

2026 IRP Draft Action Plan

7/08/2026

1. PNM will continue to pursue the necessary regulatory approvals and advance construction efforts to support the timely commercial operation of resources included in the Application for 2029-2032 System Resources and Abandonment of Four Corners Power Plant.
2. PNM will take the necessary steps to advance the 2029-2032 All-Source Generation Resource RFP Supplement issued on May 1, 2026, proceeding with the evaluation and selection of resources to meet 2029-2032 system needs identified in PNM's 2023 IRP.
3. PNM will issue an All-Source RFP seeking both supply-side and demand-side resources to meet its 2033 – 2036 system needs. Given the long development timelines for generation and transmission infrastructure, initiating procurement well in advance provides the necessary lead time and could broaden the pool of potential bidders.
 - PNM will provide the draft RFP, which will be open to new and revised demand-side management options, for stakeholder review. The RFP draft documents will identify how PNM will evaluate these projects, include accredited capacity, and avoided or deferred system costs that will be assessed.

Note: PNM must finalize its resource selections from the 2029-2032 All-Source Generation Resource RFP Supplement before issuing a subsequent RFP.

Consequently, this dependency, along with the need to solidify other critical inputs and assumptions, such as the load forecast, may require a variance to the IRP procurement schedule.

4. PNM will form a working group to evaluate strategic public and private partnerships, policies and funding mechanisms or tax credits, including new state and federal incentives, to support the deployment of emerging clean energy resource development including fusion and enhanced geothermal and transmission expansion in New Mexico, with the goal of benefiting customers by reducing development risk and managing associated costs.



- A focus of the working group will include identifying potential solutions to challenges of seeking emerging and long-lead technologies under the current RFP processes outlined in the IRP rule.
5. PNM will further analyze the four IRP-evaluated transmission alternatives that would connect PNM's system to neighboring systems: the Rio Sol transmission facilities, the SunZia AC transmission facilities, the SPP system near the existing Blackwater HVDC facility, and the expanded interconnection with neighboring utilities at Four Corners. These analyses will focus on validating the underlying economic findings on customer value and clarify the potential benefits of increased access to external regional markets. Depending on the outcomes of these evaluations, PNM may seek regulatory approval for specific transmission projects. PNM will provide appropriate information justifying the basis for any facilities sought under a regulatory filing.
 6. PNM is participating in the development of a western regional resource adequacy program for EDAM participants and will assess its potential to enhance reliability and deliver PNM customer value. As a sponsor and active member of the stakeholder working group, PNM will assist in advancing a final resource adequacy proposal for the EDAM/WEIM footprint to the new ROWE Board by the end of Q1 2027 for program development. Based on the final program framework, PNM will evaluate whether there are impacts to its long-term reliability planning metrics that should be incorporated into its next IRP and will report its evaluation in its annual action plan status updates.
 7. PNM will continue to support the expansion of demand side options including demand response and energy efficiency initiatives through its triennial Energy Efficiency and Load Management program filings and Grid Modernization Plan development and timelines.
 - PNM will continue efforts for expanding demand response programs that leverage Grid Modernization AMI technologies. The development timeline is dependent on the deployment of AMI meters and infrastructure. This includes development of specifications for a Behavioral Demand Response Pilot program.
 - Contingent on a final contract with DOE, PNM will leverage small, distributed energy resources to improve grid reliability and reduce customer electricity bills through its recently awarded DOE VPP grant.
 - PNM will provide a visual representation of the various demand-side programs and their progression.

- PNM will continue to advance energy efficiency and demand response initiatives thorough existing and planned pilot programs:
 - i. An All-Electric Homes Pilot to encourage all-electric home construction by supporting homes with electric cooking, space heating, and water heating systems through enhanced incentive offerings.
 - ii. PNM Manufacturing Facilities Glow-Up Program: Helping qualifying manufacturing customers reduce energy costs by combining tax-saving opportunities with energy-efficiency upgrades.
 - iii. PNM Business Uplift Pilot: Supporting small businesses in designated redevelopment areas by providing enhanced incentives for energy-efficient equipment upgrades and facility improvements.
 - iv. Low Income Residential Heat Pump Pilot: Promoting the adoption of high-efficiency heat pumps among low-income customers through enhanced rebates and financing options.
 - v. PNM will actively recruit customers for the EV Active Managed Charging Pilot Program which was recently initiated.
8. PNM recognizes that IRP stakeholders support opt-out time-of-day rates and will continue to work through the Pricing Advisory Committee (PRAC) on its Roadmap to default TOD rates as a part of the grid modernization plan.
- PNM will continue to provide status updates on its roadmap to establish an opt out TOD rate.
 - Based on data from the TOD pilot program initiated in 2024, PNM will propose modifications to the pilot program to improve potential benefits to lower-use customers.
 - PNM will propose in its next general rate case modifications to the pilot program to add a super off-peak period.
 - Using data collected from the pilot program, PNM will develop a residential TOD program as the default residential rate with an opt-out provision. The changes will be proposed in the next general rate case following full deployment of AMI. At that time, PNM will roll out education to the residential customer class.

- PNM will continue to seek stakeholder input on the TOD rate development through the PRAC.
9. PNM will file annual reports to demonstrate the progress of its Action Plan.
 10. PNM will file a Large Load Tariff to establish rates, service conditions, and cost-responsibility provisions applicable to large loads seeking service on PNM's system. The tariff will be designed to support economic development opportunities while protecting existing customers from cost shifting, stranded investment risk, and adverse reliability impacts. PNM will evaluate and incorporate, as appropriate, customer protection mechanisms including minimum load commitments, contract demand obligations, exit provisions, collateral requirements, and infrastructure cost assignment methodologies.