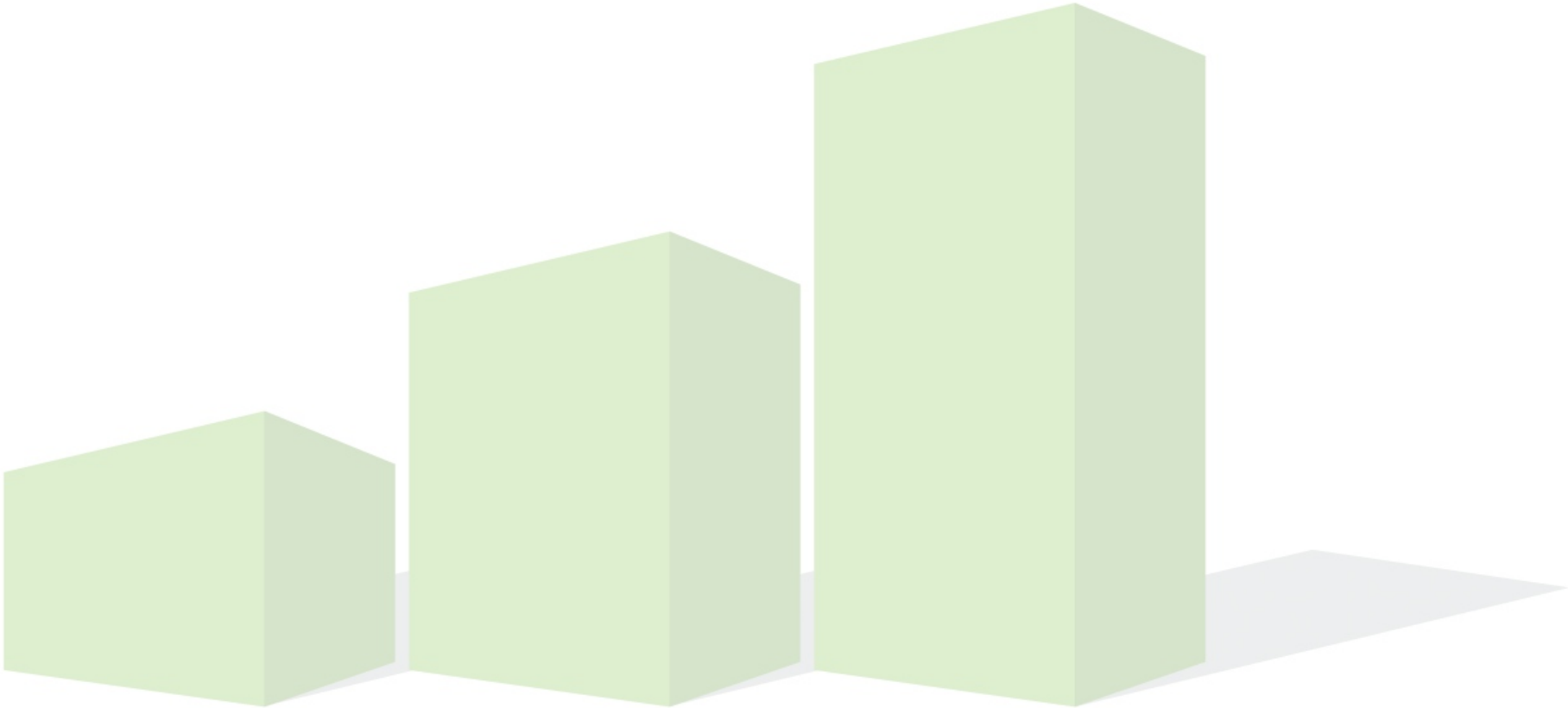




**PNM
COMMUNITY SURVEY
AUGUST 2015**

QUESTIONNAIRE



PNM PUBLIC PULSE Survey
July 2015
FINAL
N=1600 PNM Customers

Hello, my name is **(YOUR NAME)** from Research & Polling, Inc. We are conducting an important survey concerning utility services in your area. I assure you I am not selling anything. Your phone number was selected at random, and we would greatly appreciate a few minutes of your time.

A. Component

1. Albuquerque Metro area (n = 400)
2. Santa Fe (n = 400)
3. Northern NM (n = 200)
4. Southwest NM (n = 300)
5. Southeast NM (n = 200)
6. Tribal areas (n = 100)

1. What are the biggest issues or problems facing your community? (Probe) Anything else?

(DO NOT READ CATEGORIES) (TAKE UP TO 5 RESPONSES)

Crime

- 001. Crime
- 002. Illegal drug use
- 003. Gangs
- 004. Graffiti
- 005. DWI rate high
- 006. Police/legal system

Social

- 007. Alcoholism
- 008. Youth problems
- 009. Lack of youth activities
- 010. Domestic violence/family problems
- 011. Decline of family values

Economy

- 012. Lack of good jobs
- 013. Weak economy
- 014. Low wages
- 015. Lack of training for good jobs
- 016. Taxes are high/unreasonable
- 017. Cost of housing is high/unreasonable

- 499. Nothing in particular
- 500. Don't know/won't say

Other (SPECIFY) _____

- 018. Cost of living is high/unreasonable
- 019. Labor force/skilled labor unavailable
- 020. Growing too big/too fast

Education

- 021. Educational system is poor
- 022. Quality of school facilities
- 023. Future school funding
- 024. Affordable day care

Environment

- 025. Water shortage/water supply
- 026. Drought
- 027. Air pollution
- 028. Water pollution
- 029. Fires

Miscellaneous

- 030. Lack of services for the disabled
- 031. Lack of services for elderly
- 032. Gambling
- 033. Government/political leadership is incompetent
- 034. Government/political leadership is corrupt

- 035. Gun control
 - 036. Healthcare reform
 - 037. Homeless
 - 038. Illiteracy
 - 039. Illegal Immigration
 - 040. Nuclear waste transport
 - 041. Sewers/drains
 - 042. High gasoline prices
 - 043. High cost of electricity
- Traffic**
- 044. Congestion
 - 045. Roads/streets/highways are in bad condition
 - 046. Orange barrels/constant street maintenance
 - 047. Not enough roads/highways
 - 048. Lack of/insufficient public transportation

I'd like to read you a list of items that may or may not be important to you in what you expect from your electric utility company. For each item, please tell me how important it is using a 0 to 10 scale in which 0 means *not important at all* and 10 means *extremely important*. The first one is:

		EXTREMELY IMPORTANT																NOT IMPORTANT AT ALL	DK/ WS
2.	Having the lowest electric rates in the west	10	09	08	07	06	05	04	03	02	01	00	11						
3.	Providing the highest quality customer service	10	09	08	07	06	05	04	03	02	01	00	11						
4.	Providing the most reliable electric service to your home	10	09	08	07	06	05	04	03	02	01	00	11						
5.	Developing more renewable energy sources, such as solar and wind	10	09	08	07	06	05	04	03	02	01	00	11						
6.	Reducing pollution from power plants	10	09	08	07	06	05	04	03	02	01	00	11						
7.	You gave high marks to these items (read highest statements). Which one do you feel is the most important? (READ HIGHEST RATED CATEGORIES ONLY) (TAKE ONE RESPONSE ONLY)																		

(POLLER NOTE: IF ONLY ONE RATED HIGHEST, CIRCLE WITHOUT ASKING)

2. Having the lowest electric rates in the west
3. Providing the highest quality customer service
4. Providing the most reliable electric service to your home
5. Developing more renewable energy sources, such as solar and wind
6. Reducing pollution from power plants
7. Don't know/won't say (DO NOT READ)

8. How much of a dollar increase in your monthly electric bill would you be willing to pay for PNM to generate more electricity through renewable energy sources such as solar or wind?

00. None
 _____ Per month (ENTER WHOLE DOLLAR AMOUNT, USE TWO DIGITS)
 98. \$98 or more
 99. Don't know/won't say

9. Now I'm going to share some information about the San Juan Generating Station operated by PNM. This coal-fired power plant is located near Farmington, New Mexico and has four units that generate electricity. A large portion of your electricity comes from this plant.

PNM has filed a plan to permanently close two of the four units and install new pollution-reducing technology on the remaining two units.

This plan would cut PNM's coal use at San Juan by 37 percent (on January 1, 2018). The new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50 percent.

Have you heard about this plan?

1. Yes
2. No
3. Don't know/won't say (DO NOT READ)

10. I'd like to read you two different points of view about the San Juan Generating Station operated by PNM.

(POLLER: ROTATE PARAGRAPHS a. AND b.)

Ex. (Read "The first one is" [a or b], "the second one is" [a or b])

a.) Some environmental groups oppose PNM's plan because they believe it doesn't go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.

b.) PNM's plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.

After hearing this information, do you support PNM's plan to close 2 of the 4 coal-fired units at the San Juan electric plant, or do you prefer closing the entire power plant?

1. PNM plan 2 of 4
2. Close ALL
3. Depends *(volunteered)*
4. Don't know/won't say *(DO NOT READ) (SKIP TO INTRO TO Q.12)*

11. **Why do you feel this way? (DO NOT READ CATEGORIES) (TAKE UP TO THREE RESPONSES)**

Coal

- 001. Coal is bad/more pollutants
- 002. Coal is less expensive
- 003. U.S. has abundant supply of coal

Gas

- 004. Natural gas is cleaner
- 005. U.S. has abundant supply of natural gas
- 006. Natural gas contains methane
- 007. Natural gas creates a demand for "fracking"
- 008. Natural gas is less expensive

499. No reason in particular

500. Don't know/won't say

Other *(SPECIFY)* _____

Renewables

- 009. Should be pursuing more renewables (solar/wind)
- 010. Renewables are more expensive
- 011. Solar/wind not reliable

Electric

- 012. Electric rates will go down
- 013. Electric rates will go up
- 014. Need reliable electricity

Misc

- 015. Will reduce air pollution
- 016. Global warming is not real
- 017. Global warming is a problem
- 018. Will cut jobs
- 019. Will create jobs

Depends

- 020. Need more information
- 021. Depends on cost
- 022. Depends on how much my bill will go up

THANK YOU FOR YOUR PATIENCE; WE ARE ALMOST DONE. NOW, I WOULD LIKE TO ASK SOME QUESTIONS FOR STATISTICAL PURPOSES ONLY.

12. Into which age category do you fit? (READ CATEGORIES)

- | | |
|-------------------|-------------------------------------|
| 1. 18 to 34 years | 4. 65 years or older |
| 2. 35 to 49 years | 5. Won't say (<i>DO NOT READ</i>) |
| 3. 50 to 64 years | |

13. Which of the following categories best describes your total household income? (READ CATEGORIES)

- | | |
|-------------------------|-------------------------------------|
| 1. Less than \$20,000 | 4. \$60,000 to \$79,999 |
| 2. \$20,000 to \$39,999 | 5. \$80,000 and over |
| 3. \$40,000 to \$59,999 | 6. Won't say (<i>DO NOT READ</i>) |

14. Do you consider yourself to be: (READ CATEGORIES)

- | | |
|---------------------------|-------------------------------------|
| 1. Hispanic | 4. Native American Indian |
| 2. Anglo | 5. Or of other descent? |
| 3. Black/African-American | 6. Won't say (<i>DO NOT READ</i>) |

15. What is the highest level of education you have attained? (READ CATEGORIES)

- | | |
|---|---|
| 1. Some high school | 4. College graduate (4 years) |
| 2. High school graduate | 5. Graduate degree (MD, PhD, J.D., Masters) |
| 3. Some college/associate degree/vocational certificate | 6. Won't say (<i>DO NOT READ</i>) |

THIS CONCLUDES OUR SURVEY. THANK YOU FOR YOUR TIME. HAVE A GOOD DAY.

NOTE TO INTERVIEWER, WAS RESPONDENT:

1. Male
2. Female

Respondent's Phone Number _____

Interviewer Name _____

Interviewer Code _____

RESEARCH & POLLING INC



PNM
COMMUNITY SURVEY – STATEWIDE RESULTS
AUGUST 2015

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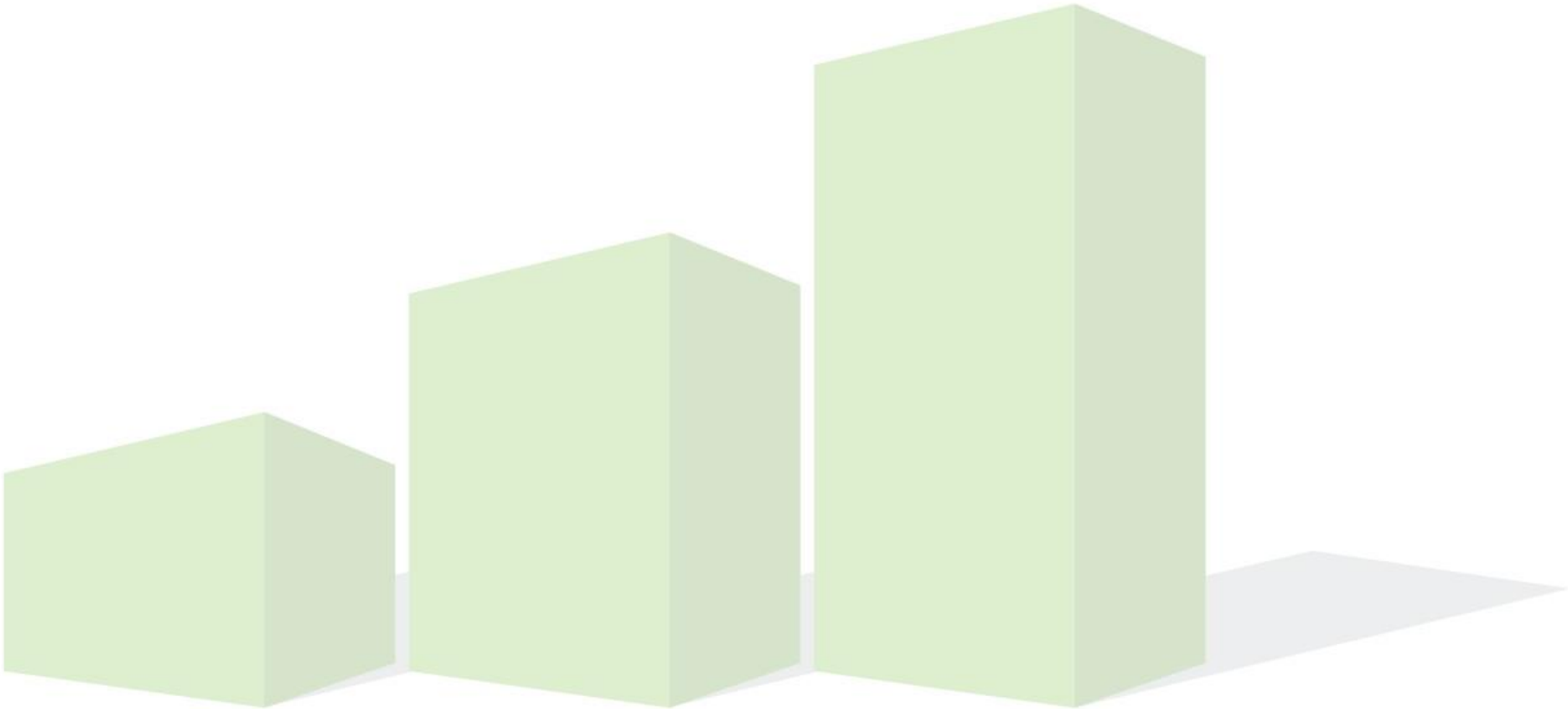
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I. INTRODUCTION



METHODOLOGY

This research study was commissioned by PNM in order to assess which electric utility attributes PNM customers believe are most important. This study also measured customers' awareness of PNM's plan to close a portion of the San Juan Generating Station, as well as customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

THE INTERVIEW

A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- Albuquerque Metro Area (n=401)
- Santa Fe (n=406)
- Northern New Mexico (n=200)
- Southwestern New Mexico (n=306)
- Southeastern New Mexico (n=205)

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. All interviews were conducted between July 22nd and August 6th, 2015.

Interviews were also conducted among tribal members (n=101) in the Tesuque, Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, Isleta and Laguna Pueblos. The survey results from the oversample of Native Americans residing on tribal lands are reported separately and are not included in the random statewide results of PNM customers (n=1,518).

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 1,518 PNM customers completed interviews. An additional 101 tribal members completed interviews.

MARGIN OF ERROR

A sample size of 1,518 at a 95% confidence level provides a maximum margin of error of approximately 2.5%. In theory, in 95 out of 100 cases, the results based on a sample of 1,518 will differ by no more than 2.5 percentage points in either direction from what would have been obtained by interviewing all PNM customers in New Mexico

SAMPLE BIAS

In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

EXECUTIVE SUMMARY

PNM customers throughout the state were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When customers were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers. Having the most reliable electric service is rated as important by the vast majority (90%) of PNM customers, followed closely by providing the highest quality customer service (80%). Seventy-two percent rate having the lowest electric rates as important, 70% say reducing pollution from power plants is important, and 64% say developing more renewables is important.

When customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, providing the most reliable electric service (30%) was selected most often, followed by having the lowest rates in the West (25%), developing more renewables (21%), reducing pollution (14%), and providing the highest quality customer service (7%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

The majority of PNM customers (58%) are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. However, certain demographic groups are more likely to be aware of PNM's plan, including:

- Those in the Albuquerque and Santa Fe areas
- Males
- Anglos
- Those ages 50 and older
- Those of higher socio-economic status

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. The majority (64%) of PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 16% say PNM should close the entire plant. Of note, those in the Santa Fe area are more likely than those residing in other regions of the state to say that PNM should close the entire plant; however, the majority of Santa Fe customers still prefer that PNM close two of the four coal-fired units. Additionally, customer awareness of PNM's plan to close two of the four coal-fired units prior to this survey made little difference in which option customers felt was best; the majority of those who are aware and unaware of PNM's plan agree that PNM should close two of the four units.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, those in favor of closing two of the four coal-fired units mention reliability issues (23%), job cuts (9%), doing things one step at a time (7%), and diverse sources of energy are better (6%). Those in favor of closing the entire plant give reasons such as PNM should be pursuing more renewables (19%), reducing air pollution (8%), and that coal is bad/more pollutants (6%).

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 12 UNAIDED RESPONSES	
TOTAL SAMPLE (N=1518)	
CRIME	28%
LACK OF GOOD JOBS	8%
WATER SHORTAGE/WATER SUPPLY	7%
ILLEGAL DRUG USE	5%
EDUCATIONAL SYSTEM POOR	5%
WEAK ECONOMY	5%
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	4%
HOMELESS POPULATION	4%
LOW WAGES	3%
POLICE/LEGAL SYSTEM	3%
NOTHING IN PARTICULAR	21%
DON'T KNOW/WON'T SAY	14%

PNM customers were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Nearly three-in-ten (28%) PNM customers say that crime is the biggest issue or problem, followed by 8% who mention a lack of good jobs, and 7% who mention water shortage/water supply. Five percent each mention one of the following: illegal drug use, poor educational system, and weak economy. Notably, 35% of PNM customers did not mention a particular problem or issue facing their community.

Among tribal members, 12% say the biggest problem facing their community is alcoholism, followed by 7% who say better services, 6% who say power outages, 5% who mention lack of good jobs, and another 5% who mention crime.

It is interesting to note that certain demographic subgroups are more likely than others to mention certain problems or issues facing their communities. For example, males (31%), those in the Albuquerque Metro area (32%), those ages 35 to 49 (33%), and those earning more than \$40,000 (42%) are more likely than others to say that crime is the biggest problem or issue. Further, those in Northern New Mexico are more likely than others to mention a lack of good jobs (23%), water shortage/supply (20%), and weak economy (12%).

Notably, few customers mention issues or problems regarding utilities. For example, 1% of customers each mention power outages, high utility costs, or the high cost of electricity.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE)													
TOTAL SAMPLE (N=1518) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	68%	11%	11%	4%	1%	2%	*	*	-	*	1%	*	9.2
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	55%	10%	15%	7%	2%	5%	1%	2%	*	*	1%	1%	8.7
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	51%	8%	13%	5%	4%	13%	1%	1%	*	1%	2%	1%	8.3
REDUCING POLLUTION FROM POWER PLANTS	48%	9%	13%	6%	5%	10%	2%	1%	2%	1%	3%	1%	8.1
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	45%	8%	11%	7%	4%	11%	2%	3%	1%	2%	3%	3%	7.8

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

PNM customers were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

Nine-in-ten PNM customers statewide rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with the majority (68%) saying this is *extremely important*. Overall, there is little significant variation among demographic subgroups, as nearly all customers see providing reliable electric service as important.

Among tribal members, 87% rate providing the most reliable electric service to their homes as important, with 69% who say this is *extremely important*. Of note, just 1% of tribal members say that providing the most reliable electric service is unimportant (a score of 0, 1, 2, 3, or 4).

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

Eight-in-ten PNM customers rate providing the highest quality electric service as important (a score of 8, 9, or 10), with over half (55%) saying this is *extremely important*. Again, due to the high percentage of residents who rate this as important, there is little significant variation across demographic subgroups.

Eight-in-ten (82%) tribal members rate providing the highest quality customer service as important, with over half (52%) saying this is *extremely important*. Notably, no (0%) tribal members rate this as unimportant, while 17% have a neutral opinion.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

Nearly three-quarters (72%) of PNM customers say that having the lowest rates in the West is important with just over half (51%) saying this is *extremely important*. Over one-fifth (22%) have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7), while 5% say this is unimportant (a score of 4, 3, 2, 1 or 0). Of note, those of lower socio-economic status are more likely to say that having the lowest rates is *extremely important*.

Among tribal members, three-quarters rate having the lowest electric rates as important, with half saying this is *extremely important*. One-fifth has a neutral opinion, and just 3% rate having the lowest electric rates in the West as unimportant.

REDUCING POLLUTION FROM POWER PLANTS

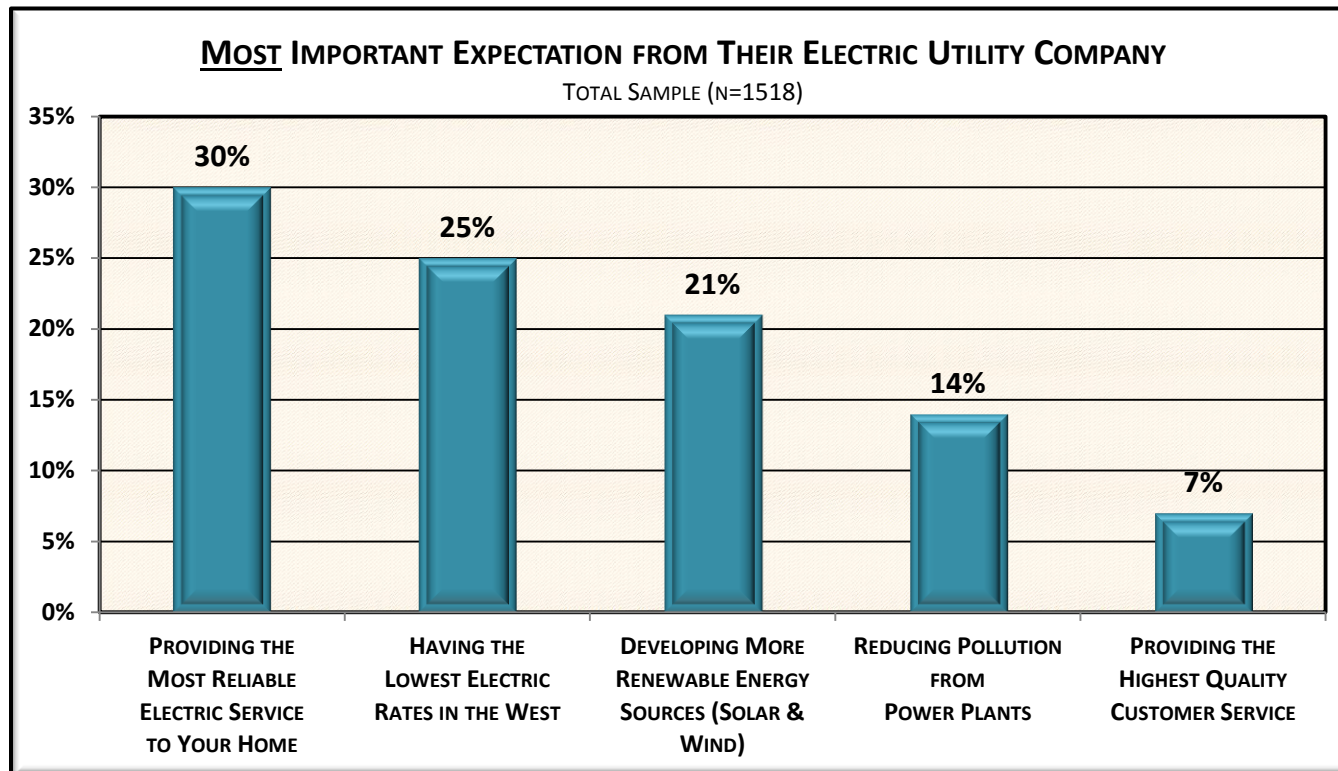
Seven-in-ten PNM customers rate reducing pollution from power plants as important, with just under half (48%) saying this is *extremely important*. One-fifth (21%) have a neutral opinion or felt this was slightly important, while 9% say this is unimportant. Interestingly, those residing in the Santa Fe service area (63%) are more likely than those in other areas to say reducing pollution is *extremely important*.

Among tribal members, 73% rate reducing pollution as important, with just under half (47%) rating this as *extremely important*. Nearly one-fifth (18%) have a neutral opinion, while just 4% rate reducing pollution as unimportant.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

Just under two-thirds (64%) of PNM customers rate developing more renewable energy sources as important, with less than half (45%) who say this is *extremely important*. One-fifth (22%) have a neutral opinion or felt this was slightly important, while one-in-ten (11%) say this is unimportant. Those residing in the Santa Fe service area (56%) are more likely than customers residing in other areas to say developing more renewable energy sources is *extremely important*.

Nearly two-thirds of tribal members' rate developing more renewable energy sources as important, with two-fifths saying this is *extremely important*. One-quarter have a neutral opinion, while just 3% say developing more renewables is unimportant.



Customers were reread the five attributes from page seven asked **which item is the most important to them** in what they expect from their electric utility. Overall, providing the most reliable electric utility service (30%) is the most important attribute, followed by one-quarter who say having the lowest electric rates in the West is the most important. The third most important attribute among PNM customers is developing more renewable energy sources (21%), followed by reducing pollution from power plants (14%), and providing the highest quality customer service (7%).

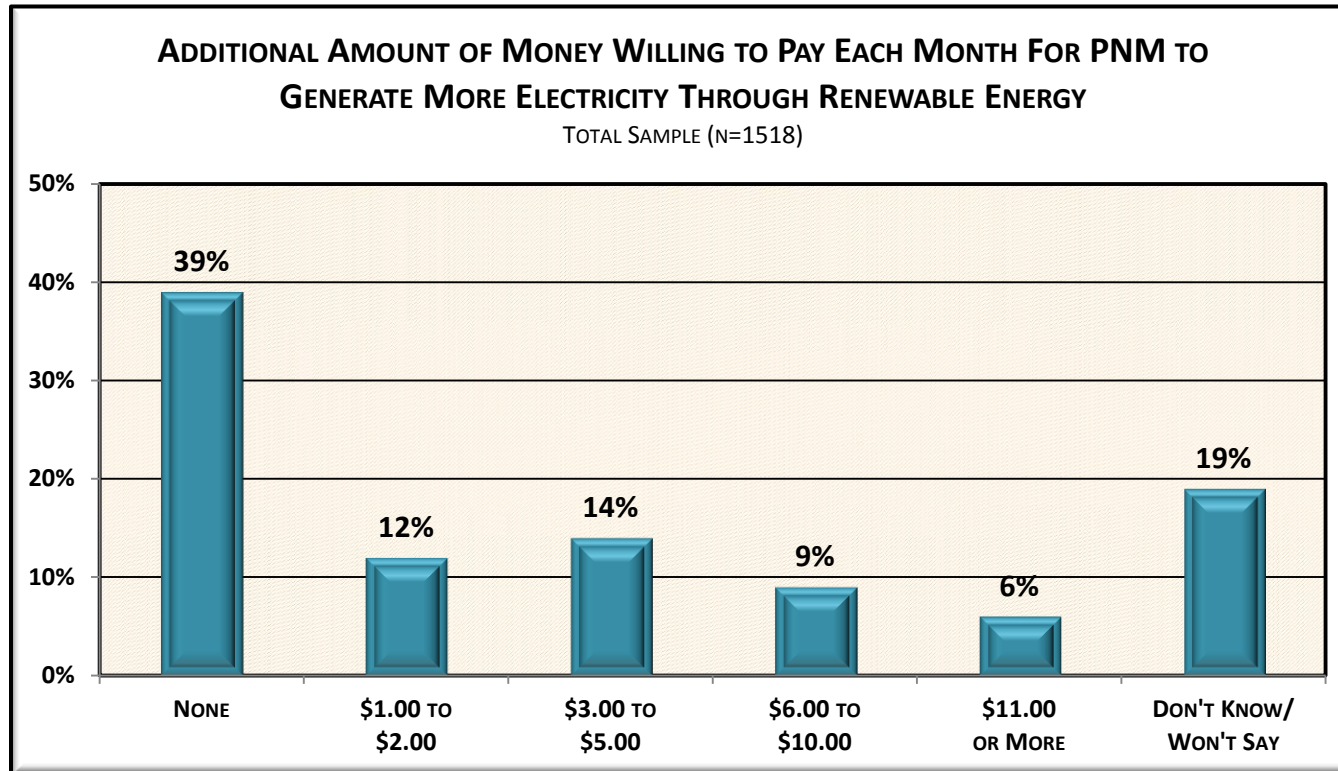
Interestingly, those in Northern New Mexico (38%) compared to those in the Santa Fe area (25%), males (33%) compared to females (27%), Anglos (36%) compared to Hispanics (24%), and those earning over \$60,000 (40%) compared to those earning less than \$60,000 (25%) are more likely to say providing reliable electric service is most important.

Those in the Albuquerque Metro area, Hispanics, and those of lower socio-economic status are more likely to say having the lowest rates in the West is the most important. Those in the Santa Fe area are more likely than others to say that developing renewables (35%) and reducing pollution from power plants (17%) are the most important. More specifically, among those in the Albuquerque Metro, Hispanics (36%), those earning less than \$20,000 (40%), and those residing in the Valley/Downtown area (38%) are more likely than others to say having the lowest electric rates in the West is the most important.

Among tribal members, providing the most reliable electric service (27%) is the most important, followed closely by having the lowest electric rates in the West (24%). Developing more renewable energy sources (18%), and reducing pollution from power plants (17%) is seen as most important by just under one-fifth of tribal members, while providing the highest quality customer service is seen as the most important among one-in-ten tribal members.

<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u>						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each regions second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.

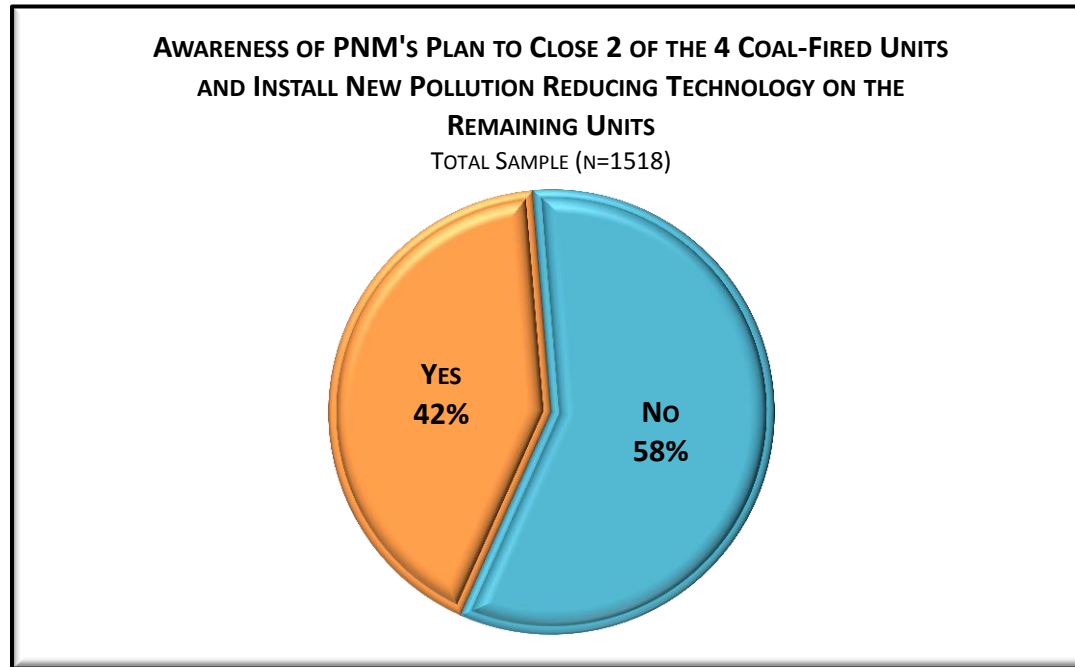


Residents were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. Two-fifths (39%) of PNM customers say they are unwilling to pay any additional amount on their monthly bill, while 12% mention they are willing to pay one to two dollars more a month. Fourteen percent are willing to pay three to five dollars more a month, while another 15% are willing to pay six dollars or more.

Of note, those in the Santa Fe area (24%), Anglos (18%), those ages 18 to 34 (22%), those earning over \$80,000 (31%) and those with graduate degrees (30%) are more likely than others to say they are willing to pay six dollars or more for PNM to generate more electricity through renewable energy sources.

Those more likely than others to say they are unwilling to pay any additional money for PNM to generate more electricity through renewable sources include those in Northern New Mexico (49%), those in Southwestern New Mexico (45%), those earning less than \$20,000 annually (47%), and high school graduates or less (45%).

Two-fifths (39%) of tribal members say they are unwilling to pay any more on their monthly electric bill for PNM to generate more electricity through renewables, while one-fifth (19%) say they are willing to pay one or two dollars more. Fifteen percent say they are willing to pay three to five dollars more, while 7% are willing to pay six dollars or more per month for PNM to generate more electricity through renewables. Notably, one-fifth (21%) did not offer a dollar amount increase they would be willing to pay.



Residents were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Residents were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. Residents were then **asked if they had heard of this plan.**

The majority (58%) of PNM customers say they have not heard of PNM's plan, while 42% say they have heard of it.

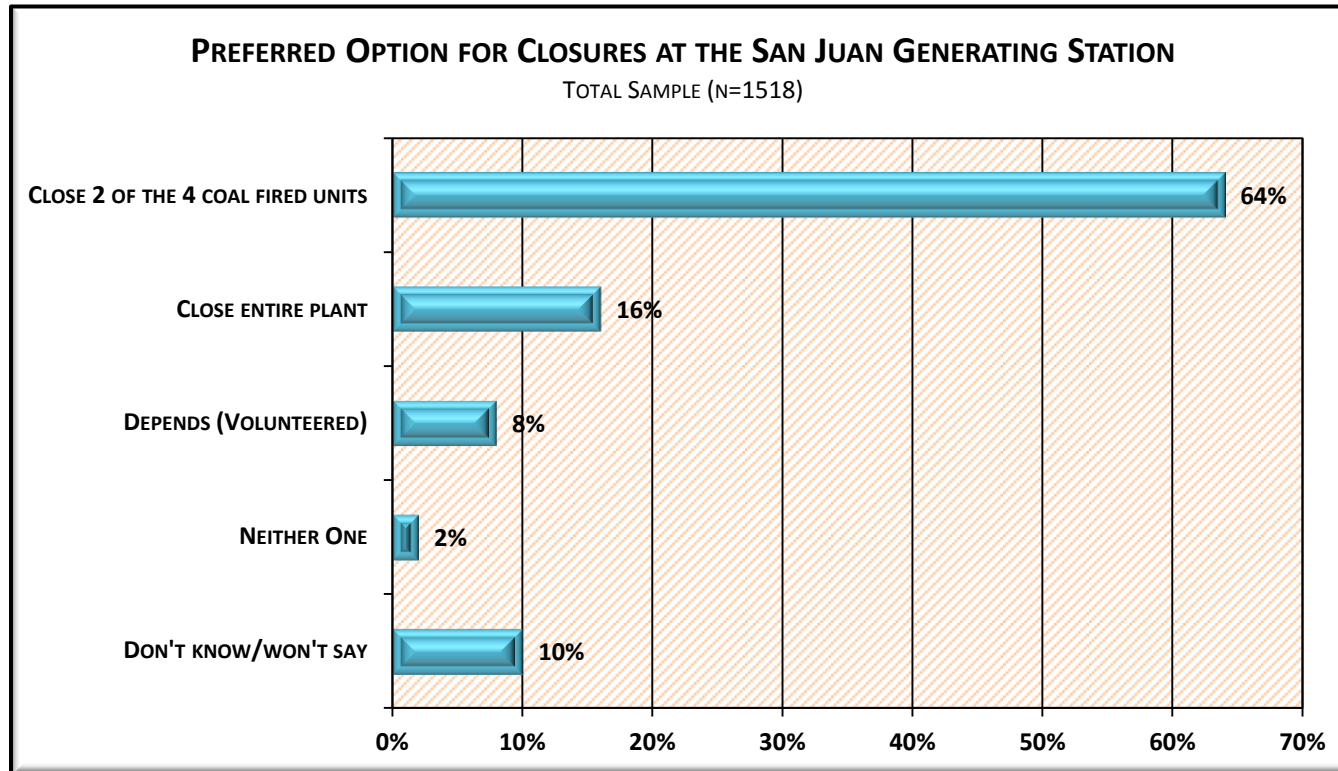
Those *more* likely to say they have heard of PNM's plan include:

- Those in the Albuquerque (43%) and Santa Fe (47%) areas
- Males (48%)
- Anglos (49%)
- Those age 50 and older (49%)
- Those earning \$40,000 or more (53%)
- Those who are at least college graduates (57%)

Those *less* likely than others to say they have heard of PNM's plan include:

- Those in Southwestern (34%), Northern (28%), and Southeast (19%) New Mexico
- Females (36%)
- Hispanics (37%)
- Those ages 18-34 (32%)
- Those earning less than \$40,000 (31%)
- Those who are high school graduates or less (29%)

Among tribal members, just over one-third (35%) say they have heard of PNM's plan, while the majority (65%) has not.



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

Residents were read **two different viewpoints (shown above, rotated when read to survey participants) about the San Juan Generating Station operated by PNM** and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. The majority (64%) of PNM customers say they support PNM’s plan to close two of the four coal-fired units, while 16% say PNM should close the entire plant. Eight percent say “it depends” and one-in-ten did not offer an opinion.

Those more likely than others to agree that PNM should close two of the four coal-fired units include:

- Those in the Albuquerque Metro area (65%)
- Males (68%)
- Those ages 18-34 (73%)
- Those earning \$80,000 or more (72%)

Those more likely than others to say that PNM should close the entire San Juan Generating Station include:

- Those in the Santa Fe area (32%)
- Anglos (18%)
- Those ages 35-49 (20%)
- And those earning \$60,000 to under \$80,000 (24%)

Among those who were aware of PNM's plan to close two of the four coal-fired units prior to this survey, 66% say PNM should close two of the four coal-fired units. Similarly, among those who were unaware of PNM's plan prior to this survey, the majority (64%) agrees PNM should close two of the four coal-fired units.

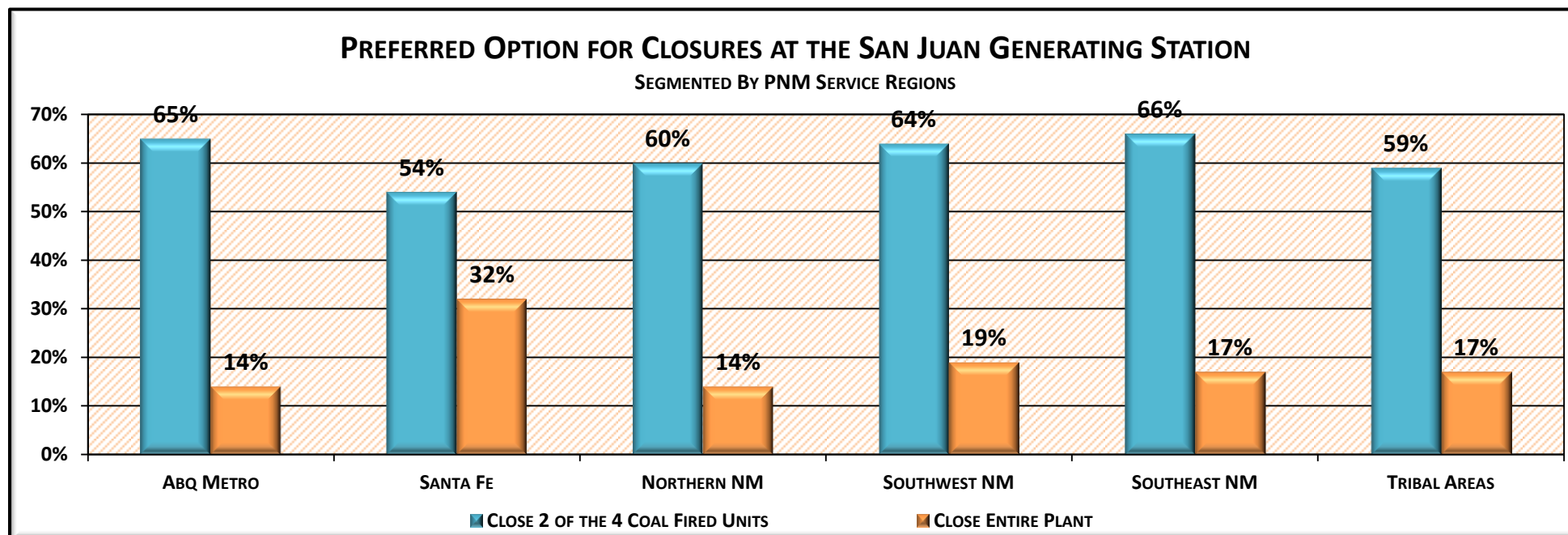
Among tribal members, the majority (59%) agrees with PNM's plan to close two of the four coal-fired units, while 17% says PNM should close the entire plant. Of note, 6% say "it depends", while one-fifth (19%) did not offer an opinion.

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

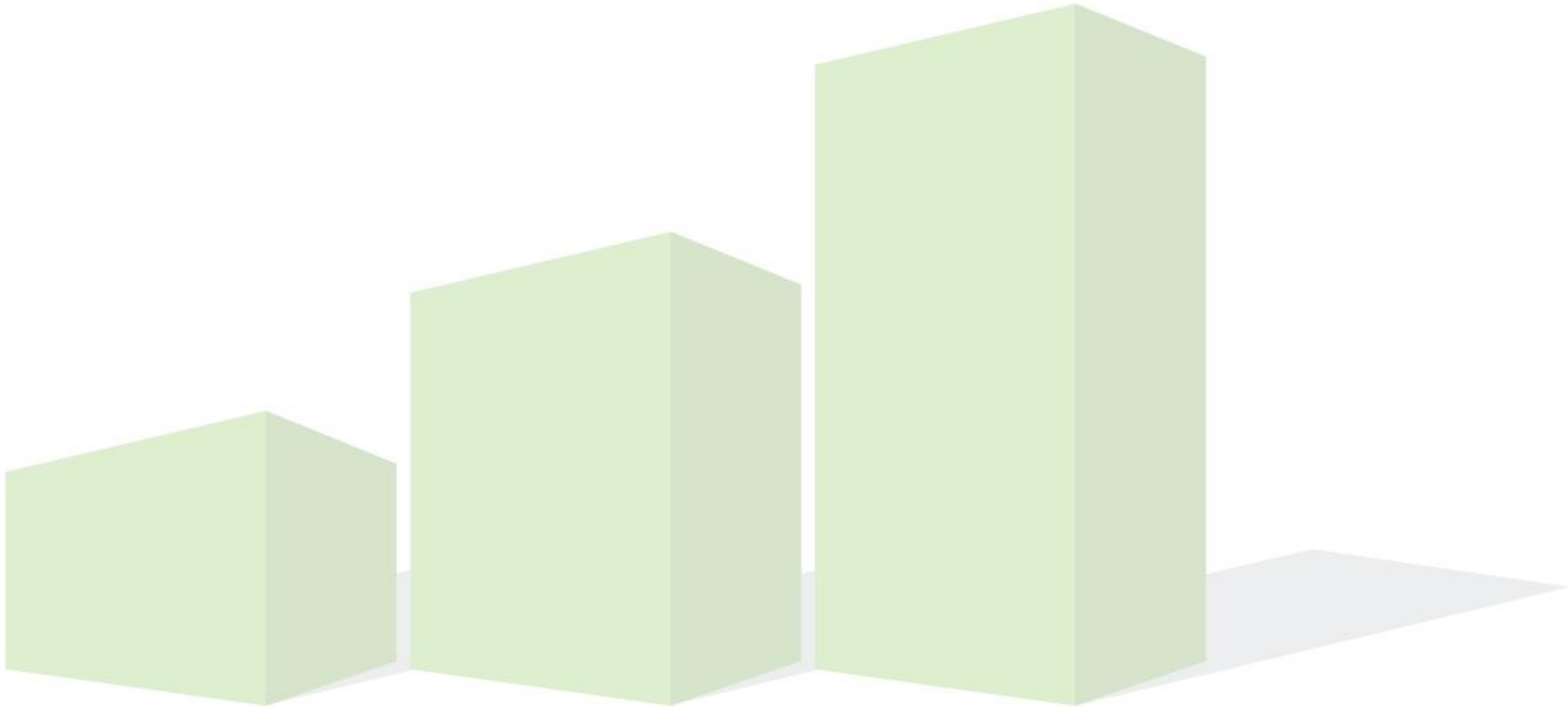
REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION AMONG THOSE WHO CHOSE A CLOSURE OPTION TOTAL SAMPLE (N=1363) TOP 9 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	19%
WILL REDUCE AIR POLLUTION	8%
COAL IS BAD/MORE POLLUTANTS	6%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITS	
SOLAR/WIND ARE NOT AS RELIABLE	12%
NEED MORE RELIABLE ELECTRICITY	11%
WILL CUT JOBS	9%
TAKE A STEP AT A TIME (CLOSE DOWN 2)	7%
DIVERSE SOURCES OF ENERGY ARE BETTER	6%
NEUTRAL	
NEED MORE INFORMATION	11%

Residents were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. Nearly one-fifth of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables (19%), while 8% mention a reduction in air pollution, and another 6% say coal is bad/more pollutants. Those who say PNM should close two of the four coal-fired units mention that solar/wind are not reliable (12%), a need for reliable electricity (11%), will cut jobs (9%), to take closures a step at a time (7%), and 6% mention that diverse sources of energy are better. Eleven percent say they need more information.

