

PNM Tribal Engagement Update

Cultivating Collaborative Relationships with Tribal Governments

Interim Indian Affairs Committee
Pueblo of Acoma
Sept. 22, 2026

Carlos Lucero, PE
Senior Manager, State and Local Government Relations

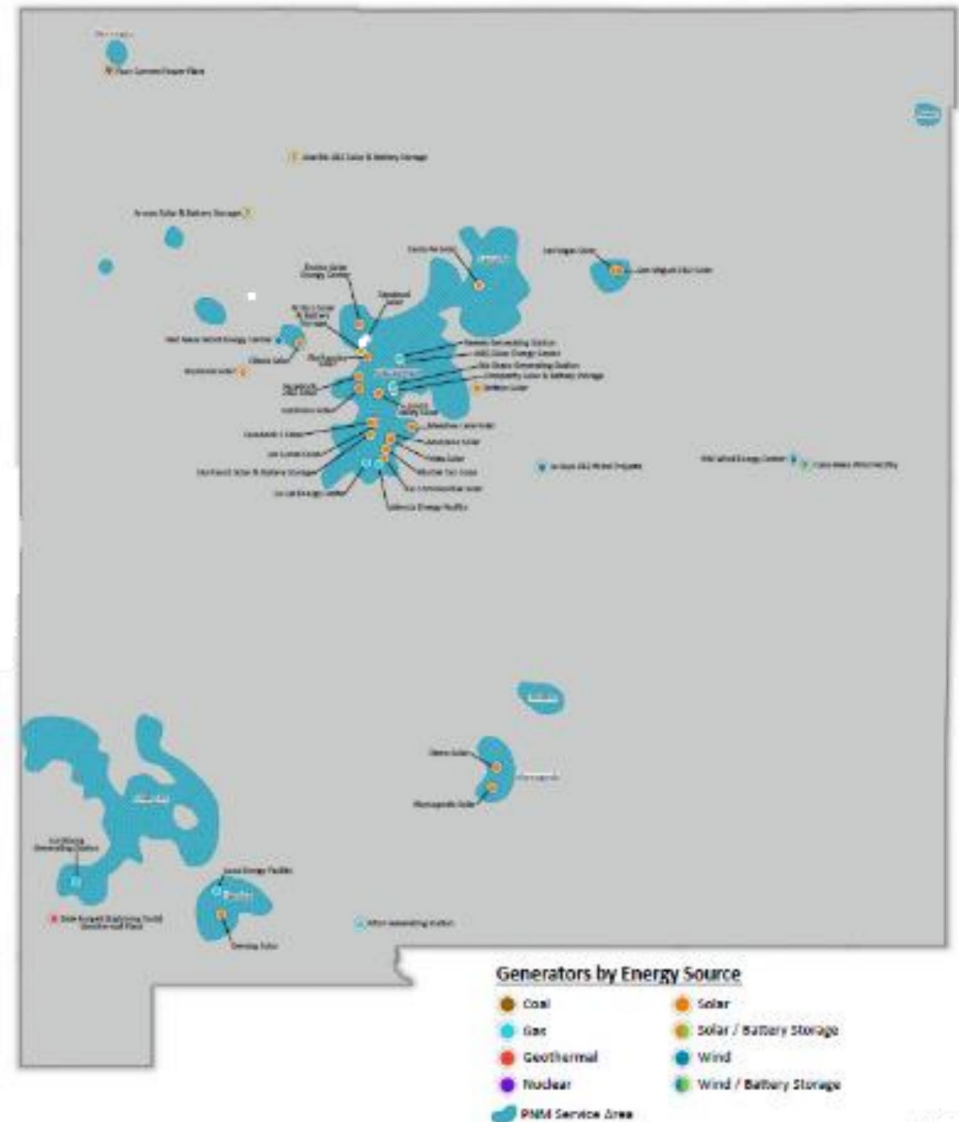
Cathy Newby
Director, Tribal Government Relations & Customer Engagement



PNM

Service Territories & Generation Resources

- Largest electricity company in New Mexico
- Delivers power to nearly 550k residential & retail customers
- Focused on clean energy transformation
- 15k miles transmission & distribution lines – equivalent of driving roundtrip from Albuquerque to see the Dallas Cowboys nearly 12 times



ENVIRONMENTAL FOOTPRINT

ACHIEVING THE ENERGY TRANSITION

Reliable

- We are 1,259 New Mexicans dedicated to keeping the lights on for our customers.
- We are investing in core infrastructure improvements to better respond to today's customer needs and prepare for tomorrow.
- Our grid modernization efforts are deploying new technologies that help identify and restore outages faster.

