

*Public Service Company  
of New Mexico  
Alvarado Square MS 2702  
Albuquerque, NM 87158*



U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555-0001

Dear Sir / Madam:

July 20, 2009

Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Docket Nos. STN 50-528/ 529/530  
Licensee Guarantee of Payment of Deferred Premium

Pursuant to the requirements of 10CFR140.21 (e), Public Service Company of New Mexico, hereafter "the Company", for itself and on behalf of the PVNGS Participants, has enclosed projected cash flow statements for each participant.

Portions of the 2009 cash flow information are considered Company confidential as respects each PVNGS Participant, and as such, we request that it be withheld from public disclosure pursuant to 10CFR2.390(b)(1). The affidavit to support this request is provided as Attachment 1. Proprietary and non-proprietary versions of the cash flow information are provided by Attachment 2 and Attachment 3 respectively.

Should you have any questions, please contact Lisa Eden at 505-241-2691.

Respectfully,

A handwritten signature in cursive script, appearing to read "Lisa Eden", is written over the typed name.

Lisa Eden,  
Assistant Treasurer, Liability Management,  
PNM Resources, Inc.  
e-mail: [Elisabeth.Eden@pnmresources.com](mailto:Elisabeth.Eden@pnmresources.com)

Attachments (3)

1. Affidavit to Request Withholding of Proprietary Information from Public Disclosure
2. 2008 Actual Cash Flow and 2009 Projected Cash Flow (Proprietary Version)
3. 2008 Actual Cash Flow and 2009 Projected Cash Flow (Non-Proprietary Version)

# ATTACHMENT 1

**UNITED STATES NUCLEAR REGULATORY COMMISSION  
PALO VERDE NUCLEAR GENERATING STATION  
DOCKET NO. 50-528/529/530**

## **Request to Withhold Proprietary Information from Public Disclosure**

Public Service Company of New Mexico, hereafter "the Company" hereby requests that Attachment 2 to the letter entitled "Guarantee of Payment of Deferred Premiums Annual 10CFR140.21(e) Report" dated July 20, 2009, be withheld from public disclosure due to its proprietary nature. The details of this request are provided in the following affidavit:

### AFFIDAVIT

I, Terry R. Horn, being duly sworn, depose and state as follows:

(1) I am Vice President and Treasurer of Public Service Company of New Mexico, and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.

(2) The information sought to be withheld consists of portions of the 2009 Projected Cash Flow that is included in Attachment 2 to the Company's July 20, 2009, letter to the NRC entitled "Guarantee of Payment of Deferred Premiums Annual 10CFR140.21(e) Report". Attachment 2, a one-page document, has the words "Proprietary Version" on the top and bottom of the page.

(3) In making this application for withholding of proprietary information of which it is the owner, the Company relies upon the exemption from disclosure set forth in the NRC regulation 10 CFR 2.390(b)(1) for confidential financial information.

(4) Justification for the request for withholding from public disclosure is provided by addressing the five items identified in 10 CFR 2.390(b)(4).

To the best of my knowledge and belief:

- a. This information is considered company confidential and has been held in confidence by the Company.
- b. This information is of the type customarily held in confidence by the Company and the rationale basis is that it would provide an unfair advantage to competitors if it were disclosed.
- c. This information is transmitted in confidence to the NRC and the purpose of this request is to maintain its confidentiality.
- d. The 2009 projected cash flow information is not available from public sources.
- e. Public disclosure of the information sought to be withheld is likely to cause harm to the Company's competitive position and reduce the availability of profit-making opportunities.

# ATTACHMENT 1, CONT'D

This letter contains no restricted or other defense information.

I certify under penalty of perjury that the foregoing is true and correct.

**Public Service Company of New Mexico**

**Date:**

7-20-09  
Executed On

**Terry R. Horn**

Title: Vice President and Treasurer

  
Executed By

# ATTACHMENT 3

## NON-PROPRIETARY VERSION

Public Service Company of New Mexico  
Joint Owner of Palo Verde Nuclear Generating Station  
Internal Cash Flow Projection

	Prior Year 2008 Actual Total	Projection Year 2009 Total
(In Thousands)		
Net Income After Taxes	(31,846)	
Less Preferred Dividends Paid	(528)	
Adoption of SFAS 157	<u>10,422</u>	
Earnings Retained	(21,952)	
Adjustments:		
Depreciation & Amortization	101,458	Withheld from public disclosure per Affidavit
Deferred Income Taxes & ADITC	(7,856)	
Impairment of Goodwill	51,143	
Regulatory Allowances	30,248	
Regulatory Disallowances		
AFUDC	6,833	
Other	<u>7,780</u>	
Total Adjustments	189,606	
INTERNAL CASH FLOW	167,654	
Average Quarterly Cash Flow	41,914	

Source: 2008 10K .

Per NRC regulation 10 CFR 140.21(e).

## NON-PROPRIETARY VERSION

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**This envelope should be sealed when received by the NRC.  
If there is any sign of tampering, NRC is required to contact:  
Lisa Eden  
PNM Resources, Inc.  
Phone: 505-241-2691**