

1. Purpose

This Business Practice establishes PNM's Policy regarding valid Point of Interconnection ("POI") for processing PNM's Large Generator Interconnection Queue.

2. Valid Points of Interconnection

PNM will typically consider any requested Point of Interconnection (POI) in its Balancing Authority Area valid if the requested POI is on a solely or jointly owned line or facility in which PNM is a Transmission Provider and/or Transmission Owner. A POI is valid if it is a line tap located more than 5 miles or 10% of the overall length of a line, whichever is greater, from an existing station or a proposed station.

3. Invalid Points of Interconnection

PNM may deem an interconnection customer's requested POI invalid if the POI is a line tap within 5 miles or 10% of the overall length of a line, whichever is greater, from an existing station or a proposed station. The line length is breaker-to-breaker; tapped load stations are not included in the calculation.

In an instance where a requested POI meets the above criteria and is therefore deemed invalid, the invalid POI will be rejected, and PNM will propose a valid POI at the nearest substation or proposed substation on the same line and voltage level originally requested. Any such evaluation and proposed change to an interconnection customer's requested POI will be determined and communicated to the interconnection customer prior to or during the scoping meeting. PNM reserves the right to consider exceptions on a case-by-case basis.

4. POI Changes Due to Clustering

Pursuant to PNM's FERC-jurisdictional Large Generation Interconnection Procedure ("LGIP") Section 3.4, PNM may propose changes to an Interconnection Customer's requested POI to facilitate efficient interconnection of multiple projects in a cluster area at a common POI. In these instances, PNM will notify the interconnection customer of any intended changes, and the POI shall change only upon mutual agreement.

| Version | Effective Date | Change Tracking |
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