

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE COMPANY)
OF NEW MEXICO’S APPLICATION FOR)
APPROVAL OF TWO ECONOMIC DEVELOPMENT)
PROJECTS AND ISSUANCE OF AN ACCOUNTING)
ORDER GOVERNING THE TREATMENT OF COSTS)
RELATED TO THOSE PROJECTS)
)
)
PUBLIC SERVICE COMPANY OF NEW MEXICO,)
)
)
Applicant)**

Docket No. 25-00 ____-UT

**DIRECT TESTIMONY
OF
GRANT A. TAYLOR**

December 29, 2025

NMPRC DOCKET NO. 25-00__-UT
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WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

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I. INTRODUCTION AND PURPOSE

Q. Please state your name, position, and business address.

A. My name is Grant A. Taylor. I am an Economic Development Specialist for Public Service Company of New Mexico (“PNM” or “Company”). My business address is PNM, 414 Silver Avenue SW, Albuquerque, New Mexico 87102. I am testifying on behalf of PNM.

Q. Please summarize your educational background and professional qualifications.

A. My educational background and professional experience are summarized in PNM Exhibit GAT-1.

Q. Please describe your responsibilities as an Economic Development Specialist.

A. In this role, I support PNM load growth and viability to maintain existing major commercial and industrial customers and support expansion with both existing and prospective companies. I help ensure PNM is well positioned to compete on a national level to attract new business and industry to New Mexico and PNM’s service territory. I provide economic development research analyses in support of efforts to attract and retain customers for the purpose of increasing rate base and electric throughput.

Q. Please state the purpose of your Direct Testimony.

A. The purpose of my testimony is to provide the New Mexico Public Regulation Commission (“NMPRC” or “Commission”) with experienced economic development insight into the reasoning and importance of the two economic development projects, pursuant to NMSA

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1 1978, Sections 62-6-26(E)-(G), for which PNM seeks project approval and accounting
2 orders. I offer an intersectional perspective on how PNM's targeted economic development
3 projects support state and local goals for business attraction, retention and expansion by
4 enhancing New Mexico's competitiveness.

II. OVERVIEW OF THE PROJECTS

7 **Q. Please provide a brief overview of the two projects.**

8 **A.** To improve New Mexico's competitiveness for business attraction, retention and
9 expansion, PNM needs to have "room" in its system to accommodate more than the natural
10 growth that comes with its existing customer loads. There are two desirable industrial sites
11 in PNM's service areas where there is reasonably anticipated economic development. As a
12 result, PNM intends to advance the infrastructure build out in those areas and seeks an
13 accounting order authorizing it to establish a regulatory asset to track the costs of two
14 economic development projects, as well as Commission approval of the projects. The
15 Westpointe 115 kV Substation Project consists of the construction of a new 115 kV
16 substation to be approximately located at the intersection of U.S. Interstate Highway 40
17 and 98th Street that will serve the Westpointe 40 business park and surrounding area. The
18 Mesa del Sol Project consists of the addition of a 115-12.47 kV transformer at the existing
19 Studio substation, an upgrade to the existing 115 kV line to the Studio substation, and the
20 addition of a 115 kV line from the Studio substation to a new, nearby 115 kV substation to
21 establish looped transmission service in the area.

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1 In order to maintain consistent use of the term *economic development project* in this
2 testimony, *economic development project* and *business attraction, retention and expansion*
3 are defined as follows:

4 NMSA 1978, Section 62-6-26(G)(1) defines an *economic development project* as

5 [The] construction or modification of new or existing electric generation facilities,
6 energy storage facilities, transmission and distribution facilities, zero-carbon
7 resources as defined in Subsection K of Section 62-16-3 NMSA 1978, alternative
8 fuel facilities, energy efficiency programs, renewable energy and fuel cell facilities,
9 recycled energy or other technologies necessary to serve reasonably anticipated
10 new load and that have been certified by the economic development department,
11 and,

12 *Business attraction, retention and expansion*, in this testimony, refers to a potential large-
13 scale investment of an existing business or a new business in a competitive site-selection
14 process, both having the characteristic of 1 MW of load or greater. This covers a wide range
15 of commercial, manufacturing and industrial businesses and is not intended to target any
16 specific type or size of load.

