

**PUBLIC SERVICE COMPANY OF NEW MEXICO
PROCESS FOR IMPLEMENTING NEW BUSINESS PRACTICES
AND FOR CHANGING ESTABLISHED BUSINESS PRACTICES
THAT RELATE TO THE PNM OPEN ACCESS TRANSMISSION
TARIFF (“OATT”)**

In compliance with Federal Energy Regulatory Commission (“FERC”) Order No. 890, Public Service Company of New Mexico (“PNM”) publicly posts on its Open Access Same-time Information System (“OASIS”) site all rules, practices, and standards (collectively, “Business Practices”) employed by PNM in providing transmission service under the terms of the OATT. Business Practices that are posted on the OASIS or linked to other sites via PNM’s OASIS postings are those not incorporated into the terms and conditions of the OATT. Provisions of the OATT may only be changed with approval of the FERC.

PNM wishes to provide a transparent process for amending those Business Practices that it currently has posted and any new practices that are developed, per the provisions of paragraph 1655 of Order No. 890.

Effective August 7, 2007, PNM establishes the following process for instituting new Business Practices and for amending existing Business Practices:

1. Established Business Practices are presently posted in a folder on the PNM OASIS site (www.westtrans.net) titled “Business Practices and Procedures.”
2. PNM has created a folder on the PNM OASIS site (www.westtrans.net) titled “New BP and Proposed Changes to Existing BP”
3. PNM will post proposed new Business Practices and any proposed changes to existing Business Practices in draft form in this folder. The comment draft documents will have a date, revision number, a proposed effective date and an email contact for providing comments. A comment period will be opened for a minimum period of one week to solicit comments from interested parties.
4. All comments received by PNM will be publicly posted in the New BP and Proposed Changes to Existing BP folder.
5. At the end of the comment period, PNM will assess the comments received and will take one of the following actions:
 - a. If a significant number of comments or comments of a substantive nature are received, PNM may choose to redraft the business practice and re-post the document for an additional review period; or,
 - b. If few or no comments of substance are received, PNM may, on the effective date proposed, implement the business practice in the “Business Practices and Procedures” folder; or,
 - c. PNM may decide not to implement the business practice. If this decision is made, the rationale for not proceeding will be posted.