



State of New Mexico
House of Representatives
Santa Fé

WILLIAM "BILL" R. REHM

R - Bernalillo
District 31
Box 14768
Albuquerque, NM 87191
Cell Phone: (505) 259-3398
E-mail: Bill.Rehm@nmlegis.gov
website: BillRehm.us

COMMITTEES:

Judiciary
State Government, Indian &
Veterans' Affairs

February 3, 2020

To: Pat Vincent-Collawn
Chairman, President and Chief Executive Officer
PNM Resources
414 Silver Avenue SW
Albuquerque, NM 87102

From: Bill Rehm
New Mexico State Representative, District 31

Re: Proposed La Cueva Power Substation

Dear Ms. Vincent-Collawn,

Over the past several months, I have met with your legislative lobbyist team, Ms. Sayuri Yamada, Mr. Matt Jaramillo, and Mr. Carlos Lucero. I have found them very responsive and cautious to my requests both at the legislature and this issue.

Also, I have met with PNM Vice-President Todd Fridley, Mrs. Moye and other PNM employees regarding the proposed La Cueva power substation.

Early in the La Cueva power substation discussion Mrs. Moye changed the name of this proposed power substation to "Polomas" power substation. I am sure this was in an attempt to change the focus of this discussion away from previously approved plans.

The North Albuquerque Acres Community Association (NAACA) has raised two main issues with the proposed La Cueva power substation location on the southwest corner of Paseo del Norte and Eubank.

1. You have purchased a residential lot and propose to acquire a total of four to five lots for this substation. NAACA opposes the use of residential land for the building of this or any commercial development of residential land.
2. The second issue is 115 kV power lines would be installed along the east side of Eubank from Alexandria/San Antonio Road northward to this power substation on the southwest corner of Eubank and Paseo del Norte.

It is clear PNM must use eminent domain to acquire the additional lots for the power substation. This power substation will lower the property values of the surrounding lots and homes. PNM proceeding against small land owners will not be a popular venture.

Unfortunately, I agree with the NAACA's concerns.

In our research, it was noted your ten-year plan proposes that the La Cueva power substation be built north of Paseo del Norte between San Pedro and Wyoming. PNM proposed this plan to the City of Albuquerque City Council, the Bernalillo County Commission and the New Mexico Public Regulation Commission. These entities approved this plan in 2012. Moving the La Cueva power substation to the Palomas location is a major change by your plan's definition. Below are some excerpts of this plan.

- - - -

FACILITY PLAN

Electric System

Transmission and Generation (2010 – 2020)

Page 3

The following five objectives support this goal:

1. To conduct system planning at least ten years into the future.
2. To provide a forum for the general public to comment on electric facility projects through public hearings before the EPC and CPC.
3. To present standards for the location and design of transmission facilities.
4. To preserve planned transmission line corridors from encroachments by new development.
5. To identify and describe the procedures for developing new generation facilities.

A. Location Standards

1. Where practical, future transmission lines shall avoid traversing residential land.

- b. Environmental Considerations -- Resource factors or land use values where the presence of electric facilities may conflict with that resource or land use value. Environmental sensitivities do not preclude development of an overhead transmission line, but because of their conflict potential, are given special consideration in designating the alignment, substation location, and facility design and construction.

4

Page 5

- 10. In siting new transmission line alignments, siting impacts shall be minimized.
 - a. Visual -- New transmission corridor alignments shall be located to take advantage of existing topographic features to minimize visual impacts of transmission structures. A reasonable attempt shall be made to avoid lines and structures being the high points in the visual plane.
- 6. Placement of electric transmission structures directly in front of residentially zoned lots shall be avoided unless no feasible alternatives exist. Application of environ-

5

mentally compatible concepts and attention to electric transmission structure design shall be considered in these cases.

Page 11

C. Prudent Avoidance

Electric and Magnetic Fields (EMFs) shall be considered when locating new transmission corridors. The City of Albuquerque and Bernalillo County land use planning policy is to adopt measures that will minimize EMF exposures to the public when it is reasonable, practical and low cost. When siting facilities, the utility shall consider schools, child care centers, and residential areas.

Worldwide studies on the health effects of EMFs are ongoing. Consequently, the electric utilities and the City of Albuquerque and Bernalillo County shall continue to monitor these studies as well as EMF legislative actions and evaluate the results. All parties shall review any substantial changes in the information or substantial new findings relative to the Plan (Appendix F).

