

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF PUBLIC SERVICE COMPANY OF NEW)
MEXICO FOR REVISION OF ITS RETAIL)
ELECTRIC RATES PURSUANT TO ADVICE)
NOTICE NO. 513)**

Case No. 15-00261-UT

**PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)**

Applicant)

DIRECT TESTIMONY AND EXHIBITS

OF

SUSAN A. TAYLOR

August 27, 2015

NMPRC CASE NO. 15-00261-UT
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WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

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I. INTRODUCTION AND PURPOSE

1

2 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

3 **A.** My name is Susan A. Taylor. I am the Manager of Utility Margin for Public
4 Service Company of New Mexico (“PNM”). My address is 414 Silver Avenue,
5 SW, Albuquerque, New Mexico 87102.

6

7 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AS MANAGER**
8 **UTILITY MARGIN.**

9 **A.** As the Manager of Utility Margin I am responsible for forecasting net revenues
10 for the Company which requires the estimating of future revenues and the variable
11 cost to serve customers. In turn, this requires forecasting the operation of the total
12 electrical system in a manner that models actual daily operations. This is accomplished
13 using a third party software package. In my role I manage the development of the inputs
14 to the software, the on-going evaluation of the software to assure it is accurately
15 reflecting the operation of PNM’s system and recommend the forecasted margin to be
16 used in evaluating PNM’s business plan.

17

18 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN UTILITY REGULATION**
19 **PROCEEDINGS?**

20 **A.** Yes. A statement of my experience and qualifications, including a list of the
21 NMPRC proceedings in which I have testified or filed testimony, is included as
22 PNM Exhibit SAT-1.

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1 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

2 **A.**The purpose of my testimony is to:

3 (1) Present and support the Base Period fuel and fuel related O&M cost, the
4 adjusted Base Period fuel and fuel related O&M costs, and the Test Period
5 fuel cost and fuel related O&M costs;

6 (2) Provide a summary of how fuel cost is allocated among PNM's NMPRC
7 jurisdictional customers, FERC customers and the remaining segments; and

8 (3) Provide the inputs and assumptions used in PNM's production costing model
9 to produce the linkage data and Test Period fuel cost.

10

11 **Q. PLEASE LIST THE SCHEDULES THAT YOU ARE SPONSORING.**

12 **A.**I am sponsoring the following Rule 530 Schedules: H-2, H-3 and P-12. Each of
13 these schedules was prepared by me or under my direct supervision. These Rule
14 530 Schedules are filed in executable electronic format and are included as part of
15 the cost of service functional model sponsored by PNM Witness Monroy.

16

17 **Q. PLEASE PROVIDE THE DEFINITION OF KEY TERMS USED IN YOUR**
18 **DIRECT TESTIMONY.**

19 **A.**The following terms will be used when describing different elements of fuel cost
20 in my testimony:

21 • Base Period Fuel- PNM: The adjusted Base Period total fuel costs for the
22 company as shown in PNM Exhibit SAT-2, WP Fuel-1: Base COS, Column H,
23 Lines 8-29.

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- 1 • Base Period Fuel-Retail: The adjusted Base Period fuel costs allocated to PNM's
2 retail customers as shown in PNM Exhibit SAT-2, WP Fuel-1: Base COS,
3 Column I, Lines 8 – 29.
- 4 • Base Fuel Rate: The current system average base fuel rate of \$0.02128/kWh.
- 5 • Base Fuel Revenue: The Base Fuel Rate times the retail kWh for the specific
6 period.
- 7 • Unadjusted Base Period Fuel-PNM: The total fuel costs for the company based
8 on books and records for the period April 1, 2014 through March 31, 2015 as
9 shown in PNM Exhibit SAT-2, WP Fuel-1: Base COS, Column C, Lines 8-29.
- 10 • Fuel and Purchase Power Cost Adjustment Clause ("FPPCAC") Rate: For the Base
11 Period, the difference between the total fuel rate for retail and the Base Fuel Rate
12 as shown in PNM Exhibit SAT-2, WP Fuel-1: Base COS, Column I, Line 53. For
13 the Test Period, the difference between the total fuel rate for retail and the Base
14 Fuel Rate as shown in PNM Exhibit SAT-2, WP Fuel-3: Test COS, Column X,
15 Line 53.
- 16 • FPPCAC Revenue: FPPCAC Rate for the period times the retail kWh for the
17 period.
- 18 • Unadjusted Test Period Fuel: The total fuel costs for the company in the Test
19 Period shown in PNM Exhibit SAT-2 WP Fuel-3: Test COS, Column O, Lines 8-
20 29. This amount does not include any Test Period adjustments and is calculated
21 in the same manner as Base Period Fuel-PNM.

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- 1 • Test Period Fuel-PNM: The adjusted Test Period total fuel costs for the company
2 as shown in PNM Exhibit SAT-2 WP Fuel-3: Test COS, Column W, Lines 8-29.
3 This includes fuel costs to serve PNM's wholesale customers.
- 4 • Test Period Fuel-Retail: The adjusted Test Period fuel costs allocated to PNM's
5 retail customers as shown in PNM Exhibit SAT-2 WP Fuel-3: Test COS, Column
6 X, Lines 8-29.

II. SUMMARY OF KEY CONCLUSIONS

Q. WHAT ARE YOUR KEY CONCLUSIONS?

A. Overall, I have concluded, first, that \$217,655,764 is a reasonable estimate of Test
Period Fuel-Retail for October 1, 2015 through September 30, 2016. Second, it is
reasonable and appropriate to include fuel handling and purchased spinning reserves in
the FPPCAC calculation. Third, the Base Fuel Rate of \$0.02128/kWh set in
NMPRC Case No. 10-00086-UT should not be changed. Fourth, upon a final order in
NMPRC Case No 13-00390-UT that enables the ownership restructuring at San Juan
Generating Station ("SJGS") and the implementation of the coal supply agreement with
Westmoreland Coal Co., the fuel cost to retail customers will drop by approximately
\$43 million in 2016. Fifth, the use of PROMOD for calculating the Test Period Fuel is
appropriate. PROMOD IV is a proprietary third-party production costing dispatch
model ("PROMOD") that is available for use only by persons that have a license with
ABB Enterprise Software (formally Ventyx, Inc.). A fully functional model for
calculating fuel in downloadable, executable spreadsheets is not practical given the data

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intensity required to forecast fuel. Forecasting fuel requires hourly calculations that rely upon numerous assumptions regarding market and gas prices, load, plant availability and reserve requirements. PNM will rerun its program for input changes reasonably required by the Commission's staff or intervenors.

III. BASE PERIOD AND ADJUSTED BASE PERIOD FUEL COST

Q. WHAT ARE THE FUEL COMPONENTS IN CUSTOMER RATES?

A. There are two fuel rate components in customer rates. The Base Fuel Rate is included in base rates and does not vary between rate cases as it is established in general rate cases. The FPPCAC Rate is set annually and updated quarterly. Under the FPPCAC, fuel and purchased power costs that are above the costs included in the Base Fuel Rate are recovered soon after they are incurred; conversely, when costs are lower than included in Base Fuel Rate, the difference is promptly credited to customers.

The Test Period Fuel-Retail in this case is a combination of costs that will be collected through Base Fuel Revenue and the projected FPPCAC Revenue. PNM is not proposing a change in the current average Base Fuel Rate of \$0.02128/kWh. The projected FPPCAC rate included in the Test Period will be discussed later in my testimony. The continuation of the FPPCAC was approved by the Commission in NMPRC Case No. 13-00187-UT; therefore in accordance with Rule 550, 17.9.550.17 NMAC, it is not addressed in this case.

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1 **Q. WHAT FUEL COST IS INCLUDED IN THE UNADJUSTED BASE**
2 **PERIOD?**

3 **A.** The unadjusted Base Period fuel costs are based on PNM's books and records for
4 the Base Period. This total Base Period fuel cost was collected through the Base
5 Fuel Revenue and the FPPCAC Revenue. It does not include costs collected
6 during the Base Period associated with deferred under-collected amounts that
7 occurred prior to April 1, 2014. The Unadjusted Base Fuel-PNM was
8 \$211,699,257 as shown in PNM Exhibit SAT-2 WP Fuel-1: Base COS, Column
9 C, Line 29.

10

11 **Q. WHAT BASE PERIOD ADJUSTMENTS TO FUEL AND FUEL RELATED**
12 **COSTS HAVE BEEN MADE TO THE UNADUSTED BASE PERIOD?**

13 **A.** Base Period adjustments for fuel and fuel related costs include a portion of the
14 San Juan coal mine fire insurance refund, costs associated with arbitration of
15 SJGS coal costs, costs associated with fixed gas transportation charges, removal
16 of costs associated with Economy Service, and the removal of the difference
17 between the actual fuel expense and the revenues collected in the Base Period
18 ("FPPCAC Deferral"). The total Base Period reduction of \$54,970,056 is shown
19 in PNM Exhibit SAT-2 WP Fuel-5: Base Period Adjustments.

20

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1 **Q. WHY HAVE THE SJGS RELATED FUEL COSTS BEEN ADJUSTED IN**
2 **THE BASE PERIOD?**

3 **A.** The SJGS coal related adjustments are for one-time items that will not recur and
4 were removed so the Base Period costs are more representative of on-going costs.
5 The insurance refund is associated with the coal mine fire and recovery period
6 that occurred in 2011 and 2012. The costs that were the subject of the arbitration
7 occurred during the period 2006 through 2009. The cost detail is provided in
8 PNM Exhibit SAT-2 WP Fuel-5: Base Period Adjustments.

9

10 **Q. WHY HAVE YOU ADJUSTED THE BASE PERIOD FIXED GAS**
11 **TRANSPORTATION COSTS?**

12 **A.** During the second quarter of 2015, PNM entered into a new contract with El Paso
13 Natural Gas for transportation service to PNM's southern New Mexico gas plants.
14 The rate in the new contract is lower than the previous contract. The adjustment
15 normalizes the Base Period fuel costs to the new contract rates. The calculation
16 of the contract costs is provided in PNM Exhibit SAT-2 WP Fuel-8: Fixed Gas
17 Transportation.

18

19 **Q. WHY HAVE YOU REMOVED THE COST ASSOCIATED WITH**
20 **ECONOMY SERVICE FROM THE BASE PERIOD?**

21 **A.** The specific purchased power costs for Economy Service are directly assigned to
22 one customer. The margin from the transaction with this customer is passed

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1 through rates as a revenue credit. Refer to the testimony of PNM Witness
2 Monroy and PNM Exhibit HEM-4 WP RC-1 for further explanation.
3

4 **Q. WHY HAS THE FPPCAC DEFERRAL BEEN REMOVED FROM THE**
5 **BASE PERIOD?**

6 **A.** The FPPCAC Deferral is the difference between fuel revenue collected from
7 customers and the actual cost to serve customers in the Base Period. It is not a
8 cost of fuel that occurred in the period and is removed so the Base Period Fuel-
9 Retail reflects the actual cost to serve. The total amount removed, \$19,020,883, is
10 shown on PNM Exhibit SAT-2 WP Fuel-5: Base Period Adjustments.
11

12 **Q. WHAT IS THE AMOUNT OF NEW MEXICO RETAIL CUSTOMERS'**
13 **FUEL COST THAT IS INCLUDED IN THE ADJUSTED BASE PERIOD?**

14 **A.** The New Mexico Retail customers' fuel cost, net of off-system sales, included in
15 the Base Period Fuel-Retail is \$230,895,821 as shown in PNM Exhibit SAT-2 WP
16 Fuel-1: Base COS, Column I, Lines 8-29. Based on the Base Period load of
17 8,286,777,448 kWh, the result in an average fuel costs to customers is
18 \$0.027863/kWh.
19

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IV. TEST PERIOD AND ADJUSTED TEST PERIOD FUEL COST

Q. PLEASE DESCRIBE THE PROCESS USED TO DEVELOP THE FUEL FORECAST FOR THE LINKAGE DATA AND TEST PERIOD.

A. PNM utilizes PROMOD as the basis for forecasts of fuel, purchased power energy and off-system sales. The output from PROMOD is combined with additional data described below to develop the fuel forecast.

Q. WHAT IS THE PURPOSE OF USING PROMOD?

A. Because of changes from year-to-year in various factors that affect fuel cost, such as planned outages, forced outages, fuel prices, load and market prices the best way to forecast future costs is to define the assumptions that drive future costs and simulate the dispatch of the generating system under those conditions. PROMOD simulates the actual hourly dispatch used to operate the real-time system to meet the total system load including losses and reserve requirements. System load data, market pricing data, system constraints, and plants' and transactions' characteristics are inputs to the model. For each hour the model evaluates the resources that are on-line, the resources that are available to dispatch and the market price of purchases and selects the most economic option to serve the load each hour. If in any hour the model determines there will be economic power available in excess of what will be needed to serve load and losses, the model will generate an estimate of market sales for that hour. In addition, PROMOD uses a "pipeline" model to account for the impact of transmission constraints on the

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1 economic outcome.. PNM Exhibit SAT-3 WP Input-1 is a diagram of how the
2 model is set up to capture the operating characteristics of PNM's system and the
3 transmission constraints used. Inputs used in the modeling are discussed later in
4 my testimony.

5

6 **Q. HOW DID YOU SET THE FUEL COST FOR THE TEST PERIOD?**

7 **A.** The Test Period fuel cost reflects the expected fuel costs, market prices and load
8 for the period October 1, 2015 through September 30, 2016.

9

10 **Q. WHAT IS THE UNADJUSTED TOTAL TEST PERIOD FUEL BASED ON**
11 **THE PROMOD SIMULATION?**

12 **A.** The total Company Unadjusted Test Period Fuel based on the PROMOD
13 simulation is \$194,302,057. PNM Exhibit SAT-2 WP Fuel-3: Test COS, Column
14 O, Lines 8-29 provides a summary of the results and the calculation of the fuel
15 cost.

16

17 **Q. HOW DOES THIS COST COMPARE TO THE TOTAL COMPANY**
18 **ADJUSTED BASE PERIOD FUEL COST?**

19 **A.** The comparable Base Period Fuel-PNM, which includes PNM's Wholesale
20 customers and excluded costs, shown in PNM Exhibit SAT-2 WP Fuel-1: Base
21 COS, column H, Lines 8-29 is \$209,233,260. The Unadjusted Test Period Fuel is
22 based on the PROMOD simulation is approximately \$15 million lower than the
23 Base Period Fuel- PNM.

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1 **Q. WHAT ARE THE MAIN DRIVERS FOR THE REDUCTION?**

2 **A.**The main drivers include higher utilization of base load resources, forecasted
3 lower costs of gas, and increased contribution of energy from renewable
4 resources.
5

6 **Q. DO YOU ADJUST THE OUTPUT FROM PROMOD TO REMOVE THE**
7 **IMPACT OF LEAP YEAR?**

8 **A.**Yes. The Test Period Fuel-PNM was adjusted to remove the impact of having
9 February 29, 2016 in the forecast to normalize the Test Period. The adjustment
10 has been made based on an average day for the year. This calculation is provided
11 in PNM Exhibit SAT WP-7: Leap Year.
12

13 **Q. ARE THE COST COMPONENTS OF BASE PERIOD FUEL-RETAIL IN**
14 **THE ADJUSTED BASE PERIOD THE SAME AS THE COMPONENTS**
15 **CURRENTLY INCLUDED IN BASE FUEL RATE AND FPPCAC RATE?**

16 **A.**Yes. PNM has not made any changes to the cost components in Base Period Fuel-
17 Retail. As shown in PNM's current Rate Rider 23, the current cost components
18 include: FERC Accounts 501.0 – Coal; 501.2 - Natural Gas Purchases; 501.4 –
19 Oil Consumption; 518.0 – Nuclear; 547.0 – Gas Purchases; 555.0 – Purchased
20 Power; 447.0 – Sales for Resale. (Ninety percent (90%) of off-system sales
21 margins shall be credited to customers effective July 1, 2013 through December
22 31, 2016 and 100% of off-system sales margins shall be credited to customers
23 effective January 1, 2017.).

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1 **Q. IS PNM REQUESTING TO INCLUDE NEW COST COMPONENTS IN**
2 **TEST PERIOD FUEL-RETAIL?**

3 **A.**Yes. PNM is requesting the inclusion of coal and nuclear fuel handling expenses
4 and the purchase and sale of spinning reserves in the determination of Test Period
5 Fuel-Retail. Coal handling expenses are currently recorded in FERC account 501
6 and nuclear fuel handling expenses are currently recorded in FERC account 518,
7 but both of these components have previously been recovered through non-fuel
8 base rates, and not as a component of base fuel. Purchase of spinning reserves is
9 currently recorded as purchased power expense in FERC account 555 and has also
10 previously been recovered through non-fuel base rates. The sale of spinning
11 reserves is currently recorded in FERC account 447 and has been excluded from
12 off-system sales passed through the FPPCAC to match the treatment of purchased
13 spinning reserves.

14
15 **Q. DOES NMAC 17.9.550 ALLOW THE NEW COST COMPONENTS TO BE**
16 **ADDED TO BASE FUEL?**

17 **A.**Yes. Fuel handling, fuel disposal and ash disposal (collectively referred to as “fuel
18 handling costs”) and purchase of Spinning Reserves are recorded in fuel accounts
19 as defined by the FERC Uniform System of Accounts and are generally
20 considered to be components of fuel costs. NMAC 17.9.550.20 (“Rule 550”)
21 provides the FERC accounts that are allowed in the fuel and purchased power cost
22 calculation. Section II of Rule 550 includes FERC Accounts 501 and 518 which
23 consists of fuel handling, fuel disposal and ash disposal. Section II 2.A of Rule

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1 550 also contemplates inclusion of spinning reserves. It identifies FERC Account
2 555 which includes purchase of spinning reserves.

3
4 **Q. WHY IS PNM REQUESTING INCLUSION OF FUEL HANDLING COSTS**
5 **AS A COMPONENT OF TEST PERIOD FUEL-RETAIL?**

6 **A.** Historical analysis shows that fuel handling costs are tied to the use of fuel in the
7 production of energy and fluctuate periodically with the amount of energy
8 produced by the generating facility. These costs vary directly with the quantity of
9 fuel used in the production of energy. Inclusion of fuel handling expenses in Test
10 Period Fuel will ensure that future changes in these costs, either increases or
11 decreases, will pass through to customers on a timely basis through FPPCAC
12 Rate. One example of changes to fuel handling expenses relates to nuclear fuel
13 handling storage expenses. The issue of nuclear spent fuel storage is an industry-
14 wide issue and until this matter is resolved, PNM no longer has to pay for
15 permanent nuclear fuel storage as part of its monthly fuel expense.

16
17 Inclusion of fuel handling costs in base fuel will ensure that customers are only
18 charged for actual fuel-related charges that are incurred and are not required to
19 pay costs that are no longer being incurred because they were embedded in non-
20 fuel base rates.

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1 **Q. WHY IS PNM REQUESTING INCLUSION OF PURCHASE AND SALES**
2 **OF SPINNING RESERVES AS A COMPONENT OF TEST PERIOD**
3 **FUEL-RETAIL?**

4 **A.** The purchase of spinning reserves is a dispatch decision based on the economics
5 of available generation. The source and cost of spinning reserves vary from
6 month to month and are unpredictable similar to other fuel costs. To assure the
7 customers pay the proper amount for reserves, no more and no less, these costs
8 should flow through the FPPCAC. The decision to purchase spinning reserves or
9 to self-provide from PNM's generating fleet is made on a daily basis. Whether the
10 cost of spinning reserves is associated with the generating fleet or purchased from
11 the market, the inclusion of spinning reserves in the FPPCAC ensures that
12 customers receive the full benefit of the economics. If the purchase of spinning
13 reserves is included as a component of base fuel then it is appropriate to also
14 include the sale of spinning reserves.

15

16 **Q. WHAT IS THE IMPACT OF INCLUDING FUEL HANDLING AND**
17 **SPINNING RESERVES IN TEST PERIOD FUEL-PNM?**

18 **A.** The total company impact is to increase fuel and purchased power expenses by
19 approximately \$14.4 million.

20

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1 **Q. WHAT ADDITIONAL ITEMS ARE INCLUDED IN TEST PERIOD FUEL-**
2 **RETAIL?**

3 **A.**PNM has included the amortization of the Palo Verde DOE Settlement regulatory
4 liability and revenue from the Jicarilla wholesale contract in the calculation of
5 Test Period Fuel-PNM.

6

7 **Q. WHAT IS THE AMORTIZATION OF THE PALO VERDE DOE**
8 **SETTLEMENT?**

9 **A.**As discussed by PNM Witness Monroy, PNM is requesting that the Commission
10 establish a regulatory liability for settlements received from the DOE related to
11 the handling of nuclear spent fuel for Palo Verde Units 1 and 2. Since PNM is
12 requesting that fuel handling costs be included as a component of Test Period
13 Fuel-Retail, PNM would also propose that these credits be refunded to customers
14 through Test Period Fuel-Retail. PNM's customers will receive the benefit
15 through the FPPCAC rates set with the implementation of rates from this case.
16 PNM proposes to refund these credits over a 24 month period and the first year
17 refund is included in the Test Period as shown in PNM Exhibit SAT-2 WP Fuel-3:
18 Test COS, Column R.

19

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1 **Q. WHY IS THE REVENUE FROM THE JICARILLA WHOLESALE**
2 **CONTRACT BEING INCLUDED IN THE TEST PERIOD FUEL-RETAIL**
3 **CALCULATION?**

4 **A.** PNM has adjusted the Test Period allocators to reflect the anticipated termination
5 of this contract as discussed by PNM Witness Ortiz. This results in the costs
6 previously assigned to the Jicarilla contract to be allocated to New Mexico Retail
7 and remaining FERC customers. To compensate all remaining customers for the
8 increased cost, the revenue from the Jicarilla contract will be passed through the
9 fuel clause until the contract is actually terminated.

10

11 **Q. HAVE COSTS ASSOCIATED WITH ECONOMY SERVICE BEEN**
12 **REMOVED FROM TEST PERIOD COSTS IN THE SAME MANNER AS**
13 **IN THE BASE PERIOD?**

14 **A.** Yes.

15

16 **Q. WHAT IS THE PROJECTED FUEL EXPENSES IN THE ADJUSTED**
17 **TEST PERIOD REVENUE REQUIREMENTS?**

18 **A.** The projected Test Period Fuel-Retail is \$217,655,764. PNM is not proposing to
19 reset the Base Fuel Rate. Based on this Base Fuel Rate and the Test Period
20 forecast, the resulting FPPCAC Rate is \$0.004994/kWh. Refer to PNM Exhibit
21 SAT-2 WP Fuel-3: Test COS, Column X.

22

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1 **Q. WHY IS PNM RECOMMENDING THE BASE FUEL RATE REMAIN**
2 **UNCHANGED?**

3 **A.** As discussed later in my testimony, the implementation of the new coal contract
4 and the San Juan restructuring agreement will result in the cost of fuel being
5 reduced as shown in PNM Exhibit SAT-2 WP Fuel-13: New Coal Contract.
6 Since the cost reduction due to the new coal contract will offset other increased
7 costs and variability in assumptions incorporated in the FPPCAC Rate, it is
8 reasonable to not reset the Base Fuel Rate.

9
10 **Q. WHEN WILL THE FPPCAC RATE BE RESET?**

11 **A.** Through the final compliance filing in this case, the FPPCAC Rate will be reset
12 following a final order in this case in accordance with Rider 23 – Fuel and
13 Purchased Power Cost Adjustment Clause (“Rider 23”). A redlined version of
14 Rider 23 is provided as an exhibit to the testimony of PNM Witness Aguirre.

15
16 **Q. WHAT WILL BE INCLUDED IN THE COMPLIANCE FILING?**

17 **A.** Through its compliance filing, PNM will update the existing FPPCAC Rate to
18 include any changes in components that are approved in this case including loss
19 factors, but will leave all other elements of the annual forecast unchanged
20 consistent with Rider 23. PNM will also update any pending FPPCAC Rate
21 filings that are awaiting approval by the Commission in the same manner.

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V. FUEL RELATED COSTS

1

2 **Q. ARE THERE ANY FUEL-RELATED COSTS THAT ARE INCLUDED IN**
3 **SCHEDULE H-1 SUPPORTED BY PNM WITNESS MONROY, BUT**
4 **THAT ARE NOT USED IN THE CALCULATION OF BASE FUEL?**

5 **A.** Yes, there are two categories of fuel-related expenses that are not in PNM's Test
6 Period fuel calculation and are not a part of PNM's proposed FPPCAC that I will
7 address. These are costs associated with fixed gas transportation and demand-
8 related costs associated with the Valencia PPA. These costs are fixed by contract
9 and do not fluctuate significantly over time. As such these costs are not recovered
10 through the Test Period Fuel, but are recovered through base rates.

11

12 **Q. HOW DID PNM FORECAST THE FUEL-RELATED COSTS IN THE**
13 **TEST PERIOD?**

14 **A.** Fuel-related costs in the Test Period were forecasted as follows:

15 • Gas transportation costs are projected based on current contracts for
16 delivery of gas to PNM gas fired generation plants. The volume needed is
17 based on the expected dispatch of PNM's gas units. Current contract rates
18 for delivery are used to calculate the projected costs. In addition, PNM is
19 forecasting the need to acquire firm transport to ensure reliability of gas
20 supply to its generation fleet and is also projecting an additional gas
21 transportation contract to serve the La Luz facility. This is discussed in

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1 more detail by PNM Witness Chris Olson. See PNM Exhibit SAT-2 WP
2 Fuel-8: Fixed Gas Transportation.

- 3 • Valencia Demand Payments – Valencia demand charges are based on
4 contract rates and capacity. The prices are indexed and based on the
5 current forecast. PNM is not projecting a change from the Base Period.
6 Additionally, the Valencia contract requires PNM to pay the property tax
7 on that facility and those costs are based on the Base Period cost.

8
9 **Q. DOES THE TEST PERIOD FUEL-RETAIL INCLUDE THE IMPACTS OF**
10 **THE NEW COAL AGREEMENT AND THE SJGS RESTRUCTURING?**

11 **A.** No, it does not. As discussed by PNM Witness Ortiz, the Test Period Fuel-Retail
12 are based on SJGS agreements, including the currently SJGS coal supply
13 agreement, that are in place today. However, PNM has taken into account that the
14 Commission could approve PNM's pending request to acquire 132 MW of
15 replacement power from SJGS Unit 4, which would result in reduced coal pricing
16 under a new coal supply agreement that would go into effect beginning January 1,
17 2016 by providing the impact on the cost of fuel that could result from
18 Commission approval in that case.

19
20 **Q. WHAT WOULD BE THE IMPACT TO THE TEST PERIOD FUEL-**
21 **RETAIL IF THESE TRANSACTIONS WERE INCLUDED?**

22 **A.** The Test Period Fuel-Retail would decrease by approximately \$43 million if the
23 new coal and San Juan restructuring agreements were included in the forecasted

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1 cost. The calculation of this savings is provided in PNM Exhibit SAT-2 WP
2 Fuel-13: New Coal Contract.

3

4 **Q. WHAT IS THE IMPACT TO CUSTOMERS OF THE CHANGE TO THE**
5 **TEST PERIOD FUEL-RETAIL?**

6 **A.** Customers will receive the benefit of these transactions through the FPPCAC
7 Rate. The \$43 million projected annualized savings is projected result in a
8 decrease in the FPPCAC Rate of \$0.005175/kWh.

