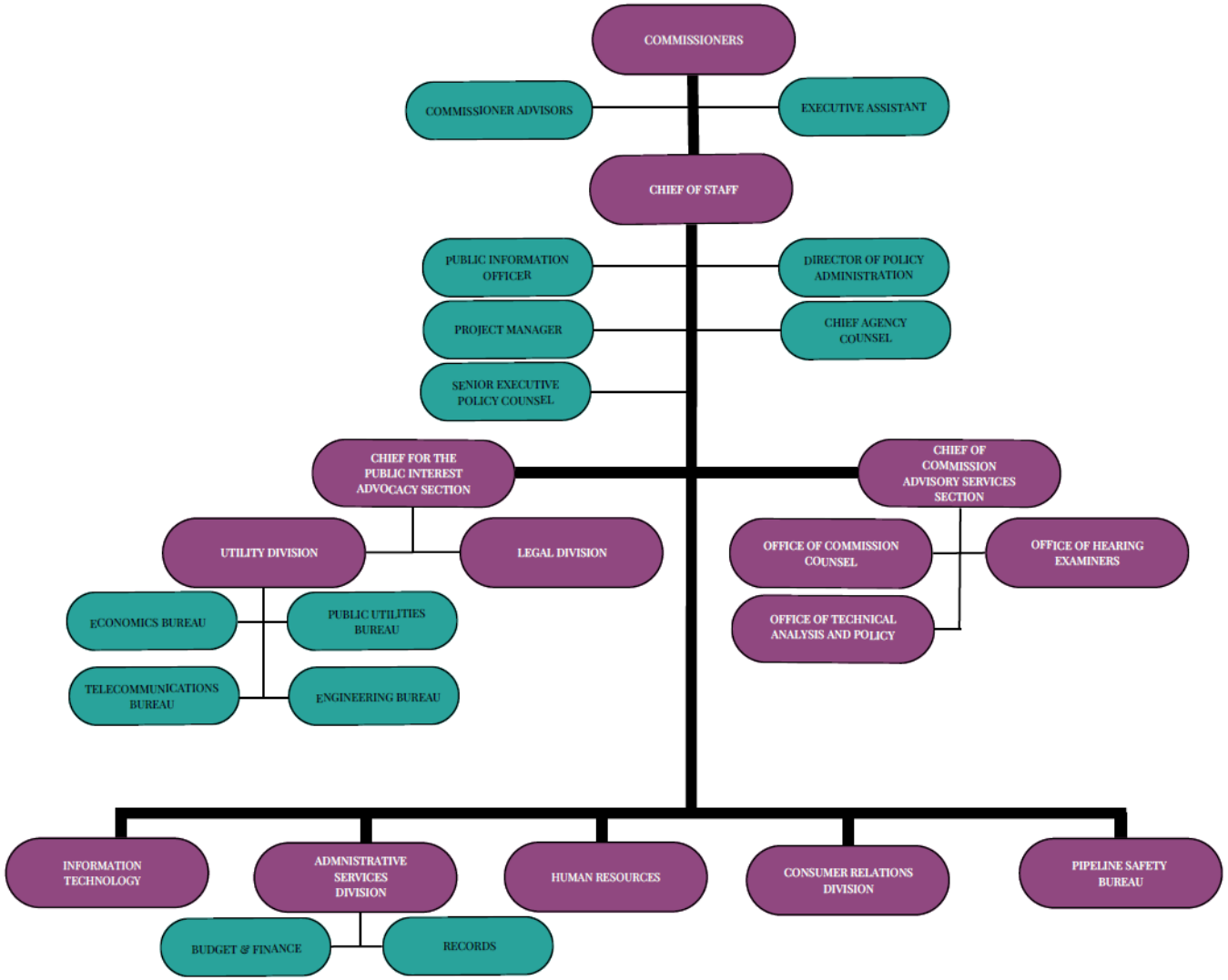
Progress

- IT Modernization- On Time and Under Budget
  - Fully deployed PRCe360 case management system as planned in February 2026.
    - Improves how the public interacts with cases
    - Helps you waste less time finding the docket or document you need
    - Allows filers to control their own filing and keep up to date on your cases with ease
  - Invested in AI platforms such as H-Data, which has accelerated the review of each utility filing by not only identifying and summarizing significant components of the application but also allowing Staff to do in minutes what previously took hours to complete.
  - Utility Forecast Modeling Software, expected to award a vendor by December 2026.
- Increased Efficiencies
  - Decreased average case processing time by 72% since 2023.
  - Decreased average number of days for approval of requests to purchase power (PPA) by 14% since 2023.
  - Decreased average number of days for approval of requests to build (CCN) by 34% since 2023.

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Progress Cont.

NMPRC Organizational Structure



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FY28 Budget Goals

- Maintain low vacancy levels through means of adequate compensation and growth opportunities
- Continue to modernize the Agency to increase capacity and move to proactive regulation
  - Utility forecast modeling software
    - Licenses
    - 1FTE for forecast modeling
  - AI software platforms to increase efficiencies within the agency

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FY28 Base Request

(Dollars in thousands)

Description	FY27 OpBud	FY28 Request	Difference FY27 OpBud/ FY28 Request	% Increase/ Decrease Over FY27 OpBud
REVENUE:				
General Fund	$16,531.9	$8,885.1	($7,646.8)	-46.3%
Other Transfers	$2,505.4	$11,443.7	$8,938.3	356.8%
Federal Revenue	$1,708.3	$1,759.8	$51.5	3.0%
Other Revenue	$2,505.4	$2,558.8	$53.4	2.1%
Total Revenue	$23,251.0	$24,647.4	$1,396.4	6.0%
EXPENDITURES:				
200 Personal Services & Employee Benefits	$17,369.5	$17,801.8	$432.3	2.5%
300 Contractual Services	$829.9	$952.7	$122.8	14.8%
400 Other Expenses	$2,546.2	$3,334.1	$787.9	30.9%
500 Other Financing Uses	$2,505.4	$2,558.8	$53.4	2.1%
Total Expenditures	$23,251.0	$24,647.4	$1,396.4	6.0%
FTE	124.0	125.0	1	0.8%

*Request is comprised of 50% General Fund funding and 50% Other State Funds funding generated by the Utility Oversight Fund and Pipeline Fee Fund.

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FY 28 Budget Request by Category

- 200's Category –
  - PRC is requesting an increase of $432.3 or 2.5%
    - $190,300 for one additional FTE for utility forecast modeling
    - $242,000 related to increased healthcare premiums and increased unemployment compensation and employee insurance liability premiums
- 300's Category –
  - PRC is requesting an increase of $122.8 thousand or 14.8% to support utility forecast modeling
- 400's Category –
  - PRC is requesting an increase of $787.9 thousand or 30.9%
    - $600,000 for software licenses related to modeling software
    - $120,000 for AI software
    - $15,000 for escalation in rent
    - $20,000 for increased travel related expenditures for Pipeline Safety Division

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FY 28 Special Appropriation Request

- Community Solar, $3.2M
  - 2-year request to facilitate the Community Solar Program

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FY 28 Capital Outlay

- PRC is requesting $5,000,000, to plan, design, renovate, and partially furnish the Phillip Gonzales building for the New Mexico Public Regulation Commission.
  - Security cameras and access control
  - Bathroom renovations to be ADA compliant
  - Drainage improvements
  - Roof repairs
  - Flooring and paint
  - 2 Conference Rooms
  - Hearing room with A/V, sound panels, lighting, dais

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Questions

