

***Via e-Mail***

September 3, 2013

Mr. Robert Easton

PCC Chair

RE: PCR Waiver Request Tri-State San Luis Valley-Carson 230 kV Line

Dear Mr. Easton:

Tristate G&T Cooperative, Incorporated identified a new San Luis Valley-Carson 230 kV Line tying south central Colorado and north central New Mexico in their Annual Progress Report update asking for a waiver from Significant Project Status. The project creates a new tie between balancing areas in Colorado and PNM’s balancing area in New Mexico.

The proposed transmission line creates a new branch in parallel with or modifying existing WECC Rated Paths and has the potential to result in 115 kV overloads in northern New Mexico. Operational mitigation of these overloads could translate into reduced capacity across the WECC Rated Paths. While the stated purpose of the tie is to support the San Luis Valley area in Colorado, insufficient information is currently available to determine how the project and operation of the proposed Phase-Shifting Transformer (PST) will change flows on the northern New Mexico transmission system. The project also does not propose a specific in-service date.

As a result, we feel the project definition needs more clarity and that a request for a waiver of Significant Project Status is pre-mature. Specifically the project does not identify an expected date of release to operations or provide an adequate explanation of why the project is not expected to have a significant impact on the WECC interconnected electric system.

The additional information would help facilitate an understanding of what studies should be performed, what WECC processes are needed and provide insight on how the PST will need to be operated relative to existing paths and flow mitigation procedures. We feel that a waiver should not be granted at this time but could potentially be requested later upon completion of the project definition and proposed schedule and studies confirming only local impacts as indicated in the waiver request.

Sincerely,

Tom Duane

Manager, Transmission Planning

Public Service Company of New Mexico

505-241-4569

cc: Chris Pink – Tri-State

David Gustad – Tri-State

Enoch Davis - WECC

Jeff Mechenbier - PNM