9

10 **Q. DID YOU INCLUDE THE IMPACTS OF THE NEW COAL AGREEMENT**
11 **AT FOUR CORNERS IN THE TEST PERIOD?**

12 **A.** Yes. Effective July 1, 2016, coal rates for Four Corners increased based on the
13 new agreement and were modeled starting on this date. This increased cost of coal
14 will be recovered through the FPPCAC. Annualization of the contract costs will
15 therefore increase the Test Period Fuel-Retail by \$3.6 million, which equates to an
16 increase of \$0.000434/kWh.

17

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VI. PROMOD MODEL INPUTS

1

2 **Q. HAVE YOU PROVIDED THE INPUT DATA FOR THE PROMOD**
3 **SIMULATION USED TO DEVELOP THE FUEL COST FOR THE**
4 **LINKAGE DATA AND TEST PERIOD?**

5 **A.** Yes. PNM Exhibit SAT-3 includes all input data except those inputs that define
6 the format of the model output reports, data not used in PNM's system simulation
7 (e.g. pump storage related items) and data to necessary to control model
8 operations (e.g. start and end dates of the simulation).

9

10 **Q. WHICH OF THE GENERATING UNIT DATA INPUTS WOULD YOU**
11 **CONSIDER KEY TO THE DISPATCH RESULTS?**

12 **A.** Economic system dispatch each hour starts with must run or must take units first,
13 then the lowest cost resource that is available and builds a portfolio of resources
14 to meet the load in the hour. When a unit is out of service for any reason it will
15 be replaced with a resource with a different cost. Therefore, for each generating
16 unit the key inputs that vary between dispatch scenarios would be planned outages
17 and forced outage rates which directly impact the availability of the unit.
18 Generating unit data is provided in PNM Exhibit SAT-3 WP Input-2: Generating
19 Units and WP Input-3: Heat Rates.

20

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1 **Q. WHAT LOAD FORECASTS ARE USED IN PROMOD SIMULATIONS?**

2 **A.**Load forecast data for retail load and system losses are input in as hourly data for
3 all years. The load forecast is a key driver to the development of the Test Period
4 Fuel-PNM as the dispatch of resources is determined by the load to be served.
5 Changes in the load forecast will result in a different resource mix needed to meet
6 the load and a different cost. A monthly summary of the hourly load forecasts
7 have been provided in PNM Exhibit SAT-3 WP Input-4: Monthly Summaries.

8

9 **Q. WHAT LOAD FORECAST HAS BEEN USED IN PROMOD FOR THE**
10 **PURPOSE OF DEVELOPING THE FUEL FORECAST FOR THE**
11 **LINKAGE AND TEST PERIODS?**

12 **A.**PNM's load forecasting group provides the hourly retail forecasts that include
13 system losses. The underlying assumptions and methodology for these forecasts
14 are sponsored by PNM Witness Faruqui.

15

16 **Q. HOW ARE THE HOURLY MARKET PRICES THAT ARE USED IN**
17 **PROMOD DETERMINED?**

18 **A.**PNM selects a day (7/1/2015 for the linkage and Test Periods) near the time the
19 forecast simulation is made and uses the monthly New York Mercantile Exchange
20 ("NYMEX") future price index to develop the gas price forecast. The
21 Intercontinental Exchange ("ICE") is the source for future power prices along
22 with regional location spreads to develop the monthly Palo Verde power price
23 forecast. NYMEX is a commodity futures exchange and the futures prices are

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1 what the market is willing to pay on that day for the specific commodity. ICE is a
2 regulated exchange and clearing house for financial and physical commodity
3 markets. These monthly prices are shaped into daily and hourly formats based on
4 historical data. It is the resulting shaped hourly prices that are input to PROMOD.
5 A monthly summary of the hourly data is provided in PNM Exhibit SAT-3 WP
6 Input-4: Monthly Summaries.

7
8 **Q. WHAT WOULD BE THE IMPACT TO THE TEST PERIOD FUEL**
9 **FORECAST IF THE MONTHLY MARKET PRICES CHANGE FROM**
10 **WHAT IS FORECASTED?**

11 **A.** The market prices are used to determine what sales can be made economically
12 from excess energy and the price that purchases can be made more economically
13 than running generation resources. Changes in the market prices will impact the
14 volume and revenue from off-system sales that are credited to the Test Period fuel
15 calculation. Changes to the price of purchased power could change economic
16 dispatch order and the cost to serve load that is included in the Test Period fuel
17 calculation.

18
19 **Q. WHAT FUEL FORECASTS ARE USED IN PROMOD?**

20 **A.** There are individual monthly fuel forecasts for each coal plant and Palo Verde.
21 The monthly gas prices are projected using the market based pricing described
22 above plus costs to get to each generating plant. PNM Exhibit SAT-3 WP Input-5
23 Fuel Cost contains a summary of all of the monthly fuel costs used in PROMOD.

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1 **Q. HOW IS THE SAN JUAN COAL PRICE DEVELOPED?**

2 **A.**Based on the budget from the coal company, coal quality, projected inventory and
3 reclamation costs, PNM's fuels group produces a forecast of annual coal costs in
4 \$/MMBtu for input to the model. The forecast provides a price for both base and
5 incremental coal based on the terms of the Interim Invoicing Agreement ("IIA").
6 The input to PROMOD is the incremental fuel price and the calculation of total
7 fuel using base and incremental costs is calculated outside of the model. PNM
8 Witness Olson supports this forecast. A summary of the costs included in the San
9 Juan coal forecast is included in PNM Exhibit SAT-3 WP Input-6: SJGS Coal
10 Pricing.

11
12 **Q. HOW IS THE FOUR CORNERS COAL PRICE DEVELOPED?**

13 **A.**The annual Four Corners coal price is provided by Arizona Public Service
14 Company ("APS") as a part of the annual budget approved by all participants.
15 PNM Witness Olson supports this forecast.

16
17 **Q. DOES APS ALSO PROVIDE THE NUCLEAR FUEL FORECAST?**

18 **A.**APS provides the capital costs for purchase, processing and enrichment of
19 uranium. PNM converts this information into the monthly amortization cost that
20 is used in the model for nuclear fuel expense. A summary of the costs included in
21 the Palo Verde fuel forecast is included in PNM Exhibit SAT-3 WP Input-7:
22 Nuclear Fuel Detail.

23

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1 **Q. IS THE MONTHLY GAS PRICE FORECAST DESCRIBED ABOVE THE**
2 **ONLY COST INCLUDED IN PROMOD FOR THE COST OF FUEL AT**
3 **THE GAS PLANTS?**

4 **A.** No. It is necessary to add variable transportation costs and taxes in order to
5 include all costs in the variable cost of gas to the generator. For the Permian
6 basin gas, these costs include a fixed transportation usage charge of \$0.0274/per
7 MMBtu, a variable fuel charge of 2.2% and New Mexico Compensation Tax of
8 5.12%. For the San Juan basin gas, these costs include a fixed transportation
9 usage charge of \$0.29/per MMBtu, a variable fuel charge of 2.5% and New
10 Mexico Compensation Tax of 5.12%. The development of the gas prices is
11 depicted in PNM Exhibit SAT-3 WP Input-8: Gas Pricing Detail.

12

13 **Q. WHY ARE THE FIXED GAS TRANSPORTATION COSTS NOT**
14 **INCLUDED IN THIS FUEL COST?**

15 **A.** In PROMOD, the cost that drives the dispatch is the incremental cost to serve the
16 next MW of load. The fixed transportation costs will be paid whether or not the
17 plant runs so it is not appropriate to include that cost in the dispatch decision.

18

19 **Q. WHY ARE FUEL PRICES KEY DRIVERS TO THE DEVELOPMENT OF**
20 **TEST PERIOD FUEL-PNM?**

21 **A.** The fuel price combined with the heat rate for each unit determines the placement
22 of that unit in the economic dispatch order. As the prices change the economic

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1 order is impacted and the resulting system dispatch will have a different cost of
2 fuel, purchased power and off-system sales.

3

4 **Q. WHAT TYPES OF TRANSACTIONS ARE INCLUDED IN THE PROMOD**
5 **SIMULATION?**

6 **A.** There are both purchase and sales specific transactions and market based
7 transactions in a PROMOD simulation. The details of these transactions are
8 provided in PNM Exhibit SAT-3 WP Input-9: Transactions. Transactions are used
9 to define the role of specific purchased power contracts in the dispatch of the
10 system and specific sales in the wholesale market. Market based transactions are
11 an output of the simulation based on the economics of market based purchases
12 and sales.

13

14 **Q. WHAT SPECIFIC PURCHASES ARE INCLUDED THE SIMULATION**
15 **USED TO DEVELOP THE TEST PERIOD FUEL-PNM?**

16 **A.** The specific purchases include New Mexico Wind Energy Center (“NMWEC”),
17 Red Mesa Wind, LLC (“Red Mesa”), Lightning Dock Geothermal HI-01, LLC
18 (“Geothermal”), outage coverage for Palo Verde 3 (“PV3 outage”). This includes
19 utility scale solar only as customer owned solar is included in the retail load
20 forecast. The inputs for these transactions include the hourly generation profile
21 for the renewable generation. A monthly summary of these inputs is included in
22 PNM Exhibit SAT WP Input-4-Monthly Summaries. For NMWEC and PV3
23 outage purchase, the cost of the transaction is also included. The cost associated

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1 with the remaining renewable energy is included in either PNM's Renewable
2 Energy Rider or PNM base rates so only the energy is included in PROMOD and
3 is modeled as must take energy at the lowest level in economic dispatch
4 modeling.

5
6 **Q. WHAT SPECIFIC SALES ARE INCLUDED IN THE TRANSACTION**
7 **INPUT?**

8 **A.** The FERC firm wholesale customers and sales from Palo Verde 3. The FERC
9 firm wholesale customers inputs include an hourly load shape and the energy rate
10 adjusted for losses. A monthly summary of the demand and energy for FERC
11 Wholesale customers is included in PNM Exhibit SAT-3 WP Input-9:
12 Transactions. Monthly wholesale transactions are based on actual executed sales
13 or sales that are projected to be made. These transactions include sales from Palo
14 Verde 3 for the linkage and Test Periods and do not impact the retail fuel forecast.
15 Hourly market sales are a model output rather than a model input.

16
17 **Q. HOW ARE THE MARKET BASED TRANSACTION DETERMINED?**

18 **A.** The hourly simulation determines if market purchases are the most economical
19 way to serve load and, if so, creates a market purchase transaction. Similarly, if
20 there is excess generation available in an hour that is economic to sell into the
21 market, a market sales transaction is created. This creates the system economics
22 and creates intercompany transactions discussed below.

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1 **Q. HOW ARE OPERATING RESERVES DEFINED IN PROMOD?**

2 **A.** There are two different ways reserves are modeled in PROMOD. First, spinning
3 and non-spinning contingency reserves are defined as a model input and second,
4 specific units are limited to output below maximum capacity to reflect
5 curtailments needed for regulation of the system.

6

7 **Q. HOW DOES PROMOD SIMULATE SPINNING AND NON-SPINNING**
8 **RESERVES?**

9 **A.** For the reserve requirements, PNM sets a specific MW per hour by sub-period in
10 the model. The plants that are available to provide spinning are defined (see
11 PNM Exhibit SAT-3 WP Input-2: Generating Units) and the model determines
12 the most economic option for providing the reserves in each hour. The spinning
13 and non-spinning reserve requirements are included in PNM Exhibit SAT-3 WP
14 Input-10: Reserves.

15 **Q. WHY ARE SPECIFIC UNITS MODELED WITH LIMITED OUTPUT TO**
16 **PROVIDE REGULATION RESERVES?**

17 **A.** PROMOD does not specifically model regulation reserves as it does spinning
18 reserves. Any regulating costs are implicit in the model and will be included in
19 total fuel cost. When PNM does not have any gas generation on-line (usually
20 occurs in the off-peak hours), it is necessary to limit base load units to provide
21 necessary regulation for wind energy and load variations. This is consistent with
22 actual system operations.

23

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1 **Q. WHY ARE RESERVES A KEY INPUT TO THE DISPATCH MODEL?**

2 **A.** Spinning, non-spinning and operating reserves are necessary in system operations
3 to insure there is adequate generation available to meet load if there is an
4 unanticipated outage at a generating unit. Holding back resources for this purpose
5 results in a change in the resources available to serve load and a change in the
6 cost.

7

8 **Q. DOES THE OUTPUT FROM PROMOD FLOW DIRECTLY TO THE**
9 **FUEL COST CALCULATION?**

10 **A.** Generally most energy costs and off-systems sales revenue flow to the fuel cost
11 calculation from the PROMOD simulation. The exceptions to that are SJGS coal
12 costs, pricing of intercompany transactions and calculation of the off-system sales
13 margin retained by the shareholder.

14

15 **Q. WHY IS THE SAN JUAN COAL COST MODIFIED FROM THE**
16 **PROMOD OUTPUT?**

17 **A.** PROMOD input only allows one price for each fuel utilized by a generation
18 facility. The current San Juan coal agreement is a cost-plus contract but through
19 the IIA the price of coal burned at San Juan is invoiced based on a “base price”
20 associated with a minimum tonnage burn requirement and a lower “incremental
21 price” associated with burn above the minimum requirement. Due to the one fuel
22 price restriction, PNM uses the incremental price for dispatch purposes and the
23 total SJGS fuel costs originating directly from PROMOD must be changed to

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1 account for the base price. Since the base tonnage and cost is a take-or-pay
2 minimum requirement, it will be paid regardless of what is actually burned at the
3 plant and, therefore, should not be used in the system dispatch. This impact of the
4 base coal cost is calculated and added to the costs from PROMOD.

5
6 **Q. WHAT IS THE INTERCOMPANY PRICING AND WHY IS IT**
7 **MODIFIED OUTSIDE OF PROMOD?**

8 **A.** PNM uses companies as defined in PROMOD to capture the different regulatory
9 entities (NMPRC, FERC, and Excluded) within PNM's overall system.
10 PROMOD economically dispatches the total system and creates transactions
11 between the different regulatory entities to keep the system in balance. For
12 transactions between different entities, PROMOD uses an accounting mechanism
13 based on incremental/decremental dispatch costs of the marginal resource. Under
14 PNM's approved FPPCAC calculation methodology, energy transfers between
15 these entities are valued at a Four Corners hourly index price. PNM utilizes a
16 Microsoft® Excel spreadsheet to change the hourly pricing of intercompany
17 transactions to use an hourly index price instead of PROMOD's standard
18 accounting.

19
20 **Q. WHY IS THE OFF-SYSTEM SALES MARGIN CALCULATED OUTSIDE**
21 **OF PROMOD?**

22 **A.** PROMOD does not calculate the margin for off-system sales. PNM utilizes an
23 Excel spreadsheet along with hourly PROMOD output data to determine what the

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1 margins on retail off-system sales are expected to be using a similar method to
2 what is done for actual margin sharing calculations. A monthly summary of the
3 hourly data is provided in PNM Exhibit SAT-3 WP Input-4: Monthly
4 Summaries.

5
6 **Q. ARE THERE OTHER INPUTS TO THE FORECASTED COST OF FUEL
7 THAT SUPPLEMENT THE OUTPUT FROM PROMOD?**

8 **A.** Yes. There is additional, non-dispatch related data that is used to determine the
9 final fuel forecast. This data provides non-dispatch related costs and credits to the
10 fuel forecast.

11
12 **Q. WHAT NON-DISPATCH RELATED COSTS ARE IN THE FUEL
13 FORECAST?**

14 **A.** The non-dispatch related costs include additional costs and credits to the fuel
15 clause for the DOE Credit, the margin from off-system sales retained by
16 shareholders, the cost of purchased spinning reserves and fuel handling expense.
17 These have all been discussed earlier in my testimony.

18
19 **Q. WOULD IT BE REASONABLE TO PRODUCE A FULLY FUNCTIONAL
20 MODEL FOR THIS ASPECT OF THE COST OF SERVICE?**

21 **A.** No. PROMOD is a complex, dispatch decision making model that cannot be
22 effectively replicated in a fully functional, downloadable spreadsheet type
23 environment. PROMOD provides valuable information on the dynamics of

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1 serving load through its ability to determine the effects of transmission
2 congestion, fuel costs, generator availability, and load growth. PROMOD
3 performs an 8760-hour commitment and dispatch that minimizes costs within the
4 constraints that have been defined.

5
6 Because of the complex program used to develop fuel costs under different
7 scenarios and pricing, PNM will provide the outcome of new forecasts based on
8 requested changes to the inputs in a form similar to PNM Exhibit SAT-2 WP
9 Fuel-3, columns W and X.

VII. CONCLUSION

11
12 **Q. PLEASE SUMMARIZE YOUR CONCLUSIONS WITH REGARD TO THE**
13 **PROPOSED BASE FUEL AND FPPCAC RATES.**

14 **A.** PNM overall fuel and purchased power costs are reasonable, and the forecast of
15 these expenses for the Test Period are based on industry-accepted pricing and
16 modeling. The proposed Base Fuel Rate is reasonably set at \$.02128/kWh, and is
17 unchanged from the current Base Fuel Rate. The FPPCAC Rate is designed to
18 recover the additional forecasted expenses not recovered through the Base Fuel
19 component of base rates. The FPPCAC Rate will be adjusted in accordance with
20 PNM's Commission-approved FPPCAC to reflect actual fuel and purchased
21 power expenses that are either below or above the Base Fuel Rate.

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1 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

2 **A. Yes.**

GCG#520335

Resume of Susan A. Taylor

PNM Exhibit SAT-1

Is contained in the following 2 pages.

SUSAN A. TAYLOR
EDUCATIONAL AND PROFESSIONAL SUMMARY

Name: Susan A. Taylor

Address: PNM Resource Inc.
Alvarado Square
Albuquerque, NM 87158

Position: Manager, Utility Margin

Education: B.S., Mathematics, University of New Mexico, 1973

Employment: Employed by Public Service Company of New Mexico since 1986.
Positions held within the Company include:

Manager, Gross Margin
Director, Cost of Service
Director of Energy Resources Business Analysis
Director of Generation Planning and Market Assessment
Manager of Planning and Modeling
Manager of Production Modeling
Senior Financial Analyst

Testimony Filed:

<u>Proceeding</u>	<u>Regulatory Body</u>	<u>Docket Number</u>
In the Matter of the Joint Complaint and Petition by the City of Gallup, Gallup Joint Utilities and the Pittsburg & Midway Coal Mining Co. for Declaratory Order Regarding Service Status and Abandonment Of Facilities	NMPUC	2812
In the Matter of the Commission's Investigation of the Rates for the Electric Service	NMPUC	2761
In the Matter of the Application for Approval of Real-Time Pricing, Enhanced Time-of-Use and Interruptible Rates under Rider 10 and 11	NMPUC	2736

<u>Proceeding</u>	<u>Regulatory Body</u>	<u>Docket Number</u>
In the Matter of the City of Albuquerque To Institute Retail Pilot Load Aggregation Program and Its Request for Related	NMPUC	2782
In the Matter of Continued Use of PNM's Fuel and Purchased Power Cost Adjustment Clause	NMPUC	2492
In the Matter of the Abandonment of Prager, Santa Fe and Person Generating Station	NMPUC	2530
In the Matter of the Sale of an Undivided Interest in San Juan Generating Station Unit 4 to Utah Associated Municipal Power Systems	NMPUC	2553
In the Matter of PNM's transition plan Pursuant to the Electric Utility Industry Restructuring Act of 1999 – Part III Transition Plan	NMPRC	3137
In the Matter of PNM's transition plan Pursuant to the Electric Utility Industry Restructuring Act of 1999 – Part II Testimony in Support of Merchant Plant	NMPRC	3137
In the matter of the application of PNM for revision of its retail electric rates pursuant to advice notice No. 334	NMPRC	07-00077-UT
In the matter of the Commission Inquiry into PNM's Voluntary Renewable Energy Program	NMPRC	08-00229-UT
In the matter of the application of PNM for revision of its retail electric rates pursuant to advice notice No. 352	NMPRC	08-00273-UT

Fuel and Fuel Related O&M Supporting Workpapers

PNM Exhibit SAT-2

Is contained in the following 51 pages.

A		B	C	D	E
1	PNM Exhibit SAT-2				
2	Lead Sheet				
3					
4	Tab Reference	Description	Purpose	Provides Information To	Requires Information From
5	H2-Base	Rule 530 Schedule H-2 - Cost of Fuel - Base	Fuel cost by type		WP Fuel-4: Fuel Detail- Base
6	H2-Linkage	Rule 530 Schedule H-2 - Cost of Fuel - Linkage	Fuel cost by type	P12: Linkage	WP Fuel-9: Linkage Detail
7	H2-Test	Rule 530 Schedule H-2 - Cost of Fuel - Test	Fuel cost by type	P-12: Test	WP Fuel-6: Test Detail
8	H3-Base	Rule 530 Schedule H-3 - Revenue from FPPCAC - Base	Revenue Generated From PNM Retail Fuel and Purchased Power Clause		WP Fuel-11: H3-Base Detail
9	H3-Linkage	Rule 530 Schedule H-3 - Revenue from FPPCAC - Linkage	Revenue Generated From PNM Retail Fuel and Purchased Power Clause		WP Fuel-11: H3-Linkage Detail, H-3-Base
10	H3-Test	Rule 530 Schedule H-3 - Revenue from FPPCAC - Test	Revenue Generated From PNM Retail Fuel and Purchased Power Clause		WP Fuel-12: H3-Test Detail, WP Fuel-3: Test COS
11	P12-Historical	Rule 530 Schedule P-12 - Fuel statistics Information - Base	Provide historical fuel statistics		Manual Inputs-Books and Records
12	P12-Linkage	Rule 530 Schedule P-12 - Fuel statistics Information - Linkage	Provides forecasted fuel statistics		WP Fuel-9: Linkage Detail, H-2-Linkage
13	P12-Test	Rule 530 Schedule P-12 - Fuel statistics Information - Test	Provides forecasted fuel statistics		WP Fuel-6: Test Detail, H-2-Test
14	P12-Historical	Rule 530 Schedule P-12 - Fuel statistics Information - Historical	Fuel cost by type, overall cost of fuel in \$/MMBtu, generation by fuel type for 4 historical years		Manual Inputs-Books and Records
15	P12-Test	Rule 530 Schedule P-12 - Fuel statistics Information - Test	Fuel cost by type, overall cost of fuel in \$/MMBtu, generation by fuel type monthly for test		WP Fuel-6: Test Detail, WP Fuel-3: COS Test
16	WP Fuel-1: Base COS	Base period fuel in COS format	Provide a fuel template for input to the cost of service	PNM Exhibit HEM-3 - WP COS, WP Fuel-3: Test COS	WP Fuel-4: Fuel Detail- Base
17	WP Fuel-2: Linkage COS	Linkage fuel data in COS format	Provide a fuel template for input to the cost of service	PNM Exhibit HEM-3 - WP COS	WP Fuel-9: Linkage Detail, WP Fuel-3: Test COS
18	WP Fuel-3: Test COS	Test period fuel in COS format	Provide a fuel template for input to the cost of service	PNM Exhibit HEM-3 - WP COS	WP Fuel-9: Linkage Detail, WP Fuel-1: Test Base
19	WP Fuel-4: Base Detail	Fuel cost by Plant, FERC and Cost Type Including plant statistics for the Base Period	Provides base fuel cost and statistics for all plants and transactions. Provides all non-fuel related cost to serve by Location, FERC and cost type	H2-Base, P12-Historical, WP Fuel-1: Base COS	Manual Inputs-Books and Records
20	WP Fuel-5: Base Period Adj	Schedule of base period adjustments	To provide the fuel related adjustments to normalize the base period	WP Fuel-1-Base COS, WP Fuel-4-Base Detail	Manual Inputs-Books and Records
21	WP Fuel-6: Test Detail	Fuel cost by Plant, FERC and Cost Type Including plant statistics for the Test	Provides Test fuel cost and statistics for all plants and transactions. Provides all non-fuel related cost to serve by Location, FERC and cost type	WP Fuel-1-Test COS, H-2 Test, E-04 Base and Test	Manual Inputs-Promod Output
22	WP Fuel-7: Leap Year	Leap year adjustment to fuel cost	Provides an adjustment to fuel to normalize cost to 365 day year	WP Fuel-3: Test COS	WP Fuel-6: Test Detail
23	WP Fuel-8: Gas Trans	Fixed Gas Transportation base and test period adjustments	Provides the calculation for Base and Test period adjustments associated with Fixed Gas Transportation	WP Fuel-1: Base COS, WP Fuel-1: Test Cos, WP Fuel-4: Base Detail	
24	WP Fuel-9: Linkage Detail	Fuel cost by Plant, FERC and Cost Type Including plant statistics for the Linkage	Provides Linkage fuel cost and statistics for all plants and transactions. Provides all non-fuel related cost to serve by Location, FERC and cost type	H2-Linkage, WP	Manual Inputs-Promod Output
25	WP Fuel-10: H3-Base Detail	Fuel clause detail for base period	Provides the detail from the monthly fuel clause filings	H3-Base, WP Fuel-1: Base COS	Manual Inputs-Books and Records
26	WP Fuel-11: H3-Linkage Detail	Linkage Fuel clause detail data	Provides a summary of linkage data to show the status of the balancing account	H3-Linkage	WP Fuel-9: Linkage Detail, WP Fuel-3: Test COS
27	WP Fuel-12: H3-Test Detail	Fuel Clause detail for test period	Provides the supporting data for H3-Test	H3-Test	WP Fuel-6: Test detail, WP Fuel-3: Test COS
28	WP Fuel-13: New Coal	Impacts of New Coal Contract	Provides a calculation of the new coal contract and the impact on base fuel rate in the test period		WP Fuel-6: Test detail, WP Fuel-3: Test COS
29					
30					
31					
32	Note: File name is provided, if worksheet is linked to external workbook.				

