
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): December 31, 2023

Avangrid, Inc.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction
of incorporation)

001-37660
(Commission
File No.)

14-1798693
(IRS Employer
Identification No.)

180 Marsh Hill Road
Orange, Connecticut
(Address of principal executive offices)

06477
(Zip Code)

(207) 629-1190
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|----------------------|--|
| Common Stock | AGR | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.02 Termination of a Material Definitive Agreement.

On December 31, 2023, Avangrid, Inc. (the “Corporation”) sent a notice to PNM Resources, Inc., a New Mexico corporation (“PNMR”), terminating the previously announced Agreement and Plan of Merger (as amended by the Amendment to Merger Agreement dated January 3, 2022, Amendment No. 2 to the Merger Agreement dated April 12, 2023, and Amendment No. 3 to the Merger Agreement dated June 19, 2023, collectively, the “Merger Agreement”), pursuant to which NM Green Holdings, Inc., a New Mexico corporation and wholly-owned subsidiary of the Corporation (“Merger Sub”), agreed to merge with and into PNMR (the “Merger”), with PNMR surviving the Merger as a direct wholly-owned subsidiary of the Corporation. A description of the Merger Agreement was included in the Current Reports on Form 8-K filed by the Corporation on October 21, 2020, January 3, 2022, April 12, 2023, and June 20, 2023, and is incorporated herein by reference.

The Merger was conditioned, among other things, upon the receipt of all Required Regulatory Approvals (as defined in the Merger Agreement) and provided that the Merger Agreement may be terminated by either party if the closing of the Merger shall not have occurred by 5:00 PM New York City Time on December 31, 2023 (the “End Date”). Because the required approval of the New Mexico Public Regulation Commission (one of the Required Regulatory Approvals) was not received by the End Date and the conditions to the closing of the Merger were thus not satisfied by the End Date, the Corporation exercised its right to terminate the Merger Agreement. No termination penalties were incurred by either party in connection with the termination of the Merger Agreement.

Item 7.01 Regulation FD.

On January 2, 2024, the Corporation issued a statement announcing, among other things, the termination of the Merger Agreement. A copy of this statement is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|----------------|---|
| 99.1 | Press statement dated January 2, 2024 |
| 104 | Cover page in Inline XBRL format |

Forward Looking Statements

Certain statements in this current report on Form 8-K may relate to our future business and financial performance and future events or developments involving us and our subsidiaries that are not purely historical and may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as “may,” “will,” “should,” “would,” “could,” “can,” “expect(s),” “believe(s),” “anticipate(s),” “intend(s),” “plan(s),” “estimate(s),” “project(s),” “assume(s),” “guide(s),” “target(s),” “forecast(s),” “are (is) confident that” and “seek(s)” or the negative of such terms or other variations on such terms or comparable terminology. Such forward-looking statements include, but are not limited to, statements about our plans, objectives and intentions, outlooks or expectations for earnings, revenues, expenses or other future financial or business performance, strategies or expectations, or the impact of legal or regulatory matters on business, results of operations or financial condition of the business and other statements that are not historical facts. Such statements are based upon the current reasonable beliefs, expectations, and assumptions of our management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. Important factors are discussed and should be reviewed in our Form 10-K and other subsequent filings with the SEC. Specifically, forward-looking statements include, without limitation: the impact of the termination of the proposed merger with PNMR on the Corporation; future financial performance, anticipated liquidity and capital expenditures; actions or inactions of local, state or federal regulatory agencies; adverse publicity or other reputational harm; changes in amount, timing or ability to complete capital projects; and other presently unknown unforeseen factors. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary in material respects from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements. We do not undertake any obligation to update or revise any forward-looking statements to reflect events or circumstances after the date of this report, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Other risk factors are detailed from time to time in our reports filed with the SEC, and we encourage you to consult such disclosures.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVANGRID, INC.

By: /s/ R. Scott Mahoney

Name: R. Scott Mahoney

Title: Senior Vice President – General Counsel and
Corporate Secretary

Dated: January 2, 2024

FOR IMMEDIATE RELEASE



**Avangrid Statement on
PNM Resources, Inc. Merger**

ORANGE, CT, January 2, 2024 — AVANGRID, Inc. (NYSE: AGR), a leading sustainable energy company and member of the Iberdrola Group, issued the following statement today on the previously announced merger agreement with PNM Resources, Inc. (PNM).

