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PNM Grid Modernization AMI Frequently Asked Questions

General Information on Grid Modernization and AMI

Q. What is Grid Modernization?

Over the past 50 years, the electric grid has transformed from a one-way power source into a dynamic, multifunctional system. Today, it not only powers homes but also gives customers greater control over their energy use and bills, while supporting more renewable energy.

Grid modernization focuses on delivering better service, enhanced reliability, and increase customer value. It's about more than renewable energy—it ensures grid safety, supports climate goals, and enables a sustainable energy future for New Mexico. By upgrading our aging infrastructure, we can manage a stable and reliable grid as renewable energy grows.

The current grid, designed decades ago for centralized power plants, cannot meet today's demands for distributed generation and customer-driven energy solutions. Modernizing the grid is essential to keep pace with what customers want: reliability, flexibility, and clean energy.

Q. What is Advanced Metering Infrastructure (AMI)?

AMI stands for Advanced Metering Infrastructure. It is a system of SmartMeters, communication networks, and data management systems that enable two-way communication between utilities and customers.

Q. How will SmartMeters and Grid Modernization strengthen reliability?

SmartMeters are a smart choice for New Mexico, and they are an important part of grid modernization. They're simple digital versions of the analog electrical meter attached to a home or business. SmartMeters will provide customers the ability to access energy usage information, as well as their solar generation data.

Distribution upgrades on the grid will allow faster responses to outages, sometimes allowing power to be restored remotely without sending a crew. Thanks to SmartMeters, PNM will know if there's an outage in any given area much faster than ever before, which means we can respond faster than before.

Q. How will Grid Modernization save PNM customers money and energy?

Residential and business customers will be able to monitor their electrical consumption in near real-time, allowing them to adjust their usage and avoid unexpected costs. No more guessing or wondering what energy usage is – it's right on the meter display.

Q. Will Grid Modernization help New Mexico transition to a carbon-free future?

Yes. Grid Modernization is an essential step to making our carbon-free commitment a reality. By modernizing the grid, PNM will be able to integrate more solar capacity into our energy mix.

The improved technology more seamlessly connects renewable energy generated by homeowners through the system.

Q. How does Grid Modernization address energy equity and help low-income customers?

A proportionately large segment of New Mexico's population is low-income. PNM's Grid Modernization Plan will deploy technology, like SmartMeters and distribution system upgrades, to low-income areas first.



Q. How does Grid Modernization affect New Mexico's economy and job growth?

New Mexico's sustainable energy policies provide a competitive edge. Grid modernization will enhance that edge by providing reliability and integrating more rooftop solar, attracting more businesses to our state that will create new jobs.

Q. Will my bill increase because PNM is modernizing the grid? And if so, when will this happen?

Keeping electricity reliable and bills affordable is our top priority. To minimize impact, costs of grid modernization will be spread over several years.

For the first year, the average residential customer is expected to see an increase of about \$1.16 per month, beginning no earlier than September 1, 2023, and only after approval by the Public Regulation Commission.

Q. What is my energy consumption and how should I manage it?

Energy consumption refers to the amount of electricity you use in your home or business over a given period of time. With SmartMeters, you'll soon have access to detailed, more frequent information about your energy usage. This will allow you to better understand when and how you're using electricity and identify opportunities to save energy and reduce costs.

Once the SmartMeters are fully operational, you'll be able to track your energy consumption through your PNM account and a mobile app.

Q. How often is my energy usage data be collected?

SmartMeters will collect energy usage data at regular intervals throughout the day. The data is then securely transmitted to PNM and will allow us to provide you with more frequent updates to help you manage your energy consumption.

AMI Network Deployment

Q. What is Network Deployment and when is it?

Network Deployment is the first step of the SmartMeter Deployment. It involves installing communication devices, such as Access Points (APs) and Relays, on utility poles. These devices create the network that allows SmartMeters to transmit usage data to PNM. Network Deployment will be from November 2025 through the end of 2026.

Q. When does AMI Network Deployment begin?

Anticipated to begin in November 2025. The deployment will happen by region, beginning in the Albuquerque metro area, and is anticipated to take around six months to complete.

Q. Will meters be exchanged during Network Deployment?

No. Meters will not be exchanged during network deployment.