	A	B	C	D	E	F	G	H	I	J
1	Public Service Company of New Mexico									
2	Schedule H-2 Base									
3	Cost of Fuel									
4	Base Period Ending 3/31/2015									
5										
6	Description	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
7										
8	Coal									
9	Cost of Coal - \$	11,540,722	16,075,835	13,313,180	15,447,391	11,811,065	13,823,219	13,628,334	11,608,572	16,977,909
10	Quantity - MMBtu	4,634,208	5,635,703	5,222,499	6,315,573	4,836,360	5,361,010	5,272,761	4,498,317	6,054,120
11	Unit Cost - \$/MMBtu	2.49	2.85	2.55	2.45	2.44	2.58	2.58	2.58	2.80
12										
13	Natural Gas									
14	Cost of Natural Gas - \$ (1)	3,037,654	3,428,958	6,483,923	6,273,159	6,112,586	3,574,368	880,747	4,383,774	1,700,737
15	Quantity - MMBtu	534,116	738,761	1,293,256	1,363,908	1,461,723	806,529	643,392	994,083	536,052
16	Unit Cost - \$/MMBtu	5.69	4.64	5.01	4.60	4.18	4.43	1.37	4.69	3.17
17										
18	Fuel Oil									
19	Cost of Fuel Oil - \$ (2)	957,488	829,062	542,460	512,377	840,545	179,867	788,071	371,280	573,364
20	Quantity - MMBtu	38,067	33,065	14,431	20,804	33,365	13,045	22,348	15,527	24,548
21	Unit Cost - \$/MMBtu	25.15	25.07	37.59	24.63	25.19	13.79	35.26	23.91	23.36
22										
23	Nuclear									
24	Cost of Nuclear - \$	1,749,477	2,271,654	2,424,020	2,419,532	2,494,800	2,419,496	1,405,667	1,751,602	2,307,283
25	Quantity - MMBtu	2,151,764	2,840,294	2,993,609	3,095,546	3,082,764	2,994,714	2,404,447	2,342,321	3,095,836
26	Unit Cost - \$/MMBtu	0.81	0.80	0.81	0.78	0.81	0.81	0.58	0.75	0.75
27										
28	Notes:									
29	(1) Natural gas includes FERC 501 and FERC 547 gas accounts and includes cost of gas and variable gas transportation									
30	(2) Fuel oil includes FERC 501 and FERC 547 oil accounts									
31	Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.									
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53	This schedule is sponsored by PNM Witness Taylor									Schedule H-2 Page 1 of 5

	A	K	L	M	N	O
1	Public Service Company of New Mexico					
2	Schedule H-2 Base					
3	Cost of Fuel					
4	Base Period Ending 3/31/2015					
5						
6	Description	Jan-15	Feb-15	Mar-15	Base Period Total	Reference to PNM Exhibit SAT-2
7						
8	Coal					
9	Cost of Coal - \$	13,996,963	11,475,049	12,041,529	161,739,767	WP Fuel-4; Base Detail - Line 112
10	Quantity - MMBtu	4,975,833	3,860,674	4,130,918	60,797,976	WP Fuel-4; Base Detail - Line 26 + Line 82
11	Unit Cost - \$/MMBtu	2.81	2.97	2.91	2.66	Line 9 / Line 10
12						
13	Natural Gas					
14	Cost of Natural Gas - \$ (1)	2,563,838	2,100,408	1,935,060	42,475,212	WP Fuel-4; Base Detail - Line 114 + Line 115 + Line 206 + Line 208 + Line 209
15	Quantity - MMBtu	809,941	724,110	664,105	10,509,975	WP Fuel-4; Base Detail - Line 108 + Line 212
16	Unit Cost - \$/MMBtu	3.17	2.90	2.91	4.04	Line 14 / Line 15
17						
18	Fuel Oil					
19	Cost of Fuel Oil - \$ (2)	526,632	699,072	673,482	7,493,701	WP Fuel-4; Base Detail - Line 116 + Line 207
20	Quantity - MMBtu	27,042	32,325	24,789	299,358	WP Fuel-4; Base Detail - Line 213
21	Unit Cost - \$/MMBtu	19.47	21.63	27.17	25.03	Line 19 / Line 20
22						
23	Nuclear					
24	Cost of Nuclear - \$	2,307,073	2,083,278	2,305,963	25,939,845	WP Fuel-4; Base Detail - Line 217
25	Quantity - MMBtu	3,095,865	2,795,962	3,090,085	33,983,207	WP Fuel-4; Base Detail - Line 223
26	Unit Cost - \$/MMBtu	0.75	0.75	0.75	0.76	Line 24 / Line 25
27						
28	Notes:					
29	(1) Natural gas includes FERC 501 and FERC 547 gas accounts and includes cost of gas and variable gas transportation					
30	(2) Fuel oil includes FERC 501 and FERC 547 oil accounts					
31	Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.					
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53	This schedule is sponsored by PNM Witness Taylor					

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1	Public Service Company of New Mexico								
2	Schedule H-2 Linkage								
3	Cost of Fuel								
4	Linkage Ending 9/30/2015								
5									
6									
7	Description	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Linkage Apr-15 - Sep-15	Reference to PNM Exhibit SAT-2
8	Coal								
9	Cost of Coal - \$	13,823,416	13,823,575	14,534,211	15,192,113	15,155,531	14,614,330	87,144,975	WP Fuel-9; Linkage Detail - Line 131
10	Quantity - MMBtu	4,890,148	5,763,705	5,648,312	5,824,110	5,798,965	5,631,270	33,556,510	WP Fuel-9; Linkage Detail - Line 94 + Line 114
11	Unit Cost - \$/MMBtu	2.83	2.40	2.57	2.61	2.61	2.60	2.60	Line 9 / Line 10
12									
13	Natural Gas								
14	Cost of Natural Gas - \$	2,260,035	1,994,074	5,085,006	6,143,353	4,878,200	3,457,588	23,818,256	WP Fuel-9; Linkage Detail - Line 133 + Line 210
15	Quantity - MMBtu	849,029	696,233	1,480,156	1,625,710	1,371,820	1,120,893	7,143,842	WP Fuel-9; Linkage Detail - Line 127 + Line 215
16	Unit Cost - \$/MMBtu	2.66	2.86	3.44	3.78	3.56	3.08	3.33	Line 14 / Line 15
17									
18	Fuel Oil								
19	Cost of Fuel Oil - \$	261,794	336,542	336,542	336,542	336,542	336,542	1,944,503	WP Fuel-9; Linkage Detail - Line 135
20	Quantity - MMBtu	10,966	14,097	14,097	14,097	14,097	14,097	81,451	WP Fuel-9; Linkage Detail - Line 97
21	Unit Cost - \$/MMBtu	23.87	23.87	23.87	23.87	23.87	23.87	23.87	Line 19 / Line 20
22									
23	Nuclear								
24	Cost of Nuclear - \$	1,690,134	2,079,237	2,090,468	2,120,236	2,121,616	2,236,745	12,338,437	WP Fuel-9; Linkage Detail - Line 220
25	Quantity - MMBtu	2,042,543	2,690,970	2,917,919	3,015,183	3,015,183	2,917,919	16,599,716	WP Fuel-9; Linkage Detail - Line 226
26	Unit Cost - \$/MMBtu	0.83	0.77	0.72	0.70	0.70	0.77	0.74	Line 24 / Line 25
27									
28	Note: Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.								
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51	This schedule is sponsored by PNM Witness Taylor								Schedule H-2 Page 3 of 5

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1	Public Service Company of New Mexico									
2	Schedule H-2-Test									
3	Cost of Fuel									
4	Test Period Ending 9/30/2016									
5										
6										
7	Description	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
8	Coal									
9	Cost of Coal - \$	12,275,923	12,149,460	14,309,967	15,212,391	13,993,722	14,735,384	14,639,222	15,865,828	15,398,955
10	Quantity - MMBtu	4,361,611	4,326,143	5,027,950	5,412,608	4,947,121	5,178,781	5,197,593	5,732,920	5,570,011
11	Unit Cost - \$/MMBtu	2.81	2.81	2.85	2.81	2.83	2.85	2.82	2.77	2.76
12										
13	Natural Gas									
14	Cost of Natural Gas - \$	9,807,107	2,790,406	2,043,075	1,125,528	555,462	1,185,657	1,151,216	1,463,131	9,425,905
15	Quantity - MMBtu	1,221,781	911,722	615,316	329,559	161,586	359,360	308,565	463,652	985,201
16	Unit Cost - \$/MMBtu	3.12	3.06	3.32	3.42	3.44	3.30	3.73	3.16	3.48
17										
18	Fuel Oil									
19	Cost of Fuel Oil - \$	234,316	234,316	259,240	354,757	354,757	354,757	354,757	354,757	354,757
20	Quantity - MMBtu	9,815	9,815	10,859	14,006	14,006	14,006	14,006	14,006	14,006
21	Unit Cost - \$/MMBtu	23.87	23.87	23.87	25.33	25.33	25.33	25.33	25.33	25.33
22										
23	Nuclear									
24	Cost of Nuclear - \$	2,124,488	2,191,343	2,285,418	2,285,418	2,154,729	2,225,206	1,546,501	2,236,180	2,288,321
25	Quantity - MMBtu	2,301,914	2,431,599	3,015,183	3,015,183	2,820,655	3,015,183	2,204,650	2,399,178	2,917,919
26	Unit Cost - \$/MMBtu	0.92	0.90	0.76	0.76	0.76	0.74	0.70	0.93	0.78
27										
28	Note: Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.									
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This schedule is sponsored by PNM Witness Taylor										
52										Schedule H-2 Page 4 of 5

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1	Public Service Company of New Mexico							
2	Schedule H-2-Test							
3	Cost of Fuel							
4	Test Period Ending 9/30/2016							
5								
6		Jul-16	Aug-16	Sep-16	Test Period Total	WP Fuel-7 Leap Year Adjustments	Adjusted Test Period Total	Reference to PNM Exhibit SAT-2
7	Description							
8	Coal							
9	Cost of Coal - \$	16,410,547	16,346,563	15,868,617	177,206,579	(431,482)	176,775,097	WP Fuel-6: Test Detail - Line 134
10	Quantity - MMBtu	5,773,862	5,748,770	5,582,684	62,860,054	(153,059)	62,706,996	WP Fuel-6: Test Detail - Line 97 + Line 117
11	Unit Cost - \$/MMBtu	2.84	2.84	2.84	2.82	2.82	2.82	Line 9 / Line 10
12								
13	Natural Gas							
14	Cost of Natural Gas - \$	5,596,121	5,074,780	9,646,531	31,864,922	(77,588)	31,787,333	WP Fuel-6: Test Detail - Line 136 + Line 213
15	Quantity - MMBtu	1,417,752	1,337,304	1,115,909	9,227,717	(22,469)	9,205,248	WP Fuel-6: Test Detail - Line 130 + Line 218
16	Unit Cost - \$/MMBtu	3.95	3.79	3.27	3.45	3.45	3.45	Line 14 / Line 15
17								
18	Fuel Oil							
19	Cost of Fuel Oil - \$	354,757	354,757	354,757	3,920,690	(9,547)	3,911,143	WP Fuel-6: Test Detail - Line 138
20	Quantity - MMBtu	14,006	14,006	14,006	156,543	(381)	156,162	WP Fuel-6: Test Detail - Line 100
21	Unit Cost - \$/MMBtu	25.33	25.33	25.33	25.05	25.05	25.05	Line 19 / Line 20
22								
23	Nuclear							
24	Cost of Nuclear - \$	2,352,326	2,352,639	2,288,237	26,340,805	(64,137)	26,276,668	WP Fuel-6: Test Detail - Line 223
25	Quantity - MMBtu	3,015,183	3,015,183	2,917,919	33,069,748	(80,522)	32,989,226	WP Fuel-6: Test Detail - Line 228
26	Unit Cost - \$/MMBtu	0.78	0.78	0.78	0.80	0.80	0.80	Line 24 / Line 25
27								
28		Note: Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.						
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52	This schedule is sponsored by PNM Witness Taylor							Schedule H-2 Page 5 of 5

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1	Public Service Company of New Mexico								
2	Schedule H-3 Base								
3	Revenue Generated From PNM Retail Fuel								
4	and Purchased Power Clause								
5	Base Period Ending 3/31/2015								
6									
7		PNM Exhibit SAT-2 WP Fuel-10: H3-Base Detail Line 50		Col B x Col C	Col F / Col B	Col G - Col D	PNM Exhibit SAT-2 WP Fuel-10: H3-Base Detail Line 55	PNM Exhibit SAT-2 WP Fuel-10: H3- Base Detail Line 45	PNM Exhibit SAT-2 WP Fuel-10: H3- Base Detail Line 59
8	Months	kWh Sales	Billed Base Fuel Rate \$/kWh (1)	Fuel Base Revenues	Billed FPPCAC Rate \$/kWh	Billed FPPCAC Revenue	Total Fuel Revenue	Fuel Costs	Carrying Charges on Balancing Account
9									
10	March 31, 2014 Balancing Account (3)								
11	Apr-14	603,698,453	0.02128	\$ 12,846,703	0.004182	\$ 2,524,502	15,371,205	7,752,179	2,375
12	May-14	602,536,772	0.02128	12,821,983	0.004189	2,524,086	15,346,068	18,281,020	9,666
13	Jun-14	721,040,841	0.02128	15,343,749	0.004188	3,019,376	18,363,125	23,708,820	17,038
14	Jul-14	868,293,204	0.02128	18,477,279	0.008996	7,810,809	26,288,088	23,672,524	122,500
15	Aug-14	787,638,386	0.02128	16,760,945	0.009218	7,260,704	24,021,649	21,947,143	117,427
16	Sep-14	744,373,816	0.02128	15,840,275	0.009231	6,871,182	22,711,456	19,474,436	113,898
17	Oct-14	752,400,729	0.02128	16,011,088	0.009276	6,979,068	22,990,156	17,570,611	107,427
18	Nov-14	481,845,787	0.02128	10,253,678	0.010820	5,213,500	15,467,179	18,356,124	98,496
19	Dec-14	668,200,298	0.02128	14,219,302	0.009960	6,655,543	20,874,845	18,765,513	102,766
20	Jan-15	724,678,644	0.02128	15,421,162	0.011463	8,307,197	23,728,359	18,906,806	98,761
21	Feb-15	643,039,916	0.02128	13,683,889	0.011565	7,436,974	21,120,863	15,537,901	88,462
22	Mar-15	653,559,803	0.02128	13,907,753	0.011566	7,559,223	21,466,976	16,312,903	78,307
23	Total	8,251,306,648		\$ 175,587,805		\$ 72,162,164	\$ 247,749,969	\$ 220,285,977	\$ 957,123
24									
25									
26	Notes:								
27	(1) Current Base Fuel Rate set in NMPRC Case 10-00086-UT								
28	(2) FPPCAC Factor set in either annual or quarterly FPPCAC reset filings with the Commission								
29	(3) Actual Balance from March 31, 2014 Monthly FPPCAC Compliance filing								
30	Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.								
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41	This schedule is sponsored by PNM Witness Taylor								Schedule H-3 Page 1 of 6

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1	Public Service Company of New Mexico														
2	Schedule H-3 Base														
3	Revenue Generated From PNM Retail Fuel														
4	and Purchased Power Clause														
5	Base Period Ending 3/31/2015														
6															
7															
8	Months									Col M - Col G	Cumulative Over / (Under) Collection	Previous Month + Col J	Total Fuel + Carrying Charge	Actual FPPCAC Factor (2)	Reference to PNM Exhibit SAT-2
9										Over / (Under) Collection without Carrying Charge	(Under) Collection	Balancing Account Over / (Under) Collection	Carrying Charge		
10	March 31, 2014 Balancing Account (3)											\$ 60,583,988			Books and Records
11	Apr-14									\$ (7,616,651)	\$ (7,616,651)	52,967,337	\$ 7,754,554	0.004192	WP Fuel-10: H3-Base Detail - Column C
12	May-14									\$ 2,944,618	(4,672,034)	55,911,954	18,290,686	0.004192	WP Fuel-10: H3-Base Detail - Column D
13	Jun-14									\$ 5,362,733	690,699	61,274,687	23,725,858	0.004192	WP Fuel-10: H3-Base Detail - Column E
14	Jul-14									\$ (2,493,065)	(1,802,365)	58,781,623	23,795,024	0.009273	WP Fuel-10: H3-Base Detail - Column F
15	Aug-14									\$ (1,957,079)	(3,759,445)	56,824,543	22,064,570	0.009273	WP Fuel-10: H3-Base Detail - Column G
16	Sep-14									\$ (3,123,123)	(6,882,567)	53,701,421	19,588,334	0.009273	WP Fuel-10: H3-Base Detail - Column H
17	Oct-14									\$ (5,312,118)	(12,194,686)	48,389,302	17,678,038	0.009955	WP Fuel-10: H3-Base Detail - Column I
18	Nov-14									\$ 2,987,441	(9,207,244)	51,376,744	18,454,620	0.009955	WP Fuel-10: H3-Base Detail - Column J
19	Dec-14									\$ (2,006,566)	(11,213,811)	49,370,177	18,868,279	0.009955	WP Fuel-10: H3-Base Detail - Column K
20	Jan-15									\$ (4,722,792)	(15,936,603)	44,647,385	19,005,567	0.011558	WP Fuel-10: H3-Base Detail - Column L
21	Feb-15									\$ (5,494,500)	(21,431,103)	39,152,885	15,626,363	0.011558	WP Fuel-10: H3-Base Detail - Column M
22	Mar-15									\$ (5,075,766)	(26,506,869)	34,077,119	16,391,210	0.011558	WP Fuel-10: H3-Base Detail - Column N
23	Total									\$ (26,506,869)			\$ 221,243,100		
24															
25															
26										Notes:					
27										(1) Current Base Fuel Rate set in NMPRC Case 10-00086-UT					
28										(2) FPPCAC Factor set in either annual or quarterly FPPCAC reset filings with the Commission					
29										(3) Actual Balance from March 31, 2014 Monthly FPPCAC Compliance filing					
30										Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.					
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41	This schedule is sponsored by PNM Witness Taylor														Schedule H-3 Page 2 of 6

	A	B	C	D	E	F	G	H	I
1	Public Service Company of New Mexico								
2	Schedule H-3 Linkage								
3	Revenue Generated From PNM								
4	Retail Fuel and Purchased								
5	Linkage Data ending 9/30/2015								
6									
7		PNM Exhibit SAT-2 WP Fuel-11: H3- Linkage Detail Line 30						PNM Exhibit SAT-2 WP Fuel-11: H3- Linkage Detail Line 28	Col L * .024/12
8	Months	kWh Sales	Billed Base Fuel Rate \$/kWh (1)	Fuel Base Revenues	Billed FPPCAC Rate \$/kWh	Billed FPPCAC Revenue	Total Fuel Revenue	Fuel Costs	Carrying Charges on Balancing Account (2)
9									
10	March 31, 2015 Balancing Account								
11	Apr-15	601,350,191	0.02128	\$ 12,796,732	0.013372	\$ 8,041,255	\$ 20,837,987	15,121,103	68,154
12	May-15	582,359,036	0.02128	12,392,600	0.013372	7,787,305	20,179,905	14,311,120	56,857
13	Jun-15	690,246,073	0.02128	14,688,436	0.013372	9,229,970	23,918,407	17,758,796	45,233
14	Jul-15	784,119,959	0.02128	16,686,073	0.009060	7,104,127	23,790,200	20,096,388	33,004
15	Aug-15	824,249,951	0.02128	17,540,039	0.009060	7,467,705	25,007,744	19,611,600	25,683
16	Sep-15	778,684,702	0.02128	16,570,410	0.009060	7,054,883	23,625,294	15,990,682	14,942
17	Total	4,261,009,912		\$ 90,674,291		\$ 46,685,245	\$ 137,359,536	\$ 102,889,689	\$ 243,872
18									
19									
20									
21	Notes:								
22	(1) Current Base Fuel Rate set in NMPRC Case 10-00086-UT								
23	(2) Carrying charge annual rate of 2.4% approved in NMPRC Case 13-00187-UT								
24	(3) FPPCAC factor set in either annual or quarterly FPPCAC reset filings with the Commission								
25	Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.								
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37	This schedule is sponsored by PNM Witness Taylor								Schedule H-3 Page 3 of 6

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1 Public Service Company of New I						
2 Schedule H-3 Linkage						
3 Revenue Generated From PNM						
4 Retail Fuel and Purchased						
5 Linkage Data ending 9/30/2015						
6						
7						
8 Months	Col M - Col G	Previous Month + Col J	Previous Month + Col J	Col H + Col I	Actual FPPCAC Factor (3)	Reference
9	Over / (Under) Collection without Carrying Charge	Cumulative Over / (Under) Collection	Balancing Account Over / (Under) Collection	Total Fuel + Carrying Charge		
10 March 31, 2015 Balancing Account						Rule 530 Schedule H3-Base, Col L, Line 22
11 Apr-15	\$ (5,648,730)	\$ (5,648,730)	\$ 34,077,119	\$ 15,189,257	0.013372	
12 May-15	(5,811,928)	(11,460,658)	22,616,461	14,367,977	0.013372	
13 Jun-15	(6,114,378)	(17,575,036)	16,502,083	17,804,029	0.013372	
14 Jul-15	(3,660,808)	(21,235,844)	12,841,276	20,129,392	0.009060	
15 Aug-15	(5,370,461)	(26,606,305)	7,470,815	19,637,282	0.009060	
16 Sep-15	(7,619,670)	(34,225,975)	(148,856)	15,005,624	0.009060	
17 Total	\$ (34,225,975)			\$ 103,133,561		
18						
19						
20						
21						
22	(1) Current Base Fuel Rate set in NMPRC Case 10-00086-UT					
23	(2) Carrying charge annual rate of 2.4% approved in NMPRC Case 13-00187-UT					
24	(3) FPPCAC factor set in either annual or quarterly FPPCAC reset filings with the Commission					
25	Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.					
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36						
37	This schedule is sponsored by PNM Witness Taylor					Schedule H-3 Page 4 of 6

	A	B	C	D	E	F	G	H
1	Public Service Company of New Mexico							
2	Schedule H-3 Test							
3	Revenue Generated From PNM Retail Fuel and Purchased Power Clause							
4	Test Period Ending 9/30/2016							
5								
6		PNM Exhibit SAT-2 WP Fuel-12: H3-Test Detail Line 32		Col B x Col C	PNM Exhibit SAT-2 WP Fuel-3: Test COS, Col X, Line 53	Col B x Col E	Col D + Col F	PNM Exhibit SAT-2 WP Fuel-12: H3-Test Detail Line 30
7	Months	kWh Sales	Billed Base Fuel Rate \$/kWh (2)	Fuel Base Revenues	Billed FPCCAC Rate \$/kWh	Billed FPCCAC Revenue	Total Fuel Revenue	Fuel Costs
8								
9	September 3, 2015 Balancing Account (1)							
10	Oct-15	692,682,831	0.02128	\$ 14,740,291	0.004994	\$ 3,459,106	\$ 18,199,397	16,825,197
11	Nov-15	629,271,726	0.02128	13,390,902	0.004994	3,142,445	16,533,347	16,462,607
12	Dec-15	684,340,757	0.02128	14,562,771	0.004994	3,417,448	17,980,219	18,529,561
13	Jan-16	735,232,194	0.02128	15,645,741	0.004994	3,671,588	19,317,329	17,859,130
14	Feb-16	665,033,876	0.02128	14,151,921	0.004994	3,321,033	17,472,954	15,714,159
15	Mar-16	651,234,899	0.02128	13,858,279	0.004994	3,252,124	17,110,403	16,331,835
16	Apr-16	600,419,244	0.02128	12,776,922	0.004994	2,998,362	15,775,284	15,951,216
17	May-16	613,476,847	0.02128	13,054,787	0.004994	3,063,569	16,118,356	17,521,531
18	Jun-16	680,245,662	0.02128	14,475,628	0.004994	3,396,998	17,872,625	20,747,349
19	Jul-16	750,250,987	0.02128	15,965,341	0.004994	3,746,589	19,711,930	22,344,728
20	Aug-16	821,349,181	0.02128	17,478,311	0.004994	4,101,638	21,579,948	21,726,901
21	Sep-16	781,947,651	0.02128	16,639,846	0.004994	3,904,875	20,544,721	18,159,781
22	Total	8,305,485,856	0.02128	\$ 176,740,739		\$ 41,475,775	\$ 218,216,514	\$ 218,173,996
23								
24								
25								
26								
27								
28								
29		Notes						
30		(1) Assumed to be zero when rates go into effect.						
31		(2) Current Base Fuel Rate set in NMPPRC Case 10-00086-UT						
32		(3) Carrying charge annual rate of 2.4% approved in NMPPRC Case 13-00187-UT						
33		This schedule has not been adjusted for leap year						
34		Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.						
35								
36								
37								
38								
39								
40	This schedule is sponsored by PNM Witness Taylor							

	A	I	J	K	L	M	N	O
1	Public Service Company of New Mexico							
2	Schedule H-3 Test							
3	Revenue Generated From PNM Retail Fuel and Purchased Power Clause							
4	Test Period Ending 9/30/2016							
5								
6		Col L * .024/12	Col M - Col G	Previous Month + Col J	Previous Month + Col J	Col H + Col I	Col E	
7	Months	Carrying Charges on Balancing Account (3)	Over / (Under) Collection without Carrying Charge	Cumulative Over / (Under) Collection	Balancing Account Over / (Under) Collection	Total Fuel + Carrying Charge	Actual FPPCAC Factor	
8								
9	September 3, 2015 Balancing Account (1)							
10	Oct-15	-	\$ (1,374,200)	\$ (1,374,200)	(1,374,200)	\$ 16,825,197	0.004994	
11	Nov-15	(2,748)	(73,489)	(1,447,689)	(1,447,689)	16,459,859	0.004994	
12	Dec-15	(2,895)	546,447	(901,242)	(901,242)	18,526,666	0.004994	
13	Jan-16	(1,802)	(1,460,002)	(2,361,243)	(2,361,243)	17,857,328	0.004994	
14	Feb-16	(4,722)	(1,763,517)	(4,124,761)	(4,124,761)	15,709,437	0.004994	
15	Mar-16	(8,250)	(786,817)	(4,911,578)	(4,911,578)	16,323,586	0.004994	
16	Apr-16	(9,823)	166,109	(4,745,469)	(4,745,469)	15,941,393	0.004994	
17	May-16	(9,491)	1,393,684	(3,351,785)	(3,351,785)	17,512,040	0.004994	
18	Jun-16	(6,704)	2,868,020	(483,765)	(483,765)	20,740,645	0.004994	
19	Jul-16	(968)	2,631,831	2,148,066	2,148,066	22,343,761	0.004994	
20	Aug-16	4,296	151,249	2,299,315	2,299,315	21,731,198	0.004994	
21	Sep-16	4,599	(2,380,341)	(81,026)	(81,026)	18,164,380	0.004994	
22	Total	\$ (38,509)	\$ (81,026)			\$ 218,135,488		
23								
24								
25								
26								
27								
28								
29		Notes						
30		(1) Assumed to be zero when rates go into effect.						
31		(2) Current Base Fuel Rate set in NMPPRC Case 10-00086-UT						
32		(3) Carrying charge annual rate of 2.4% approved in NMPPRC Case 13-00187-UT						
33		This schedule has not been adjusted for leap year						
34		Please refer to the testimony and Exhibits of PNM Witness Taylor for discussion of changes/adjustments to the Base Period.						
35								
36								
37								
38								
39								
40	This schedule is sponsored by PNM Witness Taylor							Schedule H-3 Page 6 of 6

