

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF KIT CARSON ELECTRIC)
COOPERATIVE, INC.’S APPLICATION FOR)
CONTINUAITON OF ITS FUEL AND PURCHASED) Docket No. 25-00032-UT
POWER COST ADJUSTMENT CLAUSE)**

PROCEDURAL ORDER

THIS MATTER comes before Patrick Schaefer, Hearing Examiner for the New Mexico Public Regulation Commission (“Commission”), upon the filing of the above-captioned Application for Continuation of Fuel and Purchased Power Cost Adjustment clause (“FPPCAC”) of Kit Carson Electric Cooperative, Inc. (“KCEC”) pursuant to 17.9.550 NMAC (“Rule 550”), and for all other approvals and authorizations required to continue the use of its FPPCAC (“Application”).

Being duly informed, the Hearing Examiner **FINDS AND CONCLUDES:**

1. On April 11, 2025, KCEC filed its Petition for Variance from One Element of 17.9.550 NMAC.
2. On April 23, 2025, the Commission issued its Order Approving Extension of Time, Authorizing the Continuance of Current FPPCAC, and Amending Case Caption.
3. On June 27, 2025, KCEC filed the Application with the Commission.
4. On July 24, 2025, the Commission issued a Temporary Suspension Order and Order for Staff Response, which suspended KCEC’s filing pending further proceedings and ordered Staff to investigate the application and report the results of its investigation by August 14, 2025.
5. On August 14, 2025, Staff filed its Response to the Commission’s Order, concluding that the public interest would be better served if the Commission direct KCEC to supply supplemental information on discrepancies identified by Staff during its investigation,

which would allow them a thorough review and enable them to make a well-informed recommendation concerning the need of a public hearing.

6. On August 28, 2025, the Commission issued a Bench Request ordering KCEC to file a response regarding the deficiencies identified by Staff on the Application and to supply relevant data from 2021 which was omitted from the Application and other supporting documentation.

7. On September 25, 2025, KCEC filed its Verified Response to Bench Request.

8. On October 15, 2025, Staff filed a Response to the Commission's August 28, 2025, Bench Request.

9. On October 31, 2025, the Commission issued an order appointing the undersigned as Hearing Examiner to preside over this case.

10. On November 6, 2025, The Commission issued an Order Requiring Kit Carson to Mail Application to Intervenors and Setting Intervention Deadline, which set the intervention deadline of November 24, 2025.

11. On November 7, 2025, KCEC filed a Motion for Protective Order.

12. On November 10, 2025, KCEC filed a Motion for Reconsideration and for Expedited Action.

13. On November 12, 2025, the Commission issued its Order Granting KCEC's Motion for Reconsideration and for Expedited Action in which the Commission deemed that KCEC was in compliance with NMPRC Rule 550.9, which sets out the service requirements for FPPCAC continuation applications filed at the NMPRC under Rule 550.

14. No motions to intervene were filed in this matter by the intervention deadline of November 24, 2025.

15. On November 25, 2025, the Hearing Examiner issued an Order Setting Prehearing Conference to be held on December 3, 2025, at 10:00 a.m. via the Zoom platform. The Prehearing was held as scheduled and was attended by representatives of KCEC and Utility Division Staff (“Staff”). Among other items addressed during the Prehearing, the Hearing Examiner discussed a procedural schedule for this proceeding.

16. On November 26, 2025, the Hearing Examiner issued a Protective Order.

17. The Commission has jurisdiction over the parties and the subject matter of this case.

18. The Hearing Examiner finds that the following procedural dates and requirements should be adopted in this proceeding:

IT IS THEREFORE ORDERED:

A. By January 30, 2026, KCEC shall cause, at its sole expense, the Notice to KCEC’s Customers, attached to this Procedural Order to be published once in a newspaper of general circulation available in KCEC’s electric utility service territory in New Mexico. KCEC shall also post as promptly as feasible to a prominent space on its website copies of the Notice and the Application, including the supporting testimony and exhibits. KCEC shall ensure that affidavits confirming publication and posting are promptly filed in this docket.

