GRIDWORKS

# PNM's 2026 Integrated Resource Plan
# PNM System, Challenges, and Opportunities
# Workshop #2 - Hybrid
# January 14, 2026

**WORKSHOP SUMMARY**

Representatives from 59 stakeholder organizations attended this workshop to learn about or get updates on PNM's current resources, opportunities, challenges, constraints, and planning landscape. Over 96 individual stakeholders attended: 31 in person and 65 virtually. The list of participating organizations (excluding PNM, its consultants, and facilitators) is attached.

**MATERIALS**

- **Gridworks slide deck**
- **PNM slide deck**
- **Workshop recording (note that ZOOM "station discussions" are included, in-person "station discussions" are not):** https://youtu.be/mw3xEaPLYvM
- **Discussion Guides**
  - **Demand Forecast**
  - **Supply Resources**
  - **Behind the Meter Resources**
  - **Transmission and Market-Enabled Resources**
- **Materials shared during the day:**
  - **PNM 20-Year Transmission Outlook**
  - **DOE Pathways Report Next Generation Geothermal**
  - **Potential economic development sites sites.partnerwithPNM.com**

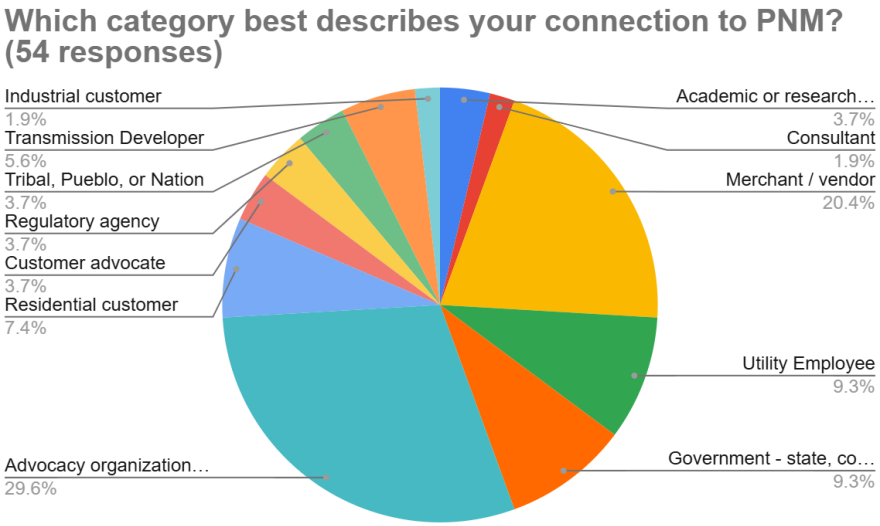
**WELCOME AND INTRODUCTION**

This orientation workshop, facilitated by the NM PRC-appointed facilitator, Gridworks, had the following objectives:

1. Build a foundation of shared knowledge about the PNM system, opportunities, and challenges.
2. Facilitate discussions among participants and PNM subject-matter experts on key topics.
3. Introduce a framework to orient stakeholders and introduce them to the in-depth work ahead.
4. Gather baseline information to measure the process's success.
5. Build relationships and connections, and offer appreciation for stakeholders.

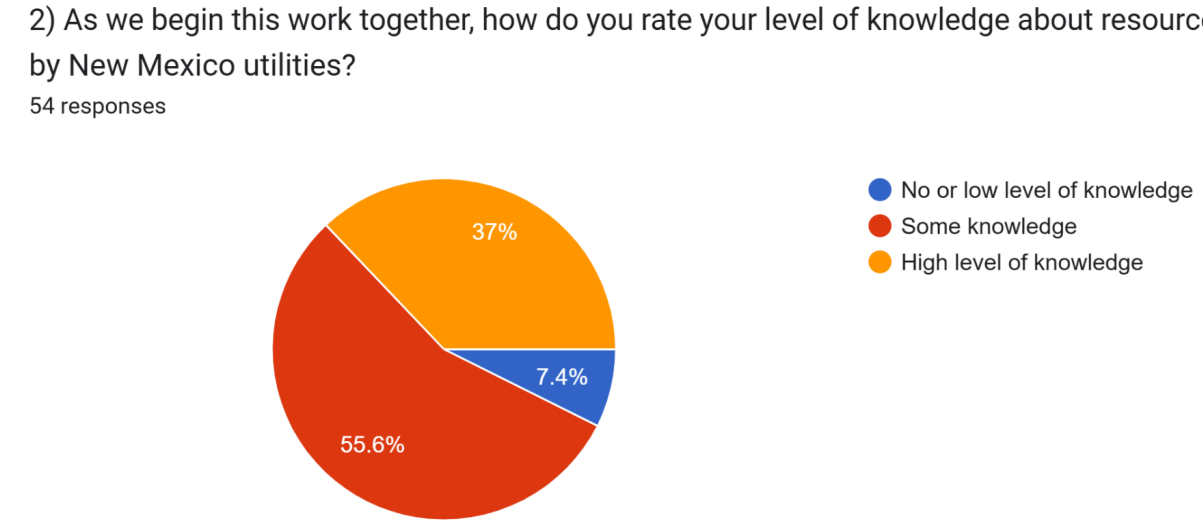
All participants had the opportunity to introduce themselves and complete a survey on their knowledge of electric utility planning, primary interests, and their desire for materials in advance of future workshops. Over 50% of respondents requested materials three business days prior to future workshops. Respondents also offered suggestions of groups that should be invited to participate in this process.

