

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

COMPLETED PROJECTS¹

Study Type: Interconnection Service Request (TP-2000-01)

Requestor: Multiple Requests: Arizona Public Service Company Reliability, Salt River Project Agricultural Improvement and Power District Reliability, Pacific Gas & Electric Generating, NRG Energy Inc., Sempra Energy Resources, Duke Energy, Power Development Enterprises, Pinnacle West Energy, Inc.

Location: At or adjacent to Palo Verde Nuclear Generating Station

PNM is a participant in the Palo Verde Nuclear Generating Station and the Palo Verde High Voltage Switchyard ("Palo Verde Switchyard"). Salt River Project Agricultural Improvement and Power District ("SRP") is the Operating Agent for the Palo Verde Switchyard. In its role as Operating Agent, SRP has received numerous requests to interconnect new transmission and generation facilities to the Palo Verde Switchyard and/or a new switchyard to be developed adjacent to the existing switchyard, and to facilities comprising the Valley Transmission System ("VTS"). The System Impact studies entitled "Report on the Preliminary Study for the Palo Verde Interconnection" dated March 2, 2001, produced by SRP are available by contacting SRP.

PNM is not performing any system impact study of its own on the various requests for interconnection received by SRP for the Palo Verde Switchyard and VTS. Interconnection agreements have been negotiated with the interconnectors and filed with the FERC.

The owners of the Palo Verde Transmission System have completed studies supporting an increase in the Total Transfer Capability ("TTC") of the Palo Verde East Transmission Path rating from 4750 MWs to 5120 MW. This increase in TTC affects the bi-directional rating of the transmission paths that consist of the Palo Verde-Westwing 500 kV #1 and #2 transmission lines and the Palo Verde/Hassayampa-Kyrene 500 kV transmission line. This new TTC will become effective at 6:00 a.m. MST on Tuesday, October 15, 2002.

The owners of the three transmission lines are Arizona Public Service, El Paso Electric Company ("EPE"), PNM and SRP. The increased rating will be allocated to each company based upon their ownership share of the transmission lines.

System study work has determined that latent transfer capability exists as of October 15, 2002, on the Palo Verde Transmission System (PVTs).

	Ownership Shares	TTC	Today	TTC Tomorrow	Increase
APS	34.6%	1644	1772	128	
EPE	18.7%	888	957	69	
PNM	12.1%	575	620	45	
SRP	34.6%	1643	1772	129	
Totals	100.0%	4750	5121	370	

¹ Due to the length of prior versions of the Transmission and Interconnection Study status document, PNM has separated that document into three (3) documents. This document contains all the completed and withdrawn transmission and interconnection studies. The document entitled "Status of PNM Transmission Studies" contains all the active transmission study requests and PNM's self-initiated transmission studies. The document titled "Status of PNM's Interconnection Studies" contains the status of PNM's active generation interconnection studies.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Study Type: Interconnection Service (TP-2000-02)

Requestor: Duke Energy North America, LLC ("Duke")

Location: Luna Substation

On March 17, 2000, Duke entered into a system impact study agreement with EPE to study the impact of constructing a 614 MW generating station at the Luna 345 kV switching station. PNM is a partial owner of the Luna 345 kV Switching Station, which is operated by EPE on behalf of PNM and TNMP. On September 6, 2000, PNM and Duke have entered into an interconnection study agreement under which PNM will review the EPE study and provide comments on the study to Duke. The Duke Transmission and Facilities Study and the Duke Short Circuit Analysis were completed on January 22, 2001 by EPE and are available by contacting EPE.

These final reports contain the technical studies of the proposed generation as specified by Duke for the study years 2003 and 2008, along with the required reinforcements and cost estimates on the EPE and southern New Mexico transmission systems. PNM, EPE, TNMP and Duke have executed an Interconnection Agreement.

On October 28, 2002, Duke requested and PNM agreed to extend the in-service date from June 2003 to January 1, 2006. This modification does not impact Duke or any other requestor in the interconnection queue. EPE, PNM, and TNMP are currently negotiating an amendment to the Interconnection Agreement to provide for completion of the required reinforcements and interconnection facilities. The Parties have executed an Interconnection Agreement amendment extending the in-service date to January 1, 2006.

On November 12, 2004, PNM's parent company, PNM Resources, announced that PNM's merchant function would purchase a 1/3 interest in the uncompleted Duke plant. According to the announcement, Tucson Electric Power and Phelps Dodge would each also purchase 1/3 interest. The announcement indicated that the parties to the purchase expect the unit to be operational in the summer of 2006. To date, PNM's reliability function has received no requests for specific changes to the existing interconnection agreement with Duke.

Study Type: Interconnection Service (TP-2001-01)

Requestor: Confidential

Location: Luna Substation

On February 2, 2001, EPE received a request to perform a Fatal Flaw analysis for a 600 MW generator connecting at Luna 345 kV Switching Station. EPE's analysis will only determine fatal flaws to the plan, i.e., overloaded lines, voltage problems, reactive problems, short circuit problems. PNM is a partial owner of the Luna 345 kV Switching Station, which is operated by EPE on behalf of PNM and TNMP. Because of the timing for the study desired by the applicant, and the nature of the study (only fatal flaw), EPE is performing this part of the study alone as the Luna 345 kV substation operating agent. If any further studies are desired by the applicant beyond this initial fatal flaw study, PNM and TNMP will be asked to participate in the study. This study was completed as of August 2001. According to EPE, the requestor did not go forward with this project.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Study Type: Interconnection Service (TP-2001-02)

Requestor: Confidential

Location: Hidalgo Substation

EPE received a request to perform a Fatal Flaw analysis for a 500 MW generator connecting at Hidalgo 345 kV switching station. EPE's analysis will only determine fatal flaws to the plan, i.e., overloaded lines, voltage problems, reactive problems, short circuit problems. PNM is a partial owner of the Hidalgo 345 kV Switching Station, which is operated by EPE on behalf of PNM and TNMP. Because of the timing for the study desired by the applicant, and the nature of the study (only fatal flaw), EPE is performing this part of the study alone as the Hidalgo 345 kV substation operating agent. If any further studies are desired by the applicant beyond this initial fatal flaw study, PNM and TNMP will be asked to participate in the study.

Study Type: Interconnection Service Request (TP-2004-01)

Requestor: Confidential

Location: San Juan County, NM

On March 9, 2004, Requestor submitted an application to install and interconnect two 700 MW net coal fired generation units in San Juan County, NM, approximately 25 miles southwest of Farmington, NM. The in-service date for the first unit is the fourth quarter of 2008 and the second unit is 2009. Arizona Public Service Company ("APS"), as the Operating Agent of the 500 kV switchyard, and the other Participants in the 500 kV switchyard have agreed to review the study results. On December 1, 2004 PNM sent APS comments on the study scope. On April 4, 2005 APS sent out an updated final study scope. Study was completed in late 2005.

Study Type: Voltage Support at Yah-Ta-Hey 115 kV Switching Station (TP-2005-01)

Requestor: PNM

Location: Yah-Ta-Hey 115 kV Switching Station

On April 13, 2005, PNM filed with the NMPRC a request under NMPRC Rule 440 to install a 32 Mvar shunt capacitor bank at PNM's Yah-Ta-Hey 115kV switching station in western New Mexico to add voltage support to PNM's electric transmission system serving western New Mexico, to maintain adequate and reliable service to existing PNM and network service loads located on that portion of the system as well as to be able to provide for new load growth in the area.

PNM's western New Mexico transmission system has been experiencing a continual load growth. In 2003 the Navajo Tribal Utility Authority ("NTUA") transferred load to the PNM system that was previously connected to and served from the Arizona portion of the NTUA system. This change increased the NTUA winter peak load (served by PNM) by more than 50%. Also, in 2001 when Tri-State Generation and Transmission Association, Inc. ("Tri-State") became a network customer of PNM, PNM became aware of a Tri-State pumping load in western New Mexico, that was previously unknown to PNM. The total western New Mexico load is expected to increase by over 1.5% per year over the next five years. Analysis of the western New Mexico transmission system has shown that there is a potential for severe voltage depression during peak load conditions following the loss of PNM's 345/115kV Yah-Ta-Hey transformer. In order to prevent peak load voltage depression in such circumstances and to comply with North American Electric Reliability Council ("NERC"), Western Electricity Coordinating Council

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

("WECC"), and PNM Operating and Planning Performance Criteria, PNM has determined the need to install a 32 Mvar mechanically switched shunt capacitor bank at PNM's Yah-Ta-Hey 115kV switching station.

PNM will install a 32 Mvar shunt capacitor bank on the 115kV bus at Yah-Ta-Hey switching station by the end of first quarter of 2006, based on the earliest date that PNM Engineering is able to schedule the project. The project will also include a current limiting reactor, a vacuum switch, a disconnect switch, a breaker, and a surge arrester. The proposed in-service date has been extended to the 4th quarter of 2006. This project was put in-service on June 30, 2006.

Study Type: Under Voltage Load Shedding Remedial Action (TP-2005-02)

Requestor: PNM

Location: PNM's Control Area

On April 20, 2005, PNM filed with the NMPRC a request under NMPRC Rule 440 to install additional equipment to enhance PNM's existing Under Voltage Load Shedding Scheme (UVLS) and enable PNM, in the event of an unplanned transmission disturbance event, to keep load connected as long as possible, as well as allowing for major transmission lines to be taken out of service for maintenance, while still meeting the reliability requirements. The UVLS will also allow PNM to manage the risk of voltage collapse for contingencies that have a relatively low likelihood of occurring coincident with peak load periods. Use of the UVLS and the controlled load shedding it produces, reduces a potentially catastrophic, widespread system disruption to a series of short-term localized outages and is consistent with the WECC MORC and "safety net" requirements. The controlled (pre-determined) load shedding plan also facilitates a more rapid load restoration.

The enhancements will eliminate the potential for a single point of failure of the common power supply to the ICLSS equipment cabinets, improve under voltage relays at the system substations, upgrade communications for redundant paths and make modifications to include new system additions since the original UVLS installation. The current in-service date is March 2006. The in-service date has been extended to November 2006. This project is in-service.

Study Type: Interconnection Study Request (TP-2006-02)

Requestor: Confidential

Location: Chavez County, NM

On March 29, 2006, Requestor submitted an application to EPE to interconnect 500 MW wind generation in Chavez County, New Mexico to the EPE system on the Amrad Eddy 345 kV transmission line with an in-service date is December 31, 2009. EPE, as the Operator for the Southwest New Mexico Transmission Project will be the lead party conducting the transmission studies. PNM has agreed to participate in the study. On April 15, 2006, PNM and Requestor entered into a Feasibility Study Agreement. On August 24, 2006, PNM reviewed and commented on the EPE draft report. On September 20, 2006 PNM reviewed and commented on the second EPE draft report. On October 17, 2006, EPE forwarded the final report to Requestor.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Study Type: West Mesa to Belen (WB) 115kV Line Upgrade (TP-2006-05)

Requestor: PNM

Location: Bernalillo and Valencia Counties

On September 13, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the West Mesa to Belen (WB line) by phase raising the existing WB 115kV line to mitigate line overloads and comply with NERC, WECC and PNM Planning and Performance Criteria. This line and the AT line 115kV from Person to Tome are the two primary transmission sources into the Valencia Division. Loss of either line requires the remaining line to carry the entire Valencia 115kV load as well as to serve the Tri-State load to Willard and Socorro. The upgrade will enable this line to be operated at its thermal rating to 117 MVA.

The WB line ampacity rating increase will be accomplished by ground clearance improvements. Raising certain sections of the WB line to increase ground clearance will allow for a higher thermal ampacity rating. This project is part of PNM's on-going effort to maximize the reliable utilization of PNM's transmission system in the most cost effective manner to continue to meet native and network customer load growth. The proposed in-service date is July 2007. This project was completed in May 2007.

Study Type: Pachmann Switching Station (TP-2006-06)

Requestor: PNM

Location: Northwest Bernalillo and Southwest Sandoval Counties

On September 28, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to construct a new 115kV switching station which will be configured as a five (5) breaker ring bus. The new switching station will segment the existing Algodones to West Mesa (AL) 115kV transmission line and the Corrales Bluff to B-A (CB) 115kV transmission line. The proposed Pachmann Switching Station site is adjacent to the existing transmission corridor for both 115kV transmission lines. Minimal transmission line work will be necessary to terminate the existing lines into the proposed switching station.

The purpose of this project is to strengthen and expand the transmission system in the northwest Bernalillo County and southwest Sandoval County area. This area has been growing at 10% - 14% per year over the past five years. This high rate of growth is expected to continue. It is necessary for PNM to provide additional voltage support to the Algodones to West Mesa (AL) 115kV transmission line and to make available additional transmission capacity to serve the growing load.

On October 29, 2007, the AL line were successfully terminated at the newly energized 115 kV Pachmann Switching Station. The CB line will be terminated in November.

Study Type: Corrales Bluff to Southern Blvd. 115kV Transmission Line (TP-2006-07)

Requestor: PNM

Location: Northwest Bernalillo and Southwest Sandoval Counties

On March 15, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to construct a new 115kV transmission line extending from the existing Corrales Bluff Switching Station to the intersection of Southern Blvd. and Highway 528 in Rio Rancho. This new line will segment

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

the existing Corrales Bluff to B-A (CB) 115kV transmission line and the tap line along Southern Blvd. (RR) 115kV transmission line. The target completion date for the line upgrade is August 2009.

The purpose of this project is to strengthen and expand the transmission system in the northwest Bernalillo County and southwest Sandoval County area. This area has been growing at 10% - 14% per year over the past five years. This high rate of growth is expected to continue. It is necessary for PNM to provide additional capacity and to maintain system reliability. The proposed transmission line will separate an existing transmission line into two segments which will improve the system reliability. The proposed line will also be a necessary section of a future new source line that will bring additional capacity into the Rio Rancho areas to serve the growing load.

This project is completed.

Study Type: Mesa Del Sol Substation (TP-2006-08)

Requestor: PNM

Location: Southern Albuquerque

On October 5, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to build a new substation in Albuquerque within the development called Mesa del Sol, which is located south of the Albuquerque International Airport, to support the increasing load. The recommendation is to build a new substation consisting of one 115-12.47 kV, 33.6 MVA transformer with 4-feeder switchgear and a tie breaker. One new feeder will be built from the substation to interconnect with the existing feeder from Sewer Plant Substation. This new substation will be served from the PS 115kV line.

The new Mesa del Sol Substation will provide both the transformer and feeder capacity needed to serve the growing area known as Mesa del Sol. This new substation will be the primary source of electric service for the development. Additionally, this new substation will, during single contingencies, eliminate transformer and feeder loading problems for an outage of Sewer Plant Substation transformer. This project has an in-service date of June 30, 2007. This station is in-service.