B. By February 27, 2026, KCEC shall file any additions, corrections, or revisions to the Application.

C. Any party who wishes to file a dispositive motion – a motion to dismiss, any other motion that would result in dismissal, any motion that would (as a matter of law) resolve some portion of this case or require the KCEC to retract and refile the application, or any motion that would result in summary rejection of any portion of the application – must do so by April 1, 2026. The parties are advised that, to the extent they intend to file motions that will require the KCEC to

file supplemental testimony, any such motion must be filed as soon as is practicable. Waiting to file such a motion until a time when it is not practicable for the KCEC to file supplemental testimony is impermissible. Any motion deemed by the Hearing Examiner to have been filed under such circumstances will be rejected as a late-filed motion.

D. Any stipulation and supporting documents pursuant to 1.2.2.20 NMAC may be filed on or before **July 17, 2026**.

E. Staff shall file direct testimony by **July 31, 2026**. The testimony shall include Staff's opinion and proposed determination on KCEC's request.

F. Any rebuttal testimony or in the alternative, testimony in support of a stipulation, shall be filed by **September 4, 2026**.

G. A prehearing conference is tentatively scheduled for **September 8, 2026**, commencing at 10:00 a.m. Mountain Time ("MT") on the Zoom platform. The purpose of that conference is to address, among other things, the following matters:

1. Order of presentation of the parties and their witnesses
2. Designation of the witnesses parties intend to cross-examine and for what length of time
3. Any other matters that may expedite orderly conduct and disposition of this proceeding

H. A public hearing will be held beginning at **9:30 a.m. September 23, 2026**, continuing as necessary on the following day, to hear and receive testimony, exhibits, and legal arguments about the Application. The evidentiary hearing will be conducted via the Zoom videoconference platform. Access to and participation in the evidentiary hearing shall be limited to party participants (i.e., counsel and witnesses), the Commissioners, and other essential Commission personnel. The hearing will be accessible to the public via livestream through the

Commission's YouTube Channel and will be displayed on the Commission's website at <https://www.prc.nm.gov/public-hearings/>.

I. People who are not affiliated with a party may make oral or written comment as allowed by Rule 1.2.2.23(F) NMAC. Instructions how to submit public comments in writing are found at e360.prc.nm.gov or at <https://www.prc.nm.gov>. Written comment must refer to Docket Number 25-00032-UT and be submitted before the Commission takes final action. Written comments may also be sent via US mail to PRC Records P.O. Box 1269, Santa Fe, NM 87504.

Alternatively, oral comment is also welcome during Commission open meetings online or in person. The open meetings schedule is available on the Commission website at www.prc.nm.gov/nmprc-open-meeting-agenda/. If the Commission determines a special hearing should be scheduled to receive oral public comments for this matter, the date, time and location will be announced on the Commission's website. Oral comments are not taken at evidentiary hearings because they are not evidence, but they are reviewed and considered by Commission staff. The Commission may be reached by telephone at 1-888-427-5772 for questions about submitting comments.

J. Since the evidentiary hearing will be conducted via Zoom, the parties and Staff will be required to electronically distribute the exhibits they intend to offer for admission into evidence at the hearing in advance of the hearing. That electronic distribution shall provide the documents to all parties, the Hearing Examiner, and the court reporter. The requirements for any necessary submissions shall be set forth in a subsequent prehearing order issued by the Hearing Examiner¹.

¹ Parties will be required to utilize Dropbox to upload and download documents. See <https://www.dropbox.com>. All parties should familiarize themselves with use of that file-sharing application.

K. Anyone filing prepared testimony consistent with 1.2.2.35(I) NMAC on behalf of a party shall attend the hearing and submit to examination under oath and shall appear via the Zoom video feed. All pre-filed testimonies of a witness shall be moved into evidence when the witness is first presented. Unless otherwise ordered or approved by the Hearing Examiner, only pre-filed testimony in question-and-answer form and verified by the witness and examination of witnesses on such pre-filed testimony shall be accepted, considered, and received in evidence along with other relevant and otherwise admissible exhibits. Oral testimony elicited by a party or Staff presenting a witness (except for appropriate redirect examination) shall consist solely of the authentication and verification of each pre-filed testimony and identifications of any permitted corrections to that testimony. The party or Staff shall not elicit oral summaries of pre-filed testimony or other oral testimony.