“Since 2020, Avangrid, a national leader in clean energy, has fought to gain approval of its merger with PNM, a merger that would bring over \$300 million in benefits to PNM consumers and communities and utilize the company’s vast experience, and the experience of Iberdrola, S.A., a global leader at the forefront of the energy transition, to help the state achieve its clean energy goals. Avangrid and PNM had obtained all the necessary regulatory approvals for the closing of the merger by the end of 2022 except the approval of the New Mexico Public Regulation Commission. However, with the close of 2023 there is still no clear timing on the resolution of the court review of the New Mexico regulator’s denial of the merger nor any subsequent regulatory actions. Avangrid has terminated the merger agreement because all final regulatory approvals were not received by December 31, 2023, the end date under the merger agreement after which either Avangrid or PNM could terminate the merger agreement if the merger had not yet been consummated. In connection with the termination of the merger agreement, the commitment letter, pursuant to which Iberdrola agreed to provide or arrange for funds to the extent necessary for Avangrid to consummate the merger, terminated automatically by its terms.

Avangrid intends to continue to focus on its robust growth opportunities, with over \$9 billion in incremental capital projects organically secured during the pendency of the merger. We will focus on delivering over \$5 billion in capital projects under our New York and Maine multi-year rate plans plus an incremental \$2 billion in capital projects related to clean energy transmission in New York (CLCPA II), repowering over \$5 billion of renewable assets under the benefits of the Inflation Reduction Act, and developing new renewable energy projects, including powering Vineyard Wind, the first large scale offshore wind project in the nation, which will further cement Avangrid as a national leader in clean energy.

While our merger agreement with PNM has been terminated, we remain more than ever steadfast in our commitment to New Mexico in the development of wind and solar renewables, helping explore options in the new hydrogen economy, and delivering on the partnership with the Navajo Nation to achieve its clean energy future.

Also, with no major transaction consummated in 2023, we reaffirm our EPS and Adjusted EPS 2023 guidance as presented without the impact of Renewables transactions that we had previously provided during our third quarter earnings presentation on October 26, 2023.

Avangrid will continue its national and global legacy of climate stewardship by working tirelessly to bring clean, affordable, and renewable energy to New Mexico and the 23 states we operate in across the nation.”

Forward Looking Statements

Certain statements in this press statement may relate to our future business and financial performance and future events or developments involving us and our subsidiaries that are not purely historical and may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as “may,” “will,” “should,” “would,” “could,” “can,” “expect(s),” “believe(s),” “anticipate(s),” “intend(s),” “plan(s),” “estimate(s),” “project(s),” “assume(s),” “guide(s),” “target(s),” “forecast(s),” “are (is) confident that” and “seek(s)” or the negative of such terms or other variations on such terms or comparable terminology. Such forward-looking statements include, but are not limited to, statements about our plans, objectives and intentions, outlooks or expectations for earnings, revenues, expenses or other future financial or business performance, strategies or expectations, or the impact of legal or regulatory matters on business, results of operations or financial condition of the business and other statements that are not historical facts. Such statements are based upon the current reasonable beliefs, expectations, and assumptions of our management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. Important factors are discussed and should be reviewed in our Form 10-K and other subsequent filings with the SEC. Specifically, forward-looking statements include, without limitation: the impact of the termination of the proposed merger with PNMR on the Corporation; future financial performance, anticipated liquidity and capital expenditures; actions or inactions of local, state or federal regulatory agencies; adverse publicity or other reputational harm; changes in amount, timing or ability to complete capital projects; and other presently unknown unforeseen factors. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary in material respects from those expressed or implied by these forward-looking statements. You should not place undue reliance on these forward-looking statements. We do not undertake any obligation to update or revise any forward-looking statements to reflect events or circumstances after the date of this report, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Other risk factors are detailed from time to time in our reports filed with the SEC, and we encourage you to consult such disclosures.

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About Avangrid: Avangrid, Inc. (NYSE: AGR) aspires to be the leading sustainable energy company in the United States. Headquartered in Orange, CT with approximately \$41 billion in assets and operations in 24 U.S. states, Avangrid has two primary lines of business: networks and renewables. Through its networks business, Avangrid owns and operates eight electric and natural gas utilities, serving more than 3.3 million customers in New York and New England. Through its renewables business, Avangrid owns and operates a portfolio of renewable energy generation facilities across the United States. Avangrid employs more than 7,500 people and has been recognized by JUST Capital in 2021, 2022 and 2023 as one of the JUST 100 companies – a ranking of America’s best corporate citizens. In 2023, Avangrid ranked first within the utility sector for its commitment to the environment. The company supports the U.N.’s Sustainable Development Goals and was named among the World’s Most Ethical Companies in 2023 for the fifth consecutive year by the Ethisphere Institute. Avangrid is a member of the group of companies controlled by Iberdrola, S.A. For more information, visit www.avangrid.com.



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