

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE JOINT APPLICATION)
OF AVANGRID, INC., AVANGRID NETWORKS, INC.,)
NM GREEN HOLDINGS, INC.,)
PUBLIC SERVICE COMPANY OF NEW MEXICO)
AND PNM RESOURCES, INC. FOR APPROVAL OF)
THE MERGER OF NM GREEN HOLIDNGS, INC.)
WITH PNM RESOURCES, INC.; APPROVAL OF A)
GENERAL DIVERSIFICATION PLAN; AND ALL) Case No. 20-00222-UT
OTHER AUTHORIZATIONS AND APPROVALS)
REQUIRED TO CONSUMMATE AND IMPLEMENT)
THIS TRANSACTION)
)
)
AVANGRID, INC., AVANGRID NETWORKS, INC.,)
NM GREEN HOLDINGS, INC., PUBLIC SERVICE)
COMPANY OF NEW MEXICO AND PNM)
RESOURCES, INC.,)
)
)
JOINT APPLICANTS.)
_____)**

PROCEDURAL ORDER

THIS MATTER comes before the Hearing Examiner pursuant to NMSA 1978, § 8-8-14 and New Mexico Public Regulation Commission (“Commission” or “NMPRC”) Rules of Procedure 1.2.2.24 and 1.2.2.29 of the New Mexico Administrative Code (“NMAC”). Being fully informed of the premises, the Hearing Examiner **FINDS** and **CONCLUDES**:

1. On November 23, 2020, the Joint Applicants identified hereafter filed a Joint Application with the Commission requesting approval of a Merger Agreement (together with related action and documents, the “Proposed Transaction”). The Joint Applicants are: Avangrid, Inc. (“Avangrid”), a New York corporation; Avangrid Networks, Inc. (“Networks”), a Maine Corporation; NM Green Holdings, Inc. (“NM Green”), a New Mexico corporation; Public Service Company of New Mexico (“PNM”), a New Mexico corporation; and PNM Resources, Inc. (“PNMR”), a New Mexico corporation. Specifically, approvals are sought for (1) the merger of NM Green with and into PNMR, under NMSA 1978, Sections 62-6-12 and 62-6-13, following

which PNMR will be the surviving corporation and will be a wholly-owned subsidiary of Avangrid (“Merger”); (2) Avangrid’s transfer of 100% ownership in PNMR to Networks subsequent to the Merger; (3) PNM’s 2021 General Diversification Plan (“2021 GDP”), which replaces any previous diversification plans and is filed in connection with the Class II transaction contemplated by the Proposed Transaction pursuant to 17.6.450 NMAC (“Rule 450”), together with requested limited variances to Rule 450; and (4) such other and further approvals, consents, authorizations, and relief that may be required under the New Mexico Public Utility Act.

2. On December 4, 2020, the Commission, by single signature Order, appointed the undersigned as Hearing Examiner to preside over this matter, to take all action necessary and convenient thereto within the limits of the Hearing Examiner’s authority, to conduct any necessary hearings, to submit a Recommended Decision containing proposed findings of fact and conclusions of law regarding this case to the Commission and to take any other action in this case that is consistent with Commission procedure and statutes.

3. On December 17, 2020, the Hearing Examiner held a prehearing conference in this case via a Zoom videoconference. The prehearing conference was attended by representatives of Avangrid, PNM, PNMR, the Albuquerque Bernalillo County Water Utility Authority, the City of Albuquerque, Bernalillo County, Coalition for Clean Affordable Energy, City of Farmington, Dine CARE, Enchant Energy, IBEW Local 611, Interwest Energy Alliance, M-S-R Public Power Agency, New Energy Economy, New Mexico Affordable Reliable Energy Alliance, New Mexico Attorney General, Sierra Club, San Juan Citizens Alliance, Southwest Generation Operating Company, Walmart, Western Resource Advocates, Westmoreland Mining LLC and Staff of the Commission’s Utility Division (“Staff”).

4. The Hearing Examiner and the prehearing conference participants discussed a procedural schedule, the Joint Applicants' proposed form and manner of notice, and a procedure for the expedited electronic service of filings and discovery requests and responses.