L. Friendly cross-examination is prohibited. Friendly cross-examination is cross-examination of a witness by a party who does not disagree with the witness's position on an issue.

M. Each witness at the hearing, and each witness's attorney, shall have readily available to him or her at the hearing a copy of the pre-filed testimony of each witness and any related exhibits.

N. Anyone interested may examine the Application and supporting documents at KCEC's office, located at 118 Cruz Alta Road, Taos, New Mexico 87571, at 1-575-758-2258, or online at KCEC's website at www.kitcarson.com. That and further information regarding this can be found online at e360.prc.nm.gov or <https://www.prc.nm.gov>.

O. Service of all documents filed in this proceeding and discovery requests and responses shall be via email unless a party requests a hard copy or unless otherwise ordered.

P. The procedural dates and requirements provided here are subject to further order of the Hearing Examiner or the Commission.

Q. Anyone interested in following the hearing should contact the Commission for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled or canceled if deemed not required in the discretion of the Hearing Examiner or the Commission.

R. The Commission's rules of procedure, 1.2.2.1 NMAC *et seq.*, shall apply in this case except as modified by order of the Hearing Examiner or Commission. The rules of procedure and other PRC rules are available online at the official NMAC website: <https://www.srca.nm.gov/nmac-home/nmac-titles/>.

S. Anyone filing pleadings, documents, or testimony shall comply with the Commission's electronic filing policy. Instructions for filing documents with the Commission are found at e360.prc.nm.gov or <https://www.prc.nm.gov>. Filings must be submitted within regular business hours of the due date to be considered timely filed. After-hour submissions will be file-stamped the next business day. Anyone whose testimony is filed must attend the public hearing and submit to examination under oath.

T. All filings shall be emailed to the Hearing Examiner on the date filed at Patrick.schaefer@prc.nm.gov by no later than 5:00 p.m. MT. Any filing emailed to the Hearing Examiner shall include the Word or other native version of the filing (e.g., Excel or Power Point) if created in such format. Any filings not emailed to the Hearing Examiner in compliance with the requirements of this order and Commission rules are subject to being summarily rejected and stricken from the record at the Hearing Examiner's discretion.

U. Except as expressly provided in this Order or subsequently ruled, discovery matters, and any discovery disputes shall be governed by the Commission's discovery rules at 1.2.2.25

NMAC. The parties shall raise any disputes, questions, or concerns regarding discovery with the Hearing Examiner at the earliest available opportunity so that all such issues may be considered well in advance of the hearing.

V. An order of the Hearing Examiner or Commission is not required for agreements between or among any of the participants regarding discovery matters. All other participants shall be notified of such agreements.

W. Motions regarding any discovery dispute shall not be considered unless accompanied by a statement that the participants have made a good faith effort to resolve the dispute but were unable to do so.

X. The certificate of service for this case is attached to this order. Subject to the issuance of an official service list under 1.2.210(C)(4) NMAC, the attached service list shall be used for service of all pleadings and other documents.

PERSONS WITH DISABILITIES

IF YOU ARE AN INDIVIDUAL WITH A DISABILITY WHO IS IN NEED OF A READER, AMPLIFIER, QUALIFIED SIGN LANGUAGE INTERPRETER, OR ANY OTHER FORM OF AUXILIARY AID OR SERVICE TO ATTEND OR PARTICIPATE IN THIS PROCEEDING PLEASE CONTACT THE DIRECTOR OF ADMINISTRATIVE SERVICES OF THE COMMISSION AT (505) 827-8019 AS SOON AS POSSIBLE PRIOR TO THE HEARING.

ISSUED under the seal of the Commission at Santa Fe, New Mexico, on the 22nd day of January 2026.

NEW MEXICO PUBLIC REGULATION COMMISSION



A handwritten signature in black ink, appearing to be "PS", written over a horizontal line.

Patrick C. Schaefer
Hearing Examiner



NOTICE TO CUSTOMERS **OF KIT CARSON ELECTRIC COOPERATIVE, INC.**

Kit Carson Electric Cooperative, Inc. (“KCEC”) filed an Application with the New Mexico Public Regulation Commission (“NMPRC” or the “Commission”) (**Docket No. 25-00032-UT**) seeking authorization to continue the use of its fuel and purchased power cost adjustment clause (“FPPCAC”) previously approved by the Commission as part of its rates for electric service. What follows is a summary of the Application, the procedural steps for how the Application will be processed, and information about how you can participate in the process.

