

NMPRC NOMINATING COMMITTEE
Thursday, September 29, 2022 at 9:00 am
State Capitol, Room 307

MINUTES OF THE MEETING

I. CALL TO ORDER

The scheduled meeting of the NMPRC Nominating Committee was called to order on September 29, 2022 at 9:05 a.m. by Chairperson Brian Egolf.

II. ROLL CALL

Roll call indicated the presence of a quorum in person, as follows:

MEMBERS PRESENT

The Honorable Brian Egolf, Chairperson

The Honorable Alonzo Baldonado, Secretary [arriving later]

Member Ron J. Lovato

Member Denise Ramonas

Member Cydney Beadles

Member Rikki Seguin

Member William Brancard

III. APPROVAL OF AGENDA

Upon motion by Member Ramonas and second by Member Brancard, the Agenda was accepted as published.

IV. APPROVAL OF AUGUST 29, 2022 MINUTES

Member Seguin requested the following changes to the Minutes:

- On page 2, Mr. Jim DesJardins is the Executive Director for REIA of New Mexico, not NMAREA.
- On the question about general perspective, earlier on that page, she had asked a question of Mr. Honoré about regional perspectives.
- On page 3, her name is Ms. Sammi Cao, and the organization was Conservation Voters New Mexico.
- On page 4, Tom Solomon is with 350 New Mexico, not 315.
- On page 4, there was another person who spoke named Stacy Slay. His name was not listed among the speakers. She didn't know if he was from the Four Corners area speaking about the environmental impact or if it was someone different.

Member Beadles asked for a correction on page 5 toward the bottom where the entity should be "All Pueblo Council of Governors."

Upon motion by Member Ramonas and second by Member Seguin, the Minutes of August 29, 2022 were approved as amended and was approved by consent.

Secretary Baldonado joined the meeting at 9:16 a.m.

V. REPORTS FROM THE OFFICE OF THE ATTORNEY GENERAL, KARLA SOLORIA (INFORMATIONAL ITEM)

Ms. Soloria reported she had summarized her analysis to questions that were previously asked and forwarded it to all Committee members. She included her own questions and hoped her response was clear.

Member Beadles asked if she would be available as other questions arose.

Ms. Soloria agreed.

Member Beadles asked, in her response to question 3, whether this Committee can deliberate in closed session.

Ms. Soloria said her conclusion from studying the NMAG manual, was that the Committee could not. She explained further that because the Committee does not control the commissioner who will be appointed, as the employer would, the exception for personnel reasons cannot be used. In the discussion that followed, she said she had considered the Judicial Commission and the Nominating Committee for Superintendent of Insurance in her deliberations and had pursued any case law that pertained as well as the practice in other states. She could see nothing in the OMA Statute that provided an exemption for a closed executive session.

She shared the exception for closed sessions. Here the closest could be limited personnel but the person is not employed by this body. So it doesn't apply. Closest comparison was the Nominating Committee for Superintendent of Insurance, but that nominating committee has say-so over the Superintendent's compensation. It is a decision whether you control as an employer and her conclusion was that would not apply. The authority she drew from the OMA was a specific. Compliance side – referring to a situation where a school Board appointed a fellow board member who is not an employee of that entity. She drew it from NMAG manual. There was not a case with that scenario that she could find. You don't really have control over terms of employment.

Chair Egolf suggested there was no authority prohibiting it.

Ms. Soloria said the authority from her office was not precedential or binding but served as a guide. She read the two introductory paragraphs in the section on exemptions. (10-15-1).

Ms. Soloria – the bulk of the exemptions is 10-15-1. She read two preparatory paragraphs from it. - >>>>

Chair Egolf said it puts the Committee members in an awkward position having to speak publicly with comments on certain attributes of each candidate and whether they should be recommended to the Governor or not.

Secretary Baldonado agreed. It would be unfair to the applicants to have those comments made in public and the members need to deliberate.

Chair Egolf asked what the consequences would be if they deliberated in executive session.

Ms. Soloria explained that the process could be challenged for the reasons she stated in her analysis. And should the court determine it was the executive closed session was invalid, the entire process would need to be redone in public. She offered to do more digging and report back on it.

Member Ramonas pointed out that from the viewpoint of the candidates, and just fairness, the Committee cannot do it all in one open meeting and it would give an unfair advantage to others watching the first one.