Of note, Anglos (23%) and those in Santa Fe (25%) are more likely to mention a need to pursue renewables, while those in Northern and Southeastern New Mexico are more likely than others to mention something about reliable electricity as the reason for supporting their position on the San Juan Generating Station.

Among tribal members, 12% mention a need for reliable electric service, while another 11% mention the need for reliable/safe sources/service of power. One-in-ten mention one of the following: take it one step at a time (close down 2 units) (10%), should be pursuing more renewables (10%), need more information (9%), and coal is bad/more pollutants (9%).

II. SUMMARY OF RESULTS



BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY

QUESTION 1: WHAT ARE THE BIGGEST ISSUES OR PROBLEMS FACING YOUR COMMUNITY?

CRIME	28%	LACK OF SERVICES FOR ELDERLY	*	LACK OF AWARENESS OF ENVIRONMENTAL ISSUES	*
LACK OF GOOD JOBS	8%	TRAFFIC: LIGHTS	*	LACK OF TOURISM	*
WATER SHORTAGE/WATER SUPPLY	7%	WATER POLLUTION	*	CLIMATE CHANGE	*
ILLEGAL DRUG USE	5%	SEWERS/DRAINS	*	ZONING ISSUES	*
EDUCATIONAL SYSTEM IS POOR	5%	FIRES	*	MORE UNDERGROUND WIRING/LOW POWER LINES	*
WEAK ECONOMY	5%	NOT ENOUGH ROADS/HIGHWAYS	*	ZONING COMMISSION	*
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	4%	TAXES ARE HIGH/UNREASONABLE	*	INCOME INEQUALITY	*
HOMELESS	4%	NEIGHBORS: NOISY/DOGS BARKING/PARKED CAR/ETC.	*	WELFARE ABUSE	*
LOW WAGES	3%	ILLEGAL IMMIGRATION	*	RECEIVING MAIL 2 MONTHS LATER	*
POLICE/LEGAL SYSTEM	3%	GRAFFITI	*	LACK OF SERVICES	*
DWI RATE HIGH	2%	FUTURE SCHOOL FUNDING	*	LACK OF HOUSING	*
POVERTY	2%	QUALITY OF SCHOOL FACILITIES	*	BLOCKING THE GILA RIVER	*
COST OF LIVING IS HIGH/UNREASONABLE	2%	GOVERNMENT/POLITICAL LEADERSHIP IS INCOMPETENT	*	GLOBAL WARMING	*
GUN CONTROL	2%	PNM NOT MEETING PEOPLE'S NEEDS: DROP BOX/OFFICE HOURS/NOT LISTENING	*	PNM INVESTING IN UNSTABLE COAL PLANT/LACK OF RESPONSE ON ENVIRONMENT ISSUES	*
DROUGHT	2%	DESTRUCTION OF OUR CONSTITUTION	*	SPACE	*
GANGS	1%	VIOLENCE	*	TREATMENT CENTERS FOR ADULTS AND TEENS	*
POWER OUTAGES	1%	LOW PAY FOR TEACHERS	*	HIGH GASOLINE PRICES	*
CONGESTION	1%	INFRASTRUCTURE	*	CULTURE	*
UTILITIES TOO HIGH	1%	POLITICIANS/POLITICS	*	DIRTY PARKS	*
BAD DRIVERS: SPEEDERS/CELL USERS	1%	ILLEGAL DUMPING	*	COYOTE KILLING	*
LACK OF YOUTH ACTIVITIES	1%	DAY CARE (TO BE SAFE/RELIABLE/OFFER BEFORE SCHOOL CARE)	*	SCHOOL ADMINISTRATORS GETTING HIGHER PAY	*
PEOPLE'S YARDS (TRASH/CARS/ETC.)	1%	ROACHES	*	TEEN PREGNANCY	*
ORANGE BARRELS/CONSTANT STREET MAINTENANCE	1%	MEDICAL CARE: DIABETES/HEALTH ISSUES/MEDICAL FACILITIES	*	MONOPOLY ON UTILITIES	*
HIGH COST OF ELECTRICITY	1%	POOR TASTE IN DESIGN	*	GAMBLING	*
LACK OF ECONOMIC DEVELOPMENT	1%	BETTER SERVICES: INTERNET/CELL/PHONE/WIFI	*	ACCESS TO CLEANER POWER	*
YOUTH PROBLEMS	1%	TRAFFIC: HIGH	*	FLOOD INSURANCE SHOULDN'T BE REQUIRED IN AREA	*
NEED MORE BUSINESSES/SMALL	1%	HIGH COST OF INTERNET	*	RENTAL PROPERTIES NOT MAINTAINED	*
DOMESTIC VIOLENCE/FAMILY PROBLEMS	1%	NEED ANIMAL CONTROL	*	NO NATURAL GAS	*
GOVERNMENT/POLITICAL LEADERSHIP IS CORRUPT	1%	FLOOD CONTROL: ARROYOS RUN OFFS/PIPES	*	LACK OF SERVICES FOR THE DISABLED	*
DECLINE OF FAMILY VALUES	1%	LACK OF RENEWABLE ENERGY/TECHNOLOGY	*	INSURANCE PREMIUMS TOO HIGH	*
PEOPLE: RUDE/ANGRY/ETC.	1%	NEED GROWTH	*	SMART READERS ARE DANGEROUS	*
LABOR FORCE/SKILLED LABOR UNAVAILABLE	1%	AFFORDABLE DAY CARE	*	MINES GET AWAY WITH THINGS DUE TO CORPORATE SIZE	*
ALCOHOLISM	1%	LACK OF ENTERTAINMENT/RECREATION	*	POOR COVERAGE OF THEIR LOCAL NEWSPAPER	*
AIR POLLUTION	1%	FRACKING	*	GMO'S	*
OVER POPULATION	1%	NOISE POLLUTION	*	RURAL AREAS DON'T GET A FAIR SHARE OF STATE BENEFITS	*
LANDSCAPING IS BAD	1%	RECYCLING	*		
LACK OF TRAINING FOR GOOD JOBS	*	LACK OF YOUNG POPULATION	*	NOTHING IN PARTICULAR	21%
GROWING TOO BIG/TOO FAST	*	NATURAL RESOURCES AVAILABILITY	*	DON'T KNOW/WON'T SAY	14%
TOO MANY VACANT LOTS/HOUSES/BUILDINGS/ETC.	*	NUCLEAR WASTE TRANSPORT	*		
COST OF HOUSING IS HIGH/UNREASONABLE	*	LACK OF/INSUFFICIENT PUBLIC TRANSPORTATION	*		
HEALTHCARE REFORM	*				

* LESS THAN 1% REPORTED.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

QUESTION 2: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	51%	51%	43%	64%	59%	54%	49%	53%	59%	43%	61%	55%	53%	48%	49%
9	8%	8%	5%	10%	8%	7%	10%	7%	7%	8%	26%	6%	11%	8%	7%
8	13%	13%	10%	7%	11%	14%	13%	12%	11%	15%	5%	15%	11%	12%	12%
7	5%	5%	8%	3%	8%	7%	6%	4%	6%	5%	1%	5%	7%	4%	5%
6	4%	4%	4%	2%	1%	3%	4%	3%	3%	4%	1%	3%	6%	2%	5%
5	13%	13%	18%	6%	8%	12%	12%	13%	10%	17%	5%	5%	8%	20%	16%
4	1%	1%	2%	3%	-	1%	1%	1%	*	2%	-	1%	2%	1%	1%
3	1%	1%	3%	1%	1%	2%	2%	1%	1%	1%	1%	3%	1%	2%	1%
2	*	*	3%	-	-	-	1%	*	*	1%	-	1%	1%	*	*
1	1%	1%	-	-	1%	-	1%	1%	2%	-	-	2%	-	*	1%
0 – NOT IMPORTANT AT ALL	2%	2%	3%	-	-	-	2%	2%	1%	2%	-	1%	1%	2%	2%
DON'T KNOW/WON'T SAY	1%	1%	1%	4%	2%	1%	1%	1%	1%	1%	-	2%	-	1%	1%
MEAN †	8.3	8.3	7.6	9.0	8.8	8.5	8.2	8.3	8.6	7.9	9.3	8.5	8.5	8.1	8.0
MEDIAN	10.0	10.0	8.0	10.0	10.0	10.0	9.0	10.0	10.0	9.0	10.0	10.0	10.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION				TRIBAL TOTAL SAMPLE (N=101)
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE	
10 – EXTREMELY IMPORTANT	51%	58%	61%	57%	36%	39%	58%	55%	44%	37%	50%
9	8%	6%	10%	8%	5%	6%	5%	12%	11%	4%	12%
8	13%	10%	10%	13%	26%	10%	8%	15%	17%	13%	13%
7	5%	3%	5%	4%	9%	6%	3%	5%	4%	11%	5%
6	4%	2%	2%	3%	6%	6%	3%	1%	7%	7%	3%
5	13%	13%	9%	9%	11%	20%	15%	9%	11%	17%	12%
4	1%	-	-	*	*	4%	*	-	2%	5%	2%
3	1%	-	-	1%	2%	5%	1%	*	1%	2%	1%
2	*	-	*	-	-	2%	*	*	-	2%	50%
1	1%	3%	1%	1%	-	-	2%	-	1%	-	-
0 – NOT IMPORTANT AT ALL	2%	2%	1%	2%	3%	2%	2%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	1%	3%	*	1%	1%	-	2%	*	*	2%	-
MEAN †	8.3	8.5	8.8	8.6	7.8	7.3	8.3	8.7	8.2	7.5	8.6
MEDIAN	10.0	10.0	10.0	10.0	8.0	8.0	10.0	10.0	9.0	8.0	10.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

QUESTION 3: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	55%	55%	53%	59%	59%	57%	54%	56%	56%	53%	51%	60%	53%	52%	55%
9	10%	10%	12%	15%	9%	11%	10%	10%	12%	9%	1%	6%	12%	8%	15%
8	15%	15%	13%	14%	17%	16%	15%	15%	12%	16%	46%	14%	13%	16%	17%
7	7%	7%	6%	1%	5%	7%	9%	5%	5%	9%	2%	8%	9%	7%	5%
6	2%	2%	4%	2%	2%	2%	1%	4%	1%	4%	-	1%	4%	2%	1%
5	5%	5%	8%	4%	5%	4%	7%	4%	6%	5%	-	5%	2%	9%	2%
4	1%	1%	2%	-	1%	-	*	1%	1%	1%	-	1%	*	1%	2%
3	2%	2%	1%	1%	1%	1%	2%	2%	3%	2%	-	2%	4%	2%	1%
2	*	-	1%	2%	-	-	*	*	*	*	-	-	-	*	*
1	*	*	-	-	-	-	*	-	1%	-	-	-	-	-	1%
0 – NOT IMPORTANT AT ALL	1%	1%	*	-	-	-	1%	1%	2%	-	-	-	2%	2%	*
DON'T KNOW/WON'T SAY	1%	1%	-	1%	1%	-	-	2%	1%	1%	-	2%	2%	-	-
MEAN †	8.7	8.7	8.6	9.0	8.9	8.9	8.6	8.8	8.6	8.7	9.0	8.9	8.6	8.4	8.9
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION				TRIBAL TOTAL SAMPLE (N=101)
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE	
10 – EXTREMELY IMPORTANT	55%	57%	56%	60%	47%	54%	55%	59%	51%	54%	52%
9	10%	6%	8%	11%	12%	13%	8%	11%	12%	11%	13%
8	15%	19%	12%	15%	19%	13%	12%	13%	20%	16%	17%
7	7%	3%	6%	11%	10%	7%	5%	8%	7%	11%	10%
6	2%	2%	2%	*	1%	5%	2%	2%	4%	3%	3%
5	5%	7%	7%	2%	6%	3%	6%	4%	6%	5%	4%
4	1%	1%	3%	-	-	-	3%	-	-	-	-
3	2%	3%	3%	*	2%	3%	4%	2%	1%	*	-
2	*	*	*	-	-	-	*	-	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	3%	1%	-	1%	2%	1%	1%	-	-
DON'T KNOW/WON'T SAY	1%	3%	-	-	3%	-	3%	*	-	-	1%
MEAN †	8.7	8.7	8.3	9.0	8.7	8.7	8.4	8.9	8.7	8.9	8.9
MEDIAN	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

QUESTION 4: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	68%	68%	68%	77%	68%	68%	65%	70%	70%	68%	60%	71%	67%	69%	63%
9	11%	12%	12%	11%	12%	10%	14%	10%	10%	12%	13%	11%	10%	13%	10%
8	11%	11%	10%	6%	11%	13%	11%	11%	11%	12%	25%	11%	11%	10%	14%
7	4%	5%	3%	-	3%	4%	3%	5%	4%	4%	2%	2%	7%	3%	6%
6	1%	1%	2%	1%	2%	1%	1%	1%	1%	1%	-	-	2%	1%	1%
5	2%	2%	3%	4%	2%	3%	3%	1%	3%	2%	-	2%	2%	3%	1%
4	*	*	-	1%	1%	-	*	*	1%	-	-	-	-	-	1%
3	*	*	1%	-	-	-	*	*	1%	*	-	1%	-	*	-
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	*	*	-	-	-	-	*	-	1%	-	-	-	-	-	1%
0 – NOT IMPORTANT AT ALL	1%	1%	1%	-	-	-	1%	*	-	-	-	1%	-	1%	-
DON'T KNOW/WON'T SAY	*	*	-	-	1%	1%	-	*	*	*	-	-	-	-	1%
MEAN †	9.2	9.2	9.2	9.5	9.3	9.3	9.1	9.3	9.2	9.3	9.3	9.3	9.3	9.3	9.1
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION				TRIBAL TOTAL SAMPLE (N=101)
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE	
10 – EXTREMELY IMPORTANT	68%	64%	70%	70%	72%	68%	69%	67%	67%	70%	69%
9	11%	6%	14%	8%	13%	11%	8%	11%	15%	14%	6%
8	11%	17%	10%	15%	9%	7%	10%	11%	13%	11%	12%
7	4%	9%	3%	3%	5%	2%	5%	7%	1%	1%	9%
6	1%	1%	*	2%	-	2%	*	2%	2%	*	2%
5	2%	3%	*	1%	-	3%	5%	*	1%	1%	2%
4	*	*	1%	-	-	-	1%	-	-	-	1%
3	*	-	*	-	-	1%	*	-	-	1%	-
2	-	-	-	-	-	-	-	-	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	-	1%	-	3%	1%	1%	1%	-	-
DON'T KNOW/WON'T SAY	*	-	-	-	-	1%	*	-	-	1%	-
MEAN †	9.2	9.1	9.4	9.3	9.5	9.0	9.1	9.3	9.4	9.4	9.2
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
DEVELOPING MORE RENEWABLE ENERGY, SUCH AS SOLAR AND WIND**

QUESTION 5: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	45%	44%	56%	50%	47%	40%	42%	49%	45%	46%	37%	49%	43%	47%	42%
9	8%	7%	8%	13%	5%	12%	8%	7%	7%	8%	11%	7%	10%	7%	7%
8	11%	10%	12%	8%	14%	16%	11%	10%	9%	13%	8%	13%	12%	10%	7%
7	7%	7%	5%	5%	8%	7%	8%	5%	7%	6%	3%	6%	8%	7%	5%
6	4%	4%	2%	4%	1%	4%	4%	5%	4%	4%	1%	4%	4%	3%	5%
5	11%	12%	8%	9%	12%	8%	12%	11%	12%	11%	28%	11%	8%	13%	13%
4	2%	2%	2%	1%	1%	1%	2%	2%	2%	2%	-	2%	2%	2%	2%
3	3%	3%	2%	1%	2%	1%	3%	3%	4%	3%	7%	4%	2%	2%	4%
2	1%	1%	1%	2%	2%	3%	2%	1%	1%	2%	-	1%	1%	*	3%
1	2%	2%	*	2%	2%	1%	1%	2%	1%	2%	-	-	1%	3%	2%
0 – NOT IMPORTANT AT ALL	3%	3%	3%	1%	2%	3%	4%	2%	3%	2%	5%	2%	2%	4%	5%
DON'T KNOW/WON'T SAY	3%	3%	*	3%	4%	3%	2%	4%	4%	2%	-	-	6%	1%	6%
MEAN †	7.8	7.7	8.4	8.3	8.0	7.9	7.6	8.1	7.7	8.0	7.2	8.1	8.1	7.7	7.4
MEDIAN	9.0	9.0	10.0	10.0	9.0	9.0	9.0	10.0	9.0	9.0	8.0	9.0	9.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	45%	46%	52%	51%	34%	41%	49%	42%	46%	46%
9	8%	3%	7%	7%	13%	11%	4%	11%	9%	9%
8	11%	10%	10%	13%	12%	11%	5%	13%	17%	11%
7	7%	1%	9%	4%	10%	6%	4%	10%	7%	6%
6	4%	3%	5%	3%	3%	5%	5%	2%	5%	3%
5	11%	16%	7%	12%	13%	11%	16%	11%	6%	10%
4	2%	3%	1%	2%	4%	2%	*	2%	2%	6%
3	3%	3%	1%	4%	2%	7%	3%	4%	1%	4%
2	1%	*	1%	1%	2%	*	*	2%	2%	1%
1	2%	4%	1%	*	1%	2%	2%	1%	3%	-
0 – NOT IMPORTANT AT ALL	3%	2%	5%	2%	3%	2%	6%	1%	2%	2%
DON'T KNOW/WON'T SAY	3%	8%	-	1%	3%	2%	6%	2%	1%	1%
MEAN †	7.8	7.7	8.1	8.2	7.5	7.7	7.6	8.0	8.0	7.9
MEDIAN	9.0	9.0	10.0	10.0	8.0	9.0	10.0	9.0	9.0	9.0

TRIBAL
TOTAL SAMPLE (N=101)
40%
12%
13%
8%
-
15%
-
-
2%
1%
2%
7%
8.1
9.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
REDUCING POLLUTION FROM POWER PLANTS**

QUESTION 6: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **REDUCING POLLUTION FROM POWER PLANTS**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	48%	46%	63%	51%	50%	42%	44%	50%	56%	41%	32%	53%	47%	45%	45%
9	9%	8%	8%	10%	6%	11%	8%	9%	6%	10%	12%	9%	10%	8%	7%
8	13%	13%	11%	8%	12%	13%	14%	12%	11%	15%	10%	11%	13%	14%	13%
7	6%	6%	6%	5%	6%	5%	8%	4%	7%	6%	1%	5%	7%	6%	7%
6	5%	6%	2%	5%	3%	2%	8%	2%	4%	7%	1%	5%	5%	6%	4%
5	10%	10%	5%	12%	11%	13%	8%	12%	11%	10%	22%	7%	13%	11%	9%
4	2%	2%	2%	1%	3%	1%	2%	2%	1%	2%	1%	2%	1%	3%	1%
3	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	-	2%	-	*	3%
2	2%	2%	1%	1%	2%	2%	2%	2%	2%	2%	-	2%	1%	2%	2%
1	1%	*	1%	2%	1%	2%	*	1%	1%	*	5%	*	*	*	2%
0 – NOT IMPORTANT AT ALL	3%	3%	1%	2%	3%	4%	3%	3%	1%	4%	15%	2%	1%	4%	4%
DON'T KNOW/WON'T SAY	1%	1%	1%	3%	3%	4%	1%	2%	*	2%	-	-	3%	1%	3%
MEAN †	8.1	8.0	8.8	8.2	8.0	7.8	7.9	8.2	8.3	7.9	6.5	8.3	8.3	7.9	7.8
MEDIAN	9.0	9.0	10.0	10.0	10.0	9.0	9.0	10.0	10.0	8.0	8.0	10.0	9.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	48%	45%	56%	50%	41%	47%	48%	45%	50%	48%
9	9%	8%	6%	9%	12%	10%	4%	9%	14%	9%
8	13%	13%	15%	12%	16%	10%	11%	16%	12%	12%
7	6%	3%	5%	5%	11%	7%	4%	8%	6%	8%
6	5%	2%	5%	2%	10%	5%	7%	5%	4%	4%
5	10%	13%	8%	10%	6%	15%	14%	7%	7%	12%
4	2%	4%	*	3%	2%	2%	2%	2%	2%	2%
3	1%	2%	1%	-	1%	2%	1%	1%	1%	2%
2	2%	*	1%	5%	-	-	1%	3%	1%	1%
1	1%	2%	*	1%	-	-	1%	*	-	1%
0 – NOT IMPORTANT AT ALL	3%	5%	3%	3%	1%	2%	5%	3%	1%	1%
DON'T KNOW/WON'T SAY	1%	4%	-	*	-	-	2%	1%	2%	*
MEAN †	8.1	7.7	8.4	8.0	8.2	8.1	7.8	8.1	8.5	8.1
MEDIAN	9.0	9.0	10.0	10.0	9.0	9.0	9.0	9.0	10.0	9.0

TRIBAL
TOTAL SAMPLE (N=101)
47%
-
13%
5%
3%
10%
1%
-
2%
1%
-
-
8.5
8.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY

QUESTION 7: YOU GAVE HIGH MARKS TO THESE ITEMS (READ HIGHEST STATEMENTS). WHICH ONE DO YOU FEEL IS THE MOST IMPORTANT?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	30%	25%	38%	30%	31%	33%	27%	24%	36%	27%	35%	28%	29%	28%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	25%	27%	13%	24%	27%	25%	25%	26%	34%	17%	38%	21%	26%	27%	27%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	21%	20%	35%	15%	16%	18%	21%	22%	20%	22%	22%	22%	22%	23%	16%
REDUCING POLLUTION FROM POWER PLANTS	14%	14%	17%	12%	13%	12%	14%	15%	12%	16%	2%	14%	13%	14%	18%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	7%	5%	9%	9%	10%	6%	8%	8%	6%	9%	8%	7%	5%	9%
DON'T KNOW/WON'T SAY	2%	2%	4%	2%	5%	5%	2%	2%	2%	2%	1%	1%	2%	3%	2%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	23%	22%	31%	38%	41%	21%	33%	32%	39%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	25%	36%	30%	26%	16%	12%	37%	23%	17%	13%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	21%	20%	20%	24%	17%	27%	19%	19%	25%	24%
REDUCING POLLUTION FROM POWER PLANTS	14%	11%	18%	12%	18%	16%	15%	14%	12%	19%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	7%	8%	6%	7%	3%	7%	8%	10%	2%
DON'T KNOW/WON'T SAY	2%	3%	2%	1%	3%	1%	2%	2%	3%	3%

TRIBAL
TOTAL SAMPLE (N=101)
27%
24%
18%
17%
10%
4%

ADDITIONAL AMOUNT OF MONEY WILLING TO PAY EACH MONTH FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY

QUESTION 8: HOW MUCH OF A DOLLAR INCREASE IN YOUR MONTHLY ELECTRIC BILL WOULD YOU BE WILLING TO PAY FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY SOURCES SUCH AS SOLAR AND WIND?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
NONE	39%	40%	31%	49%	45%	39%	41%	37%	40%	37%	42%	34%	38%	41%	43%
\$1.00 TO \$2.00	12%	12%	11%	10%	11%	11%	11%	13%	13%	12%	13%	8%	13%	14%	14%
\$3.00 TO \$5.00	14%	13%	18%	12%	14%	17%	16%	12%	13%	16%	7%	16%	17%	11%	13%
\$6.00 TO \$10.00	9%	9%	13%	10%	6%	9%	9%	9%	8%	10%	9%	12%	9%	8%	8%
\$11.00 OR MORE	6%	6%	11%	4%	3%	8%	6%	7%	3%	8%	2%	10%	5%	6%	4%
DON'T KNOW/WON'T SAY	19%	20%	16%	16%	20%	16%	17%	21%	23%	17%	27%	20%	18%	20%	19%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
NONE	39%	47%	36%	37%	38%	35%	45%	36%	37%	34%
\$1.00 TO \$2.00	12%	7%	16%	13%	13%	11%	12%	12%	14%	11%
\$3.00 TO \$5.00	14%	10%	15%	18%	15%	12%	8%	23%	12%	13%
\$6.00 TO \$10.00	9%	10%	6%	9%	9%	12%	6%	7%	14%	14%
\$11.00 OR MORE	6%	3%	2%	7%	6%	19%	2%	6%	6%	16%
DON'T KNOW/WON'T SAY	19%	22%	25%	16%	18%	10%	27%	17%	17%	11%

TRIBAL
TOTAL SAMPLE (N=101)
39%
19%
15%
4%
3%
21%

AWARENESS OF PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AND INSTALL NEW POLLUTION REDUCING TECHNOLOGY ON THE REMAINING UNITS

QUESTION 9: NOW I'M GOING TO SHARE SOME INFORMATION ABOUT THE SAN JUAN GENERATING STATION OPERATED BY PNM. THIS COAL-FIRED POWER PLANT IS LOCATED NEAR FARMINGTON, NEW MEXICO AND HAS FOUR UNITS THAT GENERATE ELECTRICITY. A LARGE PORTION OF YOUR ELECTRICITY COMES FROM THIS PLANT. PNM HAS FILED A PLAN TO PERMANENTLY CLOSE TWO OF THE FOUR UNITS AND INSTALL NEW POLLUTION-REDUCING TECHNOLOGY ON THE REMAINING TWO UNITS. THIS PLAN WOULD CUT PNM'S COAL USE AT SAN JUAN BY 37 PERCENT (ON JANUARY 1, 2018). THE NEW POLLUTION CONTROL WOULD ALSO REDUCE GREENHOUSE GAS EMISSIONS AND WATER USE AT THE GENERATING STATION BY 30 PERCENT. HAVE YOU HEARD OF THIS PLAN?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
YES	42%	43%	47%	28%	34%	19%	48%	36%	37%	49%	23%	32%	38%	47%	51%
NO	58%	57%	53%	72%	66%	80%	52%	64%	63%	51%	77%	68%	62%	52%	49%
DON'T KNOW/WON'T SAY	*	*	-	-	-	1%	-	1%	*	*	-	-	-	1%	-

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
YES	42%	24%	35%	50%	57%	52%	29%	39%	53%	62%
NO	58%	76%	65%	50%	43%	48%	71%	61%	47%	38%
DON'T KNOW/WON'T SAY	*	-	-	-	-	-	-	*	-	-

TRIBAL
TOTAL SAMPLE (N=101)
35%
65%
-

* LESS THAN 1% REPORTED.

PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION

QUESTION 10: I'D LIKE TO READ YOU TWO DIFFERENT POINTS OF VIEW ABOUT SAN JUAN GENERATING STATION OPERATED BY PNM.

A.) SOME ENVIRONMENTAL GROUPS OPPOSE PNM'S PLAN BECAUSE THEY BELIEVE IT DOESN'T GO FAR ENOUGH IN REDUCING POLLUTION AND WATER USAGE. THEY WANT PNM TO CLOSE ALL 4 COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC POWER PLANT AND REPLACE THEM WITH NATURAL GAS-FIRED POWER PLANTS AND MORE RENEWABLE ENERGY SOURCES LIKE SOLAR AND WIND. THEY FEEL THAT PNM SHOULD STOP INVESTING IN OLD TECHNOLOGIES SUCH AS COAL-FIRED ELECTRIC PLANTS AND DEVELOP MORE RENEWABLE ENERGY OPTIONS.

B.) PNM'S PLAN WOULD KEEP TWO OF THE FOUR COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC PLANT OPERATING. THE COMPANY FEELS IT IS IMPORTANT TO USE A MIX OF ENERGY SOURCES INCLUDING COAL, NATURAL GAS, NUCLEAR FROM AN EXISTING PLANT (PALO VERDE), AND SOLAR AND WIND. PNM BELIEVES THIS PLAN WILL ENSURE RELIABLE ELECTRICITY IS AVAILABLE TO ITS CUSTOMERS, SINCE SOLAR AND WIND POWER ARE NOT AVAILABLE 24 HOURS A DAY AND CANNOT SUPPLY ENOUGH ELECTRICITY DURING PEAK US PERIODS. AFTER HEARING THIS INFORMATION, DO YOU SUPPORT PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AT THE SAN JUAN ELECTRIC PLANT, OR DO YOU PREFER CLOSING THE ENTIRE POWER PLANT?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PNM PLAN 2 OF 4 UNITS	64%	65%	54%	60%	64%	66%	68%	60%	64%	65%	78%	73%	57%	66%	60%
CLOSE ALL	16%	14%	32%	14%	19%	17%	17%	16%	14%	18%	7%	15%	20%	14%	17%
DEPENDS (VOLUNTEERED)	8%	8%	7%	6%	7%	4%	8%	8%	7%	8%	2%	8%	11%	6%	6%
NEITHER ONE	2%	2%	1%	2%	1%	1%	2%	1%	2%	*	-	1%	*	2%	2%
DON'T KNOW/WON'T SAY	10%	10%	6%	18%	9%	12%	5%	15%	13%	8%	13%	3%	12%	11%	15%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PNM PLAN 2 OF 4 UNITS	64%	60%	65%	66%	59%	72%	65%	62%	67%	65%
CLOSE ALL	16%	10%	16%	18%	24%	16%	8%	16%	21%	27%
DEPENDS (VOLUNTEERED)	8%	7%	7%	9%	8%	8%	9%	11%	4%	5%
NEITHER ONE	2%	1%	3%	1%	2%	1%	3%	1%	1%	*
DON'T KNOW/WON'T SAY	10%	23%	8%	7%	6%	2%	15%	10%	7%	3%

TRIBAL
TOTAL SAMPLE (N=101)
59%
17%
6%
-
19%

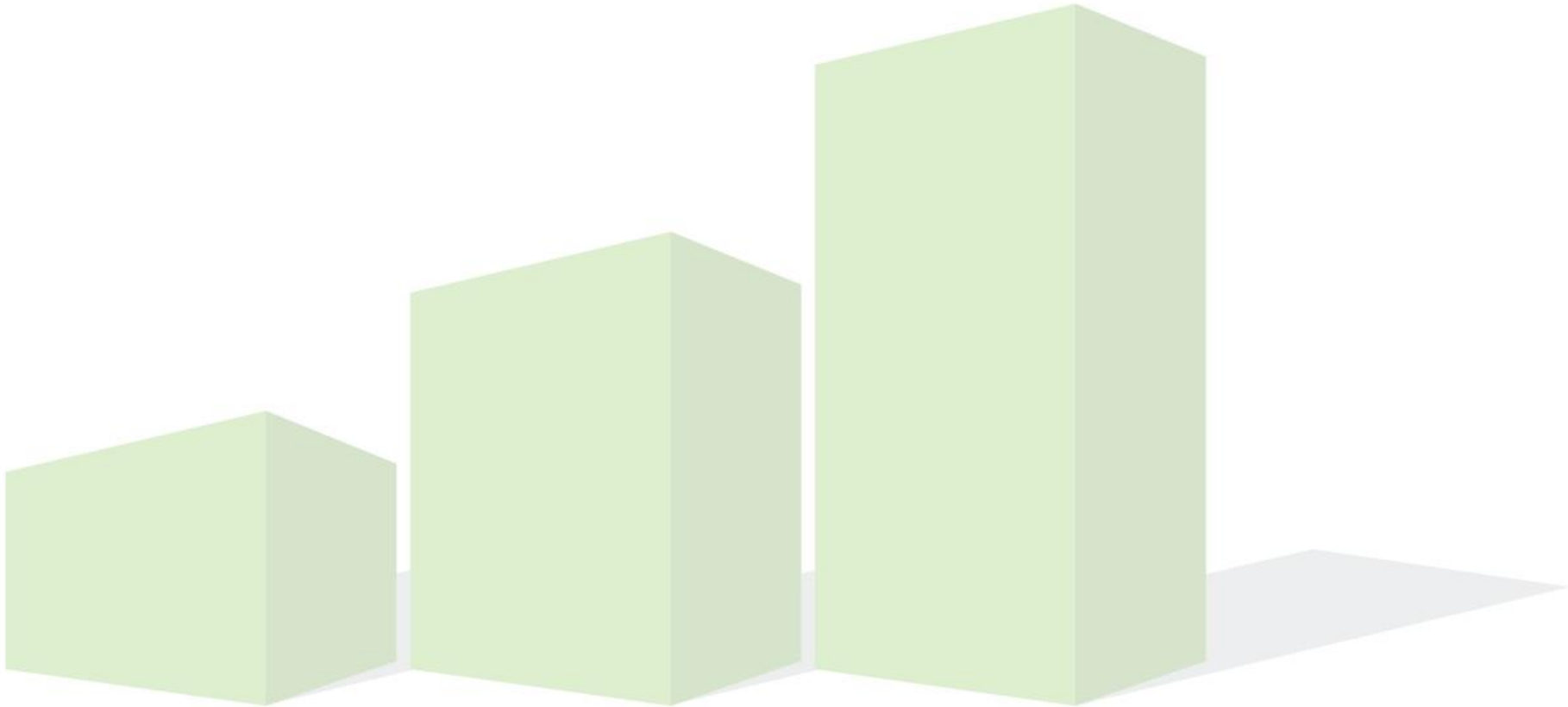
UNDERLYING REASONS FOR CHOICE IN ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATIONS

QUESTION 11: WHY DO YOU FEEL THIS?

SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	19%	ENVIRONMENTALISTS: GETTING THEIR WAY/PUT FEAR IN PEOPLE/DON'T		NEED TO CLEAN UP ENVIRONMENT/WATER	*
SOLAR/WIND NOT RELIABLE	12%	KNOW WHAT THEY'RE TALKING ABOUT	1%	PIPELINES CAN BE A PROBLEM	*
NEED RELIABLE ELECTRICITY	11%	U.S. HAS ABUNDANT SUPPLY OF NATURAL GAS	1%	THE REST OF THE WORLD NOT DOING THEIR JOB	*
NEED MORE INFORMATION	11%	TECHNOLOGY: CLEANER/EXISTS/NEW/NUCLEAR	1%	NOT GOOD FOR WILDLIFE	*
WILL CUT JOBS	9%	WILL COST MORE TO CLOSE ALL 4 UNITS	1%	PNM OWNS THE COAL SUPPLY/PNM WILL DO NOTHING TO CREATE	
WILL REDUCE AIR POLLUTION	8%	ASSESS IMPACT ON ENVIRONMENT	1%	NEW ENERGY	*
TAKE STEP AT A TIME (CLOSE DOWN 2)	7%	COAL: DIRTY/GET RID OF/REDUCE USAGE	1%	NEED COMPETITION	*
DIVERSE SOURCE OF ENERGY IS BETTER	6%	BETTER FOR THE FUTURE	1%	TREE HUGGERS CAN AFFORD THIS	*
COAL IS BAD/MORE POLLUTANTS	6%	WILL NOT BE PROGRESSIVE	1%	MONEY IS AN OBJECT FOR PNM	*
TRANSITION OVER IN TIME	4%	GLOBAL WARMING IS NOT REAL	1%	WATER: BAD/USING UP	*
DEPENDS ON COST	4%	NATURAL GAS CREATES A DEMAND FOR "FRACKING"	1%	SOLAR NOT GOOD FOR FIRE FIGHTERS	*
NATURAL GAS IS CLEANER	4%	WILL CREATE JOBS	1%	EITHER OPTION WOULD NOT HELP	*
NEED RELIABLE SOURCES OF POWER/SERVICE/SAFE	3%	WE NEED COAL	1%	NEED OBJECTIVITY OF NON-POLITICAL SCIENTISTS	*
RENEWABLES ARE MORE EXPENSIVE	3%	NOT TRUTHFUL WHO IS GOING TO BENEFIT FROM ALL THIS	1%	NEED A BALANCE BETWEEN HIPPIE VIEWS AND MASS MISCONCEPTIONS	*
ELECTRIC RATES WILL GO UP	3%	WILL BETTER SERVE THE COMMUNITY	1%	PNM NEEDS TO FIND A NEW PROFIT MODEL	*
ELECTRIC RATES WILL GO DOWN	3%	NATURAL GAS: LIMITED/DANGEROUS/EXPENSIVE	1%	INTERRUPTION OF SERVICE - HOW LONG TO REPLACE?	*
HAD LONG ENOUGH TIME TO CHANGE/CLOSE IT DOWN	3%	THEY ARE MOVING THE RIGHT DIRECTION	*	NOT A MEMBER OF ENVIRONMENTAL GROUP	*
PNM NEEDS TO DO WHAT THEY NEED TO DO	3%	TAX BREAKS FOR THOSE WITH SOLAR POWER	*	WOULD BE LESS EXPENSIVE TO INSTALL POLLUTION CONTROLS THAN	
CLOSING PLANT NOT FEASIBLE - WILL HAVE NEGATIVE IMPACT	3%	OUT DATED TECHNOLOGY	*	CREATING NEW POWER PLANTS	*
NEED A BACKUP SYSTEM	2%	PLAN ON HOW TO ACQUIRE THOSE NATURAL RESOURCES TO SUSTAIN		ALL THE DRILLING IS BURNING OFF THE NATURAL GAS	*
COAL IS LESS EXPENSIVE	2%	OUR NEEDS	*	DAMAGE TO COAL MINES	*
DEPENDS ON HOW MUCH MY BILL WILL GO UP	2%	DOES NOT REACH US - WE ARE FAR FROM IT	*	PEOPLE/COMMUNITIES SHOULD RECREATE THE UTILITIES NOT BIG	
UTILIZE ALL RESOURCES OF ENERGY AVAILABLE	2%	PNM HAS NOT DONE ENOUGH/TO LOWER BILLS/JUST INCREASING BILL	*	COMPANIES	*
U.S. HAS ABUNDANT SUPPLY OF COAL	2%	NEW MEXICO DOESN'T REALLY HAVE A BAD POLLUTION PROBLEM	*	GENERATOR SHOULD BE BUILT	*
GLOBAL WARMING IS A PROBLEM	2%	NEED VIABILITY PLAN/ADDRESS ISSUES	*	CONSIDER 1200 PSI SYSTEM BOILERS USED ON NAVAL SHIPS	*
THINGS SHOULD STAY THE WAY THEY ARE	1%	NOT IN FAVOR OF NUCLEAR	*	WIND/SOLAR MORE DAMAGE FROM BATTERIES STORAGE	*
CUSTOMERS WILL END UP PAYING FOR IT	1%	NATURAL GAS CONTAINS METHANE	*		
MAKE IT ENERGY EFFICIENT/CONSERVING ENERGY	1%	HEALTH HAZARD	*	NO REASON IN PARTICULAR	4%
NEED PROVEN TECHNOLOGY	1%	THEY DON'T HAVE TO CLOSE ANY - PNM SELLS TO CALIFORNIA	*	DON'T KNOW/WON'T SAY	2%
MORE ECONOMICAL/COST EFFECTIVE	1%	IT'S ALREADY COSTING TOO MUCH	*		
NATURAL GAS IS LESS EXPENSIVE	1%	HUGE PART OF THE ECONOMY	*		

* LESS THAN 1% REPORTED.

III. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

(EXCLUDES OVERSAMPLE OF TRIBAL AREAS N=101)

TOTAL SAMPLE (N=1518)

GENDER

MALE	48%
FEMALE	52%

AGE

18 TO 34 YEARS	24%
35 TO 49 YEARS	24%
50 TO 64 YEARS	32%
65 YEARS OR OLDER	19%
WON'T SAY	1%

EDUCATION

HIGH SCHOOL GRADUATE OR LESS	34%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	31%
COLLEGE GRADUATE (4 YEARS)	20%
GRADUATE DEGREE	14%
WON'T SAY	1%

ETHNICITY

ANGLO	46%
HISPANIC	43%
OTHER DESCENT	5%
NATIVE AMERICAN INDIAN	2%
BLACK/AFRICAN-AMERICAN	1%
WON'T SAY	3%

HOUSEHOLD INCOME

LESS THAN \$20,000	17%
\$20,000 TO \$39,999	26%
\$40,000 TO \$59,999	18%
\$60,000 TO \$79,999	14%
\$80,000 AND OVER	17%
WON'T SAY	8%

RESEARCH & POLLING INC



PNM
ALBUQUERQUE COMMUNITY SURVEY
AUGUST 2015

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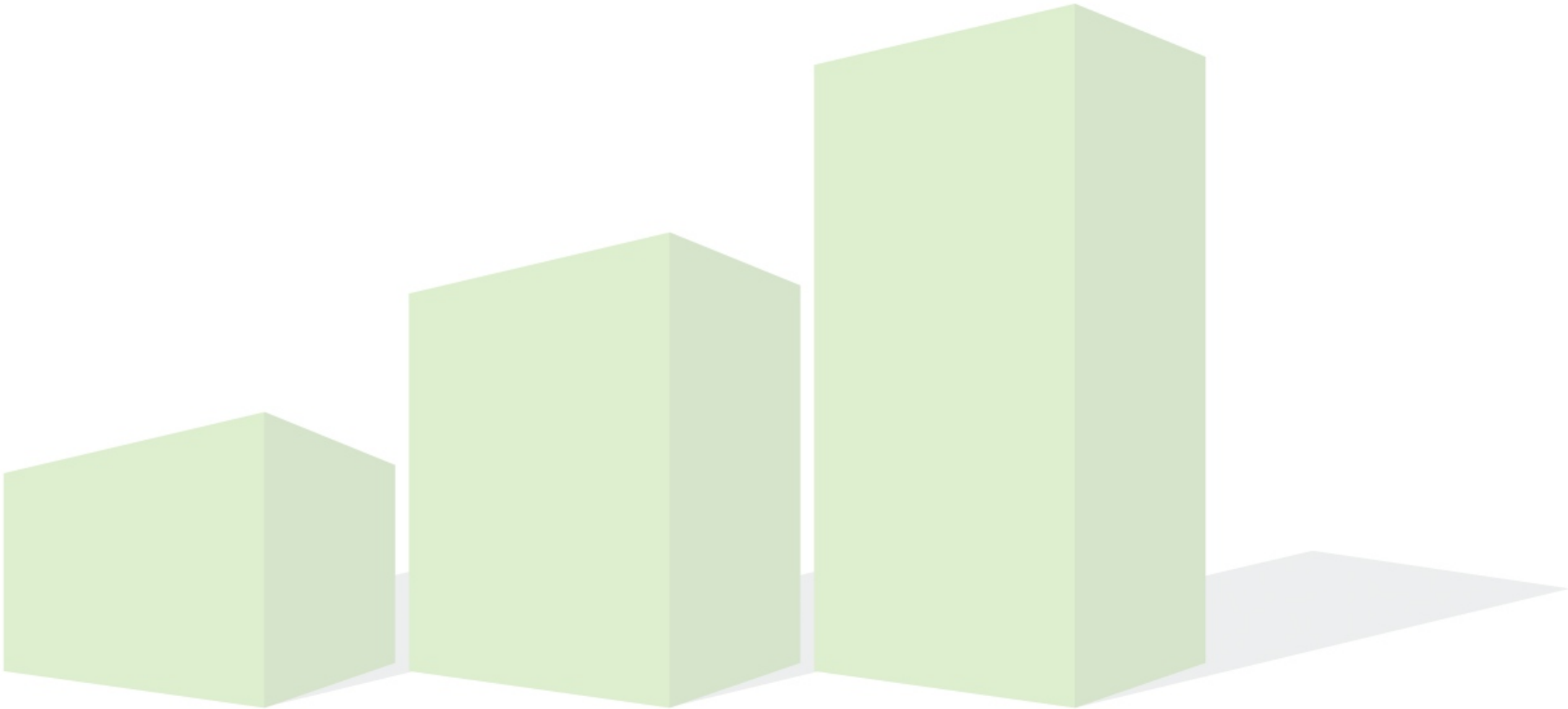
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I. INTRODUCTION



METHODOLOGY

This research study was commissioned by PNM in order to assess which electric utility attributes PNM customers believe are most important. This study also measured customers' awareness of PNM's plan to close a portion of the San Juan Generating Station, as well as customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

THE INTERVIEW

A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- **Albuquerque Metro Area* (n=401)**
 - Valley/Downtown: 87048, 87068, 87102, 87104, 87105, 87107, 87121
 - Westside/Rio Rancho: 87114, 87120, 87124, 87144
 - Mid-Heights: 87106, 87108, 87109, 87110
 - Far Heights: 87111, 87112, 87113, 87123
 - Other: 87002, 87004, 87008, 87031, 87042, 87043, 87047, 87059
- Santa Fe (n=406)
- Northern New Mexico (n=200)
- Southwestern New Mexico (n=306)
- Southeastern New Mexico (n=205)

**See page 5 for a map of areas within PNM's Albuquerque service area.*

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. This report is among PNM customers in the Albuquerque Metro area. All interviews were conducted between July 22nd and August 6th, 2015.