Study Type: Blackwater Station Life Extension (TP-2006-09)

Requestor: PNM

Location: Eastern New Mexico

On November 21, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the controls and replace the evaporative cooling for the back-to-back AC-DC-AC Blackwater Converter Station ("Blackwater Station"), located in eastern New Mexico near the Texas-New Mexico border, based on the economic benefit derived and to address reliability issues, water issues and lease obligations.

The upgrade consists of replacing the controls and evaporative cooling systems. The cooling system replacement was complete in November 2009; the controls system upgrade was completed in November 2009. These improvements will extend the station's life for up to 20 years and were based on the economic benefits and need to address reliability issues, water issues and lease obligations.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

This project is complete.

Study Type: Prosperity Switching Station (TP-2007-02)

Requestor: PNM

Location: Bernalillo County

PNM is in the process of acquiring property for the Prosperity Switching Station in southeast Albuquerque. The need for this switching station is based on two factors. The first is the need to provide a new 115kV transmission source into southern Albuquerque area, to support existing area demand and projected load growth in that area. The second factor is to provide 115kV outlets to serve the community of Mesa Del Sol.

Existing demand is such that loss of the primary bulk power source into southern Albuquerque will result in overloads on the remaining local area 115kV lines forcing non-economic dispatch of local generation during peak load conditions. PNM plans are to bring into the Prosperity Switching Station a new 115kV source to provide a secondary bulk power source to the area. The secondary source will be capable of maintaining service to southern Albuquerque during loss of the primary bulk power source without the need for non-economic dispatch of local generating resources. The project in-service-date is 2010.

Study Type: Rebuild the Alamogordo to Hollywood 115 kV line (TP-2007-03)

Requestor: PNM

Location: Otero County

PNM (through its acquisition TNMP) has undertaken a joint project with Tri-State to construct a new 46-mile 115 kV transmission line that will replace the thermally limited existing transmission line that serves the loads east of Alamogordo, NM. PNM will be responsible for constructing a 14-mile segment from TNMP's Alamogordo substation to Tularosa, NM. Tri-State will construct the remaining 32 miles from Tularosa to the Hollywood substation in Ruidoso, NM.

This project was originally scheduled for completion July 2006, however, PNM and Tri-State have experienced major delays associated with Bureau of Land Management ("BLM") permitting. This has resulted in a delay of the project.

PNM has completed it's segment. Tri-State will complete it's segment by 2nd quarter of 2008.

This project has been completed.

Study Type: KM Line and MA Line Upgrades (TP-2008-02)

Requestor: PNM

Location: Bernalillo, Cibola and McKinley Counties

On March 20, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the 115kV transmission line running from West Mesa Switching Station to Gulf Minerals Substation (the "KM 115 kV line") and Gulf Minerals Substation to Ambrosia Station (the "MA 115kV line"), by increasing the line ground clearance to increase the current carrying capability of the line to comply with NERC, "WECC and PNM Planning and Performance Criteria. This

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

upgrade will enable this line to be operated at its thermal rating to meet existing and future loading requirements.

The purpose of this upgrade is to increase the current carrying capability of the KM and MA 115 kV lines to its conductor thermal limit of 212 degrees Fahrenheit. As a result, the line rating can be increased from 67 MVA to 133 MVA. This project is part of a series of undertakings by PNM over the course of the past few years to maximize the transfer capability of the PNM transmission system to continue to meet native load growth and transmission system contractual obligations.

This project has been completed.

Study Type: WL 115 kV Line Upgrade (TP-2008-03)

Requestor: PNM

Location: Valencia and Torrance Counties

On March 20, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the 115kV transmission line running from Belen Substation to Willard Substation (the "WL 115 kV line"), by increasing the line ground clearance to increase the current carrying capability of the line to comply with NERC, WECC and PNM Planning and Performance Criteria. This upgrade will enable this line to be operated at its thermal rating to meet existing and future loading requirements.

The purpose of this upgrade is to increase the current carrying capability of the WL 115 kV line to its conductor thermal limit of 212 degrees Fahrenheit. As a result, the line rating can be increased from 30 MVA to 72 MVA. This project is part of a series of undertakings by PNM over the course of the past few years to maximize the transfer capability of the PNM transmission system to continue to meet native load growth and transmission system contractual obligations.

This project is completed.

Study Type: AW 115 kV Line Upgrade (TP-2008-04)

Requestor: PNM

Location: Torrance, Santa Fe and Sandoval Counties

On June 3, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the 115kV transmission line running from the Algodones Switching Station to the Willard Substation (the "AW 115 kV line"), by increasing the line ground clearance to increase the current carrying capability of the line to comply with NERC, WECC and PNM Planning and Performance Criteria. This upgrade will enable this line to be operated at a rating of 66MVA to meet existing and future loading requirements.

This project is completed.

Study Type: Installation of a Shunt Reactor Circuit Breaker(TP-2008-06)

Requestor: PNM

Location: Ojo 345 kV Switching Station

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On July 3, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to install a shunt reactor circuit breaker at the Ojo 345 kV switching station to permit full switching capability of the 72 Mvar shunt reactor at the Ojo 345 kV station located on the Ojo-San Juan 345 kV line. This project will effectively maximize utilization of existing assets to maintain reliability of PNM's bulk transmission system to comply with NERC reliability standards and provide reliable voltage control for PNM's bulk transmission system serving northeast New Mexico and will maintain adequate and reliable service to existing loads on that part of the system.

This project has been completed.

Study Type: Amrad Transformer (TP-2008-08)

Requestor: PNM

Location: Otero County, NM

On December 9, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to replace the existing Amrad 345/115 kV transformer that failed on July 11, 2008. The Amrad 345/115 kV bulk transformer is a component of the facilities jointly owned by PNM and El Paso Electric ("EPE"). EPE is the operating agent for the facilities.

EPE determined that the most expedient and cost effective means to return the transmission system in southern New Mexico to normal operating conditions would be to install a replacement transformer, and on July 25, 2008 EPE ordered a replacement transformer.

This project is completed.

Study Type: Progress Substation and Pachmann Switching Station to Progress Substation 115 kV Line (TP-2008-10)

Requestor: PNM

Location: Rio Rancho, NM

On October 21, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to develop a new distribution substation, Progress Substation, to be located in Rio Rancho, NM. This project will also consist of construction of 5.5 miles of 115 kV line from Pachmann switching station to Progress Substation.

This project has been completed.

Study Type: Transmission System Study (TSS-2006-01)

Requestor: Powerex

Location: Point to Point Transmission Service

On December 19, 2006, PNM received Powerex's Long Term Point to Point Transmission Service Request for 50 MW for the years of 2008, 2009, 2010 and 2011. PNM determined that there is not sufficient ATC to satisfy the request. On January 31, 2007, PNM and Powerex entered into a Long-Term Firm Point to Point Transmission Service System Impact Study Agreement ("Study"). On March 23, 2007, PNM extended the completion date of the Study to April 27, 2007. On April 27, 2007, PNM and Requestor held a teleconference to discuss the preliminary Study results. On May 2, 2007, PNM and Requestor had a teleconference to further

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

discuss the preliminary Study results. At that time, PNM informed Requestor that another three (3) weeks would be required to complete the Study. PNM is working on the Study.

On May 29, 2007, PNM forwarded Powerex a final Study Report. On June 7, 2007, PNM and Powerex met to discuss the Study Report. PNM is researching options for Powerex's transmission service request.

This TSR was Refused.

Study Type: Transmission System Study (TSS-2006-02)

Requestor: Powerex

Location: Point to Point Transmission Service

On July 6, 2007, PNM received Powerex's Long Term Point to Point Transmission Service Request for 50 MW for the 2008. In TSS-2006-01, PNM determined that there is not sufficient ATC to satisfy the request. On August 3, 2007, PNM forwarded Powerex a System Impact Study Report Agreement. On August 21, 2007, Powerex informed PNM of its decision to use the prior study report this request. See the above study for more information.

Study Type: Transmission System Study (TSS-2007-01)

Requestor: TSGT

Location: San Fidel Tap

On August 26, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to install the San Fidel 115 kV Tap near the town of San Fidel in Cibola County, New Mexico approximately 15 miles west of TSGT's Laguna Substation on PNM's Bluewater to West Mesa (BW) 115 kV transmission line.

PNM, Tri-State and Continental Divide Electric Cooperative, Inc. ("Continental") entered into a contractual agreement on August 14, 2008 to physically interconnect Continental's new 115 kV/24.9 kV substation, San Fidel Substation, to the San Fidel 115 kV Tap.

This project was completed in December 2008.

Study Type: Transmission System Study (TSS-2008-01)

Requestor: SPS

Location: Blackwater to Four Corners

On February 22, 2008, PNM received a request from Xcel Energy (aka Southwest Public Service Company) ("Xcel") for 100 MW long term firm transmission service on the BB line. There is insufficient ATC to satisfy this request. Xcel requested PNM to study Conditional Firm and Planning Redispatch.

On May 30, 2008, PNM tendered a Transmission System Impact Study Agreement ("SISA") for SPS's consideration. Subsequently Xcel informed PNM the Xcel would not be executing the SISA.

This TSR was Refused.

Study Type: Transmission System Study (TSS-2008-02)

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Requestor: Powerex
Location: Blackwater to Four Corners

In February 21, 2008, PNM received three requests from Powerex for 50 MW long term firm transmission service from Blackwater 230 kV to Four Corners 345 kV, and on February 26, 2008, PNM received a request for 50 MW long transmission term firm service from Blackwater 230 kV to Four Corners 345 kV. There is insufficient Available Transfer Capability (ATC) to satisfy these requests. Powerex requested PNM to study the necessary system upgrades to accommodate these transmission service requests. PNM will take a "cluster" approach to evaluating the four requests submitted by Powerex.

On April 14, 2008, PNM was informed that Powerex will not be going forward with the studies.

The TSRs remain in the Transmission Study queue as Competing requests.

Study Type: Transmission System Study (TSS-2008-02)

Requestor: SPS
Location: Blackwater to Four Corners

On July 17, 2008, PNM received a request from Xcel Energy (aka Southwest Public Service Company) ("Xcel") for 100 MW long term firm transmission service on the BB line. There is insufficient ATC to satisfy this request. Xcel requested PNM to study Conditional Firm and Planning Redispatch.

On August 21, 2008, PNM tendered a Transmission System Impact Study Agreement ("SISA") for Xcel's consideration. On August 29, 2008, the SISA was executed and in 10/2008 the SIS Report was issued.

On November 13, 2008 a Transmission Service Agreement was tendered. On November 18, 2008, the Transmission Service Agreement was executed.

Study Type: Transmission System Study (TSS-2008-03)

Requestor: Cargill Power Markets
Location: Storrie Lake to Four Corners

On July 23, 2008, PNM received a request from Cargill Power Markets LLC ("Cargill") for 80 MW long term firm transmission service from Storrie Lake 115 kV to Four Corners 345 kV. On August 20, 2008, PNM tendered a Transmission System Impact study Agreement to Cargill.

On September 4, PNM issued the System Impact Study Report and tendered a Transmission Service Agreement for Cargill's consideration. On October 13, 2008 this request was withdrawn.

Study Type: Transmission System Study (TSS-2008-04)

Requestor: PSCo
Location: Blackwater to Four Corners

On September 15, 2008, PNM received a request from Xcel Energy (aka Public Service Company of Colorado) ("Xcel") for 50 MW long term firm transmission service on the BB line.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

There is insufficient ATC to satisfy this request. Xcel requested PNM to study Conditional Firm and Planning Redispatch.

On November 26, 2008 a Transmission System Impact Study Agreement was executed.

On January 26, 2009, PNM issued the Transmission System Impact Study Report and tendered a Transmission Service Agreement.

Xcel did not execute the Transmission Service Agreement.

The TSR was Refused.

Study Type: Transmission System Study (TSS-2008-05)

Requestor: SPS

Location: Blackwater to Four Corners

On September 15, 2008, PNM received a request from Xcel Energy (aka Southwest Public Service Company) ("Xcel") for 50 MW long term firm transmission service on the BB line. There is insufficient ATC to satisfy this request. Xcel requested PNM to study Conditional Firm and Planning Redispatch.

On November 18, 2008, a Transmission System Impact Study Agreement was executed.

On January 15, 2009, PNM issued the Transmission System Impact Study Report and tendered a Transmission Service Agreement.

On January 28, 2009, the Transmission Service Agreement has been executed.

Study Type: Transmission System Study (TSS-2008-06)

Requestor: Cargill Power Markets

Location: Willard to Four Corners

On December 1, 2008, PNM received a completed transmission service application from Cargill Power Markets LLC ("CRGL") for 150 MW long-term firm transmission service from the Willard Station to Four Corners 345 kV (TSR # 72645483). On December 31, 2008, PNM tendered a Transmission System Impact Study Agreement for CRGL's consideration.

On January 13, 2009, the Transmission System Impact Study Agreement was executed.

On July 31, 2009, the Transmission System Impact Study Report was issued.

On August 17, 2009, the Transmission Facilities Study Agreement was tendered.

The Facilities Study Agreement was not executed by the due date, therefore, TSR # 72645483 was Rejected.

Study Type: Transmission System Study (TSS-2008-07 through TSS-2008-18)

Requestor: Cargill Power Markets

Location: Willard to Four Corners

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On December 1, 2008, PNM received completed transmission service applications for 11 additional transmission service requests ("TSR") from Cargill Power Markets LLC ("CRGL") for long-term firm transmission service from the Willard Station to Four Corners 345 kV. On December 31, 2008, PNM tendered a Transmission System Impact Study Agreement for each request for CRGL's consideration.

PNM will complete the Transmission System Impact Study for TSS-2008-06 (TSR # 72645483) for 150 MW and will tender CRGL a Transmission Service Agreement ("TSA"). PNM will not begin work on the next study in the series of 11 TSRs until CRGL either executes the TSA for TSS-2008-06, or CRGL withdraws TSR # 72645483. This series of TSRs will be studied sequentially, one after the other, once a resulting TSA is tendered and executed by CRGL in association with each completed TSS, or CRGL withdraws the TSR, in favor of the next one in the sequence.

Due to the rejection of TSR # 72645483, TSS-2008-07 through TSS-2008-18 were Rejected.

Study Type: Transmission System Study (TSS-2008-23)

Requestor: Cargill Power Markets

Location: Willard to Four Corners

On December 1, 2008, PNM received a completed transmission service application from Cargill Power Markets LLC ("CRGL") for 100 MW long-term firm transmission service from the Willard to Four Corners 345 kV (TSR # 72652209).

