



Affordable Reliable Energy Alliance

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West-Wide Governance Pathways

Attn: Launch Committee

Kathleen Staks

Comments@westwidepathwaysinitiative.org

Re: Comments of the New Mexico Affordable Reliable Energy Alliance

The New Mexico Affordable Reliable Energy Alliance (NM AREA) is an organization that represents the largest consumers on Public Service Company of New Mexico's (PNM) system. NM AREA supports the development of organized Western energy markets. The development of organized regional markets has the potential to provide many significant benefits to consumers, including, but not limited to, lower costs from improved regional coordination of generator dispatch, more optimal investment in market infrastructure, enhanced reliability and integration services, greater resiliency of the regional grid, and reduced emissions from a more efficient dispatch of energy including from intermittent renewable resources. For these reasons, NM AREA supports the Pathways Launch Committee's efforts to address the governance issues related to participation by utilities from other Western States with the California Independent System Operator (CAISO) when providing market and other (non-balancing authority) services beyond the boundaries of California. As recognized by the Launch Committee, the single largest impediment to this participation is the lack of an independent Board of Governors for CAISO.

NM AREA applauds the Launch Committee's efforts to craft legislative proposals to deal with this governance issue. NM AREA understands that the Launch Committee's legislative proposals are still in the development phase and that these proposals will be further refined as the process continues. Having stated this, NM AREA favors the further development of both of the two proposals, described as Option 2.0 and Option 2.5, that the Committee is considering. Either proposal, if adopted, could result in a new, independent RTO that could provide participating consumers with the benefits mentioned above. However, rather than focus solely on one of these options, NM AREA recommends that the Committee move forward with both with the goal of determining which option has the best chance of success in the California legislative process.

Thank you for this opportunity to provide comments. NM AREA will stay engaged in the process and welcomes the opportunity to provide more input as the process evolves.

Regards,
Peter Gould, Esq.
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NM AREA Counsel