Q. Will a network device be installed on my property or meter, during network deployment?

During network deployment, the Access Points and Relay devices will be installed on utility poles, primarily along the streets—not directly on your meter. These poles are owned by PNM and may be located on PNM property,



commercial property, or residential property. In rare cases, a pole may be located on the rear-face of residential property and may need a customer to provide access.

Access Points (APs): These are like "hubs" that collect data from the meters and send it to the utility using a cellular connection.

Relays: These act like "boosters" or "helpers" that pass along data between meters and Access Points. They ensure data can travel farther and reach its destination.

Q. Who is conducting the work?

AMI network deployment is being carried out by trained technicians from Elite Communications & Construction who are authorized service contractors of PNM. These technicians can be identified by their PNM car decals. For customer safety and peace of mind, please note that our technicians will never ask for personal information or payment when installing your SmartMeter.

Q. How secure is the communication between devices?

Communications are secured using encryption protocols and multiple layers of security to prevent unauthorized access and ensure data integrity. Additionally, network devices are not used to transmit any customer personal information, such as name and address.

Q. What is the flashing blue light on the pole?

The blinking blue light on the communication device indicates that the unit is ready to connect and awaiting network activation. The light will stop blinking once the network is fully up and running.



Q. Will I lose my power when network devices are installed?

No. Installing network infrastructure on poles will not disrupt your electrical service. If you experience an outage, please report it to PNM by phone at 888-DIAL-PNM, text #OUT to 78766 from the phone number on your account, or online at PNM.com/outagemap

Q. Will the new network devices affect my internet or personal devices?

No. These network devices will not affect your internet or any of your personal devices. The devices being installed, such as access points and relays, are part of a secure and independent communication system used exclusively by PNM for the AMI infrastructure and systems. They do not connect or otherwise interfere with home internet, Wi-Fi, or any personal electronics.



AMI SmartMeter Deployment

Q. What are SmartMeters?

A SmartMeter is a digital electric meter with two-way communication capabilities. Unlike traditional meters that require manual, on-site readings, SmartMeters automatically collect and send usage data to PNM (every 4 hours), enabling PNM to respond more quickly to service issues and improve overall reliability and efficiency. Additionally, SmartMeter data empowers you to better understand and manage your energy use over time.

Q. What are the benefits of SmartMeters?

SmartMeters provide detailed energy consumption data more frequently than traditional meters. This includes things like seeing your projected amount of your next bill. This functionality will be available to you through your online account dashboard and in the Mobile App which will be coming to you soon.

Q. How long will it take for all SmartMeters to be deployed?

SmartMeter deployment will begin in late Q3 of 2026 by designated zones in New Mexico. All zones are expected to be completed by the end of 2028.

Q. What notifications will I receive before the SmartMeter installation?

You will receive notifications 60 and 30 days before your scheduled installation date via mail. These notices will include details on what to expect during the installation process.

Q. Will I need to pay separately for my new SmartMeter?

No. The costs for replacing your current meter with a SmartMeter are already included in the estimated monthly bill.

Q. Will I need to upgrade any electrical wiring in my home?

No. The SmartMeters are compatible with your home's current electrical wiring and devices.

Q. How will SmartMeters help during power outages?

Through the use of SmartMeters, PNM will be automatically notified if a customer's home or business loses power. This near real-time data allows PNM to quickly identify and respond to outages. Additionally, the data from SmartMeters will help PNM detect failing electrical equipment early, which can reduce the likelihood of outages caused by equipment failure.

Meter Privacy, Security, and Health Inquiries

Q. Does a SmartMeter use Wi-Fi to transmit data from my SmartMeter?

No. SmartMeters use an embedded radio that enables two-way communication between the meter and our systems. This method is more secure than information transmitted via Wi-Fi.



Q. Will PNM control my energy use with SmartMeters or other Grid Modernization technologies?

No. PNM will not control your daily energy use in your home or business. The new technology allows PNM to read your meter without the need for anyone to access your property. You will no longer need to unlock fences or put away pets to have your meter read. And, when you move in or out of a house, we can turn your meter on and off at your request, which is much quicker and more convenient than arranging utility employees to perform the process manually.

Q. Are SmartMeters secure?

Yes. Data from a SmartMeter is sent over a private network with multiple layers of security controls and stored on PNM secure company servers. In addition, SmartMeters are not used to transmit any customer personal information, such as names and addresses.

