

# PNM Tribal Engagement Update

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## 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



## Service Territories & Generation Resources

- 
- Generators by Energy Source**
- Coal
  - Gas
  - Nuclear
  - Wind
  - Coal / Gas / Nuclear Storage

# 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.

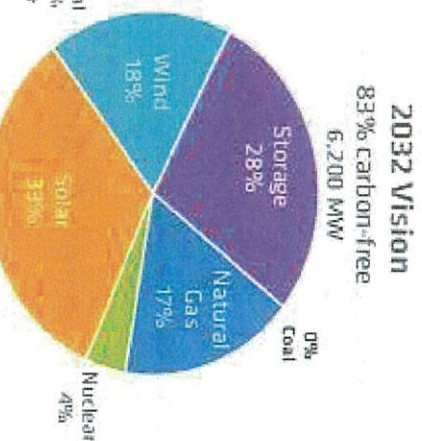
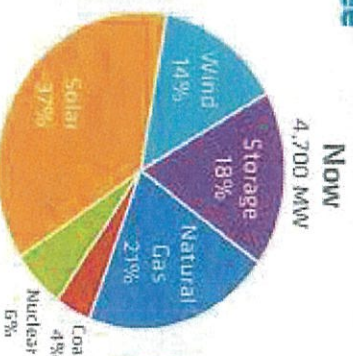
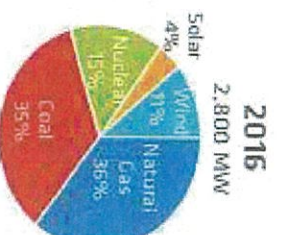
### Affordable

- 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



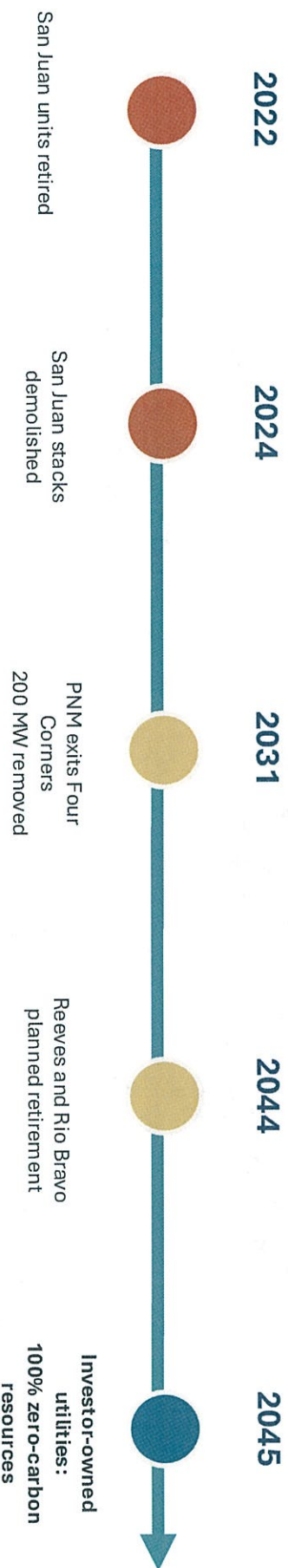
- Low system growth
- Integration of low-cost renewables

- System peak growth
- Replacing coal with renewables / storage

- Rapid system peak growth
- Affordably meeting reliability and clean energy standards

# 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 CO<sub>2</sub>/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

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## 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