Participants were asked about their connection to PNM:

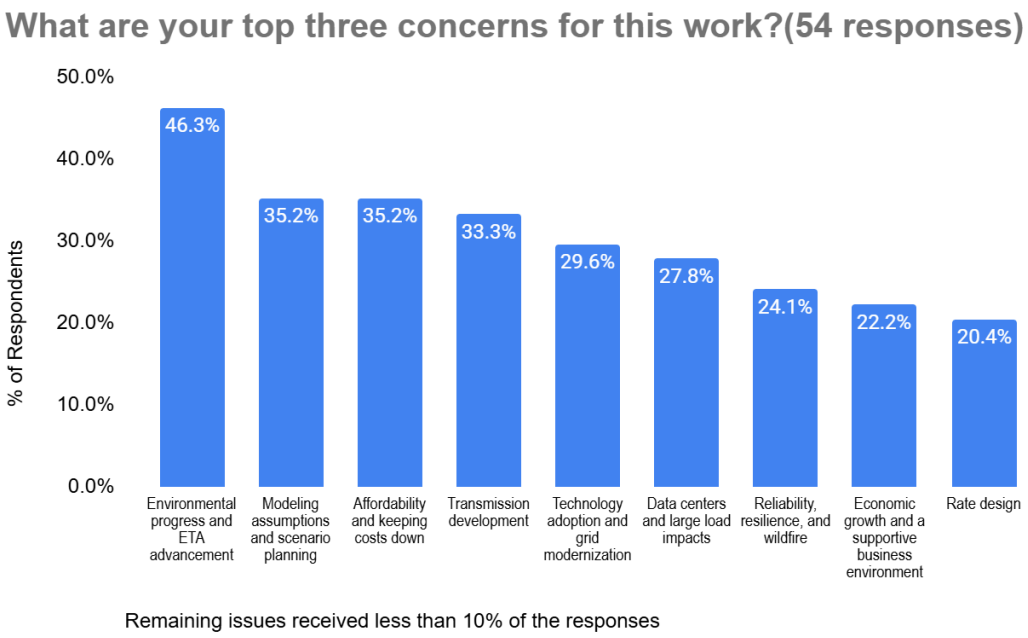



*Utility employees include 2 gas and 2 electric utility respondents.

Their level of knowledge about the resource planning process:



And their top three concerns:




Remaining issues received less than 10% of the responses

**IRP PURPOSE AND PNM SYSTEM OVERVIEW, REQUIREMENTS, AND MODELING FRAMEWORK**

PNM staff presented information about the purpose, components, considerations, and objectives of the IRP. PNM's resource mix, pending activities, affordability drivers, planning requirements, and planning landscape were described. The PNM team presented a high-level overview of the 2026 IRP modeling framework, including envisioned futures, scenarios, and sensitivities to be analyzed. A summary of 2023 IRP stakeholder comments was included in the PNM slide deck and, due to time constraints during the day, participants are encouraged to review these slides (32-37) at their convenience. Participants' questions were offered both verbally and in writing. Questions that were not addressed during workshop #2 will guide future workshops and utility comments.

**KNOWLEDGE FOUNDATION IN SUPPORT OF THE CENTRAL QUESTION**

The afternoon activity included small-group discussions with PNM's subject-matter experts in four areas: demand forecasting, supply-side resources, distribution and behind-the-meter resources, and transmission- and market-enabled resources. **These topics are key to the central question for the stakeholder process: "What is PNM's resource need to meet expected demand?"** Two-page discussion guides served as the starting point for discussions, and all attendees had the opportunity to discuss all four areas. The group then reflected on the discussions and offered additional questions or topics that needed further discussion.

