PNM IS CLOSING THE SAN JUAN COAL PLANT. SO WHAT’S NEXT? REVISED NOVEMBER 2019

PNM is transitioning away from coal and moving to a more sustainable energy future. As we prepare to close the coal-fired San Juan Generating Station, we must determine how to replace the power from this plant. We have looked at four scenarios to help shape New Mexico’s energy future. Each of the scenarios has benefits and challenges and we are recommending a plan that saves customers money, has one of the highest utility integration of battery storage in the U.S., with one of the largest solar facilities in the U.S., and minimizes new technology risks. Learn about all of the scenarios at PNM.com/PoweringTheFuture.

Model inputs to minimize energy storage technology risks:
- Up to 40 MW battery storage per location; largest single location currently operating a utility battery
- 130 MW of battery storage is equivalent to 5% of PNM peak load
- Battery energy storage combined with solar for low costs

Replacement generation resources shown above are proposed resources to replace Megawatts (MW) from the closure of the coal-fired San Juan Generating Station not the entire PNM generation portfolio.

* 140 MW of wind resources pending approval in Renewable Portfolio Case and included in SJ modeling inputs.
** Carbon reductions based on 2005 levels in alignment with the Paris Agreement.
*** Based on an average monthly PNM residential customer bill (600 kWh/month). First full year revenue requirement.
**** 144 MW (over 1 million mWh per year) to power Carbon Sequestration Machinery
***** Net carbon emissions difficult to calculate due to:
1. Capture technology is presumed at a high capture rate
2. The high capture rate is unproven at this scale
3. Each captured CO2 ton increases fossil fuel production

[Table and diagram showing scenarios, costs, reliability, CO2 emissions, and savings]