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PNM's 2026 Integrated Resource Plan Utility Decisions, Statement of Need, and Action Plan Workshop #7 Summary

WORKSHOP SUMMARY

Representatives from 34 stakeholder organizations attended this workshop to review all modeling efforts completed to date and provide input to PNM on the draft Statement of Need and Action Plan. Over 48 individual stakeholders attended the workshop, 14 of whom attended in person. The list of participating organizations (excluding PNM, its consultants, and facilitators) is included at the end of this document.

MATERIALS

- [Gridworks Slide Deck](#)
- [PNM Slide Deck](#)
- [2026 PNM IRP Reliability Results - Powergem](#)
- [Key Takeaways \(E3 Slide Deck\)](#)
- [PNM Slide Deck - Draft SoN and Action Plan](#)
- [2026 IRP Draft Action Plan](#)
- [2026 IRP Draft Statement of Need](#)
- **Workshop recording:** <https://gridworks.org/wp-content/uploads/2026/06/2026-IRP-Draft-Action-Plan-V1-3.docx://youtu.be/HQS2AIDH334>

WELCOME AND INTRODUCTION

This workshop had the following objectives:

- Return to “BIG PICTURE” discussions;
- Present a recap of modeling activities and present SERVIM reliability analyses;
- Discuss key takeaways, portfolio direction based on future outcomes, and implications for the statement of need; and
- Review the draft Statement of Need and Action Plan, gather stakeholder feedback, and announce the process for submitting redline edits.

RECAP OF MODELING ACTIVITIES

The PNM team provided a review of all workshops, office hours, and modeling results to date. A gas volatility study is underway. A resiliency report on the Current Trends and Policies (CTP) and High Economic Growth (HEG) futures, as well as for the stakeholder modeling request #12 (described in the [PNM Slide Deck from the June 10th Office Hour](#)), is expected soon. Results of these analyses will be made available to stakeholders.

PNM's consultant, PowerGem, reviewed the SERVIM-based reliability analyses performed on the CTP and HEG futures for study years 2036, 2040, and 2045. PowerGem concluded that both futures meet reliability requirements.

MODEL RESULTS - KEY TAKEAWAYS



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PNM's consultant, E3, described the rationale for presenting a "least regrets" framework of model results as contrasted with a single preferred portfolio for long-term planning. Insights across sensitivities for the Current Trends and Policies Futures are shown below:

Current Trends & Policy – Core Insights Across Modeling Sensitivities

Identifying "least-regrets" resource themes consistently selected across all sensitivities



Focus Period (2033–2036)

- **Scalable Demand-Side Resources:** Increased deployment of cost-effective energy efficiency and demand response.
- **Renewable Procurement:** Each case confirms a non-discretionary need for new solar generation to meet state RPS targets at lowest cost.
- **Battery Storage (BESS) Expansion:** Dynamic balancing resources are consistently selected across sensitivities



Remainder of Planning Period

- **Long-Term Firm & Dispatchable Capacity:** As variable energy penetration increases, all portfolios converge on firm capacity to meet system reliability .
- **Optionality for Emerging Clean Tech:** Portfolios consistently maintain a strategic need for next-generation, carbon-free alternatives as technology costs decline.



The Strategic Imperative: Because these core resource needs appear consistently across all modeled futures, they represent least-regrets actions. The next steps include a competitive process to procure them at the lowest risk and best price.

Modeling a variety of sensitivities revealed three promising pathways, identified below:

High-Value Alternative Sensitivities

Exploring sensitivities that show promise in shifting the generation mix and lowering costs



Promising Pathways

- **Demand Flexibility (TOU/TOD):** Modeling indicates aggressive peak-pricing could alter load shapes and defer expensive firm capacity.
- **Accelerated DER Integration:** High-DER sensitivity cases look favorable, potentially deferring major centralized asset builds.
- **Strategic Transmission Expansion:** Targeted grid expansion shows potential to unlock access to regional markets.



Feasibility & Cost

- **Adoption & Behavioral Uncertainty:** Customer subscription and real-world response to TOU/TOD structures remain uncertain.
- **Operational Verification Needed:** Although models signal promising cost-reductions, actual integration feasibility has not yet been proven.



The Action Plan Priority: Because these pathways are promising but unproven, they are not locked into the baseline modeling. The near-term Action Plan details specific tasks to firm up these assumptions so PNM can dynamically pivot as risks clear.