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Public Service Company of New Mexico													
2	Schedule P-12													
3	Fuel Statistics Information													
4	Four Years Prior To Test Period Ending 9/30/2016													
5														
6	Description	FERC	Year Ended 9/30/2012	Year Ended 9/30/2013	Year Ended 9/30/2014	6 Months Ended 3/31/2015	P12-Linkage Linkage Data Ended 9/30/2015	Col H + Col J Year Ended 9/30/2015 (2)						
7	Cost of Fuel (\$)													
8														
9														
10	Coal (1)	501	187,449,454	144,041,896	174,140,574	79,725,356	87,144,975	166,873,331						
11	Natural Gas	547	37,898,077	52,826,796	46,623,703	19,956,067	22,802,499	41,738,566						
12	Natural Gas	501	9,435,640	4,672,925	5,620,602	1,221,477	1,015,757	2,237,234						
13	Fuel Oil	501	4,295,963	6,782,260	7,737,931	3,631,902	1,944,503	5,576,404						
14	Nuclear	518	25,433,161	26,257,148	26,005,907	12,160,866	12,338,437	24,499,304						
15	Cost of Fuel (1)		258,512,295	234,080,765	260,130,716	115,676,668	125,246,171	240,924,839						
16														
17														
18														
19														
20														
21	Cost of Fuel (\$/MMBtu)		2.39	2.19	2.47	2.32	2.18	2.25						
22														
23	Generation by Type (MWh)													
24														
25														
26	Coal		6,403,145	5,874,878	5,885,398	2,625,798	3,115,594	5,741,392						
27	Natural Gas		844,456	1,251,894	1,091,499	502,173	971,913	1,474,087						
28	Fuel Oil (2)		N/A	N/A	N/A	N/A	N/A	N/A						
29	Nuclear		3,231,208	3,273,294	3,208,934	1,641,774	1,613,660	3,255,433						
30														
31														
32														
33														
34														
35														
36														
37														
38														
39														
40														
41	Notes:													
42	(1) Excludes fuel handling and coal mine decommissioning, fixed transmission costs, and FERC hedges.													
43	(2) Fuel oil is used for start up and flame stabilization at SCS and does not have associated MWh output.													
44														
45	All data in columns E through H are from books and records and are manual inputs.													
46	The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.													
47														
48														
49	This schedule is sponsored by PNM Witness Taylor													Schedule P-12 Page 1 of 4

	A	B	C	D	E	F	G	H	I	J
1	Public Service Company of New Mexico									
2	Schedule P-12									
3	Fuel Statistics Information									
4	Linkage Data ending on 9/30/2015									
5										
6	Description	FERC	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total	Reference
7	Total System									
9	Cost of Fuel (\$)									
10										
11	Coal	501	13,825,416	13,823,375	14,534,211	15,192,113	15,155,531	14,614,330	87,144,975	WP Fuel-9; Linkage Detail Line 131
12	Natural Gas	547	2,212,799	1,974,872	4,751,804	5,710,561	4,715,729	3,436,734	22,802,499	WP Fuel-9; Linkage Detail Line 210
13	Natural Gas	501	47,236	19,202	333,201	432,793	162,471	20,854	1,015,757	WP Fuel-9; Linkage Detail Line 133
14	Fuel Oil	501	264,794	336,542	336,542	336,542	336,542	336,542	1,944,503	WP Fuel-9; Linkage Detail Line 135
15	Fuel Oil	547								
16	Nuclear	518	1,690,134	2,079,237	2,090,468	2,120,236	2,121,616	2,236,745	12,338,437	WP Fuel-9; Linkage Detail Line 231
17	Cost of Fuel		18,037,380	18,233,228	22,046,226	23,792,244	22,491,888	20,645,205	125,246,171	
18										
19	Cost of Fuel (\$/MMBtu)		2.31	1.99	2.19	2.27	2.21	2.13	2.18	Line 17 / (H2-Linkage Lines 10 + Line 15 + Line 20+ line 25)
20										
21										
22	Generation by Type (MWh)									
23										
24	Coal		453,893	534,609	524,811	540,978	538,304	522,999	3,115,594	WP Fuel-9; Linkage Detail Line 88 + Line 108
25	Natural Gas		111,430	88,297	205,435	225,275	189,572	151,904	971,913	WP Fuel-9; Linkage Detail Line 124 + Line 214
26	Fuel Oil (1)									
27	Nuclear		198,556	261,589	283,651	293,106	293,106	283,651	1,613,660	WP Fuel-9; Linkage Detail Line 223
28										
29										
30										
31										
32										
33										
34	(1) Fuel oil is used for start up and flame stabilization at SIGS and does not have associated MWh output.									
35										
36	This schedule is sponsored by PNM Witness Taylor									

	A	B	C	D	E	F	G	H	I
1	Public Service Company of New Mexico								
2	Schedule P-12								
3	Fuel Statistics Information								
4	Test Period Ending 9/30/2016								
5									
6	Description	FERC	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
7									
8	Total System								
9	Cost of Fuel (\$)								
10									
11	Coal	501	12,275,923	12,149,460	14,309,967	15,212,391	13,993,722	14,735,384	14,639,222
12	Natural Gas	547	3,794,124	2,776,884	2,028,654	1,110,581	540,751	1,171,219	1,144,245
13	Natural Gas	501	12,982	13,523	14,421	14,947	14,711	14,438	6,972
14	Fuel Oil	501	234,316	234,316	259,240	354,757	354,757	354,757	354,757
15	Fuel Oil	547							
16	Nuclear	518	2,124,488	2,191,343	2,285,418	2,285,418	2,154,729	2,225,206	1,546,501
17	Cost of Fuel		18,441,834	17,365,525	18,897,700	18,978,095	17,058,671	18,501,005	17,691,697
18									
19	Cost of Fuel (\$/MMBtu)		2.34	2.26	2.18	2.16	2.15	2.16	2.29
20									
21									
22									
23	(1) Fuel oil is used for start up and flame stabilization at SGS and does not have associated MWh output.								
24									
25	This schedule is sponsored by PNM Witness Taylor								Schedule P-12 Page 3 of 4

	A	B	J	K	L	M	N	O	P
1	Public Service Company of New Mexico								
2	Schedule P-12								
3	Fuel Statistics Information								
4	Test Period Ending 9/30/2016								
5									
6	Description	FERC	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Total	Reference
7									
8	Total System								
9	Cost of Fuel (\$)								
10									
11	Coal	501	15,865,828	15,398,955	16,410,547	16,346,563	15,868,617	177,206,579	WP Fuel-6; Test Detail Line 134
12	Natural Gas	547	1,449,155	3,358,799	5,469,018	5,025,901	3,625,212	31,504,542	WP Fuel-6; Test Detail Line 213
13	Natural Gas	501	13,977	57,107	127,103	48,880	21,319	360,379	WP Fuel-6; Test Detail Line 136
14	Fuel Oil	501	354,757	354,757	354,757	354,757	354,757	3,920,690	WP Fuel-6; Test Detail Line 138
15	Fuel Oil	547							None forecasted
16	Nuclear	518	2,236,180	2,288,321	2,362,326	2,352,639	2,288,237	26,340,805	WP Fuel-6; Test Detail Line 233
17	Cost of Fuel		19,919,896	21,467,939	24,723,752	24,128,739	22,159,143	239,332,996	
18									
19	Cost of Fuel (\$/MMBtu)		2.31	2.26	2.42	2.39	2.30	2.27	Line 17 / (H2-Test Lines 10 + Line 15 + Line 20+ line 25)
20									
21									
22									
23	(1) Fuel oil is used for start up and flame stabilization at SIGS and does not								
24									
25	This schedule is sponsored by PNM Witness Taylor								Schedule P-12 Page 4 of 4

PNM Exhibit SAT-2: Base Period Cost of Service Input Summary

WP Fuel-1

Is contained in the following 2 pages.

	A	B	C	D	E	F	G
1	PNM Exhibit SAT - 2						
2	WP Fuel-1: Base COS						
3							
4							
5	Description	FERC		WP Fuel-5 Remove Impact Coal Fire Refund and San Juan Arbitration	WP Fuel-7 Fixed Gas Transportation	PNM Exhibit HEM-4 WP RC- 1 Line 48 Remove Economy Service	Remove FPPCAC Deferral
6			Unadjusted Base Period				
7	Production - Base Fuel Related			(2,475,997)			
8	Steam Generation	501	173,879,742				
9	Steam Fuel Handling and Disposal	501					
10	Nuclear	518	25,939,845				
11	Nuclear Disposal	518					
12	Gas Generation	547	37,828,938				
13	Renewables - Owned	547					
14	Wind (NMWEC)	555	11,680,897				
15	Renewables - PPA	555					
16	Purchased Power Energy	555	36,896,251				
17	Spinning reserves	555					
18							
19	Total Fuel Costs (before O&M)		286,225,673	(2,475,997)			
20							
21	Off-system Sales	447	(35,496,587)				
22	Off-system Sales - PV 3		(40,490,822)				
23	Off-system Sales Credit		1,866,812				
24	Other Revenue Credits to Fuel Clause						
25	Load Side from Transmission Customers	456.1	(401,231)				
26	Physical Sales of Gas (under FAC hedge plan)		(4,588)				
27	Total Off-System Sales and Miscellaneous credits		(74,526,416)	-			
28							
29	Total Fuel (net O&M)		211,699,257	(2,475,997)			
30							
31	Production - Non Fuel Items						
32	Coal Fuel Handling	501	12,883,904				
33	Nuclear Fuel Handling	518	(35,147)				
34	Gas Plants Fuel Transportation	547	11,078,317		(911,866)		
35	Gas PPA - Rio Bravo - Demand	555	2,109,677				
36	Gas PPA - Valencia - Demand	555	19,127,831				
37	Purchase power for Economy Service Customer	555	32,561,309			(32,561,309)	
38	Economy purchase Power Demand	555					
39	FPPCAC deferral	501.1, 555.1	19,020,883				(19,020,883)
40	Rec Purchases and Renewable Energy Amortization	555	12,472,070				
	Gas Swaps - Non Fuel Clause Settlements and Excess Gas Physical						
41	Purchases		687,867				
42	FERC Hedge		825,500				
43	Spinning reserves	555	360,770				
44	Broker Fees		163,909				
45	Total Non Fuel Items		111,256,980		(911,866)	(32,561,309)	(19,020,883)
46							
47	Total Fuel Related Costs		397,482,563	(2,475,997)	(911,866)	(32,561,309)	(19,020,883)
48	Off-System Sales		(74,526,416)	-	-	-	-
49	Total Fuel Related Expense net of off-system sales	456.1	322,956,147	(2,475,997)	(911,866)	(32,561,309)	(19,020,883)
50							
51	Retail Load kWh						
52	Total Fuel Rate \$/kWh						
53	FPPCAC Rate-Base \$/kWh						
54							
55	FERC is informational only. It is calculated based on NM methodology and does not reflect the approved FERC fuel calculation						
56							
57	Energy Allocator						
58	Palo Verde Energy Allocator						
59							

	A	H	I	J	K	L
1	PNM Exhibit SAT-2					
2	WP Fuel-1: Base COS					
3						
4						
5	Description					
6						
7	Production - Base Fuel Related	Adjusted Base Period	New Mexico	FERC	Excluded	Reference
8	Steam Generation	171,403,745	160,195,326	11,208,419	-	WP Fuel-4: Base Detail Lines 112+114+115+116
9	Steam Fuel Handling and Disposal					
10	Nuclear	25,939,845	16,069,734	1,223,496	8,646,615	WP Fuel-4: Base Detail Line 217
11	Nuclear Disposal	-				
12	Gas Generation	97,826,938	95,154,432	2,674,506	-	WP Fuel-4: Base Detail Line 210
13	Renewables - Owned					
14	Wind (NMP/EC)	11,680,897	11,724,174	-	(43,277)	WP Fuel-4: Base Detail Line 256
15	Renewables - PPA					
16	Purchased Power Energy	96,896,251	27,147,900	2,397,295	7,351,055	WP Fuel-4: Base Detail Lines 239+248+281+281+316
17	Spinning reserves	-				
18						
19	Total Fuel Costs (before OSS)	283,749,676	250,291,566	17,503,717	15,954,393	Sum of Lines 8 through 17
20						
21	Off-system Sales	(35,496,587)	(20,957,065)	(12,043,958)	(2,495,524)	
22	Off-system Sales - PV 3	(40,490,822)			(40,490,822)	
23	Off-system Sales Credit	1,866,812	1,866,812	-	-	
24	Other Revenue Credits to Fuel Clause					
25	Load Side from Transmission Customers	(401,231)	(300,903)	(100,328)	-	
26	Physical Sales of Gas (under FAC hedge plan)	(4,588)	(4,588)	-	-	
27	Total Off-System Sales and Miscellaneous credits	(74,526,416)	(19,395,745)	(12,144,326)	(42,986,346)	Sum of Lines 21 through 26
28						
29	Total Fuel (net OSS)	209,223,260	230,895,821	5,359,391	(27,031,953)	Line 19 + Line 27
30						
31	Production - Non Fuel Items					
32	Coal Fuel Handling	12,883,904				WP Fuel-4: Base Detail Lines 117+118+119
33	Nuclear Fuel Handling	(35,147)				WP Fuel-4: Base Detail Line 231
34	Gas Plants Fuel Transportation	10,166,450				WP Fuel-4: Base Detail Lines 304+311
35	Gas PPA - Rio Bravo - Demand	2,109,677				WP Fuel-4: Base Detail Line 243
36	Gas PPA - Valencia - Demand	19,127,831				WP Fuel-4: Base Detail Line 251
37	Purchase power for Economy Service Customer	-				WP Fuel-4: Base Detail Line 314
38	Economy purchase Power Demand	-				
39	PPC/CAC deferral	-				WP Fuel-4: Base Detail Lines 303+318
40	Rec Purchases and Renewable Energy Amortization	12,472,070				WP Fuel-4: Base Detail Lines 284+272+298+320
41	Gas Swaps - Non Fuel Clause Settlements and Excess Gas Physical					WP Fuel-4: Base Detail Lines 305+313+315+321
42	Purchases	687,867				
43	FERC Hedge	825,500				WP Fuel-4: Base Detail Line 312
44	Spinning reserves	960,770				WP Fuel-4: Base Detail Line 317
45	Broker Fees	163,909				WP Fuel-4: Base Detail Line 319
46	Total Non Fuel Items	58,762,831				Sum of Line 32 through 44
47	Total Fuel Related Costs	342,512,507				Line 19 + Line 48
48	Off-System Sales	(74,526,416)				Line 27
49	Total Fuel Related Expense net of off-system sales	267,986,091				Line 50 + Line 51
50						
51	Retail Load kWh		8,286,777,448			PNM Exhibit HEM-3 WP AL-3 Sales Allocator Col C
52	Total Fuel Rate \$/kWh		0.027863			
53	PPC/CAC Rate-Base \$/kWh		0.006583			
54						
55	FERC is informational only. It is calculated based on NM methodology and does not reflect the approved FERC fuel calculation					
56						
57	Energy Allocator		92.93%	7.07%	-	
58	Palo Verde Energy Allocator		61.95%	4.72%	33.33%	
59						

PNM Exhibit SAT-2: Linkage Data Input Summary

WP Fuel-2

Is contained in the following 1 page.

	A	B	I	J	K	L	M
1	PNM Exhibit SAT-2						
2	WP Fuel-2: Linkage COS						
3							
4							
5		FERC					
6			Linkage	New Mexico	FERC	Excluded	Reference
7	Production - Base Fuel Related		Apr-15 - Sept-15				
8	Steam Generation	501	90,105,235	85,969,405	4,135,830	-	WP-9: Linkage-Detail Lines 131+133+135
9	Steam Fuel Handling and Disposal	501					
10	Nuclear	518	12,338,437	7,848,480	377,556	4,112,401	WP-9: Linkage-Detail Line 231
11	Nuclear Disposal	518					
12	Gas Generation	547	22,802,499	21,755,864	1,046,635	-	WP-9: Linkage-Detail Line 210
13	Renewables - Owned	547					
14	Wind (NMWEC)	555	6,739,715	6,739,715			WP-9: Linkage-Detail Line 259
15	Renewables - PPA	555					
16	Purchased Power Energy	555	4,233,686	546,940	233,750	3,452,996	WP-9: Linkage-Detail Line 292
17	Spinning reserves	555					
18							
19	Total Fuel Costs (before OSS)		136,219,573	122,860,404	5,793,771	7,565,397	Sum of Lines 8 through 18
20							
21	Off-system Sales						WP-9: Linkage-Detail Line 71
22	Off-system Sales - PV 3	447	(22,058,070)	(20,529,111)	(1,364,945)	(164,014)	WP-9: Linkage-Detail Line 17
23	Off-system Sales Credit		(23,462,822)			(23,462,822)	WP-9: Linkage-Detail Line 77
24	Other Revenue Credits to Fuel Clause		558,395	558,395			
25	Load Side from Transmission Customers						
26	Physical Sales of Gas (under FAC hedge plan)	456.1					
27	Total Off-System Sales and Miscellaneous credits		(44,962,497)	(19,970,715)	(1,364,945)	(23,626,836)	Sum of Lines 21 through 26
28							
29	Total Fuel (net OSS)		91,257,076	102,889,689	4,428,826	(15,061,439)	Line 19 + Line 27
30							
31	Production - Non Fuel Items						WP-9: Linkage-Detail Line 136
32	Coal Fuel Handling	501	6,329,608				WP-9: Linkage-Detail Line 232
33	Nuclear Fuel Handling	518	801,306				WP-9: Linkage-Detail Line 300
34	Gas Plants Fuel Transportation	547	5,075,003				
35	Gas PPA - Rio Bravo - Demand	555	-				WP-9: Linkage-Detail Line 299
36	Gas PPA - Valencia - Demand	555	9,563,915				WP-9: Linkage-Detail Line 305
37	Purchase power for Economy Service Customer	555	18,539,656				
38	Economy purchase Power Demand	555					
39	FPPCAC deferral	501.1,555.4	-				WP-9: Linkage-Detail Line 316
40	Rec Purchases and Renewable Energy Amortization	555	10,745,726				WP-9: Linkage-Detail Lines 313+314+315
41	Gas Swaps - Non Fuel Clause Settlements and Excess Gas Physical Purchases		-				
42	FERC Hedge		-				
43	Spinning reserves	555	180,000				WP-9: Linkage-Detail Line 317
44	Broker Fees		90,000				WP-9: Linkage-Detail Line 318
45	Total Non Fuel Items		51,325,215				Sum of Lines 32 through 44
46							Line 19 + Line 45
47	Total Fuel Related Costs		187,544,787				Line 27
48	Off-System Sales		(44,962,497)				Line 29 + Line 45
49	Total Fuel Related Expense net of off-system sales		142,582,290				
50							
51							
52	FERC is informational only. It is calculated based on NM methodology and does not reflect the approved FERC fuel calculation						
53	The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.						

PNM Exhibit SAT-2: Test Period Cost of Service Input Summary

WP Fuel-3

Is contained in the following 2 pages.

	A	B	O	P	Q	R	S	T	U
1	PNM Exhibit SAT-2								
2	WP Fuel-S: Test COS								
3									
4									
5	Description	FERC							
6			Total Test Period	Fuel Handling and Spinning	WP-7 Gas Transportation	PNM Exhibit HEN-4 WP RA - 3 Amortization of DOE Credit	WP Fuel-S Test Detail Line 21 Jicarilla Revenue	Remove Purchased Power for Freeport McMoan	Adjusted Test Period Total
7	Production - Base Fuel Related								
8	Steam Generation	501	181,487,648						181,487,648
9	Steam Fuel Handling and Disposal	501		13,077,163					13,077,163
10	Nuclear	518	26,340,805						26,340,805
11	Nuclear Disposal	518	-	999,611					999,611
12	Gas Generation	547	31,504,542						31,504,542
13	Renewables - Owned	547	-						-
14	Wind (NMWEC)	555	14,630,961						14,630,961
15	Renewables - PPA	555	-						-
16	Purchased Power Energy	555	8,969,554						8,969,554
17	Spinning reserves	555	-	360,000					360,000
18									
19	Total Fuel Costs (before O&S)		262,935,510	14,436,774					277,372,284
20									
21	Off-system Sales	447	[32,745,103]						[32,745,103]
22	Off-system Sales - PV 3	447	[36,802,652]						[36,802,652]
23	Off-system Sales Credit	518/447	916,302						916,302
24	Other Revenue Credits to Fuel Clause		-			(2,815,812)	(1,571,794)		(4,387,606)
25	Load Side from Transmission Customers	456.1	-						-
26	Physical Sales of Gas (under FAC hedge plan)		[68,631,453]	-		(2,815,812)	(1,571,794)		(73,019,059)
27	Total Off-System Sales and Miscellaneous credits								
28									
29	Total Fuel (net O&S)		194,302,057	14,436,774		(2,815,812)	(1,571,794)		204,351,225
30									
31	Production - Non Fuel Items								
32	Coal Fuel Handling	501	13,077,163	[13,077,163]					-
33	Nuclear Fuel Handling	518	999,611	[999,611]					-
34	Gas Plants Fuel Transportation	547	11,095,444		1,259,250				12,353,694
35	Gas PPA - Rio Bravo - Demand	555	-						-
36	Gas PPA - Valencia - Demand	555	19,127,851						19,127,851
37	Purchases power for Economy Service Customer	555	36,251,711					(36,251,711)	-
38	Economy purchase Power Demand	555	-						-
39	PPACAT deferral	501,1,555.4	-						-
40	Rec Purchases and Renewable Energy Amortization	555	21,642,890						21,642,890
41	Gas Swaps - Non Fuel Clause Settlements and Excess Gas Physical Purchases		-						-
42	FERC Hedge		-						-
43	Spinning reserves	555	360,000	[360,000]					-
44	Proker Fees		180,000						180,000
45	Total Non Fuel Items		102,735,549	[14,436,774]	1,259,250	-	-	(36,251,711)	59,304,414
46									
47	Total Fuel Related Costs		365,657,159	-	1,259,250	(2,815,812)	(1,571,794)	(36,251,711)	330,674,698
48	Off-System Sales		[68,631,453]					-	[73,019,059]
49	Total Fuel Related Expense net of off-system sales		237,035,706	-	1,259,250	(2,815,812)	(1,571,794)	(36,251,711)	257,655,639
50									
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62									
63	FERC is informational only. It is calculated based on NM methodology and does not reflect the approved FERC fuel calculation								
64	The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting								
65									

	A	V	W	X	Y	Z	AA
1	PNM Exhibit SAT-2						
2	WP Fuel-3: Test COS						
3							
4							
5	Description						
6		Adjusted Base and Test Periods Variance	Leap Year Adjusted Test Period	New Mexico	FERC	Excluded	Total Test Period Reference
7	Production - Base Fuel Related	10,083,003	181,045,742	172,735,743	8,310,000	-	WP Fuel-6: Test Detail Lines 134+136+138
8	Steam Generation	13,077,163	12,476,921	12,476,921	600,242	-	
9	Steam Fuel Handling and Disposal	400,960	26,276,668	16,714,588	804,066	8,758,013	WP Fuel-6: Test Detail Line 233
10	Nuclear	999,611	999,611	635,852	30,588	333,170	
11	Nuclear Disposal	(6,324,996)	31,427,832	29,985,294	1,442,537	-	WP Fuel-6: Test Detail Line 213
12	Gas Generation						
13	Renewables - Owned						
14	Wind (NMWEC)	2,950,064	14,595,336	14,595,336			WP Fuel-6: Test Detail Line 249
15	Renewables - PPA						
16	Purchased Power Energy	(27,926,697)	8,947,714	2,986,372	2,202,990	3,759,402	WP Fuel-6: Test Detail Line 294
17	Spinning reserves	360,000	360,000	343,476	16,524	-	
18							
19	Total Fuel Costs (before OSS)	(6,379,392)	276,730,065	250,473,532	13,406,947	12,849,586	Sum of Lines 8 through 18
20							
21	Off-system Sales	2,751,484	(32,665,372)	(29,416,379)	(1,602,925)	(1,646,068)	WP Fuel-6: Test Detail Line 74
22	Off-system Sales - PV 3	3,688,170	(36,713,041)			(36,713,041)	WP Fuel-6: Test Detail Line 17
23	Off-system Sales Credit	(950,510)	914,071	914,071			WP Fuel-6: Test Detail Line 80
24	Other Revenue Credits to Fuel Clause	(4,387,606)	(4,387,506)	(4,315,461)	(72,145)	-	
25	Load Side from Transmission Customers	401,331					
26	Physical Sales of Gas (under PAC hedge plan)	4,586					
27	Total Off-System Sales and Miscellaneous credits	1,507,357	(72,851,948)	(32,847,768)	(1,675,071)	(38,359,109)	Sum of Lines 21 through 26
28							
29	Total Fuel (net OSS)	(4,872,035)	203,878,117	217,655,764	11,731,876	(25,509,523)	Line 19 + Line 27
30							
31	Production - Non Fuel Items	(12,893,304)	-	-			WP Fuel-6: Test Detail Line 139
32	Coal Fuel Handling	35,147	-	-			WP Fuel-6: Test Detail Line 234
33	Nuclear Fuel Transportation	2,187,443	12,353,694				WP Fuel-6: Test Detail Line 302
34	Gas Plants Fuel Transportation	(2,109,677)					
35	Gas PPA - Rio Bravo - Demand	-	19,127,831				WP Fuel-6: Test Detail Line 301
36	Gas PPA - Valerida - Demand	-	-	-			WP Fuel-6: Test Detail Line 307
37	Purchase power for Economy Service Customer	-	-	-			
38	Economy purchase Power Demand	-	-	-			
39	PPPCAC deferral	-	-	-			WP Fuel-6: Test Detail Line 311
40	Rec Purchases and Renewable Energy Amortization	9,170,820	21,642,890				WP Fuel-6: Test Detail Lines 308+309+310
41	Gas Swaps - Non Fuel Clause Settlements and Excess Gas Physical Purchases	(687,867)	-	-			
42	FERC Hedge	(825,500)	-	-			WP Fuel-6: Test Detail Line 314
43	Spinning reserves	(960,720)	-	-			WP Fuel-6: Test Detail Line 312
44	Broker Fees	15,091	180,000				WP Fuel-6: Test Detail Line 313
45	Total Non Fuel Items	(5,453,417)	53,304,414				Sum of Lines 32 through 44
46							
47	Total Fuel Related Costs	(11,837,809)	330,034,478				Line 19 + Line 45
48	Off-System Sales	1,507,357	(72,851,948)				Line 27
49	Total Fuel Related Expense net of off-system sales	(10,330,452)	257,182,531				Line 45 + Line 29
50							
51	Retail Load kWh			8,284,143,303			PNM Exhibit HEM-3 WP AL-3 Sales Allocator Col C
52	Total Fuel Rate \$/kWh			0.026274			Line 29 / Line 51
53	PPPCAC Rate-Test \$/kWh			0.004954			
54	Base Fuel Revenue			175,286,569			Line 51 * 0.02128
55	PPPCAC Revenue			41,569,135			Line 51 * Line 53
56							
57	Energy Allocator			95,41%	FERC	Excluded	
58	Palo Verde Energy Allocator			63.61%			33.33%
59	Gen Demand Allocator			96.23%			3.77%
60	Renewables						100.00%
61							
62	FERC is informational only. It is calculated based on NM methodology and does not reflect the approved FERC fuel calculation. The conversion of this worksheet used the Microsoft excel outline function. This function groups the elements of cost, and are columns for print formatting.						
63	04/28/2024						

PNM Exhibit SAT-2: Monthly Base Period Fuel Cost and Related Statistics

WP Fuel-4

Is contained in the following 8 pages.

