Welcome to the 2009 Issues Conference

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NM Public Regulation Commission
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NMPRC ENTERS PARTNERSHIP WITH NEW MEXICO STATE UNIVERSITY

COOPERATION BETWEEN THE COMMISSION AND THE UNIVERSITY WILL PROVIDE RESEARCH OPPORTUNITIES IN AREAS THAT FURTHER THE PUBLIC INTEREST

SANTA FE, N.M. – The New Mexico Public Regulation Commission (“NMPRC” or “Commission”) has entered into a cooperative agreement with the Center for Public Utilities a branch of the College of Business at New Mexico State University (NMSU).

This agreement between the two institutions will help better serve the citizens of New Mexico in regard to dealing with significant regulatory issues throughout the state.
New Mexico – A Leading Energy Producing State

# 4 Natural Gas Production

#6 Oil Production

13,000 MW comm’l wind potential

17,000 MW comm’l solar potential
September 26, 1997

Dry Bones

IT FEELS LIKE WE’VE BEEN HIT BY...

SOME ANCIENT CHINESE CURSE.

WE’RE LIVING IN HISTORIC TIMES.

AGAIN!

DryBonesBlog.com
Challenging and Evolving Environment – Fuel Price Volatility
Challenging and Evolving Environment: Getting Serious about Climate Change

Growth in energy-related CO₂ emissions slows with slowing growth in energy use and a shift to less carbon-intensive fuels
Challenging and Evolving Environment: Economic Weakness
New Mexico Confronts Supply Challenges: Energy Efficiency

Pub Svc N.M. - Energy Efficiency Savings as a % of Total Retail Sales

Pub Svc Co. NM - EE Savings

2% load growth
## New Mexico Confronts Supply Challenges: Natural Gas/Renewables

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Capacity</th>
<th>Type</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delta-Person – PPA</td>
<td>132 MW CT</td>
<td>CT</td>
<td>2000</td>
</tr>
<tr>
<td>Afton – RB</td>
<td>235 MW CC</td>
<td>CC</td>
<td>Nov 2007</td>
</tr>
<tr>
<td>Valencia – PPA</td>
<td>148 MW CT</td>
<td>CT</td>
<td>Summer 2008</td>
</tr>
<tr>
<td>Lea Power Prtnrs – PPA</td>
<td>500 MW CC</td>
<td>CC</td>
<td>July 2008</td>
</tr>
<tr>
<td>Newman Five</td>
<td>288 MW CC</td>
<td>CC</td>
<td>May ’09 (CT)</td>
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<td></td>
<td></td>
<td></td>
<td>May ’10 (CC)</td>
</tr>
<tr>
<td>Lordsburg Luna</td>
<td>80 MW CT</td>
<td>CT</td>
<td></td>
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<tr>
<td></td>
<td>190 MW CC</td>
<td>CC</td>
<td>RB pending</td>
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<tr>
<td>EPE/eSolar PPA</td>
<td>64 MW Solar Thermal</td>
<td>2011</td>
<td></td>
</tr>
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Addressing Regional Transmission Needs

• NM, CO, WY, UT to sponsor conference:
  – What laws permit or constrain the ability of state regulators to engage in joint decision making with their counterparts in neighboring states?
  – What legal principles guide state regulators in reconciling their traditional charge to protect jurisdictional interests with broader public interests at stake in multistate transmission projects and renewable energy development?