PUBLIC SERVICE COMPANY OF NEW MEXICO
NMPRC DOCKET NO. 26-00000__
EXECUTIVE SUMMARY

Public Service Company of New Mexico ("PNM") is filing an application with the New Mexico Public Regulation Commission ("Commission") for approval to construct, own, and operate the Mid-State 345 kV Transmission Project ("Mid-State Project" or "Project"), a new approximately 102.8-mile transmission path extending from the Western Spirit Switching Station in Torrance County to the Hidden Mountain Substation in Valencia County. Under a Development and Construction Agreement, Pattern Energy Group LP ("Pattern") will perform substantial Project development and construction activities. Mid-State Transmission LLC, a Pattern affiliate, will own the line during development and construction and will transfer the completed facilities to PNM. The Project is currently estimated to cost approximately $595 million, which is comprised of the acquisition cost of approximately $570.9 million and $24.1 million for additional PNM work to be performed for the Project. The Project includes a new 345 kV transmission line and associated station, system-protection, compensation, and 115 kV reconstruction work.

The Project is intended to strengthen PNM's east to west transmission system, address identified thermal and transient-stability constraints, reduce dependence on remedial action schemes, and provide greater operational flexibility during planned and unplanned outages. It also provides network reinforcement to support delivery of up to 800 MW of additional wind generation from Western Spirit toward PNM's load-serving area, subject to system conditions and applicable transmission and reliability limits. The Project supports the resources identified in PNM's 2029-2032 Resource Application, including the 800 MW Palomas wind portfolio, and is expected to be in service by the end of 2029. To maintain that schedule, PNM requests that the Commission issue a final order by July 30, 2027, nine months after filing.

PNM is requesting four principal approvals: (1) a Certificate of Public Convenience and Necessity; (2) approval to locate the Project within the approximately one-mile-wide Transmission Study Corridor; (3) a determination that a 200-foot right-of-way ("ROW") width is necessary; and, (4) to the extent the Commission determines it is required, express authorization for PNM to acquire the completed transmission line from Mid-State Transmission LLC. For co-located portions of the Project, the requested 200-foot ROW includes the existing 50-foot ROW and an additional 150 feet needed for construction adjacent to the existing, energized line.

Supporting testimony addresses the regulatory framework, need and alternatives, routing and land ownership, outreach, environmental protection, and the engineering basis for the requested ROW width. PNM maintains that the Project is necessary to support identified resource and load needs, improve system reliability and resiliency, integrate selected renewable resources, and provide customer and system benefits without unduly impairing important environmental values or power-system reliability.

PNM is not requesting current cost recovery or specific ratemaking treatment and intends to seek recovery of prudently incurred Project costs in a future general rate case after the Project enters service.