Kit Carson does not own any base load electric generation facilities and owns or purchases solar generated energy and energy from battery energy storage systems (“BESS”) in its efforts to meet the State of New Mexico’s statutory renewable energy portfolio standards. With the exception of this solar and BESS renewable energy, all of Kit Carson’s power is currently purchased under long-term purchase power agreements (“PPA”) with Guzman Energy, LLC. (“GE”). GE is an energy marketing and supply company whose principal business is the supply of wholesale electric power and energy to its customers.

Kit Carson’s current FPPCAC was most recently approved on April 28, 2021, by the Commission’s Final Order Closing Docket and Deeming Approval of Continuation of KCEC’s Fuel and Purchased Power Cost Adjustment Clause in Case No. 20-00089-UT.

KCEC requests the Commission approve its continued use of the FPPCAC in its current tariffs, without any change in the current base cost of the FPPCAC.

KCEC’s Application and other filings are available at KCEC’s website: www.kitcarson.com and can also be viewed on the Commission’s e360.prc.nm.gov, under Docket Number 25-00032-UT.

NO ACTION ON YOUR PART IS REQUIRED UNLESS YOU WANT TO PROVIDE COMMENT ON THE APPLICATION

The major events for public participation in this matter will occur as follows:

- Deadline to file direct testimony: **July 31, 2026**
- Deadline to file rebuttal testimony: **September 4, 2026**
- Public Evidentiary Hearing: **September 23, 2026, 9:30 a.m.**

PUBLIC HEARING

A public hearing will be held beginning at **9:30 a.m. on September 23, 2026**, to hear and receive testimony, exhibits, and legal arguments about the Application. The hearing will take place via the Zoom platform. The hearing can be viewed via a livestream on the Commission's YouTube channel and its website, <https://www.prc.nm.gov/public-hearings/>.

THESE ARE NOT ALL THE DEADLINES IN THIS MATTER, AND PARTIES AND ANYONE INTERESTED SHOULD TO READ THE COMPLETE PROCEDURAL ORDER BY SEARCHING DOCKET NO. 25-00032-UT AT THE COMMISSION'S e360.prc.nm.gov or <https://www.prc.nm.gov>.

Anyone filing pleadings, documents, or testimony shall comply with the Commission's electronic filing policy. Instructions for filing documents with the Commission are found at e360.prc.nm.gov or <https://www.prc.nm.gov>. Filings must be submitted within regular business hours of the due date to be considered timely filed. After-hour submissions will be file-stamped the next business day. Anyone whose testimony is filed must attend the public hearing and submit to examination under oath.

PUBLIC COMMENT

If you are interested in the case but do not wish to become a party, you may make written or oral comments as allowed by Rule 1.2.2.23(F) NMAC. Instructions how to submit public comments in writing are found at e360.prc.nm.gov or at <https://www.prc.nm.gov>. Written comment must refer to Docket Number 25-00032-UT and be submitted before the Commission takes final action. Written comments may also be sent via US mail to PRC Records P.O. Box 1269, Santa Fe, NM 87504.

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Any person who desires more information about this case may contact the Commission by phone at (505) 827-4084 or 1-888-427-5772 or by email at Ryan.Jimenez@prc.nm.gov.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF KIT CARSON ELECTRIC)
COOPERATIVE, INC.’S APPLICATION FOR)
CONTINUAITON OF ITS FUEL AND PURCHASED) Docket No. 25-00032-UT
POWER COST ADJUSTMENT CLAUSE)**

CERTIFICATE OF SERVICE

I CERTIFY that on this day I sent via email a true and correct copy of the *Procedural Order* to the following:

KIT CARSON ELECTRIC	
Carlos J. Padilla	CJPadilla@CuddyMcCarthy.com ;
Charles V. Garcia	CGarcia@CuddyMcCarthy.com ;
Trisha M. Hicks-Sampang	Thicks-Sampang@cuddymccarthy.com ;
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DATED this January 22, 2026

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ Ana Kippenbrock, electronically signed
Paralegal