8	Paseo del Volcan Substation	Build a new substation to serve area development	2016	Provide substation capacity to serve Tempur-Pedic Mattress Plant and other growth in the area of I-40 and Paseo del Volcan	BC
9	NW 115kV Line Upgrade	Upgrade the NW 115 kV line between West Mesa and Mariposa	2016	Mitigate overloads on this line section for loss of the WVP 115 kV line from West Mesa to Prager	CoA
10	Beverly Wood Substation Expansion	Expand existing substation to accommodate needed future equipment	2016	Increase substation capacity to serve Uptown development and other area growth	CoA
11	La Cueva Substation 115kV Line	Build a 115 kV line from Eubank and San Antonio NE to La Cueva Substation	2017	Serve proposed new distribution substations and improve the reliability of the Northeast Albuquerque area	CoA/BC
12	La Cueva Substation	Build a new substation to serve area development	2017	Provide substation capacity to serve the residential and commercial growth in the area surrounding Paseo del Norte and San Pedro/Wyoming	BC

Page 25

33	NE Albuquerque 115kV Transmission Line	Build new 115kV transmission source to Northeast Albuquerque from La Cueva Substation to Tramway Substation along Paseo del Norte	2020	Provide a 115 kV source for new substations and improve reliability	CoA/BC
----	--	---	------	---	--------

PNM

- - - -

In reviewing the above, it is clear that building the power substation on Palomas near Eubank violates many of the above sections. The power lines will pass in front of Elmcroft adult retirement center (Alexandria and Eubank), Grace Lutheran Church, where there is a childcare facility, and two other churches. Grace Lutheran Church representatives have explained that, currently, hearing impaired parishioners must be moved to an area at the east end of the church to avoid power line interference with their sound amplifying headphones. Church representatives fear the 115kV power lines will further interfere with this system and the church's child care functions.

In the early stages of PNM's proposed change to the power substation location, PNM formed a working group. Many key members of the NAACA were excluded from this working group. It was clear PNM's intention was to silence the more vocal members. While some have been allowed into this group, exclusion has been the process.

I asked PNM what other land it owns south of Sandia Pueblo, east of I-40, north of San Antonio, and west of the Sandia Mountain. I was told PNM would **NOT** identify the land it owns in that area.

I noted that the Tramway power substation has room to grow, and that Tramway and Paseo del Norte are main traffic ways appropriate for the 115kV power lines. I have never been given a full explanation as to why these two proposals could not be used.

There has been a lot of discussion about this proposed power substation and its future location. The NAACA has asked the following questions, and they have not been fully answered.

1. Why does the substation need to be so large compared to others built in residential areas?
2. What other areas have been considered for this substation?

3. What are the current power ratings for the Signetics, Hamilton and Tramway substations? What are the peak loads and average loads for those stations over the past year? Can they be expanded, and if so, to what capacity?
4. What is the power rating for the proposed La Cueva substation?
5. Can you confirm that the transmission lines will come down Paseo del Norte instead of Palomas as originally specified? If so, what are the reasons for this change?
6. Will the access to the substation also be from the Paseo del Norte access road?
7. Will all the above ground distribution lines come out to the north side of the substation?
8. The high points on the lots under your proposed plan at Palomas are considerably higher than the Paseo del Norte access road. Will the site be leveled before construction? If so, how much higher than the road will it be?
9. Please provide a diagram of the substation showing how it is positioned on the lots.
10. The graphs presented at the June 12 meeting show that the number of meter connections in the area under consideration is growing at less than 1% per year, but the projected load growth is 2.5% per year. Why is there such a large discrepancy between these numbers? What is the basis for the projected increase in power usage per meter?

July 22, 2019 Justin Zoladz, President of Grace Lutheran Church, wrote you a letter about the church's concerns with the proposed power lines.

I have sent numerous emails on this subject. Below are some excerpts of those emails.
- - - -

May 14, 2019 email from Bill Rehm to Sayuri Yamada, Matt Jaramillo, and Carlos Lucero:

----- Original Message -----

From: Bill Rehm <billrehm@comcast.net>

To: Sayuri.Yamada@pnmresources.com, Matt Jaramillo <Matthew.Jaramillo@pnmresources.com>, Carlos Lucero <Carlos.Lucero@pnm.com>

Date: May 14, 2019 at 11:52 AM

Subject: Proposed La Cueva power site

All,

Please review the attached document.

In particular review actual pages 17 --the table of contents --section III A. and B.