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 401 PNM customers in the Albuquerque Metro area completed interviews.

MARGIN OF ERROR

A sample size of 401 at a 95% confidence level provides a maximum margin of error of approximately 4.9%. In theory, in 95 out of 100 cases, the results based on a sample of 401 will differ by no more than 4.9 percentage points in either direction from what would have been obtained by interviewing all PNM customers in the Albuquerque Metro area.

SAMPLE BIAS

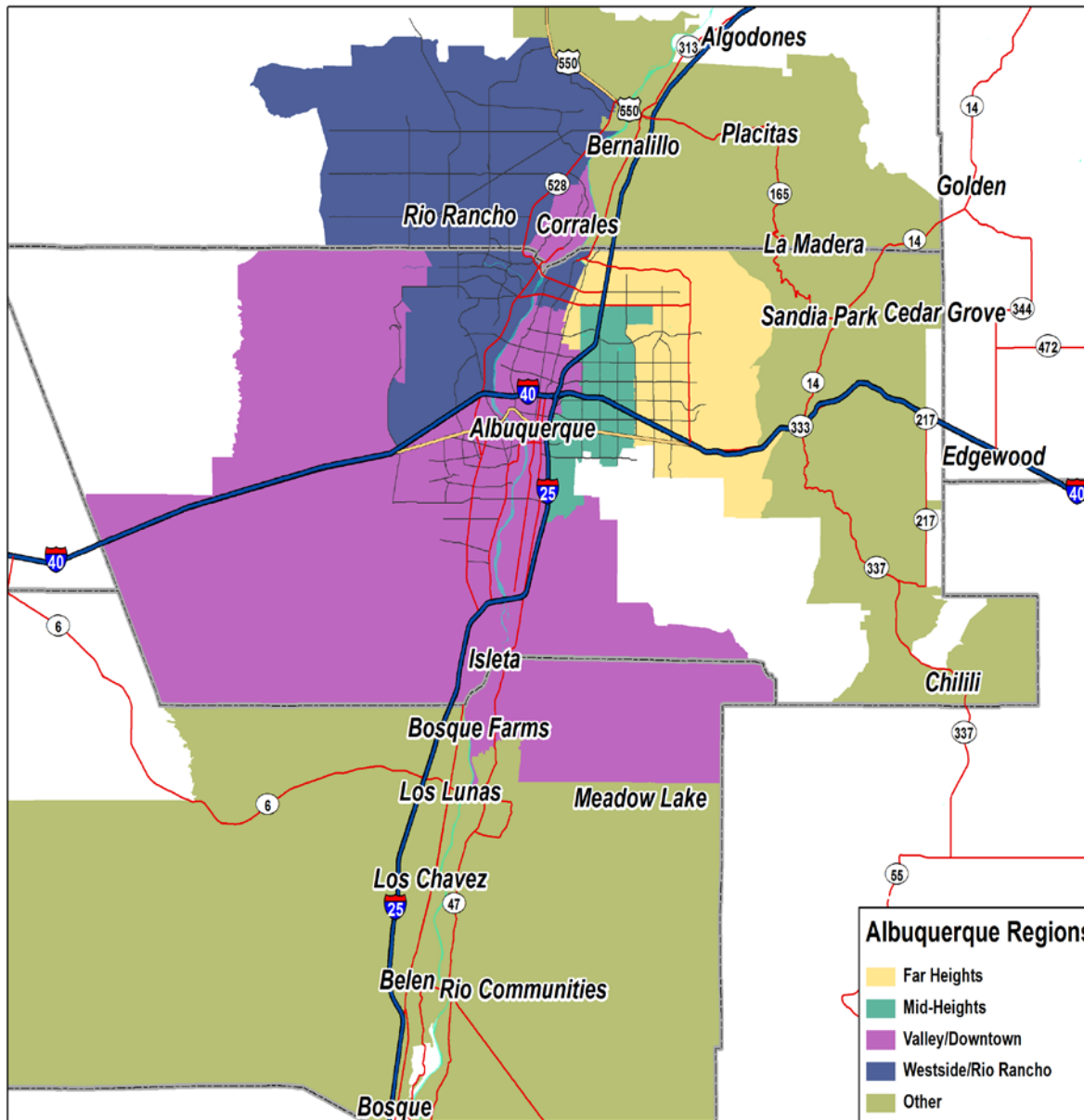
In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

ALBUQUERQUE METRO REGIONS (GROUPED BY ZIP CODE BOUNDARIES)



ABQ METRO

FAR HEIGHTS:

EAST OF WYOMING, NORTH OF PASEO DEL NORTE

MID-HEIGHTS:

SOUTH OF PASEO DEL NORTE, BETWEEN I-25 AND WYOMING

VALLEY/DOWNTOWN:

CORRALES, MOST OF THE NORTH VALLEY AND SOUTH VALLEY, SOUTHWEST MESA, AND DOWNTOWN

WESTSIDE/RIO RANCHO:

WESTSIDE NORTH OF I-40, RIO RANCHO, NORTH VALLEY NORTH OF PASEO DEL NORTE

OTHER:

LOS LUNAS SOUTH TO BELEN, BERNALILLO, PLACITAS, EAST MOUNTAINS

EXECUTIVE SUMMARY

PNM customers in the Albuquerque Metro area were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When PNM customers in the Albuquerque Metro were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers in the Albuquerque Metro area. Having the most reliable electric service is rated as important by the vast majority (91%) of PNM customers, followed by providing the highest quality customer service (80%). Seventy-two percent rate having the lowest electric rates as important, 67% say reducing pollution from power plants is important, and 61% say developing more renewables is important.

When Albuquerque Metro customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, providing the most reliable electric service (30%) was selected most often, followed by having the lowest rates in the West (27%), developing more renewables (20%), reducing pollution (14%), and providing the highest quality customer service (7%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

The majority of PNM customers in the Albuquerque Metro area (57%) are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. However, certain demographic groups are more likely to be aware of PNM's plan, including:

- Those in 'other' areas of the Albuquerque Metro (i.e. East Mountains)
- Males
- Anglos
- Those ages 65 and older
- Those of higher socio-economic status

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. The majority (65%) of Albuquerque Metro PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 14% say PNM should close the entire plant. Of note, those residing in the "other" areas (i.e. East Mountains) of the Albuquerque Metro are more likely than those residing in the core of Albuquerque to say that PNM should close the entire plant; however, the majority of customers in 'other' areas still prefer that PNM close two of the four coal-fired units.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, those in favor of closing two of the four coal-fired units mention reliability issues (22%), job cuts (9%), doing things one step at a time (8%), and diverse sources of energy are better (7%). Those in favor of closing the entire plant give reasons such as PNM should be pursuing more renewables (19%), reducing air pollution (8%), and that coal is bad/more pollutants (6%).

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 13 UNAIDED RESPONSES	
ALBUQUERQUE TOTAL SAMPLE (N=401)	
CRIME	32%
LACK OF GOOD JOBS	7%
WATER SHORTAGE/WATER SUPPLY	6%
ILLEGAL DRUG USE	5%
EDUCATIONAL SYSTEM POOR	5%
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	5%
HOMELESS POPULATION	5%
WEAK ECONOMY	4%
LOW WAGES	3%
POLICE/LEGAL SYSTEM	3%
DWI RATE HIGH	3%
NOTHING IN PARTICULAR	21%
DON'T KNOW/WON'T SAY	14%

Albuquerque Metro area PNM customers were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Nearly one-third (32%) of PNM customers in the Albuquerque Metro area say that crime is the biggest issue facing their community, followed by 7% who mention a lack of good jobs and 6% who mention water supply/shortage. Five percent each mention one of the following: illegal drug use, educational system is poor, roads/streets/highways in bad condition, and the homeless population. Importantly, 35% of Albuquerque Metro area PNM customers did not mention a particular issue or problem facing the community.

Notably, Albuquerque Metro area PNM customers of higher socio-economic status are more likely than others to say that crime and a lack of good jobs are the biggest issues facing their community.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE)													
ALBUQUERQUE TOTAL SAMPLE (N=401) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	68%	12%	11%	5%	1%	2%	*	*	-	*	1%	*	9.2
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	55%	10%	15%	7%	2%	5%	1%	2%	-	*	1%	1%	8.7
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	51%	8%	13%	5%	4%	13%	1%	1%	*	1%	2%	1%	8.3
REDUCING POLLUTION FROM POWER PLANTS	46%	8%	13%	6%	6%	10%	2%	1%	2%	*	3%	1%	8.0
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	44%	7%	10%	7%	4%	12%	2%	3%	1%	2%	3%	3%	7.7

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

Albuquerque Metro area PNM customers were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

Nine-in-ten (91%) PNM customers in the Albuquerque Metro rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with the majority (68%) saying this is *extremely important*. Overall, there is little significant variation among demographic subgroups, as nearly all customers in the Albuquerque Metro see providing reliable electric service as important.

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

Eight-in-ten PNM customers in Albuquerque rate providing the highest quality electric service as important (a score of 8, 9, or 10); with over half (55%) saying this is *extremely important*. Again, due to the high percentage of residents who rate this as important, there is little significant variation across demographic subgroups.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

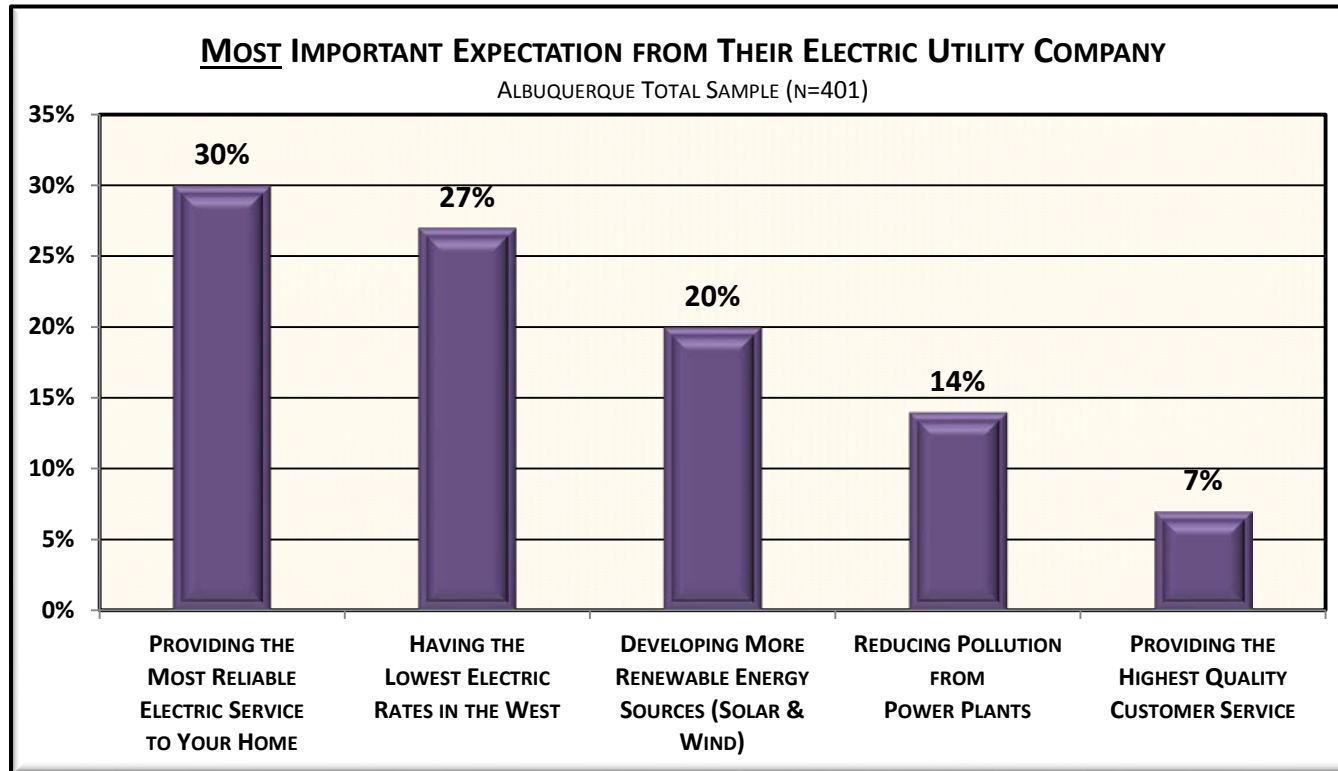
Approximately seven-in-ten (72%) PNM customers in the Albuquerque Metro say that having the lowest rates in the West is important with just over half (51%) saying this is *extremely important*. Over one-fifth (22%) have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7), while 5% say this is unimportant (a score of 4, 3, 2, 1 or 0). Of note, those of lower socio-economic status, younger customers, Hispanics, and those in the Valley/Downtown area are more likely to say that having the lowest rates is *extremely important*.

REDUCING POLLUTION FROM POWER PLANTS

Approximately two-thirds (67%) of PNM customers in the Albuquerque Metro rate reducing pollution from power plants as important, with 46% saying this is *extremely important*. Approximately one-fifth (22%) have a neutral opinion or felt this was slightly important, while 8% say this is unimportant. Notably, those in the Valley/Downtown area, Hispanics, and those ages 18 to 34 are more likely than others to say that reducing pollution from power plants is *extremely important*.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

Six-in-ten (61%) PNM customers in the Albuquerque area rate developing more renewable energy sources as important, with less than half (44%) who say this is *extremely important*. Just under one-quarter (23%) have a neutral opinion or felt this was slightly important, while one-in-ten (11%) say this is unimportant. Those in the Valley/Downtown and Far Heights areas, those residing in 'other' areas, and younger customers are more likely others to say developing more renewable energy sources is *extremely important*.

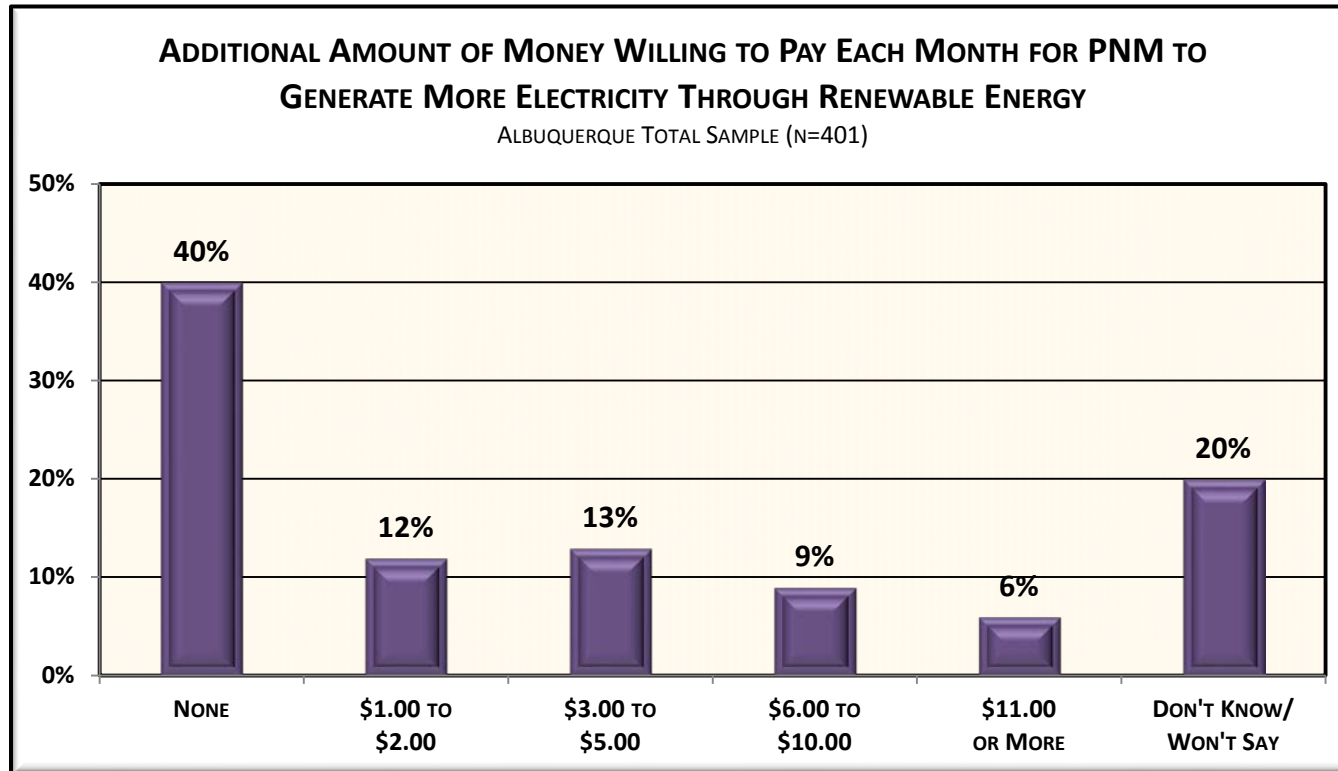


PNM customers in the Albuquerque Metro area were reread the five attributes from page seven and asked **which item is the most important to them** in what they expect from their electric utility. Overall, providing the most reliable electric utility service (30%) is the most important attribute, followed by approximately one-quarter (27%) who say having the lowest electric rates in the West is the most important. The third most important attribute among PNM customers in the Albuquerque Metro area is developing more renewable energy sources (20%), followed by reducing pollution from power plants (14%), and providing the highest quality customer service (7%).

Interestingly, those in the Valley/Downtown area (38%), Hispanics (36%), and those of lower socio-economic status are more likely than others to say that having the lowest electric rates in the West is the most important, while Anglos (38%) and those of higher socio-economic status are more likely than others to say that providing the most reliable electric service is the most important.

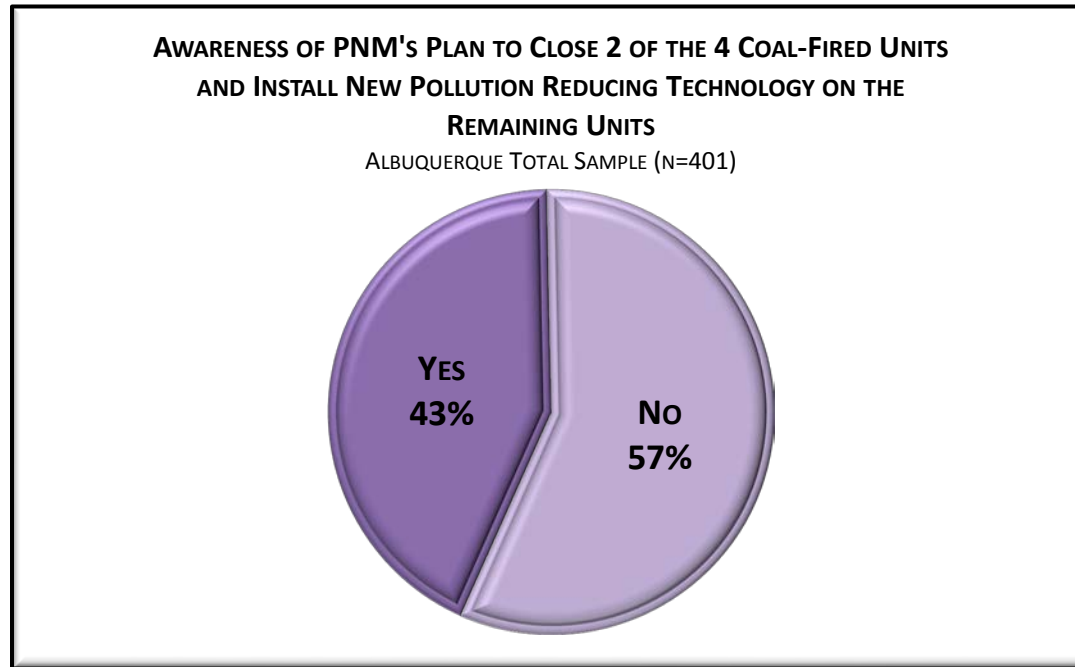
<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u>						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions statewide. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each region's second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.



Albuquerque Metro PNM customers were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. Two-fifths of customers say they are unwilling to pay any additional amount on their monthly bill, while 12% mention they are willing to pay one to two dollars more a month. Thirteen percent are willing to pay three to five dollars more a month, while another 15% are willing to pay six dollars or more.

Those more likely than others to say they are unwilling to pay any additional money for PNM to generate more electricity through renewable sources include those in 'other' areas of the Albuquerque Metro [i.e. East Mountains] (57%) and those of lower socio-economic status. Those in the Far Heights area and those of higher socio-economic status are more likely than others to say they would be willing to pay at least six dollars more a month.



Customers in the Albuquerque Metro area were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Residents were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. Residents were then **asked if they had heard of this plan**.

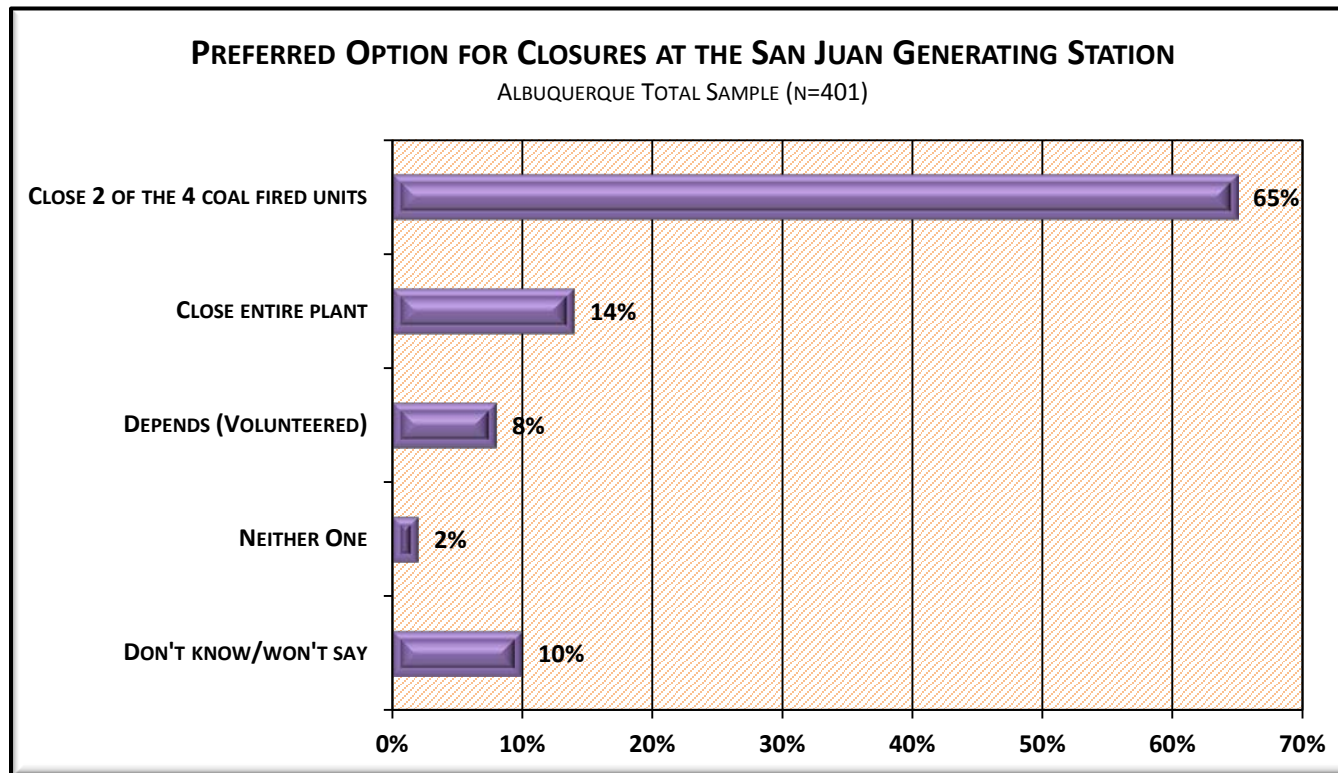
The majority (57%) of PNM customers say they have not heard of PNM's plan, while 43% say they have heard of it.

Those *more* likely to say they have heard of PNM's plan include:

- Those in the 'other' area of the Albuquerque Metro
- Males
- Anglos
- Those age 65 and older
- Those earning \$40,000 or more
- Those who are at least college graduates

Those *less* likely than others to say they have heard of PNM's plan include:

- Those in the Valley/Downtown area
- Females
- Hispanics
- Those ages 18 to 49
- Those earning less than \$40,000
- Those who are high school graduates or less



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

PNM customers in the Albuquerque Metro area were read **two different viewpoints (shown above, rotated when read to survey participants) about the San Juan Generating Station operated by PNM** and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. The majority (65%) of Albuquerque Metro customers say they support PNM’s plan to close two of the four coal-fired units, while 14% say PNM should close the entire plant. Eight percent say “it depends” and one-in-ten did not offer an opinion.

Those more likely than others to agree that PNM should close two of the four coal-fired units include:

- Those ages 18-34
- Those earning \$80,000 or more

Those more likely than others to say that PNM should close the entire San Juan Generating Station include:

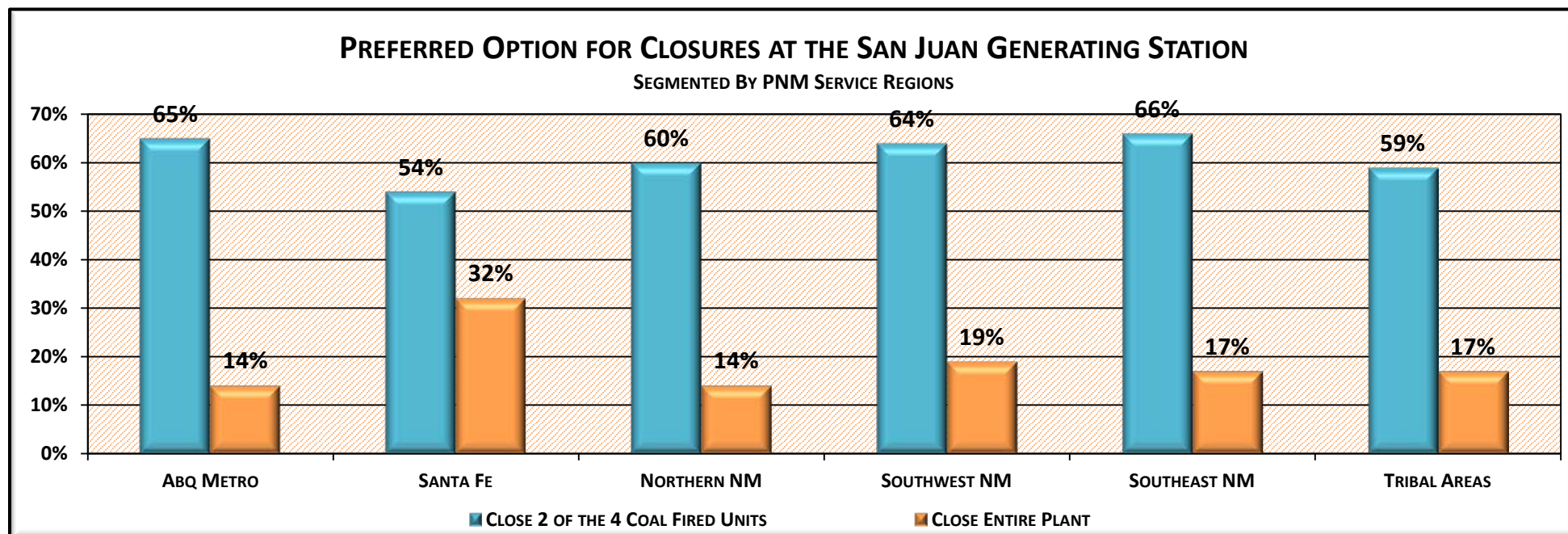
- Those in 'other' areas of the Albuquerque Metro (i.e. East Mountains)
- Those ages 35-49
- Those earning \$60,000 to under \$80,000
- Those with graduate degrees

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of the issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

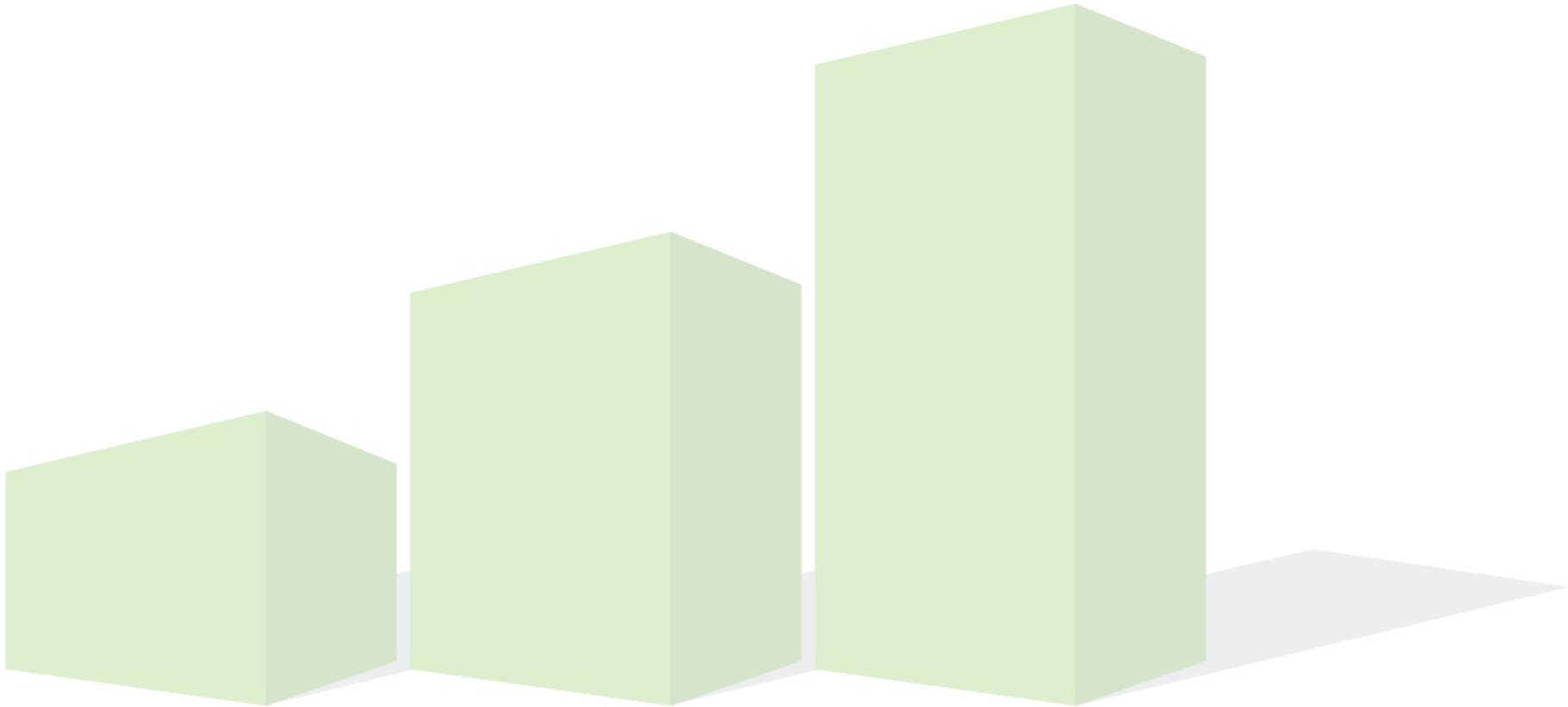
As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION	
AMONG THOSE WHO CHOSE A CLOSURE OPTION ALBUQUERQUE TOTAL RESPONSES (N=359) TOP 9 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	19%
WILL REDUCE AIR POLLUTION	8%
COAL IS BAD/MORE POLLUTANTS	6%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITS	
SOLAR/WIND ARE NOT AS RELIABLE	12%
NEED MORE RELIABLE ELECTRICITY	10%
WILL CUT JOBS OTHERWISE	9%
TAKE CLOSURES A STEP AT A TIME	8%
DIVERSE SOURCES OF ENERGY ARE BETTER	7%
NEUTRAL	
NEED MORE INFORMATION	12%

PNM customers in the Albuquerque Metro area were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. Nearly one-fifth of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables (19%), while 8% mention a reduction in air pollution, and another 6% say coal is bad/more pollutants. Those who say PNM should close two of the four coal-fired units mention that solar/wind are not as reliable (12%), a need for more reliable electricity (10%), will cut jobs (9%), to take closures a step at a time (8%), and 7% mention that diverse sources of energy are better. Twelve percent say they need more information.

Of note, Anglos (23%), those in the Far Heights, and those in “other” areas of the Albuquerque Metro are more likely to mention a need to pursue renewables. Further, those in the Far Heights are also more likely than others to mention that solar/wind are not as reliable.

II. SUMMARY OF RESULTS



BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY

QUESTION 1: WHAT ARE THE BIGGEST ISSUES OR PROBLEMS FACING YOUR COMMUNITY?

CRIME	32%	LABOR FORCE/SKILLED LABOR UNAVAILABLE	*
LACK OF GOOD JOBS	7%	TRAFFIC: LIGHTS	*
WATER SHORTAGE/WATER SUPPLY	6%	LACK OF TRAINING FOR GOOD JOBS	*
EDUCATIONAL SYSTEM IS POOR	5%	HEALTHCARE REFORM	*
ILLEGAL DRUG USE	5%	NEIGHBORS: NOISY/DOGS BARKING/PARKED CAR/ETC.	*
HOMELESS	5%	AIR POLLUTION	*
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	5%	GRAFFITI	*
WEAK ECONOMY	4%	LACK OF SERVICES FOR ELDERLY	*
POLICE/LEGAL SYSTEM	3%	SEWERS/DRAINS	*
LOW WAGES	3%	GROWING TOO BIG/TOO FAST	*
DWI RATE HIGH	3%	TAXES ARE HIGH/UNREASONABLE	*
POVERTY	2%	COST OF HOUSING IS HIGH/UNREASONABLE	*
GUN CONTROL	2%	NOT ENOUGH ROADS/HIGHWAYS	*
GANGS	2%	DESTRUCTION OF OUR CONSTITUTION	*
COST OF LIVING IS HIGH/UNREASONABLE	2%	QUALITY OF SCHOOL FACILITIES	*
DROUGHT	2%	ILLEGAL IMMIGRATION	*
POWER OUTAGES	1%	FIRES	*
CONGESTION	1%	LOW PAY FOR TEACHERS	*
BAD DRIVERS: SPEEDERS/CELL USERS	1%	VIOLENCE	*
ORANGE BARRELS/CONSTANT STREET MAINTENANCE	1%	ILLEGAL DUMPING	*
PEOPLE'S YARDS (TRASH/CARS/ETC.)	1%	ROACHES	*
UTILITIES TOO HIGH	1%	DAY CARE (TO BE SAFE/RELIABLE/OFFER BEFORE SCHOOL CARE)	*
LACK OF ECONOMIC DEVELOPMENT	1%	FUTURE SCHOOL FUNDING	*
NEED MORE BUSINESSES/SMALL	1%	POLITICIANS/POLITICS	*
HIGH COST OF ELECTRICITY	1%	PNM NOT MEETING PEOPLES' NEEDS: DROP BOX/OFFICE HOURS/NOT LISTENING	*
DOMESTIC VIOLENCE/FAMILY PROBLEMS	1%	INFRASTRUCTURE	*
YOUTH PROBLEMS	1%	POOR TASTE IN DESIGN	*
LACK OF YOUTH ACTIVITIES	1%	WATER POLLUTION	*
DECLINE OF FAMILY VALUES	1%	TRAFFIC: HIGH	*
PEOPLE: RUDE/ANGRY/ETC.	1%	HIGH COST OF INTERNET	*
LANDSCAPING IS BAD	1%	NEED ANIMAL CONTROL	*
OVER POPULATION	1%		
GOVERNMENT/POLITICAL LEADERSHIP IS CORRUPT	1%	NOTHING IN PARTICULAR	21%
TOO MANY VACANT LOTS/HOUSES/BUILDINGS/ETC.	1%	DON'T KNOW/WON'T SAY	14%
ALCOHOLISM	1%		

* LESS THAN 1% REPORTED.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

QUESTION 2: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	51%	60%	52%	37%	52%	48%	50%	53%	59%	43%	62%	56%	53%	47%	48%
9	8%	6%	9%	12%	6%	13%	10%	7%	7%	9%	32%	6%	11%	9%	7%
8	13%	13%	11%	14%	9%	23%	1%	12%	11%	15%	6%	15%	12%	12%	12%
7	5%	5%	4%	3%	3%	9%	5%	4%	6%	4%	-	4%	7%	3%	5%
6	4%	2%	3%	6%	7%	1%	4%	3%	3%	5%	-	4%	6%	2%	5%
5	13%	10%	15%	19%	13%	4%	11%	14%	10%	17%	-	4%	7%	22%	17%
4	1%	1%	-	-	4%	-	1%	1%	-	2%	-	1%	2%	1%	1%
3	1%	1%	2%	1%	1%	-	2%	1%	1%	1%	-	3%	-	1%	-
2	*	-	-	-	1%	-	1%	-	-	1%	-	1%	-	-	-
1	1%	2%	-	1%	2%	-	1%	1%	2%	-	-	2%	-	-	2%
0 – NOT IMPORTANT AT ALL	2%	-	3%	3%	2%	2%	2%	2%	1%	2%	-	1%	1%	2%	3%
DON'T KNOW/WON'T SAY	1%	-	1%	4%	-	-	*	1%	*	2%	-	3%	-	1%	1%
MEAN †	8.3	8.6	8.2	7.8	8.0	8.7	8.3	8.3	8.6	8.0	9.6	8.5	8.6	8.0	8.0
MEDIAN	10.0	10.0	10.0	9.0	10.0	9.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	9.0	9.0

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	51%	58%	62%	57%	35%	39%	58%	55%	45%	37%
9	8%	6%	10%	9%	6%	7%	4%	13%	11%	4%
8	13%	11%	9%	14%	27%	9%	8%	15%	18%	14%
7	5%	2%	5%	4%	9%	6%	3%	5%	4%	12%
6	4%	2%	3%	3%	6%	6%	3%	1%	7%	7%
5	13%	13%	9%	8%	11%	20%	16%	9%	11%	14%
4	1%	-	-	-	-	4%	-	-	2%	5%
3	1%	-	-	1%	2%	5%	2%	-	1%	1%
2	*	-	-	-	-	2%	-	-	-	2%
1	1%	3%	1%	1%	-	-	2%	-	1%	-
0 – NOT IMPORTANT AT ALL	2%	2%	1%	2%	4%	2%	2%	3%	1%	1%
DON'T KNOW/WON'T SAY	1%	4%	-	1%	1%	-	2%	-	-	2%
MEAN †	8.3	8.4	8.8	8.6	7.8	7.4	8.2	8.7	8.3	7.6
MEDIAN	10.0	10.0	10.0	10.0	8.0	8.0	10.0	10.0	9.0	8.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

QUESTION 3: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	55%	60%	52%	52%	59%	48%	55%	55%	55%	54%	46%	62%	52%	51%	55%
9	10%	8%	11%	3%	12%	19%	9%	11%	12%	9%	-	5%	12%	8%	16%
8	15%	11%	16%	18%	13%	20%	15%	15%	13%	15%	54%	14%	13%	17%	16%
7	7%	8%	9%	10%	7%	3%	10%	5%	5%	10%	-	9%	9%	7%	6%
6	2%	1%	2%	3%	3%	6%	1%	4%	1%	4%	-	1%	5%	2%	1%
5	5%	4%	5%	8%	6%	2%	7%	3%	6%	5%	-	5%	2%	10%	2%
4	1%	-	2%	2%	-	-	-	1%	1%	1%	-	-	-	1%	2%
3	2%	4%	3%	-	-	3%	2%	2%	3%	2%	-	2%	4%	2%	-
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	*	-	-	-	2%	-	1%	-	1%	-	-	-	-	-	2%
0 – NOT IMPORTANT AT ALL	1%	3%	1%	1%	-	-	1%	1%	2%	-	-	-	2%	3%	-
DON'T KNOW/WON'T SAY	1%	2%	-	4%	-	-	-	2%	1%	1%	-	3%	2%	-	-
MEAN †	8.7	8.6	8.6	8.6	8.9	8.8	8.6	8.7	8.6	8.7	8.9	8.9	8.6	8.3	9.0
MEDIAN	10.0	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	10.0	8.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	55%	56%	55%	61%	46%	55%	54%	59%	50%	57%
9	10%	5%	8%	11%	12%	12%	8%	10%	12%	10%
8	15%	22%	12%	15%	18%	13%	12%	14%	20%	15%
7	7%	2%	6%	12%	10%	7%	5%	8%	7%	11%
6	2%	2%	2%	-	1%	5%	1%	2%	4%	3%
5	5%	7%	7%	1%	7%	2%	6%	4%	6%	4%
4	1%	-	3%	-	-	-	2%	-	-	-
3	2%	3%	3%	-	2%	3%	4%	2%	1%	-
2	-	-	-	-	-	-	-	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	3%	1%	-	2%	3%	1%	1%	-
DON'T KNOW/WON'T SAY	1%	4%	-	-	3%	-	3%	-	-	-
MEAN †	8.7	8.8	8.3	9.1	8.7	8.7	8.3	8.9	8.7	9.0
MEDIAN	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

QUESTION 4: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	68%	73%	65%	58%	65%	78%	65%	70%	69%	68%	52%	71%	68%	67%	62%
9	12%	11%	13%	15%	10%	7%	14%	9%	10%	12%	15%	11%	10%	15%	10%
8	11%	8%	8%	17%	19%	8%	11%	12%	11%	13%	32%	11%	11%	10%	16%
7	5%	7%	3%	5%	2%	5%	3%	6%	4%	4%	-	1%	8%	3%	7%
6	1%	1%	2%	-	1%	-	1%	1%	*	1%	-	-	2%	1%	1%
5	2%	-	6%	2%	1%	1%	4%	1%	4%	1%	-	2%	2%	3%	1%
4	*	-	-	2%	-	-	-	1%	1%	-	-	-	-	-	2%
3	*	-	1%	-	-	-	*	-	1%	-	-	1%	-	-	-
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	*	-	-	-	2%	-	1%	-	1%	-	-	-	-	-	2%
0 – NOT IMPORTANT AT ALL	1%	-	3%	1%	-	-	1%	*	-	-	-	2%	-	1%	-
DON'T KNOW/WON'T SAY	*	-	-	-	-	1%	-	*	-	*	-	-	-	-	1%
MEAN †	9.2	9.5	8.9	9.1	9.2	9.6	9.1	9.3	9.2	9.4	9.2	9.3	9.3	9.3	9.0
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	68%	63%	70%	69%	72%	69%	69%	65%	66%	73%
9	12%	4%	14%	8%	13%	11%	8%	12%	16%	14%
8	11%	19%	10%	17%	9%	6%	10%	12%	13%	9%
7	5%	11%	4%	3%	5%	2%	5%	8%	1%	1%
6	1%	1%	-	2%	-	2%	-	2%	2%	-
5	2%	3%	-	1%	-	3%	5%	-	1%	-
4	*	-	1%	-	-	-	1%	-	-	-
3	*	-	-	-	-	1%	-	-	-	2%
2	-	-	-	-	-	-	-	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	-	1%	-	4%	1%	1%	1%	-
DON'T KNOW/WON'T SAY	*	-	-	-	-	1%	-	-	-	1%
MEAN †	9.2	9.1	9.4	9.3	9.5	8.9	9.0	9.2	9.3	9.5
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
DEVELOPING MORE RENEWABLE ENERGY, SUCH AS SOLAR AND WIND**

QUESTION 5: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND**

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	44%	55%	34%	35%	46%	52%	40%	48%	45%	45%	27%	49%	42%	46%	39%
9	7%	4%	9%	8%	11%	5%	8%	7%	6%	7%	13%	7%	10%	6%	7%
8	10%	6%	14%	14%	14%	2%	11%	9%	8%	13%	10%	13%	12%	9%	7%
7	7%	5%	11%	12%	2%	4%	9%	5%	8%	6%	-	7%	9%	7%	4%
6	4%	3%	7%	2%	5%	6%	4%	5%	4%	4%	-	5%	4%	3%	6%
5	12%	7%	11%	19%	10%	19%	12%	11%	12%	11%	35%	10%	8%	15%	15%
4	2%	*	3%	2%	3%	1%	2%	2%	2%	2%	-	1%	2%	2%	3%
3	3%	4%	4%	2%	2%	5%	4%	3%	4%	3%	9%	5%	2%	3%	5%
2	1%	1%	-	2%	1%	3%	2%	*	1%	1%	-	1%	1%	-	3%
1	2%	4%	1%	-	1%	1%	1%	2%	2%	2%	-	-	1%	3%	2%
0 – NOT IMPORTANT AT ALL	3%	7%	2%	1%	3%	3%	5%	2%	3%	2%	6%	2%	2%	4%	4%
DON'T KNOW/WON'T SAY	3%	4%	4%	3%	3%	-	2%	5%	5%	2%	-	-	7%	1%	7%
MEAN †	7.7	7.7	7.7	7.6	8.1	7.6	7.5	8.0	7.7	7.9	6.7	8.0	8.1	7.6	7.2
MEDIAN	9.0	10.0	8.0	8.0	9.0	10.0	8.0	10.0	9.0	9.0	8.0	9.0	9.0	9.0	8.0

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	44%	45%	52%	51%	31%	39%	50%	40%	43%	42%
9	7%	2%	7%	7%	14%	11%	3%	11%	9%	9%
8	10%	11%	9%	13%	11%	11%	3%	13%	19%	10%
7	7%	-	11%	4%	11%	5%	3%	11%	7%	6%
6	4%	3%	6%	4%	3%	6%	6%	2%	5%	4%
5	12%	16%	8%	13%	13%	12%	17%	12%	5%	12%
4	2%	4%	*	2%	4%	1%	-	2%	2%	7%
3	3%	4%	1%	5%	2%	8%	3%	4%	1%	5%
2	1%	-	1%	1%	2%	-	-	2%	2%	1%
1	2%	5%	1%	-	2%	2%	2%	1%	3%	-
0 – NOT IMPORTANT AT ALL	3%	1%	5%	2%	4%	2%	6%	1%	2%	2%
DON'T KNOW/WON'T SAY	3%	10%	-	-	3%	2%	7%	2%	1%	1%
MEAN †	7.7	7.6	8.1	8.1	7.3	7.6	7.6	7.9	7.9	7.7
MEDIAN	9.0	10.0	10.0	10.0	8.0	9.0	10.0	9.0	9.0	9.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
REDUCING POLLUTION FROM POWER PLANTS**

QUESTION 6: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **REDUCING POLLUTION FROM POWER PLANTS**

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	46%	60%	35%	32%	49%	52%	44%	48%	55%	39%	27%	53%	45%	43%	43%
9	8%	7%	5%	15%	13%	1%	7%	10%	5%	10%	13%	9%	10%	8%	6%
8	13%	9%	12%	21%	15%	11%	15%	12%	11%	16%	10%	11%	13%	15%	14%
7	6%	7%	12%	3%	4%	2%	9%	4%	7%	6%	-	6%	7%	6%	7%
6	6%	3%	11%	2%	1%	14%	9%	2%	5%	7%	-	5%	5%	7%	5%
5	10%	8%	14%	15%	7%	8%	8%	13%	11%	10%	25%	6%	14%	12%	10%
4	2%	2%	1%	1%	4%	-	2%	2%	1%	2%	-	2%	1%	3%	1%
3	1%	1%	1%	-	1%	3%	1%	1%	1%	1%	-	2%	-	-	3%
2	2%	-	4%	3%	1%	1%	2%	2%	2%	2%	-	3%	1%	1%	2%
1	*	1%	-	-	-	-	-	1%	1%	-	6%	-	-	-	2%
0 – NOT IMPORTANT AT ALL	3%	1%	5%	5%	-	9%	3%	3%	1%	4%	20%	3%	1%	4%	4%
DON'T KNOW/WON'T SAY	1%	-	-	3%	3%	-	*	2%	-	2%	-	-	3%	-	2%
MEAN †	8.0	8.6	7.3	7.6	8.6	7.6	7.9	8.0	8.3	7.8	5.9	8.2	8.2	7.8	7.6
MEDIAN	9.0	10.0	8.0	8.0	10.0	10.0	9.0	9.0	10.0	9.0	8.0	10.0	9.0	9.0	9.0

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	46%	42%	55%	50%	38%	46%	47%	44%	47%	46%
9	8%	6%	6%	9%	13%	10%	3%	10%	16%	8%
8	13%	14%	16%	11%	16%	11%	12%	16%	13%	12%
7	6%	3%	5%	5%	12%	5%	4%	8%	5%	8%
6	6%	2%	6%	2%	11%	6%	8%	5%	5%	5%
5	10%	14%	7%	11%	6%	16%	14%	7%	7%	15%
4	2%	5%	-	3%	2%	1%	2%	2%	2%	1%
3	1%	2%	1%	-	1%	2%	1%	1%	1%	3%
2	2%	-	1%	6%	-	-	1%	3%	1%	1%
1	*	2%	*	-	-	-	1%	-	-	1%
0 – NOT IMPORTANT AT ALL	3%	6%	3%	3%	1%	2%	5%	3%	1%	1%
DON'T KNOW/WON'T SAY	1%	4%	-	-	-	-	2%	1%	2%	-
MEAN †	8.0	7.5	8.4	7.9	8.1	8.0	7.7	8.0	8.5	8.0
MEDIAN	9.1	9.0	10.0	10.0	8.0	9.0	9.0	9.0	9.0	9.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY

QUESTION 7: YOU GAVE HIGH MARKS TO THESE ITEMS (READ HIGHEST STATEMENTS). WHICH ONE DO YOU FEEL IS THE MOST IMPORTANT?

