

For immediate release: Feb. 15, 2022

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Statement on PNM's San Juan Generating Station summer plans

Climate change – and the more frequent and intense heat waves it brings – is putting greater strain on our electric grid. PNM faces an added challenge during 2022's peak-demand summer season because the pandemic and subsequent supply-chain issues have slowed construction of resources to replace the coal-fired San Juan Generating Station, which is set to retire in June.

Keeping San Juan running an extra three months may be necessary to keep PNM's reserve margin high enough until replacement resources start coming online in September.

While PNM may need to keep San Juan running this summer to avoid service disruptions, the long-term solution is not to perpetuate our dependence on coal and gas plants that damage our health and threaten our children's future. **PNM is retiring San Juan because coal is expensive.** PNM estimated that switching from San Juan coal to solar/storage will save customers an average of \$6-7 a month on their electric bills. San Juan, and as we have seen with [recent maintenance disruptions](#), the aging plant has its own reliability issues.

PNM has said it doesn't expect a shortage once replacement resources come online. A gas plant or any other resource would face the same supply-chain delays, and there's no evidence to suggest it would be ready any earlier. The problem PNM faces is with the timeline, not the type of resource.

The most important action the Legislature can take to address these issues is to pass comprehensive climate legislation to protect our families and open new doors to a thriving, diversified economy that works for all New Mexicans. Unless we swiftly reduce greenhouse pollution, increasingly severe weather, wildfires and drought will continue to threaten our electricity supply, as well as our lives and livelihoods. The Clean Future Act ([HB6](#)), sponsored by Speaker Brian Egolf and others, would have addressed the cause of these threats by reducing climate pollution across the economy and building on the ETA's reductions in the electric sector.

Throughout the world, communities, businesses and governments have been experiencing the impacts of supply-chain bottlenecks, largely caused by the COVID pandemic and the unexpectedly rapid resurgence of economic activity. This situation impacts every industry, from the production of school uniforms to the construction of energy facilities, including renewables.

Blackouts are caused by an imbalance between supply and demand. They have occurred across the nation and world for decades and can occur regardless of whether the supply is clean or dirty. Bills like the Community Energy Efficiency Development Block Grant ([HB37](#)), which passed the Senate last night and now just needs the Governor's signature, provide funding for low-income New Mexicans to weatherize their homes and make other efficiency improvements, lowering energy demand and saving money.

The real solution is to swiftly and decisively open new doors to New Mexico's clean-energy transition and a thriving, resilient and healthy future by passing legislation like CEED and the Clean Future Act.

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