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Contact: Ray Sandoval; 206-719-9652; Raymond.Sandoval@pnm.com

Support for PNM/Avangrid merger stipulation continues to grow CCAIE signs onto initial stipulation, Governor endorses efforts

(Albuquerque, NM) – On Tuesday, Public Service Company of New Mexico (PNM) and Avangrid filed a stipulation in its merger application before the New Mexico Public Regulation Commission (NMPRC) with the New Mexico Attorney General, Western Resource Advocates, International Brotherhood of Electrical Workers Local 611, Dine Citizens Against Ruining Our Environment, Nava Education Project, San Juan Citizens Alliance, and To Nizhoni Ani.

“We see other parties now looking at the enhanced customer, employee and environmental benefits of our stipulation to the proposed merger and we welcome the Coalition for Clean Affordable Energy to the growing list of signatories.” Pat Vincent Collawn, Chairman, President and CEO of PNM Resources, the parent company of PNM.



Coalition for Clean Affordable Energy (CCAIE) has signed on to the Stipulation.

Today CCAIE signed on as a signatory to the stipulation.

“This agreement provides major economic and environmental benefits to New Mexicans, with Avangrid committing to provide much-needed assistance to low-income customers through improved access to electricity service as well as dramatically increased energy efficiency programs. These low-income provisions, coupled with economic development funding, financial assistance to impacted indigenous communities, and job creation commitments, set a path forward for this merger that we are pleased to support,” said Tammy Fiebelkorn, NM Representative for Southwest Energy Efficiency Project (SWEET), a member of CCAIE.

Governor supports the stipulation process.

Governor Michele Lujan Grisham weighed in on the Stipulation efforts. “I’m glad the parties have come together to provide additional relief for New Mexico ratepayers while continuing to transition to a clean energy future for all New Mexicans,” said Governor Lujan Grisham.

Others are also applauding the stipulation:

“Our discussions with Avangrid have demonstrated the company’s commitment to comprehensively address

climate change and its willingness to support policies that will benefit the economy and environment in New Mexico communities and beyond,” said Steve Michel, deputy director of Western Resource Advocates’ clean energy program.

“The legacy of pollution and generational harm to front-line communities from coal-fired energy generation cannot be solved overnight, but this stipulation represents a pathway to a different future, including ongoing dialogue with impacted communities and resources to help the region transition,” said Kyle Tisdell, attorney with the Western Environmental Law Center. “I applaud Avangrid, PNM, and Attorney General Balderas for listening and responding to Native voices and for their commitment to a more sustainable future.”

Recap of benefits under the stipulation.

If approved by the NMPRC, the agreement among the parties will bring over \$250 million in benefits to New Mexico. Below are some of the key enhancements of the stipulation:

Customer Rate Benefits:

- Customer rate benefits of \$73 million (including an additional \$10 million added to low income energy efficiency benefits)

Economic Development Benefits:

- Economic development benefits approximating \$200 million

Enhanced Environmental Benefits:

- Create a Carbon Reduction Task Force and a new Chief Environmental Officer.

Maintaining Current Jobs, Low-Income Programs, and Charitable Leadership:

- The stipulation commits to maintaining PNM jobs, with no reduction of wages or benefits to for a minimum of 3 years following the transaction.

Continue low income assistance programs:

- The merger commitments ensure that the benefits PNM currently provides to its customers and communities in the past through its PNM Good Neighbor Fund or charitable giving will not be reduced, with a similar expectation for the PNM Resources Foundation’s separate charitable activities.

Local Management:

- PNM will continue to be managed locally.

Financing and Ownership:

- As stated in the original merger application, none of the merger costs will come from customers, and PNM and PNM Resources will not take on any new debt in conjunction with the proposed transaction.

PNM knows this merger is the right thing for our customers, employees, and our state. And we Stand ready to work with our parties to explain the enhanced benefits of the stipulation.

About PNM

With headquarters in Albuquerque, PNM is the largest electricity provider in New Mexico, serving more than 530,000 customers in dozens of communities across the state. PNM is a subsidiary of PNM Resources, an energy holding company also headquartered in Albuquerque. For more information, visit PNM.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Statements made in this news release for PNM Resources, Inc. ("PNMR"), Public Service Company of New Mexico ("PNM"), or Texas-New Mexico Power Company ("TNMP") (collectively, the "Company") that relate to future events or expectations, projections, estimates, intentions, goals, targets, and strategies are made pursuant to the Private Securities Litigation Reform Act of 1995. Readers are cautioned that all forward-looking statements are based upon current expectations and estimates. PNMR, PNM, and TNMP assume no obligation to update this information. Because actual results may differ materially from those expressed or implied by these forward-looking statements, PNMR, PNM, and TNMP caution readers not to place undue reliance on these statements. PNMR's, PNM's, and TNMP's business, financial condition, cash flow, and operating results are influenced by many factors, which are often beyond their control, that can cause actual results to differ from those expressed or implied by the forward-looking statements. Additionally, there are risks and uncertainties in connection with the proposed acquisition of us by AVANGRID which may adversely affect our business, future opportunities, employees and common stock, including without limitation, (i) the expected timing and likelihood of completion of the pending Merger, including the timing, receipt and terms and conditions of any required governmental and regulatory approvals of the pending Merger that could reduce anticipated benefits or cause the parties to abandon the transaction, (ii) the failure by AVANGRID to obtain the necessary financing arrangement set forth in commitment letter received in connection with the Merger, (iii) the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement, (iv) the risk that the parties may not be able to satisfy the conditions to the proposed Merger in a timely manner or at all, , and (v) the risk that the proposed transaction could have an adverse effect on the ability of PNMR to retain and hire key personnel and maintain relationships with its customers and suppliers, and on its operating results and businesses generally. For a discussion of risk factors and other important factors affecting forward-looking statements, please see the Company's Form 10-K, Form 10-Q filings and the information included in the Company's Forms 8-K with the Securities and Exchange Commission, which factors are specifically incorporated by reference herein.