III. ECONOMIC DEVELOPMENT BENEFITS

19 **Q. How do these projects align with economic development in New Mexico?**

20 **A.** These electric facilities projects align with economic development in New Mexico by
21 directing capital investment to prominent industrial sites with historical interest from
22 companies conducting site-selection processes for large-scale investments. From
23 experience that is validated by the 2025 survey of site consultants by trade publication Area

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1 Development,¹ site selectors prioritize factors that satisfy “speed-to-market
2 considerations,” such as energy availability (ranked No. 1), available land and expedited
3 permitting. Companies’ accelerated timelines require proactive infrastructure investments
4 to ensure New Mexico remains competitive for these opportunities, especially when those
5 companies are from target industries defined by the New Mexico Economic Development
6 Department (“NMEDD”): Aerospace, Intelligent Manufacturing, Sustainable and Green
7 Energy, and Biosciences.²

8
9 **Q. What is the anticipated economic benefit of these two projects?**

10 **A.** These projects improve New Mexico’s and PNM’s competitiveness to attract inbound
11 investment by reducing timelines for energization compared to other markets. Successful
12 business attraction creates direct, indirect and induced jobs and grow and diversify tax
13 bases for local and state governments. A manufacturer, for example, employs workers
14 (direct jobs), purchases products and services from local vendors (creating indirect jobs),
15 and direct and indirect workers do business with retailers and others in the community
16 (creating induced jobs).

17
18 **Q. What additional capacity will these two projects make available?**

19 **A.** The Westpointe 115 kV Substation project will likely result in an additional 25 MW of
20 capacity for the surrounding area to serve reasonably anticipated economic development.
21 The Mesa del Sol project may result in an additional 200 MW of capacity, generation

¹ See <https://www.areadevelopment.com/>.

² <https://edd.newmexico.gov/choose-new-mexico/key-industries/>

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resources permitting, for the surrounding area to serve reasonably anticipated economic development.

IV. INDUSTRY BARRIERS

Q. Historically, what have been the main electrical infrastructure barriers for economic development in New Mexico?

A. Numerous factors inform a company's location decision for large-scale investments. Many companies and their site selectors consider locating projects at greenfield sites, where electrical facilities may be limited or absent. This is the case in much of New Mexico and in parts of PNM's service territory – large acreages are available for development but lack the necessary electrical infrastructure that many companies require – Westpointe 40 and Mesa del Sol being two examples. As demand for power grows with increasingly sophisticated and automated operations, the lack of necessary infrastructure in these areas presents a significant barrier for economic development. Construction times for utility infrastructure have been seen to increase in recent years, even as businesses expect expedited access to electricity and other services in order for them to be competitive in their own markets.

Q. How do these projects mitigate the barriers described above?

A. These two projects activate two areas with significant economic development interest. Each site may otherwise be eliminated as a possible location for a business due to energization timelines in these areas being longer than a desired planned start of operations.

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1 **Q. Please explain how Senate Bill 170 (“SB 170”) supports economic development**
2 **initiatives.**

3 **A.**SB 170 codified collaboration among the public utilities, the NMPRC and the NMEDD to
4 “provide incremental capacity, or serve incremental load growth,” through a policy that
5 streamlines delivery of the electricity that sites need to attract job-creating investments.
6 The law, relevant portions of which are now codified as NMSA 1978, Section 62-6-26(E)-
7 (G), fosters utility investment in generation resources ahead of the economic development
8 customer need and creates a path for the NMPRC to expedite the approval of large-scale
9 energy infrastructure investments that will serve strategic economic development sites.
10 These “power readiness” provisions are designed to narrow or close the gap between a
11 company’s desired start of operation and a utility’s in-service date. Shortening lead times
12 and reducing regulatory uncertainty will make New Mexico more competitive.³

13
14 **Q. What is the significance of SB 170 in relation to the two projects?**

15 **A.**The significance of SB 170 – now NMSA 1978, Section 62-6-26(E)-(G) – to the two
16 projects and the others that will follow them is that New Mexico has finally heeded and
17 applied to economic growth the well-known proverb: “The best time to plant a tree was 20
18 years ago. The second-best time is now.” Pending approval of the projects as economic
19 development projects and the request for an accounting order, construction of these projects
20 may now begin, whereas prior to the law these projects wouldn’t commence until service
21 contracts were signed by customers.