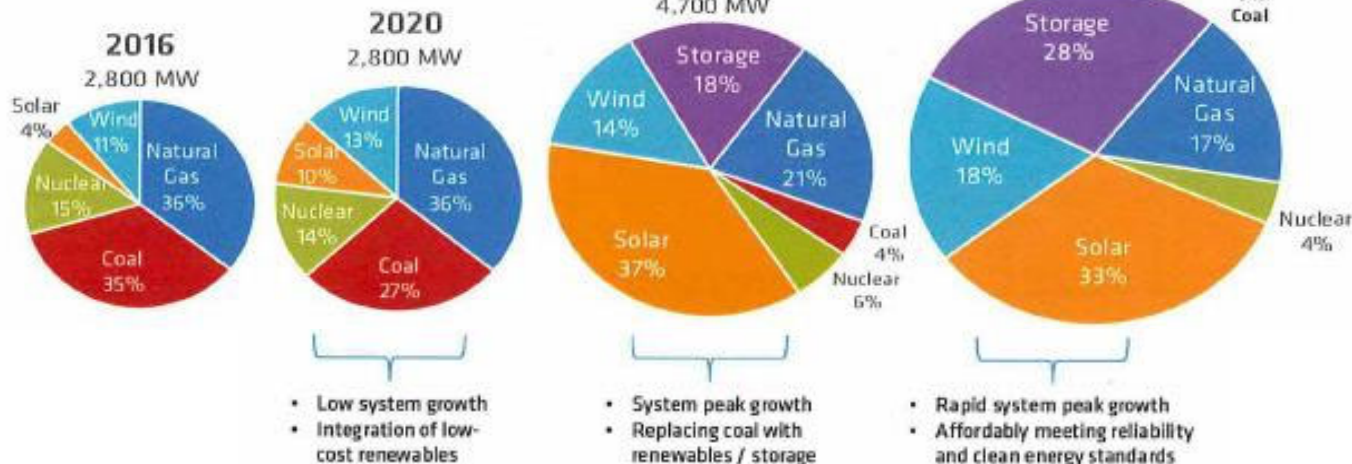
Affordable

- As equipment and material costs rise, we focus on operating efficiently and programs to keep customer bills as low as possible.
- PNM customers saved \$117 million in 2025 by using transmission investments to connect to regional markets.
- Energy efficiency programs and rate options (Time-of-Day, EV, Community Solar) can help save money, and the PNM Good Neighbor Fund is there to assist.

Clean

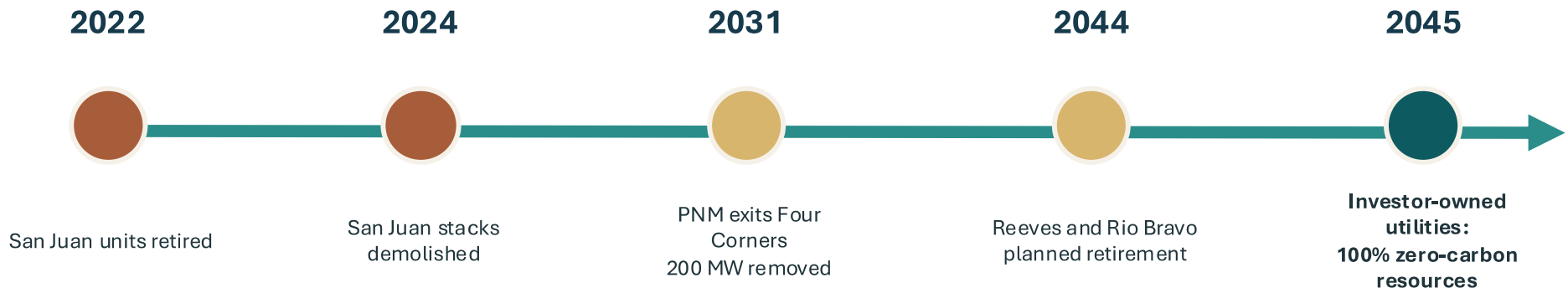
- We are committed to meeting New Mexico's 100% carbon-free energy goals under the Energy Transition Act.
- The energy delivered to customers in 2025 was 57% renewable and 80% carbon-free.
- System-wide carbon emissions have dropped more than 31% since 2005.
- We plan to fully exit coal generation in 2031.

PNM's Energy Resources Transitioning to Carbon-Free



The transition is underway

Coal exits first; clean resources scale while firm capacity remains essential.



