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FOR IMMEDIATE RELEASE

NEW MEXICO PUBLIC REGULATION COMMISSION ISSUES ORDER OF CONTINUANCE FOR FACEBOOK/GREATER KUDU, LLC, AND PUBLIC SERVICE COMPANY OF NEW MEXICO

(SANTA FE, NM—JUNE 23)—The New Mexico Public Regulation Commission (PRC) today issued an order of continuance for Greater Kudu, LLC, a subsidiary of Facebook, and Public Service Company of New Mexico (PNM), in their Application for Approval of Two Purchased Power Agreements and an Energy Storage Agreement, requesting they modify their Agreement to be fair to other PNM customers in New Mexico.

While PNM's current proposal, docket #21-00031-UT, could result in economic development benefits and renewable energy benefits that may be in the public interest, PRC staff found that they could not conclude that there would be "no net adverse impact" on PNM's other customers, as required by the special services contract. The PRC asked PNM and Greater Kudu, LLC, to address the Commission's concerns with the proposed financial transaction. The Commission found that the arrangement, as currently written, could result in annual revenue shortfalls ranging in the millions of dollars, which other customers would have to cover due to the credits that could completely zero-out Facebook's bill.

The Commission noted this is not logical— that a customer could reduce its bill by using more resources.

In addition, PNM testified that future costs to non-Facebook customers are highly uncertain and will be determined in a future rate case. The proposal asked the Commission to make a decision without the benefit of key information, such as production revenue requirements and whether the currently projected storage demand might change.

District 1 Commissioner Cynthia Hall said she saw “no reason for many of the provisions [in the proposal] other than to make it complicated.” Commissioner Hall called on PNM and Greater Kudu, LLC, to create “a simple agreement...that is separate and distinct from PNM serving their remaining customers in New Mexico.”

“This continuance and the articulation of our concerns...demonstrates our desire to see this project go through,” Commissioner Joseph Maestas of District 3 stated.

Commission Chairman Stephen Fischmann of District 5 closed his comments by saying, “We’re looking for every possible way to make this deal work...but it has to be a fair deal.”

The New Mexico Public Regulation Commission (NMPRC) regulates the [utilities](#), [telecommunications](#), and [motor carrier](#) industries to ensure fair and reasonable rates, and to assure reasonable and adequate services to the public as provided by law.

The NMPRC also promotes public safety through the offices of [State Fire Marshal](#), the [Firefighter Training Academy](#), [Pipeline Safety Bureau](#) and [Transportation Division](#).

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