³ The portions of SB 170 relevant to this Application are codified at NMSA 1978, Sections 62-6-26(E), (F) and (G), and 62-9-1(D).

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1 In the case of the Westpointe 40 business park, it is known that facilities in the area cannot
2 currently serve more than 1 MW of incremental load. According to the land developer,
3 Titan Development, most companies marketed to and considering Westpointe 40 are in the
4 1-3 MW range, particularly those with warehousing and distribution operations.
5 Construction of a new substation typically takes 24 months, and if a potential customer
6 considering Westpointe 40 wants to be operational in 18 months or less, those two timelines
7 do not align, even if the potential customer needs no more than 3 MW of service. It very
8 likely is a “potential” no more.

9
10 As a more concrete example, in late 2023 and early 2024, PNM was heavily engaged in a
11 business-attraction effort, in concert with the NMEDD and others, of a large manufacturer
12 that was considering the 500-acre site at Mesa del Sol. The company, which desired an in-
13 service date approximately 18 months after a location decision, found the CCN approval
14 timeline of up to 15 months, along with the approval’s uncertainty, to be an unacceptable
15 risk. In that case, construction of facilities potentially would not have started until around
16 the time that the company wanted to begin commissioning its facilities.

17
18 Lastly, PNM has a duty to demonstrate that “if you build it, they will come” with these two
19 projects. While PNM reasonably expects it will build new infrastructure over time in these
20 areas, without accelerating that pace of construction the state and PNM will continue to
21 miss out on vital economic development opportunities. The request for the accounting
22 order under the new “utility pre-deployment” law for these two projects is data-driven and
23 experience-based, and in the near future we are confident that it will be evident that moving

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1 forward with these projects gives New Mexico a competitive advantage in the site-selection
2 factor of energy availability.
3

4 **V. HISTORICAL AND CURRENT ECONOMIC DEVELOPMENT INTEREST**

5 **Q. What has been the historical interest in the locations of the two projects?**

6 **A.** Please see PNM Exhibit GAT-2 for information on business attraction, retention and
7 expansion originally sourced 2021-2024 from state, regional, and local economic
8 development organizations in PNM's service territory that expressed interest in the area
9 served by the Westpointe 115 kV Substation project. Please see PNM Exhibit GAT-3 for
10 information on business attraction, retention and expansion sourced 2021-2024 from state,
11 regional and local economic development organizations in PNM's service territory that
12 expressed interest in the area served by the Mesa del Sol project.
13

14 **Q. Why do you believe these projects are critical for New Mexico's current and future**
15 **economic development?**

16 **A.** The two sites that will benefit from PNM's "pre-development activities" are objectively
17 valuable assets to business-attraction efforts of state, regional and local economic
18 development stakeholders, such as NMEDD, Albuquerque Regional Economic Alliance,
19 developers, landowners and real estate brokers. The NMEDD determined the sites are
20 "currently or potentially marketable" and present "genuine economic opportunity within

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1 the State of New Mexico, provided sufficient investments in pre-development activities
2 occur.”⁴

3
4 Economic development projects approved under SB 170 may directly impact whether a
5 site in New Mexico is ultimately chosen for business attraction, retention and expansion.
6 If these projects are unable to move forward, New Mexico will remain at a disadvantage.
7

8 **VI. ECONOMIC DEVELOPMENT DEPARTMENT CERTIFICATION**

9 **Q. Did PNM receive NMEDD site certifications for these projects?**

10 **A.** Yes. Please see PNM Exhibit GAT-4 and PNM Exhibit GAT-5, which are the NMEDD
11 certifications for Westpointe 40 and Mesa del Sol sites, respectively.
12

13 **Q. What do these certifications signify?**

14 **A.** The NMEDD certifications PNM received signify the Department’s assessment that the
15 sites for which the two proposed projects will be located are in areas where the NMEDD
16 has determined economic development can reasonably be anticipated. More specifically,
17 NMEDD’s certifications affirm that PNM’s investments in “utility pre-deployment” will
18 make the sites more effectively marketable to companies conducting site selection for
19 potential inbound investments that would be “economically valuable” in the state.
20

21 **Q. What is the process for obtaining NMEDD certification?**

⁴ PNM Exhibit GAT-4 and PNM Exhibit GAT-5.

