

**SUSANA MARTINEZ, GOVERNOR**David Martin, *Cabinet Secretary*Butch Tongate, *Deputy Secretary***NEWS RELEASE****December 14, 2011**

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NMED Reaches Settlement with Cunningham Station Over Air Quality Violations

Santa Fe – The New Mexico Environment Department has reached a settlement with Southwestern Public Service Company (SPS) for multiple alleged air quality violations at the Cunningham Electric Power Generating Station in Hobbs, New Mexico. In the settlement, SPS agreed to pay a \$300,000 civil penalty and perform a supplemental environmental project (SEP) costing \$500,000. The SEP consists of the construction of a solar voltaic array/carport at Eastern New Mexico University in Roswell, in addition to a smaller demonstration solar panel for training purposes, and funding for an adjunct professor in the university’s Renewable Energy Certificate and Associate Degree Program.

“This settlement demonstrates our philosophy that monetary penalties ought to go back into projects that protect the environment,” Environment Secretary David Martin said. “We will hold violators accountable for their environmental violations while ensuring work is done to prevent future violations.”

The settlement resolves an administrative compliance order issued by the Environment Department on September 28, 2010. The order alleged thousands of instances of Nitrogen Oxide (NOx) emissions in excess of permit conditions from 2005 through 2009 at SPS’s Cunningham Power Plant, a natural gas peaking station near Hobbs. Southwestern has 30 days to pay the State of New Mexico the \$300,000 penalty. Southwestern has 180 days to complete \$500,000 in Supplemental Environmental Projects. Southwestern has also sought and obtained a modification of its permit conditions in order to avoid future violations.

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