Actual page 42 and 43 -- table of sites or projects.

Why are we not following the plan????

Then please call me.

Thanks,

Bill

May 14, 2019 email from Bill Rehm to Carlos Lucero and Sayuri Yamada:

All,

Since this morning I have tried to email you.

I have tried to send this a couple of times but the file is too large.

I am sure you are aware of the Bernalillo County Commission Resolution 69-2011 "Facility Plan Electric System Transmission and Generation (2010- 2020)"

If not please Google it so you understand what I reference for our discussion.

Please call this afternoon as I need your response.

Thanks,

Bill

May 15, 2019 email from Carlos Lucero to Sayuri Yamada (cc to Bill Rehm):

Hi Sayuri,

Spoke with Bill Rehm and he gave me an update on last night's "Emergency" North ABQ Acres Association meeting. He stated there were 50 to 60 people in attendance and a lot of their issues were raised from the proposed location of the new La Cueva Substation and now the actual transmission lines crossing through Eubank to get to Paseo Del Norte to serve the new substation. Also, a Board of County Commissioners Resolution which is a 10 year Facility Plan approved by Bernalillo County and City of ABQ was brought up and the residents felt PNM was not sticking to this resolution or plan. I've read through and I didn't find too many discrepancies. It didn't state where the new substation was going to be located other than it had to serve a specific area. I'll read further and I talked to Laurie Moyer and there is a closed meeting at the NMPRC today to discuss this proposed substation. Laurie said she would call me after the meeting and give me her updates. That's all I have for now and will update you as I learn more. Thank you Sayuri.

Carlos

May 16, 2019 email from Bill Rehm to Carlos Lucero and Sayuri Yamada:

All,

Here is an update.

On the night of the meeting Channel 4 aired a story about the substation proposal.

Yesterday we counted the persons who signed in. That number is 79. We guessed that over 20 were seated prior to the sign in at the back of the room. Several people in attendance estimated we had 100 to 120 present.

Yesterday Channel 13 interviewed us and aired a story.

I do believe the 10 year plan is pretty specific as to the location of the La Cueva substation. P 24 item 12 "La Cueva substation" "Provide substation capacity to serve the residential and commercial growth in the area surrounding Paseo del Norte and San Pedro/Wyoming". As you have told me the substation must be near the "load" demand.

Page 5 "Design Standards"

#6 "Placement of electric transmission structures directly in front of residential zoned lots shall be avoided unless no feasible alternative exist."

P 7 A "The Plan requires that the electric utilities' system expansion plans be consistent with the Albuquerque/Bernalillo County Comprehensive Plan."

There are more points in the "plan" but these are pretty specific.

One area I believe you should consider is Paseo del Norte near the interstate. There are several vacant lot locations and this is industrial.

If the adjacent lots to your lot at Eubank do not want to sell, or their price is too high. How long will it take you to use Eminent Domain? Not a very popular option.

Additionally, you will need a "Special Use" variance from Bern Co Commission for the Eubank substation. The neighborhood association has always opposed special use variances for obvious reasons.

Bill

June 13, 2019 email from Bill Rehm to Carlos Lucero:

Carlos,

Please send me:

1. The slides of the posters you used at last night's presentation.

2. The legal description of all land PNM owns south of Sandia Pueblo, east of I-25, north of San Antonio, and west of Tramway. If a substation is on that land please note that.

Thank you,

Bill

July 1, 2019 email from Bill Rehm to Carlos Lucero:

Carlos,

The neighborhood association has a working group on your proposed substation. They have requested I ask you for answers to the below questions.

Thank you,

Bill

- - - -

Early in January 2020, PNM gave invitations to a few homeowners for a February 4, 2020 closed meeting with PNM on proposals for this power substation. Excluding the NAACA is disingenuous to say the least. This must be an open meeting.

Additionally, NAACA has the following questions regarding the proposed La Cueva/Palomas substation and transmission line that have not been answered, or otherwise not fully answered. Many of these questions are in addition to the previous questions.

1. Why is PNM proposing to build this 4 acre substation in a residential zone, instead of an industrial area?
2. PNM owns only 1 acre at the proposed location; why hasn't PNM been able to buy the additional 3 acres that it needs? Will PNM attempt to seize this property through condemnation?
3. What specific data is PNM using to project increased demand in the North Albuquerque Acres area? What specific data is PNM using for other areas in the North Paseo del Norte Corridor, including Tierra Monte, Sandia Heights and Sandia Pueblo individually?
4. PNM asserts that North Albuquerque Acres is currently being served by 3 substations: Signetics, Hamilton and Tramway. Why is the Wyoming substation not listed? What area does it serve? Can it be expanded?