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1 **A.** Pursuant to Section 62-6-26(F), the process for obtaining NMEDD certification begins
2 with a public utility or project developer submitting a request for such certification. Upon
3 accepting the request, NMEDD provides an opportunity for public comment regarding
4 whether the project will support reasonably anticipated economic development within the
5 state. Within 60 days of the submission of the request for certification, NMEDD “shall
6 certify, using industry standard guidelines for site selection, whether the economic
7 development project will support reasonably anticipated economic development within the
8 state.”⁵

VII. CONCLUSION

11 **Q.** **Please summarize the main points of your testimony.**

12 **A.** My testimony provides experienced economic development insight into the reasoning and
13 importance of two targeted economic development projects – Westpointe 115 kV
14 Substation and Mesa del Sol – for which PNM seeks approvals and an accounting order.
15 These projects are designed to enhance New Mexico’s competitiveness in support of state
16 and local goals for business attraction, retention and expansion.

17
18 The Westpointe 115 kV Substation Project involves constructing a new 115 kV substation
19 to serve the Westpointe 40 business park and surrounding area. The Mesa del Sol Project
20 includes adding a transformer, upgrading an existing line, and building a new substation to
21 establish looped transmission service in the area. The Mesa del Sol Project may add up to

⁵ NMSA 1978, § 62-6-26(F) (2025).

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1 200 MW of capacity (generation resources permitting), while the Westpointe 115 kV
2 Substation Project will likely add 25 MW, both serving reasonably anticipated economic
3 development.

4
5 These projects direct capital investment to prominent industrial sites, aligning with New
6 Mexico's economic development priorities. They improve the state's competitiveness by
7 reducing energization timelines, which is critical for attracting large-scale investments and
8 supporting job creation (direct, indirect, and induced jobs) and tax-base growth.

9
10 Historically, lack of electrical infrastructure at greenfield sites, along with the length of
11 time needed to add or expand electricity service, has been a major barrier to economic
12 development in New Mexico. These projects activate areas with significant interest,
13 overcoming barriers related to energization timelines. SB 170 fosters collaboration among
14 utilities, the NMPRC and NMEDD, streamlining the delivery of electricity and expediting
15 approval of large-scale infrastructure investments. This legislative framework supports
16 proactive utility investment and shortens lead times for strategic sites.

17
18 Both project sites received certification from the NMEDD, affirming their support for
19 reasonably anticipated economic development and enhancing marketability for inbound
20 investment. The sites have been identified by state, regional and local economic
21 development organizations as valuable assets for business attraction, with documented
22 interest and business attraction, retention and expansion. Implementation of these projects
23 is essential for New Mexico's current and future economic development. Economic

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1 development projects pursued pursuant to SB 170 enhance the competitiveness of certified
2 sites and support New Mexico's efforts to attract investment and job-creating opportunities.

3

4 **Q.** **Does this conclude your testimony?**

5 **A.** Yes.

GCG#534469

Grant A. Taylor Resume

PNM Exhibit GAT-1

Is contained in the following 1 page.