[illegible]

[illegible]

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit SAT-2										
2	WP Fuel-4: Base Detail										
3	Manual Inputs										
4	Location	Description	FERC	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
97	Reeves Steam Generation:										
98		Natural Gas	501.2	285,553	268,445	1,312,995	1,118,748	313,845	360,624	40,121	509,554
101		Variable Transportation	501.3	34,523	33,335	100,422	78,968	38,281	20,593	2,226	39,834
102		Total Reeves Generation Costs		320,076	321,781	1,413,417	1,197,716	352,127	381,217	42,348	543,388
103											
104	Reeves Statistics										
110											
111	Total Costs -- Steam Generation										
120		Total Steam Costs	501	14,012,685	18,319,675	16,403,360	18,140,706	14,072,973	15,142,030	15,310,390	13,434,823
121		Steam MWh		436,587	511,994	513,228	614,770	453,820	515,851	481,575	422,554
122		Steam MMBtu		4,702,192	5,687,790	5,495,410	6,559,939	4,920,011	5,441,758	5,287,708	4,596,760
123	Natural Gas Plants:										
124	Afton Steam Generation:										
126		Natural Gas	547.0	800,364	1,391,917	2,955,263	2,143,452	3,409,632	1,456,613	222,816	2,152,763
128		Natural Gas Physical Hedge	547.7	-	-	-	1,357,800	283,181	-	-	-
130		Variable Transportation	547.1	5,291	21,972	35,389	19,405	23,525	8,463	1,657	39,883
131		Total Afton Generation Costs		805,655	1,413,830	2,990,652	3,520,657	3,721,338	1,465,076	224,473	2,192,647
132											
133	Afton Statistics										
139											
140	Luna Steam Generation:										
142		Natural Gas	547.0	791,962	983,372	687,656	573,879	752,695	948,118	284,178	931,615
143		Natural Gas Physical Hedge	547.7	-	-	333,462	692,075	624,135	-	84,725	4,342
146		Variable Transportation	547.1	(863)	(22,316)	(11,733)	6,215	8,306	5,453	1,770	5,595
147		Total Luna Generation Costs		791,099	961,055	1,009,385	1,272,169	1,385,137	953,571	370,673	941,552
148											
149	Luna Statistics										
155											
156	Lordsburg Steam Generation:										
158		Natural Gas	547.0	66,302	(14,852)	157,093	32,832	211,711	379,820	74,885	51,683
160		Natural Gas Physical Hedge	547.7	-	-	-	-	-	-	29,680	1,521
162		Variable Transportation	547.1	713	(16,964)	(966)	(26,227)	8,211	6,586	2,904	337
163		Total Lordsburg Generation Costs		67,015	(31,816)	156,067	6,605	219,923	386,406	107,469	53,541
164											
165	Lordsburg Statistics										
171											
172	Rio Bravo Steam Generation:										
174		Natural Gas	547.0	232,812	171,169	80,174	4,026	69,866	86,474	-	212,132
178		Fuel Oil	547.4	-	-	-	-	15,742	328,858	259,918	-
179		Natural Gas Physical Hedge	547.7	-	-	-	-	-	-	-	-
180		Variable Transportation	547.1	16,681	8,328	17,596	(1,578)	3,415	3,119	0	4,

[illegible]

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit SAT-2										
2	WP Fuel-4: Base Detail										
3	Manual Inputs										
4	Location	Description	FERC	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
183		Rio Bravo Statistics									
184											
185											
191		Valencia Steam Generation:									
192		Natural Gas	547.0	737,803	514,704	727,986	249,983	318,382	260,156	83,328	389,117
193		Variable Transportation	547.1	23,027	19,772	24,715	5,190	5,993	4,217	1,781	14,490
194		Total Valencia Generation Costs		760,830	534,477	752,701	255,173	324,375	264,373	85,108	403,607
195											
196		Valencia Statistics									
197											
198											
199											
204		Total Costs -- Gas Generation									
205		Total Gas Plants Generation Costs	547/555	2,574,081	3,057,044	5,006,576	5,056,652	5,739,796	3,487,878	1,047,642	3,808,251
210		Gas Generation MWh		46,221	81,408	126,211	145,653	179,981	88,571	21,578	102,196
211		Gas Generation MMbtu		466,132	686,674	1,020,345	1,120,082	1,378,072	725,781	628,445	835,640
212		Fuel Oil MMbtu		38,067	33,065	14,431	20,804	33,365	13,045	22,348	15,527
213		Total Costs -- Nuclear Generation									
214											
215		Total Palo Verde Fuel Costs	518.0	1,749,477	2,271,654	2,424,020	2,419,532	2,494,800	2,419,496	1,405,667	1,751,602
217											
218		Palo Verde Statistics									
219											
225		Spent Fuel Disposal Fee	518.1	193,852	128,059	-	(16,996)	-	-	-	-
227		Dry Cask Accrual	518.2	62,046	81,870	87,137	89,556	89,056	86,726	69,774	(85,012)
230		Total Palo Verde Fuel Handling Costs		255,898	209,929	87,137	72,560	89,056	86,726	69,774	(85,012)
231											
232		Total Nuclear Plant Costs		2,005,375	2,481,584	2,511,157	2,492,092	2,583,856	2,506,222	1,475,441	1,566,590
233											
234		Purchase Power:									
235											
236		Rio Bravo Purchase Power:									
237		Purchase Power-Base Energy	555.0	119,925	80,862	40,314	64,236	-	-	-	-
238		Demand Charges and Other Expenses	555.0	610,746	581,046	581,046	392,838	0	-	-	-
243		Total Rio Bravo Purchase Power Costs		734,671	661,908	621,360	397,075	0	-	-	-
244											
245		Valencia Purchase Power:									
246		Purchase Power-Base Energy	555.0	117,501	201,813	211,564	142,544	80,802	67,277	31,610	122,202
248		Demand Charges and Other Expenses	555.0	1,590,508	1,588,467	1,602,473	1,616,581	1,593,702	1,584,237	1,564,372	1,604,848
251		Total Valencia Purchase Power Costs		1,708,008	1,790,281	1,814,037	1,759,124	1,674,504	1,651,514	1,595,982	1,727,050
252											
253		New Mexico Wind Energy Center									
254		Purchase Power	555.0	1,589,801	1,410,391	1,250,824	776,977	504,085	795,772	819,248	

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	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit SAT-2										
2	WP Fuel-4: Base Detail										
3	Manual Inputs										
4	Location		FERC	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
266	Red Mesa Statistics										
267											
268											
269	Geothermal Wind Energy										
270											
271											
272											
273			555.0	96,484	48,922	59,052	38,250	3,198	72,819	89,456	59,612
274											
275	Geothermal Statistics										
276											
277											
278	Economy Purchases										
281											
282	Purchase Power		555.0	3,516,359	2,175,782	3,830,772	3,180,930	4,678,648	3,975,866	3,965,059	2,828,136
283											
288	Economy Purchases Statistics										
289											
290	Economy Hedge Purchases-PNM Retail										
291	NMPPRC Hedge (offset in Sales)		555.7	-	-	-	-	-	-	820,800	-
292											
293	NMPPRC Hedge Purchases Statistics										
294											
297	Renewable - Solar Deferrals										
298											
299											
300	Solar Generation/PV Purchases - MWs		555.0	226,247	226,247	226,247	226,247	226,247	172,170	172,170	172,170
301											
302	Other Costs			10,167	10,369	9,975	9,519	8,877	8,771	8,118	7,171
303											
304	Fuel Adjustment Clause Deferral		501.1	(2,778,138)	(2,831,209)	(4,995,853)	5,777,288	1,612,610	3,100,621	4,812,052	(883,654)
305	Fixed Transportation Charges		501.5	1,286	1,286	1,286	1,286	1,286	1,284	1,284	1,284
306	Gas Off System Sales		547.0	74,250							
307	Fixed Transportation Charges		547.2	920,392	924,032	920,392	924,032	924,031	920,392	924,032	920,392
310	City of Aztec - Gas Hedge		547.3	55,750	50,000	55,250	52,250	52,250	85,250	69,500	77,750
313	Gas Physical Purchase offset by Sale		547.7	-	-	-	-	-	-	575,050	-
314	Freight McMoran Purchase Power		555.0	2,944,844	3,066,552	2,886,625	2,832,200	2,868,298	2,529,565	2,290,467	2,976,137
315	City of Gallup - Windcoza station charges		555.0	2,067	2,067	2,067	2,067	2,067	2,066	2,066	2,066
316	PV payment to Retail customers		555.0	16,813	11,431	21,833	23,198	23,198	38,691	17,955	13,010
317	Spin Energy		555.0	41,850	36,435	70,435	46,315	18,900	31,725	67,460	13,365
318	Deferred Energy		555.4	(14,611)	18,124	53,884	26,991	(29,529)	(64,077)	(755,595)	704,391
319	Broker Fees		557.0	14,828	10,503	10,937	11,182	13,603	21,865	29,954	8,214
320	Renewable: REC Payments		555.0	658,697	676,620	770,452	752,184	680,025	766,659	671,063	592,359
321	Other		565.9	0	(0)	199	0	(0)	0	(0)	(0)
322	Total Other Costs		1,929,690	1,971,224	(213,196)	(213,196)	10,447,628	6,166,735	7,434,041	8,705,289	4,425,315
323											
The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.											

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PNM Exhibit SAT-2: Fuel Related Base Period Adjustments

WP Fuel-5

Is contained in the following 1 page.

	A	B	C	D	E
1	PNM Exhibit SAT-2				
2	WP Fuel-5: Base Period Adjustments				
3	Manual Inputs				
4					
5	100% PNM Share	San Juan Coal Mine Fire	San Juan Arbitration Adjustment-in 501000 account -included in FAC	San Juan Arbitration Adjustment-in 501099 account excluded in FAC	Total Adjustment
6	Apr-14	(26,806)			(26,806)
7	May-14		827,366	1,589,657	2,417,023
8	Jun-14			85,780	85,780
9	Jul-14				
10	Aug-14				
11	Sep-14				
12	Oct-14				
13	Nov-14				
14	Dec-14				
15	Jan-15				
16	Feb-15				
17	Mar-15				
18	Total	(26,806)	827,366	1,675,437	2,475,997
19					
20	NMPRC Share-92.93%	San Juan Coal Mine Fire	San Juan Arbitration Adjustment-in 501000 account -included in FAC	San Juan Arbitration Adjustment-in 501099 account excluded in FAC	Total NMPRC Share Adjustment
21	Apr-14	(24,911)			(24,911)
22	May-14		768,871		768,871
23	Jun-14				
24	Jul-14				
25	Aug-14				
26	Sep-14				
27	Oct-14				
28	Nov-14				
29	Dec-14				
30	Jan-15				
31	Feb-15				
32	Mar-15				
33	Total	(24,911)	768,871	-	743,960
34					
35					
36				WP Fuel-4-Base Detail Line 314	WP Fuel-4-Base Detail Lines 303 + 318
37	100% PNM Share			Freeport McMoran Purchase Power	Deferred Energy
38	Apr-14			2,944,844	(2,792,749)
39	May-14			3,066,532	(2,813,085)
40	Jun-14			2,886,625	(4,941,969)
41	Jul-14			2,832,200	5,804,279
42	Aug-14			2,868,298	1,583,081
43	Sep-14			2,529,565	3,036,544
44	Oct-14			2,290,467	4,056,457
45	Nov-14			2,976,137	(179,263)
46	Dec-14			2,857,370	989,500
47	Jan-15			2,440,778	5,218,003
48	Feb-15			2,255,854	4,013,604
49	Mar-15			2,612,640	5,046,482
50	Total			32,561,309	19,020,883
51					
52	Total 100% PNM Share				54,058,190
53	PNM Exhibit SAT-2 WP Fuel-8: Gas Trans				911,866
54	Line 52 + Line 53				54,970,056

PNM Exhibit SAT-2: Monthly Test Period Fuel Cost and Related Statistics

WP Fuel-6

Is contained in the following 8 pages.

A										B	C	D	E	F	G	H	I		
1	PNM Exhibit SAT-2																		
2	WP Fclds: Total Detail																		
3	Promed Output - Manual Input																		
4										FERC	Cost Type	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16		
5																			
6	Retail Load																		
7	Billed MWh--includes February 29																		
8	Unbilled MWh																		
9	Total Retail Load MWh																		
10	Total Retail Losses MWh																		
11	FERC Load																		
12	Navesmache MWh																		
13	Aztec MWh																		
14	Joaquina MWh																		
15	Total FERC MWh																		
16																			
17	PV3 Energy Revenues																		
18																			
19	PV3 Tol MWhs																		
20	Average PV3 Energy \$/MWh																		
21	Joaquina Revenue																		
22																			
23																			
24																			
25																			
26	Other Market Sales																		
27																			
28	PNM Retail Total Off-System Sales										447								
29	PNM Retail Total Off-System sales MWhs																		
30	Average PNM Retail Total Off-System Sales \$/MWh																		
31																			
32																			
33																			
34																			
35																			
36																			
37																			
38																			
39																			
40																			
41																			
42																			
43	PNM FERC Total Off-System Sales										447								
44	PNM FERC Total Off-System sales MWhs																		
45	Average PNM FERC Total Off-System Sales \$/MWh																		
46																			
47																			
48																			
49																			
50																			
51																			
52																			
53																			
54																			
55																			
56																			
57																			
58																			
59																			
60	PNM Marketing Total Off-System Sales										447								
61	PNM Marketing Total Off-System sales MWhs																		
62	Average PNM Marketing Total Off-System Sales \$/MWh																		
63																			
64																			
65	Total Off-System Market Sales										447								
66	Total Off-System Market Sales - MWh																		
67	Average Off-System Market Sales \$/MWh																		
68																			
69	Total Off-System Sales - Intercompany										447								
70	Total Off-System Sales - Intercompany - MWh																		
71	Average Off-System Sales - Intercompany \$/MWh																		
72																			
73																			
74	Total Off-System Sales										447								
75	Total Off-System Sales - MWh																		
76	Average Off-System Sales \$/MWh																		
77																			
78																			
79	Other Revenues																		
80	DOE Credit Fuel from Exlars																		
81	OSS Sharing (Memo only-Retail Off-system sales already reduce)																		
82																			
83																			
84	Steam Generation																		
85	San Juan Generation Costs																		
86	San Juan Coal \$										501								
87	San Juan Oil \$										501								
88	Total San Juan Generation Costs																		
89																			
90																			
91																			
92																			
93																			
94																			
95																			
96																			
97																			
98																			
99																			
100																			

	A			B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	PNM Exhibit SAT-2																	
2	WP Site-6: Test Detail																	
3	Promod Output - Manual Input																	
4																		
5																		
6	Retail Load																	
7	Billed MWh - Includes February 28																	
8	Unbilled MWh																	
9	Total Retail Load MWh																	
10	Total Retail Losses MWh																	
11	FERC Load																	
12	Navasache MWh																	
13	Aztec MWh																	
14	Jicarilla MWh																	
15	Total FERC MWh																	
16																		
17	PV3 Energy Revenues																	
18																		
19	PV3 Toll MWhs																	
20	Average PV3 Energy \$/MWh																	
21																		
22	Jicarilla Revenue																	
23																		
24	Other Market Sales																	
25																		
26																		
27																		
28																		
29																		
30																		
31																		
32																		
33																		
34																		
35																		
36																		
37	PNM Retail Total Off-System Sales																	
38	PNM Retail Total Off-System sales MWhs																	
39	Average PNM Retail Total Off-System Sales \$/MWh																	
40																		
41																		
42																		
43																		
44	PNM FERC Total Off-System Sales																	
45	PNM FERC Total Off-System sales MWhs																	
46	Average PNM FERC Total Off-System Sales \$/MWh																	
47																		
48																		
49																		
50	PNM Marketing Total Off-System Sales																	
51	PNM Marketing Total Off-System sales MWhs																	
52	Average PNM Marketing Total Off-System Sales \$/MWh																	
53																		
54	Total Off-System Market Sales																	
55	Total Off-System Market Sales - MWh																	
56	Average Off-System Market Sales \$/MWh																	
57																		
58	Total Off-System Sales - Intercompany																	
59	Total Off-System Sales - Intercompany - MWh																	
60	Average Off-System Sales - Intercompany \$/MWh																	
61																		
62																		
63																		
64	Total Off-System Sales																	
65	Total Off-System Sales - MWh																	
66	Average Off-System Sales \$/MWh																	
67																		
68	Total Off-System Sales - Intercompany																	
69	Total Off-System Sales - Intercompany - MWh																	
70	Average Off-System Sales - Intercompany \$/MWh																	
71																		
72																		
73																		
74	Total Off-System Sales																	
75	Total Off-System Sales - MWh																	
76	Average Off-System Sales \$/MWh																	
77																		
78	Other Revenues																	
79	DOE Credit Fuel from Enbridge																	
80	OSS Sharing (Memo only-Retail Off-system sales already reduced)																	
81																		
82																		
83																		
84	Steam Generation																	
85	San Juan Generation Costs																	
86	San Juan Fuel Costs																	
87	San Juan Oil \$																	
88	San Juan Generation Costs																	
89																		
90																		

A	B	C	D	E	F	G	H	I
1 PNM Exhibit SAT-2								
2 RTZ Rees-6 Test Cell								
3 Thermal Cost - Thermal Input								
4	FERC	Cost Type	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
50 San Juan Statistics								
51 San Juan MWs			308,408	303,383	374,746	443,379	414,774	443,379
52 San Juan Total Fuel \$/MWh			33.76	33.76	33.22	31.81	31.81	31.81
53								
54 San Juan Tons Coal			186,304	185,118	225,183	267,568	250,286	267,568
55 San Juan Coal \$/Ton			55.29	55.29	55.29	52.72	52.72	52.72
56								
57 San Juan MMBtu - coal			3,427,134	3,355,148	4,098,332	4,868,952	4,555,387	4,868,952
58 San Juan Coal \$/MMBtu			3.04	3.04	3.04	2.80	2.80	2.80
59								
60 San Juan MMBtu - Oil			9,815	9,815	10,869	14,006	14,006	14,006
61 San Juan Oil \$/MMBtu			23.97	23.97	23.97	25.33	25.33	25.33
62								
63 San Juan Fuel Handling			1,024,629	967,427	965,076	855,966	910,527	935,768
64 Four Corners Generation Costs								
65 Total Four Corners Generation Costs			1,877,271	1,927,518	1,873,657	1,122,781	805,556	635,192
66								
67 Four Corners Statistics								
68 Four Corners MWs			95,204	97,732	94,688	55,128	39,709	31,338
69 Four Corners Total Fuel \$/MWh			19.72	19.72	19.79	20.37	20.31	20.36
70								
71 Four Corners Tons Coal			52,499	53,764	52,226	30,509	22,008	17,372
72 Four Corners Coal \$/Ton			35.51	35.60	35.60	36.31	36.31	36.31
73								
74 Four Corners MMBtu - coal			934,477	955,997	928,618	545,056	391,734	309,229
75 Four Corners Fuel \$/MMBtu			2.00	2.00	2.00	2.04	2.04	2.04
76								
77 Total Four Corners Fuel Handling and Waste Disposal			145,548	91,080	101,354	124,932	153,775	134,473
78								
79 Rees-6								
80 Total Rees-6 Generation Costs			-	-	-	-	7,192	7,074
81								
82 Rees-6 Statistics								
83 Rees-6 MWs			-	-	-	-	112	112
84 Rees-6 Fuel \$/MWh			-	-	-	-	64.22	63.16
85								
86 Rees-6 MMBtu			-	-	-	-	1,717	1,717
87 Rees-6 Fuel \$/MMBtu			-	-	-	-	4.19	4.12
88								
89 Total Costs - Steam Generation			13,691,398	13,455,805	15,670,058	16,560,993	15,427,493	16,172,820
90 Total Steam Plants Costs			403,613	401,115	469,434	498,507	454,595	471,829
91 Steam Plants - MWh			4,371,426	4,335,958	5,035,899	5,426,614	4,862,844	5,194,504
92 Steam Plants - MMBtu								
93 Gas Generation								
94 Afton								
95 Total Afton			2,516,975	2,495,768	1,247,051	702,526	380,077	840,320
96								
97 Afton Statistics								
98 La Luz								
99 Total La Luz			277	277	277	84,225	84,225	84,225
100								
101 La Luz Statistics								
102								

[illegible]

A	B	C	D	E	F	G	H	I
1 PNM Exhibit SAT-2								
2 WP Fuel-6 Test Detail								
3 Promed Output - Manual Input								
4								
168 Luna	FERC	Cost Type	Oct-16	Nov-16	Dec-16	Jan-16	Feb-16	Mar-16
171 Total Luna			1,679,531	801,783	1,214,216	851,620	610,154	808,200
172								
173 Luna Staffs/Sec								
179								
180 Lordsburg								
183 Total Lordsburg			165,134	209,262	282,514	290,364	284,440	256,630
184								
185 Lordsburg Staffs/Sec								
191								
192 Rio Bravo								
195 Total Delta								
196								
197 Rio Bravo Staffs/Sec								
203								
204 Valencia								
208 Total Valencia			1,870,027	1,705,613	1,729,376	1,726,603	1,726,603	1,726,603
210 Valencia MWh			2,720	-	320	-	-	-
211 Valencia Energy \$/MWh			687.51	-	5,404.30	-	-	-
212 Total Costs - Gas Generation								
213 Gas Generation - Fuel Cost	547		3,754,124	2,776,884	2,028,654	1,110,581	540,751	1,171,219
223 Gas Generation - Purchased Demand Cost	555		1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986
224 Gas Generation - Fixed Transportation	547		845,834	845,834	845,834	845,834	845,834	845,834
218 Total Gas Plant Generation Costs			6,233,944	5,216,704	4,468,473	3,550,401	3,080,569	3,715,977
217 MWh			168,878	123,401	81,263	41,656	19,384	45,666
218 MMBtu			1,221,781	811,722	616,316	329,569	169,869	357,643
219								
220 Nuclear								
221 Palo Verde								
223 Total Palo Verde			2,124,489	2,191,343	2,285,418	2,285,418	2,154,729	2,225,206
224 Palo Verde Staffs/Sec								
230								
231 Palo Verde Fuel Handling	518		62,977	83,098	88,444	90,899	90,392	89,027
232 Total Costs - Nuclear Generation								
233 Nuclear Plants - Fuel Costs	518		2,124,489	2,191,343	2,285,418	2,285,418	2,154,729	2,225,206
234 Nuclear Plants - Fuel Handling	518		62,977	83,098	88,444	90,899	90,392	89,027
235 Total Nuclear Plant Costs			2,187,466	2,274,441	2,373,862	2,376,318	2,245,121	2,314,233
236 MWh			223,769	236,376	235,106	235,106	274,196	235,106
237 Fuel Costs \$/MWh			9.78	9.62	8.10	8.11	8.19	7.89
238 Renewable MWh								
239			13,997	11,795	10,116	17,442	18,776	20,699
240								
241 Total Fuel Cost			18,441,834	17,365,525	18,897,700	18,978,095	17,059,671	18,501,005
242 Total Fuel Handling			1,231,153	1,141,605	1,174,873	1,065,787	1,154,684	1,156,288
243 Total Purchased Demand			1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986
244 Total Fixed Transportation			845,834	845,834	845,834	845,834	845,834	845,834
245 Total Fuel Related Cost			22,112,806	20,846,950	22,612,393	22,592,649	20,758,122	22,202,030
246								
247 Purchased Power								
248 Renewables								
249								
250								
251 Total Renewable Energy Cost			1,118,749	1,093,148	1,379,886	1,369,013	1,654,620	1,385,731
252 Total Renewable Energy MWh			60,360	60,035	69,808	80,769	90,938	79,810
253 Total Renewable Energy \$/MWh			18.53	18.04	19.77	16.95	18.18	16.99
254								

A		B	C	J	K	L	M	N	O	P
1	PNM Exhibit SAT-2									
2	NP Encl.5: Test Detail									
3	Promod Output - Manual Input									
4		FERC	Cost Type							
168	Luna			Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	
171	Total Luna			736,044	913,367	1,711,743	2,067,922	2,075,136	1,625,125	Total Test Period
172										15,094,352
173	Luna Statistics									
179										
180	Lordsburg									
183	Total Lordsburg			277,972	302,377	286,896	491,434	440,183	197,151	3,484,357
184										
185	Lordsburg Statistics									
191										
192	Rio Bravo									
195	Total Delta			25,040	-	-	10,479	-	-	35,519
196										
197	Rio Bravo Statistics									
203										
204	Valencia									
209	Total Valencia			1,906,173	1,726,603	2,011,097	2,717,147	2,433,570	1,750,906	23,030,319
210	Valencia MW/hrs			2,880	-	4,377	15,670	10,338	332	36,638
211	Valencia Energy M/MWh			661.87	-	459.43	173.40	235.40	5,367.47	628.60
212	Total Costs - Gas Generation									
213	Gas Generation - Fuel Cost	547		1,144,245	1,449,155	3,368,799	5,469,018	5,025,901	3,625,212	31,504,542
214	Gas Generation - Purchased Demand Cost	555		1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	19,127,931
215	Gas Generation - Ficted Transportation	547		950,771	950,771	950,771	950,771	950,771	950,771	11,094,444
216	Total Gas Plants Generation Costs			3,689,002	3,993,912	5,913,556	8,013,775	7,570,658	6,169,969	61,726,916
217	MW/hrs			41,106	57,807	130,666	195,877	163,715	149,063	1,238,504
218	M/MWh			308,665	463,852	974,433	1,389,777	1,328,781	1,114,192	9,175,300
219										
220	Nuclear									
221	Palo Verde									
223	Total Palo Verde			1,548,501	2,236,180	2,288,321	2,362,326	2,352,939	2,288,237	26,340,805
224	Palo Verde Statistics									
230										
231	Palo Verde Fuel Handling	518		70,621	68,897	92,347	92,357	83,326	88,027	999,611
232	Total Costs - Nuclear Generation									
233	Nuclear Plants - Fuel Costs	518		1,546,501	2,236,180	2,288,321	2,362,326	2,352,939	2,288,237	26,340,805
234	Nuclear Plants - Fuel Handling	518		70,621	68,897	92,347	92,357	83,326	88,027	999,611
235	Total Nuclear Plant Costs			1,617,122	2,305,077	2,380,668	2,454,683	2,435,264	2,376,264	27,340,416
236	MW/hrs			214,314	233,224	283,651	293,106	293,106	283,551	3,214,712
237	Fuel Costs \$/MWh			7.55	9.66	8.39	8.37	8.31	8.39	8.50
238										
239	Renewable MW/hrs									
241	Total Fuel Cost			28,194	29,293	28,506	28,946	26,375	24,012	257,051
242	Total Fuel Handling			17,691,697	19,919,895	21,467,899	24,723,752	24,128,739	22,168,143	239,332,996
243	Total Purchased Demand			1,117,613	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	18,076,774
244	Total Fuel Transportation			1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	19,127,931
245	Total Fuel Related Cost			950,771	950,771	950,771	950,771	950,771	950,771	11,094,444
246	Purchased Power			21,354,067	23,426,192	25,247,213	28,076,727	26,068,536	26,312,360	293,632,043
247	Renewables									
248	Total Renewable Energy Cost									
251	Total Renewable Energy M/MWh			1,412,604	1,452,834	1,406,509	765,834	826,220	875,515	14,690,961
252	Total Renewable Energy MW/hrs			84,718	61,994	75,997	46,475	45,765	48,352	825,171
253	Total Renewable Energy \$/MWh			16.59	17.72	18.51	16.48	18.06	18.11	17.73

PNM Exhibit SAT-2	A	B	C	D	E	F	G	H	I
2	WP Fuel-6 Test Detail								
3	Promed Output - Manual Input								
4									
265	ECONOMY								
266	Total Purchased Power Economy Energy								
267	Total Purchased Power Economy MWh's								
268	Average Total Purchased Power Economy \$/MWh								
269	Total Fuel and Purchased Power								
270	Total Fuel and Energy Cost								
271	Total Fuel Handling								
272	Total Fuel Demand								
273	Total Fuel Transportation								
274	Total Fuel and Purchased Power								
275	Total MWh								
276	Total MMBtu								
277	Purchases to serve Economy service								
278	Rec Purchases								
279	Rec Purchase Deferral								
280	Renewable Amortization								
281									
282	Spinning Reserves								
283	Broker Fees								
284	Hedge - Aztec								
285	Hedges								
286	Total Other Costs of Energy								
287									
288	Total Fuel Related Expense								
289									
290	Escalation Rate								
291	Years to Escalate								
292									
293									
294	Fuel Costs Not Specifically Forecasted - Base Period Costs								
295	San Juan Fuel Handling and Waste Disposal								
296	Total San Juan Fuel Handling and Waste Disposal								
297	Four Corners Fuel Handling and Waste Disposal								
298	Total Four Corners Fuel Handling and Waste Disposal								
299	Palo Verde Fuel Handling and Waste Disposal								
300	Total Palo Verde Fuel Handling and Waste Disposal								
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The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.

