

VERONICA ESCOBAR
16TH DISTRICT, TEXAS

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SUBCOMMITTEE ON IMMIGRATION
AND CITIZENSHIP



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Congress of the United States

House of Representatives
Washington, DC 20515

November 22, 2019

Chairwoman Kristine Svinicki
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Dear Chairwoman Svinicki:

I write in regards to Docket ID NRC-2019-0214, pertaining to the acquisition of El Paso Electric by Sun Jupiter Holdings LLC. El Paso Electric is currently a partial owner of the Palo Verde nuclear power station. As a result, El Paso Electric must seek approval from the Nuclear Regulatory Commission for the Indirect Transfer of Control of Licenses to Sun Jupiter Holdings LLC.

It has been brought to my attention that Sun Jupiter Holdings LLC is owned by Infrastructure Investment Fund (IIF) US Holdings 2, an investment fund with significant ties to J.P. Morgan Chase. However, IIF has failed to disclose these ties in their application to acquire El Paso Electric. In their filings, IIF claims J.P. Morgan's Infrastructure Investments Group (IIG) is simply an investment adviser for IIF, but IIF has enlisted employees from IIG to handle day-to-day responsibilities. Further, J.P. Morgan investment advisors sit on the boards of directors for several IIF companies. The lack of a firewall between the two entities is concerning because items like analyses produced by IIF could be heavily influenced by J.P. Morgan's interests and not the interests of El Pasoans.

The proposed sale of El Paso Electric to IIF will make the utility a private company. As you know, El Paso Electric is currently publicly traded thereby giving consumers access to the disclosures the utility must make to the Securities and Exchange Commission (SEC). For example, consumers can currently access El Paso Electric's filings via the SEC website to view information like the company's current assets, revenues, and obligations. If this sale were to be approved, this information would be shielded from the public and decrease the transparency of the utility.

According to El Paso Electric, more than 400,000 retail and wholesale customers in both West Texas and Southern New Mexico are served by the utility. It has also provided affordable energy to El Pasoans for more than a century. It is imperative that El Paso Electric's customers have clarity as to who is acquiring the sole electric utility in our region and insight into its operations and finances. That is why I encourage the NRC to consider granting an evidentiary hearing on this matter. Such venue will give consumers the opportunity to understand who is purchasing the only energy utility in our area.

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It is my continued hope that all parties involved in this acquisition will be transparent as they move through the proceedings before the Nuclear Regulatory Commission.

Sincerely,



Veronica Escobar
Member of Congress

CC: El Paso Electric
Sun Jupiter Holdings LLC

McCloskey, Bridin

Attachments: 11.22.19 Letter to NRC re Proposed El Paso Electric Sale.pdf

From: Harrison, Benjamin <Benjamin.Harrison@mail.house.gov>
Sent: Friday, November 22, 2019 5:27 PM
To: Decker, David <David.Decker@nrc.gov>
Cc: Quesenberry, Jeannette <Jeannette.Quesenberry@nrc.gov>; Sanchez, Jacqueline <Jacqueline.Sanchez@mail.house.gov>; Adrian.Rodriguez@epelectric.com; andrew.e.gilbert@jpmorgan.com
Subject: [External_Sender] Letter Regarding El Paso Electric Sale

Hello,

Attached is a letter to the NRC from Congresswoman Escobar about the proposed El Paso Electric sale.

Thank you for your consideration,

Ben

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Benjamin Harrison
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