Grant A. Taylor

Public Service Company of New Mexico
414 Silver Ave SW
Albuquerque, NM 87102

EDUCATION**Master of Business Administration**

June 2005

New Mexico State University – Las Cruces, NM 88003

Bachelor of Arts - Journalism and Mass Communications

December 2003

New Mexico State University – Las Cruces, NM 88003

WORK HISTORY**Public Service Company of New Mexico**

June 5, 2023 – Present

Economic Development Specialist

New Mexico Association of Commerce and Industry

March 14, 2016 – Dec. 5, 2017

Director of Communications and Marketing

Albuquerque Regional Economic Alliance

Jan. 25, 2021 – May 24, 2023

Director of Business Development

Hobbs Chamber of Commerce

Feb. 7, 2011 – Feb. 24, 2016

President & CEO

Mission Consulting LLC

Aug. 10, 2019 – Jan. 25, 2021

Owner

Economic Development Corporation of Lea County

July 1, 2008 – Jan. 28, 2011

Director of Marketing and Community Development

New Mexico First

December 6, 2017 – Aug. 9, 2019

Economic Policy Director

Think New Mexico

Oct. 6, 2006 – June 30, 2008

Field Director

AWARDS**Economic Developer of the Year, Feb. 2, 2023**

New Mexico Industrial Development Executives Association

TRAINING

International Economic Development Council: New Mexico Economic Development Basic Course and six other specialized courses in the Certified Economic Developer (CEcD) Program (2009 – present)

Business Attraction, Retention, and Expansion – Westpointe 40

PNM Exhibit GAT-2

Is contained in the following 1 page.

Past Business Attraction, Retention and Expansion that Considered Westpointe 40 to be Served by Proposed Improvements

Westpointe 40		
Project Name	Load Type	Maximum Potential Load (MW)
USA	Manufacturing - Energy Storage Systems	45
Avenue	Data Center	20
Opie	Data Center	16.4
Callisto	Manufacturing - Plastics	7.5
Eclipse	Manufacturing - Solar Cells and Panels	7.2
Seehorn	Manufacturing - Hydrogen	7.1
Rose	Manufacturing - Furniture	6
Pioneer	Manufacturing - Renewable Energy	5
Japan	Manufacturing - Food	3
Helix	Manufacturing - Polymers	2
Storm	Manufacturing - Hydrogen Electrolyzers, Fueling Stations	2
Chase	Warehousing and Transportation	1.25
J Foods	Manufacturing - Food	1
Rubicon	Manufacturing - Food	1
Singularity	Manufacturing - Precision Machining	1
Surge	Manufacturing - Electric Vehicles	1

This table includes business attraction, retention and expansion originally sourced 2021-2024 from state, regional and local economic development organizations in PNM's service territory.

GCG#534470

Business Attraction, Retention, and Expansion - Mesa del Sol

PNM Exhibit GAT-3

Is contained in the following 1 page.

Past Business Attraction, Retention and Expansion that Considered Mesa del Sol to be Served by Proposed Improvements

Mesa del Sol		
Project Name	Load Type	Maximum Potential Load (MW)
Margarita	Data Center	500
A	Manufacturing - Heavy Metal	320
Jukebox	Data Center	300
Epsilon	Manufacturing - EVs	250
Phi	Manufacturing - EVs	250
Picaros	Data Center	200
Apollo	Manufacturing - Solar Cells and Panels	150
New Continent	Manufacturing - Silicon Ingots and Wafers	150
Ocean	Manufacturing - Electrical Equipment, Appliance, and Component	105
Bumblebee	Data Center	100
Hickory	Manufacturing - Hydrogen-related Equipment	100
Ecosphere	Manufacturing - Batteries	64
Garnet	Manufacturing - Semiconductors	54
Golden Eagle	Manufacturing - Solar Cells and Panels	47
Independence	Manufacturing - Batteries	30
Skaneateles	Manufacturing - Semiconductors	30
Strider/Thor	Manufacturing - Defense	15
Callisto	Manufacturing - Plastics	7.5
Sunshine	Manufacturing - Glass for Solar Panels	7.5
Eclipse	Manufacturing - Solar Cells and Panels	7.2
Seehorn	Manufacturing - Hydrogen	7.1
Rose	Manufacturing - Furniture	6
Japan	Manufacturing - Food	3
Storm	Manufacturing - Hydrogen Electrolyzers, Fueling Stations	2
J Foods	Manufacturing - Food	1
Zumba	Manufacturing	1

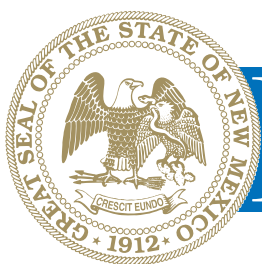
This table includes business attraction, retention and expansion originally sourced 2021-2024 from state, regional and local economic development organizations in PNM's service territory.