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	26%	32%	32%	36%	26%	32%	28%	22%	38%	25%	36%	29%	27%	29%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	38%	24%	20%	19%	24%	26%	27%	36%	18%	48%	21%	28%	28%	30%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	14%	22%	24%	22%	25%	20%	20%	20%	21%	15%	20%	21%	23%	14%
REDUCING POLLUTION FROM POWER PLANTS	14%	13%	12%	12%	21%	14%	14%	15%	11%	17%	-	14%	13%	14%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	10%	7%	9%	2%	7%	6%	8%	8%	6%	11%	8%	7%	4%	9%
DON'T KNOW/WON'T SAY	2%	-	3%	3%	1%	3%	2%	2%	2%	1%	-	1%	2%	3%	1%

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	22%	21%	31%	39%	44%	19%	35%	33%	44%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	40%	33%	26%	16%	12%	39%	24%	18%	14%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	18%	20%	24%	15%	26%	20%	17%	24%	20%
REDUCING POLLUTION FROM POWER PLANTS	14%	11%	18%	11%	18%	16%	15%	14%	11%	19%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	7%	7%	6%	7%	2%	6%	9%	10%	1%
DON'T KNOW/WON'T SAY	2%	2%	1%	1%	4%	-	1%	1%	3%	3%

ADDITIONAL AMOUNT OF MONEY WILLING TO PAY EACH MONTH FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY

QUESTION 8: HOW MUCH OF A DOLLAR INCREASE IN YOUR MONTHLY ELECTRIC BILL WOULD YOU BE WILLING TO PAY FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY SOURCES SUCH AS SOLAR AND WIND?

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
NONE	40%	41%	42%	27%	34%	57%	42%	38%	40%	37%	48%	34%	39%	42%	43%
\$1.00 TO \$2.00	12%	16%	9%	17%	13%	5%	10%	14%	13%	13%	15%	8%	13%	14%	15%
\$3.00 TO \$5.00	13%	12%	17%	14%	10%	14%	16%	11%	13%	15%	-	15%	17%	10%	12%
\$6.00 TO \$10.00	9%	6%	8%	6%	17%	8%	9%	8%	8%	9%	10%	12%	8%	8%	7%
\$11.00 OR MORE	6%	4%	7%	4%	12%	1%	5%	6%	3%	8%	-	10%	4%	5%	4%
DON'T KNOW/WON'T SAY	20%	21%	17%	32%	14%	15%	18%	21%	23%	18%	26%	20%	19%	21%	20%

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
NONE	40%	50%	36%	37%	39%	35%	45%	35%	38%	37%
\$1.00 TO \$2.00	12%	7%	16%	13%	14%	12%	12%	12%	14%	12%
\$3.00 TO \$5.00	13%	8%	14%	18%	15%	10%	7%	24%	10%	10%
\$6.00 TO \$10.00	9%	11%	6%	9%	9%	12%	6%	6%	15%	14%
\$11.00 OR MORE	6%	2%	2%	6%	5%	20%	2%	6%	5%	16%
DON'T KNOW/WON'T SAY	20%	23%	26%	16%	19%	11%	28%	17%	17%	11%

AWARENESS OF PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AND INSTALL NEW POLLUTION REDUCING TECHNOLOGY ON THE REMAINING UNITS

QUESTION 9: NOW I'M GOING TO SHARE SOME INFORMATION ABOUT THE SAN JUAN GENERATING STATION OPERATED BY PNM. THIS COAL-FIRED POWER PLANT IS LOCATED NEAR FARMINGTON, NEW MEXICO AND HAS FOUR UNITS THAT GENERATE ELECTRICITY. A LARGE PORTION OF YOUR ELECTRICITY COMES FROM THIS PLANT. PNM HAS FILED A PLAN TO PERMANENTLY CLOSE TWO OF THE FOUR UNITS AND INSTALL NEW POLLUTION-REDUCING TECHNOLOGY ON THE REMAINING TWO UNITS. THIS PLAN WOULD CUT PNM'S COAL USE AT SAN JUAN BY 37 PERCENT (ON JANUARY 1, 2018). THE NEW POLLUTION CONTROL WOULD ALSO REDUCE GREENHOUSE GAS EMISSIONS AND WATER USE AT THE GENERATING STATION BY 30 PERCENT. HAVE YOU HEARD OF THIS PLAN?

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
Yes	43%	30%	47%	42%	49%	55%	49%	37%	39%	50%	22%	34%	39%	49%	52%
No	57%	70%	53%	56%	51%	45%	51%	62%	61%	49%	78%	66%	61%	50%	48%
DON'T KNOW/WON'T SAY	*	-	-	2%	-	-	-	1%	-	1%	-	-	-	1%	-

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
Yes	43%	25%	36%	52%	60%	52%	30%	40%	55%	64%
No	57%	75%	64%	48%	40%	48%	70%	60%	45%	36%
DON'T KNOW/WON'T SAY	*	-	-	-	-	-	-	-	-	-

* LESS THAN 1% REPORTED.

PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION

QUESTION 10: I'D LIKE TO READ YOU TWO DIFFERENT POINTS OF VIEW ABOUT SAN JUAN GENERATING STATION OPERATED BY PNM.

A.) SOME ENVIRONMENTAL GROUPS OPPOSE PNM'S PLAN BECAUSE THEY BELIEVE IT DOESN'T GO FAR ENOUGH IN REDUCING POLLUTION AND WATER USAGE. THEY WANT PNM TO CLOSE ALL 4 COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC POWER PLANT AND REPLACE THEM WITH NATURAL GAS-FIRED POWER PLANTS AND MORE RENEWABLE ENERGY SOURCES LIKE SOLAR AND WIND. THEY FEEL THAT PNM SHOULD STOP INVESTING IN OLD TECHNOLOGIES SUCH AS COAL-FIRED ELECTRIC PLANTS AND DEVELOP MORE RENEWABLE ENERGY OPTIONS.

B.) PNM'S PLAN WOULD KEEP TWO OF THE FOUR COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC PLANT OPERATING. THE COMPANY FEELS IT IS IMPORTANT TO USE A MIX OF ENERGY SOURCES INCLUDING COAL, NATURAL GAS, NUCLEAR FROM AN EXISTING PLANT (PALO VERDE), AND SOLAR AND WIND. PNM BELIEVES THIS PLAN WILL ENSURE RELIABLE ELECTRICITY IS AVAILABLE TO ITS CUSTOMERS, SINCE SOLAR AND WIND POWER ARE NOT AVAILABLE 24 HOURS A DAY AND CANNOT SUPPLY ENOUGH ELECTRICITY DURING PEAK US PERIODS. AFTER HEARING THIS INFORMATION, DO YOU SUPPORT PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AT THE SAN JUAN ELECTRIC PLANT, OR DO YOU PREFER CLOSING THE ENTIRE POWER PLANT?

	TOTAL SAMPLE (N=401)	REGION					GENDER		ETHNICITY			AGE			
		VALLEY/ DOWNTOWN	WESTSIDE/ RIO RANCHO	MID- HEIGHTS	FAR HEIGHTS	OTHER	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PNM PLAN 2 OF 4 UNITS	65%	64%	70%	65%	71%	48%	69%	62%	65%	66%	85%	76%	56%	68%	61%
CLOSE ALL	14%	15%	10%	13%	14%	23%	15%	13%	13%	16%	-	13%	20%	11%	15%
DEPENDS (VOLUNTEERED)	8%	6%	8%	8%	9%	14%	8%	9%	7%	9%	-	8%	12%	7%	6%
NEITHER ONE	2%	1%	-	5%	2%	2%	2%	1%	3%	-	-	1%	-	3%	2%
DON'T KNOW/WON'T SAY	10%	13%	11%	10%	4%	14%	5%	15%	13%	8%	15%	2%	13%	12%	16%

	TOTAL SAMPLE (N=401)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PNM PLAN 2 OF 4 UNITS	65%	61%	67%	65%	59%	76%	66%	61%	70%	71%
CLOSE ALL	14%	7%	15%	17%	23%	13%	7%	15%	19%	23%
DEPENDS (VOLUNTEERED)	8%	6%	8%	10%	9%	8%	9%	12%	4%	4%
NEITHER ONE	2%	-	4%	1%	2%	1%	3%	2%	1%	-
DON'T KNOW/WON'T SAY	10%	25%	7%	7%	7%	2%	15%	10%	7%	3%

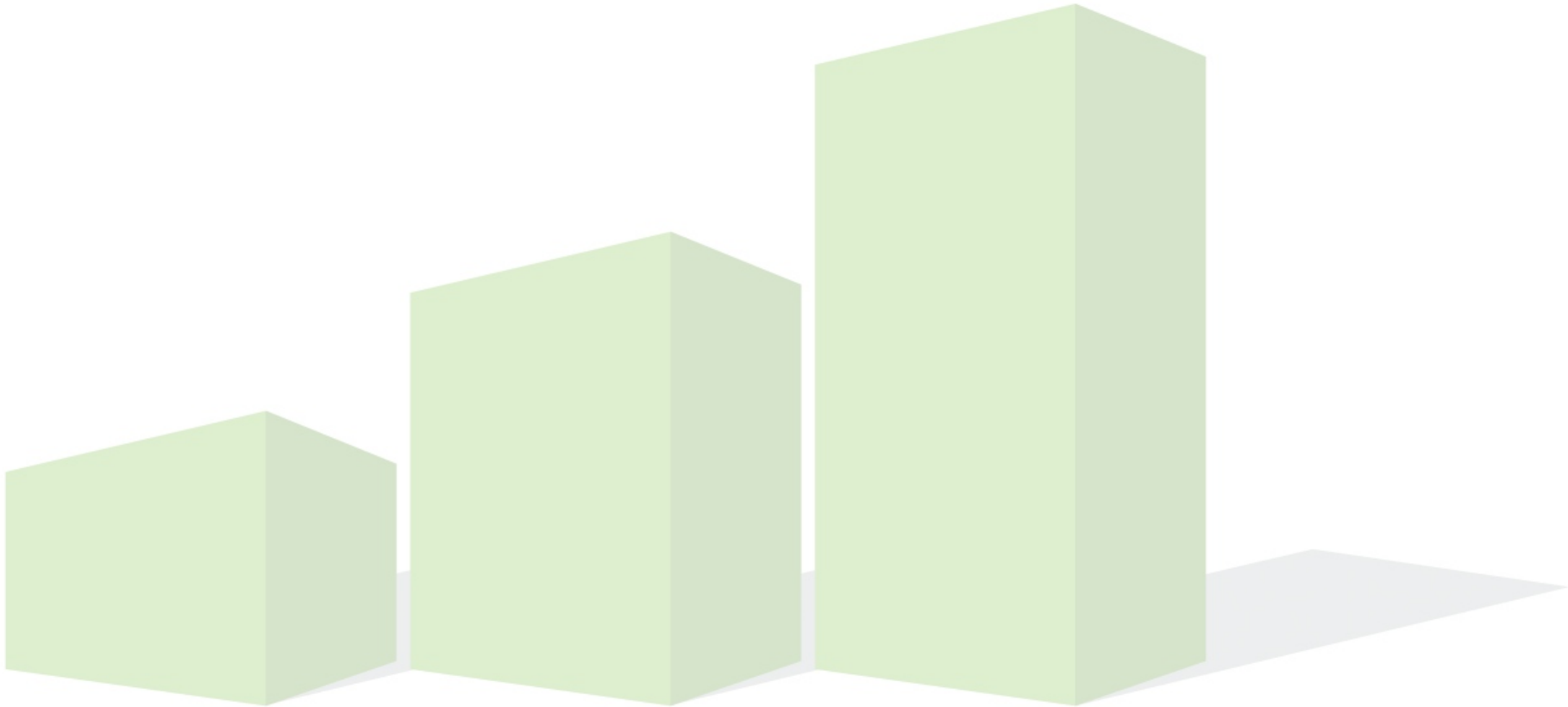
UNDERLYING REASONS FOR CHOICE IN ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATIONS

QUESTION 11: WHY DO YOU FEEL THIS?

SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	19%	DON'T KNOW WHAT THEY'RE TALKING ABOUT	1%
SOLAR/WIND NOT RELIABLE	12%	U.S. HAS ABUNDANT SUPPLY OF NATURAL GAS	1%
NEED MORE INFORMATION	12%	BETTER FOR THE FUTURE	1%
NEED RELIABLE ELECTRICITY	10%	WILL NOT BE PROGRESSIVE	1%
WILL CUT JOBS	9%	COAL: DIRTY/GET RID OF/REDUCE USAGE	1%
WILL REDUCE AIR POLLUTION	8%	GLOBAL WARMING IS NOT REAL	1%
TAKE STEP AT A TIME (CLOSE DOWN 2)	8%	TECHNOLOGY: CLEANER/EXISTS/NEW/NUCLEAR	1%
DIVERSE SOURCE OF ENERGY IS BETTER	7%	ASSESS IMPACT ON ENVIRONMENT	1%
COAL IS BAD/MORE POLLUTANTS	6%	NOT TRUTHFUL WHO IS GOING TO BENEFIT FROM ALL THIS	1%
DEPENDS ON COST	4%	WILL CREATE JOBS	1%
TRANSITION OVER IN TIME	4%	WILL BETTER SERVE THE COMMUNITY	1%
NEED RELIABLE SOURCES OF POWER/SERVICE/SAFE	4%	WE NEED COAL	1%
NATURAL GAS IS CLEANER	3%	TAX BREAKS FOR THOSE WITH SOLAR POWER	1%
RENEWABLES ARE MORE EXPENSIVE	3%	NATURAL GAS: LIMITED/DANGEROUS/EXPENSIVE	1%
ELECTRIC RATES WILL GO DOWN	3%	NATURAL GAS CREATES A DEMAND FOR "FRACKING"	*
HAD LONG ENOUGH TIME TO CHANGE/CLOSE IT DOWN	3%	THEY ARE MOVING THE RIGHT DIRECTION	*
PNM NEEDS TO DO WHAT THEY NEED TO DO	3%	DOES NOT REACH US - WE ARE FAR FROM IT	*
NEED A BACKUP SYSTEM	3%	NEW MEXICO DOESN'T REALLY HAVE A BAD POLLUTION PROBLEM	*
CLOSING PLANT NOT FEASIBLE - WILL HAVE NEGATIVE IMPACT	3%	PLAN ON HOW TO ACQUIRE THOSE NATURAL RESOURCES TO SUSTAIN OUR NEEDS	*
ELECTRIC RATES WILL GO UP	2%	HEALTH HAZARD	*
COAL IS LESS EXPENSIVE	2%	THEY DON'T HAVE TO CLOSE ANY - PNM SELLS TO CALIFORNIA	*
UTILIZE ALL RESOURCES OF ENERGY AVAILABLE	2%	HUGE PART OF THE ECONOMY	*
DEPENDS ON HOW MUCH MY BILL WILL GO UP	2%	OUT DATED TECHNOLOGY	*
MAKE IT ENERGY EFFICIENT/CONSERVING ENERGY	2%	IT'S ALREADY COSTING TOO MUCH	*
CUSTOMERS WILL END UP PAYING FOR IT	2%	NATURAL GAS CONTAINS METHANE	*
U.S. HAS ABUNDANT SUPPLY OF COAL	2%	NEED VIABILITY PLAN/ADDRESS ISSUES	*
THINGS SHOULD STAY THE WAY THEY ARE	1%	NEED TO CLEAN UP ENVIRONMENT/WATER	*
MORE ECONOMICAL/COST EFFECTIVE	1%	PIPELINES CAN BE A PROBLEM	*
NATURAL GAS IS LESS EXPENSIVE	1%	THE REST OF THE WORLD NOT DOING THEIR JOB	*
GLOBAL WARMING IS A PROBLEM	1%	NOT IN FAVOR OF NUCLEAR	*
NEED PROVEN TECHNOLOGY	1%		
WILL COST MORE TO CLOSE ALL 4 UNITS	1%	NO REASON IN PARTICULAR	4%
ENVIRONMENTALISTS: GETTING THEIR WAY/PUT FEAR IN PEOPLE/		DON'T KNOW/WON'T SAY	2%

* LESS THAN 1% REPORTED.

III. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

ALBUQUERQUE TOTAL SAMPLE (N=401)

GENDER

MALE	48%
FEMALE	52%

AGE

18 TO 34 YEARS	25%
35 TO 49 YEARS	25%
50 TO 64 YEARS	31%
65 YEARS OR OLDER	18%
WON'T SAY	1%

EDUCATION

HIGH SCHOOL GRADUATE OR LESS	34%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	31%
COLLEGE GRADUATE (4 YEARS)	21%
GRADUATE DEGREE	13%
WON'T SAY	1%

ETHNICITY

ANGLO	46%
HISPANIC	42%
OTHER DESCENT	5%
NATIVE AMERICAN INDIAN	2%
BLACK/AFRICAN-AMERICAN	1%
WON'T SAY	3%

HOUSEHOLD INCOME

LESS THAN \$20,000	16%
\$20,000 TO \$39,999	28%
\$40,000 TO \$59,999	18%
\$60,000 TO \$79,999	14%
\$80,000 AND OVER	16%
WON'T SAY	8%

RESEARCH & POLLING INC



PNM
NORTHERN NEW MEXICO COMMUNITY SURVEY
AUGUST 2015

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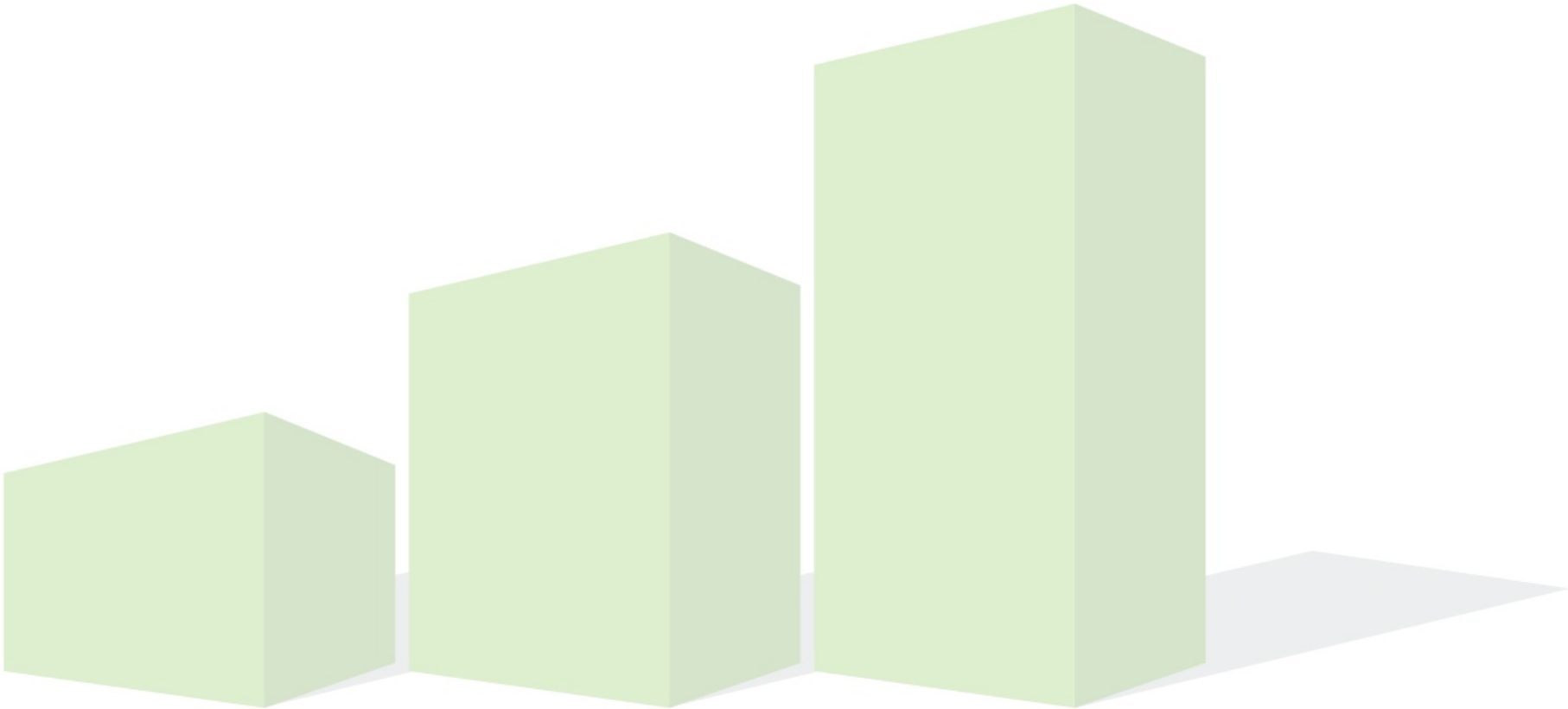
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I. INTRODUCTION



METHODOLOGY

This research study was commissioned by PNM in order to assess which electric utility attributes PNM customers believe are most important. This study also measured customers' awareness of PNM's plan to close a portion of the San Juan Generating Station, as well as customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

THE INTERVIEW

A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- **Northern New Mexico (n=200)**
- Albuquerque Metro Area (n=401)
- Santa Fe (n=406)
- Southwestern New Mexico (n=306)
- Southeastern New Mexico (n=205)

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. This report is among PNM customers in the Northern New Mexico area. All interviews were conducted between July 22nd and August 6th, 2015.

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 200 PNM customers in the Northern area completed interviews. PNM's Northern region service area includes Las Vegas and Clayton.

MARGIN OF ERROR

A sample size of 200 at a 95% confidence level provides a maximum margin of error of approximately 6.9%. In theory, in 95 out of 100 cases, the results based on a sample of 200 will differ by no more than 6.9 percentage points in either direction from what would have been obtained by interviewing all PNM customers in the Northern region service area.

SAMPLE BIAS

In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

EXECUTIVE SUMMARY

PNM customers in the Northern region service area were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When PNM customers in the Northern region service area were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers. Having the most reliable electric service is rated as important by the vast majority (94%) of PNM customers, followed closely by providing the highest quality customer service (88%). Eighty-one percent rate having the lowest electric rates as important, 71% say developing more renewables is important, and 69% say reducing pollution from power plants is important.

When customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, providing the most reliable electric service (38%) was selected most often, followed by having the lowest rates in the West (24%), developing more renewables (15%), reducing pollution (12%), and providing the highest quality customer service (9%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

Nearly three-quarters of PNM customers in the Northern region service area (72%) are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. Men are more likely than women to be aware of PNM's plan to close two of the four units.

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. Three-fifths of PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 14% say PNM should close the entire plant.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, 15% of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables, while 14% mention a reduction in air pollution, and another 6% say coal is bad/more pollutants. Those who say PNM should close two of the four coal-fired units mention a need for more reliable electricity (28%), that solar/wind are not as reliable (18%), will cut jobs (6%), and to take electric generating unit closures one step at a time (6%). Eight percent say they need more information.

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 10 UNAIDED RESPONSES	
NORTHERN NEW MEXICO TOTAL SAMPLE (N=200)	
LACK OF GOOD JOBS	23%
WATER SHORTAGE/WATER SUPPLY	20%
WEAK ECONOMY	12%
CRIME	11%
ILLEGAL DRUG USE	8%
LOW WAGES	8%
UTILITIES TOO HIGH	6%
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	5%
NOTHING IN PARTICULAR	14%
DON'T KNOW/WON'T SAY	8%

PNM customers in the Northern region service area were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Nearly one-quarter (23%) of PNM customers say that a lack of good jobs is the biggest issue or problem, followed by one-fifth who mention water shortage/water supply, and 12% who mention the weak economy. Eight percent mention illegal drug use and another 8% mention low wages, while 5% say roads/streets/highways are in bad condition. Six percent say utility costs are too high, 2% mention the high cost of electricity, and 2% mention power outages. Twenty-two percent of PNM customers did not mention a particular problem or issue facing their community.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE)													
NORTHERN NEW MEXICO TOTAL SAMPLE (N=200) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	77%	11%	6%	-	1%	4%	1%	-	-	-	-	-	9.5
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	64%	10%	7%	3%	2%	6%	3%	1%	-	-	-	4%	9.0
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	59%	15%	14%	1%	2%	4%	-	1%	2%	-	-	1%	9.0
REDUCING POLLUTION FROM POWER PLANTS	51%	10%	8%	5%	5%	12%	1%	1%	1%	2%	2%	3%	8.2
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	50%	13%	8%	5%	4%	9%	1%	1%	2%	2%	1%	3%	8.3

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

PNM customers in the Northern region service area were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

The vast majority (94%) of PNM customers in the Northern region service area rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with 77% saying this is *extremely important*.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

More than four-fifths (81%) of PNM customers say that having the lowest rates in the West is important with nearly two-thirds (64%) saying this is *extremely important*. Eleven percent have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7).

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

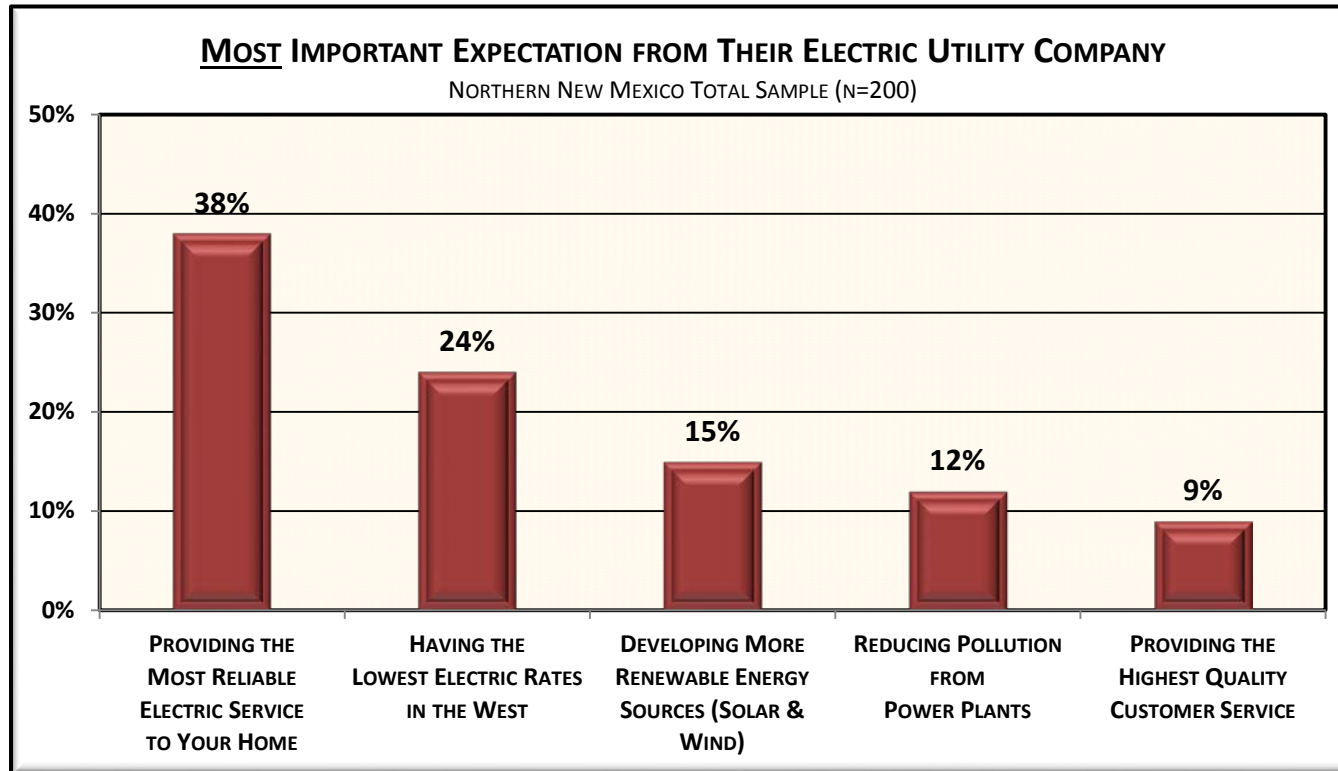
Eighty-eight percent of PNM customers rate providing the highest quality customer service as important (a score of 8, 9, or 10), with nearly three-fifths (59%) saying this is *extremely important*.

REDUCING POLLUTION FROM POWER PLANTS

More than two-thirds (69%) of PNM customers rate reducing pollution from power plants as important, with half (51%) saying this is *extremely important*. One-fifth (22%) have a neutral opinion or felt this was slightly important, while 7% say this is unimportant.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

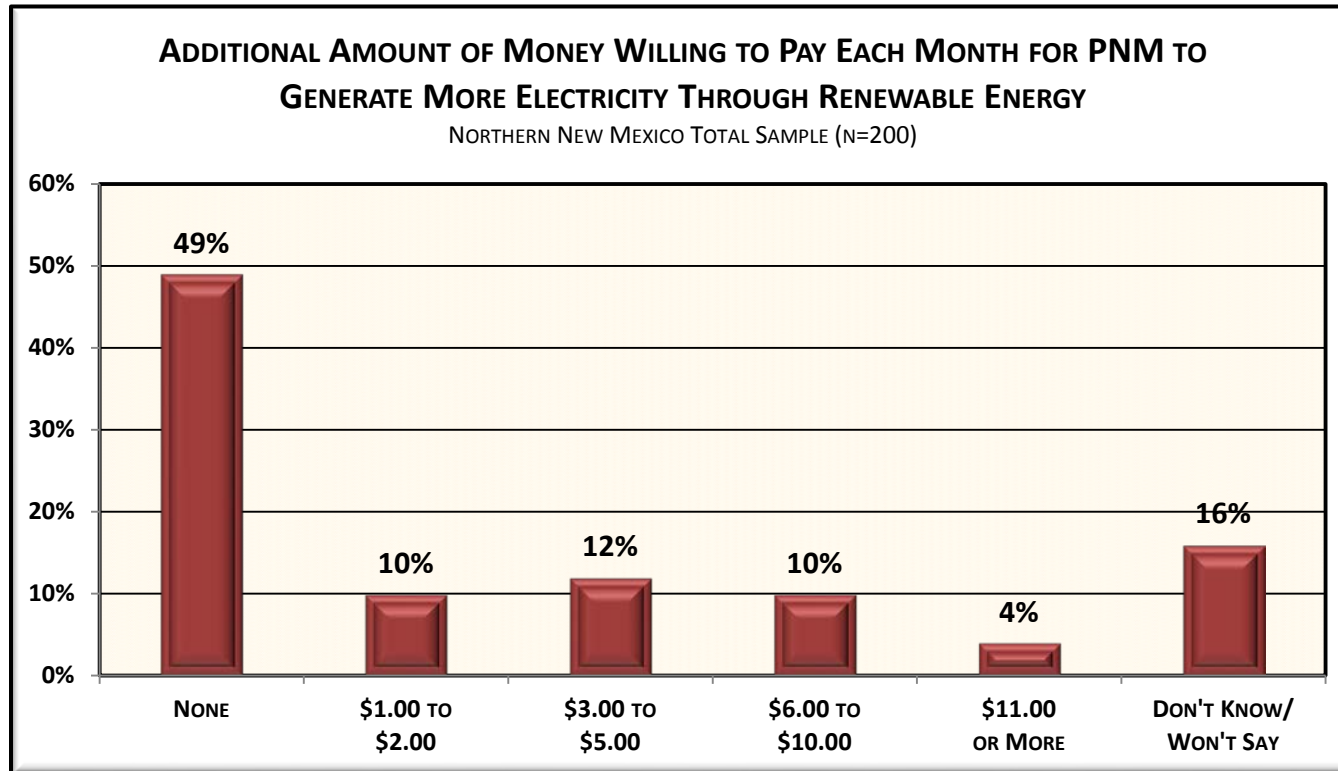
More than two-thirds (71%) of PNM customers rate developing more renewable energy sources as important, with half who say this is *extremely important*. Eighteen percent have a neutral opinion or felt this was slightly important, while 7% say this is unimportant.



Customers were reread the five attributes from page seven and asked **which item is the most important to them** in what they expect from their electric utility. Overall, providing the most reliable electric utility service (38%) is the most important attribute, followed by 24% who say having the lowest electric rates in the West is the most important. The third most important attribute among PNM customers in the Northern region service area is developing more renewable energy sources (15%), followed by reducing pollution from power plants (12%), and providing the highest quality customer service (9%).

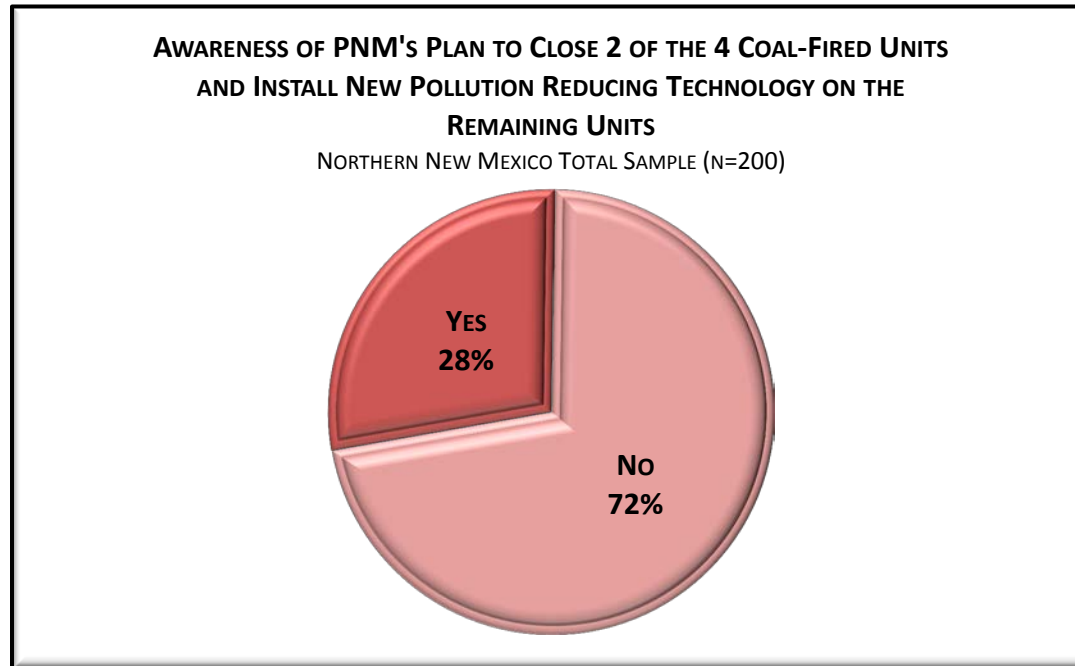
<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u>						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each regions second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.



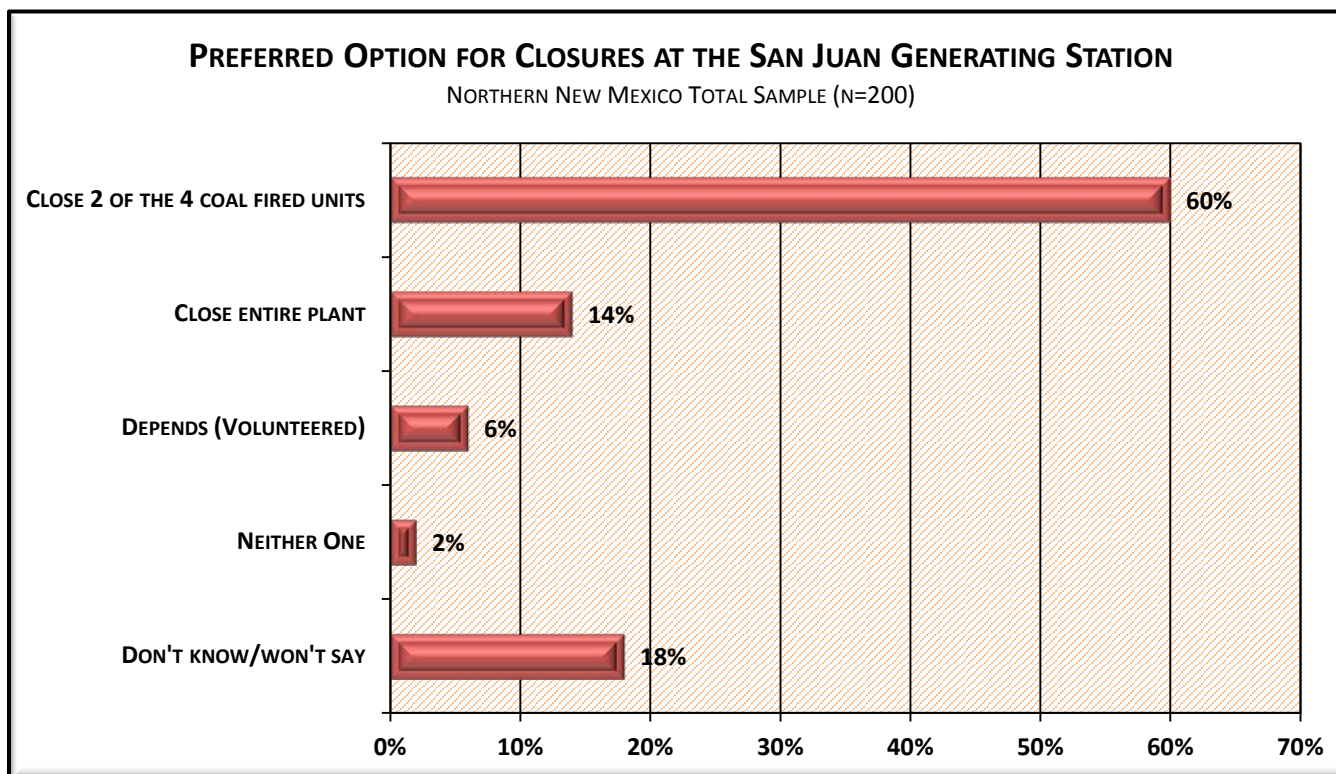
Customers were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. Almost half (49%) of PNM customers in the Northern region service area say they are unwilling to pay any additional amount on their monthly bill, while 10% mention they are willing to pay one to two dollars more a month. Twelve percent are willing to pay three to five dollars more a month, while 14% are willing to pay six dollars or more.

Of note, those with graduate degrees are more likely than others to say they are willing to pay six dollars or more for PNM to generate more electricity through renewable energy sources. Conversely, those with a high school education or less are more likely to say they are unwilling to pay more each month for PNM to generate more electricity through renewable sources.



Customers were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Customers were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. They were then **asked if they had heard of this plan**.

Nearly three-quarters (72%) of PNM customers in the Northern region service area say they have not heard of PNM's plan, while 28% say they have heard of it. Men are more likely than women to be aware of PNM's plan to close two of the four units.



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

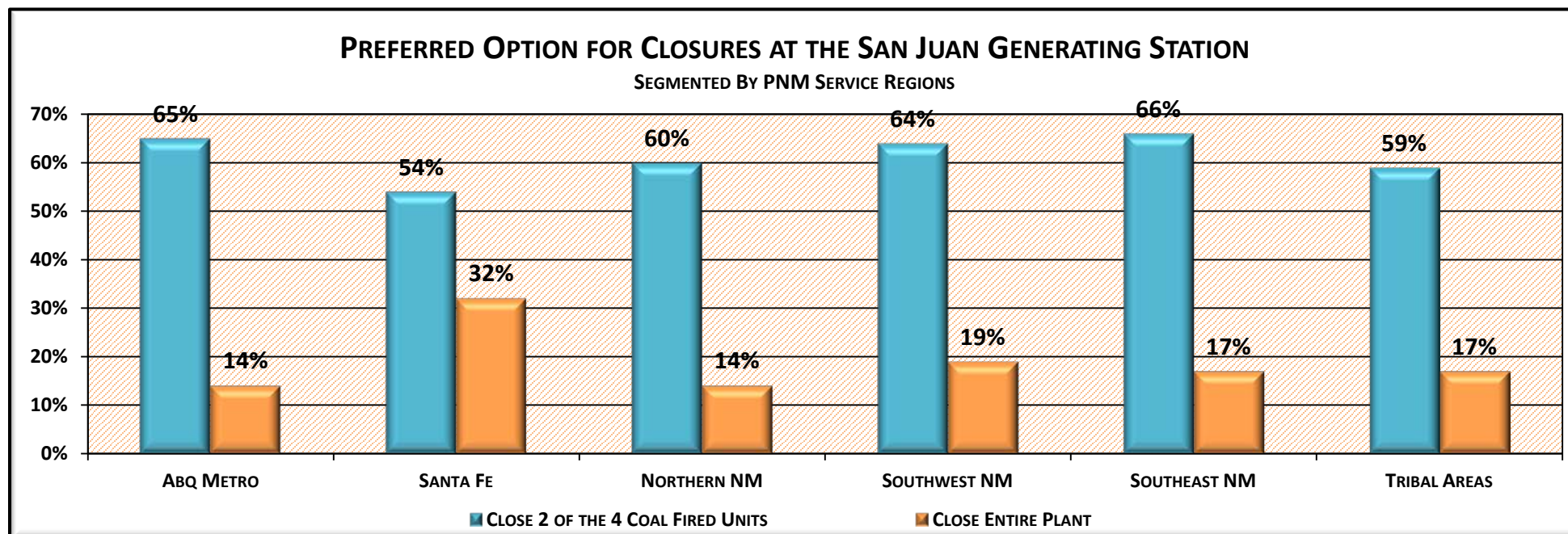
Customers were read **two different viewpoints (shown above, rotated when read to survey participants)** about the San Juan Generating Station operated by PNM and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. Three-fifths of PNM customers in the Northern region service area say they support PNM’s plan to close two of the four coal-fired units, while 14% say PNM should close the entire plant. Six percent say “it depends” and almost one-fifth (18%) did not offer an opinion.

