

NOTICE TO PNM CUSTOMERS OF PROCEEDING AND HEARING

To customers of Public Service Company of New Mexico:

PNM's customers are here notified of the company's June 13, 2025 application to the Public Regulation Commission (Commission) requesting approval of a purchased power agreements, energy storage agreements, and an amended special service contract between PNM and Greater Kudu LLC ("Customer"). This application has been assigned Commission Case No. 25-00___-UT.

A purchased power agreement (PPA) is a contract between a buyer and a third-party seller for the buyer to purchase electricity at an identified cost over a period of time. An energy storage agreement (ESA) is a battery-storage contract between a buyer and a third-party to allow the buyer to utilize a battery-storage system. A special service contract is an agreement between PNM and a customer to provide electric services outside the typical customer classes.

This notice:

- Describes the generation and battery facilities for which PNM seeks approval,
- Describes the amendments to the special service contract between PNM and Greater Kudu LLC,
- Describes the Commission's process for considering PNM's application, and
- Describes how you can participate in this process (if you wish to do so).

The Commission may approve the PPAs, ESAs, and special service contract requests without a formal hearing if no protest is filed within sixty days of the publication of this notice.

Any person who is not a party to the case or affiliated with a party may make written comment by e-mailing the Commission's records bureau at prc.records@prc.nm.gov. Written comments should reference Case No. 25-00___-UT. The Commission may also schedule one or more public comment hearings. Commenters are not parties and comments are not formal "evidence."

Any person who desires more information about the application may contact the Commission by phone at (505) 827-4084 or 1-888-427-5772 or by email at ryan.jimenez@prc.nm.gov.

IF YOU DO NOT WANT TO PARTICIPATE IN THIS PROCESS OR COMMENT ON THE PROCEEDING OR BECOME MORE INVOLVED, THEN NO ACTION IS REQUIRED ON YOUR PART.

PNM's June __, 2025 application seeks Commission approval under 17.9.551 NMAC for the long-term Purchase Power Agreements (PPAs) and Energy Storage Agreements (ESAs) described immediately below. PNM also seeks approval of a special

service contract between PNM and Greater Kudu LLC. PNM must receive Commission approval before becoming irrevocably bound under the agreements.

The Star Light PPA and ESA

This is a new, hybrid 100 MW solar photovoltaic generation facility co-located with a 100 MW 4-hr battery energy storage system (“BESS”) located in Valencia County. Star Light Energy Center, LLC will sell the energy output to PNM at a price of \$35.87/MWh over a 20-year term. The 20-year term begins upon the facility’s commercial operation date which is expected to be December 1, 2026. Star Light Energy Center, LLC will also sell the energy storage capacity of the BESS to PNM at a price of \$19.32 per available hour of energy storage per MW of capacity over a 20-year term which begins on the expected commercial operation date of December 1, 2026.

The Four Mile Mesa Solar PPA and ESA

This is a new, 100 MW solar photovoltaic generation facility co-located with a 100 MW 4-hr BESS located in San Juan County. Four Mile Mesa Solar, LLC will sell the energy output to PNM at a price of \$39.79/MWh over a 20-year term. The 20-year term begins upon the facility’s commercial operation date which is expected to be December 31, 2027. Four Mile Mesa Solar, LLC will also sell the energy storage capacity of the BESS to PNM at a price of \$21.25 per available hour of energy storage per MW of capacity over the 20-year term which begins on the expected commercial operation date of December 31, 2027.

The Windy Lane Solar PPA and ESA

This is a new, 90 MW hybrid solar photovoltaic generation facility co-located with a 68 MW 4-hr BESS located in De Baca County. Windy Lane Energy Center, LLC will sell the energy output to PNM at a price of \$37.52/MWh over a 20-year term. The 20-year term begins upon the facility’s commercial operation date which is expected to be December 1, 2026. Windy Lane Energy Center, LLC will also sell the energy storage capacity of the BESS to PNM at a price of \$19.91 per available hour of energy storage per MW of capacity over a 20-year term which begins on the commercial operation date expected to be December 1, 2026.

Special Service Contract

Current renewable resources for the Customer and the ones proposed in this matter are paid for by the Customer pursuant to a special service contract that ensures that there is No Net Adverse Impact to any of PNM’s other retail customers. PNM requests approval of amendments to the special service contract to update the current methodology and language used to calculate the costs to the Customer.

Some of the procedural dates for this case are identified below. Individuals interested in these proceedings should review the procedural order issued in this case in its

entirety to obtain a complete understanding of the procedures that will govern. **The procedural order is found online at <https://www.prc.nm.gov/case-lookup-e-docket/>.** The procedural dates and requirements set out below may be changed.

Statute and commission rules provide that the Commission may approve the application without a formal hearing if no protest is filed within sixty days of the date this notice is provided to customers.

Anyone wishing to become a party to this case must file a motion for leave to intervene that conforms with 1.2.2.23(A), (B) NMAC on or before _____, _____, **2025**.

Staff shall, and any intervenor may, file direct testimony by _____, _____, **2025**.

Rebuttal testimony must be filed on or before _____, _____, **2025**.

A public hearing will be held beginning on _____, _____, **2025**, and will continue as needed through _____, _____, **2025**, beginning at 9 a.m. each day. The hearing may be conducted via the Zoom videoconferencing platform or may be conducted in person.

The procedural dates and requirements provided here are subject to further order of the Hearing Examiner or the Commission.

Interested persons desiring more information about this application may contact the Commission by phone at 1-888-427-5772 or 505-827-4084 or by e-mail at ryan.jimenez@prc.nm.gov.

PERSONS WITH DISABILITIES

IF YOU ARE AN INDIVIDUAL WITH A DISABILITY WHO IS IN NEED OF A READER, AMPLIFIER, QUALIFIED SIGN LANGUAGE INTERPRETER, OR ANY OTHER FORM OF AUXILIARY AID OR SERVICE TO ATTEND OR PARTICIPATE IN THE HEARING, OR FOR A SUMMARY OR OTHER TYPE OF ACCESSIBLE FORMAT OF PUBLIC DOCUMENTS, PLEASE CONTACT THE DIRECTOR OF ADMINISTRATIVE SERVICES OF THE COMMISSION AT (505) 827-8019 AS SOON AS POSSIBLE PRIOR TO THE HEARING.