

*Laurie Williams
Senior Vice President
Integrated Planning & Transmission Development
Public Service Company of New Mexico
2401 Aztec Road NE
Building A - Z220
Albuquerque, NM 87107*



October 28, 2025

Mr. Dave Zvareck
WRAP Director
Western Regional Adequacy Program - WRAP
Western Power Pool
7525 NE Ambassador Place, Suite M
Portland, OR 97220

Dear Dave Zvareck,

Public Service Company of New Mexico (PNM) hereby formally notifies Western Power Pool of our decision to withdraw from the Western Regional Adequacy Program prior to the first operational binding season (Winter 2027–2028, beginning November 1, 2027).

This decision follows careful consideration of several factors, most notably the emergence of two day-ahead markets in the West: the CAISO Extended Day-Ahead Market (EDAM) and SPP Markets+ (M+). Given these developments, PNM believes it is prudent to pursue resource adequacy programs aligned with each market, consistent with practices in other ISO/RTOs.

PNM appreciates Western Power Pool's efforts to address concerns related to day-ahead markets, planning reserve margins, and deficiency charges. The ongoing work of the DAM & PRM Task Forces and the Resource Adequacy Participation Committee (RAPC) is commendable. However, these initiatives remain preliminary and require further development, and as such, PNM is unable to make a binding commitment to the program in its current state.

PNM remains committed to resource adequacy in the West and will continue to engage with WRAP and participate in RAPC during our transition over the next two years. We remain confident that the foundational work of WRAP entities will support future efforts to coordinate across evolving market structures.

Thank you for your understanding and support. We wish WRAP continued success.

Sincerely,

A handwritten signature in blue ink, appearing to read "Laurie Williams".

Laurie Williams
Senior Vice President
Integrated Planning & Transmission Development
Laurie.Williams@txnmenergy.com

cc: Sarah Edmonds, President & CEO, Western Power Pool
Gabriel Aguilera, Commissioner, New Mexico Public Regulation Commission
Pat O'Connell, Commissioner, New Mexico Public Regulation Commission
Greg Nibert, Commissioner, New Mexico Public Regulation Commission