Discussion themes from each of the four stations are summarized below:

Demand Forecasting

- **Resources or load modifiers?:** What are the forecasted quantities of energy efficiency, customer-sited solar, batteries (including electric vehicles), and demand response projects and how do they compare with current actual values? Are these being considered as load modifiers or resources?
- **Elements of demand**: What are the contributions from electric vehicles, building electrification, energy efficiency, and demand response compared with data center growth?
- **Characteristics of demand**: ramp schedules, customer type, and impacts of severe weather are of interest to stakeholders.
- **Data center loads**: Stakeholders were interested in the quantity of data center loads included in the projected demand curve, the maturity phases of data center projects, and the threshold size of economic development projects. Alternative approaches to the High Economic Development scenario, such as Public Service Company of Colorado's incremental need pool concept or a reduced ramp rate for new loads due to "supply chain" constraints, were offered by stakeholders.

Supply-side Resources

- **Sources for cost data and affordability interests:** What information is used to inform costs for supply-side resources? Are the costs regionally specific? How are resources with high fixed costs but low/no fuel costs compared to resources with relatively lower capital costs but exposure to market fuel prices?
- **Geothermal and small modular reactor resources cost data:** Stakeholders encourage a closer look.
- **IRP and RFP connections:** How are RFP results modeled, and how are they connected to IRP model results?
- **Gas volatility and infrastructure availability:** There is interest in the upcoming gas volatility study and also in the capacity of the gas delivery infrastructure.
- **Modeling a "no ETA" scenario:** Stakeholders sought a better understanding of the purpose of such a scenario and the information it provides regarding the cost of compliance.

Distribution and Behind-the-Meter Resources

- **Resources or load modifiers?:** What are the forecasted quantities of the behind-the-meter resources, and how do they compare with current actual values? Are these being considered as load modifiers or resources?
- **Time-of-Use (TOU) assumptions:** What are the TOU assumptions and impacts on load forecasts?
- **Advanced Metering Infrastructure (AMI):** Participants are curious about data privacy and customer choice options associated with smart meters.
- **Demand response and data centers:** Will data centers join demand response programs?

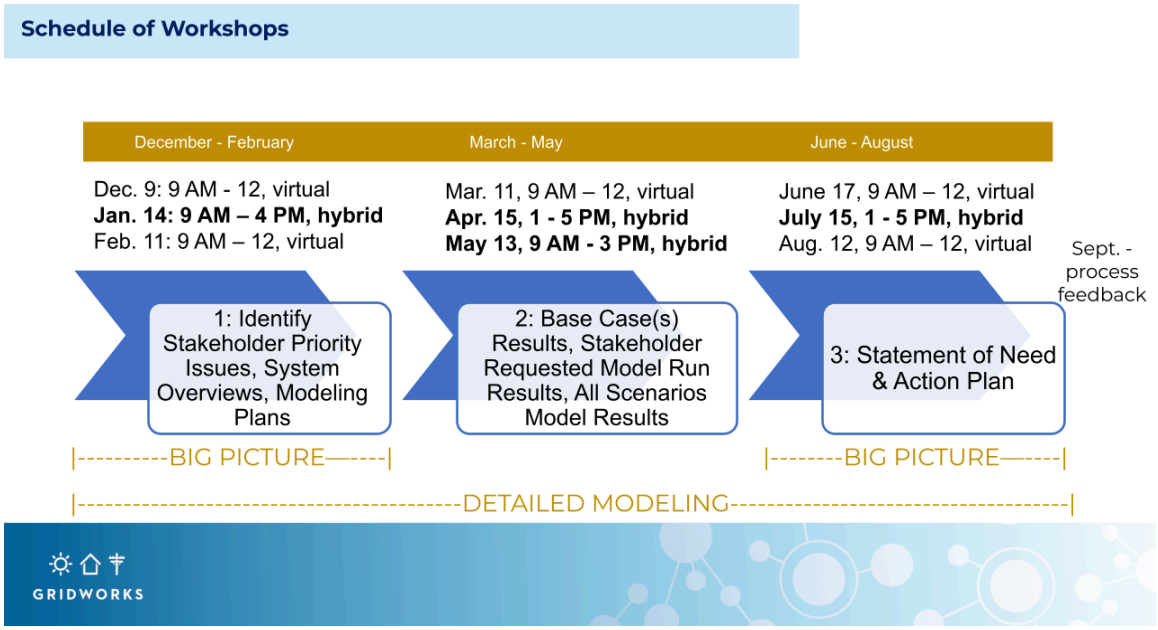
- **Load terminology:** Understanding the differences between flexible and variable loads.
- **Engaging the public:** Some stakeholders are interested in educational efforts to bring others along and explain how they can be constructive participants in the energy transition journey.