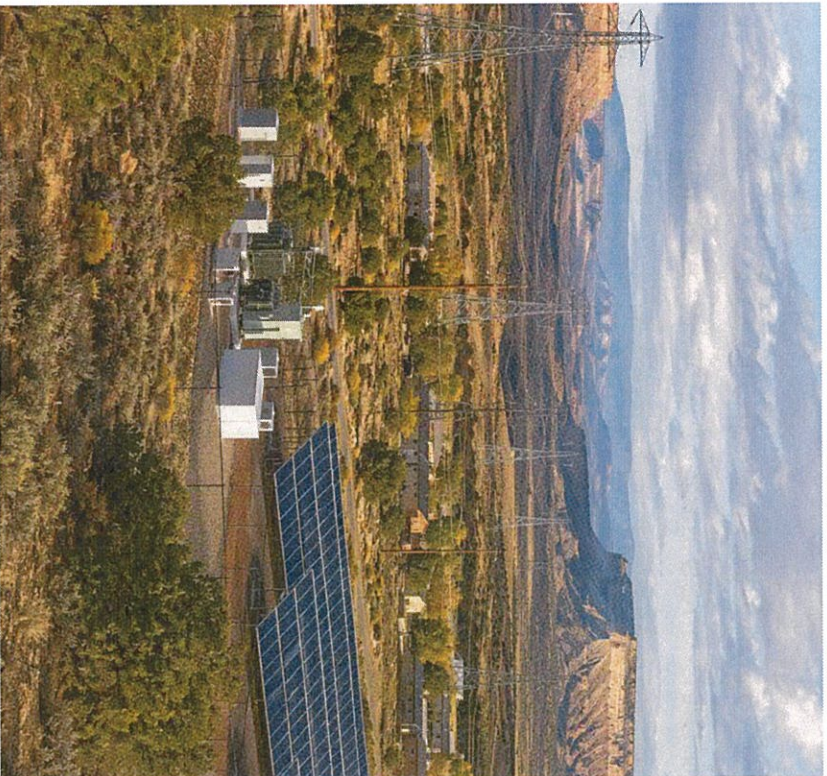
- Businesses increasingly seek reliable, affordable, and cleaner energy sources.
- Customers value transparency regarding where energy comes from and how it is produced.
- New Mexico's clean energy policies position the state as an attractive location for investment and job creation.
- PNM's goal of 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 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

### 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

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## 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

|                                                               |                                                                |
|---------------------------------------------------------------|----------------------------------------------------------------|
| <b>Travis Suazo</b>                                           | <b>Pete Atcitty</b>                                            |
| Sr. Manager Tribal Govt<br>Relations & Customer<br>Engagement | Sr. Manager Tribal Govt.<br>Relations & Customer<br>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.*

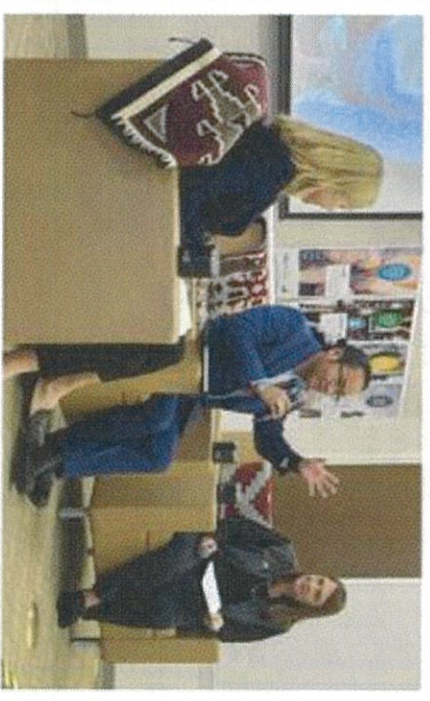


# Tribal Relations Team Enterprise-Wide Engagement & Collaboration

## Tribal Relations Team Enterprise-Wide Engagement & Collaboration

| Operational & Project Support                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Customer & Community Engagement                                                                                                                                                                                                                                                                                                                                                                              | Policy, Regulatory & External Affairs                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• ROW/Lands Services</li> <li>• New Transmission Development</li> <li>• Environmental Services</li> <li>• Grid Modernization</li> <li>• Wildfire Mitigation/Public Safety Power Shutoff</li> <li>• New Services and Interconnections</li> <li>• Distribution Operations (Outage Management)</li> <li>• Generation, Transmission &amp; Distribution</li> <li>• IT / Telecom (Fiber)</li> <li>• Joint Use</li> <li>• Renewable Energy Projects</li> </ul> | <ul style="list-style-type: none"> <li>• Account Management</li> <li>• Customer Service (billing, disconnects, meter reading)</li> <li>• Low-income Assistance Fairs / Good Neighbor Fund</li> <li>• Tribal Outreach / Events &amp; Programs</li> <li>• Community Solar</li> <li>• Energy Efficiency Programs</li> <li>• PNMR Foundation / Corporate Giving</li> <li>• Scholarships / Internships</li> </ul> | <ul style="list-style-type: none"> <li>• Public Policy / Regulatory / Pricing / Communications</li> <li>• Investor Relations</li> <li>• State / Tribal Tax Matters</li> <li>• WAPA Allocation Benefits</li> <li>• Legal</li> </ul> |

