

# New Mexico Public Regulation Commission

## FY 25 BUDGET REQUEST

Legislative Finance Committee

Senator George K. Muñoz, Chair

Representative Nathan P. Small, Vice Chair

November 15, 2023

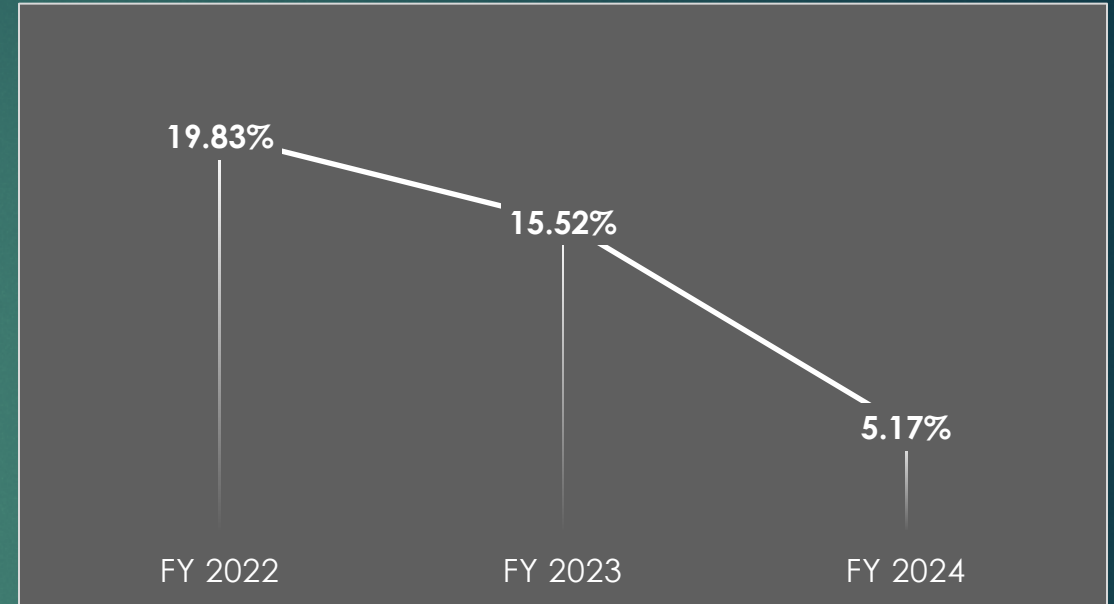




- ▶ Create a mission-driven agency with a culture of teamwork and excellence
- ▶ Optimize Internal Operations, Processes and Time Management
- ▶ Provide leadership in regulation through implementing legislation and state policies, working with the industry and public to be a resource for the State.
- ▶ Demystify the regulatory processes, roles and achievements of the PRC regarding utility services, telecommunications and pipeline safety.



▶ Decreased Vacancy Rates



▶ Proactive Regulation

▶ 7 new potential rulemakings underway, including:

- ▶ Reliability Standards
- ▶ Grid Modernization
- ▶ Regional Market Participation
- ▶ Greenhouse Gas Emissions





# Operating Structure of the PRC

- ▶ Commission: Commissioners sit as judges on regulatory matters, usually brought by utilities.
  - ▶ Advisory Staff: Provides analysis, support and advice to Commissioners.
    - ▶ Hearing Examiners
    - ▶ Office of the General Counsel
    - ▶ Technical Advisors (New Role)
- ▶ Advocacy Staff: Provides advocacy *in front* of the Commission.
  - ▶ Legal Division
  - ▶ Utilities Division
  - ▶ Pipeline Safety Bureau
- ▶ Operational Staff: Provides operational and administrative support to the whole agency.





# FY25 Budget Goals

- ▶ Maintain low vacancy levels
- ▶ Build room for Agency-wide Professional Development
- ▶ Modernize the Agency
- ▶ Leverage Leadership Opportunities for New Mexico



# FY 25 Base Budget Request – Agency Wide

(Dollars in thousands)

Description	FY24 OpBud	FY25 Request*	Difference FY24 OpBud/ FY25 Request	% Increase/ Decrease Over FY24 OpBud
<b>REVENUE:</b>				
General Fund	\$12,507.6	\$12,141.1	-\$366.5	-2.9%
Federal Revenue	\$949.8	\$965.4	\$15.6	1.6%
Other Revenue	\$1,416.4	\$1,447.0	\$30.6	2.2%
Total Revenue	\$14,873.8	\$14,553.5	-\$320.3	-2.2%
<b>EXPENDITURES:</b>				
200 Personal Services & Employee Benefits	\$12,851.6	\$12,423.7	-\$427.9	-3.3%
300 Contractual Services	\$624.9	\$657.1	\$32.2	5.2%
400 Other Expenses	\$1,397.3	\$1,472.7	\$75.4	5.4%
Total Expenditures	\$14,873.8	\$14,553.5	-\$320.3	-2.2%
FTE	114.0	101.0		-12.9%

\*Transportation Division will transfer to DOT on July 1, 2024—thus, it is not included in the FY25 request.