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



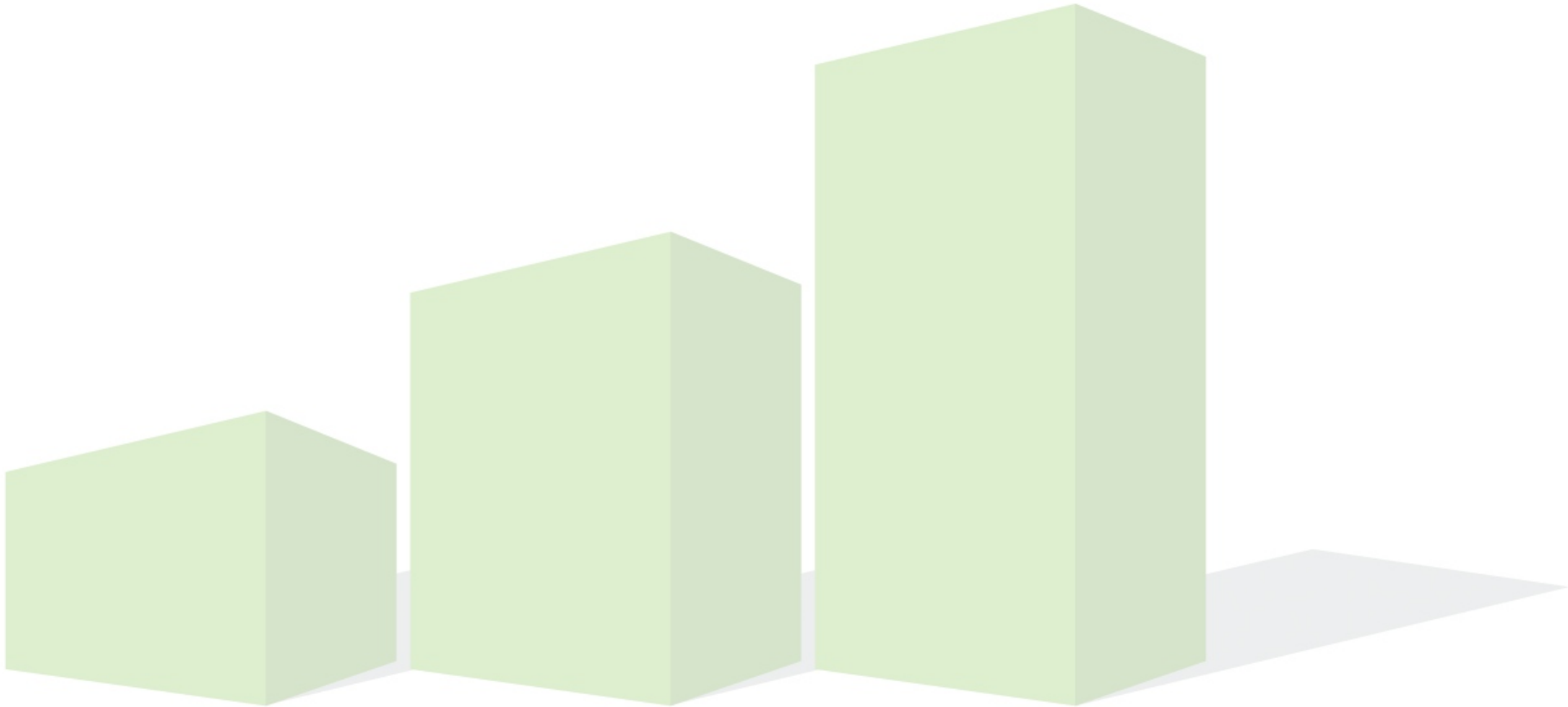
PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION	
AMONG THOSE WHO CHOSE A CLOSURE OPTION NORTHERN NEW MEXICO RESPONSES TOP 8 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	15%
WILL REDUCE AIR POLLUTION	14%
COAL IS BAD/MORE POLLUTANTS	6%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITED	
NEED MORE RELIABLE ELECTRICITY	28%
SOLAR/WIND ARE NOT AS RELIABLE	18%
TAKE CLOSURES ONE STEP AT A TIME	6%
WILL CUT JOBS	6%
NEUTRAL	
NEED MORE INFORMATION	8%

Customers were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. Fifteen percent of customers in the Northern region who say that PNM should close the entire plant mention that PNM should be pursuing more renewables, while 14% mention a reduction in air pollution, and another 6% say coal is bad/more pollutants. Those who say PNM should close two of the four coal-fired units mention a need for more reliable electricity (28%), that solar/wind are not as reliable (18%), will cut jobs (6%), and to take generating unit closures one step at a time (6%). Eight percent say they need more information.

II. SUMMARY OF RESULTS



BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY

QUESTION 1: WHAT ARE THE BIGGEST ISSUES OR PROBLEMS FACING YOUR COMMUNITY?

CRIME	28%	LACK OF SERVICES FOR ELDERLY	*	LACK OF AWARENESS OF ENVIRONMENTAL ISSUES	*
LACK OF GOOD JOBS	8%	TRAFFIC: LIGHTS	*	LACK OF TOURISM	*
WATER SHORTAGE/WATER SUPPLY	7%	WATER POLLUTION	*	CLIMATE CHANGE	*
ILLEGAL DRUG USE	5%	SEWERS/DRAINS	*	ZONING ISSUES	*
EDUCATIONAL SYSTEM IS POOR	5%	FIRES	*	MORE UNDERGROUND WIRING/LOW POWER LINES	*
WEAK ECONOMY	5%	NOT ENOUGH ROADS/HIGHWAYS	*	ZONING COMMISSION	*
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	4%	TAXES ARE HIGH/UNREASONABLE	*	INCOME INEQUALITY	*
HOMELESS	4%	NEIGHBORS: NOISY/DOGS BARKING/PARKED CAR/ETC.	*	WELFARE ABUSE	*
LOW WAGES	3%	ILLEGAL IMMIGRATION	*	RECEIVING MAIL 2 MONTHS LATER	*
POLICE/LEGAL SYSTEM	3%	GRAFFITI	*	LACK OF SERVICES	*
DWI RATE HIGH	2%	FUTURE SCHOOL FUNDING	*	LACK OF HOUSING	*
POVERTY	2%	QUALITY OF SCHOOL FACILITIES	*	BLOCKING THE GILA RIVER	*
COST OF LIVING IS HIGH/UNREASONABLE	2%	GOVERNMENT/POLITICAL LEADERSHIP IS INCOMPETENT	*	GLOBAL WARMING	*
GUN CONTROL	2%	PNM NOT MEETING PEOPLE'S NEEDS: DROP BOX/OFFICE HOURS/NOT LISTENING	*	PNM INVESTING IN UNSTABLE COAL PLANT/LACK OF RESPONSE ON ENVIRONMENT ISSUES	*
DROUGHT	2%	DESTRUCTION OF OUR CONSTITUTION	*	SPACE	*
GANGS	1%	VIOLENCE	*	TREATMENT CENTERS FOR ADULTS AND TEENS	*
POWER OUTAGES	1%	LOW PAY FOR TEACHERS	*	HIGH GASOLINE PRICES	*
CONGESTION	1%	INFRASTRUCTURE	*	CULTURE	*
UTILITIES TOO HIGH	1%	POLITICIANS/POLITICS	*	DIRTY PARKS	*
BAD DRIVERS: SPEEDERS/CELL USERS	1%	ILLEGAL DUMPING	*	COYOTE KILLING	*
LACK OF YOUTH ACTIVITIES	1%	DAY CARE (TO BE SAFE/RELIABLE/OFFER BEFORE SCHOOL CARE)	*	SCHOOL ADMINISTRATORS GETTING HIGHER PAY	*
PEOPLE'S YARDS (TRASH/CARS/ETC.)	1%	ROACHES	*	TEEN PREGNANCY	*
ORANGE BARRELS/CONSTANT STREET MAINTENANCE	1%	MEDICAL CARE: DIABETES/HEALTH ISSUES/MEDICAL FACILITIES	*	MONOPOLY ON UTILITIES	*
HIGH COST OF ELECTRICITY	1%	POOR TASTE IN DESIGN	*	GAMBLING	*
LACK OF ECONOMIC DEVELOPMENT	1%	BETTER SERVICES: INTERNET/CELL/PHONE/WIFI	*	ACCESS TO CLEANER POWER	*
YOUTH PROBLEMS	1%	TRAFFIC: HIGH	*	FLOOD INSURANCE SHOULDN'T BE REQUIRED IN AREA	*
NEED MORE BUSINESSES/SMALL	1%	HIGH COST OF INTERNET	*	RENTAL PROPERTIES NOT MAINTAINED	*
DOMESTIC VIOLENCE/FAMILY PROBLEMS	1%	NEED ANIMAL CONTROL	*	NO NATURAL GAS	*
GOVERNMENT/POLITICAL LEADERSHIP IS CORRUPT	1%	FLOOD CONTROL: ARROYOS RUN OFFS/PIPES	*	LACK OF SERVICES FOR THE DISABLED	*
DECLINE OF FAMILY VALUES	1%	LACK OF RENEWABLE ENERGY/TECHNOLOGY	*	INSURANCE PREMIUMS TOO HIGH	*
PEOPLE: RUDE/ANGRY/ETC.	1%	NEED GROWTH	*	SMART READERS ARE DANGEROUS	*
LABOR FORCE/SKILLED LABOR UNAVAILABLE	1%	AFFORDABLE DAY CARE	*	MINES GET AWAY WITH THINGS DUE TO CORPORATE SIZE	*
ALCOHOLISM	1%	LACK OF ENTERTAINMENT/RECREATION	*	POOR COVERAGE OF THEIR LOCAL NEWSPAPER	*
AIR POLLUTION	1%	FRACKING	*	GMO'S	*
OVER POPULATION	1%	NOISE POLLUTION	*	RURAL AREAS DON'T GET A FAIR SHARE OF STATE BENEFITS	*
LANDSCAPING IS BAD	1%	RECYCLING	*		
LACK OF TRAINING FOR GOOD JOBS	*	LACK OF YOUNG POPULATION	*	NOTHING IN PARTICULAR	21%
GROWING TOO BIG/TOO FAST	*	NATURAL RESOURCES AVAILABILITY	*	DON'T KNOW/WON'T SAY	14%
TOO MANY VACANT LOTS/HOUSES/BUILDINGS/ETC.	*	NUCLEAR WASTE TRANSPORT	*		
COST OF HOUSING IS HIGH/UNREASONABLE	*	LACK OF/INSUFFICIENT PUBLIC TRANSPORTATION	*		
HEALTHCARE REFORM	*				

* LESS THAN 1% REPORTED.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

QUESTION 2: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	51%	51%	43%	64%	59%	54%	49%	53%	59%	43%	61%	55%	53%	48%	49%
9	8%	8%	5%	10%	8%	7%	10%	7%	7%	8%	26%	6%	11%	8%	7%
8	13%	13%	10%	7%	11%	14%	13%	12%	11%	15%	5%	15%	11%	12%	12%
7	5%	5%	8%	3%	8%	7%	6%	4%	6%	5%	1%	5%	7%	4%	5%
6	4%	4%	4%	2%	1%	3%	4%	3%	3%	4%	1%	3%	6%	2%	5%
5	13%	13%	18%	6%	8%	12%	12%	13%	10%	17%	5%	5%	8%	20%	16%
4	1%	1%	2%	3%	-	1%	1%	1%	*	2%	-	1%	2%	1%	1%
3	1%	1%	3%	1%	1%	2%	2%	1%	1%	1%	1%	3%	1%	2%	1%
2	*	*	3%	-	-	-	1%	*	*	1%	-	1%	1%	*	*
1	1%	1%	-	-	1%	-	1%	1%	2%	-	-	2%	-	*	1%
0 – NOT IMPORTANT AT ALL	2%	2%	3%	-	-	-	2%	2%	1%	2%	-	1%	1%	2%	2%
DON'T KNOW/WON'T SAY	1%	1%	1%	4%	2%	1%	1%	1%	1%	1%	-	2%	-	1%	1%
MEAN †	8.3	8.3	7.6	9.0	8.8	8.5	8.2	8.3	8.6	7.9	9.3	8.5	8.5	8.1	8.0
MEDIAN	10.0	10.0	8.0	10.0	10.0	10.0	9.0	10.0	10.0	9.0	10.0	10.0	10.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	51%	58%	61%	57%	36%	39%	58%	55%	44%	37%
9	8%	6%	10%	8%	5%	6%	5%	12%	11%	4%
8	13%	10%	10%	13%	26%	10%	8%	15%	17%	13%
7	5%	3%	5%	4%	9%	6%	3%	5%	4%	11%
6	4%	2%	2%	3%	6%	6%	3%	1%	7%	7%
5	13%	13%	9%	9%	11%	20%	15%	9%	11%	17%
4	1%	-	-	*	*	4%	*	-	2%	5%
3	1%	-	-	1%	2%	5%	1%	*	1%	2%
2	*	-	*	-	-	2%	*	*	-	2%
1	1%	3%	1%	1%	-	-	2%	-	1%	-
0 – NOT IMPORTANT AT ALL	2%	2%	1%	2%	3%	2%	2%	2%	1%	1%
DON'T KNOW/WON'T SAY	1%	3%	*	1%	1%	-	2%	*	*	2%
MEAN †	8.3	8.5	8.8	8.6	7.8	7.3	8.3	8.7	8.2	7.5
MEDIAN	10.0	10.0	10.0	10.0	8.0	8.0	10.0	10.0	9.0	8.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

QUESTION 3: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	55%	55%	53%	59%	59%	57%	54%	56%	56%	53%	51%	60%	53%	52%	55%
9	10%	10%	12%	15%	9%	11%	10%	10%	12%	9%	1%	6%	12%	8%	15%
8	15%	15%	13%	14%	17%	16%	15%	15%	12%	16%	46%	14%	13%	16%	17%
7	7%	7%	6%	1%	5%	7%	9%	5%	5%	9%	2%	8%	9%	7%	5%
6	2%	2%	4%	2%	2%	2%	1%	4%	1%	4%	-	1%	4%	2%	1%
5	5%	5%	8%	4%	5%	4%	7%	4%	6%	5%	-	5%	2%	9%	2%
4	1%	1%	2%	-	1%	-	*	1%	1%	1%	-	1%	*	1%	2%
3	2%	2%	1%	1%	1%	1%	2%	2%	3%	2%	-	2%	4%	2%	1%
2	*	-	1%	2%	-	-	*	*	*	*	-	-	-	*	*
1	*	*	-	-	-	-	*	-	1%	-	-	-	-	-	1%
0 – NOT IMPORTANT AT ALL	1%	1%	*	-	-	-	1%	1%	2%	-	-	-	2%	2%	*
DON'T KNOW/WON'T SAY	1%	1%	-	1%	1%	-	-	2%	1%	1%	-	2%	2%	-	-
MEAN †	8.7	8.7	8.6	9.0	8.9	8.9	8.6	8.8	8.6	8.7	9.0	8.9	8.6	8.4	8.9
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	55%	57%	56%	60%	47%	54%	55%	59%	51%	54%
9	10%	6%	8%	11%	12%	13%	8%	11%	12%	11%
8	15%	19%	12%	15%	19%	13%	12%	13%	20%	16%
7	7%	3%	6%	11%	10%	7%	5%	8%	7%	11%
6	2%	2%	2%	*	1%	5%	2%	2%	4%	3%
5	5%	7%	7%	2%	6%	3%	6%	4%	6%	5%
4	1%	1%	3%	-	-	-	3%	-	-	-
3	2%	3%	3%	*	2%	3%	4%	2%	1%	*
2	*	*	*	-	-	-	*	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	3%	1%	-	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	1%	3%	-	-	3%	-	3%	*	-	-
MEAN †	8.7	8.7	8.3	9.0	8.7	8.7	8.4	8.9	8.7	8.9
MEDIAN	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

QUESTION 4: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	68%	68%	68%	77%	68%	68%	65%	70%	70%	68%	60%	71%	67%	69%	63%
9	11%	12%	12%	11%	12%	10%	14%	10%	10%	12%	13%	11%	10%	13%	10%
8	11%	11%	10%	6%	11%	13%	11%	11%	11%	12%	25%	11%	11%	10%	14%
7	4%	5%	3%	-	3%	4%	3%	5%	4%	4%	2%	2%	7%	3%	6%
6	1%	1%	2%	1%	2%	1%	1%	1%	1%	1%	-	-	2%	1%	1%
5	2%	2%	3%	4%	2%	3%	3%	1%	3%	2%	-	2%	2%	3%	1%
4	*	*	-	1%	1%	-	*	*	1%	-	-	-	-	-	1%
3	*	*	1%	-	-	-	*	*	1%	*	-	1%	-	*	-
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	*	*	-	-	-	-	*	-	1%	-	-	-	-	-	1%
0 – NOT IMPORTANT AT ALL	1%	1%	1%	-	-	-	1%	*	-	-	-	1%	-	1%	-
DON'T KNOW/WON'T SAY	*	*	-	-	1%	1%	-	*	*	*	-	-	-	-	1%
MEAN †	9.2	9.2	9.2	9.5	9.3	9.3	9.1	9.3	9.2	9.3	9.3	9.3	9.3	9.3	9.1
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	68%	64%	70%	70%	72%	68%	69%	67%	67%	70%
9	11%	6%	14%	8%	13%	11%	8%	11%	15%	14%
8	11%	17%	10%	15%	9%	7%	10%	11%	13%	11%
7	4%	9%	3%	3%	5%	2%	5%	7%	1%	1%
6	1%	1%	*	2%	-	2%	*	2%	2%	*
5	2%	3%	*	1%	-	3%	5%	*	1%	1%
4	*	*	1%	-	-	-	1%	-	-	-
3	*	-	*	-	-	1%	*	-	-	1%
2	-	-	-	-	-	-	-	-	-	-
1	*	-	1%	-	-	-	1%	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	-	1%	-	3%	1%	1%	1%	-
DON'T KNOW/WON'T SAY	*	-	-	-	-	1%	*	-	-	1%
MEAN †	9.2	9.1	9.4	9.3	9.5	9.0	9.1	9.3	9.4	9.4
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
DEVELOPING MORE RENEWABLE ENERGY, SUCH AS SOLAR AND WIND**

QUESTION 5: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	45%	44%	56%	50%	47%	40%	42%	49%	45%	46%	37%	49%	43%	47%	42%
9	8%	7%	8%	13%	5%	12%	8%	7%	7%	8%	11%	7%	10%	7%	7%
8	11%	10%	12%	8%	14%	16%	11%	10%	9%	13%	8%	13%	12%	10%	7%
7	7%	7%	5%	5%	8%	7%	8%	5%	7%	6%	3%	6%	8%	7%	5%
6	4%	4%	2%	4%	1%	4%	4%	5%	4%	4%	1%	4%	4%	3%	5%
5	11%	12%	8%	9%	12%	8%	12%	11%	12%	11%	28%	11%	8%	13%	13%
4	2%	2%	2%	1%	1%	1%	2%	2%	2%	2%	-	2%	2%	2%	2%
3	3%	3%	2%	1%	2%	1%	3%	3%	4%	3%	7%	4%	2%	2%	4%
2	1%	1%	1%	2%	2%	3%	2%	1%	1%	2%	-	1%	1%	*	3%
1	2%	2%	*	2%	2%	1%	1%	2%	1%	2%	-	-	1%	3%	2%
0 – NOT IMPORTANT AT ALL	3%	3%	3%	1%	2%	3%	4%	2%	3%	2%	5%	2%	2%	4%	5%
DON'T KNOW/WON'T SAY	3%	3%	*	3%	4%	3%	2%	4%	4%	2%	-	-	6%	1%	6%
MEAN †	7.8	7.7	8.4	8.3	8.0	7.9	7.6	8.1	7.7	8.0	7.2	8.1	8.1	7.7	7.4
MEDIAN	9.0	9.0	10.0	10.0	9.0	9.0	9.0	10.0	9.0	9.0	8.0	9.0	9.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	45%	46%	52%	51%	34%	41%	49%	42%	46%	46%
9	8%	3%	7%	7%	13%	11%	4%	11%	9%	9%
8	11%	10%	10%	13%	12%	11%	5%	13%	17%	11%
7	7%	1%	9%	4%	10%	6%	4%	10%	7%	6%
6	4%	3%	5%	3%	3%	5%	5%	2%	5%	3%
5	11%	16%	7%	12%	13%	11%	16%	11%	6%	10%
4	2%	3%	1%	2%	4%	2%	*	2%	2%	6%
3	3%	3%	1%	4%	2%	7%	3%	4%	1%	4%
2	1%	*	1%	1%	2%	*	*	2%	2%	1%
1	2%	4%	1%	*	1%	2%	2%	1%	3%	-
0 – NOT IMPORTANT AT ALL	3%	2%	5%	2%	3%	2%	6%	1%	2%	2%
DON'T KNOW/WON'T SAY	3%	8%	-	1%	3%	2%	6%	2%	1%	1%
MEAN †	7.8	7.7	8.1	8.2	7.5	7.7	7.6	8.0	8.0	7.9
MEDIAN	9.0	9.0	10.0	10.0	8.0	9.0	10.0	9.0	9.0	9.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
REDUCING POLLUTION FROM POWER PLANTS**

QUESTION 6: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **REDUCING POLLUTION FROM POWER PLANTS**

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	48%	46%	63%	51%	50%	42%	44%	50%	56%	41%	32%	53%	47%	45%	45%
9	9%	8%	8%	10%	6%	11%	8%	9%	6%	10%	12%	9%	10%	8%	7%
8	13%	13%	11%	8%	12%	13%	14%	12%	11%	15%	10%	11%	13%	14%	13%
7	6%	6%	6%	5%	6%	5%	8%	4%	7%	6%	1%	5%	7%	6%	7%
6	5%	6%	2%	5%	3%	2%	8%	2%	4%	7%	1%	5%	5%	6%	4%
5	10%	10%	5%	12%	11%	13%	8%	12%	11%	10%	22%	7%	13%	11%	9%
4	2%	2%	2%	1%	3%	1%	2%	2%	1%	2%	1%	2%	1%	3%	1%
3	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	-	2%	-	*	3%
2	2%	2%	1%	1%	2%	2%	2%	2%	2%	2%	-	2%	1%	2%	2%
1	1%	*	1%	2%	1%	2%	*	1%	1%	*	5%	*	*	*	2%
0 – NOT IMPORTANT AT ALL	3%	3%	1%	2%	3%	4%	3%	3%	1%	4%	15%	2%	1%	4%	4%
DON'T KNOW/WON'T SAY	1%	1%	1%	3%	3%	4%	1%	2%	*	2%	-	-	3%	1%	3%
MEAN †	8.1	8.0	8.8	8.2	8.0	7.8	7.9	8.2	8.3	7.9	6.5	8.3	8.3	7.9	7.8
MEDIAN	9.0	9.0	10.0	10.0	10.0	9.0	9.0	10.0	10.0	8.0	8.0	10.0	9.0	9.0	9.0

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	48%	45%	56%	50%	41%	47%	48%	45%	50%	48%
9	9%	8%	6%	9%	12%	10%	4%	9%	14%	9%
8	13%	13%	15%	12%	16%	10%	11%	16%	12%	12%
7	6%	3%	5%	5%	11%	7%	4%	8%	6%	8%
6	5%	2%	5%	2%	10%	5%	7%	5%	4%	4%
5	10%	13%	8%	10%	6%	15%	14%	7%	7%	12%
4	2%	4%	*	3%	2%	2%	2%	2%	2%	2%
3	1%	2%	1%	-	1%	2%	1%	1%	1%	2%
2	2%	*	1%	5%	-	-	1%	3%	1%	1%
1	1%	2%	*	1%	-	-	1%	*	-	1%
0 – NOT IMPORTANT AT ALL	3%	5%	3%	3%	1%	2%	5%	3%	1%	1%
DON'T KNOW/WON'T SAY	1%	4%	-	*	-	-	2%	1%	2%	*
MEAN †	8.1	7.7	8.4	8.0	8.2	8.1	7.8	8.1	8.5	8.1
MEDIAN	9.0	9.0	10.0	10.0	9.0	9.0	9.0	9.0	10.0	9.0

* LESS THAN 1% REPORTED.

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MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY

QUESTION 7: YOU GAVE HIGH MARKS TO THESE ITEMS (READ HIGHEST STATEMENTS). WHICH ONE DO YOU FEEL IS THE MOST IMPORTANT?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	30%	25%	38%	30%	31%	33%	27%	24%	36%	27%	35%	28%	29%	28%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	25%	27%	13%	24%	27%	25%	25%	26%	34%	17%	38%	21%	26%	27%	27%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	21%	20%	35%	15%	16%	18%	21%	22%	20%	22%	22%	22%	22%	23%	16%
REDUCING POLLUTION FROM POWER PLANTS	14%	14%	17%	12%	13%	12%	14%	15%	12%	16%	2%	14%	13%	14%	18%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	7%	5%	9%	9%	10%	6%	8%	8%	6%	9%	8%	7%	5%	9%
DON'T KNOW/WON'T SAY	2%	2%	4%	2%	5%	5%	2%	2%	2%	2%	1%	1%	2%	3%	2%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	23%	22%	31%	38%	41%	21%	33%	32%	39%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	25%	36%	30%	26%	16%	12%	37%	23%	17%	13%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	21%	20%	20%	24%	17%	27%	19%	19%	25%	24%
REDUCING POLLUTION FROM POWER PLANTS	14%	11%	18%	12%	18%	16%	15%	14%	12%	19%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	7%	8%	6%	7%	3%	7%	8%	10%	2%
DON'T KNOW/WON'T SAY	2%	3%	2%	1%	3%	1%	2%	2%	3%	3%

ADDITIONAL AMOUNT OF MONEY WILLING TO PAY EACH MONTH FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY

QUESTION 8: HOW MUCH OF A DOLLAR INCREASE IN YOUR MONTHLY ELECTRIC BILL WOULD YOU BE WILLING TO PAY FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY SOURCES SUCH AS SOLAR AND WIND?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
NONE	39%	40%	31%	49%	45%	39%	41%	37%	40%	37%	42%	34%	38%	41%	43%
\$1.00 TO \$2.00	12%	12%	11%	10%	11%	11%	11%	13%	13%	12%	13%	8%	13%	14%	14%
\$3.00 TO \$5.00	14%	13%	18%	12%	14%	17%	16%	12%	13%	16%	7%	16%	17%	11%	13%
\$6.00 TO \$10.00	9%	9%	13%	10%	6%	9%	9%	9%	8%	10%	9%	12%	9%	8%	8%
\$11.00 OR MORE	6%	6%	11%	4%	3%	8%	6%	7%	3%	8%	2%	10%	5%	6%	4%
DON'T KNOW/WON'T SAY	19%	20%	16%	16%	20%	16%	17%	21%	23%	17%	27%	20%	18%	20%	19%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
NONE	39%	47%	36%	37%	38%	35%	45%	36%	37%	34%
\$1.00 TO \$2.00	12%	7%	16%	13%	13%	11%	12%	12%	14%	11%
\$3.00 TO \$5.00	14%	10%	15%	18%	15%	12%	8%	23%	12%	13%
\$6.00 TO \$10.00	9%	10%	6%	9%	9%	12%	6%	7%	14%	14%
\$11.00 OR MORE	6%	3%	2%	7%	6%	19%	2%	6%	6%	16%
DON'T KNOW/WON'T SAY	19%	22%	25%	16%	18%	10%	27%	17%	17%	11%

AWARENESS OF PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AND INSTALL NEW POLLUTION REDUCING TECHNOLOGY ON THE REMAINING UNITS

QUESTION 9: NOW I'M GOING TO SHARE SOME INFORMATION ABOUT THE SAN JUAN GENERATING STATION OPERATED BY PNM. THIS COAL-FIRED POWER PLANT IS LOCATED NEAR FARMINGTON, NEW MEXICO AND HAS FOUR UNITS THAT GENERATE ELECTRICITY. A LARGE PORTION OF YOUR ELECTRICITY COMES FROM THIS PLANT. PNM HAS FILED A PLAN TO PERMANENTLY CLOSE TWO OF THE FOUR UNITS AND INSTALL NEW POLLUTION-REDUCING TECHNOLOGY ON THE REMAINING TWO UNITS. THIS PLAN WOULD CUT PNM'S COAL USE AT SAN JUAN BY 37 PERCENT (ON JANUARY 1, 2018). THE NEW POLLUTION CONTROL WOULD ALSO REDUCE GREENHOUSE GAS EMISSIONS AND WATER USE AT THE GENERATING STATION BY 30 PERCENT. HAVE YOU HEARD OF THIS PLAN?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
Yes	42%	43%	47%	28%	34%	19%	48%	36%	37%	49%	23%	32%	38%	47%	51%
No	58%	57%	53%	72%	66%	80%	52%	64%	63%	51%	77%	68%	62%	52%	49%
DON'T KNOW/WON'T SAY	*	*	-	-	-	1%	-	1%	*	*	-	-	-	1%	-

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
Yes	42%	24%	35%	50%	57%	52%	29%	39%	53%	62%
No	58%	76%	65%	50%	43%	48%	71%	61%	47%	38%
DON'T KNOW/WON'T SAY	*	-	-	-	-	-	-	*	-	-

* LESS THAN 1% REPORTED.

PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION

QUESTION 10: I'D LIKE TO READ YOU TWO DIFFERENT POINTS OF VIEW ABOUT SAN JUAN GENERATING STATION OPERATED BY PNM.

A.) SOME ENVIRONMENTAL GROUPS OPPOSE PNM'S PLAN BECAUSE THEY BELIEVE IT DOESN'T GO FAR ENOUGH IN REDUCING POLLUTION AND WATER USAGE. THEY WANT PNM TO CLOSE ALL 4 COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC POWER PLANT AND REPLACE THEM WITH NATURAL GAS-FIRED POWER PLANTS AND MORE RENEWABLE ENERGY SOURCES LIKE SOLAR AND WIND. THEY FEEL THAT PNM SHOULD STOP INVESTING IN OLD TECHNOLOGIES SUCH AS COAL-FIRED ELECTRIC PLANTS AND DEVELOP MORE RENEWABLE ENERGY OPTIONS.

B.) PNM'S PLAN WOULD KEEP TWO OF THE FOUR COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC PLANT OPERATING. THE COMPANY FEELS IT IS IMPORTANT TO USE A MIX OF ENERGY SOURCES INCLUDING COAL, NATURAL GAS, NUCLEAR FROM AN EXISTING PLANT (PALO VERDE), AND SOLAR AND WIND. PNM BELIEVES THIS PLAN WILL ENSURE RELIABLE ELECTRICITY IS AVAILABLE TO ITS CUSTOMERS, SINCE SOLAR AND WIND POWER ARE NOT AVAILABLE 24 HOURS A DAY AND CANNOT SUPPLY ENOUGH ELECTRICITY DURING PEAK US PERIODS. AFTER HEARING THIS INFORMATION, DO YOU SUPPORT PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AT THE SAN JUAN ELECTRIC PLANT, OR DO YOU PREFER CLOSING THE ENTIRE POWER PLANT?

	TOTAL SAMPLE (N=1518)	COMPONENT					GENDER		ETHNICITY			AGE			
		ABQ	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PNM PLAN 2 OF 4 UNITS	64%	65%	54%	60%	64%	66%	68%	60%	64%	65%	78%	73%	57%	66%	60%
CLOSE ALL	16%	14%	32%	14%	19%	17%	17%	16%	14%	18%	7%	15%	20%	14%	17%
DEPENDS (VOLUNTEERED)	8%	8%	7%	6%	7%	4%	8%	8%	7%	8%	2%	8%	11%	6%	6%
NEITHER ONE	2%	2%	1%	2%	1%	1%	2%	1%	2%	*	-	1%	*	2%	2%
DON'T KNOW/WON'T SAY	10%	10%	6%	18%	9%	12%	5%	15%	13%	8%	13%	3%	12%	11%	15%

	TOTAL SAMPLE (N=1518)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PNM PLAN 2 OF 4 UNITS	64%	60%	65%	66%	59%	72%	65%	62%	67%	65%
CLOSE ALL	16%	10%	16%	18%	24%	16%	8%	16%	21%	27%
DEPENDS (VOLUNTEERED)	8%	7%	7%	9%	8%	8%	9%	11%	4%	5%
NEITHER ONE	2%	1%	3%	1%	2%	1%	3%	1%	1%	*
DON'T KNOW/WON'T SAY	10%	23%	8%	7%	6%	2%	15%	10%	7%	3%

UNDERLYING REASONS FOR CHOICE IN ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATIONS

QUESTION 11: WHY DO YOU FEEL THIS?

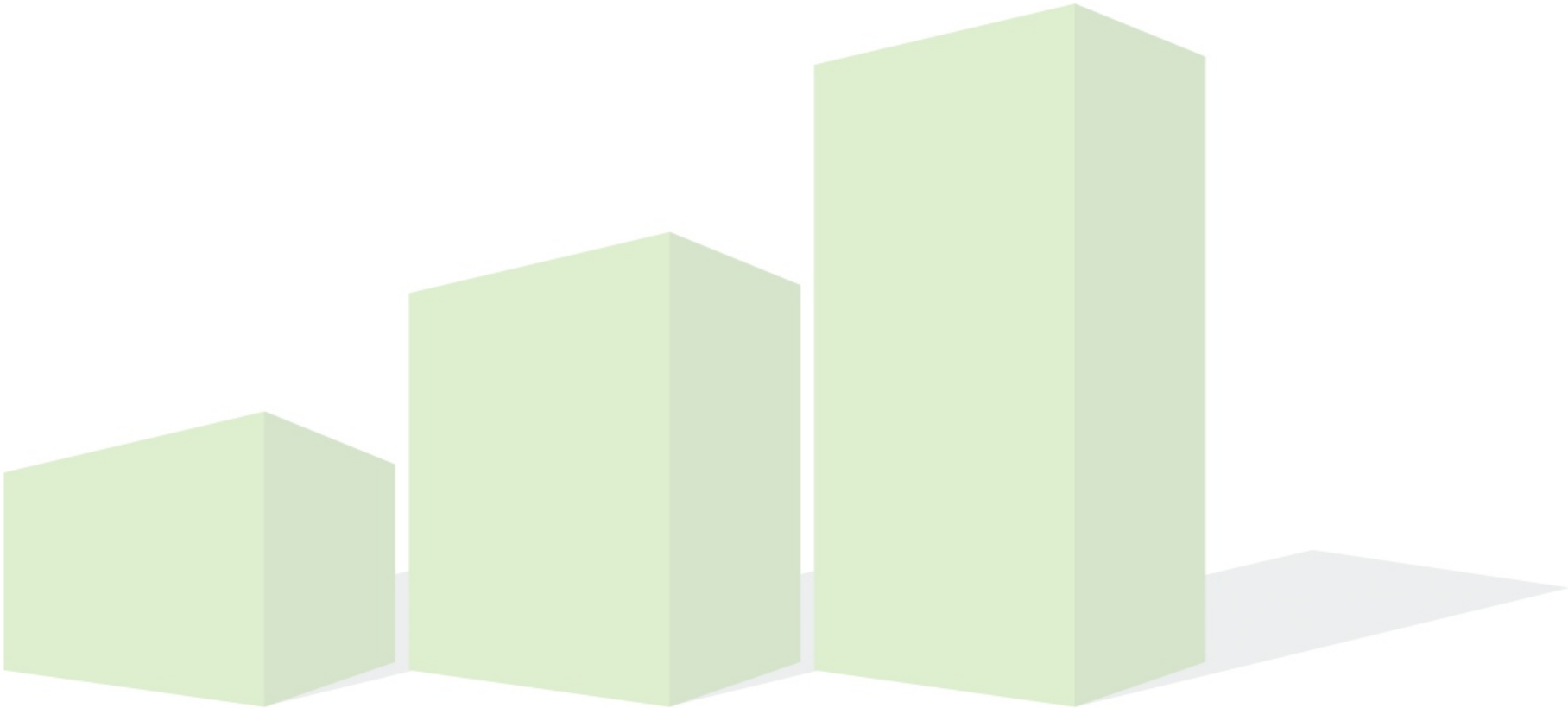
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	19%
SOLAR/WIND NOT RELIABLE	12%
NEED RELIABLE ELECTRICITY	11%
NEED MORE INFORMATION	11%
WILL CUT JOBS	9%
WILL REDUCE AIR POLLUTION	8%
TAKE STEP AT A TIME (CLOSE DOWN 2)	7%
DIVERSE SOURCE OF ENERGY IS BETTER	6%
COAL IS BAD/MORE POLLUTANTS	6%
TRANSITION OVER IN TIME	4%
DEPENDS ON COST	4%
NATURAL GAS IS CLEANER	4%
NEED RELIABLE SOURCES OF POWER/SERVICE/SAFE	3%
RENEWABLES ARE MORE EXPENSIVE	3%
ELECTRIC RATES WILL GO UP	3%
ELECTRIC RATES WILL GO DOWN	3%
HAD LONG ENOUGH TIME TO CHANGE/CLOSE IT DOWN	3%
PNM NEEDS TO DO WHAT THEY NEED TO DO	3%
CLOSING PLANT NOT FEASIBLE - WILL HAVE NEGATIVE IMPACT	3%
NEED A BACKUP SYSTEM	2%
COAL IS LESS EXPENSIVE	2%
DEPENDS ON HOW MUCH MY BILL WILL GO UP	2%
UTILIZE ALL RESOURCES OF ENERGY AVAILABLE	2%
U.S. HAS ABUNDANT SUPPLY OF COAL	2%
GLOBAL WARMING IS A PROBLEM	2%
THINGS SHOULD STAY THE WAY THEY ARE	1%
CUSTOMERS WILL END UP PAYING FOR IT	1%
MAKE IT ENERGY EFFICIENT/CONSERVING ENERGY	1%
NEED PROVEN TECHNOLOGY	1%
MORE ECONOMICAL/COST EFFECTIVE	1%
NATURAL GAS IS LESS EXPENSIVE	1%

ENVIRONMENTALISTS: GETTING THEIR WAY/PUT FEAR IN PEOPLE/DON'T KNOW WHAT THEY'RE TALKING ABOUT	1%
U.S. HAS ABUNDANT SUPPLY OF NATURAL GAS	1%
TECHNOLOGY: CLEANER/EXISTS/NEW/NUCLEAR	1%
WILL COST MORE TO CLOSE ALL 4 UNITS	1%
ASSESS IMPACT ON ENVIRONMENT	1%
COAL: DIRTY/GET RID OF/REDUCE USAGE	1%
BETTER FOR THE FUTURE	1%
WILL NOT BE PROGRESSIVE	1%
GLOBAL WARMING IS NOT REAL	1%
NATURAL GAS CREATES A DEMAND FOR "FRACKING"	1%
WILL CREATE JOBS	1%
WE NEED COAL	1%
NOT TRUTHFUL WHO IS GOING TO BENEFIT FROM ALL THIS	1%
WILL BETTER SERVE THE COMMUNITY	1%
NATURAL GAS: LIMITED/DANGEROUS/EXPENSIVE	1%
THEY ARE MOVING THE RIGHT DIRECTION	*
TAX BREAKS FOR THOSE WITH SOLAR POWER	*
OUT DATED TECHNOLOGY	*
PLAN ON HOW TO ACQUIRE THOSE NATURAL RESOURCES TO SUSTAIN OUR NEEDS	*
DOES NOT REACH US - WE ARE FAR FROM IT	*
PNM HAS NOT DONE ENOUGH/TO LOWER BILLS/JUST INCREASING BILL	*
NEW MEXICO DOESN'T REALLY HAVE A BAD POLLUTION PROBLEM	*
NEED VIABILITY PLAN/ADDRESS ISSUES	*
NOT IN FAVOR OF NUCLEAR	*
NATURAL GAS CONTAINS METHANE	*
HEALTH HAZARD	*
THEY DON'T HAVE TO CLOSE ANY - PNM SELLS TO CALIFORNIA	*
IT'S ALREADY COSTING TOO MUCH	*
HUGE PART OF THE ECONOMY	*

NEED TO CLEAN UP ENVIRONMENT/WATER	*
PIPELINES CAN BE A PROBLEM	*
THE REST OF THE WORLD NOT DOING THEIR JOB	*
NOT GOOD FOR WILDLIFE	*
PNM OWNS THE COAL SUPPLY/PNM WILL DO NOTHING TO CREATE NEW ENERGY	*
NEED COMPETITION	*
TREE HUGGERS CAN AFFORD THIS	*
MONEY IS AN OBJECT FOR PNM	*
WATER: BAD/USING UP	*
SOLAR NOT GOOD FOR FIRE FIGHTERS	*
EITHER OPTION WOULD NOT HELP	*
NEED OBJECTIVITY OF NON-POLITICAL SCIENTISTS	*
NEED A BALANCE BETWEEN HIPPIE VIEWS AND MASS MISCONCEPTIONS	*
PNM NEEDS TO FIND A NEW PROFIT MODEL	*
INTERRUPTION OF SERVICE - HOW LONG TO REPLACE?	*
NOT A MEMBER OF ENVIRONMENTAL GROUP	*
WOULD BE LESS EXPENSIVE TO INSTALL POLLUTION CONTROLS THAN CREATING NEW POWER PLANTS	*
ALL THE DRILLING IS BURNING OFF THE NATURAL GAS	*
DAMAGE TO COAL MINES	*
PEOPLE/COMMUNITIES SHOULD RECREATE THE UTILITIES NOT BIG COMPANIES	*
GENERATOR SHOULD BE BUILT	*
CONSIDER 1200 PSI SYSTEM BOILERS USED ON NAVAL SHIPS	*
WIND/SOLAR MORE DAMAGE FROM BATTERIES STORAGE	*
NO REASON IN PARTICULAR	4%
DON'T KNOW/WON'T SAY	2%

* LESS THAN 1% REPORTED.

III. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

NORTHERN NEW MEXICO TOTAL SAMPLE (N=200)

GENDER

MALE	48%
FEMALE	52%

AGE

18 TO 34 YEARS	23%
35 TO 49 YEARS	16%
50 TO 64 YEARS	38%
65 YEARS OR OLDER	22%
WON'T SAY	1%

EDUCATION

HIGH SCHOOL GRADUATE OR LESS	46%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	32%
COLLEGE GRADUATE (4 YEARS)	11%
GRADUATE DEGREE	10%
WON'T SAY	1%

ETHNICITY

HISPANIC	76%
ANGLO	20%
BLACK/AFRICAN-AMERICAN	1%
OTHER DESCENT	1%
WON'T SAY	2%

HOUSEHOLD INCOME

LESS THAN \$20,000	35%
\$20,000 TO \$39,999	29%
\$40,000 TO \$59,999	15%
\$60,000 TO \$79,999	6%
\$80,000 AND OVER	9%
WON'T SAY	6%

RESEARCH & POLLING INC



PNM
SANTA FE COMMUNITY SURVEY
AUGUST 2015

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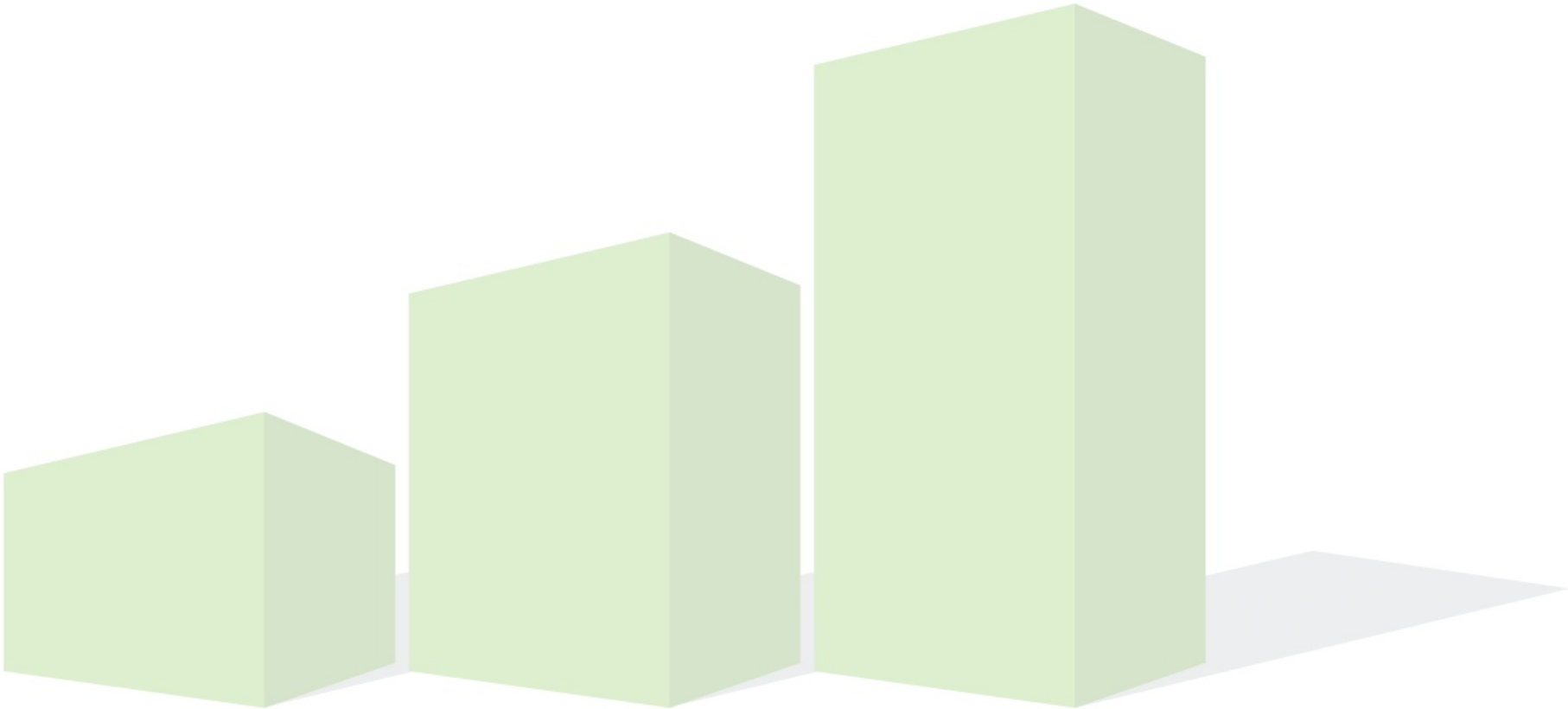
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I. INTRODUCTION



METHODOLOGY

This research study was commissioned by PNM in order to assess which electric utility attributes PNM customers believe are most important. This study also measured customers' awareness of PNM's plan to close a portion of the San Juan Generating Station, as well as customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

THE INTERVIEW

A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- **Santa Fe* (n=406)**
 - Southwest: 87507
 - Southeast: 87505
 - North: 87501, 87506, 87574
 - Eldorado/Highway 14: 87508, 87540
- Albuquerque Metro Area (n=401)
- Northern New Mexico (n=200)
- Southwestern New Mexico (n=306)
- Southeastern New Mexico (n=205)

**See page 5 for a map of areas within PNM's Santa Fe service area.*

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. This report is among PNM customers in the Santa Fe area. All interviews were conducted between July 22nd and August 6th, 2015.