5. The Commission has jurisdiction over the parties and the subject matter of this case.

6. The procedural schedule established at the December 17, 2020 prehearing conference, along with related details such as the provision for expedited discovery responses and electronic service of filings should be adopted for this proceeding.

IT IS THEREFORE ORDERED:

A. The following schedule is adopted for this proceeding:

1) Avangrid and PNM shall cause, at their sole expense, a copy of the Notice of Proceeding and Hearing ("Notice") appended to this Order as Attachment 1 to be published once in the *Albuquerque Journal*, *Farmington Daily Times*, *Las Cruces Sun News*, *Santa Fe New Mexican* and the *Silver City Sun News* on or before January 15, 2021. Avangrid and PNM also shall post a copy of the Notice on their public websites on or before January 15, 2021. PNM shall further, at its sole expense, mail to PNM's customers (by bill stuffer or separately) a copy of the Notice on or before January 20, 2021. Avangrid and PNM shall promptly file affidavits reflecting such publication and posting with the Commission.

2) Any person desiring to become a party ("intervenor") in this case shall file a motion for leave to intervene in conformity with Rule 1.2.2.23 NMAC on or before February 26, 2021.

3) Staff and intervenors shall file direct testimony on or before April 2, 2021.

4) Any rebuttal testimony shall be filed on or before April 21, 2021.

5) A prehearing conference shall be held on April 26, 2021 at 9:00 a.m. Mountain Time (“MT”) via the Zoom videoconference platform. The prehearing conference may be vacated if the Hearing Examiner determines it is not necessary.

6) The evidentiary portion of the public hearing of this matter will be held beginning at 9:00 a.m. MT on May 4, 2021 to hear and receive evidence, arguments, and any other appropriate matters relevant to this proceeding. The evidentiary hearing will continue, as necessary, through May 12, 2021. Due to the ongoing COVID-19 pandemic, the public hearing shall be conducted via the Zoom videoconference platform. Participation in the evidentiary hearing shall be limited to party-participants (i.e., counsel, witnesses, and other representatives of the parties), the Commissioners, and other Commission personnel.¹ Interested persons may view the evidentiary hearing via a livestream on YouTube provided on the Commission’s website at www.nmprc.state.nm.us.

7) Public comment shall be taken orally at the commencement of the public hearing in this matter on May 3, 2021 at 9:30 a.m. MT. As part of the public hearing, public comment will be taken via the Zoom platform. Therefore, persons interested in providing public comment must request a Zoom invitation by emailing Ana Kippenbrock at Ana.Kippenbrock@state.nm.us by no later than 9:00 a.m. MT on May 3, 2021. Public comments shall be limited to 3 minutes per speaker. However, pursuant to 1.2.2.23(F) NMAC, public comment shall not be considered as evidence in this case.

B. Interested persons may also submit written comments, which shall reference NMPRC Case No. 20-00222-UT, to the Commission via its Records Bureau’s email address at:

¹ Zoom invitations to the prehearing conference and evidentiary hearing shall be sent in due course to individuals on the Certificate of Service and all witnesses whose pre-filed testimony the parties intend to seek admission into evidence.

prc.records@state.nm.us. However, as noted above, pursuant to 1.2.2.23(F) NMAC, comments will not be considered as evidence in this proceeding.

C. Since the evidentiary hearings shall be held through a videoconference, the parties will be required to electronically distribute in advance of the hearing date the exhibits they propose to offer at the hearing to all parties, the Hearing Examiner, and the court reporter. The requirements for such submissions shall be set forth in a subsequent prehearing order issued by the Hearing Examiner in due course.

D. Parties shall ensure that all attorneys appearing on their behalf, who are not admitted to practice law in the State of New Mexico, shall comply with the *pro hac vice* procedures of the Commission's rules at 1.2.2.9(E) NMAC and the registration requirements in Rule 24-106 NMRA.

E. The Certificate of Service for this case is attached to this Order. Subject to subsequent revision pursuant to 1.2.2.10(C)(4) NMAC, the attached service list shall be used for service of all pleadings, testimony and other documents in the manner indicated to the individuals and addresses listed thereon.