- The challenge is maintaining reliability and affordability while sequencing generation, transmission, and community investments.
- 80% of our portfolio is carbon-free today.
- Technology gaps remain for the final 20% of system needs.
- Long-duration storage is not yet available at the scale required.
- New natural gas resources continue to support grid reliability.
- Reliable, affordable, and cleaner energy requires a balanced approach

OVERVIEW

Planning in a Rapidly Changing Landscape

The PNM Integrated Resources Plan (IRP)

- A utility's long-term strategy for delivering reliable, affordable, and increasingly clean energy.
- Filed with the NMPRC on September 1, 2026; updated every three years.
- 2026 IRP outlines a path to meet customer demand and achieve New Mexico's 100% carbon-free goal by 2045.
- Planning assumptions have shifted due to growing demand, longer development timelines, and changing federal policies.
- Economic growth opportunities are increasing, while reliability challenges are becoming more complex.
- Uses a flexible planning approach that can adapt as conditions and risks evolve.

80%

Carbon-free delivered energy in 2025

<400

lbs CO₂/MWh — current portfolio carbon intensity

100%

Carbon-free goal by 2045

Significant Progress Since the 2023 IRP

A diversified build designed to replace retiring capacity and support growth.

	2026	2028	2029-2032
Solar	250 MW	100 MW	240 MW
Battery Storage	310 MW	330 MW	610 MW
Natural Gas		167 MW	40 MW
Wind			800 MW
MW Energized	560 MW	597	1,690 MW



Wind + solar + storage + limited firm gas



New Mexico's Energy Transition and Economic Growth

Growing Energy Demand

- Population growth and increased electrification are driving higher energy needs.
- Expanding industries and emerging technologies are increasing demand across the state.
- Transmission infrastructure critical to supporting future growth and economic development.
- Long-term planning is needed to ensure reliable and affordable energy for customers.

Competitive Advantage for Business Attraction

- Businesses increasingly seek reliable, affordable, and cleaner energy sources.
- Customers value transparency regarding where energy comes from and how it is produced.
- New Mexico's clean energy policies position the state as an attractive location for investment and job creation.
- PNM's goal of achieving 100% carbon-free energy by 2045 supports long-term economic competitiveness.

Reliable, affordable energy depends on thoughtful investment in generation and transmission.

The Tribal Lens: transition decisions have place-based impacts

PNM's Energy policy does recognize sovereignty, legacy impacts and opportunities for Tribal communities.



Four Corners transition

PNM's planned 2031 exit removes 200 MW from the coal plant located on the Navajo Nation.

Transmission and siting

New infrastructure affecting Tribal lands requires Tribal approval, early engagement, and good-faith negotiations

Economic & Education participation

Workforce development, procurement, replacement-generation opportunities and community and educational benefits are to be discussed early.

Sovereign engagement

Decision-making will include Tribal engagement early in the process, with transparent discussion of alternatives, costs, and benefits.

Revised Merger Application: What changed?

A stronger New Mexico filing centered on protection, transparency and value

LISTENED

Motion filed with the New Mexico Public Regulation Commission seeking authorization to submit a revised merger application.

The revised proposal reflects input from regulators, stakeholders, intervenors and the public.

STRENGTHENED

MOVING FORWARD

Independent governance

Most of the PNM board would be independent of Blackstone and its portfolio companies.

Regulatory Oversight

Electric rates will continue to be established by the New Mexico Public Regulation

WHAT DOES NOT CHANGE

The Who, Where and Why of PNM

- Headquarters remain in New Mexico
- Local leadership and management
- Reliable, affordable and clean energy focus
- Jobs, compensation and benefits protected for at least 3 years after closing.
- Existing collective bargaining agreements supported



Status: New Mexico regulatory review and approval remain pending.

\$300 million for Customers and Communities

New Mexico benefits package in the draft revised application

\$300M

TOTAL DIRECT
BENEFITS

\$220M

CUSTOMER RATE
CREDITS

Direct credits
over 10 years

\$40M

WORKFORCE +
ECONOMIC
DEVELOPMENT

Training,
scholarships
& apprenticeship

\$15M

GOOD NEIGHBOR
FUND

Expanded
customer
assistance

\$25M

CLEAN-ENERGY
TECHNOLOGY

Virtual Power
Plant
development

CAPITAL INFRASTRUCTURE INVESTMENT

To invest in PNM's grid helping PNM to meet rising demand, improve reliability and advance New Mexico's long-term energy and clean-energy needs.

Cultivating Healthy & Collaborative Business Relationships with New Mexico Tribes

Our Team



Cathy Newby, Navajo

Director, Tribal Government & Customer Engagement
24 Years with PNM



Travis Suazo, Laguna, Acoma, Taos Pueblos

Sr. Manager, Tribal Government & Customer Engagement
9 Years with PNM



Pete Atcitty, Navajo

Sr. Manager, Tribal Government & Customer Engagement
7 Years with PNM

ORGANIZATIONAL CHART

Don Tarry

President & CEO



Brian Iverson

SVP, General Counsel, Regulatory, &
Public Policy



Cathy Newby

Director, Tribal Govt & Customer
Engagement



Travis Suazo

Sr., Manager Tribal Govt
Relations & Customer
Engagement

Pete Atcitty

Sr. Manager Tribal Govt.
Relations & Customer
Engagement

Mission Statement

The Tribal Government and Customer Engagement Team leads PNM in Fostering Trusting Relationships to create balanced and aligned outcomes by working together with our tribal communities and customer in serving their energy needs.