GCG#534471

NMEDD Certification – Westpointe 40

PNM Exhibit GAT-4

Is contained in the following 3 pages.



Michelle Lujan Grisham • Governor
Rob Black • Cabinet Secretary-Designate
Isaac Romero • Deputy Cabinet Secretary

November 14, 2025

To: Monique Jacobson
Senior Vice President, Corporate Services

FROM: Rob Black
Cabinet Secretary, New Mexico Economic Development Department

RE: PNM's Westpointe 40 Request for Economic Development Site Certification

The New Mexico Economic Development Department (NM EDD) has reviewed the application for certification submitted by Public Service Company of New Mexico (PNM) pursuant to the requirements of Subsection F of Section 62-6-26 NMSA 1978 (S.B. 170, 57th Leg. 1st Sess. § 3(F) (N.M. 2025)). After review, NM EDD certifies the following site as a location that will support reasonably anticipated economic development in the state: Westpointe 40

Section 62-6-26 (F) NMSA 1978 requires the following of NM EDD:

The economic development department shall certify, using industry standard guidelines for site selection, whether the economic development project will support reasonably anticipated economic development within the state. Prior to the certification, the department shall provide an opportunity for public comments regarding whether the proposed economic development project will support reasonably anticipated economic development within the state. The department shall issue a certification letter within sixty days of a request from a public utility or project developer, and the certification letter shall be included in a public utility's application filed pursuant to Subsection E of this section.

The goal of this process is to identify sites, with proper investments in pre-development activities including utility pre-deployment, can be marketed for quick and efficient construction and development of economically valuable projects in the state.

PNM submitted its' completed application for economic development certification to NM EDD on September 11, 2025. The original application entailed: request for an accounting order pertaining to a 115kV substation located near Albuquerque's Westpointe 40 business park and surrounding area. Located at the southeast corner of U.S. Interstate Highway 40 and 98th Street, Westpointe 40 is 11-acre commercial and industrial site that hosts a

variety of end users, including a data center and multiple warehousing and distribution operators, all of which are currently served by the landlocked central substation. Based on significant customer interest and robust property marketing, including formal business-attraction submissions by Albuquerque Regional Economic Alliance and the New Mexico Partnership, PNM believes the site has potential to locate new job-creating customers.

While NM EDD may suggest potential power needs for specific sites in order to make them ready for development, the analysis of what is needed for power generation, transmission or distribution to service a particular site is a determination for the Public Regulation Commission, not NM EDD. See NMSA 1978, § 62-6-26.

Pursuant to Section 62-6-26 (F), NM EDD provided an opportunity for and considered public comment. NM EDD received zero public comments regarding the application.

Westpointe 40 was identified in the proposal as an appropriate site for review by NM EDD. NMEDD reviewed this site using data provided by the applicant, public comment and independent data assembled as part of NMEDD's site readiness program. The review included assessments of site logistics, environmental concerns, ease of development, utility access and ownership and entitlements for each site.

After review, NM EDD identified advantages and disadvantages for the location and confirmed its alignment with the intent of Section 62-6-26 (F). NM EDD has determined that this site included in the application meets the threshold established by Section 62-6-26 (F) as a site that is currently or potentially marketable and presents genuine economic opportunity within the State of New Mexico, provided sufficient investments in pre-development activities occur.

A summary of the review of the site follows below with detailed analysis for the site in the appendix. This site includes:

Westpointe 40- Total acreage: +/- 93, with 24 continuous and developable

Advantages:

- A. Natural gas can serve site with at least 50 MCF/hour after minor line extension
- B. Site access is in-place and suitable for Industrial traffic
- C. With-in 1 mile of I-40 entrance

Disadvantages:

- A. Rezoning is likely required; Current zoning is non-Residential Business Park (NR-BP)
- B. There are large residential neighborhoods located within 0.5 miles of the site; not suitable for Heavy Industrial

- C. Site is approximately 93 acres but due to development limitations, the largest contiguous and developable acreage is approximately 24
- D. Some areas of the site have sloping topography with up to 10% grade
- E. There are NWI-identified blue lines streams in the southern acreage of the property
- F. A new substation required to serve up to 5 MW of power
- G. Water and wastewater system excess capacities are unknown

Conclusion: Westpointe 40 is a 115-acre commercial and industrial site that hosts a variety of end users, including a data center and multiple warehousing and distribution operators, all of which are currently served by the landlocked Central substation. Due to limited latent capacity available in the area to serve additional loads, and due to the Central substation's constraints for expansion, a new substation is needed. The Westpointe 40 Project would provide the capability to address near-term customer timelines.

