

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S PETITION)
FOR APPROVAL TO ACQUIRE THE)
WESTERN SPIRIT 345 KV TRANSMISSION)
PROJECT)
_____)**

Case No. 19-00129-UT

NOTICE OF PROCEEDING AND HEARING

NOTICE is hereby given of the following matters pending before the New Mexico Public Regulation Commission ("NMPRC" or "Commission"):

On May 10, 2019, Public Service Company of New Mexico ("PNM") filed an Application and supporting direct testimonies in the above captioned case pursuant to section 62-6-12(A)(4) of the Public Utility Act. PNM seeks authorization to acquire the Renewable Energy Transmission Authority's ("RETA") 345 kV transmission project and associated facilities in eastern New Mexico ("RETA Project"). PNM states it will not include the estimated \$359.2 million cost of the project in the retail rates charged to New Mexico customers. PNM requests that the Commission enter a Final Order within five months, and in any event by November 6, 2019.

Specifically, PNM requests a Final Order that:

-- Determine it is not unlawful and is not inconsistent with the public interest for PNM to purchase the RETA Project; and

-- Provide the Commission's written consent for PNM to purchase the RETA Project from RETA and Western Spirit Transmission, LLC under the BTA.

PNM's Application states that the RETA Project will:

-- Expand renewable energy production interconnected to the PNM grid by approximately 800 MW;

-- Deliver renewable energy from the rapidly growing wind generation industry in eastern New Mexico; and

-- Improve the reliability and availability of PNM's electric transmission system, at no cost to retail customers.

PNM's Application further states that, under the terms of the sale, PNM will acquire the RETA Project when the project is completed and becomes operational for an acquisition price of \$359.2 million.

PNM states that PNM will not include the acquisition cost of the RETA Project in retail customers' rates. PNM also states that a Certificate of Public Convenience and Necessity is not required under the terms of the RETA Act because PNM is acquiring the project and retail customers will pay none of the costs for the transmission line, related facilities and interconnection to PNM's existing network transmission system.

PNM states that the Commission is authorized to promptly investigate applications to acquire operating units of a utility's system. PNM also states that the Commission shall give its consent and approval of the proposed acquisition unless it finds that the "proposed transaction is unlawful or is inconsistent with the public interest." The sale and transfer of the RETA Project facilities to PNM once they are completed is therefore contingent on PNM's receipt of necessary regulatory approvals.

Further information regarding this case can be obtained by contacting PNM or the Commission at the addresses and telephone numbers provided below. The Commission has assigned Case No. 19-00129-UT to this proceeding and all inquiries or written comments concerning this matter should refer to that case number.

The present procedural schedule for this case is as follows:

a. PNM shall file supplemental testimony by June 10, 2019 on issues set forth in the Procedural Order issued on May 30, 2019.

b. On or before July 23, 2019, any person desiring to intervene to become a party ("intervenor") in this case must file a motion for leave to intervene in conformity with NMPRC Rules of Procedure, 1.2.2.23(A) and (B) NMAC.

c. Staff and any intervenor testimony shall be filed by July 23, 2019.

d. Rebuttal testimony shall be filed by August 6, 2019.

e. A public hearing shall be held beginning on August 13, 2019, commencing at 9:00 a.m. in the Ground Floor Hearing Room of the Commission, P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico, and continuing on August 14, 2019, as determined necessary. Any motions to vacate the hearing due to the lack of contested issues shall be filed by August 9, 2019.

The procedural dates and requirements of this case are subject to further order of the Commission or Hearing Examiner.

The Application, together with supporting pre-filed direct testimony and any attachments and related papers, may be examined by any interested person at:

PNM's website (<http://www.PNM.com/regulatory>);

NMPRC's website (<http://164.64.85.108/>).

Any interested person may examine PNM's Application and all other pleadings, testimony, exhibits and other documents filed in the public record for this case at the Commission's address set out below or at the offices of PNM at the following address:

Public Service Company of New Mexico
414 Silver Ave. SW
Albuquerque, New Mexico 87102
Telephone: (505) 241-2700

The Commission's Rules of Procedure, 1.2.2 NMAC shall apply to this case except as modified by order of the Commission or Hearing Examiner. A copy of such Rules may be obtained from the offices of the Commission and such Rules are available at the official NMAC website, <http://164.64.110.134/parts/title01/01.002.0002.html>.

Any person whose testimony has been filed shall attend the hearing and submit to examination under oath.

Any interested person may appear at the time and place of the hearing and make written or oral comment pursuant to 1.2.2.23(F) NMAC without becoming an intervenor. Written comments, which shall reference NMPRC Case No. 19-00129-UT, also may be sent to the Commission at the following address:

New Mexico Public Regulation Commission
P.E.R.A. Building
1120 Paseo de Peralta
P.O. Box 1269
Santa Fe, NM 87504-1269
Telephone: (888) 427-5772

However, pursuant to Commission Rule 1.2.2.23(F) NMAC, comments will not be considered as evidence in the proceeding.

Interested persons should contact the Commission at (505) 827-6956 for confirmation of the hearing date, time and place since hearings are occasionally rescheduled and may be vacated in this instance.

Anyone filing pleadings, testimony and other documents in this case may file them either in person at the Commission's docketing office in the P.E.R.A. Building in Santa Fe, New Mexico, or by mail to the Commission's address at P.O. Box 1269, Santa Fe, New Mexico 87504-1269, and must serve copies thereof on all parties of record and the Commission's Utility

Division Staff in the manner indicated on the Certificate of Service for this case. All filings shall be e-mailed to Staff and the parties on the date they are filed with the Commission. All filings shall be e-mailed to the Hearing Examiner at Ashley.Schannauer@state.nm.us. Additional details regarding this proceeding and its procedural requirements are set forth in the Procedural Order, issued May 30, 2019.

Individuals with a disability who are in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, may contact the Commission's docketing office at least 24 hours prior to the hearing. Public documents associated with the hearing can be provided in various accessible forms for disabled individuals. Requests for summaries or other types of accessible forms also should be addressed to the Utility Division at (888) 427-5772.

ISSUED at Santa Fe, New Mexico, this May 30, 2019.

NEW MEXICO PUBLIC REGULATION COMMISSION

Ashley C. Schannauer
Hearing Examiner