5. As PNM asserts that the Signetics, Hamilton and Tramway substation are severely stressed, why was the La Cueva/Palomas substation not built in 2017 as originally planned and as outlined in the 2010-2020 Facility Plan?
6. These 3 substations have reportedly been serving our area for many years. The Signetics substation is located west of I-25. Can it be expanded? Why is it no longer acceptable for this substation to continue serving our area?
7. Has growth in the area been restricted or limited due to power constraints? Why has there been unfettered construction if power is an issue, especially in the area immediately east of I-25 at Alameda?
8. What is the projected cost for this substation? What part of that cost is for land acquisition and what part is for construction?
9. PNM's original proposal is for two 115 kVh transmission lines from the Hamilton Substation to run north along Eubank to Paseo del Norte and then west to the proposed new substation. If approved, additional 115 kVh lines may be added at any time thereafter without any additional permitting. How many lines is PNM planning?
10. What is the estimated cost of the transmission line? What is the estimated cost of placing the line(s) underground?
11. PNM has underground transmission lines in Santa Fe, Rio Rancho and downtown Albuquerque. Why was the line in downtown Albuquerque placed underground and which ratepayers paid the excess costs associated with that line? Who paid for the line in Santa Fe?
12. PNM has stated the costs of placing these lines underground would have to be borne by property owners in the area. Exactly which property owners would bear this cost and why would this be different from the excess costs paid by all City of Albuquerque ratepayers for the downtown underground line (\$.15 per residential ratepayer over the course of five months)?
13. Why is PNM planning to run this very high voltage line directly in front of Grace Lutheran Church and its pre-school on Eubank, in direct contradiction to World Health Organization (WHO), Facility Plan design standards and City of Albuquerque and Bernalillo County Land Use Planning policies?
14. These same standards state that EMF fields shall be considered when locating new transmission corridors such as this, and the utility shall consider prudent avoidance when siting facilities near schools, child care centers and residential areas. This proposed substation and lines directly impact existing residential

areas. Has PNM considered the financial impact to these property owners, such as decreased property values? Will these residents be compensated for their losses?

15. The Facility Plan Design Standards also specify visual impacts of transmission structures shall be minimized with a reasonable attempt made to avoid lines and structures being the high points in the visual plane. How does PNM justify the 85 feet tall poles required for these lines which will be visible from nearly every point in North Albuquerque Acres area, which is known for its sweeping vistas?
16. PNM has stated the Paseo del Norte Frontage Road North between Eubank and Holbrook would be used by its large, heavy-duty trucks to maintain the proposed substation. This is a narrow, two-lane road and the only egress is from the Cielo Estates community. Are there plans to widen this road?
17. The US Department of Transportation has easements along Paseo, along with Bernalillo County and the City of Albuquerque. How wide are each of these easements? PNM has stated lines of this magnitude require a 75 foot easement to account for the sway of these lines in high winds. Will there be sufficient width to accommodate this? Is there a likelihood of fire from these lines in high wind conditions?
18. PNM asserts that it wants to work with the community in a spirit of mutual respect and cooperation in locating this substation and associated lines. Why hasn't PNM held open public meetings to inform ALL the neighbors? Why were only property owners within 300 feet notified of this project by PNM?
19. Why is PNM using the Star Group to facilitate the closed-door meetings it has been conducting with its hand-picked membership? What criteria were used to select these members? Why were all nearby neighborhood associations not represented in the original selection?
20. The Star Group president is William Moyer and the PNM Project Manager is his wife, Laurie Moyer. Doesn't this result in additional costs to ratepayers, or is this cost paid by shareholders? Are shareholders aware of this familial connection and the additional funds being funneled into the Moyer family coffers?

