

1. Briefly describe your experience with regulatory topics including: utility rate setting, promulgating regulations, broadband regulation, and New Mexico's energy transition.

In addition to the background discussed in my cover letter, I have experience with the following regulatory topics. Regarding utility rate setting, I attended the National Association of Regulatory Utility Commissioners (NARUC) 48th Annual Eastern Rate School on October 19-23, 2020. Because of COVID, the rate school that year was conducted entirely by zoom for the first time ever. This deep dive into rate setting included topics such as the Basics of Utility Rate Setting, Cost Allocation Methods, Developing the Rate Base, Rate Design Models, Corporate Finance, Consumer Perspectives on Finance, and Choosing the Test Year. Additionally, attendees participated in a full Mock Rate Case “designed to present a range of illustrative financial information and rate issues that demonstrate how core rate-setting principles are applied.”¹ Regarding promulgating regulations, at various times in my career I have monitored rulemakings by the PRC, including most recently the Community Solar Act regulations. I also participated in the New Mexico Environmental Improvement Board's process for promulgating the greenhouse gas reporting and cap-and-trade rules in 2010-2011, and I served as the hearing officer for at least one rulemaking process as a staff attorney while at the NM Taxation & Revenue Department in 2012-2013.

Admittedly, I have less experience regarding broadband. However, while at PNM, I worked on legislation for two sessions to expand the purpose of utility easements to permit utilities to lease dark fiber to internet providers to expand broadband access to rural areas. I also had occasion to deal with pole attachment issues while at PNM, and while I worked at the Cuddy & McCarthy Law firm on behalf of rural electric cooperatives. I also dealt with easement and eminent domain issues while I was a board member of the Renewable Energy Transmission Authority, where I served as Projects Committee Chair for two years. Finally, as outside counsel, I served as PNM's expert witness and primary drafter of the Energy Transition Act in 2019 and its predecessor bill in the 2018 session. In this process, I applied my experience as a bond lawyer, my prior work as an environmental advocate with key relationships that allowed me to work to negotiate language across various stakeholders, and my knowledge and experience with PRC matters to work with the team of lawyers, policy experts and advocates to pass the ETA.

2. What is the "public interest" in the context of utility regulation?

The public interest is fundamental to utility regulation. The Public Utility Act's preamble includes a clear declaration of policy that embodies the important concept of the “public interest” in NMSA 1978, § 62-3-1(A). The public interest includes the rendition of essential public services to the general public, investment of large sums of money in public utility financing – including capital from members of the public, and the growth and expansion of the general

¹ NARUC Utility Rate School 2020 Mock Rate Case materials, page 3.

welfare, business and industry of the state through public utility services. The Legislature made clear that the public interest, interests of consumers and interests of investors require the regulation and supervision of public utilities such that reasonable and proper services must be available at fair, just and reasonable rates, and to the end that capital and investment may be encouraged and attracted to render services to the general public and industry. NMSA 1978, § 62-3-1(B). Additionally, the public interest generally should also include a recognition of responsible conservation and protection of natural resources, including land, air and water, increased renewable energy and energy efficiency, as well as the importance of energy affordability. The public interest is also explicitly included in the Efficient Use of Energy Act, NMSA 1978, § 62-17-1, et seq., along with direction to the Commission that it “shall consider public utility acquisition of cost-effective energy efficiency and load management resources to be in the public interest.” NMSA 1978, § 62-17-5(A).

3. How much transparency should the Commission provide the public into their deliberations and the bases for their decisions?

The Commission is required to comply with the state’s sunshine laws: the Open Meetings Act, NMSA 1978, § 10-15-1 to § 10-15-4 (OMA) and the Inspection of Public Records Act, NMSA 1978, § 14-2-1 to § 14-2-12 (IPRA). These acts require the Commission to conduct its business in full view of the public with maximum transparency. OMA defines very specific exceptions to conducting its business, including deliberations, in open meetings. One such exception is for deliberations in connection with an “administrative adjudicatory proceeding,” defined as “a proceeding brought by or against a person before a public body in which individual legal rights, duties or privileges are required by law to be determined by the public body...” NMSA 1978, § 10-15-1(H)(3). The New Mexico OMA Compliance Guide compiled by the New Mexico Department of Justice (formerly the Office of the Attorney General) is instructive on which type of proceeding this exception applies. This exception applies to “trial-type” proceedings by a public body in which a person’s legal rights, duties or privileges will be decided.² This exception does not apply to the deliberations of the PRC regarding decisions on public utility matters. The important work of the Commission should be conducted in full public view, including deliberations, as “all persons are entitled to the greatest possible information regarding the affairs of government and the official acts of those officers and employees who represent them.” NMSA 1978, § 10-15-1(A).

