

PNM 2017-2036 Integrated Resource Plan

SEPTEMBER 22, 2016 NATURAL GAS PRICES & ENVIRONMENTAL REGULATION



Talk to us.



DISCLOSURE REGARDING FORWARD LOOKING STATEMENTS

The information provided in this presentation contains scenario planning assumptions to assist in the Integrated Resource Plan public process and should not be considered statements of the company's actual plans. Any assumptions and projections contained in the presentation are subject to a variety of risks, uncertainties and other factors, most of which are beyond the company's control, and many of which could have a significant impact on the company's ultimate conclusions and plans. For further discussion of these and other important factors, please refer to reports filed with the Securities and Exchange Commission. The reports are available online at www.pnmresources.com.

The information in this presentation is based on the best available information at the time of preparation. The company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances that occur after the date on which such statement is made or to reflect the occurrence of unanticipated events, except to the extent the events or circumstances constitute material changes in the Integrated Resource Plan that are required to be reported to the New Mexico Public Regulation Commission (NMPRC) pursuant to Rule 17.7.4 New Mexico Administrative Code (NMAC).

AGENDA

NATURAL GAS AND CARBON PRICES + ENVIRONMENTAL REGULATIONS

- Meeting preliminaries
- Pace Global presenting natural gas and carbon price forecasts
- Gas and Carbon modeling in 2017 IRP
- Environmental regulation overview
- Coordination with 2017 IRP

SAFETY AND LOGISTICS

MEETING PRELIMINARIES

- Fire escape routes via stairways at east and west ends of hallway; please let us know if you require special handicap egress or special assistance
- We must obey any fire or emergency alarm; even drills/test alarms
- Restrooms – Women's room at west end; Men's room at east end
- PNM's WiFi
- Please be aware that there are outlets/network connections on the floor

SAFETY AND LOGISTICS CONTINUED

MEETING PRELIMINARIES

- Must sign-in with security desk each time you enter the building
- Must be escorted in and out of the building by a PNM employee
- Recycling is easy and encouraged
- Please note that meeting room is scheduled immediately following the IRP meeting

MEETING GROUND RULES

MEETING PRELIMINARIES

- IRP Public Advisory purpose is to solicit and receive public input
- Questions and comments are welcome
- Comments should be respectful of all participants
- Use name tents to indicate you have a comment or question
- Please silence your cell phone
- Reminder: today's presentation is not PNM's plan or a financial forecast, it is a discussion of PNM's planning process

SCHEDULE

THREE PUBLIC ADVISORY PHASES, ONE DEADLINE

- July – October: Build assumptions and discuss scenarios and sensitivities
- November – February: Discuss analysis plan and discussion of findings
- March – June: Discuss draft report
- July 1, 2017 – File report documenting the Plan and process with New Mexico Public Regulation Commission

NEAR TERM SCHEDULE

MEETING SCHEDULE THROUGH NOVEMBER

- June 30: Kickoff, overview and timeline
- July 27: Reliability standards & grid modernization concepts
- August 11: Baseload resources
- September 1: Transmission, renewable energy & energy efficiency
- **September 22: Natural gas price forecasts & environmental regulations**
- October 13: Load forecast, rates and tariffs, responses to public comments
- November 10: Modeling roadmap resulting from discussion at previous meetings

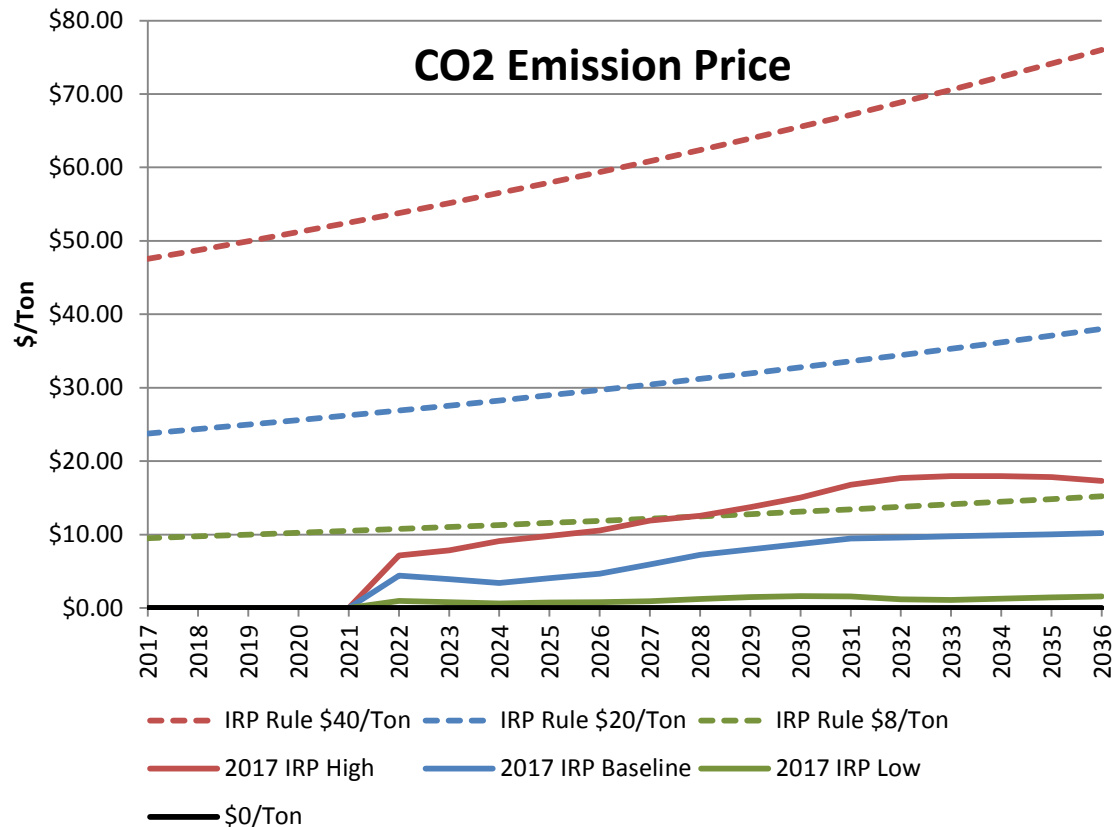
Pat O'Connell

Director, Planning and Resources

WRAP-UP DISCUSSION

NATURAL GAS AND CARBON PRICES IN THE IRP

- The natural gas price curves discussed today will be used to test resource selection in the load forecast scenarios
- Resource plan sensitivity to carbon prices will be examined by evaluating the impact of the carbon prices discussed today in addition to the NMPRC-required carbon price assumptions



REMINDERS

MAKE SURE WE HAVE UP TO DATE CONTACT INFORMATION FOR YOU

www.pnm.com/irp for documents

irp@pnm.com for e-mails

Register your email on sign-in sheets for alerts of upcoming meetings and notices that we have posted new information to the website.

Meetings Schedule:

- Thursday, Sept. 22, 2016, 10 am – 3 pm
- Thursday, Oct. 13, 2016, 10 am – 3 pm
- Thursday, October 13, 2016, 10 am – 3 pm

Thank you