F. The procedural dates and requirements provided herein are subject to further Order of the Commission or Hearing Examiner. Interested persons should contact the Commission for confirmation of the hearing date, time, and place, since hearings are occasionally rescheduled.

G. The Commission's Rules of Procedure, §§ 1.2.2.1 NMAC, et seq., shall apply in this case except as modified or varied by order of the Hearing Examiner or Commission. The Rules of Procedure and other NMPRC rules are available online at the New Mexico Commission of Public Records, State Records Center and Archives website at <http://www.srca.nm.gov/nmac-home/nmac-titles>.

H. Except as expressly provided in this Order or subsequently ruled, discovery matters, and any discovery disputes shall be governed by the Commission's discovery rules at 1.2.2.25 NMAC. The parties shall raise any disputes, questions, or concerns regarding discovery with the Hearing Examiner at the earliest available opportunity so that all such issues may be considered well in advance of the hearing.

I. A Commission order is not required for agreements between or among any of the participants regarding discovery matters. All other participants shall be notified of such agreements.

J. No motion regarding any discovery dispute shall be considered unless accompanied by a statement that the participants have made a good faith effort to resolve the dispute and were unable to do so.

K. Anyone filing pleadings, documents or testimony in this case shall, until further notice, comply with the Commission's electronic filing policy, as amended from time to time. This includes filings in .pdf format, with electronic signatures, sent to the Records Bureau's email address, at: prc.records@state.nm.us within regular business hours of the due date, in order to be considered timely filed. Documents received after regular business hours, will be considered as being filed the next business day. Regular business hours are from 8:00 a.m. to 5:00 p.m. MT. Parties shall serve a copy on all parties of record and Staff. All filings shall be emailed on the date they are filed with the Commission.

L. All filings shall be emailed to the Hearing Examiner on the date filed at ashley.schannauer@state.nm.us by no later than 5:00 p.m. MT. Such emailing shall include the Word or other native version of the filing if created in such format. Any filings not emailed to the

Hearing Examiner in compliance with the requirements of this Order are subject to being summarily rejected and stricken from the record in the Hearing Examiner's discretion.

M. Service of all documents filed in this proceeding and discovery requests and responses shall be via email unless a party requests a hard copy or unless otherwise ordered. Avangrid and PNM shall post the discovery requests they receive from the parties and Avangrid's and PNM's responses to discovery requests, including exhibits, on PNM's file sharing platform. All responses to discovery requests shall be served within 10 calendar days of service of the request unless otherwise agreed or ordered.

N. Any person filing prepared testimony under 1.2.2.35(I) NMAC on behalf of a party shall attend the hearing and submit to examination under oath. Unless otherwise ordered or approved by the Commission or Hearing Examiner, at the public hearing in this case only pre-filed prepared written testimony, in question and answer form and verified by the witness, and examination of witnesses on such pre-filed testimony shall be accepted, considered and received in evidence along with other relevant and otherwise admissible exhibits. Further, the questioning of a party sponsoring a witness shall be limited on direct examination to the authentication and verification of the witness' pre-filed written testimony and later to appropriate redirect examination.

O. Interested persons may examine the Joint Application and all other pleadings, testimony, exhibits, and other documents in the public record for this case on the Commission's website at <https://edocket.nmprc.state.nm.us> or at the offices of PNM at the following address:

Public Service Company of New Mexico
414 Silver Avenue, SW
Albuquerque, New Mexico 87158
Telephone number 505-241-2700
PNM website – <https://pnm.com/regulatory>

P. Any person with a disability requiring special assistance in order to participate in this proceeding should contact the Commission at least 24 hours prior to the commencement of the hearing.