PNM Exhibit SAT-2: Leap Year Adjustment

WP Fuel-7

Is contained in the following 1 page.

	A	B	C	D	E	F	G
1	PNM Exhibit SAT-2						
2	WP Fuel-7: Leap Year						
3							
4							
5	Reference	FERC	WP Fuel-6-Test Detail Column P Detail	WP Fuel-3-Test COS	February 29	WP Fuel-3-Test COS Leap Year Adjusted	
6	Description			Adjusted Test Period			Reference
7	Production - Base Fuel Related						
8	Coal Generation		177,206,579		431,482		WP Fuel-6: Test Detail Line 134
9	Gas Generation		360,379		877		WP Fuel-6: Test Detail Line 135
10	Oil		3,920,690		9,547		WP Fuel-6: Test Detail Line 138
11							
12	Steam Generation	501		181,487,648	441,806	181,045,742	
13	Steam Fuel Handling and Disposal	501		13,077,163	-	13,077,163	
14	Nuclear	518		26,340,805	64,137	26,276,668	
15	Nuclear Disposal	518		989,611	-	989,611	
16	Gas Generation	547		31,504,542	76,711	31,427,832	
17	Renewables - Owned	547		-	-	-	
18	Wind (NMWEC)	555		14,630,961	35,625	14,595,336	
19	Renewables - PPA	555		-	-	-	
20	Purchased Power Energy	555		8,968,554	21,840	8,947,714	
21	Spinning reserves	555		360,000	-	360,000	
22							
23	Total Fuel Costs (before OSS)			277,370,284	640,219	276,730,065	
24							
25	Off-system Sales	447		(32,745,103)	(79,731)	(32,665,372)	
26	Off-system Sales - PV 3	447		(36,802,652)	(89,611)	(36,713,041)	
27	Off-system Sales Credit	447		916,302	2,231	914,071	
28	Other Revenue Credits to Fuel Clause	518/447		(4,387,606)	-	(4,387,606)	
29	Load Side from Transmission Customers	456.1		-	-	-	
30	Physical Sales of Gas (under FAC hedge plan)			-	-	-	
31	Total Off-System Sales and Miscellaneous credits			(73,019,059)	(167,111)	(72,851,948)	
32							
33	Total Fuel (net OSS)			204,351,225	473,108	203,878,117	
34							
35	Total Firm Load with Losses kWh			9,257,979,677	22,542,345	9,235,437,332	
36	Percentage of One Day's Load				0.243%		

PNM Exhibit SAT-2: Fixed Gas Transportation

WP Fuel-8

Is contained in the following 2 pages.

	A	B	C	D	E	F	G	H
1	PNM Exhibit SAT-2							
2	WP Fuel-8: Fixed Gas Transportation							
3								
4	Description	Base Period	Base Period Normalization Adjustment	Adjusted Base Period	Base Period Adjustment Reference			
5	Fixed Gas Transportation							
6	Afton	4,585,810	(430,254)	4,155,556	Line 27			
7	Reeves							
8	La Luz							
9	Luna	2,983,048	(279,878)	2,703,170	Line 28			
10	Lordsburg	2,150,166	(201,735)	1,948,432	Line 29			
11	Rio Bravo	15,277		15,277				
12	Valencia	1,328,600		1,328,600				
13		11,062,901	(911,866)	10,151,035				
14								
15	Base Period Adjustment							
16	Updated El Paso Natural Gas Fixed Transportation Costs - Effective 7/1/2015							
17	Contract	Primary Delivery Point	Current Term	Transportation Service	Quantity MMBtu/ Day	Pool	Proposed Rate	Total Cost New Rate
18	H222B000	Lordsburg	Nov-Oct	FTH-12	17,500	Keystone	\$ 0.3590	\$ 2,293,113
19	FT2UP000	Afton	Nov-Oct	FT-1	12,000	Blanco	\$ 0.3077	\$ 1,347,726
20	FT2BM000	Lordsburg	Nov-Oct	FT-1	9,000	Keystone	\$ 0.3077	\$ 1,010,795
21	FT2UN000	Afton	Nov-Oct	FT-1	24,000	Blanco	\$ 0.3077	\$ 2,695,452
22	FT2VD000	Lordsburg	Nov-Oct	FT-1	6,000	Keystone	\$ 0.3077	\$ 673,863
23	H222M000	Lordsburg	Nov-Oct	FTH-12	6,000	Keystone	\$ 0.3590	\$ 786,210
24	Total Annual Cost							\$ 8,807,158
25								
26	Allocation to Plants	Base Period	Base Period %	New Cost	Base Period Adj			
27	Afton	4,585,810	47.18%	4,155,556	(430,254)	Line 24 Col H x Col C		
28	Luna	2,983,048	30.69%	2,703,170	(279,878)	Line 24 Col H x Col C		
29	Lordsburg	2,150,166	22.12%	1,948,432	(201,735)	Line 24 Col H x Col C		
30	Total	9,719,024	100.00%	8,807,158	(911,866)			
31								
32								
33								

	A	B	C	D	E	F	G	H
1	PNM Exhibit SAT-2							
2	WP Fuel-8: Fixed Gas Transportation							
3								
34								
35	Description	Linkage Period April 2015 - Sept 2015	Test Period	Test Period Adjustment	Adjusted Test Period	Test Period Adjustment Reference		
36								
37	Fixed Gas Transportation							
38	Afton	2,077,264	4,155,556	-	4,155,556			
39	Reeves	-		262,800	262,800	Line 61		
40	La Luz	-	758,854	667,950	1,426,804	Line 51 + Line 63		
41	Luna	1,351,585	2,703,170	-	2,703,170			
42	Lordsburg	974,216	1,948,432	-	1,948,432			
43	Rio Bravo	7,638	-	65,700	65,700	Line 62		
44	Valencia	664,300	1,528,431	262,800	1,791,231	Line 60		
45		5,075,003	11,094,444	1,259,250	12,353,694			
46								
47	Test Period Adjustment							
48	La Luz Transwestern Interconnection Agreement							
49	dth per day	20,000						
50	\$/dth	0.0825						
51	Annual cost	602,250						
52								
53	Fixed Transportation for Northern Plants Effective 1/1/2016							
54	MMBtu/day	10,000						
55	Reservation Fee \$/MMBtu	0.18						
56	Day Reservation Fee \$	1,800	Line 54 x Line 55					
57	Annual Reservation Fee \$	657,000	Line 56 x 365					
58								
59	Allocation to Plants		Plant % share					
60	Valencia	262,800	40%					
61	Reeves	262,800	40%					
62	Rio Bravo	65,700	10%					
63	La Luz	65,700	10%					
64	Total annual Cost	657,000						
65								
66	Total Test Period Adjustments	1,259,250						

PNM Exhibit SAT-2: Monthly Linkage Fuel Cost and Related Statistics

WP Fuel-9

Is contained in the following 4 pages.

A			B	C	D	E	F	G	H	I	J
1	PNM Exhibit SAT-2										
2	WP Fuel-S: Unitage Detail										
3	Promod Output - Manual Input										
4		FERC	Cost Type	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total Unitage Period	
5											
6	Retail Load										
7	Billed MWh			601,350	582,959	680,246	784,130	824,250	778,685	4,261,010	
8	Unbilled MWh			(4,789)	76,522	39,438	56,879	(32,219)	(97,503)	112,929	
9	Total Retail Load MWh			596,562	659,481	719,684	840,999	812,031	681,182	4,373,939	
10											
11	FERC Load										
12	Navasacho MWh			29,096	30,800	32,528	35,057	32,973	30,295	190,699	
13	Aztec MWh			-	-	-	-	-	-	-	
14	Jicarilla MWh			1,762	1,714	1,742	1,892	1,765	1,694	10,589	
15	Total FERC MWh			30,798	32,514	34,270	36,959	34,758	31,989	202,288	
16											
17	PV3 Energy Revenues			3,644,775	3,824,478	3,610,137	4,200,862	4,109,379	3,873,541	23,462,822	
18											
19	PV3 Toll MWhs			108,000	111,600	108,000	111,600	111,600	108,000	658,800	
20	Average PV3 Energy \$/MWh			33.75	34.27	35.28	37.64	36.82	35.87	35.61	
21											
22											
23	Other Market Sales										
24											
25											
26											
27											
28											
29											
30											
31											
32											
33	PNM Retail Total Off-System Sales			5,173,247	4,073,008	4,251,554	2,824,034	2,178,842	4,028,426	20,529,111	
34	PNM FERC Total Off-System sales MWhs			128,833	157,873	139,201	83,164	79,347	149,012	731,430	
35	PNM Retail Total Off-System Sales \$/MWh			39.75	25.80	30.54	33.96	29.71	27.03	28.07	
36											
37											
38											
39											
40											
41											
42											
43											
44											
45	PNM FERC Total Off-System Sales			141,876	175,760	272,130	280,973	258,387	236,370	1,364,945	
46	PNM FERC Total Off-System sales MWhs			5,688	6,780	8,675	7,652	7,903	8,499	45,096	
47	Average PNM FERC Total Off-System Sales \$/MWh			24.94	26.04	31.55	36.72	32.70	27.81	30.27	
48											
49											
50											
51											
52											
53											
54											
55	PNM Marketing Total Off-System Sales			91,956	25,984	25,907	-	-	20,167	164,014	
56	PNM Marketing Total Off-System sales MWhs			4,356	1,251	1,312	-	-	949	7,827	
57	PNM Marketing Total Off-System Sales \$/MWh			21.21	21.12	19.75	-	-	21.26	20.95	
58											
59											
60											
61	Total Off-System Market Sales			3,048,595	3,577,495	4,106,465	2,624,639	2,001,085	3,363,852	19,222,131	
62	Total Off-System Market Sales - MWh			128,187	137,613	133,898	76,506	67,160	149,159	681,563	
63	Average Off-System Market Sales \$/MWh			24.75	26.00	30.67	34.31	29.80	25.98	28.20	
64											
65											
66	Total Off-System Sales - Intercompany			358,485	696,756	443,126	480,368	436,144	421,060	2,835,939	
67	Total Off-System Sales - Intercompany - MWh			15,670	28,220	15,240	14,310	14,090	15,260	102,790	
68	Total Off-System Sales - Intercompany - MWh			22.88	24.69	29.08	33.57	30.95	27.59	27.59	
69											
70											
71	Total Off-System Sales			3,407,080	4,274,152	4,549,591	3,105,007	2,437,229	4,284,912	22,058,070	
72	Total Off-System Sales - MWh			138,957	165,633	149,138	90,816	81,250	158,459	784,353	
73	Average Off-System Sales \$/MWh			24.54	25.77	30.51	34.19	30.00	27.04	28.12	
74											
75	Other Revenues			-	-	-	-	-	-	-	
76	DOE Credit Fuel from Exiters			-	-	-	-	-	-	-	
77	OSR Sharing			91,352	151,290	114,714	37,670	40,923	122,465	558,995	
78											
79											
80											
81	Steam Generation										
82	San Juan Generation Costs										
83	Total San Juan Generation Costs			12,073,134	11,995,630	12,642,302	13,262,102	13,275,807	12,756,507	76,005,483	
84											

	A	B	C	D	E	F	G	H	I	J
1	PNN Exhibit SAT-2									
2	WP Fuel-9: Linkage Detail									
3	Promod Output - Manual Input									
4		FERC	Cost Type	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total Linkage Period
188	Rio Bravo				-	75,574	36,252	-	-	111,826
190	Total Delta									
193										
194	Rio Bravo Statistics									
200										
201	Valencia									
206	Total Valencia			1,781,714	1,748,904	2,524,957	2,905,690	2,493,591	1,859,540	13,314,396
207	Valencia MWhts			1,280	640	16,425	21,596	12,742	2,597	55,280
208	Valencia Energy \$/MWh			1,391.96	2,732.66	153.73	134.55	195.70	716.00	240.85
209	Total Costs - Gas Generation									
210	Gas Generation - Fuel Cost	547	Fuel Costs	2,212,799	1,974,872	4,751,804	5,710,561	4,715,729	3,446,794	22,802,499
211	Gas Generation - Purchased Demand Cost	555	Demand Energy Expense	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	9,563,915
212	Gas Generation - Fixed Transportation	547	Fuel Costs	845,834	845,834	845,834	845,834	845,834	845,834	5,075,003
213	Total Gas Plants Generation Costs			4,652,619	4,414,692	7,191,624	8,150,380	7,155,549	5,876,554	37,441,417
214	MWhts			110,702	88,164	199,141	217,299	186,862	151,758	953,927
215	MW/Btu			898,453	694,289	1,391,598	1,514,268	1,331,797	1,118,768	6,889,174
216										
217	Nuclear									
218	Palo Verde									
220	Total Palo Verde			1,690,134	2,079,237	2,090,468	2,120,236	2,121,616	2,236,745	12,338,437
221										
222	Palo Verde Statistics									
228										
229	Palo Verde Fuel Handling	518	Fuel - Burn	255,898	209,929	87,137	72,560	89,056	86,726	801,306
230	Total Costs - Nuclear Generation									
231	Nuclear Plants - Fuel Costs	518	Fuel - Burn	1,690,134	2,079,237	2,090,468	2,120,236	2,121,616	2,236,745	12,338,437
232	Nuclear Plants - Fuel Handling	518	Fuel - Burn	255,898	209,929	87,137	72,560	89,056	86,726	801,306
233	Total Nuclear Plant Costs			1,946,032	2,289,167	2,177,605	2,192,796	2,210,672	2,323,471	13,139,744
234	MWhts			198,556	261,389	283,651	293,106	293,106	283,651	1,613,660
235	Fuel Costs \$/MWh			9.80	8.75	7.68	7.48	7.54	8.19	8.14
236										
237	Renewable MWh			15,157	16,875	16,200	15,365	15,409	14,051	93,057
238										
239	Total Fuel Cost			19,037,380	18,253,228	22,046,226	23,792,244	22,491,688	20,645,205	125,246,171
240	Total Fuel Handling			255,898	209,929	87,137	72,560	89,056	86,726	801,306
241	Total Purchased Demand			1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	9,563,915
242	Total Fixed Transportation			845,834	845,834	845,834	845,834	845,834	845,834	5,075,003
243	Total Fuel Related Cost			20,733,097	20,882,977	24,573,183	26,304,624	25,020,764	23,171,750	140,686,996
244										
245	Purchased Power									
246	Renewables									
249	Total Renewable Energy Cost			1,412,804	1,452,834	1,406,509	765,834	826,220	875,515	6,739,715
250	Total Renewable Energy MWh			78,449	76,006	70,689	41,273	40,426	42,788	349,631
260	Total Renewable Energy \$/MWh			18.01	19.11	19.50	18.56	20.46	20.46	19.28
281										
282										
283	Economy									

	A	B	C	D	E	F	G	H	I	J
1	PNN Exhibit SAT-2									
2	WP Fuel-9; Linkage Detail									
3	Promod Output - Manual Input									
4		FERC	Cost Type	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total Linkage Period
292	Total Purchased Power Economy Energy	555	Base Energy Expense	1,314,473	742,889	568,072	574,119	578,798	485,334	4,233,686
293	Total Purchased Power Economy MWh's			56,958	30,431	20,500	16,853	17,982	16,356	159,080
294	Average Total Purchased Power Energy \$/MWh			23.08	24.41	27.71	34.07	32.19	27.84	28.61
295										
296	Total Fuel and Purchased Power									
297	Fuel and Energy Cost			20,764,656	20,428,952	24,020,807	25,132,198	23,856,906	21,976,054	136,219,573
298	Total Fuel Handling			1,406,810	1,252,793	1,157,510	1,036,951	1,137,629	1,139,180	7,130,915
299	Total Purchased Demand			1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	1,593,986	9,563,915
300	Total Fixed Transportation			845,834	845,834	845,834	845,834	845,834	845,834	5,075,003
301	Total Fuel and Purchased Power			24,611,267	24,121,564	27,618,137	28,609,009	27,474,355	25,555,054	157,989,406
302	Total MWh			1,344,261	742,889	568,221	574,560	578,946	455,367	4,264,245
303										
304										
305	Purchases to serve Economy service			2,705,967	2,742,516	2,789,022	3,524,472	3,432,127	3,345,551	18,539,656
306	Purchases to serve Freeport McMoran MWhs									
307	Purchases to serve Freeport McMoran \$/MWh									
308										
309										
310										
311										
312										
313	Rec Purchases	555		1,653,367	1,564,293	1,412,417	1,257,586	1,175,522	1,162,683	8,225,867
314	Rec Purchase Deferral			1,151,596	1,061,420	(2,040,266)	1,460,685	1,580,715	(1,777,311)	1,486,689
315	Renewable Amortization			172,170	172,170	172,170	172,170	172,170	172,170	1,093,020
316	Spinning Reserves			30,000	30,000	30,000	30,000	30,000	30,000	180,000
317	Broker Fees	555		15,000	15,000	15,000	15,000	15,000	15,000	90,000
318	Hedge - Aztec			-	-	-	-	-	-	-
319	Hedges			-	-	-	-	-	-	-
320										
321	Total Other Costs of Energy			3,022,133	2,842,883	(410,679)	2,935,441	3,023,407	(397,459)	11,035,726
322										
323	Total Fuel Related Expense			30,539,387	29,706,963	29,596,480	35,668,922	35,929,890	28,503,146	187,544,787
324										
325										
326										
327										
328										
329	Fuel Costs Not Specifically Forecasted - Linkage Period Costs									
330	San Juan Fuel Handling and Waste Disposal									
331	Total San Juan Fuel Handling and Waste Disposal			1,009,486	953,130	970,518	841,346	897,071	919,969	5,591,519
332										
333	Four Corners Fuel Handling and Waste Disposal									
334	Total Four Corners Fuel Handling and Waste Disposal			141,426	89,734	99,855	123,086	151,502	132,465	738,089
335										
336	Palo Verde Fuel Handling and Waste Disposal									
337	Total Palo Verde Fuel Handling and Waste Disposal			255,898	209,929	87,137	72,560	89,056	86,726	801,306
338										
339	The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and/or columns for print formatting purposes.									

PNM Exhibit SAT-2: Base Period Support to 530 Schedule H-3

WP Fuel-10

Is contained in the following 2 pages.

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit SAT-2								
2	WP Fuel-10: H3-Base Detail								
3	Source: Monthly Retail FPCCAC Filings								
4									
5									
6	1. ACCOUNT 501 - FUEL EXPENSE								
7	a) COAL	\$ 10,740,827	\$ 13,478,701	\$ 12,308,439	\$ 14,371,861	\$ 10,992,585	\$ 12,862,043	\$ 12,681,411	
8	b) GAS	\$ 1,883,999	\$ 2,523,025	\$ 5,231,791	\$ 5,572,675	\$ 5,304,285	\$ 3,075,978	\$ 708,464	
9	c) OIL	\$ 885,793	\$ 770,448	\$ 504,108	\$ 476,122	\$ 766,490	\$ 167,150	\$ 732,355	
10	d) RENEWABLE (RENU)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11	e) TOTAL ACCT 501/547/RENU FUEL EXPENSE	\$ 13,514,619	\$ 16,771,184	\$ 18,044,338	\$ 20,420,658	\$ 17,065,360	\$ 16,105,171	\$ 14,122,230	
12									
13	2. ACCOUNT 518 - NUCLEAR FUEL EXPENSE	\$ 1,083,801	\$ 1,407,290	\$ 1,501,680	\$ 1,498,900	\$ 1,545,529	\$ 1,498,878	\$ 870,811	
14									
15	3. ACCOUNT 555 - PURCHASED POWER EXPENSE								
16	a) FIRM/CAPACITY								
17	FIRM (Delmar+Valencia)	\$ 1,159,533	\$ 926,186	\$ 1,024,413	\$ 431,196	\$ 459,261	\$ 308,202	\$ 108,466	
18	HAZARD SHARING / EMERGENCY	\$ 2,870	\$ 23,661	\$ 5,245	\$ 634	\$ 1,779	\$ 2,664	\$ 11,905	
19	SPINNING RESERVES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20	TOTAL FIRM/CAPACITY	\$ 1,162,403	\$ 949,847	\$ 1,029,658	\$ 431,830	\$ 461,040	\$ 310,866	\$ 120,371	
21	b) CONTINGENT/UNIT COMMITMENT (Other)								
22	c) CONTINGENT/UNIT COMMITMENT (Renewable-NM/REC)	\$ 1,587,210	\$ 1,107,892	\$ 1,244,068	\$ 782,228	\$ 509,397	\$ 800,149	\$ 824,157	
23	d) ECONOMY	\$ 2,087,319	\$ 1,005,986	\$ 3,120,627	\$ 2,638,254	\$ 3,685,983	\$ 2,965,786	\$ 3,748,294	
24	e) TOTAL PURCHASED POWER EXPENSE	\$ 4,835,932	\$ 3,063,715	\$ 5,398,353	\$ 3,852,312	\$ 4,656,412	\$ 4,076,801	\$ 4,692,822	
25									
26	4. LESS ACCOUNT 447 - SALES FOR RESALE								
27	a) FIRM/CAPACITY								
28	CAPACITY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
29	FIRM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
30	HAZARD SHARING / EMERGENCY	\$ (4,005)	\$ (6,941)	\$ (7,273)	\$ (6,439)	\$ (1,045)	\$ (6,325)	\$ (446)	
31	SPINNING RESERVES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
32	b) CONTINGENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
33	c) ECONOMY (100% Off-System sales)	\$ (2,186,182)	\$ (3,114,146)	\$ (1,297,465)	\$ (2,125,878)	\$ (1,345,896)	\$ (2,402,642)	\$ (2,219,353)	
34	d) FIRM SUBTOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
35	SYSTEM SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
36	BLOCK SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
37	OTHER FIRM SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
38	e) TOTAL SALES FOR RESALE	\$ (2,192,187)	\$ (3,121,087)	\$ (1,297,738)	\$ (2,132,317)	\$ (1,346,941)	\$ (2,408,965)	\$ (2,219,799)	
39									
40	f) 10% OFF-SYSTEM SALES MARGIN	\$ 1,009,009	\$ 145,321	\$ 66,018	\$ 57,799	\$ 96,914	\$ 78,324	\$ 29,375	
41									
42	5. APPLICABLE FUEL AND PURCHASED POWER EXPENSE								
43	SUB-TOTAL OF ITEMS 1(d) + 2 + 3(d) + 4(e)	\$ 18,232,174	\$ 18,267,493	\$ 23,710,621	\$ 23,697,382	\$ 22,015,275	\$ 19,350,210	\$ 17,538,439	
44	PRIOR MONTH ADJUSTMENTS: Note 1	\$ (10,499,995)	\$ 13,527	\$ (1,801)	\$ (24,838)	\$ (68,132)	\$ 124,226	\$ 12,172	
45	TOTAL APPLICABLE FUEL AND PURCHASED POWER	\$ 7,732,179	\$ 18,281,020	\$ 23,708,820	\$ 23,672,544	\$ 21,947,143	\$ 19,474,436	\$ 17,550,611	
46									
47	6. APPLICABLE KWH SALES								
48	PRIOR MONTH ADJUSTMENTS(6)								
49	ENERGY BILLED CURRENT MONTH	\$ 603,698,453	\$ 602,536,772	\$ 721,040,841	\$ 868,293,204	\$ 787,638,386	\$ 744,373,816	\$ 752,400,729	
50	TOTAL ENERGY BILLED CURRENT MONTH	\$ 603,698,453	\$ 602,536,772	\$ 721,040,841	\$ 868,293,204	\$ 787,638,386	\$ 744,373,816	\$ 752,400,729	
51									
52	7. BASE FUEL AND PURCHASED POWER EXPENSE								
53	PRIOR MONTH ADJUSTMENTS(6)								
54	TOTAL FUEL BILLED FOR CURRENT MONTH	\$ 15,371,205	\$ 15,346,068	\$ 18,563,125	\$ 26,288,088	\$ 24,021,649	\$ 22,711,456	\$ 22,990,156	
55	TOTAL ENERGY BILLED CURRENT MONTH	\$ 15,371,205	\$ 15,346,068	\$ 18,563,125	\$ 26,288,088	\$ 24,021,649	\$ 22,711,456	\$ 22,990,156	
56									
57	8. INCREASED OR (DECREASED) FUEL AND PURCHASED POWER EXPENSE - (ITEM 5 LESS ITEM 7)	\$ (7,619,025)	\$ 2,934,952	\$ 5,945,695	\$ (2,615,565)	\$ (2,074,509)	\$ (3,337,021)	\$ (5,419,545)	
58	CARRYING CHARGE	\$ 2,375	\$ 8,666	\$ 17,038	\$ 122,500	\$ 117,427	\$ 115,898	\$ 107,427	
59	P. BALANCING ACCOUNT TOTAL (OVER/UNDER COLLECTED)	\$ (7,616,650)	\$ 2,943,618	\$ 5,962,733	\$ (2,493,065)	\$ (1,957,079)	\$ (3,221,123)	\$ (5,312,118)	
60									
61	9. BEGINNING UNDER(OVER) COLLECTION-03/31/14	\$ 60,383,988							
62									
63	10. ACCUMULATED UNDER(OVER) COLLECTION	\$ 52,967,338	\$ 55,911,925	\$ 61,274,688	\$ 58,781,624	\$ 56,824,544	\$ 53,701,422	\$ 48,389,303	
64									
65	Average FPCCAC Rate In Effect \$/kWh	\$ 0.004192	\$ 0.004192	\$ 0.004192	\$ 0.009273	\$ 0.009273	\$ 0.009273	\$ 0.009273	
66									
67	Footnote								
68	Note 1-Line 32, 34, 39: True-up from Prior Month(s): Load kWhs, Revenues, Generation, Purchases, Economy Purchases & Sales								

