

# Utility CEO Leading Energy Transition

## PNM Resources

New Mexico's 2019 Energy Transition Act (ETA) requires utilities to be emission-free by 2045. If Pat Collawn has her way, the utility she leads will beat that goal by five years.

As Chairman, President and CEO of PNM Resources (PNM in New Mexico and TNMP in Texas), Collawn has accelerated the company's long history of environmental advocacy and fighting climate change.

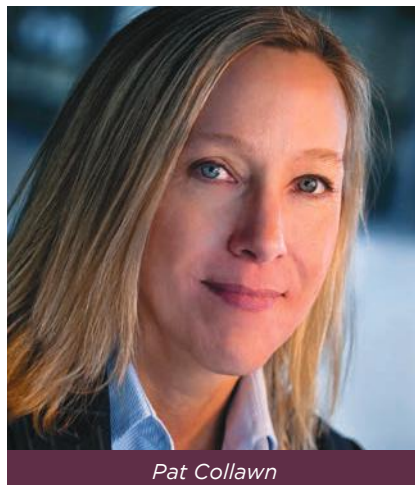
Starting in 2006, PNM Resources was a founding member of the clean energy U.S. Climate Action Partnership. In 2009, PNM Resources supported the American Clean Energy and Security Act, which would have established an emissions trading plan (it was approved by the House but never brought to the Senate).

Collawn's bold leadership and innovative problem solving have moved New Mexico and PNM Resources forward as a leader in clean energy. Through her leadership, the company helped get the ETA signed in March, which establishes aggressive carbon-free and renewable energy goals for the state.

Collawn was invited to and attended the Madrid UN Climate Change Conference in December. "We discussed how the global economy can thrive in the energy transition," she says of the conference.

### Closing Coal Plants, Building Solar Energy

To lead the way, PNM Resources closed two coal units in 2017, and will use a securitization tool provided by the ETA, advocated by Collawn, to close two more in 2022. This will provide for recovery of shareholders' initial investments, albeit



Pat Collawn

without an equity return, while providing customer savings.

Collawn announced that PNM Resources' step out of coal is not a step out of the communities they have been a part of. The company will securitize funds above the plant book value to be used for job training and economic development in areas where the mine and plants are shutting down.

Through another innovative and collaborative initiative, PNM Solar Direct, PNM is offering the city of Albuquerque and other large customers solar-produced energy not subsidized by other customers. The company and the Jicarilla-Apache Nation are working together to build a solar field to provide this energy, which will give the tribe a new income source.

To further help indigenous communities, PNM Resources has awarded Navajo Nation college students over \$1.5 million in scholarships and participated in Light Up Navajo, extending power lines to families and

homes that had lived without electricity.

The utility's green energy powers more than 174,000 homes. In addition, their energy efficiency programs have reduced its consumption equivalent to the energy consumed by 378,000 homes per year. Taken together, these programs have conserved more than 1,287 million gallons of water and reduced carbon emissions by 2.4 metric tons.

### Winning Investors

The company's forward thinking on the climate, shareholders, customers and jobs appeals to investors. "We all know climate change is urgent," says Collawn, "and we understand the need to look to public-private partnerships. PNM Resources is showing that CEOs can make revolutionary changes and still be profitable. That attracts investors who think long term."

### Showing Women How to Lead

In 2016, Collawn became the first female chair of the Edison Electric Institute, and she is currently chair of the Electric Power Research Institute. She was the first female to win the Edison Electric Institute's Award for Distinguished Leadership, and was recently recognized with New Mexico's Governor's Award for Public Service.

Collawn's family moved frequently as she was growing up (her father was in the Air Force); she believes that has helped her succeed in the constantly changing energy industry. "Adaptability is a critical skill for young women," she says, "who are living in a time of great opportunity. Companies are doing a lot on diversity and inclusion—and they mean it this time."