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 406 PNM customers in Santa Fe completed interviews.

MARGIN OF ERROR

A sample size of 406 at a 95% confidence level provides a maximum margin of error of approximately 4.9%. In theory, in 95 out of 100 cases, the results based on a sample of 406 will differ by no more than 4.9 percentage points in either direction from what would have been obtained by interviewing all PNM customers in Santa Fe.

SAMPLE BIAS

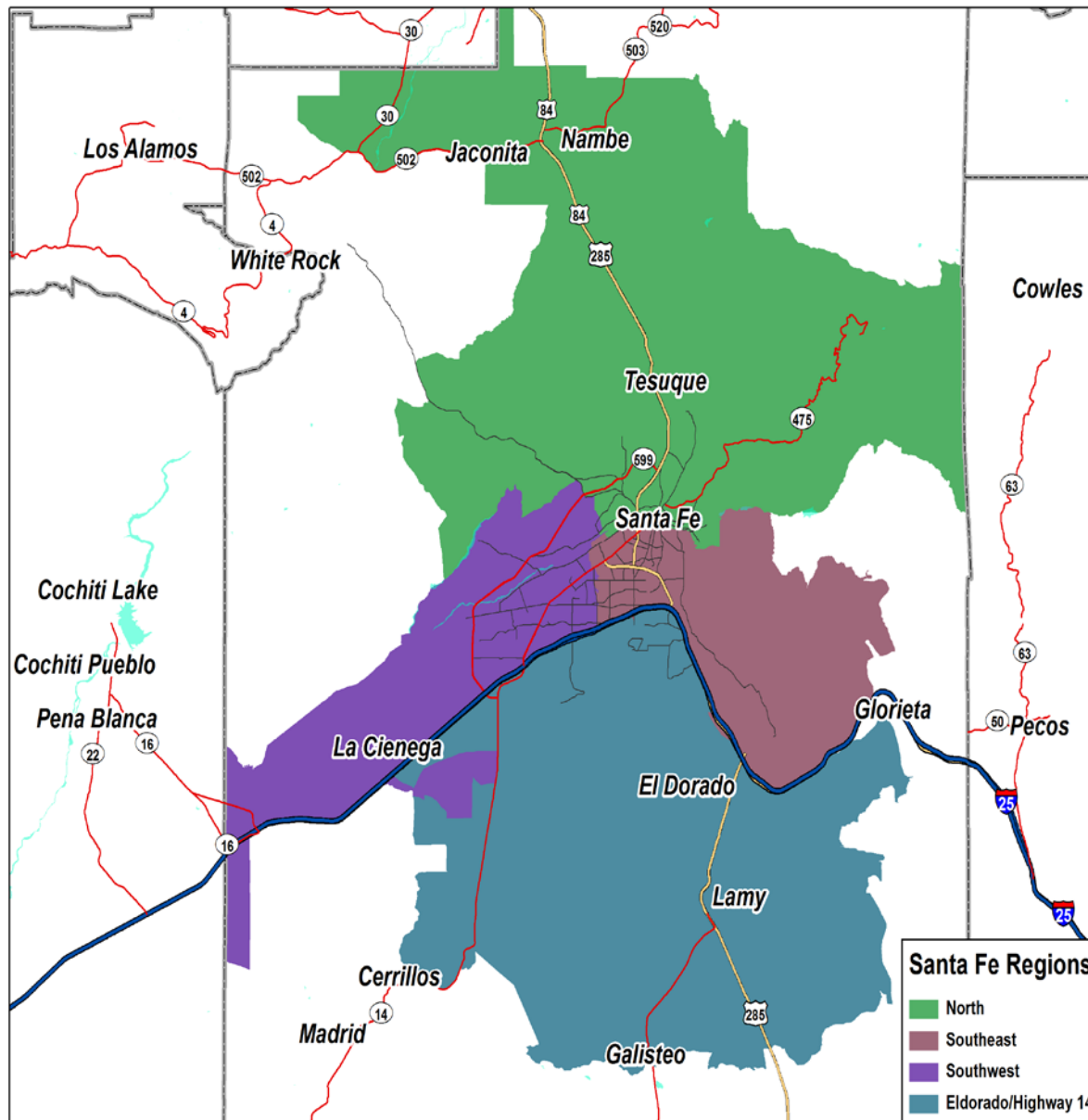
In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

SANTA FE COUNTY REGIONS (GROUPED BY ZIP CODE BOUNDARIES)



SANTA FE

NORTH:

NAMBÉ, LAS CAMPANAS, IN SANTA FE EAST OF EL RANCHO RD. AND NORTH OF PASEO DE PERALTA AND AGUA FRIA ST.

SOUTHEAST:

SOUTH OF PASEO DE PERALTA AND AGUA FRIA, EAST OF CAMINO CARLOS REY, OLD SANTA FE TRAIL AREA

SOUTHWEST:

NORTH OF I-25, WEST OF CAMINO CARLOS REY

ELDORADO/HIGHWAY 14:

SOUTH OF I-25 FROM HIGHWAY 14 EAST TO ELDORADO AND LAMY

EXECUTIVE SUMMARY

PNM customers in Santa Fe were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When Santa Fe customers were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers. Having the most reliable electric service is rated as important by the vast majority (90%) of PNM customers, followed closely by reducing pollution from power plants (82%). Seventy-eight percent say providing the highest quality customer service is important, 76% rate developing more renewable energy sources as important, and 58% say having the lowest electric rates in the West is important.

When customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, developing more renewable energy sources (35%) was selected most often, followed by providing the most reliable electric service (25%), reducing pollution from power plants (17%), having the lowest electric rates in the West (13%), and providing the highest quality customer service (5%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

The majority (53%) of Santa Fe PNM customers are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. However, certain demographic groups are more likely to be aware of PNM's plan, including:

- Those in the Eldorado/Highway 14 area
- Males
- Anglos
- Those ages 50 and older
- Those of higher socio-economic status

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. The majority (54%) of Santa Fe PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 32% say PNM should close the entire plant. Of note, males, Hispanics, and those with lower education attainment levels are more likely than others to say PNM should close two of the four generating units, while those in the Eldorado/Highway 14 area, Anglos, and those with higher education attainment levels are more likely to say PNM should close the entire plant.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, those in favor of closing two of the four coal-fired units mention reliability issues (25%) and job cuts (7%). Those in favor of closing the entire plant give reasons such as PNM should be pursuing more renewables (25%), coal is bad/more pollutants (13%), and reducing air pollution (11%).

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 10 UNAIDED RESPONSES	
SANTA FE TOTAL SAMPLE (N=406)	
CRIME	12%
LACK OF GOOD JOBS	12%
WATER SHORTAGE/WATER SUPPLY	10%
EDUCATIONAL SYSTEM POOR	8%
ILLEGAL DRUG USE	5%
WEAK ECONOMY	5%
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	3%
COST OF LIVING IS HIGH/UNREASONABLE	3%
NOTHING IN PARTICULAR	24%
DON'T KNOW/WON'T SAY	13%

Santa Fe PNM customers were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Twelve percent mention crime or lack of good jobs, while one-in-ten mention water shortage/water supply. Other frequently mentioned responses include: poor educational system (8%), illegal drug use (5%), weak economy (5%), roads/streets/highways in bad condition (3%), and cost of living is high/unreasonable (3%). Importantly, 37% of Santa Fe PNM customers did not mention a particular problem or issue facing their community.

Of note, Hispanics are more likely than others to mention crime, while those in the Eldorado/Highway 14 area and Anglos are more likely than others to mention water shortage/water supply.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE)													
SANTA FE TOTAL SAMPLE (N=406) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	68%	12%	10%	3%	2%	3%	-	1%	-	-	1%	-	9.2
REDUCING POLLUTION FROM POWER PLANTS	63%	8%	11%	6%	2%	5%	2%	1%	1%	1%	1%	1%	8.8
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	56%	8%	12%	5%	2%	8%	2%	2%	1%	*	3%	*	8.4
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	53%	12%	13%	6%	4%	8%	2%	1%	1%	-	*	-	8.6
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	43%	5%	10%	8%	4%	18%	2%	3%	3%	-	3%	1%	7.6

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

Santa Fe PNM customers were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

Nine-in-ten Santa Fe PNM customers rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with the majority (68%) saying this is *extremely important*. Notably, those in Southwestern Santa Fe and Hispanics are more likely than others to say providing the most reliable electric service is *extremely important*.

REDUCING POLLUTION FROM POWER PLANTS

Over eight-in-ten (82%) Santa Fe PNM customers rate reducing pollution from power plants as important, with nearly two-thirds (63%) saying this is *extremely important*. Thirteen percent have a neutral opinion or felt this was slightly important, while just 6% say this is unimportant. Interestingly, females are more likely than males to say reducing pollution is *extremely important*.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

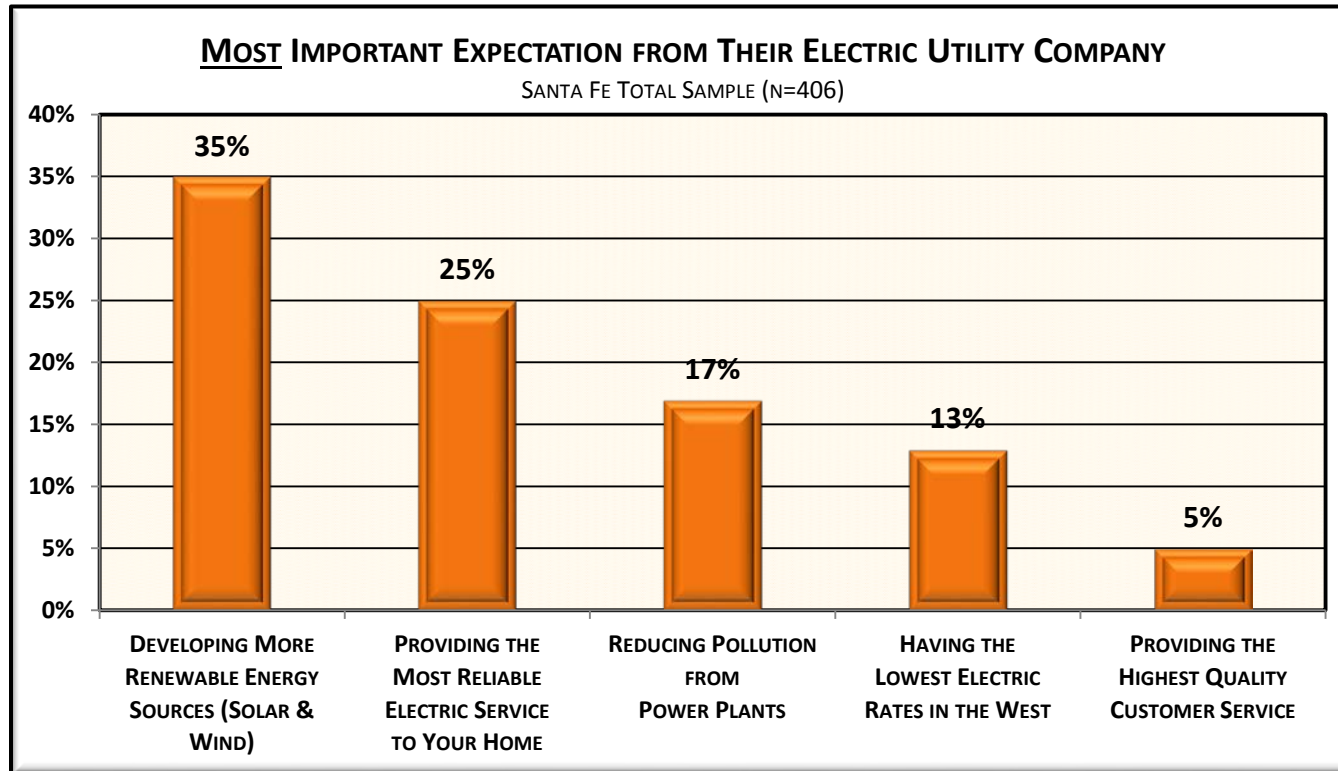
Over three-quarters (76%) of Santa Fe PNM customers rate developing more renewable energy sources as important, with over half (56%) who say this is *extremely important*. Fifteen percent have a neutral opinion or felt this was slightly important, while just 8% say this is unimportant. Of note, Anglos and those with higher education attainment levels are more likely than others to say developing more renewable energy sources is *extremely important*.

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

Nearly eight-in-ten (78%) Santa Fe PNM customers rate providing the highest quality customer service as important (a score of 8, 9, or 10), with over half (53%) saying this is *extremely important*. Nearly one-fifth (18%) have a neutral opinion or felt this was slightly important, while just 4% say this is unimportant. Hispanics and those with lower education attainment levels are more likely than others to say providing the highest quality customer service is *extremely important*.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

Over half (58%) of Santa Fe PNM customers say that having the lowest rates in the West is important with 43% saying this is *extremely important*. Three-in-ten have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7), while 11% say this is unimportant (a score of 4, 3, 2, 1 or 0). Of note, those of lower socio-economic status are more likely to say that having the lowest rates is *extremely important*.

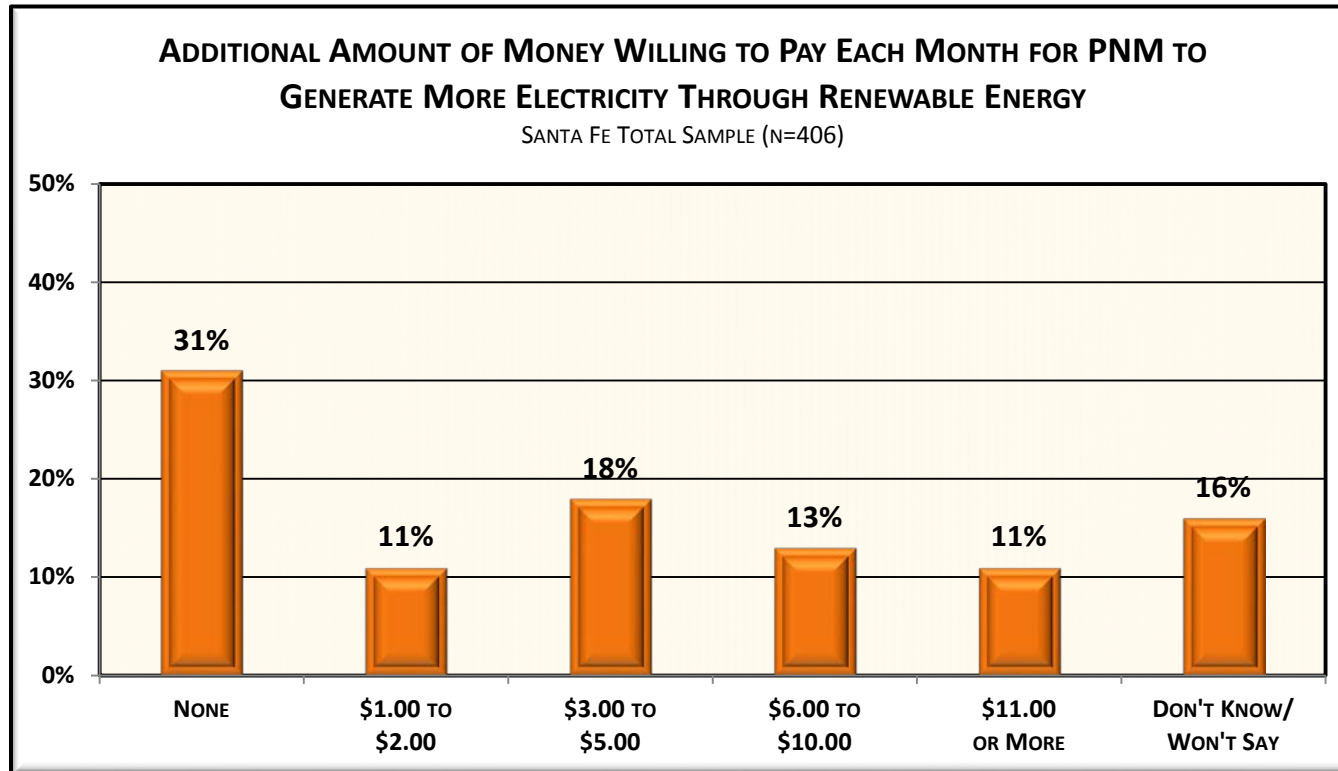


Santa Fe PNM customers were reread the five attributes from page seven and asked **which item is the most important to them** in what they expect from their electric utility. Overall, developing more renewable energy sources (35%) is the most important attribute, followed by one-quarter who say providing the most reliable electric service is the most important. The third most important attribute among Santa Fe PNM customers is reducing pollution from power plants (17%), followed by 13% who say having the lowest electric rates in the West and 5% who say providing the highest quality customer service.

Interestingly, Hispanics and those who are high school graduates or less are more likely than others to say that having the lowest electric rates in the West is most important, while Anglos are more likely than others to say that developing more renewable energy sources is most important. Further, males are more likely than females to say that providing the most reliable electric service is the most important.

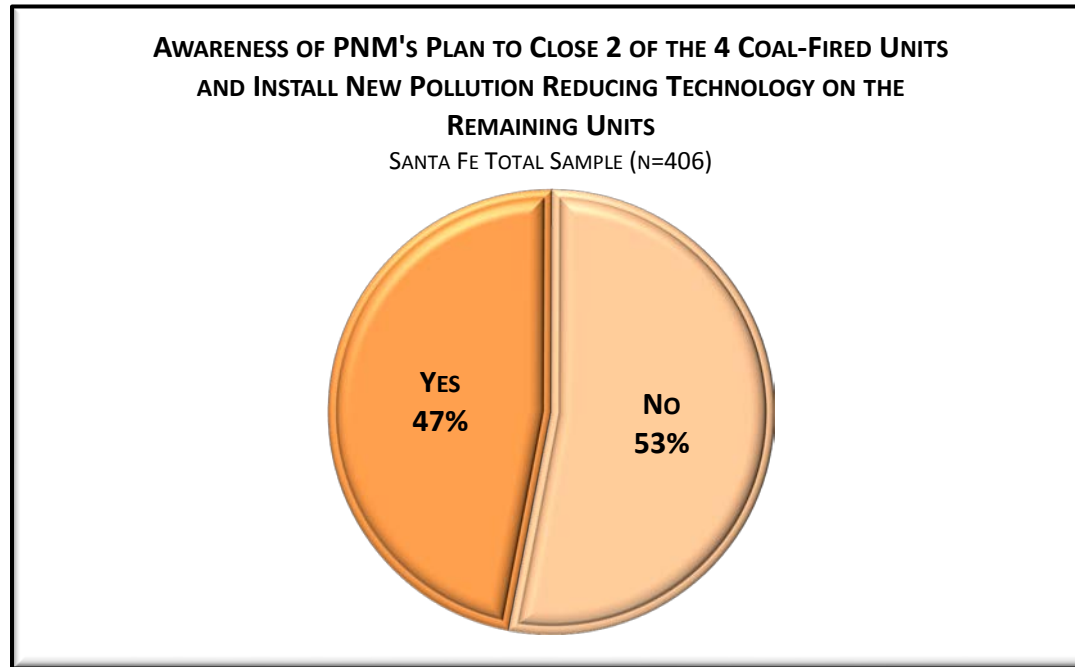
<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u> SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each region's second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.



Santa Fe PNM customers were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. Three-in-ten (31%) PNM customers say they are unwilling to pay any additional amount on their monthly bill, while 11% mention they are willing to pay one to two dollars more a month. Nearly one-fifth (18%) are willing to pay three to five dollars more a month, while nearly one-quarter (24%) are willing to pay six dollars or more.

Those more likely than others to say they are unwilling to pay any additional money for PNM to generate more electricity through renewable sources include those residing in Southwestern Santa Fe. Those more likely than others to say they are willing to pay six dollars or more a month include Anglos, those earning over \$80,000 annually, and those who are at least college graduates.



Santa Fe PNM customers were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Residents were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. Residents were then **asked if they had heard of this plan**.

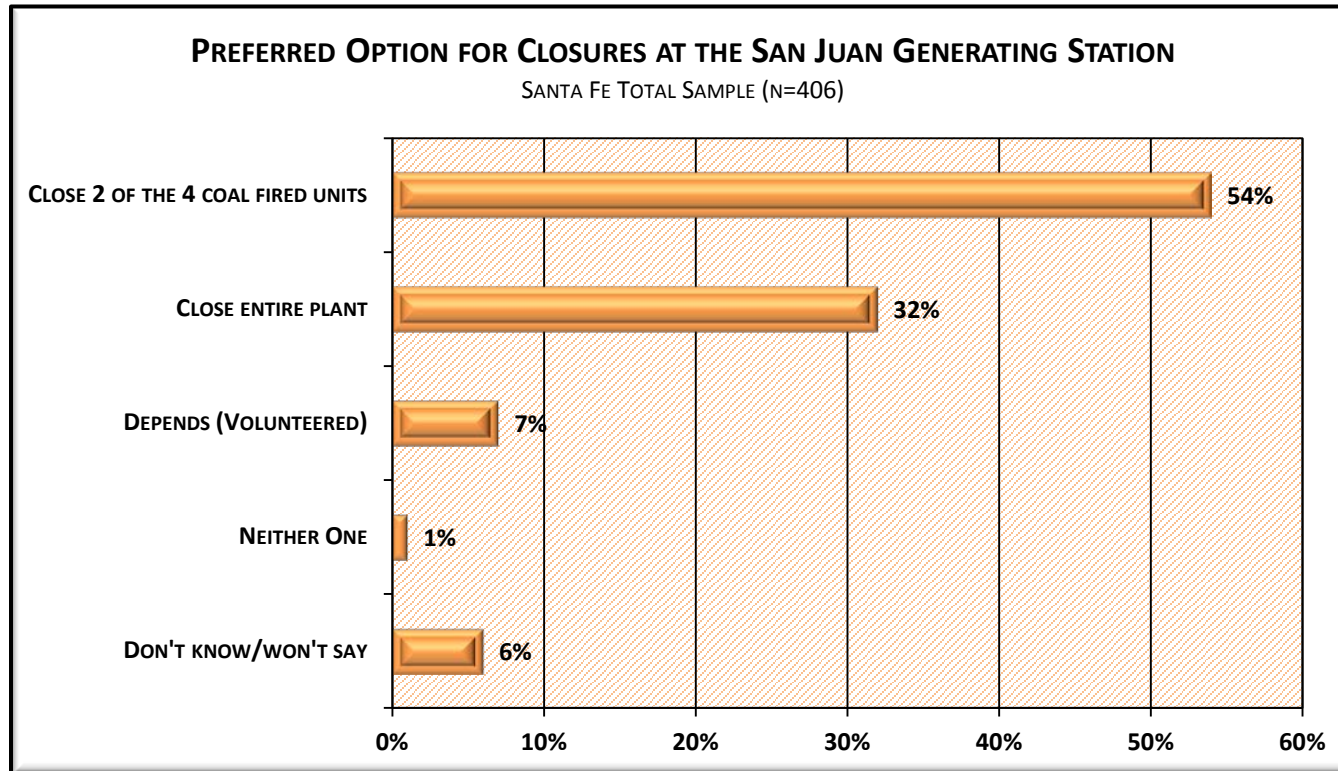
The majority (53%) of Santa Fe PNM customers say they have not heard of PNM's plan, while 47% say they have heard of it.

Those *more* likely to say they have heard of PNM's plan include:

- Those in the Eldorado/Highway 14 area
- Males
- Anglos
- Those age 50 and older
- Those of higher socio-economic status

Those *less* likely than others to say they have heard of PNM's plan include:

- Those in Southwestern Santa Fe
- Females
- Hispanics
- Those ages 18-34
- Those of lower socio-economic status



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

Santa Fe PNM customers were read **two different viewpoints (shown above, rotated when read to survey participants) about the San Juan Generating Station operated by PNM** and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. The majority (54%) of Santa Fe PNM customers say they support PNM’s plan to close two of the four coal-fired units, while approximately one-third (32%) say PNM should close the entire plant. Seven percent say “it depends” and 7% did not offer an opinion.

Those more likely than others to agree that PNM should close two of the four coal-fired units include:

- Males
- Hispanics
- Those with lower education attainment levels

Those more likely than others to say that PNM should close the entire San Juan Generating Station include:

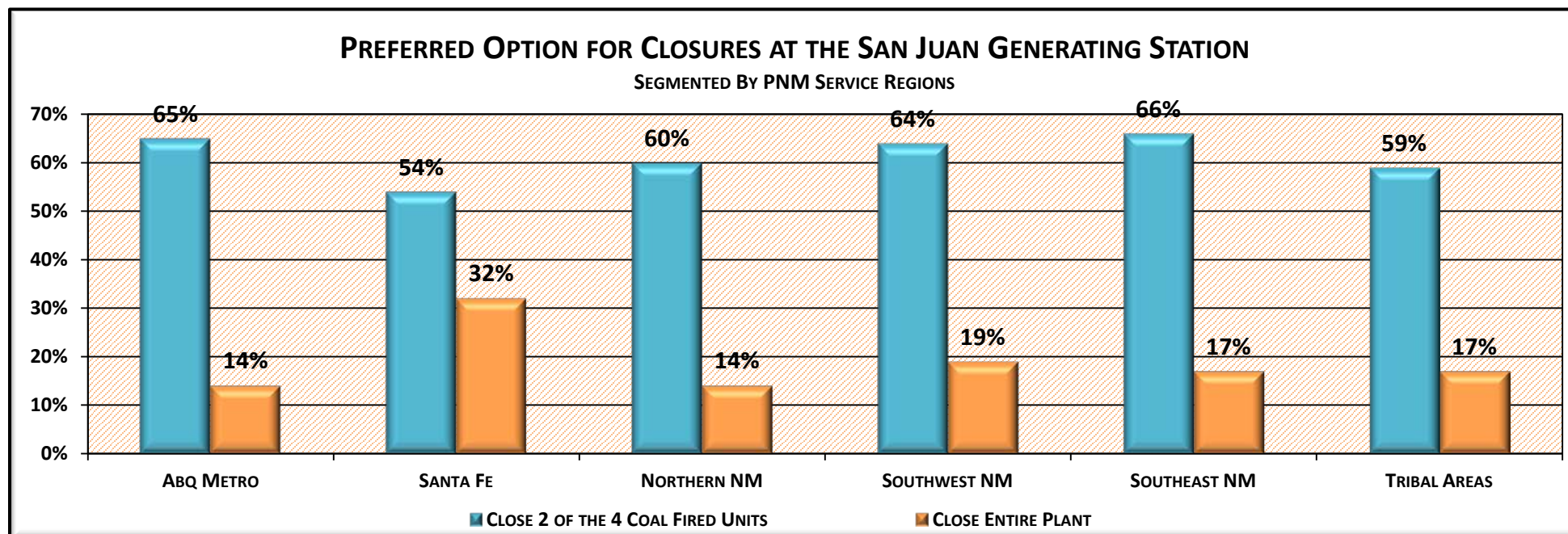
- Those in the Eldorado/Highway 14 area
- Anglos
- Those who are at least college graduates

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of the issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

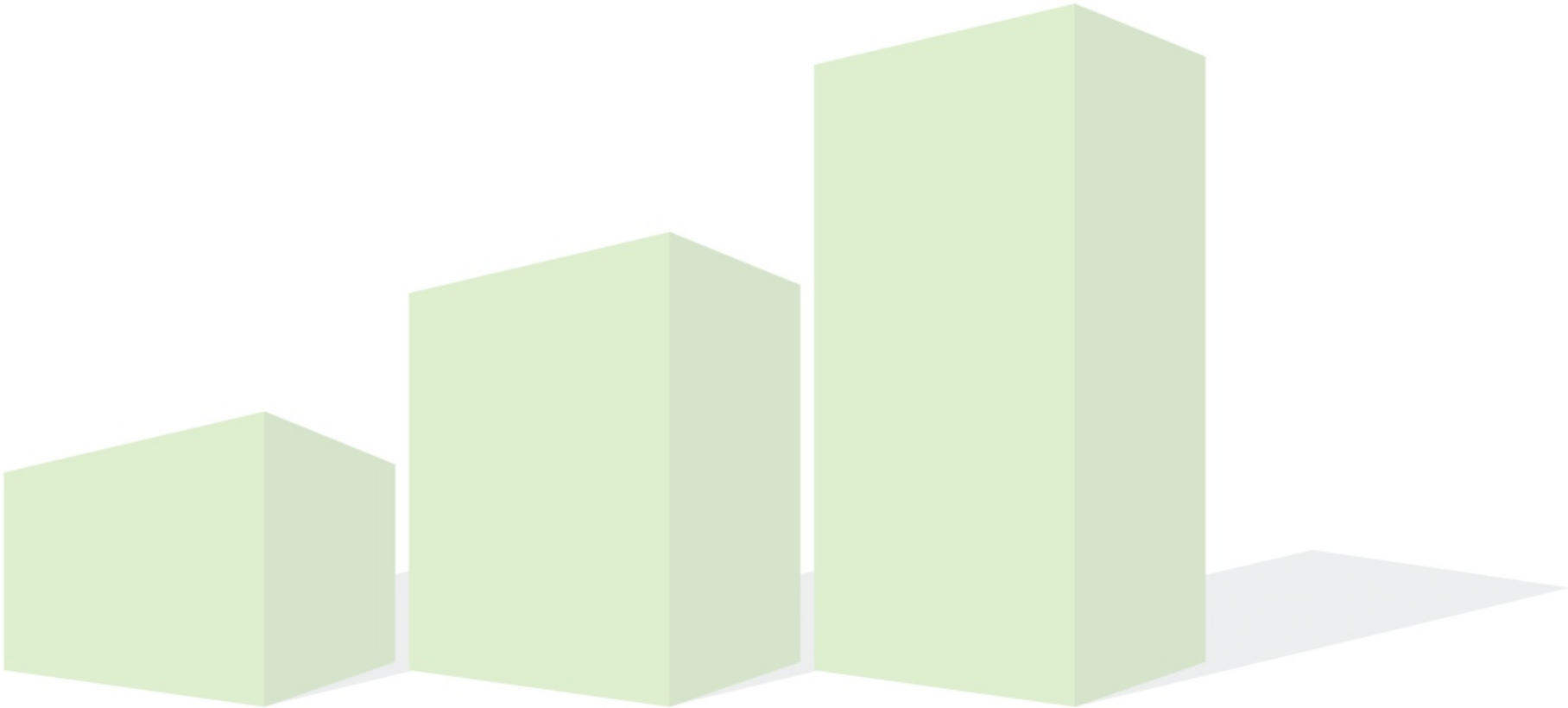
As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION	
AMONG THOSE WHO CHOSE A CLOSURE OPTION SANTA FE TOTAL RESPONSES (N=382) TOP 9 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	25%
COAL IS BAD/MORE POLLUTANTS	13%
WILL REDUCE AIR POLLUTION	11%
NATURAL GAS IS CLEANER	5%
GLOBAL WARMING IS A PROBLEM	5%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITS	
SOLAR/WIND ARE NOT AS RELIABLE	15%
NEED MORE RELIABLE ELECTRICITY	10%
WILL CUT JOBS OTHERWISE	7%
NEUTRAL	
NEED MORE INFORMATION	6%

Santa Fe PNM customers were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. One-quarter of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables, while 13% say coal is bad/more pollutants, and 11% say it will reduce air pollution. Those who say PNM should close two of the four coal-fired units mention that solar/wind are not as reliable (15%), a need for more reliable electricity (10%), and will cut jobs (7%).

Of note, Anglos, those ages 18 to 34, and those with graduate degrees are more likely than others to say that PNM should be pursuing more renewables. However, those ages 18 to 34 and Hispanics are also likely to say that solar/wind are not reliable.

II. SUMMARY OF RESULTS



BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY

QUESTION 1: WHAT ARE THE BIGGEST ISSUES OR PROBLEMS FACING YOUR COMMUNITY?

LACK OF GOOD JOBS	12%	NOT ENOUGH ROADS/HIGHWAYS	1%	ZONING COMMISSION	*
CRIME	12%	UTILITIES TOO HIGH	1%	LACK OF YOUNG POPULATION	*
WATER SHORTAGE/WATER SUPPLY	10%	HEALTHCARE REFORM	1%	FRACKING	*
EDUCATIONAL SYSTEM IS POOR	8%	MEDICAL CARE: DIABETES/HEALTH ISSUES/MEDICAL FACILITIES	1%	SPACE	*
ILLEGAL DRUG USE	5%	LACK OF ECONOMIC DEVELOPMENT	1%	TREATMENT CENTERS FOR ADULTS AND TEENS	*
WEAK ECONOMY	5%	ALCOHOLISM	1%	BAD DRIVERS: SPEEDERS/CELL USERS	*
COST OF LIVING IS HIGH/UNREASONABLE	3%	QUALITY OF SCHOOL FACILITIES	1%	CULTURE	*
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	3%	AFFORDABLE DAY CARE	1%	LANDSCAPING IS BAD	*
POVERTY	2%	NOISE POLLUTION	1%	LACK OF/INSUFFICIENT PUBLIC TRANSPORTATION	*
LOW WAGES	2%	RECYCLING	1%	PNM INVESTING IN UNSTABLE COAL PLANT/LACK OF RESPONSE OF ENVIRONMENT ISSUES	*
LACK OF YOUTH ACTIVITIES	2%	LACK OF TRAINING FOR GOOD JOBS	1%	DOMESTIC VIOLENCE/FAMILY PROBLEMS	*
YOUTH PROBLEMS	2%	NATURAL RESOURCES AVAILABILITY	*	LOW PAY FOR TEACHERS	*
GOVERNMENT/POLITICAL LEADERSHIP IS INCOMPETENT	2%	NUCLEAR WASTE TRANSPORT	*	COYOTE KILLING	*
POWER OUTAGES	2%	LACK OF AWARENESS OF ENVIRONMENTAL ISSUES	*	SCHOOL ADMINISTRATORS GETTING HIGHER PAY	*
WATER POLLUTION	2%	OVER POPULATION	*	TAXES ARE HIGH/UNREASONABLE	*
GOVERNMENT/POLITICAL LEADERSHIP IS CORRUPT	1%	CLIMATE CHANGE	*	LACK OF SERVICES	*
BETTER SERVICES: INTERNET/CELL/PHONE/WIFI	1%	ORANGE BARRELS/CONSTANT STREET MAINTENANCE	*	FLOOD CONTROL: ARROYOS RUN OFFS/PIPES	*
GROWING TOO BIG/TOO FAST	1%	ZONING ISSUES	*	NEED GROWTH	*
DROUGHT	1%	PNM NOT MEETING PEOPLES' NEEDS: DROP BOX/OFFICE HOURS/NOT LISTENING	*	PEOPLE'S YARDS (TRASH/CARS/ETC.)	*
AIR POLLUTION	1%	LABOR FORCE/SKILLED LABOR UNAVAILABLE	*	LACK OF HOUSING	*
COST OF HOUSING IS HIGH/UNREASONABLE	1%	POLICE/LEGAL SYSTEM	*	GUN CONTROL	*
CONGESTION	1%	TOO MANY VACANT LOTS/HOUSES/BUILDINGS/ETC.	*		
FUTURE SCHOOL FUNDING	1%	INCOME INEQUALITY	*	NOTHING IN PARTICULAR	24%
HIGH COST OF ELECTRICITY	1%	RECEIVING MAIL 2 MONTHS LATER	*	DON'T KNOW/WON'T SAY	13%
ILLEGAL IMMIGRATION	1%	GLOBAL WARMING	*		
HOMELESS	1%	INFRASTRUCTURE	*		
LACK OF RENEWABLE ENERGY/TECHNOLOGY	1%	FIRES	*		
DWI RATE HIGH	1%				

* LESS THAN 1% REPORTED.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

QUESTION 2: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **HAVING THE LOWEST ELECTRIC RATES IN THE WEST**

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	43%	50%	36%	41%	39%	41%	45%	57%	27%	53%	42%	43%	43%	47%
9	5%	8%	3%	2%	7%	4%	6%	6%	4%	7%	7%	8%	3%	3%
8	10%	11%	10%	9%	9%	8%	12%	8%	14%	-	14%	5%	12%	8%
7	8%	9%	8%	7%	9%	10%	6%	7%	10%	-	14%	4%	8%	5%
6	4%	3%	4%	4%	5%	4%	3%	3%	6%	-	1%	6%	3%	6%
5	18%	11%	27%	20%	18%	19%	18%	13%	21%	30%	19%	14%	20%	20%
4	2%	1%	2%	1%	5%	2%	3%	-	4%	-	1%	3%	3%	1%
3	3%	3%	3%	4%	3%	3%	2%	1%	4%	11%	-	6%	3%	3%
2	3%	-	5%	6%	2%	4%	2%	2%	5%	-	-	9%	1%	3%
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	3%	2%	2%	6%	2%	3%	2%	2%	4%	-	-	1%	4%	4%
DON'T KNOW/WON'T SAY	1%	1%	-	-	2%	1%	1%	2%	-	-	2%	-	1%	1%
MEAN †	7.6	8.2	7.1	7.0	7.5	7.4	7.8	8.4	6.8	7.7	8.1	7.3	7.5	7.5
MEDIAN	8.0	10.0	7.0	8.0	8.0	8.0	9.0	10.0	7.0	10.0	9.0	9.0	8.0	9.0

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	43%	53%	53%	50%	37%	29%	60%	52%	30%	29%
9	5%	7%	8%	7%	5%	1%	7%	8%	5%	1%
8	10%	10%	10%	8%	16%	11%	5%	15%	12%	9%
7	8%	6%	9%	8%	8%	8%	6%	6%	11%	10%
6	4%	1%	-	3%	6%	8%	-	-	8%	7%
5	18%	16%	14%	18%	20%	23%	15%	10%	22%	27%
4	2%	-	-	2%	4%	4%	-	1%	3%	4%
3	3%	-	-	1%	3%	8%	-	2%	3%	6%
2	3%	1%	5%	-	-	6%	4%	2%	1%	4%
1	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	3%	3%	1%	2%	2%	1%	4%	3%	4%	1%
DON'T KNOW/WON'T SAY	1%	2%	1%	1%	-	1%	-	1%	2%	1%
MEAN †	7.6	8.2	8.3	8.1	7.5	6.6	8.2	8.3	7.1	6.7
MEDIAN	8.0	10.0	10.0	10.0	8.0	6.0	10.0	10.0	7.0	6.0

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

QUESTION 3: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE**

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	53%	60%	45%	45%	57%	50%	56%	61%	44%	55%	52%	57%	53%	49%
9	12%	11%	18%	12%	6%	15%	10%	11%	14%	7%	12%	9%	14%	14%
8	13%	7%	16%	12%	23%	15%	12%	6%	21%	31%	10%	10%	12%	19%
7	6%	6%	2%	14%	5%	6%	6%	5%	7%	7%	3%	11%	6%	5%
6	4%	4%	3%	4%	2%	2%	5%	3%	4%	-	5%	5%	3%	1%
5	8%	5%	12%	5%	6%	7%	8%	7%	7%	-	12%	3%	9%	5%
4	2%	3%	1%	5%	-	2%	3%	5%	-	-	5%	3%	-	3%
3	1%	1%	2%	-	-	1%	1%	1%	1%	-	-	2%	1%	2%
2	1%	1%	1%	-	-	1%	1%	1%	1%	-	-	-	2%	1%
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	*	-	-	3%	-	1%	-	-	1%	-	-	-	1%	1%
MEAN †	8.6	8.7	8.4	8.2	8.9	8.6	8.6	8.7	8.5	9.1	8.5	8.7	8.6	8.5
MEDIAN	10.0	10.0	9.0	9.0	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0	10.0	9.0

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	53%	56%	55%	54%	49%	49%	61%	62%	46%	42%
9	12%	11%	13%	8%	16%	15%	5%	16%	14%	14%
8	13%	8%	12%	12%	22%	13%	7%	5%	20%	20%
7	6%	4%	2%	8%	4%	9%	3%	3%	9%	10%
6	4%	-	5%	3%	1%	5%	2%	4%	5%	4%
5	8%	10%	6%	10%	7%	6%	11%	5%	4%	10%
4	2%	9%	3%	-	-	-	9%	-	-	-
3	1%	1%	1%	3%	-	-	-	3%	2%	-
2	1%	-	3%	-	-	1%	2%	-	1%	1%
1	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	*	-	-	2%	2%	-	-	2%	-	-
MEAN †	8.6	8.5	8.6	8.4	8.7	8.7	8.4	8.9	8.6	8.5
MEDIAN	10.0	10.0	10.0	10.0	10.0	9.0	10.0	10.0	9.0	9.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

QUESTION 4: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME**

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	68%	74%	63%	65%	68%	70%	66%	77%	58%	89%	72%	64%	70%	66%
9	12%	11%	12%	12%	13%	10%	13%	6%	19%	7%	9%	15%	9%	15%
8	10%	7%	9%	15%	14%	10%	11%	8%	12%	-	7%	10%	14%	7%
7	3%	5%	3%	4%	1%	3%	4%	2%	4%	5%	7%	3%	1%	4%
6	2%	1%	5%	-	1%	2%	2%	3%	2%	-	-	3%	3%	3%
5	3%	1%	5%	3%	2%	3%	2%	2%	3%	-	6%	5%	1%	2%
4	-	-	-	-	-	-	-	-	-	-	-	-	-	1%
3	1%	1%	1%	-	-	-	1%	1%	1%	-	-	-	2%	-
2	-	-	1%	-	-	-	-	-	-	-	-	-	-	1%
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	1%	2%	-	-	1%	-	1%	-	-	-	1%	2%
MEAN †	9.2	9.4	9.0	9.1	9.4	9.2	9.2	9.4	9.1	9.8	9.3	9.2	9.3	9.1
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	68%	74%	70%	73%	69%	58%	77%	75%	66%	55%
9	12%	8%	11%	4%	21%	15%	6%	10%	12%	17%
8	10%	10%	7%	10%	3%	17%	7%	2%	17%	16%
7	3%	3%	1%	5%	3%	4%	2%	5%	3%	3%
6	2%	-	3%	6%	1%	1%	2%	4%	1%	2%
5	3%	4%	5%	1%	-	3%	4%	2%	1%	3%
4	-	-	-	1%	-	-	-	-	-	1%
3	1%	-	3%	-	-	1%	2%	-	-	1%
2	-	-	-	1%	-	-	-	1%	-	-
1	-	-	-	-	-	-	-	-	-	-
0 – NOT IMPORTANT AT ALL	1%	-	-	-	3%	1%	-	1%	-	1%
MEAN †	9.2	9.4	9.2	9.2	9.3	9.0	9.3	9.3	9.4	9.0
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

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**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
DEVELOPING MORE RENEWABLE ENERGY, SUCH AS SOLAR AND WIND**

QUESTION 5: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND**

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	56%	57%	57%	62%	53%	55%	58%	51%	61%	78%	58%	60%	52%	58%
9	8%	7%	10%	8%	6%	9%	6%	7%	9%	-	8%	10%	9%	3%
8	12%	14%	9%	6%	17%	9%	14%	14%	10%	-	10%	15%	11%	10%
7	5%	3%	7%	4%	8%	5%	5%	3%	7%	13%	1%	2%	6%	11%
6	2%	1%	-	4%	7%	1%	3%	2%	-	9%	2%	-	4%	-
5	8%	11%	8%	5%	5%	10%	7%	10%	8%	-	13%	7%	8%	5%
4	2%	2%	2%	5%	1%	2%	2%	3%	1%	-	5%	4%	-	2%
3	2%	3%	1%	2%	3%	3%	2%	4%	2%	-	-	3%	2%	6%
2	1%	-	2%	2%	-	2%	-	1%	1%	-	-	-	2%	1%
1	*	-	-	-	-	1%	-	1%	-	-	-	-	1%	-
0 – NOT IMPORTANT AT ALL	3%	2%	5%	2%	-	3%	2%	4%	1%	-	2%	-	4%	4%
DON'T KNOW/WON'T SAY	*	1%	-	-	-	-	1%	-	1%	-	-	-	1%	1%
MEAN †	8.4	8.4	8.3	8.4	8.5	8.2	8.5	8.0	8.8	9.3	8.5	8.8	8.1	8.2
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	56%	62%	53%	55%	58%	51%	44%	56%	67%	61%
9	8%	5%	7%	7%	7%	10%	6%	10%	8%	7%
8	12%	7%	12%	12%	22%	10%	8%	16%	8%	13%
7	5%	1%	3%	7%	-	9%	5%	4%	5%	5%
6	2%	2%	3%	1%	4%	2%	3%	1%	2%	1%
5	8%	15%	3%	7%	8%	10%	16%	4%	7%	6%
4	2%	3%	4%	2%	-	3%	4%	1%	1%	2%
3	2%	1%	8%	1%	2%	2%	4%	4%	1%	1%
2	1%	-	-	2%	-	2%	2%	-	-	2%
1	*	-	-	2%	-	-	2%	-	-	-
0 – NOT IMPORTANT AT ALL	3%	3%	8%	-	-	2%	6%	1%	2%	1%
DON'T KNOW/WON'T SAY	*	-	-	2%	-	-	-	1%	-	1%
MEAN †	8.4	8.4	7.8	8.4	8.8	8.2	7.3	8.7	8.9	8.7
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	9.0	10.0	10.0	10.0

* LESS THAN 1% REPORTED.