A	B	J	K	L	M	N	O	P
1	PNM Exhibit SAT-2							
2	WP Fuel-10: H3-Base Detail							
3	Source: Monthly Retail FPCCAC Filings							
4								
5		Nov-2014	Dec-2014	Jan-2015	Feb-2015	Mar-2015		April 2014 to Mar 2015
6	1. ACCOUNT 501 - FUEL EXPENSE							
7	a) COAL	\$ 10,804,040	\$ 15,794,371	\$ 13,025,424	\$ 10,663,763	\$ 11,190,193	\$	\$ 148,913,648
8	b) GAS	\$ 3,698,769	\$ 1,660,526	\$ 2,564,717	\$ 1,879,673	\$ 1,781,462	\$	\$ 35,585,374
9	c) OIL	\$ 345,031	\$ 550,558	\$ 489,441	\$ 649,648	\$ 625,867	\$	\$ 6,967,041
10	d) RENEWABLE (RENEW)	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
11	e) TOTAL ACCT 501/54/RENEW FUEL EXPENSE	\$ 14,847,840	\$ 18,005,455	\$ 15,779,582	\$ 13,193,084	\$ 13,597,522	\$	\$ 191,466,063
12								
13	2. ACCOUNT 518 - NUCLEAR FUEL EXPENSE	\$ 1,085,118	\$ 1,429,362	\$ 1,429,231	\$ 1,390,591	\$ 1,428,544	\$	\$ 16,069,735
14								
15	3. ACCOUNT 555 - PURCHASED POWER EXPENSE							
16	a) FIRM/CAPACITY							
17	FIRM (Delta+Valencia)	\$ 488,634	\$ (30,694)	\$ 172,968	\$ 115,242	\$ 41,379	\$	\$ 5,204,787
18	HAZARD SHARING / EMERGENCY	\$ -	\$ 1,841	\$ 8,669	\$ 12,570	\$ 9,561	\$	\$ 81,398
19	SPINNING RESERVES	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
20	TOTAL FIRM/CAPACITY	\$ 488,634	\$ (28,853)	\$ 181,637	\$ 127,812	\$ 50,940	\$	\$ 5,286,185
21	b) CONTINGENT/UNIT COMMITMENT (Other)	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
22	c) CONTINGENT/UNIT COMMITMENT (Renewable-NMWEQ)	\$ 1,261,887	\$ 990,258	\$ 838,407	\$ 1,091,242	\$ 783,299	\$	\$ 11,724,174
23	d) ECONOMY	\$ 2,165,183	\$ 917,099	\$ 1,513,389	\$ 1,651,409	\$ 1,080,453	\$	\$ 25,979,764
24	e) TOTAL PURCHASED POWER EXPENSE	\$ 3,915,704	\$ 1,878,504	\$ 2,523,433	\$ 2,843,463	\$ 1,914,672	\$	\$ 45,990,123
25								
26	4. LESS ACCOUNT 447 - SALES FOR RESALE							
27	a) FIRM/CAPACITY							
28	CAPACITY	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
29	FIRM	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
30	HAZARD SHARING / EMERGENCY	\$ (4,957)	\$ (3,978)	\$ (2,000)	\$ (598)	\$ (3,877)	\$	\$ (47,882)
31	SPINNING RESERVES	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
32	b) CONTINGENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
33	c) ECONOMY (100% OE-System sales)	\$ (1,512,743)	\$ (2,700,800)	\$ (890,727)	\$ (758,515)	\$ (663,287)	\$	\$ (21,214,675)
34	d) FIRM SURPLUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
35	SYSTEM SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
36	BLOCK SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
37	OTHER FIRM SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
38	e) TOTAL SALES FOR RESALE	\$ (1,517,700)	\$ (2,704,778)	\$ (892,727)	\$ (759,133)	\$ (667,164)	\$	\$ (21,262,557)
39								
40	f) 10% OFF-SYSTEM SALES MARGIN	\$ 25,176	\$ 150,947	\$ 56,979	\$ 40,132	\$ 38,547	\$	\$ 1,866,812
41								
42	5. APPLICABLE FUEL AND PURCHASED POWER EXPENSE							
43	SUB-TOTAL OF ITEMS (6) + 2 + 3(d) + 4(e)	\$ 18,356,138	\$ 18,759,490	\$ 18,956,498	\$ 15,554,377	\$ 16,312,121	\$	\$ 231,130,175
44	PRIOR MONTH ADJUSTMENTS(6): Note 1	\$ (14)	\$ 6,023	\$ 10,308	\$ (416,436)	\$ 782	\$	\$ (10,844,196)
45	TOTAL APPLICABLE FUEL AND PURCHASED POWER	\$ 18,356,124	\$ 18,765,513	\$ 18,966,806	\$ 15,537,901	\$ 16,312,903	\$	\$ 220,285,977
46								
47	6. APPLICABLE KWH SALES							
48	PRIOR MONTH ADJUSTMENTS(6)	\$ (41,133,673)					\$	\$ (41,133,673)
49	ENERGY BILLED CURRENT MONTH	\$ 529,979,460	\$ 668,200,298	\$ 724,478,644	\$ 643,039,916	\$ 653,559,803	\$	\$ 8,292,440,321
50	TOTAL ENERGY BILLED CURRENT MONTH	\$ 488,845,787	\$ 668,200,298	\$ 724,478,644	\$ 643,039,916	\$ 653,559,803	\$	\$ 8,251,306,648
51								
52	7. BASE FUEL AND PURCHASED POWER EXPENSE							
53	PRIOR MONTH ADJUSTMENTS(6)	\$ (838,957)					\$	\$ (838,957)
54	TOTAL FUEL BILLED FOR CURRENT MONTH	\$ 16,326,136	\$ 20,874,845	\$ 23,728,359	\$ 21,120,863	\$ 21,466,976	\$	\$ 248,608,927
55	TOTAL ENERGY BILLED CURRENT MONTH	\$ 15,467,179	\$ 20,874,845	\$ 23,728,359	\$ 21,120,863	\$ 21,466,976	\$	\$ 247,749,969
56								
57	8. INCREASED OR (DECREASED) FUEL AND PURCHASED POWER EXPENSE - (ITEM 5 LESS ITEM 7)	\$ 2,888,945	\$ (2,109,332)	\$ (4,821,553)	\$ (5,582,962)	\$ (5,154,073)	\$	\$ (27,463,991)
58	CARRYING CHARGE	\$ 98,496	\$ 102,766	\$ 98,761	\$ 88,462	\$ 78,307	\$	\$ 957,123
59	BALANCING ACCOUNT TOTAL (OVER)/UNDER COLLECTED	\$ 2,987,441	\$ (2,006,566)	\$ (4,722,792)	\$ (5,494,500)	\$ (5,075,766)	\$	\$ (26,506,866)
60								
61	10. BEGINNING UNDER/(OVER) COLLECTION-03/31/14						\$	\$ 60,583,988
62								
63	11. ACCUMULATED UNDER/(OVER) COLLECTION	\$ 51,376,745	\$ 49,370,178	\$ 44,647,386	\$ 39,152,886	\$ 34,077,120	\$	\$ 34,077,120
64								
65	Endnote							
66	Average FPCCAC Rate In Effect \$/kWh	\$ 0.009955	\$ 0.009955	\$ 0.011558	\$ 0.011558	\$ 0.011558		
67								
68	Note 1-Line 32, 34, 39: True-up from Prior Month(s): Load MW/hrs, Revenues, Generation, Purchases, Economy Purchases & Sales							

PNM Exhibit SAT-2: Linkage Support to 530 Schedule H-3

WP Fuel-11

Is contained in the following 1 page.

[illegible]

PNM Exhibit SAT-2: Test Period Support to 530 Schedule H-3

WP Fuel-12

Is contained in the following 2 pages.

	A	J	K	L	M	N	O	P
1	PNM Exhibit SAT-2							
2	WP Fuel-12: H3-Test Detail							
3	Adjusted Test Period Retail Only							
4								
5								
6								
7		Jun-2016	Jul-2016	Aug-2016	Sep-2016		Adjusted Test Period	Reference
8								
9	Steam Generation	15,085,402	16,117,047	15,981,365	15,499,062		173,157,365	(WP Fuel-6: Test Detail Line 134 + Line 136 + Line 138) + WP Fuel-3: Test COS Col X, Line 57
10	Steam Fuel Handling and Disposal	1,089,745	684,911	1,241,965	1,451,599		12,476,921	WP Fuel-6: Test Detail Line 139 * WP Fuel-3: Test COS Col X, Line 57
11	Nuclear	1,455,601	1,502,675	1,496,513	1,455,548		16,755,386	WP Fuel-6: Test Detail Line 223 * WP Fuel-3: Test COS Col X, Line 58
12	Nuclear Disposal	58,742	58,748	53,003	55,994		635,852	WP Fuel-6: Test Detail Line 234 * WP Fuel-3: Test COS Col X, Line 58
13	Gas Generation (Includes gas for Valencia and Rio Bravo)	3,214,171	5,217,990	4,795,212	3,458,815		30,058,484	WP Fuel-6: Test Detail Line 213 * WP Fuel-3: Test COS Col X, Line 57
14	Renewables - Owned							
15	Wind (NIMWEC)	1,406,509	765,834	826,220	875,515		14,630,961	WP Fuel-6: Test Detail Line 261
16	Renewables - PPA							
17	Purchased Power Energy (excludes gas for Valencia and Rio Bravo)	340,962	390,465	326,895	118,454		3,007,159	WP Fuel-6: Test Detail Line 266 + Line 270
18	Spinning reserves	28,623	28,623	28,623	28,623		343,476	WP Fuel-6: Test Detail Line 312 * WP Fuel-3: Test COS Col X, Line 57
19								
20	Total Fuel Costs (before OSS)	22,679,454	24,766,294	24,749,797	22,943,609		251,065,605	Sum of Lines 9 through 19
21								
22	Off-system Sales	(1,611,086)	(2,088,002)	(2,720,864)	(4,566,766)		(29,492,451)	WP Fuel-6: Test Detail Line 36
23	Off-system Sales - PV 3							
24	Off-system Sales Credit	38,602	26,058	57,590	142,560		916,302	WP Fuel-6: Test Detail Line 80
25	Amortization of DOE Credit	(359,622)	(359,622)	(359,622)	(359,622)		(4,315,461)	WP Fuel-3: Test COS Col X, Line 24 / 12
26	Load Side from Transmission Customers							
27	Physical Sales of Gas (under FAC hedge plan)							
28	Total Off-System Sales and Miscellaneous credits	(1,932,105)	(2,421,566)	(3,022,896)	(4,783,828)		(32,891,609)	Sum of Lines 22 through 27
29								
30	Total Fuel (net OSS)	20,747,349	22,344,728	21,726,901	18,159,781		218,173,996	Line 20 + Line 28
31								
32	Billed kWh	680,245,662	750,250,987	821,349,181	781,947,651		8,305,485,856	WP Fuel-6: Test Detail Line 7
33								
34	Retail Fuel Cost \$/kWh						0.026270	Line 30 / Line 32

PNM Exhibit SAT-2: New Coal Contract and San Juan Restructuring

WP Fuel-13

Is contained in the following 1 page.

	A	B	C	D	E
1	PNM Exhibit SAT-2				
2	WP Fuel-13: New Coal Contract				
3					
4		Test Period			Reference to PNM Exhibit SAT-2
5	Total Delivered Tons		Tons	\$/Ton	
6	Total Delivered Tons to Serve PNM		2,963,471		WP Fuel-6: Test Detail Col P, Line 94
7	Total Delivered Tons to Serve Exiting Participants		1,520,113		Manual Input
8			4,483,584		Line 6 + Line 7
9	Total Delivered Tons by Category				
10	Previously Mined Tons		1,099,455		Westmoreland Coal Agreement
11	Tier 1 Tons		3,155,177		Westmoreland Coal Agreement
12	Tier 2 Tons		228,952		Line 8 - Line 10 - Line 11
13	Total Delivered Tons		4,483,584		Line 10 + Line 11 + Line 12
14					
15	Total Cost Added to Inventory \$	\$ 91,398,846	2,963,471	30.84	Westmoreland Coal Agreement
16					
17	1/1/2016 Estimated Inventory Balance \$	\$ 20,367,084	507,783	40.11	
18					
19	12/31/2016 Estimated Inventory Balance \$	\$ 111,765,930	3,471,254	32.20	Line 15 + Line 17
20					
21	Calculation of 501 Coal Expense				
22	Coal From Inventory	\$ 95,416,550	2,963,471	32.20	Col C x Col D
23	Amortization of Previously Deferred Coal (long-wall)	438,401			
24	Property Tax Reimbursement \$	513,079			\$700,000 x 73.297%
25	Utility Payment Stream \$	\$ 7,893,630			\$10,769,377 x 73.297%
26	Gross Receipts Tax \$	\$ 8,570,278			
27	Total Cost of SJGS Coal Under New Contract	\$ 112,831,938			Sum of Lines 22 through 26
28			kWh	\$/kWh	
29	Coal In Test Period base on BHP Contract	157,763,909			WP Fuel-6: Test Detail Col P, Line 86
30	Total Savings	\$ (44,931,971)			Line 27 - Line 29
31	Retail Share of Savings	\$ (42,869,594)	8,284,143,303	(0.005175)	Line 30 * WP Fuel-3-Test COS Col X, Line 57

PROMOD Inputs

PNM Exhibit SAT-3

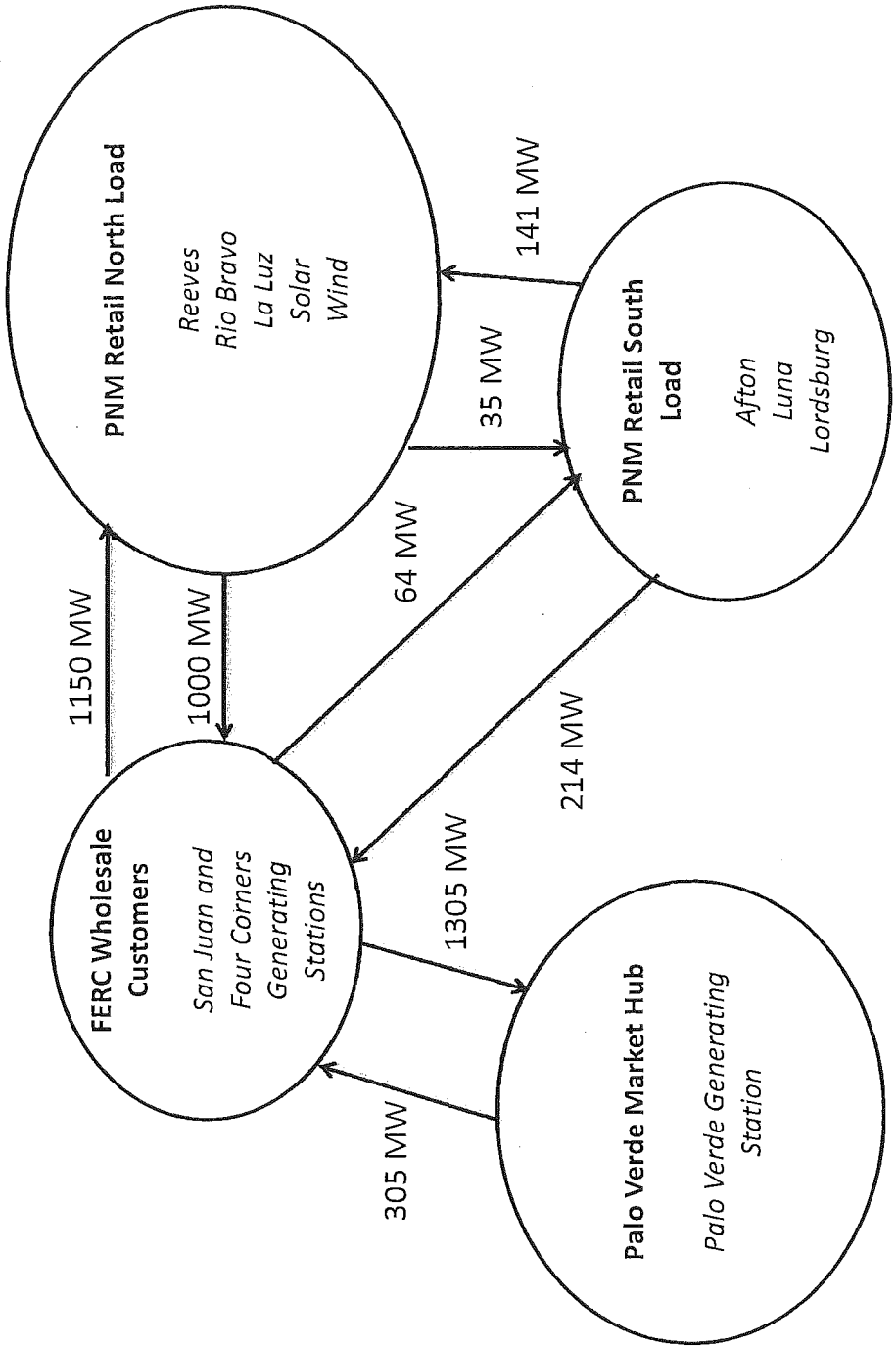
Is contained in the following 16 pages.

PNM Exhibit SAT-3: System Diagram

WP Input-1

Is contained in the following 1 page.

PNM Exhibit SAT-3
WP Input-1: System Diagram



PNM Exhibit SAT-3: Generating Unit Input

WP Input-2

Is contained in the following 2 pages.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit SAT-3													
2	WP Input-2 Generating Units													
3														
4														
5														
6														
7														
8	Unit Name	Unit Number	Type	Primary Fuel	Secondary Fuel	Planned Outage Dates				Maximum Available Capacity	Operating Capacity	EFOR ²	Operating Capacity	EFOR ²
						2015	2015	2016	2016					
9														
10	AFTONCC	1	CC-CT	TURB GAS	CTOIL	9/27/2015	10/4/2015	4/1/2016	4/8/2016	230	230	5.00%	230	5.00%
11	FOURCORN	4	Steam	FC COAL	FC GAS			3/24/2016	4/20/2016	100	77	22.78%	77	23.00%
12	FOURCORN	5	Steam	FC COAL	FC GAS			1/9/2016	4/4/2016	100	75	24.55%	73	27.00%
13	LALUZ	1	Aeroderivative	VAL GAS										
14	LORDSBRG	1	Aeroderivative	TURB GAS		4/1/2015	4/4/2015	3/1/2016	3/4/2016	40	40	5.00%	40	5.00%
15	LORDSBRG	2	Aeroderivative	TURB GAS		9/19/2015	11/12/2015	3/1/2016	3/3/2016	40	40	5.00%	40	5.00%
16	LUNA	1	CC-CT	TURB GAS	CTOIL	4/19/2015	5/15/2015	5/1/2016	5/11/2016	186	186	5.00%	186	5.00%
17	LUNA	1	CC-CT			11/13/2015	11/22/2015	11/1/2016	11/11/2016					
18	P. VERDE	1	Nuclear	U235-1				4/9/2016	5/19/2016	134	131	2.00%	131	2.00%
19	P. VERDE	2	Nuclear	U235-2		10/10/2015	11/15/2015			134	131	2.00%	131	2.00%
20	P. VERDE	3	Nuclear	U235-3		4/4/2015	5/10/2015	10/8/2016	11/17/2016	134	131	2.00%	131	2.00%
21	RIOBRAVO	1	CT	ALB. GAS		11/16/2015	11/27/2015	5/16/2016	5/20/2016	138	138	5.00%	138	5.00%
22	REEVES	1	Steam	ALB. GAS		4/13/2015	4/24/2015	2/29/2016	3/11/2016	44	44	5.00%	44	5.00%
23	REEVES	2	Steam	ALB. GAS		4/27/2015	5/8/2015	3/14/2016	3/25/2016	44	44	5.00%	44	5.00%
24	REEVES	3	Steam	ALB. GAS		9/26/2015	11/6/2015	3/28/2016	5/13/2016	66	66	5.00%	66	5.00%
25	SAN JUAN	1	Steam	SI COAL	SIDIESEL	2/12/2015	4/18/2015			170	143	15.75%	141	17.00%
26	SAN JUAN	2	Steam	SI COAL	SIDIESEL					170	136	20.00%	134	21.00%
27	SAN JUAN	3	Steam	SI COAL	SIDIESEL					208	166	20.00%	164	21.00%
28	SAN JUAN	4	Steam	SI COAL	SIDIESEL	10/3/2015	11/27/2015			235	193	18.00%	200	15.00%
29	VINCIPA	1	CT	VAL GAS		11/16/2015	11/27/2015	3/14/2016	3/19/2016	155	155	5.00%	155	5.00%
30														
31														
32	Notes:													
33	1) See PNM Exhibit SAT-3, WP Input-5: Fuel Cost for													
34	2) Effective Forced Outage Rate ("EFOR") Four Corners, San Juan and Palo Verde forced outages are modeled as operating derates to the units													
35														WP Input-2 Page 1 of 2

	A	B	O	P	Q	R	S	T	U
1	PNM Exhibit SAT-3								
2	WP Input-2 Generating Units								
3									
4									
5									
6									
7									
	Unit Name	Unit Number	Unit Maturity Date	Available for Operating Regulation	Available for Spinning	PNM Retail	FERC	Other	Official Plant Name
9									
10	AFTONCC	1	7/1/2007	NO	YES	95.41%	4.59%	0.00%	Afton Generating Station
11	FOURCORN	4	12/31/1969	NO	YES	95.41%	4.59%	0.00%	Four Corners Power Plant
12	FOURCORN	5	6/30/1970	NO	YES	95.41%	4.59%	0.00%	
13	LALUZ	1	5/1/2016	NO	YES	95.41%	4.59%	0.00%	La Luz Energy Center
14	LORDSBRG	1	7/1/2002	NO	YES	95.41%	4.59%	0.00%	
15	LORDSBRG	2	7/1/2002	NO	YES	95.41%	4.59%	0.00%	Lordshurg Generating Station
16	LUNA	1	5/15/2006	NO	YES	95.41%	4.59%	0.00%	Luna Energy Facility
17	LUNA	1							
18	P. VERDE	1	1/28/1986	NO	NO	63.61%	3.05%	33.34%	Palo Verde Generating Station
19	P. VERDE	2	9/19/1986	NO	NO	63.61%	3.05%	33.34%	
20	P. VERDE	3	1/8/1988	NO	NO	63.61%	3.05%	33.34%	
21	RIOBRAVO	1		NO	YES	95.41%	4.59%	0.00%	Rio Bravo Generating Station
22	REEVES	1	8/31/1960	NO	YES	95.41%	4.59%	0.00%	Reeves Generating Station
23	REEVES	2	12/31/1958	NO	YES	95.41%	4.59%	0.00%	
24	REEVES	3	7/31/1962	NO	YES	95.41%	4.59%	0.00%	
25	SAN JUAN	1	12/31/1976	NO	NO	95.41%	4.59%	0.00%	San Juan Generating Station
26	SAN JUAN	2	11/30/1973	YES	NO	95.41%	4.59%	0.00%	
27	SAN JUAN	3	12/31/1979	NO	NO	95.41%	4.59%	0.00%	
28	SAN JUAN	4	4/28/1982	NO	NO	95.41%	4.59%	0.00%	
29	VINCPPA	1	4/1/2008	NO	YES	95.41%	4.59%	0.00%	
30									
31									
32	Notes:								
33	1) See PNM Exhibit SAT-3, WP Input-5: Fuel Cost for 2) Effective Forced Outage Rate ("EFOR") Four Corners, San Juan and Palo Verde forced outages are modeled as operating derates to the units								
34									
35									WP Input-2 Page 2 of 2

PNM Exhibit SAT-3: Generating Unit Heat Rates

WP Input-3

Is contained in the following 1 page.

[illegible]

PNM Exhibit SAT-3: Monthly Summary of Hourly Inputs

WP Input-4

Is contained in the following 3 pages.