Vision Statement:

Be the leading tribal government relations and advisement team among Investor-Owned Utilities (IOU) in the Southwest.

Tribal Relations Team Enterprise-Wide Engagement & Collaboration

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Operational & Project Support	Customer & Community Engagement	Policy, Regulatory & External Affairs
• ROW/Lands Services • New Transmission Development • Environmental Services • Grid Modernization • Wildfire Mitigation/Public Safety Power Shutoff • New Services and Interconnections • Distribution Operations (Outage Management) • Generation, Transmission & Distribution • IT / Telecom (Fiber) • Joint Use • Renewable Energy Projects	• Account Management • Customer Service (billing, disconnects, meter reading) • Low-income Assistance Fairs / Good Neighbor Fund • Tribal Outreach / Events & Programs • Community Solar • Energy Efficiency Programs • PNMR Foundation / Corporate Giving • Scholarships / Internships	• Public Policy / Regulatory / Pricing / Communications • Investor Relations • State / Tribal Tax Matters • WAPA Allocation Benefits • Legal



Where Innovation, Consistency, and Cultivating Positive Relationships Come Together

WHO WE SERVE

PNM Tribal Relationships

Customer Tribes

- Provides electric service to **8 Pueblos and 1 Apache Tribe**
- Supports residential, commercial, and economic development needs

Key Tribal Partnerships

- Work with 19 of New Mexico's 23 tribes
- Maintain critical Rights-of-Way and easement agreements

Infrastructure on Tribal Lands

- **26%** of transmission lines cross tribal lands
- **14,763 miles** of power lines on tribal lands
- **10%** of PNM's service territory is on tribal lands



PNM Educational Outreach

PNM Navajo Scholarship Program

- Launched in **2013** to support job training for Navajo tribal members
 - **\$1.5 million** committed by PNM since inception
 - Funding goes directly to **Navajo Technical University** and **San Juan College**
- Impact:**
- Over **1,000 Navajo students** have received funding
 - **475 graduates** have earned certificates, associates, or bachelor's degrees
 - Program focuses on preparing students for **future job opportunities**



PNM Pueblo Scholarship \$1 Million Endowment

- Established in 2022 by PNM in partnership with Native Forward.
- Additional **\$50,000 annually** for the first 4 years to fund immediate scholarships

Purpose:

- Promote educational and professional development for Pueblo students in NM
- Supports students from New Mexico's 19 Pueblo Nations.

Impact:

- 51 scholarships awarded to students to date \$94,000 Students Funded including undergraduate and vocational, Masters, Doctoral, Full-time and professional part-time students



LIGHT UP NAVAJO

Active Involvement Since 2019

- PNM actively participates in the Light Up Navajo initiative along with 53 utilities from 24 states.
- A mutual aid project involving NTUA and member utilities of the American Public Power Association.

Challenging Situation

- Over 9400 families on Navajo Nation lack electricity and water.
- 75% of all un-electrified households in the United States.
- Providing electricity to remote areas of the vast 28,000 square miles of Navajo land is a unique challenge.

2026 Progress

- Two PNM crews constructed 58 poles, 2.6 miles of distribution lines and line extensions to homes in 2 weeks.
- Electrified 5 homes for families in the four corners area.

Cumulative Impact

- Over 1000 homes have been energized since the inception of Light Up Navajo.



FROM POWER GENERATION TO WATER SECURITY

PNM INFRASTRUCTURE SUPPORTS THE NAVAJO-GALLUP WATER SUPPLY PROJECT

Navajo-Gallup Water Supply Project Milestone

Collaborative Success, Transferring PNM's Water Infrastructure

The US Bureau of Reclamation, the Navajo Nation, the City of Gallup, and the Jicarilla Apache Nation joined in celebrating the transfer of PNM's water infrastructure from the closure of San Juan Generating Station for the Navajo-Gallup Water Supply Project.

Cost Savings Achieved

Transfer of reservoir and infrastructure reduced project costs by \$70 million compared to original plans.

Key Infrastructure Transferred

- River and lake station property
- Reservoir and pipelines
- Pump houses
- Diversion facilities on the San Juan River

Serving the Community

Reliable water supply to benefit 43 Navajo Chapters, over 250,000 people on Navajo Nation, Jicarilla Apache Nation, and Gallup area.

