

Supplemental Comments of PNM to the U.S. Department of Energy Regarding the West-wide Energy Corridor Programmatic EIS

July 10, 2006

The purpose of these comments is to supplement PNM's comments filed with the U.S. Department of Energy ("DOE") in November 2005 (the "November Comments").

Through these supplemental comments, PNM provides its support for certain energy corridors proposed by the DOE in New Mexico, reiterates its request for establishment of a new energy corridor to facilitate a proposed electric transmission project, and reiterates its request for designation of energy corridors for certain existing electric transmission facilities.

Support for Potential Energy Corridors in New Mexico Proposed by the DOE

PNM notes the designation by DOE of three proposed energy corridors within the following New Mexico counties:

- Central Sandoval – Northeastern McKinley – Central San Juan counties
- North Central Socorro – Central Sierra – Southeastern Dona Ana counties
- Southeastern Dona Ana – Central Luna – Southern Grant – Northern Hidalgo counties

PNM strongly supports retaining these corridors among those that will be established by the DOE pursuant to Section 368 of the Energy Policy Act of 2005 (the "Act"). Retention of each of these proposed corridors in the Agencies' process will facilitate, as applicable: 1) maintaining electric and gas transmission system reliability, and 2) potential expansion of the energy network for the purposes of improving reliability and relieving congestion within those networks. PNM applauds the inclusion of these corridors within the agencies' efforts under Section 368 of the Act.

Request for Establishment of a New Energy Corridor in Northern New Mexico

PNM reiterates the request made in its November Comments for establishment of a new (and relatively short) energy corridor that connects central Sandoval County to southern Rio Arriba County. This corridor is requested to facilitate siting of a proposed new transmission line that will tie two existing PNM electric transmission corridors together. This new transmission project is planned for the purpose of relieving congestion, increasing the reliability of the northern New Mexico 345kV transmission system, and

increasing the transfer capability rating of Western Electricity Coordinating Council (“WECC”) Path 48.

This new energy corridor is associated with a project that has been submitted to the WECC path rating process. PNM has also solicited participants for this project. A diagram showing the location of the corridor associated with this project is attached as Figure 1. PNM included the centerline data for this corridor in its GIS data submittal in the November Comments.

For the convenience of the agencies and their consultants, PNM will follow up with a separate transmittal of GIS data for this corridor.

Request for Establishment of Energy Corridors Associated with Existing Transmission Facilities in New Mexico

PNM reiterates its request for establishment of energy corridors associated with certain existing transmission facilities, focusing specifically on 345kV and 230 kV corridors. For the reasons cited in its November Comments, establishment of energy corridors for these existing facilities will serve to reduce conflicting uses of federal lands; and will, consistent with the language in Section 368 of the Act, facilitate permitting as may be necessary for modifications to these existing facilities for the purpose of reducing congestion and improving reliability. PNM included the centerline data for these corridors in its GIS data submittal in the November Comments.

For the convenience of the agencies and their consultants, PNM will follow up with a separate transmittal of GIS data for specific existing 345kV and 230kV corridors.

PNM appreciates the opportunity to comment and thanks the DOE and the cooperating agencies for their efforts in this Programmatic EIS process.

Contact Information:

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Figure 1: Proposed New Energy Corridor
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