PNM will not begin work on the study for CRGL's TSR #72652209 until completion of the study for WWPP's TSR # 72647626 as described in TSS-2008-22 above, or TSR # 72647626 is withdrawn.

Due to the rejection of TSS-2008-07 through TSS-2008-18, TSS-2008-23 was rejected.

Study Type: Interconnection Service Request (IA-PNM-1999-01)

Requestor: Cobisa-Rio Puerco Power Company, Inc. ("Cobisa")

Location or Points of Receipt and Delivery: Near Belen, NM

On December 15, 1999, PNM entered into a system impact study agreement with Cobisa regarding an interconnection of a 220 MW gas-fired generating station to PNM's 115 kV transmission near Belen, New Mexico, south of Albuquerque. The study showed that several upgrades to the 115 kV system near Belen would be required to interconnect a 220 MW generating plant to the grid at Belen.

On September 15, 2000, as a result of Cobisa's revised plan for the proposed generating station, Cobisa and PNM agreed that PNM would perform additional studies for the proposed project. The additional studies will assume a maximum station capacity of approximately 145 MW. The System Impact Study for Cobisa's revised plan was completed on November 9, 2000.

On December 20, 2000, PNM entered into a facilities study agreement with Cobisa. The facility study for Cobisa was completed on February 23, 2001. This facility study provides estimated costs and preliminary design information for facilities required to interconnect Cobisa's plant to the Belen site. PNM is in the process of revising the cost estimates to reflect PNM's Distribution

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Planning project alternative consisting of 115 kV system improvements from Belen to Tome due to PNM acquiring the Belen to Willard 115 kV line from Tri-State on February 28, 2001. Acquisition of the Belen to Willard line may enable PNM to avoid upgrading the Belen-Person 46 kV line to 115 kV. This request was effectively modified by Cobisa's designation of an alternate site in Belen as discussed in IA-PNM-1999-01(A).

Study Type: New 115 kV Line Interconnection (IA-PNM-1999-02)

Requestor: Department of Energy ("DOE") and Los Alamos National Laboratory ("LANL")

Location: Norton Substation

On November 30, 1999, PNM entered into a non-tariff interconnection study agreement with the United States DOE and LANL (Congressional action has since changed DOE's name to National Nuclear Security Agency-NNSA). Both DOE and LANL are retail service customers of Los Alamos County. Los Alamos County is a tariff transmission service customer of PNM. DOE proposes to construct a new substation and 115 kV transmission line within the LANL property at Los Alamos and interconnect the 115 kV line with PNM's Norton Switching Station in northern New Mexico. The Final Non-Tariff Study Report was issued to DOE on June 22, 2000.

Based on the Plains and Tri-State merger referenced in the Cobisa study referenced above and numbered IA-PNM-1999-01, DOE and LANL seek to determine the impact on PNM's system transfer limits by rerouting the Norton to Hernandez 115 kV line into Los Alamos. PNM assumed ownership of the Norton to Hernandez in February 2000.

The Final Report pursuant to the Non-Tariff Study Agreement was issued to DOE on February 16, 2001. Subsequent to issuance of the Final Report, PNM and DOE applied certain revision to portions of the report. PNM reissued the report to DOE on June 22, 2001.

Study Type: System Impact Study Agreement (IA-PNM-2001-03)

Requestor: Tri-State Generation and Transmission Association, Inc. ("Tri-State")

Location: Colorado-New Mexico Interconnection Project ("CNMIP")

Tri-State has requested PNM to study their proposed Colorado-New Mexico Intertie Project that consists of a 113 mile 230 kV transmission line from Walsenburg, Colorado to Gladstone, NM as part of the Northern New Mexico Interface ("NNMI") Path 48. This project has a proposed in-service date of December 2007. This comprehensive report will be used to expedite the Western Electricity Coordinating Council ("WECC") regional rating review process.

On April 17, 2001, PNM and Tri-State entered into a System Impact Study Agreement. On May 1, 2001, PNM sent Tri-State a draft study scope. On September 17, 2001, PNM sent Tri-State a revised study scope. On December 5, 2001, Tri-State executed the study scope. On September 12, 2002, PNM sent to Tri-State a draft report. On October 21, 2002, PNM sent a revised draft report based on Tri-State's comments. On September 19, 2005, Tri-State revised the CNMIP in-service date to December 2006. In November of 2006, Tri-State revised the CNMIP in-service date to mid-January 2007.

On January 5, 2006, PNM sent TSGT the latest draft of System Impact Study Report. On January 20, 2006 PNM received Tri-State's comments. The report was finalized on February 28, 2006. On March 1, 2006, PNM sent a letter and the comprehensive progress report to WECC members titled "WECC Expedited Process Request for the Accepted Rating of the Path

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

48 (NM2) Northern New Mexico Transmission” of achieving an Accepted Rating for Path 48 for the CNMIP planned transmission upgrade as listed below:

	Simultaneous Rating <u>EPE PST @ 201 MW</u>	Non-Simultaneous Rating <u>EPE PST @ 0 MW</u>	Time Frame
Existing System	1785 MW	1952 MW	Existing
CNMIP	1849 MW	1970 MW	December 31, 2006

(see TS-PNM-2001-02 in this document for related activities)

On May 5, 2006, WECC notified PNM that the proposed Accepted Rating for Path 48 had been accepted, pending completion of the CNMIP and SL/VS upgrades. On December 21, 2006, the SL-VS portion of the CNMIP project was completed. The project in-service date for CNMIP is January 17, 2007. This project is in-service.

Study Type: Interconnection Study Request (IA-PNM-2001-06)

Requestor: Celerity Energy of New Mexico (“Celerity”)

Location: Albuquerque

On May 25, 2001, Requestor completed an application for interconnection service with PNM to interconnect certain “networked distribution resources” to PNM’s distribution system for resale to Public Service Company of New Mexico - Merchant function (“PNMM”). PNMM entered into a purchase agreement with Requestor in December 2000 and has advised PNM’s reliability function of its intention to designate the Requestor’s resource as a network resource for serving PNM’s native load. Requestor has initiated the application process with regard to two locations.

The first location is an Albuquerque area hospital with four diesel generators (rated at 1800, 800, 600 and 600 kW, respectively). This site has previously been designed to operate in parallel with PNM’s system per the provisions of NMPRC rules regarding self-generation.

The second location is the Albuquerque airport with four 400 kW units. In December 2002, PNM and Celerity completed to their mutual satisfaction commissioning tests of the four 400 kW airport generating units. PNM authorized Celerity to operate the units in parallel with the PNM system in January 2003. PNM and Celerity have entered into an Interconnection Agreement. This project has terminated pursuant to the terms of the Interconnection Agreement.

Study Type: Interconnection Study Request (IA-PNM-2001-12)

Requestor: People’s Energy (“PERC”) new owner Black Hills

Location: Near Willard-Belen 115 kV Line

On July 30, 2001, PERC submitted an application to install and interconnect up to 280 MW of natural gas generation. The proposed in-service date is June 1, 2003. On December 18, 2001, PNM and PERC entered into the system impact study agreement incorporating Phases I and II of the proposed 280 MW generation facility. On April 4, 2002, PNM sent PERC a revised study scope based on comments received from the PERC. On September 9, 2002, PNM sent PERC a draft System Impact Study Report for both Phase I and II of the project. On November 11,

Status of PNM's Completed and Withdrawn Transmission and Interconnection Studies 8/31/2010

2002, PNM sent PERC clarification on the draft report. On December 4, 2002, PNM mailed PERC a Final System Impact Study Report.

PNM and PERC agreed to a phased approach to the Facility Study, producing a Facility Addition Study for Phase I. As described earlier in this document, PNM and PERC have completed the Phase I interconnection agreement. PNM and PERC then agreed to a Phase II Facility Study.

The PERC proposal was to develop the 280 facility in two phases. On September 29, 2004, on completion of the Phase II Facility Study, PERC advised PNM that it would not proceed with Phase II of the project. On April 20, 2004, PNM provided PERC a draft Phase II Facilities Study Report. PERC has provided comments on the draft Phase II Facilities Study. On May 12, 2004, PNM addressed those comments. PNM is currently drafting changes to the Facility Study based on updated study analysis. On June 17, 2004, PNM notified PERC that further study work done by PNM on other interconnection requests indicated that changes in the base assumptions resulting from the Duke Luna 600 MW gas generating station not meeting a January 1, 2006, in-service date could result in overloading of the Belen to Elephant Butte 115kV line on the Tri State transmission system. PNM has consulted with Tri State and advised Tri State that network upgrades on an affected system may be required as generation resources in the Belen area are brought on line by PNM. On September 13, 2004, PNM sent PERC a revised Phase II Facilities Study Report addressing PERC's comments. On September 29, 2004, PERC notified PNM of its decision not to continue with Phase II.

On January 30, 2006, PERC sold all rights in the subject to PNM's Merchant function. PNM Merchant function suspended this project.

On February 6, 2007, PNM Merchant notified PNM Transmission Operations of its intent to lift the suspension of this project.

On April 19, 2007, PNM filed with the NMPRC an informational filing under New Mexico Administrative Code (NMAC) 17.5.44 regarding a project to interconnect to PNM's 115kV transmission facilities a 143 MW gas-fired turbine. The character of this undertaking is to complete certain facility upgrades in association with the interconnection of the generation facility. In particular, the construction of a new 115 kV line to PNM's Tome 115 kV station, expansion of the Tome 115 kV Station to accommodate the new interconnection. PNM anticipates an in-service date of April 2008 to provide back feed power.

On June 20, 2007, Black Hills Corporation purchased the Valencia County generation facility from PNM-GPR, and the IA (originally between PNM and Valencia Energy, LLC) was assigned by PNM-GPR to Valencia Power, LLC. Construction of this interconnection is proceeding pursuant to the IA.

Study Type: Interconnection Study Request (IA-PNM-2001-13)

Requestor: FPL Energy Wind New Mexico, LLC

Location: De Baca, Quay and Guadalupe Counties, NM

On July 27, 2001, Requestor submitted an application to install and interconnect up to 200 MW of wind generation. The proposed in-service dated is January 2003. Requestor has extended

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

the in-service date to September 2003. This modification does not impact Requestor, or any other requestor, in the interconnection request queue.

On October 5, 2001, PNM and Requestor entered into a system impact study agreement. On April 9, 2002, PNM sent Requestor a revised study scope based on comments received from the Requestor. On October 10, 2002, PNM mailed a draft System Impact Study Report to Requestor. On October 28, 2002, PNM mailed Requestor a Final System Impact Study Report.

On November 25, 2002, PNM and Requestor entered into a Funding Agreement providing certain design, and engineering and construction services for a 345 kV Switchyard prior to completion of the Facility Study and Interconnection Agreement process.

On December 13, 2002, PNM filed with the NMPRC a request under NMPRC Rule 440 to construct a new 345 kV Switchyard. The character of this undertaking is to complete certain facility upgrades in association with the interconnection of the Requestor's 204 MW nameplate capacity wind-powered electric generation facility. In particular, the construction of a new 3-breaker 345 kV substation 63 miles west of the Blackwater High Voltage Direct Current Station located at the east end of the Bernalillo-Algodones Switching Station to Blackwater Station 345 kV transmission line.

On December 23, 2002, PNM and Requestor entered into a Facilities Study Agreement. On March 26, 2003, PNM mailed Final Facilities Study to Requestor. PNM has retained the services of a third-party vendor under the terms of the November 25, 2002, Funding Agreement. Construction on the 345 kV Switchyard is underway. On May 27, 2003, PNM and Requestor executed an interconnection agreement. The wind farm has been completed and interconnected to the PNM transmission system.

Study Type: Interconnection Study Request (IA-PNM-2002-02)

Requestor: City of Farmington, NM ("Farmington")

Location: City of Farmington, NM

Farmington has requested interconnection of new 115 kV transmission line at PNM's San Juan Switchyard. On June 28, 2002, PNM and Farmington entered into a Non-Tariff Interconnection Study Agreement. On February 11, 2003, PNM and Requestor executed the Study Scope. On March 25, 2003, PNM mailed a draft Study Report to Farmington. On April 16, 2003, PNM mailed the Final Study Report to Farmington. On February 25, 2004, PNM and Farmington executed an Interconnection Agreement and construction planning has begun.

On March 9, 2004, PNM filed with the NMPRC a request under NMPRC Rule 440 to complete certain upgrades in association with Farmington's requested interconnection at San Juan Generating Station 230 kV switching station that will be terminated into Farmington's 230 kV station. PNM has begun construction work on the 230kV switching station after conferring with Farmington on certain design modifications to both the PNM 230kV switching station and Farmington's 115kV substation. Farmington will construct the 115kV substation on property outside the San Juan Switchyard to be obtained by Farmington.

Study Type: Interconnection Study Request (IA-PNM-2003-01)

Requestor: Aragonne Wind, LLC

Location: Guadalupe County, NM

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On March 14, 2003, PNM received Requestor's initial request dated March 12, 2003, for an interconnection of 200 MW of wind power to be located on Argonne Mesa in Guadalupe County, NM, with an in-service date in the 4th quarter of 2004. On March 19, 2003, PNM notified Requestor that its request has been perfected as of March 12, 2003. On April 8, 2003, PNM and Requestor entered into a System Impact Study Agreement. On February 19, 2004, PNM forwarded to Requestor a System Impact Study Scope. On March 26, 2004, PNM and Requestor entered into the System Impact Study Scope. On May 21, 2004, PNM forwarded Requestor the System Impact Study Final Report.

On June 7, 2004, PNM provided Requestor a draft Facility Study Agreement. On June 23, 2004, PNM and Requestor entered into the Facility Study Agreement. On October 25, 2004, a draft Facilities Study Report was forwarded to Requestor. On October 25, 2004, PNM and Requestor met to review the draft Facility Study Report. Requestor had no modifications and PNM completed a final version of the Facility Study Report and forwarded to the Requestor on October 25, 2004. On November 3, 2004, Requestor changed to in-service date to September 1, 2006. On December 3, 2004, PNM provided a draft Large Generator Interconnection Agreement ("LGIA") to the Requestor. PNM and Requestor have reviewed the draft agreement and PNM is drafting additional changes to the draft agreement and appendixes.

On May 24, 2005, the Requestor notified PNM that they may change wind turbine manufacturers. Per Section 4.4 of the LGIP, PNM is evaluating the request to determine if it is a Major Modification to the interconnection request. This proposed change will require further study analysis. Such studies are necessary to address potential performance and control interaction issues, if any, and determine if additional analysis is required. On June 6, 2005, PNM provided the draft third party proposal to the Requestor. On August 22, 2005, Requestor authorized PNM to proceed with the 3rd party study. The 3rd party study is currently in process. On December 21, 2005, PNM and Requestor entered into a LGIA. PNM is proceeding with construction activities related to construction of the Guadalupe Switching Station and required interconnection facilities.

