

El Paso Electric Company's 2025 Integrated Resource Plan Workshop #8, July 24, 2025

WORKSHOP SUMMARY

Representatives from 26 organizations attended this workshop to provide input to the Statement of Need and Action Plan. 31 individual stakeholders (13 in person and 18 via Zoom), not including representatives from EPE, E3, and Gridworks, were in attendance. The list of meeting participants and their affiliations is attached.

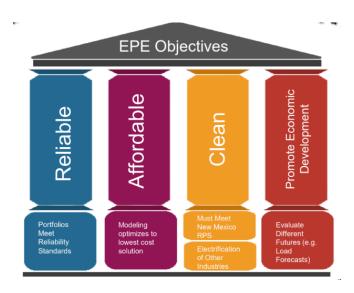
WELCOME AND INTRODUCTION

Seven prior stakeholder workshops and seven "office hour" sessions, totalling 33 meeting hours, provided a foundation for the discussions about the Statement of Need and Action Plan. The objectives of this workshop were to:

- Build consensus on Statement of Need;
- Identify Action Plan items where stakeholders have the most questions, propose and discuss edits, and work toward agreed-upon language; and
- Communicate how the facilitated stakeholder process will conclude.

EPE VISION, MODEL RESULTS UPDATE, AND STATEMENT OF NEED

The EPE team discussed their vision for 2045: "working together, guided by reliability and preventing excessive economic impact to customers, to power economic growth, innovation, and prosperity of the region." EPE illustrated their vision for their New Mexico system with the following graphic:



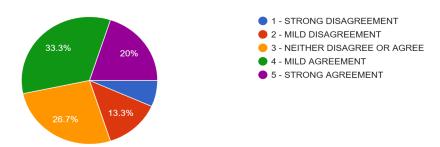


E3 presented a summary of modeling results from the July 16 office hour, with new information regarding carbon emissions for various scenarios. The utility's Statement of Need, which was distributed to stakeholders on July 21 (available here EPE DRAFT SoN), provided a starting point for small group discussions aimed at developing suggested changes to the draft Statement of Need. Suggested changes included the following:

- Inclusion of a meaningful block of demand-side resources as part of the solution for filling the capacity gap
- Providing more discussion regarding how to meet the needs of large-load customers without adversely impacting other customers
- Increasing the clarity regarding nameplate and accredited capacity numbers, as well as a more
 detailed description of the capacities of retiring resources and new resources expected from the
 RFPs in the field
- Striking or rewording the sentence that states that "affordability and reliability considerations may act as a limitation to EPE's degree of compliance with the RPS over time."

Following reflection and comments from EPE's leadership team, stakeholders were asked to respond to the following question:

What is your level of agreement with the draft Statement of Need after this morning's discussions? 15 responses



Stakeholders were also given the opportunity to provide written comments and feedback to EPE on the Statement of Need. 13 individual comments were submitted via survey.

ACTION PLAN

The afternoon portion of the workshop focused on Action Plan items. The group concentrated on four themes important to stakeholders and worked toward shared statements for each. For other Action Plan items not discussed due to time constraints, Gridworks directed stakeholders to the open-ended poll question for additional input. Shared statements included:

1. Grid modernization and transmission & distribution investment



- EPE will institute an ongoing internal process to proactively review the cost-effectiveness and viability of incorporating Grid Enhancing Technologies into proposed and existing transmission and distribution resources.
- In conjunction with EPE's IRP requirement to provide annual status reports to the Public Regulation Commission, EPE will also meet with stakeholders annually to share progress.
 These meetings will include communicating the Company's work to evaluate Grid Enhancing Technologies for transmission and distribution needs.

2. Upgrades to the Eddy Tie

• The group weighed the question of upgrading the Eddy Tie beyond its 200 MW transfer capacity maximum. EPE voiced concerns about market conditions, cost justification, and shared asset ownership.

3. Large Load Customers

- Before filing its large load customer tariff, EPE will initiate discussions with stakeholders to gather input on:
 - i. Industry best practices for large load interconnections
 - ii. A model contract
 - iii. Safeguards to protect existing customers from adverse impacts

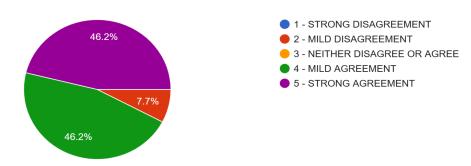
4. Demand Side Resources

- As a part of the all-source RFP resulting from the 2025 IRP, EPE will be explicit about a demand response/DER strategy. This includes providing guidance on demand response/DER value streams (as identified in the IRP modeling) and directing potential bidders to relevant sections in the IRP with the goal of supporting robust DER participation in the all-source solicitation.
- In the evaluation of bid responses, EPE will consider the benefits of demand response/DERs not captured in the modeling.

EPE's leadership team shared reflections on the group's discussion, and stakeholders were asked to respond to the following poll question:



What is your level of agreement with the Action Plan items as discussed today? 13 responses



Nine written stakeholder comments were submitted for EPE's consideration regarding the Action Plan.

SUMMARY AND NEXT STEPS

Dialogue among all workshop participants provided a deeper understanding and appreciation of the Statement of Need and Action Plan content. A meeting will be scheduled for the week of Aug. 11 for EPE to present a final Statement of Need and Action Plan.

Gridworks expressed appreciation for all stakeholders who have participated in the conversations over the past 6 months. The completed list of stakeholder requests for information from the past several months can be found here: PUNCH LIST 7/21/25.

STAKEHOLDER FEEDBACK ON PROCESS

Gridworks will host a session on Sept. 11, 9-11 AM MT, via ZOOM, to solicit feedback from stakeholders on the IRP Stakeholder Engagement Process. A feedback survey form will also be distributed for those who wish to submit feedback via a written survey. All feedback is critical to the final report that Gridworks will prepare for the NM PRC.

Questions, concerns, and suggestions are welcome through <u>info@gridworks.org</u> or by contacting Margie Tatro at <u>mtatro@gridworks.org</u>, 505-205-0838.

ADDITIONAL INFORMATION \rightarrow

- Slide decks from workshop #8: EPE and Gridworks
- Workshop materials can be found at the Gridworks Website, under Workshop #8.
- Mesilla Valley Economic Development Alliance, <u>Lost Opportunities report</u> (shared with Gridworks via email).



WORKSHOP #8 ATTENDEES

Hope Castleberry Air Force Leo Xie Base Power

Doug Patterson Black Forest Partners
Jose Ibarra Borderplex Digital Assets
Thomas Voute Borderplex Digital Assets
Daniel Vaughan Borderplex Digital Assets

Charlie Mahady City of Las Cruces
Anastasia Steven City of Las Cruces

Cara Lynch Coalition for Clean Affordable Energy

Chris Hickman Creation Energy

Don Kurtz Customer
Dwight Eggers Customer
Randy Rankin Customer
Stephen Fischmann Customer
Phil Simpson Customer
Kyle Smith DOD/FEA

E3 Ben Elsey E3 Margo Bonner **EPE** Alejandro Rios **EPE** Angie Rodriquez Brian Turaki **EPE EPE** Clarissa Reyes **EPE Curtis Hutcheson Dave Hawkins EPE** Edmundo Salazar **EPE Emmanuel Villalobos EPE Enedina Soto EPE** Eric Galvan **EPE Eric Montgomery EPE** George Novela **EPE EPE** Ivan Mejorado Jessica Christianson **EPE** Jim Schichtl **EPE**



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