Member Seguin suggested all members do their homework for Monday's meeting and consider further the delicate conversations in public. She shared the concern that it feels inappropriate out of respect for the candidates.

Chair Egolf noted that for over thirty years, the practice was to deliberate privately and vote in public, and it has never been challenged. It seemed to him that was now a precedent and a model for this Committee.

Member Brancard supported the Chair. This is a public employee, and we have a public discussion. We send five people up out of 50 so we will eliminate 45 of them. The result is that we make the decision and can eliminate people. So we are not just an advisory Board. It is worth looking at that further.

Member Beadles said the Committee needs to decide what process can be fair to all the applicants.

Member Seguin saw three primary points. The first point was with fifty applications, the Committee was not going to have fifty interviews. The second was the actual interview process to be fair with all, and the third was the discussion after interviews. Some of the reduction of applicants was from the materials submitted. But all the names of those submitting an application was a matter of public record.

Member Brancard added that if the Committee uses an exception to the OMA, it must be shown on the agenda.

Ms. Soloria agreed. With most bodies, the exception is a matter of best practice, to indicate the subject of the executive session on the agenda.

Member Brancard proposed to modify the agenda for Monday so that the Committee may be able to enter into closed session. The agenda items now say informational or action items. He asked if that was required.

Ms. Soloria said it was not required – just helpful.

Cydney asked Ms. Soloria, on IPRA, if the list of questions developed could be protected from disclosure. She asked if Ms. Soloria could look into that too.

Ms. Soloria agreed.

Member Seguin asked to discuss the draft agenda. And she asked that future agendas be published with clarity from the AG's Office beforehand.

[Mr. Propst handed out copies of Monday's agenda.]

She noted that Item VI is also an action item to move people forward to then contact people to schedule interviews. The Committee should examine our schedule for reality of how much time it would take to conduct the interviews.

VI. UPDATE ON RECRITMENT PROCESS, PRC HUMAN RESOURCES STAFF (INFORMATIONAL ITEM)

Ms. Rene Kepler said HR received 31 applications as of yesterday and downloaded them for Committee members to review. That was as of yesterday.

Chair Egolf considered aloud if they would have sufficient time for the number of interviews they might end up with, and how many people could reasonable be interviewed in a full-day meeting. On Monday, they could determine how many and maybe could meet privately and decide which ones would be interviewed on the 18th.

Member Seguin was concerned they could not interview all they chose to interview on just the 7th and 8th of November. She wondered if the Committee should consider having more meetings in October.

Chair Egolf thought they did not need more meetings but if needed, they could do another round on the 18th.

Chair Egolf excused himself from the meeting temporarily at 9:45 a.m. and Secretary Baldonado chaired the meeting in his absence.

The Committee continued discussing what to do if there were more interviews than anticipated. One suggestion was to have the remainder of interviews on November 9th. Another suggestion

was to set another meeting in October for interviews. The Committee decided to make the decision after the meeting on October 3.

Member Ramonas proposed having a questionnaire settled on Monday's agenda. She suggested that each member bring 2-3 questions for the applicants' responses. Then the questionnaire could be put together from them.

Member Ramonas moved, seconded by Member Brancard, to each bring two questions on Monday and discuss them with a list going out to applicants. The motion was approved without opposition.

Mr. Propst agreed to have the spreadsheet prepared by tomorrow afternoon for the Committee.

Ms. Kepler agreed to have the spreadsheet ready for the Committee before Monday.

Member Ramonas said her spreadsheet now had the current occupation and relevant positions in past, skills as listed in the statute, and other relevant experience as shown in the resume.

Member Brancard asked for a check box if they had a baccalaureate degree, which was also a state requirement.

Mr. Propst agreed, and they would include a column for their geographical location and political affiliation.

He Committee agreed no transcript was required.

VII. DISCUSSION OF PROCESS FOR REVIEW OF APPLICATIONS (INFORMATIONAL ITEM)

Completed above.

VIII. PUBLIC COMMENT PERIOD

There were no public comments from the audience present.