On April 3, 2006, PNM filed with the NMPRC a request under NMPRC Rule 440 to expand PNM's Guadalupe 345kV shunt reactor station to a three-breaker switching station. The character of this undertaking is to complete certain facility upgrades in association with the interconnection of the Requestor's 90 MW nameplate wind-powered electric generation facility. Aragonne requested interconnection service of 200 MW and has notified PNM that it is suspending work on the additional 110 MW reservation per the provisions of the LGIA.

On April 20, 2006, PNM and Requestor executed a Temporary Access Agreement.

An additional study is required for the purpose of verifying equipment performance and properly coordinating the controls and protection of the wind farm for the additional 110 MW. PNM is in the process of finalizing an Additional Interconnection Facilities Study Agreement ("Additional FS") with Requestor and a third-party consultant.

On May 30, 2006, Requestor executed the Additional FS, which authorized PNM to hire a third-party consultant to perform the Additional FS. PNM and a third party consultant are reviewing the preliminary study results as part of the Additional FS. The Additional FS report will be completed in mid-February 2007.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On December 17, 2006, the Guadalupe Switching Station was energized.

Study Type: Non-Tariff Interconnection Study Request (IA-PNM-2003-03)

Requestor: Los Alamos County, NM

Location: Norton Switching Station

On August 29, 2003, PNM received Los Alamos County's ("County") initial request for interconnection of a 115kV transmission line to PNM's Norton Switching Station. The proposed in-service date is August 2007. PNM has previously completed a non-tariff system study regarding the interconnection and on October 22, 2003, provided the Requestor a draft interconnection agreement. PNM has provided Los Alamos County a draft Letter of Understanding ("Letter") and continues to negotiate completion of the Letter.

County has also requested that PNM interconnect a new 345/115kV switching station (STA Station) to PNM's 115kV RL Line that currently emanates from PNM's BA Switching Station and terminates to PNM's 115kV interconnection to County at ETA Station. The STA interconnection will ultimately result in PNM transferring ownership of approximately four miles of the RL Line to ownership of the Department of Energy ("DOE"), whose facilities are operated for DOE by Los Alamos county through a pooling agreement. The anticipated in service date for STA station is February 2006. The construction of the STA station and certain internal facilities to the Los Alamos County system is a first phase of a system expansion that will result in the second phase incorporating the original request to interconnect a new transmission line emanating from STA Station to PNM's Norton Station at 115kV voltage.

County has completed construction of STA and PNM has facilitated a temporary interconnection for purposes of County completing testing and checkout of construction. PNM and County have entered into a Memorandum of Understanding regarding activities necessary to complete the energization of STA and the sequence of additional events to complete the interconnection of County's other facilities as well as the transfer of ownership of a portion of PNM's RL Line facilities to County in exchange for PNM receiving ownership of a transmission line operated by County.

PNM and County entered into a Letter Agreement for the Interconnection of the STA Station to the PNM RL Line facilities on February 3, 2006. Such Letter Agreement provided County the basis to interconnect STA Station but delayed energizing STA Station until PNM and County had reached agreement on various other County activities.

PNM and County entered into the Memorandum of Understanding on April 6, 2006. Such Memorandum of Understanding provided the contractual basis by which PNM would work with County to: (i) energize STA Station and make STA Station a PNM Point of Interconnection; (ii) make the necessary improvements at PNM Norton Station to accommodate STA Station, (iii) develop a timeline for the removal of PNM facilities at ETA Station; (iv) establish a timeline of requirements for the interconnection of the new transmission line facilities from STA Station to Norton Station; (v) establish the general terms and conditions of the Asset Exchange Agreement; and (vi) establish a temporary Engineering and Operating Committee to coordinate the various activities associated with the Memorandum of Understanding.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

PNM and County have incorporated the terms and conditions of the Memorandum of Understanding into the Second Revised Network Integration Transmission Service Agreement which was filed and accepted at the Commission. In addition, the parties are in the process of developing a draft of the Asset Exchange Agreement wherein PNM will exchange a portion of the PNM RL Line Facilities for a portion of the DOE/NNSA NL Line Facilities.

Updates can be found in the Active Study document.

Study Type: Interconnection Study Request (IA-PNM-2003-05)

Requestor: FPL Energy, LLC

Location: Quay and De Baca Counties, NM

On October 23, 2003, PNM received Requestor's initial request dated October 13, 2003, for interconnection of 102 MW wind generation to be located in Quay and De Baca Counties, NM with an in-service date of December 31, 2004. This request has a perfection date of October 29, 2003. On December 9, 2003, PNM and Requestor entered into a System Impact Study Agreement ("SIS").

On November 3, 2004, Requestor revised its generation from 103 MW to 51 MW. This revision does not impact the interconnection queue. On August 4, 2005, Requestor revised the in-service date to June 1, 2006. On August 19, 2005, Requestor and PNM executed the System Impact Study ("SIS") Scope. PNM will start the SIS once the 3rd party IA-PNM-2003-01 study is completed.

On March 1, 2006, PNM provided Requestor a Letter Agreement revising certain provisions of the SIS to reflect the use of an outside consultant to perform the SIS. On May 4, 2006, Requestor executed the Letter Agreement. On July 3, 2006, PNM sent Requestor a draft SIS report. The report was finalized on July 17, 2006. On July 14, 2006, Requestor requested PNM to perform a Facilities Study. Additional technical studies conducted by PNM did not identify any system reinforcements required to interconnect the Requestor project. On August 31, 2006, PNM informed the Requestor that a Facility Study was not needed. PNM will draft a Large Generator Interconnection Agreement ("LGIA") once confirmation is received from the Requestor. PNM sent a draft LGIA to Requestor on November 6, 2006.

On February 23, 2007, PNM and FPL Energy, LLC executed an LGIA. Construction is proceeding pursuant to the LGIA.

Study Type: Interconnection Study Request (IA-PNM-2003-06)

Requestor: Confidential

Location: McKinley County, NM

On October 23, 2003, PNM received Requestor's initial application dated October 13, 2003, for interconnection of 102 MW wind generation to be located in McKinley County, NM with an in-service date of May 5, 2005. This request has a perfection date of October 29, 2003. PNM has provided Requestor with a draft System Impact Study ("SIS") Agreement. On December 9, 2003, PNM and Requestor entered into a SIS Agreement.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On December 2, 2004, PNM sent Requestor a SIS Scope Agreement. On January 10, 2005 Requestor and PNM executed the SIS Scope Agreement. On September 6, 2005, Requestor revised the in-service date to May 2007.

On April 21, 2006, PNM sent Requestor a draft SIS Report. The SIS Report was finalized in May 2006. On June 5, 2006, Requestor requested PNM to perform a Facilities Study. On August 22, 2006, PNM sent Requestor a Facilities Study Agreement. On September 19, 2006, Requestor executed the Facilities Study Agreement.

The Facilities Study scope has been expanded to include a Third Party Consultant to assist PNM with the substation design.

On February 5, 2007 PNM sent Requestor an Amendment to the Facilities Study. On February 15, 2007 Requestor executed the Amendment to the Facilities Study. The Third Party Consultant is currently work on the substation design. Consultant anticipates the substation design to be completed by the end of July.

On June 29, 2007, PNM sent Requestor a draft Facilities Study Report ("Report").

On July 9, 2007, PNM and Requestor met to discuss the Report. PNM is waiting for Requestors comments to finalize the Report.

On August 8, 2007, Requestor informed PNM that it had no changes to the Report and to proceed to the Interconnection Agreement process. On August 8, 2007 PNM issued the final Report. PNM is drafting an Interconnection Agreement.

Study Type: Interconnection Study Request (IA-PNM-2004-01)

Requestor: National Nuclear Safety Administration

Location: Kirtland Air Force Base

On February 3, 2004, National Nuclear Safety Administration ("NNSA"), on behalf of Kirtland Air Force Base ("KAFB"), submitted a request to interconnect a new 115kV tap from PNM's Kirtland Station to interconnect with the existing KAFB transmission system. NNSA arranges certain transmission services on behalf of KAFB, whose network load is served under the provisions of a network integration transmission service agreement between PNM and the Western Area Power Administration. The Army Corps of Engineers ("COE"), on behalf of NNSA, has entered into a purchase order agreement with PNM for completion of a facility addition study by PNM for the additional transmission station work on PNM's facilities. On completion of design and engineering work under the facilities agreement with COE, PNM and the COE will enter into a construction agreement to complete the transmission construction work on PNM's station. PNM has completed the report on design and engineering work and submitted a report to the COE.

PNM has been selected as a subcontractor to construct certain facilities at Kirtland substation related to the new KAFB line. PNM and the COE contractor executed a construction agreement on January 26, 2005. On March 1, 2005, PNM filed with the NMPRC a request under NMPRC Rule 440 to develop a new 115kV metered line terminal to serve the (KAFB-owned) Pennsylvania Station. The project consists of the installation of one 115kV circuit breaker and associated line terminal equipment at the existing Kirtland Switching Station. The additional line

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

terminal is needed to serve a dedicated 115-46 kV, 45MVA autotransformer station, which is to be constructed nearby for KAFB (KAFB-owned station).

Study Type: Interconnection Study Request (IA-PNM-2004-02)

Requestor: Western Water & Power

Location: Torrance County, NM

On July 26, 2004, PNM received Requestor's initial request for interconnection of 36.7 MW of renewable biomass-fired steam generation to be located near Estancia in Torrance County, New Mexico, with an in-service date of June 15, 2007. The Requestor has provided all required information and is perfected in the interconnection queue.

On October 20, 2004, PNM and Requestor held a Scoping Meeting to review the request and determine a preliminary Point of Interconnection and schedule. On October 21, 2004, PNM forwarded Requestor a draft Interconnection Feasibility Study Agreement ("Feasibility Study Agreement").

On November 10, 2004, PNM and Requestor entered into an Feasibility Study Agreement. PNM and Requestor agreed that the scope of the Feasibility Study Agreement would, in actuality be, a System Impact Study. On July 27, 2005, PNM forwarded Requestor a draft Interconnection System Impact Study Scope ("SIS Scope").

On August 3, 2005, PNM and Requestor entered into the SIS Scope agreement. On October 21, 2005, PNM provided Requestor a draft copy of the SIS Report for review. On November 9, 2005, Requestor advised PNM that the review was complete and that the Requestor will proceed to the Interconnection Facility Study. As certain property at the proposed point of interconnection is owned by Tri-State, PNM coordinated the Interconnection Facility Study with Tri-State. Tri-State provided PNM with its estimated study costs and PNM tendered the Interconnection Facility Study to Requestor.

On May 11, 2006, PNM and Requestor entered into an Interconnection Facilities Study Agreement. On July 7, 2006, PNM and TriState entered into an Interconnection Study Agreement. On September 8, 2006, TriState sent PNM a draft Facilities Study Report. On September 29, 2006, PNM and Requestor met to review the draft Facilities Study Report. On October 20, 2006, PNM send Requestor the final Facilities Study Report.

PNM sent a draft LGIA to Requestor on December 20, 2006. On March 7, 2007, PNM and Western Water & Power executed the LGIA. Construction is on hold.

Study Type: Interconnection Study Request (IA-PNM-2005-03)

Requestor: Tri-State ("TSGT")

Location: Burris Tap

On October 14, 2008, PNM filed with the NMPRC a request under NMPRC Rule 440 to install the Burris 115 kV Tap approximately 16 miles east of PNM's Belen Switching Station on the PNM Belen to Willard Switching Station ("WL") 115 kV transmission line.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

PNM, Tri-State and Socorro Electric Cooperative ("Socorro") entered into a contractual agreement on August 14, 2008 to physically interconnect Socorro's new 115 kV/24.9 kV substation, Burris Substation, to the Burris 115 kV Tap.

The target completion date is March 1, 2009.

Study Type: Interconnection Study Request (IA-PNM-2005-04)

Requestor: PNM-Generation and Planning Resources (PNM-GPR)

Location: Bernalillo County, NM

On September 22, 2005, PNM received Requestor's request for interconnection of a re-powered generation station unit and designation as a network resource with an in-service date of no earlier than January 1, 2008 and no later than June 1, 2008. The Requestor has provided all required information and is perfected in the interconnection queue

On November 15, 2005, PNM forwarded Requestor a System Impact Study ("SIS") Agreement for execution. On April 24, 2006, PNM responded to Requestor's request for expansion of the SIS Scope assumptions. On May 17, 2006, PNM forwarded Requestor a SIS Scope for execution. On May 22, 2006, Requestor returned a fully executed SIS Scope to PNM. On June 8, 2006, Requestor executed and returned to PNM the SIS Agreement.

On September 18, 2006, PNM sent Requestor a draft SIS Report. On October 5, 2006, PNM sent Requestor a final SIS Report. PNM did not identify any system reinforcements required to interconnect the Requestor's project. PNM informed the Requestor that a Facility Study was not needed. PNM sent a draft LGIA to Requestor on November 29, 2006. On February 21, 2007, PNM-GPR executed the LGIA.

Study Type: Facility Addition (TS-PNM-2000-01)

Location: Sandia 345/115 kV Substation Reinforcement

Requestor: PNM Transmission self-initiated study

On December 5, 2000 PNM filed with the NMPRC a request under NMPRC Rule 440 to add a breaker on the low side of the Sandia 345/115 kV transformer and swap the line terminations of the Sandia-Person 115 kV line ("SP line") and Sandia 115 kV end of the Sandia 345/115 kV transformer. PNM desires to reinforce its Sandia 345/115 kV Substation in order to improve system performance in the southwest part of the Albuquerque region during outages of certain Sandia Substation components and/or connecting facilities. Specifically, PNM's system in the southwest part of Albuquerque is subject to potentially severe voltage depression during outages of either a Sandia 345/115 kV transformer and 115 kV shunt capacitors outage or Sandia 345/115 kV transformer, 115 kV shunt capacitors and Sandia-Embudo 115 kV line outage due to a breaker failure of breaker No. 24762. This Project was in-service as of May 11, 2001.

Study Type: Facility Addition (TS-PNM-2000-02)

**Location: Installation of 24 MVAR Shunt Capacitor Bank at the
Mimbres 115 kV Substation**

Requestor: PNM Transmission self-initiated study

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On September 11, 2000 PNM filed with the NMPRC a request under NMPRC Rule 440 to install a 24 MVAR shunt capacitor bank at PNM's Mimbres 115 kV substation in the Deming area to address near-term transmission system voltage problems. PNM has been experiencing a continual load growth in the Deming Area in Southern New Mexico (up to 4% annually) in recent years and expects this trend to continue. Analysis of the Southern New Mexico System has shown that there is a potential for severe voltage depression during peak load conditions following the loss of either PNM's 345/115 kV transformer or the Luna-Mimbres 115 kV line. In order to prevent peak load voltage depression in such circumstances and to meet WECC reliability criteria, PNM has determined the need to install a 24 MVAR mechanically switched capacitor bank at PNM's Mimbres 115 kV substation. This project was in-service as of August 31, 2001.

