PNM Resources 2401 Aztec NE, MS-Z100 Albuquerque, NM 87107 505-241-2025 Fax 505 241-2384 PNMResources.com



October 29, 2013

Mr. Christopher Lawrence
Office of Electricity Delivery and Energy Reliability (OE-20)
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Submitted electronically via email to: Christopher.Lawrence@hq.doe.gov

Dear Mr. Lawrence:

Subject: Department of Energy (DOE) – Improving Performance of Federal Permitting and Review of Infrastructure Projects, Request for Information, 78 Fed. Reg. 53436 (Aug. 29, 2013)

PNM Resources (PNMR) is an energy holding company with 2012 consolidated operating revenues of \$1.3 billion. Through its regulated utilities, PNM and TNMP, PNMR serves electricity to more than 739,000 homes and businesses in New Mexico and Texas. PNM Resources generation capacity of more than 2,530 megawatts reflects a balanced mix of coal, natural gas, nuclear, wind and solar generation.

PNMR appreciates the opportunity to provide input on a draft Integrated Interagency Pre-application (IIP) process detailed in your request for information (RFI) published in the Federal Register on August 29, 2013. PNM concurs with and supports the comments of the Edison Electric Institute (EEI) and Western Energy Supply and Transmission Associates ("WEST"). PNMR or its utilities are members of those organizations. The comments of those organizations are extensive and detailed. PNMR's input is more general with regard to how the IIP process may need to be modified to increase its efficiency and effectiveness. PNMR notes the following:

 It is very important that DOE fully assert its lead agency authority under 216(h) of the Federal Power Act (16 U.S.C. 824 et seq.) for all applicable Federal authorizations and related environmental reviews. The draft IIP

- process should be revised to accommodate the DOE's mandatory role in siting transmission lines.
- 216 (h) of the Federal Power Act provides for an expeditious 60 day preapplication review process. This requirement should be accommodated. The suggested process is overly long and one size is unlikely to fit all situations. If the proposed IIP process is to be retained then, at the conclusion of each of the four steps, the applicant or any individual agency should indicate if they believe sufficient information is available to proceed with an application. If an applicant then proceeds to submit an application it should not bias the application processing.
- A Public Outreach Plan (POP) is a best practice and should not be mandatory to participation in the IIP process.
- A provision for cost recovery with all participating agencies is critical to the success of the IIP process. A programmatic interagency mechanism to allow the DOE to serve as the turn-key contracting agency for applicant funded cost reimbursement must be established prior to the implementation of the IIP process.
- Currently many agencies sequentially process realty applications. There should be clarity on how the IIP process will affect an application once a formal application is submitted. An applicant should not be penalized for utilizing the IIP process.
- Outreach and public meetings conducted by the applicant while in the IIP process as part of a POP should, upon request of the applicant, be attended by the DOE. As part of the initial interagency agreement for each IIP process, the eventual NEPA lead agency should agree to accept such information gathering as part of the NEPA scoping effort.
- Reviews, studies and other resource information generated with appropriate rigor by the applicant or an agency during the IIP process should also be permitted to fully inform the NEPA process once it has begun.

Thank you again for the chance to provide input. If you have any questions or require additional clarification please contact me either by phone, (505) 241-2025, or via email, douglas.campbell@pnmresources.com.

Sincerely,

Douglas G. Campbell

Manager, Environmental Planning and Permitting