

1. Who is Texas New Mexico Power (TNMP)?

TNMP is an electricity transmission and distribution service provider:

- We provide electricity to more than 255,000 homes and businesses throughout Texas.
- Our headquarters is in Lewisville, Texas, with about 400 employees in more than 20 communities, including Ward County, throughout the state.
- We are a subsidiary of PNM Resources Inc.
- Our formal name is Texas-New Mexico Power Co., but we now serve only Texas.

2. What is the Public Utility Commission of Texas (PUCT)?

The PUCT is the state agency that was created by the Texas Legislature to provide statewide regulation of the rates and services of electric and telecommunications utilities.

3. What is the Electric Reliability Council of Texas (ERCOT)?

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texas customers -- representing about 90 percent of the state's electric load. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects more than 46,500 miles of transmission lines and 650+ generation units. It also performs financial settlement for the competitive wholesale bulk-power market and administers retail switching for 8 million premises in competitive choice areas. ERCOT is a membership-based 501(c)(4) nonprofit corporation, governed by a board of directors and subject to oversight by the Public Utility Commission of Texas and the Texas Legislature. Its members include consumers, cooperatives, generators, power marketers, retail electric providers, investor-owned electric utilities, transmission and distribution providers and municipally owned electric utilities.

4. Why is a public meeting being held?

TNMP is proposing to build a new electric transmission line in Ward County. The Company is regulated by the Public Utility Commission of Texas (PUCT). Under PUCT Procedural Rule §22.52(a)(4), an electric utility must hold at least one public meeting for new transmission line projects that meet certain criteria. TNMP holds these public meetings to share and gather information as well as address any concerns or questions from landowners and other interested parties. Individuals attending the public meeting will have an opportunity to make comments, ask questions, and express any concerns that they might have.

5. What are electric transmission lines?

A transmission line is the long conductor with special design to carry bulk amount of generated power at very high voltage from one station to another as per variation of the voltage level. Electric transmission lines are a part of the interconnected power system that moves electricity from all generating stations to substations, where the electricity is reduced in voltage and then delivered to end-use consumers over the distribution system that connects to businesses and homes. The combined transmission and distribution network is part of electricity delivery, known as the "power grid" in North America.

6. Why is a new electric transmission line needed?

This area of Texas is the most active shale oil producing region in the United States, and the Wickett to Wolf project is necessary to support the related work in the area. ERCOT, the regional transmission organization responsible for overseeing the adequate supply of electricity for 80 percent of Texas, designated this project to continue electric reliability in the region. This transmission line project will directly support the area's economic development and ensure reliable electric service to commercial and residential customers.

7. Where will the transmission line be located?

The exact route of the transmission line has not been determined. TNMP and its routing consultant HDR is gathering input from the community and other sources for its routing study and environmental assessment. All of the proposed preliminary links shown on the map are under consideration at this time; however, not all of the links will be constructed. The PUCT regulates TNMP and will determine the final route in a proceeding to consider an Application for a Certificate of Convenience and Necessity that will be filed by TNMP. The routing study and environmental assessment will be included in TNMP's application. The PUCT has one year to make a decision after the application is submitted.

8. What does the PUCT consider when selecting a route for the transmission line?

The PUCT considers many factors in deciding whether to approve a proposed electric transmission line including community values, recreational and park areas, historic and aesthetic values, and environmental integrity. They also consider specific routing criteria for new lines including whether the route utilizes or parallels compatible rights-of-way such as following existing electric transmission lines, roads, pipelines, property lines, natural features, and cultural features. TNMP will gather these routing factors and provide them in the Application for a Certificate of Convenience and Necessity for a Proposed Transmission Line that will be filed with the PUCT.

9. What type of structures will be used on the new transmission line?

The proposed construction for the transmission line will utilize a typical structures that are approximately 90 to 100 foot tall steel monopoles in a right-of-way that will be approximately 80 foot wide.

10. When will construction tentatively begin, and when will the project be completed?

TNMP plans to file the CCN application with the PUCT in September of 2020. The PUCT has one year to make a decision on the project; however, the PUCT can issue an order prior to that time. The Company will begin construction upon final approval by the PUCT. TNMP anticipates that the project will be completed no later than August of 2022.

11. How will landowners be compensated if it is necessary for the transmission line to cross their property?

TNMP will make a bona fide offer to the landowner when purchasing right-of-way following the requirements of Texas law and will provide landowners with a copy of the State of Texas Landowner's Bill of Rights. In cases where the parties do not agree on the value

of the property, the land value will be determined in a condemnation proceeding where special commissioners, appointed by a judge, will determine the value of the property following a hearing where all interested parties are entitled to provide evidence of valuation.