Study Type: Facility Addition (TS-PNM-2000-03)

Location: Installation of 18MVAR Shunt Capacitor Bank at the Zia 115 kV Substation
Requestor: PNM Transmission self-initiated study

On March 10, 2000, PNM filed with the NMPRC a request under NMPRC Rule 440 to install an 18 MVAR shunt capacitor bank at PNM's Zia 115 kV substation in the Santa Fe area to address near-term transmission system voltage problems. Based on the study, it was determined that installation of a new Zia capacitor, in conjunction with improvements to the ratings of the Reeves to Santa Fe RS 115 kV line, and operation of the Las Vegas Turbine during peak load periods, will address the near-term voltage and facility loading problems in the area. This project was in-service as of May 29, 2001.

Study Type: Facility Addition (TS-PNM-2001-01)

Location: Albuquerque 115 kV Line Upgrades
Requestor: PNM Transmission self-initiated study

On January 8, 2001 PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade several of PNM's 115 kV transmission lines, relays, switches, and breakers in and near the Albuquerque area in order to mitigate line overloads and to comply with NERC, WECC and PNM Operating and Planning Performance Criteria. This undertaking is part of PNM's on-going effort to maximize the reliable utilization of PNM's transmission system in the most cost effective manner. This particular endeavor will improve the overall ratings of PNM's primary load serving 115 kV transmission system in and around the Albuquerque area. These improvements will mitigate 115 kV transmission line overloads that would otherwise result (now and in the future) from outages of one or more of the components of PNM's four primary feeds from the 345 V grid at Sandia, Bernalillo-Algodones ("B-A"), and West Mesa Switching Stations, as well as from components of the 115 kV system. In addition, this project would reduce the requirement for dispatching load-side generators during 115 kV constraints. This project was in-service as of May 22, 2001.

Study Type: Assessment Agreement (TS-PNM-2001-02)

Requestor: Tri-State Generation and Transmission Association, Inc.
Location: SL and VS 115kV lines

On January 8, 2001, PNM entered into a non-tariff assessment agreement with the Tri-State. Tri-State is proposing to construct the Colorado-New Mexico Interconnection Project ("CNMIP"), a 230 kV line transmission line facility that will originate in Walsenberg, Colorado and terminate

Status of PNM's Completed and Withdrawn Transmission and Interconnection Studies 8/31/2010

in Gladstone, New Mexico. Studies have shown that operation of the CNMIP results in overloading PNM's Santa Fe to Las Vegas 115kV transmission lines ("SL and VS") for outage conditions. Both Tri-State and PNM believe the removal of the existing sag limitations on the SL and VS line facilities will facilitate the integration of the CNMIP into Northern New Mexico transmission system. The scope of this agreement is to conduct an assessment to determine the upgrade cost of removing the sag limitations on these 115kV lines.

On October 10, 2001, PNM sent Tri-State a study report that provides a basic understanding of the cost and issues associated with removing the sag/rating limitations on the SL and VS lines in order to accommodate CNMIP. PNM is drafting a funding agreement to cost share the cost of removing the sag/rating limitations. On March 8, 2004, PNM sent Tri-State a draft Funding Agreement. Tri-State is reviewing the Agreement. PNM and Tri-State executed the Funding Agreement to cost share in the costs of removing the sag/rating limitation on September 9, 2005 with an effective date of October 3, 2005.

On September 13, 2005, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the SL-VS Lines capability to their conductor thermal limit of 212 degrees Fahrenheit thereby increasing the line rating from 52 MVA to 102 MVA. This project is part of PNM's on-going effort to maximize the reliable utilization of its transmission system in the most cost effective manner to accommodate the integration of CNMIP and to meet existing and future loading requirements.

This project has a proposed in-service date of March 2007. On August 1, 2006, the contractor completed all the clearance improvement work on the VS 115kV line. The SL line work is scheduled for completion by December 2006. The work on the SL 115kV line was completed the week of December 11, 2006. This project is completed and in-service.

Study Type: Transmission Path Upgrade (TS-PNM-2001-03)

Location: Palo Verde East transmission system

Requestor: Joint Owners Transmission self-initiated study

On February 1, 2001 the owners of the VTS increased the VTS' rating from 3,810 MW to 4,750 MW based on supporting studies completed by APS and SRP. This increase in TTC affects the Palo Verde-Westwing 500 kV #1 and #2 transmission lines and the Palo Verde-Kyrene 500 kV transmission line path rating. The owners of the three transmission lines are APS, EPE, PNM and SRP. The increased ratings were allocated to each company based upon their ownership share of the transmission lines.

Study Type: Facility Addition (TS-PNM-2001-04)

Location: Bluewater-West Mesa 115 kV line upgrade

Requestor: PNM self-initiated studies

On November 19, 2001, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the current carrying capability of the Bluewater-West Mesa 115 kV line west of Albuquerque, New Mexico. Such upgrade to the Bluewater-West Mesa 115 kV line will increase its thermal rating and keep it from becoming overloaded. Keeping the Bluewater-West Mesa 115 kV line in-service increases the Northern New Mexico Import capability. The upgrade has been completed.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Study Type: Facility Addition (TS-PNM-2001-05)

Location: Norton-Hernandez 115 kV line upgrades

Requestor: PNM self-initiated studies

On April 5, 2002, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the 115 kV transmission line running from PNM's Norton Switching Station (Norton), located northwest of Santa Fe, New Mexico, to the Tri-State Hernandez Substation, located northwest of Espanola, New Mexico (the NH Line). This project is needed to ensure PNM can continue to comply with the NERC, WECC and PNM planning and performance criteria.

The purpose of this project is to increase the transmission capability of the PNM northern New Mexico ("NNM") system (WECC Path 48). The path between Norton and Hernandez is a limiting factor in the operation of PNM's NNM transmission system. Therefore, increasing the capacity of the NH Line will result in higher NNM transfer capability. This project and the Bluewater-West Mesa 115 kV line upgrade (discussed in TS-PNM-2001-04) are the most recent in a series of transmission improvements that PNM has undertaken to increase the NNM transfer capability to meet native load growth and transmission system contractual obligations in the most cost effective manner. These relatively smaller scale projects will allow PNM sufficient time to solidify and develop its plans for additional new NNM transmission capability (discussed in TS-PNM-2001-07).

NNM transmission capability will be increased by upgrading the NH Line capacity. The NH Line rating increase will be accomplished by ground clearance improvements, reconductoring of the line, cross bracing, structural improvements, and installation of a 15-ohm series reactor at Norton. Raising certain sections of the NH Line to increase ground clearance in conjunction with installation of a new larger conductor will allow for a higher line ampacity rating.

PNM proposes to accomplish the work in two phases 1) installation of ground clearance and structural improvements, and 2) line reconductoring and installation of the equipment at Norton. This two-phase process is needed in order to restrict outages to periods with lower system electrical loads. As part of a June 2000 Asset Sale Agreement between PNM and Tri-State, PNM committed to upgrading the NH Line. The NH Line upgrade in-service date was to coincide, as much as is practicable, with the CNMIP (discussed in IA-PNM-2001-03).

On January 30, 2002, PNM sent a letter and the comprehensive progress report to WECC members titled "Bluewater-West Mesa ("BW") and Norton-Hernandez ("NH") 115 kV line Upgrades for Path 48 (NM2)" along with an expedited accepted rating request. On April 5, 2002, PNM sent a letter to WECC asking for Phase 3 status, since no issues warranting coverage by a review group were raised. On April 16, 2002, PNM transmitted a revised Comprehensive Progress Report as the Phase 2 report to reflect the simultaneous and non-simultaneous accepted ratings for Path 48. On May 6, 2002, WECC granted the accepted Path 48 rating once the BW and NH upgrades are completed as discussed in the Phase 2 rating report.

The NH project in-service date as stated in the WECC report will be delayed to August 2004 due to environmental permitting process. The NH line upgrades were completed and the line energized as of August 5, 2004.

Study Type: Facility Addition (TS-PNM-2001-06)

Location: Installation of 9 MVAR Shunt Capacitor Bank at the Zia 115 kV Substation

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Requestor: PNM Transmission self-initiated study

On October 1, 2001, PNM filed with the NMPRC a request under NMPRC Rule 440 to install an 8 Mvar shunt capacitor bank at PNM's Zia 115 kV substation in the Santa Fe area to address voltage problems. Based on the study, it was determined that installation of a new Zia capacitor, in conjunction with improvements to the ratings of the Reeves to Santa Fe RS 115 kV line, and operation of the Las Vegas Turbine during peak load periods, will address the near-term voltage and facility loading problems in the area. The upgrade was completed during the 4th quarter of 2002.

Study Type: Facility Addition (TS-PNM-2001-07)

Requestor: PNM self-initiated studies

Location: Northern New Mexico Transmission Investigation

Background: An evaluation of the future transmission requirements for serving loads in northern New Mexico and those of PNM's transmission customers shows a strong need to enlarge the existing bulk transmission system. PNM will not be able to operate its transmission system in compliance with WECC and NERC reliability standards in the near future without expansion of the transmission system or an increase in the generating resources near the loads. Because of the PNM system topology, northern New Mexico loads can only be met, in a manner that is indifferent to supplier or location of resources, if adequate transmission exists between Four Corners/San Juan and the central portion of the state. Adequate transmission in this area and therefore the ability to gain access to the major energy trading hubs at Four Corners and Palo Verde will not exist beyond the mid-2000 time frame if loads continue to grow as predicted in present forecasts.

Without adequate transmission to access the lowest cost energy sources, PNM will, during peak load periods be relegated to purchasing from specific gas-fired generating units located on the load-side of the transmission bottleneck. These locally sited generating units may not produce energy at the lowest possible cost and may have insufficient capacity to ensure reliable supply to northern NM loads.

The addition of transmission capability in northern NM will relieve some of the transmission congestion and the resulting need for dependence upon specific generating units and fuel types and any related potential market power issues.

A major problems PNM faces today in operating its system is the very limited windows of time available for line outages for maintenance and repair. Many recent outage and maintenance activities have had to be performed in the middle of the night in order to assure that transmission limits are not exceeded. Currently, many of the hours that Reeves and Delta-Person generation is required to be run can be attributed to protection of system security during these types of outages. The transmission system loses approximately 650 MW of transfer capability when either the FW or WW 345kV lines (from the Four Corners area to the Albuquerque area) are out of service. A new transmission line would therefore increase the n-2 transfer capability by 650 MW or more and greatly increase flexibility to take outages for maintenance and limit the hours of loadside generation requirements.

Status of PNM's Completed and Withdrawn Transmission and Interconnection Studies 8/31/2010

Additionally, today PNM is exposed to large amounts of load reduction being required if both the FW and WW were to trip at near peak load conditions. This is also true when one of the lines is out of service for maintenance, even with large amounts of existing loadside generation at Reeves and Delta-Person being used. An automatic under voltage load shedding scheme has been installed to perform this load reduction function as a system "safety net" to keep this sort of disturbance from cascading to other interconnected utilities.

For the above reasons, as well as the need to meet the WECC and NERC Reliability/Planning Standards, PNM has begun planning for a major new transmission line and has provided a comprehensive report on this project that has been used for the WECC Regional Rating Review Process.

On April 16, 2001, PNM sent a letter to WECC Planning Coordination Committee Members and interested parties to solicit interest from potential participants in the development of new transmission capability on the northern New Mexico transmission system. On June 13, 2001, PNM hosted a meeting of the interested parties to further advance the planning for this project. On October 16, 2001, PNM sent the report on the Northern NM Transmission Investigation Feasibility Study to those entities that attended the presentation and expressed interest in the project.

On November 2, 2001, PNM sent a letter to WECC asking for Phase 2 status. Currently the in-service date, as reported to WECC, is projected to be 2013-2014.

Study Type: Facility Addition (TS-PNM-2001-08)

**Location: San Juan 345 kV Switchyard- Four Corners 345 KV Switchyard -
Shiprock Substation**

Requestor: PNM Initiated Study

Owners of the San Juan to Four Corners, Shiprock to Four Corners and the Shiprock to San Juan transmission lines ("Common Bus Facilities") are presently studying the TTC of these facilities in preparation for the impending upgrade of the Shiprock to Four Corners 230 kV line to 345 kV and the associated significant realignment of transmission rights in these facilities. This line is being upgraded pursuant to the San Juan Area Transmission Agreement, Contract No. 5-07-40-P0739, dated June 26, 1985. The new interconnection upgrade in-service date is currently scheduled to be operational by March 1, 2004. The owners of the facilities also recently completed the development of the Common Bus Operating Procedure that incorporates both the agreed upon TTC levels of the San Juan to Four Corners to Shiprock transmission system and the means by which such TTC shall be scheduled by and among the parties. The Common Bus Operating Procedure is available upon request.

PNM continues to evaluate its load and reliability requirements associated with its present and future rights in the Common Bus Facilities. Until such time as the PNM analysis is complete and reliability requirements determined, all PNM Available Transfer Capability ("ATC") in the Common Bus Facilities will be posted as Transmission Reserve Margin ("TRM") and will be made available on a non-firm or short term firm basis (without roll-over rights). As for short-term firm transmission service requests, PNM will study its ability to accommodate such requests. PNM's ability to facilitate long-term firm transmission service is expected to be determined by the end of second quarter of 2004.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Under the terms and conditions of the Common Bus Operating Procedure, the parties have agreed that within (5) days business days following the upgrade of the Shiprock Shiprock-Four Corners 230 kV line to 345 kV to post and facilitate transactions under the new Common Bus ATC values. The construction was completed and the line energized on March 22, 2004.

Study Type: Facility Addition (TS-PNM-2001-09)

Location: Blackwater Station Capacity Upgrade

Requestor: PNM self-initiated studies

PNM currently operates the DC converter at Blackwater Station at a 200 MW rating. PNM has made equipment modifications to the DC converter and is currently testing the operation of the DC converter at the 220 MW bi-directional level. In order to complete such testing, ambient temperatures have to meet certain minimum levels and generating resources must be arranged in order to complete the testing.