ISSUED at Santa Fe, New Mexico this **18th day of December 2020**.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ Ashley C. Schannauer

Ashley C. Schannauer
Hearing Examiner

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE JOINT APPLICATION OF)
AVANGRID, INC., AVANGRID NETWORKS, INC., NM)
GREEN HOLDINGS, INC., PUBLIC SERVICE COMPANY)
OF NEW MEXICO AND PNM RESOURCES, INC. FOR)
APPROVAL OF THE MERGER OF NM GREEN)
HOLDINGS, INC. WITH PNM RESOURCES, INC.;)
APPROVAL OF A GENERAL DIVERSIFICATION PLAN;)
AND ALL OTHER AUTHORIZATIONS AND APPROVALS)
REQUIRED TO CONSUMMATE AND IMPLEMENT THIS)
TRANSACTION)**

Case No. 20-00222-UT

CERTIFICATE OF SERVICE

I CERTIFY that on this date I sent, via email only, to the parties and individuals listed

below a true and correct copy of the Procedural Order issued on December 18, 2020.

Stacey Goodwin Ryan Jerman Richard Alvidrez Robert Edwards Dan Akenhead Mark Fenton Carey Salaz Steven Schwebke Heather Allen Patrick V. Apodaca Mariel Nanasi Christopher Sandberg Joan Drake Lisa Tormoen Hickey Nann M. Winter Keith Herrmann Dahl Harris Peter Auh Jody García Steven S. Michel April Elliott Cydney Beadles Pat O'Connell Cholla Khoury Gideon Elliot Robert F. Lundin Andrea Crane Doug Gegax Joseph Yar Jeffrey Spurgeon Jeffrey Albright Michael I. Garcia Amanda Edwards	Stacey.Goodwin@pnmresources.com ; Ryan.Jerman@pnmresources.com ; Ralvidrez@mstlaw.com ; Bob.Edwards@troutman.com ; DAkenhead@mstlaw.com ; Mark.Fenton@pnm.com ; Carey.salaz@pnm.com ; Steven.Schwebke@pnm.com ; Heather.Allen@pnmresources.com ; Patrick.Apodaca@pnmresources.com ; Mariel@seedsbeneaththesnow.com ; cksandberg@me.com ; jdrake@modrall.com ; lisahickey@newLawgroup.com ; nwinter@stelznerlaw.com ; kherrmann@stelznerlaw.com ; dahlharris@hotmail.com ; pauh@abcwua.org ; JGarcia@stelznerlaw.com ; smichel@westernresources.org ; April.elliott@westernresources.org ; Cydney.Beadles@westernresources.org ; pat.oconnell@westernresources.org ; ckhoury@nmag.gov ; gelliott@nmag.gov ; rlundin@nmag.gov ; ctcolumbia@aol.com ; dgegax@nmsu.edu ; joseph@yarlawoffice.com ; spurgeonJ@southwestgen.com ; JA@Jalblaw.com ; mikgarcia@bernco.gov ; AE@Jalblaw.com ;	Kyle J. Tisdel Thomas Singer Mike Eisenfeld Robyn Jackson Jane L. Yee Larry Blank, Ph.D. Saif Ismail Peter J. Gould Kelly Gould Jim Dauphinais Michael Gorman Justin Lesky Charles F. Noble Stephanie Dzur Ramona Blaber Don Hancock Brian J. Haverly P. Azagra Michael C. Smith Bradford Borman Peggy Martinez-Rael Elizabeth Ramirez Gilbert Fuentes Jack Sidler John Bogatko Milo Chavez Marc Tupler Beverly Eschberger Georgette Ramie Dhiraj Solomon John Reynolds Ana Kippenbrock	tisdel@westernlaw.org ; Singer@westernlaw.org ; mike@sanjuancitizens.org ; Robyn.jackson@dine-care.org ; jyee@cabq.gov ; lb@tahoecomonomics.com ; sismail@cabq.gov ; pgouldlaw@gmail.com ; kellydarshan@gmail.com ; jdauphinais@consultbai.com ; mgorman@consultbai.com ; jlesky@leskylawoffice.com ; Noble.ccae@gmail.com ; Stephanie@Dzur-law.com ; Ramona.blaber@sierraclub.org ; scricdon@earthlink.net ; bjh@keleher-law.com ; azagrap@ibdl.com ; Michaelc.smith@state.nm.us ; Bradford.Borman@state.nm.us ; Peggy.Martinez-Rael@state.nm.us ; Elizabeth.Ramirez@state.nm.us ; GilbertT.Fuentes@state.nm.us ; Jack.sidler@state.nm.us ; John.Bogatko@state.nm.us ; Milo.Chavez@state.nm.us ; Marc.Tupler@state.nm.us ; Beverly.Eschberger@state.nm.us ; Georgette.Ramie@state.nm.us ; Dhiraj.Solomon@state.nm.us ; John.Reynolds@state.nm.us ; Ana.Kippenbrock@state.nm.us ;