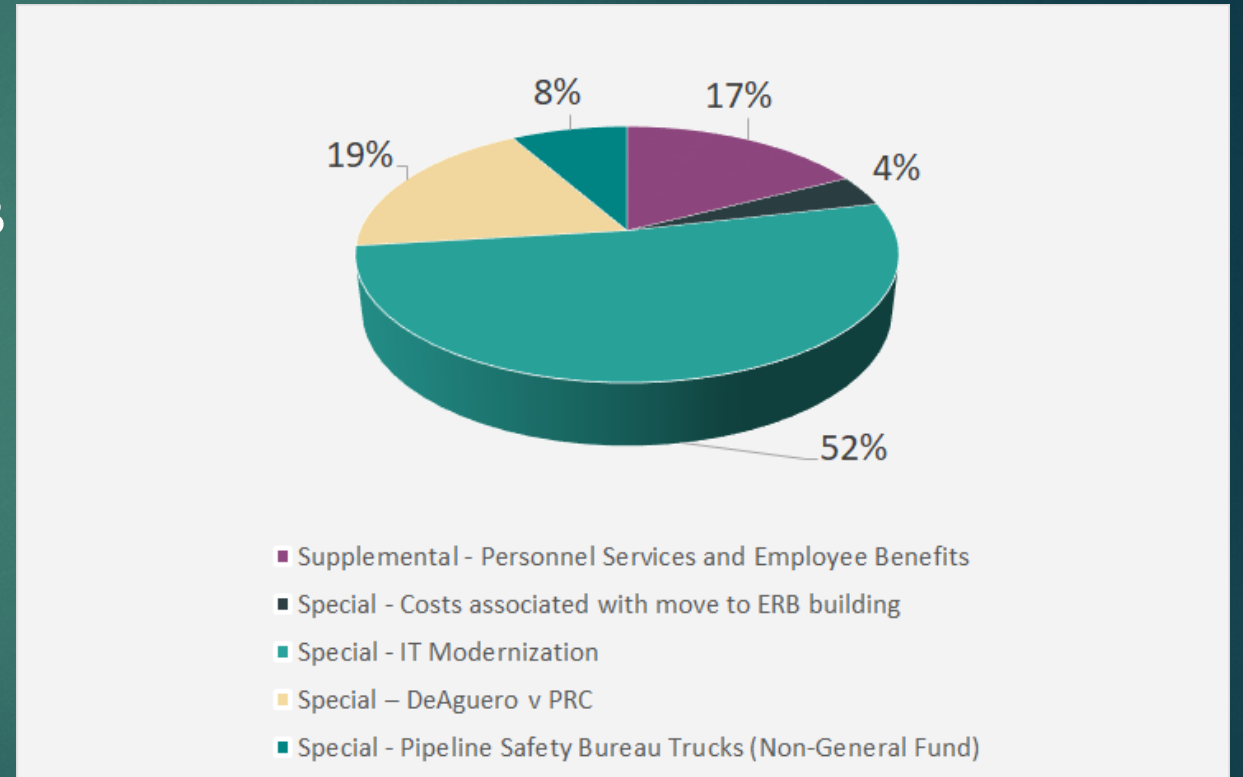
# Creation of Expansion Request

- ▶ Created a “wish list”
  - ▶ Contained 34 positions
    - ▶ 10 pipeline safety
    - ▶ 15 advisory staff
    - ▶ 6 advocacy staff
    - ▶ 3 other staff
- ▶ Decided on a “phased approach”- resources needed to expand our coverage now versus resources required to perform at the highest level
  - ▶ FY25 seeking 24 positions: 10 Non-general fund + 14 General Fund
    - ▶ 10 pipeline safety
    - ▶ 8 advisory staff
    - ▶ 3 advocacy staff
    - ▶ 3 other staff



# FY 2025 Non-Recurring Appropriation Requests

- ▶ Supplemental - Personnel Services and Employee Benefits
  - ▶ \$844,400 General Fund
- ▶ Special - Costs associated with move to ERB building
  - ▶ \$190,000 General Fund
- ▶ Special - IT Modernization
  - ▶ \$2,500,000 General Fund
- ▶ Special – DeAgüero v PRC
  - ▶ \$900,800 General Fund
- ▶ Special - Pipeline Safety Bureau Trucks
  - ▶ \$400,000 Non-General Fund







# Questions

