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San Juan Generating Station Carbon Capture Project Will Not Proceed

Farmington, New Mexico, December 21, 2022 – Enchant Energy is unable to proceed with the project to add carbon capture facilities to the San Juan Generating Station due to an arbitration panel’s decision to deny the City of Farmington’s request to stop the owners from auctioning off equipment critical to ongoing plant operations. The transfer of the plant was being arbitrated by a panel under an agreement between PNM, the City of Farmington, and the other owners of the plant that provides for how the plant ownership will be transferred in the event of owners wishing to exit their ownership position.

The Carbon Capture Front-End Engineering and Design (FEED) study was successfully completed and filed with the Department of Energy at the end of September 2022. The FEED study for San Juan is the most advanced design for large-scale capture using Mitsubishi Heavy Industries America’s commercially proven technology. Enchant and its partners are proud to have achieved this leading large-scale design which will further the technology’s deployment nationally and globally.

“Even if the arbitration eventually was successfully completed by the City of Farmington, the timing of the sell off and dismantling of the plant assets make it impossible to successfully complete the carbon capture project,” said Cindy Crane, Enchant Energy CEO.

“We are very saddened by the need to terminate the project that would have brought so many benefits to the City of Farmington, energy workers in the region and customers who would have benefited from the reliable low carbon electricity,” added Crane.

Enchant Energy will maintain its headquarters in Farmington, New Mexico. The company is currently reviewing and developing proposals for other carbon capture and sequestration projects around the country. Those proposals are confidential at this stage.

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