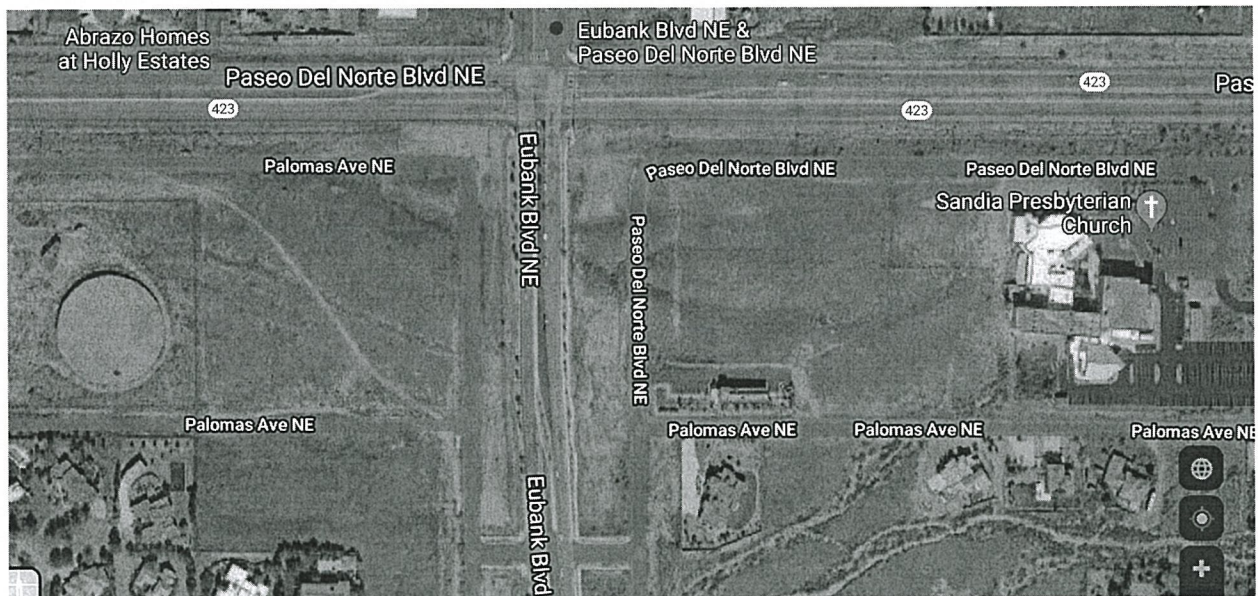
I am deeply troubled that PNM is not following its ten-year plan. This plan was approved by the City of Albuquerque City Council, Bernalillo County Commission and the New Mexico Public Regulation Commission.

Not only is this violating this agreement, but PNM is proposing to amend the North Albuquerque Acres Sector Plan. This sector plan was an agreement with the NAACA and

the Bernalillo County Commissioners. This sector plan became the template for the North Valley Sector Plan and the South Valley Sector Plan. It is very important that areas of town have sector plans detailing how and when land will be used. You have purchased a residential lot on Palomas near Eubank. Your power substation is, by sector planning, a commercial project. To request the Bernalillo County Commission to not follow their sector plans would open the entire county to amending previous agreements.

Mrs. Moya told me my position was "build it anywhere but not in my neighborhood". I responded "that is not true, simply move to the east side of Eubank and you are now on commercial property".

