



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

SECRETARY

December 9, 2019

The Honorable Veronica Escobar
United States House of Representatives
1505 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Escobar:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of November 22, 2019 to Chairman Svinicki regarding the application by El Paso Electric Company for transfer of its Palo Verde Nuclear Generating Station and Independent Spent Fuel Storage Installation licenses.

Because the NRC has received a request for hearing on the license transfer application and your letter relates to subjects that may be raised during any resultant adjudication, the Commission must remain impartial and it would be inappropriate for the Chairman to discuss or comment on your letter at this time.

A copy of your letter and this response will be served on the parties in the Palo Verde proceeding.

Sincerely,

A handwritten signature in dark ink, appearing to read "Annette Vietti-Cook", is written over a horizontal line.

Annette L. Vietti-Cook

VERONICA ESCOBAR
16TH DISTRICT, TEXAS

ASSISTANT WHIP

HOUSE ARMED SERVICES COMMITTEE

SUBCOMMITTEE ON MILITARY PERSONNEL
SUBCOMMITTEE ON READINESS

HOUSE JUDICIARY COMMITTEE

SUBCOMMITTEE ON THE CONSTITUTION,
CIVIL RIGHTS AND CIVIL LIBERTIES

SUBCOMMITTEE ON IMMIGRATION
AND CITIZENSHIP



Congress of the United States
House of Representatives
Washington, DC 20515

November 22, 2019

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EL PASO, TX 79901
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<http://escobar.house.gov>

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,

A handwritten signature in blue ink that reads "Veronica Escobar". The signature is fluid and cursive, with the first name "Veronica" and the last name "Escobar" clearly legible.

Veronica Escobar
Member of Congress

CC: El Paso Electric
Sun Jupiter Holdings LLC

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
EL PASO ELECTRIC COMPANY)	Docket Nos. 50-528, 50-529, 50-530
)	and 72-44-LT
Palo Verde Nuclear Generating Station)	
(Units 1, 2, and 3 and ISFSI))	

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing **Letter from NRC Secretary, Annette Vietti-Cook, to Congresswoman Veronica Escobar** have been served upon the following persons by Electronic Information Exchange.

U.S. Nuclear Regulatory Commission
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[Original signed by Herald M. Speiser _____]
Office of the Secretary of the Commission

Dated at Rockville, Maryland,
this 9th day of December, 2019.