4. New Mexico has 23 distinct sovereign Native American tribes within its borders. Please explain your familiarity with the State - Tribal relationship with an emphasis on how this relationship is applicable to utilities including power generation, right of ways and alternative energy?

² <https://nm DOJ.gov/wp-content/uploads/Open-Meetings-Act-Compliance-Guide.pdf>, page 24.

Each of New Mexico's federally recognized tribes and pueblos are sovereign nations. The state has limited jurisdiction over the affairs of tribal/pueblo governments and their citizens. However, utilities can and often do partner with tribal entities on energy programs, whether through development of projects or sharing of information and coordination, as in the context of wildfire mitigation and emergency management plans. The Legislature has passed important legislation from time to time that can help empower tribal entities and support tribal energy development. For example, the Community Solar Act has key provisions that enable an Indian nation, tribe, pueblo or a tribal entity to own or operate community solar projects without the same limitations on other community solar facilities. NMSA 1978, § 62-16B-3(B). With regard to right of ways (ROWs), tribes, pueblos and Indian nations have the right to charge utilities for ROWs through their land. These agreements are an important aspect of self-determination, but have also traditionally required the approval of the federal Bureau of Indian Affairs (BIA). In May of this year, Colorado's Southern Ute Indian Tribe became the nation's first tribe to hold a Tribal Energy Resource Agreement (TERA). A TERA allows the Southern Ute Indian Tribe to approve its own ROWs without BIA approval, an act in furtherance of its self-determination. Many of New Mexico's tribes, pueblos and Indian nation have energy offices, and many have important relationships with public utilities, coops, and renewable energy companies for the development of energy resources.

5. What is your definition of "just and reasonable" rates? Has this definition evolved through the years as the PRC and other commissions expanded the scope of their decisions to embrace more special interests?

Just and reasonable rates balance the interests of utility ratepayers with the interests of utility shareholders, and is a central concept in utility regulation. The U.S. Supreme Court decision in Federal Power Commission, et al. v. Hope Natural Gas Company, 320 US 591 (1946), established that a utility is entitled to a reasonable opportunity to recover costs that are prudently incurred. The U.S. Supreme Court decision in Bluefield Water Works and Improvement Company v. Public Service Commission of West Virginia, 262 US 679 (1923), established that a utility is entitled to earn a fair and reasonable rate of return on their capital investments. These two cases are then balanced with ratepayers' interests in utility rates that are as low as possible, stable and nondiscriminatory. As other public utility commissions have done, the PRC has expanded the scope of their decisions beyond just the economic considerations in Hope and Bluefield by incorporating other public policy priorities like environmental interests, climate change, the ETA, increased renewable energy development, EV programs, distributed energy resources, and other societal interests. In this way, "just and reasonable" rates may have indeed evolved beyond solely an examination of cost recovery and rate of return, to now actively embracing other public policy priorities through rate setting.

6. If a utility could justify a 20% increase in its rates, based on its projections of future costs and sales, but it would impose hardship on a certain segment of its customers, how would you reconcile this dilemma? What regulatory options would you consider?

A twenty percent (20%) increase in utility rates could cause rate shock for ratepayers of all classes. There are many regulatory options that could be considered to mitigate the impact of this proposed increase. For example, I would consider low-income protections such as utility programs targeted at low-income ratepayers to ensure those least able to afford an increase would be protected. There could also be a phased-in approach to the rate increase that could be implemented. A cap on costs for the utility could be included as part of a multi-year rate plan. Another option would be a reduction to the authorized rate of return by some amount, in an attempt to lower the overall increase. There could also be an effort to disallow or defer certain capital expenditures to reduce the overall capital costs. Finally, a longer term transition could involve the Commission considering performance-based ratemaking to move away from traditional “cost of service” ratemaking, as some public utility commissions around the country have done.

7. What is the role of intervenors in Commission adjudications, and do they add value to Commission decisions? If so, how?

Intervenors are essential to Commission cases because they represent other interests besides those of the utility and Commission staff. Intervenors absolutely add value to Commission cases by presenting evidence, raising legal issues, participating in the proceedings, and often joining in settlements. I have represented intervenors in regulated cases in New Mexico and Arizona in the past. As such, I understand the importance of non-utility and non-staff experts to add technical expertise to the record. Without the work of intervenors, PRC cases would lack the breadth and depth that leads to sound decisions that add to the overall public benefit.