Transmission and Market-Enabled Resources

- **Retail load vs. transmission service:** PNM's transmission service ("rights" to move electricity across PNM's transmission system) is almost double its retail customer load. This creates a complexity for planning; need to account for flow-throughs and PNM's transmission service business.
- **Market developments:** PNM will enter the Extended Day Ahead Market in Oct. 2027, giving it access to a broader array of low-cost resources and sharing opportunities, as well as opportunities to sell excess solar. This will change how the transmission system is used and how it should be modeled. Not yet clear how or to what extent this can inform resource planning and the modeling of transmission as a resource.
- **Transmission in modeling:** interest in an iterative process from the nodal analysis, production cost modeling, and back to the capacity expansion analysis. Desire to see zonal transmission cost adders like in the 2023 IRP. PNM plans four transmission sensitivities (RioSol, SunZia, Blackwater DC tie, Four Corners). Also studying transmission expansion for interconnection needs.
- **Regional transmission scenario:** participants expressed strong interest in developing a regional transmission scenario for consideration in this resource plan.
- **PNM's 20yr Transmission Outlook:** takes a statewide, zonal approach to resource development and the transmission needed to enable those resources. Will inform IRP modeling.
- **Transmission to support economic development:** PNM is studying a cluster approach and developing a master plan of potential development sites for exploratory customers. See sites.partnerwithPNM.com.

**STAKEHOLDER ENGAGEMENT SCHEDULE AND OPTIONS FOR PARTICIPATION**

The schedule of future workshops was presented, see below. A three-phase process offers opportunities for participating in "big picture, or" detailed modeling" discussions or both. Stakeholders requested more details regarding topics for each workshop, which will be provided.




**NEXT STEPS**

A summary of this workshop is available at [Gridworks Website - PNM IRP](https://gridworks.org/initiatives/pnm-2026-integrated-resource-plan/) (https://gridworks.org/initiatives/pnm-2026-integrated-resource-plan/)

**Workshop #3 will be held on February 11, 2026, from 9 AM to 12 PM via ZOOM.**

The focus will be on preparing for modeling. A short session will be included to address many "big picture" questions posed during workshop #2. Modeling topics will include inputs, assumptions, futures, sensitivities, nodal analysis, and model runs currently planned by PNM.

Stakeholders are asked to be prepared to discuss their specific modeling information requests using the discussion guides from workshop #2 as a starting point. The information sharing mechanism will be described during this workshop. **Stakeholder requested modeling runs will be discussed at workshop #4 on March 11.**

Questions, concerns, and suggestions are welcome via info@gridworks.org or by contacting Margie Tatro at mtatro@gridworks.org or 505-205-0838.

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**WORKSHOP #2 PARTICIPATING ORGANIZATIONS (Excluding PNM, its consultants, and facilitators)**

**In-person Attendees**

350 NM
Ameren - Lucky Corridor
AzCPA
City of Albuquerque
Customers (3)
Exus Renewables
Gould Law Firm
New Mexico Gas Company
NextEra
NM Affordable Reliable Energy Alliance
NM RETA
NM PRC
Pacific Fusion
Renewable Energy Industries of NM
Sandia National Labs
Sandia Pueblo
Southwestern Power Group
SWEEP
Third Act NM
Walmart
WRA

**ZOOM Attendees**

Advanced Energy United
AES Clean Energy
Allum Renewable Energy
Bernalillo County Economic Development
Boehm, Kurtz & Lowry Law
City of Albuquerque
California Independent System Operator
CDG Engineers
Clean Energy Buyers Association
City of Lordsburg Economic Development
Clean Energy Coalition for Santa Fe County
Clenera
Coalition for Clean Affordable Energy
Coalition for Community Solar Access
Customer
Energy Futures Group
esVolta
Exus Renewables
Form Energy
Grid United
Gridlab
Interwest Energy Alliance
Invenergy
Mescalero Apache Telecom, Inc.
MMR Group
New Mexico Gas Company
NM Affordable Reliable Energy Alliance
NM DOJ
NM Economic Development Department
NM RETA
NM PRC
NM State Land Office
Onward Energy
Ormat
Pattern Energy
Renewable Energy Industries of NM
Sandia National Labs
Santa Fe County Economic Development Division
Solariant Capital, LLC
Southwestern Power Group
Sovereign Energy
Tesuque Pueblo
Walmart
Western Environmental Law Center
WRA
Unknown (2)