



Public Service Company of New Mexico (PNM) **Standards of Conduct- Emergency Procedure**

PURPOSE

The purpose of this procedure is to ensure that all Emergency Deviations from the Standards of Conduct, as provided for at 18 C.F.R. § 358.4(a)(2), are reported to the Federal Energy Regulatory Commission and posted on the OASIS within 24 hours of the occurrence of the emergency.

DEFINITIONS

1. Chief Compliance Officer. The person designated by the Company pursuant to 18 C.F.R. § 358.4(e)(6) to be responsible for Standards of Conduct compliance. Contact information: Larry Bryant, 505-241-4240, or Larry.Bryant@pnmresources.com.
2. Reliability Operator. Individual responsible for maintaining or reestablishing system reliability during an emergency circumstance. During the emergency circumstance this individual has the discretion to take whatever steps are necessary to maintain system reliability, including communications with marketing or energy affiliate employees.
3. Emergency Deviation. A deviation from the Standards of Conduct for Transmission Providers, which normally preclude communicating transmission function information from transmission function to marketing or energy affiliate personnel. An Emergency Deviation is any direct communication between transmission function employees and marketing or energy affiliate employees during an emergency circumstance affecting transmission system reliability.
4. OASIS. The Open Access Same-Time Information System for the Public Service Company of New Mexico, located at the following Internet address: <http://www.oatioasis.com/pnm/index.html>.



PROCEDURE

1. Identifying an Emergency Deviation. In the event of an emergency circumstance that affects PNM transmission system reliability, and if in the course of addressing that emergency circumstance transmission function employees communicate with marketing or energy affiliate employees in order to request assistance in remedying off-normal system conditions, then such communication will constitute an Emergency Deviation.
2. Notification of Emergency Deviation. Employees with knowledge of an Emergency Deviation shall promptly notify the Manager of System Operations, Chief Compliance Officer, and the Transmission Services Coordinators (OASIS administrator), via telephone and e-mail.
3. Reporting the Emergency Deviation.
 - 3.1. OASIS Posting. In the course of remedying off-normal system conditions, if a communication between transmission function employees and marketing, energy affiliate employees, or third parties is not public at the time of the communication, then such information must be posted to the OASIS within 24 hours of the emergency.
 - 3.2. FERC Report. In the course of remedying off-normal system conditions, if a communication between transmission function employees and marketing, energy affiliate employees, or third parties is not public at the time of the communication, such communication must be reported to the FERC within 24 hours of the start of the deviation.
 - 3.2.1. The Compliance Officer is responsible for making the FERC report. To ensure timely communication with FERC, the Reliability Operator is required, as soon as reasonably practicable after system reliability has been restored, to contact the PNM Chief Compliance Officer, who will assist with filing the Emergency Deviation with FERC.
 - 3.2.2. The following information will be posted on the OASIS website and include in the report with the FERC within 24 hours of the occurrence of the System Emergency:
 1. The cause and nature of the emergency;
 2. The beginning and ending day, hour and minute of the emergency;
 3. All transmission schedules interrupted or curtailed in response to the emergency;
 4. Specific deviation(s) from these Standards of Conduct, which occurred during the emergency.