On November 29, 2001 the Blackwater DC converter was tested at the 220 MW level. This test verified that the converter was able to operate on a continuous basis at 220 MW for ambient temperatures below 65°F. Such operation results in an increase of 20 MW of TTC through the converter. In order to further evaluate the operation of the converter at the 220 MW level, PNM will make the 20 MW available as ATC on a short-term basis through April 1, 2002. PNM will repeat the same test for both the spring and summer seasons as temperatures in eastern New Mexico rise. Additional capacity will only be made available subject to the results of these additional tests.

Study Type: Facility Addition (TS-PNM-2001-10)

**Location: ML line reconductor, DL line phase raise and Mimbres Substation
Switch replacements.**

Requestor: PNM self-initiated studies

The January 2001 report titled "*Duke Energy North America, LLC (DENA) Transmission and Facilities Study*" ("Duke") completed by El Paso Electric Company has been reviewed by PNM and Texas-New Mexico Power Company ("TNMP"). PNM's sensitivity studies show that the interconnection of Duke's 600 MW generation plant at the Luna 345 kV substation requires certain facilities to be upgraded. In particular, on PNM's transmission system, the following upgrades are required:

- Reconductor the ML line to 954 MCM ACSR
- Replace Mimbres substation switches
- Phase raise the DL line to it's thermal rating of 133 MVA

These upgrades are required to avoid overloading these facilities during certain contingencies, with the most critical contingency being the outage of the Newman-Luna 345 kV line. These upgrades will require that PNM file a report with the NMPRC, which governs extensions, improvements and additions in accordance with current NMPRC Rule 440.

The Phase raising for the DL Line and the reconductoring of the ML line have been completed and are operational. PNM has a minor amount of construction work remaining at Mimbres Station that will be completed early January 2005.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On November 12, 2004, PNM's parent company, PNM Resources, announced that PNM's merchant function would purchase a 1/3 interest in the uncompleted Duke plant. According to the announcement, Tucson Electric Power and Phelps Dodge would each also purchase 1/3 interest. The announcement indicated that the parties to the purchase expect the unit to be operational in the summer of 2006. To date, PNM's reliability function has received no requests for specific changes to the existing interconnection agreement with Duke.

Study Type: Facility Addition (TS-PNM-2002-01)

Location: Belen Area

Requestor: PNM Transmission self-initiated study

The acquisition of assets formerly owned and controlled by Plains Generation and Transmission (now Tri-State) has an impact on the PNM's distribution planning system improvements in Valencia Division, specifically, the requirement to rebuild the Belen to Person line from 46 kV to 115 kV. Given the change in ownership of the West Mesa-Belen-Willard 115 kV line, PNM's Distribution Planning has determined, in-lieu of the BN line upgrade, a direct interconnection with the Belen-West Mesa 115 kV line provides the needed transmission support to the Belen area. This project consist of building a four-breaker station at the Belen 115 kV substation and constructing a 115 kV line from Belen to where the Tome-Jarales 115 kV line crosses the Belen Tap-Willard 115 kV line. This line may be constructed as a single circuit or a double circuit on the corridor Belen-Willard 115 kV line. The projected in-service date is June 2003.

Study Type: Facility Addition (TS-PNM-2002-02)

Location: Bernalillo-Algodones 345 kV Switching Station Reconfiguration

Requestor: PNM Transmission self-initiated study

On October 15, 2002, PNM filed with the NMPRC a request under NMPRC Rule 440 to reconfigure the Bernalillo-Algodones 345 kV Switching Station. The character of this undertaking is to reconfigure the BA 345 kV Switching Station from a simple "ring-bus" to a "breaker and a half" station. To accomplish this, PNM will add three new breakers to the BA 345 kV Switching Station, and will relocate one of the existing breakers and change the line termination of the BA end of the Norton – BA 345 kV line ("NB line") and Blackwater - BA 345 kV line ("BB line") within the station by June 2003. The completion date has been extended to June 2004.

PNM desires to reconfigure its BA 345 kV Switching Station from a "ring-bus" to a "breaker and a half" in order to bring the station up to PNM's 345 kV breaker configuration policy. The reconfiguration will improve reliability to all of PNM's customers during peak load conditions, as well as improving PNM's system operational flexibility. BA 345 kV Switching Station is the only 345 kV station related to the Four Corners Power Plant – West Mesa Switching Station ("FW line") and San Juan Generating Station – BA Switching Station line ("WW line") terminals that is not a breaker and a half station. The reconfiguration will also improve conditions for any required or forced breaker maintenance at the BA 345 kV Switching Station. The completion of the reconfiguration will be delayed to Fall of 2004. It has been completed as of October 22, 2004.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Study Type: Export Study (TS-PNM-2004-01)

Location: Southern New Mexico

Requestor: PNM Transmission self-initiated study

PNM is performing a study in accordance with the Path 47 Export Rating Study Scope issued by PNM in May 2003 and which was agreed upon by the Southern New Mexico (SNM) transmission owners. The transmission capability of WECC Path 47 (NM1) is shared through ownership and contracts among four Southern New Mexico transmission owners: EPE, Tri-State, TNMP and PNM.

Over the last year, several new generation projects have been built in SNM. With this added generation, SNM has the potential to become a net exporter of electricity during light load periods. Therefore, transmission capability in the direction out of SNM could become of interest to the SNM transmission owners. Therefore, the SNM transmission owners agreed to conduct this preliminary Path 47 Export Rating Study

Because this is a path rating study, existing contractual arrangements among the SNM transmission owners were not considered. The results of this study are not intended to affect the contractual relationship currently in place related to the operation of the SNM transmission system. On May 5, 2004, the study report was sent to the owners and is available upon request.

Study Type: Facility Addition (TS-PNM-2004-02)

Requestor: PNM self-initiated studies

Location: Algodones-West Mesa 115kV line upgrades

On September 30, 2004, PNM filed with the NMPRC a request under NMPRC Rule 440 to upgrade the 115kV transmission line running from West Mesa Switching Station to Algodones Switching Station (the "AL 115kV line"), to mitigate line overloads and comply with National Electric Reliability Council ("NERC"), WECC and PNM Planning and Performance Criteria. This line serves the northwestern Albuquerque and southwestern Sandoval County including Rio Rancho area. The upgrade will enable this line to be operated at its thermal rating to the recommended segment and switching station ratings as shown below:

	West Mesa to Black Ranch	Black Ranch to Rio Rancho Tap	Rio Rancho Tap to Palm Substation	Palm Substation to Algodones
2004 Winter	75 MVA	60 MVA	60 MVA	60 MVA
2005 Summer	120 MVA	120 MVA	120 MVA	60 MVA
2006 Summer	120 MVA	120 MVA	120 MVA	120 MVA

The AL 115kV line ampacity rating increase will be accomplished by ground clearance improvements. Raising certain sections of the AL 115kV line to increase ground clearance will allow for a higher thermal ampacity rating. This project is part of PNM's on-going effort to maximize the reliable utilization of PNM's transmission system in the most cost effective manner to continue to meet native load growth. The completion of this project has a proposed in-service date of March 2007. On December 21, 2006, this project was completed.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

INCOMPLETE AND WITHDRAWN PROJECTS

Study Type: Interconnection Study Request (TP-2006-01)

Requestor: Confidential

Location: Luna County, NM

On January 18, 2006, Requestor submitted an application to El Paso Electric Company ("EPE") to interconnect 300 MW solar-photovoltaic generation to the Luna 345 kV Substation near Deming, Luna County, NM. The interconnection will be completed in a phased approach with the initial phase consisting of 20 MW and an in-service date of the 4th quarter of 2007; the second or intermediate phase will bring the output to 200 MW with an in-service date of 4th quarter of 2009; and, the final phase bringing the output to the total 300 MW with an in-service date of the 4th quarter of 2010. EPE, as the Operator for the Southwest New Mexico Transmission Project will be the lead party conducting transmission studies. PNM, as a joint owner in the Luna 345 kV Substation, has agreed to participate in the study.

On March 21, 2006, Requestor and PNM entered into a Feasibility Study Agreement. On July 13, 2006, PNM reviewed and commented on the EPE draft report. PNM is reviewing a updated draft report sent to PNM on August 23, 2006. On September 18, 2006, EPE forwarded the final Feasibility Study Report to Requestor. On November 17, 2006, PNM was notified by Requestor that it was moving forward with a System Impact Study ("SIS"). PNM is currently drafting a SIS Agreement. On December 8, 2006, PNM and Requestor entered into the SIS. On December 22, 2006, Requestor withdrew its request for interconnection.

Study Type: Interconnection Service Request (IA-PNM-1999-01(A))

Requestor: Cobisa-Rio Puerco Power Company, Inc. ("Cobisa")

Location or Points of Receipt and Delivery: Near Belen, NM

On July 17, 2001, Cobisa submitted a modification to the previously completed interconnection request (for details see Completed Projects IA-PNM-1999-01), which changed the generator location to a site to the south of the previous site. The study work required to address the modification is limited to an assessment of alternative transmission line corridors between the new plant location and the Belen Switching Station. This modification does not impact Cobisa, or any other requestor, in the interconnection request queue. On October 9, 2002, Cobisa withdrew its interconnection request.

Study Type: Interconnection Service Request (IA-PNM-2000-01)

Requestor: Confidential

Location: At or near Blackwater Substation

On November 21, 2000, PNM received an interconnection request to interconnect a 600 MW natural gas-fired combined cycle generating plant at or near PNM's Blackwater Substation in Roosevelt County, New Mexico. The proposed in-service date for the generating plant is June 2003. PNM received a completed copy of Attachment J-1 with the appropriate technical information for the generating plant to maintain its position in the interconnection request queue.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On February 22, 2000, PNM entered into a system impact study agreement with the Requestor. On May 25, 2001, PNM and Requestor entered into a study scope agreement for the system impact study. On October 8, 2001, an Interim Study Report was provided to Requestor. On October 30, 2001, PNM met with Requestor and delivered draft System Impact Study Report. On November 27, 2001, the Requestor advised PNM that the in-service date for this project would be June 2004. On December 17, 2001, PNM mailed the final System Impact Study report to the Requestor. On February 2, 2002, PNM and Requestor entered into a Facilities Study Agreement. On April 24, 2002, PNM sent Requestor a Facilities Study update. PNM is currently working on the study. On August 9, 2002 Requestor withdrew its request for interconnection.

Study Type: Interconnection Service (IA-PNM-2001-01)

Location: At or near Blackwater Substation

Requestor: Confidential

On January 19, 2001, PNM received an interconnection request to interconnect a 500 MW natural gas-fired combined cycle generating plant at PNM's Blackwater Substation in Roosevelt County, New Mexico. The proposed in-service date for the generating plant is spring 2004. PNM is in the process of scheduling a meeting with the requesting party to determine the parameters of a system impact study to assess the interconnection.

PNM did not received a completed copy of Attachment J-1 with the appropriate technical information for the generating plant and a \$10,000 deposit to maintain its position in the interconnection request queue within the request deadline and therefore, the requesting party has withdrawn this interconnection request.

Study Type: Interconnection Service (IA-PNM-2001-02)

Location: Near Belen, NM

Requestor: Confidential

On January 24, 2001, PNM received an interconnection request to interconnect a 120 MW gas turbine generating station to PNM's transmission system near Belen, New Mexico, approximately 40 miles south of Albuquerque. The requested interconnection required PNM to complete the purchase of certain transmission assets from Tri State Generation & Transmission Association, which purchase was completed February 28, 2001.

PNM did not received a completed copy of Attachment J-1 with the appropriate technical information for the generating plant and a \$10,000 deposit to maintain its position in the interconnection request queue within the request deadline and therefore has withdrawn this interconnection request.

Study Type: Interconnection Study Request (IA-PNM-2001-04)

Requestor: El Paso North America ("EPNA")

Location: Blackwater HVDC Converter Station

On May 25, 2001, EPNA submitted an interconnection request to PNM to install a 200 MW asynchronous transmission tie device ("tie device") at PNM's Blackwater HVDC Converter Station. The proposed in service date of the tie device is May 31, 2004. The tie device is

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

proposed to parallel the existing DC converter facilities at Blackwater and would increase the bi-directional transfer capability between PNM and the Southwest Power Pool.

On July 18, 2001, PNM sent Requestor a system impact study agreement and study scope. On August 26, 2001, PNM and Requestor entered into a system impact study agreement. On August 28, 2001, PNM sent Requestor a revised study scope. On September 28, 2001, Requestor executed the study scope. On August 30, 2002, PNM mailed the Final System Impact Study Report to Requestor. On September 26, 2002, PNM mailed the Requestor a draft facilities study agreement and study scope. On October 11, 2002, El Paso withdrew its interconnection and study request.

Study Type: Interconnection Study Request (IA-PNM-2001-05)

Requestor: Confidential

Location: Near Belen, NM

On May 24, 2001, Requestor submitted an interconnection request for a combustion turbine ("CT") to be installed near and interconnected with PNM's Belen Substation, near Belen, New Mexico. The proposed in-service date for the CT is January 1, 2003. The request further anticipates an upgrade of the CT and combined cycle ("CC") facility on June 1, 2004. The maximum summer output of the CT is 141.5 MW. Requestor has requested that the maximum summer output of the CC facility be studied at both 210 MW and 265 MW.

On August 2, 2001, Requestor sent information to perfect their May 24, 2001, interconnection request. The interconnection request information on the development plan is being modified for the following timing and output levels: (1) a CT in-service date of September 1, 2003 with 140 MW summer and 156 MW winter output; and, (2) upgrading to a CC operation with a 230 MW summer and 246 MW winter output by September 1, 2004.

On August 27, 2001, PNM sent Requestor a system impact study agreement and study scope. On October 8, 2001, PNM and Requestor entered into a system impact study agreement. On October 16, 2001, PNM and Requestor entered into a study scope agreement. On June 10, 2002, PNM mailed the Final System Impact Study Report to Requestor. On June 21, 2002, Requestor requested a Facilities Study at 140 MW with a new in-service date of April 2004. On September 5, 2002, Requestor and PNM executed a Facilities Study agreement. On September 27, 2002, Requestor withdrew its request for interconnection and all related studies.

Study Type: Interconnection Study Request (IA-PNM-2001-07)

Requestor: Confidential

Location: Near Clovis, NM

On June 4, 2001, Requestor submitted an application and deposit to install and interconnect up to 100 MW of wind generation machines near PNM's Blackwater Substation located near Clovis, NM. The proposed in-service date is January 1, 2003. The Requestor further anticipates an additional 600 MW by January 1, 2005. Pursuant to Sections 2.0 and 3.1 of Attachment J to PNM's OATT, PNM has withdrawn Requestor from the interconnection study queue.