8. How will you balance implementation of legislative direction with independent regulatory judgment, and what steps will you take to avoid regulatory capture, manage stakeholder influence, and ensure decisions are grounded in evidence and the long-term interests of New Mexico customers?

The Commission is created by the New Mexico Constitution, but it is a creature of the Legislature, meaning the Legislature determines the scope of the work of the Commission. The Commission must comply with the law as determined by the legislature and as signed by the Governor. The Governor appoints Commissioners, and they are confirmed by the Senate. Any decisions of the Commission are appealable to the New Mexico Supreme Court. In this way, the Commission interacts with all three branches of government. Appointed to six-year terms, Commissioners are removed from direct involvement in the political process. However, there is

still an opportunity to get caught up in the policy making role of the Legislature. I think it is important for Commissioners to remain independent from the legislative process. I would avoid the Legislature directly, working through the Chief of Staff and other Commission staff on legislative matters, rather than advocating directly on legislation. My top priority in this regard would be to maintain independence and avoid any appearance of being close to any regulated entity or lobbyists for those regulated entities. Regulatory capture should be avoided at all times to ensure the independence of the Commission. I will always uphold *ex parte* rules, but beyond that I would plan to also avoid overly relying solely on industry for information. The Commission's use of technical workshops that include a variety of stakeholders is an essential tool to ensure other voices, viewpoints, and interests are shared with Commissioners. I would seek opportunities for technical knowledge from a variety of sources, including NARUC. Decisions made by the Commission on regulatory cases must be grounded in evidence. I would avoid bias or predetermination on any matters, and would consider the evidence presented in a case at all times. I also believe it is important for Commissioners to attend hearings and have an opportunity to ask questions.

9. What can the Commission do to promote universal access to broadband?

Senate Bill 152 was passed by the Legislature this past session and signed by the Governor, creating the Low-Income Telecommunications Assistance Program (LITAP). The PRC is currently undertaking a rulemaking for LITAP to require internet providers approved by the state to inform customers of potential discounts, including \$30 for eligible customers and up to \$70 for customers on Tribal lands. The internet providers could then be reimbursed by the State Rural Universal Service Fund, which is authorized for up to \$10 million. The Commission could promote universal access to broadband by authorizing the additional \$45 million annually for this program after the first year. The Commission must provide a report to the Legislature on LITAP each year by October 1 including recommendations for changes to the structure, size and purposes of the fund, including whether the cap of \$45 million dollars for subsequent years of the program should be modified, maintained or eliminated. Also, SB 152 included authorization for up to \$18 million "pursuant to the access reduction support, need-based support and comparable carrier support in Subsections K through N of Section 63-9H-6 NMSA 1978" designed to support rural telecommunications. The legislation also authorized up to \$12 million for "a broadband program to provide funding to assist eligible telecommunications carriers in the construction or maintenance of rural broadband infrastructure to ensure that all New Mexico residents have access to broadband internet access service". The October 1st report by the Commission to the Legislature must also include recommendations on whether the caps of \$18 million and \$12 million above should be modified, maintained or eliminated. With this new legislation and requirement to adopt rules to establish and implement these programs, the Commission can meaningfully promote universal access to broadband.

10. How should the PRC approach resource adequacy and reliability planning, including the role of firm resources, demand-side resources, and regional coordination to ensure reliable and affordable service?

Resource adequacy and reliability planning are essential for ensuring safe, reliable service for utility customers and the Commission should be vigilant about oversight of utility plans. The key is an adequate resource mix that can cover customer demand and is flexible enough to address a variety of potential scenarios. For example, baseload firm resources have traditionally been used to address standard demand, with dispatchability to cover periodic peak demands. But extreme weather patterns, particularly in New Mexico where we are susceptible to high heat, extreme winds and cold snaps, have made reserves and plans for spot market purchases particularly important. A robust demand-side resource program with adequate incentives is important to ensure load reductions during peaks. Overall, energy efficiency is an important component to include in any plan. The Commission's oversight of a utility's Integrated Resource Plan and the related public process is an important component of a utility's forecast and resource supply. Participation in regional transmission organizations and pooled resources regionally as contingency plans must be considered as well. The Commission requires adequacy of supply in its rules to ensure safe and reliable service to the public. NMAC 17.9.560.13(C). The Commission should ensure utilities are meeting the required standards in the rules for Integrated Resource Plans. NMAC 17.7.3.1 through 17.7.3.17 for electric utilities and NMAC 17.7.4.18 for gas utilities. Advanced planning, stakeholder participation, real-time monitoring and data analytics by utilities and increased regional coordination can all help address fluctuations in supply and demand. The Commission should also require that plans address affordability issues as a result of resource adequacy so that the poorest New Mexicans have an opportunity to mitigate the risk of increased costs. Utility programs such as budget billing can help customers manage the risk of fluctuations, particularly for electric customers in summer months, and gas customers in winter months. Moratoriums on disconnections are another important mitigation tool to protect low-income customers, as are good neighbor fund programs and LIHEAP (Low-Income Home Energy Assistance Program).