	A	B	C	D	E	F	G
1	PNM Exhibit SAT-3						
2	WP Input-4: Monthly Summaries						
3	Summary of Hourly Input Data						
4							
5	Market Price (\$/MWh)	2015	2016				
6	OFF PEAK						
7	January		\$ 25.08		Jicarilla	2015	2016
8	February		\$ 25.21		January		2,187
9	March		\$ 24.39		February		1,925
10	April	\$ 21.74	\$ 22.06		March		1,985
11	May	\$ 19.84	\$ 21.77		April	1,762	1,762
12	June	\$ 20.98	\$ 21.20		May	1,714	1,714
13	July	\$ 25.99	\$ 25.28		June	1,742	1,742
14	August	\$ 25.00	\$ 25.41		July	1,892	1,892
15	September	\$ 24.48	\$ 24.91		August	1,785	1,785
16	October	\$ 23.24			September	1,694	1,694
17	November	\$ 22.84			October	1,839	
18	December	\$ 24.52			November	1,989	
19					December	2,258	
20	ON PEAK	29.84	30.51		Navopache	2015	2016
21	January		\$ 27.45		January		45,142
22	February		\$ 27.64		February		38,606
23	March		\$ 28.63		March		37,293
24	April	\$ 23.48	\$ 26.57		April	29,036	31,619
25	May	\$ 26.24	\$ 28.25		May	30,800	31,226
26	June	\$ 28.23	\$ 30.04		June	32,528	32,510
27	July	\$ 39.75	\$ 37.41		July	35,067	35,050
28	August	\$ 35.74	\$ 37.29		August	32,973	32,956
29	September	\$ 30.98	\$ 31.69		September	30,295	30,278
30	October	\$ 28.74			October	31,821	
31	November	\$ 27.10			November	34,735	
32	December	\$ 28.01			December	44,539	
33							
34	Hourly Retail Loads						
35							
36	PNM Retail (MWh) Includes February 29	2015	2016				
37	January		735,232				
38	February		655,034				
39	March		651,235				
40	April	601,350	600,419				
41	May	582,359	613,477				
42	June	690,246	680,246				
43	July	784,120	750,251				
44	August	824,250	821,349				
45	September	778,685	781,948				
46	October	692,683					
47	November	629,272					
48	December	684,341					
49							WP Input 4 Page 1 of 3

	A	B	C	D	E	F	G
1	PNM Exhibit SAT-3						
2	WP Input-4: Monthly Summaries						
50							
51							
52							
53							
54	SOLARPV - Thin Film Fixed Solar				NMVEC		
55	January		7,864		January		50,239
56	February		7,870		February		60,720
57	March		9,378		March		47,185
58	April	9,609	9,607		April	51,846	51,846
59	May	10,503	10,455		May	53,315	53,315
60	June	9,604	9,512		June	51,615	51,615
61	July	9,247	9,162		July	28,104	28,104
62	August	9,355	9,341		August	30,320	30,320
63	September	8,715	8,628		September	32,129	32,129
64	October	9,423			October	41,055	
65	November	8,086			November	39,750	
66	December	7,040			December	50,638	
67							
68	SOLARTR - Thin Film Tracking Solar				Red Mesa		
69	January		3,389		January		21,697
70	February		3,675		February		21,493
71	March		4,693		March		23,569
72	April	5,549	5,588		April	24,386	24,386
73	May	6,372	6,373		May	20,566	20,566
74	June	6,596	6,596		June	17,185	17,185
75	July	6,117	6,024		July	11,329	11,329
76	August	6,033	6,032		August	8,233	8,233
77	September	5,336	5,263		September	8,712	8,712
78	October	4,574			October	17,077	
79	November	3,710			November	17,995	
80	December	3,075			December	16,697	
81							
82	Geothermal				SOLARTR2-Planned Crystalline Tracking Solar		
83	January	2015	2016		January	2015	2016
84	February		8,833		February		6,189
85	March		8,785		March		7,232
86	April	2,218	9,156		April		9,627
87	May	2,125	8,113		May		10,999
88	June	1,888	7,197		June		12,465
89	July	1,840	7,042		July		12,399
90	August	1,873	7,202		August		11,659
91	September	1,947	7,511		September		11,003
92	October	2,228			October		10,120
93	November	2,289			November		
94	December	2,472			December		
95							
96							
97							WP Input 4 Page 2 of 3

	A	B	C	D	E	F	G
1	PNM Exhibit SAT-3						
2	WP Input-4: Monthly Summaries						
98							
99	Off-System Sales Margin						
100	Sales Revenue	2015	2016		Excess Cost	2015	2016
101	January		\$ 1,744,633.62		January		\$ 983,485.55
102	February		\$ 2,425,325.12		February		\$ 1,059,496.25
103	March		\$ 2,755,234.61		March		\$ 1,511,848.46
104	April	\$ 2,797,425.90	\$ 2,673,899.50		April	\$ 1,884,104.51	\$ 1,645,595.10
105	May	\$ 3,661,778.01	\$ 2,938,777.43		May	\$ 2,148,874.01	\$ 1,675,589.88
106	June	\$ 3,701,307.20	\$ 1,478,892.96		June	\$ 2,554,165.48	\$ 1,092,869.09
107	July	\$ 2,160,069.46	\$ 1,807,601.16		July	\$ 1,783,367.83	\$ 1,547,019.57
108	August	\$ 1,650,096.95	\$ 2,414,594.73		August	\$ 1,240,866.71	\$ 1,838,697.02
109	September	\$ 3,562,325.54	\$ 4,401,170.63		September	\$ 2,337,671.32	\$ 2,975,572.79
110	October	\$ 1,838,866.44			October	\$ 1,536,087.42	
111	November	\$ 1,195,102.85			November	\$ 979,505.37	
112	December	\$ 1,033,629.61			December	\$ 698,940.50	
113							
114	OSS Margin-Sales Revenue-Excess Cost	2015	2016				
115	January		\$ 761,148.07				
116	February		\$ 1,365,828.87				
117	March		\$ 1,243,386.15				
118	April	\$ 913,321.39	\$ 1,028,304.40				
119	May	\$ 1,512,904.00	\$ 1,265,187.55				
120	June	\$ 1,147,141.72	\$ 386,023.87				
121	July	\$ 376,701.63	\$ 260,581.59				
122	August	\$ 409,230.24	\$ 575,897.71				
123	September	\$ 1,224,654.22	\$ 1,425,597.84				
124	October	\$ 302,779.02					
125	November	\$ 215,597.48					
126	December	\$ 334,689.11					
127							
128							
129							
130							
131							
132							
133							
134							
135							
136							WP Input 4 Page 3 of 3

PNM Exhibit SAT-3: Fuel cost inputs in cents/MMBtu

WP Input-5

Is contained in the following 2 pages.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit SAT-3													
2	WP Input-5: Fuel Cost													
3	All fuel inputs are in cents/MMBtu													
4														
5	FC COAL	2015	2016	Reference	FC GAS	2015	2016	Reference						
6	January		194.00		January		312.70	WP Input-8: Gas Pricing Detail						
7	February		194.00		February		314.60							
8	March		194.00		March		308.10							
9	April	194.00	194.00		April	230.73	291.70							
10	May	194.00	194.00		May	256.44	292.40							
11	June	194.00	196.00		June	257.62	295.80							
12	July	194.00	255.00		July	275.00	298.70							
13	August	194.00	255.00		August	271.80	301.30							
14	September	194.00	255.00		September	270.70	300.80							
15	October	194.00			October	271.60								
16	November	194.00			November	282.90								
17	December	194.00			December	301.70								
18														
19														
20	SI COAL	2015	2016	Reference	SI DIESEL	2015	2016							
21	January		78.70	WP Input-6: S/GS Coal Pricing	January		2,532.90							
22	February		78.70		February		2,532.90							
23	March		78.70		March		2,532.90							
24	April	74.20	78.70		April	2,387.33	2,532.90							
25	May	74.20	78.70		May	2,387.33	2,532.90							
26	June	74.20	78.70		June	2,387.33	2,532.90							
27	July	74.20	78.70		July	2,387.33	2,532.90							
28	August	74.20	78.70		August	2,387.33	2,532.90							
29	September	74.20	78.70		September	2,387.33	2,532.90							
30	October	74.20			October	2,387.33								
31	November	74.20			November	2,387.33								
32	December	74.20			December	2,387.33								
33														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit SAT-3													
2	WP Input-5: Fuel Cost													
3	All fuel inputs are in cents/MMBtu													
34														
35	U235-1	2015	2016	Reference	U235-2	2015	2016	Reference	U235-3	2015	2016	Reference		
36	January		75.89	WP Input-7: Nuclear Fuel Detail	January		75.84	WP Input-7: Nuclear Fuel Detail	January		72.96	WP Input-7: Nuclear Fuel Detail		
37	February		76.76		February		79.49		February		72.96			
38	March		75.89		March		78.54		March		73.64			
39	April	76.98	23.76		April	64.17	79.72		April	330.37	72.96			
40	May	75.89	200.13		May	62.10	78.54		May	101.69	74.06			
41	June	76.98	82.62		June	64.17	79.72		June	74.06	72.96			
42	July	75.89	82.44		July	62.10	78.54		July	72.96	74.06			
43	August	75.89	82.44		August	62.10	78.54		August	72.96	72.96			
44	September	76.98	82.62		September	64.17	79.72		September	74.06	74.06			
45	October	75.89			October	213.91			October	72.96				
46	November	76.98			November	153.68			November	74.06				
47	December	75.89			December	78.54			December	72.96				
48														
49	TURB GAS	2015	2016	Reference	ALB. GAS	2015	2016	Reference	VAL GAS	2015	2016	Reference		
50	January		336.99	WP Input-8: Gas Pricing Detail	January		416.94	WP Input-8: Gas Pricing Detail	January		365.53	WP Input-8: Gas Pricing Detail		
51	February		338.33		February		418.95		February		367.57			
52	March		331.35		March		412.06		March		360.58			
53	April	250.35	310.69		April	329.95	394.65		April	277.32	342.93			
54	May	278.21	311.02		May	357.23	395.39		May	304.98	343.68			
55	June	279.61	314.67		June	358.48	399.00		June	306.25	347.34			
56	July	297.87	320.62		July	376.93	403.14		July	324.96	351.54			
57	August	294.97	324.11		August	373.53	404.84		August	321.51	358.26			
58	September	293.36	322.50		September	372.37	404.31		September	320.33	352.72			
59	October	294.92			October	373.32			October	321.30				
60	November	304.47			November	385.31			November	333.46				
61	December	324.86			December	405.26			December	353.69				
62														
63	COIL	2015	2016											
64	January		2,097.24											
65	February		2,097.24											
66	March		2,097.24											
67	April	2,097.24	2,097.24											
68	May	2,097.24	2,097.24											
69	June	2,097.24	2,097.24											
70	July	2,097.24	2,097.24											
71	August	2,097.24	2,097.24											
72	September	2,097.24	2,097.24											
73	October	2,097.24	2,097.24											
74	November	2,097.24	2,097.24											
75	December	2,097.24	2,097.24											
76														WP Input-5 Page 2 of 2

PNM Exhibit SAT-3: San Juan coal pricing

WP Input-6

Is contained in the following 1 page.

PNM Exhibit SAT-3

WP Input-6: SJGS Coal Pricing

2015 Q1 Reforecast San Juan Coal Price with GRT (IIA Budget)

(All \$ in Millions unless otherwise noted)

No Deal		
	2015	2016
Total Project All-In Cost with UPS	\$341.78	\$349.00
SJM Reclamation	\$4.01	\$1.39
LPM Reclamation	\$0.48	\$0.30
Delta RRR Affect (8% vs. Other)	\$0.00	\$0.00
Total Reclamation	\$4.49	\$1.69
Total Project Coal-Only Mining Cost	\$337.29	\$347.31
Annual Mining Escalation	6.00%	6.00%
Delta RRR Affect (8% vs. Other)	\$0.0	\$0.0
CBM Costs	\$0.0	\$0.0
Revised Total Project Coal-Only Cost	\$337.29	\$347.31
Project Coal Only with RRR Removed	\$337.29	\$347.31
PNM Coal Expense Calculation:		
PNM All-In Cost to SJCC for Coal Burned	\$ 159.08	\$ 162.12
Less PNM Reclamation	\$ (2.08)	\$ (0.78)
PNM Coal Only Cost to SJCC for Burn	\$ 157.00	\$ 161.34
PNM Inventory Effects (Reserve+Roll)	\$ (10.43)	\$ 3.22
Other Adjustments	\$ -	\$ -
PRC-directed Cost Levelizations	\$ 1.07	\$ 0.44
PNM Adj.-Coal-Only (Coal Expense) Cost	\$ 147.64	\$ 165.00
Coal Heating Content (Btu/Lb)	9,105	9,100
PNM PRICING		
	2015	2016
Coal Expense Base Price (\$/MMBtu Burned)	\$3.038	\$3.357
Coal Expense Incr. Price (\$/MMBtu Burned)	\$0.742	\$0.787
Coal Expense Avg. Price (\$/MMBtu Burned)	\$2.793	\$2.970
PROJECT PRICING		
All-In Base Price (\$/MMBtu Burned)	\$3.281	\$3.296
All-In Incr. Price (\$/MMBtu Burned)	\$0.742	\$0.787
All-In Avg. Price (\$/MMBtu Burned)	\$3.060	\$2.945

Notes

UPS Payment Included in Total Project All In Cost

Total Project Coal-Only Mining Cost figures include mining cost escalation, production and other adjustments.

GRT effects are included in this price forecast to proxy effective coal prices for modeling purposes.

GRT would be paid through San Juan Fuels (Coal Refiner).

Underlying burn forecast for 2015 - 2016 provided by PNM Modeling Group.

Post-2014 escalation based on review of SJCC Budget cost escalation 2003 to 2015

Escalation review file - 2015 Budget Escalation Update.xlsm

Cost basis is the SJCC 2015 IIA Budget with adjustments as noted

2015 Reclamation cost estimates based on 2015 SJCC Budget and PNM Fuels Accounting Adjustments

PACE Wiley Reclamation Scenario 1B used for 2016 Reclamation

2015 Project Base & incremental prices are taken from the 2015 IIA.

PRC cost levelizations estimated by PNM Fuels Accounting.

Reserve Pile effects forecasted at 5M tons at Year end 2015 and 4.5M tons at end of 2016.

PNM Exhibit SAT-3: Nuclear Fuel Detail

WP Input-7

Is contained in the following 2 pages.

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit SAT-3									
2	WP Input-7: Nuclear Fuel Detail									
3										
4										
5			FY15	FY15	FY15	FY15	FY15	FY15	FY15	FY15
6			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
7	PV1 Nuclear Fuel Amortization	u1	(748,716)	(762,716)	(748,716)	(762,716)	(762,716)	(748,716)	(762,716)	(748,716)
8	PV2 Nuclear Fuel Amortization	u2	(624,186)	(624,186)	(624,186)	(624,186)	(624,186)	(624,186)	(624,185)	(747,369)
9	PV3 Nuclear Fuel Amortization	u3	(321,332)	(692,332)	(720,332)	(733,332)	(733,332)	(720,332)	(733,332)	(720,332)
10										
11	Heat Input	u1	972,640	1,005,061	972,640	1,005,061	1,005,061	972,640	1,005,061	972,640
12		u2	972,640	1,005,061	972,640	1,005,061	1,005,061	972,640	291,792	486,320
13		u3	97,264	680,848	972,640	1,005,061	1,005,061	972,640	1,005,061	972,640
14										
15										
16										
17										
18			FY15	FY15	FY15	FY15	FY15	FY15	FY15	FY15
19	Nuclear Fuel Cost	u1	76.98	75.89	76.98	75.89	75.89	76.98	75.89	76.98
20		u2	64.17	62.10	64.17	62.10	62.10	64.17	213.91	153.68
21		u3	330.37	101.69	74.06	72.96	72.96	74.06	72.96	74.06
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										
33										WP Input-7 Page 1 of 2

	A	K	L	M	N	O	P	Q	R	S	T
1	PNM Exhibit SAT-3										
2	WP Input-7: Nuclear Fuel Detail										
3											
4											
5		FY15	FY16	FY16	FY16	FY16	FY16	FY16	FY16	FY16	FY16
6		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
7	PV1 Nuclear Fuel Amortization	(762,716)	(762,716)	(721,716)	(762,712)	(61,618)	(778,618)	(803,618)	(828,618)	(828,618)	(803,618)
8	PV2 Nuclear Fuel Amortization	(789,369)	(789,369)	(747,369)	(789,369)	(775,369)	(789,369)	(775,369)	(789,369)	(789,369)	(775,369)
9	PV3 Nuclear Fuel Amortization	(733,332)	(733,332)	(692,332)	(733,332)	(720,332)	(733,332)	(720,332)	(733,332)	(733,332)	(720,332)
10											
11	Heat Input	1,005,061	1,005,061	940,218	1,005,061	259,371	389,056	972,640	1,005,061	1,005,061	972,640
12		1,005,061	1,005,061	940,218	1,005,061	972,640	1,005,061	972,640	1,005,061	1,005,061	972,640
13		1,005,061	1,005,061	940,218	1,005,061	972,640	1,005,061	972,640	1,005,061	1,005,061	972,640
14											
15											
16											
17		FY15	FY16	FY16	FY16	FY16	FY16	FY16	FY16	FY16	FY16
18		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
19	Nuclear Fuel Cost	75.89	75.89	76.76	75.89	23.76	200.13	82.62	82.44	82.44	82.62
20		78.54	78.54	79.49	78.54	79.72	78.54	79.72	78.54	78.54	79.72
21		72.96	72.96	73.64	72.96	74.06	72.96	74.06	72.96	72.96	74.06
22											
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											
33											WP Input-7 Page 2 of 2

PNM Exhibit SAT-3: Gas Price Detail

WP Input-8

Is contained in the following 1 page.

A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit SAT-3											
2	WP Input-8 Gas: Pricing Detail											
3												
4												
5												
6												
7												
8	Apr-15	\$ 2,307.3	\$ 0.02307	\$ 0.85100	\$ 0.11814	\$ 329.954	\$ 230.73	\$ 2.31	\$ 0.05	\$ 0.0274	\$ 0.12	\$ 250.35
9	May-15	\$ 2,564.4	\$ 0.0256	\$ 0.8510	\$ 0.1313	\$ 357.23	\$ 256.44	\$ 2.57	\$ 0.06	\$ 0.0274	\$ 0.13	\$ 278.21
10	Jun-15	\$ 2,576.2	\$ 0.0258	\$ 0.8510	\$ 0.1319	\$ 358.48	\$ 257.62	\$ 2.58	\$ 0.06	\$ 0.0274	\$ 0.13	\$ 279.61
11	Jul-15	\$ 2,750.0	\$ 0.0275	\$ 0.8510	\$ 0.1408	\$ 376.93	\$ 275.00	\$ 2.75	\$ 0.06	\$ 0.0274	\$ 0.14	\$ 297.87
12	Aug-15	\$ 2,718.0	\$ 0.0272	\$ 0.8510	\$ 0.1392	\$ 373.53	\$ 271.80	\$ 2.72	\$ 0.06	\$ 0.0274	\$ 0.14	\$ 294.97
13	Sep-15	\$ 2,707.0	\$ 0.0271	\$ 0.8510	\$ 0.1386	\$ 373.37	\$ 270.70	\$ 2.71	\$ 0.06	\$ 0.0274	\$ 0.14	\$ 293.36
14	Oct-15	\$ 2,716.0	\$ 0.0272	\$ 0.8510	\$ 0.1391	\$ 373.32	\$ 271.60	\$ 2.72	\$ 0.06	\$ 0.0274	\$ 0.14	\$ 294.92
15	Nov-15	\$ 2,829.0	\$ 0.0283	\$ 0.8510	\$ 0.1448	\$ 385.31	\$ 282.90	\$ 2.81	\$ 0.06	\$ 0.0274	\$ 0.14	\$ 304.47
16	Dec-15	\$ 3,017.0	\$ 0.0302	\$ 0.8510	\$ 0.1545	\$ 405.26	\$ 301.70	\$ 3.00	\$ 0.07	\$ 0.0274	\$ 0.15	\$ 324.86
17	Jan-16	\$ 3,127.0	\$ 0.0313	\$ 0.8510	\$ 0.1601	\$ 416.94	\$ 312.70	\$ 3.11	\$ 0.07	\$ 0.0274	\$ 0.15	\$ 336.99
18	Feb-16	\$ 3,146.0	\$ 0.0315	\$ 0.8510	\$ 0.1611	\$ 418.95	\$ 314.60	\$ 3.13	\$ 0.07	\$ 0.0274	\$ 0.16	\$ 338.33
19	Mar-16	\$ 3,081.0	\$ 0.0308	\$ 0.8510	\$ 0.1577	\$ 412.06	\$ 308.10	\$ 3.06	\$ 0.07	\$ 0.0274	\$ 0.16	\$ 331.35
20	Apr-16	\$ 2,917.0	\$ 0.0292	\$ 0.8510	\$ 0.1494	\$ 394.85	\$ 291.70	\$ 2.87	\$ 0.06	\$ 0.0274	\$ 0.15	\$ 310.69
21	May-16	\$ 2,924.0	\$ 0.0292	\$ 0.8510	\$ 0.1497	\$ 395.39	\$ 292.40	\$ 2.87	\$ 0.06	\$ 0.0274	\$ 0.15	\$ 311.02
22	Jun-16	\$ 2,958.0	\$ 0.0296	\$ 0.8510	\$ 0.1514	\$ 399.00	\$ 295.80	\$ 2.91	\$ 0.06	\$ 0.0274	\$ 0.15	\$ 314.67
23	Jul-16	\$ 2,997.0	\$ 0.0300	\$ 0.8510	\$ 0.1534	\$ 403.14	\$ 299.70	\$ 2.96	\$ 0.07	\$ 0.0274	\$ 0.15	\$ 320.62
24	Aug-16	\$ 3,013.0	\$ 0.0301	\$ 0.8510	\$ 0.1543	\$ 404.84	\$ 301.30	\$ 2.99	\$ 0.07	\$ 0.0274	\$ 0.15	\$ 324.11
25	Sep-16	\$ 3,008.0	\$ 0.0301	\$ 0.8510	\$ 0.1540	\$ 404.31	\$ 300.80	\$ 2.98	\$ 0.07	\$ 0.0274	\$ 0.15	\$ 322.50
26												
27												
28												
29												
30												
31	Apr-15	\$ 2.31	\$ 0.06	\$ 0.29	\$ 0.12	\$ 277.32						
32	May-15	\$ 2.56	\$ 0.06	\$ 0.29	\$ 0.13	\$ 304.98						
33	Jun-15	\$ 2.58	\$ 0.06	\$ 0.29	\$ 0.13	\$ 306.25						
34	Jul-15	\$ 2.75	\$ 0.07	\$ 0.29	\$ 0.14	\$ 324.96						
35	Aug-15	\$ 2.72	\$ 0.07	\$ 0.29	\$ 0.14	\$ 321.51						
36	Sep-15	\$ 2.71	\$ 0.07	\$ 0.29	\$ 0.14	\$ 320.33						
37	Oct-15	\$ 2.72	\$ 0.07	\$ 0.29	\$ 0.14	\$ 321.30						
38	Nov-15	\$ 2.83	\$ 0.07	\$ 0.29	\$ 0.14	\$ 333.46						
39	Dec-15	\$ 3.02	\$ 0.08	\$ 0.29	\$ 0.15	\$ 353.69						
40	Jan-16	\$ 3.13	\$ 0.08	\$ 0.29	\$ 0.16	\$ 365.53						
41	Feb-16	\$ 3.15	\$ 0.08	\$ 0.29	\$ 0.16	\$ 367.57						
42	Mar-16	\$ 3.08	\$ 0.08	\$ 0.29	\$ 0.16	\$ 360.58						
43	Apr-16	\$ 2.92	\$ 0.07	\$ 0.29	\$ 0.15	\$ 342.93						
44	May-16	\$ 2.96	\$ 0.07	\$ 0.29	\$ 0.15	\$ 343.68						
45	Jun-16	\$ 2.96	\$ 0.07	\$ 0.29	\$ 0.15	\$ 347.34						
46	Jul-16	\$ 3.00	\$ 0.07	\$ 0.29	\$ 0.15	\$ 351.54						
47	Aug-16	\$ 3.01	\$ 0.08	\$ 0.29	\$ 0.15	\$ 353.26						
48	Sep-16	\$ 3.01	\$ 0.08	\$ 0.29	\$ 0.15	\$ 352.72						
49												
50												

PNM Exhibit SAT-3: Transaction Inputs

WP Input-9

Is contained in the following 2 pages.

A		B		C	D	E	F	G	H	I	J
1	PNM Exhibit SAT-3										
2	WP Input-9 Transactions										
3											
4											
5											
6	Description	Definition	Transaction Type	Maximum Capacity	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	
7	Energy Rate \$/MWh										
8	Sales to Jicarilla	Jicarilla Apache Nation load	Sale		\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	
9	Sales to NEC	Navopache Electric Cooperative	Sale		\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	
10											
11	Non-jurisdictional Transactions Energy Rate \$/MWh										
12	PV 45 Contingent - Citi	25 MW forwards transaction to model market sales due to	Sale	25	\$ 24.00	\$ 24.53	\$ 26.42	\$ 34.93	\$ 32.26	\$ 29.34	
13	PV 50 Firm - Barclays	PV3 125MW forwards transaction (merchant)	Sale	125	\$ 24.00	\$ 24.53	\$ 26.42	\$ 34.93	\$ 32.26	\$ 29.34	
14	PV outage purchase	PV3 50MW purchase in refueling outage months (merchant)	Purch	50	\$ 29.94	\$ 29.94	\$ 31.46	\$ 37.88	\$ 37.43	\$ 33.08	
15											
16											
17											
18	FERC Transaction Characteristics	Definition			Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	
19	Jicarilla	Jicarilla Energy			1,762	1,714	1,742	1,892	1,785	1,684	
20	NEC	NEC Energy			29,036	30,800	32,528	35,067	32,973	30,295	
21											
22	Jicarilla	Jicarilla Demand			3.16	3.07	3.32	3.51	3.36	3.08	
23	NEC	NEC Demand			50.84	55.66	66.93	59.37	61.70	52.57	
24											
25	NMWIND	New Mexico Wind Energy Center	Purch								
26	NMWIND2	Red Mesa Wind Purchase	Purch								
27	SOLARPV	Edison Mission 44MW PV-Owned Solar	Owned								
28	SOLARTR	Tracking Solar Existing and Planned 63MW	Owned								
29	GEOTHERM	Lightning Dock Geothermal HI-01, LLC	Purch								
30	SOLARTR2	Planned Crystalline Tracking Solar	Owned								
31	VINCPPA	Valencia Energy Facility	Purch								
32											
33											
34											
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46											
47											WP Input-9 Page 1 of 2

	A	K	L	M	N	O	P	Q	R	S	T	U	V
1	PNM Exhibit SAT-3												
2	WP Input-9 Transactions												
3													
4													
5													
6	Description	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
7	Energy Rate \$/MWh												
8	Sales to Jicarilla	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21	\$ 9.21
9	Sales to NEC	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31	\$ 9.31
10													
11	Non-Jurisdictional Transactions Energy Rate \$/MWh												
12	PV 45 Contingent - Citi	\$ 27.68	\$ 26.37	\$ 27.72	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	PV 50 Firm - Barclays	\$ 27.68	\$ 26.37	\$ 27.72	\$ 27.60	\$ 27.86	\$ 28.10	\$ 25.92	\$ 26.50	\$ 27.56	\$ 33.05	\$ 33.56	\$ 29.93
14	PV outage purchase	\$ 32.37	\$ 33.02	\$ 34.31	\$ 34.24	\$ 34.47	\$ 34.05	\$ 32.81	\$ 32.20	\$ 33.91	\$ 39.57	\$ 40.01	\$ 35.32
15													
16													
17													
18	FERC Transaction Characteristics	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
19	Jicarilla	1,839	1,989	2,258	2,187	1,925	1,985	1,762	1,714	1,742	1,892	1,785	1,694
20	NEC	34,821	34,735	44,599	45,142	38,606	37,293	34,619	34,226	32,510	35,050	32,956	30,278
21													
22	Jicarilla	3.19	3.60	3.73	3.69	3.64	3.49	3.18	3.09	3.29	3.54	3.33	3.08
23	NEC	54.88	70.17	79.60	85.99	74.73	68.06	54.67	55.95	66.48	59.81	61.59	52.57
24													
25													
26	NM WIND												
27	NM WIND2												
28	SOLAR PV												
29	SOLAR TR												
30	GEOTHERM												
31	SOLAR TR2												
32	VINCPPA												
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46													
47													WP Input-9 Page 2 of 2

PNM Exhibit SAT-3: Reserves

WP Input-10

Is contained in the following 1 page.

	A	B	C	D	E	F
1	PNM Exhibit SAT-3					
2	WP Input-10 Reserves					
3						
4	Modeled on historical data					
5						
6	Operating Reserves					
7						
8			MW	Modeling Period		
9	1/1/2015	12/31/2017	29.27	weekday		
10	1/1/2015	12/31/2017	65.97	weeknight		
11	1/1/2015	12/31/2017	35.35	weekend		
12						
13						
14	Contingency Reserves					
15		Start	Modeling	MW	MW	
16	year	Month	period	spin	nonspin	
17	2015	1	weekday	55	55	
18	2015	1	weeknight	40	40	
19	2015	1	weekend	45	45	
20	2015	6	weekday	60	60	
21	2015	6	weeknight	40	40	
22	2015	6	weekend	50	50	
23	2015	10	weekday	55	55	
24	2015	10	weeknight	40	40	
25	2015	10	weekend	45	45	
26	2016	1	weekday	55	55	
27	2016	1	weeknight	40	40	
28	2016	1	weekend	45	45	
29	2016	6	weekday	60	60	
30	2016	6	weeknight	40	40	
31	2016	6	weekend	50	50	
32						
33						
34	Weekday	Monday thru Saturday		8 am to 11 pm		
35	Weeknight	Monday thru Saturday		12 am to 7 am		
36	Weekend	Sunday		24 hours		
37						

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)
 OF PUBLIC SERVICE COMPANY OF NEW)
 MEXICO FOR REVISION OF ITS RETAIL) **Case No. 15-00261-UT**
 ELECTRIC RATES PURSUANT TO ADVICE)
 NOTICE NO. 513,)
)
)
 PUBLIC SERVICE COMPANY OF NEW MEXICO,)
 Applicant.)

AFFIDAVIT

[illegible]

SUSAN A. TAYLOR, Manager of Utility Margin for Public Service

Company of New Mexico, upon being duly sworn according to law, under oath, deposes and states: I have read the foregoing **Direct Testimony and Exhibits of Susan A. Taylor** and it is true and accurate based on my own personal knowledge and belief.

SIGNED this 21 day of August, 2015.

Susan A. Taylor
SUSAN A. TAYLOR

SUBSCRIBED AND SWORN to before me this 21st day of August, 2015.

Ronda Morehead
NOTARY PUBLIC IN AND FOR
THE STATE OF NEW MEXICO

