



**Xcel Energy/SPS's 2026 Integrated Resource Plan
Model Results to Date
Workshop #6A (July 21, 2026) Summary
Virtual**

WORKSHOP SUMMARY

Representatives from 19 organizations attended this workshop to meet with the Xcel Energy/SPS Integrated Resource Planning (IRP) team and receive an update on model results. The 25 participating stakeholders had opportunities to ask questions and comment on results presented. The list of participating organizations (excluding Xcel Energy/SPS, its consultants, and Gridworks) is attached.

MATERIALS

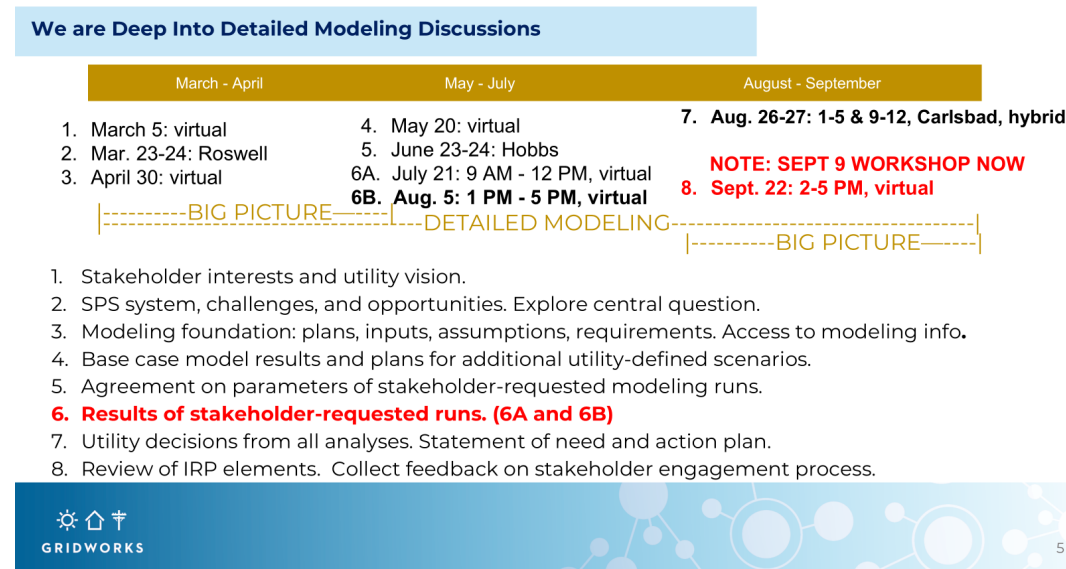
- **Gridworks slide deck:** [Gridworks Slide Deck](#)
- **Xcel Energy/SPS slide deck:** [Xcel Energy Slide Deck](#)
- **Recording (starts 10 minutes into the workshop):** <https://youtu.be/CMVBsndGq9I>
- **Website for all materials:** <https://gridworks.org/initiatives/xcel-sps/>

WELCOME AND INTRODUCTION

This workshop had the following objectives:

1. Review the disposition of stakeholder model run requests per prior workshop discussions.
2. Present model results to date. Discuss the results of the Renewable Portfolio Standard (RPS) and Markets scenarios with stakeholders.
3. Discuss key takeaways that will impact the statement of need.

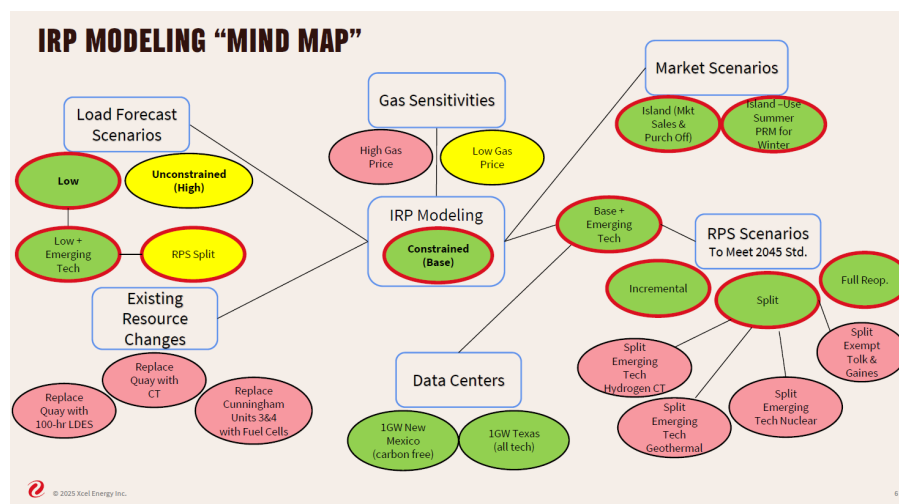
The timeline for IRP stakeholder engagement is shown below:





MODELING “MIND MAP”

The SPS IRP team reviewed the map of modeling runs as shown below. Solid red borders around ovals depict model results presented during this workshop. (Note that green ovals indicate scenarios for which capacity expansion and production cost model runs have been completed; yellow ovals represent scenarios that have been run only through capacity expansion modeling; and light red ovals are scenarios that have not yet been analyzed.) This version of the map reflects changes to the modeling activities in response to stakeholder requests discussed at Workshop #5. The SPS team noted that **all model runs now include the option to select 6- and 8-hour battery energy storage resources.**



