

United States Senate

WASHINGTON, DC 20510

March 10, 2020

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

Dear Chairwoman Svinicki and Commissioners,

We are writing to request an evidentiary hearing with the Nuclear Regulatory Commission in relation to the acquisition of El Paso Electric by the Infrastructure Investments Fund (IIF) US Holdings 2. The NRC Docket ID is NRC-2018-0214. El Paso Electric is partial owner of the Palo Verde nuclear power station and the proposed purchase required NRC approval for the indirect transfer of control licenses for Palo Verde to IIF. Throughout the El Paso Electric acquisition process, JP Morgan Chase has not been forthcoming with information about its relationship to IIF. Although IIF acknowledged its affiliation with JP Morgan Chase to the Public Utility Commission of Texas¹, it has failed to disclose the full nature of its relationship to federal regulators. A hearing will correct the record as to the true ownership and control over IIF.

El Paso Electric serves over 400,000 customers in the city of El Paso and other parts of Texas and New Mexico. As a publically traded, investor-owned utility, El Paso Electric consumers are able to access the utility's disclosures to the Securities and Exchange Commission. The sale of El Paso Electric to IIF will make it a private company and consumers will no longer have access to information about the utility's finances.

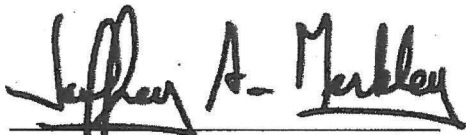
The application for purchase of El Paso Electric submitted to federal regulators on August 13, 2019 did not acknowledge the numerous ties between IIF and JP Morgan Chase including the role of employees from JP Morgan's Infrastructure Investment Group (IIG) in the day-to-day operations of IIF and the role of JP Morgan investment advisors on the board of directors of several IIF companies. On December 5th, the Federal Energy Regulatory Commission issued an Order ruling the application to be deficient, and demanding significant new disclosures concerning the complex relationship between IIF and JP Morgan Chase. The disclosure of this information is vital to protect the interests of the customers of El Paso Electric.

NRC has a responsibility to fully examine the facts and decide if JP Morgan Chase should be labeled as an affiliate of all the IIF shell companies. El Paso's customers deserve to know who is purchasing their utility. An evidentiary hearing will give them an opportunity to understand what entity is purchasing the utility and how it manages its finances and operations and add much needed transparency to the transaction.

¹ At paragraph 74, http://interchange.puc.texas.gov/Documents/49849_262_1044586.PDF

Thank you for your consideration and we look forward to your response.

Sincerely,

Handwritten signature of Jeffrey A. Merkley in cursive script.

Jeffrey A. Merkley
United States Senator

Handwritten signature of Edward J. Markey in cursive script.

Edward J. Markey
United States Senator

Handwritten signature of Bernard Sanders in cursive script.

Bernard Sanders
United States Senator

McCloskey, Bridin

Attachments: 20.03.10 NRC El Paso Electric Letter.pdf

From: Curry, Bridgid (Merkley) <Bridgid_Curry@merkley.senate.gov>
Sent: Tuesday, March 10, 2020 11:36 AM
To: Moreno, Angel <Angel.Moreno@nrc.gov>; Wolf, Carolyn <Carolyn.Wolf@nrc.gov>
Cc: Schreiber, Ben (Merkley) <Ben_Schreiber@merkley.senate.gov>
Subject: [External_Sender] Letter to Chairwoman Svinicki

Dear Mr. Moreno and Ms. Wolf,

I have attached a letter from Senator Merkley to Chairwoman Svinicki and the NRC commissioners. A hard copy has been placed in the mail.

Please let me know if you have any questions.

Thanks,

Bridgid Curry
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