Study Type: System Impact Study Agreement (IA-PNM-2001-08)

Requestor: Confidential

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

Location: Hidalgo Substation

EPE received a request to perform a facilities analysis for a 285 MW combined cycle plant to interconnect at Hidalgo 345 kV switching station. PNM is a partial owner of the Hidalgo 345 kV Switching Station, which is operated by EPE on behalf of PNM and TNMP. The proposed plant in-service date for the simple cycle is June 1, 2003 and for the combined cycle is June 1, 2004. TNMP will take the lead on this analysis and PNM will participate upon TNMP's request. On December 10, 2001, PNM entered into a system impact study agreement with the Requestor. On December 31, 2001, March 13, 2002, and June 24, 2002, PNM sent TNMP comments on the draft report. On September 9, 2002, EPE withdrew this request from its interconnection request queue.

Study Type: Interconnection Study Request (IA-PNM-2001-09)

Requestor: Confidential

Location: Near Newman Station on the EPE System

On July 26, 2001, Requestor submitted a request for a study of the impact on PNM's system of a proposed DC tie from the Electric Reliability Council Of Texas transmission system to the WECC system. The study will address impacts of imports into WECC with the EPE Arroyo phase-shifter by-passed. This is a non-tariff study and Requestor has been informed by PNM that as soon as time permits this study request will be addressed. No study agreements have been produced. Requestor never perfected its request and PNM withdrew this request.

Study Type: Interconnection Study Request (IA-PNM-2001-10)

Requestor: Confidential

Location: Northeast McKinley County, NM

On July 30, 2001, Requestor submitted an application to install and interconnect up to 1000 MW of coal generation in the northeast corner of McKinley County, NM. The proposed in-service date is July 2005. Requestor subsequently modified the application, reducing the output from 1000 MW to 600 MW and extended the in-service from 2005 to 2006. On April 4, 2002, Requestor extended the in-service date to April 1, 2008. This modification does not impact Requestor, or any other requestor, in the interconnection request queue. On August 29, 2001, PNM sent Requestor a system impact study agreement and study scope. On October 8, 2001, PNM and Requestor entered into a system impact study agreement. On January 23, 2003, Requestor withdrew its request for interconnection and related studies.

Study Type: Interconnection Study Request (IA-PNM-2001-11)

Requestor: Confidential

Location: Eastern McKinley County, NM

On July 30, 2001, Requestor submitted an application to install and interconnect up to 500 MW of coal generation in eastern McKinley County, NM. The proposed in-service date is July 2005. On October 8, 2001, Requestor subsequently modified the application, which reduced the output from 500 MW to 300 MW and extended the in-service from 2005 to 2006. On April 4, 2002, Requestor extended the in-service date to April 1, 2008. This modification does not impact Requestor, or any other requestor, in the interconnection request queue.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On December 4, 2001, PNM sent Requestor a System Impact Study Agreement. On December 12, 2001, PNM and Requestor entered into the System Impact Study Agreement dated December 7, 2001. On February 7, 2003, Requestor extended the in-service date to April 2009. This modification does not impact Requestor, or any other requestor in the interconnection request queue. On February 10, 2003, PNM and Requestor executed the System Impact Study Scope. On July 24, 2003, PNM sent Requestor a Draft System Impact Study report. Requestor has reviewed and commented on the draft report. PNM finalized the System Impact Study report and sent it to the Requestor on October 21, 2003.

On November 18, 2003, PNM sent Requestor a draft Facility Study agreement. On December 29, 2003, PNM and Requestor executed a Facility Study Agreement. On September 23, 2004 PNM has provided a draft Facility Study to the Requestor. On October 1, 2004, PNM and Requestor agreed to the Facilities Study Final Report and on October 22, 2004, PNM forwarded Requestor the Facilities Study Final Report.

On November 23, 2004, PNM sent Requestor a draft Large Generator Interconnection Agreement ("LGIA"). Subsequent to the tender of the LGIA, PNM determined that additional studies were required and tendered the study reports on October 1, 2004 and October 22, 2004, respectively. On July 15, 2005, Requestor requested that PNM evaluate an increase in capacity of 30 MW . That request is addressed in study request numbered IA-PNM-2001-11(A) below. PNM is revising the LGIA for tendering to Requestor.

Study Type: Interconnection Study Request (IA-PNM-2001-11(A))

Requestor: Confidential

Location: Eastern McKinley County, NM

On June 15, 2005, Requestor requested that PNM evaluate an increase in the generator size from 300 MW to 330 MW. PNM has advised Requestor that such an evaluation can be performed following completion of the System Impact Study ("SIS") required for request IA-PNM-2003-06 described in further detail herein. PNM anticipates completion of the System Impact Study provided for in IA-PNM-2003-06 in mid 2006 and will then evaluate the proposed capacity increase. On August 4, 2006, PNM sent Requestor an Additional SIS agreement. Requestor is currently reviewing the Additional SIS agreement. On August 12, 2006, Requestor withdrew its request for interconnection.

Study Type: Interconnection Study Request (IA-PNM-2001-14)

Requestor: Confidential

Location: San Miguel County, NM

On August 6, 2001, Requestor submitted an application to relocate PNM's Valencia gas turbine near PNM's Arriba Substation and interconnect up to 20 MW of gas turbine generation. The proposed in-service date is October 2002. On August 29, 2001, PNM and Requestor entered into a system impact study agreement with Requestor. On October 31, 2001, PNM and Requestor entered into a study scope. On January 28, 2002 the study was completed and forwarded to Requestor. On February 4, 2002, Requestor withdrew its study request.

Study Type: Interconnection Study Request (IA-PNM-2001-15)

Requestor: Confidential

Location: San Miguel County, NM

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On August 6, 2001, Requestor submitted an application to interconnect up to 60 MW of gas turbine generation at PNM's Arriba Substation. The proposed in-service date is October 2002. On July 9, 2002 Requestor withdrew its study request.

Study Type: Interconnection Study Request (IA-PNM-2002-01)

Requestor: Confidential

Location: Torrance County, NM

On April 16, 2002, Requestor submitted an application to interconnect up to 55 MW of wind generation. The proposed in-service date is June 1, 2003. On July 9, 2002 PNM sent Requestor a System Impact Study Agreement. On January 31, 2003, Requestor withdrew its request for interconnection and related studies.

Study Type: Transmission Study Request (IA-PNM-2002-03)

Requestor: Southwestern Public Service Company ("SPS")

Location: Near Clovis, NM

SPS has requested 50 MW of transmission service from Blackwater to Four Corners. PNM does not have adequate capacity in its HVDC converter facility to provide the requested transmission service. SPS has requested that PNM perform a facility addition study to determine the cost of increasing the converter capacity by 50 MW. On May 30, 2002, PNM and SPS entered into a Facilities Study Agreement. On October 4, 2002, SPS withdrew its request for interconnection and all related studies.

Study Type: Transmission Study Request (IA-PNM-2002-04)

Requestor: Confidential

Location: Guadalupe County, NM

On August 26, 2002, Requestor submitted an interconnection request of two (2) 200 MW of wind generation facilities and an associated three (3) 60 MW hydroelectric generators at the Guadalupe switching station near Las Vegas and Guadalupe, New Mexico. The expected in-service date for the wind turbines is the end of 2003 or beginning of 2004. The expected in-service date for the hydroelectric turbines is the end of 2004 or beginning of 2005.

On October 31, 2002, Requestor perfected its interconnection request with additional information to complete the J-1 Attachment.

On April 16, 2003, PNM and Requestor entered into a System Impact Study Agreement. PNM has provided Requestor a Study Scope. On July 30, 2003, Requestor advised PNM that it was changing its in-service date for the wind facilities to mid-2005 and the in-service date of the hydro facilities to the fourth quarter of 2006, and moved its point of interconnection from the originally requested point of interconnection. These modifications impact Requestor and other requestor in the interconnection request queue. Therefore, the Requestor's queue position has changed. PNM provided Requestor with a modified Study Scope Agreement on July 30, 2003. Requestor executed the July 30, 2003 Study Scope Agreement. On June 29, 2004, PNM provided Requestor with a draft System Impact Study. Requestor then asked for additional studies for injecting a total of 400 MW from a combination of the 400 MW of pumped storage hydro-electric generation and/or 220 MW of wind generation.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On October 7, 2004, PNM forwarded Requestor a report of the additional studies. On October 25, 2004, PNM and Requestor reviewed the System Impact Study Report and additional studies. The Requestor approved the System Impact Study report and the additional studies. On October 28, PNM provided final copies of the System Impact Study report and additional studies to Requestor. PNM is currently working with a third party to develop a proposal for Requestor regarding facility studies for the required system reinforcements and interactions among existing facilities and devices on PNM's Blackwater to BA 345 kV transmission line. Such interaction studies are necessary to provide support for PNM proceeding to a Facility Study Agreement with Requestor.

On February 11, 2005 PNM provided the draft third party proposal to the Requestor. Interconnector has indicated its intention of proceed with the Facilities Interconnection Study and the interaction studies. The interaction studies must be completed prior to the Facilities Interconnection Study being started.

On April 1, 2005, PNM sent a draft Facilities Interconnection Study Agreement to Requestor. Interconnector is currently reviewing the draft Facilities Interconnection Study Agreement. On April 22, 2005, PNM sent Requestor an executed Facilities Interconnection Study Agreement.

On June 21, 2005 Requestor advised PNM of its intent to surrender its existing queue position and be placed at the end of the existing interconnection queue under the terms of its original interconnection request. As a result, for purposes of the interconnection queue, Requestor moves to position 7 on Table 1 and the previous interconnecting parties are resequenced in the interconnection queue. At such time as study work is completed on interconnection requests prior to request IA-PNM-2002-04, any required restudy work will be undertaken by PNM.

On June 9, 2006, PNM sent Requestor a System Impact Study Agreement, ("SIS") which includes a provision for hiring a third-party consultant to perform the SIS. Request withdrawn on July 12, 2006.

Study Type: System Impact Study Review (IA-PNM-2002-05)

Requestor: Confidential

Location: Quay County

On October 8, 2002, Requestor requested PNM to review a system impact study being produced by Tri-State for a 40 MW wind generation interconnection to the Springer-Clapham 115 kV line. On October 16, 2002 PNM and Requestor entered into a System Impact Study Agreement for the review request. On November 12, 2002 PNM sent Tri-State comments on the draft report. The request for interconnection has been withdrawn.

Study Type: Interconnection Study Request (IA-PNM-2002-06)

Requestor: Confidential

Location: Quay County, NM

On October 31, 2002, PNM received Requestor's initial request for an interconnection of 200 MW wind generation with an in-service date of May 1, 2003 to be increased to 600 MW by May 1, 2008. On April 16, 2003, Requestor perfected its position in the PNM interconnection queue. PNM has provided Requestor a draft System Impact Study Agreement. Pursuant to Sections

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

2.0 and 3.1 of Attachment J of PNM's OATT, PNM has withdrawn Requestor from the interconnection queue.

Study Type: Interconnection Study Request (IA-PNM-2002-07)

Requestor: Confidential

Location: Argonne Mesa, Guadalupe County, NM

On November 12, 2002, PNM received Requestor's initial request for an interconnection request for 100 MW wind generation to be located on Argonne Mesa, Guadalupe County, NM, with an in-service dated in the 4th quarter of 2004. On November 18, 2002, Requestor withdrew its request.

Study Type: Interconnection Study Request (IA-PNM-2002-08)

Requestor: Confidential

Location: Guadalupe County, NM

On December 22, 2002, PNM received Requestor's initial request dated December 20, 2002, for an interconnection for 200 MW wind generation to be located north of Santa Rosa, New Mexico, with an in-service date of June 30, 2004. As of January 22, 2003, Requestor had perfected its request. On March 11, 2003, PNM and Requestor entered into a System Impact Study Agreement. PNM provided Requestor a Study Scope for the System Impact Study for review. PNM and Requestor executed a Study Scope on November 19, 2003. On January 26, 2003, PNM provided a draft System Impact Study Report to Requestor for review. On February 5, 2004, PNM provided a final System Impact Study Report to Requestor. On February 6, 2004, Requestor advised PNM to proceed to provide a draft Facility Study Agreement for review. PNM is currently drafting the Facility Study Agreement and working with consultants to confirm system reinforcements identified in the System Impact Study Report and other technical issues. On March 19, 2004, Requestor withdrew its interconnection request.

Study Type: Interconnection Study Request (IA-PNM-2002-09)

Requestor: Confidential

Location: Potential Network Resources

On December 20, 2002, PNM received Requestor's initial request for the interconnection of potential network resources. The new network resources to be studied are in the Albuquerque Area. On February 27, 2003, PNM and Requestor entered into a Study Scope Agreement. On April 15, 2003, PNM mailed Requestor a Final System Impact Study Report. PNM and Requestor have not initiated negotiations for a Facilities Study Agreement pending results of certain regulatory filings related to network resource additions.

Study Type: Interconnection Study Request (IA-PNM-2003-02)

Requestor: Confidential

Location: Torrance County, NM

On August 8, 2003, PNM received Requestor's initial request for interconnection of 36.7 MW of renewable biomass-fired steam generation to be located near Estancia in Torrance County, New Mexico, with an in-service date of June 15, 2006. PNM is currently working with Requestor to perfect its request. On April 27, 2004, PNM informed Requestor that it would return the interconnection request and net deposit pending Requestor obtaining the necessary information

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

to resubmit the interconnection request. Pursuant to Sections 2.0 and 3.1 of Attachment J of PNM's OATT, PNM has withdrawn Requestor from the interconnection queue.

Study Type: Interconnection Study Request (IA-PNM-2003-04)

Requestor: Confidential

Location: Belen, Valencia County, NM

On October 3, 2003, PNM received Requestor's initial request for interconnection of 40 MW natural gas-fired generation near the Willard-Belen 115 kV line with an in-service date of June 1, 2004. This request has a perfected date of October 3, 2003.

On November 17, 2003, PNM and Requested entered into the System Impact Study Agreement. On February 20, 2004, PNM forwarded to Requestor a System Impact Study Scope. On March 22, 2004, PNM and Requestor entered into the System Impact Study Scope. On October 7, 2004, PNM sent Requestor a draft System Impact Study Report. On November 8, 2004, Requestor approved the System Impact Study Report and requested PNM to proceed with a Facilities Study. On November 11, 2004, PNM sent Requestor a Final System Impact Study Report.

On November 23, 2004, PNM sent Requestor a draft Facilities Study Agreement. PNM and Requestor are negotiating the Facilities Study Agreement and expect to execute the agreement by year end 2004. Requestor asked for a 30 day extension to execute the Facilities Study Agreement pending a milestone in the RFP process of the Requestor's potential customer. PNM has agreed to the delay, which will not impact other customers' interconnection activity.