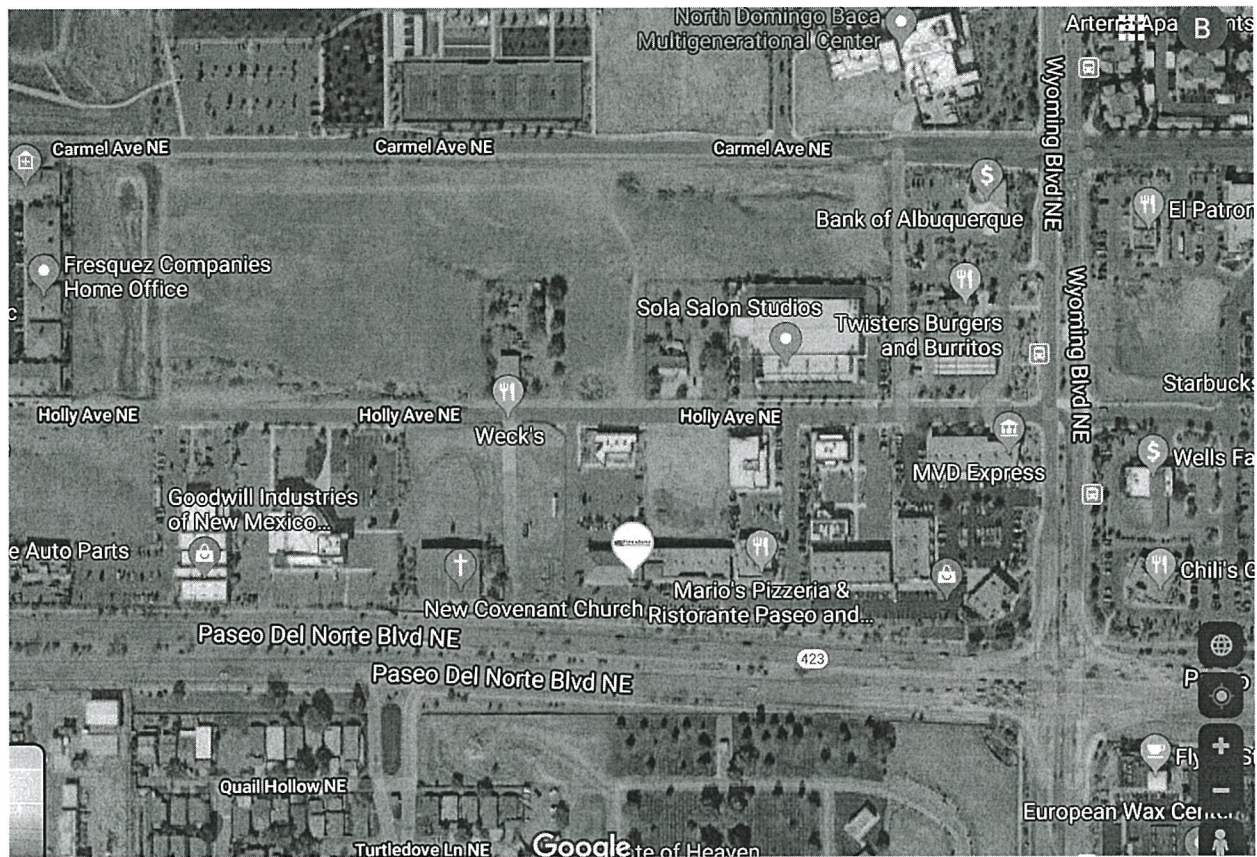
Early in our discussion I identified that moving from the south west corner of Eubank and Paseo del Norte to the south east corner of Eubank and Paseo del Norte would move your substation from residential to commercial land. Please see the below Google image of this area.



Mrs. Moya requested the working group members propose alternate locations. Several locations were proposed. Mrs. Moya rejected the above location.

Please follow the Bernalillo County Commission approved La Cueva power substation plan. The working group and I identified a large, undeveloped commercial land parcel north of Paseo del Norte, west of Wyoming Blvd and between the streets of Holly and Carmel. This commercial land and in the area where commercial power growth is occurring. I request you examine the building permits issued in this area versus the

North Albuquerque Acres. Below is a Google image of this area. Please note the commercial businesses in this area.



I find it offensive that PNM would propose building upon residential land rather than commercial land. Residential land was specifically designed for a residential neighborhood. If I owned property on the southwest corner of Paseo del Norte and Eubank, I would anticipate that my neighbors would be residential, not commercial entities. Residential land does not cost as much as commercial. PNM has a positive cash balance and can afford to purchase commercial property.

Please answer the NAACA questions listed above.

I feel my constituent's opinions, questions, and options have fallen on the deaf ears of PNM and I am convinced that members of PNM are only providing lip service to my constituents. I am reaching out to other elected members to inform them of your actions.

Sincerely,



William "Bill" R. Rehm
New Mexico House of Representatives, District 31

cc: James Collie, Chair of Bernalillo County Commission (District3@bernco.gov)
Debbie O'Malley, Vice Chair of Bernalillo County Commission
(District1@bernco.gov)
Steven Michael Quezada, District 2 Bernalillo County Commissioner
(District2@bernco.gov)
Lonnie Talbert, District 4 Chair of the Bernalillo County Commissioner
(District4@bernco.gov)
Charlene Pyskoty, District 5 Vice-Chair of the Bernalillo County Commissioner
(District5@bernco.gov)
Commissioner Cynthia B. Hall, District 1 Public Regulation Commissioner
(Cynthia.hall@state.nm.us)
Commissioner Jeff Byrd, District 2 Public Regulation Commissioner
Jeff.Byrd@state.nm.us
Commissioner Valerie Espinosa, District 3 Public Regulation Commissioner
Valerie.Espinoza@state.nm.us
Commissioner T. Becenti-Agular, District 4 Public Regulation Commissioner
T.Becenti@state.nm.us
Commissioner Stephen Fishmann, District 5 Public Regulation Commissioner
Stephen.Fischmann@state.nm.us