As established under Section 62-6-26 (F), NM EDD's statutory role is to evaluate whether proposed sites demonstrate reasonable economic development potential for the state. This determination is based on current and future investments needed for marketability. NM EDD does not make determinations regarding the location, or method of generation, transmission, or deployment of electricity. These determinations will be made by the Public Regulation Commission.

In conclusion, NM EDD hereby certifies that the site listed above submitted within the Public

Service Company of New Mexico (PNM) application meets the criteria set forth in Section 62-6-26 (F) for marketable sites with the potential to provide meaningful economic opportunity for New Mexico.



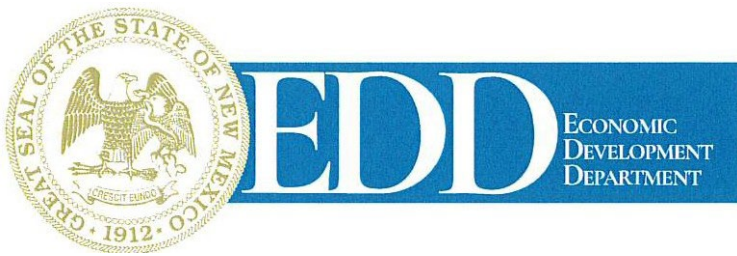
Rob Black
Cabinet Secretary
New Mexico Economic Development Department

CC: Cholla Khoury, PRC

NMEDD Certification - Mesa del Sol

PNM Exhibit GAT-5

Is contained in the following 3 pages.



Michelle Lujan Grisham • Governor
Rob Black • Cabinet Secretary
Isaac Romero • Deputy Cabinet Secretary

November 25, 2025

To: Monique Jacobson
Senior Vice President, Corporate Services

FROM: Rob Black
Cabinet Secretary, New Mexico Economic Development Department

RE: PNM's Mesa del Sol Request for Economic Development Site Certification

The New Mexico Economic Development Department (NM EDD) has reviewed the application for certification submitted Public Service Company of New Mexico (PNM) pursuant to the requirements of Subsection F of Section 62-6-26 NMSA 1978 (S.B. 170, 57th Leg. 1st Sess. § 3(F) (N.M. 2025)). After careful review, NM EDD certifies the following site as a location that will support reasonably anticipated economic development in the state: Mesa del Sol.

Section 62-6-26 (F) NMSA 1978 requires the following of NM EDD:

The economic development department shall certify, using industry standard guidelines for site selection, whether the economic development project will support reasonably anticipated economic development within the state. Prior to the certification, the department shall provide an opportunity for public comments regarding whether the proposed economic development project will support reasonably anticipated economic development within the state. The department shall issue a certification letter within sixty days of a request from a public utility or project developer, and the certification letter shall be included in a public utility's application filed pursuant to Subsection E of this section.

The goal of this process is to identify sites, with proper investments in pre-development activities including utility pre-deployment, can be marketed for quick and efficient construction and development of economically valuable projects in the state.

PNM submitted its' completed application for economic development certification to NM EDD on September 11, 2025. The original application entailed: request for an accounting order for the installation of a second 115-12.47kV transformer and switchgear at the existing Studio substation in the Mesa del Sol area which would increase its load-serving capability at a 500-acre site known as the "Employment Center". The existing 115kV line to Studio substation would extend that 115kV line from the Studio substation to a nearby greenfield three-breaker ring, 115kV substation and to the adjacent existing Sandia substation to provide looped transmission service through the area.

While NM EDD may suggest potential power needs for specific sites in order to make them ready for development, the analysis of what is needed for power generation, transmission or distribution to service a particular site is a determination for the Public Regulation Commission, not NM EDD. *See* NMSA 1978, § 62-6-26.