 Energy+Environmental Economics

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STATEMENT OF NEED AND ACTION PLAN

PNM presented key elements of the draft statement of need and action plan. Stakeholders worked in small groups to generate feedback for the utility on these two important sections of the IRP report. A summary of stakeholder comments is attached. Stakeholders expressed frustration that they received the draft materials on short notice and requested additional time to review the information and consult with colleagues before offering detailed feedback.

NEXT STEPS

- Stakeholder comments on the draft Statement of Need and Action Plan are due to IRP@PNM.com and dshields@gridworks.org by **5 PM MDT on Wednesday, July 1**. Redline edits



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and narrative comments are welcome. Links to the two documents can be found here: [2026 IRP Draft Action Plan](#) and [2026 IRP Draft Statement of Need](#).

- PNM to share gas volatility study
- PNM to share resiliency report, including analyses of CTP, HEG, and stakeholder run request #12
- PNM to share results from customer impact analyses

Upcoming workshops and topics are shown below.

Workshop #8 July 15, 1-5 PM hybrid*	Complete statement of need and action plan
Workshop #9 Aug. 12, 9 AM-12 virtual	Review key IRP elements, including any unresolved issues
Feedback on Stakeholder Process September	A survey and opportunity for direct feedback are forthcoming. Your input is critical to Gridworks and the NM PRC

*Hybrid Workshop: in-person attendance is strongly advised. Webex links will be available, but may not offer the same participation options as those for in-person participants.



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WORKSHOP #7 PARTICIPATING ORGANIZATIONS (Excluding PNM, its consultants, and facilitators)

Advanced Energy United
Bernalillo County Economic Development
CABQ
Clenera
Coalition for Clean Affordable Energy
Customers (2)
Deutsch Domestic Water Company, Inc
Energy Futures Group
Energy Futures Group
esVolta
Form Energy
Goschke Energy Advisors
Gould Law Firm
GridLab
Interwest Energy Alliance
Jupiter Power
Kinetic Power, LLC
Linea Energy
New Mexico Gas Co.
NM Affordable Reliable Energy Alliance
NM PRC
Pacific Fusion
Plus Power
Sandia National Labs
Sandia Pueblo
Single Space Strategies
SWEEP
350 New Mexico
Third Act NM
Village of Los Lunas, Economic Development Division
Vote Solar
Walmart
WRA
Zanskar Geothermal & Minerals



PNM 2026 IRP, Workshop #7, June 17, 2026

Initial Stakeholder Feedback on Draft Statement of Need and Action Plan

Statement of Need

- Provide energy amounts (MWh) in addition to capacity position (MW) (tables 1 and 2)
- Identify the time periods for the action plan, focus period, and planning horizon. How is PNM thinking about steps for long-lead resources? Include a timeline that illustrates when new resources are expected to come online
- Clearly describe what is in the baseline and the relationship to current procurement activities
- Break down expected load growth into segments (data centers, large loads, residential electrification, etc.)
- More information on affordability and customer impacts of each scenario
- Define the extreme economic growth scenario and reconsider how it is weighted in the analysis (should not be on equal footing as CTP and HEG)
- Define short-duration storage, 4hr versus 8hr discharge rates, and applications
- Reconcile IRP gas capacity amounts with recent filings (resource application and supplemental RFP); explain why PNM believes a 2029 gas resource acquisition is realistic, given current supply chain conditions and PNM's contingency plans if gas doesn't come online by 2029
- Explain how PNM is thinking about hydrogen conversion, infrastructure costs, and deliverability uncertainty
- Provide examples of emerging resources
- Explain where/how stakeholder input and requested modeling runs are reflected in PNM's analysis, and how stakeholder input impacted PNM's identified need
- Explain how demand-side management is included in an all-source solicitation

Action Plan

- Commit to a large load tariff that includes financial assurances and protections for existing customers
- #3 – Work with developers and the Commission to consider alternative RFP structures (tiered or phased)
- #4 – add “public and private” partnerships and accelerate work on this to take advantage of the next legislative session
- #7 – Need specific targets, programs, and metrics for energy efficiency and demand-side management
- #8 – Identify specific goals for smart meter implementation, data-informed program development, and customer communication plans
- Commit to RFP criteria that prioritize technologies with tax credits
- Add specific time frames for action plan items

Format and Structure

- Bullet points, key takeaways, graphics, and summary conclusions are preferred over lengthy text
- A non-technical audience should be able to understand the key points
- Be more specific in targets and actions; clearly defined boundaries so it is evident if/when a material event is triggered
- Add a section describing the impact of stakeholder input