

New Mexico is rebuilding its grid around 100% carbon-free power. Your capital plan carries it out.

A coal fleet exiting under the Energy Transition Act, surging Permian and data-center load, and \$11 billion of new transmission all land on the same project list. Each of those forces reshuffles what you build and when. Invizion helps electric utilities re-sequence a capital portfolio in a click — and defend every decision.

2045¹ New Mexico's deadline for 100% carbon-free electricity under the Energy Transition Act.	\$7.8B⁵ TXNM / PNM capital plan for 2025–2029.	\$11B⁴ SunZia wind + transmission — now delivering power across the Southwest.	+40%³ SPS's projected peak-demand growth by 2030, driven by Permian load.
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THE NEW MEXICO LANDSCAPE

Four forces are moving your project list at once

None of these is theoretical, and none of them waits for your next budget cycle. Together they mean the capital plan you approved last year may already be the wrong plan.

TRANSITION — THE COAL EXIT

A grid rebuilt to a legal deadline

The Energy Transition Act requires 50% renewable power by 2030 and 100% carbon-free by 2045¹ PNM closed the San Juan Generating Station in 2022 and plans to exit all coal, including Four Corners, by 2031²

The Act's securitization financed the San Juan closure with \$360 million of ratepayer-backed bonds — a template for turning stranded coal into refinanced capital³

DEMAND — PERMIAN & GROWTH

Load growth from the oil patch and beyond

Southwestern Public Service projects summer peak demand up about 40% by 2030, with more than 700 MW of new load in Permian-basin Lea and Eddy counties³

More than half of SPS's sales already go to oil and gas — and electrification of drilling and processing is adding more³

TRANSMISSION — EXPORT BUILD

\$11 billion of new lines out of the state

SunZia — a ~\$11 billion, 550-mile HVDC line moving 3,000 MW paired with a 3.5 GW wind farm — reached commercial operation in 2026, and the Western Spirit line already moves up to 800 MW of New Mexico wind⁴

New Mexico is becoming a renewable-export hub, and that transmission has to be planned against local reliability needs.

CAPITAL — RISK & OWNERSHIP

Big spend, wildfire risk, new owners

TXNM (PNM's parent) plans \$7.8 billion of capital over 2025–2029.
⁵ That's against a backdrop of wildfire exposure — the 2022 Hermits Peak–Calf Canyon fire caused an estimated \$5.14 billion in losses¹² — and a pending \$11.5 billion Blackstone acquisition of TXNM.¹⁷

Every one of those variables can move the capital plan.

WHO RUNS NEW MEXICO'S GRID

Three investor-owned utilities and a wide cooperative network

New Mexico's grid is served by three NMPRC-regulated investor-owned utilities across different corners of the state, plus a broad network of rural cooperatives supplied largely by Tri-State.

Investor-owned utilities

Rates & IRPs regulated by the NMPRC

Public Service Co. of New Mexico (PNM) ~530–550K customers · largest⁶

El Paso Electric Southern NM / Las Cruces⁸

Southwestern Public Service (Xcel) ~126K · SE NM / Permian⁷

PNM's parent TXNM plans \$7.8 billion of capital over 2025–2029⁵

Rural cooperatives

Member-owned; largely supplied by Tri-State

Tri-State G&T (wholesale) Supplies many NM coops¹⁶

Distribution cooperatives Statewide rural coverage

Tribal & municipal systems Local providers

Every capital dollar has to be defensible

New Mexico's oversight bodies are asking harder questions of capital spending — and a court settlement and a coal-exit statute now set part of the answer.

NMPRC, restructured in 2023 from five elected to three appointed commissioners, regulates PNM, El Paso Electric, and SPS rates and IRPs.⁹

PNM's 2025 rate case sought a \$174.3 million increase on a \$3.0 billion rate base, driven by T&D, storage, and wildfire costs¹⁰

El Paso Electric's 2026 New Mexico case seeks roughly \$70 million, phased in two steps — a signal of the rate pressure ahead¹¹

ETA securitization lets utilities refinance retired coal with low-cost ratepayer bonds — a capital-structure lever unique to the transition.

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The money is moving — can your plan absorb it?

Federal grid dollars and a state match fund are flowing to New Mexico.

The constraint is readiness: which projects qualify, which are shovel-ready, and how the timing lines up.

DOE Grid Resilience formula grants — New Mexico shares in a program totaling roughly \$2.3 billion, with dedicated state allocations.¹⁴

\$75M state Match Fund (2024) to match federal grid and energy grants.¹⁵

USDA New ERA financing \$2.5 billion of clean energy through Tri-State, which supplies many New Mexico coops¹⁶

NM EMNRD Grid Modernization Grant Program for state-level grid upgrades.¹⁸

NEW MEXICO'S GRID, IN BRIEF

Questions New Mexico utility leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

What is New Mexico's Energy Transition Act?

The 2019 ETA requires 50% renewable electricity by 2030 and 100% carbon-free by 2045 for investor-owned utilities. It drove the 2022 closure of the San Juan Generating Station and PNM's planned exit from all coal by 2031¹²

What is the SunZia project?

SunZia is a ~\$11 billion, 550-mile HVDC transmission line moving 3,000 MW, paired with a 3.5 GW New Mexico wind farm. It reached commercial operation in 2026, making New Mexico a major renewable-export hub⁴

Who regulates electric rates in New Mexico?

The New Mexico Public Regulation Commission — restructured in 2023 from five elected to three appointed commissioners — regulates PNM, El Paso Electric, and SPS. Rural cooperatives are member-governed⁹

What grid funding is available in New Mexico?

New Mexico shares in DOE Grid Resilience formula grants, has a \$75 million state Match Fund, and benefits from a \$2.5 billion USDA New ERA award through Tri-State, which supplies many state coops¹⁴¹⁵¹⁶

Is PNM being acquired?

TXNM Energy, PNM's parent, agreed in 2025 to be acquired by Blackstone Infrastructure for \$11.5 billion; the deal is under review by New Mexico and Texas regulators, with a proposed \$175 million in New Mexico customer benefits¹⁷

How does Invizion help New Mexico electric utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a coal-exit milestone, a transmission date, or a rate outcome reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record for the PRC or your board.

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Every figure in this briefing is tied to a primary or authoritative source.

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ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

Explore Invizion →