

**FOR IMMEDIATE RELEASE:** May 20, 2022

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## **PNM issues request for new resources to manage combined impact of climate change, regulatory delays and supply chain issues**

*PNM requesting new resources for next years' energy supply demands*

(Albuquerque, NM) – PNM issued a formal request asking energy developers to submit resource proposals that could add up to 700 megawatts to the PNM system with guaranteed in-service dates by or before May 1, 2023 or May 1, 2024, respectively. This comes as the Company expressed concerns over a potential energy shortage leading up to summer of 2023.

An independent evaluator will assess the reasonableness, competitiveness, and fairness of the review process ensuring that the process identifies the best options to serve PNM customers with reliable, low cost energy in an environmentally responsible manner.

PNM has shared its challenges in getting adequate energy resources approved and energized. The New Mexico Public Regulation Commission's (Commission) selection of the San Juan coal-fired generating plant replacement plan left PNM customers short 120 megawatts through its over reliance on regional market purchases and demand response programs. The deficit has since increased as the four Commission selected third-party energy developers have been unable to deliver their new energy resources on time.

PNM minimized the risk of summer 2022 strategic rotating outages through a temporary extension of the San Juan coal-fired generating plant but has raised concerns over summer 2023 resources needs. Major concerns of whether developers will be able to achieve resource additions by summer of 2023 include uncertainty around the in-service dates for two of the four replacement resources, the timing of Commission approvals for the replacement of previously leased capacity from Palo Verde, and existing supply chain issues. PNM is effectively facing capacity deficits of as much as 450 MW needed to reliably serve our customers during the 2023 summer.

This request for proposals is an effort to secure new capacity resources to serve PNM customers by the 2023 summer.

## **Registration and Responses Submittals**

The request for proposals (RFP) will be managed through PNM Sourcing site hosted by SciQuest, an affiliated entity of Jaggaer®. The Instructions to Bidders for the RFP are provided as non-confidential documents on the PNM websites identified below:

- <https://bids.sciquest.com/apps/Router/PublicEvent?CustomerOrg=PNMResources>
- <https://www.pnm.com/rfp>

To efficiently administer this RFP for 2023 to 2024 Resources, the RFP event is structured by two different modules: All respondents offering market proposals must request access to and communicate via “2023-2024 Generation Resources RFP-Market”; EPC respondents must request access to and communicate via the “2023-2024 Generation Resources RFP-EPC”. The RFP event includes a description of the request, an outline of the solicitation process, relevant dates, contact information, and Proposal submission requirements.

Interested parties are requested to execute a non-negotiable, non-disclosure agreement by logging in and clicking the “Accept” button in the NDA section of the Jaggaer RFP event. Access to the Bid Documents will be granted upon acceptance of the non-disclosure agreement.

In order to preserve transparency in the process and facilitate equal consideration to all respondents, bidders must not contact any PNM employees or agents of the company in regard to this RFP. All communications are to be conducted through the PNM Sourcing site through the Q&A Board. Attempts to communicate outside of the RFP website may result in a potential bidder being disqualified from participating in the RFP. PNM makes no commitment to respond to any other forms of communication

A schedule for the RFP process has been posted within the respective RFP instructions, and respondents can refer to the RFP event for notice of changes/updates to the schedule. Important deadlines include:

- Virtual Pre-Bid Conference and EPC Site Visits: June 1, 2022
- Proposals due: July 20, 2022

## **About PNM**

*With headquarters in Albuquerque, PNM is the largest electricity provider in New Mexico, serving more than 530,000 customers in dozens of communities across the state. PNM strives to create enduring value for customers, communities and shareholders built on a foundation of Environmental, Social and Governance Principles. At the core of our business, we are focused on our vision of creating a clean and bright energy future, our purpose of working together with our customers and community to serve their energy needs, and our values of safety, caring, and integrity. PNM is a subsidiary of PNM Resources, an energy holding company also headquartered in Albuquerque. Visit [PNM.com](https://www.pnm.com) for more information.*