



Bill Richardson
Governor

**NEW MEXICO
ENVIRONMENT DEPARTMENT**

Office of the Secretary

Harold Runnels Building
1190 Saint Francis Drive (87505)
PO Box 26110, Santa Fe, NM 87502
Phone (505) 827-2855 Fax (505) 827-2836
www.nmenv.state.nm.us



Ron Curry
Secretary
Jon Goldstein
Deputy Secretary

May 5, 2009
For Immediate Release

Contact: Marissa Stone, NMED Communications Director
(505) 827-0314 or (505) 231-0475

PNM Pays State \$6.9 Million to Settle Air Quality Violations at San Juan Generating Station near Farmington

Money Paid under Consent Decree is Largest Payment in NMED's History

(Santa Fe, NM) – Public Service Co. of New Mexico paid the State of New Mexico \$6.9 million today to settle air quality violations at the company's San Juan Generating Station in Waterflow, N.M.

Those violations occurred between 2005 and 2008 – after the company, the state, Grand Canyon Trust and Sierra Club entered into a federal consent decree for previous air quality violations by PNM. That decree involved state and federal air quality regulations violations that occurred at the facility between 2001 and 2004.

“We fully expect PNM's upgraded facility will comply with its state air quality permit but we will continue to monitor the San Juan plant to ensure that is happening,” said New Mexico Environment Department Secretary Ron Curry. “The money paid under this decree – which is the largest amount in the department's history – will be deposited into the state's general fund.”

The decree settled more than 60,000 violations of PNM's air quality permit limits for nitrous oxides, sulfur dioxide and opacity at the company's 1,798-megawatt coal-fired power plant. The decree, in addition to assessing stipulated penalties for ongoing violations, required PNM to install more than \$300 million in new pollution control equipment at San Juan. PNM, under the 2005 agreement, agreed to lower permit levels on emissions from the facility and pay the state for excess emissions while the plant underwent upgrades. Today's payment comes as a result of those emissions. The recently completed installation of that equipment is projected to significantly reduce air pollution from the power plant in the Four Corners region.

PNM made a commitment to the department it would not raise rates for its customers as a result of the money paid to the state in the decree. PNM, which owns 47 percent of the San Juan plant with its partners, is responsible for the payment of those penalties.

For more information, call Marissa Stone at (505) 827-0314.

###