



## **PNM Resources Joins Major Businesses and Environmental Leaders in Call for Swift Action on Global Climate Change**

**Washington D.C.**

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PNM Resources (NYSE:PNM) joined major American businesses and leading environmental organizations today in a call for the federal government to quickly enact strong national legislation to achieve significant reductions of greenhouse gas emissions. The group said any delay in action to control emissions increases the risk of unavoidable consequences that could necessitate even steeper reductions in the future.

In addition to PNM Resources, the unprecedented alliance -- called the U.S. Climate Action Partnership (USCAP) -- consists of market leaders Alcoa, BP America, Caterpillar, Duke Energy, DuPont, FPL Group, General Electric, Lehman Brothers and PG&E along with four leading non-governmental organizations: Environmental Defense, Natural Resources Defense Council, Pew Center on Global Climate Change and World Resources Institute.

"The unique challenge of climate change is that it requires action now on a problem that will affect our grandchildren far more than it will affect us," said Jeff Sterba, chairman, president and CEO of PNM Resources. "With the right framework, we can address this problem and even create unique opportunities within our society. I believe the USCAP approach is the right approach."

At a news conference today at the National Press Club, USCAP issued a landmark set of principles and recommendations to underscore the urgent need for a policy framework on climate change. The solutions-based report, titled A Call for Action, lays out a blueprint for a mandatory economy-wide, market-driven approach to climate protection.

USCAP's recommendations are based on the following six principles:

- Account for the global dimensions of climate change;
- Recognize the importance of technology;
- Be environmentally effective;
- Create economic opportunity and advantage;
- Be fair to sectors disproportionately impacted; and
- Recognize and encourage early action.

The principles and the recommendations outlined in A Call for Action are the result of a year-long collaboration motivated by the shared goal of slowing, stopping and reversing the growth of greenhouse gas (GHG) emissions over the shortest period of time reasonably achievable.

This unique cooperation of business and environmental leaders is a clear signal to lawmakers that legislative action is urgently needed. This non-partisan effort was driven by the top executives from member organizations-companies with a combined market capitalization of more than \$750 billion and environmental groups with more than one million members worldwide and global policy influence.

USCAP urges policy makers to enact a policy framework for mandatory reductions of GHG emissions from major emitting sectors, including large stationary sources and transportation, and energy use in commercial and residential buildings. The cornerstone of this approach would be a cap-and-trade program. The environmental goal is to reduce global atmospheric GHG concentrations to a level that minimizes large-scale adverse impacts to humans and the natural environment. The group recommends Congress provide leadership and establish short- and mid-term targets, for a national program to accelerate technology research, development and deployment; and approaches to encourage action by other countries, including those in the developing world as ultimately the solution must be global.

"The Climate Action Partnership recognizes that the undertaking to address climate change is an enormous one, and should not be underestimated," said Jonathan Lash, President of the World Resources Institute. "But enacting environmentally effective, economically sustainable and fair climate change law must be a national priority."

Programs to encourage efficiency and to promote cleaner technologies in the Energy Policy Act of 2005 enacted by the last Congress and supported by the President were a good step. However, they alone cannot get us to where we need to be on the

climate change issue. A mandatory system is needed that sets clear, predictable, market-based requirements to reduce greenhouse gas emissions.

The members of USCAP pledge to work with the President, the Congress and other stakeholders to confront this vital global challenge.

For more information on the climate change activities of PNM Resources, and links to the USCAP report, visit [www.PNMResources.com/climate](http://www.PNMResources.com/climate).

**Background:**

PNM Resources (NYSE: PNM) is an energy holding company based in Albuquerque, N.M., with 2006 consolidated operating revenues of \$2.3 billion. Through its utility and energy subsidiaries, PNM Resources serves electricity to nearly 941,000 homes and businesses in New Mexico and Texas and natural gas to 487,000 customers in New Mexico. Its utility subsidiaries are PNM and Texas-New Mexico Power. Other subsidiaries include First Choice Power, a deregulated competitive retail electric provider in Texas, and Avistar, an energy research and development company. PNM Resources and its subsidiaries sell power on the wholesale market throughout the West and Southwest. The company also owns a 50 percent share of an energy joint venture with Cascade Investment, L.L.C. For more information, visit [PNMResources.com](http://PNMResources.com).

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