11. What is the role of the Commission in protecting existing customers from the high demands placed by data centers on the electric grid?

Commissioners can and should protect existing customers from the high demands placed on the grid by data centers. The large loads that data centers require often dwarf the native load of a local utility, thereby making their prospects for being served by the utility particularly daunting. Utilities must balance the demand from potential data centers and other large load customers with the obligation for system reliability, rates for existing customers, as well as duties to their shareholders. Regulators must oversee and approve applications for utility-built generation to serve such large load customers, as well as any interconnection build out, and

ensure that such projects do not have a disproportionate impact on other customers, both in terms of costs and reliability. Regulators should ensure large data center generation projects are not provided an easier and non-compliant path compared to existing utility generation.

Commissioners should ensure utilities balance these large load customer requests with regulatory obligations, including system reliability, cost considerations and equitable treatment of other customer classes. When the customer seeking service has a load requirement that could potentially double the existing system load, utilities understandably must approach this situation with caution, and Commissioners should ask questions. Serving large load customers means determining how the additional load will be delivered to the customer, and whether electrification can occur on a particular timeline. Large customers, especially data centers with fast build-out plans, often expect utility infrastructure to be readily available or to be built faster than realistic due to regulatory lag. This is a very real challenge that means data centers often opt to build their own generation co-located with the project.

Even if the project builds its own generation, a data center customer often has to pay for certain costs related to the additional transmission and generation. This has to be balanced with any economic development rates that might be provided to the customer. Economic development rates are another tool that the Commission has. While there could be some system benefit to adding the new customer and upgrading or building out the distribution and transmission grids, existing ratepayers should not front the costs attributable to the large load customer. Costs must be allocated fairly, balancing the interests of other customer classes and aligning costs with benefits.

If a project has its own generation, and it is simply interconnecting to the utility, one approach may be to require the generation to provide back-up power and demand response in the event of peak demand to the utility's system. Self-built generation is becoming more common in New Mexico, especially with the passage of HB 93 (2025) authorizing microgrids. This approach could have an impact on utilities, however, which can face interconnection requests by these large generation plants and competition for limited and long-lead time supplies, as well as the public perception that the utility is favoring a datacenter or other large load customer, over other customer classes. Moreover, when data centers opt to build large generation to cover their load, many are favoring a dispatchable fuel such as natural gas, which in many cases include air emissions that are not necessarily regulated as a utility's generation would be. The Commission can play an important role in ensuring data centers are not adding to the financial, reliability and environmental burdens of other business customers or the public.

12. What would be the major issues surrounding natural gas utilities in the future? Should gas utilities invest today in new infrastructure that can become stranded, before its expected end date, when many energy consumers are projected to switch from natural gas to electricity in the future?

Natural gas is a fundamental part of New Mexico's resource mix. New Mexico is a consumer choice state and customers still have the right to choose how they heat their homes, water and cook their food. A majority of new homes being built or manufactured in the state still use natural gas. The majority of existing homes in New Mexico utilize natural gas. Conversion to electrification is costly and includes the purchase of new appliances (costing thousands of dollars) and making it unattainable for many New Mexicans in our low-income state. With the increased oil production in and around the state of New Mexico, natural gas is currently less expensive than heating homes with electricity. Natural gas is also still used to generate electricity by most if not all of the IOUs in New Mexico.

New Mexico's older housing stock that is equipped for gas, and with affordability issues pervasive in our state, a change to electrification for a large number of our residents remains out of reach, raising serious affordability concerns. While there are efforts to require complete electrification of new housing, New Mexico has not adopted a ban on natural gas in new housing, and in fact, at least one bill was considered recently to prohibit the banning of natural gas at the local level, arguably protecting access to natural gas for New Mexico residents. There are arguments on both sides of this issue. For example, some in the restaurant industry are big supporters of natural gas, and even something uniquely New Mexican as roasting green chile, often uses natural gas products as a fuel source through gas grills, gas stovetop or large commercial batch roasters that use propane or utility-supplied natural gas.

