



PNM Distribution System Plan

July 31, 2026 Stakeholder Session

Questions and Answers

PNM would like to thank all stakeholders who submitted questions.

Q: Can you define EV adoption? Total cars/trucks on road, new sales?

A: The EV adoption rate refers to the percentage of new vehicle purchases that are electric, including battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs). This is also referred to as EV market share. Electric vehicles in operation (EVIO) refers to the total number of EVs currently on the road. In 2025, light-duty EVs represented 6.8% of new vehicle purchases, and approximately 18,600 EVs were in operation.

Q: What is the average age of PNM transformers and other distribution grid infrastructure?

A: PNM is reviewing this question and will provide a response at a later date.

Q: In the media we see reporting about areas that seem to experience high volumes of outages such as La Cienega area near Santa Fe. Could you comment on how long equipment is expected to last, the replacement schedule system PNM uses to minimize frequent outages to customers in such areas?

A: Expected service life varies by equipment type. For example, poles and cables have different expected lifespans. PNM monitors its equipment and maintains asset-specific programs, including

pole and cable replacement programs. When a section of cable or a group of poles approaches the end of its useful life, PNM works proactively to identify and replace the equipment before it fails.

Q: I believe until recently two PNM feeders were closed to solar. What caused that to change?

A: PNM's hosting capacity studies identified that the two feeders had no remaining hosting capacity because of the amount of generation already connected to them. PNM identified and implemented system upgrades for both feeders, which allowed additional hosting capacity to become available. One feeder was released last summer, and the other was released in early July.

Q: Follow up to previous question: You say you upgraded, I know there was some recent energy storage systems placed on distribution lines. Was that what you're referring to or are they actually new lines?

A: PNM completed feeder upgrades that included evaluating the capacity of the overhead lines, reducing span lengths, and replacing portions of underground cable to increase the feeders' ratings. These upgrades did not involve battery energy storage systems.

Q: Is PNM planning on using DERMS to integrate Behind the Meter (BTM) solar & storage so that they can participate in grid like a Virtual Power Plant (VPP) program?

A: PNM is working with the U.S. Department of Energy (DOE) on a potential virtual power plant pilot project. The pilot would help PNM evaluate the technical requirements for controlling behind-the-meter devices. The technical design is still under development. Once a technical solution is established, PNM would also need to develop customer programs that address implementation, operation, and any incentives that could support participation in behind-the-meter control programs.

Q: How are impacts of midday transient reductions in midday behind the meter solar modeled? For example, on Tuesday (7/28), at 1:30 my home system was producing 8.5 kW while I was using 3.9 kW. Weather came through and output dropped below 1 kW with no change in load. I would expect similar reductions from the other systems in the neighborhood. I would be concerned about voltage sag and/or unanticipated load on system protection devices.

A: PNM does not necessarily model a simultaneous reduction in behind-the-meter solar output for an entire neighborhood at a specific point in time. However, similar fluctuations occur at utility-scale solar facilities and can result in increased net load. PNM regularly conducts system impact studies and supplemental reviews to evaluate voltage changes and system performance when solar generation decreases or is lost. These studies assess the system under both high-load

conditions and conditions with embedded solar generation to help ensure reliable service and avoid equipment or system issues. The question appropriately highlights the increasing complexity of distribution feeder operations as solar penetration grows.

Q: Are the written comments on 8/31 to PNM or to the PRC?

A: Written comments due August 31 should be submitted to PNM.

Q: Are PHEV (plug-in hybrids) included in the calculation of “EVs”, or only pure battery vehicles?

A: Yes, PHEVs and BEVs are included in the forecast for EVs. Generally, BEVs are a significantly larger share of the adoption rate. Note, traditional hybrids are not included as it must plug in to be considered an EV.

Q: The EV slide suggests an over 300% increase in EVs on the road over the next 5 years. What are the parameters, inputs, and assumptions PNM is using to arrive at this forecast?

A: The forecast included is described in more detail in Case No. 26-0000115, the 2027-2029 Transportation Electrification Plan. A link to the testimony and exhibits to this case can be found on www.pnm.com/regulatory. To project EV market conditions in PNM’s service territory, we began with PNM’s historical metrics and projected that we would match the national EV market share and EV share of VIO by 2045 as projected by EIA.