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May 21, 2013

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John Kieling
 Chief, Hazardous Waste Bureau
 New Mexico Environment Department
 2905 Rodeo Park Drive East, Building I
 Santa Fe, NM 87505



RE: Person Generating Station (NMT 360010342-1) - Class 1 Permit Modification Request for Monitoring Well Replacement

Dear Mr. Kieling:

Public Service Company of New Mexico (PNM) hereby submits this supplemental information and justification for the Class I Permit modification request dated March 29, 2013, which was previously submitted to your office.

With this permit modification request, PNM is requesting that the New Mexico Environment Department (NMED) Hazardous Waste Bureau approve the replacement of monitoring well PSMW-8A with PSMW-8B because they are similar relative to surface location, well construction specifications, and the monitored groundwater zone of interest. PNM believes that the appropriate permit modification for this request is a Class I without prior notification as described in Appendix I to § 270.42.C.1.b. Payment for the NMED's permit modification request review fee was submitted under separate cover.

As described in PNM's March 2013 submittal, monitoring well PSMW-8A is listed as a plume center well in the permit. The October 2012 monitoring results showed concentrations of total chromium, nickel, and cobalt (as part of the Appendix 9 monitoring requirements) above the relevant standards. PSMW-8A was re-sampled in November 2012 for total and dissolved phase chromium, nickel, and cobalt. The re-sample analytical results indicated similar totals concentrations, however, the dissolved phase concentrations were significantly lower. These data were provided in the previous submittal, but are provided again in Table 1 below.

Table 1
Monitoring Well PSMW-8A Analytical Results

Sample Date	Analytical Results (mg/L)					
	Total Cr	Dissolved Cr	Total Ni	Dissolved Ni	Total Co	Dissolved Co
10/18/12	6.6	NS	3.5	NS	0.12	NS
11/21/12	6.2	0.088	3.4	1.5	0.11	0.044

NS: Not Sampled

PSMW-8A is a relatively old well and over the past few years the water level has declined significantly in it as well as other Person Generating Station monitoring wells. During sampling activities, the PSMW-8A purge water is reddish and rust-colored. The construction specifications indicate that it has a stainless steel screen. Since stainless steel is composed, in part, of chromium and nickel, the presence of rust-colored purge water, and the significant difference between totals and dissolved concentrations suggest that corrosion of the screen is occurring, and is likely the source of the elevated totals concentrations.

Per Mr. Brian Salem's suggestion, a video survey of PSMW-8A was conducted on April 4, 2013, to visually confirm the deteriorated internal condition of the screen and document the presence of corrosion. The video images show a large hole in the casing at approximately 15 feet below the top of the wellhead. In addition, heavy corrosion of the screen was noted near the bottom of the well. A copy of the video survey along with this letter has been provided to Mr. Salem for the NMED's review.

In an effort to determine relative background concentrations in the local groundwater and for comparison to PSMW-8A concentrations, samples were collected from PSMW-8B and five other wells for analyses of total and dissolved phase chromium and nickel in April 2013. Cobalt was not sampled for again since chromium and nickel are the primary constituents of stainless steel. PSMW-10, PSMW-13A, and PSMW-EW1 are located within 250 feet of PSMW-8A. PSMW-8B (the proposed replacement well) is within 10 feet of PSMW-8A. PSMW-1R and PSMW-7R are not near PSMW-8A, however, are suitable background wells for comparison purposes. The laboratory analytical results along with other relevant data for the April sampling activities are listed in Table 2 below.

As the data indicates, in addition to PSMW-8A, two other monitoring wells had detections of total and dissolved phase chromium. However, the detections in the two other wells were below the relevant WQCC standard of 0.05 mg/L.

**Table 2
Laboratory Analytical Results and Well Details – April 2013**

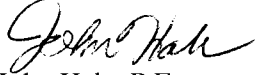
Well ID	Total Depth (ft)	Screened Interval (ft)	Total/Dissolved Cr (mg/L)	Total/Dissolved Ni (mg/L)	Depth to Water (ft)	Comments
PSMW-1R	140.40	117 - 137	0.022/0.022	ND/ND	130.02	Former source area well and current point of compliance well
PSMW-7R	132.22	104 - 133	ND/ND	ND/ND	107.75	Background well
PSMW-8A	153.40	133 - 153	5.9/0.16	1.4/0.077	148.62	Plume center well
PSMW-8B	169.40	153 - 168	ND/ND	ND/ND	147.95	Replacement well for PSMW-8A
PSMW-10	172.60	151 - 170	0.038/0.039	ND/ND	162.05	Plume center well
PSMW-13A	164.30	142 - 161	ND/ND	ND/ND	154.72	Plume center well
PSMW-EW1	158.00	135 - 157	0.0061/0.0075	ND/ND	N/A	Extraction well

ND: Non Detect
N/A: Not Available

PNM believes that the video survey and the well analytical data clearly indicate that the elevated concentrations of total chromium and nickel in PSMW-8A are the result of corrosion. Consequently, PNM requests that NMED approve this permit modification request. Upon NMED's approval of this request, PNM will update the previously submitted well closure list to include PSMW-8A.

If you have any questions, please contact me at (505) 241-2014.

Sincerely,

A handwritten signature in cursive script that reads "John Hale".

John Hale, P.E.
Technical Project Manager

cc: Brian Salem, NMED-GWQB, w/CD