As with any regulated case, Commissioners should focus on evidence presented to make determinations about stranded assets and projected demand. I do not believe Commissioners should have a predetermined assumption that all New Mexicans are projected to switch from natural gas to electricity in the future, as the impacts of available jobs, cultural and affordability issues, as well as infrastructure and supply will need to be considered in any case regarding natural gas. As a Commissioner, I am going to ensure customers have safe, reliable and affordable access to the energy they choose, regardless of whether they choose electricity or natural gas.

13. How should the PRC evaluate and oversee utility proposals related to distributed resources, non-wires alternatives, and performance-based mechanisms so that customers receive the benefits of innovation and competition rather than bearing unnecessary cost or risk?

In evaluating such proposals, the Commission should consider data and results from proven efforts in other states that have already successfully implemented many of these proposals. For example, other states including Hawaii, New York and Rhode Island, have implemented performance-based mechanisms to reward utilities for clean energy adoption and system efficiency improvements, moving away from traditional ratemaking that rewards capital expenditures. The Commission should also consider evaluation and monitoring of recent proposals that have been approved and implemented in New Mexico to ensure data analytics is

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used and reports are produced that can inform future proposals. Non-wires alternatives are an important element of modernizing the grid. For full disclosure, I was involved in the development of the grid modernization application filed by PNM in 2022. I was also involved in PNM's successful grant application to the Department of Energy in 2022 for a Virtual Power Plant. Both proposals had the potential to empower customers by utilizing technology for real-time data regarding energy use. Grid edge devices and equipment play an important part in modernizing the grid, mitigating risk, and improving efficiency and reliability for customers. The PRC should pay particular attention to the cost of such proposals to ratepayers, and the benefits to ratepayers of a modern grid for reliability and deployment of distributed resources at the household and neighborhood levels.

14. Per NMSA 1978 Section 62-19-5 please provide the following:

a. Do you hold a baccalaureate degree from an institution of higher education that has been accredited by a regional or national accrediting body? (If you hold a professional license or a post-graduate degree, skip to subsection b.)

i. Do you have at least ten years of professional experience in an area regulated by the commission or in the energy sector and involving a scope of work that includes accounting, public or business administration, economics, finance, statistics, policy, engineering or law? Please detail how your work experience meets this requirement, including noting the specific number of years in each relevant role.

b. Do you hold a professional license or a post-graduate degree from an institution of higher education that has been accredited by a regional or national accrediting body in an area regulated by the commission, including accounting, public or business administration, economics, finance, statistics, policy, engineering or law?

I hold a law license in New Mexico and in Arizona. I have a Master of Public Administration from the University of Arizona and a Juris Doctor from UCLA School of Law.

i. Do you have at least ten years of experience within the field in which you hold your license or post-graduate degree? Please detail how your work experience meets this requirement, including noting the specific number of years in each relevant role.

I have been practicing law for 22 years. As noted in my cover letter, I have worked at nonprofits, in private practice, at a utility and for the government, and in several instances specifically on matters involving utility regulation and related policy matters. I worked for the Natural Resources Defense Council from 2007-2012, and I have worked in private practice altogether for 9 years. I worked at PNM from 2019-2024. I currently work at the Office of the State Auditor, where I serve as the Chief General Counsel for the office which focuses on auditing and public finances.

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c. Do you have a financial interest in a public utility in New Mexico or elsewhere?

No.

d. Have you been employed by a commission-regulated entity at any time during the last two years?

My last day as an employee of PNM Resources/TXNM Energy³ was October 4, 2024. Pursuant to NMSA 1978 § 62-19-5(C), I shall not have been employed by a Commission-regulated entity at any time during the two years prior to appointment to the Commission, if I am selected.

e. Do you agree that you will give your entire time to the business of the commission and will not pursue any other business or vocation or hold any other office for profit?

Yes.

15. The two sitting PRC Commissioners are registered to vote with the Democratic Party and Republican Party. The New Mexico Constitution requires that no more than two PRC Commissioners can be registered to vote with the same political party. Please state your registered party affiliation.

I am a registered Democrat.

³ PNM Resources, Inc. completed its name change to TXNM Energy, Inc. on August 2, 2024.
<https://www.prnewswire.com/news-releases/pnm-resources-nyse-pnm-transitions-to-txnm-energy-nyse-txnm-with-trading-effective-on-august-5-302202348.html>

Please affirm this statement with your signature below:

I affirm that the above information is true and correct, and I have met the statutory and constitutional requirements, as described in questions 14 and 15 above.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, positioned above a horizontal line.

Candidate Signature of Affirmation