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

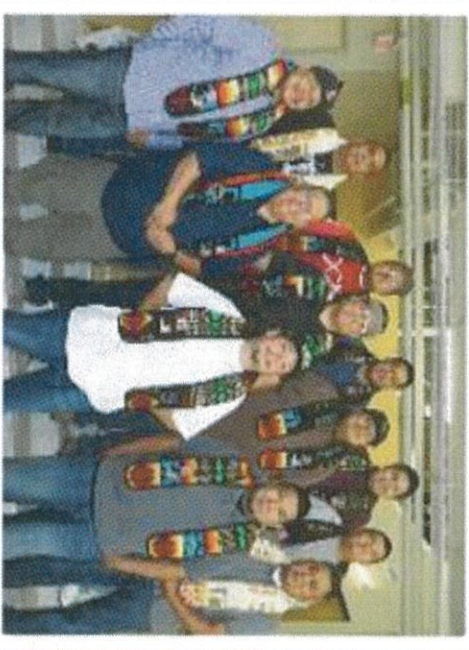
- **26%** of transmission lines cross tribal lands
- **14,763 miles** of power lines on tribal lands
- **10%** of PNM's service territory is on tribal lands



# 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

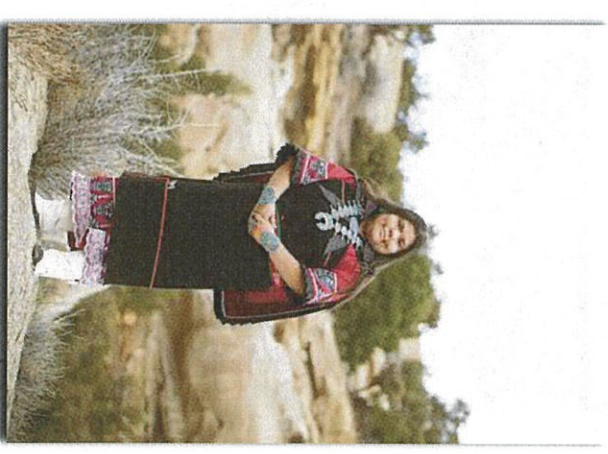
- Established in 2022 by PNM in partnership with Native Forward.
- Additional **\$50,000 annually** for the first 4 years to fund immediate scholarships

**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

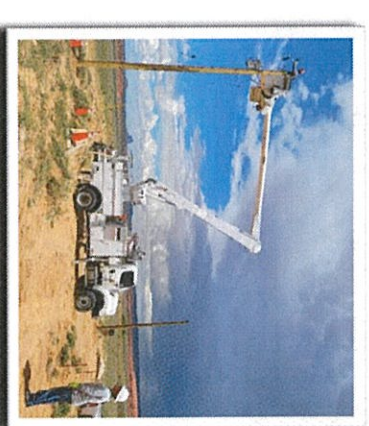
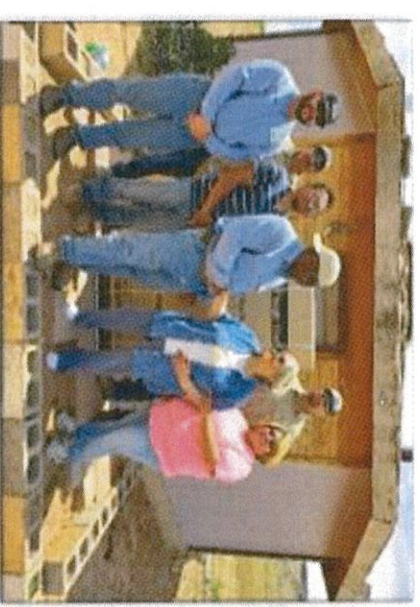
- Over 9400 families on Navajo Nation lack electricity and water.
- 75% of all un-electrified households in the United States.
- Providing electricity to remote areas of the vast 28,000 square miles of Navajo land is a unique challenge.

## 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.