On February 15, 2005 PNM forwarded an executed Facilities Interconnection Study Agreement to Requestor. Requestor has executed the Facilities Interconnection Study. On April 11, 2005 PNM forwarded Requestor a draft Facilities Interconnection Study Report.

On May 9, 2005 PNM submitted a final version of the Facilities Interconnection Study to Requestor. Requestor has advised PNM that it will not proceed with the interconnection to the Willard-Belen 115kV line as provided for in the original request IA-PNM-2003-04. Therefore, this request is completed and will be transferred to the completed study document.

Study Type: Interconnection Study Request (IA-PNM-2006-03)

Requestor: PNM Generation Planning and Resources ("PNM-GPR")

Location: Rio Puerco Switching Station

On October 6, 2006, PNM received PNM-GPR's application for interconnection of a 78 MW summer and 85 MW winter natural gas generator (LMS100) to be located at the Rio Puerco 345kV Switching Station in Northern New Mexico with an in-service date of after June 1, 2009 but prior to June 1, 2010. This request was perfected as of October 11, 2006. PNM-GPR requested a System Impact Study therefore electing to forego the Scoping Meeting and Feasibility Study. PNM is currently in the process of drafting the System Impact Study ("SIS") and Study Scope. On November 15, 2006 PNM sent PNM-GPR a SIS Agreement for its consideration and execution. On December 8, 2006, Requestor executed the SIS Agreement.

On January 31, 2007, PNM forwarded PNM-GPR a draft SIS report and a LGIP form Facilities Study Agreement. On February 12, 2007, pursuant to Section 7.5 of the LGIP, PNM and PNM-

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

GPR held a meeting to discuss the draft SIS report. On February 15, 2007, PNM forwarded PNM-GPR a draft Facilities Study Agreement pursuant to Section 8.1 of the LGIP.

On March 8, 2007, PNM forwarded PNM-GPR the Final SIS Report. On March 19, 2007, PNM-GPR executed the Facilities Study Agreement. On June 6, 2007, PNM requested site control information from PNM-GPR. On June 18, 2007, PNM-GPR requested the Study Scope to be expanded to include obtaining land for the project. On July 24, 2007, PNM-GPR withdrew this request.

Study Type: Interconnection Study Request (IA-PNM-2006-04)

Requestor: PNM-GPR

Location: Rio Puerco Switching Station

On October 10, 2006, PNM received PNM-GPR's application for interconnection of a 480 MW summer and 520 MW winter combined cycle generator to be located at the Rio Puerco 345kV Switching Station in Northern New Mexico with an in-service date of after June 1, 2010 but prior to December 31, 2010. PNM-GPR requested a System Impact Study ("SIS") therefore electing to forego the Scoping Meeting and Feasibility Study. The information provided PNM was deficient. This request was perfected as of October 31, 2006. On November 15, 2006 PNM send PNM-GPR a SIS Agreement for its consideration and execution. On December 8, 2006, PNM-GPR executed the SIS Agreement.

On March 12, 2007, PNM sent PNM-GPR a draft SIS report and a LGIP form of a Facilities Study Agreement. On March 19, 2007, PNM and PNM-GPR met to discuss the draft SIS Report. On April 16, 2007, PNM forwarded PNM-GPR a Facilities Study Agreement for its execution. On May 11, 2007, PNM-GPR executed the Facilities Study Agreement. On June 6, 2007, PNM requested site control information from PNM-GPR. On June 18, 2007, PNM-GPR requested the Study Scope to be expanded to include obtaining land for the project. On July 24, 2007, PNM-GPR withdrew this request.

Study Type: Interconnection Study Request (IA-PNM-2007-01)

Requestor: Confidential

Location: Torrance County, NM

On February 9, 2007, PNM received Requestor's application for interconnection of 100 MW wind generation to be located in Torrance County, NM. The proposed in-service date is November 15, 2008. On February 15, 2007, PNM notified Requestor that its request was deficient and specified the information needed to perfect the request. On February 26, 2007, Requestor perfected its request.

On May 7, 2007, Requestor executed the Feasibility Study Agreement. On July 12, 2007, PNM sent Requestor the Feasibility Study Report.

On September 6, 2007, Requestor withdrew its request.

Study Type: Interconnection Study Request (IA-PNM-2007-02)

Requestor: PNM-GPR

Location: Pajarito Generation Interconnection

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

On March 1 2007, PNM received PNM-GPR's application for generation interconnection of an LMS100 with an output of approximately 88 MW summer and 95 MW winter. The proposed in-service date is a phased approach over the period of June 2010 through June 2012. On March 14, 2007, PNM notified PNM-GPR that its request was valid as of March 7, 2007. A Scoping Meeting was held on March 19, 2007 to discuss the scope of this request. On March 26, 2007, PNM forwarded PNM-GPR a Feasibility Study Agreement for its consideration and execution. On April 2, 2007, Requestor executed the Feasibility Study Agreement. On April 20, 2007, PNM sent Requestor a Feasibility Study Scope. On June 15, 2007, PNM sent PNM-GPR the Final Feasibility Study Report. On July 6, 2007, PNM and PNM-GPR met to discuss the Feasibility Study Report. On July 10, 2007, PNM forwarded PNM-GPR a System Impact Study Agreement for its consideration and execution. On July 26, 2007, PNM-GPR withdrew this request.

Copies of the completed transmission studies can be found on PNM's OASIS site behind the Interconnection and Delivery Services Studies folder and then behind the appropriate study folder.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

For updates, see the Interconnection Study Matrix and the Transmission Study Matrix.

OASIS Tracking Number/Name		Status
IA-PNM-1999-01	Near Belen, NM -- 220 MW	Completed. No IA. Requestor designated alternate site.
IA-PNM-1999-01(A)	Cobisa-Rio Puerco -- 145 MW	Withdrawn.
IA-PNM-1999-02	Norton Substation	Completed. Moved to construction.
IA-PNM-2000-01	Blackwater -- 600 MW	Withdrawn.
IA-PNM-2001-01	Blackwater -- 500 MW	Withdrawn.
IA-PNM-2001-02	Belen --120 MW	Withdrawn.
IA-PNM-2001-03	CNMIP	In-service 1/27/2007
IA-PNM-2001-04	Blackwater HVDC Converter Station – 200-300 MW	Withdrawn.
IA-PNM-2001-05	Combustion Turbine 140/156 MW Combined Cycle 230/246 MW Valencia County	Withdrawn.
IA-PNM-2001-06	Celerity Energy of New Mexico Albuquerque, NM 3 separate sites	Completed. IA executed. Sites one and 2 are interconnected. Third site not completed.
IA-PNM-2001-07	Wind Farm at Blackwater 100 MW/600 MW	Withdrawn.
IA-PNM-2001-08	Hidalgo Substation at 345 kV 285 MW Combined Cycle	Withdrawn.
IA-PNM-2001-09	DC tie/ Arroyo phase-shifter bypass Newman Station	Withdrawn.
IA-PNM-2001-10	Northeast McKinley County 600 MW Coal Fired Units	Withdrawn.
IA-PNM-2001-11	Eastern McKinley County 300 MW	Withdrawn.
IA-PNM-2001-11(A)	Eastern McKinley County + 30 MW	Withdrawn.
IA-PNM-2001-12	PERC – Belen, NM	Completed. IA executed. Plant sold to PNM Merchant. Merchant sold to Black Hills. Construction proceeding under IA.
IA-PNM-2001-13	FPL Energy Wind New Mexico De Baca and Quay Counties 200 MW Wind generation	Completed. IA Executed. Project in-service.
IA-PNM-2001-14	Relocate Las Vegas gas turbine generator 20MW	Withdrawn.
IA-PNM-2001-15	San Miguel County – 60 MW Gas turbine	Withdrawn.
IA-PNM-2002-01	Torrance County – 55 MW Wind	Withdrawn.
IA-PNM-2002-02	New 115 kV line	Completed.
IA-PNM-2002-03	Increase HVDC 50 MW	Withdrawn.
IA-PNM-2002-04	Guadalupe County – hydro and wind	Withdrawn.
IA-PNM-2002-05	Springer-Clapham 115 kV – 40 MW Wind	Withdrawn.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

OASIS Tracking Number/Name		Status
IA-PNM-2002-06	Quay County 200 MW and 600 MW Wind	Withdrawn.
IA-PNM-2002-07	Guadalupe County 100 MW Wind	Withdrawn.
IA-PNM-2002-08	Guadalupe County – 200 MW	Withdrawn.
IA-PNM-2002-09	Various Network Resources	Withdrawn.
IA-PNM-2003-01	Guadalupe County 200 MW wind	LGIA executed 12/21/2005
IA-PNM-2003-02	Torrance County 36.7 MW Renewable Biomass	Withdrawn.
IA-PNM-2003-03	Norton Switching Station	Asset Exchange Agreement.
IA-PNM-2003-04	Torrance County	Withdrawn.
IA-PNM-2003-05	Quay/DeBaca	LGIA executed 2/23/2007.
IA-PNM-2003-06	McKinley	IA Being negotiations.
IA-PNM-2004-01	Kirtland Air Force Base 115 kV Tap at Kirtland Station	Construction complete.
IA-PNM-2004-02	Torrance County Bio Mass	LGIA executed 3/7/2007
IA-PNM-2005-03	Burris Tap	Completed.
IA-PNM-2005-04	PNM-GPR Bernalillo County	LGIA executed 2/21/2007
IA-PNM-2006-03	PNM-GPR Rio Puerco LMS100	Withdrawn.
IA-PNM-2006-04	PNM-GPR Rio Puerco 2x1 CC	Withdrawn.
IA-PNM-2007-01	Torrance County	Withdrawn.
IA-PNM-2007-03	PNM-GPR Pajarito LMS100	Withdrawn,
IA-PNM-2007-15	Cibola county 35 MW biomass	Withdrawn.
IA-PNM-2008-01	Luna Substation 125 MW solar	Withdrawn.
IA-PNM-2008-03	Duran, NM 2000 MW wind	Withdrawn.
IA-PNM-2008-06	SJGS	Withdrawn.
IA-PNM-2008-07	SJGS	Withdrawn.
IA-PNM-2008-08	SJGS	Withdrawn.
IA-PNM-2008-09	SJGS	Withdrawn.
IA-PNM-2008-12	Bluewater Substation 125 MW solar	Withdrawn.
IA-PNM-2008-13	Belen Station 125 MW solar	Withdraw.
IA-PNM-2008-15	Valencia County 125 MW solar	Withdrawn.
IA-PNM-2008-16	Torrance County 125 solar	Withdrawn.
IA-PNM-2008-18	Grants County2000 MW wind	Withdrawn.
IA-PNM-2008-24	Luna County 40 MW solar	Withdrawn.
IA-PNM-2008-25	Bernalillo County 40 MW solar	Withdrawn.
IA-PNM-2008-26	Valencia County 40 MW solar	Withdrawn.
IA-PNM-2008-27	Moriarity/Estancia 90 MW solar	Withdrawn.
IA-PNM-2008-28	Torrance County 47 MW solar	Withdrawn.
IA-PNM-2009-01	Rio Puerco 88 MW solar	Withdrawn.
TP-2000-01	Palo Verde Area Multi-Party Study	Completed. Studies were performed by SRP.
TP-2000-02	Duke Energy North America, LLC Luna Substation	Completed. IA executed. In-service January 1, 2006.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

OASIS Tracking Number/Name		Status
	600 MW	
TP-2001-01	Luna Substation 600 MW	Completed. No IA. EPE performed Fatal Flaw analysis. Requestor not going forward with project.
TP-2001-02	Hidalgo Substation 500 MW	Completed. EPE performed Fatal Flaw analysis.
TP-2004-01	San Juan County, NM 700 MW Coal	Completed. APS performed studies and PNM commented.
TP-2005-01	Yah-Ta-Hey 115 kV Switching Station	Completed. In-service as of June 30, 2006.
TP-2005-02	UVLS	Completed.
TP-2006-01	Luna County, NM	Feasibility Study completed.
TP-2006-02	Chavez County, NM	Completed. Joint study with EPE.
TP-2006-05	Upgrade WM to Belen (WB line)	Completed. In-service May 2007.
TP-2006-06	NW Bernalillo/SW Sandoval Ctys	Completed.
TP-2006-08	Mesa Del Sol Substation	Completed.
TP-2007-02	Bernalillo Cty	Completed.
TP-2008-02	Bernalillo, Cibola and McKinney Cty	Completed
TS-PNM-2000-01	Sandia 345/115 KV Substation	Completed. In-service May 2001.
TS-PNM-2000-02	Mimbres Substation 24MVAR Shunt Capacitor Bank	Completed. In-service August 2001.
TS-PNM-2000-03	Zia Substation 18 MVAR Shunt Capacitor Bank	Completed. In-service May 2001.
TS-PNM-2001-01	Albuquerque 115 KV Line Upgrades	Completed. In-service May 2001.
TS-PNM-2001-02	Hidalgo Substation	Withdrawn.
TS-PNM-2001-03	Palo Verde East Transmission System	Completed.
TS-PNM-2001-04	Bluewater-West Mesa 115 KV Line Upgrade	Completed.
TS-PNM-2001-05	Norton-Hernandez 115 KV Line Upgrade	Completed.
TS-PNM-2001-06	Zia Substation 9MVAR Shunt Capacitor Bank	Completed.
TS-PNM-2001-07	NNM Studies	Deferred.
TS-PNM-2001-08	San Juan-Four Corners-Shiprock	Completed.
TS-PNM-2001-09	Blackwater Station Capacity Upgrade	Completed.
TS-PNM-2001-10	Mimbres Substation – ML-DL line reconductor/phase raise	Completed.
TS-PNM-2002-01	Belen Area	Completed. In-service June 2003.
TS-PNM-2002-02	Bernalillo-Algodones Switching Station Reconfiguration	Completed October 2004.
TS-PNM-2004-01	Southern New Mexico	Completed May 2004.
TS-PNM-2004-02	Algodones West Mesa 115 kV line upgrade	Completed.
TSS-2006-01	Powerex Transmission Study	Completed.
TSS-2006-02	Powerex Transmission Study	See TSS-2006-01.

**Status of PNM's Completed and Withdrawn
Transmission and Interconnection Studies
8/31/2010**

OASIS Tracking Number/Name		Status
TSS-2007-01	TSGT/Continental San Fidel Tap	Completed
TSS-2008-01	Powerex - Blackwater to Four Corners	Withdrawn.
TSS-2008-02	SPS – Blackwater to Four Corners	Completed. TSA executed
TSS-2008-03	Cargill Storrie Lake to Four Corners	Withdrawn
TSS-2008-03	PSCo – 50 MW	TSA not executed
TSS-2008-04	SPS – 50 MW	TSA executed