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

**CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY:
REDUCING POLLUTION FROM POWER PLANTS**

QUESTION 6: I'D LIKE TO READ YOU A LIST OF ITEMS THAT MAY OR MAY NOT BE IMPORTANT TO YOU IN WHAT YOU EXPECT FROM YOUR ELECTRIC UTILITY COMPANY. FOR EACH ITEM, PLEASE TELL ME HOW IMPORTANT IT IS USING A 0 TO 10 SCALE IN WHICH 0 MEANS NOT IMPORTANT AT ALL AND 10 MEANS EXTREMELY IMPORTANT. **REDUCING POLLUTION FROM POWER PLANTS**

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
10 – EXTREMELY IMPORTANT	63%	64%	65%	58%	63%	56%	69%	64%	62%	45%	63%	65%	60%	64%
9	8%	10%	7%	6%	10%	8%	8%	5%	11%	13%	8%	8%	9%	8%
8	11%	13%	12%	11%	8%	13%	10%	12%	11%	18%	14%	11%	12%	9%
7	6%	5%	3%	9%	9%	6%	5%	5%	6%	9%	2%	4%	7%	9%
6	2%	3%	-	2%	1%	1%	3%	1%	2%	9%	5%	-	1%	1%
5	5%	1%	6%	5%	10%	8%	2%	7%	3%	-	5%	10%	3%	2%
4	2%	1%	2%	4%	-	2%	1%	1%	2%	7%	2%	-	2%	2%
3	1%	1%	2%	-	-	1%	-	1%	1%	-	-	-	-	3%
2	1%	1%	1%	-	-	1%	1%	1%	1%	-	-	-	2%	-
1	1%	-	1%	1%	-	1%	1%	1%	-	-	-	1%	1%	1%
0 – NOT IMPORTANT AT ALL	1%	1%	1%	-	-	2%	-	2%	-	-	2%	-	1%	1%
DON'T KNOW/WON'T SAY	1%	-	-	4%	-	-	1%	1%	-	-	-	-	2%	-
MEAN †	8.8	9.0	8.7	8.8	9.0	8.4	9.2	8.7	9.0	8.5	8.9	8.9	8.7	8.8
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
10 – EXTREMELY IMPORTANT	63%	66%	67%	59%	65%	56%	57%	64%	68%	62%
9	8%	7%	4%	11%	5%	12%	7%	4%	8%	13%
8	11%	13%	10%	12%	20%	6%	12%	14%	10%	10%
7	6%	1%	3%	5%	5%	13%	2%	8%	6%	7%
6	2%	4%	1%	1%	-	2%	2%	2%	3%	-
5	5%	4%	8%	4%	4%	6%	12%	1%	4%	3%
4	2%	-	-	3%	-	4%	-	1%	1%	4%
3	1%	2%	-	-	2%	1%	1%	1%	-	1%
2	1%	-	-	4%	-	-	2%	1%	-	-
1	1%	-	2%	2%	-	1%	2%	1%	-	1%
0 – NOT IMPORTANT AT ALL	1%	-	4%	-	-	1%	2%	1%	-	1%
DON'T KNOW/WON'T SAY	1%	3%	-	-	-	-	1%	1%	-	-
MEAN †	8.8	9.1	8.6	8.6	9.1	8.6	8.4	8.8	9.2	9.0
MEDIAN	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY

QUESTION 7: YOU GAVE HIGH MARKS TO THESE ITEMS (READ HIGHEST STATEMENTS). WHICH ONE DO YOU FEEL IS THE MOST IMPORTANT?

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	35%	35%	34%	40%	37%	34%	37%	27%	44%	58%	40%	42%	31%	30%
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	25%	24%	25%	25%	27%	33%	18%	28%	22%	22%	26%	19%	29%	23%
REDUCING POLLUTION FROM POWER PLANTS	17%	15%	21%	15%	21%	15%	20%	13%	21%	20%	16%	14%	15%	28%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	13%	17%	12%	11%	5%	11%	16%	20%	7%	-	7%	15%	17%	13%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	5%	5%	3%	2%	9%	3%	6%	6%	2%	-	3%	6%	6%	4%
DON'T KNOW/WON'T SAY	4%	4%	5%	6%	1%	5%	3%	5%	3%	-	8%	5%	2%	1%

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	35%	45%	35%	31%	31%	31%	18%	42%	39%	42%
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	25%	22%	24%	24%	28%	29%	30%	26%	25%	20%
REDUCING POLLUTION FROM POWER PLANTS	17%	11%	14%	19%	23%	21%	16%	12%	19%	24%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	13%	13%	15%	20%	10%	10%	24%	13%	7%	8%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	5%	4%	2%	5%	8%	6%	6%	6%	3%	4%
DON'T KNOW/WON'T SAY	4%	6%	10%	1%	-	3%	6%	1%	6%	3%

ADDITIONAL AMOUNT OF MONEY WILLING TO PAY EACH MONTH FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY

QUESTION 8: HOW MUCH OF A DOLLAR INCREASE IN YOUR MONTHLY ELECTRIC BILL WOULD YOU BE WILLING TO PAY FOR PNM TO GENERATE MORE ELECTRICITY THROUGH RENEWABLE ENERGY SOURCES SUCH AS SOLAR AND WIND?

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
NONE	31%	39%	31%	20%	25%	31%	32%	34%	28%	33%	29%	29%	33%	33%
\$1.00 TO \$2.00	11%	8%	8%	18%	14%	13%	9%	13%	10%	-	5%	13%	12%	16%
\$3.00 TO \$5.00	18%	15%	21%	25%	16%	22%	15%	18%	20%	27%	25%	15%	15%	20%
\$6.00 TO \$10.00	13%	15%	11%	13%	13%	13%	13%	10%	18%	7%	14%	12%	11%	14%
\$11.00 OR MORE	11%	6%	15%	11%	13%	8%	12%	5%	16%	-	11%	18%	8%	6%
DON'T KNOW/WON'T SAY	16%	18%	14%	13%	19%	13%	19%	20%	9%	33%	16%	14%	20%	11%

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
NONE	31%	35%	26%	38%	37%	26%	37%	34%	31%	24%
\$1.00 TO \$2.00	11%	4%	13%	23%	6%	10%	16%	12%	10%	6%
\$3.00 TO \$5.00	18%	15%	23%	13%	20%	21%	13%	20%	19%	22%
\$6.00 TO \$10.00	13%	12%	17%	8%	13%	13%	8%	18%	9%	15%
\$11.00 OR MORE	11%	7%	3%	6%	12%	19%	4%	1%	15%	21%
DON'T KNOW/WON'T SAY	16%	26%	18%	11%	12%	12%	22%	15%	16%	11%

AWARENESS OF PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AND INSTALL NEW POLLUTION REDUCING TECHNOLOGY ON THE REMAINING UNITS

QUESTION 9: NOW I'M GOING TO SHARE SOME INFORMATION ABOUT THE SAN JUAN GENERATING STATION OPERATED BY PNM. THIS COAL-FIRED POWER PLANT IS LOCATED NEAR FARMINGTON, NEW MEXICO AND HAS FOUR UNITS THAT GENERATE ELECTRICITY. A LARGE PORTION OF YOUR ELECTRICITY COMES FROM THIS PLANT. PNM HAS FILED A PLAN TO PERMANENTLY CLOSE TWO OF THE FOUR UNITS AND INSTALL NEW POLLUTION-REDUCING TECHNOLOGY ON THE REMAINING TWO UNITS. THIS PLAN WOULD CUT PNM'S COAL USE AT SAN JUAN BY 37 PERCENT (ON JANUARY 1, 2018). THE NEW POLLUTION CONTROL WOULD ALSO REDUCE GREENHOUSE GAS EMISSIONS AND WATER USE AT THE GENERATING STATION BY 30 PERCENT. HAVE YOU HEARD OF THIS PLAN?

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
Yes	47%	33%	54%	50%	62%	53%	41%	32%	64%	36%	25%	42%	54%	64%
No	53%	66%	46%	50%	38%	47%	58%	68%	36%	64%	75%	58%	46%	34%
DON'T KNOW/WON'T SAY	-	-	1%	-	-	-	1%	1%	-	-	-	-	-	2%

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
Yes	47%	27%	38%	46%	56%	64%	29%	40%	59%	62%
No	53%	73%	61%	53%	44%	36%	71%	59%	41%	38%
DON'T KNOW/WON'T SAY	-	-	1%	1%	-	-	-	1%	1%	-

PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION

QUESTION 10: I'D LIKE TO READ YOU TWO DIFFERENT POINTS OF VIEW ABOUT SAN JUAN GENERATING STATION OPERATED BY PNM.

A.) SOME ENVIRONMENTAL GROUPS OPPOSE PNM'S PLAN BECAUSE THEY BELIEVE IT DOESN'T GO FAR ENOUGH IN REDUCING POLLUTION AND WATER USAGE. THEY WANT PNM TO CLOSE ALL 4 COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC POWER PLANT AND REPLACE THEM WITH NATURAL GAS-FIRED POWER PLANTS AND MORE RENEWABLE ENERGY SOURCES LIKE SOLAR AND WIND. THEY FEEL THAT PNM SHOULD STOP INVESTING IN OLD TECHNOLOGIES SUCH AS COAL-FIRED ELECTRIC PLANTS AND DEVELOP MORE RENEWABLE ENERGY OPTIONS.

B.) PNM'S PLAN WOULD KEEP TWO OF THE FOUR COAL-FIRED GENERATING UNITS AT THE SAN JUAN ELECTRIC PLANT OPERATING. THE COMPANY FEELS IT IS IMPORTANT TO USE A MIX OF ENERGY SOURCES INCLUDING COAL, NATURAL GAS, NUCLEAR FROM AN EXISTING PLANT (PALO VERDE), AND SOLAR AND WIND. PNM BELIEVES THIS PLAN WILL ENSURE RELIABLE ELECTRICITY IS AVAILABLE TO ITS CUSTOMERS, SINCE SOLAR AND WIND POWER ARE NOT AVAILABLE 24 HOURS A DAY AND CANNOT SUPPLY ENOUGH ELECTRICITY DURING PEAK US PERIODS. AFTER HEARING THIS INFORMATION, DO YOU SUPPORT PNM'S PLAN TO CLOSE 2 OF THE 4 COAL-FIRED UNITS AT THE SAN JUAN ELECTRIC PLANT, OR DO YOU PREFER CLOSING THE ENTIRE POWER PLANT?

	TOTAL SAMPLE (N=406)	REGION				GENDER		ETHNICITY			AGE			
		SOUTHWEST SANTA FE	SOUTHEAST SANTA FE	NORTH SANTA FE	ELDORADO HWY 14	MALE	FEMALE	HISPANIC	ANGLO	NATIVE AMERICAN	18 TO 34 YEARS	35 TO 49 YEARS	50 TO 64 YEARS	65 YEARS OR OLDER
PNM PLAN 2 OF 4 UNITS	54%	56%	54%	47%	52%	60%	49%	60%	46%	80%	55%	61%	51%	54%
CLOSE ALL	32%	24%	35%	37%	41%	29%	34%	23%	44%	9%	27%	27%	38%	32%
DEPENDS (VOLUNTEERED)	7%	11%	5%	5%	6%	7%	8%	8%	6%	11%	10%	7%	5%	8%
NEITHER ONE	1%	1%	-	4%	-	-	2%	-	1%	-	1%	-	1%	1%
DON'T KNOW/WON'T SAY	6%	8%	6%	7%	-	4%	7%	9%	3%	-	6%	5%	6%	6%

	TOTAL SAMPLE (N=406)	HOUSEHOLD INCOME					EDUCATION			
		LESS THAN \$20,000	\$20,000 TO \$39,999	\$40,000 TO \$59,999	\$60,000 TO \$79,999	\$80,000 AND OVER	H.S. GRADUATE OR LESS	SOME COLLEGE/ ASSOCIATE	COLLEGE GRADUATE	GRADUATE DEGREE
PNM PLAN 2 OF 4 UNITS	54%	57%	51%	62%	54%	52%	60%	68%	45%	42%
CLOSE ALL	32%	21%	34%	35%	32%	37%	20%	22%	42%	45%
DEPENDS (VOLUNTEERED)	7%	8%	9%	1%	8%	10%	6%	6%	8%	8%
NEITHER ONE	1%	3%	1%	-	-	1%	1%	1%	1%	1%
DON'T KNOW/WON'T SAY	6%	11%	4%	2%	6%	1%	12%	3%	4%	4%

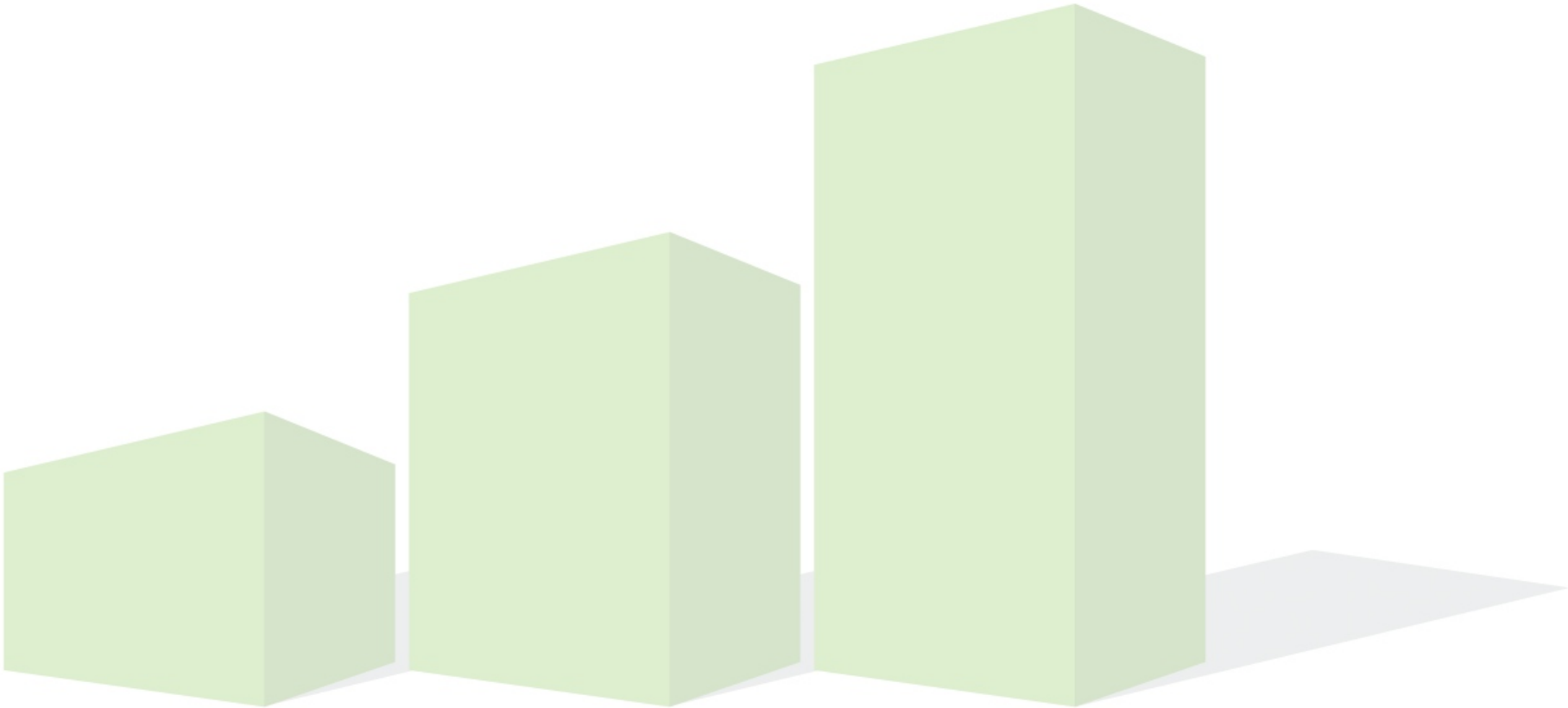
UNDERLYING REASONS FOR CHOICE IN ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATIONS

QUESTION 11: WHY DO YOU FEEL THIS?

SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	25%	OUT DATED TECHNOLOGY	2%	NOT TRUTHFUL WHO IS GOING TO BENEFIT FROM ALL THIS	*
SOLAR/WIND NOT RELIABLE	15%	COAL: DIRTY/GET RID OF/REDUCE USAGE	2%	THEY ARE MOVING THE RIGHT DIRECTION	*
COAL IS BAD/MORE POLLUTANTS	13%	ENVIRONMENTALISTS: GETTING THEIR WAY/PUT FEAR IN PEOPLE/ DON'T KNOW WHAT THEY'RE TALKING ABOUT	1%	TREE HUGGERS CAN AFFORD THIS	*
WILL REDUCE AIR POLLUTION	11%	PNM NEEDS TO DO WHAT THEY NEED TO DO	1%	PNM OWNS THE COAL SUPPLY/PNM WILL DO NOTHING TO CREATE NEW ENERGY	*
NEED RELIABLE ELECTRICITY	10%	ELECTRIC RATES WILL GO UP	1%	WILL CREATE JOBS	*
WILL CUT JOBS	7%	UTILIZE ALL RESOURCES OF ENERGY AVAILABLE	1%	EITHER OPTION WOULD NOT HELP	*
NEED MORE INFORMATION	6%	DEPENDS ON HOW MUCH MY BILL WILL GO UP	1%	NEED OBJECTIVITY OF NON-POLITICAL SCIENTISTS	*
GLOBAL WARMING IS A PROBLEM	5%	CUSTOMERS WILL END UP PAYING FOR IT	1%	NEED A BALANCE BETWEEN HIPPIE VIEWS AND MASS MISCONCEPTIONS	*
NATURAL GAS IS CLEANER	5%	NEED VIABILITY PLAN/ADDRESS ISSUES	1%	NOT GOOD FOR WILDLIFE	*
DIVERSE SOURCE OF ENERGY IS BETTER	4%	NATURAL GAS IS LESS EXPENSIVE	1%	BETTER FOR THE FUTURE	*
TRANSITION OVER IN TIME	4%	NEED RELIABLE SOURCES OF POWER/SERVICE/SAFE	1%	PNM NEEDS TO FIND A NEW PROFIT MODEL	*
TAKE STEP AT A TIME (CLOSE DOWN 2)	4%	U.S. HAS ABUNDANT SUPPLY OF NATURAL GAS	1%	HEALTH HAZARD	*
DEPENDS ON COST	3%	THINGS SHOULD STAY THE WAY THEY ARE	1%	WATER: BAD/USING UP	*
U.S. HAS ABUNDANT SUPPLY OF COAL	3%	CLOSING PLANT NOT FEASIBLE - WILL HAVE NEGATIVE IMPACT	1%	WOULD BE LESS EXPENSIVE TO INSTALL POLLUTION CONTROLS THEN CREATING NEW POWER PLANTS	*
ASSESS IMPACT ON ENVIRONMENT	3%	NOT IN FAVOR OF NUCLEAR	1%	MAKE IT ENERGY EFFICIENT/CONSERVING ENERGY	*
RENEWABLES ARE MORE EXPENSIVE	3%	ELECTRIC RATES WILL GO DOWN	1%	NEED TO CLEAN UP ENVIRONMENT/WATER	*
NO REASON IN PARTICULAR	3%	MORE ECONOMICAL/COST EFFECTIVE	1%	IT'S ALREADY COSTING TOO MUCH	*
HAD LONG ENOUGH TIME TO CHANGE/CLOSE IT DOWN	3%	WILL COST MORE TO CLOSE ALL 4 UNITS	1%	GLOBAL WARMING IS NOT REAL	*
NATURAL GAS CREATES A DEMAND FOR "FRACKING"	3%	NATURAL GAS CONTAINS METHANE	1%	PEOPLE/COMMUNITIES SHOULD RECREATE THE UTILITIES NOT BIG COMPANIES	*
NEED A BACKUP SYSTEM	2%	NATURAL GAS: LIMITED/DANGEROUS/EXPENSIVE	1%		
PNM HAS NOT DONE ENOUGH/TO LOWER BILLS/ JUST INCREASING BILL	2%	WILL BETTER SERVE THE COMMUNITY	1%		
TECHNOLOGY: CLEANER/EXISTS/NEW/NUCLEAR	2%	WE NEED COAL	1%		
COAL IS LESS EXPENSIVE	2%	WILL NOT BE PROGRESSIVE	1%	DON'T KNOW/WON'T SAY	3%
NEED PROVEN TECHNOLOGY	2%	NEED COMPETITION	*		

* LESS THAN 1% REPORTED.

III. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

SANTA FE TOTAL SAMPLE (N=406)

GENDER

MALE	48%
FEMALE	52%

AGE

18 TO 34 YEARS	23%
35 TO 49 YEARS	20%
50 TO 64 YEARS	37%
65 YEARS OR OLDER	19%
WON'T SAY	1%

EDUCATION

HIGH SCHOOL GRADUATE OR LESS	27%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	25%
COLLEGE GRADUATE (4 YEARS)	21%
GRADUATE DEGREE	27%
WON'T SAY	1%

ETHNICITY

ANGLO	41%
HISPANIC	50%
OTHER DESCENT	4%
NATIVE AMERICAN INDIAN	3%
WON'T SAY	2%

HOUSEHOLD INCOME

LESS THAN \$20,000	20%
\$20,000 TO \$39,999	18%
\$40,000 TO \$59,999	18%
\$60,000 TO \$79,999	12%
\$80,000 AND OVER	26%
WON'T SAY	6%

RESEARCH & POLLING INC



PNM
SOUTHEAST NEW MEXICO COMMUNITY SURVEY
AUGUST 2015

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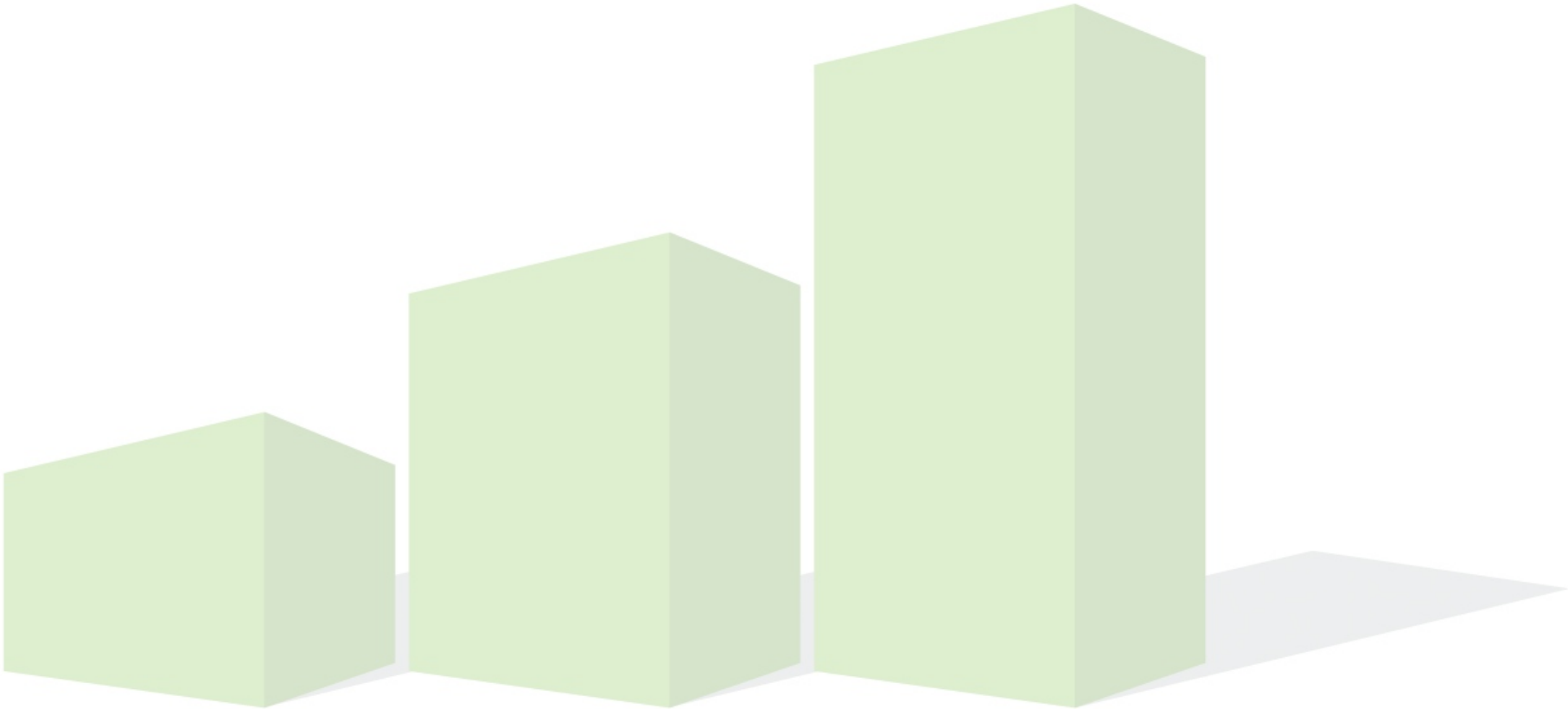
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I. INTRODUCTION



METHODOLOGY

This research study was commissioned by PNM in order to assess which electric utility attributes PNM customers believe are most important. This study also measured customers' awareness of PNM's plan to close a portion of the San Juan Generating Station, as well as customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

THE INTERVIEW

A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- **Southeastern New Mexico (n=205)**
- Albuquerque Metro Area (n=401)
- Santa Fe (n=406)
- Northern New Mexico (n=200)
- Southwestern New Mexico (n=306)

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. This report is among PNM customers in the Southeastern New Mexico area. All interviews were conducted between July 22nd and August 6th, 2015.

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 205 PNM customers in the Southeastern area completed interviews. PNM's Southeast region service area includes Alamogordo, Tularosa, Ruidoso, and Ruidoso Downs.

MARGIN OF ERROR

A sample size of 205 at a 95% confidence level provides a maximum margin of error of approximately 6.8%. In theory, in 95 out of 100 cases, the results based on a sample of 205 will differ by no more than 6.8 percentage points in either direction from what would have been obtained by interviewing all PNM customers in the Southeast region service area.

SAMPLE BIAS

In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

EXECUTIVE SUMMARY

PNM customers in the Southeast region service area were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When customers were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers in the Southeast region service area. Providing the most reliable electric service (91%) is rated as important by the majority of PNM customers, followed closely by having the highest quality customer service (84%). Three-quarters of customers rate having the lowest electric rates as important, 68% say developing more renewables is important, and 66% say reducing pollution from power plants is important.

When customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, providing the most reliable electric service (31%) was selected most often, followed by having the lowest rates in the West (25%), developing more renewables (18%), reducing pollution (12%), and providing the highest quality customer service (10%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

Four-fifths of PNM customers in the Southeast region service area are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. Men are more likely than women to be aware of PNM's plan to close two of the four units.

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. Two-thirds (66%) of PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 17% say PNM should close the entire plant.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, 16% of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables, while 7% mention a reduction in air pollution. Those who say PNM should close two of the four coal-fired units mention a need for more reliable electricity (20%), solar/wind are not as reliable (8%), will cut jobs (7%), electric rates will go up (7%), to take electric generating unit closures one step at a time (6%), and transition over time (6%). Seven percent say they need more information.

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 8 UNAIDED RESPONSES	
SOUTHEAST NEW MEXICO TOTAL SAMPLE (N=205)	
WATER SHORTAGE/WATER SUPPLY	13%
LACK OF GOOD JOBS	9%
CRIME	8%
ILLEGAL DRUG USE	7%
WEAK ECONOMY	5%
ROADS/STREETS/HIGHWAYS ARE IN BAD CONDITION	5%
NOTHING IN PARTICULAR	21%
DON'T KNOW/WON'T SAY	14%

PNM customers in the Southeast region service area were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Thirteen percent of PNM customers say that the water shortage/water supply is the biggest issue or problem, followed by 9% who mention the lack of good jobs and 8% who mention crime. Seven percent say illegal drug use is the biggest issue or problem, while 5% mention either the weak economy or roads/streets/highways are in bad condition. Two percent mention power outages, 1% say PNM is not meeting people's needs, and another 1% say utilities costs are too high. Notably, 35% of PNM customers did not mention a particular problem or issue facing their community.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE)													
SOUTHEAST NEW MEXICO TOTAL SAMPLE (N=205) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	68%	10%	13%	4%	1%	3%	-	-	-	-	-	1%	9.3
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	57%	11%	16%	7%	2%	4%	-	1%	-	-	-	-	8.9
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	54%	7%	14%	7%	3%	12%	1%	2%	-	-	-	1%	8.5
REDUCING POLLUTION FROM POWER PLANTS	42%	11%	13%	5%	2%	13%	1%	1%	2%	2%	4%	4%	7.8
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	40%	12%	16%	7%	4%	8%	1%	1%	3%	1%	3%	3%	7.9

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

PNM customers in the Southeast region service area were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

Nine-in-ten (91%) PNM customers in the Southeast region service area rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with the majority (68%) saying this is *extremely important*.

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

Eighty-four percent of PNM customers rate providing the highest quality customer service as important (a score of 8, 9, or 10), with almost three-fifths (57%) saying this is *extremely important*.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

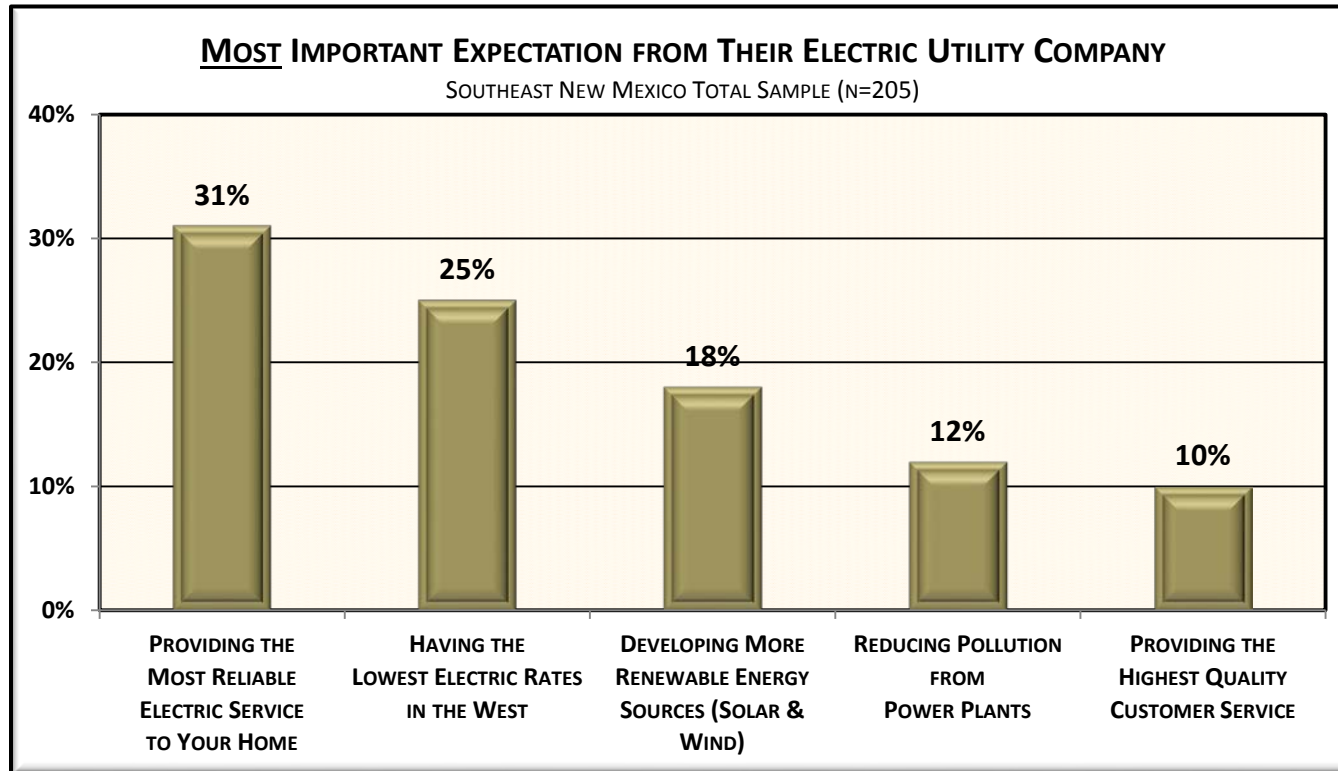
Three-quarters of PNM customers say that having the lowest rates in the West is important with more than half (54%) saying this is *extremely important*. More than one-fifth (22%) have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7).

REDUCING POLLUTION FROM POWER PLANTS

Two-thirds (66%) of PNM customers rate reducing pollution from power plants as important, with 42% saying this is *extremely important*. One-fifth have a neutral opinion or felt this was slightly important, while one-in-ten say this is unimportant.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

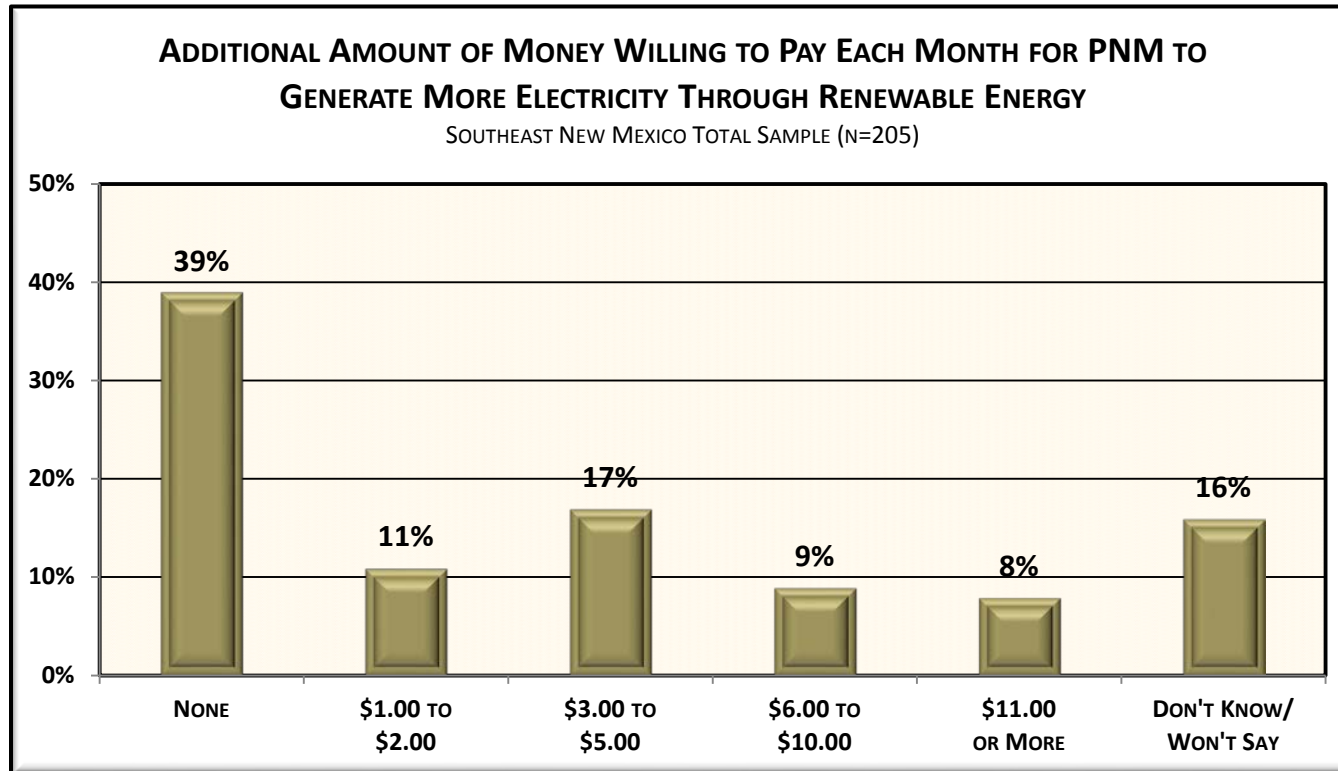
More than two-thirds (68%) of PNM customers rate developing more renewable energy sources as important, with two-fifths who say this is *extremely important*. One-fifth (19%) have a neutral opinion or felt this was slightly important, while one-in-ten (9%) say this is unimportant.



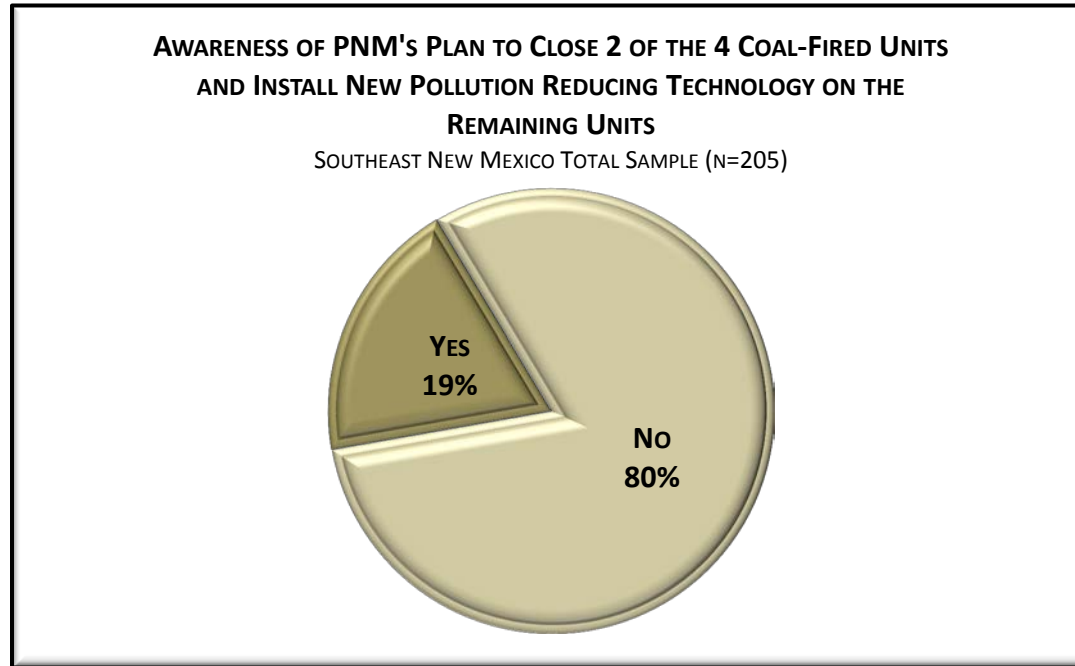
Customers were reread the five attributes from page seven and asked **which item is the most important to them** in what they expect from their electric utility. Overall, providing the most reliable electric utility service (31%) is the most important attribute, followed by 25% who say having the lowest electric rates in the West is the most important. The third most important attribute among PNM customers is developing more renewable energy sources (18%), followed by reducing pollution from power plants (12%), and providing the highest quality customer service (10%).

<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u>						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each regions second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.

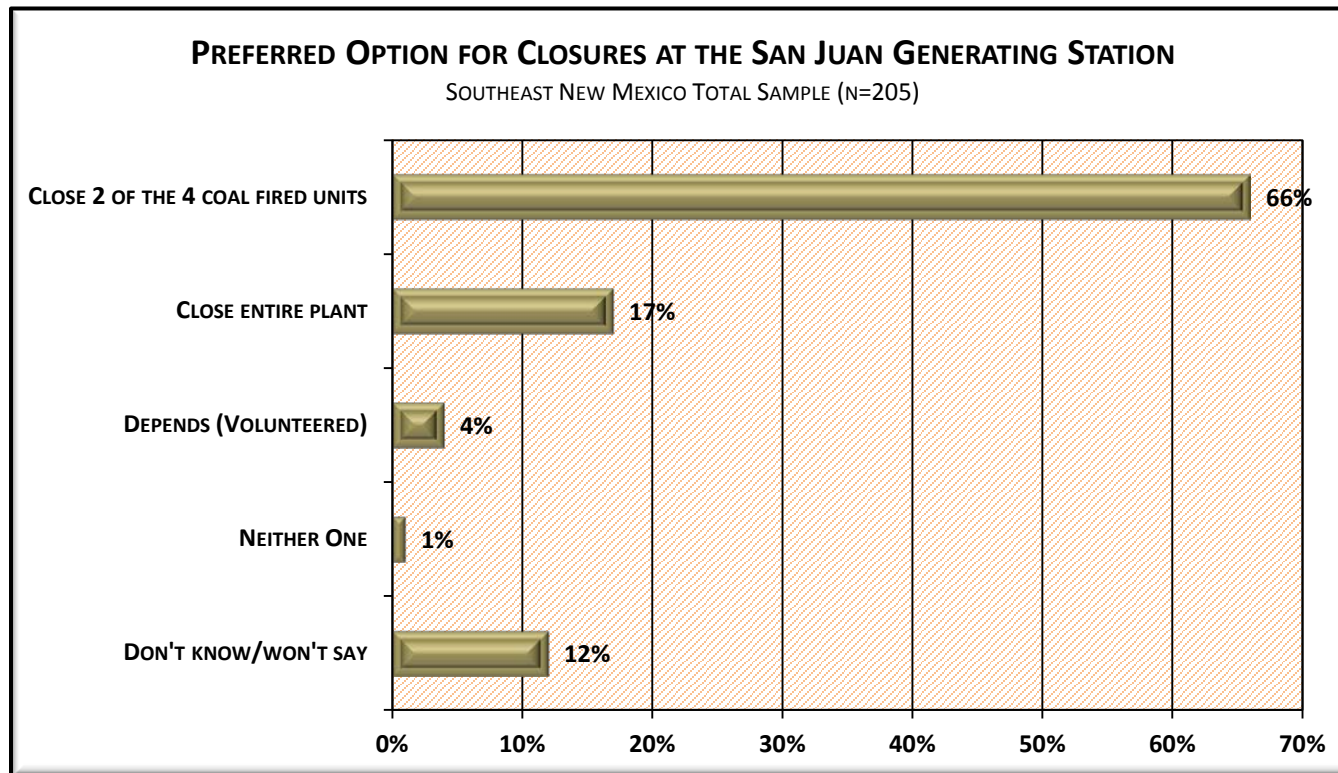


Customers were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. Nearly two-fifths (39%) of PNM customers in the Southeast region service area say they are unwilling to pay any additional amount on their monthly bill, while 11% mention they are willing to pay one to two dollars more a month. Seventeen percent are willing to pay three to five dollars more a month, while 17% are willing to pay six dollars or more.



Customers were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Customers were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. They were then **asked if they had heard of this plan**.

Four-fifths of PNM customers in the Southeast region service area say they have not heard of PNM's plan, while one-fifth (19%) say they have heard of it. Men are more likely than women to be aware of PNM's plan to close two of the four units.



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

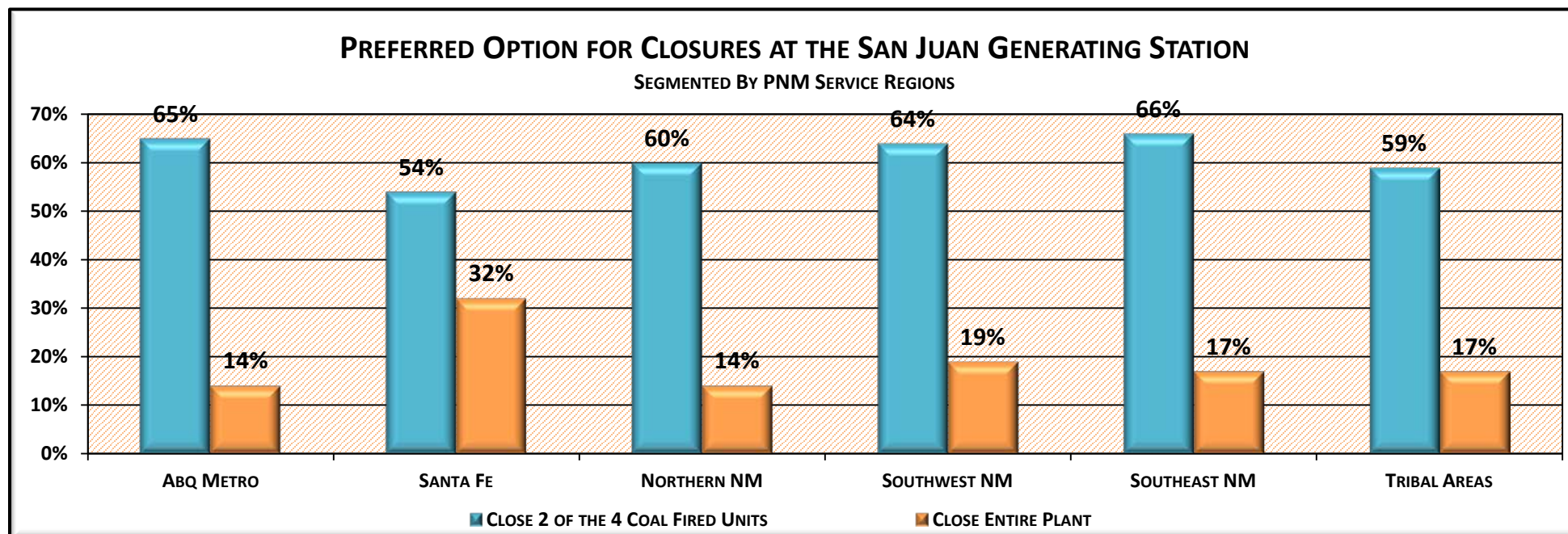
Customers were read **two different viewpoints (shown above, rotated when read to survey participants)** about the San Juan Generating Station operated by PNM and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. Two-thirds (66%) of PNM customers in the Southeast region service area say they support PNM’s plan to close two of the four coal-fired units, while 17% say PNM should close the entire plant. Four percent say “it depends” and 12% did not offer an opinion.

