

# 2023 NEW MEXICO INTEGRATED RESOURCE PLAN

INFORMATION SHEET  
NEW MEXICO



## POWERING POTENTIAL ACROSS THE SOUTHWEST

At Xcel Energy, we work every day to provide the safe, clean, reliable energy that our customers depend on, and we must meet today's challenges while anticipating those of tomorrow. We are filing our Integrated Resource Plan (IRP) with the New Mexico Public Regulation Commission (NMPRC) as a first step to bringing on the generating resources needed to serve customers with reliable, affordable and increasingly clean energy.

Forecasts show we will need an **additional 5-10 gigawatts of electricity** by the end of the decade to meet the growing energy needs of the New Mexico communities we serve. To support our customers' changing needs, Xcel Energy must continue to invest in new, economical and increasingly clean energy resources without compromising grid reliability or customer affordability. We believe in better energy for all that ensures access to affordable, reliable power 24/7, 365 days a year.

Clean energy, dependable service and the health of our local economy matter to our customers and our communities. Those things matter to us, too. The state of New Mexico has specific targets for a clean energy transition, with a requirement to provide 80% renewable power by 2040. Xcel Energy also has its own vision to provide 100% carbon-free electricity by 2050.

### About the filing

Our New Mexico IRP provides a collaborative process to create an energy future that will power potential across the Southwest now and for decades to come.

The six-month-long effort to create the IRP filing has involved transparent stakeholder discussions that build consensus and identify the generation needed to reliably meet growing demand and satisfy the state's emissions targets.

In 2024, we will launch an all-source **request for proposal** (RFP) for new energy generation. An independent evaluator will be assigned by state regulators to ensure fair, transparent competition in the bid review and eventual resource selection.

IRP planning:

- Ensures every customer has access to reliable, clean power when they need it, without an unreasonable impact to electricity bills.
- Identifies growing customer needs for reliable electricity.
- Facilitates future investments in our customers, communities and workforce.
- Identifies how to balance an on-demand generation portfolio with renewable energy.
- Prepares the grid for emerging technologies.



### When it comes to leading the transition to a new energy economy, we already have a strong history of success:

- In Texas and New Mexico, 39% of our electricity comes from carbon-free sources.
- Last year, our carbon emissions were reduced 52% (from 2005 levels).
- Since 2017, our company-owned wind farms have saved customers \$3 billion in avoided fuel costs and earned tax credits.
- Our systems in all regions have set record-breaking hours when wind and solar energy made up 90% or more of our electricity and entire days when renewables produced about 80% of our power.

Another step in building our energy future

**We must meet a growing need.** Our Texas-New Mexico service area has a significant generation need that must be filled by the end of this decade. The initial work we do now to determine the specific need for new energy generation will allow us to identify the most cost-competitive and balanced portfolio of resources through a competitive bidding process.

**Real solutions.** Our aim is to get as clean as we can, as fast as we can - without compromising reliability or affordability - to meet established renewable energy goals and carbon reduction targets. We have already made significant clean energy progress using currently available technologies, while keeping customer bills below the national average. And we are focused on creating a sustainable economic shift and just transition for our employees and host communities as we retire all Xcel Energy coal-fueled power plants by the end of 2030.

**Affordable solutions.** This transition requires significant investments in the grid, and we are committed finding solutions to help mitigate costs for customers.

**Supporting load growth and the local economy.** Our integrated resource plan is critical in efforts to deliver the energy our New Mexico customers need to power their daily lives, promote long-term economic growth in the state and help businesses prosper. As we build out our resource plans, we seek to put as much existing infrastructure to work as possible to help retain local jobs and increase the local tax base for counties and schools.

**Smart, steady, sustainable.** We need to identify flexible, “always available” and commercially viable resources to ensure reliability, keep costs reasonable and bridge the gap to carbon-free electricity by 2050.

**You. Us. Together.** We have worked together with stakeholders as we develop this resource plan. This collaborative process provides oversight, ensures accountability, and allows for diverse perspectives. The goal is to build consensus among a variety of interests, find shared solutions to New Mexico’s energy challenges and identify opportunities.

Timeline and Milestones

