



Public Utility Commission of Texas

1701 N. Congress, P.O. Box 13326, Austin, TX 78711-3326

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Contact: Ellie Breed

Media@PUC.Texas.Gov

PUCT Enforcement Staff Recommends \$1.74 Million Administrative Penalty Against Texas-New Mexico Power Company

Penalties for Violating Customer Metering and Billing Practices

Austin, Texas – The Public Utility Commission of Texas’ (PUC) Division of Compliance and Enforcement (DICE) today is recommending the Commission impose an administrative penalty of \$1,747,400 for violations relating to Texas-New Mexico Power Company’s (TNMP) usage estimating practices.

A PUC investigation found the transmission and distribution utility (TDU) violated 16 TAC § 25.241(b) and 16 TAC § 25.214(c) by not adhering to its tariff filed with the PUC, which includes provisions on electric meter reading accuracy. The recommendation asserts that TNMP violated rules related to accurate meter reading because it failed to make necessary changes to its advanced metering system.

The investigation found the utility had three-years’ notice that the communication backbone of its metering system was going to be discontinued by a third-party provider; yet it did not devise a plan until halfway through that timeframe. Additionally, TNMP could have developed a back-up mitigation plan in case its vendor was unable to provide more than 170,000 new meters in time to avoid the foreseeable communications failures.

This resulted in prolonged, inaccurate estimations of power consumption for thousands of its customers, in violation of PUC rules.

The full report can be found [HERE](#).

TNMP may provide written acceptance of the determination of violation and recommended penalty or request a hearing within 20 days after service of notice of the report on violations. Failure to timely respond to the notice will result in the Commission approving by order the determination of violation and recommended penalty

About the Public Utility Commission

Our mission is to serve Texans by regulating the state’s electric, telecommunication, and water and sewer utilities, implementing respective legislation, and offering customer assistance in resolving consumer complaints. Since its founding in 1975, the Commission has a long and proud history of service to Texas, protecting customers, fostering competition, and promoting high quality infrastructure. To learn more, please visit <https://www.puc.texas.gov>.