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



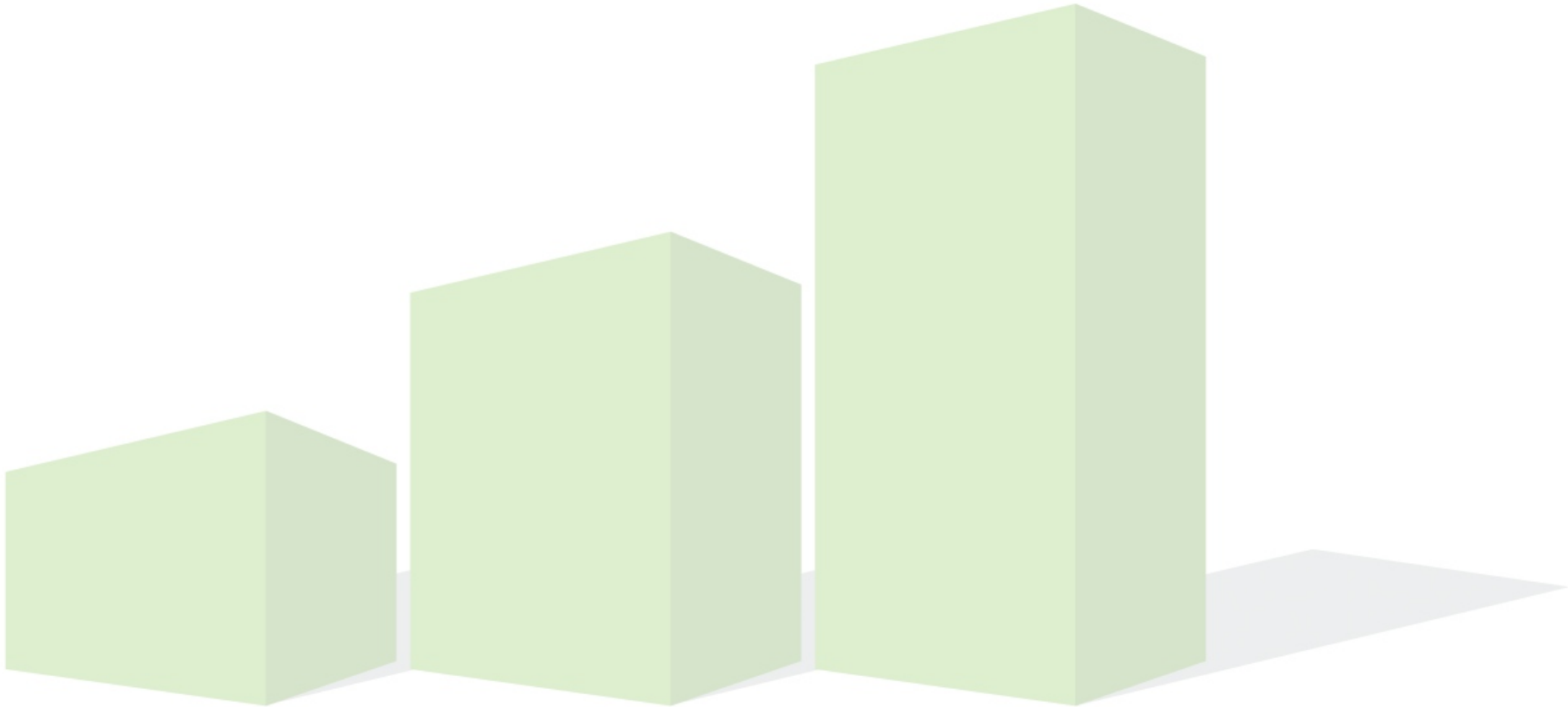
PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION	
AMONG THOSE WHO CHOSE A CLOSURE OPTION SOUTHEAST NEW MEXICO RESPONSES TOP 9 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	16%
WILL REDUCE AIR POLLUTION	7%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITS	
NEED MORE RELIABLE ELECTRICITY	20%
SOLAR/WIND ARE NOT AS RELIABLE	8%
WILL CUT JOBS	7%
ELECTRIC RATES WILL GO UP	7%
TAKE CLOSURES ONE STEP AT A TIME	6%
TRANSITION OVER IN TIME	6%
NEUTRAL	
NEED MORE INFORMATION	7%

Customers were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. Sixteen percent of customers in the Southeast region who say that PNM should close the entire plant mention that PNM should be pursuing more renewables, while 7% mention a reduction in air pollution. Those who say PNM should close two of the four coal-fired units mention a need for more reliable electricity (20%), solar/wind are not as reliable (8%), will cut jobs (7%), electric rates will go up (7%), to take generating unit closures one step at a time (6%), and transition over time (6%). Seven percent say they need more information.

II. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

SOUTHEAST TOTAL SAMPLE (N=205)

GENDER

MALE	49%
FEMALE	51%

AGE

18 TO 34 YEARS	19%
35 TO 49 YEARS	14%
50 TO 64 YEARS	42%
65 YEARS OR OLDER	23%
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EDUCATION

HIGH SCHOOL GRADUATE OR LESS	33%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	38%
COLLEGE GRADUATE (4 YEARS)	18%
GRADUATE DEGREE	9%
WON'T SAY	2%

ETHNICITY

ANGLO	60%
HISPANIC	26%
BLACK/AFRICAN-AMERICAN	1%
NATIVE AMERICAN INDIAN	3%
OTHER DESCENT	7%
WON'T SAY	4%

HOUSEHOLD INCOME

LESS THAN \$20,000	22%
\$20,000 TO \$39,999	20%
\$40,000 TO \$59,999	18%
\$60,000 TO \$79,999	8%
\$80,000 AND OVER	16%
WON'T SAY	16%

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PNM
SOUTHWEST NEW MEXICO COMMUNITY SURVEY
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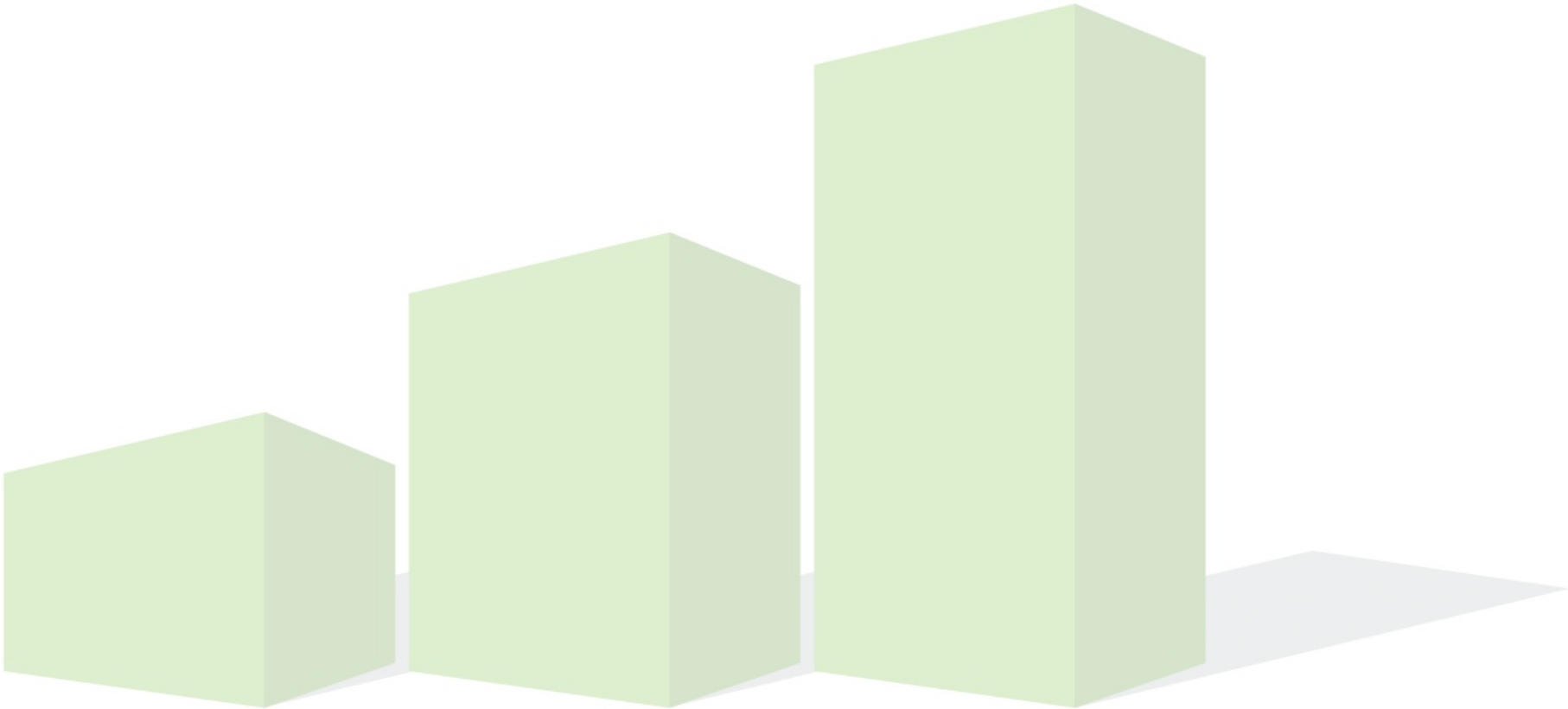
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A stratified random sample of PNM customers in New Mexico was interviewed by telephone. Customers were stratified by service area so that each region would have a sufficiently large cell size in order to review the results with a greater degree of accuracy. Cell phone and landline telephone numbers were generated from the PNM customer database. Customers were stratified by the following regions:

- **Southwestern New Mexico (n=306)**
- Albuquerque Metro Area (n=401)
- Santa Fe (n=406)
- Northern New Mexico (n=200)
- Southeastern New Mexico (n=205)

In order to not skew results, surveys were weighted to their true proportion of the regional population of residential PNM customers in New Mexico. This report is among PNM customers in the Southwestern New Mexico area. All interviews were conducted between July 22nd and August 6th, 2015.

The telephone interviewers are professionals who are brought together for a training session prior to each survey. This ensures their complete and consistent understanding of the survey instrument. A total of 306 PNM customers in the Southwestern area completed interviews. PNM's Southwest region service area includes Silver City, Bayard, Deming, Lordsburg, Santa Clara, Gila, Hurley, and Cliff.

MARGIN OF ERROR

A sample size of 306 at a 95% confidence level provides a maximum margin of error of approximately 5.6%. In theory, in 95 out of 100 cases, the results based on a sample of 306 will differ by no more than 5.6 percentage points in either direction from what would have been obtained by interviewing all PNM customers in the Southwest region service area.

SAMPLE BIAS

In any survey, there are some respondents who will refuse to speak to the professional interviewer. A lower response rate among certain types of individuals can result in a sample wherein certain types of individuals are over-represented or under-represented. The potential for sampling bias increases as the response rate decreases. Research & Polling, Inc. often sets quotas for various segments of the population who are historically undercounted. This has the effect of minimizing, but not necessarily eliminating, sampling bias.

THE REPORT

This report summarizes the results from each question in the survey and reports on any variances in attitude or perception, where significant, among demographic subgroups. The subgroups examined in this report include:

- Age
- Income
- Ethnicity
- Education attainment level
- Region

EXECUTIVE SUMMARY

PNM customers in the Southwest region service area were surveyed in order to assess which electric utility attributes they believe are most important, as well as to measure customers' awareness of PNM's plan to close a portion of the San Juan Generating Station. This study also assessed customers' preferences as they relate to closing two of the four coal-fired units or closing the entire power plant.

EXPECTATIONS FROM THEIR ELECTRIC UTILITY PROVIDER

When customers were asked to rate items that may or may not be important to them in what they expect from their electric utility company, all items tested are perceived as important (a score of 8, 9, or 10 on a zero to ten scale) by PNM customers. Having the most reliable electric service is rated as important by the vast majority (91%) of PNM customers, followed closely by providing the highest quality customer service (85%). Seventy-eight percent rate having the lowest electric rates as important, 68% say reducing pollution from power plants is important, and 66% say developing more renewables is important.

When customers were reminded of which items they gave the highest marks to and asked which they believe is the single most important expectation from their electric utility, providing the most reliable electric service (30%) was selected most often, followed by having the lowest rates in the West (27%), developing more renewables (16%), reducing pollution (13%), and providing the highest quality customer service (9%).

AWARENESS AND OPINIONS OF PNM'S PLAN FOR THE SAN JUAN GENERATING STATION

Two-thirds of PNM customers in the Southwest region service area (66%) are unaware of PNM's plan to close two of the four coal-fired units at the San Juan Generating Station. Those more likely to be aware of PNM's plan to close two of the four units include men, those age 50 and older, and those earning \$40,000 or more.

Customers were read two different viewpoints regarding the closure at the San Juan Generating Station. The majority (64%) of PNM customers agree with PNM's plan to close two of the four coal-fired units versus closing the entire plant, while 19% say PNM should close the entire plant.

When asked to give reasons for their opinions of whether PNM should close two units or close the entire plant, nearly one-fifth of customers who say that PNM should close the entire plant mention that PNM should be pursuing more renewables (18%), while 5% say natural gas is cleaner. Those who say PNM should close two of the four coal-fired units mention the need for more reliable electricity (11%), solar/wind are not as reliable (9%), will cut jobs (8%), to take electric generating unit closures one step at a time (6%), and 5% mention the need for reliable sources of power or that electric rates will go up. Seven percent say they need more information.

BIGGEST ISSUES OR PROBLEMS FACING THE COMMUNITY	
TOP 10 UNAIDED RESPONSES	
SOUTHWEST NEW MEXICO TOTAL SAMPLE (N=306)	
LACK OF GOOD JOBS	19%
CRIME	9%
ILLEGAL DRUG USE	7%
WEAK ECONOMY	5%
EDUCATIONAL SYSTEM IS POOR	3%
LOW WAGES	3%
GANGS	3%
POWER OUTAGES	3%
NOTHING IN PARTICULAR	24%
DON'T KNOW/WON'T SAY	15%

PNM customers in the Southwest region service area were asked, in an unaided, open-ended manner, what they believe are the **biggest issues or problems facing their community**. Nearly one-fifth (19%) of PNM customers say that a lack of good jobs is the biggest issue or problem, followed by 9% who mention crime, 7% who mention illegal drug use, and 5% say the weak economy. Three percent mention power outages, 2% say utilities too high, and 1% say high cost of electricity. Notably, 39% of PNM customers did not mention a particular problem or issue facing their community.

CUSTOMERS' EXPECTATIONS FROM THEIR ELECTRIC UTILITY COMPANY (SUMMARY TABLE) SOUTHWEST NEW MEXICO TOTAL SAMPLE (N=306) RANKED BY HIGHEST "EXTREMELY IMPORTANT"													
	EXTREMELY IMPORTANT 10	09	08	07	06	05	04	03	02	01	NOT IMPORTANT AT ALL 00	DK/ WS	MEAN†
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	68%	12%	11%	3%	2%	2%	1%	-	-	-	-	1%	9.3
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	59%	9%	17%	5%	2%	5%	1%	1%	-	-	-	1%	8.9
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	59%	8%	11%	8%	1%	8%	-	1%	-	1%	-	2%	8.8
REDUCING POLLUTION FROM POWER PLANTS	50%	6%	12%	6%	3%	11%	3%	1%	2%	1%	3%	3%	8.0
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	47%	5%	14%	8%	1%	12%	1%	2%	2%	2%	2%	4%	8.0

† THE MEAN SCORE IS DERIVED BY TAKING THE AVERAGE SCORE BASED ON THE 10-POINT SCALE. THE EXTREMELY IMPORTANT RESPONSE IS ASSIGNED A VALUE OF 10; THE NOT IMPORTANT AT ALL RESPONSE IS ASSIGNED A VALUE OF 00. THE DON'T KNOW/WON'T SAY RESPONSES ARE EXCLUDED FROM THE CALCULATION OF THE MEAN.

PNM customers in the Southwest region service area were read a list of **items that may or may not be important to them in what they expect from their electric utility company**. For each item, customers were asked to rate how important each item is, using a zero to ten scale where zero means *not important at all* and ten means *extremely important*.

PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME

Nine-in-ten (91%) PNM customers rate providing the most reliable electric service to their homes as important (a score of 8, 9, or 10), with the majority (68%) saying this is *extremely important*.

PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE

Eighty-five percent of PNM customers rate providing the highest quality customer service as important (a score of 8, 9, or 10), with nearly three-fifths (59%) saying this is *extremely important*.

HAVING THE LOWEST ELECTRIC RATES IN THE WEST

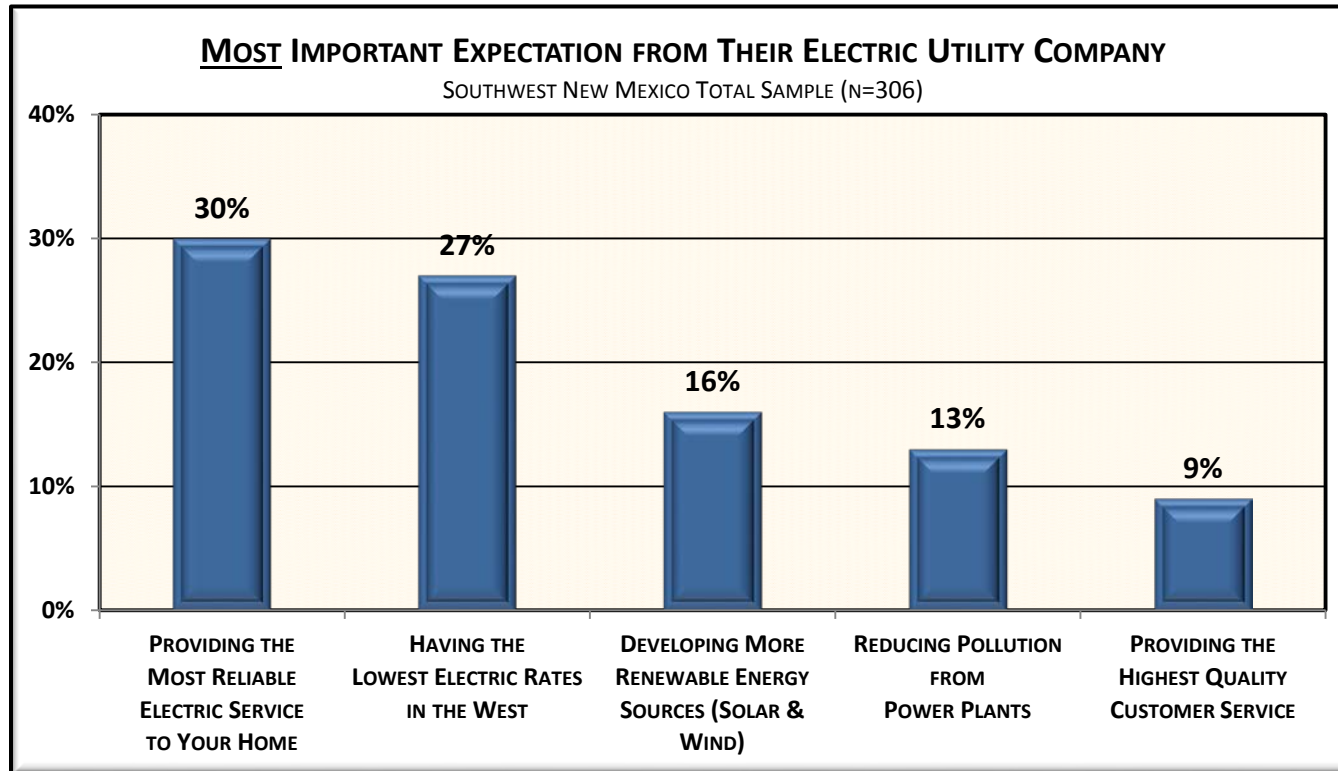
More than three-quarters (78%) of PNM customers say that having the lowest rates in the West is important with nearly three-fifths (59%) saying this is *extremely important*. Nearly one-fifth (17%) have a neutral opinion or felt this was slightly important (a score of 5, 6 or 7).

REDUCING POLLUTION FROM POWER PLANTS

More than two-thirds (68%) of PNM customers rate reducing pollution from power plants as important, with half saying this is *extremely important*. One-fifth have a neutral opinion or felt this was slightly important, while one-in-ten say this is unimportant.

DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND

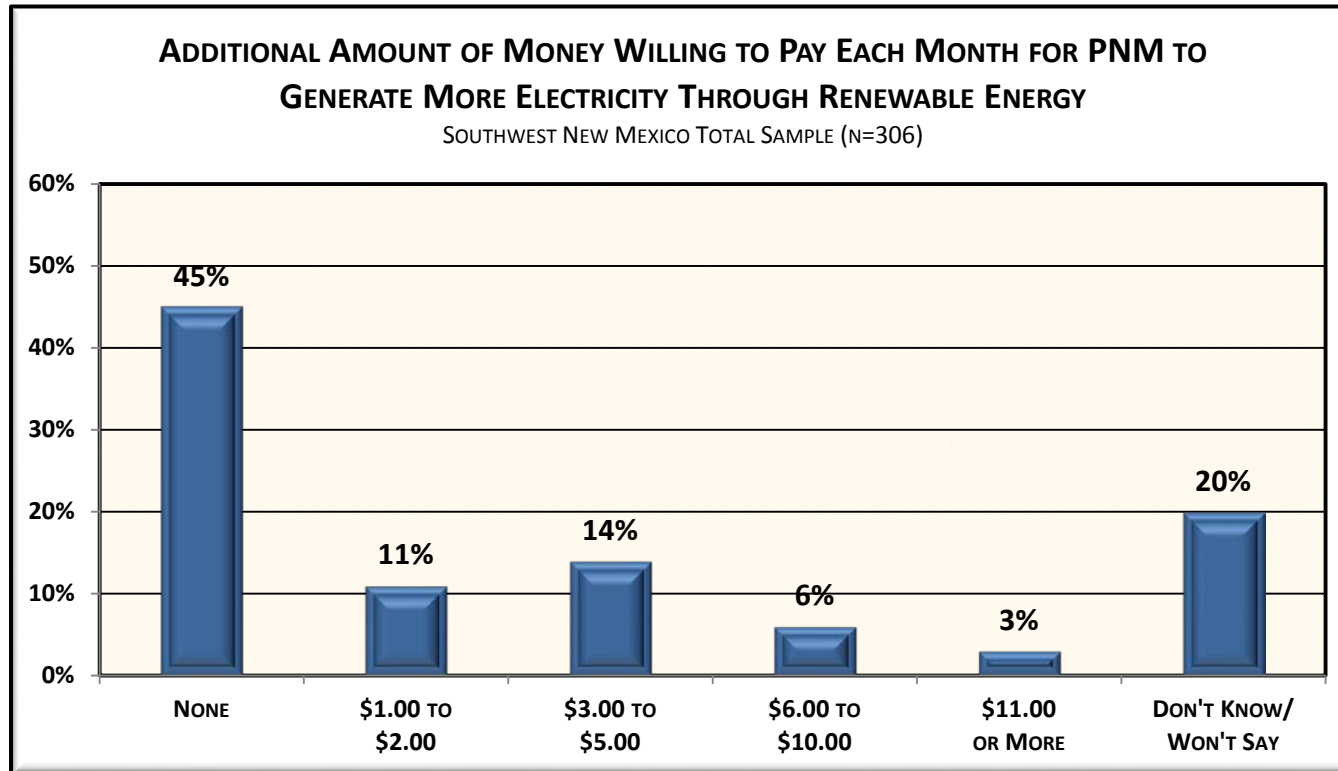
Approximately two-thirds (66%) of PNM customers rate developing more renewable energy sources as important, with just under half (47%) who say this is *extremely important*. One-fifth (21%) have a neutral opinion or felt this was slightly important, while one-in-ten (9%) say this is unimportant.



Customers were reread the five attributes from page seven and asked **which item is the most important to them** in what they expect from their electric utility. Overall, providing the most reliable electric utility service (30%) is the most important attribute, followed by 27% who say having the lowest electric rates in the West is the most important. The third most important attribute among PNM customers is developing more renewable energy sources (16%), followed by reducing pollution from power plants (13%), and providing the highest quality customer service (9%).

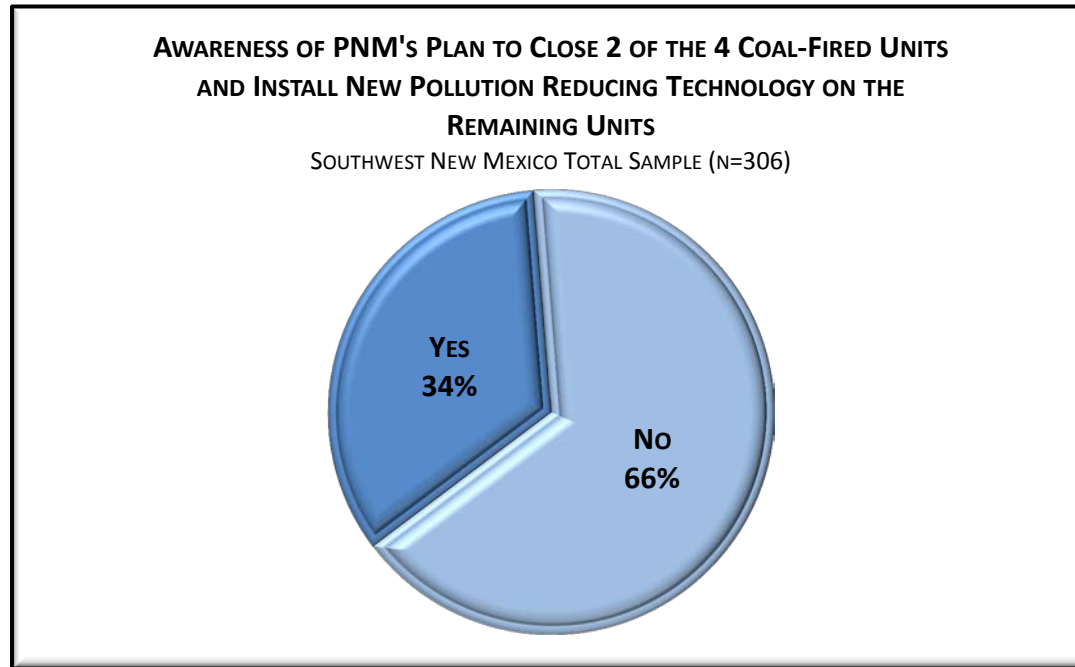
<u>MOST IMPORTANT EXPECTATION FROM THEIR ELECTRIC UTILITY COMPANY</u> SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
PROVIDING THE MOST RELIABLE ELECTRIC SERVICE TO YOUR HOME	30%	25%	38%	30%	31%	27%
HAVING THE LOWEST ELECTRIC RATES IN THE WEST	27%	13%	24%	27%	25%	24%
DEVELOPING MORE RENEWABLE ENERGY SOURCES, SUCH AS SOLAR AND WIND	20%	35%	15%	16%	18%	18%
REDUCING POLLUTION FROM POWER PLANTS	14%	17%	12%	13%	12%	17%
PROVIDING THE HIGHEST QUALITY CUSTOMER SERVICE	7%	5%	9%	9%	10%	10%

Shown above are customers' most important expectations segmented by PNM service regions. The percentages in boxes highlight the most important expectation of each region. For example, providing the most reliable electric service is the most important among customers in every region except Santa Fe, whose customers say developing more renewables is the most important. The percentages in **bold** highlight each regions second most important expectation; in all regions except Santa Fe, PNM customers say having the lowest electric rates in the West is second most important. Among Santa Fe customers, providing the most reliable electric service is the second most important expectation.



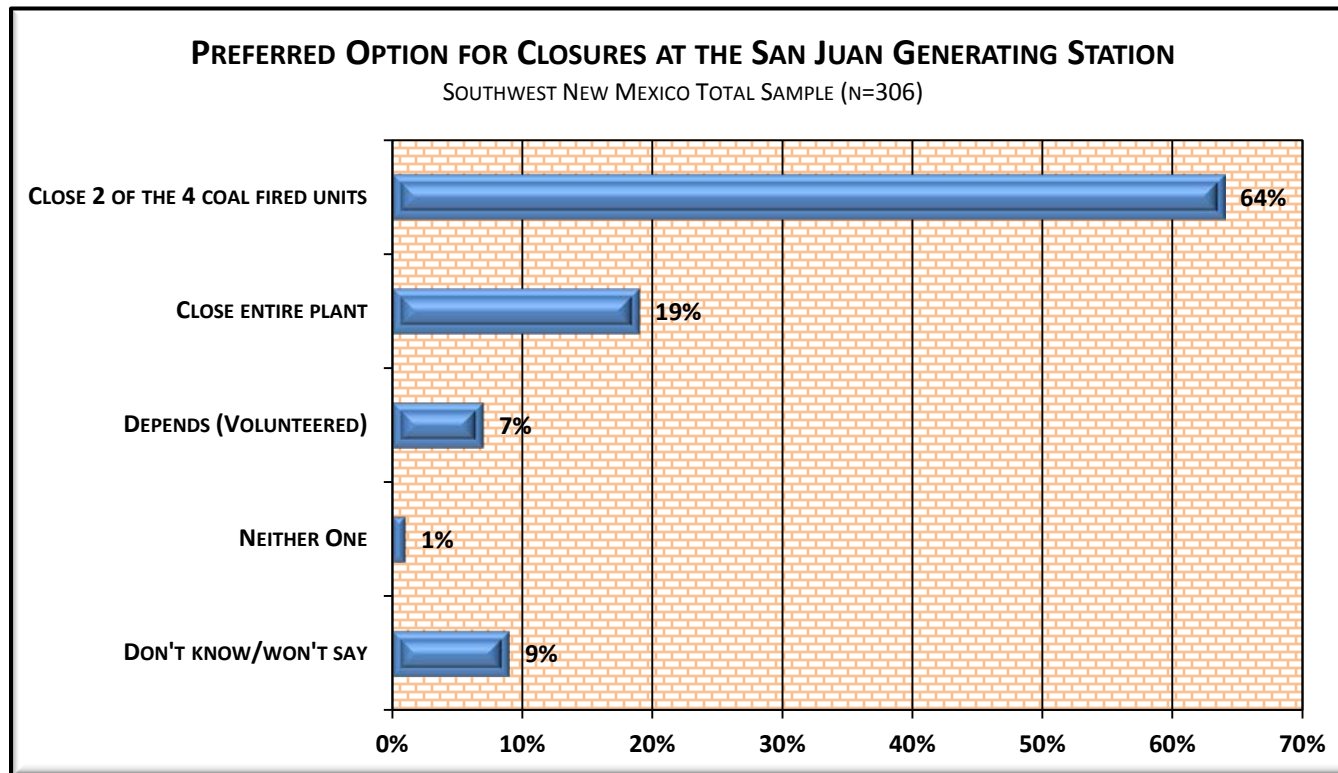
Customers were asked how much of a **dollar increase in their monthly electric bill** they would be willing to pay for PNM to generate more electricity through renewable energy sources, such as solar and wind. More than two-fifths (45%) of PNM customers in the Southwest region service area say they are unwilling to pay any additional amount on their monthly bill, while 11% mention they are willing to pay one to two dollars more a month. Fourteen percent are willing to pay three to five dollars more a month, while 9% are willing to pay six dollars or more.

Of note, those earning over \$80,000 and those with college degrees or graduate degrees are more likely than others to say they are willing to pay six dollars or more for PNM to generate more electricity through renewable energy sources.



Customers were informed that PNM has filed a plan to permanently close two of the four coal-fired generating units at the San Juan Generating Station near Farmington and install pollution-reducing technology on the remaining two units. Residents were also told that this plan would cut PNM's coal use at San Juan by 37% and that the new pollution controls would also reduce greenhouse gas emissions and water use at the generating station by 50%. They were then **asked if they had heard of this plan**.

Two-thirds of (66%) of PNM customers in the Southwest region service area say they have not heard of PNM's plan, while one-third (34%) say they have heard of it. Those more likely to be aware of PNM's plan to close two of the four units include men, those age 50 and older, and those earning \$40,000 or more.



“Some environmental groups oppose PNM’s plan because they believe it doesn’t go far enough in reducing pollution and water usage. They want PNM to close all 4 coal-fired generating units at the San Juan electric power plant and replace them with natural gas-fired power plants and more renewable energy sources like solar and wind. They feel that PNM should stop investing in old technologies such as coal-fired electric plants and develop more renewable energy options.”

“PNM’s plan would keep two of the four coal-fired generating units at the San Juan electric plant operating. The company feels it is important to use a mix of energy sources including coal, natural gas, nuclear from an existing plant (Palo Verde), and solar and wind. PNM believes this plan will ensure reliable electricity is available to its customers, since solar and wind power are not available 24 hours a day and cannot supply enough electricity during peak use periods.”

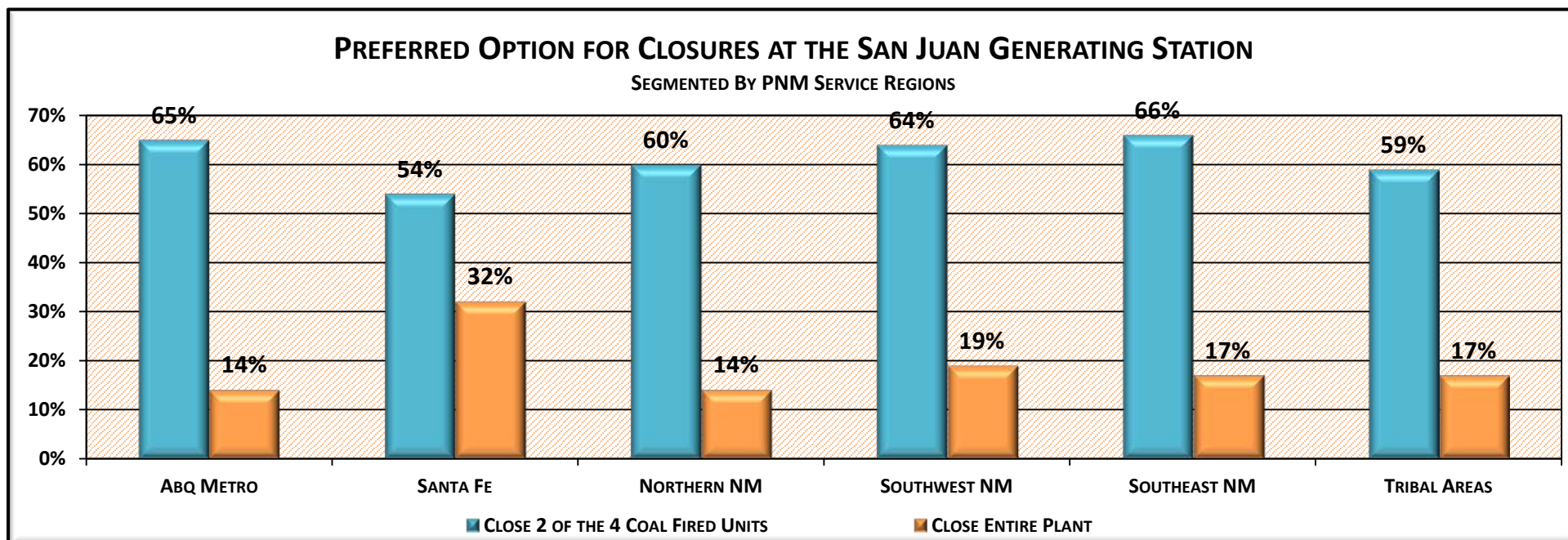
Customers were read **two different viewpoints (shown above, rotated when read to survey participants)** about the San Juan Generating Station operated by PNM and were asked, after being read both statements, if they support PNM’s plan to close two of the four coal-fired units at the San Juan plant, or if they prefer that PNM close the entire power plant. The majority (64%) of PNM customers in the Southwest region service area say they support PNM’s plan to close two of the four coal-fired units, while 19% say PNM should close the entire plant. Seven percent say “it depends” and one-in-ten (9%) did not offer an opinion.

NOTE ON SURVEY QUESTION

Issues revolving around the fate of the San Juan Generating Station are complex. PNM and interested parties to this regulatory matter disagree on many of the underlying assumptions and projections built into the various scenarios that have been proposed. It would be impossible to design a survey question for the general population that would take into account all of issues pertaining to PNM's: ownership restructuring agreements, coal supply contracts, stranded assets, absorption of excess capacity at the remaining two units and cost projections for future coal supply, construction of natural gas plants, and renewable energy costs.

Much of the recent debate about the future of the San Juan Generating Station revolves around whether to allow PNM to absorb excess coal capacity in one of the two units that would remain open, if and when the utility closes the other two units. The question that was asked of PNM customers in the survey was not intended to measure that issue.

Instead, the question posed to PNM customers addressed a bigger picture question as to whether customers support the general concept of keeping two of the four generating units open, while using a mix of energy sources including less coal, or whether they would prefer to close the entire plant down and completely replace coal with other energy sources. PNM wanted customer feedback on this larger issue. Also, the survey question did not address the issue of cost, since the different parties to this debate disagree as to which scenario is the most cost effective.



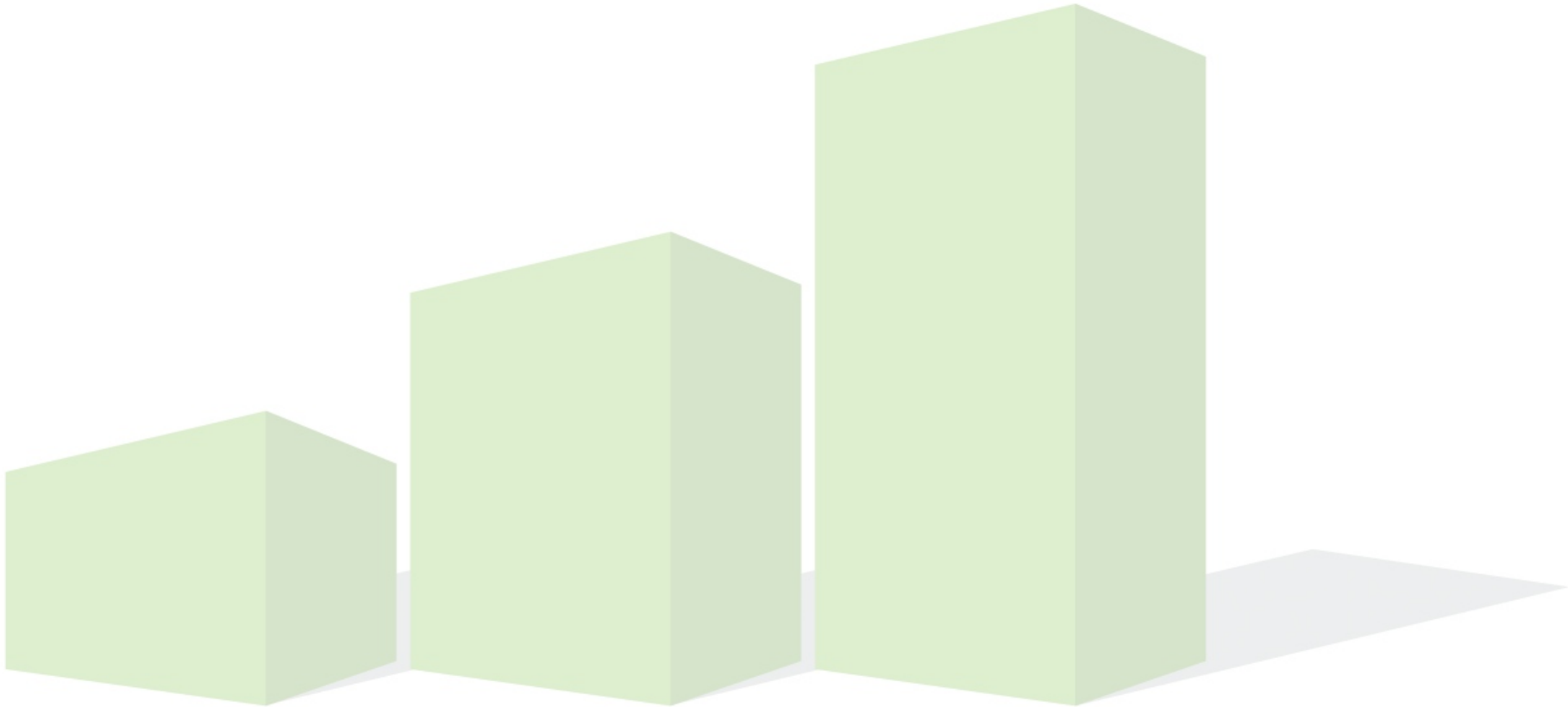
PREFERRED OPTION FOR ADDRESSING CLOSURES AT THE SAN JUAN GENERATING STATION						
SEGMENTED BY PNM SERVICE REGIONS						
	ABQ METRO	SANTA FE	NORTHERN NM	SOUTHWEST NM	SOUTHEAST NM	TRIBAL AREAS
CLOSE 2 OF THE 4 COAL-FIRED UNITS	65%	54%	60%	64%	66%	59%
CLOSE ENTIRE PLANT	14%	32%	14%	19%	17%	17%
DEPENDS (VOLUNTEERED)	8%	7%	6%	7%	4%	6%
NEITHER (VOLUNTEERED)	2%	1%	2%	1%	1%	-
DON'T KNOW/WON'T SAY	10%	6%	18%	9%	12%	19%

As shown above, the majority of PNM customers in each service region throughout the state are apt to support PNM's plan to close two of the four coal-fired units. Santa Fe customers are more likely than those in other regions to say that PNM should close the entire plant. However, the majority of Santa Fe customers (54%) still agree that PNM should close two of the four coal-fired units.

REASONS FOR CHOOSING PREFERRED OPTION FOR ADDRESSING CLOSURE AT THE SAN JUAN GENERATING STATION AMONG THOSE WHO CHOSE A CLOSURE OPTION SOUTHWEST NEW MEXICO RESPONSES TOP 9 UNAIDED RESPONSES	
PNM SHOULD CLOSE ENTIRE PLANT	
SHOULD BE PURSUING MORE RENEWABLES (SOLAR/WIND)	18%
NATURAL GAS IS CLEANER	5%
SHOULD CLOSE 2 OF THE 4 COAL FIRED UNITS	
NEED MORE RELIABLE ELECTRICITY	11%
SOLAR/WIND ARE NOT AS RELIABLE	9%
WILL CUT JOBS	8%
TAKE CLOSURES ONE STEP AT A TIME	6%
NEUTRAL	
NEED MORE INFORMATION	7%
NEED RELIABLE SOURCES OF POWER/SERVICE/SAFE	5%
ELECTRIC RATES WILL GO UP	5%

Customers were asked to give the **primary reasons for their opinion** on which option they believe is best in regards to addressing closures at the San Juan Generating Station. Nearly one-fifth of customers in the Southwest region who say that PNM should close the entire plant mention that PNM should be pursuing more renewables (18%), while 5% say natural gas is cleaner. Those who say PNM should close two of the four coal-fired units mention the need for reliable electricity (11%), solar/wind are not as reliable (9%), will cut jobs (8%), to take generating unit closures one step at a time (6%), and 5% mention the need for reliable sources of power or that electric rates will go up. Seven percent say they need more information.

II. DEMOGRAPHICS



DEMOGRAPHICS: RANDOM COMPONENT OF PNM SERVICE AREA

SOUTHWEST TOTAL SAMPLE (N=306)

GENDER

MALE	48%
FEMALE	52%

AGE

18 TO 34 YEARS	16%
35 TO 49 YEARS	19%
50 TO 64 YEARS	39%
65 YEARS OR OLDER	26%

EDUCATION

HIGH SCHOOL GRADUATE OR LESS	45%
SOME COLLEGE/ASSOCIATE DEGREE/VOCATIONAL CERTIFICATE	32%
COLLEGE GRADUATE (4 YEARS)	15%
GRADUATE DEGREE	7%
WON'T SAY	1%

ETHNICITY

HISPANIC	48%
ANGLO	46%
BLACK/AFRICAN-AMERICAN	2%
NATIVE AMERICAN INDIAN	2%
OTHER DESCENT	2%
WON'T SAY	1%

HOUSEHOLD INCOME

LESS THAN \$20,000	25%
\$20,000 TO \$39,999	31%
\$40,000 TO \$59,999	16%
\$60,000 TO \$79,999	1%
\$80,000 AND OVER	10%
WON'T SAY	7%