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<p>Jason Marks Matthew Gerhart Katherine Lagen Camilla Feibelman Michel Goggin Andrew Harriger Donald Gruenemeyer Douglas J. Howe Bruce C. Throne Rob Witwer R. Scott Mahoney David L. Schwartz Tom Champion Edward A. Montoya Jody Kyler Cohn Vicky Ortiz Marvin T. Griff David Ortiz Carol Davis Thomas Manning Debra S. Doll Katherine Coleman Thompson & Knight Randy S. Bartell Sharon T. Shaheen John F. McIntyre Noah Long Steve W. Chriss Thomas Domme Todd Hixon Mark K. Adams Mason Baylor Kevin Higgins Kurt J. Boehm Greg Sonnenfeld</p>	<p>lawoffice@jasonmarks.com; matt.gerhart@sierraclub.org; Katherine.lagen@sierraclub.org; Camilla.Feibelman@sierraclub.org; MGoggin@gridstrategiesllc.com; akharriger@sawvel.com; degruen@sawvel.com; dhowe@highrocknm.com; bthroneatty@newmexico.com; witwerr@southwestgen.com; Scott.Mahoney@avangrid.com; david.schwartz@lw.com; tom@tomchampion.biz; eamontoya@cabq.gov; jkylercohn@BKLlawfirm.com; Vortiz@montand.com; Marvin.Griff@thompsonhine.com; DOrtiz@montand.com; caroljdavis.2004@gmail.com; cfrecleanenergy@yahoo.com; Debra@doll-law.com; Katie.coleman@tklaw.com; Tk.eservice@tklaw.com; rbartell@montand.com; sshaheen@montand.com; jmcintyre@montand.com; nlong@nrdc.org; Stephen.chriss@wal-mart.com; Thomas.domme@nmgco.com; THixon@tep.com; mkadams@rodey.com; mason.baylor@troutman.com; khiggins@energystrat.com; kboehm@bkllawfirm.com; greg@sonnenfeldconsulting.com;</p>	<p>Jennifer Breakell Lorraine Talley Anna Sommer Chelsea Hotaling Stephen Curtice Shane Youtz James Montalbano Barry W. Dixon Erik Schlenker-Goodrich Germaine R. Chappelle Senator Steve Neville Senator William Sharer Rep. James Strickler Rep. Anthony Allison Rep. Rod Montoya Rep. Paul Bandy Richard L. C. Virtue Carla R. Najjar Philo Shelton Robert Cummins Kevin Powers Steven Gross Martin R. Hopper</p>	<p>jbreakell@fmtn.org; ltalley@montand.com; ASommer@energyfuturesgroup.com; CHotaling@energyfuturesgroup.com; stephen@youtzvaldez.com; shane@youtzvaldez.com; james@youtzvaldez.com; bwdixon953@msn.com; eriksg@westernlaw.org; Gchappelle.law@gmail.com; steven.neville@nmlegis.gov; bill@williamsharer.com; jamesstrickler@msn.com; Anthony.Allison@nmlegis.gov; roddmontoya@gmail.com; paul@paulbandy.org; rvirtue@virtuelaw.com; Csnajjar@virtuelaw.com; Philo.Shelton@lacnm.us; Robert.Cummins@lacnm.us; Kevin.Powers@lacnm.us; gross@portersimon.com; mhopper@msrpower.org;</p>
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DATED this 18th of December 2020.

NEW MEXICO PUBLIC REGULATION COMMISSION

Ana C. Kippenbrock

Ana C. Kippenbrock, Law Clerk