

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 (“NMPRC” or “Commission”) for approval to construct, own and operate three new segments of transmission line connecting the Rio Puerco to Pajarito to Prosperity 345 kV stations in the Albuquerque area and to expand and upgrade the related station facilities (the “Project”). PNM is requesting that the Commission issue a certificate of convenience and necessity (“CCN”) for the Project pursuant to NMSA 1978, Section 62-9-1 and also authorize a right-of-way (“ROW”) width of 150 feet, greater than 100 feet pursuant to NMSA 1978, Section 62-9-3.2 (collectively, the “Application”).

PNM’s transmission system is at an inflection point. Targeted capacity additions and infrastructure upgrades are needed to maintain today’s reliable service and strengthen resilience as customer demand grows and the resource mix evolves. Approval of the Project will deliver substantial public benefits, including:

- **Improved Grid Reliability and Resilience:** Reinforces the transmission backbone, improving system stability and service reliability.
- **Support for Carbon-Free Generation:** Enables integration of renewable resources, advancing state clean energy goals and providing a path to reduce reliance on load-side gas generation.
- **Economic Development Opportunities:** Facilitates service to new commercial and industrial loads, attracting investment and fostering statewide economic growth.

The Project is a foundational component of PNM’s long-term transmission plans, which is intended to transition PNM’s transmission planning from incremental, piecemeal upgrades toward a forward-looking expansion strategy. This Project not only addresses the need for expanded transmission capability but also facilitates vital maintenance and modernization of aging assets without compromising current service. The Project consists of the following:

- Construction of a new 345 kV transmission line connecting PNM’s Rio Puerco (Northwest of Rio Rancho) and Pajarito (Southwest Albuquerque) 345 kV stations (approximately 35 miles);
- Expansion of the Rio Puerco and Pajarito 345 kV stations to accommodate the new 345 kV transmission line terminations;
- Within the existing Prosperity station boundaries, constructing a 345 kV station with a four (4) breaker ring configuration (expandable to breaker-and-a-half), which will include 345/115 kV transformation;
- An approximately 0.47-mile transmission line extension linking an existing 345 kV line from Pajarito to the new Prosperity 345 kV station; and
- Connecting the existing 345 kV Pajarito-Sandia line into the Prosperity station (approximately 0.38 miles of new line).

PNM requests that if there are no protests filed within 60 days, that the Commission act within six months and by no later than the nine-month deadline under Section 62-9-1 and approve the Application and grant the necessary authorizations. PNM is not seeking a determination of the ratemaking principles and treatment to be applied to the Project in this case. Instead, PNM will

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request ratemaking treatment for the costs of the Project in a future general rate case. The estimated project costs are approximately \$247 million. PNM also does not seek location approval pursuant to Section 62-9-3 because the transmission lines and facility upgrades and expansions are not associated with the construction of any new generating facilities for which approval is required by Section 62-9-3(B).

GCG#534817