Remotely, Kelly Gould, representing New Mexico Affordable Reliable Energy Alliance, which comprises large energy users in the PNM service territory. She submitted written comments and thanked the Committee for the opportunity to comment on the NMAREA recommendations for best characteristics to look for among the candidates. It is important for candidates to demonstrate some knowledge on cost of service in utility regulation, familiarity with operation of transmission lines in the west, financial considerations in utility management, a judicial temperament, and the ability to render impartial decisions based on the evidence in the cases they are deciding.

Doobie Merritt, the regulatory associate for Time Keep Renewables, a large-scale solar energy and storage developer who is actively into renewable projects in the State of New Mexico. A developer, they have a vested interest in having the best candidates be nominated to the new Regulation Commission. They will help guide the state through the energy transition as it works to meet the State's aggressive clean energy goals. They would like to see candidates nominated with an understanding of the complex electricity industry; a background sufficient to effectively regulate utilities in the State. It is essential that candidates indicate an appreciation of and commitment to clean energy goals of the State, especially as it relates to the mandates of the Energy Transition Act. One of the responsibilities of the PRC is the statutory mandates and policy goals in this crucial time with rise of clean energy in New Mexico. Qualified candidates must understand the methods of procurement of clean energy in the near term. The Committee should not nominate candidates who fail to display that attitude of urgency or else New Mexico may fall behind in meeting its goals. Nominees should also be committed to ensuring independent power producers to compete fairly in the State to deliver the energy transition at the lowest possible costs to the consumers.

One of the PRC's main functions is to make rules and set rates for regulated entities such as Investor-owned utilities. Without strong Commissioners committed to fair interconnection rules, competition, and procurements, regulated monopolies in the State could slow the energy transition and increase costs to consumers. Good candidates should emphasize a passion for regulation in the public interest with a focus on fairness for all players in the energy industry. Qualified candidates should also display a nuance as an economic regulator, not just taking into account simple costs and benefits of energy planning but incorporating the impacts of all the energy system as a whole.

Finally, the Committee should seek to nominate candidates who are capable. As a former employee of the East Service Commission, he could speak to the importance of having a commissioner who can guide to ensure all decisions are made public after arguments that truly represent the public interest. The Commission is only as strong as its staff and commissioners who create an agency that is open to discussion, debate, and diligent decision-making and will go a long way in ensuring a clean energy future.

He thanked the Committee for his time and agreed to submit his comments in writing.

Jim Desjardins, Executive Director of the Renewable Energy Industry Association of New Mexico spoke next. He thanked the Committee for the opportunity to comment and for the correction to the minutes. He also thanked the Committee for conducting a fair process to present highly qualified candidates to the Governor for the PRC.

Recently in California, the grid was maxed out and there was concern they might have rolling blackouts to prevent a crash. The Governor of California had a simple tool in the toolbox – to send out a text to asked people in the state of reduce their electricity usage. Almost immediately, there was a 4% reduction. That is a good remedy for preventing a crash. And while it is simple, it was a creative, effective solution. A logical future step would be to use distributed energy resources (rooftop solar) and be able to dispense energy from them to the grid in a similar situation. This technology exists today. We hope the future Commission will be

able to plan how to integrate this type of solutions, so they be effectively integrated into a modern grid. Thank you.

There were no other public comments.

IX. OTHER BUSINESS

Member Seguin said in the consideration of the Monday schedule, members are to come prepared with two questions and secondly for all members to have reviewed the list of candidates that have come in thus far in preparation for that conversation.

She asked if there has been any follow-up with the All Pueblo Council of Governors on distributing the application to Pueblo and Tribal Leadership.

Mr. Propst said after the Committee approved the job description, he shared it with the Secretary of Indian Affairs, and, upon the suggestion of Member Lovato, he had it sent with a press release to all members of the All Pueblo Council of Governors on Monday.

Member Seguin said she would be grateful to hear public comments from them.

Member Lovato said he and Member Beadles had conversations with Terrell Diaz, Chairman Mark Mitchell, and Mr. Candelaria. The conversations were on their wishes on attributes from candidates.

Mr. Propst said on this coming Monday, we can have a potential executive session if necessary and, on Friday evening all members will hopefully get a spreadsheet from Ms. Kepler on applications received to date with name, address, political affiliation, and whether they met the educational requirements and submitted a resume and cover letter.

X. ADJOURNMENT

Having completed the agenda and with no further business to consider, the meeting was adjourned at 10:27 a.m.

Approved by:

Brian Egolf, Chair

Date