Q. Will my SmartMeter data be private?

Yes. Safeguarding your privacy is important to us. PNM never sells or shares your account or usage information with third parties without your permission. We invest in robust information technology designed to protect your data and voluntarily follow the U.S. Department of Energy's DataGuard Energy Data Privacy Program Guidelines. (https://www.smartgrid.gov/data_guard.html).

Q. Are there any health concerns with SmartMeters?

Independent research, including studies by The California Council on Science and Technology found that wireless SmartMeters result in much smaller levels of radio frequency (RF) exposure than many existing household electronic devices, particularly cell phones and microwave ovens. And unlike these devices, SmartMeters emit RF only when they transmit data, which typically totals less than one minute per day.

Over the past 50 years, reputable, independent parties have researched this technology and determined that the energy absorbed from SmartMeter radio frequency is significantly lower than the Federal Communications Commission (FCC) safety guidelines.

Carbon-Free Future Commitment

Q. Will Grid Modernization help New Mexico transition to a carbon-free future?

Yes. Grid Modernization is an essential step to making our carbon-free commitment a reality. By modernizing the grid, PNM will be able to integrate more solar capacity into our energy mix. The improved technology more seamlessly connects renewable energy generated by homeowners through the system.

Q. What role will PNM's Grid Modernization plan play in expanding renewable energy choice?

More than 30,000 PNM customers have installed solar/PV systems in their homes or businesses, and interest is growing. Between 2020 and 2021, applications increased by 20% and solar/PV system connections increased by 35%. As more customers evaluate whether solar/PV systems are right for them, SmartMeter data can help in this decision.

Once fully implemented, customers will be able to review their SmartMeter data to see when they use electricity the most and whether installing solar/PV and storage would align with their daily usage patterns in a way that makes financial sense.



Q. How does Grid Modernization affect Community Solar?

Grid modernization investments mean PNM can better monitor and manage the grid. Our plans for incorporating advanced technology for monitoring and controlling the grid means that we can better support customers interested in participating in Community Solar.

Q. How does Grid Modernization help with EVs?

As more customers choose EVs, SmartMeter data will help ensure the grid can support the new demand.

PNM has also introduced a Whole Home Electric Vehicle rate to encourage customers to charge their vehicles when there is an abundant supply of electricity rather than during periods when electricity demand is high.

Q. Does Grid Modernization enable vehicle-to-grid or vehicle-to-home?

Vehicle-to-home is a relatively recent technology that uses a hybrid or fully electric truck (e.g., Ford F-150 Lightning) or SUV (e.g., Kia & Hyundai) as a backup battery or generator to power your home during an outage. Connecting the vehicles to your home involves opening the main breaker, therefore, please consult a licensed electrician and local building permits department for the requirements and permits.

An emerging idea known as vehicle-to-grid (V2G) involves a vehicle sending energy to the grid during normal conditions to provide flexibility. While this technology is still being tested around the U.S., PNM's grid modernization investments provide the foundational capabilities to help support this and other energy technologies in the future.

Billing and Opt-Out Information

Q. Do I have to pay for the SmartMeter itself?

No. The installation and new equipment come at no additional upfront cost to you. The rider on your bill helps support SmartMeters and other improvements to the electrical grid that benefit all customers.

Q. What is my energy consumption and how should I manage it?

Energy consumption refers to the amount of electricity you use in your home or business over a given period of time. With SmartMeters, you'll soon have access to detailed, more frequent information about your energy usage. This will allow you to better understand when and how you're using electricity and identify opportunities to save energy and reduce costs.

Once the SmartMeters are fully operational, you'll be able to track your energy consumption through your PNM account and a new mobile app.

Q. What if I want to opt-out of a SmartMeter?

If you opt-out of having a SmartMeter installed and keep your current meter, you will need to pay to have your meter read manually and maintained. This charge will include a one-time charge to opt out and then an ongoing monthly charge. Charges are subject to change depending on the number of customers that choose to opt-out and Public Regulatory Filings.

Charges

- Prior to Meter Exchange **\$18.60**



- After Meter Exchange **\$49.17**
- Monthly Opt-Out Charge **\$9.95**

Q. Will SmartMeters change how I'm billed?

SmartMeters make bills more accurate by recording actual energy use, eliminating the need to sometimes estimate use. Your billing process stays the same.

Q. Will rates increase because of this project?

No immediate rate changes are tied to SmartMeter installations. Over time, the improved efficiency of the modernized grid helps us manage costs and keep energy as affordable as possible.