MODEL RESULTS TO DATE

The focus for this workshop was the RPS and Market Scenarios, given high stakeholder interest in these two topics. Key to the RPS scenarios is consideration of operating SPS’s system across two jurisdictions with different legal and regulatory requirements. SPS described its five-step approach for modeling the multi-jurisdictional nature of the system (see below):



MODELING APPROACH - BUILDING FOR TEXAS POLICY AND NEW MEXICO REQUIREMENTS

Bridging two states' rules

- SPS operates across both New Mexico and Texas
- Texas' planning is governed by **least-cost planning, maintaining reliability, competitive bidding** among generation options and the use of an all-of-the-above set of energy technologies.
- New Mexico's planning is governed by its **Energy Transition Act (ETA)** and **Renewable Portfolio Standard (RPS)**, which push toward carbon-free generation, with requirements to consider reliability and costs.
- SPS's Modeling Approach is a multi-step solution to implement a multi-jurisdictional systemwide resource planning solution.

 © 2025 Kael Energy Inc.

- 1** Base Plan of generic resources is developed to meet both Texas and New Mexico load forecasts on a least-cost, and reliability basis – consistent with Texas policy
- 2** SPS reviews resources selected in base plan and then removes the New Mexico "load ratio share" of carbon-emitting resources while "locking-in" all other resources selected in the base plan.
- 3** With the New Mexico carbon-emitting resources removed, New Mexico ETA requirements are added, and the model is re-expanded, allowing only non-carbon emitting resources for selection as additional New Mexico resources. 2045 goal is modeled as 100% REC requirement
- 4** Incremental cost between 1st Step and 3rd Step are attributed 100% to New Mexico as the cost of New Mexico ETA
- 5** Texas customers assigned load ratio share of least-cost resource portfolio from Step 1

36

Significant findings from the SPS presentation include:

- Firm, dispatchable capacity is needed throughout the planning horizon; SPS's modeling indicates a resource with attributes similar to gas CCs or CTs is needed in the later years.
- Winter reliability is an emerging constraint. Maintaining the summer reserve margin in winter results in significant unserved energy and higher costs.
- Emerging technologies produced the lowest-cost portfolio when available to the model, although 6- and 8-hour batteries were not selected in any run.
- RPS/ETA compliance becomes a key constraint in later years, with significant additional cost associated with eliminating the final increment of carbon emissions.
- Near-term resource builds are relatively consistent across scenarios and generally support progress toward New Mexico's 2045 requirements.
- Load growth remains an important driver, including uncertainty around probabilistic large loads and data center development.

Discussion with and questions from stakeholders included the following lines of inquiry:

- Winter reliability needs, including reserve margins and expected unserved energy
- Load forecasting, particularly data center and probabilistic large-load assumptions
- New Mexico RPS/ETA compliance and treatment of post-2045 carbon emissions
- Allocation of resources, load, and emissions between New Mexico and Texas
- Interpretation of net present value differences and consideration of fuel-price and other risks
- Role and treatment of emerging technologies, including long-duration battery storage

Modeling information, posted via iManage, is available to stakeholders by completing the forms below:

- [SPS IRP - Data Access Request Form](#)
- [SPS IRP - Confidentiality Agreement](#)



GRIDWORKS

OPEN ITEMS

- SPS will continue to load model results to the iManage platform.
- Remaining model run results will be shared during the Aug. 5 workshop.

NEXT STEPS

A summary of this workshop is available at <https://gridworks.org/initiatives/xcel-sps/>. Questions, concerns, and suggestions are welcome and can be directed to Linda Hudgins (linda.l.hudgins@xcelenergy.com) and Deborah Shields (dshields@gridworks.org).

NEXT WORKSHOPS AND KEY ACTIVITIES:

- Workshop #6B - Aug. 5, 1 - 5 PM MDT, via Zoom. The focus will be on understanding all model results to inform the Statement of Need and Action Plan.
- [Milestone - Aug. 17, Draft SoN and AP distributed to stakeholders for review.](#)
- Workshop #7 - Aug. 26-27, Carlsbad & Zoom. Return to big picture discussions. Discuss SoN & AP.
- [Milestone - Sept. 4, Written comments on SoN and AP due by 5 PM MDT.](#)
- Workshop #8 - Sept. 22, 2 - 5 PM MDT, via Zoom. Information on IRP elements, feedback on process.

WORKSHOP #6A PARTICIPATING ORGANIZATIONS (Excluding SPS, its consultants, and facilitators)

Coalition for Clean Affordable Energy
Coalition for Community Solar Access
Conoco Phillips
Central Valley Electric Cooperative
Eddy County Community Development
Energy Futures Group
Form Energy
GridLab
Interwest Energy Alliance
Jupiter Power
New Mexico Junior College
New Mexico Large Customer Group
NM PRC
Natural Resources Defense Council
PBEX, LLC
Single Space
Targa Resources
TransAlta
Western Farmers Electric Cooperative