Pursuant to Section 62-6-26 (F), NM EDD provided an opportunity for and considered public comment. NM EDD received one public comment regarding the application.

The Mesa del Sol location identified in the proposal is an appropriate site for review by NMEDD as a certified potential economic development site.

NMEDD reviewed this site using data provided by the applicant, public comment and independent data assembled by NMEDD. The review included assessments of site logistics, environmental concerns, ease of development, utility access and ownership and entitlements for each site.

After careful review, NM EDD identified advantages and disadvantages for the location and confirmed alignment with the intent of Section 62-6-26 (F). NM EDD has determined that the site meets the threshold established by Section 62-6-26 (F) as a site that is currently or potentially marketable and presents genuine economic opportunity within the State of New Mexico, provided sufficient investments in pre-development activities occur.

A summary of the review is below with additional information in the appendix.

Mesa del Sol - "500 Acre Employment Center"

Advantages:

- A. The location is part of a master planned community with significant existing development
- B. Location is designated as an "Employment Center" in the master plan, creating a "large-scale employment complex, designed to contain research and product development campuses"
- C. Close proximity to I-25 and five minutes from Albuquerque Sunport
- D. The requested utilities are part of the planned utility build out that has been approved by the City of Albuquerque as part of existing master plan
- E. Site is contiguous and has one property owner
- F. Site has existing water and waste-water access
- G. Significant existing interest in the location from a variety of different industrial users

Disadvantages:

- A. Needs additional natural gas service
- B. Roads are platted but not paved, waiting on infrastructure for paving.

Conclusion: Mesa del Sol has many assets that potentially make it a very competitive site for industrial and manufacturing in the region. The Mesa del Sol “Employment Center” location is frequently submitted by Albuquerque Regional Economic Alliance and the New Mexico Partnership for business-attraction opportunities whose potential loads range in size from 1 MW to 1 GW. This project would add needed capacity that can be dispatched throughout the area, particularly for construction power and for those customers requiring distribution-level service. This additional service could support expansion at the adjacent “Community Center” location as well as up to 3,000 adjacent potential housing units, including low-income housing. Close proximity to workforce housing and additional amenities at the “Community Center” would further enhance the marketability of the “Employment Center” location.

In addition, to increase its load-serving capability at the 500-acre site. PNM seeks to upgrade the existing 115 kV line to the Studio substation and extend that 115 kV line from the Studio substation to a nearby greenfield three-breaker ring, 115 kV substation and to the adjacent existing Sandia substation to provide looped transmission service through the area.

As established under Section 62-6-26 (F), NM EDD's statutory role is to evaluate whether proposed sites demonstrate reasonable economic development potential for the state. This determination is based on current and future investments needed for marketability. NM EDD does not make determinations regarding the location, or method of generation, transmission, or deployment of electricity. These determinations will be made by the Public Regulation Commission.

In conclusion, NM EDD hereby certifies that the site listed above submitted within the Public Service Company of New Mexico (PNM) application meet the criteria set forth in Section 62-6-26 (F) for marketable sites with the potential to provide meaningful economic opportunity for New Mexico.



Rob Black
Secretary
New Mexico Economic Development Department

CC: Cholla Khoury, PRC

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE COMPANY) OF NEW MEXICO’S APPLICATION FOR) APPROVAL OF TWO ECONOMIC DEVELOPMENT) PROJECTS AND ISSUANCE OF AN ACCOUNTING) ORDER GOVERNING THE TREATMENT OF COSTS) RELATED TO THOSE PROJECTS)) PUBLIC SERVICE COMPANY OF NEW MEXICO,)) <div style="text-align: right;">Applicant)</div>	Docket No. 25-00__-UT
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AFFIDAVIT

STATE OF NEW MEXICO)	
) ss	
COUNTY OF BERNALILLO)	

GRANT A. TAYLOR, Economic Development Specialist, for Public Service Company of New Mexico, upon being duly sworn according to law, under oath, deposes and states: I have read the foregoing **Direct Testimony of Grant A. Taylor**, and it is true and accurate based on my own personal knowledge and belief.

Dated this 29th day of December, 2025.

/s/Grant A. Taylor
GRANT A. TAYLOR